



RESOLUTION # 52-9108

TO: HONORABLE MEMBERS OF THE LA CROSSE COUNTY BOARD OF SUPERVISORS

ITEM # 5/9

BOARD ACTION

Adopted: 9-18-08  
For: 33  
Against: 2  
Abs/Excd: 2  
Vote Req: 2/3s Bd  
Other Action: \_\_\_\_\_

EXECUTIVE COMMITTEE ACTION

Adopted: 9-10-08  
For: 8  
Against: 7  
Abs/Excd: 1

**RE: AUTHORIZING THE TRANSFER OF PRIOR YEARS EXCESS INVESTMENT INTEREST EARNINGS FROM THE UNDESIGNATED GENERAL FUND ACCOUNT FOR THE PURPOSE OF ESTABLISHING AN "INTEREST REVENUE STABILIZATION FUND" RESERVE**

WHEREAS, the La Crosse County Treasurer and Finance Department invest excess funds in investment vehicles as provided and governed by Wisconsin State Statutes; and,

WHEREAS, due to significant and frequent fluctuations in interest rates during the most recent years, it has become difficult to project annual interest earnings and prepare yearly budgets; and,

WHEREAS, in the years 2005, 2006, and 2007 the County received a total of \$3,551,445 in excess interest earnings over the projected budgets; and,

WHEREAS, these additional interest earnings are the main contributing factor for growth in Undesignated General Fund Balance over the past 3 years; and,

WHEREAS, due to the fact that interest rates have dropped significantly since the beginning of 2008, the 2008 interest budget will be approximately \$1,000,000 short by the end of 2008; and,

NOW THEREFORE BE IT RESOLVED, that the La Crosse County Board recognize that approximately \$1,000,000 of the existing Undesignated General Fund Balance will be needed to satisfy the 2008 projected shortfall.

BE IT FURTHER RESOLVED, that the La Crosse County Board transfer an additional \$2,500,000 from the Undesignated General Fund Balance account to an Interest Revenue Stabilization Reserve account to be utilized in future years to help stabilize the potential significant swings in actual interest earnings.

BE IT FURTHER RESOLVED, that any shortfalls of interest earnings in future years beyond 2008 will be funded from this reserve account and any excess interest earnings in future years will be added to this reserve account.

FISCAL NOTE: The 12-31-07 balance in the Undesignated General Fund account was \$16,948,307 which represents 58.8% of actual 2007 General Fund expense. Reducing this balance by \$3,500,000 will reduce this percentage to 46.7% which is still within County Ordinance requirement of 40 to 50% range.

Date: 9-10-08  
[Signature]  
EXECUTIVE COMMITTEE CHAIR

Date: 9-10-08  
[Signature]  
RECORDING CLERK

|               |             |                 |               |                              |
|---------------|-------------|-----------------|---------------|------------------------------|
|               | Recommended | Not Recommended | Reviewed Only |                              |
| Co. Admin.    | <u>SO</u>   | _____           | _____         | Requested By: Gary Ingvalson |
| Fin. Director | <u>IF</u>   | _____           | _____         | Date Requested: Sept 4, 2008 |
| Corp. Counsel | <u>MAJ</u>  | _____           | _____         | Drafted By: Gary Ingvalson   |

Adopted by the La Crosse County Board this 18 Day of September, 2008

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STATE OF WISCONSIN  
COUNTY OF LA CROSSE

I, Marion I. Naegle, County Clerk of La Crosse County do hereby certify that this document is a true and correct copy of the original resolution required by law to be in my custody and which the County Board of Supervisors of La Crosse County adopted at a meeting held on the 18<sup>th</sup> day of September 2008.

[Signature]  
Marion I. Naegle, La Crosse County Clerk