Sauk County, Wisconsin

**Accounting Department Annual Report**

**2021 Mission:** To facilitate the effective and efficient use of County resources and to provide a record and accountability for those resources. The Sauk County Accounting Department provides financial expertise and leadership, maintains financial records, satisfies the County’s financial obligations, and prepares managerial, financial and agency reports. To serve County Board Supervisors, managers, citizens, other governmental units, and funding agencies through consultation and information dissemination, maintenance of an accounting system according to established accounting principles, and coordination of budget preparation and implementation.

**Departmental Program Summary**: The Accounting Department provides the day-to-day verification, processing and accumulation of financial transactions for all County departments. This includes issuing accounts payable checks to our vendors, payroll checks to our employees, and maintenance of a general ledger to track these transactions. The Accounting Department also orchestrates the development of the County’s annual budget, assists in planning processes, monitors departments’ compliance with the intent of the budget and takes appropriate actions when deviations are found. In addition, the Department performs audits of County departments as necessary, coordinates the County’s general financial audit and assists in audits of specific programs. Finally, departmental staff provide financial analysis of actions considered by the County Board.

**2021 Goals Review**

| **2021 GOALS REVIEW** | |
| --- | --- |
| **OBJECTIVE** | **WAS this objective REACHED in 2021?** |
| **Yes or No (If no, please provide comment)** |
| Number of new and recurring audit findings is less than three | Yes, 1 recurring finding from 2019 audit recurred in 2020. (It was resolved mid-2020). |
| Implementation of a timekeeping system for employee time that is accessible by all employees, easily exported to the payroll system, and provides accurate centralized reporting of time worked. | County Board approval February 2021 to expand use of Munis. System setup in progress, with first departments going live April/May 2022. |
| The budget document receives the Government Finance Officers Association Distinguished Budget Presentation Award | Yes, for the 19th consecutive year. |
| One to two new or revised financial policies are adopted based on nationally recognized recommended practices | Yes, May 2-96 Annual Budget Process, 1-95 Outlay Expenditures, and 4-96 Capital Improvements. |
| The Annual Comprehensive Financial Report (ACFR) receives the Government Finance Officers Association Certificate of Achievement for Excellence in Financial Reporting | Results not received yet |
| Award of Special Capital Recognition by Government Finance Officers Association for budget document | No. Special Capital Recognition award not received. |
| Award of Special Performance Measure Recognition by Government Finance Officers Association for budget | No. Special Performance Measure Recognition award not received. |

**Changes / Accomplishments:**

Our most prestigious accomplishments in 2021 were receipt of three Government Finance Officers Association (GFOA) awards. The Distinguished Budget Presentation Award was earned for the nineteenth year in a row for the County’s 2021 budget. The results have not yet been received yet, but the County will likely receive the Certificate of Achievement for Excellence in Financial Reporting for the ninth consecutive year for its Annual Comprehensive Financial Report (ACFR). We also anticipate our Popular Annual Financial Report (PAFR) will earn our second GFOA Popular Annual Financial Reporting Award. These documents and awards acknowledge the County’s commitment to sound financial planning and full disclosure, and are positive factors in information dissemination and credit rating reviews.

Like so much of the world, it seems the rest of the Accounting Department’s year was dedicated to responding to COVID-19. The County’s audit was performed completely remotely, and many payroll and accounts payable functions have been accomplished more remotely. Developing an understanding of, then implementing, hastily created Federal and State COVID requirements and grants posed challenges as well, particularly with the County’s allocation of American Rescue Plan Act funds of $12,517,103.

A long-standing goal of the County has been upgrade to a centralized timekeeping system utilized by all County departments. Much preliminary work was done in 2021, including a major upgrade to the financial system, revamping how user permissions are assigned, and consolidation of pay periods for all employees. Considerable work was then begun setting up the behind-the-scenes tables and pay rules.

The groundwork was also laid for securing funding for construction and equipping of new Highway Department shops in Baraboo and Reedsburg with the hiring of a financial advisor.

**Statistical Summary:**

**OUTPUT MEASURES**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **DESCRIPTION** | **2016 ACTUAL** | **2017 ACTUAL** | **2018**  **ACTUAL** | **2019**  **ACTUAL** | **2020**  **ACTUAL** | **2021**  **ACTUAL** |
| Accounts payable checks issued | 8,630 | 8,725 | 8,976 | 8,956 | 8,578 | 8,600 |
| 1099’s Issued to Vendors at Yearend | 301 | 300 | 300 | 311 | 315 | 327 |
| Payroll checks issued | 312, or 2% | 304, or 2% | 355, or 2% | 260, or 1% | 223, or 1% | 192, or 1% |
| Direct deposit advices issued | 17,603 or 98% | 17,552 or 98% | 17,377 or 98% | 17,806 or 99% | 17,615 or  99% | 17,228 or  99% |
| W2’s issued to employees | 854 | 850 | 896 | 873 | 855 | 819 |
| Total County Payroll | $30,705,664 | $31,562,656 | $32,876,856 | $34,558,479 | $36,447,667 | $36,532,762 |
| Accounting Staff Budgeted Full-Time Equivalents | 4.5 | 4.5 | 5.0 | 5.0 | 5.0 | 5.0 |
| Accounting Overtime Hours Paid | 2.92 | 0 | 0 | 5.25 | 0 | 8.75 |
| New Audit Findings - Financial Audit | 0 Findings in 2016 audit, but material weakness for internal accounting controls | 0 Findings in 2017 audit | 0 Findings in 2018 audit | 0 Findings in 2019 audit | 0 Findings in 2020 audit | Not Yet Available |
| Unresolved Prior Years’ Audit Findings - Financial Audit | 1 | 1 | 1 | 1 | 1 | Not Yet Available |
| New Audit Findings - Compliance Audits | 1 | 0 | 2 | 2 | 0 | Not Yet Available |

**OUTCOME AND EFFICIENCY MEASURES**

| **DESCRIPTION** | **2016 ACTUAL** | **2017 ACTUAL** | **2018**  **ACTUAL** | **2019**  **ACTUAL** | **2020**  **ACTUAL** | **2021**  **ACTUAL** |
| --- | --- | --- | --- | --- | --- | --- |
| Government Finance Officers Association (GFOA) Distinguished Budget Award received with “proficient” or “outstanding” ratings | Yes, for 2016 budget (14th year)  Proficient 50 of 81, 62%  Outstanding 29 of 81, 36% | Yes, for 2017 budget (15th year)  Proficient 57 of 81, 70%  Outstanding 23 of 81, 28% | Yes, for 2018 budget (16th year)  Proficient 58 of 81, 72%  Outstanding 21 of 81, 26% | Yes, for 2019 budget (17th year)  Proficient 48 of 81, 59%  Outstanding 32 of 81, 40% | Yes, for 2020 budget (18th year)  Proficient 50 of 81, 62%  Outstanding 29 of 81, 36% | Yes, for 2021 budget (19th year)  Proficient 51 of 75, 68%  Outstanding 23 of 75, 31% |
| New audit findings reported in the management letter prepared by the County’s external auditors (Note: New audit finding for 2019 actual are from 2018’s audit with results received in 2019.) | Zero for 2015 audit, not counting material weakness related to internal accounting controls | Zero for 2016 audit, not counting significant deficiency related to internal accounting controls | Zero for 2017 audit | Zero for 2018 audit | Zero for 2019 audit | Zero for 2020 audit |
| GFOA Certificate of Achievement for Excellence in Financial Reporting received for Annual Comprehensive Financial Report (ACFR) | Yes for 2015 ACFR | Yes for 2016 ACFR | Yes for 2017 ACFR | Yes for 2018 ACFR | Yes for 2019 ACFR | Not yet available |
| Preserve and enhance the County’s bond rating as issued by Moody’s | Rating affirmed at Aa1 June, 2016 | Rating affirmed at Aa1 March, 2017 | Rating not sought | Rating affirmed at Aa1 July, 2019 | Rating not sought | Rating not sought |
| Quantity and negative dollar impact of filing deadlines missed (payroll taxes, sales tax, real estate transfer tax) | 0, and $0 | 0, and $0 | 0, and $0 | 0, and $0 | 0, and $0 | 1, and $0 |
| Quantity of auditor-generated material adjustments to financial statements | 0 for 2015 audit | 0 for 2016 audit | 0 for 2017 audit | 0 for 2018 audit | 0 for 2019 audit | 0 for 2020 audit |