

PROCEEDINGS OF THE
ROCK COUNTY BOARD OF SUPERVISORS

Janesville, Wisconsin
October 13, 2011

The Rock County Board of Supervisors met pursuant to adjournment on October 13, 2011, at 6:00 P.M. in the Courthouse at Janesville, Wisconsin.

Chair Podzilni called the meeting to order. Supervisor Collins gave the invocation.

3. Roll Call. At roll call, Supervisors Peer, Arnold, Innis, Beaver, Mawhinney, Diestler, Yankee, Gustina, Bussie, Combs, Thomas, Knudson, Kraft, Fell, Fizzell, Brill, Wiedenfeld, Jensen, Bostwick, Sweeney, Collins, Owens and Podzilni were present. Supervisors Heidenreich, Fox, Johnson, Thompson, Wopat and Yoss were absent. Supervisor Wopat arrived at 6:07; Supervisor Yoss arrived at 6:16; and Supervisor Thompson arrived at 6:36. Present – 26. Absent – 3.

QUORUM PRESENT

4. Adoption of Agenda.

Supervisors Peer and Arnold moved to the Agenda as presented. ADOPTED as presented. Agenda is as follows:

1. CALL TO ORDER
2. INVOCATION & PLEDGE OF ALLEGIANCE
3. ROLL CALL
4. ADOPTION OF AGENDA
5. APPROVAL OF MINUTES – September 22, 2011
6. PUBLIC HEARING
7. CITIZEN PARTICIPATION, COMMUNICATIONS AND ANNOUNCEMENTS
8. NOMINATIONS, APPOINTMENTS AND CONFIRMATION
 - A. Appointment to Emergency Medical Services Advisory Council
- ~~9. INTRODUCTION OF NEW RESOLUTIONS OR ORDINANCES BY SUPERVISORS FOR REFERRAL TO APPROPRIATE COMMITTEE~~
- ~~10. REPORTS~~
- ~~11. UNFINISHED BUSINESS~~
12. NEW BUSINESS
 - A. Supplementary Appropriations and Budget Changes – Roll Call
 1. Amending the 2011 Land Conservation Department Budget to Provide Financial Assistance to the WLWCA
 2. Authorizing Acceptance of Edward Byrne Memorial Justice Assistance Grant and Amending the 2011 Budget
 3. Authorizing Purchase of Replacement Salt Shed Roofs and Amending the Department of Public Works' Budget
 4. 2011 Budget Amendment-Federal Aid Bridge Construction
 - B. Bills Over \$10,000 – No Roll Call
 - C. Encumbrances Over \$10,000 – Roll Call
 - D. Contracts – Roll Call
 1. Awarding Sheriff's Office/Jail Duct Work Cleaning Project Bid
 2. Awarding Contract for Construction Quality Assurance Testing and Inspection Services for the Rock Haven Replacement Project
 3. Approving Lightning Protection Study for Health Care Center-Jail Complex

- E. A Resolution Banning the Carrying of Firearms and Concealed Weapons in County Buildings and Vehicles
- F. Presentation of 2012 Budget – County Administrator

13. ADJOURNMENT

5. Approval of Minutes of September 22, 2011.
 Supervisors Jensen and Bostwick moved the approval of the minutes of September 22, 2011 as presented. ADOPTED as presented by acclamation.

7. Citizen Participation, Communications and Announcements.
 No citizens addressed the Board.

8.A. Appointment to Emergency Medical Services Advisory Council.

NEW APPOINTMENT: Erik Severson
 Curtis Ambulance
 PO Box 2007
 Milwaukee WI 53201-2007

EFFECTIVE DATE: October 13, 2011
 Supervisors Beaver and Collins moved the above appointment. ADOPTED by acclamation.

12.A.1. Amending the 2011 Land Conservation Department Budget to Provide Financial Assistance to the WLWCA. Resolution No. 11-10A-472

NOW, THEREFORE, BE IT RESOLVED, that the Rock County Board of Supervisors duly assembled this 13th day of October, 2011, amends the Land Conservation Department's budget as follows:

A/C-Description	Budget At 01/01/2011	Increase (Decrease)	Amended Budget
<u>Source of Funds:</u>			
62-6210-0000-46400 Fund Forwarded	\$0	\$2,000	\$2,000
<u>Use of Funds:</u>			
62-6200-0000-62119 Contracted Services	\$0	\$2,000	\$2,000

Supervisors Bostwick and Wiedenfeld moved the above resolution. ADOPTED on the following roll call vote. , Supervisors Peer, Arnold, Innis, Beaver, Mawhinney, Diestler, Yankee, Gustina, Bussie, Combs, Thomas, Knudson, Kraft, Fell, Fizzell, Brill, Wiedenfeld, Jensen, Wopat, Bostwick, Sweeney, Collins, Owens and Podzilni voted in favor. Supervisors Heidenreich, Fox, Johnson, Thompson and Yoss were absent. AYES – 24. NOES – 0. ABSENT – 5.

12.A.2. Authorizing Acceptance of Edward Byrne Memorial Justice Assistance Grant and Amending the 2011 Budget. Resolution No. 11-10A-473

NOW, THEREFORE, BE IT RESOLVED, that the Rock County Board of Supervisors duly assembled this 13th day of October, 2011, does approve and authorize the acceptance of the Edward Byrne Memorial Justice Assistance Grant; and,
 BE IT FURTHER RESOLVED, that the Chair of the Rock County Board of Supervisors is authorized to accept all funds on behalf of Rock County, the City of Beloit and the City of Janesville; and,
 BE IT FURTHER RESOLVED, that the Sheriff's Office budget for 2011 be amended as follows:

A/C-Description	Budget At 01/01/2011	Increase (Decrease)	Amended Budget
<u>Source of Funds:</u>			
21-2160-2011-42100 Federal Aid	\$0	\$47,128	\$47,128
<u>Use of Funds:</u>			
21-2160-2011-67171 Capital Assets-\$1,000/More	\$0	\$9,428	\$9,428

21-2160-2011-69501 \$0 \$37,700 \$37,700
 Aid to Localities

Supervisors Collins and Knudson moved the above resolution. ADOPTED on the following roll call vote. Supervisors Peer, Arnold, Innis, Beaver, Mawhinney, Diestler, Yankee, Gustina, Bussie, Combs, Thomas, Knudson, Kraft, Fell, Fizzell, Brill, Wiedenfeld, Jensen, Wopat, Bostwick, Sweeney, Collins, Owens and Podzilni voted in favor. Supervisors Heidenreich, Fox, Johnson, Thompson and Yoss were absent. AYES – 24. NOES – 0. ABSENT – 5.

12.A.3. Authorizing Purchase of Replacement Salt Shed Roofs and Amending the Department of Public Works' Budget. Resolution No. 11-10A-474

NOW, THEREFORE, BE IT RESOLVED, by the Rock County Board of Supervisors duly assembled this 13th day of October, 2011, authorizes the award of two contracts of \$9,685 each (\$19,370 total) for replacing these roofs to the lowest responsible bidder, HC Anderson Roofing, Inc. of Rockton, Illinois; and,
 BE IT FURTHER RESOLVED, that the DPW-Highway 2011 budget be amended to authorize funds for the use of assets to make these capital improvements as follows:

<u>A/C-Description</u>	<u>Budget At 09/01/2011</u>	<u>Increase (Decrease)</u>	<u>Amended Budget</u>
Capital Assets-\$1,000/More			
41-4350-4270-67171	285,000	19,370	304,370
Allocated Cap & Materials			
41-4350-4270-68109	(287,119)	(19,370)	(306,489)

Supervisors Yankee and Bussie moved the above resolution. ADOPTED on the following roll call vote. Supervisors Peer, Arnold, Innis, Beaver, Mawhinney, Diestler, Yankee, Gustina, Bussie, Combs, Thomas, Knudson, Kraft, Fell, Fizzell, Brill, Wiedenfeld, Jensen, Wopat, Bostwick, Sweeney, Collins, Owens and Podzilni voted in favor. Supervisors Heidenreich, Fox, Johnson, Thompson and Yoss were absent. AYES – 24. NOES – 0. ABSENT – 5.

12.A.4. 2011 Budget Amendment-Federal Aid Bridge Construction. Resolution No. 11-10A-475

NOW, THEREFORE, BE IT RESOLVED, by the Rock County Board of Supervisors duly assembled this 13th day of October, 2011, that the 2011 Department of Public Works' budget is hereby amended to increase Department funding for federally aided construction as shown below.

<u>A/C-Description</u>	<u>Budget At 09/01/2011</u>	<u>Increase (Decrease)</u>	<u>Amended Budget</u>
<u>Source of Funds:</u>			
41-4330-4340-46400	- 0-	96,189	96,189
Funds Forwarded			
<u>Use of Funds:</u>			
41-4330-4340-62119	39,700	96,189	135,889
Other Contracted Services			

Supervisors Yankee and Arnold moved the above resolution. ADOPTED on the following roll call vote. Supervisors Peer, Arnold, Innis, Beaver, Mawhinney, Diestler, Yankee, Gustina, Bussie, Combs, Thomas, Knudson, Kraft, Fell, Fizzell, Brill, Wiedenfeld, Jensen, Wopat, Bostwick, Sweeney, Collins, Owens, Yoss and Podzilni voted in favor. Supervisors Heidenreich, Fox, Johnson and Thompson were absent. AYES – 25. NOES – 0. ABSENT – 4.

12.B. Approval of Bills Over \$10,000.00. Resolution No. 11-10A-476

NOW, THEREFORE, BE IT RESOLVED, that the Rock County Board of Supervisors at its regular meeting on October 13, 2011, approves payment and authorizes and directs the County Clerk and County Treasurer to pay the same.

Motorola Solutions Inc. 911 Communications Center	Contracted Services	\$85,509.00
WI Dept. of Transportation So. WI Regional Airport	Contracted Services	\$35,000.00

Supervisors Mawhinney and Kraft moved the above resolution. ADOPTED by acclamation.

12.C. Approval of Encumbrances and Pre-Approved Encumbrance Amendments Over \$10,000.00. Resolution No. 11-10A-477

NOW, THEREFORE, BE IT RESOLVED, that the Rock County Board of Supervisors at its regular meeting on October 13, 2011, approves payment and authorizes and directs the County Clerk and County Treasurer to pay the same, upon acceptance by the department head.

Alliant Energy/WP&L	General Services	Contracted Services	\$46,781.70
Professional Service Industries, Inc.	General Services	Contracted Services	\$31,936.00
REM WI III Inc.	DD Board	Contracted Services	\$194,894.00
<u>Pre-Approved Amendments</u>			
Tri-North Builders	General Services	Contracted Services	\$134,235.88
Tri-North Builders	General Services	Contracted Services	\$12,842.39

Supervisors Mawhinney and Kraft moved the above resolution. ADOPTED on the following roll call vote. Supervisors Peer, Arnold, Innis, Beaver, Mawhinney, Diestler, Yankee, Gustina, Bussie, Combs, Thomas, Knudson, Kraft, Fell, Fizzell, Brill, Wiedenfeld, Jensen, Wopat, Bostwick, Sweeney, Collins, Owens, Yoss and Podzilni voted in favor. Supervisors Heidenreich, Fox, Johnson and Thompson were absent. AYES – 25. NOES – 0. ABSENT – 4.

12.D.1. Awarding Sheriff's Office/Jail Duct Work Cleaning Project Bid.
Resolution No. 11-10A-478

NOW, THEREFORE, BE IT RESOLVED, that the Rock County Board of Supervisors duly assembled this 13th day of October, 2011, does hereby award the Sheriff's Office/Jail Duct Work Cleaning Project to Dirty Ducts Cleaning in the amount of \$107,785.00 and includes the base bids (#1 and #2) and Alternates #1 and #2 with funds to come from available Jail/Health Care Center Complex Capital Projects Account resources.

Supervisors Owens and Yoss moved the above resolution. ADOPTED on the following roll call vote. Supervisors Peer, Arnold, Innis, Beaver, Mawhinney, Diestler, Yankee, Gustina, Bussie, Combs, Thomas, Knudson, Kraft, Fell, Fizzell, Brill, Wiedenfeld, Jensen, Wopat, Bostwick, Sweeney, Collins, Owens, Yoss and Podzilni voted in favor. Supervisors Heidenreich, Fox, Johnson and Thompson were absent. AYES – 25. NOES – 0. ABSENT – 4.

12.D.2. Awarding Contract for Construction Quality Assurance Testing and Inspection Services for the Rock Haven Replacement Project. Resolution No. 11-10A-479

NOW, THEREFORE, BE IT RESOLVED, that the Rock County Board of Supervisors duly assembled this 13th day of October, 2011, does hereby award a contract for construction quality assurance testing and inspection services to Professional Services of Pewaukee, Wisconsin in an amount not to exceed \$60,000.

Supervisors Owens and Peer moved the above resolution. ADOPTED on the following roll call vote. Supervisors Peer, Arnold, Innis, Beaver, Mawhinney, Diestler, Yankee, Gustina, Bussie, Combs, Thomas, Knudson, Kraft, Fell, Fizzell, Brill, Wiedenfeld, Jensen, Wopat, Bostwick, Sweeney, Collins, Owens, Yoss and Podzilni voted in favor. Supervisors Heidenreich, Fox, Johnson and Thompson were absent. AYES – 25. NOES – 0. ABSENT – 4.

12.D.3. Approving Lightning Protection Study for Health Care Center-Jail Complex.
Resolution No. 11-10A-480

NOW, THEREFORE, BE IT RESOLVED, that the Rock County Board of Supervisors duly assembled this 13th day of October, 2011, does hereby approve contracting with the Academy Service Group to perform a lightning protection study for the Jail/HCC complex (excluding the Communications Center) in the amount of \$11,192 with funds to come from available Jail/Health Care Center Complex Capital Projects Account resources.

Supervisors Owens and Collins moved the above resolution. ADOPTED on the following roll call vote. Supervisors Peer, Arnold, Innis, Beaver, Mawhinney, Diestler, Yankee, Gustina, Bussie, Combs, Thomas, Knudson, Kraft, Fell, Fizzell, Brill, Wiedenfeld, Jensen, Wopat, Bostwick, Sweeney, Collins, Owens, Yoss and Podzilni voted in favor. Supervisors Heidenreich, Fox, Johnson and Thompson were absent. AYES – 25. NOES – 0. ABSENT – 4.

12.E. A Resolution Banning the Carrying of Firearms and Concealed Weapons in County Buildings and Vehicles. Resolution No. 11-10A-481

NOW, THEREFORE, BE IT RESOLVED, by the Rock County Board of Supervisors duly assembled this 13th day of October, 2011 that pursuant to Section 943.13(1m)(c)(4), the County of Rock hereby prohibits the carrying of firearms and concealed weapons of any type in any building owned, occupied or controlled by Rock County, by any person other than an authorized law enforcement officer; except the buildings located at 3728 South Oakhill Avenue, and 2713 Eagle Road, Janesville, Wisconsin, when those buildings are utilized as private residences; and, BE IT FURTHER RESOLVED that the display or exhibition of firearms and the placing of firearms in connection with a duly authorized gun show at the Rock County 4H Fairgrounds or their removal there from shall not constitute the open carrying of firearms within the meaning of this resolution; and,

BE IT FURTHER RESOLVED that all future leases of Rock County owned buildings or parts thereof shall require that, as a condition of such lease, the lessee shall, in a manner consistent with this resolution and state law, prohibit the carrying of firearms and concealed weapons, except for authorized law enforcement officers. This resolution shall not apply to any buildings owned by Rock County comprising the UW-Rock County campus; and,

BE IT FURTHER RESOLVED that the carrying of firearms and concealed weapons in any building or part thereof leased by Rock County is hereby prohibited, except for authorized law enforcement officers; and,

BE IT FURTHER RESOLVED that the Rock County General Services Department shall place signs in proper number and in conformity with Section 943.13(2)(bm) no later than November 1, 2011.

BE IT FURTHER RESOLVED that, pursuant to Section 175.60 (15m)(a), the carrying of concealed weapons by any Rock County employee during the course of employment, except by authorized law enforcement officers, is hereby prohibited, except as provided by Section 175.60(15m)(b); and,

BE IT FURTHER RESOLVED, that the carrying, possessing or storing of any weapon in County owned vehicles is prohibited except as follows:

a) This resolution shall not apply to authorized law enforcement officers.

b) This resolution shall not apply to vehicles operated by the Rock County Sheriff's Office under such regulations as the Rock County Sheriff shall deem appropriate; and,

BE IT FURTHER RESOLVED, that an employee who violates this Resolution shall be subject to discipline up to and including discharge.

BE IT FURTHER RESOLVED that the Human Resources Director shall take such steps as to provide reasonable notice of this action to all employees no later than November 1, 2011.

Supervisors Collins and Thomas moved the above resolution ADOPTED on the following roll call vote. Supervisors Peer, Arnold, Innis, Beaver, Yankee, Bussie, Combs, Thomas, Knudson, Kraft, Fell, Fizzell, Brill, Wiedenfeld, Jensen, Wopat, Bostwick, Sweeney, Collins and Podzilni voted in favor. Supervisors Diestler, Mawhinney, Yoss, Owens and Gustina voted in Opposition. Supervisors Heidenreich, Fox, Johnson and Thompson were absent. AYES – 20. NOES – 5. ABSENT – 4.

12.F. Presentation of 2012 Budget – County Administrator.

Full budget proposals were distributed to Board members. Further Budget information can be found on the County Website at <http://www.co.rock.wi.us/budget-information>, and the entire budget can be viewed in the County Clerk's office.

Honorable Chair, Vice Chair, and Members of the Rock County Board of Supervisors

2011 has been an extraordinary year of change for local governments and local government employees. The passage of the State Budget Repair Bill as well as the State Budget have completely altered the environment we operate in. Changes include major reductions in the level of state aid counties receive to carry out State mandated programs as well as major changes in the working relationship all local governments have with their employees.

These changes have created much uncertainty for our employees. I want to commend all of the County's employees for the professionalism and commitment they have shown all year long as

they have watched what has happened in Madison and the effect those changes are having or will have on their compensation and bargaining rights. They have continued to do their jobs well and I appreciate that. We will be working with our employees and the County Board over the next couple months as we prepare for January 2012 when our County collective bargaining agreements end.

My goals for the 2012 Budget remain similar to the goals I had for the 2011 Budget. They include 1) Maintain the County's financial integrity; 2) Maintain service levels during this time of need; and 3) Position the County as well as we can to address issues in 2013 and beyond.

The budget I submit to you for 2012 contains \$175,214,034 in total expenditures. This is a decrease of \$1,877,489 from the prior year. The budget for operational expenditures is actually decreasing by \$3,406,585 while debt service and capital outlay are up a combined \$1,529,096 for a net expenditure decrease of \$1,877,489.

The recommended property tax levy of \$60,154,989 is \$1,222,421 or 2.07% higher than the prior year. On average, this will raise the County portion of the property tax by \$11.80 on a property valued at \$100,000.

The tax levy increase is within the tax levy limits as imposed by the State of Wisconsin. It can be thought of as made up of three parts. Those parts are the amount allowed under the State imposed levy limits for operational costs; the amount for items funded by limited tax levies which are exempt from levy limits; and the amount needed for debt service. These amounts and percentages are as follows:

Levy Increase for Operations	\$578,734	0.98%
Levy Increase for Limited Levies	108,685	0.18%
Levy Increase for Debt Service	<u>535,002</u>	<u>0.91%</u>
	\$1,222,421	2.07%

The levy for operations is allowed to increase by 0% or the increase in net new construction. Rock County's net new construction went up by approximately .90% from 2010 to 2011. This generates the allowable \$578,734 in additional property tax levy. It appears as .98% on the above chart due to the various adjustments required as part of the formula for calculating the levy limit.

The County is also allowed to increase the operations levy by an additional .5% with a 3/4 vote of the County Board. Doing so would generate an additional \$256,632 in property tax revenue. This would be allowed because Rock County did not tax at the maximum allowed under the levy limits for the prior year. While increasing the levy an additional \$256,632 would be allowed under State law I have not recommended doing so.

The levy increase of \$108,685 which is exempt from levy limits consists of a levy increase of \$63,685 for the Arrowhead Library System and \$45,000 for Town Bridge Aid. The Arrowhead levy taxes property in the towns plus the Village of Footville while the levy for Town Bridge Aid is levied on property in the towns.

The levy increase for debt service is an estimate based on projected results of a late October sale of \$22,000,000 of bonds for the Rock Haven project. We will have the sale results prior to the County Board adopting the 2012 Budget. The sale results could increase or decrease the amount needed for debt service in 2012 and thus slightly increase or decrease the property tax levy. In any case, the projected impact of .91% on the property tax levy for debt service compares very favorably with what we presented the County Board as the Board made the decision to proceed with the Rock Haven project.

The tax rate of \$6.40 per thousand is an increase of 4.94% or approximately 30¢ per thousand. You will note that a tax levy increase of 2.07% raises the tax rate by 4.94%. This occurs as a result of the equalized value (taxable property value) of the County decreasing by 2.73% from 2010 to 2011. This rate is also a countywide average based on the County's equalized value as determined by the Wisconsin Department of Revenue. Each taxing unit (town, city or village) will have a rate for county taxes which is different depending on assessment practices.

I am recommending no undesignated General Fund balance be applied in the 2012 Budget. One of the goals noted in both the 2010 and 2011 Budgets was to stabilize the County's fiscal position and maintain the County's fiscal integrity. We have accomplished this and seen our undesignated financial reserves and working capital increase the last two years to a level where our reserves were at 15.42% of expenditures as we closed the 2010 books. This trend was looked at very favorably by both Moody's and Standard and Poors as the rating agencies reaffirmed our Aa1 and AA ratings respectively last month. This is very important as we look to issue debt to fund the Rock Haven project later this month as well as next year. In addition, given the uncertain state of the economy and the State's unreliability when it comes to funding its mandates it is important to maintain strong fiscal reserves.

As you know, the County Sales Tax was adopted as part of the 2007 Budget and became effective April 1, 2007. The 2011 Budget includes a total of \$9,430,849 of sales tax revenue with \$7,522,973 devoted to operational costs and \$1,907,876 applied to capital expenditures.

The University of Wisconsin Extension provides projections of county sales tax proceeds by county on an annual basis. UW Extension projections for 2012 indicate Rock County should realize \$10,106,150 in sales tax proceeds. Given the state of the local economy, I feel it is prudent to budget sales tax revenue at a lower level than the projections. Therefore, I have included \$9,700,000 in sales tax revenue in the 2012 Budget to be used as follows:

\$7,522,973	Operational Costs
<u>2,177,027</u>	Capital Expenditures
\$9,700,000	

The amount recommended for Operational Costs is at the same level as the amount used in the 2011 Budget. The amount designated for Capital Expenditures covers a variety of construction projects and equipment that I would otherwise recommend be funded through deferred financing.

A number of existing initiatives are underway and/or are included in the 2012 Budget. Obviously, we are all excited to see earth being moved as construction of the new Rock Haven begins. A year from now we should be nearing completion of the facility. It will be a wonderful new facility which will be cutting edge and serve our citizens well for decades.

Earlier this year the County commissioned a study of the Behavioral Health System. The report issued by ZIA Partners provided a roadmap for changes which could improve services provided by both County departments and non-County agencies. The 2012 Budget includes resources to improve services in the Behavioral Health System including making the Crisis Intervention Unit mobile 24/7 and establishing a position of AODA Coordinator.

The County Board is well aware of the Governor's proposal made earlier this year to centralize Economic Support at the State level. That was replaced by a proposal adopted as part of the State Budget to form no more than ten consortia statewide to administer Economic Support programs. The 2012 Budget includes the resources for Rock County to become the fiscal and administrative lead for a seven county Economic Support consortium effective January 1, 2012. This will allow us to maintain services in Rock County provided by our very capable County Economic Support staff.

Jail diversion programming continues to be very effective. Electronic monitoring, Workender and Community Recap are keeping our Jail population stable and well below the rated capacity of the

Jail. The State aid for Community Recap is projected to decrease in 2012. I have included an additional \$57,845 in County funding in the 2012 Budget to continue this program at its current level.

Points of Interest

- 1) State Aid reductions total approximately \$2.6 million and appear in many program areas throughout the Budget. Major reductions occurred in State Shared Revenue, Youth Aids, Transportation Aids, Child Support and Income Maintenance. Many State Aid funding sources now provide less funding than they provided in the mid 1990s. In addition, revenues from Indirect Cost Recovery are decreasing \$189,000 and Investment Income revenues are decreasing \$279,800 compared to the 2011 budgeted amounts.
- 2) One of the provisions included in the State Budget Repair Bill requires public employees (other than sworn law enforcement) to pay half of the required Wisconsin Retirement System contribution. This amounts to 5.9% of wages in 2012. It became effective in August 2011 for non represented employees and will apply to represented employees when the current contracts end, which is January 1, 2012. The total amount of cost this shifts from the County to employees in 2012 is \$2.9 million.
- 3) The savings to the County from the cost shift of pension contributions is distributed unevenly among departments based on the amount of the individual departments' budget dedicated to personnel costs. For example, the Human Service Department, with a total budget of \$52.6 million and 335 staff, will save approximately \$960,000. The Developmental Disabilities Department, with a budget of \$30.2 million and 8 staff, saves \$24,000. This disproportionate impact is one of the primary factors driving some departmental budgets to have a recommended tax levy decrease while others may have an increase.
- 4) The 2011 Budget included \$100,000 to begin operations of an OWI Court or fund whatever services the Criminal Justice Coordinating Council felt would best address the stricter OWI laws which became effective July 1, 2010. My understanding is that planning is underway for an OWI Court but that it will not become operational until 2012. Therefore, I am recommending the \$100,000 contained in the 2011 Budget be carried forward for use in 2012.
- 5) Sales Tax proceeds collected in 2010 exceeded the amount budgeted by \$847,350. The County Board designated these proceeds in the General Fund for future capital projects. I have recommended using these proceeds to fund the Health Care Center, Glen Oaks Complex and Sheriff / Jail Facility Parking Lot redesign and reconstruction. Additional funds may be available from the Jail / HCC Complex account, which is funding the Jail Project. I recommend General Services proceed yet this winter with design so the project is ready to bid out early in 2012.
- 6) A major project contained in the Information Technology budget for 2012 is the replacement of the Countywide Law Records Management System. The current system went into service in 1999 and is at the end of its useful life. The total project cost is \$750,000 with participating municipal law enforcement agencies funding \$170,000 of the project cost and the County funding \$580,000. I have recommended the County's share of the funding come from Sales Tax proceeds.
- 7) The recommended road construction budget for 2012 totals \$2,837,000. Included is \$2,303,000 to reconstruct 3.5 miles of CTH "M" and \$534,000 to upgrade 2 miles of CTH "A" west of Janesville. The \$2,837,000 is funded with \$430,631 of Sales Tax and \$2,406,369 of deferred financing. This is the only item funded with deferred financing in the 2012 Budget.
- 8) Personnel actions recommended in the 2012 Budget result in a net decrease of 13.3 full time equivalent positions. Many of these positions are now vacant. It is hoped the majority of the other position reductions can be handled through attrition rather than layoffs.
- 9) Outstanding debt at the end of 2011 will total \$39,475,000.
- 10) A property tax levy of \$65,426,807 was requested by County Departments for 2012. The recommended property tax levy is \$60,154,989 or \$5,271,818 less than requested.

Issues for 2013 and Beyond

As difficult as the 2012 Budget was to put together I foresee the 2013 Budget and beyond as potentially more difficult. Reasons for this include:

- 1) The 2012 budget saves the County \$2.9 million as a result of the State imposed cost shift of 1/2 the Wisconsin Retirement System pension payment from the County to our employees. That "savings" will be built into the base budget as we look to 2013 and won't be available as additional savings to cover 2013 cost increases and revenue reductions.
- 2) The federal government continues to struggle with its deficit. As the federal government cuts domestic discretionary funding those cuts will impact the State which has a practice of passing the funding reductions on to counties.
- 3) In addition to tax levy limits, the County is also subject to State imposed tax rate limits. Tax rate limits were enacted in the early 1990s and in essence require that a county not exceed the tax rate adopted in 1992, which funded the 1993 Budget. As property value (equalized value) has declined over the last three years Rock County's tax rate for the operational levy has approached the allowable limit. Recognizing the problem this causes many counties, the State has suspended the tax rate cap for operational levies for the 2012 and 2013 budget years. If property values don't begin increasing soon and tax rate limits go back into effect for 2014, Rock County may be forced to reduce the property tax levy for operations at that time.

The Administrator's Letter, which is found near the front of your budget document, contains additional budget information. Also, each departmental budget contains "Administrator's Comments" which summarize the important points in each departmental budget.

The timetable for budget consideration includes:

9:00 A.M.	Monday, November 7	County Administrator's Review and Explanation of the Budget with Questions from the Board
6:00 P.M.	Wednesday, November 9	Public Hearing on the Budget
9:00 A.M.	Tuesday, November 15	Statutory Annual Meeting and Budget Adoption

As you review the 2012 Budget the staff and I stand ready to assist you and answer your questions. Please feel free to contact us with whatever questions you may have.

As I close I want to acknowledge and publicly thank Jeff Smith for all his hard work, counsel and support through 25 years of service and 25 budget cycles. The fact the County is financially sound with an excellent bond rating is a credit and in large part due to everything Jeff has done for the County over 25 years. Thank you, you will be missed by every one of us.

Sincerely,
Craig Knutson ~ County Administrator

13. Adjournment.
Supervisors Arnold and Fizzell moved to adjourn at 7:23pm to Thursday, October 27, 2011 at 6:00 P.M. ADOPTED by acclamation.

Prepared by Lorena R. Stottler, County Clerk
NOT OFFICIAL UNTIL APPROVED BY THE COUNTY BOARD.