

Organizational Meeting

Key Guidance Items

- Method of meeting
- Method of electing officers
- Board Rules
- Additional Agenda Items?
- *Essential to have a Temp Planning and Zoning Committee Appointed on Tuesday night by new Chair; recommendation is to allow current members to be maintain.

Method of meeting

- Goals
 - Ensure Transparency
 - Ensure Opportunity to Participate
 - Ensure Safety to Public, Board Members and Staff
 - Ensure Continuity of Government

Survey Results

- 20 Responses as of Wednesday Night
 - 15 responded they would attend in person (*assumption is to follow appropriate practices)
 - 8 responded there could be/would be difficulty in attending remotely
 - 1 indication that in person or remote access would not be viable

Recommendation

- Hybrid Approach
 - Meeting held at Fair Park Activity Center for those who can attend
 - Appropriate spacing and protection systems will be established
 - Offer Zoom for remainder of Board members
 - County is working through options to simulcast the meeting on Youtube; while securing Zoom
- Election of Officers
 - For in person – follow normal secret ballot nomination and voting process
 - For Zoom – utilize integrated polling system both processes
 - Fall back position is staff calls remote attendees

Other organization items matters

- Swearing in process
- Board Rules
 - How is the desire to handle?
 - Be mindful of remote attendance; emergency allows more flexibility, proposed rule is more restrictive
 - Public Comment
- Other items
 - Should the new Board ratify action taken on March 19th
 - Declaration and remote attendance
 - Does Board seek to ratify actions of County Administrator?
 - Can additional items be added to agenda?

Annual Reports

May 12th	May <ul style="list-style-type: none">• Human Resources• County Administrator• Economic Development Consortium• Medical Examiner
June 9th	June <ul style="list-style-type: none">• Finance• Health Department• Human Services• District Attorney
July 14th	July <ul style="list-style-type: none">• Sheriff• Emergency Management• Child Support• Presiding Judge (Judge _____) ?
August 10th	August <ul style="list-style-type: none">• Highway• Parks• Fair Park• Corporation Counsel
September 8th	September <ul style="list-style-type: none">• Land Information• Planning & Zoning• Land & Water Conservation• Library Board
October 13th & 27th	October <ul style="list-style-type: none">• None
November 10th	November <ul style="list-style-type: none">• Veterans Service

COVID -19

Potential Fiscal Impact

Factors

- Predictions that US will hit a 20-30% (+) unemployment (Great Depression v Great Recession)
 - Last 3 weeks – US labor have indicated 16.8 million have filed
 - 7 million – a record; filed the week of March 28th
 - WI Weekly Claims - 208,383; 2019 -28,304
 - WI Initial Claims – 104,805; 2019 – 5,381
 - Jefferson County – 4% - February; October 2019 – 2.5%
 - UW Projecting WI could hit 27%; past record 9.5%
 - Is this temporary??
 - Note pre-CARES; independent contractor/business owner
- US economic contraction of 40% in 2nd quarter
 - 30% of WI Business Closed
 - Estimate 50% of these businesses will go out of business
 - 40% reduction in manufacturing output in WI
- Volatile Markets
 - Includes municipal bond markets
 - Highly Rated/Short duration (we are considered highly rated); limited appetite for low quality and longer maturity
 - Since 2020 10 year dropped .58% from 1.78% to 1.2%
- Unknowns
 - Reopening
 - Recurrence/phases
 - Timelines – no certainty
 - Balance (Public Health/Medical; Economic; Societal) - recovery

Revenues

- Sales Tax – 2 months delay from collection month to disbursement month
- Property Tax
- State Aid
- 1st Quarter review
 - Revenues in line with past 2 years
 - No significant change in fees
 - Expect greater impact into 2nd quarter
- Monitoring Revenue
 - Parks
 - Fair Park

Property Tax

- Pending changes in state law related to interest and penalties – 1 Oct 2020
- August Settlement – must make local governments whole
- Impact for ability to pay; what will economic climate look like?
- What will the long term impacts be:
 - Will rebound be quick?
 - Will it follow the 2008 recession?

Sales Tax - Short Term Interruption

- The most optimistic scenario involves a short-term economic interruption lasting about three months, with economic activity gradually approaching “normal” over the ensuing six months. Given the “safer at home” order, which lasts through April 24, the largest impacts are felt during the month of April. Given how the county sales tax is collected and distributed, an April interruption is felt mostly in June payments to counties.
- Under this scenario, sales in hotels and motels are projected to be 95% below normal in April, 60% below normal in May, and 40% below normal in June. Sales in restaurants and bars fall by 70% in April and May (as social distancing recommendations remain in place), and 30% from normal June levels. Retail sales decline 20% in April and May, and 10% in June. Other taxable sales decline 20% in April and 10% in May and June.
- In the second half of the year, sales in each of these industries gradually return to pre-pandemic levels. Under those conditions, county sales tax revenue during 2020 are estimated to be 8.0% (\$37 million) below projected levels (Statewide)

Sales Tax - Protracted Recession

- The more severe scenario is somewhat similar to a Congressional Budget Office pandemic estimate from 2006 and recent estimates from the New York State Association of Counties. Under this scenario, the “safer at home” order is extended for a second month. Thus, sales in hotels and motels are 95% below normal in both April and in May, and 70% in June. Sales in restaurants and bars fall by 70% in April and May, and 40% in June. Retail sales decline by 40% in April and May, and 30% in June. Other taxable sales decline 20% in April and 10% in May and June.
- Under these assumptions, 2020 collections are 12% below expected levels, a decline of \$55.6 million.

Sales Tax – Forward Analytics (FA)

- Assumes County \$6.92 million
 - We budgeted \$6.55 – more conservative based on trends
- County Impact per FA
 - Short term (Apr) – 7.6% - \$523,219
 - Protracted Recession (May) – 11.5% - \$797,864
- Concerned these numbers may be low – i.e. – protracted may be closer to 15%
- Every 30 days; concerned these numbers will magnify

Federal and State Impacts

- State - Projected surplus is gone
 - Can't borrow for operations
 - Restrictions – increase taxes, cut spending or both
- Federal CARES Act
 - Only local governments over 500,000 received direct support from Fed
 - Rest rely on state – currently \$7.5 million to share between all – not sure of final
 - Money provided to state at discretion of Administration
 - Local Government does not get reimbursement for expanded FMLA; may come at some point
- COVID -19
 - Purpose of any dollars is to offset cost of pandemic; not to replace lost revenue
 - County is tracking; requisition process tweaked
 - Public Health getting additional funds; waiting on final amount
- Long terms Impacts to state budget – how will it impact our budget
 - 2nd year of current budget - 2020-2021
 - Next Budget Cycle – 2021-2023

Fund Balance Considerations

- Healthy Position
- This is a rainy day
- What is the plan if drawdown?
- What is policy guidance?
- Impact to bond rating
- Need for potential liquidity for settlement and operational needs

Investments

- Met with Investment Advisor
- Expectations is that we will maintain projected budget amount
 - For Budget had reduced to \$850k
 - Several better performing bonds are not callable until 2021
 - Impacts to housing market could impact mortgage securities
 - Last one was 1.47%
- Bigger impact in future budgets
 - Allowable investments are tied to fed interest rates; unknown how rates will be at this level
 - Expected higher paying bonds to be called due to the low interest rates
 - Dollars reinvested will be at a lower rate of return

Current Analysis/Status

- Update and further utilization of priority based budgeting; Finance Director attending seminar
- Setting up discussions with Ehlers (bond consultants) regarding use of fund balance and potential rating impacts
- Staff impacts
 - Some positions not filled (DH); Dodge County joint positions, etc....
 - Reallocation of staff to assist other Departments; project work; reduction in hours
 - Worked to maintain operations for public and employee safety
 - Maintained operations where outside revenue came into play
 - HS, Child Support, Highway
- On- going monitoring of revenue and expense
 - Prioritizing large purchases
- Looking at key needs – example - RLF

County Admin Action

- Acceptance of Highway Bids for 2020 Construction Season
 - 2020 Local Road Improvement Program Asphalt Bids
 - 2020 Seal Coat Oil Vendors
 - 2020 Pre-mixed hot mix asphalt vendor quotes
 - 2020 asphalt pulverizing and milling quotes
 - Engineer Contract for Bridge Inspection
 - 2020 Concrete Quotes/Bids
- Designation of Emergency Responder and Healthcare provider employees (*board had been sent these designations from Terri)
- Signed MOU with Sheriff Union

County Admin Report

- Emergency Operations
 - Internal
 - EOC
 - Community
 - <https://sites.google.com/view/jeffersoncountywicovid-19/home>
 - PPE
- County Operations
 - Telecommuting
 - Shift changes
 - Maintain operations/Services – new options
 - Public Restrictions
 - Back to Business
 - Elections
 - Policy changes
 - Budget
- Maintain Projects
- Recovery
- Lesson Learned