

Minutes of the  
**Bayfield County Board Budget Planning Meeting to  
Of May 17, 2011 - 4:00 p.m.**  
Bayfield County Board Room, Courthouse, Washburn, Wisconsin

A "Special" meeting of the Bayfield County Board of Supervisors was called to order by Chairman Kacvinsky at 4:03 p.m. Roll call was taken by Deputy County Clerk, Dawn Bellile as follows: Kacvinsky-present; Rantala-present; Williams-present; Bichanich-absent; Miller-present; Crandall-present; Rondeau-present; Meyers-present; Bussey-present; Jardine-present; Maki-absent; Kittleson-present; Bennett-present: Total 13: 11 present, 2 absent. A quorum was present to conduct business. The following were also present for the meeting: *County Administrator, Mark Abeles-Allison; Jason Bodine, Forest Administrator; Craig Parks, Union President*

The Pledge of Allegiance was recited by all in attendance.

Chairman Kacvinsky welcomed everyone to this evening's meeting explaining to them that the purpose of the meeting is for us to brainstorm and provide direction for the County's 2012 budget. He informed the Board that there are a number of Supervisors that have other commitments this evening and that we need to move the meeting moving on a steady pace, and yet discuss topics to their fullest when necessary. Kacvinsky stated that Tim Kane, *UW-Extension's Community Resource Agent*, will be facilitating this evening's meeting and then turned the meeting over to him.

Kane took over meeting and stated to the Board that his role this evening will be to help guide the Board through the budget process; keep them on time and on task and record any input they have. He informed them that during the course of the evening, the Board will be provided input from Department Heads as it concerns the budget.

Abeles-Allison then gave a budget overview. He reported that the budget is probably one of the most important documents a County Board acts on during the year. It is a plan to prioritize where the County spends its dollars. He went on to further state that the purpose of this session is to provide him and his staff direction at a bigger level on how we should allocate and spend our taxpayer dollars. The results of this session will be shared with departments and will be used as the basis for preparing the 2012 budget.

He went on to further state that the Governor's budget extends the levy limits for an additional 2 years and sets the levy limit at zero percent or net new construction. The allowable base is based on the prior year's actual levy not factoring a local government's past performance establishing the levy. Bayfield County, over the past two years has

fallen under State levy limits by over \$700,000. The levy increased 1.89% in 2010 and 0% in 2011.

Abeles-Allison reported on the equalized valuation. It has dropped over the past couple of years and is estimated to drop even further. This has an impact on how the budget works as well. When valuation drops, the amount of dollars levied remains the same and the mill rate climbs. For revenue purposes, the Forestry Department has traditionally been a big revenue source to the County and this is why the Board agreed to hire another Forester to help increase forest production sales.

Further, he reported that the Budget Repair Bill has implications and uncertainties, i.e., county pension changes, union representation, state aid reductions for Highway, Health and Human Services. While the Budget Repair Bill is still in the Courts, key aspects that would balance proposed reductions in State revenues to counties is not finalized. Abeles-Allison explained further from the attached spreadsheet "Bayfield County, 2012, shows the Governor's estimates vs. Abeles-Allison's estimates. He explained the difference in the figures.

Abeles-Allison then turned the meeting over to Jason Bodin, *Forest Administrator*. Bodine handed out spreadsheets for the Board to look at as he went over them. He explained the timber sale program, harvest goals and accomplishments, and where we will be in 2012. He further reported that timber sales are based on 2 things. Sales are predictable, but the market is not. Harvest increased when the additional Forester was hired, however, the market did not. He reported that the maximum they can cut is about 5,180 acres of wood, which is the sustainable amount. He further stated that as far as cutting, his department is pretty much tapped out on what they can perform right now. He then went over the actual figures, "revenues vs. budget." The sales are good, but the revenue is market driven. Bodin stated he is projecting 2.2 million in revenue for the year. He then went over the needed time to actually complete a timber sale. The Board discussed with Bodine different scenarios as it concerns harvesting and the actual timber market.

Abeles-Allison then went over other losses the county has seen. The times are in an economic crunch, there is not very much remodeling or new construction taking place.

Kane then took over the meeting. He asked the Board the following: **"What are the most important issues facing Bayfield County government that the County needs to address?"** The Board was given time to write down their #1 important issue. The following were their responses:

- 1) Budget Repair Bill and shortfall of revenue for 2012;
- 2) New union and issues;

- 3) Benefits to County employees;
- 4) Continuing to provide quality service to residents;
- 5) Health and Safety to most vulnerable;
- 6) How are we going to fund mandated services?
- 7) Adjusting salaries to reduced workload;
- 8) Keeping up roads and streets;
- 9) Maintain positive and productive relationship with County staff;
- 10) Impact of fuel prices on County budget.

The Board discussed each of the items as they went round-robin stating their concerns. Abeles-Allison identified critical issues as brought forth by county department heads for some departments. (See attached "Critical Issues.") Also was explained that we are in our 4<sup>th</sup> year of transition with Family Care. It goes down every year until it reaches the target dollar amount. We have not done our 1.1 or 2.0 to cover the additional costs over the past years as we haven't needed to. A lengthy discussion took place on the topics.

Next, Kane asked each Board member the following question: **"What do you consider to be the top county budget priorities for 2012?"** The following answers were given:

- 1) Provision of services and maintenance at current levels;
- 2) Maintain funding for Senior Citizen programs;
- 3) Maintain our ten year plan for County Highway Department;
- 4) Prioritize services provided by County;
- 5) Maintaining Human Services program that focuses on prevention;
- 6) Need to make tough decisions to streamline staffing;
- 7) Provide additional/authorized deputy to Sheriff's Department;
- 8) Cut spending across the board excluding Forestry Department;
- 9) Plan for budget shortfall from Budget Repair Bill and try to maintain services, if possible.

The Board discussed, in detail, before they felt they could vote on the priorities. They discussed whether or not they will be able to increase the levy, if there will be any new construction, or do we just look at keeping the fund balance for a shortfall. Abeles-Allison went over the 2010 budget summary, increases in expenses vs. increases in revenue. He discussed with the Board the possibility of using the fund balance as a one time expense to help us weather the storm, explaining that we normally use the fund balance for big expenses such as remodeling, new roof, etc. We could use the fund balance however, for times when the revenue is short. Discussion took place as to what Abeles-Allison thought the County should keep on hand as a comfortable fund balance amount. Abeles-Allison reported that the County presently has on hand 5 million in unrestricted fund balance dollars. Highway has a fund balance with approximately 1.4 million in it and

the County also has some funds with restrictions. The Board listened and discussed the fund balances and it was their consensus that they do not want to use the fund balance if they don't have to. We use the fund balance for big capital improvement projects, not to balance the budget. We are uncertain about the Budget Repair Bill and we need to do everything that we can not to use the fund balance.

The Board then went back to the question of **"What do you consider to be the top county budget priorities for 2012?"**

Kane then took over the meeting and the Board revisited the list above and combined answers as they were similar in nature. Those combined were: Answer 1 & 9 and 2 & 5. The list is now as follows:

- 1) Provision of services and maintenance at current levels; plan for shortfall , due to the budget repair bill and try to maintain services if possible;
- 2) Prioritize services provided by County;
- 3) Need to make tough decisions and streamline our staffing;
- 4) Maintain our ten year plan for County Highway Department;
- 5) Maintain funding for Senior Citizen programs; Maintaining Human Services programs that focus on prevention;
- 6) Provide additional deputy to Sheriff's Department;
- 7) Cut spending across the board excluding Forestry Department, which is our only income providing department.

The Board then voted and the following were the priorities they came up with;

- 1) Received 8 votes;
- 2) Received 7 votes;
- 3) Received 5 votes;
- 4) Received 4 votes;
- 5) Received 3 votes;
- 6) Received 2 votes;
- 7) Received 1 votes.

Kane stated to the Board that they now have their priorities and work before them in preparing the 2012 budget. He thanked everyone for attending this evening and turned the meeting over to Kacvinsky.

Kacvinsky also thanked everyone for attending, and reminded them of the regular meeting on Tues., May 31<sup>st</sup> at 6:00 p.m.

There being no further business to come before the Board, Chairman Kacvinsky adjourned the meeting at 6:05 p.m.

Respectfully yours,

Dawn M. Bellile,  
Deputy County Clerk  
dmb