

Minutes of the Finance Committee

Wednesday, March 2, 2016

Chair Heinrich called the meeting to order at 8:30 a.m.

Present: Supervisors Jim Heinrich, Eric Highum, Richard Morris, Larry Nelson, Duane Paulson, Steve Whittow. **Absent:** William Zaborowski.

Also Present: Legislative Policy Advisor Sarah Spaeth, Information Technology Infrastructure Administrator Al Mundt, Risk/Purchasing Manager Laura Stauffer, Budget Specialist Bill Duckwitz, and Collections/Business Services Manager Andy Thelke, County Board Candidate Darlene Johnson, Senior Financial Analyst Mark Yatchak. Recorded by Windy Jicha, county board office.

Public Comment

County board candidate Johnson introduced herself.

Approve Minutes of February 17, 2016

MOTION: Morris moved, Nelson second, to approve the minutes of February 17, 2016. Motion carried 6-0.

Next Meeting Date

- March 16

Future Agenda Items

- Materials Recycling Facility Update with Dale Shaver (Spaeth)
- Review and Update of Finance Committee's Future Agenda Items List (Heinrich) (in the new board year)

Contract Procurement Process for Cisco Services

Mundt explained the need and use of Cisco services. He said three year contracts were awarded to the three proposers (Sentinel technologies, Electroline Data Communications (EDCI) and CDW-G) for a total first year contact cost not to exceed the \$22,000 budgeted amount.

Heinrich requested the procurement process form include the total allotted budget amount for all years of contracts. The form currently lists the first year budgeted amount along with the total three-year bid amounts. Paulson reminded the committee that their role is to approve the contract procurement process.

MOTION: Highum moved, Morris second, to approve the contract procurement process for Cisco services. Motion carried 6-0.

Year-End Claims Report

Stauffer discussed the report titled *Workers Compensation 2011-2015 Claims History Summary*. A total of 99 claims opened in 2015, 36 remained open at year-end and \$546,113 was incurred. Since

2011, 490 claims opened, 49 remained open at the end of 2015, and total incurred was \$3,973,827. Stauffer highlighted the types of injuries that lead to these claims.

In response to Heinrich's question, Stauffer explained that recent workers' compensation trends have been favorable for Waukesha County. The claims experiences and amounts incurred are not static and would change as new claims are filed and/or expenses are paid. In response to Whittow's question, Stauffer explained how she evaluates claims data and trends.

Stauffer reviewed the report titled *Waukesha County Claims History 2011-2015* highlighting the number of claims opened, claims remaining open at the end of 2015 and total incurred for general and auto liability and auto physical and property damage claims. Stauffer shared with the committee examples of each type of claim which ranged from small claims such as road debris to larger claims such as fire and water damage. Stauffer then reviewed a series of pie charts she uses to help her decide where to focus loss reduction efforts and improve future claims experiences.

MOTION: Paulson moved, Whittow second to accept the 2015 year-end claims report. Motion carried 6-0.

Capital Projects Cost Performance Report and Approve Closeout Reserves

Duckwitz reviewed a report titled *Capital Projects 2015 Year End Report* emphasizing projects near completion or set to close in 2016 which included runway 10/28 reconstruction, airport facility upgrades, administration center roofing upgrades, jail holding cells, mental health center chiller upgrades, University of Wisconsin-Waukesha boiler/chiller/ controls replacement, County Trunk Highway (CTH) L (Lannon Drive to Moorland Road), CTH D (Calhoun Road intersection), CTH VV (CTH Y to Jackson Drive), financial operations and management systems, and end user report development.

Heinrich asked does delay of the West Waukesha Bypass project bring arbitrage concerns? Duckwitz said the county is aware of the bypass arbitrage timeline and "on top of it." The county is good at meeting arbitrage and always makes plans to spend borrowed money first.

In response to Heinrich's questions, Duckwitz explained how the state's I-94/Zoo Interchange project has increased road construction prices causing the county to spread out bridge replacements at the Wanaki Golf Course.

MOTION: Paulson moved, Nelson second, to accept the 2015 year-end capital projects cost performance report. Motion carried 6-0.

Duckwitz explained the decision making process the county follows to close capital projects. In regards to the closing of capital project 200011 (CTH L, Lannon Road to Moorland Road), Duckwitz requested the committee act to move \$30,000 from project 200011 to the highway project reserve account for remaining project expenses. Once the project closes and \$30,000 is moved to the reserve account, no other project funds will be eligible for spending. In response to several questions by committee members, Duckwitz explained how the capital projects reserve fund is managed.

MOTION: Paulson moved, Morris second, to reserve \$30,000 from capital project 200011 to the highway project reserve account. Motion carried 6-0.

Year-End Collections Report

Thelke discussed the report titled *Collections Division Delinquent Collection/Referral Analysis: 2015 Year End Report*. Total twelve month collections increased 3.9% from 2014 and 15.3% from 2013. Tax intercept collections totaled \$1,263,994 in 2015 versus \$1,526,870 in 2014. A total of 5,750 tax intercept payments were received on accounts in 2015. Total collections in 2015 were \$3,549,424 compared to \$3,415,323 in 2014. The amount budgeted in 2015 was \$2,953,000. The total amount retained by the county was \$2,552,014 in 2015 and \$2,421,589 in 2014.

Heinrich asked have the county's increased collection efforts resulted in fewer new 100% retained referrals? Thelke said the decrease in these referrals is related to the changing health and human services (HHS) environment. As more people secure insurance, fewer HHS cases are referred to collections. In response to Paulson's question, Thelke said many people who are certified for tax intercept, find ways to have no tax refunds.

MOTION: Paulson moved, Highum second, to accept the 2015 year-end collections report. Motion carried 6-0.

Legislative Update

Spaeth said the State Assembly is done for this term and the Senate will finish on March 15. A few bills related to recycling funding, treatment and alternatives (TAD) funding and banned use of handheld devices in work zones still need to go to the Senate. Bills related to shoreland zoning, probation and parole hold jail payments and delinquent library accounts were signed into law.

In response to Heinrich's question, Spaeth said the last state legislative session was positive for Waukesha County and encouraged committee members to thank their state legislators.

MOTION: Morris moved, Whittow second, to adjourn the meeting at 10:15 a.m. Motion carried 6-0.

Respectfully submitted,

William J. Zaborowski
Secretary