

**Walworth County Board of Supervisors**  
**Thursday, May 21, 2020 Finance Committee Meeting Minutes**  
**Walworth County Government Center, County Board Room 114**  
**100 W. Walworth Street, Elkhorn, Wisconsin**

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

Roll call was conducted and the following members were present either in person or by remote attendance: Chair Nancy Russell, Vice Chair Dan Kilkenny, and Supervisors Jerry Grant, Kathy Ingersoll, and Joseph Schaefer. A quorum was declared.

Others present, either in person or by remote attendance:

County Staff: County Administrator Mark Luberda; Finance Director Jessica Conley; Superintendent of County Institutions Elizabeth Aldred; Corporation Counsel/Director of Land Use Resource Management (LURM) Michael Cotter; Comptroller Todd Paprocki; Director-Public Works Richard Hough; HR Director Kate Bishop; Undersheriff Dave Gerber; Office Manager/Mobility Manager Nicole Hill  
Members of the Public: Jeff Schroeder, Floyd Simpson, and Kathleen Walters, PFM Asset Management

**On motion by Supervisor Jerry Grant, second by Supervisor Joseph Schaefer, the agenda was approved with no withdrawals.**

**On motion by Supervisor Kathy Ingersoll, second by Supervisor Grant, the May 12, 2020 Special Finance Committee meeting minutes were approved.**

**Public Comment** – There was none.

**Unfinished Business** – There was none.

**Consent Items**

Chair Russell requested that item 8E.1 be considered separately. **Supervisor Grant made a motion, second by Supervisor Schaefer, to approve the remainder of the consent items. Motion carried 5-0.**

**8A, Budget Amendments**

- 1) Clerk of Courts
  - a) CT001 – Establish budget to upgrade courtroom audio/video conferencing equipment
- 2) Corporation Counsel
  - a) CC002 – Reflect 2020 Children’s First program grant award

**8B, Bids/contracts**

- 1) Voluntary vision insurance contract for policy years 2021-2024

**8C, Request to Standardize Equipment or Materials**

- 1) Sheriff’s Office request to standardize tasers

**8D, Declaration of Surplus**

- 1) Public Works request to declare Public Works vehicles and equipment as surplus and for said items to be sold at auction

**8E, Reports**

- 1) Quarterly investment report – 1<sup>st</sup> quarter 2020

Chair Russel congratulated the Finance Department staff and thanked them for their hard work.

**Supervisor Ingersoll made a motion, second by Supervisor Schaefer, to approve the quarterly investment report – 1<sup>st</sup> quarter 2020. Motion carried 5-0.**

2) Update on tax incremental financing districts (TIDs)

### **New Business**

- Other Postemployment Benefits (OPEB) actuarial study

Finance Director Jessica Conley gave a brief overview of pages 18-20 in the meeting packet, and explained the study is done every 2 years. She noted there are representatives from PFM Asset Management present who will be discussing specifics related to the County's investments. She said the largest factors which affected our liability were taking out the Cadillac tax and the fact that we had more people retire than expected. She clarified this is a closed OPEB so there are no new employees that can become eligible for this; only those who were hired prior to 2005 qualify for this benefit. She explained OPEB is the health insurance payments made on behalf of those who have retired, including special benefits for sworn employees and teachers, and also includes sick credits for those hired prior to 2005, which can be used towards health insurance. She noted the OPEB fund is doing well and the total plan assets as of December 31, 2019 were \$26,905,148.

- Other Postemployment Benefits (OPEB) investment strategy and target allocations

Conley spoke to the memo from Comptroller Todd Paprocki in the meeting packet and noted this Committee will need to make a decision related to the target allocation moving forward.

- Presentation by PFM Asset Management, regarding Other Postemployment Benefits (OPEB) investment reports and County investment strategy/target allocations

Jeff Schroeder, Kathleen Walters, and Floyd Simpson, PFM Asset Management, thanked the Committee for allowing their presentation and said the portfolio has held up well even with the current economic situation. Walters said this year has been a tough time for the market, but even with a poor start, the stock market is relatively stable and the County's portfolio has performed well. She said much has changed since the end of the first quarter, and markets have recovered somewhat. Simpson presented PFM's investment commitment decision timeline, including key decision dates, located on page 24 of the meeting packet. Walters presented the OPEB Trust performance as of March 31, 2020. She said the portfolio is up about 5.5% for the quarter we are currently in, which means some of the losses are returning. She said our trust has performed very well and it is time to decide if the Committee would like to change the strategy. She presented the two options included on pages 26 and 27 in the meeting packet. Chair Russell asked if we will still have employees in 30 years who are a part of this fund and Conley said she believes we will. She said she likes the 50/50 strategy as it allows for some stability without having to guess what the market is going to do. She added that she understands why the Committee may want to be more conservative and go 40/60 instead. She noted this may change our discount rate which could affect the liability, though. Chair Russell expressed concern over the Federal Reserve going below zero. She said the idea of immunizing the estimated liabilities for a period of two years to get past this volatile period would be her preference. Conley noted if we choose this, we will lock into the 0.58% rate. Discussion ensued. **Vice Chair Kilkenny made a motion, second by Supervisor Schaefer, to continue the allocation at 50/50 for OPEB investment strategy. Motion carried 5-0.**

[Due to technical difficulties, Supervisor Ingersoll left the meeting at 10:38 a.m.]

- Resolution \*\*-06/20 Authorizing the Closure of Sheriff's Office Dispatch/Communications Center Upgrade Project and Transferring Remaining Funds to General Fund Building and Equipment Committee Fund Balance.

**Supervisor Grant made a motion, second by Chair Russell, to approve the resolution authorizing the closure of Sheriff's Office Dispatch/Communications Center Upgrade Project and transferring remaining funds to General Fund Building and Equipment Committee Fund Balance. Motion carried 4-0.**

- Update on Lakeland Health Care Center (LHCC) 2020 Budget  
Superintendent of County Institutions Elizabeth Aldred provided an overview of the memo included in the meeting packet. She said the Human Resources Committee approved a request for additional changes in staffing yesterday and noted the 2020 budget did not include depreciation, so that will need to be funded. She clarified this is the information known today and there are many things that could change between now and when the 2021 budget is finalized.

- Ordinance 1210-04/20 Amending Section 30-286 of the Walworth County Code of Ordinances Relative to the Fares for Shared-Ride Transit Service  
County Administrator Mark Luberdia said this ordinance is coming back because prior to approval by the County Board, staff learned the County had received additional funding from the CARES Act which allows for 100% funding of net operating costs. This funding makes the cost increase unnecessary and the Transportation Coordinating Committee (TCC) made a recommendation at their May meeting not to adjust the fees at this time. **Supervisor Schaefer made a motion, second by Supervisor Grant, to recommend the County Board not move this ordinance forward and to keep the rates as they currently are.** Luberdia noted this will go back to the County Board to report both the TCC and Finance Committees recommend no action. **Motion carried 4-0.**

- Update on COVID-19 Effects on County revenues and expenses  
Conley distributed and presented information related to the County's COVID-19 revenues and expenses. She noted the payroll that was posted overnight is not reflected, but said this summary will be updated and sent out every Friday moving forward. She said possible Federal Emergency Management Agency (FEMA) funding eligibility is complicated and these numbers are estimates only. She noted payroll costs should be available in the report sent out tomorrow, and purchases which are under consideration are also noted for informational purposes. Conley added that staff has also looked into the possibility of buying desktop shields for customer service areas. Luberdia noted AVI will be coming in next week to install equipment in the board room which should improve the quality of telecommunication for meetings, and this will also be an expenditure. He also said he anticipates the necessity of improving the process of telecommunication and remote access moving forward, including a video component. Luberdia added he will attempt to enhance communication and this document will be included in his weekly Report and Update. Conley said we have not used any of our contingency fund at this point and asked Supervisors to be aware that revenues may be lower than expected and it is too early to give exact numbers, but staff is monitoring them closely at this time. Luberdia said he believes staff will report back to this Committee in July related to where the County is at that time, as more effects of COVID-19 have been observed.

- Ordinance \*\*-06/20 Confirming Special Authority for 2020 to Enable Continued Response to and Management of Operations During the COVID-19 Pandemic by Extending Certain Authorizations as Approved Within the Resolution for a Declaration of Emergency as Approved March 19, 2020

Conley noted parts of this ordinance have been discussed at the Executive and HR Committee meetings this week. She spoke to Part III as it is related to financial aspects, specifically the budget process. She said part of an emergency declaration allows certain liberties related to purchasing and she noted normal purchasing procedures will continue the rest of the year. She said another part of the ordinance is that as grants are received, it may be difficult to present the information as clearly as we generally do. This would allow budget amendments to be made for items up to \$250,000 by the County Administrator and Finance Director. Vice Chair Kilkenny asked to remove the word “Chair” from line 22 to allow for the possibility of holding a County Board meeting to discuss possible changes. Luberda said this could be changed. **Vice Chair Kilkenny made a motion, second by Chair Russell, to approve the ordinance, after the removal of the word “Chair” on line 22, confirming special authority for 2020 to enable continued response to and management of operations during the COVID-19 Pandemic by extending certain authorizations as approved within the resolution for a declaration of emergency as approved March 19, 2020. Motion carried 4-0.**

**Correspondence** – There was none.

**Confirmation of next meeting:** The next regular meeting was confirmed for Thursday, June 18, 2020 at 9:30 a.m.

### **Adjournment**

**On motion and second by Supervisors Grant and Schaefer, Chair Russell adjourned the meeting at 11:41 a.m.**