



MINUTES
Committee on Finance & Budget

Thursday, February 9, 2023

4:00 – 6:00 p.m.

Courthouse – Room #3420

721 Oxford Ave, Eau Claire, WI

Members present: Supervisors Jim Dunning, John Folstad, Robin Leary, Supervisor Zook, Cory Sisk (via Webex, non-voting)

Other Supervisors present: Supervisors Nancy Coffey (possible ex-officio), Judy Gatlin, Gerald Wilkie

Staff present: Norb Kirk, Finance Director; Sharon McIlquham, Corporation Counsel; Kathryn Schauf, County Administrator; Kyle Welbes; Jon Johnson, Highway Commissioner; Matt Theisen, Facilities Director; Sue McDonald, County Clerk; Amy Weiss, Senior Accounting Manager

Chair Zook called the Committee on Finance & Budget to order at 4:00 pm and confirmed compliance with open meetings law.

The committee chair took roll call. Members present are indicated above.

No members of the public were present or wished to speak.

Review and Approval of Meeting Minutes

Motion: Folstad moved approval as presented

Vote: 4-0 via voice vote, motion carried

Matt Theisen and Jon Johnson presented information on the impacts of delaying 2023 capital projects. Most projects will incur additional costs if delayed, or may not be completed if contractors are not able to get them on their schedules very soon. Supervisors Wilkie and Folstad believe there could be a statute that prohibits the county from delaying projects that are related to elected official positions. Corporation Counsel disagreed and stated that the county can delay projects while a funding source is identified. Jon Johnson stated that delaying projects is difficult since projects are funded by a multitude of funding sources, and not solely bonding. Delaying highway projects could impact state and federal funding. Supervisor Folstad believes that there is plenty of available money in fund balance to fund the 2023 projects. Supervisor Zook believes that the projects cannot be delayed because the projects are duly authorized as part of the adopted 2023 budget and approved by the legal governing body of the county. Norb Kirk mentioned that many other counties pass the intent to borrow resolution at the time they adopt the budget. Corporation Counsel suggested that there be a special meeting by the Committee on Finance & Budget to present a budget amendment at the first board meeting in March, should the bond resolution fail on February 22. Kathryn Schauf noted that the 2024 budget will likely include using fund balance to balance the budget. Supervisor Folstad recommended going to referendum to ask the citizens what they want.

Dunning and Leary in favor of proceeding with projects, and coming forward with bonding

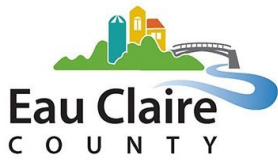
Folstad in favor of proceeding with projects, but not with bonding

Zook in favor of proceeding with projects

The committee reviewed the current fund balance policy. Supervisor Leary would like to know what is wrong with the current policy, and asked what the new members of the committee want to see changed. Supervisor Zook said that the calculation is unclear, and that there should be no mention of the debt payment. Supervisor Folstad likes that the fund balance has mention of the debt service payment (in case of notes being called). Supervisor Zook suggested that the committee needs to determine if 20-30% is an appropriate level of unassigned fund balance. Kathryn Schauf reminded the committee that fiscal emergencies can be something other than department specific overages, such as a catastrophic event in the county in which the county needs to front the payments. The county relies on sales tax, which is a volatile funding source. The county is expecting to see approximately \$1.2 million per month come out of pandemic relief aid to households in the county, which could have significant impacts on the county's sales tax collections. Supervisor Folstad questioned whether the county has other fund balances to draw from if needed. Supervisor Zook would like to see a department capital wish list for ways to spend excess fund balance. Supervisor Folstad does not see a need to change anything; nor does Supervisor Leary. Supervisor Coffey asked for clarification on using unassigned fund balance for operating expenditures.

Motion: Dunning moved to postpone action to March 9

Vote: 4-0 via voice vote, motion carried



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Supervisor Dunning left at 5:36 pm.

The committee reviewed the sales tax report through November 2022 collections. November collections were less than the prior two years, and one of the lower November collections on record. The current estimate for total 2022 sales tax collections is \$13.3 million.

The committee reviewed the 4th quarter investment report, prepared by the Treasurer.

Future Meetings: March 9, 2023, possible special meeting before March 7 board meeting if bonding does not pass

Agenda Items: debt management policy, fund balance policy (action on drafted policy)

The committee adjourned at 5:43 pm.

Amy Weiss
Committee Clerk