

The Finance Committee met in Room A-200 of the Administration Center.

Present: Supervisors Nelson, Dohrwardt, Uselding, Richart and Walerstein. Staff: County Administrator Meaux, Human Resources Director Dzwinel, Finance Director Lamb, Treasurer Makoutz, Technology Resources Director Buhler, Corporation Counsel Kenealy, Public Health Director Johnson, Human Services Director Haupt, Undersheriff Johnson, and County Clerk Winkelhorst.

Others Present: Richard Dieffenbach

Absent: Supervisor Schlenvogt

Call to Order/Proper Notice/Adoption of Agenda: Meeting called to order by Vice Chairperson Nelson at 9:00AM. Assurance that the meeting was properly noticed, so noted by Ms. Winkelhorst. Motion made by Supervisor Uselding, seconded by Supervisor Walerstein to adopt the agenda as presented. All members present voting aye. Motion carried. (5-0)

Public Comments/Correspondence/Communications: There were none.

Approve Minutes from the December 5, 2011 and January 4, 2012 Meetings: Motion made by Supervisor Richart, seconded by Supervisor Walerstein to approve the December 5 and January 4 minutes as submitted. All members present voting aye. Motion carried. (5-0)

Action Items:

Review/Approve Write-off of Uncollectible Accounts – Corporation Counsel: This is the fourth quarter write-offs for 2011 in the amount of \$29,846.50. These write-offs are recommendations from therapists and staff but most are repeat individuals that are in our system. There are judgments against them but highly unlikely that the County will receive any payment.

Chairperson Nelson inquired as to whether there are discounts that can be obtained from the hospitals. Mr. Kenealy said that the County has contracts with the local hospitals. Mr. Haupt further commented that Aurora Medical Center does not have beds for mental health patients and that the County negotiates a contract with St. Mary's Ozaukee Hospital.

Motion made by Supervisor Dohrwardt, seconded by Supervisor Richart to approve the write-offs for October through December 2011 in the amount of \$29,846.50. All members present voting aye. Motion carried. (5-0)

Review/Approve Budget Amendment – Public Health: The Department of Agriculture, Trade and Consumer Protection (DATCP) funding provides the means to offer a medication collection day to Ozaukee County residents, for proper disposal of prescription and over-the-counter medications. The County conducts a medication collection day in partnership with Concordia University and Starting Point of Ozaukee County. This grant is in the amount of \$4,980.

The additional Prevention funding provides the Public Health Department the ability to provide free radon kits to Ozaukee County residents and educates residents on radon risks and mitigation. This grant is in the amount of \$2,500.

Motion made by Supervisor Dohrwardt, seconded by Supervisor Walerstein to approve the increase of revenue for the total amount of \$7,480 with the acceptance of the DATCP Unwanted Prescription Drug Grant and the Prevention Radon Grant. All members present voting aye. Motion carried. (5-0) This will move forward to the County Board for final approval.

Review/Approve Out of State Travel Request – Public Health: The Annual National Women, Infants & Children (WIC) Association Leadership Conference will be held on March 4-6 in Washington, DC. WIC Director Emmer will be representing the Southeastern WI Public Health Region for the Wisconsin WIC Association. Ms. Emmer is pursuing leadership roles within the Wisconsin WIC community. Attendance at this conference will increase Ms. Emmer understanding of WIC and policies related to WIC funding at a national level and give her opportunities to network with national colleagues. Ms. Emmer will bring her learning back to Wisconsin and to the Ozaukee County WIC project. The cost of travel, time and conference fees is covered by the WIC grant from the State.

Motion made by Supervisor Richart, seconded by Supervisor Dohrwardt to approve the out-of-state travel request for the WIC Director to attend the Annual National WIC Association Leadership Conference in Washington, DC on March 4-6. All members present voting aye. Motion carried. (5-0)

Review/Approve Commendations:

John H. Pankow:

David G. Guss: Motion made by Supervisor Dohrwardt, seconded by Supervisor Walerstein to approve the commendations for John Pankow and David Guss. All members present voting aye. Motion carried. (5-0) Both of these commendations will move forward to the County Board for final approval.

Review/Approve Requests to Fill:

Economic Support Supervisor Position, Non Rep, 40hrs weekly, Pay Grade 110 – Human Services: Mr. Haupt explained that the current employee will be retiring in March. This is a critical position that needs to be filled due to changes occurring at the State level. The economic support programs are mandated by the State and cannot be administered by a private agency. Oversight is needed to meet the obligations.

Mr. Haupt further explained that as of January 1, the County is administering Economic Support Programs through a consortium of five counties. Maintaining this position is essential if we are to successfully transition to this new collaborative effort. Mr. Haupt provided the background on how the consortium was established.

To replace a Supervisor who has over thirty seven years of experience will be a challenge so Mr. Haupt is also requesting permission to allow a candidate to begin employment as soon as he/she is available. Mr. Haupt would also like permission to negotiate a salary anywhere within the salary range for this position.

Supervisor Richart expressed concern about negotiating more than midway through the salary range. Mr. Dzwinel explained that the current policy allows internally for negotiation at 10%; to go above that would require approval from this committee. There is flexibility when negotiating management positions. Discussion on salary, vacation, and insurance contributions. Mr. Dzwinel said that there can be negotiation on vacation but there is no negotiation on insurance contribution.

Motion made by Supervisor Walerstein, seconded by Supervisor Uselding to approve filling the Economic Support Supervisor position, non rep, 40 hours weekly, pay grade 110 with flexibility to negotiate salary and vacation, change the title from Supervisor to Manager and to work with the County Administrator to determine the starting date waiving the two week maximum overlap, if necessary. All members present voting aye. Motion carried. (5-0)

Office Assistant III, OPEIU, 37.5 hrs weekly, Pay Grade 5 – Sheriff: Undersheriff Johnson explained that this position became vacant due to a retirement. This individual is the first point of contact for the public and provides administrative support for the Civil Process Unit.

Undersheriff Johnson stated that he spoke with Mr. Meaux regarding reducing the hours but this is a key position and full-time hours are needed.

Motion made by Supervisor Dohrwardt, seconded by Supervisor Uselding to approve the request to fill the Office Assistant III, OPEIU, 37.5 hours weekly, pay grade 5. All members present voting aye. Motion carried. (5-0)

Review/Approve Resolution Amending the Policy & Procedure Manual – Shift Differential for Deputy Sheriff Corporal Positions: Undersheriff Johnson explained that the designation of certain deputy sheriffs as corporals came about when the department was going through the process of reviewing sworn versus correction officers. One of the ways to maintain continuity was in appointing a corporal to be the assistant to the shift sergeants in the jail. A sergeant and a corporal would be responsible for running the day to day operations of the jail. This plan was viewed as a way to increase supervision and by transferring a sergeant out of the jail to patrol provided approximately 70% savings in overtime. Overall this will be cost neutral and will provide greater management, efficiency and accountability.

Undersheriff Johnson further stated that this is not a promotion but rather a job assignment. The union has agreed with this plan. Deputy Sheriffs that are appointed as corporals would be compensated at one dollar per hour.

Motion made by Supervisor Uselding, seconded by Supervisor Dohrwardt to approve the appointment of corporals by the Sheriff and to reflect the change in the Ozaukee County Policy & Procedure Manual through the resolution. All members present voting aye. Motion carried. (5-0) This will move forward to the County Board for final approval.

Supervisor Walerstein inquired about the occupancy in the jail. Undersheriff Johnson explained the decrease in the boarding and what changes have been implemented to adjust to the decrease. Discussion on the revenue impact.

Review/Approve Purchase of Additional Storage for SAN (Storage Area Network): Mr. Buhler stated that there is \$80,000 budgeted in 2012 for storage enhancement to the SAN at the Justice and Administration Centers. Technology Resources is in the third year of migration from individual network servers by application to virtual servers with replication between Administration and Justice Centers. A SAN containing user data is located at both sites. Data from either site is replicated to each other. This request will provide additional high performance disk storage for applications requiring rapid retrieval.

This storage addition will allow the migration of Outlook/Exchange data, imaging applications and the Great Plains application (as part of a version update) later this year. The cost is \$30,210 for each site.

Supervisor Walerstein inquired as to what happens with the remaining funds in the budget. Mr. Buhler explained that those funds will be used later in the year for additional work with the virtualization process.

Motion made by Supervisor Dohrwardt, seconded by Supervisor Uselding to approve the purchase of additional storage for the Storage Area Network for the amount of \$60,420. All members present voting aye. Motion carried. (5-0)

Review/Approve Report of County Board/Citizen Attendance and Mileage: Motion made by Supervisor Dohrwardt, seconded by Supervisor Walerstein to approve the attendance and mileage report as submitted with the understanding that it may be revised once all the County Board members have reviewed their individual statement. All members present voting aye. Motion carried. (5-0) This will move forward to the County Board for final approval.

Review/Approve Resolution Salaries of County Officials: Mr. Meaux stated that this is a requirement by Wisconsin State Statutes to establish by resolution the salaries of the Offices of

County Clerk, County Treasurer and Register of Deeds before the earliest date at which nomination papers may be circulated. The timing is such that this resolution should go before the County Board at the March 7 meeting. This is the first review and can be acted on today or further direction to staff can be given and then brought back to this committee for action at the February 24 meeting. There are some revisions by staff to clarify the retirement issues that have arisen as a result of action at the State level.

Mr. Dzwinel explained that the resolution assumes a 2% increase over four years based on the cost of living increase that management received this year. Mr. Dzwinel would like the resolution that is presented to the County Board to include language on the elected officials Wisconsin Retirement System (WRS) contribution per Wisconsin State Statutes and include language on the health insurance benefit package that the other employees receive. There have been some additional legal questions and this language would make it crystal clear. Discussion on the higher WRS contribution that elected officials are required to make and the impact of this contribution and the percentage increase in wage.

Mr. Lamb said that the elected officials are paying that extra 1% to make their contribution 7.05% and it is scheduled that new deputies when they are hired will pay 5.9% as all other employees. Mr. Lamb is just alerting the committee to the fact that this is somewhat inequitable on the elected officials and that the committee could get around that by a 3% increase the first year and leaving the other years at 2%.

Motion made by Supervisor Dohrwardt to approve the resolution as presented. Mr. Meaux commented that staff would like to modify the resolution to reflect the retirement issues and the health benefit. He suggested that a rewrite be done and presented at the next meeting for action.

Chairperson Nelson would like to see a comparable resolution with the suggestion by Mr. Lamb along with this resolution at 2%, both with modified language as suggested.

Supervisor Dohrwardt withdrew his motion to approve.

Motion made by Supervisor Uselding, seconded by Supervisor Walerstein to table the resolution to the February 24 meeting to allow staff to add additional language and clarification, with options on the 3% the first year included in the resolution. All members present voting aye. Motion carried. (5-0)

Review/Approve Amending the Policy & Procedure Manual Chapter 4: The majority of the amendments align Chapter 4 of the County Policy and Procedure Manual with the newly approved Employee Handbook. In addition, it recommends paring back two post retirement benefits: sun setting the early Retirement Supplemental as of December 31, 2012 and offering a reduced cash payout option of sick leave accrual at \$0.50 per \$1.00 of earned escrow.

Mr. Dzwinel reviewed the all the changes as outlined in the resolution.

The following revisions were suggested:

4.01(1) (a)9.b. to read "...Christmas Day falls on a Sunday or Monday...."

4.01(16) (a)1. list to include "Corporal"

4.04(1) (a)2. to read "....workweek or more than 20 hours of a 40 hour...."

4.04(2)(j)1. to read ".....is not filled by promotion from within the service, the ~~Finance Committee~~ County Administrator may grant the individual....."

4.04(9)(k) to read ".....a maximum of Five Thousand Dollars (\$5,000.00) annually for a period of five years....."

Motion made by Supervisor Richart, seconded by Supervisor Walerstein to approve the Chapter 4 amendments to the Policy & Procedure Manual with the revisions as suggested. All members present voting aye. Motion carried. (5-0) This will move forward to County Board for final approval.

Review/Approve Claims & Wire Transfers Summary Sheet: Motion made by Supervisor Dohrwardt, seconded by Supervisor Walerstein to approve the Claims & Wire Transfers summary sheet for November for a total amount of \$6,913,942.90. All members present voting aye. Motion carried. (5-0)

Discussion Item:

Debt Policy/Reserve Policy: Mr. Lamb explained that the Fund Balance (Reserve) Policy will have to be redone because of the changes in the descriptions of the reserves to align with GASB 54.

Mr. Lamb would also like to create a debt policy. Currently, the County does not have a Debt Policy but follows the State's Debt Policy which says that the County cannot have more than an aggregate debt higher than 5% of the County's equalized value. The equalized value is \$11 billion with 5% of that amount being \$530 million. The County debt is not even close to approaching that 5% with current debt of approximately \$20M.

The rating agencies think it would be very significant for the County's rating if you have a fund balance and a debt policy. The County is currently at a Aaa rating and would not want to jeopardize that rating. Mr. Lamb feels that it is good policy to have a policy on how much debt we can have.

Mr. Lamb explained the ways of determining the amount of debt incurred by % of Equalized Value or annual debt payments with a cap on that amount. The latter would be his suggestion to use a % of Levy and/or % of State Utility Revenues.

Only governmental debt paid by tax levy should be considered. Debt used to finance business entities with payments financed with user revenue should be exempt.

Chairperson Nelson would like Mr. Meaux and staff to bring a recommendation on structuring a Debt Policy. Mr. Lamb would like to have this policy before the next budget cycle.

These policies, when completed, will be brought to this committee, the Executive Committee, and the County Board for approval.

Department Reports:

County Clerk's Report: Report included in the packet. There were no further questions.

Human Resources Report: Mr. Dzwinel noted that the internal Weight Watchers at Work Group, a wellness initiative, has lost a total of 400 lbs. over four months. The OPEIU Administrative, OPEIU Highway and LAW Lasata bargaining units have until January 30, 2012 to file for recertification election. Workers Compensation paid was considerably down for 2011.

Technology Resources Hardware/Software Purchase/Disposal & Project Status: The participants in the Wisconsin Interoperable System for Communications (WISCOM) Integration Workgroup are as follows: Elected Officials - Gus Wirth, Jr. and Dan Buntrock; Law Enforcement Officials - Steve Graff, Jeff Taylor and Charles Wenten; Fire Service/Emergency Medical Service - Erv Helms; Public Safety Answering Point (PSAP)-Wendy Maechtle; Coordinator - John Mesich; Technical Advisor - Shawn Anderson; and Administrative Advisor - John Buhler.

Treasurer's Report: Cash ending December is down \$4,239,379 from last December. This decrease is due to the receipt of \$3,916,115 for debt received in December, 2010 and paid in January, 2011. Although, cash is still down 3.2% or \$323,264.

Interest and penalty revenues show an increase of 10.6% or \$67,699 over last year through December. Interest earnings show a decrease of 14.3% or \$32,658 over the same time period. Sales tax increased 3.3% or \$164,612 over last year through October.

Due to fewer current year delinquent taxpayers, delinquent certificates ending December is down \$241,265. The number of delinquencies is down 65 from last year.

In September, 2011 we started with 100 parcels with delinquent 2008 taxes and have collected from 50 parcels to date.

Sales tax collected for the month of November and received in January, 2012 is 26% lower or \$157,000. The year to date impact for the County would be a decrease of \$88,000 or down 1.6%. Ms. Makoutz contacted the State to see if the numbers posted on the website were correct as not only was Ozaukee County very low, but it was a trend throughout the State. All the reports from the media indicated that retailers were doing very well in November. The State did review Ozaukee County and said that the discrepancy was due to three major retailers not filing timely reports. Therefore, Ozaukee County did not have \$111,160 which was included in 2010 sales tax revenue. Even with adjustments sales tax would still be down 8% for November. The Department of Revenue only pays the county what has been processed. Discussion on sales tax.

The Department of Revenue (WDOR) is starting a new initiative for electronic assessment and tax roll standards. The WDOR would like the counties to follow the standards starting 2012 which are not yet available. Ozaukee County would be involved in a pilot program once the specifications are available.

12:00PM Supervisor Walerstein excused.

Finance Director's Report: Mr. Lamb reviewed all accounts and variance to budget. Overall the county is at budget and preliminary reports show that the General Fund will have a positive \$100,000 variance to budget.

Mr. Lamb explained that the limit was raised for departments to issue a purchase order. Previously the limit was \$100; that limit has been raised to \$500. The expectation was not realistic with too much paperwork and with no benefits. Staff feels that this will cut down on the number of purchase orders by 30% without it being a large dollar amount. It will have a minimal effect on the accuracy and a larger effect on the workload.

Conference/Convention & Meeting Attendance Report: Conference report from Technology Resources was submitted and approved.

Next Meeting Date: Friday, February 24 at 9:00AM

Adjournment: Motion made by Supervisor Dohrwardt, seconded by Supervisor Richart to adjourn. All members present voting aye. Motion carried. (4-0)

Meeting adjourned at 12:10PM.

*Julianne B. Winkelhorst, County Clerk*