

**Walworth County Board of Supervisors
Finance Committee Meeting Minutes
Thursday, May 19, 2022
Walworth County Government Center, County Board Room 114
100 West Walworth Street, Elkhorn, Wisconsin**

Chair Sheila T. Reiff called the meeting to order at 9:30 a.m.

Roll call was conducted and the following members were present: Chair Sheila T. Reiff; Vice-Chair Joseph H. Schaefer; Supervisors Kathy Ingersoll, Dennis Karbowski, and Rick Stacey. A quorum was declared.

Others in Attendance

County Board Supervisors: Ryan Simons and Al Stanek.

County Staff: Walworth County Administrator Mark W. Luberda; Director-Finance Jessica Conley; Director-Information Technology Jackie Giller; Walworth County Treasurer Valerie Etzel; Director-Special Education Tracy Moate; and Director-Health and Human Services/Superintendent of County Institutions Carlo Nevicosi.

Members of the Public: Jeffrey Schroeder, Managing Director-PFM Asset Management LLC; Lindsey Peterson, Village of Darien Administrator/Clerk/Treasurer; Brian Remer of Ehlers Public Finance Advisors; and Former County Board Supervisor Daniel Kilkenny.

Chair Reiff requested an amendment to the agenda: to move Item #8n, Village of Darien Tax Incremental Financing District (TID) #4 Creation and Consideration of County TID Project Funding Request for Future CTH X Reconstruction and Item #8o, Resolution No. *-06/22 Appropriating \$45,948 of ARPA SLCFR Funding from the Recovery Grants Fund for the Purpose of an Additional Payment to the Lakeshores Library System as a One-Time Payment to Meet the Plan for Library Service and all System Library Agreements under New Business, directly prior to Item #8a, Other Postemployment Benefits (OPEB) Actuarial Liability and Funding Status Based on January 1, 2022 Study Date under New Business. **On motion by Vice-Chair Schaefer, second by Supervisor Ingersoll, the agenda, as amended, was approved with no withdrawals.**

On motion by Supervisor Stacey, second by Supervisor Ingersoll, the April 28, 2022 Finance Committee meeting minutes were approved.

Public Comment

Former County Board Supervisor Daniel Kilkenny appeared in person and voiced his concerns relative to the Tax Incremental Financing District (TID) being proposed in the Village of Darien.

Consent Items

7a. Budget Adjustments/Transfers

1) Risk Management

a. CA002 – Adjusting Funds for Risk Management Broker Consulting Services

Supervisor Stacey offered a motion, second by Supervisor Ingersoll, to approve the Budget Adjustment/Transfer.

Conley stated this adjustment provides the funding for a third party broker to solicit the Request for Proposal (RFP), on behalf of Walworth County, to find the right insurance match. Conley explained that formerly the cost would have been absorbed within the insurance payment, but now it will be reflected as its own line item. **Motion carried 5-0.**

7b. Purchasing Reports to Committee

1) One-Time Cooperative Purchase over \$100,000

a. Public Works

i. Building Security Software for Countywide Space/Security Upgrade Project

Supervisor Stacey offered a motion, second by Supervisor Karbowski, to approve the Purchasing Reports to Committee. Motion carried 5-0.

7c. Reports

1) Update on tax incremental financing districts (TIDs)

Conley stated the summary of all Walworth County TIDs was included in the packet (Pages 11-12); noting the City of Burlington and East Troy district #3 TIDs closed at end of 2021.

2) Quarterly Investment Report – 1st quarter 2022

Conley warned that with the volatility of the stock market some securities may show as unrealized loss at the end of the year if rates increase. She assured the Committee that the securities will be held until they mature and will never end in a realized loss, but due to accounting rules they may reflect as unrealized loss at the close of this year. Conley noted the Fund Balance Reserve is used to offset unrealized loss on the books, and she feels at this time no money will need to be added to the fund, but that in the fall the Committee may need to consider moving money to cover the loss if necessary. **Supervisor Karbowski offered a motion, second by Vice-Chair Schaefer, to approve the reports. Motion carried 5-0.**

New Business

8o. Resolution No. **-06/22 Appropriating \$45,948 of ARPA SLCFR Funding from the Recovery Grants Fund for the Purpose of an Additional Payment to the Lakeshores Library System as a One-Time Payment to Meet the Plan for Library Service and all System Library Agreements

Supervisor Stacey offered a motion, second by Supervisor Karbowski, to approve the resolution Appropriating \$45,948 of ARPA SLCFR Funding from the Recovery Grants Fund for the Purpose of an Additional Payment to the Lakeshores Library System as a One-Time Payment to Meet the Plan for Library Service and all System Library Agreements. County Administrator Mark W. Luberdia referred to the resolution included in the packet (Pages 145-147); explaining there is a formula, dictated by state statute, to calculate how tax dollars are allocated to libraries. Luberdia had discovered a long-time error in the calculation that effectively underpaid smaller libraries. The error has been corrected, but has left some of the border county libraries without the time to prepare for the decrease in allocated funds. Luberdia is proposing a one-time difference in payment to be paid through American Rescue Plan Act (ARPA) funds in order to uphold the inter-library agreements Lakeshores Library System has with other counties. This will leave plenty of time for the Lakeshores Library Director to work with the other counties to reach agreements matching what is expected through state statute. **Motion carried 5-0.**

8n. Village of Darien Tax Incremental Financing District (TID) #4 Creation and Consideration of County TID Project Funding Request for Future CTH X Reconstruction

Supervisor Stacey offered a motion, second by Supervisor Ingersoll, to accept the Village of Darien Tax Incremental Financing District (TID) #4 Creation and Consideration of County TID Project Funding Request for Future CTH X Reconstruction report. Conley shared that the Joint Review Board (JRB) held the first organizational meeting relative to the creation of this TID on May 4. She referenced the items she recommended be included in the developer agreement (Page 131); stating the JRB agreed with her requests, and the Village has attained a financial advisor to assist with the agreement development. Village of Darien Administrator/Clerk/Treasurer Lindsey Peterson detailed the events of the public hearing regarding the plan of commission stating there will be a second public hearing on June 2. She shared that if the plan commission makes the recommendation to accept the TID creation, the Village will consider the issue at their June 20, 2022 Board meeting. Peterson introduced Brian Remer of Ehlers Public Finance Advisors, who gave the presentation Creation of Tax Increment District No. 4 – Village of Darien, WI 5/16/22 Village Board Meeting; detailing:

- JRB Requests (Not Related to Developer Agreement)
- JRB Requests (Developer Agreement)
- Cap Considerations
- Tax Rate Comparison
- Cash Flow
- Incentive Breakout

Conley stated all items she originally requested have been added, and asked whether the Committee had any questions or recommendations; explaining that on June 29 she has to vote yes or no, making June 2 the deadline to request other changes. Discussion ensued. Conley affirmed that the Committee will have the opportunity to discuss the yes or no decision at their next meeting, and final versions of the agreement will be available at that time. **Motion carried 5-0.**

8a. Other Postemployment Benefits (OPEB) Actuarial Liability and Funding Status Based on January 1, 2022 Study Date
Conley referred to the Other Postemployment Benefits (OPEB) Definition on Pages 16-23; explaining that OPEB are health insurance benefits for retired employees, and the benefit ended for newly hired employees around 2005/2006.

8b. Presentation by PFM Asset Management LLC (PFM), regarding March 31, 2022 Other Postemployment Benefits (OPEB) Quarterly Investment Report

Jeffrey Schroeder Managing Director, PFM Asset Management, LLC referred to and briefly detailed the presentation included in the packet: Walworth County OPEB Trust (Pages 24-101); highlighting:

- Quarterly Market Summary
- Plan Performance Summary
- Investment Manager Review
- Asset Allocation & Liability Modeling

Discussion ensued relative to keeping the current 50/50 allocation or possibly moving to a more conservative 40/60 allocation; with Conley stating she would be in support of either allocation model. Conley advised that whichever allocation is chosen, the Committee can request an update when the next quarter summary is released to assess fund performance and make changes if necessary.

8c. Other Postemployment Benefits (OPEB) Investment Strategy and Target Allocations

Conley referred to Todd Paprocki's Memorandum on Page 102 of the packet; recommending to continue with the current 50/50 allocation.

Supervisor Ingersoll offered a motion, second by Supervisor Karbowski, to keep the target strategy the same with the 50/50 allocation and review in three months. Motion carried 4-1 (Schaefer.)

8d. County Board 2023 Budget Planning

County Administrator Mark W. Luberda explained this item is placed on the agenda to allow board members to present ideas for his consideration as he develops the budget for the next year. Supervisor Ingersoll inquired as to a deadline relative to when ideas may be submitted, with Luberda stating the item could be added to the June agenda as well.

Discussion ensued relative to budgeted ARPA funding; including:

- Twin Oaks Homeless Shelter
- Emergency Medical Service (EMS)/dispatch hiring incentives and equipment purchases
- Emergency Shelter at the Walworth County Fairgrounds

8e. Resolution No. **-06/22 Authorizing Use of Prior Year Vendor Refund to Increase Information Technology 2022 Budget for Digital Technology Software Solution

Director-Information Technology Jackie Giller cited her Memorandum and the resolution included in the packet (Pages 104-106); recommending to use the refunded monies toward software that would modernize forms and workflows, allowing for Health Insurance Portability and Accountability Act (HIPAA) and Americans with Disabilities Act (ADA) compliance. **Supervisor Stacey offered a motion, second by Supervisor Karbowski, to approve the resolution Authorizing Use of Prior Year Vendor Refund to Increase Information Technology 2022 Budget for Digital Technology Software Solution. Motion carried 5-0.**

8f. Resolution No. **-06/22 Authorizing Write Off of 2019 Personal Property Taxes Uncollectible in 2020

Walworth County Treasurer Valerie Etzel explained the write off process and stated the dollar amount is included in the 2022 budget. **Supervisor Stacey offered a motion, second by Supervisor Ingersoll, to approve the resolution Authorizing Write Off of 2019 Personal Property Taxes Uncollectible in 2020. Motion carried 5-0.**

8g. Recovery Grant Plan Financial Coaching/Economic Assistance (Walworth County Financial Futures Incentive Program)

Luberda provided explanation of the Recovery Grant Plan Financial Coaching/Economic Assistance program; noting the intent is to increase participation, in these already established programs, through economic incentives. Luberda reiterated that \$90,000 of American Rescue Plan Act (ARPA) Funding was appropriated for the 2022 budget, but the details surrounding the dollars were vague. He is looking for confirmation from this Committee that the program detail matches the purpose as presented in the original appropriation. **Supervisor Stacey offered a motion, second by Supervisor Ingersoll, confirming the program design meets the intended purpose of the application and to move forward and implement the already adopted budget. Motion carried 5-0.**

Chair Reiff excused herself from the meeting at 11:46 a.m.

8h. Resolution No. **-06/22 Authorizing the Creation of a Nutrition Site Worker Position and a Food and Nutrition Services Lead Position at Lakeland School

Director-Special Education Tracy Moate advised that Smigo Management Group Inc. informed her they will not exercise the option to renew their food service contract with Lakeland School for the 2022-2023 school year. Moate stated the two proposed positions are being added as part of a cooperative effort with Lakeland Health Care Center (LHCC.) She explained that Lakeland School will essentially piggy back off the purchasing contracts LHCC has in place for food, materials, and equipment; and the two staff will work solely out of Lakeland School to cook, prepare, and cleanup meals; along with reporting required Department of Public Instruction (DPI) data. **Supervisor Stacey offered a motion, second by Supervisor Ingersoll, to approve the resolution Authorizing the Creation of a Nutrition Site Worker Position and a Food and Nutrition Services Lead Position at Lakeland School. Motion carried 4-0.**

8i. Resolution No. **-06/22 Authorizing the Addition of State Child Welfare – Subsidized Guardianship Assistance Reimbursement Grant to Previously Established Pre-Approved Recurring Grants List

Conley stated this grant was included in the budget, but this is the first time it will be received. She noted that the resolution includes that the grant be added to the preapproved grant list in the event it is continued to be offered in the same manner for subsequent years. **Supervisor Ingersoll offered a motion, second by Supervisor Karbowski, to approve the resolution Authorizing the Addition of State Child Welfare – Subsidized Guardianship Assistance Reimbursement Grant to Previously Established Pre-Approved Recurring Grants List. Motion carried 4-0.**

8j. Resolution No. **-06/22 Accepting the Wisconsin Childcare Lead-in-WTR Initiative Funding and Establishing a Budget

Director-Health and Human Services (HHS)/Superintendent of County Institutions Carlo Nevicosi explained this funding will allow the Public Health Department to test for lead in drinking water at twelve county childcare facilities. He shared that if any lead is found the grant will also cover remediation costs. **Supervisor Stacey offered a motion, second by Supervisor Karbowski, to approve Accepting the Wisconsin Childcare Lead-in-WTR Initiative funding and Establishing a Budget. Motion carried 4-0.**

8k. Resolution No. **-06/22 Creating a New Capital Improvement Project and Budget Amendment to Purchase Three (3) 10K Gallon Brine Tanks and Equipment using Wisconsin Department of Transportation Routine Maintenance Agreement (RMA) Funds

Supervisor Stacey offered a motion, second by Supervisor Karbowski, to approve the resolution Creating a New Capital Improvement Project and Budget Amendment to Purchase Three (3) 10K Gallon Brine Tanks and Equipment using Wisconsin Department of Transportation Routine Maintenance Agreement (RMA) Funds. Motion carried 4-0.

8l. Resolution No. **-06/22 Authorizing the Public Works Finn Hydro Seeder to be Declared Surplus and Authorizing Staff to Dispose of the Asset

Supervisor Stacey offered a motion, second by Supervisor Karbowski, to approve the resolution Authorizing the Public Works Finn Hydro Seeder to be Declared Surplus and Authorizing Staff to Dispose of the Asset. Motion carried 4-0.

8m. Resolution No. **-06/22 Authorizing the Closure of Highway Project CTH U from CTH B to Kenosha County Line and Transferring Remaining Funds to the Road and Bridge Construction Committed Fund Balance

Supervisor Stacey offered a motion, second by Supervisor Karbowski, to approve the resolution Authorizing the Closure of Highway Project CTH U from CTH B to Kenosha County Line and Transferring Remaining Funds to the Road and Bridge Construction Committed Fund Balance. Motion carried 4-0.

8n. Village of Darien Tax Incremental Financing District (TID) #4 Creation and Consideration of County TID Project Funding Request for Future CTH X Reconstruction

This item was acted upon earlier in the meeting.

8o. Resolution No. **-06/22 Appropriating \$45,948 of ARPA SLCFR Funding from the Recovery Grants Fund for the Purpose of an Additional Payment to the Lakeshores Library System as a One-Time Payment to Meet the Plan for Library Service and all System Library Agreements
This item was acted upon earlier in the meeting.

8p. COVID-19/American Rescue Plan Act Financial Summary Update
Supervisor Stacey offered a motion, second by Supervisor Ingersoll, to accept the COVID-19/American Rescue Plan Act Financial Summary Update. 4-0.

Discussion ensued relative to the time of the next meeting.

Confirmation of next meeting date and time: The next meeting was confirmed for Thursday, June 23, 2022 at 10:00 a.m. pending approval by the full County Board of Supervisors at their June 14, 2022 meeting.

Adjournment

On motion and second by Supervisor Stacey and Supervisor Karbowski, Vice-Chair Schaefer adjourned the meeting at 11:53 a.m.