

## **Minutes of the Finance Committee**

**Wednesday, February 21, 2018**

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

**Present:** Supervisors Jim Heinrich, Tim Dondlinger, Tom Michalski, Richard Morris, Duane Paulson, Ted Wysocki, and Steve Whittow.

**Also Present:** Chief of Staff Mark Mader, Landscape Architect Stephen Siodlarz, Parks & Land Use Director Dale Shaver, Parks System Manager Steve Brunner, Corporation Counsel Eric Weidig, Airport Manager Kurt Stanich, Programs & Projects Analyst Matt Grenoble, Baker Tilly Partner Heather Acker, Accounting Services Manager Larry Dahl, Principal Financial Projects Analyst Bob Ries, Risk/Purchasing Manager Laura Stauffer, Aging & Disability Resource Center (ADRC) Manager Mary Smith, and Accounting Services Coordinator Will Emslie. Recorded by Mary Pedersen, County Board Office.

### **Approve Minutes of January 23**

MOTION: to approve the minutes of January 23. Motion carried

### **Next Meeting Date**

- March 7

### **Chair's Executive Committee Report of February 19**

Heinrich said the Committee heard internal audit presentations on overtime in the Sheriff's Department and a follow-up report on the Public Works Highway Operations audit. They also approved three appointments and a resolution authorizing the selection and engagement of outside counsel regarding potential opioid litigation. They heard standing committee reports from committee chairs and an update on the Wisconsin Counties Association Legislative Exchange.

### **Motion to Allow Secretary Michalski to Approve the Final Set(s) of Committee Minutes on Behalf of the Committee**

MOTION: to allow secretary Michalski to approve the final set(s) of committee minutes on behalf of the committee. Motion carried

### **Contract Procurement Process for Architectural and Engineering Services for Site Infrastructure Improvements at UW-Waukesha**

Siodlarz indicated this three-year contract was awarded to Baxter & Woodman, Inc., the highest rated proposer, for a cost of \$59,397. The first year budgeted amount is \$100,000. A total of seven vendors submitted proposals for consideration.

MOTION: to approve the contract procurement process for architectural and engineering services for site infrastructure improvements at UW-Waukesha. Motion carried

### **Ordinance 172-O-076: Create One Regular Full-Time Public Communications Specialist In The Department Of Parks & Land Use**

Shaver and Brunner discussed this ordinance which creates one regular full-time Public Communications Specialist (salary range \$44,928-\$59,446) in the Department of Parks and Land Use. The position will be used to drive revenue enhancement opportunities, increase volunteer and corporate involvement in Department events, and assist in communicating programmatic information to the public, particularly in the use of social media. The position is expected to be allocated between Parks Operations Division and the Material Recycling Facility (MRF) Fund within existing Personnel Costs appropriation units.

Assuming the new position is filled at the entry salary level, with a position effective date of March 1, 2018, the partial-year costs are estimated at \$54,300. To manage these additional position costs, the department will leave extra-help graduate intern positions vacant in both the Parks-General fund and MRF Fund as they become vacant and available resulting in personnel savings of \$32,318. The remaining position costs of \$21,987 will be managed within their total Parks Programs personnel budgeted costs of 3,256,523. The total full-year cost of this position, with benefits, is estimated at \$70,900. The department expects to fund the position within their 2019 budget resources.

MOTION: to approve Ordinance 172-O-076. Motion carried

**Ordinance 172-O-072: Authorize Property Assessed Clean Energy (PACE) Financing Loan Program**

Shaver discussed this ordinance which authorizes the County to make a loan or enter into an agreement regarding loan repayments to a third party for owner-arranged or lessee-arranged financing pursuant to Section 66.0627, Wis. Stats., for energy, water, and renewable resource improvements.

MOTION: to approve Ordinance 172-O-072. Motion carried

**Ordinance 172-O-073: Authorize Joining Wisconsin PACE Commission And Execution Of Joint Exercise Of Powers Agreement**

Shaver said this ordinance authorizes the County to join the Wisconsin PACE Commission and the execution of the Joint Exercise of Powers Agreement related to the same.

MOTION: to approve Ordinance 172-O-073. Motion carried

**Ordinance 172-O-077: Create One Regular Full-Time Position Of Senior Information Technology Professional And Abolish One Regular Full-Time Position Of Detective**

? discussed this ordinance which creates one regular full-time position of Senior Information Technology Professional (salary range \$69,742-\$92,206) and abolishes one regular full-time Detective position (salary range \$69,098-\$74,797) in the Sheriff's Department's General Investigations Division. According to the department, this will give the Sheriff more technical expertise in the position than the current Detective position.

The Detective position proposed to be abolished is vacant with a full year position budget of \$86,734. The Senior Information Technology Professional position being created is estimated at an annual cost \$81,970, resulting in a budget savings of \$4,764. The delay in filling the position will contribute additional vacancy and turnover savings for the department in 2018. This ordinance results in no additional tax levy for the 2018 budget.

MOTION: to approve Ordinance 172-O-077. Motion carried

**Ordinance 172-O-075: Modify The Airport 2018 Budget For The Acquisition Of Equipment For The Air Traffic Control Tower**

Stanich and Grenoble were present to discuss this ordinance which appropriates \$30,000 of fixed asset expenditures in the Airport Operations Fund for equipment purchases and increases the Airport Fund balance revenue budget by \$30,000. Stanich said \$20,000 is planned to replace a digital voice recording system that is beginning to fail and \$10,000 is planned to install air conditioning in the Air Traffic Control Tower (ATCT) IT room to prevent equipment from overheating. The initial plan was to replace the digital voice recorder in 2019 but unexpected issues required replacement sooner. The need for air conditioning in the IT room is largely due to storing more equipment now than when the ATCT was originally built. Staff are developing an airport equipment replacement plan to better anticipate maintenance and replacement needs in the 2019 and future budgets.

Ongoing maintenance for the digital voice recorder are estimated at \$1,800 annually. Facilities staff does not expect the additional utility costs from the air conditioner to be significant (i.e., less than \$1,000 annually). These replacements are funded with Airport Fund Balance and any balance remaining from these replacements will lapse into Airport Fund balance reserves at year-end.

MOTION: to approve Ordinance 172-O-075. Motion carried

**Audit Planning Report by Baker Tilly**

Acker discussed her letter to the Finance Committee dated February 21, 2018 outlining the audit planning process for year ending December 31, 2017.

FROM 2017 MINUTES????The Comprehensive Annual Financial Report (CAFR) should be released in June or July. Acker noted there are not a lot of new standards this year and so far, the audit process so far has gone very smoothly????

**Ordinance 172-O-080: Modify 2018 County Budget By A Transfer Of Carryover Funds From 2017 Unexpended Appropriations To 2018 Budgeted Appropriations**

Ries and Dahl discussed this ordinance which included information on department, amount approved, project description, and justification for the carry over. Staff are requesting that a total of \$3,005,510 be carried over from 2017 budgets into 208 budgets to enable the purchase of goods and services that, for whatever reason, were not completed in 2017.

MOTION: to approve Ordinance 172-O-080. Motion carried

**Year-End Investments Report**

Ries reviewed this report including the highlights, investment yield, investment revenue, average daily balance, average investment rates, and the investment portfolios. Total interest earnings for the quarter were \$545,462, down \$106,725 from the third quarter due largely to a decrease in the average invested of approximately \$51.7 million from the third quarter. The total return for the quarter was up from the last quarter, at 0.37%. The market-based report shows the return on a market basis which includes both the cost basis return as well as changes in security market prices. For the fourth quarter, as well as on an annualized basis, all of the portfolios outperformed the benchmarks. Rates rose during the quarter (2 year Treasury went from 1.46% to 1.90%, 5 year

Treasury went from 1.89% to 2.22%) leading to lower market returns. Total County investment income for 2017 was \$2,222,394.

MOTION: to accept the year-end investments report. Motion carried

**Annual Report on Interest Allocations**

Ries reviewed his reports titled “Summary of Current Interest Allocations,” “Prior Interest Allocations,” and “Analysis of Investment Income and Allocations – Fiscal Year 2017” which included information on the County fund to which the funds are allocated, how it was authorized, rationale, and if rescinded, when and why.

FROM 2017 MINUTES ???The majority of investment income, about 80%, goes into the Treasurer’s General Fund to reduce the County tax levy. Funds are also allocated to Risk Management, Federated Library, Vehicle Replacement, golf courses and ice arenas, Clerk of Courts, Debt, capital projects, etc. The only change in 2016 was suspending interest to the Tarmann Fund????

MOTION: to accept the annual report on interest allocations. Motion carried

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**Ordinance 172-O-079: Reauthorization Of Self-Insurance**

Stauffer discussed this ordinance which reauthorizes the County’s self-insured status for Worker’s Compensation and is necessary to comply with Wisconsin Law.

MOTION: to approve Ordinance 172-O-079. Motion carried

**Annual Report on the Disposal of Surplus Property**

Stauffer discussed this report as outlined which included information on items transferred to/from surplus, sold surplus, and total revenues. Surplus items sold in 2017 included vehicles, office furniture, PCs, and seized assets (Sheriff’s Department) and totaled \$?????

MOTION: to accept the annual report on the disposal of surplus property. Motion carried

**Ordinance 172-O-078: Modify The Department Of Health And Human Services 2018 Budget To Create Twelve (12) Regular Full Time Sunset Positions**

Smith and Emslie were present to discuss this ordinance which creates ten regular, full-time senior Aging and Disability Resource Center (ADRC) Specialist sunset positions (salary range \$52,021-\$68,806) and two regular, full-time Benefit Specialist sunset positions (salary range \$47,195-62,400) in the ADRC. These positions are needed as a result of the State instructing the current contracted service provider that the agency can no longer provide ADRC services as of April 28, 2018 for the ADRC program as required and necessary. The 2018 budgeted contract is \$842,074 with prorated budgeted funding of \$547,538 available and transferred to personnel costs by this ordinance for these positions through year-end.

The department plans to under-fill the ten Senior ADRC Specialist positions with ADRC Specialist positions with a lower salary range of (\$47,195-\$62,400). Current-year personnel costs, including salary and benefits for the twelve positions (including ten under-filled positions), and assuming a

start date of April 28, 2018, are projected to be \$562,168. The additional \$14,630 not covered by the available contract funds will be offset with personnel savings from vacancy and turnover of other ADRC positions in 2018. Position costs for a full year for the under-filled ADRC Specialist positions is approximately \$831,500. If promoted to the senior level, total-year position costs is approximately \$887,300. All of the positions will be sunset based on continued State program funding. In 2019, the department plans to build the cost-to-continue increases within their budget using anticipated increases in ADRC grant funding associated with increasing caseloads and managing other related ADRC costs.

MOTION: to approve Ordinance 172-O-078. Motion carried

MOTION:

Respectfully submitted,

Thomas A. Michalski  
Secretary