

Jefferson County
Finance Committee Minutes
November 2, 2012

Committee members: Braughler, James B.
Hanneman, Jennifer (Secretary)
Jones, Richard C. (Chair)
Mode, Jim (Vice-Chair)
Molinaro, John

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.

Additional County Board supervisors present were:

Torres, Gregory	Borland, Glen	Bregant, Sarah
Babcock, Paul	Zentner, Carlton	

Staff in attendance was:

Lamers, Brian	Worzalla, Tammy	Ristow, Phil
Petre, Gary	Diestler, David	Cauley, Kathi
Kylmanen, Roger	Buchholz, Kim	Wiesmann, Kevin

Members of the public that were present: None

3. **Certification of compliance with the Open Meetings Law** – Consensus of Committee that the meeting complied with the Open Meeting Law.
4. **Review of the agenda**
5. **Citizen Comment** – None
6. **Approval of Finance Committee minutes for October 11, 2012** – A motion was made by Hanneman /Mode to approve the minutes for October 11, 2012. The motion passed 5-0.
7. **Communications**-None
8. **Discussion and possible action regarding a \$47,005 contingency transfer request from Human Services and the Infrastructure Committee for installation of security systems at the Human Services building (Acct 5210.594820 Capital Other).** Kathi Cauley explained the proposed security systems at the Human Services facility and need for security. Motion by Mode/Braughler to approve the transfer of contingency funds (Acct 9802.599901) to purchase security systems (Acct 5210.594820 Capital Other) for the Human Services Facility. The motion passes 5-0.
9. **Discussion and possible action regarding the request for fuel only credit cards from Kwik Trip with a \$500 limit.** Motion to approve 4 gas cards from Kwik Trip to be used for long trips, for the Human Services Department by Hanneman/Molinaro. The motion passes 5-0.

10. Discussion and recommendations on supervisor budget amendments for 2013 –

The Finance Committee made the following recommendations to the County Board regarding the proposed budget amendments for 2013.

1. Move \$75,000 (money for capital other: purchase of recreational equipment for county parks) from the Parks Department budget back to the general fund (fund balance). Amendment Not Recommended Unanimously
2. Elimination of \$75,000 (money for capital other; purchase of recreational equipment for county parks) from the Parks Department and decrease levy. Amendment Not Recommended Unanimously
3. Increase sponsorship revenue by \$6,448. This additional revenue would result in county tax levy being reduced in the Fair Park budget and therefore the amount of revenue coming into the general revenue budget from fund balance could be reduced by an equal amount. Amendment Not Recommended Unanimously
4. Eliminate the \$260,911 from the County Board budget used to fund farmland preservation easement purchases. Amendment Not Recommended Unanimously
5. Eliminate one Marketing Assistant position and create one Administrative Clerk position (effective 4/1/13) and eliminate two Grounds Worker positions (1,000 hours each), eliminate one Laborer (Seasonal) position and create one Maintenance Worker position (effective 5/15/13). Amendment is Supported Unanimously
6. Elimination of \$34,000 for replacement of shelter at Pohlman Park (\$20,000) and new bathrooms at Dorothy Carnes Park (\$14,000). Amendment Not Recommended Unanimously
7. Eliminate the \$1,543,127 of fund balance allocated to the highway department facilities projects. Amendment Not Recommended Unanimously
8. Approval of additional cost for the remodeling of the restrooms on 1st floor of the Courthouse and the addition of a bathroom to be ADA compliant. The complete project is estimated at approximately \$103,500 (today's cost) with \$37,230 already funded in 2012, leaving a balance of \$66,265. Due to uncertainty of cost \$115,411 is being used for the total project cost. Increase levy by the \$78,181. Amendment is Recommended 3-2 (Braugher, Mode)
9. Approval of additional cost for the remodeling of the restrooms on 1st floor of the Courthouse and the addition of a bathroom to be ADA compliant. The complete project is estimate is approximately \$103,500 (today's cost) with \$37,230 already funded in 2012, leaving a balance of \$66,265. Due to uncertainty of cost \$115,411 is being used for the total project cost. Reduce highway assigned balance by the \$78,181. Amendment is Not Recommended 3-2 (Braugher, Mode)

11. Discussion regarding the budget process during the County Board Budget Meeting.

12. Convene in closed session pursuant to s. 19.85(1)(e), STATS., to consider the potential sale price of tax foreclosure properties in the Village of Johnson Creek. Roll call was taken to go into closed session.

13. Reconvene in open session. Motion was made Jones/Molinaro to reconvene in open sessions. Motion passed 5-0.

14. Set future meeting schedule, next meeting date, and possible agenda items – Next regular meeting is November 8, 2012. Agenda items to be discussed are the Emergency Management vehicle purchase with contingency, the sale of property to the Village of Johnson Creek, the

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general fund policy of retaining a minimum of 2 months unassigned fund balance with the goal of 3 months of expenditures and discussion of departments over and under budget for 2012.

15. Payment of invoices – No invoices to review at this time.

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

Respectfully submitted,

Jennifer Hanneman
Finance Committee Secretary
Jefferson County

/bll

Jefferson County
Fund Balance Policy Application
Budget Year 2013

	General Fund	Health Department	County
Audited fund balance, 12/31/11	31,487,868	556,218	
Less Human Services Fund included in total			
Plus (less) rounding adjustments			
Adjusted fund balance, 12/31/11	<u>31,487,868</u>	<u>556,218</u>	
Less non-spendable fund balances:			
Inventory	(6,128)		
Delinquent property taxes	(5,444,427)		
Prepaid expenditures	<u>(680,638)</u>		
	(6,131,193)	(17,525)	
Less restricted fund balances			
Revolving Loan Fund	(138,421)		
Other restricted fund balances by departments	<u>(1,164,207)</u>		
	(1,302,628)	(35,787)	
Less committed fund balances			
Fund balance applied against 2012 tax levy	(603,210)		
Liability insurance	(197,593)		
Other committed fund balances by departments	(1,691,943)		
Fund balance committed for 2012 MIS budget	<u>(226,627)</u>		
	(2,719,374)		
Less assigned fund balances			
Vested holiday pay	(1,435)		
Vested sick pay reserve	(810,204)		
Elected sick pay reserve	(46,121)		
Vested vacation pay reserve	(1,740,458)		
Vested comp pay reserve	(31,008)		
Compensation study	<u>(70,000)</u>		
	(2,699,227)		
Less assigned fund balance for working capital			
Health Dept working capital deficit	<u>(130,617)</u>		
	(130,617)		
Unassigned fund balance, 12/31/11	18,504,829	502,906	
Working Capital			
Total budgeted expenditures (2012 budget)	62,253,949		
Working capital (required two month minimum)	(10,375,658)		
Working capital (three months goal)	<u>(5,187,829)</u>		
	(15,563,487)	(422,349)	64,788,042
Unassigned fund balance less working capital 12/31/11	2,941,342	(211,174)	
Less County Board actions during 2012			
Resolution 2011-79, purchase land for Highway satellite site	(325,000)		
Resolution 2012-20, Compensation Study Adjustment	10,000		
Less fund balance applied (against) towards 2013 recommended budget for Capital Outlay	(534,415)		
Less fund balance applied (against) towards 2013 recommended budget for Sheriff Annex Building Repairs	(228,800)		
Less fund balance applied (against) towards 2013 recommended budget for Courthouse Security Entrance	(320,000)		
Less fund balance assigned (against) towards 2013 recommended budget Special Capital Projects - Highway	<u>(1,543,127)</u>		
	(1,543,127)		
Net "available" unassigned fund balance	(0)	(130,617)	0

* 10% of the total vested benefits calculated at \$265,000 have been included in the contingency fund - vested benefits account which is equal to the approximate amount of vested benefits paid annually.

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JEFFERSON COUNTY FUND BALANCE POLICY

Jefferson County finds that is essential to maintain an adequate level of fund balance in order to:

- adapt to revenue shortfalls and/or unanticipated expenditures,
- help ensure stable tax rates, and
- provide a measure of liquidity for normal operations while at the same time keeping the County's long range investments intact.

As such, Jefferson County has elected to implement a Fund Balance Policy guided by the "Best Practice" adopted by the GFOA (Government Finance Officers Association) Executive Board in October 2009. The Fund Balance Policy details are indicated below:

1. Jefferson County has implemented Governmental Accounting Standards Board (GASB) Statement No. 54, *Fund Balance Reporting and Fund Balance Type Definitions*. All definitions within the Fund Balance Policy will be in agreement with GASB Statement No. 54.
2. GASB Statement No. 54 pertains only to governmental funds. Business type funds, such as the Highway Department, shall be assumed to follow GASB Statement No. 54 for the purposes of this policy only.
3. The County shall maintain a minimum of two (2) months of budgeted expenditures within the General Fund for "working capital." This "working capital" shall be maintained to help cover revenue shortfalls, unanticipated expenditures, stabilize the tax rate, and provide liquidity.
4. The County shall maintain a minimum of two (2) months of budgeted expenditures within the Health Department for "working capital." This "working capital" shall be maintained to help cover revenue shortfalls, unanticipated expenditures, and stabilize the tax rate.
5. The Finance Committee shall strive to maintain three (3) months of budgeted expenditures within both the General Fund and Health Department for "working capital."
 - a. Should a budget proposed for adoption seek to utilize a portion of this additional "month" of "working capital," the reasoning for the usage of working capital shall be included in the budget document.
 - b. Within three months of the adoption of the proposed budget, unless already included in the budget document, the County Board shall be informed by the Finance Committee and/or the County Administrator as to either
 - i. A plan to restore the three months of working capital and related time frame, or
 - ii. The rationale for remaining between two (2) and three (3) months working capital.

6. Budgeted expenditures for the General Fund shall be defined as
 - a. Total budgeted expenditures for the entire County in all governmental and business type funds for the immediate prior year (i.e. most recently adopted budget) less total budgeted expenditures for the Health Department for the immediate prior year.
 - b. Total budgeted expenditures shall include operating, capital, and debt expenditures.
 - c. Any budgeted capital or debt expenditures funded through bond proceeds shall be excluded.

7. Budgeted expenditures for the Health Department shall be defined as total budgeted expenditures for the immediate prior year (i.e. most recently adopted budget).

8. Any amount above three (3) months of budgeted expenditures for both the General Fund and Health Department shall be considered as the fund's unassigned fund balance. During the preparation of the budget for the subsequent year, the Finance Committee shall recommend to the County Board its plan for usage of this unassigned fund balance. This usage shall be limited to:
 - a. Fund capital outlay, being specific on purpose and timing of said outlay.
 - b. Repayment of debt.
 - c. Reduction of tax levy.

9. In the event that the Health Department's "working capital" does not meet the minimum required amount of two (2) months of budgeted expenditures or three (3) months of budgeted expenditures at the election of the Finance Committee,
 - a. The tax levy for the Health Department shall be increased to methodically bring the working capital up to required levels within a maximum of five (5) years.
 - b. The budget document shall include a recap of the methodology being used.
 - c. The calculation for unassigned funds within the General Fund shall be based upon total budgeted expenditures for all funds including the Health Department.

10. All departments shall transfer all remaining balances at year end to the General Fund, unless these balances are requested and approved to be non-lapsing. All funds within the Health Department shall automatically be retained by the Health Department.

11. Each department, including the Health Department, shall make a written preliminary request to the Finance Department by December 1st of each year for both discretionary and non-discretionary non-lapsing requests to be carried forward into the subsequent budget year. The Finance Committee at its first available meeting in December reviews these requests. Should the Finance Committee determine it will not support a discretionary non-lapsing request, the applicable department shall be informed so that they have until year end to determine a course of action.

12. Non-lapsing requests, both discretionary and non-discretionary, are defined below. Examples are included, but it should be noted that these lists are not all inclusive.
 - a. Non-discretionary

- i. Non-spendable, because of their form. Examples include:
 - 1. Inventory
 - 2. Delinquent property taxes
 - 3. Prepaid expenditures
 - ii. Restricted, because of externally enforceable limitations on use. Examples include:
 - 1. Statutory limitations
 - 2. Specific donor limitations
 - 3. Signed contracts and/or purchase orders with vendors
 - 4. Specific state agency limitations
 - 5. Unspent bond proceeds.
 - b. Discretionary, which are classified as committed under GASB Statement No. 54. Examples include:
 - i. Balances that result from funded depreciation, not already affected by signed contracts and/or purchase orders with vendors.
 - ii. Available departmental surpluses wished to be used for future appropriations.
 - iii. Special circumstances that shall be considered by the Finance Committee.
13. Final written requests for both discretionary and non-discretionary non-lapsing items from all departments are due to the Finance Department by February 15th of the succeeding year. Thereafter, the Finance Committee will propose a resolution to the County Board with their recommendations concerning carrying over of discretionary items. The resolution will, in the fiscal note, show the various categories.
14. In regards to vested employee benefits for governmental funds, the County specifically intends that such vested benefits (sick pay and vacation pay) shall include (a) 100% of the calculated liability for vested vacation pay and (b) 65% of vested sick pay , with both as “assigned” fund balances as defined under GASB Statement No. 54. While it may be argued that the County does not have to accrue this liability for governmental funds, the County has elected to fully fund this liability with an assigned fund balance.

*Adopted by Jefferson County Board of Supervisors
on October 25, 2011 (Resolution No. 2011-61)*

Jefferson County
Dental Insurance Projections
For the Year Ended December 31, 2012

Category	Month	Retiree			COBRA			Employees						Total Deficit (Surplus)
		Revenue	Claims	Deficit (Surplus)	Revenue	Claims	Deficit (Surplus)	Board	Revenue	Fees	Claims	IBNR	Deficit (Surplus)	
Actual	January	(1,446.00)	406.80	(1,039.20)	(91.80)	104.00	12.20	(128.52)	(41,846.43)	1,698.40	22,456.75	0.00	(17,819.80)	(18,846.80)
	February	(2,735.50)	1,024.40	(1,711.10)	(204.60)	1,045.70	841.10	(128.52)	(80,239.51)	3,435.40	58,808.04	0.00	(18,124.59)	(18,994.59)
	March	(3,824.44)	2,565.00	(1,259.44)	(798.24)	1,045.70	247.46	(128.52)	(122,051.39)	5,168.54	96,601.03	0.00	(20,410.34)	(21,422.32)
	April	(4,875.24)	2,729.00	(2,146.24)	(1,428.60)	1,045.70	(382.90)	(128.52)	(161,327.33)	6,893.96	125,222.17	0.00	(29,339.72)	(31,868.86)
	May	(6,136.46)	3,564.20	(2,572.26)	(1,514.28)	1,217.70	(296.58)	(332.76)	(180,285.87)	8,640.67	151,568.34	0.00	(20,409.62)	(23,278.46)
	June	(7,503.54)	3,937.20	(3,566.34)	(1,786.08)	1,217.70	(568.38)	(422.76)	(216,699.00)	10,393.11	187,022.83	0.00	(19,705.82)	(23,840.54)
	July	(8,793.04)	4,368.80	(4,424.24)	(1,969.68)	1,217.70	(751.98)	(512.76)	(259,152.17)	12,137.83	210,855.54	0.00	(36,671.56)	(41,847.78)
	August	(10,350.82)	6,258.30	(4,092.52)	(2,149.68)	1,359.70	(789.98)	(512.76)	(303,221.54)	13,882.55	244,752.66	0.00	(45,099.09)	(49,981.59)
	September	(11,698.18)	6,950.90	(4,747.28)	(2,241.48)	1,359.70	(881.78)	(602.76)	(339,533.30)	15,615.69	269,554.21	0.00	(54,966.16)	(60,595.22)
	October	(13,083.68)	7,202.90	(5,880.78)	(2,510.76)	1,832.70	(678.06)	(860.76)	(361,263.00)	17,352.69	296,456.96	0.00	(48,314.11)	(54,872.95)
	November			0.00									0.00	0.00
	December			0.00									0.00	0.00
Projected	1 January	(17,352.00)	4,881.60	(12,470.40)	(1,101.60)	1,248.00	146.40	(1,542.24)	(502,157.16)	20,380.80	269,481.00	0.00	(213,837.60)	(226,161.60)
	2 February	(16,413.00)	6,146.40	(10,266.60)	(1,227.60)	6,274.20	5,046.60	(771.12)	(481,437.06)	20,612.40	352,848.24	0.00	(108,747.54)	(113,967.54)
	3 March	(15,297.76)	10,260.00	(5,037.76)	(3,192.96)	4,182.80	989.84	(514.08)	(488,205.56)	20,674.16	386,404.12	0.00	(81,641.36)	(85,689.28)
	4 April	(14,625.72)	8,187.00	(6,438.72)	(4,285.80)	3,137.10	(1,148.70)	(385.56)	(483,981.99)	20,681.88	375,666.51	0.00	(88,019.16)	(95,606.58)
	5 May	(14,727.50)	8,554.08	(6,173.42)	(3,634.27)	2,922.48	(711.79)	(798.62)	(432,686.09)	20,737.61	363,764.02	0.00	(48,983.09)	(55,868.30)
	6 June	(15,007.08)	7,874.40	(7,132.68)	(3,572.16)	2,435.40	(1,136.76)	(845.52)	(433,398.00)	20,786.22	374,045.66	0.00	(39,411.64)	(47,681.08)
	7 July	(15,073.78)	7,489.37	(7,584.41)	(3,376.59)	2,087.49	(1,289.11)	(879.02)	(444,260.86)	20,807.71	361,466.64	0.00	(62,865.53)	(71,739.05)
	8 August	(15,526.23)	9,387.45	(6,138.78)	(3,224.52)	2,039.55	(1,184.97)	(769.14)	(454,832.31)	20,823.83	367,128.99	0.00	(67,648.64)	(74,972.39)
	9 September	(15,597.57)	9,267.87	(6,329.71)	(2,988.64)	1,812.93	(1,175.71)	(803.68)	(452,711.07)	20,820.92	359,405.61	0.00	(73,288.21)	(80,793.63)
	10 October	(15,700.42)	8,843.48	(7,056.94)	(3,012.91)	2,199.24	(813.67)	(1,032.91)	(433,515.60)	20,823.23	355,748.35	0.00	(57,976.93)	(65,847.54)
	11 November	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	12 December	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

	Rates 2012	Rates 2013	Projected Surplus	Rates 2012	Rates 2013	Projected Surplus		Rates 2012	Rates 2013	Projected Surplus 2012	Actual Surplus 2011
Single	42.00	37.80	(0.82)	42.00	37.80	(0.37)	Single	42.00	37.80	(0.17)	(0.11)
Family	90.00	81.00		90.00	81.00		Family	90.00	81.00		



RESOLUTION NO. 2012-_____

Resolution establishing countywide levy and fees

WHEREAS, the proposed 2013 County Budget was submitted to the Board by the County Administrator on October 9, 2012, and

WHEREAS, the proposed 2013 County Budget was the subject of a public hearing on October 23, 2012, and

WHEREAS, the Board has considered numerous amendments.

NOW, THEREFORE, BE IT RESOLVED that the authorized positions, the total department appropriation for each department, Fund Balance application and assignments on pps. 27 – 29, and the levy contained in the countywide portion of the 2013 Budget, as amended, be adopted and the sum of \$ _____ be levied as a county tax to be raised on the 2012 tax roll, and

BE IT FURTHER RESOLVED that the above amount be apportioned according to equalized values established by the Wisconsin Department of Revenue.

BE IT FURTHER RESOLVED that the fee and disbursement increases for various licenses, permits and services used to establish revenue amounts in the budget are hereby approved. (See attachment for detail)

Fiscal Note: As presented, the countywide levy is proposed at \$ _____, which is a mill rate of \$ _____ per \$1,000 of equalized value.

AYES _____

NOES _____

ABSTAIN _____

ABSENT _____

Requested by
Finance Committee

11-13-12

Philip C. Ristow: 10-15-12; 10-31-12

LICENSE, PERMIT AND OTHER SERVICE FEE
INCREASES EFFECTIVE 1/1/2013

	<u>From</u>	<u>To</u>
<u>CLERK OF COURTS</u>		
Custody Study	\$ 600.00	\$ 1,000.00
<u>FAIR PARK</u>		
Activity Center per day	350.00	385.00
Sound System per day	75.00	100.00
Aluminum Stage	175.00	200.00
Right Stage	125.00	150.00
Risers	25.00	15.00
Camping per night/electric	25.00	30.00
Camping per night/non-electric	18.00	20.00
Horse Complex:		
One day	600.00	625.00
Two days	850.00	875.00
Three days	1,000.00	1,100.00
Four days	1,200.00	1,300.00
Storage:		
Inside	10/ft.	11/ft.
Outside – season	100.00	120.00
<u>LAND AND WATER CONSERVATION</u>		
Farmland Preservation Certification	5.00	25.00
<u>LAND INFORMATION</u>		
Copy – letter	.30	.25
Copy – legal	.60	.50
<u>PLANNING & ZONING</u>		
Jefferson County Agricultural Preservation and Land Use Plan	30.00	40.00
Disc format (includes shipping)	10.00	5.00
Jefferson County Zoning Ordinance	15.00	30.00
Jefferson County Private Sewage System Ordinance	0.00	5.00
Jefferson County Floodplain Ordinance	0.00	12.00
Jefferson County Land Division/Subdivison Ordinance	0.00	9.00
Mailing fees to be added as appropriate		
Single family building permit	550.00	600.00
Duplex and multi-family building permit	350.00	400.00
Attached garage to new dwelling	50.00	0.00

RESOLUTION NO. 2012-_____

Resolution establishing non-countywide levies for health and library services

WHEREAS, the non-countywide budget for 2013 containing total department appropriations and levies is apportioned to the municipalities benefiting from the services furnished.

NOW, THEREFORE, BE IT RESOLVED that the sums listed below be levied upon all property in Jefferson County that is taxable for the purpose listed:

Health Department	\$ _____
Library Services	\$ _____

BE IT FURTHER RESOLVED that the above amounts be apportioned to equalized values as established by the State Department of Revenue.

Fiscal Note: Health mill rate is \$ _____; library mill rate is \$ _____ per \$1,000 of equalized value.

AYES _____

NOES _____

ABSTAIN _____

ABSENT _____

Requested by
Finance Committee

11-13-12

Philip C. Ristow: 10-15-12

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
11-Oct-12	Snowblower Attachment	(2,410.00)			Finance Committee 10/11/12	15-Oct-12
2-Nov-12	Security System Human Ser	(47,005.00)			Finance Committee 11/2/12	6-Nov-12
	Total amount available	222,644.22	0.00	244,001.50		
Pending	Emergency Mngmt Vehicle	TBD				
	Net	222,644.22	0.00	244,001.50		