**Waukesha County Board of Supervisors**

**Minutes of the Finance Committee**

**Wednesday, December 15, 2021**

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

**Present**: Supervisors Jim Heinrich, Duane Paulson, Tom Michalski, Tyler Foti, Joel Gaughan, Larry Nelson, and Ted Wysocki.

**Also Present**: Chief of Staff Sarah Spaeth, Legislative Policy Advisor Alex Ignatowski, Administrative Specialist Mary Pedersen, Accounting Services Coordinator Lisa Davis, Health & Human Services Coordinator Jenny Wrucke, Treasurer Pam Reeves, Budget Management Specialist Michelle Beasley, Budget Manager Bill Duckwitz, Business/Collections Services Supervisor Lyndsay Johnson, Operations & Training Manager Chris Becker (via phone), Financial Analyst Briton Smith, Office Services Coordinator Julie Moelter, Highway Operations Manager Bob Rauchle, Bridges Library System Director Karol Kennedy, Business Managers Steve Trimborn and Josh Joost, Parks System Manager Steve Brunner, Recycling Solid Waste Supervisor Analiese Smith; Senior Financial Analysts Rob Dunn, Michelle Czech, Alex Klosterman, Stephanie Kirby, and Clara Daniels; Sheriff Eric Severson, Inspector Jim Gumm, Deputy Inspector Patrick Esser, Jail Administrator Angela Wollenhaupt, Deputy Jail Administrator Tracy Lewandowski, Captain Aaron Bogie, Lieutenant Nicholas Ollinger, Financial Analyst Cathy Kienast, Medical Examiner Dr. Lynda Biedrzycki, Administration Director Andy Thelke, County Board Chair Paul Decker, Accounting Services Manager Danielle Igielski, Human Resources Manager Renee Gage, Senior Human Resource Analyst Natalie Durr, Parks System Manager Rebecca Mattano, and Corporation Counsel Erik Weidig.

**Ordinance 176-O-095: Modify The Department Of Health And Human Services 2021 Budget To Accept The Rapid Cycle Grant: Crisis Intervention And Law Enforcement Funding And Appropriate Additional Expenditures**

Davis and Wrucke discussed this ordinance which authorizes Health and Human Services to accept $97,079 of Rapid Cycle Grant: Crisis Intervention and Law Enforcement grant funding from the State of Wisconsin. This funding is intended to facilitate efficiencies for the County’s current crisis response system by embedding an existing 1.0 FTE clinical therapist from the Health and Human Services Crisis Division in the Sheriff’s Department. This position would be integrated into the internal communications systems at the Communications Center for expeditated access and crisis response. Also, this position would conduct face-to-face follow up consultations with people who have experienced a mental health crisis or was recently discharged from inpatient care. Wrucke distributed additional information on the duties and responsibilities of the position which she highlighted.

This ordinance also modifies the 2021 budget to increase personnel costs by $88,941, operating expenses by $8,138 and general government revenues by $97,079. The additional grant-funded personnel appropriation will cover the position costs for the clinical therapist being embedded in the Sheriff’s Department. Since this position is already budgeted in the 2021 budget, the existing budget authority for this position will help cover temporary extra help to backfill support in this area for the duration of this grant. There are no new regular positions created for this ordinance. Operating expenses include laptops to expand mobile capability for staff and a mobile printer to pilot printing of response documentation for the client. Since the grant period runs through June 30, 2022, staff will request a carryover of unspent funds at year-end into 2022. This initiative is funded with temporary grant funding and results in no direct impact to tax levy. If the departments choose to continue the initiative after grant funding has ceased they will need to prioritize the additional position and related costs within future tax levy allocations.

Wysocki was concerned the grant ends in June and asked how it will be funded thereafter, and that it only covers one shift. Davis said other grant funds are available in the future if it’s decided this pilot program should continue.

MOTION: Nelson moved, second by Gaughan to approve Ordinance 176-O-095. Motion carried 7-0.

**Fund Transfer 2021-HHS-02, Health & Human Services: Transfer Funds from Operating Expenses to Interdepartmental Expenses**

Davis discussed this fund transfer and said interdepartmental charges are estimated to be above budget by $250,000 largely due to technology cross-charges for the cost of software licenses for temporary County and contracted staff involved in the pandemic response, and Public Works Transportation Fund charges for labor and equipment used at the community vaccination clinic that ran from February into May. These expenses are funded with federal Centers for Disease Control and Prevention (CDC) Epidemiology and Laboratory Capacity (ELC) grant funding. At the time that CDC grant funding was approved by the County Board, there was uncertainty how actual expenses would align with budgeted spending categories. ELC grant-funded operating expenses, mostly for contracted staff to help respond to the pandemic, are expected to be below budget and available for transfer to cover above-budget interdepartmental charges.

Wysocki felt ARPA funds should have been used for this. Duckwitz said it was more logical to use the CDC ELC grant funds because it has more restrictions than ARPA and this expense is an appropriate use of the CDC ELC grant funds.

MOTION: Paulson moved, second by Foti to approve Fund Transfer 2021-HHS-02. Motion carried

6-1. Wysocki voted no.

**Results of the Tax Foreclosure Process**

Reeves referred to her report on 2021 property tax foreclosure statistics which included information on property location and description, starting bid and sale price, and County profit/loss.

**Fund Transfer 2021-240-01, Emergency Preparedness: Transfer Funds from Operating Expenses to Personnel Expenses**

Becker (via phone) and Smith were present to discuss this fund transfer. Smith said the department is projected to exceed its personnel cost budget by approximately $35,000. Overbudget personnel costs are due to staff turnover, maintaining coverage, and unbudgeted retirement/separation payouts. The department is able to partially offset some of these costs due to vacancy and turnover savings. The department is proposing the transfer of $35,000 from unspent operating expense appropriations. The budget included $35,000 for unanticipated equipment replacements which are not expected to be needed in 2021.

MOTION: Paulson moved, second by Michalski to approve Fund Transfer 2021-240-01. Motion carried 7-0.

**Fund Transfer 2021-230-01, District Attorney: Transfer Funds from Personnel Expenses to Interdepartmental Expenses**

Moelter and Daniels were present to discuss this item. Moelter said the District Attorney’s Prosecution Program interdepartmental appropriation is projected to be over budget by $17,000 due to greater than budgeted expenditures on postage to mail discovery and detective services provided by the Sheriff's Department. In the past, the District Attorney's Office was able to distribute discovery in person during court proceedings. Due to COVID, in person court proceedings were limited resulting in discovery being mailed instead of hand delivered. The result is that the office has experienced greater than budgeted spending on postage. The office also experienced greater than budgeted spending on mileage. Personnel expenses are projected to be below budget due to greater than budgeted vacancy and turnover expenditure savings.

MOTION: Wysocki moved, second by Paulson to approve Fund Transfer 2021-23-01. Motion carried 7-0.

**Fund Transfer 2021-400-02, Public Works: Transfer Funds from Operating Expenses to Personnel Expenses and Interdepartmental Expenses**

Rauchle discussed this fund transfer which involves transferring $345,000. The Transportation Fund has experienced higher overtime and temporary extra help costs in 2021 than anticipated, particularly in Highway Operations. Above budget overtime is mainly due to responses to spring/early summer storm damage, covering for staff turnover/vacancies and medical leaves throughout the year, and the implementation of two new software platforms. Interdepartmental

charges are also trending higher than budget particularly in Highway Operations for Central Fleet repair and maintenance. Due to a mild end to the 2020-2021 winter season, salt use is below average for the year and projected to be under budget at the end of 2021.

MOTION: Nelson moved, second by Michalski to approve Fund Transfer 2021-400-02. Motion carried 7-0.

**Fund Transfer 2021-130-01, Bridges Library System: Transfer Funds from Operating Expenses to Personnel Expenses**

Kennedy said personnel expenses are anticipated to be over budget largely due to a temporary double fill of a part-time position to facilitate training and knowledge transfer, and a separation payout. She is requesting to transfer $10,000 from operating expenses which is expected be below budget related to decreased mileage and travel expenses due to COVID-19, and lower office supplies expenses.

MOTION: Wysocki moved, second by Nelson to approve Fund Transfer 2021-130-01. Motion carried 7-0.

**Ordinance 176-O-087: Modify The 2021 Budget Of The Parks And Land Use Department To Appropriate Additional Expenditure Authority For The Golf Course**

Trimborn and Brunner were present to discuss this ordinance which appropriates an additional $200,000 of expenditure authority in the Parks and Land Use Golf Course Fund 2021 budget. Brunner said this figure consists of $126,000 of operating expenses for above budget irrigation expenses of $73,500 and $52,500 of above budget merchandise for resale expenses for both concession sales and pro shop merchandise; $37,000 of above budget personnel costs associated with higher seasonal and overtime expenses related to higher customer activity; and $37,000 of higher interdepartmental charges for vehicle maintenance and fuel costs, also related to higher customer activity. Since this fund is classified as an enterprise fund, the budget modification appropriates bottom-line total expenditure authority as opposed to the appropriation unit level.

The golf courses experienced higher customer activity in 2021 and year to date revenues total $2.53 million or $570,000 higher than the 2021 budgeted amount. The above budget expenditures will be funded with $200,000 of above budget golf course revenues. No tax levy is budgeted in the Parks and Land Use-Golf Course Fund and this ordinance has no impact on tax levy.

MOTION: Wysocki moved, second by Michalski to approve Ordinance 176-O-087. Motion carried

7-0.

**Ordinance 176-O-089: Modify The 2021 MRF Budget To Increase Expenditures For A Portion Of One Time Costs Associated With New Robotic Sorting Equipment**

Smith and Trimborn were present to discuss this ordinance. Smith said it authorizes the appropriation of $40,000 of additional expenditure authority in the 2021 Material Recycle Fund (MRF) budget for the county’s share of the project costs associated with the purchase and installation of robotic sorting equipment to increase the capture of paper cups, paper cartons, polyethylene terephthalate (PET), and high-density polyethylene (HDPE). This ordinance also increases the use of the Material Recycling Fund Balance by $40,000 to cover the costs.

The department estimates that the total project costs are $330,000, offset by $250,000 of funding from the Fiber Packaging Institute and the Carton Council. The remaining $80,000 is split evenly between the City of Milwaukee and Waukesha County per the established intergovernmental agreement. The resulting county’s share of the total project costs are $40,000. Based on current cost share agreements, the County’s share of the additional revenue of $130,700 and an estimated reduction in residue disposal costs of $25,000 will result in a return on investment of less than one year’s time after installation.

MOTION: Wysocki moved, second by Nelson to approve Ordinance 176-O-089. Motion carried 7-0.

**Legislative Update**

Ignatowski gave an update on gave an update on Next Generation 911 funding, adoption bills, a discussion on bail between our sheriff and state legislators, redistricting, the opioid settlement, and a bill on green lights for snowplows.

**Fund Transfer 2021-200-01, Sheriff: Transfer Funds from Interdepartmental Expenses and Operating Expenses to Personnel Expenses**

Severson, Joost, and Gumm were present to discuss this issue. Gumm said the Sheriff's Department is projecting greater than budgeted spending on overtime expenses. As of December 8th, the department has exceeded the overtime budget by $1,411,372. Greater than budgeted spending is due to significant department turnover resulting in the need to pay overtime for shift coverage, payouts related to retirements and terminations, increased sick and FMLA time which requires overtime for coverage, increased demand for staffing related to court tower construction delays, and newly hired staff working through training programs requiring the department to utilize overtime to count towards shift minimums. There were also several large incidents this year that required the immediate response of several of the department that created significant overtime. The department will be able to absorb some of the overtime overage due to underspending of salary and benefit accounts due to position vacancies, however, the department is requesting to transfer a total of $237,892 from the operating and interdepartmental appropriation units to the personnel appropriation unit to address a portion of the overage. The department is requesting a transfer from the Contingency Fund to cover the remaining overage totaling of $450,000. They are also requesting a separate ordinance (see below) to appropriate $400,000 of additional personnel cost authority to cover higher overtime costs funded with above-budget revenue.

Due to lower than anticipated budgetary needs for 2021, the department is requesting to transfer a total of $195,443 from the operating expense appropriation. A transfer from the operating expense appropriation is requested to include the following operating accounts: various supplies, clothing, outside printing, small equipment rental, medical services, fuel, cellular lines, auto lease, travel, transportation services, extradition, towing costs, food for meal prep, electricity, communication equipment repair, small equipment, and plumbing and heating repair and maintenance. Due to lower than anticipated budgetary needs for 2021 in the interdepartmental expense appropriation unit, the department is requesting that $42,449 be transferred from the following interdepartmental accounts: radio communications, vehicle fuel accounts, telephone charges, computer maintenance, postage, fixed telephone costs, and trunked radio costs.

Heinrich was concerned with using contingency funds for this purpose. He was concerned that the Sheriff’s Department does not change the way they do things even when they know they are going over budget, unlike other departments who have the same challenges but find ways to stay within their budget. Severson said they make cuts when they can, cuts that do not jeopardize public safety. Severson did not think they are like other departments because of the importance of public safety and what the public expects from them. Duckwitz said turnover and overtime this year was higher than normal which is why budget staff recommended the use of contingency funds. Gumm said citizens do not want them to reduce any services. Wysocki asked why there were large amounts of money left in other areas of their budget. Joost indicated they held off on spending wherever they could. Paulson felt communities that do not pay for policing should pay an extra tax so others don’t have to subsidize their police services. Gaughan said he will reluctantly support this but it may be the last. He felt the department does not make honest efforts to consider new ideas and the response back from Sheriff Department staff is always no. Nelson said it was imperative we come up with solutions for overtime and turnover which would solve a lot of the problem.

MOTION: Nelson moved, second by Foti to approve Fund Transfer 2021-200-01. Motion carried 7-0.

**Ordinance 176-O-094: Modify The 2021 Sheriff’s Department Budget To Appropriate Expenditures For Personnel And Increase Charges For Services Revenue**

This ordinance modifies the 2021 Sheriff’s Department budget by appropriating personnel expenditures of $400,000 for overtime caused by greater than anticipated demand for services due to the court tower construction delays, significantly increased turnover in the department, and large retirement payouts. The ordinance increases the budget for Charges for Services by $400,000 reflecting increased revenues received from the State of Wisconsin Department of Corrections for housing inmates longer than anticipated due to COVID-19 precautions at state facilities. This ordinance results in no additional tax levy impact.

MOTION: Foti moved, second by Nelson to approve Ordinance 176-O-094. Motion carried 7-0.

**Ordinance 176-O-088: Modify The 2021 Register Of Deeds Budget To Appropriate Expenditures For Additional Personnel Costs And Increase Charges For Services Revenue**

Dunn discussed this ordinance which appropriates an additional $25,000 of personnel cost expenditure authority in the Register of Deeds 2021 budget to cover additional personnel costs expenses incurred as a result of changes to employee health insurance plan selections. This additional expenditure authority will be funded with above-budget real estate transfer fee charges resulting from high activity. Per the nine-month General Fund status report, real estate transfer fees are estimated to finish the year approximately $870,000 above budget with total charges for services estimated to finish over $1.5 million higher than the budgeted amount. This additional expenditure authority is funded with charges for service revenues and does not result in a direct tax levy impact.

MOTION: Wysocki moved, second by Michalski to approve Ordinance 176-O-088. Motion carried

7-0.

**Ordinance 176-O-091: Authorize The Medical Examiner’s Office To Establish A Transport Fee**

Biedrzycki and Bauer discussed this ordinance which authorizes the Medical Examiner’s Office to establish a transport fee to recover the cost of transporting decedents from death scenes or health care facilities to the Waukesha County morgue. This fee would be set at $204 per transport beginning on January 1, 2022 and with an estimated 400 transports, this would generate about $81,600 in revenue. The transport fees charged by other counties range from $153 to $267 per transport. Future increases in the transport fee would be limited to the annual percentage change in the U.S. consumer price index for the 12 months ending on December 31, per state statute 59.365. Any future Medical Examiner fee changes will be included in the department’s annual budget request or through separate ordinance.

According to state statute, section 59.36, this fee cannot “exceed an amount that is reasonably related to the actual and necessary cost of providing the service.” The proposed fee is based on estimated staff time, vehicle costs, supply costs, management supervision, and indirect cost recovery. These revenues would reimburse the County which are already included in the base budget and funded with tax levy. This ordinance would free up additional tax levy resources to fund other needs in the Medical Examiner’s budget to meet increasing caseloads. The budget modification associated with the establishment of this fee is included in a separate ordinance for County Board consideration during the December 2021 ordinance cycle. This ordinance produces a favorable tax levy impact by generating a new revenue source to cover ongoing costs that were previously funded with tax levy.

MOTION: Paulson moved, second by Nelson to approve Ordinance 176-O-091. Motion carried 7-0.

 **Ordinance 176-O-092: Modify The 2022 Medical Examiner Budget For Additional Transport Fee Revenues To Recover The Cost Of Decedent Transportation And Increase Personnel Costs For Temporary Extra Help Pathologist Support**

Biedrzycki discussed this ordinance which increases the charges for service revenue budget by $81,600 to account for a new transport fee being considered by the County Board during the December 2021 ordinance cycle for implementation beginning on January 1, 2022. This new revenue source would recover the cost of transporting decedents from death scenes or health care facilities to the Waukesha County morgue.  Because these transport costs are already included in the base budget and covered with tax levy, this new revenue source frees up base tax levy resources to fund additional temporary extra help pathologist support that the department indicates is needed due to increasing caseloads.

This ordinance increases the personnel cost budget by $81,600 for the additional temporary extra help, estimated to cover 0.28 FTE in pathologist support coverage. This additional staffing will be filled with a temporary, non-benefited position and does not require County Board action for the creation of a regular part-time position. This ordinance would not result in a direct tax levy impact overall.

MOTION: Wysocki moved, second by Paulson to approve Ordinance 176-O-092. Motion carried 7-0.

**Ordinance 176-O-093: Modify The Medical Examiner’s 2021 Budget To Appropriate Additional Operating Expenses And Increase Fines And Licenses Revenue**

Biedrzycki discussed this ordinance which modifies the 2021 Medical Examiner’s budget by increasing operating expenditure appropriations by $52,000 to cover additional costs for medical testing and livery services due to the department experiencing a significant increase in examination cases. In addition, the fines and licenses budget is increased by $52,000 for cremation permit fees. This ordinance results in no direct additional tax levy impact.

MOTION: Michalski moved, second by Wysocki to approve Ordinance 176-O-093. Motion carried

7-0.

**Ordinance 176-O-096: Apply For And Accept Federal Emergency Management Agency Funds For Eligible Pandemic Related Costs And Accept Wisconsin Department Of Health Services Federal American Rescue Plan Act Funding Allocation For Pandemic Related Costs**

Thelke discussed this ordinance which authorizes the Health and Human Services Public Health Division to accept American Rescue Plan Act (ARPA) funding administered through the State Department of Health Services for pandemic response, mitigation and recovery efforts. This ordinance also authorizes the Public Health Division to accept Federal Emergency Management Agency (FEMA) funding to allow for 100% reimbursement of vaccination clinic expenses, public facility mitigation expenses, and personal protective equipment purchases. The department is analyzing costs incurred and prioritizing using funding sources with the most restrictions first. Thelke also gave a brief update on 2021 financials related to the COVID pandemic.

The 2021 budget contains sufficient expenditure authority to cover the estimated pandemic response costs of approximately $6.9 million. Pandemic response costs of $4.7 million have been claimed against other funding sources received from the State and $0.4 million will funded with the County’s direct ARPA allocation. The funds accepted through this ordinance will be used as follows:



FEMA funding also allows for up to 5% administrative cost recovery (nearly $50,000) associated with this funding. This ordinance provides grant funding for staff time that was already included in the base budget. Revenues above the base budget will result in a positive fund balance impact.

MOTION: Nelson moved, second by Gaughan to approve Ordinance 176-O-096. Motion carried 7-0.

**2021 COVID Financial Report**

Thelke, Igielski, and Czech discussed the report titled “Waukesha County 2021 Pandemic Response Expenditure Report” as outlined which included information on expenditures and funding sources for the vaccine clinic, COVID testing, call center, Telehealth, EOC, etc.

**Ordinance 176-O-097: Approve 2022 Salary Range Adjustment For Seasonal And Temporary Classifications And Broaden The Pay Ranges For Certain Seasonal Classifications**

Gage said this ordinance approves new and expanded wages for seasonal and temporary classifications effective January 1, 2022. This ordinance increases the wage rate of all seasonal and temporary classification by 2% with the exception of a larger increase for the Civilian Bailiff classification. The 2022 estimated County-wide impact of the changes (including benefit costs) is approximately $98,000, or an average of 2.6%. The impact of these changes has been included in the 2022 Adopted Budget.

MOTION: Wysocki moved, second by Paulson to approve Ordinance 176-O-097. Motion carried 7-0.

**Ordinance 176-O-098: Approve 2022 Salary Range Adjustment To The Non-Represented 2021 Salary Ranges And Modify The Medical Salary Ranges**

Gage, Durr, and Mohr were present to discuss this ordinance which authorizes a 2% across-the-board wage increase for all non-represented 2021 salary ranges effective January 1, 2022. This would include all employees except elected officials, temporary/seasonal employees, and those represented by a collective bargaining agreement. The fiscal impact of these changes is illustrated below:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|   | 2021 Wages & Benefits Base | 2022 ATB Changes | 2022 Wages & Benefits Base | % |
| Salaries | $77,712,635 | $1,554,253 | $79,266,888 | 2.00% |
| Retirement | $5,881,694 | $115,811 | $5,997,505 | 2.00% |
| Social Security | $5,214,441 | $104,289 | $5,318,730 | 2.00% |
| **Total** | **$88,808,770** | **$1,774,353** | **$90,583,123** | **2.00%** |

In addition, this ordinance authorizes increasing the five medical ranges to account for changes in the medical labor market. In some cases, the new range is higher than the employee’s current salary and their salary will need to be adjusted accordingly. The impact of these adjustments is estimated at $10,569. The annual net impact of all the provisions of the ordinance is estimated at $1,784,922. The 2022 Adopted Budget includes sufficient funding for these changes.

MOTION: Paulson moved, second by Foti to approve Ordinance 176-O-098. Motion carried 7-0.

**Closed Session**

MOTION: Paulson moved, second by Foti to convene in closed session at 11:19 a.m. pursuant to Section 19.85(1)(g), Wisconsin Statutes, to confer with staff and Corporation Counsel who is rendering oral advice concerning strategy to be adopted with respect to a pending Workers Compensation matter entitled Bryan Bindel v. Waukesha County; and to approve the closed session minutes of November 17, 2021. Motion carried 7-0.

MOTION: Paulson moved, second by Wysocki to return to open session at 11:32 a.m. Motion carried 7-0.

**Next Meeting Date**

* January 19

**Executive Committee Report of December 13**

Heinrich said the Executive Committee approved four appointments and went into closed session to discuss pending opioid crisis litigation.

**Review Correspondence**

Spaeth referred to her email on a memo by CDBG on their change of intent for rental assistance to help the City of Waukesha condo owners.

**Approve Minutes of November 17**

MOTION: Paulson moved, second by Gaughan to approve the minutes of November 17. Motion carried 7-0.

MOTION: Gaughan moved, second by Michalski to adjourn at 11:34 a.m. Motion carried 7-0.

Respectfully submitted,

Thomas A. Michalski

Thomas A. Michalski

Secretary