

**SEPTEMBER 5, 2013 SESSION
OF THE
WALWORTH COUNTY BOARD OF SUPERVISORS
COMMITTEE OF THE WHOLE**

The Walworth County Board Committee of the Whole meeting was called to order by Chair Russell at 5:02 p.m. at the Government Center, 100 W. Walworth Street, Elkhorn, Wisconsin.

Roll Call

Roll Call was conducted and the following Supervisors were present: Richard Brandl, Tim Brellenthin, Vice-Chair Jerry A. Grant, Daniel G. Kilkenny, Kenneth H. Monroe, Carl Redenius, Joe Schaefer, Tim Schiefelbein, Rick Stacey, David A. Weber, and Chair Nancy Russell.

- **The purpose of the meeting will be for the Administrator to present his proposed 2014 budget and to hold a budget workshop**

David Bretl, County Administrator, presented an overview of the 2014 Administrator's Budget. A copy of the 2014 Administrator's Budget book was distributed to those present.

Bretl stated this budget freezes the overall county levy for the third consecutive year. He stated this budget is levying slightly less than what was levied for the 2013 budget. He said there is a slight increase in the county's operating expenses and a decrease in the Children with Disabilities Education Board (CDEB) budget. He referred to Figure 3 of the budget book, which shows a large decrease in debt service. He said this decrease has allowed for flexibility in the budget. He explained the important dates in the budget process as outlined in the budget book.

Bretl explained each of the **2014 Budget Themes. Economic Realities:** Bretl stated the county has seen another year of negative equalized value. He said the county has seen a 16% decrease in equalized value since 2009, which equates to \$2.5 billion erased from the county's tax rolls. He also said there were only two other counties in Wisconsin that had a larger decrease in equalized value.

Security Through Conservative Budget Practices: Bretl discussed the county's Other Post-Employment Benefits (OPEB), which is a commitment the county had made over the years to provide a retiree health benefit for certain classes of employees for different lengths of time. He said in 2005, when the Board examined this, it was a \$23 million liability. He also said the Board ended this benefit for new hires in 2005. He stated that through the Board's due diligence, it is predicted that at the end of 2014, the fund will have a balance of \$22 million. He referred to Figure 9 of the budget book, which outlines the OPEB fund balance and he stated the figure shows that it is funded over the required scheduled. He stated it is his recommendation to skip a contribution in 2014. He also stated this obligation is reassessed every two years and the net present value of the obligation is recalculated. He said the next reassessment will occur at the end of 2013 to determine the net present value and the county can adjust accordingly.

Bretl stated the Board recently adopted health plan design changes, which will result in a savings of nearly \$1 million per year. He referred to Figure 10, which shows the current status of the county's health fund reserve.

Bretl stated an important component of the county's conservative budget practices is maintaining the infrastructure of our highways and facilities. He said last year's budget returned the highway roads program to the tax levy, which was achieved through establishing a highway fund. He stated in the five year plan, the county has the ability to fund over \$17 million in road projects with no plans for borrowing. He also stated there has been discussion to establish a fund for the county's facilities with the goal of being able to provide any major building projects with dollars on hand rather than borrowing. He said the county can maintain its infrastructure in two ways. The first is to enact ordinances and procedures to save and designate a fund for maintenance and replacement of our infrastructure. The second is the need to have a facilities organization that can maintain the integrity of the county's buildings. He stated this budget proposes establishing job descriptions that are similar to the format of Lakeland Health Care Center (LHCC) building maintenance. He said this will require employees to retain new skill sets and/or certifications.

Bretl stated controlling the debt is also a critical component of the county's conservative budget practices. He referred to Figure 13, which outlines the projection of debt service payments. He said the county is at a unique point as no more debt can be called. He stated CDEB has the next set of bonds, which can be called in 2017, and they are setting money aside for this. He said there are no plans for borrowing for the next five years.

Sustainable Staffing: Bretl stated for the first time in a number of years, the county will be adding FTE's. The county has gone from a high of 1047 to 796 FTE's over the years. Bretl also stated he feels confident the proposed staffing changes make sense as past FTE cuts have brought staffing to unsustainable levels. He gave an overview of the staffing changes he is proposing and he referred to Appendix A of the budget book, which details a listing of all of the personnel changes being proposed. He said one of the changes he is proposing is making Human Resources a stand-alone department and creating the position of Human Resources Director. He stated he is also asking for the Board's consideration of funds to renovate the County Board Chair's office suite in order to provide Human Resources with a functional space. Another position he is proposing is an additional Agricultural Agent in UW-Extension, which would be a fully-funded county position. He stated this Agricultural Agent would provide additional assistance for the upcoming Farm Technology Days as well as provide a succession plan for when the current Agricultural Agent retires. He said he is also proposing to take a step back from the Community, Natural Resources, and Economic Development (CNRED) area of the UW-Extension department. He stated they need to determine the direction the county wants to go in and re-evaluate the needs of the community. He said he is also proposing the creation of two administrative positions to provide more consistent minute taking and committee packet preparation for the County Board. He stated he anticipates these positions could be moved from within the county.

Major Budget Initiatives: Bretl gave an overview of the major budget initiatives he is proposing for the 2014 budget. He stated he is including funds in the budget for the acquisition of the Clark property for the purposes of a county park. Other initiatives include the installation of a second elevator at the Judicial Center, purchasing a vacuum truck for the Public Works department, purchasing new software for Land Use and Resource Management, proposing a 10% decrease in the CDEB levy, purchasing an additional chiller unit for LHCC, and proposing possible building projects at Health and Human Services. He stated another major budget initiative he is recommending is to consider LHCC a separate stand-alone department. LHCC has been under the direction of the Health and Human Services Director.

Commitment to Public Safety: Bretl stated he is proposing to earmark \$220,000 to continue the security upgrade program at the Judicial Center. He also stated he is proposing to fund a prosecutor

position in the District Attorney's office for an 18-month period. He said that District Attorney Dan Necci has made it a priority to obtain state funding for an additional prosecutor. He stated District Attorney Necci had obtained funding for a position through a grant; however, after reviewing the conditions of the grant, the Criminal Justice Coordinating Committee did not feel comfortable using the funds to hire a full-time prosecutor. He said Necci also sought help from the State Legislature to obtain a new position and unfortunately, the state denied his request. Bretl stated he is proposing funding this position for an 18-month period as it will get District Attorney Necci to the next biennium budget where he can approach the state legislature for funding.

Community Initiatives: Bretl referred to page 19 of the budget book, which outlines the funds the county has given to area organizations over the years, and gave an overview of his 2014 recommendations. He stated he was not able to accommodate the requests for increases in this budget.

Planning for the Future: Bretl stated he updated the SWOT (Strengths, Weaknesses, Opportunities and Threats) analysis. He encouraged Supervisors to review the analysis and make any suggestions. He stated the county recently established a Transportation Coordinating Committee in an effort to deal with the increasing demand for transportation. He said it is expected that there will be requests for proposals issued; therefore, money may be moved around to ensure the county can have a transportation program.

Bretl gave an overview of the options available to the Board as it pertains to levy limits and the implications on future Walworth County budgets as explained in the Administrator's Budget book. He stated there have been a number of reasons why the county has been able to freeze its tax levy for the past three years; they include: significantly reducing the county's debt service, the CDEB transition plan, reduction in OPEB contributions, decrease in duty disability charges from the state, and employees have been contributing to their pension and are paying more for their health insurance. He stated there are going to be challenges in the future as these factors will not represent decreases much longer.

Bretl concluded his presentation by acknowledging department heads and Finance staff for their work during the budget process. He also thanked Tammy Werblow for her work on the sidebar articles, and Suzanne Harrington and Kate Willett for their assistance in putting together the Administrator's Budget book.

Adjournment

On motion by Supervisor Kilkenny, seconded by Supervisor Brandl, the meeting was adjourned at 6:05 p.m.

STATE OF WISCONSIN)
) SS
COUNTY OF WALWORTH)

I, Kimberly S. Bushey, County Clerk in and for the County aforesaid, do hereby certify that the foregoing is a true and correct copy of the proceedings of the County Board of Supervisors for the September 5, 2013 Committee of the Whole Meeting.