

Members present: Tom Dorner, Lynn Eberl, Mike Flint, Marty Krueger and Tim McCumber

Others present: Kerry Beghin, Amanda Blomberg, Dave Bretl, Liz Geoghegan, Lynn Horkan, Dale Knapp, Jessica Machovec and Joe Weber

The meeting was called to order by Krueger at 9:30 AM. Certification of open meeting compliance was given. **Motion by McCumber, second by Flint to adopt the agenda moving item 7a. to beginning of the agenda and 7c. to 10:30am allowing for outside participants. Motion carried. Motion by Flint, second by Dorner to adopt the minutes of the previous meeting for May 11. Motion carried.**

Public Comment: None

Communications: None

Review of 2021 budget and processes. Discussion and consideration of 2021 budget projections, vacancy factor, outside agency funding. (postponed May 11, 2020)

Beghin commented there are no budget projections at this time. She and Bretl continue to meet with all departments. The vacancy factor background, purpose and departmental history were reviewed. Bretl commented on his experience with vacancy factor and budgeting. **Motion Eberl, second by Flint to delegate responsibility establishing the vacancy factor to the Finance Director and Interim Administrative Coordinator and bring it back to Committee in July. Motion carried.** Discussed making this delegation and methodology policy.

McCumber discussed the County's outside agency process and history. Donation, grant and contract relationships were discussed. Funding eligibility based on 2017 Attorney General's opinion and agency accountability for funds were also discussed. Beghin commented that nothing has been sent out for 2021 budget requests. **Consensus by Committee to lay the outside agency process on the table until further refined, staff will work with Board Chair.**

Discussion and resolution Authorizing Adjustments to the 2019 Budget. (postponed May 11, 2020)

Motion by McCumber, second by Flint to Authorize Adjustments to the 2019 Budget. Motion carried.

Consider updates to Financial Policy 1-94, Donations and Gifts to Sauk County. (layed on the table May 11, 2020)

No action at this time.

Consider Resolution Amending Financial Policy 17-95, Disposal of County-Owned Property, Excluding Land and Buildings. (layed on the table May 11, 2020)

Beghin commented that the Property Committee had no issues with the changes to the policy. **Motion by Eberl, second by Dorner to Amend Financial Policy 17-95, Disposal of County-Owned Property, Excluding Land and Buildings, with Dorner friendly amendment swap the disposal option order of 5d. Sale of scrap for salvage value, with item 5e. Donation with preference to charitable, governmental or not-for-profit organizations. Motion carried.**

Consider Resolution Authorizing The Creation Of One Full-Time Business Services Manager And Amending The 2020 Budget To Transfer Contingency Funds. (layed on the table May 11, 2020)

The Committee concurred that with the financial environment and current administrative vacancies, creating this position is not possible at this time. **Motion by Flint, second by McCumber to Table Authorizing the Creation Of One Full-Time Business Services Manager And Amending The 2020 Budget To Transfer Contingency Funds. Motion carried.**

Preliminary update from auditors on 2019 audit results.

Blomberg, Firm Director with Baker Tilly, gave a brief update on status of 2019 audit, audit approach and risk assessment. Audit went very well and was completed remotely. One open item in audit in the information technology area around automatic updates to financial system. Expect to issue a clean opinion again this year. Financial statements or Comprehensive Annual Financial Report (CAFR) are due July 31, are currently being worked on by the accounting staff. No identified material journal entries during audit, therefore no control deficiencies. Preliminary results indicate approximately \$1 million addition to general fund balance. Due to COVID-19 pandemic several General Accounting Standards Board (GASB) reporting changes initially expected effective for December 31, 2019 have been extended. Baker Tilly will continue to work with the County on these reporting changes. Blomberg noted the COVID-19 relief

funding will be subject to county annual single audit. Blomberg reviewed the audit components and timeline. Discussed future audits and what it might look like with mix of remote and on site work.

Update on possible 2020 budget overrun for Corporation Counsel Department.

Bretl noted the department is over budget for variety of reasons. The Executive and Legislative Committee (E&L) has recommended interim representation by the law firm Von Briesen & Roper. Current Interim Attorney Rehfeldt is ending his contract as of June 5, 2020. The Committee discussed the over budget amount and the proposed fixed contract with Von Briesen. Committee consensus to handle as two separate resolutions communicating at the June County Board meeting the expected budget overrun and presenting at the July County Board meeting the budget amendment to transfer contingency funds for the budget overrun. McCumber noted the search for Corporation Counsel will be revisited after a new Administrator is hired.

Consideration of financial impact of COVID-19 pandemic on Sauk County budget. (presentation by Dale Knapp, Director of Research & Analytics for the Wisconsin Counties Association, regarding sales tax projections 10:30 am)

Knapp reviewed the Forward Analytics sales tax estimates based on unprecedented known and unknown information. Discussed sales tax history prior to safer at home and the estimates after safer at home. As new information is gained, the estimates will be adjusted. Sauk County has a strong reliance on sales tax and the revenue realized in the County. He reviewed where the County's sales tax comes from by industry. Current estimates for decreased sales tax revenues are based on the industry mix in Sauk County and projected factors of economic recovery. Expect end of June to have new estimates.

Consider update to Financial Policy 5-94 Fund Balance/Retained Earnings and Contingent Funds Policy.

Beghin and Bretl have met with many departments to understand barriers and challenges due to COVID-19. In general it appears the County will be able to manage 2020 with decreased expenses and enhanced revenues. 2021 will be more difficult due to need to lower the base as a result of continued decreased sales tax. It is likely fund balance will be needed to help in recovery. The financial policy as updated adds the ability to use fund balance for unforeseen circumstances that are not expected to continue to future years. **Motion by Flint, second by Eberl to update the policy as presented with the addition of language "(i.e. a pandemic or natural disaster)". Motion carried.**

Consider transfer of Human Services prior year fund balance (Fin Pol 5-94).

Beghin reviewed the history of the Human Services fund balance as part of the financial policy and the return to general fund. **Motion by Flint, second by McCumber to transfer Human Services prior year fund balance of \$947,916.10. Motion carried.**

Discussion and Selection of 2 Finance Committee Representatives for the Capital Improvements Committee.

Motion by McCumber, second by Dorner to recommend Flint and Krueger for the Capital Improvements Committee. Motion carried.

Presentation of American Transmission Company (ATC) Environmental Impact Fee payments.

City of Baraboo for construction a canoe/kayak launch on the Baraboo River at Maxwell-Potter Conservancy. **Motion by McCumber, second by Eberl to approve the City of Baraboo ATC payment. Motion carried.**

Presentation of County financial reports.

Beghin reviewed financials and highlighted sales tax collection decrease. **Motion by Flint, second by Dorner to receive the County financial report. Motion carried.**

Treasurer's Department Update.

Geoghegan reviewed departmental activities, year-to-date budget report and investment reports.

Consider Resolution Designating County Depositories; Establishing Investment and Related Financial Procedures.

Geoghegan noted this brings awareness to the investment accounts and depositories. Discussed insurance and collateral coverage for funds. **Motion by Dorner, second by Eberl to Designate County Depositories; Establishing Investment and Related Financial Procedures. Motion carried.**

Amending Sauk County Ordinance Chapter 2, Taxes, Collections, And Assessments - Subchapter 2.200, Delinquent Tax, Special Assessment, And Charge Penalties.

Geoghegan noted E&L took no action on this resolution or amending the ordinance. **Motion by McCumber, second by Eberl to table Amending Sauk County Ordinance Chapter 2, Taxes, Collections, And Assessments - Subchapter 2.200, Delinquent Tax, Special Assessment, And Charge Penalties. Motion carried.**

Consider Resolution Authorizing a Taxation District to Waive Interest and Penalties on Property Tax Payment Installments due on or After April 1, 2020.

Motion by Eberl, second by McCumber to table Authorizing a Taxation District to Waive Interest and Penalties on Property Tax Payment Installments due on or After April 1, 2020. Motion carried.

Motion by McCumber, second by Dorner to approve invoices of \$19,401.91 and \$126,620.59. Motion carried.

Accounting Department Update.

Beghin reviewed departmental activities and year-to-date budget report. She discussed an option for a timekeeping module added to the current financial system for full integration. She noted there is currently a staff vacancy in the Accounting Department that will need to be filled. Current staff will continue to share tasks until the position can be filled due to recent Personnel & Insurance Committee action.

Motion by McCumber, second by Flint to approve invoices of \$110,366.32. Motion carried. Motion by McCumber, second by Eberl to approve Committee payments in the amount of 14,897.76. Motion carried.

Next meeting: July 2, 2020, 9:30 am – Regular meeting

Motion by Dorner, second by Flint to adjourn the meeting. Motion carried.

Respectfully submitted,

Lynn Eberl
Finance Committee Secretary