

Waukesha County Board of Supervisors

Minutes of the Finance Committee Wednesday, March 16, 2022

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 Administrative Specialist Mary Pedersen, Engineering Services Manager Karen Braun, Accounting Services Coordinator Kristen Tranel, Public Health Manager Ben Jones, Administrative Services Manager Randy Setzer, Deputy Health & Human Services Director Lisa Roberts, Accounting Services Manager Danielle Igielski, Principal Risk Management Analyst Mark Jatczak, Risk/Purchasing Manager Laura Stauffer, Budget Manager Bill Duckwitz, Business Manager Steve Trimborn, Workforce Development Board Director Laura Catherman, County Board Chair Paul Decker, Principal Assistant Corporation Counsel Kim Haines, Financial Analyst Brad Blicharz, Business/Collections Services Manager Lyndsay Johnson, Collections Supervisor Michele Gallun, Human Resources Manager Renee Gage, Senior Human Resources Analyst Natalie Durr, Principal Human Resources Analyst Whitney Ruiz, Budget Manager Bill Duckwitz, Clerk of Courts Monica Paz, Budget Manager Josh Joost, Inspector Jim Gumm, Deputy Inspector Patrick Esser, Financial Analyst Cathy Kienast, Corporation Counsel Erik Weidig, and Senior Financial Analysts Michelle Czech and Alex Klosterman.

Contract Procurement Process for Real Estate Acquisition – CTH O-CTH I to CTH ES, Capital Project #201610

Braun said the contract was awarded to G.A. Bock & Associates, Inc. dba Southern Wisconsin Appraisal, the highest rated proposer, for a total contract cost of \$178,150. Waukesha County's portion is 20% or \$35,600 (the amount budgeted) and the remaining will be paid by WisDOT via federal grant. Two contractors submitted bids for consideration.

MOTION: Wysocki moved, second by Gaughan to approve the contract procurement process for real estate acquisition – CTH O-CTH I to CTH ES. Motion carried 6-0.

Ordinance 176-O-124: Modify The Department Of Health And Human Services 2022 Budget To Transfer And Appropriate Additional Expenditures Funded By The American Rescue Plan Act (ARPA) Provided By Federal Centers For Disease Control And Prevention Through The Wisconsin Department Of Health Services For Continued Covid-19 Pandemic Response

Jones, Roberts, and Setzer were present to discuss this ordinance which modifies the 2022 Health and Human Services (HHS) budget to appropriate \$716,500 of additional expenditure authority in the Special Purpose Grant Fund and increases general government revenue of \$716,500 from Public Health American Rescue Plan Act (PH-ARPA) funding. This ordinance also transfers \$459,279 of existing budget authority and PH-ARPA revenue from the HHS Public Health Division General Fund to the Special Purpose Grant Fund.

PH-ARPA can be used for pandemic response, mitigation, and recovery, and the 2022 adopted budget included \$459,279 for a partial-year of funding for these efforts, with a plan to monitor conditions during the year and request the use of additional funds during 2022 if evaluation warranted it. Staff indicated that it is still necessary to continue these efforts with the additional \$716,500 and will shift COVID-19 case investigation and contact tracing efforts to higher-priority prevention and response activities that require fewer temporary staff, in alignment with new recommendations by the Wisconsin Department of Health Services. The County will now focus on contacting individuals who are 70 and older who are not affiliated with a long-term care facility. The additional funding will be used for temporary staff, software, and interdepartmental technology and communication charges.

The 2022 adopted budget originally assumed that the PH-ARPA funding would be accounted for in the Public Health-General Fund budget. The staff managing the funding recommend that these funds be transferred to the Special Purpose Grant Fund to simplify the accounting and reporting of these funds on a project basis, as that fund was intended to facilitate. This ordinance results in no direct tax levy impact.

MOTION: Paulson moved, second by Wysocki to approve Ordinance 176-O-124. Motion carried 6-0.

Year-End Claims Report

Jaczak discussed the year-end 2021 report on Workers Compensation and indicated 104 claims were opened and 34 remained open at year-end. The total incurred was \$374,390. Stauffer said 48 general liability claims were opened and 10 remained open. The total incurred was \$94,068 incurred. Regarding auto liability, 15 claims were opened and 1 remained open. The total incurred was \$12,447. She noted that 25 auto physical damage claims were opened, 7 remained open and the total incurred was \$103,426. In the area of property damage, 42 claims were opened, 22 remained open, and the total incurred was \$175,725. Staff reviewed some of the larger claims that opened and closed in 2021.

MOTION: Michalski moved, second by Nelson to accept the year-end claims report. Motion carried 6-0.

Year-End Collections Report

Johnson and Gallun were present to discuss the report titled "Collections Division Delinquent Collection/Referral Analysis 2021 Year-End Report" as outlined. At the end of 2021, collections totaled \$4,231,181 and of that, \$2,498,353 was retained by the County. Twelve-month collections increased 17.3% from 2020 and 10.7% from 2019.

MOTION: Wysocki moved, second by Paulson to accept the year-end collections report. Motion carried 6-0.

Approve Minutes of February 16

MOTION: Nelson moved, second by Gaughan to approve the minutes of February 16. Motion carried 6-0.

Next Meeting Date

- April 6

Legislative Update

Ignatowski gave an update on redistricting, advised of a state staffing request by the District Attorney, and a report on alternate road and GTA funding options. He said the legislature is out of session. He said the EV charger bill is dead but the legislature did pass bills to increase workers compensation payments and provide funds for a new Milwaukee juvenile facility.

Ordinance 176-O-117: Modify The 2022 Workforce Fund Budget And Carryover Budget Authority From 2021 To 2022 For The Worker Advancement Initiative Grant Program

Trimborn and Catherman were present to discuss this ordinance which authorizes the Workforce Fund to carryover \$1,006,173 of Workforce Advancement Initiative grant funding from the Department of Workforce Development from 2021 to 2022 to fund contracted employment services. The grant was accepted/appropriated through an ordinance in November of 2021 with the intention of carrying over the majority of funding. The grant period is through September 30, 2023. There is no direct tax levy impact related to this ordinance.

MOTION: Michalski moved, second by Gaughan to approve Ordinance 176-O-117. Motion carried 6-0.

Ordinance 176-O-118: Modify The 2022 Community Development Fund To Accept Additional Community Development Program Income And Carryover Budget Authority From 2021 To 2022

Trimborn discussed this ordinance which authorizes the Community Development Fund to accept excess 2021 CDBG and HOME program income and modifies the budget accordingly. The ordinance also authorizes the carryover of operating expenditure authority for the CDBG, HOME, Coronavirus, and Emergency Rental Assistance grants from 2021 to 2022.

The department will not be requesting carryover for some previously appropriated grant funding. The U.S. Treasury Department required that \$1,160,963 of the \$12.1 million be returned due to lower program spending needs. These funds were then reallocated to the jurisdictions with higher emergency rental needs. The \$5,702,977 requested for carryover exclude the returned amount. In addition, the County was awarded \$14,398,531 of federal rental assistance funding allocated through the State which will not be spent due to lower program spending needs and is not requested for carryover. This ordinance results in no direct tax levy impact.

MOTION: Nelson moved, second by Paulson to approve Ordinance 176-O-118. Motion carried 6-0.

Announcements

Spaeth reminded supervisors to take security training if they have not already done so. Invitations for the outgoing supervisors party went out.

Ordinance 176-O-126: Establish Salaries For Sheriff, Clerk Of Courts, And County Executive For 2023 – 2026

Spaeth advised two amendments by supervisors Dave Zimmermann and Jeremy Walz, to reduce the pay increases, failed at Human Resources Committee as did the ordinance as written which she discussed further. Gage and Durr were present to discuss this ordinance. Gage said reasonable salaries are necessary to attract qualified candidates to these full-time elected department head positions and they felt it is necessary to provide an equity adjustment in 2023 commensurate to the positions scope and responsibilities.

The salary for the Sheriff effective the pay period containing January 1 of the calendar year shall be: \$129,002 (\$62.02/hr.) in 2023; \$132,227 (\$63.57/hr.) in 2024; \$135,533 (\$65.16/hr.) in 2025; and \$138,921 (\$66.79/hr.) in 2026. The salary for the Clerk of Courts effective the pay period containing January 1 of the calendar year shall be: \$100,007 (\$48.08/hr.) in 2023; \$102,507 (\$49.28/hr.) in 2024; \$105,070 (\$50.51/hr.) in 2025; and \$107,697 (\$51.78/hr.) in 2026. The salary for the County Executive effective the first pay period following the 3rd Tuesday in April of the following calendar years: \$130,000 (\$62.50/hr.) in 2023; \$133,250 (\$64.06/hr.) in 2024; \$136,581 (\$65.66/hr.) in 2025; and \$139,996 (\$67.31/hr.) in 2026. The current salaries for the Sheriff, Clerk of Courts, and County Executive are \$116,947, \$88,417, and \$117,792, respectively.

The chart below details the estimated annual fiscal impact of the elected official salary adjustments proposed in this ordinance. The ordinance includes an equity adjustment in 2023 followed by a 2.5% annual increase for the remainder of the four-year terms. The terms of office for the Sheriff and Clerk of Courts correspond to calendar years, with annual salary adjustments effective at the beginning of the year. The term of office for the County Executive begins on the third Tuesday of April, with salary adjustments effective at that time each year. The impact of this change will be incorporated into the 2023 and later budget processes.

Sheriff, Clerk of Courts and County Executive					
	2022 Base Salary	2023 Proposed	2024 Proposed	2025 Proposed	2026 Proposed
Yearly Salaries (a)	\$323,156	\$359,009	\$367,984	\$377,184	\$386,614
Social Security	\$24,721	\$27,465	\$28,151	\$28,854	\$29,576
Retirement Contribution	\$27,483	\$30,482	\$31,244	\$32,026	\$32,826
Post-Employment Health Contribution (b)	\$11,154	\$11,345	\$12,420	\$12,690	\$12,965
Total Cost	\$386,514	\$428,301	\$439,799	\$450,754	\$461,981
Cost Increase (Decrease) From Prior Year (b)		\$41,787	\$11,498	\$10,955	\$11,227
Percent Increase (b)		10.8%	2.7%	2.5%	2.5%

(a) For comparability purposes, figures displayed assume 2,080 hours per year.

(b) The higher increase in 2024 compared to 2025 and 2026 is due to the post-employment health contribution. County policy provides full-time elected officials with a contribution equal to 3% of their prior-year salary and a flat \$550 (equal to that provided to full-time, non-represented employees), in recognition that elected officials do not accrue sick leave like regular employees during their term of office. Since this contribution is based on prior-year salary, the impact of the equity adjustment in 2023 is delayed until 2024 for this benefit.

The ordinance was discussed in length with Paulson and Heinrich speaking in support of the ordinance. Wysocki said he would not support it due to it being defeated in Human Resources Committee.

MOTION: Paulson moved, second by Michalski to approve Ordinance 176-O-126. Motion carried 5-1. Wysocki voted no.

Annual Report on Employee Performance Evaluations and Awards

Gage and Ruiz discussed this report which included information on evaluation ratings for all regular full- and part-time employees in 2021, performance awards for eligible employees, merit base performance awards for open system employees, non-base performance awards for open and step

system employees. The total possible cost if everyone received the maximum base and non-base awards was \$3,296,977 and the total actual cost for base and non-base awards was \$2,492,587. This compares to 2020 when these figures were \$3,264,043 and \$2,441,541, respectively. A total of 883 employees were eligible in 2021 compared to 868 in 2020.

MOTION: Paulson moved, second by Nelson to accept the annual report on performance evaluations and rewards. Motion carried 6-0.

Ordinance 176-O-125: Modify The 2022 Corporation Counsel, Child Support Division Budget To Appropriate Additional Expenditure Authority Funded With Additional Revenue Allocated By The State Of Wisconsin

Haines and Blicharz were present to discuss this ordinance which modifies the Child Support 2022 budget for additional funding from the State in the amount of \$74,092 due to higher state GPR and IV-D federal contract funding, offset by slightly lower Medical Support Liability revenues. Haines said the funds will be mainly used for projects, office improvements, equipment upgrades, and training which will provide a long-term benefit to the Child Support Division. General government revenues are increased by \$74,092, personnel costs by \$4,656 and operating expenses by \$69,436. Any portion not expended during 2022 may be requested to be carried over to the 2023 budget through the annual carryover ordinance. This ordinance has no direct impact on the 2022 tax levy.

MOTION: Paulson moved, second by Gaughan to approve Ordinance 176-O-125. Motion carried 6-0.

Annual Update on Grant/Sunset Positions

Duckwitz discussed the report as outlined. So far in 2022 there are 126 full-time and 24 part-time/extra help sunset positions, most of which are in Health & Human Services and the Sheriff's Department. This compares to 2021 when there were 118.50 full-time and 20 part-time/extra help sunset positions.

MOTION: Paulson moved, second by Gaughan to accept the 2021 grant/sunset positions report. Motion carried 6-0.

Capital Projects Cost Performance Report and Approve Closeout Reserves

Duckwitz discussed this report which included information on capital project title, project status (percent complete), expenditures, and balances. Duckwitz asked the committee to increase the highway project reserve account \$3,000. Enrolled ordinance 146-73 established a reserve account for certain highway capital projects in which bills are received after project completion for work funded in part with federal and state aid. After the funds are reserved the project will be closed.

MOTION: Paulson moved, second by Wysocki to accept the 2021 capital projects cost performance report and increase the Highway Project Reserve Account \$3,000 for the CTH ES, Fox River Bridge, Capital Project #201004. Motion carried 6-0.

Ordinance 176-O-123: Authorize The Waukesha County Sheriff's Department To Amend The 2019-2023 Police Patrol Services Contract With The Village Of Sussex, Create An Additional 2.00 FTE Deputy Sheriff Positions For The Contract Beginning July 1, 2022, And Amend The 2022 Sheriff's Department Budget Accordingly

Gumm and Joost were present to discuss this ordinance which modifies the existing municipal police patrol services contract with the Village of Sussex, and creates two regular, full-time (2.00 FTE) deputy sheriff positions (salary range \$60,091 - \$78,520). These positions and related costs would be funded entirely by the Village of Sussex. The positions would be authorized to begin on July 1, 2022 and the term of the existing contract ends on December 31, 2023. If the Village of Sussex chooses not to continue funding these positions in future, the positions will sunset.

This ordinance modifies the 2022 Sheriff's Department budget by increasing expenditure authority and revenue by \$158,675 to cover the costs associated with this contract amendment for the last six months of 2022. This ordinance is funded with municipal contract revenue and does not result in a direct levy impact.

Wysocki was concerned about the high amount of overtime due to a lack of personnel in the Sheriff's Department and will these positions be ready July 1. He believes this has a significant impact on overtime in the Sheriff's Department. Michalski asked if these two new positions for the Village of Sussex could result in overtime in the Sheriff's Department? Gumm said it is possible. Michalski and Wysocki felt this was a fundamental issue that needs to be addressed.

MOTION: Paulson moved, second by Nelson to approve Ordinance 176-O-123. Motion carried 5-1. Wysocki voted no.

Closed Session

MOTION: Paulson moved, second by Gaughan to convene in closed session at 11:12 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 pending litigation, Sarah Kralovetz vs. County of Waukesha, and to approve the closed session minutes of December 15. Motion carried 6-0.

MOTION: Paulson moved, second by Gaughan to return to open session at 11:28 a.m. Motion carried 6-0.

MOTION: Wysocki moved, second by Michalski to adjourn at 11:28 a.m. Motion carried 6-0.

Respectfully submitted,

Thomas A. Michalski

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Secretary