

FINANCE COMMITTEE
Minutes –August 7, 2014

Call to Order. Chair Mawhinney called the meeting of the Finance Committee to order at 7:30 A.M. on Thursday, August 7, 2014, in Conference Room N-1 Rock County Courthouse East.

Committee Members Present. Supervisors Mawhinney, Kraft, Beaver, Fox and Podzilni.

Committee Members Excused: None.

Staff Members Present. Sherry Oja, Finance Director; Josh Smith, County Administrator; Randy Terronez and Nick Osborne, Assistants to the County Administrator; Mickey Crittenden, Information Technology Director; Vicki Brown, Treasurer; Michelle Schultz, Real Property Lister; Jodi Millis, Senior Buyer; Randy Leyes, Register of Deeds; Kate Flanagan, Human Services - Mental Health/AODA Division Manager.

Others Present: Tom Scheidegger, Baker Tilly Virchow Krause, LLP.

Approval of Agenda. Chair Mawhinney informed the Committee about item 6.A. Transfer for 911 Communications Center. Supervisor Podzilni moved approval of the agenda with this addition, second by Supervisor Fox. ADOPTED.

Citizen Participation, Communications and Announcements. Chair Mawhinney and the Committee welcomed Josh Smith, the new County Administrator.

Ms. Brown handed out a new list showing 14 of the properties have had taxes paid.

Ms. Oja handed out copies of the County Sales Tax Receipts through July 2014.

Review and Comments on the 2013 Certified Audit – Baker Tilly Virchow Krause, LLP. Mr. Scheidegger handed out the Financial Statements, Communications to Those Charged with Governance and Management, and Report to the Finance Committee.

Mr. Scheidegger said there have been some changes due to the new GASB 65 regarding deferred revenue.

Mr. Scheidegger directed the Committee to the *Report to the Finance Committee* and explained the reports and their supporting Financial Statement schedules. He said the County has been trending upward the last few years in the General Fund balance (at 56.13% of expenditures for 2013), has been above the GFOA recommended range each of the past 5 years, and these are positives. The County's percentage of working capital and fund balance to expenditures for combined funds is 21.73%, which is above the 10% - 17% range in the County's Fund Balance policy, another positive financial indicator. Bond rating agencies recommend the ratio of debt service payments to non-capital expenditures be less than 16.67%. Rock County is at 2.29%, another positive.

Mr. Scheidegger said, from an audit standpoint, Rock County's financial position is very favorable with no current concerns.

Mr. Scheidegger went over the *Communication to Those Charged with Governance and Management*. He said the upcoming GASB 68 (WRS) should not be a large liability in Wisconsin for the most part. GASB 71, Postemployment Benefits with most in Sheriff's Office, regards insurance after retirement will correct an understatement of expenses.

Ms. Brown asked if the County should change the 10%-17% range for working capital and fund balance compared to expenses. Mr. Scheidegger suggested to raise it to maybe 25%, but the County should talk to their financial advisors before making any changes.

Mr. Scheidegger said with the new SEC changes coming up we will see a closer look at debt issue regulations.

Mr. Scheidegger thanked Ms. Oja, and all the County staff for their cooperation.

Committee Review and Approval of Per Meeting Allowances. Supervisor Fox moved approval of per meeting allowances in the amount of \$12,671.00, second by Supervisor Podzilni. ADOPTED.

Approval of Minutes – July 10, 2014 and July 17, 2014. Supervisor Kraft moved approval of the minutes of July 10, 2014 and July 17, 2014 as presented, second by Supervisor Fox. ADOPTED.

Transfers and Appropriations.

Communications Center

<u>FROM</u>		<u>TO</u>	
<u>Account #</u>	<u>Amount</u>	<u>Account #</u>	<u>Amount</u>
23-2400-0000-62491	\$ 24,848	23-2400-0000-67161	\$24,848
Software Maintenance		Capital Assets \$5,000/More	

Supervisor Kraft moved approval of the above Transfers and Appropriations for the Finance Committee, second by Supervisor Beaver. ADOPTED.

Bills and Encumbrances

Information Technology	\$ 25,131.14
Telephone Operations	995.00
IT Capital Projects	9,929.32
IT Cross Charges	43,840.97
Elections	15,458.82
Register of Deeds	100.00

Supervisor Beaver moved approval of the above Bills and Encumbrances for the Finance Committee, second by Supervisor Podzilni. ADOPTED.

Bills Over \$10,000

Illinois Office Supply	\$ 15,076.82
Community Care Programs Inc.	10,085.00
Community Care Programs Inc.	14,912.00
Highline Corporation	18,050.00

Supervisor Podzilni moved approval of the above Bills Over \$10,000 for the Finance Committee, second by Supervisor Kraft. ADOPTED.

Encumbrances Over \$10,000.

Veolia ES Technical Solutions	\$ 12,575.19
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Supervisor Fox moved approval of the above Encumbrances Over \$10,000 for the Finance Committee, second by Supervisor Podzilni. ADOPTED.

Pre-Approved Encumbrance Amendments. None.

Approval of Bills for Other Departments. None.

Committee Approvals.

Amending the 2014 Human Services Department Budget to Accept PATHS Grant Funding

“NOW, THEREFORE, BE IT RESOLVED by the Rock County Board of Supervisors duly assembled this ____ day of _____, 2014, does hereby authorize the acceptance of PATHS grant funding.

BE IT FURTHER RESOLVED, that the Human Services Department budget for 2014 be amended as follows:

...”

Supervisor Kraft moved Finance Committee Endorsement of the above resolution, second by Supervisor Podzilni. ADOPTED

Ms. Flanagan said this grant may be able to help 45-60 clients, ages 17-22, who had been in Foster Care.

Approval of Dean George Auction Company for Auction Services Ms. Millis said the auction is scheduled for September 27, 2014 and will be held at the old Rock Haven.

Supervisor Fox moved approval of Dean George Auction Company with a 3% commission for the County auction, second by Supervisor Kraft. ADOPTED with Supervisor Podzilni abstaining.

Approve Length of Contract with Sequoia Consulting Group Ms. Oja said the cost had been approved by the Committee at the last meeting but not the length of the contract.

Supervisor Kraft moved approval for a 3-year contract with Sequoia Consulting Group, second by Supervisor Podzilni. ADOPTED

Resolution.

Initial Resolution Authorizing General Obligation Bonds and/or Notes in an Amount not to Exceed \$1,920,000

“NOW, THEREFORE, BE IT RESOLVED, by the Rock County Board of Supervisors duly assembled this ____ day of _____, 2014, that there shall be issued, pursuant to Chapter 67, Wisconsin Statutes, General Obligation Bonds and/or Notes in an amount not to exceed \$1,920,000 for the purchase of the land and building at 1900 South Center Avenue, Janesville, WI.”

Supervisor Podzilni moved approval of the above resolution, second by Supervisor Fox. ADOPTED.

Discussion Regarding Property Fraud. Mr. Leyes said there had been a couple inquiries in his office after a television channel news segment on property fraud. He said there are programs we could purchase, which the citizen would need to sign on to and they would be notified of any activity on their property. Mr. Leyes said a few counties have tried some of these programs and the citizens don't use them. He said in 18 years he has not seen any cases of this, and that this would not be an easy thing to do.

Mr. Crittenden said the FBI tries to be as low profile as possible on things like this so they don't give people ideas.

After some discussion the Committee said they could see both sides but felt the County should be aware of the possibility but not to do anything at this time.

Semi-Annual Report – Attendance at Conventions/Conferences. The Committee accepted the Semi-Annual Reports from the County Clerk, Finance, Information Technology, Land Records, Register of Deeds and Treasurer and asked for them to be placed in file.

Adjournment. Supervisor Fox moved adjournment at 8:43 A.M., second by Supervisor Beaver. ADOPTED.

Respectfully submitted,

Marilyn Bondehagen
Confidential Administrative Assistant

NOT OFFICIAL UNTIL APPROVED BY COMMITTEE.