

COUNTY BOARD STAFF/FINANCE COMMITTEES
August 15, 2013

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 8:36 A.M. in Conference Room N-1/N-2, fifth floor, Courthouse – East.

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

Committee Members Absent: None.

Others Present: Supervisor Wiedenfeld.

Staff Members Present: Craig Knutson, County Administrator; Randy Terronez and Nick Osborne, Assistants to the County Administrator; Sherry Oja, Finance Director; Ben Coopman, Public Works Director; Ron Burdick, Airport Director; Lori Williams, Parks Director.

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

Citizen Participation, Communications and Announcements. None.

Adoption of Minutes of July 18, 2013 and July 26, 2013. Supervisor Mawhinney moved approval of the minutes for July 18, 2013 and July 26, 2013, second by Supervisor Arnold.

Supervisor Jensen noted two corrections to be made on page 2 of the July 18, 2013 minutes. Page 2, paragraph 3, line one, **we** needs to be added between then assign. Page 2, paragraph 5, line 4, remove the second **should be**.

ADOPTED with the corrections.

Review and Discussion of Preliminary 2014 Budget Projections and Program Information – Public Works. At this time Chair Podzilni turned the meeting over to Ben Coopman.

Mr. Coopman said a 2014 Airport Budget Decision packet had been handed out. He said the Public Works Department is made up of three divisions, Highway, Airport and Parks, with Finance/Clerical, Field Operations, and Shop Operations under the Highway Division.

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

Mr. Burdick said the Airport Department has 1 FTE Account Clerk II, 1 FTE Airport Maintenance Crew Leader, and 3 FTE Airport Maintenance Workers. Airport revenue is: 36% leases, 31% rent, 21% operational and 12% non-aviation. Operational revenue is obtained from

landing and fuel flowage fees; lease revenue from ground rents, 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 2014 to be \$330,908, which is slightly up from 2013.

Mr. Burdick said the Airport budget expenses consist of: Administration, which encompasses salaries, public liability insurance, training, office supplies, and operations which include utilities, maintenance supplies, airfield lighting, equipment repairs, machinery lease, and capital improvements, for a total of \$815,291 for 2013. Tax levy for 2013 is \$458,860.

Mr. Burdick said the 2014 Budget Request includes a total of \$825,440 in operating expenses. Revenues total \$330,908 with a total tax levy of \$494,532, which is a 7.77% increase or \$35,672 over the 2013 levy.

Mr. Burdick said there are a few options that could reduce the 2014 estimated tax levy: 1) Raise fuel flowage fees from \$.08 to \$.09 per gallon would be an estimated revenue increase of \$8,000, 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 summer maintenance by not mowing where airport borders roadways, entrance roads, Airport Park, and mowing only the required safety areas within the airport operations area. In 2012 our equipment cost for mowing was \$37,700. This would impact the appearance of the Airport, increase hazardous wildlife activity, would provide cover for loafing, roosting, escape, and reproduction, would be ideal habitat for rodent and insect population, which would attract raptors, gulls, other bird species, and predators such as coyotes. This could be a safety hazard. 3) Reduce winter maintenance of snow and ice control, limit overtime, closing non-essential runways and taxiways, limit access to ramps and facilities, limit snow removal on roads and parking lots. The total overtime expended in 2012 for snow removal was 390 hours. When fully staffed (assumes 5 employees), our overtime bill rate for 2012 was \$352 per hour. This would adversely affect the airport businesses and users. 4) Reduce for 2014 or defer until 2015 pavement re-marking. This action would adversely affect the visibility of the pavement markings. 5) Defer pavement repair and crack sealing. 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. 6) Reducing staff by 1 FTE to 1 LTE Airport Maintenance Worker could save an estimated \$33,000 or eliminating one full time Airport Maintenance Worker would save an estimated \$73,800 based on 2014 rate estimates. This would have an adverse effect on operations by reducing the amount of maintenance, mowing and snow removal that is achieved by the current staffing levels, would increase complaints, negatively affect the general appearance of the airport, increase hazardous wildlife activity, and reduce the Airport's ability to provide a good faith effort on snow and ice removal while increasing the workload for the Airport's remaining staff.

Mr. Burdick said the 2014 Capital Improvement Projects are: Construct North Perimeter Road with the local share cost of \$50,000. Terminal building improvements Project #3 with the local share cost of \$250,000. Terminal parking lot improvements with a local share cost of \$100,000. Design SRE building wash bay with a local share cost of \$20,000. Relocate MALSR and localizer roads out of Runway 32 safety area with a local share cost of \$165,000.

Mr. Coopman said Highway Division includes; financial/clerical, field operations, fleet operations, and secretary. Mr. Coopman said they are proposing to add a Deputy Director to the staff, along with three new positions due to the State Highway 26 expansion, upgrade hours of service on USH 14 East, CTH G Mega Project; CTH BT, I-39/90 widening and upgrades.

Mr. Coopman said Highway Division operations include the State Trunk Highway System, County Trunk Highway System, and some of the Town Roads. Mr. Coopman said the State System would be exploding in the next few years with growth. Our emerging issues within the next 1-7 years will be the following: providing 24 hour service on USH 14 (East) and STH 26, adding more staff, new plow trucks, more salt storage (loader) and buildings, new garage needed for trucks and loader(s), more repair shop and mechanic staff.

Mr. Coopman said the Administrative Summary is: Revenue for 2013 is \$306,700 and for 2014 is \$325,300; Expenses for 2013 is \$1,016,297 and for 2014 is \$1,174,372. Maintenance and Construction Summary is: Revenue for 2013 is \$5,193,324 and for 2014 is \$2,478,781; Expenses for 2013 is \$6,681,209 and for 2014 is \$6,499,602. The Highway Levy for 2013 is \$2,865,982 and for 2014 is \$9,938,393.

Mr. Coopman said the needs-based tax levy requested by the Highway Division of the Public Works Department for 2014 is up \$7,112,411 or 252% from the \$2,815,982 tax levy (without Bridge Aid, as separate levy) for 2013.

Mr. Coopman stated the following actions, effect and impacts: 1) Action 1: Use alternative funding sources such as sales tax or deferred financing to fund 2014 Federal Aid Construction of \$4,210,000. This results in a \$0 tax levy in that area. Action 1A: Reduce the requested 2014 Federal Aid Construction program to 2013 tax levy of \$0, which occurred because deferred financing was applied in 2013. Impact: Action 1 defines an alternative source of funding, thus does not impact the tax levy. Action 1A eliminates 100% of the requested Federal Aid Road Construction in 2014. Approximately 5.75 miles of requested county road reconstruction and 1.4 miles of new improvements would have to be deleted on the CTH G Mega Project and on constructing the new CTH BT. Also lost would be nearly \$14.5 million (approximately 70%) of federal, state and City of Beloit funding. 2) Action 2: Reduce the requested 2014 County Road & Bridge Construction projects to none. Action 2A: Use alternative funding sources such as sales tax or deferred financing to fund 2014 County Road Construction, this effect is \$2,327,000 in savings. Impact: Action 2 eliminates the final phase of four phases on the CTM M (east) Reconstruction Project. A newly proposed reconditioning project on CTH H between CTH M and STH 59 would also be eliminated. 3) Action 3: Remove the requested new Deputy Director of Public Works position. Effect: Reduces administrative salary and fringe costs by \$112,795. Impacts the effectiveness of the Director of Public Works who is faced with many new duties related to the rapid expansion of the Interstate Highway System and related County Highway System improvements planned in Rock County. 4) Charge Rock County Towns for supervision services related to town work, the effect would be \$105,000 in new revenue. 5) Defer outside contracted repairs to department trucks and equipment, the effect would be \$100,000 savings, but the impact would reduce longevity and reliability of equipment. 6) Implement a County registration fee of \$10 per vehicle and the effect

would be \$500,000 of new revenue, which would raise new general-purpose revenue to fund road construction and maintenance.

Supervisor Mawhinney inquired about County M and mentioned the construction has been going on for two years and it is still not completed. Mr. Coopman said this project is delayed due to subcontractors. When one subcontractor is done, we have to wait for another subcontractor to complete the next phase.

Mr. Coopman turned the meeting over to Ms. Williams.

Ms. Williams said her division is made up of one Community Coordinator, 2.5 FTE patrol workers, a .5 seasonal, and a .25 time secretary. The majority of the boat launches donations/fees come from Royce Dallman Park, however due to flooding and high water levels, the revenue is lower this year. Last year's parks attendance through reservations were 17,861, as of June 30, 2013 it was 16,822, and Sweet Allyn Park is the most used park.

Ms. Williams said the Parks Division has three budget areas: administration; operating and maintenance for 18 parks, 2 wildlife areas, 3 trail ways and three small cemeteries; and capital projects. The 2014 capital projects include: Turtle Creek canoe launch for \$35,000; playground equipment replacement at Sportsman's Park for \$35,000; bathroom replacement (& site work) at Sweet Allyn Park for \$50,000; Sweet Allyn fence replacement for \$15,000; and pave Gibbs Lake parking lot for \$45,000, for a total of \$180,000. The Parks operation budget includes: \$871,508 in expenses; \$326,217 in revenue; and a requested tax levy of \$545,291.

Ms. Williams presented a few options to achieve a 0% tax levy increase: available. 1) To implement a County wood harvesting and or permit fee for woodcutting. Woodcutting fees could increase the revenue by as much as \$5,000 and it would increase the workload for parks patrol workers and office staff. 2) Eliminate trash collection in the parks and institute a carry-in / carryout policy. This could save \$7,682 in expenses but could also affect the cleanliness of the parks. Also, there may be a contractual impact / buyout as this service is contracted. 3) Eliminate the seasonal position, which would decrease expenses by \$11,078. This would negatively impact the weekend coverage and customer service and increase the workload for patrol workers. 4) Eliminate POROS Plan which would decrease expenses by \$35,000, but then the Rock County Parks would not be eligible to apply for any DNR grant opportunities. 5) Transfer funds from ATC to offset POROS Plan Expense which would decrease the ATC fund balance by \$35,000 and also decrease the tax levy by \$35,000. Rock County Parks would remain eligible for DNR grant opportunities.

Ms. Williams went over some of the 2013 park improvements: Sweet Allyn parking lot, Carver-Roehl gazebo, Magnolia Bluff trail improvements, new pier at Royce Dallman Park, Turtle Creek Parkway building renovated. They have partnered with the City of Janesville and they provide several stream exploration programs that are held in a variety of parks during the summer.

Next Meetings: On August 23, 2013 at 8:00 A.M. the Sheriff's Office will be presenting and the meeting will be held in the Sheriff's Office conference room. This will be the final pre-budget meeting.

Adjournment: Supervisor Kraft moved adjournment at 10:05 A.M., second by Supervisor Arnold. ADOPTED.

Respectfully submitted,

Sue Zastoupil
Human Resources Secretary

NOT OFFICIAL UNTIL APPROVED BY COMMITTEES.