



Waukesha County

Office of the County Executive

To: Honorable County Board Members
From: Paul Farrow, County Executive
Date: December 7, 2023

Dear Honorable County Board Supervisors:

This 2024 Adopted Budget is focused on delivering services the public needs and demands, and it is all coming at a time when pressures are mounting beyond our control. As a county we must confront these pressures in order to maintain the high standards of service our community expects while navigating high inflation, levy limits, and Shared Revenue.

In recent years, our County has experienced the impact of rising inflation, which has escalated costs across the board, including the cost of essential services and infrastructure maintenance. The existing levy limits have proven insufficient to adequately fund these needs, compelling us to seek additional avenues to sustain our operations and investments. Residents are outspoken about the fact that they want a high level of public safety, low taxes and services they can count on. My goal is to build a budget keeping those priorities from residents at the forefront, all while tackling these complex economic struggles. Our Public Safety, Justice and Law Enforcement program areas remains our top funding priority. In fact, the Sheriff's Department receives the most tax levy and new Shared Revenue in this budget than any other County department, marking yet again, a years-long trend. This budget includes clear examples of the County's top priorities, plus our plans to improve services and keep taxes low.

Shared Revenue is a vital aspect of our financial framework, and while we appreciate the state's support with an additional \$3.5 million, we find it essential to emphasize that this year's increase in Shared Revenue will not suffice in resolving our long-term financial challenges. Our scarce, limited new levy and Shared Revenue, must be directed towards addressing the impact of inflation, labor market dynamics, and a compensation study. The rising inflation and labor market trends have resulted in difficulty in attracting and retaining skilled employees who are vital to delivering essential public services. That is why we engaged in a comprehensive compensation study, and it is crucial that we confront this major challenge to ensure we offer competitive pay and benefits, attracting new talent and retaining our current workforce.

As responsible stewards of our community's well-being, we are doing our utmost to navigate the challenges posed by these major market forces. It is imperative that we work collaboratively to craft a sustainable fiscal plan that addresses these concerns while prioritizing the welfare of our constituents. These are long-term investments in our community and our future. The Board has great responsibility to represent the constituents. This budget reflects hard work, strategic planning, collaboration and the partnership with you all.

The 2024 County general property tax levy totals \$114.9 million, an increase of 2.28% or \$2,563,183. The increase includes a factor for tax increment district closures, prior-year unused levy capacity, debt service on infrastructure investments and a net new construction growth rate of 1.79% as compared to 1.75% in the prior year. This growth in levy is against an equalized property tax base of \$82.6 billion, which experienced a 12.5% increase.

The Justice and Law Enforcement program areas remain a priority, receiving over half of the new levy and Shared Revenue allocated to operations, an increase of \$2,235,229 (broken out by department below). Another \$1.3 million of ARPA funding is provided to this functional area to help phase-in the impact of the compensation study.

- The Sheriff's Department receives an additional \$1.5 million, helping phase-in tax levy support for a \$3.00/hour pay increase provided during 2022 to all sheriff deputies, detectives, and other sworn officers to help improve recruitment and retention.
- Emergency Preparedness, which includes emergency dispatch operations for the Sheriff's Department and 33 municipalities, includes an increase of \$247,000 to cover its cost to continue.
- Circuit Courts and the District Attorney's Office receive an additional \$359,000 to cover cost to continue and minimal or decreasing revenues in many areas. The budget also includes about \$303,000 of ARPA funding for three sunset positions in the District Attorney's Office for continued support of the sixth criminal court.

- The Medical Examiner’s Office receives an additional \$129,000 to cover the cost to continue and to help address high caseloads, including an increase in part-time pathologist assistance.

SERVICE LEVEL ADJUSTMENTS

The 2024 budget includes changes in service levels in several areas:

- The Department of Health and Human Services (HHS) met a long-term, state-mandated goal of eliminating the wait list for participating in the Children’s Long-Term Support (CLTS) program in March of 2023. This budget continues to provide additional resources to help keep up with growing enrollment needs by increasing case management support by \$836,000. This expansion and the cost to continue services are funded with \$1.2 million of additional state revenues. The budget also includes an additional \$1.0 million in pass-through state revenues for payments to the state’s third-party administrator to cover additional services provided to CLTS clients, due to higher enrollment.
- The County continues with its second year of making use of lawsuit settlement funds to fight the opioid and fentanyl crisis. Opioid settlement funds are budgeted to increase by \$243,000 to \$973,000, and includes \$360,000 for inpatient and outpatient treatment; \$227,000 to expand existing correctional treatment programs to reduce relapses and recidivism; \$192,000 to fund the pre-trial diversion program that targets low- to moderate-risk defendants, primarily with opioid use disorders; \$92,000 for a marketing campaign to educate the public on opioid addiction and treatment; \$50,000 for out-of-home care for children whose families have been affected by opioid addiction; \$31,000 for software to track the location of overdose response kits; and \$21,000 in Drug Court training for our judicial and law enforcement partners. The County has been awarded \$24.4 million in settlement payments, which began in 2022 and are expected to continue through 2038.
- The County is planning to open a new Regional Crisis Stabilization Facility (RCSF) for 2024 to help transition mental health clients from crisis inpatient services to a more appropriate level of subacute care and help ensure safe discharge into the community. The budget totals \$1.2 million for the first year of service, and initial operations are funded with \$812,400 from the Wisconsin Department of Health Services RCSF grant and \$398,600 from charges for service.
- The Corporation Counsel budget includes an additional 1.00 FTE child support specialist to help offset higher caseloads and a 1.00 FTE paralegal to provide specialized work that frees up attorney resources. These new positions are mostly covered with an increase in state general purpose revenue of \$154,600.
- The Department of Public Works budget defunds 1.00 FTE patrol worker for State Highway Maintenance due to the state revenues not keeping pace with the cost to continue operations.
- Utility expenses for general county buildings that are accounted for in the Department of Public Works consist of electricity, natural gas, and water/sewer service, and are budgeted to increase nearly \$310,000 largely due to rate increases.

INVESTING IN INFRASTRUCTURE

The 2024 capital budget, with total expenditures of \$52.9 million, increases by \$7.3 million from the 2023 budget, and includes \$35.4 million for the 2024 construction phase for the Courthouse Project Step II: Renovate 1959 Courthouse. The project will improve security, address aging and out-of-date facility systems, and ensure that facilities can support the next fifty years of growth in the County. The 2024 budget also includes \$7.5 million toward repaving and rehabilitation on County Trunk Highways, including construction of CTH T (Grandview Boulevard), from Northview Road to I-94 in the City of Waukesha, and the design/land acquisition phases for segments of CTH O (Moorland Road) in the City of New Berlin, as part of multi-year effort to rehabilitate and improve one of the County’s busiest highways. Nearly \$1.4 million is budgeted as part of another multi-year effort to provide key infrastructure improvements at the County’s golf courses and ice arena facilities.

ACKNOWLEDGEMENTS

I would like to thank the Waukesha County staff that helped prepare the 2024 Waukesha County Budget and the County Board Supervisors who worked hard to deliver a budget that will continue our commitment to the taxpayers of Waukesha County to remain a low-tax leader.

Sincerely,



PAUL FARROW
County Executive