

LINCOLN COUNTY, WISCONSIN

REVENUES, PROPERTY TAXES, PROPERTY VALUES, AND EXPENDITURES REPORT 2006



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I. Introduction

This report provides data on Lincoln County's revenues, property taxes, property values, and expenditures over approximately the last 15 years. It was compiled at the request of the Lincoln County Administrative Coordinator. The data shown in the graphs and charts is taken from municipal and county annual financial reports, statements of taxes, and Wisconsin Department of Revenue equalized value records. Lincoln County data is compared with counties that have the most similar populations, population densities, and personal income levels. These counties are Clark, Juneau, Trempealeau, and Vernon. A software program developed by the University of Wisconsin – Extension's Local Government Center called GREAT (Graphing Revenues, Expenditures, and Taxes) was used to create graphs and charts comparing Lincoln with these other counties. All graphs and charts created using the GREAT database are adjusted for inflation using 2006 dollars.

It is important to understand what is included in the data. First, the GREAT database includes 23 revenue categories and 26 expenditure categories for every county and municipality in Wisconsin for 1987-2004.¹ Significant characteristics of this data are:

- Revenues and expenditures are from the general fund, special revenue fund, and debt service fund.
- Revenues and expenditures include both operating and capital budgets for these funds.
- Revenues and expenditures are organized by the chart of governmental accounts and therefore provide a summary figure for several revenue sources and services.
- Revenues and expenditures may reflect different service delivery systems. Where there are joint departments among counties or municipalities, one often serves as the fiscal agent to collect revenues and make payments for whatever service is offered. The county or municipality serving as the fiscal agent may show total revenues and expenditures for this activity, which would lead to a seemingly high level of expenditure for the given activity.

These data characteristics limit the extent to which conclusions may be drawn. The use of several funds, but not all funds, will cover differences among counties and municipalities in how they finance services. For example, a county nursing home that is financed through fees and Medicare reimbursement will not show those expenditures in this data beyond a summary account in the proprietary revenues and expenditures. On the other hand, a county that subsidizes its nursing home through the property tax will show this expenditure in the data under health and human services. Both counties

¹ All definitions of categories and classes and information about the GREAT Database come from the "Graphing Revenues, Expenditures, and Taxes Program Manual," (May 2006; copyright 2000-2002 Board of Regents of the University of Wisconsin System). Portions of definitions and the information about the GREAT Database are quoted verbatim from the manual with the permission of the UW-Extension Local Government Center.

have a nursing home and both finance it differently, but further questioning would need to uncover this.

By including both capital and operating budgets in the data, any given municipality or county will show large increases for years that capital items are purchased. This may make revenue and expenditure trends seem erratic at best. The summary categories of revenues and expenditures often seem to compare apples and oranges. For example, one county may coordinate a recycling program, run a landfill and collect and dispose of hazardous waste. By contrast, another county may only coordinate the recycling program. Reviewing their expenditures alone for solid waste collection would show that the first county has extremely high costs compared to the second county and perhaps would seem spend thrifty. However, the first county offers far more services and should be compared to similarly-sized counties that provide the same services.

While these data limitations may make the data seem less useful than desired in some cases, it does provide general trend information and spur a county or municipality to ask the following questions:

- (1) What is included in this revenue or expenditure category for these other comparable governments? Are they delivering the same package of services and using the same revenue sources?
- (2) How is this service financed in comparable counties?
- (3) How is the service delivered in comparable counties?
- (4) What caused the large shift in trends among the comparable counties (i.e., law changes, capital expenditures, increased demand)?

Revenue and expenditure data are provided for selected categories where, in most cases, the majority of spending took place as expressed in percentages of annual budgets. The author has attempted to provide additional details under some of the graphs, charts, and tables. He has also, with further research, tried to explain valuation, revenue and expenditures trends or anomalies in a few instances. The numerous graphs, charts and tables in this report should help the reader more easily see where the county is with regard to revenues, property taxes, property values and expenditures relative to the comparable counties. Hopefully, this will also help the reader begin to more systematically ask the questions listed above.

Property tax data shows the amount levied in specific years. For example, the 1999 report shows the taxes levied in 1999 that will be collected in 2000. Usually collections will be less than the amount levied in any given year. This data is the same for each municipality and county and is therefore easily compared.

The same is true for the equalized value data, which is the Department of Revenue's estimate of full market value. Graphs showing property value fluctuations are particularly useful because they indicate changes in the community's property base over time. They may also indicate changes in a community's economic sectors. For instance, a community's manufacturing base may be in decline if there is a steady decrease in the value of manufacturing related buildings, land and other related

properties. By contrast, the value and construction of commercial property may be rising over the same period, indicating a shift in the economic base. Still, any change in tax base needs further investigation as there may be more manufacturing property but it hasn't increased in value anywhere near what the commercial property has done. It is important to look at both changes in market value and new construction or demolition. This more detailed information is available on the state's Department of Revenue website.

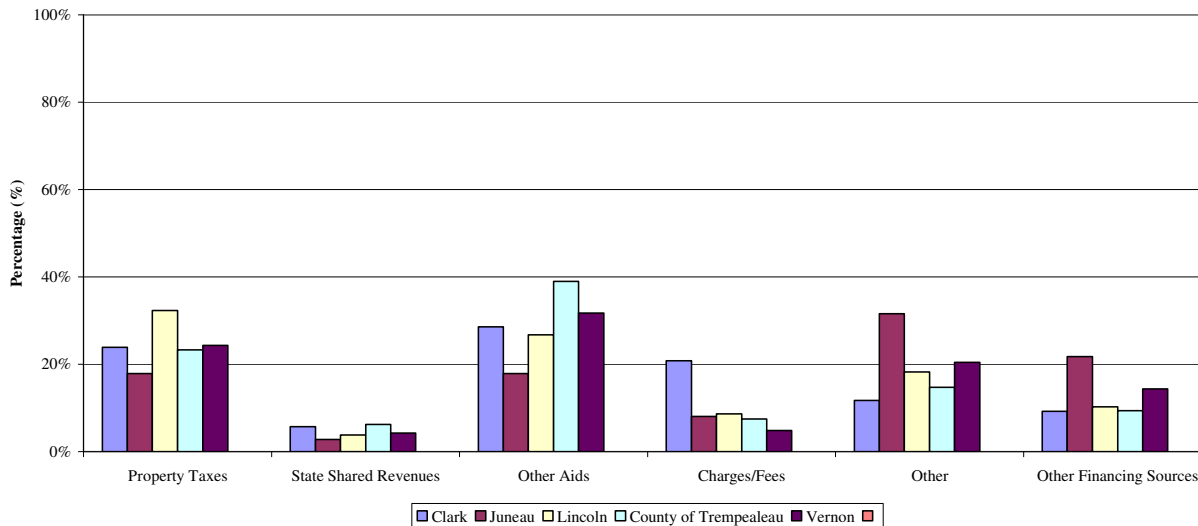
This paper first discusses revenues among the selected counties and then summarizes data related to the property tax and tax base. Finally, it outlines expenditures. The property tax is only one, albeit important, component of the county's revenue base. Although categories and comparison counties were carefully chosen, it was impossible to make those choices completely objective. Another author may have chosen different revenue and expenditure categories to focus on. There are other criteria upon which to choose counties that may be the most similar to Lincoln County, but population, population density, and income levels seem to be the most logical.

Because of the somewhat subjective nature of the report, the reader should remember that it is merely meant to promote discussion and further inquiry among Lincoln County officials about where the county stands in comparison to the other counties chosen. The report should not, therefore, be used to set policy.

II. Revenues

A description of each category is provided in italics below each graph and chart and is shaded in grey. Short statements summarizing the data contained in each graph are also provided.

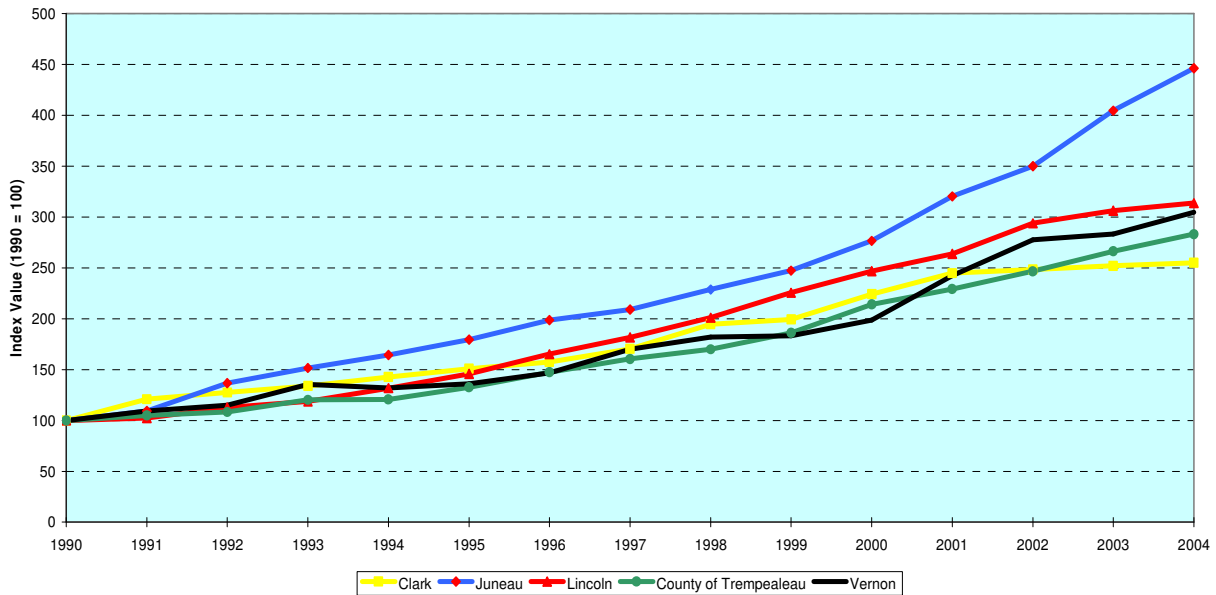
REVENUE SHARES - 2004
COMPARISON



Property taxes include general property taxes levied by the county. State shared revenue includes the county's payment. Other aids include all local, state, and federal aid besides shared revenue. Charges and fees include public charges for service, intergovernmental contract fees, interest and penalties. Other includes tax increments, in lieu of tax payments, other revenue taxes such as the county sales tax, special assessments, and interest income. Other financing sources include long-term debt proceeds, interfund transfers, proceeds from refunding bonds, and the sale of major assets.

The chart above shows some general categories of revenue and what percentage of total revenues each category is for the five counties. Lincoln County is in yellow and shows a higher percentage of property tax than the other four counties. By contrast, it appears that Lincoln County had less debt financing than the other counties in 2004.

TOTAL TAXES INDEX COMPARISON



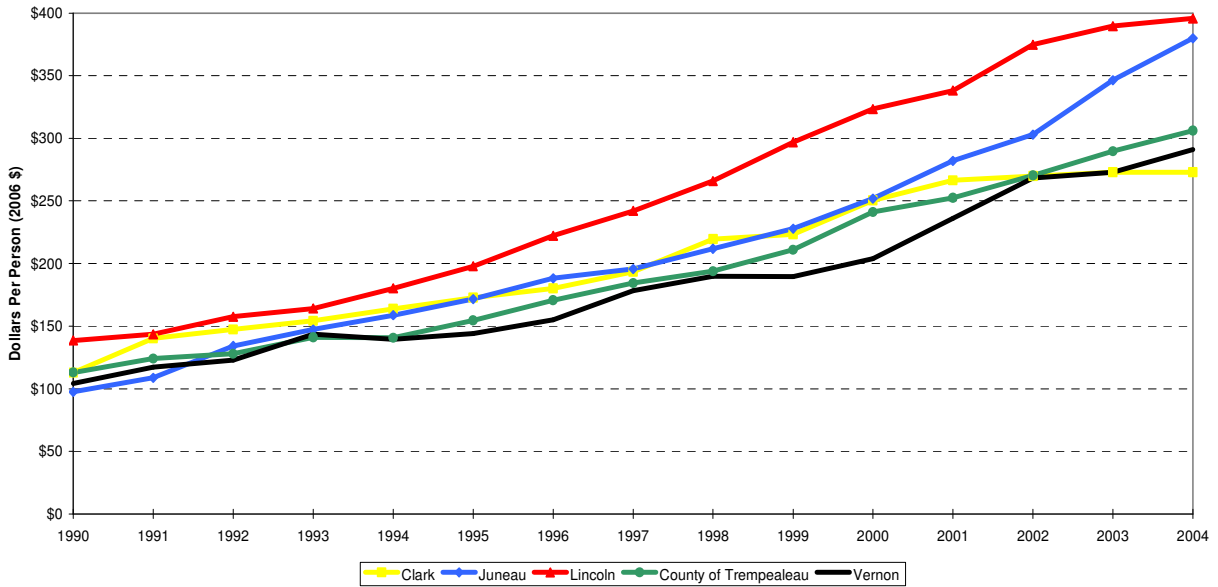
Total taxes are other taxes which include revenues from occupational, mobile home fees, forest crop, woodland, motor vehicles, room taxes, general sales, resort areas, race tracks, retailer's discount, real estate transfers, interest and penalties, and other taxes. They also include general property taxes, taxes obtained from tax incremental financing districts, and in lieu of taxes which include taxes from regulated municipally owned utilities and other exempt entities.

Indexed graphs such as the one above show increases or decreases in revenues, expenditures etc. over the base year which begins at 100%. So, if that figure goes from 100 in 1990 to 187 in 1999, that means that revenues, expenditures, etc. increased 87% over that period. To illustrate, the graph above shows an increase in total tax/other tax revenue for Lincoln County of approximately 214% from 1990 to 2004.

A review of total taxes, which include the property tax, shows that Clark County had the lowest increase in taxes between 1990 and 2004 at 150%. Clark County has not adopted the county sales tax. For most of the 14-year period, Lincoln County consistently had the second highest amount of total tax revenues as compared to the other counties. Part of the explanation may lie in the fact that Lincoln County collects roughly \$200,000 more in sales tax than do the other counties that also have a sales tax.

On the next page is a graph depicting the amount of taxes collected each year over a 14- year period on a per capita (average per person) basis.

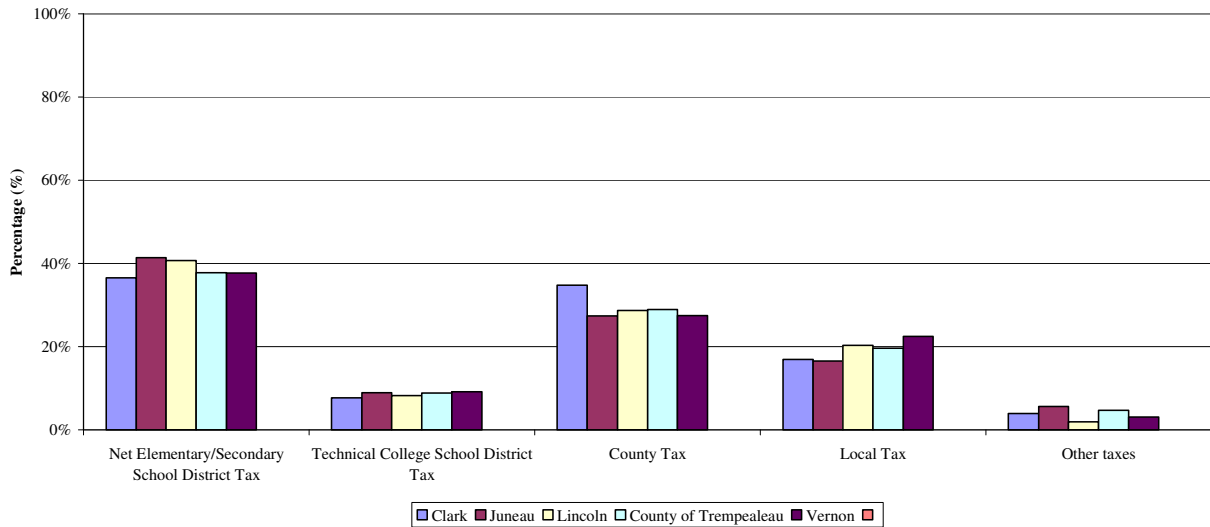
**PER CAPITA TOTAL TAXES
COMPARISON**



III. Property Tax

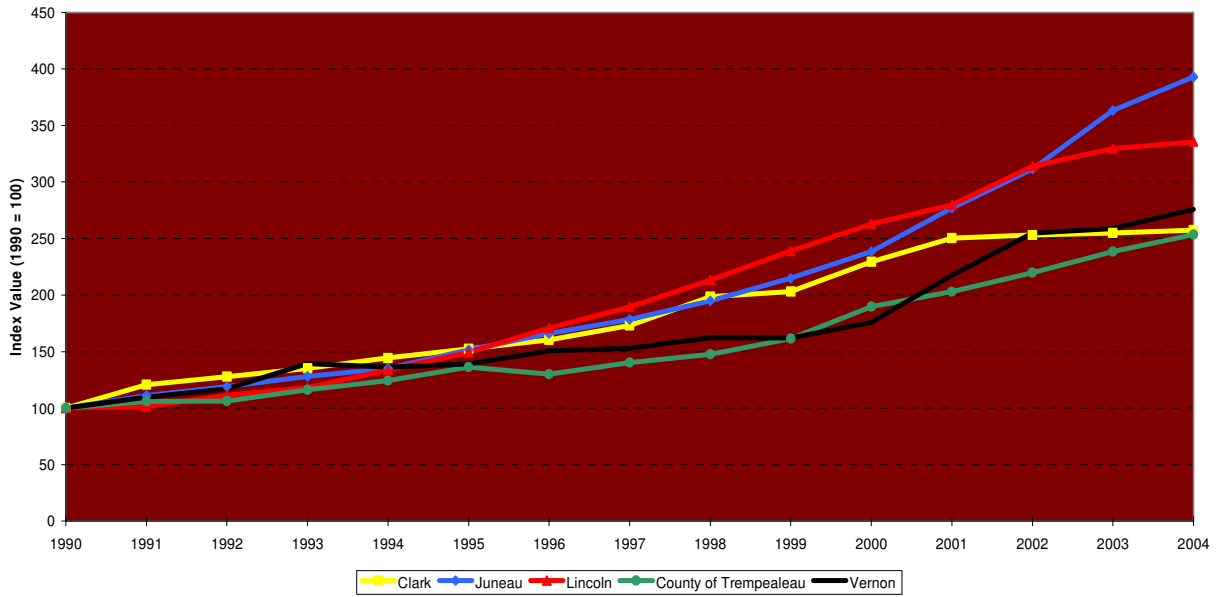
The bar chart below shows the average composition of the property tax for the five counties in 2004. The county tax is about 29% of the bill in Lincoln County, which is about average for the five counties. School taxes make up a slightly higher percentage of the bill in Lincoln and Juneau Counties at 41%.

**TAXES - 2004
COMPARISON**



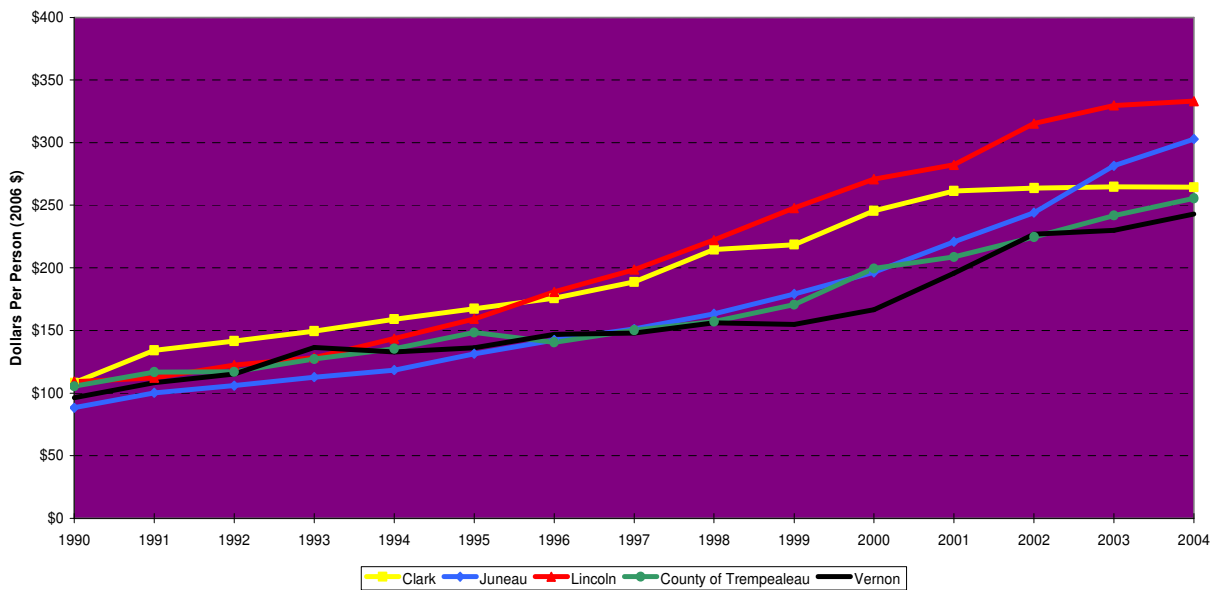
The charts below depict property taxes collected on both an indexed and per capita basis. Lincoln County's general property taxes from 1990 to 2004 increased 236%.

**GENERAL PROPERTY TAXES INDEX
COMPARISON**



General Property taxes are those taxes levied in the previous year and collected in the current year for those on a modified accrual basis of accounting. For counties, these include special levies for highway and bridge, libraries, public health and so forth.

**PER CAPITA GENERAL PROPERTY TAXES
COMPARISON**



Per capita charts like the one directly above show how much in dollars is spent on average in that particular category per county resident. Charts like this show how population fluctuations can affect the level of spending.

In the graph on the bottom of page 9, Lincoln County's per person property tax was about \$333 in 2004.

The table below shows 2004 total taxes, 2004 property taxes, and 2004 property taxes as a percentage of the total taxes for each county.

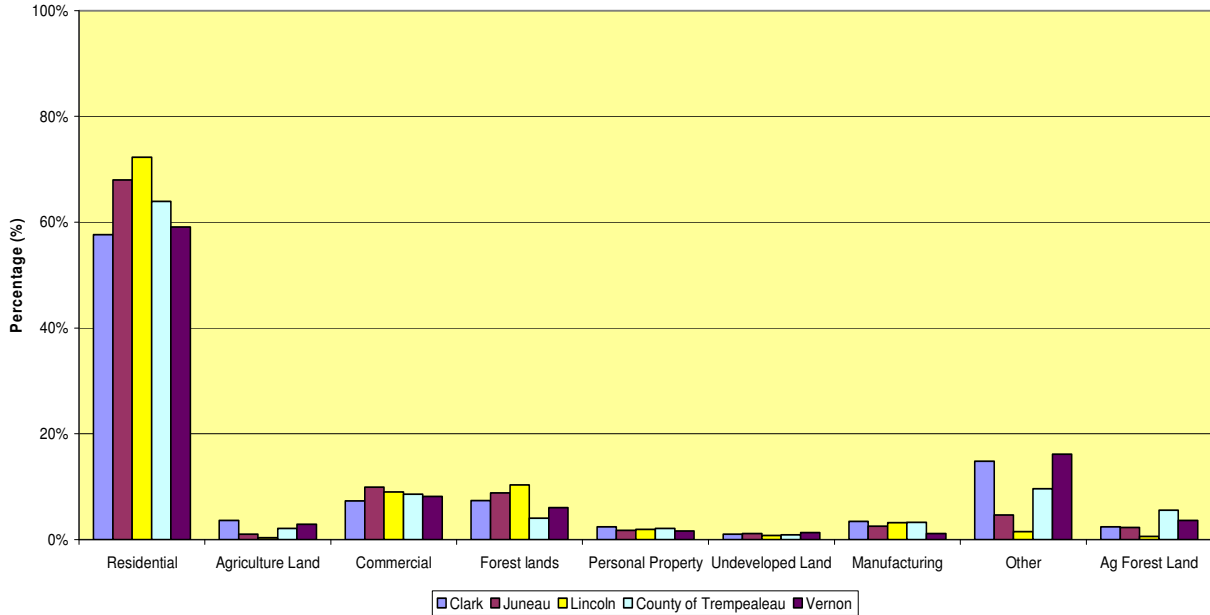
| County | Total Tax Per Capita | Property Tax Per Capita | Percent of Property Tax as part of Total Tax |
|---------------|-----------------------------|--------------------------------|---|
| Lincoln | \$395.71 | \$333.15 | 84.2% |
| Juneau | \$379.87 | \$302.80 | 79.7% |
| Clark | \$306.13 | \$264.36 | 86.4% |
| Trempealeau | \$290.89 | \$255.50 | 87.8% |
| Vernon | \$272.91 | \$249.91 | 91.6% |

Although Lincoln County has the highest total tax and per capita tax figures of the counties, the property taxes as a percent of total taxes is second lowest.

IV. Property Valuation

The bar chart on the next page depicts total valuation for property within Lincoln and the comparison counties in 2005. Property classes include residential, commercial, manufacturing, agricultural land, undeveloped land, agricultural forest land, forest, personal property, and other (such as agricultural buildings, improvements and the land necessary for their location and convenience). Lincoln County has a higher percentage of residential and forest property as part of its tax base than the other four counties.

**EQUALIZED VALUE BY CLASS - 2005 COMPARISON
(Lincoln & Similar Counties)**



The tables below compare equalized value figures for the counties in each property category in the years 1990, 1995, 2000, and 2005. Following each table is a definition of the category. A summary of the data is included following the last table in the group.

Residential

| | 1990 | 1995 | 2000 | 2005 |
|---------------|-------|-------|-------|-------|
| County | | | | |
| Lincoln | 65.0% | 69.5% | 68.2% | 72.3% |
| Clark | 48.8% | 52.3% | 49.3% | 57.6% |
| Juneau | 52.4% | 55.6% | 57.8% | 67.9% |
| Trempealeau | 50.9% | 53.1% | 54.2% | 63.9% |
| Vernon | 51.2% | 52.6% | 48.4% | 59.1% |

The residential class includes all land and improvements to land that are made where people live. This includes apartment complexes of three or less units, single family dwellings, condominiums, time share units used as residences, and mobile homes assessed as real property. Vacant land that does not meet the definition of agricultural use and that will likely be used for residential development is also included in this class.

Agricultural Land

| | | 1990 | 1995 | 2000 | 2005 |
|---------------|--|-------|-------|-------|------|
| County | | | | | |
| Lincoln | | 4.9% | 3.6% | 1.1% | 0.3% |
| Clark | | 24.2% | 22.3% | 10.0% | 3.6% |
| Juneau | | 13.6% | 13.5% | 5.9% | 1.0% |
| Trempealeau | | 23.4% | 22.1% | 8.6% | 2.1% |
| Vernon | | 27.9% | 24.9% | 10.1% | 2.9% |
| | | | | | |

Agricultural land includes unimproved land that is used to raise crops, to develop pastures and specialty land. Farm buildings are included in the "other" class. Crop lands include first through third grade tillable land. All land classified in this category must be devoted primarily to agricultural uses. Orchards and tree plantations are classified as agricultural. Agricultural land makes up approximately 17% (98,160 acres) of the county's land area.²

Commercial

| | | 1990 | 1995 | 2000 | 2005 |
|---------------|--|-------|-------|-------|------|
| County | | | | | |
| Lincoln | | 12.3% | 9.8% | 9.4% | 9.0% |
| Clark | | 10.0% | 8.8% | 6.6% | 7.3% |
| Juneau | | 15.2% | 13.6% | 12.1% | 9.9% |
| Trempealeau | | 12.2% | 11.3% | 9.7% | 8.6% |
| Vernon | | 10.2% | 10.3% | 8.7% | 8.2% |
| | | | | | |

Commercial property includes land and improvements that are used as places where either goods or services are sold. Resorts, motels, hotels, apartment buildings of four or more units, and mobile home courts are included in this class. Vacant land that will likely be used for commercial development is also included in this class.

² Lincoln County is approximately 581,000 total acres.

Forest Lands

| | 1990 | 1995 | 2000 | 2005 |
|---------------|------|------|-------|-------|
| County | | | | |
| Lincoln | 7.7% | 7.3% | 11.9% | 10.3% |
| Clark | 6.6% | 7.3% | 10.5% | 7.4% |
| Juneau | 9.7% | 8.4% | 10.9% | 8.8% |
| Trempealeau | 4.5% | 5.1% | 10.1% | 4.0% |
| Vernon | 6.3% | 7.5% | 11.4% | 6.0% |

Forest lands are considered productive woodlands. Nonproductive lands are swamps and waste lands. Forest lands cannot include buildings unless the area in question is under state management. Forests where hunting, fishing, recreation or where game is preserved is usually included in this category unless it is being operated as a commercial enterprise or is tax exempt. Forest land also includes areas not on farms or ranches that are set aside for producing tree crops for "industrial wood," for tapping tree sap, for harvesting bark, or for producing seeds. Cutover areas on ranches, estates and farms that do not include commercial uses are also considered forest.

Personal Property

| | 1990 | 1995 | 2000 | 2005 |
|---------------|------|------|------|------|
| County | | | | |
| Lincoln | 4.2% | 3.8% | 2.6% | 1.7% |
| Clark | 5.5% | 4.6% | 2.9% | 2.4% |
| Juneau | 4.2% | 3.8% | 2.6% | 1.7% |
| Trempealeau | 3.6% | 3.6% | 2.6% | 2.1% |
| Vernon | 2.6% | 2.9% | 2.1% | 1.6% |

Watercraft, furniture, machinery, tools, patterns, mobile homes in parks or courts, and buildings on forest land are included under the personal property category. It also includes items not exempt under property taxation. Items that fall under this class in the database are either equalized valuation by the assessor (EVA) or state assessed manufacturing property (SAM).

Undeveloped Land

| | | 1990 | 1995 | 2000 | 2005 |
|---------------|--|------|------|------|------|
| County | | | | | |
| Lincoln | | 0.2% | 0.2% | 1.0% | 0.8% |
| Clark | | 0.2% | 0.2% | 1.0% | 0.8% |
| Juneau | | 0.6% | 0.5% | 1.3% | 1.1% |
| Trempealeau | | 0.1% | 0.1% | 0.6% | 0.8% |
| Vernon | | 0.1% | 0.1% | 1.8% | 1.3% |
| | | | | | |

Undeveloped land includes any swamp and waste areas. Marshes, lowland brush, uncultivated land zoned as shore land and shown as a wetland in a final map, and undeveloped land are included. Land with buildings cannot be classified as undeveloped no matter the condition of those structures.

Manufacturing

| | | 1990 | 1995 | 2000 | 2005 |
|---------------|--|------|------|------|------|
| County | | | | | |
| Lincoln | | 5.9% | 5.8% | 3.9% | 3.2% |
| Clark | | 4.8% | 4.5% | 3.8% | 3.5% |
| Juneau | | 4.3% | 4.6% | 3.4% | 2.5% |
| Trempealeau | | 5.3% | 4.7% | 3.7% | 3.3% |
| Vernon | | 1.8% | 1.6% | 1.1% | 1.1% |
| | | | | | |

Manufacturing property includes land and improvement used for processing, assembling, fabricating, making or milling items for profit. Any other building that is used to support manufacturing activities such as offices, storage facilities, and warehouses are included under this property classification.

Other

| | 1990 | 1995 | 2000 | 2005 |
|---------------|------|------|-------|-------|
| County | | | | |
| Lincoln | 0.0% | 0.0% | 2.0% | 1.5% |
| Clark | 0.0% | 0.0% | 16.2% | 14.8% |
| Juneau | 0.0% | 0.0% | 6.0% | 4.6% |
| Trempealeau | 0.0% | 0.0% | 10.6% | 9.6% |
| Vernon | 0.0% | 0.0% | 16.3% | 16.2% |

The "other" category consists of agricultural buildings, land and improvements necessary for their location and convenience.

Agricultural Forest Land

| | 2005 |
|---------------|------|
| County | |
| Lincoln | 0.6% |
| Clark | 2.4% |
| Juneau | 2.3% |
| Trempealeau | 5.6% |
| Vernon | 3.6% |

Agricultural forest land is land that is capable or is capable of producing commercial forest products if the land is contiguous to a parcel that has been classified in whole as agricultural land, located on a parcel that contains agricultural land for the January 1, 2004 assessment and on January 1 of the current assessment year, or is located on a parcel where at least 50% of the acreage was converted to agricultural land for the January 1, 2005 assessment or thereafter. (Data not available for previous years).

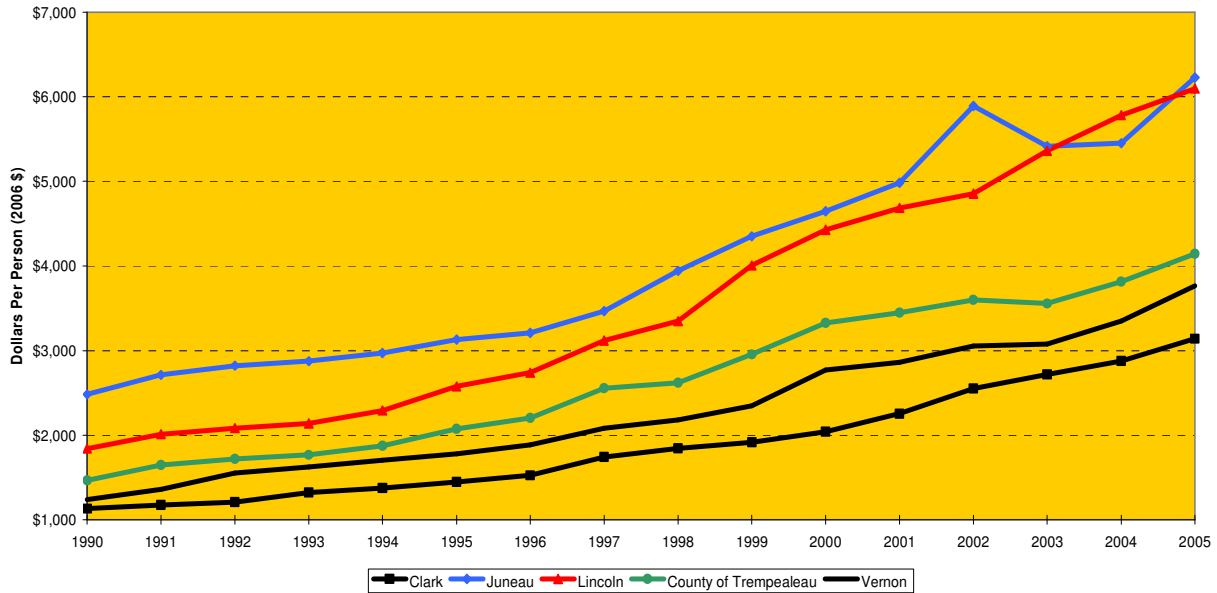
Summary of Tables

Lincoln County has significantly more of its total equalized value in residential property (72.3%) than do the other counties. Juneau County has the second highest proportion of its total equalized value in residential property (67.9%). Clark, Lincoln and Trempealeau counties have similar percentages of equalized value in manufacturing property (3% - 3.5%). Both Clark and Vernon counties have significantly higher proportions of total equalized values in agricultural land (2.9-3.6%) than do the other counties including Lincoln. Lincoln County has the proportionally highest forest land property values (10.3% of total).

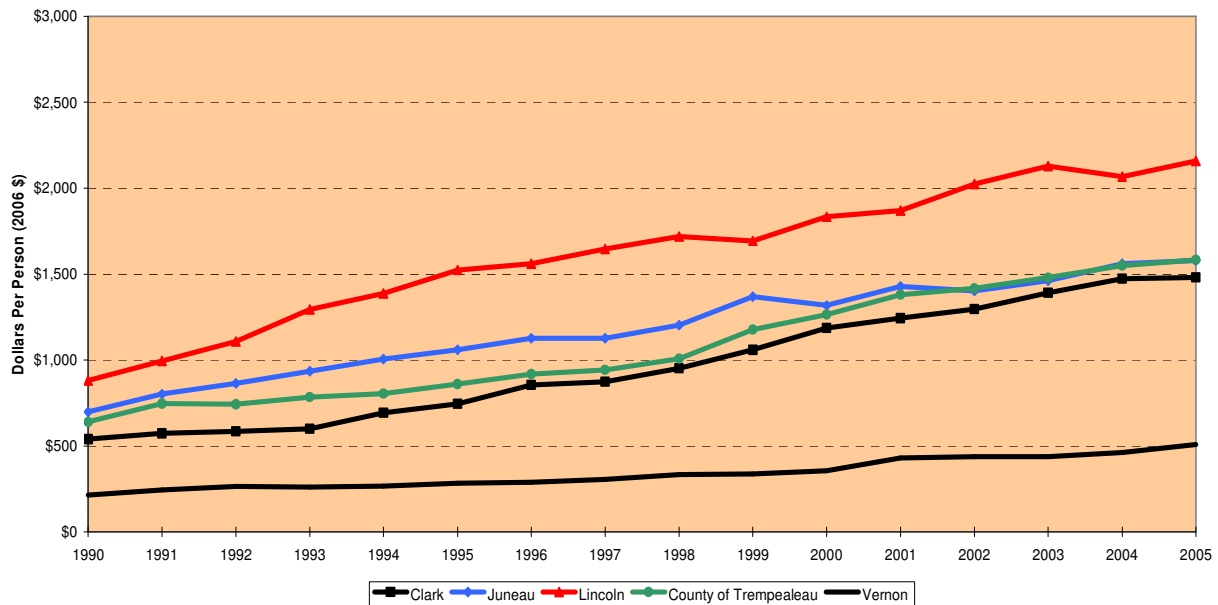
Per Capita Property Values for Selected Classes

Graphs depicting per capita equalized value figures for selected classes for the counties over a 15-year period are below. . A summary of highlights is included after the final chart in the group.

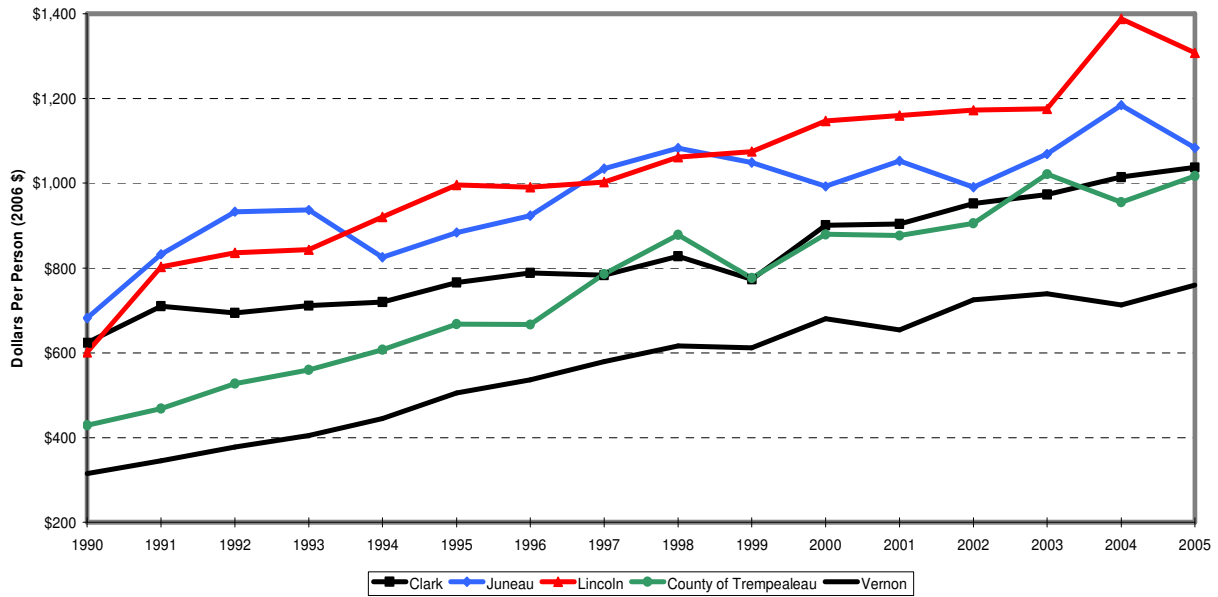
PER CAPITA TOTAL COMMERCIAL COMPARISON
Similar Counties



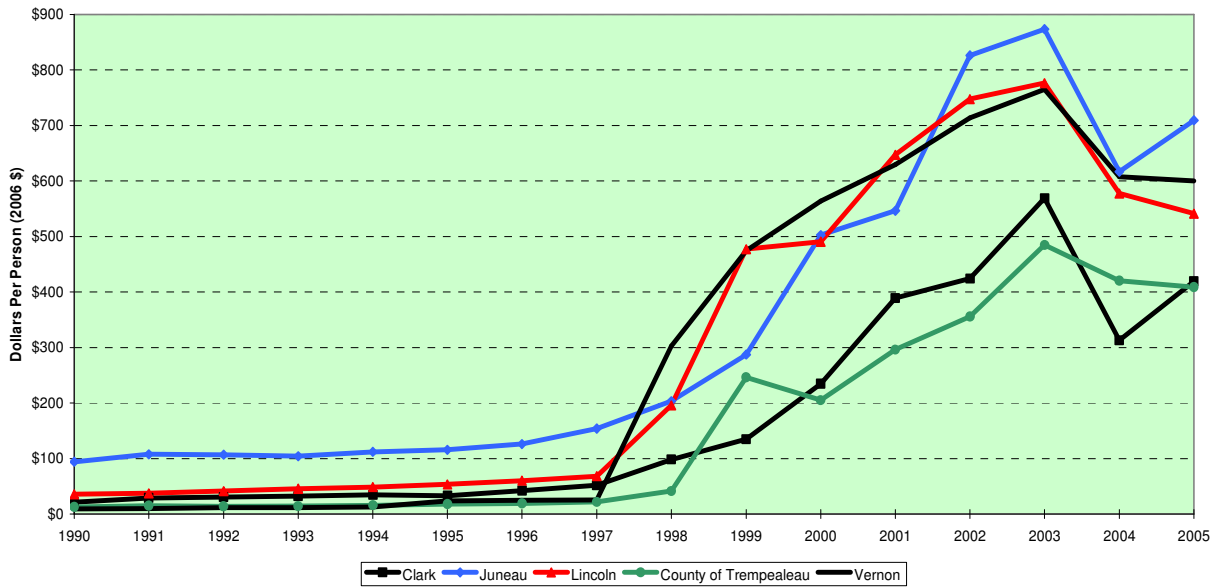
PER CAPITA TOTAL MANUFACTURING COMPARISON
(Similar Counties)



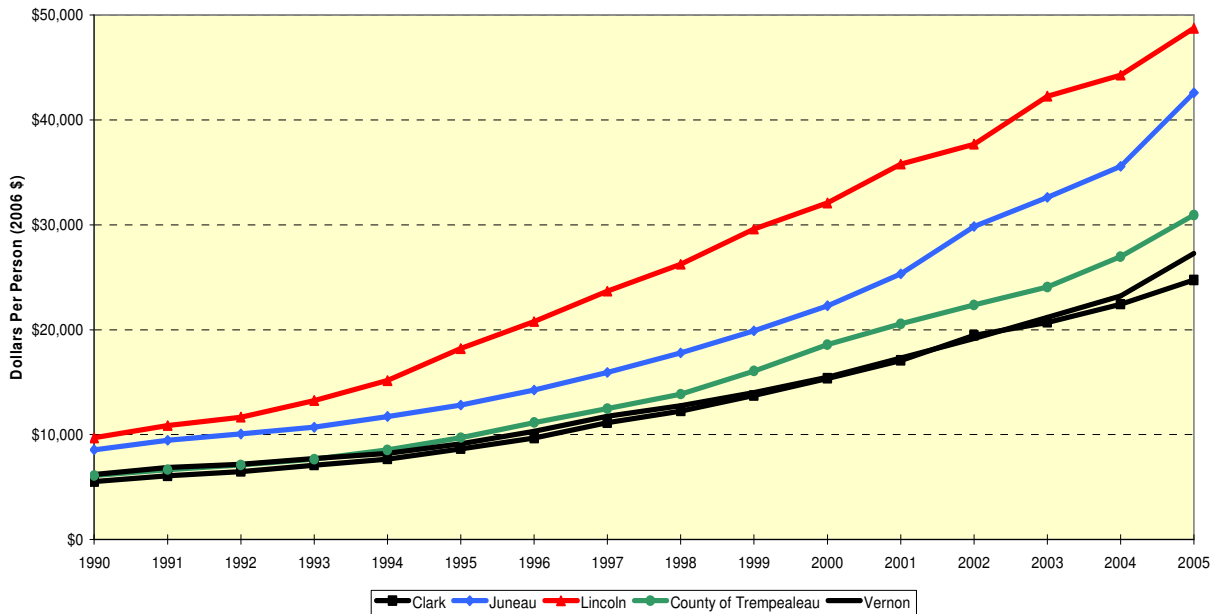
**PER CAPITA TOTAL PERSONAL PROPERTY COMPARISON
(Similar Counties)**



**PER CAPITA UNDEVELOPED LAND COMPARISON
(Similar Counties)**



**PER CAPITA TOTAL RESIDENTIAL COMPARISON
(Similar Counties)**



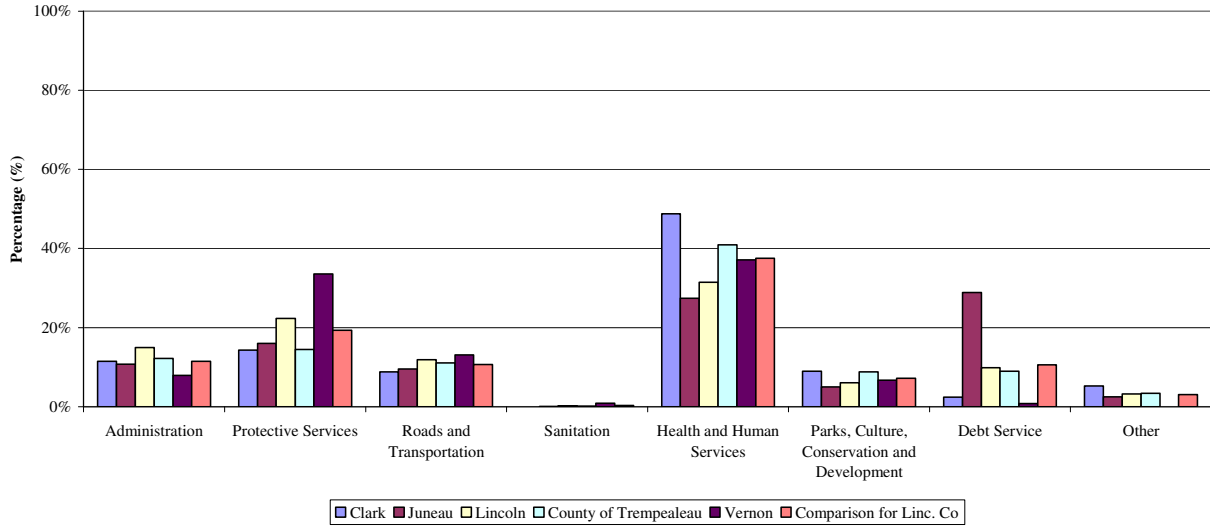
Summary of Per Capita Valuation Charts

Lincoln County’s per capita valuation figures throughout the 15 year period are consistently higher than those in other similar counties. This is especially true in the manufacturing, residential and personal property categories. Lincoln and Juneau counties over the years have had similar, strong per capita valuation amounts in commercial property. Lincoln County’s figures in the Total Other Land and Improvements category as a percentage of total valuation have been traditionally quite low as compared with the proportional values of other similar counties.

V. Expenditures

The bar chart at the top of the next page shows the composition of expenditures for the five counties in 2004. These categories are summary and are defined in more detail under the tables below. For the most part, they are self explanatory with the exception of the “other” category, which includes refunds, contributions, interfund transfers, and payments to bond agents. The chart below shows that for all five counties the largest expenditures were in health and human services and in protective services. Transportation expenditures are higher than shown because many counties set up internal service and/or proprietary funds to finance town road construction and maintenance.

**EXPENDITURE SHARES - 2004
COMPARISON**



The tables below show expenditure shares over the last 14 years in mostly five year increments for each of the counties. Data for 2005 is not yet available. A summary is included following the last table in the group.

Administration

| | 1990 | 1995 | 2000 | 2004 |
|---------------|-------|-------|-------|-------|
| County | | | | |
| Lincoln | 11.4% | 19.5% | 16.9% | 15.0% |
| Clark | 13.3% | 7.7% | 13.3% | 11.4% |
| Juneau | 17.4% | 14.2% | 20.6% | 10.7% |
| Trempealeau | 12.9% | 12.8% | 13.5% | 12.2% |
| Vernon | 14.0% | 11.8% | 11.4% | 7.9% |

Protective Services

| | | 1990 | 1995 | 2000 | 2004 |
|---------------|--|-------|-------|-------|-------|
| County | | | | | |
| Lincoln | | 14.2% | 16.0% | 21.9% | 22.3% |
| Clark | | 10.0% | 10.8% | 13.3% | 14.3% |
| Juneau | | 17.4% | 14.2% | 20.6% | 10.7% |
| Trempealeau | | 13.8% | 13.9% | 15.3% | 14.5% |
| Vernon | | 9.2% | 11.8% | 12.7% | 33.6% |
| | | | | | |

Roads & Transportation

| | | 1990 | 1995 | 2000 | 2004 |
|---------------|--|-------|-------|-------|-------|
| County | | | | | |
| Lincoln | | 20.9% | 11.7% | 13.5% | 11.9% |
| Clark | | 10.1% | 9.6% | 9.6% | 8.8% |
| Juneau | | 19.3% | 13.6% | 10.8% | 9.5% |
| Trempealeau | | 27.0% | 18.1% | 18.1% | 11.0% |
| Vernon | | 17.2% | 15.5% | 18.4% | 13.1% |
| | | | | | |

Sanitation

| | | 1990 | 1995 | 2000 | 2004 |
|---------------|--|------|------|------|------|
| County | | | | | |
| Lincoln | | 2.6% | 0.0% | 0.2% | 0.2% |
| Clark | | 0.2% | 0.0% | 0.0% | 0.0% |
| Juneau | | 3.3% | 4.7% | 2.0% | 0.0% |
| Trempealeau | | 0.5% | 0.5% | 0.4% | 0.2% |
| Vernon | | 2.8% | 0.0% | 1.2% | 0.8% |
| | | | | | |

Health & Human Services

| | | 1990 | 1995 | 2000 | 2004 |
|---------------|--|-------|-------|-------|-------|
| County | | | | | |
| Lincoln | | 34.9% | 36.2% | 33.9% | 31.5% |
| Clark | | 50.7% | 57.0% | 47.7% | 48.8% |
| Juneau | | 36.5% | 42.6% | 29.9% | 27.4% |
| Trempealeau | | 29.6% | 43.0% | 41.2% | 41.0% |
| Vernon | | 45.2% | 49.3% | 42.1% | 37.1% |
| | | | | | |

Parks, Culture, Conservation and Development

| | | 1990 | 1995 | 2000 | 2004 |
|---------------|--|-------|-------|-------|------|
| County | | | | | |
| Lincoln | | 6.1% | 7.7% | 10.7% | 6.1% |
| Clark | | 7.7% | 12.5% | 13.2% | 9.0% |
| Juneau | | 7.6% | 6.4% | 5.8% | 5.0% |
| Trempealeau | | 13.2% | 11.5% | 7.9% | 8.8% |
| Vernon | | 5.7% | 11/4% | 9.5% | 6.7% |
| | | | | | |

Debt Service

| | | 1990 | 1995 | 2000 | 2004 |
|---------------|--|------|------|------|-------|
| County | | | | | |
| Lincoln | | 5.5% | 2.6% | 3.0% | 9.8% |
| Clark | | 8.0% | 0.0% | 2.0% | 2.4% |
| Juneau | | 0.4% | 1.6% | 1.8% | 28.9% |
| Trempealeau | | 2.9% | 0.2% | 2.3% | 8.9% |
| Vernon | | 5.3% | 0.0% | 1.2% | 0.8% |
| | | | | | |

Other

| | 1990 | 1995 | 2000 | 2004 |
|---------------|------|------|-------|------|
| County | | | | |
| Lincoln | 4.4% | 6.2% | 0.0% | 3.2% |
| Clark | 0.0% | 2.4% | 0.9% | 5.2% |
| Juneau | 0.0% | 1.7% | 11.2% | 2.4% |
| Trempealeau | 0.0% | 0.0% | 1.4% | 3.4% |
| Vernon | 0.6% | 0.1% | 3.5% | 0.0% |
| | | | | |

Summary of Expenditure Tables

As is expected, the greatest portion of expenditures took place in the health and human services category. In 2004, 31.5% of Lincoln County expenditures went toward supporting these services. All the other counties, with the exception of Juneau, spent a greater percentage of their overall expenditures for health and human services...

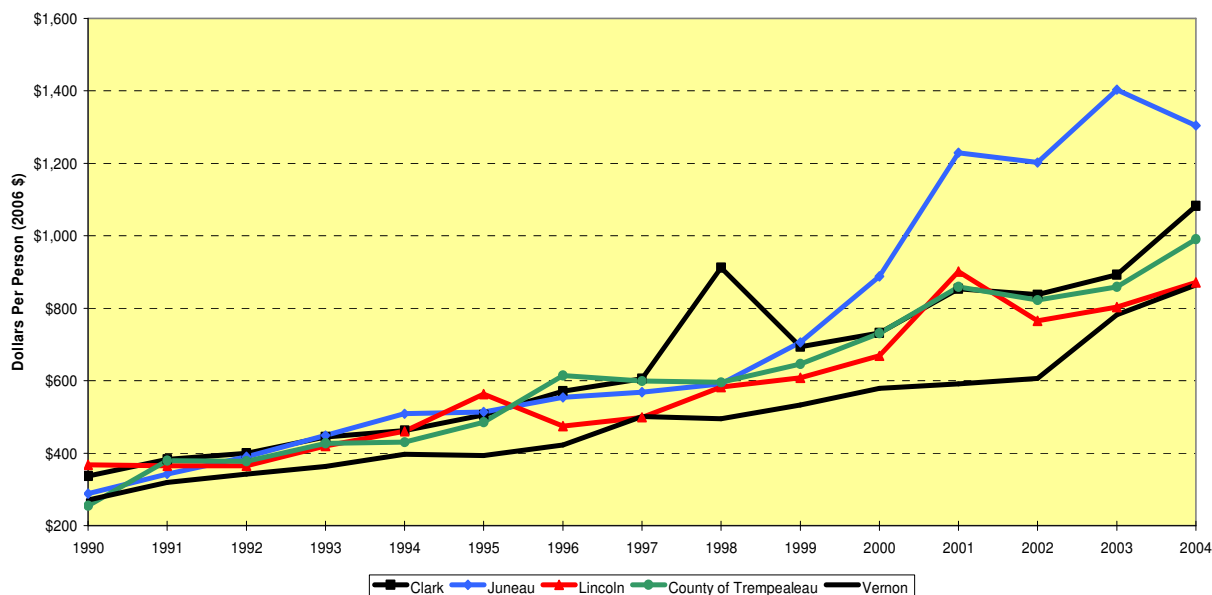
In three of the four years studied, Lincoln County had the highest or second highest spending as a percentage of expenditures for government administration. Lincoln County's government expenditures were 15% of total expenditures in 2004 (Trempealeau ranked second at 12.2%).

In the four years studied, Lincoln County spent the highest or second highest in terms of percentage of its budget in protective services such as law enforcement, ambulance, and fire protection. As is depicted in a chart on page 26 of this report, Lincoln County was the only county during most of the period that funded countywide ambulance services.

Per Capita Expenditures in Selected Categories

Definitions for each category are included in italics below the graphs. In some cases, clarifying explanations are given about Lincoln County expenditures following particular charts.

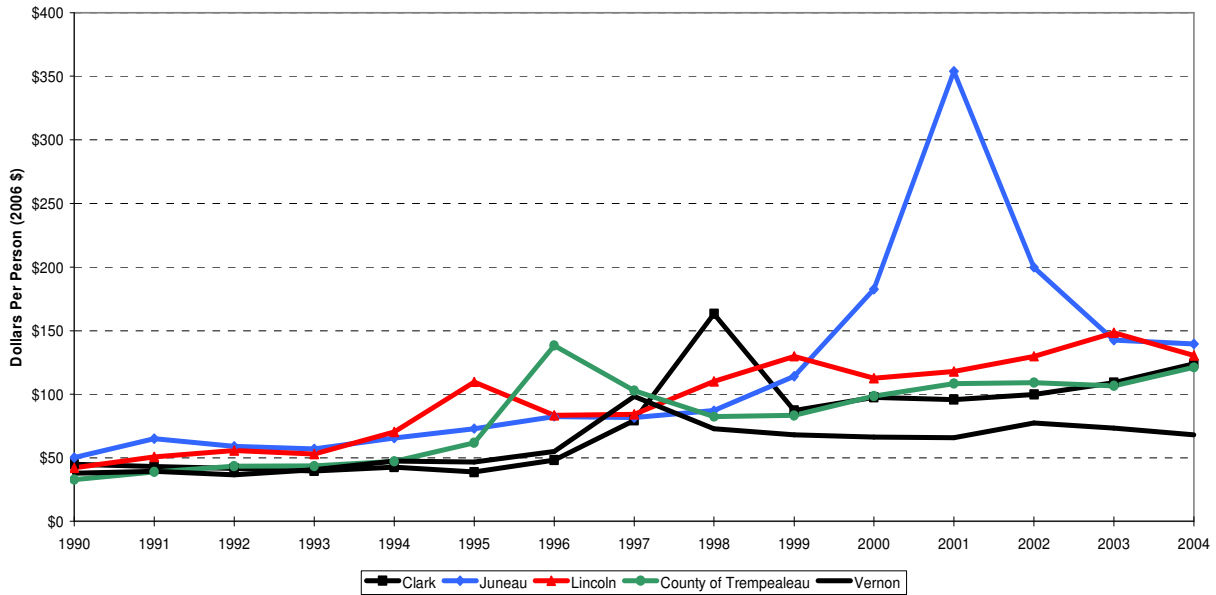
**PER CAPITA TOTAL EXPEND AND OTHER FIN USES COMPARISON
(Similar Counties)**



Total expenditures and other financing uses refers to all county expenditures an interfund transfer of funds, payments to refunding bond escrow agents, and funds applied to reduce tax levies or other taxing jurisdictions.

In 2004, Lincoln County spent \$871.70 per capita in the “Total Expend and Other Financial Uses” category, the second lowest amount as compared with other similar counties. Juneau County spent the most per capita during that year in this category at \$1,304.66. As compared with the other similar counties, Lincoln County is more than holding its own with respect to controlling overall expenditures across the board.

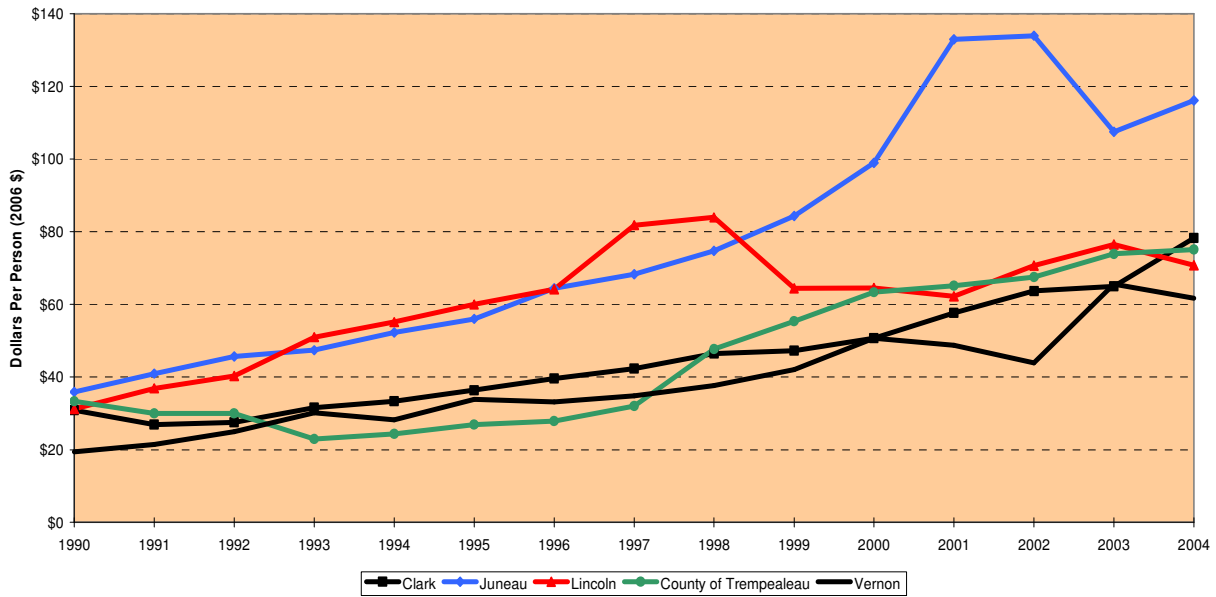
**PER CAPITA GENERAL GOVERNMENT COMPARISON
(Similar Counties)**



General government expenditures include all costs related to operating and supporting the activities of the county board, treasurer, assessor, accounting, administration, elections, legal counsel, municipal court, municipal buildings, purchasing, risk and property management, judgments and losses, uncollectible taxes and special assessments, and unallocated insurance.

Over the 15 year period, Lincoln County’s average annual spending in the general government category was about \$95 per resident. It spent \$130.50 per capita in 2004, second highest. The average spending increase per year was about 2.1%.

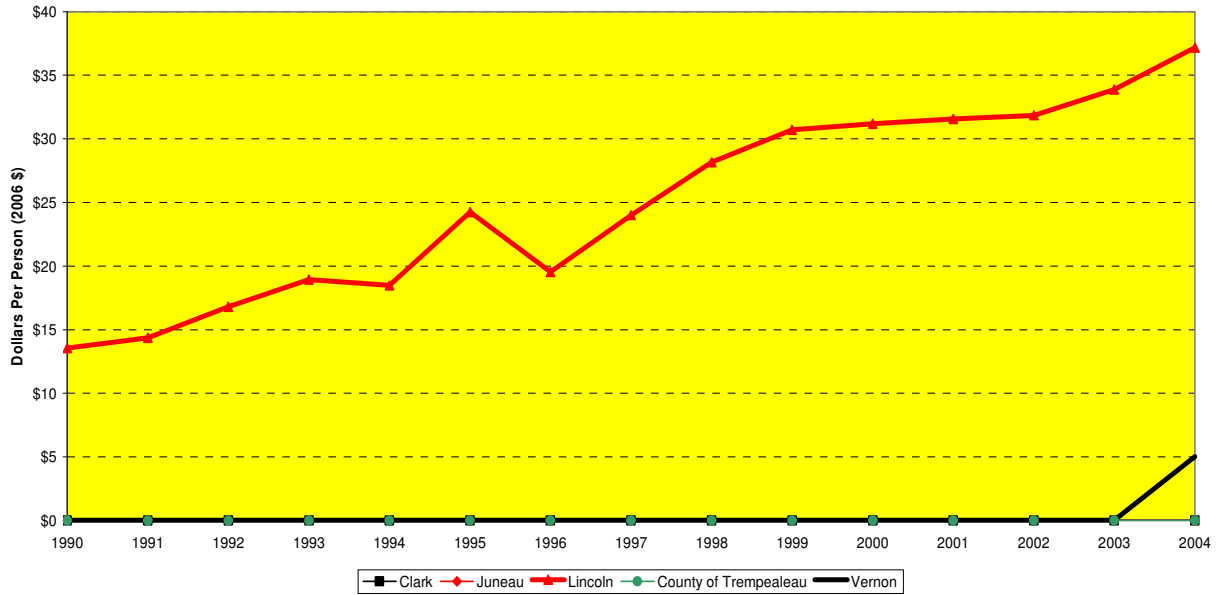
**PER CAPITA LAW ENFORCEMENT COMPARISON
(Similar Counties)**



This category includes operating expenses and capital outlays for all law enforcement related activities and services including criminal investigation, officer training, school crossing guards, criminal investigations, community relations, crime prevention (e.g. DARE), traffic patrol, snow mobile law enforcement, communication services, and water safety patrol.

Per capita law enforcement spending in Lincoln County, especially from 1999 through 2004, showed no large increases and was relatively stable. There was a noticeable rise in spending in 1997-1998, which is most likely due to capital outlays. Per capita expenditures for protective services were \$64 in 1999 and \$71 in 2004. Juneau, Clark and Trempealeau counties all had higher 2004 per capita spending in this category than Lincoln County.

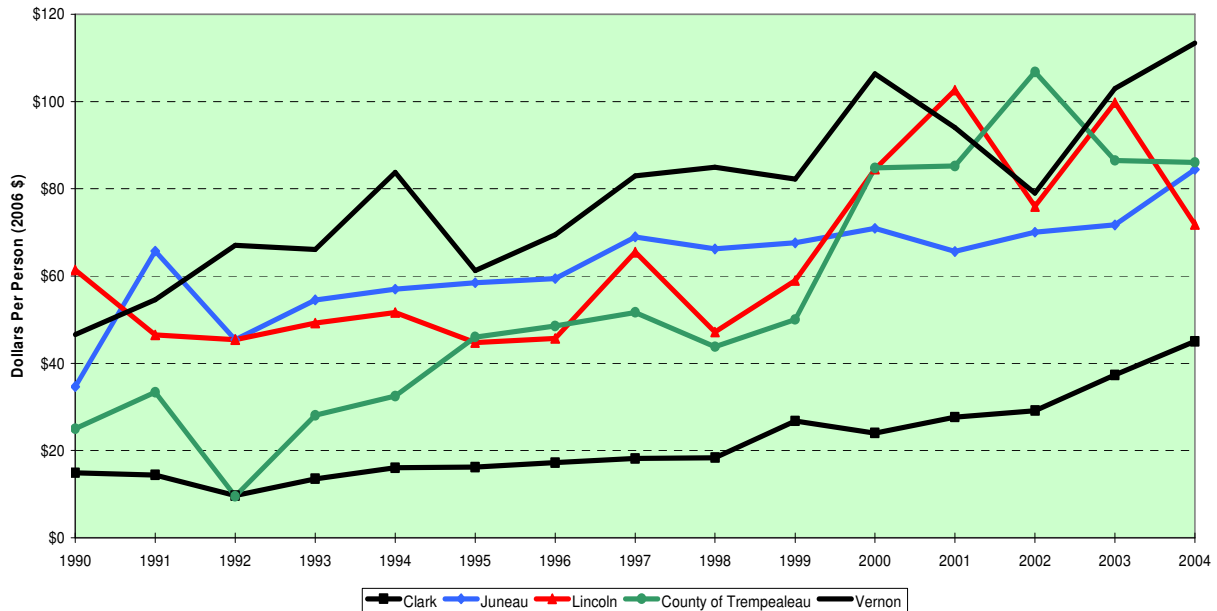
**PER CAPITA AMBULANCE EXPENDITURES COMPARISON
(Similar Counties)**



The chart above includes all operating and capital outlay ambulance related expenditures. Payments to first responders are included.

The ambulance expenditure chart shows that Lincoln County is the only county (besides Vernon County in 2004) to use county tax levy dollars to pay for ambulance services.

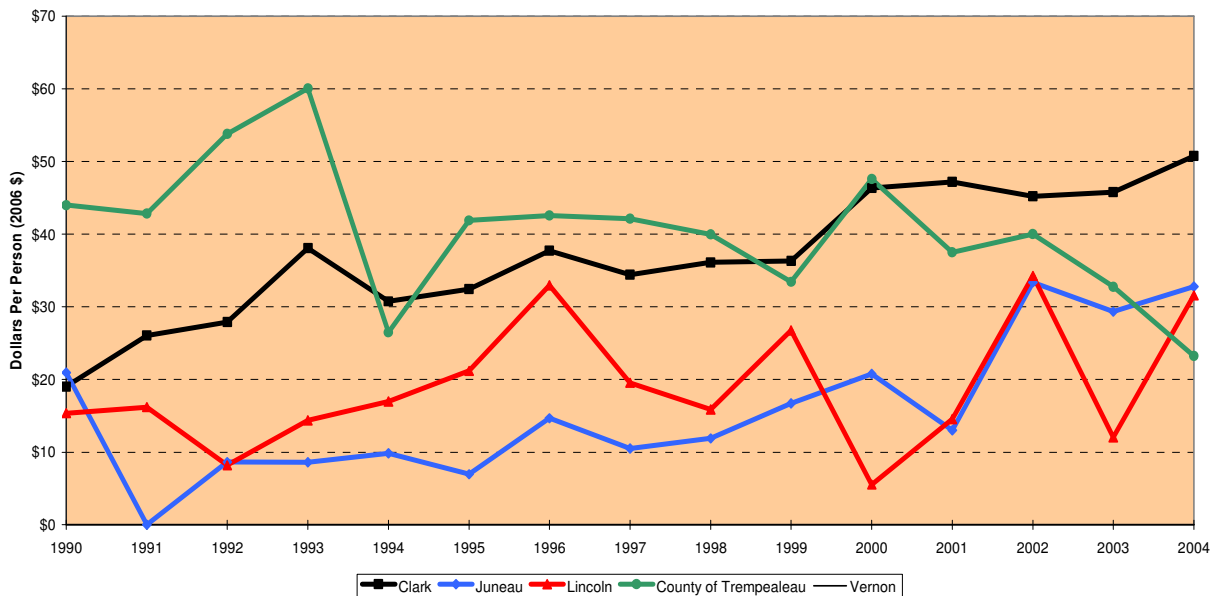
**PER CAPITA HIGHWAY MAINT AND ADM COMPARISON
(Similar Counties)**



Included in the chart at the bottom of page 26 (Highway Maintenance and Administrative) are expenditures related to highway equipment and buildings, maintenance, and engineering. Equipment depreciation is also included. At least some of these expenditures may depend on things beyond the county's control such as the amount of snow received in a given year which varies from region to region and county to county.

Transportation figures for counties should be approached with caution as many counties use internal service and proprietary funds to finance town road work and some county road work. Highway maintenance and administrative costs in most cases fluctuated quite a bit over a significant period of time. For the most part, Lincoln County has done a good job controlling spending in this category. In 2004, the county spent almost \$72 per resident for highway maintenance and administration costs, second lowest among the five counties. Miles of county roads will also have a big impact on this figure. Lincoln County also spent the second lowest amount in 2004 among these counties in highway construction costs, as the chart directly below depicts.

PER CAPITA HIGHWAY CONSTRUCTION COMPARISON
(Similar Counties)

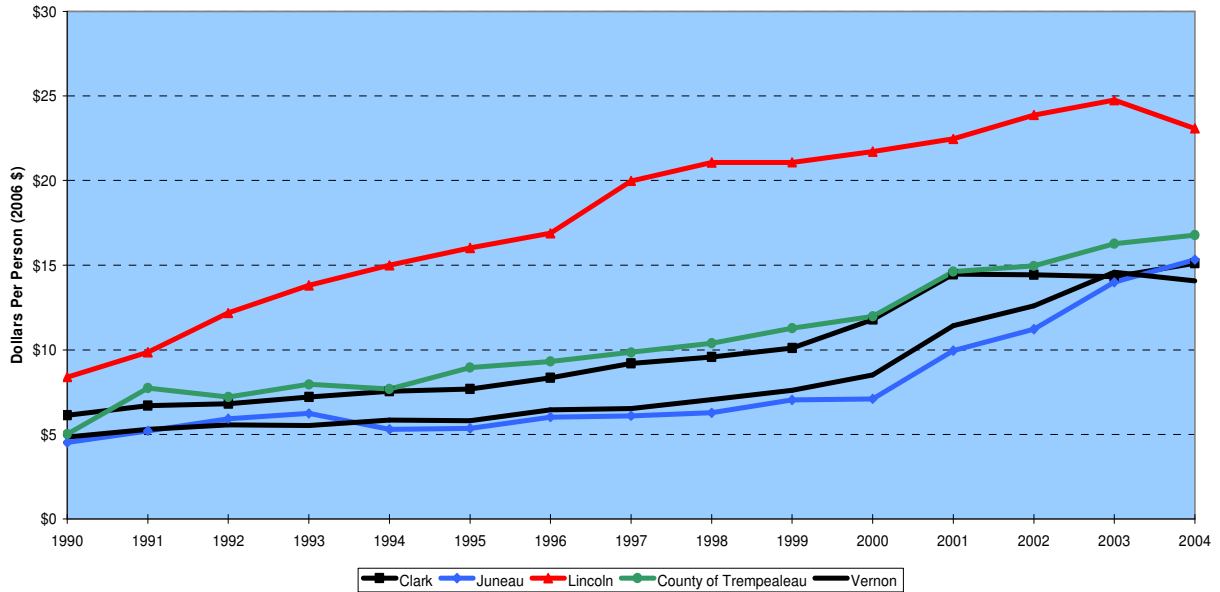


This category includes all operating and capital outlay expenditures for highway construction related projects. (Vernon County spent \$0 over these years).

From 1996 through 2004, Lincoln County's average per year expenditures in this category have fluctuated only slightly. The average annual per capita expenditure for the county during the entire 15 year period was \$19.03. A significant increase in spending such as what occurred in 1996, 1999, and 2002, was always followed by a significant decrease in spending which resulted in a per capita figure around or quite a lot below the average amount spent per year. This is consistent with capital spending

and most likely could be tracked to specific projects. In 2004, the county spent \$31.57 per resident on highway construction related costs.

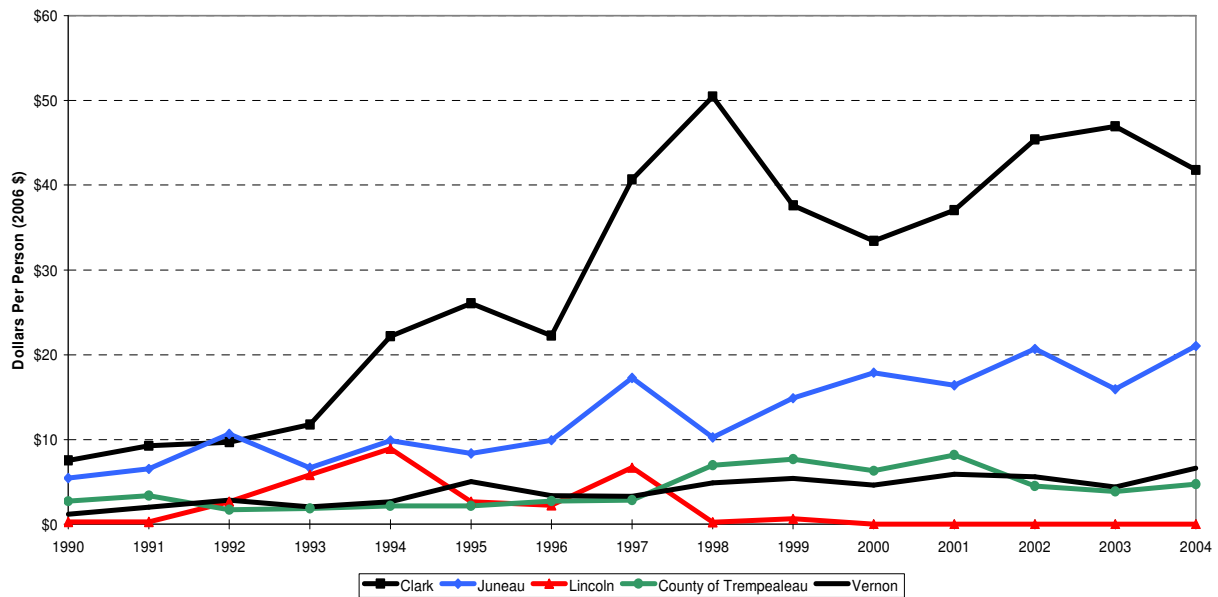
PER CAPITA CULTURE AND EDUCATION COMPARISON
(Similar Counties)



The culture and education category includes per capita operating and capital expenses for museums, libraries, theatres, handicapped schools and other cultural activities.

Lincoln County spent \$23.09 per capita on cultural and educational matters in 2004, or approximately 2.6 % of its total expenditures.

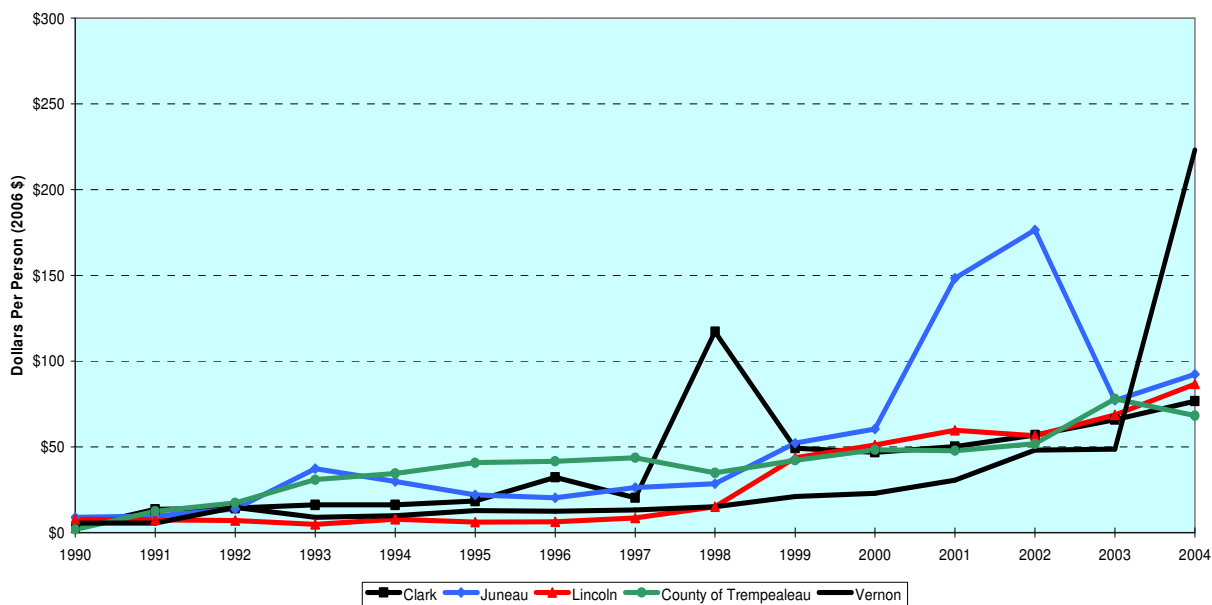
PER CAPITA PARKS AND RECREATION COMPARISON
(Similar Counties)



This graph at the bottom of page 28 depicts capital outlays and operating costs for recreation programs, summer baseball leagues, swimming lessons, holiday decorations and parades, and recreation facilities like pools, ice skating rinks, and baseball diamonds, parks, and zoos.

Lincoln County's low tax levy spending (\$0 per year from 2000 through 2004) in this category as compared with other counties' spending in this category can be largely attributed to the fact that its Forestry, Land, and Parks department is not supported by tax levy dollars. The department budget, or enterprise account, is primarily financed through timber sales (over \$1 million annually), fees, and permits. Grants also play a large role in funding improvement projects in county owned park lands. Volunteer groups have also partially or completely funded projects such as snowmobile trails.³

PER CAPITA OTHER PUBLIC SAFETY COMPARISON
(Similar Counties)



Other public safety includes capital outlays and operating expenditures for items like various inspections (zoning, building, electrical, plumbing, etc.), corrections, civil defense and air patrol, emergency communications, and other miscellaneous activities such as warning systems and repairs to structures that are damaged by natural disasters.

Since 1998, Lincoln County's expenditures in this category have increased in this category. Per capita annual average spending from 1999 through 2004 was \$61.15. The county spent \$86.66 per resident on these public safety items in 2004. From 1990 through 1998, average per capita spending on these items was \$7.77.

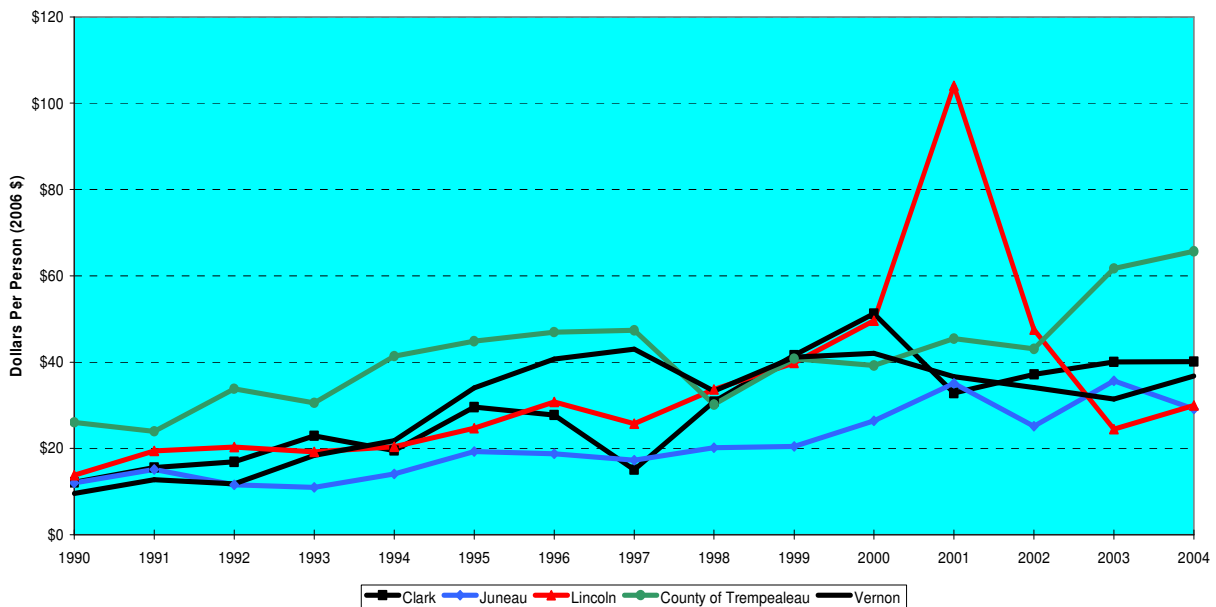
Perhaps some of the spending increase in the past several years can be explained by expenses incurred for county land use planning, zoning re-codification, and the

³ Source: Jane Severt, Administrator, Lincoln County Forestry, Land and Parks Department

development of a county shore land ordinance. The three-year effort to create town land use plans and a county plan based on them began in the latter part of 1998. Some of the increases may also be explained by a countywide effort to update rural addresses. By way of illustration, the zoning department spent \$26,483 and nearly \$100,000 (tax levy dollars) on the comprehensive land use planning project respectively in 1999 and 2000. In 2003 and 2004, it spent just over \$73,000 on the zoning re-codification project.⁴

Special projects like these that often include paid professional consultants usually may result in significant, short-term increases similar to a large capital outlay. However, it must be noted that they also provide long-term benefits to many county residents. In the case of the land use and zoning projects, residents are better protected from inappropriate/unwarranted land uses and know that the county is committed to preserving open spaces. In the case of rural addressing, residents are probably more likely to receive emergency services quicker in some cases than in the past (updated records for the county to use).

PER CAPITA CONSERVATION AND DEVELOPMENT COMPARISON
(Similar Counties)



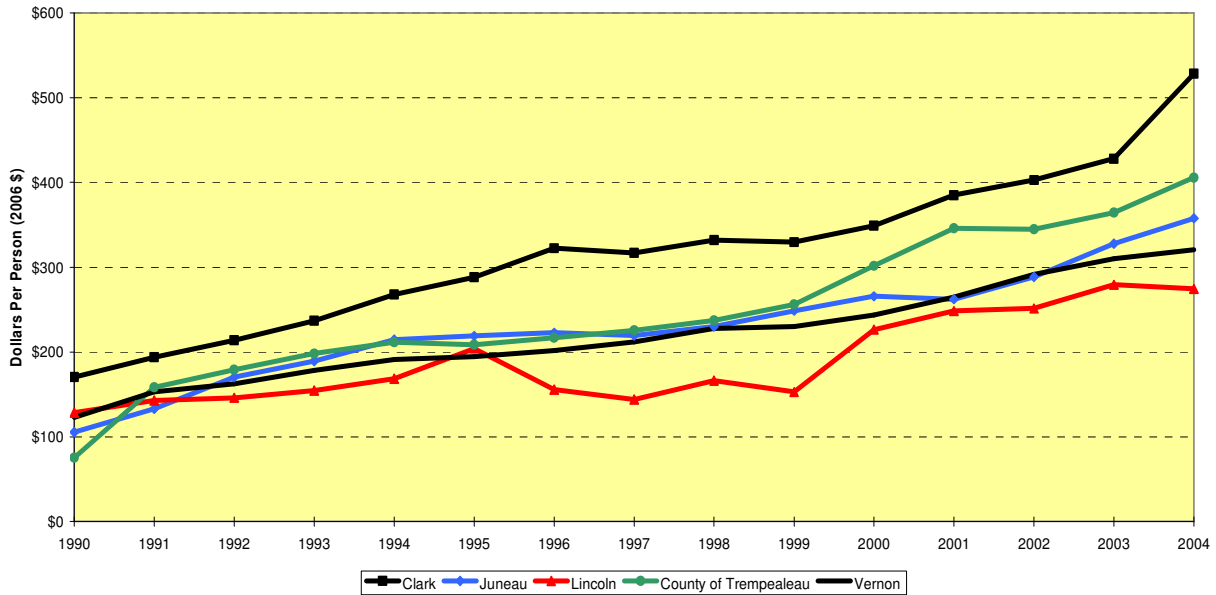
The category “conservation and development” (previous page) includes operating and capital outlays for economic development, forestry and other conservation and development activities, public housing, and the administration of zoning and planning.

Although there was a spike in Lincoln County’s spending in per capita conservation and development in 2001, spending in this category remained low in 2003 and 2004 as

⁴ Budget figures obtained from Lincoln County Zoning Office

compared with what was spent in other counties. Only about 3.4% of Lincoln County's total per capita spending in 2004 was devoted to conservation and development related activities. In 2004, the county spent \$29.91 per capita on these items.

**PER CAPITA HEALTH AND HUMAN SERVICES COMPARISON
(Similar Counties)**



Included in this graph are capital outlays and operating expenses for mental health programs, health officers, health inspections, cemeteries, institution care, social programs, animal shelters and control, aging and veterans programs, general relief, and social programs.

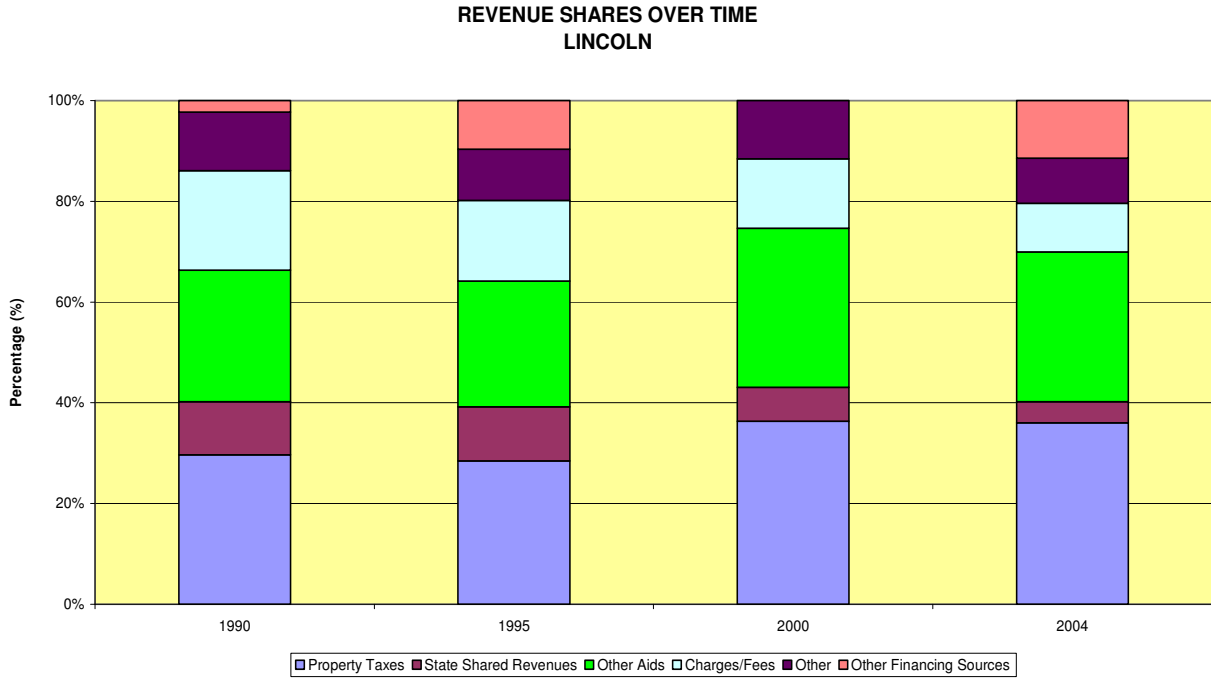
In 2004, Lincoln County spent just over \$274 per resident on these functions. Lincoln County had the lowest per capita expenditure rate for health and human services in comparison to the other counties. In all counties included in this study, per capita costs increased \$150 to \$300 over the period. Part of the increases may be explained by rapidly rising health care costs and an aging population.

Lincoln County's per capita increase is on the lower end and may, in part, be due to how its Pine Crest Nursing Home is financed. The county nursing home does not rely heavily upon property tax subsidization. In 2005, actual tax levy expenditures for the home were 3.74% of total costs. Nearly 87% of actual expenditures came out of patient services revenues. And, although the portion of tax levy dollars in the budget is set to increase, that amount will still be less than 5% of total budget in 2006 and 2007.⁵

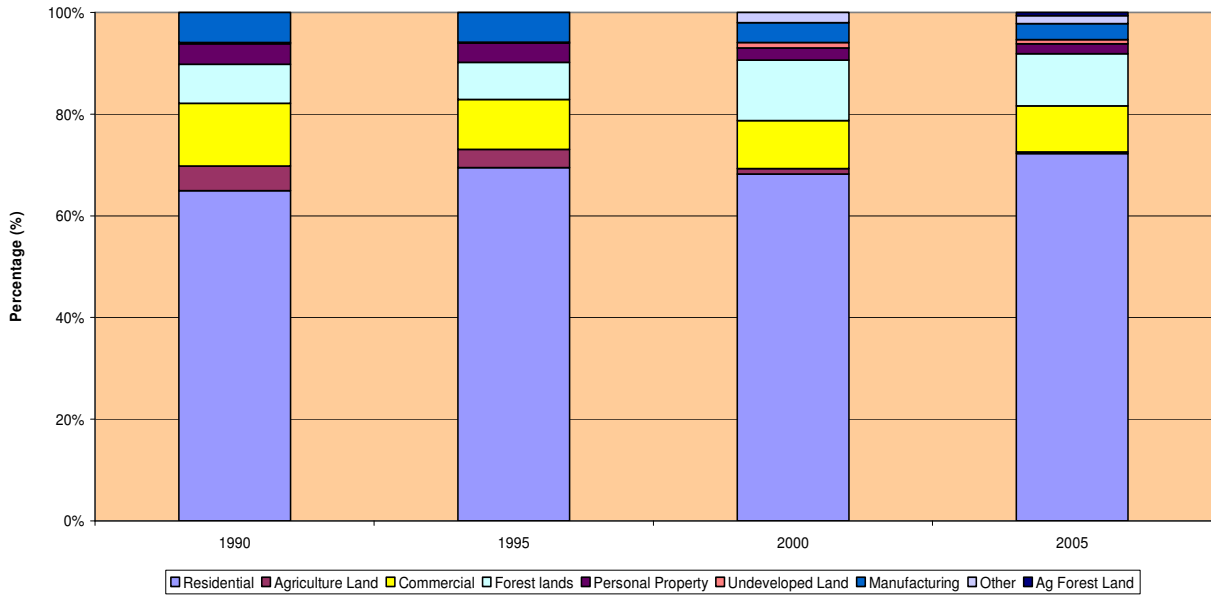
⁵ Source: Tim Meehan, Director, Pine Crest Nursing Home. Budget synopsis dated September 13, 2006.

VI. Lincoln County Revenues, Property Taxes, Property Values, and Expenditures Over Time

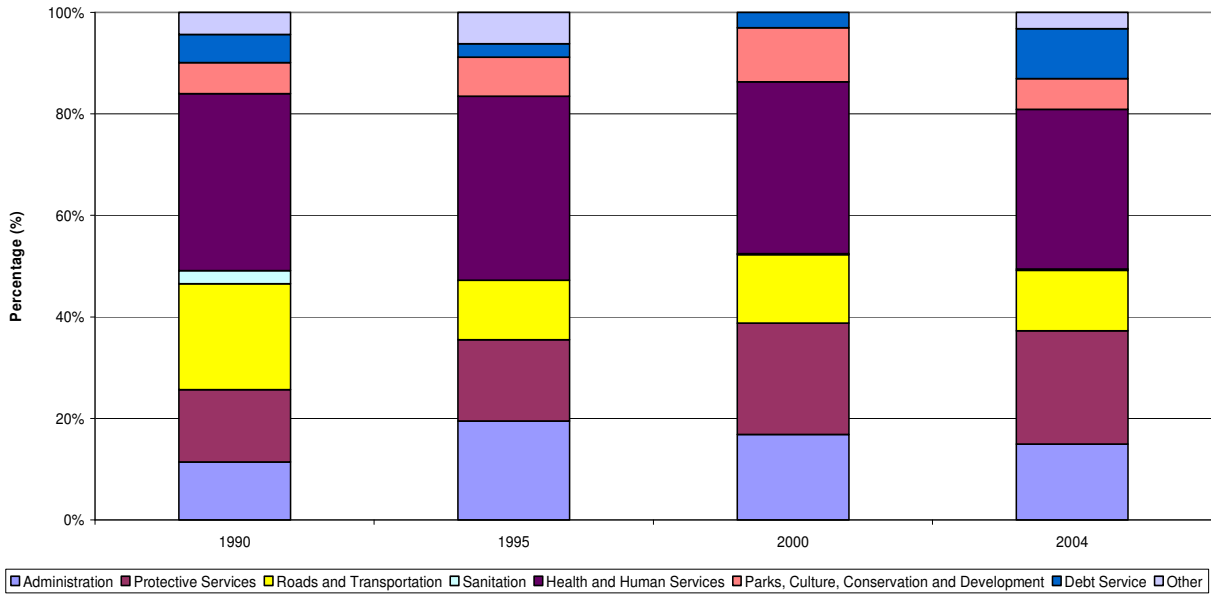
The following stacked bar charts show by percentage Lincoln County revenues, property values, and expenditures in 1990, 1995, 2000, and 2004. Also included is a graph depicting Lincoln County's tax mill rates from 1990 through 2004. Those rates are compared to rates in Wisconsin counties with populations between 20,001 and 50,000.



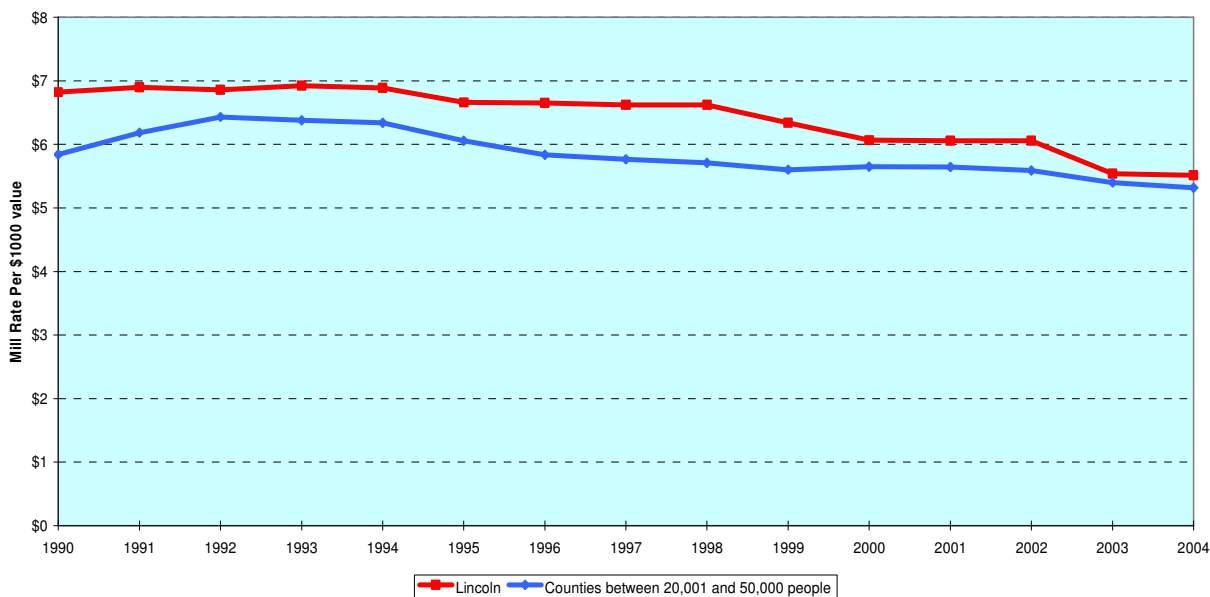
**EQUALIZED VALUE BY CLASS
LINCOLN**



**EXPENDITURE SHARES OVER TIME
LINCOLN**



COUNTY TAX MILL RATE COMPARISON



VII. Conclusion

This report is meant to provide only a snapshot of major revenue, property tax, property value, and expenditures trends in Lincoln County, Wisconsin. As was mentioned in the introduction, it is likely the report will raise many more questions than it answers.

Additional, more focused reports can be generated using the GREAT Database and other information from the Wisconsin Department of Revenue. These reports may be generated upon request.

Questions about this report should be directed to Art Lersch, Assistant Professor, University of Wisconsin – Extension, Lincoln County. His phone number is 715-536-0304. He may also be reached by e-mail at Arthur.lersch@ces.uwex.edu.