

BUDGET OVERVIEW

A. Spending and Revenue Totals

The 2010 County budget increases the County's net property tax rate from \$2.37 in 2009 to \$2.355 for 2010. The levy increase of \$9.6 million exceeds the County Executive's self-imposed levy limit. Since taking office the Executive has limited annual levy increases to no more than the combined percentage increases of the Consumer Price Index and the population increase for Dane County. For the 2010 Budget, this percentage increase equaled 1.19%. This increase does comply with the two-year tax levy limit imposed by the State of Wisconsin which limits tax levy increases to the percentage change in equalized valuation attributable to net new construction, with legal exceptions for recent debt service.

	2009	2010	Amount of Change	% Of Change
Adopted Tax Levy	\$119,150,454	\$128,720,640	\$9,570,186	8.03%
Equalized Valuation	\$50,256,371,350	\$50,383,375,250	\$127,003,900	0.25%
Property Tax Rate	\$2.37	\$2.55	\$0.18	7.59%

The budget authorizes total expenditures of \$460.4 million for operations in 2010, which are financed by \$297.8 million of outside revenues, \$40.1 million of county sales taxes, \$128.7 million of county property tax levy funds, and a fund balance decrease of \$6,206,639. The separate Capital Budget includes \$29.0 million for capital spending in 2010, which is financed by \$28.7 million of borrowing proceeds and outside revenues and \$370,000 of fund balance.

2010 Adopted Budget Summary

	Operating	Capital	Combined
Expenditures	\$460,434,195	\$29,030,156	\$489,464,351
Outside Revenue	\$297,776,351	\$28,660,156	\$326,436,507
County Sales Tax	\$40,143,843	\$0	\$40,143,843
County Property Tax	\$128,720,640	\$0	\$128,720,640
Fund Balance	(\$6,206,639)	\$370,000	(\$5,836,639)
Total Revenue	\$460,434,195	\$29,030,156	\$489,464,351

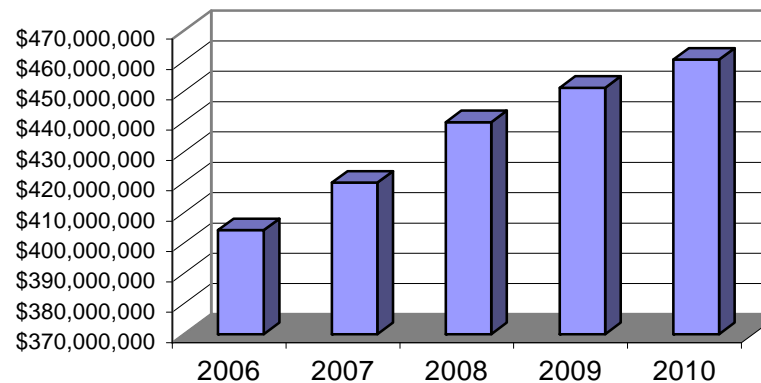
BUDGET OVERVIEW (continued)

The combined capital and operating budget for 2010 of \$489.5 million is financed by \$326.4 million in outside revenues, \$40.1 million in county sales taxes, \$128.7 million in county property tax levy funds, and a fund balance decrease of \$5,836,639.

The adopted operating expenditures for 2010 are a 2.06% increase over 2009. Over the past five years operating expenditures have increased an average of 3.04% per year. These increases include state and federal aid that pass through the County that are designated for clients of particular programs, such as Medical Assistance. These increases can be seen in the chart below.

Dane County Adopted Operating Expenditures 2006 to 2010

Year	Adopted Operating Expenditures	Percentage Change From Prior Year
2006	\$404,247,576	1.96%
2007	\$419,884,324	3.87%
2008	\$439,842,191	4.75%
2009	\$451,138,088	2.57%
2010	\$460,434,195	2.06%
Five Year Average Increase		3.04%

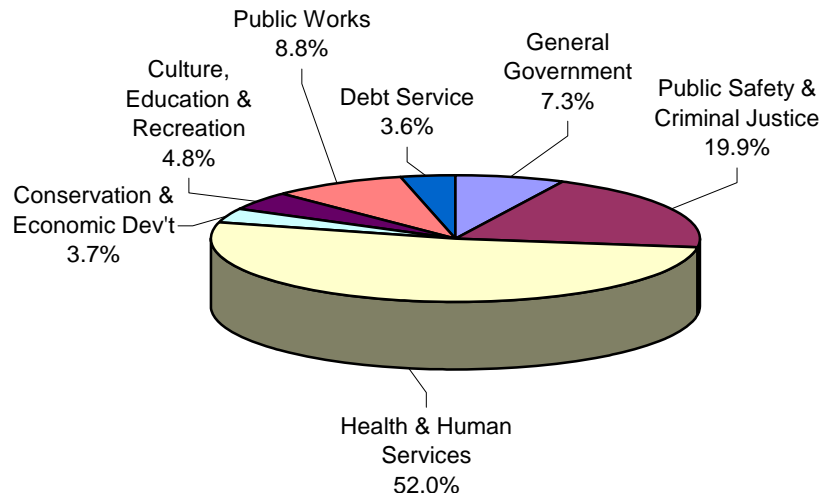


BUDGET OVERVIEW (continued)

Like most local governments, Dane County's budget is established within funds. The Human Services and General Funds account for more than 77% of the total adopted operating expenditures for 2010. The next largest fund is the Airport fund, accounting for 4.5% of the total operating budget.

Dane County also arranges its departments within broad program activity categories, such as "general government," "public safety and criminal justice," "health and human services," and so on. As can be seen by the following chart, Health and Human Services expenditures account for 52% of the Adopted 2010 Operating Budget expenditures. The next largest percentage is Public Safety & Criminal Justice accounting for almost 20% of the operating budget.

2010 Adopted Operating Expenditures by Activity



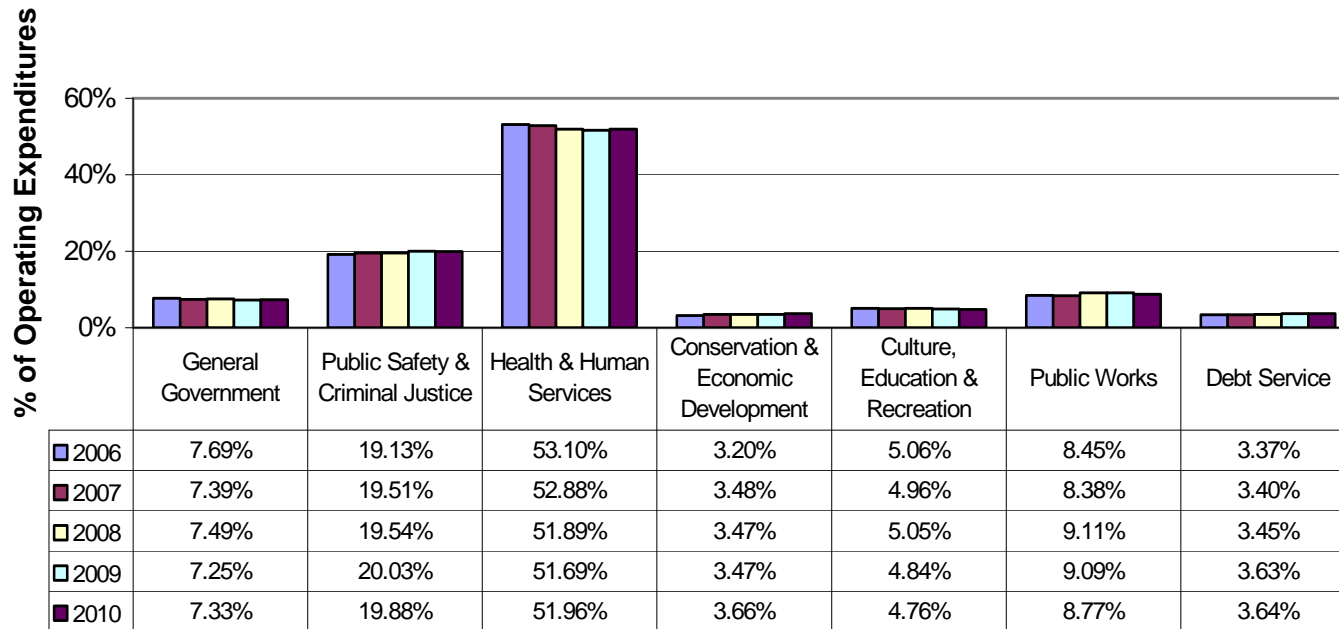
2010 Dane County Adopted Operating Budget by Fund

Fund Name	Budget	% of Total
General	\$138,994,426	30.19%
Bridge Aid	\$96,200	0.02%
Board of Health	\$4,761,727	1.03%
Public Health	\$129,519	0.03%
Library	\$4,565,173	0.99%
Human Services	\$216,525,172	47.03%
CDBG Business Loan	\$175,000	0.04%
Commerce Revolving	\$1,264,700	0.28%
CDBG Housing Loan	\$914,800	0.20%
HOME Loan	\$602,930	0.13%
HELP Loan Fund	\$30,000	0.01%
Land Information	\$931,003	0.20%
Capital Projects	\$262,500	0.06%
Debt Service	\$16,775,400	3.64%
Airport	\$20,824,163	4.52%
Highway	\$18,452,279	4.01%
Badger Prairie	\$17,292,221	3.76%
Solid Waste	\$7,848,852	1.71%
Methane Gas	\$737,100	0.16%
Printing & Services	\$1,158,782	0.25%
Liability Insurance	\$2,056,800	0.45%
Workers Compensation	\$2,185,800	0.48%
Employee Benefits	\$24,800	0.01%
Consolidated Food Service	\$3,824,848	0.83%
Total - All Funds	\$460,434,195	100.00%

BUDGET OVERVIEW (continued)

As the following chart shows, the distribution of total operating expenditures by activity has remained relatively consistent over the past five years.

Adopted Operating Expenditures by Activity 2006 - 2010

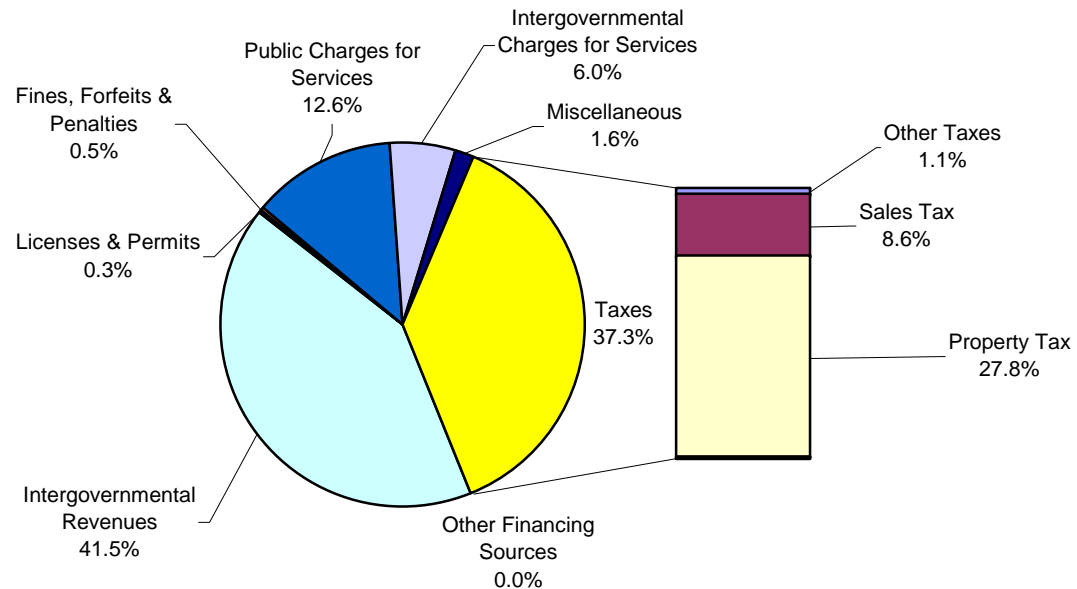


BUDGET OVERVIEW (continued)

Revenues are classified into source categories such as Taxes, Intergovernmental Revenue, Licenses & Permits, and so on. Intergovernmental revenues (federal and state aids, primarily) account for 41.5% of revenues, exceeding the combination of county property taxes (27.8%) and sales tax revenues (8.6%).

The Taxes category primarily consists of the County property tax levy and 0.5% sales tax on the sale, lease or rental of personal property that is subject to the State of Wisconsin sales tax. Licenses and permits revenue is generated by the sale of building permits, dog and marriage licenses, and public health related permit and inspection fees. Intergovernmental charges for services are revenues received by the County for services provided to other governmental bodies or for services provided by one County department to another. Public charges for services are revenues received by the County for services provided to non-governmental entities. Fines, forfeitures and penalties represent revenue received from county ordinance violations, jail penalty assessments, and the County's share of State fines and forfeitures, and County parking ramp fines. Miscellaneous revenue consists primarily of interest income, vending and commissary income and the sale of recyclable materials. Finally, other financing sources represent contributions toward debt service payments by outside parties and debt service related operating transfers.

2010 Adopted Operating Revenues by Source Category

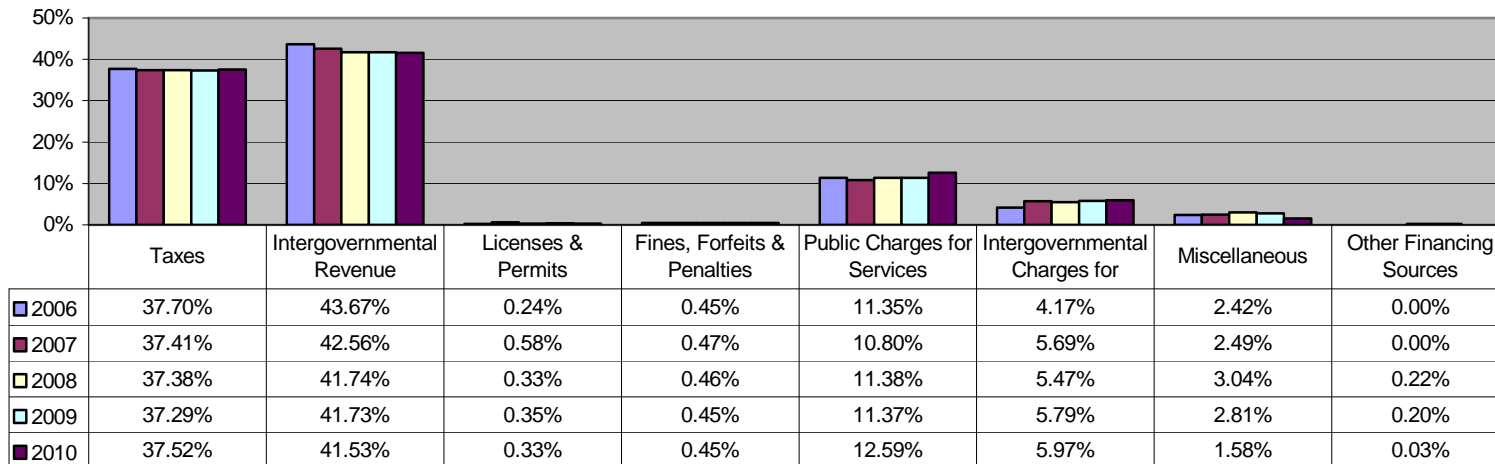


BUDGET OVERVIEW (continued)

As the following chart shows, the County's revenue mix by source category has remained relatively stable over the past five years. Most of the swings in 2008 are the result of revenue accounts being reclassified from one category to another.

Dane County Operating Revenues by Source Category 2006 - 2010

	2006	2007	2008	2009	2010
Property Taxes	\$ 105,045,958	\$ 110,172,695	\$ 113,877,907	\$ 119,150,454	\$ 129,820,385
Sales Tax	\$ 42,867,110	\$ 42,992,110	\$ 44,658,854	\$ 45,105,443	\$ 40,143,843
Other Taxes	\$ 3,340,000	\$ 3,900,000	\$ 5,809,000	\$ 5,007,000	\$ 5,124,255
Intergovernmental Revenue	\$ 175,200,394	\$ 178,671,475	\$ 183,513,594	\$ 189,417,168	\$ 193,790,699
Licenses & Permits	\$ 966,640	\$ 2,438,460	\$ 1,456,365	\$ 1,586,965	\$ 1,552,768
Fines, Forfeits & Penalties	\$ 1,797,100	\$ 1,958,100	\$ 2,033,800	\$ 2,058,400	\$ 2,117,400
Public Charges for Services	\$ 45,511,090	\$ 45,359,817	\$ 50,022,279	\$ 51,623,255	\$ 58,761,492
Intergovernmental Charges for Services	\$ 16,710,400	\$ 23,885,146	\$ 24,029,531	\$ 26,287,861	\$ 27,836,222
Miscellaneous	\$ 9,715,850	\$ 10,472,650	\$ 13,346,524	\$ 12,772,158	\$ 7,376,670
Other Financing Sources	\$ -	\$ -	\$ 948,800	\$ 923,800	\$ 117,100
	\$ 401,154,542	\$ 419,850,453	\$ 439,696,654	\$ 453,932,504	\$ 466,640,834



BUDGET OVERVIEW (continued)

B. State Imposed Tax Levy Rate Limitation

Through Wisconsin Act 16 of 1993 (the State Budget Bill), the State of Wisconsin has imposed property tax levy rate limits for its counties. Act 16 established separate limits for the operating levy rate (exclusive of special purpose levies for libraries, public health and bridge aid) and the debt service levy rate. The baseline for the limits is the actual rate applied in 1992 for the Adopted 1993 Budget. The operating and debt service levy rates cannot exceed the baseline rates unless the county qualifies for one of the exceptions allowed under Section 66.77 of the Wisconsin State Statutes. These exceptions include the transfer of responsibility for services or referendum approval.

The 2010 Dane County operating and capital budgets comply with requirements of Act 16 by setting the operating levy rate for the combined budgets at \$2.37, compared to the baseline rate of \$3.88 for the Adopted 1993 Budget.

C. Program Highlights

The budget focuses on key community goals and challenges associated with the county's continued high rate of growth. The key goals of the budget are to preserve vital human services and public safety programs while controlling property taxes. In addition, it improves the quality of life by protecting some of the County's most cherished natural resources.

Human Services

Human Services is more than half the county's budget. Key changes for 2010 include:

- * \$1.0 million to provide a 1% Cost of Living Adjustment for the Human Services Purchase of Service providers.
- * \$574,200 to fund a Living Wage increase of \$0.41 per hour to \$10.61 per hour.
- * \$500,000 in federal dollars to operate a new mental health crisis stabilization center.
- * \$50,000 to fund new housing options to serve patients who suffer from mental illnesses and developmental disabilities.

BUDGET OVERVIEW (continued)

* \$261,600 to fund 4.0 FTE Economic Support Specialist positions to facilitate the creation of an Emergency Assistance Unit.

Public Safety

The Office of the Sheriff is the second largest share of the entire county budget. Other important components of the county's public protection and safety services are Emergency Management, Public Safety Communications, and Juvenile Court. Key changes for 2010 include:

* \$355,000 to the increased costs of providing medical services and purchasing food for the jail system.

* \$11.6 million for ongoing work to construct a brand-new interoperable emergency radio communications network that will, for the first time, seamlessly link public safety and public works official across the county.

* \$3.1 million to make sure the Sheriff's Office has the vehicles and equipment to enforce the law safely and effectively.

* \$2.2 million to finish work on implementing a new Computer Aided Dispatch system.

Environmental Protection

The 2010 Budget includes the following initiatives in the area of conservation, protection, and restoration of our natural resources:

* In the Capital Budget, \$1.0 million in the Conservation Fund for the purchase of land and development rights for within the Dane County Parks & Opens Spaces Plan.

* \$2.55 million in the Capital Budget for the Land & Water Legacy Fund. Of this, \$500,000 is to purchase and restore drained wetlands in the upper sections of the Yahara Lakes Watershed. There is also \$780,700 to continue rehabilitation of the Babcock Lake and Dam, \$150,000 for residential flood damage assistance, and \$450,000 for Chapter 14 enforcement

BUDGET OVERVIEW (continued)

of manure run-off regulations. Funding is also continued for stormwater controls, streambank easements and protection, and the water partnership grant program.

In addition to these initiatives, the budget reallocates positions in response to workload needs and authorizes automation and operating capital to help make government more efficient in handling its responsibilities.

D. Staff Changes

The Adopted 2010 Budget includes a total of 2,251.850 FTE positions, including the 14.4 FTE in the Board of Health for Madison and Dane County that are currently City of Madison employees. This represents an increase of 3.1 FTE from the Actual 2009 position total. The Changes in Budgeted Positions schedule, at the end of this section of the document, includes a complete breakdown of all the position changes included in the 2010 Adopted Budget. The following table summarizes by the changes by Public Safety & Criminal Justice, Health and Human Services, and Other County Government programs.

<u>Function</u>	Change in All County Full-Time <u>Equivalents</u>	Change in GPR Supported Full-Time <u>Equivalents</u>
Public Safety/Criminal Justice	0.5000	0.5000
Health and Human Services	0.3000	-2.7000
Other County Government	<u>2.3000</u>	<u>-2.7000</u>
Total Change in County Positions	3.1000	-4.9000

As the following chart shows, the Public Safety & Criminal Justice related programs are the single largest percentage of County staff, making up over 39% of the total FTE. The Health and Human needs programs make up the next largest share with almost 32%.

BUDGET OVERVIEW (continued)

Dane County Staffing by Activity

