

1 **WASHINGTON COUNTY FINANCE COMMITTEE**

2
3 Courthouse - Government Center
4 West Bend, WI

September 29, 2011
8:40 a.m.

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

7
8 Also Present: County Board Chairperson Herbert J. Tennes, Administrative Coordinator Douglas A.
9 Johnson, Finance Director Susan M. Haag, County Clerk Brenda Jaszewski, Administrative Assistant Judy
10 Steinert, Assistant Finance Director Rich Abbott, Treasurer Janice Gettelman, Register of Deeds Sharon
11 Martin, Supervisors Dennis Myers, William Meyers, James Core, Marilyn Merten, and Paul Ustruck.

12
13 Chairperson Hensel called the meeting to order at 8:40 a.m. and read the Affidavit of Posting.

14
15 **Administrative Coordinator's 2012 Budget Summary**

16 Mr. Johnson gave an explanation and review of the 2012 Budget Highlights, Budget Summary, Budget
17 Rate, Budget Charts and Wage Recommendations. Budget highlights include:

18
19 **Job Well Done**

20 It started with challenging targets set by the Finance Committee; reduce countywide levy below \$37
21 million and require most departments to build their budgets from an initial county funding Base level 2.5%
22 less than this year. The liaison committees were diligent in their work and made sound recommendations of
23 Base and Requested budgets. Those recommendations were less than the levy target and are all included in
24 this proposed budget.

25
26 **The State's 2012 Plan for Counties**

27 Through Act 10 and the State Budget Bill, the Legislature reshaped the way that county property taxes are
28 to be controlled. These are the essentials. Most employees, not the county, will pay half (e.g. 5.9% of
29 wages for general status) of the Wisconsin Retirement System contributions. Wage increases will be held
30 below the Consumer Price Index. Levy increases are limited to the growth from net new construction (i.e.
31 0.71% for us). State funding to counties is cut, with the expectation that WRS budget savings will be
32 sufficient to cover those losses, continuing needed services.

33
34 **County Levy Replacing State Funding**

35 For 2012, the State plan works for the Washington County budget. State Revenue Sharing was one area
36 where the State cut. Specific departments that had decision items requiring levy funding to replace State
37 cuts included these: Human Services, Highway (Transit), County Attorney (Child Support), and District
38 Attorney (Victim Witness). Another consequence of the State plan for 2012 is that Deputy Sheriffs and
39 their command staff are excluded from the required WRS contributions change. The result is that levy
40 savings from the rest of the county workforce are needed to continue the current level of public safety
41 services. This too is accomplished without an overall increase in county property taxes.

42
43 **Staffing Changes**

44 No departments requested additional staff for 2012. There were some cutbacks that were required to reduce
45 costs. Effective in two weeks, the Sheriff's will contract with a private company to provide food service in
46 the jail, eliminating five county positions. One full-time and three part-time custodian positions are being
47 eliminated and work assignments revised for the rest of the cleaning staff in Facilities. The Growth
48 Management Educator position shared between our county and Sheboygan will be ended at UW-Extension.

1 **Radio System Maintenance**

2 When the new digital, trunked radio system was developed, the county signed a multi-year maintenance
3 agreement with the manufacturer. After a full 12 months of warranty coverage, the county is responsible to
4 pay for this service beginning in 2012. Funding this mostly through allocated sales taxes in the operating
5 budget was considered but rejected as part of the capital improvement planning several years ago. A
6 decision item of \$368,389 was included in the Sheriff’s Department Requested budget. It can be funded in
7 this proposed budget because of overall, declining county costs of long term debt payments.

8
9 **Debt Reduction**

10 Ten years ago, the annual budgets of the County typically required 9% of the total levy to be used for
11 annual debt service payments. By minimizing borrowing to be repaid from the General Fund and using a
12 large share of sales taxes to pay for capital projects, debt service payments have been reduced to just 4% of
13 the 2012 levy. Net debt payments in 2012 will be \$455,187 less than in 2011, and will continue at that level
14 in 2013.

15
16 **Support for Transit**

17 The Transportation Committee faced a big challenge with commuter bus and taxi services, the result of
18 increasing fuel costs and State and federal funding reductions. Fare increases and targeted service
19 reductions were carefully prioritized in two groups, tentative actions made by the Committee and further
20 actions dependent on levy decisions by the Finance Committee in their Requested budget. Based on the
21 information gathered at a public hearing and the ability to support added transit costs without increasing
22 county levy above the Finance Committee target, this budget proposes to reverse two actions: the
23 elimination of one bus route and the reduction of taxi hours for 2012. Proposed fare increases are still
24 needed.

25
26 **Services in Hard Times**

27 It is a difficult fact of life that government is needed most when times are at their worst. Though resources
28 are stretched, we can make a big difference in the lives of our citizens and in the quality of life for our
29 community. This is evident when considering human services for families, assistance to veterans, and
30 public safety services. It also makes a difference with what we can accomplish to support economic
31 development of our county, care for our vulnerable seniors, have ready access to library materials and
32 resources, and provide for friends and neighbors to come together at an uplifting county fair.

33
34 **Steady and Ready**

35 One of the strengths of Washington County has been the way that we are cautious to take on new
36 responsibilities and follow through on the commitments that are made. This is reflected in the Aaa bond
37 rating achieved, and in the reputation earned by many departments for valued services provided year after
38 year. The current economic uncertainties and tight State levy limits mean that 2013 budgets will be even
39 more difficult than this year. A good balance between taxes and services needs to be accomplished for both
40 this year and the next.

41
42 **Employees Do the Work**

43 The County has served the citizens well by providing a good quality of varied services while holding down
44 costs. This has been possible because of the skill and dedication of loyal, hard-working employees. They
45 understand that these are very difficult economic times for everyone, and have cooperated with voluntary
46 wage freezes (2010) and redesign of health insurance benefits (2011). For 2012 they know that take home
47 pay will be decreasing from WRS contribution changes. What remains to be decided is wage levels. The
48 Finance Committee needs to decide what funds to include in the budget to implement the anticipated pay
49 plan changes being studied.

1 Touching with Technology

2 For both our workforce and for our citizens, the use of information technology plays a growing and
3 essential role in doing our work. Major projects will be implemented to manage county work stations with
4 less on-site technical support (Citrix), and to manage Sheriff's Department records both from squad cars
5 and in the jail. County departments make more and more information available for self-service by
6 employees and citizens. These system investments are of benefit now and for the county's future.

8 Valuation and Tax Rate

9 The pattern of rising property values in the county turned backward in each of the past three years. Even
10 with decreases in the countywide levy amount, the tax rate has seen small increases. The target of the
11 Finance Committee was to avoid an increase in tax rate more than the 2007 level (\$2.8876 per \$1000); this
12 budget is below that rate.

14 Mr. Hensel recessed the meeting at 9:51 a.m. and reconvened at 10:03 a.m.

16 County Board

17 The County Board budget was presented by County Board Chairperson Herb Tennes, Mr. Tennes
18 reported the base level funding is \$466,331 and the recommended and requested budget is \$463,402
19 (-0.6%). The Requested budget is below the authorized Base level. The Executive Committee considered
20 a request from Economic Development Washington County for increased annual support for business
21 growth activities; their decision was to continue the 2011 level of support.

23 **ONE MORE THING:** In 2011, the County Board implemented a system for rebroadcasting monthly
24 Board meetings on cable television in the West Bend, Hartford, and Germantown areas. The 2012 Budget
25 includes funding to continue this system.

27 Moved by Mr. Bertram, seconded by Ms. Russell, to tentatively approve the County Board 2012
28 recommended budget and levy in the amount of \$463,402. Motion carried.

30 Library

31 The Library budget was presented by County Supervisor Paul Ustruck. Mr. Johnson presented the 2012
32 base level funding of \$1,631,917 and the recommended and requested budget is \$1,631,917 (no increase).

34 **ONE MORE THING:** This budget will support total circulation payments to the five local libraries
35 similar to this year, at \$1,199,518. In 2012, Washington County is required by State law to pay
36 surrounding county libraries also similar to this year, at \$112,293.

38 Moved by Mr. Healy, seconded by Mr. Borman, to tentatively approve the Library Services 2012
39 recommended budget and levy in the amount of \$1,631,917. Motion carried.

41 County Attorney

42 The County Attorney budget was presented by County Attorney Kim Nass. Mr. Johnson presented the
43 base level funding of \$579,190 and the recommended and requested budget is \$596,465 (+0.4% above
44 2011 levy). Levy is needed to offset State budget cuts made to Child Support (-\$34,473). This funding is
45 available for 2012 due to WRS contribution changes for most county employees.

47 DECISION ITEMS FUNDED:

- 48 1. Fund expected costs using levy instead of non-lapsed non-County funds supplied to fund potential
49 2011 Unemployment Comp payments that were not needed @ \$10,000
- 50 2. Use levy, not non-lapsed 2011 levy not needed for health insurance @ \$7,275

1
2 **ONE MORE THING:** Child Support costs are eligible for federal reimbursement at 66%. This means that
3 levy savings of only 34 cents result from an expense cut of one dollar.
4

5 Moved by Mr. Borman, seconded by Ms. Russell, to tentatively approve the County Attorney 2012
6 recommended budget of \$596,465, plus Indirect Charges of \$196,898 for a net levy of \$793,363, including
7 user fees. Motion carried.
8

9 **Administration/Emergency Management/Facilities**

10 The Administration budget was presented by Administrative Coordinator Doug Johnson, Emergency
11 Management Coordinator Rob Schmid, and Facilities Manager, Dave Loomans, with a base level funding
12 of \$253,988 for Administration and \$2,735,200 for Facilities. The recommended and requested budget is
13 \$253,495 (-2.7% below 2011 levy) for Administration and \$2,639,262 (-6.5% below 2011 levy) for
14 Facilities.
15

16 Recording and reporting of indirect costs were implemented for Emergency Management during 2011 to
17 maximize earning of grant funds; the practice continues with the 2012 Budget.
18

19 **OTHER ADJUSTMENTS TO REQUEST:** Beginning with the 2012 Budget, facilities related expenses
20 at Fair Park are no longer budgeted through and billed to the Ag & Industrial Society. The percentage
21 decrease calculated for Facilities here uses 2011 costs following the same method as 2012. The actual
22 amounts budgeted for 2011 remain unadjusted on the County Budget Summary spreadsheet, for historical
23 accuracy. 2010 Actual expenses and 2011 projected expenses appear using the old method.
24

25 **OUTLAY:** Recommended equipment replacements for Facilities @ \$19,000.
26

27 **ONE MORE THING:** The Administrative Services Committee authorized custodial staff reductions and
28 work reassignments to improve efficiency and reduce cost. One full-time lay-off has been issued and three
29 part-time positions are being phased out by year end. This plan reduced the proposed budget by more than
30 \$100,000.
31

32 Moved by Ms. Russell, seconded by Mr. Borman to tentatively approve the Administration and Facilities
33 2012 recommended budget, in the amount of \$253,495 for Administration, \$2,639,262 for Facilities, plus
34 Indirect Charges of \$25,569 for a net levy of \$2,918,326, including outlay. Motion carried.
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36 Wage recommendations will be discussed by the committee at the Finance Committee meeting on Tuesday,
37 October 4, 2011 at approximately 10:00 a.m.
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39 The Finance Committee meeting was recessed at 11:17 a.m. until Friday, September 30, 2011, at 8:00 a.m.
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Brenda Jaszewski, County Clerk