

Jefferson County
Finance Committee Minutes
May 11, 2017

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. Staff in attendance were Ben Wehmeier, Blair Ward, Connie Freeberg, John Jensen, Rob Klotz and Tammy Worzalla. Members of the public present were Chris Nash from Century 21 and Todd Strauss.
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. **Approval of Finance Committee minutes for April 13, 2017.** A motion was made by Rinard/Hanneman to approve the April 13, 2017 minutes. The motion passed 5-0.
6. **Communications** – None.
7. **Public Comments** – None.
8. **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.** Freeburg stated that 7 properties received minimum bids, but payments for 2 of these properties were not received by the required date. These two properties and the remaining properties that were not sold were put back on the auction website with the minimum bid equal to delinquent taxes.

The 2 properties that received the minimum bid but not paid for were on Brickyard Court and Woodside Lane. The highest bidder, Todd Strauss, found that the Woodside Lane property included language on the plat map that stated that it was “unfit for human habitation.” Rob Klotz from the Jefferson County zoning department stated that the soil tests prior to 1980 had different restrictions which he is pretty confident that resulted in that plat note. He stated that the restrictions on soil testing have relaxed over the years and the soil should be retested. He will bring this matter to his Committee at the end of the month and recommend removal of the plat note. If the note is removed, it doesn’t mean that the property is buildable. All plats of land must be tested prior to receiving a permit to build. Mr. Klotz had also recommended checking with the township to make sure it was not a town dump at some point. Mr. Strauss is working on the financing for the properties and will have the funds on Tuesday, May 16th. Those properties have been put back on the website. The Finance Committee can determine if they want to accept Mr. Strauss’s payment.

Chris Nash from Century 21 is proposing to sell the County’s tax foreclosure properties. Mr. Nash feels that these properties would have more exposure to potential buyers if marketed through a real estate agent. The potential buyers would be able to see a 360 degree view of the inside of the property and sky views using a drone. A new buyer warranty would also be included. His

commission is 6% or a minimum amount if the property is only a few thousand dollars or a 5% commission if the sale is within the office. They would also collect rent and maintain the property for an additional 5% fee. Mr. Strauss mentioned that the County may need to do some work to the property to avoid any potential liability issues based on the condition of some of these properties. Wehmeier will check with the County's insurance company to determine if it sees any potential risks with selling the delinquent properties using a broker. A motion was made by Rinard/Hanneman to enter into negotiations with one additional real estate broker to sell future foreclosure properties. The motion passed 5-0.

9. **Convene in closed session pursuant to section 19.85 (1)(e) Wis. Stats. for 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 setting minimum bids, selling and considering offers to purchase on tax foreclosed properties and other county owned properties.** A motion was made by Russel/Jaeckel to convene in closed session. Jones asked for a roll-call vote to go into closed session. The motion passed 5-0.
10. **Reconvene in open session.** A motion was made by Jaeckel/Rinard to reconvene in open session. The motion passed 5-0. No action was taken in closed session.
11. **Discussion and possible action on foreclosing on tax delinquent properties.** Jensen reviewed the next group of delinquent tax properties with the Committee that will begin the foreclosure process. No action was taken.
12. **Discussion and possible action on settling with municipalities for unpaid special assessments or special charges.** County passed a resolution in 1981 to reimburse the municipalities for the special assessments or special charges before the County receives all of the property tax payments. The County pays the municipalities up front the special assessments up to \$10,000. This includes items such as the garbage special assessment or razing costs of a building, which is the largest expense for special assessment charges. The County has historically had issues with razing costs added to the property taxes for properties that were later foreclosed on and the County recording a loss upon sale of the property. The policy to cover special assessments up to \$10,000 will be reviewed by Corporation Counsel and the County Treasurer and brought back to Finance next month with possible suggestions. No action taken.
13. **Review of the financial statements and department update for February 2017-Finance Department.** Worzalla stated that agenda items #13 - #15 all should have been for March 2017 financials. Overall Finance looks good. There are just a few accounts that have a high percentage of the budget spent due to getting charged in that account all at once or a one-time purchase of an item in the beginning of the year which was discussed last month.
14. **Review of the financial statements and department update for February 2017-Treasurer Department.** Worzalla stated that interest on taxes is higher than expected. Interest and dividends is also higher than budgeted, but the Treasurer's office continues to have a loss on its Fair Market Value Adjustment.
15. **Review of the financial statements and department update for February 2017-Child Support Department.** Worzalla stated there are basically the same issues as with the other departments with some of the expenditures getting paid in the beginning of the year. Revenue comes in quarterly which will usually be off from budget estimates. Same issues as the prior month.

- 16. Discussion on 2017 projections of budget vs. actual.** Worzalla stated it is fairly early in the year for projections with just closing 2016 and starting to get 2017 where it should be at this point. She stated that there is nothing with the departments that she is aware of with expenditures going over the department budgets at the end of 2017.
- 17. Discussion of funding for projects related to the new Highway Facilities and sale of old Highway Facilities.** Wehmeier stated the last salt shed should be moving to the new Highway Shop with the costs being split 50/50 with the DOT. No action was taken.
- 18. Update on contingency fund balance.** Worzalla directed the Finance Committee to the schedule showing the current balance of 2017 general contingency funds of \$456,482, the other contingency balance of \$8,000 and the vested benefits balance of \$290,000.
- 19. Set future meeting schedule, next meeting date, and possible agenda items.** The next regular meeting was scheduled for June 8, 2017. The Committee moved that meeting to June 13th at 9:00. Agenda items will include foreclosed properties, update on the Highway Shop projects and budget to actual projections, special assessment policy, and notice on delinquent taxes policy.
- 20. Payment of Invoices-**After review of the invoices, a motion was made by Jaeckel /Hanneman to approve the payment of invoices totaling \$693,814.39 for the main review and \$4,206,391.49 for the other payments, p-cards, and payroll deductions. The motion passed 5-0.
- 21. Adjourn –** A motion was made by Jaeckel/Hanneman to adjourn at 10:52 a.m. The motion passed 5-0.

Respectfully submitted,

Russell Kutz
Finance Committee
Jefferson County
/tlw