



September 2001

Brown County

From 1995 to 1999, Brown County's revenues increased from \$135.9 million to \$163.7 million, or by 20.5 percent, while its expenditures increased from \$124.6 million to \$158.3 million, or by 27.1 percent. This increase in expenditures exceeded the 24.2 percent median increase for all counties during this period and was the fourth-largest expenditure increase among counties with populations over 100,000. Nevertheless, Brown County's 1999 per capita expenditures of \$717 were lower than those of eight other counties with populations over 100,000.

In 2000, county officials projected a \$3.9 million budget deficit for 2001, and larger deficits in the future. Brown County has subsequently revised its budget estimates and now projects smaller deficits. Nevertheless, Brown County is likely to face financial challenges in the future, and it seems likely that it will need to reduce expenditures, increase revenues, or achieve a combination of both in order to balance future budgets.

Brown County's Surpluses, Debt Level, and Bond Rating Have Been Satisfactory

We conclude that Brown County's financial condition has been satisfactory, based on our review of four measures that are often used in evaluating the financial condition of government entities. The county has had an operating surplus in its general fund in four of the last six years; its undesignated general fund balance has increased in five of the past six years; its outstanding debt is only 0.6 percent of the equalized value of all real estate in the county, which is well below the statutory limit of 5.0 percent; and it has a bond rating of "Aa1" from Moody's Investors Services, which is the second-highest rating attainable.

Corrections Expenditures Have Increased Substantially

Brown County's corrections expenditures increased by 88.1 percent from 1995 to 1999, from \$4.7 million to \$8.9 million. This is the second-largest increase among counties with populations over 100,000. In addition, Brown County's corrections expenditures are projected to increase 27.1 percent, from \$9.6 million in 2000 to an estimated \$12.2 million in 2001.

The largest single increase in corrections expenditures from 2000 to 2001 is associated with staffing, for which costs are expected to increase by \$3.9 million. Corrections staffing levels increased by the equivalent of 101.6 full-time positions from 2000 to 2001. Most of the new positions were created to staff a new jail, which opened in June 2001. We estimate that Brown County's daily costs to house inmates in the new jail and its old facility, which is used for work-release inmates, will be approximately \$71 per inmate in 2001. That is an increase of 39.2 percent, or approximately \$20 per day, over the county's costs to house inmates in the old jail and to pay for out-of-county placements in 2000.

Brown County Provides a Number of Services Most Counties Do Not Provide

Brown County provides a level of support for several cultural, recreational, and educational services that many other counties do not provide. For example, we found that Brown County was 1 of 4 counties that report providing financial support for a zoo; 1 of 29 counties that provide financial support to local museums; 1 of 8 counties that operate a consolidated library system; and 1 of 2 counties to operate schools for children with disabilities, which are also known

as Children with Disabilities Education Boards. The primary funding source for many of these services is property tax revenue.

Additional Measures Will Likely Be Needed to Address Projected Deficits

If Brown County's projections of budget deficits in future years materialize, the county will need to pursue options to better control its costs. Staff salary and fringe benefits are the largest single category of county expenditures, and significant increases in staffing will affect the county's operating costs. In total, Brown County's staffing increased by 215.4 positions from 1995 to 2001 and currently totals 1,645 full-time equivalent positions. This was the second-highest percentage increase, and the largest total position increase, among counties with populations over 100,000.

If expenditures are not reduced, additional revenue may be needed. Potential sources of additional revenue that may be available to Brown County in the future include negotiated agreements under which the Oneida Nation would reimburse the county for services; increases in service fees for county services; increases in the property tax levy, which would raise it above its current limit; and implementation of a sales and use tax.

[full report, PDF file \(396KB\)](#)