

**AGENDA**  
Eau Claire County  
**Committee on Finance & Budget**  
Monday, April 13, 2020  
**4:30 p.m.**  
Webex Conference Call

Call in phone number: 415.655.0001  
Access Code: 497 277 939

[agenda items are linked to materials](#)

1. Call to Order and confirmation of meeting notice
2. Roll Call
3. Public Comment
4. Proposed Resolution 20-21/010 “Initial Resolution Authorizing the Borrowing Of Not To Exceed \$18,945,000...” / Discussion – Action
5. 2020 Sales Tax Report and Cash Flow / Discussion
6. 2019 Estimated General Fund Balance / Discussion
7. Proposed Resolution 20-21/001 “Financial Policy – Budget Deviation” / Discussion – Action
8. Review of Meeting Minutes: March 9, 2020 / Discussion – Action
9. Future meeting and agenda items / Discussion
10. Adjourn

Prepared by: Amy Weiss

*Please note: Upon reasonable notice, efforts will be made to accommodate the needs of disabled individuals through sign language, interpreters or other auxiliary aids. For additional information or to request the service, contact the County ADA Coordinator at 715-839-6945 (FAX) 715-839-1669 or (TDD) 715-839-4735 or by writing to the ADA Coordinator, Human Resources Department, Eau Claire County Courthouse, 721 Oxford Ave., Eau Claire, Wisconsin 54703.*

**FACT SHEET**  
**File No. 20-21/010**

As part of the approval of the 2020 Eau Claire County Budget, the County Board of Supervisors approved borrowing of \$9,480,209 in general obligation debt to pay for capital projects and highway improvements. Issuance of this new debt is expected to add approximately \$1,060,000 in debt service payments for each of the next ten years.

At the same time, the county is able to perform a current refunding of its 2010B general obligation debt issue. This refunding is expected to reduce interest expense about \$968,000 total over the next ten years.

Respectfully Submitted,

Amy Weiss  
Senior Accounting Manager

INITIAL RESOLUTION AUTHORIZING THE BORROWING OF NOT TO EXCEED \$18,945,000; AND PROVIDING FOR THE ISSUANCE AND SALE OF GENERAL OBLIGATION PROMISSORY NOTES, SERIES 2020A THEREFOR

WHEREAS, the County Board of Supervisors of Eau Claire County, Wisconsin (the "County") hereby finds and determines that it is necessary, desirable and in the best interest of the County to raise funds for public purposes, including paying the cost of highway improvements and other 2020 capital projects (collectively, the "Project"),

WHEREAS, the County Board of Supervisors hereby finds that it is necessary, desirable and in the best interest of the County to raise funds for the purpose of refunding the County's outstanding Taxable General Obligation Building Bonds, Series 2010B (Build America Bonds-Direct Payment), dated November 9, 2010, to achieve debt service savings (the "Refunding");

NOW, THEREFORE, BE IT RESOLVED by the County Board of Supervisors of the County that:

Section 1. Authorization of the Notes. For the purpose of paying costs of the Project and the Refunding, there shall be borrowed, through the issuance of general obligation promissory notes pursuant to Section 67.12(12) of the Wisconsin Statutes, a principal sum not to exceed EIGHTEEN MILLION NINE HUNDRED FORTY-FIVE THOUSAND DOLLARS (\$18,945,000) (the "Notes").

Section 2. Sale of the Notes. The County Board of Supervisors hereby authorizes and directs that the Notes be offered for public sale. At a subsequent meeting, the County Board of Supervisors shall consider such bids for the Notes as may have been received and take action thereon.

Section 3. Notice of Sale. The County Clerk, in consultation with Ehlers & Associates, Inc. ("Ehlers"), is hereby authorized and directed to cause the sale of the Notes to be publicized at such times and in such manner as the County Clerk may determine and to cause copies of a complete, official Notice of Sale and other pertinent data to be forwarded to interested bidders as the County Clerk may determine.

Adopted, approved and recorded April 21, 2020.

I hereby certify that the foregoing correctly represents the action taken by the undersigned Committee on April 13, 2020 by a vote of \_\_\_\_\_ for, \_\_\_\_\_ against.

\_\_\_\_\_  
Chairperson Stella Pagonis  
Committee on Finance & Budget

\_\_\_\_\_  
Chairperson, Eau Claire County Board of  
Supervisors

Attest:

\_\_\_\_\_  
Eau Claire County Clerk

(SEAL)

April 21, 2020

## Pre-Sale Report for

Eau Claire County, Wisconsin

\$18,945,000 General Obligation Promissory Note,  
Series 2020A



**Prepared by:**

Sean Lentz, CIPMA  
Senior Municipal Advisor

Brian Reilly, CIPMA  
Senior Municipal Advisor

Josh Low  
Financial Specialist

## Executive Summary of Proposed Debt

Proposed Issue:	\$18,945,000 General Obligation Promissory Note, Series 2020A
Purposes:	<p>The proposed issue includes financing for the following purposes: Finance 2020 Capital Projects and Refinance the 2010B Bonds (BABs)</p> <ul style="list-style-type: none"> <li>• Current Refunding of Series 2010B BABs (\$9,325,000). Debt service will be paid from ad valorem property taxes.</li> </ul> <p>Interest rates on the obligations proposed to be refunded are 3.7% to 5.1%. The refunding is expected to reduce debt service expense by approximately \$968,557. over the next ten years. The Net Present Value Benefit of the refunding is estimated to be \$847,165, equal to 9.218% of the refunded principal.</p> <p>This refunding is considered to be a Current Refunding as the obligations being refunded are either callable (pre-payable) now, or will be within 90 days of the date of issue of the new Note.</p> <ul style="list-style-type: none"> <li>• 2020 Capital Projects (9,620,000). Debt service will be paid from ad valorem property taxes.</li> </ul>
Authority:	<p>The Note is being issued pursuant to Wisconsin Statute:</p> <ul style="list-style-type: none"> <li>• 67.12(12)</li> </ul> <p>The Note will be a general obligation of the County for which its full faith, credit and taxing powers are pledged.</p> <p>The Notes count against the County’s General Obligation Debt Capacity Limit of 5% of total City Equalized Valuation. Following issuance of the Note, the County’s total General Obligation debt principal outstanding will be \$96,565,857, which is 79% of its limit. Remaining General Obligation Borrowing Capacity will be approximately \$364,450,000 million.</p>
Term/Call Feature:	<p>The Note is being issued for a term of 10 years. Principal on the Note will be due on June 1 in the years 2021 through 2030. Interest is payable annually beginning June 1, 2021.</p> <p>The Note will be subject to prepayment at the discretion of the County on June 1, 2026 or any date thereafter.</p>
Bank Qualification:	<p>Because the County is issuing, or expects to issue, more than \$10,000,000 in tax-exempt obligations during the calendar year, the County will be not able to designate the Note as “bank qualified” obligations.</p>

Rating:	We recommend selling this issue non-rated as the Note will be offered to sale to regional and national banks.
Basis for Recommendation:	<p>Based on our knowledge of your situation, your objectives communicated to us, our advisory relationship as well as characteristics of various municipal financing options, we are recommending the issuance of Note as a suitable option based on:</p> <ul style="list-style-type: none"> <li>• The expectation this form of financing will provide the overall lowest cost of funds while also meeting the County’s objectives for term, structure and optional redemption.</li> <li>• The County having adequate General Obligation debt capacity to undertake this financing.</li> <li>• The existing General Obligation pledge securing the obligations to be refunded.</li> </ul>
Method of Sale/Placement:	We will solicit competitive bids via a request for proposal from large national banks and regional banks as our initial approach in selling the 2020A Note. Given recent sales, this approach has yielded very good results in the current COVID-19 interest rate environment.
Review of Existing Debt:	<p>We have reviewed all outstanding indebtedness for the County and find that, other than the obligations proposed to be refunded by the Note, there are no other refunding opportunities at this time.</p> <p>We will continue to monitor the market and the call dates for the County’s outstanding debt and will alert you to any future refunding opportunities.</p>
Continuing Disclosure:	Because this issue is being sold in blocks of \$100,000 or more and is being sold to fewer than 35 sophisticated investors, this issue will be exempt from the Continuing Disclosure requirements of the Securities and Exchange Commission (SEC).

<p>Arbitrage Monitoring:</p>	<p>Because the Note is a tax-exempt obligation, the County must ensure compliance with certain Internal Revenue Service (IRS) rules throughout the life of the issue. These rules apply to all gross proceeds of the issue, including initial bond proceeds and investment earnings in construction, escrow, debt service, and any reserve funds. How issuers spend bond proceeds and how they track interest earnings on funds (arbitrage/yield restriction compliance) are common subjects of IRS inquiries. Your specific responsibilities will be defined in the Tax Exemption Certificate prepared by your Bond Attorney and provided at closing. We recommend that you regularly monitor compliance with these rules and/or contract with Ehlers to assist you. We also recommend that you establish written procedures regarding compliance with IRS rules and/or contract with Ehlers to assist you.</p>
<p>Investment of Note Proceeds:</p>	<p>To maximize interest earnings we recommend using an SEC registered investment advisor to assist with the investment of bond proceeds until they are needed to pay project costs. Ehlers is a registered investment advisor, and can assist the County in developing an appropriate investment strategy if needed.</p>
<p>Risk Factors:</p>	<p><b>Current Refunding:</b> The Note is being issued to finance a current refunding of prior County debt obligations. Those prior debt obligations are “callable” on or after September 1, 2020. The new Note will not be pre-payable until June 1, 2026.</p> <p>This refunding is being undertaken based in part on an assumption that the County does not expect to pre-pay off this debt prior to the new call date and that market conditions warrant the refunding at this time.</p>
<p>Other Service Providers:</p>	<p>This debt issuance will require the engagement of other public finance service providers. This section identifies those other service providers, so Ehlers can coordinate their engagement on your behalf. Where you have previously used a particular firm to provide a service, we have assumed that you will continue that relationship. For services you have not previously required, we have identified a service provider. Fees charged by these service providers will be paid from proceeds of the obligation, unless you notify us that you wish to pay them from other sources. Our pre-sale bond sizing includes a good faith estimate of these fees, but the final fees may vary. If you have any questions pertaining to the identified service providers or their role, or if you would like to use a different service provider for any of the listed services please contact us.</p> <p><b>Bond Counsel:</b> Quarles &amp; Brady LLP</p> <p><b>Paying Agent:</b> County</p> <p><b>Rating Agency:</b> This issue will not be rated.</p>

## Proposed Debt Issuance Schedule

Pre-Sale Review by Board of Supervisors:	April 21, 2020
Distribute Request for Proposals:	By April 17, 2020
Proposal Responses are Due	May 4, 2020
Board of Supervisors Meeting to Award Sale of the Note:	May 5, 2020
Estimated Closing Date:	June 4, 2020
Redemption Date for Note Being Refunded:	September 1, 2020

### Attachments

- Proposed Debt Service Schedule and Estimated Sources and Uses of Funds
- Estimated Debt Service Comparison
- General Obligation Borrowing Capacity (Chart)
- Estimated Debt Levy and Mill Rate (Chart)

### Ehlers Contacts

Municipal Advisors:	Sean Lentz	(651) 697-8509
	Brian Reilly	(651) 697-8541
	Josh Low	(651) 697-8596
Disclosure Coordinator:	Emily Wilkie	(651) 697-8588
Financial Analyst:	Beth Mueller	(651) 697-8553



Eau Claire County, WI

Estimated Debt Service and Capitalization Schedules

\$18,945,000 General Obligation Promissory Note, Series 2020A

Year	Principal	Rate	Interest	Total P&I	Current Refunding of Series 2020B BABs	New Money
2020						
2021	1,170,000	1.75%	328,775	1,498,775	441,828	1,056,947
2022	1,205,000	1.75%	311,063	1,516,063	458,288	1,057,775
2023	1,300,000	1.75%	289,975	1,589,975	533,038	1,056,938
2024	1,325,000	1.75%	267,225	1,592,225	536,388	1,055,838
2025	1,365,000	1.75%	244,038	1,609,038	554,563	1,054,475
2026	1,405,000	1.75%	220,150	1,625,150	567,300	1,057,850
2027	1,435,000	1.75%	195,563	1,630,563	574,688	1,055,875
2028	3,195,000	1.75%	170,450	3,365,450	2,306,813	1,058,638
2029	3,260,000	1.75%	114,538	3,374,538	2,318,488	1,056,050
2030	3,285,000	1.75%	57,488	3,342,488	2,284,288	1,058,200
<b>Totals</b>	<b>18,945,000</b>		<b>2,199,262</b>	<b>21,144,262</b>	<b>10,575,678</b>	<b>10,568,585</b>

<b>Issue Summary</b>			
<u>Key Dates</u>			
Dated Date:		6/4/2020	
First Interest Payment:		3/1/2021	
First Principal Payment:		9/1/2021	
<u>Cost of Fund Calculations - Assuming Bank Placement</u>			
True Interest Cost (TIC):		1.74%	
All Inclusive Cost (AIC):		1.95%	
<u>Sources and Uses</u>	Total	Current Refunding of Series 2020B BABs	New Money
Par Amount of Bonds	18,945,000	9,325,000	9,620,000
<b>Total Sources</b>	<b>\$ 18,945,000</b>	<b>\$ 9,325,000</b>	<b>\$ 9,620,000</b>
Costs of Issuance	273,450	134,596	138,854
Deposit to Project Construction Fund	9,480,209	-	9,480,209
Deposit to Current Refunding Fund	9,190,000	9,190,000	-
Rounding Amount	1,341	404	937
<b>Total Uses</b>	<b>\$ 18,945,000</b>	<b>\$ 9,325,000</b>	<b>\$ 9,620,000</b>

**Exhibit 2**

For Discussion Only

Eau Claire County, WI

**Estimated Refunding Savings Analysis**

Year	PRIOR TO THE REFUNDING					FOLLOWING THE REFUNDING				DEBT SERVICE SAVINGS
	Existing Debt Service (to be refunded)					New Debt Service				
	\$9,190,000					\$18,945,000				
	Taxable G.O. Build America Bonds, 2010B Dated: 11/9/2010					General Obligation Refunding Bonds Dated: 6/4/2020				
	Principal 9/1	Rate	Interest 3/1 & 9/1	Less: BAB Subsidy	Net Debt Service	Principal 6/1	Rate	Interest 6/1	Net Debt Service	
2020										
2021	245,000	3.70%	441,128	(145,285)	540,842	280,000	1.75%	161,828	441,828	99,015
2022	265,000	3.90%	432,063	(142,300)	554,763	300,000	1.75%	158,288	458,288	96,475
2023	345,000	4.10%	421,728	(138,896)	627,832	380,000	1.75%	153,038	533,038	94,794
2024	360,000	4.25%	407,583	(134,237)	633,345	390,000	1.75%	146,388	536,388	96,958
2025	390,000	4.40%	392,283	(129,198)	653,084	415,000	1.75%	139,563	554,563	98,522
2026	415,000	4.55%	375,123	(123,547)	666,576	435,000	1.75%	132,300	567,300	99,276
2027	430,000	4.70%	356,240	(117,328)	668,912	450,000	1.75%	124,688	574,688	94,225
2028	2,180,000	4.85%	336,030	(110,671)	2,405,359	2,190,000	1.75%	116,813	2,306,813	98,546
2029	2,260,000	5.00%	230,300	(75,849)	2,414,451	2,240,000	1.75%	78,488	2,318,488	95,963
2030	2,300,000	5.10%	117,300	(38,633)	2,378,667	2,245,000	1.75%	39,288	2,284,288	94,380
<b>Total</b>	<b>9,190,000</b>		<b>3,509,775</b>	<b>(1,155,944)</b>	<b>11,543,831</b>	<b>9,325,000</b>		<b>1,250,678</b>	<b>10,575,678</b>	<b>968,153</b>

**Notes:**

Plus Rounding: 404

Total Cash Flow (Future Value) Savings:	\$968,557
Present Value Savings of 9.218%:	\$847,166

<u>Sources</u>		<u>Uses</u>	
Par Amount	9,325,000	Costs of Issuance	134,596
		Deposit to Current Refunding Fund	9,190,000
		Rounding Amount	404
<b>Total:</b>	<b>9,325,000</b>		<b>9,325,000</b>

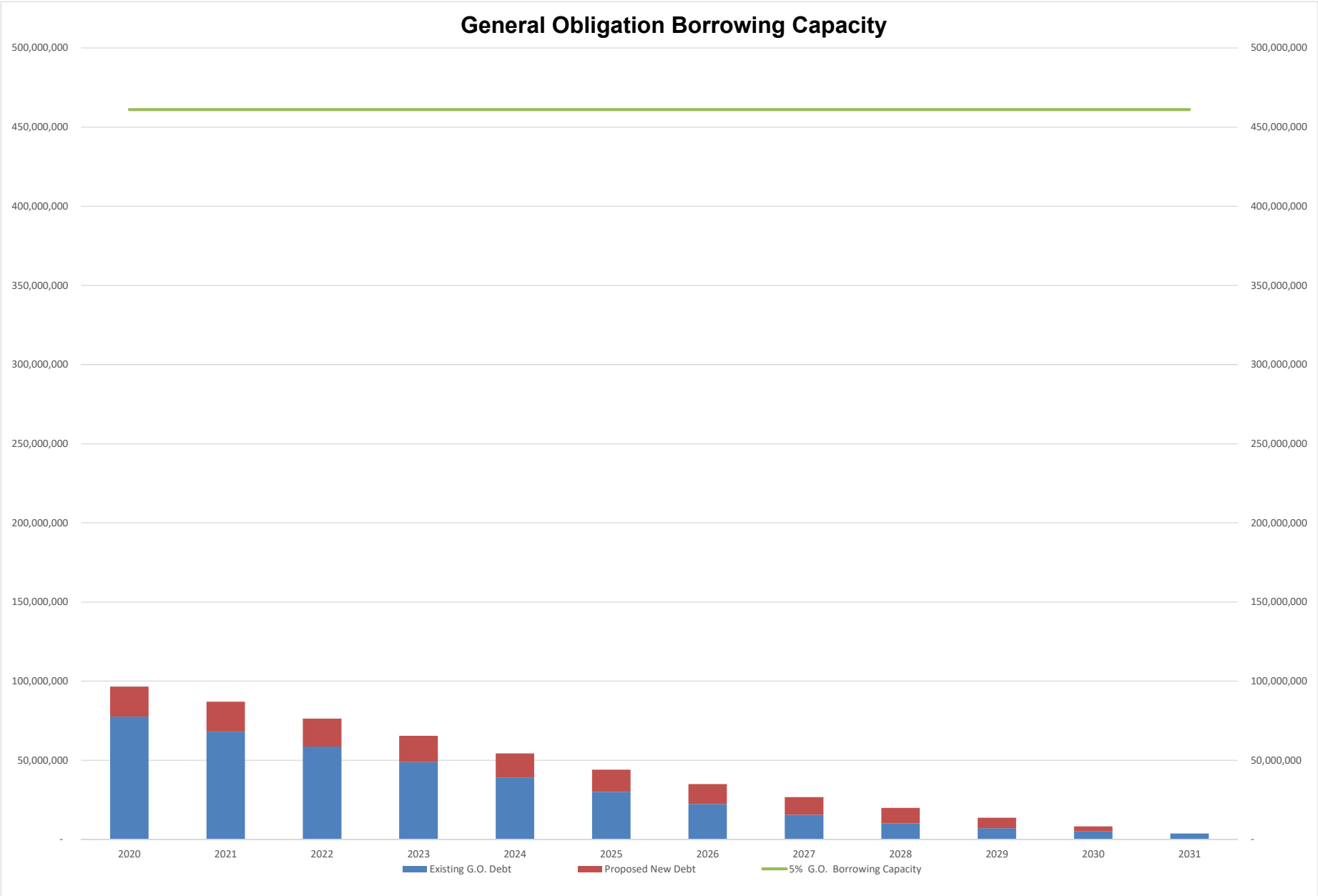
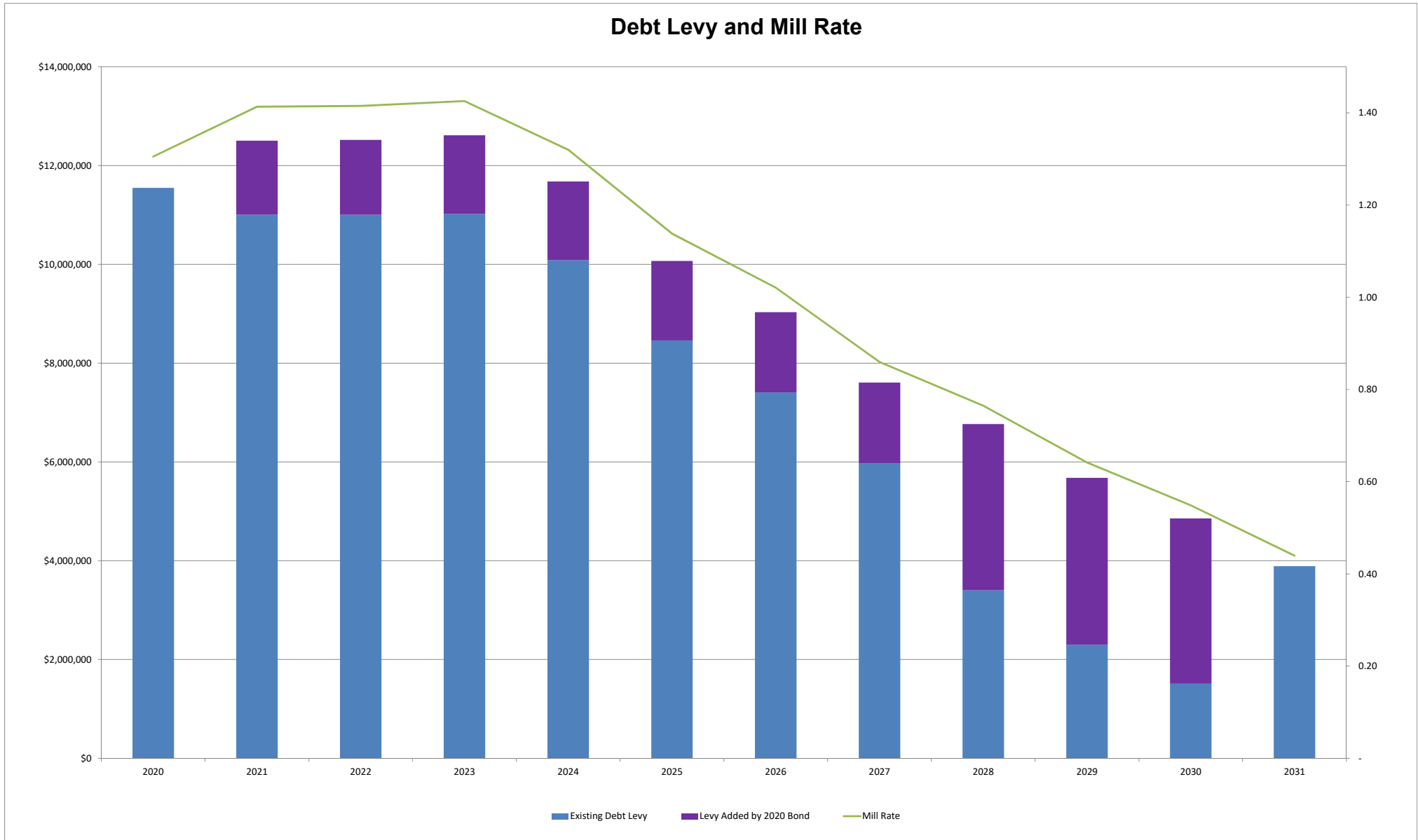


Exhibit 4



**Eau Claire County  
Annual Sales Tax Collections**

Month	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
January	\$ 649,869	\$ 613,413	\$ 637,758	\$ 633,370	\$ 655,343	\$ 696,710	\$ 755,910	\$ 746,338	\$ 704,798	\$ 919,229
February	602,909	563,535	532,904	689,925	843,563	882,113	628,528	601,096	669,281	
March	561,038	783,032	834,428	852,142	864,937	659,845	914,348	957,986	959,733	
April	797,429	741,448	606,312	641,812	719,623	933,154	883,529	900,497	854,152	
May	567,787	549,895	783,189	856,800	854,993	880,459	803,003	946,279	1,020,614	
June	707,990	872,811	924,281	935,972	835,827	819,172	893,219	1,249,533	1,134,311	
July	751,169	783,644	655,631	764,686	1,031,180	946,348	1,108,995	748,195	763,404	
August	616,376	785,490	823,653	1,004,488	957,996	817,003	829,756	987,184	1,128,758	
September	804,241	788,958	805,689	725,272	753,988	906,726	984,452	1,086,193	1,059,516	
October	705,976	669,856	655,379	830,917	968,167	901,132	933,541	789,472	775,608	
November	630,916	799,401	872,360	934,158	868,976	662,535	652,721	950,828	1,071,365	
December	844,605	817,298	774,289	707,471	708,777	996,080	1,137,837	1,069,954	968,152	
<b>Total</b>	<b>\$ 8,240,305</b>	<b>\$ 8,768,781</b>	<b>\$ 8,905,873</b>	<b>\$ 9,577,013</b>	<b>\$ 10,063,370</b>	<b>\$ 10,101,277</b>	<b>\$ 10,525,839</b>	<b>\$ 11,033,555</b>	<b>\$ 11,109,693</b>	<b>\$ 919,229</b>
<b>Budgeted</b>	<b>\$ 7,675,000</b>	<b>\$ 7,800,000</b>	<b>\$ 8,060,000</b>	<b>\$ 8,586,000</b>	<b>\$ 8,950,000</b>	<b>\$ 9,280,000</b>	<b>\$ 9,600,000</b>	<b>\$ 10,100,000</b>	<b>\$ 10,849,216</b>	<b>\$ 10,850,960</b>
Excess (Short)	\$ 565,305	\$ 968,781	\$ 845,873	\$ 991,013	\$ 1,113,370	\$ 821,277	\$ 925,839	\$ 933,555	\$ 260,477	\$ (9,931,731)
	<b>2011 Surplus</b>	<b>2012 Surplus</b>	<b>2013 Surplus</b>	<b>2014 Surplus</b>	<b>2015 Surplus</b>	<b>2016 Surplus</b>	<b>2017 Surplus</b>	<b>2018 Surplus</b>	<b>2019 Surplus</b>	
<b>Total County Taxable Sales</b>	<b>\$ 1,648,061,000</b>	<b>\$ 1,753,756,200</b>	<b>\$ 1,781,174,600</b>	<b>\$ 1,915,402,600</b>	<b>\$ 2,012,674,000</b>	<b>\$ 2,020,255,414</b>	<b>\$ 2,105,167,718</b>	<b>\$ 2,206,710,922</b>	<b>\$ 2,221,938,672</b>	<b>\$ 183,845,868</b>
<b>Yearly Average</b>	<b>\$ 686,692</b>	<b>\$ 730,732</b>	<b>\$ 742,156</b>	<b>\$ 798,084</b>	<b>\$ 838,614</b>	<b>\$ 841,773</b>	<b>\$ 877,153</b>	<b>\$ 919,463</b>	<b>\$ 925,808</b>	<b>\$ 919,229</b>

Monthly amounts reflect sales tax earned. Payments received approx two months later.

5 Year Average and Median		
Month	Monthly Avg	Median
January	\$ 764,597	\$ 746,338
February	\$ 695,254	\$ 648,904
March	\$ 872,978	\$ 936,167
April	\$ 892,833	\$ 892,013
May	\$ 912,589	\$ 913,369
June	\$ 1,024,059	\$ 1,013,765
July	\$ 891,736	\$ 854,876
August	\$ 940,675	\$ 908,470
September	\$ 1,009,222	\$ 1,021,984
October	\$ 849,938	\$ 845,302
November	\$ 834,362	\$ 806,681
December	\$ 1,043,006	\$ 1,033,017

Eau Claire County  
**2019 Fund Balance Analysis (Unaudited)**  
**Estimated December 31, 2019 - based on preliminary Alio data at 04.07.20**

	<u>At 04.07.20</u>
<b><u>2018 Estimated General Fund Balance Unassigned Summary</u></b>	
General Fund Balance Unassigned at 12/31/18	\$ 10,889,175
Net 2019 Department activity	(35,424)
2020 Recommended General Fund Balance Assigned	(411,700)
<b>Estimated 2019 Ending General Fund Balance Unassigned</b>	<b><u>\$ 10,442,051</u></b>
<b>2020 General Fund Expenditures</b> (based on adopted budget)	<b>\$ 37,100,577</b>
<b>% of Unassigned General Fund Balance to General Fund Expenditures</b>	<b>28.15%</b>
<b>Net Increase/(Decrease) in Unassigned Fund Balance</b>	<b>\$ (447,124)</b>
<b>Percentage Change in Unassigned Fund Balance YTY</b>	<b>-4.11%</b>
<b><u>Fund Balance Policy References</u></b>	
<b>Minnimum General Fund Unassigned - 20% of next year general fund expenditures</b>	<b>\$ 7,420,115</b>
<b>Target General Fund Unassigned - 30% of next year general fund expenditures</b>	<b>\$ 11,130,173</b>

**2019 General Fund Balance Activity Detail**

	<u>2019 Preliminary Activity*</u>	<u>2020 Budget Impacts</u>
<b>General Fund Total Fund Balance, Beginning of Year</b>	<b>\$ 10,889,175</b>	<b>\$ -</b>
<b><u>Adjustments to Unassigned Fund Balance</u></b>		
Administration	7,332	
Child Support	(43,576)	
Circuit Court/Clerk of Courts	473,762	
CJCC	43,410	
Clerk of Courts		
Contingency Fund		(300,000)
Corporation Counsel	(4,485)	
County Board	40,902	
County Clerk	33,860	
District Attorney	(45,792)	
Extension	40,330	(11,700)
Facilities	181,277	
Finance	96,775	
Human Resources	91,568	
Human Services **	(2,221,424)	
Information Systems	200,461	
Nondepartmental	383,241	
Parks & Forest	53,201	
Planning & Development	5,450	(100,000)
Register in Probate	1,226	
Register of Deeds	(2,068)	
Sheriff	389,500	
Treasurer	243,185	
Veterans	(3,559)	
<b>Estimated General Fund Unassigned, End of Year 12/31/19</b>	<b><u>\$ 10,853,751</u></b>	<b><u>\$ (411,700)</u></b>
<b>Net Estimated General Fund Unassigned Estimate at 12/31/19 With 2020 Budget</b>	<b>\$ 10,442,051</b>	

**Notes**

\*The 2019 preliminary activity is based on data as of 04.07.20 and is subject to change based on final year end reconciliations and audit review.

\*\* Estimate as of 03.23.20

**FACT SHEET**  
**File No. 20-21/001**

The Budget Deviation policy is necessary in order to clearly identify the parties responsible for fiscal oversight of the adopted budget and to identify the procedures required when a budget shortfall becomes known.

*Fiscal Impact:* None.

Respectfully Submitted,

Amy Weiss  
Senior Accounting Manager

1 Enrolled No.

2 RESOLUTION

3 File No. 20-21/001

4 - FINANCIAL POLICY: BUDGET DEVIATION-

5 WHEREAS, Eau Claire County has promulgated policy and practice for financial  
6 management and practice; and

7  
8 WHEREAS, it is considered prudent to create a comprehensive Financial Policy Manual to  
9 establish appropriate practices and procedures based on best practice; and

10  
11 WHEREAS, said manual will be developed through careful analysis and review of  
12 Government Finance Association best practices as relevant to comprehensive financial management;  
13 and

14  
15 NOW THEREFORE BE IT RESOLVED by the Eau Claire County Board of  
16 Supervisors, that Financial Policy Budget Deviation be adopted.

17  
18 BE IT FURTHER RESOLVED that the Eau Claire County Board of Supervisors directs the  
19 Finance and Budget Committee to regularly review, update and maintain County Financial Policies  
20 consistent with recommended best practices, and forward to the Board for approval.  
21

22  
23  
24  
25 OFFERED BY:

26  
27 Committee on Finance and Budget

28  
29 \_\_\_\_\_  
30 \_\_\_\_\_  
31 \_\_\_\_\_  
32 \_\_\_\_\_  
33 \_\_\_\_\_

34  
35  
36  
37 Dated this \_\_\_\_\_ day of \_\_\_\_\_, 2020.  
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## Budget Deviations

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### Background

The annual budget is developed by assessing the available revenue and resources and balancing against the expenditure needs of the County. It is the responsibility of all Eau Claire County departments to operate within their adopted balanced budget and to review with their oversight committee fiscal performance on a regular basis. During the budget year it is the responsibility of the County Administrator and Finance Director to provide county-wide fiscal oversight and monitoring in support of adherence to the adopted budget. Ultimately, departments are responsible for their overall budget and the fiscal management of their budget, while oversight committees have responsibility for fiscal oversight for the departments under their purview.

### Policy

When it becomes apparent that a department has, or will likely, exceed their overall budget due to exceeding expenditures, incurring expected shortfalls of revenue, or some combination of the two, it is the departments responsibility to notify the County Administrator, the Finance Director, their oversight committee, and the Committee on Finance and Budget as soon as the shortfall is recognized, and to inform the committees of the mitigation strategies.

### Procedure

1. As soon as a department becomes aware that their overall annual budget **has, will, or is likely** to be impacted, resulting in a potential negative fiscal impact to the County, the department should alert the County Administrator and Finance Director. The County Administrator and Finance Director will work with the department to assess the materiality of the fiscal impact to the budget and review the department mitigation strategies.
2. The department shall notify their oversight committee and the Committee on Finance and Budget in writing of the budget deviation at the next scheduled committee meeting. The department shall provide, as soon as is practical, the analysis of the potential budget deviation, and the steps taken within departmental control to mitigate the budget over-run.
3. Once notified, the department oversight committee has the responsibility to continue fiscal oversight and monitoring on a monthly basis of the deviation and mitigation activity. The department shall also report monthly to the Committee on Finance and Budget on the status of the budget deviation and mitigation efforts until such time as the deviation has been mitigated or eliminated.
4. The director of the department shall report to the County Board of Supervisors of the budget deviation and mitigation activity.

**MINUTES**  
Eau Claire County  
**Committee on Finance & Budget**  
Monday, March 9, 2020  
**3:00 p.m.**  
Courthouse - Room #1273  
721 Oxford Avenue • Eau Claire, WI

**Members present:** Supervisors Steve Chilson, Jim Dunning, Stella Pagonis, Gerald Wilkie

**Members absent:** Supervisor Robin Leary

**Staff present:** Amy Weiss, Senior Accounting Manager; Danielle Powers, Manager Sheriff Administrative Services; Lt. Dave Riewestahl, Security Services

**Others present:** Supervisor Connie Russell, Ryan Patterson

Chair Stella Pagonis called the meeting to order at 3:01 pm and confirmed compliance with open meetings law.

Supervisor Pagonis gave an update on TIDs in Eau Claire and Augusta.

Proposed Ordinance 19-20/103 “To Create Section 4.05.002 of the Code: Payment with Coins or Tainted Currency”

Motion: Dunning moves approval as presented

Vote: 4-0, no negative vote

Proposed Resolution 19-20/105 “Authorizing a Transfer of \$18,100 from the Contingency Fund to the Sheriff’s Department to Replace a Jail Oven”

Motion: Wilkie moves approval as presented

Vote: 4-0, no negative vote

Proposed Ordinance 19-20/100 “To Amend Section 3.20.060 of the Code: Compensation of County Governing Bodies”

Motion: Wilkie moves approval as presented

Vote: 4-0, no negative vote

Proposed Ordinance 19-20/113 “Amending Section 2.12.140 B of the Eau Claire County Code – Medical Examiner Fees”

Motion: Wilkie moves approval as presented

Vote: 4-0, no negative vote

Financial Policy: Budget Deviation / Discussion – Action

Motion: Wilkie moves committee introduces Budget Deviation policy as previously modified

Vote: 4-0, no negative vote

The committee reviewed the preliminary 2019 financial statements.

The committee reviewed the 2019 sales tax report. Supervisor Dunning gave an update on online sales tax collections.

The committee reviewed the 2019 vehicle registration fee report.

Norb Kirk gave a brief update on a potential refunding of the 2010B bond issue due to low interest rates.

Norb Kirk reviewed current staffing in the finance department.

Supervisor Chilson moved approval of all meeting minutes as presented; 4-0 no negative vote

December 3, 2019

December 9, 2019

February 3, 2020

February 17, 2020 – Joint Meeting

February 19, 2020

Referred Resolution 19-20/109 “Directing the County Administrator to Take Significant Action...”

After lengthy discussion, Supervisor Pagonis moved to postpone vote until the next meeting.

Motion: Pagonis moves to postpone vote until next meeting

Vote: 4-0, no negative vote

The next meeting is scheduled for April 13 at 4:30 pm.

The meeting was adjourned at 5:17 pm.

Amy Weiss  
Committee Clerk