

Jefferson County
Finance Committee Minutes
March 12, 2014

Committee members: Braugher, James B
Hanneman, Jennifer
Jones, Richard C. (Chair)
Mode, Jim
Molinaro, John

1. **Call to order** – Richard Jones called the meeting to order at 10:00 a.m.
2. **Roll call (establish a quorum)** – All committee members were present. Staff in attendance was Ben Wehmeier, Brian Lamers, Phil Ristow and Stacey Jensen.
3. **Certification of compliance with the Open Meetings Law** – Ben Wehmeier certified that notice of the meeting complied with the Open Meeting Law.
4. **Review of the agenda**-No changes
5. **Citizen Comments** – None
6. **Approval of Finance Committee minutes for February 25, 2014.** A motion was made by Mode/Braugher to approve the minutes of February 25, 2014. The motion passed 4-0, Jennifer Hanneman abstained.
7. **Communications** –A copy of the proposed Budget Calendar was passed out to the Committee.
8. **Discussion and possible action on increasing fees for passport photos from \$10 to \$12.** Brian Lamers explained that the cost of the film needed for passport photos has increased. A motion was made by Molinaro/Hanneman to recommend approval of the fee increase and to forward to the County Board for approval if needed. The motion passed 5-0.
9. **Discussion and possible action on approving out of state travel for Child Support department.** Stacey Jensen stated that there is an opportunity for an additional staff member to go to a conference in Portland, Oregon with the fees for the membership and conference cost being covered by a scholarship if awarded. Currently through the budget there are 2 staff members approved that may also be covered under the scholarship. The flight and the meals would be covered under the savings from the approved staff with the award of the scholarships. A motion was made Molinaro/Mode to approve out of state travel for an additional staff member. The motion passed 5-0.
10. **Discussion and possible action on changes to the Rules for Reimbursement of Expenditures.** Ben Wehmeier and Brian Lamers went through the changes that were proposed. A motion made Braugher/Hanneman to recommend approval of the changes and to forward to the County Board for approval. The motion passed 5-0.

11. **Monthly Finance Report for Finance Department.** Brian Lamers went through the January 2014 report.
12. **Discussion of funding for projects related to the Countryside purchase, demolition and cost related to the future Highway Facilities.** Ben Wehmeier stated that the demolition should be complete by the end of the month. Discussions have been taking place with Ehlers on the timeframe for the 2014 bonding issue. Ben also stated there are several Highway facility packages that are currently being bid on.
13. **Review and discussion on 2014 projections of budget vs. actual.** Brian Lamers explained that with the County currently in the process of closing 2013, it was too early in the year for projections for 2014. However, nothing has been flagged for areas of concern.
14. **Update on contingency fund balance.** Brian Lamers directed the Finance Committee to the schedule showing the current balance of 2014 general contingency of \$543,473 and the vested benefits balance of \$275,000.
15. **Set future meeting schedule, next meeting date, and possible agenda items** – The next meeting is Thursday, April 10, 2014 at 8:30 am. Agenda items will include an update on the Highway projects and a projection of budget vs. actual.
16. **Payment of Invoices**-After review of the invoices, a motion was made by Mode/Braugler to approve the payment of invoices totaling \$674,639.39. The motion passed 5-0.
17. **Adjourn** – A motion was made by Hanneman/Mode to adjourn 10:45 a.m. The motion passed 5-0.

Respectfully submitted,

Jennifer Hanneman
Finance Committee
Jefferson County
/bll

Brian Lamers

From: Barb Frank
Sent: Wednesday, March 19, 2014 10:25 AM
To: Benjamin Wehmeier; Brian Lamers
Cc: Genevieve Borich
Subject: FW: credit card

Please put on Finance Committee agenda.

From: Genevieve Borich
Sent: Wednesday, March 19, 2014 10:03 AM
To: Barb Frank
Subject: credit card

Barb,

I would like to start the process to get a credit card for the Economic Development Department (as I understand it takes a while to process the request).

Ideally the credit limit would be \$4,000. This will be most helpful with travel to conferences in different states, etc. Please go forward and start the process for the card and do let me know if you need anything else.

Thanks again for the discussion this morning – it was most helpful! I look forward to continuing to work with you!

Genevieve Borich, PhD, AICP

Executive Director, JCEDC

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Jefferson County Economic Development Consortium

Making Connections Giving Directions



**DRAFT Jefferson County, Wisconsin
Debt Service Policy**

Policy

The County may borrow money only to finance its Capital Improvement Program and other capital assets. The County's ability to achieve the lowest possible financing costs is tied directly to its fiscal management, including the existence and adherence to formal fiscal policies. Because of the significant annual and long-range cost of debt service, and to assure both taxpayers and bond rating agencies that debt levels and ability to pay debt service are actively managed, the County adopts this policy.

Purpose

The purpose of this policy is to provide the County with a guide to manage debt levels by evaluating the need for capital investments against the capacity to pay for financing the costs of meeting that need. The goal of this policy is to equip the County Board, Administration, and taxpayers with guidelines and information that can inform good decisions on borrowing money to accomplish the fiscal and program mission of the County.

Governing Factors

By state statute, the County's debt obligation cannot exceed 5% of the equalized value of all property in the County, including Tax Increment Financing Districts.

By state statute, there is a separate property tax levy rate limits for debt service levy. The baseline for the limit is the 1992 tax rate adopted for the 1993 budget.

The County cannot issue debt to fund current or ongoing operations of the County.

Maturity of debt obligations should be no more than the useful life of the capital investment being financed, or longer than the final maturity of any refunding debt.

Refunding opportunities will be evaluated when they arise to achieve future interest costs savings.

Debt Limitations

The County's Capital Improvement Plan includes projections for replacement of assets as well as anticipating investment in new assets that may be needed. The plan is expected to be updated periodically to reflect additions, deletions and other changes in assets or circumstances. It is expected that investment in operating equipment, fleet and technology will be transitioned such that acquisitions will be made through annual budget appropriations when applicable, as determined by management and the County Board.

Bond proceeds should be limited to financing the costs of planning, design, land acquisition, buildings, permanent structures, attached fixtures or equipment, and movable pieces of equipment, or other costs as permitted by law. Acceptable uses of bond proceeds can be viewed as items which can be capitalized. Non-capital furnishings and supplies will not be financed from bond proceeds. Refunding bond issues designed to restructure currently outstanding debt are an acceptable use of bond proceeds.

The County will not use short-term borrowing to finance operating needs except in the case of extreme financial emergency which is beyond its control or reasonable ability to forecast.

Borrowing capacity will be evaluated first by the Governing Principles, and then using a number of factors, specifically:

1. Demand-what is the need for borrowing
 - a. Demand is measured by the needs presented by the Capital Plan. It can also be based on opportunities that arise from time to time which require capital investment by the County.
2. Capacity-what is the maximum amount to borrow
 - a. The maximum amount to be borrowed at any given time will be determined by evaluating the following factors:
 1. Current and projected annual debt service level
 2. Market Conditions
 3. Economic conditions
 4. Opportunity for participating in low interest financing, grant opportunities and other situations beneficial to the County.
3. Affordability-what is the fiscal impact
 - a. A projection of annual debt service impact for each borrowing will be done, incorporating the elements of capacity. It will include budgetary impact, as well as a projection of tax impact. Debt service will be calculated as the annual amount needed to satisfy principal and interest payments.
4. Term-length of payback period
5. Payment Structure-how payments are applied
6. Advance Refundings-bond issuance used to pay off another outstanding bond that bears a higher rate of interest

Bond Ratings

Debt issuance is rated by agencies specializing in the analysis of organizations' ability to pay off their debt. The County is rated for each bond issue.

It is the goal of the County to maintain and if possible, improve these ratings, as it allows easy entry into the bond sale market and favorable interest rates. This policy, in conjunction with other fiscal policies of the County and overall good fiscal management are critical in rating maintenance.

Debt Issuance

The County relies on the sale of bonds for the majority of its financing needs. These sales are conducted through the use of a financial advisory firm and recognized bond counsel. This allows the County continued access to the bond market and ensures compliance with all the Securities and Exchange Commission (SEC), Municipal Securities Rulemaking Board (MSRB) and IRS regulations.

Bonds will be sold on a competitive basis.

Reporting

The County's debt information is part of the Comprehensive Annual Financial Report (CAFR). Annual debt service requirements are budgeted as part of the annual budget approval process. Bond ratings received by rating agencies are published and available for public review.

Administration

This policy is for use in guiding financing decisions of the County, and can be interpreted by the County Board as part of overall discussions related to debt issuance. It is administered in conjunction with the County's other fiscal policies. It may be amended or revised from time to time as determined by the County Board.

Revenues

Acct Number	Description	YTD Actual	YTD Budget	Prorated Variance	Total Budget	Annual Remaining	Percentage Of Budget
412100	SALES TAXES FROM COUNTY	(20.00)	(18.33)	(1.67)	(110.00)	(90.00)	18.18%
451005	CHILD SUPPORT FEES	(180.00)	(283.33)	103.33	(1,700.00)	(1,520.00)	10.59%
474201	FAX INTERDEPARTMENT	-	(10.00)	10.00	(60.00)	(60.00)	0.00%
Totals		(200.00)	(311.67)	111.67	(1,870.00)	(1,670.00)	10.70%

Expenditures

Acct Number	Description	YTD Actual	YTD Budget	Prorated Variance	Total Budget	Annual Remaining	Percentage Of Budget
	SALARY & WAGES	42,813.34	43,686.34	(873.00)	262,118.00	219,304.66	16.33%
	FRINGES	20,847.89	20,048.33	799.56	115,466.00	94,618.11	18.06%
521213	ACCOUNTING & AUDITING	3,960.00	2,690.00	1,270.00	16,140.00	12,180.00	24.54%
521213	CAFR REPORTING	-	600.00	(600.00)	3,600.00	3,600.00	0.00%
521296	COMPUTER SUPPORT	2,742.60	575.50	2,167.10	3,453.00	710.40	79.43%
531243	FURNITURE & FURNISHINGS	-	66.67	(66.67)	400.00	400.00	0.00%
531303	COMPUTER EQUIPMT & SOFTWA	535.00	83.33	451.67	500.00	(35.00)	107.00%
531311	POSTAGE & BOX RENT	561.69	333.33	228.36	2,000.00	1,438.31	28.08%
531312	OFFICE SUPPLIES	852.18	500.00	352.18	3,000.00	2,147.82	28.41%
531313	PRINTING & DUPLICATING	-	66.67	(66.67)	400.00	400.00	0.00%
531314	SMALL ITEMS OF EQUIP	-	33.33	(33.33)	200.00	200.00	0.00%
531324	MEMBERSHIP DUES	690.00	115.00	575.00	690.00	-	100.00%
531351	GAS/DIESEL	-	83.33	(83.33)	500.00	500.00	0.00%
532325	REGISTRATION	760.00	233.33	526.67	1,400.00	640.00	54.29%
532332	MILEAGE	-	33.33	(33.33)	200.00	200.00	0.00%
532335	MEALS	-	66.67	(66.67)	400.00	400.00	0.00%
532336	LODGING	-	466.67	(466.67)	2,800.00	2,800.00	0.00%
533225	TELEPHONE & FAX	24.97	41.67	(16.70)	250.00	225.03	9.99%
535242	MAINTAIN MACHINERY & EQUIPI	-	166.67	(166.67)	1,000.00	1,000.00	0.00%
571004	IP TELEPHONY ALLOCATION	144.00	144.00	-	864.00	720.00	16.67%
571005	DUPLICATING ALLOCATION	2.00	2.00	-	12.00	10.00	16.67%
571009	MIS PC GROUP ALLOCATION	1,833.16	1,833.17	(0.01)	10,999.00	9,165.84	16.67%
571010	MIS SYSTEMS GRP ALLOC(ISIS)	626.50	626.50	-	3,759.00	3,132.50	16.67%
591519	OTHER INSURANCE	228.54	276.83	(48.29)	1,661.00	1,432.46	13.76%
Totals		76,621.87	72,772.67	3,849.20	431,812.00	355,190.13	17.74%

Other Financing Sources (Uses)

Acct Number	Description	YTD Actual	YTD Budget	Prorated Variance	Total Budget	Annual Remaining	Percentage Of Budget
Totals		-	-	-	-	-	#DIV/0!
Total Business Unit		76,421.87	72,461.00	3,960.87	429,942.00	353,520.13	17.77%

Should be at Approx 16.7%

All membership dues are paid
Computer Equip & Software should not be much for the rest of the year.

Jefferson County
Contingency Fund
For the Year Ended December 31, 2014

Ledger Date	Description	General (599900)	Vested Benefits (599909)	Authority	Publish Date
1-Jan-14	Tax Levy	543,473.00	275,000.00		
Total amount available		543,473.00	275,000.00		
Net		543,473.00	275,000.00		