

Finance Committee Agenda

Jefferson County

Jefferson County Workforce Building
864 Collins Road, Room 12
Jefferson, WI 53549

Date: Wednesday, March 8, 2023

Time: 8:30 a.m.

Committee members: Jones, Richard (Chair); Kutz, Russell; Jaeckel, George (Vice-Chair); Christensen, Walt; Drayna, David

1. Call to order
2. Roll call (establish a quorum)
3. Certification of compliance with the Open Meetings Law
4. Approval of the agenda
5. Approval of minutes for Finance Committee for February 1, 2023 and February 9, 2023
6. Communications
7. Public Comment (Members of the public who wish to address the Committee on specific agenda items must register their request at this time)
8. Discussion and possible action on claims against Jefferson County
9. Discussion and possible action on determining the disposition of foreclosed properties, setting minimum bids for the sale of foreclosed properties and considering offers to purchase on foreclosed properties
10. 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 and pursuant to section 19.85 (1)(g) Wis. Stats. to confer with legal counsel concerning strategy to be adopted by Jefferson County with respect to litigation in which it is or is likely to become involved for the purpose of discussion and possible action on claims against Jefferson County
11. Reconvene in open session for action on closed session items if necessary
12. Discussion and possible action on amending the Fund Balance Policy for Jefferson County
13. Discussion and possible action on authorizing year-end requests to carry over budget appropriations from fiscal year 2022 to fiscal year 2023 and amending the 2023 budget
14. Discussion and possible action on authorizing contingency fund transfer to offset fiscal year 2022 departmental deficits
15. Discussion and possible action on amending the 2023 budget for various Jefferson County departments
16. Discussion and possible action on status of Courthouse/Sheriff/Jail improvement project and 2021A and 2022A bond funds
17. Discussion and possible action on update on American Rescue Plan Act funding
18. Discussion and possible action on authorizing Settlement Agreements with Teva Pharmaceutical Industries Ltd., Allergan Finance, LLC, Walgreen Company, Walmart, Inc., CVS Health Corporation, and CVS Pharmacy, Inc.; entering into a Memorandum of Understanding with the Wisconsin Attorney General for Allocation of Opioid Settlement Proceeds; and executing an Addendum to the original Memorandum of Understanding Allocating Settlement Proceeds to incorporate the pending opioid settlements
19. Update on contingency fund balance
20. Discussion of funding for projects related to the new highway facilities and sale of old highway facilities
21. Set future meeting schedule, next meeting date, and possible agenda items
22. Review of invoices
23. Adjourn

Next scheduled meetings: Wednesday, April 12, 2023 (Regular Meeting)

Wednesday, May 3, 2023 (Regular Meeting)

Tuesday, June 13, 2023 (Regular Meeting)

Wednesday, July 5, 2023 (Regular Meeting)

Join Zoom Meeting

<https://us06web.zoom.us/j/87697754337?pwd=cnVKMzd0TkZFY3RPRHpxMW5kTGxVdz09>

Meeting ID: 876 9775 4337

Passcode: Meet2022

A Quorum of any Jefferson County Committee, Board, Commission or other body, including the Jefferson County Board of Supervisors, may be present at this meeting.

Individuals requiring special accommodations for attendance at the meeting should contact the County Administrator 24 hours prior to the meeting at 920-674-7101 so appropriate arrangements can be made.

Center. Other discussions with Wisconsin Community Services to operate the Center. There is a strong need and solid business case for the acquisition and operation of the Center. The County would be the fiscal agent, receiving and disbursing the funds for the operation of the Center from the State. Motion by Drayna/Jaekel to enter into agreements with the State of Wisconsin, Greater Watertown Foundation, and Wisconsin Community Services to act as the fiscal agent for the proposed Youth Services Center. The motion passed 5-0.

11. Discussion and possible action on entering into Opioid Lawsuit settlement agreement with opioid distributors –No action was taken.

12. Discussion on historical comparison of county mileage expenses – DeVries presented a year over year comparison of mileage and mileage expenses that demonstrated the success of the fleet program. The Committee asked the County Administrator and Finance Director to revise the current travel policy to mandate the use of County fleet when available. No formal action was taken.

13. Discussion and possible action on Courthouse/Sheriff/Jail improvement project - Wehmeier reviewed the progress on this project. DeVries updated the Committee on the status of the bond funds and project costs vs budget. No action was taken.

14. Discussion and possible action on status of 2021A and 2022A bond funds – No action was taken.

15. Discussion and possible action on update on American Rescue Plan Act funding – DeVries discussed the status of the ARPA funding. No action was taken.

16. Discussion and possible action on claims against Jefferson County – No action was taken.

17. Discussion and possible action on determining the disposition of foreclosed properties, setting minimum bids for the sale of foreclosed properties and considering offers to purchase on foreclosed properties – No action was taken.

18. 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 and pursuant to section 19.85 (1)(g) Wis. Stats. to confer with legal counsel concerning strategy to be adopted by Jefferson County with respect to litigation in which it is or is likely to become involved for the purpose of discussion and possible action on claims against Jefferson County –The Committee voted by roll call to convene into closed session. The motion passed 5-0.

19. Reconvene in open session for action on closed session items if necessary – Motion by Jones/Jaekel to reconvene to open session. The motion passed 5-0. The Committee set a date for a special Finance Committee meeting to discuss the potential sale of the old Highway property for Thursday, February 9 at 8:00.

20. Discussion and possible action on 2022 projections of budget vs actual revenues and expenditures – DeVries updated the Committee on the operating results to date. No action taken.

- 21. Review of financial statements and department update for December 2022 – Finance Department** – No action taken.
- 22. Review of financial statements and department update for December 2022 – Treasurer’s Office** – No action taken.
- 23. Review of financial statements and department update for December 2022 – Child Support** – No action taken.
- 24. Update on contingency fund balance** – Before any action taken during the meeting, the balance of the 2022 general contingency is \$449,227, the balance of other contingency is \$4,190,000 and the vested benefit balance is \$300,000.
- 25. Discussion of funding for projects related to the new Highway Facilities and sale of old Highway Facilities.** Wehmeier updated the Committee on the progress of the old highway site.
- 26. Set future meeting schedule, next meeting date, and possible agenda items** – The next meeting is scheduled for February 9, 2023 at 8:00 a.m. Future agenda items include a discussion and possible action on sale of old Highway property.
- 27. Review of Invoices** - After review of the invoices, a motion was made by Jaeckel/Kutz to approve the payment of invoices totaling \$7,701,522.18. The motion passed 5-0.
- 28. Adjourn** – A motion was made by Jaeckel/Christensen to adjourn at 10:46 a.m. The motion passed 5-0.

Respectfully submitted,

Marc DeVries, Finance Director
Jefferson County

RESOLUTION NO. 2022-

Amending the Jefferson County Fund Balance Policy

Executive Summary

The Finance Department periodically reviews policies and proposes changes where clarification on certain items is considered necessary. The Finance Department, along with the Finance Committee, has reviewed the Fund Balance Policy and has determined that certain language clarifying the definition of working capital is necessary. This clarifying language seeks to omit items that distort trends in working capital reserves by excluding one-time expenditures such as large grants and capital purchases outside the capital project fund. This resolution also requires the County to reserve fund balance to fully fund its outstanding liability for auto and worker's compensation insurance claims as determined by the most recent actuarial studies performed by its insurance vendor. The Finance Committee considered this resolution at its March 8, 2023 meeting and recommended forwarding to the Jefferson County Board of Supervisors for approval.

WHEREAS, the Executive Summary is incorporated into this resolution, and

WHEREAS, the Jefferson County Fund Balance Policy requires two (2) months of budgeted expenditures for 'working capital', with the Finance Committee striving to maintain three (3) months of budgeted expenditures, and

WHEREAS, the inclusion of one-time revenues and expenditures, such as large grants and non-recurring capital expenditures artificially inflates working capital reserve requirements, and

WHEREAS, according to the Government Finance Officers Association (GFOA) Best Practice on Fund Balance Guidelines for the General Fund, unusual items that distort trends (e.g., one-time revenues and expenditures) should be excluded from the definition of 'working capital', and

WHEREAS, the County estimates its insurance claims that are outstanding but not yet reported through the use of actuarial studies, and reports these liabilities in its annual financial statements, and

WHEREAS, the Finance Committee feels it is prudent to fund the amount of outstanding claims through reserving fund balance annually for the amount of these claims as determined by the most recent actuarial study, and

WHEREAS, the recommendation from the Finance Committee and Administration is to amend the Fund Balance Policy to add specific language addressing these circumstances.

NOW, THEREFORE, BE IT RESOLVED that the Jefferson County Board of Supervisors hereby amends the Jefferson County Fund Balance Policy by adopting the attached amendments.

Fiscal Note: The adoption of this resolution will assist the Finance Committee in managing fund balance by excluding items that would distort trends in working capital, and ensure the County has adequate reserves available to fund its outstanding insurance claims.

Ayes __ Noes __ Abstain __ Absent __ Vacant __

Requested by:
Finance Committee

REVIEWED: Corp. Counsel____; Finance Director____



BEST PRACTICES

Fund Balance Guidelines for the General Fund

Governments should establish a formal policy on the level of unrestricted fund balance that should be maintained in the general fund for GAAP and budgetary purposes.

In the context of financial reporting, the term *fund balance* is used to describe the net position of governmental funds calculated in accordance with generally accepted accounting principles (GAAP). Budget professionals commonly use this same term to describe the net position of governmental funds calculated on a government's budgetary basis.¹ While in both cases *fund balance* is intended to serve as a measure of the financial resources available in a governmental fund; it is essential that differences between GAAP *fund balance* and budgetary *fund balance* be fully appreciated.

1. GAAP financial statements report up to five separate categories of fund balance based on the type and source of constraints placed on how resources can be spent (presented in descending order from most constraining to least constraining): *nonspendable fund balance*, *restricted fund balance*, *committed fund balance*, *assigned fund balance*, and *unassigned fund balance*.² The total of the amounts in these last three categories (where the only constraint on spending, if any, is imposed by the government itself) is termed *unrestricted fund balance*. In contrast, budgetary fund balance, while it is subject to the same constraints on spending as GAAP fund balance, typically represents simply the total amount accumulated from prior years at a point in time.
2. The calculation of GAAP fund balance and budgetary fund balance sometimes is complicated by the use of sub-funds within the general fund. In such cases, GAAP fund balance includes amounts from all of the subfunds, whereas budgetary fund balance

typically does not.

3. Often the timing of the recognition of revenues and expenditures is different for purposes of GAAP financial reporting and budgeting. For example, encumbrances arising from purchase orders often are recognized as expenditures for budgetary purposes, but never for the preparation of GAAP financial statements.

The effect of these and other differences on the amounts reported as *GAAP fund balance* and *budgetary fund balance* in the general fund should be clarified, understood, and documented.

It is essential that governments maintain adequate levels of fund balance to mitigate current and future risks (e.g., revenue shortfalls and unanticipated expenditures) and to ensure stable tax rates. In most cases, discussions of fund balance will properly focus on a government's general fund. Nonetheless, financial resources available in other funds should also be considered in assessing the adequacy of unrestricted fund balance in the general fund.

GFOA recommends that governments establish a formal policy on the level of unrestricted fund balance that should be maintained in the general fund for GAAP and budgetary purposes.³ Such a guideline should be set by the appropriate policy body and articulate a framework and process for how the government would increase or decrease the level of unrestricted fund balance over a specific time period.⁴In particular, governments should provide broad guidance in the policy for how resources will be directed to replenish fund balance should the balance fall below the level prescribed.

Appropriate Level. The adequacy of unrestricted fund balance in the general fund should take into account each government's own unique circumstances. For example, governments that may be vulnerable to natural disasters, more dependent on a volatile revenue source, or potentially subject to cuts in state aid and/or federal grants may need to maintain a higher level in the unrestricted fund balance. Articulating these risks in a fund balance policy makes it easier to explain to stakeholders the rationale for a seemingly higher than normal level of fund balance that protects taxpayers and employees from unexpected changes in financial condition. Nevertheless, GFOA recommends, at a minimum, that general-purpose governments, regardless of size, maintain unrestricted budgetary fund balance in their general fund of no less than two months of regular general fund operating revenues or regular general

fund operating expenditures.⁵ The choice of revenues or expenditures as a basis of comparison may be dictated by what is more predictable in a government's particular circumstances.⁶ Furthermore, a government's particular situation often may require a level of unrestricted fund balance in the general fund significantly in excess of this recommended minimum level. In any case, such measures should be applied within the context of long-term forecasting, thereby avoiding the risk of placing too much emphasis upon the level of unrestricted fund balance in the general fund at any one time. In establishing a policy governing the level of unrestricted fund balance in the general fund, a government should consider a variety of factors, including:

1. The predictability of its revenues and the volatility of its expenditures (i.e., higher levels of unrestricted fund balance may be needed if significant revenue sources are subject to unpredictable fluctuations or if operating expenditures are highly volatile);
2. Its perceived exposure to significant one-time outlays (e.g., disasters, immediate capital needs, state budget cuts);
3. The potential drain upon general fund resources from other funds, as well as, the availability of resources in other funds;
4. The potential impact on the entity's bond ratings and the corresponding increased cost of borrowed funds;
5. Commitments and assignments (i.e., governments may wish to maintain higher levels of unrestricted fund balance to compensate for any portion of unrestricted fund balance already committed or assigned by the government for a specific purpose). Governments may deem it appropriate to exclude from consideration resources that have been committed or assigned to some other purpose and focus on unassigned fund balance, rather than on unrestricted fund balance.

Use and Replenishment.

The fund balance policy should define conditions warranting its use, and if a fund balance falls below the government's policy level, a solid plan to replenish it. In that context, the fund balance policy should:

1. Define the time period within which and contingencies for which fund balances will be used;
2. Describe how the government's expenditure and/or revenue levels will be adjusted to match any new economic realities that are behind the use of fund balance as a financing bridge;

3. Describe the time period over which the components of fund balance will be replenished and the means by which they will be replenished.

Generally, governments should seek to replenish their fund balances within one to three years of use. Specifically, factors influencing the replenishment time horizon include:

1. The budgetary reasons behind the fund balance targets;
2. Recovering from an extreme event;
3. Political continuity;
4. Financial planning time horizons;
5. Long-term forecasts and economic conditions;
6. External financing expectations.

Revenue sources that would typically be looked to for replenishment of a fund balance include nonrecurring revenues, budget surpluses, and excess resources in other funds (if legally permissible and there is a defensible rationale). Year-end surpluses are an appropriate source for replenishing fund balance.

Unrestricted Fund Balance Above Formal Policy Requirement. In some cases, governments can find themselves in a position with an amount of unrestricted fund balance in the general fund over their formal policy reserve requirement even after taking into account potential financial risks in the foreseeable future. Amounts over the formal policy may reflect a structural trend, in which case governments should consider a policy as to how this would be addressed. Additionally, an education or communication strategy, or at a minimum, explanation of large changes in fund balance is encouraged. In all cases, use of those funds should be prohibited as a funding source for ongoing recurring expenditures.

Notes:

1. For the sake of clarity, this recommended practice uses the terms GAAP fund balance and budgetary fund balance to distinguish these two different uses of the same term.
2. These categories are set forth in Governmental Accounting Standards Board (GASB) Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*.
3. Sometimes restricted fund balance includes resources available to finance items that typically would require the use of unrestricted fund balance (e.g., a contingency reserve). In that case, such amounts should be included as part of unrestricted fund balance for purposes of analysis.
4. See Recommended Practice 4.1 of the National Advisory Council on State and Local Budgeting governments on the need to "maintain a prudent level of financial resources to protect against reducing service levels or raising taxes and fees because of temporary revenue shortfalls or unpredicted one-time expenditures" (Recommended Practice 4.1).
5. In practice, a level of unrestricted fund balance significantly lower than the recommended minimum may be appropriate for states and America's largest governments (e.g., cities, counties, and school districts) because they often are in a better position to predict contingencies (for the same reason that an insurance company can more readily predict the number of accidents for a pool of 500,000 drivers than for a pool of fifty), and because their revenues and expenditures often are more diversified and thus potentially less subject to volatility.
6. In either case, unusual items that would distort trends (e.g., one-time revenues and expenditures) should be excluded, whereas recurring transfers should be included. Once the decision has been made to compare unrestricted fund balance to either revenues and/or expenditures, that decision should be followed consistently from period to period.

*This best practice was previously titled *Appropriate Level of Unrestricted Fund Balance in the General Fund*.*

Board approval date: Wednesday, September 30, 2015

Fund Balance Policy Application

For Budget Year 2024

	General Fund		Health Department
Audited fund balance, 12/31/22	\$ -		
Unadjusted fund balance, 12/31/22		39,482,381	817,842
Add: Transfer from Human Services			
Less non-spendable fund balances:			
Inventory	(25,877)		
Deposits held by WMMIC (\$783,000-not included in policy)	-		
Delinquent property taxes	(981,754)		
RLF receivable	(450,000)		
Prepaid expenditures	(1,020,041)	(2,477,672)	(23,131)
Less restricted fund balances			
Other restricted fund balances by departments	(1,916,800)	(1,916,800)	-
Less committed fund balances			
Liability insurance claims outstanding (including IBNR)	(981,152)	(981,152)	
Less assigned fund balances			
Fund balance applied against 2022 tax levy	23,760		
Fund balance applied against 2022 tax levy-Health	-		-
Current year projected use of fund balance	(4,346,326)		
Other assigned fund balances by departments	(3,773,663)		-
Fund balance assigned for 2022 MIS budget	-	(8,096,229)	
Vested holiday pay	(1,999)		
Vested sick pay reserve	(1,057,515)		
Elected sick pay reserve	(68,568)		
Vested vacation pay reserve	(2,128,671)		
Vested comp pay reserve	(52,509)	(3,309,262)	
Add loss/(subtract gain) on unrealized market value of investments		1,599,876	
Unassigned fund balance, 12/31/21		24,301,141	794,711
Working Capital			
Total budgeted expenditures (2023 budget)	94,584,743		2,008,379
Working capital (required two month minimum)		(15,764,124)	(334,730)
Working capital (three months goal)		(7,882,062)	(167,365)
Unassigned fund balance less working capital 12/31/21		654,955	292,616
Net "available" unassigned fund balance		654,955	292,616

* 10% of the total vested benefits calculated at \$300,000 have been included in the contingency fund - vested benefits account which is equal to the approximate amount of vested benefits paid annually.

RESOLUTION NO. 2022-_____

Authorizing year-end requests to carry over budget appropriations from fiscal year 2022 to fiscal year 2023 and amending the 2023 budget

Executive Summary

At year end, departments are requested to submit carryover requests for funds that are unspent. If the County Administrator approves the request, it is reviewed by the Finance Committee and acted on by the County Board for approval. There is a total of \$42,630,698.86 proposed to be carried over from fiscal year 2022 to fiscal year 2023, and of this amount, \$16,476,737.89 requires County Board approval. The Finance Committee recommends that funds of \$16,476,737.89 be carried over from fiscal year 2022 to fiscal year 2023. The Finance Committee also recommends the following 2023 budget amendments for staffing changes and grant acceptance:

Grant:	Amount	Programmatic Purpose
Producer-led Watershed Grant - Land and Water Conservation	50,356	Non-point source pollution abatement
Healthy Lakes grant - Land and Water Conservation	8,000	Healthy Lakes grant
ARPA Grant - Federal - Administration	1,000,000	Housing and business development
ARPA Grant - Federal - Finance	25,000	Priority Based Budgeting software
ARPA Grant through State of Wisconsin - Sheriff	92,000	Radios for new 911 system
Federal Grant - Health Department	24,000	Lead in Water Testing and Remediation initiative

With these budget amendments, the following action also are authorized 1) a current PT Public Health Nurse position is increased to FT role, and 2) the transfer of ARPA for housing and business development will go towards a housing revolving loan fund program with final review of loan protocols, terms and conditions subject to review and approval by the Finance Committee.

Further the Finance Committee recommends amending the FY 2023 budget by allocating net available fund balance and working capital to cover the following project and plans appropriations:

Funding Source:	Amount	Programmatic Purpose
Working capital	500,000	Wage and salary adjustments
Working capital	750,000	2024 insurance surcharge
Working capital	200,000	Remediation at Highway site
Working capital	55,000	Increase for LIFT program
Working capital	77,000	Health insurance consultants
Working capital	45,000	Online employee training package
Working capital	600,000	Furniture for Courthouse - Phase I
Working capital	250,000	Furniture for Courthouse - Phase II
Working capital	100,000	Contingency for AVI-SPL contract
Working capital	30,000	Uniquely Wisconsin marketing package
Working capital	40,000	Courthouse flagpole feature
Working capital	20,000	Traffic study -South Campus
Working capital	40,000	MABAS - Fire/EMS/Law
Transfer from Human Services - excess of carryover	445,080	Residual transfer from Human Services
Transfer from Highway - excess of carryover	537,479	Residual transfer from Highway
Application of fund balance per policy	654,955	Net available unassigned fund balance
Loan from working capital	1,069,486	Loan from working capital balance

The Finance Committee considered this resolution at its March 8, 2023 meeting and recommended forwarding to the County Board for approval.

WHEREAS, the Executive Summary is incorporated into this resolution, and

WHEREAS, at the close of each fiscal year, it may be desirable to carry over funds in some accounts so that they can be used in the next budget year, and

WHEREAS, the Finance Committee has reviewed the collective requests of all departments to carry over the funds designated in the various accounts below, more particularly set forth in the Finance Committee minutes of March 8, 2023 as follows:

Fund Type Request	Description	Requested	Non-lapsing Amount
Governmental funds	Non-spendable	\$ 2,602,216.45	
Governmental funds	Spendable, restricted	2,740,345.41	2,740,345.41
Governmental funds	Spendable, committed	<u>5,160,445.28</u>	5,160,445.28
Governmental funds	Total	<u>\$ 10,503,007.14</u>	
Proprietary funds	Capital net position	\$ 23,551,744.52	
Proprietary funds	Restricted net position	175,188.88	175,188.88
Proprietary funds	Non-restricted net position	<u>8,400,758.32</u>	8,400,758.32
Proprietary funds	Total	<u>\$ 32,127,691.72</u>	

WHEREAS, the Finance Committee recommends certain funds be designated as non-lapsing for fiscal year 2023 in the amounts listed above, and

WHEREAS the Finance Committee recommends approving the acceptance of the grants as listed in the Executive Summary, and

WHEREAS, the Finance Committee also recommends approving additional projects, with funding to be provided by net available fund balance from the application of the County's Fund Balance Policy, as well as a loan from working capital,

NOW, THEREFORE, BE IT RESOLVED that the funds in the accounts identified in the Finance Committee minutes of March 8, 2023, and referenced above, totaling \$16,476,737.89, are designated as non-lapsing in the 2022 budget and carried over to the 2023 departmental budgets which are hereby amended in the respective amounts.

BE IT FURTHER RESOLVED the appropriations for operational costs, projects and plans through net available fund balance and working capital allocation as provided in the Executive Summary hereby amends the 2023 budget accordingly.

BE IT FURTHER RESOLVED that the 2023 budget be amended for the acceptance of the following grants that were not included in the original 2023 budget; Producer-led Watershed Grant, \$50,356; Healthy Lakes Grant - \$8,000; APRA (Federal) - \$1,000,000; and ARPA (State) - \$92,000; and Lead in Water Testing and Remediation grant - \$24,000, and

BE IT FUTHER RESOLVED that the ARPA (Federal) - \$1,000,000 is activated in partnership with ThriveED and the Greater Watertown Health Foundation for the purpose of establishing a housing fund with final terms and conditions to be reviewed by the Finance Committee, and,

BE IT FURTHER RESOLVED that the Lead in Water Testing and Remediation Grant will authorize a current .48 FTE Public Health Nurse position to be increase to 1.0 FTE. If insufficient funding is not available in future years, the amount of hours will be decreased accordingly.

BE ITY FURTHER RESOLVED that the 2023 budget is amended to include the above projects, in the amount of \$2,707,000, to be funded by a combination of excess general fund balance (\$654,955), transfers of fund balance in excess of carryforward requests (\$982,559), and loan from the general fund's working capital balance (\$1,069,486).

Fiscal Note: As a budget amendment, this resolution requires twenty (20) of thirty (30) affirmative votes for passage.

Explanation of governmental funds: Non-spendable funds are funds that include prepaid items, deposits, and inventory accounts. Spendable, restricted funds are funds that are legally restricted by statutes, contracts, or funding source. Spendable, committed funds are funds that are spendable at the discretion of the County.


Explanation of proprietary funds (Highway): Capital net position represents items that are depreciated along with land (which is not depreciated). Restricted net position relates to municipal deposits for subsequent year work by the County. Non-restricted net position includes both required items and discretionary items.

Ayes _____ Noes _____ Abstain _____ Absent _____ Vacant _____

Requested by
Finance

Committee

03-14-2022

REVIEWED: Corporation Counsel: _____; Finance Director: 

**JEFFERSON COUNTY
CARRYOVER REQUESTS - 2022 TO 2023**

Note: When it states "as for 2023 budget" this is what is in the 2023 budget that was estimated as carryover, there may be another line item to adjust that amount to actual.

Department	Bus Unit	Acct #	Proj	Explanation	Non-Spendable Fund Bal	County Administrator Recommendation		Total
						Restricted	Assigned	
General Rev and Exp	11001	130*		Long-term receivables and delinquent property taxes	1,226,779.54			
General Rev and Exp	11001	1610*		Inventory	25,723.76			
General Rev and Exp	11001	1620*		Prepaid assets	1,020,041.30			
General Rev and Exp	11001	594808		Resolution 2015-36 Purchase Park Land of of County Hwy A			34,122.00	
General Rev and Exp	11001	594808		Resolution 2016- Purchase Property at 302 & 304 S Center and 201 E Dodge St			9,882.26	
General Rev and Exp	11001	521219		Carry forward professional services budget			12,451.94	
General Rev and Exp	11002	599908		Organizational projects - evaluation restructuring/codification of policies and ordinances			100,000.00	
General Rev and Exp	11002	599908		Courthouse/Interurban Trail seed funds (look at chaning to Phase 3 match)			513,182.66	
General Rev and Exp	11003	699700		Revolving Loan Fund carryover			443,849.95	3,386,033.41
Administration	11101	532325		Professional Development carryover			5,208.35	5,208.35
Central Services	11201	594822		Replace lighting at Annex building			10,000.00	
Central Services	11201	594822		Replace jail door operator system			202,715.00	202,715.00
County Board	11602	593405		Contingency funding for JCEDC			75,000.00	
County Board	11603	699700		Historical Commission restricted funds carried forward from 2019		5,536.70		80,536.70
County Clerk	11702	531303		Upgrade election equipment purchased in 2016			39,269.00	
County Clerk	11705	699700		Adjust beginning carryover to actual amount		(6.50)		
County Clerk	11705	699700		Budgeted carryover for 2022		0.00		39,262.50
Economic Development	11901	699701		JCEDC vested benefit reserve budgeted for 2023			9,234.23	
Economic Development	11901	699701		Adjust beginning vested benefit carryover to actual amount			11,152.25	
Economic Development	11901	699700		Budgeted operating carryover for 2023		309,114.45		
Economic Development	11901	699700		Adjust beginning operating carryover to actual amount			17,386.85	
Economic Development	11902	699701		Homeowner vested benefit reserve budgeted for 2023			7,985.62	
Economic Development	11902	699701		Adjust beginning vested benefit carryover to actual amount			162.87	
Economic Development	11902	699700		Budgeted carryover for 2023		129,979.44		
Economic Development	11902	699700		Adjust beginning carryover to actual amount		(21,172.88)		463,842.83
Fair Park	12101	521219		Feasibility study			30,000.00	
Fair Park	12101	594810		Carryall utility cart not purchased in 2021 - use for purchase of F-150			16,000.00	
Fair Park	12103	699800		Adjust beginning carryover to actual amount		35,969.12		
Fair Park	12103	699800		Budgeted carryover for 2023		0.00		81,969.12
Finance Department	12201	594818		Munis Upgrade including Enterprise Asset Management			15,000.00	15,000.00
Human Resources	12301	521219		Assistance with Personnel Ordinance			7,880.00	
Human Resources	12301	521228		Labor negotiations			20,000.00	27,880.00
Land Conservation	12404	699700	24404	Adjust beginning carryover to actual amount		30,552.50		
Land Conservation	12404	699700	24404	Budgeted carryover for 2023		36,513.51		
Land Conservation	12404	699700	24406	Adjust beginning carryover to actual amount		603.00		
Land Conservation	12404	699700	24406	Budgeted carryover for 2023		122.00		
Land Conservation	12405	699700	24405	Adjust beginning carryover to actual amount		3,000.00		
Land Conservation	12405	various	24405	Expense for 2023 - producer led donation - \$3,000				
Land Conservation	12407	699700		Adjust beginning carryover to actual amount			(2,344.30)	
Land Conservation	12407	699800		Farmland Preservation capital per 2023 budget			133,697.49	202,144.20
Land Information	12503	699700		Adjust beginning carryover to actual amount		20,368.90		
Land Information	12503	699700		Budgeted carryover for 2023		302,825.30		323,194.20
Parks Department	12801	594808		Donations for Trieloff acquisition		26,742.48		
Parks Department	12801	594808		Capital land carryforward for Trieloff			112,500.00	
Parks Department	12801	594810		Replace 2007 Ford F-250			60,000.00	
Parks Department	12801	594810		Replace chipper			54,759.81	
Parks Department	12801	594821		Pohlman Park Silo Improvements			8,800.00	
Parks Department	12802	699800		Carol Liddle estate funds, budgeted carryover for 2023		0.00		

**JEFFERSON COUNTY
CARRYOVER REQUESTS - 2022 TO 2023**

Department	Bus Unit	Acct #	Proj	Explanation	Non-Spendable	Restricted	Assigned	Total
Parks Department	12802	699800		Adjust beginning carryover to actual amount		60,001.38		
Parks Department	12803	699700		Carlin Weld funds, budgeted carryover for 2023		0.00		
Parks Department	12803	699700		Adjust beginning carryover to actual amount		4,523.71		
Parks Department	12804	594822		Replace Korth Park Shelter Curtains			20,000.00	
Parks Department	12805	699700		Carnes Park Development funds per 2023 budget			202,539.53	
Parks Department	12805	699700		Adjust beginning carryover to actual amount			31,484.90	
Parks Department	12805	699700	28151	Henessy Memorial			5,000.00	
Parks Department	12805	699700	28152	Hovel Memorial			1,050.00	
Parks Department	12805	699700	28153	Carnes East Building Restoration			10,000.00	
Parks Department	12805	699700	28154	Mary Adams future land acquisition/improvements to birding			10,000.00	
Parks Department	12805	699700	28155	Linton Memorial			1,200.00	
Parks Department	12805	699700	28156	Mason Memorial			22,436.00	
Parks Department	12807	699700		Remaining Garman Nature Preserve, budgeted carryover for 2023		10,596.60		
Parks Department	12807	699700		Adjust beginning carryover to actual amount		(5,661.67)		
Parks Department	12808	594821		Holtzhueter State Park parking lot resurface			10,000.00	
Parks Department	12808	594821		Holtzhueter State Park GHA improvements		9,436.42		
Parks Department	12810	699800	28102	Mountain bike park		4,065.24		
Parks Department	12801804	699700		GRT trail repair and grant match donation		250.00		
Parks Department	12811	594821		Dog Park - update entrance 2 and 3 - add \$36,000				
Parks Department	12811	594821		Dog Park - electricity upgrade - add \$36,000				
Parks Department	12811	699992		Remaining Dog Park funds per 2023 budget			55,456.88	
Parks Department	12811	699992		Adjust beginning carryover to actual amount			21,940.45	
Parks Department	12813	521220		Flood Mitigation Property Management Plan			35,000.00	
Parks Department	12816	594821		Burnt Village - ADA Launch Pier Improvement			15,000.00	
Parks Department	12826	699700	28102	(Upper) Rock Lake Park Donation (Geib)		359.30		
Parks Department	12826	699700		(Upper) Rock Lake Park Mountain Bike Park Donation (Geib)		500.00		
Parks Department	12830	699700		Boat launch fees - restricted (daily)		1,043.58		
Parks Department	12830	699700		Boat launch fees - restricted (annual)		544.68		
								789,569.29
Planning/Zoning	12902	699700		Adjust beginning carryover to actual amount		326,779.77		
Planning/Zoning	12902	699700		Solid Waste funds as per 2023 budget		0.00		
								326,779.77
Register of Deeds	13001	594818		Back indexing			94,954.50	
Register of Deeds	13001	531303		Bastion cloud-based solution conversion costs			8,000.00	
								102,954.50
Sheriff Department	13101	594818		Tracs software project			7,500.00	
Sheriff Department	13101	531314		Squad equip for take-home squad program (remainder of range fencing project)			3,085.00	
Sheriff Department	13101	531314		Squad equip for take-home squad program			3,700.00	
Sheriff Department	13101	421001	22241	ARPA grant for radios - increase revenue by \$92,000				
Sheriff Department	13101	531314	22241	ARPA grant for radios - increase expense by \$92,000				
Sheriff Department	13103	531303	90030	Communications upgrade project - ongoing licensing and support			627,550.70	
Sheriff Department	13103	594810	90030	Communications upgrade project - consultant balance			13,986.25	
Sheriff Department	13106	521219		PREA audit for Jail			5,000.00	
Sheriff Department	13106	521211		Inmate offsite medical cost - there is a corresponding revenue source for this			10,000.00	
Sheriff Department	13106	699700	31602	Jail health fund reserve			100,000.00	
Sheriff Department	13108	699700		Jail assessment funds restricted by Wisconsin Statutes per 2023 budget		244,065.15		
Sheriff Department	13108	699700		Adjust beginning carryover to actual amount		(21,717.87)		
Sheriff Department	13109	699700	31901	Remaining restricted donations -- K-9 related per 2023 budget		0.00		
Sheriff Department	13109	699700	31901	Adjust beginning carryover to actual amount		62,315.37		
Sheriff Department	13109	699700	31902	Remaining restricted donations -- Community Program per 2023 budget		0.00		
Sheriff Department	13109	699700	31902	Adjust beginning carryover to actual amount		14,589.90		
Sheriff Department	13109	699700	31904	Remaining restricted donations -- Honor Guard per 2023 budget		0.00		
Sheriff Department	13109	699700	31904	Adjust beginning carryover to actual amount		2,379.50		
Sheriff Department	13109	699700	31906	Remaining restricted donations -- Tactical Air Wing per 2023 budget		94.00		
Sheriff Department	13109	699700	31907	Remaining restricted donations -- Dive Team per 2023 budget		0.00		
Sheriff Department	13109	699700	31907	Adjust beginning carryover to actual amount		4,307.57		
Sheriff Department	13109	699700	31908	Remaining restricted donations -- DTF (included in 2023 budget)		624.19		
Sheriff Department	13110	699700		Funds restricted by source -- Drug Education as per 2023 budget		1,689.98		
Sheriff Department	13110	699700		Adjust beginning carryover to actual amount		26.91		
Sheriff Department	13111	699700		Funds restricted by source -- Drug Restitution as per 2023 budget		7,559.73		
Sheriff Department	13111	699700		Adjust beginning carryover to actual amount		(3,977.40)		
Sheriff Department	13112	699700		Funds restricted by source -- Vehicle Forfeiture as per 2023 budget		13,998.71		
Sheriff Department	13112	699700		Adjust beginning carryover to actual amount		0.00		
Sheriff Department	13113	699700		Funds restricted by source -- Drug Task Force - 2023 budget		2,034.83		
Sheriff Department	13113	699700		Adjust beginning carryover to actual amount		1,989.01		

**JEFFERSON COUNTY
CARRYOVER REQUESTS - 2022 TO 2023**

Department	Bus Unit	Acct #	Proj	Explanation	Non-Spendable	Restricted	Assigned	Total
Sheriff Department	13114	699700		Funds restricted by source -- Federal Forfeitures as per 2023 budget		215,974.97		
Sheriff Department	13114	699700		Adjust beginning carryover to actual amount		(4,890.60)		
Sheriff Department	13115	699700		Funds restricted by source -- CEASE Marijuana as per 2023 budget		201.00		
Sheriff Department	13116	699700		Funds restricted by source -- State Forfeitures as per 2023 budget		36,446.38		
Sheriff Department	13116	699700		Adjust beginning carryover to actual amount		580.29		1,349,113.57
UW Extension	13301	594813		Upgrade technology in Rooms 8 and 9			8,000.00	
UW Extension	13302	699700		UWEX Program per 2023 budget			988.48	
UW Extension	13302	699700		Adjust beginning carryover to actual amount			0.00	
UW Extension	13303	699700		Remaining funds Agricultural program per 2023 budget			6,308.54	
UW Extension	13303	699700		Adjust beginning carryover to actual amount			0.00	
UW Extension	13303780	699700		Remaining funds Master Gardener Program per 2023 budget			2,610.67	
UW Extension	13303780	699700		Adjust beginning carryover to actual amount			0.00	
UW Extension	13303781	699700		Pesticide Programs per 2023 budget			6,214.23	
UW Extension	13303781	699700		Adjust beginning carryover to actual amount			788.60	
UW Extension	13303782	699700		Tractor Safety Program per 2023 budget			4,255.24	
UW Extension	13303782	699700		Adjust beginning carryover to actual amount			0.00	29,165.76
Veterans Services	13402	699992		Gift card inventory reserve	0.00			
Veterans Services	13402	699992		Budgeted carryover for 2022			5,119.09	
Veterans Services	13402	699992		Adjust beginning carryover to actual amount			22,519.92	27,639.01
Fleet Management	71000	594811		Fleet modernization			500,000.00	500,000.00
General Fund Totals					2,272,544.60	1,916,800.47	3,773,663.14	7,963,008.21
Health Department	24	351300		Prepaid asset reserve (Prepaid Health Ins paid by Employer)	23,131.14			
Health Department	24	354900		Working capital (3 Month Operating Expense)		502,094.75		
Health Department	24	351000		Restricted for Health Department services		289,421.33		
Health Department	4101	699999		United Way Pillar Grant		2,000.00		
Health Department	4101	699999		Kiwanis Club donation		192.80		
Health Department	4122	699999		Drug free communities grant		28,694.06		
Health Department	4204	699999		WIC telehealth grant		1,142.00		846,676.08
Human Services	25	353100		Prepaid asset reserve	306,540.71			
Human Services	63033011	511210	65038	HSP I /Opioid Case Manager - Wages			63,248.94	
Human Services	63033011	512141	65038	HSP I /Opioid Case Manager- FICA			4,472.67	
Human Services	63033011	512144	65038	HSP I /Opioid Case Manager- Health			22,821.10	
Human Services	63033011	512173	65038	HSP I /Opioid Case Manager - Dental			1,104.00	
Human Services	63033011	512145	65038	HSP I /Opioid Case Manager - Life			12.00	
Human Services	63033011	512142	65038	HSP I /Opioid Case Manager - WRS			4,300.93	
Human Services	63033011	543954	65038	HSP I /Opioid Case Manager - Overhead			15,216.49	
Human Services	63033011	421001	65038	HSP I /Opioid Case Manager - Revenue from Opioid settlement			(111,176.13)	
Human Services	63022011	511210	65000	HSP I /Opioid Case Manager - Wages			(63,248.94)	
Human Services	63022011	512141	65000	HSP I /Opioid Case Manager- FICA			(4,472.67)	
Human Services	63022011	512144	65000	HSP I /Opioid Case Manager- Health			(22,821.10)	
Human Services	63022011	512173	65000	HSP I /Opioid Case Manager - Dental			(1,104.00)	
Human Services	63022011	512145	65000	HSP I /Opioid Case Manager - Life			(12.00)	
Human Services	63022011	512142	65000	HSP I /Opioid Case Manager - WRS			(4,300.93)	
Human Services	63022011	543954	65000	HSP I /Opioid Case Manager - Overhead			(15,216.49)	
Human Services	63022011	484001	65000	HSP I /Opioid Case Manager - Revenue from Opioid settlement			111,176.13	
Human Services	63025011	555507	65027	CCS contractors			75,000.00	
Human Services	63022011	532325	65000	Treatment Court - Out of State conference - registration, travel, lodging			2,500.00	
Human Services				need to set up new YCSF acct YCSF reserve			250,000.00	
Human Services	61690987	594950	63001	HS reserve			650,000.00	
Human Services	63022011	531355	65010	HOPE			15,000.00	
Human Services	65069900	532325	65001	MI training			50,000.00	
Human Services	61169900	531314	65200	Staff desks			25,773.50	
Human Services	61169900	531314	65200	UW Extension cubicles			67,336.00	
Human Services	61169900	531314	65200	Workforce desks			7,000.00	
Human Services	66699951	421001	65051	Economic Support - ARPA revenue			(38,668.00)	
Human Services	66699951	531303	65051	Economic Support - ARPA expenditures			38,668.00	
Human Services	61169900	531303	65200	Zoom			24,000.00	

JEFFERSON COUNTY
CARRYOVER REQUESTS - 2022 TO 2023

Department	Bus Unit	Acct #	Proj	Explanation	Non-Spendable	Restricted	Assigned	Total
Human Services	61169900	531303	65200	DocuSign			65,780.00	
Human Services	61169900	531303	65200	Monitors			1,880.00	
Human Services	61169900	531303	65200	Desk phones			5,000.00	
Human Services	61169900	531303	65200	Laptops for staff			53,000.00	
Human Services	62081700	531304	65195	Vehicle escrow - 2 new vans per DOT contract			48,508.00	
Human Services	will provide specific breakout for			Donations			46,004.64	1,693,322.85
Total Governmental Funds					2,602,216.45	2,740,345.41	5,160,445.28	10,503,007.14
					Capital	Restricted	Non-Restricted	Total
Highway Department	5	361100		Capital net position	23,356,572.13			
Highway Department	5	361200		Contributed capital -- state salt shed/brine equipment	195,172.39			
Highway Department	5	3625xx		Road equity, multiple municipalities		175,188.88		
Highway Department	5	363100		Inventory stabilization			(760,263.05)	
Highway Department	5	363200		Under-recovered fringe benefit pool to be allocated in 2020			(410,348.90)	
Highway Department	5	363250		Over-recovered small tools pool to be allocated in 2020			37,158.33	
Highway Department	5	363260		PBM Reserve			214,998.14	
Highway Department	5	363350		Inventory net position			2,360,713.22	
Highway Department	5	363400		Prepaid asset reserve (Prepaid Health Ins paid by Employer)			81,830.83	
Highway Department	53241	699992		Fixed Asset replacement (machinery operations)			3,796,918.41	
Highway Department	53311	531562		General Maintenance - mill/overlay CTH - O/STD design work - CTH E/F/D			854,037.53	
Highway Department	53312	531562		Cty Hwy Construction to finish CTH Q and CTH O			1,218,660.44	
Highway Department	53313	531562		Winter maintenance balance for future Winter Maintenance expense			1,007,053.37	
Totals					23,551,744.52	175,188.88	8,400,758.32	32,127,691.72
Total all Funds								42,630,698.86

JEFFERSON COUNTY
Proposed 2023 Budget Adjustment Detail

Org	Object	Project	Amount	Increase/ (Decrease)	Description	Purpose
12404	421001	24403	8,000	I	State Aid	Increase grant funding for Healthy Lakes grant
12404	529299	24403	8,000	I	Purchased care & services	Increase grant spending for Healthy Lakes grant
12405	421001	24405	9,556	I	State Aid	Increase grant funding for Producer-led grant
12405	529299	24405	9,556	I	Purchased care & services	Increase grant spending for Producer-led grant
12405	421001	24405	30,800	I	State Aid	Increase grant funding for Producer-led grant
12405	529299	24405	16,300	I	Purchased care & services	Increase grant spending for Producer-led grant
12405	521219	24405	11,725	I	Other professional services	Increase grant spending for Producer-led grant
12405	531348	24405	100	I	Educational supplies	Increase grant spending for Producer-led grant
12405	536539	24405	250	I	Other rents and leases	Increase grant spending for Producer-led grant
12405	531312	24405	50	I	Office supplies	Increase grant spending for Producer-led grant
12405	531319	24405	1,500	I	Other operating supplies	Increase grant spending for Producer-led grant
12405	511210	24405	875	I	Wages - regular	Increase grant spending for Producer-led grant
12405	485200	24405	10,000	I	Donations	Increase donation funding for Producer-led grant
12405	529299	24405	6,600	I	Purchased care & services	Increase donation funding for Producer-led grant
12405	536539	24405	1,200	I	Other rents and leases	Increase donation funding for Producer-led grant
12405	521219	24405	2,200	I	Other professional services	Increase donation funding for Producer-led grant
11101	424001	22225	1,000,000	I	Federal Grants	Increase ARPA budget for housing and business development
11101	521219	22225	1,000,000	I	Other professional services	Increase ARPA budget for housing and business development
13101	421001	22241	92,000	I	Federal Grants	ARPA grant received by Sheriff's Dept for radios
13101	531314	22241	92,000	I	Small items of equipment	ARPA grant received by Sheriff's Dept for radios
4132	424001		24,000	I	Federal Grants	Lead in Water Testing and Remediation initiative
4132	511110		12,109	I	Salary	Lead in Water Testing and Remediation initiative
4132	512141		926	I	Social Security	Lead in Water Testing and Remediation initiative
4132	512142		823	I	Retirement	Lead in Water Testing and Remediation initiative
4132	512144		9,511	I	Health Insurance	Lead in Water Testing and Remediation initiative
4132	512145		20	I	Life insurance	Lead in Water Testing and Remediation initiative
4132	531349		26	I	Other operating expense	Lead in Water Testing and Remediation initiative
4132	512153		377	I	HRA contribution	Lead in Water Testing and Remediation initiative
4132	512173		208	I	Dental insurance	Lead in Water Testing and Remediation initiative
11002	599908		500,000	I	Other contingency	Wage and salary adjustments
11002	599908		750,000	I	Other contingency	2024 insurance surcharge
11101	521219		200,000	I	Other professional services	Remediation at Highway site
11102	521219		55,000	I	Other professional services	Increase for LIFT program
12301	521219		77,000	I	Other professional services	Health insurance consultants
12301	532350		45,000	I	Training materials	Employee online training package
49001492	594845		600,000	I	Fixtures/Furnishings/Equipment	Furniture for Courthouse - Phase I
49001492	594845		250,000	I	Fixtures/Furnishings/Equipment	Furniture for Courthouse - Phase II
49001492	594844		100,000	I	AV/IT/Telecommunications	Contingency for AVI-SPL contract
11101	521219		30,000	I	Other professional services	Uniquely Wisconsin marketing package
11101	594821		40,000	I	Land improvements	Courthouse flagpole feature
11101	521219		20,000	I	Other professional services	Traffic study - South Campus
13103	531303		40,000	I	Computer equipment & software	MABAS - Fire/EMS/Law
11001	611103		445,080	I	Operating transfer in	Residual transfer from Human Services
11001	611103		537,479	I	Operating transfer in	Residual transfer from Highway
11001	699999		654,955	I	Unassigned fund balance	Net available unassigned fund balance
11001	699999		1,069,486	I	Unassigned fund balance	Loan from working capital balance

RESOLUTION NO. 2022-__

Authorizing budget amendments to offset fiscal year 2022 departmental deficits

Executive Summary

The County Administrator requests budget amendments to offset department deficits. This resolution will authorize increasing appropriations and corresponding revenue in fiscal year 2022, as follows:

Department	Org	Object	Project	Amount	Increase/ (Decrease)	Description	Purpose
Health	4128	511210		96,432	I	Wages - regular	Increase ARPA budget
Health	4128	511110		19,213	I	Salary	Increase ARPA budget
Health	4128	511220		245	I	Wages - overtime	Increase ARPA budget
Health	4128	512141		8,850	I	Social Security	Increase ARPA budget
Health	4128	512142		293	I	Retirement	Increase ARPA budget
Health	4128	512144		512	D	Health Insurance	Increase ARPA budget
Health	4128	512145		1	D	Life insurance	Increase ARPA budget
Health	4128	512151		250	D	HSA Contribution	Increase ARPA budget
Health	4128	512173		46	D	Dental insurance	Increase ARPA budget
Health	4128	521219		16,191	I	Other professional services	Increase ARPA budget
Health	4128	529160		37	I	Interpreter fee	Increase ARPA budget
Health	4128	531312		28	I	Office supplies	Increase ARPA budget
Health	4128	533225		3,750	I	Meals	Increase ARPA budget
Health	4128	421001		144,230	I	State Aid	Increase ARPA budget
Highway	53311	531562		204,369	I	DP Highway Materials	Increase project expenses
Highway	53311	451100		144,687	I	Miscellaneous billed	Increase project revenues
Highway	5	699999		59,682	I	Fund balance	Increase project expenses

The Finance Committee considered this resolution at its March 8, 2023 meeting and recommended forwarding to the County Board for approval.

WHEREAS, the Executive Summary is incorporated into this resolution, and

WHEREAS, due to circumstances described in the fiscal note to this resolution, the following increases in appropriations are requested for 2022: Increase Health Department ARPA revenue and corresponding expenditures for response to COVID during 2022, and Increase project revenue and expense in the Highway Department for additional projects and costs incurred, and

WHEREAS, the Finance Committee recommends that the above expenditures in excess of appropriations be funded by increasing budgeted revenue and expenditures by \$350,217; and

NOW, THEREFORE, BE IT RESOLVED that the aforementioned increases in revenues and expenditures are hereby approved and the 2022 budget is amended to reflect the same.

Fiscal Note:

Health Department: COVID cases and related expenditures were higher than anticipated during 2022. The Health Department received grant funding to offset the increase in costs.

Highway Department: Due to cooperative weather and low asphalt costs, the Highway Department was able to do some additional work that was not anticipated during the 2022 budget process and also was required to adjust their equipment rates mid-year during 2022, resulting in higher costs than anticipated.

As a budget amendment, this resolution requires twenty 20 out of 30 affirmative votes from the total membership of the County Board for passage.

Ayes _____ Noes _____ Abstain _____ Absent _____ Vacant _____

Requested by
Finance Committee

3-14-2023

**JEFFERSON COUNTY
YEAR-END RESULTS BY DEPARTMENT - 2022**

Department	Expenditures			Revenues			Other financing sources/uses			Department
	2022 Revised Budget	2022 Actual	Difference	2022 Revised Budget	2022 Actual	Difference	2022 Revised Budget	2022 Actual	Difference	(Surplus)/Deficit
Administration Total	\$ 1,579,438.82	\$ 1,056,520.07	\$ 522,918.75	\$ (1,484,275.04)	\$ (914,793.65)	\$ (569,481.39)	\$ (50,794.60)	\$ -	\$ (50,794.60)	\$ 141,726.42
Capital Projects and Debt Total	12,595,535.67	14,432,015.73	(1,836,480.06)	(3,881,718.00)	(5,469,313.74)	1,587,595.74	(10,688,462.53)	(32,551,818.25)	21,863,355.72	(23,589,116.26)
Central Services Total	1,221,116.19	857,384.10	363,732.09	(1,004,283.42)	(1,003,489.10)	(794.32)	(212,715.00)	-	(212,715.00)	(146,105.00)
Child Support Total	1,222,816.22	1,177,827.98	44,988.24	(1,222,816.22)	(1,215,740.58)	(7,075.64)	-	-	-	(37,912.60)
Clerk of Courts Total	3,069,479.74	2,526,668.41	542,811.33	(2,969,612.76)	(2,765,801.33)	(203,811.43)	(94,735.98)	-	(94,735.98)	(239,132.92)
Corporation Counsel Total	447,735.90	410,868.84	36,867.06	(447,735.90)	(447,936.60)	200.70	-	-	-	(37,067.76)
County Board Total	604,243.69	476,412.30	127,831.39	(516,743.69)	(516,943.22)	199.53	(77,500.00)	-	(77,500.00)	(40,530.92)
County Clerk Total	429,259.43	392,413.25	36,846.18	(429,259.43)	(414,161.09)	(15,098.34)	-	-	-	(21,747.84)
District Attorney Total	1,089,327.05	985,229.47	104,097.58	(1,089,327.05)	(990,210.28)	(99,116.77)	-	-	-	(4,980.81)
Economic Development Total	565,673.38	436,654.62	129,018.76	(560,774.50)	(443,932.12)	(116,842.38)	(4,898.88)	-	(4,898.88)	(7,277.50)
Emergency Management Total	3,711,400.31	1,112,151.68	2,599,248.63	(3,711,400.31)	(1,094,622.99)	(2,616,777.32)	-	-	-	17,528.69
Fair Park Total	2,562,449.65	2,492,629.33	69,820.32	(2,499,011.47)	(2,211,002.51)	(288,008.96)	(63,438.18)	-	(63,438.18)	281,626.82
Finance Department Total	1,196,992.71	740,337.38	456,655.33	(1,031,350.71)	(591,192.21)	(440,158.50)	(160,000.00)	-	(160,000.00)	149,145.17
General Revenues & Expenditure Total	56,456.20	5,099.81	51,356.39	(102,784.96)	(1,965,880.35)	1,863,095.39	15,555.76	1,692,555.00	(1,676,999.24)	(268,225.54)
Health Department Total	1,740,888.87	1,982,781.14	(241,892.27)	(2,492,061.82)	(2,038,407.49)	(453,654.33)	751,172.95	-	751,172.95	(55,626.35)
Highway Department Total	11,875,419.00	12,079,787.45	(204,368.45)	(11,875,419.00)	(12,020,105.89)	144,686.89	-	-	-	59,681.56
Human Resources Total	679,571.36	535,047.20	144,524.16	(632,810.61)	(590,788.05)	(42,022.56)	(32,880.00)	-	(32,880.00)	(55,740.85)
Human Services Department Total	31,039,821.58	30,939,671.26	100,150.32	(29,983,929.55)	(31,220,666.36)	1,236,736.81	928,445.50	1,228,445.00	(299,999.50)	947,449.90
Internal Service Funds Total	2,030,781.52	1,916,731.13	114,050.39	(2,010,781.52)	(2,053,522.77)	42,741.25	(20,000.00)	-	(20,000.00)	(136,791.64)
Land & Water Conservation Total	926,296.39	561,489.39	364,807.00	(865,072.67)	(707,510.15)	(157,562.52)	(61,223.72)	-	(61,223.72)	(146,020.76)
Land Information Total	548,786.56	521,833.17	26,953.39	(575,920.56)	(588,617.95)	12,697.39	27,134.00	-	27,134.00	(66,784.78)
Library Total	1,158,411.00	1,158,131.56	279.44	(1,158,411.00)	(1,158,411.12)	0.12	-	-	-	(279.56)
Medical Examiner Total	344,967.36	341,865.45	3,101.91	(344,967.36)	(362,573.40)	17,606.04	-	-	-	(20,707.95)
Parks Department Total	4,014,477.23	3,214,208.76	800,268.47	(2,863,422.29)	(2,495,231.25)	(368,191.04)	(1,083,546.96)	-	(1,083,546.96)	718,977.51
Planning And Zoning Total	665,949.92	663,316.48	2,633.44	(660,362.66)	(694,426.88)	34,064.22	(5,587.26)	-	(5,587.26)	(31,110.40)
Register in Probate Total	-	-	-	-	-	-	-	-	-	-
Register Of Deeds Total	520,381.20	388,775.56	131,605.64	(354,991.20)	(641,065.20)	286,074.00	(165,390.00)	-	(165,390.00)	(252,289.64)
Sheriff Department Total	16,959,791.33	16,262,666.80	697,124.53	(15,843,686.31)	(15,899,095.78)	55,409.47	(1,116,105.02)	-	(1,116,105.02)	363,571.02
Treasurer Total	297,492.93	231,408.70	66,084.23	(297,492.93)	569,220.35	(866,713.28)	-	-	-	800,629.05
UW Extension Total	295,773.67	245,076.96	50,696.71	(276,273.67)	(272,270.14)	(4,003.53)	(19,500.00)	-	(19,500.00)	(27,193.18)
Veterans Services Total	293,696.83	263,406.74	30,290.09	(293,696.83)	(289,393.40)	(4,303.43)	-	-	-	(25,986.66)
Grand Total	\$ 103,744,431.71	\$ 98,408,410.72	\$ 5,336,020.99	\$ (91,480,393.44)	\$ (90,507,885.25)	\$ (972,508.19)	\$ (12,134,469.92)	\$ (29,630,818.25)	\$ 17,496,348.33	\$ (21,730,292.78)

**JEFFERSON COUNTY
YEAR END RESULTS BY FUND - 2022**

Fund Name	Fund	Expenditures			Revenues			Other Financing (Sources)/Uses			Fund (Surplus)/Deficit
		2022 Revised Budget	2022 Actual	Difference	2022 Revised Budget	2022 Actual	Difference	2022 Revised Budget	2022 Actual	Difference	
General	100 Total	\$ 44,461,985.07	\$ 37,057,424.01	\$ 7,404,561.06	\$ (41,236,483.55)	\$ (37,705,869.00)	\$ (3,530,614.55)	\$ (3,105,625.84)	\$ 1,692,555.00	\$ (4,798,180.84)	\$ 1,044,110.01
Health	240 Total	1,740,888.87	1,982,781.14	(241,892.27)	(2,492,061.82)	(2,038,407.49)	(453,654.33)	751,172.95	-	751,172.95	(55,626.35)
Human Services	250 Total	31,039,821.58	30,939,671.26	100,150.32	(29,983,929.55)	(31,220,666.36)	1,236,736.81	(1,055,892.03)	1,228,445.00	(2,284,337.03)	947,449.90
Debt Service	300 Total	3,839,843.00	3,839,842.50	0.50	(3,636,718.00)	(3,636,717.96)	(0.04)	(203,125.00)	(1,630,818.25)	1,427,693.25	(1,427,693.71)
Capital	400 Total	8,569,692.67	10,592,173.23	(2,022,480.56)	(245,000.00)	(1,832,595.78)	1,587,595.78	(8,315,000.00)	(30,635,000.00)	22,320,000.00	(21,875,422.55)
Highway	500 Total	11,875,419.00	12,079,787.45	(204,368.45)	(11,875,419.00)	(12,020,105.89)	144,686.89	-	-	-	59,681.56
MIS	700 Total	1,972,684.52	1,723,106.09	249,578.43	(1,952,684.52)	(1,734,804.56)	(217,879.96)	(20,000.00)	-	(20,000.00)	(11,698.47)
Fleet	710 Total	244,097.00	193,625.04	50,471.96	(58,097.00)	(318,718.21)	260,621.21	(186,000.00)	(286,000.00)	100,000.00	(411,093.17)
Grand Total		\$ 103,744,431.71	\$ 98,408,410.72	\$ 5,336,020.99	\$ (91,480,393.44)	\$ (90,507,885.25)	\$ (972,508.19)	\$ (12,134,469.92)	\$ (29,630,818.25)	\$ 17,496,348.33	\$ (21,730,292.78)

Jefferson County - Courthouse/LEC - Total Project Budget to Actual Report

	<u>Original Budget</u>	<u>Contract</u>	<u>Change orders</u>	<u>Revised contract</u>	<u>Actual</u>	<u>Variance</u>
Construction Costs - Building Additions & Renovations	38,669,834.00	38,669,834.00	2,009,728.05	40,679,562.05	7,675,470.62	33,004,091.43
MIS Building Demolition & Parking Lot Construction	Future Project Below	Future Project Below				
Construction Contingency	3,750,000.00	3,750,000.00	(1,915,457.50)	1,834,542.50	-	1,834,542.50
BC#1 Site Work-Site Utilities	300,000.00	-		-		
Sub-Total	42,719,834.00	42,419,834.00	94,270.55	42,514,104.55	7,675,470.62	34,838,633.93
Design Fees (Including \$19k Reimbursables Allowance)	2,757,801.00	2,652,550.00	89,500.00	2,742,050.00	2,244,376.75	497,673.25
Construction Materials Testing Allowance (Soils/Steel)	40,000.00	40,000.00	(32,546.88)	7,453.12	-	7,453.12
Owner Moving Costs/Misc. Costs	150,000.00	150,000.00	-	150,000.00	168,765.78	(18,765.78)
Temporary Office Space	300,000.00	300,000.00	(14,743.92)	285,256.08	327,917.98	(42,661.90)
Temporary Conditioning of Offices/Flex Spaces	300,000.00	300,000.00	(5,363.02)	294,636.98	18,416.52	276,220.46
Winter Construction Costs (Additions)	100,000.00	100,000.00	(24,685.79)	75,314.21	55,758.91	19,555.30
Private Utility Relocations	150,000.00	150,000.00	-	150,000.00	-	150,000.00
Security/Cameras/Access	Included in Construction Costs	-	-	-	-	-
Temporary/Interim Workspace Construction (Within Bldg)	100,000.00	100,000.00	-	100,000.00	-	100,000.00
Terrazo Repairs @ Doors (Removal/Patching of 38 Openings)	70,000.00	70,000.00	-	70,000.00	-	70,000.00
Full Terrazo Repairs (Crack Repair & Refinishing)	140,000.00	140,000.00	-	140,000.00	-	140,000.00
Final Building Cleaning	50,000.00	50,000.00	-	50,000.00	-	50,000.00
Jail Rec Yard Buildout - added to Construction Costs via CO	150,000.00	150,000.00	(150,000.00)	-	-	-
Markup/Bond	-	-	(1,992.94)	(1,992.94)	-	(1,992.94)
						-
Potential Levy Funded Items						-
Asbestos Abatement/Consulting	581,840.00	581,840.00	-	581,840.00	252,495.49	329,344.51
Audio-Visual/Information Technology/Telecommunications	1,000,000.00	1,000,000.00	1,426,062.00	2,426,062.00	86,106.00	2,339,956.00
Fixtures, Furnishings, & Equipment (Including Exterior)	1,000,000.00	1,000,000.00	-	1,000,000.00	-	1,000,000.00
Paving of East Lot/MIS Bldg Demo & Parking Lot	350,000.00	350,000.00	-	350,000.00	-	350,000.00
Sub-Total	4,481,840.00	4,481,840.00	1,286,229.45	5,678,569.45	909,460.68	4,769,108.77
Total	49,959,475.00	49,554,224.00	1,380,500.00	50,934,724.00	10,829,308.05	40,105,415.95
Funding Sources:						
Series 2021A General Obligation Bonds	(8,000,000.00)	(8,000,000.00)		(8,000,000.00)		
Series 2022A General Obligation Bonds	(28,000,000.00)	(28,000,000.00)		(28,000,000.00)		
American Rescue Plan Act (ARPA) funding	(8,355,000.00)	(8,355,000.00)	(275,000.00)	(8,630,000.00)		
Designated Carryover from 2021	(2,635,000.00)	(2,635,000.00)		(2,635,000.00)		
Working Capital/Fund Balance	(2,969,475.00)	(2,969,475.00)		(2,969,475.00)		
Interest earned on bond proceeds			(400,000.00)	(400,000.00)		
Additional ARPA funding/PILT			(100,000.00)	(100,000.00)		
Bug Tussel bond guarantee fee			(216,000.00)	(216,000.00)		
Jail Assessment fees			(150,000.00)	(150,000.00)		
Difference between project costs and funding sources	-	(405,251.00)	239,500.00	(165,751.00)		

Change orders and funding sources

	<u>Amount</u>	<u>Contingency</u>	<u>Interest on bonds</u>	<u>Bug Tussel fee</u>	<u>ARPA - PILT</u>	<u>ARPA - additional</u>	<u>Jail assessment</u>
Original budget		3,750,000.00	-	-	-	-	-
Additional funding sources		-	400,000.00	216,000.00	100,000.00	275,000.00	150,000.00
1 Earthwork - \$300,000 budgeted	432,010.58	(132,010.58)	-	-	-	-	-
2 Single Ply Membrane (SRS)	69,919.60	(69,919.60)	-	-	-	-	-
3 Parking lot lights	(31,542.30)	31,542.30	-	-	-	-	-
4 A/V work	346,653.97	(346,653.97)	-	-	-	-	-
5 Cast stone/IMP panels	206,058.89	(206,058.89)	-	-	-	-	-
6 Value engineering	(106,050.00)	106,050.00	-	-	-	-	-
7 COC/CS work	74,742.05	(74,742.05)	-	-	-	-	-
8 Temporary heat	4,389.09	(4,389.09)	-	-	-	-	-
9 NE earthwork	13,720.25	(13,720.25)	-	-	-	-	-
10 1000 KW generator	2,961.73	(2,961.73)	-	-	-	-	-
11 Plumbing work	2,444.71	(2,444.71)	-	-	-	-	-
12 Jail recreation yard	182,080.47	(32,080.47)	-	-	-	-	(150,000.00)
13 Increase sump basin size	7,772.58	(7,772.58)	-	-	-	-	-
14 Jail recreation yard	215,436.25	(215,436.25)	-	-	-	-	-
15 delete VAV	(5,881.41)	5,881.41	-	-	-	-	-
16 Boiler upsize/louvers	116,166.01	(116,166.01)	-	-	-	-	-
17 Earthwork/plumbing	47,681.95	(47,681.95)	-	-	-	-	-
18 Earthwork/AT&T	17,928.06	(17,928.06)	-	-	-	-	-
19 Plumbing work	15,393.69	(15,393.69)	-	-	-	-	-
20 Electric work for satellite offices	211,512.00	(211,512.00)	-	-	-	-	-
21 LEC roof	16,930.79	(16,930.79)	-	-	-	-	-
22 Owner allowances	26,605.61	-	-	-	-	-	-
23 Plumbing work (Monona)	(3,962.81)	3,962.81	-	-	-	-	-
24 Owner allowances	5,898.50	-	-	-	-	-	-
25 Drywall and Steel Studs	(14,544.00)	14,544.00	-	-	-	-	-
26 Demo/Masonry/Electric	27,180.62	(27,180.62)	-	-	-	-	-
27 MC cable credit	(35,602.50)	35,602.50	-	-	-	-	-
28 Reuse 5" sanitary sewer	36.07	(36.07)	-	-	-	-	-
29 Concrete/plumbing/HVAC	12,656.65	(12,656.65)	-	-	-	-	-
30 Owner allowances	24,840.06	-	-	-	-	-	-
31 Floor drains	1,508.77	(1,508.77)	-	-	-	-	-
32 CCAP changes	19,273.64	(19,273.64)	-	-	-	-	-
33 TP dispensers	(2,061.41)	2,061.41	-	-	-	-	-
34 Steel plate masonry reinforcing	2,483.20	(2,483.20)	-	-	-	-	-
35 Plumbing work	(9,366.35)	9,366.35	-	-	-	-	-
36 Owner allowances	21,988.38	-	-	-	-	-	-
37 Fuel tank enclosure/hose bib	63,891.26	(63,891.26)	-	-	-	-	-
38 Demo hearing room wall	6,459.22	(6,459.22)	-	-	-	-	-
39 Jail threshold speakers	10,489.34	(10,489.34)	-	-	-	-	-
40 Additional bentonite grout	9,616.02	(9,616.02)	-	-	-	-	-
41 Replace exterior faucet	537.84	(537.84)	-	-	-	-	-
42 Door/hardware changes	1,470.98	(1,470.98)	-	-	-	-	-
Subtotal - Maas Construction	2,009,728.05	(1,480,395.50)	-	-	-	-	(150,000.00)
AV system	<u>1,426,062.00</u>	<u>(435,062.00)</u>	<u>(400,000.00)</u>	<u>(216,000.00)</u>	<u>(100,000.00)</u>	<u>(275,000.00)</u>	<u>-</u>
Total	3,435,790.05	(1,915,457.50)	(400,000.00)	(216,000.00)	(100,000.00)	(275,000.00)	(150,000.00)
Net contingency remaining		1,834,542.50					

JEFFERSON COUNTY ARPA FUNDS

TOTAL - \$16,465,385

Original Budget	Amendment	Amended Budget	Amount Committed	Amount Spent	Expected Completion	Project Description
-	25	25	25	25	Dec 2024	General administration
550,000	(140,000)	410,000	356,490	356,490	Dec 2024	The County has purchased two triplex housing units to assist with housing for persons that were economically disadvantaged by the pandemic. The units will require some renovation to meet code and safety requirements.
2,135,000	(855,000)	1,280,000	1,265,000	15,000	Mid - 2024	Match for broadband expansion grants
295,000	-	295,000	295,000	96,319	Legal Assistant - Dec 2024; ADA Feb of 2023	Hire one legal assistant in the District Attorney's office to assist with processing court cases that were backlogged due to the pandemic. Backfill one state funded position that will be unfilled during 2022 due to deployment to assist with this backlog.
195,000	-	195,000	195,000	54,621	Dec-24	Hire an additional full time staff person to assist those veterans that were negatively impacted by COVID-19.
240,000	-	240,000	-	-	Dec-24	Several recent studies commissioned by the County have identified a need for a position to assist with housing in the County to include liaison to communities, developers, and granting agencies as well as individuals seeking affordable housing.
234,000	108,000	344,146	344,146	344,146	Completed	South Campus Water Main replacement
130,000	150,877	280,877	280,877	280,877	Oct-22	Replace HVAC system in Workforce Development Building to improve ventilation
115,000	544,160	659,160	659,160	659,160	Oct-22	Improvements to South Campus
300,000	-	297,829	177,000	186,889	Jul-24	Technology purchases to support remote work for COVID mitigation or operational recovery
195,000	-	195,000	195,000	40,639	Dec-24	Increase part time mental health nurse in Jail to full time
250,000	-	250,000	250,000	183,550	Jul-24	Engage Discover Wisconsin for a 3-year marketing campaign to promote tourism that was impacted by COVID-19
500,000	25,953	525,953	525,953	525,805	Oct-22	The County Fairgrounds is one of the largest tourist draws in the County. This would improve the County facilities and assist with tourism that was adversely affected by COVID-19.
7,000,000	1,580,000	8,580,000	8,355,000	770,350	Oct-24	Replace HVAC system in County Courthouse, Sheriff complex, and Jail to improve ventilation
350,000	(350,000)	-	-	-	Dec-24	Originally budgeted for marketing of county farmland, repurposed for South Campus/Fairground improvements
1,000,000	-	1,000,000	-	-	Dec-24	This concept, in conjunction with the position above, would develop a central test/R&D/business development/education complex. There are EDA funds available to assist with this project, this is a potential match for those funds or workforce housing opportunities.
350,000	(350,000)	-	-	-	Oct-22	Originally to remodel UW Extension lower level for potential Human Service expansion to assist those impacted by COVID-19, moved to generic South Campus Improvement category
1,000,000	(899,071)	100,929	100,929	-	Dec-24	Economic assistance to individuals and non-profit organizations
-	35,264	35,264	35,264	17,632	Dec-24	Economic assistance to individuals and non-profit organizations - LIFT program for ATC/DTC
	42,817	42,817	42,817	-	Dec-24	Economic assistance to individuals and non-profit organizations - Additional TAD grant funding
100,000	(100,000)	-	-	-	Jul-23	Psychotherapist position for ATC/DTC (housed in HS)
200,000	(200,000)	-	-	-	Jul-24	Assist with stand up for free clinics that administer vaccinations, testing, contact tracing as a placeholder in case other state and federal funding falls short
1,000,000	(969,702)	30,298	30,298	30,298	Completed	Reserve for future Public Health expenses related to COVID, moved 469,702 to project code 22221 for purchase of SD squads
-	469,702	469,702	469,702	379,538	Jul-23	Purchase of SD squads and cameras for squads
-	775,000	775,000	775,000	131,745	Oct-23	Match for potential DOT/Highway project grants (Infrastructure Bill)
	258,385	258,385	258,385	38,084	Dec-24	Recruitment and Retention Specialist
200,000	-	200,000	-	-	Dec-24	Clean Water initiatives
16,339,000	126,385	16,465,385	14,611,021	4,111,168		Total committed/spent to date

RESOLUTION NO. 2022-_____

Authorizing Settlement Agreements with Teva Pharmaceutical Industries Ltd., Allergan Finance, LLC, Walgreen Company, Walmart, Inc., CVS Health Corporation, and CVS Pharmacy, Inc.; entering into a Memorandum of Understanding with the Wisconsin Attorney General for Allocation of Opioid Settlement Proceeds; and executing an Addendum to the original Memorandum of Understanding Allocating Settlement Proceeds to incorporate the pending opioid settlements

Executive Summary

Between 1999 and 2013, the amount of opioids dispensed in the United States quadrupled, with nearly 207 million opioid prescriptions being written in 2013 and almost 259 million in 2014. Opioid sales were nearly \$10 billion in 2015. According to 2015 data from the National Survey on Drug Use and Health, in 2013 over one third of United States citizens had used prescription opioids, with a significant number of those resulting in addiction. The Wisconsin Counties Association has researched this issue and found that lawsuits filed in other states have alleged that certain pharmaceutical companies knew that profits could significantly increase if they were able to market and sell opioids for long-term use. In order to expand their market and achieve a dramatic increase in profits, some companies decided to create a marketing campaign designed to give the medical community and the public the false impression that opioids were safe for long-term use. This false marketing campaign is responsible for what is commonly referred to as the Opioid Epidemic. On October 10, 2017 the Jefferson County Board of Supervisors adopted Resolution number 2017-39 which authorized the County Administrator to execute the necessary documents to proceed with a lawsuit on behalf of Jefferson County.

Lawsuits have been filed on behalf of 70 other Wisconsin counties and all Wisconsin cases were coordinated with thousands of other lawsuits throughout the country. Pursuing claims against certain opioid manufacturers will hold those persons and entities that had a significant role in the creation of the Opioid Epidemic responsible for the financial costs incurred by Jefferson County and other public agencies across the state and country in dealing with the Opioid Epidemic. On December 14, 2021 the County Board of Supervisors approved Resolution No. 2021-49 that provided approval for the first round of settlement agreements.

This resolution authorizes the Jefferson County Board Chair and the Jefferson County Administrator to enter into the following: 1) Settlement Agreements with Teva Pharmaceutical Industries Ltd., Allergan Finance, LLC, Walgreen Company, Walmart, Inc., CVS Health Corporation, and CVS Pharmacy, Inc.; 2) enter into a Memorandum of Understanding with the Wisconsin Attorney General for Allocation of Opioid Settlement Proceeds; and 3) execute an Addendum to the original Memorandum of Understanding Allocating Settlement Proceeds to incorporate the pending opioid settlements described in this resolution. The terms of the settlement require all parties to sign the Settlement Agreements and related documents no later than April 18, 2023.

WHEREAS, the County Board of Supervisors previously authorized the County to enter into an engagement agreement with von Briesen & Roper, s.c., Crueger Dickinson LLC and Simmons Hanly Conroy LLC (the “Law Firms”) to pursue litigation against certain manufacturers, distributors, and retailers of opioid pharmaceuticals (the “Opioid Defendants”) in an effort to hold the Opioid Defendants financially responsible for the County’s expenditure of vast money and resources to combat the opioid epidemic; and

WHEREAS, on behalf of Jefferson County, the Law Firms filed a lawsuit against the Opioid Defendants; and

WHEREAS, the Law Firms filed similar lawsuits on behalf of 66 other Wisconsin counties and all Wisconsin cases were coordinated with thousands of other lawsuits filed against the same or substantially similar parties as the Opioid Defendants in the Northern District of Ohio, captioned *In re: Opioid Litigation*, MDL 2804 (the “Litigation”); and

WHEREAS, four (4) additional Wisconsin counties (Milwaukee, Dane, Waukesha, and Walworth) hired separate counsel and joined the Litigation; and

WHEREAS, since the inception of the Litigation, the Law Firms have coordinated with counsel from around the country (including counsel for Milwaukee, Dane, Waukesha, and Walworth Counties) to prepare Jefferson County’s case for trial and engage in extensive settlement discussions with the Opioid Defendants; and

WHEREAS, the settlement discussions with Teva Pharmaceutical Industries Ltd., Allergan Finance, LLC, Walgreen Co., Walmart, Inc., CVS Health Corporation and CVS Pharmacy, Inc. (the “Settling Defendants”) resulted in a tentative agreement as to settlement terms pending agreement from Jefferson County and other plaintiffs involved in the Litigation; and

WHEREAS, copies of the various settlement agreements relating to the Settling Defendants (collectively “Settlement Agreements”) representing the terms of the tentative settlement agreements with the Settling Defendants have been made available to the County Board of Supervisors through the County Clerk’s Office and the County Administrator’s Office provided with this Resolution; and

WHEREAS, the Settlement Agreements provide, among other things, for the payment of certain sums to Participating Subdivisions (as defined in the Settlement Agreements) upon the occurrence of certain events detailed in the Settlement Agreements; and

WHEREAS, the County is a Participating Subdivision in the Settlement Agreements and has the opportunity to participate in the benefits associated with the Settlement Agreement provided that the County (a) approves the Settlement Agreements; (b) approves the Addendum to the Memorandum of Understanding allocating proceeds from the Settlement Agreements among the various Wisconsin Participating Subdivisions, a copy of which is attached to this Resolution (the “Allocation MOU”); (c) approves the Memorandum of Understanding with the Wisconsin

Attorney General regarding allocation of settlement proceeds, a copy of which is attached to this Resolution (the “AG MOU”); and (d) the Legislature’s Joint Committee on Finance approves the terms of the Settlement Agreements and the AG MOU; and

WHEREAS, 2021 Wisconsin Act 57 created Section 165.12 of the Wisconsin Statutes relating to the settlement of all or part of the Litigation; and

WHEREAS, pursuant to Wis. Stat. § 165.12(2), the Legislature’s Joint Committee on Finance is required to approve the Settlement Agreements and the AG MOU; and

WHEREAS, pursuant to Wis. Stat. § 165.12(2), the proceeds from any settlement of all or part of the Litigation are distributed 70% to local governments in Wisconsin that are parties to the Litigation and 30% to the State; and

WHEREAS, Wis. Stat. § 165.12(4)(b)2. provides the proceeds from the Settlement Agreement must be deposited in a segregated account (the “Opioid Abatement Account”) and may be expended only for approved uses for opioid abatement as provided in the Settlement Agreements; and

WHEREAS, Wis. Stat. § 165.12(7) bars claims from any Wisconsin local government against the Opioid Defendants filed after June 1, 2021; and

WHEREAS, the definition of Participating Subdivisions in the Settlement Agreements recognizes a statutory bar on claims such as that set forth in Wis. Stat. § 165.12(7) and, as a result, the only Participating Subdivisions in Wisconsin are those counties and municipalities that were parties to the Litigation (or otherwise actively litigating a claim against one, some, or all of the Opioid Defendants) as of June 1, 2021; and

WHEREAS, the Legislature’s Joint Committee on Finance is not statutorily authorized or required to approve the allocation of proceeds of the Settlement Agreements among Wisconsin Participating Subdivisions; and

WHEREAS, the Law Firms have engaged in extensive discussions with counsel for all other Wisconsin Participating Subdivisions resulting in the proposed Allocation MOU, which is an agreement between all of the entities identified in the Allocation MOU as to how the proceeds payable to those entities under the Settlement Agreements will be allocated; and

WHEREAS, the proposed Addendum to the MOU (“Addendum”) provided with this Resolution provides for allocation of settlement proceeds among the Wisconsin Participating Subdivisions according to the same percentages as provided in the previously-approved MOU allocating the settlement proceeds of the settlements involving McKesson Corporation, Cardinal Health, Inc., AmerisourceBergen Corporation, Johnson & Johnson, Janssen Pharmaceuticals, Inc., Ortho-McNeil-Janssen Pharmaceuticals, Inc., and Janssen Pharmaceutica, Inc.; and

WHEREAS, there is provided with this Resolution a summary of the essential terms of the Settlement Agreements, the deadlines related to the effective dates of the Settlement Agreements, the ramifications associated with the County's refusal to enter into the Settlement Agreements, the form of the Addendum, the form of the AG MOU, and an overview of the process for finalizing the Settlement Agreements; and

WHEREAS, the County, by this Resolution, shall deposit the proceeds of the Settlement Agreements consistent with the terms of this Resolution and Wis. Stat. § 165.12(4)(b); and

WHEREAS, pursuant to the County's engagement agreement with the Law Firms, the County shall pay up to an amount equal to 25% of the proceeds from successful resolution of all or part of the Litigation, whether through settlement or otherwise, plus the Law Firms' costs and disbursements, to the Law Firms as compensation for the Law Firms' efforts in the Litigation and any settlement; and

WHEREAS, the Law Firms anticipate making application to the national fee fund established in the Settlement Agreements seeking payment, in whole or part, of the fees, costs, and disbursements owed the Law Firms pursuant to the engagement agreement with the County; and

WHEREAS, it is anticipated the amount of any award from the fee fund established in the Settlement Agreements will be insufficient to satisfy the County's obligations under the engagement agreement with the Law Firms; and

WHEREAS, the County, by this Resolution, and pursuant to the authority granted the County in the applicable Order emanating from the Litigation in relation to the Settlement Agreements and payment of attorney fees, shall authorize and direct the escrow agent responsible for the receipt and distribution of the proceeds from the Settlement Agreements to establish an account for the purpose of segregating funds to pay the fees, costs, and disbursements of the Law Firms owed by the County (the "Attorney Fees Account") in order to fund a local "backstop" for payment of the fees, costs, and disbursements of the Law Firms; and

WHEREAS, in no event shall payments to the Law Firms out of the Attorney Fees Account and the fee fund established in the Settlement Agreements exceed an amount equal to 25% of the amounts allocated to the County in the Addendum; and

WHEREAS, the intent of this Resolution is to authorize the County to enter into the Settlement Agreements, the Addendum, and the AG MOU, establish the County's Opioid Abatement Account, and establish the Attorney Fees Account; and

WHEREAS, the County, by this Resolution, shall authorize the County's corporation counsel to finalize and execute any escrow agreement and other document or agreement necessary to effectuate the Settlement Agreements and the other agreements referenced herein.

NOW, THEREFORE, BE IT RESOLVED that the Jefferson County Board of Supervisors hereby approves

1. The execution of the Settlement Agreements and any and all documents ancillary thereto and authorizes the Jefferson County Board Chair or designee to execute same.
2. The final negotiation and execution of the Addendum in a form substantially similar to that presented with this Resolution and any and all documents ancillary thereto and authorizes the Jefferson County Board Chair or designee to execute same upon finalization provided the percentage share identified as allocated to the County is substantially similar to that identified in the Addendum provided to the Board with this Resolution.
3. The final negotiation and execution of the AG MOU in a form substantially similar to that presented with this Resolution and any and all documents ancillary thereto and authorizes the Jefferson County Board Chair to execute same.
4. The execution by the Jefferson County Board Chair or designee of any additional documents or agreements for the receipt and disbursement of the proceeds of the Settlement Agreements as referenced in the Addendum.

BE IT FURTHER RESOLVED: all proceeds from the Settlement Agreements not otherwise directed to the Attorney Fees Account shall be deposited in the County's Opioid Abatement Account. The Opioid Abatement Account shall be administered consistent with the terms of this Resolution, Wis. Stat. § 165.12(4), and the Settlement Agreements.

BE IT FURTHER RESOLVED: the County hereby authorizes the establishment of an account separate and distinct from any account containing funds allocated or allocable to the County which shall be referred to by the County as the "Attorney Fees Account." An escrow agent shall deposit a sum equal to up to, but in no event exceeding, an amount equal to 20% of the County's proceeds from the Settlement Agreements into the Attorney Fees Account. If the payments to the County are not enough to fully fund the Attorney Fees Account as provided herein because such payments are made over time, the Attorney Fees Account shall be funded by placing up to, but in no event exceeding, an amount equal to 20% of the proceeds from the Settlement Agreements attributable to Local Governments (as that term is defined in the Allocation MOU) into the Attorney Fees Account for each payment. Funds in the Attorney Fees Account shall be utilized to pay the fees, costs, and disbursements owed to the Law Firms pursuant to the engagement agreement between the County and the Law Firms provided, however, the Law Firms shall receive no more than that to which they are entitled under their fee contract when considering the amounts paid the Law Firms from the fee fund established in the Settlement Agreements and allocable to the County. The Law Firms may make application for payment from the Attorney Fees Account at any time and the County shall cooperate with the Law Firms in executing any documents necessary for the escrow agent to make payments out of the Attorney Fees Account.

BE IT FURTHER RESOLVED that all actions heretofore taken by the Board of Supervisors and other appropriate public officers and agents of the County with respect to the matters contemplated under this Resolution are hereby ratified, confirmed and approved.

Fiscal Note: Jefferson County’s allocation of this second settlement, is an estimated \$3,397,583 with a net amount after attorney fees, of \$2,548,187. This net amount may increase based on additional attorney fees being paid by the national attorney fee fund. Final settlement amounts will be determined upon the number of parties that “opt-in” to the settlement agreement. This settlement will be paid out as follows: Allergan – 6 years, Teva – 13 years, Walgreens – 15 years, CVS – 10 years and Wal-Mart – 5 years.. An updated assessment will be conducted by Jefferson County staff and stakeholders to determine the best use of these funds for the 2024 Fiscal Year guided by allowed uses under Exhibit “E” as attached. First round of settlement dollars have assisted in a crisis staff focused on opioid response and assistance in the Drug Treatment Court. Updated recommended uses and a corresponding budget recommendation for FY 2024 and beyond with funds being directed towards the highest and impactful needs of Jefferson County. Funds will be deposited into a segregated account for accountability.

Referred By:
_____ Committee

03-14-2022

REVIEWED: Corporation Counsel: ;Finance Director:

**Jefferson County
Contingency Fund
For the Year Ended December 31, 2022**

Ledger Date	Description	General (599900)	Other (599908)	Vested Benefits (599909)	Authority
1-Jan-22	Tax Levy	500,000.00	250,000.00	300,000.00	
6-Jan-22	Administration - codification of County ordinances	(10,000.00)			
3-Feb-22	MIS - multi-factor authentication	(20,000.00)			
3-Feb-22	Literacy Council	(10,000.00)			
3-Mar-22	COC JDA position	(5,131.00)			
8-Mar-22	Budget carryover requests		3,940,000.00		
14-Jun-22	Budget Analyst .8 FTE to 1 FTE	(5,642.00)			
Total amount available		449,227.00	4,190,000.00	300,000.00	
Net		449,227.00	4,190,000.00	300,000.00	

**Jefferson County
Contingency Fund
For the Year Ended December 31, 2023**

Ledger Date	Description	General (599900)	Other (599908)	Vested Benefits (599909)	Authority
1-Jan-23	Tax Levy	500,000.00	600,000.00	300,000.00	
Total amount available		500,000.00	600,000.00	300,000.00	
Net		500,000.00	600,000.00	300,000.00	