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


Also Present: Chief of Staff Mark Mader, Administration Director Norm Cummings, Principal Human Resources Analyst Terri Sgarlata-Lutz, Purchasing/Risk Manager Laura Stauffer, Principal Financial Projects Analyst Bob Ries, Business Services & Collections Manager Andy Thelke, Budget Management Specialist Bill Duckwitz, Criminal Justice Collaborating Council (CJCC) Coordinator Rebecca Luczaj, Community Development Coordinator Kristin Silva, Airport Manager Kurt Stanich, Public Works Director Allison Bussler, Federated Library Director Connie Meyer, District Attorney Sue Opper, Office Services Coordinator Dani Danielski, Budget Manager Linda Witkowski, and Senior Financial Analysts Steve Trimborn, Mark Yatchak, and Clara Daniels. Recorded by Mary Pedersen, County Board Office.

Approve Minutes of July 20
MOTION: Zaborowski moved, second by Michalski to approve the minutes of July 20. Motion carried 7-0.

Next Meeting Date
• September 7

Chair’s Executive Committee Report of July 26 & August 15
Heinrich gave a report on the last two Executive Committee meetings which included approval of five appointments, three ordinances, and the proposed scope of the Clerk of Courts audit. They also heard standing committee reports and a report on the annual National Association of Counties (NACo) conference.

Review Correspondence
Revised copies of the Finance Committee reports schedule were distributed. It was noted there will no longer be first meetings in January, June, and August.

State Legislative Update
Mader said there may be changes on the State level affecting UW-Extension. Legislative Policy Advisor Sarah Spaeth will give a more detailed report at a future meeting.

Ordinance 171-O-031: Repeal And Recreate Portions Of Waukesha County Code Of Ordinances, Section 7-95 Travel Expenses
Cummings and Sgarlata-Lutz discussed this ordinance as outlined. Any new costs associated with these changes will be managed within existing departmental travel budgets. This ordinance has no direct tax levy impact.

Section 1 approves new meal reimbursement rates for County employees. The previous breakfast and lunch rates had been in effect since 1999 and the dinner rate since 2002. The new rates will
consist of a separate rate depending on if the employee is in-state and out-of-state and will take effect January 1, 2017.

<table>
<thead>
<tr>
<th></th>
<th>Current Rates</th>
<th>In-State Rates</th>
<th>Out-of-State Rates</th>
</tr>
</thead>
<tbody>
<tr>
<td>Breakfast</td>
<td>$8.00</td>
<td>$10.00</td>
<td>$12.00</td>
</tr>
<tr>
<td>Lunch</td>
<td>$10.00</td>
<td>$12.00</td>
<td>$15.00</td>
</tr>
<tr>
<td>Dinner</td>
<td>$20.00</td>
<td>$23.00</td>
<td>$25.00</td>
</tr>
<tr>
<td>Maximum Per Diem</td>
<td>$38.00</td>
<td>$45.00</td>
<td>$52.00</td>
</tr>
</tbody>
</table>

Section 2 updates lodging rates for certain high cost in-state cities and a minimum out-of-state reimbursement rate. Out-of-state reimbursement rates exceeding $120.00 follow the annual index published by the State plus applicable taxes. These changes are effective September 1, 2016.

<table>
<thead>
<tr>
<th>High cost in-state cities: Green Bay, Madison, Lacrosse, Wisconsin Dells, Appleton, Lake Geneva, and Door County</th>
<th>Current Rate</th>
<th>New Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Out-of-state cities listed below $120.00</td>
<td>$95.00</td>
<td>$120.00</td>
</tr>
<tr>
<td>Out-of-state cities listed below $120.00</td>
<td>Varies</td>
<td>$120.00</td>
</tr>
</tbody>
</table>

MOTION: Wysocki moved, second by Morris to approve Ordinance 171-O-031. Motion carried 7-0.

**Mid-Year Department of Administration Budget Status Report**

Cummings advised there are currently no expenditure issues in the Department of Administration. However, they may need to find ways to save money if they cannot meet the vacancy and turnover target. He went on to give a status update on the department’s major strategic objectives for 2016. No major concerns were voiced.

Cummings suggested a presentation on the Lean Government Program be agendized for a future County Board meeting.

MOTION: Paulson moved, second by Dondlinger to accept the mid-year Department of Administration budget status report. Motion carried 7-0.

**Review Procurement Process Protocols and Recommendations for Modification**

Stauffer and Cummings were present to discuss this item. Cummings gave history on the contract procurement process, protocols and guidelines. It has been almost three decades since County Code and County policies have been adjusted related to dollar thresholds when procurements are referred to the County Board/Finance Committee and when a County Board Supervisor participates in a procurement process. As such, updating the dollar thresholds will help streamline County operations. Given the advances in technology since the Code was established, Purchasing does not need to forward RFPs to the County Board Office. Instead, formal RFPs are posted on the County’s website and the County Board Office can monitor those online. Also, RFPs with estimated contract values greater than $50,000 are forwarded to the County Board for a review of the procurement process and the assignment of a County Board Supervisor on the evaluation committee. Furthermore, over the years it has been difficult getting County Board Supervisors to attend all the necessary evaluation committee meetings which tarnishes the process and has led to problems.
Cummings gave examples of such. Stauffer said it can also be difficult to schedule meetings around supervisors’ availability.

Staff propose revising the dollar threshold from $50,000 to $150,000 for a multiyear contract for process approval, and revise the dollar threshold from $50,000 to $150,000 for a one-year contract or $200,000 for a multiyear contract for supervisor membership on an evaluation committee. However, a supervisor will not be asked to evaluate IT software/equipment vendor contracts. These proposals are technical in nature and often involve a substantial time commitment from evaluation committee members and take over several months to complete. However, IT contracts will still follow the Finance Committee review schedule. Stauffer noted supervisors would be welcome to attend the evaluation committee meetings but their votes would not be necessary. Also, the County Board will have the ability to request that an RFP under the $150,000 threshold be referred to a committee if desired. It was noted that Internal Audit conducts regular audits of Purchasing’s operations to ensure best practices are followed.

Paulson requested that if a supervisor wants to attend an evaluation committee, although non-voting, that they be allowed and that this be included in the Policies and Procedures. Heinrich asked if a supervisor desires to be a voting participant of an evaluation committee that they be allowed to and that this be included in the Policies and Procedures. Cummings said it will be in writing that this will be taken into consideration. At Wysocki’s request, Cummings said supervisors will be sent bi-weekly lists of those projects that are estimated to meet the $150,000 threshold. Paulson felt the threshold should be $100,000. Cummings said staff feel strongly that it be $150,000. Stauffer said this is the difference of two proposals, currently. After further discussion, Paulson was satisfied with the $150,000 threshold as no other supervisors voiced support for $100,000. Heinrich suggested supervisors wanting to attend evaluation committee meetings (non-voting) be granted on a first come, first serve basis. It was agreed the $200,000 threshold listed above would be eliminated and the threshold for all contracts, regardless of the length of the contract, would be $150,000.

An ordinance approving these changes will be forthcoming.

**Investments Report for Six Months Ended**

Reis reviewed the investments report including valuation at cost, valuation at market, total investment income and investment balances, and the County’s portfolios. Information on future investment interest projections was discussed and distributed. Total interest earnings for the 2nd quarter were $523,424, down $332,509 from the 1st quarter, due largely to a decrease of $336,115 in realized gains on the sale of securities as compared to the prior quarter. Due to the annual bond issue being done later this year, the average invested balance decreased $17.3 million from the 1st quarter. The total return for the quarter was down 15 basis points from last quarter, to 0.30%. For the year ending June 30, 2016, County investments returned 1.22%. Investment income for the first half of 2016 totaled $1,379,357.

**MOTION:** Dondlinger moved, second by Zaborowski to accept the investments report for six months ended. Motion carried 7-0.

**Collections Report for Six Months Ended**

Thelke reviewed his report titled “Collections Division Delinquent Collection/Referral Analysis: 2016 Six Month Report” as outlined. Total collections in the first six months increased 4.8% from 2015 and 4.7% from 2014. Tax intercept collections totaled $1,088,503 versus $1,132,542 for the
same time period in 2015. A total of 4,984 tax intercept payments were received on accounts compared to 5,146 for the same time period in 2015. Total collections were $2,367,073 and the amount retained by the County was $1,592,415. This compares to the same time period in 2015 when these figures were $2,236,974 and $1,629,993, respectively.

MOTION: Wysocki moved, second by Paulson to accept the Collections report for six months ended. Motion carried 7-0.

Capital Projects Status Report for Six Months Ended
Duckwitz reviewed the 2016 six-month status report on capital projects as outlined including project title, current appropriations, expenditures, balances and percent complete for design, bid, and construction. No major concerns were voiced.

MOTION: Wysocki moved, second by Morris to accept the capital projects status report for six months ended. Motion carried 7-0.

Report on Alcohol Treatment Fees and Revenue Goals
Luczaj reviewed the program and noted that Alcohol Treatment Court (ATC) Program fees were implemented in June 2009. Client fee collections include revenue from two categories of enrolled clients: tax levy funded 3rd OWI offenders and federal grant-funded 4th OWI offenders (and select number of 3rd time offenders). Caseload capacity is 40-45 clients and the current caseload as of June 2016 was 36 clients. Revenues for the first half of 2016 totaled $15,874. Total Revenues from 2009 through 2016 totaled $266,114.

MOTION: Paulson moved, second by Morris to accept the report on Alcohol Treatment Program fees and revenues. Motion carried 7-0.

Ordinance 171-O-028: Execute Subgrantee Agreements And HUD Grant Agreement For Community Development Block Grant (CDBG) And Home Investment Partnership (HOME) Programs For The 2017 Program Year
Silva discussed this ordinance which authorizes the County Executive to execute agreements with the Federal Government to accept up to $2,890,739 of Community Development Block Grant (CDBG) and Home Investment Partnership (HOME) grants and program income. If the Federal Housing and Urban Development (HUD) funding awards are less than the estimated amount, the CDBG and HOME Consortium Boards will make appropriate reductions to subgrantee grant amounts and send a notification of any decreases to the Finance Committee. If the final Federal appropriation amount is greater than the estimated amount of $2,890,739 an ordinance to appropriate the additional funding will require County Board approval. This ordinance has no direct tax levy impact.

MOTION: Paulson moved, second by Michalski to approve Ordinance 171-O-028. Motion carried 7-0.

Ordinance 171-O-024: Approve Lease Agreement Between The Humane Animal Welfare Society And Waukesha County
Stanich discussed this ordinance which approves replacing an existing agreement between the County and the Humane Animal Welfare Society (HAWS) of Waukesha County for lease of land along Northview Road in the City of Waukesha. The old lease, for approximately 0.8 acres, would
be expanded to about 2.44 acres and the added space would be used for additional parking and dog walking trails. Total annual rent paid by HAWS to the County would increase from $300 per year under the old agreement to $1,220 per year (at $500 per acre) under the new agreement for an annual increase of $920. The annual rent under the new lease will be adjusted annually for changes in the Consumer Price Index with a minimum increase of 3.5% and a maximum of 7.5%. The lease will have an initial term of 20 years with options for two 20-year extensions thereafter. This ordinance results in no additional direct tax levy impact.

MOTION: Wysocki moved, second by Dondlinger to approve Ordinance 171-O-024. Motion carried 7-0.

**Ordinance 171-O-030: Delete Existing Capital Project #201311 South And West Terminal Ramp Expansion, Create New Airport Ramp Expansion Project With Modified Scope And Revenue #201621, And Modify The 2016 Capital Projects Budget**

Bussler and Stanich were present to discuss this ordinance which deletes the existing capital project for the south and west terminal ramp expansion (#201311) and creates a new replacement ramp expansion project (#201621) with enhanced scope and revenue. The ordinance modifies the 2016-2020 capital plan for the deletion and creation of these projects.

The last time this project was approved by the County Board (2015-2019 capital plan), no funding was available from the Federal Aviation Administration (FAA) and Wisconsin Bureau of Aeronautics (BOA), which usually covers about 95% of projects. The project had to be fully-funded with County Airport Fund balance ($700,000), so the scope was limited to a taxiway connection between the south and west terminal ramps (about 8,400 square yards). Approximately $690,000 of the existing $700,000 project remains and will lapse to Airport Fund Balance.

The Airport Manager indicates that FAA and BOA revenues are expected to be available to help fund a more comprehensive ramp expansion that is consistent with the Airport master plan (about 54,400 square yards). The project will also include improvements to storm water management, airfield lighting and signage. The State and Federal funding allows the County to spend fewer dollars ($625,000) to leverage another $9,055,000 of FAA and BOA revenues, for a total estimated project cost of $9,680,000. The County share is approximately 6.5% due to some portions of the pavement not being eligible for FAA funding. This ordinance appropriates $325,000 of capital project expenditures and Airport Fund Balance in 2016 for the first phase of this three-year project (2016-2018).

The project is expected to improve accessibility within the airport grounds and enhance safety by removing traffic from aircraft movement areas and a busy taxiway. The ramp expansion also provides ramp space for potentially three new hangars, which are expected to be constructed over the next three years and estimated to generate approximately $84,000 in additional annual land lease revenues (2016 dollars). The new hangars will support additional based aircraft at the Airport, increasing fuel revenues paid to the County (receive $0.10/gallon sold).

The new ramp space will result in additional ongoing costs for snow removal and pavement maintenance. As part of their eventual lease agreements, the hangar owners will pay for portions of the new pavement for which they are leasing (adjacent to their hangar lots). Ongoing costs for the remaining pavement will be paid for by the County, estimated at $8,000 annually for snow removal and $2,000 for pavement repairs and maintenance beginning about five years after construction.
(first few years should need minimal repair). This ordinance is expected to have a favorable impact on County Tax Levy due to the additional revenues.

MOTION: Morris moved, second by Wysocki to approve Ordinance 171-O-030. Motion carried 7-0.

**Ordinance 171-O-032: Modify The Bridges Library System 2016 Budget To Accept And Appropriate Grant Funding To Improve Library Services To Youth And Citizens With Special Needs**

Meyer discussed this ordinance which authorizes the Bridges Library System to accept and appropriate $7,000 of Wisconsin Department of Public Instruction (DPI) Library Services Technology Act (LSTA) Grant revenues on behalf of seven Wisconsin Library Systems. The funds will be distributed by the Bridges Library System to libraries in fifteen Wisconsin counties to improve library services and programs for serving youth and people with special needs. This ordinance results in no direct impact to the County general tax levy or the Special Library tax levy.

MOTION: Paulson moved, second by Zaborowski to approve Ordinance 171-O-032. Motion carried 7-0.

**Status Update on the Contingency Fund for Six Months Ended**

Witkowski indicated there were no Contingency Fund transactions during the first six months of 2016 and the balance remains at $1,200,000.

MOTION: Wysocki moved, second by Dondlinger to accept the status report on the Contingency Fund for six months ended. Motion carried 7-0.

**Ordinance 171-O-033: Accept Victims Of Crime Act Grant Funding And Modify The Waukesha District Attorney’s Office 2016 Budget**

Opper discussed this ordinance which authorizes the District Attorney’s Office to accept a Victims of Crime Act (VOCA) funding supplement totaling $75,000. The funds will be used to increase a part-time temporary Victim Witness Counselor position to a full-time temporary position ($39,800); purchase equipment and additional supplies for the Mobile Victim Assistance Program ($10,650); train victim service providers ($14,300); and provide emergency funds for crime victims ($10,250).

This ordinance results in no direct impact on the 2016 tax levy. Opper indicated the grant will continue for up to three years and the 2017 budget will include a new position request with a sunset clause.

Yatchak and Mader advised of a financial error within the ordinance language, although indicated the fiscal note is correct. This will be corrected by the Judiciary & Law Enforcement Committee and announced at the County Board meeting.

MOTION: Paulson moved, second by Morris to approve Ordinance 171-O-033. Motion carried 7-0.

**Special Revenue and General Funds Report for Six Months Ended**

Witkowski reviewed the Special Revenues funds and indicated, as of six months, all funds are projected to finish the year with overall favorable results. The Transportation fund is projected to be $133,000 below budget mainly due to expenditures that are expected to be lower than budget by $290,000 partially offset by revenues that are estimated to be below budget by $157,000. Lower
expenditures are mostly due to lower vehicle related charges (i.e., repair/maintenance, fuel and replacement charges) by about $250,000. Also, Transportation Fund revenues are estimated to be below budget mainly due to lower state Routine Maintenance Agreement (RMA) payments for work on state highways. Tarmann Fund expenditures for 2016 are estimated to be $655,700 below budget. Expenditures include $338,400 for the Grimm Property ($37,500) and the Thompson property ($300,900).

Regarding the General Fund for the first six months of 2016, total expenditures were about $72.7 million or 43.3% of the total modified expenditure budget versus expenditures for the same period in 2015 at $70.8 million or about 44.0% of total 2015 actual expenditures. Expenditures were higher than the prior year by about $2.0 million or 2.8% including higher spending in the Clinical Services ($770,000) and Children & Family Services ($175,000) divisions of Health and Human Services. Operating revenues achieved during the first six months of 2016 were at $35.2 million or about 42.8% of the modified revenue budget. This compares to about $35.0 million or approximately 43.8% of revenues recognized for the first six months of 2015. For the first six months of 2016, revenues were higher than the prior year by about $200,000 or 0.6%. At this time, overall year-end results are projected to be about $315,000 (0.19%) unfavorable (expenditures exceeding revenues).

For the six-month status report, departmental year-end estimates are typically conservative because of uncertainty in projecting the remaining half-year. Administration expects projections to improve for the nine-month status report and will continue to monitor financial results to ensure a favorable year-end result. Revenue from investment income and penalty/interest on delinquent taxes in the Treasurer’s Office are estimated to be $1.3 million and $700,000, respectively, below budget based on continued low interest rates and fewer tax delinquencies. A table will be provided projecting a target investment budget by 2018. Health & Human Services is projecting that it will finish unfavorably (expenditures over revenues) by about $200,000. The department is also projecting they will exceed their overall expenditure budget by about $880,000 with above-budget spending in their operating expense (by $1,380,000) and interdepartmental charge (by $75,000) appropriation units. This will be partially offset by projected below-budget personnel costs (by $560,000) and fixed asset purchases (by $15,000).

MOTION: Michalski moved, second by Dondlinger to accept the Special Revenue and General Funds Report for six months ended. Motion carried 7-0.

MOTION: Paulson moved, second by Dondlinger to adjourn at 12:38 p.m. Motion carried 7-0.

Respectfully submitted,

William J. Zaborowski
Secretary