



SHEBOYGAN COUNTY

Wendy A. Charnon
Finance Director

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Honorable Members of the Sheboygan County Board and
County Administrator Adam Payne

I am pleased to share the progress made by the Finance Department during 2017 in the Annual Report for the Finance Department.

2017 marked the first year of the County Revenue Sharing program for the transportation needs of the County. All municipalities participated in the allocation of \$1.5 million of sales tax revenues to enhance their Transportation budgets to achieve more road improvements than originally planned. The Finance Department coordinates the agreements for participating in this program and processes the semi-annual disbursements.

With the promoting of a Senior Accountant to our Deputy Finance Director, the department has been able to cross train critical functions around cash reconciliation and fixed asset processing. In 2018, further cross training has begun for our payroll functions and accounts payable functions.

The Finance Department effectively manages the daily operations of the County's financial transactions and annual reporting requirements of the Consolidated Annual Financial Report (CAFR). This audited financial report is a required distribution not only to our County Board and constituents, but also to the State and Federal grant agencies. For the fourth consecutive year, the Finance team earned the Certificate of Achievement for Excellence in Financial Reporting presented by the Government Finance Officers Association.

The Finance Department continues to strive to be a collaborative partner with all departments to help achieve their goals and the goals of Sheboygan County. We look forward to the opportunity to assist the Sheboygan County Board and the County Administrator in meeting the financial and operational challenges ahead.

Respectfully submitted,

Wendy A. Charnon
Finance Director

Mission Statement and Summary of Responsibilities

The mission of the Finance Department is to effectively and efficiently safeguard and account for the County’s financial resources and to provide financial services in support of all County departments.

The Finance Department is responsible for all County financial operations, including budgeting, internal and external financial reporting, accounts payable, accounts receivable, payroll, fixed assets, internal auditing, debt management, cash management, investments, internal controls, collections, financial forecasting, and financial policies and procedures. The Finance Department has the leadership role in the development and maintenance of JD Edwards (JDE) accounting and payroll software that is utilized by all County departments.

Goals and Objectives Achieved in 2017

1. The 2016 Comprehensive Annual Financial Report (CAFR) was published and submitted to required agencies. The CAFR was also submitted for review with the Government Finance Officers Associations (GFOA) which resulted in a Certificate of Achievement for Excellence in Financial Reporting.
2. Successful completion of the 2018 budget process including all required Department of Revenue reports and County levy limit worksheets by required deadlines. The resulting tax levy increase for 2018 is \$660,097 or 1.38%.
3. Successful completion of the 5 Year Capital Plan with additional bonding approval to finance the final construction of the Transportation Complex.
4. Processes for the new requirements set forth in the “Omni-Circular” for federal grant awards have been outlined and corresponding State requirements are still being developed. During 2017, compliance with the new form submissions was achieved. Training of the new processes will continue throughout the County.
5. Successful cross training of the cash reconciliations and processing for fixed asset additions, disposals, and depreciation processing.

Budget

	2017 Budget	2017 Results	Variance
Revenues	\$1,506,471	\$1,530,350	23,879 Positive
Expenditures	1,494,714	1,405,220	89,494 Positive
Result	11,757	125,130	113,373 Positive

The Finance Department tax levy support for 2017 was \$1,027,179. Total budget was \$1,506,471. The positive \$113,373 performance is the direct result of vacant positions throughout the 2017 fiscal year.

The Finance Department levy support will increase to \$1,072,481 in 2018 as a result of the 2% pay for performance program, increases in health and dental insurances and the addition of a part-time mail courier to the table of organization. The total Finance Department budget for 2018 is \$1,581,842.

Issues and Challenges Ahead

The biggest challenge faced by the Finance Department is the age of the Financial Software JD Edwards. JD Edwards is a manufacturing software that has been maintaining the financial transactions of the County since 1999. Being designed for manufacturing, it has proven to be a less than user friendly application for a Governmental Entity. The Finance Department will begin to work with the Information Technology Department to search for an updated software solution that is designed for Governments.

Financial systems have been trending towards full integrations, and have been making tremendous strides towards that end. However, these systems are and will remain complex in the areas of on-going application configurations, integrations with auxiliary systems and upgrade enhancements requiring development and extensive testing.

The Finance Department provides services to all County departments. In order to meet the service needs of all county departments, the Finance Department will continue to focus on maximizing efficiencies and improving financial reporting methods and other services provided.

Goals and Objectives for 2018

1. Complete and publish the 2016 Comprehensive Annual Financial Report (CAFR) no later than June 30th.
2. Complete and submit the Tax Rule 16 Report and the Department of Revenue Report SLF-Form A by the required deadlines.
3. Complete and submit the County Appropriations and County Levy Limit Worksheet to the State of Wisconsin by the required deadlines.
4. Work with Corporation Counsel on review and revisions for the Code of Ordinances, Chapter 5 – Budget Ordinance.
5. Work with one or more Departments to develop performance measures and outcome assessment of their programs and services.
6. Improve cross training in the department, ensuring processes are adequately documented, staff is trained to ensure workflow continuity, and adequate service is provided by the department.