



IOWA COUNTY, WISCONSIN

FINANCIAL STATEMENTS

Including Independent Auditor's Report

As of and for the year ended December 31, 2023

Johnson Block & Company, Inc.
Certified Public Accountants
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IOWA COUNTY, WISCONSIN
DECEMBER 31, 2023
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INDEPENDENT AUDITOR'S REPORT

To the County Board
County of Iowa, Wisconsin

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund and the aggregate remaining fund information of Iowa County, Wisconsin ("County"), as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the County, as of December 31, 2023, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison information, the Wisconsin Retirement System schedules, the Local Retiree Life Insurance Fund Schedules, and the schedule of changes in the County's total OPEB liability and related ratios schedules be presented to supplement the basic financial statements. Such information, is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

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

Supplementary Information

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

The combining nonmajor fund financial statements are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining nonmajor fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.



Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we will also issue a report on our consideration of Iowa County, Wisconsin's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report solely is to describe the scope of the testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on effectiveness of the County's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

Johnson Block & Company, Inc.

Johnson Block & Company, Inc.
December 10, 2024

BASIC FINANCIAL STATEMENTS

Exhibit A-1
Iowa County, Wisconsin
Statement of Net Position
December 31, 2023

	Governmental Activities	Business-Type Activities	Total	Component Unit
ASSETS				
Current assets:				
Cash and cash equivalents	\$ 29,324,701	\$ 4,895,743	\$ 34,220,444	\$ 126,460
Receivables:				
Taxes receivable	11,490,081	6,294,210	17,784,291	
Accounts receivable	276,125	33,110	309,235	
Current portion of guaranteed payments	42,000		42,000	
Due from other governmental units	1,217,437	705,407	1,922,844	
Economic development loans	38,573		38,573	
Other accounts receivable				
Current portion of leases	71,730		71,730	
Interfund transactions				
Materials and supplies	49,047	1,317,828	1,366,875	
Prepaid expenses	282,499	14,897	297,396	
Total current assets	<u>42,792,193</u>	<u>13,261,195</u>	<u>56,053,388</u>	<u>126,460</u>
Noncurrent assets:				
Restricted cash and investments	8,000		8,000	164,600
Lease receivable	817,881		817,881	
Long-term note receivable	1,400,000		1,400,000	
Guaranteed payments	718,085		718,085	
Capital assets:				
Property and equipment	182,549,211	19,516,890	202,066,101	2,084,005
Less: accumulated depreciation	(90,381,812)	(10,396,079)	(100,777,891)	(1,090,948)
Net book value of capital assets	<u>92,167,399</u>	<u>9,120,811</u>	<u>101,288,210</u>	<u>993,057</u>
Total noncurrent assets	<u>95,111,365</u>	<u>9,120,811</u>	<u>104,232,176</u>	<u>1,157,657</u>
Total assets	<u>137,903,558</u>	<u>22,382,006</u>	<u>160,285,564</u>	<u>1,284,117</u>
DEFERRED OUTFLOWS OF RESOURCES				
Pension outflows	11,246,488	2,724,305	13,970,793	
OPEB - group life insurance plan outflows	169,605	121,812	291,417	
OPEB - County health insurance plan outflows	415,341	131,160	546,501	
Total deferred outflows of resources	<u>11,831,434</u>	<u>2,977,277</u>	<u>14,808,711</u>	
Total assets and deferred outflows of resources	<u>\$ 149,734,992</u>	<u>\$ 25,359,283</u>	<u>\$ 175,094,275</u>	<u>\$ 1,284,117</u>

Exhibit A-1 (Continued)
Iowa County, Wisconsin
Statement of Net Position
December 31, 2023

	Governmental Activities	Business-Type Activities	Total	Component Unit
LIABILITIES				
Current liabilities:				
Accounts payable	\$ 551,417	\$ 598,863	\$ 1,150,280	\$ 9,756
Accrued payroll	355,511	110,304	465,815	
Accrued interest payable	74,119	53,673	127,792	
Due to other governments	343,893	48,352	392,245	1,072
Deposits	1,754		1,754	
Payroll liabilities				3,316
Unearned revenue	4,478,720	610,114	5,088,834	14,043
Current portion of compensated absences	530,140	197,062	727,202	
Current portion of long-term debt	2,385,705	3,529,569	5,915,274	
Total current liabilities	<u>8,721,259</u>	<u>5,147,937</u>	<u>13,869,196</u>	<u>28,187</u>
Noncurrent liabilities:				
Compensated absences	993,174	280,722	1,273,896	
Net pension liability	3,011,916	729,594	3,741,510	
OPEB - group life insurance plan liability	402,205	288,868	691,073	
OPEB - County health insurance plan liability	642,578	202,919	845,497	
General obligation debt and notes payable	26,435,933		26,435,933	
Premium on general obligation debt	443,235		443,235	
Note payable		5,364,764	5,364,764	
Less: current portion	(2,915,845)	(3,726,631)	(6,642,476)	
Total noncurrent liabilities	<u>29,013,196</u>	<u>3,140,236</u>	<u>32,153,432</u>	
Total liabilities	<u>37,734,455</u>	<u>8,288,173</u>	<u>46,022,628</u>	<u>28,187</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred revenue	10,901,553	6,294,210	17,195,763	
Leases	864,628		864,628	
Pension inflows	6,305,757	1,527,481	7,833,238	
OPEB - group life insurance plan inflows	343,357	246,604	589,961	
OPEB - County health insurance plan inflows	79,108	24,982	104,090	
Total deferred inflows of resources	<u>18,494,403</u>	<u>8,093,277</u>	<u>26,587,680</u>	
NET POSITION				
Net investment in capital assets	65,288,231	3,756,047	69,044,278	993,057
Real estate reduction	3,335,510		3,335,510	
Social services	1,145,888		1,145,888	
Aging Disability Resource Center	446,543		446,543	
Child support	89,788		89,788	
Iowa County Airport	188,438		188,438	
Donor restricted	35,692		35,692	
Drug Task Force	227,830		227,830	
Dog Licenses	1,000		1,000	
Solar Farm Utility Fund	350,000		350,000	
Opioid Settlement	125,980		125,980	
Grant restricted	256,436		256,436	
Restricted by statute	327,221		327,221	
Unrestricted	<u>21,687,577</u>	<u>5,221,786</u>	<u>26,909,363</u>	<u>262,873</u>
Total net position	<u>93,506,134</u>	<u>8,977,833</u>	<u>102,483,967</u>	<u>1,255,930</u>
Total liabilities, deferred inflows of resources, and net position	<u>\$ 149,734,992</u>	<u>\$ 25,359,283</u>	<u>\$ 175,094,275</u>	<u>\$ 1,284,117</u>

Exhibit A-2
Iowa County, Wisconsin
Statement of Activities
For the Year Ended December 31, 2023

Functions/Programs	Expenses	Program Revenues			Net (Expenses) Revenue and Changes in Net Position			Component Unit Cobb-Highland Recreation Commission
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business Type Activities	Total	
Governmental activities:								
General government	\$ 3,992,908	\$ 784,248	\$ 141,993	\$	\$ (3,066,667)	\$	\$ (3,066,667)	
Public safety	8,365,245	873,008	304,642	48,131	(7,139,464)		(7,139,464)	
Transportation facilities	546,803	183,460			(363,343)		(363,343)	
Public works	1,887,318				(1,887,318)		(1,887,318)	
Health and human services	5,766,940	132,329	3,255,211	501	(2,378,899)		(2,378,899)	
Leisure activities	76,006		54,460		(21,546)		(21,546)	
Conservation of natural resources	891,699	313,971	205,056		(372,672)		(372,672)	
Education	588,447	458	16,455		(571,534)		(571,534)	
Community and economic development	1,501,734	303,503	488,905		(709,326)		(709,326)	
Interest and fiscal charges	540,982				(540,982)		(540,982)	
Insurance payments/claims	320,652	307,692			(12,960)		(12,960)	
Total governmental activities	24,478,734	2,898,669	4,466,722	48,632	(17,064,711)		(17,064,711)	
Business-type activities:								
Bloomfield Health Care and Rehabilitation Center	675,300	2,376				(672,924)	(672,924)	
Highway	12,505,591	3,955,370	1,611,160			(6,939,061)	(6,939,061)	
Total business-type activities	13,180,891	3,957,746	1,611,160			(7,611,985)	(7,611,985)	
Total primary government	\$ 37,659,625	\$ 6,856,415	\$ 6,077,882	\$ 48,632	(17,064,711)	(7,611,985)	(24,676,696)	
Component Unit:								
Cobb-Highland Recreation Commission	\$ 633,635	\$ 655,443	\$	\$				21,808
Total component unit	\$ 633,635	\$ 655,443	\$	\$				21,808
General revenues:								
Property taxes					12,892,561	3,920,752	16,813,313	
Sales taxes					2,699,482		2,699,482	
Other taxes					229,557	432,441	661,998	
State aid not restricted for specific purposes					1,152,757		1,152,757	
Interest and investment earnings					1,605,684	4,754	1,610,438	1,599
Gain (loss) on sale of capital assets					72,165	1,687	73,852	13,731
Other revenue					302,974		302,974	7,115
Transfers					(1,821,585)	1,821,585		
Capitalized infrastructure costs					2,497,553		2,497,553	
Total general revenues					19,631,148	6,181,219	25,812,367	22,445
Changes in net position					2,566,437	(1,430,766)	1,135,671	44,253
Net position - beginning of year					90,939,697	10,408,599	101,348,296	1,211,677
Net position - end of year					\$ 93,506,134	\$ 8,977,833	\$ 102,483,967	\$ 1,255,930

Exhibit A-3
Iowa County, Wisconsin
Balance Sheet
Governmental Funds
December 31, 2023

	General	Social Services	Real Estate Tax Reduction	Capital Projects	ARPA	Broadband	Other Governmental Funds	Total Governmental Funds
ASSETS								
Cash and cash equivalents	\$ 16,147,239	\$ 1,119,966	\$ 2,901,956	\$ 3,488,458	\$ 4,133,262	\$ 73,715	\$ 1,301,341	\$ 29,165,937
Cash and cash equivalents - restricted				8,000				8,000
Receivables (net of allowances)								
Current property taxes	5,540,179	1,536,822		2,974,788			849,764	10,901,553
Accounts	41,031	167,677				42,582	24,835	276,125
Due from other governmental units	613,117		433,554				170,766	1,217,437
Delinquent property taxes	588,528							588,528
Economic development loans							38,573	38,573
Note						1,400,000		1,400,000
Guaranteed payments						760,085		760,085
Leases	846,127						43,483	889,610
Prepaid items	188,443							188,443
Inventories							49,047	49,047
Advance due from other funds	1,526,866							1,526,866
Total assets	\$ 25,491,530	\$ 2,824,465	\$ 3,335,510	\$ 6,471,246	\$ 4,133,262	\$ 2,276,382	\$ 2,477,809	\$ 47,010,204
LIABILITIES								
Accounts payable	\$ 270,304	\$ 42,459	\$	\$ 11,977	\$	200,000	\$ 26,677	\$ 551,417
Accrued payroll	271,157	61,460					22,894	355,511
Due to other governments	294,776	37,836					11,281	343,893
Advances due to other funds						1,500,000	26,866	1,526,866
Deposits	1,754							1,754
Unearned revenue	339,496				4,133,262		5,962	4,478,720
Total liabilities	1,177,487	141,755		11,977	4,133,262	1,700,000	93,680	7,258,161
DEFERRED INFLOWS OF RESOURCES								
Deferred property tax revenue-current	5,540,179	1,536,822		2,974,788			849,764	10,901,553
Deferred property tax revenue-delinquent	144,124							144,124
Deferred revenue-other						2,160,085	38,573	2,198,658
Leases	820,596						44,032	864,628
Total deferred inflows of resources	6,504,899	1,536,822		2,974,788		2,160,085	932,369	14,108,963
FUND BALANCES								
Nonspendable	2,159,713						49,047	2,208,760
Restricted	448,064	1,145,888	3,335,510	179,285			1,429,579	6,538,326
Assigned				3,305,196				3,305,196
Unassigned	15,201,367					(1,583,703)	(26,866)	13,590,798
Total fund balances	17,809,144	1,145,888	3,335,510	3,484,481		(1,583,703)	1,451,760	25,643,080
Total liabilities, deferred inflows of resources, and net position	\$ 25,491,530	\$ 2,824,465	\$ 3,335,510	\$ 6,471,246	\$ 4,133,262	\$ 2,276,382	\$ 2,477,809	\$ 47,010,204

Exhibit A-4
Iowa County, Wisconsin
Reconciliation of the Governmental Funds Balance Sheet
with the Statement of Net Position
December 31, 2023

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

Total fund balances - governmental funds:		\$ 25,643,080
Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in governmental funds:		
Infrastructure & Right of way assets	129,054,514	
Accumulated depreciation	(75,573,612)	53,480,902
Other governmental capital assets	53,494,698	
Accumulated depreciation	<u>(14,808,200)</u>	38,686,498
Pension and OPEB deferred outflows of resources and deferred inflows of resources are actuarially determined by the plans. These items are reflected in the statement of net position and are being amortized with pension and OPEB expense in the statement of activities. The deferred outflows of resources and deferred inflows of resources are not financial resources or uses and therefore are not reported in the fund statements:		
Deferred outflows of resources		11,831,434
Deferred inflows of resources		(6,728,222)
Other long-term assets are not available to pay for current period expenditures and therefore are deferred inflows in the fund statements:		
Delinquent property taxes	144,124	
Long term development loans	<u>2,198,658</u>	2,342,782
Internal service funds are used by the County to charge the costs of Workers Compensation deductibles to individual funds. The assets and liabilities of the internal service fund are included in the governmental activities in the statement of net assets:		
		252,820
Long term liabilities, including bonds and notes payable, are not due in the current period and therefore are not reported in the fund statements:		
General obligation bonds and notes	26,435,933	
Bond premium	443,235	
Accrued interest	74,119	
OPEB - group life insurance plan liability	402,205	
OPEB - County health insurance plan liability	642,578	
Net pension liability	3,011,916	
Compensated absences	<u>993,174</u>	(32,003,160)
Total net position - governmental activities		<u><u>\$ 93,506,134</u></u>

Exhibit A-5
Iowa County, Wisconsin
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2023

	General	Social Services	Real Estate Tax Reduction	Capital Projects	ARPA	Broadband	Other Governmental Funds	Total Governmental Funds
REVENUES								
Taxes								
Property	\$ 6,160,648	\$ 1,482,485	\$	\$ 4,462,153	\$	\$	\$ 754,612	\$ 12,859,898
Sales			2,699,442					2,699,442
Other	229,557							229,557
Intergovernmental	2,064,000	1,435,555		4,500	\$ 434,129		1,456,692	5,394,876
Charges for services	1,749,916	89,016					203,271	2,042,203
Fines and forfeitures	214,350						6,071	220,421
Investment earnings	1,542,216	1,614				42,582	20,886	1,607,298
Revolving loan repayments							4,115	4,115
Miscellaneous	450,745	76,279				50,867	483,085	1,060,976
Total revenues	12,411,432	3,084,949	2,699,442	4,466,653	434,129	93,449	2,928,732	26,118,786
EXPENDITURES								
Current:								
General government	3,494,410							3,494,410
Public safety	6,327,883						70,550	6,398,433
Transportation facilities							257,151	257,151
Health and human services	1,449,340	2,466,587					2,004,193	5,920,120
Leisure activities	76,006							76,006
Conservation of natural resources	883,330							883,330
Education	584,101							584,101
Community and Economic development	392,850					453,000	30,000	875,850
Capital outlay				987,559	434,129		53,519	1,475,207
Debt service:								
Principal				2,239,474				2,239,474
Interest				572,125				572,125
Total expenditures	13,207,920	2,466,587		3,799,158	434,129	453,000	2,415,413	22,776,207
Excess (deficiency) of revenues over expenditures	(796,488)	618,362	2,699,442	667,495		(359,551)	513,319	3,342,579
OTHER FINANCING SOURCES (USES)								
Gain on sale of capital assets	175			54,878				55,053
Long-term debt proceeds							789,469	789,469
Transfers in	3,242,000	19,922		673,332		200,000	11,277	4,146,531
Transfers (out)	(585,335)	(495,000)	(2,500,000)	(1,140,000)			(1,247,780)	(5,968,115)
Total other financing sources (uses)	2,656,840	(475,078)	(2,500,000)	(411,790)		200,000	(447,034)	(977,062)
Net change in fund balances	1,860,352	143,284	199,442	255,705		(159,551)	66,285	2,365,517
Fund balance - beginning of year	15,948,792	1,002,604	3,136,068	3,228,776		(1,424,152)	1,385,475	23,277,563
Fund balance - end of year	\$ 17,809,144	\$ 1,145,888	\$ 3,335,510	\$ 3,484,481	\$	\$ (1,583,703)	\$ 1,451,760	\$ 25,643,080

Exhibit A-6
Iowa County, Wisconsin
Reconciliation of Statement of Revenues, Expenditures and Changes
in Fund Balance of Governmental Funds to the Statement of Activities
For the Year Ended December 31, 2023

Net change in fund balances-total governmental funds		\$ 2,365,517
Amounts reported for governmental activities in the statement of activities are different because:		
The acquisition of capital assets are reported in the governmental funds as expenditures. However, for governmental activities those costs are shown in the statement of net position and allocated over their estimated useful lives as annual depreciation expenses in the statement of activities.		
Capital outlay reported in governmental fund statements	958,127	
Capitalized infrastructure costs	2,497,553	
Depreciation expenses reported in the statement of activities	<u>(3,936,806)</u>	
Amount by which capital outlays are greater (less) than depreciation in the current period.		(481,126)
The County sold property resulting in a reduction of capital assets and recapture of prior year depreciation expense and has no affect on the governmental funds balance sheet.		
The value of capital assets disposed of during the year was:	(219,064)	
The amount of depreciation recapture for the year was:	<u>165,051</u>	
The difference in the value of assets net of recaptured depreciation		(54,013)
Repayment of principal on long-term debt is reported in the governmental funds as an expenditure, but is reported as a reduction in long-term debt in the statement of net position and does not affect the statement of activities.		
The amount of long-term debt principal payments in the current year are:		2,239,474
The issuance of long-term debt (e.g. bonds, notes) provides current financial resources to governmental funds but does not affect the statement of activities.		
		(789,469)
Debt premiums are reported in the governmental funds as revenue when those amounts are received. However, the premium shown in the statement of net position and allocated over the life of the debt as amortization expense in the statement of activities.		
Amount of debt premium received in the current year:		26,999
Compensated absences and OPEBs are reported in the governmental funds when amounts are paid. The statement of activities reports the amount earned during the year.		
Change in compensated absences		155,337
Change in OPEB - group life insurance plan liability and related deferred outflows and inflows of resources		(12,525)
Change in OPEB - County health insurance plan liability and related deferred outflows and inflows of resources		5,494
Repayment of economic development loans is reflected as revenues in governmental funds, but is reported as a reduction of economic development loans receivable in the statement of net position and does not affect the statement of activities		
		(54,981)
In governmental funds, interest payments on outstanding debt are reported as an expenditure when paid. In the statement of activities, interest is reported as incurred.		
The amount of interest paid during the current period	518,101	
The amount of interest accrued during the current period	<u>(513,957)</u>	
Interest paid is greater (less) than interest accrued by		4,144
Internal service fund gain (loss)		(12,961)
Revenues that provided current financial resources in the statement of activities in prior years but are reported as revenues in the governmental funds when available		
Change in Deferred Property Tax - Delinquent		32,663
Pension expense reported in the governmental funds represents current year required contributions into the defined benefit pension plan.		
Pension expense in the statement of activities is actuarially determined by the defined benefit pension plan as the difference between the net pension liability from the prior year to the current year, with some adjustments.		
Difference between the required contributions into the defined benefit plan and the actuarially determined change in net pension liability between years, with adjustments.		<u>(858,116)</u>
Change in net position-governmental activities		<u>\$ 2,566,437</u>

Exhibit A-7
Iowa County, Wisconsin
Statement of Net Position
Proprietary Funds
December 31, 2023

	<u>Enterprise Fund</u>		<u>Governmental</u>
	Highway	Total	Activities- Internal Service Fund
ASSETS			
Current assets:			
Cash	\$ 4,895,743	\$ 4,895,743	\$ 158,764
Receivables (net of allowance)			
Taxes-current	6,294,210	6,294,210	
Accounts	33,110	33,110	
Due from other governments	705,407	705,407	
Other accounts receivable			
Prepaid expenses	14,897	14,897	94,056
Materials and supplies	1,317,828	1,317,828	
Total current assets	<u>13,261,195</u>	<u>13,261,195</u>	<u>252,820</u>
Noncurrent assets:			
Capital assets:			
Property and equipment	19,516,890	19,516,890	
Less: accumulated depreciation	<u>(10,396,079)</u>	<u>(10,396,079)</u>	
Net book value of capital assets	<u>9,120,811</u>	<u>9,120,811</u>	
 Total assets	 <u>22,382,006</u>	 <u>22,382,006</u>	 <u>252,820</u>
DEFERRED OUTFLOWS OF RESOURCES			
Pension outflows	2,724,305	2,724,305	
OPEB - group life insurance plan outflows	121,812	121,812	
OPEB - County health insurance plan outflows	<u>131,160</u>	<u>131,160</u>	
 Total deferred outflows of resources	 <u>2,977,277</u>	 <u>2,977,277</u>	
 Total assets and deferred outflows of resources	 <u>\$ 25,359,283</u>	 <u>\$ 25,359,283</u>	 <u>\$ 252,820</u>

Exhibit A-7 (Continued)
Iowa County, Wisconsin
Statement of Net Position
Proprietary Funds
December 31, 2023

	Enterprise Fund Highway	Total	Governmental Activities- Internal Service Fund
LIABILITIES			
Current liabilities:			
Accounts payable	\$ 598,863	\$ 598,863	\$
Due to other governments	48,352	48,352	
Accrued payroll	110,304	110,304	
Unearned revenue	610,114	610,114	
Accrued interest payable	53,673	53,673	
Due to Other Funds			
Current portion of compensated absences	197,062	197,062	
Current portion of long-term debt	3,529,569	3,529,569	
Total current liabilities	<u>5,147,937</u>	<u>5,147,937</u>	
Noncurrent liabilities:			
Compensated absences	280,722	280,722	
Net pension liability	729,594	729,594	
OPEB - group life insurance plan liability	288,868	288,868	
OPEB - County health insurance plan liability	202,919	202,919	
Notes payable	5,364,764	5,364,764	
Less: current portion of compensated absences	(197,062)	(197,062)	
Less: current portion of long-term debt	(3,529,569)	(3,529,569)	
Total noncurrent liabilities	<u>3,140,236</u>	<u>3,140,236</u>	
Total liabilities	<u>8,288,173</u>	<u>8,288,173</u>	
DEFERRED INFLOWS OF RESOURCES			
Deferred revenue	6,294,210	6,294,210	
Pension inflows	1,527,481	1,527,481	
OPEB - group life insurance plan inflows	246,604	246,604	
OPEB - County life insurance plan inflows	24,982	24,982	
Total deferred inflows of resources	<u>8,093,277</u>	<u>8,093,277</u>	
NET POSITION			
Net investment in capital assets	3,756,047	3,756,047	
Restricted - Net Pension Asset			
Restricted - Manor Residents			
Unrestricted	5,221,786	5,221,786	252,820
Total net position	<u>8,977,833</u>	<u>8,977,833</u>	<u>252,820</u>
Total liabilities, deferred inflows of resources, and net position	<u>\$ 25,359,283</u>	<u>\$ 25,359,283</u>	<u>\$ 252,820</u>

Exhibit A-8
Iowa County, Wisconsin
Statement of Revenues, Expenses and Changes in Net Position
Proprietary Funds
For the Year Ended December 31, 2023

	Enterprise Funds			Governmental Activities- Internal Service Fund
	Bloomfield Health Care and Rehabilitation Center	Highway	Total	
OPERATING REVENUES				
Charges for services	\$	\$ 3,869,973	\$ 3,869,973	\$ 231,091
Other	2,376	85,397	87,773	76,600
Total operating revenues	2,376	3,955,370	3,957,746	307,691
OPERATING EXPENSES				
Health care	675,300		675,300	
Highway		11,362,802	11,362,802	
Insurance payments and claims				320,652
Depreciation		1,042,842	1,042,842	
Total operating expenses	675,300	12,405,644	13,080,944	320,652
Operating (loss)	(672,924)	(8,450,274)	(9,123,198)	(12,961)
NONOPERATING REVENUES (EXPENSES)				
Property tax revenue		3,920,752	3,920,752	
Other tax revenue		432,441	432,441	
Intergovernmental grants		1,611,160	1,611,160	
Interest expense		(99,947)	(99,947)	
Investment earnings	4,754		4,754	
Gain (loss) on sale of fixed assets	1,687		1,687	
Total nonoperating revenues (expenses)	6,441	5,864,406	5,870,847	
Income (loss) before contributions and transfers	(666,483)	(2,585,868)	(3,252,351)	(12,961)
Contributions				
Transfers in	89,832	1,731,753	1,821,585	
Changes in net position	(576,651)	(854,115)	(1,430,766)	(12,961)
Net position - beginning of year	576,651	9,831,948	10,408,599	265,781
Net position - end of year	\$	\$ 8,977,833	\$ 8,977,833	\$ 252,820

Exhibit A-9
Iowa County, Wisconsin
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2023

	Enterprise Funds			Governmental Activities- Internal Service Fund
	Bloomfield Health Care and Rehabilitation Center	Highway	Totals	
CASH FLOWS FROM (USED BY) OPERATING ACTIVITIES				
Receipts from customers	\$ 71,415	\$ 4,173,026	\$ 4,244,441	\$
Receipts from departments				307,691
Payments to employees	(1,980)	(1,390,091)	(1,392,071)	
Payment for employee benefits		(662,804)	(662,804)	
Payments to suppliers and contractors	(934,359)	(8,275,713)	(9,210,072)	
Cash payments for other operating expenses				(326,480)
Net cash (used by) operating activities	<u>(864,924)</u>	<u>(6,155,582)</u>	<u>(7,020,506)</u>	<u>(18,789)</u>
CASH FLOWS FROM (USED BY) NON-CAPITAL FINANCING ACTIVITIES				
Property tax and other tax revenue		4,353,193	4,353,193	
Transfers from other funds	89,832	1,731,753	1,821,585	
Grants		1,611,160	1,611,160	
Net cash from non-capital financing activities	<u>89,832</u>	<u>7,696,106</u>	<u>7,785,938</u>	
CASH FLOWS FROM (USED BY) CAPITAL AND RELATED FINANCING ACTIVITIES				
Purchases of capital assets		(1,728,765)	(1,728,765)	
Receipts from sale of fixed assets	193,687	50,284	243,971	
Proceeds from debt issued		3,469,031	3,469,031	
Debt payments - principal		(2,727,041)	(2,727,041)	
Debt payments - interest		(94,704)	(94,704)	
Net cash (used by) capital and related financing	<u>193,687</u>	<u>(1,031,195)</u>	<u>(837,508)</u>	
CASH FLOWS FROM (USED BY) INVESTING ACTIVITIES				
Receipt of interest	4,754		4,754	
Receipt of investments maturing	100,000		100,000	
Net cash from investing activities	<u>104,754</u>		<u>104,754</u>	
Net increase (decrease) in cash and cash equivalents	(476,651)	509,329	32,678	(18,789)
Cash and cash equivalents - beginning of year	476,651	4,386,414	4,863,065	177,553
Cash and cash equivalents - end of year	<u>\$</u>	<u>\$ 4,895,743</u>	<u>\$ 4,895,743</u>	<u>\$ 158,764</u>
Reconciliation of Cash and Cash Equivalents to Balance Sheet:				
Cash	\$	\$ 4,895,743	\$ 4,895,743	\$ 158,764
Total	<u>\$</u>	<u>\$ 4,895,743</u>	<u>\$ 4,895,743</u>	<u>\$ 158,764</u>

Exhibit A-9 (Continued)
Iowa County, Wisconsin
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2023

	Enterprise Funds			Governmental Activities- Internal Service Fund
	Bloomfield Health Care and Rehabilitation Center	Highway	Total	
Reconciliation of operating (loss) to net cash provided (used) by operating activities:				
Operating (loss)	\$ (672,924)	\$ (8,450,274)	\$ (9,123,198)	\$ (12,961)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation		1,042,842	1,042,842	
Pension expense		195,011	195,011	
OPEB expense - group life insurance		38,040	38,040	
OPEB expense - County health insurance		3,594	3,594	
Changes in assets and liabilities:				
Receivables	69,039	35,821	104,860	
Due from other governments		265,157	265,157	
Inventories		183,361	183,361	
Prepaid expenses		(11,715)	(11,715)	(5,828)
Accounts payable	(6,987)	424,936	417,949	
Accrued liabilities	(1,980)	(35,091)	(37,071)	
Due to other governments	(694)	2,176	1,482	
Due to other funds	(251,378)		(251,378)	
Unearned revenue		181,835	181,835	
Vested fringe benefits		(31,275)	(31,275)	
Net cash (used by) operating activities	\$ (864,924)	\$ (6,155,582)	\$ (7,020,506)	\$ (18,789)

Exhibit A-10
Iowa County, Wisconsin
Statement of Fiduciary Net Position
Fiduciary Funds
December 31, 2023

	Custodial Fund
ASSETS	
Cash:	
Burial trust	\$ 1,400
Sheriff	6,247
Clerk of courts	1,473,485
District attorney	4,422
Total cash	1,485,554
Receivables:	
Current property taxes	378,816
Total assets	\$ 1,864,370
LIABILITIES	
Due to other governments	\$ 378,816
Funds held for others	1,485,554
Total liabilities	1,864,370
NET POSITION	
Restricted	
Total liabilities and net position	\$ 1,864,370

Exhibit A-11
Iowa County, Wisconsin
Statement of Changes in Fiduciary Net Position
Fiduciary Funds
For the Year Ended December 31, 2023

	Custodial Fund
ADDITIONS	
Sheriff & District Attorney collections	\$ 36,059
Clerk of court fees	1,246,564
Property taxes collected for other gov.	4,561,690
Delinquent specials collected for other gov.	10,151
Total additions	5,854,464
DEDUCTIONS	
Huber account activity	26,066
D.A. restitution payments	9,993
Clerk of court payments	1,246,564
Property taxes paid to other gov.	4,561,690
Special charges paid to other gov.	10,151
Total deductions	5,854,464
Net increase (decrease) in fiduciary net position	
Net position - beginning of year	_____
Net position - end of year	\$ _____

NOTES TO THE BASIC FINANCIAL STATEMENTS

Iowa County, Wisconsin
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Iowa County, Wisconsin
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Iowa County, Wisconsin
Notes to the Financial Statements
December 31, 2023

NOTE 1

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

Significant accounting policies of Iowa County are summarized below:

A. Reporting Entity

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

Included in the Reporting Entity

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

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

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

Iowa County, Wisconsin
Notes to the Financial Statements
December 31, 2023

NOTE 1

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

A. Reporting Entity (Continued)

Excluded from the Reporting Entity

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

The board is composed of eleven members who are appointed by the County board chairmen of Grant and Iowa Counties. Six members are appointed by the Grant County board chairman and five members by the Iowa County board chairman. The Board is funded through state grant-in-aid, federal grants, fees for services rendered and County appropriations. County appropriations are based on population. The amount and percentage share of each County's appropriations for 2023 follows:

Grant County	70%
Iowa County	30%

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

B. Government-Wide and Fund Financial Statements

Government-Wide Financial Statements

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

The statement of activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers for services provided by a given function or segment and 2) grants and contributions that are restricted to meeting the requirements of a particular function. Taxes and other items not included in program revenues are reported as general revenues.

Fund Financial Statements

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

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

Iowa County, Wisconsin
Notes to the Financial Statements
December 31, 2023

NOTE 1

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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

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

The County reports the following major governmental funds:

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

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

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

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

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

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

The County reports the following major proprietary funds:

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

Iowa County, Wisconsin
Notes to the Financial Statements
December 31, 2023

NOTE 1

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

The County reports the following non-major governmental funds:

Nonmajor Governmental Funds

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

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

Debt Service Fund – accounts for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs.

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

Fiduciary Funds (Not Included in Government-Wide Statements)

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

The County also reports the following fiduciary funds:

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

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. Revenues are recognized when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenues when all eligibility requirements have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when both measurable and available.

Iowa County, Wisconsin
Notes to the Financial Statements
December 31, 2023

NOTE 1

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

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

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

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

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

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

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

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the County's enterprise funds are patient charges for the nursing home and charges to the state and local governments for roadwork by the highway department. Operating expenses for enterprise funds include the cost of services, administrative expenses, and depreciation. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

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

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

Iowa County, Wisconsin
Notes to the Financial Statements
December 31, 2023

NOTE 1

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

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

D. Receivables

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

Lien date and levy date	December, 2023
Tax bills mailed	December, 2023
Payment in full, or first installment due	January 31, 2024
Second installment due	July 31, 2024
Personal property taxes in full	January 31, 2024

Under Wisconsin Statutes the County treasurer is responsible for the collection of all delinquent property taxes except delinquent personal property taxes which may be retained for collection by the local municipal district as is the case in Iowa County. On December 31, 2023 delinquent property taxes totaling \$586,384 were due Iowa County. The above amounts include not only the delinquent taxes for levies by Iowa County, but also the delinquent taxes for levies by state and other local governmental units (cities, villages, towns, school districts, special districts) within the County. As provided in the Statutes, Iowa County has paid the state and local governmental units for their equities in delinquent property taxes. Delinquent property taxes are aged as follow at December 31, 2023:

Tax Certificates	
2022 Sale	\$ 312,622
2021 Sale	110,648
2020 Sale	72,708
2019 Sale	43,024
2018 Sale	17,848
2017 Sale	13,756
2016 Sale	5,095
2015 Sale	3,397
2014 Sale	1,859
2013 Sale	1,952
2012 Sale	1,910
2011 Sale	1,565
Total tax certificates	586,384
Tax deeds	2,144
Total delinquent taxes	588,528
County purchased - nonspendable fund balance	(425,929)
County levied	\$ 162,599

Iowa County, Wisconsin
Notes to the Financial Statements
December 31, 2023

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Receivables (Continued)

Deferred inflows of resources at December 31, 2023 include tax certificates and tax deeds not "available" at that date as follows:

County portion of tax certificates and deeds 12/31/23	\$ 162,599
Less: tax certificates/deeds collected January and February 2024	<u>(18,475)</u>
Deferred inflows of resources 12/31/23 - tax certificates and deeds	<u>\$ 144,124</u>

Lease Receivable

The County's lease receivables are measured at the present value of lease payments expected to be received during the lease term.

A deferred inflow of resources is recorded for the lease. The deferred inflow of resources is recorded at the initiation of the lease in an amount equal to the initial recording of the lease receivable. The deferred inflow of resources is amortized on a straight-line basis over the term of the lease.

Leases – in the governmental funds, when the year-end receivable balance exceeds the deferred inflow of resources, the difference is presented as nonspendable fund balance.

E. Compensated Absences

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

F. Unearned Revenue

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

G. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are generally defined by the County as assets with an initial, individual cost of \$5,000 or higher and a useful life of 3 years or more. Infrastructure assets have a cost of \$25,000 or higher for culverts and \$100,000 or higher for roads and bridges. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value.

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

Iowa County, Wisconsin
Notes to the Financial Statements
December 31, 2023

NOTE 1

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

G. Capital Assets (Continued)

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

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

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

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

H. Fund Equity

Government-wide financial statements

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

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

Iowa County, Wisconsin
Notes to the Financial Statements
December 31, 2023

NOTE 1

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

H. Fund Equity (Continued)

Fund financial statements

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

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

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

The County has established a minimum fund balance policy for the general unassigned fund balance of between 20.0 and 25.0 percent of total budgeted expenditures from the previous year. In the event that the balance drops below the established minimum level, the Board will develop a plan in the next fiscal year to replenish the fund balance to the established minimum level. As of December 31, 2023, the general unassigned fund balance was \$15,201,367, or 110% of expenditures.

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

Iowa County, Wisconsin
Notes to the Financial Statements
December 31, 2023

NOTE 1

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

I. Inventories

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

J. Cash and Cash Equivalents/Investments

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

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

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

K. Restricted Assets

Cash and Investments

Represents money for the operation and maintenance of the Blackhawk Lake Recreation Area. (Component Unit)

L. Pensions

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

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

Information about the fiduciary net position of the WRS and additions to/deductions from the WRS' fiduciary net position have been determined on the same basis as they are reported by the WRS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefits terms. Investments are reported at fair value.

Iowa County, Wisconsin
Notes to the Financial Statements
December 31, 2023

NOTE 1

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

M. Other Postemployment Benefits

OPEB Group life insurance plan

The fiduciary net position of the Local Retiree Life Insurance Fund (LRLIF) has been determined using the flow of economic resources measurement focus and the accrual basis of accounting. This includes for purposes of measuring the following:

- Net OPEB Liability,
- Deferred outflows of Resources and Deferred Inflows of Resources Related to Other Post Employment Benefits, and
- OPEB expense (Revenue)

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

County health insurance plan

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

N. Deferred Outflows and Inflows of Resources

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

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

The net position of the County is significantly impacted by the combined effect of deferred outflows and inflows of resources from the pension and OPEB plans.

O. Change in Accounting Principle

Effective January 1, 2023, the County adopted GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*. GASB 96 was issued to provide guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs). The County does not have any material SBITAs requiring disclosure in the financial statements.

Iowa County, Wisconsin
Notes to the Financial Statements
December 31, 2023

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

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

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

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

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

NOTE 3 CASH AND INVESTMENTS

At December 31, 2023, cash and investments included the following:

Petty cash/cash on hand	\$ 1,100
Wisconsin Local Government Investment Pool	10,702,777
Deposits with financial institutions	<u>25,010,121</u>
Total cash	<u><u>\$ 35,713,998</u></u>

Cash and investments as of December 31, 2023 are classified in the accompanying financial statements as follows:

Exhibit A-1:	
Cash and investments	\$ 34,220,444
Restricted cash and investments	8,000
Exhibit A-10:	
Cash and investments	<u>1,485,554</u>
Total cash and investments	<u><u>\$ 35,713,998</u></u>

Iowa County, Wisconsin
Notes to the Financial Statements
December 31, 2023

NOTE 3

CASH AND INVESTMENTS (CONTINUED)

Investments Authorized by Wisconsin State Statutes

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

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

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates.

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

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

Investment Type	Amount	Remaining Maturity (in months)		
		12 months or less	13 months to 24 months	25 months to 36 months
Certificate of deposit	\$ 272,278	\$ 270,627	\$	\$ 1,651
Local Government Investment Pool	10,702,777	10,702,777		
Total	<u>\$ 10,975,055</u>	<u>\$ 10,973,404</u>	<u>\$</u>	<u>\$</u>

Iowa County, Wisconsin
Notes to the Financial Statements
December 31, 2023

NOTE 3

CASH AND INVESTMENTS (CONTINUED)

Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. State law limits investments in commercial paper, corporate bonds and mutual bond funds to the top two ratings issued by nationally recognized statistical rating organizations. As of December 31, 2023, the County's investments were rated as follows:

	Amount	Rating
Wisconsin Local Government Investment Pool	\$ 10,702,777	Not Rated

Custodial Credit Risk

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

Federal Deposit Insurance Corporation (FDIC) Insurance

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

Collateralization of Public Unit Deposits

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

Bank accounts and the local government investment pool are also insured by the State Deposit Guarantee Fund in the amount of \$1,000,000. However, due to the relatively small size of the Guarantee Fund in relationship to the total deposits covered and other legal implications, recovery of material principal losses may be significant to individual organizations.

Iowa County, Wisconsin
Notes to the Financial Statements
December 31, 2023

NOTE 3

CASH AND INVESTMENTS (CONTINUED)

Custodial Credit Risk (Continued)

Collateralization of Public Unit Deposits (Continued)

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

As of December 31, 2023, \$866,648 was insured by FDIC insurance, \$14,411,918 was insured by collateral and \$20,627 of the County's deposits with financial institutions in excess of federal depository insurance limits were exposed to custodial credit risk as follows:

Uninsured and uncollateralized	<u>\$ 20,627</u>
--------------------------------	------------------

\$1,000,000 of the uninsured and uncollateralized deposits would be insured by the State of Wisconsin Guarantee Fund, provided funds are available at the time of any potential loss.

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

Wisconsin Local Government Investment Pool

The Wisconsin Local Government Investment Pool (LGIP) is part of the State Investment Fund (SIF), and is managed by the State of Wisconsin Investment Board. The SIF is not registered with the Securities and Exchange Commission, but operates under the statutory authority of Wisconsin Chapter 25. The SIF reports the fair value of its underlying assets annually.

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

Iowa County, Wisconsin
Notes to the Financial Statements
December 31, 2023

NOTE 3

CASH AND INVESTMENTS (CONTINUED)

Wisconsin Local Government Investment Pool (Continued)

Participants in the LGIP have the right to withdraw their funds in total on one day's notice. At December 31, 2023, the fair value of the County's share of the LGIP's assets was substantially equal to the amount reported above. Information on derivatives was not available to the County.

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

Investment allocation in the local government investment pool as of December 31, 2023 was: 94% in U.S. Government Securities, and 6% in commercial paper and corporate notes. The Wisconsin State Treasurer updates the investment allocations on a monthly basis.

Concentration of Credit Risk

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

NOTE 4

LONG-TERM OBLIGATIONS

Long-term obligations activity for the year ended December 31, 2023 was as follows:

	<u>Beginning Balance</u>		<u>Increases</u>		<u>Decreases</u>		<u>Ending Balance</u>		<u>Amounts Due within One Year</u>
<u>Governmental Activities</u>									
Notes from direct borrowings									
and direct placements	\$ 2,845,938	\$	789,469	\$	(1,089,474)	\$	2,545,933	\$	1,215,705
General obligation bond	25,040,000				(1,150,000)		23,890,000		1,170,000
Bond premium	470,234				(26,999)		443,235		
Other liabilities:									
Compensated absences	<u>1,148,511</u>				<u>(155,337)</u>		<u>993,174</u>		<u>530,140</u>
Total governmental activities									
long-term liabilities	<u>\$ 29,504,683</u>	<u>\$</u>	<u>789,469</u>	<u>\$</u>	<u>(2,421,810)</u>	<u>\$</u>	<u>27,872,342</u>	<u>\$</u>	<u>2,915,845</u>
<u>Business-Type Activities</u>									
Notes from direct borrowings									
and direct placements	\$ 4,622,774	\$	3,469,031	\$	(2,727,041)	\$	5,364,764	\$	3,529,569
Other liabilities:									
Compensated absences	<u>311,997</u>				<u>(31,275)</u>		<u>280,722</u>		<u>197,062</u>
Total business-type activities									
long-term liabilities	<u>\$ 4,934,771</u>	<u>\$</u>	<u>3,469,031</u>	<u>\$</u>	<u>(2,758,316)</u>	<u>\$</u>	<u>5,645,486</u>	<u>\$</u>	<u>3,726,631</u>

Iowa County, Wisconsin
Notes to the Financial Statements
December 31, 2023

NOTE 4

LONG-TERM OBLIGATIONS (CONTINUED)

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

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

In accordance with Wisconsin Statutes, total general obligation indebtedness of the County may not exceed five percent of the equalized value of taxable property within the County's jurisdiction. The debt limit as of December 31, 2023 was \$161,091,605. Total general obligation debt outstanding at year-end was \$31,800,967.

	Date of Issue	Final Maturity	Interest Rates	Original Amount	Balance 12/31/2023
<u>Governmental Activities</u>					
General obligation bonds	6/9/20	6/1/40	2.0-3.0%	\$ 27,000,000	\$ 23,890,000
Bank note	4/19/22	4/29/27	1.95%	2,174,530	1,756,464
Bank note	10/17/23	5/1/24	4.40%	789,469	789,469
Total government activities - general obligation debt					<u>\$ 26,435,933</u>
<u>Business-Type Activities</u>					
Bank note	4/16/22	4/29/27	1.95%	\$ 3,000,000	\$ 2,423,233
Bank note	11/1/23	5/1/24	4.40%	2,901,000	2,901,000
Bank note	10/17/23	5/1/24	4.40%	40,531	40,531
Total business-type activities - general obligation debt					<u>\$ 5,364,764</u>

Debt service requirements to maturity are as follows:

Year	Governmental Activities					
	General Obligation Bonds			Notes from Direct Borrowings and Direct Placements		
	Principal	Interest	Total	Principal	Interest	Total
2024	\$ 1,170,000	\$ 494,901	\$ 1,664,901	\$1,215,705	\$ 56,532	\$1,272,237
2025	1,195,000	471,251	1,666,251	434,758	26,300	461,058
2026	1,220,000	447,101	1,667,101	443,354	17,704	461,058
2027	1,245,000	422,451	1,667,451	452,116	8,939	461,055
2028	1,270,000	397,301	1,667,301			
2029-2033	6,820,000	1,530,006	8,350,006			
2034-2038	7,665,000	790,541	8,455,541			
2039-2040	3,305,000	77,261	3,382,261			
Totals	<u>\$ 23,890,000</u>	<u>\$ 4,630,813</u>	<u>\$ 28,520,813</u>	<u>\$ 2,545,933</u>	<u>\$ 109,475</u>	<u>\$ 2,655,408</u>

Iowa County, Wisconsin
Notes to the Financial Statements
December 31, 2023

NOTE 4

LONG-TERM OBLIGATIONS (CONTINUED)

Debt service requirements to maturity are as follows (Continued):

Year	Business-Type Activities		
	Notes from Direct Borrowings and Direct Placements		
	Principal	Interest	Total
2024	\$ 3,529,569	\$ 123,614	\$ 3,653,183
2025	599,796	36,283	636,079
2026	611,654	24,425	636,079
2027	623,745	12,332	636,077
	\$ 5,364,764	\$ 196,654	\$ 5,561,418

Other Debt Information

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

NOTE 5

LONG-TERM NOTE RECEIVABLE/GUARANTEED PAYMENTS

The County has entered into an agreement with a communication business, for the purpose of expanding broadband internet service and communication within Iowa County and other participating counties within Wisconsin. To finance the project the participating Counties have issued \$92,900,000 in taxable revenue bonds and has awarded the proceeds to the communications business. The business is obligated to pay back the \$92,900,000 revenue bonds with a final repayment date of November 1, 2051. As part of this agreement the business has agreed to make guaranteed payments to each County that is 0.40 basis points of the outstanding loan balance. The County will recognize the guarantee payments as deferred revenue. Below is a guarantee payments receivable schedule.

Year	Guarantee Payments
2024	\$ 42,000
2025	42,000
2026	42,000
2027	41,555
2028	40,647
2029-2033	188,248
2034-2038	158,703
2039-2043	120,749
2044-2048	71,310
2049-2051	12,874
Total	\$ 760,085

Iowa County, Wisconsin
Notes to the Financial Statements
December 31, 2023

NOTE 5 LONG-TERM NOTE RECEIVABLE/GUARANTEED PAYMENTS (CONTINUED)

The Public Service Commission of Wisconsin has approved an award to the County in the amount of \$732,310 for eligible activities related to the Broadband project. The County agreed to use these funds and others to provide a contribution in the form of a loan to the communication business in the amount of \$1,500,000 at an interest rate of 3%. The business will pay the County back \$1,400,000 for this note, \$100,000 less than the issuance of \$1,500,000 for the construction of a “river crossing.” Below is a receivable schedule for the County for the loan:

Year	Note Receivable		
	Principal	Interest	Total
2024	\$ 199,821	\$ 39,589	\$ 239,410
2025	104,492	36,505	140,997
2026	107,670	33,326	140,996
2027	110,945	30,051	140,996
2028	114,319	26,677	140,996
2029-2033	625,917	79,064	704,981
2034	136,836	4,163	140,999
Totals	\$ 1,400,000	\$ 249,375	\$ 1,649,375

Below is a calculation of the total deferred revenue for the County related to the Communication Business agreement.

Total guaranteed payments	\$ 760,085
Principal on note receivable	1,400,000
Deferred revenue	\$ 2,160,085

Iowa County, Wisconsin
Notes to the Financial Statements
December 31, 2023

NOTE 6

CAPITAL ASSETS

Total cost and accumulated depreciation of fixed assets at December 31, 2023 are as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
<u>Governmental Activities:</u>				
Capital assets not being depreciated:				
Land	\$ 930,538	\$ 208,374	\$	\$ 1,138,912
Right of way	1,103,975	268,570		1,372,545
Construction work in progress:				
Roads	591,692	505,395	(591,171)	505,916
Culverts	78,765	455,999	(30,534)	504,230
Bridges	272,429	421,794	(205,904)	488,319
Total capital assets not being depreciated:	<u>2,977,399</u>	<u>1,860,132</u>	<u>(827,609)</u>	<u>4,009,922</u>
Capital assets, being depreciated				
Infrastructure	124,510,102	1,673,403		126,183,505
Buildings and improvements	44,940,192	210,961		45,151,153
Machinery and equipment	6,884,901	538,794	(219,064)	7,204,631
Total	<u>176,335,195</u>	<u>2,423,158</u>	<u>(219,064)</u>	<u>178,539,289</u>
Less accumulated depreciation for:				
Infrastructure	(73,686,294)	(1,887,318)	165,049	(75,408,563)
Buildings and improvements	(8,981,334)	(1,170,469)		(10,151,803)
Machinery and equipment	(3,942,427)	(879,019)		(4,821,446)
Total accumulated depreciation	<u>(86,610,055)</u>	<u>(3,936,806)</u>	<u>165,049</u>	<u>(90,381,812)</u>
Net other capital assets	<u>89,725,140</u>	<u>(1,513,648)</u>	<u>(54,015)</u>	<u>88,157,477</u>
Total net capital assets	<u>\$ 92,702,539</u>	<u>\$ 346,484</u>	<u>\$ (881,624)</u>	<u>\$ 92,167,399</u>

Depreciation expense was charged to functions as follows:

Governmental Activities

General government	\$ 450,848
Public safety	1,136,045
Public works, which includes the depreciation of infrastructure	2,104,659
Health and social services	232,339
Conservation of natural resources	12,915
Total governmental activities depreciation expense	<u>\$ 3,936,806</u>

Iowa County, Wisconsin
Notes to the Financial Statements
December 31, 2023

NOTE 6

CAPITAL ASSETS (CONTINUED)

	Beginning Balance	Additions	Removals	Ending Balance
<u>Business-Type Activities:</u>				
Capital assets not being depreciated:				
Land	\$ 46,557	\$	\$ (13,639)	\$ 32,918
Construction work in progress	291,146	301,378	(291,146)	301,378
Total capital assets not being depreciated	337,703	301,378	(304,785)	334,296
Capital assets being depreciated:				
Land improvements	692,232			692,232
Buildings	6,212,022	534,326	(178,361)	6,567,987
Machinery and equipment	10,922,691	1,184,207	(184,523)	11,922,375
Total capital assets being depreciated	17,826,945	1,718,533	(362,884)	19,182,594
Less: accumulated depreciation for:				
Land improvements	(488,692)	(3,877)		(492,569)
Buildings	(4,844,997)	(101,551)		(4,946,548)
Machinery and equipment	(4,153,787)	(937,414)	134,239	(4,956,962)
Total accumulated depreciation	(9,487,476)	(1,042,842)	134,239	(10,396,079)
Net capital assets being depreciated	8,339,469	675,691	(228,645)	8,786,515
Total net capital assets	\$ 8,677,172	\$ 977,069	\$ (533,430)	\$ 9,120,811

Depreciation expense was charged to the following function:

Business-Type Activities:

Highway (Total business-type activities (exhibit A-8))	\$ 1,042,842
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Iowa County, Wisconsin
Notes to the Financial Statements
December 31, 2023

NOTE 7

LEASES

Lease Receivable

The County has entered into multiple lease arrangements where the County leases land and a building for commercial use. In the statement of activities, lease revenue for the year ended December 31, 2023 was as follows:

	Year Ending December 31, 2023
Lease-related revenue	
Lease revenue:	
Land	\$ 70,114
Building	12,792
Total lease revenue	82,906
Interest revenue	34,042
Total	\$ 116,948

Aggregate cash flows for the revenue generated by the lease receivable and interest at December 31, 2023 are as follows:

Years Ended December 31,	Principal	Interest	Total
2024	\$ 71,730	\$ 31,405	\$ 103,135
2025	74,385	28,751	103,136
2026	77,140	25,995	103,135
2027	80,000	23,135	103,135
2028	82,970	20,165	103,135
2029-2033	376,664	52,157	428,821
2034-2038	68,256	13,149	81,405
2039-2043	39,068	5,961	45,029
2044-2048	9,874	3,326	13,200
2049-2053	9,524	1,036	10,560
Totals	\$ 889,611	\$ 205,080	\$ 1,094,691

Iowa County, Wisconsin
Notes to the Financial Statements
December 31, 2023

NOTE 8

GOVERNMENTAL ACTIVITIES NET POSITION/FUND BALANCES

Governmental activities net position reported on the government wide statement of net position at December 31, 2023 includes the following:

GOVERNMENTAL ACTIVITIES

Net Investment in Capital Assets	
Land and right-of-ways	\$ 2,511,457
Construction work-in-progress	1,498,465
Other capital assets, net of accumulated depreciation	88,157,477
Less: related long-term debt outstanding	(26,435,933)
Less: premium on general obligation debt	(443,235)
Total net investment in capital assets	65,288,231
Restricted:	
Real estate reduction	3,335,510
Social services	1,145,888
Aging Disability Resource Center	446,543
Child support	89,788
Iowa County Airport	188,438
Donor restricted	35,692
Dog License	1,000
Drug Task Force	227,830
Solar Farm Utility Fund	350,000
Opioid Settlement	125,980
Grant restricted	256,436
Restricted by statute	327,221
Total restricted	6,530,326
Unrestricted	21,687,577
Total governmental activities net position	\$ 93,506,134

Iowa County, Wisconsin
Notes to the Financial Statements
December 31, 2023

NOTE 8 GOVERNMENTAL ACTIVITIES NET POSITION/FUND BALANCES (CONTINUED)

GOVERNMENTAL FUND BALANCES

Governmental fund balances reported on the fund financial statements at December 31, 2023 includes the following:

Nonspendable fund balance as of December 31, 2023 includes the following items:

Major Funds:	
General Fund:	
Advances	\$ 1,526,866
Delinquent taxes	444,404
Prepaid items	188,443
Nonmajor Funds:	
Iowa County Airport:	
Inventories	49,047
Total nonspendable	<u>\$ 2,208,760</u>

Iowa County, Wisconsin
Notes to the Financial Statements
December 31, 2023

NOTE 8 GOVERNMENTAL ACTIVITIES NET POSITION/FUND BALANCES (CONTINUED)

Restricted fund balances as of December 31, 2023 includes the following items:

Restricted

Major Funds:

General Fund:

D.A. - Crime Prevention Surcharge	\$	9,814
Register of deeds-Redaction Project		13,330
Land records-public access fees		13,330
Land records-grants		166,854
Contributions from others		28,857
Staff fitness room		5,100
K-9 program		6,436
Project life saver		1,657
Sheriff office staffing reserve		104,000
HELP equipment donations		1,010
UW Extension Pesticide program		10,362
Library aids		19,578
Veterans donations		3,873
Land conservation donations		295
Land conservation - phosphorus reductions		63,568
Total – General Fund		448,064

Social Services Fund:

Social services programs		1,142,344
Donor restricted		3,544
Total – Social Services Fund		1,145,888

Real-Estate Tax Reduction

3,335,510

Capital Projects:

Blackhawk Lake		8,000
Jail assessment		171,285
Total – Capital Projects Fund		179,285

Nonmajor Funds:

Aging Disability Resource Center		446,543
Child support		89,788
Drug task force		227,830
Iowa county airport		188,438
Dog license		1,000
Solar Farm Utility Fund		350,000
Opioid Settlement		125,980
Total – Nonmajor Funds		1,429,579
Total restricted	\$	6,538,326

Iowa County, Wisconsin
Notes to the Financial Statements
December 31, 2023

NOTE 8 GOVERNMENTAL ACTIVITIES NET POSITION/FUND BALANCES (CONTINUED)

Assigned fund balance as of December 31, 2023 includes the following items:

Major Funds	
Capital Projects Fund - Future Improvements & Equipment Outlays	<u>\$ 3,313,196</u>
Nonmajor Funds: CDBG Fund - Deficit Balance	<u>\$ (26,866)</u>

NOTE 9 BUSINESS-TYPE ACTIVITIES NET POSITION

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

Plant in service	\$ 19,516,890
Accumulated depreciation	(10,396,079)
Less: related debt outstanding	<u>(5,364,764)</u>
Total net position net investment in capital assets	<u>\$ 3,756,047</u>

NOTE 10 DEFINED BENEFIT PENSION PLAN

Plan description. The WRS is a cost-sharing multiple-employer defined benefit pension plan. WRS benefits and other plan provisions are established by Chapter 40 of the Wisconsin Statutes. Benefit terms may only be modified by the legislature. The retirement system is administered by the Wisconsin Department of Employee Trust Funds (ETF). The system provides coverage to all eligible State of Wisconsin, local government and other public employees. All employees, initially employed by a participating WRS employer on or after July 1, 2011, and expected to work at least 1200 hours a year (880 hours for teachers and school district educational support employees) and expected to be employed for at least one year from employee's date of hire are eligible to participate in the WRS.

ETF issued a standalone Annual Comprehensive Financial Report (ACFR), which can be found at <https://etf.wi.gov/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.

Iowa County, Wisconsin
Notes to the Financial Statements
December 31, 2023

NOTE 10

DEFINED BENEFIT PENSION PLAN (CONTINUED)

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

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

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

The WRS also provides death and disability benefits for employees.

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

Year	Core Fund Adjustment (%)	Variable Fund Adjustment (%)
2013	(9.6)	9.0
2014	4.7	25.0
2015	2.9	2.0
2016	0.5	(5.0)
2017	2.0	4.0
2018	2.4	17.0
2019	0.0	(10.0)
2020	1.7	21.0
2021	5.1	13.0
2022	7.4	15.0

Contributions. Required contributions are determined by an annual actuarial valuation in accordance with Chapter 40 of the Wisconsin Statutes. The employee required contribution is one-half of the actuarially determined contribution rate for general category employees, including teachers, and executives and elected officials. Starting on January 1, 2016, the executives and elected officials category was merged into the general employee category. Required contributions for protective employees are the same rate as general employees. Employers are required to contribute the remainder of the actuarially determined contribution rate. The employer may not pay the employee required contribution unless provided for by an existing collective bargaining agreement.

During the reporting period, the WRS recognized \$767,534 in contributions from the employer.

Iowa County, Wisconsin
Notes to the Financial Statements
December 31, 2023

NOTE 10

DEFINED BENEFIT PENSION PLAN (CONTINUED)

Contribution rates as of December 31, 2023 are:

Employee Category	Employee	Employer
General (including teachers, executives and elected officials)	6.80%	6.80%
Protective with Social Security	6.80%	13.20%
Protective without Social Security	6.80%	18.10%

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

At December 31, 2023, the County reported a liability (asset) of \$3,741,510 for its proportionate share of the net pension liability (asset). The net pension liability (asset) was measured as of December 31, 2022, and the total pension liability used to calculate the net pension liability (asset) was determined by an actuarial valuation as of December 31, 2021 rolled forward to December 31, 2022. No material changes in assumptions or benefit terms occurred between the actuarial valuation date and the measurement date. The County's proportion of the net pension liability (asset) was based on the County's share of contributions to the pension plan relative to the contributions of all participating employers. At December 31, 2022, the County's proportion was 0.07062513%, which was a decrease of 0.00334737% from its proportion measured as of December 31, 2021.

For the year ended December 31, 2023, the County recognized pension expense or (revenue) of \$1,915,796.

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

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

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 5,959,066	\$ (7,828,875)
Net differences between projected and actual earnings on pension plan investments	6,355,961	
Changes in assumptions	735,735	
Changes in proportion and differences between employer contributions and proportionate share of contributions	46,695	(4,363)
Employer contributions subsequent to the measurement date	873,336	
Total	<u>\$ 13,970,793</u>	<u>\$ (7,833,238)</u>

Iowa County, Wisconsin
Notes to the Financial Statements
December 31, 2023

NOTE 10

DEFINED BENEFIT PENSION PLAN (CONTINUED)

\$873,336 reported as deferred outflows related to pension resulting from the WRS Employer's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability (asset) in the year ended December 31, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

Year Ended December 31:	Net Deferred Outflows (Inflows) of Resources
2024	\$ 228,031
2025	1,092,303
2026	1,121,276
2027	2,822,609
Total	<u>\$ 5,264,219</u>

Actuarial assumptions. The total pension liability in the December 31, 2022, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Valuation Date:	December 31, 2021
Measurement Date of Net Pension Liability (Asset):	December 31, 2022
Experience Study	January 1, 2018 - December 31, 2020 Published November 19, 2021
Actuarial Cost Method:	Entry Age Normal
Asset Valuation Method:	Fair Value
Long-Term Expected Rate of Return:	6.8%
Discount Rate:	6.8%
Salary Increases:	
Wage Inflation	3.0%
Seniority/Merit	0.1% - 5.6%
Mortality:	2020 WRS Experience Mortality Table
Post-Retirement Adjustments *	1.7%

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

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

Iowa County, Wisconsin
Notes to the Financial Statements
December 31, 2023

NOTE 10

DEFINED BENEFIT PENSION PLAN (CONTINUED)

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

Asset Allocation Targets and Expected Returns ¹			
As of December 31, 2022			
<u>Core Fund Asset Class</u>	<u>Asset Allocation %</u>	<u>Long-Term Expected Nominal Rate of Return %</u>	<u>Long-Term Expected Real Rate of Return % ²</u>
Public Equity	48	7.6	5.0
Public Fixed Income	25	5.3	2.7
Inflation Sensitive	19	3.6	1.1
Real Estate	8	5.2	2.6
Private Equity/Debt	15	9.6	6.9
Total Core Fund ³	115	7.4	4.8
<u>Variable Fund Asset Class</u>			
U.S. Equities	70	7.2	4.6
International Equities	30	8.1	5.5
Total Variable Fund	100	7.7	5.1

¹ Asset Allocations are managed within established ranges; target percentages may differ from actual monthly allocations.

² New England Pension Consultants Long Term US CPI (Inflation) Forecast: 2.5%

³ The investment policy used for the Core Fund involves reducing equity exposure by leveraging lower-volatility assets, such as fixed income securities. This results in an asset allocation beyond 100%. Currently, as asset allocation target of 15% policy leverage is used, subject to an allowable range of up to 20%.

Iowa County, Wisconsin
Notes to the Financial Statements
December 31, 2023

NOTE 10

DEFINED BENEFIT PENSION PLAN (CONTINUED)

Single Discount rate. A single discount rate of 6.8% was used to measure the total pension liability for the current and prior year. The discount rate is based on the expected rate of return on pension plan investments of 6.80% and a municipal bond rate of 4.05% (Source: Fixed-income municipal bonds with 20 years to maturity that include only federally tax-exempt municipal bonds as reported in Fidelity Index’s “20-year Municipal GO AA Index” as of December 31, 2022. In describing this index, Fidelity notes that the Municipal Curves are constructed using option-adjusted analytics of a diverse population of over 10,000 tax-exempt securities.). Because of the unique structure of WRS, the 6.8% expected rate of return implies that a dividend of approximately 1.7% will always be paid. For purposes of the single discount rate, it was assumed that the dividend would always be paid. The projection of cash flows used to determine this single discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on these assumptions, the pension plan’s fiduciary net position was projected to be available to make all projected future benefit payments (including expected dividends) of current plan members. Therefore, the municipal bond rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Iowa County’s proportionate share of the net pension liability (asset) to changes in the discount rate. The following presents the County’s proportionate share of the net pension liability (asset) calculated using the discount rate of 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 to Discount Rate (5.80%)	Current Discount Rate (6.80%)	1% Increase to Discount Rate (7.80%)
County's proportionate share of the net pension liability (asset)	\$ 12,417,950	\$ 3,741,510	\$ (2,227,136)

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

NOTE 11 OTHER POSTEMPLOYMENT BENEFITS – MULTIPLE EMPLOYER LIFE INSURANCE PLAN

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

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

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

Iowa County, Wisconsin
Notes to the Financial Statements
December 31, 2023

NOTE 11 OTHER POSTEMPLOYMENT BENEFITS – MULTIPLE EMPLOYER LIFE INSURANCE PLAN (CONTINUED)

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

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

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

Contribution rates as of December 31, 2023 are:

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

Member contributions are based upon nine age bands through age 69 and an additional eight age bands for those age 70 and over. Participating 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, 2022 are as listed below:

Life Insurance
Employee Contribution Rates*
For the year ended December 31, 2022

Attained Age	Basic	Supplemental
Under 30	\$0.05	\$0.05
30-34	0.06	0.06
35-39	0.07	0.07
40-44	0.08	0.08
45-49	0.12	0.12
50-54	0.22	0.22
55-59	0.39	0.39
60-64	0.49	0.49
65-69	0.57	0.57

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

During the reporting period, the LRLIF recognized \$3,639 in contributions from the employer.

Iowa County, Wisconsin
Notes to the Financial Statements
December 31, 2023

NOTE 11 OTHER POSTEMPLOYMENT BENEFITS – MULTIPLE EMPLOYER LIFE INSURANCE PLAN (CONTINUED)

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

At December 31, 2023, the County reported a liability (asset) of \$691,073 for its proportionate share of the net OPEB liability (asset). The net OPEB liability (asset) was measured as of December 31, 2022, and the total OPEB liability used to calculate the net OPEB liability (asset) was determined by an actuarial valuation as of January 1, 2022 rolled forward to December 31, 2022. No material changes in assumptions or benefit terms occurred between the actuarial valuation date and the measurement date. The County's proportion of the net OPEB liability (asset) was based on the County's share of contributions to the OPEB plan relative to the contributions of all participating employers. At December 31, 2022, the County's proportion was 0.1813920%, which was a decrease of 0.024365% from its proportion measured as of December 31, 2021.

For the year ended December 31, 2023, the County recognized OPEB expense of \$54,185.

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

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
	<u> </u>	<u> </u>
Differences between expected and actual experience	\$	\$ (67,633)
Net differences between projected and actual earnings on plan investments	12,968	
Changes in actuarial assumptions	248,287	(407,922)
Changes in proportion and differences between employer contributions and proportionate share of contributions	26,047	(114,406)
Employer contributions subsequent to the measurement date	4,115	
Totals	<u>\$ 291,417</u>	<u>\$ (589,961)</u>

Iowa County, Wisconsin
Notes to the Financial Statements
December 31, 2023

NOTE 11 OTHER POSTEMPLOYMENT BENEFITS – MULTIPLE EMPLOYER LIFE INSURANCE PLAN (CONTINUED)

\$4,115 reported as deferred outflows related to OPEB resulting from the County employer’s contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability (asset) in the year ended December 31, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ended December 31:	Net Deferred Outflows (Inflows) of Resources
2024	\$ (29,061)
2025	(32,439)
2026	(19,875)
2027	(57,938)
2028	(85,781)
Thereafter	(77,565)
Total	\$ (302,659)

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

Actuarial Valuation Date:	January 1, 2022
Measurement Date of Net OPEB Liability (Asset)	December 31, 2022
Experience Study:	January 1, 2018 - December 31, 2020, Published November 19, 2021
Actuarial Cost Method:	Entry Age Normal
20 Year Tax-Exempt Municipal Bond Yield*:	3.72%
Long-Term Expected Rate of Return:	4.25%
Discount Rate:	3.76%
Salary Increases	
Wage 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. The total OPEB liability for December 31, 2022 is based upon a roll-forward of the liability calculated from the January 1, 2022 actuarial valuation.

Iowa County, Wisconsin
Notes to the Financial Statements
December 31, 2023

NOTE 11 OTHER POSTEMPLOYMENT BENEFITS – MULTIPLE EMPLOYER LIFE INSURANCE PLAN (CONTINUED)

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

Local OPEB Life Insurance Asset Allocation Targets and Expected Returns As of December 31, 2022			
Asset Class	Index	Target Allocation	Long-Term Expected Geometric Real Rate of Return
US Intermediate Credit Bonds	Bloomberg US Intern Credit	50%	2.45%
US Mortgages	Bloomberg US MBS	50%	2.83%
Inflation			2.30%
Long-Term Expected Rate of Return			4.25%

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 volatility and correlation. The expected inflation rate remained unchanged from the prior year at 2.30%.

Single Discount rate. A single discount rate of 3.76% was used to measure the total OPEB liability for the current year, as opposed to a discount rate of 2.17% for the prior year. The significant change in the discount rate was primarily caused by the increase in the municipal bond rate from 2.06% as of December 31, 2021 to 3.76% as of December 31, 2022. The Plan’s fiduciary net position was projected to be insufficient to make all projected future benefit payments of current active and inactive members. Therefore, the discount rate for calculating the total OPEB liability is equal to the single equivalent rate that results in the same actuarial present value as the long-term expected rate of return applied to benefit payments, to the extent that the plan’s fiduciary net position is projected to be sufficient to make projected benefit payments, and the municipal bond rate applied to benefit payment to the extent that the plan’s fiduciary net position is projected to be insufficient. The plan’s fiduciary net position was projected to be available to make projected future benefit payments of current plan members through December 31, 2036.

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

Iowa County, Wisconsin
Notes to the Financial Statements
December 31, 2023

NOTE 11 OTHER POSTEMPLOYMENT BENEFITS – MULTIPLE EMPLOYER LIFE INSURANCE PLAN (CONTINUED)

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 3.76 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 (2.76 percent) or 1-percentage-point higher (4.76 percent) than the current rate:

	1% Decrease to Discount Rate (1.17%)	Current Discount Rate (2.17%)	1% Increase to Discount Rate (3.17%)
County's proportionate share of the net OPEB liability (asset)	\$ 942,204	\$ 691,072	\$ 498,609

NOTE 12 OTHER POSTEMPLOYMENT BENEFITS – SINGLE EMPLOYER HEALTH INSURANCE PLAN

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

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

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

Employees Covered by Benefit Terms – At December 31, 2021, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	23
Inactive employees entitled to but not yet receiving benefit payments	
Active employees	143
	166
	166

Total OPEB Liability – The County’s total OPEB Liability of \$845,497 was measured at December 31, 2022, and was determined by an actuarial valuation as of December 31, 2021.

Iowa County, Wisconsin
Notes to the Financial Statements
December 31, 2023

NOTE 12 OTHER POSTEMPLOYMENT BENEFITS – SINGLE EMPLOYER HEALTH INSURANCE PLAN (CONTINUED)

Actuarial Assumptions and Other Inputs – The total OPEB liability in the December 31, 2021 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless other specified:

Valuation date	December 31, 2021
Measurement date	December 31, 2022
Actuarial cost method	Entry age normal (level percent of salary)
Inflation	2.5 percent
Salary increases	3.0 percent, average, including inflation
Discount rate	4.25 percent
Healthcare cost trend rates	7.00% decreasing to 6.50%, then decreasing by 0.10% per year down to 4.50%, and level thereafter and level thereafter
Retirees' share of benefit-related costs	Retirees are responsible for the full (100%) amount of premiums.

The discount rate is based on the S&P Municipal Bond 20 Year High Grade Index published by the Federal Reserve as of the week of the measurement date.

Mortality rates were on the Wisconsin 2020 Mortality Table adjusted for future mortality improvements using the MP-2021 projection scale from a base year of 2010.

The actuarial assumptions used in the December 31, 2021, valuation were based on a study conducted in 2018 using the Wisconsin Retirement System (WRS) experience from 2018-2020.

Changes in the Total OPEB Liability:

	<u>Total OPEB Liability</u>
Balance at 12/31/2021	<u>\$ 947,575</u>
Changes for the year:	
Service cost	101,204
Interest	20,295
Changes of benefit terms	
Differences between expected and actual experience	80,415
Changes in assumptions or other inputs	(111,650)
Benefit payments	<u>(192,342)</u>
Net Changes	<u>(102,078)</u>
Balance at 12/31/2022	<u><u>\$ 845,497</u></u>

There were no changes of benefit terms.

The discount rate was updated based on the S&P Municipal Bond 20 Year High Grade Index as of the week of the measurement date (4.25%) in compliance with GASB 75. All other assumptions and methods remained unchanged from the actuarial valuation performed as of December 31, 2021.

Iowa County, Wisconsin
Notes to the Financial Statements
December 31, 2023

NOTE 12 OTHER POSTEMPLOYMENT BENEFITS – SINGLE EMPLOYER HEALTH INSURANCE PLAN (CONTINUED)

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

The following presents the total OPEB liability of the County, as well as what the County’s total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (3.25 percent) or 1-percentage-point higher (5.25 percent) than the current discount rate:

		1% Decrease 3.25%	Current Discount Rate 4.25%	1% Increase 5.25%
Total OPEB Liability	12/31/2022	\$ 899,169	\$ 845,497	\$ 795,394

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

The following represents the total OPEB liability of the County, as well as what the County’s total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (6.0 percent decreasing to 3.5 percent) or 1-percentage-point higher (8.0 decreasing to 5.5 percent) than the current healthcare cost trend rates:

		1% Decrease (Actual first year increase -1%, then 6.0% decreasing to 3.5%)	Healthcare Cost Trend Rates (Actual first year increase, then 7.0% decreasing to 4.5%)	1% Increase (Actual first year increase +1%, then 8.0% decreasing to 5.5%)
Total OPEB Liability	12/31/2022	\$ 765,798	\$ 845,497	\$ 938,487

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

For the year ended December 31, 2023, the County recognized OPEB expense of \$167,547.

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

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experiences	\$ 74,476	\$ 1,036
Changes of assumptions or other inputs	302,578	103,054
Contributions after the measurement date	169,447	
Total	\$ 546,501	\$ 104,090

Iowa County, Wisconsin
Notes to the Financial Statements
December 31, 2023

NOTE 12 OTHER POSTEMPLOYMENT BENEFITS – SINGLE EMPLOYER HEALTH INSURANCE PLAN (CONTINUED)

\$169,447 reported as deferred outflows of resources related to OPEB resulting from County contributions subsequent to the measurement date will be recognized as a reduction of the OPEB liability in the year ended December 31, 2024. Other amounts reported as deferred outflows and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ended December 31:		
2024	\$	46,048
2025		46,048
2026		46,049
2027		47,831
2028		46,486
Thereafter		40,502
Total	\$	<u>272,964</u>

NOTE 13 DEFERRED INFLOWS OF RESOURCES

Governmental funds report deferred inflows of resources in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. The County also defers inflow recognition in connection with taxes levied for future periods. The various components of deferred inflow reported at December 31, 2023 were as follows:

	<u>Governmental</u>	<u>Business-Type</u>
Taxes levied for 2024	\$ 10,901,553	\$ 6,294,210
Delinquent property taxes	144,124	
Economic development loans	38,573	
Broadband agreements	2,160,085	
Leases	864,628	
Total	<u>\$ 14,108,963</u>	<u>\$ 6,294,210</u>

The economic development loans receivable of \$38,573 consist of loans made to business entities from the proceeds of Community Development Block grants. The County has a long-term notes receivable from a broadband provider for \$1,400,000 with an interest rate of 3%. Payments were interest only until December 31, 2023, and the due date of the note is December 31, 2034. These are to be repaid, together with interest, to the County out of the revenue of the entities. The County also will report deferred inflow of resources related to the interest on the guarantee payments of \$760,085. The final due date for the guarantee payments is November 1, 2051. Also see audit note 5.

NOTE 14 RISK MANAGEMENT

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

Iowa County, Wisconsin
Notes to the Financial Statements
December 31, 2023

NOTE 14

RISK MANAGEMENT (CONTINUED)

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

NOTE 15

COMPENSATED ABSENCES

Compensated absences consist of an accrual for time earned under the County's managed (paid) time off (MTO) plan, which became effective January 1, 2013 for general county employees and July 1, 2022 for employees covered by the Wisconsin Professional Police Association (WPPA) contract, including an accrual for sick leave accumulated prior to the implementation of the MTO plan that was carried over.

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

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

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

Any accumulated sick leave accrued prior to January 1, 2013 (for general county employees) and accrued prior to July 1, 2022 (for WPPA employees) is locked in a personal sick leave bank and used for qualifying events due to illness and medical appointments or qualified State or Federal FMLA leave. Sick leave is not earned after January 1, 2013 for general county employees and July 1, 2022 for WPPA employees. Any remaining balance in the personal sick leave bank at the time of retirement of employment is paid out at the employee's current wage rate.

Iowa County, Wisconsin
Notes to the Financial Statements
December 31, 2023

NOTE 15

COMPENSATED ABSENCES (CONTINUED)

Compensated absences as of December 31, 2023 consist of the following:

	Sick Leave	MTO	Total
General county employees	\$ 463,036	\$ 530,138	\$ 993,174
Highway department employees	83,660	197,062	280,722
Total	\$ 546,696	\$ 727,200	\$ 1,273,896

NOTE 16

CONTINGENCIES

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

From time to time, the county is party to various pending claims and legal proceedings. Although the outcome of such matters cannot be forecasted with certainty, it is the opinion of management and the county's legal counsel that the likelihood is remote that any such claims or proceedings will have a material adverse effect on the county's financial position or results of operations.

NOTE 17

INTERFUND RECEIVABLES/PAYABLES AND TRANSFERS

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

The following is a schedule of interfund transfers:

Fund Transfer To	Fund Transfer From	Amount
Governmental Funds		
General	Social services	\$ 495,000
General	ADRC	97,000
General	Real estate tax reduction	2,500,000
General	Debt Service	150,000
Social Services	General	19,922
ADRC	General	11,277
Capital projects	General	33,863
Capital projects	Debt Service	639,469
Broadband	General	200,000
		\$ 4,146,531
Proprietary Funds		
Bloomfield	General	\$ 89,832
Highway	Capital Projects	1,140,000
Highway	Solar Farm	361,311
Highway	General	230,442
		\$ 1,821,585
	Total	\$ 5,968,116

Iowa County, Wisconsin
Notes to the Financial Statements
December 31, 2023

NOTE 17 INTERFUND RECEIVABLES/PAYABLES AND TRANSFERS (CONTINUED)

Interfund advances were as follows on December 31, 2023:

Fund Advanced To	Advanced From	Amount
C.D.B.G Revolving Loan	General Fund	\$ 26,866
Broadband Fund	General Fund	1,500,000
	Total	\$ 1,526,866

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

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

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

NOTE 18 WISCONSIN COUNTY MUTUAL INSURANCE CORPORATION

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

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

Summary financial information as of, and for the year ended December 31, 2023 are available at the Corporation's offices in Madison, Wisconsin.

NOTE 19 TAX LEVY LIMIT

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

NOTE 20 EFFECT OF NEW ACCOUNTING STANDARDS ON CURRENT FINANCIAL STATEMENTS

The Governmental Accounting Standards Board (GASB) has adopted GASB Statement No. 100, *Accounting Changes and Error Corrections*, effective for periods beginning after June 15, 2023 and GASB Statement No. 101, *Compensated Absences*, effective for periods beginning after December 15, 2023. When these become effective, application of these standards may restate portions of these financial statements.

Iowa County, Wisconsin
Notes to the Financial Statements
December 31, 2023

NOTE 21

COMMITMENTS/SUBSEQUENT EVENTS

Subsequent to December 31, 2023 the County approved financing of \$3,102,254 through a local financial institution at 3.95% to fund highway projects and capital projects purchases.

NOTE 22

DISCONTINUED OPERATIONS

During 2022 the County ceased operating the Bloomfield Health Care and Rehabilitation Center (a proprietary fund) once all residents were placed in other facilities. All assets were sold or disposed of during 2022 except for the building (which was sold for \$192,000 in 2023) and restricted cash for residents, which was turned over to a local non-profit.

NOTE 23

COMPONENT UNIT

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

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

A. Summary of Significant Accounting Policies

1. Fixed Assets

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

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

	Balance 1/1/23	Additions	Deletions	Balance 12/31/23
Capital assets not being depreciated:				
Construction work in progress	\$ 6,450	\$	\$	\$ 6,450
Capital assets being depreciated:				
Buildings	1,124,149	2,647		1,126,796
Equipment & furnishings	244,849	58,288	(40,421)	262,716
Land improvements	648,643	39,400		688,043
Total capital assets	2,017,641	100,335	(40,421)	2,077,555
Less: accumulated depreciation:				
Buildings	(536,544)	(41,139)		(577,683)
Equipment & furnishings	(205,505)	(23,971)	37,527	(191,949)
Land improvements	(277,509)	(43,807)		(321,316)
Total accumulated depreciation	(1,019,558)	(108,917)	37,527	(1,090,948)
Net capital assets being depreciated	998,083	(8,582)	(2,894)	986,607
Total net capital assets	\$1,004,533	\$ (8,582)	\$ (2,894)	\$ 993,057

Iowa County, Wisconsin
Notes to the Financial Statements
December 31, 2023

NOTE 23

COMPONENT UNIT (CONTINUED)

A. Summary of Significant Accounting Policies (Continued)

2. Income Tax

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

3. Cash

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

4. Compensated Absences

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

B. Net Position

The following calculation supports the Commission's net position net investment in capital assets at December 31, 2023:

Capital assets	\$ 2,084,005
Accumulated depreciation	<u>(1,090,948)</u>
Total net investment in capital assets	<u><u>\$ 993,057</u></u>

C. Employee Retirement Plan

The Commission contributed to individual retirement accounts for two full-time employees during the year. Contributions are 10% of the Park Manager's and Assistant Park Manager's current year salary. For the year ended December 31, 2023, employer contributions were \$11,100. There were no employee contributions.

REQUIRED SUPPLEMENTARY INFORMATION

Schedule 1
Required Supplementary Information
Iowa County, Wisconsin
Budgetary Comparison Schedule for the General Fund
For the Year Ended December 31, 2023

	Budgeted Amounts		Actual	Variance	Variance
	Original	Final		With Original Budget	With Final Budget
REVENUES					
Taxes:					
Property	\$ 6,193,311	\$ 6,193,311	\$ 6,160,648	\$ (32,663)	\$ (32,663)
Other	203,000	203,000	229,557	26,557	26,557
Intergovernmental	1,830,428	1,878,245	2,064,000	233,572	185,755
Charges for services	1,174,447	1,376,816	1,749,916	575,469	373,100
Fines and forfeitures	227,350	228,499	214,350	(13,000)	(14,149)
Investment earnings	150,900	150,900	1,542,216	1,391,316	1,391,316
Miscellaneous	368,873	376,707	450,745	81,872	74,038
Total revenues	<u>10,148,309</u>	<u>10,407,478</u>	<u>12,411,432</u>	<u>2,263,123</u>	<u>2,003,954</u>
EXPENDITURES					
Current:					
General government	4,051,181	3,752,623	3,494,410	556,771	258,213
Public safety	5,473,402	6,039,770	6,327,883	(854,481)	(288,113)
Health and human services	1,330,669	1,471,851	1,449,340	(118,671)	22,511
Leisure activities	67,236	67,236	76,006	(8,770)	(8,770)
Conservation of natural resources	700,025	1,018,915	883,330	(183,305)	135,585
Education	638,610	668,550	584,101	54,509	84,449
Community and economic development	378,986	389,366	392,850	(13,864)	(3,484)
Capital outlay	32,200	32,200	32,200	32,200	32,200
Total expenditures	<u>12,672,309</u>	<u>13,440,511</u>	<u>13,207,920</u>	<u>(535,611)</u>	<u>232,591</u>
Excess (deficiency) of revenues over expenditures	<u>(2,524,000)</u>	<u>(3,033,033)</u>	<u>(796,488)</u>	<u>1,727,512</u>	<u>2,236,545</u>
OTHER FINANCING SOURCES (USES)					
Gain on sale of capital assets	24,000	24,000	175	(23,825)	(23,825)
Transfers in	2,500,000	2,500,000	3,242,000	742,000	742,000
Transfers out	(2,000,000)	(2,011,500)	(585,335)	1,414,665	1,426,165
Total other financing sources (uses)	<u>524,000</u>	<u>512,500</u>	<u>2,656,840</u>	<u>2,132,840</u>	<u>2,144,340</u>
Net change in fund balances	<u>(2,000,000)</u>	<u>(2,520,533)</u>	<u>1,860,352</u>	<u>3,860,352</u>	<u>4,380,885</u>
Fund balance - beginning of year	15,948,792	15,948,792	15,948,792		
Fund balance - end of year	<u>\$ 13,948,792</u>	<u>\$ 13,428,259</u>	<u>\$ 17,809,144</u>	<u>\$ 3,860,352</u>	<u>\$ 4,380,885</u>

Schedule 2
Required Supplementary Information
Iowa County, Wisconsin
Budgetary Comparison Schedule for the Social Services Fund
For the Year Ended December 31, 2023

	Budgeted Amounts		Actual	Variance	Variance
	Original	Final		With Original Budget	With Final Budget
REVENUES					
Property taxes	\$ 1,482,485	\$ 1,482,485	\$ 1,482,485	\$	\$
Intergovernmental	1,346,248	1,346,248	1,435,555	89,307	89,307
Charges for services	96,087	96,087	89,016	(7,071)	(7,071)
Investment earnings	2,000	2,000	1,614	(386)	(386)
Miscellaneous	9,300	9,300	76,279	66,979	66,979
Total revenues	2,936,120	2,936,120	3,084,949	148,829	148,829
EXPENDITURES					
Current:					
Health and human services	2,936,120	2,962,322	2,466,587	469,533	495,735
Total expenditures	2,936,120	2,962,322	2,466,587	469,533	495,735
Excess (deficiency) of revenues over expenditures		(26,202)	618,362	618,362	644,564
OTHER FINANCING SOURCES (USES)					
Transfers in			19,922	19,922	19,922
Transfers (out)			(495,000)	(495,000)	(495,000)
Total other financing sources (uses)			(475,078)	(475,078)	(475,078)
Net change in fund balance		(26,202)	143,284	143,284	169,486
Fund balance - beginning of year	1,002,604	1,002,604	1,002,604		
Fund balance - end of year	\$ 1,002,604	\$ 976,402	\$ 1,145,888	\$ 143,284	\$ 169,486

Schedule 3
 Required Supplementary Information
 Iowa County, Wisconsin
 Budgetary Comparison Schedule for the Real Estate Tax Reduction Fund
 For the Year Ended December 31, 2023

	Budgeted Amounts		Actual	Variance	Variance
	Original	Final		With Original Budget	With Final Budget
REVENUES					
Sales taxes	\$ 2,500,000	\$ 2,500,000	\$ 2,699,442	\$ 199,442	\$ 199,442
Total revenues	2,500,000	2,500,000	2,699,442	199,442	199,442
OTHER FINANCING SOURCES (USES)					
Transfers (out)	(2,500,000)	(2,500,000)	(2,500,000)		
Net change in fund balance			199,442	199,442	199,442
Fund balance - beginning of year	3,136,068	3,136,068	3,136,068		
Fund balance - end of year	\$ 3,136,068	\$ 3,136,068	\$ 3,335,510	\$ 199,442	\$ 199,442

Schedule 4
Required Supplementary Information
Iowa County, Wisconsin
Budgetary Comparison Schedule for the Broadband Fund
For the Year Ended December 31, 2023

	Budgeted Amounts		Actual	Variance	Variance
	Original	Final		With Original Budget	With Final Budget
REVENUES					
Investment earnings	\$	\$	\$ 42,582	\$ 42,582	\$ 42,582
Miscellaneous			50,867	50,867	50,867
Total revenues			93,449	93,449	93,449
EXPENDITURES					
Current:					
Community and Economic development	300,000	300,000	453,000	(153,000)	(153,000)
Excess (deficiency) of revenues over expenditures	(300,000)	(300,000)	(359,551)	(59,551)	(59,551)
OTHER FINANCING SOURCES (USES)					
Transfers in	300,000	300,000	200,000	(100,000)	(100,000)
Long-term debt proceeds		160,000			(160,000)
Total other financing sources (uses)	300,000	460,000	200,000	(100,000)	(260,000)
Net change in fund balance		160,000	(159,551)	(159,551)	(319,551)
Fund balance - beginning of year	(1,424,152)	(1,424,152)	(1,424,152)		
Fund balance - end of year	\$ (1,424,152)	\$ (1,264,152)	\$ (1,583,703)	\$ (159,551)	\$ (319,551)

Schedule 5
 Required Supplementary Information
 Iowa County, Wisconsin
 Budgetary Comparison Schedule for the ARPA Fund
 For the Year Ended December 31, 2023

	Budgeted Amounts		Actual	Variance	Variance
	Original	Final		With Original Budget	With Final Budget
REVENUES					
Intergovernmental	\$ 3,450,000	\$ 3,450,000	\$ 434,129	\$ (3,015,871)	\$ (3,015,871)
EXPENDITURES					
Current:					
Health and human services	50,000	50,000		50,000	50,000
Capital outlay	3,400,000	3,400,000	434,129	2,965,871	2,965,871
Total expenditures	3,450,000	3,450,000	434,129	3,015,871	3,015,871
Excess (deficiency) of revenues over expenditures					
OTHER FINANCING SOURCES (USES)					
Transfers (out)					
Net change in fund balance					
Fund balance - beginning of year					
Fund balance - end of year	\$	\$	\$	\$	\$

Schedule 6
Iowa County, Wisconsin
Wisconsin Retirement System Schedules
December 31, 2023

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

Year ended December 31,	Proportion of the net pension liability (asset)	Proportionate share of the net pension liability (asset)	Covered-employee payroll	Collective share of the net pension liability (asset) as a percentage of its covered-employee payroll	Plan fiduciary net position as a percentage of the total pension liability (asset)
2022	0.07062513%	\$ 3,741,510	\$ 9,895,174	37.81%	95.72%
2021	(0.07397250%)	(5,962,319)	10,880,973	(54.80%)	106.02%
2020	(0.07468015%)	(4,662,385)	10,890,237	(42.81%)	105.26%
2019	(0.07480074%)	(2,411,917)	10,776,439	(22.38%)	102.96%
2018	0.07420009%	2,639,806	10,260,366	25.73%	96.45%
2017	(0.07426786%)	(2,205,100)	10,036,742	(21.97%)	102.93%
2016	0.07333484%	604,454	9,805,105	6.16%	99.12%
2015	0.07343105%	1,193,240	9,785,834	12.19%	98.20%
2014	(0.07345647%)	(1,803,796)	9,310,865	(19.37%)	102.74%

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

SCHEDULE OF CONTRIBUTIONS
Last 10 Calendar Years**

Year ended December 31,	Contractually required contributions	Contributions in relation to the contractually required contributions	Contribution deficiency (excess)	Covered-employee payroll	Contributions as a percentage of covered- employee payroll
2023	\$ 873,336	\$ (873,336)		\$ 9,722,325	8.98%
2022	779,063	(779,063)		9,895,174	7.87%
2021	847,907	(847,907)		10,880,973	7.79%
2020	858,551	(858,551)		10,890,237	7.88%
2019	796,271	(796,271)		10,776,439	7.39%
2018	773,321	(773,321)		10,260,367	7.54%
2017	761,247	(761,247)		10,036,742	7.58%
2016	705,059	(705,059)		9,805,106	7.19%
2015	720,154	(720,154)		9,785,834	7.36%

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

Schedule 7
Iowa County, Wisconsin
Local Retiree Life Insurance Fund Schedules
December 31, 2023

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

Year ended December 31,	Proportion of the net OPEB liability (asset)	Proportionate share of the net OPEB liability (asset)	Covered- employee payroll	Collective share of the net OPEB liability (asset) as a percentage of its covered- employee payroll	Plan fiduciary net position as a percentage of the total OPEB liability (asset)
2022	0.18139200%	\$ 691,072	\$ 7,833,000	8.82%	38.81%
2021	0.20575700%	1,216,100	8,798,000	13.82%	29.57%
2020	0.21035700%	1,157,115	9,011,000	12.84%	31.36%
2019	0.20570000%	875,911	8,891,000	9.85%	37.58%
2018	0.19366200%	499,713	8,268,000	6.04%	48.69%
2017	0.19151300%	576,182	8,053,669	7.15%	44.81%

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

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

Year ended December 31,	Contractually required contributions	Contributions in relation to the contractually required contributions	Contribution deficiency (excess)	Covered- employee payroll	Contributions as a percentage of covered- employee payroll
2023	\$ 4,115	\$ (4,115)		\$ 8,909,950	0.05%
2022	4,134	(4,134)		8,444,783	0.05%
2021	4,081	(4,081)		9,141,642	0.04%
2020	4,208	(4,208)		9,193,551	0.05%
2019	4,059	(4,059)		9,193,997	0.04%
2018	3,726	(3,726)		8,730,386	0.04%

Schedule 8
Iowa County, Wisconsin
Schedule of Changes in the County's Total OPEB Liability and Related Ratios
December 31, 2023

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Total OPEB Liability					
Service costs	\$ 101,204	\$ 56,964	\$ 52,021	\$ 34,900	\$ 36,043
Interest	20,295	12,125	13,424	17,632	14,807
Differences between expected and actual experience	80,415	5,483		(2,072)	
Changes of assumptions or other inputs	(111,650)	381,000	16,626	12,876	(14,295)
Benefit payments	<u>(192,342)</u>	<u>(36,822)</u>	<u>(30,743)</u>	<u>(18,365)</u>	<u>(18,145)</u>
Net change in total OPEB	(102,078)	418,750	51,328	44,971	18,410
Total OPEB liability- beginning	947,575	528,825	477,497	432,526	414,116
Total OPEB liability- ending	<u>\$ 845,497</u>	<u>\$ 947,575</u>	<u>\$ 528,825</u>	<u>\$ 477,497</u>	<u>\$ 432,526</u>
Covered employee payroll	<u>\$ 9,708,744</u>	<u>\$ 9,708,744</u>	<u>\$ 9,835,497</u>	<u>\$ 9,835,497</u>	<u>\$ 7,717,562</u>
Total OPEB liability as a percentage of covered-employee payroll	8.71%	9.76%	5.38%	4.85%	5.60%
	<u>2017</u>				
Total OPEB Liability					
Service costs	\$ 36,043				
Interest	13,516				
Benefit payments	<u>(7,201)</u>				
Net change in total OPEB	42,358				
Total OPEB liability- beginning	371,758				
Total OPEB liability- ending	<u>\$ 414,116</u>				
Covered employee payroll	<u>\$ 7,717,562</u>				
Total OPEB liability as a percentage of covered-employee payroll	5.37%				

Iowa County, Wisconsin
Notes to the Required Supplementary Information
December 31, 2023

NOTE 1

EXCESS EXPENDITURES OVER APPROPRIATIONS

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

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

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

The following expenditures exceeded budget appropriations in the general fund for the year ended December 31, 2023:

<u>Expenditure</u>	<u>Excess Expenditure</u>
General Fund:	
Public safety	\$ 288,113
Community and economic development	3,484
Leisure activities	8,770
Social Services Fund	
Transfers out	495,000
Broadband Fund:	
Community and Economic development	153,000

Iowa County, Wisconsin
Notes to the Required Supplementary Information
December 31, 2023

NOTE 2

WISCONSIN RETIREMENT SYSTEM SCHEDULES

Changes in Benefit Terms and Assumptions related to Pension Liabilities (Assets)

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 post-retirement adjustments from 1.9% to 1.7%
- Mortality assumptions were changed to reflect updated trends by transitioning from the Wisconsin 2018 Mortality Table to the 2020 WRS Experience Mortality Table.

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

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

Iowa County, Wisconsin
Notes to the Required Supplementary Information
December 31, 2023

NOTE 2

WISCONSIN RETIREMENT SYSTEM SCHEDULES (CONTINUED)

Significant methods and assumptions used in calculating Wisconsin Retirement System Actuarially Determined Contributions:

	2022	2021	2020	2019	2018
Valuation Date:	December 31, 2020	December 31, 2019	December 31, 2018	December 31, 2017	December 31, 2018
Actuarial Cost Method:	Frozen Entry Age	Frozen Entry Age	Frozen Entry Age	Frozen Entry Age	Frozen Entry Age
Amortization Method:	Level Percent of Payroll-Closed Amortization Period	Level Percent of Payroll-Closed Amortization Period	Level Percent of Payroll-Closed Amortization Period	Level Percent of Payroll-Closed Amortization Period	Level Percent of Payroll-Closed Amortization Period
Amortization Period:	30 Year closed from date of participation in WRS	30 Year closed from date of participation in WRS	30 Year closed from date of participation in WRS	30 Year closed from date of participation in WRS	30 Year closed from date of participation in WRS
Asset Valuation Method:	Five Year Smoothed Market (Closed)	Five Year Smoothed Market (Closed)	Five Year Smoothed Market (Closed)	Five Year Smoothed Market (Closed)	Five Year Smoothed Market (Closed)
Actuarial Assumptions					
Net Investment Rate of Return:	5.4%	5.4%	5.4%	5.5%	5.5%
Weighted based on assumed rate for:					
Pre-retirement:	7.0%	7.0%	7.0%	7.2%	7.2%
Post-retirement:	5.0%	5.0%	5.0%	5.0%	5.0%
Salary Increases					
Wage Inflation:	3.0%	3.0%	3.0%	3.2%	3.2%
Seniority/Merit:	0.1%-5.6%	0.1%-5.6%	0.1%-5.6%	0.1%-5.6%	0.1%-5.6%
Post-retirement Benefit Adjustments*:	1.9%	1.9%	1.9%	2.1%	2.1%
Retirement Age:	Experience - based table of rates that are specific to the type of eligibility condition. Last updated for the 2018 valuation pursuant to an experience study of the period 2015-2017.	Experience - based table of rates that are specific to the type of eligibility condition. Last updated for the 2018 valuation pursuant to an experience study of the period 2015-2017.	Experience - based table of rates that are specific to the type of eligibility condition. Last updated for the 2018 valuation pursuant to an experience study of the period 2015 - 2017.	Experience -based table of rates that are specific to the type of eligibility condition. Last updated for the 2015 valuation pursuant to an experience study of the period 2012 - 2014.	Experience - based table of rates that are specific to the type of eligibility condition. Last updated for the 2015 valuation pursuant to an experience study of the period 2012 - 2014.
Mortality:	Wisconsin 2018 Mortality Table. The rates based on actual WRS experience adjusted for future mortality improvements using the MP-2018 fully generational improvement scale (multiplied by 60%).	Wisconsin 2018 Mortality Table. The rates based on actual WRS experience adjusted for future mortality improvements using the MP-2018 fully generational improvement scale (multiplied by 60%).	Wisconsin 2018 Mortality Table. The rates based on actual WRS experience adjusted for future mortality improvements using the MP-2018 fully generational improvement scale (multiplied by 60%).	Wisconsin 2012 Mortality Table. The rates based on actual WRS experience adjusted for future mortality improvements using the MP-2015 fully generational improvement scale (multiplied by 50%).	Wisconsin 2012 Mortality Table. The rates based on actual WRS experience adjusted for future mortality improvements using the MP-2015 fully generational improvement scale (multiplied by 50%).

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

Iowa County, Wisconsin
Notes to the Required Supplementary Information
December 31, 2023

NOTE 2

WISCONSIN RETIREMENT SYSTEM SCHEDULES (CONTINUED)

Significant methods and assumptions used in calculating Wisconsin Retirement System Actuarially Determined Contributions:

	2017	2016	2015	2014	2013
Valuation Date:	December 31, 2015	December 31, 2014	December 31, 2013	December 31, 2012	December 31, 2011
Actuarial Cost Method:	Frozen Entry Age	Frozen Entry Age	Frozen Entry Age	Frozen Entry Age	Frozen Entry Age
Amortization Method:	Level Percent of Payroll-Closed Amortization Period	Level Percent of Payroll-Closed Amortization Period	Level Percent of Payroll-Closed Amortization Period	Level Percent of Payroll-Closed Amortization Period	Level Percent of Payroll-Closed Amortization Period
Amortization Period:	30 Year closed from date of participation in WRS	30 Year closed from date of participation in WRS	30 Year closed from date of participation in WRS	30 Year closed from date of participation in WRS	30 Year closed from date of participation in WRS
Asset Valuation Method:	Five Year Smoothed Market (Closed)	Five Year Smoothed Market (Closed)	Five Year Smoothed Market (Closed)	Five Year Smoothed Market (Closed)	Five Year Smoothed Market (Closed)
Actuarial Assumptions					
Net Investment Rate of Return:	5.5%	5.5%	5.5%	5.5%	5.5%
Weighted based on assumed rate for:					
Pre-retirement:	7.2%	7.2%	7.2%	7.2%	7.2%
Post-retirement:	5.0%	5.0%	5.0%	5.0%	5.0%
Salary Increases					
Wage Inflation:	3.2%	3.2%	3.2%	3.2%	3.2%
Seniority/Merit:	0.1%-5.6%	0.1%-5.6%	0.1%-5.6%	0.1%-5.6%	0.1%-5.6%
Post-retirement Benefit Adjustments*:	2.1%	2.1%	2.1%	2.1%	2.1%
Retirement Age:	Experience - based table of rates that are specific to the type of eligibility condition. Last updated for the 2015 valuation pursuant to an experience study of the period 2012 - 2014.	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2012 valuation pursuant to an experience study of the period 2009 - 2011.	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2012 valuation pursuant to an experience study of the period 2009 - 2011.	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2012 valuation pursuant to an experience study of the period 2009 - 2011.	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2012 valuation pursuant to an experience study of the period 2006 - 2008.
Mortality:	Wisconsin 2012 Mortality Table. The rates based on actual WRS experience adjusted for future mortality improvements using the MP-2015 fully generational improvement scale (multiplied by 50%).	Wisconsin 2012 Mortality Table. The rates based on actual WRS experience projected to 2017 with scale BB to all for future improvements (margin) in mortality	Wisconsin 2012 Mortality Table. The rates based on actual WRS experience projected to 2017 with scale BB to all for future improvements (margin) in mortality	Wisconsin 2012 Mortality Table. The rates based on actual WRS experience projected to 2017 with scale BB to all for future improvements (margin) in mortality	Wisconsin Projected Experience Table - 2005 for women and 90% of the Wisconsin Projected Experience Table - 2005 for men.
*No post-retirement adjustment is guaranteed. Actual adjustments are based on recognized investment return, actuarial experience, and other factors. Value is the assumed annual adjustment based on the investment return assumption and the post-retirement discount rate.					

Iowa County, Wisconsin
Notes to the Required Supplementary Information
December 31, 2023

NOTE 3

LOCAL RETIREE LIFE INSURANCE SCHEDULES

Changes in Benefit Terms and Assumptions related to LRLIF OPEB Liabilities (Assets)

Benefit Terms: There were no recent changes in benefit terms.

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.

NOTE 4

OTHER POSTEMPLOYMENT BENEFITS PLAN – COUNTY HEALTH INSURANCE

Governmental Accounting Standards Board Statement No. 75 requirements have been implemented prospectively; therefore, the illustrations do not present similar information for the 4 preceding years.

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

Changes of assumptions. The discount rate was updated based on the S&P Municipal Bond 20 Year High Grade Index as of the week of the measurement date (4.25%) in compliance with GASB 75. All other assumptions and methods remained unchanged from the actuarial valuation performed as of December 31, 2021

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

SUPPLEMENTARY INFORMATION

Exhibit B-1
Iowa County, Wisconsin
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2023

	Special Revenue Funds										Total Nonmajor Governmental Funds
	Aging Disability Resource Center	Child Support	C.D.B.G Revolving Loan	Drug Task Force	Iowa County Airport	Unified Community Services	Dog License	Solar Farm Utility Fund	Opioid Settlement	Wisconsin River Rail Transit	
ASSETS											
Cash and investments	\$ 371,414	\$ 43,094	\$	\$ 228,478	\$ 169,987	\$	\$ 12,388	\$ 350,000	\$ 125,980	\$	\$ 1,301,341
Receivables:											
Current property taxes	454,630	10,210			50,000	304,924			30,000		849,764
Other					24,835						24,835
Economic development loans			38,573								38,573
Due from other governments	109,005	56,422		5,339							170,766
Leases					43,483						43,483
Inventories					49,047						49,047
Total assets	\$ 935,049	\$ 109,726	\$ 38,573	\$ 233,817	\$ 337,352	\$ 304,924	\$ 12,388	\$ 350,000	\$ 125,980	\$ 30,000	\$ 2,477,809
LIABILITIES											
Accounts payable	\$ 3,536	\$ 1,828	\$	\$ 5,987	\$ 5,090	\$	\$ 10,236	\$	\$	\$	\$ 26,677
Accrued payroll	17,444	5,450									22,894
Due to other governments	6,934	2,450			745		1,152				11,281
Advance to other funds			26,866								26,866
Unearned revenue	5,962										5,962
Total liabilities	33,876	9,728	26,866	5,987	5,835		11,388				93,680
DEFERRED INFLOWS OF RESOURCES											
Deferred property tax revenue-current	454,630	10,210			50,000	304,924			30,000		849,764
Deferred revenue-other			38,573								38,573
Leases					44,032						44,032
Total deferred inflows of resources	454,630	10,210	38,573		94,032	304,924			30,000		932,369
FUND BALANCES											
Nonspendable					49,047						49,047
Restricted	446,543	89,788		227,830	188,438		1,000	350,000	125,980		1,429,579
Unassigned			(26,866)								(26,866)
Total fund balances	446,543	89,788	(26,866)	227,830	237,485		1,000	350,000	125,980		1,451,760
Total liabilities, deferred inflows of resources, and fund balances	\$ 935,049	\$ 109,726	\$ 38,573	\$ 233,817	\$ 337,352	\$ 304,924	\$ 12,388	\$ 350,000	\$ 125,980	\$ 30,000	\$ 2,477,809

Exhibit B-2
Iowa County, Wisconsin
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended December 31, 2023

	Special Revenue Funds											Total Nonmajor Governmental Funds
	Aging Disability Resource Center	Child Support	C.D.B.G Revolving Loan	Drug Task Force	Iowa County Airport	Unified Community Services	Dog License	Solar Farm Utility Fund	Opioid Settlement	Wisconsin River Rail Transit	Debt Service	
REVENUES												
Taxes:												
Property taxes	\$ 371,610	\$ 25,502	\$	\$	\$ 60,000	\$ 267,500	\$	\$	\$	\$ 30,000	\$	\$ 754,612
Intergovernmental	800,669	216,897		54,808				350,000	34,318			1,456,692
Charges for services	34,602	1,402			154,288		12,979					203,271
Fines and forfeitures				6,071								6,071
Investment earnings	1,747		2,385	13,190	2,219				1,345			20,886
Revolving loan repayments			4,115									4,115
Miscellaneous income	453,872				29,213							483,085
Total revenues	1,662,500	243,801	6,500	74,069	245,720	267,500	12,979	350,000	35,663	30,000		2,928,732
EXPENDITURES												
Current:												
Transportation facilities					257,151							257,151
Public safety				57,571			12,979					70,550
Health and human services	1,462,482	232,582				267,500			41,629			2,004,193
Community and Economic development										30,000		30,000
Capital outlay				53,519								53,519
Total expenditures	1,462,482	232,582		111,090	257,151	267,500	12,979		41,629	30,000		2,415,413
Excess (deficiency) of revenues over expenditures	200,018	11,219	6,500	(37,021)	(11,431)			350,000	(5,966)			513,319
OTHER FINANCING SOURCES (USES)												
Long-term debt proceeds											789,469	789,469
Transfers in	11,277											11,277
Transfers (out)	(97,000)							(361,311)			(789,469)	(1,247,780)
Total other financing sources (uses)	(85,723)							(361,311)				(447,034)
Net change in fund balances	114,295	11,219	6,500	(37,021)	(11,431)			(11,311)	(5,966)			66,285
Fund balances - beginning of year	332,248	78,569	(33,366)	264,851	248,916		1,000	361,311	131,946			1,385,475
Fund balances - end of year	\$ 446,543	\$ 89,788	\$ (26,866)	\$ 227,830	\$ 237,485	\$	\$ 1,000	\$ 350,000	\$ 125,980	\$	\$	\$ 1,451,760