

MEETING OF THE DODGE COUNTY FINANCE COMMITTEE
SEPTEMBER 23, 2021, 10:30 A.M.
COUNTY BOARD ROOM – FOURTH FLOOR
DODGE COUNTY ADMINISTRATION BUILDING, JUNEAU WI 53039

The Finance Committee meeting was called to order by Dodge County Finance Committee Chairman, Dave Frohling, at 10:30 a.m.

Members present: Benter, Caine, Frohling, and Sheahan-Malloy.

Member(s) absent: J. Schmitt (Excused).

Others present: Finance Director David Ehlinger; Assistant Finance Director Eileen Lifke; Senior Accountant Makenzie Drays; Senior Accountant Jennifer Krakow; County Administrator Jim Mielke; Clearview Executive Director Ed Somers; Information Technology Director Justin Reynolds; Human Services and Health Director Becky Bell; Human Services and Health Department Fiscal Support Services Division Manager Angela Petruske; Physical Facilities Director Russ Freber; Highway Commissioner Brian Field; Emergency Management Director Amy Haase Nehls; Land and Water Conservation Director John Bohonek; Sheriff Dale Schmidt; Chief Deputy Sheriff Scott Mittelstadt; Treasurer Patti Hilker; District Attorney Kurt Klomberg; Clearview Director of Nursing Erin Blank; Highway Financial Supervisor Beth Narr; Clearview Director of Financial Services Nicole Grossman; County Board Chairman Russell Kottke; County Board Supervisor Daniel L. Siegmann; and Watertown Daily Times reporter Ed Zagorski

The following Non-Committee Member County Board Supervisor requested payment for attending the meeting: Daniel L. Siegmann.

There was no public comment.

Motion by Caine, seconded by Sheahan-Malloy to approve the September 10, 2021 minutes, as presented. Motion carried.

County Administrator Jim Mielke presented the Forward Analytics' 2022 Sales Tax projection. Forward Analytics is a division of the Wisconsin Counties Association that provides research data to state and local policymakers. Forward Analytics projected Dodge County's 2022 Sales Tax remittance at \$8,021,979. The 2022 budget currently is built with \$7,500,000 Sales Tax remittance. Mr. Mielke asked committee members if they wanted to increase the 2022 Sales Tax remittance of \$7,500,000 based on Forward Analytics' forecast. No action was taken.

Mr. Mielke updated committee members on the current status of the 2022 budget. Mr. Mielke commented that since the budget is still fluid, there is not a document to distribute at this time. A hard cutoff for changing budget numbers will be September 30, 2021 with the budget book being distributed at the October 19, 2021 County Board meeting. The Budget public hearing will be November 2, 2021 and the budget will be brought before the County Board on November 9, 2021.

Finance Director Dave Ehlinger stated the 2022 budget is based on the maximum levy limit allowed. He cautioned committee members that using less than the maximum levy limit would have a negative effect on the following year's base levy limit. Other comments on the 2022 budget included:

- The first principal payment for the 2021A issuance was levied in 2021 but not needed so it lapsed to the Debt Service Fund Balance. This along with the bond premium will cover the 2021A bond payment in 2022.
- Even if there is no debt issue in 2022, the debt levy will go up in 2023
- Mill rate decreased by \$0.3606. If the average home value is \$195,500, the 2022 taxes will decrease by \$70.50.

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- No General Fund unassigned fund balance was used to balance the budget. This has not been done in a number of years according to Mr. Ehlinger.
- Because no General Fund unassigned fund balance is used, any changes to the budget would have to be balanced. If expenditures are increased, there has to be offsetting revenue to cover it.
- Finance is still working on making sure all of the numbers tie out before producing a hard copy.

Mr. Mielke complemented department heads on their outstanding cooperation in producing a balanced budget.

There was discussion on levying for debt in 2022 to keep the levy from shifting from year to year. The original direction was not to levy for debt in 2022 and it was decided to stay with the original direction for 2022 and not levy for debt.

Mr. Ehlinger presented the property tax levy without Indirect Costs by department recap document. According to Mr. Ehlinger, Indirect Cost allocations are an accounting exercise and showing it outside of the levy gives a better understanding of changes within the department levy.

The 2022 budget was created for a road construction bonding in February. This will not be a commitment to the bonding and there will be a free standing resolutions to approve the 2022 borrowing. In addition, the 2021 nor 2022 American Rescue Plan Act (ARPA) funds are not included in the 2022 budget.

It was consensus by committee members to leave the budget as presented and move ahead with finalizing for publication.

Mr. Mielke presented changes to the 2022 - 2027 Capital Improvement Plan (CIP). The most current changes for 2022 include:

- Emergency Management hazmat truck was budgeted for \$300,000 of sales tax and that was reduced to \$110,000. The original budget was for a new truck and Emergency Management is considering a used truck which lowered the needed funds.
- Highway rehabilitation and repaving will be receiving an additional \$1 million of General Levy.
- Derge Park requested one vault toilet from ARPA funds. That has been changed to Sales Tax dollars.
- Ledge Park requested three vault toilets from ARPA funds. That has been changed to Sales Tax dollars for all three but one will be added in 2022 and two in 2023. With the increase use of the parks in the past two years, Mr. Mielke felt it was to the best interest of the county to fund these projects with Sales Tax dollars.
- Sheriff's Office building remodel design and planning was moved to 2023 with remodel being moved to 2024.
- Replacement of the outside cameras for Courthouse and Jail facilities was also removed.

For 2023, the multiple department storage facility at the Henry Dodge Office building was increased to \$2.7 million. Mr. Mielke noted that at this point, it's just a place holder. The total Sales Tax budgeted in the CIP is \$8.7 million. This consists of \$7,500,000 from 2022 Sales Tax remittance and \$1,220,363 from Sales Tax Fund Balance.

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The committee reviewed Clearview's new sign-on incentives. According to Clearview Executive Director Ed Somers, the incentive was implemented to recruit and retain Certified Nursing Assistant (CAN) positions for second and third shifts. The proposal was presented to Health Facilities at the September 15, 2021 committee meeting with a \$4,000 sign on incentive and they moved to increase it to \$6,000 to be competitive with neighboring facilities. Funding for these incentives will be offset by decreased overtime and shift incentive. The new incentive policy should not increase Clearview's budget. The policy is in affect for two years and the sign-on incentive will be paid out over the course of the two years. If the employee quits prior to completing their required two years, they would have to pay back the amount of incentive they received. This was presented for the committee's awareness.

A retention incentive was also endorsed by the Health Facilities and Human Resources and Labor Negotiation (HR) committees. This incentive would be capped at \$1,000 per employee and based on hours worked by the employee between February 2020 and August 2022. The funding for this would be from Coronavirus Aid, Relief, and Economic Security (CARES) Act money and not levy dollars.

The committee reviewed the Sheriff's Office sign-on incentive. This incentive is for correctional officers only. Sheriff Dale Schmidt attributed part of the recruitment and retention problem to the four prisons in the area. According to Sheriff Schmidt, Dodge County's correctional wages are lower than neighboring counties and state facilities include correctional officers in the protected status. With sign-on bonuses and increased wages in the private sector, it is difficult to fill the vacant positions. For the Sheriff's Office the incentives will be offset by wages and benefits not paid out from the vacant position. Currently, eight to ten correction officers are needed. The Sheriff is trying to get GI benefits for training.

Mr. Mielke discussed the retention incentives further. The discussion came up at the HR committee. According to Mr. Mielke, Columbia County is putting together a proposal for a \$100/month incentive to be paid to all full time employees (prorated for part-time). It is being proposed to be retroactive to April of 2021 and paid through December of 2024. This was decided by the Columbia County Executive committee and will be funded by ARPA funds. Dodge County HR will be discussing this in detail at their next meeting.

Mr. Ehlinger provided information on the 2014 Clearview debt. It will be callable in 2022 and if it is refunded, it potentially could save the county about \$856,324. Mr. Ehlinger presented the possibilities of combining it with the \$9 million road construction project or having it as a separate issuance. Fees for separate issues would be around \$80,000. There could be savings by combining the issues. Mr. Ehlinger was going to check with Quarles and Brady if separate resolutions could be presented. Mr. Mielke suggested a call with Phil Cosson from Ehlers at October Finance Committee meeting. Chairman Frohling suggested the consideration of refinancing the 2014 borrowing for the additional savings.

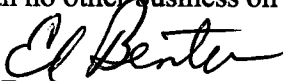
Mr. Ehlinger presented information on the Monarch properties brownfield. According to a new pronouncement from the Governmental Accounting Standards Board (GASB), GASB Statement No.83 requires the county to include future brownfield costs in their budgets. The funding would cover any cost for removing contaminated soil if the parking lot would have to be replaced. Based on the current parking lot project at the Courthouse/Correction facility, Mr. Ehlinger estimated the cost at \$80,000. This liability has been recorded for 2021 but it needs to be reviewed and adjusted as needed for all future budgets.

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Mr. Mielke provided an outline of upcoming meetings. November County Board is a week earlier with agendas being sent out on November 2nd or 3rd. He asked Finance to set a tentative date in the event they need to meet prior to this. A tentative Finance Committee meeting was set for November 1, 2021. It was suggested to follow the Executive Committee meeting set for the same day. The date and time will be confirmed at the October 11, 2021 meeting.

The next regular meeting is scheduled on **Monday, October 11, 2021, at 8:00 a.m.** The meeting will be held 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 12:02 p.m.



Ed Benter,
Secretary

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