

DODGE COUNTY FINANCE COMMITTEE

January 12, 2016, 8:00 A.M.

FIRST FLOOR AUDITORIUM – ROOMS H and I

DODGE COUNTY ADMINISTRATION BUILDING, JUNEAU WI 53039

The meeting was called to order by Dodge County Finance Committee Chairman, Dave Frohling, at 8:00 a.m.

Members present from the Finance Committee: Adelmeyer, Frohling, Gohr, Schaefer, and Uttke.

Member absent: None.

Others present: County Board Chairman Russell Kottke, County Administrator Jim Mielke, Finance Director Julie Kolp, Deputy County Clerk Christine Kjornes, Information Technology Director Ruth Otto, Physical Facilities Director Russ Freber, Dodge County Medical Examiner PJ Schoebel, Captain of the Dodge County Sheriff's Department Trace Frost, Highway Commissioner Brian Field, Clearview Administrator Jane Hooper, Human Services and Health Director Janet Wimmer, Fiscal Support Services Division Manager Ken Kamps, Clearview Director of Finance Bill Wiley, and County Treasurer Patti Hilker.

Finance Director Julie Kolp certified the public notice given for this meeting complies with the requirements of Wisconsin's open meetings law.

Motion by Uttke, seconded by Gohr to allow the chair to deviate from the agenda at his discretion. Motion carried.

Motion by Schaefer, seconded by Adelmeyer to approve the December 8, 2015 minutes as presented. Motion carried by a vote of 3 yes and 2 noes (Gohr and Uttke). Supervisor Uttke requested an amendment to the December 8, 2015 minutes, as follows: On Page 5 of 6 of the December 8, 2015 minutes, the 3rd line down from the top of the 3rd paragraph, that states: "Ms. Wimmer reported that each one of the findings has been addressed, checks and balances have been implemented", Mr. Uttke would also like to include: "Supervisor Uttke took exception to Ms. Wimmer's statement that checks and balances have been implemented because they have been addressed, but not all implemented". Motion by Gohr, seconded by Uttke to amend the minutes to include the statement that Supervisor Uttke took exception to Ms. Wimmer's statement that checks and balances have been implemented because they have been addressed, but not all implemented. Motion carried. Motion by Uttke, seconded by Gohr to approve amended minutes as presented. Motion carried.

The Committee had a brief discussion on the request from the Sheriff's Department to purchase ammunition from Kiesler's Police Supply Inc, in the total amount of \$14,947.28. Supervisor Gohr requested that future purchase requests need to include the case quantity. Motion by Gohr, seconded by Uttke to approve the purchase of ammunition from Kiesler's Police Supply Inc., in the total amount of \$14,947.28. Motion carried.

Physical Facilities Director Russ Freber provided an oral report to the Committee regarding the use of the Jail Improvement Fund for the purchase of services from DK'S Electrostatic Painting, LLC, for the painting of railings and stairwells located in the Dodge County Detention Facility. Mr. Freber reported he has received a quote from DK'S Electrostatic Painting, LLC, in the

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amount of \$6,400.00, for the taping and painting of the railings and stairwells, located in Pod D & Pod C, in the Dodge County Detention Facility. Mr. Freber further reported that the maintenance department has sanded and repainted the railings and stairwells in Pod D & Pod C, but cannot find a high quality paint that can withstand the damage done by inmates. Mr. Freber reported that the maintenance department will perform prep work on the railings and stairwells prior to DK'S Electrostatic Painting LLC arrival. Supervisor Adelmeyer asked if the railings and stairwells need to be painted. Mr. Freber answered that the railings and stairwells may rust because they are not stainless steel. Motion by Uttke, seconded by Schaefer to approve the use of the Jail Improvement Fund, in the amount of \$6,400.00, for the purchase of services from DK'S Electrostatic Painting, LLC, for the painting of railings and stairwells located in the Dodge County Detention Facility. Motion carried.

Captain of the Dodge County Sheriff's Department Trace Frost appeared before the Committee and reported that the case quantity for pistol ammunition to be purchased from Kiesler's Police Supply Inc. is 1,000, and the case quantity to be purchased from Kiesler's Police Supply Inc. for rifle ammunition is 500. Supervisor Gohr requested that future purchase requests include the case quantity.

Dodge County Medical Examiner PJ Schoebel provided an oral report to the Committee regarding a Contingency Fund Transfer request, in an amount not to exceed \$10,000.00, to be used for Autopsy Services and Forensic Testing. Mr. Schoebel reported that there was an increase in the number of non-reimbursable autopsies in the year 2015, but there was a decrease in the number of reimbursable autopsies, which includes autopsies performed on prisoners. Mr. Schoebel reported that the price of autopsies and forensic testing has increased, but he does not anticipate going over the \$10,000.00. Motion by Schaefer, seconded by Uttke to approve the Contingency Fund Transfer to Business Unit 2501, in an amount not to exceed \$10,000.00, for Autopsy Services and Forensic Testing, for the 2015 budget year. Motion carried.

Administrator Mielke provided an oral report to the Committee regarding the Request for Proposals (RFP) for borrowing, in the amount not to exceed \$2.0 million dollars, for the construction of a satellite Highway Shop in Neosho, Wisconsin. Mr. Mielke reviewed the document entitled *Neosho Shop Contract and Funding Timeline* that was included in the Finance Committee meeting packet materials. Mr. Mielke reported that \$1.9 million is included in the budget, bids would be submitted to Dodge County Clerk Karen Gibson. The project bid opening is scheduled for February 11, 2016. Mr. Mielke further reported that a full presentation related to the project will take place at the March 15, 2016 County Board meeting. The Committee had a discussion regarding the details of the borrowing proposal that should be included in the letter to Dodge County Lenders. Motion by Uttke, seconded by Schaefer to require the proposal submitted by Dodge County Lenders to include a three year term, five year term, and seven year term; level principle in annual payments; a fixed interest rate; and a no pre-payment penalty. Motion carried.

Ms. Kolp provided an oral report to the Committee regarding the Financial Plan for Petroleum Environmental Cleanup Fund Award (PECFA). Ms. Kolp reported that Dodge County has had a PECFA cleanup site, located in the City of Mayville, since 1993. Ms. Kolp further reported that

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Dodge County is still liable for this property, even though we have sold this property. Ms. Kolp contacted BMO Harris Bank because Dodge County had a line of credit with the bank, but a representative for BMO Harris Bank stated that the line of credit had been closed due to the lack of use. Ms. Kolp reported that she has had discussions with County Treasurer Patti Hilker and Assistant Highway Commissioner Peter Thompson, and Dodge County is temporarily paying the bills for the property, and then the County is reimbursed. Ms. Kolp further reported that Dodge County will not seek another line of credit because the program will be ending in the year 2020, and line item number 1337 has been created for PECFA in the Dodge County Budget.

Mr. Mielke provided an oral update to the Committee regarding Clearview Balance Reconciliation. Mr. Mielke reported that Clearview Director of Finance Bill Wiley, Ms. Kolp, a representative from Johnson Block, held a conference call on January 5, 2016 to review material weakness 2014-001. Ms. Kolp stated that the conference call was for accounts receivables only and they have many other balance sheet accounts that need to be looked at, evaluated, documented, and reconciled. Supervisor Uttke requested monthly written updates from Mr. Wiley. Mr. Mielke reported that an update will be provided at the February Finance Committee meeting.

Human Services and Health Director Janet Wimmer provided an oral report to the Committee regarding the 2015 Johnson Block Audit Findings. Ms. Wimmer distributed to the Committee members a document entitled *Human Services and Health Department, Documentation of the Review of Processes to Ensure Policy Compliance and Compliance with the 2015 Johnson Block Single Audit Findings*, and a document entitled *Human Services and Health Department Policies and Procedures*. Ms. Wimmer reported that there is a policy for each one of the audit findings, and the policy outlines the steps, has a sign off sheet, and additional reports. Ms. Wimmer further reported that a review will be performed prior to any annual audits, and she anticipates that all of the policies will be finalized and implemented in eight to ten weeks. Supervisor Uttke asked if there is documentation that employees have been trained on the policies. Ms. Wimmer responded that yes, there will be employee training records. Ms. Wimmer reported that presently the policies are in the testing phase, and once the department goes through the policy to make sure it works, the policy will be finalized and implemented.

Ms. Kolp provided an oral report to the Committee regarding a proposed policy to review separate claims (invoices) against Dodge County in amounts of \$10,000 or more. Ms. Kolp reported that Corporation Counsel John Corey drafted a policy regarding the review of claims exceeding \$10,000. Ms. Kolp further reported that in reviewing the draft policy, dated January 11, 2016, she added the following statement to item number one: "The purpose of review by the Dodge County Finance Department is to verify compliance with the Dodge County Budget Control Policy, a copy of which is attached hereto". Ms. Kolp stated that a claim is any bill or any accounts payable. Ms. Kolp reported that the Finance Department reviews the claims over \$10,000, and if there are any concerns, she forwards the claim to the respective department, then the claim is reviewed by Mr. Mielke, and then the claim would be forwarded to the Finance Committee for their approval. Motion by Uttke, seconded by Adelmeyer to approve the amended proposed policy regarding the review of separate claims against Dodge County in amounts of \$10,000 or more, dated January 11, 2016. Motion carried. Dodge County Highway

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Commissioner Brian Field stated that the Highway Department has never had to have a review of purchases of \$10,000 or more, and all bills go to the Highway Committee for review. Supervisor Frohling stated that the policy states that the review of purchases of \$10,000 or more applies to all Dodge County Departments/Offices, and that it is important that the Finance Department reviews the claims.

Supervisor Frohling provided an oral report to the Committee regarding the language following the fiscal note on Resolutions. Supervisor Frohling reported that there has been discussions on eliminating the “Vote by Finance Committee Members to Recommend Approval of this Resolution:” statement from Resolutions. Supervisor Frohling further reported that the Finance Committee reviews the fiscal impact. Motion by Schaefer, seconded by Uttke to keep the Fiscal Note box, but eliminate the “Vote by Finance Committee Members to Recommend Approval of this Resolution” statement from Resolutions. Motion carried.

Ms. Kolp provided an oral update to the Committee regarding a Resolution to hire Government Finance Officers Association (GFOA) as a consultant. Ms. Kolp reported that Mr. Mielke, Information Technology Director Ruth Otto, Supervisor Dave Frohling, and herself participated in a conference call with Mike Mucha from GFOA to review terms of the proposal. Corporation Counsel John Corey has also reviewed the proposal. Ms. Kolp further reported that she has included in the Finance Committee meeting packet materials a memo dated January 11, 2016, from Mr. Corey, in which Mr. Corey provides his findings in the review of the revised proposal to Dodge County, Wisconsin, for Business Process Improvement and Enterprise Resource Planning (ERP) Advisory Services originally dated November 2, 2015, and revised December 2, 2015 submitted GFOA. Ms. Kolp reported that the draft Resolution will be discussed at the Information Technology meeting that is scheduled for January 13, 2016. Ms. Otto stated that GFOA is a consulting service that will gather information, look at the system Dodge County will be purchasing, and then meet with departments to show them how the new ERP system will work. The Committee had a discussion on the importance of designating individuals that would have the responsibility and authority to make decisions regarding the implementation process. Supervisor Frohling suggested that a paragraph could be added to the Resolution to include this designation of responsibility and authority regarding the implementation process.

County Treasurer Patti Hilker provided an oral report to the Committee regarding County Investments. Ms. Hilker reported that a new tax and settlement program has been implemented, and money is coming in on settlements. Ms. Hilker further reported that there were no big changes in investments in October of 2015, but in November of 2015, Ms. Hilker invested in a CD through Wells Fargo, and interest added will be seen going forward. Ms. Hilker reported that in December of 2015, Dodge County received \$1.0 million including interest, and she will re-invest that amount with Landmark Credit Union.

Supervisor Frohling reported that the estimated year end of the County Sales Tax Remittances was \$5,732,174.

Ms. Kolp provided a brief update to the Committee on Kronos. Ms. Kolp reported that the Sheriff's Department is in the process of switching from Telestaff to Advanced Scheduler, the

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talent acquisition portion is still being worked on, which will allow job applications to be submitted electronically, and Ms. Eske is working on implementing the employee performance evaluations portion of Kronos. Ms. Kolp further reported that the Highway Department will not be implementing activities, but the Maintenance Department will.

Mr. Mielke provided an oral report to the Committee regarding the Dodge County Leaders Consortium. Mr. Mielke reported that on January 4, 2016, County Board Chairman Russell Kottke, Supervisor Donna Maly, Supervisor MaryAnn Miller, Supervisor Jeff Berres, and himself attended a meeting in the City of Beaver Dam, that was chaired by the City of Beaver Dam Mayor Tom Kennedy. Mr. Mielke reported that sales tax sharing was discussed at the meeting, and the Consortium will meet again in April.

Mr. Mielke provided an oral update to the Committee regarding the External Audit Review Oversight Committee. Mr. Mielke reported that Ms. Kolp, Supervisor Maly, Ms. Wimmer, Fiscal Support Services Division Manager Ken Kamps, and himself met on January 5, 2016, to discuss the status of the Baker Tilly findings, and provide feedback from the December 7, 2015 meeting.

Ms. Kolp provided an oral report to the Committee regarding unclaimed funds. Ms. Kolp reported that in 2007, the Clerk of Courts did an assessment of old unclaimed funds which totaled in the amount of \$24,000, and recently, it was \$40,000. Ms. Kolp further reported that Clerk of Courts Deputy Pam Knapp researched the Wisconsin State Statutes, and Ms. Knapp found out that unclaimed funds need to be held for ten years, and after that, the unclaimed funds can be turned over to the County Treasurer if there is no claim against those funds.

Ms. Kolp provided a brief update to the Committee regarding an Internal Revenue Service (IRS) penalty. Ms. Kolp reported that the IRS has received Dodge County's appeal to the denial of its Request for Abatement of Penalties, and the appeal has been forwarded to another department within the IRS. Ms. Kolp further reported that a teleconference will be scheduled between Attorney Matthew McLaughlin from Zetley Law Offices, S.C., and the IRS to discuss the appeal by Dodge County.

The next regular meeting is scheduled on Tuesday, February 9, 2016, at 8:00 a.m., in the Auditorium, located on the first floor of the Administration Building.

With no other business on the agenda, Chairman Frohling declared the meeting adjourned at 10:05 a.m.



Gerald Adelmeyer,
Secretary

Disclaimer: The above minutes may be approved, amended or corrected at the next committee meeting.