



DANE COUNTY

Kathleen M. Falk
County Executive

DATE: October 1, 2010

TO: Scott McDonell, Chair
Dane County Board of Supervisors

Members, Dane County Board of Supervisors

Elected Officials and Department Heads

FROM: Kathleen M. Falk, Dane County Executive

RE: 2011 Proposed Executive Budget

We face another tough County budget -- no surprise to anyone, of course. However, with this budget, we maintain and, in many instances, improve our human services, public safety, and conservation of natural resources. We do so with a few modest, focused reductions in county programs and with a modest increase in property taxes. The biggest reason for this outcome is the set of tough choices you and I made last year. We cut projected revenues and made other budget adjustments totaling almost \$11 million; we founded the 2010 budget on the judgment that recovery from the Awful Recession was likely to be slow and faltering. As we approach the final quarter of 2010, that seems to be what is playing out. And our fiscally conservative budget left us in strong shape as we face 2011. The 2011 budget I propose today is also fiscally conservative. Its premise is that a slow, uneven recovery will continue; a second premise is that the 2011 state budget will only reduce state monies to us, not increase them.

Property and Sales Taxes

The combined operating and capital budget totals \$496.7 million, an increase of 1.49% over last year. The operating budget at \$473,091,840 increases by 2.75% while the capital budget at \$23,677,750 declines by 18.44%. The levy -- funds raised by the County's portion of the property tax -- will increase 2.9%. The increase, by percentage and amount is significantly less than last year's and is the lowest levy increase I have proposed in the last decade. Because of the number of municipalities in Dane County, we have traditionally given a sense of the impact of the change in levy by offering the example of the increase or decrease in the County portion of the property tax on the average Madison home. Next year, that change will be an increase of \$29.47. The sum of inflation and Dane County's rate of property tax has been the standard by which I try to control property taxes. That total for 2010 is 1.51% (1.25% inflation plus .26% Dane County population growth). As I indicated at the Human Services public hearings, I am willing to exceed that standard in order to preserve human services but I also strongly feel the need this year more than ever to limit property taxes. The tax rate, as I indicated in the information I sent you regarding the decline in property values, will increase (from \$2.55 per

thousand to \$2.72). Another reflection of the recession's impact is that in 2011, two-thirds of the property tax increase is solely due to the drop in property value.

Probably the most cautious element in both the 2010 and 2011 budgets is the projection of sales tax revenue. We projected 2010 at the 2009 collection level, which was a 11% drop from the previous year. In what has been a volatile year of collections, we are currently very slightly above projected revenue. In light of the forecast for a continued but slow recovery, this budget contains a modest 1% improvement over this year's base, an increase of a little over \$400,000. In this budget, as in 2010, we have also adjusted many revenues down, most notably in the Clerk of Courts, to reflect actual experience and have added monies to some utility lines to more accurately reflect actual charges. All major revenues that make up our General Purpose Revenue have been re-examined in light of the most recent data and have been conservatively projected. As another step in bolstering the County's fiscal condition, this budget raises the reserve by \$250,000 to \$2,250,000.

Human Services

A key objective in my budget is the preservation of human services at a time when people need them the most. To that end, this budget restores almost all the proposed reductions in human services. In some cases, this means the restoration of full funding to specific programs such as Recovery House, pre-employment services for physically or sensory disabled, Commonwealth, and adult day care at the Colonial Club and in the Village of Oregon. The budget also restores the proposed system-wide 3% reduction in services to children and adults with developmental disabilities (DD). In light of our continued practice to add high school graduates and several new brain injury waiver consumers to the system and of our staff's constant effort to improve our claims of federal and state revenue, the DD system grows by almost \$3 million in total funds expended for services.

We constantly work to improve the system. In this budget, for example, we are going to expand the Children's Long Term Support services to children and youth with mental health issues. While over the next few years the change will reduce costs and generate more revenue, more importantly it will improve the outcomes for some children in pretty desperate straits. As we continue to combat the effects of alcohol, we add seven treatment consumers to the highly successful Pathfinders Program. We will also make available a cutting-edge test to detect those who continue to drink when they should be abstaining because of treatment or jail release conditions. We also restore the efforts of Hope Haven to offer residential and treatment services to alcoholics. In light of the misery caused by the Awful Recession, we are annualizing seven additional Economic Support Specialists to connect residents to services such as food stamps or W-2 that they need to survive.

In maintaining programs for youth, the budget restores reductions to the eighteen Youth Resource Centers across Dane County and the Urban League's Project Bootstrap and Fatherhood Responsibility programs. A key decision is my restoration of Joining Forces for Families (JFF) social workers so that JFF continues at full strength at all its locations. As I was briefed this summer on the linchpin work of JFF in the Meadowood Neighborhood and as I read the detailed letters in support of JFF that came in lately, I am struck by the faith and trust people have in JFF. In many of our troubled neighborhoods, the JFF office and staff are the most dependable source

of answers, assistance, and support. A great answer for a troubled neighborhood is more jobs for the heads of families. That's why it is important to keep the Early Childhood Initiative intact. The budget restores enough funds from the loss of state dollars to do so.

We achieve these results through the hard and innovative work of Human Services Director Lynn Green, the Department's very able staff, and our great partners in the Purchase of Services (POS) community. Again, our search for revenue is relentless. Lynn and the staff of the Children, Youth & Families Division have discovered federal revenues to support the Division's services to children and youth with mental health issues. This innovation brings in an additional \$504,000. We are improving processes so that our POS partners can more accurately report the incredible number of billable hours they work for their and our DD clients.

With our nation still at war, I exempted Veterans Services from any reduction. After meeting with the Commission, I am adding \$5,000 to replenish a small grant program that can offer veterans and their families immediate assistance. You and I funded this program about five years ago at \$25,000; experience now shows it requires about \$5,000 per year.

These results don't come without some tough decisions. As examples, the budget eliminates an Occupational Therapist position at the Badger Prairie Health Care Center. Doing so enables Badger Prairie to bid out several related therapeutic services with the result that patients will have access to more and a better variety of therapies with greater revenues claimed to offset those expenses. One of the toughest decisions in the budget involves the juvenile shelter system. That system, which essentially consists of the county-run Shelter House and Bockari House, has, for several years, operated at too great a capacity for the number of juveniles who need shelter services. In light of the County's investment in the Shelter House, it makes sense to consolidate services in that facility. This difficult decision required a lot of careful thinking and planning; thanks to Juvenile Court Administrator John Bauman for his hard work on this issue.

The budget improves an already excellent human services system. It will operate more efficiently, capture more revenue, and maintain or increase services to many populations who need assistance more than ever -- the poor, homeless, mentally ill, alcoholics, troubled children, seniors, and the DD population.

Public Safety

The budget maintains public safety while taking key steps to achieve greater efficiencies in some of those services.

Shortly after you receive this budget, I will be able to announce the County's first Medical Examiner. Having interviewed the candidates, I can assure you that the criminal justice and public health systems and the families of victims of homicide or tragedy will receive superb services. The candidates are wonderfully experienced, expert, and compassionate. This budget contains the capital funds to properly equip the Medical Examiner's office and to provide a much-needed upgrade for his staff -- two fully equipped vehicles to better enable them to safely reach and work at a variety of death scenes.

In a few months, Kathy Krusiec, our Emergency Management Director, will begin enjoying her most well-earned retirement. Kathy personifies dedicated, competent, selfless public service. She has brought her department to a high degree of professionalism; it has responded to every Dane County emergency of the last decade in an organized, helpful, efficient manner. From a fiscal perspective, I have come to know her, with great appreciation, as the Queen of Grants. Thanks to her tireless work, she has won millions of dollars in grants for Emergency Management and other county departments. Finally, she performed brilliantly as the interim 911 Director.

That last experience is relevant as she retires. I believe we can achieve some savings and improvements in merging Emergency Management and Public Safety Communications. The two departments must plan together and, in the case of any significant emergency, must work hand in hand. Both must rely on and stay abreast of innovative communication technology. A merger, though, must proceed carefully so that we do not lose the strong points of either great department. We have a model for proceeding. When we successfully merged the Land Conservation and Parks Departments, we did so with a budget decision that set the merger in play but directed a study committee of staff and County Board Supervisors to work out a detailed plan over the next six months. This budget sets up a similar process for this merger. In the meantime, we will hold the Director position open and 911 Director John DeJung will serve as Interim Director.

Again, successful past experiences provide a model for another major initiative. In the last five years, you and I have commissioned major studies of the criminal justice system (the ILPP study) and 911 (the Matrix audit) and then carefully implemented those studies. The results are indisputable and positive: a much more efficient criminal justice system with savings in the millions of dollars and a state of the art 911 system. With the Matrix study of the Sheriff's Department in hand, we have our third opportunity to improve an already strong part of our public safety system. The Matrix study comes at a most opportune time to review the Sheriff's Department for efficiencies. Thanks to what is now a nationwide and persistent drop in many crime rates (probably due to the demographics of an aging population) and the success of jail diversion efforts, our jail population has declined significantly. While Dane County's population has grown, most of that growth has not occurred in the rural areas protected by the Sheriff's Department. What population growth has occurred there has not brought any significant criminal elements. Finally, because of the support you and I have shown the Sheriff's Department over the last fourteen years, the force is quite robust: 457 sworn officers with 111.5 added over these years.

This budget begins what I believe will be a two to three year implementation of the Matrix study. In the first year it focuses on making sure the Sheriff has the resources to better carry out key functions and reduces positions in those functions the study identifies for such efficiencies. For example, to improve the supervision and support of rural patrol and services in the case of certain emergencies, the budget adds two sergeants, one to second and the other to third shift. It also funds GPS units for patrol vehicles so that we can confidently dispatch the closest deputy to an emergency and so that we have the most accurate data possible in reviewing beats and the location of district stations. The budget proposes reductions in detective, community deputy, electronic monitoring, bailiff, and civil process services. With regard to detectives, the study

demonstrates that a more modern and improved system of case management can enable the Sheriff's Department to make much more efficient use of personnel. It also shows that some community deputies can be assigned to important duties. The electronic monitoring program is working well but is also significantly below half the capacity for which it was staffed. Applying the existing inmate classification system to inmates in court proceedings will save significant time in our corps of bailiffs. Finally, there are private sector alternatives for the service of many civil documents and a declining use of the Sheriff's service. The budget does direct the Department, as it re-examines its priorities and responsibilities, to maintain a high priority on the response to and investigation of domestic abuse and computer forensics. I appreciate Supervisor Hampton's attention to both of these issues. In total, this budget proposes the addition of two sworn officers and the elimination of ten positions. In light of vacancies, current and future in the Department, it is likely no layoffs will occur or if a couple do, they will be short and temporary.

The budget funds a full set of equipment and capital improvements needed by the Sheriff's Department at \$725,000. Among the most noteworthy items are 19 replacement squad cars, one new boat and a replacement motor for another, the final remodeling of the Saddlebrook facility for the storage of emergency response and impounded vehicles and some other evidence, and the repair/remodeling of jail space to create more flexible options for incarcerating inmates in the City-County Building.

Public safety is best served when the system operates with as much fairness as possible. As the Dane County Task Force on Racial Disparities in the Criminal Justice System has reminded us, we have work to accomplish to improve fairness and justice for people of color. This budget takes three big steps in implementing the recommendations of the task force. First, we create new funding of \$25,000 to fund the YWCA in delivering a program to help young people of color reinstate valid drivers' licenses. The lack of such a license is a major impediment to employment and driving while revoked gets a person in substantial trouble in our criminal justice system. Secondly, we add 25% more time to the Outreach Specialist position in the Office of Equal Opportunity, all of which time will be devoted to grant writing for the many worthwhile projects identified by the Taskforce. Finally, we need a better sense of how to spend existing resources on issues identified by the Taskforce. The budget identifies a 1% target of existing overall funds that the Courts, Sheriff, and District Attorney should spend to address disproportionate minority issues and asks that all of those entities report every six months to the Task Force the progress they have made toward that target.

As we know all too well, alcohol abuse is the intersection of many public safety and human service issues. One of our good partners in tackling this scourge is Tellurian and a service we offer via their staff in a county facility, the Detox facility. We need to re-examine this facility in terms of its purpose, clientele, funding, and programming. While the facility offers a safe, humane means by which extremely drunken people can temporarily sober up and while it offers local police and other institutions a place to take these grossly inebriated folks, it neither offers treatment nor a dependable process by which to direct alcohol abusers to treatment. While this budget reflects excellent work by our staff and Tellurian to operate the facility with greater efficiency, we need a comprehensive effort to determine whether the more than \$750,000 we spend on Detox can achieve better results (that is, more of the chronic alcohol abusers in

effective treatment programs with better long-term outcomes), with significant changes in facilities and/or programming. The budget proposes a yearlong study of that issue, headed by our Human Services Department, with our partners at Tellurian and other alcohol programs.

Within the last few years, more public attention has focused on the public health, public safety, and environmental health problems posed by prescription painkillers, narcotics, and opiates. Left in a home, especially when the need for them has passed, they can be subject to accidental ingestion, abuse, or theft; flushed down toilets, they contaminate the effluent discharged by wastewater treatment plants. Supervisor Kyle Richmond has proposed Med Drop, an innovative, convenient response to the situation. Under this program, citizens will have access to convenient, secure drop-offs for those potentially dangerous prescription drugs. Periodically, those materials are transported, again in a most secure fashion, to facilities where they are destroyed in an environmentally safe manner. The budget sites this program in our Public Health Department at \$40,000.

The capital budget contains adequate authorized funds for the development of the new radio system. I sincerely hope that the hard work of Board Chair Scott McDonnell reaches fruition and that we have enough of our local partners' commitments by mid-October to make the new system viable.

Partners

A major theme of this budget has already emerged as it so frequently does in our work -- partnership. We cannot operate our human services system without the great partners in the POS community. Innovations in Public Health are much more achievable with the merger of City and County Departments. As noted, our 911-radio system will achieve fuller levels of service with the participation of our partners in local government. In this budget, we are poised to make great strides in conservation if we work with some superb partners.

For years, we have studied, analyzed, and worked to improve our lakes. A big example is the Waunakee area manure digester currently under construction. Within a few weeks, the Yahara CLEAN report will document these studies and efforts and demonstrate that our focus on phosphorous as the key pollutant of the Yahara Chain of Lakes has been scientifically and clearly correct. But the nagging question haunts these analyses and efforts. Where can we possibly get the millions we'll need to really reduce the phosphorous throughout our lakes? The opportunity to do so is at hand and we need to seize it.

The DNR has provided the framework for this opportunity when it promulgated rules setting new, more stringent phosphorous reduction standards for wastewater treatment plants. In the case of the Madison Metropolitan Sewage District (MMSD), this requirement could generate costs in the range of an additional \$80 million. That's quite a bit for us MMSD ratepayers and, with MMSD discharging most of its effluent to Badfish Creek, it's not clear what benefits we would receive for this expense. However, the DNR is also developing a system by which a wastewater treatment operator can meet its new requirement by reducing phosphorous elsewhere in the watershed in which it discharges its effluent. The opportunity is stunning: the operator/sewage district can save tens of millions in additional costs by reducing non-point phosphorous, the chief culprit in a lot of stream, river, and lake degradation. The application of

this approach to Dane County, the Yahara Watershed, and MMSD means that between \$45-\$60 million could be available for major reductions of phosphorous in the Yahara Chain of Lakes. We can have the money needed to clean up our lakes.

While the concept is simple and the goal grand, implementation will be detailed, complicated, and difficult. Within a regulatory framework, MMSD must quantifiably demonstrate that the phosphorous reduction it is “buying” elsewhere in the watershed is real and sustainable. MMSD also has a fiduciary responsibility to its ratepayers to ensure that its expenditure of funds effectively address issues the District is obligated to deal with. It is, I believe, in the best interest of MMSD, the County, and our residents who want cost-effective measures to produce clean water, for us to convince the DNR to permit MMSD and Dane County to move forward on a sanctioned, pilot basis. This program will depend on extremely close, sustained working relationships with dozens of landowners and farmers as we identify the appropriate mix of harvestable grasslands, manure digesters, and other measures needed to reliably reduce phosphorous. With fields or buffer strips planted with renewable native grasses, we can also produce a new market for local farmers in the form of renewable fuel for the Charter Street and other power plants.

Some of the preliminary work can be achieved with relative modest capital expenditures of \$100,000. We need test plots to demonstrate and study the planting, harvesting, and processing of these native grasses. We also need better, extremely precise monitoring to track the movement of phosphorous from fields to ditches and streams. Most of all, though, the County needs a dedicated staff position to this project. The person must have a detailed knowledge of regulatory framework, excellent working relationships with the DNR, MMSD, county staff, farmers, and entrepreneurs, a comprehensive grasp of water quality issues throughout the Yahara Lakes Watershed, and a history of bringing complex projects to fruition. Dave Merritt, Dane County’s Director of Policy & Program Development, has those qualities and has been the County’s point person in the rapidly developing discussion of this phosphorous reduction initiative. As a former Director of Wisconsin’s Citizens Utility Board, he is conversant with and sensitive to MMSD’s responsibility to its ratepayers. With Dave completing his work on the manure digester project (which has proven to be the perfect preparation for the next phosphorous project), we are optimistic that we can introduce agreements for the second digester by December and with the feasibility study of the food waste digester on schedule for completion in the early part of 2011, the budget assigns him the responsibility of directing the County’s work on phosphorous reduction. This is too big and complex a task to ask a Department Director to take on in addition to their considerable responsibilities and its extraordinary potential rewards demand the full attention of a senior and accomplished Dane County staff member. To provide this position and task the logistical support needed, the budget assigns that position to the Department of Administration.

From an exciting new partnership with MMSD and many other players, we turn to one of our most enduring partnerships: our relationship with the Friends of the Zoo (formerly the Zoological Society) in running North America’s biggest and best free zoo, the Henry Vilas Zoo. With the recession-caused decline in County revenues, the increasing costs of animal care and utilities, and the need to add staff to care for the Zoo’s animals and provide services and education to increasing numbers of visitors, The Friends have contributed vitally needed funds

for the operation of the Zoo. Through this support, we have been able, for example, to add three new staff members including Ronda Schwetz, our new Deputy Director, who will be on the job in a couple of weeks. The Friends' operating budget support will reach about \$640,000 this year. As we prepare in 2011 to celebrate the Zoo's 100th Birthday (and stay tuned for some really cool announcements about that celebration), The Friends and the County have decided its time to tackle a much-needed project that will properly launch the Zoo into its next century.

This opportunity starts, as so many do, with a significant problem. The bear facility is the oldest in the Zoo and inadequate by accepted standards of modern animal care. For example, the layout of the facility makes it impossible to quickly anesthetize and get to animals in the event of a medical emergency. In replacing this facility, the County, Friends, and private donors are enthused about building Arctic Passages. This facility would house several Arctic species, with Polar Bears as the signature exhibit. The facility will feature these magnificent animals in easily viewed and comfortable reproductions of their natural habitat. The exhibits will be highly enjoyable by children and adults alike, will convey great environmental education with the Arctic being the habitat most clearly affected by climate change, and will perform a great conservation service since polar bears are increasingly endangered. Arctic Passages will become the new focal point of the Zoo and a stunning community asset.

Blueprints for the facility are finished and careful cost estimates completed; cost of the facility is estimated to be \$15 million. The Friends have committed to raise half of this amount and have \$3-\$4 million in hand. The City also traditionally funds 10% of the Zoo's capital projects. I believe that for a worthwhile project of this magnitude, now is the time to proceed. We have an able partner and for this project in which local construction firms will have keen interest, it makes sense to take advantage of low interest rates and an extremely competitive bidding environment. We already have capital authorization of \$4.5 million for this project and the complexity of the project means that borrowing will be phased. Accordingly, we can manage this project without unduly stressing the capital budget, which will be at one of its lowest recent levels.

On other fronts, several local governments and nonprofit organizations are working on ambitious, difficult projects with the potential to improve the environment and outdoor recreation in ways that will generate significant regional benefits. Some examples include:

- In connection with local street improvements, the Village of Cross Plains is considering the restoration of Black Earth Creek to its original streambed from its current channelized setting. This sort of restoration is highly effective in creating much improved stream habitat.
- With a need to improve water quality and outdoor recreation connected to Lake Marion, the Village Mazomanie is considering the removal of a seriously defective dam, the restoration of Black Earth Creek, and the creation of a recreational trail from Lake Marion into Mazomanie. Dam removal and stream restoration are also extraordinarily effective in improving the basic health of the stream. Creation of the trail will add to developing a network of trails linking Mazomanie to thousands of acres of public land and the Lower Wisconsin River.

- The Madison Area Youth Soccer Association (MAYSA) is proposing a significant improvement and expansion of the Reddan Soccer Complex to improve the opportunities for young soccer players throughout the area and to better attract regional sporting events.
- Many of the roads most important to daily recreational bicyclists are town roads and some of these are also key to national events such as the Ironman and Centurion. When it is time to resurface or repair these roads, a few changes -- wider, paved, marked shoulders, for examples -- would make these roads safer for drivers and bicyclists. But such changes can be difficult for a town to fund alone.
- Bicycling groups have great ideas and some specific suggestions on how more signage could make popular bicycling routes safer for all the users of our roadways.
- Finally, volunteer groups have some great, affordable projects that can help in conservation and outdoor recreation. The Capitol Water Trails have, for years, worked to open many miles of canoe trails on a variety of Dane County streams and rivers. They have learned firsthand how important it is for folks to know and care about the streams and rivers in their neighborhoods. They have identified where every significant river or stream in Dane County crosses a state or county highway. Signage marking these streams could create a much greater awareness of the important water resources in or near our communities.

In those cases where local governments and nonprofit organizations are willing to take on worthwhile, ambitious projects with significant regional conservation or outdoor recreation benefits, the County should be willing to be a strong partner. For that reason, I am proposing the creation of Partners for Recreation and Conservation (PARC) in the Land & Water Resources Department's Capital Budget with initial funding of up to \$1 million. Its purpose is to provide capital assistance for local or nonprofit conservation projects that meet the following criteria:

- The sponsor must be a local government or nonprofit organization with the capacity to plan, implement, and maintain the project.
- The project must be a major capital project to restore or improve a natural resource or an outdoor recreational facility to create a demonstrable, regional benefit. Those parts of road projects that improve safety for bicyclists and other vehicles are eligible for funding if the sponsor can show that the road is an important regional bicycle route.
- The maximum amount of assistance to any one project will be \$250,000 and the amount can be no more than 50% of the costs of the project.
- The Parks Commission will review applications and recommend grants to the County Board and County Executive. Each project will be approved by the County Board and County Executive via the normal resolution process.

From the \$1 million, PARC will also fund \$10,000 and \$20,000, respectively, for the county to begin signing our rivers and streams with the advice of Capital Water Trails and for the County to improve bicycle signage on county and town roads. The Land & Water Resources

Department and the Public Works, Highways & Transportation Department will cooperate in the administration of these efforts.

This budget reflects high levels of capital funding for other traditional partners. Highway and bridge construction, repair, and replacement in which we are almost always partnering with the federal, state, and/or municipal governments, hits the very high level of \$15.7 million, of which \$4 million is the County share. In fact, this is the largest highway budget during my service as County Executive. Major projects on University, Fish Hatchery, and Monona Drives loom along with several rural and suburban bridge replacements. In the operating budget, there are a record number of town bridge and culvert replacements.¹ We also completely fund the municipal libraries' capital and operating fund formulae, keep the Bookmobile rolling (which will come as a great relief to Cottage Grove residents who sent dozens of postcards attesting to its value), and restore the book purchasing funds to current levels.

Within the Land & Water Resources Department, the capital budget funds the Conservation Fund (an additional \$1.77 million) and the Land & Water Legacy Fund so that those important activities -- land acquisition for conservation, parks, and trails; stream and wetland restoration; retrofitting of storm sewer outfalls -- can proceed at reasonable levels. We also complete some necessary work at Stewart Lake Park and Lake Mendota Park to offer better outdoor recreation facilities and ensure that County facilities are not polluting those waters. We continue to improve the management of our lakes, including lake levels and weeds, with the purchase of a new barge and the rehabilitation of the Babcock and LaFollette Locks and Dams. We continue work on three new bicycle trails (at the southern edge of Madison, between McFarland and Stoughton, and around Blue Mounds) to improve commuting, outdoor recreation, and tourism.

Problems and Solutions

The ongoing recession (with all due respect to economists, it sure doesn't feel like it's over) made this budget tough. But other problems emerged. We first learned the ATC would not start construction this year so its payment was delayed until 2011. Then three weeks ago, Public Service Commission staff ruled that the payment should be \$4.3 million, instead of \$5.5 million. Please be assured that we have directed Corporation Counsel to challenge that decision as rigorously and quickly as possible. And, of course, other typical but nonetheless key challenges persist. Cost to continue, for example, increased by \$7.8 million, including the end of the 3% employee wage reduction as of the end of this year. The change from the Wisconsin Retirement System increase by \$790,000 as that system copes with the 2009 loss of investment value.

Answering these and other challenges are great department heads and county staff. I cannot thank Lynn Green and her excellent team enough. They have mastered state and federal programs so that we are constantly able to increase outside revenues for vital services. Lynn constantly, positively, and respectfully works with our partners to forge great responses to tough situations -- one of this year's great examples is her work with Catholic Charities to improve our work on alcohol abuse. Jerry Mandli and his team worked with the Wisconsin Department of Transportation on maintenance issues that should result in stabilized State revenue in 2011.

¹ Legally, these charges must be included in a special levy only applied in those small municipalities, almost all towns, participating in the Bridge Aid program. For that reason, the countywide levy does not include that total.

Marcia MacKenzie and Brad Logsdon maximize federal reimbursement for our Child Support Program. Marcia has worked closely with Judge John Albert for several years on a project whereby multiple cases or issues involving the same family and children can be consolidated in Family Court. Over the next few years, this change will produce savings and additional revenue. It will start producing more timely, better results for children almost immediately. Kevin Connors has offered great enthusiasm and assistance in preparing for the phosphorous reduction so key to improving our lakes. It's difficult to list all of Travis Myren's achievements. With Barry Irmen, our Interim Coroner, who has served professionally and selflessly following the deaths of John Stanley and Ray Wosepka, Travis was instrumental in our effort to recruit a new Medical Examiner. With his team in DOA, especially Amy Utzig, they persuaded over 930 County employees to participate in basic health screenings. Travis then negotiated next year's price for health insurance with our very good providers at Physicians Plus. The net result: a \$617,000 savings in anticipated health insurance costs. With our experts in Information Technology, he has enabled many county departments to switch to an internet-based telephone system, with savings ranging into the thousands of dollars per department. And John DeJung has shown great expertise and patience in his epic work with the radio system.

Elected officials have also been helpful in this budget. Chief Judge William Foust worked with his colleagues and staff to identify two cost-effective alternatives to employee bypass of weapons screening. One of these is proposed in this budget. County Treasurer David Worzala has steadily improved his office's performance with respect to delinquent taxes, a difficult and still growing problem. As a result of those efforts, this budget is able to forecast an increase in the collection of interest and penalties. Bob Ohlsen, the County Clerk, took on some additional work and saves the County almost \$20,000 in the printing costs for ballots. District Attorney Ismael Ozanne plunged right into the budget and proposed some program improvements with some increased revenue. Sheriff Dave Mahoney's budget has a great example of some of the wonderful work his force and he have achieved over the last two years. It transforms the Inmate Transport Coordinator to an Evidence Clerk and can do so because the County no longer houses inmates in other county jails at all.

Lots of staff also work to produce very helpful components of this budget. Under Dr. Tom Schlenker's able direction, David Caes, the Director of Operations in our Public Health Department, managed this year's budget to produce surpluses that significantly reduced any new levy for the department in 2011 and which enabled the Mayor and I to freeze license fees for restaurants and other small businesses. Laura Guyer, Conservation Fund Manager, has worked hard to bring worthwhile land acquisitions before you in 2010 and 2011, with excellent prospects for significant reimbursements from the DNR's Stewardship Fund. In response to many Supervisors' desire to have these reimbursements reduce the fiscal impact of land purchases, the budget allocates all such reimbursements to retiring debt service. Pam Dunphy, of our Public Works, Highways & Transportation Department, maximizes federal and state funds for highway projects while the redoubtable Mike DiMaggio, Landfill Manager, has again increased our revenues from the methane generated at the Rodefild Landfill. Dave Janda of Emergency Management has worked with the City of Madison on a siren improvement project that will see several sirens replaced with new models with a range four times that of the original.

This period of budget preparation saw lots of ups and downs. But, as the budget situation clarified, I tried to reduce staff layoffs as much as possible for two reasons: out of respect for employees' assistance in dealing with budget difficulties of the last two years and because, in these tough times, many of our residents need many forms of the County's assistance more than ever. And it takes our employees to deliver that assistance. While this budget does not completely eliminate layoffs, it reduces them to eighteen. Several of these, as noted previously, are necessary because of the County's need to achieve efficiencies in specific programs -- Badger Prairie therapeutic services or programs within the Sheriff's Department. In some cases, we have been able, with union cooperation, to shift staff to other positions or duties. In others, because of our freeze on vacant positions, employees will be able to move to such positions and retain employment. With these options and the continued work of DOA, I believe only one or two staff will lose County employment. With the vacancy policy in place, this budget does reduce long-term costs with a net reduction of 14.35 positions funded by GPR.

I have acknowledged and thanked many directors and staff for their work in this budget. Several supervisors came forward with serious suggestions for improving this budget. Supervisors Veldran, Stoebig, and Vedder will see some of their human services suggestions reflected in this budget. Other citizens were very helpful. As always, my proposed budget reflects many of the suggestions and proposals I heard, with you, at the Human Service public hearings. Melissa Malott, Chair of the Lakes & Watershed Commission, was extremely helpful as we focused on the opportunity afforded by the DNR phosphorous rules. And Mary Romolino and Thomas Dott, current and future presidents of the Friends of the Zoo, were key players in developing the Zoo's budget and plans for Arctic Passage.

I must express my thanks to the key members of our incredibly hard-working budget team. Certainly my staff worked hard; I am especially grateful to Carl Hampton, my newest assistant. With just several months experience, he has been a quick student of our criminal justice and human service systems. He was very helpful in developing those parts of the budget. DOA Director Travis Myren and Controller Chuck Hicklin can't be matched in their budget efforts. They strive for accuracy, innovation, and fairness. In any one hour, they are recruiting a Medical Examiner or negotiating with the Friends of the Zoo or finding new work for another displaced worker or arranging a bond refinancing or insuring countless base adjustments are accurate. They are an honor to work with.

This budget reflects my best effort in producing a budget to protect and improve services while limiting property taxes. I pledge you my cooperation in correcting any mistakes and improving this budget. However, in our small-town, second and third hand of conversations can circulate widely. Some that have reached my ears are accounts of citizens lobbying some Supervisors regarding different budget issues and being told that the only way for their issue to be addressed is with a significant increase in property taxes. Some of these conversations supposedly concluded, "no County elected officials are on the ballot this spring." I hope these accounts are mistaken. As I recall my own campaign two years ago and many of yours this past spring, most of us promised to control property taxes in all the years of our terms. Property taxes are not that fair and not that progressive. They are hitting people hard in this recession; over 5,000 properties are currently in arrears. Until we experience a comprehensive, enlightened, progressive tax reform that includes local governments, we are stuck with them. We should

control them as best we can. I hope you will join me in that effort and in producing the best possible budget for our constituents.

Thank you.