

1 **FINANCE COMMITTEE – BUDGET HEARING**

2
3 Government Center
4 West Bend, WI

October 7, 2008
8:30 a.m.

5
6 Present: Ralph R. Hensel, Joan A. Russell, Richard L. Bertram, Leslie J. Borman and Bill Meyers.

7
8 Also Present: County Board Chair Herbert J. Tennes, Administrative Coordinator Douglas A.
9 Johnson, Finance Director Susan M. Haag, and County Clerk Brenda J. Jaszewski.

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11 Chairperson Hensel reconvened the meeting at 8:30 a.m.

12
13 **County Clerk**

14 The County Clerk budget was presented by County Clerk Brenda Jaszewski. Mr. Johnson presented
15 the base level funding of \$407,315 and the recommended budget is \$426,583 (+4.7%).

16
17 The Wisconsin County Mutual Insurance Company has decided that it will no longer offer property
18 insurance coverage. Other coverage for 2009 is in the process of being worked out. Costs are
19 expected to be somewhat higher than the rates given to departments for their budgeting. \$20,000 of
20 county levy is added to the County Clerk budget to anticipate this expense.

21
22 **Outlay:** Central Reproductions new copy machines @ \$24,000.

23
24 **One more thing:** A decrease in Insurance Dividend revenue is anticipated for both 2008 and 2009.
25 The dividend received for 2007 was half the expected amount and the Wisconsin County Mutual
26 Insurance Company is having financial difficulties again this year.

27
28 Proposed 2009 property insurance rates were presented and discussed. The Committee recommends
29 funding the full estimated cost of replacement value for property insurance, which would be an
30 additional \$60,000.

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32 Moved by Mr. Meyers, seconded by Mr. Borman to tentatively approve the County Clerk 2009
33 budget and levy, including outlay and user fees in the amount of \$486,583. Motion carried.

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35 **Human Resources**

36 The Human Resources budget was presented by Director Peter German. Mr. Johnson presented the
37 base level funding of \$762,485 and the recommended budget is \$787,485 (+4.8%).

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39 The current pay plan was implemented in 2000 and needs updating to address a variety of identified
40 concerns and check for market adjustments. Attorney expenses for labor negotiations have been
41 higher than expected in 2007-08 due to extended grievances involving management rights for the
42 Sheriff's Department and Samaritan. The funding recommended for 2009 should be sufficient but
43 could be exceeded.

44
45 **Decision items funded:**

- 46
47
48
- Labor negotiations account funded above 2008 budget level @\$15,000
 - Consulting funds to implement a pay plan review @\$10,000

Not yet funded:

- Labor negotiations account funded at Requested level @\$10,000

One more thing: Human Resources has recently implemented an e-recruit on-line application system for job applicants. Desired outcomes include higher quality candidates, a streamlined process, quicker turn around time, and cost savings.

The Committee discussed eliminating the pay plan study, which would result in a savings of \$10,000. After further discussion, it was agreed to reduce the Human Resources 2009 negotiations account by \$5,000 and allow \$5,000 to remain in the 2009 budget for a reduced pay plan study.

Moved by Mr. Borman, seconded by Mr. Bertram to tentatively approve the Human Resources 2009 budget and levy, including out of state travel, in the amount of \$782,485. Motion carried.

County Treasurer

The County Treasurer budget was presented by Treasurer Janice Gettelman. Mr. Johnson presented the base level budget of revenues more than expenses \$438,966, plus Interest on Investment revenues in the amount of \$1,000,000 and the recommended level of revenue more than expenses is \$518,518, plus Interest on Investment revenues of \$1,000,000. The Requested net budget was just about the same as for 2008.

Other adjustments to request: Recommending an increase of \$80,000 in the budgeted revenue collected on interest for delinquent property taxes based on 2007-08 experience.

One more thing: The Federal Reserve Board benchmark rate was dropped seven times from September 2007 – July 2008. Despite this, the County interest earnings on investments and on delinquent taxes are both projected to exceed budgeted levels for 2008.

Ms. Gettelman informed the Committee that she initially budgeted the Ag Use Penalty revenue for 2009 at \$150,000, but it now looks like a realistic amount of revenue would be \$50,000, reducing the total revenue more than expenses by \$150,000. It was recommended to reduce the 2009 Ag Use Penalty revenue by \$150,000, and to increase the general Interest on Investments revenue by \$100,000, based on past experience, leaving a total difference of \$50,000 less revenue more than expenses.

Moved by Mr. Bertram, seconded by Mr. Borman, to tentatively approve the County Treasurer 2009 budget and levy, including user fees, for an amount of revenues more than expenses of \$368,518, plus Interest on Investments revenues in the amount of \$1,100,000. Motion carried.

Samaritan Health Center

The Samaritan Health Center budget was presented by Administrator Ed Somers. Mr. Johnson reported the base level funding is no county levy and the recommended level budget is no county levy.

Staffing levels are being reduced to reflect a 131-bed Skilled Nursing Facility (SNF) and 31 total beds of Community Based Residential Facility (CBRF). The budget assumes operation of 160 SNF beds until June and the reduced level July to December. Within CBRF areas, the budget assumes 17

1 memory care units for the full year and 14 frail CBRF units from July to December. The east and
2 west CBRF will become part of the Fields enterprise fund.

3
4 **Outlay:** Medical equipment and other outlay @ \$95,210.

5
6 **One more thing:** Goals for 2009 include working with the County Attorney's office to improve
7 collection efforts for private pay and with the Human Services Department to get responsible parties
8 to file timely for Title-19 benefits. Samaritan is also an active partner working with Human
9 Resources to improve the county safety program and a related reduction in Workers Compensation
10 claims by employees.

11
12 Moved by Mr. Bertram, seconded by Mr. Meyers to tentatively approve the Samaritan 2009
13 recommended budget and levy, including outlay and user fees, with no county levy. Motion carried.

14
15 **Finance**

16 The Finance Department budget was presented by Finance Director Susan Haag. Mr. Johnson
17 presented the base level funding of \$1,359,309 and the recommended budget is \$1,411,327 (+5.2%).

18
19 The cooperative staffing proposal with Samaritan is a creative solution to a long-standing problem of
20 providing for appropriate backup staffing to the Payroll Supervisor.

21
22 **Decision items funded:**

- 23 • Continue all current staff without reductions @ \$37,578
- 24 • Fund 25% of Accounting Technician with Samaritan for Payroll work @ \$14,440

25
26 **One more thing:** A new approach to presenting Indirect Costs is instituted for these departments in
27 the 2009 Budget: Finance, County Attorney, ADRC, and Human Services Dept. This will more
28 clearly show both the "with and without" county levy information on the individual department page.
29 The sub-total without Indirect Costs will be used for all these departments in the County Budget
30 summary and when comparing year to year percentage changes.

31
32 The Committee reduced the Finance department Consulting account by \$5,000.

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34 Moved by Mr. Borman, seconded by Mr. Bertram to tentatively approve the Finance Department
35 2009 budget and levy, including the position request, out of state travel, and user fees, in the amount
36 of \$1,406,327, and Indirect Costs of \$965,596 credit, for a total levy of \$440,731. Motion carried.

37
38 **Additional Consideration for the Finance Committee**

39 A recap of the changes to the recommended budgets was presented.

40 Sheriff:	Decrease in levy:	- \$ 1,050
41 County Clerk:	Increase in levy:	\$60,000
42 Human Resources:	Decrease in levy:	- \$ 5,000
43 Finance Dept.:	Decrease in levy:	- \$ 5,000
44 Treasurer:	Increase in levy:	<u>\$50,000</u>
45 Net Increase in Levy over Recommendation:		\$98,950

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47 Mr. Johnson stated that due to the changes, he recommends several departments be called back to the
48 Finance Committee for reconsideration of the 2009 budget funding that was tentatively approved.

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2 Moved by Mr. Meyers, seconded by Mr. Bertram to request the Sheriff, Human Services Director,
3 Planning & Parks Administrator, Medical Examiner, and Highway Commissioner come back to the
4 Finance Committee for reconsideration of specific items in their respective department's 2009
5 budget. Motion carried.

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7 Mr. Hensel recessed the meeting at 11:40 a.m. until Wednesday, October 8, 2008, at 8:30 a.m.

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11 Brenda Jaszewski, County Clerk