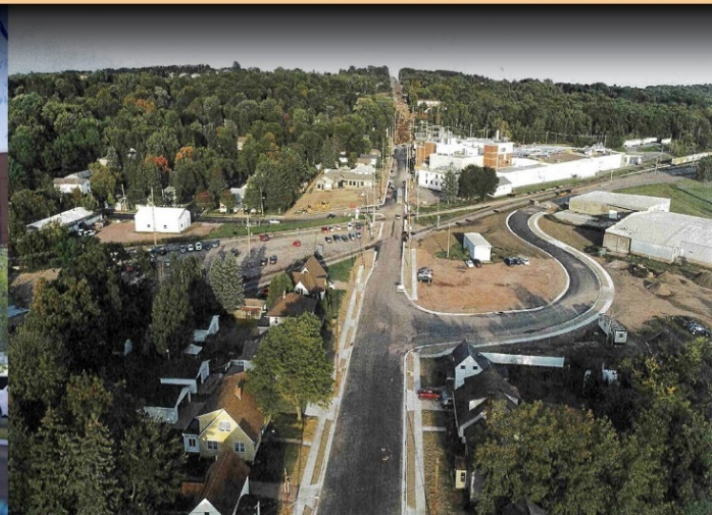
MARATHON COUNTY
2021 ANNUAL BUDGET

COUNTY ADMINISTRATOR'S BUDGET MESSAGE
PRESENTED OCTOBER 6, 2020, TO THE MARATHON COUNTY
HUMAN RESOURCES, FINANCE AND PROPERTY COMMITTEE

MARATHON COUNTY
WISCONSIN



County Administrator's Budget Message

TO: The Honorable Marathon County Board of Supervisors

FROM: Lance Leonhard, County Administrator

DATE: October 5, 2020

SUBJECT: 2021 BUDGET MESSAGE

I respectfully submit this Financial Plan and recommended 2021 Annual Budget for your review and consideration, as required by Wisconsin Statute section 59.033(5). This document represents my recommendations with respect to the 2021 operating budget and funding for the 2021 Capital Improvement Program.

Overview of the Budget Process

Developing an annual budget is a team effort. That statement has taken on particular additional meaning this year. The pandemic has influenced every aspect of our work and our development of this budget is no different. The uncertainty of our financial future was at the forefront of the Human Resources, Finance & Property Committee's discussions relative to budget assumptions. Our department leaders, and the staff that support them, worked diligently to develop individual department budgets that continue to deliver high-quality services to our residents and provide for merit pay funding to attract and retain talented staff, all without additional tax levy funding.

Finally, Kristi Palmer, Christopher Buskirk, and numerous others staff worked collectively, albeit remotely, to develop this document. The product of this effort is a budget that continues to pursue our goal of being the Healthiest, Safest, and Most Prosperous county in the state of Wisconsin by maintaining our essential services and investing in our staff, all while reducing our tax rate from $4.71 to $4.53 (.18 cents / approximately 4%).

In addition to a significant reduction in tax rate, some of the other key features of the 2021 budget and financial plan—discussed in more detail below—include:

- Significant infrastructure improvements at the North Central Health Care Campus, Marathon County Public Library in Wausau, Courthouse, Jail, University of Wisconsin-Stevens Point-Wausau Campus, and our County Park System
- Investment in a new Enterprise Resource Planning (ERP) system to replace our antiquated financial system and integrate our human resources and financial operations
- Increased funding for merit increases to maintain competitive within the labor market, while simultaneously focusing on opportunities to partner across departments to reduce staffing costs
- Reductions in correctional housing expenses
- Expanded investments in law enforcement funding to enhance safety and transparency
- A $250,000 investment to generate Broadband expansion in underserved areas
- Continued emphasis on partnerships to reduce costs and enhance services (Sheriff's Office contractual law enforcement service to Rib Mountain, Hazardous Material Response service contract with the City of Wausau, UniverCity 2020-2023 Program)

The Human Resources, Finance & Property Committee will receive the recommended budget on Tuesday, October 6, 2020, before approving the budget to move forward to the County Board for further consideration. On Thursday, November 5, 2020, the County Board will hold a Public Hearing on the proposed budget, and finally, on Tuesday, November 10, 2020, the County Board will approve the 2021 annual budget, including funding for the 2021 Capital Improvement Program (CIP).

Marathon County Government is recognized as a leader, delivering high-quality, cost-effective, and innovative services. This annual budget provides for the support of 22 county departments, 4 intergovernmental agencies of which Marathon County is a member, and numerous non-profit agencies. Our 781 employees deliver nearly a thousand programs and services on behalf of the residents and guests of Marathon County. We have a long-standing history of prudent, professional fiscal management. Our reserves are healthy and stable, our bond rating is excellent, and we understand the value of long-term financial and facility planning.

We function at a high-level in large part because of the many contributors who are committed to public service and who understand that the work we do matters. This budget plan represents an investment in our shared vision of being the Healthiest, Safest, and Most Prosperous county in the State of Wisconsin and it is my distinct privilege to present it to you.

County Administrator

THE PROPERTY TAX RATE IS REDUCED BY 18 CENTS AND HAS NOT BEEN INCREASED SINCE THE 1995 BUDGET

Property taxes are the largest single source of revenue for counties in Wisconsin. In Marathon County, property tax levy accounts for approximately 29% of our overall operating budget (see pages 23 and 24).

In 2021, the tax rate will be reduced by 18 cents, but our property tax levy is increased by $1,331,254 or 2.63%. Let me explain:

"Tax Rate" - - Amount of tax collected from the tax base (usually expressed in mills, or $.001 of equalized value).

"Tax Levy"- - Equalized value times the tax rate.

So for instance - - $100,000 (equalized value of property) x .002 (2 mills tax rate) = $200 tax levy

The tax levy for the County is the total tax levy of all the properties within the County.

This year the equalized value of all the properties in Marathon County is $11,458,840,600, an increase of $705,707,800 (6.56%) over 2020. That increase minus the portion of the increase in tax increment districts, times the new tax rate ($4.53) generates a $1,331,254 increase in property tax dollars which are incorporated into the 2021 budget. Thus, you can argue that this budget proposal increases taxes if your focus is on the tax levy or you can argue that it decreases taxes if your focus is on the tax rate. Both are true.

AVERAGE HOMEOWNER IMPACT

The average homeowner in Marathon County will see some minor increase in the County portion of their property tax bill for 2021. For illustration the following chart compares the "average homeowner's" tax bill for 2010 thru 2021.

Budget Year	Property Value	Tax Rate	Tax Amount	$ Changes	% Changes
2021	**$169,170**	**$4.53**	**$766.34**	**$17.01**	**2.30%**
2020	$158,756	$4.71	$749.33	$16.59	2.26%
2019	$152,065	$4.80	$732.74	$4.54	0.62%
2018	$146,965	$4.95	$728.20	$7.65	1.06%
2017	$142,685	$5.04	$720.55	$11.11	1.57%
2016	$138,422	$5.13	$709.44	$6.80	0.97%
2015	$136,134	$5.16	$702.45	$12.44	1.80%
2014	$133,465	$5.17	$690.01	$3.70	0.05%
2013	$132,748	$5.17	$686.31	($22.10)	-3.20%
2012	$137,023	$5.17	$708.41	($9.19)	-1.30%
2011	$138,800	$5.17	$717.60	($13.96)	-1.90%
2010	$141,500	$5.17	$731.56		

Thus, the average homeowner in Marathon County will see their County tax bill increase by $17.01 even though the tax rate declined by 18 cents. This happened because of a 6.56% increase in their property value.

FUND BALANCE (WORKING CAPITAL) ACCOUNTS

While fund balance (working capital) can serve as a funding source, it is not a revenue in the ordinary sense. Instead, similar to a savings account, working capital typically accumulates as a result of revenues in excess of targets or expenses below targets. Maintaining a healthy working capital reserve is essential to cover unplanned expenditures or significant shortfalls in projected revenues. A strong fund balance and a sound fund balance policy are also extremely important factors relative to a county's investment rating. Marathon County has maintained a rating of Aa1 for decades based, in part, on these factors. A strong investment rating means lower interest rates on any general obligation debt issuance, which saves taxpayers considerable money in the long-term.

In its 2018 Annual Budget, the Marathon County Board authorized the expenditure of $1,625,438 in working capital to fund expenditures attributable to the opioid and methamphetamine epidemics in our community, specifically, funding new positions in the District Attorney's Office and Sheriff's Office, creating a Drug Recovery Court, and funding increase costs of out-of-home placement of children and the housing of prisoners. At that time the Board recognized the importance to work to repay those funds in future budgets; however, to this point, the funds have not been replenished.

In 2019, our working capital fund served as the funding source for $400,000 of non-capital expenses associated with structural repairs within the county jail (namely, the operating costs attendant to supervising inmates outside our facility), authorized by an emergency resolution of the board.

I am proud to report that due to the diligent efforts of county staff in building this proposed budget, despite significant financial pressures, the 2021 budget is balanced without planning for the spending down of any working capital funds. That said, the recommended budget does not provide for the replenishment of the funds spent in 2018. Additional historical information relative to Marathon County's fund balance is contained on page 27.

ADJUSTMENTS MADE TO BALANCE THE BUDGET

To balance the 2021 budget, we recommend the following adjustments:

1. Budgeting for Attrition in several departments

   In the past, our budgets assumed that all positions would be filled all year long. This resulted in surpluses in these accounts when there was employee turnover and there was a gap of time after the position incumbent left and before the new person started. Historically, the resulting departmental surpluses served as a significant source of funding for subsequent year capital improvement projects. Beginning in 2019, we have reduced payroll budgets by $100,000 in both the Sheriff's Office Corrections Division and the Highway Department.

For the 2021 budget, I expanded our practice of budgeting for attrition to additional divisions within the Sheriff's Office, specifically, reducing payroll within the Communications Division by $100,000 and the Administration Division by $32,630. Past experience relative to position vacancies within each of these areas is such that the funding will not be necessary. That said, budgeting closer to our actual payroll costs does not result in true savings. Instead, it simply more accurately reflects our actual operational costs.

2. Reducing our Inmate Housing Costs

As explained in greater detail on pages 16-19, during the pandemic we have seen significant reductions in our jail census. With fewer people in the jail our expenses relative to direct housing for out-of-county held offenders, meals, medical expenses, and transport costs have gone down significantly. To balance the budget, while also funding shortfalls in other areas of the Sheriff's Office budget, we reduced the 2021 budget for inmate housing related line items. If we hope to continue funding non-mandated services in our justice system, or add new programs, we need to develop strategies to maintain a portion of the reductions in jail census that we have experienced over the last several months. That said, we cannot allow our focus on budget to compromise our commitment to public safety. Our goal of being the Healthiest, Safest, and Most Prosperous county in the state cannot be achieved if we do.

3. Sales Tax Projections

Wisconsin law permits counties to collect a 0.5% sales and use tax on goods and services also subject to state sales tax requirements.[1] According to the August issue of the Wisconsin Counties' Association magazine, currently 68 of 72 counties have adopted resolutions authorizing the collection of sales tax.

In Marathon County, over the past several years, sales tax has been budgeted to account for approximately 8% of our annual projected revenues. Given the inherent volatility of sales tax revenues, particularly in the event of economic disruption, adopting a conservative projection with respect to these revenues is sound fiscal practice. As explained in the 2019 and 2020 annual budget messages, Marathon County has recently budgeted the "full" estimate of sales tax revenue provided to us as a means to balance our budget.

This year, Marathon County was provided three estimates of sales tax revenues by Forward Analytics—the data analytics division of the Wisconsin Counties' Association—a "low," "mid," and "high" projection. My recommendation is to adopt the "low" estimate, $13,533,000. Doing so, is only slightly below ($13,395) the budget assumption relative to sales tax that was adopted by the Human Resources, Finance & Property Committee during the budget preparation process.

[1] County sales and use tax is largely governed by Subchapter V of Chapter 77 of the Wisconsin Statutes.

NEW POSITIONS

Each year departments submit requests for new positions to Administration through our existing position review process. In the 2021 budget process, 5.40 new/expanded full-time equivalent positions were submitted. Each of these requests are needed and would undoubtedly provide valuable services to our community.

Despite that need, in light of the uncertainty with respect to the financial environment in 2021—particularly shared revenues, sales and property tax receipts, and the potential of pandemic related aid payments—I was uncomfortable approving any new or expanded positions that were not fully supported with offsetting revenues.

Ultimately, I have included the following two expanded positions in the 2021 budget:

1. Emergency Management Department – upgrading of an Administrative Specialist to an Emergency Management Technician.

   All costs associated with this upgrade will be offset by revenue associated with a proposed intergovernmental Agreement with the City of Wausau relative to emergency management activities.

2. Parks, Recreation & Forestry Department – upgrading Motorized Recreation Coordinator from .60 FTE to .75 FTE.

   All costs associated with this upgrade will be provided by expenditure reductions and revenue enhancements in other areas of the department budget. The significant increase in demand relative to motorized recreation led department leadership to prioritize resources to this work.

Each of the positions requested by the Sheriff's Office and the District Attorney's Office will be addressed in later sections of this budget message. In short, these needs and others relative to our justice system are significant. We need to develop a more comprehensive, sustainable system for funding growing needs within the justice system. As noted in the section entitled "ADULT DETENTION FACILITY (aka "JAIL") CENSUS" I intend to work with the Sheriff, the District Attorney, the Clerk of Court, and our Circuit Court Judges to develop a system budgeting approach during 2021. My belief is that such a system could provide some assistance in fulfilling the dynamic staffing needs within the justice system.

New & Expanded Position Requests - 2021

Positions Requested To Include In 2021 Budget

	Dept	Request	Class Title (Working Title)	Occ Code DBM	Funding	Net Change FTE	Additional County Funding			Non-Levy or Grant Funds			CTY ADMIN APPROVAL TO PROCEED	Supported by HR, F&P Committee
							Minimum	Control Point	Maximum	Minimum	Control Point	Maximum		
1	Sheriff's Office	Create	Lieutenant - Investigation Division	1014 Contract	100% Tax Levy	1.00	$124,374	$125,301	$126,228				**NO**	
2	Sheriff's Office	Create	Communications Specialist (Public Safety 911 Dispatcher)	5071 B23	100% Tax Levy	2.00	$140,984	$156,960	$176,630				**NO**	
3	Emergency Management	Upgrade	Emergency Management Technician Upgrade Admin Specialist (B21) to EM Technician (B23)	B23	50% Tax Levy 50% EPCRA Grant	0.00	$4,890	$5,573	$6,414	$4,890	$5,573	$6,414	**YES**	**YES**
4	District Attorney's Office	Create	Administrative Coordinator (Legal Secretary)	5023 B23	100% Tax Levy	1.00	$70,492	$78,480	$88,315				**NO**	
5	District Attorney's Office	Create	Assistant Corporation Counsel (Assistant District Attorney)	5194 C42-Market	100% Tax Levy	1.00	$87,020	$99,455	$141,398				**NO**	
6	Parks, Recreation & Forestry	Expand .60 FTE to .75 FTE	Motorized Recreation Coordinator	5240 B23	50% Tax Levy 50% State Grants	0.15	$4,376	$4,376	$4,376	$4,376	$4,376	$4,376	**YES**	**9/8/2020**
REQUESTED FTE'S & FUNDING FOR CONSIDERATION IN 2021 BUDGET						5.15	$432,136	$470,145	$543,361	$9,266	$9,949	$10,790		

Positions Included In 2021 Budget by County Administrator

	Dept	Request	Class Title (Working Title)	Occ Code DBM	Funding	Net Change FTE	Additional County Funding			Non-Levy or Grant Funds			CTY ADMIN APPROVAL TO PROCEED	Supported by HR, F&P Committee
							Minimum	Control Point	Maximum	Minimum	Control Point	Maximum		
1	Emergency Management	Upgrade	Emergency Management Technician Upgrade Admin Specialist (B21) to EM Technician (B23)	B23	50% Tax Levy 50% EPCRA Grant	0.00	$4,890	$5,573	$6,414	$4,890	$5,573	$6,414	**YES**	**YES**
2	Parks, Recreation & Forestry	Expand .60 FTE to .75 FTE	Motorized Recreation Coordinator	5240 B23	50% Tax Levy 50% State Grants	0.15	$4,376	$4,376	$4,376	$4,376	$4,376	$4,376	**YES**	**9/8/2020**
REQUESTED FTE'S & FUNDING INCLUDED IN 2021 BUDGET						0.15	$9,266	$9,949	$10,790	$9,266	$9,949	$10,790		

COUNTY EMPLOYEES
MARATHON COUNTY: FULL TIME EQUIVALENT EMPLOYEES

DEPARTMENTS:	2015	2016	2017	2018	2019	2020	2021	Incr. + Decr. -	See Note
Clerk of Courts	34.00	34.00	34.00	34.00	34.00	33.00	33.00		
Conservation Planning & Zoning	23.00	24.00	24.00	24.00	25.00	27.00	27.00		
Corporation Counsel	6.50	6.00	7.25	7.78	8.00	9.00	9.00		
County Administration	4.00	4.00	4.00	4.00	5.00	5.00	5.00		
County Clerk	4.00	4.00	4.00	4.00	4.00	4.00	4.00		
District Attorney	13.80	13.80	13.80	15.30	15.00	15.00	15.00		
Emergency Management	2.00	2.00	2.00	2.00	2.00	2.00	2.00		1
Employee Resources	6.80	6.80	6.80	7.00	7.00	7.00	7.00		
Facilities & Capital Management	23.70	23.70	35.70	35.70	35.70	37.20	37.20		
Finance	6.00	6.00	6.00	6.00	6.00	6.00	6.00		
Health	42.20	40.82	43.82	43.82	43.82	38.30	38.30		
Highway	78.50	78.50	78.50	78.50	78.50	77.80	77.80		
Library	44.90	46.10	46.10	46.10	46.10	45.03	45.03		
Medical Examiner	2.00	3.00	3.00	4.00	4.00	4.00	4.00		
Parks, Recreation & Forestry	43.00	43.00	43.00	44.00	43.60	43.60	43.75	0.15	2
Register of Deeds	7.50	7.50	7.50	7.50	6.00	5.00	5.00		
Sheriff	186.85	187.85	187.85	193.60	196.60	199.17	199.17		
Social Services	111.73	107.50	111.00	115.63	121.50	126.50	126.50		
Solid Waste	8.00	8.00	9.00	9.00	9.00	10.00	10.00		
Treasurer	5.00	5.00	5.00	5.00	5.00	5.63	5.63		
UW Extension	2.00	2.00	2.00	1.00	1.00	1.00	1.00		
Veterans	2.75	2.75	2.75	2.75	2.75	2.75	2.75		
TOTAL	**658.23**	**656.32**	**677.07**	**690.68**	**699.57**	**703.98**	**704.13**	**0.15**	
Central WI Airport	22.00	23.00	23.00	23.00	23.00	19.75	18.75		3
ADRC-CW	57.71	57.71	58.11	58.11	58.11	57.93	57.93		
Special Education	81.50	83.50	84.00	84.00	98.50	98.50	98.50		

NOTES

1- 1.0 FTE Admin Specialist abolished and 1.0 FTE Emergency Management Technician created

2 - Increased Motorized Rec Coord from .60 FTE to .75 FTE

3 - Reorg in 2020 that did not result in change to FTEs; 1.0 FTE OMT III position not being included in 2021 budget, but will stay open

EMPLOYEE HEALTH INSURANCE

The rising cost of health care is a national concern. At the same time, maintaining a quality, affordable health care benefit plan is key to our ongoing efforts to attract and retain high performing employees. Managing this dynamic in an effective, sustainable way is essential and, in 2021, I envision devoting a considerable amount of energy to reexamining our current strategy and ensuring we have a sound long-range plan in place.

For our organization, like many other, employee health care is a major expense within our annual budget. As provided in the chart below, annually we contribute over $20,000 to the cost of a family health plan and over $8,000 to the cost of an individual plan. As part of the 2020 budget process, we made tough decisions to reduce our projected increases from 12% to 5%, implementing a number of plan design changes, including the implementation of office co-pays, increasing deductibles, and other cost shifting measures. With all those changes in place, our 2020 health insurance budget was $12,148,485.

As we prepared for our 2021 budget, we wanted to guard against being unprepared for a large increase, similar to that which we experienced in 2020, so we budgeted for a 9% increase. Unfortunately, our initial actuarial review recommended a 12% increase. Through the diligent efforts of staff in working with our health care provider, Group Health Trust (GHT), we were ultimately able to reduce our insurance increase to 6.5%. To achieve the reductions we made changes to our health network, selected a new pharmacy benefit manager, and eliminated some benefits to employees participating in our wellness program. A 6.5% increase is certainly better than a 12% increase; however, a 6.5% increase amounts to $773,217. Ultimately, our proposed 2021 health insurance budget is $12,921,702.

As noted above, we will need to explore all available options in 2021 to better control these costs. We have already begun to gather some of the information to aid us in that process. We know that our costs in 2020 were driven by an increase in significant inpatient hospital stays and a small number of high costs claims; however, we need to learn more about what is driving our costs. We have had a very positive relationship with GHT and—apart from 2020 and 2021—our rate experience since 2015 has been far better than the rate of medical inflation. That said, our intent is to fully examine our available options, including the release of a request for proposals relative to the health insurance benefit and examining the merits of returning to a self-funded option.

The stark reality is that many counties around the state have been experiencing similar budget pressures due to rising health care costs. In 2018, Kyle Christensen, Director of Government Affairs for the Wisconsin Counties' Association, explained the compounding pressures caused by tax levy limits and rising health care costs, noting that in 2018:

> ***At least 60 of the 72 counties will experience a higher increase in the cost of employee health insurance than the State imposed levy caps will allow them to take in in new tax levy. (October 5, 2018 WCUTA Meeting)***

Health Insurance - History Of Premiums

Updated - October 1, 2020

Year		Self-Funded VS Fully Insured	SINGLE		Employee +1		FAMILY	
			Full Premium	% Increase	Full Premium	% Increase	Full Premium	% Increase
2021 - 15% employee contribution (5% Wellness Incentive)	UHC Choice Plus	Fully Insured	$755.51	6.50%	$1,813.21	6.50%	$2,130.61	6.50%
2020 -15% employee contribution (5% Wellness Incentive)	Aspirus	Fully Insured	$709.40	5.00%	$1,702.54	5.00%	$2,000.57	5.00%
	Broad	Fully Insured	$769.90	5.00%	$1,849.40	5.00%	$2,173.37	5.00%
2019 -12.6% employee contribution (3% Wellness Incentive)	Aspirus	Fully Insured	$675.62	3.00%	$1,621.47	3.00%	$1,905.30	3.00%
	Broad	Fully Insured	$733.24	3.00%	$1,761.33	3.00%	$2,069.88	3.00%
2018 -12.6% employee contribution (3% Wellness Incentive)	Aspirus	Fully Insured	$655.94	-1.98%	$1,574.24	-3.09%	$1,849.81	-3.20%
	Broad	Fully Insured	$711.89	-1.00%	$1,710.04	-2.03%	$2,009.58	-2.14%
2017 -12.6% employee contribution (3% Wellness Incentive)	Aspirus	Fully Insured	$669.18	-2.50%	$1,624.39	-2.50%	$1,911.04	-2.50%
	Broad	Fully Insured	$719.06	-2.50%	$1,745.50	-2.50%	$2,053.53	-2.50%
2016 -12.6% employee contribution	Aspirus	Fully Insured	$686.34	-6.12%	$1,666.04	-6.12%	$1,960.04	-6.12%
	Broad	Fully Insured	$737.50	0.88%	$1,790.26	0.88%	$2,106.18	0.88%
2015 -12.6% employee contribution		Fully Insured	$731.08	0.00%	$1,774.65	0.00%	$2,087.81	0.00%
2014 -12.6% employee contribution		Fully Insured	$731.08	12.80%	$1,774.65	12.80%	$2,087.81	12.80%
2013 -12.6% employee contribution		Fully Insured	$648.12	5.29%	$1,573.26	5.29%	$1,850.89	5.29%
2012 -12.6% employee contribution		Fully Insured	$615.55	-14.54%	$1,494.20	N/A	$1,757.88	-9.31%
2011 - 10% Non-represented; 5% union employee contribution		Fully Insured	$720.31	5.44%			$1,938.30	5.41%
2010 - 5% employee contribution		Fully Insured	$683.14	10.87%			$1,838.79	11.00%
2009 - 5% employee contribution		Fully Insured Group Health Trust (GHT)	$616.15	4.00%			$1,656.57	4.00%
2008 - 5% employee contribution		Self-Funded	$592.45	16.00%			$1,592.85	16.00%
2007 - 5% employee contribution		Self-Funded	$510.73	4.00%			$1,373.15	4.00%
2006 - 5% employee contribution		Self-Funded	$491.09	6.00%			$1,320.34	6.00%
2005 - 5% employee contribution		Self-Funded	$463.29	12.00%			$1,245.60	12.00%
2004 - 5% employee contribution		Self-Funded	$413.65	30.00%			$1,112.15	30.00%
2003 - 5% employee contribution		Self-Funded	$318.19	10.00%			$855.50	10.00%
2002 - 5% employee contribution		Self-Funded	$289.26	2.50%			$777.73	2.50%
2001 - 5% employee contribution		Self-Funded	$282.20	5.08%			$758.76	21.63%
2000 - 5% employee contribution		Self-Funded	$268.57	6.06%			$623.83	6.69%
1999		Self-Funded	$253.23	12.55%			$584.71	11.41%

Year	Self-Funded VS Fully Insured	SINGLE		Employee +1		FAMILY	
		Full Premium	% Increase	Full Premium	% Increase	Full Premium	% Increase
1998 (1/5/98 - County won arbitration award RE: Hwy Union and PPO benefit plan)	Self-Funded	$225.00	27.01%			$524.85	25.39%
5/1/97 (PPO benefit plan for all employees except for Hwy Union)	Self-Funded	$177.15	-16.00%			$418.59	-16.00%
1997	Self-Funded	$210.89	47.51%			$498.32	36.16%
1996	Self-Funded	$142.97	-8.42%			$365.97	-5.54%
1995	Self-Funded	$156.11	5.69%			$387.44	4.68%
1994	Self-Funded	$147.71	-4.57%			$370.12	-3.28%
1993 (100/300)	Self-Funded	$161.61	-22.94%			$399.61	-12.38%
1993 (200/600)	Self-Funded	$154.78	-26.19%			$382.67	-16.10%
1992	Self-Funded	$209.71	1.00%			$456.08	1.00%
1991	Self-Funded	$207.63	53.12%			$451.56	42.05%
1990	Self-Funded	$135.60	20.00%			$317.89	20.00%
1989	Self-Funded	$113.00	20.00%			$264.91	20.00%
1988	Self-Funded	$94.17	12.15%			$220.76	12.63%
1987	Self-Funded	$83.97	20.87%			$196.00	21.85%
1986	Self-Funded	$69.47	19.71%			$160.86	10.88%
1985	Self-Funded	$58.03	9.22%			$145.07	9.21%
1983-84	Self-Funded	$53.13				$132.83	

EMPLOYEE COMPENSATION

The county's most valuable asset in working to achieve its goal of being the Healthiest, Safest, and Most Prosperous county in the State of Wisconsin is our team of employees. Ensuring that we are able to attract and retain talented workforce with diversity of perspective, background, and experience, is key to our success. A competitive compensation system is a core component of a comprehensive talent attraction and retention strategy.

Since 2016, we have budgeted a 2% annual increase in employee compensation, which is distributed through our performance-based pay system. This means that not every employee receives a 2% increase, but instead Department Heads allocate raises based on individual performance. As referenced in previous budgets, our performance-based pay system has been hindered by a lack of adequate funding. Our annual budget allocations have not kept pace with the market trends.

The 2021 budget provides for a 2.3% increase in employee compensation ($1,396,479). Again, these funds will be applied to the performance based pay structure in place:

- Total County Payroll for 2021= $67,767,360
- Tax Levy Supported Payroll[2]= $37,373,048

The proposed increase still lags behind market compensation increase trends; however, it is an important step forward in further developing our talent attraction and retention strategy. It is important to note that in this year's budget each department was tasked with funding the 2.3% increase from within their 2020 budget allocation, while still maintaining a flat (0% increase) budget.

WORKER'S COMPENSATION INSURANCE

Our cost of workers' compensation decreased by 8% causing a savings of $122,209.

2020 Adopted Workers' Compensation Budget - $1,484,089
2021 Proposed Workers' Compensation Budget - $1,361,880

HIGHWAY PAVING AND BRIDGE PROGRAMS

We are planning to spend $6,378,767 on highway paving in 2021.

[2] Because a significant portion of our employees are funded through non-tax levy revenues, if the proposed compensation increases were eliminated, or reduced, the savings to the levy would be approximately 2/3 of the overall reduction.

Specifically, we plan on completing a total of 37.65 miles of highway improvements, consisting of 17.47 of highway being pulverized and replaced with four (4) inches of asphalt, 2.47 miles of roadway will have two (2) inches of asphalt milled (removed) and replaced with two (2) inches of new asphalt, and 17.71 miles of highway will receive a one (1) inch asphalt overlay. In terms of general estimates, one mile of full-depth (4 inch) asphalt replacement costs $235,000 and should last, with appropriate use and maintenance, for twenty (20) years. Our other maintenance efforts (the mill-and-replace and overlay approaches) can be used as intermediate tools to extend the life of a roadway based on its condition.

We have estimated vehicle registration fees of $3,000,000. (126,856 vehicles registered in Marathon County @ $24.83 net to the County = $3,149,834) Those fund will be used to partially fund the 2021 County road paving program.

With respect to bridge infrastructure, we will replace two (2) bridges in 2021 with funding to come from CIP Tax Levy:

- CTH O, Four Mile Creek $125,000 (The County pays the full costs of this project)
- CTH L, Beaver Creek $190,000 (The County pays the full costs of this project)

Additionally, we intend to undertake design work with respect to the following three (3) bridge projects:

- CTH K, County Line Creek branches (2 bridges)
- CTH A, Little Rib River

The total cost with respect to these three bridge projects is estimated to be $3,358,714, of which $2,686,971 (80%) is federally funded. The county share of the anticipated combined design cost for these bridge projects is approximately $142,758, of which $101,186 is budgeted in 2021.

PARK DEPARTMENT SMALL CAPITAL PROJECTS

Several years ago, we instituted a practice of setting aside $100,000 annually to fund small capital projects within our park system. The funds certainly do not cover large maintenance projects; however, this practice is important in that it allows us to do important small maintenance projects that prolong the life of our recreation infrastructure and mitigate the risk of small issues developing into significant cost projects. In 2021, we will:

1. Replace Park Operations Mechanic Shop Hoist - $16,000 (50%/50% split with City, total project is $32,000)
2. Reset loose stones, replace missing stones on the steps to overlook at Dells of the Eau Claire Park- $19,000
3. High Bridge Deck Replacement at Dells of the Eau Claire Park- $10,600
4. Utility mapping at Marathon Park- $8,000
5. Replace Rubber Flooring in Ice Arenas -$33,500
6. Replace tables and chairs in East Gate Hall - $11,600

START RIGHT

Start Right is a program unique to Marathon County, which provides health education, parent coaching and support, and case management services to at-risk families from pregnancy to age five. In 2021, the program is anticipated to cost $1.6 million dollars—approximately $468,000 of which will come from grants, local foundations funding and Badger Care reimbursements and $1.13 million dollars from County tax levy. The program is a partnership between Marathon County and Children's Hospital of Wisconsin, with county public health nurses delivering prenatal and postpartum services to work to ensure babies are born, and remain, healthy and Children's providing services after a child is born to help parents be the best parents they can be.

At its core, Start Right was developed as a way to limit costs elsewhere in the County budget, specifically by reducing incidences of child abuse and neglect, which could otherwise trigger children being removed from their homes and require the expenditure of county resources.

Over time, we have also come to see that the program is likely to have considerable benefit relative to the coordination of mental health services. Moreover, as we have learned more about the long-term impacts of adverse childhood experiences (ACEs), we understand that Start Right, and other programs like it, are likely responsible for mitigating the risk of negative adult outcomes—such as arrest, incarceration, and alcohol/drug dependency—for the children served, all of which would otherwise require the expenditure of county resources.

Moving forward, Start Right will consist of three major components:

- **First Steps** – A public health nurse provides education and care coordination to women during their pregnancy and to families with a newborn baby.
- **Step-by-Step** – Involves outreach to families who could benefit from intensive one-on-one parent education. A parent educator, employed by Children's Services provides education with emphasis on parent-child interaction, child development and early learning.
- **Stepping Out** – Involves Family Resource Centers in the communities of Athens, Edgar, Hatley, Marathon, Mosinee, Spencer, Stratford and Wausau. "Play N' Learn" is offered at the centers which focuses on parent-child interaction. Additionally, center staff are looking for indications that the family might benefit from other community offerings.

A great deal of information regarding the program, including the numbers of individual's served and the outcomes achieved, is available in the Health Department's Annual Report (see link below) starting on page 27.

http://www.co.marathon.wi.us/Portals/0/Departments/HLD/Documents/MCHD_AnnualReport.pdf?ver=2019-06-19-144325-907

In 2020, we realized a seldom discussed benefit of our Start Right Program—namely the surge capacity it provides in the form of public health nurses in the event of a public health emergency—when our county public health Start Right nurses were diverted to lead much of our frontline pandemic response, performing contact tracing, and overseeing disease investigations. Children's Service Society staff modified their service delivery strategies to provide services safely both virtually and in-person.

In 2021, assuming that State resources are made available to fund our pandemic response, we intend to return our public health nurses to their important work with Start Right families. Quite simply, the pandemic, and the socio-economic consequences that have resulted from it, have increased the need for these services in our community. In addition to restoring our staff support for the program, in 2021, we also intend to move forward with an evaluation of the true *return on investment* of the program, through our participation in the UniverCity Year Program. We owe it to our staff, those we serve, and the taxpayers to ensure that we are maximizing the value of our resources.

BROADBAND EXPANSION

Broadband expansion, and how county government can facilitate it, has been a topic of discussion since 2009. In 2018, broadband expansion was identified as one of the twelve (12) objectives of the county's strategic plan. The adage "broadband is a need not a want" was often used in committee and board meetings; however, the pandemic has proven that statement more accurate than perhaps anyone realized.

In early 2020, when children across Marathon County and the country transitioned to virtual education to close out the academic year, our broadband systems were stressed. That pressure built with the issuance of the Governor's "Safer At Home" order and the rapid efforts of businesses to transition their employees to remote work environments. There are no signs of the pressure relenting and our economy's demand for increased broadband coverage and bandwidth is only increasing.

While the spread of covid-19 across the country, and our county, has clearly demonstrated how integral broadband access is for a resilient economy and virtual education, it has also caused us to further reflect upon the significant public safety risk that exists based on the combination of the failing copper landline telephone infrastructure and inconsistent cellular telephone coverage that exists in some of our communities. The county's Broadband Task Force has been doing important work, reaching out to internet service providers (ISPs), educational partners, and representatives from state governmental agencies. The task force has expressed clear intent to recommend that the county aggressively pursue grant applications, particularly through the Wisconsin Public Service Commission (PSC). That said, if we are successful in applying for such grants to meaningfully increase access and service-levels, significant financial investment will be required in terms of matching funds.

The 2021 budget provides for $250,000 to be set aside for purposes of broadband expansion project grant application funding.

FUNDING OF NON-PROFIT ORGANIZATIONS

As explained in previous annual budget messages, direct county funding of non-profit organizations has been a source of controversy for 25 years.

The objection has always been—***if you can't afford to fully fund mandated County services, why are you using County funds to support services provided by non-profits that can raise money in the community by other means?***

As part of the 2020 Annual Budget, the board developed plan to, at least temporarily, resolve the longstanding debate relative to non-profit funding. Specifically, the board resolved to implement a plan to progressively reduce financial support for five (5) of the non-profits over the course of four (4) years, essentially reducing their individual allocations by 25% of their respective 2019 funding amount. With respect to the remaining six (6) non-profits, the board elected to continue their previously established funding level.

The proposed 2021 budget continues with the funding levels for the two groups of non-profits in accordance with the will expressed by the board in 2020. The organizations on the left side of the chart below have been allocated funding at a level equal to 50% of their 2019 allocations, while the organizations on the right side of the chart continue to be funded at 100% of their previous allocations.

Crime Stoppers	$2,500		2-1-1 Information and Referral (United Way)	$40,000
Healthy Teens (Boys and Girls Club)	$12,500		Educational Bootcamp	$40,000
Marathon County Development Corporation	$90,000		Historical Society	$54,376
Partners for Progressive Agriculture	$10,000		Judicare Mediation Program[3]	$15,000
Wisconsin Valley Fair	$10,000		North Central Community Action Program	$33,757
Total Funding Allocation	**$125,000**		Women's Community	$55,000
Amount Reduced from 2020 funding level	**$62,500**		**Total Funding Allocation**	**$238,133**

ADULT DETENTION FACILITY (aka "JAIL") CENSUS

Marathon County has long recognized that the costs of housing Marathon County jail inmates in other county jails is a driver of the annual county budget. Whether it is the direct costs of housing inmates, their medical costs, or the costs to transport inmates to and from other facilities in the event our jail is at capacity, each county budget since 2000 has conveyed the importance of controlling these costs.

As noted in the 2020 budget, jail census is the product of numerous factors within a "public safety system," where multiple players (Judges, the District Attorney's Office, Community Corrections, Justice Alternatives, NCHC, Police Agencies, and others) need to work together to achieve a goal like reducing the jail population. Reducing the census in isolation is easy, doing so in a manner that strengthens public safety requires a thoughtful

[3] The Judicare Mediation Program was a new endeavor funded as part of the 2020 Annual Budget through a transfer of funds from the Sheriff's Office's out-of-county inmate housing allocation, after the Sheriff expressed support for evaluating whether the program would increase availability of judicial resources to address criminal cases more promptly, which would in turn reduce correctional care costs. Additional information regarding the program is available at https://wisconsincentraltimenews.com/2019/07/24/more-access-to-justice-volunteer-based-civil-court-mediation-program-expands/ It was anticipated that the Evidence-Based Decision Making Team would evaluate the return on investment of the program in 2020; however, because of the orders issued by the Wisconsin Supreme Court in connection with the pandemic, the mediation program was unable to operate for the majority of 2020.

approach which focuses on the best interests of County residents, not just cost reduction. Marathon County has understood the complex nature of the public safety (justice) system for decades. We were the first county to form a Criminal Justice Coordinating Council (originally known as the Justice Advisory Council), in 1994, and we were one of the six counties selected to participate in the state's Evidence-Based Decision-Making (EBDM) pilot program.

Our EBDM group was integral in the implementation of countless initiatives, including our:

- **Drug Recovery Court** – aimed at providing a structured environment, coupling intense treatment options and court oversight, to rehabilitate justice system involved county residents that would otherwise be facing significant terms in the State Prison system. Our program works closely with our child protection system to identify individuals with children in out-of-home care, which offers another significant benefit in the form of reducing long-term care costs and returning children to their biological parents.

- **Crisis Assessment Response Team** – CART was developed to work with individuals in the community that are in crisis to build rapport and make connections with resources in order to maintain the individuals wellbeing without the use of emergency detention or jail. CART includes one Marathon County Sheriff's Deputy and one Wausau Police Officer teamed with crisis counselors from NCHC. To learn more about CART, you can access this article on our online newsletter - https://wisconsincentraltimenews.com/2018/05/22/responding-to-mental-health-crises-in-a-new-way/

- **Crisis Intervention Training / Crisis Intervention Program** - CIT is a community based approach to improve outcomes for officers responding to mental health crises. CIT provides 40 hours of training for law enforcement to improve responses to and reduce arrests of people with mental health issues. CIP is a 16 hour training designed for a wide range of audiences interested in better understanding and improving interactions with people experiencing a mental health crisis. Participants may include correctional officers, dispatchers, emergency personnel, medical staff and more. CIP can improve overall safety for individuals and staff as well as improve identification, referral and treatment services of individuals with mental illness.

- **Hot Sheet Case Tracking** – Hot sheet case tracking was developed as a way to reduce case disposition times for individuals detained in the Marathon County Jail. Defendants incarcerated and awaiting court activity for cases more than 120 days are identified and reported to the judicial branch responsible for processing. Hot sheet tracking keeps the courts focused on issues related to the case that need addressing in order for the case to move more quickly to sentencing. Quicker sentencing leads to a reduction in jail stays.

- **Arrest Proxy Tool –** The purpose of the PROXY assessment is to help guide law enforcement in their decision making at the first point of contact with an offender. The goal of the PROXY is to divert low risk offenders from being arrested and booked in to the county jail. The tool can further assist in screening the level of appropriateness for diversion programming. The PROXY was implemented collaboratively between the Marathon County District Attorney's office and local law enforcement.

- **Active Warrant "Clean-Up"** – This project was aimed at identifying and disposing of outdated warrants unrelated to significant public safety concerns in order to prevent unnecessary arrests and incarcerations. Ultimately, the project resulted in the quashing of 562 outdated warrants, saving considerable law enforcement and court resources.

This past success of our EBDM Team is important because we need to build on that success to improve public safety and control costs.

In 2020, as a result of the pandemic our justice system underwent considerable change. We restricted the circumstances under which we would accept new inmates at the jail, the local office of the Division of Community Corrections (probation/parole) implemented new practices relative to placing clients in custody, and our courts have embraced "virtual" appearances.

During this same time, we saw our average jail census fall considerably. As shown in the chart on the following page, our 2020 monthly average jail census is 294, a significant reduction from 2019. **That said, further examination of the data from April to August tells of an even more significant reduction. During that five month period, our average census was 269, approximately 86 fewer inmates per day from our 2019 average**.

Apart from the substantial reduction in the costs associated with inmate housing, the decline in inmate population has resulted in significant expense reductions relative to inmate medical, food service, and transportation costs.

Quite simply, we need to find a way to maintain a significant percentage of these reductions trend. To balance this year's budget and provide funding necessary to procure body cameras, to fund our special teams with the equipment they need to do their work, and to maintain our public safety communications network, I reallocated approximately $575,000 in inmate housing related costs. We cannot afford to go back to our jail census of years past.

To further foster the team mentality that we will need amongst our justice system partners to be successful, in 2021, I will work to pilot a system budgeting approach within our justice system. The goal of the system would be to continue to pursue process improvements within the system, while at the same time working to ensure that savings generated from those efforts are shared within the system. I have already met with the Sheriff, District Attorney, and the Clerk of Courts to discuss the potential merits of this new approach and while we don't know exactly what this new system will look like, there was broad support for approach.

JAIL CENSUS

YEAR	JAN	FEB	MAR	APR	MAY	JUN	JULY	AUG	SEPT	OCT	NOV	DEC	TOTAL	MONTHLY AVG.
2020	**355**	**332**	**337**	**279**	**279**	**267**	**265**	**263**	**265**					**293.55**
2019	381	369	358	347	350	353	362	345	350	353	340	355	4263	355.25
2018	374	374	400	411	418	412	408	397	394	388	379	357	4712	392.67
2017	400	413	399	441	394	399	422	423	404	379	372	375	4821	401.75
2016	351	359	348	358	361	371	380	371	401	410	398	395	4503	375.25
2015	327	329	345	365	356	337	328	331	338	337	340	339	4072	339.33
2014	343	349	342	352	341	342	347	341	344	347	358	329	4135	344.58
2013	352	362	348	343	346	374	371	362	358	366	367	348	4297	358.09
2012	310	306	305	326	327	322	327	341	334	345	336	339	3918	326.5
2011	287	293	305	303	298	305	298	301	298	293	294	290	3565	297.09
2010	303	298	298	312	302	296	303	312	300	302	292	284	3602	300.16
2009	303	315	326	317	334	335	326	339	338	324	326	315	3898	324.84
2008	336	340	350	346	347	359	346	355	352	359	354	328	4172	347.67
2007	326	326	330	319	322	334	326	323	341	357	349	334	3987	332.25
2006	357	361	381	387	376	375	366	344	350	337	327	317	4278	356.5
2005	304	300	315	337	324	337	353	339	327	353	357	361	4007	333.92

OUT-OF-HOME PLACEMENT OF CHILDREN

Intervening and providing services to children who are abused or neglected and working to rehabilitate youth in our juvenile justice system are core functions of county government.

In 2021, we will spend $5,692,345 placing children that are in-need of protective services or that are involved in our youth justice system in community placements or in institutional care settings.

	2020 Actual Placements	10 year Average	2021 Budgeted Placements	Avg. Placement Cost	2021 Budgeted Placement Cost	2020 Budget Placement Cost	Difference Between 2020 and 2021 Budgeted Placements
Correctional Care	1	2	1.5	$224,475	$ 336,713	396,048	(59,335)
Residential Care	9	14	13	149,529	1,943,871	1,915,782	28,089
Group Home	8	9	9	90,828	817,453	915,000	(97,547)
Treatment Foster Care	16	12	17	54,024	918,416	966,627	(48,211)
Specialized Foster Home	12	16	14	18,521	259,297	279,705	(20,408)
Foster Home	97	68	86	9,941	854,917	982,734	(127,817)
Court Ordered Kinship	36	29	50	3,048	152,400	164,592	(12,192)
Long-Term Guard-Kinship	67	36	70	3,048	213,360	182,880	30,480
Voluntary Kinship	25	70	30	3,048	91,440	118,872	(27,432)
Subsidized Guardianship	10	8	12	8,707	104,478	158,787	(54,309)
Foster Care to 21	0	N/A	0	0	0	0	0
Total	**281**	**264**	**303**	N/A	**$5,692,345**	6,081,027	(388,682)

This represents a $388,682 decrease from the amount budgeted in 2020; however, this decrease is not without risk. Placements are driven by the specific needs of the children and families we serve, not by the budgets we set. That said, I am confident in our social services professionals and the plan we have put in place to achieve this reduction.

Specifically, the 2021 budget provides for the continued investment of two (2.0) full-time Social Services Specialist positions—provided for in the latter half of 2020—to work closely with families to provide services and supports that should allow children to more often safely remain in their homes or return to their home more quickly. This expansion of service is in keeping with the mandates of the Federal Family First Prevention Services Act, is consistent with our 2018-2022 Strategic Plan, and is a best-practice in the field of child protection; however, we will need to continue to monitor the effectiveness of these positions in reducing our out-of-home care placement costs. If this approach is unsuccessful, we will need to develop new ones.

FUNDING OF REGIONAL INTERGOVERNMENTAL ENTITIES

1. City-County-NCHC Technology Department (CCITC)
    - Funding for CCITC is $1,736,119, a 3.7% increase over 2020.
    - The 2021 CCITC budget increase is driven by increased funding relative to IT security, software costs associated with our impending shift to Office365 and its collaboration tools, and employee benefits costs.
    - By agreement the County Board cannot reduce the amount contributed for technology support.
    - In an attempt to control IT spending, the 2021 proposed budget removes a number of department-specific software costs from the CCITC budget and transfers them to the appropriate department. The intent in doing so is to ensure that the departments primarily responsible for the utilization of unique software systems accurately understand the costs of these proprietary systems and weigh the cost against the benefit conferred by the systems.

2. Aging & Disability Resource Center of Central Wisconsin – ADRC-CW
    - Funding continues at the level initially set when the regional entity was created, $395,367.

3. Adult Protective Services
    - These services have historically been provided by NCHC on behalf of Marathon County; however, there has been considerable discussion regarding the transfer of this responsibility, along with the corresponding tax levy allocation ($398,991) to the ADRC-CW. Because the transfer has not been effected and discussions are envisioned to continue, the tax levy allocation will be specifically set aside in an independent line item for provision to the organization responsible for delivery of the service.

4. North Central Health Care (NCHC)
    - The tax levy contribution in the proposed 2021 budget is $4,382,212, the same amount provided for in the 2020 budget.

SHARED SERVICES	
Hospital Psychiatry	$ 389,630
Crisis	1,470,465
Contract Services	587,772
TOTAL	**$ 2,447,867**

MARATHON COUNTY ONLY PROGRAMS

- North Central Health Care operates a number of programs directly for Marathon County that require tax levy support to operations. The largest program is Mount View Care Center (MVCC).

Community Corner Clubhouse	$ 92,000	
Aquatic Therapy Pool	342,345	
MVCC – Legacies Dementia Care	751,298	$1,500,000
MVCC – non-dementia care	748,702	
TOTAL	**$1,934,345**	

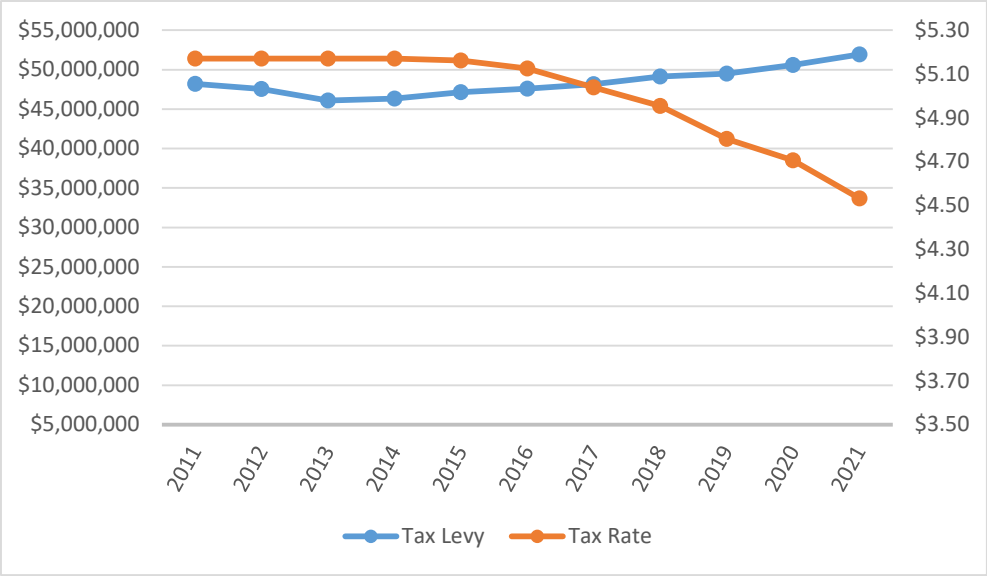
ADULT PROTECTIVE SERVICES

- These services have historically been provided by NCHC on behalf of Marathon County; however, there has been considerable discussion regarding the transfer of this responsibility, along with the corresponding tax levy allocation ($398,991) to the ADRC-CW. Because the transfer has not been effected and discussions are envisioned to continue, the tax levy allocation will be specifically set aside in an independent line item for provision to the organization responsible for delivery of the service.

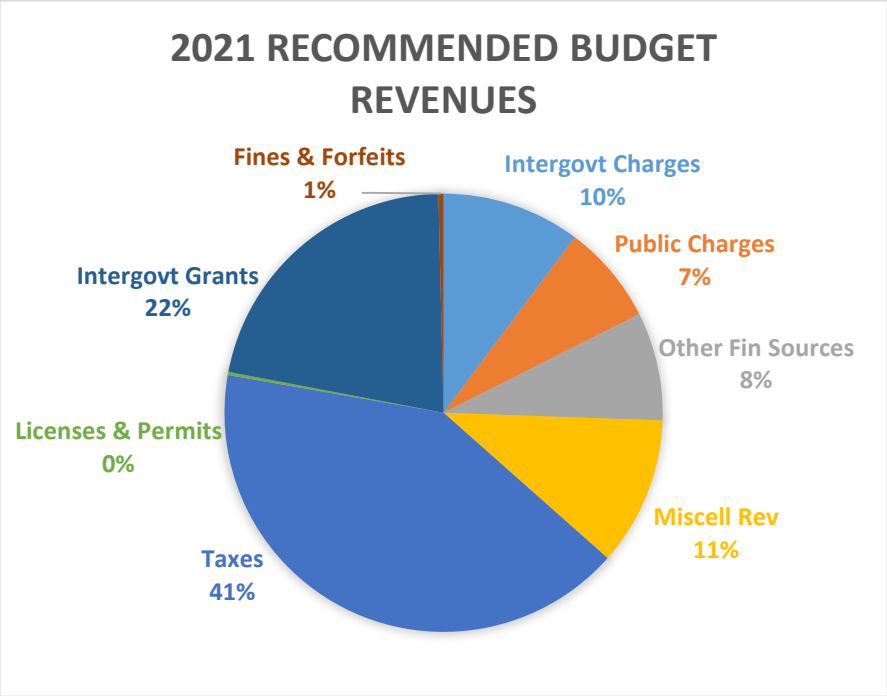
5. North Central Regional Planning Commission
    - Funding for our Commission membership continues to be $43,000 and is incorporated into the budget.

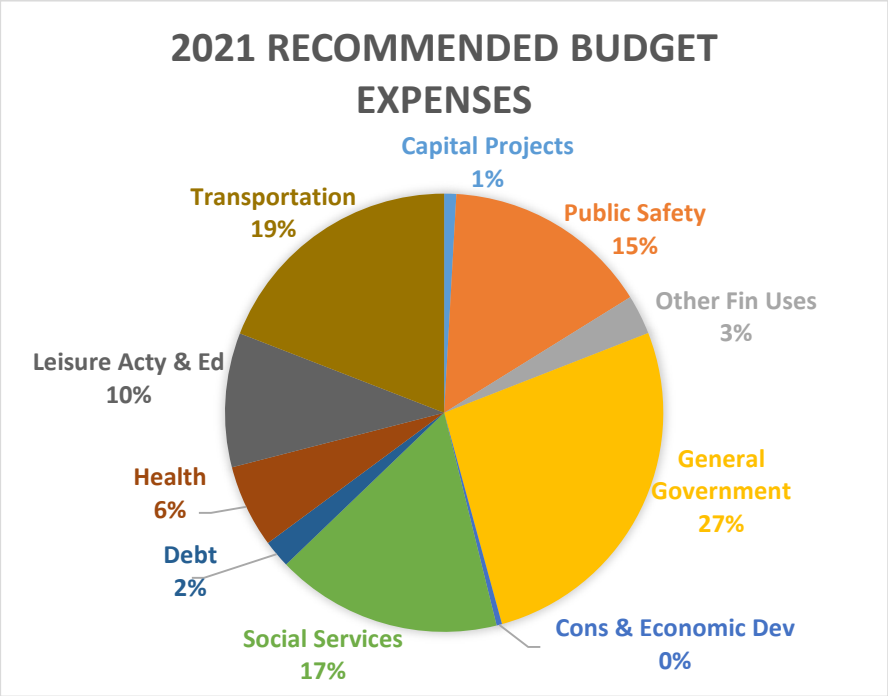
Tax Levy & Tax Rate

Budget Year	Tax Levy	Tax Rate
2011	48,191,420	5.1700
2012	47,573,011	5.1700
2013	46,090,851	5.1700
2014	46,340,765	5.1700
2015	47,152,340	5.1613
2016	47,608,889	5.1252
2017	48,180,111	5.0398
2018	49,135,092	4.9549
2019	49,489,841	4.8047
2020	50,610,851	4.7066
2021	51,942,105	4.5329



Revenue & Expense Budgets by Category





$180,862,834

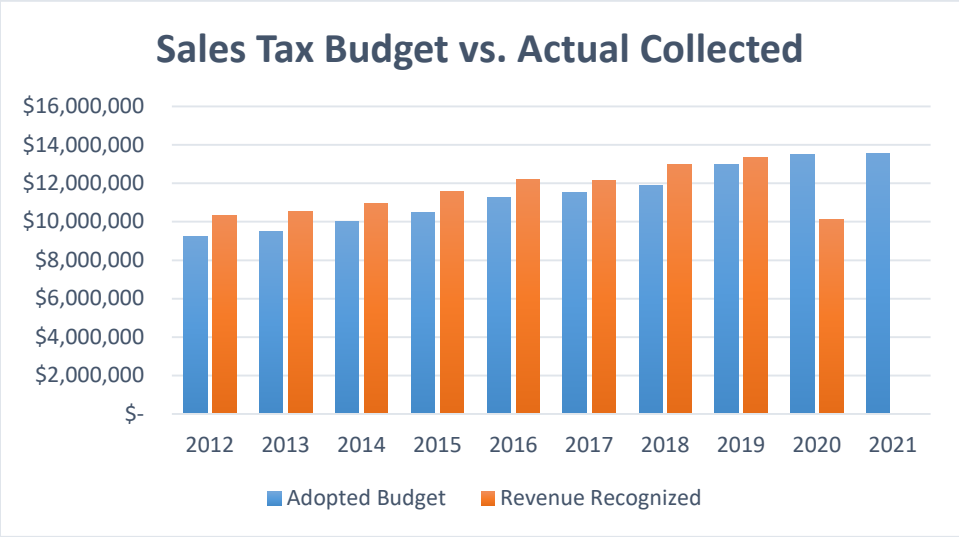
$180,862,834

Sales Tax

Marathon County has collected sales tax since 1987. The main portion of the annual sales tax collection is used in the regular operating budget for the county. We project a $54,000 increase in sales tax collections in 2021.

Budget Year	Adopted Sales Tax Budget	Actual Sales Tax Collected
2012	9,150,000	10,311,949
2013	9,500,000	10,555,003
2014	10,000,000	10,977,152
2015	10,500,000	11,592,871
2016	11,293,400	12,223,836
2017	11,550,000	12,157,767
2018	11,900,000	12,960,473
2019	13,000,000	13,353,678
2020	13,479,000	10,146,009 *
2021	13,533,000	-

*Estimate at 9/30/2020



State Shared Revenue

Chapter 79 of the Wisconsin Statutes establishes several broad objectives in the state shared revenue formula:

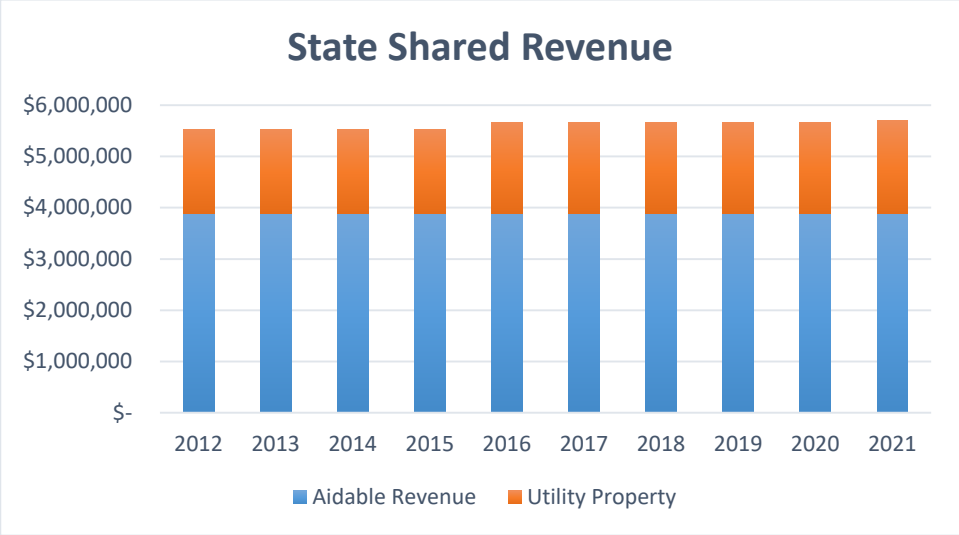
1. Counties use state shared revenues to finance local expenditures which in turn reduces the amount needed to be raised from property taxes thereby providing property tax relief.

2. Compensate local units of government for taxes on certain public utility property that is not taxed locally.

An annual ad valorem *(i.e., based on the value of utility property)* payment for utility property that is located in the county that is taxed by the state is included in the formula. The largest portion of the formula is based on aidable revenues.

Our 2021 budget assumes state shared revenue, both in the form of state aides and utility tax, remain stable through the upcoming biennial state budget. In the event these revenues are reduced, county staff will engage the Human Resources, Finance & Property Committee to develop and implement a strategy to address the budget shortfall.

Budget Year	Aidable Revenue	Utility Property	Total Shared
2012	3,877,717	1,639,989	5,517,706
2013	3,877,717	1,643,222	5,520,939
2014	3,877,717	1,637,762	5,515,479
2015	3,877,717	1,644,525	5,522,242
2016	3,877,717	1,776,433	5,654,150
2017	3,877,717	1,776,433	5,654,150
2018	3,877,717	1,793,508	5,671,225
2019	3,877,717	1,790,455	5,668,172
2020	3,877,717	1,790,455	5,668,172
2021	3,877,717	1,815,303	5,693,020



Fund Balance Policy (Working Capital)

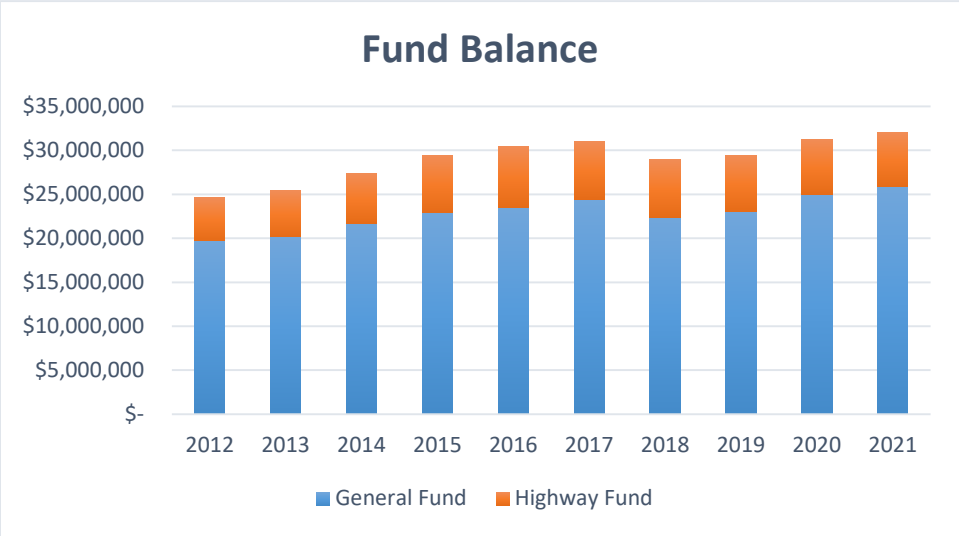
In 1989 the County Board adopted a policy for retaining working capital. This formula sets the minimum requirement for available funds on hand. This dollar value, which approximates 8.5% of the operating budget (10% of the Highway budget) is the basic minimum level of funding set by the county to ensure a sufficient cash flow balance.

The Working Capital Designation looks at two different types of funds that need to be included in the formula. The two types of funds are:

1. The General Fund
2. Any fund requiring tax levy for support

The following chart shows the history:

Budget Year	General Fund	Highway
2012	19,732,613	4,855,177
2013	20,189,885	5,215,070
2014	21,649,074	5,736,931
2015	22,883,813	6,497,983
2016	23,510,697	6,993,356
2017	24,466,583	6,588,118
2018	22,391,145	6,588,118
2019	23,044,282	6,375,143
2020	25,044,014	6,191,987
2021	25,877,997	6,071,207



5-Year Capital Improvement Program (CIP)

The County adopted its first five year C.I.P. in 1991, and continues to do so every year. Capital projects included in the CIP are defined as:

1. An expenditure that is for a County department, operation or in the best interest of the County
2. Generally non-recurring
3. Has a cost of over $25,000
4. Has a service life of 7 years or more
5. Rolling stock and equipment replacement that is of critical importance to the functioning of the department involved

Major sources of funding are:

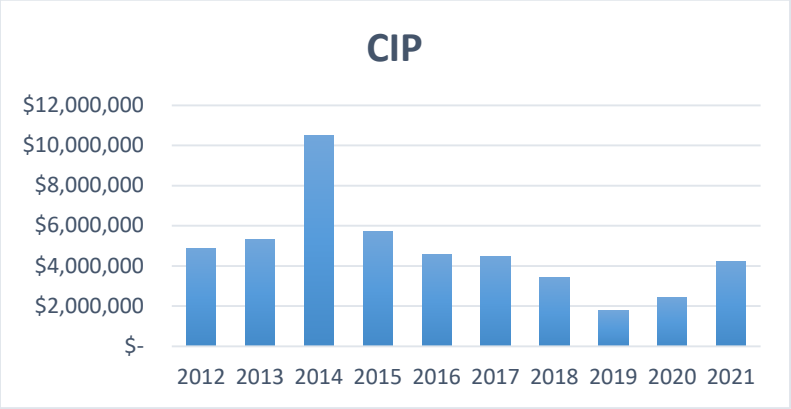
1. Prior year fund balance
2. Current year tax levy
3. Bonding (borrowing)
4. Revenues from enterprise funds (fees) to cover the cost to acquire replace or expand current capital needs

Using prior year undesignated fund balance allows for flexibility in the capital improvement process, provides stability to the tax rate because the unspent fund balance is not used to offset following years operating needs, and provides much needed funds for capital projects without borrowing. With this policy in place the departments are required to use only current revenues to finance their current operating needs. The following charts show the history of the funding used to finance capital projects. In 2004 the County Board formally adopted the CIP funding policy which states that undesignated funds remaining in the budget after the working capital formula is completed, are transferred, in the year following the audit to the capital improvement program. In year's past, the County was able to avoid borrowing for many projects by having this policy in place.

As our budgets have tightened, and we have adopted strategies such as budgeting for attrition, we have experienced smaller balances carrying over into CIP.

For the 2021 CIP budget, we allocated approximately $4.2 million in fund balance, much of which came from undesignated fund balance remaining at the end of 2019.

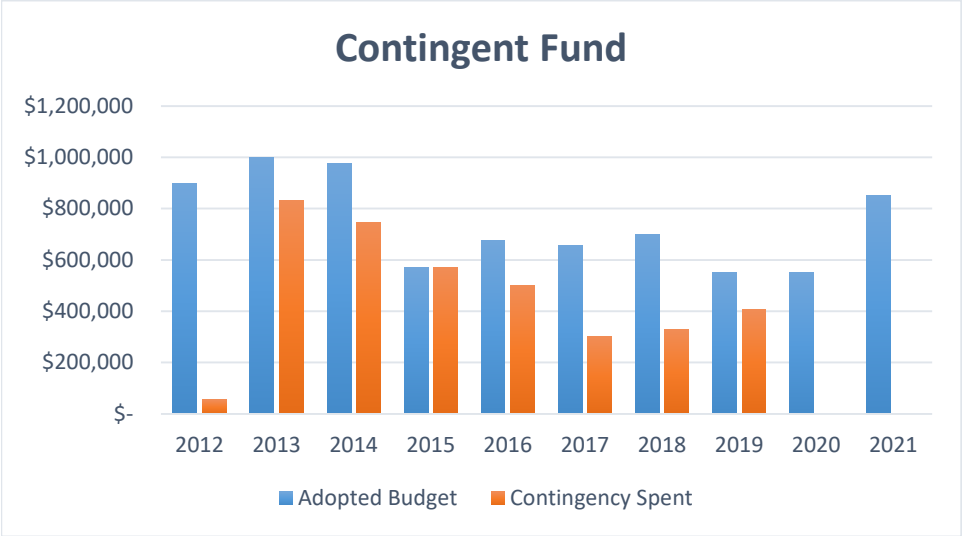
Year	CIP (Fund Bal. Transfers)	Year	CIP (Fund Bal. Transfers)
2012	4,883,932	2017	4,448,447
2013	5,300,089	2018	3,426,108
2014	10,521,395	2019	1,793,920
2015	5,707,032	2020	2,445,259
2016	4,566,529	2021	4,210,226



Contingent Fund

For many years Marathon County had in place a Contingent Fund Policy that set the Fund at approximately .7% of the gross operating budget for the year. In 2003, the policy changed slightly, setting the Contingent Fund at a "base" amount of $700,000, and adjusting it based on the CPI each year (Consumer Price Index) only if needed. I am recommending that $50,000 of the Contingent Fund be made available in 2020 to be used by the Human Resources, Finance & Property Committee for special funding requests and that the total fund for 2020 is $850,000, which is the highest level since 2014. The reason for doing so is simple, it is likely that we will have significant expenditures associated with criminal jury trials in 2021 and there is insufficient funding in the Clerk of Courts and District Attorney's budgets to account for these expenses. Moreover, while we now that our work with respect to the pandemic is far from over, we are unsure whether additional funding will be provided by the State or Federal governments.

Budget Year	Contingent Fund Budget	Contingent Fund Spent
2012	899,500	54,902
2013	1,000,000	832,981
2014	975,000	744,368
2015	572,086	570,000
2016	675,000	500,000
2017	658,693	300,000
2018	700,000	328,000
2019	550,000	405,435
2020	550,000	0 *
2021	850,000	-



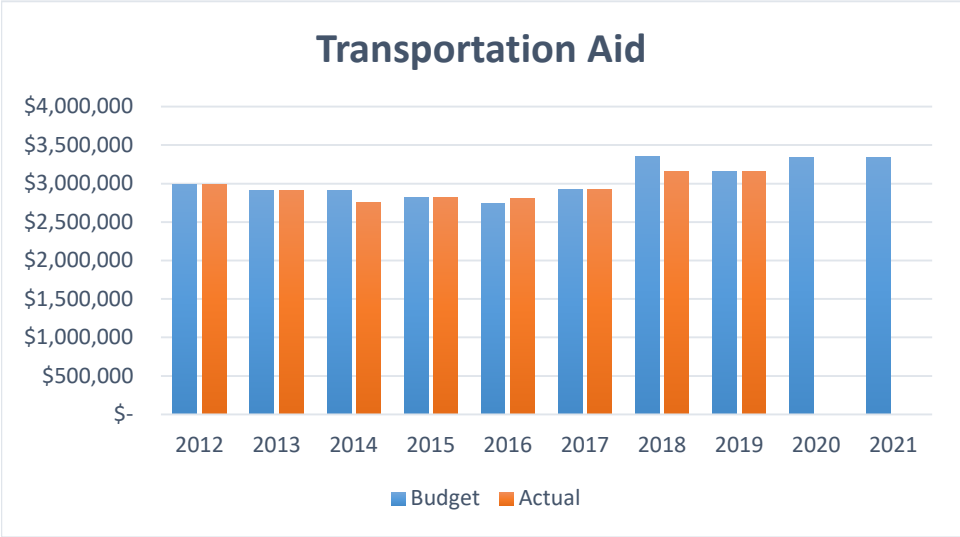
*Amount spent as of 9/30/2020

Transportation Aids

Marathon County is entitled to a share of revenue collected for transportation purposes (gas tax) and distributed by the State of Wisconsin. The County's share of such revenue is based on formulas set forth under Section 86.30(9). The County's share of transportation revenues provides for fundamental transportation needs including maintenance, operation, and construction of safe local roads.

Year	Budget	Actual	
2012	2,985,247	2,985,247	
2013	2,908,230	2,914,009	
2014	2,914,009	2,750,997	
2015	2,820,570	2,820,570	
2016	2,748,168	2,803,131	
2017	2,921,132	2,921,133	
2018	3,345,441	3,154,121	
2019	3,155,341	3,155,341	
2020	3,338,202	3,338,202	*
2021	3,338,202	-	

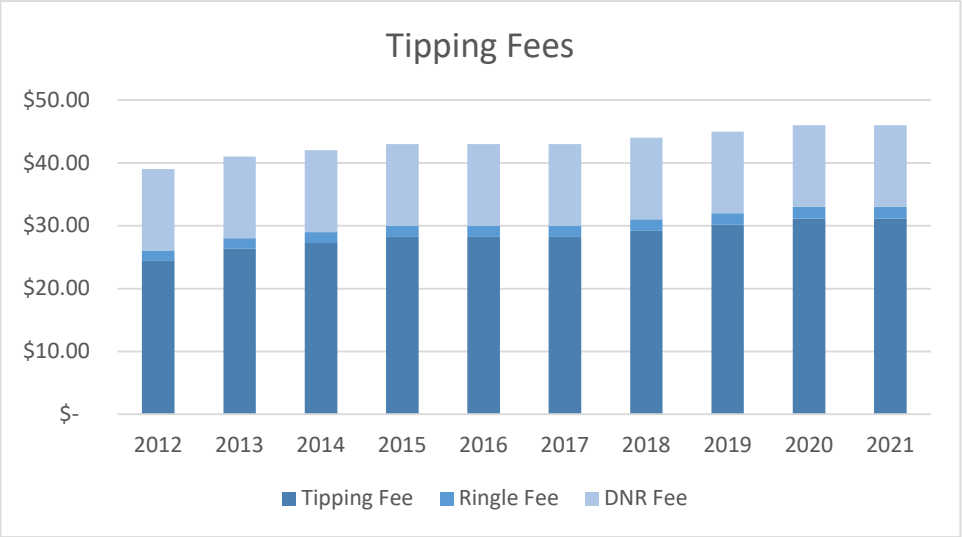
*Estimate



Tipping Fee/Surcharge Usage

Wisconsin Statute 59.70 (2) authorizes the county to create and operate a solid waste management system. For Marathon County the site is located in Ringle. The landfill is solely operated by the revenues derived from the tipping fee (history is listed below) and has never needed tax levy.

Per Ton Fees				
Year	Tipping Fee	Ringle Fee	DNR Fee	Total
2012	24.40	1.60	13.00	39.00
2013	26.40	1.60	13.00	41.00
2014	27.24	1.76	13.00	42.00
2015	28.24	1.76	13.00	43.00
2016	28.24	1.76	13.00	43.00
2017	28.21	1.79	13.00	43.00
2018	29.18	1.82	13.00	44.00
2019	30.14	1.86	13.00	44.00
2020	31.11	1.89	13.00	46.00
2021	31.11	1.89	13.00	46.00

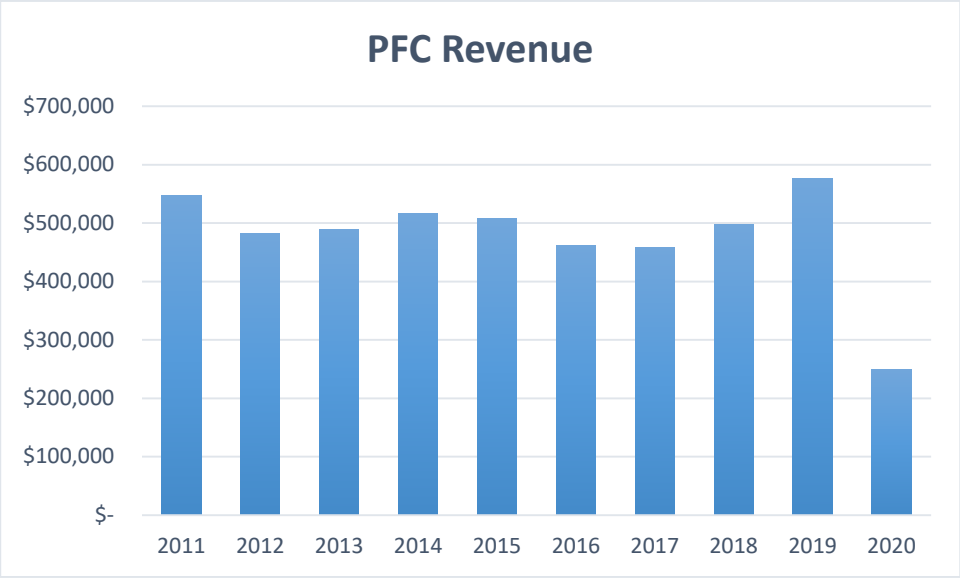


Central WI Airport Passenger Facility Charge

Congress passed legislation in 1991 allowing airports to collect Passenger Facility Charges (PFCs) and that provision went into effect when the bill was signed into law in 1991. As of September 1, 2007, the PFC charge has been raised to $4.50, which allows CWA to collect additional revenue for specific airport development projects. We continue to partner with Portage County to support the airport and determine the type of development needed in our regional airport that serves the entire Central Wisconsin area.

Year	PFC Revenue
2011	547,403
2012	481,846
2013	488,954
2014	517,290
2015	507,925
2016	462,342
2017	458,866
2018	497,089
2019	576,795
2020	249,685 *

*Actual PFC collections through 10/1/2020



SUMMARY OF KEY CHANGES IN THE 2021 BUDGET AND A PREVIEW OF THE 2022 BUDGET

Here are some of the highlights: on the 2021 budget and a preview of what we can expect for 2022:

- The vast majority of department budgets were flat (0% increase) relative to their 2020 budgets, inclusive of funding their respective payroll increases for merit-based compensation increases.

- The 2021 budget provides for 2.3% of overall payroll for merit increases, which is a small, but important step forward in our ongoing effort to be competitive in attracting and retaining talent.

- The 6.5% increase in employee health insurance made balancing this budget difficult.

- Based on our amount of net new construction and additional funds we are receiving due to the termination of a tax increment district within the county, we are able to receive $1,039,729 of new operating tax levy dollars.

- The 2021 budget is balanced without spending down any working capital reserves. However, we still have no plan to repay the $1,625,438 used to balance the 2018 budget or the $400,000 of non-capital expenses associated with the Jail Structure Repair.

- We are investing in significant infrastructure projects at our North Central Health Care Campus, Public Library, Courthouse, Jail, University of Wisconsin – Stevens Point – Wausau Campus, and within our County Park system.

- We are investing in a new Enterprise Resource Planning (ERP) system that will not only replace our antiquated financial system, but will integrate our human resources and financial operations.

- We are allocating significant funds to partner with local internet service providers to effectively compete for broadband expansion grants and pursue other projects aimed at expanding access and improving service levels for county residents in underserved areas.

- There remain considerable staffing needs within our public safety and justice system. We need to develop a more comprehensive and sustainable way to allocate resources within this extremely important system.

- We have reduced our correctional housing related costs by $575,000 to fund needs within our public safety system, most notably the implementation of body cameras for our law enforcement. Continuing to control expenses relative to inmate housing while maintaining our unwavering focus on public safety is critical.

- We will improve 37.65 miles of county highways and replace two bridges in 2021, at a cost of approximately $6.4 million. If we reduce our spending, it negatively impacts our state aids for six-years!

- The process of phasing out non-contractual funding to non-profit agencies is continuing; however, we are expanding our use of intergovernmental cooperative service agreements to control costs and improve services. Our partnership with the City of Wausau relative to the delivery of Hazardous Material Response and with UW Madison on the UniverCity Program are key examples of such agreements within the proposed 2021 budget.

- Our financial future is uncertain, but a couple of trends can be anticipated to continue:

    - Revenues
        - We are not going to be free of State imposed levy caps anytime soon. We can't increase tax rates. In fact, we have to reduce them.
        - A more conservative approach with respect to sales tax projections is prudent.
        - State aids will, at best, remain flat during the foreseeable future.
        - We will need to evaluate our system of user fees differently and consider more entrepreneurial endeavors to offset costs in areas where similar options do not exist.

    - Expenses
        - Our capital needs far exceed the fund balance brought forward from a prior year. Postponing maintenance does not save money long-term.
        - We have the largest number of highway miles in the State of Wisconsin, by a wide margin. At the same time, our highway expenditures per capita are well below the state median and we are in the lowest quartile in the state relative to state aids per capita. We need a specific capital plan relative to roadway and bridge maintenance. The good news is that we have begun that work by starting to develop our 2050 Transportation Sustainability Plan. In 2021, we need to make meaningful progress on the plan.
        - Borrowing for capital will continue to be necessary. Our strong credit rating keeps costs low; however, we should further develop our capital borrowing strategy.
        - We need to have departments better understand the "true cost" of their work. We took a small, but important step in this budget, transferring the costs of several departmental or programmatic software costs from CCITC to the department that uses the software. Taking more steps of this nature will lead departments to evaluate the return on the investment of software annually as part of their budget.
        - Intergovernmental cooperation amongst all levels of government (Town, Village, City, County, and State) relative to shared services will continue to increase as a means to reduce costs.

COUNTY ADMINISTRATION

Mission:
The County Administrator, as the Chief Administrative Officer of the County, coordinates and manages all functions of County government that are not specifically vested in other boards, commissions, or elected officials. Wisconsin Statutes 59.18 describes the duties and authority of a County Administrator in Wisconsin.

Budget Highlights:
A $40,000 allocation has been added to account for the potential costs associated with the county's participation in the UniverCity Year Program. Moreover, $223,133 has been transferred to provide funding for the non-profit organizations previously identified by the Board, as County Administration was responsible for negotiating the performance-based contracts with each entity.

Future Efforts:
While the 2021 proposed budget for the Department is fairly consistent, operations within the office will be undergoing considerable change in the near future. With Executive Administrative Coordinator Mary Palmer's impending retirement in December 2020 and that of Employee Resources Director Frank Matel in April of 2021, I have been seeking input from staff within the Administration and Employee Resources Departments to aid in developing a plan whereby we would reorganize our departments to better deploy talent to accomplish the work within the two departments. Doing so in 2021, is particularly timely as we will be selecting our Enterprise Resource Planning (ERP) software in the coming months, which will afford us the opportunity to begin building a more robust employee training and development program. To this point those functions have been split between both Employee Resources and Administration.

Ultimately, in 2021, I recommend that we proceed with merging our Organizational Excellence Program and Employee Resources functions into a single Human Resources Department. Our incumbent Organizational Excellence Program Manager (OEPM) is well-suited to lead that department and her skills in process improvement and project management will be particularly useful in implementing our new ERP system. Transitioning the OEPM position into the Human Resources Department Head role will allow us to reallocate existing resources to create a Public Communications Specialist position. The need for such a position has been longstanding. It was specifically identified in the 2016 Marathon County Comprehensive Plan, see page 4 (page 10 of the pdf document available online). This individual would be responsible for coordinating our internal, organization-wide, communications and improving the consistency and quality of our external communications, whether through traditional medium, our website, or social media. Creating this position would also allow for the centralization of numerous communications-related duties that are currently decentralized. Finally, it is important to note that this reorganization plan will save tax levy resources.

CLERK OF CIRCUIT COURTS

Mission:
The Marathon County Clerk of Courts Department exists to assure complete and responsive access to justice and maintain the successful operations of the courts. We are successful when the public and our courts have what is needed to assure an outcome that is timely, ethical, and efficient, and which respects the dignity and value of all involved.

Budget Highlights:
Because the Clerk of Courts' Office is responsible for the coordination of the State of Wisconsin Circuit Courts in the county, the office's budget is comprised of funding from the state and county. The department is responsible for collecting and dispersing funds to individuals, municipalities, governmental agencies, and the state. We continue to have success utilizing the Department of Revenue to purse debt collection efforts and our 2021 budget projects that we will receive approximately $600,000.

Future Efforts:

- 6th Judgeship
    - In August of 2021, Marathon County will seat an additional circuit court judge, our sixth. This addition judge will offer considerable opportunity to enhance our circuit court system, most clearly by increasing capacity to conduct court hearings. We have already addressed several of the predicate issues to be ready for the judgeship, most notably constructing Courtroom A in 2020 to accommodate the relocation of hearings conducted by our Family Court Commissioner to allow the new judge to be seated in the Sara Quirt-Sann Memorial Courtroom. I have had numerous discussions with the Clerk of Court, Chief Judge, and Presiding Judge and while we are confident that we will be able to staff the additional court with our existing team in the office, there are several details that we need to finalize to do so.
- Development of a Public Safety / Criminal Justice "System Budgeting" process
    - Implement a more efficient system for collecting restitution for crime victims

CONSERVATION, PLANNING, & ZONING (CPZ)

Mission:
To protect our community's land and environment. Because we believe that the economic strength and vitality of our community is dependent on the quality of our resources. We believe that through leadership, accountability, community engagement and collaborative partnerships we promote thoughtful and deliberate use of resources and innovative solutions, so that Marathon County has healthy people, a healthy economy, and a healthy environment today and tomorrow.

Budget Highlights:
The work of the CPZ Department is such that its budget is reliant upon funding from local, State, and Federal sources. We are fortunate that our CPZ staff are well-respected, as they have been successful in continuing to seek our additional funding opportunities to negate the need for additional tax levy resources. Currently, the Department receives funding from the Wisconsin Department of Natural Resources via the Targeted Runoff

Management (TRM) grant and lake grant programs; the Department of Agriculture, Trade and Consumer Protection (DATCP); the Natural Resources Conservation Service (NRCS); the Wisconsin Department of Transportation; and from our participation in the Wisconsin Land Information Program.

In an attempt to further offset additional local tax levy resources, staff have sought out additional grant funds from both DATCP and DNR and will be reviewing existing program and permit fees to determine whether rate increases are appropriate in light of our costs to operate the respective programs.

Future Efforts:

- UniverCity Year Program
    - CPZ is serving as the point of contact with respect to our participation in the program. Moreover, CPZ was identified as the lead department with respect to the following projects that were submitted in our application: Update the 2001 Groundwater Protection Plan, Develop a Wellhead Protection Plan, Create Partnerships with agencies and organizations to protect surface water and groundwater, develop a coalition of stakeholders to implement action plans to reduce phosphorus loading, and conduct an infill development analysis for the Metro Area.
- Onboarding of New Director
    - We are currently recruiting to fill the vacancy following the retirement of Rebecca Frisch. Securing an individual of similar caliber and onboarding that individual will take considerable attention.
- Planning for potential relocation to new facility
    - There has been considerable discussion relative to acquiring property for the construction of facilities that would house multiple county departments, namely, Conservation, Planning & Zoning; Highway; Parks, Recreation & Forestry; and Emergency Management. If this project is going to move forward, we will need to allocate significant staff resources to its planning and implementation.

CORPORATION COUNSEL'S OFFICE

Mission:
The Office of Corporation Counsel serves the collective safety and welfare of the residents of Marathon County by providing civil legal services including enforcement, counsel, and referral to county departments and the County Board.

Budget Highlights:
The 2021 budget is the first annual budget providing for a 1.0 FTE position dedicated to performing legal work on behalf of Marathon, Lincoln, and Langlade counties at the North Central Health Care Campus. The position was created in 2020 and is expected to provide for considerable cost savings relative to legal expenses for NCHC.

Future Efforts:

- Intergovernmental Agreement Reviews

    - Marathon County currently provided legal services, via contract, for both Langlade and Lincoln counties. All parties have been satisfied with the quality of services provided. In 2021, we will conduct an analysis of the work performed under the agreements to ensure that we adequately understand our costs and that the fees under the agreement are appropriate.
- Evaluation of reallocating staff to lead our Tax Deed Property process
    - The process through which property is taken for non-payment of property tax is rather complex and involves multiple county departments, most notably the County Treasurer, County Clerk, and, very often, the Office of Corporation Counsel. In 2020, the Human Resources, Finance & Property Committee expressed a desire to improve the efficiency of that process. In the first quarter of 2021, the Administrator will develop a plan with input from the County Clerk, County Treasurer, and Corporation Counsel to improve our processing of these properties.

COUNTY CLERK

Mission:
The County Clerk performs duties prescribed by State Statute, including the handling of elections, marriage licensing, and the retention of records associated with the County Board. The office seeks to organize and carry out its duties in the most efficient manner possible.

Budget Highlights:
The pandemic has led to a significant reduction in marriage license revenue; however, we are anticipating revenues to return to pre-pandemic level in 2021. Expenses associated with County Board operations have likewise been below budget in 2020 and we anticipate a portion of those savings to continue in 2021.

Future Efforts:
- Participation in the evaluation of the effort to improve our Tax Deed Property process (see note within Corporation Counsel's Office section).

COUNTY TREASURER

Mission:
The County Treasurer's Office has the statutory duty of receiving all moneys from all sources belonging to the county and all other moneys which by State Statute or County Ordinance are to be paid to the Treasurer. The Statutory duties include collection of property taxes and settling with other jurisdictions. The Treasurer's Office also has the responsibility for cash management and the investment of funds by County Resolution.

Budget Highlights:
In 2020, the Treasurer was instrumental in assisting the Human Resources, Finance & Property Committee in making important policy decisions—most importantly whether the county should have opted-in to the revised tax collection process permitted by 2019 Act 185. Our property tax collections have remained strong and are consistent with our previous projections.

Future Efforts:

- Participation in the evaluation of the effort to improve our Tax Deed Property process (see note within Corporation Counsel's Office section).

DISTRICT ATTORNEY'S OFFICE

Mission:

To use all reasonable and lawful diligence to hold accountable those who violate the law; to ensure that crime victims are treated with fairness, dignity and respect; and to maintain safety and obtain justice for the residents of Marathon County.

Budget Highlights:

In each of the previous three county budgets, the District Attorney has made strategic investments to direct county staff to its most important work. In 2018, the board approved the creation of a Senior IT Specialist position to address the mounting audio/video media needs of an office that serves sixteen (16) different law enforcement agencies. In 2019, the office added an assistant to its Diversion Program to ensure that low-level offenders received appropriate interventions outside of our traditional justice system, allowing prosecutors and the courts to spend more time focusing on offenders that pose greater risks to public safety. And, in 2020, the office upgraded two existing administrative positions, creating a Paralegal and a Victim Witness Specialist to better meet the needs of the office and victims of crime. In addition to constantly evaluating how best to deploy the limited resources within the office, the District Attorney has done exceedingly well in adopting process improvements to maximize staff efficiency and control costs. The office is essentially paperless, it has streamlined its discovery provision process, and it was one of our most successful offices in adopting telework during our pandemic response, due in no small part to efforts of the office's Senior IT Specialist.

Despite these efforts, understaffing continues to present a significant challenge. According to recent workload analysis from the State of Wisconsin, the office is in need of an additional 6.18 state-funded prosecutors. These staffing challenges have been compounded by the fact that the State of Wisconsin has not adequately funded compensation increases for prosecutors, leading to a statewide system with significant turnover as lawyers enter the profession only to leave to pursue legal positions offering additional compensation and less stress relative to workload. Marathon County has not been immune from this experience, having large numbers of attorneys leave the profession of prosecution. In addition to staffing concerns relative to prosecutors, the District Attorney's Office has expressed a need for increased staffing with respect to legal support staff, which are the responsibility, along with provided office space and equipment, of the county. In 2020, the staffing challenges within the office were further impacted by the passage of Marsy's Law, a constitutional amendment extending additional rights to the victims of crime that bears significantly on the work of victim/witness professionals and prosecutors.

As part of the 2021 budget process, the District Attorney requested a 1.0 FTE county-funded District Attorney and a 1.0 FTE Legal Secretary position. Based on our financial position, I have not funded the two additional positions. That said, having met with the District Attorney, Sheriff, and Clerk of Court, I am optimistic that in 2021 we can work to develop a more comprehensive approach to addressing our needs within the criminal justice system, including those within the District Attorney's Office. As noted in previous sections of the budget, the growing use of digital evidence (*e.g.,* body

cameras, cell phones, etc.) continues to place demands on different areas of the justice system. We need a system of budgeting and resource allocation that captures these changing demands and shifts resources to meet them.

Future Efforts:

- Development of a Public Safety / Criminal Justice "System Budgeting" process
    - Implement a more efficient system for collecting restitution for crime victims
- Complete the integration of the law enforcement *Superion* System with the state's PROTECT system to reduce needless data entry
- Renovate the former reception area within the office to better accommodate the current flow of work within the office
- Work with the UniverCity Program to move forward criminal justice system initiatives set forth in the application
    - Combat truancy and decrease the number of young adults entering the criminal justice system by targeting adverse childhood experience (ACEs) risk factors
    - Study racial disparity in our criminal justice system from first police contact to completion of supervision
    - Ensure that we are measuring what matters through a system-wide database that minimized duplication of effort, allows appropriate sharing of data, assists in gaining insight from the data we possess, and includes a warehousing system

EMERGENCY MANAGEMENT

Mission:
The Mission of the Marathon County Office of Emergency Management is to assist the community in mitigating known hazards and in preparing for, responding to, surviving and recovering from both natural and man-made disasters.

Budget Highlights:
Despite all of his obligations as a key member of our COVID Response Team and his work coordinating the delivery of countless items of personal protective equipment to local law enforcement and emergency personnel, long-term care facilities, and our medical systems, the Emergency Management Director was able to move forward two very important long-term goals, in 2020, that are reflected in the proposed 2021 budget.

The first relates to our delivery of Hazardous Materials Response Services. Historically, the Emergency Management Department has facilitated the maintenance of a "Level B" response team, working to ensure that the members of the team have the necessary training, equipment, and expertise necessary to respond in the event of an emergency. These incidents are infrequent, but when they occur they are extremely dangerous and require a highly skilled and coordinated response. The time and cost to provide the necessary training and equipment for the team to meet existing national safety standards continues to grow. The City of Wausau Fire Department maintains a Type II Hazardous Incident Team, fully equipped, trained and capable to respond to the incidents that our team would otherwise respond. Contracting with the City of Wausau to deliver this service to all areas of the county makes financial sense and it improves the quality of services we are delivering to county residents. The Public Safety Committee has expressed support for entering into such as agreement.

The second long-term goal achieved in the 2021 budget is the upgrading of an Administrative Specialist Position to an Emergency Management Technician. Late in 2019, I had the opportunity to meet with Teresa Erler, the Northeast Region Director of the Wisconsin Department of Military Affairs – Emergency Management Division. One of the things she encouraged me to do was to try to find a way to provide additional resources to support the work of our local department. Thus far in 2020, we have all undoubtedly learned many valuable lessons. One thing that has become very clear is the immense value of emergency preparedness training. To expand our capacity relative to emergency preparedness and response—and by extension allow us to assist other municipalities in that regard—the proposed 2021 budget provides for upgrading the current administrative specialist position to a technician position. To accomplish the upgrade we have also begun making changes within our Finance Department to provide a greater level of financial support for smaller departments, such as Emergency Management. To fund the marginal increase in costs for the position, the 2021 budget proposes entering into an intergovernmental agreement with the City of Wausau for specific emergency management related activities, which the City has expressed interest in having us provide. The Public Safety Committee has expressed support for the expanded position.

Future Efforts:

- Successfully transitioning the Hazardous Materials Response responsibility to the City of Wausau
- Successfully implementing a plan of work for the Emergency Management Technician Position
- Planning for potential relocation to new facility
    - There has been considerable discussion relative to acquiring property for the construction of facilities that would house multiple county departments, namely, Conservation, Planning & Zoning; Highway; Parks, Recreation & Forestry; and Emergency Management. If this project is going to move forward, we will need to allocate significant staff resources to its planning and implementation.

EMPLOYEE RESOURCES

Mission:

The mission of the Employee Resources Department is to align all human resource programs to ensure Marathon County is a preferred employer which attracts and retains high performing employees who contribute to the County's mission and vision. Our risk management programs support our mission by protecting County property and financial assets and provides for the safety of our employees and public.

Budget Highlights:

The Employee Resources Department is responsible for managing our various employee benefit programs, as well as overseeing the costs associated with the various forms of insurance necessary to protect our assets. The costs of these benefits and insurances is passed through to various departments based on our existing policies and our review of costs.

Future Efforts:

- Reorganization/Revisioning of Department as a result of merger of Organizational Excellence Program
    - See explanation within the County Administration Department summary
- Implementing a new Enterprise Resource Planning software solution
- Completing a comprehensive evaluation of our employee health care costs

- Updating our policies and practices to provide greater opportunity to recruit remote workers
- Reviewing our policies and practices to enhance the diversity of our workforce and make our workplace more inclusive

FACILITIES & CAPITAL MANAGEMENT

Mission:
The mission of the Marathon County Facilities and Capital Management Department is to make the County owned buildings energy efficient while maintaining occupant comfort, secure these premises and the inventories within, and protect the health and wealth of all County employees and the general public. Oversee the implementation of non-highway capital projects.

Budget Highlights:
The proposed 2021 budget represents a significant investment in county-owned infrastructure. As detailed in the Capital Improvement section of the budget, considerable renovation projects will be undertaken at numerous county facilities, most notably the North Central Health Care Campus. A number of these projects should result in considerable long-term savings with respect to utility costs. The budget also provides for funding for several planning projects that should allow Marathon County to further consolidate its operations, decreasing costs and providing for policy makers to consider how to utilize property moving forward.

The loss of rental income associated with a tenant terminating their lease at the Lakeview Professional Plaza had a significant negative impact on the 2021 budget.

Future Efforts:
- Oversee all maintenance projects approved in the 2021 budget
- Develop a long-range facility plan to guide future capital projects
- Engage University of Wisconsin – Stevens Point – Wausau Campus leaders relative to the roles and expectations under the current agreement and how we can position the university to be sustainable

FINANCE

Mission:
To provide financial management and accounting services to internal and external customers of Marathon County. To achieve this, the Department maintains comprehensive accounting, reporting and administrative systems that comply with Federal, State and County regulations.

Budget Highlights:
From the perspective of the Finance Department, the most significant aspect of the proposed budget is the funding provided in the 2021 Capital Improvement Plan for the replacement of our financial system. Quite simply the software is a hindrance and its replacement is overdue.

Future Efforts:

- Continued efforts to Implement a new Enterprise Resource Planning (ERP) software
    - We are currently in the process of working with our consultant to prepare a request for proposals (RFP) for an ERP solution. That process should be complete and the RFP released in early 2021. Should response evaluation, vendor selection, and contract negotiation go smoothly, we hope to begin the implementation process in that latter half of 2021. The full timeline for implementation will likely span multiple fiscal years.
- Increase the level of financial planning services for our smaller departments that lack internal business management expertise
- Lead our organization's effort to better understand our true cost of business by developing a clear method of allocating indirect expenses

HEALTH DEPARTMENT

Mission:
Marathon County Health Department works to protect and improve the health of our local communities.

Budget Highlights:
The work of the health department is such that its budget is reliant upon local, state, and federal sources. In 2020, the work of the Health Department was dominated by responding to the pandemic and carrying out the directive of the State Department of Health Services.

Public Health educators normally assigned to lead efforts aimed at reducing the negative impacts of alcohol and drugs on our communities, at advocating healthy lifestyle choices, and informing the public of the importance of mental health, were diverted to lead our covid-19 public information efforts. Public health nurses that typically provide home visiting and parent education services through our Start Right Program led our frontline pandemic response, performing contact tracing, overseeing disease investigations, and coordinating testing. In 2020, the majority of our costs to deliver our pandemic related services were funded through state and federal allocations.

Our 2021 department budget is built on two key assumptions. First, the Health Department return to carrying out its pre-COVID mission programs and services. And, second, we receive state or federal funding for any pandemic related activities we perform.

Future Efforts:

- Reengaging with local partners on pre-COVID community health priorities
- Preparing for our role in COVID-19 vaccine dissemination planning and execution

HIGHWAY DEPARTMENT

Mission:
The Marathon County Highway Department will strive to maintain all State and County highways in a safe and reasonable condition at all times.

We envision a highway department where members are respectful of one another and the public we serve. We are committed to the delivery of a safe, high quality product on our state and county highway system. We are widely trusted and recognized for our diversity, innovation, collaboration, and responsible use and protection of our resources and assets.

Budget Highlights:
The proposed 2021 Highway Department budget is largely consistent with past years relative to roadway maintenance and winter maintenance activities. An overview of the specific maintenance and reconstruction is provided above in the section entitled "Highway Paving and Bridge Programs." With respect to winter maintenance, our budgetary practices in 2021 are consistent with past years. Quite simply the weather drives are actual costs through wages, fuel, and salt.

Our staff have continued to utilize process improvement strategies to develop innovative solutions to perform work more efficiently and safely. Recent examples of such efforts include the development of a mechanical arm to pick-up construction barrels from the roadway and load them onto a supply truck—which saved money and greatly improved safety—and conducting a quality improvement event in our stockroom—to ensure we have the right part at the right time.

Future Efforts:

- Planning for potential relocation to new facility
    - There has been considerable discussion relative to acquiring property for the construction of facilities that would house multiple county departments, namely, Conservation, Planning & Zoning; Highway; Parks, Recreation & Forestry; and Emergency Management. If this project is going to move forward, we will need to allocate significant staff resources to its planning and implementation.
- 2050 Transportation Sustainability Plan
    - Our paving cost per mile continue to grow due to increases relative to the costs of labor, machinery, and material and because of our need to expand the width of paving to improve safety and accommodate more—and larger—vehicles, bicyclists, and pedestrians. While the implementation of the vehicle registration fee has significantly assisted in providing much needed revenue to conduct roadway maintenance, it is only a portion of a long-term plan to maintain our system of county highways.

LIBRARY

Mission:
The Marathon County Public Library's mission is to enrich lives by promoting lifelong learning, and actively providing the community with access to ideas, information, and opportunities to connect. We have public library locations in Wausau, Athens, Edgar, Hatley, Marathon City, Mosinee, Rothschild, Spencer, and Stratford.

Budget Highlights:
The proposed 2021 budget for the Marathon County Public Library system is consistent with previous year's budgets. In 2020, the Library had to adapt to serve our communities. We utilized the time during which we were closed to the public to make significant progress on small capital projects, including the replacement of carpeting and other planned renovation projects.

Future Efforts:

- Library System Task Force
    - In 2020, a Task Force was formed to assist the Library Board in determining which Library System (there are sixteen in the State) is the most viable for the Marathon County Public Library in the future. The Task Force has been working hard and should have a recommendation in the next several months. This will undoubtedly be an important decision, of which there will individuals with strong convictions on either side. Regardless, of the decision there will be significant work to move forward.
- Facility Planning relative to the 3rd floor of the Wausau Library
    - The 3rd floor of the library and how best to utilize it has been a topic of conversation for several years. Developing a plan for the highest and best use of the space should be a priority in 2021.

MEDICAL EXAMINER

Mission:
The Medical Examiner's Office is dedicated to providing professional, accurate, and efficient medicolegal death investigation to the residents of Marathon County. The Medical Examiner's Office investigates deaths and issues cremation authorizations and disinterment permits as prescribed by Wisconsin State Statutes.

Budget Highlights:
The proposed 2021 Medical Examiner's Office Budget is consistent with previous year's budgets. Increases in requests for cremations authorizations and the signing of death certificates have mitigated the increases in costs in other areas of the department budget.

Future Efforts:

- Regional Forensic Science Center Project
    - For the past several years, Marathon County has been discussing the viability of developing a Regional Forensic Science Center (Morgue). A task force was formed in late 2017 and has been evaluating the need for such a facility, not only within Marathon County and the surrounding area, but also throughout Northern Wisconsin. As a part of its work, the Task Force commissioned a formal business plan. That plan was recently completed and the task force is anticipated to make a recommendation to the Public Safety Committee before the end of year on how to move forward. A regional facility makes sense and will have significant benefit to our medical examiner's office, all local law enforcement, our District Attorney's Office, and the community, but for this project to be successful we are going to need to have partners. Task Force Chair Craig McEwen, the Medical Examiner, Chief Deputy Medical

Examiner, and I have had several meetings with representatives from two local health systems, as well as representatives of Portage County government. There is general support for this project moving forward; however, a great deal of work remains to be done if this project is to move forward.

PARKS, RECREATION, & FORESTRY

Mission:
To adaptively manage our park and forest lands for natural resource sustainability while providing healthy recreational opportunities and unique experiences making Marathon County the preferred place to live, work, and play.

Budget Highlights:
While the pandemic led to economic contraction in many areas of our local and national economy, it also led a great many of those within our community to reacquaint themselves with our park system. According to Google's mobility trend data, park usage in Marathon County was up an astounding 115%.[4] We saw an increase demand for our outdoor resources, particularly camping, resulting in overall revenue increases of approximately $70,000.

Our 2021 budget assumes that we maintain those increased revenue levels and it uses them to offset increased expenses relative to personnel, equipment, and materials.

Future Efforts:

- Development of Funding Sustainability Plan for our Park System
    - Our experience in 2020 during the pandemic reinforced the immense value and desirability of our park system. Evaluating our reservation fees relative to the market, particularly as it relates to camping, can inform whether strategic infrastructure investments and/or modification of our fees are appropriate.
- Intergovernmental Service Agreements
    - In 2020, we were approached by multiple local municipalities to discuss the potential of our department providing services. As municipal budgets continue to tighten and equipment and labor costs continue to grow, the scale of our Park Maintenance Operations Division positions us well to be able to provide services to municipal partners in a cost effective way. In 2021, we will better determine our capacity and costs, to assess whether entering into such agreements is viable and beneficial.

[4] Google COVID-10 Community Mobility Report for the State of Wisconsin, data available at https://www.gstatic.com/covid19/mobility/2020-09-27_US_Wisconsin_Mobility_Report_en.pdf (Marathon County specific data available at page 20 of 38(last accessed on October 4, 2020).

REGISTER OF DEEDS

Mission:
The Register of Deeds is a state constitutional officer responsible for recording and maintaining birth, marriage and death registrations, a wide variety of real estate transaction and land records, and veteran's discharges. The Office archives, maintains, and provides access to records as provided by state law. In performing its work, the Office is responsible for collecting fees that fund the work of the Wisconsin Land Information Program, which seeks to provide for the continued modernization of land records within Marathon County.

Budget Highlights:
Our Register of Deeds Office has been a leader in our work to strive to be more efficient in our work. In 2020, the Register of Deeds Office was reorganized to abolish a 1.0 FTE position. The 2021 budget continues that staffing level. While the uncertainty of the real estate market does make the revenues within the Register of Deeds Office difficult to predict, we are budgeting for a moderate increase in revenues associated with real estate transfers, recording of documents, and issuing certified copies of records.

Future Efforts:
- Continue to digitize our existing records and enhance the ability of the public to pursue self-service solutions

SHERIFF'S OFFICE

Mission:
The Marathon County Sheriff's Department exists to provide a safe, secure, and crime-free community through trust-building, enforcement, and public safety management.

Budget Highlights:
- A $160,000 allocation to implement the use of body cameras
    - These devices have become essential equipment for the proper investigation and prosecution of offenders and they are critical to maintaining public trust and confidence in our public safety and justice systems. This will be a new, ongoing cost that we building into our budget.
- An additional $20,000 to fund the actual costs of equipment maintenance and staffing for our special teams (Bomb, Dive, SWAT, Crisis Negotiation, and Honor Guard)
- An additional $30,000 to fund the actual costs of fleet maintenance (tires, auto parts)
- A $575,000 reduction in costs associated with inmate housing, meals, and medical expenses
- Additional revenue from our agreement with the Town of Rib Mountain to provide dedicated hours of additional patrol service
- Increase in daily rate for youth placed at the Shelter Home from $130 to $160 per day (previously approved by the Public Safety Committee)

Future Efforts:
- Complete the final stages of our *Superion* software implementation

- Implement the new body camera system
- Development of a Public Safety / Criminal Justice "System Budgeting" process
- Continue to enhance our Emergency Communications infrastructure

SOCIAL SERVICES

Mission:
The Marathon County Social Services Department works to strengthen individuals and families by coordinating and providing resources that promote safety and maximize independence to build a strong and healthy community.

Budget Highlights:
- The projected 2021, Social Services Department budget calls for $132,762 less in tax levy than the 2020 budget, inclusive of the cost increases associated with personnel compensation (wages, benefits, etc.).
- The reduction is accomplished in large part due to:
    - A $337,421 reduction in our projected cost for out-of-home placements; this is important to prepare for compliance with the Federal Family First Prevention Services Act
    - A $38,504 increase in our Children and Families Aid Allocation from the State of Wisconsin Department of Children & Families
- In most respects, we anticipate that revenues streams from the State of Wisconsin for social services programs to remain stable

Future Efforts:
- Achieving out Out-Of-Home Care budget targets
    - The 2021 budget provides funding for the two (2) Social Services Specialist position that were approved by the Board in August of 2020. To achieve our 2021 budget targets relative to placement costs, these positions must prove to be effective in providing safety services and education for at-risk families.
- Planning for relocation to the North Central Health Care Campus
    - Our renovation efforts at the NCHC Campus allow us to relocate our Social Services Department to the campus; however, the details of that relocation process have not been fully determined. A third-party has expressed interest in potentially occupying our Thomas Street property in September of 2021, approximately two (2) years earlier than we would otherwise envision vacating the property. Resolving which relocation timeline we will be operating under must be a priority in the last quarter of 2020, as moving forward with a relocation plan targeting September of 2021 would have significant impact and present a significant challenge relative to Department operations.

SOLID WASTE

Mission:
The Marathon County Solid Waste Management Department ensures to Central and North Central Wisconsin, a solid waste materials management system, which complies with waste management laws and regulations, for the protection of the environment and public health, while supporting economic development.

Budget Highlights:
The Solid Waste Department operates as a business enterprise fund within county government and uses no county levy dollars. The Department charges fees for the services it provides and the revenues from those fees are utilized to administer and operate the solid waste facility as well as deliver other related services, such as waste reduction and recycling education.

Future Efforts:

- Closure and Long-term Maintenance and Care Costs
    - Federal and state laws require landfill operators to perform various activities related to the closure and long-term care of landfill sites. Adequate funding for the liability associated with the costs of the closure and long-term care of the sites must be maintained. Currently, the Solid Waste Department is maintaining a line of credit to satisfy our funding liability. In 2021, we will evaluate whether lower cost alternatives exist to satisfy our liability obligation.
- Continue site planning efforts to ensure landfill usage and expansion is sustainable

UNIVERSITY OF WISCONSIN-MADISON – DIVISION OF EXTENSION

Mission:
With an office in each Wisconsin county, the University of Wisconsin-Madison – Division of Extension delivers educational programming based on the specific local needs of each community. Educators are staff and faculty of UW-Madison, while the administrative support staff and the facilities are provided by the each respective county. In Marathon County, we have educators devoted to agriculture, broadband, horticulture, 4-H, and the Food-wise program.

Budget Highlights:
The 2021 budget provides for a reduction in staffing relative to horticulture programming from a 1.0 FTE to 0.8 FTE to allow for position sharing with a neighboring county. It is not anticipated that this FTE reduction will result in a decline in service level, as the State of Wisconsin is making considerable changes with respect to its service delivery model relative to Master Gardener organizations, which should increase capacity of local educators. All other contractual allocations envisioned by the proposed 2021 budget are consistent with previous contracts between Marathon County and Extension.

The uncertainty with respect to the 2021-2023 State biennial budget may impact services through the Division of Extension.

Future Efforts:

- Implementation of Leadership Development Programming
    - As the county implements its new ERP software solution, beginning in the latter half of 2021, Extension may prove to be a valuable resource in the development of Leadership Development curriculum.

VETERAN'S OFFICE

Mission:

We strive to provide the BEST support to our Marathon County Veterans and their families. We will ensure Veterans and their families are receiving State and Federal benefits that they are eligible to receive; we will raise the profile of the Veteran's issues within the community and educate the public on the contributions and benefits of Veterans along-side service organizations and community leaders; and we will responsibly manage our limited resources and leverage what we have to serve the citizens of our county.

Budget Highlights:

Throughout 2020, the Veteran's Office has undertaken a number of projects to increase efficiency and improve our access to remotely access information. One of the most significant was the implementation of a new software system, which has dramatically increased the speed with which we can file claim information on behalf of veterans and the speed with which we receive information from the Department of Veterans Affairs. While the software is certainly worth the investment, the $3,500 annual cost for the software is five (5) times the cost of its predecessor. The increased software cost is accounted for in the 2021 departmental budget and is being offset with reductions in other areas.

Future Efforts:

- Continue Process Improvement efforts to meet dashboard goals