

**Calumet County, Wisconsin
Annual Financial Report
For the Fiscal Year Ended December 31, 2023
Prepared by the Finance Department**



The County remodeled the former Sheriff's Office during 2023 and relocated four departments during 2024.

CALUMET COUNTY, WISCONSIN

Annual Financial Report
December 31, 2023

Table of Contents

INDEPENDENT AUDITORS' REPORT1
MANAGEMENT'S DISCUSSION AND ANALYSIS (Required Supplementary Information)4
BASIC FINANCIAL STATEMENTS
 Government-wide Financial Statements
 Statement of Net Position 18
 Statement of Activities 19
 Fund Financial Statements
 Balance Sheet - Governmental Funds..... 21
 Reconciliation of the Balance Sheet - Governmental Funds
 To the Statement of Net Position..... 23
 Statement of Revenues, Expenditures and Changes in Fund Balance – Governmental Funds..... 24
 Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balance -
 Governmental Funds to the Statement of Activities 26
 Statement of Net Position - Proprietary Fund..... 27
 Statement of Revenues, Expenses and Changes in Net Position - Proprietary Fund 28
 Statement of Cash Flows - Proprietary Fund 29
 Statement of Fiduciary Net Position – Fiduciary Funds..... 30
 Statement of Changes in Fiduciary Net Position - Fiduciary Funds 31
 Notes to Basic Financial Statements 32
REQUIRED SUPPLEMENTARY INFORMATION
 Schedule of Revenues, Expenditures and Changes in Fund Balance -
 Budget and Actual - General Fund 68
 Schedule of Revenues, Expenditures and Changes in Fund Balance -
 Budget and Actual – Human Services Special Revenue Fund 71
 Schedule of Revenues, Expenditures and Changes in Fund Balance -
 Budget and Actual – American Rescue Plan Act Special Revenue Fund..... 72
 Wisconsin Retirement System
 Schedule of Proportionate Share of the Net Pension Liability (Asset) 73
 Schedule of Contributions..... 73
 Local Retiree Life Insurance Fund
 Schedule of Proportionate Share of the Net OPEB Liability (Asset) 74
 Schedule of Contributions..... 74
 Schedule of Changes in OPEB Liability and Related Ratios..... 75
 Notes to Required Supplementary Information 76

CALUMET COUNTY, WISCONSIN

Annual Financial Report
December 31, 2023

Table of Contents

SUPPLEMENTARY INFORMATION

Combining Balance Sheet - Nonmajor Governmental Funds 79

Combining Statement of Revenues, Expenditures and Changes in Fund Balances -
Nonmajor Governmental Funds..... 81

Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual – Home Nursing Special Revenue Fund..... 83

Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual – Opioid Abatement Special Revenue Fund..... 84

Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual – Children with Disabilities Education Board Special Revenue Fund..... 85

Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual – County Roads and Bridges Special Revenue Fund..... 86

Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual – Jail Maintenance Special Revenue Fund..... 87

Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual – Land Records Special Revenue Fund 88

Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual – Micro Loan Program Special Revenue Fund 89

Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual – UW Extension Programs Services Special Revenue Fund 90

Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual – Dog Licenses Services Special Revenue Fund..... 91

Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual – Debt Service Fund..... 92

Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual – Capital Improvements Capital Projects Fund..... 93

Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual – County Sales Tax Capital Projects Fund 94

Combining Statement of Fiduciary Net Position - Fiduciary Funds 95

Combining Statement of Changes in Fiduciary Net Position - Fiduciary Funds..... 96

Schedule of Capital Assets Used in the Operation of Governmental Funds..... 97

Schedule of Capital Assets by Function and Activity 98

Schedule of Capital Asset Additions and Deletions by Function and Activity 99

INDEPENDENT AUDITOR'S REPORT

Independent Auditors' Report

To the County Board of
Calumet County

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of Calumet County, Wisconsin (the County), as of and for the year ended December 31, 2023, 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, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the County as of December 31, 2023 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.

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 (GAS). 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 the 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 1, the County adopted the provisions of GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*, effective January 1, 2023. Our opinions are not modified with respect to 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 the 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 GAS 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 GAS, 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 the 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 the 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 required supplementary information, 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 was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The accompanying supplementary information as listed in the table of contents is presented for purposes of additional analysis and is 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 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 auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated in all material respects, in relation to the basic financial statements as a whole.

Report on Summarized Comparative Information

We have previously audited the County's 2022 financial statements, and we expressed unmodified audit opinions on the respective financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information in our report dated July 31, 2023. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2022, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated July 30, 2024 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 the 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.

A handwritten signature in black ink that reads "Baker Tilly US, LLP". The signature is written in a cursive, flowing style.

Madison, Wisconsin
July 30, 2024

MANAGEMENT'S DISCUSSION AND ANALYSIS

As management, we offer readers of the County's basic financial statements this narrative overview and analysis of the financial activities of the County for the year ended December 31, 2023. We encourage readers to consider the information presented here in conjunction with additional information provided in the notes to the basic financial statements, which can be found on pages 32 through 67 of this report.

Financial Highlights

- The County's assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources at the close of the most recent year by \$77,109,111 (net position). Of this amount, \$19,140,107 (unrestricted net position) may be used to meet the County's ongoing obligations to citizens and creditors.
- The County's total net position increased by \$9,400,992. Several factors contributed to the overall increase as follows:
 - Strong budgetary performance in the County's governmental funds resulted in a \$1.2 million budgetary surplus in the County's general, special revenue, and county sales tax capital projects fund. Some of the key factors impacting this change follows:
 - The County annually applies general fund balance for one-time capital projects and anticipated employee vacancies. Despite applying \$1.5 million in the 2023 budget, the County's general fund increased by \$1.4 million. A significant portion of this increase was due to interest rates increasing in 2023, resulting in \$1.5 million additional revenue, which offset inflationary increases experienced for employee wage increases and supplier costs for 2023.
 - The County's human services fund reported a \$.5 million budget surplus due to realized cost savings in various areas of their budget. The County retained \$219,981 of the surplus within the human services special revenue fund and returned \$240,668 to the general fund.
 - Strong economic conditions in the local economy resulted in sales tax revenues exceeding the budget by \$647,985. The County applied this surplus to capital improvement projects occurring in 2023 and 2024.
 - The County finances current capital outlay improvements, including the County highway system using sales tax revenues, resulting in additions exceeding depreciation and loss on disposal by \$550 thousand. The County does not anticipate issuing any long-term debt in the near future, as the strong growth in sales tax revenues has been sufficient to finance capital additions. The County used \$4.6 million of sales taxes to finance capital asset additions.
 - The County used \$3.2 million of its ARPA funding to finance capital asset additions.
 - The County received \$1.8 million of federal and state funding to construct highway infrastructure during 2023. In addition, the County's highway operations received \$850 thousand from the State and \$841 thousand of sales taxes to finance the new salt shed and salt brine equipment.
 - The County used property taxes to retire long-term liabilities of \$2,250,000.
- The County participates in the Wisconsin Retirement System (System) which continues to be in a strong financial position even though the Systems' overall assets were less than its liabilities, resulting in the County reporting a net pension liability of \$5.7 million instead of an asset of \$8.5 million. The County's proportionate share of the pension plan resulted in a decrease in net position of \$1.8 million during 2023.

- At the end of the current year, unassigned fund balance for the general fund was \$11,099,718, or approximately 29% of total general fund and human services fund expenditures.
- The County has established a minimum fund balance policy; the minimum unassigned fund balance to be retained for 2023 is \$7,763,607. The County has also established a working capital requirement of \$1,900,000.
- The County has received \$9.7 million from the American Rescue Plan Act and committed \$7.9 million to specific projects through 2022. As of December 31, 2023, the County spent \$5.4 million with the remaining balance of \$4.0 million reported as unearned revenue.
- The County entered into three right to use software license agreements for an enterprise resource planning system, a human capital management system and a time and attendance system under the provisions of three subscription-based information technology agreements. A right to use asset of \$2,595,557 and a subscription liability of \$2,289,122 were recorded as of December 31, 2023.
- Highway operation's operating loss totaled \$468,785 during 2023.

Overview of the Basic Financial Statements

This discussion and analysis is intended to serve as an introduction to the County's basic financial statements. The County's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the basic financial statements.

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

The *statement of net position* presents information on all of the County's assets, liabilities, and deferred outflows and inflows 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.

The *statement of activities* presents information showing how the County's net position changed during the most recent 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 the 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., earned but unused vacation leave.)

Both of the government-wide financial statements distinguish functions of the 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, education and recreation, conservation and development and interest on long-term debt. The business-type activities of the County include a highway construction and maintenance operation.

The government-wide financial statements can be found on pages 18 to 20 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. The 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 two categories: governmental funds and proprietary 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 year. Such information may be useful in evaluating the County'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 County'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*.

The County maintains fifteen 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 and American Rescue Plan Act special revenue funds, the County sales tax capital projects fund and the debt service fund, all of which are considered to be major funds. Data from the 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.

The County adopts an annual appropriated budget for all its governmental funds. As part of the County's required supplementary information, budgetary comparison statements have been provided for the general fund and for each individual major special revenue fund to demonstrate compliance with the budget.

The basic governmental fund financial statements can be found on pages 21 to 26 of this report.

Proprietary funds. The County maintains a single type of proprietary fund. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The County uses an enterprise fund to account for its highway construction and maintenance operation.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide information for the highway construction and maintenance operation, which is considered to be a major fund of the County.

The basic proprietary fund financial statements can be found on pages 27 to 29 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 statements 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. The County maintains multiple custodial funds which are combined in the basic financial statements. Individual custodial fund information is provided in the form of combining statements elsewhere in this report.

The basic fiduciary fund financial statements can be found on pages 30 and 31 of this report.

Notes to the basic 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 basic financial statements can be found on pages 32 to 67 of this report.

Other information. In addition to the basic financial statements and accompanying notes, required supplementary information presents a schedule of funding progress for the other postemployment benefits plan, schedules of the proportionate share of the net pension liability (asset) and net OPEB liability (asset), schedules of employer contributions to the Wisconsin Retirement System (pension) and Local Retiree Life Insurance Fund (OPEB), as well as, a budgetary comparison schedule for the General Fund and Human Services and American Rescue Plan Act (ARPA) Special Revenue Funds to demonstrate compliance with the budget.

These schedules and related notes can be found on pages 68 to 78 of this report.

The combining statements referred to earlier in connection with nonmajor governmental and custodial funds and other information related to the individual funds and capital assets used in governmental activities are presented immediately following the required supplementary information.

Combining and individual statements and schedules can be found on pages 79 to 99 of this report.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of the County's financial position. In the case of the County, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$77,109,111 at the close of the most recent year. By far the largest portion of the County's net position (73%) reflects its investment in capital assets (e.g., land, buildings, machinery and equipment, infrastructure, etc.), less any related debt used to acquire those assets that are 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 remaining balance of restricted and unrestricted net position amounting to \$20,585,941 may be used to meet the County's ongoing obligations to citizens and creditors.

At the end of the current year, the County is able to report positive balances in all categories of net position, for the County as a whole. The County's business-type activities report a negative balance in unrestricted net position, as its net position is primarily invested in capital assets to provide services. The County's total net position increased by \$9,400,992 during the current year.

Calumet County's Net Position				
	Governmental Activities	Business-Type Activities	Totals	
			2023	2022
Current and other assets	\$ 61,955,034	\$ (200,131)	\$ 61,754,903	\$ 71,899,403
Capital assets	86,212,343	11,771,644	97,983,987	88,274,842
Total assets	<u>148,167,377</u>	<u>11,571,513</u>	<u>159,738,890</u>	<u>160,174,245</u>
Deferred outflows of resources	<u>20,733,522</u>	<u>1,526,059</u>	<u>22,259,581</u>	<u>17,791,074</u>
Long-term liabilities outstanding	53,177,765	913,250	54,091,015	49,923,976
Other liabilities	8,544,941	537,089	9,082,030	13,464,350
Total liabilities	<u>61,722,706</u>	<u>1,450,339</u>	<u>63,173,045</u>	<u>63,388,326</u>
Deferred inflows of resources	<u>40,703,900</u>	<u>1,012,415</u>	<u>41,716,315</u>	<u>46,868,874</u>
Net Position:				
Net investment in capital assets	44,751,526	11,771,644	56,523,170	46,768,119
Restricted	1,445,834	-	1,445,834	10,102,707
Unrestricted (deficit)	<u>20,276,933</u>	<u>(1,136,826)</u>	<u>19,140,107</u>	<u>10,837,293</u>
Total net position	<u>\$ 66,474,293</u>	<u>\$ 10,634,818</u>	<u>\$ 77,109,111</u>	<u>\$ 67,708,119</u>

Governmental activities. Governmental activities increased the County's net position by \$9,400,992, as summarized below.

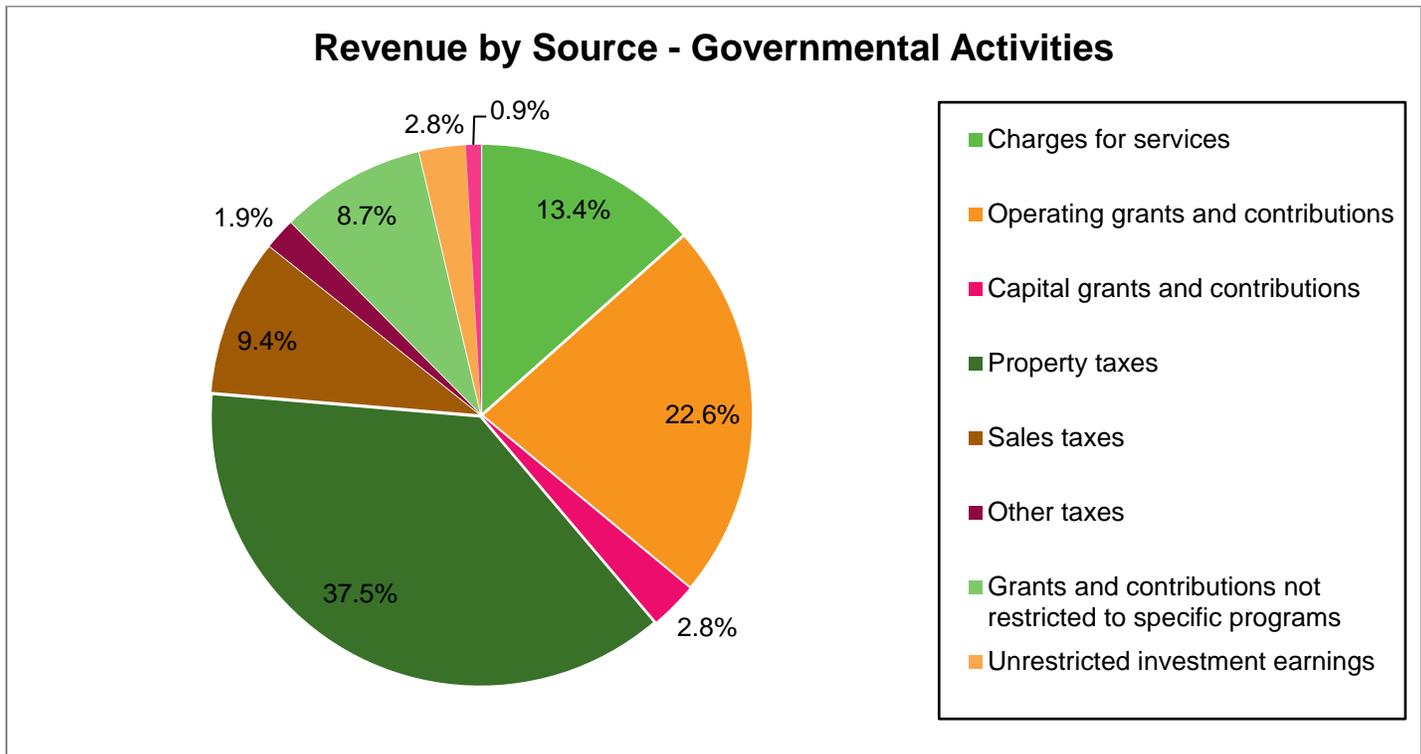
Calumet County's Change in Net Position				
	Governmental	Business-Type	Totals	
	Activities	Activities	2023	2022
Revenues:				
Program revenues:				
Charges for service	\$ 8,489,256	\$ 8,081,091	\$ 16,570,347	\$ 15,950,571
Operating grants and contributions	14,297,418	-	14,297,418	14,744,378
Capital grants and contributions	1,772,466	850,000	2,622,466	1,019,636
General revenues:				
Property taxes	23,735,317	-	23,735,317	22,961,768
Sales taxes	5,947,985	-	5,947,985	5,643,664
Other taxes	1,175,478	-	1,175,478	232,972
Grants and contributions not restricted to specific programs	5,516,204	-	5,516,204	2,171,299
Other	2,318,249	13,745	2,331,994	969,790
Total revenues	63,252,373	8,944,836	72,197,209	63,694,078
Expenses:				
General government	8,497,570	-	8,497,570	7,667,302
Public safety	10,584,145	-	10,584,145	9,763,089
Public works	4,027,679	-	4,027,679	4,033,283
Health and social services	21,889,899	-	21,889,899	19,707,979
Education and recreation	5,825,023	-	5,825,023	4,651,679
Conservation and development	2,575,359	-	2,575,359	2,680,991
Interest on long-term debt	846,666	-	846,666	891,955
Highway operations	-	8,549,876	8,549,876	8,035,066
Total expenses	54,246,341	8,549,876	62,796,217	57,431,344
Transfers	(841,712)	841,712	-	-
Change in net position	8,164,320	1,236,672	9,400,992	6,262,734
Net position - beginning	58,309,973	9,398,146	67,708,119	61,445,385
Net position - ending	\$ 66,474,293	\$ 10,634,818	\$ 77,109,111	\$ 67,708,119

Management's Discussion and Analysis (Unaudited)
December 31, 2023

Key elements of this increase are as follows:

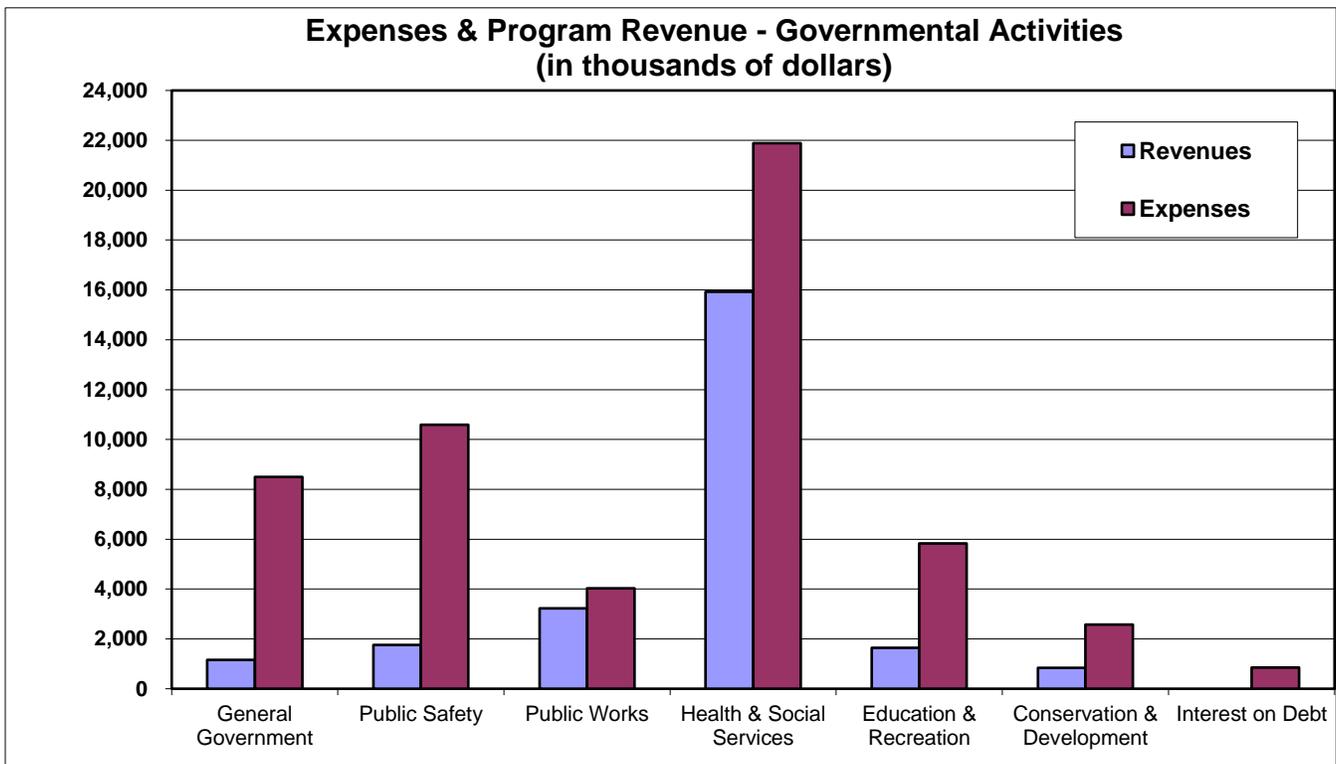
- As previously mentioned, sales taxes increased by \$304,321 (5%). The County implemented a 0.5% County sales tax in 2018 to eliminate debt issued for ongoing capital project expenditures.
- Operating grants and contributions continued to remain strong, decreasing \$477 thousand from 2022 due to an economic development grant received in 2022 to support County businesses due to the pandemic.
- Operating expenses for governmental activities increased by \$4,850,063, with significant changes as follows:
 - As previously discussed, the changes in the Wisconsin Retirement System resulted in an increase in expenses of approximately \$2.0 million across all functions of the County.
 - The County received a payment from a local municipality of \$982 thousand for the County's portion of the excess tax increments at close-out of their District.
 - Grants and contributions not restricted to specific programs increased because of ARPA revenue.
 - General government expenses increased \$830 thousand due to increased utility costs and other inflationary increases.
 - Education and recreation expenses increased \$1.2 million, as the County transitioned to internally manage its special education program and added 52 employees as of July 1, 2023.

The County's primary revenues sources are property taxes and operating grants, as summarized below.



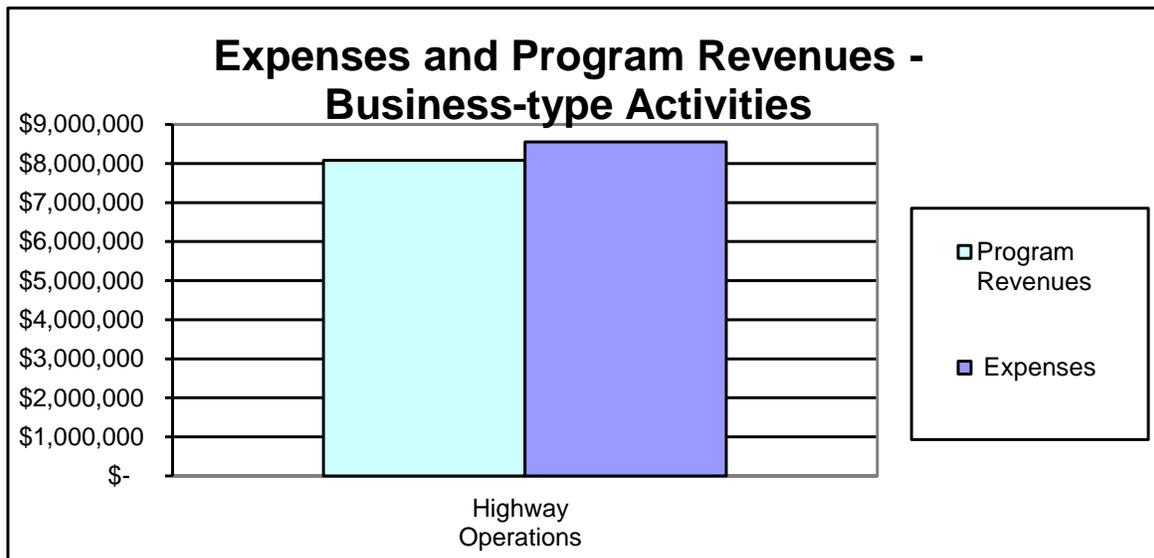
Management's Discussion and Analysis (Unaudited)
December 31, 2023

The following chart illustrates functional expenses and related revenues. The difference between expenses and revenues is financed by general revenues, primarily property taxes and grants not specific to a function, like shared revenues provided by the State of Wisconsin. A significant portion of the County's expenses are focused on health and human services, as the County's human service department administers a variety of programs to assist residents of the County, which are primarily supported by federal and state grants and other charges for services. The public safety function consists of the sheriff and emergency management services.

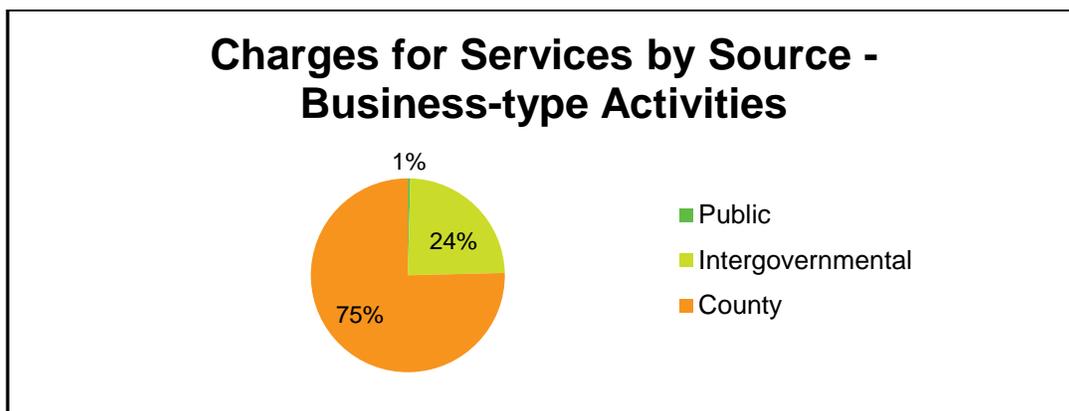


Business-type activities. Business-type activities from operations increased the County's net position by \$1,236,672. The following item affected the highway operations in 2023:

- Charges for services for highway construction and maintenance increased \$514,810 for 2023 while operating costs increased by \$352,141. The County continues to improve utilization of the department's machinery.
- The Wisconsin Department of Transportation and the County contributed \$650,000 and \$841,712, respectively, for the construction of a new salt shed. The Wisconsin Department of Transportation also contributed \$200,000 for salt brine equipment.



The highway operations rely primarily on charges to the State of Wisconsin for maintaining state highways within the County and charges to the County's county roads and bridges special revenue and sales tax capital projects funds for construction and maintenance of the County highway system.



Financial Analysis of the Government Funds

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

Governmental funds. The focus of the County's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the County's financing requirements. In particular, unassigned fund balance may serve as a useful measure of the County's net resources available for spending at the end of the year.

As of the end of the current year, the County's governmental funds reported combined ending fund balances of \$24,643,530, an increase of \$1,284,442 in comparison with the prior year. Approximately 44% of this amount (\$10,723,792) constitutes unassigned fund balance, which is available for spending at the County's discretion, as previously discussed. The remainder of the fund balance is restricted, committed, assigned or non-spendable to indicate that it is not available for new spending because it has already been obligated 1) for current year purchases of inventory and prepayments that benefit periods beyond the end of the current year (\$198,219), 2) for non-liquid delinquent taxes (\$376,723), 3) for advances to other funds that are not expected to be liquidated in the next year (\$690,493), 4) for fund balance applied in the 2024 budget and projects requested to be carried forward into the next budget cycle (\$3,861,713), and 5) for funds which are restricted or committed for a variety of other purposes (\$8,792,590).

The general fund is the main operating fund of the County. At the end of the current year, unassigned fund balance of the general fund was \$11,099,718, while the total fund balance was \$16,196,273. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 53 percent of the total general fund expenditures (excluding capital outlay), while total fund balance represents 77 percent of that same amount.

The fund balance of the County's general fund increased by \$1,411,245 during the current year.

Key factors of this increase are as follows:

- Overall expenditures exceeded revenues by \$1,063,078; however, the County financed \$2.5 million of capital outlay with subscription-based information and technology arrangement proceeds because of the implementation of GASB Statement No. 96. As a result, from a budgetary perspective, the fund balance increased about 1.4 million, which is due primarily to additional interest earnings.
- The human services special revenue fund returned a surplus of \$240,668 to the general fund in 2023. The County did retain portions of the fund balance within the human services fund to account for the remaining balance of a donation and a \$500,000 carryover for high-cost future placements.

The human services fund excess of revenues over expenditures amounted to \$460,649. Key factors influencing the excess revenues over expenditures are as follows:

- Human services continue to receive funding to address the costs of the pandemic, resulting in intergovernmental revenues exceeding budget by \$247,433.
- Charges for services exceeded the budget by \$434,387, offsetting some additional expenditures.

The American Rescue Plan Act (ARPA) special revenue fund was created to account for the ARPA funding received in 2021 and 2022. The County spent \$4,323,251 in 2023.

The County sales tax capital projects fund has a \$6,213,639 fund balance at the end of 2023, an increase of \$316,610 over the prior year. The ending fund balance consists of capital improvement projects of \$2,767,521 carried forward from 2023 and \$3,446,118 available for additional capital improvement projects.

The debt service fund balance remained at \$2 at the end of 2023, as the County's budgeted property taxes equal to the 2023 debt service payments.

Proprietary fund. The County's proprietary fund provides the same type of information found in the County's government-wide financial statements, but in more detail. The unrestricted net position of the highway construction and maintenance operations amounted to a negative \$1,136,826. The change in total net position was a \$1,236,672 increase due to the capital contributions previously discussed.

General Fund Budgetary Highlights

Differences between the original budget and the final amended budget amounted to a \$2,103,882 increase in appropriations and \$1,456,721 increase in estimated revenues, which consists primarily of the 2022 budget carryover, as summarized below:

- Expenditures of \$2,128,828 and anticipated grant revenues of \$1,317,193 representing projects and multi-year grant awards not completed in 2022 were carried forward.

The County's actual revenues were \$1,290,895 below budget, primarily in the intergovernmental and interest revenue sources. Interest earned was higher than the budget by \$1.5 million due to higher interest rates than anticipated. The budgetary shortfall in intergovernmental revenues can be briefly summarized as follows:

- Multi-year grant awards of \$2,884,940 were carried forward to 2024.

The County's actual expenditures were \$2,355,547 below budget, briefly summarized as follows:

- The County carried forward appropriations of \$1,360,266 in various departments for 2023 projects which were not completed as of the end of the year.
- Of the \$1,313,693 of multi-year grants carried forward, \$635,856 related to the parks department, \$600,000 related to economic development, and \$1,649,084 related to land conservation departments.
- Employee vacancies within many of the County departments and the increased time to recruit and fill positions in 2023.

The County's 2023 budget applied fund balance of \$1,455,629 to support capital outlay expenditures of general fund departments and other projects due to the fund's strong fiscal position.

Capital Assets and Debt Administration

Capital assets. The County's investment in capital assets for its governmental and business-type activities as of December 31, 2023 amounts to \$97,983,987 (net of accumulated depreciation). This investment in capital assets includes land, land improvements, buildings, machinery and equipment, public domain infrastructure (highways and bridges), right-to-use subscription assets, and work in progress.

Major capital asset events during the year included the following:

- The County recorded a right to use asset of \$2,595,557 related to three new software systems.
- County Trunk Highway construction projects (public domain infrastructure) were completed during the year at a cost of \$5,088,655. The County received \$1.8 million in federal and state grants.
- The County began a courthouse remodeling project to repurpose the old County jail into space for three departments. The project is financed by a combination of ARPA and sales tax funds, with \$2.6 million spent in 2023.
- A variety of machinery and equipment purchases were completed during the year at a cost of \$628,553 in the governmental activities and \$480,028 in the highway.
- The County placed into service a new salt shed in its highway operations totaling \$1.6 million, which was funded by the Wisconsin Department of Transportation and the County's sales tax fund.

Calumet County's Capital Assets (net of accumulated depreciation)						
	Governmental activities		Business-type activities		Totals	
	2023	2022	2023	2022	2023	2022
Land	\$ 4,028,171	\$ 4,028,171	\$ 51,381	\$ 51,381	\$ 4,079,552	\$ 4,079,552
Land Impr.	1,535,179	1,594,267	20,248	21,496	1,555,427	1,615,763
Buildings	37,658,966	37,387,475	8,434,811	7,000,866	46,093,777	44,388,341
Machinery & Equip.	5,548,887	6,218,280	3,066,205	2,982,625	8,615,092	9,200,905
Infrastructure	28,102,320	27,886,573	-	-	28,102,320	27,886,573
Work in Progress	6,736,568	706,487	198,999	311,553	6,935,567	1,018,040
Right-to-use Assets	2,602,252	85,668	-	-	2,602,252	85,668
Total	<u>\$ 86,212,343</u>	<u>\$ 77,906,921</u>	<u>\$ 11,771,644</u>	<u>\$ 10,367,921</u>	<u>\$ 97,983,987</u>	<u>\$ 88,274,842</u>

Overall capital assets increased \$9.7 million, with a corresponding increase in the County's net investment in capital assets. The County generally utilizes the County sales tax and available general fund balance to finance capital improvements.

The highway enterprise fund's net investment in capital assets increased primarily due to the salt shed.

Additional information on the County's capital assets can be found in note 3.C pages 46 and 47 of this report.

Long-term debt. At the end of the current year, the County had a total general obligation debt outstanding of \$39,165,000. The full faith and credit of the County backs this debt.

Calumet County's Outstanding Debt						
	Governmental activities		Business-type activities		Totals	
	2023	2022	2023	2022	2023	2022
General Obligation						
Bonds	\$ 34,475,000	\$ 34,475,000	\$ -	\$ -	\$ 34,475,000	\$ 34,475,000
Notes	4,690,000	6,940,000	-	-	4,690,000	6,940,000
Total	<u>\$ 39,165,000</u>	<u>\$ 41,415,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 39,165,000</u>	<u>\$ 41,415,000</u>

The County did not issue any new debt in 2023 resulting in a \$2.2 million dollar decrease in total general obligation debt during the current year.

State statutes limit the amount of general obligation debt the County may issue to 5 percent of its total equalized valuation. The current debt limitation for the County is \$338,395,900; which is significantly greater than the County's \$39,165,000 in outstanding general obligation debt.

Additional information on the County's long-term debt can be found in Note 3.E on pages 49 and 50 of this report.

Economic Factors and Next Year's Budgets and Rates

- Calumet County's unemployment rate was 2.3% as of December, 2023 compared to 1.7% for the prior year. This compares favorably with the Wisconsin unemployment rates of 3.4% and 3.0%, respectively.
- Calumet County's 2023 equalized property value stands at over \$6.8 billion, an increase of approximately 14 percent from 2022. In 2023, the County realized more than \$175.4 million (2.96%) increase in net new construction valuation.
- The 2021 Per Capita Personal Income of Calumet County per the Bureau of Economic Analysis – US Department of Commerce was \$58,999 which ranked nineteenth highest in the State and an increase of 6.4% over the previous year. The state-wide Per Capita Personal Income for the same time period was \$61,475.
- The County maintains an AA+ (Stable) bond rating from Standard & Poors Global Ratings Service, based in part on the relatively strong economic climate of the County.

All of these factors were considered in preparing the County's budget for the 2024 fiscal year.

Wisconsin enacted legislation in 2009 to impose a limit on the amount of the annual tax levy increase. This limit imposed on Wisconsin counties uses the baseline of 2010 levy adopted for the 2011 budget. The legislation limits the increase in the amount of the levy to the greater of 0.0% or growth in net new construction within the county for the 2024 budget. Net new construction is defined as "changes to equalized value due to construction of buildings and improvements to land minus changes to equalized value due to the demolishing or destruction of buildings and the removal of land improvements." Calumet County increased the 2023 tax levy for the 2024 budget by the maximum allowed under this legislation.

Requests for Information

This financial report is designed to provide a general overview of the County's finances for all those with an interest in the County's finances. Questions concerning any of the information provided in this report or request for additional financial information should be addressed to the Finance Director, Calumet County Finance Department, 206 Court Street, Chilton, WI 53014-1198.

BASIC FINANCIAL STATEMENTS

CALUMET COUNTY, WISCONSIN

Statement of Net Position
December 31, 2023
(With Summarized Financial Information as of December 31, 2022)

Assets	Governmental	Business-type	Totals	
	Activities	Activity	2023	2022
Cash and investments	\$ 27,755,485	\$ 50	\$ 27,755,535	\$ 30,177,496
Receivables				
Taxes	24,446,961	-	24,446,961	23,126,211
Delinquent property taxes	604,865	-	604,865	478,794
Accounts	4,367,149	1,254,692	5,621,841	6,102,904
Loans	3,322	-	3,322	15,278
Lease	2,640,825	-	2,640,825	2,802,487
Internal balances	1,938,208	(1,938,208)	-	-
Inventories	18,752	481,727	500,479	565,332
Prepaid items	111,129	1,608	112,737	101,295
Other assets	68,338	-	68,338	54,900
Restrict net pension asset	-	-	-	8,474,706
Capital assets (net of accumulated depreciation):				
Land	4,028,171	51,381	4,079,552	4,079,552
Land improvements	1,535,179	20,248	1,555,427	1,615,763
Buildings and improvements	37,658,966	8,434,811	46,093,777	44,388,341
Machinery and equipment	5,548,887	3,066,205	8,615,092	9,200,905
Infrastructure	28,102,320	-	28,102,320	27,886,573
Intangible assets - right-to-use	2,602,252	-	2,602,252	85,668
Construction in progress	6,736,568	198,999	6,935,567	1,018,040
Total assets	148,167,377	11,571,513	159,738,890	160,174,245
Deferred outflows of resources				
Deferred outflows related to pension	19,857,230	1,440,748	21,297,978	16,563,677
Deferred outflows related to OPEB	876,292	85,311	961,603	1,227,397
Total deferred outflows of resources	20,733,522	1,526,059	22,259,581	17,791,074
Liabilities				
Accounts payable and accrued expenses	3,971,139	488,704	4,459,843	4,585,190
Due to other governments	135,643	-	135,643	124,721
Accrued interest payable	97,331	-	97,331	101,486
Unearned revenue	4,340,828	48,385	4,389,213	8,652,953
Noncurrent liabilities:				
Due within one year	3,529,818	95,953	3,625,771	3,388,124
Due in more than one year	40,616,526	10,677	40,627,203	40,705,343
Net pension liability	5,280,071	395,050	5,675,121	-
OPEB liability	3,751,350	411,570	4,162,920	5,830,509
Total liabilities	61,722,706	1,450,339	63,173,045	63,388,326
Deferred inflows of resources				
Property taxes levied for subsequent year	25,088,287	-	25,088,287	23,735,317
Leases	2,640,825	-	2,640,825	2,802,487
Deferred inflows related to pension	11,075,960	836,589	11,912,549	19,945,902
Deferred inflows related to OPEB	1,898,828	175,826	2,074,654	385,168
Total deferred inflows of resources	40,703,900	1,012,415	41,716,315	46,868,874
Net Position				
Net investment in capital assets	44,751,526	11,771,644	56,523,170	46,768,119
Restricted	1,445,834	-	1,445,834	10,102,707
Unrestricted (deficit)	20,276,933	(1,136,826)	19,140,107	10,837,293
Total net position	\$ 66,474,293	\$ 10,634,818	\$ 77,109,111	\$ 67,708,119

The notes to the basic financial statements are an integral part of this statement.

CALUMET COUNTY, WISCONSIN

Statement of Activities
 For the Year Ended December 31, 2023
 (With Summarized Financial Information for the Year Ended December 31, 2022)

	Program Revenues			
	Expenses	Charges for Services	Operating Grants and Contributions	
<u>Functions/Programs</u>				
Primary Government:				
Governmental activities:				
General government	\$ 8,497,570	\$ 902,047	\$ 249,813	\$ -
Public safety	10,584,145	1,524,746	238,085	-
Public works	4,027,679	-	1,457,778	1,772,466
Health and social services	21,889,899	5,341,428	10,585,114	-
Education and recreation	5,825,023	481,532	1,162,461	-
Conservation and development	2,575,359	239,503	604,167	-
Interest on long-term debt	846,666	-	-	-
Total governmental activities	<u>54,246,341</u>	<u>8,489,256</u>	<u>14,297,418</u>	<u>1,772,466</u>
Business-type activity:				
Highway operations	8,549,876	8,081,091	-	850,000
Total business-type activities	<u>8,549,876</u>	<u>8,081,091</u>	<u>-</u>	<u>850,000</u>
Total primary government	<u>\$ 62,796,217</u>	<u>\$ 16,570,347</u>	<u>\$ 14,297,418</u>	<u>\$ 2,622,466</u>
General revenues:				
Property taxes				
Sales taxes				
Other taxes				
Grants and contributions not restricted to specific programs				
Unrestricted investments earnings				
Miscellaneous				
Gain on sale of capital assets				
Transfers				
Total general revenues and transfers				
Change in net position				
Net position - beginning				
Net position - ending				
The notes to the basic financial statements are an integral part of this statement.				

Net (Expense) Revenue and
Changes in Net Position

Governmental Activities	Business-type Activity	Totals	
		2023	2022
\$ (7,345,710)	\$ -	\$ (7,345,710)	\$ (6,460,178)
(8,821,314)	-	(8,821,314)	(8,375,230)
(797,435)	-	(797,435)	(1,701,538)
(5,963,357)	-	(5,963,357)	(3,912,326)
(4,181,030)	-	(4,181,030)	(2,654,883)
(1,731,689)	-	(1,731,689)	(1,434,169)
(846,666)	-	(846,666)	(891,955)
<u>(29,687,201)</u>	<u>-</u>	<u>(29,687,201)</u>	<u>(25,430,279)</u>
-	381,215	381,215	(286,480)
<u>-</u>	<u>381,215</u>	<u>381,215</u>	<u>(286,480)</u>
<u>(29,687,201)</u>	<u>381,215</u>	<u>(29,305,986)</u>	<u>(25,716,759)</u>
23,735,317	-	23,735,317	22,961,768
5,947,985	-	5,947,985	5,643,664
1,175,478	-	1,175,478	232,972
5,516,204	-	5,516,204	2,171,299
1,752,805	-	1,752,805	60,002
549,209	-	549,209	904,324
16,235	13,745	29,980	5,464
(841,712)	841,712	-	-
<u>37,851,521</u>	<u>855,457</u>	<u>38,706,978</u>	<u>31,979,493</u>
8,164,320	1,236,672	9,400,992	6,262,734
<u>58,309,973</u>	<u>9,398,146</u>	<u>67,708,119</u>	<u>61,445,385</u>
<u>\$ 66,474,293</u>	<u>\$ 10,634,818</u>	<u>\$ 77,109,111</u>	<u>\$ 67,708,119</u>

CALUMET COUNTY, WISCONSIN

Balance Sheet – Governmental Funds
December 31, 2023

(With Summarized Financial Information as of December 31, 2022)

	<u>General</u>	<u>Human Services</u>	<u>American Rescue Plan Act</u>
Assets			
Cash and investments	\$ 14,732,698	\$ 741,107	\$ 4,740,840
Receivables			
Taxes	13,885,335	4,947,922	-
Delinquent property taxes	604,865	-	-
Accounts	910,090	1,299,629	-
Loans	-	-	-
Lease	2,640,825	-	-
Due from other funds	609,436	-	-
Advances to other funds	1,938,208	-	-
Inventories	18,752	-	-
Prepaid items	101,865	9,264	-
Insurance deposits	68,338	-	-
Total assets	<u>\$ 35,510,412</u>	<u>\$ 6,997,922</u>	<u>\$ 4,740,840</u>
Liabilities, deferred inflows of resources and fund balances			
Liabilities:			
Accounts payable and accrued expenses	\$ 1,550,486	\$ 1,135,387	\$ 772,147
Due to other governments	132,576	-	-
Due to other funds	-	-	-
Unearned revenue	357,350	14,785	3,968,693
Total liabilities	<u>2,040,412</u>	<u>1,150,172</u>	<u>4,740,840</u>
Deferred inflows of resources:			
Property taxes levied for subsequent year	14,526,661	4,947,922	-
Leases	2,640,825	-	-
Unavailable revenues	106,241	307,943	-
Total deferred inflows of resources	<u>17,273,727</u>	<u>5,255,865</u>	<u>-</u>
Fund balances:			
Nonspendable	1,256,171	9,264	-
Restricted	76,212	91,885	-
Committed	393,195	-	-
Assigned	3,370,977	490,736	-
Unassigned (deficit)	11,099,718	-	-
Total fund balances	<u>16,196,273</u>	<u>591,885</u>	<u>-</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 35,510,412</u>	<u>\$ 6,997,922</u>	<u>\$ 4,740,840</u>

The notes to the basic financial statements are an integral part of this statement.

County Sales Tax	Debt Service	Other Governmental Funds	Total Governmental Funds	
			2023	2022
\$ 6,072,274	\$ 2	\$ 1,468,564	\$ 27,755,485	\$ 30,177,446
-	3,010,431	2,603,273	24,446,961	23,126,211
-	-	-	604,865	478,794
348,618	-	1,808,812	4,367,149	5,801,790
-	-	3,322	3,322	15,278
-	-	-	2,640,825	2,802,487
-	-	-	609,436	813,268
-	-	-	1,938,208	947,067
-	-	-	18,752	22,672
-	-	-	111,129	100,515
-	-	-	68,338	54,900
<u>\$ 6,420,892</u>	<u>\$ 3,010,433</u>	<u>\$ 5,883,971</u>	<u>\$ 62,564,470</u>	<u>\$ 64,340,428</u>
\$ 207,253	\$ -	305,866	\$ 3,971,139	\$ 3,996,436
-	-	3,067	135,643	124,721
-	-	609,436	609,436	813,268
-	-	-	4,340,828	8,576,175
<u>207,253</u>	<u>-</u>	<u>918,369</u>	<u>9,057,046</u>	<u>13,510,600</u>
-	3,010,431	2,603,273	25,088,287	23,735,317
-	-	-	2,640,825	2,802,487
-	-	720,598	1,134,782	932,936
<u>-</u>	<u>3,010,431</u>	<u>3,323,871</u>	<u>28,863,894</u>	<u>27,470,740</u>
-	-	-	1,265,435	1,200,697
-	2	560,461	728,560	1,055,113
6,213,639	-	1,457,196	8,064,030	7,640,569
-	-	-	3,861,713	2,639,339
-	-	(375,926)	10,723,792	10,823,370
<u>6,213,639</u>	<u>2</u>	<u>1,641,731</u>	<u>24,643,530</u>	<u>23,359,088</u>
<u>\$ 6,420,892</u>	<u>\$ 3,010,433</u>	<u>\$ 5,883,971</u>	<u>\$ 62,564,470</u>	<u>\$ 64,340,428</u>

CALUMET COUNTY, WISCONSIN

Reconciliation of the Balance Sheet – Governmental Funds
To the Statement of Net Position
December 31, 2023
(With Summarized Financial Information as of December 31, 2021)

	<u>2023</u>	<u>2022</u>
RECONCILIATION TO THE STATEMENT OF NET POSITION		
Total fund balances as shown on previous page	\$ 24,643,530	\$ 23,359,088
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not current financial resources and therefore are not reported in the funds.	86,212,343	77,906,921
Other long-term assets are not available to pay current period expenditures and therefore are deferred in the funds.		
Net pension asset	-	7,844,086
Accounts receivable	1,025,219	828,290
Loans receivable	3,322	15,278
Interest on delinquent taxes	106,241	89,368
Some deferred outflows and inflows of resources reflect changes in long-term liabilities and are not reported in the funds.		
Deferred outflows related to pensions	19,857,230	15,321,417
Deferred inflows related to pensions	(11,075,960)	(18,418,238)
Deferred outflows related to other postemployment benefits	876,292	1,119,998
Deferred inflows related to other postemployment benefits	(1,898,828)	(350,353)
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.		
Bonds and notes payable	(39,165,000)	(41,415,000)
Subscription-based information and technology payable	(2,289,122)	-
Debt premiums	(846,032)	(940,349)
Leases payable	(6,695)	(91,723)
Compensated absences	(1,839,495)	(1,566,048)
Net pension liability	(5,280,071)	-
Other postemployment benefit liability	(3,751,350)	(5,291,276)
Accrued interest on long-term obligations	<u>(97,331)</u>	<u>(101,486)</u>
Net position of governmental activities as reported on the statement of net position (see page 18)	<u>\$ 66,474,293</u>	<u>\$ 58,309,973</u>

CALUMET COUNTY, WISCONSIN

Statement of Revenues, Expenditures and Changes in Fund Balance – Governmental Funds
For the Year Ended December 31, 2023
(With Summarized Financial Information for the Year Ended December 31, 2022)

	General	Human Services	American Rescue Plan Act
	<u> </u>	<u> </u>	<u> </u>
Revenues			
Taxes	\$ 14,931,734	\$ 4,785,024	\$ -
Intergovernmental	2,225,852	10,554,936	4,363,137
Licenses and permits	154,522	-	-
Fines and forfeitures	123,053	-	-
Charges for services	2,473,483	2,727,033	-
Intergovernmental charges for services	285,862	-	-
Interest income	1,741,340	-	-
Miscellaneous	369,432	60	-
Total revenues	<u>22,305,278</u>	<u>18,067,053</u>	<u>4,363,137</u>
Expenditures			
Current:			
General government	7,986,685	-	23,523
Public safety	8,337,977	-	1,528
Health and social services	219,245	17,550,784	249,041
Public works	-	-	-
Education and recreation	2,445,692	-	100,000
Conservation and development	1,907,205	-	344,075
Capital outlay	2,465,207	-	3,396,115
Debt service:			
Principal retirement	6,055	53,647	176,085
Interest and other charges	290	1,973	32,884
Total expenditures	<u>23,368,356</u>	<u>17,606,404</u>	<u>4,323,251</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,063,078)</u>	<u>460,649</u>	<u>39,886</u>
Other financing sources (uses)			
Subscription-based information and technology	2,465,207	-	-
Transfers in	280,554	-	-
Transfers out	(271,438)	(240,668)	(39,886)
Total other financing sources (uses)	<u>2,474,323</u>	<u>(240,668)</u>	<u>(39,886)</u>
Net change in fund balances	1,411,245	219,981	-
Fund balances - beginning	14,785,028	371,904	-
Fund balances - ending	<u>\$ 16,196,273</u>	<u>\$ 591,885</u>	<u>\$ -</u>

The notes to the basic financial statements are an integral part of this statement.

County Sales Tax	Debt Service	Other Governmental Funds	Total Governmental Funds	
			2023	2022
\$ 5,947,985	\$ 3,160,281	\$ 2,016,883	\$ 30,841,907	\$ 28,868,011
-	-	3,245,338	20,389,263	17,915,677
-	-	39,934	194,456	189,412
-	-	-	123,053	97,086
-	-	2,606,123	7,806,639	7,413,023
-	-	-	285,862	341,009
-	-	11,465	1,752,805	8,623
-	-	90,225	459,717	743,393
<u>5,947,985</u>	<u>3,160,281</u>	<u>8,009,968</u>	<u>61,853,702</u>	<u>55,576,234</u>
-	-	16,678	8,026,886	7,792,717
-	-	8,069	8,347,574	8,478,275
-	-	2,998,108	21,017,178	20,361,449
-	-	1,941,334	1,941,334	1,794,713
-	-	3,133,729	5,679,421	5,211,589
-	-	251,020	2,502,300	2,721,321
4,789,663	-	595,862	11,246,847	4,596,286
-	2,250,000	-	2,485,787	2,205,000
-	910,281	-	945,428	983,756
<u>4,789,663</u>	<u>3,160,281</u>	<u>8,944,800</u>	<u>62,192,755</u>	<u>54,145,106</u>
<u>1,158,322</u>	<u>-</u>	<u>(934,832)</u>	<u>(339,053)</u>	<u>1,431,128</u>
-	-	-	2,465,207	-
-	-	271,438	551,992	964,834
(841,712)	-	-	(1,393,704)	(964,834)
<u>(841,712)</u>	<u>-</u>	<u>271,438</u>	<u>1,623,495</u>	<u>-</u>
316,610	-	(663,394)	1,284,442	1,431,128
<u>5,897,029</u>	<u>2</u>	<u>2,305,125</u>	<u>23,359,088</u>	<u>21,927,960</u>
<u>\$ 6,213,639</u>	<u>\$ 2</u>	<u>\$ 1,641,731</u>	<u>\$ 24,643,530</u>	<u>\$ 23,359,088</u>

CALUMET COUNTY, WISCONSIN

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balance –
Governmental Funds to the Statement of Activities
For the Year Ended December 31, 2023
(With Summarized Financial Information for the Year Ended December 31, 2021)

	<u>2023</u>	<u>2022</u>
RECONCILIATION TO THE STATEMENT OF ACTIVITIES		
Net change in fund balances as shown on previous page	\$ 1,284,442	\$ 1,431,128
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.		
Capital assets reported as capital outlay in governmental fund statements	8,651,290	4,596,286
Capital assets reported as current expenditures in governmental fund statements	521,919	886,898
Subscription-based information and technology assets	2,595,557	-
Capital assets contributed	1,196,825	-
Depreciation/amortization expense reported in the statement of activities	(4,595,816)	(4,779,094)
Net book value of disposals	(39,026)	(146,378)
Governmental funds do not present revenues that are not available to pay current obligations. In contrast, such revenues are reported in the statement of activities when earned.		
Net pension asset	(7,844,086)	1,898,669
Loans receivable	(11,957)	(22,714)
Interest on delinquent taxes	16,873	(29,607)
Accounts receivable	196,929	820,661
Debt issued provides current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.		
Subscription-based information and technology		
New subscriptions	(2,465,207)	-
Principal retired	176,085	-
Long-term debt principal and leases paid	2,309,702	2,264,921
Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds:		
Accrued interest on long-term debt	4,155	3,988
Amortization of debt premiums	94,317	91,032
Compensated absences	(273,447)	84,919
Net pension liability	(5,280,071)	-
Deferred outflows of resources related to pensions	4,535,813	5,405,901
Deferred inflows of resources related to pensions	7,342,278	(5,423,477)
Other postemployment benefits liability	1,539,926	(444,895)
Deferred outflows of resources related to other postemployment benefits	(243,706)	(137,313)
Deferred inflows of resources related to other postemployment benefits	<u>(1,548,475)</u>	<u>42,825</u>
Change in net position of governmental activities as reported in the statement of activities (see pages 19 - 20)	<u>\$ 8,164,320</u>	<u>\$ 6,543,750</u>

The notes to the basic financial statements are an integral part of this statement.

CALUMET COUNTY, WISCONSIN

Statement of Net Position – Proprietary Fund
 Highway Operations Enterprise Fund
 December 31, 2023
 With Comparative Totals as of December 31, 2022

	<u>2023</u>	<u>2022</u>
Assets		
Current assets:		
Cash and investments	\$ 50	\$ 50
Accounts receivable	1,254,692	301,114
Inventories	481,727	542,660
Prepaid items	1,608	780
Total current assets	<u>1,738,077</u>	<u>844,604</u>
Noncurrent Assets:		
Restricted net pension asset	-	630,620
Capital assets (net of accumulated depreciation):		
Land	51,381	51,381
Construction in progress	198,999	311,553
Land improvements	20,248	21,496
Buildings and improvements	8,434,811	7,000,866
Machinery and equipment	3,066,205	2,982,625
Total noncurrent assets	<u>11,771,644</u>	<u>10,998,541</u>
Total Assets	<u>13,509,721</u>	<u>11,843,145</u>
Deferred outflows of resources		
Deferred outflows related to pension	1,440,748	1,242,260
Deferred outflows related to OPEB	85,311	107,399
Total deferred outflows of resources	<u>1,526,059</u>	<u>1,349,659</u>
Liabilities		
Current Liabilities:		
Accounts payable	488,704	588,754
Advances from general fund	1,247,715	255,020
Unearned revenue	48,385	76,778
Compensated absences	95,953	71,414
Total current liabilities	<u>1,880,757</u>	<u>991,966</u>
Noncurrent liabilities:		
Advances from general fund	690,493	692,047
Compensated absences payable	10,677	8,933
Net pension liability	395,050	-
OPEB liability	411,570	539,233
Total noncurrent liabilities	<u>1,507,790</u>	<u>1,240,213</u>
Total Liabilities	<u>3,388,547</u>	<u>2,232,179</u>
Deferred inflows of resources		
Deferred inflows related to pension	836,589	1,527,664
Deferred inflows related to OPEB	175,826	34,815
Total deferred inflows of resources	<u>1,012,415</u>	<u>1,562,479</u>
Net Position		
Net investment in capital assets	11,771,644	10,367,921
Restricted for pension benefits	-	630,620
Unrestricted (deficit)	<u>(1,136,826)</u>	<u>(1,600,395)</u>
Total Net Position	<u>\$ 10,634,818</u>	<u>\$ 9,398,146</u>

The notes to the basic financial statements are an integral part of this statement.

CALUMET COUNTY, WISCONSIN

Statement of Revenues, Expenses and Changes in Net Position– Proprietary Fund
 Highway Operations Enterprise Fund
 For the Year Ended December 31, 2023
 With Comparative Totals for the Year Ended December 31, 2022

	<u>2023</u>	<u>2022</u>
OPERATING REVENUES		
Charges for services		
Public	\$ 33,586	\$ 40,196
Intergovernmental	1,955,138	1,928,496
Interdepartmental	6,092,367	5,760,258
Total Operating Revenues	<u>8,081,091</u>	<u>7,728,950</u>
OPERATING EXPENSES		
Salaries	1,600,766	1,453,616
Benefits	575,691	418,184
Contract services	185,883	1,827,325
Operating	5,605,968	3,737,810
Depreciation	581,568	598,131
Total Operating Expenses	<u>8,549,876</u>	<u>8,035,066</u>
Operating loss	<u>(468,785)</u>	<u>(306,116)</u>
NONOPERATING REVENUES		
Gain on disposal of capital assets	13,745	5,464
Total Nonoperating Revenues	<u>13,745</u>	<u>5,464</u>
Loss before Contributions and Transfers	(455,040)	(300,652)
CONTRIBUTIONS AND TRANSFERS		
Capital contributions	850,000	19,636
Transfers in	841,712	-
Total Contributions and Transfers	<u>1,691,712</u>	<u>19,636</u>
Change in Net Position	1,236,672	(281,016)
Total net position - beginning	<u>9,398,146</u>	<u>9,679,162</u>
Total net position - ending	<u>\$ 10,634,818</u>	<u>\$ 9,398,146</u>

The notes to the basic financial statements are an integral part of this statement.

CALUMET COUNTY, WISCONSIN

Statement of Cash Flows– Proprietary Fund
 Highway Operations Enterprise Fund
 For the Year Ended December 31, 2023
 With Comparative Totals for the Year Ended December 31, 2022

	2023	2022
Cash flows from operating activities		
Receipts from customers and users	\$ 1,006,753	\$ 1,995,757
Receipts from interfund services provided	6,092,367	5,760,258
Payments to suppliers	(5,953,403)	(5,340,807)
Payments to employees	(1,978,631)	(1,967,014)
Net cash provided by (used in) operating activities	<u>(832,914)</u>	<u>448,194</u>
Cash flows from noncapital financing activities		
Advances received from (returned) to the general fund	991,141	76,227
Net cash provided by noncapital financing activities	<u>991,141</u>	<u>76,227</u>
Cash flows from capital and related financing activities		
Contributions	850,000	19,636
Proceeds from sale of assets	16,832	7,850
Purchase of capital assets	(1,866,771)	(551,907)
Net cash used in capital and related financing activities	<u>(158,227)</u>	<u>(524,421)</u>
Net change in cash and cash equivalents	-	-
Cash and cash equivalents - January 1	<u>50</u>	<u>50</u>
Cash and cash equivalents - December 31	<u>\$ 50</u>	<u>\$ 50</u>
Reconciliation of operating loss to net cash provided by operating activities:		
Operating loss	\$ (468,785)	\$ (306,116)
Adjustments to reconcile operating loss to net cash provided by (used in) operating activities:		
Depreciation	581,568	598,131
Changes in assets, deferred outflows, liabilities and deferred inflows		
Accounts receivable	(953,578)	(13,618)
Inventories and prepaid items	60,105	(88,495)
Net pension asset / liability	1,025,670	(144,465)
Net pension related deferred outflows	(198,488)	(427,957)
Net pension related deferred inflows	(691,075)	436,017
Accounts payable	(100,050)	191,216
Unearned revenue	(28,393)	40,683
Compensated absences payable	26,283	(4,915)
OPEB liability	(127,663)	36,551
OPEB related deferred outflows	22,088	13,824
OPEB related deferred inflows	141,011	(4,269)
Net cash provided by (used in) operating activities	<u>\$ (832,914)</u>	<u>\$ 448,194</u>

The notes to the basic financial statements are an integral part of this statement.

CALUMET COUNTY, WISCONSIN

Statement of Fiduciary Net Position
Fiduciary Funds
December 31, 2023
With Comparative Totals as of December 31, 2022

	Custodial Funds	
	<u>2023</u>	<u>2022</u>
Assets		
Cash and investments	<u>\$ 5,115,862</u>	<u>\$ 4,822,679</u>
Liabilities		
Due to other governments	<u>4,323,886</u>	<u>4,382,107</u>
Fiduciary net position		
Restricted for individuals and other governments	<u>\$ 791,976</u>	<u>\$ 440,572</u>

The notes to the basic financial statements are an integral part of this statement.

CALUMET COUNTY, WISCONSIN

Statement of Changes in Fiduciary Net Position
 Fiduciary Funds
 For the Year Ended December 31, 2023
 With Comparative Totals for the Year Ended December 31, 2022

	Custodial Funds	
	2023	2022
Additions		
Property taxes collected for other governments	\$ 9,400,309	\$ 8,639,838
Deposits for human services clients	781,824	771,852
Fines, fees, forfeitures and general trust	1,718,666	1,504,400
Inmate deposits	395,816	380,522
Total additions	12,296,615	11,296,612
Deductions		
Property taxes distributed to other governments	9,400,309	8,639,838
Payments for human services clients	846,393	804,605
Fines, fees and forfeitures	1,096,844	1,033,202
General trust	212,743	466,180
Inmate disbursements	388,922	386,967
Total deductions	11,945,211	11,330,792
Change in fiduciary net position	351,404	(34,180)
Fiduciary net position - beginning	440,572	474,752
Fiduciary net position - ending	\$ 791,976	\$ 440,572

The notes to the basic financial statements are an integral part of this statement.

CALUMET COUNTY, WISCONSIN

Notes to Basic Financial Statements
December 31, 2023

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The basic financial statements of Calumet County, Wisconsin (the "County"), have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government 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

Calumet County is a municipal corporation governed by an elected twenty-one member board. In accordance with GAAP, the basic financial statements are required to include the County and any separate component units that have a significant operational or financial relationship with the County. The County has not identified any component units that are required to be included in the basic financial statements in accordance with standards.

B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the County. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities*, which are primarily supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for services.

The statement of activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

Separate financial statements are provided for governmental funds and proprietary funds. Governmental funds include general, special revenue, debt service and capital projects funds. Proprietary funds include enterprise funds. The County has no internal service funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements. A fund is considered major if it is the primary operating fund of the County or meets the following criteria:

- a. Total assets/deferred outflows of resources, liabilities/deferred inflows of resource, revenues, or expenditures/expenses of an individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type, and
- b. The same element of the individual governmental or enterprise fund that met the 10 percent test is at least 5 percent of the corresponding total for all governmental and enterprise funds combined.
- c. In addition, any other governmental or enterprise fund that the County believes is particularly important to the financial statement users may be reported as a major fund.

The County reports the following major governmental funds:

General Fund

This is the County's primary operating fund. It accounts for all financial resources of the general government, except those accounted for and reported in another fund.

Human Services Fund

This special revenue fund accounts for the County's many comprehensive and integrated programs which deal with the physical, social, mental, emotional, economic, vocational and nutritional needs of individuals and families. Primary revenues consist of property taxes, federal and state aids.

CALUMET COUNTY, WISCONSIN

Notes to Basic Financial Statements
December 31, 2023

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

American Rescue Plan Act (ARPA)

This special revenue fund accounts for the American Rescue Plan Act of 2021 (ARPA) funding received for public health and economic impacts caused by the pandemic and maintain County services affected by revenue losses.

County Sales Tax Capital Projects Fund

This fund accounts for financial resources to be used for the acquisition or construction of major capital facilities. Primary revenues consist of sales tax.

Debt Service Fund

This fund accounts for financial resources to be used for the payment of long-term principal and interest of debt.

The County reports the following major proprietary fund:

Highway operations fund accounts for the activities associated with the maintenance and/or construction of roadways located within the County.

Additionally, the County reports the following fund types:

- ▶ *Special revenue funds* are used to account for the proceeds of specific revenue sources that are legally restricted or committed for specific purposes. The County reports the following non-major special revenue funds:

Home Nursing	Land Records
Opioid Abatement	Micro Loan Program
Children with Disabilities Education Board	UW Extension Programs
County Roads and Bridges	Dog Licenses
Jail Maintenance	

- ▶ *Capital projects funds* are used to account for financial resources to be used for the acquisition or construction of major capital facilities. The County reports the following non-major capital project fund:

Capital Improvements

- ▶ *Fiduciary funds – custodial funds* are used to account for and report assets controlled by the County and assets are for the benefit of individuals, private organizations and/or other governmental units. The County reports the following custodial funds:

Tax Collections	Clerk of Courts
Representative Payee	Inmate Trust

C. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

Government-Wide Financial Statements

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenues as soon as all eligibility requirements imposed by the provider have been 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 County's public works function and various other functions of the County. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

CALUMET COUNTY, WISCONSIN

Notes to Basic Financial Statements
December 31, 2023

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, and fees and fines, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Fund Financial Statements

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered 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 considers revenues to be available if they are collected within 180 days (intergovernmental grants) and 60 days (all other revenues) of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting, except for debt service expenditures, claims, judgments, and compensated absences, which are recorded as a fund liability when expected to be paid with expendable available financial resources.

Property taxes are recorded in the year levies as receivables and deferred inflow. They are recognized as revenues in the succeeding year when services funded by the levy are being provided. Sales taxes are recognized as revenues in the year the underlying sales relating to it take place.

Intergovernmental aid and grants are recognized as revenues in the period the County is entitled to the resources and the amounts are available. Amounts owed to the County which are not available are recorded as receivables and unavailable revenues. Amounts received before eligibility requirements (excluding time requirements) are met are recorded as liabilities. Amounts received in advance of meeting time requirements are recorded as deferred inflows.

Revenues susceptible to accrual include intergovernmental grants, intergovernmental charges for services, public charges for services and interest. Other revenues such as licenses and permits, fines and forfeits and miscellaneous revenues are recognized when received in cash or when measurable and available.

Proprietary and fiduciary fund financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as described previously in this note.

Proprietary 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 a proprietary fund's principal ongoing operations. The principal operating revenues of the County's enterprise fund are charges to customers for services. Operating expenses for enterprise funds include the costs of services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

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.

All Financial Statements

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, liabilities, and deferred inflows or resources, and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

CALUMET COUNTY, WISCONSIN

Notes to Basic Financial Statements
December 31, 2023

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

D. ASSETS, LIABILITIES, DEFERRED OUTFLOWS/INFLOWS OF RESOURCES, AND NET POSITION OR FUND BALANCE

1. Cash and Investments

Cash and investments are combined in the financial statements. Cash deposits consist of demand and time deposits with financial institutions and are carried at cost. Investments are stated at fair value. The County discloses the fair value of its investments in a hierarchy that prioritizes the inputs to valuation techniques used to measure the fair value. The hierarchy gives the highest priority to valuations based upon unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to valuations based upon unobservable inputs that are significant to the valuation (Level 3 measurements). The three levels of the fair value hierarchy are as follows:

- Level 1 - Quoted prices in active markets for identical assets.
- Level 2 - Inputs other than quoted prices that are observable for the asset, including quoted prices for similar investments based on interest rates, credit risk and like factors.
- Level 3 - Unobservable valuation used when level 1 and level 2 inputs are not available.

Adjustments necessary to record investments at fair value are recorded in the operating statement as increases or decreases in investment income.

Investment of County fund is restricted by Wisconsin Statutes to the following investments:

- a. Time deposits in any credit union, bank, savings bank or trust company authorized to transact business in Wisconsin.
- b. Bonds or securities issued or guaranteed as to principal and interest by the federal government, or by a commission, board or other instrumentality of the federal government.
- c. Bonds or securities of any county, city, drainage district, technical college district, village, town or school district of this state. Also, bonds issued by a local exposition district, local professional baseball park district, local professional football stadium district, University of Wisconsin Hospitals and Clinics Authority, local cultural arts district, or Wisconsin Aerospace Authority.
- d. The local government investment pool.
- e. Any security maturing in seven years or less on the date on which it is acquired and having the highest or second highest rating category of a nationally recognized rating agency.
- f. Securities of an open-end management investment company or investment trust, subject to various conditions and investment options.
- g. Repurchase agreements that are fully collateralized by bonds or securities.

Wisconsin Local Government Investment Pool

The County has investments in the Wisconsin Local Government Investment Pool (LGIP). The LGIP is part of the State Investment Fund (SIF) and is managed by the State of Wisconsin Investment Board. The SIF is not registered with the Securities and Exchange Commission but operates under the statutory authority of Wisconsin Chapter 25. The SIF reports the fair value of its underlying assets annually. Participants in the LGIP have the right to withdraw their funds in total on one day's notice. At December 31, 2023, the fair value of the County's share of the LGIP's assets was substantially equal to the carrying value.

For purposes of the statement of cash flows, all cash deposits and highly liquid investments (including restricted assets) with a maturity of three months or less from date of acquisition are considered to be cash equivalents.

CALUMET COUNTY, WISCONSIN

Notes to Basic Financial Statements
December 31, 2023

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2. Property Tax Apportionments

General property taxes of the County are apportioned in November to local taxing units within the County based on the assessed value as of the prior January 1st and are levied for financing subsequent year's operations of the County. Property taxes are not legally available to appropriation until the ensuing year and are recorded as a deferred inflows of resources at year-end.

Property tax calendar, 2023 tax roll:

Lien date and levy date	December 2023
Tax bills mailed	December 2023
Real estate taxes	
Payment in full, or first installment due	January 31, 2024
Second installment due	July 31, 2024
Personal property taxes	
Payment in full	January 31, 2024
Tax sale – 2023 delinquent real estate liens	October 2025

During the month of February, each local taxing district settles with the County for both collected and unpaid property taxes. At the February settlement, the County becomes responsible for the collection of unpaid property taxes, including unpaid property taxes returned by local taxing districts for financing their individual operations, for all local taxing districts, except for the Cities of Appleton and Menasha who collect taxes through July 31, 2024. Delinquent real estate taxes and special charges as of July 31 are paid in full by the County, which assumes the collection thereof. Delinquent special assessments are held in trust and paid to the local taxing district upon collection. Property taxes subsequently not paid by property owners by September 1 of the same year are considered delinquent. The delinquent taxes are then acquired by the County's General Fund in accordance with state statutes in order to provide the County with a statutory lien. No allowance for uncollectible taxes has been provided because the County has demonstrated the ability to recover any losses through the sale of the applicable property.

Property taxes of \$25,088,287 are recorded on December 31, 2023 for collection in 2024 for the County apportionment. The County apportionment is for financing 2024 operations and will be transferred in 2024 from deferred inflows of resources to current revenues of the County's governmental funds.

3. Accounts Receivable

Accounts receivable are recorded at gross amounts with uncollectible amounts recognized under the direct write-off method except for Home Nursing, as it is believed that the amount of an allowance for uncollectible accounts would not be material to the basic financial statements. The County records the Home Nursing receivable at the anticipated reimbursement amount from payor sources.

4. Loans Receivable

The County records a loan receivable and expenditure when the loan has been made and the funds disbursed. No allowance for uncollectible accounts has been provided since it is believed that the amount of such allowance would not be material to the basic financial statements. In the governmental funds, the County records a deferred inflow of resources for the net amount of the receivable. As the loans are repaid, revenue is recognized.

5. Interfund Receivables and Payables

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as "due from other funds" and "due to other funds" in the fund financial statements. Noncurrent portions of the interfund receivables for the governmental funds are reported as "advances to other funds" and are offset by nonspendable fund balance since they do not constitute expendable available financial resources and therefore are not available for appropriation. The amount reported on the statement of net position for internal balances represents the residual balance outstanding between the governmental and business-type activities.

CALUMET COUNTY, WISCONSIN

Notes to Basic Financial Statements
December 31, 2023

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

6. Inventories

Inventories are recorded at cost, which approximates market, using the first-in, first-out method. Inventories consist of expendable supplies held for consumption. The cost is recorded as an expenditure at the time individual inventory items are consumed rather than when purchased.

Inventories of governmental funds in the fund financial statements are classified as nonspendable fund balance to indicate that they do not represent spendable available financial resources.

7. Prepaid Items

Payments made to vendors that will benefit periods beyond the end of the current fiscal year are recorded as prepayments and are expensed in the periods benefitted.

Prepaid items of governmental funds in the fund financial statements are classified as nonspendable fund balance to indicate that they do not represent spendable available financial resources.

8. Leases

The County is a lessor because it leases capital assets to other entities. As a lessor, the County reports a lease receivable and corresponding deferred inflow of resources in both the fund financial statements and government-wide financial statements. The County continues to report and depreciate the capital assets being leased as capital assets of the County.

The County is a lessee because it leases capital assets from other entities. As a lessee, the County reports a lease liability and an intangible right-to-use capital asset (known as the lease asset) on the government-wide financial statements and proprietary fund statements. In the governmental fund financial statements, the County recognizes lease proceeds and capital outlay at the initiation of the lease, and the outflow of resources for the lease liability as a debt service payment.

9. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the County as assets with an initial, individual cost of \$5,000 or higher and an estimated useful life in excess of a year. 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 asset lives are not capitalized.

Capital assets of the County are depreciated using the straight-line method over the following estimated useful lives:

Assets	Governmental Activities	Business-type Activities
	Years	
Land improvements	20	-
Buildings and improvements	50	15 - 50
Machinery and equipment	5 - 25	3 - 25
Infrastructure	20 - 100	-

Intangible assets related to leased assets and subscription-based information and technology arrangements are typically amortized over the related term.

CALUMET COUNTY, WISCONSIN

Notes to Basic Financial Statements
December 31, 2023

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

10. Compensated Absences

It is the County's policy to permit employees to accumulate earned but unused vacation and sick leave benefits in accordance with employee handbook policies and/or bargaining unit agreements. All vacation and sick leave is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in the governmental funds in the fund financial statements only if they have matured, for example, as a result of employee resignations and retirements.

11. Deferred Outflows/Inflows of Resources

Deferred outflows of resources are a consumption of net assets by the government that is applicable to a future reporting period. Deferred inflows of resources are an acquisition of net assets by the government that is applicable to a future reporting period. The recognition of those outflows and inflows as expenses or expenditures and revenues are deferred until the future periods to which the outflows and inflows are applicable.

Governmental funds may report deferred inflows of resources for unavailable revenues. The County reports unavailable revenues for various receivables collected over time. These inflows are recognized as revenues in the government-wide financial statements.

12. Long-term Obligations

In the government-wide financial statements, and proprietary funds in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds when considered material. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed as incurred.

In the fund financial statements, governmental funds recognize bond premiums and discounts, as well as bond issuance costs, during the current period. 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.

13. Subscription-Based Information Technology Arrangements

The County reports a subscription liability and an intangible right-to-use capital asset (known as the subscription asset) on the government-wide financial statements and proprietary fund statements. In the governmental fund financial statements, the County recognizes subscription proceeds and capital outlay at initiation of the subscription, and the outflow of resources for the subscription liability as a debt service payment.

14. Pensions

The fiduciary net position of the Wisconsin Retirement System (WRS) has been determined using the flow of economic resources measurement focus and accrual basis of accounting. This includes for purposes of measuring the following:

- Net Pension Liability (Asset),
- Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions,
- Pension Expense (Revenue).

Information about the fiduciary net position of the WRS and additions to/deductions from WRS' fiduciary net position have been determined on the same basis as they are reported by the 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.

CALUMET COUNTY, WISCONSIN

Notes to Basic Financial Statements
December 31, 2023

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

15. Other Postemployment Benefits Other Than Pensions (OPEB)

Single Employer Plan

Qualifying employees are provided with other postemployment benefits. The OPEB is a single employer defined benefit plan administered by the County. For purposes of measuring the OPEB liability, related deferred outflows and inflows and OPEB expense, the County has used values provided by their actuary. Benefit payments are recognized when due and payable in accordance with the benefit terms.

Local Retiree Life Insurance Fund

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 of resources and deferred inflows of resources related to other postemployment 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 (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

16. Fund Equity

Governmental Fund Financial Statements

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The following classifications describe the relative strength of the spending constraints placed on the purposes for which resources can be used:

- ▶ **Nonspendable fund balance.** Amounts that are not in spendable form (such as inventory, prepaid items, or long-term receivables) or are legally or contractually required to remain intact.
- ▶ **Restricted fund balance.** Amounts that are constrained for specific purposes by external parties (such as grantor or bondholders), through constitutional provisions, or by enabling legislation.
- ▶ **Committed fund balance.** Amounts that are constrained for specific purposes by action of the County Board. These constraints can only be removed or changed by the County Board using the same action that was used to create them.
- ▶ **Assigned fund balance.** Amounts that are constrained for specific purposes by action of County administrative services committee, upon recommendation of the County administrator and finance director. Residual amounts in any governmental fund, other than the General Fund, are also reported as assigned.
- ▶ **Unassigned fund balance.** Amounts that are available for any purpose. Positive unassigned amounts are only reported in the General Fund.

The County has not adopted a fund balance spend-down policy regarding the order in which fund balance will be utilized. When a policy does not specify the spend-down policy, GASB Statement No. 54 indicates that restricted funds would be spent first, followed by committed funds, and then assigned funds. Unassigned funds would be spent last.

Government-Wide and Proprietary Fund Statements

Equity is classified as net position and displayed in three components:

- ▶ **Net investment in capital assets.** Amount of capital assets, net of accumulated depreciation, and capital related deferred outflows of resources less outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets and any capital related deferred inflows of resources.
- ▶ **Restricted net position.** Amount of net position that is subject to restrictions that are imposed by 1) external groups, such as creditors, grantors, contributors or laws or regulations of other governments or 2) law through constitutional provisions or enabling legislation.
- ▶ **Unrestricted net position.** Net position that is neither classified as restricted nor as net investment in capital assets.

CALUMET COUNTY, WISCONSIN

Notes to Basic Financial Statements
December 31, 2023

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

E. PRIOR YEAR INFORMATION

Comparative amounts for the prior year have been presented in the basic financial statements to provide an understanding of changes in the County’s financial position and operations. The comparative amounts may be summarized in total and not at the level of detail required for a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the government’s financial statements for the year ended December 31, 2022, from which the summarized information was derived.

F. NEW ACCOUNTING STANDARDS

In May 2020, the GASB issued Statement No. 96, Subscription-Based Information Technology Arrangements. This Statement establishes accounting and financial reporting requirements related to subscription-based information technology arrangements (SBITAs) for government end users. This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. This standard was implemented January 1, 2023.

NOTE 2: STEWARDSHIP AND COMPLIANCE

A. EXCESS OF EXPENDITURES OVER BUDGET APPROPRIATIONS

The following expenditure accounts of the governmental funds had actual expenditures in excess of budget appropriations for the year ended December 31, 2023 as follows:

<u>Funds/Departments</u>	<u>Excess Expenditures</u>
General fund	
General government	
Finance	\$ 68,967
Circuit court	17,537
District attorney	41,960
County clerk	7,866
Corporation counsel	7,869
Education and Recreation	
University extension	18,345
Capital outlay	2,465,207
Special revenue funds	
Human services	69,338
Home nursing	323,408
Jail maintenance	69
UW Extension programs	26,182
Capital projects fund	
Capital improvements	20,221

B. DEFICIT FUND BALANCE

The following governmental fund had a deficit fund as of December 31, 2023 as follows:

<u>Fund</u>	<u>Deficit Fund Balance</u>
Special revenue fund	
Children with Disabilities Education Board	\$ 375,926

The deficit fund balance will be financed by future revenues.

CALUMET COUNTY, WISCONSIN

Notes to Basic Financial Statements
December 31, 2023

NOTE 2: STEWARDSHIP AND COMPLIANCE

C. PROPERTY TAX LEVY LIMIT

Wisconsin state statutes provide for a limit on the property tax levies for all Wisconsin cities, villages, towns and counties. For the 2023 and 2024 budget years, Wisconsin Statutes limit the increase in the maximum allowable tax levy to the change in the County’s January 1 equalized value as a result of net new construction. The actual limit for the County for the 2023 budget was 3.00%. The actual limit for the County for the 2024 budget was 2.96%. Debt service for debt authorized after July 1, 2005 is exempt from the levy limit. In addition, Wisconsin statutes allow the limit to be adjusted for the increase in debt service authorized prior to July 1, 2005 and in certain other situations.

NOTE 3: DETAILED NOTES ON ALL FUNDS

A. CASH AND INVESTMENTS

The County maintains various cash and investment accounts, including pooled funds that are available for use by all funds. Each fund’s portion of these accounts is displayed on the financial statements as “Cash and investments”.

The carrying amount of the County’s cash and investments totaled \$32,871,397 on December 31, 2023 as summarized below:

	Carrying Value	Bank Balances	Associated Risks
Deposits with financial institutions	\$ 10,263,057	\$ 10,957,789	Custodial credit
Investments			
U.S. Agencies - implicitly guaranteed	4,572,310	4,572,310	Custodial credit, interest rate, credit and concentration of credit
Wisconsin local government investment pool	18,033,755	18,033,755	Credit
Petty cash	2,275	-	N/A
Total Deposits and Investments	<u>\$ 32,871,397</u>	<u>\$ 33,563,854</u>	

Reconciliation to the basic financial statements:

Government-wide statement of net position	
Cash and investments	\$ 27,755,535
Fiduciary fund statement of net position	
Cash and investments	5,115,862
	<u>\$ 32,871,397</u>

Fair Value Measurements

The County categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant observable inputs; Level 3 inputs are significant unobservable inputs. The County has the following fair value measurements as of December 31, 2023:

	Fair Value Measurements Using:		
	Level 1	Level 2	Level 3
Investments			
U.S. Agencies - implicitly guaranteed	\$ -	\$ 4,572,310	\$ -
Wisconsin local government investment pool	-	18,033,755	-
	<u>\$ -</u>	<u>\$ 22,606,065</u>	<u>\$ -</u>

CALUMET COUNTY, WISCONSIN

Notes to Basic Financial Statements
December 31, 2023

NOTE 3: DETAILED NOTES ON ALL FUNDS

The valuation methods for recurring fair value measurements are as follows:

<u>Investment Type</u>	<u>Valuation Method</u>
U.S. Agencies - implicitly guaranteed	Institutional bond quotes - evaluations based on various market and industry inputs
Wisconsin local government investment pool	Valued at Net Asset Value per share (NAV)

Deposits and investments of the County are subject to various risks. Presented below is a discussion of the County's deposits and investments and the related risks.

Custodial Credit Risk

Custodial credit risk for *deposits* is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for *investments* is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. Wisconsin statutes require repurchase agreements to be fully collateralized by bonds or securities issued or guaranteed by the federal government or its instrumentalities. The County has the following additional custodial credit policy.

Limiting investments to the safest types of securities.

Pre-qualifying the financial institutions, broker/dealers, intermediaries, and advisers with which the County will do business.

Diversifying the investment portfolio so that potential losses on individual securities will be minimized.

Deposits with financial institutions within the State of Wisconsin are insured by the Federal Deposit Insurance Corporation (FDIC) in the amount of \$250,000 for the combined amount of all time and savings deposits and \$250,000 for interest-bearing and noninterest-bearing demand deposits per official custodian per insured depository institution. Deposits with financial institutions located outside the State of Wisconsin are insured by the FDIC in the amount of \$250,000 for the combined amount of all deposit accounts per official custodian per depository institution. Deposits with credit unions are insured by the National Credit Union Share Insurance Fund (NCUSIF) in the amount of \$250,000 per credit union member. Also, the State of Wisconsin has a State Guarantee Fund which provides a maximum of \$400,000 per public depository above the amount provided by an agency of the U.S. Government. However, due to the relatively small size of the State Guarantee Fund in relation to the Fund's total coverage, total recovery of insured losses may not be available. This coverage has been considered in determining custodial credit risk.

As of December 31, 2023, \$5,083,029 of the County's deposits with financial institutions were in excess of federal and state depository insurance limits, which were fully collateralized with securities held by the pledging financial institution or its trust department or an agent.

The County's investments in U.S. Treasury Securities and U.S. Agencies are held by counterparty's trust department or agent but not in the County's name. The Securities Investor Protection Corporation (SIPC), created by the Securities Investor Protection Act of 1970, is an independent government-sponsored corporation (not an agency of the U.S. government). SIPC membership provides account protection up to a maximum of \$500,000 per customer, of which \$100,000 may be in cash.

As of December 31, 2023, \$500,000 of the County's investments are covered by the SIPC, with the remaining balance of \$4,072,310 uncollateralized.

CALUMET COUNTY, WISCONSIN

Notes to Basic Financial Statements
December 31, 2023

NOTE 3: DETAILED NOTES ON ALL FUNDS

Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Wisconsin statutes limit investment in securities to the top two ratings assigned by nationally recognized statistical rating organizations. The County does not have an additional credit risk policy.

Presented below is the actual rating as of the year-end for each investment type.

Investment Type	Amount	Exempt from Disclosure	Aaa / AA +	Not Rated
U.S. Agencies - implicitly guaranteed	\$ 4,572,310	\$ -	\$ 4,572,310	\$ -
Wisconsin local government investment pool	18,033,755	-	-	18,033,755
Totals	\$ 22,606,065	\$ -	\$ 4,572,310	\$ 18,033,755

The County's investments in U.S. Agencies were rated Aaa by Moody's and AA+ by Standard and Poors.

Concentration of Credit Risk

The investment policy of the County contains no limitations on the amount that can be invested in any one issuer. Investments in any one issuer (other than U.S. Treasury securities, mutual funds, and external investment pools) that represent 5% or more of total County investments are as follows:

Issuer	Investment Type	Reported Amount	Percent of Total Investments
Federal Farm Credit Bank Bond	U.S. Agencies	\$ 2,206,547	10%
Federal National Mortgage Association Note	U.S. Agencies	1,526,871	7%

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The County has the following formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates:

Structuring the investment portfolio so that securities mature to meet cash requirement for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity.

Investing operating funds primarily in shorter-term securities, money market mutual funds, or similar investment pools.

Information about the sensitivity of the fair values of the County's investments to market interest rate fluctuations is provided by the following table that shows the distribution of the County's investments by maturity:

Investment Type	Amount	Less Than 1 Year	1 - 4 Years	Greater Than 4 Years
U.S. Agencies - implicitly guaranteed	\$ 4,572,310	\$ 1,649,927	\$ 2,922,383	\$ -

CALUMET COUNTY, WISCONSIN

Notes to Basic Financial Statements
December 31, 2023

NOTE 3: DETAILED NOTES ON ALL FUNDS

B. RECEIVABLES

County receivables are expected to be collected within one year, except for the following receivables:

	Governmental Activities		
	Current	Long-term	Total
Lease receivable	\$ 171,126	\$ 2,469,699	\$ 2,640,825
Opioid settlement receivable	224,732	492,544	717,276
	<u>\$ 395,858</u>	<u>\$ 2,962,243</u>	<u>\$ 3,358,101</u>

In addition, the County's general fund showed an investment of \$604,865 in delinquent taxes as follows:

Tax certificates	\$ 458,613
Accrued interest and penalties on delinquent taxes	106,241
Delinquent special assessments	40,011
Total	<u>\$ 604,865</u>

Under state statutes, the County annually reimburses local governments for their equities in real estate taxes and special charges not collected from the property owner in August. In addition, the County accepts unpaid special assessments; however, these delinquencies are held in trust and not remitted to the local government until collected or redeemed through the tax deed process. Local governments retain the collection responsibility for delinquent personal property taxes.

Delinquent property taxes are recorded in the County's general fund. Unless redeemed by the property owner, the County will eventually obtain tax deed ownership the properties comprising delinquent taxes. In the past, the County has generally been able to recover its investment in delinquent taxes by sale of the tax deeded properties.

Delinquent tax certificates accrue interest and penalties until paid or redeemed through the tax deed process. The County estimated the interest receivable balance as of December 31, 2023 and recorded a related deferred inflow since the receivable is unavailable as of year-end. The interest and penalties will be recognized in the general fund when received. In the government-wide financial statements, interest and penalties are recorded as revenue as they accrue. The County generally has generally been able to recover accrued interest and penalties by sale of the tax deeded properties.

An aging of the delinquent tax certificates of \$458,613 on December 31, 2023 follows:

Year Acquired	General
Prior to 2018	\$ 6,708
2018	1,498
2019	1,216
2020	4,074
2021	22,944
2022	120,364
2023	301,809
Total Tax Certificates	<u>\$ 458,613</u>

Of the total investment in delinquent tax certificates and deeds, the County collected \$81,890 within 60 days of year-end, \$106,241 is offset with deferred inflows of resources and \$40,011 is held in trust for other municipalities. The remaining balance of \$376,723 is recorded as nonspendable fund balance for the general fund.

CALUMET COUNTY, WISCONSIN

Notes to Basic Financial Statements
December 31, 2023

NOTE 3: DETAILED NOTES ON ALL FUNDS

Governmental funds report unavailable or unearned revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Property taxes levied for the subsequent year are not earned and cannot be used to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned.

At the end of the current fiscal year, the various components of unavailable revenue and unearned revenue reported in the governmental funds were as follows:

	<u>Unavailable</u>	<u>Unearned</u>
Property taxes receivable for subsequent year	\$ -	\$ 25,088,287
Special charges placed on tax roll	-	66,300
Interest and penalties on delinquent taxes	106,241	-
Grants received but eligibility requirements not met	-	4,078,568
Receivables collected after 60 days	307,943	-
Loans receivable	3,322	-
Opioid settlement receivable	717,276	-
Revenue collected in advance	-	195,960
	<u>\$ 1,134,782</u>	<u>\$ 29,429,115</u>
Unearned revenue, reported with liabilities		4,340,828
Property taxes reported as deferred inflow of resources		25,088,287
		<u>\$ 29,429,115</u>

The County has received the following financial awards which contain eligibility requirements which must be met to recognize the resources as revenues.

American Rescue Plan Act (ARPA)	\$ 3,968,693
Wisconsin Department of Natural Resources	109,875
	<u>\$ 4,078,568</u>

The County leases tower space to cellular operating companies and has recorded a lease receivable of \$2,640,825 (See Note 3.F). The lease receivable balance will be amortized over the lease terms as earned.

On February 25, 2022, the Wisconsin Department of Justice announced final approval of an opioid agreement (Opioid Litigation Case No. MDL 2804, "2021 National Settlements") with Johnson & Johnson (Janssen) and three distributors: Cardinal, McKesson, and AmerisourceBergen. The payments from Johnson & Johnson began in 2022 and will continue over 9 years (2023-2031). The payments from the Distributors began in 2022 and will continue over 16 years (2023-2038). Funds must be segregated and may be expended solely for purposes identified as approved uses for abatement in the settlement agreement or by court order, as directed by Wisconsin State Statute 165.12.

In November and December of 2022, five additional defendants entered into National Opioid Settlements ("2022 National Settlements"): Teva, Allergan, CVS, Walgreens, and Walmart. The County receives an allocation of the settlement proceeds based on a Memorandum of Understanding between the State of Wisconsin and participating local governments; however, the settlement amounts are based on various risks and criteria so the County has elected to only record known payment amounts.

On June 16, 2022 the National Opioid Abatement Trust II (NOAT II) was established as part of Mallinckrodt plc, and certain affiliates, chapter 11 bankruptcy proceedings to address their opioid liabilities (Case No. 20-12522 (JTD)). The County collected its first and only known payments from this trust during 2023 or within 60 days after December 31, 2023.

During 2023, the County received distributions totaling \$47,479 from these settlements which has been recognized as revenue in the Opioid Abatement special revenue fund.

CALUMET COUNTY, WISCONSIN

Notes to Basic Financial Statements
December 31, 2023

NOTE 3: DETAILED NOTES ON ALL FUNDS

Future payments total \$839,224, with the net present value of future payments estimated to be \$717,276 recorded as a receivable as of December 31, 2023, as summarized below:

Year Ended December 31,	Governmental Activities		
	Principal	Interest	Total
2024	\$ 224,732	457	\$ 225,189
2025	38,269	1,357	39,626
2026	43,131	2,578	45,709
2027	19,527	1,653	21,180
2028	47,459	5,229	52,688
2029 - 2033	197,560	36,412	233,972
2034 - 2038	146,598	49,283	195,881
	<u>\$ 717,276</u>	<u>\$ 96,969</u>	<u>\$ 814,245</u>

C. CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2023 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities:				
Capital assets, nondepreciable:				
Land	\$ 4,028,171	\$ -	\$ -	\$ 4,028,171
Construction in progress	706,487	9,901,284	3,871,203	6,736,568
Total capital assets, nondepreciable	<u>4,734,658</u>	<u>9,901,284</u>	<u>3,871,203</u>	<u>10,764,739</u>
Capital assets, depreciable:				
Land improvements	5,651,859	85,225	47,033	5,690,051
Buildings and improvements	46,806,375	1,336,440	141,575	48,001,240
Machinery and equipment	12,428,957	628,553	300,705	12,756,805
Infrastructure	59,489,121	2,289,734	7,896,557	53,882,298
Intangibles				
Right-to-use subscription assets	-	2,595,557	-	2,595,557
Right-to-use leased assets - buildings	138,069	-	25,326	112,743
Subtotals	<u>124,514,381</u>	<u>6,935,509</u>	<u>8,411,196</u>	<u>123,038,694</u>
Less accumulated depreciation/amortization for:				
Land improvements	4,057,592	144,313	47,033	4,154,872
Buildings and improvements	9,418,900	1,032,234	108,860	10,342,274
Machinery and equipment	6,210,677	1,291,635	294,394	7,207,918
Infrastructure	31,602,548	2,073,987	7,896,557	25,779,978
Intangibles				
Right-to-use leased assets - buildings	52,401	53,647	-	106,048
Subtotals	<u>51,342,118</u>	<u>4,595,816</u>	<u>8,346,844</u>	<u>47,591,090</u>
Total capital assets, depreciable, net	<u>73,172,263</u>	<u>2,339,693</u>	<u>64,352</u>	<u>75,447,604</u>
Governmental activities capital assets, net	<u>\$ 77,906,921</u>	<u>\$12,240,977</u>	<u>\$ 3,935,555</u>	86,212,343
Less: Capital related general obligation debt, leases, and subscriptions				<u>41,460,817</u>
Net investment in capital assets				<u>\$ 44,751,526</u>

CALUMET COUNTY, WISCONSIN

Notes to Basic Financial Statements
December 31, 2023

NOTE 3: DETAILED NOTES ON ALL FUNDS

	Beginning Balance	Increases	Decreases	Ending Balance
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Business-type activities:				
Capital assets, nondepreciable:				
Land	\$ 51,381	\$ -	\$ -	\$ 51,381
Construction in progress	311,553	1,664,123	1,776,677	198,999
Total capital assets, nondepreciable	<u>362,934</u>	<u>1,664,123</u>	<u>1,776,677</u>	<u>250,380</u>
Capital assets, depreciable:				
Land improvements	22,016	-	-	22,016
Buildings and improvements	8,291,544	1,620,904	58,541	9,853,907
Machinery and equipment	8,209,247	480,028	80,147	8,609,128
Subtotals	<u>16,522,807</u>	<u>2,100,932</u>	<u>138,688</u>	<u>18,485,051</u>
Less accumulated depreciation for:				
Land improvements	520	1,248	-	1,768
Buildings and improvements	1,290,678	186,959	58,541	1,419,096
Machinery and equipment	5,226,622	393,361	77,060	5,542,923
Subtotals	<u>6,517,820</u>	<u>581,568</u>	<u>135,601</u>	<u>6,963,787</u>
Total capital assets, depreciable, net	<u>10,004,987</u>	<u>1,519,364</u>	<u>3,087</u>	<u>11,521,264</u>
Business-type activities capital assets, net	<u>\$ 10,367,921</u>	<u>\$ 3,183,487</u>	<u>\$ 1,779,764</u>	<u>\$ 11,771,644</u>

Depreciation and amortization expense was charged to functions of the County as follows:

Governmental activities	
General government	\$ 354,971
Public safety	1,724,075
Public works	2,038,276
Health and social services	187,171
Education and recreation	258,321
Conservation and development	33,002
Total depreciation expense - governmental activities	<u>\$ 4,595,816</u>
Business-type activities	
Highway operations	<u>\$ 581,568</u>

CALUMET COUNTY, WISCONSIN

Notes to Basic Financial Statements
December 31, 2023

NOTE 3: DETAILED NOTES ON ALL FUNDS

D. INTERFUND RECEIVABLE, PAYABLES, AND TRANSFERS

Interfund receivables and payables between individual funds of the County, as reported in the fund financial statements, as of December 31, 2023 are detailed below:

	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
Temporary cash advances to finance operating cash deficits		
Governmental funds		
General	\$ 609,436	-
Home Nursing	-	282,759
Children with Disability Education Board	-	326,677
Subtotal	<u>609,436</u>	<u>609,436</u>
Long-term advances to finance operating cash deficits		
Governmental fund		
General	1,938,208	-
Proprietary fund		
Highway operations	-	1,938,208
Subtotal	<u>1,938,208</u>	<u>1,938,208</u>
Totals	<u>\$ 2,547,644</u>	<u>\$ 2,547,644</u>

The County has determined \$690,493 of the advance to the highway operations to be long-term, with the remaining balance reported with current liabilities to reflect available current assets less accounts payable. No schedule repayment schedule exists and interest is not charged the highway operations fund.

Interfund transfers for the year ended December 31, 2023 were as follows:

<u>Funds</u>	<u>Transfer In</u>	<u>Transfer Out</u>
Governmental Funds		
General	\$ 280,554	\$ 271,438
Human Services	-	240,668
American Rescue Plan Act (ARPA)	-	39,886
County Sales Tax	-	841,712
Nonmajor Fund		
Home Nursing	271,438	-
Proprietary Fund		
Highway	841,712	-
	<u>\$ 1,393,704</u>	<u>\$ 1,393,704</u>

Transfers were used for the following purposes:

Operating surplus returned to general fund	\$ 240,668
Administrative support for ARPA grant	39,886
Operating loss financed by general fund	271,438
Contributions to finance salt shed construction	841,712
	<u>\$ 1,393,704</u>

CALUMET COUNTY, WISCONSIN

Notes to Basic Financial Statements
December 31, 2023

NOTE 3: DETAILED NOTES ON ALL FUNDS

E. LONG-TERM OBLIGATIONS

The following is a summary of changes in long-term obligations of the County for the year ended December 31, 2023:

	Beginning Balance	Issued	Retired	Ending Balance	Due Within One Year
Governmental activities:					
General obligation debt					
Bonds	\$34,475,000	\$ -	\$ -	\$34,475,000	\$ 300,000
Notes	6,940,000	-	2,250,000	4,690,000	1,850,000
Total general obligation debt	41,415,000	-	2,250,000	39,165,000	2,150,000
Debt premium	940,349	-	94,317	846,032	96,116
Leases payable	91,723	-	85,028	6,695	6,695
Subscription payable	-	2,465,207	176,085	2,289,122	181,836
Compensated absences	1,566,048	2,528,275	2,254,828	1,839,495	1,095,171
Governmental activities Long-term obligations	<u>\$44,013,120</u>	<u>\$ 4,993,482</u>	<u>\$ 4,860,258</u>	<u>\$44,146,344</u>	<u>\$ 3,529,818</u>
Business-type activities:					
Compensated absences	<u>\$ 80,347</u>	<u>\$ 240,502</u>	<u>\$ 214,219</u>	<u>\$ 106,630</u>	<u>\$ 95,953</u>

Total interest paid during the year on long-term debt totaled \$910,281.

General Obligation Debt

General obligation debt currently outstanding is detailed as follows:

	Date of Issue	Final Maturity	Interest Rates	Original Indebtedness	Balance 12/31/23
General obligation notes	12/01/15	12/01/25	2.00%	5,000,000	1,400,000
General obligation notes	11/07/16	12/01/25	2.00%	7,640,000	1,555,000
General obligation notes	11/19/18	12/01/27	3.00%	2,945,000	1,735,000
General obligation bonds	09/09/19	12/01/38	2.00 - 2.375%	17,000,000	16,475,000
General obligation bonds	09/29/20	12/01/39	1.25 - 2.00%	15,000,000	15,000,000
General obligation bonds	07/01/21	12/01/39	1.15 - 3.00%	3,000,000	3,000,000

Total outstanding general obligation debt \$ 39,165,000

Annual principal and interest maturities of the outstanding general obligation debt of \$39,165,000 on December 31, 2023 are detailed below:

Year Ended December 31,	Governmental Activities		
	Principal	Interest	Total
2024	\$ 2,150,000	\$ 860,431	\$ 3,010,431
2025	2,190,000	812,581	3,002,581
2026	2,120,000	763,781	2,883,781
2027	2,170,000	714,681	2,884,681
2028	2,225,000	664,481	2,889,481
2029-2033	12,025,000	2,460,680	14,485,680
2034-2038	13,435,000	1,106,863	14,541,863
2039	2,850,000	53,690	2,903,690
	<u>\$ 39,165,000</u>	<u>\$ 7,437,188</u>	<u>\$ 46,602,188</u>

For governmental activities, the other long-term liabilities are generally funded by the general fund.

CALUMET COUNTY, WISCONSIN

Notes to Basic Financial Statements
December 31, 2023

NOTE 3: DETAILED NOTES ON ALL FUNDS

Legal Margin for New Debt

The County’s legal margin for creation of additional general obligation debt on December 31, 2023 was \$293,230,900 as follows:

Equalized valuation of the County	\$6,767,918,000
Statutory limitation percentage	<u>(x) 5%</u>
General obligation debt limitation, per Section 67.03 of the Wisconsin Statutes	338,395,900
Outstanding general obligation debt applicable to debt limitation	39,165,000
County Guaranty (see Contingencies footnote in Note 4)	<u>6,000,000</u>
Legal margin for new debt	<u><u>\$ 293,230,900</u></u>

F. LEASE DISCLOSURES

Lessee – Lease Liabilities

During 2023, the County entered into an agreement to purchase an office building previously rented as of February, 2024 for \$630,000, with total payment of \$6,750 to be paid in 2024. As a result, the County reduced its right-to-use leased building and related lease payable as if December 31, 2023. Governmental activities lease liabilities consisted of the following:

	<u>Date of Issue</u>	<u>Final Maturity</u>	<u>Interest Rates</u>	<u>Original Indebtedness</u>	<u>Balance 12/31/23</u>
Building lease	08/01/19	02/28/24	2.24%	\$ 259,714	<u>\$ 6,695</u>

Subscription-Based Information Technology Arrangements

During 2023, the County obtained the right to use software license agreements for an enterprise resource planning system, a human capital management system and a time and attendance system under the provisions of three subscription-based information technology agreements. A right to use asset of \$2,595,557 was recorded as of December 31, 2023:

Subscription-based information and technology	\$ 2,465,207
Initial implementation stage costs	<u>130,350</u>
	<u><u>\$ 2,595,557</u></u>

The County placed the subscriptions in service in 2024 and will begin amortizing at that time.

The following schedule details minimum subscription payments as of December 31, 2023:

Year Ended December 31,	Governmental Activities		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 181,836	\$ 51,067	\$ 232,903
2025	214,266	46,408	260,674
2026	225,333	41,195	266,528
2027	235,811	35,865	271,676
2028	251,661	30,431	282,092
2029-2032	1,180,215	59,227	1,239,442
	<u>\$ 2,289,122</u>	<u>\$ 264,193</u>	<u>\$ 2,553,315</u>

CALUMET COUNTY, WISCONSIN

Notes to Basic Financial Statements
December 31, 2023

NOTE 3: DETAILED NOTES ON ALL FUNDS

Lessor – Lease Receivables

The County leases tower space to cellular operating companies under the following terms:

	Date of Inception	Final Maturity	Interest Rate	Receivable Balance
Governmental Activities				
Tower Lease	12/1/2020	11/30/2030	1.5%	\$ 278,139
Tower Lease	10/28/2003	10/28/2033	1.5%	566,850
Tower Lease	1/1/2000	11/30/2030	1.5%	161,854
Tower Lease	9/7/2005	9/6/2045	1.5%	905,090
Tower Lease	3/1/2005	11/30/1936	1.5%	728,892
Total governmental lease receivable				<u>\$ 2,640,825</u>

The future minimum lease payments expected for these leases follows:

Year Ended December 31,	Governmental Activities		
	Principal	Interest	Total
2024	\$ 171,126	\$ 45,100	\$ 216,226
2025	180,298	41,858	222,156
2026	197,849	38,526	236,375
2027	204,909	34,979	239,888
2028	210,018	31,380	241,398
2029 - 2033	927,387	104,978	1,032,365
2034 - 2038	364,669	45,151	409,820
2039 - 2043	280,983	21,881	302,864
2044 - 2045	103,586	2,006	105,592
	<u>\$ 2,640,825</u>	<u>\$ 365,859</u>	<u>\$ 3,006,684</u>

The County recognized \$161,662 of lease revenue and \$48,249 of lease interest in the general fund during 2023.

G.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, and 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 Report (ACFR), which can be found at <https://etf.wi.gov/about-etf/reports-and-studies/financial-reports-and-statements>.

Additionally, ETF issued a standalone Wisconsin Retirement System Financial Report, which can also be found using the link above.

CALUMET COUNTY, WISCONSIN

Notes to Basic Financial Statements
December 31, 2023

NOTE 3: DETAILED NOTES ON ALL FUNDS

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 occupation employees and 62 for elected officials and executive service retirement plan participants, if hired on or before December 31, 2016) are entitled to a retirement benefit based on a formula factor, their final average earnings, and creditable service.

Final average earnings is the average of the participant's three highest 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.

Post-Retirement 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</u>	<u>Core Fund Adjustment (%)</u>	<u>Variable Fund Adjustment (%)</u>
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
2021	5.1	13.0
2022	7.4	15.0

CALUMET COUNTY, WISCONSIN

Notes to Basic Financial Statements
December 31, 2023

NOTE 3: DETAILED NOTES ON ALL FUNDS

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, Executives and Elected Officials. Starting on January 1, 2016, the Executives and Elected Officials category was merged into the General Employee Category. 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 year ending December 31, 2023, the WRS recognized \$1,281,547 in contributions from the County.

Contribution rates for the reporting period ending December 31, 2022 are:

<u>Employee Category</u>	<u>Employee</u>	<u>Employer</u>
General (including executives, and elected officials)	6.50%	6.50%
Protective with Social Security	6.50%	12.00%
Protective without Social Security	6.50%	16.40%

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

At December 31, 2023, the County reported a liability of \$5,675,121 for its proportionate share of the Net Pension Liability (Asset). The Net Pension Liability (Asset) was measured as of December 31, 2022, and the total pension liability used to calculate the Net Pension Liability (Asset) was determined by an actuarial valuation as of December 31, 2021 rolled forward to December 31, 2022. 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 Pension Liability (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, 2022, the County's proportion was 0.10712417%, which was an increase of 0.00198133% from its proportion measured as of December 31, 2021.

For the year ended December 31, 2023, the County recognized pension expense (revenue) of \$2,880,461.

At December 31, 2023, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experiences	\$ 9,038,709	\$ 11,874,835
Net differences between projected and actual earnings on pension plan investments	9,640,720	-
Changes in assumptions	1,115,963	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	5,612	37,714
Employer contributions subsequent to the measurement date	1,496,974	-
Total	<u>\$ 21,297,978</u>	<u>\$ 11,912,549</u>

The \$1,496,974 reported as deferred outflows of resources related to pension resulting from the County's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability (asset) in the year ended December 31, 2024.

CALUMET COUNTY, WISCONSIN

Notes to Basic Financial Statements
December 31, 2023

NOTE 3: DETAILED NOTES ON ALL FUNDS

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

Year Ended December 31,	Deferred Outflows/ Inflows of Resources (net)
2024	\$ 320,809
2025	1,630,645
2026	1,671,657
2027	4,265,344
Total	<u>\$ 7,888,455</u>

Actuarial Assumptions

The total pension liability in the December 31, 2021, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial valuation date:	December 31, 2021
Measurement date of net pension liability (asset):	December 31, 2022
Experience Study:	January 1, 2018 - December 31, 2020 Published November 19, 2021
Actuarial cost method:	Entry Age Normal
Asset valuation method:	Fair Value
Long-term expected rate of return:	6.80%
Discount rate:	6.80%
Salary increases:	
Inflation	3.0%
Seniority/Merit	0.1% - 5.6%
Mortality	2020 WRS Experience Mortality Table
Post-retirement adjustments*	1.7%

* *No post-retirement adjustment is guaranteed. Actual adjustments are based on recognized investment return, actuarial experience and other factors. 1.7% is the assumed annual adjustment based on the investment return assumption and the post-retirement discount rate.*

Actuarial assumptions are based upon an experience study conducted in 2021 that covered a three-year period from January 1, 2018 to December 31, 2020. The Total Pension Liability for December 31, 2022 is based upon a roll-forward of the liability calculated from the December 31, 2021 actuarial valuation.

Long-term Expected Return on Plan Assets. 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 geometric real rates of return for each major asset class are summarized in the following table:

CALUMET COUNTY, WISCONSIN

Notes to Basic Financial Statements
December 31, 2023

NOTE 3: DETAILED NOTES ON ALL FUNDS

Asset Allocation Targets and Expected Returns ¹			
As of December 31, 2022			
	Asset Allocation (%)	Long-term Expected Nominal Rate of Return (%)	Long-term Expected Real Rate of Return (%) ²
<u>Core Fund Asset Class</u>			
Public Equity	48%	7.6%	5%
Public Fixed Income	25	5.3	2.7
Inflation Sensitive	19	3.6	1.1
Real Estate	8	5.2	2.6
Private Equity/Debt	15	9.6	6.9
Total Core Fund ³	115	7.4	4.8
<u>Variable Fund Asset Class</u>			
U.S. Equities	70	7.2	4.6
International Equities	30	8.1	5.5
Total Variable Fund	100	7.7%	5.1%
¹ Asset Allocations are managed within established reanges; target percentages may differ from actual monthly allocations			
² New England Pension Consultants Long Term US CPI (Inflation) Forecast: 2.5%			
³ The investment policy used for the Core Fund involves reducing equity exposure by leveraging lower-volatility assets, such as fixed income securities. This results in an asset allocation beyond 100%. Currently, an asset allocation target of 15% policy leverage is used, subject to an allowable range of up to 20%.			

Single Discount rate. A single discount rate of 6.8% was used to measure the Total Pension Liability for the current and prior year. The discount rate is based on the expected rate of return on pension plan investments of 6.8% and a municipal bond rate of 4.05% (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, 2022. 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 6.8% expected rate of return implies that a dividend of approximately 1.7% 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 municipal bond 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 6.80 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 (5.80 percent) or 1-percentage-point higher (7.80 percent) than the current rate:

CALUMET COUNTY, WISCONSIN

Notes to Basic Financial Statements
December 31, 2023

NOTE 3: DETAILED NOTES ON ALL FUNDS

	1% Decrease to Discount Rate (5.80%)	Current Discount Rate (6.80%)	1% Increase to Discount Rate (7.80%)
County's proportionate share of the net pension liability (asset)	\$ 18,835,542	\$ 5,675,121	\$ (3,378,119)

Pension plan fiduciary net position. 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>.

Payables to the Pension Plan

At December 31, 2023, the County reported no amount outstanding for contributions to the pension plan for the year ended December 31, 2023.

H. OTHER POSTEMPLOYMENT BENEFITS

The County reports OPEB related balances at December 31, 2023 as summarized below:

	OPEB Liability	Deferred Outflows of Resources	Deferred Inflows of Resources	OPEB Expense
Local Retiree Life Insurance Fund (LRLIF)	\$ 1,196,369	\$ 563,391	\$ 823,271	\$ 146,517
Single-employer defined OPEB plan	2,966,551	398,212	1,251,383	187,848
Total	<u>\$ 4,162,920</u>	<u>\$ 961,603</u>	<u>\$ 2,074,654</u>	<u>\$ 334,365</u>

1. Single-employer Defined Postemployment Benefit Plan

Plan Description

The County administers a single-employer defined benefit postemployment health plan that covers retired employees of the County. Eligible retired employees have access to group medical coverage through the County's group plan. County paid medical benefits are paid for as indicated below. All employees of the County are eligible for the Plan if they meet the following age and service requirements below. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75.

Benefits Provided

The County provides medical (including prescription drugs) and dental coverage for retired employees through the County's self-insured plans.

Employees Covered by Benefit Terms

At January 1, 2023, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	13
Active employees	<u>261</u>
	<u><u>274</u></u>

Contributions

Certain retired plan members and beneficiaries currently receiving benefits are required to contribute specified amounts monthly towards the cost of insurance premiums based on the employee group and their retirement date. County paid medical and dental benefits are paid until the retiree or surviving spouse becomes eligible for Medicare.

OPEB Liability

The County's OPEB liability was measured as of December 31, 2022, and was determined by an actuarial valuation as of January 1, 2023.

CALUMET COUNTY, WISCONSIN

Notes to Basic Financial Statements
December 31, 2023

NOTE 3: DETAILED NOTES ON ALL FUNDS

Actuarial Assumptions. The total OPEB liability in the January 1, 2023 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Actuarial Cost Method:	Entry Age Normal (level percent of salary)
Salary increases:	
Inflation	2.50%
Seniority/Merit	0.10%-5.6%
Healthcare cost trend rates:	7.0% decreasing to 6.50%, then decreasing by .10% per year down to 4.50%, and level thereafter

Actuarial assumptions used in the January 1, 2023 valuation have utilized the assumptions for the Wisconsin Retirement System (WRS) adopted by the Employee Trust Fund Board (Board) in conjunction with a study of experience during 2018-2020. 2020 WRS Experience Tables for Active Employees and Healthy Retirees projected with mortality improvements using the fully generational MP-2021 projection scale from a base year of 2010.

Discount Rate. The discount rate used to measure the total OPEB liability was 4.31%, which is based on the S&P Municipal Bond 20-Year High Grade Index and is a change from the previous year.

Changes in the Total OPEB Liability

	Increase (Decrease)
	<u>Total OPEB Liability</u>
Balance at January 1, 2023	<u>\$ 4,024,247</u>
Changes for the year:	
Service cost	197,350
Interest	83,690
Effect of economic/demographic gains or losses	(216,341)
Effect of assumptions changes or inputs	(1,001,795)
Benefit payments	<u>(120,600)</u>
Net changes	<u>(1,057,696)</u>
Balance at December 31, 2023	<u><u>\$ 2,966,551</u></u>

Sensitivity of the Total OPEB liability to changes in the discount rate. The following presents the Total OPEB liability of the County, as well as what the County's Total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (3.31%) or 1-percentage-point higher (5.31%) than the current rate:

	1% Decrease to Discount Rate (3.31%)	Current Discount Rate (4.31%)	1% Increase to Discount Rate (5.31%)
	<u>\$</u>	<u>\$</u>	<u>\$</u>
Total OPEB liability	3,218,177	2,966,551	2,734,055

Sensitivity of the Total OPEB liability to changes in the healthcare cost trend rates. The following presents the Total OPEB liability of the County, as well as what the County's Total 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	Current Healthcare Cost Trend Rates	1% Increase
	<u>\$</u>	<u>\$</u>	<u>\$</u>
Total OPEB liability	2,641,423	2,966,551	3,347,694

CALUMET COUNTY, WISCONSIN

Notes to Basic Financial Statements
December 31, 2023

NOTE 3: DETAILED NOTES ON ALL FUNDS

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended December 31, 2023, the County recognized OPEB expense of \$187,848. At December 31, 2023, the County reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 10,036	\$ 359,446
Changes in assumptions	348,376	891,937
County contributions subsequent to the measurement date	39,800	-
Total	<u>\$ 398,212</u>	<u>\$ 1,251,383</u>

The \$39,800 reported as deferred outflows of resources related to OPEB resulting from County contributions subsequent to the measurement date will be recognized as a reduction of the OPEB liability in the year ended December 31, 2024.

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

Year Ended December 31,	Deferred Outflows/ Inflows of Resources (net)
2024	\$ (90,818)
2025	(93,518)
2026	(96,062)
2027	(100,319)
2028	(117,004)
Thereafter	(395,250)
Total	<u>\$ (892,971)</u>

Payable to the OPEB Plan

At December 31, 2023, the County reported no amount payable for contributions to the Plan required for the year ended December 31, 2023.

Plan Financial Report

The County has not established a separate, irrevocable trust to fund the annual OPEB cost and does not issue separate plan statements.

2. Local Retiree Life Insurance Fund

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 members.

ETF issues a standalone Annual Comprehensive Financial Report (ACFR), which can be found at <https://etf.wi.gov/about-etf/reports-and-studies/financial-reports-and-statements>.

Additionally, ETF issued a standalone Retiree Life Insurance Financial Report, which can also be found using the link above.

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.

CALUMET COUNTY, WISCONSIN

Notes to Basic Financial Statements
December 31, 2023

NOTE 3: DETAILED NOTES ON ALL FUNDS

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 post-retirement benefit.

Employers are required to pay the following contributions based on employee contributions for active members to provide them with Basic Coverage after age 65. 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 employee premiums until age 65 in order to be eligible for the benefit after age 65.

Contribution rates as of December 31, 2022 are:

Coverage Type	Employer Contribution
50% Post-retirement coverage	40% of employee contribution
25% Post-retirement coverage	20% of employee contribution

Member contributions are based upon nine age bands through age 69 and an additional eight age bands for those age 70 and over. Participating members must pay monthly contribution rates per \$1,000 of coverage until the age of 65 (age 70 if active). The member contribution rates in effect for the year ended December 31, 2022 are as listed below:

Life Insurance Employee Contribution Rates* For the Year Ended December 31, 2022		
Attained Age	Basic	Supplemental
Under 30	\$0.05	\$0.05
30 - 34	0.06	0.06
35 - 39	0.07	0.07
40 - 44	0.08	0.08
45 - 49	0.12	0.12
50 - 54	0.22	0.22
55 - 59	0.39	0.39
60 - 64	0.49	0.49
65 - 69	0.57	0.57

* Disabled member under age 70 receive a waiver-of-premium benefit.

During the year ending December 31, 2023, the LRLIF recognized \$6,948 in contributions from the employer.

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

At December 31, 2023, the County reported a liability (asset) of \$1,196,369 for its proportionate share of the Net OPEB liability (asset). The Net OPEB liability (asset) was measured as of December 31, 2022, and the Total OPEB liability used to calculate the Net OPEB liability (asset) was determined by an actuarial valuation as of January 1, 2022 rolled forward to December 31, 2022. 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 OPEB liability (asset) was based on the County’s share of contributions to the OPEB plan relative to the contributions of all participating employers. At December 31, 2022, the County’s proportion was 0.31402200%, which was an increase of 0.008413% from its proportion measured as of December 31, 2021.

For the year ended December 31, 2023, the County recognized OPEB expense of \$146,517.

CALUMET COUNTY, WISCONSIN

Notes to Basic Financial Statements
December 31, 2023

NOTE 3: DETAILED NOTES ON ALL FUNDS

At December 31, 2023, the County reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ -	\$ 117,085
Net differences between projected and actual earnings on OPEB plan investments	22,449	-
Changes in assumptions	429,830	706,186
Changes in proportion and differences between employer contributions and proportionate share of contributions	104,164	-
Employer contributions subsequent to the measurement date	6,948	-
Total	<u>\$ 563,391</u>	<u>\$ 823,271</u>

\$6,948 reported as deferred outflows of resources related to OPEB resulting from the LRLIF Employer's contributions subsequent to the measurement date will be recognized as a reduction of the Net OPEB Liability (Asset) in the year ended December 31, 2024.

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

<u>Year Ended December 31,</u>	<u>Deferred Outflows/ Inflows of Resources (net)</u>
2024	\$ 2,401
2025	(9,680)
2026	4,998
2027	(56,605)
2028	(105,132)
Thereafter	(102,810)
Total	<u>\$ (266,828)</u>

Actuarial assumptions. The total OPEB liability in the January 1, 2022 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Actuarial valuation date:	January 1, 2022
Measurement date of net OPEB liability (asset):	December 31, 2022
Experience Study:	January 1, 2018 - December 31, 2020 Published November 19, 2021
Actuarial cost method:	Entry age normal
20 year tax-exempt municipal bond yield:	3.72%
Long-term expected rate of return:	4.25%
Discount rate:	3.76%
Salary increases:	
Inflation	3.00%
Seniority/Merit	0.1% - 5.6%
Mortality:	2020 WRS Experience Mortality Table

CALUMET COUNTY, WISCONSIN

Notes to Basic Financial Statements
December 31, 2023

NOTE 3: DETAILED NOTES ON ALL FUNDS

Actuarial assumptions are based upon an experience study conducted in 2021 that covered a three-year period from January 1, 2018 to December 31, 2020. Based on this experience study, actuarial assumptions used to measure the Total OPEB Liability changed from the prior year, including the price inflation, mortality and separation rates. The Total OPEB Liability for December 31, 2021 is based upon a roll-forward of the liability calculated from the January 1, 2021 actuarial valuation.

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.

**Local OPEB Life Insurance
Asset Allocation Targets and Expected Returns
As of December 31, 2022**

<u>Asset Class</u>	<u>Index</u>	<u>Target Allocation</u>	<u>Long-term Expected Geometric Real Rate of Return %</u>
U.S. Intermediate Credit Bonds	Bloomberg U.S. Interm Credit	50%	2.45%
U.S. Mortgages	Bloomberg U.S. MBS	50%	2.89%
Inflation			2.30%
Long-term expected rate of return			4.25%

The long-term expected rate of return and expected inflation rate remain unchanged from the prior year at 4.25%. 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. The expected inflation rate remained unchanged from the prior year at 2.30%.

Single discount rate.

A single discount rate of 3.76% was used to measure the Total OPEB Liability for the current year, as opposed to a discount rate of 2.17% for the prior year. The significant change in the discount rate was primarily caused by the increase in the municipal bond rate from 2.06% as of December 31, 2021 to 3.72% as of December 31, 2023. The Plan's fiduciary net position was projected to be insufficient to make all projected future benefit payments of current active and inactive members. 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.

The projection of cash flows used to determine the single discount rate assumed that employer contributions will be made according to the current employer contribution schedule and that contributions are made by plan members retiring prior to age 65.

CALUMET COUNTY, WISCONSIN

Notes to Basic Financial Statements
December 31, 2023

NOTE 3: DETAILED NOTES ON ALL FUNDS

Sensitivity of the County’s proportionate share of 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 3.76%, 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 (2.76%) or 1-percentage-point higher (4.76%) than the current rate:

	<u>1% Decrease to Discount Rate (2.76%)</u>	<u>Current Discount Rate (3.76%)</u>	<u>1% Increase to Discount Rate (4.76%)</u>
County's proportionate share of the net OPEB liability (asset)	\$ 1,631,123	\$ 1,196,369	\$ 863,181

Payable to the OPEB Plan

At December 31, 2023, the County reported no amount payable for contributions to the Plan required for the year ended December 31, 2023.

OPEB plan fiduciary net position. Detailed information about the OPEB 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>.

I. FUND EQUITY

Nonspendable Fund Balance

In the fund financial statements, portions of the governmental fund balances are amounts that cannot be spent because they are either 1) not in spendable form or 2) legally or contractually required to be maintained intact.

At December 31, 2023, nonspendable fund balance was as follows:

General Fund	
Nonspendable	
Delinquent property taxes	\$ 376,723
Advances to other funds	690,493
Inventories	18,752
Prepaid items	101,865
Insurance capital deposits	68,338
Total General Fund nonspendable fund balance	<u>1,256,171</u>
Special Revenue Fund	
Nonspendable	
Human services - prepaid items	<u>9,264</u>
Total nonspendable fund balance	<u><u>\$ 1,265,435</u></u>

CALUMET COUNTY, WISCONSIN

Notes to Basic Financial Statements
December 31, 2023

NOTE 3: DETAILED NOTES ON ALL FUNDS

Restricted Fund Balance

In the fund financial statements, portions of governmental fund balances are not available for appropriation or are legally restricted for use for a specific purpose. At December 31, 2023, restricted fund balance was as follows:

General Fund		
Restricted for		
Sheriff	\$	28,037
Park		48,175
Total General Fund Restricted Fund Balance		<u>76,212</u>
Special Revenue Funds		
Restricted for		
Human services		91,885
Opioid abatement		241,123
Town bridge aids program		147,044
Jail maintenance		169,113
UW extension		2,181
Dog licenses		1,000
Total Special Revenue Funds restricted fund balance		<u>652,346</u>
Debt Service Fund		
Restricted for		
Debt service		<u>2</u>
Total restricted fund balance	\$	<u>728,560</u>

Committed Fund Balance

In the fund financial statements, portions of government fund balances are committed by County Board action. At December 31, 2023, governmental fund balance was committed as follows:

General Fund		
Committed for subsequent years' expenditures		
Self insurance retention	\$	300,000
Dental self-insurance program		93,195
Total General Fund committed fund balance		<u>393,195</u>
Special Revenue Funds		
Committed for		
Highway maintenance		1,297,318
Economic development		98,347
Land records		61,531
Total Special Revenue Funds committed fund balance		<u>1,457,196</u>
Capital Projects Fund		
Committed for		
Capital projects		<u>6,213,639</u>
Total committed fund balance	\$	<u>8,064,030</u>

CALUMET COUNTY, WISCONSIN

Notes to Basic Financial Statements
December 31, 2023

NOTE 3: DETAILED NOTES ON ALL FUNDS

Assigned Fund Balance

In the fund financial statements, portions of government fund balances are assigned by County Board action. At December 31, 2023, governmental fund balance was assigned as follows:

General Fund

Assigned for:

Subsequent year budget	<u>\$ 2,390,656</u>
Budget carryovers	
Finance	10,593
Information services	320,217
County board	39,188
Human resources	187,123
Economic development	15,000
Treasurer	62,428
Veteran's Service Office	11,281
Maintenance	65,000
Sheriff	170,000
Land and water conservation	<u>99,491</u>
Subtotal	<u>980,321</u>
 Total	 <u>3,370,977</u>

Special Revenue Fund

Assigned for:

Human services	<u>490,736</u>
 Total	 <u>\$ 3,861,713</u>

Minimum General Fund Balance Policy

The County has also adopted a minimum fund balance policy of 15% of current year expenditures for the governmental funds except debt service and capital projects. The minimum fund balance is maintained for cash flow and working capital purposes. The minimum fund balance amount is calculated as follows:

2023 Governmental Fund Expenditures	\$ 62,192,755
Less:	
Debt service fund expenditures	(3,160,281)
General fund capital outlay	(2,465,207)
Capital projects fund expenditures	<u>(4,809,884)</u>
Subtotal	51,757,383
Minimum Fund Balance %	(x) 15%
Minimum Fund Balance Amount	<u>\$ 7,763,607</u>

The County is in compliance with the minimum fund balance policy.

CALUMET COUNTY, WISCONSIN

Notes to Basic Financial Statements
December 31, 2023

NOTE 3: DETAILED NOTES ON ALL FUNDS

Net Position

The County reports restricted net position at December 31, 2023 as follows:

Governmental activities		
Restricted for		
Sheriff	\$	28,037
Park		48,175
Human services		91,885
Opioid abatement		958,399
Town bridge aids program		147,044
Jail maintenance		169,113
Land records		2,181
Dog licenses		1,000
Total governmental activities restricted net position		<u>1,445,834</u>
Total restricted net position	\$	<u>1,445,834</u>

NOTE 4: OTHER INFORMATION

A. RISK MANAGEMENT

The County is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the government carries commercial insurance. The County completes an annual review of its insurance coverage to ensure adequate coverage. A description of the County's risk management programs is presented below:

Property and Liability Insurance

The County is a member of the Wisconsin County Mutual insurance Corporation (WCMIC). WCMIC was created by several governmental units within the State of Wisconsin to provide general, auto and other liability insurance services to its members. The County pays premiums to WCMIC for its liability insurance coverage. The actuary for WCMIC determines charges to its members for the expected losses and loss adjustment expenses on which premiums are based. Premium charges for WCMIC are recorded as expenditures or expenses in various funds of the County. The County's self-insured retention limit was \$25,000 for each occurrence for 2023, with a maximum limit of \$150,000 annually. A separate financial report is issued annually by WCMIC.

The County also purchases commercial insurance policies for various property and other liability risks. Payments of premiums for these policies are also recorded as expenditures or expenses in various funds of the County. Settlements have not exceeded insurance coverage for each of the past three years. There have also been no significant changes in insurance coverage from the prior year.

Workers Compensation

The County has established a worker's compensation program to finance workers compensation awards for County employees. The program is funded by charges to County departments. The program is supplemented by stop loss protection, which limits the County's annual liability to \$300,000 per specific claim. Expenses consist of payments for claims, stop loss insurance premiums and administrative costs. A claims liability was reported in the general fund at December 31, 2023, based on the requirements of GASB Statement No. 10, which requires that a liability be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. Changes in the claims liability for 2023 and 2022 follow:

CALUMET COUNTY, WISCONSIN

Notes to Basic Financial Statements
December 31, 2023

NOTE 4: OTHER INFORMATION

	Liability January 1	Current Year Claims and Changes in Estimates	Claims Payments	Liability December 31
2022	\$ 120,000	\$ 69,640	\$ 69,640	\$ 120,000
2023	120,000	84,580	84,580	120,000

Dental Insurance

The County has established a dental insurance program to finance dental claims for County employees. The program is funded by charges to employees and County departments. Expenses consist of payments for claims and administrative costs. A claims liability was reported in the general fund at December 31, 2023, based on the requirements of GASB Statement No. 10, which requires that a liability be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. Changes in the claims liability for 2023 follows:

	Liability January 1	Current Year Claims and Changes in Estimates	Claims Payments	Liability December 31
2023	\$ -	\$ 184,009	\$ 172,909	\$ 11,100

For the County's self-insured risk management areas, there have been no significant reductions in insurance coverage in comparison to the prior year. Also, the amount of insurance settlements for each of the County's self-insured risk management areas has not exceeded insurance coverage in any of the past three years.

B. CONSTRUCTION COMMITMENTS

The County has an active construction project to remodel the Courthouse to relocate various County departments to the former sheriff's office space in its Sales Tax capital project fund. The balance to finish the project was \$1.3 million with sales tax funding carried forward to 2024.

There are no projects funded by bonds that are currently open or planned in the near future.

C. CONTINGENCIES

The County has identified the following items as potential liabilities not recorded on the basic financial statements:

1. The County participates in a number of federal and state assisted grant agreements. These programs are subject to program compliance audits by the grantors or their representatives. An audit under Federal *Uniform Guidance* and the *State Audit Guidelines* has been conducted but final acceptance is still pending. Accordingly, the County's compliance with applicable grant requirements will be established at some future date. The amount of expenditures which may be disallowed by the granting agencies cannot be determined at this time although the County expects such amounts, if any, to be immaterial.
2. From time to time, the County is party to other pending claims and legal proceedings. Although the outcome of such matters cannot be forecast with certainty, it is the opinion of management and the Corporation Counsel that the likelihood is remote that any such claims or proceedings will have a material adverse effect on the County's financial position or results of operations.

CALUMET COUNTY, WISCONSIN

Notes to Basic Financial Statements
December 31, 2023

NOTE 4: OTHER INFORMATION

3. County Guaranty

Calumet County, Wisconsin (the "County") entered into an Intergovernmental Agreement dated December 16, 2021 with other Participating Wisconsin Counties appointing Fond du Lac County, Wisconsin, as conduit issuer for the \$70,000,000 Fond du Lac County, Wisconsin Taxable Revenue Bonds, Series 2021 (Bug Tussel 1, LLC Project) (the "Series 2021 Bonds"). The Series 2021 Bonds were issued for the purpose of constructing protected fiber optic transport facilities, wireless communication towers, wireless broadband equipment and other infrastructure (the "Project") to provide and promote broadband services to businesses, governmental units, and residents of rural communities.

Fond du Lac County (the "Issuer") entered into a Loan Agreement with Bug Tussel 1, LLC (the "Borrower") dated December 1, 2021 to deliver the proceeds of the Series 2021 Bonds to U.S. Bank National Association (the "Trustee"). The Borrower has the primary obligation to make all scheduled principal and interest payments on the Series 2021 Bonds when due, and the required payments on the Loan Agreement represent the Pledged Revenues on the Series 2021 Bonds. The Issuer and Trustee also executed a Trust Indenture which establishes separate Project, Capitalized Interest, Debt Service Reserve and Bond Issuance Cost Accounts to deposit the proceeds of the Series 2021 Bonds. The Series 2021 Capitalized Interest Account will be used to pay interest maturities on the Series 2021 Bonds through November 1, 2024. The Series 2021 Debt Service Reserve Account represents the Maximum Annual Debt Service on the Series 2021 Bonds and may be utilized by the Trustee if Pledged Revenues received from the Borrower are insufficient to satisfy the debt service requirements of the Series 2021 Bonds. The Borrower has agreed that it shall deposit with the Trustee sufficient resources to cure any deficit in the Debt Service Reserve Account.

Concurrently with the issuance of the 2021 Bonds, Calumet County entered into a Guaranty Agreement with the Trustee to guarantee the payment of its Pro Rata Share of principal and interest on the Bonds in an aggregate principal amount not to exceed \$6,000,000. If Pledged Revenues are insufficient and the Borrower fails to replenish a deficiency in the Series 2021 Debt Service Reserve Account, the County has guaranteed replenishment of the Debt Service Reserve Account in an amount equal to the County's pro rata share (8.57%) of the Series 2021 Bonds. The Guaranty Agreement pledges the County's full faith and credit taxing power to replenish its pro rata share of any deficiency in the Debt Service Reserve Account. At December 31, 2023, the County's pro rata share of the Debt Service Reserve Account is \$361,391. To secure its interest, the County entered into a Reimbursement Agreement with the Borrower which requires the Borrower to reimburse the County within five business days of the County making payment under the Guaranty Agreement. In addition, the County executed a Guaranty Agreement with Hilbert Communications, LLC, sole owner of Borrower, for the full and prompt payment to the County of all amounts when due from the Borrower pursuant to, and the performance of all other obligations, covenants and agreements of the Borrower under the Reimbursement Agreement or other security interests filed on assets acquired using proceeds of the Series 2021 Bonds.

D. UPCOMING ACCOUNTING PRONOUNCEMENTS

The Governmental Accounting Standards Board (GASB) has approved the following:

- Statement No. 100, *Accounting Changes and Error Corrections*
- Statement No. 101, *Compensated Absences*
- Statement No. 102, *Certain Risk Disclosures*
- Statement No. 103, *Financial Reporting Model Improvements*

When they become effective, application of these standards may restate portions of these financial statements.

REQUIRED SUPPLEMENTARY INFORMATION

CALUMET COUNTY, WISCONSIN

General Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance –
Budget and Actual
For the Year Ended December 31, 2023

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget
Revenues				
Taxes				
General property taxes	\$ 13,773,129	\$ 13,773,129	\$ 13,773,129	\$ -
Payments in lieu of taxes	33,500	33,500	31,892	(1,608)
Interest on taxes	225,000	225,000	143,892	(81,108)
Other taxes	900,160	900,160	982,821	82,661
Total Taxes	<u>14,931,789</u>	<u>14,931,789</u>	<u>14,931,734</u>	<u>(55)</u>
Intergovernmental				
Shared revenues	1,146,280	1,146,280	1,153,067	6,787
Circuit court	192,400	192,400	182,923	(9,477)
District attorney	55,000	55,000	66,890	11,890
Sheriff's department	22,700	22,700	71,627	48,927
Emergency management	96,351	96,351	166,458	70,107
Veterans	12,650	30,178	30,178	-
Parks department	194,670	652,245	71,072	(581,173)
University Extension	-	-	150	150
Economic development	600,000	600,000	-	(600,000)
Planning	10,000	10,000	10,200	200
Land conservation	1,440,062	2,362,796	473,287	(1,889,509)
Total Intergovernmental	<u>3,770,113</u>	<u>5,167,950</u>	<u>2,225,852</u>	<u>(2,942,098)</u>
Licenses and permits				
County clerk	9,000	9,000	7,463	(1,537)
Planning	120,050	120,050	147,059	27,009
Total Licenses and Permits	<u>129,050</u>	<u>129,050</u>	<u>154,522</u>	<u>25,472</u>
Fines and forfeitures				
Circuit court	105,000	105,000	123,048	18,048
Sheriff's department	-	-	5	5
Total Fines and Forfeitures	<u>105,000</u>	<u>105,000</u>	<u>123,053</u>	<u>18,053</u>
Charges for services				
Finance	70,000	70,000	83,393	13,393
Administrator	12,000	12,000	24,000	12,000
Circuit court	125,200	125,200	143,676	18,476
District attorney	7,200	7,200	18,629	11,429
Medical examiner	12,500	12,500	10,875	(1,625)
County treasurer	30,000	30,000	37,946	7,946
Register of deeds	438,000	438,000	391,058	(46,942)
Sheriff's department	1,219,545	1,219,545	1,280,213	60,668
Parks department	394,755	407,255	426,979	19,724
University extension	2,900	2,225	625	(1,600)
Land conservation	45,500	61,959	56,089	(5,870)
Total Charges for Services	<u>2,357,600</u>	<u>2,385,884</u>	<u>2,473,483</u>	<u>87,599</u>

CALUMET COUNTY, WISCONSIN

General Fund
 Schedule of Revenues, Expenditures and Changes in Fund Balance –
 Budget and Actual
 For the Year Ended December 31, 2023

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget
Revenues (Continued)				
Interdepartmental charges for services				
Indirect cost reimbursement	300,000	330,600	250,383	(80,217)
Printing	60,000	60,000	35,479	(24,521)
Total Interdepartmental Charges for Services	<u>360,000</u>	<u>390,600</u>	<u>285,862</u>	<u>(104,738)</u>
Interest income				
Interest and dividends	200,300	200,300	1,741,340	1,541,040
Miscellaneous				
Finance	25,000	25,000	14,973	(10,027)
Dental self-insurance	-	-	93,195	93,195
Maintenance	34,400	34,400	8,596	(25,804)
Sheriff's department	223,900	223,900	219,371	(4,529)
Emergency management	-	-	1,900	1,900
Veterans	1,500	1,500	3,929	2,429
Parks department	500	500	11,233	10,733
Planning	300	300	-	(300)
Sale of County owned property	-	-	16,235	16,235
Total Miscellaneous	<u>285,600</u>	<u>285,600</u>	<u>369,432</u>	<u>83,832</u>
Total Revenues	<u>22,139,452</u>	<u>23,596,173</u>	<u>22,305,278</u>	<u>(1,290,895)</u>
Expenditures				
General Government				
Finance	808,015	829,354	898,321	(68,967)
Contingency	235,000	130,535	-	130,535
Information technology	1,293,294	1,579,469	1,347,600	231,869
Administrator	1,627,960	1,855,454	1,517,888	337,566
Circuit court	1,021,131	1,026,480	1,044,017	(17,537)
District attorney	443,951	446,518	488,478	(41,960)
Medical examiner	207,717	207,717	205,507	2,210
County clerk	211,801	211,801	219,667	(7,866)
County treasurer	256,233	320,837	271,457	49,380
Corporation counsel	433,649	438,611	446,480	(7,869)
Register of deeds	232,242	233,007	228,566	4,441
Family court commissioner	27,563	27,563	23,131	4,432
Maintenance	1,372,624	1,422,050	1,295,573	126,477
Total General Government	<u>8,171,180</u>	<u>8,729,396</u>	<u>7,986,685</u>	<u>742,711</u>
Public Safety				
Sheriff's department	8,856,918	8,953,612	8,191,756	761,856
Emergency management	155,370	155,370	146,221	9,149
Total Public Safety	<u>9,012,288</u>	<u>9,108,982</u>	<u>8,337,977</u>	<u>771,005</u>

CALUMET COUNTY, WISCONSIN

General Fund
 Schedule of Revenues, Expenditures and Changes in Fund Balance –
 Budget and Actual
 For the Year Ended December 31, 2023

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget
Expenditures (Continued)				
Health and social services				
Veterans	216,464	233,992	219,245	14,747
Education and Recreation				
Parks department	1,672,522	2,049,091	1,632,362	416,729
University extension	86,682	86,682	105,027	(18,345)
County clerk - Library aid				
Grants to libraries	693,303	693,303	693,303	-
County fair	15,000	15,000	15,000	-
Total Education and Recreation	2,467,507	2,844,076	2,445,692	398,384
Conservation and Development				
Economic development	974,741	974,741	282,545	692,196
Planning	638,919	642,127	623,536	18,591
Land conservation	2,132,637	3,184,244	1,001,124	2,183,120
Total Conservation and Development	3,746,297	4,801,112	1,907,205	2,893,907
Capital Outlay	-	-	2,465,207	(2,465,207)
Debt Service				
Principal retirement	6,055	6,055	6,055	-
Interest and other charges	290	290	290	-
Total Debt Service	6,345	6,345	6,345	-
Total Expenditures	23,620,081	25,723,903	23,368,356	2,355,547
Excess (deficiency) of revenues over (under) expenditures	(1,480,629)	(2,127,730)	(1,063,078)	1,064,652
Other financing sources (uses)				
Subscription-based information and technology	-	-	2,465,207	2,465,207
Transfers in	25,000	25,000	280,554	255,554
Transfers out	-	-	(271,438)	(271,438)
Total other financing sources (uses)	25,000	25,000	2,474,323	2,449,323
Net change in fund balance	(1,455,629)	(2,102,730)	1,411,245	3,513,975
Fund balance - beginning	14,785,028	14,785,028	14,785,028	-
Fund balance - ending	\$ 13,329,399	\$ 12,682,298	\$ 16,196,273	\$ 3,513,975

See notes to required supplementary information.

CALUMET COUNTY, WISCONSIN

Human Services Special Revenue Fund
 Schedule of Revenues, Expenditures and Changes in Fund Balance –
 Budget and Actual
 For the Year Ended December 31, 2023

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
Revenues				
Taxes	\$ 4,785,024	\$ 4,785,024	\$ 4,785,024	\$ -
Intergovernmental	10,307,503	10,307,503	10,554,936	247,433
Charges for services	2,292,646	2,292,646	2,727,033	434,387
Miscellaneous	-	-	60	60
Total revenues	<u>17,385,173</u>	<u>17,385,173</u>	<u>18,067,053</u>	<u>681,880</u>
Expenditures				
Current:				
Health and social services	17,329,553	17,481,446	17,550,784	(69,338)
Debt service:				
Principal retirement	53,647	53,647	53,647	-
Interest and other charges	1,973	1,973	1,973	-
Total expenditures	<u>17,385,173</u>	<u>17,537,066</u>	<u>17,606,404</u>	<u>(69,338)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>(151,893)</u>	<u>460,649</u>	<u>612,542</u>
Other financing uses				
Transfers out	<u>-</u>	<u>-</u>	<u>(240,668)</u>	<u>(240,668)</u>
Net change in fund balance	-	(151,893)	219,981	371,874
Fund balance - beginning	<u>371,904</u>	<u>371,904</u>	<u>371,904</u>	<u>-</u>
Fund balance - ending	<u>\$ 371,904</u>	<u>\$ 220,011</u>	<u>\$ 591,885</u>	<u>\$ 371,874</u>

See notes to required supplementary information.

CALUMET COUNTY, WISCONSIN

American Rescue Plan Act (ARPA) Special Revenue Fund
 Schedule of Revenues, Expenditures and Changes in Fund Balance –
 Budget and Actual
 For the Year Ended December 31, 2023

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
Revenues				
Intergovernmental	\$ 2,703,000	\$ 7,182,506	\$ 4,363,137	\$ (2,819,369)
Total revenues	<u>2,703,000</u>	<u>7,182,506</u>	<u>4,363,137</u>	<u>(2,819,369)</u>
Expenditures				
Current:				
General government	25,000	225,000	23,523	201,477
Public safety	-	17,817	1,528	16,289
Health and social services	-	281,450	249,041	32,409
Education and recreation	-	100,000	100,000	-
Conservation and development	-	880,116	344,075	536,041
Capital outlay				
General government	2,550,000	4,708,263	3,278,350	1,429,913
Education and recreation	103,000	502,988	117,765	385,223
Debt service:				
Principal retirement	-	357,921	176,085	181,836
Interest and other charges	-	83,951	32,884	51,067
Total expenditures	<u>2,678,000</u>	<u>7,157,506</u>	<u>4,323,251</u>	<u>2,834,255</u>
Excess (deficiency) of revenues over (under) expenditures	<u>25,000</u>	<u>25,000</u>	<u>39,886</u>	<u>14,886</u>
Other financing uses				
Transfers out	<u>(25,000)</u>	<u>(25,000)</u>	<u>(39,886)</u>	<u>(14,886)</u>
Total other financing uses	<u>(25,000)</u>	<u>(25,000)</u>	<u>(39,886)</u>	<u>(14,886)</u>
Net change in fund balance	-	-	-	-
Fund balance - beginning	-	-	-	-
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See notes to required supplementary information.

CALUMET COUNTY, WISCONSIN

Schedule of Proportionate Share of the Net Pension Liability (Asset)
Wisconsin Retirement System
Last 10 Fiscal Years

Plan Year Ending	Proportion of the Net Pension Liability (Asset)	Proportionate Share of the Net Pension Liability (Asset)	Covered Payroll	Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability (Asset)
12/31/14	0.09459513%	\$ (2,323,515)	\$ 12,531,666	18.54%	102.74%
12/31/15	0.09618635%	1,563,010	13,435,242	11.63%	98.20%
12/31/16	0.09744080%	803,145	13,442,417	5.97%	99.12%
12/31/17	0.09974523%	(2,961,554)	14,053,383	21.07%	102.93%
12/31/18	0.10063682%	3,580,342	14,614,753	24.50%	96.45%
12/31/19	0.10210845%	(3,292,442)	15,252,852	21.59%	102.96%
12/31/20	0.10301825%	(6,431,572)	15,849,542	40.58%	105.26%
12/31/21	0.10514284%	(8,474,706)	16,969,313	49.94%	106.02%
12/31/22	0.10712417%	5,675,121	17,716,198	32.03%	95.72%

Schedule of Contributions
Wisconsin Retirement System
Last 10 Fiscal Years

Fiscal Year Ending	Contractually Required Contributions	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
12/31/15	\$ 962,845	\$ 962,845	\$ -	\$ 13,435,242	7.17%
12/31/16	935,915	935,915	-	13,442,417	6.96%
12/31/17	1,027,293	1,027,293	-	14,053,383	7.31%
12/31/18	1,053,342	1,053,342	-	14,614,753	7.21%
12/31/19	1,076,567	1,076,567	-	15,252,852	7.06%
12/31/20	1,172,597	1,172,597	-	15,849,542	7.40%
12/31/21	1,263,008	1,263,008	-	16,969,313	7.44%
12/31/22	1,281,539	1,281,539	-	17,716,198	7.23%
12/31/23	1,496,974	1,496,974	-	19,844,928	7.54%

See notes to required supplementary information.

CALUMET COUNTY, WISCONSIN

Schedule of Proportionate Share of the Net OPEB Liability (Asset)
Local Retiree Life Insurance Fund
Last 10 Fiscal Years

Plan Year Ending	Proportion of the Net OPEB Liability (Asset)	Proportionate Share of the Net OPEB Liability (Asset)	Covered-Employee Payroll	Proportionate Share of the Net OPEB Liability (Asset) as a Percentage of Covered-Employee Payroll	Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability (Asset)
12/31/17	0.27377400%	\$ 823,671	\$ 11,512,980	7.15%	44.81%
12/31/18	0.27755300%	716,180	13,722,000	5.22%	48.69%
12/31/19	0.28711700%	1,222,600	14,059,000	8.70%	37.58%
12/31/20	0.29596700%	1,628,032	14,366,000	11.33%	31.36%
12/31/21	0.30560900%	1,806,262	15,861,000	11.39%	29.57%
12/31/22	0.31402200%	1,196,369	16,585,000	7.21%	38.81%

Schedule of Contributions
Local Retiree Life Insurance Fund
Last 10 Fiscal Years

Fiscal Year Ending	Contractually Required Contributions	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency (Excess)	Covered-Employee Payroll	Contributions as a Percentage of Covered- Employee Payroll
12/31/18	\$ 5,369	\$ 5,369	\$ -	\$ 13,722,000	0.04%
12/31/19	5,347	5,347	-	14,059,000	0.04%
12/31/20	5,919	5,919	-	14,366,000	0.04%
12/31/21	6,255	6,255	-	15,861,000	0.04%
12/31/22	6,375	6,375	-	16,585,000	0.04%
12/31/23	6,948	6,948	-	18,912,000	0.04%

See notes to required supplementary information.

CALUMET COUNTY, WISCONSIN

Schedule of Changes in OPEB Liability and Related Ratios
Last 10 Fiscal Years

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Total OPEB liability							
Service cost	\$ 197,350	\$ 338,661	\$ 257,609	\$ 223,800	\$ 238,050	\$ 219,343	\$ 218,172
Interest	83,690	84,512	98,905	135,223	101,027	100,186	87,899
Differences between expected and actual experience	(216,341)	9,504	(194,793)	5,034	(93,610)	-	-
Changes of assumptions	(1,001,795)	17,839	276,519	58,717	263,449	49,423	(28,242)
Benefit payments	<u>(120,600)</u>	<u>(147,300)</u>	<u>(137,619)</u>	<u>(151,848)</u>	<u>(115,437)</u>	<u>(87,226)</u>	<u>(94,257)</u>
Net change in total OPEB liability	(1,057,696)	303,216	300,621	270,926	393,479	281,726	183,572
Total OPEB liability - beginning	<u>4,024,247</u>	<u>3,721,031</u>	<u>3,420,410</u>	<u>3,149,484</u>	<u>2,756,005</u>	<u>2,474,279</u>	<u>2,290,707</u>
 Total OPEB liability - ending	<u><u>\$ 2,966,551</u></u>	<u><u>\$ 4,024,247</u></u>	<u><u>\$ 3,721,031</u></u>	<u><u>\$ 3,420,410</u></u>	<u><u>\$ 3,149,484</u></u>	<u><u>\$ 2,756,005</u></u>	<u><u>\$ 2,474,279</u></u>
 Covered-employee payroll	\$ 16,894,200	\$ 17,716,198	\$ 16,969,313	\$ 15,849,542	\$ 15,252,852	\$ 14,614,753	\$ 14,053,383
 County's total OPEB liability as a percentage of covered payroll	17.56%	22.72%	21.93%	21.58%	20.65%	18.86%	17.61%

* The amounts presented for each fiscal year were determined as of the current fiscal year end. Amounts for prior years were not available.

See notes to required supplementary information.

CALUMET COUNTY, WISCONSIN

Notes to Required Supplementary Information December 31, 2023

A. BUDGETS AND BUDGETARY ACCOUNTING

Budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America. The County prepares an annual budget in accordance with Chapter 65 of the Wisconsin Statutes for each year ending December 31.

The County adopts annual appropriated budgets for the general, special revenue, debt service, capital project, and enterprise funds. For the proprietary fund types, the budget is viewed as an approved operating plan.

During September and October of each year, all departments of Calumet County submit written requests for appropriations to the County Administrator so that a budget may be prepared.

The County's Administrator and the Administrative Services Committee hold several budgetary review meetings to consider departmental budgets.

Any modifications of budget items as a result of these meetings require notification to the departments and/or committees of jurisdiction.

If the department or committee of jurisdiction request to be heard in rebuttal, the County's Administrator and the Administrative Services Committee shall grant that opportunity.

1. In October, the preliminary budget as approved by the Administrative Services Committee is introduced by the County Administrator to the County Board of Supervisors. Fifteen days before final adoption of the budget, a public hearing notice is posted, and the public is invited to inspect the budget. The public hearing on the budget is held. Discussion and/or changes may be made to the budget. Subsequently, the final version of the budget is approved (a majority vote of members present is required) through the County's property tax resolution and the budget is formally adopted at the functional level of expenditures.
2. Major budgetary transfers and changes must be introduced by the Administrative Services Committee through resolutions. All such resolutions must be approved by the County Board of Supervisors. Minor budgetary transfers and changes, defined as ten percent or less of a department's annual approved budget, are approved by the County's Finance Director. The final budgeted amounts presented in the basic financial statements include any amendments made.
3. All annual appropriations lapse at year-end unless specifically authorized as non-lapsing appropriations by the County's Administrative Services Committee. The portion of fund balance representing non-lapsing appropriations is reported as a committed fund balance.
4. Encumbrance accounting is used by the County as an extension of formal budgetary control during the year. Encumbrances outstanding at year-end (e.g., construction related purchase orders and contracts) are reported as committed fund balances.

The County did not have any material violations of legal or contractual provisions for the fiscal year ended December 31, 2023.

CALUMET COUNTY, WISCONSIN

Notes to Required Supplementary Information
December 31, 2023

B. WISCONSIN RETIREMENT SYSTEM

The County is required to present the last ten fiscal years of data; however accounting standards allow the presentation of as many years as are available until ten fiscal years are presented.

Changes of benefit terms. There were no changes of benefit terms for any participating employer in the WRS.

Changes of assumptions.

Based on a three-year experience study conducted in 2021 covering January 1, 2018 through December 31, 2020, the ETF Board adopted assumption changes that were used to measure the total pension liability beginning with the year-end December 31, 2021, including the following:

- Lowering the long-term expected rate of return from 7.0% to 6.8%
- Lowering the discount rate from 7.0% to 6.8%
- Lowering the price inflation rate from 2.5% to 2.4%
- Lowering the post-retirement adjustments from 1.9% to 1.7%
- Mortality assumptions were changed to reflect updated trends by transitioning from the Wisconsin 2018 Mortality Table to the 2020 WRS Experience Mortality Table.

Based on a three-year experience study conducted in 2018 covering January 1, 2015 through December 31, 2017, the ETF Board adopted assumption changes that were used to measure the total pension liability beginning with the year-ended December 31, 2018, including the following:

- Lowering the long-term expected rate of return from 7.2% to 7.0%
- Lowering the discount rate from 7.2% to 7.0%
- Lowering the wage inflation rate from 3.2% to 3.0%
- Lowering the price inflation rate from 2.7% to 2.5%
- Lowering the post-retirement adjustments from 2.1% to 1.9%
- Mortality assumptions were changed to reflect updated trends by transitioning from the Wisconsin 2012 Mortality Table to the Wisconsin 2018 Mortality Table.

CALUMET COUNTY, WISCONSIN

Notes to Required Supplementary Information
December 31, 2023

C. OTHER POSTEMPLOYMENT BENEFITS

The County is required to present the last ten fiscal years of data; however accounting standards allow the presentation of as many years as are available until ten fiscal years are presented.

Single-employer Defined Postemployment Benefit Plan

There were no changes in benefit terms. The following changes in assumptions were made for the January 1, 2023 valuation:

- Demographic assumptions have been updated based upon the most recent WRS experience study as follows:
- The discount rate increased to 4.31%.
- The assumed initial annual health care trend rates are based in part on the 2023 Segal Health Plan Cost Trend Survey. Rates are trended down in subsequent years in accordance with prevalent actuarial practice, based in part on the Society of Actuaries - Getzen Long Term Health Care Trends Resource Model, as updated November 2021.

The overall impact of the new assumptions is an increase in the benefit obligations. Please refer to the Actuarial Assumptions section for additional details.

No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75.

Local Retiree Life Insurance Fund (LRLIF)

Changes of benefit terms. There were no changes of benefit terms for any participating employer in LRLIF.

Changes of assumptions. In addition to the rate changes detailed in the tables above, the State of Wisconsin Employee Trust Fund Board adopted economic and demographic assumption changes based on a three year experience study performed for the Wisconsin Retirement System. These assumptions are used in the actuarial valuations of OPEB liabilities (assets) for the retiree life insurance programs and are summarized below.

The assumption changes that were used to measure the December 31, 2021 total OPEB liabilities, including the following:

- Lowering the price inflation rate from 2.5% to 2.4%
- Mortality assumptions were changed to reflect updated trends by transitioning from the Wisconsin 2018 Mortality Table to the 2020 WRS Experience Mortality Table.

The assumption changes that were used to measure the December 31, 2018 total OPEB liabilities, including the following:

- Lowering the long-term expected rate of return from 5.00% to 4.25%
- Lowering the wage inflation rate from 3.2% to 3.0%
- Lowering the price inflation rate from 2.7% to 2.5%
- Mortality assumptions were changed to reflect updated trends by transitioning from the Wisconsin 2012 Mortality Table to the Wisconsin 2018 Mortality Table.

SUPPLEMENTARY INFORMATION

CALUMET COUNTY, WISCONSIN

Combining Balance Sheet –
Nonmajor Governmental Funds
December 31, 2023

	<u>Home Nursing</u>	<u>Opioid Abatement</u>	<u>Children With Disability Education Board</u>	<u>County Roads and Bridges</u>
Assets				
Cash and investments	\$ -	\$ 241,123	\$ -	\$ 867,704
Receivables				
Taxes	-	-	1,955,584	443,620
Accounts	446,030	717,276	68,848	576,658
Loans	-	-	-	-
Total assets	<u>\$ 446,030</u>	<u>\$ 958,399</u>	<u>\$2,024,432</u>	<u>\$1,887,982</u>
Liabilities, deferred inflows of resources and fund balances				
Liabilities:				
Accounts payable	\$ 163,271	\$ -	\$ 118,097	\$ -
Due to other governments	-	-	-	-
Due to other funds	282,759	-	326,677	-
Total liabilities	<u>446,030</u>	<u>-</u>	<u>444,774</u>	<u>-</u>
Deferred inflows of resources:				
Property taxes levied for subsequent year	-	-	1,955,584	443,620
Unavailable revenue	-	717,276	-	-
Total deferred inflows of resources	<u>-</u>	<u>717,276</u>	<u>1,955,584</u>	<u>443,620</u>
Fund balances (deficits):				
Restricted				
Opioid abatement	-	241,123	-	-
Town bridge aids program	-	-	-	147,044
Jail maintenance	-	-	-	-
UW extension programs	-	-	-	-
Dog licenses	-	-	-	-
Committed				
Highway maintenance	-	-	-	1,297,318
Land records	-	-	-	-
Economic development	-	-	-	-
Unassigned (deficit)	-	-	(375,926)	-
Total fund balances (deficits)	<u>-</u>	<u>241,123</u>	<u>(375,926)</u>	<u>1,444,362</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 446,030</u>	<u>\$ 958,399</u>	<u>\$2,024,432</u>	<u>\$1,887,982</u>

<u>Jail Maintenance</u>	<u>Land Records</u>	<u>Micro Loan Program</u>	<u>UW Extension Programs</u>	<u>Dog Licenses</u>	<u>Capital Improvements</u>	<u>Total Nonmajor Governmental Funds</u>
\$ 169,113	\$ 73,199	\$ 98,347	\$ 2,510	\$ 16,568	\$ -	\$ 1,468,564
-	204,069	-	-	-	-	2,603,273
-	-	-	-	-	-	1,808,812
-	-	3,322	-	-	-	3,322
<u>\$ 169,113</u>	<u>\$ 277,268</u>	<u>\$ 101,669</u>	<u>\$ 2,510</u>	<u>\$ 16,568</u>	<u>\$ -</u>	<u>\$ 5,883,971</u>
\$ -	\$ 8,601	\$ -	\$ 329	\$ 15,568	\$ -	\$ 305,866
-	3,067	-	-	-	-	3,067
-	-	-	-	-	-	609,436
-	11,668	-	329	15,568	-	918,369
-	204,069	-	-	-	-	2,603,273
-	-	3,322	-	-	-	720,598
-	204,069	3,322	-	-	-	3,323,871
-	-	-	-	-	-	241,123
-	-	-	-	-	-	147,044
169,113	-	-	-	-	-	169,113
-	-	-	2,181	-	-	2,181
-	-	-	-	1,000	-	1,000
-	-	-	-	-	-	1,297,318
-	61,531	-	-	-	-	61,531
-	-	98,347	-	-	-	98,347
-	-	-	-	-	-	(375,926)
<u>169,113</u>	<u>61,531</u>	<u>98,347</u>	<u>2,181</u>	<u>1,000</u>	<u>-</u>	<u>1,641,731</u>
<u>\$ 169,113</u>	<u>\$ 277,268</u>	<u>\$ 101,669</u>	<u>\$ 2,510</u>	<u>\$ 16,568</u>	<u>\$ -</u>	<u>\$ 5,883,971</u>

CALUMET COUNTY, WISCONSIN

Combining Statement of Revenues, Expenditures and Changes in Fund Balance –
Nonmajor Governmental Funds
For the Year Ended December 31, 2023

	<u>Home Nursing</u>	<u>Opioid Abatement</u>	<u>Children With Disability Education Board</u>	<u>County Roads and Bridges</u>
Revenues				
Taxes	\$ -	\$ -	\$ 1,328,414	\$ 508,376
Intergovernmental	-	-	1,091,239	2,033,419
Licenses and permits	-	-	-	-
Charges for services	2,515,117	-	-	-
Interest income	-	10,364	-	-
Miscellaneous	42,746	47,479	-	-
Total revenues	<u>2,557,863</u>	<u>57,843</u>	<u>2,419,653</u>	<u>2,541,795</u>
Expenditures				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	1,941,334
Health and social services	2,998,108	-	-	-
Education and recreation	-	-	3,083,104	-
Conservation and development	-	-	-	-
Capital outlay:				
Public safety	-	-	-	-
Public works	-	-	-	575,641
Total expenditures	<u>2,998,108</u>	<u>-</u>	<u>3,083,104</u>	<u>2,516,975</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(440,245)</u>	<u>57,843</u>	<u>(663,451)</u>	<u>24,820</u>
Other financing sources				
Transfers in	271,438	-	-	-
Total other financing sources	<u>271,438</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(168,807)	57,843	(663,451)	24,820
Fund balances (deficit) - beginning	<u>168,807</u>	<u>183,280</u>	<u>287,525</u>	<u>1,419,542</u>
Fund balances (deficit) - ending	<u>\$ -</u>	<u>\$ 241,123</u>	<u>\$ (375,926)</u>	<u>\$ 1,444,362</u>

Jail Maintenance	Land Records	Micro Loan Program	UW Extension Programs	Dog Licenses	Capital Improvements	Total Nonmajor Governmental Funds
\$ -	\$ 180,093	\$ -	\$ -	\$ -	\$ -	\$ 2,016,883
-	120,680	-	-	-	-	3,245,338
23,256	-	-	-	16,678	-	39,934
-	36,155	12,155	42,696	-	-	2,606,123
-	-	-	-	-	1,101	11,465
-	-	-	-	-	-	90,225
<u>23,256</u>	<u>336,928</u>	<u>12,155</u>	<u>42,696</u>	<u>16,678</u>	<u>1,101</u>	<u>8,009,968</u>
-	-	-	-	16,678	-	16,678
8,069	-	-	-	-	-	8,069
-	-	-	-	-	-	1,941,334
-	-	-	-	-	-	2,998,108
-	-	-	50,625	-	-	3,133,729
-	251,020	-	-	-	-	251,020
-	-	-	-	-	20,221	20,221
-	-	-	-	-	-	575,641
<u>8,069</u>	<u>251,020</u>	<u>-</u>	<u>50,625</u>	<u>16,678</u>	<u>20,221</u>	<u>8,944,800</u>
<u>15,187</u>	<u>85,908</u>	<u>12,155</u>	<u>(7,929)</u>	<u>-</u>	<u>(19,120)</u>	<u>(934,832)</u>
-	-	-	-	-	-	271,438
-	-	-	-	-	-	271,438
15,187	85,908	12,155	(7,929)	-	(19,120)	(663,394)
<u>153,926</u>	<u>(24,377)</u>	<u>86,192</u>	<u>10,110</u>	<u>1,000</u>	<u>19,120</u>	<u>2,305,125</u>
<u>\$ 169,113</u>	<u>\$ 61,531</u>	<u>\$ 98,347</u>	<u>\$ 2,181</u>	<u>\$ 1,000</u>	<u>\$ -</u>	<u>\$ 1,641,731</u>

CALUMET COUNTY, WISCONSIN

Home Nursing Special Revenue Fund
 Schedule of Revenues, Expenditures and Changes in Fund Balance –
 Budget and Actual
 For the Year Ended December 31, 2023

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
Revenues				
Charges for services	\$ 2,672,700	\$ 2,672,700	\$ 2,515,117	\$ (157,583)
Miscellaneous	2,000	2,000	42,746	40,746
Total revenues	<u>2,674,700</u>	<u>2,674,700</u>	<u>2,557,863</u>	<u>(116,837)</u>
Expenditures				
Current:				
Health and social services	<u>2,674,700</u>	<u>2,674,700</u>	<u>2,998,108</u>	<u>(323,408)</u>
Total expenditures	<u>2,674,700</u>	<u>2,674,700</u>	<u>2,998,108</u>	<u>(323,408)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>(440,245)</u>	<u>(440,245)</u>
Other financing sources				
Transfers in	<u>-</u>	<u>-</u>	<u>271,438</u>	<u>271,438</u>
Total other financing sources	<u>-</u>	<u>-</u>	<u>271,438</u>	<u>271,438</u>
Net change in fund balance	-	-	(168,807)	(168,807)
Fund balance - beginning	<u>168,807</u>	<u>168,807</u>	<u>168,807</u>	<u>-</u>
Fund balance - ending	<u>\$ 168,807</u>	<u>\$ 168,807</u>	<u>\$ -</u>	<u>\$ (168,807)</u>

CALUMET COUNTY, WISCONSIN
 Opioid Abatement Special Revenue Fund
 Schedule of Revenues, Expenditures and Changes in Fund Balance –
 Budget and Actual
 For the Year Ended December 31, 2023

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget
Revenues				
Interest income	\$ -	\$ -	\$ 10,364	\$ 10,364
Miscellaneous	-	-	47,479	47,479
Total revenues	<u>-</u>	<u>-</u>	<u>57,843</u>	<u>57,843</u>
Expenditures				
Current:				
Health and social services	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	-	-	57,843	57,843
Fund balance - beginning	<u>183,280</u>	<u>183,280</u>	<u>183,280</u>	<u>-</u>
Fund balance - ending	<u>\$ 183,280</u>	<u>\$ 183,280</u>	<u>\$ 241,123</u>	<u>\$ 57,843</u>

CALUMET COUNTY, WISCONSIN

Children with Disabilities Education Board Special Revenue Fund
 Schedule of Revenues, Expenditures and Changes in Fund Balance –
 Budget and Actual
 For the Year Ended December 31, 2023

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
Revenues				
Taxes	\$ 1,328,414	\$ 1,328,414	\$ 1,328,414	\$ -
Intergovernmental	<u>1,139,550</u>	<u>1,341,750</u>	<u>1,091,239</u>	<u>(250,511)</u>
Total revenues	<u>2,467,964</u>	<u>2,670,164</u>	<u>2,419,653</u>	<u>(250,511)</u>
Expenditures				
Current:				
Education and recreation	<u>2,567,964</u>	<u>4,243,769</u>	<u>3,083,104</u>	<u>1,160,665</u>
Total expenditures	<u>2,567,964</u>	<u>4,243,769</u>	<u>3,083,104</u>	<u>1,160,665</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(100,000)</u>	<u>(1,573,605)</u>	<u>(663,451)</u>	<u>910,154</u>
Other financing uses				
Transfers out	<u>-</u>	<u>(30,600)</u>	<u>-</u>	<u>30,600</u>
Total other financing uses	<u>-</u>	<u>(30,600)</u>	<u>-</u>	<u>30,600</u>
Net change in fund balance	(100,000)	(1,604,205)	(663,451)	940,754
Fund balance - beginning	<u>287,525</u>	<u>287,525</u>	<u>287,525</u>	<u>-</u>
Fund balance (deficit) - ending	<u>\$ 187,525</u>	<u>\$ (1,316,680)</u>	<u>\$ (375,926)</u>	<u>\$ 940,754</u>

CALUMET COUNTY, WISCONSIN

County Roads and Bridges Special Revenue Fund
 Schedule of Revenues, Expenditures and Changes in Fund Balance –
 Budget and Actual
 For the Year Ended December 31, 2023

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
Revenues				
Taxes	\$ 508,376	\$ 508,376	\$ 508,376	\$ -
Intergovernmental	4,715,189	4,715,189	2,033,419	(2,681,770)
Total revenues	<u>5,223,565</u>	<u>5,223,565</u>	<u>2,541,795</u>	<u>(2,681,770)</u>
Expenditures				
Current:				
Public works	2,296,641	2,358,835	1,941,334	417,501
Capital outlay				
Public works	<u>3,257,546</u>	<u>3,257,546</u>	<u>575,641</u>	<u>2,681,905</u>
Total expenditures	<u>5,554,187</u>	<u>5,616,381</u>	<u>2,516,975</u>	<u>3,099,406</u>
Net change in fund balance	(330,622)	(392,816)	24,820	417,636
Fund balance - beginning	<u>1,419,542</u>	<u>1,419,542</u>	<u>1,419,542</u>	<u>-</u>
Fund balance - ending	<u>\$ 1,088,920</u>	<u>\$ 1,026,726</u>	<u>\$ 1,444,362</u>	<u>\$ 417,636</u>

CALUMET COUNTY, WISCONSIN

Jail Maintenance Special Revenue Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance –
Budget and Actual
For the Year Ended December 31, 2023

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
Revenues				
Licenses and permits	\$ 24,000	\$ 24,000	\$ 23,256	\$ (744)
Total revenues	<u>24,000</u>	<u>24,000</u>	<u>23,256</u>	<u>(744)</u>
Expenditures				
Current:				
Public safety	8,000	8,000	8,069	(69)
Total expenditures	<u>8,000</u>	<u>8,000</u>	<u>8,069</u>	<u>(69)</u>
Net change in fund balance	16,000	16,000	15,187	(813)
Fund balance - beginning	<u>153,926</u>	<u>153,926</u>	<u>153,926</u>	<u>-</u>
Fund balance - ending	<u>\$ 169,926</u>	<u>\$ 169,926</u>	<u>\$ 169,113</u>	<u>\$ (813)</u>

CALUMET COUNTY, WISCONSIN

Land Records Special Revenue Fund
 Schedule of Revenues, Expenditures and Changes in Fund Balance –
 Budget and Actual
 For the Year Ended December 31, 2023

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
Revenues				
Taxes	\$ 180,093	\$ 180,093	\$ 180,093	\$ -
Intergovernmental	90,000	90,000	120,680	30,680
Charges for services	61,000	61,000	36,155	(24,845)
Total revenues	<u>331,093</u>	<u>331,093</u>	<u>336,928</u>	<u>5,835</u>
Expenditures				
Current:				
Conservation and development	<u>331,093</u>	<u>351,193</u>	<u>251,020</u>	<u>100,173</u>
Total expenditures	<u>331,093</u>	<u>351,193</u>	<u>251,020</u>	<u>100,173</u>
Net change in fund balance	-	(20,100)	85,908	106,008
Fund balance (deficit) - beginning	<u>(24,377)</u>	<u>(24,377)</u>	<u>(24,377)</u>	<u>-</u>
Fund balance (deficit) - ending	<u>\$ (24,377)</u>	<u>\$ (44,477)</u>	<u>\$ 61,531</u>	<u>\$ 106,008</u>

CALUMET COUNTY, WISCONSIN

Micro Loan Program Special Revenue Fund
 Schedule of Revenues, Expenditures and Changes in Fund Balance –
 Budget and Actual
 For the Year Ended December 31, 2023

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
Revenues				
Charges for services	\$ 24,000	\$ 24,000	\$ 12,155	\$ (11,845)
Total revenues	<u>24,000</u>	<u>24,000</u>	<u>12,155</u>	<u>(11,845)</u>
Expenditures				
Current:				
Conservation and development	114,704	114,704	-	114,704
Total expenditures	<u>114,704</u>	<u>114,704</u>	<u>-</u>	<u>114,704</u>
Net change in fund balance	(90,704)	(90,704)	12,155	102,859
Fund balance - beginning	<u>86,192</u>	<u>86,192</u>	<u>86,192</u>	<u>-</u>
Fund balance (deficit) - ending	<u>\$ (4,512)</u>	<u>\$ (4,512)</u>	<u>\$ 98,347</u>	<u>\$ 102,859</u>

CALUMET COUNTY, WISCONSIN

UW Extension Programs Special Revenue Fund
 Schedule of Revenues, Expenditures and Changes in Fund Balance –
 Budget and Actual
 For the Year Ended December 31, 2023

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
Revenues				
Charges for services	\$ 24,443	\$ 24,443	\$ 42,696	\$ 18,253
Total revenues	<u>24,443</u>	<u>24,443</u>	<u>42,696</u>	<u>18,253</u>
Expenditures				
Current:				
Education and recreation	24,443	24,443	50,625	(26,182)
Total expenditures	<u>24,443</u>	<u>24,443</u>	<u>50,625</u>	<u>(26,182)</u>
Net change in fund balance	-	-	(7,929)	(7,929)
Fund balance - beginning	<u>10,110</u>	<u>10,110</u>	<u>10,110</u>	<u>-</u>
Fund balance - ending	<u><u>\$ 10,110</u></u>	<u><u>\$ 10,110</u></u>	<u><u>\$ 2,181</u></u>	<u><u>\$ (7,929)</u></u>

CALUMET COUNTY, WISCONSIN

Dog Licenses Special Revenue Fund
 Schedule of Revenues, Expenditures and Changes in Fund Balance –
 Budget and Actual
 For the Year Ended December 31, 2023

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
Revenues				
Licenses and permits	\$ 16,769	\$ 16,769	\$ 16,678	\$ (91)
Total revenues	<u>16,769</u>	<u>16,769</u>	<u>16,678</u>	<u>(91)</u>
Expenditures				
Current:				
General government	16,769	16,769	16,678	91
Total expenditures	<u>16,769</u>	<u>16,769</u>	<u>16,678</u>	<u>91</u>
Net change in fund balance	-	-	-	-
Fund balance - beginning	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>	-
Fund balance - ending	<u><u>\$ 1,000</u></u>	<u><u>\$ 1,000</u></u>	<u><u>\$ 1,000</u></u>	<u><u>\$ -</u></u>

CALUMET COUNTY, WISCONSIN

Debt Service Fund
 Schedule of Revenues, Expenditures and Changes in Fund Balance –
 Budget and Actual
 For the Year Ended December 31, 2023

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
Revenues				
Taxes	\$ 3,160,281	\$ 3,160,281	\$ 3,160,281	\$ -
Total revenues	<u>3,160,281</u>	<u>3,160,281</u>	<u>3,160,281</u>	<u>-</u>
Expenditures				
Debt service:				-
Principal retirement	2,250,000	2,250,000	2,250,000	-
Interest and other charges	<u>910,281</u>	<u>910,281</u>	<u>910,281</u>	<u>-</u>
Total expenditures	<u>3,160,281</u>	<u>3,160,281</u>	<u>3,160,281</u>	<u>-</u>
Net change in fund balance	-	-	-	-
Fund balance - beginning	<u>2</u>	<u>2</u>	<u>2</u>	<u>-</u>
Fund balance - ending	<u><u>\$ 2</u></u>	<u><u>\$ 2</u></u>	<u><u>\$ 2</u></u>	<u><u>\$ -</u></u>

CALUMET COUNTY, WISCONSIN

Capital Improvements Capital Projects Fund
 Schedule of Revenues, Expenditures and Changes in Fund Balance –
 Budget and Actual
 For the Year Ended December 31, 2023

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
Revenues				
Interest income	\$ -	\$ -	\$ 1,101	\$ 1,101
Total revenues	<u>-</u>	<u>-</u>	<u>1,101</u>	<u>1,101</u>
Expenditures				
Capital outlay				
Public safety	-	-	20,221	(20,221)
Total expenditures	<u>-</u>	<u>-</u>	<u>20,221</u>	<u>(20,221)</u>
Net change in fund balance	-	-	(19,120)	(19,120)
Fund balance - beginning	<u>19,120</u>	<u>19,120</u>	<u>19,120</u>	<u>-</u>
Fund balance - ending	<u><u>\$ 19,120</u></u>	<u><u>\$ 19,120</u></u>	<u><u>\$ -</u></u>	<u><u>\$ (19,120)</u></u>

CALUMET COUNTY, WISCONSIN

County Sales Tax Capital Projects Fund
 Schedule of Revenues, Expenditures and Changes in Fund Balance –
 Budget and Actual
 For the Year Ended December 31, 2023

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
Revenues				
Taxes	\$ 5,300,000	\$ 5,300,000	\$ 5,947,985	\$ 647,985
Total revenues	<u>5,300,000</u>	<u>5,300,000</u>	<u>5,947,985</u>	<u>647,985</u>
Expenditures				
Capital outlay:				
General government	660,000	2,175,000	500,966	1,674,034
Public safety	600,000	752,000	648,045	103,955
Public works	4,355,876	5,845,233	3,364,238	2,480,995
Education and recreation	262,000	543,474	276,414	267,060
Total expenditures	<u>5,877,876</u>	<u>9,315,707</u>	<u>4,789,663</u>	<u>4,526,044</u>
over (under) expenditures	<u>(577,876)</u>	<u>(4,015,707)</u>	<u>1,158,322</u>	<u>5,174,029</u>
Other financing uses				
Transfers out	-	-	(841,712)	(841,712)
Total other financing uses	<u>-</u>	<u>-</u>	<u>(841,712)</u>	<u>(841,712)</u>
Net change in fund balance	(577,876)	(4,015,707)	316,610	4,332,317
Fund balance - beginning	<u>5,897,029</u>	<u>5,897,029</u>	<u>5,897,029</u>	<u>-</u>
Fund balance - ending	<u>\$ 5,319,153</u>	<u>\$ 1,881,322</u>	<u>\$ 6,213,639</u>	<u>\$ 4,332,317</u>

CALUMET COUNTY, WISCONSIN

Combining Statement of Fiduciary Net Position
Fiduciary Funds
December 31, 2023

	Custodial Funds				Totals
	Tax Collections	Representative Payee	Clerk of Courts	Inmate Trust	
Assets					
Cash and investments	\$ 4,199,944	\$ 109,168	\$ 742,624	\$ 64,126	\$ 5,115,862
Total assets	<u>4,199,944</u>	<u>109,168</u>	<u>742,624</u>	<u>64,126</u>	<u>5,115,862</u>
Liabilities					
Due to other governments	\$ 4,199,944	\$ -	\$ 69,838	\$ 54,104	\$ 4,323,886
Total liabilities	<u>4,199,944</u>	<u>-</u>	<u>69,838</u>	<u>54,104</u>	<u>4,323,886</u>
Fiduciary net position	<u>\$ -</u>	<u>\$ 109,168</u>	<u>\$ 672,786</u>	<u>\$ 10,022</u>	<u>\$ 791,976</u>

CALUMET COUNTY, WISCONSIN

Combining Statement of Changes in Net Position
Fiduciary Funds
For the Year Ended December 31, 2023

	Custodial Funds				Totals
	Tax Collections	Representative Payee	Clerk of Courts	Inmate Trust	
Additions					
Property taxes collected for other governments	\$ 9,400,309	\$ -	\$ -	\$ -	\$ 9,400,309
Deposits for human services clients	-	781,824	-	-	781,824
Fines, fees, forfeitures and general trust	-	-	1,718,666	-	1,718,666
Inmate deposits	-	-	-	395,816	395,816
Total additions	<u>9,400,309</u>	<u>781,824</u>	<u>1,718,666</u>	<u>395,816</u>	<u>12,296,615</u>
Deductions					
Property taxes distributed to other governments	9,400,309	-	-	-	9,400,309
Payments for human services clients	-	846,393	-	-	846,393
Fines, fees and forfeitures	-	-	1,096,844	-	1,096,844
General trust	-	-	212,743	-	212,743
Inmate disbursements	-	-	-	388,922	388,922
Total deductions	<u>9,400,309</u>	<u>846,393</u>	<u>1,309,587</u>	<u>388,922</u>	<u>11,945,211</u>
Change in fiduciary net position	-	(64,569)	409,079	6,894	351,404
Fiduciary net position - beginning	-	173,737	263,707	3,128	440,572
Fiduciary net position - ending	<u>\$ -</u>	<u>\$ 109,168</u>	<u>\$ 672,786</u>	<u>\$ 10,022</u>	<u>\$ 791,976</u>

CALUMET COUNTY, WISCONSIN

Schedule of Capital Assets Used in the Operation of Governmental Funds
December 31, 2023

Governmental funds capital assets:

Land	\$ 4,028,171
Land improvements	5,690,051
Buildings and improvements	48,001,240
Machinery and equipment	12,756,805
Infrastructure	53,882,298
Construction in progress	6,736,568
Intangibles	
Right-to-use subscription assets	2,595,557
Right-to-use leased assets - buildings	112,743
Total governmental funds capital assets	<u>\$ 133,803,433</u>

Investments in governmental funds capital assets by source:

General fund	\$ 31,846,785
Special revenue funds	64,821,323
Capital projects funds and other financing sources	
General obligation debt	34,557,375
Subscription-based information and technology	2,465,207
Leases	112,743
Total governmental funds capital assets	<u>\$ 133,803,433</u>

CALUMET COUNTY, WISCONSIN

Schedule of Capital Assets by Function and Activity
December 31, 2023

	<u>Land</u>	<u>Land Improvements</u>	<u>Buildings and Improvements</u>	<u>Machinery and Equipment</u>	<u>Infrastructure</u>	<u>Construction in Progress</u>	<u>Intangible Assets</u>	<u>Total</u>
General government:								
County buildings	\$ 174,416	\$ 792,468	\$13,954,306	\$ 563,349	\$ 1,349,414	\$ 2,645,134	\$ -	\$ 19,479,087
Circuit court	-	-	-	14,545	-	-	-	14,545
County clerk	-	-	-	32,601	-	-	-	32,601
Information services	-	-	886,141	2,143,198	-	22,258	2,595,557	5,647,154
Register of deeds	-	-	-	107,750	-	-	-	107,750
Total general government	<u>174,416</u>	<u>792,468</u>	<u>14,840,447</u>	<u>2,861,443</u>	<u>1,349,414</u>	<u>2,667,392</u>	<u>2,595,557</u>	<u>25,281,137</u>
Public safety:								
Sheriff	<u>141,853</u>	<u>-</u>	<u>30,376,286</u>	<u>8,479,062</u>	<u>34,430</u>	<u>486,556</u>	<u>-</u>	<u>39,518,187</u>
Public works:								
County roads and bridges	<u>1,151,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>52,164,155</u>	<u>3,023,973</u>	<u>-</u>	<u>56,339,128</u>
Health and social services:								
Health & human services	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>112,743</u>	<u>112,743</u>
Education and recreation:								
Calumet county parks system	<u>2,560,902</u>	<u>4,897,583</u>	<u>2,784,507</u>	<u>1,194,087</u>	<u>334,299</u>	<u>558,647</u>	<u>-</u>	<u>12,330,025</u>
Special education	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,287</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,287</u>
Total education and recreation	<u>2,560,902</u>	<u>4,897,583</u>	<u>2,784,507</u>	<u>1,200,374</u>	<u>334,299</u>	<u>558,647</u>	<u>-</u>	<u>12,336,312</u>
Conservation and development:								
Land and water conservation	<u>-</u>	<u>-</u>	<u>-</u>	<u>94,046</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>94,046</u>
Planning	<u>-</u>	<u>-</u>	<u>-</u>	<u>121,880</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>121,880</u>
Total conservation and development	<u>-</u>	<u>-</u>	<u>-</u>	<u>215,926</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>215,926</u>
Total governmental funds capital assets	<u><u>\$4,028,171</u></u>	<u><u>\$5,690,051</u></u>	<u><u>\$48,001,240</u></u>	<u><u>\$ 12,756,805</u></u>	<u><u>\$53,882,298</u></u>	<u><u>\$ 6,736,568</u></u>	<u><u>\$ 2,708,300</u></u>	<u><u>\$133,803,433</u></u>

CALUMET COUNTY, WISCONSIN

Schedule of Capital Asset Additions and Deletions by Function and Activity
For the Year Ended December 31, 2023

	Beginning Balance	Increases	Decreases	Ending Balance
General government:				
County buildings	\$ 16,879,064	\$ 2,788,631	\$ 188,608	\$ 19,479,087
Circuit court	14,545	-	-	14,545
County clerk	32,601	-	-	32,601
Information services	2,174,640	3,669,544	197,030	5,647,154
Register of deeds	107,750	-	-	107,750
Total general government	<u>19,208,600</u>	<u>6,458,175</u>	<u>385,638</u>	<u>25,281,137</u>
Public safety:				
Sheriff	<u>38,916,347</u>	<u>679,020</u>	<u>77,180</u>	<u>39,518,187</u>
Public works:				
County roads and bridges	<u>59,147,050</u>	<u>5,088,635</u>	<u>7,896,557</u>	<u>56,339,128</u>
Health and social services:				
Health & human services	<u>138,069</u>	<u>-</u>	<u>25,326</u>	<u>112,743</u>
Education and recreation:				
Calumet county parks system	11,641,778	688,247	-	12,330,025
Special education	-	6,287	-	6,287
Total education and recreation	<u>11,641,778</u>	<u>694,534</u>	<u>-</u>	<u>12,336,312</u>
Conservation and development:				
Land and water conservation	80,491	40,050	26,495	94,046
Planning	<u>116,704</u>	<u>5,176</u>	<u>-</u>	<u>121,880</u>
Total conservation and development	<u>197,195</u>	<u>45,226</u>	<u>26,495</u>	<u>215,926</u>
Total governmental funds capital assets	<u><u>\$ 129,249,039</u></u>	<u><u>\$ 12,965,590</u></u>	<u><u>\$ 8,411,196</u></u>	<u><u>\$ 133,803,433</u></u>