

Waukesha County Board of Supervisors

Minutes of the Finance Committee Wednesday, July 20, 2022

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

Present: Supervisors Jim Heinrich, Larry Bangs, Darryl Enriquez, Tyler Foti, and Joel Gaughan.

Absent: Richard Morris and Ted Wysocki.

Also Present: Chief of Staff Sarah Spaeth, Administrative Specialist Mary Pedersen, Inspector Jim Gumm, Business Manager Josh Joost, Deputy Inspector Patrick Esser, Financial Analyst Cathy Kienast, Treasurer Pam Reeves, Budget Manager Bill Duckwitz, Health & Human Services Director Liz Aldred, Health & Human Services Deputy Director Lisa Roberts, Clinical Services Manager Kirk Yauchler, Clinical Services Coordinator Jenny Wrucke, Adolescent & Family Services Manager Ron Pupp, Children & Family Services Manager Penny Nevicosi, Budget Manager Bill Duckwitz, Senior Human Resources Analyst Natalie Durr, Administration Director Andy Thelke, Collections/Business Services Manager Lyndsay Johnson, Accounting Services Manager Danielle Igielski, Principal Financial Projects Analyst Bob Ries, County Board Chair Paul Decker, Senior Landscape Architect Nicki Jensen, Parks System Manager Steve Brunner, Parks & Land Use Director Dale Shaver, Corporation Counsel Erik Weidig, Risk/Purchasing Manager Laura Stauffer, and Senior Financial Analysts Michelle Czech, Alex Klosterman, and Clara Daniels.

Approve Minutes of June 22

MOTION: Foti moved, second by Gaughan to approve the minutes of June 22. Motion carried 5-0.

Next Meeting Date

- August 17

Executive Committee Report of July 18

Heinrich said the Executive Committee heard a presentation on information technology and cybersecurity, received an update on the County Board Office, and approved several appointments. Spaeth highlighted the County Board Office update.

Ordinance 177-O-037: Amend The 2022 Sheriff's Department Budget By Appropriating Seized Fund Revenues To Fund Multiple Expenses To Enhance Law Enforcement

Gumm and Joost were present to discuss this ordinance. Gumm said they are requesting to use up to a maximum of \$60,000 of seized funds expenditure authority to purchase ballistic shields for schools and vehicles (\$48,000) and breaching tools for vehicles (\$12,000). Staff estimate the on-going operating and maintenance costs for equipment items will be minimal and will be the responsibility of the Sheriff's Department. This ordinance results in no additional direct tax levy impact in 2022.

Gumm noted that due to recent law changes, seized funds cannot be depended on in the future which will present budget challenges.

MOTION: Foti moved, second by Gaughan to approve Ordinance 177-O-037. Motion carried 5-0.

Educational Presentation on the Treasurer’s Office

Reeves discussed the duties and functions of the Treasurer’s Office including property tax collections, the tax foreclosure process, management of County funds and other taxing entities, and investment of County funds in partnership with the Department of Administration.

Ordinance 177-O-040: Modify The 2022 Department Of Health And Human Services – Special Purpose Grant Fund Budget For Expansion Of Crisis Service In Law Enforcement, Create 3.0 Clinical Therapist Positions, And Increase American Rescue Plan Act Funding General Government Revenue

Aldred and Wrucke discussed this ordinance which modifies the department’s 2022 budget to appropriate \$123,000 of additional expenditure authority in the Special Purpose Grant Fund and increases general government revenue by \$123,000 from the American Rescue Plan Act (ARPA) - Coronavirus State and Local Fiscal Recovery Funds (CSLFRF) program. In addition, this ordinance creates three new positions, which are outlined in the table below, along with the 2022 and 2023 fiscal impact.

	2022 Impact (4 Months)	2023 Impact (Annual)*
Personnel (3 Clinical Therapists)	\$100,000	\$310,000
Operating	18,520	14,600
Interdepartmental	4,480	17,400
Total Expenses	\$123,000	\$342,000

*Preliminary rounded estimates that will be updated for the 2023 budget.

This ordinance is addressing the funding objective of investment in Public Health – Community Violence Interventions. Staff proposed this project to expand a current pilot program that has been successful mitigating the amount of time law enforcement remains on scene as well as conducting referrals to County case managers for follow up with appropriate services and care to the individual. The pilot program consisted of transitioning 1.0 existing FTE clinical therapist to be embedded in the Sheriff’s Department (WCSD) funded with one time grant funding and backfilling with temporary extra help to complete prior job responsibilities. After the pilot program ended, it was determined that there was significant overlap in the job duties between the prior role and the embedded clinical therapist. This position will continue to operate as an embedded clinical therapist in WCSD, funded with prior base budget funding. This ordinance will expand the pilot program by adding an additional 1.0 FTE clinical therapist embedded in the Sheriff’s Department, 1.0 FTE clinical therapist embedded in the Waukesha Police Department, and 1.0 FTE clinical therapist embedded in the Communication Center to serve law enforcement agencies across the county. There will be a total of 4.0 FTE embedded clinical therapists as part of this program. Staff will prioritize current and future funding sources to continue the program after the grant period ends after 2026.

Heinrich said while he believes this is a great program, he is opposed to using ARPA funds for operating expenses.

MOTION: Bangs moved, second by Enriquez to approve Ordinance 177-O-040. Motion carried 4-1. Heinrich voted no.

Ordinance 177-O-041: Modify The 2022 Department Of Health And Human Services Budget To Expand Intensive Mental Health Services For Community Youth And Create Positions, Funded Through The American Rescue Plan Act

Aldred and Pupp discussed this ordinance which modifies the 2022 Department of Health and Human Services budget to appropriate \$347,500 of additional expenditure authority and increases general government revenue of \$347,500 from the American Rescue Plan Act (ARPA) – Coronavirus State and Local Fiscal Recovery Funds (CSLFRF) program. The purpose of this ordinance is to expand the newly created Youth Intensive Services program to double capacity from 75 to 150 youths served.

To carry out this expansion, this ordinance creates 10 new positions in 2022. Operating expenses are budgeted to include the purchase of laptops for staff, employee training, and supply costs. Interdepartmental charges include technology and communication charges. The projected fiscal impact for 2022 and 2023 are detailed in the table below.

Staff would like to update their proposal and is recommending that this ordinance be amended to substitute the creation of the five Social Workers with the creation of five Senior Mental Health Counselors. They came to this determination recently as a way to address labor market challenges. This change will allow the department to recruit from a wider array of potential staff that do not necessarily have Social Worker licensing. The Senior Mental Health Counselor position is compensated at the same classification level (open range 9 - \$26.94/hour minimum, \$31.29/hour mid-point, \$35.63/hour maximum) as Social Workers, so there is no fiscal impact associated with this change. There are currently six Social Workers budgeted in the existing Youth Intensive Services program that provides youth mental health treatment. The department plans to request a reclassification of these positions to Senior Mental Health Counselors in the annual position change ordinance for the 2023 budget.

Comprehensive Community Services (CCS) New Positions Financial Impact				
Position	FTE	2022 Impact (4 Months)	2023 Impact (Annual)*	Total Amount
Sr. Mental Health Counselor	5	\$ 148,000	\$ 458,000	\$ 606,000
Clinical Therapist	2	\$ 67,000	\$ 208,000	\$ 275,000
Human Services Supervisor	2	\$ 75,000	\$ 233,000	\$ 308,000
Senior Fiscal Specialist	1	\$ 27,000	\$ 83,000	\$ 110,000
Total Personnel	10	\$ 317,000	\$ 982,000	\$ 1,299,000
Operating		\$ 20,000	\$ 5,000	\$ 25,000
Interdepartmental		\$ 10,500	\$ 41,400	\$ 51,900
Total Expenses		\$ 347,500	\$ 1,028,400	\$ 1,375,900
Revenues				
CCS Reimbursement		\$ -	\$ 642,500	\$ 642,500
ARPA Funding		\$ 347,500	\$ 385,900	\$ 733,400
Total Revenues		\$ 347,500	\$ 1,028,400	\$ 1,375,900

*Preliminary rounded estimates that will be updated for the 2023 Budget.

Staff expect these positions and related expenses will eventually be reimbursable at approximately 95% of cost with federal Medicaid revenues through the state’s Comprehensive Community Services (CCS) program. However, ARPA funds are needed to cover start-up costs for this program expansion as new staff are trained, and Medicaid only provides a limited reimbursement rate for the direct service-providing positions (i.e., Senior Mental Health Counselors, Clinical Therapists) in the first year (which is expected to begin sometime during 2023). They anticipate that initially unreimbursed costs in 2022 and 2023 will be reimbursed in subsequent years (2023 and 2024) through the Wisconsin

Medicaid Cost Reporting (WIMCR) cost settlement process. A similar strategy was used to establish the new Youth Intensive Services program in the 2022 budget, using General Fund balance (instead of ARPA funds) for start-up costs.

This expansion is directly eligible for ARPA funding under Public Health – Mental Health Services eligible cost category. However, the County anticipates claiming these expenses through the ARPA revenue loss category because those funds can be used as a local match to federally funded programs, such as Medicaid – CCS. The revenue loss category provides funding to local governments to compensate them for revenue loss due to the COVID-19 pandemic, according to a formula developed by the U.S. Treasury.

This project is being proposed through an ordinance versus the annual budget process to initiate the expansion sooner, so that this program can be more fully supported by CCS revenue by the 2024 budget. The new Human Services Supervisor positions will help provide necessary management for the new Youth Intensive Services program that was established in the 2022 budget. It is expected that approximately 95% of costs will eventually be funded through CCS revenues, with the remaining 5%, estimated at about \$50,000 annually, covered with local funds. Staff will prioritize levy resources or other revenue sources within its annual target to cover this operating impact.

MOTION: Gaughan moved, second by Foti to approve Ordinance 177-O-041 as amended. Motion carried 5-0.

Ordinance 177-O-042: Modify The 2022 Department Of Health And Human Services – Special Purpose Grant Fund Budget For Enhancements To Child Welfare Infrastructure, Create One Social Worker Sunset Position, And Increase American Rescue Plan Act Funding

Roberts and Nevisosi discussed this ordinance which modifies the 2022 Department of Health and Human Services budget to appropriate \$149,800 of additional expenditure authority in the Special Purpose Grant Fund and increases general government revenue by \$149,800 from the American Rescue Plan Act (ARPA) - Coronavirus State and Local Fiscal Recovery Funds (CSLFRF) program. In addition, this ordinance creates 1.0 FTE sunset Social Worker position. A summary and description of planned ordinance spending for 2022 is displayed below.

ORDINANCE EXPENDITURE SUMMARY	
Personnel	
Temporary Extra Help - Partial Year	\$ 29,400
1.0 FTE Social Worker - Partial Year	\$ 29,600
Subtotal	\$ 59,000
Operating	\$ 89,000
Interdepartmental	\$ 1,800
Total Expenses	\$ 149,800

The ordinance includes \$59,000 for the partial-year impact of the position creation and temporary extra help. The annualized total-year cost is estimated (in 2022 dollars) at \$88,000 for the temporary extra help and \$88,000 for the Social Worker.

Staff intend to employ the temporary position to help set up the framework to administer and monitor the distribution of one-time subaward grants to non-profits and community partners to develop evidence-based programming to enhance child welfare infrastructure, including for difficult-

to-place foster care youth. (The department plans to request \$350,000 in ARPA-funding for these grants in its 2023 budget request). This temporary position is expected to continue into 2024 to correspond with the grant program timeline.

The sunset Social Worker position is intended to implement the Systems Review Model (SRM) software. This position will become the subject matter expert in this cloud software solution that uses the data to help drive continuous improvement in the child welfare area and help train county staff on the SRM framework. This sunset position is expected to continue through 2024, and the department plans to eventually absorb the employee into its ongoing staff through the attrition of existing permanent positions.

The ordinance includes \$89,000 of operating expenses, which is mostly for software licensing and implementation costs of \$84,000 for the SRM software. Interdepartmental expenses of \$1,800 include technology charges. This ordinance addresses the ARPA grant funding objective of investing in services to disproportionately impacted communities – services to foster youth or families involved in the child welfare system.

This project is being requested through an ordinance instead of the 2023 budget development process because of the lead time needed to establish the child welfare infrastructure grant framework in advance of the 2023 budget and the time needed to implement the SRM software.

Staff anticipate no ongoing costs associated with the one-time child welfare infrastructure grants. Annual charges for the SRM software are estimated at \$24,000. Staff will use the SRM framework to develop internal data analysis methodologies to carry out continuous improvement without the need to continue the SRM software costs past 2024.

MOTION: Foti moved, second by Gaughan to approve Ordinance 177-O-042. Motion carried 4-1. Heinrich voted no.

Fund Transfer 2022-360-1: Health & Human Services – Transfer Funds from Operating Expenses to Fixed Assets

Tranel discussed this item and said Ordinance 177-O-018 modified the department's budget to accept the Immunization COVID-19 Supplemental Grant and included \$5,000 in operating expenses for the purchase of the freezer. However, a recent price quote for the freezer put the cost of over \$5,000, which is the threshold for equipment purchases to be considered a fixed asset rather than an operating expense. Based on the quote, the department is requesting the transfer of \$7,000 of these grant-funded operating expense appropriations to fixed assets. The department will use the \$5,000 originally budgeted in operating expenses and prioritize \$2,000 of other grant-funded operating expense appropriations to cover this transfer.

MOTION: Bangs moved, second by Enriquez to approve Fund Transfer 2022-360-1. Motion carried 5-0.

Budget Assumptions/Kick-Off Information

Thelke discussed budget challenges such as high inflation and a tight labor market in combination with levy limits which restrict the County's ability to increase revenues for budgets. Duckwitz went

on to discuss 2023 budget development and the June budget kick-off meeting. Challenges and items discussed included salaries and compensation, high fuel prices, programmatic cost increases, and end user technology charges.

Mid-Year Department of Administration Budget Status Report; Mid-Year Status Report on Department of Administration Capital Projects

Thelke and Johnson gave an update on the department's capital projects and 2022 outcomes and objectives as outlined in their reports. No concerns were voiced.

MOTION: Foti moved, second by Gaughan to accept the above-listed reports. Motion carried 5-0.

Review End User Cost Allocation Plan

Igielski discussed this item as outlined in their handout including analyzing the IT budget, End User Technology Fund history, analyzing benchmark municipalities, levy considerations, feedback by departments, and the current and proposed models for charging departments for end user technology costs.

Annual Comprehensive Financial Report (ACFR)

Igielski gave an overview of the 2021 ACFR as outlined in her handout and the report including financial statement highlights as they relate to fund balances for general, special revenues, debt service, capital projects, Bridges Library, enterprise, and internal service funds.

MOTION: Enriquez moved, second by Foti to accept the 2021 Annual Comprehensive Financial Report. Motion carried 5-0.

Contract Procurement Process for Financial Records Auditing Services

Ries indicated this five-year contract was awarded to Clifton Larson Allen LLP, the highest rated proposer, for a total contract cost of \$780,465. The first-year cost is \$147,000 and the first-year budgeted amount is \$160,000. Four contractors submitted bids for consideration.

MOTION: Foti moved, second by Gaughan to approve the contract procurement process for financial records auditing services. Motion carried 5-0.

Ordinance 177-O-035: Authorize Department Of Parks And Land Use To Apply For And Accept Funding From The State Of Wisconsin Recreational Boating Facilities Grant Program For The Nagawicka Lake Boat Launch And Parking Lot Pavement Reconstruction Projects

Jensen discussed this ordinance which authorizes the Parks and Land Use Department to apply for Wisconsin Department of Natural Resources (DNR) Recreational Boating Facilities Grant Program funding to help cover 50% of the costs to reconstruct the Nagawicka boat launch and the adjacent parking lot area. The boat launch reconstruction was included in the department's 2022 three-year maintenance plan at an estimated cost of \$81,000 and anticipated DNR revenues of \$40,500. The parking lot reconstruction was originally budgeted in the 2022 pavement management plan at an estimated cost of \$294,600, but without the DNR revenue. Staff indicated that reconstructing both the boat launch and parking lot at the same time would be too disruptive for park use and will instead reconstruct the parking lot in 2023. The department will include the \$147,300 in estimated DNR revenue in its 2023 capital project request to free up existing resources for other parks system pavement needs. There is no direct tax levy impact associated with this ordinance.

MOTION: Foti moved, second by Enriquez to approve Ordinance 177-O-035. Motion carried 5-0.

Fund Transfer 2022-100-1: Parks & Land Use – Transfer Funds from Personnel Expenses to Fixed Assets

Brunner said this fund transfer is requested to procure an electric 2-person scissors lift for use of the park system but mainly at the Expo Center. A new lift is needed as the existing lift is no longer operable, nor cost effective to continue to repair. The lift is used on a weekly basis at all Expo buildings to change light bulbs, replace air filters, service rooftop A/C condensers, clean gutters, paint structures, and set up wall and ceiling treatments and lights for events. The lift is also used at both Waukesha County Ice Arenas for similar tasks, as well as at other park facilities when needed for tree trimming, painting, power washing, and other tasks. Currently, staff are borrowing a lift from the Department of Public Works when it is available, but the availability does not come close to meeting the need, so the only other option is a costly rental of the equipment from a private vendor. Based upon staffing shortages in the seasonal aquatic program, the department is anticipated to underspend its seasonal help budget in 2022, making \$17,000 available for transfer.

MOTION: Bangs moved, second by Enriquez to approve Fund Transfer 2022-100-1. Motion carried 5-0.

Ordinance 177-O-036: Abolish One Regular Part-Time Senior Administrative Specialist And Create One Regular Full-Time Programs And Projects Analyst In The Department Of Parks & Land Use

Shaver discussed this ordinance and said the Community Development Fund budget currently includes one regular part-time Senior Administrative Specialist position (0.6 FTE or 1,248 hours), Open Range 03 (\$20.09/hr. minimum, \$23.34/hr. mid-point, \$26.58/hr. maximum). This ordinance requests the abolishment of this part-time position and the creation of one regular, full-time Programs and Project Analyst (1.0 FTE), Open Range 10 (\$28.29/hr. minimum, \$32.85/hr. mid-point, \$37.40/hr. maximum).

The partial-year impact of this position change is estimated at about \$14,500. Due to current year position vacancies, the additional personnel costs can be absorbed in the 2022 Budget without additional budget modification. The annualized impact of the position change is estimated at \$35,000 and will be built into the department's proposed 2023 budget. Staff indicated that additional funding provided through recent grant awards should be able to sustain the increased personnel costs through mid-year 2030. Both the position being abolished and the proposed position being created are sunset positions with continuation subject to availability of outside revenue sources.

MOTION: Gaughan moved, second by Foti to approve Ordinance 177-O-036. Motion carried 5-0.

Closed Session

MOTION: Foti moved, second by Gaughan to convene in closed session at 11:15 a.m. pursuant to Section 19.85(1)(g), Wisconsin Statutes, to confer with staff and Corporation Counsel who is rendering oral advice concerning strategy to be adopted with respect to the potential compromise of pending litigation, David Thomas vs. County of Waukesha, and to approve the closed session minutes of June 22. Motion carried 5-0.

The committee returned to open session at 11:33 a.m.

Approve Full and Final Compromise Agreement, David Thomas vs. County of Waukesha

MOTION: Foti moved, second by Gaughan to approve the Full and Final Compromise Agreement for David Thomas vs. Waukesha County as presented in closed session. Motion carried 5-0.

MOTION: Foti moved, second by Gaughan to adjourn at 11:38 a.m. Motion carried 5-0.

Respectfully submitted,

Tyler J. Foti

Tyler J. Foti
Secretary