

MEETING OF THE DODGE COUNTY FINANCE COMMITTEE
MARCH 9, 2022, 4:30 P.M.
FIRST FLOOR AUDITORIUM – ROOM H & I
DODGE COUNTY ADMINISTRATION BUILDING, JUNEAU WI 53039

The Finance Committee meeting was called to order by Dodge County Finance Committee Chairman, Dave Frohling, at 4:30 p.m.

Members present: Caine, Frohling, Kavazanjian, and Benter

Member(s) absent: Sheahan-Malloy, excused.

Others present: County Administrator Jim Mielke; Interim Finance Director Eileen Lifke; Corporation Counsel Kim Nass, County Board Supervisors Jeff Berres, Cathy Houchin, Larry Bischoff, and Dennis Schmidt, Highway Commissioner Brian Field, Senior Accountant Jenny Krakow, citizens Ashley Siegmann, Nathan Siegmann, and Marlene Heintz and Ehlers' Senior Municipal Advisor Joe Murray by phone.

The following Non-Committee Member County Board Supervisor requested payment for attending the meeting: Jeff Berres.

Chairman Frohling presented Resolution – Authorizing the Issuance and Providing for the Sale of \$10,000,000 General Obligation Promissory Notes, Series 2022B, for County Highway Projects. This resolution was proposed by County Board Supervisor Berres and the purpose of the meeting is to determine if the Finance Committee wanted to sign the resolution along with Supervisor Berres and/or approve the fiscal note. According to Chairman Frohling, a supervisor could bring a borrowing resolution to County Board but it is not a normal process.

Supervisor Berres expressed his concern about the \$9 million dollar borrowing resolution failing in December and the \$4.5 million borrowing resolution failing in February. Supervisor Berres feels the outcome was due to attendance and the outcome didn't represent the concerns of the entire county. Supervisor Berres would like to bring the borrowing resolution back one more time with hopes the full County Board would be present to vote.

Supervisor Kavazanjian expressed her concern about the borrowing being brought back after failing twice at County Board. Supervisor Kavazanjian stated the resolution is not fiscally responsible and she would not support this resolution.

Supervisor Houchin expressed her concern about the borrowing being brought back again as well as the inconsistent amounts stated on the agenda, draft resolution and final resolution. Corporation Council Kim Nass stated a \$10 million borrowing resolution was presented to her on Monday. At the time, she didn't think the county would be able to borrow over \$10 million due to bank qualification but Ehlers' Senior Municipal Advisor Joe Murray informed Ms. Nass the county already exceed the \$10 million with the refunding in January. In order to get a resolution in the packet, Ms. Nass used information from the January 2021 sale and December authorization resolutions to provide a draft resolution for committee members. After the discussion with Ehlers, she drafted the final resolution for \$10 million since that was the amount of the original request. Ms. Nass apologized for the inconsistencies.

Ehlers Senior Municipal Advisor Joe Murray presented the Pre-Sale Report for \$10 million General Obligation Promissory Notes, Series 2022B. This borrowing would not be bank qualified which means banks cannot use the tax exempt status. This means some potential investors may not be interested and consequently cause higher borrowing rates for the county. This borrowing would provide \$9,829,400 for highway projects. The resulting total County General Obligation debt principal outstanding would be \$37,255,000. This is 10% of the county's limit. The notes are for a

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10 year term and are callable in 6 years. This borrowing would increase the 2023 Debt Service Tax Rate from \$0.11/\$1,000 Equalized Value to \$0.26/\$1,000; a \$0.15/\$1,000 increase. For a \$195,000 Equalized Value home, this would be approximately \$28.61. The first interest payment would be due in August of 2022 with the first principal payment due in 2023.

Motion by Benter and seconded by Caine to sign Resolution – Authorizing the Issuance and Providing for the Sale of \$10,000,000 General Obligation Promissory Notes, Series 2022B, for County Highway Projects.

Jim Mielke, County Administrator informed committee members that he has already received notice that two County Board members will not be at the March meeting. He also noted that Highway has a plan in place to move forward without the borrowing. The Highway Department will be requesting American Rescue Plan Act (ARPA) for road construction. County Administrator Mielke questioned what the correct path forward should be.

Supervisor Benter stated he was not aware that there was a plan in place and he withdrew his motion.

Chairman Frohling reviewed the fiscal note for Resolution – Authorizing the Issuance and Providing for the Sale of \$10,000,000 General Obligation Promissory Notes, Series 2022B, for County Highway Projects. Motion by Benter and seconded by Caine to approve the fiscal note for Resolution – Authorizing the Issuance and Providing for the Sale of \$10,000,000 General Obligation Promissory Notes, Series 2022B, for County Highway Projects. Motion carried.

With no other business on the agenda, Chairman Frohling declared the meeting adjourned at 4:59 p.m.



Ed Benter,
Secretary

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