

Executive Committee Meeting Minutes March 20, 2017

Chair Decker called the meeting to order at 8:30 a.m. and led the committee in the Pledge of Allegiance.

Committee Members Present: Chair Paul Decker, Supervisors Dave Swan, Dave Zimmermann, Jim Heinrich, Larry Nelson, Christine Howard, and Peter Wolff.

Others Present: Chief of Staff Mark Mader, Legislative Policy Advisor Sarah Spaeth, Supervisor Duane Paulson, Supervisor Tom Michalski, Supervisor Ted Wysocki, Internal Audit Manager Lori Schubert, Parks Director Dale Shaver, Business Manager Pete Mudek, Parks System Manager Steve Brunner, and Accounting Services Manager Larry Dahl.

Approve Minutes of February 20, 2017

MOTION: Howard moved, second by Zimmermann to approve the minutes of February 20, 2017. Motion carried 7-0.

Future Meeting Date: April 17, 2017

Discussed the Golf Course Cash Receipting Audit Report

Schubert said the audit scope reviewed the system of internal controls over revenue collection at the three golf courses. Each course earns revenue from the sale of a variety of goods and services including greens fees, cart rental, sale of merchandise and concessions, and sale of gift cards and ID cards. Cashiering system efficiency and effectiveness was evaluated. The facilities collect approximately \$3.2 million in 2016. The courses utilize the Fairways computer system for reservations, inventory and all sales but are in the process of replacing this system with Max Galaxy for the 2018 golf season. The audit report is meant to assist the department in further improving revenue collection efforts.

Schubert said there were several findings and recommendations during the course of the audit. Numerous errors in the daily reconciliations of the cash drawers were noted at all three golf courses. These errors included variances between the Hypercom credit card processing units and the cashiering system, and misclassification of transaction types and variances in the reconciliation of the cash drawers. Brunner said staff at each course will receive proper training and variances will be monitored. Heinrich asked if there were any concerns about the safety of using a charge card at the courses. Schubert said the Hypercom units do not store any payment info on site and that is County policy. Employees did not log out of the Fairways system and lock their workstations when they left the area, and instead relied on the automated "time out" function of their PC. Brunner said the policy that employees be logged out of the system each time they leave their PC and not rely on the automated "time out" function will be emphasized. Gift cards sold and redeemed are tracked in the system but with no expiration date an accumulation of outstanding gift cards is cumbersome to manage. Brunner said a plan to account for aging cards and an expiration date will be implemented on new cards sold.

All refunds are processed through the Hypercom units and no cash refunds are allowed. All staff share a single ID on the Hypercom units, increasing the risk of errors in processing refunds and the risk of incorrect credits processed in error or intentionally to commit theft. By sharing a single ID, the staff who processed the refunds cannot be determined. Mudek said a periodic review of all refund activity will be implemented to be alerted of trends in refunds and errors associated with the reconciliation process. Decker asked for clarification on reconciliation. Administration IDs are shared when performing drawer closeout, reconciliation and deposit preparation. This is a violation of County IT security policies and weakens internal control. Brunner said until Max Galaxy is implemented, management will investigate

giving staff two IDs allowing for reconciliation under a separate ID. The department is also considering processing deposits by administrative staff which would eliminate this issue. Zimmermann asked if there is a process in mind for changing IDs once an employee leaves and Brunner said the IDs no longer work once an employee leaves the County. Safe combinations change annually or if someone departs from employment who knows the combination. Mudek said safe combinations will change according to County policies.

MOTION: Heinrich moved, second by Wolff to approve the Golf Course Cash Receipting Audit. Motion carried 7-0.

Discussed the Proposed Scope on the Audit Plan

Schubert gave an overview of the internal audit work plan. Upcoming projects for 2017 include the internal audits for UW Extension, tax listing, and the health and dental fund. Contracted audits include Sheriff's department overtime, and a Health and Human Services division still to be determined. In 2017-2019, the Information Technology Division, Parks & Land Use, and Capital Projects will have contracted audits still to be determined. Also during 2017-2019, the Medical Examiner's Office and P-card usage will have an internal audit. Scheduled audits for Public Works, the Recycling Facility Operation, Health & Human Services, Parks and Land Use, and the Human Resources Information System (HRIS) have yet to be determined for timing and their internal/external designation. Nelson mentioned a forthcoming Human Resources policy for 2018 that mandates direct deposits for the new system. Heinrich suggested including an operational audit of the Employee Health & Wellness Clinic.

Discussed and Considered Ordinance 171-O-089: Establish Parks And Land Use Capital Project Reserve Fund

Dahl and Brunner discussed this ordinance, which establishes a reserve fund for state and federally funded Parks and Land Use capital projects to account for delayed payments after project closure. The Wisconsin Department of Transportation provides oversight for design and construction review of these projects, for which the County is charged. These projects are subject to federal audit and could result in final payments years after the County closes out projects in accordance with County policies and these delayed payment requests must be provided for. Since 1991 the County has used a policy to resolve similar delayed payment issues for federally funded highway capital projects by receiving Finance Committee approval each year to set aside a portion of project fund balances into a reserve fund to cover future-year payments. It is anticipated that a reserve fund for Parks and Land Use capital projects would first be needed by year-end 2017 for the expected closure of the Bikeway Pavement Improvement capital project (#200014). Upon recommendation of the Departments of Parks and Land Use and Administration, and upon approval of the Finance Committee, a portion of capital project fund balance remaining will be reserved upon completion of projects that are funded in part with federal or state aid. Heinrich asked if there could be a restriction or limit on dollar amount or percentage for the reserve. Dahl said retainages and disputed costs are smaller dollar values that take time to trickle down into this fund and that a formal report can be made annually to the Finance Committee. Mader added that the Finance Committee will approve additions to the reserve fund as they occur. Discussion amongst the committee led to advising the Finance Committee to add the line, "not to exceed total of \$50,000".

MOTION: Swan moved, second by Heinrich to approve Ordinance 171-O-089. Motion carried 7-0.

Discussed and Considered Appointment 171-A-035: Christine Howard To The Health & Human Services Board

MOTION: Zimmermann moved, second by Nelson to approve appointment 171-A-035. Motion carried 7-0.

Heard an Update on Wisconsin Counties Association (WCA) Regional Meeting

Decker said the meeting included discussion on several important issues such as the federal Surface Transportation Program. WCA believes eliminating federal funds from local road programs and replacing them with state funds would reduce oversight and allow projects to be completed at a lower cost to taxpayers. WCA requested the establishment of a Federal Exchange program in the State of Wisconsin. It would be a “Swap Program” allowing local units of government to trade all or a portion of its federal fund allocations in a specific federal fiscal year with the particular state’s Department of Transportation in exchange for state transportation dollars.

Heard a Legislative Update

Spaeth reported that she and the Chief of Staff of the County Executive’s office Shawn Lundie have meetings with all 18 of Waukesha County’s state legislators over the course of two weeks to discuss the budget’s impact on the county. Spaeth highlighted some of the increases in the budget. The governor and legislature have recently devoted additional funding to county General Transportation Aid (GTA), but counties receive less today than they did five years ago. In addition, as county costs rise, state GTA payments represent a smaller and smaller share of total county maintenance costs. Counties received \$98.4 million in 2015 GTA payments, down from more than \$104.4 million in 2011. WCA has requested the allocation of additional funding to the county GTA appropriation to reflect the backlog of maintenance on the county trunk highway system. Lastly, Spaeth discussed the effort to include modernizing 911 services in the budget. WCA requested an issuance of an RFP to utilize existing infrastructure, such as the BadgerNet, for a statewide ESInet system to provide all personal sound amplification products (PSAPs) with the network needed to implement necessary NG911 services.

Heard an Update on NACO Legislative Conference

Decker and Nelson highlighted some of the panel discussions and presentations at the NACo Legislative Conference held in Washington DC. At the *Technology and Innovation Symposium and Reception* leaders from the field made a series of lightning-round presentations and held discussions on topics related to county IT, including cybersecurity, social media, public safety and smart technology. At the *DISASTERS: A Resilient Counties Discussion on Flood Preparation & Response* panel, representatives from across North Carolina discussed their response to and early recovery from Hurricane Matthew, including what mitigation strategies have best benefitted the counties. An interactive lunch discussion titled *Addressing Homelessness in Your County* explored a variety of issues counties are facing related to homelessness, including its causes, the health care needs of homeless individuals, special populations and the overlap with the justice system. At the expert panel *Opioid Epidemic: Leading in a Crisis*, NACo members discussed local stories, successes and challenges with several members of the National City-County Task Force on the Opioid Epidemic. There was also a session called *The Role of Modern Technology in the Opioid Fight*. At *Foreign Investments and U.S. Exports: A Networking Opportunity for County Elected Officials*, representatives from Canada, Chile and Africa discussed investment interests of foreign businesses in the United States, what export opportunities exist and what counties can do to foster the international side of their economy.

Heard an Update on Regional Transit Leadership Council Executive Committee

Decker gave an update on the Regional Transit Leadership Council Executive Committee. The group is looking to become more involved in state processes in order to effect further change regarding regional transit and ensuring transit is not an excuse preventing people from working.

Heard an Update on Wisconsin Workforce Development Association Board

Decker reported the Workforce Development Board received another round of YouthBuild funding from the U.S. Department of Labor’s Employment and Training Administration. Building Futures is open to low-income youth ages 18 to 24 who do not have a high school diploma, GED, or HSED and serves 72 participants over four 6-month periods with 9 months of follow-up. The Workforce Development Association Board partnered with the Milwaukee Community Service Corps (MCSC) and Habitat for Humanity of Waukesha County. A Building Futures Case Manager will provide case management, post-program placement, and follow-up services to participants. MCSC will provide academic and hands-on training for each cohort. Participants will receive 6 months of academic education and 4½ months of carpentry training and have the opportunity to build upon the stackable carpentry and welding certificates they receive from the Building Futures program. Habitat for Humanity will provide low-income housing worksites for hands-on construction training.

County Board Committee Reports by Committee Chairs for the Following Meetings:

Land Use, Parks & Environment of February 21– Zimmermann reported the committee heard a presentation on the Revolving Loan program and considered two ordinances.

Finance of March 8- Heinrich reported the committee heard a year-end collections report and claims report, heard an update on Alcohol Treatment Court fees and revenue goals, and heard an audit planning report.

Public Works of March 16 – Swan reported the committee discussed and considered two bids and an ordinance, and heard a presentation on the River Rail Transit System.

Health and Human Services of March 16- Howard reported the committee heard an overview of the National Alliance on Mental Illness (NAMI) services for adults and peer specialist services, heard an overview on inpatient services at the Mental Health Center, and toured the Mental Health Center.

Judiciary and Law Enforcement of March 17- Wolff reported the committee discussed and considered an ordinance and heard an overview from the Sheriff’s department on their involvement with the Dakota Pipeline Deployment.

MOTION: Zimmermann moved, second by Wolff to adjourn the meeting at 10:56 a.m. Motion carried 7-0.

Respectfully submitted,

Peter Wolff
Secretary