

**WASHBURN COUNTY, WISCONSIN**

**FINANCIAL STATEMENTS AND  
SUPPLEMENTARY INFORMATION**

**YEAR ENDED DECEMBER 31, 2022**



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## INDEPENDENT AUDITORS' REPORT

County Board  
Washburn County, Wisconsin

### Report on the Audit of the Financial Statements

#### **Opinions**

We have audited the accompanying financial statements of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Washburn County, Wisconsin (County) as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the report of the other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Washburn County, as of December 31, 2022, and the respective changes in financial position and, where applicable, cash flows, thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the Washburn County Industrial Development Agency, LTD., which statements reflect 100% of assets, liabilities and net position as of June 30, 2022 and 100% of revenues and expenses for the year then ended, of the discretely presented component unit. Those statements were audited by other auditors, whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Washburn County Industrial Development Agency, LTD., is based solely on the report of the other auditors.

#### **Basis for Opinions**

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

#### **Emphasis of Matter – Change in Accounting Principle**

As discussed in Note 1 to the financial statements, effective January 1, 2022, the County adopted new accounting guidance for leases. The guidance requires lessees to recognize a right-of-use lease asset and a corresponding lease liability all leases with lease terms greater than twelve months. Our opinion is not modified with respect to this matter.

***Responsibilities of Management for the Financial Statements***

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

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

***Auditors' Responsibilities for the Audit of the Financial Statements***

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

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

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

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

***Required Supplementary Information***

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

***Supplementary Information***

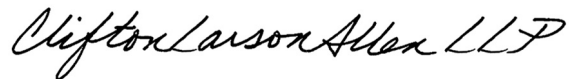
Our audit for the year ended December 31, 2022 was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The individual and combining fund statements and schedules for the year ended December 31, 2022 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements for the year ended December 31, 2022, and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the individual and combining fund statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole for the year ended December 31, 2022.

We also previously audited, in accordance with GAAS, the basic financial statements of the County as of and for the year ended December 31, 2021 (not presented herein), and have issued our report thereon dated August 26, 2022, which contained unmodified opinions on the respective financial statements of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information. The individual and combining fund statements and schedules for the year ended December 31, 2021 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and related directly to the underlying accounting and other records used to prepare the 2021 financial statements. The individual and combining fund statements and schedules have been subjected to the audit procedures applied in the audit of the 2021 basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare those financial statements or to those financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the 2021 individual and combining fund statements and schedules are fairly stated in all

material respects in relation to the basic financial statements as a whole for the year ended December 31, 2021.

***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated August 30, 2023, on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of County's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.



**CliftonLarsonAllen LLP**

Rice Lake, Wisconsin  
August 30, 2023



## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

**WASHBURN COUNTY, WISCONSIN  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
DECEMBER 31, 2022**

As management of Washburn County, we offer readers of the County's financial statements this narrative overview and analysis of the financial activities of Washburn County for the year ended December 31, 2022. We encourage readers to consider the information presented here in conjunction with the County's financial statements, which begin on page 14 following this narrative.

**FINANCIAL HIGHLIGHTS**

Key financial highlights for the year ended December 31, 2022 include the following:

- The assets and deferred outflows of resources of Washburn County exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$90,128,749 (net position). Of this amount, \$54,001,718 represented the County's net investment in capital assets, \$9,606,766 was held for restricted purposes, and \$26,520,265 was unrestricted. The unrestricted net position may be used to meet the government's ongoing obligations to citizens and creditors.
- During the fiscal year, the County's total net position increased by \$2,656,474.
- At the close of the fiscal year, the County's governmental funds reported combined ending fund balances of \$30,393,313, an increase of \$489,124 from the previous year.
- At the end of the current fiscal year, the unassigned fund balance for the general fund was \$5,695,370 or 35.1% of total general fund expenditures.
- The County had general obligation debt outstanding at December 31, 2022 totaling \$11,344,382 which is a decrease of \$1,121,250 from the prior year.

**OVERVIEW OF THE FINANCIAL STATEMENTS**

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

**Government-Wide Financial Statements**

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

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

**WASHBURN COUNTY, WISCONSIN  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
DECEMBER 31, 2022**

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

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

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

**Fund Financial Statements**

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

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

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

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

**WASHBURN COUNTY, WISCONSIN  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
DECEMBER 31, 2022**

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

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

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

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

**Notes to the Financial Statements**

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

**Supplementary Information**

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

**WASHBURN COUNTY, WISCONSIN  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
DECEMBER 31, 2022**

**FINANCIAL ANALYSIS OF THE COUNTY AS A WHOLE**

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of Washburn County, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$90,128,749 at the close of the most recent fiscal year. The largest portion of Washburn County's net position (59.9%) reflects its investment in capital assets (e.g., land, buildings, machinery and equipment, infrastructure); less any related debt used to acquire those assets that is still outstanding. The County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

The following is a summary of the County's statement of net position as of December 31, 2022 and 2021:

**Condensed Statement of Net Position  
December 31, 2022 and 2021**

	Governmental Activities	
	2022	2021
Current Assets	\$ 49,552,788	\$ 48,642,399
Capital Assets	66,700,395	67,324,325
Other Noncurrent Assets	5,756,698	4,544,318
Total Assets	122,009,881	120,511,042
Deferred Outflows of Resources	10,153,924	6,776,662
Long-Term Debt Outstanding	10,985,000	12,172,340
Other Long-Term Obligations	5,114,839	5,128,643
Other Liabilities	2,645,988	2,738,492
Total Liabilities	18,745,827	20,039,475
Deferred Inflows of Resources	23,289,229	19,775,954
Net Position:		
Net Investment in Capital Assets	54,001,718	53,254,011
Restricted	9,606,766	8,275,340
Unrestricted	26,520,265	25,942,924
Total Net Position	\$ 90,128,749	\$ 87,472,275

An additional portion of Washburn County's net position (10.7%) represents resources that are subject to other restrictions on how they may be used. The remaining \$26,520,265 of total net position (29.4%) may be used to meet the County's ongoing obligations to citizens and creditors.

The County's net position increased \$2,656,474 during the current fiscal year.

**WASHBURN COUNTY, WISCONSIN  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
DECEMBER 31, 2022**

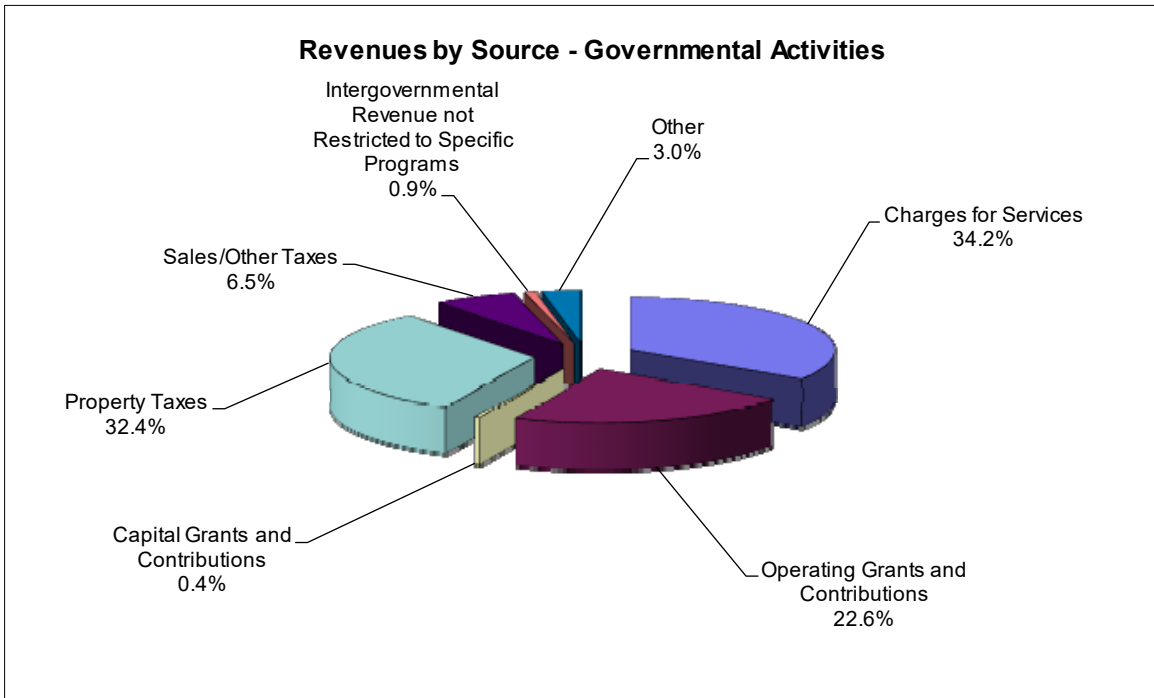
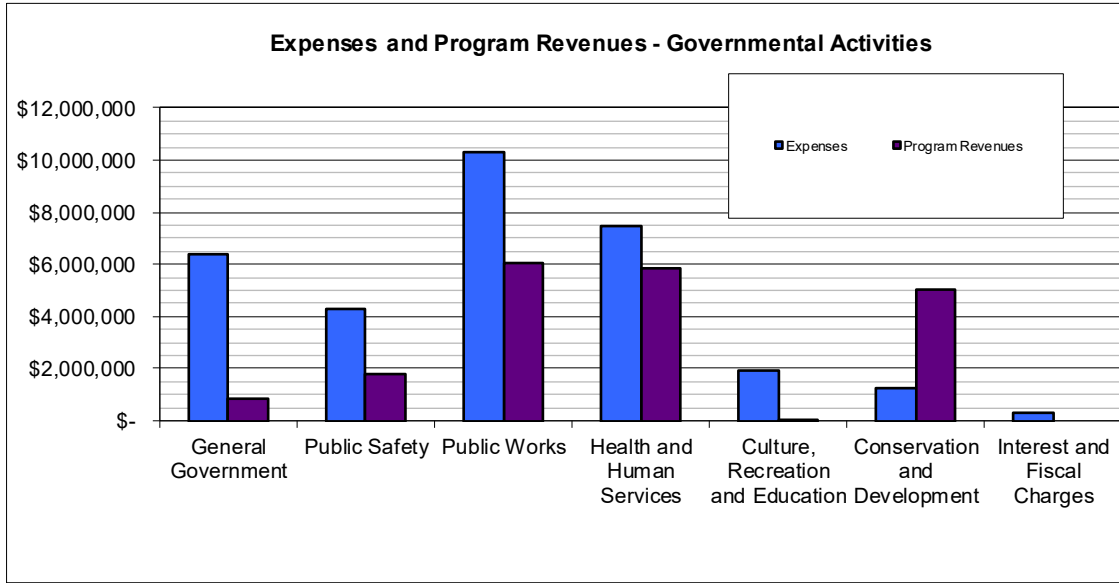
The following is a summary of the changes in the County's net position for the years ended December 31, 2022 and 2021:

**Condensed Statement of Changes in Net Position  
December 31, 2022 and 2021**

	Governmental Activities	
	2022	2021
<b>REVENUES</b>		
<u>Program Revenues</u>		
Charges for Services	\$ 11,762,851	\$ 10,191,630
Operating Grants and Contributions	7,766,144	7,614,091
Capital Grants and Contributions	140,030	391,571
<u>General Revenues</u>		
Property Taxes	11,160,172	10,998,246
Other Taxes	2,242,689	1,980,028
Grants and Contributions not Restricted for a Particular Purpose	307,411	214,861
Other	1,091,424	797,141
Total Revenues	34,470,721	32,187,568
 <b>EXPENSES</b>		
General Government	6,359,638	5,271,746
Public Safety	4,273,335	4,211,336
Public Works	10,333,019	8,205,029
Health and Human Services	7,446,734	6,619,860
Culture and Recreation	1,898,654	2,204,268
Conservation and Development	1,225,178	724,688
Interest and Fiscal Charges	277,689	319,391
Total Expenses	31,814,247	27,556,318
 <b>CHANGE IN NET POSITION</b>	<b>\$ 2,656,474</b>	<b>\$ 4,631,250</b>

**WASHBURN COUNTY, WISCONSIN  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
DECEMBER 31, 2022**

A review of the statement of activities can provide a concise picture of how the various functions/programs of Washburn County are funded. The following charts draw data from the statement of activities. For governmental activities the County's main sources for funding governmental services are property taxes (32.5%), operating grants/contributions (22.6%), and charges for services (34.2%).



**WASHBURN COUNTY, WISCONSIN  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
DECEMBER 31, 2022**

**FINANCIAL ANALYSIS OF THE COUNTY'S MAJOR FUNDS**

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

**Governmental Funds**

The focus of the County's governmental funds is to provide information regarding near-term inflows, outflows, and balances of spendable resources. Such information can be useful in assessing Washburn County's financing requirements. In particular, the level of unassigned fund balances may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year. As of December 31, 2022, the County's governmental funds reported combined ending fund balances of \$30,393,313, an increase of \$489,124 from the previous year. The governmental funds comprising this balance are shown below:

	Fund Balance at December 31, 2022					Total	Change During Year
	Nonspendable	Restricted	Committed	Assigned	Unassigned		
Major Funds							
General Fund	\$ 1,583,798	\$ 8,019	\$ -	\$ 2,915,497	\$ 5,695,370	\$ 10,202,684	\$ (299,241)
Human Services Fund	-	-	2,629,178	-	-	2,629,178	90,292
Debt Service Fund	-	682,067	-	-	-	682,067	(254,869)
Capital Improvement Program Fund	895,933	-	6,571,827	-	-	7,467,760	(573,822)
Government Center Capital Projects Fund	-	-	-	300,025	-	300,025	(82,619)
Forestry Fund	77,691	284,217	1,880,945	-	-	2,242,853	1,016,365
Nonmajor Funds	2,040	3,074,662	3,849,015	-	(56,971)	6,868,746	593,018
Total Fund Balances	<u>\$ 2,559,462</u>	<u>\$ 4,048,965</u>	<u>\$ 14,930,965</u>	<u>\$ 3,215,522</u>	<u>\$ 5,638,399</u>	<u>\$ 30,393,313</u>	<u>\$ 489,124</u>

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

The general fund is the primary operating fund used to account for the governmental operations of Washburn County. As a measure of the general fund's liquidity, it may be useful to compare both total fund balance and unassigned fund balance to measures of operating volume such as fund expenditures or fund revenues. The total year-end general fund balance represented 62.9% of total general fund expenditures reported on the statement of revenues, expenditures, and changes in fund balances while the unassigned balance represented 35.1% of the same amount.

The general fund's total fund balance decreased \$299,241 during the year with the unassigned portion increasing by \$428,306. During 2022 the County sales tax came in at \$634,449 more than budgeted. Additionally, the second of two American Rescue Plan Act aid tranche payments was received during 2022 in the amount of \$1,526,713. The County applied this funding to eligible public safety wages and benefits. The positive financial results of the general fund for the year allowed for resources to be assigned within fund balance for several other projects which are being tracked within a sub-fund number 450.

The County's human services fund increased \$90,292 in 2022. The primary factor in this increase was an increase in public charges for service.



**WASHBURN COUNTY, WISCONSIN  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
DECEMBER 31, 2022**

The County's debt service fund reported a fund balance of \$682,067 at December 31, 2022 which represents a decrease of \$254,869 from the prior year.

The capital improvements program fund had a year-end fund balance of \$7,467,760. Project expenditures for the year were funded primarily through transfers from other funds and use of reserves.

The forestry fund ended the year with a fund balance \$2,242,853, an increase of \$1,016,365.

The government center capital projects fund incurred \$82,619 of expenditures during the year as the County continues to spend down the resources accumulated for the new government center project.

The aggregated other governmental funds column includes various special revenue funds. The accumulated fund balances of these funds increased \$593,018 during 2022 and had an accumulated fund balance of \$6,868,746 at year-end. These funds are individually detailed in the supplementary information section of this report.

**Proprietary Funds**

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

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

The County had two internal service funds during 2022. The County accounts for operations of its highway department and copy machine costs in its internal service funds. Net position of the internal service funds totaled \$12,928,624 at December 31, 2022, an increase of \$530,883 from the previous year. Of that amount, \$7,666,013 was invested in capital assets. Additionally, \$950,054 of net position was restricted for the Highway Department's share of the Wisconsin Retirement System net pension asset. The remaining net position totaling \$4,312,557 was unrestricted.

**GENERAL FUND BUDGETARY HIGHLIGHTS**

As shown in the *Budgetary Comparison Schedule* for the general fund (in required supplementary information), the final 2022 general fund budget was different than the original budget adopted by the County Board. The final budget reflects a projected decrease in the general fund balance during 2022 of \$299,033 while the actual amounts resulted in a decrease in the fund balance totaling \$299,241. Total revenues were greater than budgeted by \$1,436,337 primarily due to more sales tax than expected.

**WASHBURN COUNTY, WISCONSIN  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
DECEMBER 31, 2022**

**CAPITAL ASSET AND DEBT ADMINISTRATION**

**Capital Assets**

Washburn County's investment in capital assets for its governmental activities as of December 31, 2022 amounted to \$66,700,395 (net of accumulated depreciation) which was a net decrease of \$735,081 from the prior year. This investment in capital assets includes land, buildings, improvements, equipment, vehicles, and infrastructure.

**Capital Assets (Net of Accumulated Depreciation)  
December 31, 2022 and 2021**

	<u>Governmental Activities</u>	
	<u>2022</u>	<u>2021</u>
Land and Land Rights	\$ 12,896,400	\$ 12,896,400
Gravel Pits and Quarries	358,459	372,566
Land Improvements	1,228,654	1,386,474
Buildings and Improvements	17,667,967	17,966,379
Machinery and Equipment	8,183,288	8,504,916
Right-to-Use Leased Assets	87,493	111,151
Highway Infrastructure	23,817,631	24,135,425
Construction Work in Progress	2,460,503	2,062,165
Total	<u>\$ 66,700,395</u>	<u>\$ 67,435,476</u>

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

**Long-Term Obligations**

At December 31, 2022, Washburn County had outstanding \$13,990,066 of long-term debt and other long-term obligations. A summary detail of this amount, together with the net change from the previous year, is shown below:

**Outstanding Long-Term Obligations  
December 31, 2022 and 2021**

	<u>Governmental Activities</u>		<u>Percent Change</u>
	<u>2022</u>	<u>2021</u>	
Long-Term Debt:			
General Obligation Bonds	\$ 10,985,000	\$ 12,060,000	-8.9%
General Obligation Notes	359,382	405,632	-11.4
Subtotal	<u>11,344,382</u>	<u>12,465,632</u>	-9.0
Other Long-Term Obligations:			
Lease Liability	89,143	111,151	-19.8
Financed Purchase Obligations	1,062,364	1,366,271	-22.2
Premium on Debt Issuance Cost	202,788	238,411	-14.9
Compensated Absences	1,291,389	1,379,013	-6.4
Total	<u>\$ 13,990,066</u>	<u>\$ 15,560,478</u>	-10.1

**WASHBURN COUNTY, WISCONSIN  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
DECEMBER 31, 2022**

Under Wisconsin State Statutes, the outstanding general obligation long-term debt of a county may not exceed 5% of the equalized property value of all taxable property within the jurisdiction. The applicable debt of Washburn County outstanding at December 31, 2022 totaled \$11,344,382 approximately 6.6% of the maximum legal limit of \$171,866,190. Additional information on Washburn County's long-term debt is reported in Note 2.E following the financial statements.

**CURRENTLY KNOWN FACTS**

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

**REQUESTS FOR INFORMATION**

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

## **BASIC FINANCIAL STATEMENTS**

**WASHBURN COUNTY, WISCONSIN  
STATEMENT OF NET POSITION  
DECEMBER 31, 2022**

	Primary Government	Component Unit
	Governmental Activities	Industrial Development Agency
<b>ASSETS</b>		
Cash and Investments	\$ 30,499,384	\$ 1,237,079
Taxes Receivable	12,103,235	-
Accounts Receivable	878,655	-
Due from Other Governments	3,174,079	-
Prepaid Items and Other Assets	2,897,435	1,452
Long-Term Receivables	823,390	733,325
Restricted Assets:		
Wisconsin Retirement System Net Pension Asset	4,933,308	-
Capital Assets:		
Capital Assets Not Being Depreciated	15,356,903	-
Capital Assets Being Depreciated	140,008,871	-
Accumulated Depreciation	(88,665,379)	-
Total Assets	122,009,881	1,971,856
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
Wisconsin Retirement System Pension Related	9,636,015	-
Single-Employer Other Postemployment Benefits Related	93,646	-
Multiple-Employer Other Postemployment Benefits Related	424,263	-
Total Deferred Outflows of Resources	10,153,924	-
<b>LIABILITIES</b>		
Vouchers and Accounts Payable	791,586	10,000
Accrued Liabilities	687,270	-
Payroll Deductions	664,447	-
Accrued Interest Payable	129,517	4,603
Due to Other Governments	89,807	-
Unearned Revenue	168,451	-
Special Deposits	114,910	-
Long-Term Liabilities:		
Amounts Due Within One Year	1,786,871	27,235
Amounts Due in More than One Year	12,203,195	433,037
Single-Employer Other Postemployment Benefits Liability	967,467	-
Multiple-Employer Other Postemployment Benefits Liability	1,142,306	-
Total Liabilities	18,745,827	474,875

See accompanying Notes to Basic Financial Statements.

**WASHBURN COUNTY, WISCONSIN  
STATEMENT OF NET POSITION (CONTINUED)  
DECEMBER 31, 2022**

	Primary Government	Component Unit
	Governmental Activities	Industrial Development Agency
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Property Taxes for Subsequent Year	\$ 11,337,444	\$ -
Wisconsin Retirement System Pension Related	11,613,190	-
Single-Employer Other Postemployment Benefits Related	215,550	-
Multiple-Employer Other Postemployment Benefits Related	123,045	-
	23,289,229	-
<b>NET POSITION</b>		
Net Investment in Capital Assets	54,001,718	-
Restricted for:		
Debt Service	562,472	-
Housing Loan Program	895,754	-
Environmental and Socioeconomic Impact	1,070,853	-
Impact Fee Financed Development	1,108,745	-
Solid Waste	211,530	-
County Trunk D	352,361	-
Forestry Operations	284,217	-
Other Purposes	187,526	-
Wisconsin Retirement Pension Plan Asset	4,933,308	-
Unrestricted	26,520,265	1,496,981
Total Net Position	\$ 90,128,749	\$ 1,496,981

See accompanying Notes to Basic Financial Statements.

**WASHBURN COUNTY, WISCONSIN  
STATEMENT OF ACTIVITIES  
YEAR ENDED DECEMBER 31, 2022**

<u>Functions/Programs</u>					Net Revenue (Expense) and Changes in Net Position	
	Expenses	Program Revenues			Primary Government- Governmental Activities	Component Unit- Industrial Development Agency
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions		
<b>Primary Government:</b>						
<b>Governmental Activities:</b>						
General Government	\$ 6,359,638	\$ 589,516	\$ 175,801	\$ 84,854	\$ (5,509,467)	\$ -
Public Safety	4,273,335	174,279	1,613,481	18,983	(2,466,592)	-
Public Works	10,333,019	4,653,945	1,380,920	36,193	(4,261,961)	-
Health and Human Services	7,446,734	2,165,741	3,690,226	-	(1,590,767)	-
Culture, Recreation, and Education	1,898,654	200	50,000	-	(1,848,454)	-
Conservation and Development	1,225,178	4,179,170	855,716	-	3,809,708	-
Interest and Fiscal Charges	277,689	-	-	-	(277,689)	-
<b>Total Primary Government</b>	<b><u>\$ 31,814,247</u></b>	<b><u>\$ 11,762,851</u></b>	<b><u>\$ 7,766,144</u></b>	<b><u>\$ 140,030</u></b>	<b>(12,145,222)</b>	<b>-</b>
<b>Component Unit:</b>						
Industrial Development Agency	<u>\$ 53,648</u>	<u>\$ 34,686</u>	<u>\$ -</u>	<u>\$ -</u>	-	(18,962)
<b>General Revenues:</b>						
<b>Taxes:</b>						
Property Taxes, Levied for General Purposes					11,160,172	-
County Sales Taxes					2,059,449	-
Other Taxes					183,240	-
State and Federal Aids Not Restricted to Specific Functions					307,411	-
Interest and Investment Earnings					627,928	1,448
Miscellaneous					463,496	-
<b>Total General Revenues</b>					<b><u>14,801,696</u></b>	<b><u>1,448</u></b>
<b>CHANGE IN NET POSITION</b>					<b>2,656,474</b>	<b>(17,514)</b>
Net Position - Beginning of Year					<u>87,472,275</u>	<u>1,514,495</u>
<b>NET POSITION - END OF YEAR</b>					<b><u>\$ 90,128,749</u></b>	<b><u>\$ 1,496,981</u></b>

See accompanying Notes to Basic Financial Statements.

**WASHBURN COUNTY, WISCONSIN  
BALANCE SHEET – GOVERNMENTAL FUNDS  
DECEMBER 31, 2022**

	General Fund	Human Services Fund	Debt Service Fund	Capital Improvements Program Fund	Forestry Fund	Government Center Capital Projects Fund	Other Governmental Funds	Totals
<b>ASSETS</b>								
Treasurer's Cash and Investments	\$ 8,233,857	\$ 1,523,951	\$ 682,067	\$ 7,672,597	\$ 2,770,557	\$ 300,065	\$ 6,788,190	\$ 27,971,284
Taxes Receivable	9,420,576	916,083	1,075,000	-	-	-	691,576	12,103,235
Accounts Receivable	292,893	-	-	88,487	140,421	-	146,502	668,303
Due from Other Governmental Units	322,616	1,356,216	-	-	231,431	-	199,022	2,109,285
Due from Other Funds	264,328	-	-	-	-	-	-	264,328
Prepaid Items and Other Assets	738,723	-	-	-	77,691	-	2,040	818,454
Long-Term Receivables	79,302	-	-	-	-	-	744,088	823,390
Advances to Other Funds	-	-	-	895,933	-	-	-	895,933
<b>Total Assets</b>	<b>\$ 19,352,295</b>	<b>\$ 3,796,250</b>	<b>\$ 1,757,067</b>	<b>\$ 8,657,017</b>	<b>\$ 3,220,100</b>	<b>\$ 300,065</b>	<b>\$ 8,571,418</b>	<b>\$ 45,654,212</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE</b>								
<b>Liabilities:</b>								
Vouchers and Accounts Payable	\$ 136,751	\$ 132,422	\$ -	\$ 91,488	\$ 34,316	\$ 40	\$ 109,626	\$ 504,643
Payroll Deductions	59,525	-	-	-	604,922	-	-	664,447
Accrued Liabilities	201,031	118,567	-	9,878	63,560	-	88,502	481,538
Due to Other Governmental Units	88,607	-	-	-	-	-	1,200	89,807
Due to Other Funds	-	-	-	1,087,891	-	-	67,680	1,155,571
Unearned Revenues	8,912	-	-	-	159,539	-	-	168,451
Special Deposits	-	-	-	-	114,910	-	-	114,910
<b>Total Liabilities</b>	<b>494,826</b>	<b>250,989</b>	<b>-</b>	<b>1,189,257</b>	<b>977,247</b>	<b>40</b>	<b>267,008</b>	<b>3,179,367</b>
<b>Deferred Inflows of Resources:</b>								
Succeeding Year's Property Taxes	8,654,785	916,083	1,075,000	-	-	-	691,576	11,337,444
Unavailable Revenue - Loans Receivable	-	-	-	-	-	-	744,088	744,088
<b>Total Deferred Inflows of Resources</b>	<b>8,654,785</b>	<b>916,083</b>	<b>1,075,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,435,664</b>	<b>12,081,532</b>
<b>Fund Balances:</b>								
Nonspendable	1,583,798	-	-	895,933	77,691	-	2,040	2,559,462
Restricted	8,019	-	682,067	-	284,217	-	3,074,662	4,048,965
Committed	-	2,629,178	-	6,571,827	1,880,945	-	3,849,015	14,930,965
Assigned	2,915,497	-	-	-	-	300,025	-	3,215,522
Unassigned	5,695,370	-	-	-	-	-	(56,971)	5,638,399
<b>Total Fund Balances</b>	<b>10,202,684</b>	<b>2,629,178</b>	<b>682,067</b>	<b>7,467,760</b>	<b>2,242,853</b>	<b>300,025</b>	<b>6,868,746</b>	<b>30,393,313</b>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	<b>\$ 19,352,295</b>	<b>\$ 3,796,250</b>	<b>\$ 1,757,067</b>	<b>\$ 8,657,017</b>	<b>\$ 3,220,100</b>	<b>\$ 300,065</b>	<b>\$ 8,571,418</b>	<b>\$ 45,654,212</b>

See accompanying Notes to Basic Financial Statements.



**WASHBURN COUNTY, WISCONSIN  
RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCE  
TO NET POSITION OF GOVERNMENTAL ACTIVITIES  
DECEMBER 31, 2022**

**Total Fund Balance - Governmental Fund** \$ 30,393,313

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

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

Land	\$	12,406,618	
Land Improvements		3,316,264	
Buildings and Improvements		21,123,122	
Machinery and Equipment		5,736,783	
Vehicles		2,010,459	
Right-to-Use Leased Asset		111,151	
Infrastructure		86,463,483	
Construction Work in Progress		2,460,503	
Accumulated Depreciation		<u>(75,656,365)</u>	57,972,018

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

Wisconsin Retirement System Pension:			
Net Pension Asset		3,983,254	
Deferred Outflows of Resources - Pension Related		7,780,316	
Deferred Inflows of Resources - Pension Related		<u>(9,376,728)</u>	2,386,842
Single-Employer Other Postemployment Benefits:			
Net OPEB Liability		(794,892)	
Deferred Outflows of Resources - OPEB Related		76,942	
Deferred Inflows of Resources - OPEB Related		<u>(177,101)</u>	(895,051)
Multiple-Employer Other Postemployment Benefits:			
Net OPEB Liability		(933,914)	
Deferred Outflows of Resources - OPEB Related		346,864	
Deferred Inflows of Resources - OPEB Related		<u>(100,598)</u>	(687,648)

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

Housing Loans			744,088
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Some liabilities are not due and payable in the current period and therefore are not reported in the funds. These liabilities consist of:

Promissory Notes Payable		359,382	
General Obligation Bonds Payable		10,985,000	
Lease Liability		89,143	
Accrued Interest Payable		119,595	
Unamortized Bond Premium		202,788	
Compensated Absences		<u>957,529</u>	(12,713,437)

The highway department internal service fund is used by County management to account for highway-related services provided by the department to the County and other governmental units. The assets and liabilities of the highway department internal service fund are reported in governmental activities. 12,897,099

The copy machine internal service fund is used by County's management to charge the costs of the copy machines to departments/functions. The assets and liabilities of the copy machine fund are also reported in governmental activities. 31,525

**Net Position of Governmental Activities** \$ 90,128,749

See accompanying Notes to Basic Financial Statements.

**WASHBURN COUNTY, WISCONSIN**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCE OF GOVERNMENTAL FUNDS**  
**YEAR ENDED DECEMBER 31, 2022**

	General Fund	Human Services Fund	Debt Service Fund	Capital Improvements Program Fund	Forestry Fund	Government Center Capital Projects Fund	Other Governmental Funds	Totals
<b>REVENUES:</b>								
Taxes	\$ 10,812,610	\$ 1,191,902	\$ 1,075,000	\$ -	\$ -	\$ -	\$ 493,427	\$ 13,572,939
Intergovernmental	3,895,974	2,050,526	-	84,854	455,540	-	1,349,779	7,836,673
Licenses and Permits	250,049	-	-	-	-	-	267,009	517,058
Fines, Forfeits, and Penalties	84,211	10,620	-	-	-	-	15,802	110,633
Public Charges for Services	452,444	1,763,504	-	-	3,638,878	-	573,790	6,428,616
Intergovernmental Charges for Services	45,186	-	-	-	-	-	-	45,186
Miscellaneous	800,627	283,152	-	40,949	62,203	-	471,759	1,658,690
Total Revenues	16,341,101	5,299,704	1,075,000	125,803	4,156,621	-	3,171,566	30,169,795
<b>EXPENDITURES:</b>								
General Government	7,051,186	-	-	842,060	-	-	224,330	8,117,576
Public Safety	4,593,895	-	-	-	-	-	30,211	4,624,106
Public Works	3,030,712	-	-	1,236,805	-	82,619	-	4,350,136
Health and Human Services	221,170	5,292,819	-	-	-	-	2,123,213	7,637,202
Culture, Recreation, and Education	467,720	-	-	-	1,657,726	-	31,711	2,157,157
Conservation and Development	823,656	-	-	-	-	-	398,782	1,222,438
Debt Service:								
Principal	22,008	-	1,075,000	-	111,626	-	-	1,208,634
Interest and Fiscal Charges	2,824	-	254,869	-	15,834	-	-	273,527
Total Expenditures	16,213,171	5,292,819	1,329,869	2,078,865	1,785,186	82,619	2,808,247	29,590,776
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	127,930	6,885	(254,869)	(1,953,062)	2,371,435	(82,619)	363,319	579,019
<b>OTHER FINANCING SOURCES (USES):</b>								
Transfers In	122,000	83,407	-	1,379,240	11,170	-	498,100	2,093,917
Transfers Out	(549,171)	-	-	-	(1,366,240)	-	(268,401)	(2,183,812)
Total Other Financing Sources (Uses)	(427,171)	83,407	-	1,379,240	(1,355,070)	-	229,699	(89,895)
<b>NET CHANGE IN FUND BALANCES</b>	(299,241)	90,292	(254,869)	(573,822)	1,016,365	(82,619)	593,018	489,124
Fund Balance - January 1	10,501,925	2,538,886	936,936	8,041,582	1,226,488	382,644	6,275,728	29,904,189
<b>FUND BALANCE - DECEMBER 31</b>	<u>\$ 10,202,684</u>	<u>\$ 2,629,178</u>	<u>\$ 682,067</u>	<u>\$ 7,467,760</u>	<u>\$ 2,242,853</u>	<u>\$ 300,025</u>	<u>\$ 6,868,746</u>	<u>\$ 30,393,313</u>

See accompanying Notes to Basic Financial Statements.

**WASHBURN COUNTY, WISCONSIN  
RECONCILIATION OF STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES  
YEAR ENDED DECEMBER 31, 2022**

**Net Change in Fund Balance - Total Governmental Fund** \$ 489,124

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

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

Capital outlays reported in governmental fund statements	\$ 3,082,634	
Depreciation expense reported in the statement of activities	<u>(3,272,643)</u>	(190,009)

In the statement of activities, only the gain or loss on the disposal of capital assets is reported whereas in the governmental funds, the entire proceeds from the sale increase financial resources. Thus, the change in net position differs from the change in fund balances by the book value of capital assets disposed of during the year. (203,545)

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

Wisconsin Retirement System Pension	948,215	
Single-Employer Other Postemployment Benefits:	(62,156)	
Multiple-Employer Other Postemployment Benefits:	<u>(118,927)</u>	767,132

Receivables not currently available are reported as deferred inflows of resources in the fund financial statements but are recognized as revenue when earned in the government-wide statements. (24,484)

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

General Obligation Bonds Principal Retirement	1,075,000	
General Obligation Notes Principal Retirement	46,250	
Lease Liability Principal Retirement	22,008	
Financed Purchase Obligation Principal Retirement	<u>65,376</u>	1,208,634

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

Total Change in Net Position 530,883

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

Change in Accrued Interest Payable	6,992	
Change in Compensated Absences at Year-End	36,124	
Change in Unamortized Bond Premium	<u>35,623</u>	<u>78,739</u>

**Change in Net Position of Governmental Activities** \$ 2,656,474

**WASHBURN COUNTY, WISCONSIN  
STATEMENT OF NET POSITION – PROPRIETARY FUND  
DECEMBER 31, 2022**

	<u>Governmental Activities-Internal Service Funds</u>
<b>ASSETS</b>	
Current Assets:	
Treasurer's Cash and Investments	\$ 2,528,100
Accounts Receivable	210,352
Due from Other Governmental Units	1,064,794
Due from Other Funds	891,243
Prepaid Items and Other Assets	<u>2,078,981</u>
Total Current Assets	6,773,470
<b>Restricted Assets:</b>	
Wisconsin Retirement System Pension Plan Asset	950,054
Noncurrent Assets:	
Capital Assets:	
Not Being Depreciated/Depleted	489,782
Being Depreciated/Depleted	21,247,609
Accumulated Depreciation	<u>(13,009,014)</u>
Total Capital Assets	<u>8,728,377</u>
Total Assets	16,451,901
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	
Wisconsin Retirement System Pension Related	1,855,699
Single Employer Other Postemployment Benefits Related	16,704
Multi-Employer Other Postemployment Benefits Related	<u>77,399</u>
Total Deferred Outflows of Resources	1,949,802
<b>LIABILITIES</b>	
Current Liabilities:	
Accounts Payable	286,943
Accrued Liabilities	205,732
Accrued Interest Payable	9,922
Accrued Vacation and Sick Leave - Current	114,597
Financed Purchase Obligation - Current	<u>197,026</u>
Total Current Liabilities	814,220
Long-Term Liabilities (Net of Current Portion):	
Advance from Capital Projects Fund	895,933
Single Employer Other Postemployment Benefits Payable	172,575
Multi-Employer Other Postemployment Benefits Payable	208,392
Accrued Vacation and Sick Leave	219,263
Financed Purchase Obligation	<u>865,338</u>
Total Long-Term Liabilities	<u>2,361,501</u>
Total Liabilities	<u>3,175,721</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Wisconsin Retirement System Pension Related	2,236,462
Single Employer Other Postemployment Benefits Related	38,449
Multi-Employer Other Postemployment Benefits Related	<u>22,447</u>
Total Deferred Inflows of Resources	<u>2,297,358</u>
<b>NET POSITION</b>	
Net Investment in Capital Assets	7,666,013
Restricted for Wisconsin Retirement System Pension Plan Asset	950,054
Unrestricted	<u>4,312,557</u>
Total Net Position	<u>\$ 12,928,624</u>

See accompanying Notes to Basic Financial Statements.

**WASHBURN COUNTY, WISCONSIN  
STATEMENT OF REVENUES, EXPENSES, AND CHANGES  
IN NET POSITION – PROPRIETARY FUND  
YEAR ENDED DECEMBER 31, 2022**

	<u>Governmental Activities-Internal Service Funds</u>
<b>OPERATING REVENUES</b>	\$ 8,921,987
<b>OPERATING EXPENSES</b>	<u>8,612,885</u>
<b>OPERATING INCOME</b>	309,102
<b>NONOPERATING EXPENSES</b>	<u>(39,785)</u>
<b>INCOME BEFORE TRANSFERS</b>	269,317
<b>TRANSFERS AND CAPITAL CONTRIBUTIONS</b>	
Transfers from Other Funds	102,895
Transfers to Other Funds	(13,000)
Contributions from State	171,671
Total Transfers and Capital Contributions	<u>261,566</u>
<b>CHANGE IN NET POSITION</b>	530,883
Net Position - January 1	<u>12,397,741</u>
<b>NET POSITION - DECEMBER 31</b>	<u><u>\$ 12,928,624</u></u>

See accompanying Notes to Basic Financial Statements.

**WASHBURN COUNTY, WISCONSIN  
STATEMENT OF CASH FLOWS – PROPRIETARY FUND  
YEAR ENDED DECEMBER 31, 2022**

	<u>Governmental Activities-Internal Service Funds</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Cash Received for Services Provided	\$ 7,684,874
Cash Paid to Suppliers for Goods and Services	(4,155,379)
Cash Paid for Employee Services	(4,410,555)
Net Cash Used by Operating Activities	<u>(881,060)</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>	
Transfer from Forestry Fund	102,895
Transfers to Capital Improvements Program Fund	(13,000)
Total Cash Flows Provided by Noncapital Financing Activities	<u>89,895</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>	
Cash Paid for Acquisition of Capital Assets	(539,620)
Cash Received for Sale of Capital Assets	18,797
Change in Cash Advance for Gravel Pits from County	(93,512)
Principal Paid on Financed Purchase Obligation	(238,531)
Interest Paid on Financed Purchase Obligation	(39,785)
Net Cash Used by Capital and Related Financing Activities	<u>(892,651)</u>
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>	(1,683,816)
Cash and Cash Equivalents - Beginning of Year	<u>4,211,916</u>
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	<u><u>\$ 2,528,100</u></u>
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH USED BY OPERATING ACTIVITIES:</b>	
Operating Income (Loss)	\$ 309,102
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:	
Depreciation	1,019,914
Depletion of Gravel Pits	14,107
Change in Pension Related Items	(213,301)
Change in Single-Employer OPEB Related Items	(3,419)
Change in Multi-Employer OPEB Related Items	28,130
(Increase) Decrease in Assets:	
Accounts Receivable	(196,465)
Due from Governmental Units	(120,017)
Prepaid Expenses	(456,580)
Due from Other Funds	(802,331)
Increase (Decrease) in Liabilities:	
Accounts Payable	62,823
Unearned Revenue	(118,300)
Due to Other Funds	(378,690)
Accrued Liabilities	(26,033)
Net Cash Used by Operating Activities	<u><u>\$ (881,060)</u></u>
<b>NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES:</b>	
Capital Contributions from the State	\$ 171,671

See accompanying Notes to Basic Financial Statements.

**WASHBURN COUNTY, WISCONSIN  
STATEMENT OF NET POSITION – FIDUCIARY FUNDS  
DECEMBER 31, 2022**

	<u>Custodial Funds</u>
<b>ASSETS</b>	
Treasurer's Cash and Investments	\$ 277,373
<b>LIABILITIES</b>	
Vouchers Payable	<u>29,812</u>
<b>NET POSITION</b>	
Restricted	<u><u>\$ 247,561</u></u>

*See accompanying Notes to Basic Financial Statements.*

**WASHBURN COUNTY, WISCONSIN  
STATEMENT OF CHANGES IN NET POSITION – FIDUCIARY FUNDS  
YEAR ENDED DECEMBER 31, 2022**

	Custodial Funds
<b>ADDITIONS:</b>	
Payments from Individuals	\$ 336
Licenses and Fees Collected	1,108,186
Total Additions	1,108,522
<b>DEDUCTIONS:</b>	
Distributions to Individuals	152,521
Payments to Licenses and Fees to Other Taxing Agencies	952,053
Total Deductions	1,104,574
<b>CHANGE IN NET POSITION</b>	3,948
Net Position - Beginning of Year	243,613
<b>NET POSITION - END OF YEAR</b>	\$ 247,561

See accompanying Notes to Basic Financial Statements.



**WASHBURN COUNTY, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

**A. Reporting Entity**

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

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

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

**Washburn County Industrial Development Agency, Ltd.** Washburn County Industrial Development Agency, Ltd. (Agency) was organized in 1989 by the County when the County received intergovernmental funds to finance a loan to a private business. Proceeds received from the repayment of this loan are being used by the Agency to finance other loans to local businesses to promote industrial development. The Agency is governed by a seven-member board statutorily comprised of the county board chairman, finance committee chairman, county treasurer, corporation counsel and three public members appointed by the county board. The Agency receives no funding from, nor provides any funding to, the County. The Agency maintains its financial statements on a fiscal year ending June 30. Financial statements of the Agency for the year ending June 30, 2022 are presented in this report as a discretely presented component unit. The Agency's financial statements can be obtained from Washburn County.

**B. Government-Wide and Fund Financial Statements**

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

**WASHBURN COUNTY, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

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

**Government-Wide Statements**

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

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

**Fund Financial Statements**

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

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

The County did not report any enterprise funds for the year ended December 31, 2022.

The County reports the following major governmental funds:

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

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

**WASHBURN COUNTY, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

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

**Fund Financial Statements (Continued)**

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

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

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

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

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

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

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

**C. Measurement Focus and Basis of Accounting**

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

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

**WASHBURN COUNTY, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**C. Measurement Focus and Basis of Accounting (Continued)**

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

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

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

In June 2017, the Government Accounting Standards Board (GASB) issued GASB Statement No. 87, *Leases*. This standard requires the recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and as inflows of resources or outflows of resources recognized based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this standard, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources.

Washburn County adopted the requirements of the guidance effective January 1, 2022 and has applied the provisions of this standard to the beginning of the period of adoption.

**WASHBURN COUNTY, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

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

**1. Deposits and Investments (Continued)**

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

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

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

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

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

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

**2. Receivables and Payables**

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

**WASHBURN COUNTY, WISCONSIN**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2022**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

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

**2. Receivables and Payables (Continued)**

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

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

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

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

**WASHBURN COUNTY, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

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

**3. Prepaid Items and Other Assets**

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

**4. Restricted Assets**

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

**5. Capital Assets**

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

Capital assets not being depreciated include land and construction in progress. Right-to-use lease assets are initially measured at the present value of payments expected to be made during the lease term, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized in a systematic and rational manner over the shorter of the lease term or the useful life of the underlying asset.

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

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

**WASHBURN COUNTY, WISCONSIN**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2022**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

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

**5. Capital Assets (Continued)**

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

**6. Leases (Lessee)**

The County determines if an arrangement is a lease at inception. Leases are included in lease assets and lease liabilities in the statements of net position.

Lease assets represent the County's control of the right to use an underlying asset for the lease term, as specified in the contract, in an exchange or exchange-like transaction. Lease assets are recognized at the commencement date based on the initial measurement of the lease liability, plus any payments made to the lessor at or before the commencement of the lease term and certain direct costs. Lease assets are amortized in a systematic and rational manner over the shorter of the lease term or the useful life of the underlying asset.

Lease liabilities represent the County's obligation to make lease payments arising from the lease. Lease liabilities are recognized at the commencement date based on the present value of expected lease payments over the lease term, less any lease incentives. Interest expense is recognized ratably over the contract term.

The lease term may include options to extend or terminate the lease when it is reasonably certain that the County will exercise that option.

The County has elected to recognize payments for short-term leases with a lease term of 12 months or less as expenses as incurred, and these leases are not included as lease liabilities or right-to-use lease assets on the statements of net position.

The individual lease contracts do not provide information about the discount rate implicit in the lease. Therefore, the County has elected to use their incremental borrowing rate to calculate the present value of expected lease payments.

The County accounts for contracts containing both lease and non-lease components as separate contracts when possible. In cases where the contract does not provide separate price information for lease and non-lease components, and it is impractical to estimate the price of such components, the County treats the components as a single lease unit.



**WASHBURN COUNTY, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

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

**7. Deferred Outflows of Resources**

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

**8. Deferred Inflows of Resources**

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

**9. Compensated Absences**

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

**WASHBURN COUNTY, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

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

**10. Wisconsin Retirement System Pension Plan Benefits**

For purposes of measuring the net pension liability (asset), deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Wisconsin Retirement System (WRS) and additions to/deductions from WRS' fiduciary net position have been determined on the same basis as they are reported by the WRS. 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.

**11. Other Postemployment Benefits Payable**

**Single-Employer Other Postemployment Benefits**

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

**Multiple-Employer Other Postemployment Benefits**

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

**12. Long-Term Obligations**

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

**WASHBURN COUNTY, WISCONSIN**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2022**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

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

**13. Defining Operating Revenues and Expenses**

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 highway and copy machine funds are charges to customers for sales and services. Operating expenses for proprietary funds include the cost of sales and services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

**14. Use of Restricted Resources**

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

**15. Equity Classifications**

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

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

**Fund Financial Statements.** In the fund financial statements, governmental funds report components of fund balance to provide information about fund balance availability for appropriation. Nonspendable fund balance represents amounts that are inherently nonspendable or assets that are legally or contractually required to be maintained intact. Restricted fund balance represents amounts available for appropriation but intended for a specific use and is legally restricted by outside parties. Committed fund balance represents constraints on spending that the government imposes upon itself by high-level formal action prior to the close of the fiscal period. Assigned fund balance represents resources intended for spending for a purpose set by the government body itself or by some person or body delegated to exercise such authority in accordance with policy established by the Board. Unassigned fund balance is the residual classification for the County's general fund and includes all spendable amounts not contained in the other classifications.

**WASHBURN COUNTY, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

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

**15. Equity Classifications (Continued)**

**Fund Financial Statements (Continued).** It is the County's policy that at the end of each fiscal year, the County will maintain a minimum unassigned fund balance level between 20% and 33% of general fund expenditures.

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

**NOTE 2 DETAILED NOTES ON ALL FUNDS**

**A. Deposits and Investments**

The County's cash and investments balances at December 31, 2022 are reflected in the financial statements as follows:

Governmental Funds	\$ 27,971,284
Proprietary Funds	2,528,100
Fiduciary Funds	277,373
Total	<u>\$ 30,776,757</u>

The above cash and investments consisted of the following:

Deposits at Financial Institutions	\$ 18,874,782
Investment Pools:	
Local Government Investment Pool (LGIP)	1,327,535
Wisconsin Investment Series Cooperative (WISC)	10,571,495
Petty Cash	2,945
Total	<u>\$ 30,776,757</u>

**WASHBURN COUNTY, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**A. Deposits and Investments (Continued)**

**Deposits at Financial Institutions**

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

Custodial credit risk for deposits is the risk that in the event of bank failure, the County's deposits may not be returned. At December 31, 2022, deposits in the amount of \$250,529 were subject to custodial credit risk due to being uninsured or uncollateralized.

**Investments**

The County's investments at December 31, 2022 consisted of deposits in the following external investment pool:

**Investment in State Local Government Pooled-Investment Fund.** The State of Wisconsin offers a Local Government Investment Pool (LGIP) to local government units to enable them to voluntarily invest idle funds in the State Investment Fund. Local funds are pooled with state funds and invested by the State Investment Board. There is no minimum or maximum amount that can be invested by a local governmental unit. Interest is earned on a daily basis and withdrawals are generally available on the day of request. Deposits in the LGIP are not covered by federal depository insurance but are subject to coverage under the State Guarantee Fund. Also, the State of Wisconsin Investment Board has obtained a surety bond to protect deposits in the LGIP against defaults in principal payments on the LGIP's investments (subject to certain limitations). The average monthly weighted average maturity of the State Investment Fund's investments for 2022 was 26 days. LGIP is not registered with the SEC. The County's investment in LGIP is valued at amortized cost.

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

**WASHBURN COUNTY, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**A. Deposits and Investments (Continued)**

**Investments (Continued)**

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

**B. Receivables**

**CDBG Housing Rehabilitation Loans.** The County has also received federal grants through the State of Wisconsin for the purpose of financing housing rehabilitation loans. Repayments received by the County on these loans are recorded in a separate special revenue fund and are to be used to finance similar housing rehabilitation loans. The County had sixty-six (66) deferred mortgage loans outstanding at December 31, 2022 totaling \$744,088. These notes become due and payable in full only "in the event that the maker:

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

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

**WASHBURN COUNTY, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**C. Capital Assets**

Capital asset activity for the year ended December 31, 2022 was as follows:

**Governmental Activities**

	Beginning Balance	Increases	Decreases	Ending Balance
<b>General County Assets:</b>				
Capital Assets Not Being Depreciated:				
Land	\$ 3,843,005	\$ -	\$ -	\$ 3,843,005
Highway Right-of-Ways	8,563,613	-	-	8,563,613
Construction Work in Progress	2,062,165	2,139,033	1,740,695	2,460,503
Total Capital Assets Not Being Depreciated	14,468,783	2,139,033	1,740,695	14,867,121
Capital Assets Being Depreciated:				
Land Improvements	3,302,543	13,721	-	3,316,264
Buildings and Improvements	20,842,362	289,358	8,598	21,123,122
Machinery and Equipment	5,434,189	335,889	33,295	5,736,783
Vehicles	1,737,442	307,564	34,547	2,010,459
[2] Right of Use Leased Asset-Equipment	111,151	-	-	111,151
Highway Infrastructure:				
Roadways	79,692,368	1,737,764	210,988	81,219,144
Bridges	1,408,186	-	-	1,408,186
Structures	3,836,153	-	-	3,836,153
Total Capital Assets Being Depreciated	116,364,394	2,684,296	287,428	118,761,262
Total Capital Assets	130,833,177	4,823,329	2,028,123	133,628,383
Accumulated Depreciation:				
Land Improvements	2,238,906	126,222	-	2,365,128
Buildings and Improvements	4,843,750	440,271	-	5,284,021
Machinery and Equipment	3,415,207	539,459	49,336	3,905,330
Vehicles	1,168,460	298,463	34,547	1,432,376
[2] Right of Use Leased Asset-Equipment	-	23,658	-	23,658
Highway Infrastructure	60,801,282	1,844,570	-	62,645,852
Total Accumulated Depreciation	72,467,605	3,272,643	83,883	75,656,365
Net Capital Assets - General County Assets	<u>\$ 58,365,572</u>	<u>\$ 1,550,686</u>	<u>\$ 1,944,240</u>	<u>\$ 57,972,018</u>

**WASHBURN COUNTY, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**C. Capital Assets**

**Governmental Activities (Continued)**

	Beginning Balance	Increases	Decreases	Ending Balance
<b>Highway Department:</b>				
Capital Assets Not Being Depreciated:				
Land	\$ 489,782	\$ -	\$ -	\$ 489,782
Capital Assets Being Depreciated:				
Land Improvements	1,132,983	-	-	1,132,983
[1] Gravel Pits and Quarries	372,566	-	14,107	358,459
Buildings and Improvements	6,863,479	166,000	32,370	6,997,109
Machinery and Equipment	12,475,879	605,634	349,374	12,732,139
Total Capital Assets Being Depreciated	<u>20,844,907</u>	<u>771,634</u>	<u>395,851</u>	<u>21,220,690</u>
Total Capital Assets	21,334,689	771,634	395,851	21,710,472
Accumulated Depreciation:				
Land Improvements	810,146	45,319	-	855,465
Buildings and Improvements	4,895,712	278,151	5,620	5,168,243
Machinery and Equipment	6,560,657	696,444	296,984	6,960,117
Total Accumulated Depreciation	<u>12,266,515</u>	<u>1,019,914</u>	<u>302,604</u>	<u>12,983,825</u>
Net Capital Assets - Highway Department	<u>\$ 9,068,174</u>	<u>\$ (248,280)</u>	<u>\$ 93,247</u>	<u>\$ 8,726,647</u>
<b>Copy Machine Fund:</b>				
Capital Assets Being Depreciated:				
Machinery and Equipment	\$ 26,919	\$ -	\$ -	\$ 26,919
Accumulated Depreciation:				
Machinery and Equipment	<u>25,189</u>	<u>-</u>	<u>-</u>	<u>25,189</u>
Net Capital Assets - Copy Machine Fund	<u>\$ 1,730</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,730</u>
<b>Total County:</b>				
Capital Assets Not Being Depreciated	\$ 14,958,565	\$ 2,139,033	\$ 1,740,695	\$ 15,356,903
Capital Assets Being Depreciated	<u>137,236,220</u>	<u>3,455,930</u>	<u>683,279</u>	<u>140,008,871</u>
Total Capital Assets	152,194,785	5,594,963	2,423,974	155,365,774
Accumulated Depreciation	<u>84,759,309</u>	<u>4,292,557</u>	<u>386,487</u>	<u>88,665,379</u>
Net Capital Assets - Governmental Activities	<u>\$ 67,435,476</u>	<u>\$ 1,302,406</u>	<u>\$ 2,037,487</u>	<u>\$ 66,700,395</u>

[1] Highway department gravel pits and quarries are subject to depletion.

[2] Includes restated beginning balances due to the implementation of GASB Statement No. 87.



**WASHBURN COUNTY, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**C. Capital Assets**

**Governmental Activities (Continued)**

Depreciation was charged to governmental functions as follows:

	General <u>County Assets</u>	Internal <u>Service Funds</u>	<u>Total</u>
General Government	\$ 570,970	\$ -	\$ 570,970
Public Safety	568,039	-	568,039
Transportation	1,848,446	1,019,914	2,868,360
Health and Human Services	68,055	-	68,055
Culture, Recreation and Education	19,258	-	19,258
Conservation and Development	197,875	-	197,875
Total	<u>\$ 3,272,643</u>	<u>\$ 1,019,914</u>	<u>\$ 4,292,557</u>

**D. Interfund Receivables, Payables, and Transfers**

The composition of interfund balances as of December 31, 2022 was as follows:

**Due to/from Other Funds**

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>	<u>Purpose</u>
General Fund	Aging & Disability Resource Center	\$ 11,346	Cash Flow
General Fund	Wildlife Damage Fund	14,449	Cash Flow
General Fund	Animal Control Fund	41,885	Cash Flow
General Fund	Capital Improvement Program Fund	196,648	Gravel Pits
Highway Internal Service Fund	Capital Improvement Program Fund	891,243	Project Expenses
Total		<u>\$ 1,155,571</u>	

**Advances from/to Other Funds**

As of December 31, 2022 the County's capital improvements capital projects fund had advanced the highway department internal service fund \$895,933 for the acquisition of gravel pit sites and additional capital items. The highway department will repay the advance at a rate of approximately \$0.50 per yard of gravel extracted until paid in full.

**WASHBURN COUNTY, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

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

**Interfund Transfers**

<u>Fund Transferred To</u>	<u>Fund Transferred From</u>	<u>Amount</u>	<u>Purpose</u>
General Fund	Development Fund	\$ 122,000	Tourism and Development
Aging and Disability Resource Center	Council on Aging Fund	11,684	Benefits
Forestry Fund	General Fund	11,170	Benefits
Child Support Fund	General Fund	2,466	Benefits
Public Health Fund	General Fund	2,575	Benefits
Human Services Fund	General Fund	26,665	Benefits and Projects
Development Fund	General Fund	448,826	Tourism and Development
Highway Department	General Fund	57,469	Benefits
Recycling Fund	Solid Waste Fund	32,549	Project Funding
Human Services Fund	Child Support Fund	56,742	Benefits
Capital Improvement Fund	Forestry Fund	1,366,240	Capital Projects
Capital Improvement Fund	Highway Department	13,000	Capital Projects
Highway Department	County Land Sale Fund	45,426	Capital Projects
		<u>\$ 2,196,812</u>	

**E. Long-Term Obligations**

**Changes in Long-Term Obligations**

Changes in long-term obligations of the County for the year ended December 31, 2022 were as follows:

	<u>Balances 1/1/22</u>	<u>Additions or Net Change</u>	<u>Reductions or Net Change</u>	<u>Balances 12/31/22</u>	<u>Amounts Due Within One Year</u>
Long-Term Debt:					
Governmental Activities:					
General Obligation Bonds	\$ 12,060,000	\$ -	\$ 1,075,000	\$ 10,985,000	\$ 1,075,000
General Obligation Notes	405,632	-	46,250	359,382	47,546
Total Long-Term Debt	12,465,632	-	1,121,250	11,344,382	1,122,546
Other Long-Term Obligations:					
Governmental Activities:					
Governmental Funds:					
Debt Premium	238,411	-	35,623	202,788	-
[1] Lease Liability	111,151	-	22,008	89,143	22,645
Financed Purchase - Grader	65,376	-	65,376	-	-
Compensated Absences	993,653	-	36,124	957,529	330,057
Highway Internal Service Fund:					
Financed Purchase - Paint Truck	46,964	-	46,964	-	-
Financed Purchase - 8 Trucks	1,253,931	-	191,567	1,062,364	197,026
Compensated Absences	385,360	-	51,500	333,860	114,597
Total Other Long-Term Liabilities	3,094,846	-	449,162	2,645,684	664,325
Total Long-Term Liabilities	\$ 15,560,478	\$ -	\$ 1,570,412	\$ 13,990,066	\$ 1,786,871

[1] Includes restated beginning balances due to the implementation of GASB Statement No. 87.

**WASHBURN COUNTY, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**E. Long-Term Obligations (Continued)**

**Changes in Long-Term Obligations (Continued)**

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

**General Obligation Debt**

**Annual Requirements for Retirement.** Long-term debt issues outstanding at December 31, 2022 and annual requirements for their retirement were as follows:

	<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
General Obligation Bonds, \$7,655,000, issued 8/6/19, Due 3/1/39, interest between 2.0% and 3.0%	2023	\$ 290,000	\$ 160,431	\$ 450,431
	2024	300,000	154,531	454,531
	2025	310,000	148,431	458,431
	2026	320,000	142,131	462,131
	2027	335,000	135,581	470,581
	2028-2031	1,455,000	469,096	1,924,096
	2032-2036	2,125,000	349,125	2,474,125
	2037-2039	1,235,000	49,725	1,284,725
	Total	<u>\$ 6,370,000</u>	<u>\$ 1,609,051</u>	<u>\$ 7,979,051</u>

	<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
General Obligation Bonds, \$6,215,000, issued 5/6/20, Due 3/1/30, interest between 1.2% and 2.0%	2023	\$ 785,000	\$ 76,887	\$ 861,887
	2024	620,000	66,350	686,350
	2025	500,000	57,950	557,950
	2026	515,000	49,050	564,050
	2027	525,000	38,650	563,650
	2028-2030	1,670,000	50,700	1,720,700
	Total	<u>\$ 4,615,000</u>	<u>\$ 339,587</u>	<u>\$ 4,954,587</u>

	<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
General Obligation Notes, \$500,000, issued 8/1/19 due 3/1/29, interest at 2.54%	2023	\$ 47,546	\$ 9,114	\$ 56,660
	2024	48,752	7,907	56,659
	2025	49,989	6,671	56,660
	2026	51,257	5,403	56,660
	2027	52,558	4,102	56,660
	2028-2029	109,280	4,171	113,451
	Total	<u>\$ 359,382</u>	<u>\$ 37,368</u>	<u>\$ 396,750</u>

**General Obligation Debt Limitation.** Section 67.03 of the Wisconsin Statutes restricts county general obligation debt to 5% of the equalized value of all property in the County. At December 31, 2022, the County's debt limit amounted to \$171,866,190 and indebtedness subject to the limitation totaled \$11,344,382.

**WASHBURN COUNTY, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**E. Long-Term Obligations (Continued)**

**Lease Liability**

The County leases equipment as well as certain operating and office facilities for various terms under long-term, noncancelable lease agreements. The leases expire at various dates through 2026. Total future minimum lease payments under lease agreements are as follows:

Year	Principal	Interest	Total
2023	\$ 22,645	\$ 2,187	\$ 24,832
2024	23,299	1,533	24,832
2025	23,411	867	24,278
2026	19,788	212	20,000
Total	<u>\$ 89,143</u>	<u>\$ 4,799</u>	<u>\$ 93,942</u>

**Financed Purchase Obligations**

On August 26, 2019, the County entered into a financed purchase agreement for eight new trucks and related snow removal equipment. The trucks and related equipment are reported in the County's capital asset records at a cost of \$1,845,744 with accumulated depreciation at December 31, 2022 of \$405,980. The term of the agreement is through October 1, 2024 with an interest rate of 2.911%. The repayment schedule is as follows:

	Year	Principal	Interest	Total
Financed Purchase - 8 Trucks	2023	\$ 197,026	\$ 30,277	\$ 227,303
\$1,843,336, issued 8/26/2019	2024	865,338	24,662	890,000
due 10/1/2024, interest at 2.911%	Total	<u>\$ 1,062,364</u>	<u>\$ 54,939</u>	<u>\$ 1,117,303</u>

On April 26, 2016, the County entered into a financed purchase agreement for a paint truck. This asset is reported in the County's capital asset records at a cost of \$291,130 with accumulated depreciation at December 31, 2022 of \$140,229. The agreement carried an interest rate of 2.962% and was paid in full during 2022.

On March 20, 2018, the County entered into a financed purchase agreement for a grader with a plow. This asset is reported in the County's capital asset records at a cost of \$144,000 with accumulated depreciation at December 31, 2022 of \$85,304. The agreement carried an interest rate of 3.94% and was paid in full during 2022.

**WASHBURN COUNTY, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**E. Long-Term Obligations (Continued)**

**County Forest Loans**

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

The County did not have a liability under this program at December 31, 2022.

**Security and Default**

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

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

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

2019 Financed Purchase Obligation: Security = The lender shall have and retain a security interest in the related equipment.

**WASHBURN COUNTY, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**F. Governmental Fund Balances**

The governmental fund balances reported on the fund financial statements at December 31, 2022 consisted of the following:

	Total	Nonspendable	Restricted	Committed	Assigned	Unassigned
Major Funds:						
General Fund:						
Delinquent Taxes	\$ 765,773	\$ 765,773	\$ -	\$ -	\$ -	\$ -
Inventories/Prepayments	738,723	738,723	-	-	-	-
Long-Term Note Receivable	79,302	79,302	-	-	-	-
Register of Deeds - PEA/RET Funds	8,019	-	8,019	-	-	-
Sick Leave Liability	1,315,000	-	-	-	1,315,000	-
HSD Youth	105,157	-	-	-	105,157	-
County Numbering	34,970	-	-	-	34,970	-
Memorials-Donations	1,160	-	-	-	1,160	-
Unclaimed Funds	299	-	-	-	299	-
Health Insurance Excess	794,706	-	-	-	794,706	-
IT Capital Equipment Fund	32,461	-	-	-	32,461	-
Property & Insurance-Deductibles	50,000	-	-	-	50,000	-
Maps & Platbooks	33,523	-	-	-	33,523	-
County Cars	170,038	-	-	-	170,038	-
Veterans-WW	13,935	-	-	-	13,935	-
Wellness	4,749	-	-	-	4,749	-
Subfund 450 Projects	359,499	-	-	-	359,499	-
Unassigned	5,695,370	-	-	-	-	5,695,370
Subtotal General Fund	10,202,684	1,583,798	8,019	-	2,915,497	5,695,370
Committed for Human Services Programs	2,629,178	-	-	2,629,178	-	-
Forestry Department Programs	2,242,853	77,691	284,217	1,880,945	-	-
Debt Service	682,067	-	682,067	-	-	-
Government Center Capital Project	300,025	-	-	-	300,025	-
Capital Improvements Program Fund:						
Committed for Capital Projects	6,571,827	-	-	6,571,827	-	-
Advances to Other Funds	895,933	895,933	-	-	-	-
Subtotal Major Funds	23,524,567	2,557,422	974,303	11,081,950	3,215,522	5,695,370

**WASHBURN COUNTY, WISCONSIN**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2022**

**NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**F. Governmental Fund Balances (Continued)**

	<u>Total</u>	<u>Nonspendable</u>	<u>Restricted</u>	<u>Committed</u>	<u>Assigned</u>	<u>Unassigned</u>
Nonmajor Funds:						
Special Revenue Funds:						
Public Health Fund:						
Committed for Health Services Programs	\$ 364,771	\$ -	\$ -	\$ 364,771	\$ -	\$ -
Child Support Fund	146,343	-	-	146,343	-	-
Opioid Mitigation and Treatment	87,413	-	-	87,413	-	-
UOA/ADRC Programs	-	482	-	-	-	(482)
Committed for ADRC Programs	8,948	-	-	8,948	-	-
Council on Aging Fund:						
Inventories/Prepayments	1,558	1,558	-	-	-	-
Restricted for the DOT Medical Escort Program	71,498	-	71,498	-	-	-
Committed for Aging Services	583,660	-	-	583,660	-	-
Wildlife Damage Program	(14,449)	-	-	-	-	(14,449)
Restricted for CDBG Revolving Loan Program	151,666	-	151,666	-	-	-
Development Fund:						
Impact Fees Restricted for Environmental and Capital Improvements	1,108,745	-	1,108,745	-	-	-
Committed for Building Project	954,826	-	-	954,826	-	-
Recycling Program	992,281	-	-	992,281	-	-
Animal Control Program	(42,040)	-	-	-	-	(42,040)
County Land Sales Fund:						
Committed for Dam Maintenance	641,833	-	25,011	616,822	-	-
Restricted for Jail Assessments Fee Funded Projects	67,476	-	67,476	-	-	-
Sheriff Special Activity Fund:						
Donor Restrictions for Sheriff Operations	15,522	-	15,522	-	-	-
Committed for Projects in the Sheriff's Department	93,951	-	-	93,951	-	-
Restricted for Environmental and Socioeconomic Impact Fund Projects	1,070,853	-	1,070,853	-	-	-
Restricted for County Trunk D Project	352,361	-	352,361	-	-	-
Solid Waste Projects:						
Restricted by Contract Agreements for Solid Waste Improvements	211,530	-	211,530	-	-	-
Subtotal Nonmajor Funds	<u>6,868,746</u>	<u>2,040</u>	<u>3,074,662</u>	<u>3,849,015</u>	<u>-</u>	<u>(56,971)</u>
 Total Governmental Fund Balance at December 31, 2022	 <u>\$ 30,393,313</u>	 <u>\$ 2,559,462</u>	 <u>\$ 4,048,965</u>	 <u>\$ 14,930,965</u>	 <u>\$ 3,215,522</u>	 <u>\$ 5,638,399</u>

**WASHBURN COUNTY, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**NOTE 3 OTHER INFORMATION**

**A. Employee Vacation, Sick Leave, and Compensatory Time**

**Non-Highway Department Employees.** Employees earn vacation in varying amounts depending upon length of service. Vacation earned one year is available to the employees the following year. Employees earn one day (7.5 hours) of sick leave per month with a maximum accumulation of 75 days (600 hours). Retiring employees with five to ten years of service are paid one-half of accumulated sick leave while employees with ten or more years of service receive actual accumulation up to the 75-day maximum. The estimated liability for accumulated vacation and sick leave at December 31, 2022 was \$957,529.

**Highway Department Employees.** Vacation and sick leave accrued to highway department employees totaled \$333,860 on December 31, 2022 and are reflected as liabilities in the internal service fund.

**B. Wisconsin Retirement System Pension Plan Benefits**

**General Information about the Pension Plan**

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

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

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

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

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



**WASHBURN COUNTY, WISCONSIN  
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**NOTE 3 OTHER INFORMATION (CONTINUED)**

**B. Wisconsin Retirement System Pension Plan Benefits (Continued)**

**General Information about the Pension Plan (Continued)**

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

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

The WRS also provides death and disability benefits for employees.

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

During the fiscal reporting period January 1, 2022 through December 31, 2022, the WRS recognized \$738,522 in contributions from the County.

Contribution rates as of December 31, 2022 are:

	<u>Employee</u>	<u>Employer</u>
General	6.75%	6.75%
Executives and Elected Officials	6.75%	6.75%
Protective with Social Security	6.75%	11.75%
Protective without Social Security	6.75%	16.35%

**WASHBURN COUNTY, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
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**NOTE 3 OTHER INFORMATION (CONTINUED)**

**B. Wisconsin Retirement System Pension Plan Benefits (Continued)**

**General Information about the Pension Plan (Continued)**

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

<u>Year Ending December 31,</u>	<u>Core Fund Adjustment %</u>	<u>Variable Fund Adjustment %</u>
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
2021	5.1	13.0

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

At December 31, 2022, the County reported an asset of \$4,933,308 for its proportionate share of the net pension asset. The net pension asset was measured as of December 31, 2021, and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of December 31, 2020 rolled forward to December 31, 2021. No material changes in assumptions or benefits terms occurred between the actuarial valuation date and the measurement date. The County's proportion of the net pension asset was based on the County's share of contributions to the pension plan relative to the contributions of all participating employers. At December 31, 2021, the County's proportion was 0.06120590 percent, which was an increase of 0.00096783 percent from its proportion measured as of December 31, 2020.

For the year ended December 31, 2022, the County recognized pension income of \$422,999. At December 31, 2022, the County reported deferred outflows of resources and deferred inflows of resources, as applicable, related to pensions from the following sources:

**WASHBURN COUNTY, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
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**NOTE 3 OTHER INFORMATION (CONTINUED)**

**B. Wisconsin Retirement System Pension Plan Benefits (Continued)**

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

<u>Description</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences Between Expected and Actual Experience	\$ 7,969,508	\$ 574,687
Changes of Assumptions	920,385	-
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	-	11,036,220
Changes in Proportion and Differences Between County Contributions and Proportionate Share of Contributions	7,600	2,283
County Contributions Subsequent to the Measurement Date	738,522	-
Total	<u>\$ 9,636,015</u>	<u>\$ 11,613,190</u>

\$738,522 reported as deferred outflows of resources related to pensions resulting from County contributions subsequent to the measurement date will be recognized as an addition to the net pension asset in the year ended December 31, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ended December 31:</u>	<u>Pension Expense Amount</u>
2023	\$ (226,524)
2024	(1,336,012)
2025	(588,393)
2026	(564,768)

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

**WASHBURN COUNTY, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
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**NOTE 3 OTHER INFORMATION (CONTINUED)**

**B. Wisconsin Retirement System Pension Plan Benefits (Continued)**

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

Actuarial Valuation Date:	December 31, 2020
Measurement Date of Net Pension Liability (Asset):	December 31, 2021
Experience Study:	January 1, 2018 - December 31, 2020 Published November 19, 2021
Actuarial Cost Method:	Entry Age Normal
Asset Valuation Method:	Fair Value
Long-Term Expected Rate of Return:	6.8%
Discount Rate:	6.8%
Salary Increases:	
Inflation	3.0%
Seniority/Merit	0.1% to 5.6%
Post-Retirement Adjustments	1.7%
Mortality:	2020 WRS Experience Mortality Table

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

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

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

**WASHBURN COUNTY, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
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**NOTE 3 OTHER INFORMATION (CONTINUED)**

**B. Wisconsin Retirement System Pension Plan Benefits (Continued)**

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

The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in following Table:

Core Fund Asset Class	Target Allocation	Long-Term Expected Nominal Rate of Return	Long-Term Expected Real Rate of Return
Global Equities	52.0 %	6.8%	4.2%
Fixed Income	25.0	4.3	1.8
Inflation Sensitive Assets	19.0	2.7	0.2
Real Estate	7.0	5.6	3.0
Private Equity/Debt	12.0	9.7	7.0
Total Core Fund	115.0	6.6	4.0
<u>Variable Fund Asset Class</u>			
US Equities	70.0	6.3	3.7
International Equities	30.0	7.2	4.6
Total Variable Fund	100.0	6.8	4.2

New England Pension Consultants Long Term US CPI (Inflation) Forecast: 2.5%

Asset Allocations are managed within established ranges, target percentages may differ from actual monthly allocations.

The investment policy used for the Core Fund involves reducing equity exposure by leveraging lower-volatility assets, such as fixed income securities. This results in an asset allocation beyond 100%. Currently, an asset allocation target of 15% policy leverage is used, subject to an allowable range of up to 20%.

**WASHBURN COUNTY, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
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**NOTE 3 OTHER INFORMATION (CONTINUED)**

**B. Wisconsin Retirement System Pension Plan Benefits (Continued)**

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

*Single Discount rate.* A single discount rate of 6.8% was used to measure the Total Pension Liability, as opposed to a discount rate of 7.0% for the prior year. This single discount rate is based on the expected rate of return on pension plan investments of 6.8% and a municipal bond rate of 1.84% (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, 2021. In describing this index, Fidelity notes that the Municipal Curves are constructed using option-adjusted analytics of a diverse population of over 10,000 tax-exempt securities.). Because of the unique structure of WRS, the 6.8% expected rate of return implies that a dividend of approximately 1.7% will always be paid. For purposes of the single discount rate, it was assumed that the dividend would always be paid. The projection of cash flows used to determine this single discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments (including expected dividends) of current plan members. Therefore, the municipal bond rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

*Sensitivity of the County's Proportionate Share of the Net Pension Liability (Asset) to Changes in the Discount Rate.* The following presents the County's proportionate share of the net pension liability (asset) calculated using the discount rate of 6.80 percent, as well as what the County's proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (5.80 percent) or 1-percentage-point higher (7.80 percent) than the current rate:

	1% Decrease (5.8%)	Current Discount Rate (6.8%)	1% Increase (7.8%)
County's Proportionate Share of the Net Pension Liability (Asset)	\$ 3,500,531	\$ (4,933,308)	\$ (11,004,103)

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

**WASHBURN COUNTY, WISCONSIN  
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**NOTE 3 OTHER INFORMATION (CONTINUED)**

**C. Other Postemployment Benefit Plan - Single Employer Plan**

**Description of the Plan**

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

**Participants**

Employees participating in the OPEB benefit consisted of the following at December 31, 2021, the date of the latest actuarial valuation.

Retirees (Pre-65)	2
Total eligible active plan members	183
	185

***Total OPEB Liability***

The County does not accumulated assets in a trust for payment of OPEB benefits. Accordingly, the County must report its total OPEB liability. The County's total OPEB liability was determined by an actuarial valuation as of January 1, 2022. At December 31, 2022, the County reported a total OPEB liability of \$967,467. Changes in the County's total OPEB liability were as follows:

	Total OPEB Liability (a)
<b>Balance at December 31, 2021</b>	\$ 822,300
<b>Changes for the year:</b>	
Service Cost	90,305
Interest	19,098
Differences Between Expected and Actual Experience	(6,593)
Changes of Assumptions or Other Input	65,973
Benefit Payments	(23,616)
<b>Net Changes</b>	145,167
<b>Balance at December 31, 2022</b>	\$ 967,467

***Actuarial Assumptions***

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

**WASHBURN COUNTY, WISCONSIN  
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**NOTE 3 OTHER INFORMATION (CONTINUED)**

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

***Actuarial Assumptions (Continued)***

otherwise specified:

Valuation Date:	January 1, 2022
Measurement Date:	December 31, 2021
Experience Study:	January 1, 2018 - December 31, 2020 Published November 19, 2021
Actuarial Cost Method:	Entry Age Normal
20-Year Tax-Exempt Municipal Bond Yield:	2.06%
Discount Rate:	2.06%
Health Care Trends:	17.0% year one to an ultimate rate of 3.7%
Salary Increases:	
Economic Increase (Inflation)	3.0%
Merit & Longevity	0.4% - 4.8%
Mortality:	2020 WRS Experience Table and with mortality improvements using 100% of the fully generational MP-2021 projection scale from a base year of 2010

***Discount rate***

The discount rate used to measure the total OPEB liability was 2.06 percent at December 31, 2021.

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

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

	1% Decrease to Discount Rate (1.06%)	Current Discount Rate (2.06%)	1% Increase to Discount Rate (3.06%)
Net OPEB Liability	<u>\$ 1,038,071</u>	<u>\$ 967,467</u>	<u>\$ 899,846</u>

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

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

	1% Decrease (16.0% in the first year, decreasing to 2.7%)	Healthcare Cost Trend Rates (17.0% in the first year, decreasing to 3.7%)	1% Increase (18.0% in the first year, decreasing to 4.7%)
Net OPEB Liability	<u>\$ 851,085</u>	<u>\$ 967,467</u>	<u>\$ 1,106,005</u>



**WASHBURN COUNTY, WISCONSIN  
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**NOTE 3 OTHER INFORMATION (CONTINUED)**

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

For the year ended December 31, 2022, the County recognized OPEB expense of \$82,353. At December 31, 2022, the County reported deferred outflows of resources and deferred inflows of resources related to single employer other postemployment benefits from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ -	\$ 43,502
Changes of Assumptions or Other Input	93,646	172,048
Total	<u>\$ 93,646</u>	<u>\$ 215,550</u>

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

Year Ended December 31:	OPEB Expense Amount
2023	\$ (27,050)
2024	(27,050)
2025	(27,050)
2026	(28,521)
2027	(26,478)
Thereafter	14,245

**D. Other Postemployment Benefit Plan – Multiple Employer Plan**

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

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

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

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

**WASHBURN COUNTY, WISCONSIN  
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**NOTE 3 OTHER INFORMATION (CONTINUED)**

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

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

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

Contribution rates as of December 31, 2022 are:

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

Employee contributions are based upon nine age bands through age 69 and an additional eight age bands for those age 70 and over. Participating employees must pay monthly contribution rates per \$1,000 of coverage until the age of 65 (age 70 if active). The employee contribution rates in effect for the year ended December 31, 2021 are:

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

During the County’s fiscal year the LRLIF recognized \$4,055 in contributions from the County.

**WASHBURN COUNTY, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
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**NOTE 3 OTHER INFORMATION (CONTINUED)**

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

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

At December 31, 2022, the County reported a liability of \$1,142,306 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of December 31, 2021, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of January 1, 2021. No material changes in assumptions or benefit terms occurred between the actuarial valuation date and the measurement date. The County's proportion of the net OPEB liability was based on the County's share of contributions to the OPEB plan relative to the contributions of all participating employers. At December 31, 2021, the County's proportion was 0.19327000 percent, which was an increase of 0.00613900 percent from its proportion measured as of December 31, 2020.

For the year ended June 30, 2022, the County recognized OPEB expense of \$151,182. At December 31, 2022, the County reported deferred outflows of resources and deferred inflows of resources related to OPEBs from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ -	\$ 58,108
Net Difference Between Projected and Actual Earnings on OPEB Investments	14,862	-
Changes of Assumptions or Other Input	345,127	55,368
Change in proportion and differences between employer contributions and proportionate share of contributions	60,219	9,569
County Contributions Subsequent to the Measurement Date	4,055	-
Total	<u>\$ 424,263</u>	<u>\$ 123,045</u>

\$4,055 is reported as deferred outflows of resources related to OPEB resulting from County contributions subsequent to the measurement date will be recognized as a reduction to the net OPEB liability in the year ended December 31, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEBs will be recognized in OPEB expense as follows:

Year Ended December 31:	OPEB Expense Amount
2023	\$ 65,184
2024	63,460
2025	57,923
2026	70,305
2027	36,594
Thereafter	3,697

**WASHBURN COUNTY, WISCONSIN  
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**NOTE 3 OTHER INFORMATION (CONTINUED)**

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

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

*Actuarial assumptions.* The total OPEB liability in the January 1, 2021 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Valuation Date:	January 1, 2021
Measurement Date of Net OPEB Liability (Asset)	December 31, 2021
Experience Study:	January 1, 2018 - December 31, 2020 Published November 19, 2021
Actuarial Cost Method	Entry Age Normal
20 Year Tax-Exempt Municipal Bond Yield	2.06%
Long-Term Expected Rate of Return	4.25%
Discount Rate	2.17%
Salary Increases:	
Inflation	3.00%
Seniority/Merit	0.1% - 5.6%
Mortality	2020 WRS Experience Mortality Table

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

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

Asset Class	Index	Target Allocation	Long-Term Expected Geometric Real Rate of Return
U.S. Intermediate Credit Bonds	Bloomberg US Interim Credit	45%	1.68%
U.S. Long Credit Bonds	Bloomberg US Long Credit	5.0%	1.82%
U.S. Mortgages	Bloomberg US MBS	50%	1.94%
Inflation			2.30%
Long-Term Expected Rate of Return			4.25%

**WASHBURN COUNTY, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**NOTE 3 OTHER INFORMATION (CONTINUED)**

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

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

The long-term expected rate of return remained unchanged from the prior year at 4.25%. The long-term expected rate of return is determined by adding expected inflation to expected long-term real returns and reflecting expected volatility and correlation. The expected inflation rate increased from 2.20% as of December 31, 2020 to 2.30% as of December 31, 2021.

*Single Discount Rate.* A single discount rate of 2.17% was used to measure the Total OPEB Liability for the current year, as opposed to a discount rate of 2.25% for the prior year. The significant change in the discount rate was primarily caused by the decrease in the municipal bond rate from 2.12% as of December 31, 2020 to 2.06% as of December 31, 2021. The Plan's fiduciary net position was projected to be insufficient to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculating the Total OPEB Liability is equal to the single equivalent rate that results in the same actuarial present value as the long-term expected rate of return applied to benefit payments, to the extent that the plan's fiduciary net position is projected to be sufficient to make projected benefit payments, and the municipal bond rate applied to benefit payment to the extent that the plan's fiduciary net position is projected to be sufficient to make projected benefit payments, and the uncial bond rate applied to benefit payment to the extent that the plan's fiduciary net position is projected to be insufficient. The plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through December 31, 2036.

*Sensitivity of the County's proportionate share of the net OPEB liability (asset) to changes in the discount rate.* The following presents the County's proportionate share of the net OPEB liability (asset) calculated using the discount rate of 2.17 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 (1.17 percent) or 1-percentage-point higher (3.17 percent) than the current rate:

	1% Decrease (1.17%)	Current Discount Rate (2.17%)	1% Increase (3.17%)
Proportionate share of the Net OPEB Liability (asset) 12/31/22	<u>\$ 1,549,685</u>	<u>\$ 1,142,306</u>	<u>\$ 835,754</u>

**E. Other Organizations**

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

**WASHBURN COUNTY, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**NOTE 3 OTHER INFORMATION (CONTINUED)**

**E. Other Organizations (Continued)**

**Joint Venture**

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

**Jointly Governed Organization**

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

**Other**

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

**F. Risk Management**

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

**G. Contingencies**

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

**REQUIRED SUPPLEMENTARY INFORMATION**

**WASHBURN COUNTY, WISCONSIN  
BUDGETARY COMPARISON SCHEDULE – GENERAL FUND  
YEAR ENDED DECEMBER 31, 2022**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Taxes	\$ 10,159,945	\$ 10,159,945	\$ 10,812,610	\$ 652,665
Intergovernmental	3,703,876	3,814,394	3,895,974	81,580
Licenses and Permits	203,175	203,175	250,049	46,874
Fines, Forfeits, and Penalties	79,000	79,000	84,211	5,211
Public Charges for Services	368,400	368,400	452,444	84,044
Intergovernmental Charges for Services	20,000	20,000	45,186	25,186
Miscellaneous	257,050	259,850	800,627	540,777
<b>Total Revenues</b>	<u>14,791,446</u>	<u>14,904,764</u>	<u>16,341,101</u>	<u>1,436,337</u>
<b>EXPENDITURES</b>				
General Government	6,168,335	6,217,065	7,051,186	(834,121)
Public Safety	4,353,679	4,400,523	4,593,895	(193,372)
Public Works	3,066,955	3,066,955	3,030,712	36,243
Health and Human Services	268,000	270,800	221,170	49,630
Culture, Recreation, and Education	533,112	533,112	467,720	65,392
Conservation and Development	848,904	759,141	823,656	(64,515)
Debt Service				
Principal Expenditures	-	-	22,008	(22,008)
Interest Expenditures	-	-	2,824	(2,824)
<b>Total Expenditures</b>	<u>15,238,985</u>	<u>15,247,596</u>	<u>16,213,171</u>	<u>(965,575)</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	(447,539)	(342,832)	127,930	470,762
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	143,500	43,799	122,000	78,201
Transfers Out	-	-	(549,171)	(549,171)
<b>Total Other Financing Sources (Uses)</b>	<u>143,500</u>	<u>43,799</u>	<u>(427,171)</u>	<u>(470,970)</u>
<b>NET CHANGE IN FUND BALANCE</b>	(304,039)	(299,033)	(299,241)	(208)
Fund Balance - January 1	<u>10,501,925</u>	<u>10,501,925</u>	<u>10,501,925</u>	<u>-</u>
<b>FUND BALANCE - DECEMBER 31</b>	<u>\$ 10,197,886</u>	<u>\$ 10,202,892</u>	<u>\$ 10,202,684</u>	<u>\$ (208)</u>

See accompanying Notes to Required Supplementary Information.



**WASHBURN COUNTY, WISCONSIN  
BUDGETARY COMPARISON SCHEDULE – HUMAN SERVICES FUND  
YEAR ENDED DECEMBER 31, 2022**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Taxes	\$ 1,191,902	\$ 1,191,902	\$ 1,191,902	\$ -
Intergovernmental	2,056,181	2,056,181	2,050,526	(5,655)
Fines, Forfeits, and Penalties	14,700	14,700	10,620	(4,080)
Public Charges for Services	1,179,093	1,179,093	1,763,504	584,411
Miscellaneous	593,986	593,986	283,152	(310,834)
Total Revenues	<u>5,035,862</u>	<u>5,035,862</u>	<u>5,299,704</u>	<u>263,842</u>
<b>EXPENDITURES</b>				
Health and Human Services	<u>5,083,738</u>	<u>5,110,402</u>	<u>5,292,819</u>	<u>(182,417)</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	(47,876)	(74,540)	6,885	81,425
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	25,796	52,460	83,407	30,947
Transfers Out	22,080	22,080	-	(22,080)
Total Other Financing Sources (Uses)	<u>47,876</u>	<u>74,540</u>	<u>83,407</u>	<u>8,867</u>
<b>NET CHANGE IN FUND BALANCE</b>	-	-	90,292	90,292
Fund Balance - January 1	<u>2,538,886</u>	<u>2,538,886</u>	<u>2,538,886</u>	-
<b>FUND BALANCE - DECEMBER 31</b>	<u><u>\$ 2,538,886</u></u>	<u><u>\$ 2,538,886</u></u>	<u><u>\$ 2,629,178</u></u>	<u><u>\$ 90,292</u></u>

See accompanying Notes to Required Supplementary Information.

**WASHBURN COUNTY, WISCONSIN  
BUDGETARY COMPARISON SCHEDULE – FORESTRY FUND  
YEAR ENDED DECEMBER 31, 2022**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Intergovernmental	\$ 664,067	\$ 664,067	\$ 455,540	\$ (208,527)
Public Charges for Services	1,703,777	1,703,777	3,638,878	1,935,101
Other Revenues	(70,760)	(6,560)	62,203	68,763
Total Revenues	<u>2,297,084</u>	<u>2,361,284</u>	<u>4,156,621</u>	<u>1,795,337</u>
<b>EXPENDITURES</b>				
Culture, Recreation, and Education	1,609,099	1,748,669	1,657,726	90,943
Debt Service				
Principal	111,736	111,736	111,626	110
Interest	12,924	12,924	15,834	(2,910)
Total Expenditures	<u>1,733,759</u>	<u>1,873,329</u>	<u>1,785,186</u>	<u>88,143</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	563,325	487,955	2,371,435	1,883,480
<b>OTHER FINANCING SOURCES (USES)</b>				
Proceeds of Long-Term Debt	20,000	20,000	-	(20,000)
Transfers In	71,660	147,030	11,170	(135,860)
Transfers Out	(654,985)	(654,985)	(1,366,240)	(711,255)
Total Other Financing Sources (Uses)	<u>(563,325)</u>	<u>(487,955)</u>	<u>(1,355,070)</u>	<u>(867,115)</u>
<b>NET CHANGE IN FUND BALANCE</b>	-	-	1,016,365	1,016,365
Fund Balance - January 1	<u>1,226,488</u>	<u>1,226,488</u>	<u>1,226,488</u>	<u>-</u>
<b>FUND BALANCE - DECEMBER 31</b>	<u>\$ 1,226,488</u>	<u>\$ 1,226,488</u>	<u>\$ 2,242,853</u>	<u>\$ 1,016,365</u>

See accompanying Notes to Required Supplementary Information.

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

	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Total OPEB Liability					
Service Cost	\$ 84,164	\$ 92,075	\$ 96,027	\$ 80,745	\$ 90,305
Interest on the Total OPEB Liability	31,914	32,495	40,083	21,221	19,098
Differences Between Expected and Actual Experience	-	-	(59,210)	-	(6,593)
Changes of Assumptions or Other Input	21,758	(46,671)	(231,818)	35,015	65,973
Benefit Payments	<u>(42,000)</u>	<u>(48,872)</u>	<u>(48,872)</u>	<u>(16,693)</u>	<u>(23,616)</u>
Net Change in Total OPEB Liability	95,836	29,027	(203,790)	120,288	145,167
Total OPEB Liability - Beginning	<u>780,939</u>	<u>876,775</u>	<u>905,802</u>	<u>702,012</u>	<u>822,300</u>
Total OPEB Liability - Ending (a)	<u><u>\$ 876,775</u></u>	<u><u>\$ 905,802</u></u>	<u><u>\$ 702,012</u></u>	<u><u>\$ 822,300</u></u>	<u><u>\$ 967,467</u></u>
Covered Employee-Payroll	\$ 7,442,221	\$ 7,556,000	\$ 7,872,000	\$ 8,223,000	\$ 10,295,129
County's Net OPEB Liability (Asset) as a Percentage of Covered-Employee Payroll	11.78%	11.99%	8.92%	10.00%	9.40%

Changes in assumptions since prior valuation:

- The discount rate was changed from 2.12% as of December 31, 2020 to 2.06% as of December 31, 2021.
- The demographic and salary increase assumptions have been updated as a result of the WRS Three-Year Experience Study for 2018-2020.
- The medical costs and trend rates were updated based on recent and expected future experience.
- The percentage of retirees assumed to elect family coverage has been reduced from 50% to 40%.

See accompanying Notes to Required Supplementary Information.

**SCHEDULE 5**

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

<u>OPEB Fiscal Year-End Date (Measurement Date)</u>	<u>County's Proportion of the Net OPEB Liability (Asset)</u>	<u>County's Proportionate Share of the Net OPEB Liability (Asset)</u>	<u>County's Covered Payroll</u>	<u>Proportionate Share of the Net OPEB Liability (Asset) as a Percentage of Covered Payroll</u>	<u>Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability (Asset)</u>
12/31/2021	0.19327000 %	\$ 1,142,306	\$ 8,709,000	13.12 %	29.57 %
12/31/2020	0.18713100	1,029,356	7,872,000	13.08	31.36
12/31/2019	0.17096400	727,998	7,556,000	9.63	37.58
12/31/2018	0.17559300	453,089	7,442,221	6.09	48.69
12/31/2017	0.17673000	532,437	7,442,221	7.15	44.81

Data is shown prospectively from the date of implementation and will include the full 10 years of information when available.

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

County's Fiscal Year-End Date	Contractually Required Contribution	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency (Excess)	County's Covered Payroll	Contributions as a Percentage of Covered Payroll
12/31/2022	\$ 4,055	\$ (4,055)	\$ -	\$ 8,709,000	0.05 %
12/31/2021	3,738	(3,738)	-	8,223,000	0.05
12/31/2020	3,381	(3,381)	-	7,872,000	0.04
12/31/2019	3,381	(3,381)	-	7,556,000	0.04
12/31/2018	3,360	(3,360)	-	7,442,221	0.05

#### Changes of Benefit Terms

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

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

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

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

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

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

Data is shown prospectively from the date of implementation and will include the full 10 years of information when available.

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

Year Ended	Proportion of the Net Pension Liability (Asset)	Proportionate Share of the Net Pension Liability (Asset)	Covered Payroll	Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
12/31/2021	0.06120590%	\$ (4,933,308)	\$ 9,843,182	50.12%	106.02%
12/31/2020	0.06023807%	(3,760,746)	8,982,519	41.87%	105.26%
12/31/2019	0.05953116%	(1,919,556)	8,981,520	21.37%	102.96%
12/31/2018	0.05878244%	2,091,294	8,490,958	24.63%	96.45%
12/31/2017	0.05868219%	(1,742,343)	8,065,845	21.60%	102.93%
12/31/2016	0.05859888%	482,995	7,671,986	6.30%	99.12%
12/31/2015	0.05951674%	967,135	7,793,876	12.41%	98.20%
12/31/2014	0.05976855%	(1,468,079)	7,500,743	19.57%	102.74%

Data is shown prospectively from the date of implementation and will include the full 10 years of information when available.

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

County's Fiscal Year Ending	Contractually Required Contributions	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
12/31/2022	\$ 738,522	\$ (738,522)	\$ -	\$ 10,295,129	7.17%
12/31/2021	726,866	(726,866)	-	9,843,182	7.38%
12/31/2020	687,621	(687,621)	-	8,982,519	7.66%
12/31/2019	612,332	(612,332)	-	8,981,520	6.82%
12/31/2018	594,156	(594,156)	-	8,490,958	7.00%
12/31/2017	560,748	(560,748)	-	8,065,845	6.95%
12/31/2016	549,046	(549,046)	-	7,671,986	7.16%
12/31/2015	575,869	(575,869)	-	7,793,876	7.39%

**Changes of Benefit Terms**

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

**Changes of Assumptions**

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

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

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

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

Data is shown prospectively from the date of implementation and will include the full 10 years of information when available.

*See accompanying Notes to Required Supplementary Information.*

**WASHBURN COUNTY, WISCONSIN  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
DECEMBER 31, 2022**

**BUDGETARY INFORMATION**

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

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

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

**SINGLE-EMPLOYER OTHER POSTEMPLOYMENT BENEFITS**

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



**SUPPLEMENTARY INFORMATION**

**COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES**

**WASHBURN COUNTY, WISCONSIN  
NONMAJOR GOVERNMENTAL FUND  
COMBINING BALANCE SHEET  
DECEMBER 31, 2022**

	Special Revenue Funds									
	Public Health	Child Support	Opioid Settlement	UOA/ADRC	Aging and Disability Resource Center	Council on Aging	CDBG Grant Fund	Wildlife Damage	Development Fund	Animal Control
<b>ASSETS</b>										
Treasurer's Cash and Investments	\$ 378,710	\$ 110,349	\$ 87,413	\$ 1,363	\$ -	\$ 600,904	\$ 151,666	\$ -	\$ 2,063,571	\$ -
Taxes Receivable	170,819	-	-	461,992	-	-	-	-	-	58,765
Accounts Receivable	22,782	1,203	-	-	-	8,956	-	-	-	755
Due from Other Governmental Units	-	55,606	-	-	36,413	98,279	-	8,001	-	-
Loans Receivable	-	-	-	-	-	-	744,088	-	-	-
Prepaid Items	-	-	-	482	-	1,558	-	-	-	-
<b>Total Assets</b>	<b>\$ 572,311</b>	<b>\$ 167,158</b>	<b>\$ 87,413</b>	<b>\$ 463,837</b>	<b>\$ 36,413</b>	<b>\$ 709,697</b>	<b>\$ 895,754</b>	<b>\$ 8,001</b>	<b>\$ 2,063,571</b>	<b>\$ 59,520</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE</b>										
Liabilities:										
Vouchers Payable	\$ 5,522	\$ 648	\$ -	\$ 1,845	\$ 1,072	\$ 30,206	\$ -	\$ 8,001	\$ -	\$ 396
Accrued Liabilities	30,513	20,167	-	-	15,047	22,775	-	-	-	-
Due to Other Governmental Units	686	-	-	-	-	-	-	-	-	514
Due to Other Funds	-	-	-	-	11,346	-	-	14,449	-	41,885
<b>Total Liabilities</b>	<b>36,721</b>	<b>20,815</b>	<b>-</b>	<b>1,845</b>	<b>27,465</b>	<b>52,981</b>	<b>-</b>	<b>22,450</b>	<b>-</b>	<b>42,795</b>
Deferred Inflows of Resources:										
Succeeding Year's Property Taxes	170,819	-	-	461,992	-	-	-	-	-	58,765
Loans Receivable	-	-	-	-	-	-	744,088	-	-	-
<b>Total Deferred Inflows of Resources</b>	<b>170,819</b>	<b>-</b>	<b>-</b>	<b>461,992</b>	<b>-</b>	<b>-</b>	<b>744,088</b>	<b>-</b>	<b>-</b>	<b>58,765</b>
Fund Balance:										
Nonspendable	-	-	-	482	-	1,558	-	-	-	-
Restricted	-	-	-	-	-	71,498	151,666	-	1,108,745	-
Committed	364,771	146,343	87,413	-	8,948	583,660	-	-	954,826	-
Unassigned	-	-	-	(482)	-	-	-	(14,449)	-	(42,040)
<b>Total Fund Balance</b>	<b>364,771</b>	<b>146,343</b>	<b>87,413</b>	<b>-</b>	<b>8,948</b>	<b>656,716</b>	<b>151,666</b>	<b>(14,449)</b>	<b>2,063,571</b>	<b>(42,040)</b>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balance</b>	<b>\$ 572,311</b>	<b>\$ 167,158</b>	<b>\$ 87,413</b>	<b>\$ 463,837</b>	<b>\$ 36,413</b>	<b>\$ 709,697</b>	<b>\$ 895,754</b>	<b>\$ 8,001</b>	<b>\$ 2,063,571</b>	<b>\$ 59,520</b>

**WASHBURN COUNTY, WISCONSIN  
NONMAJOR GOVERNMENTAL FUND  
COMBINING BALANCE SHEET (CONTINUED)  
DECEMBER 31, 2022**

	Special Revenue Funds (Continued)								Total
	County Land Sales	Jail Assessment Fees	Sheriff Special Activity	Environmental and Socioeconomic Impact	County Trunk D	Recycling Fund	Solid Waste Fund	Clerk of Courts	
<b>ASSETS</b>									
Treasurer's Cash and Investments	\$ 641,833	\$ 66,703	\$ 119,750	\$ 1,070,853	\$ 352,361	\$ 948,121	\$ 190,280	\$ 4,313	\$ 6,788,190
Taxes Receivable	-	-	-	-	-	-	-	-	691,576
Accounts Receivable	-	50	1,936	45,410	-	44,160	21,250	-	146,502
Due from Other Governmental Units	-	723	-	-	-	-	-	-	199,022
Loans Receivable	-	-	-	-	-	-	-	-	744,088
Prepaid Items	-	-	-	-	-	-	-	-	2,040
<b>Total Assets</b>	<b>\$ 641,833</b>	<b>\$ 67,476</b>	<b>\$ 121,686</b>	<b>\$ 1,116,263</b>	<b>\$ 352,361</b>	<b>\$ 992,281</b>	<b>\$ 211,530</b>	<b>\$ 4,313</b>	<b>\$ 8,571,418</b>
<b>LIABILITIES AND FUND BALANCE</b>									
Liabilities:									
Vouchers Payable	\$ -	\$ -	\$ 12,213	\$ 45,410	\$ -	\$ -	\$ -	\$ 4,313	\$ 109,626
Accrued Liabilities	-	-	-	-	-	-	-	-	88,502
Due to Other Governmental Units	-	-	-	-	-	-	-	-	1,200
Due to Other Funds	-	-	-	-	-	-	-	-	67,680
<b>Total Liabilities</b>	<b>-</b>	<b>-</b>	<b>12,213</b>	<b>45,410</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4,313</b>	<b>267,008</b>
Deferred Inflows of Resources:									
Succeeding Year's Property Taxes	-	-	-	-	-	-	-	-	691,576
Loans Receivable	-	-	-	-	-	-	-	-	744,088
<b>Total Deferred Inflows of Resources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,435,664</b>
Fund Balance:									
Nonspendable	-	-	-	-	-	-	-	-	2,040
Restricted	25,011	67,476	15,522	1,070,853	352,361	-	211,530	-	3,074,662
Committed	616,822	-	93,951	-	-	992,281	-	-	3,849,015
Unassigned	-	-	-	-	-	-	-	-	(56,971)
<b>Total Fund Balance</b>	<b>641,833</b>	<b>67,476</b>	<b>109,473</b>	<b>1,070,853</b>	<b>352,361</b>	<b>992,281</b>	<b>211,530</b>	<b>-</b>	<b>6,868,746</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balance</b>	<b>\$ 641,833</b>	<b>\$ 67,476</b>	<b>\$ 121,686</b>	<b>\$ 1,116,263</b>	<b>\$ 352,361</b>	<b>\$ 992,281</b>	<b>\$ 211,530</b>	<b>\$ 4,313</b>	<b>\$ 8,571,418</b>

**WASHBURN COUNTY, WISCONSIN  
NONMAJOR GOVERNMENTAL FUND  
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
YEAR ENDED DECEMBER 31, 2022**

	Special Revenue Funds									
	Public Health	Child Support	Opioid Settlement	UOA/ADRC	Aging and Disability Resource Center	Council on Aging	CDBG Grant Fund	Wildlife Damage	Development Fund	Animal Control
<b>REVENUES</b>										
Taxes	\$ -	\$ -	\$ -	\$ -	\$ 32,334	\$ 404,714	\$ -	\$ -	\$ -	\$ 56,379
Intergovernmental	399,891	260,832	87,413	-	149,082	337,527	-	31,711	-	-
Licenses and Permits	-	-	-	-	-	-	-	-	27,443	15,236
Fines, Forfeits, and Penalties	-	-	-	-	-	-	-	-	-	-
Public Charges for Services	2,296	1,721	-	-	133,379	148,367	-	-	-	-
Miscellaneous:										
Interest	-	-	-	-	-	987	1,939	-	-	-
Loan Repayments	-	-	-	-	-	-	25,957	-	-	-
Sale of County Property	-	-	-	-	-	-	-	-	-	-
Donations	66,247	31,751	-	-	5,020	78,155	-	-	-	-
Other	-	-	-	-	-	3,569	-	-	-	-
<b>Total Revenues</b>	<b>468,434</b>	<b>294,304</b>	<b>87,413</b>	<b>-</b>	<b>319,815</b>	<b>973,319</b>	<b>27,896</b>	<b>31,711</b>	<b>27,443</b>	<b>71,615</b>
<b>EXPENDITURES</b>										
General Government	-	-	-	-	-	-	-	-	-	-
Public Safety	-	-	-	-	-	-	-	-	-	-
Health and Human Services	520,236	253,602	-	-	329,309	943,575	-	-	-	76,491
Culture, Recreation, and Education	-	-	-	-	-	-	-	31,711	-	-
Conservation and Development	-	-	-	-	-	-	11,202	-	4,347	-
<b>Total Expenditures</b>	<b>520,236</b>	<b>253,602</b>	<b>-</b>	<b>-</b>	<b>329,309</b>	<b>943,575</b>	<b>11,202</b>	<b>31,711</b>	<b>4,347</b>	<b>76,491</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>(51,802)</b>	<b>40,702</b>	<b>87,413</b>	<b>-</b>	<b>(9,494)</b>	<b>29,744</b>	<b>16,694</b>	<b>-</b>	<b>23,096</b>	<b>(4,876)</b>
<b>OTHER FINANCING SOURCES (USES)</b>										
Transfers In	2,575	2,466	-	-	11,684	-	-	-	448,826	-
Transfers Out	-	(56,742)	-	-	-	(11,684)	-	-	(122,000)	-
<b>Total Other Financing Sources (Uses)</b>	<b>2,575</b>	<b>(54,276)</b>	<b>-</b>	<b>-</b>	<b>11,684</b>	<b>(11,684)</b>	<b>-</b>	<b>-</b>	<b>326,826</b>	<b>-</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>(49,227)</b>	<b>(13,574)</b>	<b>87,413</b>	<b>-</b>	<b>2,190</b>	<b>18,060</b>	<b>16,694</b>	<b>-</b>	<b>349,922</b>	<b>(4,876)</b>
Fund Balance - Beginning of Year	413,998	159,917	-	-	6,758	638,656	134,972	(14,449)	1,713,649	(37,164)
<b>FUND BALANCE - DECEMBER 31</b>	<b>\$ 364,771</b>	<b>\$ 146,343</b>	<b>\$ 87,413</b>	<b>\$ -</b>	<b>\$ 8,948</b>	<b>\$ 656,716</b>	<b>\$ 151,666</b>	<b>\$ (14,449)</b>	<b>\$ 2,063,571</b>	<b>\$ (42,040)</b>

**WASHBURN COUNTY, WISCONSIN  
NONMAJOR GOVERNMENTAL FUND  
COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCE (CONTINUED)  
YEAR ENDED DECEMBER 31, 2022**

	Special Revenue Funds (Continued)								Total
	County Land Sales	Jail Assessment Fees	Sheriff Special Activity	Environmental and Socioeconomic Impact	County Trunk D	Recycling Fund	Solid Waste Fund	Clerk of Courts	
<b>REVENUES</b>									
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 493,427
Intergovernmental	-	-	-	-	-	83,323	-	-	1,349,779
Licenses and Permits	-	-	-	-	-	-	-	224,330	267,009
Fines, Forfeits, and Penalties	-	15,802	-	-	-	-	-	-	15,802
Public Charges for Services	12,702	-	-	-	-	190,325	85,000	-	573,790
Miscellaneous:									
Interest	-	-	-	10,176	4,524	-	-	-	17,626
Loan Repayments	-	-	-	-	-	-	-	-	25,957
Sale of County Property	15,356	-	-	-	-	-	-	-	15,356
Donations	-	-	32,753	-	-	-	-	-	213,926
Other	-	-	-	195,325	-	-	-	-	198,894
<b>Total Revenues</b>	<b>28,058</b>	<b>15,802</b>	<b>32,753</b>	<b>205,501</b>	<b>4,524</b>	<b>273,648</b>	<b>85,000</b>	<b>224,330</b>	<b>3,171,566</b>
<b>EXPENDITURES</b>									
General Government	-	-	-	-	-	-	-	224,330	224,330
Public Safety	-	10,995	19,216	-	-	-	-	-	30,211
Health and Human Services	-	-	-	-	-	-	-	-	2,123,213
Culture, Recreation, and Education	-	-	-	-	-	-	-	-	31,711
Conservation and Development	7,644	-	-	195,324	-	127,814	52,451	-	398,782
<b>Total Expenditures</b>	<b>7,644</b>	<b>10,995</b>	<b>19,216</b>	<b>195,324</b>	<b>-</b>	<b>127,814</b>	<b>52,451</b>	<b>224,330</b>	<b>2,808,247</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>20,414</b>	<b>4,807</b>	<b>13,537</b>	<b>10,177</b>	<b>4,524</b>	<b>145,834</b>	<b>32,549</b>	<b>-</b>	<b>363,319</b>
<b>OTHER FINANCING SOURCES (USES)</b>									
Transfers In	-	-	-	-	-	32,549	-	-	498,100
Transfers Out	(45,426)	-	-	-	-	-	(32,549)	-	(268,401)
<b>Total Other Financing Sources (Uses)</b>	<b>(45,426)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>32,549</b>	<b>(32,549)</b>	<b>-</b>	<b>229,699</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>(25,012)</b>	<b>4,807</b>	<b>13,537</b>	<b>10,177</b>	<b>4,524</b>	<b>178,383</b>	<b>-</b>	<b>-</b>	<b>593,018</b>
Fund Balance - Beginning of Year	666,845	62,669	95,936	1,060,676	347,837	813,898	211,530	-	6,275,728
<b>FUND BALANCE - DECEMBER 31</b>	<b>\$ 641,833</b>	<b>\$ 67,476</b>	<b>\$ 109,473</b>	<b>\$ 1,070,853</b>	<b>\$ 352,361</b>	<b>\$ 992,281</b>	<b>\$ 211,530</b>	<b>\$ -</b>	<b>\$ 6,868,746</b>

**WASHBURN COUNTY, WISCONSIN  
GENERAL FUND  
DETAILED BALANCE SHEET  
DECEMBER 31, 2022  
(WITH COMPARATIVE AMOUNTS AS OF DECEMBER 31, 2021)**

	<u>2022</u>	<u>2021</u>
<b>ASSETS</b>		
Treasurer's Cash and Investments	\$ 8,233,857	\$ 8,784,281
Current Taxes Receivable	8,654,803	8,429,895
Tax Certificates	765,773	733,572
Accounts Receivable	292,893	160,262
Due from Other Governments	322,616	315,095
Due from Other Funds	264,328	279,318
Prepaid Items and Other Assets:		
Prepaid Items and Other Assets	22,706	19,566
Prepaid Insurance	716,017	793,156
Long-Term Note Receivable	79,302	15,000
	<u>                    </u>	<u>                    </u>
Total Assets	<u>\$ 19,352,295</u>	<u>\$ 19,530,145</u>
 <b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE</b>		
Liabilities:		
Vouchers and Accounts Payable	\$ 136,751	\$ 231,654
Payroll Deductions	59,525	76,609
Accrued Liabilities	201,031	177,986
Due to Other Governments	88,607	104,089
Unearned Revenue	8,912	8,057
Total Liabilities	<u>494,826</u>	<u>598,395</u>
 <b>Deferred Inflows of Resources:</b>		
Succeeding Year's Property Taxes	8,654,785	8,429,825
 <b>Fund Balance:</b>		
Nonspendable	1,583,798	1,561,294
Restricted	8,019	26,887
Assigned	2,915,497	3,646,680
Unassigned	5,695,370	5,267,064
Total Fund Balance	<u>10,202,684</u>	<u>10,501,925</u>
 Total Liabilities, Deferred Inflows of Resources, and Fund Balance	<u>\$ 19,352,295</u>	<u>\$ 19,530,145</u>

**WASHBURN COUNTY, WISCONSIN  
GENERAL FUND  
DETAILED SCHEDULE OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL  
YEAR ENDED DECEMBER 31, 2022  
(WITH COMPARATIVE AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2021)**

	2022		Variance with Final Budget Positive (Negative)	2021 Actual
	Final Budget	Actual		
<b>REVENUES</b>				
Taxes:				
Property:				
General Property Taxes	\$ 8,399,825	\$ 8,399,843	\$ 18	\$ 8,204,227
Forest Cropland Taxes From Districts	50,000	70,471	20,471	62,130
Sales and Use:				
County Sales Tax	1,425,000	2,059,449	634,449	1,805,848
Retained Sales Tax Applied	120	140	20	138
Real Estate Transfer Fees	60,000	112,629	52,629	111,912
Interest and Penalties on Taxes	225,000	170,078	(54,922)	211,571
Total Taxes	<u>10,159,945</u>	<u>10,812,610</u>	<u>652,665</u>	<u>10,395,826</u>
Intergovernmental:				
Federal Grants:				
Homeland Security Equipment Grant	-	12,825	12,825	6,298
Aid in Lieu of Taxes	11,500	12,868	1,368	12,562
Emergency Government	30,465	39,449	8,984	30,856
Federal Aids Secondary	36,193	36,193	-	91,310
Wireless 911 Grant	6,831	6,158	(673)	5,988
Jail Literacy Grant	45,266	20,665	(24,601)	13,950
Local Assistance & Tribal Consistency	50,000	50,000	-	-
American Rescue Plan Act Aid	1,522,084	1,526,713	4,629	1,526,713
State Shared Taxes:				
Shared Revenue	141,582	142,483	901	142,236
Personal Property Aid	23,265	23,265	-	20,069
Tax Exempt Computer Aids	16,207	16,207	-	12,599
State Grants:				
Aid for Courts	52,275	52,275	-	55,628
Victim/Witness Program	37,940	43,406	5,466	40,806
Veterans Service Officer	14,500	28,043	13,543	14,439
Probation and Parole	15,000	54,587	39,587	40,290
Guardian Ad Litem	17,305	25,533	8,228	26,117
County Trunk Highways	1,380,920	1,380,920	-	1,389,627



**WASHBURN COUNTY, WISCONSIN  
GENERAL FUND  
DETAILED SCHEDULE OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL (CONTINUED)  
YEAR ENDED DECEMBER 31, 2022  
(WITH COMPARATIVE AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2021)**

	2022		Variance with Final Budget Positive (Negative)	2021 Actual
	Final Budget	Actual		
<b>REVENUES (CONTINUED)</b>				
Intergovernmental: (Continued)				
State Grants: (Continued)				
Soil and Water Resource Management	\$ 220,025	\$ 176,606	\$ (43,419)	\$ 190,284
Law Enforcement Training	37,000	26,654	(10,346)	38,362
Land Information Board Grants	108,536	108,536	-	109,656
Forest Crop/Managed Forest Aides	25,000	32,074	7,074	31,039
Severance and Withdrawal Taxes	7,500	49,935	42,435	1,292
Payment in Lieu of Taxes	15,000	30,579	15,579	15,133
Total Intergovernmental	<u>3,814,394</u>	<u>3,895,974</u>	<u>81,580</u>	<u>3,815,254</u>
Licenses and Permits:				
Licenses:				
Conservation License Fees	-	-	-	9
Marriage License Revenue	5,100	4,740	(360)	6,230
Permits:				
Zoning Fees	198,075	245,309	47,234	225,719
Total Licenses and Permits	<u>203,175</u>	<u>250,049</u>	<u>46,874</u>	<u>231,958</u>
Fines, Forfeits, and Penalties:				
Law and Ordinance Violations:				
County Share of Fines and Forfeitures	79,000	84,211	5,211	85,574
Public Charge for Services:				
General Government:				
Treasurer's Fees	200	433	233	680
Register of Deeds Fees	118,000	132,323	14,323	164,546
Land Modernization Fees	30,000	28,482	(1,518)	36,330
Court Fees and Costs	40,000	76,107	36,107	46,109
Register in Probate Fees	4,000	11,221	7,221	16,553
Assessment of Property Fees	1,000	928	(72)	1,110

**WASHBURN COUNTY, WISCONSIN  
GENERAL FUND  
DETAILED SCHEDULE OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL (CONTINUED)  
YEAR ENDED DECEMBER 31, 2022  
(WITH COMPARATIVE AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2021)**

	2022		Variance with Final Budget Positive (Negative)	2021 Actual
	Final Budget	Actual		
<b>REVENUES (CONTINUED)</b>				
Public Charges for Services: (Continued)				
General Government: (Continued)				
Family Counseling Fees	\$ 1,500	\$ 1,245	\$ (255)	\$ 1,165
Guardian Ad Litem Reimbursement	60,000	91,089	31,089	107,917
District Attorney Fees	4,200	418	(3,782)	1,006
Coroner	12,000	18,200	6,200	18,200
Public Safety:				
Sheriff Fees	15,000	19,755	4,755	15,043
Inmate Phone	11,000	6,133	(4,867)	7,194
Electric Monitor Revenue	17,000	10,678	(6,322)	6,786
Board of Prisoners - Huber Law	3,000	2,950	(50)	20
Drug Enforcement	-	-	-	85
County Numbering System	10,000	12,180	2,180	13,822
Prisoner Medical Reimbursements	15,000	22,570	7,570	17,634
Health and Human Services:				
Veteran Service Fees	11,500	3,205	(8,295)	4,365
Culture, Recreation, and Education:				
UWEX Extension Fees	3,000	200	(2,800)	440
Conservation and Development:				
Soil and Water Revenue	12,000	14,327	2,327	18,122
Total Public Charges for Services	<u>368,400</u>	<u>452,444</u>	<u>84,044</u>	<u>477,127</u>
Intergovernmental Charges for Services:				
Smart Growth Planning	20,000	45,186	25,186	21,090

**WASHBURN COUNTY, WISCONSIN  
GENERAL FUND  
DETAILED SCHEDULE OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL (CONTINUED)  
YEAR ENDED DECEMBER 31, 2022  
(WITH COMPARATIVE AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2021)**

	2022		Variance with Final Budget Positive (Negative)	2021 Actual
	Final Budget	Actual		
<b>REVENUES (CONTINUED)</b>				
Miscellaneous:				
Interest:				
Temporary Investments	\$ 200,000	\$ 440,224	\$ 240,224	\$ 93,325
Property Sales:				
Sale of General Capital Assets	-	14,975	14,975	22,501
Sale of Sheriff Department Cars	15,000	29,435	14,435	13,018
Sale of Maps and Plats	3,450	4,013	563	10,358
Sale of CSM's	6,000	11,730	5,730	7,488
Other:				
County Cars Revenue	30,000	40,894	10,894	24,339
Insurance Recoveries	-	236,252	236,252	3,234
Donations	2,800	3,183	383	450
Miscellaneous	2,600	19,921	17,321	10,260
Total Miscellaneous Revenues	<u>259,850</u>	<u>800,627</u>	<u>540,777</u>	<u>184,973</u>
 Total Revenues	 14,904,764	 16,341,101	 1,436,337	 15,211,802
<b>EXPENDITURES</b>				
General Government:				
Legislative:				
Board	102,905	105,742	(2,837)	63,584
Judicial:				
Judge	179,008	248,482	(69,474)	217,996
Juvenile Court				
Clerk of Courts	330,505	303,003	27,502	312,408
Register in Probate	2,200	635	1,565	840
Family Court Commissioner	33,321	30,769	2,552	30,251
Coroner	58,694	77,155	(18,461)	81,428
Legal:				
District Attorney	255,249	255,781	(532)	243,945
Family Counseling	5,000	3,727	1,273	7,621
Criminal Justice Coordinator	128,303	111,853	16,450	116,259
Corporation Counsel	174,573	188,633	(14,060)	149,337
Victim/Witness Coordinator	88,843	87,942	901	85,695

**WASHBURN COUNTY, WISCONSIN  
GENERAL FUND  
DETAILED SCHEDULE OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL (CONTINUED)  
YEAR ENDED DECEMBER 31, 2022  
(WITH COMPARATIVE AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2021)**

	2022		Variance with Final Budget Positive (Negative)	2021 Actual
	Final Budget	Actual		
<b>EXPENDITURES (CONTINUED)</b>				
General Government: (Continued)				
General Administration:				
Clerk	\$ 203,938	\$ 203,208	\$ 730	\$ 257,350
Administration	291,729	277,933	13,796	199,730
Contracted Services	-	-	-	4,068
Elections	53,500	58,642	(5,142)	20,979
Information Technology	693,496	686,452	7,044	650,829
Information Technology Capital Equipment	23,229	20,297	2,932	20,392
Central Postage	27,000	22,873	4,127	26,235
Government Center Building	234,665	254,327	(19,662)	213,579
Forestry Building	20,700	15,422	5,278	17,612
Financial Administration:				
Accounting and Auditing	216,829	293,492	(76,663)	226,541
Treasurer	255,316	249,609	5,707	248,153
Assessment of Property	4,000	3,206	794	3,097
Purchasing	33,673	36,979	(3,306)	27,409
General Building and Plant:				
Annex - Spooner	2,141	10,768	(8,627)	14,754
Annex - Shell Lake	-	-	-	49
Annex - City of Spooner	-	-	-	2,680
Dunbar Building Maintenance	-	-	-	129
Courthouse	301,311	303,040	(1,729)	341,993
Building Repair	21,399	44,364	(22,965)	28,603
Wayside	44,425	48,959	(4,534)	51,018
Property Records and Control:				
Register of Deeds	199,652	184,051	15,601	163,295
Surveyor	510,677	476,038	34,639	441,969
Other General Government:				
County Owned Cars Expense	97,700	104,960	(7,260)	34,609
Property and Liability Insurance	101,000	117,577	(16,577)	110,834
ARPA Administration and Capital Outlay	1,522,084	2,225,267	(703,183)	468,659
Total General Government	<u>6,217,065</u>	<u>7,051,186</u>	<u>(834,121)</u>	<u>4,883,930</u>

**WASHBURN COUNTY, WISCONSIN  
GENERAL FUND  
DETAILED SCHEDULE OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL (CONTINUED)  
YEAR ENDED DECEMBER 31, 2022  
(WITH COMPARATIVE AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2021)**

	2022		Variance with Final Budget Positive (Negative)	2021 Actual
	Final Budget	Actual		
<b>EXPENDITURES (CONTINUED)</b>				
Public Safety:				
Sheriff	\$ 2,411,229	\$ 2,322,670	\$ 88,559	\$ 2,255,002
Fire Suppression	100	-	100	-
Jail Expenses	1,854,311	2,118,739	(264,428)	1,861,706
Special Response Team	16,097	33,366	(17,269)	28,713
Highway Safety	1,000	-	1,000	-
County Numbering System	-	67	(67)	-
Emergency Government	112,890	114,557	(1,667)	114,651
Emergency Communications	4,896	4,496	400	4,004
Total Public Safety	<u>4,400,523</u>	<u>4,593,895</u>	<u>(193,372)</u>	<u>4,264,076</u>
Public Works:				
Appropriations to Highway Department [1]	3,056,205	3,020,012	36,193	3,017,905
Other Transportation:				
Transit Commission	50	-	50	-
Airport	10,700	10,700	-	9,700
Total Public Works	<u>3,066,955</u>	<u>3,030,712</u>	<u>36,243</u>	<u>3,027,605</u>
Health and Human Services:				
Health:				
Wellness Program	15,000	7,749	7,251	9,454
Human Services:				
AODA Program	7,600	7,600	-	7,600
Veterans:				
Veterans Service	193,826	177,574	16,252	182,332
Veterans Commission	43,124	18,322	24,802	30,375
Deceased Veterans Affairs	11,250	9,925	1,325	11,033
Total Health and Human Services	<u>270,800</u>	<u>221,170</u>	<u>49,630</u>	<u>240,794</u>

[1] See Schedule C-4

**WASHBURN COUNTY, WISCONSIN  
GENERAL FUND  
DETAILED SCHEDULE OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL (CONTINUED)  
YEAR ENDED DECEMBER 31, 2022  
(WITH COMPARATIVE AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2021)**

	2022		Variance with Final Budget Positive (Negative)	2021 Actual
	Final Budget	Actual		
<b>EXPENDITURES (CONTINUED)</b>				
Culture, Recreation, and Education:				
Culture:				
Library	\$ 245,312	\$ 245,313	\$ (1)	\$ 225,034
Historical Society	20,800	21,000	(200)	31,800
Recreation:				
Fairs	43,975	43,975	-	23,975
Education:				
University Extension	223,025	157,432	65,593	200,874
Total Culture, Recreation, and Education	533,112	467,720	65,392	481,683
Conservation and Development:				
Resource Conservation:				
Soil and Water Conservation	265,117	223,610	41,507	230,510
Aquatic Invasive Species	15,233	12,862	2,371	20,595
Farm Land Preservation Grant	10,000	3,450	6,550	5,791
Power Line Related Expenditures	1,600	2,372	(772)	3,019
Planning:				
Regional Planning Commission	25,657	25,657	-	25,438
Zoning:				
Zoning	316,534	308,668	7,866	265,389
Economic Development:				
Economic Development Corporation and Tourism	122,000	244,037	(122,037)	239,800
ITBEC Contribution	3,000	3,000	-	3,000
Total Conservation and Development	759,141	823,656	(64,515)	793,542
Debt Service:				
Principal Expenditures	-	22,008	(22,008)	-
Interest and Fiscal Charges	-	2,824	(2,824)	-
	-	24,832	(24,832)	-
Total Expenditures	15,247,596	16,213,171	(965,575)	13,691,630
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	(342,832)	127,930	470,762	1,520,172

**WASHBURN COUNTY, WISCONSIN  
GENERAL FUND  
DETAILED SCHEDULE OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL (CONTINUED)  
YEAR ENDED DECEMBER 31, 2022  
(WITH COMPARATIVE AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2021)**

	2022		Variance with Final Budget Positive (Negative)	2021 Actual
	Final Budget	Actual		
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In:				
Development Fund	\$ -	\$ 122,000	\$ 122,000	\$ -
Transfers from Other Funds	43,799	-	(43,799)	-
Total Transfers In	<u>43,799</u>	<u>122,000</u>	<u>78,201</u>	<u>-</u>
Transfers Out:				
Human Services Fund	-	(26,665)	(26,665)	(18,178)
Child Support Fund	-	(2,466)	(2,466)	(1,324)
Forestry Fund	-	(11,170)	(11,170)	(2,477)
Council on Aging Fund	-	-	-	(3,069)
Development Fund	-	(448,826)	(448,826)	-
Highway Department Fund	-	(57,469)	(57,469)	(14,098)
Public Health Fund	-	(2,575)	(2,575)	-
Total Transfers Out	<u>-</u>	<u>(549,171)</u>	<u>(549,171)</u>	<u>(39,146)</u>
Total Other Financing Sources (Uses)	<u>43,799</u>	<u>(427,171)</u>	<u>(470,970)</u>	<u>(39,146)</u>
<b>NET CHANGE IN FUND BALANCE</b>	(299,033)	(299,241)	(208)	1,481,026
Fund Balance - January 1	<u>10,501,925</u>	<u>10,501,925</u>	<u>-</u>	<u>9,020,899</u>
<b>FUND BALANCE - DECEMBER 31</b>	<u>\$ 10,202,892</u>	<u>\$ 10,202,684</u>	<u>\$ (208)</u>	<u>\$ 10,501,925</u>

**WASHBURN COUNTY, WISCONSIN  
INTERNAL SERVICE FUND  
COMBINING STATEMENT OF NET POSITION  
DECEMBER 31, 2022  
(WITH COMPARATIVE TOTALS AS OF DECEMBER 31, 2021)**

	Highway Department	Copy Machine	Total	
			2022	2021
<b>ASSETS</b>				
Current Assets:				
Treasurer's Cash and Investments	\$ 2,498,305	\$ 29,795	\$ 2,528,100	\$ 4,211,916
Accounts Receivable	210,352	-	210,352	13,887
Due from Other Governments	1,064,794	-	1,064,794	944,777
Due from Other Funds	891,243	-	891,243	88,912
Prepaid Items and Other Assets	2,078,981	-	2,078,981	1,622,401
Total Current Assets	<u>6,743,675</u>	<u>29,795</u>	<u>6,773,470</u>	<u>6,881,893</u>
Restricted Assets:				
Wisconsin Retirement System Net Pension Asset	950,054	-	950,054	746,003
Noncurrent Assets:				
Capital Assets:				
Not Being Depreciated/Depleted	489,782	-	489,782	489,782
Being Depreciated/Depleted	21,220,690	26,919	21,247,609	20,871,826
Accumulated Depreciation	(12,983,825)	(25,189)	(13,009,014)	(12,291,704)
Total Capital Assets	<u>8,726,647</u>	<u>1,730</u>	<u>8,728,377</u>	<u>9,069,904</u>
Total Assets	16,420,376	31,525	16,451,901	16,697,800
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Wisconsin Retirement System Pension Related	1,855,699	-	1,855,699	1,243,229
Single Employer Other Postemployment Benefits Related	16,704	-	16,704	8,097
Multi-Employer Other Postemployment Benefits Related	77,399	-	77,399	84,336
Total Deferred Outflows of Resources	<u>1,949,802</u>	<u>-</u>	<u>1,949,802</u>	<u>1,335,662</u>



**WASHBURN COUNTY, WISCONSIN  
INTERNAL SERVICE FUND  
COMBINING STATEMENT OF NET POSITION (CONTINUED)  
DECEMBER 31, 2022  
(WITH COMPARATIVE TOTALS AS OF DECEMBER 31, 2021)**

	Highway Department	Copy Machine	Total	
			2022	2021
<b>LIABILITIES</b>				
Current Liabilities:				
Accounts Payable	\$ 286,943	\$ -	\$ 286,943	\$ 224,120
Accrued Liabilities	205,732	-	205,732	180,265
Accrued Interest Payable	9,922	-	9,922	9,922
Due to Other Funds	-	-	-	378,690
Unearned Revenues	-	-	-	118,300
Accrued Vacation and Sick Leave - Current	114,597	-	114,597	134,262
Financed Purchase Obligation - Current	197,026	-	197,026	238,531
Total Current Liabilities	<u>814,220</u>	<u>-</u>	<u>814,220</u>	<u>1,284,090</u>
Long-Term Liabilities:				
Advance from Capital Projects Fund	895,933	-	895,933	989,445
Single Employer Other Postemployment Benefits Payable	172,575	-	172,575	157,767
Multi-Employer Other Postemployment Benefits Payable	208,392	-	208,392	185,854
Accrued Vacation and Sick Leave	219,263	-	219,263	251,098
Financed Purchase Obligation	865,338	-	865,338	1,062,364
Total Long-Term Liabilities	<u>2,361,501</u>	<u>-</u>	<u>2,361,501</u>	<u>2,646,528</u>
Total Liabilities	3,175,721	-	3,175,721	3,930,618
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Wisconsin Retirement System Pension Related	2,236,462	-	2,236,462	1,633,242
Single Employer Other Postemployment Benefits Related	38,449	-	38,449	48,069
Multi-Employer Other Postemployment Benefits Related	22,447	-	22,447	23,792
Total Deferred Inflows of Resources	<u>2,297,358</u>	<u>-</u>	<u>2,297,358</u>	<u>1,705,103</u>
<b>NET POSITION</b>				
Net Investment in Capital Assets	7,664,283	1,730	7,666,013	7,769,009
Restricted for Wisconsin Retirement Net Pension Asset	950,054	-	950,054	746,003
Unrestricted	4,282,762	29,795	4,312,557	3,882,729
Total Net Position	<u>\$ 12,897,099</u>	<u>\$ 31,525</u>	<u>\$ 12,928,624</u>	<u>\$ 12,397,741</u>

**WASHBURN COUNTY, WISCONSIN  
INTERNAL SERVICE FUND  
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION  
YEAR ENDED DECEMBER 31, 2022  
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2021)**

	Highway Department	Copy Machine	Total	
			2022	2021
<b>OPERATING REVENUES</b>	\$ 8,919,850	\$ 2,137	\$ 8,921,987	\$ 8,980,738
<b>OPERATING EXPENSES</b>	8,611,135	1,750	8,612,885	8,434,975
<b>OPERATING INCOME (LOSS)</b>	308,715	387	309,102	545,763
<b>NONOPERATING REVENUES (EXPENSES)</b>				
Interest Expense	(39,785)	-	(39,785)	(45,105)
<b>INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS</b>	268,930	387	269,317	500,658
<b>CAPITAL CONTRIBUTIONS AND TRANSFERS</b>				
Transfers from Forestry Fund	45,426	-	45,426	53,431
Transfers from Capital Improvements Program Fund	-	-	-	10,007
Transfers from General Fund	57,469	-	57,469	14,098
Transfers to Capital Improvements Program Fund	(13,000)	-	(13,000)	-
Contributions from State	171,671	-	171,671	-
Total Capital Contributions and Transfers	261,566	-	261,566	77,536
<b>CHANGE IN NET POSITION</b>	530,496	387	530,883	578,194
Net Position - January 1	12,366,603	31,138	12,397,741	11,819,547
<b>NET POSITION - DECEMBER 31</b>	<u>\$ 12,897,099</u>	<u>\$ 31,525</u>	<u>\$ 12,928,624</u>	<u>\$ 12,397,741</u>

**WASHBURN COUNTY, WISCONSIN**  
**INTERNAL SERVICE FUND**  
**COMBINING STATEMENT OF CASH FLOWS**  
**YEAR ENDED DECEMBER 31, 2022**  
**(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2021)**

	Highway	Copy	Total	
	Department	Machine	2022	2021
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Cash Received for Services Provided	\$ 7,682,737	\$ 2,137	\$ 7,684,874	\$ 8,932,883
Cash Paid to Suppliers for Goods and Services	(4,153,629)	(1,750)	(4,155,379)	(3,135,800)
Cash Paid for Employee Services	(4,410,555)	-	(4,410,555)	(4,362,982)
Net Cash Provided (Used) by Operating Activities	(881,447)	387	(881,060)	1,434,101
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>				
Transfer from Forestry Fund	102,895	-	102,895	67,529
Transfer from Capital Improvement Fund	-	-	-	10,007
Transfer to Capital Improvements Program Fund	(13,000)	-	(13,000)	-
Net Cash Provided (Used) by Noncapital Financing Activities	89,895	-	89,895	77,536
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>				
Cash Paid for Acquisition of Capital Assets	(539,620)	-	(539,620)	(435,790)
Cash Received for Sale of Capital Assets	18,797	-	18,797	54,521
Change in Cash Advance for Gravel Pits from County	(93,512)	-	(93,512)	(84,156)
Principal Paid on Financed Purchase Obligation	(238,531)	-	(238,531)	(231,871)
Interest Paid on Financed Purchase Obligation	(39,785)	-	(39,785)	(47,310)
Net Cash Used by Capital and Related Financing Activities	(892,651)	-	(892,651)	(744,606)
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	(1,684,203)	387	(1,683,816)	767,031
<b>CASH AND CASH EQUIVALENTS - JANUARY 1</b>	4,182,508	29,408	4,211,916	3,444,885
<b>CASH AND CASH EQUIVALENTS - DECEMBER 31</b>	<u>\$ 2,498,305</u>	<u>\$ 29,795</u>	<u>\$ 2,528,100</u>	<u>\$ 4,211,916</u>
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:</b>				
Operating Income (Loss)	\$ 308,715	\$ 387	\$ 309,102	\$ 545,763
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:				
Depreciation	1,019,914	-	1,019,914	1,017,560
Depletion of Gravel Pits	14,107	-	14,107	15,148
Change in Pension Related Items	(213,301)	-	(213,301)	(230,451)
Change in Single-Employer OPEB Related Items	(3,419)	-	(3,419)	21,269
Change in Multi-Employer OPEB Related Items	28,130	-	28,130	21,159
Loss on Disposal of Assets	-	-	-	24,356
(Increase) Decrease in Assets:				
Accounts Receivable	(196,465)	-	(196,465)	(11,959)
Due from Governmental Units	(120,017)	-	(120,017)	(146,904)
Prepaid Expenses	(456,580)	-	(456,580)	(289,850)
Due from Other Funds	(802,331)	-	(802,331)	43,974
Increase (Decrease) in Liabilities:				
Accounts Payable	62,823	-	62,823	(42,661)
Unearned Revenue	(118,300)	-	(118,300)	67,034
Due to Other Funds	(378,690)	-	(378,690)	378,690
Accrued Liabilities	(26,033)	-	(26,033)	20,973
Net Cash Provided (Used) by Operating Activities	<u>\$ (881,447)</u>	<u>\$ 387</u>	<u>\$ (881,060)</u>	<u>\$ 1,434,101</u>
<b>NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES:</b>				
Capital Contributions from the State	\$ 171,671	\$ -	\$ 171,671	\$ -

**WASHBURN COUNTY, WISCONSIN  
HIGHWAY DEPARTMENT INTERNAL SERVICE FUND  
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION  
YEAR ENDED DECEMBER 31, 2022  
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2021)**

	2022	2021
<b>OPERATING REVENUES</b>		
Charges for Services:		
County Highway [1]	\$ 4,313,649	\$ 4,850,881
State Highway	2,301,354	1,928,332
Other Local Highways	1,594,410	1,631,772
County Departments	369,157	242,084
Non-Governmental Customers	-	3,995
Other Services	280,343	212,578
Rental Income	2,890	1,800
Miscellaneous Revenue	58,047	106,964
Total Operating Revenues	8,919,850	8,978,406
<b>OPERATING EXPENSES</b>		
Administration and General:		
Administration	405,863	383,490
Patrol Superintendent	137,259	113,151
Radio Expense	3,901	604
Public Liability Insurance	26,825	26,586
Transportation Cost Pools:		
Machinery Operations	428,975	391,934
Services Provided:		
County:		
General Maintenance	951,885	1,362,002
Reconstruction and Betterments	1,293,620	1,830,642
Winter Maintenance	698,539	405,252
Bridge Maintenance	45,426	63,438
State:		
Highway Maintenance and Construction	2,499,664	1,795,511
Equipment and Salt Storage	159,045	131,885
County Aid Bridge Paid Districts	18,334	-
Local Districts	1,542,808	1,640,413
Local Departments	369,157	242,084
Non-Governmental Customers	5,123	3,400
Other Postemployment Benefits	24,711	42,428
Total Operating Expenses	8,611,135	8,432,820
<b>OPERATING INCOME (LOSS)</b>	308,715	545,586
<b>NONOPERATING REVENUES (EXPENSES)</b>		
Interest Expense	(39,785)	(45,105)
<b>INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS</b>	268,930	500,481
<b>CAPITAL CONTRIBUTIONS AND TRANSFERS</b>		
Transfers from Forestry Fund	45,426	53,431
Transfers from Capital Improvements Program Fund	-	10,007
Transfers from General Fund	57,469	14,098
Transfers to Capital Improvements Program Fund	(13,000)	-
Contributions from State	171,671	-
Total Capital Contributions and Transfers	261,566	77,536
<b>CHANGE IN NET POSITION</b>	530,496	578,017
Net Position - January 1	12,366,603	11,788,586
<b>NET POSITION - DECEMBER 31</b>	\$ 12,897,099	\$ 12,366,603
[1] Charges to County for Highway Maintenance and Construction Consisted of the Following Payments from the General Fund:		
County Appropriations	\$ 1,602,899	\$ 1,536,968
State Transportation Aids	1,380,920	1,389,627
Federal and State Project Revenues	36,193	91,310
Total General Fund	3,020,012	3,017,905
Charges to Capital Projects Fund and Other Funds	1,293,637	1,832,976
Total County Highway Charges for Services	\$ 4,313,649	\$ 4,850,881

**WASHBURN COUNTY, WISCONSIN  
CUSTODIAL FUNDS  
COMBINING STATEMENT OF NET POSITION  
DECEMBER 31, 2022**

	<u>Juvenile Restitution</u>	<u>Representative Payee</u>	<u>Clerk of Courts</u>	<u>Sheriff</u>	<u>District Attorney</u>	<u>Total</u>
<b>ASSETS</b>						
Treasurer's Cash and Investments	\$ 28	\$ 929	\$ 259,636	\$ 15,259	\$ 1,521	\$ 277,373
<b>LIABILITIES</b>						
Vouchers Payable	-	929	28,883	-	-	29,812
<b>NET POSITION</b>						
Restricted	<u>\$ 28</u>	<u>\$ -</u>	<u>\$ 230,753</u>	<u>\$ 15,259</u>	<u>\$ 1,521</u>	<u>\$ 247,561</u>

**WASHBURN COUNTY, WISCONSIN  
CUSTODIAL FUNDS  
COMBINING STATEMENT OF CHANGES IN NET POSITION  
YEAR ENDED DECEMBER 31, 2022**

	Juvenile Restitution	Representative Payee	Clerk of Courts	Sheriff	District Attorney	Total
<b>ADDITIONS:</b>						
Payments from Individuals	\$ 336	\$ -	\$ -	\$ -	\$ -	\$ 336
Licenses and Fees Collected	-	30,306	925,233	137,800	14,847	1,108,186
Total Additions	<u>336</u>	<u>30,306</u>	<u>925,233</u>	<u>137,800</u>	<u>14,847</u>	<u>1,108,522</u>
<b>DEDUCTIONS:</b>						
Distributions to Individuals	336	-	-	137,628	14,557	152,521
Payments to Licenses and Fees to Other Taxing Agencies	-	30,306	921,747	-	-	952,053
Total Deductions	<u>336</u>	<u>30,306</u>	<u>921,747</u>	<u>137,628</u>	<u>14,557</u>	<u>1,104,574</u>
Change in Net Position	-	-	3,486	172	290	3,948
Net Position - Beginning of Year	<u>28</u>	<u>-</u>	<u>227,267</u>	<u>15,087</u>	<u>1,231</u>	<u>243,613</u>
Net Position - End of Year	<u>\$ 28</u>	<u>\$ -</u>	<u>\$ 230,753</u>	<u>\$ 15,259</u>	<u>\$ 1,521</u>	<u>\$ 247,561</u>



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