

MINUTES OF THE FINANCE AND INSURANCE COMMITTEE
BUDGET HEARING MEETING
Monday, October 10, 2011

MEMBERS PRESENT: Chairman, Ted Cushing, Supervisors, John R. Young, John Hoffman, Peter Wolk and David Hintz

OTHERS PRESENT: Margie Sorenson, Finance Director; Melodie Gauthier, Chief Deputy Clerk; Mike Romportl, Land Information; Lynn Grube, ITS; Charlie Evenhouse, Solid Waste; Paul Spencer & Mary Rideout, Social Services; Jeff Hoffman, John Sweeney, Kay Jewell, Sheriff's Office; Brenda Behrle, Clerk of Courts; Elmer Goetsch, Janet Baer, Ed Hughes, Library Board; Tammy Walters, Veteran's Office; Mark Hartzheim, Town Chair- Minocqua; Andy Gee, Chief of Police; Wilbur Petroskey, and Robert Heck, & Joe Brauer, Rhinelander Airport.

CALL TO ORDER

Chairman Cushing called the meeting to order at 10:35a.m. in the Oneida County Board Room of the Oneida County Courthouse. He noted that the meeting notice had been properly posted and mailed in accordance with the Wisconsin Open Meeting Law.

Chairman Cushing stated: Notice is hereby given that a majority of the Oneida County Board of Supervisors may be present at this meeting of the Finance and Insurance Committee Budget Hearing to gather information about a subject over which they have decision-making responsibility. This constitutes a meeting of the Oneida County Board pursuant to State Ex Rel Backe v. Greendale Village Board, Wis 2nd 553, 494 N.W. 2nd 408 (1993), and must be noticed as such, although the board will not take any formal actions at this meeting.

APPROVE AMENDED AGENDA

MOTION/SECOND: (Wolk/Hoffman) to approve the October 10th, 2011 Amended Finance and Insurance Budget Hearing agenda. All "aye" on voice vote, motion carries.

BUDGET OVERVIEW

Marge Sorenson, Finance Director, presented to the Committee the 2012 Budget Preview which included the following:

2012 Budget Summary Preview

Sorenson stated the 2012 budget is significantly over the levy limits with expenditures estimated at \$47,262,350; revenues at \$27,476,517, sales tax is budgeted at \$3,600,000; property tax \$16,185,833 and rate per 1, 000 equalized value of 2.33%.

Sorenson states there is an adjustment to the *2012 Budget Summary page*; on the line "*Other financing uses*," increase this amount \$200,000 more to equal \$396,547, as she explained this is due to in-house health insurance. Sorenson stated that Supervisors Cushing & Young met with in-house health insurance adjusters stating the estimated cost would be \$400,000. Both Cushing and Young stated this amount needed to be decreased. A second proposal with a 5% increase in health insurance (\$200,000) was

accepted and needs to be added to the total amount over the levy limit (\$726,225 + \$200,000) = \$926,225 an 8.8 % increase.

Sorenson also has received a written notice that a U. W. Extension typist is leaving and this position is not being filled. This is a decrease in expenditures of \$42,854. Sorenson will discuss the vacancy review budget later in detail during the budget hearing.

The 2012 budget does not include a cost of living increase but it does include the employees' steps. Sorenson explained the net total cost of steps included in the budget is \$40,000; she further explained that if you stopped the steps you would save a gross amount of \$80,000 on the levy. The Finance Committee discussed step increases and the termination of the employee's longevity pay for 2012.

Tax Levy Limit

The adjusted allowable levy including a .3% growth (net new construction) is allowing us to go up \$41,622. Debt service for debt after 7/1/2005 is \$106,910, which makes the gross allowable levy \$14,022,467. When you add in the 2012 Ambulance Service, Bridge Aid, and Libraries' budget total, the total levy as of 9-23-11 is \$16,185,833 which puts Oneida County \$926,225 over the levy limit.

Statewide Listing 2010 Tax Rate (2011 Budget) sorted by rate.

Oneida County's actual operating levy (excluding Libraries) is \$14,662,658; the 2010 Equalized Value is \$7,322,297,600, Actual Operating rate of 0.00200247, rate per \$1,000 equalized value is 2.00% and Oneida County ranks 69 out of 72 in the state for tax rate. Sorenson states Oneida County is property rich.

Schedule of Significant Changes to Tax Levy

Ms Sorenson briefly discussed the following significant changes to the Tax Levy:

Wage & Fringe Increase-cost of Living	-
Wage & Fringe Increase-step increases net of decreases	40,000
Increase in Health Insurance	200,000
Employee health Ins. Contribution to 8%	(75,000)
Increase in Retirement	65,000
Decrease in Retirement Benefits due to BRB	(475,000)
Reduction of 2.35 FTE positions (Co Conservationist, Child Support Supervisor, 35% P & Z typist)	(165,000)
Decrease in General Fund Applied	250,000
Decrease in Land Purchase Reserve Applied	200,000
Decrease in Intergovernmental Jail Revenues/Expenses	1,000,000
Decrease in Shared Revenue	14,520
Decrease in General Transportation Aids	93,000
Decrease in Judicial Aids	25,000
Decrease in Human Service Center GF Repayment	17,000
Increase in Ambulance Expenses (excluded from Levy limits)	236,000
Increase in Library Expenses	12,000
Decrease in Clerk of Court Fees	39,000
Decrease in Vacancy Reduction	50,000
Decrease in Register of Deeds Fees	19,000
Decrease in Planning and Zoning Revenues	25,000

Increase in Info. Technology Services	41,000
Decrease in General Interest Earnings	100,000
Increase in County Sales Tax Revenue	(100,000)
Decrease in Buildings and Grounds expenses	(78,000)
Decrease in Medical Examiners Vehicle Purchase	(30,000)
Increase in State Aid-Parks	(25,000)
Decrease in Highway Dept. Levy	(93,000)
Decrease in Department on Aging Levy	(27,000)
Increase in Sale of Stumpage	(17,000)
Decrease in Co.BD/Committee Expenses	(35,000)
 Sub total	 1,106,520

Ms Sorenson continued briefly discussing the following:

SPECIFIC ANALYSIS

5. Net New Construction
 - County of Oneida – 2010 Total Equalized Value - \$7,330,164,500,
 - Amount of Net New Construction - \$22,164,800 and Percent Change is 0.30%.
6. Percentage Change in Equalized Value
7. Chart of Significant Revenues affecting County Levy
 - County Sales Tax Chart
 - General Interest Earnings
 - Register of Deed Fees
 - Register of Deeds Transfer Fees
 - Jail Public Changes less Commissary
 - Intergovernmental Changes for Jail
 - Penalty & Interest on Taxes
 - Clerk of Court Fees
 - Clerk of Court Ordinance & Penal Fees
 - County Share of Stumpage Sales
 - Planning and Zoning Fees
8. Personnel Summary – none at this time
9. Retiree Health Insurance Costs
 - Estimated in 2012 at approximately \$406,640.
10. Summary of Contract Change Provisions
 - (Note: Overtime budgets may increase to offset the production lost in reducing base annual hrs.)
11. 2012 Budget Hearing Schedule
12. Capital Projects > \$150,000, (road construction, sheriff's dept. vehicles, ITS)

FUND BALANCES

13. History of General Fund (reserve for delinquent taxes-up 2.1)
14. History of Budgetary (Uses) Increases of General Fund
15. 2007 – 2009 Non-Budgetary Increases (Uses) to the General Fund
16. Estimated County-Wide Fund Balances
17. Estimated Continuing Appropriations

NOTE: All of the above items discussed can be seen in the County Clerk's Finance Minutes Folder.

11:00 a.m. Landfill – Charlie Evenhouse

(Landfill is not on the levy).

Evenhouse updated the committee with a handed-out on the landfill's operating budget from March 31, 2011 through Sept. 30, 2011. Evenhouse states the beginning balance from January 1, 2011 is at (\$158,990.26), this is money borrowed from the general fund. He states the landfill operating deficit from the prior year in September was at \$29,859.00 and current year surplus is now at \$92,002.85 this is the amount received over expenses. Evenhouse states back in March of 2011 the deficit was \$92,600.55 and he feels that the recycling prices and scrap metal prices which are \$210 a ton, helped the landfill bounce back. Evenhouse states he has requested the DNR okay a shingle recycling site. He feels this will have a positive impact on the Landfills revenue.

Sorenson states she would like to make a proposal to charge the Landfill for insurance on equipment, an approximate total of \$5,700.

MOTION/SECOND: (Cushing/Wolk) to increase insurance revenue by charging the Landfill for insurance on equipment \$5,700 and accept the amended budget for the Landfill. All "aye" on voice vote, motion carries.

11:30 a.m. Social Services – Paul Spencer Jr. & Mary Rideout

Paul Spencer handed out a summarization of the Social Service Budget and stating there have been 6 actions taken: 1. - Social Services decreased the County Tax Levy by \$66,500. 2. - Absorbed \$196,403 in State and Federal funding cuts. 3. - Eliminated the Child Support Supervisor position. 4. - Will delay the filling of a Social Worker position. 5. - Continued to fund diversion (cost saving programming) at the 2011 levels. (\$69,768 County Tax Levy, \$78,826 State and Federal funding). 6. - Maximize program funds for the Human Service Center \$ 100,897 to date with a planned additional \$60,000 by 12/3/2011. This will allow them to earn an additional 60% state/federal funding at a cost saving of county tax levy. Spencer stated future concerns are cuts from the County Tax Levy, state and federal funding, the future of Economic Support in 2013, the future of Child Support funding in 2014 and the implementation of Family Care for the years of 2014/2015.

MOTION/SECOND: (Cushing/Hintz) to accept the Social Service Budget as presented. All "aye" on voice vote, motion carries.

Break for Lunch/Reconvene - 12:00p.m. – 1:30 p.m.

1:30 p.m. Sheriff's Office- Jeff Hoffman, John Sweeney & Kay Jewell

Hoffman and Sweeney state they are making every attempt to provide a realistic budget and keep costs down. Sweeney explained the new changes for the Wisconsin drunk driving laws and the impact it will have. In 2012 there will be removal of the state contracted inmates from the county jail this in turn will cause a loss of revenue. Recently the Sheriff's Office secured a \$210,000 federal grant for expanded security and technology systems at the Rhinelander High School and also a grant for \$350,000 for the Marathon-Oneida Bomb Disposal Unit.

Recreational safety patrol will be reduced by 624 hours and the Sheriff's office would like the Finance Committee to consider placing 20% of the available US Forest Service (Secure Rural Schools) revenue, approximately \$2,800 to the Sheriff's Office and transfer \$5,950 from the Forestry Office by deleting the LTE Ranger program and use the \$8,750 in funds to restore some of the 624 hours lost patrol hours.

The Sheriff's Office is looking into partnering with the Clerk of Court in a pilot project to increase collections by cancellation of driver's licenses for repeat OWI offenses and some first offenses. This process will be dependent on a court order.

Sweeny talked about the grants to Minocqua and stated the county asked the town of Minocqua to assist with 911 and emergency calls in that area. Sweeny stated a cut in this grant may cause the county to take on more and this would be hard with current staff.

The Sheriff's Office presented proposed changes to budget increasing revenues \$3,581 and decreasing expenses by \$198,837. Copy in Finance & Insurance minutes file.

MOTION/SECOND: (Hintz/Wolk) to accept the Sheriff's Office Budget as adjusted. All "ayes" on voice vote, motion carries.

2.00 p.m. Libraries – Elmer Goetsch, Janet Baer, and Ed Hughes

Ed Hughes, Janet Baer and Elmer Goetsch presented the Library Budget to the committee and requested a 3% increase for pay increases. Discussion took place and the committee decided against the 3% increase and to leave the library budget the same as last year (2011).

MOTION/SECOND: (Young/Wolk) to approve appropriations for 2012 the same as last year's budget (2011). All "aye" on voice vote, motion carries.

2:30 p.m. Treasurer – Kris Ostermann

Ostermann stated the Treasurer's budget is trimmed as much as it can be. Postage will be going up and that sending the tax reminders out is profitable to the County. Ostermann stated that revenues are down due to people not paying for fees and nfs checks. The Treasurer's office lowered printing and duplication by having people look on line for their tax bills and will lower central purchasing by the beginning of the year with on line payroll for the employees. Ostermann also states that legal fees are up.

MOTION/SECOND: (Cushing/Hoffman) to approve the Treasurer's budget as presented and forward to County Board for approval. All "aye" on voice vote, motion carries.

3:00 p.m. Veteran's Office – Tammy Walters

Walters states she is a team player and she feels she has cut her budget as much as she can for 2012. Cushing questioned the Direct Payments of Transportation account and would like to reduce this account from \$1,980 by \$1,000 leaving \$980 left in this account.

MOTION/SECOND: (Cushing/Hoffman) to reduce the Direct Payments of Transportation (581119) by \$1,000 from \$1,980 leaving \$980.00 in the account and accept the Veteran's Office budget as amended. All "aye on voice vote, motion carries.

3:30 p.m. Land Information - Mike Romportl

Chairman Cushing inquired about the WPS building. Romportl stated the WPS building is for sale and it was taken into consideration that it should be leased to cover the expenses. Romportl states the WPS building cost the county approximately \$12,000 a year for upkeep. Romportl states there has been no interest in anyone buying it. The WPS building was put in the newspaper in the public legal section in March, and then in July put in classified section. The building was not listed with a realtor but was put on the County website. He stated the Department on Aging Building's appraisal will take place in December and believes this building will sell before the WPS building will also stating neither building is a revenue source for the county. Further discussion took place on the WPS and Department on Aging building.

Romportl stated that the 2012 budget for Land Information already represents a decrease for (46170) Public Charges by \$500.00. He stated that the levy could be reduced by applying more monies from continuing appropriations –land record fees, (521901) by \$5000 and land information project (521905) by \$5000.

MOTION/SECOND: (Cushing/Wolk) to apply additional carry-forward monies of - \$5,000 each from Land records fees, and Land Information Project, and to reduce the tax deed expense account by \$700. All "aye" on voice vote, motion carries.

3:35 p.m. - Supervisor John Hoffman excused.

4:00 p.m. Airport – Joe Brauer

Bauer explained that the airport is hard pressed to reduce services especially if they are mandated by the Federal Aviation Administration. Brauer stated it is hard to reduce insurance and utilities and feels they have done a good job keep every thing on track.

MOTION/SECOND: (Cushing/Hintz) to approve airport budget as presented and forward to County Board. All "aye" on voice vote, motion carries.

MOTION/SECOND: (Cushing/Wolk) to adjourn at 4:10 pm and reconvene the Budget Hearings at 8:30 am, tomorrow, October 11, 2011. All "aye" on voice vote, motion carries.

Ted Cushing, Chairman

Melodie Gauthier, Secretary