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“The punishment which the wise suffer who refuse to take part in the government is to live under the government of worse men.” Plato

Kewaunee County Board Activities Update, December, 2013

By: Ron Heuer, District 12 Supervisor, Kewaunee County Board

Your involvement has made a difference, but we have a long way to go!

Tax rate and employee salaries: In spite of having a board majority that is not willing to make the tough decisions for the county, we have managed to make headway in managing expenses over the past year. The tax rate was not increased for 2014, but it wasn't decreased either. The tax rate for 2014 will be \$7.77 the same as 2013 tax rate. Do you remember how we tried to vote out the 2% across the board salary increase for the county employees last October? Well, we didn't succeed at the budget meeting, but the good news is that salaries for 2013 were not increased and we saved \$168,000 which should be restored to the general fund on December 31. All the unions settled for a 0% increase for 2013.

County employee insurance: The Personnel Committee really **missed an opportunity** to implement meaningful changes this year on health insurance as many other counties have done. They did not dig deeply into pursuing new health insurance options, but instead, allowed the same provider, Horton Group, represented by Rae Ann Buedry, to come in once again with the same sales pitch she has used for the past years. At first she came forward with a 14% increase, but at the end of the day found a way to keep the costs for 2014 to be the same as 2013. Our employees are still paying 10% towards the cost of their insurance with the county paying 90%. This really is inexcusable as virtually all county employees across the state are paying a minimum of 12.8% up to 25% as their portion of health insurance. For your information, our family plan insurance cost per year is \$22,332 and the single plan cost is \$9,084.

Given what we are learning now about the cost of the private sector insurance increases, it is time for Kewaunee County to initiate major changes to our health insurance program going forward. By the way, our Administrator still enjoys 100% of his insurance paid for by the taxpayer. Your board chose not to deal with this either!

Highway Department /Landfill: As we painfully recall, our highway department has experienced millions of dollars of losses over the past several years. This was a direct result of management not making tough decisions to restructure the highway department to the realities of the current environment. Once again, the management of the highway department is: the Highway Commissioner, Jandrin, who reports to the County Administrator, Mr. Dorner. The Commissioner is retiring in February and we now have an opportunity with a new Commissioner coming online to restructure the department to the needs of the county going forward.

It is unfortunate for the employees of the department that a restructure move wasn't implemented over a period of time, as now they are experiencing a difficult manpower crunch at what can turn out to be the busiest time of the year.

On the landfill front: About two years ago the county paid landfill consultant projected estimates of remaining air space in the landfill and underestimated the remaining space we had in the landfill. During

that analysis, the consultant underestimated the remaining space available. As a result of that underestimation, the decision to build cell #10 was taken. Cell 10 construction was finished in November of 2012 and the county had one-year grace period to cover the new cell. After the new cell #10 was built, new estimates of remaining air space were provided by the engineering firm Ayres Associates, who found the landfill had a lot more air space than had been estimated earlier by the consultant. Latest numbers show we have just over 7 years of space left. Had we had the correct numbers to begin with, we wouldn't have had to build cell #10 at this time and we could have saved an estimated \$100K we have incurred pushing tons and tons of garbage from cell #9 to cell #10 to cover cell #10 to be in compliance with the DNR requirements. The estimated \$100K is cost of fuel, manpower and equipment, plus while we are waiting (3 or 4 years) to fill remaining space in our other cells, we have to continue to pump leachate (\$20-\$25K per year) through this new cell as required by law.

Another project at the landfill required a cadre of about 12 highway workers for almost the entire summer was a capping project to cap cells #1-8 and a small part of cell #9. While this job at the landfill was being done, 4 miles of highway resurfacing that was budgeted for county road S north of Algoma was not finished in 2013. The money, some \$650K, for that project has been held in abeyance in the highway department coffers and another \$724 was budgeted for 4.5 miles of county road S north of Algoma work in 2014. It will be important to watch where that \$650k for that 2013 project is applied.

New Taskforce Created: The shutdown of the Kewaunee Nuclear facility by Dominion has caused hardship and change for many Kewaunee County families and will continue to affect the economics of the county in many ways. The KCEDC, which receives \$40K from the county annually for the past several years, worked with the WEDC and other state organizations to provide a conduit whereby information from the various entities, Dominion, NRC, WEDC, Wisconsin Job Centers, etc., could be consolidated and pushed out to affected businesses and displaced employees. It is very clear that the county and particularly the township of Carlton have to stay connected to our legislators, DNR, NRC and Dominion as the 60 year shutdown of this nuclear plant takes place. Going forward, decisions will be taken by Dominion and the NRC as to timing of events with regard to the total closing of the site.

Between our County Chair, The County Administrator and the KCEDC, it was determined to put in place a Kewaunee County Nuclear Plant Decommissioning Task Force. This came before the board in the form of a resolution and was passed. Here is the mission of that task force;

***Mission:** to provide leadership, guidance and recommendations to corporate and government entities and ensure that the best (economic, social and environmental) interests of the residents of Kewaunee County are considered throughout the decommissioning process of the Kewaunee Power Station.*

I was one of several supervisors who voted in opposition to establishing this task force as we have a full-time County Administrator who will be in contact with the NRC and Dominion and any other entities that will require communication with the county. Carlton Township management is also on top of this issue. This Task Force has no authority and has no quantifiable goals, so to me it is one more committee that will be paid to for meeting attendance, travel, etc. and will deliver nothing. Also, in as much as the County funds the KCEDC to coordinate Economic Development activities in our county, it seems to me they could continue what they have been doing for the past year in regard to the Nuclear Plant shutdown.

What threw up the red flag to me is; at the same Kewaunee Co Board meeting this Task Force was proposed, the Chairman of the Board, Mr. Weidner brought information to the board that this committee wanted to send one of the members to a meeting in North Carolina that would cost taxpayers \$1,200 (this was not approved).

A week later the Finance Committee approved diverting \$3,000 of unspent money from the UWEX University of Wisconsin Extension budget to hire a University of Wisconsin graduate student for 200 hours of work to research certain undefined issues surrounding nuclear plant shutdowns. Supervisor Jim Abrahamson put forth that motion, it was seconded by Brian Dax and the motion carried unanimously. My next question was: Is there a budget for this Task Force? Where does the spending begin and end? There is no budget, but Chairman Weidner indicated this Task Force will be funded from the budget as established for the County Board activities.

Human Services: Our Human Services department has a new Director in Gregg Thousands who has inherited somewhat of a financial mess he must to manage his way out of. This department registered a loss in excess of \$1.29 M in 2012 which wasn't identified until September of 2013 when the auditors rendered their report. The largest portion of this discrepancy, about -- \$750K-- resulted from a program called WIMCR (Wisconsin Medicaid Cost Reporting). The WIMCR program is an **extremely complicated** government program that requires annual cost reporting by certified public Medicaid providers for the following services; home health services, medical day treatment services, outpatient mental health and substance abuse services, personal care services and substance abuse day treatment services. The balance of the loss was attributed to cost overruns in mandated services for child protection and behavioral health services. Gregg Thousands is very aware of these issues and will have the challenge of trying (I say trying, because with some of these mandated programs there is very little local control). Gregg has introduced procedures whereby he will have a better handle on what the individual employees are accomplishing in his unit.

A personal note on this whole Human Service issue: As a society we don't want anyone to suffer, but in recent years, we are spending more and more of our tax dollar to assist those apparently in need. From both the Federal and State level, more and more mandates are being pushed down to county level causing counties to dig deeper into the local taxpayer pockets to support these programs. I personally believe there should be more accountability from those people who are receiving these services. It is a tremendous and growing problem that needs attention.

Schedule 2 Employee Salary Increases – this will get your attention!

The Personnel Sub-committee along with Mr. Dorner initially put together a list of names of Schedule 2 employees they deemed (by him?) underpaid. The initial list was 5 employees and that list was expanded upon at the Dec 11th Personnel meeting. That new list included:

Employee Name	Title	Current Salary	Salary Increase	% of Increase	2014 Salary
Cornelius, Dave	Chief Deputy	\$65,815	\$4,500	.0683%	\$70,315
Treml, Joseph	Jail/Lt	\$64,255	\$3,000	.0466%	\$67,255
Gulbrand, Chris	Lt. Sheriff Dept.	\$64,255	\$3,000	.0466%	\$67,255
Wallander, Andrew	County Conservationist	\$57,256	\$1,500	.0261%	\$58,755
Aulik, Joe	Veterans Service Officer	\$48,565	\$2,500	.0514%	\$51,065
Halada, Mary	Public Health	\$66,685	\$1,500	.0224%	\$68,185
Loining, Ross	Dir. Info Systems	\$74,759	\$1,500	.0200%	\$76,258
Payette, Matt	County Parks	\$56,869	\$3,000	.0527%	\$59,869
Hanson, Steve	Land Information Dir.	\$55,058	\$4,942	.0897%	\$60,000
Wisnicky, Jeff	Corporate Council	\$49,566	\$1,000	.0229%	\$50,566

Important Note: The three salaries highlighted in red not only received an increase in base pay, but they each received a \$1,500 bonus as a result of the management contract the county entered into with the city of Algoma for management of the Algoma City Police Force. There was no mention of bonus money in the contract and it seems our Sheriff and his management team were confident they could manage the Algoma force with existing staff. This was presented to the board in a resolution on Dec 17th and it passed the board by a vote of 13 to 6 with the following board members voting in favor of these bonuses: Barlow, Heidmann, Abrahamson, Paphlam, Weidner, Wagner, Swoboda, Hutter, Mayer, Dax, Rueckelberg, Koenig and Garfinkel. **This action seems to me to set a precedence and is a very onerous one at that.** Suppose that Kewaunee Co. decides to partner with Manitowoc, Brown or Door County on some other actions or agreements, or the County provides services to another city. Are any of those employees involved in those projects automatically going to be given bonuses?

Total increase in base salaries and bonuses for this group of people totaled \$25,942. But when you consider the fringe cost of retirement, workers comp, and SS, the real cost of those increases is \$30,984. And if one considers this over a period of, let's say ten years, it is \$310,000 cost.

Prior to the Personnel meeting of Dec 11, where on the spot decisions were made as to Schedule 2 employee increases, I had completed a salary study of 11 counties (comparable both in equalized value and population) to Kewaunee County. Even though Door and Manitowoc Counties are not comparable to Kewaunee County, I left them in the comparison because of their geographical location to Kewaunee County. This study was completed the week of December 2, 2013 by me personally calling either the County Clerk or the HR person in each of the 11 counties to get their 2014 salaries schedule for the positions listed in the table above. This survey took about 8 hours of calling time to complete. My survey results showed that about **\$14,500 of the \$26,000 salary increases should have been granted.**

Our Chairman, Bob Weidner, chairs the Personnel Committee, and as the chair, has great influence on decisions taken on these salary increases. He chose to not consider my salary information in these discussions and instead used the 2012 Carlson Dettmann salary survey. In fact during the meeting he rhetorically said "How can I trust your numbers?"

Chairman Weidner is well aware that the "comparable" county set of Calumet, Door, Manitowoc, Marinette, Oconto, Shawano and Waupaca counties used by Carlson Dettmann are not comparable to Kewaunee County. In fact the only county that is even close is Shawano County with equalized values of \$2.9B and population of 41.7K. Remember, our equalized value is \$1.42B and our population is 20,500. What is more interesting is that last spring, Chairman Weidner chose to use a combination of the study I completed and Carlson Dettmann information to negotiate a salary freeze for 2013 for all the other employees. I agree with Chairman Weidner that Kewaunee County does not have a viable employee evaluation/rating system in place, an evaluation system that would provide some indication as to whether an employee should be considered for an increase. **But in lieu of having that system, the next best information is a survey of what comparable counties are doing with salaries.**

So, following the December 11th meeting of the Personnel Committee where the decisions to increase these salaries was taken, it took the Secretary of the Personnel Committee, Mr. Barlow, a full 6 days to complete the minutes and have them posted the afternoon of Dec 17th for anyone to see. That means board members did not have any information on these proposed increases until they sat down at the board meeting at 5 P.M on the 17th. District 2, Supervisor, Larry Kirchman rightfully argued the board members did not have time to study this issue in as much as they had received the proposal so late. I also supported that position and reflected on the Personnel Committee taking these decisions in a matter of minutes with little or no research to justify the proposed increases. I put forth a motion to table these salary increases until the January board meeting which would give the board members time to conduct their own research and to understand the overall impact of these increases. The motion to table was seconded by District 13 Supervisor Delebreaux and the motion carried with 10 members voting in favor of tabling the motion. Members that **voted against tabling** were: *Barlow, Heidmann, Abrahamson, Paphlam, Weidner, Wagner, Swoboda, Hutter and Mayer.*

Changes are in the wind: DO YOU LIKE YOUR BOARD? YOU CAN KEEP IT, PERIOD!

I have been serving on one committee, that being the Health/Vets and Child Support. However, I have been attending almost all of the committee meetings of Finance, Personnel, Highway & Solid Waste to learn and understand what is going on, both at the committee meetings and the departments. It has been both enlightening and frustrating to watch. What I have found, is that most of your paid committee members do little work in preparation for their committee meetings. Decisions seem to be driven by information provided them by the Department Heads on those committees. Only a few board members asking meaningful questions at these meetings. My guess is they have not studied the topics on the agenda and have not prepared to discuss those items.

Why do I bring this up? **Elections are right around the corner and it is up to you to elect a board that will represent you, a board that will be thoughtful, a board that will study the issues and put their shoulder to the wheel, and be willing to make the tough decisions that this county needs going forward.**

Your involvement has made a difference and you can continue to make a difference starting with electing board members that will be engaged and represent you, the taxpayer!