

**COUNTY OF RACINE
FINANCE & HUMAN RESOURCES COMMITTEE**

Supervisor Robert N. Miller, Chairman
Supervisor Brett Nielsen, Vice Chairman
Supervisor Q.A. Shakoor, II, Secretary
Supervisor Janet Bernberg
Supervisor Mike Dawson

Supervisor Thomas H. Pringle
Supervisor John A. Wisch
Kaitlyn Faust, Youth in Governance Representative
Daniel Rosli, Youth in Governance Representative

*** THIS LOCATION IS HANDICAP ACCESSIBLE. If you have other special needs, please contact the Racine County Board Office, 730 Wisconsin Avenue, Racine, Wisconsin 53403 (262) 636-3571, fax (262) 636-3491 or the TTD/RELAY 1-800-947-3529. ***

NOTICE OF MEETING OF THE

FINANCE AND HUMAN RESOURCES COMMITTEE

DATE: **WEDNESDAY SEPTEMBER 5, 2018**

TIME: **5:00 P.M.**

PLACE: **IVES GROVE OFFICE COMPLEX
AUDITORIUM
14200 WASHINGTON AVENUE
STURTEVANT, WISCONSIN 53177**

AGENDA –

1. Convene Meeting
2. Chairman Comments – Youth In Governance/Comments
3. Public Comments
4. Approval of Minutes from the August 22, 2018 committee meeting.
5. Approval of Minutes from the August 28, 2018 committee meeting.
6. Finance Department – Alexandra Tillmann – the County of Racine Comprehensive Annual Financial Report – For the Year Ended December 31, 2017 – 2018 – Requesting Report.
7. County Executive – Jonathan Delagrave – Authorizing a donation to Racine Health Department in the amount of \$12,500 for a FQHC grant writer and attorney – 2018 – Report.
8. County Executive – Jonathan Delagrave – Announcing Donations made to Racine County Between January 1, 2017 through December 31, 2017 – 2018 – Report
9. County Executive – Jonathan Delagrave – Adjustment to the 2018 pay rates for all Non-Rep – Exempt and Non-Rep – Non-Exempt excluding those previously adjusted on Resolution 2018 - 38 increasing them by 1% as of September 29, 2018 – 2018 – Resolution – Requesting 1st Reading at the September 11, 2018 County Board meeting
10. Communication & Report Referrals from County Board Meeting:

a. Bankruptcy items:

Type of Action:	Person/Persons
Order of Discharge	Debra J. Killips; Alison Virginia Conner; John Paul & Cassandra Maureen Smerz; Desmond Marquis Thomas; Marquita Patrice Robinson; Shana Clayton; Sandra A. Mijokovic; Kelly M. Warren
No Proof of Claim Deadline	Damon Brian Levingston; Ruth Ann Hale; Laura Denise Taggart; Margaret Annett Knight;
Notice of Chapter 13 bankruptcy Case	Joaquin Asencion Barajas Jr.; Edward Wade Mulford; Janice M. Taylor; Christina Mary Miller; Veronica Nichole Nesbitt; Willie B & Barbara Ann Whiteside;
Notice & Motion to Dismiss – Confirmed Plan	Daniel R. & Roberta Lynn Robers; Tiffany Monique Scaife; Kimberly Michelle Lewis; Matthew D. Medek

b. Foreclosure items:

Attorney	Lending Company	Person/Persons	Amt. owed Racine CO
William N. Fosbag	New Penn Financial, LLC	John C. Karczewski	\$763.35
Patricia C. Lonzo;	PennyMac Loan Services LLC	Richard I. Dial III	\$175.30

c. Paralegal Dawn M. Rowe on behalf of John L. Miller has filed a Notice of Injury against Village of Mt. Pleasant and/or Racine County.

11. Staff Report – No Action Items.

a) Next Finance & Human Resources Committee meeting will be on September 19, 2018

12. Adjournment

FINANCE & HUMAN RESOURCES COMMITTEE ACTION ONLY

Requestor/Originator Finance & Human Resources Committee

Committee/Individual Sponsoring: Finance & Human Resources Committee

Date of Committee Meeting: 9/5/2018

**Signature of Committee Chairperson
/Designee:** _____

Description: Approval of the minutes from the August 22, 2018 Meeting

Motion: _____

Action: **County Board Supervisors**
 Approve
 Deny

Youth In Governance
 Approve
 Deny

FINANCE AND HUMAN RESOURCES COMMITTEE MEETING

August 22, 2018

IVES GROVE OFFICE COMPLEX
PUBLIC WORKS CONFERENCE ROOM
14200 WASHINGTON AVENUE
STURTEVANT, WISCONSIN 53177

Meeting attended by: Chairman Miller, Supervisors Bernberg, Dawson, Nielsen, Pringle, and Shakoor II, Youth Representative Rosli, Finance Director Alexandra Tillmann, Karen Galbraith, Public Works Development Service Director Julie Anderson, Asst. Corporation Counsel John Serketich, Emergency Management Coordinator David Maack, Sarah Street, Carolyn Engel and Jacob Sosnay from Bascom, Budish & Ceman SC.

Excused: Supervisor Wisch and Youth Representative Faust (dental appointment).

Agenda Item #1 – Convene Meeting.

Meeting Called to Order at 5:00pm by Chairman Miller.

Agenda Item #2 – Youth in Governance/Comments.

Youth in Governance statement was read by Youth Representative Rosli.

Agenda Item #3 – Public Comments.

None.

Agenda Item #4 – Approval of Minutes from the August 8, 2018 committee meeting.

Action: Approve the minutes from the August 8, 2018 meeting. Motion Passed. Moved: Supervisor Pringle. Seconded: Supervisor Nielsen. Vote: All Ayes No Nays. Advisory Vote: All Ayes No Nays.

Agenda Item #5 – Racine County Economic Development Corporation – Carolyn Engel – 2nd Quarter 2018 Matching Grant Program status report – No Action of the Committee.

The report for the 2nd Quarter of 2018 was discussed.

Agenda Item #8 – Fiscal Notes for 2nd Reading:

a. Resolution 2018-44 – Government Services Committee authorizing the acceptance of a National Highway Traffic Safety Administration (NHTSA) Grant in the amount of \$4,000 from the Wisconsin Department of Transportation Bureau of Transportation Safety (BOTS) for the purchase of safety equipment

b. Resolution 2018-50 – Public Works, Parks & Facilities Committee to authorize a 2018 Emergency County Bridge Aid Project and appropriate funding from the Racine County Bridge Aid Account

c. Resolution 2018-51 – Public Works, Parks and Facilities Committee authorizing application and approval of a State/Municipal agreement (SMA) between Racine County and the Wisconsin Department of Transportation to accept financial assistance through the Highway Safety Improvement Program (HSIP) for the safety improvement of County Trunk Highway (CTH) D, from Walworth County Line to State Trunk Highway (STH) 20, in the Village of Rochester

d. Resolution 2018-55 – Executive Committee authorizing an additional \$30,000 in funding for the Racine County Matching Grant Program and Transfer of Funds within the County Executive 2018 Budget

Action: Accept Resolution 2018-44, Resolution 2018-50, Resolution 2018-51 and Resolution 2018-55 for 2nd Reading.
Motion Passed. Moved: Supervisor Pringle. Seconded: Supervisor Nielson. Vote: All Ayes No Nays. Advisory Vote: All Ayes No Nays

Agenda Item #9 – Communication & Report Referrals from County Board Meeting:

Action: Receive and file items a - c. Motion Passed. Moved: Supervisor Bernberg. Seconded: Supervisor Nielsen. Vote: All Ayes No Nays. Advisory Vote: All Ayes No Nays.

Agenda Item #6 –Closed Session – 5:05 P.M. (Approximately 30 Minutes) - IT IS ANTICIPATED THAT THE FINANCE AND HUMAN RESOURCES COMMITTEE WILL MEET IN A CLOSED SESSION PURSUANT TO SECTION 19.85(1)(c) OF THE WISCONSIN STATE STATUTES TO DISCUSS LEGAL COUNSEL THE FOLLOWING CLAIM AGAINST RACINE COUNTY: 1) SHARRON IVY 2) JANE REINKE 3) BARBARA NELSON 4) KATELYN CHRISTENSEN AND 5) GERALDINE LOGAN.

Action: Motion to go into closed session pursuant to s. 19.85(1)(c), WI Stats, to discuss with legal counsel the following claims against Racine County: 1) SHARRON IVY 2) JANE REINKE 3) BARBARA NELSON AND 4) KATELYN CHRISTENSEN AND 5) GERALDINE LOGAN at 5:14pm. Motion Passed. Moved: Supervisor Pringle. Seconded: Supervisor Nielsen. Vote: Roll Call Vote was taken of the members present: All Ayes No Nays.

Agenda Item #7 – Regular Session.

Action: To reconvene into regular session at 5:58pm. Motion passed. Moved: Supervisor Pringle. Seconded: Supervisor Nielsen. Vote: All Ayes No Nays.

Action: Motion to deny the claim against Racine County vs. Sharron Ivy. Motion passed. Moved: Supervisor Bernberg. Seconded: Supervisor Pringle. Vote: All Ayes No Nays.

Action: Motion to deny the claim against Racine County vs. Jane Reinke. Motion passed. Moved: Supervisor Bernberg. Seconded: Supervisor Pringle. Vote: All Ayes No Nays.

Action: Motion to deny the claim against Racine County vs. Barbara Nelson. Motion passed. Moved: Supervisor Bernberg. Seconded: Supervisor Pringle. Vote: All Ayes No Nays.

Action: Motion to deny the claim against Racine County vs. Katelyn Christensen. Motion passed. Moved: Supervisor Bernberg. Seconded: Supervisor Pringle. Vote: All Ayes No Nays.

Agenda Item #10 – Staff Report- No Action Items.

Next Finance & Human Resources Committee meeting will be on September 5, 2018, if needed or unless canceled. Copies of the CAFR Report and Management Report were distributed. Baker Tilly will be at the next committee meeting to discuss the findings for the 2017 audit.

If canceled, next meeting will be on September 19, 2018 at 5:00pm.

Agenda Item #11 – Adjournment.

Action: Adjourn meeting at 6:01pm. **Motion Passed.** Moved: Supervisor Pringle. Seconded: Supervisor Dawson. Vote: All Ayes No Nays.

FINANCE & HUMAN RESOURCES COMMITTEE ACTION ONLY

Requestor/Originator Finance & Human Resources Committee

Committee/Individual Sponsoring: Finance & Human Resources Committee

Date of Committee Meeting: 9/5/2018

Signature of Committee Chairperson /Designee: _____

Description: Approval of the minutes from the August 28, 2018 Meeting

Motion: _____

Action:	<input type="checkbox"/> County Board Supervisors Approve	<input type="checkbox"/> Youth In Governance Approve
	<input type="checkbox"/> Deny	<input type="checkbox"/> Deny

FINANCE AND HUMAN RESOURCES COMMITTEE MEETING
August 28, 2018

IVES GROVE OFFICE COMPLEX
AUDITORIUM
14200 WASHINGTON AVENUE
STURTEVANT, WISCONSIN 53177

Meeting attended by: Chairman Miller, Supervisors Bernberg, Dawson, Nielsen, Pringle, and Shakoor II and Youth Representative Rosli, Finance Director Alexandra Tillmann and Dave Anderson from PFM.

Excused: Youth Representative Faust.

Agenda Item #1 – Convene Meeting.

Meeting Called to Order at 6:02 pm by Chairman Miller.

Agenda Item #2 – Youth in Governance/Comments.

Youth in Governance statement was read by Chairman Miller.

Agenda Item #3 – Finance Department – Alexandra Tillmann – Awarding the Sale of \$6,090,000 General Obligation Corporate Purpose Bonds, Series – 2018A – 2018 - Resolution – Requesting 1st & 2nd Reading at the August 28, 2018 County Board Meeting.

Action: Approve the awarding the Sale of \$6,090,000 General Obligation Corporate Purpose Bonds Series – 2018A – 2018 – Resolution – 1st & 2nd Reading at the August 28, 2018 County Board Meeting. **Motion Passed.** Moved: Supervisor Bernberg. Seconded: Supervisor Wisch. Vote: All Ayes No Nays. Advisory Vote: All Ayes No Nays.

Agenda Item #4 – Finance Department – Alexandra Tillmann – Awarding the Sale of \$680,000 Taxable General Obligation Promissory Notes, Series 2018B – 2018 - Resolution – Requesting 1st & 2nd Reading at the August 28, 2018 County Board Meeting.

Action: Approve the awarding the Sale of \$680,000 Taxable General Obligation Promissory Notes Series 2018B - 2018 – Resolution – 1st & 2nd Reading at the August 28, 2018 County Board Meeting. **Motion Passed.** Moved: Supervisor Bernberg. Seconded: Supervisor Pringle. Vote: All Ayes No Nays. Advisory Vote: All Ayes No Nays.

Agenda Item #5 – Adjournment.

Action: Adjourn meeting at 6:15 pm. **Motion Passed.** Moved: Supervisor Pringle. Seconded: Supervisor Nielsen Youth Representative Vote: All Aye No Nays. Vote: All Ayes No Nays.

REQUEST FOR COUNTY BOARD ACTION

YEAR	<u>2018</u>		Resolution Request
			Ordinance Request
		X	Report Request

Requestor/Originator: Finance Dept - Alexandra Tillmann

Committee/Individual Sponsoring: Finance & Human Resources Committee

Date Considered by Committee: _____ Date of County Board Meeting to be Introduced: _____

1st Reading: 1st & 2nd Reading: *

* Include a paragraph in the memo regarding why 1st & 2nd reading is required.

Signature of Committee Chairperson/Designee: _____

TITLE OF RESOLUTION/ORDINANCE/REPORT:

The County of Racine Comprehensive Annual Financial Report - For the Year Ended December 31, 2017

SUBJECT MATTER:

The attached memo describes in detail the nature of resolution /ordinance /report and any specific facts which you want included in resolution/ordinance/report must be attached.

Any request which requires the expenditure or transfer of funds must be accompanied by the specific amount being transferred and the account number from which these funds will be taken and to which they will be transferred.

THIS FORM MUST BE FILLED OUT COMPLETELY PRIOR TO YOUR APPEARANCE BEFORE A COMMITTEE.

The Committee believes that this action furthers the following goals:

- Make Racine County the most accessible county in Wisconsin for business to grow, develop and create family supporting jobs.
- Develop a system that encourages employees, elected officials and citizens to suggest ideas for service enhancement and productivity improvements including a measurement of customer satisfaction.
- Foster an environment where intergovernmental cooperation is encouraged to produce better services and efficiencies.
- Reduce or limit the growth of the tax levy as set forth in Resolution No. 2002-59S.
- To make Racine County a healthy, safe, clean, crime-free community and environment.

Audit Results

Racine County

Year Ended 12/31/17



Agenda

	SECTION
AUDIT RESULTS	
STATUS OF OUR AUDIT	I
FINANCIAL RESULTS	II
COMPLIANCE AUDIT	III
REQUIRED COMMUNICATIONS	IV
COMPONENTS OF VALUE	
COMMENTS, RECOMMENDATIONS AND INFORMATIONAL POINTS	V



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Section I

Status of Our Audit



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Status of Our Audit

- > We have completed our audit of the County's financial statements for the year ended December 31, 2017. Our audit was performed in accordance with auditing standards generally accepted in the United States of America and standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States.
- > We have issued an unmodified opinion on the financial statements.
- > The County submitted its Comprehensive Annual Financial Report (CAFR) for the Certificate of Achievement for Excellence in Financial Reporting to the Government Finance Officers Association (GFOA). The County has received the award for the past nine (9) years.
- > Refer to Management's Discussion and Analysis (M&DA) pages 11 through 21 of the CAFR.
- > We have completed our compliance audit of the County's federal and state awards. Our audit was performed in accordance with the aforementioned standards and the Uniform Guidance and the State Single Audit Guidelines.
- > We anticipate issuing an unmodified opinion on the County's compliance with its major federal and major state programs.

Section II

Financial Results



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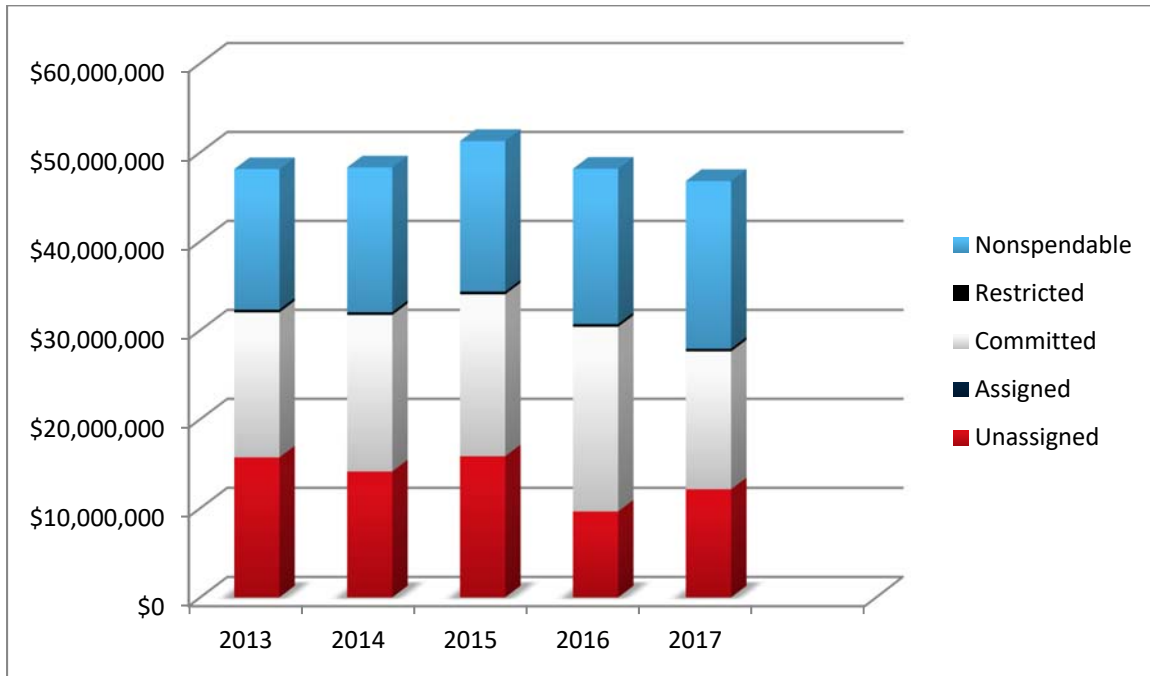
Financial Results

Financial Results – General Fund (CAFR page 28)

	<u>Actual</u>	<u>Final Amended Budget</u>	<u>Variance</u>
Revenues and transfers in	\$ 75,846,566	\$ 72,100,413	\$ 3,746,153
Expenditures and transfers out	<u>(77,260,251)</u>	<u>(88,867,082)</u>	<u>11,606,831</u>
Revenues over (under) expenditures	(1,413,685)	<u><u>\$ (16,766,669)</u></u>	<u><u>\$ 15,352,984</u></u>
Fund Balance			
Beginning of year	<u>48,181,142</u>		
End of year	<u><u>\$ 46,767,457</u></u>		

Financial Results

General Fund Balance History (CAFR page 102)



Fund Balance Components	2013	2014	2015	2016	2017
Nonspendable	\$ 15,800,363	\$ 16,277,554	\$ 16,921,458	\$ 17,462,751	\$ 18,842,899
Restricted	312,246	308,297	308,705	309,990	309,990
Committed	16,293,451	17,589,978	18,209,733	20,751,961	15,493,453
Assigned	-	-	-	-	-
Unassigned	<u>15,704,799</u>	<u>14,128,108</u>	<u>15,827,299</u>	<u>9,628,976</u>	<u>12,121,115</u>
	<u>\$ 48,110,859</u>	<u>\$ 48,303,937</u>	<u>\$ 51,267,195</u>	<u>\$ 48,153,678</u>	<u>\$ 46,767,457</u>

Financial Results

Financial Results – Other Governmental Funds (CAFR page 26)

	<u>Human Services Fund</u>	<u>Capital Projects Fund</u>	<u>Nonmajor Governmental Funds</u>
Revenues	\$ 22,000,592	\$ 2,913,909	\$ 11,065,750
Expenditures	(28,308,204)	(5,682,844)	(17,977,639)
Other financing sources (uses)	<u>5,111,071</u>	<u>79,559,186</u>	<u>9,982,256</u>
Net change in fund balances	(1,196,541)	76,790,251	3,070,367
Fund balance			
Beginning of year	<u>6,057,855</u>	<u>1,977,298</u>	<u>4,683,634</u>
End of year	<u>\$ 4,861,314</u>	<u>\$78,767,549</u>	<u>\$ 7,754,001</u>
Nonmajor Funds			
County Road Maintenance			\$ 2,435,393
County Handicapped Education			365,190
County Bridge Aids			64,048
Debt Service Fund			4,489,458
Permanent Fund			<u>399,912</u>
			<u>\$ 7,754,001</u>

Financial Results

Financial Results – Business-type funds (CAFR page 31)

	Enterprise Funds				Internal Service Funds
	Ridgewood Healthcare Center	Reefpoint Marina	Behavioral Health Services	Golf Courses	
Revenues	\$ 10,166,822	\$ 1,744,044	\$ 16,383,120	\$ 266,348	\$ 10,878,961
Expenditures	(12,839,836)	(1,632,856)	(15,948,355)	(219,694)	(11,107,120)
Nonoperating revenues (expenses)	(9,799)	(95,496)	-	9,487	(20,782)
Transfers	(157,813)	-	305,185	-	(795,798)
Special item	<u>5,744,950</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Change in net position	2,904,324	15,692	739,950	56,141	(1,044,739)
Net Position					
Beginning of year	<u>5,645,325</u>	<u>533,402</u>	<u>20,758</u>	<u>4,725,862</u>	<u>13,711,464</u>
End of year	<u>\$ 8,549,649</u>	<u>\$ 549,094</u>	<u>\$ 760,708</u>	<u>\$ 4,782,003</u>	<u>\$ 12,666,725</u>

Financial Results

G.O. Debt Outstanding legal Debt Margin (CAFR page 65)

Pursuant of Section 67.03 Wisconsin Statutes, the total indebtedness of the county for general purposes may not exceed 5% of the value of the taxable property located therein for state purposes.

Equalized Value		\$ 14,224,282,050
Debt Margin Percentage		<u>5%</u>
Legal Debt Limit		711,214,103
Outstanding General Obligation Debt	\$ 139,705,000	
Less amount available in the Debt service Fund	<u>(4,489,458)</u>	
Total Amount of debt Applicable to Debt Margin		<u>135,215,542</u>
Legal Debt Margin		<u>\$ 575,998,561</u>

Section III
Compliance Audit



Refer to the Report on Federal and State Awards Document.

Required by Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) and the Wisconsin State Single Audit Guidelines.

Federal program expenditures totaled \$16,916,507 and state program expenditures totaled \$16,958,589.

Unmodified opinion on the County's compliance with its major federal and major state programs.

Two findings anticipated to be reported.

- > Controls over financial reporting – financial statement preparation
- > Department of Children and Families general requirement – lack of supporting documentation for the date and time of response for the Random Moment Sampling (RSM) system for one response out of a sample of forty responses. This is a repeat finding from 2016 which identified 2 responses without documentation.

Section IV

Required Communications



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Required Communications

Refer to the Required Communications Document.

Our Responsibility Under Auditing Standards Generally Accepted in the United States of America, Government Auditing Standards, the Uniform Guidance, and the State Single Audit Guidelines

Other Information in Documents Containing Audited Financial Statements

- > Our responsibility does not extend beyond the audited financial statements. No responsibility for other documents such as official statements related to debt issues.

Planned Scope and Timing of the Audit

- > We performed the audit according to the planned scope and timing previously communicated to you on July 30, 2017.

Qualitative Aspects of the Entity's Significant Accounting Practices

- > Accounting policies – Implemented GASB Statement No. 75
- > Significant accounting estimates – We evaluated the key factors and assumptions and determined their reasonableness.
- > Financial statement disclosures – Disclosures are neutral, consistent and clear.

Difficulties encountered during the audit

- > We encountered no significant difficulties in dealing with management relating to the performance of the audit.

Corrected and uncorrected misstatements

- > Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. Management corrected all such misstatements. None of the misstatements detected as part of our audit and corrected by management were material.

Disagreements with management

- > For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter, which could be significant to the financial statements or the auditor's report. No such disagreements arose during the course of the audit.

Required Communications

Management's consultations with other independent accountants

- > In some cases, management may decide to consult with other accountants about auditing and accounting matters. To our knowledge, there were no consultations with other accountants regarding auditing and accounting matters.

Representations requested from management

- > Attached to the required communications letter.

Independence

- > We are not aware of any relationships between Baker Tilly Virchow Krause, LLP and Racine County that, in our professional judgment, may reasonably be thought to bear on our independence.

Other significant matters, finding or issues

- > In the normal course of our professional association with the County, we generally discuss a variety of matters, including the application of accounting principles and auditing standards, business conditions affecting the entity, and business plans and strategies that may affect the risks of material misstatement. None of the matters discussed resulted in a condition to our retention as the County's auditors.

Section V

Comments, Recommendations and Informational Points



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Comments, Recommendations and Informational Points

The Governmental Accounting Standards Board (GASB) approved the following upcoming standards:

- > Statement No. 83, *Certain Asset Retirement Obligations*
- > Statement No. 84, *Fiduciary Activities*
- > Statement No. 85, *Omnibus 2017*
- > Statement No. 86, *Certain Debt Extinguishment Issues*
- > Statement No. 87, *Leases*
- > Statement No. 88, *Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements*

Internal Control over Financial Reporting

Our audit includes a review and evaluation of the internal controls relating to financial reporting. Common attributes of a properly designed system of internal control for financial reporting are as follows:

- > There is adequate staffing to prepare financial reports throughout the year and at year-end.
- > Material misstatements are identified and corrected during the normal course of duties.
- > Complete and accurate financial statements, including footnotes, are prepared.
- > Complete and accurate schedule of expenditures of federal and state awards is prepared.
- > Financial reports are independently reviewed for completeness and accuracy.

Our evaluation of the internal controls over financial reporting has identified control deficiencies that are considered material weaknesses surrounding the preparation of financial statements and footnotes. Management has not prepared financial statements that are in conformity with generally accepted accounting principles.

We understand that management would like to prepare the financial statements; however due to available resources, staff changes and system implementations, management has requested us to prepare the financial statements. We will continue to work with management to assist them in preparing the financial statements.

Comments, Recommendations and Informational Points

Information Technology Controls

There is no formal review process in place for reviewing SOC 1 reports of third party vendors. The County should implement a formal review process to respond to any material weaknesses in SOC 1 reports of 3rd party vendors on an annual basis.

Resources for State and Local Government Boards

Expectations and accountability are at all-time high and the knowledge required to be an effective board member is substantial. As a benefit to our clients, we have compiled a number of resources dedicated to educating state and local government board members. Go to our Board Governance Resource Center at www.bakertilly.com/board-governance.

The Resource Center includes the following short informative videos:

1. Government financial statements 101
2. Understanding your government's fraud risk
3. Financial ratios and benchmarks
4. Fund balance and other financial policies
5. Benefits of a fraud risk assessment
6. Understanding utility finances

We encourage you to subscribe to our complimentary newsletter "Government Connection" to stay abreast of the latest issues impacting state and local governments. You can do so by clicking on the "subscribe" button and indicating "State and Local Government" as an area of interest on the subscription form. Also, if you or your board members have suggested topics to feature on our Board Governance webpage or Government Connection newsletter, we invite you to submit your ideas in person or online.

Cyber Security

It's no surprise that cybersecurity continues to be a top concern for management and those charges with governance across governments of all sizes and types. Protecting citizen's data is critical for any government. In addition, there have been several incidents of critical malware or ransomware threats to communities of various sizes.

We recommend performing a cyber-risk assessment to identify the types and location of data on your system as well as considering the sensitivity or potential regulations associated with your data. This will allow you to make informed decisions about spending on cyber risk mitigation.

Our professionals are also available to assist with your cybersecurity questions, assessments, and programs.

Comments, Recommendations and Informational Points

Government Fraud Prevention and Detection: Now is the Time to Act

When it comes to preventing and detecting fraud in government, being proactive is critical. In fact, government is the second most likely industry to be impacted by fraud. According to the audit standards, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management. To get started, your government should conduct a fraud risk assessment to identify where and how fraud might occur and what individuals may be in a position to commit fraud. Once you've identified your entity's fraud risk areas, the next step is to develop a fraud risk assessment and investigation policy.

As you begin your fraud risk assessment or develop tools to prevent and detect fraud, it is important to keep in mind the following information provided by the Association of Certified fraud Examiners:

- > Misappropriation of assets accounts for 80 percent of fraud.
- > The primary internal control weaknesses observed are lack of internal controls, lack of management review, override of existing internal controls and poor tone at the top.
- > A tip is the most effective tool to catch a fraudster followed by management review.
- > The professional requirements and objectives of a financial audit are different than a forensic audit. Due to the nature of a financial audit, less than 10 percent of frauds have been discovered as a result of a financial audit conducted by an independent accounting firm.

The County has not gone through a fraud risk assessment and does not have a formalized plan to prevent and detect fraud, we recommend that this be done and then updated on a regular basis. We are available to assist you with this process.

REQUEST FOR COUNTY BOARD ACTION

YEAR	<u>2018</u>		Resolution Request
			Ordinance Request
		X	Report Request

Requestor/Originator: County Executive - Jonathan Delagrave

Committee/Individual Sponsoring: Finance & Human Resources Committee

Date Considered by Committee: _____ Date of County Board Meeting to be Introduced: _____

1st Reading: 1st & 2nd Reading: *

* Include a paragraph in the memo regarding why 1st & 2nd reading is required.

Signature of Committee Chairperson/Designee: _____

TITLE OF RESOLUTION/ORDINANCE/REPORT:

Authorizing the Donation to Racine Health Department In the amount of \$12,500 for a FQHC grant writer and attorney

SUBJECT MATTER:

The attached memo describes in detail the nature of resolution /ordinance /report and any specific facts which you want included in resolution/ordinance/report must be attached.

Any request which requires the expenditure or transfer of funds must be accompanied by the specific amount being transferred and the account number from which these funds will be taken and to which they will be transferred.

THIS FORM MUST BE FILLED OUT COMPLETELY PRIOR TO YOUR APPEARANCE BEFORE A COMMITTEE.

The Committee believes that this action furthers the following goals:

- Make Racine County the most accessible county in Wisconsin for business to grow, develop and create family supporting jobs.
- Develop a system that encourages employees, elected officials and citizens to suggest ideas for service enhancement and productivity improvements including a measurement of customer satisfaction.
- Foster an environment where intergovernmental cooperation is encouraged to produce better services and efficiencies.
- Reduce or limit the growth of the tax levy as set forth in Resolution No. 2002-59S.
- To make Racine County a healthy, safe, clean, crime-free community and environment.



Date: August 28, 2018

To: Racine County Finance & Human Resources Committee

Re: Donation

Request from the Racine Health Department for \$12,500 to provide funding for a FQHC grant writer and attorney. The \$12,500 County donation is contingent upon the City of Racine making a matching donation.

REQUEST FOR COUNTY BOARD ACTION

YEAR	<u>2018</u>		Resolution Request
			Ordinance Request
		X	Report Request

Requestor/Originator: County Executive - Jonathan Delagrave

Committee/Individual Sponsoring: Finance & Human Resources Committee

Date Considered by Committee: _____ Date of County Board Meeting to be Introduced: _____

1st Reading: 1st & 2nd Reading: *

* Include a paragraph in the memo regarding why 1st & 2nd reading is required.

Signature of Committee Chairperson/Designee: _____

TITLE OF RESOLUTION/ORDINANCE/REPORT:

Donations made to Racine County between January 1, 2017 through December 31, 2017

SUBJECT MATTER:

The attached memo describes in detail the nature of resolution /ordinance /report and any specific facts which you want included in resolution/ordinance/report must be attached.

Any request which requires the expenditure or transfer of funds must be accompanied by the specific amount being transferred and the account number from which these funds will be taken and to which they will be transferred.

THIS FORM MUST BE FILLED OUT COMPLETELY PRIOR TO YOUR APPEARANCE BEFORE A COMMITTEE.

The Committee believes that this action furthers the following goals:

- Make Racine County the most accessible county in Wisconsin for business to grow, develop and create family supporting jobs.
- Develop a system that encourages employees, elected officials and citizens to suggest ideas for service enhancement and productivity improvements including a measurement of customer satisfaction.
- Foster an environment where intergovernmental cooperation is encouraged to produce better services and efficiencies.
- Reduce or limit the growth of the tax levy as set forth in Resolution No. 2002-59S.
- To make Racine County a healthy, safe, clean, crime-free community and environment.

**JONATHAN DELAGRAVE**

Office of the County Executive
730 Wisconsin Avenue
Racine, WI 53403
262-636-3273
fax: 262-636-3549
jonathan.delagrave@racinecounty.com

August 29, 2018

To: Robert Miller
Chairman, Finance and Human Resources Committee

From: Racine County Executive Jonathan Delagrave

Re: **2017 Racine County Accepted Donations**

In compliance with Section 7-2c of the Racine County Code of Ordinances, I am hereby notifying you of those gifts and donations that I have accepted on behalf of Racine County between January 1, 2017 and December 31, 2017. Gifts of real estate are approved by the Board of Supervisors, and therefore not included on this list.

<u>DONOR</u>	<u>DEPARTMENT</u>	<u>DONATION</u>
Howe/Coleman/Brant	Racine County	\$135.00
Joan Brown	Racine County Alcohol/Drug Treatment Court	\$50.00
Alpha Delta Kappa - Tau Chapter	Racine County Alcohol/Drug Treatment Court	\$50.00
Alpha Delta Kappa - Tau Chapter	Racine County Alcohol/Drug Treatment Court	\$270.00
Texas Roadhouse	Racine County Alcohol/Drug Treatment Court	\$113.62
Patrick Cafferty Law Office SC	Racine County Crime Prevention Fund	\$1,100.00
Best Buy	Racine County Crime Prevention Fund	\$269.98
Racine County Clerk of Courts	Racine County Crime Prevention Fund	\$12,825.00
Andrew Willis	Racine County Crime Prevention Fund	\$90.00
Rebecca Andersen	Racine County Crime Prevention Fund	\$90.00
Rutha Lilla	Racine County Crime Prevention Fund	\$100.00
John Moore	Racine County Crime Prevention Fund	\$50.00
Ray Rone	Racine County Crime Prevention Fund	\$50.00
Matthew Kozenski	Racine County Crime Prevention Fund	\$50.00
Larry Quality Snacks	Racine County Crime Prevention Fund	\$50.00
Kathleen Bardenhagen	Racine County Crime Prevention Fund	\$50.00
Harold Simon	Racine County Crime Prevention Fund	\$75.00
Eunice Matter	Racine County Crime Prevention Fund	\$50.00
InSinkErator	Racine County Crime Prevention Fund	\$100.00
Public Golf Associates	Racine County Crime Prevention Fund	\$100.00
Sharon Lee	Racine County Crime Prevention Fund	\$200.00
Connie Mallwitz	Racine County Crime Prevention Fund	\$100.00
Racine Municipal Credit Union	Racine County Crime Prevention Fund	\$250.00
South Hills	Racine County Crime Prevention Fund	\$100.00
Armour Industries	Racine County Crime Prevention Fund	\$180.00

May Ballard Real Estate	Racine County Crime Prevention Fund	\$200.00
Cutis Hugmann	Racine County Crime Prevention Fund	\$200.00
Denise Kesler	Racine County Crime Prevention Fund	\$360.00
John Clifton	Racine County Crime Prevention Fund	\$200.00
John Gordon	Racine County Crime Prevention Fund	\$180.00
William Gabbey	Racine County Crime Prevention Fund	\$50.00
Mark Richards, SC	Racine County Crime Prevention Fund	\$100.00
Sorce Services LLC	Racine County Crime Prevention Fund	\$200.00
Thomas Sweet	Racine County Crime Prevention Fund	\$100.00
Ryan Vandelloo	Racine County Crime Prevention Fund	\$100.00
Robert Straus	Racine County Crime Prevention Fund	\$180.00
Educators Credit Union	Racine County Crime Prevention Fund	\$100.00
Knapp Mfg. Inc	Racine County Crime Prevention Fund	\$100.00
Jiffy Lube	Racine County Crime Prevention Fund	\$100.00
Draegger-Langendorf Funeral	Racine County Crime Prevention Fund	\$100.00
Wisconsin Car Care	Racine County Crime Prevention Fund	\$100.00
Thomas Hasko	Racine County Crime Prevention Fund	\$10.00
Chocolate Fest	Racine County Explorer Post	\$1,190.00
Lucinda Lester	Racine County Health Services	\$162.00
Caring with Honor LLC	Racine County Health Services	\$150.00
Ako Enterprises Inc	Racine County Health Services	\$750.00
Rachel M Waller	Racine County Health Services	\$150.00
Waldron-Smith Debra	Racine County Health Services	\$150.00
My Choice Family Care Inc	Racine County Health Services	\$750.00
Living Well Home Medical	Racine County Health Services	\$150.00
Villa Financial Services	Racine County Health Services	\$150.00
St Camillus	Racine County Health Services	\$250.00
Paratech	Racine County Health Services	\$150.00
Society's Assets	Racine County Health Services	\$262.00
Burlington Medical and Rehab	Racine County Health Services	\$150.00
Hospice Alliance, Inc.	Racine County Health Services	\$100.00
St Croix Hospice LLC	Racine County Health Services	\$150.00
S&J Home Care LLC	Racine County Health Services	\$500.00
Waterford Senior Living LLC	Racine County Health Services	\$150.00
Siena on the Lake	Racine County Health Services	\$100.00
James and Donna Denmark	Racine County Health Services	\$10.00
George Rashleger/Carol Jacoby	Racine County Health Services	\$10.00
William and Cindy Richter	Racine County Health Services	\$10.00
William and Bonnie Halsey	Racine County Health Services	\$10.00
Gaylord and Janet Johnson	Racine County Health Services	\$10.00
Betty Wolbers	Racine County Health Services	\$10.00
Donald and Carole Braun	Racine County Health Services	\$10.00
Becky Marston	Racine County Health Services	\$25.00

Marjorie Pulice/Lisa Fritz	Racine County Health Services	\$150.00
Wallace McCallum	Racine County Health Services	\$100.00
George and Judith Weyrauch	Racine County Health Services	\$30.00
SC Johnson	Racine County Health Services	\$250.00
Jerome Koch	Racine County Health Services	\$100.00
Racine Community Foundation	Racine County Health Services	\$500.00
Back the Badge Sign Sales	Racine County Honor Guard	\$150.00
Christine Oszewski	Racine County K9 Hero	\$200.00
Amanda Kopatich	Racine County K9 Hero	\$60.00
Marie Anderson	Racine County K9 Hero	\$20.00
Moena Olson	Racine County K9 Hero	\$220.00
Kevin Kazmierski	Racine County K9 Hero	\$60.00
Squire Farms	Racine County K9 Hero	\$100.00
Miller Compressing Company	Racine County K9 Hero	\$500.00
Stephanie Ruiz	Racine County K9 Hero	\$75.00
E.A. Drewitz/Friday	Racine County K9 Hero	\$8,258.00
Nox	Racine County K9 Hero	\$418.00
Woofdorf-Astoria	Racine County K9 Hero	\$500.00
Mary Strike	Racine County K9 Hero	\$110.00
John Daveling	Racine County K9 Hero	\$55.00
Nathan Loftis	Racine County K9 Hero	\$40.00
Emily Brands	Racine County K9 Hero	\$100.00
Robert Granger	Racine County K9 Hero	\$300.00
Philip Brandy	Racine County K9 Hero	\$30.00
Rodney Bender	Racine County K9 Hero	\$12.00
Progressive Pediatric Dentists	Racine County K9 Hero	\$125.00
Angie Ricchio	Racine County K9 Hero	\$20.00
Unknown Deputies	Racine County K9 Hero	\$760.00
Juan & Julie Avila	Racine County K9 Hero	\$20.00
Racine County Dep. Sheriff	Racine County K9 Hero	\$200.00
K9 Policeman's Ball	Racine County K9 Hero	\$6,157.89
Racine County K9 Hero	Racine County K9 Hero	\$384.00
Racine County Honor Guard	Racine County K9 Hero	\$480.00
Linda Wells	Racine County K9 Hero	\$250.00
Mr. & Mrs. David Rowland	Racine County Meals on Wheels/ADRC	\$500.00
Racine Community Foundation	Racine County Meals on Wheels/ADRC	\$30,000.00
Tri City National Bank	Racine County Sheriff Honor Guard	\$75.00
Miller Compressing Company	Racine County Sheriff Honor Guard	\$1,155.00
Ronald Despina	Racine County Veterans	\$50.00
Pam Simes	Racine County Veterans	\$50.00
Racine Moose Lodge	Racine County Veterans	\$50.00
Lakeside International LLC	Racine County Veterans	\$2,500.00
Racine Area Vet Inc.	Racine County Veterans	\$250.00

Janet Leischow	Racine County Veterans	\$50.00
Tom Banner	Racine County Veterans	\$50.00
S.C. Johnson	S.C. Johnson Aquatic Center	\$2,210,000.00
Honorable Michael Piontek	Second Judicial District Veterans Treatment Court	\$100.00
Kiwanis Club of Western RC	Second Judicial District Veterans Treatment Court	\$500.00
Texas Roadhouse	Second Judicial District Veterans Treatment Court	\$88.94
Mr. & Mrs. Langendorf	Second Judicial District Veterans Treatment Court	\$375.00
United Way of Racine	UW Extension Family Living	\$237.74
United Way of Greater Mke	UW Extension Family Living	\$35.70
Racine Garden Club	UW Extension Horticulture	<u>\$50.00</u>
		\$2,291,239.87
Ed Brehm	Racine County Alcohol/Drug Treatment Court	Snacks/Candy
		50 Calendar
Educators Credit Union	Racine County Alcohol/Drug Treatment Court	Books
Ed Brehm	Second Judicial District Veterans Treatment Court	Snacks/Candy
		50 Calendar
Educators Credit Union	Second Judicial District Veterans Treatment Court	Books

I hope that you will join me in thanking all these donors, who have been so civic minded and generous.

Sincerely,

Jonathan Delagrave
County Executive

REQUEST FOR COUNTY BOARD ACTION

YEAR <u>2018</u>	X	Resolution Request
		Ordinance Request
		Report Request

Requestor/Originator: County Executive - Jonathan Delagrave

Committee/Individual Sponsoring: Finance & Human Resources Committee

Date Considered by Committee: 9/5/2018 Date of County Board Meeting to be Introduced: 9/11/2018

1st Reading: 1st & 2nd Reading: *

*** Include a paragraph in the memo regarding why 1st & 2nd reading is required.**

Signature of Committee Chairperson/Designee: _____

TITLE OF RESOLUTION/ORDINANCE/REPORT:

The Adjustment to the 2018 pay rates for all Non-Rep - Exempt and On-Rep - Non-Exempt excluding those
previously adjusted on Resolution 2018-38 increasing them by 1% as of September 29, 2018

SUBJECT MATTER:

The attached memo describes in detail the nature of resolution /ordinance /report and any specific facts which you want included in resolution/ordinance/report must be attached.

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JULY-24-18

FISCAL NOTE RESOLUTION NO:

EXHIBIT "A"

Fiscal Year:

2018

The total cost for 2018 (9/29/18 - 12/31/18) would be \$87,472. There are grants in various departments that will cover an estimated \$27,865. There are sufficient funds within the departments 2018 budget to cover the \$59,607 not covered by grants.

FINANCE COMMITTEE RECOMMENDATION

After reviewing the Resolution/Ordinance and fiscal information supplied, your Finance Committee recommends FOR--AGAINST adoption.
REASONS

FOR	AGAINST