

COUNTY BOARD STAFF/FINANCE COMMITTEES

August 10, 2009

Call to Order. Chair Podzilni called the joint meeting of the County Board Staff/Finance Committees to order at 8:00 A.M. in Conference Room N-1/N-2 on the fifth floor of the Rock County Courthouse-East.

Committee Members Present: County Board Staff Committee: Supervisors Podzilni, Kraft, Bussie, Jensen, Joiner, Peer, Yankee, Ott (at 9:15 A.M.). Finance Committee: Supervisors Mawhinney, Kraft, Beaver, Podzilni.

Committee Members Absent: Supervisor Arnold.

Staff Members Present: Craig Knutson, County Administrator; Josh Smith, Assistant to the County Administrator; Ben Coopman, Public Works Director; Ron Burdick, Airport Director; Lori Williams, Parks Director; Gordon Beyerlein, DPW Accounting Manager.

Others Present: Supervisors Wiedenfeld and Fizzell; Carolyn Brandeen, League of Women Voters.

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

Citizen Participation, Communications and Announcements. Mrs. Brandeen issued greetings from the League of Women Voters.

Chair Podzilni referenced the August issue of the Wisconsin Counties magazine which has an article “Declining Revenues Lead to Tough Budget Decisions in Rock County”, written by Phil Boutwell. Chair Podzilni said Mr. Boutwell did an excellent job.

Approval of Minutes. Supervisor Mawhinney advised Supervisor Kraft was not present at the July 24th meeting. Supervisor Jensen moved approval of the minutes of July 24, 2009 with this correction, second by Supervisor Mawhinney. ADOPTED as amended.

Review and Discussion of Preliminary 2010 Budget Projections and Program Information – Public Works Department. Mr. Coopman distributed copies of his presentation.

HIGHWAY

Challenges in Common (DPW)

- **Increased Material Costs** (Not up as high as last year.)
Construction costs up 10%
Asphalt related materials up 15%
Equipment prices up 7%
- **Fluctuating Fuel Costs**
Diesel down 34-49%

- Gasoline up 12.6-19.5%
- Drives machinery rental rates
- **Bad Winter Seasons**
- **Aging Equipment & Fleet** (Scheduling regular overtime in the Shop to keep equipment running.)
 - Decreased reliability
 - More down time
 - Increased operating & repair costs
 - Impacts efficiency and level of service
- **Reduced State and Federal Dollars** (A down year for highway projects, not a lot in the pipeline yet.)
 - New funding rates for the Airport
 - WisDOT reducing funding for maintenance by 5% (-\$110,000)
 - WDNR grants stagnant or eliminated
 - Construction cost increases absorb increased funding dollars
- **Tax Levy Caps Continue** (Local work going down – either doing less expensive things, seal coating, patching, or letting things go. A couple of Towns are doing their own maintenance and the Town of Avon has returned some roads to gravel.)
 - Costs growing far faster than revenues
 - Continue to do more with less
 - Multipurpose equipment
 - Downsizing certain equipment to save money

Mr. Coopman said the Department of Public Works has \$25 million of equipment and is spending about \$1-1.5 million yearly on replacement equipment.

The Highway Division has 71 employees, with 55-60 of those in “Field Operations”. The Highway Division provides maintenance to:

- 545 lane miles of the State Trunk Highway System (including the Interstate)
- 420 lane miles of the County Trunk Highway System
- 1,570 lane miles of town roads in 16 Towns

Mr. Coopman said in 2003 the Highway Division had 78.65 employees, in 2009 there are 71.25. He is proposing four less employees in 2010 through attrition. This should be possible because of the reduction in state and town requests and re-balancing the work load. He cautions, this will impact the level of service. The Highway Division is predicting 28,000 hours of overtime in 2009.

Mr. Coopman said over the last couple of years, with the slowdown in State and Federal projects, they have been trying to catch up on county work. He anticipates federal aid being way down in 2010. Mr. Coopman estimates Rock County’s overall pavement condition at 6.1 out of 10 and says we have been struggling with deterioration of the system.

Mr. Coopman said the majority of capital purchases are equipment which does not hit the tax levy directly. He commented they do buy used equipment whenever possible and plan to

purchase smaller vehicles whenever practical. Parts are guaranteed by companies for seven years, however, after that time it sometimes is difficult to get parts. He said salt affects everything.

Mr. Coopman said they are proposing an increase in the winter per mile rate from \$750/mile to \$850/mile and routine maintenance from \$1,675/mile to \$1,700 for town contracts.

Mr. Coopman said in prior years road construction has been funded with long term debt. Mr. Knutson commented that Rock County pays off debt service over 10 years, so borrowing money for infrastructure improvements that will last 15-20 years is okay. He said the County's indebtedness is favorable compared to most counties and reminded everyone that what you borrow you have to pay back and it will raise the property tax levy.

Mr. Coopman said achieving a "no tax levy increase" will involve significant service cutbacks, such as mowing in the summer or modification of service hours in the winter, decreased road construction & maintenance projects, raising rates to Towns, revising contracts with the Towns to charge actual winter costs, possibly getting out of the Town maintenance business, reducing staffing levels or introducing a County Wheel Tax. He said the City of Beloit already has a Wheel Tax and a tax of \$10 per vehicle in Rock County could raise \$1,000,000.

Chair Podzilni thanked Mr. Coopman for his report. The Committees took a break from 9:20 to 9:30 A.M.

PARKS

Ms. Williams said the park on the cover of her presentation is Magnolia Bluff Park and most of the work done on the park was volunteer work. The Dam Memorial at Sweet-Allyn Park was 95% volunteer labor and funds. At Gibbs Lake the restroom was recently completed, and the trail work there was also done by volunteers. At Beckman Mill Park, the oak savanna restoration had limited staff involvement.

Ms. Williams said, according to ADA, improvements to a park or facility must make facilities ADA accessible. She said Sweet-Allyn Park has an accessible walkway. Volunteer/Support groups are very important and she is working to generate more volunteers and donations. Following are organizations that work with the parks and trails:

Multi-Use Trail Group, Inc.
Rock County Ice Age Trail Chapter
Friends of Beckman Mill, Inc.
Friends of the Welty Environmental Center, Inc.
Mystic Deer Display at Sportsman's Park
Rock County Association of Snowmobile Clubs, Inc.
Pelishek-Tiffany Nature Trail Foundation, Inc.
Rock Trail Coalition, Inc.
Friends of Carver-Roehl Park, Inc.
Wisconsin Park & Recreation Association
Rock County Conservationists
Rock River Coalition
National Parks and Recreation Association

The 226.4 miles of snowmobile trails throughout the County are operated with 100% grant funding and the assistance of these clubs:

Brodhead Snowdrifters
Sundowners
Snowblowers
Evansville Sno Devils
Clinton Fencehoppers
Lake Koshkonong Club
Janesville Snow Chiefs
Milton Snow Riders
Country Riders

Ms. Williams said the amount collected for boat launch fees is on the rise this year (\$8,870 through June, 2009). She has done spot checks on the fee boxes and estimates a 75-90% payment compliance. She said a total of 16,275 park and shelter reservations were made in 2008, and usage is up in 2009 with 15,222 through June, 2009.

Budget areas:

- Administration – salaries and costs
- Operating and Maintenance – 17 parks, 2 trail ways, 2.5 patrolmen
- Capital Projects

Ms. Williams said she will be requesting \$35,000 in the 2010 budget to do a master plan for trails, erosion, shelter, equestrian parking lot, at Carver Roehl and Magnolia Bluff Parks. She will be requesting to carry over funds from 2009 projects, i.e., Carver Roehl Road Entrance and Happy Hollow Road Replacement. She said while they have made progress, they have run into roadblocks with permitting. She is also working on a couple of land acquisition projects.

Ms. Williams showed drawings of a Kautz-era site plan for Beckman Mill Park, including a boardwalk, electrical and a pavilion. She showed a map of the work that has been done on Magnolia Bluff Park over the last two years.

2010 Budget Suggestions.

- Fee Increases – No increases since 2006
- New Fees – Horse Trail Fees, Park User Fees, Grounds Rental Fees, Special Event Fees, Camping Fees
- Other Possible Revenue Options – selling firewood.

Supervisor Yankee commented that a lot of friends groups do a lot of work and embellishments, however, it is necessary for someone from Parks to supervise and direct these groups as well as attend their meeting, many of which are in the evening.

Chair Podzilni thanked Ms. Williams for her presentation.

AIRPORT

Mr. Burdick said the new taxiway, a \$2,100,000 project, was just completed. It was federally funded (95%/2.5%/2.5%).

Mr. Burdick said his staff consists of four fulltime maintenance workers and one Account Clerk.

Following are the four areas of revenue for the Airport:

- 34% Lease
- 33% Rent
- 24% Operational (fuel flowage, landing fees)
- 9% Non-Aviation (golf course, farmland rental)

Mr. Burdick said landing fees in 2008 were \$7,770. He explained landing fees are charged to commercial operators and anyone flying aircraft over 12,500 pounds. It primarily involves commercial operators who fly charter and cargo. General Motors is completely gone, along with the subsidiaries who flew parts in and shipped parts out. Billing which used to be \$2,000/month is now down to \$300-400/month.

The Airport is currently charging an eight cent per gallon fuel flowage charge. Corporate aircraft has slowed. Lease rates are by the square foot. Mr. Burdick said three of the oldest t-hangars which were built in the 1950s were removed this year. He anticipates a loss for 2010 of about \$10,000. He advised they currently have 40 hangars which are all occupied and they have a five-person waiting list.

Mr. Burdick said the FAA is pushing for LED lights. He said they currently spend \$30,000 per year for the power required to operate 700 runway fixtures.

Direct Client Groups: 1 Fixed Base Operator)	
5 Corporate Hangars)	
11 Businesses)	Estimated 120 Full Time Employees
128 Based Aircraft)	
1 Aviation School)	

Mr. Burdick said the restaurant has done well getting traffic back to the Airport.

The tax levy required for 2009 expenditures was \$417,051. He said the Airport will be \$82,000 over budget in 2009 because of lost revenue and the overtime required for snow removal.

Mr. Burdick said on federally funded projects, i.e., the reconstruction of Taxiway A, the county share may be raised from 2.5% to 5%. They are proposing work on the Terminal design which is funded at 80/20. New snow removal equipment needed would be \$300,000.

2010 Budget Reduction Options. Mr. Burdick said the fuel flowage fee could be raised \$.005 from \$.08 to \$.085 for an estimated revenue increase of \$4,000. This would, of course affect all users. He said Rock County is average for the fuel flowage charge.

This years budget contained \$32,000 for vegetation control. Mr. Burdick said they could reduce some mowing but this has adverse affects with regard to bird and animal infestations and a proliferation of noxious weeds. Mr. Burdick said he has seen increased bird activity because of areas they are not mowing this year.

Mr. Burdick said, with regard to winter maintenance, 3" of snow takes three days to totally remove from the pavement. Much of it has to be blown off to avoid covering up lights and signs. He said even during storms, they try to keep one runway open. Their leases require that a "reasonable attempt be made during inclement weather to keep the Airport open".

Reductions in staff would have adverse affects on the operation of the Airport with less maintenance, mowing and snow removal and more complaints, a negative affect on the general appearance of the Airport and more hazardous wildlife activity.

Chair Podzilni thanked Mr. Burdick for his report.

Set Future Meeting Dates. The next meeting of the Joint County Board Staff/Finance Committee will be Monday, August 17, 2009, 8:00 A.M., at the Rock County Sheriff's Office for the Sheriff's 2010 Budget presentation.

Adjournment. Supervisor Joiner moved adjournment at 10:58 A.M., second by Supervisor Yankee. ADOPTED.

Respectfully submitted,

Linda Milligan
Confidential Administrative Assistant

NOT OFFICIAL UNTIL APPROVED BY COMMITTEE.