

**MEETING OF THE DODGE COUNTY FINANCE COMMITTEE**

May 14, 2019, 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, Caine, Frohling, Guckenberger, and Schaefer.

Member(s) absent from the Finance Committee: None.

Others present: Assistant Finance Director Eileen Lifke; Deputy County Clerk Christine Kjornes; Corporation Counsel Kimberly Nass; Dodge County Treasurer Patti Hilker; Information Technology Director Justin Reynolds; Veteran Service Officer Andrew Miller; Dodge County District Attorney Kurt Klomberg; Dodge County Managing Attorney Bob Barrington; Dodge County Chief Deputy Sheriff Scott Mittelstadt; Human Resources Director Sarah Hinze; County Board Chairman Russell Kottke; Ehlers Inc. Representative Kenneth Herdeman; Ehlers Inc. Representative Dawn Lawson; Key Benefit Concepts, LLC Representative Linda Mont; and Key Benefit Concepts LLC, Representative John Lavarda.

There was no Non-Committee Member County Board Supervisors requesting payment for attending the meeting.

There was no public comment.

Motion by Guckenberger, seconded by Caine to approve the April 12, 2019 minutes as presented. Motion carried.

Key Benefit Concepts, LLC Representatives Linda Mont and John Lavarda appeared before the Committee to provide a summary of the Post-Employment Benefit (OPEB) Valuation Study Addressing Liabilities as of December 31, 2017. Ms. Mont highlighted the following:

- The Post-Employment Benefit Valuation Study was performed because of changes made to the Government Accounting Standards Board (GASB) guidelines for Statements 74 and 75, related to Other Post-Employment Benefits (OPEB).
- The Total OPEB Liability is the present value of benefits earned by active employees and retirees. This figure is one (1) year behind the actual reporting data.
- The Service Cost is the present value of benefits earned in the valuation year. The valuation year is December 31, 2017-December 31, 2018.
- The Net OPEB Liability is equal to the County's Total OPEB Liability because Dodge County has not established an irrevocable trust to fund its OPEB. The Net OPEB Liability was \$3,113,491.
- Actuarially Determined Contribution is an amount only received if the County were to have a trust fund.
- OPEB Benefit Factors: Eligible retirees may choose to stay under the County's medical plan if they self-pay the premiums until age 65 or Medicare eligible. Active Employees were assumed to self-pay premiums to continue medical coverage upon using all of their sick leave funds, until reaching Medicare eligibility.
- An actuary study will be performed every other year with the valuation being good for two years, however the exhibit tables will need to be updated annually.

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Dodge County District Attorney Kurt Klomberg and Managing Attorney Bob Barrington appeared before the Committee to provide a review of the 2019 District Attorney Revenues and Expenditures. Mr. Barrington reported that the District Attorney Revenue and Expenditure Report was included in the packet materials. Mr. Barrington and Mr. Klomberg highlighted the following:

- Line Item 5219.161 Witness, Ref – is over budget by \$1,400.00, as the result of Dodge County having three (3) homicide trials since the first of the year, and are anticipating three (3) more by the end of the year.
- It is always an unknown factor if trials will occur or not.
- The Medical Examiner makes the decision on which Pathologist or Toxicologist is used.
- Video conferencing is an option to keeping costs down.
- The District Attorney's Office meets with County Administrator Jim Mielke on a monthly basis to review their financials.
- Serving Papers can be costly.

Ehlers, Inc. Representatives Kenneth Herdeman and Dawn Lawton appeared before the Committee to provide a Portfolio Review. Mr. Herdeman highlighted the following:

- Dodge County's last portfolio review was in 2016.
- Mr. Herdeman recommended that the Dodge County Finance Committee review the portfolio in even number years, which is stated in Section 9 of the County's Investment Policy.
- Assets under management were an estimated \$5.8 million as of April 30, 2019.
- Dodge County's investment objectives are Safety, Liquidity, and Yield.
- Under the Safety Objective – Dodge County's portfolio includes 15.2% FDIC insured Certificates of Deposit; 9.4% United States Treasury Securities; 67.3% United States Government sponsored Enterprise Securities; 6.4% highly rated Municipal Securities; and 1.7% in cash deposited in FDIC insured money market accounts. Dodge County has minimal credit risk, a low custodial risk, and a high degree of safety.
- Under the Liquidity Objective – As of April 30, 2019, the average weighted maturity of the portfolio was slightly more than nine (9) months.
- Under the Yield Objective – As of April 30, 2019, the average weighted yield to maturity of the portfolio, which includes interest paid, and interest accrued but not yet paid, was 1.888%, net of fees.

Information Technology Director Justin Reynolds provided an update on the ERP Project. Mr. Reynolds thanked the Finance Committee for their continued support of the ERP Project. Mr. Reynolds reported a memo providing an update on the ERP Project, was sent out on May 1, 2019, by County Administrator Jim Mielke, to the County Board. Mr. Reynolds further reported the following:

- The Go-Live date for all three (3) phases, including Financials, Highway, and Non-Highway, is January 1, 2020.
- The ERP Project Team continues to work on security, work flows, and budgeting. The 2017 budget is in the process of being approved and finalized, and the team wants to make sure that the information from JD Edwards is moved over to the Tyler Munis system properly before moving forward.
- Quality testing will be performed in the months of June of 2019-July of 2019.
- Power User training will occur in the months of August of 2019-September of 2019.

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- The anticipated date for the system to be ready for End User training is October 18, 2019. End User training will occur October of 2019-December of 2019.
- Dodge County is currently working with Tyler Munis on contract changes.
- It is anticipated that the project will remain within the budgeted amount.
- There are discussions on utilizing CHEMS, which is a state reporting system for highway. CHEMS would interface with Tyler Munis.

Veteran Service Officer commented that if the team would have continued with the staggered Go-Live dates, an interface between the JD Edwards system and Tyler Munis system would have needed to be created, and would have caused double entry work in both systems.

There was no discussion on a Resolution Approving the Sale of Excess Highway Lands, County Road E, located in the Town of Hustisford. The Resolution was presented to the Finance Committee for its review and approval of the Fiscal Note. The Fiscal Note sets forth a Budget Impact in the amount of \$600.00. Motion by Caine, seconded by Schaefer to approve the Budget Impact in the amount of \$600.00, authorize and direct the Finance Committee's Chairman to sign the Fiscal Note, and forward the Resolution to the County Clerk. Motion carried.

Assistant Finance Director Eileen Lifke provided an oral report to the Committee regarding 2018 Financial Statements/State Reports. Ms. Lifke reported that there will be a presentation from Johnson Block and Company at the July 2019 County Board meeting. Ms. Lifke further reported that Form A was completed and filed by Johnson Block and Company, and Dodge County has a three (3) year contract with Sequoia to complete the indirect cost report.

There was no discussion on the request to use Jail Improvement Funds for the replacement of a heat exchanger, located at the Dodge County Detention Facility, and the request to use Jail Improvement Funds for the purchase of six (6) Duress Alarms, twenty (20) Buttons, and two (2) Pipes, to be used in the Dodge County Detention Facility. Motion by Schaefer, seconded by Caine to approve both requests to use Jail Improvement Funds. Motion carried 4-1. Guckenberger opposed.

The Committee had a brief discussion regarding the placement of the Central Service Room Equipment and Supplies on the Wisconsin Online Auction website. Supervisor Guckenberger requested a list of equipment and supplies from the Central Service Room. It was a consensus of the Committee to postpone this agenda item to the June 2019 Finance Committee meeting.

Dodge County Treasurer Patti Hilker provided an oral report to the Committee regarding an Employee Payroll Phishing Scam. Ms. Hilker reported that an email came through that appeared to have come from a county employee, and this email requested a payroll change. The payroll change was forwarded by the Human Resources Department to the Finance Department, was then changed by the Finance Department, and the employee's payroll was deposited into the false account. Ms. Hilker further reported that the Finance Department has updated their policy, and if changes need to be made to direct deposits, those changes must be requested in person to the Finance Department. Mr. Reynolds commented that he was informed of the phishing scam, and other counties have been involved and affected.

Ms. Hilker provided an oral report to the Committee regarding the Statement of the Dodge County Treasurer. Ms. Hilker reported that the Human Services and Health Department continues to receive

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direct deposits with Landmark Credit Union, and she will leave the accounts at Landmark Credit Union open. Ms. Hilker further reported that she has a good working relationship with Landmark Credit Union, and they have provided her with contact information for the individuals still sending money to Landmark Credit Union. There are only two (2) accounts open at Landmark Credit Union.

Ms. Hilker reported she continues to reinvest county excess funds.

Supervisor Guckenberger asked Ms. Hilker to provide the status on the transition to US Bank. Ms. Hilker reported the following:

- Cash deposits are done on a daily basis to Farmers & Merchants Union Bank. Checks are scanned electronically into US Bank, and cash is a separate deposit that is an ACH transfer the following day from Farmers & Merchants Union Bank into the general checking account at US Bank.
- Dodge County is utilizing Positive Pay, Stop Pay, and EFT's.

There was no discussion on the County Sales and Use Tax Report.

The Committee reviewed the following Unbudgeted/Excess Revenue Appropriation Requests:

- i. Wisconsin Institute for Healthy Aging (WIHA) Grant – Human Services and Health Department.
- ii. WIC Breastfeeding Counsel Program Grant – Human Services and Health Department.
- iii. Astico Park – Fishing Pier – Land Resources and Parks Department.

There was no discussion on the Dodge County Vouchers \$10,000 and more Report.

The next regular meeting is scheduled for June 4, 2019, at 10:30 a.m., in the Auditorium, located on the first floor of the Administration Building. This will be a joint meeting with the Human Resources and Labor Negotiations Committee.

With no other business on the agenda, Chairman Frohling declared the meeting adjourned at 9:24 a.m.



Ed Benter,  
Secretary

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