

FINANCE
July 16th, 2025

Call to order	<p>The Finance Committee meeting was called to order at 9:00 a.m. by Finance Chairman Gary Koch. Committee members Gerry Krachey, Bruce Strnad, and Greg Russell were present. Wayne Jerrett was absent. Also present were Tom Cornford, County Board Chairman; Deanne Lutz, Treasurer; Lori Kaufman, HHSD Business Manager; Linda Redman, RIP; Holly Tanner, Clerk of Court; Kyle Kozelka, Hwy Commissioner; Brad Steiner, County Board Vice-Chairman; Quinn Mitchell, Johnson Block; and Roberta Fisher, County Clerk.</p>
Verify posting	<p>The Finance Chairman verified that the meeting notice was properly posted at the Courthouse, Administration Building and on the county website.</p>
Approval of Minutes	<p>Motion by Russell, second by Strnad to approve the minutes from the June 18th Finance Committee meeting. The motion carried with no negative votes cast.</p>
Approval of Bills and Proposals	<p>The Clerk presented three invoices for approval today.</p> <ul style="list-style-type: none">• Kraemer Brothers Payment App #10 - \$2,430,218.27• Johnson Block - \$12,646.00• Klein McCarthy Architects - \$21,466.03 <p>Motion by Krachey, second by Strnad to approve payment of the above three invoices. The motion carried unanimously.</p>
2024 Audit Presentation	<p>Quinn Mitchell attended the Finance meeting today to give a presentation on the 2024 Finance Audit. The county received an “unmodified” auditor’s opinion, which is the highest audit opinion you can get. The scope of the audit included all funds and activities of the county.</p> <p>There will also be a report on compliance with Federal and State award programs and on internal control, which is due September 30th, 2025.</p> <p>The following are highlights of the 2024 Financial Audit:</p> <ul style="list-style-type: none">• Governmental funds of the county reported an increase in overall fund balance of \$8,114,201• The Capital Projects Fund saw a significant increase due to the issuance of debt for the jail project that was unspent as of 12/31/2024.• Net position of the Highway increased \$810,468.• Local property taxes have increased 11.8% since 2019 or an average of 2.36% per year.• Delinquent taxes receivable increased \$131,731 or 29.7% in 2024.• Sales Tax Revenue increased \$81,202 or 3.9% for 2024.

- Total governmental fund expenditures increased by \$5,941,377 or 28.5%. Capital outlay was the main reason for this increase due to the jail project in 2024.
- As of December 31, 2024, general obligation debt limitation was \$98,251,525. Debt subject to that limitation totaled \$14,310,206, leaving the G.O. debt capacity at \$83,941,319 or 85.4%.

Quinn updated the Finance Committee on a few areas she feels the county should tighten up. She reminded everyone that preventing fraud, waste, and abuse starts with strong leadership and setting clear expectations for ethical behavior.

She noted that grant paperwork in the Treatment Court is now being filed more timely, which is a positive step. She also recommended the following:

- Highway journal entries and bank reconciliations should be reviewed by someone other than the preparer.
- The debt service levy adjustment was mistakenly included twice on last year's levy limit worksheet, causing an over-levy. That has been corrected for this year.
- Payroll wage changes and updates should be reviewed by a second person.
- County bank statements should be reconciled monthly.

Quinn emphasized that all credit card statements must include supporting documentation for each expense. She reminded the committee that county policy states if receipts or other documentation are missing, the expense is deemed a personal obligation of the department head. In such cases, the county could garnish employee wages to recover the amount. Recurring charge documentation only needs to be presented initially. This process ensures all charges are legitimate county expenses.

Opioid Settlement Fund

Dan McWilliams, HHSD Director, is proposing the opioid funds be removed from the Health & Human Services books and moved into a separate segregated fund created at the county level. This is causing some additional work for the finance staff and creates confusion in the books. In order to do so, he is asking the Finance committee members to approve the creation of a separate fund for these dollars.

Motion by Krachey; second by Koch to approve the creation of a new fund for the Opioid Settlement funds. This fund will include both revenue and expense accounts, along with a Treasurer's Cash GL account. A JE will be made to transfer previously received funds into the new fund. The motion carried unanimously.

New CC Equipment

Julie Cipra, 911 Coordinator, has some invoices she needs to pay for new Communication Center Equipment. Cipra has applied for

Payments

a grant, which is reimbursable for up to 90%. However, the funds must be spent before they are received.

Motion by Cornford, second by Strnad to create a new expenditure line item in the Capital Projects Fund (400) for the purchase of the new equipment. An offsetting revenue account will also be established for the 90% reimbursable grant funds. The motion carried with no negative votes cast.

2026 Budget Schedule and Memo

The Clerk presented the 2026 Budget Process schedule to the Finance committee for review. The schedule closely mirrors last year's timeline. A memo was also prepared to send to all department heads along with the budget schedule worksheets for their 2026 budget requests.

Koch noted that the memo requests no increases from last year's budget. The only new personnel will be related to the new jail. Department heads are again being asked to outline and prioritize any expenditures of \$5,000 or more for potential capital borrowing. There doesn't appear to be much relief expected in the levy limit or shared revenue.

The Clerk informed the committee that the 2026 health insurance rates are now available, showing an overall average increase of about 11.5%. Two of Crawford County's Tier 1 plans have shifted to Tier 2 status. The only Tier 1 qualified plan in the county is the State Maintenance Plan with Dean.

As a reminder, the County covers 88% of the Tier 1 qualified plan. Unfortunately, the SMP is more expensive than last year's Tier 1 options, resulting in a 28.1% increase in the County share—about \$728,000 annually.

The Clerk ran a few scenarios such as reducing the County's contribution to 86%, 84%, and 83%. Even at those levels, the increase is still over \$500,000. The County is allowed to contribute as low as 50%, but no higher than 88%.

Another option is to switch to the Local High-Deductible Health Plan (HDHP), which would increase the County's cost by just over \$300,000. While this would lower employee premiums, it comes with higher deductible. This issue will be a major factor in the 2026 budget discussion.

Motion by Koch, second by Krachey to approve the 2026 Budget Process schedule and memo to be distributed with the worksheets to the Department heads. The motion carried unanimously.

Co Treasurer

Deanne Lutz, Treasurer, distributed the updated monthly Sales & Use

Report	<p>and Wheel Tax reports for review. Sales & Use Tax in June increased 24.5% from last year. Wheel Tax in May was up 13.2% from last year at the same time.</p> <p>An update was also provided on the Capital Project—New Jail & Emergency Government Mobile Unit expense account. Phase 1 funds have now been closed out, and we are beginning Phase 2. The overall interest earned from Phase 1 was \$303,636.71 which has also been spent.</p>
Clerk of Court Report	<p>Holly Tanner, Clerk of Court, gave a brief report for her department. The push for seeking additional funds at the state level continues.</p> <p>Tanner has also been receiving applications for a Deputy Clerk of Courts. They are due Friday, July 18th.</p>
Recognition/ Appreciation Discussion	<p>The Clerk mistakenly distributed the wrong Finance agenda, causing a mix-up in the order of items listed on the amended version. The correct “Amended” agenda was later handed out, which resulted in this item being taken out of order.</p> <p>Tom Cornford, County Board Chairman and Brad Steiner, Vice-Chairman would like to propose a recognition lunch to show appreciation for everyone’s hard work and dedication during the recent building closure caused by water damage. Their efforts ensured that county services continued without interruption for the residents.</p> <p>Gary Koch also suggested a \$500 donation to the Prairie du Chien Memorial Library in appreciation for providing space to house displaced offices during the building closure.</p> <p>Motion by Krachey; second by Koch to approve allowing each department to host its own lunch in appreciation to their employees on behalf of the County Board. The Clerk will send an email to department heads requesting input. Also, included in this motion was approval of a small donation to the PdC Memorial Library. The motion carried with no negative votes cast.</p>
Next meeting	<p>August 6th, 2025, at 9:00 a.m. to set the County Board agenda. Greg Callin will also update the committee on the jail project.</p>
Adjournment	<p>Motion by Russell, second by Strnad to adjourn. The motion carried unanimously, and the meeting adjourned at 10:55 a.m.</p>

Roberta A. Fisher, County Clerk