

Jefferson County
Finance Committee Minutes
June 9, 2015

Committee members: Braughler, James B (Vice Chair) Poulson, Blane
Hanneman, Jennifer (Secretary) (Absent) Schroeder, Jim
Jones, Richard C. (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 Jennifer Hanneman which was excused. Staff in attendance was Ben Wehmeier, Tammy Worzalla, Blair Ward, Gail Scott, Barb Frank, John Jensen and Brian Lamers. Others present were Tim Freitag, Administrator from the City of Jefferson and Mayor Dale Oppermann, Jolene Presti from VandeWalle and Associates, Ted Tuchalski from the City of Watertown representing Jefferson County Environmental Health, Dan Berg and Jason Askin from Sikich LLP and Brent Alwin.
3. **Certification of compliance with the Open Meetings Law** – Wehmeier certified that notice of the meeting complied with the Open Meetings Law.
4. **Review of the agenda**-Move #14 after #9 and move #11 and #12 after #8
5. **Public Comments** – Brent Alwin discussed the delinquent property taxes on his property. He asked if he could buy his house back for the taxes owed. Jones explained this was not an agenda item and no action could be taken on it.
6. **Approval of Finance Committee minutes for May 14th, 2015.** A motion was made by Poulson/Braughler to approve the minutes of May 14th, 2015. The motion passed 4-0.
7. **Communications** –None
8. **Presentation by the City of Jefferson of future concepts for the land of the old Highway facility.** Tim Freitag, the City of Jefferson Administrator, and Jolene Presti from VandeWalle & Associates went through a power point presentation and discussion on the City's plan for future development of the old Highway site.
9. **Presentation by Sikich LLP regarding the 2014 Financial Report and Audit.** Dan Berg from Sikich handed out a packet highlighting the results of the audit and gave a presentation to the Committee. Jason Askin discussed the Single Audit and noted there were no compliance issues.
10. **Discussion and possible action on the sale of old Highway facilities and land.** Wehmeier led the discussion about the sale of the satellite facilities in Ixonia, Waterloo, and Lake Mills. The next step in the process would be to get the RFQ's ready for the sale of the Highway properties in the near future. A motion was made by Schroeder/Braughler to authorize the County Administrator to put out RFQ's as appropriate and have discussions for selling the properties including the Palymra site. The motion passed 4-0.

- 11. Discussion and possible action on changes to the fee schedule.** Wehmeier discussed that departments were asked to review their fee schedule. With changes to the state budget resulting in possible freezes on fees, we needed to look at them now. Gail Scott explained how the program works with the City of Watertown and discussed the fees currently and why the change the fees is needed. She explained that the City of Watertown Board of Health and the Jefferson County Board of Health has approved the fee schedule. Wehmeier talked about the changes to the Medical Examiner's fees and the increase in costs. He also explained the proposed changes to the resolution to have the ability to waive fees if needed. Frank talked about the fee for the reissuance and correction fee to the Marriage License. She has researched other counties and they have found that this makes the people more aware when reviewing the information on the license to ensure its accuracy. A motion was made by Schroeder/Poulson to recommend the resolution for the fee schedule change to the County Board. The motion passed 4-0.
- 12. Discussion and possible action on a resolution for a budget amendment to cover retirement payout at the Health Department.** Wehmeier explained that there are 5 employees that have a total payout of \$73,000 which we usually let flow through the departments. This year, there is a fund balance available to use in the Health Department. A motion was made by Poulson/Braughler to recommend the resolution for the budget amendment to cover retirement payouts at the Health Department to the County Board. The motion passed 4-0.
- 13. Discussion and possible action on a possible contingency transfer to MIS for purchase of additional space for email retainage.** Wehmeier explained the need for the purchase of additional space for email retainage at a cost of \$12,700. It is possible that some of this may be able to be covered, but it is unknown at this time. Therefore, we are recommending waiting to transfer these funds if needed at the end of the year. A motion was made by Schroeder/Poulson to approve the possible contingency transfer if needed to purchase additional space for email retainage. The motion passed 4-0.
- 14. Discussion and possible action on the Fund Balance Policy as discussed at the Task Force Committee.** Wehmeier explained that this was put on the agenda because of the Task Force questioned the policy as to the use of Fund Balance in an emergency and what is considered an emergency. He explained that this is also good timing because with the audit there was a change in reporting our WMMIC Investment that was recorded in unassigned fund balance of \$1,046,755. With the Auditors opinion, the amount of initial investment of \$783,000 should be reported in Assigned Fund Balance since it is unavailable. Also the additional \$263,755 had to be adjusted out of revenue. This changed the initial \$1.3 million that we thought was available for capital in the 2016 budget to only \$268,000. The discussion took place on the Fund balance policy and where should we be. Discussion took place if we should be changing the policy to state that the investment on \$783,000 be included as part of the 3 month goal. It was also discussed that typically the 3 month goal usually does not include Enterprise funds (Highway); it is usually only calculated on the governmental funds. If the 3 month goal was calculated that way, it would reduce the current \$16.4 million to about \$13.6 million. If that adjustment was to be proposed, we would look at requiring the Highway Fund to maintain a certain fund balance within their Enterprise Fund. After further discussion, this is to be put on the agenda for the next Finance Committee meeting and at that point we will have a better idea on where we are with the capital needs of the 2016 budget.

- 15. Discussion and possible action on changes to the Investment Policy.** Wehmeier explained to the committee where we were in the process. Jensen said he was not opposed to looking at using both investment advisors and splitting the funds. Lamers explained that the RFP went out and were bid on as if the investment advisor was to assist with all funds. We would have to see if they would honor the bid with the change. Lamers advised against it also for the fact that we have to pay DANA a minimum of \$12,500 and we may be paying more if they feel we didn't hit the minimum. In addition, ICM, our current investors, have higher costs than DANA. Also, it would be harder for either one of the advisors to do any kind of cash analysis since they would not know what the other was doing. Jones agreed that we should only use one investment advisor. Ward asked Jensen if he would agree to use DANA for our investment advisors for all of the investments. Jensen at that time agreed.
- 16. Monthly Financial Report for April 2015-Finance Department.** Lamers stated that there is really nothing out of the ordinary for the Finance Department.
- 17. Monthly Financial Report for April 2015-County Clerk Department.** Lamers pointed out that in BU 1202 Elections the expenses are higher because most of the maintenance on the election machines was paid in the beginning of the year.
- 18. Monthly Financial Report for April 2015-Treasurer Department.** Lamers stated that interest on taxes is higher than anticipated with year to date being at \$302,517 and annual budget of \$650,000. Regular interest on investments is below budget by about \$12,000. Also noted was the fair market value adjustment of a positive \$85,000 which is adjusted monthly.
- 19. Monthly Financial Report for April 2015-Child Support Department.** Lamers stated revenue is low because we usually only receive state payments quarterly.
- 20. Discussion of funding for projects related to the new Highway Facilities.** No updates to report except that they are now moved over to the new facility.
- 21. Review and discussion on 2015 projections of budget vs. actual.** Lamers stated at this point looking at April there is nothing out of the ordinary to report. Register of Deeds is approximately \$12,000 below the revenue projection. MIS is above their budget at this point and we will continue to monitor it, mostly due to maintenance cost and other costs paid in the beginning of the year.
- 22. Update on the State Budget.** Wehmeier stated that there are no updates and the WCA's website is a good source for budget updates. Joint Finance will not be meeting soon.
- 23. Update on contingency fund balance.** Lamers directed the Finance Committee to the schedule showing the current balance of 2015 general contingency of \$441,049 however, with the approval of for fiber optic projects there is a possible reduction of \$86,191 and the \$12,700 for email retainage space in #13 and the vested benefits balance of \$270,000. Lamers explained that the 911 system project came in much lower at the Sheriff department than budgeted and may be able to cover the fiber project and the contingency taken out of \$119,007 for the radio system.
- 24. Set future meeting schedule, next meeting date, and possible agenda items** – The next meeting is Thursday July 9, 2015 at 8:30 am. Poulson noted he will be gone for the August Finance Meeting. The agenda items will include an update on the Highway projects,

projections of budget vs. actual, updates on the state budget, initial discussion on the 2016 budget, Fund Balance Policy and out of state travel for some Human Services employees.

25. Payment of Invoices-After review of the invoices, a motion was made by Braughler/Poulson to approve the payment of invoices totaling \$686,337.38 for the main review and \$1,656,607 for the other payments and payroll deductions. The motion passed 4-0.

26. Adjourn – A motion was made by Poulson/Schroeder to adjourn at 10:47 a.m. The motion passed 4-0.

Respectfully submitted,

James Braughler
Finance Committee
Jefferson County
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