

Minutes of the Finance Committee

Wednesday, August 21, 2019

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

Present: Supervisors Jim Heinrich, Duane Paulson, Tim Dondlinger, Tyler Foti, Richard Morris, and Ted Wysocki. **Absent:** Tom Michalski.

Also Present: Chief of Staff Mark Mader, Legislative Policy Advisor Sarah Spaeth, Business & Collections Services Manager Lyndsay Johnson, Principal Financial Projects Analyst Bob Ries, Workforce Development Board Director Laura Catherman, Justice Services Coordinator Rebecca Luczaj, Airport Manager Kurt Stanich, Budget Manager Linda Witkowski, Parks & Land Use Director Dale Shaver, Parks System Manager Steve Brunner, Budget Management Specialist Bill Duckwitz, Corporation Counsel Erik Weidig, County Board Chair Paul Decker, Principal Information Technology Professional Tony Limoni, Accounting Services Manager Danielle Igielski, Internal Audit Manager Lori Schubert, Senior Financial Analysts Steve Trimborn and Clara Daniels, and County Board Supervisors Darlene Johnson and Dave Swan.

Approve Minutes of July 17

MOTION: Paulson moved, second by Morris to approve the minutes of July 17. Motion carried 6-0.

Next Meeting Date

- September 4 & 18

Chair's Executive Committee Report of August 19

Heinrich said the Executive Committee heard an update on the Waukesha Center for Growth and a report on the National Association of Counties (NACo) Conference, and approved three appointments.

Contract Procurement Process for Implementation of Data Access Governance Solution

Johnson and Limoni indicated this five-year contract was awarded to AvePoint Public Sector, Inc., for a total contract cost of \$355,000. The budgeted amount is \$300,000. The first year cost was negotiated down to \$137,400. Six contractors submitted proposals for consideration.

Answering Paulson's question regarding the price differences on the form, Johnson explained the lower price of \$355,000 versus the spreadsheet amount.

MOTION: Dondlinger moved, second by Morris to approve the contract procurement process for the Data Access Governance Solution. Motion carried 6-0.

Investments Report for Six Months Ended

Ries and Igielski reviewed the investments report including valuation at cost, valuation at market, total investment income and balances, and the County's portfolios. The total return for the quarter was up one basis point from the last quarter, at 0.59%. For the year ending June 30, 2019, County investments returned 2.11%. This is the first time since the 2nd quarter of 2013 that the one-year ending return for County investments exceeded 2%. Total interest earnings for the quarter were \$1,055,337, down \$13,629 from the 1st quarter due to decreased invested balances due to timing of

receipt of proceeds from the County's 2019 bond issue. Interest income is also up \$270,790 from the 2nd quarter of 2018. Average invested balances decreased \$5.4 million from the 1st quarter. The average daily balance at the end of the 2nd quarter was \$177,501,546.

MOTION: Wysocki moved, second by Morris to accept the investments report for six months ended. Motion carried 6-0.

Ordinance 174-O-048: Authorization To Apply For And Accept Grant Funds To Develop A Strategic Plan For The Waukesha-Ozaukee-Washington County Workforce Development Board

Catherman discussed this ordinance to accept a new funding source for the 2019 budgeted update to the Waukesha-Ozaukee-Washington (WOW) Workforce Development Board strategic plan and to identify key action steps to support the strategic objectives to continue to be responsive to workforce needs. The strategic plan update was previously funded using Workforce Innovation Opportunity Act (WIOA) administration grant funding. This new funding source provided by the Nonprofit Management Fund provides the department with the ability to use WIOA administration grant funding which has a two year spending period to cover other future administration costs. This ordinance has no net fiscal impact.

MOTION: Paulson moved, second by Foti to approve Ordinance 174-O-048. Motion carried 6-0.

Report on Alcohol Treatment Fees and Revenue Goals

Luczaj discussed the report titled "OWI Treatment Court Program fee Revenue Summary for 2009-2019" as outlined. The caseload capacity is 40 participants and the caseload as of August 2019 was also 40. Actual revenues during the first half of 2019 totaled \$25,222. The amount budgeted for all of 2019 is \$27,893.

MOTION: Paulson moved, second by Foti to accept the report on alcohol treatment fees and revenue goals. Motion carried 6-0.

Contract Procurement Process for Snow Removal Services at the Airport

Stanich indicated this five-year contract was awarded to Anderson Landscape & Maintenance LLC for a total contract cost of \$1,539,331. The first year budgeted amount is \$290,000 and the first year cost is \$289,940. Five contractors submitted proposals for consideration.

MOTION: Morris moved, second by Dondlinger to approve the contract procurement process for snow removal services at the Airport. Motion carried 6-0.

Status Report on the Contingency Fund for Six Months Ended

Witkowski said there were no contingency fund transactions during the first quarter although during the second quarter, \$92,638 was transferred, via ordinance, for an independent audit of the 2018 Transit program. The balance at the end of the 2nd quarter was \$1,107,362.

MOTION: Dondlinger moved, second by Foti to accept the 2019 Contingency Fund report for six months ended. Motion carried 6-0.

Special Revenue and General Funds Report for Six Months Ended

Witkowski reviewed the Special Revenue Fund and said for six months ended all funds are projected to finish the year with overall favorable results. Health and Human Services staff estimate that overall spending in the Aging and Disability Resource Center Contract Fund may

exceed budget by about \$40,000 due to the state allocating additional funding remaining from 2018. The department will submit an ordinance requesting additional expenditure authority if the need for additional spending materializes. Bridges Library System staff plans to submit a request for a funds transfer between appropriation units for the State/Federal fund budget.

Witkowski said for the first six months of 2019, total General Fund expenditures were at about \$80.3 million or 43.9% of the total modified expenditure budget versus expenditures for the same period in 2018 at \$78.6 million or about 46.4% of total 2018 actual expenditures. In 2019, for the first six months, expenditures are higher than the prior-year by about \$1,659,846 or 2.1%, mostly in personnel costs. Operating revenues achieved during the first six months of 2019 are at \$37.3 million or about 40.6% of the modified revenue budget versus about \$35.3 million for the first six months of 2018 or approximately 41.3% of total 2018 revenues. Revenues are greater than the prior year by about \$1.9 million or 5.4%. At this time, overall year-end results are projected to be favorable (revenues exceeding expenditures) by about \$1.3 million, or 0.71% of the \$182,734,380 million expenditure budget. Witkowski advised of potential year-end fund transfers.

MOTION: Dondlinger moved, second by Foti to accept the Special Revenue and General Funds report for six months ended. Motion carried 6-0.

Ordinance 174-O-050: Execute Subgrantee Agreements And HUD Grant Agreement For Community Development Block Grant (CDBG) And Home Investment Partnership (HOME) Programs For The 2020 Program Year

Shaver discussed this ordinance which authorizes the County Executive to execute agreements with the Federal Government to accept up to \$2,700,039 of Community Development Block Grant (CDBG) and Home Investment Partnership (HOME) grants and program income as shown below.

Funding Purpose	CDBG	HOME	TOTALS
2020 Subgrantee HUD Grant Amounts	\$1,405,009	\$1,295,030	\$2,700,039
2020 Revolving Loan/Program Income	\$ 355,000	\$ 200,000	\$ 555,000
2020 Estimate	\$1,760,009	\$1,495,030	\$3,255,039

If the Federal Housing and Urban Development (HUD) funding allocation awards are less than the estimated amount, the CDBG and HOME Consortium Boards will make appropriate reductions to subgrantee grant amounts, and send a notification of any decreases to the Finance Committee. The Community Development expenditures will be limited to the amount of the HUD award notifications. All sub-grantee agreements for projects will include clauses providing for grant funding decreases, if necessary. If the final Federal appropriation amount is greater than the estimated amount of \$2,700,039 an ordinance to appropriate the additional funding will require future County Board approval. This ordinance has no direct tax levy impact.

MOTION: Paulson moved, second by Morris to approve Ordinance 174-O-050. Motion carried 6-0.

Golf Course Operations Overview

Shaver gave an overview of the County's golf course operations as outlined in a Power Point including an overall decline of rounds played, general financial constraints facing the County and also the parks, and fund balance issues. He will provide more information on overhead charges to Wanaki that will not go away due to closure such as allocation of staffing costs. Those costs would not be saved by closing and they would still continue according to Dondlinger. Ongoing costs of closure will also be provided. Addressing Paulson's questions, Shaver responded that \$400,000 to

\$500,000 pertaining to golf course fund balance are in the Ice Arena Fund. Shaver indicated further information will be forthcoming.

Ordinance 174-O-049: Authorize The Acceptance Of Donated Technical Trail Features For The Minooka Park Mountain Bike Trails

Brunner discussed this ordinance which will allow the department to accept technical trail features for the Minooka park mountain bike trails from Metro Mountain Bikers, Inc. It is estimated that this equipment has a net book value of \$0 due to being fully depreciated. The department expects implementation of the features along the existing mountain bike trails in Minooka Park will reduce trail maintenance time and costs and enhance the attraction of the trail system to mountain bike riders. This ordinance has no direct tax levy impact.

MOTION: Morris moved, second by Dondlinger to approve Ordinance 174-O-049. Motion carried 6-0.

Capital Projects Status Report for Six Months Ended

Duckwitz reviewed the 2019 six-month status report on capital projects as outlined including project title, current appropriations, expenditures, balances and percent complete for design, bid, and construction. No major concerns were voiced.

MOTION: Morris moved, second by Wysocki to accept the Capital Projects status report for six months ended. Motion carried 6-0.

Closed Session

MOTION: Paulson moved, second by Morris to go into closed session at 11:45 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, Bob Wiedeman vs. Waukesha County, and to approve the closed session minutes of March 20, 2019. Immediately following closed session, the Committee will reconvene in open session. Motion carried 6-0.

Consider and Approve Compromise Settlement Regarding Bob Wiedeman vs. Waukesha County

MOTION: Dondlinger moved, second by Morris to approve the compromise settlement for Bob Wiedeman vs. Waukesha County as presented. Motion carried 6-0.

State Legislative Update

Spaeth updated the committee on the status of legislative issues.

MOTION: Dondlinger moved, second by Morris to adjourn at 12:00 p.m. Motion carried 6-0.

Respectfully submitted,

Thomas A. Michalski

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Secretary