

SPECIAL MEETING OF THE DODGE COUNTY FINANCE COMMITTEE

Tuesday August 29, 2018 at 6:00 p.m. in Room 1H & 1I Located on the ground Floor of the Dodge County Administration Building, 127 E. Oak Street, Juneau, Wisconsin.

Members Present: Frohling, Benter, Schaefer, Caine, Guckenberger

Absent: None

Others Present: County Board Chairman Russ Kottke, Supervisors: Kira Sheahan-Malloy, Mary Bobholz, Dennis Schmidt, Jeff Berres, Donna Maly, and Cathy Houchin; County Administrator Jim Mielke, Department Heads: Julie Kolp, and Kim Nass; Staff: Josh Kohlhoff, Scott Mittelstadt, Dustin Beck, Pete Thompson, Lori Fett, and Eileen Lifke and WBEV Reporter, Kevin Haugen

Non-Member Supervisor Attendance: Kira Sheahan-Malloy, Mary Bobholz, Dennis Schmidt, and Donna Maly

Public Comment - none

Jim Mielke, County Administrator requested a recommendation for the Capital Improvement Plan (CIP) for the September 11, 2018 Finance Committee meeting. Mielke requested any adjustments made regarding Information Technology (IT) and Highway following discussion this evening be reflected in the CIP presented in September.

- Highway equipment was reduced \$1.8 million and the county road miles designated for rehabilitation is at 20.5 miles. Mielke requested a recommendation from the Finance Committee regarding the number of rehab miles the Highway should include in their budget.
- Further discussion will be had regarding a proposed internal borrowing for Information Technology (IT) infrastructure that will increase proposed Information Technology CIP projects in 2019 and 2021.
- Mielke proposed to continue the CIP discussion following the discussion on other agenda items.

Mielke proposed an internal borrowing for investment in the County's Information Technology infrastructure. The proposed investment will improve the infrastructure as well as provide savings if included in 2019's Budget opposed to waiting until 2021's Budget. The proposed borrowing would be for \$1.285 million with a five-year level payback. Infrastructure investment relating strictly to Clearview and Highway will be repaid by Clearview and Highway. Interest will be 1.1%. This proposed action would reduce IT's 2019 budget as well as provide infrastructure needs prior to 2021. According to Mielke, the borrowing plan is supported by the IT Committee. An amortization schedule was also provided.

Items noted for the borrowing include the firewall replacement (\$200,000) and Isilon replacement (\$400,000). Both projects had been proposed for 2021's CIP but with approval of the borrowing, will move to 2019 CIP. Mielke state a document with the breakdown of IT projects involving the borrowing will be provided. It was also noted that by replacing the Isilon in 2019, the county would save almost \$500,000 in maintenance cost; the cost of Isilon is \$400,000. Mielke added that not only would it be a savings for the county but also provide stable storage support.

Consensus of Finance Committee to direct Corporation Counsel Director, Kim Nass to proceed with preparing a resolution for the Information Technology internal borrowing for September's Finance Committee meeting.

Information from the Adopted Budget Summary (aka Rainbow sheet) was present, however it is not reflective of the proposed IT borrowing. The Levy increase for 2019 is reflective of net new construction, the only means of increasing levy if Debt Service adjustment is not used. Mielke requested input and direction to move forward with the Proposed 2019 Budget. Items noted during discussion include:

- Proposed Budget reductions were made to County Board and Highway to show minimal department increase.
- According to Ehlers, allowable maximum adjustment is equal to principal and interest of external borrowings and even though they say the adjustment should not have a negative impact to the county, they advised not to take the maximum adjustment.
- Fund Balances Applied are based on historically look back at prior year Fund Balance Applied and returns to Fund Balance at year-end. Goal is not to erode Fund Balance.
- Levy by department was discussed and current budget includes \$2,036,067 Debt Service Adjustment.
- Discussion on Sheriff's \$2.7 million budget increase in respect to closing J Pod. Sheriff proposed budget is reflective of reduced number of vehicles, a reduction in over-time and dietary, and an increase to eight unfunded jail positions.
- Committee member requested budget numbers showing staff needed to operate the jail, the number requested for current funded positions in the jail and number of staff to management. According to Mittelstadt, there are 88 full-time employees.
- Mielke requested direction on the 2019 Budget that will be supported by the Finance Committee and County Board.
- Committee member Benter supported changing the debt service adjustment to \$1.3 million with the other \$1 million reduction taking place in the Sheriff's Office. It has never been the objection of the County Board or the Finance Committee to cut employees.

Mielke presented information on how Sales Tax is proposed to be applied in 2019:

o From current year remittance (\$4,518,090)	
▪ Clearview Debt	\$845,000
▪ Clearview/Highway Debt	\$1,500,000
▪ Neosho Shop Intergovernmental Borrowing	\$593,090
▪ Pipe Project Intergovernmental Borrowing	\$580,000
Subtotal	\$3,518,090
▪ Additional Highway	\$1,000,000
▪ Subtotal 2019	\$4,518,090
o From Sales Tax Fund Balance	
▪ Security	\$85,000
▪ Replace Courts sound system	\$650,000
▪ Additional Highway/roads	\$1,300,000
Subtotal	\$2,035,000
Total budget	\$6,553,090

Committee members recommended reducing budgeted expenditures by \$1 million and levy \$1.050 million for Debt Service Adjustment. This adjustment will create a tax rate of 5.594. General Fund Applied will stay at \$1.1 million. Based on a Debt Service Adjustment of \$1,050 million, a budget adjustment of \$986,067 would be required. Mielke will be looking across the county for the reduction. Some committee members recommended that most of the reduction

should come from the Sheriff's Office. Mielke state the Highway will most likely be impacted as well as Human Services and Health because they are the largest budgeters. All departments will be reviewed for potential adjustments.

Next meeting Wednesday, September 5, 2018 at 5:00 p.m. in Room 1H & 1I Located on the ground Floor of the Dodge County Administration Building, 127 E. Oak Street, Juneau, Wisconsin.

The next regular meeting is scheduled for Tuesday, September 11, 2018, 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 8:52pm.

A handwritten signature in cursive script that reads "Ed Benter".

Ed Benter
Secretary