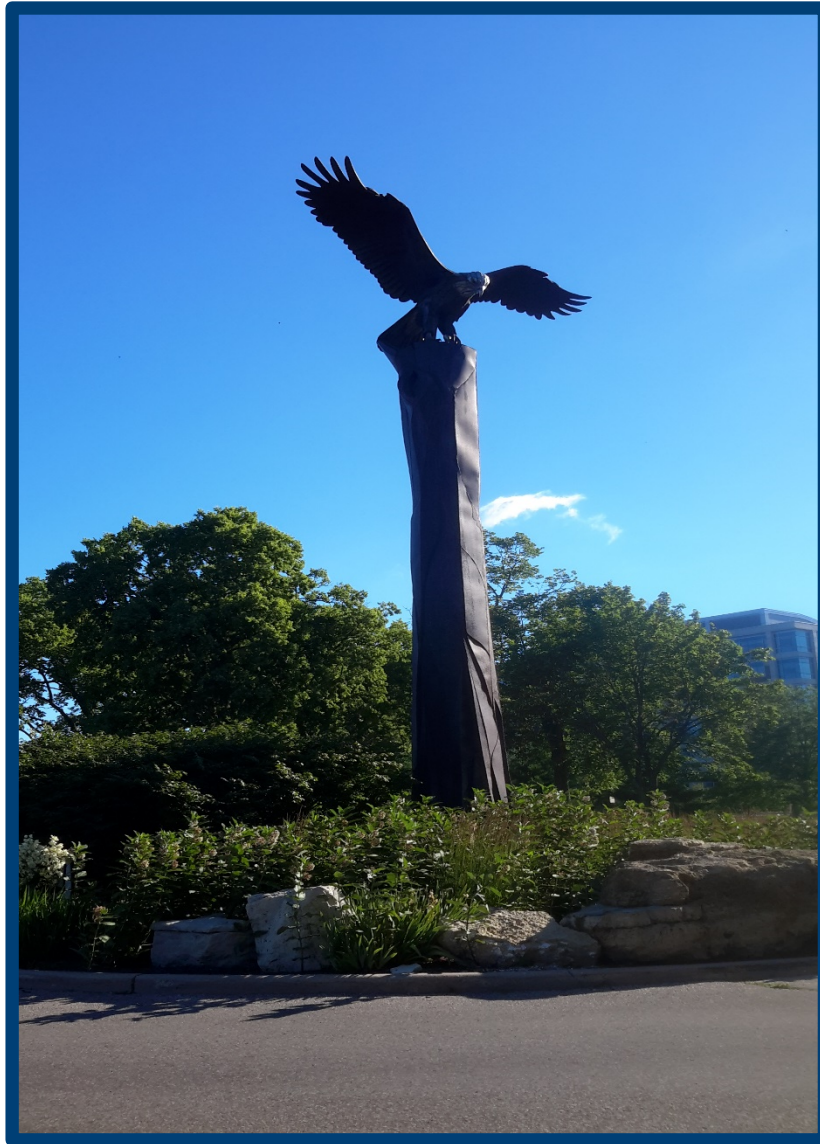


# Popular Annual Financial Report

2020



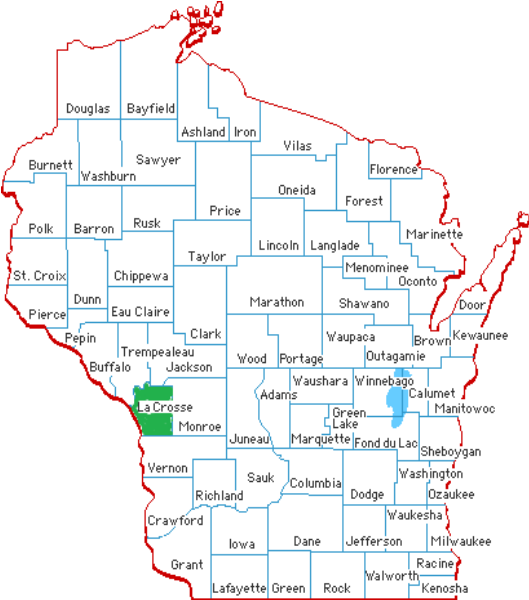
## La Crosse County, Wisconsin

For the Year Ended December 31, 2020

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# Purpose of Report

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The Popular Annual Financial Report (PAFR) is an unaudited summary report of the financial activities of the County and is prepared primarily from detailed information contained in the County's 2020 Annual Comprehensive Financial Report (ACFR), with selected information from earlier years. Certain amounts in the prior year comparatives noted in this report have been reclassified to conform to the current year's presentation.



The ACFR is prepared in accordance with generally accepted accounting principles (GAAP) and includes audited financial statements. As such, it provides much more detail as well as full disclosure of all material events, both financial and non-financial. The GAAP presentation also includes the County's component unit (a related organization) and information on individual funds.

The information in the ACFR by its nature can be technical and complex and as such, not as useful to citizens wishing to gain an overview of the County's finances. The PAFR has been prepared to simplify the information in the ACFR and better inform the public about the overall financial condition of the County, without the heavy use of technical accounting terms or excessive detail. The financial data presented in the PAFR does not include the component unit and fiduciary funds and is not intended to provide a complete financial picture of the County in accordance with GAAP.

Questions or feedback concerning any of the information provided in this report or requests for additional financial information may be directed to the County Finance Department via telephone at 608-785-9580 or via email at [sdavidson@lacrossecounty.org](mailto:sdavidson@lacrossecounty.org)

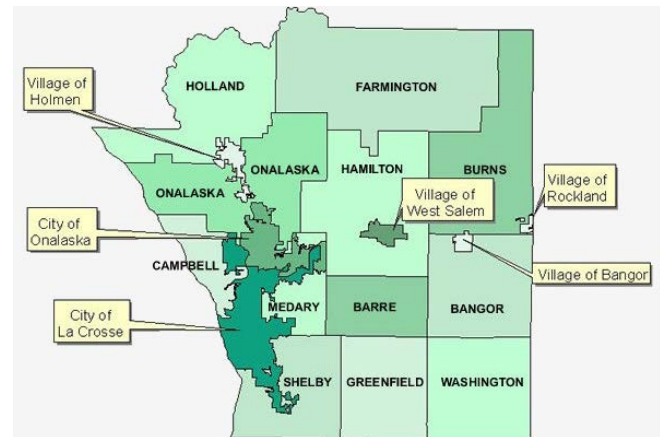


The ACFR, the PAFR, and the budget are available on the County's website at: <https://www.lacrossecounty.org/finance/financial-reports>

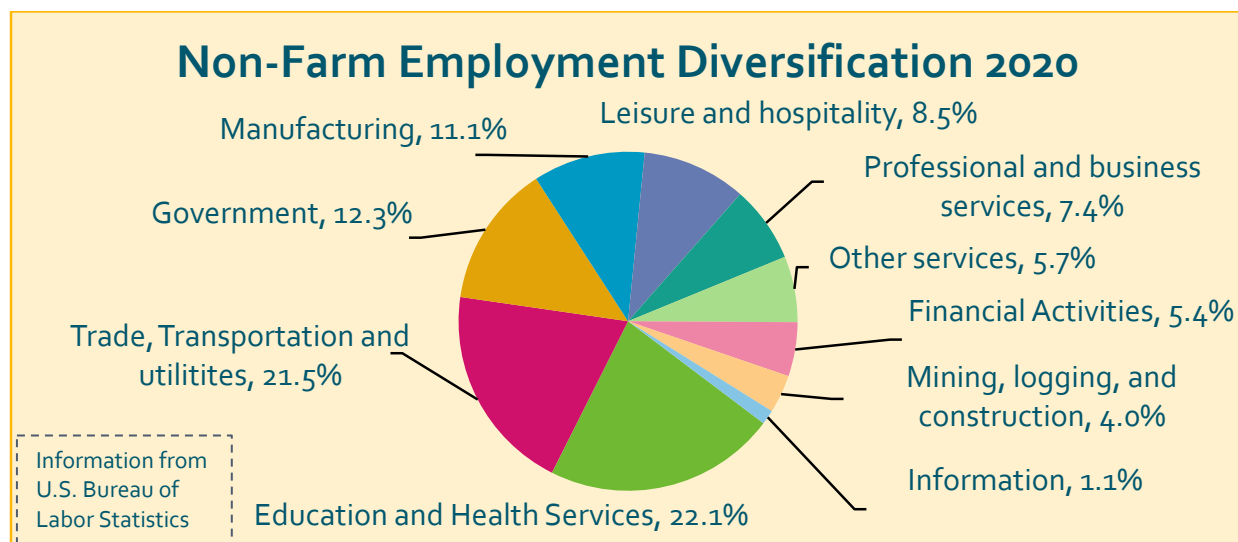
# Community and Demographics

La Crosse County, organized in 1851, is located in southwest Wisconsin, along the Mississippi River to the west and beautiful bluffs and farmland to the east. The area provides excellent year-round recreational opportunities including river recreation, hunting, fishing, downhill skiing, and bike trails. La Crosse hosts the La Crosse Loggers, a semi-professional baseball team, and the Coulee Region Chill, a semi-professional hockey team. La Crosse County also hosts the state's only weekly racing NASCAR-sanctioned track at the La Crosse Fairgrounds Speedway.

The City of La Crosse is the county seat of La Crosse County, which includes two cities, four villages, and twelve townships. The County occupies a land area of 481 square miles and serves a population of 120,447 (2020 estimate). Since 2010, population within the County has risen 4.8%.

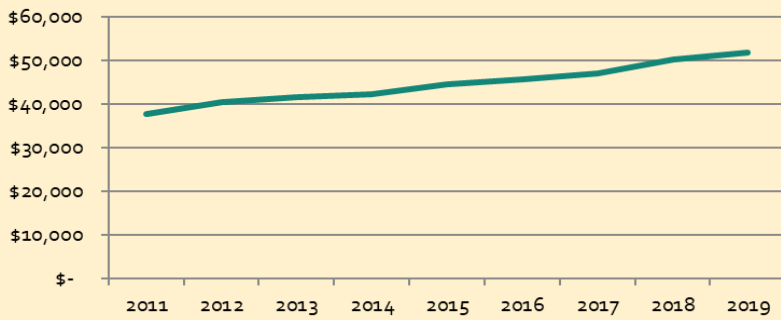


Due in large part to its excellent transportation connections, solid workforce, and well diversified economy, La Crosse County has continued its growth as an employment center for the Coulee Region – serving a regional population of over 400,000. The area also boasts significant natural resources and growing cultural amenities that contribute to the continued success of the tourism industry, as well as the attraction of employers to the area.



La Crosse County is a major employment center drawing people from surrounding areas and is well diversified. The top 5 employers in La Crosse County in 2020 were Gundersen Health System, Kwik Trip, Mayo Clinic Health System, Optum Health, and The Trane Company.

## La Crosse County Per Capita Personal Income

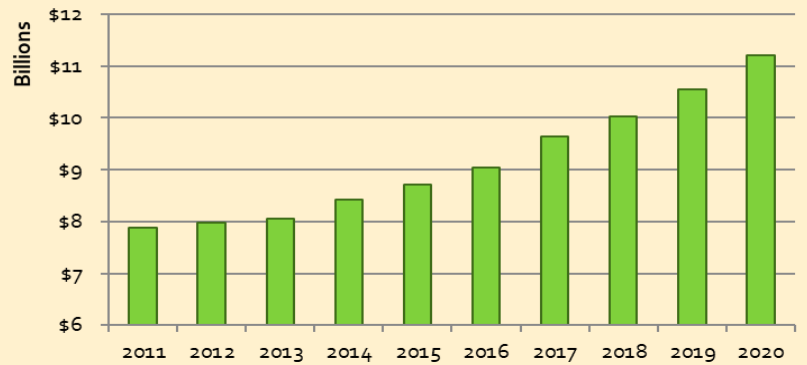


*Per Capita Personal Income in the County has risen 37.1% since 2011 to \$51,813.*

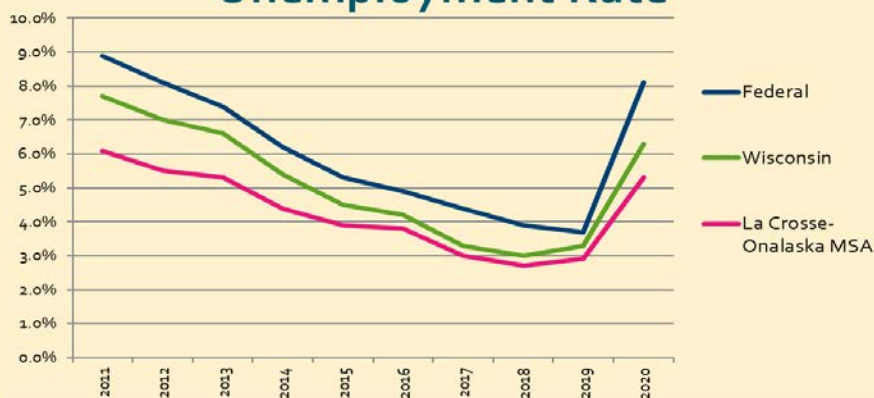
*Note: The data for 2020 is not available at this time.*

*Over the past 10 years, the equalized value of taxable property in the County has increased 42.2%, resulting in a taxable equalized value of \$11,201,063,000.*

## La Crosse County Equalized Value



## Unemployment Rate



*The La Crosse-Onalaska, WI-MN Metropolitan Statistical Area (MSA) has maintained a lower unemployment rate than the State and Federal rates for the last 10 years.*

La Crosse County has a well-educated population. The County's education rate of people 25 years and older is 34.9% who have a bachelors or higher degree; 95.0% have completed high school. In addition, La Crosse County is home to the University of Wisconsin-La Crosse, Viterbo University, and Western Technical College.

The median income within the County is \$57,882 and is slightly behind the Wisconsin median income of \$61,747. About 11.8% of individuals living in La Crosse County were below the poverty level. Total retail sales for the County were \$2.84 billion for last year, a 17.7% decrease from 2016, but an increase of 15.0% from 2017. The median household effective buying income for the County, however, has increased 13.5% since 2016 and is currently \$50,053.

La Crosse County and its municipalities continue to be recognized for a high quality of life by nationally recognized organizations. The American Institute for Economic Research ranked the City of La Crosse as the 19th best college town in the nation for populations below 250,000 and the University of Wisconsin -La Crosse was the only school in Wisconsin to make the list.



Former La Crosse County Health Department Director Jennifer Rombalski was named the 2020 Person of the Year by the La Crosse Tribune. Rombalski left the County in February of 2021 to assume the role of Director of the Office of Policy and Practice Alignment at the Wisconsin Department of Health Services. She was named Person of the Year for her work leading La Crosse County through the COVID-19 pandemic. The Health Department became the key source of reliable information on the pandemic and played an important role in coordination of COVID-19 testing and vaccination initiatives.

These recognitions continue to show how La Crosse County is a leader in its work across all departments to make this County a great place to live.



# County Government

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La Crosse County is governed by 29 board supervisors, elected to 2-year terms. The County Board of Supervisors serves as the legislative and policymaking body of the County. The Board Chairperson, Monica Kruse (elected April 2020), is responsible for providing directives of the Board to the appropriate officials and departments of the County. The County Administrator, Steve O'Malley, is tasked with carrying out policies and ordinances of the Board, preparing the annual budget, appointing department heads and overseeing the day-to-day operations of the County.

County services include the maintenance of public records, a 5-branch circuit court system, public safety and law enforcement, highway maintenance and construction, public health, human services, elderly programs, solid waste management, household hazardous waste center, zoning and conservation, library services, county parks, veteran's affairs and an extension service. The County owns and operates two separate skilled nursing homes as well as an assisted living center, a senior housing apartment complex, an adult family home, and 3 community based residential facilities. The County is self-insured for health, liability and worker's compensation.

The County's fiscal year is from January 1<sup>st</sup> to December 31<sup>st</sup>. In November of each year, the Board passes the budget for the next year. The annual budget serves as the foundation for financial planning and control.

The current members of the County Board of Supervisors, terms expiring April 2022, are listed below:

- |                                |                                    |                              |
|--------------------------------|------------------------------------|------------------------------|
| District 1 - Andrea Richmond   | District 11 - Patrick Scheller     | District 21 - Vicki Burke    |
| District 2 - Ralph Geary       | District 12 - Randy Erickson       | District 22 - Joe Kovacevich |
| District 3 - Barb Janssen      | District 13 - Tina Tryggestad      | District 23 - Matt Nikolay   |
| District 4 - Maureen Freedland | District 14 - Margaret Larson      | District 24 - Kevin Hoyer    |
| District 5 - Grant Mathu       | District 15 - Monica Kruse         | District 25 - David Hundt    |
| District 6 - Roger Plesha      | District 16 - Dan Ferries          | District 26 - Dan Hesse      |
| District 7 - Gary Padesky      | District 17 - Jack Pogreba         | District 27 - Thomas Jacobs  |
| District 8 - Peggy Isola       | District 18 - Noelle Weber Strauss | District 28 - Karen Keil     |
| District 9 - Dawn Wacek        | District 19 - Rick Cornforth       | District 29 - Jamie O'Neill  |
| District 10 - Kim Cable        | District 20 - Steve Doyle          |                              |



**LA CROSSE COUNTY**  
Exceptional services. Extraordinary place.

# Awards & Recognition

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The Government Finance Officers Association of the United States and Canada (GFOA) has given an Award for Outstanding Achievement in Popular Annual Financial Reporting to the County of La Crosse for its Popular Annual Financial Report for the fiscal year ended December 31, 2019. The Award for Outstanding Achievement in Popular Annual Financial Reporting is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government popular reports.

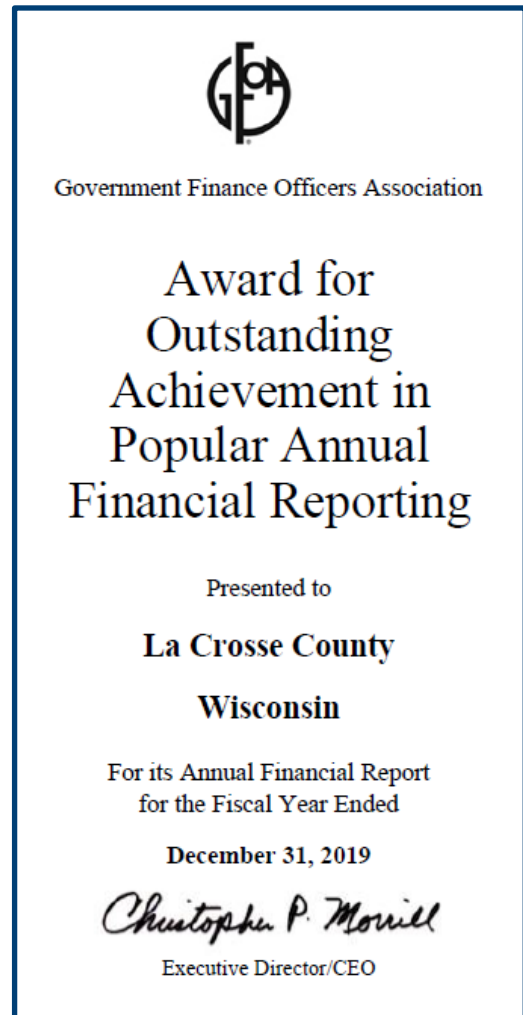
In order to receive an Award for Outstanding Achievement in Popular Annual Financial Reporting, a government unit must publish a Popular Annual Financial Report, whose contents conform to program standards of creativity, presentation, understandability and reader appeal.

An Award for Outstanding Achievement in Popular Annual Financial Reporting is valid for a period of one year only. The County of La Crosse has received a Popular Award for the last six consecutive years. We believe our current report continues to conform to the Popular Annual Financial Reporting requirements, and we are submitting it to the GFOA to determine its eligibility for another Award.

The County of La Crosse ACFR for the year ended 2019, from which information throughout this report has been drawn, was awarded the Certificate of Achievement for Excellence in Financial Reporting by GFOA. This was the 15<sup>th</sup> consecutive year that the County has achieved this prestigious award. The Certificate of Achievement is the highest form of recognition for excellence in state and local government financial reporting.

In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized ACFR, whose contents conform to the program standards. Such an ACFR must satisfy both GAAP and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current ACFR continues to conform to the Certificate of Achievement Program's requirements, and we are submitting it to the GFOA to determine its eligibility for another Certificate.



# Financial Highlights

The information provided is summarized and represents only selected funds and therefore is not in accordance with generally accepted accounting principles (GAAP) and is not intended to represent all of the County’s funds, component unit, and fiduciary funds. The following table is a summary of select financial data for the past three years.

<b>Financial Summary</b>			
	<b>2020</b>	<b>2019</b>	<b>2018</b>
<b>Net Position</b>			
Assets and Deferred Outflows	\$ 385,266,170	\$ 365,952,426	\$ 351,192,695
Liabilities and Deferred Inflows	186,571,705	183,923,399	178,729,543
<b>Total Net Position</b>	<b>198,694,465</b>	<b>182,029,027</b>	<b>172,463,152</b>
<b>Revenues</b>			
Governmental Activities	\$ 122,125,232	\$ 113,979,125	\$ 109,722,923
Business-type Activities	33,316,345	34,042,750	34,044,669
<b>Total Revenues</b>	<b>155,441,577</b>	<b>148,021,875</b>	<b>143,767,592</b>
<b>Expenses</b>			
Governmental Activities	\$ 108,051,566	\$ 106,033,285	\$ 101,231,982
Business-type Activities	30,724,573	32,422,715	30,928,090
<b>Total Expenses</b>	<b>138,776,139</b>	<b>138,456,000</b>	<b>132,160,072</b>
<b>Capital Assets</b>			
Governmental Activities	\$ 148,534,121	\$ 141,735,245	\$ 140,914,926
Business-type Activities	34,962,493	36,969,202	38,931,379
<b>Total Capital Assets</b>	<b>183,496,614</b>	<b>178,704,447</b>	<b>179,846,305</b>
<b>Long-Term Obligations</b>			
Governmental Activities	\$ 66,353,052	\$ 76,505,178	\$ 69,461,052
Business-type Activities	34,818,795	38,994,726	38,464,927
<b>Total Long-Term Obligations</b>	<b>101,171,847</b>	<b>115,499,904</b>	<b>107,925,979</b>

**Governmental Activities** include: general government; public safety; public works; health and human services; culture, recreation and education; and conservation and development.

**Business-type Activities** include: Hillview Health Care Center, Solid Waste, Lakeview Nursing Home Facility, apartments and assisted living facilities, and household hazardous waste disposal services.

# Net Position

The Balance Sheet, known as the Statement of Net Position in governmental financial statements, presents information concerning the County's assets, liabilities, and deferred inflows/outflows of resources. Increases and decreases in net position serve as an indicator of the County's financial position and the results of the County's operations.

Statement of Net Position							
	Governmental Activities		Business-Type Activities		Total		
	2020	2019	2020	2019	2020	2019	
Current and Other Assets	\$ 141,092,828	\$ 123,821,017	\$ 35,416,501	\$ 30,301,653	\$ 176,509,329	\$ 154,122,670	
Capital Assets	148,534,121	141,735,245	34,962,493	36,969,202	183,496,614	178,704,447	
<b>Total Assets</b>	<b>\$ 289,626,949</b>	<b>\$ 265,556,262</b>	<b>\$ 70,378,994</b>	<b>\$ 67,270,855</b>	<b>\$ 360,005,943</b>	<b>\$ 332,827,117</b>	
Deferred Outflows of Resources	18,969,281	24,677,849	6,290,946	8,447,460	25,260,227	33,125,309	
Current and other liabilities	\$ 12,576,924	\$ 13,535,317	\$ 3,040,314	\$ 3,175,531	\$ 15,617,238	\$ 16,710,848	
Long-Term Liabilities	66,353,052	76,505,178	34,818,795	38,994,726	101,171,847	115,499,904	
<b>Total Liabilities</b>	<b>\$ 78,929,976</b>	<b>\$ 90,040,495</b>	<b>\$ 37,859,109</b>	<b>\$ 42,170,257</b>	<b>\$ 116,789,085</b>	<b>\$ 132,210,752</b>	
Deferred Inflows of Resources	63,659,492	48,260,520	6,123,128	3,452,127	69,782,620	51,712,647	
<b>Net Position:</b>	<b>\$ 166,006,762</b>	<b>\$ 151,933,096</b>	<b>\$ 32,687,703</b>	<b>\$ 30,095,931</b>	<b>\$ 198,694,465</b>	<b>\$ 182,029,027</b>	
Net Investment in Capital Assets	\$ 95,361,921	\$ 88,984,413	\$ 12,574,071	\$ 13,066,582	\$ 107,935,992	\$ 102,050,995	
Restricted	21,526,913	12,435,462	1,918,748	96,785	23,445,661	12,532,247	
Unrestricted	49,117,928	50,513,221	18,194,884	16,932,564	67,312,812	67,445,785	
<b>Total Net Position</b>	<b>\$ 166,006,762</b>	<b>\$ 151,933,096</b>	<b>\$ 32,687,703</b>	<b>\$ 30,095,931</b>	<b>\$ 198,694,465</b>	<b>\$ 182,029,027</b>	

The largest portion of the County's net position (54.3%) reflects the investment in capital assets (e.g. land and easements, structures and improvements, infrastructure, and equipment); less any related debt used to acquire those assets that is still outstanding. The County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Therefore, even though the County's investment in capital assets is reported net of related debt, the resources needed to repay debt cannot come from the capital assets themselves and must be provided from other sources.

An additional portion of the County's net position of \$23.4 million, or 11.8%, represents resources that are subject to external restrictions as to how they may be used. The remaining balance of unrestricted net position of \$67.4 million, or 33.9%, may be used to meet the County's ongoing obligations to citizens and creditors.

The County's net position increased \$16,665,438 during the current year. Because of COVID-19, sales tax revenue was expected to be much lower in 2020 than 2019; but increased over \$100k from the previous year. Also, many expenses were down because of COVID-19. Several positions were held open, travel costs were non-existent, and the jail census was very low, saving food and medical costs. Most of the increased costs due to the pandemic were covered by federal and state grants such as Routes to Recovery (funded by the CARES Act) of over \$2.1m. The Health and Human Services Departments reallocated staff to work on pandemic priorities which were funded by grants, thereby saving tax levy dollars. Overall, all County departments worked together to cut costs during the pandemic and maximized outside revenue sources wherever possible.

# Revenues

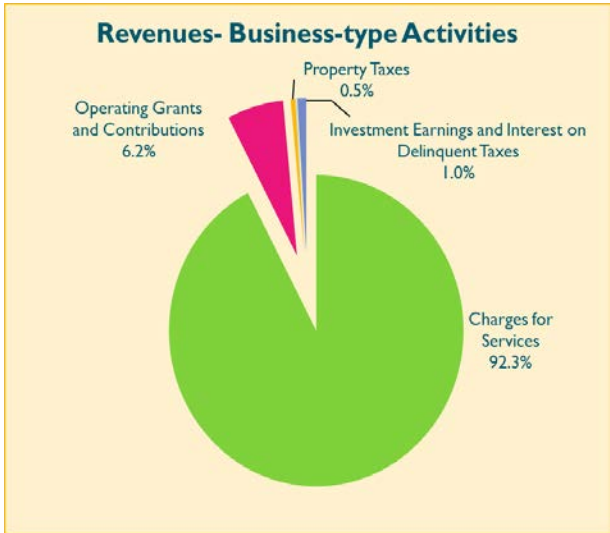
## WHERE DOES THE MONEY COME FROM?

Total Revenues - Governmental Activities		
	2020	2019
<b>Program Revenues</b>		
Charges for Services	\$ 23,276,194	\$ 24,702,213
Operating Grants and Contributions	38,837,558	32,087,007
Capital Grants and Contributions	4,856,703	2,095,858
<b>General Revenues</b>		
Property Taxes	35,624,535	34,723,713
Sales Taxes	13,312,448	13,183,916
Other Taxes	49,021	202,038
Nonexchange grants and contributions	4,614,647	4,628,167
Gain on disposal of property & equip.	50,152	91,997
Investment Earnings and Interest on Delinquent Taxes	1,503,974	2,264,216
<b>Total Revenues- Governmental Activities</b>	<b>\$ 122,125,232</b>	<b>\$ 113,979,125</b>



Governmental activities operating grants and contributions increased because of federal and state grants totaling approximately \$4 million due to the COVID-19 pandemic. Capital grants and contributions increased over the previous year, as a major roads and parks project was completed at Goose Island. The total cost of this project was \$5 million, with \$3.6 million of funding coming from the Federal Land Access Program (FLAP). This project reconstructed County Road GI by widening and resurfacing; and completed major improvements to a boat landing.

Total Revenues - Business-type Activities		
	2020	2019
<b>Program Revenues</b>		
Charges for Services	\$ 30,753,327	\$ 30,729,654
Operating Grants and Contributions	2,059,156	2,756,871
<b>General Revenues</b>		
Property Taxes	167,278	160,911
Gain on disposal of property & equip.	12,282	5,040
Investment Earnings and Interest on Delinquent Taxes	324,302	390,274
<b>Total Revenues- Business-type Activities</b>	<b>\$ 33,316,345</b>	<b>\$ 34,042,750</b>



Business-type activities operating grants and contributions decreases as Hillview received \$700k less than 2019 in state revenue for losses in Medicaid programs.

Investment earnings decreased overall across both activity types due to lower interest rates overall on investments as well as shifts in the investment mix.

**Program revenues** include: (1) Charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment.

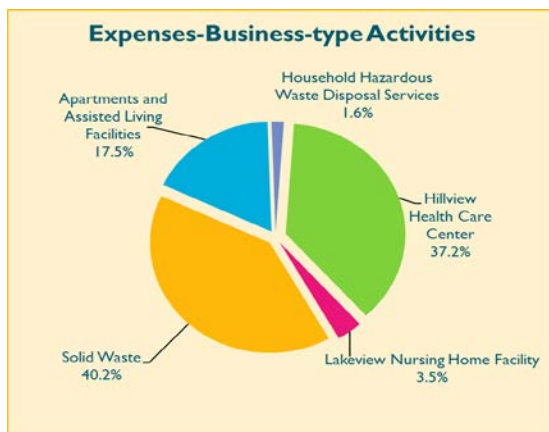
**General Revenues** include all taxes, investment earnings, gain on sales of equipment, and grants not restricted to a particular function or segment.

# Expenses

## WHERE DOES THE MONEY GO?

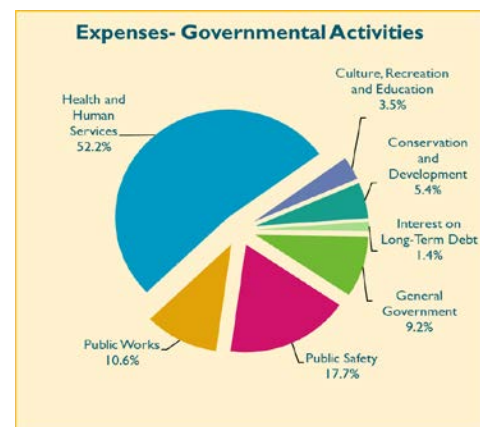
Total Expenses - Business-type Activities		
	2020	2019
Hillview Health Care Center	\$ 11,425,280	\$ 13,308,374
Lakeview Nursing Home Facility	1,071,756	1,096,852
Solid Waste	12,349,546	12,175,043
Apartments and Assisted Living Facilities	5,372,383	5,333,226
Household Hazardous Waste Disposal Services	505,608	509,220
<b>Total Expenses - Business-type Activities</b>	<b>\$ 30,724,573</b>	<b>\$ 32,422,715</b>

Total Expenses - Governmental Activities		
	2020	2019
General Government	\$ 9,923,678	\$ 9,757,576
Public Safety	19,110,843	19,367,187
Public Works	11,466,853	12,377,088
Health and Human Services	56,423,175	56,216,069
Culture, Recreation and Education	3,765,482	3,692,275
Conservation and Development	5,828,675	3,061,333
Interest on Long-Term Debt	1,532,860	1,561,757
<b>Total Expenses - Governmental Activities</b>	<b>\$ 108,051,566</b>	<b>\$ 106,033,285</b>



Business-type activities expenses decreased primarily due to a lower census at Hillview Health Care Center. Because of the pandemic, there were times during the year where admissions were put on hold during any outbreaks at the facility. The Solid Waste Fund had a very similar year to 2019, as no major projects happened in 2020. The next major projects at the landfill will be: 2023-start developing new roads; 2024-close the ash monofill; and 2025-construct the first phase of the expansion for the landfill.

Governmental activities expenses increased in conservation and development in part because of a program called Community Development Block Grant (CDBG) Close. The County paid \$1.5 million to the State of Wisconsin from the original CDBG revolving loan program. These funds were then put into a grant program at the State, where the Village of Bangor was able to apply for those funds. This was approved and the Village will now be able to use those funds for reconstruction of County Highway B, which runs through the Village.



**General Government**-Clerk of Courts, Corporation Counsel, County Board, County Clerk, Elections, Family Court Commissioner, Mediation, Document and Graphic Services, Register of Deeds, County Administrator, Information Technology, Finance, Personnel, Treasurer, District Attorney, and Medical Examiner and other expenses not attributable to other departments  
**Public Safety**-Emergency Services, Central Dispatch, Jail, Law Enforcement  
**Public Works**- Highway maintenance and construction  
**Health and Human Services**- Departments of Health, Human Services, Aging/ADRC, Child Support, Veterans, and payments to MVHS  
**Conservation and Development**-Land Conservation, Economic Development, Metropolitan Planning Organization, and Zoning  
**Culture, Recreation, and Education**-Extension, Library, Parks, Historical Society, Historical Sites  
**Hillview Health Care Center**- Skilled nursing facility for aged and disabled residents  
**Solid Waste**-Operations of the solid waste disposal system  
**Lakeview Nursing Home Facility**- Capital assets of the Lakeview Nursing Home Facility  
**Apartments and Assisted Living Facilities**-Carroll Heights Apartments; Hillview Terrace; Neshonoc, Regent, and Monarch Manors; Maplewood CBRF, and Ravenwood Nursing Home  
**Household Hazardous Waste Disposal**-Operations of the disposal of hazardous chemicals

# Capital Assets

## WHAT DO WE OWN?

The County needs more than just dollars to provide its citizens with services, and as such, many types of assets are required to keep the County performing and delivering its various services. Capital assets include land, buildings, improvements, highway trucks, sheriff vehicles, machinery and equipment, bridges, culverts, and curbs.

Capital Assets						
	Governmental activities		Business-type activities		Total	
	2020	2019	2020	2019	2020	2019
Capital Assets						
Land	\$ 3,646,015	\$ 3,646,015	\$ 943,173	\$ 943,173	\$ 4,589,188	\$ 4,589,188
Land Improvements	5,854,139	4,388,731	39,421,610	39,414,710	45,275,749	43,803,441
Buildings	89,755,254	89,159,208	28,704,093	28,665,292	118,459,347	117,824,500
Machinery and equipment	30,091,828	28,663,363	8,706,245	8,847,259	38,798,073	37,510,622
Infrastructure	126,377,674	117,529,565	-	-	126,377,674	117,529,565
Intangibles	9,560,722	9,257,472	370,695	370,695	9,931,417	9,628,167
Construction in progress	2,571,005	2,095,638	127,823	127,823	2,698,828	2,223,461
Total capital assets	267,856,637	254,739,992	78,273,639	78,368,952	346,130,276	333,108,944
Less:						
Accumulated Depreciation	119,322,516	113,004,747	43,311,146	41,399,750	162,633,662	154,404,497
<b>Total Net Capital Assets</b>	<b>\$ 148,534,121</b>	<b>\$ 141,735,245</b>	<b>\$ 34,962,493</b>	<b>\$ 36,969,202</b>	<b>\$ 183,496,614</b>	<b>\$ 178,704,447</b>

Within the governmental activities, the only significant change in capital assets was due to infrastructure additions in the Highway Department for road reconstruction. Within the business-type activities, there were no significant changes in capital assets.



# Long-Term Obligations

## WHAT DO WE OWE?

As of December 31, 2020, the County's long-term obligations totaled \$101,171,847 of which \$80,302,233 was debt outstanding. During the year, the County issued \$5,200,000 of general obligation promissory notes for highway road construction.

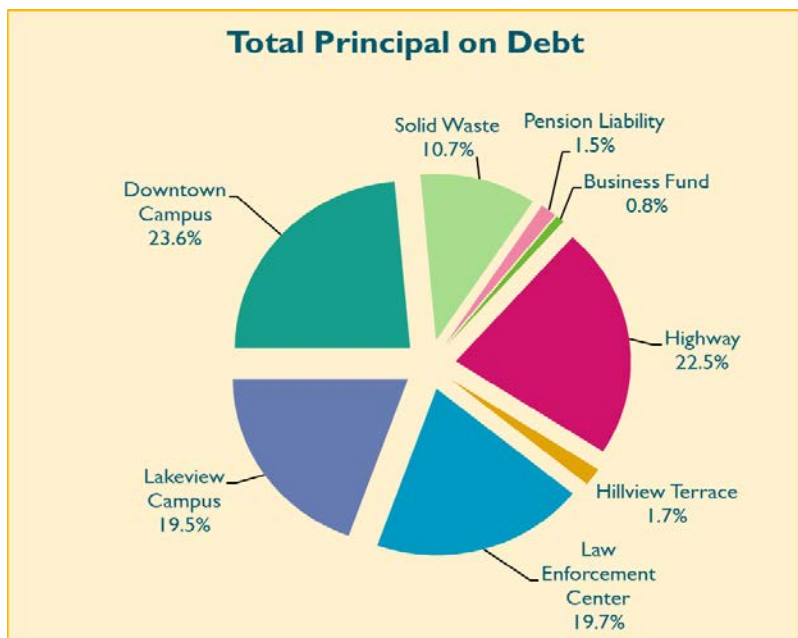
Long-Term Obligations			
	Governmental	Business-Type	
	Activities	Activities	Total
<b>Due within 1 year:</b>			
Compensated Absences	\$ 2,786,033	\$ 548,811	\$ 3,334,844
Bonds and Notes Payable	6,005,440	2,162,568	8,168,008
Landfill Post Closure Costs	28,056	13,031	41,087
	8,819,529	2,724,410	11,543,939
<b>Due longer than 1 year:</b>			
Compensated Absences	5,868,084	-	5,868,084
Post Employment Benefit Liability	2,674,542	-	2,674,542
Bonds and Notes Payable	48,580,499	23,553,726	72,134,225
Landfill Post Closure Costs	410,398	8,540,659	8,951,057
Net Pension Liability	-	-	-
	57,533,523	32,094,385	89,627,908
<b>Total Long-Term Obligations</b>	<b>66,353,052</b>	<b>34,818,795</b>	<b>101,171,847</b>

## HOW'S OUR CREDIT?

External credit ratings are very important and have a direct influence on the County's ability to (1) minimize borrowing cost and (2) successfully borrow money to complete the acquisition and construction of long-lived capital assets.

The County maintains an "Aa1" rating from Moody's Investors Services for general obligation debt. An "Aa1" is graded as high quality and a very low credit risk to investors. This means the County has a proven track record, the financial strength, and the ability to repay short-term debt.

The County's debt per capita is \$597.



# Investments

## HOW SAFE IS OUR MONEY?

The County investment practices and policies are based upon state law and prudent money management. The County’s first priority is to maintain the safety of the principal of the investments, which mitigates credit risk.

The County structures the investment portfolio, with the assistance of our investment advisor, to be sure that securities mature concurrently with cash needs and anticipated demands. This mitigates liquidity risk.

**Types of Risk:**

**Credit Risk** – the risk that the County will not recover its investments due to the inability of the counterparty to fulfill its obligation.

**Liquidity Risk** – the risk that the County will not be able to sell an investment security quickly enough to meet cash flow needs or demands.

**Custodial Credit Risk** – the risk that, in the event of the failure of the counterparty, the County will not be able to recover the value of its deposits, investments, or collateral securities that are in the possession of an outside party (i.e. the County’s safekeeping institution).

Cash and Investments	
Deposits	\$ 5,314,268
Petty Cash	5,677
Cash on Hand	78,533
Investments	90,434,172
<b>Total</b>	<b>\$ 95,832,650</b>

Investments	
Investment Types:	Fair Value
U.S. Treasury Notes	\$ 1,115,926
U.S. Agency Securities	31,859,992
U.S. Small Business Administration	3,622,276
Corporate Issues	6,360,558
State of WI Local Government Investment Pool	30,874,026
Mutual Funds - other than bond funds	16,601,394
<b>Total Investments</b>	<b>\$ 90,434,172</b>

A variety of investments are used to minimize the exposure to the risk of loss. The County policy also requires all funds on deposits with any financial institution be secured with collateral securities. This mitigates the exposure to the risk of loss and custodial credit risk.

The County policy requires only the highest and second highest rated securities may be purchased which means there is a very to exceptionally strong capacity to meet financial commitments. In addition, the U.S. Treasury securities and notes are backed by the full faith and credit of the U.S. government and are considered the safest investments in the world.

Finally, the investment portfolio is designed to attain the highest market rate of return, taking into account economic cycles and the investment risk constraints and liquidity needs of the County. The return on investment is of secondary importance compared to the safety and liquidity objectives.

# General Fund

The General Fund accounts for the County’s main operating activities and is used to account for all financial resources except those which are required to be accounted for in another fund. Citizens, other governments, and rating agencies typically look at a municipality’s general fund to determine the health and current trends within it.

<b>Unassigned Fund Balance Compared to Expenditures</b>				
	<b>2020</b>		<b>2019</b>	
	<b>General Fund</b>	<b>Percentage of Expenditures</b>	<b>General Fund</b>	<b>Percentage of Expenditures</b>
Total Expenditures	\$ 38,732,885	-	\$ 34,813,117	-
Unassigned Fund Balance	24,133,072	62.3%	23,529,956	67.6%
Total Fund Balances	35,490,265	91.6%	34,865,735	100.2%

As a measure of the General Fund’s ability to pay off short-term obligations, it is useful to compare unassigned fund balance and total fund balance to total fund expenditures.

County policy requires the ratio of unassigned general fund balance to total operating expenditures be maintained at 25 to 50%. As of December 31, 2020, the ratio is 62.3%. County policy limits the use of unassigned fund balance to funding of capital expenditures, prepayment of outstanding debt, start-up costs of new programs, other non-recurring expenditures, or emergencies.

The General Fund closed out the year with a gain of \$800,074. The original budget projected a deficit of \$2,989,737 and the final budget anticipated a loss of \$6,940,778. The actual result was far less due to the realization of \$7,064,866 in total expenditures under final budget and \$617,363 in total revenues over final budget.

One of the main reasons for the increase in General Fund balance was due to the COVID-19 pandemic. The County was able to recover expenditures from Routes to Recovery (CARES Act) totaling over \$2.1 million for redeployed staff, cleaning supplies, personal protective equipment, equipment for employees to work from home, emergency operations, and isolation and quarantine expenditures for the homeless. Due to the low census in the jail, and the temporary lockdowns, the Sheriff Department had savings of over \$785,000 in staffing, food preparation and medical services. Electricity savings in the downtown campus buildings totaled over \$57,000 as more employees were working from home. There were no jury trials after March of 2020, as most of the hearings were done remotely, saving over \$164,000 in the Clerk of Courts division. Salary and fringe savings (including overtime) within the General Fund totaled over \$1.6 million as the filling of vacancies were delayed when possible. Sales tax was projected to decrease from 2019 when the pandemic hit, but those projections proved false as 2020 actuals were higher than the prior year by over \$400,000. Also, most travel was postponed providing over \$65,000 in savings.

# Ratios and Trends

## HOW ARE WE DOING?

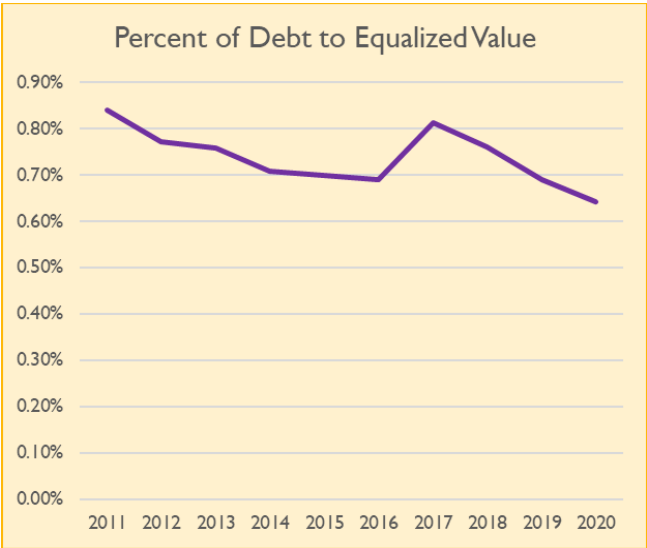
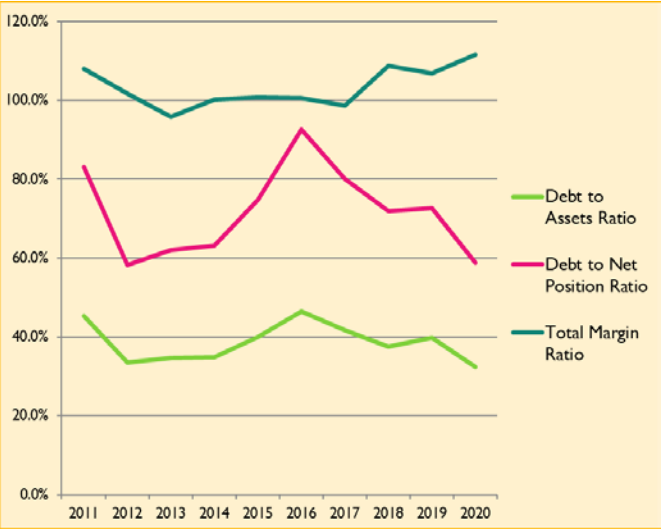
Looking at key financial ratios and trends over several years enables the County to have a clearer picture of where it has been and where it is going.

Primary Government										
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Debt to Assets Ratio	45.4%	33.5%	34.6%	34.8%	40.0%	46.4%	41.7%	37.5%	39.7%	32.4%
Debt to Net Position Ratio	83.2%	58.3%	62.0%	63.2%	74.8%	92.7%	80.0%	72.0%	72.6%	58.8%
Total Margin Ratio	108.1%	101.8%	95.8%	100.2%	100.8%	100.7%	98.8%	108.8%	106.9%	111.6%

**Debt to Assets Ratio** focuses on the extent to which total assets are financed with long-term debt and is a measure of the government’s leverage. A lower ratio is desired as a high ratio implies an over reliance on debt for financing assets.

**Debt to Net Position Ratio** focuses on the ability to meet long-term obligations and is a measure of the government’s solvency. A high ratio is desired.

**Total Margin Ratio** focuses on whether the government lived within its financial means during the fiscal year. A ratio of 100% or higher is desired.



Wisconsin statutes limit the total indebtedness of the County to 5% of equalized value. As noted in the chart to the left, the County has been well under this limit.

**Overall Summary:** The ratios for the past 10 years show the County has strived to keep debt manageable, taking advantage of historically low interest rates while still providing quality services and replacing aging facilities and infrastructure for citizens.

# Major Initiatives

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## WHAT ARE WE DOING?

### American Rescue Plan Act

The federal government passed the American Rescue Plan Act on March 11, 2021 to respond to the COVID-19 pandemic and its negative economic impacts. Amounts were appropriated for fiscal year 2021 to units of government to mitigate the fiscal effects stemming from the public health emergency. La Crosse County's estimated award is \$23 million. The County received \$11,461,612 on June 7, 2021, with the remaining amount expected a year later. The funds are to cover costs incurred by December 31, 2024.

The funds may be used in five categories: 1) support public health COVID-19 response efforts; 2) replace lost public sector revenue; 3) support negative economic stabilization for households and businesses; 4) provide premium pay for essential workers; and 5) invest in water, sewer, and broadband infrastructure.



County Administration and Finance have been working on reviewing the information from US Treasury to determine the allowable uses of these funds. The money has been deposited in an interest-bearing account, and any proposed expenditure will need approval of the County Board. La Crosse County will be working with other local governments, the business community, and local non-profits to get ideas on the best uses for this one-time allocation of federal dollars.

# Long-Term Financial Planning

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## HOW ARE WE PLANNING FOR THE FUTURE?

The County Administrator and Finance team meet regularly to discuss long-range planning and project needs. Multi-year steps are taken to moderate the effect on tax levy and use the County’s fiscal strength to minimize interest, debt issue costs, and total debt incurred by the County.

County Administration and Finance staff expect the County’s condition to remain healthy due to conservative budgeting and maintaining strong reserve levels, yet we recognize that our greatest challenges will be: 1) Addressing the negative economic impacts arising out of the COVID-19 recession; 2) Potential for reduced intergovernmental revenues from the State of Wisconsin or federal government; 3) Exposure to enterprise risk through County-owned nursing homes; and 4) Managing the County’s overall debt burden.

For 2021, the County board approved borrowing \$7.7 million, \$5 million for unmet road needs and 2.7 million for a new highway shop.

Finally, over the next five years the County will avoid the use of additional debt financing for smaller capital projects through use of excess sales tax and reserves or spreading implementation over several years without incurring debt.



The following chart summarizes the ratio of G.O. debt to equalized value and debt per capita for the last 10 years as well as what is planned for the next 6 years.

<b>Ratios of General Bonded Debt to Equalized Valuation and Debt Per Capita</b>					
<b>Year</b>	<b>Net General Bonded Debt</b>	<b>Equalized Value</b>	<b>Percent of Debt</b>		<b>Debt Per Capita</b>
			<b>to Equalized Valuation</b>	<b>Population</b>	
<b>Last Ten Fiscal Years</b>					
2011	\$ 66,150,158	\$ 7,879,057,100	0.84%	114,919	\$ 575.62
2012	61,503,429	7,977,429,700	0.77%	115,577	532.14
2013	61,138,588	8,063,740,700	0.76%	115,928	527.38
2014	59,776,846	8,428,637,800	0.71%	116,740	512.05
2015	60,983,513	8,717,923,400	0.70%	117,054	520.99
2016	62,483,726	9,044,241,400	0.69%	118,038	529.35
2017	78,343,422	9,635,009,700	0.81%	118,675	660.15
2018	76,231,758	10,035,854,500	0.76%	119,193	639.57
2019	72,909,382	10,552,445,000	0.69%	119,484	610.20
2020	71,952,516	11,201,063,000	0.64%	120,447	597.38
<b>Projected Next 6 years</b>					
2021	72,927,387	11,481,089,575 *	0.64%	121,049 *	602.46
2022	70,581,551	11,768,116,814 *	0.60%	121,654 *	580.18
2023	67,872,352	12,062,319,735 *	0.56%	122,263 *	555.14
2024	65,480,460	12,363,877,728 *	0.53%	122,874 *	532.91
2025	63,054,521	12,672,974,671 *	0.50%	123,488 *	510.61
2026	59,966,356	12,989,799,038 *	0.46%	124,106 *	483.19

\* Assumes EQ value growth at 2.5% & population at 0.5% growth



**LA CROSSE COUNTY**  
Exceptional services. Extraordinary place.

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