



JOHNSON BLOCK
CPAs

IOWA COUNTY, WISCONSIN

FINANCIAL STATEMENTS

Including Independent Auditor's Report

As of and for the year ended December 31, 2021

Johnson Block and Company, Inc.
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DECEMBER 31, 2021
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INDEPENDENT AUDITOR'S REPORT

To the County Board
County of Iowa, Wisconsin

Report on the Audit of the Financial Statements

Opinions

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

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

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to the financial audits contained in the *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's 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.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Auditor's 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 auditor's 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 generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of 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 budgetary comparison information, the Wisconsin Retirement System schedules, the Local Retiree Life Insurance Fund Schedules, and the schedule of changes in the County's total OPEB liability schedules 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

Required Supplementary Information (Continued)

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.

Management has omitted the Management's Discussion and Analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who consider it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Iowa County, Wisconsin's basic financial statements. The combining and individual nonmajor fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such 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 information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we will also issue a report on our consideration of Iowa County, Wisconsin'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 to describe the scope of the testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the 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 Iowa County, Wisconsin's internal control over financial reporting and compliance.

Johnson Block & Company, Inc.

Johnson Block & Company, Inc.

October 17, 2022

BASIC FINANCIAL STATEMENTS

Exhibit A-1
Iowa County, Wisconsin
Statement of Net Position
December 31, 2021

	Governmental Activities	Business-Type Activities	Total	Component Unit
ASSETS				
Current assets:				
Cash and cash equivalents	\$ 20,612,297	\$ 2,545,716	\$ 23,158,013	\$ 112,589
Receivables:				
Taxes receivable	12,032,483	3,492,748	15,525,231	
Accounts receivable	252,490	538,618	791,108	
Due from other governmental units	1,056,174	1,453,878	2,510,052	
Economic development loans	1,446,640		1,446,640	
Other accounts receivable		27,329	27,329	
Materials and supplies	38,090	1,376,890	1,414,980	
Prepaid expenses	305,222	4,299	309,521	
Total current assets	<u>35,743,396</u>	<u>9,439,478</u>	<u>45,182,874</u>	<u>112,589</u>
Noncurrent assets:				
Restricted cash and investments		549,280	549,280	198,493
Capital assets:				
Property and equipment	172,909,687	23,889,760	196,799,447	1,864,043
Less: accumulated depreciation	(85,587,226)	(13,964,272)	(99,551,498)	(924,115)
Net book value of capital assets	<u>87,322,461</u>	<u>9,925,488</u>	<u>97,247,949</u>	<u>939,928</u>
Net pension asset	3,165,759	1,496,625	4,662,384	
Total noncurrent assets	<u>90,488,220</u>	<u>11,971,393</u>	<u>102,459,613</u>	<u>1,138,421</u>
DEFERRED OUTFLOWS OF RESOURCES				
Pension outflows	5,232,724	2,473,792	7,706,516	
OPEB - group life insurance plan outflows	292,992	220,129	513,121	
OPEB - County health insurance plan outflows	29,962	31,064	61,026	
Total deferred outflows of resources	<u>5,555,678</u>	<u>2,724,985</u>	<u>8,280,663</u>	
Total assets and deferred outflows of resources	<u>\$ 131,787,294</u>	<u>\$ 24,135,856</u>	<u>\$ 155,923,150</u>	<u>\$ 1,251,010</u>

Exhibit A-1 (Continued)
Iowa County, Wisconsin
Statement of Net Position
December 31, 2021

	Governmental Activities	Business-Type Activities	Total	Component Unit
LIABILITIES				
Current liabilities:				
Accounts payable	\$ 613,355	\$ 447,440	\$ 1,060,795	\$
Accrued payroll	297,027	178,243	475,270	
Accrued interest payable	46,533	6,875	53,408	
Due to other governments	326,002	72,453	398,455	3,339
Deposits	257		257	
Payroll liabilities				2,444
Unearned revenue	2,507,029	525	2,507,554	16,257
Current portion of compensated absences	468,183	301,746	769,929	
Current portion of long-term debt	3,605,000	464,530	4,069,530	
Total current liabilities	<u>7,863,386</u>	<u>1,471,812</u>	<u>9,335,198</u>	<u>22,040</u>
Noncurrent liabilities:				
Compensated absences	1,102,163	574,854	1,677,017	
OPEB - group life insurance plan liability	660,713	496,403	1,157,116	
OPEB - County health insurance plan liability	259,643	269,182	528,825	
General obligation debt and notes payable	28,645,000		28,645,000	
Premium on general obligation debt	497,233		497,233	
Note payable		240,000	240,000	
Capital lease		231,116	231,116	
Less: current portion	(4,073,183)	(766,276)	(4,839,459)	
Total noncurrent liabilities	<u>27,091,569</u>	<u>1,045,279</u>	<u>28,136,848</u>	
Total liabilities	<u>34,954,955</u>	<u>2,517,091</u>	<u>37,472,046</u>	<u>22,040</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred revenue	11,507,122	3,492,748	14,999,870	
Pension inflows	6,935,326	3,278,703	10,214,029	
OPEB - group life insurance plan inflows	83,342	62,616	145,958	
OPEB - County health insurance plan inflows	5,149	5,339	10,488	
Total deferred inflows of resources	<u>18,530,939</u>	<u>6,839,406</u>	<u>25,370,345</u>	
NET POSITION				
Net investment in capital assets	58,180,228	9,454,372	67,634,600	939,928
Restricted - Bloomfield Residents		549,280	549,280	
Real estate reduction	3,013,025		3,013,025	
Social services	656,396		656,396	
Aging Disability Resource Center	217,618		217,618	
Child support	60,071		60,071	
Iowa County Airport	189,813		189,813	
Donor restricted	29,065		29,065	
Drug Task Force	262,267		262,267	
Dog Licenses	1,000		1,000	
Grant restricted	251,161		251,161	
Restricted by statute	248,912		248,912	
Net pension asset	3,165,759	1,496,625	4,662,384	
Unrestricted	12,026,085	3,279,082	15,305,167	289,042
Total net position	<u>78,301,400</u>	<u>14,779,359</u>	<u>93,080,759</u>	<u>1,228,970</u>
Total liabilities, deferred inflows of resources and net position	<u>\$ 131,787,294</u>	<u>\$ 24,135,856</u>	<u>\$ 155,923,150</u>	<u>\$ 1,251,010</u>

See accompanying notes to the basic financial statements.

Exhibit A-2
Iowa County, Wisconsin
Statement of Activities
For the Year Ended December 31, 2021

Functions/Programs	Program Revenues				Net (Expenses) Revenue and Changes in Net Position			Component Unit Cobb-Highland Recreation Commission
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business Type Activities	Total	
Governmental activities:								
General government	\$ 3,586,368	\$ 658,752	\$ 90,285	\$	\$ (2,837,331)	\$	\$ (2,837,331)	\$
Public safety	4,685,512	336,329	449,749	12,583	(3,886,851)		(3,886,851)	
Transportation facilities	454,227	212,211		45,000	(197,016)		(197,016)	
Public works	1,622,884				(1,622,884)		(1,622,884)	
Health and human services	4,692,489	107,421	3,009,461		(1,575,607)		(1,575,607)	
Leisure activities	166,167		138,503		(27,664)		(27,664)	
Conservation of natural resources	1,164,795	75,143	424,184		(665,468)		(665,468)	
Education	567,731	1,865	1,487		(564,379)		(564,379)	
Community and economic development	471,821	255,609			(216,212)		(216,212)	
Interest and fiscal charges	525,701				(525,701)		(525,701)	
Insurance payments/claims	465,963	256,776			(209,187)		(209,187)	
Capital outlay	26,347				(26,347)		(26,347)	
Total governmental activities	18,403,658	1,904,106	4,113,669	57,583	(12,354,647)		(12,354,647)	
Business-type activities:								
Bloomfield Health Care and Rehabilitation Center	5,372,269	3,822,351	953,294	2,678		(593,946)	(593,946)	
Highway	10,755,823	3,641,102	1,928,591	1,515		(5,184,615)	(5,184,615)	
Total business-type activities	16,128,092	7,463,453	2,881,885	4,193		(5,778,561)	(5,778,561)	
Total primary government	\$ 34,531,750	\$ 9,367,559	\$ 6,995,554	\$ 61,776	(12,354,647)	(5,778,561)	(18,133,208)	
Component Unit:								
Cobb-Highland Recreation Commission	533,409	605,196						71,787
Total component unit	533,409	605,196						71,787
General revenues:								
Property taxes					8,508,840	5,858,892	14,367,732	
Sales taxes					2,618,803		2,618,803	
Other taxes					357,201	435,539	792,740	
State aid not restricted for specific purposes					716,534		716,534	
Interest and investment earnings					51,012	3,354	54,366	119
Gain (loss) on sale of capital assets					(167,381)	(23,340)	(190,721)	
Other revenue					708,306		708,306	6,761
Transfers					(1,162,404)	1,162,404		
Capitalized infrastructure costs					4,752,376		4,752,376	
Total general revenues					16,383,287	7,436,849	23,820,136	6,880
Changes in net position					4,028,640	1,658,288	5,686,928	78,667
Net position - beginning of year					74,272,760	13,121,071	87,393,831	1,150,303
Net position - ending					\$ 78,301,400	\$ 14,779,359	\$ 93,080,759	\$ 1,228,970

Exhibit A-3
Iowa County, Wisconsin
Balance Sheet
Governmental Funds
December 31, 2021

	General	Social Services	Real Estate Tax Reduction	Capital Projects	ARPA	Broadband	Other Governmental Funds	Total Governmental Funds
ASSETS								
Cash and cash equivalents	\$ 11,491,634	\$ 584,107	\$ 2,599,731	\$ 2,915,238	\$ 2,299,587		\$ 580,496	\$ 20,470,793
Receivables (net of allowances)								
Current property taxes	5,185,649	1,452,710		4,158,783			709,980	11,507,122
Accounts		182,579				6,301	63,610	252,490
Due from other governmental units	453,218		413,294	40,427			149,235	1,056,174
Delinquent property taxes	525,361							525,361
Economic development loans							46,640	46,640
Note						1,400,000		1,400,000
Prepaid items	214,944							214,944
Inventories							38,090	38,090
Advance from other funds	1,539,866							1,539,866
Total assets	\$ 19,410,672	\$ 2,219,396	\$ 3,013,025	\$ 7,114,448	\$ 2,299,587	\$ 1,406,301	\$ 1,588,051	\$ 37,051,480
LIABILITIES								
Accounts payable	\$ 225,773	\$ 34,687	\$	\$ 323,089			\$ 29,806	\$ 613,355
Accrued payroll	223,258	52,197					21,572	297,027
Due to other governments	291,402	23,406					11,194	326,002
Advances to other funds						1,500,000	39,866	1,539,866
Due to other funds								
Deposits	257							257
Unearned revenue	207,442				2,299,587			2,507,029
Total liabilities	948,132	110,290		323,089	2,299,587	1,500,000	102,438	5,283,536
DEFERRED INFLOWS OF RESOURCES								
Deferred property tax revenue-current	5,185,649	1,452,710		4,158,783			709,980	11,507,122
Deferred property tax revenue-delinquent	103,856							103,856
Deferred revenue-other						1,400,000	46,640	1,446,640
Total deferred inflows of resources	5,289,505	1,452,710		4,158,783		1,400,000	756,620	13,057,618
FUND BALANCES								
Nonspendable	2,176,315						38,090	2,214,405
Restricted	365,351	656,396	3,013,025	163,787			730,769	4,929,328
Assigned				2,468,789				2,468,789
Unassigned	10,631,369					(1,493,699)	(39,866)	9,097,804
Total fund balances	13,173,035	656,396	3,013,025	2,632,576		(1,493,699)	728,993	18,710,326
Total liabilities, deferred inflows of resources and net position	\$ 19,410,672	\$ 2,219,396	\$ 3,013,025	\$ 7,114,448	\$ 2,299,587	\$ 1,406,301	\$ 1,588,051	\$ 37,051,480

Exhibit A-4
Iowa County, Wisconsin
Reconciliation of the Governmental Funds Balance Sheet
with the Statement of Net Position
December 31, 2021

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

Total fund balances - governmental funds:		\$ 18,710,326
Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in governmental funds:		
Infrastructure & Right of way assets	121,734,329	
Accumulated depreciation	(74,150,287)	47,584,042
Other governmental capital assets	51,175,358	
Accumulated depreciation	<u>(11,436,939)</u>	39,738,419
The net pension asset is not a current financial resource and is, therefore, not reported in the fund statements		
		3,165,759
Pension and OPEB deferred outflows of resources and deferred inflows of resources are actuarially determined by the plans. These items are reflected in the statement of net position and are being amortized with pension and OPEB expense in the statement of activities. The deferred outflows of resources and deferred inflows of resources are not financial resources or uses and therefore are not reported in the fund statements:		
Deferred outflows of resources		5,555,678
Deferred inflows of resources		(7,023,817)
Other long-term assets are not available to pay for current period expenditures and therefore are deferred inflows in the fund statements:		
Delinquent property taxes	103,856	
Long term development loans	<u>1,446,640</u>	1,550,496
Internal service funds are used by the County to charge the costs of Workers Compensation deductibles to individual funds. The assets and liabilities of the internal service fund are included in the governmental activities in the statement of net assets:		
		231,782
Long term liabilities, including bonds and notes payable, are not due in the current period and therefore are not reported in the fund statements:		
General obligation bonds and notes	28,645,000	
Bond premium	497,233	
Capital lease		
Accrued interest	46,533	
OPEB - group life insurance plan liability	660,713	
OPEB - County health insurance plan liability	259,643	
Compensated absences	<u>1,102,163</u>	(31,211,285)
Total net position - governmental activities		<u><u>\$ 78,301,400</u></u>

Exhibit A-5
Iowa County, Wisconsin
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2021

	General	Social Services	Real Estate Tax Reduction	Capital Projects	ARPA	Broadband	Other Governmental Funds	Total Governmental Funds
REVENUES								
Taxes								
Property	\$ 5,296,476	\$ 1,450,375	\$	\$ 1,153,148	\$	\$	\$ 649,372	\$ 8,549,371
Sales			2,600,650					2,600,650
Other	239,378							239,378
Intergovernmental	2,422,331	1,455,731		4,000			948,061	4,830,123
Charges for services	1,124,759	35,838					252,989	1,413,586
Fines and forfeitures	281,119							281,119
Investment earnings	35,821			5,968		6,301	2,922	51,012
Revolving loan repayments							3,371	3,371
Miscellaneous	614,085	1,227		29,753			111,496	756,561
Total revenues	10,013,969	2,943,171	2,600,650	1,192,869		6,301	1,968,211	18,725,171
EXPENDITURES								
Current:								
General government	3,379,886							3,379,886
Public safety	4,770,193						77,364	4,847,557
Transportation facilities							235,878	235,878
Health and human services	1,066,748	2,313,057					1,347,162	4,726,967
Leisure activities	166,167							166,167
Conservation of natural resources	1,152,646							1,152,646
Education	569,629							569,629
Community and Economic development	346,448					1,500,000	30,000	1,876,448
Capital outlay	175			12,948,560				12,948,735
Debt service:								
Principal	7,872			835,000				842,872
Interest	84			828,130				828,214
Total expenditures	11,459,848	2,313,057		14,611,690		1,500,000	1,690,404	31,574,999
Excess (deficiency) of revenues over expenditures	(1,445,879)	630,114	2,600,650	(13,418,821)		(1,493,699)	277,807	(12,849,828)
OTHER FINANCING SOURCES (USES)								
Gain on sale of capital assets								
Long-term debt proceeds				2,480,000				2,480,000
Transfers in	2,818,000							2,818,000
Transfers (out)	(1,162,404)	(600,000)	(2,055,000)				(163,000)	(3,980,404)
Net change in fund balances	209,717	30,114	545,650	(10,938,821)		(1,493,699)	114,807	(11,532,232)
Fund balance-beginning of year	12,963,318	626,282	2,467,375	13,571,397			614,186	30,242,558
Fund balance-end of year	\$ 13,173,035	\$ 656,396	\$ 3,013,025	\$ 2,632,576	\$	\$ (1,493,699)	\$ 728,993	\$ 18,710,326

Exhibit A-6
Iowa County, Wisconsin
Reconciliation of Statement of Revenues, Expenditures and Changes
in Fund Balance of Governmental Funds to the Statement of Activities
For the Year Ended December 31, 2021

Net change in fund balances-total governmental funds		\$ (11,532,232)
Amounts reported for governmental activities in the statement of activities are different because:		
The acquisition of capital assets are reported in the governmental funds as expenditures. However, for governmental activities those costs are shown in the statement of net position and allocated over their estimated useful lives as annual depreciation expenses in the statement of activities.		
Capital outlay reported in governmental fund statements	12,972,522	
Capitalized infrastructure costs	4,752,376	
Depreciation expenses reported in the statement of activities	<u>(2,741,306)</u>	
Amount by which capital outlays are greater (less) than depreciation in the current period.		14,983,592
The County sold property resulting in a reduction of capital assets and recapture of prior year depreciation expense and has no affect on the governmental funds balance sheet.		
The value of capital assets disposed of during the year was:	(1,664,323)	
The amount of depreciation recapture for the year was:	<u>1,473,734</u>	
The difference in the value of assets net of recaptured depreciation		(190,589)
Repayment of principal on long-term debt is reported in the governmental funds as an expenditure, but is reported as a reduction in long-term debt in the statement of net position and does not affect the statement of activities.		
The amount of long-term debt principal payments in the current year are:		835,000
The amount of long-term capital lease principal payments in the current year are:		7,872
The issuance of long-term debt (e.g. bonds, notes) provides current financial resources to governmental funds but does not affect the statement of activities.		
		(2,480,000)
Debt premiums are reported in the governmental funds as revenue when those amounts are received. However, the premium shown in the statement of net position and allocated over the life of the debt as amortization expense in the statement of activities.		
Amount of debt premium received in the current year:		26,999
Compensated absences and OPEBs are reported in the governmental funds when amounts are paid. The statement of activities reports the amount earned during the year.		
Change in compensated absences		(10,434)
Change in OPEB - group life insurance plan liability and related deferred outflows and inflows of resources		(76,251)
Change in OPEB - County health insurance plan liability and related deferred outflows and inflows of resources		(14,861)
Repayment of economic development loans is reflected as revenues in governmental funds, but is reported as a reduction of economic development loans receivable in the statement of net position and does not affect the statement of activities		
		1,396,628
In governmental funds, interest payments on outstanding debt are reported as an expenditure when paid. In the statement of activities, interest is reported as incurred.		
The amount of interest paid during the current period	828,214	
The amount of interest accrued during the current period	<u>(552,701)</u>	
Interest paid is greater (less) than interest accrued by		275,513
Internal service fund gain (loss)		(108,396)
Revenues that provided current financial resources in the statement of activities in prior years but are reported as revenues in the governmental funds when available		
Change in Deferred Property Tax - Delinquent		(15,000)
Pension expense reported in the governmental funds represents current year required contributions into the defined benefit pension plan.		
Pension expense in the statement of activities is actuarially determined by the defined benefit pension plan as the difference between the net pension liability from the prior year to the current year, with some adjustments.		
Difference between the required contributions into the defined benefit plan and the actuarially determined change in net pension liability between years, with adjustments.		<u>930,799</u>
Change in net position-governmental activities		<u>\$ 4,028,640</u>

Exhibit A-7
Iowa County, Wisconsin
Statement of Net Position
Proprietary Funds
December 31, 2021

	Enterprise Funds			Governmental Activities- Internal Service Fund
	Bloomfield Health Care and Rehabilitation Center	Highway	Total	
ASSETS				
Current assets:				
Cash	\$ 54,772	\$ 2,490,944	\$ 2,545,716	\$ 141,504
Receivables (net of allowance)				
Taxes-current	221,825	3,270,923	3,492,748	
Accounts	485,924	52,694	538,618	
Due from other governments		1,453,878	1,453,878	
Other accounts receivable		27,329	27,329	
Prepaid expenses		4,299	4,299	90,278
Materials and supplies	79,426	1,297,464	1,376,890	
Total current assets	<u>841,947</u>	<u>8,597,531</u>	<u>9,439,478</u>	<u>231,782</u>
Noncurrent assets:				
Restricted cash and investments	549,280		549,280	
Capital assets:				
Property and equipment	5,948,434	17,941,326	23,889,760	
Less: accumulated depreciation	(4,992,857)	(8,971,415)	(13,964,272)	
Net book value of capital assets	<u>955,577</u>	<u>8,969,911</u>	<u>9,925,488</u>	
Net pension asset	704,020	792,605	1,496,625	
Total noncurrent assets	<u>2,208,877</u>	<u>9,762,516</u>	<u>11,971,393</u>	
 Total assets	 <u>3,050,824</u>	 <u>18,360,047</u>	 <u>21,410,871</u>	 <u>231,782</u>
DEFERRED OUTFLOWS OF RESOURCES				
Pension outflows	1,163,684	1,310,108	2,473,792	
OPEB - group life insurance plan outflows	92,875	127,254	220,129	
OPEB - County health insurance plan outflows	12,764	18,300	31,064	
 Total deferred outflows of resources	 <u>1,269,323</u>	 <u>1,455,662</u>	 <u>2,724,985</u>	
 Total assets and deferred outflows of resources	 <u>\$ 4,320,147</u>	 <u>\$ 19,815,709</u>	 <u>\$ 24,135,856</u>	 <u>\$ 231,782</u>

Exhibit A-7 (Continued)
Iowa County, Wisconsin
Statement of Net Position
Proprietary Funds
December 31, 2021

	Enterprise Funds			Governmental Activities- Internal Service Fund
	Bloomfield			
	Health Care and Rehabilitation Center	Highway	Total	
LIABILITIES				
Current liabilities:				
Accounts payable	\$ 92,560	\$ 354,880	\$ 447,440	\$
Due to other governments	33,243	39,210	72,453	
Accrued payroll	87,995	90,248	178,243	
Unearned revenue		525	525	
Accrued interest payable		6,875	6,875	
Current portion of compensated absences	103,667	198,079	301,746	
Current portion of long-term debt		464,530	464,530	
Total current liabilities	317,465	1,154,347	1,471,812	
Noncurrent liabilities:				
Compensated absences	232,823	342,031	574,854	
OPEB - group life insurance plan liability	209,438	286,965	496,403	
OPEB - County health insurance plan liability	110,605	158,577	269,182	
Notes payable		240,000	240,000	
Capital lease payable	8,578	222,538	231,116	
Less: current portion of compensated absences	(103,667)	(198,079)	(301,746)	
Less: current portion of long-term debt		(464,530)	(464,530)	
Total noncurrent liabilities	457,777	587,502	1,045,279	
Total liabilities	775,242	1,741,849	2,517,091	
DEFERRED INFLOWS OF RESOURCES				
Deferred revenue	221,825	3,270,923	3,492,748	
Pension inflows	1,542,318	1,736,385	3,278,703	
OPEB - group life insurance plan inflows	26,418	36,198	62,616	
OPEB - County life insurance plan inflows	2,194	3,145	5,339	
Total deferred inflows of resources	1,792,755	5,046,651	6,839,406	
NET POSITION				
Net investment in capital assets	946,999	8,507,373	9,454,372	
Restricted - Net Pension Asset	704,020	792,605	1,496,625	231,782
Restricted - Manor Residents	549,280		549,280	
Unrestricted	(448,149)	3,727,231	3,279,082	
Total net position	1,752,150	13,027,209	14,779,359	231,782
Total liabilities, deferred inflows of resources and net position	\$ 4,320,147	\$ 19,815,709	\$ 24,135,856	\$ 231,782

Exhibit A-8
Iowa County, Wisconsin
Statement of Revenues, Expenses and Changes in Net Position
Proprietary Funds
For the Year Ended December 31, 2021

	Enterprise Funds			Governmental Activities- Internal Service Fund
	Bloomfield Health Care and Rehabilitation Center	Highway	Total	
OPERATING REVENUES				
Charges for services	\$ 3,442,145	\$ 3,603,877	\$ 7,046,022	\$ 256,776
Other	380,206	37,225	417,431	100,791
Total operating revenues	3,822,351	3,641,102	7,463,453	357,567
OPERATING EXPENSES				
Health care	5,219,699		5,219,699	
Highway		9,857,740	9,857,740	
Insurance payments and claims				465,963
Depreciation	152,570	874,584	1,027,154	
Total operating expenses	5,372,269	10,732,324	16,104,593	465,963
Operating (loss)	(1,549,918)	(7,091,222)	(8,641,140)	(108,396)
NONOPERATING REVENUES (EXPENSES)				
Property tax revenue	374,221	5,484,671	5,858,892	
Other tax revenue		435,539	435,539	
Intergovernmental grants	501,100	1,928,591	2,429,691	
Grant proceeds	452,194		452,194	
Interest expense	(1,137)	(22,362)	(23,499)	
Investment earnings	3,354		3,354	
Gain (loss) on sale of fixed assets	992	(24,332)	(23,340)	
Total nonoperating revenues (expenses)	1,330,724	7,802,107	9,132,831	
Income (loss) before contributions and transfers	(219,194)	710,885	491,691	(108,396)
Contributions	2,678	1,515	4,193	
Transfers in	1,162,404		1,162,404	
Changes in net position	945,888	712,400	1,658,288	(108,396)
Net position - beginning	806,262	12,314,809	13,121,071	340,178
Net position - ending	\$ 1,752,150	\$ 13,027,209	\$ 14,779,359	\$ 231,782

Exhibit A-9
Iowa County, Wisconsin
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2021

	Enterprise Funds			Governmental Activities- Internal Service Fund
	Bloomfield Health Care and Rehabilitation Center	Highway	Totals	
CASH FLOWS FROM (USED BY) OPERATING ACTIVITIES				
Receipts from customers	\$ 3,608,326	\$ 3,800,305	\$ 7,408,631	\$
Receipts from departments				357,567
Payments to employees	(2,230,411)	(2,254,568)	(4,484,979)	
Payment for employee benefits	(926,032)	(1,092,847)	(2,018,879)	
Payments to suppliers and contractors	(2,805,785)	(7,124,102)	(9,929,887)	
Cash payments for other operating expenses				(465,300)
Net cash (used by) operating activities	<u>(2,353,902)</u>	<u>(6,671,212)</u>	<u>(9,025,114)</u>	<u>(107,733)</u>
CASH FLOWS FROM (USED BY) NON-CAPITAL FINANCING ACTIVITIES				
Property tax and other tax revenue	374,221	5,920,210	6,294,431	
Transfers from other funds	1,162,404		1,162,404	
Grants	953,294	1,928,591	2,881,885	
Net cash from non-capital financing activities	<u>2,489,919</u>	<u>7,848,801</u>	<u>10,338,720</u>	
CASH FLOWS FROM (USED BY) CAPITAL AND RELATED FINANCING ACTIVITIES				
Purchases of capital assets	(95,201)	(2,106,983)	(2,202,184)	
Receipts from sale of fixed assets	992	54,898	55,890	
Proceeds from debt issued		240,000	240,000	
Debt payments - principal	(1,775)	(2,640,606)	(2,642,381)	
Debt payments - interest	(1,137)	(32,925)	(34,062)	
Contributions	2,678	1,515	4,193	
Net cash (used by) capital and related financing	<u>(94,443)</u>	<u>(4,484,101)</u>	<u>(4,578,544)</u>	
CASH FLOWS FROM (USED BY) INVESTING ACTIVITIES				
Receipt of interest	3,354		3,354	
Purchase of investments	(400,000)		(400,000)	
Receipt of investments maturing	350,000		350,000	
Net cash from investing activities	<u>(46,646)</u>		<u>(46,646)</u>	
Net increase (decrease) in cash and cash equivalents	(5,072)	(3,306,512)	(3,311,584)	(107,733)
Cash and cash equivalents-beginning of year	109,124	5,797,456	5,906,580	249,237
Cash and cash equivalents-end of year	<u>\$ 104,052</u>	<u>\$ 2,490,944</u>	<u>\$ 2,594,996</u>	<u>\$ 141,504</u>
Reconciliation of Cash and Cash Equivalents to Balance Sheet:				
Cash	\$ 54,772	\$ 2,490,944	\$ 2,545,716	\$ 141,504
Cash and investments (restricted)	549,280		549,280	
Total	604,052	2,490,944	3,094,996	141,504
Less: long-term investments (restricted)	(500,000)		(500,000)	
Total	<u>\$ 104,052</u>	<u>\$ 2,490,944</u>	<u>\$ 2,594,996</u>	<u>\$ 141,504</u>

Exhibit A-9 (Continued)
Iowa County, Wisconsin
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2021

	Enterprise Funds			Governmental Activities- Internal Service Fund
	Bloomfield Health Care and Rehabilitation Center	Highway	Total	
Reconciliation of operating (loss) to net cash provided (used) by operating activities:				
Operating (loss)	\$ (1,549,918)	\$ (7,091,222)	\$ (8,641,140)	\$ (108,396)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation	152,570	874,584	1,027,154	
Pension expense	(180,865)	(226,706)	(407,571)	
OPEB expense - group life insurance	33,578	32,777	66,355	
OPEB expense - County health insurance	6,329	9,075	15,404	
Changes in assets and liabilities:				
Receivables	55,690	41,073	96,763	
Other accounts receivable		118,632	118,632	
Due from other governments		(381,206)	(381,206)	
Inventories	(2,768)	(188,078)	(190,846)	
Prepaid expenses		(4,299)	(4,299)	663
Accounts payable	(18,522)	167,841	149,319	
Accrued liabilities	(1,421)	1,144	(277)	
Due to other governments	(7,422)	2,128	(5,294)	
Advance from other funds	(546,902)		(546,902)	
Unearned revenue	(269,715)	(502)	(270,217)	
Vested fringe benefits	(24,536)	(26,453)	(50,989)	
Net cash (used by) operating activities	\$ (2,353,902)	\$ (6,671,212)	\$ (9,025,114)	\$ (107,733)

Exhibit A-10
Iowa County, Wisconsin
Statement of Fiduciary Net Position
Fiduciary Funds
December 31, 2021

	Custodial Fund
ASSETS	
Cash:	
Manor resident cash	\$ 6,158
Burial trust	1,400
Sheriff	6,984
Clerk of courts	665,019
District attorney	4,566
Total cash	684,127
Receivables:	
Current property taxes	358,814
Total assets	\$ 1,042,941
LIABILITIES	
Due to other governments	\$ 358,814
Funds held for others	684,127
Total liabilities	1,042,941
NET POSITION	
Restricted	
Total liabilities and net position	\$ 1,042,941

Exhibit A-11
Iowa County, Wisconsin
Statement of Changes in Fiduciary Net Position
Fiduciary Funds
For the Year Ended December 31, 2021

	Custodial Fund
ADDITIONS	
Sheriff & District Attorney collections	\$ 58,116
Clerk of court fees	1,993,609
Property taxes collected for other gov.	3,432,991
Delinquent specials collected for other gov.	33,091
Total additions	5,517,807
DEDUCTIONS	
Huber account activity	11,381
D.A. restitution payments	46,735
Clerk of court payments	1,993,609
Property taxes paid to other gov.	3,432,991
Special charges paid to other gov.	33,091
Total deductions	5,517,807
Net increase (decrease) in fiduciary net position	
Net position - beginning of year	
Net position - end of year	\$

NOTES TO THE BASIC FINANCIAL STATEMENTS

Iowa County, Wisconsin
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 December 31, 2021

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Iowa County, Wisconsin
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Iowa County, Wisconsin
Notes to the Financial Statements
December 31, 2021

NOTE 1

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Iowa County is governed by a twenty-one member county board of supervisors. The County provides many functions and services to citizens including law enforcement, administration of the courts, circuit court, health and human services, recreation and cultural activities, planning and zoning, education and general administrative services. Other activities include the operations of a highway department, a nursing home, and a senior citizens program.

Financial statements presented in this report conform to requirements of U.S. generally accepted accounting principles.

Significant accounting policies of Iowa County are summarized below:

A. Reporting Entity

This report includes all of the funds and account groups of Iowa County, Wisconsin. The reporting entity for the County consists of the (a) primary government, (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the primary government are such that their exclusion would cause the reporting entity's financial statements to be misleading or incomplete. Component units are legally separate organizations for which the elected officials of the primary government are financially accountable. The primary government is financial accountable if it appoints a voting majority of the organization's governing body and (1) it is able to impose its will on that organization or (2) there is a potential for the organization to provide specific financial benefits to or burdens on the primary government. The primary government may be financially accountable if an organization is fiscally dependent on the primary government.

Included in the Reporting Entity

The County has determined that the Blackhawk Lake Recreation Facility is a component unit of the County. The State of Wisconsin acquired approximately 380 acres of park land from the Cobb-Highland Recreation Commission in 1977 in exchange for payment of FHA revenue bond indebtedness of \$450,000. Under this agreement, Iowa County agreed to assume full operational responsibility and control of the Blackhawk Lake Recreation Area. Should the County ever fail to continue to operate the facility, the County would have to repay all State and Federal monies expended for land acquisition and development of the facility. The County also assumed responsibility for maintenance of the dam.

Through an operations agreement, the day-to-day operation and management of the facility is being performed by the Cobb-Highland Recreation Commission who is required to file an annual report with the County indicating the status of operations at the facility. The Commission charges user fees to the general public and expends these as necessary and appropriate for maintaining the facility. The Commission shall not borrow more than a cumulative total of \$10,000 without first obtaining approval of the County Board of Supervisors.

Financial statements for the Blackhawk Lake Recreation Facility can be obtained at the office of the Cobb-Highland Recreation Commission.

Iowa County, Wisconsin
Notes to the Financial Statements
December 31, 2021

NOTE 1

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

A. Reporting Entity (Continued)

Excluded from the Reporting Entity

Iowa County is a participating member of the Grant/Iowa Unified Board (Unified Community Services). The board provides services to citizens of the two counties in the areas of mental health, developmental disabilities, alcoholism and drug abuse under the provisions of Statute 51.42/.437. The board operates outpatient clinics in various locations in the two-county area and contracts with various agencies for other client services.

The board is composed of eleven members who are appointed by the County board chairmen of Grant and Iowa Counties. Six members are appointed by the Grant County board chairman and five members by the Iowa County board chairman. The Board is funded through state grant-in-aid, federal grants, fees for services rendered and County appropriations. County appropriations are based on population. The amount and percentage share of each County's appropriations for 2021 follows:

Grant County	70%
Iowa County	30%

Grant County acts as host county for the recording of financial transactions and for the deposit of receipts and payment of disbursements. For this reason, and because Grant County appoints a majority of the Board, this entity is not considered a component unit of Iowa County.

B. Government-Wide and Fund Financial Statements

Government-Wide Financial Statements

The government-wide financial statements (Exhibits A-1 and A-2) report information on all of the nonfiduciary activities of the County. The effect of most interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function 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 for services provided by a given function or segment and 2) grants and contributions that are restricted to meeting the requirements of a particular function. Taxes and other items not included in program revenues are reported as general revenues.

Fund Financial Statements

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

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

Iowa County, Wisconsin
Notes to the Financial Statements
December 31, 2021

NOTE 1

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Funds are organized in major funds or non-major funds within the governmental and proprietary statements. An emphasis is placed on major funds within the governmental and proprietary categories. A fund is considered major if it is the primary operating fund of the County or meets the following criteria:

- a. Total assets and deferred outflows of resources, liabilities and deferred inflows of resources, revenues, or expenditures/expenses of that 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 fund 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 proprietary fund that the county believes is particularly important to financial statement users may be reported as a major fund.

The County reports the following major governmental funds:

General Fund - The general fund is used to account for all revenues and expenditures which are not required to be accounted for in other funds.

Social Services Special Revenue Fund – Accounts for programs of the County’s Department of Social Services. Substantial financing for this fund is provided by federal and state grants.

Real Estate Reduction Fund – Accounts for the county-wide sales tax which, by statute, must be used to reduce property taxes.

Capital Projects Fund – Accounts for proceeds from long-term borrowing and other resources to be used for capital improvement projects.

ARPA Fund – Accounts for grant proceeds and expenses for the American Rescue Plan Act received in 2021.

Broadband Fund – Accounts for programs related to broadband internet in the County.

The County reports the following major proprietary funds:

Enterprise Funds – Bloomfield Healthcare and Rehabilitation Center Fund accounts for the operation of a long-term health care facility – operation ceased on April 6, 2022. The Highway fund accounts for activities of the County’s Highway Department which include maintenance of county, state and local roads.

The County reports the following non-major governmental funds:

Non-Major Governmental Funds

Special Revenue Funds – accounts for the proceeds of specific revenue sources (other than major capital projects) that are legally restricted to expenditures for specified purposes.

- Aging Disability Resource Center
- Child Support
- Iowa County Airport
- Drug Task Force
- CDBG Revolving Loan
- Unified Community Services
- Dog License
- Wisconsin River Rail Transit

Iowa County, Wisconsin
Notes to the Financial Statements
December 31, 2021

NOTE 1

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Internal Service Fund – Accounts for the financing of goods or services provided by one department to other departments of the County on a cost reimbursement basis. Activity of the County’s workers compensation insurance plan are accounted for in the internal service fund.

Fiduciary Funds (Not Included in Government-Wide Statements)

Fiduciary funds consist of pension (and other employee benefit) trust funds, private-purpose trust funds, investment trust funds, and custodial funds. Fiduciary funds should be used only to report resources held for individuals, private organizations, or other governments. A fund is presented as fiduciary when all of the following criteria are met: a) The government *controls* the assets that finance the activity, b) assets are *not* generated from the *government’s own-source revenues* or from government-mandated or voluntary nonexchange transactions, c) assets are administered through a *qualifying trust* or the government does *not* have *administrative involvement* and the assets are *not* generated from the *government’s delivery of goods or services* to the beneficiaries, or the assets are for the benefit of *entities that are not part of the government’s reporting entity*.

The County also reports the following fiduciary funds:

Custodial Funds – The County accounts for collections and payments as a fiduciary agent for various governments and individuals.

C. Measurement Focus and Basis of Accounting

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 recognized 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 when all eligibility requirements have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when both measurable and available. Revenues are considered available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. The County considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, pensions and claims and judgments, are recorded when payment is due.

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 by the highway department and health department to other functions of the County. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 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.

Iowa County, Wisconsin
Notes to the Financial Statements
December 31, 2021

NOTE 1

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Measurement Focus and Basis of Accounting (Continued)

Intergovernmental aids and grants are recognized as revenues in the period the County is entitled the resources and the amounts are available. Amounts owed to the County which are not available are recorded as receivables and deferred inflows of resources. Resources (typically cash) received before all eligibility requirements have been met are reported as assets and offset by unearned revenue (a liability) unless only a time requirement has not been met. In that case, deferred inflows of resources are reported rather than a liability.

The County reports deferred inflows of resources on its governmental funds balance sheet. Deferred inflows of resources arise from taxes levied in the current year, which are for subsequent year's operations. For governmental fund financial statements, deferred inflows of resources arise when a potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period. In subsequent periods, when both revenue recognition criteria are met, the deferred inflows of resources is removed from the balance sheet and revenue is recognized.

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 funds are patient charges for the nursing home and charges to the state and local governments for roadwork by the highway department. Operating expenses for enterprise funds include the cost of services, administrative expenses, and depreciation. 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.

Revenues and expenditures arising from non-exchange transactions, such as property and sales taxes, fines, and grants are recorded according to the Governmental Accounting Standards.

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities 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.

Iowa County, Wisconsin
Notes to the Financial Statements
December 31, 2021

NOTE 1

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Taxes Receivable

Property taxes are recorded in the year levied as a receivable and deferred inflows of resources. They are recognized as revenues in the succeeding year when services financed by the levy are provided. The tax calendar is as follows:

Lien date and levy date	December, 2021
Tax bills mailed	December, 2021
Payment in full, or first installment due	January 31, 2022
Second installment due	July 31, 2022
Personal property taxes in full	January 31, 2022
Tax sale – 2021 delinquent real estate taxes	February, 2025

Under Wisconsin Statutes the County treasurer is responsible for the collection of all delinquent property taxes except delinquent personal property taxes which may be retained for collection by the local municipal district as is the case in Iowa County. On December 31, 2021 delinquent property taxes totaling \$506,215 were due Iowa County. The above amounts include not only the delinquent taxes for levies by Iowa County, but also the delinquent taxes for levies by state and other local governmental units (cities, villages, towns, school districts, special districts) within the County. As provided in the Statutes, Iowa County has paid the state and local governmental units for their equities in delinquent property taxes. Delinquent property taxes are aged as follow at December 31, 2021:

Tax Certificates	
2020 Sale	\$ 249,727
2019 Sale	125,474
2018 Sale	79,024
2017 Sale	27,818
2016 Sale	11,636
2015 Sale	3,427
2014 Sale	1,891
2013 Sale	1,989
2012 Sale	1,910
2011 Sale	1,677
2010 Sale	1,642
Total tax certificates	<u>506,215</u>
Tax deeds	19,146
Total delinquent taxes	<u>525,361</u>
County purchased - nonspendable fund balance	(399,037)
County levied	<u><u>\$ 126,324</u></u>

Deferred inflows of resources at December 31, 2021 include tax certificates and tax deeds not "available" at that date as follows:

County portion of tax certificates and deeds 12/31/21	\$ 126,324
Less: tax certificates/deeds collected January and February 2022	<u>(22,468)</u>
Deferred inflows of resources 12/31/21 - tax certificates and deeds	<u><u>\$ 103,856</u></u>

Iowa County, Wisconsin
Notes to the Financial Statements
December 31, 2021

NOTE 1

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. Compensated Absences

Managed time off, vacation and sick leave are accrued when incurred in the government-wide and proprietary fund financial statements. The liability for sick leave is the estimated amount that will be paid as a result of employee illness or retirement. The County does not accrue accumulated managed time off, vacation or sick leave in governmental fund financial statements unless they have matured due to employee resignations or retirements.

F. Unearned Revenue

The County reports unearned revenue on its governmental funds balance sheet. Unearned revenue arises when resources are received before the County has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when the County has a legal claim to the resources, the unearned revenue is removed from the balance sheet and revenue is recognized.

G. 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 generally defined by the County as assets with an initial, individual cost of \$5,000 or higher and a useful life of 3 years or more. Infrastructure assets have a cost of \$25,000 or higher for culverts and \$100,000 or higher for roads and bridges. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Net interest costs during construction are capitalized.

Depreciation on all capital assets is charged to operations over the estimated service life of assets using the straight-line method as shown below:

<u>Governmental Activities:</u>	<u>Years</u>
Buildings	10-40
Equipment and improvements	3-10
Infrastructure	25-50
 <u>Business-Type Activities:</u>	
<u>Bloomfield Manor</u>	
Land improvements	5-30
Buildings	15-40
Equipment	5-25
Vehicles	4
 <u>Highway</u>	
Land improvements	25
Buildings	25
Machinery and equipment	5-30
Other fixed assets	10

Iowa County, Wisconsin
Notes to the Financial Statements
December 31, 2021

NOTE 1

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

G. Capital Assets (Continued)

Interest is charged to expense as incurred except for interest expense from borrowings used for construction projects, which is capitalized to the extent that proceeds are used for construction purposes.

Assets acquired or constructed for general governmental services are reported as expenditures in the government fund financial statements.

H. Fund Equity

Government-wide financial statements

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

- a. Net investment in capital assets - amount of capital assets less accumulated depreciation and outstanding debt related to purchase, construction or improvement of assets.
- b. Restricted net position - amount of net position subject to restrictions that are imposed by external groups or law.
- c. Unrestricted net position - net position that is neither classified as restricted or net investment in capital assets.

Fund financial statements

The following classifications describe the relative strength of the spending constraints placed on the purposes for which resources can be used:

- Non-Spendable – includes amounts that are not in a spendable form (such as inventory) or are required to be maintained intact.
- Restricted – includes amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government) through constitutional provisions, or by enabling legislation.
- Committed – includes amounts constrained to specific purposes by the County Board, using its highest level of decision-making authority; to be reported as committed, amounts cannot be used for any other purpose unless the County Board takes the same highest level action to remove or change the constraint.
- Assigned – includes amounts the County Board intends to use for a specific purpose; intent can be expressed by the County Board or by an official or body to which the County Board delegates the authority.
- Unassigned – includes residual positive fund balance within the general fund which has not been classified within the other above mentioned categories. Unassigned fund balance may also include negative balances for any governmental fund if expenditures exceed amounts restricted, committed or assigned for those purposes.

The Board may, from time to time, commit additional amounts of fund balance to a specific purpose. Such action shall be taken in open meeting and require the approval of the Board. Commitments of fund balance, once made, can only be modified by the Board.

Iowa County, Wisconsin
Notes to the Financial Statements
December 31, 2021

NOTE 1

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

H. Fund Equity (Continued)

The County has established a minimum fund balance policy for the general unassigned fund balance of between 20.0 and 25.0 percent of total budgeted expenditures from the previous year. In the event that the balance drops below the established minimum level, the Board will develop a plan in the next fiscal year to replenish the fund balance to the established minimum level. As of December 31, 2021, the general unassigned fund balance was \$10,631,369, or 84% of expenditures.

When an expenditure is incurred for purposes for which both restricted and unrestricted (committed, assigned, or unassigned) amounts are available, it shall be the policy of the County to consider restricted amounts to have been reduced first. When an expenditure is incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used, it shall be the policy of the County that committed amounts would be reduced first, followed by assigned amounts and then unassigned amounts.

I. Client Revenues

The major portion of the Bloomfield Healthcare and Rehabilitation Center's revenues for patient care are funded pursuant to federal and state medical assistance programs. The continuation of these revenues is dependent upon governmental policies. Revenues received under these programs are based upon cost reimbursement principles which are subject to audits. It is not known what effect, if any, audit adjustments may have on the recorded revenue and receivables arising from services rendered under the Medicare and Medicaid programs.

Medicare is billed at actual rates established by the Federal Government. Any adjustments or write-offs are recorded using the direct write-off method.

J. Allowance for Bad Debts

Bloomfield resident receivables are reported net of the allowance for bad debts of \$31,394 for 2021.

K. Inventories

Inventories are valued at the lower of cost or market using the first-in, first-out method and are charged as expenses or are capitalized when used.

L. Cash and Cash Equivalents/Investments

For purposes of the statement of cash flows, the County considers all short-term investments that are highly liquid to be cash equivalents. Cash equivalents are readily convertible to known amounts of cash, and at the day of purchase, they have a maturity date no longer than three months.

The County has pooled the cash resources of some funds in order to maximize investment opportunities. Each fund's portion of total cash and investments is reported as cash and cash equivalents/investments by the County's individual major funds, and in the aggregate for non-major and agency funds.

Investments with remaining maturities at the time of purchase of one year or less are stated at amortized cost which approximates fair value. Investments with a maturity of more than one year at acquisition and nonmoney market investments are carried at fair value as determined by quoted market prices.

Iowa County, Wisconsin
Notes to the Financial Statements
December 31, 2021

NOTE 1

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

M. Restricted Assets

Restricted assets of Bloomfield Healthcare and Rehabilitation Center are as follows:

Cash and Investments

Represents money donated to Bloomfield Healthcare and Rehabilitation Center to be used for client entertainment.

N. Pensions

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

O. Other Postemployment Benefits

Group life insurance plan

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 post-employment benefits, OPEB expense(revenue), and information about the fiduciary net position of the LRLIF and additions to/deductions from LRLIFs fiduciary net position have been determined on the same basis as they are reported by LRLIF. For this purpose, benefit payments (including refunds of member contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

County health insurance plan

For purposes of measuring the OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information of the County's Other Postemployment Benefit Plan (the Plan) has been determined on the same basis as they are reported by the Plan. For this purpose, the Plan recognizes benefit payments when due and payable in accordance with the benefit terms.

P. Deferred Outflows and Inflows of Resources

In addition to assets, the statement of net position reports a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to future periods and will not be recognized as an outflow of resources (expenditure) until then. The County has items that qualify for reporting in this category. The deferred outflows of resources are for the WRS pension system and OPEB plans.

In addition to liabilities, the statement of net position reports a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position which applies to future periods and so will not be recognized as an inflow of resource (revenue) until then. The County has items that qualify for reporting in this category. The deferred inflows of resources are related to the WRS pension system, OPEB plans, and deferred property tax revenue.

Iowa County, Wisconsin
Notes to the Financial Statements
December 31, 2021

NOTE 2 EXPLANATION OF CERTAIN DIFFERENCES BETWEEN GOVERNMENTAL FUND STATEMENTS
AND GOVERNMENT-WIDE STATEMENTS

Due to the differences in the measurement focus and basis of accounting used on the government fund statements and government-wide statements certain financial transactions are treated differently. The basic financial statements contain a full reconciliation of these items.

Explanation of Differences between Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances and the Statement of Activities

Differences between the governmental funds statement of revenues, expenditures and changes in fund balance and the statement of activities fall into one of three broad categories.

- a. Long-term revenue differences arise because governmental funds report revenues only when they are considered “available”, whereas the statement of activities reports revenues when earned. Differences in long-term expenses arise because governmental funds report on a modified accrual basis whereas the accrual basis of accounting is used on the statement of activities.
- b. Capital related differences include (1) the difference between proceeds for the sale of capital assets reported on governmental fund statements and the gain or loss on the sale of assets as reported on the statement of activities, and (2) the difference between recording an expenditure for the purchase of capital items in the governmental fund statements, and capitalization and recording depreciation expense on those items as recorded in the statement of activities.
- c. Long-term debt transaction differences occur because long-term debt proceeds are recorded as revenue and both interest and principal payments are recorded as expenditures in the governmental fund statements. In the statement of activities, long-term debt proceeds are recorded as a liability, interest expense is recorded as incurred, and principal payments are recorded as a reduction of liabilities.

NOTE 3 CASH AND INVESTMENTS

At December 31, 2021, cash and investments included the following:

Petty cash/cash on hand	\$ 1,075
Wisconsin Local Government Investment Pool	10,023,904
Wisconsin Investment Series Cooperative	1,349,858
Deposits with financial institutions	13,016,583
Total cash	\$ 24,391,420

Cash and investments as of December 31, 2021 are classified in the accompanying financial statements as follows:

Exhibit A-1:	
Cash and investments	\$ 23,158,013
Restricted cash and investments	549,280
Exhibit A-10:	
Cash and investments	684,127
Total cash and investments	\$ 24,391,420

Iowa County, Wisconsin
Notes to the Financial Statements
December 31, 2021

NOTE 3

CASH AND INVESTMENTS (CONTINUED)

The Wisconsin Investment Series Cooperative investments consist of the following:

Money market accounts	\$ 1,349,858
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Investments Authorized by Wisconsin State Statutes

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

- Time deposits in any credit union, bank, savings bank, trust company or savings and loan association.
- Bonds are securities of any county, city, drainage district, technical college district, village, town, or school district of the state. Also, bonds issued by a local exposition district, a local professional baseball park district, or by the University of Wisconsin Hospitals and Clinics Authority.
- Bonds or securities issued or guaranteed by the federal government.
- The local government investment pool.
- Any security maturing in seven years or less and having the highest or second highest rating category of a nationally recognized rating agency.
- Securities of an open-end management investment company or investment trust, subject to various conditions and investment options.
- Repurchase agreements with public depositories, with certain conditions.
- Bonds issued by a local exposition district.
- Bonds issued by a local professional baseball park district.
- Bonds issued by the University of Wisconsin Hospital and Clinics Authority.
- Bonds issued by a local football stadium district.
- Bonds issued by a local arts district.
- Bonds issued by the Wisconsin Aerospace Authority.

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's investment policy is to match investments with anticipated cash flow requirements. Unless matched to a specific cash flow, the County will not directly invest in securities maturing more than three years from the date of purchase.

Iowa County, Wisconsin
Notes to the Financial Statements
December 31, 2021

NOTE 3

CASH AND INVESTMENTS (CONTINUED)

Interest Rate Risk (Continued)

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	Remaining Maturity (in months)			
		12 months or less	13 months to 24 months	25 months to 36 months	More than 36 months
Certificate of deposit	\$ 768,595	\$ 400,000	\$ 366,972	\$	\$ 1,623
Local Government Investment Pool	10,023,904	10,023,904			
Total	\$ 10,792,499	\$ 10,423,904	\$ 366,972	\$	\$ 1,623

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. State law limits investments in commercial paper, corporate bonds and mutual bond funds to the top two ratings issued by nationally recognized statistical rating organizations. As of December 31, 2021, the County's investments were rated as follows:

	<u>Amount</u>	<u>Rating</u>
Wisconsin Local Government Investment Pool	\$ 10,023,904	Not Rated

Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the County would 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 risk for investments is the risk that, in the event of failure of the counterparty (e.g. broker-dealer) to a transaction, the County would not be able to recover the value of its investment of collateral securities that are in possession of another party.

Federal Deposit Insurance Corporation (FDIC) Insurance

The insurance coverage of public unit accounts depends upon the type of deposit and the location of the insured depository institution. All time and savings deposits owned by a public unit and held by the public unit's official custodian in an insured depository institution within the State in which the public unit is located are added together and insured up to \$250,000. Separately, all demand deposits owned by a public unit and held by the public unit's official custodian in an insured depository institution within the State in which the public unit is located are added together and insured up to \$250,000. For the purpose of these rules, the term 'time and savings deposits' includes NOW accounts and money market deposit accounts but does not include interest bearing demand deposit accounts. The term 'demand deposits' means both interest-bearing and noninterest-bearing deposits that are payable on demand and for which the depository institution does not reserve the right to require advance notice of an intended withdrawal.

Iowa County, Wisconsin
Notes to the Financial Statements
December 31, 2021

NOTE 3

CASH AND INVESTMENTS (CONTINUED)

Collateralization of Public Unit Deposits

Depending on applicable state or federal law, public unit deposits may be secured by collateral or assets of the bank. In the event of the failure of the bank, the FDIC will honor the collateralization agreement if the agreement is valid and enforceable under applicable law. The FDIC does not guarantee, however, that the collateral will be sufficient to cover the amount of the uninsured funds. As such, although it does not increase the insurance coverage of the public unit deposits, collateralization provides an avenue of recovery in the unlikely event of the failure of an insured bank.

Bank accounts and the local government investment pool are also insured by the State Deposit Guarantee Fund in the amount of \$400,000. However, due to the relatively small size of the Guarantee Fund in relationship to the total deposits covered and other legal implications, recovery of material principal losses may be significant to individual organizations.

The County's investment policy is to maintain all cash and investments, which includes authorized investment vehicles that are insured or registered or which are collateralized by or evidenced by securities held by the County, in the County's name. Mortgage backed securities, derivatives and mutual funds are not permitted. Collateralization shall cover those deposits in excess of \$500,000. Deposits and investments shall be secured by pledging as collateral, U.S. Treasury bills, notes, bonds, U.S. Government agencies or State of Wisconsin general obligation bonds. A bank deposit guaranty bond would also be considered.

As of December 31, 2021, \$1,439,350 was insured by FDIC insurance, \$16,291,185 was insured by collateral and \$16,972 of the County's deposits with financial institutions in excess of federal depository insurance limits were exposed to custodial credit risk as follows:

Uninsured and uncollateralized	<u>\$ 16,972</u>
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The uninsured and uncollateralized deposits would be insured by the State of Wisconsin Guarantee Fund, provided funds are available at the time of any potential loss.

Fluctuating cash flows during the year due to tax collections, receipt of state aids and proceeds from borrowing may have resulted in temporary balances during the year significantly exceeding uninsured amounts at the balance sheet date.

Wisconsin Local Government Investment Pool

The Wisconsin Local Government Investment Pool (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.

All investments are valued at amortized cost by the SIF for purposes of calculating earnings to each participant. Specifically, the SIF distributes income to pool participants monthly, based on their average daily share balance. Distributions include interest income based on stated rates (both paid and accrued), amortization of discounts and premiums on a straight-line basis, realized investment gains and losses calculated on an amortized cost basis, and investment expenses. This method does not distribute to participants any unrealized gains or losses generated by the pool's investments. Detailed information about the SIF is available in separately issued financial statements available at <https://doa.wi.gov/Pages/StateFinances/LGIP.aspx>.

Iowa County, Wisconsin
Notes to the Financial Statements
December 31, 2021

NOTE 3

CASH AND INVESTMENTS (CONTINUED)

Wisconsin Local Government Investment Pool (Continued)

Participants in the LGIP have the right to withdraw their funds in total on one day's notice. At December 31, 2021, the fair value of the County's share of the LGIP's assets was substantially equal to the amount reported above. Information on derivatives was not available to the County.

SWIB may invest in obligations of the U.S. Treasury and its agencies, Commercial Paper, Bank Time Deposits/Certificates of Deposit, Bankers' Acceptances, Asset Backed Securities and Repurchase Agreements secured by the U.S. Government or its agencies and other instruments authorized under State Investment Fund Investment guidelines.

Investment allocation in the local government investment pool as of December 31, 2021 was: 81% in U.S. Government Securities, 3% in Bankers' Acceptances and 16% in commercial paper and corporate notes. The Wisconsin State Treasurer updates the investment allocations on a monthly basis.

Wisconsin Investment Series Cooperative

The County has investments in WISC consisting of the Investment Series Fund (IS) and Cash Management Class (CMS). The IS are pooled funds investing in U.S. government obligations, agencies and commercial paper. The Cash Management Class has no minimum balance requirements and no minimum amount requirements for deposits or withdrawals. The IS requires a 14-day minimum investment period and one business day withdrawal notice. Permitted Investments are in such a manner as to result in an average dollar weighted maturity for the Portfolio of no greater than sixty (60) days. The Permitted Investments are selected by the Fund's investment advisor, US Bank National Association (the "Investment Advisor") and its sub-advisor, Prudent Man Advisors, LLC (the "Subadvisor"), and consist of money market instruments having a maximum maturity of 397 days.

WISC is not registered with the Securities and Exchange Commission, but operates under Wisconsin Intergovernmental Cooperation Statutes, Section 66.0301. WISC is governed by the Wisconsin Investment Series Cooperative Commission in accordance with the terms of the Intergovernmental Cooperation Agreement. WISC invests District funds in accordance with Wisconsin Law. Investment income is distributed to participants based on their relative participation during the period. Participants in WISC have the right to withdraw their funds in total on one day's notice.

A separate financial report for WISC is prepared in accordance with GASB. Copies of the report can be obtained by contacting the Wisconsin Investment Series Cooperative.

WISC and LGIP are exempt from fair value disclosure due to investments being valued at amortized costs.

Concentration of Credit Risk

The County places no limit on the amount the County may invest in any one issuer.

Iowa County, Wisconsin
Notes to the Financial Statements
December 31, 2021

NOTE 4

LONG-TERM OBLIGATIONS

Long-term obligations activity for the year ended December 31, 2021 was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>	<u>Amounts Due within One Year</u>
<u>Governmental Activities</u>					
Notes from direct borrowings and direct placements	\$	\$ 2,480,000	\$	\$ 2,480,000	\$ 2,480,000
General obligation bond	27,000,000		(835,000)	26,165,000	1,125,000
Bond premium	524,232		(26,999)	497,233	
Other liabilities:					
Capital lease	7,872		(7,872)		
Compensated absences	<u>1,091,729</u>	<u>10,434</u>		<u>1,102,163</u>	<u>468,183</u>
Total governmental activities long-term liabilities	<u>\$ 28,623,833</u>	<u>\$ 2,490,434</u>	<u>\$ (869,871)</u>	<u>\$ 30,244,396</u>	<u>\$ 4,073,183</u>
<u>Business-Type Activities</u>					
Notes from direct borrowings and direct placements	\$ 2,428,475	\$ 240,000	\$ (2,428,475)	\$ 240,000	\$ 240,000
Other liabilities:					
Capital lease	445,022		(213,906)	231,116	224,530
Compensated absences	<u>625,843</u>		<u>(50,989)</u>	<u>574,854</u>	<u>301,746</u>
Total business-type activities long-term liabilities	<u>\$ 3,499,340</u>	<u>\$ 240,000</u>	<u>\$ (2,693,370)</u>	<u>\$ 1,045,970</u>	<u>\$ 766,276</u>

The compensated absences liability attributed to governmental activities are typically being liquidated in the general fund.

All general obligation notes and bonds payable are backed by the full faith and credit of the County. Notes and bonds in the governmental funds will be retired by future property tax levies. Business-type activities debt is payable by revenues from user fees of those funds or, if the revenues are not sufficient, by future tax levies.

Iowa County, Wisconsin
Notes to the Financial Statements
December 31, 2021

NOTE 4

LONG-TERM OBLIGATIONS (CONTINUED)

In accordance with Wisconsin Statutes, total general obligation indebtedness of the County may not exceed five percent of the equalized value of taxable property within the County's jurisdiction. The debt limit as of December 31, 2021 was \$125,342,870. Total general obligation debt outstanding at year-end was \$28,885,000.

	Date of Issue	Final Maturity	Interest Rates	Original Amount	Balance 12/31/2021
<u>Governmental Activities</u>					
Notes from direct borrowings and direct placements					
	12/22/21	6/22/22	0.95%	\$ 2,480,000	\$ 2,480,000
General obligation bonds					
	6/9/20	6/1/40	2.0-3.0%	27,000,000	26,165,000
Total government activities - general obligation debt					\$ 28,645,000
<u>Business-Type Activities</u>					
Notes from direct borrowings and direct placements					
	12/22/21	6/22/22	0.95%	\$ 240,000	\$ 240,000
Total business-type activities - general obligation debt					\$ 240,000

Debt service requirements to maturity are as follows:

Year	Governmental Activities					
	General Obligation Bonds			Notes from Direct Borrowings and Direct Placements		
	Principal	Interest	Total	Principal	Interest	Total
2022	\$ 1,125,000	\$ 540,851	\$ 1,665,851	\$ 2,480,000	\$ 11,933	\$ 2,491,933
2023	1,150,000	518,101	1,668,101			
2024	1,170,000	494,901	1,664,901			
2025	1,195,000	471,251	1,666,251			
2026	1,220,000	447,102	1,667,102			
2027-2031	6,510,000	1,822,406	8,332,406			
2032-2036	7,325,000	1,098,199	8,423,199			
2037-2040	6,470,000	296,956	6,766,956			
Totals	\$ 26,165,000	\$ 5,689,767	\$ 31,854,767	\$ 2,480,000	\$ 11,933	\$ 2,491,933

Year	Business-Type Activities		
	Notes from Direct Borrowings and Direct Placements		
	Principal	Interest	Total
2022	\$ 240,000	\$ 1,153	\$ 241,153

Other Debt Information

Estimated payments of compensated absences are not included in the debt service requirement schedules. The compensated absences liability attributable to governmental activities will be liquidated primarily by the general fund.

Iowa County, Wisconsin
Notes to the Financial Statements
December 31, 2021

NOTE 5

CAPITAL ASSETS

Total cost and accumulated depreciation of fixed assets at December 31, 2021 are as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
<u>Governmental Activities:</u>				
Capital assets not being depreciated:				
Land	\$ 911,426	\$	\$	\$ 911,426
Right of way	881,405			881,405
Construction work in progress:				
Buildings	15,066,340		(15,066,340)	
Roads	36,103	319,040		355,143
Culverts		55,169		55,169
Bridges	119,931	50,432		170,363
Total capital assets not being depreciated:	17,015,205	424,641	(15,066,340)	2,373,506
Capital assets, being depreciated				
Infrastructure	116,762,750	4,327,735	(818,236)	120,272,249
Buildings and improvements	16,574,521	27,431,753		44,006,274
Machinery and equipment	6,496,636	607,110	(846,088)	6,257,658
Total	139,833,907	32,366,598	(1,664,324)	170,536,181
Less accumulated depreciation for:				
Infrastructure	73,164,148	1,622,884	(636,745)	74,150,287
Buildings and improvements	7,356,381	451,543		7,807,924
Machinery and equipment	3,799,125	666,879	(836,989)	3,629,015
Total accumulated depreciation	84,319,654	2,741,306	(1,473,734)	85,587,226
Net other capital assets	55,514,253	29,625,292	(190,590)	84,948,955
Total net capital assets	\$ 72,529,458	\$ 30,049,933	\$ (15,256,930)	\$ 87,322,461

Depreciation expense was charged to functions as follows:

Governmental Activities

General government	\$ 455,604
Public safety	206,190
Public works, which includes the depreciation of infrastructure	1,835,325
Health and social services	228,698
Conservation of natural resources	15,489
Total governmental activities depreciation expense	\$ 2,741,306

Iowa County, Wisconsin
Notes to the Financial Statements
December 31, 2021

NOTE 5

CAPITAL ASSETS (CONTINUED)

	Beginning Balance	Additions	Removals	Ending Balance
<u>Business-Type Activities:</u>				
Capital assets not being depreciated:				
Land	\$ 46,557	\$	\$	\$ 46,557
Construction work in progress	461,512	57,502	(437,827)	81,187
Total capital assets not being depreciated	508,069	57,502	(437,827)	127,744
Capital assets being depreciated:				
Land improvements	692,232			692,232
Buildings	6,212,022			6,212,022
Machinery and equipment	15,231,583	2,582,508	(956,329)	16,857,762
Total capital assets being depreciated	22,135,837	2,582,508	(956,329)	23,762,016
Less: accumulated depreciation for:				
Land improvements	476,483	5,834		482,317
Buildings	4,564,084	142,116		4,706,200
Machinery and equipment	8,773,650	879,204	(877,099)	8,775,755
Total accumulated depreciation	13,814,217	1,027,154	(877,099)	13,964,272
Net capital assets being depreciated	8,321,620	1,555,354	(79,230)	9,797,744
 Total net capital assets	 \$ 8,829,689	 \$ 1,612,856	 \$ (517,057)	 \$ 9,925,488

Depreciation expense was charged to the following function:

Business-Type Activities:

Bloomfield Healthcare and Rehabilitation Center	\$ 152,569
Highway	874,585
Total business-type activities (exhibit A-8)	\$ 1,027,154

Iowa County, Wisconsin
Notes to the Financial Statements
December 31, 2021

NOTE 6

GOVERNMENTAL ACTIVITIES NET POSITION/FUND BALANCES

Governmental activities net position reported on the government wide statement of net position at December 31, 2021 includes the following:

GOVERNMENTAL ACTIVITIES

Net Investment in Capital Assets	
Land and right-of-ways	\$ 1,792,831
Construction work-in-progress	580,675
Other capital assets, net of accumulated depreciation	84,948,955
Less: related long-term debt outstanding	(28,645,000)
Less: premium on general obligation debt	(497,233)
Total net investment in capital assets	58,180,228
Restricted:	
Real estate reduction	3,013,025
Social services	656,396
Aging Disability Resource Center	217,618
Child support	60,071
Iowa County Airport	189,813
Donor restricted	29,065
Dog License	1,000
Drug Task Force	262,267
Grant restricted	251,161
Restricted by statute	248,912
Net pension asset	3,165,759
Total restricted	8,095,087
Unrestricted	12,026,085
Total governmental activities net position	\$ 78,301,400

GOVERNMENTAL FUND BALANCES

Governmental fund balances reported on the fund financial statements at December 31, 2021 includes the following:

Nonspendable fund balance as of December 31, 2021 includes the following items:

Major Funds:	
General Fund:	
Advances	\$ 1,539,866
Delinquent taxes	421,505
Prepaid items	214,944
Non-Major Funds:	
Iowa County Airport:	
Inventories	38,090
Total nonspendable	\$ 2,214,405

Iowa County, Wisconsin
Notes to the Financial Statements
December 31, 2021

NOTE 6 GOVERNMENTAL ACTIVITIES NET POSITION/FUND BALANCES (CONTINUED)

Restricted fund balances as of December 31, 2021 includes the following items:

Restricted

Major Funds:

General Fund:

D.A. - Crime Prevention Surcharge	\$ 10,416
Register of deeds-Redaction Project	13,330
Land records-retained fees	1,833
Land records-public access fees	44,969
Land records-grants	155,466
Contributions from others	20,500
Staff fitness room	5,100
K-9 program	13,853
Project life saver	1,136
Bioterrorism grant	2,815
UW Extension Pesticide program	9,477
Library aids	11,345
UW Extension Family living program	2,359
Veterans donations	3,873
Land conservation donations	1,197
Land conservation - phosphorus reductions	<u>67,682</u>
Total – General Fund	<u>365,351</u>

Social Services Fund:

Social services programs	648,659
Donor restricted	<u>7,737</u>
Total – Social Services Fund	<u>656,396</u>

Real-Estate Tax Reduction	<u>3,013,025</u>
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Capital Projects:

Jail assessment	<u>163,787</u>
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Non-Major Funds:

Aging Disability Resource Center	217,618
Child support	60,071
Drug task force	262,267
Iowa county airport	189,813
Dog license	<u>1,000</u>
Total – Non-Major Funds	<u>730,769</u>

Total restricted	<u><u>\$ 4,929,328</u></u>
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Iowa County, Wisconsin
Notes to the Financial Statements
December 31, 2021

NOTE 6 GOVERNMENTAL ACTIVITIES NET POSITION/FUND BALANCES (CONTINUED)

Assigned fund balance as of December 31, 2021 includes the following items:

Major Funds	
Capital Projects Fund - Future Improvements & Equipment Outlays	<u>\$ 2,468,879</u>
Non-Major Funds: CDBG Fund - Deficit Balance	<u>\$ (39,866)</u>

NOTE 7 BUSINESS-TYPE ACTIVITIES NET POSITION

Net position of the enterprise funds have been restricted for the following uses:

Bequest for client entertainment	\$ 549,280
Net pension asset	<u>1,496,625</u>
Total restricted	<u>\$ 2,045,905</u>

The following calculation supports the proprietary net position net investment in capital assets:

Plant in service	\$ 23,889,760
Accumulated depreciation	(13,964,272)
Less: related debt outstanding	<u>(471,116)</u>
Total net position net investment in capital assets	<u>\$ 9,454,372</u>

NOTE 8 DEFINED BENEFIT 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 1200 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 issued a standalone Annual Comprehensive Financial Report (ACFR), which can be found at <https://etf.wi.gov/publications/cafr.htm>

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

Iowa County, Wisconsin
Notes to the Financial Statements
December 31, 2021

NOTE 8

DEFINED BENEFIT PENSION PLAN (CONTINUED)

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

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

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

The WRS also provides death and disability benefits for employees.

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:

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

Contributions. Required contributions are determined by an annual actuarial valuation in accordance with Chapter 40 of the Wisconsin Statutes. The employee required contribution is one-half of the actuarially determined contribution rate for general category employees, including teachers, and executives and elected officials. 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 reporting period, the WRS recognized \$839,677 in contributions from the employer.

Iowa County, Wisconsin
Notes to the Financial Statements
December 31, 2021

NOTE 8

DEFINED BENEFIT PENSION PLAN (CONTINUED)

Contribution rates as of December 31, 2021 are:

Employee Category	Employee	Employer
General (including teachers, executives and elected officials)	6.75%	6.75%
Protective with Social Security	6.75%	11.75%
Protective without Social Security	6.75%	16.35%

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

At December 31, 2021, the County reported a liability (asset) of (\$4,662,384) for its proportionate share of the net pension liability (asset). The net pension liability (asset) was measured as of December 31, 2020, and the total pension liability used to calculate the net pension liability (asset) was determined by an actuarial valuation as of December 31, 2019 rolled forward to December 31, 2020. No material changes in assumptions or benefit terms occurred between the actuarial valuation date and the measurement date. The County's proportion of the net 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, 2020, the County's proportion was 0.07468015%, which was a decrease of 0.00012059% from its proportion measured as of December 31, 2019.

For the year ended December 31, 2021, the County recognized pension expense or (revenue) of (\$507,971).

Pension amounts have been allocated to the proprietary funds and business-type activities. Allocations were based on the proportionate share of current year contributions to the pension plan made by the proprietary funds and business-type activities relative to the total contributions made by the County.

At December 31, 2021, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 6,747,903	\$ (1,453,486)
Net differences between projected and actual earnings on pension plan investments		(8,753,249)
Changes in assumptions	105,752	
Changes in proportion and differences between employer contributions and proportionate share of contributions	4,954	(7,294)
Employer contributions subsequent to the measurement date	847,907	
Total	\$ 7,706,516	\$ (10,214,029)

Iowa County, Wisconsin
Notes to the Financial Statements
December 31, 2021

NOTE 8

DEFINED BENEFIT PENSION PLAN (CONTINUED)

\$847,907 reported as deferred outflows related to pension resulting from the WRS Employer'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, 2021. 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:	Net Deferred Outflows (Inflows) of Resources
2022	\$ (864,179)
2023	(233,253)
2024	(1,585,953)
2025	(672,035)
Total	<u>\$ (3,355,420)</u>

Actuarial assumptions. The total pension liability in the December 31, 2020, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

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

* No post-retirement adjustment is guaranteed. Actual adjustments are based on recognized investment return, actuarial experience and other factors. 1.9% 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 2018 that covered a three-year period from January 1, 2015 to December 31, 2017. The total pension liability for December 31, 2020 is based upon a roll-forward of the liability calculated from the December 31, 2019 actuarial valuation.

Iowa County, Wisconsin
Notes to the Financial Statements
December 31, 2021

NOTE 8

DEFINED BENEFIT PENSION PLAN (CONTINUED)

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:

Asset Allocation Targets and Expected Returns			
As of December 31, 2020			
Core Fund Asset Class	Asset Allocation %	Long-Term Expected Nominal Rate of Return %	Long-Term Expected Real Rate of Return %
Global Equities	51	7.2	4.7
Fixed Income	25	3.2	0.8
Inflation Sensitive Assets	16	2.0	(0.4)
Real Estate	8	5.6	3.1
Private Equity/Debt	11	10.2	7.6
Multi-Asset	4	5.8	3.3
Total Core Fund	115	6.6	4.1
Variable Fund Asset Class			
U.S. Equities	70	6.6	4.1
International Equities	30	7.4	4.9
Total Variable Fund	100	7.1	4.6
New England Pension Consultants Long Term US CPI (Inflation) Forecast: 2.4%			
Asset Allocations are managed within established ranges; target percentages may differ from actual monthly allocations			

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

Iowa County, Wisconsin
Notes to the Financial Statements
December 31, 2021

NOTE 8

DEFINED BENEFIT PENSION PLAN (CONTINUED)

Sensitivity of the Iowa County's proportionate share of the net pension liability (asset) to changes in the discount rate. The following presents the County's proportionate share of the net pension liability (asset) calculated using the discount rate of 7.0 percent, as well as what the County's proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (6.0 percent) or 1-percentage-point higher (8.0 percent) than the current rate:

	1% Decrease to Discount Rate (6.00%)	Current Discount Rate (7.00%)	1% Increase to Discount Rate (8.00%)
County's proportionate share of the net pension liability (asset)	\$ 4,437,944	\$ (4,662,384)	\$ (11,346,509)

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>.

NOTE 9

OTHER POSTEMPLOYMENT BENEFITS – MULTIPLE EMPLOYER LIFE INSURANCE PLAN

Plan description. The Local Retiree Life Insurance Fund (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 post-employment life insurance benefits for all eligible employees.

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

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

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, 2021 are:

Coverage Type	Employer Contribution
25% Post Retirement Coverage	20% of Member Contribution

Iowa County, Wisconsin
Notes to the Financial Statements
December 31, 2021

NOTE 9 OTHER POSTEMPLOYMENT BENEFITS – MULTIPLE EMPLOYER LIFE INSURANCE PLAN (CONTINUED)

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

Life Insurance		
Employee Contribution Rates*		
For the year ended December 31, 2020		
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 members under age 70 receive a waiver-of-premium benefit.

During the reporting period, the LRLIF recognized \$4,194 in contributions from the employer.

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

At December 31, 2021, the County reported a liability (asset) of \$1,157,116 for its proportionate share of the net OPEB liability (asset). The net OPEB liability (asset) was measured as of December 31, 2020, and the total OPEB liability used to calculate the net OPEB liability (asset) was determined by an actuarial valuation as of January 1, 2020 rolled forward to December 31, 2020. No material changes in assumptions or benefit terms occurred between the actuarial valuation date and the measurement date. The County's proportion of the net OPEB liability (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, 2020, the County's proportion was 0.21035700%, which was an increase of 0.004657% from its proportion measured as of December 31, 2019.

For the year ended December 31, 2021, the County recognized OPEB expense of \$146,673.

OPEB amounts have been allocated to the proprietary funds and business-type activities. Allocations were based on the proportionate share of current year contributions to the OPEB plan made by the proprietary fund and business-type activities relative to the total contributions made by the County.

Iowa County, Wisconsin
Notes to the Financial Statements
December 31, 2021

NOTE 9 OTHER POSTEMPLOYMENT BENEFITS – MULTIPLE EMPLOYER LIFE INSURANCE PLAN (CONTINUED)

At December 31, 2021, the County reported deferred outflows of resources and deferred inflows of resources related to OPEBs from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$	\$ (55,213)
Net differences between projected and actual earnings on plan investments	16,847	
Changes in actuarial assumptions	450,134	(79,394)
Changes in proportion and differences between employer contributions and proportionate share of contributions	42,059	(11,351)
Employer contributions subsequent to the measurement date	4,081	
Totals	\$ 513,121	\$ (145,958)

\$4,081 reported as deferred outflows related to OPEB resulting from the County 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, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ended December 31:	Net Deferred Outflows (Inflows) of Resources
2022	\$ 67,297
2023	65,475
2024	63,598
2025	59,442
2026	73,849
Thereafter	33,421
Total	\$ 363,082

Iowa County, Wisconsin
Notes to the Financial Statements
December 31, 2021

NOTE 9 OTHER POSTEMPLOYMENT BENEFITS – MULTIPLE EMPLOYER LIFE INSURANCE PLAN (CONTINUED)

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

Actuarial Valuation Date:	January 1, 2020
Measurement Date of Net OPEB Liability (Asset)	December 31, 2020
Actuarial Cost Method:	Entry Age Normal
20 Year Tax-Exempt Municipal Bond Yield:	2.12%
Long-Term Expected Rate of Return:	4.25%
Discount Rate:	2.25%
Salary Increases	
Inflation:	3.00%
Seniority/Merit:	0.1% - 5.6%
Mortality:	Wisconsin 2018 Mortality Table

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

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

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

Iowa County, Wisconsin
Notes to the Financial Statements
December 31, 2021

NOTE 9 OTHER POSTEMPLOYMENT BENEFITS – MULTIPLE EMPLOYER LIFE INSURANCE PLAN (CONTINUED)

Single Discount rate. A single discount rate of 2.25% was used to measure the Total OPEB Liability for the current year, as opposed to a discount rate of 2.87% for the prior year. The significant change in the discount rate was primarily caused by the decrease in the municipal bond rate from 2.74% as of December 31, 2019 to 2.12% as of December 31, 2020. The Plan’s fiduciary net position was projected to be insufficient to make all projected future benefit payments of current active and inactive 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.

Sensitivity of the County’s proportionate share of the net OPEB liability (asset) to changes in the discount rate. The following presents the County’s proportionate share of the net OPEB liability (asset) calculated using the discount rate of 2.25 percent, as well as what the County’s proportionate share of the net OPEB liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (1.25 percent) or 1-percentage-point higher (3.25 percent) than the current rate:

	1% Decrease to Discount Rate (1.25%)	Current Discount Rate (2.25%)	1% Increase to Discount Rate (3.25%)
County's proportionate share of the net OPEB liability (asset)	\$ 1,574,008	\$ 1,157,116	\$ 841,832

OPEB plan fiduciary net position. Additionally, ETF issued a standalone Retiree Life Insurance Financial Report, which can be found at <http://etfonline.wi.gov/ETFGASBPublicWeb/gasb75Local.do>.

NOTE 10 OTHER POSTEMPLOYMENT BENEFITS – SINGLE EMPLOYER HEALTH INSURANCE PLAN

Plan Description – The County operates a single-employer retiree benefit plan that provides postemployment health insurance benefits to eligible employees. Benefits and eligibility are established and amended by the County Board. The plan does not issue stand-alone financial statements. Current approved benefits are as follows:

Employees Retiring from the County that are also eligible for the Wisconsin Retirement System: Retirees may choose to remain on the County’s group medical plan indefinitely provided they self-pay the full amount of all required premiums.

Funding Policy – The County will fund the OPEB with a pay-as-you go basis.

Iowa County, Wisconsin
Notes to the Financial Statements
December 31, 2021

NOTE 10 OTHER POSTEMPLOYMENT BENEFITS – SINGLE EMPLOYER HEALTH INSURANCE PLAN (CONTINUED)

Employees Covered by Benefit Terms – At December 31, 2019, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	4
Inactive employees entitled to but not yet receiving benefit payments	
Active employees	177
	181
	181

Total OPEB Liability – The County’s total OPEB Liability of \$528,825 was measured at December 31, 2020, and was determined by an actuarial valuation as of December 31, 2019. No material changes in assumptions or benefit terms occurred between the actuarial valuation date and the measurement date.

Actuarial Assumptions and Other Inputs – The total OPEB liability in the December 31, 2019 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless other specified:

Valuation date	December 31, 2019
Measurement date	December 31, 2020
Actuarial cost method	Entry age normal (level percent of salary)
Inflation	2.0 percent
Salary increases	3.0 percent, average, including inflation
Discount rate	2.25 percent
Healthcare cost trend rates	Actual first year plan option increases, then 6.40% decreasing by 0.10% per year down to 5.00%, and level thereafter
Retirees' share of benefit-related costs	Retirees are responsible for the full (100%) amount of premiums.

The discount rate is based on the Bond Buyer Go 20-Year AA Bond Index published by the Federal Reserve for the week at the beginning of the measurement period.

Mortality rates were based on the Wisconsin 2018 Mortality Table.

The actuarial assumptions used in the December 31, 2019 valuation, were based on a study conducted in 2018 using the Wisconsin Retirement System (WRS) experience from 2015-2017.

Iowa County, Wisconsin
Notes to the Financial Statements
December 31, 2021

NOTE 10 OTHER POSTEMPLOYMENT BENEFITS – SINGLE EMPLOYER HEALTH INSURANCE PLAN (CONTINUED)

Changes in the Total OPEB Liability:

	Total OPEB Liability
Balance at 12/31/2019	\$ 477,497
Changes for the year:	
Service cost	52,021
Interest	13,424
Changes of benefit terms	
Differences between expected and actual experience	
Changes in assumptions or other inputs	16,626
Benefit payments	(30,743)
Net Changes	51,328
 Balance at 12/31/2020	 \$ 528,825

There were no changes of benefit terms.

There were no changes of assumptions.

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 (1.25 percent) or 1-percentage-point higher (3.25 percent) than the current discount rate:

		1% Decrease 1.25%	Current Discount Rate 2.25%	1% Increase 3.25%
Total OPEB Liability	12/31/2020	\$ 563,344	\$ 528,825	\$ 496,021

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

The following represents 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 (5.4 percent decreasing to 4.0 percent) or 1-percentage-point higher (7.4 decreasing to 6.0 percent) than the current healthcare cost trend rates:

		1% Decrease (Actual first year increase -1%, then 5.4% decreasing to 4.0%)	Healthcare Cost Trend Rates (Actual first year increase, then 6.4% decreasing to 5.0%)	1% Increase (Actual first year increase +1%, then 7.4% decreasing to 6.0%)
Total OPEB Liability	12/31/2020	\$ 470,714	\$ 528,825	\$ 597,418

Iowa County, Wisconsin
Notes to the Financial Statements
December 31, 2021

NOTE 10 OTHER POSTEMPLOYMENT BENEFITS – SINGLE EMPLOYER HEALTH INSURANCE PLAN (CONTINUED)

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

For the year ended December 31, 2021, the County recognized OPEB expense of \$67,087.

OPEB amounts have been allocated to the proprietary funds and business-type activities. Allocations were based on the proportionate share of current year contributions to the OPEB plan made by the proprietary fund and business-type activities relative to the total contributions made by the County.

At December 31, 2020 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 experiences	\$	\$ 1,554
Changes of assumptions or other inputs	24,204	8,934
Contributions after the measurement date	36,822	
Total	\$ 61,026	\$ 10,488

\$36,822 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, 2022. Other amounts reported as deferred outflows and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ended December 31:	
2022	\$ 1,642
2023	1,642
2024	1,642
2025	1,642
2026	1,643
Thereafter	5,505
Total	\$ 13,716

Iowa County, Wisconsin
Notes to the Financial Statements
December 31, 2021

NOTE 11

DEFERRED INFLOWS OF RESOURCES

Governmental funds report deferred inflows of resources in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. The County also defers inflow recognition in connection with taxes levied for future periods. The various components of deferred inflow reported at December 31, 2021 were as follows:

	<u>Governmental</u>	<u>Business-Type</u>
Taxes levied for 2021	\$ 11,507,122	\$ 3,492,748
Delinquent property taxes	103,856	
Economic development loans	46,640	
Broadband loan	1,400,000	
Total	\$ 13,057,618	\$ 3,492,748

The economic development loans receivable of \$46,640 consist of loans made to business entities from the proceeds of Community Development Block grants. The County has a long-term notes receivable from a broadband provider for \$1,400,000 with an interest rate of 3%. Payments are interest only until December 31, 2023, and the due date of the note is December 31, 2034. These are to be repaid, together with interest, to the County out of the revenue of the entities. Repayment of principal and interest on the loans is recorded as revenue when received in the funds statements.

NOTE 12

RISK MANAGEMENT

The County is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; employee health and accident insurance coverage; and natural disasters. These risks (except for collision coverage on vehicles) are covered by commercial insurance purchased from independent third parties. Settled claims for these risks have not exceeded commercial insurance coverage for the past three years.

The County is self-funded for its workers compensation coverage. Amounts have been provided from various departments and/or funds and are shown in the financial statements as a designation of Internal Service fund balance.

NOTE 13

COMPENSATED ABSENCES

Compensated absences consist of an accrual for time earned under the County's managed (paid) time off (MTO) plan, which became effective January 1, 2013, an accrual for sick leave accumulated prior to the implementation of the MTO plan, and an accrual for sick leave accumulated by employees covered under the union contract with the sheriff's department.

Under the Teamsters Union Local No. 695 contract covering sheriff department employees, full-time employees earn eight hours of sick leave per month with a maximum accumulation of 960 hours. All employees covered under the contract who retire and are eligible for the Wisconsin Retirement Fund annuity and/or social security benefits, or who die while in employ of the County (in case of death, their estates shall be entitled) shall be allowed to convert their accumulated sick leave to purchase continuing group health insurance and dental insurance under the County employees' insurance plan, or shall receive a cash payment for their accumulated sick leave based on their final base wage rate.

Iowa County, Wisconsin
Notes to the Financial Statements
December 31, 2021

NOTE 13

COMPENSATED ABSENCES (CONTINUED)

MTO accrual commences on an employee's initial date of employment on a prorated basis. The maximum amount of annual MTO that an employee can accumulate is calculated from the employee's anniversary date of initial employment. The maximum annual MTO accrual is as follows:

Accrual Periods	Maximum Annual Accrual for Employees Working 40 Hours per Week
0-1.99 year	136 hours
2-5 years	176 hours
6-10 years	208 hours
11-15 years	248 hours
16-20 years	288 hours
21 or more years	312 hours

On an employee's anniversary date, if the employee's accrued MTO hours exceed the maximum set forth in the accrual schedule, the excess hours are transferred to the employee's medical leave bank in the subsequent pay period. If the employee's medical leave bank accrual balance is at the maximum level at the time excess MTO hours are to be transferred, the excess MTO hours are deemed forfeited. MTO hours transferred to an employee's medical leave bank cannot be returned to the employee's MTO account. The medical leave bank is to provide additional medical leave to employees that have reached the maximum MTO accrual. Upon termination of employment, the employee's accrued MTO is paid out at the employee's current wage rate. The medical leave bank is not paid to an employee upon retirement or termination.

Any accumulated sick leave accrued prior to January 1, 2013 is locked in a personal sick leave bank and used for qualifying events due to illness and medical appointments or qualified State or Federal FMLA leave. Sick leave is not earned after January 1, 2013. Any remaining balance in the personal sick leave bank at the time of retirement of employment is paid out at the employee's current wage rate.

Compensated absences as of December 31, 2021 consist of the following:

	Sick Leave	MTO	Total
General county employees	\$ 633,980	\$ 468,183	\$ 1,102,163
Bloomfield Healthcare and Rehabilitation Center employees	129,156	103,667	232,823
Highway department employees	143,952	198,079	342,031
Total	\$ 907,088	\$ 769,929	\$ 1,677,017

NOTE 14

CONTINGENCIES

The County has received federal and state grants for specific purposes that are subject to review and audit by the grantor agencies. Such audits could lead to requests for reimbursements to the grantor agency for expenditures disallowed under terms of the grants.

From time to time, the county is party to various pending claims and legal proceedings. Although the outcome of such matters cannot be forecasted with certainty, it is the opinion of management and the county's legal 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.

Iowa County, Wisconsin
Notes to the Financial Statements
December 31, 2021

NOTE 15

INTERFUND RECEIVABLES/PAYABLES AND TRANSFERS

For the statement of net position, interfund balances which are owed within the governmental activities or business-type activities are netted and eliminated.

The following is a schedule of interfund transfers:

Fund Transfer To	Fund Transfer From	Amount
Governmental Funds		
General	Social services	\$ 600,000
General	Aging Disability Resource Center	163,000
General	Real estate tax reduction	2,055,000
		\$ 2,818,000
Proprietary Funds		
Bloomfield Manor	General	\$ 1,162,404
	Total	\$ 3,980,404

Interfund advances were as follows on December 31, 2021:

Fund Advanced To	Advanced From	Amount
C.D.B.G Revolving Loan	General Fund	\$ 39,866
Broadband Fund	General Fund	1,500,000
	Total	\$ 1,539,866

No specific repayment schedule has been established for the current advance.

For the government-wide statement of net position, interfund balances which are owned within the governmental activities or business-type activities are netted and eliminated.

Generally, transfers are used to (1) move revenues from the fund that collects them to the fund that the budget requires to expend them, (2) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations and (3) move fund balances whose designated purpose has been removed.

NOTE 16

ECONOMIC DEPENDENCY

Bloomfield Healthcare and Rehabilitation Center receives reimbursement of its costs for the care of certain patients from different agencies of the federal government. During 2021, these reimbursements amounted to \$3,203,810 or 83.8% of total operating revenue.

Iowa County, Wisconsin
Notes to the Financial Statements
December 31, 2021

NOTE 17

BLOOMFIELD RESIDENT ACCOUNTS RECEIVABLE

Bloomfield accounts receivable at December 31 consisted of the following amounts:

	2021	2020
Private/Insurance	\$ 158,011	\$ 111,324
Medical Assistance	131,082	187,447
Medicare	119,446	123,837
Veterans Affair	70,314	69,771
Family Care	38,465	80,629
Allowance for Doubtful Accounts	(31,394)	(31,394)
Total	\$ 485,924	\$ 541,614

NOTE 18

WISCONSIN COUNTY MUTUAL INSURANCE CORPORATION

Iowa County participates with other counties in the Wisconsin County Mutual Insurance Corporation. This joint venture began operation January 1, 1988 and provides liability insurance coverage to the counties. The creation of the mutual insurance corporation required the establishment of capital reserves. Each participating county deposited a portion of the required reserves. Iowa County's share of the capital reserves have been reported in the financial statements as an expenditure in the year of payment.

The governing body of the mutual insurance corporation is made up of twelve directors elected by the participating counties. The governing body has authority to adopt its own budget and control the financial affairs of the corporation.

Summary financial information as of, and for the year ended December 31, 2021 are available at the Corporation's offices in Madison, Wisconsin.

NOTE 19

OPERATING LEASE

The County entered into an operating lease for copiers on March 24, 2016. The lease requires 60 monthly payments of \$2,550. During the year ending December 31, 2021, the County paid \$7,956 in lease payments.

NOTE 20

TAX LEVY LIMIT

Wisconsin law limits the County's future tax levies. Generally, the County is limited to its prior tax levy dollar amount, increased by the greater of the percentage change in the County's equalized value due to new construction, or zero percent. Changes in debt service from one year to the next are generally exempt from this limit with certain exceptions. The County is required to reduce its allowable levy by the estimated amount of fee revenue it collects for certain services, if those services were funded in 2014 by the property tax levy. Levies can be increased above the allowable limits if the amount is approved by referendum.

Iowa County, Wisconsin
Notes to the Financial Statements
December 31, 2021

NOTE 21

CAPITAL LEASE

The following is an analysis of the original cost of leased property under capital leases by major classes as of December 31, 2021.

Business-Type Activities:

Equipment \$ 668,125

The following is a schedule by years of future minimum lease payments under capital leases together with the present value of the net minimum lease payments as of December 31, 2021.

Business-Type Activities:

<u>Year Ended December 31,</u>	
2022	\$ 236,340
2023	2,884
2024	2,884
2025	<u>1,922</u>
Total minimum payments required	244,030
Less: amount representing interest	<u>(12,914)</u>
Present value of minimum lease payments	<u>\$ 231,116</u>

NOTE 22

COMMITMENTS/SUBSEQUENT EVENTS

Subsequent to December 31, 2021, the Board approved closing the Iowa County Nursing Home (Bloomfield Healthcare and Rehabilitation Center) on April 6, 2022 and also approved related severance pay for employees. Total severance pay for employees was \$528,500. As of the date of this audit report the County is listing the building and approximately 12 acres of land for sale with a list price of \$120,000. The net book value of land, buildings and fixed equipment is approximately \$750,000.

In February 2022, the county made their final payment for the law enforcement center building for \$1,431,879.

Iowa County Airport runway project started in 2022. Total cost of this project is \$3,032,700 – federal and state grants will pay for the majority of the project, but Iowa county approved a commitment of up to \$240,000 towards the new airport runway.

Subsequent to December 31, 2021, the County approved revenue bond financing for a broadband project. As of the date of this audit report, this borrowing has not been completed. Once the loan is issued, it would restore the deficit fund balance for the Broadband Fund.

Iowa County, Wisconsin
Notes to the Financial Statements
December 31, 2021

NOTE 23

COMPONENT UNIT

This report contains the Cobb-Highland Recreation Commission, which is included as a component unit. Financial information is presented as a discrete column in the statement of net position and statement of activities. Audited financial statements of the Commission are available at the Commission's office.

In addition to the basic financial statements and the preceding notes to the financial statements which apply, the following additional disclosures are considered necessary for a fair presentation.

A. Summary of Significant Accounting Policies

1. Fixed Assets

Fixed assets are capitalized at cost (or fair market value at date of contribution). Depreciation is recorded using the straight-line method over the estimated lives (3-25 years).

Total cost and accumulated depreciation of fixed assets on December 31 is as follows:

	Balance 1/1/21	Additions	Deletions	Balance 12/31/21
Capital assets not being depreciated:				
Construction work in progress	\$ 37,436	\$	\$ (27,191)	\$ 10,245
Capital assets being depreciated:				
Buildings	948,310	17,819	(1,500)	964,629
Equipment & furnishings	234,415	11,436		245,851
Land improvements	510,703	132,615		643,318
Total capital assets	1,693,428	161,870	(1,500)	1,853,798
Less: accumulated depreciation:				
Buildings	473,959	26,590	(1,500)	499,049
Equipment & furnishings	158,518	26,188		184,706
Land improvements	203,441	36,919		240,360
Total accumulated depreciation	835,918	89,697	(1,500)	924,115
Net capital assets being depreciated	857,510	72,173		929,683
Total net capital assets	\$ 894,946	\$ 72,173	\$ (27,191)	\$ 939,928

2. Income Tax

The Commission is exempt from income taxes and therefore no income tax liability is recorded.

3. Cash

The cash accounts of the Cobb-Highland Recreation Commission (Blackhawk Lake Recreation Area) are deposited in banks and are fully insured by FDIC insurance.

4. Compensated Absences

Payments for vacation will be made at rates in effect when benefits are used. Vacation does not vest and employees do not earn any sick leave.

Iowa County, Wisconsin
Notes to the Financial Statements
December 31, 2021

NOTE 23

COMPONENT UNIT (CONTINUED)

B. Net Position

The following calculation supports the Commission's net position net investment in capital assets at December 31, 2021:

Capital assets	\$ 1,864,043
Accumulated depreciation	<u>(924,115)</u>
Total net investment in capital assets	<u><u>\$ 939,928</u></u>

C. Employee Retirement Plan

The Commission contributed to individual retirement accounts for two full-time employees during the year. Contributions are 10% of the Park Manager's and Assistant Park Manager's current year salary. For the year ended December 31, 2021, employer contributions were \$8,800. There were no employee contributions.

REQUIRED SUPPLEMENTARY INFORMATION

Schedule 1
Required Supplementary Information
Iowa County, Wisconsin
Budgetary Comparison Schedule for the General Fund
For the Year Ended December 31, 2021

	Budgeted Amounts		Actual	Variance	Variance
	Original	Final		With Original Budget	With Final Budget
REVENUES					
Taxes:					
Property	\$ 5,281,475	\$ 5,281,475	\$ 5,296,476	\$ 15,001	\$ 15,001
Other	278,040	278,040	239,378	(38,662)	(38,662)
Intergovernmental	2,021,165	2,021,165	2,422,331	401,166	401,166
Charges for services	805,288	805,288	1,124,759	319,471	319,471
Fines and forfeitures	166,000	166,000	281,119	115,119	115,119
Investment earnings	180,900	180,900	35,821	(145,079)	(145,079)
Miscellaneous	343,433	343,433	614,085	270,652	270,652
Total revenues	9,076,301	9,076,301	10,013,969	937,668	937,668
EXPENDITURES					
Current:					
General government	3,198,078	3,343,526	3,379,886	(181,808)	(36,360)
Public safety	4,650,515	4,665,723	4,770,193	(119,678)	(104,470)
Health and human services	1,009,992	1,013,742	1,066,748	(56,756)	(53,006)
Leisure activities	69,052	69,052	166,167	(97,115)	(97,115)
Conservation of natural resources	1,225,832	1,454,268	1,152,646	73,186	301,622
Education	631,509	647,867	569,629	61,880	78,238
Community and economic development	345,923	345,923	346,448	(525)	(525)
Capital outlay			175	(175)	(175)
Debt service:					
Principal			7,872	(7,872)	(7,872)
Interest			84	(84)	(84)
Total expenditures	11,130,901	11,540,101	11,459,848	(328,947)	80,253
Excess (deficiency) of revenues over expenditures	(2,054,600)	(2,463,800)	(1,445,879)	608,721	1,017,921
OTHER FINANCING SOURCES (USES)					
Transfers in	2,054,600	2,054,600	2,818,000	763,400	763,400
Transfers out		(1,162,404)	(1,162,404)	(1,162,404)	
Total other financing sources (uses)	2,054,600	892,196	1,655,596	(399,004)	763,400
Net change in fund balances		(1,571,604)	209,717	209,717	1,781,321
Fund balance-beginning of year	12,963,318	12,963,318	12,963,318		
Fund balance-end of year	\$ 12,963,318	\$ 11,391,714	\$ 13,173,035	\$ 209,717	\$ 1,781,321

Schedule 2
Required Supplementary Information
Iowa County, Wisconsin
Budgetary Comparison Schedule for the Social Services Fund
For the Year Ended December 31, 2021

	Budgeted Amounts		Actual	Variance	Variance
	Original	Final		With Original Budget	With Final Budget
REVENUES					
Property taxes	\$ 1,450,375	\$ 1,450,375	\$ 1,450,375	\$	\$
Intergovernmental	1,430,317	1,430,317	1,455,731	25,414	25,414
Charges for services	27,700	27,700	35,838	8,138	8,138
Miscellaneous			1,227	1,227	1,227
Total revenues	2,908,392	2,908,392	2,943,171	34,779	34,779
EXPENDITURES					
Current:					
Health and human services	2,908,392	2,916,208	2,313,057	595,335	603,151
Total expenditures	2,908,392	2,916,208	2,313,057	595,335	603,151
Excess (deficiency) of revenues over expenditures		(7,816)	630,114	630,114	637,930
OTHER FINANCING SOURCES (USES)					
Transfers (out)			(600,000)	(600,000)	(600,000)
Net change in fund balance		(7,816)	30,114	30,114	37,930
Fund balance-beginning of year	626,282	626,282	626,282		
Fund balance-end of year	\$ 626,282	\$ 618,466	\$ 656,396	\$ 30,114	\$ 37,930

Schedule 3
 Required Supplementary Information
 Iowa County, Wisconsin
 Budgetary Comparison Schedule for the Real Estate Tax Reduction Fund
 For the Year Ended December 31, 2021

	Budgeted Amounts		Actual	Variance With Original Budget	Variance With Final Budget
	Original	Final			
REVENUES					
Sales taxes	\$ 2,054,600	\$ 2,054,600	\$ 2,600,650	\$ 546,050	\$ 546,050
OTHER FINANCING SOURCES (USES)					
Transfers (out)	(2,054,600)	(2,054,600)	(2,055,000)	(400)	(400)
Net change in fund balance			545,650	545,650	545,650
Fund balance-beginning of year	2,467,375	2,467,375	2,467,375		
Fund balance-end of year	<u>\$ 2,467,375</u>	<u>\$ 2,467,375</u>	<u>\$ 3,013,025</u>	<u>\$ 545,650</u>	<u>\$ 545,650</u>

Schedule 4
Required Supplementary Information
Iowa County, Wisconsin
Budgetary Comparison Schedule for the Broadband Fund
For the Year Ended December 31, 2021

	Budgeted Amounts		Actual	Variance	Variance
	Original	Final		With Original Budget	With Final Budget
REVENUES					
Intergovernmental	400,000	400,000	\$	\$ (400,000)	\$ (400,000)
Investment earnings			6,301	6,301	6,301
Total revenues	400,000	400,000	6,301	(393,699)	(393,699)
EXPENDITURES					
Current:					
Community and Economic development	500,000	500,000	1,500,000	(1,000,000)	(1,000,000)
Total expenditures	500,000	500,000	1,500,000	(1,000,000)	(1,000,000)
Excess (deficiency) of revenues over expenditures	(100,000)	(100,000)	(1,493,699)	606,301	606,301
OTHER FINANCING SOURCES (USES)					
Long-term debt proceeds	100,000	100,000		(100,000)	(100,000)
Net change in fund balance			(1,493,699)	506,301	506,301
Fund balance-beginning of year					
Fund balance-end of year	\$	\$	\$ (1,493,699)	\$ 506,301	\$ 506,301

Schedule 5
Iowa County, Wisconsin
Wisconsin Retirement System Schedules
December 31, 2021

SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY (ASSET)
Last 10 Calendar Years*

Year ended December 31,	Proportion of the net pension liability (asset)	Proportionate share of the net pension liability (asset)	Covered- employee payroll	Proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	Plan fiduciary net position as a percentage of the total pension liability (asset)
2020	0.07468015%	\$ (4,662,385)	\$ 10,890,237	(42.81%)	105.26%
2019	(0.07480074%)	(2,411,917)	10,776,439	(22.38%)	102.96%
2018	0.07420009%	2,639,806	10,260,366	25.73%	96.45%
2017	(0.07426786%)	(2,205,100)	10,036,742	(21.97%)	102.93%
2016	0.07333484%	604,454	9,805,105	6.16%	99.12%
2015	0.07343105%	1,193,240	9,785,834	12.19%	98.20%
2014	(0.07345647%)	(1,803,796)	9,310,865	(19.37%)	102.74%

*The proportionate share of the net pension liability (asset) and other amounts presented above for each year were determined as of the calendar year-end that occurred 12 months prior to the financial reporting period.

SCHEDULE OF CONTRIBUTIONS
Last 10 Calendar Years**

Year ended December 31,	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
2021	\$ 847,907	\$ (847,907)		\$ 10,880,973	7.79%
2020	858,551	(858,551)		10,890,237	7.88%
2019	796,271	(796,271)		10,776,439	7.39%
2018	773,321	(773,321)		10,260,367	7.54%
2017	761,247	(761,247)		10,036,742	7.58%
2016	705,059	(705,059)		9,805,106	7.19%
2015	720,154	(720,154)		9,785,834	7.36%

**The contribution and other amounts presented above for each calendar year are based on information that occurred during that calendar year.

Schedule 6
Iowa County, Wisconsin
Local Retiree Life Insurance Fund Schedules
December 31, 2021

SCHEDULE OF PROPORTIONATE SHARE OF THE NET OPEB LIABILITY (ASSET)
Last 10 Calendar Years*

Year ended December 31,	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 its covered- employee payroll	Plan fiduciary net position as a percentage of the total OPEB liability (asset)
2020	0.21035700%	\$ 1,157,115	\$ 9,011,000	12.84%	31.36%
2019	0.20570000%	875,911	8,891,000	9.85%	37.58%
2018	0.19366200%	499,713	8,268,000	6.04%	48.69%
2017	0.19151300%	576,182	8,053,669	7.15%	44.81%

*The proportionate share of the net OPEB liability (asset) and other amounts presented above for each year were determined as of the calendar year-end that occurred 12 months prior to the financial reporting period.

Schedule 7
Iowa County, Wisconsin
Schedule of Changes in the County's Total OPEB Liability and Related Ratios
For the Year Ended December 31, 2021

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Total OPEB Liability				
Service costs	\$ 52,021	\$ 34,900	\$ 36,043	\$ 36,043
Interest	13,424	17,632	14,807	13,516
Changes in benefit terms				
Differences between expected and actual experience		(2,072)		
Changes of assumptions or other inputs	16,626	12,876	(14,295)	
Benefit payments	(30,743)	(18,365)	(18,145)	(7,201)
Net change in total OPEB	\$ 51,328	\$ 44,971	\$ 18,410	\$ 42,358
Total OPEB liability- beginning	477,497	432,526	414,116	371,758
Total OPEB liability- ending	<u>\$ 528,825</u>	<u>\$ 477,497</u>	<u>\$ 432,526</u>	<u>\$ 414,116</u>
Covered employee payroll	<u>\$ 9,835,497</u>	<u>\$ 9,835,497</u>	<u>\$ 7,717,562</u>	<u>\$ 7,717,562</u>
Total OPEB liability as a percentage of covered-employee payroll	5.38%	4.85%	5.60%	5.37%

Iowa County, Wisconsin
Notes to the Required Supplementary Information
December 31, 2021

NOTE 1

EXCESS EXPENDITURES OVER APPROPRIATIONS

The County budget is adopted in accordance with state law. Budget amounts include appropriations authorized in the original budget resolution, subsequent revisions authorized by the County board of supervisors, and appropriations of prior year designated funds to expenditure accounts.

Such revisions are required by a statutory provision which states that no expenditure can be made from an expired appropriation. This requirement applies at the department level for the County. The statutes also require publication of these budget revisions. Revisions require a two-thirds majority of the County Board.

The County does not utilize encumbrances in its budget process but does take into consideration certain appropriations, which do not lapse on an annual basis.

No budget comparison schedule is presented for the ARPA fund, as the County has no budget prepared for these funds and there were no revenues or expenditures for 2021.

The following expenditures exceeded budget appropriations in the general fund for the year ended December 31, 2021:

Expenditure	Excess Expenditure
General Fund:	
General government	\$ 36,360
Public safety	104,470
Health and human services	53,006
Leisure activities	97,115
Community and economic development	525
Capital outlay	175
Debt service - Principal	7,872
Debt service - Interest	84
Social Services Fund	
Transfers out	600,000
Real Estate Tax Reduction Fund	
Transfers out	400
Broadband Fund:	
Community and economic development	1,000,000

NOTE 2

WISCONSIN RETIREMENT SYSTEM SCHEDULES

Governmental Accounting Standards Board Statement No. 68 requirements have been implemented prospectively; therefore, the illustrations do not present similar information for the 3 preceding years.

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

Changes of assumptions. No significant change in assumptions were noted from the prior year.

NOTE 3

LOCAL RETIREE LIFE INSURANCE SCHEDULES

Governmental Accounting Standards Board Statement No. 75 requirements have been implemented prospectively; therefore, the illustrations do not present similar information for the 6 preceding years.

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

Iowa County, Wisconsin
Notes to the Required Supplementary Information
December 31, 2021

Changes of assumptions. Several actuarial assumptions changed from the prior year, including the single discount rate, long-term expected rate of return and expected inflation. Please refer to the Actuarial Assumptions section above for additional details.

NOTE 4 OTHER POSTEMPLOYMENT BENEFITS PLAN – COUNTY HEALTH INSURANCE

Governmental Accounting Standards Board Statement No. 75 requirements have been implemented prospectively; therefore, the illustrations do not present similar information for the 6 preceding years.

Changes of benefit terms. There were no changes of benefit terms during the year.

Changes of assumptions. The discount rate was changed to be reflective of a 20-year AA municipal bond rate (2.25%) as of the measurement date in order to be compliant with GASB 75. All other assumptions and methods remained unchanged.

Assets. There are no assets accumulated in a trust that meet the criteria in governmental accounting standards to pay related benefits.

SUPPLEMENTARY INFORMATION

Exhibit B-1
Iowa County, Wisconsin
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2021

	Special Revenue Funds							Total Nonmajor Governmental Funds
	Aging Disability Resource Center	Child Support	C.D.B.G Revolving Loan	Drug Task Force	Iowa County Airport	Unified Community Services	Dog License	
ASSETS								
Cash and investments	\$ 162,649	\$ 12,769		\$ 257,982	\$ 134,546		\$ 12,550	\$ 580,496
Receivables:								
Current property taxes	321,099	31,329			70,000	257,552	30,000	709,980
Other					63,610			63,610
Economic development loans			46,640					46,640
Due from other governments	89,570	54,946		4,719				149,235
Inventories					38,090			38,090
Total assets	\$ 573,318	\$ 99,044	\$ 46,640	\$ 262,701	\$ 306,246	\$ 257,552	\$ 30,000	\$ 1,588,051
LIABILITIES								
Accounts payable	\$ 10,635	\$ 266		\$ 434	\$ 7,577		\$ 10,894	\$ 29,806
Accrued payroll	16,478	5,094						21,572
Due to other governments	7,488	2,284			766		656	11,194
Advance to other funds			39,866					39,866
Total liabilities	34,601	7,644	39,866	434	8,343		11,550	102,438
DEFERRED INFLOWS OF RESOURCES								
Deferred property tax revenue-current	321,099	31,329			70,000	257,552	30,000	709,980
Deferred revenue-other			46,640					46,640
Total deferred inflows of resources	321,099	31,329	46,640		70,000	257,552	30,000	756,620
FUND BALANCES								
Nonspendable					38,090			38,090
Restricted	217,618	60,071		262,267	189,813		1,000	730,769
Unassigned			(39,866)					(39,866)
Total fund balances	217,618	60,071	(39,866)	262,267	227,903		1,000	728,993
Total liabilities, deferred inflows of resources and fund balances	\$ 573,318	\$ 99,044	\$ 46,640	\$ 262,701	\$ 306,246	\$ 257,552	\$ 30,000	\$ 1,588,051

Exhibit B-2
Iowa County, Wisconsin
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended December 31, 2021

	Special Revenue Funds								Total Nonmajor Governmental Funds
	Aging Disability Resource Center	Child Support	C.D.B.G Revolving Loan	Drug Task Force	Iowa County Airport	Unified Community Services	Dog License	Wisconsin River Rail Transit	
REVENUES									
Taxes:									
Property taxes	\$ 280,778	\$ 25,531	\$	\$	\$ 76,437	\$ 236,626	\$	\$ 30,000	\$ 649,372
Intergovernmental	633,131	218,860		51,070	45,000				948,061
Public charges for services	27,771			1,063	212,211		11,944		252,989
Interest income	66		2,629	227					2,922
Revolving loan repayments			3,371						3,371
Miscellaneous income	103,664			739	7,093				111,496
Total revenues	1,045,410	244,391	6,000	53,099	340,741	236,626	11,944	30,000	1,968,211
EXPENDITURES									
Current:									
Transportation facilities					235,878				235,878
Public safety				65,750			11,614		77,364
Health and human services	882,302	228,234				236,626			1,347,162
Community and Economic development								30,000	30,000
Total expenditures	882,302	228,234		65,750	235,878	236,626	11,614	30,000	1,690,404
Excess (deficiency) of revenues over expenditures	163,108	16,157	6,000	(12,651)	104,863		330		277,807
OTHER FINANCING SOURCES (USES)									
Transfers (out)	(163,000)								(163,000)
Net change in fund balances	108	16,157	6,000	(12,651)	104,863		330		114,807
Fund balances-beginning of year	217,510	43,914	(45,866)	274,918	123,040		670		614,186
Fund balances-end of year	\$ 217,618	\$ 60,071	\$ (39,866)	\$ 262,267	\$ 227,903	\$	\$ 1,000	\$	\$ 728,993