

Jefferson County
Finance Committee Minutes
September 19, 2012

Committee members: Braughler, James
Hanneman, Jennifer
Jones, Dick, Chair
Mode, Jim, Vice Chair
Molinaro, John

1. **Call to Order** – Dick Jones called the meeting to order at 8:30 a.m.
2. **Roll Call (establish a quorum)** - All committee members were present. Staff members present were Gary Petre, Brian Lamers, Tammy Worzalla, Tammie Jaeger, Dennis Heling, Phil Ristow, Bill Kern. Others present: Karyn Spory, Reporter – Jefferson Daily Union; Ken Berg – Watertown.
3. **Certification of compliance with the Open Meetings Law** – Gary Petre certified that notice of the agenda, revised on 9/17/2012, was in compliance of the Open Meetings Law for the State of Wisconsin.
4. **Review of the agenda** – No changes to the agenda were requested.
5. **Citizen comments**
Ken Berg commented on his concerns over public safety employees’ health insurance and WRS contributions.
6. **Approval of Finance Committee minutes for September 17** - A motion was made by Molinaro/Jones to approve the minutes of September 17, 2012 as amended. The motion passed 5-0.
7. **Communications**
 - GMA Engineer Report regarding the Sheriff’s annex building
8. **Review budget hearing schedule and possible budget updates** – No updates to the budget
9. **Budget hearings for 2013** – The Finance Committee considered the recommended budgets for each department listed below and motions were made to tentatively accept the recommended budget figures for each department, unless otherwise noted. *[The format for each department lists (i) budget presenters in addition to Gary Petre, (ii) any other information specific to the department budget, (iii) who moved/seconded to tentatively accept the recommended budget figure, unless otherwise noted, along with the amount, and (iv) the voting record.]*

a. Organization

b. Outstanding Department Budgets

Gary Petre informed the committee that they may want to consider reopening the Sheriff’s Office Budget to include \$370,000 in repair costs for the Sheriff’s Annex building.

A motion was made by Jones/Mode to carry over \$141,200 (\$150,000, less the \$8,800 for new antennas) from the Sheriff’s Annex new storage building project from 2012 budget and add \$228,800 of General Revenues (account 9801.699910) from the amount designated in General Fund balance for Highway building projects. The total of \$370,000 to be added to the Special Projects budget for repairs to the Sheriff’s Annex building (account 1519.594822). Motion passed 4-1 (Molinaro voted no).



John Molinaro explained that the Farmland Preservation Commission has requested \$50,000 be budgeted for the County's 25% share of conservation easement purchases.

A motion was made by Molinaro/Jones to provide \$50,000 to the Farmland Conservation Preservation Commission; money to come from the allowed levy increase. Motion failed 3-2. (Hanneman, Braughler, Mode voted no).

c. General Revenues

- i. Gary Petre
- ii. No additional motions/information
- iii. Action on general revenues was considered as part of the previous motion on the Sheriff's Annex building repair.
- iv. No additional motion.

d. Debt Service

- i. Gary Petre
- ii. No additional motions/information
- iii. Motion by Braughler/Mode at \$54,584
- iv. Motion passed 5-0.

e. Fund Balance Policy

- i. Gary Petre
- ii. No additional motions; John Molinaro would like to look into the Fund Balance Policy requiring the county to keep three months of reserve in Fund Balance in comparison to what other counties do. Staff was asked to report back to the Committee at a future meeting.
- iii. Motion by Mode/Molinaro to approve the Fund Balance Policy as amended by previous action:
- iv. Motion passed 5-0.

e. Set tax levy for 2013

1. Motion made by Braughler/Molinaro to increase the tax levy by \$120,185 and to be applied toward capital projects in the Human Services budget and transfer \$120,185 (this change utilizes the additional tax levy allowed the county based on growth in new construction) of additional fund balance to the Highway project. Motion passed 5-0.
2. A motion was made by Mode/Molinaro to:
 - i. Set the total tax levy at \$26,828,028 with a breakdown of the tax levy at:
 1. County-wide (1992 statute definition) – \$24,860,470 tax levy with a \$4.1391 mill rate
 2. Health Department - \$897,264 tax levy
 3. Library System - \$1,070,294 tax levy

10. Discussion and possible action on an Out-of-State travel request from the Economic Development Director

Dennis Heling explained that they weren't aware of this opportunity at the time of their budget preparation. A scholarship in the amount of \$4,000 was awarded to their department to attend this training.

Motion by Mode/Hanneman to approve out-of-state travel for a county employee that wasn't previously in the budget. The motion passed 5-0.

11. Discussion and possible action on a request by the Finance Director and MIS-Systems and Applications Manager for Out-of-State travel to the Oracle Open World Conference 9-30-2012 through 10-5-2012.

John Rageth and an employee from the Finance Department would like to attend the Oracle Open World (JD Edwards) Conference to get trained on how to configure software applications and learn how to use the functions of the new A93 software that has been installed.

Motion by Molinaro/Hanneman to approve the travel request by MIS and Finance. The motion passed 5-0.

12. Discussion and possible action on a request by the Sheriff to utilize additional available funds within the Sheriff's Office 2012 budget for the radio communication buildings in Palmyra and Jefferson

Information on cost estimates was provided for the committee to review. Chief Parker explained the need for these additional funds. Gary Petre explained that there are sufficient funds available in the Sheriff's budget.

The Finance Committee on July 12, 2012, approved a new radio communication building in Palmyra at a cost not-to-exceed \$26,208 and an addition to the current radio communication building in Jefferson not-to-exceed \$19,400.

Motion by Mode/Braughler to approve the two projects in the dollar amounts identified in the final communication cost estimates of \$24,975 for the Jefferson building and \$24,960 for the Palmyra building. The motion passed 5-0.

13. Discussion and possible action on a request by the Sheriff to utilize \$8,800 of the total \$150,000 storage building appropriation, to replace eight microwave antennas.

Todd Lindert explained that this expense was unknown at the time of the previous Finance Committee meeting, due to an FCC rule change.

Motion by Jones/Hanneman to allow the Sheriff's department to utilize \$8,800 of the total \$150,000 (account 2009.59480) storage building appropriation to pay for eight microwave antennas. The motion passed 5-0.

14. Set future meeting schedule, next meeting date, and possible agenda items - No additional information. The next regular meeting is scheduled for October 11, 2012 at 8:30 a.m. A special meeting to review Supervisor Amendments to the 2013 Budget will be held on November 2, 2012 at 8:30 a.m.

15. Adjourn – A motion was made at 10:15 a.m. to adjourn by Mode/Braughler. The motion passed 5-0.

Respectfully submitted,

Jennifer Hanneman
Finance Committee Secretary
Jefferson County

/tjj

September 26, 2012

Jefferson County Finance Committee members
c/o Jefferson County Finance Department
320 S. Main Street, Room 109
Jefferson, WI 53549

Dear Finance Committee members,

I have been informed that your committee is considering decreasing the working capital retained by the County to only two months.

Although I am no longer employed by Jefferson County, I feel that my historical knowledge of the County, experience with the County, and my professional ethics "requires" me to provide input on an area that I feel is very important. In summary, I feel that Jefferson County should be very cautious with the idea of only retaining two months of budgeted expenditures.

I have comments in a number of areas that all inter-relate on this topic. These comments are not listed in any specific order.

1. I certainly understand that the usage of the approximately \$5 million would make the decision to build a new Highway facility much easier. At the same time, you also have to understand that in all practicality that the funds would never be returned to the "working capital." With the current statutory restrictions, you would not be able to levy to restore the funds. This is of course assuming that the political will would even be there to tax the public to increase a reserve.
2. As indicated in your current fund balance policy, one of the reasons of maintaining the working capital levels is for adapting to revenue shortfalls and/or unanticipated expenditures. When the County Administrator and Department Heads put forth their recommended budget, they are trying to predict their future needs. For the budget that you have just reviewed in September 2012, the actual results won't be known until March 2014 or 18 months from now!
3. Given the fact that you levy about \$26.7 million per year, for every 2% that your predictions are off, you will need \$0.5 million out of fund balance.
4. As indicated in your current fund balance policy, one of the reasons of maintaining the working capital levels is for liquidity. Many of the programs within Jefferson County receive reimbursement from the state and federal governments, so funds are needed for cash flow until that reimbursement has occurred. Has the Finance Department and/or County Treasurer done a cash flow study to see the effects if these funds are no longer available?

5. The federal government will have to deal with the results of the Budget Control Act of 2011 by December 31, 2012. Unless congressional action takes place between the November presidential elections and year end, across the board spending cuts (sequestration) will occur in most discretionary programs. How will this affect Jefferson County? How will this affect the State of Wisconsin and will they "pass" the effects through to Jefferson County?

6. Your current fund balance policy was specifically designed with guidance from the Best Practices of the Government Finance Officers Association (GFOA). GFOA's original recommendation was for a minimum of one month of budgeted expenditures be retained for working capital. With the experience of the Great Recession, their recommendation changed to a minimum of two months of budgeted expenditures. Given the current political gridlock at both the State and Federal levels as well as the very slow recovery from the Great Recession, I would strongly recommend more than just the "minimum" be retained.

7. If you survey other counties regarding their fund balance policies and/or retention amounts, you would get a wide variety of answers. I would be willing to bet that you would find any number of government units would be envious of having your financial position.
 - a. Three months of budgeted expenditures held for working capital
 - b. Outstanding debt levels lower than most individual's home mortgage
 - c. No funding requirements for OPEBs (Other Post Employment Benefits)

8. Your current fund balance policy was designed to allow going below three months of budgeted expenditures retained for working capital as long as the County Board is informed of either a plan to return to that level or the rationale for remaining at a lower level (section 4b). Keep in mind that rating agencies such as Moody's will look closely at your usage of fund balance.

In summary, it has been prudent fiscal planning in the past that has allowed Jefferson County to have the flexibility to retain three months of budgeted expenditures for working capital. I would strongly recommend that you continue with this fiscal plan.

Sincerely,



David P. Ehlinger, CPA

Snow Blower Attachment for Bobcat

The current snow blower for our Bobcat is going on 12 years old and has an old 16 pin connector that is now obsolete. It has broken and it needs to be replaced.. All attachments for Bobcats are a 6 pin connection so this 16 pin harness will only work on this unit and no other attachments. It would be better to spend the money on a new snow blower with the new wiring harness connection. The wiring harness to connect to the current snow blower cost \$407

If we purchase the new snow blower now with the new Bobcat we are getting next year we will get the government discount of \$1,939 and they will take ours in our snow blower in trade for \$1,500. The net cost is \$2,410 and I would purchase this in this year's budget so I would have the snow blower for this winter season and the 6 pin harness would easily transfer to the new Bobcat next year. Without the discounts and trade in it would be \$5,539 plus we would have to purchase a \$407 harness

We use the Snow blower heavily during the winter and it is needed with all of the sidewalk we have. Much of the sidewalk is a narrow pathway between the road and the fence that gets drifted shut or the snowplows will push snow on to the walkway and we blow it over our fence. We also need this to clear away snow around and in between the buildings

I do not want to spend \$407 on an old snow blower with an obsolete wiring harness and at 12 years old this one is ready to be replaced

Thank you,

Roger Kylmanen
Fair Park Supervisor

9/21/2012



Product Quotation

Quotation Number: 16C4D016469
 Date: 2012-09-19 08:59:12

8

Ship to	Bobcat Dealer	Bill To
JEFFERSON CO. FAIRGROUNDS Attn: ROGER KYLMAMEN 503 N JACKSON AVE. JEFFERSON, WI 53549 Phone: 1-920-674-7148 Fax: 1-920-674-7480	Mid-State Group, Inc, Watertown, WI N8690 HIGH ROAD WATERTOWN WI 53094-9405 Phone: (920) 261-8118 Fax: (920) 261-8172 Contact: Ken Mehringer Phone: 9202618118 Fax: 920-261-8172 Cellular: 920-988-6827 E Mail: kmehring@midstateequipment.co m	JEFFERSON CO. FAIRGROUNDS Attn: ROGER KYLMAMEN 503 N JACKSON AVE. JEFFERSON, WI 53549 Phone: 1-920-674-7148 Fax: 1-920-674-7480

Description	Part No	Qty	Price Ea.	Total
SB200 Snowblower - 66" Width	M7002	1	\$4,342.00	\$4,342.00
--- Attachment Control Kit, 7-Pin (G- and K-Series)	6733142	1	\$152.00	\$152.00
--- 6.2 Hyd Motor Package (16.5 - 21 gpm)	M7002-R01-C02	1	\$1,045.00	\$1,045.00

Total of Items Quoted	\$5,539.00
Dealer P.D.I.	\$50.00
Freight Charges	\$222.00
Dealer Assembly Charges	\$38.00
Trade-in 66" Erskine snowblower	(\$1,500.00)
Discount municipal discount	(\$1,939.00)
Quote Total - US dollars	\$2,410.00

Notes:

All prices subject to change without prior notice or obligation. This price quote supersedes all preceding price quotes. Customer must exercise his purchase option within 30 days from quote date.

Customer Acceptance: Purchase Order: _____

Authorized Signature: _____

Print: _____ **Sign:** _____ **Date:** _____

Jefferson County
Travel Detailed Budget Request
Conferences / Conventions / Seminars
For the Budget Year Ended December 31, 2012

Circle one In State Out of State
Dept / Bus Unit UW-Extension
Event National 4-H/Youth Development Conference
Location Orlando, Florida
Time frame October 21 - October 26
Staff attending Gail Roberts

532325 Registration 465
532332 Mileage _____ (Including tolls, parking, shuttle van)
532334 Commercial Travel 664.90 (Airfare, train, bus, etc)
532335 Meals _____
532336 Lodging 1,342 ÷ 3 = 447
Other \$500 from District Director, \$500 from Professional Development (describe)
Total 1,576.90 \$500 I will pay.



Circle one In State Out of State
Dept / Bus Unit _____
Event _____
Location _____
Time frame _____
Staff attending _____

532325 Registration _____
532332 Mileage _____ (Including tolls, parking, shuttle van)
532334 Commercial Travel _____ (Airfare, train, bus, etc)
532335 Meals _____
532336 Lodging _____
Other _____ (describe)
Total _____

Gary Petre

From: Kathy Eisenmann
Sent: Monday, October 01, 2012 1:46 PM
To: Gary Petre
Cc: Gail Roberts; Steve Grabow
Subject: Gail Roberts' Out of State Travel Request

Hi Gary,

Thanks for the inquiry and information on Gail Roberts' out of state travel request. As you know, we have \$1,000 in an education and training line item in our budget for just these types of requests. Typically, the agents discuss plans among themselves ahead of time, and two agents are provided \$500 each toward out of state travel in a given year.

I appreciate your sharing Gail's request with me. I hadn't seen it, although I was aware earlier this year she might be attending an out of state conference. Gail indicated this morning the reference on her request form for \$500 in Professional Development funds was a request to use the education and training line item in this year's budget. The agents discussed it at our staff meeting this morning. Both Gail and Steve will be using the education and training line item this year to attend out of state conferences.

I understand that the Finance Committee will be taking up Gail's request at their meeting in October. I have asked Gail to make sure she's available to answer any questions on it. Please don't hesitate to contact Gail should you need more information or have additional questions.

Thanks a lot, Kathy

Kathleen A. Eisenmann
Associate Professor/
Family Living Agent
UW-Extension, Jefferson County Office
864 Collins Rd.
Jefferson, WI 53549
(920) 674-7194
kathy.eisenmann@ces.uwex.edu

An EEO/AA employer, University of Wisconsin Extension provides equal opportunities in employment and programming, including Title IX and American with Disabilities (ADA) requirements.

Brian Lamers

From: Gary Petre
Sent: Monday, October 01, 2012 2:38 PM
To: Brian Lamers
Subject: FW: Out of State Travel Request - Clarification

Brian,
Please add this email to the travel request that I just dropped off. Thanks, Gary.

Gary R. Petre
Jefferson County Administrator
920-674-7101
www.jeffersoncountywi.gov

From: Kathy Eisenmann
Sent: Monday, October 01, 2012 2:34 PM
To: Gary Petre
Cc: Gail Roberts; Steve Grabow
Subject: Out of State Travel Request - Clarification

Hi Gary,

This is to clarify and confirm that Gail is only asking for reimbursement of \$500 of the total \$1577 cost to attend the Orlando conference. I think Gail was trying to show you what she was planning to spend on registration, travel and lodging in total - not that she was requesting all of the expense through our budget. Gail probably didn't understand those line items correspond directly to our operating budget line items.

So while she will be spending a total of \$1577 for the trip, she will only be requesting county reimbursement for \$500 of the total expense. She will get the balance reimbursed or paid for out of her own funds or professional development funds through the UW-Extension district director, Matt Hanson.

By copy of this email to Gail, I am confirming the same with her and asking her to respond if her understanding is different.

Thanks again, Kathy

Kathleen A. Eisenmann
Associate Professor/
Family Living Agent
UW-Extension, Jefferson County Office
864 Collins Rd.
Jefferson, WI 53549
(920) 674-7194
kathy.eisenmann@ces.uwex.edu

12

Brian Lamers

From: Terri Palm
Sent: Tuesday, September 25, 2012 4:35 PM
To: Gary Petre; Brian Lamers; Jeff Parker
Cc: James Braugher; Richard Jones; Phil Ristow
Subject: WRS Rates

Good Afternoon, I have copied Dick Jones as Chair of Finance and Jim as Chair of HR, so included a little history.

On June 29, ETF predicted a range of possible WRS contribution rates for 2013 of 6.4% - 6.85% for General category employee, for both the employer and the Employee contribution (Remember, the County also pays the employee share for protective staff). The possible range for the EMPLOYER share for the protective staff was 9.2 – 9.65% (plus 3.6% additional for the duty disability rate). So, the budget was prepared using the mid point of each range (6.625% for general and 13.025% for the employer share of protected, which is 9.425% + the 3.6% duty disability).

On September 20 ETF announced the 2013 rates: 6.65% for General employees and 9.75% + 3.6% duty disability (13.35%) for the employer share of Protected employees. I have cost out, by department, the effect of this, which is minimal for most (\$5885 divided between all departments, excluding Sheriff); however, because the protected class final rate was actually higher than the range presented, there is an additional cost of \$20,498 to the Sheriff's department. Initially, there was approximately \$42,000 additional budgeted in the Sheriff's health insurance accounts that would cover this, if it hadn't been transferred out?

Please let me know if you would like any additional information, and see you back tomorrow morning!

Thanks,

Terri

Terri M. Palm
Human Resources Director
Jefferson County
320 S. Main St.
Jefferson, WI 53549
920-674-7103



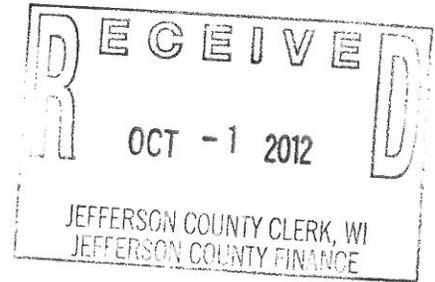
Division of Transportation Investment
 Management
 Bureau of Transit, Local Roads, Railroads & Harbors
 PO Box 7913
 Madison, WI 53707-7913

Scott Walker, Governor
 Mark Gottlieb, P.E., Secretary
 Internet: www.dot.wisconsin.gov
 Telephone: 608-264-8425
 Facsimile (FAX): 608-266-0658
 Email: anna.kraft@dot.wi.gov

12

September 27, 2012

BARBARA A FRANK
 COUNTY OF JEFFERSON
 320 S MAIN ST RM 109
 JEFFERSON, WI 53549-1718



CVT Code: 28000

Dear Clerk and County Highway Commissioner:

Subject: 2013 General Transportation Aids Estimate

Our current estimate of 2013 General Transportation Aids (GTA) for your county is **\$1,556,913.76**.

We estimate your GTA figure based on the most recent transportation-related cost data from the Department of Revenue. We will be distributing a detailed calculation form explaining our estimate in the near future.

Pursuant to s. 86.30(2)(e), Wis Stats., county GTA payments will be made in three installments, with 25% of the total calendar year amount being paid on January 7, 2013, 50% on July 1, 2013, and 25% on October 7, 2013. Your January payment will be electronically deposited (ACH). Please keep your bank routing number updated to reflect your current checking account number*. For questions regarding your GTA estimate or payments, please visit the GTA home page at <http://www.dot.wisconsin.gov/localgov/highways/gta.htm> or contact us at the Department of Transportation.

Sincerely,

Anna Kraft

Anna Kraft, GTA/CHA Interim Program Contact
 Telephone: (608) 264-8425

Estimate	1,556,913
Proposed Budget	1,552,336
Diff	\$ 4,577

*For changes in: banks or bank accounts, name, address, daytime phone number, email address, and/or fax number, please contact Dave Hruby (608-266-8207) at the Department of Revenue.

Jefferson County
Contingency Fund
For the Year Ended December 31, 2012

Ledger Date	Description	General (599900)	Other (599908)	Vested Benefits (599909)	Authority	Publish Date
1-Jan-12	Tax Levy	400,000.00	324,701.00			
1-Jan-12	In squad video systems	(44,252.00)			Finance Committee, 2/9/12	15-Feb-12
13-Mar-12	Veterans Services			(4,293.50)	Resolution 2011-96	16-Mar-12
13-Mar-12	Created vested benefits			265,000.00	Resolution 2011-97	16-Mar-12
	Courthouse security				Withdrawn 4/12/12	
30-Apr-12	Hazmat operations	(613.78)			Finance Committee, 4/12/12	15-May-12
30-Apr-12	Bike trail survey work	(7,000.00)			Finance Committee, 5/10/12	15-May-12
14-Jun-12	Clerk of Courts retirement			(16,705.00)	Finance Committee, 6/14/12	20-Jun-12
14-Jun-12	Sheriff Annex bldg study	(3,800.00)			Finance Committee 6/14/12	20-Jun-12
12-Jul-12	Security entrance study	(8,000.00)			Finance Committee 7/12/12	30-Jul-12
12-Jul-12	Squad video systems	(38,000.00)			Finance Committee 7/12/12	30-Jul-12
31-Jul-12	Wage Adjustment		(324,701.00)		Resolution 2012-	30-Jul-12
9-Aug-12	Air Conditioner Compressor	(4,275.00)			Finance Committee 8/9/12	22-Aug-12
13-Sep-12	County Map Printing	(7,000.00)			Finance Committee 9/13/12	17-Sep-12
13-Sep-12	Park Bridge Repair	(15,000.00)			Finance Committee 9/13/12	17-Sep-12
	Total amount available	272,059.22	0.00	244,001.50		
Pending	Emergency Mngmt Vehicle	TBD				
Pending	Snowblower attachment	(2,410.00)				
	Net	269,649.22	0.00	244,001.50		