

Minutes of the Finance Committee

Wednesday, December 12, 2018

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

Present: Supervisors Jim Heinrich, Duane Paulson, Tom Michalski, Tim Dondlinger, Tyler Foti, Richard Morris, and Ted Wysocki. Morris and Paulson left the meeting at 10:00 a.m.

Also Present: Chief of Staff Mark Mader, Aging & Disability Resource Center (ADRC) Manager Mary Smith, Accounting Services Coordinator Lisa Davis, Health & Human Services Coordinator Will Emslie, Business/Collections Services Manager Andy Thelke, Business Manager Lyndsay Johnson, Financial Analyst Josh Joost, Inspector Jim Gumm, Facilities Manager Shane Waeghe, Emergency Preparedness Director Gary Bell, Business Manager Peter Mudek, Parks & Land Use Director Dale Shaver, Parks System Manager Rebecca Mattano, Joe Ciurro and Kelly Zylstra of the Waukesha Water Utility, Human Resources Manager Renee Gage, Employee Benefits Administrator Andrea Mohr, Register of Deeds Jim Behrend, Treasurer Pam Reeves, Victim/Witness Program Coordinator Jen Dunn, Office Services Coordinator Dani Danielski, Budget Manager Linda Witkowski, and Senior Financial Analysts Rob Dunn, Clara Daniels, Steve Trimborn, and Mark Yatchak.

Approve Minutes of November 21

MOTION: Morris moved, second by Paulson to approve the minutes of November 21. Motion carried 7-0.

Next Meeting Date

- January 16

Chair's Executive Committee Report of November 27 & December 10

Heinrich advised the Executive Committee, at their last two meetings, approved four appointments including one for the vacated position of County Clerk, discussed the Information Technology audit report, heard State legislative and County Board customer service updates, and considered an administrative appeal hearing for a prohibited dangerous animal declaration.

Future Agenda Item

- Update on Airport Agreements/Contracts (Wysocki)

Fund Transfer 2018-360-01: Health and Human Services (ADRC Fund) – Transfer Funds from Personnel Expenses to Interdepartmental Expenses

Smith said the Department is requesting to transfer \$14,000 to fund the distribution of cell phones to workers whose duties take them offsite and into client homes in order to remain HIPAA compliant and improve employee safety. Personnel expenses are estimated to be underspent and are available for transfer, primarily due to vacancies and turnover

MOTION: Paulson moved, second by Wysocki to approve Fund Transfer 2018-360-01. Motion carried 7-0.

Ordinance 173-O-070: Modify The Department Of Health And Human Services 2018 Budget To Appropriate Expenditures For Aging And Disability Resource Center And Increase General Government Revenue

Smith and Davis were present to discuss this ordinance which modifies the 2018 Department of Health and Human Services – ADRC budget by appropriating \$60,300 of additional operating expenses to fund program costs. Additional expenditures include \$14,300 of contracted services for project management; \$14,000 for office equipment and furniture; and \$32,000 for advertising, marketing and printing services. The additional budget appropriations will be funded by \$60,300 of additional state and federal ADRC grant funds that were approved by the state to be carried over from 2017 to 2018. This ordinance results in no additional tax levy impact.

MOTION: Paulson moved, second by Wysocki to approve Ordinance 173-O-070. Motion carried 7-0.

Fund Transfer 2018-360-02: Health and Human Services (General Fund) – Transfer Funds from Personnel Expenses to Interdepartmental Expenses

Davis said the Department is requesting to transfer \$144,000 to fund higher than budgeted interdepartmental charges for cell phone deployment, increases in sheriff charges for transportation to state institutes, medical appointments and court appearances, and additional postage needed in the ADRC. Cell phones have been deployed to workers who see clients offsite and at clients' homes, resulting in the need for enhanced HIPAA measures and additional safety. Personnel expenses are estimated to be underspent and available for transfer due to vacancy and turnover in several divisions.

MOTION: Dondlinger moved, second by Morris to approve Fund Transfer 2018-360-02. Motion carried 7-0.

Fund Transfer 2018-500-01: Administration – Transfer Funds from Operating Expenses to Personnel Expenses

Thelke said the Department is requesting to transfer \$35,000 to fund higher than budgeted personnel costs. Costs exceed budget primarily due to the retirement/separation of six long-term employees and the associated payout of accrued vacation and sick leave. Funds are available in operating expenses and includes \$25,000 of consulting services due to the same negotiated rate from the prior compensation study, \$10,000 of contracted services, \$7,000 from IT-Solutions due to prioritization of projects, and \$3,000 from Administrative Services.

MOTION: Paulson moved, second by Dondlinger to approve Fund Transfer 2018-500-01. Motion carried 7-0.

Ordinance 173-O-072: Modify The 2018 Sheriff's Department Budget To Appropriate Expenditures For Personnel And Increase Interdepartmental Revenue And Charges For Services Revenue

Johnson and Gumm were present to discuss this ordinance which modifies the 2018 Sheriff's Department budget by appropriating personnel expenditures of \$114,000 for overtime due to greater than anticipated demand for department services. The ordinance increases the budget for interdepartmental revenues by \$53,000 due to services provided to the Health and Human Services Department. This ordinance also increases the charges for service budget by \$61,000 due to higher

reimbursable overtime utilized for patrol contracts (\$48,000) and federal inmate transportation and security services (\$13,000) billed to the Marshal's Office. This ordinance results in no additional tax levy impact.

MOTION: Michalski moved, second by Foti to approve Ordinance 173-O-072. Motion carried 7-0.

Fund Transfer 2018-200-01: Sheriff – Transfer Funds from Interdepartmental Expenses and Operating Expenses to Personnel Expenses

Johnson and Gumm were present to discuss this item. Johnson said the Department has experienced greater than budgeted spending on overtime expenses. As of November 27, the Department has exceeded the overtime budget by \$901,300. Greater than budgeted spending is due to position vacancies and the need to pay overtime for shift coverage, newly hired staff working through department training programs requiring the Department to hire overtime to count toward shift minimums, and overtime created by various types of employee leave such as sick leave, military leave, and FMLA leave.

The Department will be able to absorb some of the overtime overage due to underspending of salary and benefit accounts due to position vacancies, however, the Department is requesting to transfer a total of \$316,000 from the operating and interdepartmental appropriation units to the personnel appropriation unit to address the anticipated overage. The Department is requesting to transfer a total of \$126,000 from the operating expense appropriation unit primarily budgeted in various inmate accounts including clothing, linens, supplies, electronic monitoring and food based on expenditures to date. The Department is requesting to transfer a total of \$190,000 from vehicle maintenance, vehicle fuel, and cellular phone accounts due to lower than budgeted costs per gallon for fuel and lower than anticipated vehicle maintenance and cellular phone costs.

MOTION: Dondlinger moved, second by Morris to approve Fund Transfer 2018-200-01. Motion carried 7-0.

Contract Procurement Process for Janitorial Cleaning Services

Waeghe advised this three-year contract was awarded to C&W Services, the highest rated proposer, for a total contract cost of \$2,014,442. The first year budgeted amount is \$730,000 and the first year cost is \$664,832. Six contractors submitted bids for consideration.

MOTION: Paulson moved, second by Michalski to approve the contract procurement process for janitorial cleaning services. Motion carried 7-0.

Fund Transfer 2018-240-01: Emergency Preparedness – Transfer Funds from Operating Expenses and Interdepartmental Expenses to Personnel Expenses

Bell and Dunn were present to discuss this item. The Department is projected to exceed its overtime budget by approximately \$326,000. As discussed in the 9-month status report, the department is realizing challenges in staff turnover, filling vacant telecommunicator positions, and the time needed to get newly hired employees trained. The Department is able to partially offset some of these costs due to vacancy and turnover savings in salaries and corresponding benefit accounts but it is estimated that \$94,000 of additional expenditure authority will also be needed.

Staff are proposing to transfer \$92,500 from unspent operating expense appropriations. These funds are largely a result of underspending in several repair and maintenance accounts totaling \$55,000, mostly budgeted for unanticipated equipment replacements. In addition, \$17,000 in underspent training costs in the Disaster Management Program is available due to some of these services being led in-house by County staff instead. Telephone services is expected to have \$14,000 available as a result of eliminating redundant systems due to the digital radio project. Other available funds of \$6,500 are mostly due to anticipated variances in several small accounts. In addition, the Department is proposing to transfer \$1,500 from interdepartmental charges due to projected underspending in vehicle fuel charges.

MOTION: Paulson moved, second by Dondlinger to approve Fund Transfer 2018-240-01. Motion carried 7-0.

Fund Transfer 2018-100-01: Parks and Land Use – Transfer Funds from Operating Expenses and Fixed Assets to Personnel Expenses and Interdepartmental Expenses

Shaver and Mudek were present to discuss this fund transfer totaling \$100,000 which is necessary to accommodate retirement payouts, higher communication charges, as well as shifting costs from the Department's three-year maintenance plan account to interdepartmental charges for projects completed by Public Works Department staff. These projects were budgeted as operating expenses. In 2018, the Department enhanced its communications infrastructure throughout several park facilities resulting in higher costs for more efficient access to the Parks' reservation and point of sale systems. The Department is also transferring available operating expenditure authority to interdepartmental to cover estimated overages in fuel, vehicle maintenance, and snow removal costs through the end of the year.

Due to exploring lower cost options across the department, \$10,000 is available from promotion accounts. Due to slightly lower rates and usage, \$5,000 is available from utility costs. Due to Public works assisting with three-year maintenance projects, \$25,000 is being moved from Operating Expenses to Interdepartmental Expenses. Waste disposal costs are down and \$10,000 is available. The department budgets \$50,000 in real estate development funds which may be used to bring developers into compliance with storm water codes in the event developers are unwilling or unable to do so. In 2018, the department has not had to make any significant expenditures for this activity and is requesting to transfer \$25,000 from this account. These funds are offset with reduced retained developer guarantee funds but are more than covered by above-budget park fees related to annual stickers and entrance revenues. Due to the department foregoing the purchase of an interactive educational display, \$25,000 is also available from a fixed asset account.

MOTION: Paulson moved, second by Morris to approve Fund Transfer 2018-100-01. Motion carried 7-0.

Fund Transfer 2018-226-01: Land Information Systems Fund – Transfer Funds from Personnel Expenses to Operating Expenses

Shaver said the LIS fund has experienced greater than budgeted spending in contracted services due to upgrades to the Land Information Software requiring additional cloud service resources during the software upgrade process. Funding is available from the personnel expenses appropriation unit, primarily due to staff turnover and organizational position changes that occurred earlier in the year.

MOTION: Dondlinger moved, second by Michalski to approve Fund Transfer 2018-226-01.
Motion carried 7-0.

Ordinance 173-O-067: Sale Of Waukesha County Parkland To The City Of Waukesha For A Water Supply Booster Station And Reservoirs

Shaver discussed this ordinance as outlined which authorizes the sale of approximately 8.57 acres of land, appraised at \$223,000, within Minooka Park to the City of Waukesha. The City will be responsible for all costs associated with the transaction and this ordinance has no County tax levy impact. Shaver indicated when the County first bought this property in 1994, the County used Golf Course Fund Balance. Shaver said he asked the Land Use Committee to amend the ordinance putting the funds from this sale in the Waukesha County Golf Course Fund Balance, as opposed to the Tarmann Parkland Acquisition Fund which is how it was originally written in the ordinance. The Land Use Committee passed that amendment by a unanimous vote.

Wysocki said he preferred the funds go to Tarmann Parkland Acquisition Fund.

MOTION: Morris moved, second by Paulson to approve Ordinance 173-O-067. Motion carried 6-1. Wysocki voted no.

Ordinance 173-O-073: Approve 2019 Salary Modifications For Non-Represented Employees And Seasonal And Temporary Classifications

Gage and Mohr were present to discuss this ordinance which authorizes a 2.0% across-the-board wage increase for all non-represented, seasonal and temporary County employees, effective January 5, 2019. This would include all employees except elected officials and those represented by the Wisconsin Professional Police Association.

This ordinance also combines the Intern, Graduate Intern, Law Intern and Technical Intern classifications into a single intern classification effective January 5, 2019. It creates a new eight-step salary range in place of the current five step ranges assigned to these positions. The 2019 impact of these changes, if any, will be absorbed within the associated departmental budgets.

The annual net impact of all the provisions of the ordinance is estimated at \$1,808,230. About \$630,000 of this amount is funded in the 2019 adopted budget with non-levy sources (fees, grants, contracts, intergovernmental revenue) with the remaining approximately \$1,175,000 funded with budgeted levy.

MOTION: Wysocki moved, second by Paulson to approve Ordinance 173-O-073. Motion carried 7-0.

Fund Transfer 2018-220-01: Medical Examiner – Transfer Funds from Personnel Expenses to Interdepartmental Expenses

Bauer discussed this fund transfer and said the Department experienced higher than anticipated Central Fleet vehicle repair and maintenance charges of approximately \$5,100. This is due to the customization of two new Chevrolet Suburbans the department received which replaced existing cargo vans for department investigations. The replacements were planned as part of the County's Vehicle Replacement Plan but customization and setup of the vehicles (to accommodate equipment) was more expensive due to the change in vehicle types. The Department is able to partially offset some of the additional costs due to savings in fuel but it is estimated that \$2,500 of additional

expenditure authority will be needed from a fund transfer. Health insurance expenses are expected to be under budget by approximately \$10,300 due to changes in employee plan selections of health insurance.

MOTION: Paulson moved, second by Dondlinger to approve Fund Transfer 2018-220-01. Motion carried 7-0

Fund Transfer 2018-230-01: District Attorney – Transfer Funds from Operating Expenses to Personnel Expenses and Interdepartmental Expenses

Dunn and Danielski were present to discuss this item. District Attorney - Victim Witness Program personnel appropriations are projected to be over budget due to vacancy and turnover of personnel which resulted in increased health insurance costs related to employee selections. Also, Interdepartmental Charges appropriations are projected to be higher than budget due to an increase in the State's approval of higher indirect costs for the Victim Witness VOCA Grant. Also, squad mileage costs are higher than budget for the prosecution's detective position that is charged interdepartmentally by the Sheriff's Department. Training and travel expenses are projected to be below budget due to less travel and training than budgeted. In addition, contracted services is estimated to be below budget in the Prosecution area.

MOTION: Wysocki moved, second by Dondlinger to approve Fund Transfer 2018-230-01. Motion carried 7-0.

Morris and Paulson left the meeting at 10:00 a.m.

Results of the Tax Foreclosure Process

Reeves discussed this item as outlined in her report including 2018 property tax foreclosure statistics, properties that sold and did not sell at auction, properties that were acquired by municipalities or the County's Parks & Land Use Department. Reeves noted that 9 of the 12 properties that were put up for auction sold for a total profit of \$26,500.

MOTION: Michalski moved, second by Dondlinger to adjourn at 10:10 a.m. Motion carried 5-0.

Respectfully submitted,

Thomas A. Michalski
Secretary