

Minutes of the Finance Committee

Wednesday, April 6, 2016

Chair Heinrich called the meeting to order at 8:17 a.m.

Present: Supervisors Jim Heinrich, Duane Paulson, Richard Morris, Bill Zaborowski, Eric Highum, and Larry Nelson. Steve Whittow arrived at 8:45 a.m.

Also Present: Chief of Staff Mark Mader, Parks System Manager Duane Grimm, Collections & Business Services Manager Andy Thelke, Senior Financial Analyst Linda Hein, Financial Analyst Kayla Kaboskey, Parks & Land Use Director Dale Shaver, Treasurer Pam Reeves, Deputy Treasurer Theresa Schultz, UW-Extension Director Jerry Braatz, Human Resources Manager Jim Richter, Community Development Coordinator Kristin Silva, Clinical Services Manager Joan Sternweis, Accounting Services Coordinator Cynthia Lilley, Administrative Services Manager Randy Setzer, Budget Specialist Bill Duckwitz, Administration Director Norm Cummings, Vice President of Springsted Joe Murray, and Senior Financial Analysts Steve Trimborn, Mark Yatchak, and Clara Daniels. Recorded by Mary Pedersen, County Board Office.

Announcements

Heinrich thanked the committee for their time and efforts and Paulson commended Heinrich as chair.

Approve Minutes of March 16

MOTION: Zaborowski moved, second by Morris to approve the minutes of March 16 as amended. Motion carried 6-0.

Next Meeting Date

- May 4

Chair's Executive Committee Report of April 4

Heinrich said the Executive Committee, at their last meeting, heard an update on IT projects, standing committee reports, and approved a resolution, ordinance and appointment.

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

MOTION: Paulson moved, second by Morris to allow Secretary Zaborowski to approve the final set(s) of committee minutes on behalf of the Committee. Motion carried 6-0.

Ordinance 170-O-108: Approve Thompson Property Acquisition

Grimm and Shaver discussed this ordinance which authorizes the purchase of 68.03 acres in the Town of Mukwonago using Walter J. Tarmann Parkland Acquisition funds. The negotiated selling price is \$300,000 (approximately \$4,400 per acre) and staff estimate related property acquisition costs of \$6,000 for a total estimated cost of \$306,000. The County has requested a letter of retroactivity from the State Department of Natural Resources (DNR). The letter will allow the Department to apply for Stewardship Grant Reimbursement in the future for approximately half of the land purchase, to partially offset the cost of this land acquisition. Grimm reviewed a map of the Park and Open Space Plan for the county and advised of completed parks and those that have yet to

be completed. This parcel will expand Mukwonago Park, part of which will be used for additional campsites and an oak savannah will be restored.

Answering Heinrich's question, Shaver said there is nothing in the five-year plan to add additional pavilions or bathrooms, etc. due to this expansion but if requested in the future, it would require County Board approval. However, there will be costs associated with road extensions and campsite development. Highum was opposed because the purchase price is higher than the assessed value whereby Shaver explained it is lower than the appraised value. This issue was briefly debated.

Whittow arrived at 8:45 a.m.

MOTION: Morris moved, second by Paulson to approve Ordinance 170-O-108. Motion carried 6-1. Highum voted no.

Year-end Report on Proprietary Funds

Thelke and Hein were present to review the year-end report for the County's enterprise and internal service funds. Those funds that showed a net income were the Naga-Waukee Golf Course (\$172,227), Central Fleet (\$96,621), Radio Services (\$42,241), Communications (\$6,528), Collections (\$27,051), and Health Insurance (\$49,313). Those funds that showed a net loss were the Wanaki Golf Course (-\$184,713), Moor Downs Golf Course (-\$101,136), Naga-Waukee Ice Arena (-\$74,552), Eble Park Ice Arena (-\$33,625), Materials Recycling (-\$122,293), Airport (-\$243,491), Vehicle/Equipment Replacement (-\$12,402), Records Management (\$13,422), Risk Management/Workers Compensation (-\$101,568), and End User Technology (-\$221,396).

MOTION: Paulson moved, second by Highum to accept the year-end report on Proprietary Funds. Motion carried 7-0.

Contract Procurement Process for Economic Development Organization to Implement Business Growth Strategy

Shaver indicated the contract was awarded to the Waukesha County Business Alliance, the only vendor to submit an RFP, for a total contract cost of \$245,000. The budgeted amount is \$250,000 and additional funding of \$50,000 is anticipated from the City of Waukesha. Additional funding, either in-kind or financial, is also anticipated from the UW-Extension Small Business Development Center.

MOTION: Paulson moved, second by Nelson to approve the contract procurement process for the economic development organization to implement the Business Growth Strategy. Motion carried 7-0.

Results of the 2015 Tax Foreclosure Process

Reeves reviewed 2015 property tax foreclosure statistics as outlined in the report. Twelve properties were put up for auction with a total appraised value of \$490,225. Of those, four properties sold for a total of \$81,000 resulting in a net County profit of \$1,658.63. Offers are currently pending on two properties.

Annual Report of the Treasurer's Office

Reeves and Schultz discussed the annual report as outlined which included information on total receipts and disbursements, investment and savings account balances, 2014 roll collected in 2015

per municipality, tax deed properties sold in 2015, agricultural land-use conversions, history of parcel counts and County tax levy, and property taxes collected per municipality (2012-2016).

MOTION: Morris moved, second by Paulson to accept the Annual Report of the Treasurer's Office. Motion carried 7-0.

Ordinance 170-O-111: Amend Waukesha County University Of Wisconsin Extension 2016 Budget To Appropriate Remaining Drug Collection Donation Revenue And Transfer To Elevate, Inc.

Braatz discussed this ordinance which authorizes an expenditure of \$16,857 to Elevate, Inc., the new fiscal agent for the Drug Free Communities Coalition (DFC). UW-Extension had served this role with the DFC due to coordination of the DFC grant in prior years. The expenditures are funded with revenues (reserved in the General Fund) from past fund raising activities. Expenditures included educational materials and promotional supplies, transportation and disposal of collected prescription drugs, and drug collection drop boxes. These expenditures were made in prior budgets and included in the 2016 budget is \$11,200 for this work. The transfer of the remaining DFC funds to Elevate, Inc. will end the County's involvement and fund obligations. The ordinance appropriates reserved fund balance of \$5,657 to increase the 2016 appropriation of \$11,200 to \$16,857 for the purpose of transferring the final balance of funds to Elevate, Inc. with no tax levy impact.

MOTION: Paulson moved, second by Nelson to approve Ordinance 170-O-111. Motion carried 7-0.

Ordinance 170-O-116: Ratification Of 2016 - 2017 Wisconsin Professional Police Association Collective Bargaining Agreement

Richter discussed this ordinance which authorizes, in 2016, all employees represented by the Wisconsin Professional Police Association (WPPA) a 1.0% across-the-board (ATB) increase effective December 26, 2015 and a 1.0% increase effective June 25, 2016. For 2017, a 1.0% increase would be effective January 7 and a 1.5% increase effective July 8. This ordinance also modifies the health insurance premium cost sharing provision to provide that the WPPA employee contribution will increase from 10% to 13% effective July 1, 2016. It further increases the employee contribution from 13% to 15% effective January 1, 2017. Based on current enrollments, the annual savings to the County resulting from those changes is estimated at \$25,944 in 2016 and \$36,912 in 2017. Effective January 1, 2017, the ordinance authorizes a \$50 annual increase to the uniform allowance at an estimated cost of \$7,150 in 2017. The annual net impact of this ordinance is estimated at \$142,123 for 2016 and \$249,597 for 2017. The 2016 adopted budget includes sufficient funds for these changes.

MOTION: Nelson moved, second by Paulson to approve Ordinance 170-O-116. Motion carried 7-0.

Ordinance 170-O-109: Amend Budget To Accept Additional Home Investment Partnership (HOME) Program Funds And Reduce Community Development Block Grant (CDBG) For The 2016 Program Year

Silva discussed this ordinance which modifies the 2016 Community Development Home Investment Partnership program (HOME) and Community Development Block Grant (CDBG) operating expenditure appropriations to match HUD approved HOME and CDBG program grant awards. The 2016 HUD grant for the County's HOME program is at \$1,060,871 which is \$70,078 more than the 2016 adopted budget appropriation of \$990,793. The 2016 HUD grant for the

County's CDBG program is \$1,317,868 which is \$12,292 less than the 2016 adopted budget appropriation of \$1,330,160. The ordinance also authorizes subgrantee agreements necessary to cover allocations made by the County Executive, CDBG Board and HOME Consortium Board for the changes in funding. This ordinance results in no direct tax levy impact.

MOTION: Paulson moved, second by Highum to approve Ordinance 170-O-109. Motion carried 7-0.

Ordinance 170-O-113: Authorize Department Of Health And Human Services To Accept And Appropriate A Charitable Distribution From The Estate Of Anna Verena Fjermestad Revocable Living Trust And Amend The 2016 Budget

Lilley indicated this ordinance authorizes the Department to accept a \$10,000 donation from the Estate of Anna Verena Fjermestad Revocable Living Trust. The funds will be used to purchase contracted, certified peer specialist services to assist mentally disabled county clients in community settings through advocacy and peer support for one year. This ordinance has no direct impact on the 2016 tax levy. Sternweis explained the services provided through the Peer Specialist Program.

MOTION: Paulson moved, second by Zaborowski to approve Ordinance 170-O-113. Motion carried 7-0.

Ordinance 170-O-114: Create One Regular Full-Time Position Of Veterans Service Aide And Abolish One Regular Part-Time Position Of Veterans Services Aide

Lilley discussed this ordinance which abolishes a regular part-time 0.70 FTE Veterans Services Aide, (Salary range \$36,795 - \$48,568) and creates a regular full-time 1.00 FTE Veterans Services Aide in the Veterans Services Division. Assuming the new position is filled at the same salary level in 2016, the total cost of this position with benefits is estimated at \$65,700. The part-time Veterans Services Aide position was budgeted at an estimated cost of \$33,400 in the 2016 budget resulting in additional personnel expenditures of \$32,300. The department will offset this increase with benefit selection and turnover savings with the new Veterans Services Officer estimated at \$33,700. Regarding the 2017 budget, the department will have to build the additional costs within their budget base and future increase. Lilley said this will provide for stabilization in the office and improve and expedite client services.

MOTION: Nelson moved, second by Zaborowski to approve Ordinance 170-O-114. Motion carried 7-0.

Fund Transfer 2015-02: Health & Human Services – Transfer Funds from Personnel Costs to Operating Expenses

Lilley discussed this fund transfer which involves transferring \$235,000. The Health & Human Services budget includes an appropriation for payments made by a third party administrator for services for children in the Children's Long Term Support program. While these payments are not made through Waukesha County books, the State issued an opinion that these payments are grant expenditures and they must be treated as such and be included on the schedule of Expenditure of Federal and State Awards. The final 2015 cost reconciliation has identified payment levels that exceed current operating expense appropriations by \$235,000. The fund transfer will increase the budget to allow the book entry to be made. There is no impact to year-end balances as offsetting equal revenues will also be booked. Funds are available in the Personnel budget appropriation due to continued turnover and retirements in many of the divisions during 2015.

MOTION: Highum moved, second by Zaborowski to approve Fund Transfer 2015-02, Health & Human Services. Motion carried 7-0.

Ordinance 170-O-115: Authorize The Issuance Of Not To Exceed \$11,500,000 General Obligation Promissory Notes For Capital Projects

Duckwitz distributed supporting information. Cummings and Murray discussed the County's issuance of \$11,500,000 in general obligation promissory notes to pay for capital projects included in the County's 2016 Capital Projects Plan. These include justice and law enforcement, public works, general administration, and parks, environment and education projects. Bids will go out this month and the sale date is scheduled for June 28, 2016. Murray said they are projecting a True Interest Cost (TIC) of 2.14% for a total of \$13,391,467 in principal and interest.

MOTION: Zaborowski moved, second by Highum to approve Ordinance 170-O-115. Motion carried 7-0.

Ordinance 170-O-112: Reauthorize The Use Of The Secure And Non-Secure Detention Facilities For Short Term Detention

Paulson discussed this ordinance which reauthorizes the Juvenile Division to continue use of a 72-hour hold option to detain youth adjudged delinquent without the need for an additional court hearing. The ordinance states the 72-hour hold is limited to being used as a consequence of violating terms of a dispositional order. Reauthorizing the 72-hour hold option includes a sunset provision which has been reauthorized for consecutive two-year periods through June 30, 2016. This ordinance reauthorizes the 72-hour hold option and continues the sunset provision for an additional 24 months to June 30, 2018. Paulson advised of an error in the fiscal note – 2016 should read 2018. The 72-hour hold option was used 4 times for 12 days in 2014 and 5 times for 18 days in 2015 for Waukesha County youth in secure detention. Placements under the 72-hour hold will continue to be absorbed within the department's existing and future budget appropriations.

MOTION: Zaborowski moved, second by Morris to approve Ordinance 170-O-112. Motion carried 7-0.

Ordinance: Approve New Fixed Base Operator Agreement With Waukesha Flying Services, Inc., D/B/A Atlantic Aviation

This item will be addressed at a future meeting.

Future Agenda Item(s)

- Impacts of the Affordable Care Act on Waukesha County (Whittow)

MOTION: Paulson moved, second by Highum to adjourn at 10:51 a.m. Motion carried 7-0.

Respectfully submitted,

William J. Zaborowski
Secretary