

**Finance Committee Regular Meeting**  
Minutes of the September 13, 2016

Dodge County Finance Committee Chairman, Dave Frohling called the Finance Committee meeting to order at 4:30 p.m. on Tuesday, September 13, 2016 in Room H & I – Auditorium of the Administration Building. Chairman Frohling took roll and the following members were present: Frohling, Schaefer, and Benter. Uttke was excused.

Building Committee members present: Dennis Schmidt, Mark Roesch, Jeffrey Caine, and Cathy Houchin

Others present: County Board Chairman Russ Kottke, Supervisor Larry Bischoff, Mielke, Kolp, Lifke, Drays, , Ruth Otto, Joyce Fiacco, Ken Kamps, Becky Bell, Brian Field, Lori Fett, Russ Freber, Scott Smith, Sheriff Dale Schmidt, Karen Gibson, Sarah Eske, Bill Wiley, Bill Ehlenbeck, Joe Meagher, Amy Nehls, Chris Planasch.

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

Motion by Benter and 2<sup>nd</sup> by Schaefer to allow the chair to deviate from the agenda at his discretion. Motion carried with unanimous approval.

Motion by Benter and 2<sup>nd</sup> by Schaefer to approve August 9, 2016 regular committee meeting minute with a change to page 2, paragraph 5 to read: "According to Kolp, the percentage of 2016 payable 2017 allowable levy increase is be based on the percent of 2016 Net New Construction for 2015 equalized value" instead of "According to Kolp, the percentage of allowable 2016 levy increase is be based on the percent of 2016 Net New Construction for 2015 equalized value". Motion carried 4-1. Fink abstained.

Bill Wiley, Director of Financial Services appeared before committee members to presented Clearview's 2017 Capital Improvement Plan (CIP) requests. Clearview's request are:

- Billing/Clinical Software Replacement for \$300,000. Clearview sought a Request for Proposal (RFP) and the results came back lower than budgeted. Clearview will be adjusting this request to \$50,000. Kolp inquired if client banking will be conducted in the new billing system or Munis. Wiley supported having client banking in Munis, however client banking will affect data entry in the new software. Options to purchase or lease were also discussed.
- A3 Modification for \$100,000. Wiley stated Clearview did not budget for this in 2017, however there is a remote probability it may be required during 2017. Frohling recommended moving to 2018.
- Bed Replacement for \$80,000. Wiley stated no new beds were purchased when Clearview moved to the new facility.
- Purchase Van/Entervan for \$50,000. Wiley stated a van wasn't purchased in 2016.

Karen Gibson, County Clerk appeared to present the CIP request for the County Clerk's office. The County Clerk's office is requesting an Optical Scan Voting System for \$550,000. According to Gibson, the current voting system was purchased in 2000 and needs to be updated due to discontinued parts. When the current system was purchased, the cost of each voting unit was split with municipalities. Gibson would like to do this again. Gibson stated she has receives commitments and signed agreements from all municipalities except Kekoskee. Kekoskee shares Williamstown's voting system and it is possible that Kekoskee is going to combine with Williamstown. If that would happen, then Kekoskee would no longer need a separate voting system.

**Finance Committee Regular Meeting**  
Minutes of the September 13, 2016

Amy Nehls, Emergency Management Director appeared to present the CIP requests for Emergency Management. Emergency Management's requests include:

- Simulcast Upgrade for \$322,285. Nehls stated this project will be sales tax funded due to grants no longer funding communication and tower projects. This is the 4<sup>th</sup> and final phase. Emergency Management has found increased coverage post simulcast installation. Nehls asked to remove grant term off the capital improvement plan for this item.
- Generator for \$123,200. Nehls requested this item to be removed from the CIP due to inability to include in 2017's budget as originally requested. Nehls presented the alternative of highway possibly funding a switch for Mayville until a permanent generator can be put into place.
- Nehls moved Implement Communication Bridge for \$230,300 from 2018 to 2019.

Brian Field, Highway Commissioner appeared before committee members to present the CIP requests for the Highway Department. Field stated their goal with a realistic life cycle should be 22 miles of pavement per year. Field commented that this probably wouldn't be reality but something to strive for and a different approach to budgeting. CIP projects for 2017 include:

- CTH C for \$3,500,000. Field requested to change this to \$1,750,000 in 2017 and \$1,750,000 in 2018.
- CTH S Reconstruction for \$5,000,000. Field added the county will be splitting the cost with Iron Ridge. Iron Ridge has agreed to 20% of costs. Dodge County will do a jurisdictional transfer to Iron Ridge when completed.

Ken Kamps, Division Manager Fiscal Support Services appeared to present the CIP request for Human Services and Health (HSH). HSH's request is to purchase one wheelchair van for \$55,565. Discussion revealed grant money is available to purchase 2 additional vans and it wasn't included in the CIP. A request was made to change the request for 1 van to 3 for \$127,000. Dodge County is responsible for 20% of the van costs and the grant covers the other 80%. According to Kamps, we are paying extra for maintenance on the current vans. Kamps concluded by stating the purchase of these vans is dependent on receipt of grant funds. Kolp commented that for single audit purposes it is necessary to budget for the complete outlay and record grant funds as revenue.

Ruth Otto, Information Technology Director appeared to present Information Technology's 2017 CIP request. Information Technology requested \$80,000 to replace a UPS in server room B10. According to Otto, a backup is available and requested to move this item to 2018.

Joyce Fiacco, Land Resources and Parks Director appeared before committee members to present Land Resources and Park's 2017 CIP request. Land Resources and Parks originally requested \$60,000 for Ledge Park Scenic Overlook but Fiacco requested to remove it. According to Fiacco, a less expensive option will be implemented.

Russ Freber, Physical Facilities Director appeared to present Physical Facilities 2017 CIP requests. Freber's CIP request include:

- Replace Sanitary Vent & Waste Piping for \$2,000,000. Freber requested to increase the project cost from \$2 million to \$2.8 million.
- Replace Dishwasher Detention Facility for \$190,000. According to Freber, two dishwasher options are available. The difference would be costs and energy savings. The high end model could potentially save Dodge County 280,000 gallons of water and \$27,000 of electrical costs per year.

**Finance Committee Regular Meeting**  
Minutes of the September 13, 2016

Scott Smith, Chief Deputy appeared to present the Sheriff's Office 2017 CIP requests. It includes:

- Replace Squad Car Video/Audio for \$150,000. According to Smith, the Sheriff's Office struggles with the current system. The new system will include integrated body cam and all vehicle equipment. The costs will be spread out over two years. Smith asked to change 2017's request to \$100,000 and 2018's request to \$150,000. The request for this item in 2018 was \$100,000.
- Replace Jail Pod Detention Facility for \$16,000,000. Freber shared the jail inspector's comment that Jail Pod is dangerous and not fit to be a jail any longer. An idea was introduced to incorporate the jail pod and parking lots into one project and save money. Sheriff Dale Schmidt stated that if we lose federal inmate revenue, the Sheriff's office will be considering other revenue options such as housing juvenile detainees.

Jim Mielke, County Administrator stated the CIP document will be presented at September's County Board meeting with the requested changes. Motion by Schaefer and 2<sup>nd</sup> by Benter to approve the Fiscal Note as presented and authorize and direct Finance Committee's Chairman to sign the Fiscal Note and the Capital Improvement Projects (CIP) Resolution to the County Clerk. Motion carried with unanimous approval.

Mielke presented 2017's Financial Plan. Mielke stated Sales and Use Tax has two components. The first section of the Financial Plan is 2017's projected Sales and Use Tax base remittance. The second section is accumulated Sales Tax Unassigned Fund Balance. Included in the 2017 Financial Plan is use of \$1,250,000 unassigned general funds. Currently, the budget has a \$520,558 deficit. Mielke stated he will be updating Exhibit A based on September 8, 2016 data. If a deficit still exists, the simulcast project will be removed from 2017's Capital Improvement Plan and budget. Kolp added that after consultation with Moody's, it's justifiable to go below our fund balance as long as we have a plan to replenish it. In addition, the anticipated dollars returned to General Fund in 2016 has not been factored into these figures. Motion by Fink and 2<sup>nd</sup> by Schaefer to approve the Financial Plan resolution for the 2017 Dodge County Budget. Motion carried with unanimous approval.

Field presented information on Highway's opportunity to apply for an Advance Land Acquisition Loan for property adjacent to the airport. The property owner has expressed interest in selling the property to Dodge County. Approved the Advance Land Acquisition Loan by consensus.

Kamps presented HSH's updates on their Internal Control processes. According to Kamps due to recent developments, the decision was made to delay MyEvolv go live. The software company, NetSmart has items that have not been completed and Dodge County also has things that have to be completed. Kamps stated the county didn't have adequate time to test MyEvolve. Carrie Bunker, HSH Account Clerk submitted an email in regards to Accounts Receivable. According to the email, there has been a group effort to make the collection process easier. All billings through July have been completed and the goal is to have good data to use for the MyEvolv implementation. Kamps noted the current software system does not create good reports for Accounts Receivable recording. Kolp and Wiley will meet with Kamps to assist with Accounts Receivable and a write-off processes.

The meeting continued as a Joint Finance and Building Committees Meeting. Freber presented information on the Sanitary/Vent Pipe Replacement Project at the Jail. Freber stated that in reference to the life expectancy of the jail, which is 60 to 70 years, the dollars required for the pipe project is relatively a small investment. Dodge County received a single bid from Maas Brothers for \$2,091,400. Dodge County is considering to include a contingency of \$500,000 for incidentals. This would cover additional

**Finance Committee Regular Meeting**  
Minutes of the September 13, 2016

bids required throughout the project. This project is more complicated than the prior pipe project due to securing from inmates and unknowns in security construction. Piping in the kitchen and throughout the jail needs to be replaced. Fortunately, the majority of the piping in the floor is PVC, except the boiler room and the kitchen. Included in the project is incorporation of chases which aren't in the original pipe works. The project timeline is currently 9 months but an additional walk through revealed 37 additional areas that weren't included in the original plan. The kitchen would be shut down for five weeks but according to Sheriff Schmidt, a meal provider would be willing to bring in a mobile kitchen. Freber noted the kitchen cannot be done at the same time as the housing area of the jail due to shifting of inmates and no kitchen facility. The project is anticipated to start early 2017. Maas Brothers requested to start as soon as possible. The maintenance department will be escorting the workers with assistance from the Sheriff's Office as needed.

Financing options were discussed between the Finance Committee and Building Committee. Mielke inquired about outside funding. He felt the county wouldn't be able to fund this project. Sheriff Schmidt referenced additional funding cost for transporting inmates to other detention facilities and inquired about a possible contingency to transport inmates. Freber added that two different contingencies would be needed. According to Freber, maintenance type contingencies cannot be used for additional cost incurred by inmate retention. Frohling suggested inmate costs be a line item, not a contingency. According to Sheriff Schmidt, the federal inmate population is very dependent on the election. Freber concluded with the comment that if we do not go forward with this project, we will be back next year with failed pipes. The Building Committee stated time is of the essence. Frohling suggested a three to five year payback from sales tax as being realistic. Mielke agreed. Kolp was confident that with planning we could get plus points for the Moody's rating. Interest rates for internal funding were discussed and it was agreed internal funding was the best option. Mielke suggested identifying contingency in the budget and adjusting them with more knowledge of upcoming inmate changes (transport/not transport). The other option would be to use contingent appropriation. Freber commented the Maas Brothers cost proposal would be the worst case scenario. Frohling requested a resolution for internal funding be presented at the next Finance Committee meeting. The suggested resolution and proposed pipe project was approved by the Finance Committee and Building Committee by consensus.

Mielke stated the secured electronics project will be more definitive in October. This would allow Maas Brothers time to start in January and Dodge County will have a better understanding of the General Fund balance.

The joint meeting of the Finance Committee and Building Committee adjourned at 6:50 p.m. Frohling requested a 5 minute break.

The Finance Committee meeting reconvened at 6:56 p.m.

Kolp presented the Dodge County Investment Policy. Motion by Schaefer and 2<sup>nd</sup> by Fink to approve the Dodge County Investment Policy with changes. Motion carried with unanimous approval.

The County Investments-Treasurer report was not available at this meeting.

Kolp reported on the Unbudgeted/Excess Revenue Appropriations, Intra-Department Fund, and Revenue/Expenditure Adjustment forms. They were reviewed and signed by the Committee Chairman.

Kolp presented Dodge County Vouchers \$10,000 or more for committee awareness.

**Finance Committee Regular Meeting**  
Minutes of the September 13, 2016

Kolp presented the County Levy Limit Worksheet. There were six options presented on the worksheet. Options include:

- Option A - No change to the Levy
- Option B - Increase Levy by Net New Construction
- Option C - Increase Levy by change in "Other Taxes"
- Option E - Increase Levy by change in "Other Taxes" less Prior Year Debt Adjustment Applied
- Option E - Increase Levy by additional Prior Year Debt Adjustment
- Option F – Using Debt Adjustment does not impact the base levy

Kolp noted that using the debt adjustment does not impact the base levy. Discussions continued on Option B and E. Mielke attributed the minimal levy increase to the tremendous cooperation from department heads to adjust budgets. Motion by Schaefer and 2<sup>nd</sup> by Benter to approve Option B - Increase Levy by Net New Construction. Motion carried with unanimous approval.

Kolp presented information on 2017's Auditing Services. The \$44,000 stated in her memorandum does not include costs billed directly to HSH and Clearview. Kolp noted another county recently did an RFP for Auditing Services and Baker Tilly was on the top. Sikich and Wipfli were at the bottom but are considered up and coming auditing firms. Johnson & Block was in the middle. Motion by Benter and 2<sup>nd</sup> by Schaefer to request a proposal from Johnson Block. After the proposal is reviewed by committee members, it will be decided if an RFP is in order. Motion carried with unanimous approval.

Mielke reported the External Audit Committee's next meeting will be in October 2016.

Kolp presented updates regarding the Enterprise Resource Planning (ERP) Project. Kolp asked committee members to consider Government Finance Officers Association (GFOA) be a part of contract negotiations for the new ERP system. According to Kolp, the ERP Steering Committee is in complete agreement to have GFOA part of the negotiations. The current proposal for these services is \$12,500 but it is subject to change. Frohling suggested the Steering Committee present the final costs to the Finance Committee for approval and presentation to the County Board.

Kolp reminded committee members of the Dodge County Finance Committee budget review meetings scheduled for September 27, 28, and 29, 2016.

With no other business on the agenda, Chairman Frohling declared the meeting adjourned at 7:53 p.m.

Ed Benter,

  
Secretary