



RICK GUNDRUM

STATE REPRESENTATIVE • 58TH ASSEMBLY DISTRICT

Assembly Committee on Local Government

Tuesday, May 7, 2019

Room 400 Northeast

Testimony on Assembly Bill 193

Chairman Novak and members of the Assembly Committee on Local Government, thank you for providing me with the opportunity to testify in support of Assembly Bill 193, which authorizes counties and municipalities to adopt a biennial budget procedure.

The legislation establishes a framework that preserves the balance of power between local executive and legislative bodies under current law, in addition to maintaining longstanding budgetary practices. These include the holding of public hearings, the publication of itemized budget summaries, disclosure of fiscal projections, and allowing for appropriation or revenue adjustments during the off year of the budget.

In general, Assembly Bill 193 allows the governing body of a local government – such as a city council or county board – to authorize the adoption of a biennial budget procedure, the adjustment of appropriations, and the delegation of certain authorities to standing committees.

While Senator Kooyenga and I understand that most local governments are satisfied with their current budgeting arrangements, the local governments we worked with when drafting this bill expressed interest in having the option to transition to a two-year budget. Assembly Bill 193 establishes a mechanism that would allow for this transition to occur.

Proponents of biennial budgeting often cite the benefits that result from devoting the first year of the biennium to budget action, while reserving the second year for long-range strategic planning and program evaluation. Not only can this arrangement result in improved financial management for a local government, it can also free up the amount of staff time that is devoted strictly to budget development.

Thank you for your time and consideration, and I hope you can place your support behind Assembly Bill 193. Two of our constituent counties are here today to testify on this legislation as well, and I'm sure they would also be happy to speak to any of the questions or concerns you present to us.



DALE KOOYENGA
STATE SENATOR · 5TH DISTRICT

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May 7, 2019

TO: Members of the Assembly Committee on Local Government

FR: Senator Dale Kooyenga

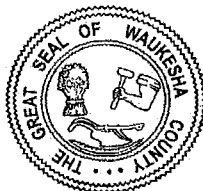
RE: Support for AB 193 – authorizing a biennial budget procedure for political subdivisions.

Thank you for holding a hearing on Assembly Bill 193. In general, AB 193 authorizes cities, villages, towns, and counties to adopt and utilize a biennial budget procedure. It allows for the adjustment of appropriations, and the delegation of certain authorities to standing committees of the governing body. Moreover, the bill provides a two-month budgetary adjustment period in October and November of even-numbered years (i.e., the second year of the biennium) to allow appropriation or revenue amounts to be changed through a simple majority vote.

The biennial budget serves the state well. Among the benefits of a biennial budget, a county board will be better able to balance their civilian and county board responsibilities. A biennial budget will also provide longer periods of certainty to taxpayers, those in need and other organizations working with county government.

AB 193 was drafted in collaboration with the Wisconsin Counties Association, Washington County, Waukesha County, Milwaukee County and the City of Milwaukee.

I believe that AB 193 provides local units of government to thoughtfully plan for future years, thereby spending taxpayer dollars more efficiently. Thank you for hearing this bill. I respectfully ask for your support.



WAUKESHA COUNTY
OFFICE OF THE COUNTY EXECUTIVE

To: Assembly Committee on Local Government
From: Waukesha County Executive Paul Farrow
Date: Tuesday, May 7, 2019
Re: Support Assembly Bill 193

Thank you Chairman Novak and members of the Committee on Local Government for holding today's hearing. I am asking you to support Assembly Bill 193 which allows local government the option of adopting a biennial budget rather than an annual budget. I want to thank the authors for working with us to draft this bill.

Assembly Bill 193 allows local governments the option of adopting a biennial budget while preserving the process and procedures set out under current law regarding public hearings, budget summaries and disclosure of expected revenues and expenditures.

The bill also creates a two-month budgetary adjustment period in October and November of even-numbered years, the non-budget years under the bill, to allow appropriation or revenue amounts to be changed through a simple majority vote of the County Board. This is an important provision of the bill because it could be difficult for counties to accurately predict state funding and the county's annual net new construction, the number that sets our levy limits, more than a year in advance.

For many counties, switching to a biennial budget process is worth exploring. Crafting the county budget is the most important work I do as County Executive, but it is very time consuming for individual departments and budget staff. In fact we have already started the process of developing our budget assumptions for the county's 2020 budget. Our process will continue over the summer after I have given department head's their budget targets and worked side-by-side with the County Board's Finance Committee Chairman in finalizing the budget I will present to the full County Board in September. At that point the Board begins its committee review process that lasts into mid-November.

If Waukesha County were to switch to a biennial budget our department heads and managers will have more time available to focus on strategic planning, program evaluation, and data collection and analysis in the off budget years.

Thank you for your time and consideration. Please do not hesitate to reach out to me if you have any questions.



Office of the County Administrator
Joshua Schoemann, County Administrator

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Public Hearing Testimony on Biennial Budget Procedures

May 7, 2019

Thank you for the opportunity to submit testimony on the option for local governments to utilize a biennial budget. While the bill is lengthy, the bill is largely technical and similarly changes four different budget chapters within the statutes. The legislation can be simplified by stating that the bill changes terms such as “annual” and “next fiscal year” to ensure a budget could be done in a two-year budget period beginning in the even fiscal year.

Contrary to other proposals over the years, the governing body will have to pass a resolution or ordinance authorizing the use of a biennial budget. This was required to secure support from the Wisconsin Counties Association.

Washington County spends a significant time budgeting. On an annual basis, the county will begin the operating budget process in May and conclude just before Thanksgiving. As the budget public hearing is occurring in October, departments begin the capital budget for passage in the spring (just in time for the next operating budget to begin).

Washington County utilizes “Priority Based Budgeting” and other performance measurement tools. The county spends so much time reauthorizing spending that it becomes difficult to measure outcomes to ensure our programs are effective for our citizens. Washington County’s mission is to create an environment so that all residents have an opportunity at an authentic quality of life. Under a biennial budget, we could shift administrative staff time to constituent services in an effort to achieve this mission.

Washington County intends to pilot a biennial budget this fall. We need the rules of the game to be set so that we can properly go through a budget process and implement the budget as required by the bill.

The procedures for passing a budget will remain the same for each local government including public notices and public hearings. Additionally, there is a period where the governing body may adjust the budget to ensure it is balanced prior beginning of the second fiscal year.

In the end, we brought together many stakeholders and have a bill with broad support.

Respectfully Submitted,
Ethan Hollenberger
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