

PROCEEDINGS OF THE
ROCK COUNTY BOARD OF SUPERVISORS

Janesville, Wisconsin
October 14, 2010

The Rock County Board of Supervisors met pursuant to adjournment on October 14, 2010 at 6:00 P.M. in the Courthouse at Janesville, Wisconsin.

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

3. Roll Call. At roll call, Supervisors Peer, Arnold, Innis, Beaver, Heidenreich, Mawhinney, Fox, Yankee, Gustina, Bussie, Combs, Thomas, Knudson, Kraft, Bishop, Fizzell, Johnson, Thompson, Brill, Wiedenfeld, Jensen, Bostwick, Sweeney, Collins, Owens and Podzilni were present. Supervisors Diestler and Wopat were absent. District seat #29 is Vacant. PRESENT – 26. ABSENT – 2. VACANT – 1.

QUORUM PRESENT

4. Adoption of Agenda.

Supervisors Arnold and Bostwick moved to the Agenda as presented. ADOPTED as amended. 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 23, 2010
6. PUBLIC HEARING
7. CITIZEN PARTICIPATION, COMMUNICATIONS AND ANNOUNCEMENTS(with special presentation by the Vets Roll organization)
8. NOMINATIONS, APPOINTMENTS AND CONFIRMATION
 - A. Appointment to Rock County Housing Authority
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. Charging Fees for Project Lifesaver
 2. Authorizing Acceptance of 2011 Highway Safety Project Grants
 3. Authorizing Acceptance of Edward Byrne Memorial Justice Assistance Grant and Amending 2010 Budget
 4. Authorizing Participation in the 2010 Deer Donation Program and Amending the Land Conservation Budget
 - B. Bills Over \$10,000 – No Roll Call
 - C. Encumbrances Over \$10,000 – Roll Call
 - D. Contracts – Roll Call
 1. Awarding Contract for Financial Audit of County Books for Calendar Year 2010-2012 (With Options for (2014-2015))
 - E. Authorizing Justice and Mental Health Grant Program Ad Hoc Committee
 - F. Support of Widening and Improving Interstate Highway 39/90 in Rock and Dane Counties

- G. Presentation of 2011 Budget – County Administrator
13. ADJOURNMENT

5. Approval of Minutes of September 23, 2010.

Supervisors Jensen and Peer moved the approval of the minutes of September 23, 2010 as presented. ADOPTED as presented by acclamation.

7. Citizen Participation, Communications and Announcements.

Mark Finnegan of Finnegan RV in South Beloit shared a presentation with the Board highlighting Vets Roll, Inc. Mark shared the mission of Vets Roll, Inc. as 'to provide safe ground transportation and experience for up to 128 WWII US Military Veterans to visit their WWII Memorial (and other related sites) in and around Washington, DC.'

He explained that on May 17, 2010, a convoy of 7 Finnegan RV's, 2 borrowed RV's equipped with wheelchair lifts, 3 x 56 passenger buses and 1 x 15 passenger van left for Washington D.C. with 128 veterans and a host of volunteers. This trip's timing is critical because Mr. Finnegan explained that 1,000 WWII Veterans are dying every day and they deserve the honor that comes with serving their Country. Several people were present at the presentation that Mark recognized Gary and Nancy Meister for donating embroidery services; Marks mother Barbara, his wife Darlene, daughter Christine with her best friend Kathleen, and son Justin, for their support and time for this trip; Ray St. John, a Vietnam Veteran and volunteer on the trip; He also mentioned that his late father Cy and his mother were the impetus behind this idea and knows his father would be very proud. Mark thanked Julie Spangler and Theresa Oldenburg for their immense help and support. Mr. Finnegan also thanked those not present who were too numerous to name individually, but without the collaborative support of all the donors, business donations, coordinators, etc., this trip would not have been possible.

He finished by recognizing two WWII vets who attended the trip and were present at the board meeting. Female Navy Veteran, Bobbe Stuvengen and WWII POW, Al Calf, jr. Al was involved with the Battle of the Bulge and the 100 Mile March, and was considered the 'poster child' for this trip. The board stood to recognize and honor the Veterans and thanked the volunteers and sponsors of this trip to make this trip a reality. This trip has been a success and they are considering another one in the future.

Neil Deupree of Janesville spoke to the Board on behalf of the League of Women Voters. He shared the 10/10/10 Pledge to "walk" more lightly by joining the world working for an effective response to climate change by taking at least one of many steps listed to reduce their carbon footprint. He challenged everyone to pitch in when it comes to energy savings and caring for our environment.

Jeff Johnson of Beloit spoke to the Board as Board President for the Beloit Meals on Wheels program. Mr. Johnson distributed information about 2011 proposed funding cuts to the program from the Rock County Council on Aging budget and expressed concern for the potential impact that could have on the program. The proposed Council on Aging budget for 2011 includes a \$10,000 reduction in funds allocated for the Beloit Meals on Wheels program. Mr. Johnson feels this reduction seriously challenges an already frugal budget that is supplemented with diversified funding sources, such as the Stateline United Way, program fund raisers, grant writing, and contributions from civic organizations, churches, and individuals in the Greater Beloit community. Further cuts will severely challenge the organizations ability to meet the needs of clients in the community.

Dan Cunningham of Janesville spoke to the Board as VP of Forward Janesville on the I-39/90 Expansion Resolution (Item #12.F). Mr. Cunningham spoke in support of the resolution.

"Expansion of the Interstate has long been our top legislative priority, and by working together, we can get this project done. I-39/90 has been the backbone of our area's economy. Unfortunately, this vital corridor has become a bottleneck, as the six-lane section of the Interstate ends just before the Wisconsin state line. I-39/90 is a critical link for Wisconsin's tourism industry and for manufacturers and suppliers in our region.

The University of Wisconsin Center for Freight and Infrastructure estimates that between \$650 million and \$800 million in economic activity flows along this corridor each and every day. So this is not just a Janesville project or a Rock County project. This is a Wisconsin project.

Reliable access to quality highways is consistently rated as the most important factor for businesses seeking to relocate or expand their operations. We believe that this project will put people to work in the short term, and in the long term it will strengthen our economy by providing the infrastructure businesses need to be productive and profitable.

Not to mention the safety concerns about the Interstate. The accident rates on I-39/90 already exceed the statewide average for similar freeways, and with traffic levels forecast to increase 50 percent by the year 2030, these safety issues are simply not going to go away. It is no secret that Rock County has weathered some difficult economic times over the last few years. We have lost thousands of jobs and endured numerous facility closings over the last two years. We have to do something. The time for action is now, and we believe that this is the right project to get south central Wisconsin's economy moving.

In order for this project to proceed, it must be recommended for enumeration by the state Transportation Projects Commission. This commission will meet early next week, and we hope that they will move the I-39/90 project forward so it may receive funding in the next state budget. Tonight, you have the opportunity to send the Commission a message: that Rock County unanimously supports this vital project. Therefore, I urge your unanimous support of this resolution."

Bill Breidenstein of Janesville spoke to the Board as a member of the Rock County Board of Canvass for the September 14th Fall Primary election and the 45th Assembly District Republican Recount. He, Don Dyke and Chief Deputy Maureen Johnson made up the Board of Canvass and they commended the County Clerk, Lori Stottler for her organization, set up of the recount, recruitment of volunteers and professionalism in carrying out her duties for the recount. Mr. Breidenstein felt that the citizens and board should be aware of the thought and care that went into making the Primary Election a success in Rock County and thanked the County Clerk for making the Board of Canvass role less stressful and possible to meet the state's deadline for completion.

Supervisor Mawhinney announced that Thursday, November 4 at 7:30am is the time established for the Finance Committee to review requested changes to the 2011 recommended budget. Chairs of the governing committee are requested to contact the County Administrator's Office by Oct. 28th to set time for review of the requested changes.

Chair Podzilni congratulated Supervisor Wopat on his recent Commission appointment and wished Supervisor Owens happy birthday.

8.A. Appointment to Rock County Housing Authority.

NEW APPOINTMENT: Brian Christianson
 374 E Samuelson Drive
 Edgerton WI 53534

EFFECTIVE DATE: October 14, 2010

Supervisors Sweeney and Arnold moved the above appointment. ADOPTED by acclamation.

12.A.1. Charging Fees for Project Lifesaver. Resolution No. 10-10A-156

NOW, THEREFORE, BE IT RESOLVED, that the Rock County Board of Supervisors at its regular meeting this 14th day of October, 2010, does hereby approve charging fees to Project Lifesaver clients; and,

BE IT FURTHER RESOLVED that the Sheriff's budget for Project Lifesaver be amended as follows:

<u>A/C-Description</u>	<u>Budget At</u> 08/10/10	<u>Increase</u> (Decrease)	<u>Amended</u> <u>Budget</u>
<u>Source of Funds</u>			
21-2142-0000-44100	- 0 -	800	800
Fees			
<u>Use of Funds</u>			
21-2142-0000-63110	6,360	800	7,160
Administration Expense			

Supervisors Collins and Knudson moved the above resolution. ADOPTED on the following roll call vote. Supervisors Peer, Arnold, Innis, Beaver, Heidenreich, Mawhinney, Fox, Yankee, Gustina, Bussie, Combs, Thomas, Knudson, Kraft, Bishop, Fizzell, Johnson, Thompson, Brill, Wiedenfeld, Jensen, Bostwick, Sweeney, Collins, Owens and Podzilni voted in favor. Supervisors Diestler and Wopat were absent. District seat #29 is Vacant. AYES – 26. NOES – 0. ABSENT/VACANT – 3.

12.A.2. Authorizing Acceptance of 2011 Highway Safety Project Grants.

Resolution No. 10-10A-157

NOW, THEREFORE, BE IT RESOLVED by the Rock County Board of Supervisors assembled this 14th day of October 2010, that the Rock County Sheriff is authorized to accept funds under the Highway Safety Project Grants; and,

BE IT FURTHER RESOLVED, that the 2010 budget be amended as follows:

<u>A/C-Description</u>	<u>Budget At</u> 09/01/10	<u>Increase</u> <u>(Decrease)</u>	<u>Amended</u> <u>Budget</u>
<u>Source of Funds</u>			
Federal Aid			
21-2120-2011-42100	- 0 -	70,000	70,000
<u>Use of Funds</u>			
Overtime Wages			
21-2120-2011-61210	- 0 -	60,002	60,002
Capital Assets - \$1,000/More			
21-2120-2011-67171	- 0 -	9,998	9,998

Supervisors Collins and Sweeney moved the above resolution. ADOPTED on the following roll call vote. Supervisors Peer, Arnold, Innis, Beaver, Heidenreich, Mawhinney, Fox, Yankee, Gustina, Bussie, Combs, Thomas, Knudson, Kraft, Bishop, Fizzell, Johnson, Thompson, Brill, Wiedenfeld, Jensen, Bostwick, Sweeney, Collins, Owens and Podzilni voted in favor. Supervisors Diestler and Wopat were absent. District seat #29 is Vacant. AYES – 26. NOES – 0. ABSENT/VACANT – 3.

12.A.3. Authorizing Acceptance of Edward Byrne Memorial Justice Assistance Grant and

Amending 2010 Budget. Resolution No. 10-10A-158

NOW, THEREFORE, BE IT RESOLVED, that the Rock County Board of Supervisors duly assembled this 14th day of October, 2010, 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 the County of Rock, the City of Beloit, and the City of Janesville; and,

BE IT FURTHER RESOLVED, that the Sheriff's Office budget for 2010 be amended as follows:

<u>Account/</u> <u>Description</u>	<u>Budget</u> 09/01/10	<u>Increase</u> <u>(Decrease)</u>	<u>Amended</u> <u>Budget</u>
<u>Source of Funds</u>			
21-2160-2010-42100	- 0 -	56,309	56,309
Federal Aid			
<u>Use of Funds</u>			
21-2160-2010-67172	- 0 -	11,209	11,209
Capital Assets \$500-\$999			
21-2160-2010-69501	- 0 -	45,100	45,100
Aid to Localities			

Supervisors Collins and Wiedenfeld moved the above resolution. ADOPTED on the following roll call vote. Supervisors Peer, Arnold, Innis, Beaver, Heidenreich, Mawhinney, Fox, Yankee, Gustina, Bussie, Combs, Thomas, Knudson, Kraft, Bishop, Fizzell, Johnson, Thompson, Brill, Wiedenfeld, Jensen, Bostwick, Sweeney, Collins, Owens and Podzilni voted in favor.

Supervisors Diestler and Wopat were absent. District seat #29 is Vacant. AYES – 26. NOES – 0. ABSENT/VACANT – 3.

12.A.4. Authorizing Participation in the 2010 Deer Donation Program and Amending the Land Conservation Budget. Resolution No. 10-10A-159

NOW, THEREFORE, BE IT RESOLVED that the Rock County Board of Supervisors duly assembled this 14th day of October 2010, authorizes the Land Conservation Committee to accept this grant and hereby amends the Land Conservation Department's 2010 Budget as follows:

<u>A/C-Description</u>	<u>Budget At 09/01/10</u>	<u>Increase (Decrease)</u>	<u>Amended Budget</u>
<u>Source of Funds</u>			
62-6225-0000-42200 State Aid	8,000	2,800	10,800
<u>Use of Funds</u>			
62-6225-0000-62119 Other Contracted Services	5,000	2,800	7,800

Supervisors Bostwick and Sweeney moved the above resolution. ADOPTED on the following roll call vote. Supervisors Peer, Arnold, Innis, Beaver, Heidenreich, Mawhinney, Fox, Yankee, Gustina, Bussie, Combs, Thomas, Knudson, Kraft, Bishop, Fizzell, Johnson, Thompson, Brill, Wiedenfeld, Jensen, Bostwick, Sweeney, Collins, Owens and Podzilni voted in favor. Supervisors Diestler and Wopat were absent. District seat #29 is Vacant. AYES – 26. NOES – 0. ABSENT/VACANT – 3.

12.B. Approval of Bills Over \$10,000.00. Resolution No. 10-10A-160

NOW, THEREFORE, BE IT RESOLVED, that the Rock County Board of Supervisors at its regular meeting on October 14, 2010, approves payment and authorizes and directs the County Clerk and County Treasurer to pay the same.

CESA 2	Sheriff's Office	Contracted Services	\$17,298.99
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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. 10-10A-161

NOW, THEREFORE, BE IT RESOLVED, that the Rock County Board of Supervisors at its regular meeting on October 14, 2010, approves payment and authorizes and directs the County Clerk and County Treasurer to pay the same, upon acceptance by the department head.

Beloit Police Dept.	Sheriff's Office	Contracted Services	\$23,400.00
Consolidated Koshkonong	Planning & Development	Contracted Services	\$494,000.00
Janesville Police Department	Sheriff's Office	Contracted Services	\$21,700.00
Town of Beloit Treasurer	Planning & Development	Contracted Services	\$170,000.00
Town of Fulton	Planning & Development	Contracted Services	\$173,750.00
<u>Pre-Approved Encumbrance Amendment</u>			
Creative Community Living Services, Inc.	DD Board	Contracted Services	\$39,517.00

Supervisors Mawhinney and Peer moved the above resolution. ADOPTED on the following roll call vote. Supervisors Peer, Arnold, Innis, Beaver, Heidenreich, Mawhinney, Fox, Yankee, Gustina, Bussie, Combs, Thomas, Knudson, Kraft, Bishop, Fizzell, Johnson, Thompson, Brill, Wiedenfeld, Jensen, Bostwick, Sweeney, Collins, Owens and Podzilni voted in favor. Supervisors Diestler and Wopat were absent. District seat #29 is Vacant. AYES – 26. NOES – 0. ABSENT/VACANT – 3.

12.D. Awarding Contract for Financial Audit of County Books for Calendar Years 2010 – 2012 (With Options for 2013 – 2015) Resolution No. 10-10A-162

NOW, THEREFORE, BE IT RESOLVED, by the Rock County Board of Supervisors duly assembled this 14th day of October, 2010 that Baker Tilly Virchow Krause, LLP, Madison, WI be awarded the audit contract for calendar years 2010 – 2012 (with options for 2013 – 2015). BE IT FURTHER RESOLVED, that the County Board Chair and County Clerk be authorized and directed to execute the audit contract; and, BE IT FINALLY RESOLVED, that the Finance Committee is delegated the authority to exercise the options for calendar years 2013 – 2015.

Supervisors Mawhinney and Beaver moved the above resolution. ADOPTED on the following roll call vote. Supervisors Peer, Arnold, Innis, Beaver, Heidenreich, Mawhinney, Fox, Yankee, Gustina, Bussie, Combs, Thomas, Knudson, Kraft, Bishop, Fizzell, Johnson, Thompson, Brill, Wiedenfeld, Jensen, Bostwick, Sweeney, Collins, Owens and Podzilni voted in favor. Supervisors Diestler and Wopat were absent. District seat #29 is Vacant. AYES – 26. NOES – 0. ABSENT/VACANT – 3.

12.E. Authorizing Justice and Mental Health Grant Program Ad Hoc Committee. Resolution No. 10-10A-163

NOW, THEREFORE, BE IT RESOLVED that the Rock County Board of Supervisors duly assembled this 14th day of October, 2010 authorizes an Ad Hoc Committee to work on the aforementioned planning grant activities and to develop a set of goals and objectives to be followed throughout the planning process, oversee the needs and resource assessment, and ultimately work to create a strategic, data-driven plan to address MI/COD in the criminal and juvenile justice systems in Rock County. The Ad Hoc Committee will also report their findings and recommendations to the full Criminal Justice Coordinating Council (CJCC); and, BE IT FURTHER RESOLVED, that the CJCC will report to the County Board its strategic plan or report for addressing individuals with MI/COD in the criminal and juvenile justice systems; and, BE IT FURTHER RESOLVED, that the Chair of the Rock County Board of Supervisors be authorized to appoint up to 11 individuals to serve on this Ad Hoc Committee and select the Chair of the Committee, with consideration to be given to the key stakeholders in the adult and juvenile justice systems and mental health/AODA fields, as well as community groups/members that interact with those with MI/COD, and a mental health consumer; and, BE IT FURTHER RESOLVED, that upon completion of the project, anticipated in October 2011, the Ad Hoc Committee will be dissolved.

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

12.F. Support of Widening and Improving Interstate Highway 39/90 in Rock and Dane Counties. Resolution No. 10-10A-164

NOW, THEREFORE, BE IT RESOLVED that the Rock County Board of Supervisors assembled this 14th day of October, 2010 does give its full support to the construction of this improvement project on IH-39/90 as soon as possible; and, BE IT FURTHER RESOLVED, that the Rock County Board of Supervisors urge the Transportation Projects Commission, Governor and Legislature to approve and fund this project at the next available time; and, BE IT FURTHER RESOLVED, that a copy of this resolution shall be sent to the Governor, the Transportation Projects Commission, the Wisconsin Department of Transportation and the Rock County legislative delegation.

Supervisors Yankee and Combs moved the above resolution. ADOPTED by acclamation.

12.G. Presentation of 2011 Budget by County Administrator, Craig Knutson

Full budget proposals were distributed to Board members. Further Budget information can be found on the County Website at <http://saturn/index.php/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;

Every budget is a balancing act. It requires me as County Administrator, but ultimately you as the County Board, to balance the level of taxation with the type and quantity of service to be provided.

This process of balancing taxation with service provision is much more difficult under the current economic conditions of high unemployment and a stagnant economy. On the one hand, increased property taxes are more difficult for people to pay. On the other hand, the need and demand for services is higher.

Counties in particular are affected by this. That is because the State of Wisconsin is one of 13 states that use counties as the administrative arm of the State to carry out State human service functions. It is these human service functions such as mental health, child protection, AODA, economic support and others that are looked to and sought out by citizens during times of economic stress. These are also the areas that have been particularly hard hit by State aid reductions and cost shifting.

So, as you examine the 2011 Budget be aware that you will probably receive heartfelt pleas to increase funding for certain programs while you also may hear pleas to reduce the tax levy.

My goals for the 2011 Budget remain similar to the goals I had for the 2010 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 2012 and beyond.

The budget I submit to you for 2011 contains \$177,482,647 in total expenditures. This is an increase of \$6,639,488 or 3.89%. The majority of this expenditure increase is composed of Capital Project cost funded by a combination of sales tax and deferred financing. Operational expenditures for 2011 are recommended to increase only \$2,964,194 or 1.79%

The recommended property tax levy of \$59,323,692 is \$2,102,051 or 3.67% higher than the prior year. On average, this will raise the County portion of the property tax levy by \$20.30 on a property valued at \$100,000.

The tax rate of \$6.15 per thousand is an increase of 8.45% or approximately 48¢ per thousand. You will note that a tax levy increase of 3.67% raises the tax rate by 8.45%. This occurs as a result of the equalized value (property value) of the County decreasing by 4.40% from 2009 to 2010. 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 General Fund balance be applied in the 2011 budget. One of the goals noted in the 2010 budget was to stabilize the County's fiscal reserves and maintain the County's fiscal integrity after several years of declining reserves. This was accomplished and we realized a small increase in the unreserved General Fund balance as we closed the 2009 books. We expect the General Fund balance will be further increased as we close the 2010 books. However, we will still have a balance below where we were at the end of 2008 and for years prior to that. Our undesignated financial reserves and working capital will still be at the lower end of our policy which requires reserves to fall between 10% and 17% of expenditures.

As you know, the County Sales Tax was adopted as part of the 2007 Budget and became effective April 1, 2007. The 2010 Budget includes a total of \$8,800,000 of sales tax revenue with \$6,995,849 devoted to operational costs and \$1,804,151 devoted 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 2011 indicate Rock County should realize \$9,810,250 in sales tax proceeds. Because UW Extension estimates have been high over the past few years as the economy has slowed, I feel it would be more responsible to budget sales tax revenue at a lower level than the projections. Therefore, I have included \$9,430,849 in sales tax revenue to be used as follows:

\$7,145,849	Operational Costs
<u>2,285,000</u>	Capital Expenditures
\$9,430,849	

The amount designated for capital expenditures is for a variety of construction projects and equipment that would otherwise be considered for deferred financing. The amount recommended to be used for operational costs is \$150,000 more than the amount used in 2010.

While the 2011 Budget includes the increased cost of health insurance and Wisconsin Retirement System contributions for County employees, the wage rates contained in each departmental budget request are 2009 wage rates. We budgeted for no wage rate increase in 2010 and the 2011 budget presumes there will be no 2010 increases. We have settled one of ten labor contracts and that contract contained a 0% increase in 2010, a 1% increase as of January 1, 2011 and a 1% increase year-end 2011. This equates to a 1% cost impact on wage costs in 2011.

A 1% increase in wage cost countywide in 2011 would have a cost impact of approximately \$700,000. I have included \$200,000 in a countywide salary reserve account and expect costs over and above the \$200,000 would be covered by savings from vacant positions which would occur during the year.

Other Points of Interest

In addition to the issues I have already discussed, a number of other items merit further discussion. These include the following:

- 1) One of the proposed capital projects is the facility to replace the Rock Haven nursing home. The 2011 Budget includes \$850,000 for the additional architectural work on the new nursing home. We expect the design work will allow for bidding the project by mid-year 2011. At that time the County Board will be asked to amend the budget to cover the construction cost as we will then have a specific figure for the project.
- 2) Two major capital projects are contained in the Communication Center budget. One of these projects involves replacing the aging Computer Aided Dispatch System along with the Mobile Data System software. Both systems were originally purchased in 2001 and need to be replaced. The estimated cost of doing this is \$1,184,000.

The other project results from an unfunded federal mandate which requires radio frequencies be "narrow-banded" by January 1, 2013. After considerable investigation and discussion the best alternative is to convert the analog radio systems to digital. The projected cost to the County for doing so is \$2,275,717. I propose to fund this from unspent sales tax funds remaining in the Jail Expansion/HCC Complex account.

- 3) \$857,200 of deferred financing is recommended as the County share to match Federal and State aid for a variety of repair and improvement projects at the Airport. Included in this amount is funding for the first phase of the renovation and expansion of the Terminal building.
- 4) The recommended road construction budget for 2011 totals \$2,499,000. This is funded through a combination of \$290,000 in State aid, \$1,209,000 of sales tax and \$1,000,000 of deferred financing. Included is \$1,875,000 to reconstruct three miles of CTH "M" from Townline Road to Emerald Grove Road. This is the first phase of an 11-mile segment which needs to be reconstructed.
- 5) County service areas where pressure for increased tax levy is greatest are the human services functions. This is a result of State cost shifting and aid reductions as well as the economy and higher unemployment increasing the demand for service. The Human Services Department budget has a recommended tax levy increase of \$1,074,069 or 5.7% while the Developmental Disabilities budget has a \$204,883 or 6.2% increase. Together, these two departments account for \$1,278,952 or 61% of the total County tax levy increase.

- 6) The Criminal Justice Coordinating Council (CJCC) has been discussing ways to best address the new stricter OWI laws which became effective July 1, 2010. An option being considered is to establish an OWI Court providing treatment, intensive case management and regular judicial oversight to high risk 3rd and 4th offense OWI offenders. A request was made for funding for an OWI Court or whatever option is decided is best to address the impact of the new OWI legislation. I have included \$100,000 in the 2011 Budget to be used for this purpose.
- 7) Personnel actions recommended in the 2011 Budget result in a net decrease of 2.3 full time equivalent positions. The 2011 recommended personnel roster includes 1,171.8 positions. Since 2000, Rock County will have reduced its workforce by 267.4 positions or 18.6%.
- 8) Outstanding debt at the end of 2010 will total \$16,040,000.
- 9) A property tax levy of \$62,953,988 was requested by County Departments for 2011. The recommended property tax levy is \$59,323,692 or \$3,630,296 less than requested.

Issues for 2012

The current State biennial budget runs from July 1, 2009 through June 30, 2011. That budget has resulted in State aid cuts and cost shifts to Rock County in excess of \$2 million per year. These cuts have been primarily in the health and human service areas. The current State budget was adopted using billions of dollars of federal stimulus funding built into parts of the budget like medical assistance, aids to counties and education aids.

As the State wrestles with the next biennial budget it will have to do so without much of this federal stimulus funding. This puts counties at further risk for large State aid cuts. If this does happen, the State must address the issue of eliminating or relaxing many of the underfunded mandates counties are currently laboring under as counties will need much greater flexibility to deal with the resulting fiscal stress.

State budget problems being handed down to counties could be further complicated by tax rate limits in 2012.

In addition to being subject to tax levy limits, counties are subject to tax rate limits on the general operations portion of their property tax levy. 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. This did not impact most counties for many years as property values rose at a rate equal to or greater than tax levies. However, in 2008 and 2009 Rock County as well as many other counties began to experience falling property values. As property value (equalized value) falls it takes a higher tax rate to raise the same amount of revenue (tax levy). This is pushing Rock County's tax rate for operational levy closer to the tax rate cap. A chart illustrating this follows:

	<u>2010</u>	<u>2011</u>
*Allowable Operating Tax Rate	5.893137	5.893137
Actual Operating Tax Rate	<u>5.182828</u>	<u>5.660695</u>
Difference	.710309	.232442
Percentage	12.05%	3.94%

*Operating Rate only, does not include debt service rate

The actual operating tax rate in the 2010 Budget was 12.05% below the tax rate cap. For the 2011 Budget the combination of a 4.40% decrease in equalized value (property value) and the recommended 3.67% increase in the levy will use up over 8% of the 12.05% difference. That leaves Rock County only 3.94% below the tax rate cap. If property values decrease 3.94% during 2010 the County will not be able to increase the tax levy for operational costs for 2012 at all. If taxable property values (equalized value) decrease more than 3.94% the County will have to decrease the tax levy funding 2012 operations. This would have grave consequences for the County's ability to provide the current level of service so long as the State continues freezing and/or cutting the State aid which is supposed to fund these services.

Efforts will be made by the Wisconsin Counties Association to either repeal or amend the 1992 tax rate cap legislation. There is already a tax levy limit which applies and will continue to

apply to all counties. All counties are attempting to fund the rising costs of unfunded and underfunded state mandated programs. Only certain counties including Rock County will be affected by the disparate impact of the old tax rate limit law in the near future. If the Legislature and Governor truly want counties to provide State required services at an acceptable level they will need to deal with this issue.

The Administrator's Letter, which is found near the front of your budget document, contains additional information on these and other initiatives. Furthermore, each departmental budget contains "Administrator's Comments" which summarize the important points in the budget and describe the reasoning behind my recommendations.

The timetable for budget consideration includes:

9:00 A.M.	Monday, November 1	County Administrator's Review and Explanation of the Budget with Questions from the Board
6:00 P.M.	Wednesday, November 3	Public Hearing on the Budget
9:00 A.M.	Tuesday, November 9	Statutory Annual Meeting and Budget Adoption

As you review the 2011 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."

13. Adjournment.

Supervisors Arnold and Fizzell moved to adjourn at 7:25pm to Thursday, October 28, 2010 at 6:00 P.M. ADOPTED by acclamation.

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