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(FORM UPDATED: 08/11/2010)

WISCONSIN STATE LEGISLATURE ... PUBLIC HEARING - COMMITTEE RECORDS

2013-14

(session year)

Assembly

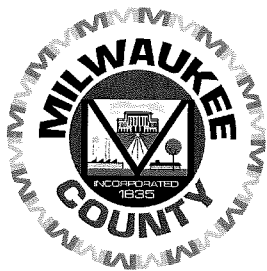
(Assembly, Senate or Joint)

Committee on...
Government Operations and State Licensing
(AC-GOSL) (Repealed 10-17-13)

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)



Milwaukee County Board of Supervisors

Date: April 10, 2013
To: Representative Tyler August, Chairman
Members, Committee on Government Operations and State Licensing
From: Supervisor David Cullen, District 15, Co-Chairman Committee on Finance, Personnel and Audit
Re: Assembly Bill 85/Senate Bill 95

Thank you, Chairman August, Committee members and other legislators for the opportunity to appear before you to discuss Assembly Bill 85. I am David Cullen. About one year ago, voters in the City of Milwaukee and Wauwatosa elected me as their County Supervisor. In this capacity, I represent more than 50,000 Milwaukee County residents.

I have heard it said repeatedly that the County Board hasn't acted for ten years to enact meaningful reform. While not completely true, this is not Lee Holloway's County Board. We have seven new Supervisors who, like me, were elected within the last year. Working with our Chairwoman, local reform will happen in Milwaukee County soon.

As you have heard and will hear today, there are numerous serious, and, I would argue, fatal flaws in this proposal.

Many of you serving on this Committee today have previous experience either as local elected officials yourselves or, like the Chair, as staff for elected officials.

With that common bond, I would like to speak to you today as a former state legislator, and now County Supervisor, about how this bill would take away my ability, and that of my duly elected colleagues, to do the job we were elected to do. I will share my unique view and experience with you.

Some have suggested that the term Supervisor originated when a Milwaukee County full-time executive was created, and that the position was to be a follower and subordinate to the County Executive. This is not the case. Natural tension between the executive office and the legislative body was intentionally created at all levels of government. This healthy system of checks and balances is purposeful to ensure that government is transparent and accountable to the people.

A system of checks and balances can be found at all units of government. As a former legislator, I understand how this system works in Madison. There was certainly enough disagreement to go around. However, just because there is disagreement between the executive branch and legislative branch, it doesn't mean the response should be to consolidate power in one branch. As an aside, Governor Walker was the County Executive for eight years with a County Board that could sometimes be described as hostile to his policies. Despite this, he worked with the Board to reach compromise. He did not attempt to give himself all the power as is being proposed here.

Discussions about part-time and full-time elected officials are convenient to have, as there are only two options from which to choose. However, how elected officials spend their time and serve their constituents is answerable to the electorate at election time. Some are suggesting that Supervisors should or could work less. In actuality, it is a choice that individual legislators, like you, have to make regardless of the compensation received. Some have said that they did work less. Ultimately, our constituents decide at election time if we are fulfilling our responsibilities to them.

While the County is an arm of the state, Wisconsin Statutes 59.03 (1) provides administrative home rule. It states, "every county may exercise any organization or administrative power, subject to the constitution and to any enactment of the legislature which is of statewide concern and uniformly affects every county." There are many provisions of this bill that do not uniformly affect every county, including:

- limiting the Board budget to a percentage of the levy;
- not allowing department heads to speak to Supervisors; and
- setting Board member compensation.

The examples that proponents have used to explain why this bill is necessary to bring the legislative body in line and to prevent micromanaging are confusing at best when you consider the role of the legislative body. Discussions about requiring department heads to testify and participate in public hearings of standing committees, working with Supervisors to ensure

policy objectives are plausible, assisting in the drafting of policy, and answering questions in response to constituent concerns do not seem like dysfunction to me. These issues all sound like examples of what is expected of the executive and legislative branch.

Just a few weeks ago, the Joint Committee on Finance had state agencies before them for budget briefings on the budget. Assembly Committees are holding information sessions on all administrative rules, not because there is a particular problem but to reassess if the rules are appropriately implementing policy intent, and the department staff and the public are present. Legislators often ask department heads and staff to prepare reports on how legislation will impact residents or how a policy may not be serving the people. It is expected that they will respond and provide answers and explanations.

As a legislator who served under several Governors, Democratic and Republican, it was incumbent upon me to inquire and question practices of departments and directives of the Executive to those departments in carrying out policy. While agency staff clearly works for the Executive, information is public. Whether it was under Governor Thompson, McCallum, Doyle, or Walker, agency heads always provided me with information when I requested it.

AB 85 not only runs counter to these principles but appears to have the potential of ensuring staff in departments and department heads are encouraged not to communicate with the legislative body. In fact, there is language in the bill that the board and its members may deal with departments and subunits of departments solely through the County Executive (page 19 line 25, and page 20 line 1).

Under these restrictions, it is hard to imagine that the County Executive actually would have time to manage the day-to-day operations of government when all of the departments have to ask him to what they can and cannot respond. Believe me, already this is happening, and the bill has not been passed yet.

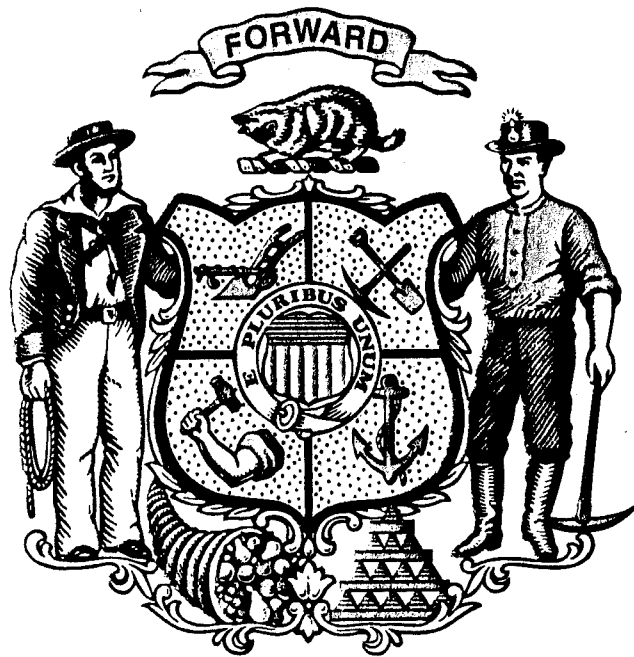
In addition, this proposal attempts to limit information available to County Supervisors by severely hampering their access to staff through the budget cut provision. Staff is vital to our success as elected officials. We spend a great deal of time with and before the public, and staff creates working relationships with service agency personnel, department staff, and our constituents. Their communications with the executive branch are invaluable to keeping our government and institutions going. Arbitrary restrictions on the budget to prevent the elected officials the same access to information is essentially denying the public information. As a former legislative aide, Representative Tyler August knows how valuable and essential staff is to serving the public.

I am hopeful you will think seriously about if these provisions were applied to the State Legislature how your responsibility to your constituents would be hindered. As a former colleague, I have sat in your chair in the majority and the minority. Many changes and policy provisions passed and failed that I supported and opposed. Change already is happening at the county level, and it will continue. I implore you to consider these simple points:

- shall you place in state statutes language to make it more difficult for the legislative branch to serve the people; and
- shall you create more tension between the County Executive and County Board so less can be accomplished for the residents of Milwaukee County.

Please understand that while this bill certainly is raising the debate and public conversation regarding governance in Milwaukee County, change for change sake is not always beneficial and does not always serve the best interest of the people.

Thank you again for the opportunity to be here today. I would be glad to take any questions.



Written Statement for Public Hearing Regarding Wisconsin Assembly Bill 85
State Capitol, April 10, 2013
Submitted by Dr. Martin F. Farrell, Ph.D.
Supervisor, District 1, and Chair, Fond du Lac County Board of Supervisors
931 Watson Street
Ripon, WI 54971
920/896-0024
Martin.Farrell@fdlco.wi.gov

I wish to thank the members of the Wisconsin Assembly for the opportunity to express my deep concerns about both the contents and the future implications of Assembly Bill 85 as presently constituted. From my perspective, it is a radical and threatening proposal, one with dangerous implications for the future of representative government in our beloved state.

First of all, I consider A.B. 85 an unwarranted and even undemocratic intervention into the internal functioning of a unit of local government. While we have been assured that the current bill would apply only to Milwaukee County, in fact its passage would represent a precedent that would allow the state legislature to dictate details of internal operations to any county at any time. While I realize that Article XI, Section 3 of the Wisconsin State Constitution grants home rule explicitly only to cities and villages, it seems to me that prudent and careful people should agree that its general principle should be followed with respect to all local units of government. That principle is that the legislature should interfere with the internal structure and functioning of local governments only regarding "matters of exclusively statewide concern," using the wording of several court cases on the matter. Unfortunately, in reading AB 85 carefully, I do not detect even a single matter of "exclusively statewide concern" involved. Passage of this bill would set a precedent that any legislator who had failed to get his way through the normal channels of representative government could impose virtually anything on any county at any time that he could convince a majority of his fellow legislators to do so. I hope you can understand why any responsible county board supervisor in any county would consider that to be an extremely dangerous precedent. That is also the reason that several County Boards other than Milwaukee County have already passed, or are considering, resolutions opposing A.B. 85. I hope that you and your colleagues will give these resolutions and the concerns they express careful consideration in your deliberations regarding this bill.

Secondly, in a letter of April 1, Rep. Sanfelippo stated, "any changes to representation will be done by local citizens and not the state legislature." In fact, in reading the actual bill, the only matter to be addressed in the proposed referendum is that regarding Board members' compensation. Many, many other extremely significant changes in the operations of Milwaukee County Government would be mandated by unilateral legislative fiat if A.B. 85 were enacted. These include a massive strengthening of the authority of the County Executive and a correspondingly massive reduction in the authority of the County Board, the cutting in half of Board terms of office, the limiting of County Board expenditures to four tenths of one percent of the County tax levy, the termination of the Board's ability to enter into intergovernmental agreements or collective bargaining, and many other important changes. Never before in state history, I believe, has there been such a massive intervention by the state legislature into the internal operations of a local government. And, contrary to the statement in Rep. Sanfelippo's letter, the voters of Milwaukee County will have absolutely nothing to say about the overwhelming majority of these changes.

Third, this proposal threatens to destroy the operations of checks and balances at the local level. With the County Board enfeebled in this manner, near – total control of county government would fall into the hands of the County Executive and unelected bureaucrats. Why anyone truly interested in good government would make such a radical proposal defies logic, in my view. By far the most egregious abuses in Milwaukee County in recent years have come from the County Executive's office: the pension abuse scandal under Mr. Ament and the five felony convictions of top aides of Scott Walker. To massively shift power and authority away from the elected board to

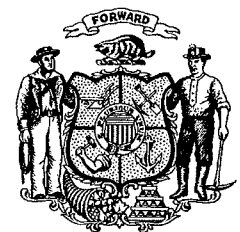
this highly compromised office not only defies logic but also directly contradicts one of the truest and most time – tested principles of American government: the need for checks and balances.

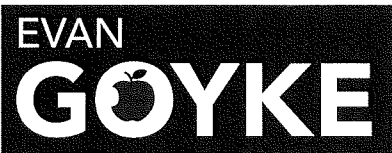
I talk with many dozens of people in and around Fond du Lac County every week. Not in many years has a single one of them mentioned being concerned about the matters addressed in A. B. 85. If the citizens of Milwaukee County wish to make changes in the structure or personnel of their county government, they have abundant opportunities to do so without the intervention of the state legislature. If the Milwaukee County Board is doing things that are clearly and egregiously wrong, reform candidates should run for the Board, and if they are able to convince a majority of the voters of the need for these reforms, then they will be elected, and they can proceed to implement the reforms. But for an outside body to unilaterally and arbitrarily impose such massive changes in a county's governance structure seems to me to be fundamentally undemocratic and to set a precedent that endangers the integrity and responsibility of local governments all over the state.

I also have serious reservations regarding the one matter that A.B. 85 would submit to a referendum, namely, Board compensation. Reasonable people can disagree about the appropriate level of compensation, but I do not feel that a referendum is a proper way to establish it. The American founders gave us a representative democracy, not a direct democracy. Representative government allows the elected representatives to discuss, debate and give careful consideration to such matters as compensation; in short, they are able to deliberate over the matter. Simple up or down referenda allow for no such careful deliberation, and therefore are easily susceptible to manipulation by special interest groups.

We in Fond du Lac County have already paid a heavy price for a similarly ill – conceived referendum, when our Board was arbitrarily cut in half in 2007. We then struggled to fulfill our responsibilities for four years, simply because we did not have enough Board members to staff the needed number of committees, most of which are mandated by state law. Based on this unsatisfactory functioning, the Board decided, in near – unanimity, that we needed to expand from 18 to 25 members for the 2012 spring elections. Having done that, we are now functioning smoothly and efficiently once more. Any cost differences were non – existent or negligible compared to the negative impact of the referendum on the effectiveness of our operations. Hence, our experience with the 2007 legislature – authorized referendum in Fond du Lac County was that it was a huge waste of time and effort and did nothing but seriously impair the operations of county government for four years.

In summary, I believe that there are a number of compelling reasons to reject A. B. 85. As a representative of county government with almost two decades of public service, I know that we already face many legislature – imposed restrictions on our freedom of action, including unfunded mandates, rate freezes and levy limits. We do our best to work within these restrictions, but I would ask you to please think very carefully before adding still more to them with measures such as the current proposal. I will greatly appreciate any consideration that you are able to give my remarks as reflected in this statement.





STATE REPRESENTATIVE
18th ASSEMBLY DISTRICT



April 10, 2013

Testimony by State Rep. Evan Goyke in Opposition to Assembly Bill 85

To: All Members of Wisconsin State Assembly Committee on Government Relations and State Licensing

Chairman August, fellow members of the State Assembly, I would like to thank you for giving me an opportunity to testify today. I speak today in opposition to Assembly Bill 85.

Assembly Bill 85 is bad legislation. Today you'll hear from a number of different people, on both sides, and I don't want to mince words or repeat what many of the speakers will say. So, simply, Assembly Bill 85 is bad legislation.

Assembly Bill 85 is bad legislation for a whole host of reasons, but today I will focus on three.

First, Assembly Bill 85 is shortsighted. Micro-managing the budget of one county, based on a percentage of the property tax levy, will, inevitably, force us to fix this bill in the future. The math equation that is used to reduce the Milwaukee County Board's operating budget will need changing in the near future because Milwaukee County's tax levy will continue to change. The legislature will be required to act to make any minor changes as problems arise. So far this session we've spent time on bills aimed at fixing gaps, shortcomings and unintended consequences of shortsighted legislation. Assembly Bill 85 will be yet another bill that we will continuously have to fix.

We've heard this type of argument recently in the Assembly. A few weeks ago, we debated and passed Assembly Bills 37 and 38, efforts to improve Wisconsin's manufacturing sector. Both bills passed by wide, bipartisan margins. Representative Sanfello voted against the bill, as did Representative Nass. Representative Nass, during the floor debate said something that I believe applies to Assembly Bill 85. Quoting Representative Nass, "[p]art of the reason government is dysfunctional is because of the legislature's continued attempts to carve out certain amounts of money and tell departments what they should do with that money." The idea is that the State Legislature is bad at micro-managing the budgets of smaller units of government. Assembly Bill 85 ignores that wisdom.

Second, the Milwaukee County Board and the residents of Milwaukee County can govern themselves. The function, budget, and future of the Milwaukee County Board should be left to local control. There's hope that change will occur if it's needed. Eight members of the Milwaukee County Board are serving their first term and one in his second. That is half of the entire body. In that sense, the Milwaukee County Board is very similar to our numbers in the State Assembly. To the members of this Committee in your first or second term, I hope you share my sentiment that the culture we are creating together in the State Assembly is different than that during the Caucus Scandal or past partisan gridlock.

Half of the Wisconsin State Assembly is new and creating new priorities and a new culture. Half the Milwaukee County Board is new and creating new priorities and a new culture.

I know most of these new nine members. I know them to be passionate, intelligent, caring public servants. I also know them to be open, honest, and willing to work with their colleagues. The state legislature should be working as partners, mentors, or at the least co-workers to build bonds with all County Boards to work together, not tear us apart.

I want to recognize two of my friends on the County Board that I have the honor of calling my friends. Russell Stamper III and David Bowen. I have been to dozens of community events with both Supervisors Bowen and Stamper. The communities that have elected both Supervisors Stamper and Bowen have been energized and inspired by them. Both are the exact type of leader we hope to have, that any community would hope to have on their County Board.

Third, and most troubling to me personally and professionally is that Assembly Bill 85 singles out Milwaukee County. *Only Milwaukee.*

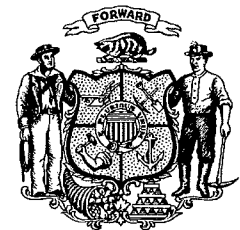
I am so honored to represent a portion of the great city of Milwaukee. There are struggles that are real, and that are frustrating, but there is great momentum in Milwaukee. I am so proud of how hard my neighbors work and how committed they are to one another. I can feel improvement everyday in my neighborhood. Assembly Bill 85 has caused unnecessary division in our community, stealing the dialogue away from positive change. Our community hasn't asked for this division and doesn't want it.

The last comment I have is one that I hope resonates throughout the State of Wisconsin. Wisconsin is struggling. We have fallen to 44th in the nation in job growth under Republican leadership. Today we waste time debating a bill that singles out Milwaukee, divides Milwaukee's community, and adds nothing to our citizens struggling to make ends meet. Stop attacking Milwaukee. Start creating jobs.

Thank you Chairman August and members, I greatly appreciate the opportunity to speak and hope that you do the right thing and do not pass this bill from Committee.

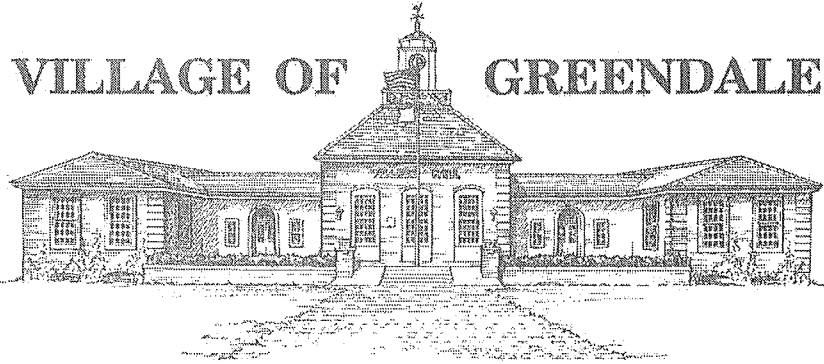


WISCONSIN STATE LEGISLATURE





VILLAGE OF GREENDALE



6500 NORTHWAY
P.O. BOX 257
GREENDALE, WI 53129-0257
414-423-2100
FAX 414-423-2107

April 10, 2013

John R. Hermes
Village President
Greendale, Wisconsin

Statement regarding AB85.

While I have not had opportunity to vet all provisions of Assembly Bill 85 and its intent to reform Milwaukee County government, and while I do not believe that the State Legislature should intrude upon Home-Rule issues within counties and municipalities, I can provide statement regarding two significant components of this legislative proposal.

On April 3, 2012, the voters of the Village of Greendale went to their polling sites and cast their ballots upon two Milwaukee County reform referendum questions. The questions and results follow:

Question 1: Should County Supervisor compensation be based upon a part-time position? 83.4% of Greendale voters voted in the affirmative.

Question 2: Should there be a reduction in size of County Board? 86.27% of Greendale voters voted in the affirmative.

Eleven other Milwaukee County communities in addition to Greendale had very similar percentages reported within these same and simple referendum questions. Yet, the Milwaukee County Board failed to take reform actions of any substance.

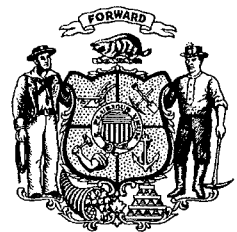
I must reiterate, as a Village President I stand opposed to State Government's reach into in local Home-Rule issues, however in this case, the voters have asked the County Board for change through this referendum, and the County Board to date has chosen to ignore the voters decision.

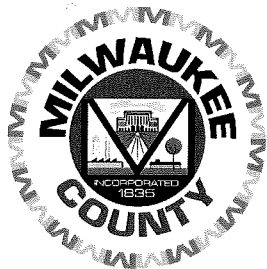
Therefore, I stand with fellow Greendale voters who overwhelmingly cast their vote in favor of these two significant issues regarding Milwaukee County Government reform.

***** End of Statement*****



WISCONSIN STATE LEGISLATURE





Milwaukee County Board of Supervisors

Date: April 10, 2013
To: Representative Tyler August, Chairman
Members, Committee on Government Affairs and State Licensing
From: Supervisor Theodore Lipscomb, Sr., Chairman, Committee on Intergovernmental Relations
Re: Assembly Bill 85/Senate Bill 95

Thank you, Chair August and Committee members for allowing me to testify today. I am Supervisor Theo Lipscomb. The 1st District includes all of Bayside, Brown Deer, Fox Point, Glendale, River Hills and a portion of the Northeast side of Milwaukee.

Many people who support this bill say that we need to make the Milwaukee County Board of Supervisors like other County Boards around the State of Wisconsin. Others, like myself, argue that in a County where one out of six Wisconsinites live, and many sports and cultural facilities are located, the County Board should not necessarily be the same. The question is, whether this 23-page piece of legislation makes us more like other counties or whether it treats us differently. Let's look at a few of the provisions.

This bill will create an exception to the broad administrative home rule authority granted counties. The exception applies only to counties with a population greater than 750,000 (Milwaukee County.) In general terms, the new statute limits the Milwaukee County Board in the following manner as compared to other county boards throughout the state:

- (a) Every intergovernmental agreement must be approved by the newly-created executive council, comprised of elected officials from municipalities within Milwaukee County, before taking effect.
- (b) The Milwaukee County Board may not create any department or subunit of a department.
- (c) The Milwaukee County Board may not lower the salary or benefits of, or eliminate the position of, any employee in the county executive's office unless the proposed measure equally impacts all other county employees.

This bill also changes current law that provides a county board to exercise the following authority:

Take and hold land acquired under Ch. 75 and acquire, lease or rent property, real and personal, for public uses or purposes of any nature, including without limitation acquisitions for county buildings, airports, parks, recreation, highways, dam sites in parks, parkways and playgrounds, flowages, sewage and waste disposal for county institutions, lime pits, equipment for clearing and draining land and controlling weeds, ambulances, acquisition and transfer of real property to the state for new collegiate institutions or research facilities, and for transfer to the state for state parks and for the uses and purposes specified in S. 23.09 (2) (d).

AB 85 modifies this authority for Milwaukee County by transferring the powers enumerated to the county executive, subject only to a confirmation vote from the county board.

This bill changes county board supervisor compensation. Under current law, a county board may set compensation for its members in a variety of ways. There is no limitation on the amount of compensation a board may set for its members. AB 85 caps Milwaukee County Board Supervisor compensation, other than the Board Chair and Finance Chair, at Milwaukee County's annual per capita income. AB 85 also caps the amounts by which a board supervisor's compensation may be increased for Milwaukee County. Finally, AB 85 limits a Milwaukee County Board Supervisor's ability to participate in fringe benefit programs, which limitation does not exist for other counties.

Under current law, a county executive enjoys no statutory right to call a special meeting of the county board. AB 85 would provide the Milwaukee County Executive with the authority to call a special meeting of the Milwaukee County Board with the approval of the board chair.

Under current law, any county executive appointment is subject to county board confirmation without any time limitation as to when the confirmation vote must occur. AB 85 requires the Milwaukee County Board to hold a confirmation vote within 60 days that an appointment is submitted for confirmation.

AB 85 creates a special active and review process for the Milwaukee County Board's Finance Committee. No other county has a special process for approval of contracts.

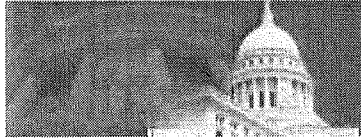
Under current law, there is no express limitation on a county board's ability to budget and appropriate sums to support county board operations. AB 85 expressly limits the Milwaukee County Board's budgetary authority such that the board may not appropriate more than 0.4% of the county's portion of the tax levy to support board operations, as further defined in the proposed s. 59.60(7e).

Under current law, a county itself (as opposed to a governing body or officer) is identified as the "municipal employer" under the Municipal Employment Relations Act. AB 85 would define the Milwaukee County Executive as the municipal employer. Unlike other counties, the Milwaukee County Executive would enjoy broad power to negotiate and enter into collective bargaining agreements without county board involvement.

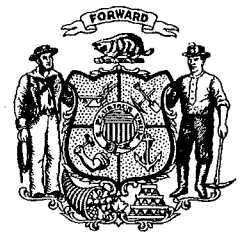
So, as you can see, this bill treats Milwaukee County decidedly different than all other counties while the proponents of this bill argue that it is to make it more like other counties. As legislators, I hope that you appreciate that this bill is a heavy handed approach to change the governance structure for just one county. And the irony is that the supporters of this bill say it is necessary because we micromanage day-to-day-operations. Isn't this bill a micromanagement of just one county? If you believe that this is not a problem in other counties, then this bill should apply to all counties that employ a County Executive form of governance.

Mr. Chairman and committee members, I ask that this bill be defeated and instead allow the elected representatives of Milwaukee County to decide what changes they want. If we don't get it right, the voters will let us know.

Thank you for this opportunity to speak today.



WISCONSIN STATE LEGISLATURE



DATE: April 10, 2013

TO: Representative Tyler August
Chair, Committee on Government Operations and State Licensing

RE: 2013 Assembly Bill 85

I write to express my support for Assembly Bill 85.


AB 85 redefines the role of the Milwaukee County Executive and Board of Supervisors. It increases the Board's role in setting policy and reduces its involvement in managing county departments. The bill's provisions would take effect only if approved by Milwaukee County voters.

While the need for reform of the county's governance repeatedly has been identified, the county has resisted meaningful action. This dates to 1960, when the position of county executive position was created. Indeed, from day one the title "County Executive" has been a misnomer. A better description, provided by Franklin Mayor Tom Taylor, is that Milwaukee County has nineteen "executives."

I experienced this first-hand in the early 1990s. As Director of Public Works, the resources under my "control" largely were focused on the monthly cycle of County Board committee meetings. Three standing committees effectively had jurisdiction over the Department, with final say over a wide range of administrative decisions. To illustrate, for one two-month period I assembled the paperwork that the Department prepared for review by the Board. The result was a pile nearly two feet high. Demonstrating the routine nature of the items, not a single issue warranted prior review by the actual County Executive.

Many supervisors dispute that they are too deeply involved in day-to-day management of county departments. This is understandable. From the day they take office they are immersed in the current system. For most, the fact that "We've always done it this way" is evidence enough that it makes sense. Yet to my knowledge, every group that independently has reviewed the county's governance structure has found it deeply flawed. As one example, I attach an excerpt from a 1996 report from a panel chaired by the former CEO of Johnson Controls. Legislators might be interested in the report's comparison of the role of the Legislature and that of the Milwaukee County Board.

Sincerely,



George Mitchell
5250 N. Kimbark Place
Whitefish Bay WI 53217

M I L W A U K E E C O U N T Y

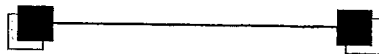
C O M M I S S I O N

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C E N T U R Y

July, 1996



Cover photo by Barry Rustin Photography, Glenview, IL

c o m m i s s i o n m e m b e r s

James H. Keyes, Johnson Controls, Inc., Chairman
John W. Daniels, Jr., Quarles and Brady
Thomas J. Fischer, Arthur Andersen
Daniel F. (Jack) McKeithan, Jr., Tamarack Petroleum Company, Inc.
Candice Owley, Wisconsin Federation of Nurses and Health Professionals
Kathleen Ryan
H. T. Richard Schreyer, Ernst and Young
Barbara L. Ulichny, Ameritech
Essie Whitelaw, Blue Cross & Blue Shield United of Wisconsin

c o m m i s s i o n s t a f f

Robert Milbourne, Greater Milwaukee Committee
Peter Beitzel, Metropolitan Milwaukee Association of Commerce
Jeffrey Browne, Public Policy Forum
William Ryan Drew, Milwaukee County
David Meissner, Public Policy Forum
Jenann Olsen, Consultant
Molly Schneider, Milwaukee County

CHAPTER 3. MILWAUKEE COUNTY GOVERNANCE

Governance and structure are critical to the success of any organization. In creating the Milwaukee County Commission for the 21st Century, County Executive Ament directed it to review the current governance structure and the relationship between the executive and county board.

In carrying out this review, the commission concluded that significant issues must be addressed by the executive and board to create a more effective governance structure. This chapter describes these issues and recommends changes in the current governance structure. We are encouraged that the executive identified this issue for evaluation and that the new chairman of the board has directly addressed the need to examine and reform the board's operations and its relationship with the executive.

An overriding issue is that responsibilities of the county executive and county board are ill-defined, creating a vacuum of accountability. Distrust and rivalry often overshadow the constructive tension expected between independent branches. An exaggerated tug-of-war has produced a bureaucracy enmeshed in its own rules and those of the board. The result is diminished service quality and unnecessary taxpayer cost.

Confusion over roles of the executive and board is the result of unfinished business dating back to 1960, when the position of executive was created. Prior to 1960, the board was the central point of policy-making and administrative oversight. When the executive's position was created, new roles and responsibilities were never clearly defined. In effect, county government operates with two executive branches.

Fundamental Changes Needed

What is required is an alliance for major, creative change between the executive and board. Otherwise, talk of change will not be accompanied by sufficient action. Officials must engage in the full debate about governance which should have occurred in 1960. They need to choose between two basic options:

1. Retain the county executive and empower it as a truly independent branch of government.

Make the board responsible for setting policy on its own initiative or in response to the executive.

Make the executive clearly responsible for implementing policy.

2. Eliminate the county executive.

Give the board responsibility for setting policy. Replace the executive with a non-elected county administrator, reporting to the board, for policy implementation.

Experience from jurisdictions around the country indicates that either option can work. What now exists in Milwaukee is neither. While the county appears on paper to operate under the first model, a closer look reveals many attributes of the second. The result is a muddle. Authority and responsibility are ambiguous, so accountability and performance suffer.

Would Milwaukee County really return to a structure that did not include an executive? While such a change is not recommended, a debate would be healthy. Two respected observers of county government (former Supervisor James Ryan and Treasurer Tom Meaux) independently presented information in support of eliminating the executive. Their ideas reflect a thoughtful assessment of current problems.

To quote Treasurer Meaux, "Currently, we have two independent, elected forces—one executive and 25 board members, oftentimes pulling in separate and incompatible directions at the taxpayers' expense."

Former Supervisor Ryan stated, "The structure of Milwaukee County government has evolved in specific ways that frequently thwart a unity of purpose."

This report recommends an approach that would retain the executive's position and empower two independent branches of government. As the recommendation explains, for the executive's position to be retained and be effective, decisions are needed to define and strengthen it. On paper there is an elected, independent executive. In reality, the board has not ceded sufficient authority to carry out that concept.

Resolving county governance issues is central to all of the commission's recommendations. Throughout this report, we urge a major change in the way the county delivers services. It involves a different way of deciding which services are essential and how they best can be delivered. It is a results-oriented approach, where managers are accountable for the quality and

efficiency of services they administer. This cannot occur under the current governance structure.

The only bias in these ideas is toward improved service delivery. The recommendations do not anticipate reduced standards of quality or assume that privatization is best. Rather, the message is that current staff should be challenged to use their expertise to do things more effectively and, where appropriate, to transfer that responsibility to others when improved service delivery would result.

While governance reform is central to the commission's proposals, the correct structure is not an end in itself. Rather, it is a means to an end—an efficient and accountable way to deliver the taxpayer-financed services which county officials believe should be provided.

Reluctance to Change

Historically, Milwaukee County has been slow to make major change. Years after creation of the executive's position, leaders on the board worried about a reluctance to make "any change in the present antiquated system." (From "A Case for Change," a report issued in the late 1960s by the then-chairman of the board and two other supervisors.)

Decades later, as a new century approaches, the resistance to change must be acknowledged and overcome. Treasurer Meaux cautioned that a major roadblock will be the response so common in county government: We can't make any changes because we have always done it that way.

Members of the commission recognize that the elected leaders of Milwaukee County want to run an effective government. They have demonstrated their commitment to improve county operations and be accountable. The concerns of the commission are not a negative reflection on elected or appointed public officials. The commission is not alone in its concerns about the county governance structure. In fact, the concerns were echoed by dozens of current and former county officials and employees with whom we spoke. Major elements of this report grow directly from concerns heard from county employees. This underscores the need for change.

The major changes called for in this chapter primarily involve the county board. The board should elevate its activities and concentrate on the pre-eminent role of setting overall policy for the county. The board cannot

effectively do this if it does not shed its detailed, ongoing involvement in administrative oversight.

Some supervisors might see our focus as unduly critical of the board. However, a much different interpretation is warranted.

Specifically, we propose a much more visible and significant role for the board. This includes a substantial increase in its review of the executive's annual budget proposal.

It further assumes a major policy-making role in areas where the county has been largely silent, with one of the most important being transportation. The absence of a clear transportation policy has contributed to a stalemate on several key issues affecting the East-West Corridor Study. These issues are critical to the future of Southeastern Wisconsin. For them to be resolved in the next year, a clear county leadership role is essential. It is on matters such as this that supervisors should focus their attention, working with the executive.

Taxpayers will support bold change, with leadership from the county executive and newly elected board chairman. We are encouraged by the executive's creation of the commission and his urging that it be provocative, with no subject off limits. We are also encouraged that the board, with leadership from its new chairman and other supervisors, has moved to streamline some activities.

The new board chairman's leadership has been reflected in several ways. A high-level group of supervisors has been named to focus on the board's most important role, that of setting policy. Consistent with this, the new chairs of several board committees have signaled a desire to pare down the administrative items which historically have dominated agendas and crowded out the discussion of true policy. Further, there have been discussions of reorganizing the board's staff to emphasize a more professional structure and approach to policy development and oversight.

These are encouraging signs. We emphasize, however, that the type of change needed is major and fundamental. It will be resisted. It remains to be seen whether the board will transfer the authority and responsibility to the executive which enable each branch to carry out their important roles. A tangible and significant measure of this will be to compare

recent agendas of board committees with those in place a year from now.

Three examples illustrate positive results which can occur when there is leadership and a real commitment to change, even when many observers initially doubt its feasibility or necessity.

In 1991, a small number of supervisors conceived a plan to change the governance and financing structure of the Milwaukee Public Museum. Skeptics said it would not work and might imperil the institution's future. The plan was approved in 1992. The result is a stronger institution, with accountability to elected officials and, at the same time, more independence. The county's tax contribution has declined in real terms. Millions of new private dollars have spurred a major expansion—the new IMAX theater—and a major partnership with another facility, Discovery World.

In mid-1991, county finance officials forecast a \$60 million increase, about 14 percent a year, in the property tax levy by 1994. However, in setting the 1992 budget, elected officials resisted the inevitability of such increases. Then, during the 1992 campaign for county executive, the current incumbent pledged to keep tax growth roughly in line with inflation. Skeptics in and out of county government, citing factors such as unfinanced state mandates, said it could not be done. By 1994, the executive and board had kept growth in the tax levy to about \$8 million, or less than 15 percent of the increase projected in 1991. Even with added levy increases in 1995 and 1996, the current county levy is more than \$30 million less than the level which had been projected for 1994.

While reduced county financing for the arts has been a casualty of difficult financial times, there have been important improvements in the governance and management of the process. Ten years ago the county established the Cultural, Artistic and Musical Programming Advisory Council (CAMPAC). Initially, there was a cumbersome, unproductive process for reviewing and re-reviewing proposals to assist specific organizations. In recent years, elected county officials have stepped back from the detailed examination of individual proposals and have delegated primary authority to CAMPAC members for carrying out this task. Final review and approval still rests with the county board, but its delegation to and trust in CAMPAC have produced a much streamlined process.

Consequences of Current Structure

The positive achievements cited above can become more the rule and less the exception. They occurred in spite of a governance structure which often causes important decisions to be poorly made, unduly delayed, or simply avoided. Service quality has suffered. Valuable time and tens of millions of dollars have been lost or inefficiently used. Examples:

- Years of delay in completing and finally adopting the airport master plan.
- Even more delay—eleven studies over two decades—and tens of millions of dollars in avoidable losses, before making a decision on the future of Doyne Hospital.
- Costly and avoidable clashes during the implementation of the new jail's computer system.
- Considerable confusion and time-consuming acrimony over the power plant sale.
- A poorly managed child welfare system which has prompted a state takeover.
- Delays and unnecessary infighting in the development of the research park.

Some county officials and staff will not agree that these examples demonstrate governance problems. In fact, some will feel that substantial board involvement in such issues is necessary to prevent or ameliorate problems. And, of course, there are cases where the board's review of an issue has led to desirable changes.

Ultimately, however, a balancing test must be applied—do the benefits of the current structure outweigh the liabilities? Among the members of this commission, among a wide range of county employees with whom we spoke, and among many independent observers of county government, the answer decidedly is no.

The net impact of the current governance structure is negative. This impact extends beyond the county's handling of such specific issues as cited above. A negative mindset, almost a bunker mentality, characterizes the approach of many departments and their managers. As described to the commission by one of Wisconsin's most accomplished public managers, this "gotcha government" syndrome stifles innovation and creativity. Many managers view the penalty for making a mistake as far greater than the

reward for a significant breakthrough. This is the most serious consequence of the current system.

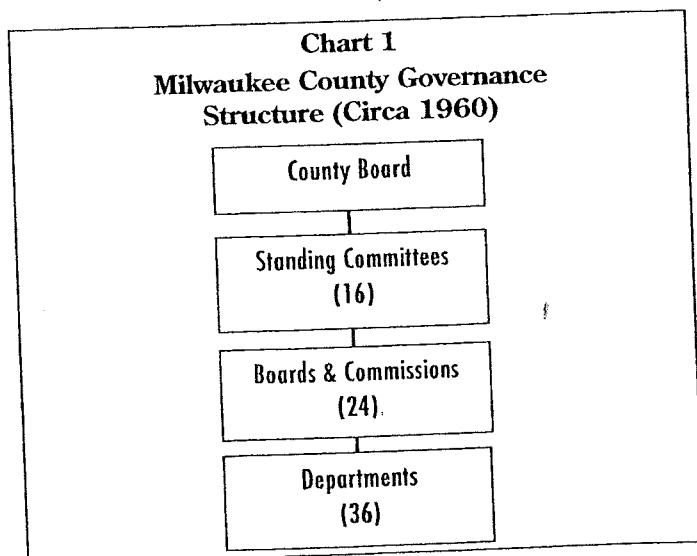
Historical Background

The roots of Milwaukee County government pre-date Wisconsin's statehood in 1848. In the decades that followed, many changes in county government occurred. These continued into the 1900s.

A central purpose of Wisconsin counties is to serve as administrative agents of the state in carrying out certain functions. In recent decades, the most significant of these have involved social services, welfare administration, and juvenile and adult criminal justice. Unlike cities, villages, and towns, counties have fewer home rule powers and are greatly affected by state (and federal) decisions which often are unilaterally made.

Historically, and today, the central role of the board and its committees is an important factor in the governance structure of the county. Prior to creation of the position of executive, departments reported to county board committees, directly and/or through citizen boards or commissions. "Individual supervisors, because of their relationship to [department] administrators... became substantially more influential than the board as a collective entity." What emerged was "a disjointed confederation of operational departments, each functioning independently."¹

By the late 1950s, the growth and proliferation of county departments reached the point where 36 separate organizational units existed. Policy and administrative oversight came from a combination of 16 board committees and another two dozen citizen boards or commissions. Chart 1 is a simplified illustration.



This unwieldy structure prompted calls for a better method of administrative coordination. It culminated with the legislature's 1959 actions authorizing the position of executive, followed in 1960 by local action formalizing this step. However, this was not accompanied by a clear understanding of how responsibility and authority would be divided between the executive and board. One reason is that the implications of the new position concerned many supervisors:

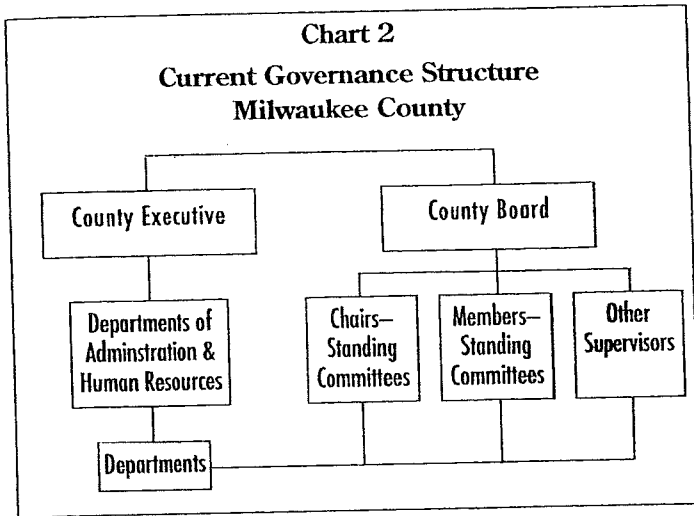
"Almost from the beginning...elements within the board had second thoughts concerning the... control" which they might have in relation to the executive. As a result, while a majority of the board supported creating the position, "it envisioned a legislatively oriented executive position."²

In the years shortly after the executive's position was created, key supervisors acknowledged a reluctance to discuss and make significant change. In a "A Case for Change," Board Chairman Nowakowski, and Supervisors Nagel and Tabak complained that "...the county board has failed to conduct a comprehensive look at itself." Labeling this "don't rock the boat-ism," they complained of the board's "...reluctance to any change in the present antiquated system..." They proposed a study of modernizing operations, claiming that "...functions of the county board and some of its commissions and boards are a study in contradiction and confusion." Records indicate little came of the idea; the last recorded action was in 1970, when a committee laid the matter over for special meeting at the call of the chair.

In succeeding years, the executive and board have sought to strengthen their respective positions. In doing so, the overall ability of the county to act decisively has been weakened. A de facto tug of war clouds rather than clarifies the responsibilities of each branch. The executive properly has increased its authority over operating departments and strengthened its use of the budget to provide direction for county government. But the board has acted in ways which have the effect, and perhaps the intent, of countering the executive.

Wisely, the board eliminated most quasi-independent boards and commissions which oversaw key departments. However, the board has increased its power to review numerous administrative actions normally delegated to the executive branch.

The result, depicted in Chart 2, is a structure at least as unwieldy as that which prevailed in 1960.



Micro-Management—"A Way of Life in County Government"

During this commission's deliberations, a well-known and widely respected official who directed a county department for several years described the situation as follows: "Micro-management is a way of life in county government." This concern was echoed forcefully by Treasurer Meaux, who told the commission, "Milwaukee County government has a fatal flaw: too many bosses."

Micro-management is not unique to Milwaukee County. The issue provokes debate at all levels of government. Its prevalence in Milwaukee County owes to (1) the relatively recent creation of the position of executive; (2) the historically central role of the board; (3) competition between the two branches; and (4) the failure to define clear roles for each.

The executive branch exercises most of its authority through preparation and submission of the annual operating and capital budgets. This has evolved to a point where the board-adopted budget includes most of the executive's proposals. It can reasonably be argued that the board has too little opportunity for review and input into this process, which is the single most important policy-making activity the county undertakes.

However, once adopted, much of the budget's momentum and direction is lost. At this point, the executive's leadership and practical authority are

overtaken by the dominant factor in county government—the regular cycle of meetings and paperwork culminating in monthly deliberations of the board. Instead of focusing on implementation of an adopted budget, managers spend disproportionate amounts of time preparing for each month's cycle of meetings, reacting to decisions made at those meetings, and preparing for the next cycle. And micro-management is not confined to the county board. Within the executive branch, many financial and personnel functions are highly centralized. Managers of operating departments often see themselves as waging a two-front battle—one with the board and another with the departments of administration and human resources.

To get a feel for the role of board committees, the commission focused on one month's activities—July, 1995. In that month, 13 standing board committees considered 202 items, requiring more than 2,400 pages of reports, agendas, minutes, resolutions, and memoranda. Adjusting for the fact that July is the board's busiest month, it annually considers about 1,800 items and about 16,000 pages of paperwork. This excludes review of the annual budget. In any given month, senior managers in key departments might devote between one-quarter and one-half of their time following up on recent board actions and preparing for the next meeting cycle.

There is a significant contrast between the volume and type of items considered by the board and that of a true legislative body. For example, as now structured, county government would come to a near standstill without regular board meetings. This is because a large proportion of the board's agenda involves approval of administrative actions which implement the previously approved budget or other adopted policy. A board-published list of its activities during 1992-1996 documents involvement not only in setting policy, but also in review of actions that normally would be delegated to administrative departments. Three characteristics of a typical board agenda further demonstrate this:

- Most items are so routine they are not reviewed in advance by the executive.
- Most items are adopted essentially as submitted, though often after weeks or months of costly delay.
- Few items receive or warrant media coverage.

By comparison, Wisconsin's legislature is not in formal session for many months of the year. It convenes

for specific and relatively limited periods of committee and floor activity. Typical committee meetings are devoted to statutory changes involving new or modified policy. Once enacted, agencies are delegated substantial authority and responsibility to carry out the law. The result is a much clearer definition of the legislature's role—the establishment of public policy and periodic legislative oversight of policy implementation. This differs significantly from the role played by the county board.

From among the nearly 2,000 items considered by the board in 1995, there are many examples of actions which could have been handled more expeditiously without board and board staff involvement. Here are a few:

- an agreement with the operator of the airport's shoeshine stand.
- alternative ways to manage animal waste at the zoo's compost site.
- use of already-budgeted funds for asbestos abatement at the Children's Court Center.
- a study of Effects of Hormonal Therapy on the White Rhinoceros Reproductive System.
- an agreement for baggage carts at the airport.

The board's 97-page list of activities during 1992-1996 identifies a multitude of similar items:

- approval of \$5,000 for facade improvements along North Avenue in Wauwatosa.
- approval of recommendation to place the administration of the Sun/Squad Winter Watch program in the Department of Aging.
- authority to implement an automated golf reservation system.
- approval of reprogramming \$20,000 in the other category to Career Youth Development to be used toward renovating their main educational facility.

Such items are common. With the board involved in reviewing hundreds of such actions, it cannot focus on major policies where only it can provide the direction which reflects accountability to taxpayers.

Some supervisors will question our belief that too many administrative items go to the board for review. While there is room for debate on individual items, we are unanimous in believing that the scope of the board's monthly activity qualifies as counterproductive micro-management. The list of examples simply is

too long. The board should distinguish between items which are important, but which are logically the domain of the executive, and focus on issues which truly involve policy.

The cumulative negative impact of micro-management is substantial:

- Time which department managers should devote to service delivery is consumed in protracted meetings and production of a staggering volume of paperwork. Decisions which could be made in one or two hours—or less—can take weeks or months.
- Accountability to taxpayers is reduced because authority to act is delayed and responsibility for actions is diluted by administrative decision-making shared by the executive and board. When something goes wrong, who is to blame? Everyone? No one?
- The system contributes to distrust between the branches and thus diminishes their ability to address constructively important policy issues.

Historically, the most "successful" county managers have taken few risks. They manage defensively, not aggressively. In the culture of county government, the highest rewards are for avoiding mistakes and not getting out in front of key supervisors. Often, paralysis is the result.

There are many important policy issues that the county board should address, but cannot because so much of its time is devoted to minor administrative matters.

The result is unproductive rivalry, including a determined effort by the board to have the final say on administrative decisions which logically should be delegated to the executive branch. The process generates its own momentum. The following generic description from Robert Behn, a respected scholar and political scientist at Duke University describes how:

The micro-management tale is old and familiar. The legislative branch is...unhappy with the way an...agency is behaving, so legislators impose rules...(this unhappiness often arises out of a scandal...or some error that is transformed into a scandal). The new rules prevent...the agency from doing what the legislature dislikes [but also] constrain the agency from producing the results for which it is responsible...

This makes the legislature unhappy—again. Clearly, the agency is not being managed

intelligently. The legislators, however, cannot manage the agency directly. They can only [impose] some additional rules...The agency's productivity declines still further, which reinforces the legislature's view that the agency is badly managed. So it imposes more rules.

Soon, the agency is devoting a significant portion of its resources to complying with all these rules. Indeed, the agency may conclude that its only real purpose is to follow the rules.

The legislature may conclude the same thing: If all the agency can do is follow rules, we had better write those rules right so that they don't have any opportunity to misinterpret the rules and make an even bigger mess.

Commission findings show that this description is applicable to Milwaukee County, and that micro-management is contagious. It is not confined to the board. The executive's administration and personnel departments have developed their own elaborate and cumbersome rules, often in concert with the board committees.

As a result, managing a county department which exists to do things (operate parks, design and maintain buildings, care for the mentally ill, etc.) increasingly is a job of rules comprehension and compliance. Well-compensated department managers, who in theory are paid to make decisions and be accountable, instead are micro-managed and second-guessed. For example, in agencies such as the Department of Public Works, about two dozen senior managers are paid an average of \$74,000 a year. For this annual investment of \$1.7 million, the board should expect that they can implement policy and should be spending most of their time doing so.

The extent of the problem is exemplified by rules and roadblocks affecting three basic decisions normally delegated to managers: hiring employees; selecting private vendors; and managing budgeted funds.

Hiring Employees: The Four Year (and Counting) Hiring Freeze

A central governance problem at Milwaukee County is the reliance on top-down, micro-management instead of delegating authority to department heads and then holding them accountable.

In mid-1996, for example, Milwaukee County enters its fifth year of a hiring freeze instituted in 1992 to

deal "quickly and decisively" with an anticipated revenue shortage. The freeze, initiated by the executive as a supposedly temporary action, has become a multi-layered, complex maze.

Initially, the 1992 freeze reduced the power of departments to hire staff previously authorized by the board and executive to carry out approved functions. It centralized hiring decisions in executive branch oversight departments. Within six months, the board's finance committee continued the freeze and inserted itself into the process by requiring that requests to fill previously authorized positions be reviewed monthly by the board, as follows:

[The] review process would require... Administration to prepare a monthly report to the Finance Committee on the status of all certification requests...The report is to be provided to all members of the...Committee on the Monday prior to the regular committee meeting and placed on the agenda...If no action is taken...the certifications will be processed through...Human Resources. In the event the Finance Committee does not concur...the requesting department head may be authorized to fill a vacancy or ordered to hold a position vacation...subject to county board action and county executive review.

By the fall of 1994, the regulatory apparatus assumed a Keystone Kops aura, illustrated by this excerpt from an executive branch memo:

Department heads must receive re-approval for the filling of vacancies which were previously reviewed and approved [under the 1992 freeze] even if you have already received a certification list of eligible candidates. In essence, all certification lists currently outstanding are hereby cancelled...

Thus, two and one half years into a temporary freeze, departments which had received approvals to exceed the freeze were told to get re-approvals.

For one department, the futility of this was illustrated when, during a 15-month period, it: (1) sought and received budget approval for a position; (2) encountered delays in getting still further approvals and re-approvals; (3) entered the next budget process with the position still vacant; (4) was told that the vacancy showed that the position was not needed; and (5) watched as the position was abolished.

By December, 1994, the finance committee and Department of Administration issued more rules, directing departments to bring a corrective action plan to the committee "as soon as any department becomes aware of a deficit situation, whether it be the result of revenue shortfalls or expenditure overruns, regardless of the amount..."

A year later, in December, 1995, the finance committee approved a seven-part set of expenditure and hiring controls which continued the process for reviewing positions that had been in place since 1992 and restated and expanded on other subsequent controls.

There is scant evidence that the 1992 freeze has done much but take on a life of its own. As this temporary freeze moves into its fifth year, the county announced in early May a potential \$11 million budget deficit for 1996. Budget deficits and crises have become the norm in county government. Less than a month later a revised deficit of \$7 million, described as extremely preliminary, was announced. This was accompanied by executive and board actions to continue the hiring freeze and to require Department of Administration authority to approve non-essential purchases. The role and responsibility of well-paid department managers again appear subordinate.

Selecting Vendors and Consultants: "A Handy Reference Tool"

County departments carry out functions through services of county employees, private firms, or a combination of county staff and private firms. Private firms include consultants retained through professional service contracts.

While many elected county officials view the use of consultants skeptically, they annually affirm the practice when voting for the county budget. Some supervisors view hiring a consultant as an appropriate way to accomplish a task; others see it as a probable means of dispensing favoritism. The latter fear has spawned a maze of rules, including eight pages in the administrative code and 27 pages and appendices in the administrative manual. To explain these, a board agency issued "an updated user-friendly interpretation." In describing its four-page publication as a handy reference tool, the agency cautioned that, "while this... may serve as a guide, it is important that the ordinance be read in its entirety for a complete understanding of all requirements. An appropriation of funds in a department's adopted budget is not an

affirmation by the county board to grant... authority to contract for professional services without seeking further approval of the county board."

The complexity of the rules is illustrated by a decision grid included in the guide. A simplified version is shown below. Asterisks indicate information clarified by multiple footnotes published with the decision grid. Categories across the top identify various county departments and procedures involved in the process.

Operations	DPO	County Board*	DBE	RFP	Corp. Counsel	Risk Mgr.	Controller
<\$1,000	yes	no	yes	no*	n/a	yes	yes
\$1,001-\$4,999	no	no	yes	no*	yes	yes	yes
>\$5,000	no	yes	yes	>\$20,000	yes	yes	yes
Capital or major maint.							
<\$1,000	yes	no	yes	no*	n/a	yes	yes
\$1,001 to \$19,999	no	no*	yes	no*	yes	yes	yes
>\$20,000	no	yes	yes	yes*	yes	yes	yes
DPW Projects	no	*	yes	>\$20,000*	yes	yes	yes

Thus, for seven different types of contracts there is a matrix of 49 different requirements (and clarifying footnotes). In addition, there are requirements throughout the year for various reports to the board which list consultant contracts and other information.

The complexity of the rules invites—indeed assures—noncompliance (inadvertent or intentional). The discovery of violations is cause for considerable consternation.

Consistent with Professor Behn's generic description of what happens to prevent future violations, more complex rules emerge in response to violations of old rules. The result is more violations, not fewer. Preoccupation with process often is a greater concern than effective service delivery. Drawn-out debates over consulting contracts sometimes occur with little or no discussion of the work actually intended to be accomplished.

Managing Budgets: Fund Transfers

One of the county's most arcane control procedures involves fund transfers. As with most procedures, it has a seemingly logical goal, but has mushroomed

into a monthly mountain of time-consuming paperwork. Perhaps a handful of officials actually understand the statutes, ordinances, codes, and resulting forms. Yet, virtually every department is affected and afflicted.

As with hiring and consultant rules described above, fund transfers assure that adoption of the annual budget is the first, not last, step which an department must take to carry out its mission. As with other approval requirements, it brings departments back to the board month after month with items involving no change in overall spending. Some transfers involve clear policy issues and should be reviewed. But many involve inscrutable and inconsequential reclassifications of already approved funds, as illustrated by a Mental Health Division request which moved \$10,000 from: Org. Unit 6995, Acct. 8509 - Other Bldg. Improvements to Org. Unit 6910, Acct. 8860, Capital Outlay Contra.

In total, there are 11 different categories of fund transfers (Departmental Capital Outlay, Departmental Receipt of Revenue, Substitution of Equipment - Class III, etc.). Eight require review by the finance committee and full board; two others must be approved by the finance committee; one requires approval only by the Department of Administration. (The sheer number and nature of requested transfers also illustrate problems in the process by which the county's initial budget is developed.) In the final analysis, the fact that transfers are important to departments and require board approval makes them an important element in the overall system of micro-management.

Alternatives to Micro-Management

Different approaches to decentralized decision-making offer alternatives to micro-management.

Transit

The Milwaukee County Transit System accounts for about half of the Department of Public Works budget and requires a yearly property tax subsidy of about \$14 million. Almost 1,500 employees work for the system. Yet relatively few cumbersome rules apply to its daily operations, because the county contracts with a private, nonprofit company to operate its buses. Once the county adopts a budget, sets fares, and approves routes, Milwaukee Transit Services, Inc. has substantial discretion in managing the budget and providing services. Independent evaluations repeatedly praise

the system as the best of its size in the nation. This could be a model for deregulating other county departments and still holding them accountable for quality services. Now it stands more as a notable exception.

Museum

Prior to 1992, the museum was subject to the same regulation which characterized most county departments. The educational excellence and overall national reputation of the institution were in jeopardy because diminished tax support was increasingly curtailing programming and staff. The private-sector perception of county micro-management and political interference became severe deterrents to raising alternative funds from that source.

In a laudable example of county board/executive cooperation, and public/private partnership with the Friends of the Milwaukee Public Museum, museum governance and operations were spun off to a non-profit entity. The independent governing board reflected both county and private sector interests. The county maintains accountability through annual approval of its budgetary contribution and through county audits of museum expenditures, as well as periodic reports to the county executive and board. In inflation-adjusted terms, the county's tax-supported contribution has declined. This year for the first time, fee revenue and private contributions will surpass the county's contribution. A major expansion of facilities, including a large-screen IMAX theater, was financed through private and public funding.

Airport

Mitchell International Airport is one of Wisconsin's most important economic development assets. Its benefits come with little need for local tax dollars, because virtually all operations are financed by passengers, airlines, and state and federal grants. Yet few departments are subject to more fly-specking micro-management. Historically, largely administrative decisions have been scrutinized and often delayed by a board committee dominated by supervisors whose districts surround the airport. Lengthy committee discussions range from such topics as a \$345/month agreement with a shoeshine operator to highly technical issues involving radar, runway lights and flight paths. The ability and willingness of the committee to delay key items are well-documented. This troublesome governance system is understood and widely

decried within the airline industry. This is the wrong reputation to have in a deregulated market, where airlines are continuously evaluating the best communities and facilities at which to expand.

The board and the executive need to examine these examples. The museum and bus system operate under a system of decentralized decision-making, yet still have policy accountability to the board. On the other hand, the airport is subject to much closer scrutiny and second-guessing. Many administrative decisions at the airport which require board or committee approval can be unilaterally implemented by those running the buses or operating the museum (and many airports elsewhere). It is untenable to argue that it is vital for the board to approve certain actions for some departments when the requirements are greatly relaxed for others.

Milwaukee County faces a major challenge in terms of its governance structure. These governance issues must be addressed primarily through the leadership of elected county officials. Even though some changes might require amendments to state law or the state constitution, most do not. As a 1992 board staff report noted, "under the Administrative home rule authority granted to counties under the Wisconsin Statutes, the county board has the authority to exercise any organizational structure it deems appropriate."

Recommendations

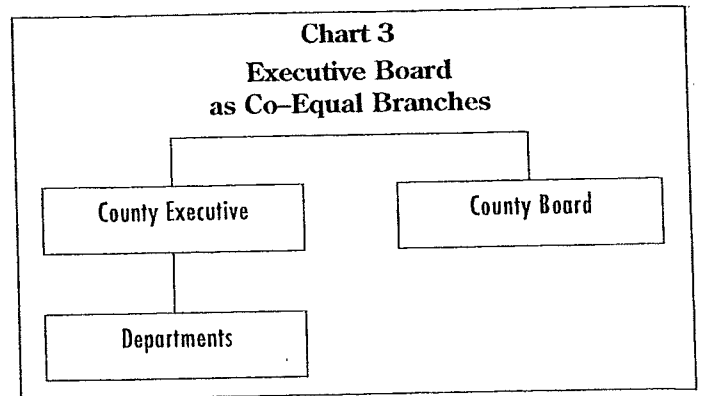
Recommendations intended to address governance problems follow.

Position of County Executive

Retain the executive's position. Make it a true co-equal and independent branch of government.

The biggest problem facing county government is a failure to distribute authority between the executive and board in a way that lets policy be established and then effectively implemented. A system which should be characterized by checks and balances instead is often mired in contentious stalemate. It is imperative to modify the current structure by clarifying the independent authority and responsibility of the executive. In simplified terms, it should involve a structure such as illustrated in Chart 3.

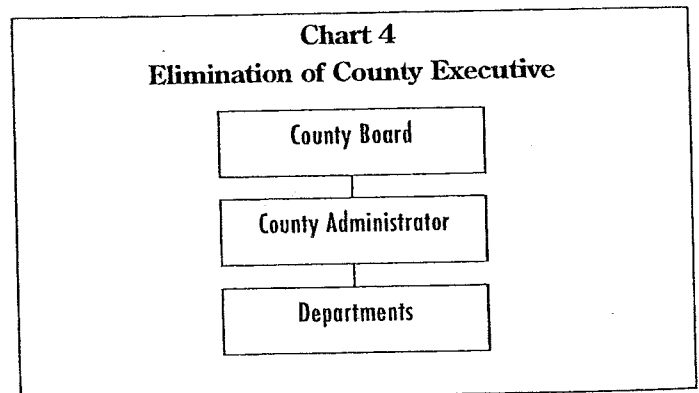
This would be similar, though by no means identical, to the structure of the State of Wisconsin and, to a



different degree, the City of Milwaukee. The state and city structures have their own unique features, but each has a clearer delineation of policy and administrative authority than exists at the county.

In order to implement this option, a conscious decision by the board to shed its substantial current involvement in administrative oversight is required.

The commission believes an independent executive is possible to achieve and that the benefits of separate, co-equal branches are overwhelming. Such a system does not now exist in Milwaukee County. If the executive and board cannot work together to create one, the option described in Chart 4 is preferable to the current condition. If elected county leaders cannot move to a co-equal system of independent branches, it may be time to recognize that the position of executive should be eliminated.



County Board

Make the county board a policy-making body.

The new chairman of the county board stated in a position paper that:

The county board of supervisors is the ultimate policy-setting body of county government, while the county executive may recommend policy and is the chief administrative officer of all county

programs and services... Therefore, the county board should be organized to review, discuss and develop public policy, while the executive branch administers and implements those policies...

Oversight and direction of the executive branch from the legislative branch should be a secondary function of the board.

This important statement was accompanied by a proposal to reduce the number of board committees. Further, the chairman has indicated an interest in reorganizing board staff to reflect a new emphasis on the policy-making function.

The commission applauds the leadership shown by the new chairman. However, the board should build on that vision and go further. Specifically, we recommend:

- a further consolidation of board committees, as illustrated in Table 1.

- a systematic review and repeal of ordinances and rules requiring board approval of administrative actions which implement already approved policy.
- changing the focus of committee meetings to policy matters.

Change the committee structure. Table 1 shows the 14-committee structure in place prior to April, 1996; the reduction to nine implemented by the new chairman in April; and additional consolidations, to seven, which warrant consideration.

Review and repeal of current oversight requirements. Changing the number of committees will not reduce micro-management. If department heads continue to be consumed by tedious and redundant monthly reporting and approval responsibilities, this problem will persist and worsen. There must be a concerted effort to focus the board on policy-making and broad oversight of policy implementation. If the board continues to review hundreds of administrative actions a year, the opportunity for major change will be lost.

Recent controversy over selection of a contractor to run a mental health clinic demonstrates this problem. Although an evaluation rated one firm in the bottom third of the competition, a board committee recommended the firm over others which were more highly rated. An ensuing controversy pitted angry supervisors against each other and saw clashes between executive and board. Such controversies are frequent. They could be avoided if the board relinquished its practice of approving contracts which involve the use of already budgeted funds to provide already approved services. The policy decision to use the funds and provide the service is the board's. It occurs when the budget is adopted. The administrative action to carry out the policy should be the executive's.

Operations of the transit system and the quasi-independent museum show the great potential which exists if the board would focus primarily on policy-making.

The best measure of whether the executive and board can work together on this goal will be agreement on a lengthy and specific list of actions which would no longer require board approval. An excellent starting point would be to reduce the number of contracts which the board must approve. It is now the exception to the rule when a contract to spend already appropriated funds for already approved services

**Table 1
Various County Board Committee Structures**

Former Committees (14)	New Committees (9)	Recommended Consolidation (7)
Finance	Finance & Audit	Finance, Audit & Personnel
Audit		
Personnel	Personnel	
Health	Health & Human Needs	Health & Human Needs
Human Needs & Services		
Judiciary, Safety & General Services	Judiciary, Safety & General Services	Justice, General Services
Legislative	Intergovernmental Relations	Intergovernmental Relations
Transportation & Public Works	Transportation, Public Works & Transit	Transportation, Public Works & Economic Development
Mass Transit		
Economic Development	Economic & Community Development	
Housing & Community Development		
Parks, Recreation & Culture	Parks, Energy & Environment	Parks, Energy & Environment
Energy, Environment & Extension Education		
Committee on Committees	Committee of Whole	Committee of Whole

does not have to be reviewed and approved by the county board.

The county should create an independent review committee charged with the responsibility of reviewing the ordinances, administrative rules, and resolutions which set forth items which now must be reviewed by the board. This daunting but significant task is central to reducing micro-management. A corollary function of this group which would be highly desirable would be to recommend a method for consolidating the voluminous ordinances and codes into published documents which are more accessible to and understandable by the public. State of Wisconsin procedures provide a useful illustration of how this might occur.

Create policy focus. Monthly meetings of virtually all standing committees currently focus on the many administrative actions the board reviews. In a single month this involves hundreds of items, thousands of pages of paperwork, and very considerable amounts of personnel time. If the board does not reduce the number and type of actions it must approve, these monthly meetings will remain a requirement, along with associated paperwork, costly preparation, and diversion of administrative staff.

On the other hand, a reduction in administrative reviews would allow a move to a different purpose for committee meetings. Their purpose could shift largely to one of policy-making and true oversight of policy implementation. Their importance, as it relates to policy review, almost certainly would grow.

County officials would see improved productivity between meetings and during meetings. The work of policy development is a staff/committee function, with policy approval occurring at full board meetings.

Expand board review of the annual budget.

Currently, the executive spends several months developing a budget proposal and the board essentially has only a month to review and approve it. The board should require that it receive the executive's budget proposal at least one month earlier, say on September 1 of each year. This would double the time available for board review and approval and would enable the board to have real input in setting policy. Following adoption of the budget, with board input having been increased, there should be greater responsibility assigned to the executive to carry it out. Meetings of standing committees could be used primarily for valid

oversight by the board as to whether policy is being effectively implemented.

Study the size of the county board. The commission is not offering a recommendation on the size of the county board. We note that an opinion survey done in connection with our work showed that a plurality of respondents—nearly half—think the board is too large. Three percent say it is too small.

We recommend that the board undertake a study of this question in connection with the reapportionment process that will follow the 2000 census. The first election of county officials after that census will be in 2004.

Consolidate and reorganize county board staff.

Board leaders have shown restraint in managing their budget, which has risen less than three percent overall in the last four years. The executive's budget, too, is under control. Since 1991, the growth in the executive's office has been well below the rate of inflation, and there are fewer authorized and filled positions now.

In restructuring the board staff and in moving toward a greater emphasis on policy review and oversight, the board should consider the state legislature's success in creating independent, professional agencies to provide high-quality policy research. Examples include the Legislative Council, the Legislative Fiscal Bureau, and the Legislative Audit Bureau. They operate on a largely nonpartisan basis and are distinctly separate from other legislative staff, whose functions are directly associated with individual legislators and committees.

The board's audit staff, for example, could have a significant impact in assisting the board in oversight of policy implementation. This is the primary role performed by the state's audit function. At the county level, more audits should focus on performance of programs and results and fewer devoted to adherence to procedures.

Our review of board staffing indicates the possibility for more economies. These would send a very positive message to taxpayers and county employees. With county operations being streamlined to reflect fewer services and more efficient service delivery, elected leaders must show that they are not exempt from change.

Board staff consists of 52 positions (excluding supervisors and the Department of Audit). Aside from administrative aides to individual supervisors, the staff primarily supports committees in their monthly review of items requiring board approval. This staff can be consolidated to reflect fewer committees, with more emphasis on policy analysis and less on administrative oversight. Some salaries can also be adjusted.

Independent elected officials

Milwaukee County's true organization is not as straightforward as indicated by either Chart 3 or Chart 4. In addition to the executive and the board, there are a variety of independent elected officials. Several have their annual budgets approved by the executive and board, but at the same time are not directly accountable to them. Further confusing the picture is the fact that some of these independent offices also receive funding from other levels of government (primarily the state).

The table below lists these separate offices and summarizes commission recommendations as to which offices should no longer be filled by election.

Elected Office	Recommendation
Executive	No change.
Supervisors	No change now. Evaluate board size after the 2000 census and before reapportionment for the 2004 election.
Sheriff	Appointed director of public safety. Put sheriff's office, jail, House of Correction, and Emergency Government into new Public Safety Department.
District Attorney	Nonpartisan ballot. Four-year term. Spring election.
Circuit Judges	Appointed initially; later subject to retention election.*
Clerk of Circuit Courts	Change to appointed position if a sole source of funding (state or local) can be adopted; otherwise remain elected.*
Register in Probate	Appointed by chief judge.
Treasurer	Appointed by executive.
County Clerk	Appointed by executive.
Register of Deeds	Appointed by executive.

*These recommendations are discussed in the chapter on Courts and Public Safety.

Several of the offices are now filled by election on partisan ballots in the fall, whereas the executive and board are elected on nonpartisan ballots in the spring. County officials who continue to be elected rather than appointed should be chosen on nonpartisan ballots, for four year terms, in spring elections.

The offices of register in probate, treasurer, county clerk, and register of deeds carry out primarily administrative functions. Administrative cost savings likely are possible by consolidating these operations under the chief judge or county executive, as indicated. Constitutional amendments would be required.

Substantial economies of scale and improved delivery of services would result if the operations of the sheriff, House of Correction, and Division of Emergency Government were merged into a single public safety department that was part of the executive branch. Some difficulties in addressing jail overcrowding could be lessened if the responsibility to finance and administer all inmate detention was not divided between the independent sheriff and executive. Thus, the commission urges consideration of a constitutional amendment to eliminate the separately elected position of sheriff, which is primarily responsible for operating the jail and, to a lesser degree, various functions similar to those carried out by local police.

The sheriff does not need to be an elected officer any more than local police chiefs need to be elected. In Milwaukee County, there is a further anomaly—an elected sheriff, whose main function is to manage the jail, and a non-elected manager, appointed by the executive, responsible for managing offenders sentenced to the House of Correction.

Coordination of Criminal Justice Function

The offices of sheriff, district attorney and circuit court judges currently are independent and, at least for the foreseeable future, are elected. Yet, as illustrated by ongoing discussions over court processing, jail crowding, and municipal police concerns, there is an urgent need for improved coordination between the executive, the board, the sheriff, the district attorney and the courts.

The county should create a coordinating council comprised of these offices. Such a council could build on some successes which have occurred in recent years, as these branches worked informally through various committees to coordinate design of the new jail and to

implement some measures related to improved case processing.

A Culture of Change and Entrepreneurism

The executive and board need to reinvigorate and redefine the county's approach to service delivery. They must emphasize results and retreat from a pre-occupation with rules and process. They must communicate to managers that mistakes are an inevitable part of change and improvement.

Several actions could demonstrate the county's commitment to change. These actions require the leadership of the executive and the board. Managers will not make these kinds of changes without that support.

Develop an entrepreneurial spirit. Successful governmental entities throughout the United States consistently point to strong leadership from the top requiring that employees adopt an entrepreneurial spirit. There are numerous management books in print today with thousands of success stories. The success stories are similar and result from a mind-shift among employees. An entrepreneurial spirit can only arise if employees are given the appropriate support. We were impressed with the overall quality of employees with whom we met. There is a tremendous willingness to change and a strong desire to make improvements. However, this will only occur with strong leadership and a plan. With this in place, county employees with this entrepreneurial spirit will begin to ask questions such as, How can we do things better? and If this were my money, would I continue to spend it the same way?

Promote quality improvement. Milwaukee County, like other large organizations, must promote an environment of continuous improvement. Every department must make efforts toward public sector reengineering. Review teams, perhaps led by county auditors, should plot out current processes used by the county, eliminate non-essential elements, review the remainder and then continuously change. Some oversight for quality improvement should be established in the Department of Administration, but it is essential that both the county executive and the county board empower all county employees to reengineer government. It is everyone's job.

Seek opportunities for competitive bidding. The county also needs to look at new opportunities for more competitive bidding to improve service quality

and delivery at reduced costs. Departments should be encouraged to evaluate whether necessary services can best be provided with current staff, or a mix of current staff and services provided under contract with non-profit or for-profit companies. This approach anticipates that current staff could form teams and submit competitive proposals to retain responsibility for providing services.

Conclusion

Governance reform will be central to county government's success in the 21st Century. The recommendations in this chapter are directly aimed at a better definition of roles between the executive and board, and designed to encourage a much more decentralized, entrepreneurial, and accountable management approach in the delivery of important services. Many of the recommendations involve fundamental change. Such change is necessary for the county to confront and deal with the significant challenges which, in part, led to the creation of this commission.

¹"The Governing of Milwaukee County," Trading Post to Metropolis, Milwaukee County's First 150 Years, Milwaukee County Historical Society, 1987.

²The Governing of Milwaukee County.