

**2014
BUDGET ADOPTION PROCEDURE**

OCTOBER 22, 2013 MEETING

1. Chairperson of Finance Committee moves to open the public hearing on the 2014 Recommended Budget. Second, vote.
2. Floor is opened for public comment. This is the public hearing required by law.
3. Chairperson of Finance Committee moves to end the public hearing. Second, vote.

NOVEMBER 12, 2013 MEETING

4. Chairperson of the Finance Committee moves to adopt the department totals and levies in the 2014 Recommended Budget. Second. Budget amendments will be presented and voted on.
5. The Chairperson of Finance or some other member of the Board moves to divide the question of the general levy budget and the limited levy budget; second is required; affirmative vote is required.

(Note: The Board Chairperson should rule which will be considered first. I would suggest the general levy budget. If any problems should arise over the limited levy budget, they will not stop adoption of the general levy budget.

6. Chairperson of the Finance Committee will then present the countywide levy and fees resolution and move for its adoption. After debate of the general levy budget and any proposed amendments, the County Board Chairperson should call for a roll call vote. A simple majority is required for adoption of amendments and the general budget.
7. Chairperson of the Finance Committee will present the non-countywide levies for health and library services resolution and move for its adoption. After debate of the limited levy budgets and any proposed amendments, the County Board Chairperson should call for a roll call vote. A simple majority is required for adoption of amendments and the limited budget.

JEFFERSON COUNTY

2015 PROJECTIONS

Jefferson County

- × The 2014 budget process was not only to develop the 2014 budget, but also make decision for the future and look at issues that the County may be impacted in 2015 and beyond.
- × This presentation is a look at certain items that will have an impact on 2015 with estimated amounts.

Jefferson County

× REVENUES

+Sales Tax- The assumption looking at the past couple years was to use 1.5% increase.

+General Shared Revenues-Remaining the same.

+Utility Shared Revenues-Has been dropping in the past so it was reduced by \$5,000.

+Interest Income-Used the same for this projection.

+Interest on Taxes-More payment are being made on time so a reduction of \$50,000 was used for this projection.

+Other Revenues- This includes grants and other fees-Used an estimate of .5% increase.

Jefferson County

▸ REVENUES

Account Description	2014	2015	Change	Percentage
	Proposed Budget	Projected Budget		
Sales Tax	5,265,367	5,344,348	78,981	1.50%
General Shared Revenues	1,177,263	1,177,263	-	0.00%
Utility Shared Revenues	895,036	890,036	(5,000)	-0.56%
Investment Income	225,000	225,000	-	0.00%
Interest on Taxes	700,000	650,000	(50,000)	-7.14%
Other Revenues	27,731,136	27,869,792	138,656	0.50%
Total Revenues	35,993,802	36,156,438	162,636	0.45%

JEFFERSON COUNTY

× EXPENSES

- +Wages–With the Step Increase system in place there is an estimated \$400,000 in step increase for 2015.
- +Social Security–Increased by 7.65% of the \$400,000, which is \$30,600
- +WRS Employer and Employee Share–1.5% increase was used for an estimate.
- +Health Insurance–An estimate of 7% increase was used for this projection.
- +Dental Insurance–An estimate of 1% increase was used for this projection.
- +Capital Expenditures–For 2015, \$0 was used for the projection. In 2014 a majority of Capital Expenditures were paid with remaining funds from 2012.
- +Debt Service–The payment of \$1,200,000 was entered as an estimate but will be reduced when looking at the tax levy limit.
- +Other Expenditures–An estimated 1.5% increase in all other expenses were used for this projection.

Jefferson County

▸ EXPENSES

Account Description	2014	2015	Change	Percentage
	Proposed Budget	Projected Budget		
Wages	25,821,408	26,221,408	400,000	1.55%
Social Security	1,946,910	1,977,510	30,600	1.57%
WRS Employer	2,008,104	2,038,226	30,122	1.50%
WRS Employee	393,023	398,918	5,895	1.50%
Health Insurance	6,840,460	7,319,292	478,832	7.00%
Dental Insurance	455,164	459,716	4,552	1.00%
Capital Expenditures	2,440,845	-	(2,440,845)	-100.00%
Capital Expenditures -Highway	16,750,000	-	(16,750,000)	-100.00%
Debt Service	-	1,200,000	1,200,000	0.00%
Other Expenditures	26,712,768	27,113,460	400,692	1.50%
Total Expenditures	83,368,682	66,728,529	(16,640,153)	-19.96%

Jefferson County

× OTHER FINANCING SOURCES

+Bond Proceeds-\$0

+Restricted Funds-For this projection it was kept the same. These funds are things such as Jail Assessment fees that are used to offset some expenditures.

+Carryover Funds Applied-In 2014, \$1,261,119 of 2012 carryover funds were used. The projection is \$0 for 2015 with not knowing how 2013 will be at year-end and any remaining funds would most likely be used to fund capital expenditures.

Jefferson County

▸ OTHER FINANCING SOURCES

Account Description	2014 Proposed Budget	2015 Projected Budget	Change	Percentage
Bond Proceeds	16,750,000		(16,750,000)	-100.00%
Restricted Funds Applied	2,359,394	2,359,394	-	0.00%
Carryover Funds Applied	1,261,119		(1,261,119)	-100.00%
Total Other Finance Sources	20,370,513	2,359,394	(18,011,119)	-88.42%

Jefferson County

▶ TAX LEVY

- The Debt Service payment was taken out for because it is not included in the levy limit
- New Construction estimate of \$120,000 was used as an estimate based on the past couple years.
- With the estimates the 2015 budget would have approx. \$111,000 to use on capital if levy was taken up to the levy limit.

Jefferson County

× TAX LEVY

	2014	2015
	Proposed	Projected
Description	Budget	Budget
Revenues	35,993,802	36,156,438
Expenses	(83,368,682)	(66,728,529)
Other Finance Sources	20,370,513	2,359,394
	(27,004,367)	(28,212,697)
Less Debt Services (not included on levy limit)	-	1,200,000
New Constuction Estimate		120,000
Total Needed	(27,004,367)	(26,892,697)
Tax Levy	27,004,367	27,004,367
Surplus (Deficit)	-	111,670

JEFFERSON COUNTY

▶ CAPITAL

- Some of the Capital need in 2015 include items such as:
 - Air Conditioner Units Courthouse- \$80,000
 - Radio Interface system (Sheriff)- \$300,000
 - Vehicles (Sheriff)- \$300,000
 - Human Service IT Projects - \$100,000

JEFFERSON COUNTY

× QUESTIONS?

Jefferson County, Wisconsin
Highway Funding and Estimated Expenditures as of 10/22/13

Potential Highway Funding Available

BU 53284 (Highway)	Carryover	481,806	
	Budget-Fund Bal	1,543,127	Transfer Approved - 9-10-13
	Bank Escrow - Asbestos Abatement	37,500	50/50 up to \$75,000
	Total Available 1/1/13	<u>2,062,433</u>	* potential grant opportunities

2013 Actual Expenditures

Barrientos	(116,587)
Delahey Industries	(18,290)
Countryside Purchase	(147,351)
Other Exp	(8,614)
Total Expenditures	<u>(290,842)</u>

2013 Obligated Expenditures

Arch Design- New Main Shop (Design Development)	(82,732)	* remainder of \$199,319 Design development Contract
Engineer/Bid - Countryside Demolition	(61,800)	
Owner's Rep Hwy Facility - (Design Development)	(13,000)	
Total Obligated	<u>(157,532)</u>	

Items Needing Funding

Arch Design- New Main Shop (Remainder)	(414,680)	(per RFP) - review costs
Owner's Rep Hwy Facility (Remainder)	(122,000)	
Countryside Demolition	(1,198,000)	Low bid
Total Items Needing Funding	<u>(1,734,680)</u>	

Total Expense	<u>(2,183,054)</u>
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Total Funding Available	<u>(120,621)</u>	*grant may fill gap
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Other Project Costs:

Highway Facility Construction	15,000,000	Barrientos Estimate; The Sigma Group reviewing
Automated Car Wash	158,000 to 250,000	Approved 9-10-13
Geothermal Heating and Cooling -22,897 Sq ft.	200,000 to 503,734	Approved 9-10-13; alt bid
Arch Design-Satellite Shop	114,400	Estimate-Never Awarded *determine next step
Satellite Shops	1,500,000	Per budget
FFE (owner provided)	375,000	Deferred equipment fund purchase; WDOT, HWY Equipment
Information Technology (owner provided)	200,000	
Demolition/Remediation old site		(revenue offset from sale of property; short term notes) Need to look at initial cost estimates

DESCRIPTION OF OPTIONS

All Options Finance \$16.5 M in Improvements over 20 Years	Differences between Options	Debt Issued in 2013	Debt Issued in 2014	Debt Issued in 2015	Total Debt Issued 2013 through 2015
Option 1-A	Requires use of \$175,000 fund balance to pay extra costs of 3 issues	\$3,505,000 Bonds	\$9,995,000 Bonds	Not-to-exceed \$3,250,000 Bonds	\$16,750,000
Option 1-B	No use of fund balance; also funds \$950,000 in likely demo/rehab costs	\$3,505,000 Bonds	\$9,995,000 Bonds	Not-to-exceed \$4,390,000 Bonds	\$17,890,000

ESTIMATED 20-YEAR PRINCIPAL & INTEREST COST OF OPTIONS

Interest Rate Increase Scenario	0.50% increase each year	No increases after 2013	1.00% increase each year
Option 1-A	\$24,392,148	\$23,427,223	\$25,470,151
Option 1-B	\$26,054,836	\$24,867,059	\$27,277,915

ESTIMATED TAX IMPACT (\$/\$1,000 OF EQUALIZED VALUE) OF OPTIONS in 2015

Interest Rate Increase Scenario	0.50% increase each year	No increases after 2013	1.00% increase each year
Option 1-A	\$0.206	\$0.199	\$0.217
Option 1-B	\$0.221	\$0.211	\$0.232

ESTIMATED TAX IMPACT OF OPTIONS ON \$150,000 PROPERTY in 2015

Interest Rate Increase Scenario	0.50% increase each year	No increases after 2013	1.00% increase each year
Option 1-A	\$30.90	\$29.85	\$32.55
Option 1-B	\$33.15	\$31.65	\$34.80