

Minutes of the Finance Committee

Wednesday, January 16, 2019

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

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

Also Present: Chief of Staff Mark Mader, Parks & Land Use Director Dale Shaver, Parks System Manager Rebecca Mattano, Waukesha County Land Conservancy Executive Director Cheryl White, Register of Deeds Jim Behrend, Business Manager Lyndsay Johnson, Deputy Inspector Patrick Esser, Financial Analyst Josh Joost, Baker Tilly Partner Heather Acker, Accounting Services Manager Larry Dahl, Senior Financial Analysts Mark Yatchak and Steve Trimborn, Human Services Supervisor John Kettler, Accounting Services Coordinator Lisa Davis, Bridges Library Director Connie Meyer, Librarian Angela Meyers, Administration Director Norm Cummings, Human Services Manager Renee Gage, Budget Management Specialist Bill Duckwitz, Employee Benefits Administrator Andrea Mohr, Risk/Purchasing Manager Laura Stauffer, County Board Chair Paul Decker, County Board Supervisor Mike Crowley, Airport Manager Kurt Stanich.

Ordinance 173-O-079: Waukesha County Land Conservancy, Inc. Partnership Acquisition – Meyer Property

Shaver and Mattano were present to discuss this ordinance which authorizes the Department to provide a \$44,750 grant to the Waukesha County Land Conservancy from the Walter J. Tarmann Parkland Acquisition Fund. This grant provides a portion of the \$600,000 necessary for the Conservancy to purchase about 80 acres in the Town of Eagle. The remaining land acquisition cost will be funded with \$262,000 from the U.S. Fish and Wildlife Service and \$248,500 from the State of Wisconsin. This ordinance also authorizes the execution of an agreement for a buyout option that allows the County to purchase the 80-acre parcel for \$44,750 if the Land Conservancy seeks to sell the property. There is currently available expenditure appropriation authority in the 2019 Tarmann Fund budget to fund this purchase resulting in no change to the 2019 budget. The Waukesha County Land Conservancy will be responsible for the maintenance of the site. There is no direct tax levy impact.

MOTION: Michalski moved, second by Paulson to approve Ordinance 173-O-079. Motion carried 6-0.

Discuss and Consider Ordinance 173-O-082 Amend Sheriff's Department 2019 Budget For Expenditure Of Donated Funds

Johnson and Esser were present to discuss this ordinance. A canine unit was purchased in 2018 to replace one of the four canines that provide patrol and drug detention. The canine is not performing and the Department is replacing the canine under the one-year kennel warranty. This will require additional training costs of \$3,000 and travel expenses of \$300 that are not covered by the kennel's warranty. This ordinance increases the 2019 Sheriff's operating expenses budget by \$3,300 for this purpose. This increase will be funded with additional Other Revenue from the Waukesha County Deputy Sheriff's Association resulting in no additional direct tax levy impact.

MOTION: Wysocki moved, second by Dondlinger to approve Ordinance 173-O-082. Motion carried 6-0.

Discuss and Consider Ordinance 173-O-083 Accept The 2018 Cops Office Anti-Heroin Task Force Program Grant From The State Of Wisconsin Department Of Justice And Modify The Waukesha County Sheriff's Department 2019 Budget To Authorize Grant Expenditures

Johnson and Esser were present to discuss this ordinance to accept a two-year reimbursement grant award of \$60,000 from the State of Wisconsin for the Waukesha County Metropolitan Drug Enforcement Unit for overtime hours associated with heroin and opioid related cases. The overtime reimbursements can only be used for these types of cases and must be tracked separately from other types of overtime funds or functions. The ordinance modifies the 2019 Waukesha County Sheriff's Department budget for the first year of the grant by appropriating an additional \$30,000 of personnel expenditures for county overtime associated with heroin and opioid investigations. General government revenues are increased by an equal amount resulting in no additional tax levy impact.

MOTION: Paulson moved, second by Foti to approve Ordinance 173-O-083. Motion carried 6-0.

Audit Planning Report by Baker Tilly

Acker and Dahl discussed the external audit planning process for the year ending December 31, 2018. Acker noted the County has not had any material weaknesses in their financial statements for many years. The primary reason for an external audit is to issue an opinion as to whether the County's financial statements can be relied upon by outside users. The Comprehensive Annual Financial Report (CAFR) should be released in June or July. Acker further explained review of controls pertaining to departments and information technology and reviews they do on a rotational basis. Dahl went on to review standards for systems controls. Acker explained that GASB is not opposed to audit firms staying with a client for a long time. Acker responded to Mader's question regarding material weaknesses for local governments includes issues such as information technology controls, decentralization controls, etc.

Ordinance 173-O-084: Accept the Families of Women with Substance Use Disorders Grant and Modify the Department of Health and Human Services 2019 Budget to Appropriate Additional Revenues and Expenditures for Grant Activities (Committee)

Kettler and Davis were present to discuss this ordinance which authorizes the Department to accept a \$100,000 State grant and modifies the 2019 Department budget to appropriate the \$100,000 to develop a model to better coordinate and integrate services for families of women with substance use disorders. The purpose of the project is to use evidence-based practices to better integrate prenatal and postnatal services, substance use services, medication-assisted treatment, education services, and increase overall care coordination. Expenditures include \$60,000 to hire a contracted project coordinator to develop the care coordination model and conduct an environmental analysis of existing resources and unmet needs within the Waukesha County region. Project funds of approximately \$11,500 will fund training, travel, and supply costs of the coordinator and any Department staff assigned to develop the grant model. Additionally, based on project outcomes and the development of the care coordination model, nearly \$28,500 of grant funds will be used to enhance coordination and referral between human services programs and within the Public Health and Birth-to-Three program areas. This ordinance has no direct levy impact.

MOTION: Dondlinger moved, second by Paulson to approve Ordinance 173-O-084. Motion carried 6-0.

Ordinance 173-O-085: Accept the Urban youth Primary Substance Use Prevention Grant and Modify the Department of Health and Human Services 2019 Budget to Appropriate Grant Expenditures and Increase Revenues (*Committee*)

Kettler and Davis were present to discuss this ordinance which authorizes the Department to accept a \$50,000 State grant, and modifies the 2019 Department budget to appropriate expenditures to provide substance use prevention education. Grant funding of \$30,000 is budgeted to contract with a regional agency to provide the education at three middle schools in the Waukesha area (Butler, Horning, and Les Paul) in 2019. Additional temporary support staff will provide grant oversight and reporting with additional 4-5 hours per week (approximately 0.11 FTE) for additional personnel costs of nearly \$12,000. The remaining \$6,600 will fund grant associated training, travel, and supplies and \$1,200 for administrative overhead costs. This ordinance results in no direct levy impact.

MOTION: Paulson moved, second by Dondlinger to approve Ordinance 173-O-085. Motion carried 6-0.

Ordinance 173-O-081: Modify The Bridges Library System 2019 Budget To Accept And Appropriate Grant Funding To Improve Library Services To People Affected By Memory Loss And Their Caregivers

Meyer and Meyers were present to discuss this ordinance which authorizes the Bridges Library System to accept a Bader Philanthropies grant and appropriate \$5,000 in expenditures to purchase supplies and materials for training and programmatic purposes to assist those affected by memory loss, Alzheimer's, and other forms of dementia. This ordinance results in no direct impact to the County general tax levy or the Special Library tax levy.

MOTION: Wysocki moved, second by Dondlinger to approve Ordinance 173-O-081. Motion carried 6-0.

Ordinance 173-O-086: Modify The 2018 Active Employee Program Budget In The Health And Dental Insurance Fund

Cummings and staff were present to discuss this ordinance which increases operating expense appropriations in the Health and Dental Insurance Fund Budget by \$500,000 to fund projected above-budget health claims expenses in the active employee health program. Projected above-budget claims expenses are largely due to higher-cost individual claims, for which the County receives a reimbursement from its stop loss insurance carrier for expenses above \$350,000. This ordinance appropriates \$500,000 of unbudgeted stop-loss reimbursement revenues to cover this additional expenditure authority. (The County does not estimate stop loss reimbursement revenues in the adopted budget due to its unpredictability.)

In October, the County Board approved an earlier ordinance increasing the active employee program budget by \$1.2 million, funded mostly with \$1.1 million of stop-loss reimbursement revenue. At the time, based on mid-year projections, it was unclear how many higher-cost individual claims there would be, and that ordinance limited the increase in budget authority to known stop-loss reimbursement revenues of \$1.1 million. Since then, the County has incurred at least another \$1.1 million in additional stop loss-reimbursable claims expenses which is more than

sufficient to cover the additional expenditure authority in this ordinance. This ordinance is funded with projected above-budget revenues and does not result in any direct impact on tax levy.

MOTION: Wysocki moved, second by Dondlinger to approve Ordinance 173-O-086. Motion carried 6-0.

Report on Disposal of Surplus Property

Stauffer distributed and discussed her report as outlined which included information on departments transferring to surplus, departments accepting from surplus, sold surplus, general fund, seized assets, Fleet Division, Vehicle Replacement Plan, recycled, and electronics.

MOTION: Wysocki moved, second by Dondlinger to accept the annual report on the disposal of surplus property. Motion carried 6-0.

Discuss Airport Service Provider Contracts, Agreements, and Extensions

Stanich was present to discuss this item and said Stein delivered the notice of intent to build. Spring City is proceeding forward with their hangar plans. Further steps are being closely monitored by Stanich and staff. The status of Flight for Life and Atlantic Aviation's investment in the airport terminal were also discussed.

Approve Minutes of December 12

MOTION: Paulson moved, second by Michalski to approve the minutes of December 12. Motion carried 6-0.

Next Meeting Date

- February 20

Chair's Executive Committee Report of January 14

Heinrich advised the Executive approved two ordinances and the scope for the Airport Fixed Base Operator (FBO) audit; heard the chair's report on economic development, transportation issues, and the Wisconsin Counties Association; and heard standing committee reports.

State Legislative Update

Decker mentioned a possible meeting with state legislators.

MOTION: Foti moved, second by Dondlinger to adjourn at 10:50 a.m. Motion carried 6-0.

Respectfully submitted,

Thomas A. Michalski

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Secretary