



Jefferson County Finance Department

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To: County Board members
Other interested parties
From: Brian Lamers, CPA
Re: Finance Department annual report
Date: May 10, 2016

First off I would like to thank the Finance Committee for all the work they do and the time commitment being on the Finance Committee, especially during the budget meetings. I would also like to thank the Finance Staff for all they do throughout the year and the constant challenges and changes.

In 2015 was the first full audit with Sikich LLP as the auditing firm for the 2014 calendar year. The final fieldwork started on April 27th and usually last for 3 weeks. There were no problems with the audit for the 2014 year end. Preliminary work for the 2015 year end started for a week in November and the final was in April/May 2016. The audit is an independent way of looking at the finances and transactions of the County and reports any major issues.

I want to thank all of my staff and the other departments for the patience and extra time it takes working with the Auditors.

The Finance Department shares office space with the County Clerk's office and has many shared duties that interrelate with the public in many ways. With the wonderful support of both Finance staff and the County Clerk's office, we continue to provide excellence service.

Looking at the calendar year 2015 for the Finance Department, I have included some of the larger activities of the department with the following items:

- Assisted the Administrator to develop the 2016 budget. The County submitted the 2016 budget to the Governmental Finance Officers Association (GFOA) for their Distinguished Budget Presentation Awards Program.
- In the beginning of 2016, we are preparing and will be submitting the CAFR (Comprehensive Annual Financial Report) to the Governmental Finance Officers Association (GFOA) for their Certificate of Achievement in Excellence in Financial Reporting Program for 2015, which we received the award for the 1st time in 2012 and have continued each year since.
- Assisted in the funding and payments for the New Highway shop and reconciling the bonding funds.
- We continued to gain knowledge and expertise in GlobalSoft's Spreadsheet Server. This software has allowed for more automated financial statement preparation for monthly reports and at year end.
- We continue to look at streamlining processes.
- For 2015, we were required to issue 1095c's to employees which is the new ACA (Affordable Care Act) reporting. This took many hours of finance and MIS staff time to program the financial system to comply with this reporting requirement.
- The Finance Staff and Committee along with the Administrator and County Treasurer went out for RFP this year to change Investment Advisors for the County's investments. After review we decided to change investment advisor services to DANA Investment Advisors.
- We went out for RFP for a new Finance/Human Resource System (ERP System) and started looking at what some of the software vendors have to offer. We estimate it will take approximately 1 year or so to implement.

Tammy and I are members of the Wisconsin Government Finance Officers Association (WGFOA) and Tammy, Cindy and I are also members of the National Government Finance Officers Association (GFOA) which helps us keep informed of any changes.

In addition to the above items, there are always over-lapping issues that need to be worked on:

- The annual budget process begins in April and does not end until November.
- Independent auditor field work includes:
 - November/December – Two weeks of field work related to internal controls
 - April/May – Three weeks of field work related to financial statements and grants
- Financial statement preparation begins in December and is not completed until mid-May.
- Working to keep policies with financial impacts up to date.

Projects for the department for the upcoming year and future years are to continue to submit the budget to the GFOA for their Distinguished Budget Presentation Award Program, continue to improve the CAFR for submittal to the GFOA for the Certificate of Achievement in Excellence in Financial Reporting Program and to continue with implementing and improving the procurement card system.

Challenges for this year and beyond

1. The Finance Division acts as the “accountant” for 22 out of 27 departments in the County because those departments do not have full time accounting staff. In addition, our office sets the accounting standards for and incorporating the financial data from the other five departments.
2. As the financial picture of Jefferson County gets tighter and tighter, elected officials, Administration, and the public are looking for more and more financial analysis and advice. While the County has maintained three CPAs on staff, the professional accounting staff is spread out to a very thin level.
3. Finance is working on staying current with the constant reporting and system processing changes to wages, insurance and benefits, as well as, state and federal programs. Over the past years, we have added to the W-2 information regarding insurance and wellness programs, modified our system to account for another deferred compensation option for employees and in the beginning of 2016 for the 2015 reporting year we had to program the system to do the 1095c's for the ACA (Affordable Care Act) reporting.
4. Attending outside training becomes even more important. In today's challenging economic environment, the departments, elected officials and public are turning to a finance professional for practical advice and strategic vision. The financial professional needs to understand and be able to explain the economic situation and the potential fallout for their jurisdictions. In order to do this, the Finance Department needs to (a) stay informed of the latest developments and trends, (b) create and maintain a network of peers for sharing of ideas, and (c) enhance the skills of the financial staff.
5. Working with an outdated financial system that has limited capability and numerous in house written programs that require MIS specialists to maintain.

In closing I would like to thank the Finance and County Clerk's staff again for all they have done and all they continue to do.

As always, if you have any questions, please contact my office.

Respectfully submitted,

Brian Lamers, CPA
Finance Director
Jefferson County