

**WINNEBAGO COUNTY BOARD SPECIAL ORDERS SESSION
TUESDAY, SEPTEMBER 6, 2005**

Chairman David Albrecht called the meeting to order at 6:00 p.m. in the County Board Room, Fourth Floor, Courthouse, 415 Jackson Street, Oshkosh, Wisconsin.

The meeting was opened with the Pledge of Allegiance and an invocation by Supervisor Rankin.

The following Supervisors were present: Barker, Griesbach, Hotynski, Scoville, Maehl, Koziczkowski, Sim, Widener, Lauson, Albrecht, Pech, Thompson, Steineke, Lennon, Sundquist, Wingren, Jacobson, Norton, Warnke, Tower, Robl, Schmuhl, Kline, Kramer, Schaidler, Finch, Farrey, Sievert, Diakoff, Brennand, Egan, Rankin, Rengstorf and O'Brien. Excused: Weber and Arne.

Motion by Supervisor Robl and seconded to approve the agenda. CARRIED BY VOICE VOTE.

COMMUNICATIONS, PETITIONS, ETC.

"Thank you" notes were received from John M. Bodnar and James Barker for the \$1,000 scholarships they were awarded by the County Board in June. Mr. Bodnar and Mr. Barker both stated that the money would be used to offset tuition and book expenses at their respective universities.

A card was received from the family of Supervisor Jerry Finch thanking the board for the flowers that were sent for the funeral of Supervisor Finch's mother-in-law.

A claim was received from David Weber for damage to his boat that occurred during a Sheriff's Department boat patrol stop on the Fox River. Mr. Weber's claim was forwarded to the Personnel & Finance Committee.

REPORTS FROM COMMITTEES, COMMISSIONS AND BOARDS

Supervisor Egan reported that after five years of work on Rush Lake, they are now beginning work on the channel and a dam.

CHAIRMAN'S REPORT

Chairman Albrecht stated that over the past few weeks he has attended various department's budget meetings with Executive Harris, and that the 2006 budget process will be very challenging and difficult for everyone involved.

PUBLIC HEARING

Jerry Frey, Chairman of the Town of Oshkosh, 4804 Island View Drive, Oshkosh, spoke in opposition to the proposed ½% county sales tax.

Phil Binder, 2522 Fond du Lac Road, Oshkosh, spoke in opposition to the proposed ½% county sales tax.

COUNTY EXECUTIVE REPORT – COUNTY SALES TAX OPTION

Executive Harris stated that one of the primary duties of a county executive is to put together the county's budget. In an effort to keep department budget increases in line with the county's increased revenues generated by the appreciation of real property and new construction, Executive Harris met with each department head and gave them budgetary targets of not more than a 2% increase. It quickly became apparent that to meet these targets departments would need to layoff some employees.

Executive Harris then gave a PowerPoint presentation explaining the county's budget situation. He shared the following information with the Board:

- The county is experiencing the "perfect financial storm" brought about by a structural deficit of \$1.5 Million, 3-year labor contract increases of \$2.5 Million, an under budgeted payroll of \$.8 Million, and an estimated decline in Intergovernmental Transfers (IGT) of \$1 Million
- By the end of 2005 we will have just over 4% of our annual spending in reserve—this could affect our bond rating and cause our borrowing costs to increase. We can no longer pull money from our general fund to balance our budget.
- Winnebago County has experienced strong growth in property tax values.
 - ✓ 5.6% growth in the tax base, which equals \$3.3 Million. (This includes a 2.88% growth in new construction that equals \$1.6 Million.)
- Levy Limitation Bill – The state has put a levy freeze on local units of government
 - ✓ This will limit how much revenue the county can collect. It forces the county to drop the tax rate to offset the 5.6% appreciation in the county's real property. The county can only raise it's revenue

by the growth in new construction, which is 2.88% or \$1.6 Million. This is only equal to about 1% of the county's total budget. With the increase in wages, utilities and gasoline, this 1% will not go very far.

- Revenue sources for the county's 2005 budget of \$151 Million is broken down as follows: \$62 Million from intergovernmental transfers; \$33.1 Million from fees, fines and other; \$1.5 Million from the general fund; and \$54.4 Million from the property tax levy.
- To balance the budget and not take any money from the general fund, the revenue sources for the 2006 budget will be \$62 Million from intergovernmental transfers; \$34.6 Million from fees, fines and other and \$56 Million from the property tax levy. This only gives the county approximately \$100,000 in additional revenue to cover all the increase anticipated in 2006.
- "What Steps Can Be Taken?"
 - ✓ reduce non-represented employees 2006 pay increase by 1/3 and eliminate pay-for-performance; freeze sick day pay outs at 12/31/05 levels; work with employee bargaining units for help
- "What Alternatives are Available?"
 - ✓ A 2006 budget with no spending increases and enough reductions to cover increases in labor, utilities and fuel
 - ✓ Layoff 100-130 employees and suffer the loss of services
 - ✓ Impose a ½% sales tax on only those items that the current state sales tax applies to
- If imposed, the ½% sales tax would take effect on April 1, 2006 and do the following:
 - ✓ Layoffs would be reduced to 30-40 people and most services would remain intact
 - ✓ The majority of the sales tax would be used to reduce the property tax by at least 12%--40 cent drop in 2006 equalized tax rate and an additional 30 cent drop in the 2007 equalized tax rate
 - ✓ County spending would increase by approximately 2%

Executive Harris presented examples of how the ½% sales tax and the subsequent reduction in the property tax rate would affect various segments of the county's population. In his example for 2006, with a county sales tax in place for 9 months, a retired couple would see a net decrease of \$8 between their property tax and the amount of sales tax they would pay. For the same time frame, a two-income couple would see a net increase of \$50 between their sales tax and property tax.

In 2007, the retired couple would see a net decrease of \$28 and the two-income family would again see a net increase of \$50. In both years, a "tourist couple" visiting Winnebago County would spend approximately \$10 in county sales tax.

Executive Harris explained that the county's sales tax would not be on food, medicine or any other item that is exempt from the state's sales tax. He also stated that a county sales tax would not encourage someone from leaving Winnebago County to purchase a car, boat or trailer, because the purchaser would pay a county sales tax based on where the vehicle, boat or trailer is registered—not purchased.

Executive Harris described the spending and service cuts that each department would be required to make to achieve a 2% target:

- Human Services would deny services to some indigent elderly and developmentally disabled
- Park View Health Center would layoff 24 employees
- Sheriff's Department would close the Huber center and eliminate 8 corrections officer positions, 4 special programs officers would be eliminated.
- Clerk of Courts would reduce some staff to 80% time.
- Highway Department would reduce the amount of annual road maintenance and chip sealing that they perform.
- District Attorney would leave a vacancy in their Domestic Abuse Investigator position
- Facilities & Property Maintenance Department would eliminate a skilled position and all summer seasonal positions
- Parks Department would eliminate two summer seasonal positions
- All departments will raise their fees.

He then went on to explain that if the county sales tax is not implemented, there will be a 0% budget increase, which will force them to make additional cuts. Executive Harris explained these amounts and what would need to be cut to reach them:

- Coroner budget – reduce another \$14,159
- County Board budget – reduce another \$8,570
- County Executive – reduce another \$6,255
- County Highway Department – reduce another \$13,362
- Courts – reduce another \$57,305

- Human Services – reduce another \$1,064,743
- District Attorney – reduce another \$28,939
- Facilities & Maintenance – reduce another \$86,291
- Finance Department – reduce another \$24,732
- Human Resources – reduce another \$30,306
- Parks Department – reduce another \$26,673
- Register of Deeds – reduce another \$19,459
- Sheriff's Department – reduce another \$1,139,996
- Veterans Services – reduce another \$8,416
- Park View Health Center – reduce another \$996,828

Executive Harris stated that the ultimate decision on whether to implement a county sales tax is up to the County Board. However, when he takes into consideration what the county would have to do if the sales tax is not implemented, he supports the adoption of the sales tax. Executive Harris stated that with a sales tax he would be able to present a well-crafted 2006 budget with a 2% increase in spending. Layoffs would not be totally prevented, but they would be reduced to 30-40.

If implemented, a county sales tax would give the county approximately \$12 Million annually in additional revenue. If implemented in 2006, it would not take affect until April, so the county would collect approximately \$9 Million in 2006.

Executive Harris then took questions from the Board.

A copy of Executive Harris's presentation is on file in the County Clerk's Office.

At approximately 7:50 p.m., Chairman Albrecht called for a 15-minute recess. The Board reconvened at approximately 8:05 p.m.

SHERIFF'S REPORT ON HUBER CENTER AND VIDEOCONFERENCING

Sheriff Brooks stated that videoconferencing has been discussed in Winnebago County since 1995. When the new Sheriff's Office and jail was built, it was installed there and is used for bond hearings. The use of videoconferencing has reduced both labor and transportation costs significantly. It is also a much more secure way to hold these hearings.

Sheriff Brooks introduced Capt. Geoff Anderson, who has been working on extending the videoconferencing project in Winnebago County. Capt. Anderson presented information from the Wisconsin Office of Justice Assistance about the project:

- Winnebago County has been using a "one-way" videoconferencing system since June 2003. This one-way system provides videoconferencing from the jail to the Court Commissioner's courtroom at the safety building.
- Videoconferencing reduces the number of inmates that need to be transported to court daily by approximately 15.
- Cost savings can be realized in two areas—transporting of prisoners and expert witness testimony travel expenses.
- In a 2002 survey of Wisconsin county sheriffs, it was determined that, "27% of overall transport expenses were spent on transporting inmates and prisoners to and from non-evidentiary court hearings and could therefore be replaced by videoconferencing."
- In a 2002 survey of Wisconsin district attorneys, it was determined that, "18% of county expert witness expenses are attributable to travel and can therefore potentially be replaced by videoconferencing."
- 35% of Wisconsin counties' courthouses have at least one courtroom with videoconferencing. 45% of all Wisconsin counties' jails have videoconferencing.
- A mobile unit would cost Winnebago County approximately \$16,750 per courtroom. Winnebago County has a proposal from SBC Corporation, who is the state's contracted vendor for this project.
- To install a fixed video conferencing unit in the county's six courtrooms, the total cost would be approximately \$200,178.
- Video conferencing will benefit the county by reducing costs and improving court-related services for the Sheriff's Department, the District Attorney, the Public Defender and the courts. These benefits include:
 - ✓ reduction in transportation costs
 - ✓ reduction in expert witness expenses
 - ✓ enhanced public safety
 - ✓ effective use of law enforcement resources
 - ✓ enhanced productivity and processing

Sheriff Brooks explained that although one position in his department will be eliminated, video conferencing will

not completely eliminate the need to transport prisoners or the personnel to facilitate these transports. There will always be situations when a prisoner will need to appear in court in Winnebago County or be transported to another county for a court appearance.

Sheriff Brooks also explained that it is better to have videoconferencing installed in each courtroom rather than having a single mobile unit, because you may have more than one court needing the equipment at the same time. In addition, you would need to have personnel who would be responsible for scheduling, setting up and operating the mobile unit. He also explained that private attorneys can be charged to use the videoconferencing equipment, thereby offsetting some of the expense.

Sheriff Brooks stated that it will take approximately three years for the county to recover the costs for installing videoconferencing. This will be realized by the elimination of one position and the reduction in various expenses.

Sheriff Brooks and Capt. Anderson took questions from the board.

Huber Center: Sheriff Brooks addressed the Board about his decision to close the Huber Center. He explained that this decision had nothing to do with the \$800,000 deficit in the wages portion of his department's 2005 budget or the proposed ½% county sales tax. He went on to explain that after his 2006 budget meetings with the county executive, it became apparent that to meet his 2006 budget target of a 9% increase (which was adjusted to allow for the \$800,000 shortfall in 2005), he would need to make some very significant reductions. After looking over his other options, reviewing the processes at the Huber Center and exploring expansion of the current GPS (global positioning system) electronic monitoring system, he decided that closing the Huber Center was the most appropriate solution.

Sheriff Brooks explained that improvements to the GPS electronic monitoring system will actually provide his department with better information on where a Huber prisoner is during the day than the current setup. Now, when a prisoner leaves the Huber Center to go to work, the Sheriff's Department really doesn't have much control on their whereabouts during the workday. With the improved GPS system, the Sheriff's Department will have much better information about and control over their Huber prisoners.

Sheriff Brooks stated that there are very stringent restrictions that prisoners on GPS must adhere to. They include: no alcohol in the residence where they are residing, no parties, no visitors and no weapons in the home. To make sure that these rules are followed, patrol officers do compliance checks. With more people on the GPS monitoring system, daily compliance checks will go from approximately 20 to 100, so additional officers will be required to do these checks.

Sheriff Brooks stated that closing the Huber Center will require him to keep the six pods open in the jail, because he will need to have room to house those Huber prisoners that don't comply with the GPS requirements. In addition, if the county does receive state prisoners, he will want to have room to house them so the county can realize that revenue.

Sheriff Brooks explained that even though he will need to have more officers to perform compliance checks and he will need to maintain some support staff for day-to-day Huber functions, the other layoffs and positions that will go unfilled at the center will enable him to get to a 10% budget increase—his target is 9%. Sheriff Brooks explained that there are other cuts in personnel that he can make to get to as low as a 5% budget increase, but making those cuts will eliminate some non-emergency type services. Sheriff Brooks guaranteed the Board that none of these cuts will jeopardize emergency response services or the functions of the jail.

Some of the services that the Sheriff is looking at cutting or making cuts to include the boat patrol, the D.A.R.E program, the MEG unit, and various clerical and support staff. He is also looking at making some changes in the Detective Division.

Sheriff Brooks reiterated that regardless of whether or not the county implements a ½% sales tax, he will still need to make cuts in his 2006 budget and his 2007 budget. These cuts are necessary because of the state-imposed freeze on the county's tax levy. He stated that in 2007, deciding where those cuts will be made will be even more difficult.

Sheriff Brooks then took questions from the Board.

Motion by Supervisor Robl and seconded to adjourn until Tuesday, September 20 at 6:00 p.m. CARRIED BY VOICE VOTE. The meeting was adjourned at approximately 9:00 p.m.

Respectfully submitted,
Susan T. Ertmer
Winnebago County Clerk

State of Wisconsin)
County of Winnebago) ss

I, Susan T. Ertmer, do hereby certify that the foregoing is a true and correct copy of the Journal of the Winnebago County Board of Supervisors for their Special Orders Session held on September 6, 2005.

Susan T. Ertmer
Winnebago County Clerk