

WASHBURN COUNTY, WISCONSIN

**FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION**

YEAR ENDED DECEMBER 31, 2021



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INDEPENDENT AUDITORS' REPORT

County Board
Washburn County, Wisconsin

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Washburn County, (County) as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the report of the other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Washburn County, as of December 31, 2021, and the respective changes in financial position and, where applicable, cash flows, thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the Washburn County Industrial Development Agency, LTD., which statements reflect 100% of assets, liabilities and net position as of June 30, 2021 and 100% of revenues and expenses for the year then ended, of the discretely presented component unit. Those statements were audited by other auditors, whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Washburn County Industrial Development Agency, LTD., is based solely on the report of the other auditors.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Washburn County and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter

As discussed in Note 3H, the beginning net position of governmental activities and beginning fund balance was restated to correct accounts receivable. Our opinion is not modified as to the result of this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Washburn County's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Washburn County's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Washburn County's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison schedules, other postemployment benefits (OPEB) schedules, and pension plan schedules, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

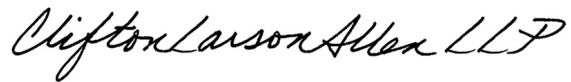
Our audit for the year ended December 31, 2021 was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The individual and combining fund statements and schedules for the year ended December 31, 2021 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements for the year ended December 31, 2021, and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the individual and combining fund statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole for the year ended December 31, 2021.

We also previously audited, in accordance with GAAS, the basic financial statements of the County as of and for the year ended December 31, 2020 (not presented herein), and have issued our report thereon dated August 27, 2021, which contained unmodified opinions on the respective financial statements of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information. The individual and combining fund statements and schedules for the year ended December 31, 2020 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and related directly to the underlying accounting and other records used to prepare the 2020 financial statements. The individual and combining fund statements and schedules have been subjected to the audit procedures applied in the audit of the 2020 basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare those financial statements or to those financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the 2020 individual and combining fund statements and schedules are fairly stated in all

material respects in relation to the basic financial statements as a whole for the year ended December 31, 2020.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated August 26, 2022, on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of County's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.



CliftonLarsonAllen LLP

Rice Lake, Wisconsin
August 26, 2022

MANAGEMENT'S DISCUSSION AND ANALYSIS

**WASHBURN COUNTY, WISCONSIN
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2021**

As management of Washburn County, we offer readers of the County's financial statements this narrative overview and analysis of the financial activities of Washburn County for the year ended December 31, 2021. We encourage readers to consider the information presented here in conjunction with the County's financial statements, which begin on page 15 following this narrative.

FINANCIAL HIGHLIGHTS

Key financial highlights for the year ended December 31, 2021 include the following:

- The assets and deferred outflows of resources of Washburn County exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$87,472,275 (net position). Of this amount, \$53,254,011 represented the County's net investment in capital assets, \$8,275,340 was held for restricted purposes, and \$25,942,924 was unrestricted. The unrestricted net position may be used to meet the government's ongoing obligations to citizens and creditors.
- During the fiscal year, the County's total net position increased by \$3,674,771.
- At the close of the fiscal year, the County's governmental funds reported combined ending fund balances of \$29,904,189, an increase of \$986,728 from the previous year.
- At the end of the current fiscal year, the unassigned fund balance for the general fund was \$5,267,064 or 38.5% of total general fund expenditures.
- The County had general obligation debt outstanding at December 31, 2021 totaling \$12,465,632 which is a decrease of \$1,380,119 from the prior year.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to Washburn County's basic financial statements. The County's basic financial statements are comprised of three components: 1) government-wide financial statements; 2) fund financial statements; and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-Wide Financial Statements

The two government-wide financial statements are designed to provide readers with a broad overview of Washburn County's finances, in a manner similar to a private-sector business.

The *Statement of Net Position* presents information on all of Washburn County's assets, liabilities, and deferred inflows/outflows of resources, with the difference reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the County is improving or deteriorating.

**WASHBURN COUNTY, WISCONSIN
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2021**

The *Statement of Activities* presents information showing how the County's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave.)

Both of the government-wide financial statements are designed to distinguish functions of Washburn County that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the County include general government, public safety, public works, health and human services, culture, recreation and education, and conservation and development. The County had no programs that were accounted for as business-type activities.

The government-wide financial statements can be found beginning on page 15 of this report.

Fund Financial Statements

A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Washburn County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the County can be divided into three categories: *governmental funds*, *proprietary funds*, and *fiduciary funds*.

Governmental Funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

Washburn County maintains individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, the human services special revenue fund, the debt service fund, the capital improvements program capital projects fund, the government center capital projects fund and the forestry special revenue fund, all of which are considered to be major funds. Data from all other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of *combining statements* elsewhere in this report.

**WASHBURN COUNTY, WISCONSIN
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2021**

Proprietary Funds. There are two different types of proprietary funds. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. *Internal service funds* are an accounting device used to accumulate and allocate costs internally among the County's various functions. The County had no activities accounted for in enterprise funds during the year. Washburn County uses internal service funds to account for its highway department operations and to allocate its copy machine costs. Because these services benefit governmental functions, they have been included within *governmental activities* in the government-wide financial statements.

Proprietary funds financial statements provide the same type of information as the government-wide financial statements, only in more detail. The basic proprietary fund financial statements can be found beginning on page 22 of this report.

Fiduciary Funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the County's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. Data from fiduciary funds are combined into a single aggregate presentation. Individual fund data for each fiduciary fund is provided in the form of combining statements elsewhere in this report.

The basic fiduciary fund financial statements can be found beginning on page 25 of this report.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found beginning on page 27 of this report.

Supplementary Information

In addition to the basic financial statements and accompanying notes, this report presents certain required supplementary information on the general fund and major special revenue fund budgets as well as schedules related to pension and other postemployment benefits. Required supplementary information can be found beginning on page 65 of this report. The combining statements referred to earlier in connection with nonmajor governmental and internal service funds are presented immediately following the required supplementary information. Combining and individual fund statements and schedules can be found beginning on page 74 of this report.

**WASHBURN COUNTY, WISCONSIN
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2021**

FINANCIAL ANALYSIS OF THE COUNTY AS A WHOLE

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of Washburn County, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$87,472,275 at the close of the most recent fiscal year. The largest portion of Washburn County's net position (60.9%) reflects its investment in capital assets (e.g., land, buildings, machinery and equipment, infrastructure); 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. Although the County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

The following is a summary of the County's statement of net position as of December 31, 2021 and 2020:

**Condensed Statement of Net Position
December 31, 2021 and 2020**

	Governmental Activities	
	2021	2020
Current Assets	\$ 48,642,399	\$ 47,905,536
Capital Assets	67,324,325	67,492,784
Other Noncurrent Assets	4,544,318	2,754,101
Total Assets	120,511,042	118,152,421
Deferred Outflows of Resources	6,776,662	4,848,844
Long-Term Debt Outstanding	12,172,340	13,574,277
Other Long-Term Obligations	5,128,643	5,007,221
Other Liabilities	2,738,492	3,476,668
Total Liabilities	20,039,475	22,058,166
Deferred Inflows of Resources	19,775,954	17,145,595
Net Position:		
Net Investment in Capital Assets	53,254,011	52,354,372
Restricted	8,275,340	6,559,139
Unrestricted	25,942,924	24,883,993
Total Net Position	\$ 87,472,275	\$ 83,797,504

An additional portion of Washburn County's net position (9.5%) represents resources that are subject to other restrictions on how they may be used. The remaining \$25,942,924 of total net position (29.7%) may be used to meet the County's ongoing obligations to citizens and creditors.

The County's net position increased \$3,674,771 during the current fiscal year.

**WASHBURN COUNTY, WISCONSIN
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2021**

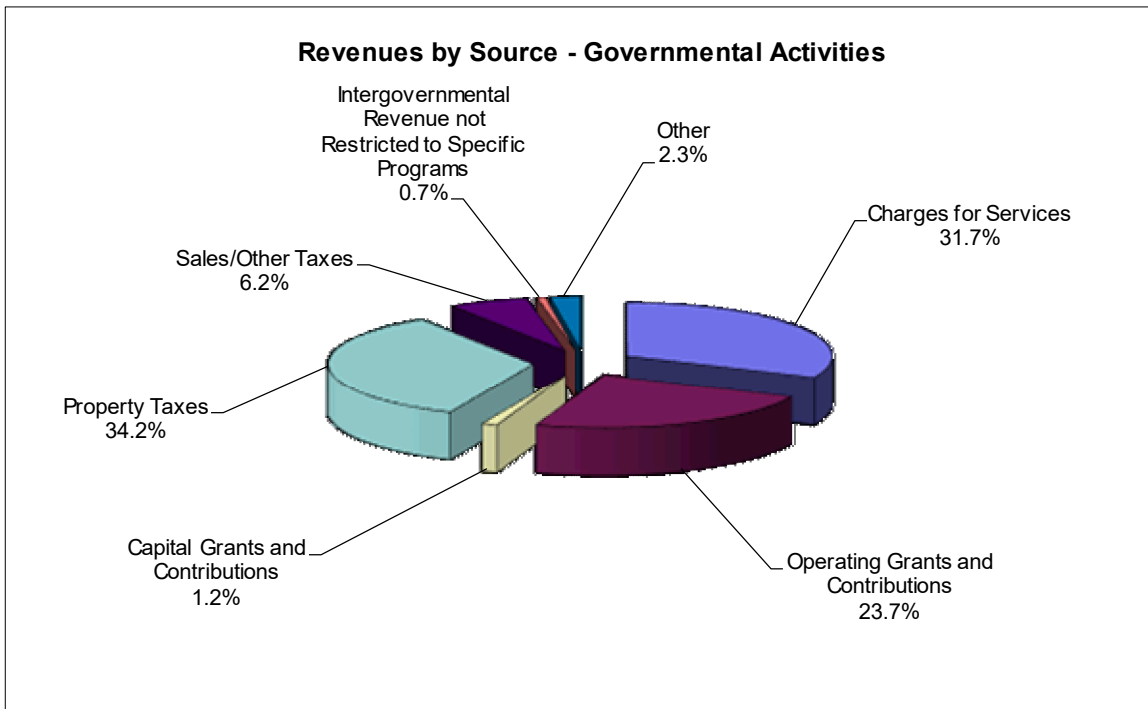
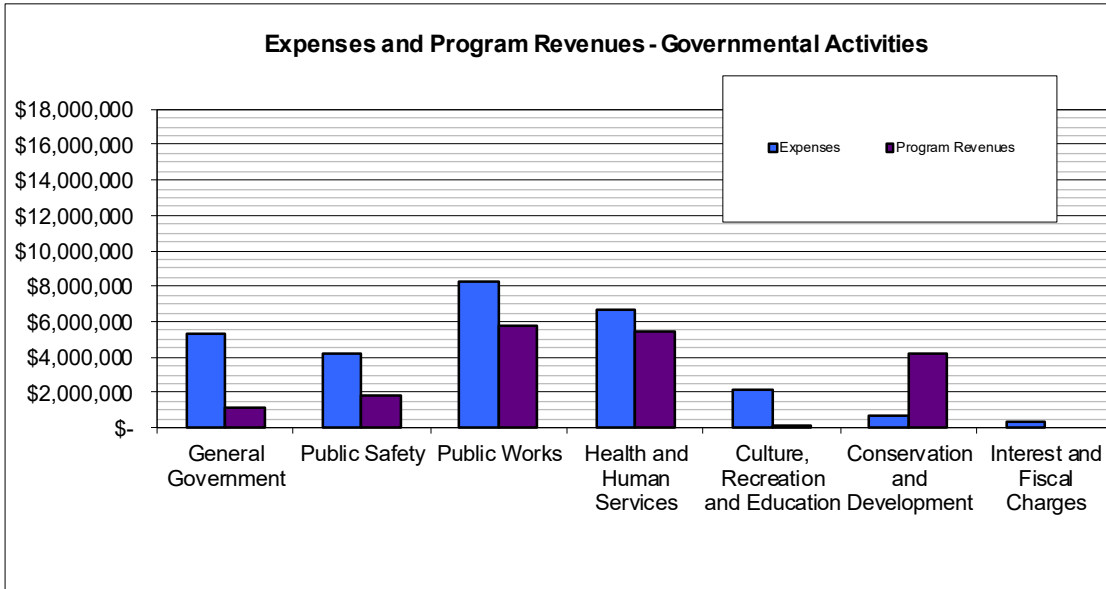
The following is a summary of the changes in the County's net position for the years ended December 31, 2021 and 2020:

**Condensed Statement of Changes in Net Position
December 31, 2021 and 2020**

	Governmental Activities	
	2021	2020
REVENUES		
<u>Program Revenues</u>		
Charges for Services	\$ 10,191,630	\$ 9,486,127
Operating Grants and Contributions	7,614,091	6,545,840
Capital Grants and Contributions	391,571	1,075,604
<u>General Revenues</u>		
Property Taxes	10,998,246	10,945,173
Other Taxes	1,980,028	1,709,290
Grants and Contributions not Restricted for a Particular Purpose	214,861	219,700
Other	797,141	1,096,148
Total Revenues	32,187,568	31,077,882
 EXPENSES		
General Government	5,271,746	5,144,180
Public Safety	4,211,336	4,214,781
Public Works	8,205,029	8,303,927
Health and Human Services	6,619,860	6,663,365
Culture and Recreation	2,204,268	2,399,821
Conservation and Development	724,688	396,641
Interest and Fiscal Charges	319,391	808,411
Total Expenses	27,556,318	27,931,126
 CHANGE IN NET POSITION	\$ 4,631,250	\$ 3,146,756

**WASHBURN COUNTY, WISCONSIN
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2021**

A review of the statement of activities can provide a concise picture of how the various functions/programs of Washburn County are funded. The following charts draw data from the statement of activities. For governmental activities the County's main sources for funding governmental services are property taxes (34.2%), operating grants/contributions (23.7%), and charges for services (31.7%).



**WASHBURN COUNTY, WISCONSIN
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2021**

FINANCIAL ANALYSIS OF THE COUNTY'S MAJOR FUNDS

As noted earlier, Washburn County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds

The focus of the County's governmental funds is to provide information regarding near-term inflows, outflows, and balances of spendable resources. Such information can be useful in assessing Washburn County's financing requirements. In particular, the level of unassigned fund balances may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year. As of December 31, 2021, the County's governmental funds reported combined ending fund balances of \$29,904,189, an increase of \$986,728 from the previous year. The governmental funds comprising this balance are shown below:

	Fund Balance at December 31, 2021					Total	Change During Year
	Nonspendable	Restricted	Committed	Assigned	Unassigned		
Major Funds							
General Fund	\$ 1,561,294	\$ 26,887	\$ -	\$ 3,646,680	\$ 5,267,064	\$ 10,501,925	\$ 1,481,026
Human Services Fund	-	-	2,538,886	-	-	2,538,886	186,617
Debt Service Fund	-	936,936	-	-	-	936,936	(567,428)
Capital Improvement Program Fund	989,445	-	7,052,137	-	-	8,041,582	(959,241)
Government Center Capital Projects Fund	-	-	-	382,644	-	382,644	(542,278)
Forestry Fund	81,438	289,194	855,856	-	-	1,226,488	701,317
Nonmajor Funds	3,205	2,629,514	3,694,622	-	(51,613)	6,275,728	686,715
Total Fund Balances	<u>\$ 2,635,382</u>	<u>\$ 3,882,531</u>	<u>\$ 14,141,501</u>	<u>\$ 4,029,324</u>	<u>\$ 5,215,451</u>	<u>\$ 29,904,189</u>	<u>\$ 986,728</u>

Restrictions of fund balances represent amounts that are not subject to appropriation or are legally restricted by outside parties for use for a specific purpose. Commitments and assignments of fund balance generally represent tentative management plans that are subject to change. The balance of the unassigned fund balance is not for specific purposes.

The general fund is the primary operating fund used to account for the governmental operations of Washburn County. As a measure of the general fund's liquidity, it may be useful to compare both total fund balance and unassigned fund balance to measures of operating volume such as fund expenditures or fund revenues. The total year-end general fund balance represented 76.7% of total general fund expenditures reported on the statement of revenues, expenditures, and changes in fund balances while the unassigned balance represented 38.5% of the same amount.

The general fund's total fund balance increased \$1,481,026 during the year with the unassigned portion increasing by \$768,438. Contributing to the increase in fund balance was County sales tax coming in at \$580,848 more than budgeted. Additionally, the first of two American Rescue Plan Act aid tranche payments was received during 2021 in the amount of \$1,526,713. The County applied this funding to eligible public safety wages and benefits. The positive financial results of the general fund for the year allowed for resources to be assigned within fund balance for several other projects which are being tracked within a sub-fund number 450.

The County's human services fund increased \$186,617 in 2021. The primary factor in this increase was an increase in public charges for service.

**WASHBURN COUNTY, WISCONSIN
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2021**

The County's debt service fund reported a fund balance of \$936,936 at December 31, 2021 which represents a decrease of \$567,428 from the prior year.

The capital improvements program fund had a year-end fund balance of \$8,041,582. Project expenditures for the year were funded primarily through transfers from other funds and use of reserves.

The forestry fund ended the year with a fund balance \$1,226,488, an increase of \$701,317.

The government center capital projects fund incurred \$475,406 of expenditures and transferred \$68,207 to the development fund during the year as the County continues to spend down the resources accumulated for the new government center project.

The aggregated other governmental funds column includes various special revenue funds. The accumulated fund balances of these funds increased \$686,715 during 2021 and had an accumulated fund balance of \$6,275,728 at year-end. These funds are individually detailed in the supplementary information section of this report.

Proprietary Funds

Washburn County's proprietary funds financial statements provide the same type of information found in the government-wide financial statements, but in more detail.

The County had no activities accounted for in enterprise funds during the year.

The County had two internal service funds during 2021. The County accounts for operations of its highway department and copy machine costs in its internal service funds. Net position of the internal service funds totaled \$12,397,741 at December 31, 2021, an increase of \$578,194 from the previous year. Of that amount, \$7,769,009 was invested in capital assets. Additionally, \$746,003 of net position was restricted for the Highway Department's share of the Wisconsin Retirement System net pension asset. The remaining net position totaling \$3,882,729 was unrestricted.

GENERAL FUND BUDGETARY HIGHLIGHTS

As shown in the *Budgetary Comparison Schedule* for the general fund (in required supplementary information), the final 2021 general fund budget was different than the original budget adopted by the County Board. The final budget reflects a projected increase in the general fund balance during 2021 of \$600,355 while the actual amounts resulted in an increase in the fund balance totaling \$1,481,026. The most significant budget variance for 2021 was \$580,848 of sales tax revenue more than budget as detailed out in Schedule B-2 of this report.

**WASHBURN COUNTY, WISCONSIN
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2021**

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

Washburn County's investment in capital assets for its governmental activities as of December 31, 2021 amounted to \$67,324,325 (net of accumulated depreciation) which was a net decrease of \$168,459 from the prior year. This investment in capital assets includes land, buildings, improvements, equipment, vehicles, and infrastructure.

**Capital Assets (Net of Accumulated Depreciation)
December 31, 2021 and 2020**

	Governmental Activities	
	2021	2020
Land and Land Rights	\$ 12,896,400	\$ 12,788,288
Gravel Pits and Quarries	372,566	387,714
Land Improvements	1,386,474	1,335,103
Buildings and Improvements	17,966,379	18,353,587
Machinery and Equipment	8,504,916	8,841,472
Highway Infrastructure	24,135,425	25,142,902
Construction Work in Progress	2,062,165	643,718
Total	<u>\$ 67,324,325</u>	<u>\$ 67,492,784</u>

Additional information related to the County's capital assets is reported in Note 2.C following the financial statements.

Long-Term Obligations

At December 31, 2021, Washburn County had outstanding \$15,449,327 of long-term debt and other long-term obligations. A summary detail of this amount, together with the net change from the previous year, is shown below:

**Outstanding Long-Term Obligations
December 31, 2021 and 2020**

	Governmental Activities		Percent Change
	2021	2020	
Long-Term Debt:			
General Obligation Bonds	\$ 12,060,000	\$ 13,395,000	-10.0%
General Obligation Notes	405,632	450,751	-10.0
Subtotal	<u>12,465,632</u>	<u>13,845,751</u>	-10.0
Other Long-Term Obligations:			
Capital Lease Agreements	1,366,271	1,619,466	-15.6
Premium on Debt Issuance Cost	238,411	286,572	-16.8
Compensated Absences	1,379,013	1,399,699	-1.5
Total	<u>\$ 15,449,327</u>	<u>\$ 17,151,488</u>	-9.9

**WASHBURN COUNTY, WISCONSIN
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2021**

Under Wisconsin State Statutes, the outstanding general obligation long-term debt of a county may not exceed 5% of the equalized property value of all taxable property within the jurisdiction. The applicable debt of Washburn County outstanding at December 31, 2021 totaled \$12,465,632 approximately 8.3% of the maximum legal limit of \$150,121,380. Additional information on Washburn County's long-term debt is reported in Note 2.E following the financial statements.

CURRENTLY KNOWN FACTS

The State of Wisconsin has imposed further limits on the County's property taxes beginning with the 2006 budget year levy. Current legislation restricts the growth in the County's property taxes (except for debt service) to the amount of net new construction.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of Washburn County's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Washburn County Clerk Office, P.O. Box 639, Shell Lake, Wisconsin 54871.

BASIC FINANCIAL STATEMENTS

**WASHBURN COUNTY, WISCONSIN
STATEMENT OF NET POSITION
DECEMBER 31, 2021**

	Primary Government	Component Unit
	Governmental Activities	Industrial Development Agency
ASSETS		
Cash and Investments	\$ 30,818,171	\$ 1,155,560
Taxes Receivable	11,893,796	-
Accounts Receivable	601,151	-
Due from Other Governments	2,809,515	-
Prepaid Expenses & Other Assets	2,519,766	7,246
Long-Term Receivables	783,572	853,799
Restricted Assets:		
Wisconsin Retirement System Net Pension Asset	3,760,746	-
Capital Assets:		
Capital Assets Not Being Depreciated	14,958,565	-
Capital Assets Being Depreciated	137,125,069	-
Accumulated Depreciation	(84,759,309)	-
Total Assets	120,511,042	2,016,605
DEFERRED OUTFLOWS OF RESOURCES		
Wisconsin Retirement System Pension Related	6,267,359	-
Single-Employer Other Postemployment Benefits Related	42,205	-
Multiple-Employer Other Postemployment Benefits Related	467,098	-
Total Deferred Outflows of Resources	6,776,662	-
LIABILITIES		
Vouchers and Accounts Payable	915,106	10,000
Accrued Liabilities	635,232	-
Payroll Deductions	482,214	-
Accrued Interest Payable	136,509	4,872
Due to Other Governments	107,246	-
Unearned Revenue	321,196	-
Special Deposits	140,989	-
Long-Term Liabilities:		
Amounts Due Within One Year	1,889,596	26,966
Amounts Due in More than One Year	13,559,731	460,272
Single-Employer Other Postemployment Benefits Liability	822,300	-
Multiple-Employer Other Postemployment Benefits Liability	1,029,356	-
Total Liabilities	20,039,475	502,110

See accompanying Notes to Basic Financial Statements.

**WASHBURN COUNTY, WISCONSIN
STATEMENT OF NET POSITION (CONTINUED)
DECEMBER 31, 2021**

	<u>Primary Government</u>	<u>Component Unit Industrial Development Agency</u>
	<u>Governmental Activities</u>	
DEFERRED INFLOWS OF RESOURCES		
Property Taxes for Subsequent Year	\$ 11,160,154	\$ -
Wisconsin Retirement System Pension Related	8,233,488	-
Single-Employer Other Postemployment Benefits Related	250,539	-
Multiple-Employer Other Postemployment Benefits Related	131,773	-
	<u>19,775,954</u>	<u>-</u>
NET POSITION		
Net Investment in Capital Assets	53,254,011	-
Restricted for:		
Debt Service	800,427	-
Housing Loan Program	903,544	-
Environmental and Socioeconomic Impact	1,060,676	-
Impact Fee Financed Development	659,919	-
Solid Waste	211,530	-
County Trunk D	347,837	-
Forestry Operations	289,194	-
Other Purposes	241,467	-
Wisconsin Retirement Pension Plan Asset	3,760,746	-
Unrestricted	25,942,924	1,514,495
Total Net Position	<u>\$ 87,472,275</u>	<u>\$ 1,514,495</u>

See accompanying Notes to Basic Financial Statements.

**WASHBURN COUNTY, WISCONSIN
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2021**

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>			<u>Net Revenue (Expense) and Changes in Net Position</u>	
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Primary Governmental Activities</u>	<u>Component Unit- Industrial Development Agency</u>
Primary Government:						
Governmental Activities:						
General Government	\$ 5,271,746	\$ 642,045	\$ 162,841	\$ 287,975	\$ (4,178,885)	\$ -
Public Safety	4,211,336	160,187	1,609,881	12,286	(2,428,982)	-
Public Works	8,205,029	4,308,565	1,389,627	91,310	(2,415,527)	-
Health and Human Services	6,619,860	1,941,313	3,446,979	-	(1,231,568)	-
Culture, Recreation, and Education	2,204,268	440	-	-	(2,203,828)	-
Conservation and Development	724,688	3,139,080	1,004,763	-	3,419,155	-
Interest and Fiscal Charges	319,391	-	-	-	(319,391)	-
Total Primary Government	\$ 27,556,318	\$ 10,191,630	\$ 7,614,091	\$ 391,571	(9,359,026)	-
Component Unit:						
Industrial Development Agency	\$ 52,857	\$ 43,444	\$ -	\$ -	-	(9,413)
General Revenues:						
Taxes:						
Property Taxes, Levied for General Purposes					10,998,246	-
County Sales Taxes					1,805,848	-
Other Taxes					174,180	-
State and Federal Aids Not Restricted to Specific Functions					214,861	-
Interest and Investment Earnings					307,457	1,173
Gain on Sale of County Property					103,500	-
Miscellaneous					386,184	-
Total General Revenues					13,990,276	1,173
CHANGE IN NET POSITION					4,631,250	(8,240)
Net Position - Beginning of Year - As Previously Stated					83,797,504	1,522,735
Restatement					(956,479)	-
Net Position - Beginning of Year - As Restated					82,841,025	1,522,735
NET POSITION - END OF YEAR					\$ 87,472,275	\$ 1,514,495

See accompanying Notes to Basic Financial Statements.

**WASHBURN COUNTY, WISCONSIN
BALANCE SHEET – GOVERNMENTAL FUNDS
DECEMBER 31, 2021**

	General Fund	Human Services Fund	Debt Service Fund	Capital Improvements Program Fund	Forestry Fund	Government Center Capital Projects Fund	Other Governmental Funds	Totals
ASSETS								
Treasurer's Cash and Investments	\$ 8,784,281	\$ 1,729,086	\$ 936,936	\$ 7,101,899	\$ 1,454,441	\$ 388,643	\$ 6,210,969	\$ 26,606,255
Taxes Receivable	9,163,467	1,124,402	1,075,000	-	-	-	530,927	11,893,796
Accounts Receivable	160,262	2,708	-	19,605	269,716	-	134,973	587,264
Due from Other Governmental Units	315,095	1,135,043	-	-	248,607	-	165,993	1,864,738
Due from Other Funds	279,318	-	-	378,690	-	-	-	658,008
Prepaid Expenses & other assets	812,722	-	-	-	81,438	-	3,205	897,365
Long-Term Receivables	15,000	-	-	-	-	-	768,572	783,572
Advances to Other Funds	-	-	-	989,445	-	-	-	989,445
Total Assets	\$ 19,530,145	\$ 3,991,239	\$ 2,011,936	\$ 8,489,639	\$ 2,054,202	\$ 388,643	\$ 7,814,639	\$ 44,280,443
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE								
Liabilities:								
Vouchers and Accounts Payable	\$ 231,654	\$ 152,904	\$ -	\$ 131,919	\$ 33,533	\$ 5,999	\$ 134,977	\$ 690,986
Payroll Deductions	76,609	-	-	-	405,605	-	-	482,214
Accrued Liabilities	177,986	135,574	-	10,550	52,748	-	78,109	454,967
Due to Other Governmental Units	104,089	1,973	-	-	-	-	1,184	107,246
Due to Other Funds	-	-	-	305,588	-	-	62,642	368,230
Unearned Revenues	8,057	-	-	-	194,839	-	-	202,896
Special Deposits	-	-	-	-	140,989	-	-	140,989
Total Liabilities	598,395	290,451	-	448,057	827,714	5,999	276,912	2,447,528
Deferred Inflows of Resources:								
Succeeding Year's Property Taxes	8,429,825	1,161,902	1,075,000	-	-	-	493,427	11,160,154
Unavailable Revenue - Loans Receivable	-	-	-	-	-	-	768,572	768,572
Total Deferred Inflows of Resources	8,429,825	1,161,902	1,075,000	-	-	-	1,261,999	11,928,726
Fund Balances:								
Nonspendable	1,561,294	-	-	989,445	81,438	-	3,205	2,635,382
Restricted	26,887	-	936,936	-	289,194	-	2,629,514	3,882,531
Committed	-	2,538,886	-	7,052,137	855,856	-	3,694,622	14,141,501
Assigned	3,646,680	-	-	-	-	382,644	-	4,029,324
Unassigned	5,267,064	-	-	-	-	-	(51,613)	5,215,451
Total Fund Balances	10,501,925	2,538,886	936,936	8,041,582	1,226,488	382,644	6,275,728	29,904,189
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 19,530,145	\$ 3,991,239	\$ 2,011,936	\$ 8,489,639	\$ 2,054,202	\$ 388,643	\$ 7,814,639	\$ 44,280,443

See accompanying Notes to Basic Financial Statements.

**WASHBURN COUNTY, WISCONSIN
RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCE
TO NET POSITION OF GOVERNMENTAL ACTIVITIES
DECEMBER 31, 2021**

Total Fund Balance - Governmental Fund \$ 29,904,189

Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. These assets consist of:

Land	\$	12,406,618	
Land Improvements		3,302,543	
Buildings and Improvements		20,842,362	
Machinery and Equipment		5,434,189	
Vehicles		1,737,442	
Infrastructure		84,936,707	
Construction Work in Progress		2,062,165	
Accumulated Depreciation		<u>(72,467,605)</u>	58,254,421

Pension and other postemployment benefit assets, liabilities and related deferred inflows and outflows are recorded only on the statement of net position. Balances at year-end are:

Wisconsin Retirement System Pension:			
Net Pension Asset		3,014,743	
Deferred Outflows of Resources - Pension Related		5,024,130	
Deferred Inflows of Resources - Pension Related		<u>(6,600,246)</u>	1,438,627
Single-Employer Other Postemployment Benefits:			
Net OPEB Liability		(664,533)	
Deferred Outflows of Resources - OPEB Related		34,108	
Deferred Inflows of Resources - OPEB Related		<u>(202,470)</u>	(832,895)
Multiple-Employer Other Postemployment Benefits:			
Net OPEB Liability		(843,502)	
Deferred Outflows of Resources - OPEB Related		382,762	
Deferred Inflows of Resources - OPEB Related		<u>(107,981)</u>	(568,721)

Some receivables are reported as deferred inflows of resources in the fund financial statements but are recognized as revenue when earned in the government-wide statements.

Housing Loans			768,572
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Some liabilities are not due and payable in the current period and therefore are not reported in the funds. These liabilities consist of:

Promissory Notes Payable		405,632	
General Obligation Bonds Payable		12,060,000	
Capital Leases		65,376	
Accrued Interest Payable		126,587	
Unamortized Bond Premium		238,411	
Compensated Absences		<u>993,653</u>	(13,889,659)

The highway department internal service fund is used by County management to account for highway-related services provided by the department to the County and other governmental units. The assets and liabilities of the highway department internal service fund are reported in governmental activities.

12,366,603

The copy machine internal service fund is used by County's management to charge the costs of the copy machines to departments/functions. The assets and liabilities of the copy machine fund are also reported in governmental activities.

31,138

Net Position of Governmental Activities **\$ 87,472,275**

See accompanying Notes to Basic Financial Statements.

WASHBURN COUNTY, WISCONSIN
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE OF GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2021

	General Fund	Human Services Fund	Debt Service Fund	Capital Improvements Program Fund	Forestry Fund	Government Center Capital Projects Fund	Other Governmental Funds	Totals
REVENUES:								
Taxes	\$ 10,415,895	\$ 1,091,233	\$ 1,075,000	\$ -	\$ -	\$ -	\$ 607,717	\$ 13,189,845
Intergovernmental	3,795,185	1,985,396	-	287,975	593,899	-	1,140,185	7,802,640
Licenses and Permits	231,958	-	-	-	-	-	445,056	677,014
Fines, Forfeits, and Penalties	85,574	17,294	-	-	-	-	14,029	116,897
Public Charges for Services	477,127	1,610,816	-	-	2,466,616	-	593,505	5,148,064
Intergovernmental Charges for Services	21,090	-	-	-	-	-	-	21,090
Miscellaneous	184,973	269,278	-	43,483	153,644	1,335	683,710	1,336,423
Total Revenues	15,211,802	4,974,017	1,075,000	331,458	3,214,159	1,335	3,484,202	28,291,973
EXPENDITURES:								
General Government	4,883,930	-	-	386,008	-	-	242,190	5,512,128
Public Safety	4,264,076	-	-	-	-	-	39,947	4,304,023
Public Works	3,027,605	-	-	1,748,184	-	475,406	-	5,251,195
Health and Human Services	240,794	4,857,482	-	-	-	-	2,007,295	7,105,571
Culture, Recreation, and Education	481,683	-	-	-	1,683,857	-	27,560	2,193,100
Conservation and Development	793,542	-	-	-	-	-	447,760	1,241,302
Debt Service:								
Principal	-	-	1,335,000	-	66,443	-	-	1,401,443
Interest and Fiscal Charges	-	-	307,428	-	15,019	-	-	322,447
Total Expenditures	13,691,630	4,857,482	1,642,428	2,134,192	1,765,319	475,406	2,764,752	27,331,209
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	1,520,172	116,535	(567,428)	(1,802,734)	1,448,840	(474,071)	719,450	960,764
OTHER FINANCING SOURCES (USES):								
Sale of Capital Assets	-	-	-	103,500	-	-	-	103,500
Transfers In	-	70,082	-	1,000,000	252,477	-	114,001	1,436,560
Transfers Out	(39,146)	-	-	(260,007)	(1,000,000)	(68,207)	(146,736)	(1,514,096)
Total Other Financing Sources (Uses)	(39,146)	70,082	-	843,493	(747,523)	(68,207)	(32,735)	25,964
NET CHANGE IN FUND BALANCES	1,481,026	186,617	(567,428)	(959,241)	701,317	(542,278)	686,715	986,728
Fund Balance - January 1 - As Previously Stated	9,020,899	2,352,269	1,504,364	9,957,302	525,171	924,922	5,589,013	29,873,940
Restatement	-	-	-	(956,479)	-	-	-	(956,479)
Fund Balance - January 1 - As Restated	9,020,899	2,352,269	1,504,364	9,000,823	525,171	924,922	5,589,013	28,917,461
FUND BALANCE - DECEMBER 31	\$ 10,501,925	\$ 2,538,886	\$ 936,936	\$ 8,041,582	\$ 1,226,488	\$ 382,644	\$ 6,275,728	\$ 29,904,189

See accompanying Notes to Basic Financial Statements.

**WASHBURN COUNTY, WISCONSIN
RECONCILIATION OF STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2021**

Net Change in Fund Balance - Total Governmental Fund \$ 986,728

Amounts reported for governmental activities in the statement of activities are different because:

Capital outlays are reported as expenditures in governmental funds. However, in the statement of activities, the cost of capital assets is allocated over their estimated useful lives as depreciation expense. In the current period, these amounts are:

Capital outlays reported in governmental fund statements	\$ 3,855,605	
Depreciation expense reported in the statement of activities	<u>(3,348,269)</u>	507,336

Pension and other postemployment benefit expenditures in the governmental funds are measured by current year employee contributions. Related benefit expenses on the statement of activities are measured by the change in net assets, liabilities and the related deferred inflows and outflows of resources:

Wisconsin Retirement System Pension	896,765	
Single-Employer Other Postemployment Benefits:	(78,889)	
Multiple-Employer Other Postemployment Benefits:	<u>(106,919)</u>	710,957

Receivables not currently available are reported as deferred inflows of resources in the fund financial statements but are recognized as revenue when earned in the government-wide statements. (39,973)

Repayment of long-term debt is reported as an expenditure in governmental funds, but the repayment reduces long-term liabilities in the statement of net assets. In the current year, these amounts consist of:

General Obligation Bonds Principal Retirement	1,335,000	
General Obligation Notes Principal Retirement	45,119	
Capital Lease Retirement	<u>21,324</u>	1,401,443

Internal service funds are used by the County's management to account for highway operations and to charge out copy machine costs. The change in net position of these internal service funds are allocated to governmental activities.

Total Change in Net Position 578,194

Some items reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds. These activities consist of:

Change in Accrued Interest Payable	402,280	
Change in Compensated Absences at Year-End	36,124	
Change in Unamortized Bond Premium	<u>48,161</u>	<u>486,565</u>

Change in Net Position of Governmental Activities \$ 4,631,250

**WASHBURN COUNTY, WISCONSIN
STATEMENT OF NET POSITION – PROPRIETARY FUND
DECEMBER 31, 2021**

	<u>Governmental Activities-Internal Service Funds</u>
ASSETS	
Current Assets:	
Treasurer's Cash and Investments	\$ 4,211,916
Accounts Receivable	13,887
Due from Other Governmental Units	944,777
Due from Other Funds	88,912
Inventories and Prepaid Expenses	<u>1,622,401</u>
Total Current Assets	6,881,893
Restricted Assets:	
Wisconsin Retirement System Pension Plan Asset	746,003
Noncurrent Assets:	
Capital Assets:	
Not Being Depreciated/Depleted	489,782
Being Depreciated/Depleted	20,871,826
Accumulated Depreciation	<u>(12,291,704)</u>
Total Capital Assets	<u>9,069,904</u>
Total Assets	16,697,800
DEFERRED OUTFLOWS OF RESOURCES	
Wisconsin Retirement System Pension Related	1,243,229
Single Employer Other Postemployment Benefits Related	8,097
Multi-Employer Other Postemployment Benefits Related	<u>84,336</u>
Total Deferred Outflows of Resources	1,335,662
LIABILITIES	
Current Liabilities:	
Accounts Payable	224,120
Accrued Liabilities	180,265
Accrued Interest Payable	9,922
Due to Other Funds	378,690
Unearned Revenues	118,300
Accrued Vacation and Sick Leave - Current	134,262
Capital Leases Payable - Current	<u>238,531</u>
Total Current Liabilities	1,284,090
Long-Term Liabilities (Net of Current Portion):	
Advance from Capital Projects Fund	989,445
Single Employer Other Postemployment Benefits Payable	157,767
Multi-Employer Other Postemployment Benefits Payable	185,854
Accrued Vacation and Sick Leave	251,098
Capital Leases Payable	<u>1,062,364</u>
Total Long-Term Liabilities	<u>2,646,528</u>
Total Liabilities	<u>3,930,618</u>
DEFERRED INFLOWS OF RESOURCES	
Wisconsin Retirement System Pension Related	1,633,242
Single Employer Other Postemployment Benefits Related	48,069
Multi-Employer Other Postemployment Benefits Related	<u>23,792</u>
Total Deferred Inflows of Resources	<u>1,705,103</u>
NET POSITION	
Net Investment in Capital Assets	7,769,009
Restricted for Wisconsin Retirement System Pension Plan Asset	746,003
Unrestricted	<u>3,882,729</u>
Total Net Position	<u>\$ 12,397,741</u>

See accompanying Notes to Basic Financial Statements.

**WASHBURN COUNTY, WISCONSIN
STATEMENT OF REVENUES, EXPENSES, AND CHANGES
IN NET POSITION – PROPRIETARY FUND
YEAR ENDED DECEMBER 31, 2021**

	<u>Governmental Activities-Internal Service Funds</u>
OPERATING REVENUES	\$ 8,980,738
OPERATING EXPENSES	<u>8,434,975</u>
OPERATING INCOME	545,763
NONOPERATING EXPENSES	<u>(45,105)</u>
INCOME BEFORE TRANSFERS	500,658
TRANSFERS	
Transfers from Other Funds	<u>77,536</u>
CHANGE IN NET POSITION	578,194
Net Position - January 1	<u>11,819,547</u>
NET POSITION - DECEMBER 31	<u><u>\$ 12,397,741</u></u>

See accompanying Notes to Basic Financial Statements.

**WASHBURN COUNTY, WISCONSIN
STATEMENT OF CASH FLOWS – PROPRIETARY FUND
YEAR ENDED DECEMBER 31, 2021**

	<u>Governmental Activities-Internal Service Funds</u>
CASH FLOWS FROM OPERATING ACTIVITIES	
Cash Received for Services Provided	\$ 8,932,883
Cash Paid to Suppliers for Goods and Services	(3,135,800)
Cash Paid for Employee Services	<u>(4,362,982)</u>
Net Cash Provided by Operating Activities	1,434,101
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Transfer from Forestry Fund	67,529
Transfer from Capital Improvement Fund	<u>10,007</u>
Total Cash Flows Provided by Noncapital Financing Activities	77,536
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Cash Paid for Acquisition of Capital Assets	(435,790)
Cash Received for Sale of Capital Assets	54,521
Change in Cash Advance for Gravel Pits from County	(84,156)
Principal Paid on Capital Leases	(231,871)
Interest Paid on Capital Leases	<u>(47,310)</u>
Net Cash Used by Capital and Related Financing Activities	<u>(744,606)</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS	767,031
Cash and Cash Equivalents - Beginning of Year	<u>3,444,885</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	<u><u>\$ 4,211,916</u></u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES:	
Operating Income (Loss)	\$ 545,763
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:	
Depreciation	1,017,560
Depletion of Gravel Pits	15,148
Change in Pension Related Items	(230,451)
Change in Single-Employer OPEB Related Items	21,269
Change in Multi-Employer OPEB Related Items	21,159
(Gain) Loss on Disposal of Assets	24,356
(Increase) Decrease in Assets:	
Accounts Receivable	(11,959)
Due from Governmental Units	(146,904)
Prepaid Expenses	(289,850)
Due from Other Funds	43,974
Increase (Decrease) in Liabilities:	
Accounts Payable	(42,661)
Unearned Revenue	67,034
Due to Other Funds	378,690
Accrued Liabilities	<u>20,973</u>
Net Cash Provided by Operating Activities	<u><u>\$ 1,434,101</u></u>

See accompanying Notes to Basic Financial Statements.

**WASHBURN COUNTY, WISCONSIN
STATEMENT OF NET POSITION – FIDUCIARY FUNDS
DECEMBER 31, 2021**

	<u>Custodial Funds</u>
ASSETS	
Treasurer's Cash and Investments	\$ 289,103
LIABILITIES	
Vouchers Payable	<u>45,490</u>
NET POSITION	
Restricted	<u><u>\$ 243,613</u></u>

See accompanying Notes to Basic Financial Statements.

**WASHBURN COUNTY, WISCONSIN
STATEMENT OF CHANGES IN NET POSITION – FIDUCIARY FUNDS
YEAR ENDED DECEMBER 31, 2021**

	Custodial Funds
ADDITIONS:	
Payments from Individuals	\$ 49
Licenses and Fees Collected	1,108,331
Total Additions	1,108,380
DEDUCTIONS:	
Distributions to Individuals	190,543
Payments to Licenses and Fees to Other Taxing Agencies	871,674
Total Deductions	1,062,217
CHANGE IN NET POSITION	46,163
Net Position - Beginning of Year	197,450
NET POSITION - END OF YEAR	\$ 243,613

See accompanying Notes to Basic Financial Statements.

**WASHBURN COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of Washburn County (the County) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The significant accounting principles and policies utilized by the County are described below:

A. Reporting Entity

Washburn County is governed by a board of supervisors consisting of twenty-one elected members.

The financial reporting of the County is defined by the GASB to consist of (a) the primary government, (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the primary government are such that the exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

The basic financial statements of the County consist solely of the primary government and a discretely presented component unit as described below. The discretely presented component unit is reported in a separate column in the government-wide financial statements (see below for description) to emphasize that it is legally separate from the government.

Washburn County Industrial Development Agency, Ltd. Washburn County Industrial Development Agency, Ltd. (Agency) was organized in 1989 by the County when the County received intergovernmental funds to finance a loan to a private business. Proceeds received from the repayment of this loan are being used by the Agency to finance other loans to local businesses to promote industrial development. The Agency is governed by a seven-member board statutorily comprised of the county board chairman, finance committee chairman, county treasurer, corporation counsel and three public members appointed by the county board. The Agency receives no funding from, nor provides any funding to, the County. The Agency maintains its financial statements on a fiscal year ending June 30. Financial statements of the Agency for the year ending June 30, 2021 are presented in this report as a discretely presented component unit. The Agency's financial statements can be obtained from Washburn County.

B. Government-Wide and Fund Financial Statements

The County's basic financial statements include both government-wide (reporting the County as a whole) and fund financial statements (reporting the County's major funds) as described below:

**WASHBURN COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Government-Wide and Fund Financial Statements (Continued)

Government-Wide Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report financial information on all of the nonfiduciary activities of the primary government. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable to a specific function or segment. Program revenues include (a) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment; and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Fund Financial Statements

Financial statements of the reporting entity are organized into funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts, which constitute its assets, liabilities, deferred inflows/outflows of resources, net position, fund equity, revenues, and expenditures/expenses.

Separate financial statements are provided for governmental funds, proprietary funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

The County did not report any enterprise funds for the year ended December 31, 2021.

The County reports the following major governmental funds:

General Fund – The General Fund is the operating fund of the County. It is used to account for all financial resources of the County, except those required to be accounted for in another fund.

Human Services Fund – The Human Services Fund, a special revenue fund, is used to account for various County human services programs funded by restricted funding sources. Through the human services programs, the County provides mental health, developmental disabilities, and alcoholism and drug abuse rehabilitation services to residents of the County and administers the various social services and income maintenance programs provided by and through the County.

**WASHBURN COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Government-Wide and Fund Financial Statements (Continued)

Fund Financial Statements (Continued)

Debt Service Fund – The Debt Service Fund is used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related charges.

Capital Improvements Program Fund – The Capital Improvements Program Fund, a capital projects fund, accounts for financial resources to be used for funding the County's capital improvement program projects.

Forestry Fund – The Forestry Fund, a special revenue fund, is used to account for the maintenance of the County's parks and forests. In addition to using restricted grant funding for these purposes, the County also commits public charges for services raised through the Forestry Fund's programming.

Government Center Capital Projects Fund – The Government Center Capital Projects Fund accounts for financial resources to be used for funding construction of the County's new government center facility.

All remaining governmental funds are aggregated and reported as nonmajor funds.

The County's proprietary funds consist solely of internal service funds to account for the operations of the County's highway department and its copy machine transactions.

The County's fiduciary funds consist of custodial funds to account for assets held by the County in a trustee capacity or as an agent for individuals, private organizations and/or other governmental units.

C. Measurement Focus and Basis of Accounting

The government-wide, proprietary fund and fiduciary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets deferred inflows/outflows of resources and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Nonexchange transactions, in which the County gives or receives value without directly receiving or giving equal value in exchange, include property taxes, grants, entitlements and donations. Property taxes are recognized as revenues in the year for which they are levied. Taxes receivable for the following year are recorded as receivables and deferred inflows of resources. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider are met.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the government's utility functions and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

**WASHBURN COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Measurement Focus and Basis of Accounting (Continued)

Governmental fund statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized as soon as they are both measurable and available. Revenues are deemed to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the County generally considers revenues reported in the governmental funds to be available if they are collected within 60 days after the end of the current fiscal period. Client billings for the human services programs are recognized when received. State and federal aids under cost reimbursement programs are generally recognized when earned if expected to be collected in the subsequent year. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

Property taxes, miscellaneous taxes, cost reimbursement grant programs, public charges for services and interest associated with the current fiscal period are all considered to be susceptible to accrual. All other revenue items are generally considered to be measurable and available only when cash is received by the government.

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in financial statements and accompanying notes. Actual results could differ from those estimates.

D. Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position/Fund Balance

1. Deposits and Investments

The County's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from date of acquisition. Cash and investment balances for individual funds are pooled unless maintained in segregated accounts.

Investment of County funds is restricted by state statutes. Available investments are limited to:

- a. Time deposits in any credit union, bank, savings bank, or trust company maturing in three years or less.
- b. Bonds or securities issued or guaranteed by the federal government.

**WASHBURN COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position/Fund Balance (Continued)

1. Deposits and Investments (Continued)

- c. Bonds or securities of any county, city, drainage district, technical college district, County, town, or school district of the state. Also, bonds issued by a local exposition district, a local professional baseball park district, a local professional football stadium district, a local cultural arts district, or by the University of Wisconsin Hospitals and Clinics Authority.
- d. Any security maturing in seven years or less and having the highest or second highest rating category of a nationally recognized rating agency.
- e. Securities of an open-end management investment company or investment trust, subject to various conditions and investment options.
- f. Bonds or securities issued under the authority of the municipality.
- g. The local government investment pool.
- h. Repurchase agreements with public depositories, with certain conditions.

Additional restrictions may arise from local charters, ordinances, resolutions, and grant resolutions.

Investment of most trust funds is regulated by Chapter 881 of the Wisconsin Statutes. Those sections give broad authority to use such funds to acquire various kinds of investments including stocks, bonds, and debentures.

Investments of the County are stated at fair value or amortized cost.

2. Receivables and Payables

Property Taxes. Property taxes are levied prior to the end of the calendar year and are due and collectible in the following year. Property taxes attach an enforceable lien as of January 1. In addition to property taxes for the County, taxes are also collected for and remitted to the State. Taxes billed for the State, if any, are recorded as receivables and due other governmental units in the custodial fund statement of net position. Since County property taxes are not considered available until January 1 of the year following the levy, they are recorded as deferred inflows of resources in the funds budgeted.

WASHBURN COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position/Fund Balance (Continued)

2. Receivables and Payables (Continued)

Property Taxes (Continued). The County is also responsible for the collection of all delinquent and postponed property taxes levied by the local taxing districts within its boundaries, except delinquent personal property taxes which are retained by the local municipal district. Real property taxes are payable in full to the local districts on or before January 31 or, alternatively, if over \$100, can be paid in two equal installments with the first installment payable on or before January 31 and the second installment payable on or before July 31. Personal property taxes and special assessments, special charges (including delinquent utility billings) and special taxes placed on the tax roll are payable in full on or before January 31. All uncollected items on the current tax roll, except delinquent personal property taxes, are turned over to the County Treasurer for collection in February. The County subsequently settles in full with the local districts in August of the same year. All uncollected taxes returned to the County for collection are financed through the general fund. A portion of the general fund's equity balance is classified as nonspendable for the County's investment in delinquent taxes.

Accounts Receivable. Accounts receivable are shown at gross amounts. No allowance for uncollectible accounts has been provided since such allowance would not be material.

Loans Receivable. The County has received federal grant funds for financing housing rehabilitation loans to various individuals. The County records a loan receivable when the loan has been made and funds have been disbursed. The amounts recorded as loans receivable have not been reduced by an allowance for uncollectible accounts since the County does not expect such amounts to be material to the financial statements. It is the County's policy to record deferred inflows of resources for the net amount of the receivable balance. As loans are repaid, revenue is recognized. When new loans are made from the repayments, expenditures are recorded. Interest received from loan repayments is recognized as revenue when received. Any unspent loan repayments at year-end are presented as restricted fund balance in the fund financial statements.

Interfund Balances Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the noncurrent portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds". Advances between funds, as reported in the fund financial statements, are offset by a nonspendable fund balance account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

**WASHBURN COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position/Fund Balance (Continued)

3. Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

4. Restricted Assets

Mandatory segregations of assets are presented as restricted assets. Such segregations may be required by bond agreements and other external parties. Current liabilities payable from these restricted assets are so classified.

5. Capital Assets

Government-Wide Statements. Capital assets, which include property, plant, equipment and infrastructure assets (e.g., roads, bridges and similar items), are reported in the governmental column in the government-wide financial statements. Capital assets are defined by the County as assets with initial, individual costs as shown below and an estimated useful life of two years or greater. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed.

Capitalization thresholds (the dollar valued above which asset acquisitions are added to the capital asset accounts), depreciation methods, and estimated useful lives of capital assets reported in the government-wide statements are as follows:

	Capitalization Threshold	Depreciation Method	Estimated Useful Life
Land	\$ 5,000	N/A	N/A
Highway Right-of-Ways	5,000	N/A	N/A
Land Improvements	5,000	Straight-Line	15 to 40 Years
Buildings and Improvements	5,000	Straight-Line	10 to 50 Years
Machinery and Equipment	5,000	Straight-Line	4 to 20 Years
Vehicles	5,000	Straight-Line	3 to 5 Years
Infrastructure	5,000	Straight-Line	20 to 60 Years

**WASHBURN COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position/Fund Balance (Continued)

5. Capital Assets (Continued)

Fund Financial Statements. In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition. Capital assets used in proprietary fund operations are accounted for in the same manner as in the government-wide statements.

6. Deferred Outflows of Resources

The County reports decreases in net position or fund equity that relate to future periods as deferred outflows of resources in a separate section of its government-wide and proprietary funds statements of net position or governmental fund balance sheet. The County reports deferred outflows of resources in its government-wide and proprietary fund financial statements for pension and other postemployment benefit related items.

7. Deferred Inflows of Resources

The County's governmental activities and governmental fund financial statements report a separate section for deferred inflows of resources. This separate financial statement element reflects an increase in net position or fund equity that applies to a future period. The County will not recognize the related revenue until a future event occurs. The County has two types of items which occur related to revenue recognition. The first occurs because property tax receivables are recorded in the current year, but the revenue will be recorded in the subsequent year. The second type of deferred inflow of resources occurs because governmental fund revenues are not recognized until available (collected not later than 60 days after the end of the County's year) under the modified accrual basis of accounting. The County also reports deferred inflows of resources for pension and other postemployment benefit related items.

8. Compensated Absences

It is the County's policy to permit employees to accumulate paid leave benefits. Liabilities for accumulated employee leave benefits are not accrued in the County's governmental fund financial statements but are recorded as expenditures when paid. Such liabilities are accrued in the government-wide and proprietary fund financial statements when earned. The County's policies and estimated liabilities at year-end are further discussed in Note 3.A.

**WASHBURN COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position/Fund Balance (Continued)

9. Wisconsin Retirement System Pension Plan Benefits

For purposes of measuring the net pension liability (asset), deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Wisconsin Retirement System (WRS) and additions to/deductions from WRS' fiduciary net position have been determined on the same basis as they are reported by WRS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

10. Other Postemployment Benefits Payable

Single-Employer Other Postemployment Benefits

Retiree Health Insurance: All employees who retire through the Wisconsin Retirement System are eligible to participate in the retiree medical plan if they pay 100% of the retiree premium. Coverage may continue after age 65 if the retiree pays 100% of the post-age 65 premium. The post-age 65 premium is assumed to be self-sustaining. The County funds this on a pay as you go basis.

Multiple-Employer Other Postemployment Benefits

Retiree Life Insurance: The fiduciary net position of the Local Retiree Life Insurance Fund (LRLIF) has been determined using the flow of economic resources measurement focus and the accrual basis of accounting. This includes for purposes of measuring the net OPEB liability, deferred outflows and inflows of resources related to other post-employment benefits, OPEB expense, and information about the fiduciary net position of the LRLIF and additions to/deductions from LRLIF's fiduciary net position have been determined on the same basis as they are reported by LRLIF. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

11. Long-Term Obligations

In the government-wide financial statements and proprietary fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities or proprietary fund type statement of net position. In the governmental fund financial statements, the face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

**WASHBURN COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position/Fund Balance (Continued)

12. Defining Operating Revenues and Expenses

Internal Service funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with internal service fund's principal ongoing operations. The principal operating revenues of the highway and copy machine funds are charges to customers for sales and services. Operating expenses for internal service funds include the cost of sales and services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

13. Use of Restricted Resources

When both restricted and unrestricted resources are available for use, it is the County's policy to use restricted resources first, then unrestricted resources as they are needed.

14. Equity Classifications

Fund equity, representing the difference between assets, deferred inflows/outflows of resources and liabilities, is classified as follows in the County's financial statements:

Government-Wide, Proprietary Fund and Fiduciary Fund Statements. Fund equity is classified as net position in the government-wide, proprietary fund and fiduciary fund financial statements and is displayed in three components. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction, or improvement for those assets. Net position is reported as restricted when there are limitations imposed on its use through external restrictions imposed by creditors, grantors or laws or regulations of other governments. All other net position is displayed as unrestricted.

Fund Financial Statements. In the fund financial statements, governmental funds report components of fund balance to provide information about fund balance availability for appropriation. Nonspendable fund balance represents amounts that are inherently nonspendable or assets that are legally or contractually required to be maintained intact. Restricted fund balance represents amounts available for appropriation but intended for a specific use and is legally restricted by outside parties. Committed fund balance represents constraints on spending that the government imposes upon itself by high-level formal action prior to the close of the fiscal period. Assigned fund balance represents resources intended for spending for a purpose set by the government body itself or by some person or body delegated to exercise such authority in accordance with policy established by the Board. Unassigned fund balance is the residual classification for the County's general fund

**WASHBURN COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position/Fund Balance (Continued)

14. Equity Classifications (Continued)

Fund Financial Statements (Continued). and includes all spendable amounts not contained in the other classifications. It is the County's policy that at the end of each fiscal year, the County will maintain a minimum unassigned fund balance level between 20% and 33% of general fund expenditures.

Committed fund balance is required to be established, modified, or rescinded by resolution of the County Board prior to each year-end. Based on resolution of the County Board, the County Finance Committee has the authority to establish or modify assigned fund balance. When restricted and unrestricted fund balance is available for expenditure, it is the County's practice to first use restricted fund balance. When committed, assigned, and unassigned fund balance is available for expenditure, it is the County's practice to use committed, assigned, and finally unassigned fund balance.

NOTE 2 DETAILED NOTES ON ALL FUNDS

A. Deposits and Investments

The County's cash and investments balances at December 31, 2021 are reflected in the financial statements as follows:

Governmental Funds	\$ 26,606,255
Proprietary Funds	4,211,916
Fiduciary Funds	289,103
Total	<u>\$ 31,107,274</u>

The above cash and investments consisted of the following:

Deposits at Financial Institutions	\$ 24,843,646
Investment in State Local Government Pooled- Investment Fund	6,260,933
Petty Cash	2,695
Total	<u>\$ 31,107,274</u>

**WASHBURN COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)

A. Deposits and Investments (Continued)

Deposits at Financial Institutions

The County's balances at individual financial institutions were subject to coverage under federal depository insurance and amounts appropriated by Sections 20.144(1)(a) and 34.08 of the Wisconsin Statutes (State Guarantee Fund). Federal depository insurance provides for coverage of up to \$250,000 for time and savings deposits and up to \$250,000 for demand deposits at any institution. In addition, funds held for individuals are subject to coverage in the name of the beneficiary in whose name the trust fund is held. Coverage under the State Guarantee Fund may not exceed \$400,000 above the amount of coverage under federal depository insurance at any institution and is limited by the availability of the appropriations authorized therein. (Due to the relatively small size of the State Guarantee Fund in relation to the total coverage, total recovery of losses may not be available.) Also, Section 34.07 of the Wisconsin Statutes authorizes the County to collateralize its deposits that exceed the amount of coverage provided by federal depository insurance and the State Guarantee Fund.

Custodial credit risk for deposits is the risk that in the event of bank failure, the County's deposits may not be returned. At December 31, 2021, deposits in the amount of \$2,010,784 were subject to custodial credit risk due to being uninsured or uncollateralized.

Investments

The County's investments at December 31, 2021 consisted of deposits in the following external investment pool:

Investment in State Local Government Pooled-Investment Fund. The State of Wisconsin offers a Local Government Investment Pool (LGIP) to local government units to enable them to voluntarily invest idle funds in the State Investment Fund. Local funds are pooled with state funds and invested by the State Investment Board. There is no minimum or maximum amount that can be invested by a local governmental unit. Interest is earned on a daily basis and withdrawals are generally available on the day of request. Deposits in the LGIP are not covered by federal depository insurance but are subject to coverage under the State Guarantee Fund. Also, the State of Wisconsin Investment Board has obtained a surety bond to protect deposits in the LGIP against defaults in principal payments on the LGIP's investments (subject to certain limitations). The average monthly weighted average maturity of the State Investment Fund's investments for 2021 was 63 days. LGIP is not registered with the SEC and the regulatory authority of the LGIP. The County's investment in LGIP is valued at amortized cost.

Credit risk for investments is the risk that an issuer or other counterparty to an investment will not fulfill its obligation to the holder of the investment. The County's policy is to invest its funds in accordance with provisions of the Wisconsin Statutes previously discussed in Note 1.D.1.

**WASHBURN COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)

A. Deposits and Investments (Continued)

Investments (Continued)

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Generally, the fair values of investments with maturity dates farther into the future are more sensitive to changes in market interest rates. The short weighted average maturities of the investments in the above external investment pool mitigates this risk to the County.

B. Receivables

CDBG Housing Rehabilitation Loans. The County has also received federal grants through the State of Wisconsin for the purpose of financing housing rehabilitation loans. Repayments received by the County on these loans are recorded in a separate special revenue fund and are to be used to finance similar housing rehabilitation loans. The County had sixty-eight (68) deferred mortgage loans outstanding at December 31, 2021 totaling \$768,572. These notes become due and payable in full only "in the event that the maker:

- A. No longer continues to occupy the premises securing this note as a full-time residence, or
- B. Transfers any legal or equitable interest in the mortgage premises to anyone for any reason."

Receivables have been recorded in the special revenue fund in the amount of the outstanding balances on these loans and were equally offset by deferred inflows of resources recorded therein. Revenue is recognized in the special revenue fund as collections are received on these loans.

**WASHBURN COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)

C. Capital Assets

Capital asset activity for the year ended December 31, 2021 was as follows:

Governmental Activities

	Beginning Balance	Increases	Decreases	Ending Balance
General County Assets:				
Capital Assets Not Being Depreciated:				
Land	\$ 3,734,893	\$ 108,112	\$ -	\$ 3,843,005
Highway Right-of-Ways	8,563,613	-	-	8,563,613
Construction Work in Progress	643,718	1,638,032	219,585	2,062,165
Total Capital Assets Not Being Depreciated	12,942,224	1,746,144	219,585	14,468,783
Capital Assets Being Depreciated:				
Land Improvements	3,070,303	232,240	-	3,302,543
Buildings and Improvements	20,639,824	308,443	105,905	20,842,362
Machinery and Equipment	4,926,941	531,732	24,484	5,434,189
Vehicles	1,748,506	194,665	205,729	1,737,442
Highway Infrastructure:				
Roadways	78,630,402	1,061,966	-	79,692,368
Bridges	1,408,186	-	-	1,408,186
Structures	3,836,153	-	-	3,836,153
Total Capital Assets Being Depreciated	114,260,315	2,329,046	336,118	116,253,243
 Total Capital Assets	 127,202,539	 4,075,190	 555,703	 130,722,026
Accumulated Depreciation:				
Land Improvements	2,103,356	135,550	-	2,238,906
Buildings and Improvements	4,527,088	422,567	105,905	4,843,750
Machinery and Equipment	2,983,629	456,062	24,484	3,415,207
Vehicles	1,109,542	264,647	205,729	1,168,460
Highway Infrastructure	58,731,839	2,069,443	-	60,801,282
Total Accumulated Depreciation	69,455,454	3,348,269	336,118	72,467,605
 Net Capital Assets - General County Assets	 \$ 57,747,085	 \$ 726,921	 \$ 219,585	 \$ 58,254,421

**WASHBURN COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)

C. Capital Assets

Governmental Activities (Continued)

	Beginning Balance	Increases	Decreases	Ending Balance
Highway Department:				
Capital Assets Not Being Depreciated:				
Land	\$ 489,782	\$ -	\$ -	\$ 489,782
Capital Assets Being Depreciated:				
Land Improvements	1,132,983	-	-	1,132,983
Gravel Pits and Quarries*	387,714	-	15,148	372,566
Buildings and Improvements	6,863,479	-	-	6,863,479
Machinery and Equipment	12,622,380	528,930	675,431	12,475,879
Total Capital Assets Being Depreciated	21,006,556	528,930	690,579	20,844,907
Total Capital Assets	21,496,338	528,930	690,579	21,334,689
Accumulated Depreciation:				
Land Improvements	764,827	45,319	-	810,146
Buildings and Improvements	4,622,628	273,084	-	4,895,712
Machinery and Equipment	6,364,914	699,157	503,414	6,560,657
Total Accumulated Depreciation	11,752,369	1,017,560	503,414	12,266,515
Net Capital Assets - Highway Department	\$ 9,743,969	\$ (488,630)	\$ 187,165	\$ 9,068,174
Copy Machine Fund:				
Capital Assets Being Depreciated:				
Machinery and Equipment	\$ 26,919	\$ -	\$ -	\$ 26,919
Accumulated Depreciation:				
Machinery and Equipment	25,189	-	-	25,189
Net Capital Assets - Copy Machine Fund	\$ 1,730	\$ -	\$ -	\$ 1,730
Total County:				
Capital Assets Not Being Depreciated	\$ 13,432,006	\$ 1,746,144	\$ 219,585	\$ 14,958,565
Capital Assets Being Depreciated	135,293,790	2,857,976	1,026,697	137,125,069
Total Capital Assets	148,725,796	4,604,120	1,246,282	152,083,634
Accumulated Depreciation	81,233,012	4,365,829	839,532	84,759,309
Net Capital Assets - Governmental Activities	\$ 67,492,784	\$ 238,291	\$ 406,750	\$ 67,324,325

*Highway department gravel pits and quarries are subject to depletion.

**WASHBURN COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)

C. Capital Assets

Governmental Activities (Continued)

Depreciation was charged to governmental functions as follows:

	General <u>County Assets</u>	Internal <u>Service Funds</u>	<u>Total</u>
General Government	\$ 531,937	\$ -	\$ 531,937
Public Safety	498,994	-	498,994
Transportation	2,033,813	1,017,560	3,051,373
Health and Human Services	76,528	-	76,528
Culture, Recreation and Education	19,946	-	19,946
Conservation and Development	187,051	-	187,051
Total	<u>\$ 3,348,269</u>	<u>\$ 1,017,560</u>	<u>\$ 4,365,829</u>

D. Interfund Receivables, Payables, and Transfers

The composition of interfund balances as of December 31, 2021 was as follows:

Due to/from Other Funds

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>	<u>Purpose</u>
General Fund	Aging & Disability Resource Center	\$ 12,171	Cash Flow
General Fund	Wildlife Damage Fund	14,449	Cash Flow
General Fund	Animal Control Fund	36,022	Cash Flow
General Fund	Capital Improvement Program Fund	216,676	Gravel Pits
Capital Improvement Program Fund	Highway Internal Service Fund	378,690	Refund Overpayment
Highway Internal Service Fund	Capital Improvement Program Fund	88,912	Project Expenses
Total		<u>\$ 746,920</u>	

Advances from/to Other Funds

As of December 31, 2021 the County's capital improvements capital projects fund had advanced the highway department internal service fund \$989,445 for the acquisition of gravel pit sites and additional capital items. The highway department will repay the advance at a rate of approximately \$0.50 per yard of gravel extracted until paid in full.

**WASHBURN COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)

D. Interfund Receivables, Payables, and Transfers (Continued)

Interfund Transfers

<u>Fund Transferred To</u>	<u>Fund Transferred From</u>	<u>Amount</u>	<u>Purpose</u>
Aging and Disability Resource Center	Council on Aging Fund	\$ 8,852	Benefits
Forestry Fund	General Fund	2,477	Benefits
Child Support Fund	General Fund	1,324	Benefits
Council on Aging Fund	General Fund	3,069	Benefits
Human Services Fund	General Fund	18,178	Benefits and Projects
Highway Department	General Fund	14,098	Benefits
Forestry Fund	Capital Improvement Fund	250,000	Project Funding
Recycling Fund	Solid Waste Fund	32,549	Project Funding
Human Services Fund	Child Support Fund	51,904	Benefits
Highway Department	Capital Improvement Fund	10,007	Capital Projects
Capital Improvement Fund	Forestry Fund	1,000,000	Capital Projects
Development Fund	Government Center Projects Fund	68,207	Capital Projects
Highway Department	County Land Sale Fund	53,431	Capital Projects
		<u>\$ 1,514,096</u>	

E. Long-Term Obligations

Changes in Long-Term Obligations

Changes in long-term obligations of the County for the year ended December 31, 2021 were as follows:

	<u>Balances 1/1/21</u>	<u>Additions or Net Change</u>	<u>Reductions or Net Change</u>	<u>Balances 12/31/21</u>	<u>Amounts Due Within One Year</u>
Long-Term Debt:					
Governmental Activities:					
General Obligation Bonds	\$ 13,395,000	\$ -	\$ 1,335,000	\$ 12,060,000	\$ 1,075,000
General Obligation Notes	450,751	-	45,119	405,632	46,370
Total Long-Term Debt	<u>13,845,751</u>	<u>-</u>	<u>1,380,119</u>	<u>12,465,632</u>	<u>1,121,370</u>
Other Long-Term Obligations:					
Governmental Activities:					
Governmental Funds:					
Debt Premium	286,572	-	48,161	238,411	-
Capital Lease Agreement - Grader	86,700	-	21,324	65,376	65,376
Compensated Absences	1,029,777	-	36,124	993,653	330,057
Highway Internal Service Fund:					
Capital Lease - Paint Truck	92,577	-	45,613	46,964	46,964
Capital Lease - 8 Trucks	1,440,189	-	186,258	1,253,931	191,567
Compensated Absences	369,922	15,438	-	385,360	134,262
Total Other Long-Term Liabilities	<u>3,305,737</u>	<u>15,438</u>	<u>337,480</u>	<u>2,983,695</u>	<u>768,226</u>
Total Long-Term Liabilities	<u>\$ 17,151,488</u>	<u>\$ 15,438</u>	<u>\$ 1,717,599</u>	<u>\$ 15,449,327</u>	<u>\$ 1,889,596</u>

**WASHBURN COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)

E. Long-Term Obligations (Continued)

Changes in Long-Term Obligations (Continued)

The County's estimated liability for employee leave is discussed in Note 3.A. The County's general obligation bonds are liquidated by the debt service fund. Compensated absences and other postemployment benefits payable are generally liquidated by the general fund and highway department internal service fund.

General Obligation Debt

Annual Requirements for Retirement. Long-term debt issues outstanding at December 31, 2021 and annual requirements for their retirement were as follows:

	<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
General Obligation Bonds, \$7,655,000, issued 8/6/19, Due 3/1/39, interest between 2.0% and 3.0%	2022	\$ 280,000	\$ 171,631	\$ 451,631
	2023	290,000	166,131	456,131
	2024	300,000	160,431	460,431
	2025	310,000	154,531	464,531
	2026	320,000	148,431	468,431
	2027-2031	1,790,000	604,677	2,394,677
	2032-2036	2,125,000	349,125	2,474,125
	2037-2039	1,235,000	49,725	1,284,725
Total	<u>\$ 6,650,000</u>	<u>\$ 1,804,682</u>	<u>\$ 8,454,682</u>	

	<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
General Obligation Bonds, \$6,215,000, issued 5/6/20, Due 3/1/30, interest between 1.2% and 2.0%	2022	\$ 795,000	\$ 88,738	\$ 883,738
	2023	785,000	76,887	861,887
	2024	620,000	66,350	686,350
	2025	500,000	57,950	557,950
	2026	515,000	49,050	564,050
	2027-2030	2,195,000	89,350	2,284,350
	Total	<u>\$ 5,410,000</u>	<u>\$ 428,325</u>	<u>\$ 5,838,325</u>

	<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
General Obligation Notes, \$500,000, issued 8/1/19 due 3/1/29, interest at 2.54%	2022	\$ 46,370	\$ 10,289	\$ 56,659
	2023	47,546	9,114	56,660
	2024	48,752	7,907	56,659
	2025	49,989	6,671	56,660
	2026	51,257	5,403	56,660
	2027-2029	161,718	8,273	169,991
	Total	<u>\$ 405,632</u>	<u>\$ 47,657</u>	<u>\$ 453,289</u>

General Obligation Debt Limitation. Section 67.03 of the Wisconsin Statutes restricts county general obligation debt to 5% of the equalized value of all property in the County. At December 31, 2021, the County's debt limit amounted to \$150,121,380 and indebtedness subject to the limitation totaled \$12,465,632.

**WASHBURN COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)

E. Long-Term Obligations (Continued)

Capital Lease Agreements

On August 26, 2019, the County entered into a capital lease agreement for eight new trucks and related snow removal equipment. The trucks and related equipment are reported in the County's capital asset records at a cost of \$1,845,744 with accumulated depreciation at December 31, 2021 of \$405,980. The lease agreement is due on October 1, 2024 with an interest rate of 2.911%. The repayment schedule is as follows:

	<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Capital Lease - 8 Trucks	2022	\$ 191,567	\$ 36,492	\$ 228,059
\$1,843,336, issued 8/26/2019	2023	197,160	30,915	228,075
due 10/1/2024, interest at 2.911%	2024	865,204	25,176	890,380
	Total	<u>\$ 1,253,931</u>	<u>\$ 92,583</u>	<u>\$ 1,346,514</u>

On April 26, 2016, the County entered into a capital lease agreement for a paint truck. This asset is reported in the County's capital asset records at a cost of \$291,130 with accumulated depreciation at December 31, 2021 of \$140,229. The lease agreement is due on May 15, 2022 with an interest rate of 2.962%. The repayment schedule is as follows:

	<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Capital Lease - Paint Truck				
\$310,719, issued 4/24/2016	2022	<u>\$ 46,964</u>	<u>\$ 1,391</u>	<u>\$ 48,355</u>
due 4/15/22, interest at 2.962%				

On March 20, 2018, the County entered into a capital lease agreement for a grader with a plow. This asset is reported in the County's capital asset records at a cost of \$144,000 with accumulated depreciation at December 31, 2021 of \$85,304. The lease agreement is due on March 20, 2022 with an interest rate of 3.94%. The repayment schedule is as follows:

	<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Capital Lease - Grader				
\$151,714, issued 3/20/2018	2022	<u>\$ 65,376</u>	<u>\$ 2,623</u>	<u>\$ 67,999</u>
due 3/20/2022, interest at 3.94%				

**WASHBURN COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)

E. Long-Term Obligations (Continued)

County Forest Loans

Under Section 28.11(8) of the Wisconsin Statutes, counties which have established and maintained a county forest are eligible to receive annual payments from the state as a noninterest-bearing loan to be used for the purchase, development, preservation, and maintenance of the county forest lands. On timber cut from lands entered as "county forest lands", the county shall pay a severance share of not less than 20% of the actual stumpage sales value of timber. A higher rate of payment may be applied if agreed upon by the state and county. The severance share payments shall be credited against the cumulative payments made by the state to the county. Severance share payments shall not exceed the balance due the state. The county shall also reimburse the state the amount previously paid to the county on any county forest land withdrawn from the program; except that the state may waive all or part of such reimbursement if it finds that the lands are withdrawn for a higher public use or that the amount of such reimbursement is unreasonable when compared to the value of the land.

The County did not have a liability under this program at December 31, 2021.

Security and Default

2016 General Obligation Refunding Bonds: Security = The bonds will be general obligations of the County, secured by an unlimited tax levy. The bonds will be payable from ad valorem taxes levied upon all taxable property in the County which may be levied without limitation of rate or amount.

2019 General Obligation Bonds: Security = The bonds will be general obligations of the County, secured by an unlimited tax levy. The bonds will be payable from ad valorem taxes levied upon all taxable property in the County which may be levied without limitation of rate or amount.

2019 General Obligation Notes: Security = For the prompt payment of this note with interest and the levying and collection of taxes sufficient for that purpose, the full faith, credit and resources of the County are hereby irrevocably pledged. Default = Upon the occurrence of an event of default, the unpaid balance shall, at the option of the lender, without notice, mature and become immediately payable. The unpaid balance shall automatically mature and become immediately payable in the event the County becomes the subject of bankruptcy or other insolvency proceedings.

2020 General Obligation Bonds: Security = The bonds will be general obligations of the County, secured by an unlimited tax levy. The bonds will be payable from ad valorem taxes levied upon all taxable property in the County which may be levied without limitation of rate or amount.

**WASHBURN COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)

E. Long-Term Obligations (Continued)

Security and Default (Continued)

2016 Capital Lease: Security = All right, title and interest in and to each item of the equipment shall be vested and held in the name of the lessor. Default = Upon the occurrence of an event of default, the lessor may, at its option, exercise any one or more remedies including declaring all amounts remaining on the lease immediately due and payable, take possession of the leased equipment, sell the leased equipment and holding the lessee liable for all remaining payments due as well as any late charges or exercise any other right, remedy or privilege which may be available to the lessor under applicable law.

2018 Capital Lease: Security = The lessor shall have and retain a security interest in the equipment. Default = Upon the occurrence of an event of default, the lessor shall have the right, at its option and without any further demand or notice, to take remedial steps which include any combination of taking possession of the leased equipment and terminate the lease, take possession and sell the leased equipment while holding the lessee liable for any loss incurred, declare all remaining payments due and payable immediately and/or take whatever action at law or in equity may appear necessary or desirable to collect remaining lease payments due.

2019 Capital Lease: Security = The lessor shall have and retain a security interest in the leased equipment.

**WASHBURN COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)

F. Governmental Fund Balances

The governmental fund balances reported on the fund financial statements at December 31, 2021 consisted of the following:

	Total	Nonspendable	Restricted	Committed	Assigned	Unassigned
Major Funds:						
General Fund:						
Delinquent Taxes	\$ 733,572	\$ 733,572	\$ -	\$ -	\$ -	\$ -
Inventories/Prepayments	812,722	812,722	-	-	-	-
Long-Term Note Receivable	15,000	15,000	-	-	-	-
Register of Deeds - PEA/RET Funds	26,887	-	26,887	-	-	-
Sick Leave Liability	1,315,000	-	-	-	1,315,000	-
HSD Youth	105,157	-	-	-	105,157	-
County Numbering	25,228	-	-	-	25,228	-
Memorials-Donations	7,075	-	-	-	7,075	-
Unclaimed Funds	299	-	-	-	299	-
Health Insurance Excess	794,706	-	-	-	794,706	-
IT Capital Equipment Fund	29,529	-	-	-	29,529	-
Property & Insurance-Deductibles	50,000	-	-	-	50,000	-
Maps & Platbooks	30,656	-	-	-	30,656	-
County Cars	219,456	-	-	-	219,456	-
Veterans-WW	8,330	-	-	-	8,330	-
Wellness	3,190	-	-	-	3,190	-
Subfund 450 Projects	1,058,054	-	-	-	1,058,054	-
Unassigned	5,267,064	-	-	-	-	5,267,064
Subtotal General Fund	10,501,925	1,561,294	26,887	-	3,646,680	5,267,064
Committed for Human Services Programs	2,538,886	-	-	2,538,886	-	-
Forestry Department Programs	1,226,488	81,438	289,194	855,856	-	-
Debt Service	936,936	-	936,936	-	-	-
Government Center Capital Project	382,644	-	-	-	382,644	-
Capital Improvements Program Fund:						
Committed for Capital Projects	7,052,137	-	-	7,052,137	-	-
Advances to Other Funds	989,445	989,445	-	-	-	-
Subtotal Major Funds	23,628,461	2,632,177	1,253,017	10,446,879	4,029,324	5,267,064

**WASHBURN COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)

F. Governmental Fund Balances (Continued)

	Total	Nonspendable	Restricted	Committed	Assigned	Unassigned
Nonmajor Funds:						
Special Revenue Funds:						
Public Health Fund:						
Prepayments	\$ 50	\$ 50	\$ -	\$ -	\$ -	\$ -
Committed for Health Services Programs	413,948	-	-	413,948	-	-
Child Support Fund	159,917	-	-	159,917	-	-
Committed for ADRG Programs	6,758	-	-	6,758	-	-
Council on Aging Fund:						
Inventories/Prepayments	3,155	3,155	-	-	-	-
Restricted for the DOT Medical Escort Program	71,498	-	71,498	-	-	-
Committed for Aging Services	564,003	-	-	564,003	-	-
Wildlife Damage Program	(14,449)	-	-	-	-	(14,449)
Restricted for CDBG Revolving Loan Program	134,972	-	134,972	-	-	-
Development Fund:						
Impact Fees Restricted for Environmental and Capital Improvements	659,919	-	659,919	-	-	-
Committed for Building Project	1,053,730	-	-	1,053,730	-	-
Recycling Program	813,898	-	-	813,898	-	-
Animal Control Program	(37,164)	-	-	-	-	(37,164)
County Land Sales Fund:						
Committed for Dam Maintenance	666,845	-	-	666,845	-	-
Restricted for Jail Assessments Fee Funded Projects	62,669	-	62,669	-	-	-
Sheriff Special Activity Fund:						
Donor Restrictions for Sheriff Operations	80,413	-	80,413	-	-	-
Committed for Projects in the Sheriff's Department	15,523	-	-	15,523	-	-
Restricted for Environmental and Socioeconomic Impact Fund Projects	1,060,676	-	1,060,676	-	-	-
Restricted for County Trunk D Project	347,837	-	347,837	-	-	-
Solid Waste Projects:						
Restricted by Contract Agreements for Solid Waste Improvements	211,530	-	211,530	-	-	-
Subtotal Nonmajor Funds	<u>6,275,728</u>	<u>3,205</u>	<u>2,629,514</u>	<u>3,694,622</u>	<u>-</u>	<u>(51,613)</u>
Total Governmental Fund Balance at December 31, 2021	<u>\$ 29,904,189</u>	<u>\$ 2,635,382</u>	<u>\$ 3,882,531</u>	<u>\$ 14,141,501</u>	<u>\$ 4,029,324</u>	<u>\$ 5,215,451</u>

**WASHBURN COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE 3 OTHER INFORMATION

A. Employee Vacation, Sick Leave, and Compensatory Time

Non-Highway Department Employees. Employees earn vacation in varying amounts depending upon length of service. Vacation earned one year is available to the employees the following year. Employees earn one day (7.5 hours) of sick leave per month with a maximum accumulation of 75 days (600 hours). Retiring employees with five to ten years of service are paid one-half of accumulated sick leave while employees with ten or more years of service receive actual accumulation up to the 75-day maximum. The estimated liability for accumulated vacation and sick leave at December 31, 2021 was \$993,653.

Highway Department Employees. Vacation and sick leave accrued to highway department employees totaled \$385,360 on December 31, 2021 and are reflected as liabilities in the internal service fund.

B. Wisconsin Retirement System Pension Plan Benefits

General Information about the Pension Plan

Plan Description. The WRS is a cost-sharing multiple-employer defined benefit pension plan. WRS benefits and other plan provisions are established by Chapter 40 of the Wisconsin Statutes. Benefit terms may only be modified by the legislature. The retirement system is administered by the Wisconsin Department of Employee Trust Funds (ETF). The system provides coverage to all eligible state of Wisconsin, local government and other public employees. All employees, initially employed by a participating WRS employer on or after July 1, 2011, expected to work at least 1,200 hours a year (880 hours for teachers and school district educational support employees) and expected to be employed for at least one year from employee's date of hire are eligible to participate in the WRS.

ETF issues a standalone Annual Comprehensive Financial Annual Report (ACFR), which can be found at <http://etf.wi.gov/publications/cafr.htm>.

Vesting. For employees beginning participation on or after January 1, 1990, and no longer actively employed on or after April 24, 1998, creditable service in each of five years is required for eligibility for a retirement annuity. Participants employed prior to 1990 and on or after April 24, 1998, and prior to July 1, 2011, are immediately vested. Participants who initially became WRS eligible on or after July 1, 2011, must have five years of creditable service to be vested.

Benefits Provided. Employees who retire at or after age 65 (54 for protective occupations and 62 for elected officials and executive service retirement plan participants, if hired on or before 12/31/2016) are entitled to a retirement benefit based on a formula factor, their final average earnings, and creditable service.

**WASHBURN COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE 3 OTHER INFORMATION (CONTINUED)

B. Wisconsin Retirement System Pension Plan Benefits (Continued)

General Information about the Pension Plan (Continued)

Benefits Provided (Continued). Final average earnings is the average of the participant's three highest annual earnings periods. Creditable service includes current service and prior service for which a participant received earnings and made contributions as required. Creditable service also includes creditable military service. The retirement benefit will be calculated as a money purchase benefit based on the employee's contributions plus matching employer's contributions, with interest, if that benefit is higher than the formula benefit.

Vested participants may retire at or after age 55 (50 for protective occupations) and receive an actuarially-reduced benefit. Participants terminating covered employment prior to eligibility for an annuity may either receive employee-required contributions plus interest as a separation benefit or leave contributions on deposit and defer application until eligible to receive a retirement benefit.

The WRS also provides death and disability benefits for employees.

Contributions. Required contributions are determined by an annual actuarial valuation in accordance with Chapter 40 of the Wisconsin Statutes. The employee required contribution is one-half of the actuarially determined contribution rate for general category employees, including teachers, and Executives and Elected Officials. Required contributions for protective employees are the same rate as general employees. Employers are required to contribute the remainder of the actuarially determined contribution rate. The employer may not pay the employee required contribution unless provided for by an existing collective bargaining agreement.

During the fiscal reporting period January 1, 2021 through December 31, 2021, the WRS recognized \$726,866 in contributions from the County.

Contribution rates as of December 31, 2021 are:

	<u>Employee</u>	<u>Employer</u>	<u>Duty Disability</u>
General	6.75%	6.75%	0.00%
Executives and Elected Officials	6.75%	6.75%	0.00%
Protective with Social Security	6.75%	11.65%	0.09%
Protective without Social Security	6.75%	16.25%	0.09%

**WASHBURN COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE 3 OTHER INFORMATION (CONTINUED)

B. Wisconsin Retirement System Pension Plan Benefits (Continued)

General Information about the Pension Plan (Continued)

Postretirement Adjustments. The Employee Trust Funds Board may periodically adjust annuity payments from the retirement system based on annual investment performance in accordance with s. 40.27, Wis. Stat. An increase (or decrease) in annuity payments may result when investment gains (losses), together with other actuarial experience factors, create a surplus (shortfall) in the reserves, as determined by the system's consulting actuary. Annuity increases are not based on cost of living or other similar factors. For Core annuities, decreases may be applied only to previously granted increases. By law, Core annuities cannot be reduced to an amount below the original, guaranteed amount (the floor) set at retirement. The Core and Variable annuity adjustments granted during recent years are as follows:

<u>Year Ending December 31,</u>	<u>Core Fund Adjustment %</u>	<u>Variable Fund Adjustment %</u>
2011	(1.2)	11.0
2012	(7.0)	(7.0)
2013	(9.6)	9.0
2014	4.7	25.0
2015	2.9	2.0
2016	0.5	(5.0)
2017	2.0	4.0
2018	2.4	17.0
2019	0.0	(10.0)
2020	1.7	21.0

Pension Liability, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At December 31, 2021, the County reported an liability of \$3,760,746 for its proportionate share of the net pension asset. The net pension asset was measured as of December 31, 2020, and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of December 31, 2019 rolled forward to December 31, 2020. No material changes in assumptions or benefits terms occurred between the actuarial valuation date and the measurement date. The County's proportion of the net pension asset was based on the County's share of contributions to the pension plan relative to the contributions of all participating employers. At December 31, 2020, the County's proportion was 0.06023807 percent, which was an increase of 0.00070691 percent from its proportion measured as of December 31, 2019.

For the year ended December 31, 2021, the County recognized pension income of \$400,285. At December 31, 2021, the County reported deferred outflows of resources and deferred inflows of resources, as applicable, related to pensions from the following sources:

**WASHBURN COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE 3 OTHER INFORMATION (CONTINUED)

B. Wisconsin Retirement System Pension Plan Benefits (Continued)

Pension Liability, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

<u>Description</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences Between Expected and Actual Experience	\$ 5,442,952	\$ 1,172,402
Changes of Assumptions	85,301	-
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	-	7,060,494
Changes in Proportion and Differences Between County Contributions and Proportionate Share of Contributions	12,240	592
County Contributions Subsequent to the Measurement Date	726,866	-
Total	<u>\$ 6,267,359</u>	<u>\$ 8,233,488</u>

\$726,866 reported as deferred outflows of resources related to pensions resulting from County contributions subsequent to the measurement date will be recognized as an addition to the net pension asset in the year ended December 31, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ended December 31:</u>	<u>Pension Expense Amount</u>
2022	\$ (691,329)
2023	(184,495)
2024	(1,276,469)
2025	(540,702)
2026	-
Thereafter	-
	<u>\$ (2,692,995)</u>

Actuarial assumptions. The total pension liability in the actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

**WASHBURN COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE 3 OTHER INFORMATION (CONTINUED)

B. Wisconsin Retirement System Pension Plan Benefits (Continued)

Pension Liability, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

Actuarial Valuation Date:	December 31, 2019
Measurement Date of Net Pension Liability (Asset):	December 31, 2020
Actuarial Cost Method:	Entry Age
Asset Valuation Method:	Fair Value
Long-Term Expected Rate of Return:	7.0%
Discount Rate:	7.0%
Salary Increases:	
Inflation	3.0%
Seniority/Merit	0.1% to 5.6%
Post-Retirement Adjustments	1.9%
Mortality:	Wisconsin 2018 Mortality Table

Actuarial assumptions are based upon an experience study conducted in 2018 that covered a three-year period from January 1, 2015 to December 31, 2017. The total pension liability for December 31, 2020 is based upon a roll-forward of the liability calculated from the December 31, 2019 actuarial valuation.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in following Table:

Core Fund Asset Class	Target Allocation	Long-Term Expected Nominal Rate of Return	Long-Term Expected Real Rate of Return
Global Equities	51.0 %	7.2%	4.7%
Fixed Income	25.0	3.2	0.8
Inflation Sensitive Assets	16.0	2.0	(0.4)
Real Estate	8.0	5.6	3.1
Private Equity/Debt	11.0	10.2	7.6
Multi-Asset	4.0	5.8	3.3
Total Core Fund	115.0	6.6	4.1
Variable Fund Asset Class			
US Equities	70.0 %	6.6%	4.1%
International Equities	30.0	7.4	4.9
Total Variable Fund	100.0	7.1	4.9

**WASHBURN COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE 3 OTHER INFORMATION (CONTINUED)

B. Wisconsin Retirement System Pension Plan Benefits (Continued)

Pension Liability, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

Discount rate. A single discount rate of 7.00% was used to measure the Total Pension Liability for the current and prior year. This single discount rate is based on the expected rate of return on pension plan investments of 7.00% and a municipal bond rate of 2.00% (Source: Fixed-income municipal bonds with 20 years to maturity that include only federally tax-exempt municipal bonds as reported in Fidelity Index’s “20-year Municipal GO AA Index” as of December 31, 2020. In describing this index, Fidelity notes that the Municipal Curves are constructed using option-adjusted analytics of a diverse population of over 10,000 tax-exempt securities.). Because of the unique structure of WRS, the 7.00% expected rate of return implies that a dividend of approximately 1.9% will always be paid. For purposes of the single discount rate, it was assumed that the dividend would always be paid. The projection of cash flows used to determine this single discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on these assumptions, the pension plan’s fiduciary net position was projected to be available to make all projected future benefit payments (including expected dividends) of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the County’s Proportionate Share of the Net Pension Liability (Asset) to Changes in the Discount Rate. The following presents the County’s proportionate share of the net pension liability (asset) calculated using the discount rate of 7.00 percent, as well as what the County’s proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00 percent) or 1-percentage-point higher (8.00 percent) than the current rate:

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
County's Proportionate Share of the Net Pension Liability (Asset)	\$ 3,579,709	\$ (3,760,746)	\$ (9,152,256)

Pension Plan Fiduciary Net Position. Detailed information about the pension plan’s fiduciary net position is available in separately issued financial statements available at <https://etf.wi.gov/about-etf/reports-and-studies/financial-reports-and-statements>.

**WASHBURN COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE 3 OTHER INFORMATION (CONTINUED)

C. Other Postemployment Benefit Plan - Single Employer Plan

Description of the Plan

As approved by the County Board, all employees who retire through the Wisconsin Retirement System are eligible to participate in the single-employer postemployment defined benefit health plan if they pay 100% of the retiree premium. Coverage may continue after age 65 if the retiree pays 100% of the post-age 65 premium. The post-age 65 premium is assumed to be self-sustaining.

Participants

Employees participating in the OPEB benefit consisted of the following at December 31, 2020, the date of the latest actuarial valuation.

Retirees (Pre-65)	1
Total eligible active plan members	<u>171</u>
	<u><u>172</u></u>

Total OPEB Liability

The County does not accumulated assets in a trust for payment of OPEB benefits. Accordingly, the County must report its total OPEB liability. The County's total OPEB liability was determined by an actuarial valuation as of January 1, 2020. At December 31, 2021, the County reported a total OPEB liability of \$822,300. Changes in the County's total OPEB liability were as follows:

	Total OPEB Liability (a)
Balance at December 31, 2020	<u>\$ 702,012</u>
Changes for the year:	
Service Cost	80,745
Interest	21,221
Changes of Assumptions or Other Input	35,015
Benefit Payments	<u>(16,693)</u>
Net Changes	<u>120,288</u>
Balance at December 31, 2021	<u><u>\$ 822,300</u></u>

**WASHBURN COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE 3 OTHER INFORMATION (CONTINUED)

C. Other Postemployment Benefit Plan - Single Employer Plan (Continued)

Actuarial Assumptions

The total OPEB liability in the actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Valuation Date:	January 1, 2020
Measurement Date:	December 31, 2020
Actuary Cost Method:	Entry Age Normal
Discount Rate:	2.25% based on 20-year Bond Buyer GO Index
Health Care Trends:	0.0% year one to an ultimate rate of 3.7%
Salary Adjustment Factors	Merit and longevity increases plus an economic increase of 3.0% per year.
Plan Participation:	40% of future retirees
Mortality:	Rates are based on the Wisconsin 2018 Mortality table in connection with the 2015-2017 experience study performed by the actuary of the Wisconsin Retirement System (WRS).

Discount rate

The discount rate used to measure the total OPEB liability was 2.74 percent at December 31, 2019.

Sensitivity of the net OPEB liability to changes in the discount rate

The following presents the net OPEB liability of the County, as well as what the County's net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current discount rate:

		1% Decrease 1.25%)	Current Discount Rate (2.25%)	1% Increase (3.25%)
Net OPEB Liability	12/31/21	<u>\$ 880,294</u>	<u>\$ 822,300</u>	<u>\$ 766,263</u>

Sensitivity of the net OPEB liability to changes in the healthcare cost trend rates

The following presents the net OPEB liability of the County, as well as what the County's net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

		1% Decrease (0.0% in the first year, decreasing to 2.7%)	Healthcare Cost Trend Rates (0.0% in the first year, decreasing to 3.7%)	1% Increase (1.0% in the first year, decreasing to 4.7%)
Net OPEB Liability	12/31/21	<u>\$ 715,309</u>	<u>\$ 822,300</u>	<u>\$ 950,361</u>

**WASHBURN COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE 3 OTHER INFORMATION (CONTINUED)

C. Other Postemployment Benefit Plan – Single Employer Plan (Continued)

For the year ended December 31, 2021, the County recognized OPEB expense of \$67,979. At December 31, 2021, the County reported deferred outflows of resources and deferred inflows of resources related to single employer other postemployment benefits from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ -	\$ 44,856
Changes of Assumptions or Other Input	42,205	205,683
Total	<u>\$ 42,205</u>	<u>\$ 250,539</u>

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ended December 31:	OPEB Expense Amount
2022	\$ (33,987)
2023	(33,987)
2024	(33,987)
2025	(33,987)
2026	(35,458)
Thereafter	(36,928)

D. Other Postemployment Benefit Plan – Multiple Employer Plan

Plan Description. The LRLIF is a multiple-employer defined benefit OPEB plan. LRLIF benefits and other plan provisions are established by Chapter 40 of the Wisconsin Statutes. The Wisconsin Department of Employee Trust Funds (ETF) and the Group Insurance Board have statutory authority for program administration and oversight. The plan provides postemployment life insurance benefits for all eligible employees.

OPEB Plan Fiduciary Net Position. ETF issues a standalone Annual Comprehensive Financial Report (ACFR), which can be found at <http://etf.wi.gov/publications/cafr.htm>.

Benefits Provided. The LRLIF plan provides fully paid up life insurance benefits for post-age 64 retired employees and pre-65 retirees who pay for their coverage.

**WASHBURN COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE 3 OTHER INFORMATION (CONTINUED)

D. Other Postemployment Benefit Plan – Multiple Employer Plan (Continued)

Contributions. The Group Insurance Board approves contribution rates annually, based on recommendations from the insurance carrier. Recommended rates are based on an annual valuation, taking into consideration an estimate of the present value of future benefits and the present value of future contributions. A portion of employer contributions made during a member’s working lifetime funds a postretirement benefit.

Employers are required to pay the following contributions based on member contributions for active members to provide them with Basic Coverage after age 64. There are no employer contributions required for pre-age 65 annuitant coverage. If a member retires prior to age 65, they must continue paying the member premiums until age 65 in order to be eligible for the benefit after age 65.

Contribution rates as of December 31, 2021 are:

<u>Coverage Type</u>	<u>Employer Contribution</u>
50% Post Retirement Coverage	40% of employee contribution
25% Post Retirement Coverage	20% of employee contribution

Employee contributions are based upon nine age bands through age 69 and an additional eight age bands for those age 70 and over. Participating employees must pay monthly contribution rates per \$1,000 of coverage until the age of 65 (age 70 if active). The employee contribution rates in effect for the year ended December 31, 2020 are:

<u>Attained Age</u>	<u>Basic %</u>
Under 30	0.05
30-34	0.06
35-39	0.07
40-44	0.08
45-49	0.12
50-54	0.22
55-59	0.39
60-64	0.49
65-69	0.57

During the County’s fiscal year the LRLIF recognized \$3,879 in contributions from the County.

**WASHBURN COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE 3 OTHER INFORMATION (CONTINUED)

D. Other Postemployment Benefit Plan – Multiple Employer Plan (Continued)

OPEB Liabilities/Assets, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEBs

At December 31, 2021, the County reported a liability of \$1,029,356 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of December 31, 2020, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of January 1, 2020. No material changes in assumptions or benefit terms occurred between the actuarial valuation date and the measurement date. The County's proportion of the net OPEB liability was based on the County's share of contributions to the OPEB plan relative to the contributions of all participating employers. At December 31, 2020, the County's proportion was 0.18713100 percent, which was an increase of 0.01616700 percent from its proportion measured as of December 31, 2019.

For the year ended June 30, 2021, the County recognized OPEB expense of \$131,951. At December 31, 2021, the County reported deferred outflows of resources and deferred inflows of resources related to OPEBs from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ -	\$ 49,117
Net Difference Between Projected and Actual Earnings on OPEB Investments	14,987	-
Changes of Assumptions or Other Input	400,434	70,628
Change in proportion and differences between employer contributions and proportionate share of contributions	47,798	12,028
County Contributions Subsequent to the Measurement Date	3,879	-
Total	<u>\$ 467,098</u>	<u>\$ 131,773</u>

\$3,879 is reported as deferred outflows of resources related to OPEB resulting from County contributions subsequent to the measurement date will be recognized as a reduction to the net OPEB liability in the year ended December 31, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEBs will be recognized in OPEB expense as follows:

Year Ended December 31:	OPEB Expense Amount
2022	\$ 61,338
2023	59,718
2024	58,048
2025	52,678
2026	64,668
Thereafter	34,996

**WASHBURN COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE 3 OTHER INFORMATION (CONTINUED)

D. Other Postemployment Benefit Plan – Multiple Employer Plan (Continued)

OPEB Liabilities/Assets, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEBs (Continued)

Actuarial assumptions. The total OPEB liability in the January 1, 2020 actuarial valuation was determined using the actuarial assumptions, applied to all periods included in the measurement, in the table on the following page.

Actuarial assumptions are based upon an experience study conducted in 2018 that covered a three-year period from January 1, 2015 to December 31, 2017. The total OPEB liability for December 31, 2020 is based upon a roll-forward of the liability calculated from the January 1, 2020 actuarial valuation.

Valuation Date	January 1, 2020
Measurement Date of Net OPEB Liability (Asset)	December 31, 2020
Actuarial Cost Method	Entry Age Normal
20 Year Tax-Exempt Municipal Bond Yield	2.12%
Long-Term Expected Rate of Return	4.25%
Discount Rate	2.25%
Salary Increases:	
Inflation	3.00%
Seniority/Merit	0.20% - 5.60%
Mortality	Wisconsin 2018 Mortality Table

Long-Term Expected Return on Plan Assets. The long-term expected rate of return is determined by adding expected inflation to expected long-term real returns and reflecting expected volatility and correlation. Investments for the LRLIF are held with Securian, the insurance carrier. Interest is calculated and credited to the LRLIF based on the rate of return for a segment of the insurance carriers' general fund, specifically 10-year A-Bonds (as a proxy, and not tied to any specific investments). The overall aggregate interest rate is calculated using a tiered approach based on the year the funds were originally invested and the rate of return for that year. Investment interest is credited based on the aggregate rate of return and assets are not adjusted to fair market value. Furthermore, the insurance carrier guarantees the principal amounts of the reserves, including all interest previously credited thereto.

Asset Class	Index	Target Allocation	Long-Term Expected Geometric Real Rate of Return
U.S. Credit Bonds	Barclays Credit	50%	1.47%
U.S. Mortgages	Barclays MBS	50%	0.82%
Inflation			2.20%
Long-Term Expected Rate of Return			4.25%

The long-term expected rate of return and expected inflation rate remained unchanged from the prior year at 4.25% and 2.20% respectively. The long-term expected rate of return is determined by adding expected inflation to expected long-term real returns and reflecting expected volatility and correlation.

**WASHBURN COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE 3 OTHER INFORMATION (CONTINUED)

D. Other Postemployment Benefit Plan – Multiple Employer Plan (Continued)

OPEB Liabilities/Assets, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEBs (Continued)

Single Discount Rate. A single discount rate of 2.25% was used to measure the Total OPEB Liability for the current year, as opposed to a discount rate of 2.87% for the prior year. The significant change in the discount rate was primarily caused by the decrease in the municipal bond rate from 2.74% as of December 31, 2019 to 2.12% as of December 31, 2020. The Plan's fiduciary net position was projected to be insufficient to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculating the Total OPEB Liability is equal to the single equivalent rate that results in the same actuarial present value as the long-term expected rate of return applied to benefit payments, to the extent that the plan's fiduciary net position is projected to be sufficient to make projected benefit payments, and the municipal bond rate applied to benefit payment to the extent that the plan's fiduciary net position is projected to be insufficient. The plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through December 31, 2036.

Sensitivity of the County's proportionate share of the net OPEB liability (asset) to changes in the discount rate. The following presents the County's proportionate share of the net OPEB liability (asset) calculated using the discount rate of 2.87 percent, as well as what the County's proportionate share of the net OPEB liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (1.87 percent) or 1-percentage-point higher (3.87 percent) than the current rate:

	1% Decrease (1.25%)	Current Discount Rate (2.25%)	1% Increase (3.25%)
Proportionate share of the Net OPEB Liability (asset) 12/31/21	\$ 1,400,218	\$ 1,029,356	\$ 748,883

E. Other Organizations

County officials appoint some or all of the governing board members of the following organizations which are not considered to be component units.

**WASHBURN COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE 3 OTHER INFORMATION (CONTINUED)

E. Other Organizations (Continued)

Joint Venture

Waste Management Group. Washburn County and Burnett County have jointly established the Waste Management Group to construct, operate, and maintain solid waste management facilities under Wisconsin Statutes 66.30. Each member county appoints five members of the board of directors. The operating and capital budgets are funded by user charges with shortfalls funded by the participating members. The County's transactions relating to the Waste Management Group are reported in the recycling special revenue fund. Financial statements of the Waste Management Group can be obtained from its offices at 1400 South River Street, Spooner, Wisconsin.

Jointly Governed Organization

Northwest Regional Planning Commission. The County, in conjunction with Ashland, Bayfield, Burnett, Douglas, Iron, Price, Rusk, Sawyer and Taylor counties, and major cities within these counties, has created the Northwest Regional Planning Commission (NWRPC). NWRPC's governing body is comprised of two members from each of the ten counties and a representative from each major city. The County's representatives are appointed by the county board chairperson and approved by the county board.

Other

Washburn County Housing Authority. The County is responsible for the appointment of the board members of Washburn County Housing Authority (Housing Authority). The County, however, cannot, without cause, remove appointed members prior to completion of their five-year term. The County receives no funding from, nor provides any funding to, the Housing Authority. The County is not considered to be financially accountable for the Housing Authority and, accordingly, the Housing Authority is not considered to be a component unit of the County.

F. Risk Management

The County is exposed to various risks of loss related to torts; thefts of, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The County maintains commercial insurance coverage to cover each of those risks of loss. Management believes such coverage is sufficient to preclude any significant uninsured losses to the County. Settled claims have not exceeded this commercial coverage in any of the last three years.

G. Contingencies

State and Federal Grant Programs: The County has received federal and state grants for specific purposes that are subject to review and audit by the grantor agencies. Such audits could lead to requests for reimbursement to the grantor agency for expenditures disallowed under the terms of the grants. Management believes such disallowances, if any, would be immaterial.

**WASHBURN COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE 3 OTHER INFORMATION (CONTINUED)

H. Restatement

Government-wide net position for the governmental activities and fund balance of the capital improvement program fund were restated at January 1, 2020 to correct an amount recorded as a receivable instead of an expense/expenditure. As a result, net position and fund balance are restated as follows:

	Governmental Activities	Capital Improvements Program Fund
Net Position and Fund Balance, Beginning of Year, as Previously Reported	\$ 83,797,504	\$ 9,957,302
Prior Period Adjustment	(956,479)	(956,479)
Net Position and Fund Balance, Beginning of Year, as Restated	\$ 82,841,025	\$ 9,000,823

REQUIRED SUPPLEMENTARY INFORMATION

**WASHBURN COUNTY, WISCONSIN
BUDGETARY COMPARISON SCHEDULE – GENERAL FUND
YEAR ENDED DECEMBER 31, 2021**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 9,779,416	\$ 9,779,416	\$ 10,415,895	\$ 636,479
Intergovernmental	2,258,371	3,404,810	3,795,185	390,375
Licenses and Permits	170,075	170,075	231,958	61,883
Fines, Forfeits, and Penalties	79,000	79,000	85,574	6,574
Public Charges for Services	360,800	360,800	477,127	116,327
Intergovernmental Charges for Services	12,500	12,500	21,090	8,590
Miscellaneous	359,100	359,100	184,973	(174,127)
Total Revenues	<u>13,019,262</u>	<u>14,165,701</u>	<u>15,211,802</u>	<u>1,046,101</u>
EXPENDITURES				
General Government	4,352,606	4,394,618	4,883,930	(489,312)
Public Safety	4,274,580	4,355,276	4,264,076	91,200
Public Works	3,133,965	3,133,965	3,027,605	106,360
Health and Human Services	265,088	268,130	240,794	27,336
Culture, Recreation, and Education	507,980	514,316	481,683	32,633
Conservation and Development	794,621	811,985	793,542	18,443
Total Expenditures	<u>13,328,840</u>	<u>13,478,290</u>	<u>13,691,630</u>	<u>(213,340)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(309,578)	687,411	1,520,172	832,761
OTHER FINANCING SOURCES (USES)				
Transfers In	21,500	112,944	-	(112,944)
Transfers Out	(200,000)	(200,000)	(39,146)	160,854
Total Other Financing Sources (Uses)	<u>(178,500)</u>	<u>(87,056)</u>	<u>(39,146)</u>	<u>47,910</u>
NET CHANGE IN FUND BALANCE	(488,078)	600,355	1,481,026	880,671
Fund Balance - January 1	<u>9,020,899</u>	<u>9,020,899</u>	<u>9,020,899</u>	<u>-</u>
FUND BALANCE - DECEMBER 31	<u>\$ 8,532,821</u>	<u>\$ 9,621,254</u>	<u>\$ 10,501,925</u>	<u>\$ 880,671</u>

See accompanying Notes to Required Supplementary Information.

WASHBURN COUNTY, WISCONSIN
BUDGETARY COMPARISON SCHEDULE – HUMAN SERVICES FUND
YEAR ENDED DECEMBER 31, 2021

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 1,091,233	\$ 1,091,233	\$ 1,091,233	\$ -
Intergovernmental	2,076,868	2,162,468	1,985,396	(177,072)
Fines, Forfeits, and Penalties	14,700	14,700	17,294	2,594
Public Charges for Services	1,082,792	1,082,792	1,610,816	528,024
Miscellaneous	479,054	479,054	269,278	(209,776)
Total Revenues	<u>4,744,647</u>	<u>4,830,247</u>	<u>4,974,017</u>	<u>143,770</u>
EXPENDITURES				
Health and Human Services	<u>4,787,526</u>	<u>4,891,304</u>	<u>4,857,482</u>	<u>33,822</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(42,879)	(61,057)	116,535	177,592
OTHER FINANCING SOURCES (USES)				
Transfers In	25,796	43,574	70,082	26,508
Transfers Out	16,122	16,122	-	(16,122)
Total Other Financing Sources (Uses)	<u>41,918</u>	<u>59,696</u>	<u>70,082</u>	<u>10,386</u>
NET CHANGE IN FUND BALANCE	(961)	(1,361)	186,617	187,978
Fund Balance - January 1	<u>2,352,269</u>	<u>2,352,269</u>	<u>2,352,269</u>	<u>-</u>
FUND BALANCE - DECEMBER 31	<u><u>\$ 2,351,308</u></u>	<u><u>\$ 2,350,908</u></u>	<u><u>\$ 2,538,886</u></u>	<u><u>\$ 187,978</u></u>

See accompanying Notes to Required Supplementary Information.

**WASHBURN COUNTY, WISCONSIN
BUDGETARY COMPARISON SCHEDULE – FORESTRY FUND
YEAR ENDED DECEMBER 31, 2021**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ 722,365	\$ 727,365	\$ 593,899	\$ (133,466)
Public Charges for Services	940,276	940,276	2,466,616	1,526,340
Other Revenues	37,318	37,318	153,644	116,326
Total Revenues	<u>1,699,959</u>	<u>1,704,959</u>	<u>3,214,159</u>	<u>1,509,200</u>
EXPENDITURES				
Culture, Recreation, and Education	1,721,530	1,724,006	1,683,857	40,149
Debt Service				
Principal	-	-	66,443	(66,443)
Interest	-	-	15,019	(15,019)
Total Expenditures	<u>1,721,530</u>	<u>1,724,006</u>	<u>1,765,319</u>	<u>(41,313)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(21,571)	(19,047)	1,448,840	1,467,887
OTHER FINANCING SOURCES (USES)				
Proceeds of Long-Term Debt	30,000	30,000	-	(30,000)
Transfers In	10,000	11,923	252,477	240,554
Transfers Out	(21,616)	(21,616)	(1,000,000)	(978,384)
Total Other Financing Sources (Uses)	<u>18,384</u>	<u>20,307</u>	<u>(747,523)</u>	<u>(767,830)</u>
NET CHANGE IN FUND BALANCE	(3,187)	1,260	701,317	700,057
Fund Balance - January 1	<u>525,171</u>	<u>525,171</u>	<u>525,171</u>	<u>-</u>
FUND BALANCE - DECEMBER 31	<u>\$ 521,984</u>	<u>\$ 526,431</u>	<u>\$ 1,226,488</u>	<u>\$ 700,057</u>

See accompanying Notes to Required Supplementary Information.

WASHBURN COUNTY, WISCONSIN
SINGLE-EMPLOYER OTHER POSTEMPLOYMENT BENEFITS
SCHEDULE OF CHANGES IN THE COUNTY'S OPEB LIABILITY AND RELATED RATIOS
LAST TEN MEASUREMENT PERIODS
(SCHEDULE IS PRESENTED PROSPECTIVELY FROM IMPLEMENTATION)

	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Total OPEB Liability				
Service Cost	\$ 84,164	\$ 92,075	\$ 96,027	\$ 80,745
Interest on the Total OPEB Liability	31,914	32,495	40,083	21,221
Differences Between Expected and Actual Experience	-	-	(59,210)	-
Changes of Assumptions or Other Input	21,758	(46,671)	(231,818)	35,015
Benefit Payments	<u>(42,000)</u>	<u>(48,872)</u>	<u>(48,872)</u>	<u>(16,693)</u>
Net Change in Total OPEB Liability	95,836	29,027	(203,790)	120,288
Total OPEB Liability - Beginning	<u>780,939</u>	<u>876,775</u>	<u>905,802</u>	<u>702,012</u>
Total OPEB Liability - Ending (a)	<u><u>\$ 876,775</u></u>	<u><u>\$ 905,802</u></u>	<u><u>\$ 702,012</u></u>	<u><u>\$ 822,300</u></u>
Covered Employee-Payroll	\$ 7,442,221	\$ 7,556,000	7,872,000	8,223,000
County's Net OPEB Liability (Asset) as a Percentage of Covered-Employee Payroll	11.78%	11.99%	8.92%	10.00%

See accompanying Notes to Required Supplementary Information.

**WASHBURN COUNTY, WISCONSIN
 MULTIPLE-EMPLOYER OTHER POSTEMPLOYMENT BENEFITS
 SCHEDULE OF COUNTY'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY
 WISCONSIN LOCAL RETIREE LIFE INSURANCE FUND
 LAST TEN MEASUREMENT PERIODS
 (SCHEDULE IS PRESENTED PROSPECTIVELY FROM IMPLEMENTATION)**

Measurement Date: December 31,	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
County's proportion of the net OPEB liability	0.17673000%	0.17559300%	0.17096400%	0.18713100%
County's proportionate share of the net OPEB liability	\$ 532,437	\$ 453,089	\$ 727,998	\$ 1,029,356
County's covered payroll	\$ 7,442,221	\$ 7,442,221	\$ 7,556,000	\$ 7,872,000
County's proportionate share of the net OPEB liability as a percentage of its covered payroll	7.15%	6.09%	9.63%	13.08%
Plan fiduciary net position as a percentage of the total OPEB liability	44.81%	48.69%	37.58%	31.36%

*The amounts presented for each fiscal year were determined as of the 12/31 measurement date that occurred within the fiscal year.

**WASHBURN COUNTY, WISCONSIN
 MULTIPLE-EMPLOYER OTHER POSTEMPLOYMENT BENEFITS
 SCHEDULE OF COUNTY'S CONTRIBUTIONS TO THE
 WISCONSIN LOCAL RETIREE LIFE INSURANCE FUND
 LAST TEN FISCAL YEARS
 (SCHEDULE IS PRESENTED PROSPECTIVELY FROM IMPLEMENTATION)**

County's Fiscal Year Ended: December 31,	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Contractually Required Contributions	\$ 3,360	\$ 3,381	\$ 3,381	\$ 3,738
Contributions in Relation to the Contractually Required Contributions	<u>(3,360)</u>	<u>(3,381)</u>	<u>(3,381)</u>	<u>(3,738)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
 County's Covered Payroll	 \$ 7,442,221	 \$ 7,556,000	 \$ 7,872,000	 \$ 8,223,000
 Contributions as a Percentage of Covered Payroll	 0.05%	 0.04%	 0.04%	 0.05%

See accompanying Notes to Required Supplementary Information.

WASHBURN COUNTY, WISCONSIN
SCHEDULE OF PROPORTIONATE SHARE OF WISCONSIN RETIREMENT SYSTEM
NET PENSION PLAN (ASSET) LIABILITY – LAST TEN MEASUREMENT PERIODS
(SCHEDULE IS PRESENTED PROSPECTIVELY FROM IMPLEMENTATION)

Measurement Date: December 31,	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
County's Proportion of the Net Pension Liability (Asset)	0.05976855%	0.05951674%	0.05859888%	0.05868219%	0.05878244%	0.05953116%	0.06023807%
County's Proportionate Share of the Net Pension Liability (Asset)	\$ (1,468,079)	\$ 967,135	\$ 482,995	\$ (1,742,343)	\$ 2,091,294	\$ (1,919,556)	\$ (3,760,746)
County's Covered Payroll	\$ 7,500,743	\$ 7,793,876	\$ 7,671,986	\$ 8,065,845	\$ 8,490,958	\$ 8,981,520	\$ 8,982,519
County's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	-19.57%	12.41%	6.30%	-21.60%	24.63%	-21.37%	-41.87%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability (Asset)	102.74%	98.20%	99.12%	102.93%	96.45%	102.96%	105.26%

*The amounts presented are for a measurement date used 12 months prior to the County's year end.

See accompanying Notes to Required Supplementary Information.

**WASHBURN COUNTY, WISCONSIN
SCHEDULE OF CONTRIBUTIONS TO WISCONSIN RETIREMENT
SYSTEM PENSION PLAN – LAST TEN FISCAL YEARS
(SCHEDULE IS PRESENTED PROSPECTIVELY FROM IMPLEMENTATION)**

Fiscal Year-End: December 31,	2015	2016	2017	2018	2019	2020	2021
Contractually Required Contribution	\$ 575,869	\$ 549,046	\$ 560,748	\$ 594,156	\$ 612,332	\$ 687,621	\$ 726,866
Contributions in Relation to the Contractually Required Contributions	<u>(575,869)</u>	<u>(549,046)</u>	<u>(560,748)</u>	<u>(594,156)</u>	<u>(612,332)</u>	<u>(687,621)</u>	<u>(726,866)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
County's Covered Payroll	\$ 7,793,876	\$ 7,671,986	\$ 8,065,845	\$ 8,490,958	\$ 8,981,520	\$ 8,982,519	\$ 9,843,182
Contributions as a Percentage of Covered Payroll	7.39%	7.16%	6.95%	7.00%	6.82%	7.66%	7.38%

Change of Benefit Terms: There were no changes of benefit terms for any participating employer in WRS for any of the periods listed above.

Change in Assumptions: There were no significant changes in assumptions for any of the periods listed above except for as follows:

- Discount rate changed from 7.2% in 2017 to 7.0% in 2018.
- Postretirement adjustment changed from 2.1% in 2017 to 1.9% in 2018.
- Wage inflation rate changed from 3.2% in 2017 to 3.0% in 2018.

See accompanying Notes to Required Supplementary Information.

**WASHBURN COUNTY, WISCONSIN
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
DECEMBER 31, 2021**

BUDGETARY INFORMATION

GASB Statement No. 34 requires the presentation of budgetary comparison schedules for the general fund and for each major special revenue fund. Budgetary information for the general fund, human services fund, and the forestry fund is derived from the County's annual operating budget.

The County's annual operating budget is adopted in accordance with Chapter 65 of the Wisconsin Statutes and on a basis consistent with generally accepted accounting principles. Changes to appropriations authorized in the adopted budget generally require a vote of two-thirds of the entire membership of the governing body. The County's legal budget is adopted at the major function level in the general fund (i.e., general government) and at the fund level in all other funds. The County exercises budgetary expenditure control at the department level.

Budget amounts in the financial statements include both the original adopted budget and the final budget. Changes to the budget during the year, if any, generally include amendments authorized by the governing body, additions of approved carryover amounts and appropriations of revenues, and other sources for specified expenditures/uses. Appropriated budget amounts in the general fund lapse at the end of the year unless specifically carried over for financing subsequent year expenditures.

SINGLE-EMPLOYER OTHER POSTEMPLOYMENT BENEFITS

No assets are accumulated in a trust to pay for other postemployment benefits. There were no significant changes in benefit terms or actuarial assumptions between the measurement periods presented in the schedule of changes in the County's OPEB liability and related ratios.

SUPPLEMENTARY INFORMATION

COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES

**WASHBURN COUNTY, WISCONSIN
NONMAJOR GOVERNMENTAL FUND
COMBINING BALANCE SHEET
DECEMBER 31, 2021**

	Special Revenue Funds							
	Public Health	Child Support	Aging and Disability Resource Center	Council on Aging	CDBG Grant Fund	Wildlife Damage	Development Fund	Animal Control
ASSETS								
Treasurer's Cash and Investments	\$ 377,596	\$ 118,365	\$ -	\$ 642,430	\$ 134,972	\$ -	\$ 1,713,649	\$ -
Taxes Receivable	37,500	-	32,334	404,714	-	-	-	56,379
Accounts Receivable	2,825	1,203	223	7,030	-	-	-	210
Due from Other Governmental Units	26,468	55,152	31,656	45,703	-	5,832	-	-
Loans Receivable	-	-	-	-	768,572	-	-	-
Prepaid Expenses	50	-	-	3,155	-	-	-	-
Total Assets	\$ 444,439	\$ 174,720	\$ 64,213	\$ 1,103,032	\$ 903,544	\$ 5,832	\$ 1,713,649	\$ 56,589
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE								
Liabilities:								
Vouchers Payable	\$ 1,619	\$ 2,054	\$ 297	\$ 35,091	\$ -	\$ 5,832	\$ -	\$ 854
Accrued Liabilities	28,136	12,749	12,653	24,571	-	-	-	-
Due to Other Governmental Units	686	-	-	-	-	-	-	498
Due to Other Funds	-	-	12,171	-	-	14,449	-	36,022
Total Liabilities	30,441	14,803	25,121	59,662	-	20,281	-	37,374
Deferred Inflows of Resources:								
Succeeding Year's Property Taxes	-	-	32,334	404,714	-	-	-	56,379
Loans Receivable	-	-	-	-	768,572	-	-	-
Total Deferred Inflows of Resources	-	-	32,334	404,714	768,572	-	-	56,379
Fund Balance:								
Nonspendable	50	-	-	3,155	-	-	-	-
Restricted	-	-	-	71,498	134,972	-	659,919	-
Committed	413,948	159,917	6,758	564,003	-	-	1,053,730	-
Unassigned	-	-	-	-	-	(14,449)	-	(37,164)
Total Fund Balance	413,998	159,917	6,758	638,656	134,972	(14,449)	1,713,649	(37,164)
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	\$ 444,439	\$ 174,720	\$ 64,213	\$ 1,103,032	\$ 903,544	\$ 5,832	\$ 1,713,649	\$ 56,589

**WASHBURN COUNTY, WISCONSIN
NONMAJOR GOVERNMENTAL FUND
COMBINING BALANCE SHEET (CONTINUED)
DECEMBER 31, 2021**

	Special Revenue Funds (Continued)								
	County Land Sales	Jail Assessment Fees	Sheriff Special Activity	Environmental and Socioeconomic Impact	County Trunk D	Recycling Fund	Solid Waste Fund	Clerk of Courts	Total
ASSETS									
Treasurer's Cash and Investments	\$ 671,597	\$ 66,253	\$ 103,186	\$ 1,060,676	\$ 347,837	\$ 766,314	\$ 190,280	\$ 17,814	\$ 6,210,969
Taxes Receivable	-	-	-	-	-	-	-	-	530,927
Accounts Receivable	-	-	5,814	48,834	-	47,584	21,250	-	134,973
Due from Other Governmental Units	-	1,182	-	-	-	-	-	-	165,993
Loans Receivable	-	-	-	-	-	-	-	-	768,572
Prepaid Expenses	-	-	-	-	-	-	-	-	3,205
Total Assets	\$ 671,597	\$ 67,435	\$ 109,000	\$ 1,109,510	\$ 347,837	\$ 813,898	\$ 211,530	\$ 17,814	\$ 7,814,639
LIABILITIES AND FUND BALANCE									
Liabilities:									
Vouchers Payable	\$ 4,752	\$ 4,766	\$ 13,064	\$ 48,834	\$ -	\$ -	\$ -	\$ 17,814	\$ 134,977
Accrued Liabilities	-	-	-	-	-	-	-	-	78,109
Due to Other Governmental Units	-	-	-	-	-	-	-	-	1,184
Due to Other Funds	-	-	-	-	-	-	-	-	62,642
Total Liabilities	4,752	4,766	13,064	48,834	-	-	-	17,814	276,912
Deferred Inflows of Resources:									
Succeeding Year's Property Taxes	-	-	-	-	-	-	-	-	493,427
Loans Receivable	-	-	-	-	-	-	-	-	768,572
Total Deferred Inflows of Resources	-	-	-	-	-	-	-	-	1,261,999
Fund Balance:									
Nonspendable	-	-	-	-	-	-	-	-	3,205
Restricted	-	62,669	80,413	1,060,676	347,837	-	211,530	-	2,629,514
Committed	666,845	-	15,523	-	-	813,898	-	-	3,694,622
Unassigned	-	-	-	-	-	-	-	-	(51,613)
Total Fund Balance	666,845	62,669	95,936	1,060,676	347,837	813,898	211,530	-	6,275,728
Total Liabilities, Deferred Inflows of Resources and Fund Balance	\$ 671,597	\$ 67,435	\$ 109,000	\$ 1,109,510	\$ 347,837	\$ 813,898	\$ 211,530	\$ 17,814	\$ 7,814,639

**WASHBURN COUNTY, WISCONSIN
NONMAJOR GOVERNMENTAL FUND
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
YEAR ENDED DECEMBER 31, 2021**

	Special Revenue Funds							
	Public Health	Child Support	Aging and Disability Resource Center	Council on Aging	CDBG Grant Fund	Wildlife Damage	Development Fund	Animal Control
REVENUES								
Taxes	\$ 237,420	\$ -	\$ 17,004	\$ 301,368	\$ -	\$ -	\$ -	\$ 51,925
Intergovernmental	344,225	248,709	153,336	282,991	-	27,561	-	-
Licenses and Permits	-	-	-	-	-	-	188,204	14,662
Fines, Forfeits, and Penalties	-	-	-	-	-	-	-	-
Public Charges for Services	43,376	1,181	126,621	122,998	-	-	-	-
Miscellaneous:								
Interest	-	-	-	444	251	-	-	-
Loan Repayments	-	-	-	-	38,500	-	-	-
Sale of County Property	-	-	-	-	-	-	-	-
Donations	56,497	27,948	2,000	62,160	-	-	-	-
Other	-	-	-	142,175	-	-	-	2,300
Total Revenues	<u>681,518</u>	<u>277,838</u>	<u>298,961</u>	<u>912,136</u>	<u>38,751</u>	<u>27,561</u>	<u>188,204</u>	<u>68,887</u>
EXPENDITURES								
General Government	-	-	-	-	-	-	-	-
Public Safety	-	-	-	-	-	-	-	-
Health and Human Services	596,699	234,597	313,613	788,537	-	-	-	73,849
Culture, Recreation, and Education	-	-	-	-	-	27,560	-	-
Conservation and Development	-	-	-	-	13,356	-	-	-
Total Expenditures	<u>596,699</u>	<u>234,597</u>	<u>313,613</u>	<u>788,537</u>	<u>13,356</u>	<u>27,560</u>	<u>-</u>	<u>73,849</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	84,819	43,241	(14,652)	123,599	25,395	1	188,204	(4,962)
OTHER FINANCING SOURCES (USES)								
Transfers In	-	1,324	8,852	3,069	-	-	68,207	-
Transfers Out	-	(51,904)	-	(8,852)	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>(50,580)</u>	<u>8,852</u>	<u>(5,783)</u>	<u>-</u>	<u>-</u>	<u>68,207</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	84,819	(7,339)	(5,800)	117,816	25,395	1	256,411	(4,962)
Fund Balance - January 1	329,179	167,256	12,558	520,840	109,577	(14,450)	1,457,238	(32,202)
FUND BALANCE - DECEMBER 31	<u>\$ 413,998</u>	<u>\$ 159,917</u>	<u>\$ 6,758</u>	<u>\$ 638,656</u>	<u>\$ 134,972</u>	<u>\$ (14,449)</u>	<u>\$ 1,713,649</u>	<u>\$ (37,164)</u>

**WASHBURN COUNTY, WISCONSIN
NONMAJOR GOVERNMENTAL FUND
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE (CONTINUED)
YEAR ENDED DECEMBER 31, 2021**

	Special Revenue Funds (Continued)								
	County Land Sales	Jail Assessment Fees	Sheriff Special Activity	Environmental and Socioeconomic Impact	County Trunk D	Recycling Fund	Solid Waste Fund	Clerk of Courts	Total
REVENUES									
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 607,717
Intergovernmental	-	-	-	-	-	83,363	-	-	1,140,185
Licenses and Permits	-	-	-	-	-	-	-	242,190	445,056
Fines, Forfeits, and Penalties	-	14,029	-	-	-	-	-	-	14,029
Public Charges for Services	13,657	-	-	-	-	200,672	85,000	-	593,505
Miscellaneous:									
Interest	-	-	-	368	163	-	-	-	1,226
Loan Repayments	-	-	-	-	-	-	-	-	38,500
Sale of County Property	101,061	-	-	-	-	-	-	-	101,061
Donations	-	-	44,171	-	-	-	-	-	192,776
Other	-	-	-	205,672	-	-	-	-	350,147
Total Revenues	114,718	14,029	44,171	206,040	163	284,035	85,000	242,190	3,484,202
EXPENDITURES									
General Government	-	-	-	-	-	-	-	242,190	242,190
Public Safety	-	21,670	18,277	-	-	-	-	-	39,947
Health and Human Services	-	-	-	-	-	-	-	-	2,007,295
Culture, Recreation, and Education	-	-	-	-	-	-	-	-	27,560
Conservation and Development	46,896	-	-	205,672	-	129,385	52,451	-	447,760
Total Expenditures	46,896	21,670	18,277	205,672	-	129,385	52,451	242,190	2,764,752
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	67,822	(7,641)	25,894	368	163	154,650	32,549	-	719,450
OTHER FINANCING SOURCES (USES)									
Transfers In	-	-	-	-	-	32,549	-	-	114,001
Transfers Out	(53,431)	-	-	-	-	-	(32,549)	-	(146,736)
Total Other Financing Sources (Uses)	(53,431)	-	-	-	-	32,549	(32,549)	-	(32,735)
NET CHANGE IN FUND BALANCE	14,391	(7,641)	25,894	368	163	187,199	-	-	686,715
Fund Balance - January 1	652,454	70,310	70,042	1,060,308	347,674	626,699	211,530	-	5,589,013
FUND BALANCE - DECEMBER 31	<u>\$ 666,845</u>	<u>\$ 62,669</u>	<u>\$ 95,936</u>	<u>\$ 1,060,676</u>	<u>\$ 347,837</u>	<u>\$ 813,898</u>	<u>\$ 211,530</u>	<u>\$ -</u>	<u>\$ 6,275,728</u>

**WASHBURN COUNTY, WISCONSIN
GENERAL FUND
DETAILED BALANCE SHEET
DECEMBER 31, 2021
(WITH COMPARATIVE AMOUNTS AS OF DECEMBER 31, 2020)**

	<u>2021</u>	<u>2020</u>
ASSETS		
Treasurer's Cash and Investments	\$ 8,784,281	\$ 7,295,236
Current Taxes Receivable	8,429,895	8,234,227
Tax Certificates	733,572	892,579
Accounts Receivable	160,262	201,209
Due from Other Governments	315,095	136,309
Due from Other Funds	279,318	279,061
Prepaid Items & Other Assets:		
Prepaid Expenses & Other Assets	19,566	17,507
Prepaid Insurance	793,156	783,412
Long-Term Note Receivable	15,000	26,000
	<u>19,530,145</u>	<u>17,865,540</u>
Total Assets	<u>\$ 19,530,145</u>	<u>\$ 17,865,540</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE		
Liabilities:		
Vouchers and Accounts Payable	\$ 231,654	\$ 281,226
Payroll Deductions	76,609	111,685
Accrued Liabilities	177,986	154,263
Due to Other Governments	104,089	57,590
Unearned Revenue	8,057	5,650
Total Liabilities	<u>598,395</u>	<u>610,414</u>
Deferred Inflows of Resources:		
Succeeding Year's Property Taxes	8,429,825	8,234,227
Fund Balance:		
Nonspendable	1,561,294	1,719,498
Restricted	26,887	20,815
Assigned	3,646,680	2,781,960
Unassigned	5,267,064	4,498,626
Total Fund Balance	<u>10,501,925</u>	<u>9,020,899</u>
	<u>\$ 19,530,145</u>	<u>\$ 17,865,540</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	<u>\$ 19,530,145</u>	<u>\$ 17,865,540</u>

**WASHBURN COUNTY, WISCONSIN
GENERAL FUND
DETAILED SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2021
(WITH COMPARATIVE AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2020)**

	2021		Variance with Final Budget Positive (Negative)	2020 Actual
	Final Budget	Actual		
REVENUES				
Taxes:				
Property:				
General Property Taxes	\$ 8,224,296	\$ 8,224,296	\$ -	\$ 8,115,889
Forest Cropland Taxes From Districts	50,000	62,130	12,130	60,674
Sales and Use:				
County Sales Tax	1,225,000	1,805,848	580,848	1,541,905
Retained Sales Tax Applied	120	138	18	130
Real Estate Transfer Fees	55,000	111,912	56,912	106,581
Interest and Penalties on Taxes	225,000	211,571	(13,429)	235,064
Total Taxes	<u>9,779,416</u>	<u>10,415,895</u>	<u>636,479</u>	<u>10,060,243</u>
Intergovernmental:				
Federal Grants:				
Homeland Security Equipment Grant	-	6,298	6,298	27,505
Aid in Lieu of Taxes	11,500	12,562	1,062	12,736
Emergency Government	30,465	30,856	391	31,338
Federal Aids Secondary	91,310	91,310	-	51,638
Wireless 911 Grant	10,822	5,988	(4,834)	39,982
Jail Literacy Grant	16,000	13,950	(2,050)	18,883
Routes to Recovery	-	-	-	195,423
American Rescue Plan Act Aid	1,127,500	1,526,713	399,213	-
State Shared Taxes:				
Shared Revenue	141,740	142,236	496	141,690
Tax Exempt Computer Aids	12,599	12,599	-	12,599
State Grants:				
Aid for Courts	52,275	55,628	3,353	55,177
Victim/Witness Program	37,940	40,806	2,866	30,093
Septic Systems	15,000	-	(15,000)	19,910
Veterans Service Officer	14,500	14,439	(61)	9,401
Probation and Parole	15,000	40,290	25,290	41,999
Guardian Ad Litem	17,305	26,117	8,812	25,390
County Trunk Highways	1,389,627	1,389,627	-	1,519,583

**WASHBURN COUNTY, WISCONSIN
GENERAL FUND
DETAILED SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL (CONTINUED)
YEAR ENDED DECEMBER 31, 2021
(WITH COMPARATIVE AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2020)**

	2021		Variance with Final Budget Positive (Negative)	2020 Actual
	Final Budget	Actual		
REVENUES (CONTINUED)				
Intergovernmental: (Continued)				
State Grants: (Continued)				
Soil and Water Resource Management	\$ 220,071	\$ 190,284	\$ (29,787)	\$ 205,268
Law Enforcement Training	37,000	38,362	1,362	37,163
Land Information Board Grants	109,656	109,656	-	104,472
Forest Crop/Managed Forest Aides	27,000	31,039	4,039	29,943
Severance and Withdrawal Taxes	2,500	1,292	(1,208)	8,223
Payment in Lieu of Taxes	25,000	15,133	(9,867)	14,509
Total Intergovernmental	<u>3,404,810</u>	<u>3,795,185</u>	<u>390,375</u>	<u>2,632,925</u>
Licenses and Permits:				
Licenses:				
Conservation License Fees	-	9	9	-
Marriage License Revenue	5,000	6,230	1,230	4,440
Permits:				
Zoning Fees	165,075	225,719	60,644	200,071
Total Licenses and Permits	<u>170,075</u>	<u>231,958</u>	<u>61,883</u>	<u>204,511</u>
Fines, Forfeits, and Penalties:				
Law and Ordinance Violations:				
County Share of Fines and Forfeitures	79,000	85,574	6,574	76,163
Public Charge for Services:				
General Government:				
Treasurer's Fees	100	680	580	684
Register of Deeds Fees	116,000	164,546	48,546	158,245
Land Modernization Fees	27,500	36,330	8,830	34,884
Court Fees and Costs	40,000	46,109	6,109	27,662
Register in Probate Fees	4,000	16,553	12,553	4,944
Assessment of Property Fees	1,000	1,110	110	997

**WASHBURN COUNTY, WISCONSIN
GENERAL FUND
DETAILED SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL (CONTINUED)
YEAR ENDED DECEMBER 31, 2021
(WITH COMPARATIVE AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2020)**

	2021		Variance with Final Budget Positive (Negative)	2020 Actual
	Final Budget	Actual		
REVENUES (CONTINUED)				
Public Charges for Services: (Continued)				
General Government: (Continued)				
Family Counseling Fees	\$ 1,500	\$ 1,165	\$ (335)	\$ 1,305
Guardian Ad Litem Reimbursement	60,000	107,917	47,917	109,478
District Attorney Fees	4,200	1,006	(3,194)	574
Coroner	12,000	18,200	6,200	16,175
Public Safety:				
Sheriff Fees	15,000	15,043	43	13,890
Inmate Phone	11,000	7,194	(3,806)	7,467
Electric Monitor Revenue	17,000	6,786	(10,214)	14,275
Board of Prisoners - Huber Law	3,000	20	(2,980)	815
Drug Enforcement	-	85	85	195
County Numbering System	8,000	13,822	5,822	10,520
Prisoner Medical Reimbursements	15,000	17,634	2,634	19,838
Health and Human Services:				
Veteran Service Fees	11,500	4,365	(7,135)	3,770
Culture, Recreation, and Education:				
UWEX Extension Fees	3,000	440	(2,560)	240
Conservation and Development:				
Soil and Water Revenue	11,000	18,122	7,122	15,459
Total Public Charges for Services	<u>360,800</u>	<u>477,127</u>	<u>116,327</u>	<u>441,417</u>
Intergovernmental Charges for Services:				
Highway Services to Other Governments	-	-	-	1,462
Smart Growth Planning	12,500	21,090	8,590	20,878
Total Intergovernmental Charges for Services	12,500	21,090	8,590	22,340

**WASHBURN COUNTY, WISCONSIN
GENERAL FUND
DETAILED SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL (CONTINUED)
YEAR ENDED DECEMBER 31, 2021
(WITH COMPARATIVE AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2020)**

	2021		Variance with Final Budget Positive (Negative)	2020 Actual
	Final Budget	Actual		
REVENUES (CONTINUED)				
Miscellaneous:				
Interest:				
Temporary Investments	\$ 300,000	\$ 93,325	\$ (206,675)	\$ 285,548
Rent:				
Buildings	-	-	-	3,650
Property Sales:				
Sale of General Capital Assets	1,000	22,501	21,501	13,918
Sale of Sheriff Department Cars	15,000	13,018	(1,982)	24,255
Sale of Maps and Plats	6,100	10,358	4,258	4,685
Sale of CSM's	5,800	7,488	1,688	8,057
Other:				
County Cars Revenue	30,000	24,339	(5,661)	20,131
Insurance Recoveries	-	3,234	3,234	-
Donations	-	450	450	400
Miscellaneous	1,200	10,260	9,060	37,915
Total Miscellaneous Revenues	<u>359,100</u>	<u>184,973</u>	<u>(174,127)</u>	<u>398,559</u>
Total Revenues	14,165,701	15,211,802	1,046,101	13,836,158
EXPENDITURES				
General Government:				
Legislative:				
Board	87,005	63,584	23,421	78,364
Judicial:				
Judge	179,284	217,996	(38,712)	235,928
Juvenile Court				
Clerk of Courts	321,871	312,408	9,463	301,744
Register in Probate	2,650	840	1,810	787
Family Court Commissioner	32,355	30,251	2,104	29,228
Coroner	58,320	81,428	(23,108)	77,796
Legal:				
District Attorney	249,994	243,945	6,049	245,974
Family Counseling	5,000	7,621	(2,621)	4,866
Criminal Justice Coordinator	126,257	116,259	9,998	111,259
Corporation Counsel	165,245	149,337	15,908	160,778
Victim/Witness Coordinator	84,971	85,695	(724)	80,796

**WASHBURN COUNTY, WISCONSIN
GENERAL FUND
DETAILED SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL (CONTINUED)
YEAR ENDED DECEMBER 31, 2021
(WITH COMPARATIVE AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2020)**

	2021		Variance with Final Budget Positive (Negative)	2020 Actual
	Final Budget	Actual		
EXPENDITURES (CONTINUED)				
General Government: (Continued)				
General Administration:				
Clerk	\$ 192,799	\$ 257,350	\$ (64,551)	\$ 235,211
Administration	249,344	199,730	49,614	177,206
Contracted Services	100	4,068	(3,968)	1,322
Elections	23,000	20,979	2,021	64,402
Information Technology	657,957	650,829	7,128	656,558
Information Technology Capital				
Equipment	24,810	20,392	4,418	24,203
Central Postage	27,000	26,235	765	22,422
Government Center Building	194,777	213,579	(18,802)	51,144
Forestry Building	16,478	17,612	(1,134)	9,999
Financial Administration:				
Accounting and Auditing	234,325	226,541	7,784	210,550
Treasurer	250,142	248,153	1,989	244,068
Assessment of Property	4,000	3,097	903	3,825
Purchasing	32,697	27,409	5,288	33,862
General Building and Plant:				
Annex - Spooner	11,241	14,754	(3,513)	37,149
Annex - Shell Lake	-	49	(49)	58,487
Annex - City of Spooner	7,444	2,680	4,764	28,919
Dunbar Building Maintenance	-	129	(129)	13,060
Courthouse	354,325	341,993	12,332	368,675
Building Repair	21,399	28,603	(7,204)	19,575
Wayside	44,910	51,018	(6,108)	28,411
Property Records and Control:				
Register of Deeds	164,050	163,295	755	153,921
Surveyor	466,668	441,969	24,699	466,610
Maps and Plats	-	-	-	13,844
Other General Government:				
County Owned Cars Expense	3,200	34,609	(31,409)	99,054
Property and Liability Insurance	101,000	110,834	(9,834)	86,550
ARPA Administration and Capital Outlay	-	468,659	(468,659)	-
Total General Government	<u>4,394,618</u>	<u>4,883,930</u>	<u>(489,312)</u>	<u>4,436,547</u>

**WASHBURN COUNTY, WISCONSIN
GENERAL FUND
DETAILED SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL (CONTINUED)
YEAR ENDED DECEMBER 31, 2021
(WITH COMPARATIVE AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2020)**

	2021		Variance with Final Budget Positive (Negative)	2020 Actual
	Final Budget	Actual		
EXPENDITURES (CONTINUED)				
Public Safety:				
Sheriff	\$ 2,340,845	\$ 2,255,002	\$ 85,843	\$ 2,103,637
Fire Suppression	100	-	100	441
Jail Expenses	1,886,390	1,861,706	24,684	1,684,862
Special Response Team	15,794	28,713	(12,919)	27,949
Emergency Government	106,121	114,651	(8,530)	129,754
Emergency Communications	5,026	4,004	1,022	2,656
Total Public Safety	<u>4,355,276</u>	<u>4,264,076</u>	<u>91,200</u>	<u>3,949,299</u>
Public Works:				
Appropriations to Highway Department [1]	3,109,215	3,017,905	91,310	3,131,179
Other Transportation:				
Airport	9,700	9,700	-	9,700
Total Transportation Facilities	<u>3,118,965</u>	<u>3,027,605</u>	<u>91,360</u>	<u>3,140,879</u>
Sanitation:				
Wisconsin Fund Grant	15,000	-	15,000	19,910
Total Public Works	<u>3,133,965</u>	<u>3,027,605</u>	<u>106,360</u>	<u>3,160,789</u>
Health and Human Services:				
Health:				
Wellness Program	15,000	9,454	5,546	7,302
Human Services:				
AODA Program	7,600	7,600	-	7,750
Veterans:				
Veterans Service	194,020	182,332	11,688	165,632
Veterans Commission	40,260	30,375	9,885	19,820
Deceased Veterans Affairs	11,250	11,033	217	11,162
Total Health and Human Services	<u>268,130</u>	<u>240,794</u>	<u>27,336</u>	<u>211,666</u>

[1] See Schedule C-4

**WASHBURN COUNTY, WISCONSIN
GENERAL FUND
DETAILED SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL (CONTINUED)
YEAR ENDED DECEMBER 31, 2021
(WITH COMPARATIVE AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2020)**

	2021		Variance with Final Budget Positive (Negative)	2020 Actual
	Final Budget	Actual		
EXPENDITURES (CONTINUED)				
Culture, Recreation, and Education:				
Culture:				
Library	\$ 225,034	\$ 225,034	\$ -	\$ 225,411
Historical Society	20,800	31,800	(11,000)	31,800
Recreation:				
Fairs	23,975	23,975	-	43,975
Education:				
University Extension	244,507	200,874	43,633	223,558
Total Culture, Recreation, and Education	514,316	481,683	32,633	524,744
Conservation and Development:				
Resource Conservation:				
Soil and Water Conservation	257,382	230,510	26,872	258,846
Aquatic Invasive Species	25,369	20,595	4,774	21,560
Farm Land Preservation Grant	8,889	5,791	3,098	16,114
Power Line Related Expenditures	-	3,019	(3,019)	1,641
Planning:				
Regional Planning Commission	25,438	25,438	-	25,226
Zoning:				
Zoning	252,107	265,389	(13,282)	206,387
Economic Development:				
Economic Development Corporation and Tourism	239,800	239,800	-	241,673
ITBEC Contribution	3,000	3,000	-	3,000
Total Conservation and Development	811,985	793,542	18,443	774,447
Total Expenditures	13,478,290	13,691,630	(213,340)	13,057,492
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	687,411	1,520,172	832,761	778,666

**WASHBURN COUNTY, WISCONSIN
GENERAL FUND
DETAILED SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL (CONTINUED)
YEAR ENDED DECEMBER 31, 2021
(WITH COMPARATIVE AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2020)**

	2021		Variance with Final Budget Positive (Negative)	2020 Actual
	Final Budget	Actual		
OTHER FINANCING SOURCES (USES)				
Transfers In:				
Child Support Fund	\$ -	\$ -	\$ -	\$ 13,004
Highway Department Internal Service Fund	-	-	-	533
Total Transfers In	<u>112,944</u>	<u>-</u>	<u>(112,944)</u>	<u>13,537</u>
Transfers Out:				
Human Services Fund	-	(18,178)	(18,178)	(2,722)
Child Support Fund	-	(1,324)	(1,324)	(1,320)
Forestry Fund	-	(2,477)	(2,477)	(1,659)
Council on Aging Fund	-	(3,069)	(3,069)	-
Highway Department Fund	-	(14,098)	(14,098)	(6,862)
Public Health Fund	-	-	-	(1,445)
Total Transfers Out	<u>(200,000)</u>	<u>(39,146)</u>	<u>160,854</u>	<u>(14,008)</u>
Total Other Financing Sources (Uses)	<u>(87,056)</u>	<u>(39,146)</u>	<u>47,910</u>	<u>(471)</u>
NET CHANGE IN FUND BALANCE	600,355	1,481,026	880,671	778,195
Fund Balance - January 1	<u>9,020,899</u>	<u>9,020,899</u>	<u>-</u>	<u>8,242,704</u>
FUND BALANCE - DECEMBER 31	<u><u>\$ 9,621,254</u></u>	<u><u>\$ 10,501,925</u></u>	<u><u>\$ 880,671</u></u>	<u><u>\$ 9,020,899</u></u>

**WASHBURN COUNTY, WISCONSIN
INTERNAL SERVICE FUND
COMBINING STATEMENT OF NET POSITION
DECEMBER 31, 2021
(WITH COMPARATIVE TOTALS AS OF DECEMBER 31, 2020)**

	Highway Department	Copy Machine	Total	
			2021	2020
ASSETS				
Current Assets:				
Treasurer's Cash and Investments	\$ 4,182,508	\$ 29,408	\$ 4,211,916	\$ 3,444,885
Accounts Receivable	13,887	-	13,887	1,928
Due from Other Governments	944,777	-	944,777	797,873
Due from Other Funds	88,912	-	88,912	132,886
Prepaid Expenses & Other Assets	1,622,401	-	1,622,401	1,332,551
Total Current Assets	<u>6,852,485</u>	<u>29,408</u>	<u>6,881,893</u>	<u>5,710,123</u>
Restricted Assets:				
Wisconsin Retirement System Net Pension Asset	746,003	-	746,003	393,910
Noncurrent Assets:				
Capital Assets:				
Not Being Depreciated/Depleted	489,782	-	489,782	489,782
Being Depreciated/Depleted	20,844,907	26,919	20,871,826	21,033,475
Accumulated Depreciation	(12,266,515)	(25,189)	(12,291,704)	(11,777,558)
Total Capital Assets	<u>9,068,174</u>	<u>1,730</u>	<u>9,069,904</u>	<u>9,745,699</u>
Total Assets	16,666,662	31,138	16,697,800	15,849,732
DEFERRED OUTFLOWS OF RESOURCES				
Wisconsin Retirement System Pension Related	1,243,229	-	1,243,229	911,353
Single Employer Other Postemployment Benefits Related	8,097	-	8,097	11,926
Multi-Employer Other Postemployment Benefits Related	84,336	-	84,336	53,224
Total Deferred Outflows of Resources	<u>1,335,662</u>	<u>-</u>	<u>1,335,662</u>	<u>976,503</u>

**WASHBURN COUNTY, WISCONSIN
INTERNAL SERVICE FUND
COMBINING STATEMENT OF NET POSITION (CONTINUED)
DECEMBER 31, 2021
(WITH COMPARATIVE TOTALS AS OF DECEMBER 31, 2020)**

	Highway Department	Copy Machine	Total	
			2021	2020
LIABILITIES				
Current Liabilities:				
Accounts Payable	\$ 224,120	\$ -	\$ 224,120	\$ 266,781
Accrued Liabilities	180,265	-	180,265	174,730
Accrued Interest Payable	9,922	-	9,922	12,127
Due to Other Funds	378,690	-	378,690	-
Unearned Revenues	118,300	-	118,300	51,266
Accrued Vacation and Sick Leave - Current	134,262	-	134,262	119,552
Capital Leases Payable - Current	238,531	-	238,531	231,871
Total Current Liabilities	<u>1,284,090</u>	<u>-</u>	<u>1,284,090</u>	<u>856,327</u>
Long-Term Liabilities:				
Advance from Capital Projects Fund	989,445	-	989,445	1,073,601
Wisconsin Retirement System Net Pension Liability	-	-	-	-
Single Employer Other Postemployment Benefits Payable	157,767	-	157,767	133,140
Multi-Employer Other Postemployment Benefits Payable	185,854	-	185,854	133,971
Accrued Vacation and Sick Leave	251,098	-	251,098	250,370
Capital Leases Payable	1,062,364	-	1,062,364	1,300,895
Total Long-Term Liabilities	<u>2,646,528</u>	<u>-</u>	<u>2,646,528</u>	<u>2,891,977</u>
Total Liabilities	3,930,618	-	3,930,618	3,748,304
DEFERRED INFLOWS OF RESOURCES				
Wisconsin Retirement System Pension Related	1,633,242	-	1,633,242	1,179,724
Single Employer Other Postemployment Benefits Related	48,069	-	48,069	55,256
Multi-Employer Other Postemployment Benefits Related	23,792	-	23,792	23,404
Total Deferred Inflows of Resources	<u>1,705,103</u>	<u>-</u>	<u>1,705,103</u>	<u>1,258,384</u>
NET POSITION				
Net Investment in Capital Assets	7,767,279	1,730	7,769,009	8,212,933
Restricted for Wisconsin Retirement Net Pension Asset	746,003	-	746,003	393,910
Unrestricted	3,853,321	29,408	3,882,729	3,212,704
Total Net Position	<u>\$ 12,366,603</u>	<u>\$ 31,138</u>	<u>\$ 12,397,741</u>	<u>\$ 11,819,547</u>

WASHBURN COUNTY, WISCONSIN
INTERNAL SERVICE FUND
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
YEAR ENDED DECEMBER 31, 2021
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2020)

	Highway	Copy	Total	
	Department	Machine	2021	2020
OPERATING REVENUES	\$ 8,978,406	\$ 2,332	\$ 8,980,738	\$ 9,290,600
OPERATING EXPENSES	8,432,820	2,155	8,434,975	8,490,374
OPERATING INCOME (LOSS)	545,586	177	545,763	800,226
NONOPERATING REVENUES (EXPENSES)				
Interest Expense	(45,105)	-	(45,105)	(59,317)
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS	500,481	177	500,658	740,909
CAPITAL CONTRIBUTIONS AND TRANSFERS				
Transfers from Forestry Fund	53,431	-	53,431	104,331
Transfers from Capital Improvements Fund	10,007	-	10,007	-
Transfers from General Fund	14,098	-	14,098	6,862
Transfers to General Fund	-	-	-	(533)
Total Capital Contributions and Transfers	77,536	-	77,536	110,660
CHANGE IN NET POSITION	578,017	177	578,194	851,569
Net Position - January 1	11,788,586	30,961	11,819,547	10,967,978
NET POSITION - DECEMBER 31	<u>\$ 12,366,603</u>	<u>\$ 31,138</u>	<u>\$ 12,397,741</u>	<u>\$ 11,819,547</u>

WASHBURN COUNTY, WISCONSIN
INTERNAL SERVICE FUND
COMBINING STATEMENT OF CASH FLOWS
YEAR ENDED DECEMBER 31, 2021
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2020)

	Highway	Copy	Total	
	Department	Machine	2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash Received for Services Provided	\$ 8,930,551	\$ 2,332	\$ 8,932,883	\$ 9,382,420
Cash Paid to Suppliers for Goods and Services	(3,133,645)	(2,155)	(3,135,800)	(3,765,162)
Cash Paid for Employee Services	(4,362,982)	-	(4,362,982)	(3,748,170)
Net Cash Provided by Operating Activities	1,433,924	177	1,434,101	1,869,088
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Transfer from Forestry Fund	67,529	-	67,529	111,193
Transfer from Capital Improvement Fund	10,007	-	10,007	-
Transfer to General Fund	-	-	-	(533)
Net Cash Provided (Used) by Noncapital Financing Activities	77,536	-	77,536	110,660
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Cash Paid for Acquisition of Capital Assets	(435,790)	-	(435,790)	(1,180,118)
Cash Received for Sale of Capital Assets	54,521	-	54,521	332,101
Change in Cash Advance for Gravel Pits from County	(84,156)	-	(84,156)	338,898
Principal Paid on Capital Leases	(231,871)	-	(231,871)	(708,055)
Interest Paid on Capital Leases	(47,310)	-	(47,310)	(65,637)
Net Cash Used by Capital and Related Financing Activities	(744,606)	-	(744,606)	(1,282,811)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	766,854	177	767,031	696,937
CASH AND CASH EQUIVALENTS - JANUARY 1	3,415,654	29,231	3,444,885	2,747,948
CASH AND CASH EQUIVALENTS - DECEMBER 31	<u>\$ 4,182,508</u>	<u>\$ 29,408</u>	<u>\$ 4,211,916</u>	<u>\$ 3,444,885</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES:				
Operating Income (Loss)	\$ 545,586	\$ 177	\$ 545,763	\$ 800,226
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:				
Depreciation	1,017,560	-	1,017,560	1,045,738
Depletion of Gravel Pits	15,148	-	15,148	17,709
Change in Pension Related Items	(230,451)	-	(230,451)	19,584
Change in Single-Employer OPEB Related Items	21,269	-	21,269	9,295
Change in Multi-Employer OPEB Related Items	21,159	-	21,159	14,283
Loss on Disposal of Assets	24,356	-	24,356	95,990
(Increase) Decrease in Assets:				
Accounts Receivable	(11,959)	-	(11,959)	437
Due from Governmental Units	(146,904)	-	(146,904)	421,851
Prepaid Expenses	(289,850)	-	(289,850)	(193,581)
Due from Other Funds	43,974	-	43,974	(115,636)
Increase (Decrease) in Liabilities:				
Accounts Payable	(42,661)	-	(42,661)	(100,249)
Unearned Revenue	67,034	-	67,034	(214,832)
Due to Other Funds	378,690	-	378,690	-
Accrued Liabilities	20,973	-	20,973	68,273
Net Cash Provided (Used) by Operating Activities	<u>\$ 1,433,924</u>	<u>\$ 177</u>	<u>\$ 1,434,101</u>	<u>\$ 1,869,088</u>

WASHBURN COUNTY, WISCONSIN
HIGHWAY DEPARTMENT INTERNAL SERVICE FUND
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
YEAR ENDED DECEMBER 31, 2021
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2020)

	2021	2020
OPERATING REVENUES		
Charges for Services:		
County Highway [1]	\$ 4,850,881	\$ 5,440,144
State Highway	1,928,332	1,703,383
Other Local Highways	1,631,772	1,471,337
County Departments	242,084	198,170
Non-Governmental Customers	3,995	232,879
Other Services	212,578	226,703
Rental Income	1,800	6,575
Miscellaneous Revenue	106,964	8,585
Total Operating Revenues	8,978,406	9,287,776
OPERATING EXPENSES		
Administration and General:		
Administration	383,490	381,095
Patrol Superintendent	113,151	115,849
Radio Expense	604	1,360
Public Liability Insurance	26,586	24,179
Transportation Cost Pools:		
Machinery Operations	391,934	182,917
Services Provided:		
County:		
General Maintenance	1,362,002	1,505,371
Reconstruction and Betterments	1,830,642	2,308,965
Winter Maintenance	405,252	481,843
Bridge Maintenance	63,438	104,331
State:		
Highway Maintenance and Construction	1,795,511	1,565,491
Equipment and Salt Storage	131,885	125,562
County Aid Bridge Paid Districts	-	12,113
Local Districts	1,640,413	1,471,337
Local Departments	242,084	198,170
Non-Governmental Customers	3,400	1,505
Other Postemployment Benefits	42,428	9,296
Total Operating Expenses	8,432,820	8,489,384
OPERATING INCOME (LOSS)	545,586	798,392
NONOPERATING REVENUES (EXPENSES)		
Interest Expense	(45,105)	(59,317)
INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS	500,481	739,075
CAPITAL CONTRIBUTIONS AND TRANSFERS		
Transfers from Forestry Fund	53,431	104,331
Transfers from Capital Improvements Fund	10,007	-
Transfers from General Fund	14,098	6,862
Transfers to General Fund	-	(533)
Total Capital Contributions and Transfers	77,536	110,660
CHANGE IN NET POSITION	578,017	849,735
Net Position - January 1	11,788,586	10,938,851
NET POSITION - DECEMBER 31	\$ 12,366,603	\$ 11,788,586
[1] Charges to County for Highway Maintenance and Construction Consisted of the Following Payments from the General Fund:		
County Appropriations	\$ 1,536,968	\$ 1,559,958
State Transportation Aids	1,389,627	1,519,583
Federal and State Project Revenues	91,310	51,638
Total General Fund	3,017,905	3,131,179
Charges to Capital Projects Fund and Other Funds	1,832,976	2,308,965
Total County Highway Charges for Services	\$ 4,850,881	\$ 5,440,144

**WASHBURN COUNTY, WISCONSIN
CUSTODIAL FUNDS
COMBINING STATEMENT OF NET POSITION
DECEMBER 31, 2021**

	<u>Juvenile Restitution</u>	<u>Represen- tative Payee</u>	<u>Clerk of Courts</u>	<u>Sheriff</u>	<u>District Attorney</u>	<u>DNR Licenses</u>	<u>Total</u>
ASSETS							
Treasurer's Cash and Investments	\$ 28	\$ 1,481	\$ 271,276	\$ 15,087	\$ 1,231	\$ -	\$ 289,103
LIABILITIES							
Vouchers Payable	<u>-</u>	<u>1,481</u>	<u>44,009</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>45,490</u>
NET POSITION							
Restricted	<u>\$ 28</u>	<u>\$ -</u>	<u>\$ 227,267</u>	<u>\$ 15,087</u>	<u>\$ 1,231</u>	<u>\$ -</u>	<u>\$ 243,613</u>

**WASHBURN COUNTY, WISCONSIN
CUSTODIAL FUNDS
COMBINING STATEMENT OF CHANGES IN NET POSITION
YEAR ENDED DECEMBER 31, 2021**

	Juvenile Restitution	Representative Payee	Clerk of Courts	Sheriff	District Attorney	DNR Licenses	Total
ADDITIONS:							
Payments from Individuals	\$ 49	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 49
Licenses and Fees Collected	-	56,760	865,758	149,710	36,103	-	1,108,331
Total Additions	<u>49</u>	<u>56,760</u>	<u>865,758</u>	<u>149,710</u>	<u>36,103</u>	<u>-</u>	<u>1,108,380</u>
DEDUCTIONS:							
Distributions to Individuals	49	-	-	152,527	37,967	-	190,543
Payments to Licenses and Fees to Other Taxing Agencies	-	56,760	814,914	-	-	-	871,674
Total Deductions	<u>49</u>	<u>56,760</u>	<u>814,914</u>	<u>152,527</u>	<u>37,967</u>	<u>-</u>	<u>1,062,217</u>
Change in Net Position	-	-	50,844	(2,817)	(1,864)	-	46,163
Net Position - Beginning of Year	<u>28</u>	<u>-</u>	<u>176,423</u>	<u>17,904</u>	<u>3,095</u>	<u>-</u>	<u>197,450</u>
Net Position - End of Year	<u>\$ 28</u>	<u>\$ -</u>	<u>\$ 227,267</u>	<u>\$ 15,087</u>	<u>\$ 1,231</u>	<u>\$ -</u>	<u>\$ 243,613</u>



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