

**COUNTY OF RACINE
FINANCE & HUMAN RESOURCES COMMITTEE**

Supervisor Don Trottier, Chairman
Supervisor Robert Miller, Vice Chairman
Supervisor John Wisch, Secretary
Supervisor Nick Demske
Supervisor Scott Maier

Supervisor Jody Spencer
Supervisor Jason Eckman
Adan Merino-Cabrera, Youth in Governance Representative
Daysia Ward, Youth in Governance Representative

NOTICE OF MEETING OF THE
FINANCE AND HUMAN RESOURCES COMMITTEE

DATE: **WEDNESDAY MARCH 20, 2024**

TIME: **5:00 p.m.**

PLACE: **IVES GROVE OFFICE COMPLEX
AUDITORIUM
14200 WASHINGTON AVENUE
STURTEVANT, WISCONSIN 53177**

1. Convene Meeting
2. Chairman Comments – Youth in Governance/Comments
3. Public Comments
4. Approval of Minutes from the March 6, 2024, committee meeting – Action of the Committee only.
5. Closed Session – IT IS ANTICIPATED THAT THE FINANCE AND HUMAN RESOURCES COMMITTEE WILL MEET IN A CLOSED SESSION PURSUANT TO SECTION 19.85(1)(g) OF THE WISCONSIN STATE STATUTES TO DISCUSS WITH LEGAL COUNSEL CLAIMS AGAINST RACINE COUNTY:

1) JOHNSON ET AL V. DREWITZ ET AL. 2) JEFFERY HOUSE. 3) AMERICAN FAMILY INSURANCE ON BEHALF OF KASSONDRA THORESON. 4) AMERICAN FAMILY INSURANCE ON BEHALF OF ALAN ZANSKI.

THE COMMITTEE RESERVES THE RIGHT TO RECONVENE IN REGULAR SESSION TO TAKE POSSIBLE ACTION ON ITEMS DISCUSSED IN CLOSED SESSION.

6. Finance – Gwen Zimmer – Amending The Racine County Code Of Ordinances - Chapter 7, Article VII- Investment of Funds. – 2024 – Ordinance – 1st Reading at the March 26, 2024, County Board Meeting.

7. Human Services – Hope Otto – Authorize the reclassification of 1 FTE Youth Program Tech N120 to Youth Program Coordinator N125; Funding 2 previously unfunded Safety & Security Workers N120; and creation of 8 Safety & Security Workers all effective 6/29/24 and use of sufficient ARPA funds within the 2024 budget. –2024 – Resolution – Action Requested: 1st Reading at the March 26, 2024, County Board Meeting.
8. Transfers
 - a. Public Works and Development Services – Roley Behm– Authorize the acceptance of up to \$200,000 from the WI Department of Transportation for the purchase of a brine maker, accessories and building modifications and transfer within the Public Works and Development Services 2024 Budget–2024 – Resolution – Action Requested: 1st Reading at the March 26, 2024, County Board Meeting.
9. Communication & Report Referrals from County Board Meeting:
 - a. Bankruptcy items:

Type of Action:	Person/Persons
Chapter 13 Notice of Case	Damasio Martinez; Charles Ebben; Jennifer Ebben;
Chapter 13 Order of Discharge	Tricia Hansen;
Chapter 13 Notice and Motion to Dismiss Confirmed Plan	Mark Fiorita; Evony Winston;
Chapter 13 Order Modifying Confirmed Chapter 13 Plan	Alexander Vargas;
Chapter 13 Order Confirming Plan	Daniela Lopez; Alberto Aguilar Jr.; Maria Aguilar; Brian Krajewski; Lisa Ponce;
Chapter 7 Order of Discharge	Emil Bansil Jr; Loni Smith; Daniel Bernard;
Chapter7 Notice of Case	Nicholas Wilson; Adrianna Bernal; Michael Hyde; Carol Stone; Breianna Pitt;

b. Foreclosures

Attorney	Lender	Person/Persons	Amt owed County
Gray & Associates, L.L.P.	Land Home Financial Services, Inc	Shaniqua Q. Griffith	\$179.44

Eric Feldman & Associates, P.C.	US Bank Trust NA, as Trustee of BKPL Series I Trust	Mary Lee	\$285.50
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10. Staff Report – No Action Items.

- Finance & Human Resources Committee – Next meeting will be on April 3, 2024.

11. Adjournment

FINANCE & HUMAN RESOURCES COMMITTEE ACTION ONLY

Requestor/Originator Finance & Human Resources Committee

Committee/Individual Sponsoring: Finance & Human Resources Committee

Date of Committee Meeting: 3/20/2024

**Signature of Committee Chairperson
/Designee:** _____

Description: Minutes from the March 6, 2024 FHR Meeting

Action: **County Board Supervisors**
 Approve
 Deny

Youth In Governance
 Approve
 Deny

FINANCE AND HUMAN RESOURCES COMMITTEE MEETING
Wednesday, March 6, 2024

IVES GROVE OFFICE COMPLEX
AUDITORIUM
14200 WASHINGTON AVENUE
STURTEVANT, WISCONSIN 53177

Meeting attended by: Chairman Trottier, Supervisors Eckman, Miller, Maier, Spencer, and Demske.
Other attendees: County Executive Jonathan Delagrave, Youth in Governance Representative Ward, Finance Director Gwen Zimmer, Human Resources Director Sarah Street, Human Services Director Hope Otto and Youth and Family Manager Stephen Bedwell.

Excused: Supervisor Wisch.

Not in Attendance: Youth in Governance Representative Merino-Cabrera.

Agenda Item #1 – Convene Meeting

Meeting Called to Order at 5:02 p.m. by Chairman Trottier.

Agenda Item #2 – Youth in Governance/Comments

Youth in Governance statement was read by Youth Representative Ward.

Agenda Item #3 – Public Comments

There were no public comments.

Agenda Item #4 – Approval of Minutes from the February 21, 2024, committee meeting

Action: Approve the minutes from the February 21, 2024, committee meeting.

Motion Passed: Moved: Supervisor Miller. Seconded by Supervisor Maier. Vote: All Ayes No Nays.
Advisory Vote: All Ayes, No Nays.

Agenda Item #5 – Human Services – Hope Otto – Authorize the reclassification of 1 FTE Windows to Work Coach to E40 Lead Windows to Work Coach effective 4/6/24 and use of sufficient funds within the Human Services Department 2024 budget –2024– Resolution – Action Requested: 1st Reading at the March 12, 2024, County Board Meeting.

Action: Authorize the reclassification of 1 FTE Windows to Work Coach to E40 Lead Windows to Work Coach effective 4/6/24 and use of sufficient funds within the Human Services Department 2024 budget –2024– Resolution – Action Requested: 1st Reading at the March 12, 2024, County Board Meeting.

Motion Passed: Moved: Supervisor Maier. Seconded by Supervisor Demske. Vote: All Ayes No Nays.
Advisory Vote: All Ayes, No Nays.

Agenda Item #6 – Human Services – Hope Otto – Authorize the reclassification of 1 FTE Youth Vocational Coordinator E040 to Youth Justice Lead Worker E050 effective 4/6/24 and use of sufficient funds in the 2024 Human Services Department budget –2024– Resolution – Action Requested: 1st Reading at the March 12, 2024, County Board Meeting.

FINANCE AND HUMAN RESOURCES COMMITTEE MEETING
Wednesday, March 6, 2024

Action: Authorize the reclassification of 1 FTE Youth Vocational Coordinator E040 to Youth Justice Lead Worker E050 effective 4/6/24 and use of sufficient funds in the 2024 Human Services Department budget –2024– Resolution – Action Requested: 1st Reading at the March 12, 2024, County Board Meeting.

Motion Passed: Moved: Supervisor Miller. Seconded by Supervisor Demske. Vote: All Ayes No Nays. Advisory Vote: All Ayes, No Nays.

Agenda Item #7 – Human Resources – Sarah Street – Reauthorizing Self-Insurance for Racine County’s Worker’s Compensation Program –2024– Resolution – Action Requested: 1st & 2nd Reading at the March 12, 2024, County Board Meeting.

The committee requested that Finance provide the account balance for Workers Compensation.

Action: Reauthorize Self-Insurance for Racine County’s Worker’s Compensation Program –2024– Resolution – Action Requested: 1st & 2nd Reading at the March 12, 2024, County Board Meeting.

Motion Passed: Moved: Supervisor Eckman. Seconded by Supervisor Miller. Vote: All Ayes No Nays. Advisory Vote: All Ayes, No Nays.

Agenda Item #8 -Communication & Report Referrals from County Board Meeting:

Action: Receive and file item a.

Motion Passed: Moved by Supervisor Miller. Seconded by Supervisor Maier. Vote: All Ayes, No Nays.

Agenda Item #9 – Staff Report – No Action Items.

- Finance & Human Resources Committee – The Next Meeting will be on March 20th, 2024, at 5:00PM.

Agenda Item #10 – Adjournment.

Action: Adjourn the meeting at 5:23 p.m.

Motion Passed: Moved by Supervisor Maier. Seconded by Supervisor Miller. Vote: All Ayes, No Nays.

REQUEST FOR COUNTY BOARD ACTION

YEAR	<u>2024</u>	<input type="checkbox"/>	Resolution Request
		<input type="checkbox"/>	Ordinance Request
		<input checked="" type="checkbox"/>	Information Only
		<input type="checkbox"/>	Report Request

Requestor/Originator: Principal Assistant Corporation Counsel John P. Serketich

Person knowledgeable about the request who will appear and present before the Committee and County Board (2nd Reading) John P. Serketich
 If a person is not in attendance the item may be held over.

Does the County Executive know of this request: Yes

If related to a position or position change, Does the Human Resources Director know of this request: N/A

Does this request propose the expenditure, receipt or transfer of any funds? N/A
 If the answer is "YES". A fiscal note is required. If Fiscal Note is not created by Finance, send to Finance & Budget Manager before it goes to Committee.

Committee/Individual Sponsoring: Finance & Human Resources

Date Considered by Committee: 3/20/2024 **Date of County Board Meeting to be Introduced:** _____

1st Reading: **1st & 2nd Reading:** *

* If applicable, include a paragraph in the memo explaining why 1st and 2nd reading is required.

Signature of Committee Chairperson/Designee: _____

SUGGESTED TITLE OF RESOLUTION/ORDINANCE/REPORT:

Discussion with legal counsel regarding the status of the following current litigation: Johnson et al v. Drewitz et al

The suggested title should contain what the Committee is being asked to take action on (ex: Authorize, Approve) . If the action includes a transfer this must be included in the title.

SUBJECT MATTER:

The attached memo describes in detail the nature of resolution /ordinance /report and any specific facts which you want included in resolution/ordinance/report must be attached.

If requesting a multi year contract a copy of the contract or draft contract must be attached

Any request which requires the expenditure or transfer of funds must be accompanied by a fiscal note that shows the specific amount being transferred and the account number from which these funds will be taken and to which they will be transferred.

THIS FORM MUST BE FILLED OUT COMPLETELY PRIOR TO YOUR APPEARANCE BEFORE A COMMITTEE.

REQUEST FOR COUNTY BOARD ACTION

YEAR	<u>2024</u>		Resolution Request
			Ordinance Request
		x	Information Only
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Requestor/Originator: Principal Assistant Corporation Counsel John P. Serketich

Person knowledgeable about the request who will appear and present before the Committee and County Board (2nd Reading)
 If a person is not in attendance the item may be held over. John P. Serketich

Does the County Executive know of this request: Yes

If related to a position or position change, Does the Human Resources Director know of this request: N/A

Does this request propose the expenditure, receipt or transfer of any funds? N/A
 If the answer is "YES". A fiscal note is required. If Fiscal Note is not created by Finance, send to Finance & Budget Manager before it goes to Committee.

Committee/Individual Sponsoring: Finance & Human Resources

Date Considered by Committee: 3/20/2024 Date of County Board Meeting to be Introduced: _____

1st Reading: 1st & 2nd Reading: *

* If applicable, include a paragraph in the memo explaining why 1st and 2nd reading is required.

Signature of Committee Chairperson/Designee: _____

SUGGESTED TITLE OF RESOLUTION/ORDINANCE/REPORT:

Discussion with legal counsel regarding the status of the following current claim: Jeffery House

The suggested title should contain what the Committee is being asked to take action on (ex: Authorize, Approve) . If the action includes a transfer this must be included in the title.

SUBJECT MATTER:

The attached memo describes in detail the nature of resolution /ordinance /report and any specific facts which you want included in resolution/ordinance/report must be attached.

If requesting a multi year contract a copy of the contract or draft contract must be attached

Any request which requires the expenditure or transfer of funds must be accompanied by a fiscal note that shows the specific amount being transferred and the account number from which these funds will be taken and to which they will be transferred.

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REQUEST FOR COUNTY BOARD ACTION

YEAR <u>2024</u>	<input type="checkbox"/>	Resolution Request
	<input type="checkbox"/>	Ordinance Request
	<input checked="" type="checkbox"/>	Information Only
	<input type="checkbox"/>	Report Request

Requestor/Originator: Principal Assistant Corporation Counsel John P. Serketich

Person knowledgeable about the request who will appear and present before the Committee and County Board (2nd Reading) John P. Serketich
 If a person is not in attendance the item may be held over.

Does the County Executive know of this request: Yes

If related to a position or position change, Does the Human Resources Director know of this request: N/A

Does this request propose the expenditure, receipt or transfer of any funds? N/A
 If the answer is "YES". A fiscal note is required. If Fiscal Note is not created by Finance, send to Finance & Budget Manager before it goes to Committee.

Committee/Individual Sponsoring: Finance & Human Resources

Date Considered by Committee: 3/20/2024 **Date of County Board Meeting to be Introduced:** _____

1st Reading: **1st & 2nd Reading:** *

* If applicable, include a paragraph in the memo explaining why 1st and 2nd reading is required.

Signature of Committee Chairperson/Designee: _____

SUGGESTED TITLE OF RESOLUTION/ORDINANCE/REPORT:

Discussion with legal counsel regarding the status of the following current claim: American Family Insurance on behalf of Kassondra Thoreson

The suggested title should contain what the Committee is being asked to take action on (ex: Authorize, Approve) . If the action includes a transfer this must be included in the title.

SUBJECT MATTER:

The attached memo describes in detail the nature of resolution /ordinance /report and any specific facts which you want included in resolution/ordinance/report must be attached.

If requesting a multi year contract a copy of the contract or draft contract must be attached

Any request which requires the expenditure or transfer of funds must be accompanied by a fiscal note that shows the specific amount being transferred and the account number from which these funds will be taken and to which they will be transferred.

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REQUEST FOR COUNTY BOARD ACTION

YEAR <u>2024</u>	<input type="checkbox"/>	Resolution Request
	<input type="checkbox"/>	Ordinance Request
	<input checked="" type="checkbox"/>	Information Only
	<input type="checkbox"/>	Report Request

Requestor/Originator: Principal Assistant Corporation Counsel John P. Serketich

Person knowledgeable about the request who will appear and present before the Committee and County Board (2nd Reading) John P. Serketich
 If a person is not in attendance the item may be held over.

Does the County Executive know of this request: Yes

If related to a position or position change, Does the Human Resources Director know of this request: N/A

Does this request propose the expenditure, receipt or transfer of any funds? N/A
 If the answer is "YES". A fiscal note is required. If Fiscal Note is not created by Finance, send to Finance & Budget Manager before it goes to Committee.

Committee/Individual Sponsoring: Finance & Human Resources

Date Considered by Committee: 3/20/2024 **Date of County Board Meeting to be Introduced:** _____

1st Reading: **1st & 2nd Reading:** *

* If applicable, include a paragraph in the memo explaining why 1st and 2nd reading is required.

Signature of Committee Chairperson/Designee: _____

SUGGESTED TITLE OF RESOLUTION/ORDINANCE/REPORT:

Discussion with legal counsel regarding the status of the following current claim: American Family Insurance on behalf of Alan Zanski

The suggested title should contain what the Committee is being asked to take action on (ex: Authorize, Approve) . If the action includes a transfer this must be included in the title.

SUBJECT MATTER:

The attached memo describes in detail the nature of resolution /ordinance /report and any specific facts which you want included in resolution/ordinance/report must be attached.

If requesting a multi year contract a copy of the contract or draft contract must be attached

Any request which requires the expenditure or transfer of funds must be accompanied by a fiscal note that shows the specific amount being transferred and the account number from which these funds will be taken and to which they will be transferred.

THIS FORM MUST BE FILLED OUT COMPLETELY PRIOR TO YOUR APPEARANCE BEFORE A COMMITTEE.

REQUEST FOR COUNTY BOARD ACTION

YEAR	<u>2024</u>	<input type="checkbox"/>	Resolution Request
		<input checked="" type="checkbox"/>	Ordinance Request
		<input type="checkbox"/>	Report Request

Requestor/Originator: Finance Director Gwen Zimmer

Person knowledgeable about the request who will appear and present before the Committee and County Board (2nd Reading)
 If a person is not in attendance the item may be held over. Gwen Zimmer

Does the County Executive know of this request: Yes

If related to a position or position change, Does the Human Resources Director know of this request: N/A

Does this request propose the expenditure, receipt or transfer of any funds? No
 If the answer is "YES". A fiscal note is required. If Fiscal Note is not created by Finance, send to Finance & Budget Manager before it goes to Committee.

Committee/Individual Sponsoring: Finance & Human Resources Committee

Date Considered by Committee: 3/20/2024 Date of County Board Meeting to be Introduced: _____

1st Reading: 1st & 2nd Reading: *

* If applicable, include a paragraph in the memo explaining why 1st and 2nd reading is required.

Signature of Committee Chairperson/Designee: _____

SUGGESTED TITLE OF RESOLUTION/ORDINANCE/REPORT:

Amending The Racine County Code Of Ordinances - Chapter 7, Article VII- Investment of Funds

The suggested title should contain what the Committee is being asked to take action on (ex: Authorize, Approve) . If the action includes a transfer this must be included in the title.

SUBJECT MATTER:

The attached memo describes in detail the nature of resolution /ordinance /report and any specific facts which you want included in resolution/ordinance/report must be attached.

If requesting a multi year contract a copy of the contract or draft contract must be attached

Any request which requires the expenditure or transfer of funds must be accompanied by a fiscal note that shows the specific amount being transferred and the account number from which these funds will be taken and to which they will be transferred.

THIS FORM MUST BE FILLED OUT COMPLETELY PRIOR TO YOUR APPEARANCE BEFORE A COMMITTEE.

ORDINANCE NO. 2023-

**ORDINANCE BY THE FINANCE AND HUMAN RESOURCES COMMITTEE
AMENDING THE RACINE COUNTY CODE OF ORDINANCES – CHAPTER 7,
ARTICLE VII – INVESTMENT OF FUNDS**

To the Honorable Members of the Racine County Board of Supervisors:

The Racine County Board of Supervisors does ordain as follows:

Part 1

Section 7-196 of the Racine County Code of Ordinances relating to the Investment policy is hereby amended to read as follows:

Sec. 7-196. – Investment policy.

1. Statement of purpose.

- (a) The purpose of the investment policy set out in this article is to establish guidelines for investments which are broad enough to allow the finance director to function properly within the parameters of responsibility and authority. It is also intended to be specific enough to establish a prudent set of basic procedures to assure that investments assets are adequately safeguarded. It assures that the fundamental principles concerning any investment program involving public moneys has four (4) basic ingredients: Legality, safety, liquidity and yield.
- (b) The goals of this investment policy are to ensure that the county's investment portfolio is managed for maximum return, both long and short term, in a manner that is consistent with good cash management practices and the safety of principal.
- (c) Specifically, this investment policy shall offer the necessary guidelines to attain the following goals and objectives:
 - (1) Legality of investments and instruments.
 - (2) Safety of funds invested.
 - (3) Adequate liquidity through marketability.
 - (4) Maximizing yield on all funds invested.
 - (5) Full investment of all available funds.

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(6) Investments must be consistent with the county's cash flow needs so as to avoid penalty for early liquidation.

2. *Investment guidelines.*

(a) *Purpose.* To establish the county's cash investment objectives, delegation of authority, standards of prudence, reporting requirements, internal controls, eligible investments, selection process for investments, investment management and advisory firms, diversification, and safekeeping requirements. This investment policy applies to all investment transactions and related activities of the county, except the investment of other post-employment benefits held for employees' retirement funds.

(b) *Definitions.*

- (1) *Credit risk* means the risk that all or part of the principal of, or interest due on, an investment will be lost due to the failure of the security issue or backer.
- (2) *Interest rate risk* means the risk that the market value of securities in the portfolio will fall due to changes in market interest rates.
- (3) *High grade* means securities rated in the highest or second highest rating category assigned by Standard and Poor's Corporation, Moody's Investors Service, Inc., or some other nationally recognized rating agency.
- (4) *Reinvestment risk* means the risk that cash flows from securities will be reinvested at a lower interest rate than the original investment.
- (5) *Investment officer* means the officer or employee of the county to whom is delegated the county board's investment authority pursuant to W.S.A. § 59.62(1).
- (6) *Designee* refers to a qualified individual appointed by the county executive.
- (7) *Finance committee* refers to the Racine County Finance and Human Resources Committee.
- (8) *LGIP* means the local government investment pools administered by the State of Wisconsin Investment Board.

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4 (c) *Objectives.* The primary objectives of county investment activities
5 shall be the following in order of importance:

6
7 (1) *Safety of principal.* To preserve capital in the overall
8 portfolio, to protect investment principal, and to mitigate
9 credit risk, interest rate risk, and reinvestment rate risk.

10
11 (i) *Credit risk.* The county will minimize credit risk by
12 limiting investments to the safest types of securities,
13 pre-qualifying financial institutions and investment
14 advisors with which the county will do business, and
15 diversifying the investment portfolio so that the
16 impact of potential losses from any one (1) type of
17 security or from any one (1) individual will be
18 minimized.

19 (ii) *Interest rate risk.* The county will minimize interest
20 rate risk by structuring the investment portfolio so
21 that securities mature to meet cash requirements for
22 ongoing operations, thereby avoiding the need to sell
23 securities on the open market prior to maturity, and
24 investing the county's operating funds primarily in
25 shorter-term securities, money market mutual funds,
26 or similar investment pools. Investments should be in
27 high grade, actively traded securities.

28 (iii) *Reinvestment risk.* The county will minimize
29 reinvestment risk by carefully evaluating the use of
30 callable securities within the overall portfolio.

31
32 (2) *Liquidity.* The investment portfolio shall remain sufficiently
33 liquid to meet operating requirements which might be
34 reasonably anticipated; ~~and t.~~ The portfolio shall be
35 structured so that securities mature concurrent with cash
36 needs in order to meet anticipated operational demands.

37 (3) *Yield.* To manage the investment portfolio to maximize
38 return consistent with the objectives in ~~subsections (i) and~~
39 ~~(ii)~~ and other risk limitations described in this policy. The
40 core of investments is limited to relatively low risk securities
41 in anticipation of earning a fair return relative to

3 the risk being assumed. Securities shall not be sold prior to
4 maturity with the following exceptions:

- 5
- 6 (i) A security with declining credit may be sold early to
7 minimize loss of principal.
- 8 (ii) A security swap may be entered into if it would
9 improve the quality, yield, or target duration in the
10 portfolio.
- 11 (iii) Liquidity needs of the portfolio require that the
12 security be sold.

- 13
- 14 (4) *Legal restrictions.* To manage the portfolio in conformity
15 with all applicable federal, state, and local laws as well as
16 Racine County's internal administrative procedures.
- 17 (5) *Other.* To allow deviation from Racine County Investment
18 Policy objectives when authorized by the county board, with
19 recommendation from the finance committee.

20

21 (d) *Standard of prudence.*

- 22
- 23 (1) The standard of prudence to be applied by the investment
24 officer to management of the overall portfolio shall be the
25 "prudent person rule" which can generally be stated in
26 terms of the following broad principle: Investments shall be
27 made with the judgment and care, under circumstances
28 then prevailing, which persons of prudence, character, and
29 intelligence exercise in the management of their own
30 affairs, not for speculation, but for investment, considering
31 the probable safety of their capital as well as the probable
32 income to be derived.
- 33 (2) The investment officer shall, in accordance with W.S.A., ch.
34 34, this investment policy, and county procedures, exercise
35 due diligence and ensure compliance with all regulations.
- 36 (3) Officers and employees involved in the investment process
37 shall refrain from personal business activity that could
38 conflict, or appear to conflict, with the proper execution and
39 management of the investment program, or that could
40 impair their ability to make impartial decisions. Officers and
41

3
4 employees shall disclose any material interests in financial
5 institutions with which they conduct business. They shall
6 further disclose any personal financial/investment positions
7 that could be related to the performance of the investment
8 portfolio.

9
10 (e) *Delegation of authority.*

- 11
12 (1) Pursuant to W.S.A., §§ 59.62 and 59.61(3), the county
13 board delegates to the finance director the authority to act
14 as the investment officer. The investment officer shall act in
15 accordance with established written procedures and
16 internal controls for the operation to oversee investment
17 transactions conducted on behalf of the county. The
18 investment officer may contract with one (1) or more
19 investment advisors with prior approval of the finance
20 committee and with sufficient funds available within the
21 county budget.
- 22 (2) The investment officer, or their designee appointed by the
23 county executive, shall have the authority to direct the
24 transfer of funds between accounts established for
25 investments as prescribed in administrative procedures.
- 26 (3) The investment officer, or their designee appointed by the
27 county executive, shall have the authority to sign
28 agreements and contracts related to investments on behalf
29 of the county as prescribed in administrative procedures.
- 30 (4) Pursuant to W.S.A., § 59.61(2), the county board delegates
31 the responsibility for designating approved county financial
32 depositories, broker/dealers, and investment advisors to the
33 finance committee. The finance committee delegates the
34 monitoring of these approved financial depositories,
35 broker/dealers, and investment advisors to the investment
36 officer. The investment officer shall bring forth any concerns
37 or recommended changes of approved institutions and
38 vendors to the finance committee as needed.
- 39 (5) The county treasurer shall ensure timely transfer of
40 appropriate funds in accordance with authorized investment
41 transactions and pursuant to all county policies.

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- 4 (6) The county treasurer is responsible for maintaining
5 adequate levels of cash in the county's operating account
6 necessary for day-to-day cash flow. Any requirement for
7 large or non-recurring disbursements of cash shall be
8 reported by the county treasurer to the investment officer in
9 order to provide sufficient notice of investment impact.
- 10 (7) The county board authorizes any two (2) of either the
11 county clerk, county executive, and/or investment officer to
12 sign cash and investment authorization agreements and
13 contracts with approved depositories.

14

15 (f) *Reporting requirements.*

- 16
- 17 (1) The investment officer shall provide the finance committee
18 with copies of a portfolio performance report on a quarterly
19 basis ~~and~~ when a specific request is made. The report
20 shall summarize the investment strategies employed;
21 describe the portfolio in terms of investment securities,
22 maturity dates, risk characteristics; and ~~will~~ indicate any
23 areas of policy concern and suggested or planned revision
24 of investment strategies. Between reporting periods, the
25 investment officer shall notify the finance committee of any
26 unusual investment activities or events. The report will
27 provide an analysis of the status of the current investment
28 portfolio and transactions made over the last quarter
29 prepared in a manner that will allow the finance committee
30 to ascertain whether investment activities during the
31 reporting period have conformed to the investment policy.
32 The report shall include the following:

- 33
- 34 (i) A listing of individual securities held at the end of the
35 reporting period;
- 36 (ii) Realized and unrealized gains or losses resulting
37 from appreciation or depreciation by listing the cost
38 and market value of securities over a one-year
39 duration that are not intended to be held until
40 maturity;
- 41

- 3
- 4 (iii) Average weighted yield to maturity of portfolio on
- 5 investments as compared to applicable benchmarks;
- 6 (iv) Listing of investment by maturity date; and
- 7 (v) Percentage of the total portfolio which each type of
- 8 investment represents.

- 9
- 10 (2) The investment officer, or their designee appointed by the
- 11 county executive, shall be responsible for projecting cash
- 12 flows for a minimum of five (5) years for use in evaluating
- 13 investment options. The county treasurer shall provide to
- 14 the investment officer, on a timely basis, all information
- 15 necessary to maintain a current cash projection.
- 16 (3) The investment officer shall immediately report any/all
- 17 investment issues or concerns to the county executive. The
- 18 county executive shall report any significant investment
- 19 issues or concerns to the finance committee, as
- 20 appropriate.

21

22 (g) *Internal controls.*

- 23
- 24 (1) The finance director shall establish a system of internal
- 25 controls which shall be reviewed by the county's
- 26 independent auditor during the annual audit. The controls
- 27 shall be designed to prevent loss of public funds due to
- 28 fraud, error, misrepresentation by another party, or
- 29 imprudent actions by an employee or employees of the
- 30 county. Adherence to these procedures will be monitored
- 31 by the assistant finance director or designee appointed by
- 32 the county executive.

33

34 (h) *Eligible investments.*

- 35
- 36 (1) *Allowable investments.* Subject to limitations as may be
- 37 imposed by law, funds will only be invested in any of the
- 38 following investments:
- 39
- 40 (i) U.S. Treasury obligations and government securities.
- 41 Obligations of the United States of America, its

3
4 agencies and instrumentalities, provided that the
5 payment of the principal and interest is fully
6 guaranteed by the issuer.

7 (ii) Certificates of deposit. Certificates of deposit and
8 other evidences of deposit at credit unions, banks,
9 savings banks, trust companies or savings and loan
10 associations. No collateral is required for DTC
11 eligible certificates of deposit rated in one (1) of the
12 two (2) highest rating categories by at least one (1)
13 nationally recognized rating agency at purchase.
14 ~~authorized to transact business in the State of~~
15 ~~Wisconsin which time deposits mature in not more~~
16 ~~than two (2) years. Any certificate of deposit invested~~
17 ~~over the Federal Deposit Insurance Corporation and~~
18 ~~State Deposit Guaranteed Fund insured amount of~~
19 ~~five hundred thousand dollars (\$500,000.00),~~
20 ~~whichever is less, are to be fully collateralized under~~
21 ~~the specific requirements set forth below at (j),~~
22 ~~safekeeping.~~

23 (iii) Municipal debt instruments. Municipal debt
24 instruments of any county, city, drainage district,
25 vocational college, village, town or school district of
26 the State of Wisconsin, if the bond, note, or security
27 is rated in one (1) of the two (2) highest rating
28 categories assigned by Standard and Poor's
29 Corporation, Moody's Investors Service, Inc., or
30 other similar nationally recognized rating agency.

31 (iv) Local government investment pools, either state-
32 administered, the State of Wisconsin Investment
33 Board's Local Government Investment Pool (LGIP),
34 or created through joint powers statutes and/or other
35 intergovernmental agreement legislation.

36 (v) Repurchase agreements. Investment agreements
37 pursuant to which a federal or state credit union,
38 federal or state savings and loan association, state
39 bank, savings and trust company, mutual savings
40 bank, or national bank in the state agrees to repay
41 funds advanced to it by the issuer, plus interest.

3
4 Repurchase agreements are to be secured by
5 investment securities fully guaranteed by the U.S.
6 government.

7 (vi) ~~Reserved. Operating bank account. Operating bank~~
8 ~~accounts provided deposits shall be limited to the~~
9 ~~lesser of five hundred thousand dollars~~
10 ~~(\$500,000.00) or amounts guaranteed by the Federal~~
11 ~~Deposit Insurance Corporation and the State Deposit~~
12 ~~Guarantee Fund unless overnight funds in excess~~
13 ~~are fully collateralized under the specific~~
14 ~~requirements set forth below at (j), safekeeping.~~
15 ~~Deposits with institutions outside of the State of~~
16 ~~Wisconsin are prohibited.~~

17 (vii) Money market funds. Open ended money market
18 funds, restricted to investments permitted by W.S.A.,
19 § 66.0603(1m)(c), and limited to a maximum average
20 maturity of one hundred twenty (120) days or less.
21 This limit does not apply to the LGIP investments.

22 (viii) Corporate bonds. Must be rated in one (1) of the two
23 (2) highest rating categories by at least one (1)
24 nationally recognized rating agency at purchase.
25 Bonds downgraded should be reviewed regularly to
26 determine if they remain appropriate for the county's
27 portfolio. It is not necessary to immediately sell the
28 security if doing so would disadvantage the overall
29 performance of the portfolio. Minimum credit AA by
30 at least one (1) nationally recognized rating agency
31 at purchase. Bonds downgraded should immediately
32 be placed on watch list for further review. It is not
33 necessary to immediately sell the security if it
34 disadvantages the overall performance of the
35 portfolio. No more than five (5) percent of the total
36 portfolio to be invested in any one (1) issuer. No
37 more than seventy (70) percent of the portfolio be
38 invested in corporate bonds.

39 (ix) Foreign securities. Investments in securities issued
40 by foreign entities ~~should~~ must be denominated in
41 U.S. dollars, and ~~should~~ must be rated in one (1) of

3 the two (2) highest rating categories by at least one
4 (1) nationally recognized rating agency at purchase.
5 ~~meet the minimum credit quality. No more than~~
6 ~~twenty (20) percent of the total portfolio should be~~
7 ~~invested in foreign securities.~~

8 (x) Any security which matures or which may be
9 tendered for purchase at the option of the holder
10 within not more than seven (7) years of the date it
11 was acquired, if that security has a rating in one (1)
12 of the two (2) highest rating categories by at least
13 one (1) nationally recognized rating agency at
14 purchase or if that security is senior to, or in parity
15 with, a security of the same issuer which has such a
16 rating.

17 (xi) Any other investment that is permissible under
18 W.S.A. § 66.0603 must first be approved by the
19 finance committee.

20
21 (2) *Eligible amounts.* The investment officer shall ensure
22 amounts on deposit do not exceed collateralized amounts
23 guaranteed by the financial institution, consistent with this
24 written policy.

25
26 (i) *Prohibited investments.* In addition to the limitations placed on
27 investment types by state statutes, the following additional
28 restrictions will apply to any investment made by the county:

29
30 (1) County funds will not be invested in derivative ~~type~~
31 investments such as collateralized mortgage obligations
32 (other than those issued and guaranteed by government
33 sponsored enterprise, Fannie Mae and Freddie Mac, or
34 Ginnie Mae), strips, or floaters ~~or other high risk~~
35 ~~investments except collateralized mortgage obligations~~
36 ~~made prior to the adoption of this policy, which may be held~~
37 ~~until maturity.~~

38 (2) Leveraged investments. No investments shall be made in
39 reverse repurchase agreements nor shall any investments
40 be made with funds borrowed through the use of county
41 investment assets as collateral.

3
4 (j) Collateralization. Any deposit(s) invested over the Federal Deposit
5 Insurance Corporation insured amount are to be fully
6 collateralized under the specific requirements set forth below at
7 subsection (k) – Safekeeping, except for those high grade DTC
8 eligible certificates of deposit referenced above in subsection
9 (h)(1)ii – Certificates of deposit.

10
11 (k) Safekeeping.

12
13 (1) All investment institutions acting as a depository for the
14 county must enter into a "depository agreement" requiring
15 the depository asset to pledge collateral to secure amounts
16 over and above guaranteed amounts. All securities serving
17 as collateral shall be specifically pledged to the county (not
18 as part of a pooled fund) and placed in a custodial account
19 at a Federal Reserve Bank, a trust department of a
20 commercial bank, or through another financial institution.
21 The custodian may not be owned or controlled by the
22 depository institution or its holding company unless it is a
23 separately operated trust institution. The custodian shall
24 send statements of pledged collateral to the treasurer's
25 office on a monthly basis.

26 (2) Amounts in excess of Federal Deposit Insurance
27 Corporation insured amounts must be fully collateralized
28 and held by a third party or fully insured by an insurance
29 company with an A rating or better by A.M. Best. and State
30 Deposit Guarantee Fund guaranteed amounts must be fully
31 collateralized and held by a third party or fully insured by an
32 insurance company with an A rating or better by A.M. Best.
33 Acceptable collateral includes the following:

- 34
35 (i) Securities of the U.S. Treasury or U.S. Governmental
36 Agency as defined by the Federal Reserve;
37 (ii) U.S. government guaranteed securities such as
38 those issued through the Small Business
39 Administration are acceptable as long as they are
40 fully guaranteed;
41

- 3
- 4 (iii) ~~Reserved Commercial paper which is the highest or~~
5 ~~second highest rating category assigned by Standard~~
6 ~~and Poor's Corporation, Moody's Investors Service,~~
7 ~~Inc., or other similar nationally recognized rating~~
8 ~~agency may be used to the extent that a~~
9 ~~collateralization level of one hundred twenty five~~
10 ~~(125) percent is maintained;~~
- 11 (iv) General obligations of municipalities are acceptable
12 to the extent that they are rated second highest or
13 higher by Standard and Poor's Corporation, Moody's
14 Investors Service, Inc., or other similar nationally
15 recognized rating agency (i.e., AAA or AA
16 classifications).

- 17
- 18 (3) Collateral held by a trust institution supporting certain
19 deposits, Certificates of Deposit, Rrepurchase
20 Agreements, or other qualified investments consistent with
21 this investment policy, and not identified in ~~subsection (a) or~~
22 ~~(b)~~ above in subsection (h)(1)i – U.S. Treasury obligations
23 and government securities, and subsection (h)(1)ii –
24 Certificates of deposit, must meet the following
25 requirements:

- 26
- 27 (i) Collateral must be equal to at least one hundred
28 (100) percent of market value of the total amount
29 invested plus interest to be earned at the time of
30 investment. Collateral shall be marked to market on
31 a monthly basis;
- 32 (ii) Acceptable collateral includes items identified in
33 subsection (k)(2) above~~(b)~~;
- 34 (iii) A detailed statement listing a description of securities
35 pledged and held in safekeeping must be provided
36 on a monthly basis; and
- 37 (iv) Evidence of professional liability insurance and
38 fidelity bonds.
- 39
40
41

4 ~~(l)(k)~~ *Investment parameters.*

5
6 (1) *Performance standards.* The investment portfolio will be
7 designed to obtain a market average rate of return taking
8 into account the county's investment risk constraints and
9 cash flow needs. Given the nature of the county's
10 investment strategy, the basis used to determine whether
11 market yields are being achieved shall be performance
12 benchmarks recommended by the investment officer and
13 approved by the finance committee.

14 (2) *Maximum maturities.* To the extent possible, the county will
15 attempt to match its investments with anticipated cash flow
16 requirements.

17 (3) *Diversification.* The portfolio shall be diversified to avoid
18 over-concentration in securities from a specific issuer or
19 market sector.

20 (i) No more than five (5) percent of the total portfolio
21 should be invested in any one (1) issuer, excluding
22 obligations of the United States of America, its
23 agencies and instrumentalities;

24 (ii) No more than seventy (70) percent of the portfolio
25 should be invested in corporate bonds, including
26 asset-backed securities; and

27 (iii) No more than twenty (20) percent of the total
28 portfolio should be invested in foreign securities.

29
30 (m) Duty to obtain information.

31
32 (1) The finance director shall communicate with financial
33 institutions and avail him/herself of other financial
34 information on current or pending market conditions in
35 making his/her decision on rates and maturities as well as
36 the securities to be purchased. In making all investment
37 decisions, the finance director shall endeavor to obtain the
38 highest rate of interest offered only in accordance with the
39 stated objectives of this policy.
40
41

3
4 (n)(i) *Amendments.* The provisions of this policy shall be reviewed on
5 an annual basis by the investment officer and reported to the
6 finance committee in a timely manner. Recommendations for
7 changes shall be submitted to the finance committee.
8

9 (Ord. No. 87-218S, pt. 1(5.071), 1-26-88; Ord. No. 2015-25S, pt. 1, 6-23-15; Ord. No.
10 2015-81, pt. 1, 12-1-15)

11 **Part 2**

12
13 Section 7-201 of the Racine County Code of Ordinances relating to Investments is
14 hereby amended to read as follows:

15
16 **Sec. 7-201. – Reserved Investments.**

17
18 ~~(a) *General.* The finance director may purchase securities which are~~
19 ~~permissible investments from money in his/her custody which is not~~
20 ~~required for the immediate needs of the county as he/she deems wise~~
21 ~~and expedient, and to sell or exchange for other eligible securities and~~
22 ~~reinvest the proceeds of the securities so sold or exchanged. The~~
23 ~~investment activity of state public funds is governed by W.S.A., §~~
24 ~~66.0603. Prior to making any investment, the finance director shall be~~
25 ~~responsible for ascertaining the cash flow needs of the county.~~

26
27 ~~(b) *Permissible investments.* Permissible investments shall be limited to the~~
28 ~~following unless prior approval of the investment plan is granted by the~~
29 ~~finance committee:~~

30
31 ~~(1) Time deposits, maturing in not more than one hundred eighty-two~~
32 ~~(182) days, in any bank, trust company or savings and loan~~
33 ~~association which is authorized to conduct business in this state.~~

34 ~~(2) U.S. Treasury obligations (bills, notes and bonds) maturing in not~~
35 ~~more than one hundred eighty-two (182) days.~~

36 ~~(3) Investments in the state investment pool.~~

37
38 ~~Any other investment that is permissible under W.S.A., § 66.0603 must~~
39 ~~first be approved by the finance committee.~~

3
4 ~~(c) — *Duty to obtain information.* The finance director shall communicate with~~
5 ~~financial institutions and avail himself/herself of other financial~~
6 ~~information on current or pending market conditions in making his/her~~
7 ~~decision on rates and maturities as well as the securities to be~~
8 ~~purchased. In making all investment decisions, the finance director shall~~
9 ~~endeavor to obtain the highest rate of interest offered only in accordance~~
10 ~~with the other stated objectives of this article.~~

11
12 (Ord. No. 87-218S, pt. 1(5.072(2)), 1-26-88; Ord. No. 2015-25S, pt. 1, 6-23-15)

13		
14		
15		Respectfully submitted,
16		
17	1st Reading	_____
18		FINANCE AND HUMAN RESOURCES
19	2nd Reading	_____
20		
21	BOARD ACTION	_____
22	Adopted	Donald J. Trottier, Chairman
23	For	_____
24	Against	_____
25	Absent	Robert N. Miller, Vice-Chairman
26		_____
27	VOTE REQUIRED:	<u>Majority M.E.</u> _____
28		John Wisch, Secretary
29	Prepared by:	_____
30	Corporation Counsel	Jason Eckman
31		
32		_____
33		Scott Maier
34		
35		_____
36		Nick Demske
37		
38		_____
39		Jody Spencer

40

41

42 **The foregoing legislation adopted by the County Board of Supervisors of**

43 **Racine County, Wisconsin, is hereby:**

44 **Approved:** _____

45 **Vetoed:** _____

46

47 **Date:** _____,

48

49 _____

50 **Jonathan Delagrave, County Executive**

ORDINANCE NO. 2023-

**ORDINANCE BY THE FINANCE AND HUMAN RESOURCES COMMITTEE
AMENDING THE RACINE COUNTY CODE OF ORDINANCES – CHAPTER 7,
ARTICLE VII – INVESTMENT OF FUNDS**

To the Honorable Members of the Racine County Board of Supervisors:

The Racine County Board of Supervisors does ordain as follows:

Part 1

Section 7-196 of the Racine County Code of Ordinances relating to the Investment policy is hereby amended to read as follows:

Sec. 7-196. – Investment policy.

1. Statement of purpose.

- (a) The purpose of the investment policy set out in this article is to establish guidelines for investments which are broad enough to allow the finance director to function properly within the parameters of responsibility and authority. It is also intended to be specific enough to establish a prudent set of basic procedures to assure that investment assets are adequately safeguarded. It assures that the fundamental principles concerning any investment program involving public moneys has four (4) basic ingredients: Legality, safety, liquidity and yield.
- (b) The goals of this investment policy are to ensure that the county's investment portfolio is managed for maximum return, both long and short term, in a manner that is consistent with good cash management practices and the safety of principal.
- (c) Specifically, this investment policy shall offer the necessary guidelines to attain the following goals and objectives:
 - (1) Legality of investments and instruments.
 - (2) Safety of funds invested.
 - (3) Adequate liquidity through marketability.
 - (4) Maximizing yield on all funds invested.
 - (5) Full investment of all available funds.

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(6) Investments must be consistent with the county's cash flow needs so as to avoid penalty for early liquidation.

2. *Investment guidelines.*

(a) *Purpose.* To establish the county's cash investment objectives, delegation of authority, standards of prudence, reporting requirements, internal controls, eligible investments, selection process for investments, investment management and advisory firms, diversification, and safekeeping requirements. This investment policy applies to all investment transactions and related activities of the county, except the investment of other post-employment benefits held for employees' retirement funds.

(b) *Definitions.*

- (1) *Credit risk* means the risk that all or part of the principal of, or interest due on, an investment will be lost due to the failure of the security issue or backer.
- (2) *Interest rate risk* means the risk that the market value of securities in the portfolio will fall due to changes in market interest rates.
- (3) *High grade* means securities rated in the highest or second highest rating category assigned by Standard and Poor's Corporation, Moody's Investors Service, Inc., or some other nationally recognized rating agency.
- (4) *Reinvestment risk* means the risk that cash flows from securities will be reinvested at a lower interest rate than the original investment.
- (5) *Investment officer* means the officer or employee of the county to whom is delegated the county board's investment authority pursuant to W.S.A. § 59.62(1).
- (6) *Designee* refers to a qualified individual appointed by the county executive.
- (7) *Finance committee* refers to the Racine County Finance and Human Resources Committee.
- (8) *LGIP* means the local government investment pools administered by the State of Wisconsin Investment Board.

3
4 (c) *Objectives.* The primary objectives of county investment activities
5 shall be the following in order of importance:

6
7 (1) *Safety of principal.* To preserve capital in the overall
8 portfolio, to protect investment principal, and to mitigate
9 credit risk, interest rate risk, and reinvestment rate risk.

10
11 (i) *Credit risk.* The county will minimize credit risk by
12 limiting investments to the safest types of securities,
13 pre-qualifying financial institutions and investment
14 advisors with which the county will do business, and
15 diversifying the investment portfolio so that the
16 impact of potential losses from any one (1) type of
17 security or from any one (1) individual will be
18 minimized.

19 (ii) *Interest rate risk.* The county will minimize interest
20 rate risk by structuring the investment portfolio so
21 that securities mature to meet cash requirements for
22 ongoing operations, thereby avoiding the need to sell
23 securities on the open market prior to maturity, and
24 investing the county's operating funds primarily in
25 shorter-term securities, money market mutual funds,
26 or similar investment pools. Investments should be in
27 high grade, actively traded securities.

28 (iii) *Reinvestment risk.* The county will minimize
29 reinvestment risk by carefully evaluating the use of
30 callable securities within the overall portfolio.

31
32 (2) *Liquidity.* The investment portfolio shall remain sufficiently
33 liquid to meet operating requirements which might be
34 reasonably anticipated. The portfolio shall be structured so
35 that securities mature concurrent with cash needs in order
36 to meet anticipated operational demands.

37 (3) *Yield.* To manage the investment portfolio to maximize
38 return consistent with the objectives and other risk
39 limitations described in this policy. The core of investments
40 is limited to relatively low risk securities in anticipation of
41 earning a fair return relative to

3 the risk assumed. Securities shall not be sold prior to
4 maturity with the following exceptions:

- 5
6 (i) A security with declining credit may be sold early to
7 minimize loss of principal.
8 (ii) A security swap may be entered into if it would
9 improve the quality, yield, or target duration in the
10 portfolio.
11 (iii) Liquidity needs of the portfolio require that the
12 security be sold.

- 13
14 (4) *Legal restrictions.* To manage the portfolio in conformity
15 with all applicable federal, state, and local laws as well as
16 Racine County's internal administrative procedures.
17 (5) *Other.* To allow deviation from Racine County Investment
18 Policy objectives when authorized by the county board, with
19 recommendation from the finance committee.

20
21 (d) *Standard of prudence.*

- 22
23 (1) The standard of prudence to be applied by the investment
24 officer to management of the overall portfolio shall be the
25 "prudent person rule" which can generally be stated in
26 terms of the following broad principle: Investments shall be
27 made with the judgment and care, under circumstances
28 then prevailing, which persons of prudence, character, and
29 intelligence exercise in the management of their own
30 affairs, not for speculation, but for investment, considering
31 the probable safety of their capital as well as the probable
32 income to be derived.
33 (2) The investment officer shall, in accordance with W.S.A., ch.
34 34, this investment policy, and county procedures, exercise
35 due diligence and ensure compliance with all regulations.
36 (3) Officers and employees involved in the investment process
37 shall refrain from personal business activity that could
38 conflict, or appear to conflict, with the proper execution and
39 management of the investment program, or that could
40 impair their ability to make impartial decisions. Officers and
41

3
4 employees shall disclose any material interests in financial
5 institutions with which they conduct business. They shall
6 further disclose any personal financial/investment positions
7 that could be related to the performance of the investment
8 portfolio.

9
10 (e) *Delegation of authority.*

- 11
12 (1) Pursuant to W.S.A., §§ 59.62 and 59.61(3), the county
13 board delegates to the finance director the authority to act
14 as the investment officer. The investment officer shall act in
15 accordance with established written procedures and
16 internal controls for the operation to oversee investment
17 transactions conducted on behalf of the county. The
18 investment officer may contract with one (1) or more
19 investment advisors with prior approval of the finance
20 committee and with sufficient funds available within the
21 county budget.
- 22 (2) The investment officer, or their designee appointed by the
23 county executive, shall have the authority to direct the
24 transfer of funds between accounts established for
25 investments as prescribed in administrative procedures.
- 26 (3) The investment officer, or their designee appointed by the
27 county executive, shall have the authority to sign
28 agreements and contracts related to investments on behalf
29 of the county as prescribed in administrative procedures.
- 30 (4) Pursuant to W.S.A., § 59.61(2), the county board delegates
31 the responsibility for designating approved county financial
32 depositories, broker/dealers, and investment advisors to the
33 finance committee. The finance committee delegates the
34 monitoring of these approved financial depositories,
35 broker/dealers, and investment advisors to the investment
36 officer. The investment officer shall bring forth any concerns
37 or recommended changes of approved institutions and
38 vendors to the finance committee as needed.
- 39 (5) The county treasurer shall ensure timely transfer of
40 appropriate funds in accordance with authorized investment
41 transactions and pursuant to all county policies.

3
4 (6) The county treasurer is responsible for maintaining
5 adequate levels of cash in the county's operating account
6 necessary for day-to-day cash flow. Any requirement for
7 large or non-recurring disbursements of cash shall be
8 reported by the county treasurer to the investment officer in
9 order to provide sufficient notice of investment impact.

10 (7) The county board authorizes any two (2) of either the
11 county clerk, county executive, and/or investment officer to
12 sign cash and investment authorization agreements and
13 contracts with approved depositories.

14
15 (f) *Reporting requirements.*

16
17 (1) The investment officer shall provide the finance committee
18 with copies of a portfolio performance report on a quarterly
19 basis and when a specific request is made. The report shall
20 summarize the investment strategies employed; describe
21 the portfolio in terms of investment securities, maturity
22 dates, risk characteristics; and indicate any areas of policy
23 concern and suggested or planned revision of investment
24 strategies. Between reporting periods, the investment
25 officer shall notify the finance committee of any unusual
26 investment activities or events. The report will provide an
27 analysis of the status of the current investment portfolio and
28 transactions made over the last quarter prepared in a
29 manner that will allow the finance committee to ascertain
30 whether investment activities during the reporting period
31 have conformed to the investment policy. The report shall
32 include the following:

33
34 (i) A listing of individual securities held at the end of the
35 reporting period;

36 (ii) Realized and unrealized gains or losses resulting
37 from appreciation or depreciation by listing the cost
38 and market value of securities over a one-year
39 duration that are not intended to be held until
40 maturity;

- 3
- 4 (iii) Average weighted yield to maturity of portfolio on
- 5 investments as compared to applicable benchmarks;
- 6 (iv) Listing of investment by maturity date; and
- 7 (v) Percentage of the total portfolio which each type of
- 8 investment represents.

- 9
- 10 (2) The investment officer, or their designee appointed by the
- 11 county executive, shall be responsible for projecting cash
- 12 flows for a minimum of five (5) years for use in evaluating
- 13 investment options. The county treasurer shall provide to
- 14 the investment officer, on a timely basis, all information
- 15 necessary to maintain a current cash projection.
- 16 (3) The investment officer shall immediately report any/all
- 17 investment issues or concerns to the county executive. The
- 18 county executive shall report any significant investment
- 19 issues or concerns to the finance committee, as
- 20 appropriate.

21

22 (g) *Internal controls.*

- 23
- 24 (1) The finance director shall establish a system of internal
- 25 controls which shall be reviewed by the county's
- 26 independent auditor during the annual audit. The controls
- 27 shall be designed to prevent loss of public funds due to
- 28 fraud, error, misrepresentation by another party, or
- 29 imprudent actions by an employee or employees of the
- 30 county. Adherence to these procedures will be monitored
- 31 by the assistant finance director or designee appointed by
- 32 the county executive.

33

34 (h) *Eligible investments.*

- 35
- 36 (1) *Allowable investments.* Subject to limitations as may be
- 37 imposed by law, funds will only be invested in any of the
- 38 following investments:
- 39
- 40 (i) U.S. Treasury obligations and government securities.
- 41 Obligations of the United States of America, its

3
4 agencies and instrumentalities, provided that the
5 payment of the principal and interest is fully
6 guaranteed by the issuer.

7 (ii) Certificates of deposit. Certificates of deposit and
8 other evidences of deposit at credit unions, banks,
9 savings banks, trust companies or savings and loan
10 associations. No collateral is required for DTC
11 eligible certificates of deposit rated in one (1) of the
12 two (2) highest rating categories by at least one (1)
13 nationally recognized rating agency at purchase.

14 (iii) Municipal debt instruments. Municipal debt
15 instruments of any county, city, drainage district,
16 vocational college, village, town or school district of
17 the State of Wisconsin, if the bond, note, or security
18 is rated in one (1) of the two (2) highest rating
19 categories assigned by Standard and Poor's
20 Corporation, Moody's Investors Service, Inc., or
21 other similar nationally recognized rating agency.

22 (iv) Local government investment pools, either state-
23 administered, the State of Wisconsin Investment
24 Board's Local Government Investment Pool (LGIP),
25 or created through joint powers statutes and/or other
26 intergovernmental agreement legislation.

27 (v) Repurchase agreements. Investment agreements
28 pursuant to which a federal or state credit union,
29 federal or state savings and loan association, state
30 bank, savings and trust company, mutual savings
31 bank, or national bank in the state agrees to repay
32 funds advanced to it by the issuer, plus interest.
33 Repurchase agreements are to be secured by
34 investment securities fully guaranteed by the U.S.
35 government.

36 (vi) Reserved.

37 (vii) Money market funds. Open ended money market
38 funds, restricted to investments permitted by W.S.A.,
39 § 66.0603(1m)(c), and limited to a maximum average
40 maturity of one hundred twenty (120) days or less.
41 This limit does not apply to the LGIP investments.

- 3
- 4 (viii) Corporate bonds. Must be rated in one (1) of the two
5 (2) highest rating categories by at least one (1)
6 nationally recognized rating agency at purchase.
7 Bonds downgraded should be reviewed regularly to
8 determine if they remain appropriate for the county's
9 portfolio. It is not necessary to immediately sell the
10 security if doing so would disadvantage the overall
11 performance of the portfolio.
- 12 (ix) Foreign securities. Investments in securities issued
13 by foreign entities must be denominated in U.S.
14 dollars, and must be rated in one (1) of the two (2)
15 highest rating categories by at least one (1)
16 nationally recognized rating agency at purchase.
- 17 (x) Any security which matures or which may be
18 tendered for purchase at the option of the holder
19 within not more than seven (7) years of the date it
20 was acquired, if that security has a rating in one (1)
21 of the two (2) highest rating categories by at least
22 one (1) nationally recognized rating agency at
23 purchase or if that security is senior to, or in parity
24 with, a security of the same issuer which has such a
25 rating.
- 26 (xi) Any other investment that is permissible under
27 W.S.A. § 66.0603 must first be approved by the
28 finance committee.

29

30 (2) *Eligible amounts.* The investment officer shall ensure
31 amounts on deposit do not exceed collateralized amounts
32 guaranteed by the financial institution, consistent with this
33 written policy.

34

35 (i) *Prohibited investments.* In addition to the limitations placed on
36 investment types by state statutes, the following additional
37 restrictions will apply to any investment made by the county:
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- (1) County funds will not be invested in derivative investments such as collateralized mortgage obligations (other than those issued and guaranteed by government sponsored enterprise, Fannie Mae and Freddie Mac, or Ginnie Mae), strips, or floaters.
- (2) Leveraged investments. No investments shall be made in reverse repurchase agreements nor shall any investments be made with funds borrowed through the use of county investment assets as collateral.

(j) *Collateralization.* Any deposit(s) invested over the Federal Deposit Insurance Corporation insured amount are to be fully collateralized under the specific requirements set forth below at subsection (k) – *Safekeeping*, except for those high grade DTC eligible certificates of deposit referenced above in subsection (h)(1)ii – Certificates of deposit.

(k) *Safekeeping.*

- (1) All investment institutions acting as a depository for the county must enter into a depository agreement requiring the depository asset to pledge collateral to secure amounts over and above guaranteed amounts. All securities serving as collateral shall be specifically pledged to the county (not as part of a pooled fund) and placed in a custodial account at a Federal Reserve Bank, a trust department of a commercial bank, or through another financial institution. The custodian may not be owned or controlled by the depository institution or its holding company unless it is a separately operated trust institution. The custodian shall send statements of pledged collateral to the treasurer's office on a monthly basis.
- (2) Amounts in excess of Federal Deposit Insurance Corporation insured amounts must be fully collateralized and held by a third party or fully insured by an insurance company with an A rating or better by A.M. Best. Acceptable collateral includes the following:

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- (i) Securities of the U.S. Treasury or U.S. Governmental Agency as defined by the Federal Reserve;
- (ii) U.S. government guaranteed securities such as those issued through the Small Business Administration are acceptable as long as they are fully guaranteed;
- (iii) Reserved;
- (iv) General obligations of municipalities are acceptable to the extent that they are rated second highest or higher by Standard and Poor's Corporation, Moody's Investors Service, Inc., or other similar nationally recognized rating agency (i.e., AAA or AA classifications).

(3) Collateral held by a trust institution supporting certain deposits, repurchase agreements, or other qualified investments consistent with this investment policy, and not identified above in subsection (h)(1)i – U.S. Treasury obligations and government securities, and subsection (h)(1)ii – Certificates of deposit, must meet the following requirements:

- (i) Collateral must be equal to at least one hundred (100) percent of market value of the total amount invested plus interest to be earned at the time of investment. Collateral shall be marked to market on a monthly basis;
- (ii) Acceptable collateral includes items identified in subsection (k)(2) above;
- (iii) A detailed statement listing a description of securities pledged and held in safekeeping must be provided on a monthly basis; and
- (iv) Evidence of professional liability insurance and fidelity bonds.

3
4 (l) *Investment parameters.*

5
6 (1) *Performance standards.* The investment portfolio will be
7 designed to obtain a market average rate of return taking
8 into account the county's investment risk constraints and
9 cash flow needs. Given the nature of the county's
10 investment strategy, the basis used to determine whether
11 market yields are being achieved shall be performance
12 benchmarks recommended by the investment officer and
13 approved by the finance committee.

14 (2) *Maximum maturities.* To the extent possible, the county will
15 attempt to match its investments with anticipated cash flow
16 requirements.

17 (3) *Diversification.* The portfolio shall be diversified to avoid
18 over-concentration in securities from a specific issuer or
19 market sector.

20 (i) No more than five (5) percent of the total portfolio
21 should be invested in any one (1) issuer, excluding
22 obligations of the United States of America, its
23 agencies and instrumentalities;

24 (ii) No more than seventy (70) percent of the portfolio
25 should be invested in corporate bonds, including
26 asset-backed securities; and

27 (iii) No more than twenty (20) percent of the total
28 portfolio should be invested in foreign securities.

29
30 (m) *Duty to obtain information.*

31
32 (1) The finance director shall communicate with financial
33 institutions and avail him/herself of other financial
34 information on current or pending market conditions in
35 making his/her decision on rates and maturities as well as
36 the securities to be purchased. In making all investment
37 decisions, the finance director shall endeavor to obtain the
38 highest rate of interest offered only in accordance with the
39 stated objectives of this policy.
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(n) *Amendments.* The provisions of this policy shall be reviewed on an annual basis by the investment officer and reported to the finance committee in a timely manner. Recommendations for changes shall be submitted to the finance committee.

9 (Ord. No. 87-218S, pt. 1(5.071), 1-26-88; Ord. No. 2015-25S, pt. 1, 6-23-15; Ord. No.
10 2015-81, pt. 1, 12-1-15)

11 **Part 2**

12

13 Section 7-201 of the Racine County Code of Ordinances relating to Investments is
14 hereby amended to read as follows:

15

16 **Sec. 7-201. – Reserved.**

17

18 (Ord. No. 87-218S, pt. 1(5.072(2)), 1-26-88; Ord. No. 2015-25S, pt. 1, 6-23-15)

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Respectfully submitted,

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22
23 1st Reading _____

**FINANCE AND HUMAN RESOURCES
COMMITTEE**

24
25 2nd Reading _____

26
27 BOARD ACTION

Donald J. Trottier, Chairman

28 Adopted _____

29 For _____

30 Against _____

Robert N. Miller, Vice-Chairman

31 Absent _____

32

33 VOTE REQUIRED: Majority M.E.

John Wisch, Secretary

34

35 Prepared by:
36 Corporation Counsel

Jason Eckman

37

Scott Maier

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Nick Demske

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Jody Spencer

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1 Ordinance No. 2023-

2 Page Fourteen

3

4 **The foregoing legislation adopted by the County Board of Supervisors of**
5 **Racine County, Wisconsin, is hereby:**

6 **Approved: _____**

7 **Vetoed: _____**

8

9 **Date: _____,**

10

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12

Jonathan Delagrave, County Executive

REQUEST FOR COUNTY BOARD ACTION

YEAR	2024	X	Resolution Request
			Ordinance Request
			Report Request

Requestor/Originator: Human Services Department Director Hope Otto

Person knowledgeable about the request who will appear and present before the Committee and County Board (2nd Reading) Hope Otto
 If a person is not in attendance the item may be held over.

Does the County Executive know of this request: Yes

If related to a position or position change, Does the Human Resources Director know of this request: Yes

Does this request propose the expenditure, receipt or transfer of any funds? No

If the answer is "YES". A fiscal note is required. If Fiscal Note is not created by Finance, send to Finance & Budget Manager before it goes to Committee.

Committee/Individual Sponsoring: Finance & Human Resources Committee

Date Considered by Committee: 3/20/2024 **Date of County Board Meeting to be Introduced:** 3/26/2024

1st Reading: **1st & 2nd Reading:** *

* If applicable, include a paragraph in the memo explaining why 1st and 2nd reading is required.

Signature of Committee Chairperson/Designee: _____

SUGGESTED TITLE OF RESOLUTION/ORDINANCE/REPORT:

Authorize the reclassification of 1 FTE Youth Program Tech N120 to Youth Program Coordinator N125; Funding 2 previously unfunded Safety & Security Workers N120; and creation of 8 Safety & Security Workers all effective 6/29/24 and use of sufficient ARPA funds within the 2024 Budget.

The suggested title should contain what the Committee is being asked to take action on (ex: Authorize, Approve) . If the action includes a transfer this must be included in the title.

SUBJECT MATTER:

The attached memo describes in detail the nature of resolution /ordinance /report and any specific facts which you want included in resolution/ordinance/report must be attached.

If requesting a multi year contract a copy of the contract or draft contract must be attached

Any request which requires the expenditure or transfer of funds must be accompanied by a fiscal note that shows the specific amount being transferred and the account number from which these funds will be taken and to which they will be transferred.

THIS FORM MUST BE FILLED OUT COMPLETELY PRIOR TO YOUR APPEARANCE BEFORE A COMMITTEE.

FTE	POSITION	GRADE	WAGES	FRINGES	CONTRACT	TOTAL
Positions will be effective June 29, 2024						
HUMAN SERVICES						
(1)	YOUTH PROGRAM TECH POSITION #11094 SAFETY & SECURITY WORKER-UNFUNDED-Postion #'s	N120	(51,511)	(23,960)		(75,471)
(2)	11201 and 11202	N120	0	0		0
1	YOUTH PROGRAM COORDINATOR SAFETY & SECURITY WORKER (8 NEW AND FUNDING	N125	55,783	24,765		80,548
10	POSITIONS 11201 AND 11202)	N120	515,110	239,600		754,710
<u>8.000</u>	Total for HUMAN SERVICES		<u>519,382</u>	<u>240,405</u>	-	<u>759,787</u>

* Note: Position will be funded by sufficient ARPA funds within the 2024 budget.

March 11th ,2024

TO: Don Trottier
Chairman, Finance Committee

FROM: Hope Otto
Human Services Director

RE: Creation of 8 Safety and Security Youth Worker positions, refund 2
current Safety and Security positions, reclass Youth Program Tech to
Youth Program Coordinator

With the Youth Development and Care Center well on its way to completion we are looking to better position ourselves for success, safety, and stability by refunding 2 FTE Safety and Security Youth Worker positions and creation of 8 FTE Safety and Security Youth Worker positions. In order to meet state standards and minimum statute requirements regarding youth and staffing ratios we will need to add these additional 10 positions prior to January 2025. Our goal is to get these 10 positions hired with a start date in early July to ensure we have time to complete all of our pre-requisite trainings prior to them attending the Secure Juvenile Detention Worker training the first week of August. With these 10 additions we will have the required number of Safety and Security Youth Workers needed to open the YDCC in January of 2025. This hiring in the summer of 2024 will allow us to provide our new staff with the needed time and training to assist us with a seamless transition into the new facility.

I am requesting to reclass 1 FTE Youth Program Tech to a Youth Program Coordinator within our current ACE (Alternatives to Corrections through Education) program. We currently have 4 Youth Program Coordinator positions and one Youth Program Tech. We are looking to streamline this unit and its positions to better serve the youth in our facility. Having all positions align allows for us to have an ease of scheduling/services without having to hit barriers due to the limitations of the Youth Program Tech role. This will also provide a better ratio of youth-to-Youth Program Coordinator for more one on one communication and services.

Sincerely,

Hope Otto, Director
Racine County Human Services Department

REQUEST FOR COUNTY BOARD ACTION

YEAR	2024	X	Resolution Request
			Ordinance Request
			Report Request

Requestor/Originator: Public Works Director Roley Behm

Person knowledgeable about the request who will appear and present before the Committee and County Board (2nd Reading) Patrice Brunette
If a person is not in attendance the item may be held over.

Does the County Executive know of this request: Yes

If related to a position or position change, Does the Human Resources Director know of this request: N/A

Does this request propose the expenditure, receipt or transfer of any funds? Yes

If the answer is "YES". A fiscal note is required. If Fiscal Note is not created by Finance, send to Finance & Budget Manager before it goes to Committee.

Committee/Individual Sponsoring: Finance and Human Resources Committee

Date Considered by Committee: 3/20/2024 Date of County Board Meeting to be Introduced: 3/26/2024

1st Reading: 1st & 2nd Reading: *

* If applicable, include a paragraph in the memo explaining why 1st and 2nd reading is required.

Signature of Committee Chairperson/Designee: _____

SUGGESTED TITLE OF RESOLUTION/ORDINANCE/REPORT:

Authorize the acceptance of up to \$200,000 from the WI Department of Transportation for the purchase of a brine maker, accessories and building modifications and transfer within the Public Works and Development Services 2024 Budget.

The suggested title should contain what the Committee is being asked to take action on (ex: Authorize, Approve) . If the action includes a transfer this must be included in the title.

SUBJECT MATTER:

The attached memo describes in detail the nature of resolution /ordinance /report and any specific facts which you want included in resolution/ordinance/report must be attached.

If requesting a multi year contract a copy of the contract or draft contract must be attached

Any request which requires the expenditure or transfer of funds must be accompanied by a fiscal note that shows the specific amount being transferred and the account number from which these funds will be taken and to which they will be transferred.

THIS FORM MUST BE FILLED OUT COMPLETELY PRIOR TO YOUR APPEARANCE BEFORE A COMMITTEE.

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4 **RESOLUTION BY THE FINANCE AND HUMAN RESOURCES COMMITTEE**
5 **AUTHORIZING THE ACCEPTANCE OF UP TO \$200,000.00 FROM THE WISCONSIN**
6 **DEPARTMENT OF TRANSPORTATION FOR THE PURCHASE OF A BRINE MAKER,**
7 **ACCESSORIES AND BUILDING MODIFICATIONS AND TRANSFER WITHIN THE**
8 **PUBLIC WORKS AND DEVELOPMENT SERVICES 2024 BUDGET.**

9
10 To the Honorable members of the Racine County Board of Supervisors:

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12 **BE IT RESOLVED** by the Racine County Board of Supervisors that the transfer of
13 funds set forth in Exhibit "A" that is attached hereto to the Public Works Fleet 2024 budget
14 is authorized and approved.

15
16 **BE IT FURTHER RESOLVED** by the Racine County Board of Supervisors that the
17 capital purchase of a brine maker, truck fill flex and storage tanks with related building
18 modifications is hereby authorized and approved.

19
20 Respectfully submitted,

21
22 1st Reading _____

**FINANCE AND HUMAN RESOURCES
COMMITTEE**

23
24 2nd Reading _____

25
26 BOARD ACTION

Donald Trottier, Chairman

27 Adopted _____

28 For _____

29 Against _____

30 Absent _____

Robert D. Grove, Vice-Chairman

31
32 VOTE REQUIRED: 2/3 M.E.

John A. Wisch, Secretary

33
34 Prepared by:
35 Public Works and Development
36 Services Department

Nick Demske

Jody Spencer

Scott Maier

Jason Eckman

4
5 **The foregoing legislation adopted by the County Board of Supervisors of**
6 **Racine County, Wisconsin, is hereby:**

7
8 **Approved:** _____
9 **Vetoed:** _____

10
11 **Date:** _____,

12
13 _____
14 **Jonathan Delagrave, County Executive**

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16
17 **INFORMATION ONLY**

18
19 **WHEREAS**, the Racine County Public Works and Development Services is
20 requesting approval for the acceptance of up to \$200,000.00 from the Wisconsin
21 Department of Transportation to purchase and operate a brine maker, truck fill flex and
22 storage tanks; and

23
24 **WHEREAS**, the cost of this equipment will be paid with state funding and will be
25 listed as a capital asset in Racine County's records; and

26
27 **WHEREAS** other equipment and assets paid for through DOT funding have been
28 treated similarly; and

29
30 **WHEREAS**, there will be no impact on Public Works operating budget; and

31
32 **WHEREAS**, quotes for the equipment in the amount of \$152,950.00 have been
33 received.

34
35 **WHEREAS**, an estimated amount of \$30,000.00 will be transferred and used for
36 building modifications required for the installation of the equipment.
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