

Waukesha County Board of Supervisors

Minutes of the Finance Committee Wednesday, February 21, 2024

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

Present: Supervisors Jim Heinrich, Larry Bangs, James Batzko, Darryl Enriquez, Joel Gaughan, Richard Morris, Gary Szpara

Also Present: Chief of Staff Sarah Spaeth, Legislative Policy Advisor Sarah Fraley, Administrative Specialist Barbara Hollander, District Attorney Michael Thurston, Office Services Coordinator Julie Delain, Support Staff Supervisor Rebecca Gifford, Financial Analyst Brad Blicharz, W-O-W Board Director Analiese Smith, Public Health Manager Ben Jones, Administrative Services Manager Randy Setzer, Director of Public Works Allison Bussler, Engineering Services Manager Brett Wallace, Business Manager Rhiannon Cupkie, Senior Human Resources Analyst Natalie Durr, Human Resources Manager Renee Gage, Director of Administration Andy Thelke, Budget Manager Bill Duckwitz, Senior Financial Analyst Tyler Livesey, Senior Financial Analyst Willem Weigel, Principal Financial Analyst Bob Ries, Accounting Services Manager Marisa Schlichting, Senior Landscape Architect Lynda Fink, Corporation Counsel Erik Weidig, Risk/Purchasing Manager Laura Stauffer, Supervisor Darlene Johnson, County Clerk Meg Wartman, Justin Fischer (Baird), Jordan Boehm and Mike Anderson from CliftonLarsonAllen

Discuss and Consider Ordinance 178-O-092 Modify The 2024 District Attorney's Office Budget For Justice Premiere Software And Appropriate Additional Expenditures

Thurston, Delain, Gifford and Blicharz presented that this ordinance modifies the 2024 District Attorney budget by increasing operating expenses by \$48,319 and increasing the use of General Fund balance by \$48,319 to pay for the first-year subscription for the Justice Premiere software. This contract is expected to increase in cost 4% annually. The department intends to fund this subscription beginning in the 2025 budget through a combination of staffing level adjustments and reductions to operating expenses (e.g., physical evidence storage, such as thumb drives, and transcription costs) that are expected to be possible in part due to efficiencies gained from this software. Department management indicates that the plan to absorb these costs will be refined as system functionality is implemented.

MOTION: Bangs moved, second by Enriquez to approve Ordinance 178-O-092. Motion carried 7-0

Discuss and Consider Ordinance 178-O-086 Modify The 2024 Workforce And Economic Development Fund Budget To Accept The Employ Milwaukee Skills To Build Grant And Appropriate Expenditures

Smith presented that this ordinance will modify the 2024 Parks and Land Use - Workforce and Economic Development Fund budget, accept the Employ Milwaukee Skills to Build grant of \$1,518,349 and authorizes expenditure authority of \$1,366,514. The remaining \$151,835 of grant funds are reimbursement for estimated indirect costs at 10% of the total grant, which is already included in the budget and does not require additional appropriation.

MOTION: Batzko moved, second by Szpara to approve Ordinance 178-O-086. Motion carried 7-0

Discuss and Consider Ordinance 178-O-093 Modify The Waukesha Department Of Health And Human Services 2024 Budget To Appropriate Expenditures And Authorize DHHS To Accept The Cash Donation From Froedtert Health

Jones presented that this ordinance will modify the 2024 Department of Health and Human Services budget and authorize the Waukesha County Department of Health and Human Services to accept \$3,500 in cash donations from Froedtert Health to support the 2024 Community Health Improvement Plan (CHIP) kick-off event.

MOTION: Morris moved, second by Enriquez to approve Ordinance 178-O-093. Motion carried 7-0

Discuss and Consider Ordinance 178-O-096 Modify The Department Of Health And Human Services 2024 Budget To Accept The Healthy Brain Initiative Road Map Strategist Grant Funding And Appropriate Additional Expenditures

Jones presented that this ordinance authorizes the Department of Health and Human Services (HHS) to accept the Healthy Brain Initiative Road Map Strategist (HBI) grant of \$48,000 and modifies the 2024 budget to appropriate \$30,614 of additional operating expenses and increase general government revenue of \$30,614. The Healthy Brain Initiative Road Map Strategist (HBI) grant can be used to increase knowledge and awareness about Alzheimer's as a public health issue, expand the understanding of the impact and burden of cognitive impairment, and advance public health strategies to address cognitive health. Personnel expenses of \$17,386 are already in the budget, but not included in this ordinance. The grant period is through November 30, 2024.

MOTION: Gaughan moved, second by Batzko to approve Ordinance 178-O-096. Motion carried 7-0

Discuss and Consider Ordinance 178-O-094 Create 1.00 FTE Senior Mental Health Counselor Position And Abolish 1.00 FTE Registered Nurse Position In The Department Of Health And Human Services

Setzer presented that this ordinance would authorize the Department of Health and Human Services to create a 1.0 FTE Senior Mental Health Counselor and abolish a 1.0 FTE Registered Nurse. Due to workforce recruitment challenges within today's labor market, department management is requesting to create a Senior Mental Health Counselor position to carry out the duties previously assigned to a difficult-to-fill Registered Nurse position within the Mental Health Center. This will allow the county to broaden the scope of recruitment efforts.

This position change is estimated to result in \$13,700 of lower costs on an annualized basis (not including potential changes in employee benefit plan selection), assuming the respective mid-points in each salary range.

MOTION: Bangs moved, second by Enriquez to approve Ordinance 178-O-094. Motion carried 7-0

Discuss and Consider Ordinance 178-O-090 Modify The 2024 Capital Project Budget To Increase Expenditures For Capital Project #201005 – CTH I, CTH ES To CTH O Rehabilitation

Bussler, Cupkie and Wallace presented that this ordinance modifies the 2024 Capital Projects budget to increase expenditures by \$236,981 for project #201005 CTH I, CTH ES to CTH O Rehabilitation. The county maintains a Highway Capital Project Reserve Fund (separate from the Capital Project Fund and

funded by remaining project balances) to cover invoices received after projects have closed. The post-closure invoice for this project exceeds the \$93,766 balance currently in the reserve fund. This ordinance would approve the use of \$236,981 of Capital Project Fund balance to cover this invoice.

MOTION: Morris moved, second by Gaughan to approve Ordinance 178-O-090. Motion carried 7-0

Discuss and Consider Ordinance 178-O-091 Modify The 2024 Capital Project Budget To Increase Expenditures For Capital Project #200810, CTH CW At Ashippun River Bridge

Bussler, Cupkie and Wallace presented that this ordinance modifies the 2024 Capital Projects budget to increase expenditures by \$89,872 for project #200810 CTH CW at Ashippun River Bridge. The county maintains a Highway Capital Project Reserve Fund (separate from the Capital Project Fund and funded by remaining project balances) to cover invoices received after projects have closed. The post-closure invoice for this project exceeds the \$93,766 balance currently in the reserve fund. This ordinance would approve the use of \$89,872 of Capital Project Fund balance to cover this invoice.

MOTION: Enriquez moved, second by Bangs to approve Ordinance 178-O-091. Motion carried 7-0

Discuss and Consider Ordinance 178-O-097 Establish Salaries For County Clerk, Register Of Deeds, And Treasurer For 2025 – 2028

Spaeth said the ordinance was amended by the Human Resources Committee and they would be working off of that amended version. The committee left the Register of Deeds and Treasurer as recommended, and they gave the County Clerk a 10% increase in 2025 and 1.5% each year after until 2028.

Gage, Durr and Thelke presented that this ordinance would establish salaries for the elected officials of County Clerk, Register of Deeds, and Treasurer for 2025 – 2028. The next four-year term of office for the County Clerk, Register of Deeds, and Treasurer will begin in 2025. A 3% salary increase is requested for the Register of Deeds in 2025 and, for internal equity purposes, a 4.4% salary increase is requested for the County Clerk and the Treasurer in 2025 to be in alignment with the Register of Deeds; and a 3% salary is requested for the County Clerk, Register of Deeds, and Treasurer in 2026, 2027, and 2028. Gage stated that the changes need to be enacted by the board before April 15 because that is when candidates can take out papers. Gage said the Department of Administration is not opposed to the amendment for the County Clerk's salary.

Gage said Wartman provided some additional salary information at the Human Resources Committee meeting, and some of that data is different than what Human Resources had provided. When the department reviewed that, they discovered that some counties provided them with 2023 salary information. Gage distributed an updated chart. She added that as far as rankings, it does make a difference for the County Clerk. With the data they had, the County Clerk position had been ranked 8 out of 12 and it slipped to 9 out of 12 for counties that had a 120,000+ population. The positioning for the Register of Deeds and Treasurer remains the same.

Thelke said they reviewed the initial data and for internal equity purposes, they thought having all three positions equal was a reasonable thing to do. He said this ordinance is not about the current incumbents, but for those who will be running for these offices in the future. Thelke said the Treasurer is an important position. They have relationships with every municipality in the County, collect multi-millions of dollars in taxes, handle our accounts payable and check writing, and have a strong relationship with DOA on finances, so recruiting the next Treasurer is important. If they had an opportunity to reconsider this, they would likely increase the first year salary by more, making it comparable to the other communities using 2024 data, and equalize them with the Register of Deeds. They would then continue on with the year to year increases for all three. That way the salaries are not disproportionate, and would result in a higher ending salary, which might not have to be adjusted in 2029 at a larger percentage.

Bangs voiced his concern with moving this forward at the board level because of the disparity of compensation in the three positions, which will be hard to unwind in the future if we feel those positions should be equally compensated.

Wartman said she did talk to the Register of Deeds, the Treasurer's office, and the County Executive's office about her concerns and presented them at the Human Resources Committee meeting. Not only did she address what the 2024 salaries were for some of the county clerks, but what they are getting across the state in 2025. There is a recognition across the state that the county clerk position has changed over the past 5 years. She stated she would be in support of having this go to the Board and it being referred back to Human Resources to address the salaries of the Treasurer and Register of Deeds.

Morris said we need to attract quality people to fill all three elected positions. He said they should be equal or almost equal in salary.

Gaughan said he doesn't see any downside to approving the ordinance as amended to bring it to the County Board floor next week.

Thelke stated that although the duties of the positions are different, the weight and importance of the responsibilities are similar. He said one of the reasons he would suggest sending it back to the Human Resources Committee is that they had a good discussion on the ordinance, which resulted in changes. He said the Register of Deeds was in support of it, but the Treasurer was not present for discussions. Thelke said if a change is made to make them all equal, the Human Resources Committee should have that discussion, and then a clean ordinance would be brought forward that all parties would be supportive of.

MOTION: Morris moved, second by Gaughan to approve Ordinance 178-O-097 as amended. Motion carried 4-3 (Bangs, Morris, Szpara)

Discuss and Consider Ordinance 178-O-098 Authorize The Issuance Of Not To Exceed \$20,800,000 General Obligation Promissory Notes For Capital Projects

Thelke, Duckwitz, Livesey and Fischer presented that this ordinance would authorize the issuance of \$20.8 million General Obligation Promissory Notes for capital projects included in the County's 2024

Capital Projects Expenditure Plan consisting of justice and law enforcement projects; public works projects; parks, environment, education and land use projects; and vehicle replacement projects.

MOTION: Morris moved, second by Batzko to approve Ordinance 178-O-098. Motion carried 7-0

Discuss and Consider Ordinance 178-O-099 Modify The 2024 Budget By Transferring Carryover Funds From 2023 Unexpended Appropriations To 2024 Budgeted Appropriations

Duckwitz presented that this ordinance would approve a budget modification to carry over \$1,192,050 in unspent funds from 2023 accounts into the 2024 budgets, to enable the purchase of goods and services.

MOTION: Szpara moved, second by Bangs to approve Ordinance 178-O-099. Motion carried 7-0

Year-End Investments Report

Ries discussed this report as outlined. The total return for the quarter was down 17 basis points from the previous quarter, at 0.77%, due mainly to a \$266,000 decrease in realized gains/losses on the sale of investments. For the year ending December 31, 2023, County investments returned 3.10%. Total interest earnings for the quarter were \$1,920,506, down \$1,000,133 from the 3rd quarter, due to both a decrease of \$63.9 million in the average invested balance consistent with the County's normal cash flow trend, as well as the decrease in realized gains/losses. Both negative impacts were partially offset by increased interest income due to the higher yields present in the market. The rolling four quarter average of quarterly invested balances dropped for the first time in several quarters as funds are being spent on the Courthouse project.

MOTION: Gaughan moved, second by Bangs to accept the year-end investments report. Motion carried 7-0

Annual Report on Interest Allocations

Ries discussed the 2023 report titled "Summary of Current Interest Allocations" as outlined, which included information on which funds include interest allocations, how authorized, and rationale. Total gross investment income in 2023 was \$8,696,637.

MOTION: Batzko moved, second by Szpara to accept the annual report on interest allocations. Motion carried 7-0

Audit Planning Report by CliftonLarsonAllen LLP

Anderson and Boehm gave a Governance Planning Discussion PowerPoint presentation on Waukesha County Auditing Planning. Included in the presentation were the Financial Statement Audit Service Plan and the Single Audit Service Plan (audit process overview, timeline, risk assessment process (revenue recognition and management override of internal controls), significant audit changes, governance input, evaluation of internal controls, substantive fieldwork, County deliverables, program determination and planning.)

Discuss and Consider RFQ #2023054 – Design & Construction Oversight Services for Lake Country Trail Phase 5

Fink presented that this RFQ is for design and construction oversight services on the Lake Country Trail Phase 5 capital project. There were four submissions and KL Engineering, Inc. was the highest-rated proposer. The total contract amount is to be negotiated; the budgeted amount is \$377,400 for both design and construction oversight contracts.

MOTION: Bangs moved, second by Morris to award RFQ #2023054 to KL Engineering, Inc. Motion carried 7-0

Discuss and Consider RFP #2023068 – Budget Task Force Consultant and Facilitator Services

Thelke presented that this RFP is to create a budget task force third party review of the County's finances from a projection standpoint to look into the future 5 to 10 years. There were four submissions and Raftelis Financial Consultants, Inc. was the highest rated proposer in the amount of \$117,750 prior to negotiations.

MOTION: Gaughan moved, second by Batzko to award RFP #2023068 to Raftelis Financial Consultants, Inc. Motion carried 7-0

CLOSED SESSION

MOTION: Gaughan moved, second by Bangs to convene in closed session at 11:08 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, Lacinda Sloan vs. County of Waukesha (D.O.I. 3/18/20) and Lacinda Sloan vs. County of Waukesha (D.O.I. 3/10/21), and approve closed sessions minutes of 11/22/23.

OPEN SESSION

The committee returned to open session at 11:25 a.m.

Approve Full and Final Compromise Agreement, Lacinda Sloan vs. County of Waukesha (D.O.I. 3/18/20)

MOTION: Batzko moved, second by Szpara to approve the full and final compromise agreement, Lacinda Sloan vs. County of Waukesha (D.O.I. 3/18/20). Motion carried 7-0

Approve Full and Final Compromise Agreement, Lacinda Sloan vs. County of Waukesha (D.O.I. 3/10/21)

MOTION: Morris moved, second by Enriquez to approve the full and final compromise agreement, Lacinda Sloan vs. County of Waukesha (D.O.I. 3/10/21). Motion carried 7-0

Approve Minutes of January 17

MOTION: Gaughan moved, second by Szpara to approve the minutes of January 17. Motion carried 7-0

Next Meeting Date

March 20

Executive Committee Report of February 19

Heinrich reported that the committee passed two ordinances on capital projects, heard the Baker Tilly audit update, approved the scope of the Wisconsin Medicaid Cost Reporting Process audit at Health and Human Services, and approved one appointment.

Legislative Update

Fraley reported that the governor signed the new legislative maps that both houses of the legislature passed last week, and gave an overview of what these changes mean to Waukesha County. Fraley also reported that the county is looking into various resources, including pursuit of congressional directed spending, to help with the deficit in the Moorland Road project.

MOTION: Szpara moved, second by Batzko to adjourn at 11:29 a.m. Motion carried 7-0

Respectfully submitted,



Richard Morris
Secretary – Finance Committee