

## **Minutes of the Finance Committee**

**Wednesday, April 2, 2008**

Chair Haukohl called the meeting to order at 8:46 a.m.

**Present:** Supervisors Pat Haukohl (Chair), Jean Tortomasi, Jim Heinrich, and Rob Hutton. Pamela Meyer and Rodell Singert arrived at 8:47 a.m. Heinrich and Hutton left the meeting at 12:17 p.m.

**Absent:** Ted Rolfs.

**Also Present:** Legislative Policy Advisor Mark Mader, Senior Civil Engineer Karen Braun, Engineering Services Manager Gary Evans, Labor Relations Manager Jim Richter, Principal Human Resources Analyst Terri Sgarlata-Lutz, Planning and Zoning Manager Dick Mace, Financial Analyst Bill Duckwitz, UW-Extension Director Marcia Jante, Emergency Preparedness Director Rich Tuma, Senior Financial Analyst Lyndsay Johnson, Treasurer Pam Reeves, Accounting Services Manager Larry Dahl, Principal Financial Projects Analyst Bob Ries, Senior Financial Analyst Clara Daniels, Administration Director Norm Cummings, Deputy Inspector Eric Severson, Sheriff's Business Manager Tom Koth, Medical Examiner Lynda Biedrzycki, Information Systems Manager Mike Biagioli, Parks & Land Use Director Dale Shaver, Land Resources Manager Perry Lindquist, Risk/Purchasing Manager Laura Stauffer, Collections & Business Services Manager Sean Sander, Corporation Counsel Tom Farley. Recorded by Mary Pedersen, County Board Office.

### **Approve Minutes of 3-19-08**

MOTION: Tortomasi moved, second by Heinrich to approve the minutes of March 19. Motion carried 4-0.

### **Schedule Next Meeting Dates**

- April 8 at 6:15 p.m.

Meyer and Singert arrived at 8:47 a.m.

### **Chair's Executive Committee Report of 3-31-08**

Haukohl advised of the following items discussed at the last Executive Committee meeting.

- Reviewed capital project changes for the Medical Examiner's Office expansion.
- Heard an update on the capital project for the courthouse lobby. No final decisions have been made.
- Discussed a grant application by UW-Extension for a Drug Free Community Grant totaling about \$25,000 per year.
- Approved the ordinance pertaining to constructing a State-paid salt shed at the highway shop in Waukesha.

### **Review Correspondence**

Copies of "Preliminary Official Statement Dated March 27, 2008" pertaining to the bond issue ordinance scheduled for April 8 were distributed.

Haukohl referred to a memo from the Department of Administration which was placed in committee member mailboxes, addressing the committee's questions from the 4<sup>th</sup> quarter General Funds report.

### **Announcements**

Haukohl said she has enjoyed working with this committee this past term.

### **State Legislative Update**

Haukohl advised that Legislative Policy Advisor Dave Krahn gave an update at the last Executive Committee meeting. He reported that a budget repair agreement was close.

### **Motion to Allow Secretary Meyer to Approve the Final Set(s) of Committee Minutes on Behalf of the Committee**

MOTION: Heinrich moved, second by Tortomasi to allow Secretary Meyer to approve the final set(s) of committee minutes on behalf of the committee. Motion carried 6-0.

### **Contract Procurement Process for CTH Y, CTH M Intersection Design Services**

Braun advised the contract was awarded to One Source Consulting, the highest rated proposer, for a total contract cost of \$95,600.80. The budgeted amount was \$110,000. A total of seven vendors submitted proposals for consideration.

MOTION: Singert moved, second by Hutton to approve the contract procurement process for CTH Y, CTH M intersection design services. Motion carried 6-0.

### **Ordinance 162-O-125: Ratification Of 2008 – 2009 – 2010 Parks Collective Bargaining Agreement**

Richter explained the ordinance as outlined including key changes. Staff are proposing to delete longevity pay provisions. They are also proposing to increase health insurance in-network deductibles from \$100/\$300 to \$150/\$450, and increase the in-network co-insurance out-of-pocket maximum from \$400/\$800 to \$600/\$1,200. These changes are estimated to result in a savings of \$5,424 in 2009 and \$5,963 in 2010.

Effective 1/1/08, the County will increase the County's contribution into the Post Employment Health Plan from \$400 to \$450 and effective 1/1/09, the County's contribution will increase from \$450 to \$550. The fiscal impact of these changes is estimated at \$1,450 in 2008 and \$2,900 thereafter.

Across-the-board increases of 2%, 1%, 2%, 1% and 2.5% will be applied on 1/5/08, 7/5/08, 1/3/09, 7/4/09, and 1/2/10, respectively. The net fiscal impact of the wage increases is estimated at \$1,702,040 for 2007, \$1,746,212 for 2008, \$1,796,293 for 2009, and \$1,847,196 for 2010. Haukohl advised of a calculation error in the fiscal note under "2008 ATB." Richter said he would obtain a corrected copy.

MOTION: Tortomasi moved, second by Meyer to approve Ordinance 162 -O-125 as corrected. Motion carried 6-0.

**Ordinance 162-O-126: Ratification Of 2008 – 2009 – 2010 Social Worker Collective Bargaining Agreement**

Richter noted that this is the exact same agreement as above with the exception of two items. Staff have modified the wage progression provisions to provide that an employee is eligible for a merit increase upon successful completion of their six-month probationary period. Also, the County will agree to meet with the Local and discuss the selection process of work assignments for the social workers.

Health plan changes are estimated to result in a savings of \$14,648 in 2009 and \$16,112 in 2010. The fiscal impact of the Post Employment Health Plan changes is estimated at \$4,450 in 2008 and \$8,900 thereafter. The net fiscal impact of the wage increases is estimated at \$5,418,051 for 2007, \$5,561,714 for 2008, \$5,726,819 for 2009, and \$5,894,994 for 2010.

MOTION: Heinrich moved, second by Tortomasi to approve Ordinance 162-O-126. Motion carried 6-0.

**Motion to Approve a Land Lease Extension with the Humane Animal Welfare Society**

Mace gave history on this issue and explained the lease. Copies of a letter to Mace from HAWS were distributed. The letter served as their intent to extend the lease of County land adjacent to the HAWS property, per an attached lease agreement, for another 20 year period at a proposed annual rate of \$300. To answer Haukohl's question pertaining to HAWS' proposal to construct a new building, Mace said issues such as stormwater run-off and review of the building plans would be the jurisdiction of the City of Waukesha, but they would also be subject to review by the County and the Airport Commission. Mace said a lease memorandum outlining the 20-year agreement will be filed with the Register of Deeds Office.

MOTION: Heinrich moved, second by Tortomasi to approve the land lease extension with HAWS at \$300 per year for the next 20 years beginning in 2009. Motion carried 6-0.

**Ordinance 162-O-120: Authorize The Waukesha County University Of Wisconsin Extension Office To Accept A Contract From The Downtown Waukesha Business Improvement District (BID) For Strategic Planning Facilitator Services**

Jante discussed this issue as outlined in the ordinance and the handout entitled "Strategic Planning Program Proposal." Jante said UW-Extension bid and was awarded this contract with funds totaling \$7,500. The funds will be used to support the County portion of the salary for the Community Resource Development Educator who is part of their staff.

MOTION: Heinrich moved, second by Meyer to approve Ordinance 162-O-120. Motion carried 6-0.

**Ordinance 162-O-121: Modify The 2008 Emergency Preparedness Budget To Appropriate Reserve Fund Balance To Fund Outside Consulting Services And Travel And Training Expenditures**

Tuma and Johnson were present to review the ordinance as outlined which involves using \$150,000 from fund balance within their operating budget to pay for a consultant and other costs associated with replacing the current computed aided dispatch (CAD) system. Tuma said the system is at that five-year mark when most systems either need a substantial upgrade to operating software or

hardware. Tuma said we have had problems with the system since the beginning and have worked very hard with the existing vendor to correct the problems. However, staff find it necessary to replace it. A consultant will be hired on a limited basis to help with the process, someone with an extensive public safety background. Staff and an advisory committee will do site visits, etc. and not rely as extensively on salesmen.

MOTION: Tortomasi moved, second by Heinrich to approve Ordinance 162O- 121. Motion carried 6-0.

### **Contract Procurement Process for Banking Services**

Reeves, Ries, and Dahl were present to discuss this issue. Reeves advised that the contract was awarded to JP Morgan Chase, the highest rated proposer. Total interest earnings for the five-year contract is listed at \$2,400,000. A total of six vendors submitted proposals for consideration.

MOTION: Singert moved, second by Heinrich to approve the contract procurement process for banking services. Motion carried 6-0.

### **Treasurer's Annual Report**

Reeves reviewed her 2007 annual report as outlined which included information on total receipts and disbursements for 2006 and 2007; 2006 rolls collected in 2007 for the various towns, villages, and cities; tax deed properties sold in 2007; agricultural land-use conversions; history of parcel count; and history of County tax levy.

MOTION: Tortomasi moved, second by Meyer to accept the 2007 Annual Report of the Treasurer's Office. Motion carried 6-0.

### **Ordinance 162-O-122: Accept 2008 State Of Wisconsin Department Of Transportation Tracs Project Grant and Modify Waukesha County Sheriff Department's 2008 Budget To Authorize Grant Expenditures**

Severson said they applied for this grant with the Town of Brookfield, City of Brookfield, and the Town of Hartland which totals \$10,370. The Sheriff's Department will administer the grant on behalf of the department and the three municipalities. The funds will be used to improve officer efficiencies by interfacing local automated records management systems and the State's Traffic and Criminal Software (TraCS) system.

MOTION: Tortomasi moved, second by Hutton to approve Ordinance 162-O-122. Motion carried 6-0.

### **Ordinance 162-O-123: Amend Sheriff's Department 2008 Budget Expenditure Of Office Of National Drug Control Policy Cooperative Agreement Funds**

Severson said each year since 2003, they have been the recipient of a monetary award from the Milwaukee High Intensity Drug Trafficking Area (HIDTA). This year staff have been notified of an award totaling \$23,347 which will be used to enhance the Metro Drug Unit by purchasing furniture, audio/visual, and other office equipment for a HIDTA focused training room.

MOTION: Heinrich moved, second by Tortomasi to approve Ordinance 162-O-123. Motion carried 6-0.

**Request for Change of Intent Pertaining to Ordinance 162-O-104, Purchase Surveillance Equipment**

Severson and Koth discussed this issue as outlined in Sheriff Trawicki's letter to Chair Haukohl. Severson said one line item in their last asset forfeiture request (ordinance) was to purchase shelving units for the jail division. That ordinance was approved by the County Board. Since then, staff have determined that some of the changes could be made without the expenditures that were initially requested. Therefore, funds remain from that particular project. Staff have identified a different need in the Tactical Enforcement Unit and are requesting to reallocate \$4,837 of \$8,000 in jail savings to purchase two surveillance cameras and take advantage of a great price. Koth said the remote controlled cameras, which also have audio features and include monitors, can be used on poles or tossed into areas and aid officers in dangerous situations. Haukohl was interested in seeing the equipment and asked staff if they could bring it in next time whereby Severson obliged.

MOTION: Singert moved, second by Heinrich to approve the request for a budgetary change of intent in the Sheriff's Department. Motion carried 6-0.

**Ordinance 162-O-124: Approve Contract With Milwaukee County To Provide Short Term Medical Examiner Assistance**

Biedrzycki, Cummings, and Johnson were present to discuss this ordinance as outlined. Milwaukee County contacted Waukesha County to request interim pathologist assistance following the departure of two of their four forensic pathologists. Due to the additional workload anticipated with providing this coverage, Milwaukee County is willing to pay Waukesha County \$2,000 per autopsy and \$400 per hour for expert testimony. Waukesha County, in turn, will pay \$1,000 per Milwaukee County autopsy and \$300 per hour for expert testimony while the pathologist is working for Waukesha County. Milwaukee County estimates they will need between three to six months to fill the vacancies. The contract is for three months with a one time extension for three additional months.

The budget that was developed anticipates nine autopsies a week for 24 weeks and 80 hours of expert testimony. If the positions are filled quickly or less work is needed, the revenues and related expenditures will be less. The County is retaining a portion of the revenue to more than address increased liability, workers compensation exposure, indirect costs, and the County's share of retirement and social security costs. Cummings noted that we're getting paid for our risk but at the same time, we're helping out Milwaukee County. If the maximum expenditure budget related to these services of \$267,120 is realized, the County would receive \$198,880 in excess of the ordinance (unbudgeted revenue) during 2008. Haukohl expressed workload concerns whereby Biedrzycki said her office will only take on what they can handle.

MOTION: Singert moved, second by Tortomasi to approve Ordinance 162-O-124. Motion carried 6-0.

**Contract Procurement for Consulting Services – Financial Applications Analysis**

Biagioli said the contract was awarded to Plante & Moran, the highest rated proposer, for a total contract cost of \$162,000 (the maximum amount assuming "contingent" services are required). The budgeted amount was \$200,000. A total of five vendors submitted proposals for consideration.

MOTION: Meyer moved, second by Heinrich to approve the contract procurement for consulting services – financial applications analysis. Motion carried 6-0.

**Ordinance 162-O-119: Approve Storm Water Intergovernmental Agreements**

Lindquist said this ordinance “is a long time coming.” Federal regulations have been filtering down for the past 20 years. Storm water discharges are not only an issue with new construction sites but also with existing development. The EPA is issuing discharge permits on municipalities for their storm sewer systems. This has been going on since the mid 90’s. They started with the big cities first which is why it took so long to filter down to smaller communities in the County. The DNR re-wrote the rules in 2004. Lindquist said he is contracting with the municipalities to carry out two things that have been mandated of them, gain some efficiencies and cost effectiveness by coordinating our education program countywide. Lindquist noted that five communities in the County are not affected by the requirements because they don’t meet population density guidelines.

Shaver noted this is a very similar model to the old recycling program. Municipalities felt it made more sense to work with the County rather than each one having to come up with their own educational programs. Shaver said citizens would be reading from the same media outlet so why not work with them and have them contribute towards the cost.

This ordinance authorizes the Land Resources Division to enter into separate storm water intergovernmental agreements with up to 25 municipalities. The division will provide participating municipalities with state-required storm water runoff regulation enforcement and storm water educational services. It was noted that these agreements are strictly for educational purposes. Under the agreements, the municipalities agree to pay service fees which are designed to partially offset the cost of the Waukesha County Storm Water Education Program. For 2008, Lindquist estimates that this program will cost about \$40,000 which consists of related personnel costs, materials, etc. For 2008, the department budgeted \$32,000 in program fees. If all 25 municipalities ratify intergovernmental agreements with the division, he estimates it will collect \$33,600 in fees for educational services.

MOTION: Meyer moved, second by Tortomasi to approve Ordinance 162-O-119. Motion carried 5-0. Hutton was absent for the vote.

**Update on Waukesha County Recycling Program, Capacity Study, and Future of State Grant**

Lindquist said on Monday, they just finished negotiating a new three-year contract with FCR, the highest rated proposer in a recent RFP process. This has been tying up much of their staff time but now that this is done, they’ll start focusing more on the future of the Materials Recycling Facility. Haukohl asked about the state grant. Lindquist said it looks pretty solid and the future of the grant seems secure. In fact, there has been some activity on the State level to increase the tipping fee. Shaver went on to explain some of the issues they will be working on.

**Update on the Ice Arena Study Task Force**

Shaver said up to now, much of his time has been spent on the Great Lakes Compact but he will now be able to devote more time to this issue.

The committee recessed at 12:17 p.m. Heinrich and Hutton left for the remainder of the meeting. The remaining members of the committee reconvened at 1:17 p.m.

### **Year-End Liability and Worker's Compensation Claims Payable Reserve**

Stauffer distributed copies of "Risk Management's Determination of 2007 Liability & Worker's Compensation Claims Payable Reserve," and information on liability year-end loss runs and liability loss development history (WMMIC claims). Stauffer said the good news is there is enough in remaining expenditure authority to book reserves to achieve a reserve confidence level of slightly above 75% so there is no need for an ordinance – she will do it within her budget. Also, there was a positive trend in the reserve that was calculated by the actuary.

Risk Management's liability and worker's compensation reserves are accounted for in the same fund on a combined basis. Risk Management's objective is to provide for a reserve confidence level between 75% and 95% as a reflection of the County's risk tolerance. An additional \$529,890 in reserves will be booked resulting in a year-end reserve balance of \$2,725,740. This reserve closely approximates a 75% confidence level.

### **4<sup>th</sup> Quarter Report on Collections**

Sander reviewed his year-end collections report as outlined. He noted this was the most collections they've had. Total year-end collections increased 18.1% from 2006 and increased 8.9% from 2005. Tax intercept collections totaled \$746,702 in 2007 versus \$690,345 in 2006. A total of 2,826 tax intercept payments were received on accounts in 2007 compared to 3,369 in 2006. New revenue sources identified/implemented by Collections generated \$949,644 of additional revenues for Waukesha County in 2007. Total collections in 2007 was \$2,781,114 compared to \$2,354,817 collected in 2006. The total amount retained by the County in 2007 was \$1,981,120 compared to \$1,706,066 retained in 2006. Sander said he believes they'll achieve budget for 2008 but doubts they'll match 2007 figures.

### **Closed Session**

MOTION: Tortomasi moved, second by Meyer to go into closed session at 1:56 pm. in accordance with State Statutes 19.85 (1)(g) to confer with legal counsel regarding strategy for litigation in which the County is involved: Waukesha County vs. Nationwide Insurance (Case No. 06C0656C), and to approve the closed session minutes of 2-20-08. Motion carried 4-0.

The committee returned to open session at 2:31 p.m.

MOTION: Singert moved, second by Tortomasi to adjourn at 2:31 p.m. Motion carried 4-0.

Respectfully submitted,

Approved on: \_\_\_\_\_

Pamela Meyer  
Secretary