

Jefferson County
Finance Committee Minutes
July 13, 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 except for Jennifer Hanneman. Other County Board members present were Jim Schroeder. Staff in attendance were Ben Wehmeier, Blair Ward, Connie Freeberg, Kelly Stade, Kim Buchholz, Bruce Jones, Marc DeVries, and Tammy Worzalla. Members of the public present were Steven Cline and Jason Palumbo.
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 June 13, 2017.** A motion was made by Rinard/Jaeckel to approve the June 13, 2017 minutes. The motion passed 4-0.
6. **Communications** – Ben Wehmeier presented the committee with GFOA Budget Award for the County’s 2017 budget. This is the third year in a row Jefferson County has received the award.
7. **Public Comments** – None.
8. **Discussion and possible action on claim for damages**

A motion was made by Rinard/Jaeckel to forward the resolution to the County Board for the disallowance of claim of Elizabeth Weber. The motion passed 4-0.

A motion was made by Jones/Rinard to forward the resolution to the County Board for the disallowance of claim of AT&T. The motion passed 4-0.

A motion was made by Jaeckel/Kutz to forward the resolution to the County Board for disallowance of claim of Kristen Niebler. The motion passed 4-0.

Jennifer Hanneman joined the meeting at 8:34 a.m.

9. **Discuss Proclamation for Child Support Awareness Month** – Ben Wehmeier presented the Proclamation for Child Support Awareness Month. A motion was made by Hanneman/Rinard to forward the resolution to the County Board. The motion passed 5-0.
10. **Approval of out-of-state travel – CADCA (Community Anti-Drug Coalitions of America)** – Ben Wehmeier explained the out of state travel being requested. The cost of travel for Department of Human Services (DHS) employees is fully funded by federal and state grants. Approval of grant funding for the cost of travel is pending for the Health Department employee. A motion was made

by Rinard/Jaeckel to approve the travel for DHS and Health Department, with Health Department approval contingent upon grant funding. The motion passed 5-0.

11. **Discussion and possible action concerning 4-H Participation Fee** – Ben Wehmeier explained that the fee was established in 2008 and we are one of the only counties in Wisconsin that charges the participation fee. Any potential action is anticipated to take effect in 2018 and will impact next year's budget. Discussion ensued on the origin of the fee and impact on the current budget if the fee was eliminated (2017 budget is \$16,000). The consensus of the committee is to retain the current fee for 2018 with the consideration of a cap for families. No action taken.
12. **Discussion and possible action concerning a two-year extension of contract for audit services with Sikich LLP** – Ben Wehmeier recommended to extend the contract with Sikich LLP for audit services an additional two years as provided by their proposal dated August 8, 2014. The proposal was for 3 years with an optional 2 year extension. A motion was made by Rinard/Hanneman to approve the contract extension. The motion passed 5-0.
13. **Initial 2018 Budget Outlook** – Ben Wehmeier discussed the status of the budget for 2018. The County is still waiting on the state to release its budget. Anticipated growth for 2018 is approximately \$320,000 consistent with prior year. Sales tax is projecting at slightly higher than budget at this time. Total increases in personnel costs are projected at slightly less than \$1.6 million. Health insurance is projected at a 7% increase. Dental will remain flat for 2018. Slight decrease in WRS contribution (.1%). Roughly \$1.5 million in capital requests for 2018. No action taken.
14. **Discussion and possible action on settling with municipalities for unpaid special assessments or special charges** – Blair Ward explained that the legislation now allows for counties to reimburse municipalities for special assessments. Jefferson County has historically taken advantage of this legislation in order to be able to collect and retain any interest or penalties related to late payments of special assessments. The current proposed resolution limits the amount to \$10,000 per tax parcel. Kelly Stade distributed a report showing the 2017 assessments and collections. Discussion ensued regarding exclusion of razing buildings from the \$10,000 cap as this may leave the County with a property that is not worth the assessment. Motion made by Jones/Jaeckel to recommend limiting the special assessment reimbursement to municipalities to \$10,000 with the exception of razing buildings which is recommended to be excluded from the reimbursement cap altogether. The motion passed 5-0.
15. **Discussion and possible action on determining disposition of foreclosed properties, setting minimum bids for the sale of foreclosed properties and considering offers to purchase on foreclosed properties.**

Jason Palumbo, owner of JPLC LLP, presented the Committee with an offer to purchase commercial-zoned land at the intersection of Hartwig and Watertown Street. (PIN 141-0715-0731-004) JPLC LLP currently owns land adjacent to the parcel. Jason explained that the area is ideal for people traveling eastbound on I-94 to stop. Jason is looking to develop the land for lodging and food/entertainment establishments. Jason is interested in working with the County and Village on parcel entrances immediately upon acquisition of the land. Jason is making a no contingency offer to the County of \$100,000 for the land with a down payment as early as July 13th.

Steven Cline, owner of Jellystone, is requesting that the County reallocate payments he made for property taxes earlier this year to parcels that were 3 or more years delinquent to other parcels he owes on and that the County foreclose on the 22 tax delinquent parcels of property at Jellystone

that are 3 or more years delinquent. After the County forecloses on these parcels, he will purchase them from the County. If the County grants his request, Mr. Cline will pay the County back taxes and interest of approximately \$56,000 for his other Jellystone properties that are tax delinquent. He has secured a loan to pay the back taxes and interest along with the purchase of these additional properties. He is willing to pay all the back taxes and interest plus \$50 per property, plus any costs for the Jellystone properties related to the foreclosure. He is willing to purchase all of these properties together or individually and does not intend to resell, but instead he will rent them out seasonally.

- 16. 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. –**

Jones asked for a roll-call vote to go into closed session. The motion passed 5-0. The Finance Committee discussed the offer to purchase real estate made by Jason Palumbo.

After reconvening in open session, Jones asked for a roll-call vote to go into closed session a second time. The motion passed 5-0. The Finance Committee discussed the request by Steven Cline to foreclose on certain tax delinquent parcels at Jellystone.

- 17. Reconvene in open session.**

A motion was made by Rinard/Hanneman to reconvene in open session to further discuss and act on the offer to purchase real estate made by Jason Palumbo. The motion passed 5-0.

A second motion was made by Jaeckel/Hanneman to reconvene in open session to further discuss and act on the request by Steven Cline to foreclose on certain tax delinquent parcels at Jellystone. The motion passed 5-0.

- 18. Discussion and possible action on foreclosing on tax delinquent properties.** A motion was made by Hanneman/Rinard to accept the offer to purchase the property for \$100,000 from Jason Palumbo with an initial \$2,000 earnest money payment with an anticipated closing date in August. The motion passed 5-0.

A motion was made by Jaeckel/Hanneman to reject the offer from Steven Cline. The County made a counteroffer to accept the payment of approximately \$56,000 and foreclose on the 10 parcels that are outstanding greater than 3 years in September. Any previous payments made to the delinquent parcels will not be moved to other parcels. Steven Cline has verbally agreed to this transaction. The motion passed 5-0.

- 19. Review of the financial statements and department update for May 2017-Finance Department.** Wehmeier stated overall Finance looks good.

- 20. Review of the financial statements and department update for May 2017-Treasurer Department.** Wehmeier 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.

- 21. Review of the financial statements and department update for May 2017-Child Support Department.** Wehmeier stated revenue comes in quarterly which will usually be off from budget estimates.
- 22. Discussion on 2017 projections of budget vs. actual.** The committee discussed 2017 projections of budget vs. actual.
- 23. Discussion of funding for projects related to the new Highway Facilities and sale of old Highway Facilities.** The Finance Committee discussed funding for projects related to the new Highway Facilities and sale of old Highway Facilities.
- 24. Update on contingency fund balance.** Wehmeier directed the Finance Committee to the schedule showing the current balance of 2017 general contingency funds of \$440,112. The other contingency fund balance is \$8,000 and the vested benefits balance is \$290,000.
- 25. Set future meeting schedule, next meeting date, and possible agenda items.** The next regular meeting was scheduled for Thursday August 10, 2017.
- 26. Payment of Invoices-**After review of the invoices, a motion was made by Jaeckel/Kutz to approve the payment of invoices totaling \$510,918.12 for the main review and \$1,274,552.27 for the other payments, p-cards, and payroll deductions. The motion passed 5-0.
- 27. Adjourn** – A motion was made by Hanneman/Rinard to adjourn at 11:07 a.m. The motion passed 5-0.

Respectfully submitted,

Russell Kutz
Finance Committee
Jefferson County
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