

COUNTY BOARD STAFF/FINANCE COMMITTEES
August 3, 2015

Call to Order. County Board Staff Committee Chair Podzilni called the joint meeting of the County Board Staff Committee and the Finance Committee to order at 8:00 A.M. at the Southern Wisconsin Regional Airport.

Committee Members Present County Board Staff Committee – Supervisors Podzilni, Arnold, Brill, Bussie, Kraft, Mawhinney, Peer, Sweeney and Thomas. Finance Committee – Supervisors Mawhinney, Fox, Kraft, and Podzilni.

Committee Members Absent: Finance Committee - Supervisor Beaver.

Others Present: None.

Staff Members Present: Josh Smith, County Administrator; Randy Terronez and Nick Osborne, Assistants to the County Administrator; Sherry Oja, Finance Director; Annette Mikula, Human Resources Director; Ben Coopman, Public Works Director; Ron Burdick, Airport Director; Lori Williams, Parks Director; Sue Balog, Assistant to the Finance Director.

Approval of Agenda. Supervisor Arnold moved approval of the agenda as presented, second by Supervisor Peer. ADOPTED.

Citizen Participation, Communications and Announcements. None.

Review and Discussion of Preliminary 2016 Budget Projections and Program Information – Public Works. At this time Chair Podzilni turned the meeting over to Ben Coopman.

Mr. Coopman introduced his staff: Ron Burdick, Airport Director; Lori Williams, Parks Director.

Mr. Coopman said the Public Works Department is made up of three divisions, Highway, Airport and Parks. He turned the meeting over to Ms. Williams.

Ms. Williams said the budget areas for the Parks Department are: Administration, consisting of administrative salaries and costs; Operating and Maintenance consisting of operation and maintenance for 18 parks, 2 wildlife areas and 3 trail ways; Capital Projects include new or replacement park facilities and land acquisition.

Ms. Williams said there have been 17,089 park reservation users through June 30, 2015 and there were 16,365 park reservation users for 2014.

Ms. Williams said the boat launch fee comparison is as follows:

2010	\$16,997
2011	\$19,951
2012	\$17,922
2013	\$17,966
2014	\$19,654
2015	\$15,040 (year to date)

Ms. Williams said the goal is \$20,000 in boat launch fees for 2015.

Ms. Williams said the Parks budget is as follows: Revenues for 2015 are projected to be \$88,652, and the 2016 request is \$48,858; Expenses for 2015 are projected to be \$542,321, and the 2016 request is \$562,423; the Tax Levy for 2015 is projected to be \$453,669, and the 2016 request is \$513,565. She said the revenue does not include the transfer of or carry forward of funds.

Ms. Williams said the Parks Division 2015 – 2016 comparison is as follows:

	<u>2015</u>	<u>2016</u>	<u>Difference</u>
Salaries	\$390,919	\$387,015	(\$ 3,904)
Operations & Maintenance	\$286,877	\$234,608	(\$52,269)
Grants	<u>\$115,701</u>	<u>\$ 59,200</u>	<u>(\$56,501)</u>
Total Expenses	\$793,497	\$680,823	(112,674)

Ms. Williams said the 2016 Proposed Capital Projects include: Carver Roehl trail redesign at \$100,000; Carver Roehl Park bathroom replacement and site work at \$50,000; Land acquisition at \$50,000; Welty house demolition at \$25,000; Sweet Allyn ballfield redesign at \$15,000; and Smith Road bridge study at \$15,000; for a total cost of \$255,000.

Ms. Williams said the increase for the 2016 tax levy is a result of increased expenses and budget deficit of .6%. She added the Community Coordinator salary is in the general budget, it had previously been funded by ATC funds.

Ms. Williams said some of the 2016 Budget highlights are: the implementation of a County Woodcutting/Harvesting Policy to add \$5,000; and the total Community Coordinator cost projected to be 100% funded out of the operating budget for a cost of \$37,859.

Ms. Williams said some of the 2015 Capital Projects were: Sportsman's Park playground for a cost of \$35,000; Turtle Creek Parkway roof for a cost of \$50,000; Sweet Allyn Park bathroom for a cost of \$50,000; and Happy Hollow parking lot paving for a cost of \$150,000; for a total cost of \$285,000.

Mr. Coopman said Highway Division includes: Assistant to the Director of Public Works, financial/clerical, field operations, fleet operations, and secretary. Mr. Coopman said there are approximately 255 centerline miles or 545 lane miles in the State Trunk/Interstate Highway

System; approximately 215 centerline miles or 420 lane miles in the County Trunk Highway System; and approximately 590 centerline or 1,180 lane miles in the Town Roads.

Mr. Coopman said proposed construction projects for 2016 are: CTH F from Janesville Limits to USH 51, 1.8 miles for a cost of \$1,008,000; CTH MM from Emerald Grove Road to CTH M, 2.5 miles for a cost of \$2,025,000; CTH MM from Wright Road to Wuthering Hills Road, 0.45 miles for a cost of 143,200; CTH MM from Milton-Shopiere Road to Emerald Grove Road, 2.0 miles for a cost of \$1,620,000; and CTH MM from USH 14 to Milton-Shopiere Road, 2.0 miles for a cost of \$1,620,000. The combined total for these projects is \$6,416,200.

Mr. Coopman said the Administrative Summary is: Revenue for 2015 is \$446,300 and for 2016 is \$363,250; Expenses for 2015 is \$1,201,970 and for 2016 is \$1,159,257. Maintenance and Construction Summary is: Revenue for 2015 is \$5,565,010 and for 2016 is \$2,551,782; Expenses for 2015 is \$7,136,946 and for 2016 is \$10,954,727. The Highway Levy for 2015 is \$1,480,936 and for 2016 is \$8,402,945.

Mr. Coopman said the Highway Levy Cost by Activity for 2016 is: \$3,040,106 for 2015; \$10,130,452 for 2016, including \$60,000 for Bridge Aid.

Mr. Coopman said he sees the following challenges of the Highway Department in the future: upgrade hours of service to 24 hours; I-39/90 widening and upgrades; acquiring the necessary assets to accommodate growth and housing those assets; getting funding from the State; staffing increases, including supervisors and shop personnel; more salt material storage facilities.

Supervisor Kraft asked about alternatives to salt. Mr. Coopman said the cost is quite a bit higher.

Supervisor Sweeney asked about brine. Mr. Coopman said a brine facility is being built near the ethanol plant.

Mr. Coopman said, to meet these challenges, we will need to: be proactive; strive for efficiencies; take an objective look at ourselves with the report from Matrix Consulting.

Mr. Coopman said Matrix Consulting met with management staff, gathered past data (mostly financial), interviewed key staff and hourly workers, held listening sessions for towns, and compiled a departmental profile of the existing situation. Matrix Consulting will then deliver a comparison of "Best Management Practices", prepare draft findings and recommendations, review these with management and the Public Works Committee, and present a final report in early September.

Mr. Coopman said proposed construction projects for 2017 to 2018 are: CTH A from USH 14 to Tarrant Road, 3 miles for a cost of \$2,430,000; CTH A from Tarrant Road to CTH M (Johnstown) 2.5 miles for a cost of \$2,025,000; CTH A from CTH M (Johnstown) to Walworth County, 3.5 miles for a cost of \$2,835,000; CTH F from S. Indianford limits to N. Indianford limits, .5 miles for a cost of \$810,000; CTH F from N. Indianford limits to Edgerton limits, 1.6

miles for a cost of \$1,296,000; CTH F from USH 14 to S. Indianford limits, 6 miles for a cost of \$4,860,000. The combined totals for these projects is \$14,256,000.

Mr. Coopman said the State maintenance challenges post I-39/90 expansion are: 6-10 more field employees; 24 hour services, including supervision; night work safety; equipment issues; more plow trucks and mowers; large equipment such as loaders, graders and AWD trucks; equipment storage needs; a 30,000 square foot garage and salt storage in the Gateway area; a 20,000 square foot garage and salt storage at STH 59 and I-39; and a possible small shop at Gateway.

Mr. Coopman said some options would be: fund construction with sales tax or deferred financing (\$6,416,200); reduce the 2016 spending to 2015 level (\$3,642,200); apply sales tax to buildings and grounds capital projects (\$461,700); create a county wheel tax, a \$10 fee would generate \$500,000; cut back winter maintenance hours, nights and weekends; do less routine mowing; and reduce staff.

Mr. Coopman said Rock County is also part of Wisconsin River Rail Transit and Pecatonica Rail Transit. Rock County contributes \$28,000 per year for the upkeep of rail bridges.

The Committees took a 5 minute break at 9:35A.M.

Mr. Coopman turned the presentation over to Mr. Burdick.

Mr. Burdick said the Airport Department has 1 FTE Airport Specialist, 1 FTE Airport Maintenance Crew Leader, and 3 FTE Airport Maintenance Workers. Airport revenue is: 34% leases, 29% rent, 24% operational and 12% non-aviation. Operational revenue is obtained from landing and fuel flowage fees; lease revenue from building owners, rent revenue from t-hanger rent; and non-aviation revenue from farm land and golf course leases. We are looking at total Airport revenue for 2016 to be \$337,621, which is slightly down from 2015.

Mr. Burdick said the Airport budget expenses consist of: Administration and Maintenance, which encompasses salaries, public liability insurance, training, office supplies, utilities, maintenance supplies, airfield lighting, equipment repairs, machinery lease, and capital improvements, for a total of \$875,224 for 2015. Tax levy for 2015 is \$471,676.

Mr. Burdick said the 2015 – 2016 comparison is as follows:

	<u>2015</u>	<u>2016</u>	<u>Difference</u>
Administration	\$250,337	\$254,256	1.57%
Operations & Maintenance	\$535,537	\$539,641	0.77%
Equipment Rental	\$ 79,000	\$ 89,100	12.78%
Capital Purchases	<u>0</u>	<u>\$ 21,790</u>	
Total Operating Expenses	\$864,874	\$904,787	4.61%
Operating Revenue	<u>\$347,640</u>	<u>\$337,621</u>	<u>2.88%</u>
Funds Forwarded PY	<u>\$ 45,558</u>	<u>?</u>	
Tax Levy	\$471,676	\$567,166	20.24%

Mr. Burdick said the 2016 tax levy request would need to be reduced by \$95,490 to achieve a 0% increase. He said a few options that could reduce the 2016 estimated tax levy: 1) Raise fuel flowage fees from \$.08 to \$.09 per gallon for an estimated revenue increase of \$9,000, which will impact all airport users. The higher fees could cause pilots and corporate aircraft owners to stop for fuel at other airports in the area with lower fuel fee costs and landing fees. 2) Reduce vegetation control by not mowing roadways, entrance roads, Airport Park, and mowing only the required safety areas within the airport operations area. This would impact the appearance of the airport, increase hazardous wildlife activity, provide cover for loafing, roosting, escape, and reproduction, and would be an ideal habitat for rodent and insect populations that attract raptors, gulls, other bird species, and predators such as coyotes. This could be a safety hazard. 3) Reduce winter maintenance for snow and ice control, limit overtime, closing non-essential runways and taxiways, limit access to ramps and facilities, and limit snow removal on roads and parking lots. The total overtime expended in 2014 for snow removal was 425 hours. When fully staffed (assumes 5 employees), our overtime bill rate for 2014 was \$283 per hour. This would adversely affect the airport businesses and users. 4) Reduce pavement re-marking, which is approximately \$8,000 per year. This action would adversely affect the visibility of the pavement markings. 5) Reduce or defer pavement repair and crack sealing, which would save an estimated \$12,000-\$15,000. Deferring repairs for a year or two may save dollars in the short term, future repairs could be more costly because the cracks may widen beyond the effectiveness of the minor sealing operation.

Mr. Burdick said the 2016 Capital Improvement Projects are: Replace airfield signage and lighting with the local share cost of \$60,000; and Construct ten unit T-hanger with the local share cost of \$600,500.

Discussion on the airport fire/rescue truck and the possibility of acquiring a new for an approximate cost of \$800,000 and if there is a way to refurbish the tank for less cost.

Adoption of Minutes of July 27, 2015. Supervisor Sweeney moved approval of the minutes for July 27, 2015, second by Supervisor Peer. ADOPTED.

Adjournment: Supervisor Arnold moved adjournment at 10:35 A.M., second by Supervisor Brill. ADOPTED.

Respectfully submitted,

Marilyn Bondehagen
Confidential Administrative Assistant

NOT OFFICIAL UNTIL APPROVED BY COMMITTEES.