

MEETING OF ADMINISTRATION COMMITTEE
OCTOBER 11, 2023
Minutes

Committee members present: Chairman Billy Fried, Ted Cushing, Tom Kelly, Russ Fisher and Steven Schreier.

Call to order: Chairman Fried called the meeting to order at 8:30 a.m. in the County Board Room of the Oneida County Courthouse. The meeting has been properly posted and mailed in accordance with the Wisconsin Open Meeting law and the facility is handicap accessible.

Approve agenda: Motion by Schreier/Cushing to approve today's agenda with the order of items at the Chair's discretion. All aye; motion carried.

Continue 2024 Budget Hearings

Smigielski reported that over the last two days there have been several modifications made which had decreased the deficit from \$1.4 million to \$721,000. Smigielski reported that the estimated levy is proposed at \$19 million as proposed to last years \$18 million levy amount.

Public Works

- Highway Department – Smigielski reported that included in the levy amount is \$875,000 in County Highway – Bridge Aid. Alex Hegeman, Highway Commissioner, and Jeri Cooper, Office Administrator, were present to discuss the Highway Department budget. Hegeman gave an overview of the Bridge Aid. Hegeman reported the Bridge Aid amount is a pass through to the towns that have applied for help with bridge aid and the tax levy is passed onto the towns. Discussion regarding the Bridge Levy and how that is administered. Cooper gave an overview of the highway budget. Smigielski reported that the tax levy amount assigned to the Highway Department has remained the same for approximately the last 15 years. Discussion regarding how the Highway Department has been able to maintain services to county highways without an increase in tax levy. Discussion regarding funds that come into the Highway Department from federal, state and CIP to cover expenses. Fried expressed concern with maintaining the CIP funding to help cover equipment costs and road improvement projects in the future. Discussion regarding fund balances that are rolling over at the Highway Department. Smigielski reported that if there is unused levy in the Highway Department that rolls into the Highway Department continuing appropriation and is not returned to the general fund. Holewinski cautioned against taking away from highway department as that directly impacts the ability to maintain the roads. Discussion regarding staffing levels. Schreier questioned if the highway department can be a source for towns to purchase brine for roads and help to offset that cost. Hegeman reported that switching from sand to brine on the county roads isn't a cost savings. Motion by Fried to forward the Highway Department Budget as presented onto the County Board for the 2024 budget hearing. Seconded by Cushing. All aye; motion carried.
- Solid Waste Department – Smigielski reported that Solid Waste does not receive any tax levy and in 2024 there are general fund subsidies. Smigielski reported that Solid Waste is a self-supporting business enterprise. Lisa Jolin, Solid Waste Director, reported that 2023 ended positively and they are anticipating to break even in 2024. They are seeing an increase in revenue over the last few years and are anticipating an increase in revenue of around \$300,000. Jolin gave an overview of the Solid Waste budget and explained where the increases are budgeted. Discussion regarding revenue accounts. Discussion regarding the 2022 surplus of \$588,778. Discussion regarding the loans that the Solid Waste Department has from the County general fund and paying those back. Discussion regarding the cell tower lease and where the revenue will be held. Jolin reported that the lease and revenue have not been finalized and were not budgeted. Jolin reported that when it is built there will be a

monthly revenue of \$800/month. Jolin reported that there will be an anticipated revenue of \$200,000 in 2023, however, that doesn't account for depreciation. Holewinski stated that he would like to see a resolution brought that allows for Solid Waste to build a reserve fund and anything over that amount is returned to the county. Motion by Fried to forward the Solid Waste budget as presented and forward to the County Board for consideration. Seconded by Schreier. All aye; motion carried.

Administration Committee

- Humane Society – Smigielski reported that the levy amount going to the Humane Society is \$43,900 and they also receive the dog license fees. Motion by Fried to approve the Humane Society budget as proposed and forward to the County Board for their consideration in the 2024 budget. Seconded by Kelly. All aye; motion carried.
- Airport – Smigielski gave an overview of the Airport budget. Motion by Fried to approve the Airport budget as proposed and forward to the County Board for their consideration in the 2024 budget. Seconded by Cushing. All aye; motion carried.
- Information Technology – Jason Rhodes, ITS Director, and Marie Thompson, ITS Office Coordinator, were present to review the ITS Budget. Rhodes reported that personnel are remaining the same for 2024. Rhodes reported that they are working with other departments to transfer leasing fees into the IT department, however, Rhodes didn't budget for that in 2024. Discussion regarding the leasing agreements and budget. Discussion regarding the leases. Rhodes gave an overview of the requested increases in the budget due to software maintenance and diggers hotline fees. Discussion regarding continuing appropriation accounts. Rhodes gave an overview of the accounts and how they are used. Fried asked if there are any continuing appropriation funds that could be applied to department funds for 2024 to help offset the levy amount. Holewinski stated that if the fund doesn't cover an emergency in the IT office Rhodes can come back to the Administration Committee to use general fund money. Schreier expressed support of the proposed change to the budget, however, if by the end of budget hearings there is a surplus then the proposed changes will be reconsidered. Motion by Fried to increase the Information Technology Department central copier lease budget by \$4400 and to utilize \$15,400 to reduce the IT Department tax levy request from the applied continuing appropriation Information Technology Services. Seconded by Cushing. All aye; motion carried. Motion by Fried to forward the amended ITS Budget onto the County Board for consideration in the 2024 budget. Seconded by Schreier. All aye; motion carried.
- County Clerk/Insurance and Risk Management/County Board and Committees – Smigielski stated that there was a \$60,000 revenue included in insurance budget that should not have been included. Discussion regarding the insurance budget and the amount included for increases to the premiums. Motion by Fried to amend premium dividend refund and remove \$60,000 from the revenue line. Seconded by Schreier. All aye; motion carried. Motion by Fried to forward the Clerk's Budget as amended to the County Board for consideration in the 2024 budget. Seconded by Fisher. All aye; motion carried.
- Economic Development – Verdoorn stated that the base budget should be \$96,500 with an additional \$10,300 for additional hours to help manage the broadband project for a total budget of \$106,800. Discussion regarding the request for additional hours. Discussion regarding using the ARPA Funds that were set aside to pay for broadband consultants to cover the \$10,300 request. Motion by Fried to amend the OCEDC budget request to return it to \$96,500. Seconded by Schreier. All aye; motion carried. Motion by Fried to forward the OCEDC budget as amended to the 2024 budget hearings. Seconded by Schreier. All aye; motion carried.

Recess – 10:45 a.m.

Return to Session – 10:55 a.m.

Agencies

- Library Board – Pat Pechura, Library Board President, was present to give an overview of the library board budget. Discussion regarding the services that are provided by local libraries. Discussion regarding the funding level that is required through the state versus what has been approved in the past. Motion by Kelly to forward the Library budget to the County Board for approval. Seconded by Schreier. All aye; motion carried.
- Tourism Council – Krystal Westfahl, Minocqua Chamber of Commerce, gave an overview of the budget request and reported that they do not have any continuing appropriation amounts. Discussion regarding the additional request of \$5,758 due to a JEM Grant match request. Lauren Sackett, Rhinelander Chamber of Commerce, reported that the Oneida County Tourism budget does not directly impact the local chambers of commerce. The funding from Oneida County goes to the Oneida County Tourism Council which does marketing for all of Oneida County, including businesses that are not members of the chambers. Discussion regarding room tax and how that funding is used. Motion by Fried to amend the request from the Oneida County Tourism and move it to the 2023 budget level of \$80,000 levy request which is a decrease of \$5,758. No second, motion fails. Motion by Schreier to approve the Tourism Counsel Budget as presented and forward to the full county board. Seconded by Kelly. Four aye; one nay; motion carried.
- Human Service Center – Tamara Feest and Keith Hazelton were present to give an overview of the HSC budget. The Human Service Center budget request is for \$975,709 for 2024. Hazelton stated that Vilas County has decreased the HSC budget and if Oneida County follows suit the Oneida County budget would be decreased by \$174,193. Hazelton reported that the HSC board has voted to provide a rebate to the counties and at this time there is a proposed rebate to Oneida County of \$228,000, however, that will be based on the 2023 audit. Holewinski questioned what the fund balance is. Hazelton stated that the fund balance totals \$5.5 million with internal restrictions of \$536,000 in a building improvement fund and \$282,000 in an ITS improvement fund leaving around \$4.7 million as unrestricted funds. Hazelton stated that the HSC budget is \$15 million with \$1,819,441 of that provided by the three member counties. Fried questioned if the fund balance could be used to fund 2.5 years' worth of county contributions. Hazelton expressed concern with using the fund balance at this time due to unknown expenses when the HSC is closed down. Hazelton reported that approximately \$700,000 per year is received at the end of the year and the reserve funds are used to help cover those expenses while waiting for the reimbursements to come in. Discussion regarding vacancies and staffing level at the HSC. Hazelton reported that there were 56 FTE budgeted and there have recently been 4 resignations. Hazelton stated that there were two positions added for 2024. Fried questioned if the HSC could use the fund balance to cover the counties portion of the budget. Hazelton stated that if at any point during the year the fund balance is depleted the county will need to fund the deficit in the budget. Holewinski stated that the risk has always been present that if the fund balance is depleted the county would need to cover any additional needs. Holewinski expressed support for cutting the HSC budget. Schreier stated that at the very least Oneida County should cut \$174,193 from the HSC Budget and expressed concern with cutting the budget to zero. Fried stressed that the services will remain and the intention is not to eliminate the ability to provide the services, the intention is to bring the surplus to a reasonable amount. Rideout cautioned that if the full budget is cut that will create a hole in the 2025 levy budget. Cushing expressed concern with cutting the budget too far and losing services and staffing at the HSC. Motion by Cushing to reduce the HSC Budget by \$174,193. Seconded by Schreier. Discussion regarding the reduction. Discussion regarding the surplus and how that is controlled. Discussion regarding returning the surplus to the counties. Hazelton stated that the HSC is responsible for all payments and there are cash flow needs that the surplus helps to cover while waiting for reimbursement. Fried, nay; Cushing, aye; Fisher, nay; Schreier, aye; Kelly, aye. Motion carried.

Schreier questioned the \$100,000 that has previously been budgeted for the Sheriff's Office and was not included in the budget for 2024. Smigielski gave an overview of the services that were previously provided by the HSC and were added to the Sheriff's Office in 2022.

Smigielski reported that the 2021 rebate from the HSC was used to defray the costs to the Sheriff's Office in 2022 and 2023. Smigielski reported that in the 2024 budget the Sheriff's Office has budgeted for service. Motion by Fried to reduce the HSC request from the 2024 tax levy and to reduce it to \$0. Seconded by Fisher. Schreier, nay; Kelly, nay; Fried, aye; Cushing, nay; Fisher, aye; Motion failed.

Motion by Fried to amend the HSC budget to increase the reimbursement of expenditure by \$228,428. Seconded by Schreier. Fried, aye; Cushing, aye; Fisher, aye; Schreier, aye; Kelly, aye. Motion carried. Motion by Fried to forward the amended HSC Budget to the County board for the 2024 budget. Seconded by Schreier. All aye; motion carried.

Recess: 12:47 p.m.

Return to session: 12:58 p.m.

Smigielski reported that the budget is at \$317,621 deficit.

Contingency & Transfers/Cost of Living Adjustments, Benefits Package and annual hours per year –

ARPA & CIP – Charbarneau reported that the WERC recommended increase is 6.26% for January 2024. Lueneberg reported that the increase that was approved in 2023 has helped with recruitment. Smigielski reported that departments were told to budget for a 4% increase and the remaining 2.26% COLA increase has been budgeted for in the contingency budget. Charbarneau reported that the health insurance increase for 2024 is 9.9%. Charbarneau gave an overview of the proposed insurance increases and options of how to change premiums to help cover the 9.9% increase. Discussion regarding the various plans that are available. Motion by Fried to amend the contingency budget - cost allocation – Health/Fringe – by \$40,000 and eliminate the line item. Seconded by Schreier. All aye; motion carried.

Smigielski reported that the sales tax has been estimated at \$7,060,000 which is what was projected by Forward Analytics. Review of the interest on taxes, penalty on taxes and shared revenue. Smigielski reported that local Department Charges – Indirect Cost is budgeted at \$45,000, however, there are areas that can be charged back to grants and business units within the county. Smigielski would recommend this is looked at for 2025.

Smigielski reported that the county will be finishing 2023 with approximately \$900,000 in interest and the budget was at \$210,000. Currently the 2024 budget is set for \$500,000 and Smigielski believes the interest could be increased to \$800,000. Discussion regarding interest rates and the amount of funds that are getting interest. Motion by Schreier to increase the interest income from \$500,000 to \$1,000,000. Seconded by Fisher. All aye; motion carried.

Discussion regarding the bond guaranty fee, bond guaranty related expenses and bond proceeds. Other professional services for \$200,000 is a placeholder for the findings from the SWOT assessments. Smigielski reported that the contractual programs is the line item where funds are placed for unanticipated expenses (ie: legal fees, ITS unplanned projects, etc). This fund is zeroed out by the end of the year and transferred to other departments. Smigielski reported that this would be where the HSC study could come out of it. Motion by Schreier to increase contractual programs line item by \$52,379. Seconded by Cushing. All aye; motion carried. Motion by Fried to forward the contingency budget as amended to the County Board for consideration in the 2024 budget. Seconded by Schreier. All aye; motion carried.

- Finance Department/Central Purchasing/Postage/Duplication/Telephone – Smigielski gave an overview of the finance budget and the staffing level. Motion by Fried to forward the Finance budget as presented to the county board for the 2024 budget discussion. All aye; motion carried.

Smigielski presented the ARPA and CIP plans. Discussion regarding the three new ARPA projects that were presented for 2024. There is an additional \$400,000 for highway constructions, \$1,100,000 for patrol truck purchases and County Board reserve of \$120,033. Fried would like to see the County board paperless project returned to the ARPA project list. Fried reported that the request was for \$25,000. Motion by Fried to amend the ARPA request budget to include \$25,000 for the paperless solution. Seconded by Cushing. Discussion regarding decreasing the ARPA contingency by the same amount. All aye; motion carried. Motion to approve the ARPA projects as presented and forward to the County board for the 2024 budget approval. Seconded by Schreier. All aye; motion carried. Discussion regarding the proposed 2024 Capital Improvement Projects. Holewinski stated that the Sheriff has reported that the request for the flooring that is currently budgeted for \$100,000 could be supplemented by \$50,000 in funds from the Jail Assessment fees. Motion by Fried to amend the CIP request on flooring/carpet replacement and amend the funding mechanism to reduce by \$50,000 from the general fund and take \$50,000 from jail assessment fees. Seconded by Kelly. Zero aye; all nay. Motion defeated. Motion by Fried to amend a CIP to include \$50,000 from the jail assessment fund to provide for flooring at the Law Enforcement Center. Seconded by Schreier. All aye; motion carried. Motion by Fried to forward the 2024 CIP Projects as amended to the County board for consideration for the 2024 budget. Seconded by Fisher. All aye; motion carried.

2:00 p.m. – Cushing excused

2023 Budget Review, Possible Changes and Approval – Smigielski reported that after the changes the budget is \$170,000 to the positive. Smigielski reviewed changes that were made to revenues over the last few days that department heads expressed concern with. Holewinski encouraged the committee to leave the \$170,000 as a surplus and not make any further changes to the department budgets. Motion by Fried to move the 2024 budgets as amended onto the November County board Budget Hearing. Seconded by Schreier. Smigielski clarified that the budget, ARPA, and CIPs will come as separate resolutions. All aye; motion carried.

Public Comment - None

Future Meeting Dates – The next meeting will be Monday, November 6th at 9:00 a.m.

Adjourn – Fried adjourned the meeting at 2:20 p.m.

Respectfully submitted,
Tracy Hartman, Recording Secretary
Oneida County Clerk