



DANE COUNTY

Joe Parisi
County Executive

A message from the County Executive:

The Challenge

Preparation of my first county budget started inauguration day. I sat down with the county's budget managers on April 19th for a briefing on the scope of the challenge we faced and laid out a series of steps I wanted to pursue to minimize as much as possible the impacts on core services that are the foundation to the quality of life our citizens expect.

The challenge at that time included uncertainty and anxiety over how the Governor and state legislature would address the state's budget and how their actions would affect county government. By early summer, that uncertainty became clear reality: Dane County and all local units of government would have to prepare budgets for 2012 with significant reductions in state aid coupled with the most restrictive levy limitations in Wisconsin's history. State funding reductions for various human services programs and youth aids, highways, child support, and shared revenue amounted to Dane County experiencing \$4.6 million in cuts in the biennial state budget.

The Governor's elimination of collective bargaining further compromised the county's ability to effectively work with our workforce as we have in the past to address budgetary challenges year to year. Contracts that had been bargained in good faith and included significant health care savings to the county for 2012 and beyond would have been jeopardized by efforts to revisit those agreements.

In addition to the budget challenge placed before Dane County by our state leaders, economic related revenues that help fund core county services continued to lag in 2011.

In May, the Department of Planning & Development experienced its worst month ever for new single family housing construction permits. These figures continue to struggle and underperform. Other revenues attributable to the performance of the economy have affected budgets in the Treasurer's Office, Register of Deeds, and the Alliant Energy Center.

While sales tax collections have shown some modest improvement during 2011, there was some uncertainty over how the final quarter of 2011 would perform. The state's elimination of collective bargaining and implementation of corresponding paycheck reductions for thousands of state, university, public education, and municipal employees living in Dane County are a reason for concern so this budget projects sales tax revenue to remain flat in 2012 relative to the 2011 estimates.

Human Services

From the time I set out as a candidate for County Executive, I pledged to do everything I could to preserve our county's comprehensive network of human services for kids, seniors, the disabled, and those facing challenging economic and health circumstances often through no fault of their own.

Once-half of the total dollars in the county budget are allocated to human services -- a funding level that rivals the City of Madison's entire operating budget and a reflection of the value I believe these services provide our citizens; especially during this continued period of economic hardship and uncertainty that families are facing.

Overall, the budget restores \$3.0 million in the Dane County Human Services budget.

This budget continues the county's longstanding commitment to our most vulnerable citizens and even enhances well-established and highly successful preventative programs like Joining Forces for Families and the Early Childhood Initiative.

These bold initiatives were developed by my predecessors and comprise the cornerstone of Dane County's Human Services safety net. They reflect my priority of helping ensure all of our citizens -- regardless of socio-economic class, race or creed -- have the opportunity to succeed.

To date, the Early Childhood Initiative (ECI) has helped hundreds of moms and dads in our county find jobs to help support their families while ensuring kids have a healthy, quality start to life.

This budget continues this program in three Dane County neighborhoods -- Sun Prairie, Allied Drive, and on the southwest side of Madison in the Russett/Hammersley neighborhood. It fully funds the continuation of the ECI program in the Russett/Hammersley neighborhood where it successfully partners with a Joining for Forces Families office and serves as a focal point of services to young families on the southwest side.

In addition, thanks to the efforts of Director Lynn Green, this budget creates a new ECI economic support specialist to assist families in the Allied Drive neighborhood with finding employment. The Allied Drive ECI office has been highly successful to date and has helped 173 moms and dads obtain jobs. This budget also restores the county's ECI Coordinator position to its current status.

The 2012 budget funds the continuation of all the Joining Forces for Families (JFF) locations across Dane County while restoring funding for an unfunded, vacant social worker position to better serve families on the south-side of Madison. It also restores \$110,000 for the Children's Service Society that assists the efforts of JFF. Children's Service Society has identified a means by which to leverage that county contribution to draw in additional federal matching dollars to ensure their complimentary work to the department's Joining Forces for Families will continue in the year ahead.

Through a brand new partnership I've forged between Operation Fresh Start, the Boys & Girls Club, the Urban League of Greater Madison, and Centro Hispano, this budget unveils a new initiative to help minority youth develop important life skills. Leveraging an investment of county tax dollars, this new "Life Skills and Employment Initiative" will create new slots for community improvement work done by Operation Fresh Start that will be directly allocated for African American, Latino and Asian youth. This will help young people from some of our most challenged neighborhoods gain valuable educational and work experience that will help set a path for them to succeed through their lives.

In addition to restoring over \$621,000 in proposed cuts for those with developmental disabilities, this budget also fully funds all of the Youth Resource Centers across Dane County, and continues the county's share of dollars for important resources like the Salvation Army's Warming House and the Briarpatch program for runaway youths offered by Youth Services of Southern Wisconsin. This budget fully funds important senior focal points, meal sites, and restores dollars for senior day programs offered by groups like the Colonial Club in Sun Prairie and Oregon Senior Center's Adult Day Care program.

Important drug and alcohol treatment programs that reduce costs to our criminal justice system are left intact, including a Hope Haven facility integral to the success of Dane County Pathfinders alcohol addiction recovery program.

This budget provides funding to establish a mental health drop-in clinic to help people overcome their mental health challenges and addictions while maintaining their independence.

This budget also restores funding for a program that aims to reduce racial disparities in our criminal justice system. To date, our work with the YMCA on their Driver's License Recovery Program has helped around 65 people overcome simple

challenges like language barriers and unpaid parking tickets to regain their drivers' license to help them get to work and care for their families. This program originated from a recommendation of the 2010 Dane County Report to Reduce Racial Disparities. The Human Services budget also includes the creation of a new Court Diversion Unit (CDU) in the Department's Delinquency system; the goal of that new Unit is to increase the number of youth treated informally in Court by means of increased use of deferred prosecution agreements; it is seen as one strategy to improve local juvenile justice racial disproportionality figures.

Another one of the recommendations of that report was to expand alternatives to incarceration opportunities. In an effort to reverse an unfortunate trend of young African American men choosing incarceration over an opportunity to serve time under community supervision, this budget provides funding for third party intervention services that the District Attorney can utilize to help defendants who are eligible for deferred prosecutions make the right choice, avoid jail time and begin the process of turning their lives around. Funds were also added to help indigent defendants in the DA's Deferred Prosecution Unit pay for drug testing in order to remain compliant with the rules of serving a sentence in the community.

This budget provides \$250,000 for a contingency funds within the Department of Human Services to protect against unanticipated state revenue reductions.

Public Safety

The second greatest area of investment in my inaugural budget as County Executive is public safety. Our Sheriff's Department, Public Safety Communications (911 Center), Emergency Management, District Attorney's Office and the Courts work comprise over 20% of the total dollars in the budget.

First, let me commend Sheriff Dave Mahoney for his efforts to work with me on identifying new efficiencies. The best example of this came in June when the Sheriff and I reached an agreement on closing the second floor of the Huber work release center. In addition to saving around \$750,000 in the 2012 budget through un-funding ten deputy positions, this efficiency also created immediate savings for the Sheriff's Department in 2011. These vacancies will save the county at least \$250,000 through the end of 2011, improving our year end general fund balance.

In addition, this budget includes an innovative overtime reduction initiative I've worked with the Sheriff to develop. As part of this overtime reduction target, the Sheriff has agreed to limit overtime to 6.6% of total salaries – saving over \$300,000 in Sheriff's overtime costs in 2012. This will return overtime line back to its lowest levels since 2009. That year, thanks to Sheriff Mahoney's leadership, the Sheriff's Department experienced its lowest overtime figures in many years.

Combined, our work to partially close Huber and reduce overtime costs adds up to over \$1 million in savings for taxpayers in 2012. This work to find efficiencies will continue by planning for a day report center and the possible closure of the Huber Center.

This budget also restores operational staffing on the 911 Center floor to its current levels. The 2009 Matrix Study recommends exploration of efficiencies with fire dispatching positions in the 911 Center. A preliminary review of data by Director John DeJung suggests there is a substantial drop-off in the number of fire and ambulance calls that occur in the middle of the night (third shift, roughly 11 p.m. until 7 a.m.) that would allow for an overnight consolidation of the “city” and “county” fire dispatching positions as Matrix suggests. I’ve asked Director DeJung to further explore a more detailed set of data prior to implementing this change. This budget also restores a 911 supervisor position to aid in the important quality assurance work done in Public Safety Communications.

It should also be noted that the budget includes new operating funding required by a pair of capital improvement projects underway in the 911 Center. Implementation of the new emergency communications radio network (“DaneCom”) and the computer-aided dispatch (CAD) system will continue in 2012. While the county budget will begin to experience some of the new operating expenses that come with these systems in 2012, the full effect of these projects on the operating budget won’t be felt until 2013. Starting with the next budget, the operating expense to the county to maintain these new high-tech systems will total nearly \$700,000 per year in new general purpose revenue. Given the continuation of state levy limits, this will be one of the challenges for us to address in our 2013 budget calculations.

A new public safety partnership for 2012 will bolster the ability of public health and law enforcement to confront the scourge of opiate abuse that’s hurting our community. Heroin and prescription drug overdoses and deaths have increased dramatically in recent years. Several news accounts have profiled countless other “close calls” in which lives were in jeopardy because of the highly addictive nature of these drugs. This budget funds the county’s share of funding for a new “Opiates Task Force” in the Public Health Department.

This budget funds hiring a new Emergency Management Director, a paralegal to assist our District Attorney with the workload demands of his office, and restores half an ATIP social worker position in the Clerk of Courts dedicated to the bail monitoring program.

For our Veterans Services Office, the budget funds new case management software to better assist our servicemen and women reintegrate into their home and work lives when their missions are complete. Veterans’ Service Officer B.J.

Ganem will utilize this new database to proactively work with the high number of returning veterans who face challenges, before those difficulties spiral to unemployment, homelessness, severe mental illness, and substance abuse.

Partnerships

Facing the most challenging budget in the county's history, I set out from the early days of my administration to pursue new partnerships to help preserve core county services.

One of the cornerstones of this effort is a new cooperative partnership between employees in the Dane County Department of Public Works, Highway & Transportation and the Dane County Land & Water Resources Department. Several parks employees, many of whom used to work at the Highway Department, have voluntarily agreed to be called in this winter to plow snow during significant winter storm events. This type of collaboration is further evidence of the willingness of all our employees to be helpful to the budget challenge while ensuring core services – like keeping our roads safe and clear of snow and ice – continue. I am most appreciative of their efforts.

In addition to this helpful partnership, the budget restores four positions in the Dane County Department of Public Works, Highway & Transportation ensuring when the snow flies this winter our full allotment of crews will be on the roads the same hours of the day and night as past winters, plowing 2,800 lane miles of county and state highways.

Between the restored highway positions and the cooperative partnership with Dane County parks employees, our highway department will head into this winter with staffing levels at, and even potentially exceeding last winter. This is a great example of a way to achieve efficiencies while maintaining and even enhancing services and one of the many important efforts by our employees to help address our budget challenge.

Health care savings yielded through collective bargaining agreements negotiated in late 2010 will save county taxpayers \$1 million in health care costs in 2012. Under a new five-year contract with Physicians Plus, the county will also experience strict caps on future annual health insurance increases, helping us control costs in the years ahead.

This budget temporarily delays half of the 3% increase our managers were originally scheduled to receive the first pay period of 2012. This will result in about \$277,000 in savings. This scheduled increase is consistent with the 3% increase the county's bargaining units had negotiated in good faith. However, Governor Walker's elimination of collective bargaining prohibited my administration from securing similar arrangements with our represented workers.

Instead, our represented employees worked on several other cost savings efficiencies totaling well over \$1 million.

They made an extraordinary push promoting the county's voluntary leave program, yielding over \$680,000 in savings for 2012. Employees and their represented leadership worked with department heads to identify other efficiencies resulting in another \$350,000 in savings.

Also included in this budget are two new mutually beneficial partnerships that expand upon my "Dane County Water Partnership" announced this past summer. These new efforts will realize \$100,000 in non-tax revenue for the Department of Land & Water Resources, restoring positions vital to our ongoing work to clean up the Yahara Chain of Lakes and ensure proper water quality standards are met in new developments.

Given the unique expertise of our Land & Water Resources staff and the target goal of the Madison Metropolitan Sewerage District (MMSD) to reduce phosphorus, this budget formalizes a commitment between Dane County and MMSD to invest in our shared priority of reducing the amount of pollution causing phosphorus that gets into our waterways and harms water quality. MMSD has agreed to fund \$50,000 of the county's staff efforts on phosphorus reduction – otherwise known as adaptive management. This ensures our work underway in the Lake Mendota watershed will continue and expand in 2012.

This budget also forges a new partnership between Dane County and the Clean Lakes Alliance, a private entity born in recent years that focuses on raising funds and promoting community awareness on the next steps necessary to enhance the quality of our lakes.

This budget does not allocate tax dollars to the Clean Lakes Alliance. Instead, it enables the organization to market sponsorships for the county's very popular "Take a Stake in the Lakes" event and directs that revenue to help restore a vital position in the Lakes and Watershed Commission. This partnership also ensures Lakes and Watershed will be able to continue and even enhance its public outreach and allocates \$10,000 in new revenue allowing the Commission to promote and market its keynote event, "Take a Stake in the Lakes."

The Clean Lakes Alliance will utilize \$15,000 of the advertising and sponsorship sales revenue it raises through "Take a Stake in the Lakes" for a Strand Engineering report it is looking to complete in 2012 laying out work priorities and cost estimates to reduce phosphorus input into the Yahara Chain by 50%. In addition to the private dollars the county will help the Alliance raise, the City of Madison and MMSD have agreed to contribute public dollars to this effort.

The capital budget expands a very effective project that directly reduces the volume of pollutants, trash, and sediment that enter and contaminate our lakes. This budgeted increases funding to the county's stormwater controls conversion program to \$2,000,000 for 2012, allowing the Department of Land & Water Resources to partner with more communities to shut down decades old storm sewer pipes that empty straight into our lakes.

The capital budget includes a new Lakes Preservation and Renewal fund at \$3,400,000 for acquisitions that improve the water quality of Yahara River lakes and their tributaries, initial funding for the Yahara CLEAN initiative, initial funding to remove carp and reduce sediment, and a clean beach effort to partner with municipalities to address water quality issues at two beaches each year.

Together, these new joint efforts – part of my “Dane County Water Partnership” – will help ensure our lakes, rivers, and streams continue to be great sources of natural beauty and offer endless recreational and economic opportunities.

Other partnerships in this budget stand to benefit public safety and taxpayers. Renewed conversations over the summer involving Madison College (formerly Madison Area Technical College), the Sheriff and my office also culminated in a new partnership that will improve public safety and jobs skills training for future police officers, firefighters, and emergency medical responders.

Madison College has submitted an offer to purchase approximately 80 acres of county owned property adjacent to the Dane County Law Enforcement Training Center in the Town of Westport for development of a new public safety training course and facility. The purchase price is based on an appraisal of the property conducted in August and these dollars will be directed to enhance the county's general reserve fund in 2012.

It should also be noted that a partnership so beneficial to the continued success of our free zoo will continue in 2012. Under an agreement between the county and the “Friends of the Zoo,” the “Friends” will fund at least \$640,000 for operations at the Henry Vilas Zoo in 2012. Thanks to the work of Friends' Board Chair Tom Dott and outgoing Director Boris Frank, the relationship between the county and the zoo's private fundraising entity is flourishing and there are many opportunities to expand upon that partnership in the years ahead.

Cleaner, Greener by 2013

This budget takes the next steps in reducing the county's consumption of fossil fuels and increasing our use of bio-fuels both to run more of our vehicle fleet and starting in 2012, to heat our county facilities.

For the past two years, the county through a partnership with a number of local companies that are leaders in the bio-fuels industry, have run a compressed natural gas station as a pilot project at the site of our Rodefild Landfill. This station converts bio-gas from the landfill into compressed natural gas (CNG) to fuel county cars and trucks. With more of our vehicles converting to cleaner, less expensive fuels like CNG and the agreement for this pilot project coming to an end, the budget includes dollars for the county to purchase this station.

The capital budget includes funding to construct a new highway facility so our crews can efficiently serve the eastern part of the county. In addition to improved access to key thoroughfares like the Interstate, Beltline, Highways 12/18, and Highway 151, this new facility will be virtually “off the grid.” Slated for construction adjacent to the Rodefild Landfill, this new garage will improve service for areas between Sun Prairie and Stoughton and beyond and will be powered and heated by bio-gas from the landfill.

Similar features, including additional opportunities for solar power, are included in designs for a new airport maintenance facility funding in the budget. County staff has researched the feasibility of pumping bio-gas from the neighboring Truax Landfill to this garage and believe doing so will heat the building or provide it with hot water.

With final designs coming together for a new transfer station, starting in 2012 we’ll be able to reduce the volume of construction waste and other recyclable materials that currently get dumped into our landfill. This transfer station will help extend the life of our landfill while generating new revenue opportunities through recyclable steel, concrete, and other materials able to be re-used. This new transfer station will also house the Department of Public Health’s very popular “Clean Sweep” program, allowing it to operate year round.

The Way back to AAA Rating

Through increasing the general reserve fund balance, projecting realistic revenue estimates, correcting \$4 million worth of revenue and expense variances, and reducing the capital budget, the 2012 budget begins to chart the course for our county to re-establish the highest financial rating – AAA – that only a handful of counties currently enjoy.

It should also be noted the capital budget is the lowest since 2008, a 12.5% decrease from a year ago while still funding important initiatives to preserve our quality of life.

In addition to reducing capital budget expenses, the budget addresses variances in individual line items that contribute to the county's challenges in ending years with a positive fund balance.

I reviewed several years of actual costs for fixed expenses like heat, water, gas, and other utilities and variable expenses like overtime and prepared a budget that I feel realistically reflects the county's past experiences.

The budget directs the Department of Administration to conduct a Strategic Financial Plan – an initiative intended to help shore up the county's strong financial foundation in the wake of consecutive years of challenges related to the economic downturn. This Strategic Financial Plan will map out a five year course of action to ensure the county is in the strongest position to benefit as the national economy continues its slow recovery. It will help ensure that the county's elected officials are aware of best financial management practices as we make policy decisions and aid in the development of future budgets. This plan will serve as the framework for our shared priority of re-establishing Dane County's AAA bond rating. Once completed by DOA with staffing assistance from the Dane County/UW Extension, this report will be presented to the County Executive and the Personnel & Finance Committee.

While revenue estimates for 2011 have been running slightly ahead of 2010 amounts, this budget reflects cautions from the Dane County Controller and other financial experts that due to a range of global and national economic factors, economic recovery is expected to remain sluggish in the year ahead.

In addition, it remains to be seen what impact the state's elimination of collective bargaining and corresponding significant reductions in the paychecks of thousands of members of our workforce will have on the county's sales tax base. Given that nearly 20% of our county's workforce has the honor of going to work everyday and serving the public through working for our schools, our world-class University of Wisconsin, the state, the county, our cities and villages, it's reasonable to expect reduced disposable income will result in languishing sales tax collections in the months ahead.

Given that, this budget assumes sales tax collections in 2012 will remain steady compared to collections in 2011. In the event of an unexpected uptick in the national economy, the result of this conservative revenue projection will be an enhanced general fund reserve balance at the end of 2012, further improving the county's financial position for re-establishing its AAA bond rating.

Tax Levy

Few will dispute this year's budget was compiled in the midst of the most severe revenue restrictions ever placed on local governments by the state. While those restrictions certainly limit our ability to raise the levy, previously unexplored exemptions to the state levy limits merited review during my budget preparation – especially given the scope of cuts to core services county government faced.

Under the budget passed by the legislative Republicans and signed by Governor Walker, Dane County could only raise its property tax operating levy 0.92% in 2012. That equates to less than \$1 million in new revenue to fund county operations. The cost to continue in the Dane County Sheriff's Office alone is twice that amount.

Exemptions within the levy limit allow the county to exempt debt service on bonds issued after 2005. It should be cautioned, this exemption has limitations and for Dane County's purposes will essentially sunset in 2015. In the interest of preserving core human services, public safety, and public works and highway services, this budget utilizes some part of this previously unutilized levy flexibility allowed by state law.

The combined operating and capital budget total is \$498.9 million, a decrease of \$1.0 million from 2011. The operating budget is \$476.0 million, an increase of \$2.3 million. The capital budget at \$22.9 million, a decrease of \$3.3 million from 2011.

This budget increases taxes on the average Madison home by \$28.24; that translates to a 4.29% increase on this December's property tax bill. The overall levy increases 4.50%.

Given the continued financial pressures on working families, I am sensitive to the effect this combined with other levy increases from schools and local units of government will have. I worked closely with the county board and urged restraint from increasing the levy beyond my recommended budget – especially considering the range of human services and public safety services already restored by the modest increase included in my budget. In the wake of this year's unprecedented actions by state leaders, I believe \$28.24 more in taxes to preserve the core services strikes the right balance.

With the continued uncertainty of nation's economy, it would be imprudent to further reduce services now for vulnerable citizens – our kids, seniors, and the disabled. This levy amount keeps deputies on patrol in our communities, ensures 911

calls continue to be answered quickly and responders dispatched immediately, highway crews at the ready, and the experiences that add to the quality of life for all our families – our lakes, our parks, our zoo – aren't harmed.

Despite our best efforts, this budget does result in 14 layoffs and the elimination of funding for 42 vacant positions in county government. Substantial work was done to reduce the initial list of layoffs and vacant position eliminations as proposed by department heads. I am hopeful through the county's "bumping" process those affected by layoffs will be able to fill existing vacancies where they will help provide other county services. The budget creates 10.5 new positions. The net savings of these difficult personnel decisions is nearly \$3.1 million in 2012.

Working with the County Board

I spoke with many Supervisors throughout the budget process to hear their budget goals and priorities. I believe this document reflects a number of those shared values – a strong network of human services, public safety programs to keep our communities and citizens safe, and continued protections of our natural resources.

I worked with Board Chair McDonell and Supervisors in the weeks following my recommended budget on a finished product that best reflects what I've referred to many times as "The Dane County Way."