

## Minute of the Finance Committee

Wednesday, December 9, 2020

Chair Heinrich called the meeting to order at 8:15 a.m.

**Present:** Supervisors Jim Heinrich, Duane Paulson, Tom Michalski, Tyler Foti, Joel Gaughan, Larry Nelson, and Ted Wysocki.

**Also Present:** Chief of Staff Sarah Spaeth, Legislative Policy Advisor Alex Ignatowski, County Board Supervisor Darlene Johnson, Medical Examiner Dr. Lynda Biedrzycki, Departmental Secretary Nicole Bauer, UW-Extension Director Jerry Braatz, Business Manager Josh Joost, Inspector Jim Gumm, Financial Analysts Kathy Kienast and Michelle Czech, Operations & Training Manager Sherri Stigler, Director of Administration Andy Thelke, Budget Manager Bill Duckwitz, Budget Management Specialist Michelle Beasley, Accounting Services Manager Danielle Igielski, Senior Financial Analyst Stephanie Kirby, Health & Human Services Director Antwayne Robertson, Accounting Services Coordinator Lisa Davis, Human Resources Manager Renee Gage, Employee Benefits Administrator Andrea Mohr, Business Manager Rhiannon Cupkie, Highway Operations Manager Bob Rauchle, Attorney Zach Bosch, and Principal Assistant Corporation Counsel Debbie Price (via phone).

### **Approve Minutes of November 18**

MOTION: Paulson moved, second by Gaughan to approve the minutes of November 18. Motion carried 7-0.

### **Next Meeting Date**

- January 20

### **Announcements**

Spaeth informed the committee that Internal Auditor Lori Schubert is retiring in January

### **Fund Transfer 2020-220-01 – Medical Examiner: Transfer Funds from Personnel Expenses to Operating Expenses**

Biedrzycki said the department is requesting to transfer \$16,000 from the personnel appropriation unit, which has savings due to personnel vacancies and turnover. Medical service costs are estimated to exceed budget due to higher-than-anticipated autopsy cases this year. Third party temporary help exceeded budget for use of a contract pathology assistant due to staff on leave and increased caseload.

MOTION: Paulson moved, second by Wysocki to approve Fund Transfer 2020-220-01. Motion carried 7-0.

### **Fund Transfer 2020-120-01 – UW-Extension: Transfer Funds from Operating Expenses to Personnel Expenses**

Braatz said to address a personnel overage due to employee benefit changes, the department is requesting to transfer \$8,000 from operating expenses. Funds are available from underspending in multiple operating accounts including outside printing, advertising, travel, and supplies.

MOTION: Paulson moved, second by Wysocki to approve Fund Transfer 2020-120-01. Motion carried 7-0.

**Ordinance 175-O-058: Authorize The Waukesha County Sheriff's Department To Contract With The Town Of Delafield To Provide Police Services From 2021-2025**

Gumm and Joost discussed this ordinance which authorizes the Waukesha County Sheriff's Department to continue to provide police services to the Town of Delafield. The Sheriff's Department has provided municipal patrol coverage to the Town since 1991 and plans to continue by entering into another contract agreement beginning in 2021. The contract will require the County to provide patrol coverage and necessary equipment for one shift, two days per week (about 0.40 full-time equivalents [FTEs], factoring in training, vacations, etc.) In addition, the contract allows for separate charges for all overtime costs incurred from policing functions including overtime related to court appearances in connection with the prosecution of municipal ordinance violations.

The Town of Delafield will pay the County for the base service level in monthly installments based on the annual budgeted costs of supplying contract police services, with actual overtime charges reimbursed quarterly. Proportional charges for indirect costs are also included in the contract amount. Charges will be adjusted annually to reflect the adopted budget. The contract term will be from January 1, 2021 through December 31, 2025. Based on the Department's full cost recovery contract methodology, the Town of Delafield will be expected to pay an estimated \$60,941 in fiscal year 2021.

The 2021 Sheriff's Department Budget, as presented to the County Board by the County Executive, adjusts revenues and appropriates expenditures accordingly resulting in no tax levy associated with the execution of the contract. The budget also includes all positions necessary for the continuation of this contract.

MOTION: Paulson moved, second by Nelson to approve Ordinance 175-O-058. Motion carried 7-0.

**Ordinance 175-O-059: Authorize The Waukesha County Sheriff's Department To Enter Into A Five-Year Police Services Contract With The Village Of Vernon, Create 1.00 FTE Deputy Sheriff Position, And Amend The 2021 Sheriff's Department Budget Accordingly**

Gumm and Joost discussed this ordinance which allows for the execution of a new police patrol services contract with the Village of Vernon and creates one regular FTE deputy sheriff position with a salary range of \$53,976 - \$72,738. This position and related costs would be funded entirely by the Village of Vernon. The position would be authorized to begin on January 1, 2021 and the term of the contract will end on December 31, 2025. If the village chooses not to continue funding this position in the future, the position will sunset.

This ordinance also modifies the 2021 Sheriff's Department budget by increasing expenditure authority a total of \$176,923 for the personnel, operating expenses, and interdepartmental charges needed to carry out this contract. The budget is also modified to increase charges for service revenue by \$176,923 for the municipal revenue that will fund this contract.

This ordinance also modifies the 2021 Sheriff's Department budget by increasing fixed asset expenditure authority by \$36,500 to purchase a new police pursuit vehicle and increases one-time General Fund balance use to fund this purchase. The cost of this vehicle will be reimbursed by the village over the five years of the contract.

MOTION: Wysocki moved, second by Nelson to approve Ordinance 175-O-059. Motion carried 7-0.

**Fund Transfer 2020-200-1 – Sheriff’s Department: Transfer Funds from Interdepartmental Expenses and Operating Expenses to Personnel Expenses**

Gumm and Joost discussed this fund transfer as outlined. The department is requesting to transfer \$400,000 from operating expenses in the Merchandise for Resale, Food Service, and Medical Services expenditure accounts. These accounts are all significantly lower than originally budgeted due to the significantly lower number of inmates throughout the year due to COVID-19. Staff are also requesting to transfer \$150,000 from interdepartmental expenses budgeted in the fuel expenditure account. The department has experienced greater than budgeted spending on overtime expenses. As of November 25th, the department has exceeded the overtime budget by \$758,859. Greater than budgeted spending is due to COVID-19 and the lost time associated with quarantines, position vacancies, and the need to pay overtime for shift coverage. The department will be able to absorb some of the overage due to underspending in the salary and benefit accounts from position vacancies. However, the department is requesting to transfer \$550,000 from operating interdepartmental to personnel to address the anticipated overage.

MOTION: Paulson moved, second by Foti to approve Fund Transfer 2020-200-01. Motion carried 7-0.

**Update on CARES Act Funding**

Thelke, Duckwitz, and Igielski were present to discuss this item. The 2020 pandemic response resulted in a significant dedication of base budget resources as well as added supplies, equipment, and staffing. Several actions to address the pandemic have been taken through separate ordinance. Staff went on to discuss the pandemic response and associated Federal CARES Act reimbursement made through the \$3.4 million Health & Human Services Contact Tracing and Disease Investigation and the \$6.6 million Routes to Recovery allocations. It is not expected that the \$300,000 of contingency funds made available for pandemic response will be needed in 2020. Staff reviewed expenses incurred to date and projected expenses through year-end 2020.

**Ordinance 175-O-060: Modify The 2020 Emergency Preparedness Budget For Additional Overtime Costs And Routes To Recovery Funding**

Stigler and Czech discussed this ordinance as outlined which increases the personnel cost appropriation for the Department of Emergency Preparedness General Fund budget by \$135,000 to cover additional overtime expenses related to COVID-19. In addition, the general government revenue budget is increased by \$135,000 for federal Coronavirus Aid, Relief, and Economic Security (CARES) Act funding as administered through the State of Wisconsin Department of Administration’s Routes to Recovery local government aid grant. This ordinance has no levy impact.

MOTION: Nelson moved, second by Wysocki to approve Ordinance 175-O-060. Motion carried 7-0.

**Ordinance 175-O-061: Modify 2021 Waukesha County Health And Human Services Public Health Budget For COVID-19 Testing Efforts**

Robertson and Davis were present to discuss this ordinance as outlined which modifies the 2021 Waukesha County Health and Human Services – Public Health budget to increase operating expenditures by \$500,000 to pay for COVID-19 testing efforts. During 2020, testing efforts have been funded by the state and include using the National Guard and grants to local health care providers to administer tests. This funding is set to expire on December 9 and December 30, respectively. At this time, it is unclear whether there will be state or federal funding to provide testing on January 1, 2021. (A state allocation of \$513,200 of federal CARES Act funding will likely go mostly unspent due to the state leading testing efforts during 2020, and the allocation

sunsetting at the end of the year.) This budget modification is intended to help ensure that there is spending authority to provide testing capabilities (e.g., contracting with local health care providers) at the beginning of the year after existing grant allocations terminate.

This ordinance also increases General Fund balance usage by \$500,000 to pay for the testing efforts. During 2020, the County is claiming existing staff time (included paid leave) dedicated to the pandemic response against CARES Act allocations (e.g., Routes to Recovery). Since most of these personnel costs were already included in the 2020 adopted budget (the exception being additional overtime expenses), these revenues help generate favorable variances (lapsing to General Fund balance at year end) which will be available for the pandemic response needed in 2021. For 2020, it is anticipated that at least \$3.4 million of CARES Act funding will be received for staff time. Given the uncertainty of state and federal funding in 2021, this ordinance relies on General Fund balance. The County will continue to monitor funding options to help minimize the use of this General Fund balance.

MOTION: Wysocki moved, second by Gaughan to approve Ordinance 175-O-061. Motion carried 7-0.

**Fund Transfer 2020-HHS-01 – Health & Human Services (ADRC): Transfer Funds from Personnel Expenses to Interdepartmental Expenses**

Robertson and Davis were present to discuss this item. Postage expenses are higher than anticipated due to COVID-19 that resulted in more communication through the mail instead of in-person outreach. Personnel cost appropriations are available for transfer due to less temporary extra help being spent during the COVID-19 pandemic.

MOTION: Paulson moved, second by Gaughan to approve Fund Transfer 2020-HHS-01. Motion carried 7-0.

**Contract Procurement Process for Onsite Pharmacy Lease and Operation (Mental Health Center and Health & Human Services Outpatient)**

Robertson and Davis were present to discuss this item. This five-year contract was awarded to Genoa Healthcare, LLC, the sole proposer, for a total contract cost of \$5,309,136.

MOTION: Paulson moved, second by Gaughan to approve the contract procurement process for onsite pharmacy lease and operation (Mental Health Center and Health & Human Services Outpatient). Motion carried 7-0.

**Ordinance 175-O-062: Approve 2021 Salary And Benefit Modifications For Non-Represented Employees And Continue To Allow Access For Retirees On The Health Insurance Program To The Waukesha Employee Health And Wellness Center As Part Of A Pilot Program**

Gage, Mohr, and Igielski discussed this ordinance as outlined which authorizes:

- A 1.5% across-the-board wage increase for all non-represented 2020 salary ranges effective January 2<sup>nd</sup>, 2021. This would include all employees except elected officials and those represented by a collective bargaining agreement.
- The movement of the Patrol Worker classification to the Open Salary Range. These ranges mostly overlap resulting in a relatively minimal impact to the overall county budget.
- An increase in deductibles with a savings of around \$240,000 and an increase in the total out of pocket maximum for all plans with a savings of around \$21,000 based on an analysis completed by the County's benefits consultant.
- An increase in retail prescription drug copays for drugs in tiers 2, 3 and 4 with a savings of around \$56,000 based on an analysis completed by the County's benefits consultant.

- A reduction in the County contribution to employee health savings accounts when neither the employee nor the spouse complete the health risk assessment (HRA) program by \$300, from \$300 to \$0 for employees in the High Deductible Health Plan. The estimated savings of this change is estimated to be approximately \$33,000 based on current year enrollment and HRA completion.
- An increase in the premium cost share for enrollees in the Choice Plus Health Insurance for single coverage if no HRA is completed and for family coverage if the employee and/or spouse do not complete the HRA. The estimated savings of the cost share is estimated at just under \$10,000 based on current year plan enrollment and HRA completion.
- The extension of the pilot program providing retirees enrolled in the retiree group health insurance (pre-Medicare) plan access to the Waukesha Employee Health & Wellness Center. The project fiscal impact is neutral to the County since retiree premiums have already factored in the potential cost of use of Waukesha Employee Health & Wellness Center services.

The annual net impact of all the provisions of this ordinance are estimated at about \$965,000. Some of this net impact is funded in the 2021 Adopted Budget with non-levy sources (fees, grants, contracts, intergovernmental revenue).

MOTION: Paulson moved, second by Nelson to approve Ordinance 175-O-062. Motion carried 7-0.

**Ordinance 175-O-063: Approve 2021 Salary Range Adjustment For Seasonal And Temporary Classifications**

Gage and Igielski discussed this ordinance as outlined which authorizes a 1.5% across-the-board wage increase for all seasonal and temporary 2020 salary ranges effective January 2<sup>nd</sup>, 2021. The 2021 budget includes sufficient expenditure authority to cover these cost impacts. The fiscal impact of these changes is illustrated below:

	2020 Wages & Benefits Base	2021 ATB Changes	2021 Wages & Benefits Base	%
Salaries	\$3,128,881	\$46,933	\$3,175,814	1.50%
Retirement	\$74,459	\$1,117	\$75,576	1.50%
Social Security	\$239,359	\$3,591	\$242,950	1.50%
<b>Total</b>	<b>\$3,442,699</b>	<b>\$51,641</b>	<b>\$3,494,340</b>	<b>1.50%</b>

MOTION: Michalski moved, second by Paulson to approve Ordinance 175-O-063. Motion carried 7-0.

**Fund Transfer 2020-400-03 – Public Works: Transfer Funds from Operating Expenses to Personnel Expenses**

Cupkie and Rauchle were present to discuss this fund transfer and indicated personnel expenses are projected to be over-budget at year-end, mainly due to higher overtime expenses in 2020. Above budget overtime is mainly due to early 2020 snowstorms being overnight and weekend events. Also, above-budget overtime is due to needing to provide position coverage following position turnover and staff on leave. Salt usage for snow and ice removal on county roads is expected to be below budget due to mild winter weather in late winter/early spring during the first half of the year.

MOTION: Paulson moved, second by Foti to approve Fund Transfer 2020-400-01. Motion carried 7-0.

**Fund Transfer 2020-400-04 – Public Works: Transfer Funds from Operating Expenses to Fixed Assets**

Cupkie discussed this fund transfer request and said \$13,000 is needed from the operating expense budget to the fixed asset budget to replace aging survey equipment in the Engineering Services program (\$10,500). The current equipment is outdated and will no longer handle software updates. Also, an additional \$2,500 is needed to complete the purchase of a pole setter skid steer attachment (approximately \$10,000 of total costs). This item allows the Traffic Control program to install new or knocked down signal poles without the need for a contractor helping reduce costs. For replacement of the aging survey equipment, there are software and consulting expenses in the Engineering programs that are projected to come in under 2020 budgeted amounts. For the pole setter skid steer attachment there are remaining fixed asset appropriations of \$7,600 in Highway Operations. For the remaining \$2,500 of costs, the small equipment rental budget is projected to be under budget.

MOTION: Paulson moved, second by Gaughan to approve Fund Transfer 2020-400-04. Motion carried 7-0.

**Closed Session**

MOTION: Paulson moved, second by Foti to go into closed session at 10:04 a.m. pursuant to Section 19.85(1)(g), Wisconsin Statutes, to confer with staff and Corporation Counsel who is rendering legal advice concerning strategy to be adopted with respect to the potential compromise of pending litigation, David T. Siewert and Felicia G. Vastalo v. Waukesha County, et al., Waukesha County Circuit Court Case No. 19-CV- 2237, and approve the closed session minutes of October 21, 2020. Motion carried 7-0.

MOTION: Paulson moved, second by Foti to return to open session at 10:33 a.m. Motion carried 7-0.

**Discuss and Consider Authorization of Settlement in the Case of David T. Siewert and Felicia G. Vastalo v. Waukesha County, et al., Waukesha County Circuit Court Case No. 19-CV-2237**

MOTION: Paulson moved, second by Michalski to approve the proposed settlement in the case of Siewert v Waukesha County, Waukesha County circuit Court Case Number 19-CV-2237, according to the terms negotiated by the Corporation Counsel Office through mediation, which will result in a dismissal of the lawsuit. Motion carried 7-0.

**State Legislative Update**

Ignatowski updated the committee on Joint Finance Committee membership and COVID-19 legislation.

MOTION: Paulson moved, second by Michalski to adjourn at 10:35 a.m. Motion carried 7-0.

Respectfully submitted,

*Thomas A. Michalski*

Thomas A. Michalski  
Secretary