

## FINANCE COMMITTEE

Government Center  
West Bend, WI

September 30, 2009  
8:30 a.m.

Present: Ralph R. Hensel, Joan A. Russell, Richard L. Bertram, Leslie J. Borman and William Meyers.

Also Present: County Board Chair, Herbert J. Tennes, Administrative Coordinator Douglas A. Johnson, Finance Director Susan M. Haag, County Clerk Brenda Jaszewski, and Judy Steinert, Administrative Assistant.

Chairperson Hensel called the meeting to order at 8:30 a.m. and read the Affidavit of Posting.

### **Administrative Coordinator's 2010 Budget Summary**

Mr. Johnson gave an explanation and review of the 2010 Budget Highlights, Budget Summary, Budget Rate, Budget Charts and Position Requests.

### **Budget Highlights include:**

#### **Yearly Adjustments to a Financial Plan.**

A one year budget is shaped by the actions of county government for years before. It is guided by the vision of what the County will need in the years to come. Since 2004 the Finance Committee and County Board have not used changes in valuation as the target for changes in county levy. Modest growth in levy to support services for a growing county has been shaped by several factors, particularly the extent of net new construction values. Between 2004 and 2009 this approach reduced the tax rate 72 cents per \$1,000 of value, a 21% reduction. Modest levy growth in line with a net new construction increase of 1.7% is still a sound approach for 2010, to preserve essential county services.

#### **Zero c.o.l.a. Keeps Capable Departments**

The County Board recognized that the distress in our local and state economy required leadership to meet the challenge of keeping departments operating within very limited funding. The decision was to seek no cost of living adjustment in wages for 2010 for both ordinance and represented employees without widespread layoffs, furloughs or reduced work hours. So far this plan for non-represented employees has been approved; a contract with the Deputy Sheriff's Association with zero c.o.l.a. for one year is coming to the Board for a vote in October. No departments in this budget include funds for general pay raises, saving more than \$800,000 of added cost or service cuts for 2010.

#### **Funding for Operations before Capital Projects**

Since starting the half cent sales tax in 1999, this second major funding source for county government has been an important part of our financial plan. When the 2010 capital plan and budget was developed, adjustments were made to delay several capital projects so that an increased share (60%) of the sales tax revenues could be permanently directed to an offset to the property tax levy in the operating budget. This reallocation was a priority since total sales tax collections forecasts for the 2010 budget are 6% below 2009 budget levels. The planned use of sales taxes for capital projects has also reduced debt service payments in this budget, now at a level nearly \$1 million below the 2004 amount.

#### **Public Safety is a Priority**

The largest category for increasing 2010 taxes is to continue to fund operations of the Sheriff's Department. Public Safety accounts for one-third of the county levy and has fewer state and federal revenue sources available than other large county departments. Revenues for care of jail inmates are down from multiple sources, including state and other counties. For example, Huber (work release) inmates are having

1 difficulty finding jobs in this tough economy, so fewer have income to pay towards their room and board.  
2 Residents rely on the Sheriff's Department to keep the County a safe place to live, work and play.

### 3 4 **Stretching Dollars for Health & Human Services**

5 Departments within the area of Health & Human Services have done a remarkable job of continuing to  
6 meet growing demands for services within an overall 1% increase in county levy for 2010. This has taken  
7 creative planning, hard work, and changing the way that services are provided. The Health Department will  
8 begin to perform Environmental Health services for the state at restaurants and recreational facilities using  
9 inspections fees to cover added costs. The ADRC and Human Services Department have financially  
10 benefited from county participation in Family Care. The merger at HSD has improved financial  
11 management and led to new method of risk management for high cost care of adults, children and youth.

### 12 13 **Work to Do in Other Departments**

14 There are important assignments that the public expects the county to tackle, even though the economy is in  
15 rough shape. One example is in the Veterans Service office, where increasing numbers of reserve/ guard  
16 military personnel are returning from active combat. More staff hours are needed to serve these veterans,  
17 who present a wide variety of issues and are eligible for a changing pattern of benefits. A second example  
18 is for the County Clerk's office, which conducts elections. There will be four elections in 2010, including  
19 for Governor in the fall, that are expected to draw high voter turnouts. A third example is re-establishment  
20 of a local Clean Sweep Program for collecting hazardous materials. This was accomplished within the Base  
21 level budget of the Planning & Parks Department. This funding needs to be protected so that the program  
22 can be offered every year, not sporadically.

### 23 24 **Getting Fair Park Back on Track**

25 The development of the new Washington County Fair Park in the 1990's was an ambitious project,  
26 intended to serve our people, organizations, and businesses, and to attract visitors to the area. More than  
27 twenty million dollars was invested in the land and improvements. The Ziegler Family Exposition Center,  
28 built in 2008 to complete the original project, cost more than expected and fell short of private fund raising  
29 goals. While the County Board and the Board of the private non-profit Agricultural & Industrial Society try  
30 to finally resolve those building cost issues, the County needs to decide how much funding it will  
31 contribute for Fair Park operations in 2010. The amount proposed – about 16% of the cost of annual  
32 operations – is needed to stabilize finances and return attention to realizing the potential for this wonderful  
33 community asset.

### 34 35 **Good, Bad and Ugly Features**

36 This budget has a variety of positives and negatives to contend with. The moderation of vehicle fuel prices  
37 has helped, reducing the budget for these expenses by \$233,000 below the high costs in the 2009 County  
38 Budget. Extremely low interest rates are equally negative, reducing the expected earnings on County  
39 investments by \$400,000. The new State Budget was often ugly, not just with cuts in mandated human  
40 services delegated to counties. New cell phone taxes intended to fund county 911 call centers were taken  
41 and used as a substitute funding source for decreased shared revenue payments to municipalities and  
42 counties, setting a new low standard for broken trust in the damaged state-county partnership.

### 43 44 **Services that Matter, Holding the Line**

45 Some important county services are continued without any increase in county levy. The Highway  
46 Department is budgeted with the same county tax funding for both highway maintenance and transit (taxi  
47 and commuter express bus) as 2009. This was made possible both by the reduction in fuel costs, but also by  
48 Federal ARRA funding received this year for equipment and road projects. The Samaritan Health Center is  
49 budgeting for the 9<sup>th</sup> consecutive year of providing good quality residential services without any property

1 tax levy. This has helped county taxpayers, but also families that are assured that these services will not be  
2 jeopardized by a burden of their cost on the property tax.

### 3 4 **Levy Limits and Property Taxes**

5 This is a year where the expectation is that many counties will be facing reduced revenues, dramatic cuts in  
6 services, and property tax increases that must be restrained by state law. This 2010 limit is 3%. The budget  
7 proposed here is a 1.7% increase. The resulting tax rate is 6 cents per \$1,000 value higher than 2009, 4  
8 cents per \$1,000 value lower than 2008. For a \$200,000 house, the county tax will be about \$554, an  
9 increase of about \$12 from last year's taxes.

### 10 11 **County Board**

12 The County Board budget was presented by County Board Chairman, Herb Tennes and Economic  
13 Development Washington County Board President, Andy Gumm. Mr. Tennes reported the base level  
14 funding is \$476,212, and both the recommended and requested budgets are \$474,124 (-0.4% from 2009).

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16 Moved by Mr. Bertram, seconded by Ms. Russell to tentatively approve the County Board 2010  
17 recommended budget and levy, including out-of-state travel, in the amount of \$474,124. Motion carried.

18  
19 Mr. Hensel recessed the meeting at 9:52 a.m. and reconvened at 10:02 a.m.

### 20 21 **County Attorney**

22 The County Attorney budget was presented by County Attorney Kim Nass. Mr. Johnson presented the  
23 base level funding of \$608,646 and both the recommended and requested budgets are \$616,660 (+2.3%  
24 from 2009). The number of employees taking family health insurance benefits increased since the 2009  
25 budget was set. Reductions were made in the cost to continue budget for this department by the Executive  
26 Committee. The requested budget is needed to cover the essential costs of operation without service  
27 reductions.

### 28 29 **DECISION ITEMS FUNDED:**

- 30 • Continue I.S. services at recommended level @ \$6,698
- 31 • Continue publications/subscriptions legal resources with some (\$670) reduction @ \$316
- 32 • Continue process fees at 2009 level @ \$1,000

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34 **ONE MORE THING:** Federal ARRA funding of approximately \$180,000 is available to temporarily  
35 offset Child Support cuts from previous years. A separate cost center has been created to record those  
36 actual revenues and expenses.

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38 Moved by Mr. Borman, seconded by Ms. Russell to tentatively approve the County Attorney 2010  
39 recommended budget of \$616,660, including Indirect Charges of \$190,537 for a total levy in the amount of  
40 \$807,197. Motion carried.

### 41 42 **Library**

43 The Library budget was presented by County Supervisor Paul Ustruck and County Clerk Brenda Jaszewski.  
44 Mr. Johnson presented the 2010 base level funding of \$1,615,759 and both the recommended and requested  
45 budgets are \$1,615,759 (+1.0% from 2009).

46  
47 **ONE MORE THING:** During difficult economic times, public libraries are used for access to free  
48 information, entertainment, and increasingly Internet access. Throughout our local libraries circulation is up  
49 4 - 7% over the past year. Internet usage is up from 3 - 8% during that period ending in August. With more

1 job postings on the Internet, people seeking work or vocational direction are using the library as a tool to  
2 cope with these hard times.

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4 Moved by Mr. Bertram, seconded by Mr. Meyers, to tentatively approve the Library Services 2010  
5 recommended budget and levy in the amount of \$1,615,759. Motion carried.

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7 **Administration/Emergency Management/Facilities**

8 Mr. Johnson, Emergency Management Coordinator Rob Schmid, and Facilities Manager Dave Loomans  
9 presented the Administration, Emergency Management, and Facilities budget with a base level funding of  
10 \$267,318 for Administration and \$2,654,988 for Facilities. Both the recommended and requested budgets  
11 are \$257,927 (-2.5% from 2009) for Administration and \$2,626,905 (-0.7% from 2009) for Facilities.  
12 Reduction in levy was possible due to increased State EMPG funding to cover an added share of the  
13 Administrative Assistant/ Deputy EM Coordinator position costs. With respect to Facilities, reductions in  
14 budgeted building utility costs below 2009 levels were large enough to cover areas of increasing cost.

15  
16 **OUTLAY:** Grant funded Hazmat computer equipment @ \$8,000

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18 **ONE MORE THING:** Emergency Management has played an active, supportive role to increase  
19 interoperability of communications in the Milwaukee urban area. During 2009 federal funding was secured  
20 for the purchase of an EDACS IP gateway link between Washington and Ozaukee public safety radio  
21 systems in conjunction with the county's radio system replacement project.

22  
23 Facilities Management completed life cycle evaluations and conditions inspections of major HVAC  
24 equipment, life safety equipment, and security systems prior to preparation of the 2010-2015 capital plan  
25 update. This information guided proactive budgeting for phased replacement of costly building assets.

26  
27 Moved by Ms. Russell, seconded by Mr. Borman to tentatively approve the Administration and Facilities  
28 2010 recommended budget and levy, including outlay and out-of-state travel, in the amount of \$257,927 for  
29 Administration and \$2,626,905 for Facilities. Motion carried with Mr. Meyers voting no.

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31 The Finance Committee meeting was recessed at 10:50 a.m. until Thursday, October 1, 2009, at 8:30 a.m.

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Brenda Jaszewski, County Clerk