

# STATE OF WISCONSIN

C

SENATE CHAIR  
BRIAN BURKE

316 South, State Capitol  
P.O. Box 7882  
Madison, WI 53707-7882  
Phone: 266-8535



ASSEMBLY CHAIR  
JOHN GARD

315 North, State Capitol  
P.O. Box 8952  
Madison, WI 53708-8952  
Phone: 266-2343

## JOINT COMMITTEE ON FINANCE

April 18, 2000

Secretary George Meyer  
Department of Natural Resources  
101 South Webster Street  
Madison, WI 53707-7921

Dear Secretary Meyer:

We are writing to inform you that the members of the Joint Committee on Finance have reviewed your request, received on April 11, 2000, pursuant to s. 23.0915(4), Stats., regarding a proposed grant to Kenosha County for assistance with the purchase of the Meyer Material property located in the Towns of Wheatland and Randall for \$303,500.

A meeting will be scheduled to further discuss this request. Therefore, the request is not approved at this time.

Sincerely,

Handwritten signature of Brian Burke in cursive.

BRIAN BURKE  
Senate Chair

Handwritten signature of John Gard in cursive.

JOHN GARD  
Assembly Chair

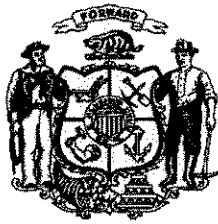
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cc: Members, Joint Committee on Finance

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## JOINT COMMITTEE ON FINANCE

### MEMORANDUM

To: Members  
Joint Committee on Finance

From: Senator Brian Burke  
Representative John Gard  
Co-Chairs, Joint Committee on Finance

Date: April 11, 2000

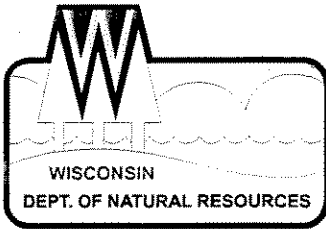
Re: 14 Day Passive Review/Land Purchase

Attached is a copy of a request from Secretary George Meyer regarding proposed grants to Kenosha County for assistance with the purchase of the Meyer Material property located in the Towns of Wheatland and Randall for \$303,500. Grants from the Stewardship Urban Rivers Program (\$224,100) and the Streambank Protection Program (\$79,400) will be used to make the purchase. This request is pursuant to s. 23.0915(4), Stats., which requires the Department of Natural Resources to notify the Joint Committee on Finance of all stewardship projects in excess of \$250,000.

Please review this item and notify **Senator Burke** or **Representative Gard** no later than **Friday, April 28, 2000**, if you have any questions about this request or would like the Committee to meet formally to consider it. If no objections are heard by that date, the request will be approved.

Also, please contact us if you need further information.

BB:JG:js



State of Wisconsin \ DEPARTMENT OF NATURAL RESOURCES

Tommy G. Thompson, Governor  
George E. Meyer, Secretary

101 S. Webster St.  
Box 7921  
Madison, Wisconsin 53707-7921  
Telephone 608-266-2621  
FAX 608-267-3579  
TDD 608-267-6897

April 4, 2000

Honorable Brian Burke  
Member State Senate  
P.O. Box 8952, State Capitol  
Madison, WI 53707

*Brian*

Dear Senator Burke:

The Department is notifying you, as co-chair of the Joint Committee on Finance, of proposed grants to Kenosha County for assistance with the purchase of the Meyer Material Property located in the Towns of Wheatland and Randall. The grants will come from Stewardship Urban Rivers Program (\$224,100) and Streambank Protection Program (\$79,400) for a total state grant amount of \$303,500. This notice is pursuant to s. 23.0915(4), Stats., which requires the Department to notify the Joint Committee on Finance of Stewardship projects of \$250,000 or more in cost. This acquisition will be part of a proposed 488-acre Wheatland-Randall-Twin Lakes County Park, and will provide a needed large regional park in western Kenosha County.

Attached please find a summary of the project as well as maps and copies of the grant application and project plan. I certify that this request for consideration meets all the applicable state and federal statutes, rules, regulations, and guidelines. This certification is based upon a thorough and complete analysis of this request.

If you do not notify the department within 14 working days after this notification that the Committee has scheduled a meeting to review the proposed transaction, the Department will proceed with the approval process. If the committee has no objections, the Department will forward the proposal to the Governor for his consideration. If you need further information, please contact Leslie Gauberti at 267-0497. She is available to answer any question you may have in this matter.

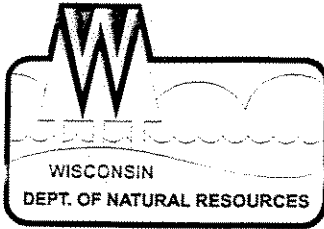
Thank you for your consideration.

Sincerely,

*George*

George Meyer  
Secretary

Cc: Members, Joint Committee on Finance  
Legislative Fiscal Bureau



State of Wisconsin \ DEPARTMENT OF NATURAL RESOURCES

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April 4, 2000

Honorable John Gard  
Member State Assembly  
P.O. Box 8952, State Capitol  
Madison, WI 53707

*John*  
Dear Representative Gard:

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Thank you for your consideration.

Sincerely,

*George*  
George Meyer  
Secretary

Cc: Members, Joint Committee on Finance  
Legislative Fiscal Bureau

## Stewardship Grant Project Summary

### Kenosha County Meyer Material Property Acquisition

#### OVERVIEW:

Kenosha County is requesting grant assistance for the purchase of a 233 acre abandoned gravel quarry owned by Meyer Material Company, located in the Towns of Wheatland and Randall. According to the County's Park and Open Space Plan, this phase I acquisition site will be part of a proposed 488 acre Wheatland-Randall-Twin Lakes County Park, and will provide a needed large regional park in western Kenosha County. This site includes a variety of landforms and features a 40-45 acre lake for swimming and non-motorized boating. The site also contains wetland and pond headwater areas of Palmer Creek, severed by gravel operations, and a critical species habitat site that will be preserved. The New Munster state wildlife area and a local Town of Randall park are adjacent to this acquisition site. The proposed development of the site will be professionally guided by an initial conceptual plan, prepared by the South East Wisconsin Regional Planning Commission staff, to assure preservation of all significant and diverse natural resource features and attempt to maximize usable portions of the site for multi-seasonal recreational opportunities, including both active and passive activities. This property is located in the rapidly developing Village of Twin Lakes area and proposed subdivision development would have resulted in a loss of valuable open space and probable decline in water quality in the lower Illinois Fox River watershed. It is noted that Palmer Creek, which flows from the acquisition site through the state wildlife area, has been identified in the Regional Natural Areas Plan as an Aquatic Area of Local Significance due in part to its classification as a Class III trout stream. Acquisition of this site for outdoor recreation use will help protect aquatic habitat associated with the stream and the wetlands on the site, as well as identified special concern plant species referenced in NHI.

The project will help to implement recommendations contained in the Comprehensive Plan for the Illinois Fox River Watershed. The preservation of the unique features of this site, coupled with the need for a regional park to serve current, as well as future projected public outdoor recreation demands, make this site a desirable and needed land acquisition for Kenosha County.

**GRANT REQUEST:** Certified Fair Market Value (for grant purposes): \$ 607,000.

Proposed Grant Fund Sources:	Urban Rivers Grant Program	\$ 224,100.
	Stream Bank Protection	<u>79,400.</u>

Total Cost Share Amount \$ 303,500.

Note: Allocated values above are based on certified appraisal analysis of an overall, designated 86.7 acre streambank protection area containing 67.7 acres of wetland, critical species habitat area, as determined by South East Wisconsin Regional Planning Commission staff, and associated watershed slopes, including sloped area surrounding the outfall pond.

## PARCEL DESCRIPTION:

**Owner:** The property is now owned by Meyer Material Company.

**Location:** The property is located near 8322 352<sup>nd</sup> Avenue (CTH KD), T1&2N, R19E, Sec 10, Town of Wheatland, and T1, R19E, Sec 15, Town of Randall. The site is adjacent to the Village of Twin Lakes and has frontage access on CTH's F and KD.

**Number of Acres:** 233

**Purchase Price:** Currently being negotiated. It should be noted that estimated restoration (reclamation) cost of \$200,000 was deducted from the certified fair market value.

**Interest:** Will be purchased in fee simple title

**Improvements:** Existing residential home valued at \$157,000. Other quarry operation shed(s) will be removed by owner.

**Land Description:** Site topography is a varied terrain that includes hills, generally rolling agricultural land, wetland and pond, and the former gravel pit lake. The man made lake is approximately 35 feet deep, spring fed, as well as fed by natural surface drainage and ground water. During quarry operations the natural creek flow was diverted around mining areas. There is minimal vegetation around the lake and a bermed area screens the lake from CTH KD. The lake outlets through a constructed stone drainageway into a small holding pond before it crosses under KD into unsevered Palmer Creek and the New Munster state area. There are scattered mature hardwoods and other mature trees in the unmined areas at the top of slopes and along property lines. The soils in the upland agricultural areas are mostly Casco and Fox, which generally have high sand and gravel, content and are suitable for residential development. Lowland areas are generally marshy with very severe use limitations. It is assumed that areas disrupted by mining operations will eventually be covered with top soil and planted with ground cover.

**Zoning:** Most of the former gravel pit, including the man made lake, is zoned M-3 Mineral Extraction District and includes some fringe agricultural land. The wetland and pond areas consisting of approximately 32 acres are zoned C-1 Lowland Resource Conservancy District. The southerly 38 acre balance is zoned A-2 General Agricultural District and is considered to have good residential subdivision development potential. According to the certified appraisal report, the M-3 area would be best marketed as large exclusive residential single family lots, but would be limited due to access, location of lake, and topography

**Present Use:** Mined out area (over 1/2 of parcel) has been graded and left vacant. The undisturbed agricultural areas are still being cropped. A single family home is located on a 2 1/2 acre portion of the site.

**Proposed Use:** Ensures protection and restoration of primary wetland, pond, and lake areas as part of the Palmer Creek and Bassett Creek tributary system to the Fox River. Projected recreational uses for the park will consist of a variety of year round activities. Winter uses proposed include ice-skating, ice-fishing, sledding, and cross country skiing. "Fair weather" activities projected included swimming, fishing, boating, hiking, and picnicking. The site will also accommodate sports field development, and the County intends to cooperate with

the Town of Randall to integrate the County Park with the existing adjacent local Park. Future acquisition phases will include a primitive group camping area, and also expand recreational and nature trails, sports fields, and picnicking. A preliminary conceptual master plan for the eventual County Park site has been completed by SEWRPC.

**Project Partners:** Kenosha County and Department of Natural Resources

**Timing:** Kenosha County has commenced negotiations with the property owner and anticipates purchase of this property in 2,000. Timing of the subsequent County Park site expansion phases has not yet been determined.

**Finances:** The purchase of this property will utilize monies from the Kenosha County General Fund. There has been no guarantee of state matching grant assistance, however, the County has been advised of the project's favorable ranking. Also, the County has indicated that they will accept a grant if formally awarded.

**Project Evaluation: Criteria** used to determine grant eligibility is set forth in the enabling legislation of the Urban Rivers Grant Program s. 30.277(2) and promulgated in Chapter NR 50.22. Criteria in NR 50.22(6), used for ranking of project requests in annual statewide grants competition, include:

The project satisfies a relevant statewide or department regional priority need identified in the statewide comprehensive outdoor recreation plan needs analysis.

Yes (The project is supported by the Statewide Comprehensive Outdoor Recreation Plan, (SCORP) 1991-96 in high priority activities including hiking, walking, running, fishing, and non-specific outdoor enjoyment for the region as well as statewide.)

The project preserves land listed on the natural heritage inventory or restores or preserves an area with significant historical or cultural value. Yes (The property "is in danger of being developed/sold/leased", and is included in the NHI inventory - plant species found include wooly milkweed and wilcox panic grass.)

The project supports other federal, state or local natural resource management or pollution control lands or projects. Yes ("A Comprehensive Plan for the Fox River Watershed", and the project is located at the Palmer Creek headwaters, adjacent to the states New Munster Wildlife Area.)

The project implements recommendations of approved water quality management plan, which identifies areas that should be protected. Yes ("A Regional Water Quality Management Plan for Southeastern Wisconsin", as originally prepared, and updated, by the Southeastern Wisconsin Regional Planning Commission.)

The project is in a river plan that has had previous Urban Rivers Grant Program funding. Yes (Several Stewardship Urban Rivers Grant Program funded projects have been successfully implemented within the Fox River watershed corridors in Waukesha, Walworth, and Racine Counties.)

The project is located on a Scenic Urban Waterway under s 30.275, Stats. Yes (The project is located in the Palmer Creek - Illinois-Fox River watershed corridor.)

The project acquires wetlands as defined in the Priority Wetland Plan or restores wetlands or protects a key habitat area that will be left in a natural state. Yes (The project features the acquisition of 67.7 acres of identified wetland area that will be evaluated for restoration, if needed, or preserved in current existing natural state.)

The project expands outdoor recreation near an urban center. Yes (The proposed County Park site is adjacent to the Village of Twin Lakes.)

The project improves public access to the riverfront for all segments of the population. No (The proposed project will provide public access to the existing quarry lake located on the site for boating, fishing, and swimming activities. Public access to Palmer Creek is more easily gained at locations in the adjacent New Munster state wildlife area.)

The project has local community support. No (There is no financial support indicated from local service, business, or non-profit conservation organizations)

The planning area has two or more counties cooperating in implementing a river corridor plan. Yes (The Comprehensive Plan for the Fox River Watershed is being implemented by 3 counties, the state, and most local governmental jurisdictions along the Fox River and its major tributaries. The state supported Southeastern Wisconsin Fox River Commission includes representatives of local governments and citizens from throughout the Illinois-Fox River basin.)

The project has significant potential for increasing tourism. Yes (The planned County regional park will allow an outdoor recreation facility of significant size and importance to elevate the facility to be of regional significance. The project area is also adjacent to a state wildlife area.)

The project has potential benefits to the overall economy of the sponsoring unit of government. Yes (The planned County regional park will provide opportunities for a wide variety of outdoor recreation pursuits that will generate additional income to private sector businesses in western Kenosha County.)

The project has aesthetic value and will acquire and protect existing green space area(s). Yes (The planned County regional park will preserve significant wetland and wildlife habitat areas.)

**Justification:**

- 1) The project is supported by a **Regional Park and Open Space Plan for Southeastern Wisconsin – 1977, & 2000**, and a **Park and Open Space Plan for Kenosha County – 1987** (currently being updated). Both Plans recommend public acquisition of primary environmental corridors, wetlands, critical habitat areas, and watershed areas associated with natural resource preservation, outdoor recreation, and flood control.
- 2) The project initiates the provision of a major, diversified county park site in the western end of Kenosha County, serving Randall and Wheatland Townships, as well



as the urbanizing Village of Twin Lakes area.

- 3) The project adequately satisfies specific criteria identified in the Streambank Protection program and purposes established for the Urban Rivers Grant program.
- 4) The project implements recommendations contained in "A Comprehensive Plan for The Fox River Watershed" and "A Regional Water Quality Management Plan for Southeastern Wisconsin".

**Appraisals:**

Appraisal # 1 – Certified by Department Review Appraiser on June 29, 1999.

Appraiser: Dennis M. Stefanik (Private appraiser)

Valuation Date: March 25, 1999

Appraised Value: \$807,000. Note: An adjustment for estimated quarry site restoration costs lowered this value to \$607,000. The certified "adjusted" Land Value is \$450,000. (1,931. per acre)

Highest and Best Use: Improved single family site, subdividable agricultural land and split off potential for large lake frontage lots.

Type of Report: Market data approach used, 3 comparable sales cited

Appraisal #2 – Accepted by Department Review Appraiser on June 25, 1999.

Appraiser: Linn A. Duesterbeck (Private appraiser)

Valuation Date: December 22, 1998

Appraised Value: \$1,000,000. Note: No adjustment for quarry site restoration costs. Land Value is \$900,000. (3,863 per acre)

Highest and Best Use: Two-three residential home sites

Type of Report: Market data approach used, 3 comparable sales cited

**PROJECT MAP ATTACHMENTS**

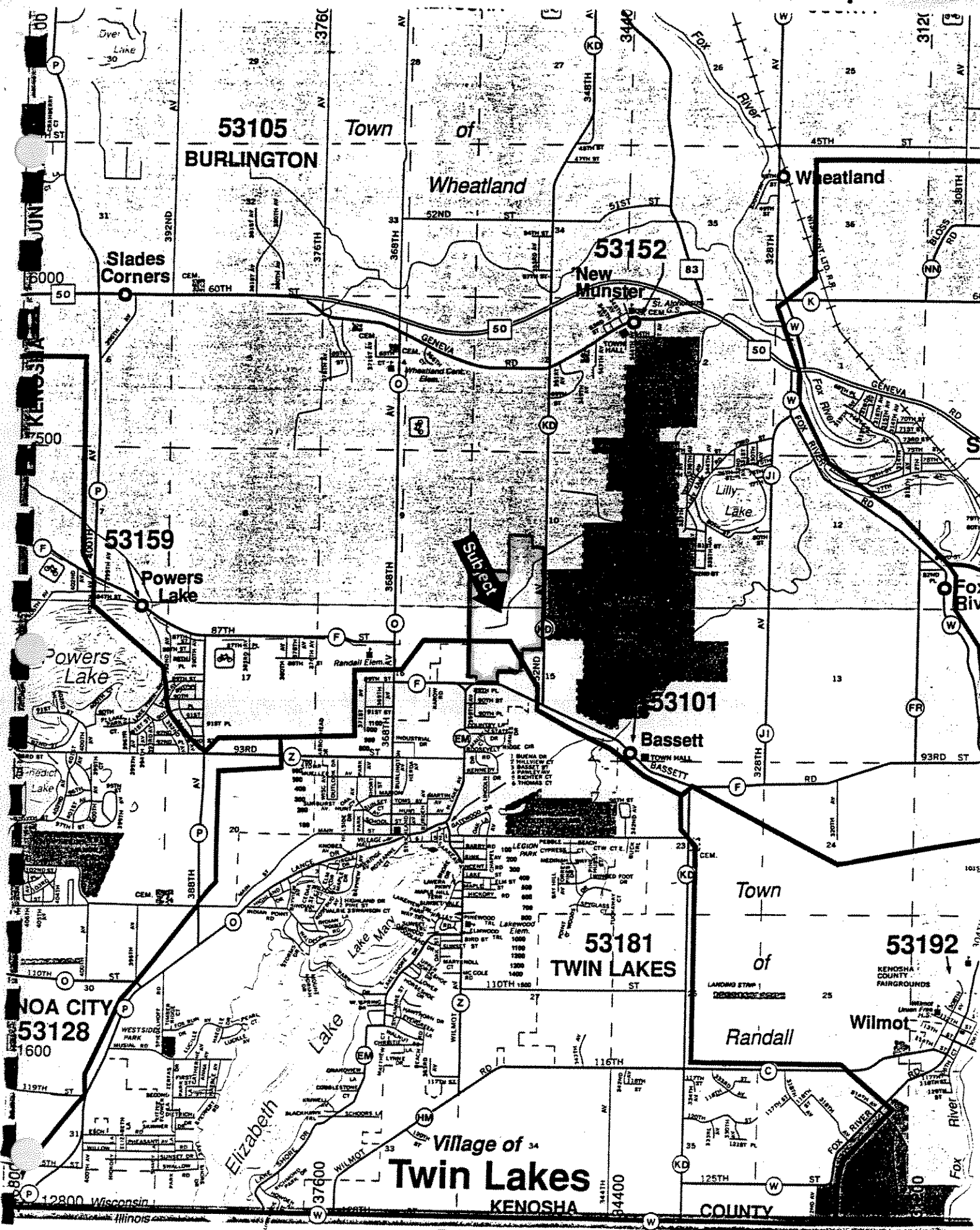
For: Requested Stewardship Grant Assistance  
Kenosha County  
Meyer Materials Property Acquisition

Location Maps: Area and Regional (County)

Local Area Highway Map  
Wheatland and Randall Townships  
Kenosha County Map

Site Maps:

Property Map  
Site Survey Map  
Site Topography Map  
Conceptual Site Development Plan



53105  
**BURLINGTON**

Town of  
**Wheatland**

53152  
**New Munster**

Wheatland

Slades  
Corners

53159  
**Powers Lake**

53101  
**Bassett**

53181  
**TWIN LAKES**

53192

NOA CITY  
53128

Town of

Randall

Wilmot

Village of  
**Twin Lakes**  
KENOSHA

COUNTY

R19E

1

2

3

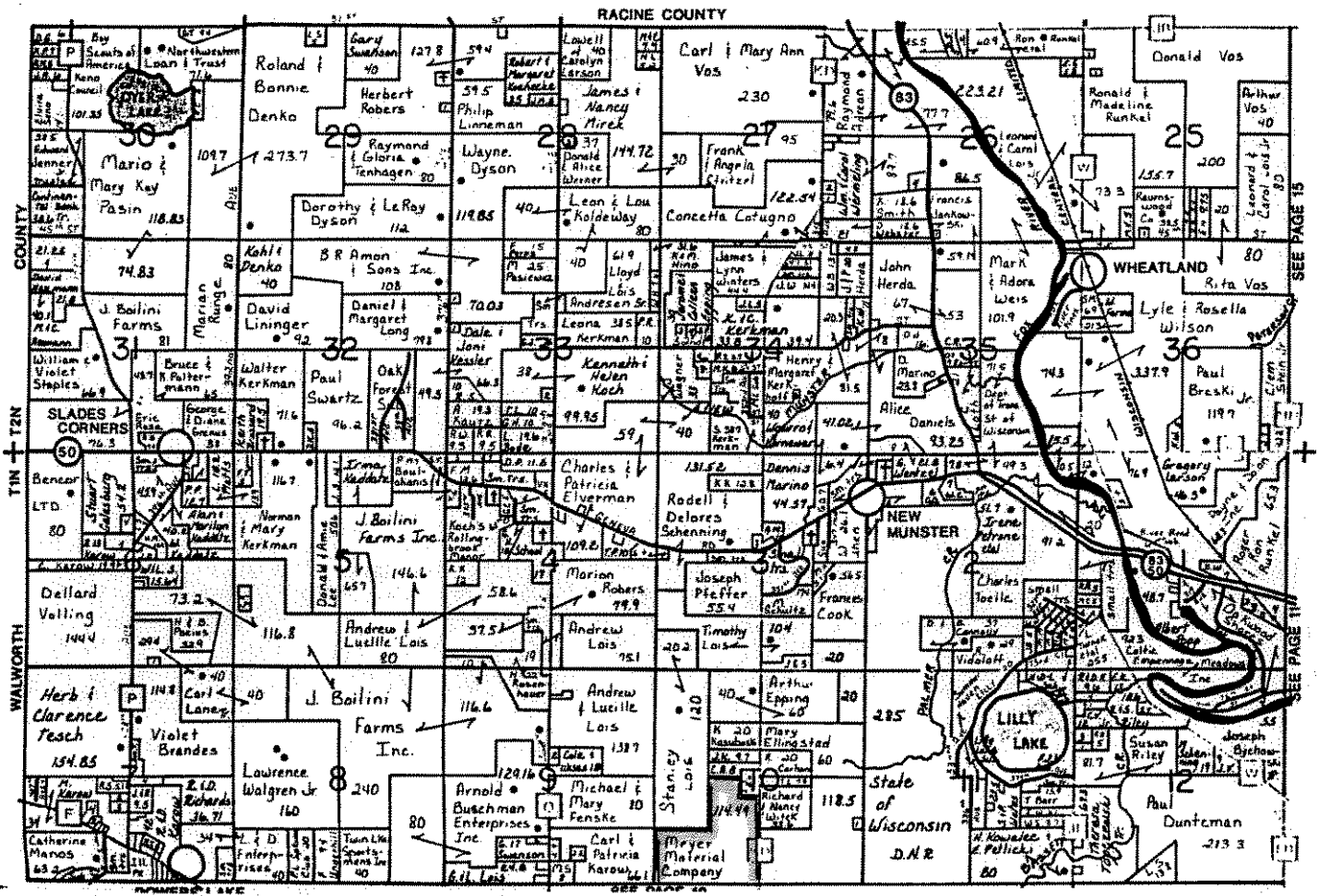
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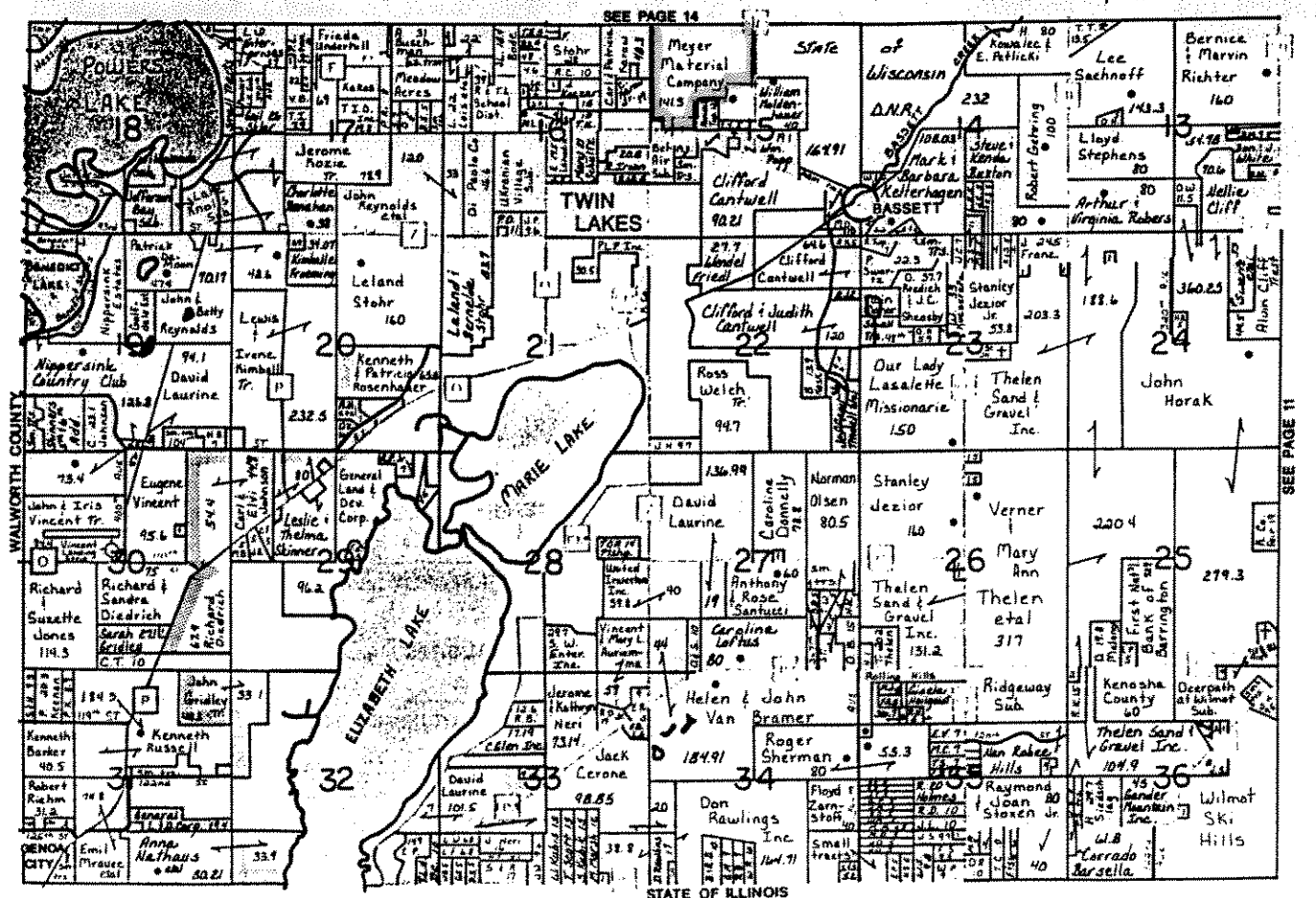
# WHEATLAND

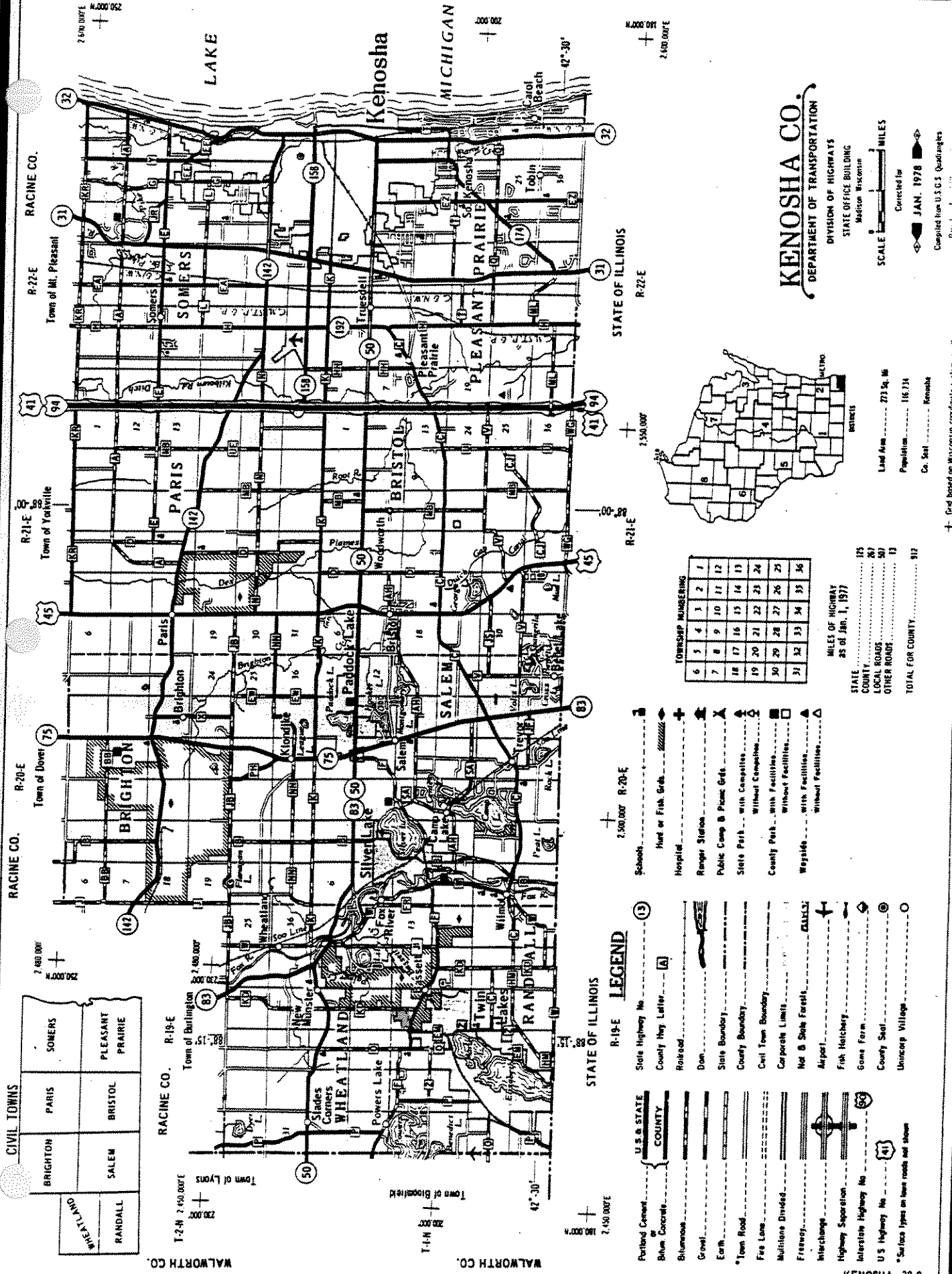
T.1N. - R.19E.



# RANDALL

T.1N. - R.19E.





**CIVIL TOWNS**

Wheatland	Brighton	Paris	Somers
Randall	Salem	Bristol	Pleasant Prairie

**RACINE CO.**  
 Town of Burlington R-19-E  
 Town of Lyons  
 Town of Dover R-20-E  
 Town of Yawville R-21-E  
 Town of Mt. Pleasant R-22-E

**STATE OF ILLINOIS**

**LEGEND**

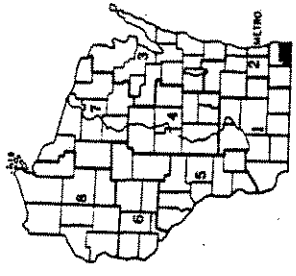
U.S. STATE or COUNTY	State Highway No. (13)	Schools	Hut or Fish Grk.
Portland Cement or Blum Concrete	County Hwy. Letter (A)	Hospital	Ranger Station
Shut-out	Roadbed	Public Camp & Picnic Grk.	State Park - with Campsites
Gravel	Don.	State Park - without Campsites	County Park - with Facilities
Earth	State Boundary	County Park - without Facilities	Wayside - with Facilities
*Town Road	County Boundary	Wayside - without Facilities	
Fire Lane	Cell Town Boundary		
Mortuaries Divided	Corporate Limits		
Freeway	Not B. State Forest		
Interchange	Airport		
Highway Separation	Fish Hatchery		
Interstate Highway No. (60)	Game Farm		
U.S. Highway No. (41)	County Seat		
*Surface types on town roads not shown	Unincorp. Village		

**TOWNSHIP NUMBERING**

6	5	4	3	2	1
7	8	9	10	11	12
18	17	16	15	14	13
19	20	21	22	23	24
30	29	28	27	26	25
31	32	33	34	35	36

**MILES OF HIGHWAY AS OF JAN. 1, 1977**

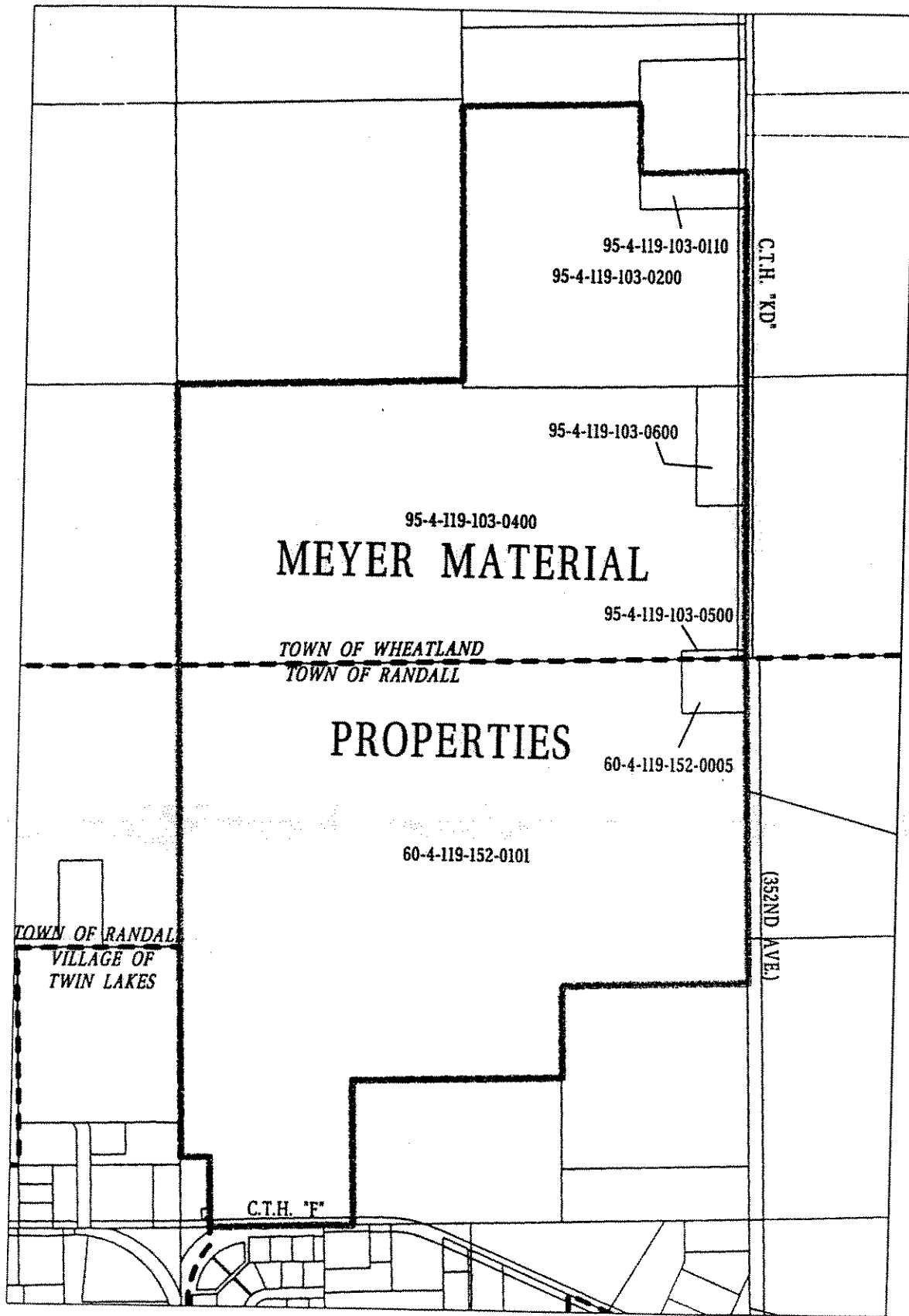
STATE	175
COUNTY	87
LOCAL ROADS	507
OTHER ROADS	13
<b>TOTAL FOR COUNTY</b>	<b>912</b>



Land Area ..... 273 Sq. Mi.  
 Population ..... 116,774  
 Co. Seat ..... Kenosha

**KENOSHA CO.**  
 DEPARTMENT OF TRANSPORTATION  
 DIVISION OF HIGHWAYS  
 STATE OFFICE BUILDING  
 MADISON WISCONSIN

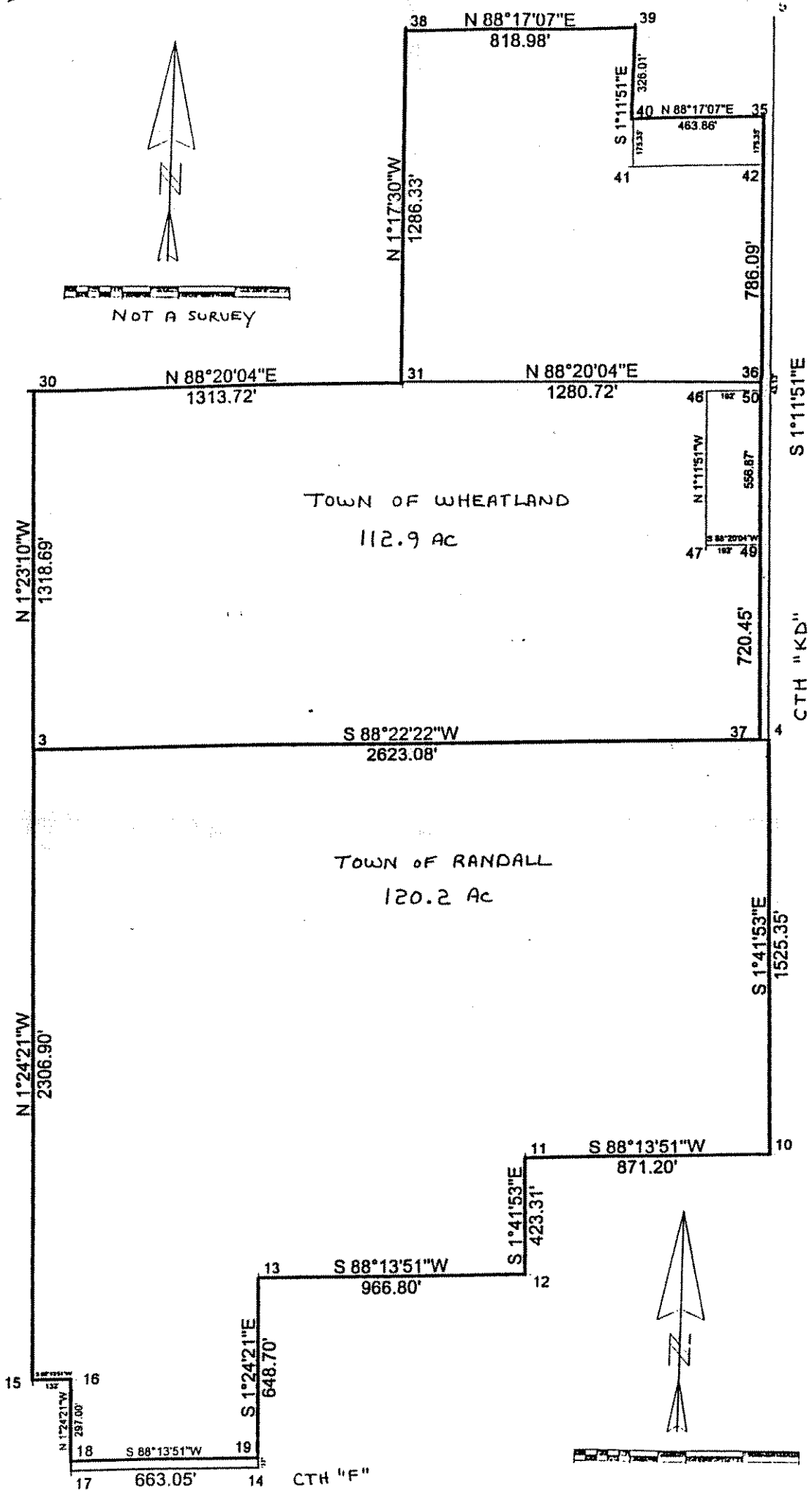
SCALE MILES  
 Corrected for  
 JAN. 1978  
 Compiled from U.S.G.S. Quadrangles



PREPARED BY  
 KENOSHA COUNTY DEPARTMENT OF  
 PLANNING AND DEVELOPMENT  
IN COOPERATION WITH  
 SOUTHEASTERN WISCONSIN REGIONAL  
 PLANNING COMMISSION



1 INCH = 800 FEET



NOT A SURVEY

TOWN OF WHEATLAND

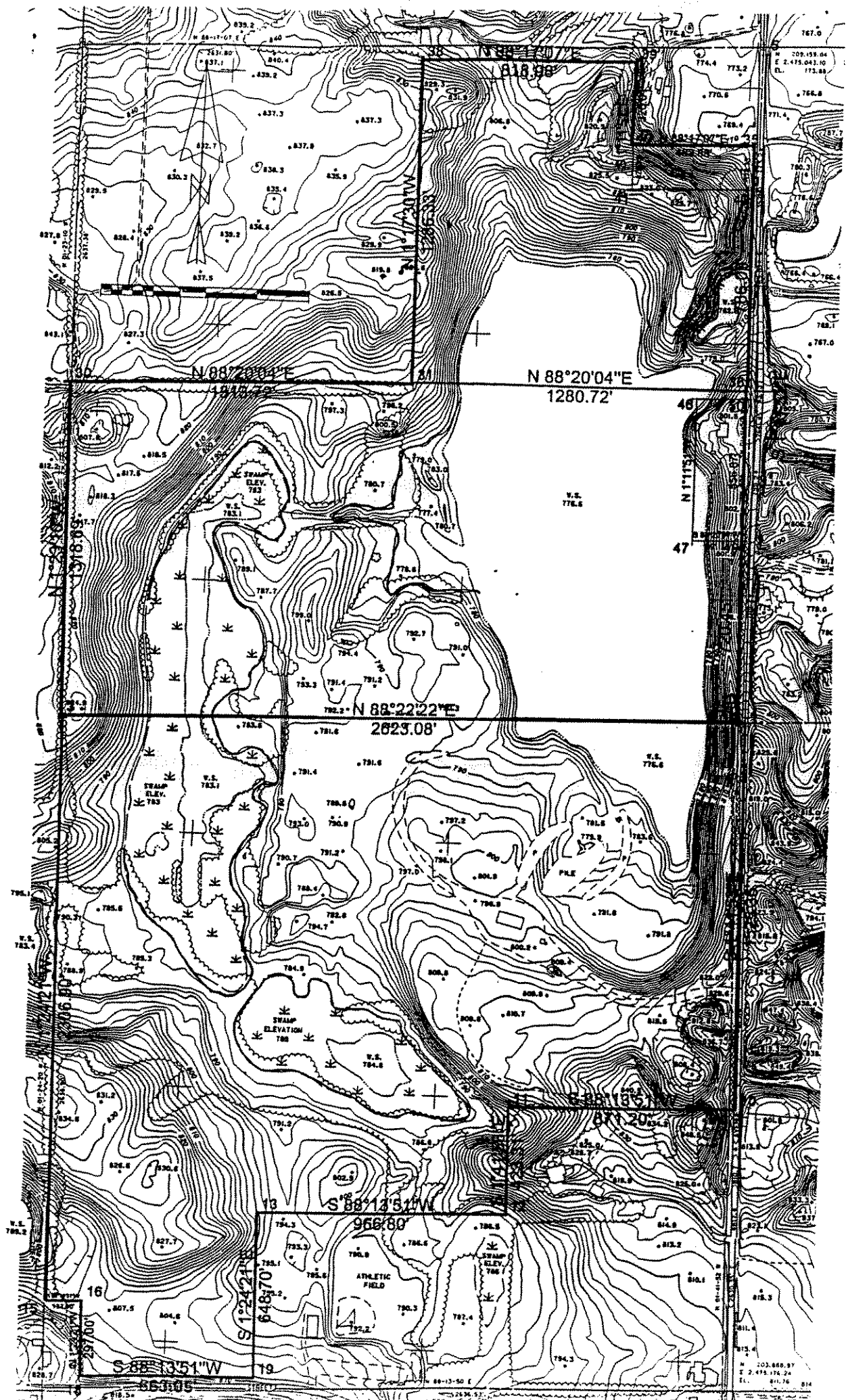
112.9 AC

TOWN OF RANDALL

120.2 AC

CTH "F"

CTH "KD"



$N 88^{\circ}20'04'' E$

$N 88^{\circ}20'04'' E$

1280.72'

$N 88^{\circ}22'22'' E$

2625.08'

$S 88^{\circ}13'51'' W$

966.80'

646.70'

$S 88^{\circ}13'51'' W$

863.05'

N 111°15' E

47

V.S. 776.6

V.S. 776.6

V.S. 776.6

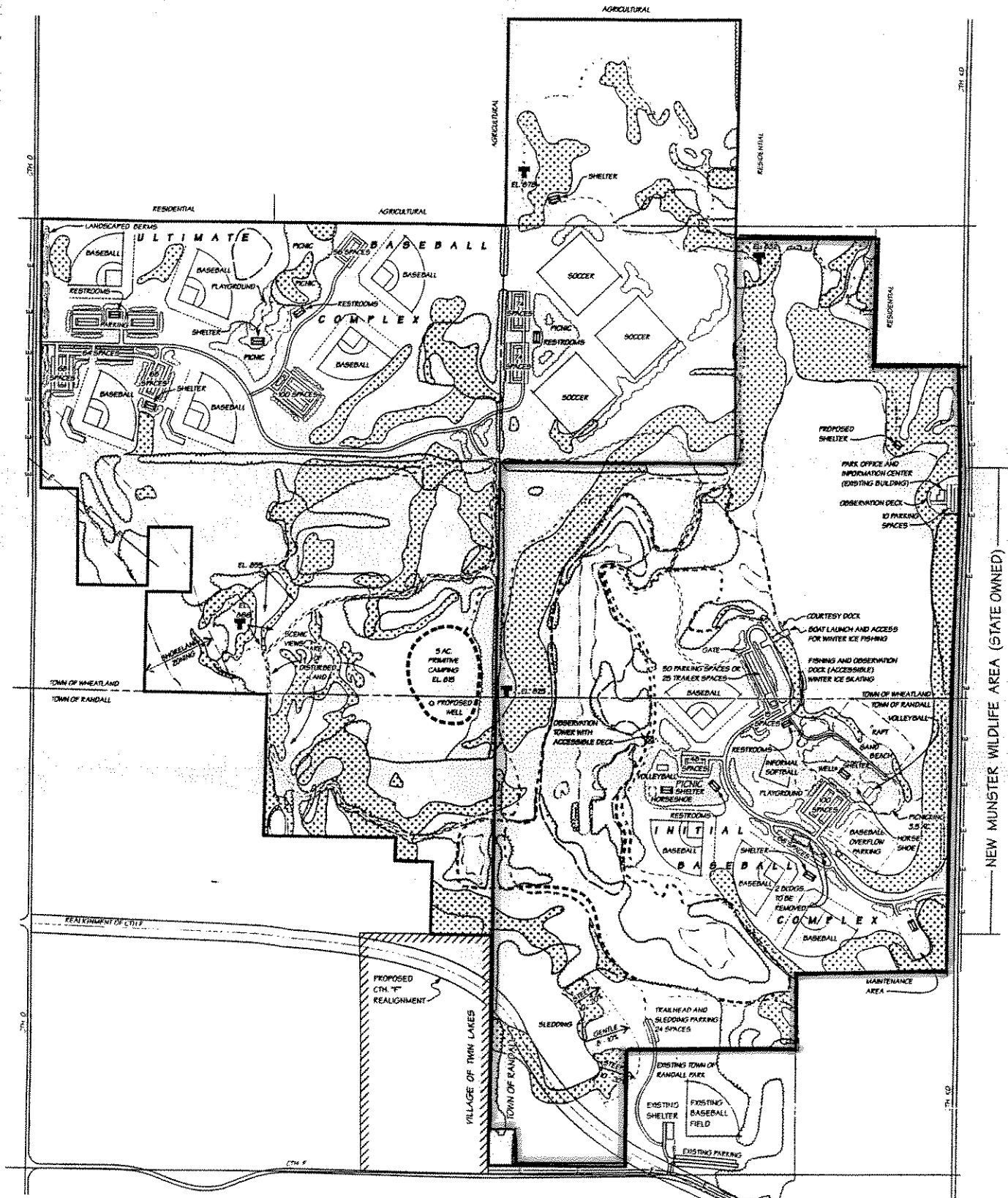
V.S. 782.4

V.S. 782.4

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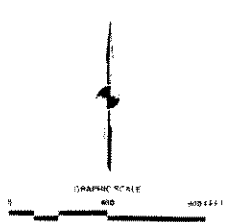
V.S. 782.4

**WHEATLAND - RANDALL - TWIN LAKES COUNTY PARK CONCEPTUAL SITE PLAN  
KENOSHA COUNTY, WISCONSIN 1999**



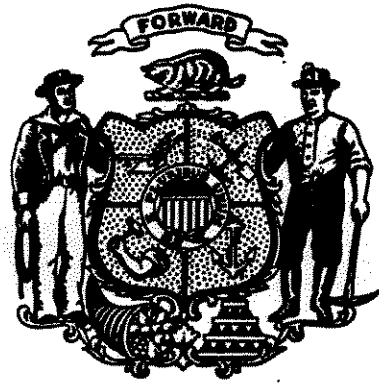
NEW MUNSTER WILDLIFE AREA (STATE OWNED)

- |  |  |  |  |
|--|--|--|--|
|  | PROJECT BOUNDARY                       |  | PROPOSED VEGETATION (TREES AND SHRUBS)         |
|  | SURFACE WATER                          |  | PROPOSED OBSERVATION DECK                      |
|  | WETLAND                                |  | PROPOSED TRAIL                                 |
|  | SLOPES 10% OR MORE                     |  | PROPOSED MAINTENANCE ROAD AND EMERGENCY ACCESS |
|  | EXISTING VEGETATION (TREES AND SHRUBS) |  | CRITICAL SPECIES HABITAT SITE                  |





*END*



*END*

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Department of Natural Resources  
101 South Webster Street  
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Dear Secretary Meyer:

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A meeting will be scheduled to further discuss this request. Therefore, the request is not approved at this time.

Sincerely,

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BRIAN BURKE  
Senate Chair

Handwritten signature of John Gard in black ink.

JOHN GARD  
Assembly Chair

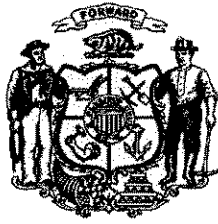
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cc: Members, Joint Committee on Finance

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Co-Chairs, Joint Committee on Finance

Date: April 11, 2000

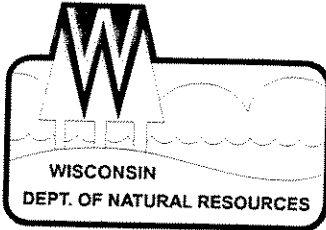
Re: 14 Day Passive Review/Land Purchase

Attached is a copy of a request from Secretary George Meyer regarding proposed grants to Waukesha County for assistance with the purchase of the Williams-Zurheide Farm property located in the Town of Oconomowoc for \$670,000. Grants from the Stewardship Urban Rivers Program (\$380,000) and the Urban Green Space Program (\$290,000) will be used to make the purchase. This request is pursuant to s. 23.0915(4), Stats., which requires the Department of Natural Resources to notify the Joint Committee on Finance of all stewardship projects in excess of \$250,000.

Please review this item and notify **Senator Burke** or **Representative Gard** no later than **Friday, April 28, 2000**, if you have any questions about this request or would like the Committee to meet formally to consider it. If no objections are heard by that date, the request will be approved.

Also, please contact us if you need further information.

BB:JG:js



State of Wisconsin \ DEPARTMENT OF NATURAL RESOURCES

Tommy G. Thompson, Governor  
George E. Meyer, Secretary

101 S. Webster St.  
Box 7921  
Madison, Wisconsin 53707-7921  
Telephone 608-266-2621  
FAX 608-267-3579  
TDD 608-267-6897

April 4, 2000

Honorable Brian Burke  
Member State Senate  
P.O. Box 8952, State Capitol  
Madison, WI 53707

*Brian*  
Dear Senator Burke:

The Department is notifying you, as co-chair of the Joint Committee on Finance, of proposed grants to Waukesha County for assistance with the purchase of the Williams-Zurheide Farm property located in the Town of Oconomowoc. The grants will come from Stewardship Urban Rivers Program (\$380,000) and Urban Green Space Program (\$290,000) for a total state grant amount of \$670,000. This notice is pursuant to s. 23.0915(4), Stats., which requires the Department to notify the Joint Committee on Finance of Stewardship projects of \$250,000 or more in cost. This 347-acre acquisition is located in a rapidly urbanizing area north of the City of Oconomowoc and will provide for passive and multi-seasonal recreational opportunities.

Attached please find a summary of the project as well as maps and copies of the grant application and project plan. I certify that this request for consideration meets all the applicable state and federal statutes, rules, regulations, and guidelines. This certification is based upon a thorough and complete analysis of this request.

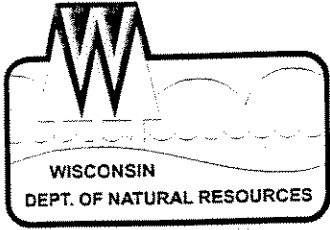
If you do not notify the department within 14 working days after this notification that the Committee has scheduled a meeting to review the proposed transaction, the Department will proceed with the approval process. If the committee has no objections, the Department will forward the proposal to the Governor for his consideration. If you need further information, please contact Leslie Gauberti at 267-0497. She is available to answer any question you may have in this matter.

Thank you for your consideration.

Sincerely,

*George*  
George Meyer  
Secretary

Cc: Members, Joint Committee on Finance  
Legislative Fiscal Bureau



State of Wisconsin \ DEPARTMENT OF NATURAL RESOURCES

Tommy G. Thompson, Governor  
George E. Meyer, Secretary

101 S. Webster St.  
Box 7921  
Madison, Wisconsin 53707-7921  
Telephone 608-266-2621  
FAX 608-267-3579  
TDD 608-267-6897

April 4, 2000

Honorable John Gard  
Member State Assembly  
P.O. Box 8952, State Capitol  
Madison, WI 53707

  
Dear Representative Gard:

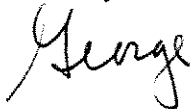
The Department is notifying you, as co-chair of the Joint Committee on Finance, of proposed grants to Waukesha County for assistance with the purchase of the Williams-Zurheide Farm property located in the Town of Oconomowoc. The grants will come from Stewardship Urban Rivers Program (\$380,000) and Urban Green Space Program (\$290,000) for a total state grant amount of \$670,000. This notice is pursuant to s. 23.0915(4), Stats., which requires the Department to notify the Joint Committee on Finance of Stewardship projects of \$250,000 or more in cost. This 347-acre acquisition is located in a rapidly urbanizing area north of the City of Oconomowoc and will provide for passive and multi-seasonal recreational opportunities.

Attached please find a summary of the project as well as maps and copies of the grant application and project plan. I certify that this request for consideration meets all the applicable state and federal statutes, rules, regulations, and guidelines. This certification is based upon a thorough and complete analysis of this request.

If you do not notify the department within 14 working days after this notification that the Committee has scheduled a meeting to review the proposed transaction, the Department will proceed with the approval process. If the committee has no objections, the Department will forward the proposal to the Governor for his consideration. If you need further information, please contact Leslie Gauberti at 267-0497. She is available to answer any question you may have in this matter.

Thank you for your consideration.

Sincerely,



George Meyer  
Secretary

Cc: Members, Joint Committee on Finance  
Legislative Fiscal Bureau

## Stewardship Grant Project Summary

### Waukesha County Williams-Zurheide Property Acquisition

#### OVERVIEW:

Waukesha County is requesting grant assistance for the purchase of the 347-acre Williams-Zurheide Farm property, located in the Town of Oconomowoc. According to the County's Park and Open Space Plan, this site will complete the acquisition of large, regional park sites and satisfy their planning objective of providing major park locations within 5 miles of every Waukesha County resident. The site features nearly one mile of river frontage along the Ashippun River, including substantial wetland complex areas, as well as a significant upland vista area, and is adjacent to a state-owned, county operated public boat launch on Ashippun Lake. A sedge meadow on the site has a Wildlife rating of "A-" or "Class I". The proposed development of the site will be professionally guided by an initial conceptual planning phase to assure preservation of all significant and diverse natural resource features and attempt to maximize usable portions of the site for passive and multi-seasonal recreational opportunities. This property is located in a rapidly urbanizing area north of the City of Oconomowoc and proposed residential development would have resulted in a loss of valuable open space and probable decline in water quality in the Ashippun and Rock River watershed area.

This acquisition project was approved for Stewardship grant funding from Urban Rivers and Streambank Protection at the 1997 statewide rating and ranking meeting. Due to negotiation delays and increased cost the County was unable to accept the grant offers at that time.

The project will help to implement recommendations contained in Riverway Plans for the Rock River, including the Department's Upper Rock River Basin Water Quality Management Plan. The preservation of the unique features of this site, coupled with the need for a regional park to serve future projected public outdoor recreation demands, make this site a desirable and needed land acquisition for Waukesha County.

**GRANT REQUEST:** Certified Fair Market Value (for grant purposes): \$1,340,000.

Proposed Grant Fund Sources:	Urban Rivers Grant Program	\$380,000.
	Urban Green Space	<u>290,000.</u>
	Total Cost Share Amount	\$670,000.

Note: The total of the allocated values above is based on the certified appraisal of the entire property to be acquired. The proposed Urban River Grant amount is the maximum (cap) amount allowed for a project in a given annual grant cycle year. Based on statewide rating results the balance of the project is recommended for Urban Green Space program funding.

#### PARCEL DESCRIPTION:

**Owner:** The property is now owned by Waukesha County and was recently dedicated on September 7, 1999.

**Location:** The property is located at W372 N7630-40 McMahon Road (T8N, R17E, Sec 8,9, &16) Town of Oconomowoc. The site is approximately 2 miles north of the City of Oconomowoc and approximately 1 mile from the STH 16 Bypass Corridor.

**Number of Acres:** 347

**Purchase Price:** \$1,750,000.

**Interest:** Purchased in fee simple title

**Improvements:** Farmhouse and Storage/Shed Buildings – valued at \$188,000.

**Land Description:** Site topography is a varied terrain that includes hills, generally level to rolling agricultural land, and wetland. The area along the Ashippun River is within a FEMA designated flood hazard area. The upland area includes approximately 15 acres of mature woods. There are approximately 110 acres along the river comprised of soils with severe limitations on any type of development. The remaining 237 acres is comprised primarily of soils types with slight to moderate limitations for development with on site sewage disposal systems depending on the slope. The property has the second highest point in Waukesha County with excellent views of Holy Hill and the surrounding countryside.

**Zoning:** Approximately 297 acres is zoned A-P (Agricultural Preservation) and C-1 which could have potentially been developed as 8.5 lots at 35 acre density. Approximately 35 acres are zoned A-T Transitional zoning, and the remaining acreage is zoned Environmental Corridor. There was a strong possibility that the acreage zoned A-T could be changed to zoning allowing 3-acre density. The E-C zoning allows development at a 5-acre density. A possible Planned Unit Development scenario could have provided a maximum of 26 lots including the eight at 35 acres or more.

**Present Use:** Currently public open space. Formerly, land was primarily agricultural. An agricultural impact statement has been prepared by DATCP (#2610); recommending continued farm leasing on the Ag portions of the property until the park site is developed.

**Proposed Use:** Ensures protection and preservation of primary environmental and wetland corridor along the Ashippun River. Future projected recreational uses for the park will consist of a variety of multi-season uses including hiking, picnic areas and shelters, cross country skiing, snowshoeing, nature study, playfields for lawn sports, and river access for canoe activity. A final master development plan for the site has not been completed.

**Project Partners:** Waukesha County and the Department of Natural Resources

**Timing:** Waukesha County purchased the property on June 30, 1999, after requesting and receiving an approved waiver of retroactivity.

**Finances:** The purchase was a cash transaction utilizing Waukesha County Land Acquisition funds. There has been no guarantee of state matching grant assistance.

**Project Evaluation:** Criteria used to determine grant eligibility is set forth in the enabling legislation of the Urban Rivers Grant Program s. 30.277(2) and promulgated in Chapter NR

50.22. Criteria in NR 50.22(6), used for ranking of project requests in annual statewide grants competition, include:

The project satisfies a relevant statewide or department regional priority need identified in the statewide comprehensive outdoor recreation plan needs analysis. Yes (The project is supported by the Statewide Comprehensive Outdoor Recreation Plan, (SCORP) 1991-1996 in high priority activities including hiking, walking, running, fishing, and non-specific outdoor enjoyment for the region as well as statewide.)

The project preserves land listed on the natural heritage inventory or restores or preserves an area with significant historical or cultural value. Yes (The property "was in danger of being developed/sold/leased", and is included in the NHI inventory – Ashippun Lowlands - wetland complex area. The Ashippun Lowlands also contain a designated rare bird species habitat area, identified in a 1997 Natural Areas Protection Plan, prepared by the Southeastern Wisconsin Regional Planning Commission.

The project supports other federal, state or local natural resource management or pollution control lands or projects. Yes (The project is supported by the Town of Oconomowoc and is identified for public preservation in a Regional Natural Areas and Critical Species Habitat Protection and Management Plan for Southeastern Wisconsin. Acreage along the Ashippun River is within a FEMA designated flood hazard area.)

The project implements recommendations of approved water quality management plan, which identifies areas that should be protected. Yes ("Upper Rock River Basin Water Quality Management Plan". "A Regional Water Quality Management Plan for Southeastern Wisconsin – 2000" identifies the critical need for protection and preservation of floodlands and wetlands on the Ashippun river.)

The project is in a river plan that has had previous Urban Rivers Grant Program funding. Yes (Numerous acquisition projects located in the Rock River watershed have received funding assistance from the states Urban River grant program, including several regional sites in the City of Hartford, City of Whitewater, and on the nearby Bark and Oconomowoc Rivers in Waukesha County.

The project is located on a Scenic Urban Waterway under s 30.275, Stats. No

The project acquires wetlands as defined in the Priority Wetland Plan or restores wetlands or protects a key habitat area that will be left in a natural state. Yes (The project will preserve approximately 110 acres of conservancy wetland within a designated primary environmental corridor.

The project expands outdoor recreation near an urban center. Yes (The project is located near the millpond in the unincorporated village of Monterey.)

The project improves public access to the riverfront for all segments of the population. Yes (The proposed project will preserve approximately one mile of shoreland along the Ashippun River. Public access to the river is planned for canoe launching and fishing. Motorized boating access is available at the adjacent state-owned public launch site, operated by Waukesha County.)



The project has local community support. No (There is no financial support indicated from local service, business, or non-profit conservation organizations. It was noted that the Waukesha Land Conservancy has previously attempted to preserve the Raasch Bog, adjacent to the Raasch Tamaracks – a state-owned natural area, and located to the south of the proposed County park site.)

The planning area has two or more local units of government cooperating and implementing a river corridor plan, including all communities within a county. Yes (Waukesha County and the Town of Oconomowoc are the governmental units on the Ashippun River in Waukesha County.)

The project has significant potential for increasing tourism. Yes (The planned County regional park will allow an outdoor recreation facility of significant size and resource access importance to elevate the facility to be of regional significance. The project is adjacent to a state-owned public boat access, and other state properties are nearby.)

The project has potential benefits to the overall economy of the sponsoring unit of government. Yes (The planned County regional park will provide opportunities for a wide variety of outdoor recreation pursuits that will generate additional income to private sector businesses in western Waukesha County and the City of Oconomowoc.)

The project has aesthetic value and will acquire and protect existing green space area(s). Yes (The planned County regional park will preserve significant natural resource areas, including wetlands, woodlands, wildlife habitat, and vistas.)

#### **Justification:**

- 1) The project is supported by a **Regional Park and Open Space Plan for Southeastern Wisconsin – 1977, & 2000**, a **Park and Open Space Plan for Waukesha County – 1989**, as updated in a **Development Plan for Waukesha County, Wisconsin – 1996**. Both of these Plans recommend public acquisition of primary environmental corridors, wetlands, critical habitat areas, and watershed areas associated with natural resource preservation and outdoor recreation. The Town of Oconomowoc has also been highly supportive of this project.
- 2) The project provides a major, diversified regional county park site in northwestern Waukesha County, including substantial Ashippun River frontage, serving the Town of Oconomowoc and rapidly urbanizing area north of the City of Oconomowoc.
- 3) The project adequately satisfies specific criteria identified in the Urban Rivers and Urban Green Space Grant Programs, and will help to implement recommendations in the Upper Rock River Water Quality Management Plan.

#### **Appraisals:**

Appraisal #1 - Certified by Department Review Appraiser on June 29, 1998

Appraiser: Philip Vander Male (Private Appraiser)

Valuation Date: June 11, 1998 (Update)

Appraised Value: \$1,340,000. Land Value is \$1,152,000.(3,320. per acre)

Highest and Best Use: Rural (Low Density) Residential Development

Type of Report: Market data approach used, 4 comparable sales cited

Appraisal #2 – Accepted by Department Review Appraiser on June 29, 1998  
Appraiser: Richard S. Larkin (Private Appraiser)  
Valuation Date: December 13, 1997  
Appraised Value: \$1,700,000. (4,899. per acre); Subsequent update clarified value  
of improvements and Land Value adjusted to \$1,554,800. (4,481. per acre)  
Highest and Best Use: Rural Residential with Conservancy/Wetland areas  
Type of Report: Market data approach used, 4 comparable sales cited

## PROJECT MAP ATTACHMENTS

For: Requested Stewardship Grant Assistance  
Waukesha County  
Williams-Zurheide Property Acquisition

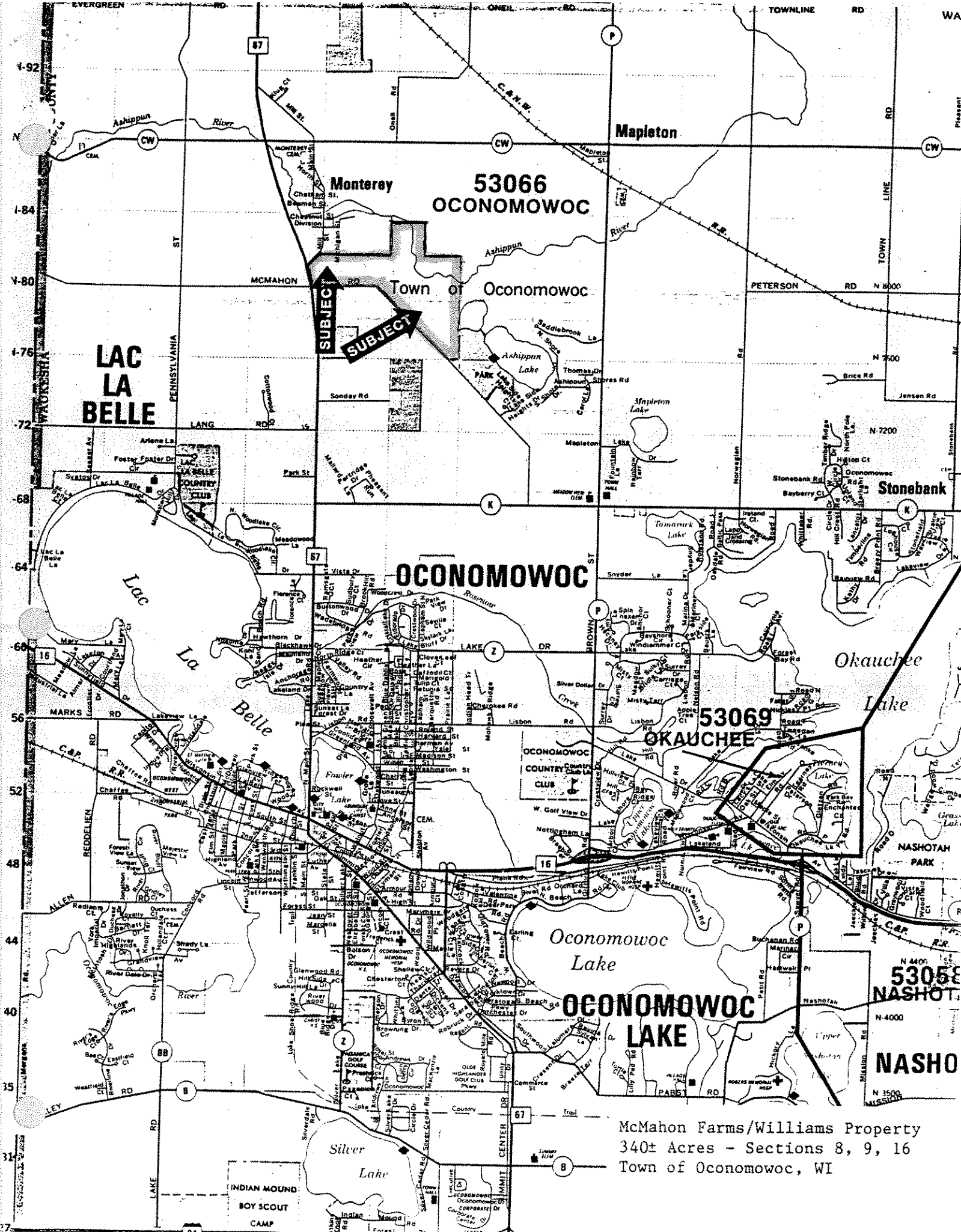
Location Maps: Area and Regional (County)

Local Area Highway Map  
Immediate Vicinity Plat Map  
Oconomowoc Township  
Waukesha County Map

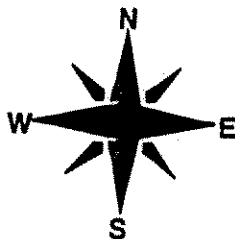
Site Maps:

Property Boundaries Map  
Site Topography Map  
Conceptual Site Development Plan

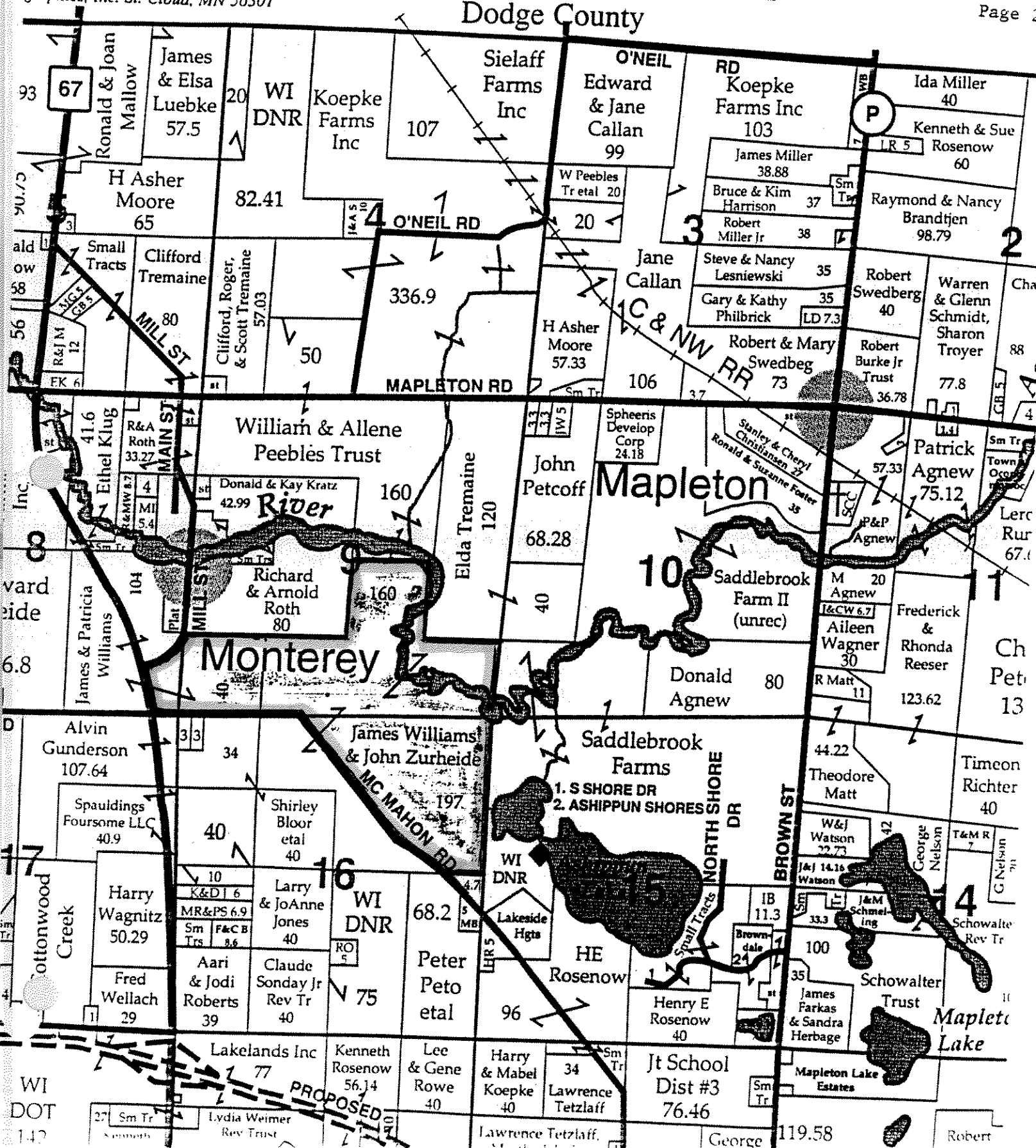
Rev 3/9/00



McMahon Farms/Williams Property  
 340± Acres - Sections 8, 9, 16  
 Town of Oconomowoc, WI



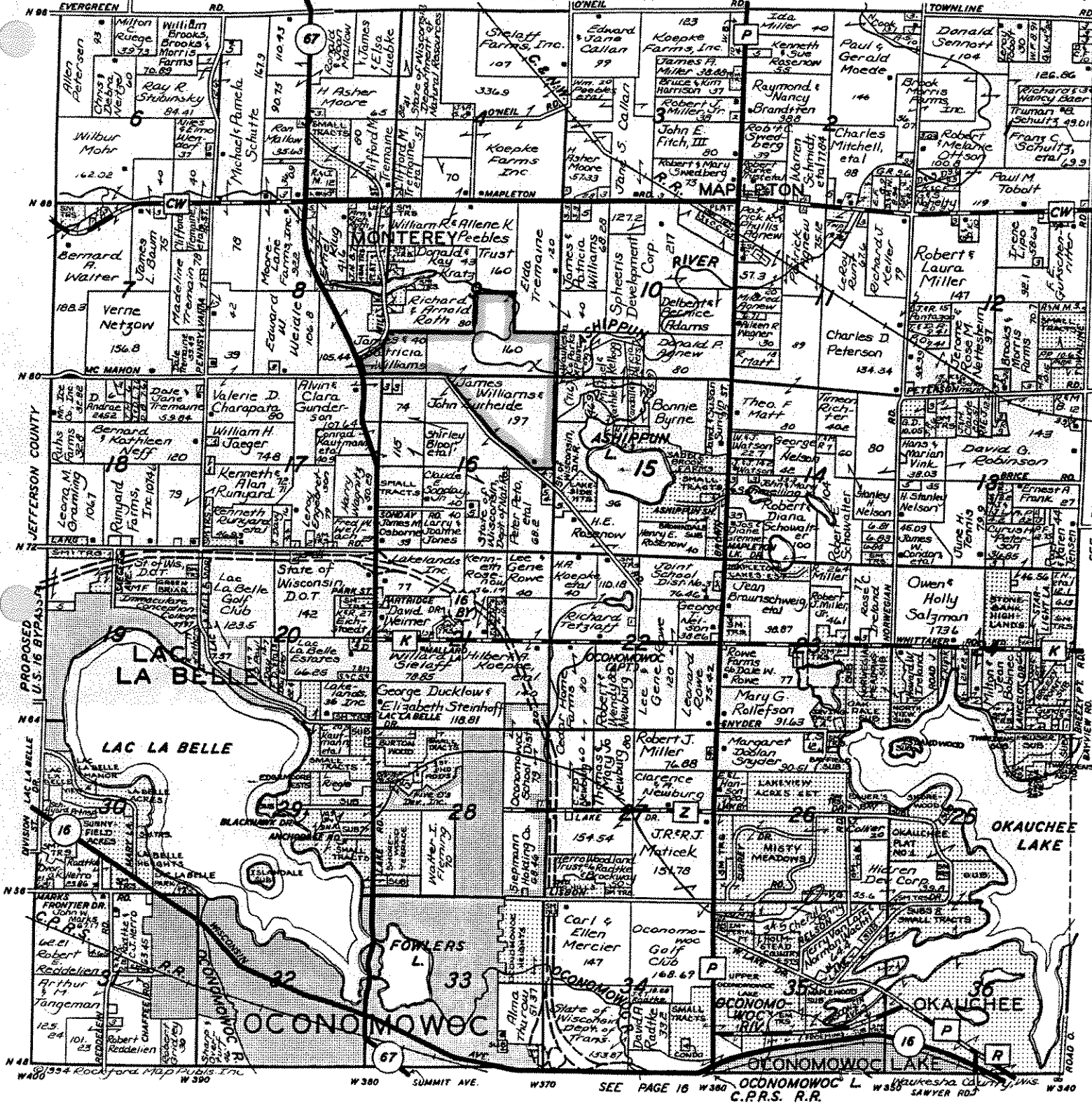
Dodge County

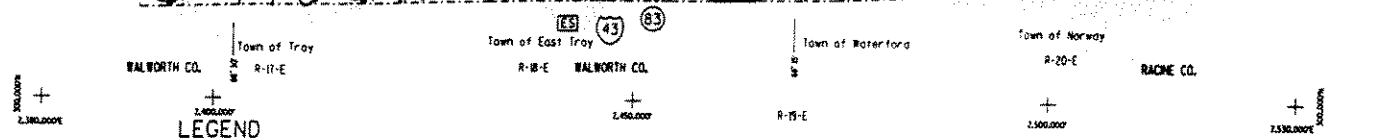
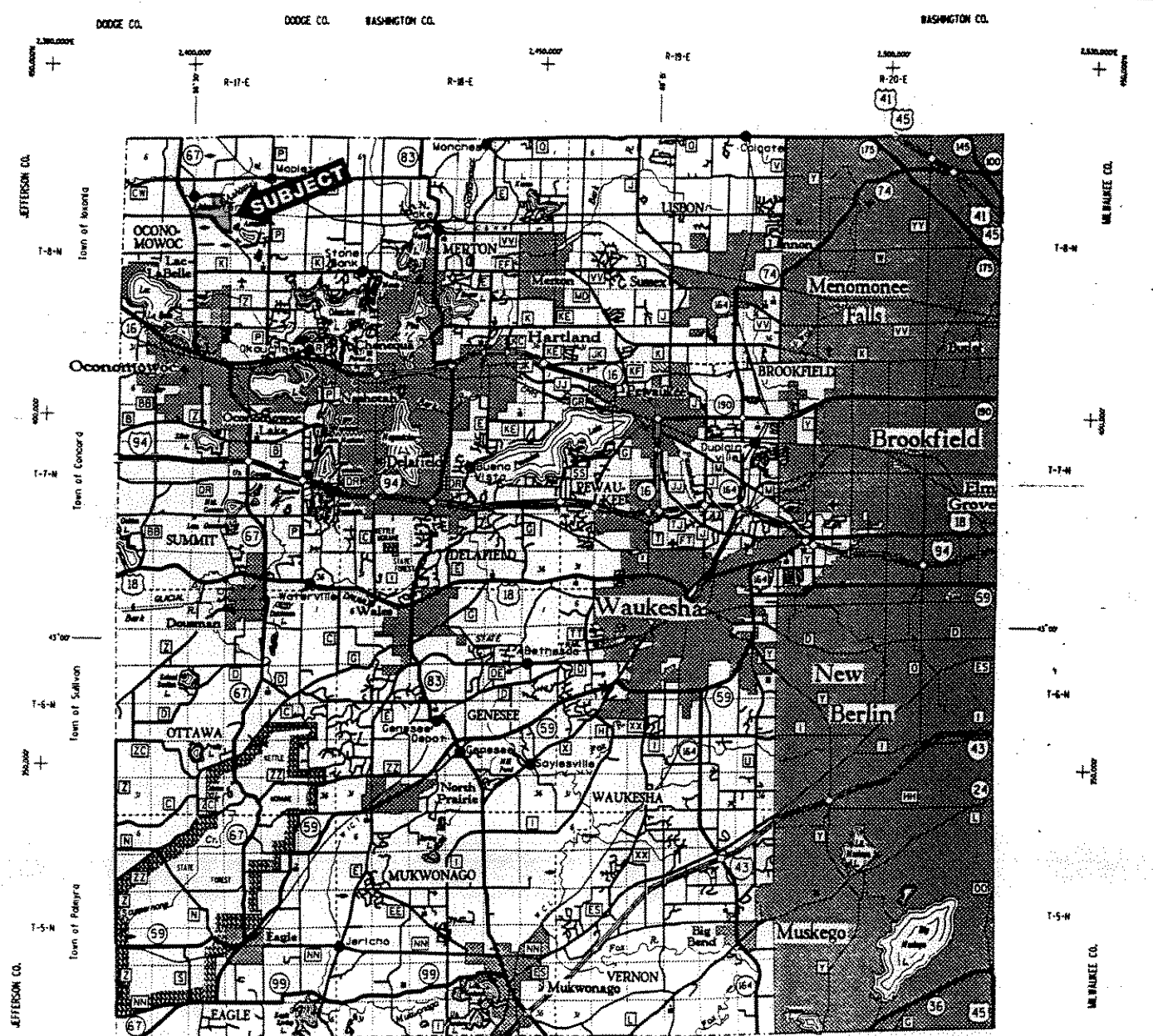


# OCONOMOWOC

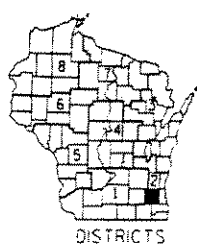
DODGE O'NEIL COUNTY

# T. 8 N.-R. 17 E.



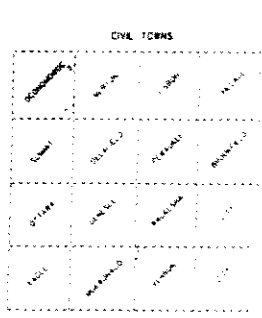


- LEGEND**
- Freeway
  - U.S. or State Hwy.
  - County Trunk Hwy.
  - Town Road
  - Firelane
  - Highway Divided
  - Interchange
  - Highway Separation
  - Interstate Highway No.
  - U.S. Highway No.
  - State Highway No.
  - County Highway Letter
  - Railroad
  - State Boundary
  - County Boundary
  - Civil Town Boundary
  - Section Line
  - Corporate Limits
  - Nat'l. & State Forest Boundary
  - Dam
  - Hospital
  - Schools
  - Airport
  - County Seat
  - Unincorporated village
  - Fish hatchery
  - Cane farm
  - Public Hunt. or Fish Grds.
  - Public Camp & Picnic Grds.
  - Ranger Station
  - State Park
  - County Park
  - Wayside
  - Emm. High School
  - Univ. of Wis. Center



**TOWNSHIP NUMBERING**

6	5	4	3	2	1
7	8	9	10	11	12
13	14	15	16	17	18
19	20	21	22	23	24
25	26	27	28	29	30



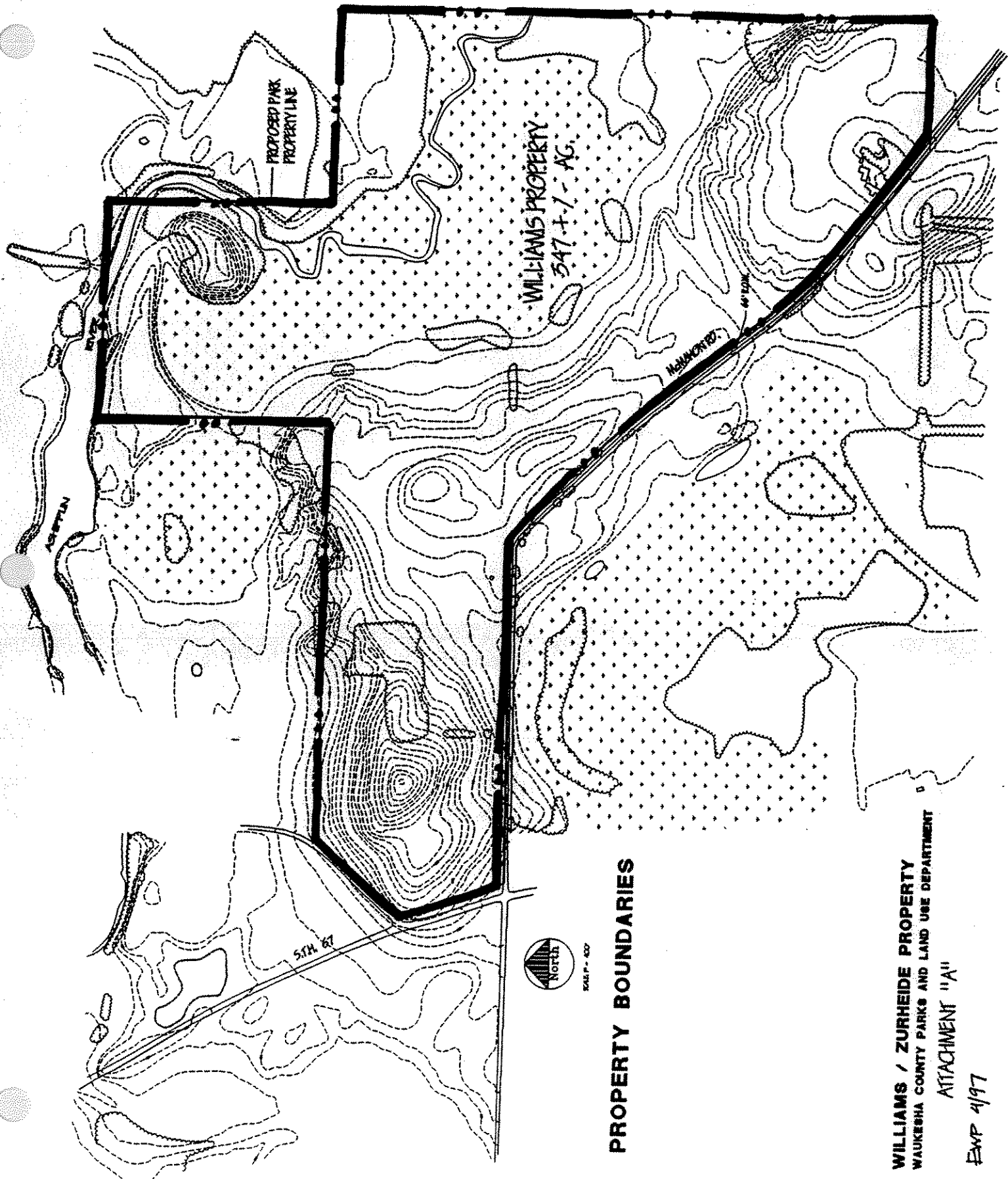
**MILES OF HIGHWAY**  
as of Jan. 1, 1962

STATE	120
COUNTY	164
LOCAL ROADS	807
UTILESS ROADS	40
TOTAL FOR COUNTY	1131

Land Area: 534 sq. mi.  
Population: 282,000  
County Seat: Waukesha

**WAUKESHA CO.**  
DEPARTMENT OF TRANSPORTATION  
STATE OFFICE BUILDING

McMahon Farms/Williams Property  
340± Acres - Sections 8, 9, 16  
Town of Oconomowoc, WI



**PROPERTY BOUNDARIES**

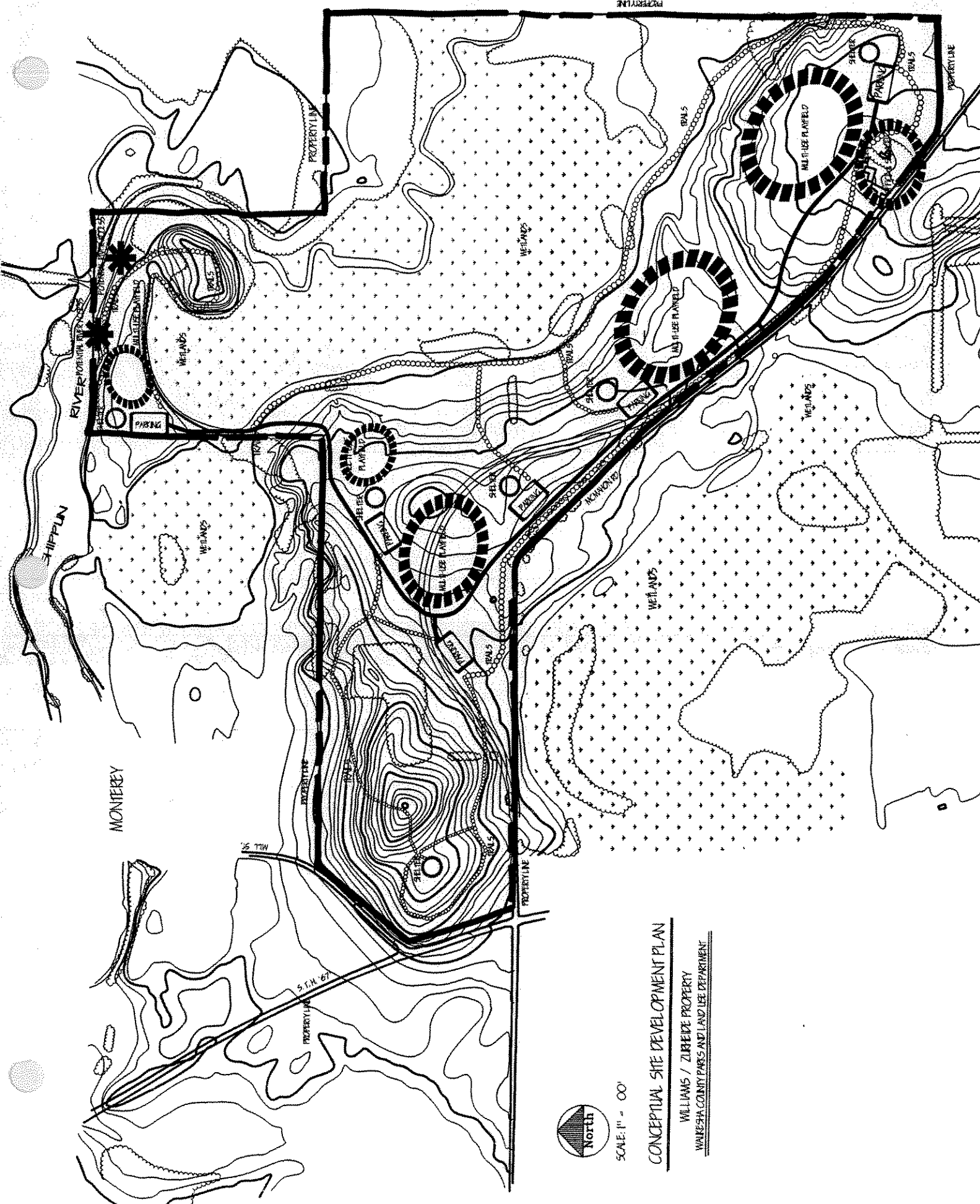
**WILLIAMS / ZURHEIDE PROPERTY**  
 WAUKESHA COUNTY PARKS AND LAND USE DEPARTMENT

ATTACHMENT "A"

EMP 4/97





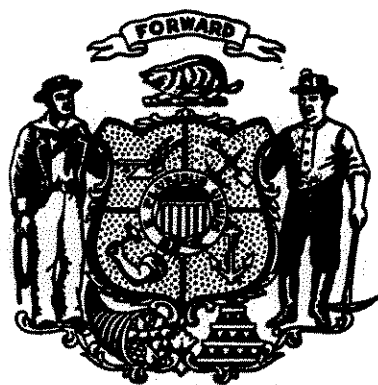


SCALE: 1" = 00'

CONCEPTUAL SITE DEVELOPMENT PLAN

WILLIAMS / ZUREBE PROPERTY  
 WABASHA COUNTY PARKS AND LAND USE DEPARTMENT

*END*

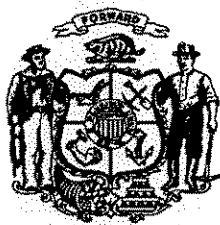


*END*

# THE STATE OF WISCONSIN

SENATE CHAIR  
**BRIAN BURKE**

316-S Capitol  
P.O. Box 7882  
Madison, WI 53707-7882  
Phone: (608) 266-8535



ASSEMBLY CHAIR  
**JOHN GARD**

315-N Capitol  
P.O. Box 8952  
Madison, WI 53708-8952  
Phone: (608) 266-2343

## JOINT COMMITTEE ON FINANCE

May 4, 2000

Secretary George Lightbourn  
Department of Administration  
101 East Wilson Street, 10<sup>th</sup> Floor  
Madison, Wisconsin 53703

Dear Secretary Lightbourn:

We are writing to inform you that the members of the Joint Committee on Finance have reviewed your request, dated April 10, 2000, pursuant to s. 16.515/16.505, Stats., pertaining to requests from the Milwaukee County District Attorney and the Department of Workforce Development.

No objections have been raised concerning these requests. Therefore, the requests are approved. Should you have any questions or concerns, please feel free to contact us.

Sincerely,

Handwritten signature of Brian Burke in black ink.

BRIAN BURKE  
Senate Chair

Handwritten signature of John Gard in black ink.

JOHN GARD  
Assembly Chair

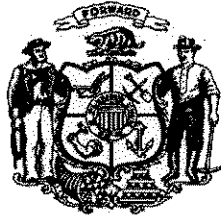
BB/JG/js

cc: Members, Joint Committee on Finance  
Bob Lang, Legislative Fiscal Bureau  
Vicky La Belle, Department of Administration

# THE STATE OF WISCONSIN

SENATE CHAIR  
**BRIAN BURKE**

316-S Capitol  
P.O. Box 7882  
Madison, WI 53707-7882  
Phone: (608) 266-8535



ASSEMBLY CHAIR  
**JOHN GARD**

315-N Capitol  
P.O. Box 8952  
Madison, WI 53708-8952  
Phone: (608) 266-2343

## JOINT COMMITTEE ON FINANCE

### MEMORANDUM

To: Members  
Joint Committee on Finance

From: Senator Brian Burke  
Representative John Gard  
Co-Chairs, Joint Committee on Finance

Re: s. 16.515/16.505, Stats. Request

Date: April 11, 2000

Attached is a copy of a request from the Department of Administration, received April 10, 2000, pursuant to s. 16.515/16.505(2), Stats., pertaining to requests from the Department of Administration, on behalf of the Milwaukee County District Attorney, and the Department of Workforce Development.

Please review the material and notify **Senator Burke** or **Representative Gard** no later than **Wednesday, May 3, 2000**, if you have any concerns about the request or if you would like to meet formally to consider it.

Also, please contact us if you need further information.

Attachment

BB:JG:dh

STATE OF WISCONSIN  
DEPARTMENT OF ADMINISTRATION  
101 East Wilson Street, Madison, Wisconsin

TOMMY G. THOMPSON  
GOVERNOR  
GEORGE LIGHTBOURN  
SECRETARY



Office of the Secretary  
Post Office Box 7864  
Madison, WI 53707-7864  
Voice (608) 266-1741  
Fax (608) 267-3842  
TTY (608) 267-9629

**Date:** April 10, 2000

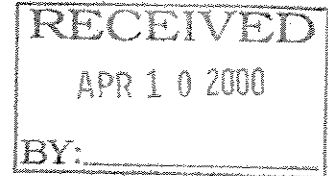
**To:** The Honorable Brian Burke, Co-Chair  
Joint Committee on Finance

The Honorable John Gard, Co-Chair  
Joint Committee on Finance

**From:** George Lightbourn, Secretary  
Department of Administration

*George Lightbourn*

**Subject:** S. 16.515/16.505(2) Request(s)



Enclosed are request(s) that have been approved by this department under the authority granted in s. 16.515 and s. 16.505(2). The explanation for each request is included in the attached materials. Listed below is a summary of each item:

AGENCY	DESCRIPTION	1999-2000		2000-01	
		AMOUNT	FTE	AMOUNT	FTE
DAs 20.475(1)(h)	Gifts and Grants		1.00 *		1.00 *
DWD 20.445(1)(ha)	Worker's compensation operations	\$ 626,100		\$ 188,500	
20.445(1)(kc)	Administrative services	210,050		160,500	

\* Project position to end December 31, 2001.

As provided in s. 16.515, the request(s) will be approved on May 5, 2000, unless we are notified prior to that time that the Joint Committee on Finance wishes to meet in formal session about any of the requests.

Please contact Vicky LaBelle at 266-1072, or the analyst who reviewed the request in the Division of Executive Budget and Finance, if you have any additional questions.

Attachments

**CORRESPONDENCE MEMORANDUM**STATE OF WISCONSIN  
Department of Administration**Date:** April 4, 2000**To:** George Lightbourn, Secretary  
Department of Administration**From:** Andrew J. Statz, Budget Analyst *AS*  
State Budget Office**Subject:** Request under s. 16.505 for 1.0 FTE assistant district attorney position to facilitate CHIPS cases and child abuse prosecutions in Milwaukee County**Request:**

The Department of Administration (DOA), on behalf of the Milwaukee County district attorney (DA) office, requests the authorization of 1.0 FTE PR assistant district attorney (ADA) position. Position authority is requested from May 1, 2000, through December 31, 2001.

**Revenue Sources for Appropriation:**

The revenue source for the appropriation under s. 20.475 (1)(h) *Gifts and Grants* is federal funding awarded by the U.S. Department of Justice under the Children's Justice Act (CJA). This grant was made to Milwaukee County by the Wisconsin Department of Justice (DOJ), Office of Crime Victim Services.

Because ADAs are state employees, the county is required to use this grant to reimburse the state through Agency 475 (District Attorneys). As a result, these funds are treated as program revenue.

**Analysis:**

Sharing information on Children in Need of Protective Services (CHIPS) cases among various law enforcement agencies, the Milwaukee DA office, the juvenile and adult courts, and the Milwaukee Bureau of Child Welfare has been difficult. The situation is aggravated by a lack of understanding about what kind of information can be exchanged regarding these sensitive cases.

The ability to share information has been hampered by geographic separation. Criminal child abuse cases in Milwaukee are prosecuted at the downtown courthouse. CHIPS cases are handled by the juvenile division at the Children's Court in Wauwatosa.

Because prosecutors have limited access to CHIPS information that could prove a pattern of abuse, criminal child abuse cases are often prosecuted as single

offenses. Increased coordination and information sharing would improve the treatment of civil CHIPS cases and enhance the prosecution of criminal child abuse.

Milwaukee County has been awarded three grants to establish the Children's Justice Initiative to facilitate the coordination of civil CHIPS cases and criminal child abuse prosecutions. One of the grants includes approximately \$82,000 to cover salary and benefit costs for the 1.0 FTE PR ADA position for the period from May 1, 2000, through December 31, 2001. The other two grants will provide funds for a project manager and a victim advocate.

The initiative involves creating a model to coordinate CHIPS and child abuse efforts that will improve the situation in Milwaukee and could be applied to other counties.

Salary and benefits for the position will be 100-percent federally funded for approximately twenty months. The Milwaukee County DA intends to assign a veteran prosecutor to the initiative by using the grant to back-fill the veteran prosecutor position. This arrangement is agreeable to DOJ and the Milwaukee DA office and does not conflict with guidelines established by CJA.

The exact amounts of additional PR expenditure authority in s. 20.475 (1)(h) will be determined through the DOA allotment process. Since this is a continuing appropriation, approval of the Joint Committee on Finance is required only for the position authorization.

**Recommendation:**

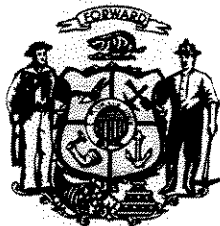
Approve the request to create 1.0 FTE ADA project position in Milwaukee County (from May 1, 2000, through December 31, 2001). If continuing grant funding is available for this position, extensions could be granted for a total project position duration of four years at the discretion of DOA.

This approval does not constitute the commitment of current or future GPR funding for these positions. Such approval can only be obtained through the biennial budget process.

STATE OF WISCONSIN  
DEPARTMENT OF ADMINISTRATION  
101 East Wilson Street, Madison, Wisconsin

TOMMY G. THOMPSON  
GOVERNOR

GEORGE LIGHTBOURN  
SECRETARY



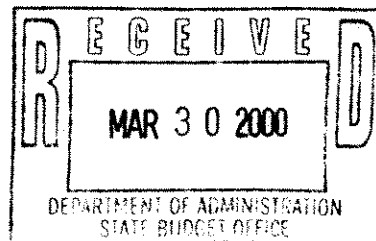
AS  
Division of Administrative Services  
State Prosecutors Office  
Post Office Box 7869  
Madison, WI 53707-7869  
Voice (608) 267-2700  
Fax (608) 264-9500  
TTY (608) 267-9629  
stuart.morse@doa.state.wi.us

DATE: March 29, 2000

TO: Rick Chandler, Administrator  
Division of Executive Budget and Finance

FROM: Charles E. McDowell, Administrator  
Division of Administrative Services

SUBJECT: **REQUEST UNDER S. 16.505 FOR DEPARTMENT 475:  
MILWAUKEE DISTRICT ATTORNEY'S OFFICE**



On behalf of the Milwaukee County District Attorney's Office, I submit the attached request for position authority for 1.0 FTE PR position for Department 475, District Attorneys.

If you have any questions, please direct them to Stuart Morse, Director, State Prosecutors Office or to Richard Wagner in the Division's Bureau of Financial Management.

Attachments

cc: Stuart Morse  
Richard Wagner



## **DEPARTMENT OF ADMINISTRATION REQUEST UNDER S. 16.505 FOR POSITION AUTHORIZATION**

### **I. REQUEST**

The Department of Administration requests, under s. 16.505, the authorization of 1.0 FTE PR assistant district attorney (ADA) position in appropriation s. 20.475(1)(h) for the Milwaukee County District Attorney's (DA) Office. Authorization is requested for the period from May 1, 2000 through December 31, 2001.

### **II. BACKGROUND**

The Milwaukee District Attorney's Office was awarded three grants to facilitate the coordination of civil CHIPS and criminal adult child abuse prosecutions. One grant is from state DOJ and will fund the new full-time ADA. The second and third grants are funded by other sources to Milwaukee County and cover a paralegal to assist the court that will hear these cases and a sensitive crimes advocate respectively. The set of grants seeks to develop a model that can be applied elsewhere in Wisconsin and in other states as appropriate. The barriers that these grants will seek to overcome include different locations of adult and juvenile courts (in Milwaukee the juvenile CHIPS cases are heard in suburban Wauwatosa while the adult criminal child abuse cases are heard in downtown Milwaukee), the tradition that adult child abuse cases are dealt with on an incident by incident basis while CHIPS cases usually deal with a pattern of abuse, that adult criminal case prosecutors usually have very limited access to information from the CHIPS prosecutors, from the CHIPS files and from the child welfare agencies and have difficulty coordinating with the CHIPS prosecutors and with the child welfare staffs.

### **III. ANALYSIS**

These positions are in furtherance of the State's policy to fight child abuse.

### **IV. FISCAL ANALYSIS**

The grant has sufficient funds for the one new position requested. The appropriation is continuing and will be reestimated based on actual experience.

### **V. REVENUE SOURCE FOR APPROPRIATION**

The grant to the Milwaukee District Attorney's Office was made on March 16, 2000 by award letter from the state Attorney General. The state DOJ appropriation is s. 20.455(5)(ma), which is funded by a U.S. Department of Justice Children's Justice Act grant.

## VI. SPECIAL INFORMATION

The co-chairs of the Joint Committee on Finance, in a letter to the Department of Administration Secretary dated June 12, 1996, set forth four additional items of information that should be included in a s.16.505 request for additional positions in the District Attorney program.

- 1) *An explanation of the effect of the positions on weighted caseload for the requesting counties (the LAB methodology is suggested).*

Table 1 indicates the standard LAB methodology's results and highlights the impact of the new position requested on the Milwaukee DA Office. The table uses the most current court data available (1996-98) and the positions authorized as of March 29, 2000. It is important to note that the position need shown in the LAB methodology is a general need responding to all duties of a DA office and is not specific to a particular type of activity or caseload such as that covered by this grant.

- 2) *An assessment of similar caseload problems in counties not addressed by the request.*

The complexity and other barriers to coordination among prosecutors of CHIPS cases and prosecutors of adult criminal child abuse cases in Milwaukee are the most difficult faces by any DA office in Wisconsin. A model developed to work in Milwaukee would include very useful approaches for less complex counties.

- 3) *An explanation of why the request has greater priority than similar needs existing in other counties.*

This grant is one part of a three-part children's initiative aimed at rectifying problems in Milwaukee County. As such this grant was not made available to any other DA office in the state by DOJ.

- 4) *If the request is intended to address a specific type of caseload, an explanation of why this type of caseload has a greater priority than other types.*

The Children's Justice Act funds may not be used to address other types of caseloads.

**Table 1: DA Office Workload Analysis 1227 hrs, 3 yr. (1996-98) Ave. as of 3/29/00**

DA Office	FTE equivalent (=dif/1227) needed without new position	FTE equivalent (=dif/1227) needed with new position	DA Office	FTE equivalent (=dif/1227) needed without new position	FTE equivalent (=dif/1227) needed with new position
Adams	0.46	0.46	Manitowoc	2.47	2.47
Ashland	0.71	0.71	Marathon	3.38	3.38
Barron	-0.21	-0.21	Marinette	0.38	0.38
Bayfield	0.15	0.15	Marquette	0.32	0.32
Brown	2.07	2.07	<b>Milwaukee</b>	<b>3.85</b>	<b>2.85</b>
Buffalo	-0.21	-0.21	Monroe	1.45	1.45
Burnett	0.68	0.68	Oconto	0.24	0.24
Calumet	-0.19	-0.19	Oneida	1.29	1.29
Chippewa	0.40	0.40	Outagamie	1.93	1.93
Clark	0.11	0.11	Ozaukee	0.86	0.86
Columbia	1.99	1.99	Pepin	-0.08	-0.08
Crawford	-0.18	-0.18	Pierce	-1.51	-1.51
Dane	0.87	0.87	Poik	0.52	0.52
Dodge	0.24	0.24	Portage	-0.15	-0.15
Door	0.18	0.18	Price	0.02	0.02
Douglas	0.36	0.36	Racine	1.60	1.60
Dunn	-0.14	-0.14	Richland	-0.58	-0.58
Eau Claire	2.60	2.60	Rock	4.40	4.40
Florence	-0.08	-0.08	Rusk	-0.40	-0.40
Fond du Lac	1.26	1.26	Saint Croix	-2.34	-2.34
Forest	0.61	0.61	Sauk	1.35	1.35
Grant	0.35	0.35	Sawyer	0.68	0.68
Green	0.20	0.20	Shaw/Men	0.85	0.85
Green Lake	-0.25	-0.25	Sheboygan	3.22	3.22
Iowa	-0.43	-0.43	Taylor	0.20	0.20
Iron	-0.34	-0.34	Trempealeau	0.04	0.04
Jackson	-0.44	-0.44	Vernon	-1.23	-1.23
Jefferson	1.47	1.47	Vilas	-0.71	-0.71
Juneau	0.12	0.12	Walworth	-0.12	-0.12
Kenosha	2.48	2.48	Washburn	0.57	0.57
Kewaunee	-0.33	-0.33	Washington	0.92	0.92
La Crosse	2.79	2.79	Waukesha	-1.56	-1.56
Lafayette	-0.38	-0.38	Waupaca	-0.30	-0.30
Langlade	0.38	0.38	Waushara	-0.12	-0.12
Lincoln	0.34	0.34	Winnebago	4.40	4.40
			Wood	0.36	0.36


STATE OF WISCONSIN  
DEPARTMENT OF ADMINISTRATION  
101 East Wilson Street, Madison, Wisconsin

TOMMY G. THOMPSON  
GOVERNOR

GEORGE LIGHTBOURN  
ACTING SECRETARY



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**Date:** April 5, 2000  
**To:** George Lightbourn, Secretary  
Department of Administration  
**From:** Joshua Hummert   
**Subject:** Request Under s. 16.515 from the Department of Workforce Development.

**REQUEST:**

The Department of Workforce Development (DWD) requests additional budget authority for the Division of Worker's Compensation (WC) and the Administrative Services Division (ASD). The department is requesting \$686,900 PR in FY00 and \$188,500 PR in FY01 in the appropriation under s.20.445(1)(ha) and \$210,050 PR-S in FY00 and \$160,500 PR-S in FY01 in the appropriation under s.20.445(1)(kc).

**REVENUE SOURCES FOR APPROPRIATION(S):**

Revenue for the appropriation under s.20.445(1)(ha), worker's compensation operations, comes from fees that are assessed on insurers and self-insured employers who pay worker's compensation claims. The fee rate is based on worker's compensation claims paid in the latest complete year. For example, the FY00 rate is based on claims paid in FY98.

Revenue for the appropriation under s.20.445(1)(kc), administrative services, comes from fees that are assessed by ASD on the other divisions in DWD. ASD provides the department's divisions with a number of services ranging from computer support to facilities maintenance and is supported entirely by fees based on the number of FTEs in a division, service hours provided or a set fee.

**BACKGROUND:**

This request seeks to address two separate issues. The first issue concerns the remodeling of the GEF-1 building. DWD requests one time increases of \$459,275 PR in FY00 and \$38,000 PR in FY01. In the department's biennial budget request, DWD sought funding to pay for the costs of remodeling, moving and systems furniture. Normally DOA is responsible for remodeling state buildings, but since DWD owned approximately half of GEF-1, the department was responsible for half of the remodeling cost. The budget request was denied, but DOA, DWD and the U.S. Department of Labor reached an

agreement that would transfer part of DWD's equity in GEF-1 to DOA in exchange for using the state's capital financing to pay for DWD's share of the remodeling costs.

The second issue concerns rising information technology costs for WC. DWD is requesting that the base supplies and services budget for WC permanently increase by \$150,500 PR starting in FY00. WC has been relying heavily on information technology to process WC claims more efficiently and quickly without increasing the number of permanent FTEs in the division. In FY99, WC paid \$307,434 to the ASD for database server costs. In FY00, ASD will charge WC \$469,825 for database server costs, an increase of \$162,391. ASD determines the amount it will charge by projecting how much the department as a whole will spend in the upcoming fiscal year on database servers and then dividing this number between the divisions based on how much a division uses the servers. DWD's planned application database server costs in FY00 are \$5,038,571, the same as in FY99, but WC's share of this cost has increased due to heavier use of the servers.

In the 1997-99 biennial budget, WC received a permanent base budget increase of \$177,300 PR for technology applications. In the 1999-2001 biennial budget, WC received one-time increases of \$188,800 PR in FY00 and \$165,600 PR in FY01 and 4.0 FTE project positions to transfer case files into an electronic format and to develop an automated levy system for uninsured employers. The \$150,500 PR included in this request reflects the increased costs of operating this expanded IT system.

The annual operations budget for WC is approximately \$9.5 million PR. The increased costs WC is facing as a result of the GEF-1 renovation and increased server charges represents over 7% of WC's annual operations budget. WC revenue for a given fiscal year comes from a fee that is assessed on WC cases settled in that fiscal year. To establish the amount that insurance companies will likely pay in a given fiscal year, WC uses the amount paid in claims from two fiscal years earlier. In FY97, for example, insurance companies paid \$183,466,981 in new WC claims. For each dollar paid, WC assessed a fee of 5.46% to collect \$10,010,218 PR in FY99. If insurance companies are assessed a rate that results in greater revenues than WC has authority to expend, WC uses the excess revenue to lower the general assessment rate in the following year. While insurance companies pay the fees, the real cost of raising the assessment rate will be borne by private employers who currently pay approximately \$1.15 billion in WC insurance premiums each year.

**ANALYSIS:**

Following the initial submission of this request, DWD issued a supplemental request in late January to increase the amount the department was requesting by \$77,125 PR. The supplemental request was the result of the fact that WC has a significant number of attorneys who require an office suite for their workspace. DWD had initially planned on using the attorneys' current office furniture, but after the request was submitted it was determined that the current office suite would not fit in the remodeled space.

Following the supplemental request, DOA provided information that indicated the average cost of a systems furniture unit ranged from \$4,200 to \$4,500. DWD has been estimating that the 76 units of systems furniture required for WC would cost \$5,000. Upon learning of the revised cost of systems furniture, DWD volunteered to use the \$4,200/unit estimate. Using the \$4,200/unit figure would reduce the request by \$60,800 PR. The increase for office furniture and the decrease for systems furniture would result in a revised figure of \$475,600 for WC costs associated with the GEF-1 remodeling.

WC appears to have legitimate grounds to request an increase in PR authority under 16.515. While the WC division is responsible for an issue that affects almost every employe in Wisconsin, the division's operating budget is fairly small. WC has 106.5 PR FTE, but there are no current vacancies that have been open for longer than 10 months. 3.0 PR FTE have been vacant between 4 and 10 months, but the positions' salaries only range from an hourly rate of \$8.75 to \$11.95. It does not appear that WC has sufficient budget authority to meet the increased data server costs and remodeling costs within its \$9.5 million PR operating budget. Personnel costs account for two-thirds of the division's operating budget.

The one concern with approving this request is the fact that it would result in a higher FY00 assessment rate. If the 16.515 request is not approved, the assessment rate will be 5.34%. If the 16.515 request is approved, the rate will be set at 5.76%. It is impossible to predict the rate for future years due to the fact that an important element is the amount paid in indemnity. Since this figure is currently unknown, it is impossible to say whether rates will be higher or lower in FY01. If the number of WC claims paid in FY99 increased, then rates will be lower and if the number of WC claims decrease, rates will be higher regardless of whether the 16.515 request is approved.

By comparing FY98 with FY99, it is apparent that assessment rates can vary significantly. In FY98, WC was authorized to collect \$9,386,939. Since insurance companies paid \$219,654,689 in indemnity in FY96, the rate was set at 4.27%. In FY99, WC was authorized to collect \$10,010,218, a revenue increase of 6.6%. However, in FY97 the indemnity dropped to \$183,466,981. This resulted in a 27.8% increase in the rate to 5.46%. In FY98, the indemnity dropped even further to \$177,563,952, which is the lowest indemnity in the past eight years. If the indemnity had remained at \$183 million, WC would have only had to raise the rate 2% from FY99 to FY00 instead of 5.5%.

Despite the fact that rates would rise 5.5% between FY99 and FY00, approving a modified request appears reasonable. Insurers and the Worker's Compensation Advisory Council (WCAC) have approved the increased emphasis on information technology which has maintained the average time to settlement in the 9-10 month range, with WC's goal being an average of six months to settlement. In addition, transferring case files to electronic format allows WC to provide its customers with case files immediately, eliminating the previous 3-7 day wait. It appears appropriate to approve the increase of \$150,500 for database servers in FY00 and FY01, but including this amount in WC's base budget is an action that would more appropriately be accomplished through the 2001-03 biennial budget process. It also appears reasonable to approve \$475,600 PR in FY00 and \$38,000 PR in FY01 for costs associated with the remodeling of the division's space in GEF-1.

George Lightbourn, Acting Secretary  
Department of Administration  
04/05/00  
Page 4

**RECOMMENDATION:**

Approve \$626,100 PR in FY00 and \$188,500 PR in FY01 in the appropriation under s.20.445(1)(ha) and \$210,050 PR-S in FY00 and \$160,500 PR-S in FY01 in the appropriation under s.20.445(1)(kc).

Tommy G. Thompson  
Governor

Linda Stewart, Ph.D.  
Secretary



State of Wisconsin

Department of Workforce Development

OFFICE OF THE SECRETARY  
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November 26, 1999

George Lightbourn  
Acting Secretary, Department of Administration  
10<sup>th</sup> Floor, DOA State Office Building  
Madison, WI 53702

Dear Secretary Lightbourn:

The Department of Workforce Development requests approval by the Department of Administration and the Joint Committee on Finance under s. 16.515(1) for increased expenditure authority in PR Appropriation 129, 20.445(1)(ha), Workers Compensation Operations, of \$609,775 in SFY00 and \$188,500 in SFY01 and in PR-S Appropriation 185, 20.445(1)(kc), Administrative Services, of \$183,775 in SFY00 and \$160,500 in SFY01.

This request is needed to provide sufficient supplies and services expenditure authority in the Worker's Compensation Division to cover the division's costs associated with the renovation of GEF 1 and increased technology services costs. An increase in PR-S expenditure authority is needed to allow provision of information technology services by the Administrative Services Division when purchased by Worker's Compensation. The requested increase in expenditure authority is as follows:

<u>PR Appropriation 129, 20.445(1)(ha)</u>	<u>SFY00</u>	<u>SFY01</u>
Supplies & Services Base Increase	\$ 150,500	\$ 150,500
Supplies & Services (One Time Increase)	\$ 459,275	\$ 38,000
Total Increase	\$ 609,775	\$ 188,500

<u>PR-S Appropriation 185, 20.445(1)(kc)</u>	<u>SFY 00</u>	<u>SFY01</u>
Supplies & Services Base Increase	\$ 150,500	\$ 150,500
Supplies & Services (One Time Increase)	\$ 33,275	\$ 10,000
Total Increase	\$ 183,775	\$ 160,500

The attached supplemental funding request describes in more detail the specific needs. Should your staff have any questions about this request, please contact Thomas K. Smith, DWD Budget Director, at 266-7895.

Sincerely,

Linda Stewart, Ph.D.  
Secretary





**DEPARTMENT OF WORKFORCE DEVELOPMENT  
WORKER'S COMPENSATION DIVISION**

**Supplemental Funding Request Under s.16.515  
November 1999**

**Request**

Under the emergency funding provisions of s.16.515, the department requests approval of an increase in expenditure authority in PR Appropriation 129, 20.445(1)(ha), Workers Compensation Operations, of \$609,775 in SFY00 and \$188,500 in SFY01 and, an increase in expenditure authority in PR-S Appropriation 185, 20.445(1)(kc) of \$183,775 in SFY00 and \$160,500 in SFY01. This request is to cover the Worker's Compensation Division costs associated with the renovation of GEF 1 and increased technology services costs. Requested funding is as follows:

<u>PR Appropriation 129, 20.445(1)(ha)</u>	<u>SFY00</u>	<u>SFY01</u>
Supplies & Services Base Increase	\$ 150,500	\$ 150,500
Supplies & Services (One Time Increase)	<u>\$ 459,275</u>	<u>\$ 38,000</u>
Total Increase	\$ 609,775	\$ 188,500

<u>PR-S Appropriation 185, 20.445(1)(kc)</u>	<u>SFY 00</u>	<u>SFY01</u>
Supplies & Services Base Increase	\$ 150,500	\$ 150,500
Supplies & Services (One Time Increase)	<u>\$ 33,275</u>	<u>\$ 10,000</u>
Total Increase	\$ 183,775	\$ 160,500

**Revenue Source for Appropriation**

An administrative cost assessment, issued annually by the Worker's Compensation Division in accordance with s. 102.75 to all insurance carriers and self-insured employers conducting business in Wisconsin, provides the revenues needed to fund the department's fiscal year costs of administering the worker's compensation program (Appropriation 129).

Services provided by the Administrative Services Division (ASD) are funded by the program revenue service fees collected from the department program divisions in accordance with s.20.445(1)(kc), (Appropriation 185). ASD charges PR-S fees for services which include general administration, accounting, invoice/payment processing, information technology network support, programmer analyst time, mainframe activities, mainframe printing, PC installation, facilities design, electrician and mail services.

## Problem

### Insufficient Expenditure Authority to Cover GEF 1 State Office Building Renovation Costs

The Worker's Compensation Division (WC) does not have sufficient supplies and services expenditure authority in 20.445(1)(ha), appropriation 129, to cover the costs related to renovation of the GEF 1 state office building. Worker's Compensation Division expenses are estimated at \$497,275 (\$459,275 during SFY00 and \$38,000 during SFY01) for one-time supplies and services costs.

The Building Commission approved the Department of Administration's (DOA) project to renovate and remodel the GEF 1 office complex in Madison. The project will involve a complete renovation of all major building systems including exterior envelope, new smaller windows, HVAC, electrical, lighting fixtures, and ceilings. First floor work began in 1999, with the entire project lasting four to five years. DOA plans to renovate the building in two phases. During the 1999-2001 biennial period, it is anticipated that the balance of the first floor, the entire second floor, and some of the third floor of the building will be renovated.

The Building Commission provided funding for the renovation work. However, funding was not provided for the following:

- 1) Moving costs to surge staff to and from temporary office space to allow for the remodeling of the division's permanent office space, and
- 2) system furniture costs to replace conventional desks, tables, and file cabinets to conform to DOA standards.
- 3) PR-S cost for the design and project management services charged by the Administrative Services Division under the PR-S fee structure.

Worker's Compensation Division costs associated with these items are as follows:

<u>YEAR</u>	<u>ITEM</u>	<u>COST</u>
SFY00	Moving (Surge) Costs	\$ 41,000
	Systems Furniture	\$385,000
	PR-S Facilities Costs	<u>\$ 33,275</u>
<b>Total (SFY00)</b>		<b>\$459,275</b>
SFY01	Moving (Surge) Costs	\$ 28,000
	PR-S Facilities Costs	<u>\$ 10,000</u>
<b>Total (SFY01)</b>		<b>\$ 38,000</b>
<b>Grand Total (SFY00 and SFY01)</b>		<b>\$497,275</b>

### Information Technology Services - Application Database Server Increase

The Worker's Compensation Division's (WC) use of information technology services, especially in the application/database server services area has increased more rapidly than what was anticipated. Client server applications and database server infrastructure services are the backbone of the Worker's Compensation Division's operation. Application/database server increases in usage have resulted in primarily two areas. The number of insurance companies and self-insured employer accesses to send and retrieve WC information via the Internet has increased and the upgrade and maintenance of servers has doubled. The use of electronic data reporting has reduced the mailing and preparation of paper reports by the insurance community. As a result, Worker's Compensation Division costs for information technology services have increased.

Application database server costs to the Worker's Compensation (WC) Division have increased in SFY00 by \$162,391 over SFY99 costs. WC does not have sufficient expenditure authority to cover this increase. SFY99 application database server costs were \$307,434. SFY00 charges have increased to \$469,825 (a difference of \$162,391). The WC PRO [20.445(1)(ha)] portion of the increased amount represents approximately 92.7% or \$150,500. The remaining 7.3% (approximately \$11,900) is charged to the Uninsured Employers Program administration [20.445(1)(hp)] and the federal programs [20.445(1)(m)] in Worker's Compensation. These programs currently have sufficient expenditure authority to cover their associated portion of the increase.

WC was notified of the SFY00 rate increase after the department had submitted its biennial budget request. The division did absorb some of the PR-S rate increases for SFY00, but, it cannot absorb the \$150,500 increase in SFY00 or SFY01 for application/database server services. Therefore, the department requests \$150,500 (SFY00) and \$150,500 (SFY01) in the Worker's Compensation Operations Appropriation 129, 20.445(1)(ha).

Since information technology application/database server services are purchased from the department's Bureau of Information Technology Services, Administrative Services Division, the department requests an increase in expenditure authority of \$150,500 in SFY00 and \$150,500 in SFY01 in PR-S Appropriation 185, 20.445(1)(kc). This will enable the Administrative Services Division to provide the requested application/database server services to the Worker's Compensation Division.

### Affect on Administrative Assessment

An administrative cost assessment, issued annually by the Worker's Compensation Division to all insurance carriers and self-insured employers in Wisconsin, provides the revenues needed to fund the department's fiscal year costs of administering the worker's compensation program (Appropriation 129). The table below reflects the past seven-year Assessment History, Revenue to be Collected, and the associated Indemnity. (The assessment rate is determined by dividing the Revenue to be Collected by the Indemnity).

<u>SFY</u>	<u>General Assessment Rate</u>	<u>Revenue To be Collected</u>	<u>Indemnity</u>
1993	3.83%	\$6,947,850	\$181,516,644
1994	4.22%	\$7,934,818	\$188,144,406
1995	3.22%	\$7,408,621	\$230,622,260
1996	4.58%	\$8,944,455	\$195,506,754
1997	4.83%	\$9,427,796	\$195,170,801
1998	4.27%	\$9,386,939	\$219,654,689
1999	5.46%	\$10,010,218	\$183,466,981
* 2000	5.76%	\$10,225,632	\$177,563,952

\* The estimated SFY2000 Assessment Rate (5.76%) includes the s.16.515 requested expenditure authority amount.

The 5.76% rate for SFY2000 is approximately 5.5% greater than the SFY1999 rate. However, the actual increase in the amount of Revenue to be Collected for SFY2000 is 2.15% greater than the amount collected for SFY1999.

The fluctuation of the assessment rate from year to year is influenced more by the total amount of indemnities than by the amount of revenue to be collected. Currently the trend for Indemnity is declining, causing assessment rates to have an opposite increasing rate affect.

### Summary

In order for the Worker's Compensation Division to comply with the GEF 1 renovation plans and DOA office space standards, a one-time increase in expenditure authority of \$459,275 in SFY00 and \$38,000 in SFY01 is needed in PR Appropriation 129, 20.445(1)(ha), Workers Compensation Operations.

A permanent base increase in expenditure authority of \$150,500 (SFY00) and \$150,500 (SFY01) in PR Appropriation 129, 20.445(1)(ha), Worker's Compensation Operations, is requested to cover the increased application/database server service charges. Without additional expenditure authority, the Worker's Compensation Division will have to cut essential program services to cover these unanticipated costs.

Since the information technology and facilities management services above will be PR-S services purchased from the department's Bureau of Information Technology Services, Administrative Services Division, the department requests an increase in expenditure authority of \$183,775 in SFY00 and \$160,500 in SFY01 in PR-S Appropriation 185, 20.445(1)(kc), Administrative Services. This will enable the Administrative Services Division to provide the requested facilities and application/database server services to the Worker's Compensation Division (program revenue service charges).

**DEPARTMENT OF WORKFORCE DEVELOPMENT  
WORKER'S COMPENSATION DIVISION**

**Supplemental Funding Request Under s.16.515  
November 1999  
(Revised 1/28/2000)**

**Request**

Under the emergency funding provisions of s.16.515, the department requests approval of an increase in expenditure authority in PR Appropriation 129, 20.445(1)(ha), Workers Compensation Operations, of \$686,900 in SFY00 and \$188,500 in SFY01 and, an increase in expenditure authority in PR-S Appropriation 185, 20.445(1)(kc) of \$210,050 in SFY00 and \$160,500 in SFY01. This request is to cover the Worker's Compensation Division costs associated with the renovation of GEF #1 and increased technology services costs. Requested funding is as follows:

<u>PR Appropriation 129, 20.445(1)(ha)</u>	<u>SFY00</u>	<u>SFY01</u>
Permanent Salary Base Increase	\$ 0	\$ 0
Fringe Benefits Increase	\$ 0	\$ 0
Supplies & Services Base Increase	\$ 150,500	\$ 150,500
Supplies & Services (One Time Increase)	\$ 536,400	\$ 38,000
Total Increase	<u>\$ 686,900</u>	<u>\$ 188,500</u>

<u>PR-S Appropriation 185, 20.445(1)(kc)</u>	<u>SFY 00</u>	<u>SFY01</u>
Permanent Salary Base Increase	\$ 0	\$ 0
Fringe Benefits Increase	\$ 0	\$ 0
Supplies & Services Base Increase	\$ 150,500	\$ 150,500
Supplies & Services (One Time Increase)	\$ 59,550	\$ 10,000
Total Increase	<u>\$ 210,050</u>	<u>\$ 160,500</u>

**Revenue Source for Appropriation**

An administrative cost assessment, issued annually by the Worker's Compensation Division in accordance with s. 102.75 to all insurance carriers and self-insured employers conducting business in Wisconsin, provides the revenues needed to fund the department's fiscal year costs of administering the worker's compensation program (Appropriation 129).

Services provided by the Administrative Services Division (ASD) are funded by the program revenue service fees collected from the department program divisions in accordance with s.20.445(1)(kc), (Appropriation 185). ASD charges PR-S fees for services which include general administration, accounting, invoice/payment processing, information technology network support, programmer analyst time, mainframe activities, mainframe printing, PC installation, facilities design, electrician and mail services.

## Problem

### Insufficient Expenditure Authority to Cover GEF #1 State Office Building Renovation Costs

The Worker's Compensation Division (WC) does not have sufficient supplies and services expenditure authority in 20.445(1)(ha), appropriation 129, to cover the costs related to renovation of the GEF #1 state office building. Worker's Compensation Division expenses are estimated at \$574,400 (\$536,400 during SFY00 and \$38,000 during SFY01) for one-time supplies and services costs.

The Building Commission approved the Department of Administration's (DOA) project to renovate and remodel the GEF 1 office complex in Madison. The project will involve a complete renovation of all major building systems including exterior envelope, new smaller windows, HVAC, electrical, lighting fixtures, and ceilings. First floor work began in 1999, with the entire project lasting four to five years. DOA plans to renovate the building in two phases. During the 1999-2001 biennial period, it is anticipated that the balance of the first floor, the entire second floor, and some of the third floor of the building will be renovated.

The Building Commission provided funding for the renovation work. However, funding was not provided for the following:

- 1) Moving costs to surge staff to and from temporary office space to allow for the remodeling of the division's permanent office space, and
- 2) system furniture costs to replace conventional desks, tables, and file cabinets to conform to DOA standards.
- 3) PR-S cost for the design and project management services charged by the Administrative Services Division under the PR-S fee structure.

Worker's Compensation Division costs associated with these items are as follows:

<u>YEAR</u>	<u>ITEM</u>	<u>COST</u>
SFY00	Moving (Surge) Costs	\$ 29,900 -
	Systems Furniture	\$ 446,950
	PR-S Facilities Costs	\$ 59,550
<b>Total (SFY00)</b>		<b>\$ 536,400</b>
SFY01	Moving (Surge) Costs	\$ 28,000 -
	PR-S Facilities Costs	\$ 10,000
<b>Total (SFY01)</b>		<b>\$ 38,000</b>
<b>Grand Total (SFY00 and SFY01)</b>		<b>\$ 574,400</b>

### Information Technology Services - Application Database Server Increase

The Worker's Compensation Division's (WC) use of information technology services, especially in the application/database server services area has increased more rapidly than what was anticipated. Client server applications and database server infrastructure services are the backbone of the Worker's Compensation Division's operation. Application/database server

increases in usage have resulted in primarily two areas. The number of insurance companies and self-insured employer accesses to send and retrieve WC information via the internet has increased and the upgrade and maintenance of servers has doubled. The use of electronic data reporting has reduced the mailing and preparation of paper reports by the insurance community. As a result, Worker's Compensation Division costs for information technology services have increased.

Application database server costs to the Worker's Compensation (WC) Division have increased in SFY00 by \$162,391 over SFY99 costs. WC does not have sufficient expenditure authority to cover this increase. SFY99 application database server costs were \$307,434. SFY00 charges have increased to \$469,825 (a difference of \$162,391). The WC PRO [20.445(1)(ha)] portion of the increased amount represents approximately 92.7% or \$150,500. The remaining 7.3% (approximately \$11,900) is charged to the Uninsured Employers Program administration [20.445(1)(hp)] and the federal programs [20.445(1)(m)] in Worker's Compensation. These programs currently have sufficient expenditure authority to cover their associated portion of the increase.

WC was notified of the SFY00 rate increase after the department had submitted its biennial budget request. The division did absorb some of the PR-S rate increases for SFY00, but, it cannot absorb the \$150,500 increase in SFY00 or SFY01 for application/database server services. Therefore, the department requests \$150,500 (SFY00) and \$150,500 (SFY01) in the Worker's Compensation Operations Appropriation 129, 20.445(1)(ha).

Since information technology application/database server services are purchased from the department's Bureau of Information Technology Services, Administrative Services Division, the department requests an increase in expenditure authority of \$150,500 in SFY00 and \$150,500 in SFY01 in PR-S Appropriation 185, 20.445(1)(kc). This will enable the Administrative Services Division to provide the requested application/database server services to the Worker's Compensation Division.

#### Affect on Administrative Assessment

An administrative cost assessment, issued annually by the Worker's Compensation Division to all insurance carriers and self-insured employers in Wisconsin, provides the revenues needed to fund the department's fiscal year costs of administering the worker's compensation program (Appropriation 129). The table below reflects the past seven year Assessment History, Revenue to be Collected, and the associated Indemnity. (The assessment rate is determined by dividing the Revenue to be Collected by the Indemnity).

<u>SFY</u>	<u>General Assessment Rate</u>	<u>Revenue To be Collected</u>	<u>Indemnity</u>
1993	3.83%	\$6,947,850	\$181,516,644
1994	4.22%	\$7,934,818	\$188,144,406
1995	3.22%	\$7,408,621	\$230,622,260
1996	4.58%	\$8,944,455	\$195,506,754
1997	4.83%	\$9,427,796	\$195,170,801
1998	4.27%	\$9,386,939	\$219,654,689
1999	5.46%	\$10,010,218	\$183,466,981
* 2000	5.76%	\$10,225,632	\$177,563,952

\* The estimated SFY2000 Assessment Rate (5.76%) includes the s.16.515 requested expenditure authority amount.

The increase in the amount of Revenue to be Collected for SFY2000 is 2.15% greater than the amount collected for SFY1999. The fluctuation of the assessment rate from year to year is influenced more by the total amount of indemnities than by the amount of revenue to be collected. Currently the trend for Indemnity is declining, causing assessment rates to have an opposite increasing rate affect.

### Summary

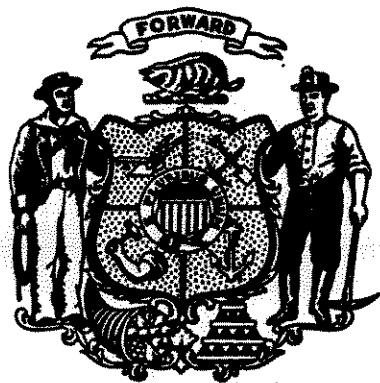
In order for the Worker's Compensation Division to comply with the GEF #1 renovation plans and DOA office space standards, a one-time increase in expenditure authority of \$536,400 in SFY00 and \$38,000 in SFY01 is needed in PR Appropriation 129, 20.445(1)(ha), Workers Compensation Operations.

A permanent base increase in expenditure authority of \$150,500 (SFY00) and \$150,500 (SFY01) in PR Appropriation 129, 20.445(1)(ha), Worker's Compensation Operations, is requested to cover the increased application/database server service charges. Without additional expenditure authority, the Worker's Compensation Division will have to cut essential program services to cover these unanticipated costs.

Since the information technology and facilities management services above will be PR-S services purchased from the department's Bureau of Information Technology Services, Administrative Services Division, the department requests an increase in expenditure authority of \$210,050 in SFY00 and \$160,500 in SFY01 in PR-S Appropriation 185, 20.445(1)(kc), Administrative Services. This will enable the Administrative Services Division to provide the requested facilities and application/database server services to the Worker's Compensation Division (program revenue service charges).



*END*



*END*