

# Waukesha County Board of Supervisors

## Minutes of the Finance Committee Wednesday, February 17, 2021

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

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

**Also Present:** Chief of Staff Sarah Spaeth, Legislative Policy Advisor Alex Ignatowski, Senior Landscape Architect Steve Siodlarz, Parks System Manager Steve Brunner, Engineering Services Manager Karen Braun, Risk/Purchasing Manager Laura Stauffer, Budget Manager Bill Duckwitz, Administration Director Andy Thelke, Accounting Services Manager Lisa Davis, Budget Management Specialist Michelle Beasley, Business Manager Steve Trimborn, Community Development Manager Kristin Silva, UW-Extension Director Jerry Braatz, County Board Chair Paul Decker, Baird Public Finance Director Justin Fischer, and Principal Financial Projects Analyst Bob Ries.

### **Approve Minutes of January 20**

MOTION: Paulson moved, second by Gaughan to approve the minutes of January 20. Motion carried 6-0.

### **Next Meeting Date(s)**

- March 17

### **Executive Committee Report of February 15**

Heinrich said the Executive Committee, at their last meeting, approved two ordinances, one resolution, and one appointment; held a closed session on an employee grievance matter; discussed the Internal Audit Manager position in the County Board office and County Board meeting time survey results.

### **Ordinance 175-O-077: Authorize Department Of Parks And Land Use To Commence The Process To Acquire Real Estate Interests To Complete The Pewaukee To Brookfield Trail Project Waukesha County Project I.D. #2718-14-01**

Siodlarz discussed this ordinance as outlined which authorizes the Parks and Land Use Department to enter into negotiations to acquire land needed for capital project #201807 (Pewaukee to Brookfield Trail). This ordinance does not permit the department to purchase the land but only to begin the negotiation process. A separate ordinance would need to be considered by the County Board for the actual land sale. At that time, staff will be in a better position to determine whether requested budget modifications for the project will be necessary.

MOTION: Michalski moved, second by Nelson to approve Ordinance 175-O-077. Motion carried 6-0.

**Ordinance 175-O-078: Jurisdictional Transfer Agreement Between Waukesha County And The Village Of Waukesha**

Braun discussed this ordinance which authorizes a jurisdictional transfer of about 1,300 feet of county trunk highway (CTH) TT from Waukesha County to the Village of Waukesha. Currently, the county is responsible for maintaining that stretch of roadway, which includes snow plowing and road repairs. Transferring responsibility of this road segment to the village will marginally save the county on staff time, material, and equipment costs. While the action is favorable from a county cost and tax levy standpoint, the entire CTH system is approximately 400 centerline miles long, and this transfer is unlikely to have a noticeable effect on county costs overall.

MOTION: Gaughan moved, second by Wysocki to approve Ordinance 175-O-078. Motion carried 6-0.

**Ordinance 175-O-080: Modify The 2021-2025 Capital Plan For The Creation Of Capital Project #202106 – CTH VV, CTH YY Intersection And Modify 2021 Capital Project Budget**

Braun discussed this ordinance which modifies the 2021-2025 Capital Plan to create capital project #202106 – CTH V V, CTH Y Y Intersection. This this project was not included in the proposed 2021-2025 plan due to the uncertainty that the Wisconsin Department of Transportation (WisDOT) would approve federal Highway Safety Improvement Program (HSIP) funding for the program. WisDOT approved funding on November 20, 2020 after the County Board adopted the 2021-2025 Capital Plan. In contrast, other projects that were approved in the capital plan ended up being denied funding by the state.

The estimated total project cost is \$1,103,000. WisDOT will manage the project through the State's financial books and apply \$992,000 of HSIP funding (90%) before billing the County an estimated \$111,000 for its share. This ordinance modifies the 2021 capital project budget by increasing expenditures by \$18,000 to cover the County's estimated share of the design and engineering phase. The County's remaining \$93,000 of its cost share is for the construction phase, planned in 2023, and staff plans to manage these additional costs within the proposed 2022-2026 Capital Plan. In particular, WisDOT has denied HSIP funding for capital project #201804 (CTH DE, Wild Rose Lane to Oak Court) and capital project #202010 (CTH D, CTH E Intersection). The total County share of estimated project costs of about \$262,000 can be used to offset the costs of the new project. There is no direct tax levy impact related to this ordinance.

MOTION: Nelson moved, second by Wysocki to approve Ordinance 175-O-080. Motion carried 6-0.

**Ordinance 175-O-083: Reauthorization Of Worker's Compensation Self-Insurance**

Stauffer discussed this ordinance which authorizes the County's self-insured status for worker's compensation and is necessary to comply with Wisconsin law. Wisconsin Worker's Compensation Act provides that employers covered by the Act either insure their liability with worker's compensation insurance carriers authorized to do business in Wisconsin, or be exempted (self-insured) from insuring liability with a carrier and thereby assuming the responsibility for its own worker's compensation risk and payment. The State and its political subdivisions may self-insure worker's compensation without a special order from the Department of Workforce Development if they agree to report faithfully all compensable injuries and agree to comply with the Act and rules of the Department.

MOTION: Wysocki moved, second by Michalski to approve Ordinance 175-O-083. Motion carried 6-0.

**Ordinance 175-O-084: Modify The 2021 Budget By Transferring Carryover Funds From 2020 Unexpended Appropriations To 2021 Budgeted Appropriations**

Duckwitz discussed this ordinance to approve a budget modification to carry over funds from unexpended 2020 appropriations to be added to 2021 budgeted appropriations. Duckwitz went on to discuss each carryover including project title, amount approved (totaling \$464,931), and justification.

MOTION: Paulson moved, second by Michalski to approve Ordinance 175-O-084. Motion carried 6-0.

**Ordinance 175-O-081: To Accept Federal Centers For Disease Control And Prevention Epidemiology And Laboratory Capacity Grant Funds Provided By The Wisconsin Department Of Health Services And Modify The Non-Departmental General Fund 2021 Budget Through A Contingency Fund Transfer For Expenses Related To The Community Vaccine Program And Continued Pandemic Response**

Thelke discussed this ordinance which authorizes the Department of Health and Human Services to accept additional federal Centers for Disease Control and Prevention Epidemiology and Laboratory Capacity grant funding provided through the Wisconsin Department of Health Services (DHS) of \$2,868,600. These funds can be used for the public health COVID-19 pandemic response, including the continuation of contact tracing/ disease investigation and the implementation of a community vaccination program. Currently the Federal Emergency Management Administration has been identified as a funding source to reimburse for the cost of community vaccination clinics and above-budget expenses incurred related to the pandemic response that are not otherwise eligible for federal funding or where other federal funding sources are insufficient.

Implementing a community vaccination program will require additional operating expenses for supplies and equipment, such as personal protective equipment, disinfectant supplies, and clinical supplies. The community vaccination program will also require significant additions of staff, such as registered nurses, emergency medical supervision, security, supervision, and clerical support. Additional limited-term employees (LTE's – county-employed temporary extra help without benefits) will be accounted for as personnel costs. Additional contracted support, provided through third-party agencies, will be accounted for as operating expenses. Continuing contact tracing and disease investigation will also require significant LTE and contracted staff. The exact combination of LTE's and contracted positions needed remains uncertain and future funds transfers may be requested.

The County has also requested that departments redeploy regular staff to carry out support tasks, where appropriate, to quickly establish vaccine clinic operations and to help offset the need of hiring LTE and contracted positions. It is expected that much of the staff time incurred by redeployed employees is already in the 2021 budget and will not result in additional expenses. However, there will be instances where non-salaried employees work additional hours and incur overtime expenses that are not in the 2021 budget. This ordinance also authorizes a Contingency Fund transfer to the Non-Departmental General Fund of up to \$300,000 across appropriations (e.g., personnel costs, operating expenses, interdepartmental charges, fixed assets) to allow flexibility in efficiently meeting needs as they come up. The County will track all costs related to the

pandemic response and continue to review potential funding sources as they become available in order to minimize the need for actual Contingency Fund use and any other net costs to the County. This ordinance does not result in any additional direct tax levy impact.

MOTION: Nelson moved, second by Gaughan to approve Ordinance 175-O-081. Motion carried 6-0.

**Ordinance 175-O-082: Authorize The Issuance Of Not To Exceed \$12,000,000 General Obligation Promissory Notes For Capital Projects**

Thelke and Beasley were present to discuss this ordinance which authorizes the County to borrow an amount not to exceed \$12.0 million General Obligation Promissory Notes for the public purpose of paying the cost of capital projects included in the County's 2021 Capital Projects Expenditure Plan consisting of justice and law enforcement projects; public works projects; and parks, environment, education and land use projects.

MOTION: Wysocki moved, second by Michalski to approve Ordinance 175-O-082. Motion carried 6-0.

**Ordinance 175-O-076: Modify The Community Development Block Grant (CDBG) 2021 Budget To Accept US Treasury Department Emergency Rental Assistance Program Grant Funds And Appropriate Additional Expenditures**

Silva and Trimborn were present to discuss this ordinance which authorizes Parks and Land Use Department's Community Development Block Grant (CDBG) program to accept and appropriate an additional \$12,082,684 of US Treasury Department funding. The funds will be used for an Emergency Rental Assistance program to assist households that are unable to pay rent and utilities due to the COVID-19 pandemic. Up to 10% of the total allocation may be used for direct administrative costs incurred by Waukesha County and the third-party provider. The distribution of funds will be made by a contracted third-party provider. The grant funding period is currently set to end on December 31, 2021. The 2021 Parks and Land Use Department adopted budget includes HUD funding of \$1,464,022 for the CDBG program. The 2020 budget was modified twice to accept CARES Act allocations of \$861,236 and \$1,335,096 to respond to the pandemic, some of which could also be used for rental assistance. A portion of these unspent funds will be requested for carryover into the 2021 budget. This ordinance results in no direct levy impact.

MOTION: Paulson moved, second by Nelson to approve Ordinance 175-O-076. Motion carried 6-0.

**Ordinance 175-O-079: Modify The 2021 Budget Of The Waukesha County UW-Extension To Accept The Expanding Access Grant Funding From UW-Madison Extension And To Authorize Grant Expenditures**

Braatz discussed this ordinance which modifies the 2021 UW-Extension budget by increasing operating expenditure appropriations by \$2,528, interdepartmental charge appropriations by \$472, and general government revenue by \$3,000 for the UW Madison Extension 4-H Youth Development's Expanding Access Grant. The funds will provide an additional \$1,685 in contracted services, \$843 in supplies, and \$472 in interdepartmental charges for indirect cost recovery and technology charges. This ordinance results in no direct additional tax levy impact.

MOTION: Michalski moved, second by Paulson to approve Ordinance 175-O-079. Motion carried 6-0.

### **Year-End Investments Report**

Ries reviewed this report including the highlights, investment yield, investment revenue, average daily balance, average investment rates, and investment portfolios. The total return for the quarter was up 2 basis points from the last quarter, at 0.37%. For the year ending December 31, 2020, County investments returned 1.65%. Total interest earnings for the quarter were \$577,009, down \$153,566 from the 3rd quarter due to a decline in interest rates in the market. Average invested balances decreased \$54.8 million compared to the previous quarter, consistent with the County's normal cash flow trend. Interest income is also down \$362,049 from the 4th quarter of 2019. The market-based report shows that all portfolios outperformed the benchmarks for the 4th quarter. Movement in interest rates was higher for longer maturities during the quarter (5 year 0.38% up from 0.30%, 10 year 0.96% up from 0.72%), leading to generally lower market returns.

MOTION: Wysocki moved, second by Paulson to accept the Year-End Investments Report. Motion carried 6-0.

### **Annual Report on Interest Allocations**

Ries reviewed this report titled "Summary of Current Interest Allocations" which included information on the County fund to which the funds are allocated, how it was authorized, and rationale. He went on to review "Analysis of Investment Income and Allocations – Fiscal Year 2020" which included fund allocation totals per quarter.

MOTION: Nelson moved, second by Wysocki to accept the annual report on interest allocations. Motion carried 6-0.

### **Legislative Update**

Ignatowski updated the Committee on the Governor's proposed State budget.

MOTION: Gaughan moved, second by Michalski to adjourn at 10:28 a.m. Motion carried 6-0.

Respectfully submitted,

*Thomas A. Michalski*

Thomas A. Michalski  
Secretary