

Jefferson County
Finance Committee Minutes
December 8, 2016

Committee members: Jones, Richard (Chair) Kutz, Russell
Rinard, Amy Jaeckel, George
Hanneman, Jennifer (Vice Chair)

1. **Call to order** – Richard Jones called the meeting to order at 8:30 a.m.
2. **Roll call (establish a quorum)** – All committee members were present except for Amy Rinard who arrived after the meeting was called to order. Other County Board Members present were Jim Schroeder. Staff in attendance were Ben Wehmeier, Blair Ward, Connie Freeberg, John Jensen and Brian Lamers. Others present were Robert Phillips (Administrative Intern from UW Whitewater), Jeff Ziebell from the Town of Milford, Meliza Ritacca and Mary Lindemann.
3. **Certification of compliance with the Open Meetings Law** – Wehmeier certified that the notice of the meeting complied with the Open Meetings Law.
4. **Approval of the agenda**-No changes
5. **Election of a Secretary**-Jones asked for nominations for the Finance Committee Secretary with Jones/Hanneman nominating Kutz for Secretary. The vote was 3-0 with Kutz abstaining.
6. **Approval of Finance Committee minutes for November 10, 2016.** A motion was made by Jaeckel/Hanneman to approve the November 10, 2016 minutes. The motion passed 4-0.

Rinard present for meeting.

7. **Communications** – None.
8. **Public Comments** – None.
9. **Discussion and possible action on determining disposition of foreclosed properties, setting minimum bids for the sale of foreclosed properties and considering offer to purchase on foreclosed properties.** Ward addressed property #012-0816-0522-003, vacant land in the Town of Ixonia. The successful bidders for this property on the auction website in the amount of \$5,200 were unable to secure financing from the bank. They had asked if the County would consider the opening bid of \$2,700 for the sale of the property. Lamers stated the amount currently due on the property to the county is \$5,198.25. After further discussion, a motion was made by Jaeckel/Hanneman to approve the sale for \$2,700. The motion passed 5-0.

Ward addressed property #291-0815-0424-040, 510 South Second St, Watertown. At its previous meeting, the Finance Committee directed that this property be advertised by publication in the newspaper seeking sealed bids and also advertised on the auction website which is open bidding. After consideration, Ward did not feel this was the best option because there could be potential bidders who have open bids and some whose bids were sealed competing against each other. His opinion was that the county should only seek sealed bids through newspaper publication. After the time for sealed bids expired, the property would then be advertised on Wisconsin Surplus using an open bidding process. After discussion, the committee agreed to follow Ward's recommendation.

Jeff Ziebell from the Town of Milford told the Committee that the Town has spent approximately \$30,000 on attorney fees and costs associated with razing property #020-0814-0613-008 and the Town was not seeking reimbursement from the County for any Town assessments. This proposal was based on an understanding with the County Treasurer that once that property was taken by the County through a tax foreclosure, the County would deed it to the Town at no charge. The Town's intent was to sell the property and get it back on the tax roll. After discussion, a motion was made by Jones/Hanneman to sell the property back to the Town of Milford once the County takes ownership for \$1 and the Town paying the \$30 in recording fees. The motion passed 5-0.

Ward updated the committee on property #010-0515-0333-000 (Kreger Property) and stated that the bi-weekly payments are not being kept up on a timely basis. There is a 30 day grace period, but that was not intended to be used more than one time. He will continue to monitor and will update the committee at the next meeting. He stated that the county may foreclosed on the property at any time if the payments are not received.

Meliza Ritacca and Mary Lindemann approached the committee to discuss property #291-0815-0921-090. Ms. Ritacca was there to represent her mother Ms. Lindmann. She stated they didn't realize that her uncle was not paying taxes on this property. She asked the committee about repurchasing the property once the property was owned by the County. She stated that her mother was the direct heir to this property. Discussion took place on all the options available to the county including the County Ordinance that authorizes the Finance Committee to sell a tax foreclosure property to the former owner or child of the former owner without advertising to the public. Jensen distributed a copy of the current payout amount to the committee and explained it to everyone. The motion was made by Rinard/Hanneman to approve the request to repurchase the property by the property owner's heir, Mary Lindemann, daughter of Ervin & Everlyn Rosenow, in accordance with the County Ordinance with the requirement that the property must be purchased before the January 12th Finance Committee meeting. If the property is not repurchased by the time of the January 12th Finance Committee meeting, the committee will discuss the next steps to be taken for the sale of the property. The motion passed 5-0.

Discussion took place between Administration and the Finance Committee about setting rent for tax foreclosed properties that are occupied. Jones felt that .3% of the fair market value of the property seemed reasonable. In the policy, the occupants are responsible for all the utility bills. After discussion, a motion was made by Jaeckel/Rinard to set rent at a minimum of .4% of the fair market value of the property. The motion passed 5-0.

- 10. Convene in closed session pursuant to section 19.85 (1)(e) deliberating or negotiating the purchase of public properties, the investing of public funds, or conducting other specified public business, whenever competitive or bargaining reasons require a closed session, for the purpose of discussion and possible action on the disposition of foreclosed properties, setting minimum bids for the sale of foreclosed properties and considering offer to purchase on foreclosed properties.** No closed session needed.
- 11. Reconvene in open session.**
- 12. Discussion and possible action on foreclosing on tax delinquent properties.** No more action needed.
- 13. Discussion and possible action of approval for Administration charges for Dental Insurance.** Lamers discussed the resolution with the increase. Currently, the dental fund has a surplus which

will be allocated to the departments. Over the past few years, this has been the case so the increase in Administration charges should be able to be covered. A motion was made by Jaeckel/Rinard to forward the resolution to the County Board for approval of the Administration charges for dental insurance. The motion passed 5-0.

- 14. Review of the financial statements and department update for October 2016-Finance Department.** Lamers stated there is nothing unusual and should be in line with the budget.
- 15. Review of the financial statements and department update for October 2016-Treasurer's Office.** Lamers stated that interest on taxes is higher than anticipated. Currently, it will be about \$21,000 above the estimated budget at the end of the year. Regular interest on investments is about \$138,000 above budgeted revenue at the end of the year. Fair market adjustment currently is at (\$201,000) which is adjusted monthly. With the Tax deeds there is \$32,000 of revenues over expenditures.
- 16. Review of the financial statements and department update for October 2016-Child Support Department.** Nothing unusual noted. Revenue comes in quarterly which will result in revenue usually being different than budget estimates.
- 17. Discussion of funding for projects related to the new Highway Facilities for sale of old Highway Facilities.** Wehmeier stated no new updates. He discussed the bids going out for the new satellite shops and the changes that may impact the cost with the laws changing on prevailing wages.
- 18. Discussion and possible action on the fund balance policy.** Lamers explained how the fund balance works using an example of a \$200,000 increase in fair market value on investments at the end of the year which is included in the unassigned fund balance. This increase is designated in the following year's budget as capital, even though it is not realized as cash received. The same goes the other way if there is a loss recorded for the fair market value on investments. Discussion took place and a motion was made by Rinard/Jaeckel to approve the changes to the fund balance policy and forward the resolution to the County Board for approval. The motion passed 5-0.
- 19. Discussion and possible action of approval for the purchasing of property located at 302 and 304 South Center Avenue and 210 East Dodge Street in Jefferson, Wisconsin.** Wehmeier explained that the amount designated in the resolution is the cost of purchasing both properties which does not include the demolition cost and cost for paving the lot in the future. Jones asked a where the funding would be coming from. Discussion took place suggesting that the purchase could be funded through the increase in sales tax revenue , the possibility of leftover contingency funds, funds remaining from the bonding of the highway facilities, remaining cleanup funds from the bonding for the old Countryside facility and from carryforward funds which would reduce the amount that would be available from the 2018 capital budget. A motion was made by Jaeckel/Hanneman to approve the purchase of the property listed in the draft resolution and forward the resolution to the County Board for approval. The motion passed 5-0.
- 20. Discussion on 2016 projections of budget vs. actual.** Lamers stated as noted with the Treasurer, the reduction in fair market value on investments. Clerk of Courts for court reimbursement expenditures are above budget at approximately \$86,000, but Lamers is of the opinion that this will be covered with the other business units within the department. MIS may be a concern with the additional consultant fees, staff will continue to monitor. Sheriff is currently projected to be over budget with the majority being from the Jail. There needs to be a conversation on what has to be

shifted from the Jail Assessment fund to the Jail business unit. Fair Park is estimated to be about \$50,000 over by the end of the year.

- 21. Update on contingency fund balance.** Lamers directed the Finance Committee to the schedule showing the current balance of 2016 general contingency of \$333,464, however there is the possible approval of \$12,000 for the Sheriff's Department for a server for the body cameras. The vested benefits balance is \$280,000.
- 22. Set future meeting schedule, next meeting date, and possible agenda items.** The next regular meeting is January 12, 2017. Agenda items will include foreclosed properties, update on the Highway Shop projects and budget to actual projections. Presentation by DANA Investment Advisors and WMMIC regarding claims processing.
- 23. Payment of Invoices-**After review of the invoices, a motion was made by Jaeckel/Hanneman to approve the payment of invoices totaling \$257,854.22 for the main review and \$1,964,743.68 for the other payments, p-cards and payroll deductions. The motion passed 5-0.
- 24. Adjourn** – A motion was made by Jaeckel/Rinard to adjourn at 10:00 a.m. The motion passed 5-0.

Respectfully submitted,

Russell Kutz
Finance Committee
Jefferson County
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