

FINANCE AND PERSONNEL COMMITTEE

March 7, 2017

The Finance and Personnel Committee met on Tuesday, March 7, 2017, at 9:00 a.m., in the County Board Room, located on the Third Floor of the Courthouse, 181 West Seminary Street, Richland Center, Wisconsin.

Committee members present included: Jeanetta Kirkpatrick, Fred Clary, Bob Bellman, Linda Gentes, Buford Marshall, Larry Sebranek and Don Seep.

Others present included: Victor Vlasak, County Clerk; Board members Marty Brewer, Bryan Myers, Kerry Severson; Aaron Joyce, WRCO; Tom Delagrave, The Peoples Community Bank; Alan Lins and Sharon Schmidt; and elected officials, department heads and employees.

Committee Chairman Kirkpatrick called the meeting to order.

The Clerk verified that the meeting had been properly noticed. Copies of the agenda were sent by email to all Committee members, WRCO and County department heads, a copy was posted on the Courthouse Bulletin Board and County web site and a copy was faxed to The Richland Observer.

Motion by Gentes, second by Marshall to approve the agenda, as amended. Motion carried.

Motion by Marshall, second by Sebranek to approve the printed copies of the minutes for the meeting held on February 7, 2017. Motion carried.

MIS Director Barb Scott distributed copies of an estimate from Michael Marshall Carpentry & Decorating in the amount of \$810.00 for labor and materials to install a new receptacle on the beam in the County Board room for the projector; conceal video cabling (provided by County) and remount the projector screen to allow for better up and down operation. The estimate included a note that upon job inspection it is felt that the cables can be concealed under the ceiling tiles. If this is found to be impossible, an additional charge for conduits similar to the fan wiring will be \$185.00. Scott stated that the fire chief was contacted because of two concerns. The first concern was the screen covering the exit sign and the second concern was that the unit would be run off of a power cord. Both concerns are OK. Scott estimated that there has been over \$2,000 spent on the project. Funds to complete the project are not available in the MIS budget. Clary noted that he would like to have the project completed and the cabling hidden. Bellman asked if there were any other bids. Scott stated that she did not know this issue was going to be on today's agenda, so she has not requested other estimates. Various options to conceal the cabling were discussed. Motion by Clary, second by Seep to complete the project with funding to come from the County Board budget. Discussion continued regarding options to conceal the cabling. Scott noted that the largest cost of the project is placing the cabling behind the wall. Motion by Gentes, second by Bellman to table the agenda item to allow time for Scott to get a cost for the conduit to conceal the cabling. Motion carried.

Tom Delagrave, Commercial Lender with The Peoples Community Bank, addressed the Committee requesting approval for a subordination agreement on the loan that Rick and Peggy DeYoung have from the County's Revolving Loan Fund. There is current a subordination agreement on record with the Community First Bank. The DeYongs are in the process of refinancing their existing first mortgage with The Peoples Community Bank on property located at 26426 Highway 14 East, Richland Center a/k/a The Homesteader's Store. Richland County currently holds a second mortgage on this property. The subordination agreement would allow The Peoples Community Bank to remain in a first mortgage position once the refinancing takes place. Motion by Clary, second by Marshall to approve the request. Motion carried.

The Committee discussed borrowing for the purchase of land for use as a sand pit by the Highway Department and for repairs to the roof of Melvill Hall on the UW-Richland Campus. Chairman Kirkpatrick reported that she contacted the County's financial advisor, Carol Wirth. Ms. Wirth's recommendation is that the County use the State Trust Fund Loan Program for borrowing. New bank regulations make it more complicated and costly to borrow from banks and would require the hiring of bond counsel. Highway Commissioner Jim Chitwood noted that Corporation Counsel Southwick is recommending that the purchase of the land for the sand pit move ahead before the appraisals become stale. Discussion took place regarding making payments on borrowing for the parcel from the Highway Department's annual budget versus placing it on the tax roll. The Committee discussed possible capital expenditures regarding the UW-Richland buildings. Bellman noted that the discussions regarding needs at the campus are preliminary at this time. Motion by Sebranek, second by Gentes to proceed with borrowing \$200,000 from the State Trust Fund Loan Program for the purchase of the land to be used as a sand pit by the Highway Department and to discuss borrowing for campus roof repairs when more information is available. Roll call vote. AYES: Sebranek, Marshall, Gentes, Seep. NOES: Clary, Kirkpatrick, Bellman. Ayes 4. Noes 3. Total 7. Motion carried.

The Committee reviewed the report on account deficiencies for the year 2016. Revenues collected were \$526,563.15 more than the amounts budgeted. Of this amount, sales tax revenues collected were \$151,402.49 more than anticipated in the budget. The unbudgeted revenues also included \$190,295.00 received from the closure of Richland Center Tax Incremental District # 5. Amounts from departments that did not spend all of their appropriations totaled \$115,777.37. Uncollected revenues that did not meet anticipated budget amounts totaled \$173,916.19. Departments whose spending was greater than the amounts budgeted totaled \$224,341.22. Once the audit is completed and accounts are closed, the General Fund should increase by \$244,083.11. Motion by Clary, second by Bellman to present a resolution for approval to transfer funds from the General Fund to cover the 2016 account deficiencies. Motion carried.

\$526,563.15	Excess Revenues
+115,777.37	Unexpended Appropriations
-173,916.19	Uncollected Revenues
<u>-224,341.22</u>	Account Deficiencies
\$244,083.11	Return to General Fund

Sebranek questioned the requirement that employees participate in the health plan. Chairman Kirkpatrick noted that employees are not required to have coverage under the health

plan with Unity. Clary explained that if the employee has the health plan and is participating in the Section 125 plan, they cannot withdraw from the health plan during the year because of IRS rules. The coverage change would have to be made for the next calendar year.

Chairman Kirkpatrick distributed a list of titles of County departments for a review of non-essential services.

Cathy Cooper, County Conservationist reviewed the services offered by the Land Conservation Department. Those services include work on the Mill Creek dams and stream sections; the Ash Creek Community Forest; Wildlife Damage Management; Land and water cost-sharing; Farmland Preservation; and a targeted Resource Management Grant for the Little Willow Creek. The only budget reduction is because one employee is not taking the health and dental coverage. Staffing levels were discussed. The lease agreement was discussed. The annual lease cost is \$11,000.00. Cooper noted that co-location with the Federal offices is an advantage for landowners and for the department. There would be costs in moving the office to another location.

The County Clerk's Department has no non-essential services.

Bellman, Chairman of the County Parks Commission, noted the non-mandated monetary support budgeted in the County Parks Fund that goes to other municipalities within the County. The recreation available at county parks draws people to the community. Cathy Cooper noted the hazard mitigation, because of lead contamination, that would need to take place if the sale of the Rifle Range was considered.

Chairman Kirkpatrick noted monetary savings by the decision not to fill the clerical position for Ambulance/Emergency Management that resulting from a retirement.

The Child Support Agency has no non-essential services.

LEJC Chair Clary noted that one employee in the Clerk of Court's office did not take the health insurance coverage which will result in a budgetary savings. A revenue enhancement program was explained by Clerk of Court Stacy Kleist.

Marshall, Chair of the Property Committee, noted funds could be saved in the courthouse budget by not purchasing two new heat pumps in 2017. The Property Committee will be discussing contracting mowing and snow removal services. The Property Committee is keeping an eye on a roof leak over the Victim Witness Office in the old section of the courthouse.

Clary reported that the District Attorney's office had no expense reduction suggestions.

Marshall, Chair of the Fair Committee, reported that no maintenance projects are scheduled for 2017 at the fairgrounds. Outside groups have funded some maintenance items.

Health and Human Services Director Patrick Metz reviewed a report of services provided by the Health and Human Services Department that are being reviewed. The items include:

- \$3,000.00 is a tax levy pass through to Passages.
- Older Americans Act programming in general is not mandated.
- The Low Vision Support Coordinator is a part-time position. The Senior Services Community Program Grant is in the amount of \$5,800.00 The recommendation is to lay off the person in the part-time position.
- Public Health – Senior Nutrition Program – The first option is leave the program as is. Another option is to close the Viola meal site based on low attendance at the site and services that are available through Vernon County. The home delivered meals at the Viola site are to Vernon County residents. Alternate nutrition sites are available in La Farge and Readstown. One cost to the program is in getting the meals from the UW-Richland campus to the Viola meal site. Elimination of the Viola Nutrition site would save \$20,000.00 of levy. The reorganizing of the overhead or management structure could save \$4,000.00 to \$5,000.00. Another option is to change the program to a restaurant model based upon a voucher program. Home delivered meals to Vernon County residents are reimbursed. The Rockbridge Nutrition site would move to Turbos in Hub City. Turbos has expressed interest in providing the meals. A couple of restaurants in Richland Center have expressed interest in providing the meals for the Richland Center site. Closing the Viola site made the most sense based upon cost savings and because other sites are available to the participants in that area.
- Public Health – The recommendation will be to take a half time public health nurse in the current structure and use that nurse in mental health outpatient psychiatry and eliminate the contract that is in place with the nurse that is currently providing the service. The result would be a \$40,000.00 savings.
- Economic Support – The Wisconsin Home Energy Assistance Program and Child Care Administration leased position would be laid off and other staff in the agency would be utilized to provide those services. The savings would be about \$59,000.00 in levy.
- Clinical Mental Health Outpatient Program. – Currently 260 people are served through psychiatry and another 400 to 600 through outpatient. These are essential services. The department has started downscaling mental health outpatient services and limiting psychiatry. Elimination of the service would require the hiring of additional crisis staff.

Highway Commissioner Jim Chitwood noted consequences of not spending by his department and how it affects transportation aids. The Highway Commission will discuss not doing a good chunk of CHIP sealing in 2017. One vacant position in the department will not be filled. An employee was added last year because of the excess State work that was available. That State work will not be available in 2017.

LEJC Chair Clary noted the tax levy increase resulting from separating the Probate office from the Clerk of Court's office when developing the 2017 budget. Clerk of Court Kleist noted the difficulty in developing the 2017 Probate office budget because there was no experience the first year with office costs.

The Management Information Systems Department noted that the third position in the Department could be eliminated, but it would impact maintenance of the County web site.

Pine Valley Trustee Clary reported that all non-essential items have already been addressed in the move to the new building. The goal is to get the CBRF filled because it is a revenue source. The purchase of a new dish washer and the switch to geo thermal should reduce operation costs. Some staffing levels have been reduced to “.9”. A suggestion has been made to change the Veterans holiday to a floating holiday to save money. The purchase of new therapy equipment is resulting in additional revenues. Of the \$243,689.00 levy received by Pine Valley, \$200,000.00 will be dedicated toward payment of a portion of the annual debt payment on the new facility.

Register of Deeds Sue Triggs noted that the services and fees for her department are set by statute. The internet service is the only non-essential service provided by the department; however, the site is utilized by the banks and realtors and does generate some revenue for the department. Beginning in 2018, vital records from anywhere in the State can be purchase at any Register of Deeds office.

Clary, LEJC Chair, reported that the Committee will be looking into costs relating to administrative holiday pay and vacation time. The filling of the vacant Lieutenant’s position is being delayed. The institution of a booking fee will be discussed. The electronic monitoring program will be expanding.

The County Treasurer had no expense reduction suggestions.

Marty Brewer reported that the Extension Department is waiting to see what will happen with the proposed sharing of Agents. One agent position at the department has not been filled. A question of continuance of the office location will need to be asked if the shared agents are no longer located in Richland County. The level of support staff will also be affected. Brewer noted that office space will be available in the building.

Bryan Myers reported that there are numerous small things that the Symons Natatorium is doing to reduce operating costs.

Chairman Kirkpatrick noted that the Campus Meal Service operates without levy dollars.

Zoning Administrator Mike Bindl noted that development of the plat books and aerial photos are not mandated services in the Zoning Deptment.

Chairman Kirkpatrick distributed to Committee members a listing of strategies for reducing expenses and increasing revenues. Committee members are to rank the items with a score of 4 being an action that the committee members would most support, a score of 3 being the next highest action they would support and a score of 1 being the last item they would support. The items on the list were:

- Dental insurance premium 100% paid by employees.

- Phase out and reduction of the cap for banked sick leave.
- Increase the percent of the health insurance premium paid by employees.
- Impose a hiring freeze.
- Reinstate furlough days.
- Reduce the work week to 32 hours.
- Pass a referendum to exceed the tax levy limit.
- Offer a resolution to reduce 2018 departmental levy allocations.
- Reduce services, programming and support staff.
- Joint agency status for HHS intake workers for child and adult protective services and public health nurses.
- Joint agency status for veterans' services.
- Elimination of County Board members' per diems.
- Review/assess the need for committee appointments.
- Divest of County assets: Rifle range, Ash Creek Forest, Pine Valley Community Village, Pine Valley crop land and/or UW-Richland campus.
- Implement a wheel tax.
- Increase zoning and other user fees.

Others items to discuss include:

- Explore economic development with city or other entity.
- Hire county administrator and/or financial director for more oversight of County finances.
- Study of staffing patterns to explore duplication of services/reduction of staff.

The implementation of a wheel tax was discussed. Chairman Kirkpatrick noted that currently a referendum is not required to implement the wheel tax. Highway Commissioner Chitwood noted that the wheel tax only applies to cars and trucks. Also noted was the fact that 50% of the County's 297 miles of county roads are past the point of doing maintenance activity.

Committee members will rank the items on the listing of strategies and bring the forms back for discussion at the Committee's March 21st meeting.

Committee members reviewed copies of the investments and trial balance reports as of February 28, 2017. County Treasurer Keller distributed copies of the cash balance history as of February. \$187,289.00 was budgeted in 2017 for the Institutional Children's' Cost Fund. The current available balance in the Fund as of March 7th is \$137,426.11.

Discussion took place regarding the establishment of a committee to review the Handbook of Personnel Policies and Work Rules and also the departmental addendum.

Committee meetings are set for March 21st at 1:00 p.m., April 4th at 9:00 a.m. and April 11th at 9:00 a.m.

Property Committee Chairman Marshall reviewed the bids received for the demolition of the house on the Tax Deed parcel located at 314 East Mill Street, Richland Center. A bid was

received from Gary Manning in the amount of \$10,750 and from Rich Wanless (Wanless Construction) in the amount of \$9,250.00. Motion by Bellman, second by Sebranek to present a resolution for acceptance of the low bid from Rich Wanless based upon the recommendation from the Property Committee and for approval to appropriate \$9,250.00 from the Contingency Fund for the project. Motion carried.

Motion by Bellman, second by Marshall to take from the table and bring back onto the floor for discussion the estimate received regarding the cabling for the County Board room video system. Barb Scott reported that Mike Marshall will run the conduit. This will result in no change to the estimate. Motion carried.

Motion by Marshall, second by Sebranek to adjourn. Motion carried. The meeting adjourned at 12:06 p.m.

Victor V. Vlasak
Richland County Clerk