

Minutes of the Finance Committee

Wednesday, May 18, 2016

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

Present: Supervisors Jim Heinrich, Duane Paulson, Richard Morris, Ted Wysocki, Bill Zaborowski, Tim Dondlinger, and Tom Michalski.

Also Present: Chief of Staff Mark Mader, Senior Landscape Architect Steve Brunner, Budget Specialist Bill Duckwitz, Senior Financial Analyst Mark Yatchak, Sheriff Eric Severson, Business Manager Lyndsay Johnson, Deputy Inspector Torin Misko, Purchasing/Risk Manager Laura Stauffer, Administration Director Norm Cummings, Accounting Services Manager Larry Dahl, and Principal Financial Projects Analyst Bob Ries. Recorded by Mary Pedersen, County Board Office.

Approve Minutes of May 4

MOTION: Zaborowski moved, second by Wysocki to approve the minutes of May 4. Motion carried 7-0.

Next Meeting Date

- June 22

Ordinance 171-O-008: Modify Project Scope For Capital Project 201407, Waukesha To Brookfield Multi Use Trail

Brunner discussed this ordinance which modifies the scope of the Waukesha-Brookfield Trail capital project. The original project intent was to build a four-mile trail from Frame Park in the City of Waukesha to Mitchell Park in the City of Brookfield. However, staff were recently informed by the Wisconsin Department of Transportation (DOT) that one railroad crossing will require constructing a bridge (rather than an at-grade crossing) which staff estimates would increase project costs about \$3 million. The revised scope will address trail construction for two miles (Brookfield to Pewaukee) as a first phase. The second phase (extending the remaining two miles into Waukesha) will need to be reevaluated for less expensive rail-crossing alternatives in a future capital project. Scope modification is required at this time so staff can proceed with the design phase under the revised project intent.

Brunner advised project funding of \$500,000 for the design phase has already been appropriated and no additional funding is needed at this time. However, the attached project form includes revised future 2018 construction costs which will be considered in the upcoming 2017-2021 capital plan review process. Total project costs are estimated to decrease by \$721,200, from \$3,216,000 to \$2,494,800 which reflects the reduced scope and updated cost estimates obtained during this design phase. This project continues to be primarily funded with federal and state revenues. This ordinance does not have any direct tax levy impact. However, the County share of costs may be revised in future capital plans as more information is gathered in advance of construction.

Brunner answered questions regarding future options and costs. Dondlinger had concerns with future costs and potential concerns by neighbors living near the trail and proposed parking lot. Paulson had concerns about the possibility of abandonment of a portion of the trail, depending on

which option is chosen in the future. He felt these options should be studied further to determine a plan and because this ordinance cannot be referred back to the presenting committee at this time, he will be voting no.

MOTION: Zaborowski moved, second by Michalski to approve Ordinance 171-O-008. Motion carried 4-3. Paulson, Morris, and Dondlinger voted no.

Ordinance 171-O-009: Accept The 2016 State Of Wisconsin Department Of Transportation Highway Safety Grant And Modify Waukesha County Sheriff Department's 2016 Budget To Authorize Grant Expenditures

Severson discussed this ordinance which authorizes the department to accept a DOT grant up to a maximum amount of \$113,500. The department had anticipated \$50,000 and is included in the 2016 Sheriff's adopted budget. The funding will be used to increase enforcement activities on road segments identified by the State as at-risk based on crash frequency or severity due to alcohol use, travel speed, or lack of seat belt use. Of the funds awarded, \$54,500 will be used for additional overtime and associated benefit costs and \$9,000 will be used for eligible equipment including radar units and preliminary breath tests. Operating impacts are estimated to be nominal for equipment repair and maintenance and will be absorbed within the existing budget.

MOTION: Morris moved, second by Zaborowski to approve Ordinance 171-O-009. Motion carried 7-0.

Risk Management Determination of 2016 Liability and Workers Compensation Claim Payable Reserve

Stauffer indicated the County is required to reserve funds for any unpaid claims which she explained in detail. Additional reserves to be booked total \$1,076,652 which will result in a year-end reserve balance of \$44,477,505 – a confidence level of slightly above 75%. Ideally, this level should be between 75% and 95%. Stauffer went on to discuss liability loss triangles and history as outlined in her handout.

Review County Investment Policies

Cummings and Dahl discussed the County's investment policies as outlined in "Waukesha County Investment Policy as Amended 9-22-15" and "Waukesha County Investment Types" which included information on objectives, delegation of authority, reporting requirements, internal controls, eligible investments, competitive selection of investment advisors and instruments, etc.

1st Quarter Investments Report

Ries discussed the 2016 first quarter investments report as outlined. Total interest earnings for the quarter were \$855,933, up \$488,547 from the fourth quarter due largely to an increase of \$434,610 in realized gains on the sale of securities. An increase of \$40.2 million in the average invested balance was also a factor. The total return for the quarter was up 21 basis points from the last quarter to 0.45%. For the year ending March 31, 2016, County investments returned 1.24%. The total County investments balance at the end of the first quarter was \$190,713,736. This compares to the first quarter of 2015 when the balance was \$180,028,793. The average investment rate was 0.45% compared to this same time period last year when it was 0.24%.

MOTION: Dondlinger moved, second by Zaborowski to accept the first quarter investments report. Motion carried 7-0.

Chair's Executive Committee Report of May 16

Heinrich highlighted the following items discussed at last Executive Committee meeting.

- Elected Peter Wolff as secretary.
- Discussed duties and responsibilities of the Executive Committee.
- Heard a report on the internal audit of the Collections Division.
- Approved five appointments and two ordinances pertaining to park rules and the Waukesha to Brookfield Multi Use Trail.

State Legislative Update

Spaeth advised the legislature is in recess but current study committees that could affect counties, which she explained in detail, include publication of government documents and legal notices and reducing recidivism and removing impediments to employment. The Wisconsin Counties Association will form a work group to propose recommendations pertaining to shoreland zoning issues and concerns. The U.S. Department of Justice issued recommendations regarding bond and bail and that inmate release be based on risk.

MOTION: Wysocki moved, second by Dondlinger to adjourn at 10:59 a.m. Motion carried 7-0.

Respectfully submitted,

William J. Zaborowski
Secretary