

Chairperson: Supervisor Richard D. Nyklewicz, Jr.
Clerk: Lauri Henning, 278-4227
Research Analyst: Rob Henken, 278-4826

COMMITTEE ON FINANCE AND AUDIT

Thursday, January 16, 2003 - 9:00 A.M.

Milwaukee County Courthouse - Room 201-B

MINUTES

CASSETTE #48: Side A, #358-END; Side B, #1-END

CASSETTE #49: Side A, #1-#664

PRESENT: Supervisors McCue, Coggs-Jones*, Quindel, Mayo, Schmitt, Davis & Nyklewicz (Chair)

*Supervisor Coggs-Jones was not present when the roll call was taken, but arrived shortly thereafter.

SCHEDULED ITEMS:

1. 02/03-1 Fund Transfers.
A1)-A6) – Capital Improvement (2002)
B1) – Capital Improvement (2003)
C1) – Inter-Departmental (2002)

48-A-437 Separate action was requested on fund transfers A1) and A3).

ACTION BY: (Mayo) approve the balance of fund transfers, excluding A1) and A3). 7-0

AYES: McCue, Coggs-Jones, Quindel, Mayo, Schmitt, Davis & Nyklewicz (Chair) – 7

NOES: 0

A1):

APPEARANCE:

Tim Karaskiewicz, Principal Assistant Corporation Counsel

Questions, comments and discussion ensued.

ACTION BY: (Schmitt) approve fund transfer A1). 5-2

AYES: McCue, Coggs-Jones, Quindel, Schmitt & Nyklewicz (Chair) – 5

NOES: Mayo & Davis – 2

SCHEDULED ITEMS (CONTINUED):

A3):

Questions and comments ensued.

Supervisor Davis asked the Fiscal and Budget Administrator to provide him with follow-up information regarding ongoing maintenance issues at the Marcus Center for the Performing Arts, especially environmental issues. Chairman Nyklewicz asked that such information be shared with the entire Committee.

ACTION BY: (Mayo) approve fund transfer A3). 7-0

AYES: McCue, Coggs-Jones, Quindel, Mayo, Schmitt, Davis & Nyklewicz (Chair) – 7

NOES: 0

2. 02-1 Report, referred back 12/19/02, recommending adoption of a resolution authorizing the Director, Department of Administration, to transfer \$128,800 from the Appropriation for Contingencies account for investment advisory services and unpaid personal property tax charges.

48-A-617 **APPEARANCES:**

Dorothy K. Dean, County Treasurer
Richard Williams, Accounting Supervisor, Treasurer's Office
Jerome J. Heer, Director of Audits

Discussion ensued.

Treasurer Dean reported that the year-end projected deficit at this time in the Earnings on Investment non-departmental account is \$15,000.

ACTION BY: (Mayo) reaffirm the Committee's previous recommendation for adoption of the said fund transfer. 7-0

AYES: McCue, Coggs-Jones, Quindel, Mayo, Schmitt, Davis & Nyklewicz (Chair) – 7

NOES: 0

3. 02-324 From Fiscal and Budget Administrator, Director of Audits and County Board
(a)(a) Director of Research, submitting an analysis of a prospective conversion to a biennial budget process and analysis of the fund transfer process.

SCHEDULED ITEMS (CONTINUED):

48-B-200 **APPEARANCES:**

Jerome J. Heer, Director of Audits
Terry D. Kocourek, Fiscal and Budget Administrator
Rob Henken, Director of County Board Research
Steve Mokrohisky, County Executive's Office

Mr. Heer reviewed the report's findings and conclusions.

Chairman Nyklewicz advised that County Board Chairman Lee Holloway sent a memorandum to County Executive Scott Walker sharing some of his thoughts regarding the subject report and requesting that the County Executive implement the following key recommendations: (1) That the County Executive submit the Recommended Budget by mid-September to allow for greater public input and independent review of fiscal matters; and (2) That a five-year operating plan be prepared for the County and submitted with the Recommended Budget in conjunction with the five-year capital plan.

Chairman Nyklewicz further advised that County Board Chairman Lee Holloway also sent a memorandum to newly appointed Corporation Counsel William Domina asking for a fresh legal opinion as to whether the County Board has the ability to institute a passive review for fund transfers or whether the County Board must ask the State Legislature to modify State Statutes to allow for such a change. If Mr. Domina agrees that modification to the Statutes is necessary, Chairman Holloway asked him to specify the changes to Section 59.60 that would be required in order to allow the County to implement the passive review process recommended in the staff report.

Chairman Nyklewicz indicated that if the Committee wishes to pursue the passive review process recommended in the staff report, he would rather have Supervisors contact the Chief Committee Clerk rather than the Finance and Audit Committee Chairman to schedule a fund transfer on the next Finance and Audit Committee agenda.

Mr. Henken advised that the County Executive already has the ability to submit his Recommended Budget earlier than October 1 and can include a five-year operating plan. If the County Board and County Executive agree on specifying a different date for budget submission and requiring that the budget include a five-year operating scenario, County ordinances can be amended accordingly.

A very lengthy discussion ensued.

SCHEDULED ITEMS (CONTINUED):

ACTION BY: (Davis) approve the recommendations contained in the subject report, with the understanding that there will be some revisions as we move forward.

ACTION BY: (Coggs-Jones) in light of all the comments made today, refer this item back to staff for further consideration, which would allow the County Executive and Corporation Counsel time to respond to Chairman Holloway's communications.

Further comments followed.

Chairman Nyklewicz summarized the discussion as follows:

- It is the consensus of the Committee to not embrace a biennial budget process at this time.
- A passive review of fund transfers needs additional discussion and work for development of alternatives and options for the Committee's consideration.
- Corporation Counsel needs to be consulted as to whether it is legally permissible to do something other than what is currently being done regarding fund transfers, absent a change in State Statutes.
- The Committee supports working with the County Executive to provide additional time for County Board review of the 2004 budget - if that can be accomplished by getting the budget earlier, it would be helpful and would allow County Board staff to begin their review earlier, resulting in earlier budget hearings by the the Committee, therefore affording additional opportunity for public input and comment.

Chairman Nyklewicz stated the above can be accomplished by referring this matter back to staff and to Corporation Counsel for clarification at the Committee's next meeting. He stated that this was the motion made by Supervisor Coggs-Jones, and she agreed.

Supervisor Quindel indicated he would like to see the County moving towards a second-year fiscal forecast as opposed to a biennial budget and a five-year operating plan.

Supervisor Coggs-Jones accepted the above suggestion by Supervisor Quindel and incorporated it into her referral motion.

Mr. Henken explained that, in terms of a long-range operating plan, staff was trying to articulate that it would not be a line item or department-by-department approach. It was simply taking a look at the County's major revenue streams and major fixed costs in order to give a picture as to whether those are out of balance. The authors of the subject report feel that is the County's fundamental core

SCHEDULED ITEMS (CONTINUED):

problem right now – i.e. fixed costs are locked in due to labor agreements and ordinances requiring that the pension fund be funded at 100%, etc., and those fixed costs are growing at a much faster rate than the County’s revenue stream. In the referral back to staff, it might be appropriate for staff to discuss how best they can develop a plan to give long-term fiscal information. Supervisor Quindel was amenable to Mr. Henken’s suggestion. Mr. Heer pointed out that short-term and long-term forecasting is not mutually exclusive.

Mr. Kocourek stated that he would like to utilize the talents of Messrs. Heer and Henken to possibly develop a model for the Committee to take a look at that would address both fiscal forecasting and reporting.

Chairman Nyklewicz suggested, and the Committee agreed, that the item be brought back at the call of the Chair based on input from staff as to when they are ready to present their report. He again summarized that the motion is a referral back to staff and to Corporation Counsel outlining the questions and concerns that have been addressed by the individual Committee members.

Vote on referral: 7-0

AYES: McCue, Coggs-Jones, Quindel, Mayo, Schmitt, Davis & Nyklewicz (Chair) – 7

NOES: 0

4. 02-615 From the District Attorney, requesting the creation of a new position of Secretarial Assistant for Children in Need of Protection and Services (CHIPS) and Termination of Parental Rights (TPR) cases in the juvenile division at the Childrens Court Center. **(Also to Personnel Committee, Department of Administrative Services and Division of Human Resources) (REPORT FROM DOA)**

48-A-755 **APPEARANCE:**
James Martin, Assistant District Attorney

ACTION BY: (Coggs-Jones) approve the creation of one position of Secretarial Assistant, effective February 2, 2003, in the District Attorney’s office, as recommended by the Department of Administrative Services, to provide proper staff for the Juvenile Division at the Children’s Court Center, with said position asterisked for abolishment should funding be discontinued.

Questions and comments ensued.

In light of concern expressed by Supervisor Davis regarding asterisked positions, Chairman Nyklewicz indicated that he would work with the Department of Administrative Services to devise a mechanism to shore up reporting to the

SCHEDULED ITEMS (CONTINUED):

Finance and Audit Committee regarding asterisked positions, especially when such positions are recommended for continued funding by Milwaukee County after outside funding has been discontinued.

Vote on approval: 7-0

AYES: McCue, Coggs-Jones, Quindel, Mayo, Schmitt, Davis & Nyklewicz (Chair) – 7

NOES: 0

5. 03-87 From Director, Child Support Enforcement (CSE), requesting approval of an amendment to a professional services contract with Laboratory Corporation of America Holdings through 2003, and abolishment of a vacated position. **(Also to Judiciary, Safety and General Services Committee)**

48-B-110 **APPEARANCES:**

John Hayes, Director of Child Support Enforcement
Agnes Marcinowski, Manager of Operations (CSE)

It was noted that the Judiciary, Safety and General Services Committee, on January 9, 2003, recommended approval of the requested contract amendment to provide an additional \$4 per genetic test (raising the price of a test from \$50 to \$54) and providing that Laboratory Corporation of America Holdings will assume responsibility for scheduling, billing and distribution functions associated with each test. The Committee did not act on the request to abolish the vacant position, as such action is under the purview of the Finance and Audit Committee.

ACTION BY: (Mayo) recommend abolishment of the vacant Clerical Assistant 2 position in the Department of Child Support Enforcement, which will offset the increased cost of the genetic testing, for a net tax levy reduction of \$10,732. 7-0

AYES: McCue, Coggs-Jones, Quindel, Mayo, Schmitt, Davis & Nyklewicz (Chair) – 7

NOES: 0

6. 03-73 From the Controller, requesting approval of a revision to Chapter 5 of the General Ordinances of Milwaukee County relative to the rate of reimbursement for business use of a personal vehicle by authorized employees.

48-B-188 **APPEARANCE:**

Scott Manske, Controller

SCHEDULED ITEMS (CONTINUED):

ACTION BY: (Coggs-Jones) approve the recommended ordinance revision, which will provide for a decrease in the rate of reimbursement for business use of a personal vehicle from \$0.365 a mile to \$0.360 a mile. 7-0

AYES: McCue, Coggs-Jones, Quindel, Mayo, Schmitt, Davis & Nyklewicz (Chair) – 7

NOES: 0

7. 02-503 (a) **2003 Adopted Budget Amendment 1C004** directed the Department of Audit to provide monthly reports for the first quarter of 2003 and quarterly reports thereafter, unless otherwise determined, regarding the projected surplus/deficit in the Employee Health Benefits account (Org. Unit 1950).

49-A-203 **APPEARANCES:**

Jerome J. Heer, Director of Audits

Matthew Janes, Employee Benefits and Services Manager

A memorandum, dated January 13, 2003, was submitted by the Audit Department, a copy of which has been made a part of the subject file. Mr. Heer reviewed the Department's findings and recommended the following actions:

1. Receive and place on file this memo, with the understanding that subsequent reports will be provided on the surplus/deficit status of the health benefits account for the April, July, October and December committee cycles.
2. Direct the Division of Human Resources to immediately report any substantive developments that could potentially affect the adequacy of funding provided for health care benefits in the 2003 Adopted Budget.

Discussion ensued.

- 02-503 (a)(c) ***ACTION BY: (Coggs-Jones) approve the recommendations contained in the January 13, 2003 report from the Department of Audit, as set forth above. 6-0***

AYES: McCue, Coggs-Jones, Quindel, Schmitt, Davis & Nyklewicz (Chair) – 6

NOES: 0

EXCUSED: Mayo

8. 02-503 (a) **2003 Adopted Budget Amendments 1A007 and 1A018** deleted language from the County Executive's Recommended Budget calling for the Department of Administrative Services, working with the Audit Department, to establish a system to more accurately budget for the cost of accumulated sick leave at the time of retirement, and referred such language to the Committee on Finance and Audit.

SCHEDULED ITEMS (CONTINUED):

49-A-570 **APPEARANCES:**
Jerome J. Heer, Director of Audits
Rob Henken, Director of County Board Research

Mr. Henken drafted a resolution for the Committee's consideration that reflects the language that was deleted from the 2003 Recommended Budget.

02-503 ***ACTION BY: (Coggs-Jones) approve the resolution drafted by County Board staff. 7-0***
(a)(d)

AYES: McCue, Coggs-Jones, Quindel, Mayo, Schmitt, Davis & Nyklewicz (Chair) – 7

NOES: 0

9. 02-503 **2003 Adopted Budget Amendments 1A007 and 1A018** deleted language from the County Executive's Recommended Budget calling for the Department of Administrative Services, along with the Department of Audit and County Board staff, to consider a formal role and specific responsibilities for the Information Technology Council, as well as a change in composition of the Council to include departmental business managers to address high-level County-wide Information Technology priorities, and required that any future major information technology project cannot go forward without consideration of internal process improvements, and referred such language to the Committee on Finance and Audit.
(a)

49-A-616 **APPEARANCES:**
Jerome J. Heer, Director of Audits
Francine Flanigan, Information Management Services Division
Steve Mokrohisky, County Executive's Office
Rob Henken, Director of County Board Research

Mr. Henken drafted a resolution for the Committee's consideration that reflects the language that was deleted from the 2003 Recommended Budget.

Supervisor Coggs-Jones asked if it would be appropriate to specify that representation on the Information Technology (IT) Council be ethnically or gender diverse. Mr. Heer advised that the IT Council, as currently constituted, is fairly diverse. If changes are made in the future, such consideration needs to be factored in. He indicated that he would provide a September 2001 report showing the representatives of the IT Council, which he believes is still current.

ACTION BY: (Coggs-Jones) approve the resolution drafted by County Board staff.

SCHEDULED ITEMS (CONTINUED):

In response to a query by Supervisor Davis, Ms. Flanigan stated that installation of the CHAMPS software for the Disadvantaged Business Development office is one of the priorities of the Information Management Services Division.

Mr. Mokrohisky asked that the resolution drafted by County Board staff include that the County Executive also be provided the May 2003 report.

ACTION BY: (McCue) amend the BE IT RESOLVED clause in the resolution drafted by County Board staff as follows: "BE IT RESOLVED, that the Department of Administrative Services, Department of Audit and County Board staff are hereby authorized and directed to examine formalizing the role of the Information Technology Council and specifying its responsibilities in establishing County-wide information technology standards, and shall submit a report to the Finance and Audit Committee and the County Executive detailing their findings and recommendations by May 2003; and". 7-0

AYES: McCue, Coggs-Jones, Quindel, Mayo, Schmitt, Davis & Nyklewicz (Chair) – 7

NOES: 0

02-503
(a)(e)

Vote on approval as amended: 7-0

AYES: McCue, Coggs-Jones, Quindel, Mayo, Schmitt, Davis & Nyklewicz (Chair) – 7

NOES: 0

Addendum Item

**** PUBLIC HEARING ****

- 10. 02-600 (a) A. To consider issuance of General Obligation Corporate Purpose Bonds in a not-to-exceed amount of \$243,090 for the Milwaukee Public Museum, \$263,550 for the Marcus Center for the Performing Arts, \$303,865 for the Milwaukee County Historical Society and \$1,361,305 for roadway rehabilitation at the Milwaukee Regional Medical Center.
- 02-552 (a) B. To consider issuance of \$7,125,000 in General Airport Revenue Bonds for the completion of construction of a parking facility at General Mitchell International Airport.
- 48-A-15 The Clerk read the public hearing statements provided by the Department of Administrative Services relating to the above bond issues, copies of which are contained in the subject files.

SCHEDULED ITEMS (CONTINUED):

No one from the public appeared.

Committee members proceeded to ask questions, which were addressed by Pamela Bryant, Capital Finance Manager, and Brian Lanser (Quarles and Brady), the County's bond counsel.

The public hearing was closed.

DEADLINE

The deadline for items for the next regular meeting (February 13, 2003) is Friday, January 31, 2003.

All items for the agenda must be in the Committee Clerk's possession by the end of the business day on FRIDAY, JANUARY 31, 2003.

ADA accommodation requests should be filed with the Milwaukee County Executive Office for Persons with Disabilities, 278-3932 (voice) or 278-3937 (TTD), upon receipt of this notice.

STAFF PRESENT:

Terry D. Kocourek, Fiscal and Budget Administrator
Jerome J. Heer, Director of Audits
Douglas Jenkins, Deputy Director of Audits
Rob Henken, Director of County Board Research

This meeting was recorded on tape. The foregoing items were not necessarily considered in agenda order. Committee files contain copies of communications, reports and resolutions/ordinances, which may be reviewed upon request to the Chief Committee Clerk. The official copy of these minutes is available in the County Board Committee Services Division.

Length of Meeting: 9:05 a.m. to 11:35 a.m.

Adjourned,

Lauri Henning

Lauri Henning, Chief Committee Clerk
Committee on Finance and Audit

Chairperson: Supervisor Richard D. Nyklewicz, Jr.
Clerk: Lauri Henning, 278-4227
Research Analyst: Rob Henken, 278-4826

**SPECIAL MEETING OF THE
COMMITTEE ON FINANCE AND AUDIT**

Thursday, January 23, 2003 - 12:00 P.M.

Milwaukee County Courthouse - Room 201-B

M I N U T E S

CASSETTE #49: Side B, #1-#150

PRESENT: Supervisors McCue, Coggs-Jones, Quindel, Mayo, Schmitt, Davis & Nyklewicz (Chair)

SCHEDULED ITEMS:

1. 02-600 Recommendation from Department of Administrative Services relative to bid
(a)(f) award for the sale of General Obligation Corporate Purpose Bonds, Series 2003A.
2. 02-552 Recommendation from Department of Administrative Services relative to bid
(a)(a) award for the sale of General Airport Revenue Bonds, Series 2003A.

NOTE: *The Bid Opening took place at 10:00 a.m. in Room 201-B of the Milwaukee County Courthouse.*

APPEARANCES:

Pamela Bryant, Capital Finance Manager

A total of 6 bids were received for General Obligation Corporate Purpose Bonds (all electronically submitted), which are summarized below:

	Net Interest Dollar Cost	True Interest Rate
Paine Webber, Inc	\$9,198,237.00	3.9392%
Salomon Smith Barney	\$8,793,590.47	3.9553%
Advest, Inc.	\$9,214,534.48	3.9722%
Merrill Lynch	\$8,871,515.62	3.9735%
RBC Dain Rauscher	\$9,141,313.74	3.9784%
Bear, Stearns & Co., Inc.	\$9,384,042.99	4.0220%

DOA RECOMMENDATION: Paine Webber, Inc. at a net interest dollar cost of \$9,298,237.00 and net interest rate of 3.9392%.

SCHEDULED ITEMS (CONTINUED):

A total of one bid was received for Airport Revenue Bonds (electronically submitted), which is summarized below:

	Net Interest Dollar Cost	True Interest Rate
Morgan Stanley, Dean Witter & Co.	\$3,782,382.81	4.883758%

DOA RECOMMENDATION: Morgan Stanley, Dean Witter & Co. at a net interest dollar cost of \$3,782,382.81 and net interest rate of 4.883758%.

Questions and comments ensued.

ACTION BY: *(Mayo) approve the aforesaid DOA recommendation. 7-0*

AYES: McCue, Coggs-Jones, Quindel, Mayo, Schmitt, Davis & Nyklewicz (Chair) – 7

NOES: 0

ADA accommodation requests should be filed with the Milwaukee County Executive Office for Persons with Disabilities, 278-3932 (voice) or 278-3937 (TTD), upon receipt of this notice.

STAFF PRESENT:

Terry D. Kocourek, Fiscal and Budget Administrator
Rob Henken, Director of County Board Research

This meeting was recorded on tape. Committee files contain copies of reports and resolutions, which may be reviewed upon request to the Chief Committee Clerk. The official copy of these minutes is available in the County Board Committee Services Division.

Length of Meeting: 12:20 p.m. to 12:25 p.m.

Adjourned,

Lauri Henning

Lauri Henning, Chief Committee Clerk
Committee on Finance and Audit

Chairperson: Supervisor Richard D. Nyklewicz, Jr.
Clerk: Lauri Henning, 278-4227
Research Analyst: Rob Henken, 278-4826

COMMITTEE ON FINANCE AND AUDIT

Thursday, February 13, 2003 - 9:00 A.M.

Milwaukee County Courthouse - Room 201-B

MINUTES

CASSETTE #49: Side B, #151-END
CASSETTE #50: Side A, #1-END; Side B, #1-#103

PRESENT: Supervisors McCue, Coggs-Jones, Quindel, Mayo, Davis & Nyklewicz (Chair)
EXCUSED: Supervisor Schmitt

SCHEDULED ITEMS:

1. 02/03-1 Fund Transfers.

- A1) – Departmental-Receipt of Revenue (2002)**
- A1)-A4) – Departmental-Receipt of Revenue (2003)**
- C1) – Unallocated Contingent Fund (2002)**
- D1)-D6) – Capital Improvement (2002)**
- E1) – Departmental-Other Charges (2003)**
- F1) – Departmental-Capital Outlay (2003)**
- G1) – Departmental (2003)**

49-B-161 Chairman Nyklewicz informed the Committee that fund transfer C1) was not signed by the County Executive, therefore, it was not properly before the Committee.

Separate action was requested on fund transfers A1) and F1).

ACTION BY: (McCue) approve the fund transfers, excluding A1), C1) and F1).
6-0

AYES: McCue, Coggs-Jones, Quindel, Mayo, Davis & Nyklewicz (Chair) – 6
NOES: 0
EXCUSED: Schmitt

49-B-182 **A1):**

APPEARANCE:
Jon Priebe, Public Safety Fiscal Administrator

SCHEDULED ITEMS (CONTINUED):

Questions ensued.

ACTION BY: (McCue) approve fund transfer A1). 6-0

AYES: McCue, Coggs-Jones, Quindel, Mayo, Davis & Nyklewicz (Chair) – 6

NOES: 0

EXCUSED: Schmitt

F1):

Chairman Nyklewicz stated that fund transfer F1) would be laid over until after disposition of Item 11.

50-A-222 Later in the meeting.

ACTION BY: (Coggs-Jones) approve fund transfer F1). 6-0

AYES: McCue, Coggs-Jones, Quindel, Mayo, Davis & Nyklewicz (Chair) – 6

NOES: 0

EXCUSED: Schmitt

2. 03-12 From Public Safety Fiscal Administrator, notifying of a potential revenue deficit in
(a)(a) inmate telephone commission revenue of \$1,200,000.

APPEARANCE:

Jon Priebe, Public Safety Fiscal Administrator

ACTION BY: (Mayo) as suggested by Chairman Nyklewicz, refer to the Department of Audit for review and ask the departments [House of Correction and Sheriff's Department] for a corrective action plan related to the shortfall in inmate telephone commission revenue.

Questions and comments ensued.

Vote 6-0:

AYES: McCue, Coggs-Jones, Quindel, Mayo, Davis & Nyklewicz (Chair) – 6

NOES: 0

EXCUSED: Schmitt

SCHEDULED ITEMS (CONTINUED):

3. 03-154 From Fiscal and Budget Administrator, recommending that employees be allowed to request voluntary time off without pay, up to 160 hours in calendar year 2003.

49-B-270 **APPEARANCE:**
Terry D. Kocourek, Fiscal and Budget Administrator

ACTION BY: (McCue) approve.

Supervisor Mayo asked that the Department of Administrative Services attempt to quantify the impact of this policy.

Vote on approval: 6-0

AYES: McCue, Coggs-Jones, Quindel, Mayo, Davis & Nyklewicz (Chair) – 6

NOES: 0

EXCUSED: Schmitt

4. 02-575 Resolution by Supervisor Endries, authorizing and directing the Director of Audits and the Director of the Human Resources Division to assess the organizational structure, including the realignment of staff responsibilities, modification of classifications and compensation for administrative positions in the Department of Parks, Recreation and Culture.

49-B-306 **APPEARANCES:**
Jerome J. Heer, Director of Audits
Rob Henken, Director of County Board Research

Mr. Henken advised that, after discussions with the Division of Human Resources, Supervisor Endries would like his resolution referred to staff.

ACTION BY: (Mayo) refer to staff [Audit Department and Division of Human Resources] as requested by Supervisor Endries. NO OBJECTION, SO ORDERED.

5. 02-331 From Director of Audits, submitting Audit of Department of Human Resources Hiring, dated June 2002. (COPIES PREVIOUSLY PROVIDED) **[6/13/02: laid over and referred to the new Human Resources Director for a response.] (RESPONSE FROM DIRECTOR OF HUMAN RESOURCES) (Suggested Action: Receive and Place on File with a status report in six months.)**

49-B-314 **APPEARANCES:**
Jerome J. Heer, Director of Audits

SCHEDULED ITEMS (CONTINUED):

Charles E. McDowell, Director of Human Resources

Mr. Heer indicated that the Audit Department is in general concurrence with everything that was in the initial response and specifically in concurrence with Mr. McDowell's plan for reforming the Division's process for hiring. He recommended that the Division submit a status report on implementation in six months to indicate whether it had been able to implement the audit recommendations, or if it had determined other ways to address the problems identified in the audit.

Comments followed.

ACTION BY: (McCue) receive and place on file the said audit and response from the Director of Human Resources, dated January 31, 2003, with the understanding that a status report will be submitted by the Division of Human Resources in six months. 6-0

AYES: McCue, Coggs-Jones, Quindel, Mayo, Davis & Nyklewicz (Chair) – 6

NOES: 0

EXCUSED: Schmitt

6. 03-133 From Director of Audits, submitting the 2002 Annual Report Audit Hotline and Audit Activity Addressing Potential Fraud, Waste or Abuse, dated February 2003. **(Recommended Action: Receive and Place on File)**

49-B-367 **APPEARANCES:**
Jerome J. Heer, Director of Audits

ACTION BY: (McCue) receive and place on file the 2002 Annual Report. 6-0

AYES: McCue, Coggs-Jones, Quindel, Mayo, Davis & Nyklewicz (Chair) – 6

NOES: 0

EXCUSED: Schmitt

7. 02-573
(a) An adopted resolution authorizing the Director of Administrative Services to immediately explore expanded use of the tax refund intercept program in areas of County government not currently benefiting from this activity and providing that, prior to implementing such a program and/or executing a new contract with a private consultant to assist the County in its tax refund intercept efforts, the Director of Administrative Services receive approval from the Committee on Finance and Audit and the full County Board. *(Adopted 12/19/02)* **(REPORT FROM DAS)**

SCHEDULED ITEMS (CONTINUED):

49-B-405 **APPEARANCES:**

Linda Seemeyer, Director, Department of Administrative Services
Mary Reddin, Assistant Manager, Information Management Services Division
Paula Lucey, Director, Department of Health and Human Services

Ms. Reddin summarized the report, which was submitted in response to the resolution that was adopted on December 19, 2002. She explained that the Department of Administrative Services is proposing to use two types of debts [Advanced Life Support (ALS) Paramedic Service bills and General Assistance Medical Program (GAMP) fraud claims] that have been identified totaling \$3.3 million. If certified immediately to the Department of Revenue, these would produce a certain amount of collections for Milwaukee County. That income would be used to create a position and the tools necessary to create an effective revenue maximization program for 2004. She pointed out that initial implementation would not produce substantial revenue in 2003. The premise is that if we begin a program such as this and utilize initial income to invest in staff and system development, in 2004 and beyond the revenue returned to the County could be significant.

Ms. Reddin proceeded to summarize the Department's recommendations as outlined below:

- Initiate a Revenue Maximization Program with a pilot expanded Tax Refund Intercept Program, with 2003 tax refund intercept revenue invested in staff and systems development in order to establish the benefits of revenue maximization in 2004.
- Create a Reimbursement Manager position in the Department of Health and Human Services (DHHS) and authorize the Director of DHHS to contract for system development and tax intercept refund services.
- Authorize all departments to work with the Reimbursement Manager to expand the Revenue Maximization program and to research and document other debts.
- Amend Section 15.23(2) of the General Ordinances of Milwaukee County to provide for an increase in the charge for unpaid checks and unpaid debit or credit card transactions from \$15 to \$30.
- Direct the Manager, Information Management Services Division, to assist in defining the strategy, platform and tools for system development to achieve industry standards and potential for countywide re-use.

02-573 ***ACTION BY: (McCue) approve the recommendations of the Department of***
(a)(a) ***Administrative Services as outlined above.***

SCHEDULED ITEMS (CONTINUED):

Supervisor Davis asked that DHHS come back in the March meeting cycle with a report on a formal appeals process for individuals who may be subjected to tax refund intercept efforts.

Supervisor McCue accepted the above request as a friendly amendment to his motion.

Chairman Nyklewicz expressed reservation with this approach, particularly in regard to aggressive efforts to collect paramedic conveyance fees. He also expressed concern that the 40% fee proposed by the possible vendor is on the high side. He indicated that he asked County Board staff to check with the National Association of Counties (NACo), which indicated that its collections consultant charges a 14-22% rate, however, that was not necessarily in tax intercept but in collections as a whole. Outside vendors utilized by the Clerk of Courts charge fees that range from 10-30%. Chairman Nyklewicz stated that he appreciates the attempt to capture additional dollars, but he wonders if the emphasis is in the right place.

Ms. Lucey replied that the County doesn't really know much about the individuals from whom debts would attempt to be collected under the new program. The appeals process is a good place to determine who these individuals are and whether they have the ability to pay their debts.

ACTION BY: (Mayo) lay over for one month.

Further comments followed.

Vote on lay over: 2-4 (FAILED)

AYES: Mayo & Nyklewicz (Chair) – 2

NOES: McCue, Coggs-Jones, Quindel & Davis – 4

EXCUSED: Schmitt

**Vote on approval as modified to include a report back on an appeals process:
5-1**

AYES: McCue, Coggs-Jones, Quindel, Mayo & Davis – 5

NOES: Nyklewicz (Chair) – 1

EXCUSED: Schmitt

SCHEDULED ITEMS (CONTINUED):

8. 03F1 From the County Treasurer, regarding Departmental Reporting of Public Funds.
(INFORMATIONAL) (NO ACTION NECESSARY)

49-B-618 **APPEARANCES:**

Dorothy K. Dean, County Treasurers
Richard Williams, Accounting Coordinator, Treasurer's Office

Ms. Dean reviewed the report.

Questions and comments ensued.

The Committee took no action regarding this informational report.

9. 03-124 From Acting Director, Department of Public Works (DPW), requesting approval of the DPW staff and consultant use plan for 2003 capital and selected major maintenance projects. **(Also to Transportation, Public Works and Transit Committee)**

49-B-650 **APPEARANCE:**

Greg High, Director of Architectural, Engineering & Environmental Services

ACTION BY: (Mayo) concur in the action of the Transportation, Public Works and Transit Committee, of February 5, 2003, to approve the subject request. 6-0

AYES: McCue, Coggs-Jones, Quindel, Mayo, Davis & Nyklewicz (Chair) – 6

NOES: 0

EXCUSED: Schmitt

10. 03-134 From Director of Audits, regarding the Sheriff's Department contract for pharmaceutical services, 1996-2002. **(Also to Judiciary, Safety and General Services Committee)**

49-B-684 **APPEARANCE:**

Jerome J. Heer, Director of Audits

Mr. Heer summarized that the Audit Department had determined that there is no significant money to recover from the pharmaceutical vendor and the issue of Title 19 payment rates needs to be addressed.

The subject report recommended that the Sheriff's Department:

1. Recover \$3,011 in payments made to Roeschen in excess of Title 19 rates for the month of review.

SCHEDULED ITEMS (CONTINUED):

2. Implement a system that helps ensure that the Sheriff's Department is in compliance with County Ordinances restricting drug payments to no more than Title 19 rates.
3. Follow Section 56.30(6)(e) of the County General Ordinances and Section 1.13 of the County Administrative Manual related to standard components for all County professional service contracts.

Due to the receipt of new information since issuance of the subject report, Mr. Heer stated that Recommendation #1 is no longer appropriate, but Recommendations #2 and #3 should move forward.

In response to questions regarding DBE participation and whether anticipated savings had materialized, Mr. Heer suggested that a report be prepared by the Medical and Mental Health Program Administrator in the Sheriff's Department regarding how the new pharmaceutical contract is working out with regard to all issues, not only the ones identified in the subject report.

Supervisor Mayo asked how the Committee should proceed in this regard.

Mr. Heer stated that he was essentially recommending that the Title 19 rate issue be resolved and that the Sheriff's Department go forth and do a better job at making sure County Ordinances and administrative procedures are followed. He had no objection to laying this item over to the call of the chair in order to get more information from the Sheriff's Department in terms of the Title 19 issue.

ACTION BY: (Mayo) lay over to the call of the chair with information to come back from the Medical and Mental Health Program Administrator in the Sheriff's Department regarding the Title 19 rate issue, participation by DBE firms, and the issue regarding contract language. 6-0

AYES: McCue, Coggs-Jones, Quindel, Mayo, Davis & Nyklewicz (Chair) – 6

NOES: 0

EXCUSED: Schmitt

11. 03-153 From Director of Health and Human Services, requesting authorization to execute rent agreements with County W-2 Agencies for payment of 2002 rent, to issue monthly payments during 2003, to execute a rent agreement with SER for space at the DHHS office located at 10th and Mitchell Streets and to modify the current rent agreement with The Brewery Works, Inc. for space at Schlitz Park as contingency plans for cost control efforts. **(Also to Health and Human Needs Committee)**

SCHEDULED ITEMS (CONTINUED):

49-B-760 **APPEARANCES:**
Paula Lucey, Director, Department of Health and Human Services
Joseph Cooper, Administrator, Financial Assistance Division
Lee Hendersen, President, AFSCME Local 594

It was noted that the Health and Human Needs Committee, on February 12, 2003, recommended approval of the subject request.

Ms. Lucey proceeded to summarize the recommendations.

ACTION BY: (Mayo) concur in the recommendation of the Health and Human Needs Committee. 6-0

AYES: McCue, Coggs-Jones, Quindel, Mayo, Davis & Nyklewicz (Chair) – 6
NOES: 0
EXCUSED: Schmitt

In response to comments by Ms. Lucey regarding employees relocated to the Courthouse Annex, Ms. Hendersen stated that they are trying to make the best out of a bad situation with hopes that they will soon reoccupy their offices at 12th and Vliet. She wanted the Committee to know that there are still parking issues. She has suggested that customer complaints be shared with the County Board and the County Executive's office.

12. 01-172 From Director of Parks, Recreation and Culture, recommending that Corporation
(a)(a) Counsel, with assistance from the Parks Department as needed, be authorized to negotiate an end to the lease of the Milwaukee County Sports Complex to the Rampage and that such negotiation include recovery of rent arrears to the extent possible; further recommending that the Sports Complex property be referred to the Department of Administrative Services – Economic Development Division for sale and recommendation of any deed and/or use restrictions and that these recommended restrictions be brought back before the County Executive and County Board for final review and approval prior to sale. **(Also to Parks, Energy and Environment Committee)**

50-A-397 **APPEARANCES:**
Sue Baldwin, Director of Parks, Recreation and Culture
Steve Mokrohisky, County Executive's Office
Larry Kenny, Associate Director of Parks (Programs)

Ms. Baldwin reviewed the subject report and the following alternatives set forth therein:

SCHEDULED ITEMS (CONTINUED):

1. Terminate the Lease with the Rampage for nonpayment of rent as permitted under the Lease and pursue damages. Although a review of Rampage finances would be necessary to determine the likely success of this approach, it appears that the Rampage assets are minimal and the extent of any Rampage creditors is currently unknown.
2. Reach mutual agreement with the Rampage to terminate or vacate the Lease. This approach would provide for some planning and avoid future litigation through a binding agreement that would tie up loose ends, such as future rentals (liability/responsibility), claims for improvements, possibly minimize disruption to the public and allow some time to determine the future of the Sports Complex. In addition, to the extent possible, negotiate recovery of past due rent. Utilize financial data, including assets, that is to be provided by the Rampage to assist in that effort.
3. Have the Parks Department operate the Sports Complex. This approach would require additional funding if the Sports Complex were to operate as it was done in the past. When the Parks Department operated the facility, the operating deficit was absorbed with resources from other areas. The 2003 Parks Department budget does not appear to have the flexibility to absorb a similar operating deficit at this time. The Parks Department would need to request funding to responsibly operate the Sports Complex. As an alternative, the Parks Department could operate the facility only during revenue producing activities and only to the extent that offsetting revenue could be generated. However, that approach would severely limit or, more likely, eliminate any free public access to or use of the building and most activities that did not essentially pay for themselves. If the Parks Department were operating the Sports Complex, it is likely that it would produce a net operating deficit of up to \$100,000 annually and there would be no contribution to offset the annual debt service cost.
4. Authorize the Parks Department to issue a Request for Proposals (RFP). The RFP could be broad enough to encourage various approaches and could include partnerships between various entities. The County Executive and the County Board could establish any minimum requirements for debt service payments through rent and any other requirements. The RFP would have to be fast tracked to minimize County costs.
5. Specifically authorize the Parks Department to seek out and negotiate some sort of operating agreement or sale to some party or public entity that may emerge as an interested participant(s). It is noted that previous RFP responses did not bode well for this approach.

SCHEDULED ITEMS (CONTINUED):

6. Authorize the sale of the Sports Complex to the highest bidder. Restrictions could be placed on the usage. Some of the land could be retained as well. The number, type and extent of restrictions placed on the use would diminish the value of the property, as would retention of part of the land. If this option is approved, any bond related issues will need to be reviewed by Bond Counsel. A preliminary review of documents indicates that the land is not parkland, but rather House of Correction land.*

*Ms. Baldwin informed the Committee that, after further review, it has been determined that the land is, in fact, parkland and not House of Correction land, having been turned over to Parks in 1976.

Ms. Baldwin stated it is the Department's strong recommendation that the County Board approve Recommendations #2 and #6 as set forth above. She advised that the Parks, Energy and Environment Committee, at its meeting on February 11, 2003, basically recommended approval of Recommendation #4.

Mr. Mokrohisky indicated that the County Executive supports the Parks Department's recommendation.

A lengthy discussion ensued.

ACTION BY: (Coggs-Jones) approve Recommendations #2 and #6 as set forth above and contained in the resolution attached to the subject report.

ACTION BY: (Quindel) amend the BE IT FURTHER RESOLVED clause as follows: "BE IT FURTHER RESOLVED, that the Sports Complex property be referred to the Department of Administrative Services-Economic Development Division for sale with the restriction that the land be used for recreational purposes and recommendation of any additional deed and/or use restrictions and indication of the likely monetary impact on the sale of those additional restrictions, and, further, that these recommended restrictions be brought back before the County Executive and the County Board for final review and approval prior to sale. 3-3 (FAILED)

AYES: Quindel, Davis & Nyklewicz (Chair) – 3

NOES: McCue, Coggs-Jones & Mayo – 3

EXCUSED: Schmitt

Vote on approval of Recommendations #2 and #6 : 5-1

AYES: McCue, Coggs-Jones, Mayo, Davis & Nyklewicz (Chair) – 5

NOES: Quindel – 1

EXCUSED: Schmitt

SCHEDULED ITEMS (CONTINUED):

13. 03-88 From the Register of Deeds, requesting the creation of one Document Recorder position to assist in handling the process of recording real estate documents. **(Also to Personnel Committee, Department of Administrative Services and Division of Human Resources) (REPORT FROM DAS)**

50-A-244 **APPEARANCE:**
John La Fave, Register of Deeds

ACTION BY: (McCue) approve the creation of one Document Recorder, effective March 2, 2003, as recommended by the Department of Administrative Services in order to provide the Register of Deeds with the staffing necessary to continue to provide accurate and timely maintenance of real estate documents. 6-0

AYES: McCue, Coggs-Jones, Quindel, Mayo, Davis & Nyklewicz (Chair) – 6
NOES: 0
EXCUSED: Schmitt

14. 03-111 From Clerk of Circuit Court/Director of Court Services, requesting the creation of one position of Deputy Clerk of Court/Judicial Assistant to staff a family court created to handle both Domestic Abuse and Civil Harassment cases. **(Also to Personnel Committee, Department of Administrative Services and Division of Human Resources) (REPORT FROM DAS)**

50-A-259 **APPEARANCES:**
Bruce Harvey, District Court Administrator

Discussion ensued regarding a procedure to identify/track asterisked positions.

ACTION BY: (Mayo) approve the creation of one position of Deputy Clerk of Court/Judicial Assistant, effective April 1, 2003, as recommended by the Department of Administrative Services to provide support staff for the new domestic violence/civil harassment court, with said position asterisked for abolishment if funding from the Judicial Oversight Demonstration Initiative grant is discontinued. 6-0

AYES: McCue, Coggs-Jones, Quindel, Mayo, Davis & Nyklewicz (Chair) – 6
NOES: 0
EXCUSED: Schmitt

SCHEDULED ITEMS (CONTINUED):

15. 03-138 From the Sheriff, requesting the abolishment of one vacant Psychiatric Social Worker position and creation of one Case Management Specialist position to coordinate care and discharges with community agencies. **(Also to Personnel Committee, Department of Administrative Services and Division of Human Resources) (REPORT FROM DAS)**

50-A-350 **APPEARANCE:**
Inspector Kevin Carr, Sheriff's Department

ACTION BY: (Mayo) approve the abolishment of one position of Psychiatric Social Worker and creation of one position of Case Management Specialist, effective March 1, 2003, as recommended by the Department of Administrative Services to provide for enhanced services for the release of inmates suffering from mental illness. 6-0

AYES: McCue, Coggs-Jones, Quindel, Mayo, Davis & Nyklewicz (Chair) – 6
NOES: 0
EXCUSED: Schmitt

16. 03-79 From the Sheriff, requesting the abolishment of one Executive Assistant (Sheriff) position and creation one Executive Assistant (Sheriff) position in the unclassified service to provide administrative support to the Sheriff; also requesting the abolishment of one Administrative Coordinator position and creation of one Public Relations/Community Relations Coordinator in the unclassified service to manage the public and community relations functions for the Sheriff's office. **(Also to Personnel Committee, Department of Administrative Services and Division of Human Resources) (REPORT FROM DAS)**

50-A-354 **APPEARANCES:**
Inspector Kevin Carr, Sheriff's Department
Jon Priebe, Public Safety Fiscal Administrator

ACTION BY: (Quindel) approve the abolishment of one position of Executive Assistant (Sheriff) and one position of Administrative Coordinator, effective March 1, 2003, and creation of one position of Executive Assistant (Sheriff) (in the unclassified service) and one position of Public Relations/Community Relations Coordinator, effective April 7, 2003, as recommended by the Department of Administrative Services to provide for enhanced services in the Administration Bureau of the Sheriff's Department.

SCHEDULED ITEMS (CONTINUED):

Chairman Nyklewicz advised that the Department has expressed concern about the DAS recommendation as it relates to the effective date of the abolishment and creation of the Executive Assistant positions. Inspector Carr asked that the abolishment and creation of these positions be effective on the same date (April 7, 2003) in order to have continuity in staffing. The Department plans on doing this without any negative tax levy impact by not filling other vacant positions.

Supervisor Quindel modified his motion to incorporate the request of the Sheriff.

Vote on approval of DAS recommendation as modified: 5-0

AYES: McCue, Coggs-Jones, Quindel, Davis & Nyklewicz (Chair) – 5

NOES: 0

EXCUSED: Mayo & Schmitt

DEADLINE

The deadline for items for the next regular meeting (March 13, 2003) is Friday, February 28, 2003.

All items for the agenda must be in the Committee Clerk's possession by the end of the business day on FRIDAY, FEBRUARY 28, 2003.

ADA accommodation requests should be filed with the Milwaukee County Executive Office for Persons with Disabilities, 278-3932 (voice) or 278-3937 (TTD), upon receipt of this notice.

STAFF PRESENT:

Terry D. Kocourek, Fiscal and Budget Administrator

Jerome J. Heer, Director of Audits

Douglas Jenkins, Deputy Director of Audits

Steve Mokrohisky, County Executive's Office

Rob Henken, Director of County Board Research

SCHEDULED ITEMS (CONTINUED):

This meeting was recorded on tape. Committee files contain copies of communications, reports and resolutions/ordinances, which may be reviewed upon request to the Chief Committee Clerk. The official copy of these minutes is available in the County Board Committee Services Division.

Length of Meeting: 9:05a.m. to 10:20 a.m.
10:30 a.m. to 11:15 a.m.

Adjourned,

Lauri Henning

Lauri Henning, Chief Committee Clerk
Committee on Finance and Audit

Chairperson: Supervisor Richard D. Nyklewicz, Jr.

Clerk: Lauri Henning, 278-4227

Research Analyst: Rob Henken, 278-4826

COMMITTEE ON FINANCE AND AUDIT

Thursday, March 13, 2003 - 9:00 A.M.

Milwaukee County Courthouse - Room 201-B

MINUTES

CASSETTE #50: Side B, #104-END

CASSETTE #51: Side A, #1-END; Side B, #1-#349

PRESENT: Supervisors McCue, Coggs-Jones, Quindel, Mayo, Schmitt, Davis* and Nyklewicz (Chair)

*Supervisor Davis was not present at the time of the roll call, but arrived soon thereafter (9:25 a.m.).

SCHEDULED ITEMS:

1. 02-1/3-1 Fund Transfers.
A1) – Departmental-Receipt of Revenue (2003)
B1) – Unallocated Contingent Fund (2002)
C1) – Capital Improvement (2003)
D1) – Departmental

50-B-113 **APPEARANCES:**

Terry D. Kocourek, Fiscal and Budget Administrator

Supervisor Daniel Diliberti, 8th District

Dennis Weedall, Deputy Director of Parks (Finance/Administration)

Mr. Kocourek pointed out that fund transfer B1) is recommended for denial. It is a request by the Sheriff to transfer \$978,118 from the contingent fund to offset an accrual entry made by the Controller in anticipation of the settlement of the Deputy Sheriff's Association contract. The County Executive did not feel he could recommend approval of this transfer since the County Board has not yet acted on the tentative agreement with the Deputy Sheriff's Association.

Chairman Nyklewicz suggested that this transfer be laid over until the Special Joint Meeting of the Committee on Finance and Audit and Committee on Personnel scheduled for Monday, March 17, at which time the Deputy Sheriff's Association agreement would be acted upon.

ACTION BY: (Mayo) lay over fund transfer B1) as suggested by Chairman Nyklewicz. NO OBJECTION, SO ORDERED.

SCHEDULED ITEMS (CONTINUED):

Discussion ensued regarding the balance of the fund transfers.

ACTION BY: (Mayo) approve the fund transfers, excluding B1). 7-0*

AYES: McCue, Coggs-Jones, Quindel, Mayo, Schmitt, Davis* &
Nyklewicz (Chair) – 7

NOES: 0

***Supervisor Davis was not present when the vote was taken, but later requested to be recorded as voting aye on this item. There being no objection, it was so ordered.**

2. 02-503 (a) **2003 Adopted Budget Amendments 1A007 and 1A018** deleted language from the County Executive's Recommended Budget establishing new requirements for the content of fiscal notes, and referred such language to the Committee on Finance and Audit.

50-B-369 **APPEARANCES:**
Rob Henken, Director of County Board Research
Terry D. Kocourek, Fiscal and Budget Administrator
Jerome J. Heer, Director of Audits

A report, dated March 5, 2003, was submitted by Messrs. Henken and Kocourek recommending new policies and procedures governing fiscal notes, a copy of which is contained in the subject file.

Mr. Henken reviewed the report and its recommendations.

A very lengthy discussion ensued. Among the issues raised by Committee members was a desire for a fiscal note form or template and/or a formal sign-off by departments or the Department of Administrative Services verifying the accuracy of the fiscal note. Committee members also raised concerns regarding the proposed enhanced role for County Board staff in reviewing fiscal notes.

ACTION BY: (Mayo) refer back to Messrs. Henken and Kocourek, as well as to Mr. Heer, for refinement of the recommendations contained in the March 5 report, taking into account the Committee's discussion. 7-0*

AYES: Nyklewicz*, Coggs-Jones, Quindel, Mayo, Schmitt, Davis &
McCue (Chair) – 7

NOES: 0

SCHEDULED ITEMS (CONTINUED):

***Supervisor Nyklewicz was not present when the vote was taken, but later requested to be recorded as voting aye on this item. There being no objection, it was so ordered.**

3. 03-170 From Fiscal and Budget Administrator, regarding Report of 2002 Carryovers to 2003.

50-B-743 ***ACTION BY: (McCue) refer to County Board staff. 7-0***

AYES: McCue, Coggs-Jones, Quindel, Mayo, Schmitt, Davis & Nyklewicz (Chair) – 7

NOES: 0

4. 03-104 From Director of Health and Human Services, requesting the immediate creation of three Human Service Worker positions for the Court and Delinquency Services Division. **(Also to Committee on Personnel, Department of Administrative Services and Division of Human Resources) (REPORT FROM DAS)**

50-B-746 ***ACTION BY: (Mayo) approve the creation of three Human Service Worker positions for the Court and Delinquency Services Division, effective March 30, 2003, as recommended by the Department of Administrative Services, in order to provide the Division with the staffing necessary to maintain Probation Supervision caseloads at manageable levels and to align the Department of Administrative Services-Division of Human Resources Genesys Position Control and DHHS-Human Resources personnel tracking systems with the 2003 Adopted Budget. 7-0***

AYES: McCue, Coggs-Jones, Quindel, Mayo, Schmitt, Davis & Nyklewicz (Chair) – 7

NOES: 0

5. 03-171 From Director, Department on Aging, requesting the creation of one position of Service Support Supervisor, one position of Service Support Specialist (Bilingual Spanish) and three positions of Contract Specialist to assist in expediting the process and the coordination of eligibility activities under the Family Care Program. **(Also to Committee on Personnel, Department of Administrative Services and Division of Human Resources) (REPORT FROM DAS)**

50-B-750 ***ACTION BY: (Coggs-Jones) approve the creation of one position of Service Support Supervisor, one position of Service Support Specialist (Bilingual Spanish) and three positions of Contract Specialist in the Department on Aging, effective March 30, 2003, as recommended by the Department of Administrative Services in order to provide the Department on Aging with the staffing necessary to meet the contractual requirements of the Family Care entitlement and ensure the***

SCHEDULED ITEMS (CONTINUED):

quantity and quality of care provided to Milwaukee County's seniors. These positions shall be asterisked to be abolished if funding is no longer available in the future. 7-0

AYES: McCue, Coggs-Jones, Quindel, Mayo, Schmitt, Davis & Nyklewicz (Chair) – 7

NOES: 0

6. 01-433 From County Treasurer, regarding status of travel card program and (a)(a) recommending that the program no longer be a pilot program.

50-B-754 **APPEARANCES:**
Dorothy K. Dean, County Treasurer
George Brotz, Sheriff's Department
Douglas Jenkins, Deputy Director of Audits

ACTION BY: (McCue) approve expansion of the travel card program as recommended by the Treasurer.

Discussion ensued.

Vote on approval of expansion of the travel card program: 7-0*

AYES: McCue, Coggs-Jones, Quindel*, Mayo, Schmitt, Davis & Nyklewicz (Chair) – 7

NOES: 0

***Supervisor Quindel was not present when the vote was taken, but later requested to be recorded as voting aye on this item. There being no objection, it was so ordered.**

7. 03-172 From Risk Manager, requesting that the Milwaukee County Board of Supervisors approve a resolution of its intent and agreement to self-insure for workers' compensation as contained in the Wisconsin Administrative Code.

51-A-119 **APPEARANCES:**
John Rath, Risk Manager
Judith Litscher, Assistant Risk Manager

ACTION BY: (Mayo) approve. 7-0

AYES: McCue, Coggs-Jones, Quindel, Mayo, Schmitt, Davis & Nyklewicz (Chair) – 7

NOES: 0

SCHEDULED ITEMS (CONTINUED):

8. 03-219 From Director of Audits, submitting Audit of Milwaukee County Employee Grievance Process, dated March 2003. **(Also to Committee on Personnel)**
(COPIES PROVIDED DIRECTLY BY DIRECTOR OF AUDITS)

51-A-145 **APPEARANCES:**

Jerome J. Heer, Director of Audits
Troy Hamblin, Director of Labor Relations
Christopher Pegelow, Local 882
Lee Henderson, Local 594

Mr. Heer summarized the findings and recommendations of the subject audit.

ACTION BY: (Coggs-Jones) receive and place on file, with the understanding that a status report be submitted in six months, as recommended by the Director of Audits.

Discussion ensued, including appearances by Mr. Pegelow and Ms. Henderson.

Chairman Nyklewicz invited the union representatives to come back when the status report is submitted in six months.

Vote to receive and place on file with a status report in six months: 7-0

AYES: McCue, Coggs-Jones, Quindel, Mayo, Schmitt, Davis &
Nyklewicz (Chair) – 7

NOES: 0

9. 02-572 An adopted resolution authorizing and directing the County Board Research
(a) Division to conduct an analysis of potential alternative means of conducting votes of the Board of Supervisors and submit its report to the Chairman of the County Board within three months of adoption of this resolution. *(Adopted 12/19/02)*
(REPORT FROM COUNTY BOARD STAFF)

51-A-528 **APPEARANCES:**

Rick Ceschin, County Board Legislative Research Analyst
Supervisor Tim Johnson, 15th District

Mr. Ceschin reviewed the staff report, dated March 3, 2003, a copy of which is contained in the subject file. He noted that the County Clerk agrees with the information in the report and would be willing to follow whatever procedure the County Board wishes as it relates to the means of conducting votes at Board meetings.

SCHEDULED ITEMS (CONTINUED):

A very lengthy discussion ensued.

ACTION BY: (Quindel) direct staff to (1) prepare for the Committee's next meeting an appropriate resolution/ordinance to implement rotational voting on a monthly basis, and (2) further investigate the cost to purchase an electronic voting/legislative tracking system, including the cost to provide staff training and service contracts, and report back the results of that study in two months.

Supervisor Mayo requested division of the question, which was granted by Chairman Nyklewicz.

Further comments ensued.

Vote on approval of Part 1 of Supervisor Quindel's motion as set forth above:
4-3

AYES: Coggs-Jones, Quindel, Mayo & Schmitt – 4

NOES: McCue, Davis & Nyklewicz (Chair) – 3

Vote on approval of Part 2 of Supervisor Quindel's motion as set forth above:
4-3

AYES: McCue, Quindel, Schmitt & Davis – 4

NOES: Coggs-Jones, Mayo & Nyklewicz (Chair) – 3

10. 02-503 (a) **2003 Adopted Budget Amendment 1A007** deleted language from the County Executive's Recommended Budget calling for the Department of Administrative Services to negotiate reciprocal service agreements with each department for which it will be providing human resources, budgeting, information technology and procurement services, and referred such language to the Committee on Finance and Audit. **(INFORMATIONAL REPORT FROM DAS)**

51-B-305 **APPEARANCE:**
Terry D. Kocourek, Fiscal and Budget Administrator

Mr. Kocourek explained that the informational report, dated March 5, 2003, a copy of which is contained in the subject file, sets forth the progress made in implementing the Department of Administrative Services and indicates the issues that need to be worked through before the Department is in a position to proceed with reciprocal service agreements. He is targeting this to occur by June or July.

Chairman Nyklewicz asked for a status report in June on this matter. There being no objection, it was so ordered.

SCHEDULED ITEMS (CONTINUED):

**** CLOSED SESSION ****

The Committee may adjourn into closed session under the provisions of Wisconsin Statutes, Section 19.85(1)(c), (e) and (g), for the purpose of discussing the following matter. At the conclusion of the closed session, the Committee may reconvene in open session to take whatever action(s) it may deem necessary on the said matter.

11. 03-164 Informational briefing on tentative agreement with the Deputy Sheriffs' Association.

51-B-335 **APPEARANCES:**

Troy Hamblin, Director of Labor Relations
Scott Manske, Controller
Timothy Schoewe, Deputy Corporation Counsel
Jerome J. Heer, Director of Audits
Charles E. McDowell, Director of Human Resources

ACTION BY: (McCue) adjourn into closed session under the provisions of Wisconsin Statutes, Section 19.85(1)(c), (e) and (g), for the purpose of discussing the subject matter. At the conclusion of the closed session, the Committee may reconvene in open session to take whatever action(s) it may deem necessary on the said matter. 6-1

AYES: McCue, Coggs-Jones, Mayo, Schmitt, Davis & Nyklewicz (Chair) – 6
NOES: Quindel – 1

The Committee adjourned into closed session at approximately 11:30 a.m. and did not reconvene in open session.

DEADLINE

The deadline for items for the next regular meeting (April 10, 2003) is Friday, March 28, 2003.

All items for the agenda must be in the Committee Clerk's possession by the end of the business day on FRIDAY, MARCH 28, 2003.

ADA accommodation requests should be filed with the Milwaukee County Executive Office for Persons with Disabilities, 278-3932 (voice) or 278-3937 (TTD), upon receipt of this notice.

SCHEDULED ITEMS (CONTINUED):

STAFF PRESENT:

Terry D. Kocourek, Fiscal and Budget Administrator
Steve Mokrohisky, County Executive's Office
Jerome J. Heer, Director of Audits
Douglas Jenkins, Deputy Director of Audits
Rob Henken, Director of County Board Research

This meeting was recorded on tape. Committee files contain copies of communications, reports and resolutions/ordinances, which may be reviewed upon request to the Chief Committee Clerk. The official copy of these minutes is available in the County Board Committee Services Division.

Length of Meeting: 9:05 a.m. to 11:30 a.m.

Adjourned,

Lauri Henning

Lauri Henning, Chief Committee Clerk
Committee on Finance and Audit

Chairmen: Supervisor Richard D. Nyklewicz, Jr. and Supervisor Paul M. Cesarz
Committee Clerks: Lauri Henning, 278-4227, and Maribeth Welchman, 278-4226
Research Analysts: Rob Henken, 278-4826, and Robert Murphy, 278-5263

**SPECIAL JOINT MEETING
OF
COMMITTEE ON FINANCE AND AUDIT
AND
COMMITTEE ON PERSONNEL**

Monday, March 17, 2003 – 1:30 p.m.
Milwaukee County Courthouse, Room 203-R

MINUTES

CASSETTE #51: Side B, #350-END
CASSETTE #52: Side A, #1-END; Side B, #1-#255

COMMITTEE ON FINANCE AND AUDIT:

PRESENT: Supervisors Cogg-Jones, Quindel, Mayo, Schmitt, Davis & Nyklewicz (Chair)
EXCUSED: Supervisor McCue

COMMITTEE ON PERSONNEL:

PRESENT: Supervisors Quindel, Zielinski, Borkowski, Endries, T. Johnson & Cesarz (Chair)
EXCUSED: Supervisor Bailey

Scheduled Items:

1. 02-503 (a)(g) **2003 Adopted Budget Amendments 1A003, 1A007 and 1A018** deleted language from the County Executive's Recommended Budget calling for the Department of Administrative Services-Fiscal Affairs Division, working with the DAS-Division of Human Resources, DAS-Labor Relations Section, the Audit Department and County Board staff, to study the Legislative Audit Bureau recommendations to assign DAS responsibility for drafting fiscal notes for proposed changes to the Milwaukee County Employees' Retirement System and to establish specific requirements for the contents of a fiscal note, and referred such language to the Committees on Finance and Audit and Personnel.

- 51-B-365 **APPEARANCES:**
Rob Henken, Director of County Board Research
Steve Mokrohisky, County Executive's Office

Mr. Henken drafted a resolution for the Committees' consideration that reflects the language that was deleted from the 2003 Recommended Budget. He explained that the only change he made to what was recommended was to extend the timetable for the report back.

Scheduled Items (Continued):

The following amendment was submitted by Supervisors Nyklewicz and Cesarz:

1. ADD the following WHEREAS clause after Line 49:

“WHEREAS, on February 25, 2003, the Greater Milwaukee Committee’s Select Committee on Milwaukee County Government submitted its review of County government to the County Executive and County Board, and that report contained several recommendations related to fiscal analysis of proposed wage and benefit changes, which are summarized as follows:

- Staff should provide policymakers with analysis of wage & benefit packages that includes short- and long-term impacts on both the operating budget and the Pension Fund, as well as department-by-department impacts.
- Determining the fiscal note for wages and benefits should include an assessment of costs at the initial point of development of the negotiating strategy for labor packages. The executive branch, legislative branch and their respective analytical and audit staff should conduct this analysis.
- The County Controller should be involved early in the process of developing the whole package for compensation, at the point of strategy development, to ensure that relevant accounting impacts are considered before negotiations begin.
- Fiscal notes for major wage and benefit legislation should receive additional independent verification.
- Organizational or contract independence needs to be established for persons employed or engaged to conduct analysis of the whole package of compensation costs. Placing County Board and administrative analysts in the civil service system could strengthen independence of staff. Drawing on existing staff resources to create an independent fiscal bureau would enhance independence further.”

Scheduled Items (Continued):

2. MODIFY the WHEREAS clause beginning on Line 51 as follows:

“WHEREAS, at a joint meeting on March 17, 2003, the Committees on Finance and Audit and Personnel each recommended adoption by a vote of ____ of the recommendation that County staff study the LAB recommendation to assign DAS-Fiscal Affairs the responsibility for drafting all fiscal notes for proposed changes to the ERS and to establish specific requirements for the contents of a fiscal note, and also directed staff to consider relevant recommendations made by the GMC Select Committee on Milwaukee County Government regarding fiscal analysis of wage and benefit changes in the course of their study; now, therefore,”

3. ADD the following as the first BE IT FURTHER RESOLVED clause:

“BE IT FURTHER RESOLVED, that in the course of their study, the County staff cited above also shall consider relevant recommendations made by the GMC Select Committee on Milwaukee County Government regarding fiscal analysis of wage and benefit changes; and”

Mr. Henken explained that the aforesaid amendment recognizes that there were several recommendations by the GMC Select Committee on Milwaukee County Government that fit under the general heading of policy related to the consideration of fiscal issues pertaining to wage and benefit packages. The recommendation in the budget embodied the LAB recommendations, which called upon staff to take a look at having the Department of Administrative Services bear the responsibility for drafting fiscal notes for proposed changes to the Milwaukee County Employees' Retirement System. There were five different recommendations in the GMC Select Committee report that addressed that general topic as well. The thinking behind this amendment is that while staff has been called upon to study the LAB recommendations they may also wish to consider the GMC recommendations.

Mr. Mokrohisky stated that the County Executive is supportive of doing a study and incorporating all the items from the GMC Select Committee.

ACTION BY: (Quindel) approve the amendment by Supervisors Nyklewicz and Cesarz as set forth above.

Scheduled Items (Continued):

FINANCE AND AUDIT COMMITTEE: 6-0

AYES: Coggs-Jones, Quindel, Mayo, Schmitt, Davis & Nyklewicz
(Chair) – 6

NOES: 0

EXCUSED: McCue

PERSONNEL COMMITTEE: 6-0

AYES: Quindel, Zielinski, Borkowski, Endries, T. Johnson & Cesarz
(Chair) – 6

NOES: 0

EXCUSED: Bailey

ACTION BY: (Quindel) approve the resolution as amended.

FINANCE AND AUDIT COMMITTEE: 6-0

AYES: Coggs-Jones, Quindel, Mayo, Schmitt, Davis & Nyklewicz
(Chair) – 6

NOES: 0

EXCUSED: McCue

PERSONNEL COMMITTEE VOTE: 6-0

AYES: Quindel, Zielinski, Borkowski, Endries, T. Johnson & Cesarz
(Chair) – 6

NOES: 0

EXCUSED: Bailey

2. 02-503 (a) **2003 Adopted Budget Amendment 1A015** deleted language from the County Executive's Recommended Budget calling for the Department of Administrative Services, including the Human Resources and Fiscal Affairs Divisions, to conduct a study exploring the creation of a countywide clerical pool to provide clerical services on a shared basis to all County departments, as suggested in the Department of Administrative Services reorganization report, and referred such language to the Committees on Finance and Audit and Personnel.

51-B-415 **APPEARANCES:**
Rob Henken, Director of County Board Research
Steve Mokrohisky, County Executive's Office
Terry D. Kocourek, Fiscal and Budget Administrator

Scheduled Items (Continued):

Mr. Henken drafted a resolution for the Committees' consideration that reflects the language that was deleted from the 2003 Recommended Budget.

Mr. Mokrohisky shared some concerns expressed by Mr. Kocourek about his ability to do such a study in light of all the other work groups and reports being requested from the Department of Administrative Services. He indicated that this item was included in the County Executive's Recommended Budget, along with many other policy items, more as a notification of issues that might be worked on. At this time, it may not be a top priority given all the other projects underway.

Mr. Kocourek stated this was an idea that had some traction during preparation of the budget. In the reorganization of the Department of Administrative Services, this idea was followed in that the Office for Persons with Disabilities and the Economic Development Division both gave up a clerical position in their budgets and are now receiving clerical service from the DAS-Fiscal Affairs Division. His concern about undertaking such a study at this time is that the Department of Administrative Services is involved in several major initiatives, with the most pressing obviously trying to deal with the County's fiscal problems. This particular item is going to be examined within the normal course of events as departments look at their budgets and as DAS develops the entire County budget. This should not be a top priority for the Department at this time. Therefore, he recommended that the matter be laid over.

Chairman Nyklewicz suggested that the matter be referred to the Department of Administrative Services, which can report back if it feels action is warranted in the future. Mr. Kocourek was amenable to such an action.

ACTION BY: (Mayo) refer to the Department of Administrative Services.

Supervisor Borkowski suggested that the referral also include the Division of Human Resources-Labor Relations if the County decides to initiate clerical pools.

Further comments followed.

Scheduled Items (Continued):

FINANCE AND AUDIT COMMITTEE:

ACTION BY: (Mayo) refer to the Department of Administrative Services and the Division of Human Resources-Labor Relations. 6-0

AYES: Coggs-Jones, Quindel, Mayo, Schmitt, Davis & Nyklewicz
(Chair) – 6

NOES: 0

EXCUSED: McCue

PERSONNEL COMMITTEE:

ACTION BY: (Borkowski) refer to the Department of Administrative Services and the Division of Human Resources-Labor Relations. 6-0

AYES: Quindel, Zielinski, Borkowski, Endries, T. Johnson & Cesarz
(Chair) – 6

NOES: 0

EXCUSED: Bailey

3. 02-503 (a)(h) **2003 Adopted Budget Amendment 1A016** deleted language from the County Executive's Recommended Budget calling for the establishment of a new Personnel Flexibility Policy, and referred such language to the Committees on Finance and Audit and Personnel.

51-B-480 **APPEARANCES:**
Rob Henken, Director of County Board Research
Charles E. McDowell, Director of Human Resources
Jerome J. Heer, Director of Audits
Supervisor Daniel Diliberti, 8th District
Steve Mokrohisky, County Executive's Office
Terry D. Kocourek, Fiscal and Budget Administrator
Supervisor Robert Krug, 9th District
Gertie Purifoy, AFSCME District Council 48
Douglas Jenkins, Deputy Director of Audits
Timothy Schoewe, Deputy Corporation Counsel

Mr. Henken drafted a resolution-ordinance for the Committees' consideration that reflects the language that was deleted from the 2003 Recommended Budget. He pointed out that this item is different than the two previous items in that it would implement some significant new policies. The other items called for studies.

Scheduled Items (Continued):

Mr. Kocourek explained that this was an idea that germinated through the strategic planning process. It is basically responding to departmental concerns. He commented that a lot of department heads have expressed concern and frustration about the ability to get positions filled and the process that needs to be followed to get positions filled. He understands that this may be perceived as a radical change. He noted that over half of the DAS report talked about processes and the fact that we need to focus on changing the way we do things in order to become more efficient. The Personnel Flexibility Policy is an attempt to respond to concerns raised and to streamline the process of filling positions. The caveat included in this policy is that in order for a department to have the ability to create a position they need to sign a statement or make a pledge that they are not going to experience a budget deficit.

Chairman Nyklewicz asked if the recent request by the Sheriff to create a public relations position would have occurred without County Board approval under the new policy inasmuch as a Department representative indicated that the Sheriff would find a way to absorb the cost within his personnel budget. Mr. Kocourek replied that, in his opinion, this would not have occurred because there is still a projected deficit in the Sheriff's overall departmental budget and the Sheriff likely would not have signed a pledge guaranteeing that the Department would not run a deficit.

In response to a query by Chairman Cesarz, Mr. McDowell stated he wholeheartedly supports the Personnel Flexibility Policy.

A very lengthy discussion ensued.

ACTION BY: (Quindel) amend the ordinance by adding language to subsection (1) of Section 17.05 as set forth below:

"A request to create a position in a new classification or an additional position in an existing classification shall be made to the department of administrative services-human resources division to determine the appropriate classification, title and pay. Such review will include the reason for the change as well as the qualifications, duties, title and compensation expected for any additional positions. A similar procedure shall be followed in creating positions required as part of a grant-funded program. Filling the grant-funded positions shall not require department of administrative services or county board approval if the grant application has been properly approved, though each member of the County Board shall be notified in writing when a

Scheduled Items (Continued):

position is created or filled as part of a grant-funded program. The written communication shall describe the anticipated duration of the grant and shall note that the position will be abolished when the grant expires."

FINANCE AND AUDIT COMMITTEE: 4-2

AYES: Coggs-Jones, Quindel, Mayo & Schmitt – 4

NOES: Davis & Nyklewicz (Chair) – 2

EXCUSED: McCue

PERSONNEL COMMITTEE: 5-1

AYES: Quindel, Zielinski, Endries, T. Johnson & Cesarz (Chair) – 5

NOES: Borkowski – 1

EXCUSED: Bailey

FINANCE AND AUDIT COMMITTEE:

ACTION BY: (Coggs-Jones) refer to Corporation Counsel for a written opinion on the legality of the Board delegating the position authority as fashioned in the draft resolution-ordinance and report back to the Committees on Finance and Audit and Personnel and the County Board. 5-1

AYES: Coggs-Jones, Mayo, Schmitt, Davis & Nyklewicz (Chair) – 5

NOES: Quindel – 1

EXCUSED: McCue

PERSONNEL COMMITTEE:

ACTION BY: (Quindel) approve the resolution-ordinance, as amended, with the understanding that Corporation Counsel respond on the legality of the Personnel Flexibility Policy prior to County Board Day (March 20). (LATER WITHDRAWN)

ACTION BY: (Zielinski) refer to Corporation Counsel. 2-4 (FAILED)

AYES: Zielinski & Borkowski – 2

NOES: Quindel, Endries, T. Johnson & Cesarz (Chair) – 4

EXCUSED: Bailey

Scheduled Items (Continued):

ACTION BY: (Quindel) lay over. 3-3 (FAILED)

AYES: Quindel, Zielinski & Borkowski – 3

NOES: Endries, T. Johnson & Cesarz (Chair) – 3

EXCUSED: Bailey

ACTION BY: (T. Johnson) approve the resolution-ordinance as amended. 4-2

AYES: Quindel, Endries, T. Johnson & Cesarz (Chair) – 4

NOES: Zielinski & Borkowski – 2

EXCUSED: Bailey

4. 03-109 Resolution by Supervisor Mayo, to provide sufficient funds to enable the Pension Study Commission to fulfill its legal obligations. **(Referred to Committee on Finance and Audit and Committee on Personnel)**

52-A-586

FINANCE AND AUDIT COMMITTEE:

ACTION BY: (Mayo) refer to County Board staff and the Department of Administrative Services. 6-0

AYES: Coggs-Jones, Quindel, Mayo, Schmitt, Davis & Nyklewicz (Chair) – 6

NOES: 0

EXCUSED: McCue

PERSONNEL COMMITTEE:

ACTION BY: (Quindel) refer to County Board staff and the Department of Administrative Services. 5-1

AYES: Quindel, Zielinski, Borkowski, T. Johnson & Cesarz (Chair) – 5

NOES: Endries – 1

EXCUSED: Bailey

5. 03-194 Resolution by Supervisor Mayo, to implement a procedural process that would provide sufficient oversight for the review and adoption of any recommended changes to pension provisions contained in a County employee wage and benefit package proposal. **(Referred to Committee on Finance and Audit and Committee on Personnel)**

52-A-616

APPEARANCES:

Jerome J. Heer, Director of Audits

Scheduled Items (Continued):

At the request of Supervisor Mayo, Mr. Heer explained the flow chart attached to the subject resolution.

Discussion ensued.

FINANCE AND AUDIT COMMITTEE:

ACTION BY: (Mayo) refer to County Board staff and Audit Department for further review. 6-0

AYES: Coggs-Jones, Quindel, Mayo, Schmitt, Davis & Nyklewicz
(Chair) – 6

NOES: 0

EXCUSED: McCue

PERSONNEL COMMITTEE:

ACTION BY: (Borkowski) refer to County Board staff and Audit Department for further review. 6-0

AYES: Quindel, Zielinski, Borkowski, Endries, T. Johnson & Cesarz
(Chair) – 6

NOES: 0

EXCUSED: Bailey

****COLLECTIVE BARGAINING (CAUCUS) (CLOSED SESSION)****

The Committee may adjourn into closed session under the provisions of Wisconsin Statutes, Section 19.85(1)(c), (e) and (g), for the purpose of discussing the following matter. At the conclusion of the closed session, the Committee may reconvene in open session to take whatever action(s) it may deem necessary on the said matter.

6. 03-164 From Director of Labor Relations, submitting documents relating to the tentative agreement with the Deputy Sheriffs Association.

52-B-1 **APPEARANCE:**
Troy Hamblin, Director of Labor Relations

The Committees did not convene in closed session.

Scheduled Items (Continued):

It was noted that the Committee on Personnel, at its regular meeting on March 14, 2003, recommended approval (vote 5-0) of the agreement with the Deputy Sheriffs' Association. Therefore, the Committee on Finance and Audit need only act today on the matter.

Comments ensued.

ACTION BY: (Mayo) approve. 6-0

AYES: Coggs-Jones, Quindel, Mayo, Schmitt, Davis & Nyklewicz (Chair) – 6

NOES: 0

EXCUSED: McCue

FINANCE AND AUDIT COMMITTEE ITEM ONLY:

7. 02-1 Fund Transfer request from the Sheriff to transfer \$978,118 from the contingent fund to offset an accrual entry made by the Controller in anticipation of the settlement of the Deputy Sheriffs Association labor agreement. **(Laid over by the Finance and Audit Committee on 3/13/03.)**

52-B-60 **APPEARANCE:**
Terry D. Kocourek, Fiscal and Budget Administrator

Chairman Nyklewicz explained that the subject fund transfer was recommended for denial by the County Executive as the County Board had not yet acted on the agreement with the Deputy Sheriffs' Association. As the Finance and Audit and Personnel Committees have recommended approval of the Deputy Sheriffs' Association agreement, he suggested that the fund transfer could also be recommended for approval.

ACTION BY: (Mayo) approve the subject fund transfer.

Questions and comments followed.

Vote on approval of the fund transfer: 5-1

AYES: Coggs-Jones, Mayo, Schmitt, Davis & Nyklewicz (Chair) – 5

NOES: Quindel – 1

EXCUSED: McCue

Scheduled Items (Continued):

ADA accommodation requests should be filed with the Milwaukee County Executive Office for Persons with Disabilities, 278-3932 (voice) or 278-3937 (TTD), upon receipt of this notice.

STAFF PRESENT:

Terry D. Kocourek, Fiscal and Budget Administrator
Jerome J. Heer, Director of Audits
Douglas Jenkins, Deputy Director of Audits
Charles E. McDowell, Director of Human Resources
Jertha Ramos-Colon, Deputy Director of Human Resources
Troy Hamblin, Director of Labor Relations
Timothy Schoewe, Deputy Corporation Counsel
Scott Manske, Controller
Robert Murphy, County Board Senior Research Analyst
Rob Henken, Director of County Board Research

This meeting was recorded on tape. Committee files contain copies of reports and resolutions/ordinances, which may be reviewed upon request to the Chief Committee Clerk. The official copy of these minutes is available in the County Board Committee Services Division.

Length of Meeting: 1:35 p.m. to 3:35 p.m.

Adjourned,

Lauri Henning

Lauri Henning, Chief Committee Clerk
Committees on Finance and Audit and Personnel

Chairperson: Supervisor Richard D. Nyklewicz, Jr.

Clerk: Lauri Henning, 278-4227

Research Analyst: Rob Henken, 278-4826

COMMITTEE ON FINANCE AND AUDIT

Thursday, April 10, 2003 - 9:00 A.M.

Milwaukee County Courthouse - Room 201-B

MINUTES

CASSETTE #53: Side A, #4-END; Side B, #1-END

CASSETTE #54: Side A, #1-END; Side B, #1-END

CASSETTE #55: Side A, #1-#179

(Technical difficulties were experienced on some parts of these recordings.)

PRESENT: Supervisors McCue, Coggs-Jones*, Quindel*, Mayo, Schmitt, Davis & Nyklewicz (Chair)

*Supervisor Coggs-Jones was not present at the time of the roll call, but arrived shortly thereafter; Supervisor Quindel was not present at the time of the roll call, but arrived immediately thereafter.

SCHEDULED ITEMS:

1. 03-264 From Fiscal and Budget Administrator, regarding 2003 budget status and 2004 fiscal projection.

53-A-20

APPEARANCES:

Terry D. Kocourek, Fiscal and Budget Administrator

Linda Seemeyer, Director, Department of Administrative Services

County Board Chairman Lee Holloway

Rob Henken, Director of County Board Research

Mr. Kocourek reviewed the subject report.

At this time, the projected 2003 deficit is approximately \$11.35 million. Approximately \$7.2-\$7.5 million of the projected shortfall can be attributed to the impact of State government on Milwaukee County.

The following recommendations were made to begin addressing the 2003 projected deficit:

1. *The County Executive, through the Department of Administrative Services, will work with departments projecting deficits to see if corrective actions are available to reduce or eliminate their deficits.*
2. *That a hiring review again be implemented in 2003 with the understanding that more scrutiny will be placed on reviewing positions than in the past. Consistent with past actions, some categories of positions should be exempted*

SCHEDULED ITEMS (CONTINUED):

including physicians, nurses, deputy sheriffs and corrections officers and positions that require use of overtime or temporary help if not filled. For positions that are not exempt but which departments feel are required to provide a critical or core service, sufficient documentation will need to be provided before approval to fill will be given.

- 3. Potential use of 2002 surplus funds to offset 2003 costs. Because the 2002 books have not yet been closed, a recommendation on this approach cannot be made at this time. It is anticipated that a recommendation will be brought during the May meeting cycle.*
- 4. That the Department of Administrative Services, working with County Board staff, review alternative purchasing freezes that could be put in place and their impact and come back with a recommended course of action in May.*
- 5. That the Department of Administrative Services, with the assistance of County Board staff, look at appropriations contained in the 2003 Budget that could possibly be "frozen" so that they would be utilized to offset a projected deficit, if needed. If not needed, they could be released later in the year. Again, a report back in May would be anticipated.*
- 6. In anticipation of cuts that will need to be made in 2004, that County Board, Department of Administrative Services and Department of Audit staff begin prioritizing programs and services and considering reductions in 2003 and report back their progress in May. It must be acknowledged and understood, however, that Milwaukee County has been undergoing an ongoing downsizing, that virtually every conceivable way to construct the budget without impacting programs and services has been undertaken and that there is very little room left to maneuver to avoid serious program/service/staff reductions.*

A summary of currently known fiscal challenges for 2004 is contained in the subject report, which total \$77.5 million. The projected potential impact of State budget actions is over \$15 million.

One area that the Department of Administrative Services-Fiscal Affairs Division has examined to provide some budget relief in 2004 and beyond is the potential to refund/restructure the County's debt. This proposal is referenced in the subject report, but is more fully discussed in Item 2 below.

As discussed in the subject report, the County has a structural deficit that is largely related to employee/retiree costs for wages and benefits. Major revenue sources available to the County are limited to such a degree that a structural deficit exists and will continue to exist until the gap between cost increases and revenue availability is closed. It is possible that some of the projected cost increases or revenue shortfalls could be reduced or even eliminated. In some cases, savings/efficiencies could be achieved in the way business is conducted within County government. In other cases, policy decisions/changes will be required.

SCHEDULED ITEMS (CONTINUED):

Mr. Kocourek concluded his remarks by stating if the County can get through some of its current problems, there will be an opportunity to restructure government and its finances and get into balance. It must be recognized that will not be easy.

Chairman Nyklewicz pointed out that the primary focus would be on the 2003 budget and the actions necessary to balance the budget. The Department of Administrative Services has made a number of recommendations that include working with County Board staff and the Department of Audit (as noted above) in beginning a team approach to resolve some areas of concern in this budget. He asked Mr. Henken for comments regarding those areas that he and the Department of Administrative Services have been asked to jointly investigate.

Mr. Henken responded that if the Committee so directs, he and the Department of Administrative Services and Audit Department will take a look at each of the areas and can come up with a package for the Committee's consideration. He anticipates that it would be a menu of options. By the next Committee meeting, with another month of experience, more may be known about the potential deficits and whether the \$11 million projected deficit is too low or too high, which could also impact the Committee's final decisions.

County Board Chairman Holloway appeared in support of the Department's recommendation for a team approach between the executive and legislative branches to address the County's fiscal situation and urged the Committee to also support the recommendation.

ACTION BY: (Mayo) refer to staff [Department of Administrative Services, County Board and Department of Audit] to respond to the actions that have been recommended for follow-up for the Committee's next meeting.

Supervisor Quindel asked staff to review the following items in addition to the recommendations contained in the subject report:

1. Possible pension contribution from employees.
2. Alternatives whereby the County would pay the basic cost of health insurance with the employees paying the difference between the basic plan and more expensive options.
3. Public disclosure and caps on administrators' salaries for non-profit agencies that receive County contracts.
4. Public disclosure and caps for medical practitioners with whom the County works and contracts for its health insurance.
5. Mandated spending in Courts.
6. Juvenile correction increases.

SCHEDULED ITEMS (CONTINUED):

Chairman Nyklewicz summarized that the motion by Supervisor Mayo calls for staff to report back to the Committee and for departments that are affected to also report back to the Committee at the next cycle with options and alternatives to address the 2003 fiscal situation. Many of the 2004 problems have been highlighted. Other agenda items will deal with those issues.

Supervisor Mayo accepted inclusion of Supervisor Quindel's suggestions in his referral motion, but indicated that he would sit down with staff to give them his ideas regarding some of those areas as well.

Mr. Henken explained that the immediate task is to develop options to address the 2003 deficit, which report would be submitted to the Committee for its May meeting. Thereafter, a follow-up report would be submitted addressing the more global ideas that could potentially impact the 2004 and beyond budgets.

Vote on referral: 7-0

AYES: McCue, Coggs-Jones, Quindel, Mayo, Schmitt, Davis & Nyklewicz (Chair) – 7

NOES: 0

2. 03-263 From Fiscal and Budget Administrator, submitting initial authorizing resolution for General Obligation Refunding Bonds, Series 2003A, and establishing future corporate purpose bonding levels.

53-A-708 **APPEARANCES:**

Linda Seemeyer, Director, Department of Administrative Services
Pamela Bryant, Capital Finance Manager
Rob Henken, Director of County Board Research

Ms. Seemeyer commented that what is being brought before the Committee today is one option to help address the County's fiscal situation. It is a proposal that was not developed in a vacuum. The County's financial advisors and bond counsel were asked to present some options and alternatives. At the time, the Department was looking at projected increases in the County's Pension Fund contribution and thought the most viable alternative was to try to bond to cover the County's unfunded liability. However, that would take a change in State law, and the financial advisor came back and advised that something that radical was not necessary. They indicated that there is room to restructure current debt in order to capture savings in the current years and stretch the debt out into future years. They told us that this would not affect the County's bond rating and they thought that it was a prudent measure.

SCHEDULED ITEMS (CONTINUED):

Chairman Nyklewicz noted that the restructuring also anticipates a policy change regarding the use of sales tax to cover operating expenses. The County Board has held steadfast in its belief and position that the sales tax proceeds continue to be used for their intended purpose –retirement of capital debt. This has been done consistently except in years when there have been surpluses, at which time the surpluses were allowed to drop to the bottom line.

Chairman Nyklewicz asked Mr. Henken to summarize his observations regarding this issue.

Mr. Henken indicated that each Committee member was provided a communication that he prepared at the direction of Chairman Nyklewicz, a copy of which is contained in the subject file. He proceeded to review the report.

Comments ensued.

ACTION BY: (Mayo) refer back to staff to look at other options.

Ms. Seemeyer agreed with all the comments made and understands that this is a hard decision. It overturns a policy that has worked very well for the County for a long time. She also understands why the Committee would not want to make a decision today. She feels that she wouldn't be completely honest if she didn't say that one of the reasons why they feel this is attractive is because interest rates are so low right now. They hit a low in the middle of March, have risen slightly and seem to be stable at this point. She acknowledged this can wait a month or two, but if it gets into the third quarter, people are saying that the economy might look different.

Chairman Nyklewicz indicated that the motion contemplates that the matter be brought back to the Committee next month. An aspect of the report that staff needs to take into account is that a negotiated sale is called for as opposed to a competitive sale. That's an alternative and option that should be assessed to determine which type of sale would be in the County's best interest. The Department also might want to take an opportunity to see if the restructuring could be done in a manner that might be more aggressive in getting the dollars up front but still preserving our approach of trying to be as aggressive in retiring our debt as we have been in the past.

Supervisor McCue asked that the referral to staff also include more analysis of the County's bond rating, including a review by bond rating agencies, with a report back on what the impacts would be if we would go forward with this proposal.

Ms. Seemeyer indicated that she would look at all of the Committee's suggestions.

SCHEDULED ITEMS (CONTINUED):

Supervisor Quindel asked for information on the historical sales tax growth and what can be expected in the future. In addition, he asked for clarification regarding the \$30 million cap on bonding. How much is needed to maintain existing facilities and would such a cap allow for any new projects.

Vote on referral back to staff: 7-0

AYES: McCue, Coggs-Jones, Quindel, Mayo, Schmitt, Davis & Nyklewicz (Chair) – 7

NOES: 0

3. 03-265 From Director, Department of Administrative Services, regarding status of plan to assist Midwest Airlines.

53-B-286 **APPEARANCES:**

Linda Seemeyer, Director, Department of Administrative Services
Scott Manske, Controller

Barry Bateman, Airport Director

Terry D. Kocourek, Fiscal and Budget Administrator

County Executive Scott Walker

County Board Chairman Lee Holloway

Carol Skornicka, Midwest Airlines

Peter Beitzel, Metropolitan Milwaukee Association of Commerce

Julia Taylor, Greater Milwaukee Committee

Orville Seymer, Citizens for Responsible Government

William Domina, Corporation Counsel

Ms. Seemeyer briefly summarized the subject matter, after which Mr. Manske gave a more detailed explanation.

Questions and comments ensued.

Chairman Nyklewicz pointed out that the Department is seeking conceptual approval of a proposed agreement with Midwest Airlines, the particulars of which would come back to the Committee for consideration at its May meeting after due diligence is performed and the other details are negotiated.

In response to a query by Supervisor Mayo, Mr. Kocourek stated that the administration tried to approach this as a business deal and he feels it is a sound deal at this point.

In response to a query by Chairman Nyklewicz, Mr. Bateman stated that the Department of Administrative Services has put together a very good arrangement

SCHEDULED ITEMS (CONTINUED):

and he considers it a low risk for the County.

ACTION BY: (McCue) approve in concept with the understanding that the matter will come back for further consideration after due diligence is performed and a formal agreement is negotiated with Midwest Airlines.

County Executive Walker described the situation that Midwest Airlines finds itself in, its need for assistance and the terms of the proposed agreement, after which County Board Chairman Holloway expressed his support and asked that the Committee also support the proposal.

Ms. Skornicka expressed Midwest's appreciation for the extraordinary and tough negotiating job that the County Executive's staff put forth in finding a creative solution to help get Midwest through some of the short-term crises that it is facing. Midwest is totally committed to having the airline continue service to the community and welcomes the support of the County.

Supervisor Coggs-Jones requested information from Ms. Skornicka regarding a breakdown of Midwest's workforce, including how many are County residents, the number of women in management positions and how many people of color Midwest employs. She asked that this information be provided prior to County Board Day (April 17).

Further questions and comments ensued by Committee members.

Mr. Beitzel and Ms. Taylor appeared in support of the proposal. Mr. Beitzel also submitted written testimony, a copy of which has been made a part of the subject file.

Mr. Seymer appeared in opposition to the proposal.

Vote on approval in concept: 6-0

AYES: McCue, Quindel, Mayo, Schmitt, Davis & Nyklewicz (Chair) – 6

NOES: 0

EXCUSED: Coggs-Jones

4. 03-16 From Department of Administrative Services, Combined Court Related Operations and Sheriff's Department regarding fiscal status of Courts and Sheriff's Department. **(INFORMATIONAL) (NO ACTION REQUIRED)**

54-A-40

APPEARANCES:

Jerome J. Heer, Director of Audits

Jon Priebe, Public Safety Fiscal Administrator

SCHEDULED ITEMS (CONTINUED):

Chairman Nyklewicz commented that no action was necessary on this item, however, he asked that the Department of Administrative Services continue to work with the Courts and the Sheriff's Department in addressing their projected deficits.

Mr. Heer confirmed that the Department of Audit would be submitting its findings next month on the status of the inmate telephone revenue deficit.

The Committee took no action regarding this informational report.

5. 03-134 From Director of Audits, regarding the Sheriff's Department contract for pharmaceutical services, 1996-2002. **[2/13/03: laid over to the call of the chair and requested follow-up information from the Medical and Mental Health Program Administrator in the Sheriff's Department.] (REPORT FROM MEDICAL AND MENTAL HEALTH PROGRAM ADMINISTRATOR) (Suggested Action: Receive and Place on File, with the understanding that a follow-up report will be submitted in December 2003.)**

54-A-81 **APPEARANCE:**
Michael Kalonick, Medical/Mental Health Program Admin., Sheriff's Department

Mr. Kalonick expressed support for the suggested action.

ACTION BY: (Mayo) receive and place on file , with the understanding that a follow-up report will be submitted in December 2003 7-0

AYES: McCue, Coggs-Jones, Quindel, Mayo, Schmitt, Davis & Nyklewicz (Chair) – 7

NOES: 0

6. 03-259 From Superintendent, House of Correction, requesting authorization to enter into a contract with Aramark Correctional Services, Inc. to provide inmate food service. **(Also to Committees on Judiciary, Safety and General Services and Personnel)**

54-A-120 **APPEARANCES:**
Ron Malone, Superintendent, House of Correction
Jon Priebe, Public Safety Fiscal Administrator
Rich Abelson and Patty Yunk, AFSCME District Council 48
James Mack, Assistant Superintendent, House of Correction
Larry Bearden, Aramark

SCHEDULED ITEMS (CONTINUED):

It was noted that the Judiciary, Safety and General Services Committee, at its meeting on April 3, 2003, laid over the subject request and subsequently scheduled a special meeting on April 15 to consider the matter.

ACTION BY: (Mayo) place on file.

Mr. Malone stated that his proposal was designed to help address the County's deficit. It is not a situation he enters into lightly, but it is a situation that is called for. The 2003 adopted budget for the House of Correction included a charge to pursue privatization of the House of Correction inmate food service. The Request for Proposals (RFP) was issued and the bids were reviewed, which resulted in the subject recommendation.

Mr. Malone commented that like all things there is an upside and a downside. The major upside is a savings of \$1.8 million a year. The downside is the privatization of food service. The Department's investigations and research indicate that privatization is in the best interest of the citizens and taxpayers of Milwaukee County, although it is to the detriment of employees that work at the House of Correction. He stated that he entered into this situation very skeptical and very concerned. But, after talking to his peers across the country who run correctional institutions and after interviewing and seeing the work that Aramark has done, he hoped that the Committee would concur with him and support his recommendation to contract with Aramark for food service at the House of Correction.

Mr. Malone acknowledged that the Committee would be hearing from organized labor regarding concerns about jobs. The RFP was written to try to address a lot of those concerns. The savings that would be achieved by entering into this agreement are far too great to not go forward with it. It is not anything negative that the employees have done. Efficiencies have been looked at as have other scenarios. There is no other alternative that achieves these kinds of savings. The integrity of the food service is also maintained. Mr. Malone stated that he would not bring a food service operation into the House of Correction for the taxpayers and citizens of Milwaukee County that does not address the issues that are of concern to him. He is very confident that the food service will be as good if not better. The operation will wholeheartedly remain the same, but it will be run by a private vendor.

Mr. Priebe informed the Committee that if privatizing food service is not implemented there would be a \$727,000 deficit in the House of Correction budget for the second half of 2003 related to the operation of food service. The House of Correction would have to come back with a fund transfer request to get the \$727,000 restored in order to continue with the existing operation.

SCHEDULED ITEMS (CONTINUED):

Mr. Malone pointed out that if this is delayed past July, each month between \$100,000 and \$150,000 in savings is lost.

Mr. Abelson expressed support for the motion to place on file. He advised that yesterday the union had the opportunity to meet with officials from the House of Correction at which time a number of proposals were presented that they believe would save a significant amount of money at the House of Correction food service using the current staff. But, to be perfectly candid, the savings would not be \$1.8 million. He commented that he does not believe the \$1.8 million is a realistic or achievable savings.

Mr. Abelson stated that the union believes the current employees can run the program efficiently. One of the major problems that has existed at the House of Correction for many years is the lack of a permanent manager of food service. It's not the employees' fault. They have not been able to retain a permanent manager who will add the kinds of efficiencies that are still possible. The fact of the matter is that there are only two ways that a private entity could save the kind of money they are talking about saving. The first way is to improve efficiencies and, if there are that many efficiencies to implement, there is no reason why they can't be implemented by the current employees. The second way that a private entity saves money is to reduce services and reduce the pay and benefits that they pay to their workers to do the same work. Frankly, there is a very serious economic issue that needs to be addressed.

Mr. Abelson concluded his remarks by encouraging the Committee to give the union additional time to work with the House of Correction to keep these jobs.

A lengthy discussion ensued, during which Supervisor Coggs-Jones requested information from Aramark on its workforce diversity, including ethnicity and gender, to be submitted prior to County Board Day (April 17).

Vote to place on file: 5-2

AYES: Coggs-Jones, Quindel, Mayo, Schmitt and Davis – 5

NOES: McCue and Nyklewicz (Chair) – 2

NOTE: *Supervisors Nyklewicz and McCue asked County Board staff to prepare a Minority Report on this item.*

7. 02-503 An adopted resolution providing, among other things, that the Department on
(a)(c) Audit submit reports on the surplus/deficit status of the Employee Health Benefits account for the **April, July, October and December** Finance and Audit Committee cycles in **2003**. (Adopted 1/23/03) **(REPORT FROM DIRECTOR OF AUDITS)**

SCHEDULED ITEMS (CONTINUED):

(INFORMATIONAL) (NO ACTION REQUIRED)

54-A-91 **APPEARANCE:**
Jerome J. Heer, Director of Audits

Mr. Heer summarized his report, dated April 2, 2003, a copy of which is contained in the subject file. Based on the preliminary nature of available information, Milwaukee County health care costs appear to be on budget. Another status report will be submitted in July.

The Committee took no action regarding this informational report.

8. 03-1 Fund Transfers.
A1) – Departmental-Receipt of Revenue
B1) – Unallocated Contingent Fund
C1)-C9) – Capital Improvements
D1) – Inter-Departmental

54-A-503 ***ACTION BY: (Quindel) approve all of the fund transfers.***

Separate action was requested on C1).

Vote on approval of balance of fund transfers: 7-0

AYES: McCue, Coggs-Jones, Quindel, Mayo, Schmitt, Davis & Nyklewicz (Chair) – 7

NOES: 0

C1):

APPEARANCES:

Barry Batemen, Airport Director
Tony Snieg, Deputy Airport Director

Questions ensued.

Vote on approval of fund transfer C1): 7-0

AYES: McCue, Coggs-Jones, Quindel, Mayo, Schmitt, Davis & Nyklewicz (Chair) – 7

NOES: 0

SCHEDULED ITEMS (CONTINUED):

9. 03-253 From Acting Director of Public Works, requesting authorization to sign a blanket purchase order release for buses and spare parts. **(Also to Committee on Transportation, Public Works and Transit)**
- 54-A-551 ***ACTION BY: (Quindel) approve [as also recommended by the Transportation, Public Works and Transit Committee on April 2, 2003]. 7-0***
- AYES:*** McCue, Coggs-Jones, Quindel, Mayo, Schmitt, Davis & Nyklewicz (Chair) – 7
- NOES:*** 0
10. 02-503 **2003 Adopted Budget Amendments 1A007 and 1A018** deleted language from the
(a) County Executive's Recommended Budget establishing new requirements for the content of fiscal notes, and referred such language to the Committee on Finance and Audit. **(3/13/03: Report recommending new policies and procedures governing fiscal notes REFERRED BACK to Director of County Board Research and Fiscal and Budget Administrator, as well as to Director of Audits, for refinement of the recommendations.) (REVISED REPORT SUBMITTED)**
- 54-A-554 **APPEARANCES:**
Rob Henken, Director of County Board Research
- 02-503 ***ACTION BY: (Quindel) approve the recommendations contained in the revised report submitted by the Fiscal and Budget Administrator, County Board Director of Research and Director of Audits, dated March 31, 2003, to approve a resolution which would result in revisions to the Milwaukee County Administrative Manual that would effectuate the recommendations in the March 31 report, including implementation of a new fiscal note form.***
(a)(i)
- Questions ensued.
- Vote on approval: 7-0**
- AYES:*** McCue, Coggs-Jones, Quindel, Mayo, Schmitt, Davis & Nyklewicz (Chair) – 7
- NOES:*** 0
11. 03-235 Resolution by Supervisor Holloway, approving the policy of reducing the size of the Milwaukee County Board of Supervisors to 19 members effective with the beginning of the 2004 term of the County Board.
- 54-A-583 **APPEARANCES:**
County Board Chairman Lee Holloway

SCHEDULED ITEMS (CONTINUED):

County Board Chairman Holloway commented on his proposed resolution. His comments were set forth in writing and have been made a part of the subject file.

Comments by Committee members ensued.

ACTION BY: (Quindel) approve. 6-0

AYES: McCue, Quindel, Mayo, Schmitt, Davis & Nyklewicz (Chair) – 6

NOES: 0

EXCUSED: Coggs-Jones

12. 03-220 Resolution by Supervisors Diliberti, Aldrich, DeBruin and Borkowski, providing for the hiring of an outside professional consultant to examine the duties and responsibilities of the position of County Supervisor relative to other management positions in County government and to determine the proper placement of the position in the Executive Compensation Plan. **(Also to Committee on Personnel)**

54-A-729 **APPEARANCES:**
Supervisor Daniel Diliberti, 8th District

Supervisor Diliberti commented on the subject resolution.

ACTION BY: (Mayo) approve.

Discussion ensued.

Vote on approval: 3-4 (FAILED)

AYES: McCue, Mayo & Nyklewicz (Chair) – 3

NOES: Coggs-Jones, Quindel, Schmitt & Davis – 4

The Clerk advised that this item would be reported to the County Board with a recommendation to reject. Chairman Nyklewicz expressed that he would rather send the item to the County Board with a positive recommendation and suggested that the Committee recommend that the resolution be placed on file.

ACTION BY: (Coggs-Jones) place on file.

The Clerk pointed out that the failed motion to approve would need to be reconsidered before acting on the place on file motion.

Chairman Nyklewicz asked if there was any objection to reconsideration. There being no objection, it was so ordered.

SCHEDULED ITEMS (CONTINUED):

Vote to place on file the subject resolution: 5-2

AYES: Coggs-Jones, Quindel, Mayo, Schmitt & Davis – 5

NOES: McCue & Nyklewicz (Chair) – 2

13. 03-145 Resolution by Supervisor McDonald, to place an advisory referendum question on the April, 2004 election ballot asking "Do you support reducing the salary for the position of Milwaukee County Supervisor by 70% (from \$50,874 to \$15,262) in order to reflect a change in status from full-time to part-time?"

54-B-294 **APPEARANCES:**
Supervisor Rob McDonald, 6th District

Supervisor McDonald commented on his proposed resolution. His comments were set forth in writing and have been made a part of the subject file.

ACTION BY: (McCue) approve. 2-5 (FAILED)

AYES: McCue & Quindel – 2

NOES: Coggs-Jones, Mayo, Schmitt, Davis & Nyklewicz (Chair) – 5

The Clerk again advised that this item would be reported to the County Board with a recommendation to reject unless the Committee reconsidered the matter and approved a motion to place on file. The Committee chose to let the action stand.

14. 03-229 Resolution by Supervisors Weishan, Broderick and Borkowski, authorizing and directing the Department of Audit to review Supportive Home Care Options, Inc., a FamilyCare service provider, to determine if that agency is in compliance with FamilyCare policies. **(Also to Committee on Health and Human Needs)**

54-B-698 **APPEARANCES:**
Supervisor John Weishan, 22nd District
Jerome J. Heer, Director of Audits
Gretchen Kapperman & Leonila Vega, SEIU
Attorney Arthur Beck

It was noted that the Health and Human Needs Committee, at its meeting on April 9, 2003, recommended approval of the subject resolution.

Supervisor Weishan commented on the resolution.

SCHEDULED ITEMS (CONTINUED):

ACTION BY: (Mayo) approve.

Chairman Nyklewicz asked Mr. Heer to indicate the scope of the audit so there would be no miscommunication or misunderstanding. Mr. Heer replied that he believes he has a good handle on the issues after attending the Health and Human Needs Committee yesterday where this item was discussed at length. The Department of Audit will focus on the quality of care for the customers of Supportive Home Care Options.

Ms. Kapperman and Ms. Vega declined to comment.

Attorney Beck stated that Supportive Home Care Options welcomes a review by the County's Department of Audit, however, he felt that they should not be singled out. A review should also be done of New Health Services.

Discussion ensued.

Supervisor Weishan advised that the reason he is asking for a review of Supportive Home Care Options only is because that is the agency that he has received complaints about, and not just the three complaints referenced in the resolution. He has not received any complaints about New Health Services.

In response to a query by Chairman Nyklewicz, Mr. Heer indicated that the review would require several hundred hours of staff time. A three-month timeframe would probably be adequate to complete the review. He pointed out that the hardest part in any audit is getting a handle on the criteria to be used to conduct the audit.

Chairman Nyklewicz asked if Mr. Heer would be open to auditing both providers at the same time. Mr. Heer replied that he did not hear discussion by the policy committee to include the other vendor, although he indicated that it clearly would not double the workload if the other vendor was added to the review.

Vote on approval: 7-0

AYES: McCue, Coggs-Jones, Quindel, Mayo, Schmitt, Davis & Nyklewicz (Chair) – 7

NOES: 0

SCHEDULED ITEMS (CONTINUED):

15. 03-236 Resolution by Supervisor McCue, establishing as the policy of Milwaukee County that the County shall not enter into agreements with outside entities that provide for a fixed level of long-term County operating support unless such agreements contain a clause providing the County with the ability to reduce its funding commitment should budget circumstances warrant a reduction. **(Also to Committee on Parks, Energy and Environment)**

54-B-454 **APPEARANCES:**

Paul Mathews, President, Marcus Center for the Performing Arts
James Krivitz, Executive Vice President, Milwaukee Public Museum

It was noted that the Parks, Energy and Environment Committee, at its meeting on April 8, 2003, recommended that the subject resolution be placed on file.

Supervisor McCue commented on his resolution.

Messrs. Mathews and Krivitz also commented on the resolution and stressed the significance and importance of a public/private partnership with the County and the County's committed support.

Comments ensued.

ACTION BY: (Schmitt) place on file. 6-1

AYES: Coggs-Jones, Quindel, Mayo, Schmitt, Davis* & Nyklewicz (Chair) – 6

NOES: McCue – 1

****Supervisor Davis was not present when the vote was taken, but later requested to be recorded as voting with the majority on this item. There being no objection, it was so ordered.***

16. 02-572 From County Board Research Division, submitting draft resolution/ordinance
(a)(a) implementing rotational voting on a monthly basis. *(Requested by the Committee on 3/13/03.)*

54-B-662 **APPEARANCES:**

Rob Henken, Director of County Board Research

Mr. Henken reminded the Committee that County Board staff was directed last month to prepare the subject resolution/ordinance for the Committee's consideration today. He further reminded the Committee that County Board staff was also directed to prepare a report for next month regarding the costs associated with electronic voting and a legislative tracking system.

SCHEDULED ITEMS (CONTINUED):

ACTION BY: (McCue) place on file. 5-2

AYES: McCue, Coggs-Jones, Mayo, Davis & Nyklewicz (Chair) – 5

NOES: Quindel & Schmitt –2

17. 02-384 (a) An adopted resolution providing, among other things, that the Manager, Information Management Services Division (IMSD), provide quarterly reports on the progress of the Human Resource System Management Committee. (*Adopted 7/25/02*) **(REPORT FROM ACTING MANAGER, IMSD) (Also to Committee on Personnel) (INFORMATIONAL) (NO ACTION REQUIRED)**

54-B-695 **APPEARANCES:**

Mary Reddin, Acting Manager, Information Management Services Division

The Committee took no action regarding this informational report.

DEADLINE

The deadline for items for the next regular meeting (May 15, 2003) is Friday, May 2, 2003.

All items for the agenda must be in the Committee Clerk's possession by the end of the business day on FRIDAY, MAY 2, 2003.

ADA accommodation requests should be filed with the Milwaukee County Office for Persons with Disabilities, 278-3932 (voice) or 278-3937 (TTD), upon receipt of this notice.

SCHEDULED ITEMS (CONTINUED):

STAFF PRESENT:

Terry D. Kocourek, Fiscal and Budget Administrator
Steve Mokrohisky, County Executive's Office
Jerome J. Heer, Director of Audits
Douglas Jenkins, Deputy Director of Audits
Rob Henken, Director of County Board Research

This meeting was recorded on tape. Committee files contain copies of communications, reports and resolutions/ordinances, which may be reviewed upon request to the Chief Committee Clerk. The official copy of these minutes is available in the County Board Committee Services Division.

Length of Meeting: 9:05 a.m. to 12:15 p.m.
12:50 a.m. to 2:25 p.m.

Adjourned,

Lauri Henning

Lauri Henning, Chief Committee Clerk
Committee on Finance and Audit

Chairperson: Supervisor Richard D. Nyklewicz, Jr.

Clerk: Lauri Henning, 278-4227

Research Analyst: Rob Henken, 278-4826

COMMITTEE ON FINANCE AND AUDIT

Thursday, May 15, 2003 - 9:00 A.M.

Milwaukee County Courthouse - Room 201-B

MINUTES

CASSETTE #55:

Side A, #180-END; Side B, #1-END

CASSETTE #56:

Side A, #1-END, Side B, #1-END

CASSETTE #57:

Side A, #1-#160

PRESENT: Supervisors McCue, Coggs-Jones, Quindel, Mayo, Schmitt, Broderick & Nyklewicz (Chair)

SCHEDULED ITEMS:

1. 03-305 From Director of Administrative Services, appointing William (Bud) Borja to the position of Administrative Services Manager.

55-A-192 **APPEARANCES:**

Linda Seemeyer, Director, Department of Administrative Services

William (Bud) Borja

ACTION BY: (McCue) approve. 7-0

AYES: McCue, Coggs-Jones, Quindel, Mayo, Schmitt, Broderick & Nyklewicz (Chair) – 7

NOES: 0

2. 03-264 From Fiscal and Budget Administrator, regarding 2003 budget status and 2004 fiscal projection. (4/10/03: referred to DAS, County Board and Audit staff) (REPORT FROM DAS, COUNTY BOARD AND AUDIT STAFF)

55-A-235 **APPEARANCES:**

Terry D. Kocourek, Fiscal and Budget Administrator

Rob Henken, Director of County Board Research

Supervisor John Weishan, 22nd District

Scott Manske, Controller

Dorothy K. Dean, County Treasurer

Brian Lanser, Quarles and Brady (Bond Counsel)

SCHEDULED ITEMS (CONTINUED):

In response to the Committee's directive on April 10, 2003, a report was submitted by the Fiscal and Budget Administrator, Director of Audits and Director of County Board Research, dated May 9, 2003, a copy of which is contained in the subject file.

Mr. Kocourek presented the first half of the May 9th report addressing the 2003 fiscal status of Milwaukee County. It presented three actions for the Committee's consideration at this time with the understanding that further actions would be brought forward during the June meeting cycle or as they are identified.

Discussion ensued.

Thereafter, Mr. Henken presented the last half of the report regarding an update on the projected 2004 budget shortfall.

Mr. Kocourek explained the measures that are being coordinated by the Department of Administrative Services regarding development of the 2004 budget, a snapshot of which is attached as the last page of the May 9th report.

Chairman Nyklewicz suggested that, rather than take any actions today, the Committee receive and place on file the report with the understanding that the Department of Administrative Services will continue to work with County Board staff and the Department of Audit to formulate more specific recommendations and formalize an action plan for the Committee's June meeting.

ACTION BY: (Mayo) receive and place on file the May 9, 2003 report, with the understanding that a follow-up report will be prepared and submitted at the Committee's June meeting, as suggested by the Chairman.

Further questions and comments followed.

Vote to receive and place: 7-0

AYES: McCue, Coggs-Jones, Quindel, Mayo, Schmitt, Broderick & Nyklewicz (Chair) – 7

NOES: 0

3. 03-263 From Fiscal and Budget Administrator, submitting initial authorizing resolution for General Obligation Refunding Bonds, Series 2003A, and establishing future corporate purpose bonding levels. **(4/10/03: referred back to staff to look at other options) (REPORT FROM DAS)**

SCHEDULED ITEMS (CONTINUED):

55-B-500 **APPEARANCES:**

Terry D. Kocourek, Fiscal and Budget Administrator
Brian Lanser, Quarles and Brady (Bond Counsel)
Keith Kolb, Robert W. Baird & Co. (Financial Advisor)
Pamela Bryant, Capital Finance Manager
Jerome J. Heer, Director of Audits
Rob Henken, Director of County Board Research
Supervisor Robert Krug, 9th District

In response to the Committee's directive on April 10, 2003, the Fiscal and Budget Administrator submitted a report, dated May 13, 2003, a copy of which is contained in the subject file. Mr. Kocourek explained that the report addresses concerns that the Committee had last month and the Department is now recommending an alternative (May) proposal.

A lengthy discussion ensued, during which the following motion was made and later acted on.

ACTION BY: (McCue) lay over to a special meeting prior to Board day. 7-0

AYES: McCue, Coggs-Jones, Quindel, Mayo, Schmitt, Broderick & Nyklewicz (Chair) – 7

NOES: 0

A special meeting of the Committee was scheduled for Monday, May 19, 2003, at 10:00 a.m. to consider this item.

4. 02-503 (a)(d) An adopted resolution directing the Department of Administrative Services, working with the Department of Audit, to establish a system to more accurately budget for the cost of accumulated sick leave at the time of retirement. (*Adopted 1/23/03.*) **(REPORT FROM DAS AND AUDIT)**

56-A-551 **APPEARANCES:**

Jerome J. Heer, Director of Audits
Rob Henken, Director of County Board Research

Mr. Heer summarized the subject report, dated May 8, 2003, a copy of which is contained in the subject file.

Questions and comments ensued.

SCHEDULED ITEMS (CONTINUED):

02-503 (a)(j) ***ACTION BY: (Mayo) endorse the recommendation contained in the May 8th report that the County create a centralized accumulated sick leave funding method based on a percent of payroll, and urge the County Executive to consider such a method – as well as other conclusions and recommendations made in the May 8th report – for possible inclusion in his 2004 Recommended Budget. 7-0***

AYES: McCue, Coggs-Jones, Quindel, Mayo, Schmitt, Broderick & Nyklewicz (Chair) – 7

NOES: 0

5. 03-170 From Fiscal and Budget Administrator, regarding Report of 2002 Carryovers to 2003. **(3/13/03: Referred to County Board staff) (UPDATED REPORT FROM DAS)**

56-A-692 **APPEARANCES:**
Terry D. Kocourek, Fiscal and Budget Administrator

Mr. Kocourek indicated that the updated report, dated May 6, 2003, delineates the final recommendation for carryovers, which is slightly different from the preliminary report submitted in March.

ACTION BY: (McCue) approve the carryovers as recommended by the Department of Administrative Services. 7-0

AYES: McCue, Coggs-Jones, Quindel*, Mayo, Schmitt, Broderick & Nyklewicz (Chair) – 7

NOES: 0

***Supervisor Quindel was not present when the vote was taken, but later requested to be recorded as voting aye on this item. There being no objection, it was so ordered.**

6. 03-295 From Director of Health and Human Services (DHHS), requesting creation of one position of Economic Support Supervisor I in the Department's Economic Support Division. **(Also to Committee on Personnel, Department of Administrative Services and Division of Human Resources) (REPORT FROM DAS)**

56-A-739 **APPEARANCES:**
Joseph Cooper, Administrator, Financial Assistance Division
Terry D. Kocourek, Fiscal and Budget Administrator

SCHEDULED ITEMS (CONTINUED):

ACTION BY: (Coggs-Jones) approve the creation of one position of Economic Support Supervisor 1, effective May 25, 2003, with said position asterisked to be abolished if funding is no longer available in the future, as recommended by the Department of Administrative Services, in order to provide the DHHS Economic Support Division with the staffing necessary to meet the contractual requirements for the processing of Family Care Medical Assistance applications and re-certifications under the Family Care entitlement. 7-0

AYES: McCue, Coggs-Jones, Quindel, Mayo, Schmitt, Broderick & Nyklewicz (Chair) – 7

NOES: 0

7. 02-320 From Director of Health and Human Services, regarding the reorganization of the
(a) Department of Health and Human Services. **(INFORMATIONAL) (NO ACTION REQUIRED)** (Submitted pursuant to a resolution adopted on 9/26/02.)

56-B-103 **APPEARANCE:**
Joseph Cooper, Administrator, Financial Assistance Division

Mr. Cooper gave an overview of the subject report.

ACTION BY: (Quindel) receive and place on file. NO OBJECTION, SO ORDERED.

8. 03-11 A. From County Treasurer, submitting the first quarter 2003 investment report.
(INFORMATIONAL) (NO ACTION REQUIRED)
- 03-12 B. From County Treasurer, notifying of a potential revenue deficit of
approximately \$1 million in non-departmental account 1900-1850 (Earnings
on Investments).

56-B-255 **APPEARANCE:**
Dorothy K. Dean, County Treasurer

Questions and comments ensued.

The Committee took no action on Item 8A.

03-12 ***ACTION BY: (McCue) receive and place on file Item 8B. 7-0***
(a)(b)

AYES: McCue, Coggs-Jones, Quindel, Mayo, Schmitt, Broderick & Nyklewicz (Chair) – 7

NOES: 0

SCHEDULED ITEMS (CONTINUED):

9. 03-1 Fund Transfers.
A1)-A7) – Departmental-Receipt of Revenue
B1) – Capital Improvement
C1) – Departmental-Other Charges
- 56-B-342 **APPEARANCES:**
Terry D. Kocourek, Fiscal and Budget Administrator
Barry Bateman, Airport Director
Dennis Dekker, Financial Manager, Clerk of Circuit Courts
- Questions ensued regarding fund transfers A4) and B1).
- ACTION BY: (McCue) approve all the fund transfers. 7-0**
- AYES:** McCue, Coggs-Jones, Quindel, Mayo, Schmitt, Broderick & Nyklewicz (Chair) – 7
NOES: 0
10. 03-316 From Director of Parks, Recreation and Culture, requesting an amendment to the General Ordinances of Milwaukee County to increase the Parks Department Imprest Fund by \$9,000, from \$33,155 to \$42,155, on a seasonal basis.
- 56-B-332 **APPEARANCE:**
Dennis Weedall, Deputy Director of Parks, Recreation and Culture
- ACTION BY: (Quindel) approve. 7-0**
- AYES:** McCue, Coggs-Jones, Quindel, Mayo, Schmitt, Broderick & Nyklewicz (Chair) – 7
NOES: 0
11. 03-12 An adopted resolution **(A)** authorizing and directing the Department of Audit to review the Sprint inmate telephone system to determine the accuracy of commissions paid by Sprint and whether payments have been in accordance with contractual provisions; and **(B)** authorizing and directing the Superintendent, House of Correction, and the Sheriff to prepare corrective action plans to address projected deficits in inmate telephone commission revenue in their respective 2003 adopted budgets and to submit those plans to the County Executive and the Committee on Finance and Audit. *(Adopted 2/20/03)* **[REPORTS FROM (A) DIRECTOR OF AUDITS; and (B) PUBLIC SAFETY FISCAL ADMINISTRATOR]**
(a)(a)

SCHEDULED ITEMS (CONTINUED):

56-B-435 **ITEM 11A:**

APPEARANCES:

Jerome J. Heer, Director of Audits

Mr. Heer summarized the report, dated May 6, 2003, which was submitted in response to the adopted resolution, a copy of which is contained in the subject file. The findings confirm that the revenue deficit has been caused by a decrease in completed phone calls, and not by failure by the contractor to properly record calls or distribute revenue. A major cause of the decrease in phone calls was an increase in blocked calls. Mr. Heer suggested that the County could consider using a pre-paid phone card. However, he also stated that the County needed to recognize that its revenue estimates were too high and budget more realistically in the future.

Discussion ensued.

03-12 ***ACTION BY: (Mayo) receive and place on file the May 6th report from the***
(a)(c) ***Director of Audits. 7-0***

AYES: McCue, Coggs-Jones, Quindel, Mayo, Schmitt, Broderick &
Nyklewicz (Chair) – 7

NOES: 0

ITEM 11B:

APPEARANCES:

Ron Malone, Superintendent, House of Correction
Jon Priebe, Public Safety Fiscal Administrator

Mr. Priebe advised that the House and Sheriff are not projecting any deficit on the expenditure side at this time; however, both departments are experiencing revenue deficits. They are still working on ways to increase revenues and to address other problems.

Mr. Malone commented on the inmate phone issue and spoke against a pre-paid phone card. He indicated that he would check into the possibility of including the cost of a call on the recorded announcement, as suggested by Supervisor Quindel.

Supervisor Coggs-Jones asked how the Sheriff could deploy deputies in different areas of the city without incurring a deficit.

SCHEDULED ITEMS (CONTINUED):

Mr. Priebe replied that the Sheriff has instituted two primary changes/programs that have put officers on city streets.

First, the Sheriff has redefined the expressway patrol sector to cover areas surrounding expressways. During slow periods, the officer will leave the freeway and drive around the city streets.

Second, the Sheriff has established a Gun Reduction Initiative Program (GRIP). Detective Bureau personnel have been reassigned to this program.

Questions and comments ensued.

ACTION BY: (Mayo) request that the Sheriff submit a report on the following:

- ***The GRIP initiative, including operational costs and program details; how the deployment of deputies to the initiative impacts revenue streams and the effectiveness of other departmental programs; whether certain areas of the County are being targeted; and what municipalities, if any, have a gun reduction program and how the GRIP initiative impacts such program(s).***
- ***Deployment of Sheriff's deputies around the freeways and revenue ramifications.***

Vote on referral: 7-0

AYES: McCue, Coggs-Jones, Quindel, Mayo, Schmitt, Broderick & Nyklewicz (Chair) – 7

NOES: 0

12. 03-259
(a)(a) From Superintendent, House of Correction, requesting the abolishment of 59 positions and the creation of one position of Food Production Contract Administrator – HOC within the Food Service Unit at the House of Correction to monitor and implement the contract with Aramark Correctional Services, Inc. for provision of inmate food service. **(Also to Committee on Personnel, Department of Administrative Services and Division of Human Resources) (REPORT FROM DAS)**

57-A-7

APPEARANCES:

Ron Malone, Superintendent, House of Correction

Jon Priebe, Public Safety Fiscal Administrator

Jim Mack, Assistant Superintendent, House of Correction

Supervisor Coggs-Jones asked for a report in the September or October cycle detailing how many County employees were hired by Aramark. Mr. Malone indicated he would provide such a report, including how many employees

SCHEDULED ITEMS (CONTINUED):

transferred to other County positions and how many employees did not receive a County position or a position with the new vendor. Chairman Nyklewicz indicated the report should be submitted at budget time.

Mr. Mack proceeded to comment on the DBE component of Aramark's contract.

ACTION BY: (Quindel) abolish 59 positions related to inmate food service and create one position of Food Production Contract Administrator – HOC, as recommended by the Department of Administrative Services, to monitor and implement the contract with Aramark for provision of inmate food services. 5-2

AYES: McCue, Quindel, Schmitt, Broderick & Nyklewicz (Chair) – 5

NOES: Coggs-Jones & Mayo – 2

13. 03-261 Resolution by Supervisor Holloway, creating a Labor-Management Council to develop and implement mechanisms for enhancing labor/management relations and improving County government's organizational effectiveness. **(Also to Committee on Personnel)**

56-A-751 **APPEARANCES:**
Supervisor Lee Holloway, County Board Chairman
Lee Henderson, AFSCME District Council 48

Supervisor Holloway commented on his resolution. He also offered the following amendment for the Committee's consideration:

MODIFY the "BE IT FURTHER RESOLVED" clause beginning on Line 69 as follows:

BE IT FURTHER RESOLVED, that the Labor-Management Council shall be chaired jointly by the President of AFSCME District Council 48 and the Director of Administrative Services, and shall consist of the following ~~14~~ 18 additional members:

- Two additional representatives from AFSCME District Council 48 to be appointed by AFSCME District Council 48.
- One representative from each of the following labor unions representing Milwaukee County employees (to be appointed by the respective unions): Sheriff's Deputies, Nurses, Building Trades, Attorneys, ~~and~~ TEAMCO, Firefighters and Machinists.
- The Directors of Human Resources and Labor Relations.
- ~~Three~~ Four additional Department/Division Heads to be appointed by the County Executive.

SCHEDULED ITEMS (CONTINUED):

- ~~Two~~ Three members of the Board of Supervisors to be appointed by the County Board Chairman.

ACTION BY: (Schmitt) approve the aforesaid amendment.

Ms. Henderson commended the County Board Chairman for introducing such a proposal. She suggested that the Council be co-chaired by the "Director" of AFSCME rather than the "President." **Supervisor Schmitt accepted the suggestion as a friendly amendment.**

Vote on approval of the aforesaid amendment advanced by the County Board Chairman, including the friendly amendment as noted above: 7-0

AYES: McCue, Coggs-Jones, Quindel, Mayo, Schmitt, Broderick & Nyklewicz (Chair) – 7

NOES: 0

ACTION BY: (Schmitt) approve the resolution as amended. 7-0

AYES: McCue, Coggs-Jones, Quindel, Mayo, Schmitt, Broderick & Nyklewicz (Chair) – 7

NOES: 0

14. 03-294 Resolution by Supervisor Mayo, providing for the immediate transfer of \$225,000 from the Appropriation for Contingencies in order to restore the Summer Program component of the Youth Employment Program. **(Also to Committee on Personnel)**

56-B-88 ***ACTION BY: (Mayo) lay over to the June cycle. 6-1***

AYES: McCue, Quindel, Mayo, Schmitt, Broderick & Nyklewicz (Chair) – 6

NOES: Coggs-Jones - 1

15. 02-551 From Director of Audits, submitting a follow-up status report regarding An Audit
(a) of Internal Controls, Milwaukee County Register of Deeds Vital Statistics/ID
Division, dated October 2002.

57-A-108 **APPEARANCE:**
Jerome J. Heer, Director of Audits

ACTION BY: (McCue) direct the Register of Deeds to eliminate the County I.D. Card program.

SCHEDULED ITEMS (CONTINUED):

Mr. Heer indicated that the motion reflects one of the recommendations contained in the subject audit and that the current Register of Deeds agrees with such recommendation.

Supervisor Coggs-Jones asked when the program would be eliminated. Mr. Heer replied that the Register of Deeds would like to do so by July 1, 2003.

Questions ensued.

02-551
(a)(a)

Vote on elimination of the County I.D. Card program effective July 1, 2003: 7-0

AYES: McCue, Coggs-Jones, Quindel, Mayo, Schmitt, Broderick & Nyklewicz (Chair) – 7

NOES: 0

DEADLINE

The deadline for items for the next regular meeting (June 12, 2003) is Friday, May 30, 2003.

All items for the agenda must be in the Committee Clerk's possession by the end of the business day on FRIDAY, MAY 30, 2003.

ADA accommodation requests should be filed with the Milwaukee County Office for Persons with Disabilities, 278-3932 (voice) or 278-3937 (TTD), upon receipt of this notice.

STAFF PRESENT:

Terry D. Kocourek, Fiscal and Budget Administrator
Jerome J. Heer, Director of Audits
Rob Henken, Director of County Board Research

This meeting was recorded on tape. The foregoing actions were not necessarily considered in agenda order. Committee files contain copies of communications, reports and resolutions/ordinances, which may be reviewed upon request to the Chief Committee Clerk. The official copy of these minutes is available in the County Board Committee Services Division.

SCHEDULED ITEMS (CONTINUED):

Length of Meeting: 9:05 a.m. to 12:20 p.m.
12:45 p.m. to 1:35 p.m.

Adjourned,

Lauri Henning

Lauri Henning, Chief Committee Clerk
Committee on Finance and Audit

Chairperson: Supervisor Richard D. Nyklewicz, Jr.

Clerk: Lauri Henning, 278-4227

Research Analyst: Rob Henken, 278-4826

SPECIAL MEETING OF THE COMMITTEE ON FINANCE AND AUDIT

Monday, May 19, 2003 - 10:00 A.M.

Milwaukee County Courthouse - Room 201-B

MINUTES

CASSETTE #57

Side A, #161-#361

PRESENT: Supervisors McCue, Coggs-Jones*, Quindel, Mayo, Schmitt, Broderick & Nyklewicz (Chair)

*Supervisor Coggs-Jones was not present when the roll call was taken, but arrived shortly thereafter.

SCHEDULED ITEMS:

1. 03-263 From Fiscal and Budget Administrator, submitting initial authorizing resolution for General Obligation Refunding Bonds, Series 2003A, and establishing future corporate purpose bonding levels. **(4/10/03: referred back to staff to look at other options) (5/15/03: laid over alternative proposal)**

APPEARANCES:

Terry D. Kocourek, Fiscal and Budget Administrator

Pamela Bryant, Capital Finance Manager

Steve Mokrohisky, County Executive's Office

In response to a query by Chairman Nyklewicz regarding the County's ability to adhere to the proposed \$30 million cap on future capital budgets, Mr. Kocourek advised that the Department of Administrative Services has been compiling departmental capital budget requests for 2004 and beyond. He indicated that he would be willing to sit down with County Board staff to share what has been submitted thus far, however, it would be a very preliminary review at this time. A written report would not be available until August at the earliest.

Mr. Mokrohisky stated that the County Executive strongly supports this proposal. It is an effort by him and the Department of Administrative Services to put forward an option to policymakers that will help address the projected \$90 million deficit for 2004.

SCHEDULED ITEMS (CONTINUED):

The following amendment was submitted by Supervisor Quindel:

ADD the following “BE IT FURTHER RESOLVED” clauses after Line 89 in the resolution attached to the Department of Administrative Services’ report:

BE IT FURTHER RESOLVED, that because the primary rationale for adoption of the debt restructuring initiative is to produce surplus sales tax revenue that can be used to address urgent, short-term needs in the County’s operating budget, the County Board of Supervisors hereby expresses its intention to modify Chapter 22 of the General Ordinances, which currently limits the use of any sales tax revenue that is not used to pay general obligation debt service costs to cash-financing of capital improvement projects or pre-payment of outstanding bonds; and

BE IT FURTHER RESOLVED, that County Board staff and the Department of Audit shall jointly submit options and/or recommendations to the Committee on Finance and Audit for consideration at its June 2003 meeting regarding appropriate modifications to Chapter 22 of the Ordinances that will ensure that any use of sales tax revenue in the County’s operating budget occur only to address legitimate fiscal crises and in accordance with sound fiscal policies and principles, and that take into account the possibility of “sunsetting” any such modifications at an appropriate time in the future.

ACTION BY: (Quindel) approve the aforesaid amendment.

Supervisor Mayo requested division on the amendment.

Vote on approval of Part 1 of the amendment: 6-1

AYES: McCue, Coggs-Jones, Quindel, Schmitt, Broderick & Nyklewicz (Chair)-6
NOES: Mayo-1

Vote on approval of Part 2 of the amendment: 7-0

AYES: McCue, Coggs-Jones, Quindel, Mayo, Schmitt, Broderick & Nyklewicz (Chair) – 7
NOES: 0

ACTION BY: (Quindel) approve the resolution as amended. 6-1

AYES: McCue, Coggs-Jones, Quindel, Schmitt, Broderick & Nyklewicz (Chair)-6
NOES: Mayo-1

SCHEDULED ITEMS (CONTINUED):

ADA accommodation requests should be filed with the Milwaukee County Office for Persons with Disabilities, 278-3932 (voice) or 278-3937 (TTD), upon receipt of this notice.

STAFF PRESENT:

Terry D. Kocourek, Fiscal and Budget Administrator

Jerome J. Heer, Director of Audits

Rob Henken, Director of County Board Research

This meeting was recorded on tape. Committee files contain copies of communications, reports and resolutions, which may be reviewed upon request to the Chief Committee Clerk. The official copy of these minutes is available in the County Board Committee Services Division.

Length of Meeting: 10:10 a.m. to 10:20 a.m.

Adjourned,

Lauri Henning

Lauri Henning, Chief Committee Clerk

Committee on Finance and Audit

Chairperson: Supervisor Richard D. Nyklewicz, Jr.

Clerk: Lauri Henning, 278-4227

Research Analyst: Rob Henken, 278-4826

COMMITTEE ON FINANCE AND AUDIT

Thursday, June 12, 2003 - 9:00 A.M.

Milwaukee County Courthouse - Room 201-B

MINUTES

CASSETTE #57: Side B, #4-END

CASSETTE #58: Side A, #1-END; Side B, #1-END

CASSETTE #59: Side A, #1-#230

PRESENT: Supervisors McCue, Coggs-Jones*, Quindel, Mayo*, Schmitt, Broderick and Nyklewicz (Chair)

*Supervisors Coggs-Jones and Mayo were not present at the time of the roll call, but arrived soon thereafter.

SCHEDULED ITEMS:

1. 03-362 From the County Executive, appointing Roy B. Evans to serve on the Purchasing Standardization Committee for a term expiring August 1, 2004.

57-B-19 **APPEARANCES:**

Roy B. Evans

Steve Mokrohisky, County Executive's Office

ACTION BY: (McCue) approve. 6-0

AYES: McCue, Quindel, Mayo, Schmitt, Broderick & Nyklewicz (Chair) – 6

NOES: 0

EXCUSED: Coggs-Jones

2. 03-351 From Pension Board Chairman, Milwaukee County Employees' Retirement System, relative to County Contribution to the Employees' Retirement System and OBRA 1990 Retirement System. **(Also to Committee on Personnel)**

57-B-72 **APPEARANCES:**

Matthew Janes, Employees Retirement System Secretary

Dennis Skelly, William M. Mercer Incorporated

Walter Lanier, Pension Board Chairman

ACTION BY: (McCue) refer to County Board staff for further review and analysis and to look at other options/alternatives.

SCHEDULED ITEMS (CONTINUED):

Questions and comments ensued.

Vote on referral: 5-1

AYES: McCue, Quindel, Schmitt, Broderick & Nyklewicz (Chair) – 5

NOES: Mayo – 1

EXCUSED: Coggs-Jones

3. 02-16 From the Controller, submitting preliminary surplus/deficit report for 2002.

57-B-174 **APPEARANCE:**
Scott Manske, Controller

02-16 **ACTION BY: (Mayo) receive and place on file. 7-0**
(a)(b)

AYES: McCue, Coggs-Jones, Quindel, Mayo, Schmitt, Broderick & Nyklewicz (Chair) – 7

NOES: 0

4. 03-264 From Fiscal and Budget Administrator, Director of Audits and Director of County Board Research, regarding measures to help address the projected 2003 budget deficit.
(a)(a)

57-B-232 **APPEARANCES:**
Terry D. Kocourek, Fiscal and Budget Administrator
Jerome J. Heer, Director of Audits
Rob Henken, Director of County Board Research

Mr. Kocourek presented the subject report, which included the following recommendations to achieve \$4,615,991 of savings to address the 2003 projected deficit:

1. *Continuation of the existing hiring review/freeze process in order to generate an estimated \$1 million in savings.*
2. *A "freeze" of specific expenditures in the amount of \$565,000, with the understanding that such expenditures could be authorized later in the year if the County's fiscal situation were to improve.*
3. *Implementation of a 1% budget reduction initiative, under which a 1% budget reduction would be imposed on all County departments that have budgeted tax levy and/or where tax levy savings will result if a budget reduction is imposed. The 1% reduction, as proposed, would result in estimated savings of \$3,050,991. It is recommended that the Parks Department not be included in the 1% reduction because it has already agreed to leave positions vacant to generate \$600,000 of salary savings in 2003. In addition, a reduction figure of \$451,733 is recommended for the*

SCHEDULED ITEMS (CONTINUED):

Department of Health and Human Services, which equates to a 1% tax levy reduction plus an additional reduction of \$224,921 for unexpended unemployment compensation monies. It is recommended that the Department of Administrative Services be authorized to administratively encumber the identified reductions within departmental budgets, and that DAS also be authorized to release funds if a department is able to identify an unbudgeted revenue offset that would provide the same amount of savings. It is also recommended that departments be provided the flexibility to apply the reductions within any portion of their budgets as long as the same bottom line impact is achieved.

The report acknowledges that the recommended actions are not enough to offset the current projected 2003 deficit of \$10.25 million, and raised two other possible courses of action that could be considered at a later date: the sale of land to Children's Hospital and use of lapsed bond proceeds to pay 2003 interest payments on outstanding County bonds.

The County Executive submitted a communication, dated June 9, 2003, a copy of which is contained in the subject file, expressing support of the recommendations contained in the subject report and urging the Committee and the County Board to also support them. In addition, the communication expresses support for the sale of land to Children's Hospital and expresses caution regarding the use of lapsed bond proceeds to offset 2003 bond interest costs, but indicated that such action may be necessary if the County's fiscal situation does not improve.

Mr. Henken explained revisions to the above recommendations that were recommended as a result of actions taken by the Economic and Community Development Committee on June 9 and the Health and Human Needs Committee on June 11. The recommended freeze for the Economic Development Reserve should be reduced by \$5,000 (from \$70,000 to \$65,000), and it should be specified that the \$70,000 to be frozen from the Sports Authority should come from unanticipated revenue, as opposed to 2003 appropriations.

Questions and comments ensued.

ACTION BY: (McCue) approve the staff recommendations as outlined above and adjusted.

ACTION BY: (Mayo) amend the recommendations by deleting the recommended freeze of \$150,000 from the Brownfields Redevelopment account. 5-2

AYES: Coggs-Jones, Quindel, Mayo, Schmitt, Broderick – 5

NOES: McCue & Nyklewicz (Chair) – 2

SCHEDULED ITEMS (CONTINUED):

Vote on approval as amended: 7-0

AYES: McCue, Coggs-Jones, Quindel, Mayo, Schmitt, Broderick & Nyklewicz (Chair) – 7

NOES: 0

5. 03-1

Fund Transfers.

A1)-A4) – Departmental-Receipt of Revenue

B1) – Unallocated Contingent Fund

C1)-C3) – Capital Improvement

D1) – Departmental-Other Charges

E1) – Departmental-Capital Outlay

57-B-571 Mr. Kocourek informed the Committee that fund transfers A1) and A3) have not been signed by the County Executive. Since 10 days have not elapsed, Chairman Nyklewicz indicated that those transfers are not formally before the Committee at this time.

Separate action was requested on fund transfers B1) and C1).

ACTION BY: (McCue) approve the fund transfers, excluding A1), A3), B1) and C1). 7-0

AYES: McCue, Coggs-Jones, Quindel, Mayo, Schmitt, Broderick & Nyklewicz (Chair) – 7

NOES: 0

57-B-594 **B1):**

APPEARANCE:

Christine Sopa, Election Commission

Questions ensued.

ACTION BY: (McCue) approve. 7-0

AYES: McCue, Coggs-Jones, Quindel, Mayo, Schmitt, Broderick & Nyklewicz (Chair) – 7

NOES: 0

SCHEDULED ITEMS (CONTINUED):

57-B-616 **C1):**

APPEARANCE:

Tony Snieg, Deputy Airport Director

Questions and comments ensued.

ACTION BY: (Mayo) approve. 6-1

AYES: Coggs-Jones, Quindel, Mayo, Schmitt, Broderick & Nyklewicz (Chair) – 6

NOES: McCue – 1

6. 03-294 Resolution by Supervisor Mayo, providing for the immediate transfer of \$225,000 from the Appropriation for Contingencies in order to restore the Summer Program component of the Youth Employment Program. **(Also to Committee on Personnel) [5/15/03: laid over to JUNE cycle]**

57-B-659 **APPEARANCES:**

Tom Doyle, Milwaukee Employment and Training, Inc.
Steve Mokrohisky, County Executive's Office

ACTION BY: (Mayo) approve.

Supervisor Coggs-Jones asked to be added as a co-sponsor on the resolution.

A lengthy discussion ensued.

Vote on approval: 5-2

AYES: Coggs-Jones, Quindel, Mayo, Schmitt & Broderick – 5

NOES: McCue & Nyklewicz (Chair) – 2

7. 03-366 From Director of Audits, submitting an Audit Review of Wauwatosa School District's Reimbursement of Operating Costs of the Milwaukee County Department of Health and Human Services (MCDHHS) Schools for the 2001-02 School Year.

58-A-383 **APPEARANCE:**

Jerome J. Heer, Director of Audits

Mr. Heer reviewed the subject report. He pointed out that although MCDHHS has been negotiating contract language changes with School District officials for almost two and a half years, according to MCDHHS, nothing has been finalized at

SCHEDULED ITEMS (CONTINUED):

this time. Negotiations with the School District appear to be languishing due to a change in the County's facility landlord from MCDHHS to the Department of Public Works (DPW). DPW management has indicated that they will now be the lead County department in negotiations with the School District.

In light of the above, Mr. Heer recommended that the Committee seek a report back from DPW in six months. Chairman Nyklewicz suggested a timeline of 60 days instead.

Supervisor McCue inquired as to the possibility of the County receiving similar reimbursement for juveniles incarcerated at the House of Correction in Franklin.

ACTION BY: (McCue) lay over for a report back in 60 days from DPW as well as a response from the Audit Department on his inquiry as set forth above. 7-0

AYES: McCue, Coggs-Jones, Quindel, Mayo, Schmitt, Broderick & Nyklewicz (Chair) – 7

NOES: 0

8. 03-263 From Director of County Board Research and Director of Audits, regarding
(a)(a) proposed modifications to Chapter 22 of the General Ordinances of Milwaukee County. *(Directed by the Committee and County Board during May meeting cycle.)*

58-A-528 **APPEARANCES:**
Rob Henken, Director of County Board Research
Jerome J. Heer, Director of Audits
Douglas Jenkins, Deputy Director of Audits
Supervisor John Weishan, 22nd District
Steve Mokrohisky, County Executive's Office

Mr. Henken reviewed and Mr. Heer commented on the subject report.

ACTION BY: (Quindel) lay over.

Discussion ensued.

Supervisor Weishan supported lay over of this item.

Mr. Mokrohisky informed the Committee that the County Executive supports the ordinance change and the recommendation that the sale tax proceeds be used for one of the three dedicated areas as proposed.

SCHEDULED ITEMS (CONTINUED):

Vote on lay over: 3-4 (FAILED)

AYES: Coggs-Jones, Quindel & Broderick – 3

NOES: McCue, Mayo, Schmitt & Nyklewicz (Chair) – 4

ACTION BY: (McCue) approve the proposed ordinance with a sunset date of January 1, 2008.

Further comments followed.

Vote on approval: 4-3

AYES: McCue, Schmitt, Broderick & Nyklewicz (Chair) – 4

NOES: Coggs-Jones, Quindel & Mayo – 3

9. 03-352 From Register of Deeds, requesting that the \$40 per week fee for the sale of real estate index data be increased to \$60 per week.

58-A-490 **APPEARANCE:**
Paul Mika, Deputy Register of Deeds

ACTION BY: (Mayo) approve. 7-0

AYES: McCue, Coggs-Jones, Quindel, Mayo, Schmitt, Broderick & Nyklewicz (Chair) – 7

NOES: 0

10. 02-551 From Register of Deeds, requesting elimination of the Senior I.D. Card Program, (a)(b) effective July 1, 2003.

58-A-511 **APPEARANCE:**
Paul Mika, Deputy Register of Deeds

ACTION BY: (McCue) approve. 6-1

AYES: McCue, Coggs-Jones, Quindel, Schmitt, Broderick & Nyklewicz (Chair)-6

NOES: Mayo – 1

SCHEDULED ITEMS (CONTINUED):

11. 03-344 From Director of Parks, Recreation and Culture, requesting the abolishment of one Forestry Coordinator position and the creation of one position of Landscape Services Supervisor. **(Also to Committee on Personnel, Department of Administrative Services and Division of Human Resources) (REPORT FROM DAS)**

58-A-517 **APPEARANCE:**
Dennis Weedall, Deputy Director of Parks, Recreation and Culture

ACTION BY: (Schmitt) approve the said request as recommended by the Department of Administrative Services, effective June 29, 2003, in order to create greater efficiencies in the Landscape Services Division of the Parks Department. 7-0

AYES: McCue, Coggs-Jones, Quindel, Mayo, Schmitt, Broderick & Nyklewicz (Chair) – 7

NOES: 0

12. 03-326 From the Sheriff, notifying of his intent to apply for a Cops in Schools grant from the U.S. Department of Justice. **(Also to Committee on Judiciary, Safety and General Services)**

58-B-21 **APPEARANCES:**
Inspector Kevin Carr and Deputy Inspector Esther Welch, Sheriff's Department

ACTION BY: (Mayo) approve (as also recommended by the Judiciary, Safety and General Services Committee on 6/5/03).

Questions and comments ensued.

Vote on approval: 6-1

AYES: Coggs-Jones, Quindel, Mayo, Schmitt, Broderick & Nyklewicz (Chair) – 6

NOES: McCue – 1

13. 03-346 From the Sheriff, requesting authorization to apply for and, if awarded, accept funds from the United States Department of Justice's Homeland Security Overtime Program to provide funding for increased overtime efforts in the prevention of acts of terrorism and other violent and drug-related crimes in the Milwaukee County metropolitan area. **(Also to Committee on Judiciary, Safety and General Services)**

SCHEDULED ITEMS (CONTINUED):

58-B-198 **APPEARANCES:**

Inspector Kevin Carr, Sheriff's Department
Rob Henken, Director of County Board Research

Mr. Henken explained that the resolution attached to the Sheriff's memo authorizes application **and acceptance** of the grant funds, which is a contradiction to what is stated in the Sheriff's memo. This contradiction did not come up at the Judiciary, Safety and General Services Committee meeting on June 5. Therefore, if it were the Committee's intent to have the Sheriff come back for approval prior to accepting the grant funds, it would need to take that action, resulting in two recommendations being forwarded to the Board on this matter.

ACTION BY: (Mayo) recommend that the Sheriff be authorized to apply for the Homeland Security grant funds, with the understanding that acceptance of the funds and provision of the local match would require subsequent County Board action. 7-0

AYES: McCue, Coggs-Jones, Quindel, Mayo, Schmitt, Broderick & Nyklewicz (Chair) – 7

NOES: 0

14. 03-353

From the Sheriff, requesting abolishment of two positions each of Nursing Supervisor and Nursing Practitioner, one position of Mental Health Services Manager and five positions of Psychiatric Social Worker and creation of one position each of Psychiatric Social Worker Supervisor and Mental Health Case Management Specialist (Sheriff), in order to provide more effective mental health services and allow for better integration of services with the community. **(Also to Committee on Personnel, Department of Administrative Services and Division of Human Resources) (REPORT FROM DAS)**

58-B-252 **APPEARANCES:**

Inspector Kevin Carr, Sheriff's Department
Michael Kalonick, Medical and Mental Health Program Administrator
John Pankiewicz, Psychiatrist
Antonio Rubio, Local 1055 (registered)
Cecile Marie Purdy, Local 645

A variety of information was provided to Committee members, copies of which are contained in the subject file.

Inspector Carr summarized the issue. Thereafter, Mr. Kalonick explained the proposal.

SCHEDULED ITEMS (CONTINUED):

ACTION BY: (Mayo) lay over to allow for additional time to review the information.

A lengthy discussion ensued.

Vote on lay over: 6-1

AYES: McCue, Coggs-Jones, Quindel, Mayo, Schmitt, Broderick – 6

NOES: Nyklewicz (Chair) - 1

15. 02-503
(a)(h) Report from the Committee on Personnel, referred 3/20/03, recommending adoption of a resolution/ordinance approving a Personnel Flexibility Policy as described in the County Executive's 2003 Recommended Budget and amended by the Finance and Audit and Personnel Committees. **(Also referred back to Personnel Committee; Finance and Audit Committee, on 3/17/03, referred this matter to Corporation Counsel for a legal opinion) (LEGAL OPINION AND REVISED RESOLUTION/ORDINANCE)**

58-B-729 **APPEARANCES:**
Chris Pegelow, AFSMCE Local 882
Supervisor Paul M. Cesarz, 23rd District

ACTION BY: (McCue) lay over.

Mr. Pegelow stated that, from a union perspective, he feels there are inherent contradictions between the proposed ordinance and existing labor contracts. From a citizen perspective, he wondered why the Board would cede its authority in this area.

Supervisor Cesarz proceeded to comment on the proposed ordinance.

Further comments followed.

Vote on lay over: 7-0

AYES: McCue, Coggs-Jones, Quindel, Mayo, Schmitt, Broderick & Nyklewicz (Chair) – 7

NOES: 0

SCHEDULED ITEMS (CONTINUED):

16. 03-293 Resolution by Supervisor Mayo, authorizing and directing the Department of Audit to conduct a survey of other appropriate governmental jurisdictions that will provide comparative information regarding their administrative structure and form of governance.

59-A-18 **APPEARANCE:**
Jerome J. Heer, Director of Audits

ACTION BY: (Mayo) approve. 7-0

AYES: McCue, Coggs-Jones, Quindel, Mayo, Schmitt, Broderick & Nyklewicz (Chair) – 7

NOES: 0

17. 03-343 Resolution by Supervisor Mayo, calling upon the County Executive to forego funding of any new major capital improvement projects which would rely on general obligation bond funding in the 2004 County budget in order to comply with the intent of the recently approved capital debt restructuring effort which seeks to limit annual bond issues to a maximum of \$30 million by 2008.

59-A-84 **APPEARANCE:**
Steve Mokrohisky, County Executive's Office

ACTION BY: (Mayo) approve.

Discussion ensued.

Vote on approval: 2-5 (FAILED)

AYES: Coggs-Jones & Mayo – 2

NOES: McCue, Quindel, Schmitt, Broderick & Nyklewicz (Chair) – 5

ACTION BY: (Quindel) reconsider the Committee's previous action on this item. 5-1

AYES: McCue, Quindel, Schmitt, Broderick & Nyklewicz (Chair) – 5

NOES: Mayo – 1

EXCUSED: Coggs-Jones

SCHEDULED ITEMS (CONTINUED):

ACTION BY: (Quindel) place on file. 5-1

AYES: McCue, Quindel, Schmitt, Broderick & Nyklewicz (Chair) – 5

NOES: Mayo – 1

EXCUSED: Coggs-Jones



**SPECIAL MEETING OF THE COMMITTEE ON FINANCE AND AUDIT
on
Wednesday, June 18, 2003 - 11:30 a.m.**

**Public Hearing to consider issuance of General Obligation Bonds by Milwaukee County in a not-to-exceed \$5,610,000 for the purpose of refunding obligations which were issued to finance various Milwaukee County Projects
and
Approval of negotiated sale for General Obligation Refunding Bonds, Series 2003A**

DEADLINE

*The deadline for items for the next regular meeting (July 17, 2003)
is Thursday, July 3, 2003.*

***All items for the agenda must be in the Committee Clerk's
possession by the end of the business day on
THURSDAY, JULY 3, 2003.***

ADA accommodation requests should be filed with the Milwaukee County Office for Persons with Disabilities, 278-3932 (voice) or 278-3937 (TTD), upon receipt of this notice.

STAFF PRESENT:

Terry D. Kocourek, Fiscal and Budget Administrator

Jerome J. Heer, Director of Audits

Douglas Jenkins, Deputy Director of Audits

Rob Henken, Director of County Board Research

SCHEDULED ITEMS (CONTINUED):

This meeting was recorded on tape. The foregoing items were not necessarily considered in agenda order. Committee files contain copies of communications, reports and resolutions/ordinances, which may be reviewed upon request to the Chief Committee Clerk. The official copy of these minutes is available in the County Board Committee Services Division.

Length of Meeting: 9:05 a.m. to 12:30 p.m.

Adjourned,

Lauri Henning

Lauri Henning, Chief Committee Clerk
Committee on Finance and Audit

Chairperson: Supervisor Richard D. Nyklewicz, Jr.

Clerk: Lauri Henning, 278-4227

Research Analyst: Rob Henken, 278-4826

SPECIAL MEETING OF THE COMMITTEE ON FINANCE AND AUDIT

Wednesday, June 18, 2003 - 11:30 A.M.

Milwaukee County Courthouse - Room 201-B

M I N U T E S

CASSETTE #59

Side A, #231-#389

PRESENT: Supervisors McCue, Quindel, Mayo, Schmitt, Broderick & Nyklewicz (Chair)

EXCUSED: Supervisor Coggs-Jones

SCHEDULED ITEMS:

** PUBLIC HEARING **

1. 03-263 To consider issuance of General Obligation Bonds by Milwaukee County in a not-to-exceed \$5,610,000 for the purpose of refunding obligations which were issued (a) to finance various Milwaukee County Projects, including improvements to the Marcus Center for the Performing Arts, improvements to facilities and seawall replacement at Milwaukee County War Memorial Center, improvements to facilities at Milwaukee Public Museum, construction of a youth activities center, building rehabilitation at Villa Terrace Decorative Arts Museum, land acquisition and construction of indoor-outdoor soccer complex, construction of a visitors' center at Boerner Botanical Gardens, and renovation of Milwaukee County Historical Society.

#70 The Clerk read a public hearing statement, a copy of which is contained in the subject file.

No one appeared.

SCHEDULED ITEMS (CONTINUED):

2. 03-263 Recommendation from Department of Administrative Services relative to sale of
(a)(b) General Obligation Refunding Bonds, Series 2003A.

#280

APPEARANCES:

Pamela Bryant, Capital Finance Manager
Brian Kolb, Robert W. Baird
Claire Peterchak, Robert W. Baird
Brian Lanser, Quarles and Brady

Ms. Bryant summarized the subject recommendation.

ACTION BY: (Mayo) approve the resolution attached to the Department's report authorizing the sale of \$100,025,000 General Obligation Refunding Bonds, Series 2003A, at a negotiated true interest rate for the bonds of 3.48 percent.

Questions ensued.

Vote on approval: 6-0

AYES: McCue, Quindel, Mayo, Schmitt, Broderick & Nyklewicz (Chair) – 6

NOES: 0

EXCUSED: Coggs-Jones

ADA accommodation requests should be filed with the Milwaukee County Office for Persons with Disabilities, 278-3932 (voice) or 278-3937 (TTD), upon receipt of this notice.

STAFF PRESENT:

Linda Seemeyer, Director, Department of Administrative Services
Terry D. Kocourek, Fiscal and Budget Administrator
Pamela Bryant, Capital Finance Manager
Dorothy K. Dean, County Treasurer
Rob Henken, Director of County Board Research

SCHEDULED ITEMS (CONTINUED):

This meeting was recorded on tape. Committee files contain copies of the above documents, which may be reviewed upon request to the Chief Committee Clerk. The official copy of these minutes is available in the County Board Committee Services Division.

Length of Meeting: 11:40 a.m. to 11:50 a.m.

Adjourned,

Lauri Henning

Lauri Henning, Chief Committee Clerk
Committee on Finance and Audit

Chairperson: Supervisor Richard D. Nyklewicz, Jr.
Clerk: Lauri Henning, 278-4227
Research Analyst: Rob Henken, 278-4826

COMMITTEE ON FINANCE AND AUDIT

Thursday, July 17, 2003

Milwaukee County Courthouse – Room 201-B

MINUTES

NOTE: Due to the complexity of issues and length of the agenda, a morning session (9:00 a.m.) and an afternoon session (1:30 p.m.) have been scheduled. The Committee will break for lunch from approximately 12:30 p.m. to 1:30 p.m. Any unfinished items from the morning session will be completed during the afternoon session.

CASSETTE #60: Side A, #4-END; Side B, #1-END
CASSETTE #61: Side A, #1-END; Side B, #1-END
CASSETTE #62: Side A, #1-END; Side B, #1-#610

PRESENT: Supervisors McCue, Quindel, Mayo, Schmitt, Broderick & Nyklewicz (Chair)
EXCUSED: Supervisor Coggs-Jones

SCHEDULED ITEMS:

9:00 A.M.

1. 03-408 From the County Executive, appointing Donald K. Bulley to serve on the Milwaukee County Federated Library System Board for a term expiring December 31, 2003. Mr. Bulley is filling the vacancy created due to the recent death of Dr. Pedro Pedraza.

60-A-33 **APPEARANCES:**
Steve Mokrohisky, County Executive's Office
Patricia Laughlin, Director, Hales Corners Public Library

Mr. Mokrohisky explained that Mr. Bulley was not able to attend the meeting today.

ACTION BY: (McCue) approve.

ACTION BY: (Broderick) lay over to permit time for further review.

Ms. Laughlin provided a listing of the current Milwaukee County Federated Library System Board members, a copy of which has been made a part of this file.

SCHEDULED ITEMS (CONTINUED):

She asked that the Committee delay this appointment to allow other communities in different geographical areas of Milwaukee County an opportunity to suggest individuals for this position.

Vote on lay over: 5-1

AYES: Quindel, Mayo, Schmitt, Broderick & Nyklewicz (Chair) – 5

NOES: McCue – 1

EXCUSED: Coggs-Jones

2. 03-416 From Fiscal and Budget Administrator, submitting initial authorizing resolutions to issue General Obligation Refunding Bonds, Series 2003B.

60-A-225 **APPEARANCE:**
Pamela Bryant, Capital Finance Manager

ACTION BY: (Quindel) approve. 6-0

AYES: McCue, Quindel, Mayo, Schmitt, Broderick & Nyklewicz (Chair) – 6

NOES: 0

EXCUSED: Coggs-Jones

3. 03-417 From Fiscal and Budget Administrator, requesting authorization to select an underwriter for the issuance of not-to-exceed \$35 million in General Airport Revenue Bonds, Series 2003B, and requesting approval of a reimbursement resolution for expenses related to improvements to the C and D Concourses at General Mitchell International Airport.

60-A-250 **APPEARANCE:**
Pamela Bryant, Capital Finance Manager

ACTION BY: (Mayo) approve. 6-0

AYES: McCue, Quindel, Mayo, Schmitt, Broderick & Nyklewicz (Chair) – 6

NOES: 0

EXCUSED: Coggs-Jones

4. 03F2 (03-434) Communication from State of Wisconsin, Department of Revenue, regarding the State's distribution of sales tax revenue.

60-A-300 **APPEARANCES:**
Linda Seemeyer, Director, Department of Administrative Services
Pamela Bryant, Capital Finance Manager

SCHEDULED ITEMS (CONTINUED):

Ms. Seemeyer stated that she had further discussion with the Department of Revenue, and it now appeared that the overpayments to the County were in the \$1 million range, as opposed to the \$5.5 million originally communicated by the State.

ACTION BY: (Mayo) receive and place on file, with the understanding that the Director of Administrative Services will provide a status report in September. 6-0

AYES: McCue, Quindel, Mayo, Schmitt, Broderick & Nyklewicz (Chair) – 6
NOES: 0
EXCUSED: Coggs-Jones

5. 03-415 Resolution by Supervisor Holloway, authorizing and directing the Department of Administrative Services Fiscal Affairs Division, with the assistance of the DAS Economic Development Division and County Board staff, to work with the Private Industry Council of Milwaukee County to explore ways in which the County might assist the PIC in securing the financing it needs to acquire the North Avenue Commerce Center.

61-A-390 ***APPEARANCES:***
Supervisor Lee Holloway, County Board Chairman
Gerard Randall, Private Industry Council

ACTION BY: (Broderick) approve the subject resolution.

Discussion ensued.

Vote on approval: 6-0

AYES: McCue, Quindel, Mayo, Schmitt, Broderick & Nyklewicz (Chair) – 6
NOES: 0
EXCUSED: Coggs-Jones

6. 03-373 From Director, Housing & Community Development Division, requesting the creation of one Housing Program Assistant-Special Needs position to manage the process of providing and preserving affordable housing for individuals who have special needs. **(Also to Personnel Committee and Division of Human Resources) (REPORT FROM COUNTY BOARD STAFF)**

60-A-376 ***ACTION BY: (Mayo) approve the creation of one position of Housing Program Assistant (Special Needs), contingent upon the receipt of Federal grant funding under the “Collaborative Initiative to Help End Chronic Homelessness” grant***

SCHEDULED ITEMS (CONTINUED):

opportunity, as recommended by the Director of County Board Research, in order to provide the Division of Housing and Community Development with sufficient personnel to administer housing subsidies to an expanded client base resulting from a new Federal grant. Further, that this position be asterisked to be abolished when grant funding is no longer available. 6-0

AYES: McCue, Quindel, Mayo, Schmitt, Broderick & Nyklewicz (Chair) – 6

NOES: 0

EXCUSED: Coggs-Jones

7. 03-403 From the Medical Examiner, requesting the creation of one Assistant Medical Examiner position and one Forensic Laboratory Technician position to accommodate an additional caseload of nearly 200 autopsies annually, which will generate additional revenue for Milwaukee County. **(Also to Personnel Committee, Department of Administrative Services and Division of Human Resources) (REPORT FROM DAS)**

60-A-393 **APPEARANCE:**

Dr. Jeffrey Jentzen, Medical Examiner

ACTION BY: (Quindel) approve the creation of one position of Assistant Medical Examiner and one position of Forensic Laboratory Technician, effective August 1, 2003, to permit the Milwaukee County Medical Examiner to continue to assume the increased Fox Valley autopsy caseload. 6-0

AYES: McCue, Quindel, Mayo, Schmitt, Broderick & Nyklewicz (Chair) – 6

NOES: 0

EXCUSED: Coggs-Jones

8. 03-424 From Zoo Director, requesting an amendment to the General Ordinances of Milwaukee County to increase the Zoo's Imprest Fund by \$24,500, from \$32,000 to \$56,500, on a seasonal basis.

60-A-410 **APPEARANCE:**

Grant Dobberfuhr, Deputy Zoo Director

ACTION BY: (Quindel) approve. 6-0

AYES: McCue, Quindel, Mayo, Schmitt, Broderick & Nyklewicz (Chair) – 6

NOES: 0

EXCUSED: Coggs-Jones

SCHEDULED ITEMS (CONTINUED):

9. 03-1 Fund Transfers.
A1)-A6) – Departmental-Receipt of Revenue
B1)-B4) – Capital Improvement
C1) – Departmental-Other Charges
D1)-D2) – Departmental

60-A-415 ***ACTION BY: (Schmitt) approve the aforesaid fund transfers. 6-0***

AYES: McCue, Quindel, Mayo, Schmitt, Broderick & Nyklewicz (Chair) – 6

NOES: 0

EXCUSED: Coggs-Jones

10. 03-16 From Department of Administrative Services, Combined Court Related Operations and Sheriff's Department regarding fiscal status of Courts and Sheriff's Department. **(INFORMATIONAL) (NO ACTION REQUIRED)**

60-A-427 **APPEARANCES:**

Terry D. Kocourek, Fiscal and Budget Administrator
Jon Priebe, Public Safety Fiscal Administrator

Mr. Kocourek summarized the subject report. He indicated that the Department of Administrative Services would continue to monitor the situation with the two departments.

In response to a query by Chairman Nyklewicz, Mr. Kocourek advised that the County Executive has had continuing meetings with the Courts and the Sheriff. The new Chief Judge is looking to fill positions. In an effort to compromise, the Department of Administrative Services is allowing critical positions to be filled. Mr. Kocourek stated that the Department of Administrative Services has not been involved in any kind of work with the Sheriff's Department on a corrective action plan.

ACTION BY: (Mayo) have the Department of Administrative Services and the Sheriff come back with a corrective action plan in the September meeting cycle. 6-0

AYES: McCue, Quindel, Mayo, Schmitt, Broderick & Nyklewicz (Chair) – 6

NOES: 0

EXCUSED: Coggs-Jones

SCHEDULED ITEMS (CONTINUED):

11. 03-353 From the Sheriff, requesting abolishment of two positions each of Nursing Supervisor and Nursing Practitioner, one position of Mental Health Services Manager and five positions of Psychiatric Social Worker and creation of one position each of Psychiatric Social Worker Supervisor and Mental Health Case Management Specialist (Sheriff), in order to provide more effective mental health services and allow for better integration of services with the community. **(Also to Personnel Committee, Department of Administrative Services and Division of Human Resources) (REPORT FROM DAS) (LAID OVER 6/12/03) (REPORT FROM PROGRAM ADMINISTRATOR)**

60-A-550 **APPEARANCES:**

Inspector Kevin Carr, Sheriff's Department
Michael Kalonick, Medical and Mental Health Program Administrator
Dr. Joseph Layde
Patty Yunk and Bill Mollenhauer, AFSCME District Council 48
Cecile-Marie Purdy, Local 645 President and Contract Admin. for 8 County Locals
Supervisor Lynne De Bruin, 16th District
Dr. Roy Trautman, Psychiatrist

Discussion ensued at length, including appearances by the aforesaid individuals. The following motions were considered at various points in the discussion in the order set forth.

ACTION BY: (Broderick) lay over temporarily. 1-5 (FAILED)

AYES: Broderick – 1

NOES: McCue, Quindel, Mayo, Schmitt & Nyklewicz (Chair) – 5

EXCUSED: Coggs-Jones

ACTION BY: (Quindel) approve the said request, as recommended by the Department of Administrative Services.

ACTION BY: (Broderick) lay over to the September cycle. 2-4 (FAILED)

AYES: Mayo & Broderick – 2

NOES: McCue, Quindel, Schmitt & Nyklewicz (Chair) – 4

EXCUSED: Coggs-Jones

Vote on approval: 4-2

AYES: McCue, Quindel, Schmitt & Nyklewicz (Chair) – 4

NOES: Mayo & Broderick – 2

EXCUSED: Coggs-Jones

SCHEDULED ITEMS (CONTINUED):

Thereafter, Supervisor Quindel requested a report from the Department of Human Resources regarding why the Behavioral Health Division filled a position of Psychiatric Social Worker with a new hire while a request that would result in the layoff of five Psychiatric Social Workers from the Jail was pending before the County Board.

12. 03-12 From the Sheriff, regarding the Gun Reduction Initiative Program (GRIP) and deployment of Sheriff's deputies. **(INFORMATIONAL) (NO ACTION REQUIRED)**

60-B-701 **APPEARANCE:**
Inspector Kevin Carr

ACTION BY: (Mayo) lay over.

Chairman Nyklewicz indicated that the Committee would like the Sheriff to present this item and be available to respond to questions and concerns.

Supervisor Broderick commented on the subject report and asked that the Sheriff outline the number of guns attached to the GRIP and the costs associated with the program, as well as justifying the said costs.

Vote on lay over: 6-0

AYES: McCue, Quindel, Mayo, Schmitt, Broderick & Nyklewicz (Chair) – 6

NOES: 0

EXCUSED: Coggs-Jones

13. 02-503 (a)(g) An adopted resolution authorizing and directing the Department of Administrative Services-Fiscal Affairs Division, working with the DAS-Division of Human Resources, DAS-Labor Relations Section, the Audit Department and County Board staff, to study the Legislative Audit Bureau recommendations to assign DAS responsibility for drafting fiscal notes for proposed changes to the Milwaukee County Employees' Retirement System (for items not requiring actuarial analysis) and to establish specific requirements for the contents of a fiscal note, including key assumptions, calculations used in estimates and one-time and ongoing costs; further directing the County staff cited above, in the course of their study, to also consider relevant recommendations made by the GMC Select Committee on Milwaukee County Government regarding fiscal analysis of wage and benefit changes; and directing the County staff cited above to submit a report outlining their findings and recommendations to the County Executive and County Board for consideration during the July 2003 County Board committee cycle. *(Adopted 3/20/03)* **(REPORT FROM FISCAL AND BUDGET ADMINISTRATOR, DIRECTOR OF HUMAN RESOURCES, DIRECTOR OF LABOR RELATIONS, DIRECTOR OF AUDITS AND DIRECTOR OF COUNTY BOARD RESEARCH)**

SCHEDULED ITEMS (CONTINUED):

61-A-31 **APPEARANCE:**
Jerome J. Heer, Director of Audits

02-503 ***ACTION BY: (Quindel) approve the ordinance drafted by aforesaid County staff***
(a)(l) ***amending Section 79.02(1) of the General Ordinances of Milwaukee County***
 relating to negotiation of collective bargaining agreements. 6-0

AYES: McCue, Quindel, Mayo, Schmitt, Broderick & Nyklewicz (Chair) – 6

NOES: 0

EXCUSED: Coggs-Jones

14. 02-384 An adopted resolution providing, among other things, that the Manager,
(a) Information Management Services Division (IMSD), provide quarterly reports on
 the progress of the Human Resource System Management Committee. *(Adopted*
 7/25/02) **(REPORT FROM CHIEF INFORMATION OFFICER, IMSD) (Also to**
 Committee on Personnel) (INFORMATIONAL) (NO ACTION REQUIRED)

61-A-93 **APPEARANCES:**
Bud Borja, Chief Information Officer, IMSD
Debra Lewis, Project Manager, Human Resource System Management Committee

Questions ensued.

The Committee took no action regarding this informational report.

15. 02-503 An adopted resolution providing, among other things, that the Department of
(a)(e) Administrative Services, Department of Audit and County Board staff examine
 formalizing the role of the Information Technology Council and specifying its
 responsibilities in establishing County-wide information technology standards,
 and submit a report to the Finance and Audit Committee and the County
 Executive detailing their findings and recommendations. *(Adopted 1/23/03)*
 (REPORT FROM FISCAL AND BUDGET ADMINISTRATOR, DIRECTOR OF
 AUDITS AND COUNTY BOARD STAFF)

61-A-199 **APPEARANCES:**
Jerome J. Heer, Director of Audits
Bud Borja, Chief Information Officer, IMSD

Mr. Heer reviewed the report by the aforesaid authors, dated July 3, 2003, which recommends that the IT Council be dissolved and an IT Steering Committee be established that would provide general policy advice and direction to the Chief Information Officer of IMSD.

SCHEDULED ITEMS (CONTINUED):

02-503 ***ACTION BY: (McCue) approve the recommendations by the Fiscal and Budget
(a)(m) Administrator, Director of Audits and County Board Staff as delineated in the
July 3 report. 6-0***

AYES: McCue, Quindel, Mayo, Schmitt, Broderick & Nyklewicz (Chair) – 6

NOES: 0

EXCUSED: Coggs-Jones

16. 02-503 An adopted resolution providing, among other things, that the Department on
(a)(c) Audit submit reports on the surplus/deficit status of the Employee Health Benefits
account for the **April, July, October and December** Finance and Audit Committee
cycles in **2003**. (*Adopted 1/23/03*) **(REPORT FROM DIRECTOR OF AUDITS)
(INFORMATIONAL) (NO ACTION REQUIRED)**

61-A-258 **APPEARANCE:**
Jerome J. Heer, Director of Audits

The Committee took no action regarding this informational report.

17. 03-423 From the Controller and Director of Audits, submitting an annual report on the
status of Froedtert Memorial Lutheran Hospital lease payments to Milwaukee
County. **(Recommended Action: Receive and Place on File)**

61-A-277 **APPEARANCE:**
Jerome J. Heer, Director of Audits

ACTION BY: (Mayo) receive and place on file. 6-0

AYES: McCue, Quindel, Mayo, Schmitt, Broderick & Nyklewicz (Chair) – 6

NOES: 0

EXCUSED: Coggs-Jones

18. 97-468 From Director, Department of Administrative Services, and Corporation Counsel,
(a)(c) requesting authorization to increase the contract amount with Foley & Lardner,
Weissburg & Aronson by \$50,000, from \$200,000 to \$250,000, to represent
Milwaukee County in matters relating to John L. Doyne Hospital.

61-A-300 **APPEARANCES:**
Scott Manske, Controller
William Domina, Corporation Counsel

Questions and comments ensued.

SCHEDULED ITEMS (CONTINUED):

ACTION BY: (Broderick) approve. 6-0

AYES: McCue, Quindel, Mayo, Schmitt, Broderick & Nyklewicz (Chair) – 6

NOES: 0

EXCUSED: Coggs-Jones

19. 03-418 From the Risk Manager, requesting authorization to negotiate the purchase of fiduciary and fidelity insurance.

61-A-371 **APPEARANCES:**
John Rath, Risk Manager
Judith Litscher, Deputy Risk Manager

Questions ensued.

ACTION BY: (Mayo) approve. 6-0

AYES: McCue, Quindel, Mayo, Schmitt, Broderick & Nyklewicz (Chair) – 6

NOES: 0

EXCUSED: Coggs-Jones



**** CLOSED SESSION ****

The Committee may adjourn into closed session under the provisions of Wisconsin Statutes, Section 19.85(1)(g), for the purpose of the Committee receiving oral or written advice from legal counsel concerning strategy to be adopted with respect to pending or possible litigation with regard to the following matters (Items 20-22). At the conclusion of the closed session, the Committee may reconvene in open session to take whatever action(s) it may deem necessary on the said matters.

20. 03-351 From Pension Board Chairman, Milwaukee County Employees' Retirement System, relative to County Contribution to the Employees' Retirement System and OBRA 1990 Retirement System. **(Also to Personnel Committee)**
(6/12/03: referred to County Board staff for further review and analysis and to look at other options/alternatives.)

62-B-257 **APPEARANCES:**
William Domina, Corporation Counsel
Matt Janes, Pension Board Secretary
Dennis Skelly, William Mercer Incorporated
Jerome J. Heer, Director of Audits
Supervisor John Weishan, 22nd District

SCHEDULED ITEMS (CONTINUED):

The Committee met in closed session on this item as noted under Item 21 below.

ACTION BY: (Quindel) recommend to the Pension Board that it re-examine the amortization period utilized to calculate the Pension Fund's unfunded actuarial accrued liability and consider increasing that period from 20 years to 30 years, and request the Pension Board to convene a special meeting in July or August to consider such an increase.

Discussion ensued.

SUPERVISOR MCCUE IN THE CHAIR.

Supervisor Nyklewicz supported the aforesaid amendment and further supported recommending to the County Executive that he include no less than \$36 million in his 2004 recommended budget as the County's contribution to the Pension Fund, which would be the approximate amount if the amortization period would be changed to 30 years.

Supervisor Quindel accepted the above as a friendly amendment.

Supervisor Mayo requested division of the question.

Further comments ensued.

Vote on the amendment to recommend to the County Executive that he include no less than \$36 million in his 2004 recommended budget: 5-1

AYES: Nyklewicz, Quindel, Schmitt, Broderick & McCue (Chair) – 5

NOES: Mayo – 1

EXCUSED: Coggs-Jones

Vote on approval as amended: 5-1

AYES: Nyklewicz, Quindel, Schmitt, Broderick & McCue (Chair) – 5

NOES: Mayo – 1

EXCUSED: Coggs-Jones

SCHEDULED ITEMS (CONTINUED):

21. 03-265 From Director, Department of Administrative Services, regarding proposed
(a)(a) agreement to provide credit relief to Midwest Airlines. **(REPORT FROM
DIRECTOR OF AUDITS AND DIRECTOR OF COUNTY BOARD RESEARCH)**

61-B-404 **APPEARANCES:**

County Executive Scott Walker
Supervisor Lee Holloway, County Board Chairman
Carol Skornicka and Dennis O'Reilly, Midwest Airlines
Supervisor Lynne De Bruin, 16th District
Jerome J. Heer, Director of Audits
Rob Henken, Director of County Board Research
William Domina, Corporation Counsel
Steve Mokrohisky, County Executive's Office
Supervisor James White, 1st District
Scott Manske, Controller

County Executive Walker and County Board Chairman Holloway commented on and expressed support for the subject matter. Ms. Skornicka informed the Committee that Midwest has successfully restructured its costs without seeking assistance of the courts. The next phase is to obtain financing and that's where Midwest is asking for Milwaukee County's assistance.

The following amendment was submitted by Supervisors Broderick and Weishan:

ADD the following language to the resolution under Section 3. Conditions to County Obligation and make appropriate changes to all relevant documents contained in the Agreement to reflect the intent of the language:

"(*) Midwest has delivered to the County a written communication indicating a commitment to retain its corporate headquarters and hub operations in Milwaukee County, and has agreed to a provision requiring the payment of penalties to Milwaukee County should Midwest Airlines renege on its commitment to retain its corporate headquarters and hub operations in Milwaukee County within 10 years of execution of the agreement. Such penalties shall be structured so as to require a maximum payment of \$2,500,000 by Midwest Airlines to Milwaukee County if it should move its corporate headquarters or hub operations within one year of execution of the agreement, which amount shall be reduced by \$250,000 after the passage of each subsequent year until no penalty shall exist after a 10-year period."

In response to a query by Chairman Nyklewicz, Ms. Skornicka stated that the amendment was not necessary. Midwest's Chairman of the Board, President and Chief Executive Officer (Timothy E. Hoeksema), has put in writing Midwest's

SCHEDULED ITEMS (CONTINUED):

long-term commitment to Milwaukee (a copy of this communication has been made a part of the subject file).

Discussion ensued.

Messrs. Henken and Heer proceeded to review the staff report, dated July 16, 2003, a copy of which has been made a part of the subject file.

ACTION BY: (McCue) adjourn into closed session under the provisions of Wisconsin Statutes, Section 19.85(1)(g), for the purpose of the Committee receiving oral or written advice from legal counsel concerning strategy to be adopted with respect to pending or possible litigation with regard to ITEMS 20, 21 & 22. At the conclusion of the closed session, the Committee may reconvene in open session to take whatever action(s) it may deem necessary on the said matters. 6-0

AYES: McCue, Quindel, Mayo, Schmitt, Broderick & Nyklewicz (Chair) – 6

NOES: 0

EXCUSED: Coggs-Jones

The Committee adjourned into closed session at approximately 3:00 p.m. It reconvened in open session at approximately 5:20 p.m. Supervisors McCue, Quindel, Mayo, Schmitt, Broderick and Nyklewicz (Chair) were present; Supervisor Coggs-Jones was excused.

Chairman Nyklewicz indicated that Corporation Counsel has recommended two amendments to the proposed agreement. Mr. Domina noted that one amendment was of a technical nature which would add language that would meet bond counsel requirements. The other amendment was substantive in that it would shorten to six months the time period allowed for Midwest to meet the terms and conditions of the agreement. The original proposal contained a one-year period.

ACTION BY: (Schmitt) amend the resolution as follows:

(1) Add the following to Section 3: “(3)(g) State law authorizes the County to issue general obligation promissory notes for the purposes provided for under the Standby Reimbursement Agreement.”

(2) Amend the last paragraph in Section 3 as follows: “If all of the conditions set forth in this Section 3 are not satisfied by ~~July~~ January 24, 2004, the County shall have no obligation to fulfill the commitment to Midwest Airlines which is described in this resolution.”

(Vote 6-0)

SCHEDULED ITEMS (CONTINUED):

AYES: McCue, Quindel, Mayo, Schmitt, Broderick & Nyklewicz (Chair) – 6
NOES: 0
EXCUSED: Coggs-Jones

ACTION BY: (Broderick) approve his and Supervisor Weishan's amendment as previously set forth.

Ms. Skornicka again stated that the amendment is not necessary and it is unacceptable to Midwest Airlines.

Discussion ensued.

Vote on amendment by Supervisors Broderick and Weishan: 3-3 (FAILED)

AYES: McCue, Mayo & Broderick – 3
NOES: Quindel, Schmitt & Nyklewicz (Chair) – 3
EXCUSED: Coggs-Jones

ACTION BY: (Schmitt) approve as amended. 5-1

AYES: McCue, Quindel, Mayo, Schmitt & Nyklewicz (Chair) – 5
NOES: Broderick – 1
EXCUSED: Coggs-Jones

22. 02-541 (a) An adopted resolution authorizing and directing the Director, Department of Administrative Services, Director of Public Works and Office of Corporation Counsel to begin discussion with the City of Wauwatosa for the City of Wauwatosa to assume responsibility for municipal and support services currently provided by Milwaukee County on the County Grounds. *(Adopted 12/19/02)*
(REPORT FROM DIRECTOR OF ADMINISTRATIVE SERVICES)

- 62-B-596 Chairman Nyklewicz pointed out that the Committee did not have opportunity to discuss this item while in closed session previously.

ACTION BY: (Schmitt) adjourn into closed session under the provisions of Wisconsin Statutes, Section 19.85(1)(g), for the purpose of the Committee receiving oral or written advice from legal counsel concerning strategy to be adopted with respect to pending or possible litigation with regard to Item 22. At the conclusion of the closed session, the Committee may reconvene in open session to take whatever action it may deem necessary on the said matter. 6-0

AYES: McCue, Quindel, Mayo, Schmitt, Broderick & Nyklewicz (Chair) – 6
NOES: 0
EXCUSED: Coggs-Jones

SCHEDULED ITEMS (CONTINUED):

The Committee did not reconvene in open session.

23. 03-263 Report, referred back 6/18/03, recommending adoption of an ordinance
(a)(a) amending Section 22.04 of the General Ordinances of Milwaukee County relating to sales and use taxes, with a sunset date of January 1, 2008.
- 61-A-539 ***ACTION BY: (Quindel) approve. 5-1***
- AYES:*** McCue, Quindel, Schmitt, Broderick & Nyklewicz (Chair) – 5
NOES: Mayo – 1
EXCUSED: Coggs-Jones
24. 03-387 From Director of Parks, Recreation and Culture, requesting authorization to accept a donation of approximately \$12,500 from the Estate of Ruth Wilson to be used for the purpose of planting trees, and to create a Trust Fund for such purpose. **(Also to Parks, Energy and Environment Committee)**
- 61-A-686 ***ACTION BY: (Quindel) approve, as also recommended by the Parks, Energy and Environment Committee on July 15, 2003. 6-0***
- AYES:*** McCue, Quindel, Mayo, Schmitt, Broderick & Nyklewicz (Chair) – 6
NOES: 0
EXCUSED: Coggs-Jones
25. 02-573 From Director of Health and Human Services, requesting creation of one position
(a)(b) of Reimbursement Manager and one position of Administrative Assistant for the Tax Refund Intercept Program. **(Also to Personnel Committee, Department of Administrative Services and Division of Human Resources) (REPORT FROM DAS)**
- 61-A-691 ***ACTION BY: (Quindel) approve the said request, as recommended by the Department of Administrative Services, in order to provide the Department of Health and Human Services with the staffing necessary to successfully expand the Tax Refund Intercept Program beyond the pilot phase. 5-1***
- AYES:*** McCue, Quindel, Schmitt, Broderick & Nyklewicz (Chair) – 5
NOES: Mayo – 1
EXCUSED: Coggs-Jones

SCHEDULED ITEMS (CONTINUED):

26. 02-542 (a)(a) An adopted resolution creating an Acute Inpatient Task Force to formulate a plan for future provision of acute inpatient services by the Department of Human Services – Behavioral Health Division in Milwaukee County and providing that the Task Force report its recommendations to the Committees on Health and Human Needs and Finance and Audit. *(Adopted 10/31/02)* **(REPORT FROM CHAIR, ACUTE INPATIENT TASK FORCE)**

61-B-49 **APPEARANCE:**
Supervisor Lynne De Bruin, Chair, Acute Inpatient Task Force

Supervisor De Bruin reviewed the conclusions and recommendations of the Acute Inpatient Task Force.

ACTION BY: (McCue) concur in the action of the Health and Human Needs Committee of July 16, 2003 to approve the recommendations of the Acute Inpatient Task Force. 5-1

AYES: McCue, Quindel, Schmitt, Broderick & Nyklewicz (Chair) – 5

NOES: Mayo – 1

EXCUSED: Coggs-Jones

27. 03-229 (a) An adopted resolution authorizing and directing the Department of Audit to review Supportive Home Care Options, Inc., a Family Care service provider, to determine that agency is in compliance with Family Care policies. *(Adopted 4/17/03)* **(REPORT PROVIDED DIRECTLY BY AUDIT DEPARTMENT) (Also to Health and Human Needs Committee)**

61-A-712 **APPEARANCES:**
Jerome J. Heer, Director of Audits
Stephanie Stein, Director, Department on Aging

Mr. Heer reviewed the audit findings and recommendations.

ACTION BY: (Mayo) receive and place on file, with the understanding that a status report be submitted in six months by the Department of Audit, as also recommended by the Health and Human Needs Committee on July 16, 2003.

Chairman Nyklewicz advised that Supportive Home Care Options was not able to be present, but the agency submitted a letter indicating that it concurs with the recommendations and has already begun to implement them. A copy of that letter has been made a part of the subject file.

SCHEDULED ITEMS (CONTINUED):

Vote to receive and place on file, with the understanding that a status report will be submitted in six months by the Department of Audit: 6-0

AYES: McCue, Quindel, Mayo, Schmitt, Broderick & Nyklewicz (Chair) – 6

NOES: 0

EXCUSED: Coggs-Jones

28. 02-503 Report from the Committee on Personnel, referred 3/20/03, recommending
(a)(h) adoption of a resolution approving a Personnel Flexibility Policy as described in the County Executive's 2003 Recommended Budget and amended by the Finance and Audit and Personnel Committees. **(LAID OVER 6/12/03)**

61-B-20 **ACTION BY: (Mayo) place on file. 5-1**

AYES: McCue, Quindel, Mayo, Broderick & Nyklewicz (Chair) – 5

NOES: Schmitt – 1

EXCUSED: Coggs-Jones

29. 03-391 Resolution by Supervisor T. Johnson, authorizing and directing the Department of Audit to conduct a survey of other appropriate governmental jurisdictions that will provide comparative information regarding the structure and operations of their legislative branch of government.

61-A-565 **APPEARANCES:**
Supervisor Tim Johnson, 15th District
Jerome J. Heer, Director of Audits

Discussion ensued.

ACTION BY: (Mayo) place on file. 2-4 (FAILED)

AYES: Mayo & Nyklewicz (Chair) – 2

NOES: McCue, Quindel, Schmitt & Broderick – 4

EXCUSED: Coggs-Jones

ACTION BY: (Quindel) approve the subject resolution. 4-2

AYES: McCue, Quindel, Schmitt & Broderick – 4

NOES: Mayo & Nyklewicz (Chair) – 2

EXCUSED: Coggs-Jones

SCHEDULED ITEMS (CONTINUED):

DEADLINE

The deadline for items for the next regular meeting (September 18, 2003) is Friday, September 5, 2003.

All items for the agenda must be in the Committee Clerk's possession by the end of the business day on FRIDAY, SEPTEMBER 5, 2003.

ADA accommodation requests should be filed with the Milwaukee County Office for Persons with Disabilities, 278-3932 (voice) or 278-3937 (TTD), upon receipt of this notice.

STAFF PRESENT:

Terry D. Kocourek, Fiscal and Budget Administrator
Jerome J. Heer, Director of Audits
Douglas Jenkins, Deputy Director of Audits
Rob Henken, Director of County Board Research

This meeting was recorded on tape. Committee files contain copies of communications, reports and resolutions/ordinances, which may be reviewed upon request to the Chief Committee Clerk. The official copy of these minutes is available in the County Board Committee Services Division.

Length of Meeting: 9:05 a.m. to 11:40 a.m.
11:55 a.m. to 12:40 p.m.
1:40 p.m. to 3:00 p.m.
5:20 p.m. to 6:10 p.m.

Adjourned,

Lauri Henning

Lauri Henning, Chief Committee Clerk
Committee on Finance and Audit

Chairperson: Supervisor Richard D. Nyklewicz, Jr.
Clerk: Lauri Henning, 278-4227
Research Analyst: Steve Cady, 278-4347

**NOTE CHANGE IN MEETING TIME
AND MEETING ROOM LOCATION**

COMMITTEE ON FINANCE AND AUDIT

Thursday, September 18, 2003 - 8:30 A.M.

Milwaukee County Courthouse - Room 203-R

MINUTES

CASSETTE #63: Side A, #4-END; Side B, #1-END
CASSETTE #64: Side A, #1-END; Side B, #1-END
CASSETTE #65: Side A, #1-#600

PRESENT: Supervisors McCue, Coggs-Jones, Quindel, Mayo, Schmitt, Broderick & Nyklewicz (Chair)

SCHEDULED ITEMS:

1. 03-16 From Fiscal and Budget Administrator, regarding countywide fiscal status.

63-A-27 **APPEARANCES:**

Terry D. Kocourek, Fiscal and Budget Administrator
Steve Mokrohisky, County Executive's Office
Matthew Janes, Employee Benefits and Services Manager
Scott Manske, Controller

Mr. Kocourek reviewed the subject report.

A lengthy discussion ensued, including appearances by the aforesaid individuals.

ACTION BY: (McCue) request County Board staff and the Department of Audit to report back on the numbers provided by the Department of Administrative Services by updating and quantifying the 2003 shortfall anticipated under the corrective action plan implemented by the County Executive to date. 7-0

AYES: McCue, Coggs-Jones, Quindel, Mayo, Schmitt, Broderick & Nyklewicz (Chair) – 7

NOES: 0

SCHEDULED ITEMS (CONTINUED):

2. 03F3 From Special Ad Hoc Task Force on a Zero Property Tax Levy Increase 2004 Budget, regarding its findings and recommendations.

63-B-246 **APPEARANCE:**
Supervisor Rob McDonald, 6th District

No report was submitted by the Special Ad Hoc Task Force.

Supervisor McDonald commented on the subject matter. A copy of his written statement is attached to the original of these minutes.

Other comments followed.

3. 03-438 Resolution by Supervisors McDonald, T. Johnson, Cesarz, De Bruin, Endries, Borkowski, Diliberti, Schmitt and Agnos stating that the fiscal policy of Milwaukee County will be to enact a "property tax freeze" for the 2004 budget.

63-B-462 **APPEARANCES:**
Supervisor Rob McDonald, 6th District
Supervisor Lee Holloway, County Board Chairman
Supervisor Lynne De Bruin, 16th District

Supervisor McDonald urged the Committee to support the subject resolution.

ACTION BY: (Mayo) lay over until we see the budget.

County Board Chairman Holloway felt that it would be irresponsible to commit to a property tax freeze without actually seeing the budget.

Comments ensued.

Vote on lay over: 6-1

AYES: Coggs-Jones, Quindel, Mayo, Schmitt, Broderick & Nyklewicz (Chair) – 6
NOES: McCue – 1

4. 03-445 Resolution by Supervisor Krug stating that the fiscal goal of Milwaukee County will be to cap the County tax levy for the 2004 budget to the percentage change in the tax base due to net new construction.

63-B-696 **APPEARANCE:**
Supervisor Robert Krug, 9th District

SCHEDULED ITEMS (CONTINUED):

Supervisor Krug provided Committee members with information prepared by County Board staff regarding equalized values and net new construction, a copy of which is contained in the subject file.

Comments ensued.

ACTION BY: (Schmitt) lay over until we see the budget. 6-1

AYES: Coggs-Jones, Quindel, Mayo, Schmitt, Broderick & Nyklewicz (Chair) – 6

NOES: McCue – 1

5. 02-503 From Director of Audits, regarding projected surplus/deficit in the employee
(a)(n) health benefits account.

64-A-149 **APPEARANCE:**
Jerome J. Heer, Director of Audits

Mr. Heer reviewed the subject report. He noted that he would be back in October with another update. Much discussion occurred under Item 1 regarding this matter.

ACTION BY: (Mayo) receive and place on file. 7-0

AYES: McCue, Coggs-Jones, Quindel, Mayo, Schmitt, Broderick & Nyklewicz (Chair) – 7

NOES: 0

6. 03-12 A. From Interim Parks Director and Interim Financial Officer for Parks, regarding
(a)(d) projected revenue deficit in the Parks Department.
(a)(e) B. From Zoo Director, regarding projected revenue deficit at the Zoo.
(a)(f) C. From Director of Health and Human Services, regarding projected revenue deficit in the Department of Health and Human Services.

64-A-208 **APPEARANCES:**
Jack Takerian, Interim Parks Director
Mary Reddin, Interim Financial Officer for Parks
Patty Yunk, AFSCME District Council 48

ACTION BY: (Mayo) receive and place on file Items 6A-6C.

Discussion ensued regarding the projected deficit in the Parks Department.

SCHEDULED ITEMS (CONTINUED):

Vote to receive and place on file Items 6A-6C: 7-0

AYES: McCue, Coggs-Jones, Quindel, Mayo, Schmitt, Broderick & Nyklewicz (Chair) – 7

NOES: 0

7. 03-16 A. From Department of Administrative Services and the Sheriff, regarding corrective action plan for the Sheriff's Department.
B. From the Sheriff, regarding the Gun Reduction Initiative Program (GRIP) and deployment of Sheriff's deputies. **(Laid over 7/17/03)**

64-A-375 **APPEARANCES:**

Sheriff David A. Clarke, Jr.

Inspector Kevin Carr

Jon Priebe, Public Safety Fiscal Administrator

A lengthy discussion ensued regarding the Sheriff's Gun Reduction Initiative Program.

Thereafter, discussion ensued regarding the Sheriff's proposed corrective action plan.

ACTION BY: (Quindel) receive and place on file Item 7A.

Mr. Priebe pointed out that two items in the corrective action plan require County Board approval – i.e. (1) increase the civil process service fee from \$30 to \$35 effective October 1, 2003; and (2) modify the 2002 Local Law Enforcement Block Grant spending plan to fund general park patrol instead of restricting funding to bike path patrol.

Supervisor Quindel modified his motion to approve the two items as set forth above and receive and place on file the balance of the report. (Vote 7-0)

AYES: McCue, Coggs-Jones, Quindel, Mayo, Schmitt, Broderick & Nyklewicz (Chair) – 7

NOES: 0

ACTION BY: (Mayo) reconsider the Committee's previous action on Item 7A. 7-0

AYES: McCue, Coggs-Jones, Quindel, Mayo, Schmitt, Broderick & Nyklewicz (Chair) – 7

NOES: 0

SCHEDULED ITEMS (CONTINUED):

- 03-503(a) ***ACTION BY: (Quindel) approve an increase in the civil process service fee from***
and ***\$30 to \$35 effective October 1, 2003; and approve modification of the 2002***
03-503(b) ***Local Law Enforcement Block Grant spending plan to fund general park patrol***
instead of restricting funding to bike path patrol. 7-0

AYES: McCue, Coggs-Jones, Quindel, Mayo, Schmitt, Broderick &
Nyklewicz (Chair) – 7

NOES: 0

No further action was taken regarding Item 7A and no action was taken regarding Item 7B, which was informational only.

8. 03-434 An adopted resolution receiving and placing on file a communication from the
(a) State of Wisconsin, Department of Revenue, regarding the State's distribution of sales tax revenue, with the understanding that the Director of Administrative Services will provide a status report to the Finance and Audit Committee for its September 2003 meeting. *(Adopted 7/24/03)* **(REPORT FROM CAPITAL FINANCE MANAGER)**

64-B-490 **APPEARANCES:**
Pamela Bryant, Capital Finance Manager

Ms. Bryant advised that the County's current estimated sales tax revenue deficit for 2003 is \$803,569. She noted that the State continues to make adjustments to the December 2002 to May 2003 collections. The final results from the State's monthly reconciliation will not be known until the end of September or October 2003. She will keep the Committee advised regarding this matter.

The Committee took no action regarding this informational report.

9. 01-553 Report from the Committee on Parks, Energy and Environment, referred by the
(a)(a) County Board on 6/18/03, recommending adoption of a resolution approving the recommendations of the Parks, Recreation and Culture Funding Task Force.
[NOTE: Prior to referral, the County Board adopted an amendment by Supervisor Coggs-Jones as modified.]

65-A-207 **APPEARANCES:**
Supervisor Daniel Diliberti, 8th District

Supervisor Diliberti requested that this item be laid over and referred back to the Parks, Energy and Environment Committee for a full hearing with the understanding that the Parks, Energy and Environment Committee will then submit a recommendation back to the Finance and Audit Committee regarding the item.

SCHEDULED ITEMS (CONTINUED):

ACTION BY: (McCue) lay over and refer back to the Parks, Energy and Environment Committee as requested by Supervisor Diliberti. 7-0*

AYES: McCue, Coggs-Jones, Quindel, Mayo, Schmitt, Broderick & Nyklewicz (Chair) – 7

NOES: 0

***Supervisor Quindel was not present when the vote was taken, but later requested to be recorded as voting aye on this item. There being no objection, it was so ordered.**

10. 03-16 From Airport Director, submitting quarterly fiscal report for the period ending June 30, 2003 for the Airport Enterprise Fund.

65-A-228 ***The Committee took no action regarding this informational report.***

11. 03-1 Fund Transfers.

A1)-A2) – Departmental-Receipt of Revenue

B1)-B8)* – Capital Improvements

C1) – Departmental-Other Charges

***B4) was modified by the Department of Administrative Services**

64-B-527 ***ACTION BY: (Mayo) approve the fund transfers, as recommended by the Department of Administrative Services). 7-0***

AYES: McCue, Coggs-Jones, Quindel, Mayo, Schmitt, Broderick & Nyklewicz (Chair) – 7

NOES: 0

12. 03-456 From Director, Department of Administrative Services, requesting approval of the 2003 Local Law Enforcement Block Grant Proposal. **(Also to Judiciary, Safety and General Services Committee)**

65-A-232 ***ACTION BY: (Mayo) concur in the action of the Judiciary, Safety and General Services Committee, on 9/11/03, to approve the subject request. 7-0***

AYES: McCue, Coggs-Jones, Quindel, Mayo, Schmitt, Broderick & Nyklewicz (Chair) – 7

NOES: 0

SCHEDULED ITEMS (CONTINUED):

13. 03-416 From Fiscal and Budget Administrator, regarding investment plan for escrow restructuring of the 2003A General Obligation Refunding Bonds.
(INFORMATIONAL) (NO ACTION REQUIRED)

64-B-432 **APPEARANCES:**
Terry D. Kocourek, Fiscal and Budget Administrator
Pamela Bryant, Capital Finance Manager
Keith Kolb, Robert W. Baird

The above parties provided an explanation of the subject report.

14. 03-504 From the Controller, submitting the 2002 Comprehensive Annual Financial Report. (COPIES TO BE PROVIDED DIRECTLY BY CONTROLLER)
(Recommended Action: Receive and Place on File)

65-A-345 **APPEARANCE:**
Scott Manske, Controller

Mr. Manske provided a brief overview of the subject report.

ACTION BY: (Schmitt) receive and place on file. 7-0

AYES: McCue, Coggs-Jones, Quindel, Mayo, Schmitt, Broderick & Nyklewicz (Chair) – 7

NOES: 0

15. 03-505 From Director of Audits, submitting the following reports prepared by Virchow Krause and Coleman and Williams as part of the 2002 County-wide audit: (A) Single Audit for the Year Ended December 31, 2002; (B) Employees' Retirement System 2002 Annual Report of the Pension Board; (C) Paratransit System Database Report and Transit System Database Report; (D) General Mitchell International Airport Schedule of Passenger Facility Charges for the Year Ended December 31, 2002 together with Report of Independent Public Accountants; and (E) Report letter to Board of Supervisors. (COPIES TO BE PROVIDED DIRECTLY BY AUDIT DEPARTMENT) **(Recommended Action: Receive and Place on File)**

65-A-488 **APPEARANCES:**
Jerome J. Heer, Director of Audits
John Knueppel, Virchow Krause
Tom Wanat, Coleman and Williams

SCHEDULED ITEMS (CONTINUED):

Mr. Heer pointed out that the Memorandum on Accounting Policies and Procedures for Year Ended December 31, 2002 was not available for today's meeting. It will be provided at the Committee's next meeting.

ACTION BY: (Schmitt) receive and place on file the subject reports. 6-0

AYES: McCue, Coggs-Jones, Quindel, Schmitt, Broderick & Nyklewicz (Chair)-6

NOES: 0

EXCUSED: Mayo

16. 03-439 From Director of Audits, submitting Audit of Department of Parks Concessions Operations, dated August 2003. (COPIES PREVIOUSLY PROVIDED BY AUDIT DEPARTMENT)

65-A-563 **APPEARANCES:**
Jerome J. Heer, Director of Audits

Chairman Nyklewicz indicated that the Interim Parks Director has asked that this audit be laid over so the Department can submit a new response to the audit in light of the management change that has taken place.

Mr. Heer pointed out that this discussion should be a part of the budget deliberations.

ACTION BY: (Quindel) lay over. 6-0

AYES: McCue, Coggs-Jones, Quindel, Schmitt, Broderick & Nyklewicz (Chair)-6

NOES: 0

EXCUSED: Mayo

17. 02-331 From Director of Audits, submitting Audit of Department of Human Resources Hiring, dated June 2002. **(County Board received and placed on file the audit on 2/20/03 with the understanding that the Division of Human Resources would submit a status report in six months.)**

18. 03-219 From Director of Audits, submitting Audit of Milwaukee County Employee Grievance Process, dated March 2003. **(County Board received and placed on file the audit on 3/20/03 with the understanding that a status report would be submitted in six months.)**

65-A-576 **ITEMS 17 AND 18 WERE CONSIDERED TOGETHER.**

SCHEDULED ITEMS (CONTINUED):

APPEARANCE:

Jerome J. Heer, Director of Audits

Mr. Heer recommended that the status reports submitted by the Human Resources Division under Item 17 and by Labor Relations under Item 18 be received and placed on file.

ACTION BY: (Schmitt) receive and place on file the status reports submitted for Items 17 and 18. 7-0

AYES: McCue, Coggs-Jones, Quindel, Mayo, Schmitt, Broderick & Nyklewicz (Chair) – 7

NOES: 0

19. 02-503 From Director of Audits, regarding increased purchasing limit changes.
(a)(o) *(Submitted pursuant to the Adopted 2003 Budget.)*

65-A-254 **APPEARANCES:**

Jerome J. Heer, Director of Audits
Pinkey Buford, Purchasing Administrator

The Audit Department recommends that the Department of Administrative Services/Procurement Division:

- (1) Either revert back to its long-standing practice of having all purchases reviewed and approved by the Purchasing Administrator or her management-level designee, or develop a methodology to spot-check each buyer's purchasing decisions on a regular basis.*
- (2) Ensure that statistics reported regarding procurement tracking information are calculated accurately and properly documented.*

ACTION BY: (Mayo) approve the recommendations of the Department of Audit as set forth above. 7-0

AYES: McCue, Coggs-Jones, Quindel, Mayo, Schmitt, Broderick & Nyklewicz (Chair) – 7

NOES: 0

20. 03-455 From Chairman, Southeastern Wisconsin Regional Planning Commission (SEWRPC), submitting the Commission's calendar year 2004 budget adopted by the Commission on June 18, 2003. **(Recommended Action: lay over to the budget)**

65-A-250 ***ACTION BY: (Mayo) lay over to the budget. NO OBJECTION, SO ORDERED.***

SCHEDULED ITEMS (CONTINUED):

21. 03-493 From the Special Committee on Redistricting, recommending a redistricting plan for 19 Supervisory districts. **(LEGAL OPINION FROM CORPORATION COUNSEL)**

64-B-576 **APPEARANCES:**

William Domina, Corporation Counsel
Robert Andrews, Deputy Corporation Counsel
Glenn E. Bultman, County Board Legislative Research Analyst
Supervisor Sheila Aldrich, 4th District
Supervisor Lee Holloway, County Board Chairman

ACTION BY: (Mayo) approve the redistricting plan recommended by the Special Committee on Redistricting as set forth in the ordinance prepared by County Board staff.

Mr. Domina summarized the legal opinion, a copy of which is contained in the subject file, which concluded that the proposed plan is in compliance with the current status of redistricting law and the County Board may proceed to consider its adoption.

Discussion ensued.

In rereading the ordinance approving the redistricting plan as recommended by the Special Committee on Redistricting, Mr. Bultman advised that minor corrections are necessary and will be done prior to submission to the County Board.

Supervisor Aldrich asked that the Committee consider adopting the following amendment to the plan:

Delete Ward 73 from District 5 and add it to District 4.
Delete Ward 72 from District 5 and add to District 10.
Delete Ward 173 from District 10 and add to District 5.
Delete Ward 288 from District 15 and add to District 5.

ACTION BY: (Broderick) approve the aforesaid amendment proposed by Supervisor Aldrich.

Supervisor Mayo indicated that he also had an amendment to the plan, but felt that all amendments/substitutes to the plan should be submitted to and considered by the full County Board. County Board Chairman Holloway agreed with such a process.

SCHEDULED ITEMS (CONTINUED):

Thereafter, Supervisor Broderick WITHDREW his motion to approve the amendment by Supervisor Aldrich.

Chairman Nyklewicz commented that the Finance and Audit Committee's role in the redistricting process was to act as a conduit for the recommendation of the Special Committee on Redistricting. It was not anticipated or expected that the Finance and Audit Committee would consider amendments to the recommended redistricting plan.

Vote on approval of the redistricting plan recommended by the Special Committee on Redistricting as set forth in the ordinance prepared by County Board staff, with the understanding that staff will make some refinements to the ordinance that will not materially change the lines of configurations of the districts involved [said changes will be done prior to submission to the County Board]: 7-0

AYES: McCue, Coggs-Jones, Quindel, Mayo, Schmitt, Broderick & Nyklewicz (Chair) – 7

NOES: 0



SPECIAL MEETING OF THE COMMITTEE ON FINANCE AND AUDIT

**Thursday, September 25, 2003 - 12:00 P.M.
Courthouse - Room 201-B**

**BID AWARD
of
General Obligation Refunding Bonds, Series 2003B**

(Bid Opening at 10:00 A.M.)

DEADLINE

The deadline for items for the next regular meeting (October 23, 2003) is Friday, October 10, 2003.

All items for the agenda must be in the Committee Clerk's possession by the end of the business day on FRIDAY, OCTOBER 10, 2003.

SCHEDULED ITEMS (CONTINUED):

ADA accommodation requests should be filed with the Milwaukee County Office for Persons with Disabilities, 278-3932 (voice) or 278-3937 (TTD), upon receipt of this notice.

STAFF PRESENT:

Terry D. Kocourek, Fiscal and Budget Administrator
Jerome J. Heer, Director of Audits
Douglas Jenkins, Deputy Director of Audits
Steve Cady, Fiscal and Budget Analyst

This meeting was recorded on tape. Committee files contain copies of communications, reports and resolutions/ordinances, which may be reviewed upon request to the Chief Committee Clerk. The official copy of these minutes is available in the County Board Committee Services Division.

Length of Meeting: 8:35 a.m. to 1:00 p.m.

Adjourned,

Lauri Henning

Lauri Henning, Chief Committee Clerk
Committee on Finance and Audit

Chairperson: Supervisor Richard D. Nyklewicz, Jr.
Clerk: Lauri Henning, 278-4227
Research Analyst: Steve Cady, 278-4347

SPECIAL MEETING OF THE COMMITTEE ON FINANCE AND AUDIT

Thursday, September 25, 2003 - 12:00 P.M.

Milwaukee County Courthouse - Room 201-B

M I N U T E S

CASSETTE #65
Side A, #601-#656

PRESENT: Supervisors McCue, Coggs-Jones*, Quindel, Mayo*, Schmitt, Broderick & Nyklewicz (Chair)

*Supervisors Coggs-Jones and Mayo were not present at the time of the roll call, but arrived shortly thereafter.

SCHEDULED ITEMS:

1. 03-416 Recommendation from Department of Administrative Services relative to bid
(a)(c) award for sale of General Obligation Refunding Bonds, Series 2003B.

NOTE: *Bid Opening will take place at 10:00 a.m. in Room 201-B of the Milwaukee County Courthouse.*

APPEARANCES:

Pamela Bryant, Capital Finance Manager

A total of eight bids were received (all electronically submitted), which are summarized below:

	Net Interest Dollar Cost	True Interest Rate
Citigroup Global Markets, Inc.	\$2,077,588.35*	1.9701%*
Morgan Stanley & Co., Inc.	\$2,196,637.06	1.9858%
ABN Amro Financial Services	\$2,155,728.01	1.9999%
Banc One Capital Markets, Inc.	\$2,234,763.77	2.0158%
U.S. Bancorp Piper Jaffray, Inc.	\$2,290,062.67	2.1042%
Bear, Stearns & Co.	\$2,336,600.67	2.1078%
BB&T Capital Markets	\$2,353,810.80	2.1212%
Merrill Lynch & Company	\$2,441,258.22	2.2108%

SCHEDULED ITEMS (CONTINUED):

***Subsequent to the bid opening, the Citigroup's purchase price was corrected to \$33,812,008.15 resulting in a Net Interest Cost of \$2,066,616.85 and a True Interest Rate of 1.9593%.**

DAS RECOMMENDATION: Citigroup Global Markets, Inc. at a Net Interest Dollar Cost of \$2,066,616.85 and True Interest Rate of 1.9593%.

Questions and comments ensued.

ACTION BY: (Mayo) approve the aforesaid DAS recommendation. 7-0

AYES: McCue, Coggs-Jones, Quindel, Mayo, Schmitt, Davis & Nyklewicz (Chair) – 7

NOES: 0

<p><i>ADA accommodation requests should be filed with the Milwaukee County Office for Persons with Disabilities, 278-3932 (voice) or 278-3937 (TTD), upon receipt of this notice.</i></p>

STAFF PRESENT:

Terry D. Kocourek, Fiscal and Budget Administrator

Steve Cady, Fiscal and Budget Analyst

This meeting was recorded on tape. Committee files contain copies of communications, reports and resolutions/ordinances, which may be reviewed upon request to the Chief Committee Clerk. The official copy of these minutes is available in the County Board Committee Services Division.

Length of Meeting: 12:05 p.m. to 12:10 p.m.

Adjourned,

Lauri Henning

Lauri Henning, Chief Committee Clerk
Committee on Finance and Audit

Chairperson: Supervisor Richard D. Nyklewicz, Jr.

Clerk: Lauri Henning, 278-4227

Research Analyst: Steve Cady, 278-4347

COMMITTEE ON FINANCE AND AUDIT

Thursday, October 23, 2003 - 9:00 A.M.

Milwaukee County Courthouse - Room 201-B

MINUTES

CASSETTE #65: Side B, #5-END

CASSETTE #66: Side A, #1-END; Side B, #1-END

CASSETTE #67: Side A, #1-END; Side B, #1-#65

PRESENT: Supervisors McCue*, Coggs-Jones, Quindel, Mayo**, Schmitt, Broderick & Nyklewicz (Chair)

*Supervisor McCue was not present when the roll call was taken, but arrived shortly thereafter.

**Supervisor Mayo was excused for Items 3-14 and 16-18.

SCHEDULED ITEMS:

1. 03-16 From Director of Audits and County Board staff regarding 2003 shortfall anticipated under the corrective action plan implemented by the County Executive to date. *(Requested at 9/18/03 meeting.)* **(INFORMATIONAL) (NO ACTION REQUIRED)**

65-B-33 **APPEARANCES:**
Jerome J. Heer, Director of Audits
Douglas Jenkins, Deputy Director of Audits

Mr. Heer reviewed the subject report.

Questions and comments ensued.

ACTION BY: (Mayo) receive and place on file. 6-0

AYES: McCue, Quindel, Mayo, Schmitt, Broderick & Nyklewicz (Chair) – 6

NOES: 0

EXCUSED: Coggs-Jones

SEE ITEM 10 FOR FURTHER ACTION TAKEN ON THIS ITEM.

2. 02-503 From Director of Audits, regarding projected deficit in the employee health
(a)(p) benefits account. **(INFORMATIONAL) (NO ACTION REQUIRED)**

SCHEDULED ITEMS (CONTINUED):

66-A-354 **APPEARANCES:**
Jerome J. Heer, Director of Audits
Douglas Jenkins, Deputy Director of Audits

Mr. Heer reviewed the subject report. He concluded his remarks by suggesting that the Audit Department engage in an audit of the employee health benefits account posthaste.

ACTION BY: (Mayo) receive and place on file.

Chairman Nyklewicz concurred with the suggestion that the Audit Department conduct a formal audit review of the employee health benefits account.

Supervisor Mayo accepted the above suggestion and incorporated same in his motion.

Further comments followed.

Vote to receive and place on file the subject report and direct the Audit Department to perform an audit review of the employee health benefits account: 7-0

AYES: McCue, Coggs-Jones, Quindel, Mayo, Schmitt, Broderick & Nyklewicz (Chair) – 7

NOES: 0

3. 03F4 From Corporation Counsel, submitting a legal opinion regarding roles of the County Board and the County Executive in the Milwaukee County budget process and the power and authority of the County Executive and the County Board.

66-B-113 **APPEARANCE:**
William Domina, Corporation Counsel

Mr. Domina explained the subject legal opinion.

A lengthy discussion ensued.

The Committee took no action on this informational item.

SCHEDULED ITEMS (CONTINUED):

4. 03-19 From Chief Information Officer, Information Management Services Division (IMSD), notifying of a projected revenue deficit in the amount of \$92,000 as of September 30, 2003 relating Social Security Administration incentive payments for computer matching reports disclosing inmate data. **(INFORMATIONAL) (NO ACTION REQUIRED)**

66-B-604 **APPEARANCES:**

Bud Borja, Chief Information Officer, IMSD
Liz Thundercloud, IMSD

In response to a query by Chairman Nyklewicz regarding the Department's corrective action plan, Ms. Thundercloud indicated that the Department is pursuing recovery of additional revenue through the Social Security Administration. Chairman Nyklewicz asked that the Department keep the Committee advised regarding this matter.

The Committee took no action on this informational report.

5. 02-384 An adopted resolution providing, among other things, that the Manager,
(a) Information Management Services Division (IMSD), provide quarterly reports on the progress of the Human Resource System Management Committee. *(Adopted 7/25/02)* **(REPORT FROM CHIEF INFORMATION OFFICER, IMSD) (Also to Committee on Personnel) (INFORMATIONAL) (NO ACTION REQUIRED)**

66-B-622 **APPEARANCES:**

Bud Borja, Chief Information Officer, IMSD
Robert Kiefert, Intranet & HR/Financial Systems Manager

Mr. Kiefert summarized the quarterly report dated October 15, 2003, a copy of which is contained in the subject file.

- 02-384 ***ACTION BY: (McCue) receive and place on file the October 15th report, with***
(a)(a) ***the understanding that the Human Resource System Management Committee will continue to provide quarterly progress reports. 6-0***

AYES: McCue, Coggs-Jones, Quindel, Schmitt, Broderick & Nyklewicz (Chair)-6

NOES: 0

EXCUSED: Mayo

SCHEDULED ITEMS (CONTINUED):

6. 03-1 Fund Transfers (including fund transfer referred back by the County Board on 9/25/03 regarding replacement of two Honey Creek Parkway bridges).

A1)-A7) – Departmental-Receipt of Revenue
B1)-B2) – Unallocated Contingent Fund
C1)-C7) – Capital Improvements
D1)-D3) – Inter-Departmental
E1) – Departmental-Capital Outlay
F1) – Departmental-Other Charges
G1) – Departmental

66-B-726 The following supplemental reports were provided to the Committee:

- From Acting Director of Public Works, dated October 7, 2003, relating to Fund Transfer C1).
- From Acting Director of Public Works, dated September 29, 2003, relating to Fund Transfer D3).

Copies of the aforesaid reports are attached to the original of these minutes.

Questions ensued regarding Fund Transfers A3) and C2), including appearances by Jon Priebe, Public Safety Fiscal Administrator, and Paul Mathews, President, Marcus Center for the Performing Arts.

Separate action was requested on Fund Transfers B1) and B2).

ACTION BY: (Schmitt) approve the Fund Transfers, excluding B1) and B2). 6-0

AYES: McCue, Coggs-Jones, Quindel, Schmitt, Broderick & Nyklewicz (Chair)-6

NOES: 0

EXCUSED: Mayo

B1) and B2):

APPEARANCES:

Dorothy K. Dean, County Treasurer

Richard Williams, Accounting Coordinator, Treasurer's Office

Questions and comments ensued.

ACTION BY: (Schmitt) approve Fund Transfers B1) and B2). 6-0

AYES: McCue, Coggs-Jones, Quindel, Schmitt, Broderick & Nyklewicz (Chair)-6

NOES: 0

EXCUSED: Mayo

SCHEDULED ITEMS (CONTINUED):

7. 03-537 From Zoo Director, requesting approval of advance ordering of imported Zoo resale novelties. **(Also to Parks, Energy and Environment Committee)**
8. 03-533 From Acting Director of Public Works, requesting an amendment to the General Ordinances of Milwaukee County relating to Airport Imprest Funds.

67-A-193 **ITEMS 7 AND 8 WERE CONSIDERED TOGETHER.**

ACTION BY: (Quindel) approve Items 7 and 8. 6-0

AYES: McCue, Coggs-Jones, Quindel, Schmitt, Broderick & Nyklewicz (Chair)-6

NOES: 0

EXCUSED: Mayo

9. 03-534 From the Treasurer, recommending modifications to Milwaukee County's investment policy.

67-A-201 **APPEARANCES:**

Dorothy K. Dean, County Treasurer

Richard Williams, Accounting Coordinator, Treasurer's Office

ACTION BY: (McCue) refer to County Board staff, Audit Department and the Controller.

Supervisor Schmitt suggested that the item also be referred to Corporation Counsel.

Supervisor McCue accepted the above suggestion as a friendly amendment.

Vote on referral to County Board staff, Audit Department, Controller and Corporation Counsel: 6-0

AYES: McCue, Coggs-Jones, Quindel, Schmitt, Broderick & Nyklewicz (Chair)-6

NOES: 0

EXCUSED: Mayo

10. 03-11 From the Treasurer, submitting 2003 Second Quarter Investment Report. **(INFORMATIONAL) (NO ACTION REQUIRED)**

67-A-289 **APPEARANCES:**

Dorothy K. Dean, County Treasurer

Richard Williams, Accounting Coordinator, Treasurer's Office

SCHEDULED ITEMS (CONTINUED):

Ms. Dean pointed out that the subject report goes through the end of August. She provided the Committee with an update to that report through the end of September, a copy of which is contained in the subject file.

In light of the fact that the updated report potentially adds an additional \$400,000 to the County's projected 2003 deficit, Chairman Nyklewicz suggested that such report be referred to the Audit Department and County Board staff.

Supervisor Quindel suggested that Item 1 be amended to reflect this updated information.

Chairman Nyklewicz recommended that Item 1 be reconsidered.

ACTION BY: (Quindel) reconsider the Committee's action taken on Item 1. 6-0

AYES: McCue, Coggs-Jones, Quindel, Schmitt, Broderick & Nyklewicz (Chair)-6

NOES: 0

EXCUSED: Mayo

Chairman Nyklewicz suggested that no action be taken at this time on Item 1 in order to allow staff to update the report accordingly.

The Committee took no further action on Item 1 and did not take any action on Item 10.

11. 03-486 Resolution by Supervisor Zielinski, to establish a policy that any fiscal savings to the County that accrues from represented employees utilizing Milwaukee County Ordinance 17.176 voluntary time off without pay be used to hire back laid off union workers. **(Also to Personnel Committee)**

67-A-405 **APPEARANCES:**

Supervisor T. Anthony Zielinski, 12th District

Scott Manske, Controller

Patty Yunk, AFSCME District Council 48

Supervisor Paul Cesarz, 23rd District

ACTION BY: (Broderick) approve the subject resolution.

Supervisor Zielinski commented on the resolution.

Questions and comments ensued.

Ms. Yunk appeared in support of the resolution.

SCHEDULED ITEMS (CONTINUED):

Supervisors Quindel, Broderick and Coggs-Jones were added as co-sponsors on the resolution.

Supervisor Cesarz indicated that he has asked Human Resources staff to report to the Personnel Committee regarding how this resolution would be implemented procedurally.

Vote on approval: 6-0

AYES: McCue, Coggs-Jones, Quindel, Schmitt, Broderick & Nyklewicz (Chair)-6

NOES: 0

EXCUSED: Mayo

12. 03-482 Resolution by Supervisors Cesarz and Holloway, to create a work group to review and make recommendations for rules of procedures for the conduct of meetings and the transaction of business by the County Board of Supervisors.

67-A-571 **APPEARANCE:**
Supervisor Paul Cesarz, 23rd District

Supervisor Cesarz commented on the resolution.

ACTION BY: (McCue) approve the subject resolution. 6-0

AYES: McCue, Coggs-Jones, Quindel, Schmitt, Broderick & Nyklewicz (Chair)-6

NOES: 0

EXCUSED: Mayo

13. 03-502 Resolution by Supervisor Krug, directing the Interim Director, Department of Health and Human Services-Behavioral Health Division, to study the feasibility of adopting a pharmaceutical formulary for treatment of the mentally ill. **(Also to Health and Human Needs Committee)**

67-A-597 **APPEARANCE:**
Jim Hill, Interim Director, Behavioral Health Division

ACTION BY: (McCue) temporarily lay over the subject resolution.

Supervisor Coggs-Jones expressed various concerns regarding the subject resolution and indicated that is why the Health and Human Needs Committee did not schedule it this cycle.

Mr. Hill also expressed concerns regarding the said resolution.

SCHEDULED ITEMS (CONTINUED):

Thereafter, there being no objection, temporary lay over was so ordered.

67-B-25 Later in the meeting:

ACTION BY: (McCue) lay over the subject resolution to the call of the Chair. 6-0

AYES: McCue, Coggs-Jones, Quindel, Schmitt, Broderick & Nyklewicz (Chair)-6

NOES: 0

EXCUSED: Mayo

14. 03-474 Report from the Committee on Parks, Energy and Environment, referred 9/25/03, recommending adoption of an amended resolution directing the Director of the Department of Audit and County Board staff, in cooperation with the Department of Administrative Services' Fiscal Affairs Division and Department of Parks, Recreation and Culture, to examine the pros and cons of privatizing various Parks Department facilities and programs, including an assessment of 11 specific factors in their examination unless these factors are deemed as inappropriate, in which case the Department and County Board staff shall justify this reasoning.

67-A-629 **APPEARANCE:**
Jerome J. Heer, Director of Audits

ACTION BY: (McCue) amend the subject resolution as follows:

1. ***DELETE Lines 38 through 48 as follows:***
~~***WHEREAS, it is anticipated that the County Executive will include one or several forms of privatization of various parts of the Parks Department in the 2004 Recommended Budget; therefore, a discussion of what privatization means and the pros and cons of privatization of Park facilities and programs must occur in tandem with budget deliberations by the County Board; and***~~
2. ***DELETE Lines 44 through 46 as follows:***
~~***WHEREAS, the Committee on Parks, Energy and Environment, at its September 16, 2003 meeting, recommended approval of the Parks Director's recommendation as amended (vote 7-0); now, therefore,***~~
3. ***AMEND Lines 52 and 53 as follows:***
~~***...various Park Department facilities for presentation to the Parks, Energy and Environment Committee at its October 2003 meeting; and***~~
4. ***DELETE Lines 66 through 71 as follows:***
~~***; and BE IT FURTHER RESOLVED, that the Director of the Department of Audit and County Board staff will include in the examination an assessment of eleven factors that are outlined in a September 12, 2003 communication by Supervisor De Bruin, as included herein by reference, unless these assessment tools are deemed inappropriate, in which case, the Department and County Board staff shall justify this reasoning.***~~

SCHEDULED ITEMS (CONTINUED):

Mr. Heer expressed support for the amendment.

Vote on approval of amendment by Supervisor McCue: 6-0

AYES: McCue, Coggs-Jones, Quindel, Schmitt, Broderick & Nyklewicz (Chair)-6

NOES: 0

EXCUSED: Mayo

ACTION BY: (Schmitt) approve the subject resolution as amended. 6-0

AYES: McCue, Coggs-Jones, Quindel, Schmitt, Broderick & Nyklewicz (Chair)-6

NOES: 0

EXCUSED: Mayo

15. 03-439 From Director of Audits, submitting Audit of Department of Parks Concessions Operations, dated August 2003. (COPIES PREVIOUSLY PROVIDED BY AUDIT DEPARTMENT) **(RESPONSE FROM INTERIM DIRECTOR OF PARKS, RECREATION AND CULTURE)**

66-A-456 **APPEARANCES:**

Jerome J. Heer, Director of Audits

Jack Takerian, Interim Parks Director

Laurie Panella, Restaurant/Concessions Manager

Mr. Takerian reviewed the Parks' response to the audit, dated September 29, 2003, a copy of which is contained in the subject file.

Ms. Panella reviewed the three recommendations that Parks will be implementing, which are included in the September 29th report and are set forth below:

- Implement strategies that partially reduce levels of concessions services at unprofitable locations.
- Eliminate grill/restaurant operations and switch to more limited vending/snack concessions services.
- Explore the possibility of expanding the current arrangement for privatized management of one or more of the current four major PGA-run courses to include concessions operations.

A lengthy discussion ensued.

ACTION BY: (Mayo) receive and place on file the subject audit and 9/29/03 response from Parks, with the understanding that a status report will be submitted in six months. 7-0

SCHEDULED ITEMS (CONTINUED):

AYES: McCue, Coggs-Jones, Quindel, Mayo, Schmitt, Broderick & Nyklewicz (Chair) – 7

NOES: 0

Addendum Items

16. 03F5 From the Controller, regarding URMS Pension Plan Contribution.
(INFORMATIONAL) (NO ACTION REQUIRED)

67-A-669 **APPEARANCE:**
Scott Manske, Controller

Mr. Manske reviewed the subject report, a copy of which is attached to the original of these minutes.

Questions ensued.

The Committee took no action on this informational report.

17. 02-503 Report, referred back 9/25/03, recommending adoption of a resolution directing
(a)(o) the Department of Administrative Services/Procurement Division to implement the following two recommendations contained in a Department of Audit monitoring report, dated 9/8/03: (1) that the Purchasing Administrator, or her management level designee, review and approve all purchases or develop a methodology to spot-check purchases on a regular basis; and (2) that the Procurement Division ensure that statistics reported regarding procurement tracking information are calculated accurately and properly documented. Further that the Department of Audit follow-up on the implementation of the recommendations in its final monitoring report in 2004.

67-A-699 **APPEARANCES:**
Pinkey Buford, Purchasing Administrator
Jerome J. Heer, Director of Audits

Ms. Buford advised that all necessary actions have been taken to put a procedure in place that will address all of the issues in the subject resolution.

ACTION BY: (Schmitt) reaffirm the Committee's previous recommendation to approve the subject resolution. 6-0

AYES: McCue, Coggs-Jones, Quindel, Schmitt, Broderick & Nyklewicz (Chair)-6

NOES: 0

EXCUSED: Mayo

SCHEDULED ITEMS (CONTINUED):

18. 03-434 From Capital Finance Manager, submitting an update on 2003 County Sales and
(a)(a) Use Tax Revenues. **(INFORMATIONAL) (NO ACTION REQUIRED)**

67-A-725 **APPEARANCE:**
Pamela Bryant, Capital Finance Manager

Ms. Bryant reported that the projected 2003 sales tax deficit has decreased to \$226,923, an improvement from the \$803,569 as previously reported, primarily because of the positive amount of the October payment.

ACTION BY: (Schmitt) receive and place on file. 6-0

AYES: McCue, Coggs-Jones, Quindel, Schmitt, Broderick & Nyklewicz (Chair)-6

NOES: 0

EXCUSED: Mayo

DEADLINE

The deadline for items for the next regular meeting (December 11, 2003) is Monday, December 1, 2003.

All items for the agenda must be in the Committee Clerk's possession by the end of the business day on MONDAY, DECEMBER 1, 2003.

ADA accommodation requests should be filed with the Milwaukee County Office for Persons with Disabilities, 278-3932 (voice) or 278-3937 (TTD), upon receipt of this notice.

STAFF PRESENT:

Terry D. Kocourek, Fiscal and Budget Administrator
Jerome J. Heer, Director of Audits
Douglas Jenkins, Deputy Director of Audits
Steve Cady, Fiscal and Budget Analyst

This meeting was recorded on tape. The foregoing items were not necessarily considered in agenda order. Committee files contain copies of communications, reports and resolutions/ordinances, which may be reviewed upon request to the Chief Committee Clerk. The official copy of these minutes is available in the County Board Committee Services Division.

Length of Meeting: 9:05 a.m. to 12:30 p.m.

Adjourned,

Lauri Henning

Lauri Henning, Chief Committee Clerk
Committee on Finance and Audit

Chairperson: Supervisor Richard D. Nyklewicz, Jr.
Clerk: Lauri Henning, 278-4227
Research Analyst: Steve Cady, 278-4347

COMMITTEE ON FINANCE AND AUDIT

Thursday, December 11, 2003 - 9:00 A.M.

Milwaukee County Courthouse - Room 201-B

MINUTES

CASSETTE #67: Side B, #66-END
CASSETTE #68: Side A, #1-END; Side B, #1-#292

PRESENT: Supervisors McCue, Quindel*, Mayo, Schmitt, Broderick & Nyklewicz (Chair)
EXCUSED: Supervisor Coggs-Jones

*Supervisor Quindel was not present at the time of the roll call, but arrived shortly thereafter.

SCHEDULED ITEMS:

1. 03-589 From the County Executive, appointing Ms. Dora L. Herrera-Mier to serve on the Milwaukee County Federated Library System Board for a term expiring December 31, 2006. Ms. Herrera-Mier is filling the citizen member vacancy on the Board.

67-B-101 **APPEARANCES:**
Steve Mokrohisky, County Executive's Office
Dora L. Herrera-Mier, Appointee

ACTION BY: (McCue) approve. 6-0

AYES: McCue, Quindel, Mayo, Schmitt, Broderick & Nyklewicz (Chair) – 6

NOES: 0

EXCUSED: Coggs-Jones

2. 03-596 From Fiscal and Budget Administrator, submitting initial authorizing resolutions for General Obligation Corporate Purpose Bonds, Series 2004A, in a not-to-exceed amount of \$26,950,000.

67-B-119 **APPEARANCE:**
Pamela Bryant, Capital Finance Manager

ACTION BY: (Schmitt) approve. 6-0

AYES: McCue, Quindel, Mayo, Schmitt, Broderick & Nyklewicz (Chair) – 6

NOES: 0

EXCUSED: Coggs-Jones

SCHEDULED ITEMS (CONTINUED):

3. 03-417 From Fiscal and Budget Administrator, submitting authorizing resolution for
(a)(c) issuance and sale of not-to-exceed \$50,000,000 Airport Revenue Bonds, Series 2004A.

67-B-162 **APPEARANCE:**
Pamela Bryant, Capital Finance Manager

ACTION BY: (Schmitt) approve. 6-0

AYES: McCue, Quindel, Mayo, Schmitt, Broderick & Nyklewicz (Chair) – 6

NOES: 0

EXCUSED: Coggs-Jones

4. 03-621 From Fiscal and Budget Administrator, submitting an authorizing resolution for
submittal of a loan application for the State Trust Fund Loan Program for funds in
an amount of \$539,524.

67-B-210 ***ACTION BY: (McCue) approve. 6-0***

AYES: McCue, Quindel, Mayo, Schmitt, Broderick & Nyklewicz (Chair) – 6

NOES: 0

EXCUSED: Coggs-Jones

5. 03-619 From Fiscal and Budget Administrator, regarding Milwaukee County Historical
Society due diligence review and requesting creation of an interest-bearing trust
fund for the Historical Society renovation project for donations from the Historical
Society.

67-B-290 **APPEARANCES:**
Clare O'Brien, Department of Administrative Services
Robert Teske, Executive Director, Historical Society

Ms. O'Brien reviewed the subject report and recommendations.

Questions and comments ensued.

ACTION BY: (Schmitt) approve. 6-0

AYES: McCue, Quindel, Mayo, Schmitt, Broderick & Nyklewicz (Chair) – 6

NOES: 0

EXCUSED: Coggs-Jones

SCHEDULED ITEMS (CONTINUED):

6. 03-16 From the Controller, regarding projected surplus/deficit for 2003.
(INFORMATIONAL) (NO ACTION REQUIRED)

67-B-396 **APPEARANCE:**
Scott Manske, Controller

Chairman Nyklewicz pointed out that the subject report was somewhat dated in that it reflects third quarter information.

Comments ensued.

The Committee took no action regarding this informational report.

7. 03-1 Fund Transfers.
A1)-A11) – Departmental-Receipt of Revenue
B1)-B2) – Unallocated Contingent Fund
C1)-C5) – Capital Improvements
D1)-D2) – Departmental-Capital Outlay
E1)-E2) – Departmental

67-B-478 The Department of Administrative Services submitted revised fund transfers (on blue paper) for fund transfers B2) and E1), copies of which are attached to the original of these minutes. While fund transfer E2) was included on the blue paper, there was no revision to that fund transfer.

Separate action was requested on fund transfers A3), B2), E1) and E2).

ACTION BY: (Broderick) approve the fund transfers, excluding those requested for separate action as identified above. 6-0

AYES: McCue, Quindel, Mayo, Schmitt, Broderick & Nyklewicz (Chair) – 6

NOES: 0

EXCUSED: Coggs-Jones

A3):

APPEARANCES:

Nancy Olson, Director of Housing and Community Development
Alan P. Rank, Housing and Development Program Coordinator

Questions ensued.

SCHEDULED ITEMS (CONTINUED):

ACTION BY: (Mayo) approve fund transfer A3). 6-0

AYES: McCue, Quindel, Mayo, Schmitt, Broderick & Nyklewicz (Chair) – 6

NOES: 0

EXCUSED: Coggs-Jones

B2):

APPEARANCES:

William Domina, Corporation Counsel

John Carter, Ethics Board Chairman

Supervisor Mayo stated that he had a conflict of interest on this fund transfer and would be abstaining from the vote, however, he did have several questions on the item.

Discussion ensued.

ACTION BY: (McCue) approve the revised fund transfer B2). 5-0; 1 Abstention

AYES: McCue, Quindel, Schmitt, Broderick & Nyklewicz (Chair) – 5

NOES: 0

ABSTENTION: Mayo – 1

EXCUSED: Coggs-Jones

E1) and E2):

ACTION BY: (Mayo) approve the revised fund transfer E1) and fund transfer E2). 6-0

AYES: McCue, Quindel, Mayo, Schmitt, Broderick & Nyklewicz (Chair) – 6

NOES: 0

EXCUSED: Coggs-Jones

8. 03-559 From the Medical Examiner, requesting approval of payment for Professional Services initiated prior to contract execution for Steven Wong, Ph.D. (Toxicology).

67-B-673 ***ACTION BY: (Mayo) approve. 6-0***

AYES: McCue, Quindel, Mayo, Schmitt, Broderick & Nyklewicz (Chair) – 6

NOES: 0

EXCUSED: Coggs-Jones

SCHEDULED ITEMS (CONTINUED):

9. 03-597 From the Controller, requesting approval of a revision to Chapter 5 of the General Ordinances of Milwaukee County relative to the rate of reimbursement for business use of a personal vehicle by authorized employees.

67-B-679 **APPEARANCES:**
Scott Manske, Controller

ACTION BY: (McCue) approve.

Questions ensued.

Vote on approval: 5-1

AYES: McCue, Quindel, Schmitt, Broderick & Nyklewicz (Chair) – 5

NOES: Mayo – 1

EXCUSED: Coggs-Jones

10. 03-620 From the Controller, requesting approval of a revision to Chapter 56 of the General Ordinances of Milwaukee County relative to authorized travel agencies.

67-B-711 **APPEARANCES:**
Scott Manske, Controller

ACTION BY: (McCue) approve.

Questions ensued.

Vote on approval: 6-0

AYES: McCue, Quindel, Mayo, Schmitt, Broderick & Nyklewicz (Chair) – 6

NOES: 0

EXCUSED: Coggs-Jones

11. 03-581 From Superintendent, House of Correction, requesting authorization to enter in a Lease Agreement with Hunger Task Force Inc., to occupy the currently vacant warehouse on the House of Correction grounds. **(Also to Judiciary, Safety and General Services Committee)**

68-A-28 **APPEARANCES:**
Jim Mack, House of Correction

ACTION BY: (Schmitt) concur in the action taken by the Judiciary, Safety and General Services Committee, on 12/4/03, to approve the subject request. 6-0

SCHEDULED ITEMS (CONTINUED):

AYES: McCue, Quindel, Mayo, Schmitt, Broderick & Nyklewicz (Chair) – 6
NOES: 0
EXCUSED: Coggs-Jones

12. 03-590 From Director of Health and Human Services, requesting creation of a Food Stamp Payment Accuracy Manager position in the Economic Support Division of the Department of Health and Human Services. **(Also to Personnel Committee, Department of Administrative Services and Division of Human Resources) (REPORT FROM DAS)**

68-A-51 **APPEARANCES:**
Paula Lucey, Director of Health and Human Services
Rob Henken, Associate Director of Health and Human Services

ACTION BY: (Mayo) approve the subject request, effective December 21, 2003, as recommended by the Department of Administrative Services, in order to provide the Department of Health and Human Services with the staffing necessary to address the multiple issues impacting upon Milwaukee County's Food Stamp Error Rate, with the said position asterisked to be abolished if funding is no longer available in the future. 6-0

AYES: McCue, Quindel, Mayo, Schmitt, Broderick & Nyklewicz (Chair) – 6
NOES: 0
EXCUSED: Coggs-Jones

13. 03-582 Resolution by Supervisors De Bruin and Borkowski, directing the Director of the Department of Health and Human Services – Behavioral Health Division to present an updated fiscal and operational plan for the Behavioral Health Division for 2004 to the Committee on Finance and Audit during the March 2004 committee cycle. **(Also to Health and Human Needs Committee)**

68-A-238 **APPEARANCES:**
Supervisor Mark Borkowski, 11th District
Paula Lucey, Director of Health and Human Services
Jim Hill, Interim Administrator, Behavioral Health Division

Chairman Nyklewicz informed the Committee that Supervisor De Bruin was unable to attend the meeting today due to illness.

Supervisor Borkowski commented on the resolution.

Questions and comments ensued.

SCHEDULED ITEMS (CONTINUED):

It was noted that the Health and Human Needs Committee, on 12/10/03, approved the resolution as amended to provide that the operational plan for the Behavioral Health Division also be presented to the Health and Human Needs Committee.

ACTION BY: (McCue) concur in the action taken by the Health and Human Needs Committee, on 12/10/03, to approve the subject resolution as amended. 5-1

AYES: McCue, Quindel, Schmitt, Broderick & Nyklewicz (Chair) – 5

NOES: Mayo – 1

EXCUSED: Coggs-Jones

14. 03-583 Resolution by Supervisors De Bruin and Borkowski, directing the Department of Administrative Services to determine the financial and programmatic impact of a 1%, 3% or 5% reduction in all professional service and purchase of service contracts county-wide and to provide a report.

68-A-425 **APPEARANCES:**

Supervisor Mark Borkowski, 11th District
Jim Hill, Interim Administrator, Behavioral Health Division
Linda Seemeyer, Director, Department of Administrative Services
Jerome J. Heer, Director of Audits

Supervisor Borkowski commented on the resolution.

ACTION BY: (Mayo) approve the said resolution.

Discussion ensued.

At the request of Ms. Seemeyer, Supervisor Mayo proposed the following amendment.

ACTION BY: (Mayo) amend the resolution to provide that the requested report be prepared by the Department of Administrative Services, in conjunction with County Board staff. 6-0

AYES: McCue, Quindel, Mayo, Schmitt, Broderick & Nyklewicz (Chair) – 6

NOES: 0

EXCUSED: Coggs-Jones

SCHEDULED ITEMS (CONTINUED):

Vote on approval of resolution as amended: 6-0

AYES: McCue, Quindel, Mayo, Schmitt, Broderick & Nyklewicz (Chair) – 6

NOES: 0

EXCUSED: Coggs-Jones

15. 03-622 From Director of Audits, submitting Audit of Milwaukee County Employee Disciplinary Process, dated December 2004. (COPIES PROVIDED DIRECTLY BY AUDIT DIRECTOR)

68-A-594 **APPEARANCES:**

Jerome J. Heer, Director of Audits

Susan Shields, Executive Secretary, Personnel Review Board (PRB)

Helen Dixon, PRB Chairman

Mary Lou Linton, PRB Vice Chairman

Supervisor Paul Cesarz, 23rd District

Mr. Heer reviewed the audit findings and recommendations and suggested that the Committee lay over the audit in order to get a response from the PRB and then reschedule the matter next spring.

ACTION BY: (Mayo) lay over to the call of the Chair to afford the PRB an opportunity to review the audit findings and recommendations and communicate its position and concerns relative to the audit.

Ms. Shields advised that the PRB supports the audit findings and recommendations.

In light of the above, Mr. Heer suggested that the audit be received and placed on file with a status report to be submitted in six months.

ACTION BY: (Mayo) withdraw his lay over motion and instead RECEIVE AND PLACE ON FILE the subject audit, with the understanding that a status report will be submitted by the Director of Audits in six months.

Comments ensued.

Vote to receive and place on file: 6-0

AYES: McCue, Quindel, Mayo, Schmitt, Broderick & Nyklewicz (Chair) – 6

NOES: 0

EXCUSED: Coggs-Jones

SCHEDULED ITEMS (CONTINUED):

16. 02-503 From Director of Audits, regarding projected surplus/deficit in the employee
(a) health benefits account. **(INFORMATIONAL) (NO ACTION REQUIRED)**

68-B-158 **APPEARANCE:**
Jerome J. Heer, Director of Audits

Mr. Heer reviewed the subject report. Questions and comments followed.

The Committee took no action regarding this informational report.

17. 02-539 From Risk Manager, requesting authorization to enter into a one-year renewal
(a)(a) agreement with the Wisconsin County Mutual Insurance Corporation.

68-B-151 **APPEARANCES:**
John Rath, Risk Manager
Judith Litscher, Deputy Risk Manager

ACTION BY: (Mayo) approve. 6-0

AYES: McCue, Quindel, Mayo, Schmitt, Broderick & Nyklewicz (Chair) – 6

NOES: 0

EXCUSED: Coggs-Jones

Addendum Item

18. 03-640 From Director, Department of Health and Human Services, requesting the re-
creation of 15 positions of Economic Support Specialist in anticipation of
supplemental 2004 Income Maintenance funding from the State of Wisconsin.
(Also to Personnel Committee)

68-A-101 **APPEARANCES:**
Paula Lucey, Director of Health and Human Services
Rob Henken, Associate Director of Health and Human Services

ACTION BY: (Mayo) approve the subject request.

Questions ensued.

Vote on approval: 6-0

AYES: McCue, Quindel, Mayo, Schmitt, Broderick & Nyklewicz (Chair) – 6

NOES: 0

EXCUSED: Coggs-Jones

SCHEDULED ITEMS (CONTINUED):

DEADLINE

*The deadline for items for the next regular meeting (January 29, 2004) is Friday, January 16, 2004. **All items for the agenda must be in the Committee Clerk's possession by the end of the business day on FRIDAY, JANUARY 16, 2004.***

ADA accommodation requests should be filed with the Milwaukee County Office for Persons with Disabilities, 278-3932 (voice) or 278-3937 (TTD), upon receipt of this notice.

STAFF PRESENT:

Terry D. Kocourek, Fiscal and Budget Administrator
Jerome J. Heer, Director of Audits
Douglas Jenkins, Deputy Director of Audits
Steve Cady, Fiscal and Budget Analyst

This meeting was recorded on tape. The foregoing items were not necessarily considered in agenda order. Committee files contain copies of communications, reports and resolutions/ordinances, which may be reviewed upon request to the Chief Committee Clerk. The official copy of these minutes is available in the County Board Committee Services Division.

Length of Meeting: 9:05 a.m. to 11:15 a.m.

Adjourned,

Lauri Henning

Chief Committee Clerk

Committee on Finance and Audit