

## **DODGE COUNTY FINANCE COMMITTEE**

October 11, 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: Benter, Fink, Frohling, and Schaefer.

Member absent from the Finance Committee: None.

Others present: County Board Chairman Russell Kottke; County Administrator Jim Mielke; Finance Director Julie Kolp; Deputy County Clerk Christine Kjornes; Physical Facilities Director Russ Freber; Dodge County Clerk of Courts Lynn Hron; Clerk of Courts Account Clerk Pamela J. Knapp; Dodge County Deputy Sheriff Scott Smith; Clearview Administrator Jane Hooper; Finance Senior Accountant Makenzie Drays; County Treasurer Patti Hilker; Human Services and Health Director Becky Bell; Secretary to Corporation Counsel Kelly L. Lepple; County Board Supervisor Dennis Schmidt; and County Board Supervisor Jeffrey Caine.

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

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

County Administrator Jim Mielke requested feedback from the Finance Committee members on the 2017 Budget Review meetings that were held the week of September 26, 2016. Supervisor Fink stated that the prepared minutes were very good, and Supervisor Schaefer stated that the meetings went well and the Department Heads were prepared and organized. Supervisor Frohling stated that he would like to receive feedback from the Department Heads.

Supervisor Frohling reported that there will be a special Finance Committee meeting to be held on October 25, 2016, to discuss the proposed 2017 budget, and the Finance Committee will be able to make amendments to the proposed 2017 budget at the October 25, 2016 meeting, before the budget is adopted at the November 15, 2016 County Board meeting.

Supervisor Benter reported that the September 13, 2016 minutes need to be amended.

Supervisor Benter further reported that the following needs to be amended:

- Called meeting to order time should be amended to read 4:30 p.m. instead of 8:00 a.m.
- Page 3, 3<sup>rd</sup> paragraph, the 3<sup>rd</sup> sentence, that begins with "The first part", the word "part" should be removed.

Motion by Benter, seconded by Schaefer to approve the September 13, 2016 minutes as amended. Motion carried.

Motion by Benter, seconded by Schaefer to approve the September 27, 2016 minutes, as presented. Motion carried.

Supervisor Benter reported that the September 28, 2016 minutes need to be amended.

Supervisor Benter further reported that the following needs to be amended:

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- Page 2, 1<sup>st</sup> paragraph, the 6<sup>th</sup> sentence, that begins with “The County is”, the word “to” should be replaced with the word “for”.
- Page 4, 2<sup>nd</sup> paragraph, the 4<sup>th</sup> sentence that begins with “There’s a decreases”, should be amended to read “There’s decreases”.

Motion by Fink, seconded by Benter to approve the September 28, 2016 minutes as amended.  
Motion carried.

Supervisor Benter reported that the September 29, 2016 minutes need to be amended.

Supervisor Benter further reported that the following needs to be amended:

- Page 2, 2<sup>nd</sup> paragraph, the 5<sup>th</sup> sentence, that begins with “Beginning in 2016”, the word “e-filed” should be replaced with “e-file”.
- Page 3, 2<sup>nd</sup> paragraph, 5<sup>th</sup> bullet point, that begins with “BU 6871”, 2<sup>nd</sup> sentence, that begins with “Beaver Dam Lake”, the words “to plant” should be removed, and replaced with “to place trees in Beaver Dam Lake to improve fish habitats”.
- Page 4, 1<sup>st</sup> paragraph, 1<sup>st</sup> bullet point, that begins with “BU 811”, 3<sup>rd</sup> sentence, that begins with “The GIS”, should have the word “by” added before “County Offices”.

Motion by Schaefer, seconded by Benter to approve the September 29, 2016 as amended.  
Motion carried.

Dodge County Clerk of Courts Lynn Hron and Clerk of Courts Account Clerk Pamela J. Knapp provided an oral report to the Committee regarding the Account Receivable Aging Reports. Ms. Hron distributed to the Committee members a document entitled *Dodge County Circuit Court, Assessments Added By Quarter in 2015, Paid to Date as of 10-07-2016, CM, CT, CF Cases*, and a document entitled *Dodge County Circuit Court, Assessments Added By Quarter in 2015, Paid to Date as of 10-07-2016, JO, FO, TR Cases*. Ms. Hron reported that the amounts listed on these documents are outstanding monies owed to Dodge County and other entities. Ms. Knapp stated that the main goal is to increase collections of restitution and fines due on criminal cases. Ms. Hron reported that the Clerk of Courts Office has a person on staff that monitors accounts that are on a payment plan, and the Clerk of Courts Office currently uses a State Collection Agency to assist with delinquent accounts. Ms. Hron further reported that debts owed to the Clerk of Courts are not written off, but can be inactivated so those debts do not show up on reports. Ms. Knapp reported that it is not Dodge County’s debts to write off, and the majority of the monies owed get paid back to other entities besides Dodge County. Ms. Knapp distributed to the Committee members a document entitled *Dodge County Department Collection Deposit, Sept-16, Prepared by: Pamela J. Knapp, Clerk of Courts Acct Code 701*. Ms. Knapp reported that this report is done monthly, and in September, \$176,761.42 of monies collected went to the state, and \$76,132.49 was kept by Dodge County and distributed to the Clerk of Courts, Corporation Counsel, the Sheriff’s Department, warrant fees, and Crime Prevention.

Finance Director Julie Kolp provided an oral report to the Committee regarding a Resolution to amend the *Master Services Agreement* for the purpose of purchasing additional consulting services from Government Finance Officers Association (GFOA). Ms. Kolp reported that additional consulting services in the amount of \$12,000 are needed to assist Dodge County with the purchase of a new Enterprise Resource Planning (ERP) system, consisting of computer

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software, maintenance services, and support services. Supervisor Frohling reported that this is a joint Resolution with the Information Technology Committee. Supervisor Frohling further reported that the Fiscal Note sets forth a Fiscal Impact in the amount of \$12,000 on the 2016 adopted Budget. Motion by Schaefer, seconded by Benter to approve the Fiscal Note as presented, authorize and direct the Finance Committee's Chairman to sign the Fiscal Note, and approve and forward to the County Board for consideration at its November 15, 2016 meeting a Resolution to amend the *Master Services Agreement* for the purpose of purchasing additional consulting services from Government Finance Officers Association (GFOA). Motion carried.

Physical Facilities Director Russ Freber provided an oral report to the Committee regarding a Resolution to replace sanitary and vent piping in the Detention Facility. Mr. Freber reported that the pipe project in the Detention Facility is scheduled to begin at the end of January 2017, the estimated project completion date is the fall of 2017, and 10,545 linear feet of cast iron pipe will be replaced in the Detention Facility. Dodge County Treasurer Patti Hilker reviewed the document entitled *Treasurer Input Regarding Interest Rate For Funding/Financing Of Maintenance Department For Detention Facility Projects*, that she submitted on September 29, 2016, and that was included with the Draft Resolution. Ms. Hilker reported that this document includes three (3) financial scenarios: a 3 Year Scenario, a 4 Year Scenario, and a 5 Year Scenario. The Committee discussed the interest rates and the commencement dates. Ms. Kolp stated that the interest will be calculated on the principal amount of \$2.7 million. Motion by Benter, seconded by Schaefer to go with the interest rate of 1.6 percent, calculated on the unreplenished, outstanding principal amount, with a financing term of 5 years. Motion carried. The Committee will resume their discussion on this Resolution after the Secretary to the Corporation Counsel Kelly L. Lepple makes the final updates to the Draft Resolution.

Dodge County Deputy Sheriff Scott Smith provided an oral report to the Committee regarding a Resolution to purchase seven (7) new, 2017 Ford Utility Police Interceptor vehicles, and one (1) new, diesel-powered 2017 Chevrolet Express Cargo Van 3500, from Ewald Automotive Group, Inc., of Oconomowoc, Wisconsin. Mr. Smith reported that excess revenues in the amount of \$227,907 from Business Unit 2061, Jail, Account No. 4712.201, Federal Public Safety, Boarding Federal Inmates, will be used for purchasing these vehicles. Mr. Smith further reported that the Sheriff's Department is able to purchase these 2017 vehicles at 2016 pricing, so there is a savings of approximately \$800.00 per vehicle. The Fiscal Note sets forth a Fiscal Impact in the amount of \$227,907 on the 2016 adopted Budget. Motion by Schaefer, seconded by Fink to approve the Fiscal Note as presented and authorize and direct the Finance Committee's Chairman to sign the Fiscal Note and send the Resolution to the County Clerk. Motion carried.

Human Services and Health Director Becky Bell provided an oral report to the Committee regarding the Human Services and Health Department client billing and collections. Ms. Bell reported that the Human Services and Health Department financial unit has improved their monthly billing process, and \$5,662.68 has been received in collections in the month of September 2016. Ms. Bell further reported that the implementation of MyEvolve has been pushed back to the first quarter of 2017 because there are issues that need to be resolved with the vendor, Netsmart. Ms. Bell reported that she will be meeting with Clearview Director of Finance Bill Wiley to discuss how Clearview reconciled their material weakness.

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Clearview Administrator Jane Hooper provided an oral report to the Committee regarding Clearview Write-Offs. Ms. Hooper distributed to the Committee members a document entitled *Clearview Write Off's, 10/4/2016*. Ms. Hooper reported that a total amount of \$89,493.64 was written off, with the largest amount of write off being generated from Marathon County. Ms. Hooper further reported that they continue to work on the admission agreement, the Marsh Country Health Alliance Commission policy, and contracting services out for collections.

Ms. Hilker stated that the Statement of the Dodge County Treasurer shows that more money was disbursed than received in the month of August 2016.

Ms. Hilker distributed to the Committee members a document entitled *Dodge County, Wisconsin, County Investments, August 2016*. Supervisor Frohling asked why the Fixed Income Custody (Dana) average yield interest was only 0.150%. Ms. Hilker responded that it may be an entry error and she will look into it.

Ms. Hilker distributed to the Committee members a document entitled *Dodge County, Wisconsin*, which compared the History of Tax Collections for the years 2004 through 2016, the Historical Change in Tax Certificates for the years 1996 through 2016, and the Historical Change in Tax Deeds from the years 1996 through 2016. Ms. Hilker reported that as of March 30, 2016, 83.86% has been collected. Ms. Hilker further reported that interest and penalties are kept by Dodge County.

The Committee resumed their discussions on the Resolution to replace sanitary and vent piping in the Detention Facility. Ms. Kolp stated that she can create an amortization schedule based on the full amount that can be distributed to the County Board Supervisors at their October 18, 2016 meeting. Motion by Schaefer, seconded by Benter to approve and forward to the County Board for consideration at its October 18, 2016 meeting, a Resolution to complete the pipe replacement project in the Detention Facility with an interest rate of 1.6 percent, calculated on the un replenished, outstanding principal, with a financing term of 5 years, and will commence on February 1, 2017, and will end on February 1, 2022. Motion carried.

Ms. Kolp reported on an Intra-Department Fund Transfer in the amount of \$200,000 requested by the Highway Department for an overrun on asphalt purchases on State Highway Maintenance. Ms. Kolp further reported this would be a transfer of \$200,000 from equipment to materials. It was a consensus of the Committee members to authorize and direct the Finance Committee's Chairman to sign the Intra-Department Fund Transfer Form.

Ms. Kolp reported on an Intra-Department Fund Transfer in the amount of \$22,100.00 requested by the Sheriff's Department to purchase a 2017 Dodge Caravan. Ms. Kolp further reported this would be a transfer of \$22,100.00 from Co. Vehicle Fuel Service to Automotive Equipment. Ms. Kolp also reported that the Sheriff's Department is requesting an allocation of a portion of excess revenue in the amount of \$25,000.00 from contracted detainees to cover an un-budgeted increase in meal costs due to an increase in the detainee population. It was a consensus of the Committee

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members to authorize and direct the Finance Committee's Chairman to sign the Intra-Department Fund Transfer Form and the Unbudgeted Excess Revenue and/or Expenditure Adjustment Form.

There were no discussions on Dodge County Vouchers \$10,000 or more.

Ms. Kolp provided a brief oral report to the Committee regarding Exempt Computer Aids. Ms. Kolp reported that it is anticipated that Dodge County will receive an estimated \$85,855 in Exempt Computer Aid in 2017. Supervisor Frohling reported that the WCA Taxation and Finance Steering Committee has a meeting on October 17, 2016, and computer aid and personal property tax are items on the agenda.

Ms. Kolp provided an oral report to the Committee regarding state awards not included in the Single Audit. Ms. Kolp reported the state aids not included in the Single Audit are Shared Revenues, General Transportation Aids (GTA), and Exempt Computer Aid. Ms. Kolp stated that she did not have the GTA as of today. Ms. Kolp highlighted some items included in the document entitled *County of Dodge, Wisconsin, Schedules of Expenditures of Federal and State Awards, For the Year Ended December 31, 2015*, Prepared by Johnson Block & Company, Inc.:

- Purpose of the report
- Report on Internal Control over Compliance
- Schedule of Expenditures of Federal Awards
- Schedule of Expenditures of State Awards
- Food Share Program - \$10,540,363 in payments to recipients
- Medical Assistance - \$14,104,000 in payments to the County's group facilities
- Material Weakness Findings – Clearview and Human Services and Health Department

Ms. Kolp provided a brief oral report to the Committee regarding the Dodge County Schedule of Federal and State Awards Current Year Receipts and Allowable Expenditure report. Ms. Kolp reported that in 2014, Dodge County was awarded a mine resistant armor truck in the amount of \$733,333, and this was not a cash transaction. Ms. Kolp further reported that Clearview and the Highway Department are not included on these reports.

Ms. Kolp distributed to the Committee members the engagement letter prepared by Johnson Block & Company, Inc., to provide services to Dodge County for the years ending December 31, 2017-2019. Ms. Kolp reported that Johnson Block & Company, Inc. have proposed a \$1,000 increase per year for their services, this is a contract that has been reviewed by Corporation Counsel John Corey and Assistant Corporation Counsel Kathilynne Grotelueschen, and Mr. Corey's recommendation is to have County Administrator Jim Mielke and Dodge County Clerk Karen Gibson sign this proposal. Ms. Kolp stated that she was not sure exactly who should be signing this proposal, so she will get in contact with Johnson Block & Company Inc., to verify. Motion by Schaefer, seconded by Fink to approve Corporation Counsel John Corey's recommendation to have County Administrator Jim Mielke and Dodge County Clerk Karen Gibson sign this proposal, or otherwise what is deemed acceptable by Johnson Block & Company Inc. Motion carried.

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Supervisor Frohling reported that the External Audit Review Committee did not meet in October, but will tentatively meet on November 2, 2016.

Ms. Kolp provided a brief oral update to the Committee regarding the Enterprise Resource Planning (ERP) Project Publication. Ms. Kolp reported that this publication is compiled by ERP Project Assistant Ross Winkelbauer, with the assistance of Mr. Mielke and Information Technology Director Ruth Otto. Ms. Kolp discussed some of the information provided in the publication:

- Definition of ERP Project Publication terms
- Base Camp – Software
- Plans for next reporting period
- Real Time Data and Root Cause Analysis

Ms. Kolp reported that the ERP Steering Committee continues to work on the project charter, and there will be a presentation on October, 21, 2016, at 10:00 a.m., in the auditorium of the Administration Building, on the ERP To-Be-Concepts and the Process Improvement Index.

Ms. Kolp reported that the ERP Steering Committee needs a replacement member from the Finance Committee, and Supervisor Benter has been asked to be the replacement member. It was a consensus of the Committee to have Supervisor Benter be the replacement member on the ERP Steering Committee.

There will be a special Finance Committee meeting on Tuesday, October 25, 2016, at 6:00 p.m., in the Auditorium, located on the first floor of the Administration Building.

The next regular meeting is scheduled for Tuesday, November 8, 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 10:17 a.m.



Ed Benter,  
Secretary

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