

## AGENDA

Eau Claire County  
Committee on Finance and Budget  
Thursday, June 23, 2016 / 4:30 pm

721 Oxford Avenue  
Eau Claire County Courthouse – Room 1273  
Eau Claire, WI 54703

1. Call Meeting to Order
2. Handling of Vouchers and Payments over \$10,000 / Discussion – Action \*  
(\*information to be sent by Corporation Counsel prior to or at the meeting)
3. Proposed Resolution / File No. 16-17/015 “Disallowing the Claim of Sandra L. West Filed on May 6, 2016 Against Eau Claire County / Directing the County Clerk to Notify the Claimant of Said Disallowance” / Discussion – Action (pg. 3-4)
4. Proposed Resolution / File No. 16-17/025 “Disallowing the Claim of Robert H. Shugarts Filed on May 23, 2016 Against Eau Claire County; Directing the County Clerk to Notify the Claimant of Said Disallowance” / Discussion - Action (pg. 5-6)
5. In-Rem vs. Tax Deed / Consideration and Discussion of Process (pg. 7-10)
6. Proposed Ordinance / File No. 16-17/020 “To Repeal Section 4.19.030 C. & D of the Code: Interest and Penalties on Delinquent Taxes” / Discussion – Action (pg. 11-12)
7. Referral / Ordinance / File #16-17/006 / “To Create Chapter 2.95 of the Code: Living Wage” / Report Back to County Board / Discussion – Action (pg. 13-21)
  - Survey Questions Sent (pg. 22-23)
  - Summary of Living Wage Survey (pg. 24-27)
  - 2015 Vendor Listing (pg. 28-29)
  - National Poverty Levels (pg. 30)
  - Potential Impact of Living Wage Ordinance for ADRC (pg. 31-32)
  - Living Wage Analysis
    - Constant 100% of Poverty Level (pg. 33)
    - Poverty Scale 100% to 110% (pg. 34)
    - Poverty Scale 110% to 130% (pg. 35)
8. Budget Survey / Discussion - Action
  - Budget Calendar / Timeline Review (pg. 36-38)
9. Internal Controls / Progress, Planning and Priorities / Discussion – Action
10. Finance Department Financial Matters / Discussion-Action
  - Update on County Sales Tax Report / Discussion (pg. 39)
  - County Board Vouchers (if any)
  - Line Item Transfers (if any)

11. Committee Review/Approval of Minutes / Discussion – Action

- May 12, 2016 (pg. 40-42)

12. Future Agenda Items / Set Next Meeting

13. Adjourn

Post: June 17, 2016

Copy: media, Committee members, Kathryn Schauf, Scott Rasmussen, Glenda Lyons, Janet Loomis, Keith Zehms, Tim Sullivan, Michael Halloin

PLEASE NOTE: Upon reasonable notice, efforts will be made to accommodate the needs of individuals with disabilities through sign language, interpreters or other auxiliary aids. For additional information or to request the service, contact the County ADA Coordinator at 839-4710, (FAX) 839-1669 or 839-4735, tty: use Relay (711) or by writing to the ADA Coordinator, Human Resources, Eau Claire County Courthouse, 721 Oxford Avenue, Eau Claire, WI 54703.

**FACT SHEET**

**TO FILE NO. 16-17/015**

This resolution disallows the claim filed on May 6, 2016 of Sandra L. West in which Ms. West claims that on April 15, 2016 while driving eastbound on Hwy 312 she came across a section of patchwork that had come loose about the size of a bowling ball, Ms. West struck this chunk with her car causing damage. The claim was reviewed by the Eau Claire County Highway Patrol Superintendent who states that at the time of the incident there were no county vehicles, staff or equipment in the area. Jackie Kaul, Liability Claim Representative from WMMIC, the County's liability carrier states that based on her investigation of the facts, it has been determined that Eau Claire County has no liability for this claim.

The county's liability insurance carrier WMMIC recommended that the claim be disallowed and I concur with that recommendation.

Respectfully Submitted,



Keith R. Zehms

KRZ/yk

Ordinance/16-17/015 Fact

2  
3 -DISALLOWING THE CLAIM OF SANDRA L. WEST FILED ON MAY 6, 2016 AGAINST EAU  
4 CLAIRE COUNTY; DIRECTING THE COUNTY CLERK TO NOTIFY THE CLAIMANT OF  
5 SAID DISALLOWANCE-

6  
7 WHEREAS, on May 6, 2016, Sandra L. West filed a claim against Eau Claire County  
8 with the Eau Claire County Highway Department; and

9  
10 WHEREAS, Sandra L. West claims that on April 15, 2016 she while traveling eastbound  
11 on Hwy 312 before the lights on Jeffers Road in the County of Eau Claire she encountered patch  
12 work with chunks of cement on the road. Ms. West claims that she ran over a large chunk of  
13 concrete the size of a bowling ball that caused damage to her vehicle; and

14  
15 WHEREAS, after review of the claim by the Eau Claire County Highway Patrol  
16 Superintendent it was determined that there were not any county vehicles, staff or equipment in  
17 the area at the time of this incident; and

18  
19 WHEREAS, after a review of the incident by WMMIC, the county's liability carrier, it is  
20 determined that Eau Claire County has no liability for this claim.

21  
22 NOW, THEREFORE, BE IT RESOLVED that the Eau Claire County Board of  
23 Supervisors hereby formally disallow the claim of Sandra L. West against the County of Eau  
24 Claire.

25  
26 BE IT FURTHER RESOLVED that the county clerk is hereby directed to notify Sandra  
27 L. West of the disallowance.

28  
29 ADOPTED;

30  
31 \_\_\_\_\_  
32 \_\_\_\_\_  
33 \_\_\_\_\_  
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37 \_\_\_\_\_  
38 \_\_\_\_\_  
39 \_\_\_\_\_

40 Committee on Finance & Budget

41 KRZ/yk

42 Dated this \_\_\_\_\_ day of \_\_\_\_\_, 2016.

43  
44 ORDINANC/16-17/015

**FACT SHEET**

**TO FILE NO. 16-17/025**

This Resolution disallows the claim of Robert H. Shugarts filed by his attorney, Harry Hertel with the County Clerk on May 23, 2016. Robert Shugarts claims that the county did not provide underinsured motorist coverage as is required by Wisconsin law for all equipment owned by Eau Claire County. After review of the claim by WMMIC the County's liability carrier it was determined that Eau Claire County has no liability for this claim. Eau Claire County did provide underinsured motorist coverage that complies with Wisconsin State Law.

Fiscal Impact: None.  
Respectfully Submitted,

Keith R. Zehms  
Corporation Counsel

KRZ/yk

Ordinance/16-17.025 Fact

1 Enrolled No.

2 RESOLUTION

3 File No. 16-17/025

4 - DISALLOWING THE CLAIM OF ROBERT H. SHUGARTS FILED ON MAY 23, 2016  
5 AGAINST EAU CLAIRE COUNTY; DIRECTING THE COUNTY CLERK TO NOTIFY  
6 THE CLAIMANT OF SAID DISALLOWANCE-

7 WHEREAS, on May 23, 2016, Attorney Harry Hertel filed a claim on behalf of Robert H.  
8 Shugarts against Eau Claire County through the county clerk; and

9  
10 WHEREAS, Robert H. Shugarts claims that Eau Claire County failed to provide  
11 underinsured motorist coverage as is required by Wisconsin law for all of the equipment owned by  
12 Eau Claire County; and

13  
14 WHEREAS, after a review of the incident by WMMIC the County's liability carrier it is  
15 determined that Eau Claire County has no liability for this claim. Eau Claire County did provide  
16 underinsured motorist coverage that complies with Wisconsin State Law; and

17  
18 NOW, THEREFORE, BE IT RESOLVED, that the Eau Claire County Board of  
19 Supervisors hereby formally disallows the claim of Robert H. Shugarts against the County of Eau  
20 Claire.

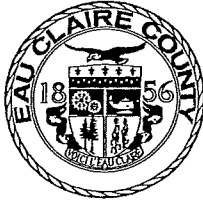
21  
22 BE IT FURTHER RESOLVED that the county clerk is hereby directed to notify Robert H.  
23 Shugarts through his attorney Harry Hertel of the disallowance.

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35 \_\_\_\_\_  
36 \_\_\_\_\_  
Committee on Finance & Budget

37 KRZ/yk

38 Dated this \_\_\_\_\_ day of \_\_\_\_\_, 2016.

39 ORDINANC/16-17/025



OFFICE OF CORPORATION COUNSEL  
EAU CLAIRE COUNTY  
EAU CLAIRE COUNTY COURTHOUSE  
721 OXFORD AVENUE, SUITE 3520  
EAU CLAIRE, WI 54703  
(715) 839-4836  
FAX: (715) 839-6243



CORPORATION COUNSEL  
Keith R. Zehms

ASSISTANT  
CORPORATION COUNSEL  
Timothy J. Sullivan  
Sharon G. McIlquham  
Richard A. Eaton

## Memorandum

**SUBJECT:** Tax Deeds: In Rem vs Tax Deed  
**FROM:** Tim Sullivan, Assistant Corp. Counsel; Michael Halloin, Law Clerk  
**DATE:** June 15, 2016

### Tax Certificates:

Both the tax deed process and the in rem process commence with the issuance of a tax certificate by the Treasurer. Tax certificates are issued on September 1<sup>st</sup> of each year for "*parcels of real property on the tax roll for which real property taxes, special charges, special taxes or special assessments remain unpaid at the close of business on August 31.*" Notice of the tax certificate is mailed to each owner of record within 90 days of the issuance of the tax certificate pursuant to Wis. Stats. § 74.59 (1). Tax certificates are valid for a period of 11 years, and then they become void, Wis. Stats. § 75.20(1). The issuance of a tax certificate constitutes the beginning of the redemption period. For each year there are delinquent taxes, a new certificate is issued; paying the associated delinquent taxes interest and penalties removes the certificate.

### Tax Deed Process: Current Method

After the three year redemption period has expired, the tax deed process begins with a notice for application of a tax deed that contains all of the required information as set forth in Wis. Stats. §75.12. The notice for application of a tax deed must be sent to the tax payer at least 90 days prior to the county taking a tax deed. After the 90 days has expired, and if the taxes have not been redeemed, the County Clerk may issue a tax deed to the county, thus transferring title of the property to the county. Wis. Stats. §75.14. After the Treasurer issues the tax certificate, a majority of the work is then done by the County Clerk, including sending notice, negotiating payment plans with the owners, issuing the tax deed, negotiating a time line for the prior owners to vacate the property and the sale of the property. Generally, the tax deed process only deals with individual parcels of land.

### **In Rem: Wis. Stats. § 75.521 et. al.**

An in rem action, as set forth in Wis. Stats. § 75.521, is literally an action against the underlying property. The in rem process is intended to allow the county to quickly process multiple properties in a single action.

The redemption period for the in rem process is shorter, with only a two year redemption period between the issuance of a tax certificate and the county's ability to foreclose on the property. In rem is processed in the offices of the Treasurer and the Clerk of Court, with the circuit court ultimately issuing an order foreclosing on the lien that is the tax certificate. After the two year redemption period has passed, the Treasurer may file a list of parcels, which are affected by unpaid tax liens as shown by the tax certificates in the Treasurer's office, with the Clerk of Court. Once the list has been filed with the Clerk of Court, the Treasurer is required to post notice within the Treasurer's office, and cause to be published a class 3 public notice. Said notice shall be published with a redemption date of at least 8 weeks from the date of first publication. Wis.Stats. §75.521(6). After the 8 weeks have passed, and if the taxes have still not been paid, or no answer has been filed with the Clerk of Court by either a landowner or other interested party, application can be made to the Circuit Court for an order foreclosing the lien on the property (the tax certificates). Upon foreclosure, the title is subsequently transferred to the county. The in rem procedures are processed primarily by the County Treasurer. The Corporation Counsel is involved for matters that go before the Circuit Court including the drafting of any petition, motion, application of foreclosure, or other related orders. The County Clerk could remain involved with the sale of the property once title is transferred to the County or the responsibility could be transferred to the County Treasurer.

### **Adopting In Rem**

If the county board decides to adopt the in rem process, the county will need to adopt an ordinance electing to adopt the provisions of Wis. Stats. § 75.521. Once adopted, the provisions of Wis. Stats. § 75.521 supersede the other provisions related to the tax deed process, and the county will be required to use the in rem process for at least one year. In order to rescind the in rem process, the county board would need to adopt another ordinance that rescinds the in rem process. Wis. Stats. § 75.521(2)(b).

Potentially changes would need to be made to Sections 4.20.010, 4.20.020 and 4.20.040 of the Eau Claire County Code, depending on how the County Board decides to structure the duties.



### Summary of Responsibilities

	Tax Deed Process	In Rem Process
<b>Treasurer</b>	<ul style="list-style-type: none"> <li>- Issues tax certificates</li> <li>- Maintains a list of properties with delinquent payments.</li> </ul>	<ul style="list-style-type: none"> <li>- Issues tax certificates</li> <li>- Maintains a list of properties with delinquent payments.</li> <li>- Files a list of parcels that have two outstanding tax certificates with the Clerk of Court.</li> <li>- Publishes and posts notice of foreclosure</li> <li>- In some counties, the Treasurer is responsible for the maintenance and sale of acquired property.</li> </ul>
<b>County Clerk</b>	<ul style="list-style-type: none"> <li>- May issue a tax deed after the three year redemption period expires, if proper notice has been given to the taxpayer.</li> <li>- Currently responsible for the maintenance and sale of acquired property.</li> </ul>	<p>No involvement is statutorily required.</p> <p>-</p> <p>Responsible for the sale of property once acquired by the county</p>
<b>Clerk of Courts</b>	No involvement is statutorily required.	<ul style="list-style-type: none"> <li>- Receives affidavit of notice.</li> <li>- Receives answers from taxpayers.</li> <li>- Maintain records of foreclosure proceedings</li> </ul>
<b>Corporation Counsel</b>	No involvement is statutorily required. Provides legal advice, and is responsible for the eviction of "holdover" tenants	<ul style="list-style-type: none"> <li>- Involved for any proceedings involving the Circuit Court, including the drafting petitions, motions, applications of foreclosure, and other orders.</li> </ul>

CC: Janet Loomis, County Clerk  
 Glenda Lyons, County Treasurer



## OFFICE OF COUNTY TREASURER

EAU CLAIRE COUNTY COURTHOUSE

721 OXFORD AVENUE

EAU CLAIRE, WI 54703-5478

715-839-4805 • 715-839-6025 FAX



Glenda J. Lyons  
County Treasurer

Tina Pommier  
Office Manager

To: Finance and Budget Committee

Subject: Tax Deed vs In Rem processes

This letter is in response to Tim Sullivan's memorandum dated 6/15/16 concerning Tax Deed vs In Rem. This discussion has stemmed from the PACE program since those properties are required to be taken via the In Rem process. As you will see in Tim's summary of responsibilities the County Clerk is the main department to handle Tax Deed. According to their departmental Annual report they have .9 FTE allocated to handle Tax Deed. If the County decides to go the In Rem process then the responsibilities change to the Treasurer's department. After brief conversations with other County Treasurer's I do not feel that we would need to hire additional staff to take on those duties. I would however be requesting the job descriptions be updated to include the new responsibilities and the classifications be adjusted accordingly.

I feel having the entire process in one department will make it easier for the tax payer. The ultimate goal is to have the tax payer pay their taxes and not to take their property. I and my staff are supportive of the In Rem process.

Thank you,

Glenda Lyons, County Treasurer

**FACT SHEET**

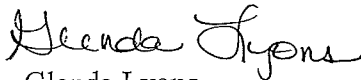
**TO FILE NO. 16-17/020**

**Section 1:** Governing bodies of taxation districts may pass an ordinance by August 15<sup>th</sup> of the year before the ordinance is effective to authorize payments of special assessments in installments.

**Section 2:** This Section requires a specific taxpayer notice regarding interest and penalties charged by Eau Claire County. This provision is no longer valid since the State of Wisconsin has prescribed for many years what the tax bill backer must say. The standard template is required for all Wisconsin counties.

**Section 3:** This Section is also no longer valid since for many years the county treasurer has settled in full with local municipalities in August. The advantage to settling in full is that 100% of the amount collected retained 100% by the county, including not only interest but also penalties.

Fiscal Impact: None  
Respectfully Submitted,



Glenda Lyons  
Treasurer

KRZ/yk

Ordinance/16-17.020 Fact

2  
3 - TO REPEAL SECTION 4.19.030 C. & D. OF THE CODE: INTEREST AND  
4 PENALTIES ON DELINQUENT TAXES-

5  
6 The County Board of Supervisors of the County of Eau Claire does ordain as follows:

7  
8 SECTION 1. That Section 4.19.015 is amended to read:

9  
10 4.19.015 Special assessment, special charges and other taxes. All special assessments,  
11 special charges and special taxes that are placed on the tax roll shall be paid in full on or  
12 before January 31st. If not paid they shall be deemed delinquent, subject to interest and  
13 penalties from February 1<sup>st</sup> except as otherwise provided in Wis. Stat. § 74.11(3).

14  
15 SECTION 2. That Subsection C. of Section 4.19.030 of the code be repealed.

16  
17 SECTION 3. That Subsection D. of Section 4.19.030 of the code be repealed.

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21 ADOPTED:

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30 \_\_\_\_\_  
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32 Committee on Finance & Budget

33 KRZ/ylk

34  
35  
36 Dated this \_\_\_\_\_ day of \_\_\_\_\_, 2016.

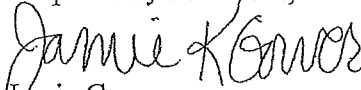
FACT SHEET

TO FILE NO. 16-17/006

The Committee on Human Resources is requesting an extension of up to 60 days so it has time to consider all of the information it previously requested from staff, some of which was not available at its June 10, 2016 meeting. The process for requesting the extension is set forth in 2.04.160 C. of the County Code which reads in relevant part:

Resolutions or ordinances referred to committee shall be acted upon by the committee or committees and reported to the board at a succeeding meeting, within 60 days of such referral, with a recommendation for adoption, or amendment and adoption, or indefinite postponement, or placement on file, or rejection. In the absence of committee action during said period of time, the resolution or ordinance shall automatically be placed upon the agenda for the next succeeding regular session of the county board following the expiration of the 60 day period herein described. Additional 60 day extensions to the above-described period of time for committee action may be granted by the county board upon adoption of a report to the board by the committee requesting said extension.

Respectfully submitted,

  
Jamie Gower

Jg/jnm

TO THE HONORABLE EAU CLAIRE COUNTY BOARD OF SUPERVISORS

Committee on Human Resources

File No. 16-17/006

ANALYSIS

The Committee on Human Resources is reviewing the proposed Living Wage ordinance. The committee has asked the staff for additional information and will report back when the committee has had a chance to fully consider all of that information and implications.

RECOMMENDATION

BE IT RESOLVED by the Eau Claire County Board of Supervisors that File No. 16-17/006 has been extended for up to 60 days for review and discussion purposes pursuant to Eau Claire County Code 2.04.160 C.

I hereby certify that the foregoing correctly represents the action taken by the undersigned committee on June 10, 2016 by a vote of 3 for, 2 against.

APPROVED BY  
CORPORATION COUNSEL  
AS TO FORM

*Kathy Clark /m*

Kathy Clark, Chair  
Committee on Human Resources

JG

ORDINANCE Rept. 16-17/006

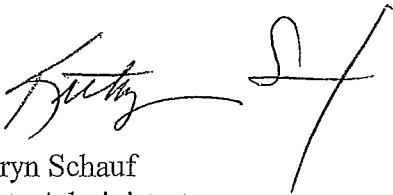
Reviewed by Finance Dept.  
for Fiscal Impact

**FACT SHEET  
TO FILE NO. 16-17/006**

The ordinance creates language that would be inserted into contracts with vendors who provide services on behalf of Eau Claire County.

There will be a minimal investment in time to administer the program. It is uncertain at this time if the overall cost-to-contract for services will increase.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Kathryn Schauf', followed by a large, stylized flourish or checkmark.

Kathryn Schauf  
County Administrator

## FACT SHEET

### TO FILE NO. 16-17/006

This ordinance creates Chapter 2.95 of the county code, Living Wage.

Last year, the county board implemented a new salary matrix for county employees, based on equity, adequacy, transparency, and social justice. The purpose of this ordinance is to continue this with contractors of Eau Claire County, to ensure that those entities with which the county does business follow the same principles.

The current federal minimum wage is \$7.25/hr., last adjusted in 2009. Minimum wage, however, is not a living wage, that is, it does not provide for the livelihood of a person or a family; it merely establishes a “floor” of payment. A better measure is a “living wage,” that is, a wage which provides a livelihood for persons and families. Any adjustments in minimum wage over time have been far and quickly outpaced by inflation. Thus, persons at this level of income will always fall below the Federal Poverty Level. Any employer paying minimum wage is relying on the availability of public assistance or some other form of support to ensure adequacy of resources. The current minimum wage is below poverty level. This means that the government effectively subsidizes all of those making minimum wage through various forms of public assistance, and employers paying minimum wage rely on that external support, e.g., Walmart counseling its lowest paid employees how they might apply for and receive Food Stamps, Medicaid, etc.

The Federal Poverty Level (FPL) is established annually by the Department of Health and Human Services in order to determine eligibility for a number of public assistance programs. This means that persons whose income is at or below the FPL (or often within 120% of the FPL) will qualify for a number of assistance programs, such as Food Stamps, Medicaid, subsidized health care coverage under the PPACA, etc. The current Federal Poverty Level for a family of four is \$24,300 (*Federal Register*, 1-25-16). The hourly wage (\$24,300 divided by 2080 hours in the work year) is \$11.68/hr.

This ordinance requires that all contractors with Eau Claire County pay their employees at least 110% of the 2016 FPL (\$12.84/hr.), on an hourly basis, beginning January 1, 2017. The wage requirement increases each year by 5% to a maximum of 130% of FPL by 2021. Thus, the wage requirement is annually indexed to inflation and set at 130% of FPL. The fiscal impact of this ordinance will be reviewed by the respective units in the light of 2017 contracts. It is anticipated that the major impact will be felt in the Department of Human Services because non-profit organizations frequently pay minimum wage or just above that wage. The ordinance may also require some minor adjustments to the recently established salary matrix.

Respectfully Submitted,



Nick Smiar  
County Board Supervisor, District 15

KRZ/yk



2  
3 - TO CREATE CHAPTER 2.95 OF THE CODE: LIVING WAGE -  
4

5 The County Board of Supervisors of the County of Eau Claire does ordain as follows:  
6

7 SECTION 1. That Chapter 2.95 of the code be created to read:  
8

9 Chapter 2.95

10 LIVING WAGE  
11

12 Sections:  
13

- 14 2.95.001 Policy.
- 15 2.95.005 Definitions.
- 16 2.95.010 Standards Requirement
- 17 2.95.020 Contracting Requirements.
- 18 2.95.030 Maintenance and Monitoring of Records.
- 19 2.95.040 Severability and Savings.
- 20
- 21
- 22

23 2.95.001 Policy. It shall be the policy of the County that certain contractors,  
24 subcontractors, lessees and recipients of financial assistance doing business with the County  
25 shall be subject to the requirements of this chapter. This living wage ordinance shall apply to all  
26 contractors, subcontractors, and recipients of financial assistance as defined herein party to an  
27 agreement covered under this chapter with any County unit, division, office, department, or sub-  
28 unit thereof, and County quasi-public entity including:

- 29 A. A service contract as defined in 2.95.005 A. or an agreement to provide personal  
30 care and supportive home care to persons with disabilities or the frail elderly provided by  
31 agencies that exclusively contract with the County, involving an amount greater than or equal to  
32 \$30,000; and,
- 33 B. A lease agreement involving the County funding or a public asset involving an  
34 amount greater than or equal to \$30,000; and
- 35 C. A concession agreement involving an amount greater than or equal to \$30,000;  
36 and,
- 37 D. Economic development financial assistance involving an amount of financial  
38 assistance from the County greater than or equal to \$1,000,000.

39  
40 2.95.005 Definitions. For all agreements covered under this chapter, the following  
41 definitions shall apply:

- 42 A. Service contract means an agreement between the County or related entity and  
43 another party that provides a set of services, primarily related to staff services including, but not  
44 limited to, housekeeping, security, landscaping, maintenance, clerical services, food services,  
45 and other non-professional services, as well as personal care, or supportive home care provided  
46 to persons with disabilities or the frail elderly by a preferred provider.
  - 47 1. Service contracts do not include:
    - 48 a. Purchase of goods or commodities or its delivery.
    - 49 b. Equipment lease and maintenance.

- 1 c. Professional services contracts.
- 2 d. Contracts with any school district, municipality, or any other
- 3 governmental unit.
- 4 e. Contracts in which State or Federal funder has a prevailing wage
- 5 requirement.

6 B. Concession agreement means an agreement between the County or related entity  
7 and another party to allow the organization the exclusive or semi-exclusive right to operate a  
8 particular enterprise usually making use of some resource of the County or related entity  
9 requiring payment to the County or related entity fees, rent, or percentage of revenues derived  
10 from the particular enterprise.

11 C. Lease means an agreement between the County or related entity as lessor and  
12 another party as lessee to provide exclusive use of real property, a particular asset or resource in  
13 exchange for rental payments or a fee, and which involves financial assistance consistent with  
14 Wis. Stat. ch. 104.001(3). The following leases are exempted:

15 1. Cultural institutions: Leases with institutions including the Friends of  
16 Beaver Creek Reserve and any other cultural organization that receives contributions from  
17 County.

18 2. Nonprofit: Leases with nonprofit corporations, unless the nonprofit  
19 corporation passes through to a for-profit entity an amount greater than or equal to \$1,000,000, in  
20 which case the for-profit entity shall be subject to this chapter as a subcontractor as in 2.95.010  
21 A.2.

22 3. Other local units of government: Leases with any school district,  
23 municipality or any other governmental or quasigovernmental unit.

24 D. Economic development financial assistance means any form of assistance,  
25 consistent with Wis. Stat. ch. 104.001(3), of an amount greater than or equal to \$1,000,000,  
26 provided to a recipient directly by the County in the form of loan rates below those  
27 commercially available, loan forgiveness or guarantees, bond financing or forgiveness, sales or  
28 leases of land or real property or other assets for an amount below fair market value, or grants of  
29 land or real property, or other valuable consideration, or any other assets provided to develop  
30 real property, to foster economic development or to create or retain jobs or for other similar  
31 purposes which inure to the benefit of the recipient. The following are exempted:

32 1. Nonprofit corporations: Economic development financial assistance  
33 provided to nonprofit corporations, unless the nonprofit corporation passes through to a for-profit  
34 entity an amount greater than or equal to \$1,000,000, in which case the for-profit entity shall be  
35 subject to this chapter as a subcontractor as in 2.95.010 A.2.

36 2. Cultural institutions: Economic development financial assistance to the  
37 Friends of Beaver Creek Reserve, any other cultural organization that receives contributions  
38 from County.

39 3. Other units of government: Economic development financial assistance  
40 provided to any school district, municipality or any other governmental or quasi-governmental  
41 unit.

42 E. Living wage means a minimum hourly wage rate equal to the following  
43 percentage levels of the poverty income level set forth annually by the U.S. Department of  
44 Health and Human Services for a family of four (4), divided by 2,080 hours:

- 45 1. 110%, as of January 1, 2017
- 46 2. 115%, as of January 1, 2018
- 47 3. 120%, as of January 1, 2019
- 48 4. 125%, as of January 1, 2020
- 49 5. 130%, as of January 1, 2021

1  
2 F. Contractor means a person or an entity that has a service contract, lease, or  
3 concession agreement with the County covered under this chapter.

4 G. Subcontractor means a person or an entity:

5 1. Having an agreement or arrangement with a contractor to furnish a service  
6 for the benefit of the County that would be covered under this chapter; or,

7 2. Having an agreement or arrangement with a contractor to operate on a  
8 property that is subject to a lease or concession agreement with the County that would be  
9 covered under this chapter; or,

10 3. Purchasing or leasing from a recipient of financial assistance; or,  
11 managing or operating an enterprise employing people on the premises of property developed or  
12 improved as a result of financial assistance.

13 H. Recipient means a person or entity receiving economic development financial  
14 assistance as defined in 2.95.005 D. but does not include a person or entity indirectly benefiting  
15 from incidental effects of County policies, regulations or ordinances.

16  
17 2.95.010 Standards Requirement.

18 A. All employees performing part- or full-time work for a contractor, subcontractor,  
19 lessee or recipient of economic development financial assistance covered under this chapter and  
20 all direct employees of the County, shall be paid the Living Wage rate defined in 2.95.005 E.,  
21 except as provided in paragraph 3. of this section.

22 1. Tipped employees, employees paid on commission, or employees whose  
23 compensation consists of more than hourly wages shall be paid an hourly wage, when coupled  
24 with the other compensation, that will at least equal the minimum wage rate.

25 2. Contractors and subcontractors as defined in 2.95.005 G. 1. and 2. shall be  
26 subject to the requirements of this chapter for the duration of the agreement with the County.  
27 Employees of contractors and subcontractors shall be covered under the requirements of this  
28 chapter for the hours worked in performance of covered agreements.

29 3. Recipients of economic development financial assistance and  
30 subcontractors as defined herein shall be subject to the requirements of this chapter for a period  
31 equal to one year for every \$100,000 provided in economic development financial assistance,  
32 rounded to the nearest whole year; and employees of such recipients and subcontractors shall be  
33 covered under the requirements of this chapter for work performed on the premises of a project  
34 benefiting from financial assistance.

35 4. The living wage rate requirement will be updated annually on the last  
36 business day of September.

37 B. Excluded employees:

38 1. The provisions in this chapter shall exclude:

- 39 a. Student learners as defined by Wis. Stat. ch. 104.01(7); and,  
40 b. Employees of sheltered workshops as defined by Wis. Stat. ch.  
41 104.01 (6); and,  
42 c. Employees under the age of 18; and,  
43 d. Employees not performing work under a County service contract,  
44 concession, or lease; and,  
45 e. Employees not working in a financially assisted economic  
46 development project; and,  
47 f. Interns; and,  
48 g. Volunteers receiving stipends; and  
49 h. Any other category of employee excluded under Wis. Stat. ch. 104.

1 i. Employees of a contractor, subcontractor, concessionaire or  
2 recipient of financial assistance otherwise covered under this chapter where the employer  
3 otherwise subject to the provisions of this chapter employs no more than 20 employees and  
4 where the employer otherwise subject to the provisions of this chapter is not an affiliate or  
5 subsidiary of another business entity dominant in its field of operation.

6 j. Employees of a member who receives personal care and supportive  
7 home care through a self-directed service program model in the County.

8 2. The requirements of this section may be modified or waived as regards  
9 employees who are covered by a collective bargaining agreement between the employer and a  
10 bona fide union, where the parties to such collective bargaining agreement expressly specify  
11 their intent in the agreement.

12  
13 2.95.020 Contracting Requirements.

14 A. Department heads or their designee shall include requirements for compliance  
15 with this chapter in:

16 1. Every bid, request for proposal, or request for qualifications for services,  
17 leases, concessions or economic development financial assistance covered under this chapter,

18 2. All new service, lease, and concession agreements, and all new  
19 agreements involving financial assistance; and,

20 3. All renewals or amendments of agreements for services, leases,  
21 concessions, or economic development financial assistance covered under this chapter after the  
22 effective date of this ordinance.

23 B. Contractors, subcontractors, and recipients of economic development financial  
24 assistance must submit to the department a notarized affidavit certifying that they will comply  
25 with the requirements of this chapter prior to contract or subcontract award or receipt of any  
26 financial assistance.

27 C. Contractors, subcontractors and recipients of financial assistance shall not use the  
28 requirements of this chapter to reduce the wages of employees.

29 D. County reserves the right to inspect and audit any payroll records of any  
30 contractor or subcontractor or recipient of financial assistance for which this chapter applies, for  
31 any reason and at any time.

32  
33 2.95.030 Maintenance and Monitoring of Records. The Purchasing Department will  
34 maintain all records required by this chapter. The Purchasing Department will:

35 A. Retain a log of all contracts, noting which contracts are covered by this chapter.

36 B. Retain notarized affidavits from all contractors subject to the provisions of this  
37 chapter that they understand and will comply with its provisions.

38 C. Retain a one-page document, filled out annually by all contractors subject to the  
39 provisions of this chapter, asserting that they remain in compliance with the provisions of this  
40 chapter and providing the required wage range information.

41  
42 2.95.040 Severability and Savings. If any provision of this chapter or application thereof  
43 is judged invalid, the invalidity shall not affect other provisions or application of the chapter  
44 which can be given effect without the invalid provisions or application, and to this end the  
45 provisions of this chapter are declared severable.

46  
47 2.95.050 Waiver by County Board/Rights of Enforcement. The County recognizes that  
48 from time to time it may be in the County's best interest to enter into contracts, leases or other  
49 agreements, including agreements involving financial assistance, which have been negotiated,



## SURVEY

Please respond to the following questions as if the proposed Living Wage Ordinance is enacted.  
*Thankyou!*

Organization: \_\_\_\_\_

1. How many employees of your organization are currently paid less than \$12.84/hour? How many employees, who provide the contracted services for Eau Claire County Human Services, are paid less than \$12.84/hour?
2. What percentage of your staff is paid a wage less than \$12.84/hour? What is the percentage of your staff, who provide the contracted services for Eau Claire County Human Services, are paid a wage less than 12.84/hour?
3. Do you anticipate that the Living Wage Ordinance will increase employee retention or attract new employees?
4. What do you project as the cost /benefit to your organization when the projected Living Wage is at the 130% of the Federal Poverty Level?



**Summary of Living Wage Survey  
 Pertaining to Department of Human Services Contracts  
 June 2016**

In response to the Living Wage Ordinance proposal, the Department of Human Services distributed a survey to thirty one providers who contract with the Department. Twenty six of the thirty one providers would need to comply with the Living Wage Ordinance, if passed. Of the 31 surveys distributed, 10 were returned. Of the 10 returned surveys, 6 would be required to comply with the LWO, if enacted.

The general response to the returned surveys reflected that providers would continue to contract with Eau Claire County if the fiscal impact of the Living Wage Ordinance was fully funded.

General Cost / Benefit Analysis

(Summary reflects the 6 responses)

The respondents indicate support of a Living Wage Ordinance, **if fully funded**. Responses reflect that operations would be significantly impacted if they were not fully funded and would be significantly impacted if they were not able to contract with Eau Claire County. In addition noted, that without fully funding the LWO would impact those being served, staff, and the community. The responses to the benefit of the enactment of the LWO related to a positive impact to retention and recruitment, providing for a more stable environment for service delivery, which can lead to enhanced and improved outcomes.

From the responses, the number of staff providing contracted services is 196 employees and their overall count of employees below \$12.84 is 1282 staff. Some of the respondents identified a current wage of \$8.50/hr and \$10.00/hr. To estimate the cost impact on our current contracts we applied the percentage of difference between the current wage and \$12.84, (\$8.50: 51.1% change and \$10.00: 28.4% change) and applied the percentage increase to a couple of the contract amounts of some of the providers who responded:

Contract Amount	51.1% cost increase/ Total with LWO	28.4% increase/ Total with LWO
\$584,717	\$269,432/ \$854,149	\$149,864/ \$734,581
1,619,343	\$358,172 / \$1,977,515	\$ 643,939 / \$2,263,282

Respondents indicated a range increase from \$28,000 to \$2,900,000 was needed to fully fund the LWO. All identified that the cost would not just apply to the contracted staff but they would need to attend to the internal equity and compression issues.

As noted, the benefits of the enactment would include retention and recruitment of staff in an area that often experiences high turnover. We know that consistency of staff is imperative for positive and healthy outcomes of the service being delivered.



Summary of responses:

Question 1 & 2: Number and Percent of Employees who are below minimum wage:

# Total Staff below \$12.84	# Staff for ECC contract below \$12.84	% of all Staff below \$12.84	% of staff for ECC contract below \$12.84
363	25	36%	30%
192	97	76%	39%
216	17	90%	90%
440	17	78%	81%
33	33	87%	87%
38	7	58%	11%
<b>Totals:</b>			
<b>1282</b>	<b>196</b>	<b>36-90%</b>	<b>11-90%</b>

Question 3: Will the LWO increase employee retention or attraction?

- Uncertain
- Possibly both, but would need to adjust for internal equity and compression issues. If the compression issue is not addressed, it could impact retention and attraction of employees
- Assume greater employee retention
- May attract new employees as a result of higher wages, however, may not be financially feasible
- Without funds to support, would be unable to retain staff and would be faced with reducing services and workforce
- If it was affordable, yes

Question 4: Cost/Benefit to the Organization

- Uncertain. Cost to organization would be about 28-30k annually
- \$55,000 annually would be the immediate impact. Does not include cost to attend to wage compression
- Ability to support would be tied directly to being compensated at a level to support increase
- At the projected living wage of 130%, all costs, including fringe benefits would be over 2 million dollars. See very little benefit with the exception for the potential for less employee turnover
- With the anticipated 5% increase each year the expense for wages alone would be \$1,650,000 for the ECC area and \$125,000 for the ECC Human Services contracts. Our business and industry cannot support this due to the funding cuts that have occurred since 2009.
- Unsure

Question 5: Assuming you continue to contract and LWO enacted, what will be the total 2017 increased salary cost to your organization

- An additional \$85.46 per hour worked
- \$28-30,000

- \$55,000
- Increase would need to be equitable across the organization. At \$8.50/hr at 13,000 hrs/week would come to \$2,933,840 annually. Does not take into account the progression of increase. Supports increased wages for employees, but someone will need to cover this increased expense
- \$816,000 ( wages & benefits)
- Eau Claire area: \$808,000, Eau Claire contracts with Human Services: \$63,000

Question 6: How will you adjust for any costs

- Reduce number of people served and employees. Unable to absorb without funding from Eau Claire County
- Discontinue offering benefits to employees the first year. Following years would lead to reduction and elimination of staff. This may result in need for MCO's to find new placements for over 200 residents. Higher wages may help with retention/recruiting however, offering health insurance to staff has been a great hiring and retention tool.
- Would have to pass cost on to ECC
- MCO's would not allow that kind of increase and our organization does not have enough clients that are just County clients
- Either the amount of the level of service would decrease or reduction/elimination of staff
- Rate Increase for contract or layoff of staff
- Would need to pass increased cost to all other contract agencies

Question 7: Would you continue to contract with ECC

- Would renegotiate contract. Services for the Comprehensive Community Services program would not be impacted
- Would continue contracting but without funding increase would need to re-evaluate the type and level of services provided
- If LWO enacted, could not afford to contract
- Unless ECC fully funds this increase in operation expenses, would not continue to contract.
- I could not
- Consider discontinuing to contract with ECC, however, would anticipate to start to lose staff to other organizations, causing inadequate staffing to provide the State mandated service level. The loss revenue from the County would match the increase in wages if we were to maintain our contract. So, likely to continue to contract

Question 8: Will this cause you to change hiring pattern

- Yes, due to having less services to provide without the contract
- Would not change
- No
- Not sure

- Hire more part-time staff
- No

Question 9: Other Opportunities or challenges if LWO adopted

- This should be a funded mandate. Requiring a certain wage needs to be supported by the organization making the request. The \$12.84 is nearly 10% higher than Dane Counties (?) living wage of \$11.69
- This change would create compression for smaller roles that are not under the county contract. As a non-profit we cannot absorb. Have already taken steps to address wages at \$10.15/hr (internal minimum)
- If the rate per client was increased to match the pay of staff, that would be great.
- This would be financially devastating to all service providers unless the County is willing to pay a significant premium to see this fully enacted. Have received no budget increase in the last 6 years and have experienced a revenue reduction since implementation of ACA

**2015 VENDOR LISTING GREATER THAN OR EQUAL TO \$30,000**

<b>Vendor</b>	<b>General County</b>	<b>DHS</b>
1 Abby Vans	◆	◆
2 ADS Waste Holdings, Inc. (I.E. Advanced Disposal)	◆	
3 All Season Tire Co	◆	
4 Alliance Counseling And Consulting, Inc.		◆
5 Aramark Correctional Services Inc	◆	
6 Arbor Place, Inc		◆
7 AT & T	◆	
8 Augusta Area Home Inc	◆	
9 Augusta Nursing Home	◆	
10 Aurora		◆
11 Belco Vehicle Solutions LLC	◆	
12 Bolton Refuge House		◆
13 Boxx Sanitation LLC	◆	
14 Brotoloc Health Care Systems, Inc.		◆
15 Caillier Clinic, Ltd		◆
16 Cesa #10		◆
17 Chippewa River Industries		◆
18 Clark County Health Care Center - WEHSC		◆
19 DBA Creating Wholeness		◆
20 Diana Stafford		◆
21 E O Johnson Company Inc	◆	
22 Fabick Cat / Fabco	◆	
23 Fall Creek Nursing Home	◆	
24 FMLA Source	◆	
25 Garlick's CBRF		◆
26 Gudmanson Adult Family Home		◆
27 ISS Facility Services	◆	
28 Knight, Deborah		◆
29 Larson Companies	◆	
30 Le Phillips Career Development Center, Inc		◆
31 Lutheran Social Services Of Wisconsin And Upper Michigan, Inc.		◆
32 Mattison Contractors Inc	◆	
33 Mayo Clinic Health System		◆
34 Mission Health LLC		◆
35 NeoGov	◆	
36 New Hope CBRF, Inc.		◆
37 New Hope Hallie, Inc.		◆

	<b>Vendor</b>	<b>General County</b>	<b>DHS</b>
38	Northwest Counseling & Guidance Clinic, Inc.		◆
39	O'Brien Interpreting Services		◆
40	Oium Asphalt Paving Inc	◆	
41	Provyro Waste Services LLC	◆	
42	Reach, Inc.		◆
43	Realiving	◆	
44	Rem Wisconsin III, Inc.		◆
45	River States Truck & Trailer Inc	◆	
46	Sacred Heart Hospital	◆	
47	Senn Blacktop Inc	◆	
48	Simplex Grinnell	◆	
49	St. Joseph's Hospital Of The Hospital Sisters Of The Third Order Of St. Francis - Rehab		◆
50	Staples Business Advantage	◆	
51	Summit Adjusting Service	◆	
52	Tradewinds Residence Inc.		◆
53	Trempealeau County Health Care Center		◆
54	Trinity Equestrian Center		◆
55	United Cerebral Palsy		◆
56	Vantage Point Clinic & Assessment Center		◆
57	Verizon Wireless	◆	
58	Waste Management Northern WI - MN	◆	
59	Western Dairyland Economic Opportunity Council, Inc.		◆
60	WQOW	◆	
61	WRR Environmental Services Co Inc	◆	

**National Poverty Levels  
for a Family of 4  
2006-2016**

			% Increase
2016	\$	24,300	0.21%
2015	\$	24,250	1.68%
2014	\$	23,850	1.27%
2013	\$	23,550	2.17%
2012	\$	23,050	3.13%
2011	\$	22,350	1.36%
2010	\$	22,050	0.00%
2009	\$	22,050	4.01%
2008	\$	21,200	2.66%
2007	\$	20,650	3.25%
2006	\$	20,000	

10 Year average annual increase	<b>2.15%</b>
5 Year average annual increase	<b>1.74%</b>



## **Living Wage Ordinance- Potential Impact for the ADRC**

### Specialized Transportation

- Ordinance would apply to the 85.21 contract beginning January 1, 2018
- Per Abby Vans, they would still bid on the RFP. We should expect a price increase of at least 30%. Based on the 2016 budget for transportation, this would equate to **\$67,000+** to continue the program at its current level of service.
- There are currently 2 components of the paratransit contract. The first and largest component is the County's contract with the City of Eau Claire. The City of Eau Claire then contracts with Abby Vans to provide para-transit services during the same hours the city bus operates. The second component the County contracts directly with Abby Vans to provide specialized transportation services outside of the normal bus hours as well as to provide rides to Eau Claire County residents needing to travel outside of the County (i.e. ECC resident needs to get to the VA in Chippewa).
- The contract with the City of Eau Claire totaled \$176,309.04 in 2015. The contract with Abby Vans totaled \$49,842.32 in 2015.
- There are no additional grant funds to support an increase. To continue at the current level of service, additional levy dollars would be required. Otherwise, we would likely need to eliminate the after-hours and out of county program OR we would need to limit the number of rides given per month.

### Nutrition- Meals on Wheels & Congregate Dining

- Ordinance would apply to our contracts with Sacred Heart Hospital, Augusta Nursing Home and potentially Fall Creek Nursing Home beginning January 1, 2018 *if* we can renew, negotiate and finalize our 2017 contracts prior to the ordinance being signed. We are working on this now.
- Per Sacred Heart Hospital, they *may* continue to contract with the County. If they do, we can expect a minimum increase per meal of \$1.25 or 32%. Current meal price is \$3.91. Based on the total meals served in 2015, this would be a minimum increase of **\$80,000**. If Sacred Heart would decide to no longer contract with the County as the nutrition vendor, there is a concern over finding someone else that will as they were the only organization to bid on our last RFP.
- Additional time is needed to discuss potential impact with Augusta Nursing Home and Fall Creek Nursing Home.
- There are no additional grant funds to support an increase. The nutrition program is currently underfunded without an increase in cost to operate. To continue at the current level of service, additional levy dollars would be required. Otherwise, we will likely need to implement a waiting list for service; or, decrease service in the certain areas of the county (i.e. serve only 3 days week, discontinue service to rural areas, etc.).



### Supportive Home Care & Respite

- Currently, all supportive home care and respite contracts fall under \$30,000 annually. However this is likely to change as need and demand increases with the aging population. Unsure what fiscal impact would be on these contracts. Additional time is needed to discuss potential impact with the providers.



EC County Living Wage Analysis  
Constant 100% of Poverty Level

	2016		2017		2018		2019		2020		2021	
	Hourly	Annual	Hourly	Annual	Hourly	Annual	Hourly	Annual	Hourly	Annual	Hourly	Annual
1 EC County-Grade A, Step 1	\$ 13.26	\$ 27,581	\$ 13.53	\$ 28,132	\$ 13.80	\$ 28,695	\$ 14.07	\$ 29,269	\$ 14.35	\$ 29,854	\$ 14.64	\$ 30,451
2 EC County-Grade B, Step 1	\$ 13.92	\$ 28,954	\$ 14.20	\$ 29,533	\$ 14.48	\$ 30,123	\$ 14.77	\$ 30,726	\$ 15.07	\$ 31,340	\$ 15.37	\$ 31,967
3 EC County-Grade C, Step 1	\$ 14.61	\$ 30,389	\$ 14.90	\$ 30,997	\$ 15.20	\$ 31,617	\$ 15.50	\$ 32,249	\$ 15.81	\$ 32,894	\$ 16.13	\$ 33,552
4 EC County-Grade D, Step 1	\$ 15.35	\$ 31,928	\$ 15.66	\$ 32,567	\$ 15.97	\$ 33,218	\$ 16.29	\$ 33,882	\$ 16.62	\$ 34,560	\$ 16.95	\$ 35,251
6 Poverty Level 10 yr avg Increase		\$ 24,300		\$ 24,822		\$ 25,356		\$ 25,901		\$ 26,458		\$ 27,027
7 Poverty Level 5 yr avg Increase		\$ 24,300		\$ 24,724		\$ 25,155		\$ 25,594		\$ 26,041		\$ 26,495
8												
9												
10 Proposed Eau Claire County	10 yr avg		100%	\$ 24,822	100%	\$ 25,356	100%	\$ 25,901	100%	\$ 26,458	100%	\$ 27,027
11 Minimum Poverty Standard	5 yr avg			\$ 24,724		\$ 25,155		\$ 25,594		\$ 26,041		\$ 26,495
12												
13 Comparison w Pay Grade A	10 yr avg			\$ 3,310		\$ 3,339		\$ 3,368		\$ 3,396		\$ 3,424
14	5 yr avg			\$ 3,408		\$ 3,540		\$ 3,675		\$ 3,813		\$ 3,956
15												
16 Comparison w Pay Grade B	10 yr avg			\$ 4,710		\$ 4,767		\$ 4,825		\$ 4,882		\$ 4,940
17	5 yr avg			\$ 4,809		\$ 4,968		\$ 5,131		\$ 5,299		\$ 5,472
18												
19 Comparison w Pay Grade C	10 yr avg			\$ 6,174		\$ 6,260		\$ 6,348		\$ 6,436		\$ 6,525
20	5 yr avg			\$ 6,273		\$ 6,461		\$ 6,654		\$ 6,853		\$ 7,056
21												
22 Comparison w Pay Grade D	10 yr avg			\$ 7,744		\$ 7,862		\$ 7,981		\$ 8,102		\$ 8,224
23	5 yr avg			\$ 7,843		\$ 8,062		\$ 8,288		\$ 8,519		\$ 8,756

25 Assumptions for Projections Above:

26 Est annual County wage increase	2.00%
27 10 Yr Avg Annual Poverty Increase	2.15%
28 5 Yr Avg Annual Poverty Increase	1.74%

Additional Information/Explanation:

All pay grades above remain in compliance at the 100% poverty level. Also, per the Eau Claire Area Economic Development Corporation's website ([www.eauclaire-wi.com/resources/cost-of-living/](http://www.eauclaire-wi.com/resources/cost-of-living/)) Eau Claire's overall Cost of Living Index is 91 (i.e 91%) when compared with the National average (100).

EC County Living Wage Analysis  
Poverty Scale 100%-110%

	2016		2017		2018		2019		2020		2021	
	Hourly	Annual	Hourly	Annual	Hourly	Annual	Hourly	Annual	Hourly	Annual	Hourly	Annual
1 EC County-Grade A, Step 1	\$ 13.26	\$ 27,581	\$ 13.53	\$ 28,132	\$ 13.80	\$ 28,695	\$ 14.07	\$ 29,269	\$ 14.35	\$ 29,854	\$ 14.64	\$ 30,451
2 EC County-Grade B, Step 1	\$ 13.92	\$ 28,954	\$ 14.20	\$ 29,533	\$ 14.48	\$ 30,123	\$ 14.77	\$ 30,726	\$ 15.07	\$ 31,340	\$ 15.37	\$ 31,967
3 EC County-Grade C, Step 1	\$ 14.61	\$ 30,389	\$ 14.90	\$ 30,997	\$ 15.20	\$ 31,617	\$ 15.50	\$ 32,249	\$ 15.81	\$ 32,894	\$ 16.13	\$ 33,552
4 EC County-Grade D, Step 1	\$ 15.35	\$ 31,928	\$ 15.66	\$ 32,567	\$ 15.97	\$ 33,218	\$ 16.29	\$ 33,882	\$ 16.62	\$ 34,560	\$ 16.95	\$ 35,251
6 Poverty Level 10 yr avg Increase		\$ 24,300		\$ 24,822		\$ 25,356		\$ 25,901		\$ 26,458		\$ 27,027
7 Poverty Level 5 yr avg Increase		\$ 24,300		\$ 24,724		\$ 25,155		\$ 25,594		\$ 26,041		\$ 26,495
10 Proposed Eau Claire County	10 yr avg		100%	\$ 24,822	102.5%	\$ 25,990	105%	\$ 27,196	107.5%	\$ 28,443	110%	\$ 29,730
11 Minimum Poverty Standard	5 yr avg			\$ 24,724		\$ 25,784		\$ 26,874		\$ 27,994		\$ 29,145
13 Comparison w Pay Grade A	10 yr avg			\$ 3,310		\$ 2,705		\$ 2,073		\$ 1,412		\$ 722
	5 yr avg			\$ 3,408		\$ 2,911		\$ 2,395		\$ 1,860		\$ 1,306
16 Comparison w Pay Grade B	10 yr avg			\$ 4,710		\$ 4,133		\$ 3,529		\$ 2,898		\$ 2,237
	5 yr avg			\$ 4,809		\$ 4,339		\$ 3,852		\$ 3,346		\$ 2,822
19 Comparison w Pay Grade C	10 yr avg			\$ 6,174		\$ 5,626		\$ 5,052		\$ 4,451		\$ 3,822
	5 yr avg			\$ 6,273		\$ 5,832		\$ 5,375		\$ 4,900		\$ 4,407
22 Comparison w Pay Grade D	10 yr avg			\$ 7,744		\$ 7,228		\$ 6,686		\$ 6,117		\$ 5,521
	5 yr avg			\$ 7,843		\$ 7,434		\$ 7,008		\$ 6,566		\$ 6,106

Assumptions for Projections Above:

26 Est annual County wage increase	2.00%
27 10 Yr Avg Annual Poverty Increase	2.15%
28 5 Yr Avg Annual Poverty Increase	1.74%

Additional Information/Explanation:

All pay grades above remain in compliance at the 100%-110% poverty level.

EC County Living Wage Analysis  
 As Currently Proposed  
 Poverty Scale 110%-130%

	2016		2017		2018		2019		2020		2021	
	Hourly	Annual	Hourly	Annual	Hourly	Annual	Hourly	Annual	Hourly	Annual	Hourly	Annual
1 EC County-Grade A, Step 1	\$ 13.26	\$ 27,581	\$ 13.53	\$ 28,132	\$ 13.80	\$ 28,695	\$ 14.07	\$ 29,269	\$ 14.35	\$ 29,854	\$ 14.64	\$ 30,451
2 EC County-Grade B, Step 1	\$ 13.92	\$ 28,954	\$ 14.20	\$ 29,533	\$ 14.48	\$ 30,123	\$ 14.77	\$ 30,726	\$ 15.07	\$ 31,340	\$ 15.37	\$ 31,967
3 EC County-Grade C, Step 1	\$ 14.61	\$ 30,389	\$ 14.90	\$ 30,997	\$ 15.20	\$ 31,617	\$ 15.50	\$ 32,249	\$ 15.81	\$ 32,894	\$ 16.13	\$ 33,552
4 EC County-Grade D, Step 1	\$ 15.35	\$ 31,928	\$ 15.66	\$ 32,567	\$ 15.97	\$ 33,218	\$ 16.29	\$ 33,882	\$ 16.62	\$ 34,560	\$ 16.95	\$ 35,251
6 Poverty Level 10 yr avg Increase		\$ 24,300		\$ 24,822		\$ 25,356		\$ 25,901		\$ 26,458		\$ 27,027
7 Poverty Level 5 yr avg Increase		\$ 24,300		\$ 24,724		\$ 25,155		\$ 25,594		\$ 26,041		\$ 26,495
9												
10 Proposed Eau Claire County	10 yr avg		110%	\$ 27,305	115%	\$ 29,160	120%	\$ 31,082	125%	\$ 33,073	130%	\$ 35,135
11 Minimum Poverty Level	5 yr avg			\$ 27,196		\$ 28,929		\$ 30,713		\$ 32,551		\$ 34,444
12												
13 Comparison w Pay Grade A	10 yr avg			\$ 828		\$ (464)		\$ (1,813)		\$ (3,218)		\$ (4,684)
14	5 yr avg			\$ 936		\$ (234)		\$ (1,444)		\$ (2,697)		\$ (3,993)
16 Comparison w Pay Grade B	10 yr avg			\$ 2,228		\$ 964		\$ (356)		\$ (1,732)		\$ (3,168)
17	5 yr avg			\$ 2,336		\$ 1,195		\$ 13		\$ (1,211)		\$ (2,477)
19 Comparison w Pay Grade C	10 yr avg			\$ 3,692		\$ 2,457		\$ 1,167		\$ (179)		\$ (1,583)
20	5 yr avg			\$ 3,800		\$ 2,688		\$ 1,536		\$ 343		\$ (892)
22 Comparison w Pay Grade D	10 yr avg			\$ 5,262		\$ 4,058		\$ 2,801		\$ 1,487		\$ 116
23	5 yr avg			\$ 5,370		\$ 4,289		\$ 3,169		\$ 2,009		\$ 807

25 **Assumptions for Projections Above:**

26 Bst annual County wage increase	2.00%
27 10 Yr Avg Annual Poverty Increase	2.15%
28 5 Yr Avg Annual Poverty Increase	1.74%

**Additional Information/Explanation:**

Shaded (negative) figures show where EC County wages would be out of compliance with the living wage ordinance. In 2021, pay grades A-C would all be out of compliance, and pay grade A would need to be raised 15.4% to be in compliance. Raising the entire pay schedule by 15.4% would increase the County's annual payroll costs by \$4.4 million.

<b>Eau Claire County 2017 Budget Timeline</b>							
Timeline and policies subject to adjustment throughout the process							
<b>MONTH</b>	<b>FINANCE DEPARTMENT</b>	<b>HUMAN-RESOURCES DEPARTMENT</b>	<b>COUNTY ADMINISTRATOR</b>	<b>DEPARTMENT HEADS</b>	<b>OVERSIGHT COMMITTEES</b>	<b>COMMITTEE ON FINANCE &amp; BUDGET</b>	<b>COUNTY BOARD</b>
January				Review and Update Continuity of Operations – essential positions and functions.			
March		Recommendation on Elected official pay	Work with COA to develop plan for strategic planning				<b>March 15:</b> Elected Official Pay
April			Meetings with Department Heads on performance measures	<b>April 1:</b> Annual Report Due			<b>April 5:</b> Elections  <b>April 19:</b> Organizational meeting
May	<b>May 10</b> CIP instructions delivered		Meetings with Department Heads on performance measures  <b>May 19:</b> Budget Guidelines / calendar Distributed	<b>May 11:</b> Strategic Plan PEST Analysis  <b>May 23:</b> Technology Requests due to IS		<b>May 12:</b> Discussion of Budget policies and priorities and calendar	<b>May 3:</b> Strategic planning
June	<b>June 7:</b> Distribute budget forms and instructions to departments and outside agencies		<b>June 15:</b> CIP Team meeting to recommend capital projects				<b>June 21:</b> Strategic Planning at Board

**Eau Claire County 2017 Budget Timeline**

Timeline and policies subject to adjustment throughout the process

<b>MONTH</b>	<b>FINANCE DEPARTMENT</b>	<b>HUMAN RESOURCES DEPARTMENT</b>	<b>COUNTY ADMINISTRATOR</b>	<b>DEPARTMENT HEADS</b>	<b>OVERSIGHT COMMITTEES</b>	<b>COMMITTEE ON FINANCE &amp; BUDGET</b>	<b>COUNTY BOARD</b>
July	<p><b>July 11:</b> Budget on-line survey ready</p> <p><b>July 31:</b> Final numbers on health insurance</p>	<p><b>July 1:</b> Recommendation on Class/Comp changes</p>	<p><b>July 1:</b> Distribute CIP to Departments to incorporate into budgets.</p>	<p><b>TBD:</b> Budget training sessions for staff</p>	<p>Review draft budgets as submitted by departments – begin discussion of goals consistent with strategic plan</p>	<p><b>July 6:</b> Committee meeting</p> <p>TBD: Public Input Session @ City of Augusta</p>	<p><b>July 19:</b> Adopt strategic plan</p>
August			<p><b>Aug 23-31</b> Administrative Staff budget review with departments</p>	<p><b>Aug 20</b> All completed budget. packets due to Finance Director (including personnel, capital &amp; user fees) in electronic form</p> <p><b>Aug 23-31</b> Administrative Staff budget review with departments</p>	<p>August committee meetings: Discussion of goals based on strategic plan. Review draft budgets as submitted by departments</p>	<p><b>TBD:</b> Public Input Session @ LE Phillips Library</p>	<p><b>August 16:</b> County Board meeting</p>
September	<p>Administrative staff budget review with departments</p> <p>Meet with F&amp;B on departmental budgets</p>		<p>Administrative staff budget review with departments</p> <p><b>Sept 20:</b> Administrator's recommended budget due</p> <p>Meet with F&amp;B on departmental budgets</p> <p><b>Sept 20-22:</b> WCA Annual Conference</p>	<p><b>Sept 1:</b> Revised user fees due to Administration</p> <p>Administrative staff budget review with departments.</p> <p>Meet with F&amp;B on department budget request.</p>		<p><b>Sept 22-30:</b> Committee meets with departments</p>	<p><b>Sept 20</b> County Board meeting; 1<sup>st</sup> reading of HR Committees recommendation on personnel requests</p> <p><b>Sept 20</b> Update County Board on preliminary budget</p>

**Eau Claire County 2017 Budget Timeline**

Timeline and policies subject to adjustment throughout the process

MONTH	FINANCE DEPARTMENT	HUMAN RESOURCES DEPARTMENT	COUNTY ADMINISTRATOR	DEPARTMENT HEADS	OVERSIGHT COMMITTEES	COMMITTEE ON FINANCE & BUDGET	COUNTY BOARD
			Sept 25-28: ICMA Conference				information.
October			Oct 26: Budget books e-delivered to Co. Board  Oct 31: Official publication of budget due to L-T.		Review F&B Committee budget recommendation  Supervisor development of potential amendments	Oct 4-13: Committee meets with departments (including Community agency review)  Oct 14: Complete final revisions and prepare budget recommendation (wrap up)	Oct. 4: County board meetings  Oct. 18: Consideration of F&B recommendation on user fees  Board receives budget and amendment forms
November			November 4: Summary of budget amendments distributed with Board packet.				Nov. 1: Co. Board meeting. Individual supervisor amendments due to Administration.  Nov 9-10: Budget deliberations

## Eau Claire County Sales Tax Collections

<u>Month</u>	<u>2008</u>		<u>2009</u>		<u>2010</u>		<u>2011</u>		<u>2012</u>		<u>2013</u>		<u>2014</u>		<u>2015</u>		<u>2016</u>		<u>Variance</u>	
																			<u>From 2015</u>	
January	\$	712,769	\$	563,038	\$	605,382	\$	649,869	\$	613,413	\$	637,758	\$	633,370	\$	655,343	\$	696,710	\$	41,367
February		567,975		518,319		638,455		602,909		563,535		532,904		689,925		843,563		882,113	\$	38,550
March		620,370		636,257		538,909		561,038		783,032		834,428		852,142		864,937		659,845	\$	(205,092)
April		615,402		623,482		711,305		797,429		741,448		606,312		641,812		719,623				
May		653,936		624,232		663,464		567,787		549,895		783,189		856,800		854,993				
June		763,310		573,694		476,205		707,990		872,811		924,281		935,972		835,827				
July		646,194		686,636		741,830		751,169		783,644		655,631		764,686		1,031,180				
August		749,229		665,741		663,893		616,376		785,490		823,653		1,004,488		957,996				
September		700,371		634,987		631,589		804,241		788,958		805,689		725,272		753,988				
October		607,962		701,541		642,499		705,976		669,856		655,379		830,917		968,167				
November		692,960		631,616		728,502		630,916		799,401		872,360		934,158		868,976				
December		697,019		562,547		692,239		844,605		817,298		774,289		707,471		708,777				
Add'l Rec'd		-		-		-		-		-		-		-		-		-		
<b>Total</b>	\$	8,027,497	\$	7,422,090	\$	7,734,272	\$	8,240,305	\$	8,768,781	\$	8,905,873	\$	9,577,013	\$	10,063,370	\$	2,238,668	\$	(125,175)
																			\$	9,938,195
<b>Budgeted</b>	\$	8,175,000	\$	8,175,000	\$	7,675,000	\$	7,675,000	\$	7,800,000	\$	8,060,000	\$	8,586,000	\$	8,950,000	\$	9,280,000		
Excess (Short)	\$	(147,503)	\$	(752,910)	\$	59,272	\$	565,305	\$	968,781	\$	845,873	\$	991,013	\$	1,113,370				
				2009 Shortfall		2010 Surplus		2011 Surplus		2012 Surplus		2013 Surplus		2014 Surplus		2015 Surplus				
<b>Total County Taxable Sales</b>	\$	1,605,499,400	\$	1,484,418,000	\$	1,546,854,400	\$	1,648,061,000	\$	1,753,756,200	\$	1,781,174,600	\$	1,915,402,600	\$	2,012,674,000	\$	447,733,600		
<b>Monthly Avg</b>	\$	668,958	\$	618,508	\$	644,523	\$	686,692	\$	730,732	\$	742,156	\$	798,084	\$	838,614	\$	746,223		
											\$	8,905,873	\$	9,577,013	\$	10,063,370	\$	8,954,672		

## MINUTES

Eau Claire County  
Committee on Finance and Budget  
Thursday, May 12, 2016 / 4:30 pm

721 Oxford Avenue  
Eau Claire County Courthouse – Room 1273  
Eau Claire, WI 54703

Members present: Supervisors Jim Dunning, Mike Conlin, Nick Smiar, Robin Leary, Stella Pagonis

Staff present: Kathryn Schauf, County Administrator; Scott Rasmussen, Finance Director; Janet Loomis, County Clerk, Sue McDonald, Tax Deed Clerk; Glenda Lyons, County Treasurer; Diane Cable, Human Services Director; Tom Wirth and Jeff Koenig

Others present: Andrew Doud, Leader-Telegram; Jim Nardo, Eleanor Wolf and Jeremy Gragert

Supervisor Jim Dunning, Chair Pro-Tem, called the meeting to order at 4:30 pm.

### Election of Chair and Vice Chair / Discussion – Action

Motion by Supervisor Conlin to nominate Supervisor Jim Dunning for Chairperson. With no other nominations, Supervisor Smiar made a motion to close nominations and to endorse Supervisor Dunning as Chairperson. Motion carried.

Motion by Supervisor Leary to nominate Supervisor Stella Pagonis for Vice Chair. With no other nominations, Supervisor Mike Conlin made a motion to close nominations and to endorse Supervisor Pagonis as Vice Chair. Motion carried.

### Appointment of Committee Clerk / Discussion – Action

Motion by Supervisor Leary to appoint Sharon Rasmusson as Committee Clerk. Motion carried.

### Request to Forgive Interest and Penalties on Property located at 304 Vine Street, Eau Claire, Wisconsin / Owner: CCF, Inc. / Parcel #221-09-0320 / Discussion – Action

Jim Nardo of CCF, Inc. was present to request the forgiveness of interest and penalties for property located at 304 Vine St. Eau Claire. Mr. Nardo had filed personal bankruptcy January 2004. He stated that because of the bankruptcy filing, he thought he no longer owned the property; however, later discovered in a letter he received from the Wisconsin Department of Administration that due to possible contamination, this property was not taken in the bankruptcy proceedings.

Nardo stated that as of April 2015, the mailing address for CCF, Inc. was changed to 9431 Washington Circle, Chanhassen, MN. Nardo claims that in September 2015, he informed Eau Claire County of this change of address; yet he stated he never received a notice of back taxes due from the county. The taxes go back to 2005. Because taxes have not been paid, the county can now proceed in taking this property. Assessed value of the property is \$74,000.

Kathryn Schauf, County Administrator, spoke on behalf of Corporation Counsel stating since there was no error on the part of the County, the county is not permitted by law to waive penalties and interest per state statute 74.47. Motion by Supervisor Leary to decline the request for the forgiveness of interest and



penalties totaling \$46,264.93 on property located at 304 Vine St., Eau Claire, Wisconsin. Motion carried.

### **1<sup>st</sup> Quarter Financial Report / Discussion**

- County Treasurer
- County Clerk
- Finance Department

County Treasurer, County Clerk and Finance Director provided their 1<sup>st</sup> Quarter financial report to the Committee. Review only at this time.

### **Update on Internal Controls Assessment by CliftonLarsonAllen / Discussion**

Brock Geyen was present before the committee and Judy Enders appeared by telephone to provide an update on the internal controls assessment that is ongoing with county departments who have cash handling responsibilities. Judy Enders will schedule an appointment with Human Services within the next week. A hard copy of the report will be distributed to all county members when it is finalized.

### **Referral from County Board / Ordinance / File #16-17/006 / "To Create Chapter 2.95 of the Code: Living Wage" / Report Back to County Board / Discussion – Action**

Eau Claire County is exploring and discussing the enactment of a Living Wage Ordinance. County Board Supervisor Nick Smiar, originator and supporter of this ordinance stated that the ordinance requires that all contractors with Eau Claire County pay their employees at least 110% of the 2016 FPL (\$12.84) on an hourly basis, beginning January 1, 2017. It is anticipated that the major impact will be felt in the Department of Human Services because non-profit organizations frequently pay minimum wage or just above that wage. (Committee members understand that minimum wage is not a living wage. The latter is a wage which provides a livelihood for persons and families.) Supervisor Smiar stated that the Human Services Board will be sending a survey to all entities that they contract with for services to seek input on the cost/benefit impact this will have on contractors of services.

Supervisor Conlin was concerned with the ordinance and how it would impact Eau Claire County on the wages that are paid on the lower end of the pay scale. He stated that this could have a large fiscal impact on the county if implemented.

Motion by Supervisor Leary to approve of the living wage ordinance (File #16-17/006) as written. Motion carried 4-1.

### **Creation of Two Positions in the Department of Human Services for the Comprehensive Community Services Program / Discussion-Action**

Diane Cable, Tom Wirth, Jeff Koenig (DHS staff) and Supervisor Colleen Bates (Chair of Human Services Board) were present to discuss the positions that are proposed to be added for the Comprehensive Community Services (CCS) Program. Eau Claire County became a certified CCS provider on April 1, 2016. The program is for individuals of all ages who have a mental illness, substance abuse disorder or a dual diagnosis and needing care beyond outpatient care.

The CCS Program is a Medicaid reimbursable program and the cost of these two positions will be reimbursed 100% through the CCS Program; no budget impact.

Motion by Supervisor Pagonis to approve of two positions in the Department of Human Services for the Comprehensive Community Services Program contingent upon the positions being fully funded through the CCS Program. Motion carried.

**2017 Budget Discussions**

- Priorities
- Timeline
- Committee Process
  - o Goals
  - o Performance Measurements
  - o Community of Interest

Kathryn Schauf, County Administrator, reviewed budget timeline. Performance measures were reviewed and will be an important & significant part of the budget process for 2017. It was also discussed that the performance management form will be changed to include the strategic planning process. In addition, County Administrator wants to spend more time refining the Capital Improvement Plan. Lastly, Committee reviewed and edited the priority list was drafted by the County Administrator.

**Finance Department Financial Matters / Discussion-Action**

Update on County Sales Tax Report / Discussion

Scott Rasmussen, Finance Director, briefly reviewed with the committee the county sales tax report that was part of the agenda packet.

County Board Vouchers – None.

Line Item Transfers

Law Enforcement Software. This is an intergovernmental cooperative agreement between the City and County of Eau Claire for a Law Enforcement Software System. The purpose of the agreement is to document sharing of Law Enforcement software and hardware. Replacement of the system is required due to end of current support scheduled for 2017 for both software and hardware. Amount budgeted in 2016 is \$200,000. Cost for 2016 is estimated to be \$273,000. The difference of \$73,000 will be taken out of the IS capital project account; other projects will need to be reprioritized.

Committee discussed in depth; however, felt more information was needed due to cost increase. Motion by Supervisor Pagonis to postpone until more information was received. Motion carried.

**Committee Review/Approval of Minutes / Discussion – Action**

- March 10, 2016
- March 29, 2016
- April 4, 2016

Motion by Supervisor Conlin to approve of the March 10, 2016, March 29, 2016 and April 4, 2016 committee minutes as written. Motion carried.

**Future Agenda Items / Set Next Meeting**

Next meeting scheduled for Thursday, June 23, 2016 at 4:30 pm.

Committee adjourned at 7:15 pm.

Respectfully submitted,



Sharon Rasmussen  
Committee Clerk