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(FORM UPDATED: 08/11/2010)

WISCONSIN STATE LEGISLATURE ... PUBLIC HEARING - COMMITTEE RECORDS

2013-14

(session year)

Assembly

(Assembly, Senate or Joint)

Committee on... State Affairs and Government Operations (AC-SAGO)

INFORMATION COLLECTED BY COMMITTEE FOR AND AGAINST PROPOSAL

- Appointments ... **Appt** (w/Record of Comm. Proceedings)
- Clearinghouse Rules ... **CRule** (w/Record of Comm. Proceedings)
- Hearing Records ... bills and resolutions (w/Record of Comm. Proceedings)
 - (**ab** = Assembly Bill) (**ar** = Assembly Resolution) (**ajr** = Assembly Joint Resolution)
 - (**sb** = Senate Bill) (**sr** = Senate Resolution) (**sjr** = Senate Joint Resolution)
- Miscellaneous ... **Misc**

* Contents organized for archiving by: Stefanie Rose (LRB) (December 2014)

Assembly

Record of Committee Proceedings

Committee on State Affairs and Government Operations

Assembly Joint Resolution 77

Relating to: appointment of treasurer in Milwaukee county (first consideration).

By Representatives Riemer, Sanfelippo, Zamarripa, Barnes, Craig, Goyke, Kooyenga, Pasch, Sinicki, Young, Zepnick and Kuglitsch; cosponsored by Senators Carpenter, Harris and L. Taylor.

November 25, 2013 Referred to Committee on State Affairs and Government Operations

January 28, 2014 **Public Hearing Held**

Present: (12) Representative Weininger; Representatives Craig, Kleefisch, Knodl, Neylon, Kooyenga, Hutton, Nass, Zamarripa, Ringhand, Kahl and Hulsey.
Absent: (1) Representative Kessler.
Excused: (3) Representatives Swearingen, Ripp and Sinicki.

Appearances For

- Daniel Riemer - Rep. - 7th ASM District
- Dan Diliberti - Milwaukee County Treasurer

Appearances Against

- Lori Stottler - Rock County Clerk
- Jamie Aulik - WI County Clerks Association

Appearances for Information Only

- None.

Registrations For

- Jamie Kuhn - Milwaukee County
- Eric Peterson - Milwaukee County

Registrations Against

- Kathleen Novack - Waukesha County Clerk
- Lisa Freiberg - Fond du Lac County Clerk
- Melanie Stake - Waushara County Clerk
- Jon Dolson - Sheboygan County Clerk
- Adam Gallagher - WI County Treasurers Assn, WI County Constitutional Officers

Registrations for Information Only

- None.

February 17, 2014 **Executive Session Held**

Present: (13) Representative Weininger; Representatives Swearingen, Craig, Kleefisch, Knodl, Neylon, Kooyenga, Hutton, Nass, Zamarripa, Ringhand, Kahl and Hulsey.

Absent: (0) None.

Excused: (3) Representatives Ripp, Sinicki and Kessler.

Moved by Representative Kleefisch, seconded by Representative Kooyenga that **Assembly Joint Resolution 77** be recommended for adoption.

Ayes: (13) Representative Weininger; Representatives Swearingen, Craig, Kleefisch, Knodl, Neylon, Kooyenga, Hutton, Nass, Zamarripa, Ringhand, Kahl and Hulsey.

Noes: (0) None.

Absent: (3) Representatives Ripp, Sinicki and Kessler.

ADOPTION RECOMMENDED, Ayes 13, Noes 0

Alison Zikmund
Committee Clerk



WISCONSIN LEGISLATIVE COUNCIL

*Terry C. Anderson, Director
Laura D. Rose, Deputy Director*

TO: REPRESENTATIVE DANIEL RIEMER

FROM: Anna Henning, Staff Attorney

RE: Milwaukee County Government

DATE: January 3, 2014

This memorandum responds to your request for examples of ways in which Milwaukee County government is structured differently from other county governments in the state.

OVERVIEW OF COUNTY GOVERNMENT IN WISCONSIN

In Wisconsin, counties are bodies corporate and political subdivisions of the state. The Wisconsin Constitution, Article IV, Sections 22 and 23, provides that the Legislature "shall establish one or more systems of county government," and that the Legislature "may confer upon the boards of supervisors of the several counties of the state such powers of a local, legislative and administrative character as [the Legislature] shall from time to time prescribe."

Over time, the Legislature has increased the power delegated to county governments to determine their organizational structure and govern their local affairs. Under current law, counties are vested with "administrative home rule" -- that is, with powers of a local, legislative, and administrative character.¹ [s. 59.03 (2) (a), Stats.]

County boards of supervisors are the main legislative arm of county government. Each county also has a county administrator or county executive, who assists in carrying out the county's executive and administrative functions. In counties with county executives, the county board and county executive jointly exercise broad authorities, such as the establishment of a county budget. Several other county officer positions, such as the positions of county treasurer and county register of deeds, are constitutional positions over which a county board and county executive have limited authority.

¹ However, county administrative home rule power is more limited than the home rule power conferred on cities and villages under the Wisconsin Constitution. [*Jackson County v. Department of Natural Resources*, 2066 WI 96 at ¶ 17.]

EXAMPLES OF PROVISIONS UNIQUE TO MILWAUKEE COUNTY GOVERNMENT

The statutes include literally hundreds of provisions that are unique to Milwaukee County.² The following discussion provides a sample of statutory and constitutional provisions relating to the structure of government in Milwaukee County. It is not an exhaustive list of provisions unique to Milwaukee County.³

Requirement to Elect a County Executive

Milwaukee County is the only county in the state that is statutorily required to elect a county executive.⁴ The Milwaukee County Executive has various statutory authorities and responsibilities that do not apply to county executives in other counties. [s. 59.17 (1) (a), Stats.] For example, subject to the approval of the Milwaukee County Board of Supervisors, the Milwaukee County Executive must appoint directors of specified county departments. [s. 59.17 (2) (bm), Stats.]

No County Coroner or County Surveyor

In 1965, the Wisconsin Constitution was amended to abolish the offices of county coroner and surveyor in Milwaukee County. Other counties have the option of instituting a medical examiner system or retaining the elective office of coroner. [Wis. Const., art. VI, s. 4, cl. 2.]

² Many such provisions apply to any county with a population of 500,000 or more people. More recently enacted provisions typically apply to any county with a population of 750,000 or more people. As of the last decennial census, Milwaukee County was the only county in the state with a population over 500,000.

³ For example, Milwaukee County is uniquely authorized or required to do all of the following:

- Perform certain functions typically performed by a board of harbor commissioners. [s. 30.37 (7), Stats.]
- Establish and maintain a mental health complex. [s. 51.08, Stats.]
- Build, furnish, and rent housing facilities to residents of the county. [s. 59.79 (1), Stats.]
- Appropriate money to defray the expenses of an intergovernmental committee formed to study countywide governmental problems. [s. 59.79 (2), Stats.]
- Undertake transportation studies. [s. 59.79 (3), Stats.]
- Regulate heating and air conditioning contractors within the county. [s. 59.79 (4), Stats.]
- Enact an ordinance imposing a fee for marriage ceremonies. [s. 59.79 (5), Stats.]
- Contract with the state for a lakefront parking facility. [s. 59.79 (7), Stats.]
- Contract for the services of certain retired county employees. [s. 59.79 (8), Stats.]
- Set policy for the operation, maintenance, and improvement of a county hospital. [s. 59.79 (10), Stats.]
- Provide for the transmission and disposal of sewage from county buildings. [s. 59.792 (2), Stats.]
- Participate in the development of certain research and technology parks. [s. 59.82 (1), Stats.]
- Build and maintain certain highways located in municipalities within the county. [s. 86.18 (1), Stats.]
- Assess benefits and damages in highway improvements. [s. 86.18 (4), Stats.]
- Provide suitable court rooms and offices for the judicial circuit for Milwaukee County. [s. 753.016, Stats.]
- Acquire a law library and appoint a librarian for the library. [s. 757.41, Stats.]

⁴ Other counties in the state *may*, by board resolution or petition and referendum, elect a county executive in place of a county board-appointed county administrator. [s. 59.17 (1) (b), Stats.]

County Comptroller

In place of a county treasurer, 2011 Wisconsin Act 62 created the office of county comptroller in Milwaukee County. The Milwaukee County Comptroller must satisfy certain eligibility requirements and perform various duties specified by statute. [s. 59.255, Stats.]

Limitation on County Supervisors' Compensation

2013 Wisconsin Act 14 requires a referendum regarding Milwaukee County Board supervisors' compensation to be held in Milwaukee County during the spring elections in 2014. If the referendum passes, then, beginning with the term that begins with the 2016 Spring Election, the Act generally limits the annual salary that may be paid to a Milwaukee County Board supervisor to the annual per capita income of Milwaukee County, as determined by the most recent U.S. Census.

Term Length for County Supervisors

Members of the Milwaukee County Board of Supervisors are currently elected for four-year terms, whereas supervisors in other counties are elected for two-year terms. [s. 59.10 (2) (b), Stats.] However, under 2013 Wisconsin Act 14, beginning with terms that follow the April 2016 election, the term for Milwaukee County Board supervisors will be two years.

Special Budget Procedures

Section 59.60, Stats., sets forth certain budget procedures, including, for example, procedures for the submission and compilation of budget requests, requirements for conducting public hearings and publishing a budget summary, and requirements governing transfers and lapses of appropriations. Milwaukee County is the only county that is statutorily required to comply with the procedures. However, certain other counties may elect to adhere to the procedures.

Limit on County Board Expenditures

2013 Wisconsin Act 14 established a limit on expenditures that are directly related to the operation of functioning of the Milwaukee County Board of Supervisors. With certain exceptions, the Act generally limits such expenditures to .4% of Milwaukee County's portion of the county's tax levy.

County Board of Adjustment

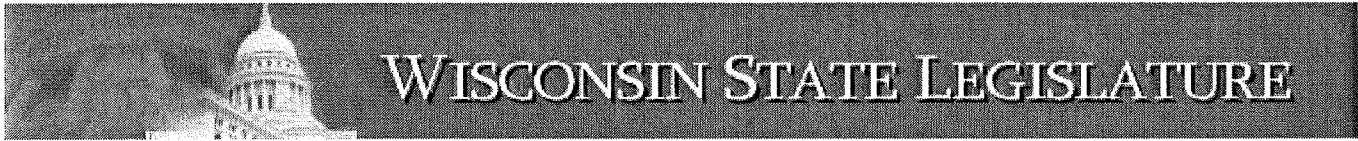
The Milwaukee County Board of Adjustment consists of three members, who must be residents of Milwaukee County and who are elected by the Milwaukee County Board of Supervisors for terms of one, two, and three years, respectively. In other counties, boards of adjustment consist of not more than five members, as determined by the relevant county board of supervisors, and members are appointed by the relevant county board chairperson. [s. 59.694 (2), Stats.]

Authority to Create a Nonpartisan Research Department

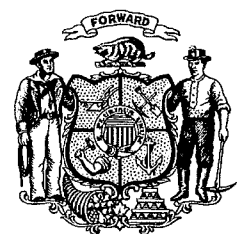
2013 Wisconsin Act 14 authorized the Milwaukee County Board of Supervisors to enact an ordinance creating a county department to provide independent and nonpartisan research services for the Milwaukee County Board of Supervisors and the Milwaukee County Executive. The Act limits the staff of the department to four full-time equivalent positions.

If you have any questions, please feel free to contact me directly at the Legislative Council staff offices.

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**Badger State Sheriffs'
Association, Inc.**
An Association of Wisconsin Sheriffs
Dean C. Meyer, Executive Director

President Sheriff David Kaminski
1st Vice President Sheriff Brent Oleson
2nd Vice President Sheriff Kim Gaffney
Secretary Sheriff Matt Joski
Treasurer Sheriff John Gossage

January 27, 2014

To: Committee on State Affairs and Government Operations

Re: Legislation making the Milwaukee County Treasurer Appointive (AJR-77)

Honorable Committee Members,

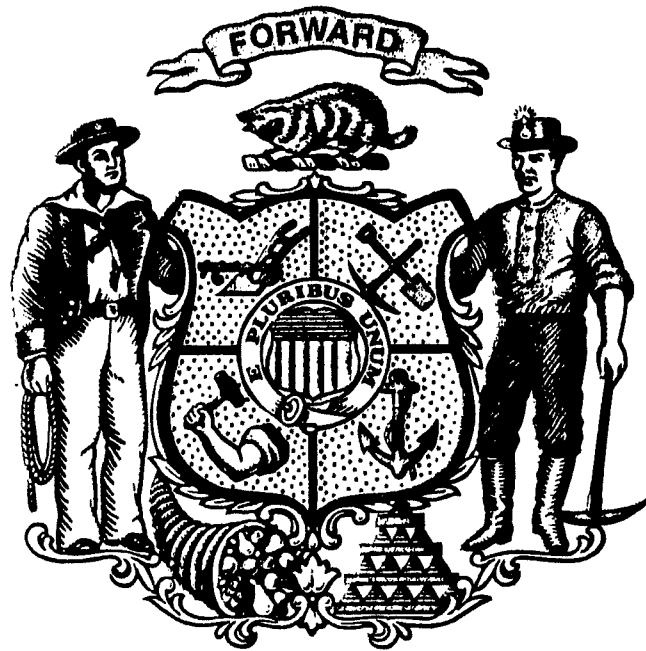
On behalf of Badger State Sheriffs' Association, (BSSA), I respectfully request you oppose AJR-77, a Resolution that if passed would allow the Milwaukee County Treasurer to be appointed rather than elected.

The framers of our Constitution established Constitutional Offices and intended for individuals who ran the Office to be elected. It was their intent to let the will of the people dictate the direction of this great Nation – not a dictator, the rich or another class of people. It is, for the most part a perfect system, and should not be infringed upon. While this legislation would only pertain to Milwaukee County, any erosion of the Constitution that affects the voice of the electorate should not be allowed or even considered.

BSSA opposes any legislation that infringes on the will of the people and our State and/or Federal Constitution. We ask that you oppose AJR-77. Leave the decision of who the Milwaukee County Treasurer is in the hands of the people of Milwaukee County – not a select few.

Respectfully,

Sheriff Brent H. Oleson, Chairman
BSSA Legislative Committee



County Treasurer should be Appointed Not Elected.

By Daniel Diliberti, Milwaukee County Treasurer

January 28, 2014

Time for change: Looking back at the outmoded reasons for an elected Treasurer and in order to assure continued high standards. I believe the partisan election of County Treasurer a practice that dates back to 1848 - is outdated and unnecessary. Instead, I would suggest changing the director of the Office of Milwaukee County treasurer from a partisan elected position to the non-partisan appointment of a qualified professional financial manager.

Tried and tested idea whose time has come for Milwaukee County: The selection and appointment of a qualified financial manager for the position of County Treasurer is not a new idea. It is promulgated by advocates who contend that it will produce the most qualified candidates to hold the positions. It has been implemented in major metropolitan areas in 12 states with great success. In fact the idea of appointed treasurers has already been implemented in almost every state on the level of Municipal treasurers and it is a growing trend. In California, 2/3rds of City /Treasurers are now appointed.

This change is in keeping with the Wisconsin tradition of constant improvements and change. Since the Wisconsin's constitution was adopted, approximately 200 constitutional amendments have reshaped and modernized government in Wisconsin. This would be another step in that direction.

Why should County Treasurer be appointed, not elected? Wisconsin law embodies the principle of separation of powers. The Legislative branch makes laws and sets policies and Milwaukee County Treasurer is an administrative position, has no voting or policy making authority. Change is needed now because using a partisan election to select the director for this office is dysfunctional. People don't decide on who their banker or retirement manager is simply on the basis of their political party. Nevertheless, under the current election laws, that is the primary criteria that many voters use to select their county's investment and banking manager and that needs to change.

Why treat Milwaukee County differently?

The original reason for an independent treasurer when it became a constitutional office in 1882 was that part-time partisan county boards needed to separate the oversight of public funds from the partisan patronage system of appointments. However 128 years later, in 2010, Milwaukee County is in an entirely different position. County government is no longer partisan, and county jobs are no longer based on political patronage. County government is now non-partisan and political appointments have been replaced by the protections of a standardized Civil Service System. Milwaukee County has full-time County Executive and central budget office. It is the only county in Wisconsin to have a separately elected independent position of county comptroller with its own independent auditing function that is statutorily designated to oversee the office of County Treasurer. The office is mandated to follow Generally Accepted Accounting Principles (GAAP) and is overseen by an annual outside auditor. This unique Milwaukee County combination of structural changes provides adequate checks and balances on the financial operations of the Milwaukee County Treasurer's Office and its functions.

The appointment process will also attract more qualified financial managers who won't be

deterred by the daunting nomination, fundraising and election, process in a district that is almost one and a half times the size of a congressional district.

Only Applies to Milwaukee County: Milwaukee County has unique checks, balances, oversight and scope of financial operations. This resolution calls for a referendum and then granting permissive authority to choose whether to allow Milwaukee County to set qualifications and appoint the County Treasurer.

Milwaukee County differences recognized in State Statutes: The Treasurer's Office acts as Milwaukee's County's banker, handling all the deposits and expenditures for the annual \$1.3 billion budget as well as handling \$350 million in short term investments. It is a big responsibility and best done by someone trained in financial management.

As the only county of the first class, the different needs of Milwaukee County have already been accorded separate treatment in hundreds of references in the state statutes. Similar changes in other previously elected Milwaukee County administrative positions to appointed ones, including the County Corner and County Surveyor. A Milwaukee County Comptroller was also recently created by State Statute.

What is happening in other states? If county government in Milwaukee County were established today - in 2010 - no one would argue for a separate partisan election for the head of Milwaukee County treasury services. It is noteworthy that three states, including the newer states of Alaska and Hawaii have always had their county treasurers as appointed positions. In addition, nine states have incorporated a county-option as to whether to have elected or appointed Treasurers. Seven of these nine county-option states have made the change away from elected-only county treasurer status since 2004, thus indicating a trend for eliminating the partisan election mandate.

Numerous Recommendations have created a chorus of calls for ending the process of election of the Office of Treasurer. Most agreed with the need for the hiring the best qualified professional financial manager – just as corporations and individuals do when looking for a skilled financial manager. It is long overdue.

1. **Public administration Study (1955)** –: Planning and Financial Administration in Milwaukee County stated that the elective process to fill the Treasurer's position “has been criticized so generally both in Milwaukee County and elsewhere that no repetition of the fallacies of that system is required here.” It urged repealing the constitutional provision to permit the change from elected to appointed office.
2. **1989 County Board Study (1989)** recommended that the Treasurer be appointed if balanced with a strong checks and balances by an independent Controller/Auditor.
3. **Management Letter by Arthur Anderson (1973)** recommended making the Treasurer an appointed position
4. **Public Policy Forum Survey (1992)** found the majority of the residents of Milwaukee supported the appointment, not the election of the Treasurer's position.
5. **1993 County Board Resolution (File 1993)** passed April 8, 1993 called for giving Milwaukee County the option of making the Treasurer's position an elective or appointed office.

6. National Trend: In the instance of hiring personal and/or business financial managers, they are selected from a list of qualified applicants for the job. More and more cities and counties have determined that hiring a treasurer based on their qualifications would be the best way to get the best possible financial manager. Nearly one-quarter of states already allow major metropolitan counties to appoint treasurers. The twelve states do not mandate the election of County Treasurer:

Alaska – Appointed	New York – discretionary
California – Discretionary	North Carolina – Appointed
Colorado – discretionary	Ohio – Discretionary
Hawaii – Appointed	Pennsylvania – Discretionary
Maine – Discretionary	South Carolina – Discretionary
Minnesota – Discretionary	Washington – Discretionary

The trend now is in the direction of changing to appointed Treasurers (No state has made any changes in the other direction by instituting the election of treasurers), examples include: the counties of Nevada County, San Francisco, Hamilton County (Chattanooga), Shelby County (Memphis), Seattle, Kittson and Marshall Counties (Minnesota), Denver, Cayahoga (Cleveland), and Charlotte, North Carolina.

6. **Supported in WTMJ-TV Editorial** (May 20, 1993) stated that “the elected County Treasurer is one of those elective jobs that shouldn’t exist any longer.”
7. **Milwaukee County Commission for the 21st Century Report** (1998) (Page 23) recommended that the Treasurer be appointed – as is done for other county departments.
8. **Supported in Milwaukee Journal Sentinel editorial**, (9/10/04) the County Treasurer, “ideally should be appointed rather than elected because it primarily involves administrative duties, not public policy.”
9. **Public Policy Forum** (2012): Exploring the Potential for Structural Reform in Milwaukee County Government (P124) “...a key question surrounding the possible elimination or streamlining of county government is the legality of abolishing or transferring certain elected officials (and their offices) that are established in the Wisconsin Constitution. A constitutional conflict would not preclude the abolishment of the office, but would necessitate undertaking the time-consuming process of amending the Constitution.
11. **U C - Merced Study** (2001) Improved financial management was demonstrated in a study by Alexander Whalley that found that appointed treasurers reduced municipal borrowing costs by 13-23% over elected ones. The study projected that California taxpayers total borrowing costs would be reduced by \$20 million per year if all cities changed to appointed treasurers.

Budget revenues and expenditures passing through the County Treasurer's office exceed \$1.3 billion dollars, and that office manages an additional \$340 million in short term investments. As demonstrated by the UC Merced Study, administering these financial services is best done by a treasurer with professional expertise and proficiency in accounting, banking, and investment services.
12. **Supported by past Milwaukee County Treasurers:** Of the five previous Treasurers, three were appointed to fill vacancies, demonstrating that it can function well with an appointed

treasurer.

Four out of the last six County Treasurers have already gone on record in support of making the Office of County Treasurer an appointed position.

12. The appointment of the Milwaukee County Treasurer is supported by both the Milwaukee County Board of Supervisors (2013) and the Milwaukee County Executive in an approved in a signed resolution.

13. History:

- Colonial Governor appointed Treasurers before independence.
- As part of the Northwest Territory, county treasurers were appointed.
- 1820, as part of the Territory of Michigan, Milwaukee County treasurer was appointed.
- 1848, when Wisconsin became a state, elected county treasurers were not in the constitution.
- 1849, appointed County Treasurer was added to the State Statutes.
- 1882, elected County Treasurer was added to State constitution.

14. Any opposition to AJR 77 Some treasurers that are not affected by this bill have expressed concern about it. If you read the WCTA resolution carefully, you will note that it is not directed toward this bill or even against Milwaukee County.

It is a general statement in support of maintaining all state constitutional positions as elected ones.

It is consistent and is the same reason they opposed to legislation to abolish the State Treasurer.

15. Advantages of removing the Milwaukee County Treasurer from the political process

Handling tax revenue should be done by someone who is trained in governmental accounting, banking and investment management. It is the public's money that is being collected and they deserve the best financial manager for the money.

Under the election system in Milwaukee the only qualifications needed to run for County Treasurer is that you be 18 years old and a resident of Milwaukee /County. And adding qualifications on the job wouldn't necessarily produce the best qualified candidate, but instead likely yield an unemployed or underemployed accountant who had time to gather 1,000 signatures and campaign six months for the job. The election process also prevents the voter's representatives – the county executive and county board - who see the day-to-day dealings of that office - from assuring the most effective and responsive treasury services to them

An appointed treasure can be an honest broker because they are not driven by politics or worrying about the next election when making decisions between multiple units of governments and making sure taxes are settled in a timely, fair and equitable manner.

The history of Milwaukee County treasurer elections makes a folly out of the adage of the "power of the people" and the "accountability" of elections for an administrative position that has no policy making authority.(Examples)

Modern checks and balances (GAAP principles, annual outside audits, internal audits and bank reconciliations, comptroller's oversight, etc.) that were not existent in the 1800's when the office was made and provide the necessary oversight the authors of our constitution had in mind.

In a county the size of Milwaukee County (one million residents), the Treasurer is too far removed from the people. Very few voters really don't know who the Treasurer is or how he/she operates their office. [i.e. City of Milwaukee Treasurer didn't invest money, Milwaukee County not well run – told this when I ran and no one could affect the Treasurer, the public didn't know – how could they? An independent treasurer position in a county this size has no reporting mechanism to the people.] The appointment process would increase the professionalism, integrity and accountability of the office

Appointment would avoid the patronage system because it bypasses the old back door patronage appointment system where the county board chairman both nominated and approved the position. Instead, the person up for appointment for Treasurer would be recruited by the County Executive and then publicly nominated for the position. Then that nominee would be subject to questions and an examination for qualifications, experience and ability at an open public hearing held by the County Board.

It is a partisan office for a non-partisan critically skilled financial management position. The Treasurer's election in this large urban county in the midst of State-wide and national government fall political campaigns makes it difficult just to get two pieces of campaign literature in voters' hands to advise them of a candidate and remind of their name in the minor position on the ballot. And just to do so would cost more than \$100,000 to reach out to the 85,000 primary voters. Treasurer candidates are challenged to raise their visibility just to inform the voters who they are amidst more vociferous state and national campaigns that are flooding the airwaves and mailboxes? And after they are elected they have to divide their time between treasury services, campaign activities and fundraising. That is not right. This position has not policy making role and the treasurer represents the taxpayers on not voting matters.

It is the same when Dawn Marie Sass ran for State Treasurer and spent about \$1,000 on a state-wide campaign. Do you think that the voters knew her qualifications and made an informed decision to elect this Milwaukee County Social Services Worker? Who was she accountable to? Did the voters know how she spent her time or what she did in office? And she was beaten by someone who ran on the platform of abolishing the office.

It simply doesn't work. Case in point is the outcome of the only two elected Milwaukee County Treasurers campaigns in the preceding 30 years. These two elections included one candidate who campaigned against his own election and one who campaigned against something that had nothing to do with the Treasurer's Office.

Electing the Milwaukee County Treasurer is a broken system of recruiting qualified candidates; it robs the taxpayers of the ability to recruit qualified candidates that have the skills to maximize revenues; makes a the election process into an election folly, and acts as an impediment to the implementation and continuity of modern banking and financial planning.

Voters only want know that their money is overseen and managed by someone who is a trained, knowledgeable, and competent banker, financial planner, and investment

manager.

The best way to get such a person is to recruit, and hire the most qualified person available. Experience in Milwaukee County has shown that you won't get that through the election process.

Large metropolitan counties elsewhere in the country have found a better way and are doing so with successful results,

16. Is the opinion and experience of smaller county treasurers' relevant?

As the treasurer of a county with a population of one million and a fully incorporated county, I would also hope that other treasurers wouldn't insist that the structure and organization of their county treasurer's offices is necessarily the best option for Milwaukee County and respect our differences in respect for legislation that comes out of the recommendations of countless studies, civic groups recommendations, and numerous Milwaukee County Treasurers, does not impact them and would only affect the needs of Milwaukee County (the only county of the first class [over 500,000] in the State of Wisconsin

Several other constitutional officers have told me that what motivates them is not so much the principle or the political climate but the worry about unintended consequences? In this political climate, people are legitimately worried about if it happens here then what is to prevent their positions being similarly affected?

They may not know what is best for Milwaukee County but feel that it may be wrong for their county and people are afraid that legislators will not take the time to understand the difference.

And while other counties don't want or need this change and I am not pretentious enough to say what works in Milwaukee County is good for Rock County or Waukesha County, or every other county. It is simply not true.

That would be comparing apples to oranges.

We are very, very different operations.

Many other counties do tax billing for their municipalities, and/or collections, we do not. Milwaukee County is fully incorporated and more than dozen references in the tax codes make exceptions for or treat Milwaukee County differently than any other county in the State.

Would I recommend this change for all Wisconsin counties?

Absolutely not.

For one, the current system seems to serve them well.

Many current County treasurers previously served as deputy treasurers and are well-trained in their duties – the opposite of the historical experience in Milwaukee County. Many counties still don't have a county executive and consolidating the job as an appointee by the county board chairman with neither full-time county auditor nor an elected comptroller would simply take the position back to the political and undue political influence problems that haunted the position back in 1835.

And, most importantly, no other county has the combination of checks and balances - including an elected Comptroller providing oversight – which Milwaukee County has.

17. AJR 77 would give the people the permissive choice of how to choose their treasurer instead of the constitutional mandate for an elected Treasurer:

- As reflected in the 1992 survey undertaken by the Public Policy Forum, this would give the majority of people the choice they want over the appointment or the election, of the position of County Treasurer.
- By approving AJR 77 legislators are simply allowing for a referendum to take place that gives people the choice between State constitutional mandate for an elected treasurer or permissive authority for an appointed Treasurer.
- As a final step the AJR77 gives permissive authority gives County Board the option to choose best method of selecting their own county financial manager
- Studies have shown that taxpayers benefit by appointed treasurers who bring improved fiscal management practices & reduce costs. This bill would give Milwaukee County taxpayers an opportunity to do so.
- It will result in no loss in services to the public: because - like in states that already have appointed treasurers, the functions of Treasurer's office are strictly spelled out in State Statutes.
Services in Milwaukee County Treasure's Office will be continue to be carried out by Milwaukee Count Civil Service Staff, including delinquent tax collection, foreclosures, unclaimed funds, etc.

18, Finally people have said that I am example of how this system works well?

No, I am an outstanding example of the opposite – a tireless advocate for the appointment of the Milwaukee County Treasurer

People say, hypocritical to run for office and then try to abolish it/

But, I ran on that platform,

Running on that platform, I was endorsed by civic leaders from all around the county, city and suburban, private sector and public sector, civic and community leaders. They voted for me on the basis of my commitment my promise to professionalize that office and to make this position into an appointed professional expert in banking and finance – to handle the unique responsibilities of the Milwaukee County Treasurer's office.

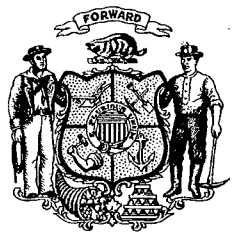
And why they endorsed and voted for me.

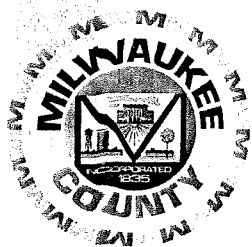
Because every study and a consistent plea by government and civic leaders has recommended the same thing – to give the people of Milwaukee County the choice on how they select their money manager and financial planner. Five County Government studies over the course of fifty years done by experts in the organization and provision of local government services have all consistently recommended this change. Television and newspaper editorials called for the change. Two thirds of the county treasurers in the last 40 years have asked for the change. The county board and county executive have endorsed this method of hiring the best qualified candidate possible for this position. The proposal has bi-partisan support in the Milwaukee county legislative delegation.

It is time for a change.



WISCONSIN STATE LEGISLATURE





INTERGOVERNMENTAL RELATIONS
Milwaukee County

TO: Members, Assembly Committee on State Affairs and Government Operations
FROM: Jamie Kuhn, Government Affairs Liaison – County Board
Eric Peterson, Government Affairs Liaison -- County Executive
DATE: Tuesday, January 28, 2014
RE: **Milwaukee County Support for AJR 77 – Local Control for an Appointed Milwaukee County Treasurer**

On behalf of Milwaukee County, we urge your support of AJR 77 which allows local control for Milwaukee County to decide whether or not the Office of County Treasurer should be appointed or elected. Milwaukee County appreciates the bipartisan support for this proposal.

Milwaukee County Treasurer Dan Diliberti will address this committee on the merits of this proposal. Milwaukee County supports the position of our treasurer.

Attached is the resolution of the County Board, signed by the Executive, endorsing this proposal. We urge your support of this amendment.

Thank you.

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3 (ITEM) A resolution by Supervisors Lipscomb, Broderick, Borkowski, and Taylor
4 in support of the State enacting legislation to allow Milwaukee County to have the option
5 of appointing the Milwaukee County Treasurer, by recommending adoption of the
6 following:

7
8 **A RESOLUTION**
9

10 WHEREAS, the Office of Milwaukee County Treasurer is an administrative
11 position, has no policy making authority, and whose duties are strictly administrative,
12 which are set forth in Wisconsin State Statutes; and
13

14 WHEREAS, with a \$1.3 billion County operating budget and \$340 million in short
15 term investments, the position of Milwaukee County Treasurer serves as administrator
16 of the County's fiscal services and requires expertise in accounting, banking services,
17 and investment management; and
18

19 WHEREAS, such corporate treasurers in the private sector are hired on the basis
20 of their financial management skills; and
21

22 WHEREAS, the duties of Milwaukee County Treasurer have drastically changed
23 since the creation of this position in the early 1800's, including: (1) the oversight
24 provided by the Office of the County Executive's Central Budget Office created in 1960,
25 (2) the adaption of Generally Accepted Accounting Principles (GAAP) that define
26 treasury services accounting standards, (3) an annual independent outside audit of all
27 Treasury activity, (4) the Treasurer's submission of quarterly reports to the County
28 Board, and (5) the creation of the Milwaukee County Comptroller position in 2012, which
29 closely audits the Treasurer's financial operations; and
30

31 WHEREAS, Milwaukee County, Wisconsin's only county of the first class, is
32 exempt from similar state mandates for elections of the County Coroner and County
33 Surveyor and now requests that the Milwaukee County Treasurer be added to that list;
34 and
35

36 WHEREAS, this resolution does not support a change in the election of the
37 county treasurer in other Wisconsin counties, many of which do not have County
38 Executive Central Budget Office oversight, separately elected and independent County
39 Comptroller, full-time Office of County Auditor, and a separate County Board or
40 reporting process; and
41

42 WHEREAS, on the county level, nine states, including neighboring Minnesota,
43 have changed their laws to allow the option of appointment of the County Treasurer for
44 counties of the first class; seven of those nine states have enacted those laws since
45 2004; and
46

47 WHEREAS, a change in the State Constitution to allow for the appointment of the
48 Milwaukee County Treasurer will recognize that it has already become a *de facto*
49 appointed position; and

50 WHEREAS, three of the five previous County Treasurers were appointed to fill
51 vacancies, two that were elected left office in mid-term, and three out of the last five
52 County Treasurers supported making the Office of County Treasurer an appointed
53 position; and

54
55 WHEREAS, the County Commission for the 21st Century, the Public Service
56 Administration Study, a Management Letter by Arthur Anderson, a County Board Study,
57 and the Milwaukee Journal Editorial Board have called for eliminating the elected office
58 of Milwaukee County Treasurer; and

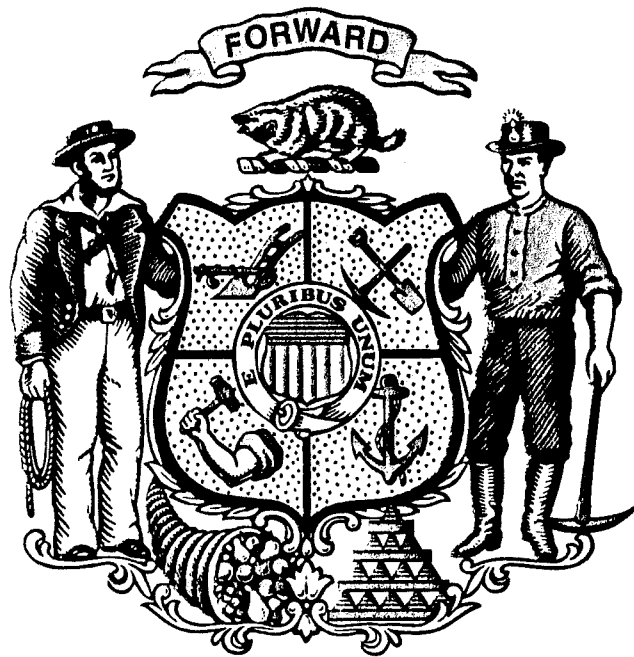
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60 WHEREAS, the first step to the appointment of a qualified financial manager to
61 the position of Milwaukee County Treasurer is to pass a state constitutional amendment
62 that removes the state mandate to elect the Milwaukee County Treasurer and, instead,
63 allow Milwaukee County to determine how to best fill that position with a qualified
64 accounting, banking, and investment manager to serve the County's 21st century fiscal
65 needs; now, therefore,

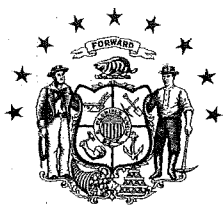
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67 BE IT RESOLVED, that the Milwaukee County Board of Supervisors does hereby
68 support using the appointment process to obtain a qualified fiscal manager to fill the
69 position of County Treasurer; and

70
71 BE IT FURTHER RESOLVED, that the Milwaukee County Board of Supervisors
72 does hereby support the introduction and passage of a state constitutional amendment
73 to give Milwaukee County the option of having an appointed Milwaukee County
74 Treasurer.

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STATE REPRESENTATIVE
DANIEL RIEMER

WISCONSIN STATE ASSEMBLY

7th DISTRICT

January 28, 2014

To: Assembly Committee on State Affairs & Government Operations

From: Representative Daniel Riemer

Re: Assembly Joint Resolution 77

Chairman Weininger and Committee Members:

I want to thank you for holding a public hearing on Assembly Joint Resolution 77, which is a proposed constitutional amendment that would give Milwaukee County the option of making its county treasurer an appointed position, where the position is currently elected. The County Treasurer acts as the County's banker, receiving and disbursing all funds as provided by state law and county ordinance and investing public funds not used for daily county operations. The Treasurer's Office also collects delinquent property or real estate taxes, and maintains property tax data that is accessible to the public.

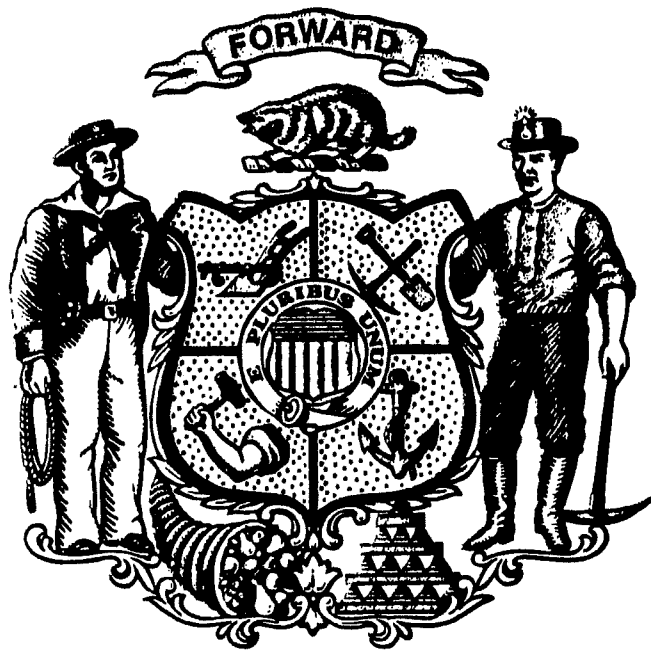
As the resolution states, in Milwaukee County, the county executive shall appoint the treasurer, with approval of the county board, unless another method of appointment is provided *or unless the county board votes to make the office elective*. This last point is important, as it continues to allow Milwaukee County to have an elected treasurer if the local elected officials choose to keep it as such. This resolution merely gives Milwaukee County the option of making the position of treasurer an appointed one.

Why is this option important to have? With a population of roughly one million people, and with a county budget of over a billion dollars, Milwaukee County is unique in many ways. Milwaukee County is the only county in the state where unique combinations of necessary safeguards are in place that would allow for this change, including: a full-time independent comptroller who currently oversees the Treasurer's operations. Besides acting as a check on the treasurer's office, the comptroller is responsible for overseeing all of the county's debt, administering county contracts, and providing fiscal notes for proposed county legislation. In addition, the county has a full-time auditor who regularly inspects the treasurer's accounting operations, and there is an annual outside audit that checks to ensure the management procedures of the Milwaukee County Treasurer's Office are in compliance with GAAP (Governmental Generally Accepted Accounting Principles.) Milwaukee County's treasurer is here and can discuss these safeguards in greater detail.

This resolution enjoys bipartisan support in the State Legislature, and specifically bipartisan support among members who represent Milwaukee County. This idea was also approved as part of a resolution by the Milwaukee County Board of Supervisors, which was signed by the County Executive.

This change to Milwaukee County's governance structure better suits the unique circumstances facing Milwaukee County. Having a permanent, professional manager of county funds, with oversight from elected officials, would be a step forward for Milwaukee County governance.

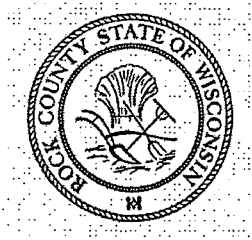
Thank you for your consideration today, and I would be happy to take any questions committee members might have.



ROCK COUNTY, WISCONSIN

Office of the Rock County Clerk
51 South Main Street
Janesville, WI 53545

Lori Stottler, Rock County Clerk
Lisa Miannecki, Deputy
David Babcock, Clerk Specialist



Office (608) 757-5660
Fax (608) 757-5662
www.co.rock.wi.us
stottler@co.rock.wi.us

To: Wisconsin State Assembly Committee on State Affairs and Government Operations
From: Lori Stottler, Rock County Clerk since December 2007.
RE: AB429, AJR77 & AB613

Good afternoon Chair Weininger and Committee Members,

Thank you for the opportunity to hear from myself and other on this proposed legislation today.

Regarding Assembly Bill 429, I urge your support of this Bill. As a wedding officiant, (<http://www.gazettextra.com/article/20130812/ARTICLES/130809780>), I take my role very seriously. I believe it is more important that an officiant understand the serious nature of this business and the legality of the documents they are signing and filing. I view this bill to be clean-up and modernization of WI State Statute.

Regarding AJR77, I can't urge you strongly enough to stop this Bill in its tracks! While it is tempting to jump on the band wagon that touts reasons why appointing may be better for us; hire people with credentials to perform the job, save money, the positions are outdated, or as Ernst-Ulrich Franzen posted in last week's editorial of Journal Sentinel, "there is no good reason to elect a person to a job that is basically technical in nature." I wonder how much research and fact checking that editorial had in it as that reflects more of an off the cuff opinion than that of a well researched editorial.

The Department of Political Science, UW and Department of Political Science, University of Colorado-Boulder and the La Follette School of Public Affairs at the UW Madison released a study "Comparing Elected and Appointed Election Officials: the Impact of Selection Method on Policy Preferences and Administrative Outcomes" that was supported and funded through the GAB and Pew Charitable Trusts. A primary statement supporting elected officials is this, and I quote: "The method by which we select public officials can have a significant effect on their environment, the pressures they face, and ultimately the policy goals they pursue. In particular, elected officials may be more likely than appointed officials to pursue policies that are in line with the perceived preferences of the electorate." Furthermore, "the results support the notion elected officials are more likely to express attitudes and generate outcomes that reflects their direct exposure to the policy preferences of voters, in contrast to the more insulated position of appointed officials."

I'd also offer up a study from Ruben Enikolopov of Harvard University titled "Politicians versus Bureaucrats: Evidence from US Local Governments" This study cites immediately, "Directly elected public officials need popular support to get reelected, whereas appointed public officials need to please only those who are responsible for their appointment." This study looks at the issue of elected officials "vote-buying" activities more so than their appointed counterparts; but when

leveled at an administrative constitutional officer such as a County Treasurer, there is nothing to buy. The idea that county government can take on a pro-privatization appeal and that all appointed employees are not at the will of those who appointed is blind and irresponsible.

Finally, I offer a study from the July 2012 Journal of Public Economics titled "To Elect or to Appoint? Bias, Information, and Responsiveness of Bureaucrats and Politicians." By Matias Laryczower, Garret Lews and Matthew Shum. This paper suggests and explores the empirical trade-offs involved "in choosing between bureaucrats and politicians." This study has some focus on criminal decisions across the US Supreme Courts,... THIS is one of my primary concerns of appointed Treasurers! Absolute power corrupts absolutely. When appointed bureaucrats are "shielded from voters", the quality may go up but the transparency goes down.

It is important to note that County Constitutional Officers have **NO POLICY MAKING AUTHORITY**. I type this in caps because it makes us very different from the other partisan elected officers. We are in place to provide access to the public and our job performance is reviewed at every election. Those of us not doing our job are likely highlighted in the media first and then confirmed by a vote of the public. Government agencies like County Government are for the people, by the people. This is NOT a position that should be appointed.

The path that this Bill took to get on the floor in the first place should be REASON NUMBER ONE why you should pay it no attention: Basically there was agreement made between the Milwaukee County Board, the Milwaukee County Treasurer, and the Milwaukee County Executive. The current treasurer requested that the position be converted to an appointed position.

When I first read about this proposal, I was reminded of a saying that my father always used..."Those who have nothing to hide, hide nothing." The financial transparency of a government entity cannot be rolled up into the "appointed" oversight of the mice. Every good farmer has barn cats because the farmer's instinct knows it's a wise idea to balance his environment. Every good Government leader should appreciate the Courthouse "cats" (aka-elected officials) because instinct should point to balance of environment (morals, ethics, temptation, greed...) It's SO simple – this is not a good model for local government that has a \$279.3 million dollar budget and cares for a population of nearly 600,000 people.

Regarding AB-613, I would urge you to support this bill. I am very pleased to tell you that nearly all of the Rock County Legislative Delegation has signed onto this bill, with the exception of Senator Kedzie. I did however, receive an email dated 12/20/2013 stating that while he has not taken a formal position on the proposal, he continue to review the merits. This kind of support is what I believe makes Rock County the kind of County that rebounds and comes back stronger than ever in the face of adversity, diversity and challenge, and I am grateful to be a member and Constitutional Officer of it!

I include with my testimony a document "Purpose of updating Wis. Stat. 59.23" as well as a statement from the WCA stating their one and only hesitation to supporting this Bill. I believe with this documentation, you will see that it makes perfect sense to move ahead with this Bill and give it your full support. Thank you for your time and for your service.

Purpose of updating Wis. Stat. 59.23

County clerks want to work with county board supervisors, administration, and corporation counsels to implement these items. Updates to and modernization of Wis. Stat. 59.23 are being sought for the following reasons:

- Update and clarify state statutes
 - In its present form, 59.23 does not adequately describe the duties of county clerk.
 - There is only a brief mention of the county clerk's role in elections, and over time this has become one of the clerk's principal responsibilities.
 - There are also no references to other major office duties such as marriage licenses/domestic partnerships, dog licensing, etc.
 - The updates also seek to clarify responsibilities within county government, which makes the job more transparent and understandable to the public, board members, other officials, and prospective and current clerks.
- Modernizing and empowering innovation in local government
 - LRB-2666 enables county clerks to perform their jobs in 2013, not 1955. Updates that modernize procedures include giving officials the flexibility to store official records in different formats, such as electronic format, which helps reduce cost; and increasing public access to government by collecting email addresses of local elected officials.
- Safeguard checks and balances within county government
 - From the time that the office of county clerk was created as a constitutional office, it has been a vital member of the executive branch of county government. This is due, in part, to its statutory functions as county board secretary and financial record keeper. As an independently elected official – who is accountable to *all* county citizens through the voting process – the clerk is uniquely positioned to assure adequate checks and balances in the executive branch. It is imperative that clerks continue serving in this important role through the unhindered performance of their immemorial duties.
 - To be a contributing member of the executive team – as well as an effective clerk to the county board – the clerk should oversee the secretarial duties not only of the county board as a whole, but also of its committees, at which significant decisions can be made that do not require action of the full county board.
 - The clerk must have sufficient staff to perform his/her duties.
- Adequate staffing
 - Given the statutory duties of the office, the bill provides that a deputy clerk be staffed either at full-time or equivalent level, which provides flexibility to determine how the office is staffed.
 - Adequate staffing also ensures that the clerk is able to comply with the provisions of 59.20 (3) (a), which requires that the office is open during normal business hours, and the public receives the level of services that they expect.
 - Election laws continuously change and election workloads continue to increase. Overseeing this important responsibility is impossible without adequate staff to accomplish these tasks.

- Increase public access to government
 - Specifies a single location for obtaining meeting notices and minutes, thereby ensuring open meetings and public records law compliance.
 - Provides a centralized system of collecting and disseminating contact information regarding all elected officials within a county.

- Other language updates and modernization
 - Gives clerks discretion on the medium in which they choose to store a record, to include electronic storage, which is generally a less expensive method than paper.
 - Modernizes antiquated language and updates statutory language
 - Removes obsolete duties.

From: "Kyle Christianson" <christianson@wicounties.org>
To: LORI STOTTLER <STOTTLER@co.rock.wi.us>
Date: 1/27/2014 10:24 AM
Subject: Re: Tracking AB-613 Attendance/Plan

Lori,

Thank you for your email. You are correct that WCA is opposing AB 613. While we support many of the changes included in the bill, we are concerned with the bill provision specifying "one FTE deputy clerk would work exclusively in the clerks office and would be removable only by the county clerk." We are concerned that this provision not only supersedes a county's authority to determine its own staffing levels, but we worry this could set a precedent for Madison legislators to set county staffing levels and responsibilities; something we feel is best done at the local level by locally elected county officials. If the above referenced section of the bill were removed, we would withdraw our opposition.

Thanks Lori and I hope this helps explain our position. Please let me know if you have any questions. I am out of the office today, but feel free to email or call me on my cell at 608.219.3574.

Thank you,

→ Statute language "or equivalent", "insofar as practical"

Kyle

→ 59.20 requires office to remain open at the county seat during "usual business hours" except Sunday.

Sent from my iPad

On the hook for hours + service with no pay to # of Staff members!
on \$5 fine 😊

On Jan 27, 2014, at 9:41 AM, "LORI STOTTLER" <STOTTLER@co.rock.wi.us> wrote:

> Hi Kyle,

>

> I received word that the WCA is opposing AB-613.

> I was on the WCA website looking for legislative documentation as to why and cannot find it.

> Can you shed some light on the WCA position for opposing this bill and share any testimony or documentation explaining why?

>

> Thank you,

> Lori Stottler

> Rock County Clerk

>

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> The information contained in this message and in any attachment is intended only for the recipient.

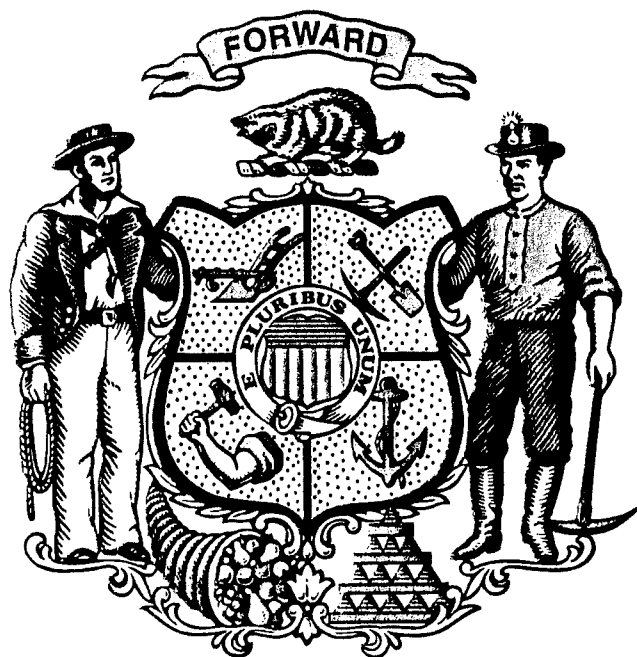
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> If you are not the intended recipient, or you have received this communication in error,

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Milwaukee County

OFFICE OF THE COUNTY TREASURER

KEVIN D. O'CONNOR • Treasurer

June 22, 1989

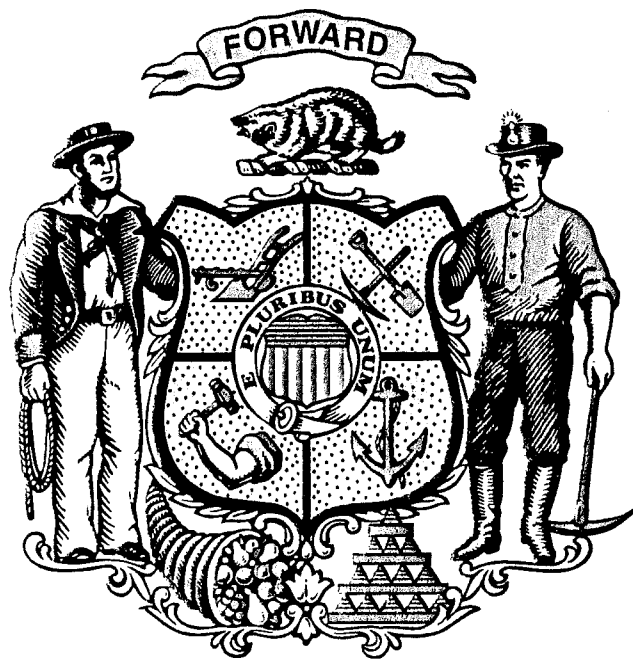
Mr. Thomas Ament
Chairman of Milwaukee County
Board of Supervisors
Milwaukee County Courthouse
901 North 9th Street
Milwaukee, Wisconsin 53233

Dear Chairman Ament:

I wish to inform you of my resignation as Milwaukee County Treasurer effective July 20, 1989. I have enjoyed immensely my association with the employees of Milwaukee county and respect the political institutions that are responsible for its governance. It has been my particular pleasure to work with the employees of the County Treasurer's Office. They serve a valuable function to this government. I cannot improve on their excellent work, and believe they are owed a debt of thanks for working diligently under what I found to be very poor administrative practices used by prior incumbencies. I cannot overlook, however, the fact that the elected office of County Treasurer cannot be justified as an expense to the taxpayers of Milwaukee. I am pleased that my election focused attention to this matter and that legislation has passed the State Senate and awaits action in the State Assembly which will correct the anachronism of an elected Treasurer. I anticipate my resignation will expedite the legislative process.

Sincerely,

KEVIN D. O'CONNOR
Treasurer





REPORT TO MAYOR AND COUNCIL

AGENDA ITEM NO.

2.6

TO THE HONORABLE MAYOR AND COUNCIL:

DATE: April 1, 2008

SUBJECT: BALLOT MEASURE FOR APPOINTED CITY CLERK AND CITY TREASURER

Report in Brief

State law requires that every general law city include the positions of City Clerk and City Treasurer, which may be either elected or appointed. Of 478 cities in California, 147 have elected City Clerks (31%) and 173 (36%) have elected City Treasurers. The trend in California is to appointive positions. Of 463 cities existing in 1989, 161 (35%) had an elected City Clerk and 193 (42%) had an elected City Treasurer. While an additional 15 cities were incorporated since 1989, there are now 14 fewer elected City Clerks statewide and 20 fewer elected City Treasurers. Today, 2/3rds of all City Clerks and City Treasurers in California are appointed. Nationally, 84% of City Clerks are appointed.

The administration of local government has become more complex over time. The qualifications for an elected City Clerk or City Treasurer are limited to candidates that are registered voters who reside within the city limits. The trend among cities is towards establishing professional standards for the positions of City Clerk and City Treasurer and hiring based on experience and credentials rather than through a general election process. If the positions were appointive, the City could establish minimum qualifications for each position such as level of experience, education, professional certification and training.

It is recommended the City Council direct staff to draft a resolution for City Council consideration calling for a measure to be placed on ballot for the November 2008 General Election asking the voters if the positions of City Clerk and City Treasurer should be elected or appointed. If so directed, staff would bring a draft resolution forward within the next several months.