

1. Agenda

Documents:

[2019-06-11 FINANCE COMMITTEE AGENDA - SPEC MTG.PDF](#)

2. Meeting Materials

Documents:

[2019-06-11 FINANCE COMMITTEE PACKET - SPEC MTG.PDF](#)

[2019-06-11 FINANCE COMMITTEE SPEC MTG - DISTRIBUTED AT MTG.PDF](#)



**Walworth County Finance Committee
SPECIAL MEETING NOTICE**

**Tuesday, June 11, 2019 — 2:15 p.m.
County Board Room 114 - Government Center**

100 West Walworth Street
Elkhorn, Wisconsin

Nancy Russell, Chair; Jerry Grant, Vice Chair;
Kathy Ingersoll, Supervisor; Dan Kilkenny, Supervisor; William Norem, Supervisor

(Posted in compliance with Sec. 19.84, Wis. Stats.)

*It is possible that a quorum of the County Board or any of
its committee could be in attendance at this meeting.*

*Agenda enclosures are available upon request from the finance department
or on the county's web page (www.co.walworth.wi.us). The agenda packet, including
supporting documents, may be large, depending upon the number of enclosures. Down-
loading it will require ample computer memory and may take significant time.*

AGENDA

Note: All agenda items are subject to discussion and/or action.

- 1) Call to order
- 2) Roll call
- 3) Withdrawals from the agenda, if any
- 4) Agenda approval
- 5) Approval of minutes of last meeting — May 23, 2019
- 6) Public comment period
- 7) New business
 - A) Resolution 28-06/19 Appropriating the Sum of \$50,000 to Walworth County Housing Authority for Subsidized Apartments and Office Space (Encl pg 1)
 - B) Resolution 33-06/19 Regarding Signature Authority Related to Bank Contracts (Encl pgs 2-4)
- 8) Set/confirm next meeting date(s) and time(s):
 - Thursday, June 20, 2019, 9:30 a.m., County Board Room 114 at the Government Center
- 9) Adjournment

Submitted by: Nicki Andersen, Deputy County Administrator-Finance
Nancy Russell, Finance Committee Chair

Posted: June 7, 2019

DRAFT

**Walworth County Board of Supervisors
Thursday, May 23, 2019 Finance Committee Meeting Minutes
Walworth County Government Center, County Board Room 114
100 W. Walworth Street, Elkhorn, Wisconsin**

Chair Nancy Russell called the meeting to order at 9:30 a.m.

Roll call was conducted. All following members were present: Chair Nancy Russell, Vice Chair Jerry Grant, and Supervisors Kathy Ingersoll, Dan Kilkenny and William Norem. A quorum was declared.

Others in Attendance

County staff: County Administrator David Bretl; Deputy County Administrator-Finance Nicki Andersen; Comptroller Jessica Conley; County Treasurer Valerie Etzel; Director-Public Works Richard Hough; Director of Health and Human Services (HHS) Elizabeth Aldred; Sheriff's Office Captain of Patrol Dave Gerber; Senior Accountant Todd Paprocki; Human Resources Director Kate Bishop; Benefits Manager Lisa Henke

Members of the public: Sarah Boss, Executive Director-Walworth County Housing Authority (WCHA); Tom Hartz, WCHA Board of Commissioners; Dean Boes, Executive Director-Wisconsin Municipal Mutual Insurance Company (WMMIC); Kathleen Walters, Senior Management Consultant-PFM Asset Management, LLC

On motion by Vice Chair Grant, seconded by Supervisor Ingersoll, the agenda was approved by voice vote.

Supervisor Norem made a motion, seconded by Vice Chair Grant, to approve the April 25, 2019 meeting minutes. Motion carried by voice vote.

Public Comment – There was none.

Unfinished Business – There was none.

Consent Items

Chair Russell asked that Consent Item 8.B.2 be removed from consideration per staff request; and requested to consider Items 8.B.1 and 8.D.1 separately. Supervisor Kilkenny made a motion, seconded by Supervisor Ingersoll, to approve the remainder of the consent items. Motion carried 5-0.

8A, Budget Amendments

- 1) Health and Human Services
 - a) HS007 – Reflect increased Children's Long Term Support (CLTS) grant award for client services and grant administration
 - b) HS008 – Adjust Aging and Disability Resource Center (ADRC) budget to reflect increased revenue and estimated claim activity
- 2) Sheriff's Office
 - a) SH002 – Reflect award of the Speed Enforcement grant

8B, Bids/Contracts

- 1) Countywide employee assistance program
Chair Russell asked Benefits Manager Lisa Henke how many employees and their families utilize the Employee Assistance Program (EAP). Over the previous 12-month period, Henke said there was 22%

utilization. A meeting is scheduled with County department heads in June to provide information on training available from the EAP. Employees are given information on resources available to them at orientation and posters are routinely posted throughout county buildings, as well as email notification on new programs. County Administrator David Bretl said the EAP offers a wide range of services to employees, including alcohol and substance abuse programs. **Supervisor Ingersoll made a motion, seconded by Supervisor Norem, to approve the EAP program contract award to CuraLinc Healthcare. Motion carried 5-0.**

- 2) Countywide Section 125 flexible spending and health savings account services
This item was removed from consideration by request of Human Resources staff.

8C, Waivers of bid/sole source procurement

- 1) HFRS 2 Emulsion Oil – Transport and Application for Public Works department

8D, Reports

- 1) Update on tax incremental financing districts (TIDs)
Comptroller Jessica Conley said joint review board annual meetings have been set for July 23, beginning at 1:00 p.m. at Delavan City Hall. The Villages of Fontana, Darien and Sharon, and Cities of Delavan and Elkhorn are participating. Conley is working with East Troy to set up a meeting and would like to hold one more group joint meeting. The City of Whitewater holds its own meeting because they work with other counties and school districts. The Village of Walworth informed her they have not held an annual meeting because the County does not have a standing joint review board with them; however, if they amend their TID, a joint review board meeting is mandatory. Conley reported the municipalities have improved in providing the TID information requested by the County. **Supervisor Kilkenny made a motion, seconded by Vice Chair Grant, to accept the report. Motion carried 5-0.**
- 2) Out-of-state Travel
 - a) Finance
 - 1) Linda Gregurich, Kronos Timekeeping Huddle Conference, Indianapolis, IN

New Business

- Resolution **-06/19 Authorizing the Addition of Health and Human Services Substance Abuse and Mental Health Services Administration (SAMHSA) Family Drug Treatment Court Grant to Previously Established Pre-approved Recurring Grants List

Supervisor Kilkenny made a motion, seconded by Supervisor Ingersoll, to approve adding the SAMHSA Family Drug Treatment Court grant to the previously established pre-approved recurring grants list. Motion carried 5-0.

- Resolution **-06/19 Appropriating the Sum of \$50,000 to Walworth County Housing Authority for Subsidized Apartments and Office Space

County Administrator David Bretl referred to his memo in the agenda packet and the May 17, 2019 letter from Sarah Boss, Executive Director of the Walworth County Housing Authority (WCHA), which was distributed prior to the meeting. The County has provided funding to eight organizations over the years through the Community Initiatives portion of the County budget. Annual appropriations to these organizations continued to grow while the County's levy cap remained the same. He has encouraged those outside entities to consider options for larger one-time capital expenditures that will eliminate the need for ongoing annual County funding. An example of this was last year's loan to the Walworth County Agricultural Society to build a roof over the outdoor horse arena at the fairgrounds and forgive half of that debt over a five year period. In exchange for the loan, annual payments to them will end.

The Housing Authority recently requested \$50,000 to develop office space, which will allow them to avoid paying rent in the future. He spoke with Sarah Boss, Executive Director-Walworth County Housing Authority (WCHA) and Tom Hartz, WCHA Board of Commissioners and suggested they look at constructing their own offices. The revenue would allow them to have independent income sources without having to rely on county funds. Bretl recommended approval of the \$50,000 appropriation with the understanding that the County would no longer make an annual contribution to the Housing Authority. The letter from Sarah Boss presents the request from the WCHA Board of Commissioners for an additional \$40,000 from the County to develop affordable housing units in the City of Lake Geneva. Bretl said he does not support the additional appropriation. **Supervisor Norem made a motion, seconded by Supervisor Kilkenny, to approve the \$50,000 appropriation to the WCHA.** Sarah Boss said the Housing Authority is proactively looking to become self-sufficient. Their programs are federally funded, and given the unpredictability in the current administration, their Board wants to develop the agency to be sustainable without relying solely on appropriations from those entities. Tom Hartz said the Board's decision to ask for an additional \$40,000 was for funding to cover potential rent expense. The \$50,000 will allow the Housing Authority flexibility and cover rental expenses during the construction period. The project is scheduled to commence next summer. Discussion ensued. The Committee asked for amendments to the agreement to include specificity regarding the timeframe of the project and to ensure the \$50,000 will be used for the intended purpose. Bretl will work with the Housing Authority to develop milestones for the project; and there may be a special Finance Committee meeting prior to the June 11th County Board meeting to review/approve the resolution. **Supervisors Norem and Kilkenny amended their original motion to recommend approval of the \$50,000 appropriation with the inclusions of the amendments discussed herein. Motion carried 5-0.**

- Wisconsin Municipal Mutual Insurance Company (WMMIC) Update
Deputy County Administrator-Finance Nicki Andersen introduced Dean Boes, Executive Director-Wisconsin Municipal Mutual Insurance Company (WMMIC). Boes gave an overview of the material included in the agenda packet. WMMIC was formed in 1988, only for counties and cities. Walworth County has been a member for nine years. Their corporate headquarters is in Madison and 10 full-time employees work in the office. WMMIC holds four board meetings a year, at various locations throughout the State. Member participation is encouraged. WMMIC's primary objectives are to provide a stable, reliable source of liability insurance for its members; to promote growth and safety of WMMIC assets; and to provide annual dividend distributions to members. WMMIC provides all liability type insurance coverage. Boes explained their liability claims administration philosophy, and the top 10 exposures to municipalities. He said less than 2% of claims actually go to trial, and 45% of claims are settled during the adjustment process. Supervisor Kilkenny asked if WMMIC provides training to law enforcement on excessive force. Boes replied they work with an outside contractor, who performs audits of jails to ensure they meet federal regulations and meets with command staff to make recommendations. Boes gave a financial overview as of December 31, 2018. He said WMMIC's surplus is in the top 10% of A.M. best rated companies. He gave the dividend, premiums, investment and equity information on the County's investment, and showed the chart displaying premiums and dividends since 2008. For every claim, Walworth County is responsible for the first \$200,000. The most the County would have to pay is capped at \$650,000 per year; then WMMIC takes over. Bretl said when WMMIC was formed, members were recruited based on good risk management policy and claims history; he asked if that is still the case. Boes said prospective members are proposed, WMMIC reviews their financials to determine if they would be fiscally responsible and a good fit with the existing group. Chair Russell thanked Mr. Boes for his informative presentation.

- Other Post Employment Benefits (OPEB) investment strategy
Andersen said staff reviewed different options for investment and met with staff at PFM. She introduced Kathleen Walters, Senior Management Consultant at PFM Asset Management, LLC. Andersen reported as of December 31, 2018, the current estimated OPEB liability was \$13.9 million. Based upon the most recent actuarial study, the liability is projected to last for approximately 30 years. The 50/50 ratio of equity to fixed income investments has worked well for the County. Staff and PFM recommend continuing with the same strategy. If the Committee has strong concerns about this ratio, consideration could be given to a 40/60 ratio. Walters confirmed that nothing has been deposited since 2013. Walters said that if a downturn in the market occurs, the County has many years for the fund to recover and continue to grow. The OPEB investment strategy has proven successful, even during the market crisis in 2008. Walters asked PFM's trading desk to optimize a portfolio that would fund the County's liabilities. The purchase cost of that portfolio would be \$30,191,222.79, which is approximately \$6.5 million more than the Trust holds as of December 31, 2018. Selling the portfolio today would be locking into an underfunded status for the Trust. If the Committee wished to adjust its equity and fixed income ratio to 30% equity/70% fixed income, the county would still have an 80% probability of earning the long-term discount rate over the life of the liability. Walters stated the County's target rate of return is 5.5%, and there is some cushion if that rate isn't achieved every year. **Supervisor Ingersoll made a motion, seconded by Supervisor Norem to accept the investment strategy recommendations made by staff and the County's consultant. Motion carried 5-0.**

- Ordinance **-06/19 Amending Chapter 30 of the Walworth County Code of Ordinances to Update the Title of Deputy County Administrator-Finance to Reflect the Title Change to Finance Director and Amending Section 62-103(b) to Designate the Finance Director as the County's Representative on Any Joint Review Board

Supervisor Ingersoll asked who would take over if the County Administrator should become incapacitated. Bretl said the County Board Chair is authorized to act in that role for 10 days, after that period, recruitment for a new Administrator would begin. **Vice Chair Grant made a motion to recommend the approval of the ordinance. Motion carried 5-0.** Bretl said the ordinance would be effective July 2, 2019, if approved by the Board. He added that other ordinances may have to be revised to reflect the position title change.

Confirmation of next meeting: Thursday, June 20, 2019 at 9:30 a.m., County Board Room 114 at the Walworth County Government Center.

Adjournment

On motion and second by Supervisors Norem and Kilkenny, Chair Russell adjourned the meeting at 10:41 a.m.

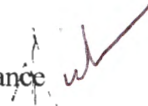


Memorandum

Finance

Nicole Andersen
Deputy County
Administrator-Finance

To: Walworth County Finance Committee

From: Nicki Andersen, Deputy County Administrator-Finance 

Date: June 3, 2019

Re: Walworth County Housing Authority

The Walworth County Housing Authority's request for a one-time budget appropriation to assist them in developing office space was presented at your May 23, 2019 meeting. The Committee recommended approval of the \$50,000 appropriation with the agreement to be amended pursuant to discussion.

The amendments will be presented at your special Finance Committee meeting on June 11, 2019 prior to the County Board meeting. The resolution is included on the County Board's June 11th agenda.

Staff from the Housing Authority, along with County staff, will be present to answer any questions you may have.

NA/kw

c: Dave Bretl, County Administrator
Jessica Conley, Comptroller

100 W. WALWORTH ST.
PO BOX 1001
ELKHORN, WI 53121

FINANCE

262.741.4242 TEL
262.741.4384 FAX

**ACCOUNTS PAYABLE/
PAYROLL**

262.741.4333 TEL
262.741.4384 FAX

Resolution No. 33-06/19
Regarding Signature Authority Related to Bank Contracts

1 Moved/Sponsored by: Finance Committee

2

3 **WHEREAS**, the Walworth County Board of Supervisors has delegated certain authority
4 regarding investments and codified that authority in Section 30-224 of the Walworth County
5 Code of Ordinances (“Code”); and,

6

7 **WHEREAS**, from time to time, financial institutions require proof of the County’s delegation of
8 investment authority in the form of a resolution; and,

9

10 **WHEREAS**, the purpose of this resolution is to set forth the text of Section 30-224 of the Code
11 to provide evidence of the County’s signature authority to interested parties and institutions.

12

13 **NOW, THEREFORE, BE IT RESOLVED** by the Walworth County Board of Supervisors that
14 pursuant to Wis. Stats. Section 59.62 and 59.61(3), the County Board delegates the responsibility
15 for investment of County funds to the Finance Committee. The Finance Committee shall further
16 delegate to the County Administrator responsibility and authority for investment of County funds
17 subject to this ordinance. The Finance Director shall be the investment officer. The investment
18 officer shall oversee investment transactions conducted on behalf of the county. Transactions
19 shall be completed utilizing a competitive process, as outlined in the investment procedures. The
20 investment officer may contract with one or more investment advisors with prior approval of the
21 Finance Committee and with sufficient funds available within the County budget.

22

23 **BE IT FURTHER RESOLVED** that the investment officer is responsible for proposing written
24 investment guidelines and administrative procedures for operation of the County’s investment
25 programs, consistent with this policy. These procedures shall be submitted to the County
26 Administrator for approval and inclusion in the County’s administrative procedure manual.

27

28 **BE IT FURTHER RESOLVED** that the investment officer or their designee shall have the
29 authority to direct the transfer of funds between accounts established for investments as
30 prescribed in administrative procedures.

31

32 **BE IT FURTHER RESOLVED** that the County Treasurer shall ensure timely transfer of
33 appropriate funds in accordance with authorized investment transactions and pursuant to all
34 County policies.

35

36 **BE IT FURTHER RESOLVED** that the County Treasurer is responsible for maintaining
37 adequate levels of cash in the County’s operating account necessary for day-to-day cash flow.
38 Any requirement for large or non-recurring disbursements of cash shall be reported by the
39 County Treasurer to the investment officer in order to provide sufficient notice of investment
40 impact.

41

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1 **BE IT FURTHER RESOLVED** by the Walworth County Board of Supervisors that said
2 delegation is effective July 2, 2019.

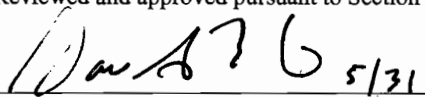
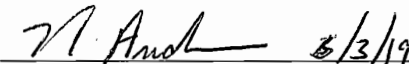
Nancy Russell
County Board Chair

Kimberly S. Bushey
County Clerk

County Board Meeting Date: June 11, 2019

Action Required: Majority Vote X Two-thirds Vote _____ Other _____

Policy and Fiscal Note is attached.
Reviewed and approved pursuant to Section 2-91 of the Walworth County Code of Ordinances:

	
David A. Bretl	Nicole Andersen
County Administrator/Corporation Counsel	Deputy County Administrator - Finance
Date 5/31	Date 6/3/19

If unsigned, exceptions shall be so noted by the County Administrator.

Policy and Fiscal Note
Resolution No. 33-06/19

- I. Title:** Regarding Signature Authority Related to Bank Contracts

- II. Purpose and Policy Impact Statement:** From time to time, financial institutions will request a copy of a resolution regarding investment authority. The purpose of this resolution is to place Section 30-224 of the Walworth County Code of Ordinances into a resolution format.

- III. Budget and Fiscal Impact:** Passage of this resolution will not have any fiscal impact on the County budget.

- IV. Referred to the following standing committees for consideration and date of referral:**

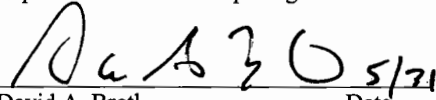
Committee: Finance

Meeting Date: June 11, 2019

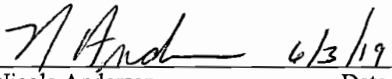
Vote: To be considered at a special Finance Committee meeting on June 11, 2019.

County Board Meeting Date: June 11, 2019

Policy and fiscal note has been reviewed and approved as an accurate statement of the probable policy and fiscal impacts associated with passage of the attached resolution.



David A. Bretl
County Administrator/Corporation Counsel



Nicole Andersen
Deputy County Administrator - Finance

Resolution No. 28-06/19
**Appropriating the Sum of \$50,000 to Walworth County Housing Authority for Subsidized
Apartments and Office Space**

1 Moved/Sponsored by: Finance Committee

2

3 **WHEREAS**, Walworth County has, for many years, appropriated money for use by the
4 Walworth County Housing Authority (hereinafter "Housing Authority") as part of our
5 Community Initiatives budget; and,

6

7 **WHEREAS**, in 2019, this appropriation was in the amount of \$12,150; and,

8

9 **WHEREAS**, the County has encouraged Community Initiatives organizations to explore
10 funding sources that would eliminate their need for an annual county contribution; and,

11

12 **WHEREAS**, the Housing Authority approached the County for one-time funding in the amount
13 of \$50,000 to develop subsidized apartments and office space; and,

14

15 **WHEREAS**, this appropriation will allow the Housing Authority to eliminate rent expenses and
16 derive regular income from the project; and,

17

18 **WHEREAS**, this appropriation is made with the understanding that the County will not make
19 future annual appropriations to the Housing Authority.

20

21 **NOW, THEREFORE, BE IT RESOLVED** that the Walworth County Board of Supervisors
22 appropriates \$50,000 from the General Fund-Unassigned Fund Balance to the Walworth County
23 Housing Authority for the purpose of developing subsidized apartments and office space.

24

25 **BE IT FURTHER RESOLVED** that this appropriation is contingent upon the Housing
26 Authority entering into an agreement with the County which agreement will incorporate the
27 terms of this resolution and will provide that:

28

- 29 1. Construction of the project shall commence within twelve months from the date of this
30 resolution;
- 31 2. Construction shall be completed within 24 months from the date of this resolution;
- 32 3. The Project will, for a period of at least five years, house the Housing Authority offices
33 and provide subsidized housing; and,
- 34 4. In the event the above-stated conditions 1 through 3 are not met, the Housing Authority
35 shall pay Walworth County \$50,000.

36

37 **BE IT FURTHER RESOLVED** that the proper County officials be and the same are hereby
38 authorized to execute the above-stated agreement.

39

40 **BE IT FURTHER RESOLVED** that Walworth County will end its annual appropriations to the
41 Housing Authority.

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Nancy Russell
County Board Chair

Kimberly S. Bushey
County Clerk

County Board Meeting Date: June 11, 2019

Action Required: Majority Vote X Two-thirds Vote _____ Other _____

Policy and Fiscal Note is attached.
Reviewed and approved pursuant to Section 2-91 of the Walworth County Code of Ordinances:

_____ David A. Bretl Date County Administrator/Corporation Counsel	_____ Nicole Andersen Date Deputy County Administrator - Finance
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If unsigned, exceptions shall be so noted by the County Administrator.

Policy and Fiscal Note
Resolution No. 28-06/19

- I. **Title:** Appropriating the Sum of \$50,000 to Walworth County Housing Authority for Subsidized Apartments and Office Space
- II. **Purpose and Policy Impact Statement:** The purpose of this resolution is to appropriate the sum of \$50,000 to Walworth County Housing Authority for subsidized apartments and office space.
- III. **Budget and Fiscal Impact:** Passage of this resolution will cause the County to spend \$50,000 not budgeted in 2019. The County will end future payments to the Housing Authority. The recent history of past payments is as follows:

2019: \$12,150
2018: \$13,500
2017: \$13,500
2016: \$13,000
2015: \$13,000

IV. **Referred to the following standing committees for consideration and date of referral:**

Committee: Finance

Meeting Date: June 11, 2019

Vote:

County Board Meeting Date: June 11, 2019

Policy and fiscal note has been reviewed and approved as an accurate statement of the probable policy and fiscal impacts associated with passage of the attached resolution.

David A. Bretl Date
County Administrator/Corporation Counsel

Nicole Andersen Date
Deputy County Administrator - Finance

PO Box 1001
Elkhorn, WI 53121

With a copy to: David A. Bretl
County Administrator
Walworth County Administration
100 West Walworth Street
PO Box 1001
Elkhorn, WI 53121

If to the Walworth County Housing Authority:

Walworth County Housing Authority
Sarah J. Boss, Executive Director
735 N. Wisconsin Street, Suite 100
Elkhorn, WI 53121

Either party may change its address by giving notice thereof in accordance with the terms of this paragraph.

Dated this _____ day of _____, 2019.

Walworth County

Walworth County Housing Authority

Kimberly S. Bushey
Walworth County Clerk

Nancy Russell
County Board Chair

Approved as to form:

David. A. Bretl
County Administrator/Corporation Counsel

State of Wisconsin
County of _____

Signed or attested before me on _____ (date)
by Kimberly S. Bushey, Walworth County Clerk.

(Seal)

Signature of notarial officer

Print Name
My commission expires: _____

State of Wisconsin
County of _____

Signed or attested before me on _____ (date)
by Nancy Russell, County Board Chair.

(Seal)

Signature of notarial officer

Print Name
My commission expires: _____

State of Wisconsin
County of _____

Signed or attested before me on _____ (date)
by _____ (name(s) of person(s)).

(Seal)

Signature of notarial officer

Print Name
My commission expires: _____