

**CORRECTED**

**PERSONNEL & FINANCE COMMITTEE MINUTES  
September 7, 2023**

**Present:** David Albrecht, Steven Binder, Morris Cox, Donald Nussbaum

Mike Collard – Administration Director  
Paul Kaiser – Finance Director  
MaryAnne Mueller – Corporation Counsel  
Melanie Boelter – Corporation Counsel  
Mark Habeck – Human Resources Director  
Stephanie Stieg – Human Resources  
Jamie Luehring – Human Resources  
Chad Casper – Land & Water Cons Director  
Julie Barthels – County Clerk

Jon Doemel – County Executive - ZOOM  
Doug Gieryn – Public Health Director - ZOOM  
John Rabe – Solid Waste Director -ZOOM  
Cheryl Brehmer – Medical Examiner – ZOOM  
Supervisor Paul Eisen - ZOOM  
Supervisor Rebecca Nichols  
Justin Fischer – RW Baird  
Amber Drewieske – CliftonLarsonAllen  
Erica Schaefer - CliftonLarsonAllen  
Maddie Breager - ZOOM

**Excused:** Betsy Ellenberger

**1. Meeting called to order at 9:00 am by Chairman Morris Cox.**

**2. Public Comments**

No Public Comments

**3. Approval of the August 3, 2023, Personnel & Finance Committee Meeting Minutes**

Motion by Supervisor Albrecht, seconded by Supervisor Binder to approve.

Carried by Voice Vote. 4 – 0. Absent: 1 – Supervisor Ellenberger

**4. Resolution: Request Authority to Apply for and Accept a Department of Agriculture, Trade, and Consumer Protection (DATCP) Producer-Led Watershed Protection Grant**

This is a small grant thru the Department of Agriculture, Trade and Consumer Protections (DATCP). A group has been formed consisting of 12 farmers and the Rat River Water Shed. They will call themselves the "Muddy Bottom Farmers".

Land and Water is working to help get this grant approved. It will open the door for funding.

Motion by Supervisor Binder, seconded by Supervisor Albrecht to approve.

Carried by Voice Vote. 4 – 0. Absent: 1 – Supervisor Ellenberger

**5. Report from the Finance Department regarding the General Funds Balance, CAP Projects Report & Investment Analysis**

Paul Kaiser, Director of Finance, reported on the General Fund Balance and the current Capital Projects Budget. The only difference in the General Fund Balance was the purchase of the Silvercrest Group Home that was approved by the County Board in July. The unassigned general fund balance is just under \$13M. For capital projects, there was not a lot of change, the main one was the approval from the board to budget \$917,000 for the Radtke highway project. Other changes since last report - County Road JJ had \$1.5M spent; \$18,000 on the other side of JJ project; County Highway T had \$1,300 spent; the Human Services elevator had \$46,300; Dispatch Console had \$120,000; Expo Campus had \$33,000; the Grundman Boat Landing \$412,000; Major projects, Hangar Facilities, and other projects \$415M. He is working on a new initiative regarding projects. The initiative would require an update on the project be reported to the Finance Department monthly or quarterly. This would be reported to the Personnel and Finance Committee on a quarterly basis. This might avoid department's going over the estimated cost of the project that was approved. Paul is working on a policy for department heads for CIP projects and would meet with them monthly. Questions regarding the Expo Center parking lot, USDA rent, and the

Boathouse were asked. Chairman Cox questioned work that was done at the Tri-County Ice Arena regarding black topping. Paul reported on the Investment Portfolio. He purchased three CDs for \$250,000. Three more CDs were purchased for \$250,000 on Wednesday, September 6th. There is a municipal bond offered by Dane County from 2024 – 2032. Paul would like to purchase a bond from them at 4.7% interest rate. Good investments - Money Markets 5.2% interest; CDs 5.5% interest. Paul provided a worksheet showing values of CDs, Agencies, Taxable Munis, MBS Fixed and Corp Fixed for each quarter of the years from 2023 through 2030. Paul works diligently to find the best rates for the County. He tries to work with local banks. Paul included a copy of the original resolution from Quarles and Brady. He provided the second possible document concerning the bonding with Baird.

## **6. Discussion: General Fund Balance Policy**

Mike Collard, Director of Administration, provided documentation regarding the general fund balance policy. The unrestricted fund balance was high at the end of 2022, it was above the target range by about \$10M. The County borrowed less and paid it off faster than normal which lowered the fund balance. Paid for projects without bonding. Used same analysis from last year for current year. Chairman Cox noted that the word "Unrestricted" should be "Unassigned". Director Collard noted that he was following directions from the accountant and to follow the current General Fund Balance policy. Chairman Cox would like the wording to be written as "Reserve" or "Unassigned Reserve". He feels it should be "Unassigned". Director Collard feels the policy should be amended to reflect these changes. Director Collard provided an analysis for 2023 budgeted expenditures in governmental funds for 2023.

Director Collard recommended the following changes to the policy:

- Fund balances for departments that are not part of the general fund balance. The Airport, Park View and the Highway Departments carry fund balances, set up as Enterprise funds, but also utilize tax levy to aid in completing capital projects and maintenance.
- Director Collard discussed the differences between Enterprise Funds, Governmental Funds, and the General Fund and how they operate and how they should be funded and the percentage of funding.

Supervisor Albrecht suggested that at the next meeting to update the fund policy procedures. Supervisor Binder asked to see three months of operating capital. This item will be placed on the agenda for October 5, 2023, and carried over to the next meeting.

## **7. Discussion: Presentation of 2022 Audit Report by CliftonLarsonAllen(CLA)Tax Accounting Services – Amber Drewieske**

Amber Drewieske, Principal CliftonLarsonAllen Agency and Erica Schaefer, Audit team, CLA Agency, provided information for the 2022 Audit of Winnebago County. Ms. Drewieske commented on the procedures and policies they follow to complete the audit. She explained how they arrived at the decisions they reported. Winnebago County did an excellent job presenting materials for the audit. They use a risk-based approach to complete audits. The audit team visited many of the departments in the County. Ms. Drewieske touched on the Fund Financial Statement. The General Fund as of December 31, 2022, had approximately \$68,000,000 cash available. The general fund had approximately \$70,300,000 available. She stated that it used to be 15 to 25% was the recommended amount of general fund expenditures whether actual or previous years. Now it is between 20 and 35%, depending on the cash flow situation and how to make it fit. The County is at 47%. A healthy fund balance allows you flexibility to be able to do some things or feel comfortable with some of the other funds that are pushing a little bit.

Supervisor Albrecht asked to be excused from the meeting. (10:06 a.m.)

Discussion continued regarding the audit for the County Departments. Enterprise Funds were discussed. You want to build a fund to purchase equipment, you don't want to borrow money for equipment. Should watch to make sure the equipment is generating money or not. The auditors look at the cash flow for the enterprise funds to make sure they are generating enough cash flow to cover equipment and debt.

Ms. Drewieske noted that they review internal controls of the County and are required to disclose any non-compliances and findings. There were no non-compliances reported. The two findings: preparation of the report and findings of adjustments. Recommendations are made verbally during the audit. She noted that there were no difficulties encountered during the audit and no disagreements with management. She commended Winnebago County for doing a great job in preparing for the audit. Ms. Drewieske then took questions from the Committee members.

**8. Discussion: Presentation from Baird on Draft Financing Plans – Justin Fischer**

Justin Fischer from Baird gave a presentation on the Draft of Financing Plans. The County continues to be on track with their financing. He provided an interest rate update with a graph showing interest rates from 1995 thru 2023 and a Financing Illustration for borrowing 9.9 M dollars. Short term interest rates are increasing for borrowing. You can take on the debt without causing a large tax impact relating to debt. The County has taken a lot of the fund balance to reduce borrowing and pay down debt. You should try to have a 2 to 3 cent reduction to the debt service. Borrowing \$10M annually, you need to get the debt service levy target up to \$10M. Then you have to layer in your borrowing over the years. You want to try to keep the mil rate consistent. Mr. Fischer provided documentation to borrow at different levels. Mr. Fischer will come back to present a resolution for the final sale amount to the board in about a month. The amount to be borrowed is still to be determined for a general obligation promissory note for capital projects approved by the County Board. It will have a ten repayment to be called in the year 2030. The County board will vote on September 19, 2023, on a resolution for how much to borrow. The County has a AA1 credit rating. He noted that deterioration of fund balance could lead to a lower credit rating. The County would adopt the resolution to borrow \$9.9 M on October 17, 2023. The closing would be on November 9, 2023. Mr. Fischer then took questions from the Committee members.

**9. Discussion/Action: Resolution Authorizing the Borrowing of an Amount Not to Exceed \$9,000,000; and Authorizing the Issuance and Sale of General Obligation Promissory Notes Therefor**

Discussion was held regarding how much to borrow and what projects might be covered to warrant borrowing this amount.

Motion by Supervisor Binder, seconded by Supervisor Nussbaum to bring this resolution forward for borrowing \$9M.

Director Collard noted that the resolution asked for \$9M, there are ~~\$9.8M~~ \$9.9M worth of projects listed that need to be done that have been approved. The County board must refer to bonding to complete these projects. This is needed to replenish the general fund balance.

Motion by Supervisor Binder, seconded by Supervisor Nussbaum to amend the resolution to increase the amount of borrowing from \$9,000,000 to \$9,900,000.

Carried by Voice Vote. 3 – 0. ABSENT: 2 - Supervisors Ellenberger and Albrecht

Vote on Resolution as Amended: Carried by Voice Vote. 3 – 0. ABSENT: 2 - Supervisors Ellenberger and Albrecht.

**10. Discussion: Status Update on Employee Benefit Changes**

Mark Habeck, Director of Human Resources, Stephanie Stieg, Human Resources, and Jamie Luehring, Human Resources, provided an update for employee benefit changes. They have done research and intend to host meetings with employees to propose how time off will be handled and get feedback from employees regarding PTO. They will bring a recommendation to the Personnel and Finance Committee next month.

Modifications done in 2008:

- Reduced number of sick days from 12 to 8.
- Two compensation studies were done within this time. Encouraged to provide 2 weeks' vacation; 8 sick days and floating holidays. Funeral leave is available, plus 10 holidays. Park View Health Center recognizes 7 holidays. A new employee starting today would get 21 days paid time off plus the 10 holidays.

A survey was done with 25 counties responding.

- 17 counties are on traditional vacation time.
- 9 counties offered more vacation time; this includes Brown and Outagamie.
- 7 counties offered less time off.
- It was determined that time off is valued by employees. They would like to see uniformity throughout the County.

Compensation findings:

- Increase paid time off or moving to a different system.
- The County is behind in accumulation of vacation, and sick time is under the market. Nothing regarding benefits was included with the compensation study for 2016 or 2023.

Summary:

- Become competitive with paid time off.
- To attract and retain is the goal for this project.
- Ease administrative burden and have uniformity with rules.
- More flexibility with time off.

**11. Resolution of Commendation for: Peggy Heise and Diane Mulder**

Motion by Supervisor Nussbaum, seconded by Supervisor Binder to approve. Carried by Voice Vote. 3 – 0. Absent: 2 – Supervisors Ellenberger and Albrecht

**12. Set Next Meeting Date**

Next meeting scheduled for October 5, 2023, at 9:00 a.m.

**13. Adjournment**

Motion by Supervisor Binder, seconded by Supervisor Nussbaum to adjourn. Carried by Voice Vote. 3 – 0. Absent: 2 – Supervisors Ellenberger and Albrecht

Meeting adjourned at 11:41 a.m.

**\*\*For further detail, a recorded version of this meeting is available at:  
<https://www.co.winnebago.wi.us/county-clerk/thu-09072023-0900/personnel-and-finance-committee>**