

Langlade County, Wisconsin

ANNUAL FINANCIAL REPORT

December 31, 2020



WEALTH ADVISORY | OUTSOURCING
AUDIT, TAX, AND CONSULTING

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Langlade County, Wisconsin

DECEMBER 31, 2020

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Independent auditors' report

To the County Board
Langlade County, Wisconsin

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Langlade County, Wisconsin (the County) as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

MANAGEMENT'S RESPONSIBILITY 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.

AUDITORS' RESPONSIBILITY

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the County's preparation and fair presentation of the financial statements 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, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

OPINIONS

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the County as of December 31, 2020, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the General Fund, the County Roads and Bridges, Social Services, Northwoods CDBG, and Housing Rehabilitation special revenue funds for the year then ended in accordance with accounting principles generally accepted in the United States of America.

EMPHASIS OF MATTER – CHANGE IN ACCOUNTING PRINCIPLE

As discussed in Note 1.D, during the fiscal year ended December 31, 2020, the County adopted GASB Statement No. 84, *Fiduciary Activities*. As a result of the implementation of this standard, the County reported a restatement for the change in accounting principle see Note 4.C. Our auditors' opinion was not modified with respect to the restatement.

EMPHASIS OF MATTER – CORRECTION OF AN ERROR

As discussed in Note 4.D. of the basic financial statements, a prior period adjustment of \$2,418,092 was recorded relating to the valuation of the County's equity share of the North Central Health Care Joint Venture. Accordingly, amounts reported for the investment in joint venture and net position have been restated to correct the error. Our opinions are not modified with respect to this matter.

OTHER MATTERS**Required Supplementary Information**

Accounting principles generally accepted in the United States of America require that the schedules relating to pensions and other postemployment benefits on pages 50 and 51 be presented to supplement the basic financial statements. Such information, although not 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.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The detailed comparison of general fund revenues and expenditures and the combining nonmajor fund statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedules of expenditures of federal and state awards are presented for purposes of additional analysis, as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and the *State Single Audit Guidelines* issued by the Wisconsin Department of Administration, are also not a required part of the basic financial statements.

The detailed comparison of general fund revenues and expenditures, the combining nonmajor fund statements and the schedules of expenditures of federal and state awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the detailed comparison of general fund revenues and expenditures, the combining nonmajor fund statements, the schedules of expenditures of federal and state awards 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 have also issued our report dated October 13, 2021, on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

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

CliftonLarsonAllen LLP

Green Bay, Wisconsin

October 13, 2021

BASIC FINANCIAL STATEMENTS

Langlade County, Wisconsin

STATEMENT OF NET POSITION DECEMBER 31, 2020

| | Governmental Activities | Business-type Activities | Total |
|---|----------------------------|-----------------------------|----------------------|
| ASSETS | | | |
| Cash and investments | \$ 14,782,077 | \$ 2,065,672 | \$ 16,847,749 |
| Receivables | | | |
| Taxes | 11,196,793 | - | 11,196,793 |
| Delinquent taxes | 765,449 | - | 765,449 |
| Accounts | 2,093,107 | 193,948 | 2,287,055 |
| Loans, net | 7,986,609 | - | 7,986,609 |
| Other | 132,851 | - | 132,851 |
| Internal balances | (33,825) | 33,825 | - |
| Prepaid supplies | 649,635 | 763,302 | 1,412,937 |
| Investment in North Central Health Care | 1,912,632 | - | 1,912,632 |
| Net pension asset | 1,569,315 | 288,981 | 1,858,296 |
| Capital assets, nondepreciable | 10,573,888 | 112,109 | 10,685,997 |
| Capital assets, depreciable | 33,942,138 | 5,555,708 | 39,497,846 |
| Total assets | <u>85,570,669</u> | <u>9,013,545</u> | <u>94,584,214</u> |
| DEFERRED OUTFLOWS OF RESOURCES | | | |
| Pension related amounts | 3,673,824 | 670,402 | 4,344,226 |
| Other postemployment related amounts | 506,041 | 93,185 | 599,226 |
| Total deferred outflows of resources | <u>4,179,865</u> | <u>763,587</u> | <u>4,943,452</u> |
| LIABILITIES | | | |
| Accounts and claims payable | 854,067 | 31,768 | 885,835 |
| Accrued and other current liabilities | 656,759 | 135,174 | 791,933 |
| Due to other governments | 215,174 | - | 215,174 |
| Accrued interest payable | 18,075 | - | 18,075 |
| Special deposits | 711,825 | - | 711,825 |
| Unearned revenues | 995,014 | 70,811 | 1,065,825 |
| Short-term note payable | 1,292,528 | - | 1,292,528 |
| Long-term obligations | | | |
| Due within one year | 990,533 | 107,994 | 1,098,527 |
| Due in more than one year | 2,231,338 | 67,363 | 2,298,701 |
| Other postemployment benefits | 1,163,682 | 214,287 | 1,377,969 |
| Total liabilities | <u>9,128,995</u> | <u>627,397</u> | <u>9,756,392</u> |
| DEFERRED INFLOWS OF RESOURCES | | | |
| Property taxes levied for subsequent year | 11,196,793 | - | 11,196,793 |
| Pension related amounts | 4,701,851 | 865,822 | 5,567,673 |
| Other postemployment related amounts | 206,050 | 37,943 | 243,993 |
| Total deferred inflows of resources | <u>16,104,694</u> | <u>903,765</u> | <u>17,008,459</u> |
| NET POSITION | | | |
| Net investment in capital assets | 42,884,750 | 5,667,817 | 47,809,634 |
| Restricted | 10,012,038 | 288,981 | 10,301,019 |
| Unrestricted | 11,620,057 | 2,289,172 | 14,652,162 |
| Total net position | <u>\$ 64,516,845</u> | <u>\$ 8,245,970</u> | <u>\$ 72,762,815</u> |

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

Langlade County, Wisconsin

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2020

| Functions/Programs | Expenses | Program Revenues | | |
|---------------------------------|----------------------|----------------------|------------------------------------|----------------------------------|
| | | Charges for Services | Operating Grants and Contributions | Capital Grants and Contributions |
| GOVERNMENTAL ACTIVITIES | | | | |
| General government | \$ 4,160,016 | \$ 862,362 | \$ 87,585 | \$ 200 |
| Public safety | 5,751,075 | 345,524 | 1,080,423 | 3,300 |
| Public works | 4,194,348 | 32,967 | 984,462 | 606,119 |
| Health and human services | 6,204,185 | 291,166 | 2,632,246 | - |
| Culture and recreation | 1,652,408 | 225,489 | 1,841 | - |
| Conservation and development | 2,437,221 | 1,705,854 | 3,138,903 | - |
| Interest and fiscal charges | 71,044 | - | - | - |
| Total governmental activities | <u>24,470,297</u> | <u>3,463,362</u> | <u>7,925,460</u> | <u>609,619</u> |
| BUSINESS-TYPE ACTIVITIES | | | | |
| Highway | <u>5,865,548</u> | <u>6,031,871</u> | <u>-</u> | <u>-</u> |
| Total | <u>\$ 30,335,845</u> | <u>\$ 9,495,233</u> | <u>\$ 7,925,460</u> | <u>\$ 609,619</u> |

General revenues
 Taxes
 Property taxes
 Sales tax
 Other taxes
 Federal and state grants and other contributions
 not restricted to specific functions
 Interest and investment earnings
 Miscellaneous
 Transfers

Total general revenues and transfers

Change in net position

Net position - January 1, as originally reported

Prior period adjustment

Net position - January 1, as restated

Net position - December 31

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

**Net (Expense) Revenue
and Changes in Net Position**

| Governmental Activities | Business-type Activities | Total |
|------------------------------------|-------------------------------------|----------------------|
| \$ (3,209,869) | \$ - | \$ (3,209,869) |
| (4,321,828) | - | (4,321,828) |
| (2,570,800) | - | (2,570,800) |
| (3,280,773) | - | (3,280,773) |
| (1,425,078) | - | (1,425,078) |
| 2,407,536 | - | 2,407,536 |
| (71,044) | - | (71,044) |
| <u>(12,471,856)</u> | <u>-</u> | <u>(12,471,856)</u> |
| <u>-</u> | <u>166,323</u> | <u>166,323</u> |
| <u>(12,471,856)</u> | <u>166,323</u> | <u>(12,305,533)</u> |
| 10,364,812 | - | 10,364,812 |
| 1,957,326 | - | 1,957,326 |
| 418,633 | - | 418,633 |
| 763,479 | - | 763,479 |
| 304,889 | - | 304,889 |
| 196,620 | - | 196,620 |
| (244,230) | 244,230 | - |
| <u>13,761,529</u> | <u>244,230</u> | <u>14,005,759</u> |
| 1,289,673 | 410,553 | 1,700,226 |
| 60,809,080 | 7,835,417 | 68,644,497 |
| <u>2,418,092</u> | <u>-</u> | <u>2,418,092</u> |
| <u>63,227,172</u> | <u>7,835,417</u> | <u>71,062,589</u> |
| <u>\$ 64,516,845</u> | <u>\$ 8,245,970</u> | <u>\$ 72,762,815</u> |

Langlade County, Wisconsin

BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2020

| | <u>General</u> | <u>County Roads and Bridges</u> | <u>Social Services</u> | <u>Northwoods CDBG</u> |
|--|----------------------|-------------------------------------|----------------------------|----------------------------|
| ASSETS | | | | |
| Cash and investments | \$ 9,586,622 | \$ 2,315,959 | \$ 142,326 | \$ 72,605 |
| Receivables | | | | |
| Taxes and special charges | 5,125,626 | 2,038,392 | 1,692,699 | - |
| Delinquent taxes | 765,449 | - | - | - |
| Accounts | 1,035,103 | 249,107 | 292,290 | 308,659 |
| Loans, net | - | - | - | 5,999,746 |
| Other | 132,851 | - | - | - |
| Due from other funds | 334,027 | - | - | - |
| Prepaid supplies | 644,032 | - | 4,691 | - |
| | <u> </u> | <u> </u> | <u> </u> | <u> </u> |
| Total assets | <u>\$ 17,623,710</u> | <u>\$ 4,603,458</u> | <u>\$ 2,132,006</u> | <u>\$ 6,381,010</u> |
| LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES | | | | |
| Liabilities | | | | |
| Accounts payable | \$ 188,615 | \$ - | \$ 140,176 | \$ 3,072 |
| Accrued and other current liabilities | 565,529 | - | 59,539 | - |
| Due to other funds | - | - | - | 317,313 |
| Due to other governments | 215,174 | - | - | - |
| Special deposits | 707,912 | - | - | - |
| Unearned revenues | 952,074 | - | 14,399 | - |
| Short-term note payable | - | - | - | - |
| | <u> </u> | <u> </u> | <u> </u> | <u> </u> |
| Total liabilities | <u>2,629,304</u> | <u>-</u> | <u>214,114</u> | <u>320,385</u> |
| Deferred inflows of resources | | | | |
| Property taxes levied for subsequent year | 5,125,626 | 2,038,392 | 1,692,699 | - |
| Interest on taxes | 102,618 | - | - | - |
| Loans receivable | - | - | - | 5,999,746 |
| Long-term receivable | 137,030 | - | - | - |
| | <u> </u> | <u> </u> | <u> </u> | <u> </u> |
| Total deferred inflows of resources | <u>5,365,274</u> | <u>2,038,392</u> | <u>1,692,699</u> | <u>5,999,746</u> |
| Fund balances | | | | |
| Nonspendable | 1,283,168 | - | 4,691 | - |
| Restricted | - | - | - | 60,879 |
| Committed | - | 2,565,066 | 220,502 | - |
| Assigned | 1,684,236 | - | - | - |
| Unassigned | 6,661,728 | - | - | - |
| | <u> </u> | <u> </u> | <u> </u> | <u> </u> |
| Total fund balances | <u>9,629,132</u> | <u>2,565,066</u> | <u>225,193</u> | <u>60,879</u> |
| Total liabilities, deferred inflows of resources, and fund balances | <u>\$ 17,623,710</u> | <u>\$ 4,603,458</u> | <u>\$ 2,132,006</u> | <u>\$ 6,381,010</u> |

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

| Housing Rehabilitation | Other Governmental Funds | Total |
|-----------------------------------|---|----------------------|
| \$ 161,209 | \$ 1,798,217 | \$ 14,076,938 |
| - | 2,340,076 | 11,196,793 |
| - | - | 765,449 |
| - | 207,948 | 2,093,107 |
| 2,192,299 | 94,564 | 8,286,609 |
| - | - | 132,851 |
| - | - | 334,027 |
| - | 912 | 649,635 |
| <u>\$ 2,353,508</u> | <u>\$ 4,441,717</u> | <u>\$ 37,535,409</u> |

| | | |
|------|-----------|------------|
| \$ - | \$ 29,676 | \$ 361,539 |
| - | 31,691 | 656,759 |
| - | 16,224 | 333,537 |
| - | - | 215,174 |
| - | 3,913 | 711,825 |
| - | 28,541 | 995,014 |
| - | 1,292,528 | 1,292,528 |
| - | 1,402,573 | 4,566,376 |

| | | |
|------------------|------------------|-------------------|
| - | 2,340,076 | 11,196,793 |
| - | - | 102,618 |
| 2,192,299 | 94,564 | 8,286,609 |
| - | - | 137,030 |
| <u>2,192,299</u> | <u>2,434,640</u> | <u>19,723,050</u> |

| | | |
|----------------|----------------|-------------------|
| - | 912 | 1,288,771 |
| 161,209 | 351,349 | 573,437 |
| - | 259,948 | 3,045,516 |
| - | - | 1,684,236 |
| - | (7,705) | 6,654,023 |
| <u>161,209</u> | <u>604,504</u> | <u>13,245,983</u> |

| | | |
|---------------------|---------------------|----------------------|
| <u>\$ 2,353,508</u> | <u>\$ 4,441,717</u> | <u>\$ 37,535,409</u> |
|---------------------|---------------------|----------------------|

Langlade County, Wisconsin

BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2020

RECONCILIATION TO THE STATEMENT OF NET POSITION

Total fund balances as shown on previous page \$ 13,245,983

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

Capital assets used in governmental activities are not current financial resources and therefore are not reported in the funds. 44,516,026

Other long-term assets are not available to pay current period expenditures and therefore are deferred in the funds.

| | |
|---|-----------|
| Interest on taxes | 102,618 |
| Loans receivable | 7,986,609 |
| Long-term receivable | 137,030 |
| Net pension asset | 1,569,315 |
| Investment in North Central Health Care | 1,912,632 |

Net position of the internal service fund is reported in the statement of net position as governmental activities 178,296

Some deferred outflows and inflows of resources reflect changes in long-term liabilities and are not reported in the funds.

| | |
|--|-------------|
| Deferred outflows related to pensions | 3,673,824 |
| Deferred inflows related to pensions | (4,701,851) |
| Deferred outflows related to other postemployment benefits | 506,041 |
| Deferred inflows related to other postemployment benefits | (206,050) |

Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.

| | |
|---|-------------|
| Bonds and notes payable | (2,410,000) |
| Premium on debt | (77,250) |
| Compensated absences | (734,621) |
| Other postemployment benefit | (1,163,682) |
| Accrued interest on long-term obligations | (18,075) |

Net position of governmental activities as reported on the statement of net position (see page 4) \$ 64,516,845

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

Langlade County, Wisconsin

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 GOVERNMENTAL FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2020

| | <u>General</u> | <u>County Roads and Bridges</u> | <u>Social Services</u> | <u>Northwoods CDBG</u> |
|--|---------------------|-------------------------------------|----------------------------|----------------------------|
| REVENUES | | | | |
| Taxes | \$ 7,730,706 | \$ 2,310,002 | \$ 1,132,107 | \$ - |
| Intergovernmental | 3,542,751 | 964,462 | 1,712,454 | 2,107,664 |
| Licenses and permits | 111,129 | - | - | - |
| Fines and forfeits | 113,404 | - | - | - |
| Public charges for services | 2,261,223 | - | 204,817 | - |
| Intergovernmental charges for services | 192,208 | - | - | - |
| Interdepartmental charges for services | 535,949 | - | - | - |
| Miscellaneous | 657,500 | - | - | 205,306 |
| Total revenues | <u>15,144,870</u> | <u>3,274,464</u> | <u>3,049,378</u> | <u>2,312,970</u> |
| EXPENDITURES | | | | |
| Current | | | | |
| General government | 3,763,141 | - | - | - |
| Public safety | 5,314,207 | - | - | - |
| Public works | 147,299 | 2,730,621 | - | - |
| Health and human services | 1,507,191 | - | 3,690,235 | - |
| Culture and recreation | 1,345,634 | - | - | - |
| Conservation and development | 1,603,500 | - | - | 2,244,332 |
| Debt service | | | | |
| Principal | - | - | - | - |
| Interest and fiscal charges | - | - | - | - |
| Capital outlay | 361,524 | 826,258 | - | - |
| Total expenditures | <u>14,042,496</u> | <u>3,556,879</u> | <u>3,690,235</u> | <u>2,244,332</u> |
| Excess of revenues over (under) expenditures | <u>1,102,374</u> | <u>(282,415)</u> | <u>(640,857)</u> | <u>68,638</u> |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers in | - | - | 711,000 | - |
| Transfers out | (734,879) | - | - | - |
| Total other financing sources (uses) | <u>(734,879)</u> | <u>-</u> | <u>711,000</u> | <u>-</u> |
| Net change in fund balances | 367,495 | (282,415) | 70,143 | 68,638 |
| Fund balances - January 1 | <u>9,261,637</u> | <u>2,847,481</u> | <u>155,050</u> | <u>(7,759)</u> |
| Fund balances - December 31 | <u>\$ 9,629,132</u> | <u>\$ 2,565,066</u> | <u>\$ 225,193</u> | <u>\$ 60,879</u> |

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

| <u>Housing Rehabilitation</u> | <u>Other Governmental Funds</u> | <u>Total</u> |
|-----------------------------------|---|---------------|
| \$ - | \$ 1,567,096 | \$ 12,739,911 |
| - | 390,953 | 8,718,284 |
| - | 9,456 | 120,585 |
| - | - | 113,404 |
| - | 104,107 | 2,570,147 |
| - | 75 | 192,283 |
| - | - | 535,949 |
| 30,246 | 63,878 | 956,930 |
| 30,246 | 2,135,565 | 25,947,493 |
| - | 9,456 | 3,772,597 |
| - | 103,561 | 5,417,768 |
| - | - | 2,877,920 |
| - | 660,723 | 5,858,149 |
| - | 92,213 | 1,437,847 |
| 4,295 | 41,363 | 3,893,490 |
| - | 555,000 | 555,000 |
| - | 97,194 | 97,194 |
| - | 842,717 | 2,030,499 |
| 4,295 | 2,402,227 | 25,940,464 |
| 25,951 | (266,662) | 7,029 |
| - | 23,879 | 734,879 |
| - | - | (734,879) |
| - | 23,879 | - |
| 25,951 | (242,783) | 7,029 |
| 135,258 | 847,287 | 13,238,954 |
| \$ 161,209 | \$ 604,504 | \$ 13,245,983 |

Langlade County, Wisconsin

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 GOVERNMENTAL FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2020

RECONCILIATION TO THE STATEMENT OF ACTIVITIES

| | |
|---|---------------------|
| Net change in fund balances as shown on previous page | \$ 7,029 |
| Amounts reported for governmental activities in the statement of activities are different because: | |
| Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. | |
| Capital assets reported as capital outlay in governmental fund statements | 3,274,077 |
| Depreciation expense reported in the statement of activities | (2,196,957) |
| Net book value of disposals | (985,977) |
| Governmental funds do not present revenues that are not available to pay current obligations. In contrast, such revenues are reported in the statement of activities when earned. | (37,633) |
| The County administers loan programs. Loans issued are recorded as an expenditure when made; in the statement of activities, loans issued are not expensed. Accordingly, loan repayments are not recorded as revenue in the statement of activities but reduce the receivable balance. | |
| Loans issued | 1,441,038 |
| Loan repayments | (251,592) |
| Loan adjustments and change in allowance for uncollectible accounts | 32,474 |
| Langlade County's equity interest in North Central Health Care changes based on the population of each member county and the operating results of the entity. The change in the County's proportionate share is reported as an expense in the statement of activities. | (505,460) |
| Debt issued provides current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. | |
| Principal repaid | 555,000 |
| Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds: | |
| Accrued interest on long-term debt | 5,550 |
| Amortization of premium | 20,600 |
| Compensated absences | 8,825 |
| Net pension asset (liability) | 3,266,924 |
| Deferred outflows of resources related to pensions | (946,209) |
| Deferred inflows of resources related to pensions | (2,360,894) |
| Other postemployment benefits | (506,810) |
| Deferred outflows of resources related to other postemployment benefits | 414,048 |
| Deferred inflows of resources related to other postemployment benefits | 1,092 |
| Internal service funds are used by management to charge the costs of certain activities to individual funds. The net revenue (expense) of the internal service funds is reported with governmental activities. | 54,548 |
| Change in net position of governmental activities as reported in the statement of activities (see pages 5 - 6) | <u>\$ 1,289,673</u> |

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

Langlade County, Wisconsin

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL - GENERAL FUND
 FOR THE YEAR ENDED DECEMBER 31, 2020

| | Budget | | Actual | Variance Final Budget - Positive (Negative) |
|---|---------------------|---------------------|---------------------|--|
| | Original | Final | | |
| REVENUES | | | | |
| Taxes | \$ 7,542,217 | \$ 7,542,217 | \$ 7,730,706 | \$ 188,489 |
| Intergovernmental | 2,184,267 | 2,826,688 | 3,542,751 | 716,063 |
| Licenses and permits | 94,516 | 94,516 | 111,129 | 16,613 |
| Fines and forfeits | 81,496 | 81,496 | 113,404 | 31,908 |
| Public charges for services | 2,580,267 | 2,588,568 | 2,261,223 | (327,345) |
| Intergovernmental charges for services | 280,800 | 285,322 | 192,208 | (93,114) |
| Interdepartmental charges for services | 476,900 | 523,110 | 535,949 | 12,839 |
| Miscellaneous | 573,184 | 668,440 | 657,500 | (10,940) |
| Total revenues | 13,813,647 | 14,610,357 | 15,144,870 | 534,513 |
| EXPENDITURES | | | | |
| Current | | | | |
| General government | 3,253,422 | 3,945,040 | 3,763,141 | 181,899 |
| Public safety | 5,140,682 | 5,651,289 | 5,314,207 | 337,082 |
| Public works | 156,782 | 156,782 | 147,299 | 9,483 |
| Health and human services | 1,600,055 | 1,629,945 | 1,507,191 | 122,754 |
| Culture and recreation | 1,155,181 | 1,159,205 | 1,345,634 | (186,429) |
| Conservation and development | 1,607,156 | 1,708,756 | 1,603,500 | 105,256 |
| Capital outlay | 300,000 | 643,560 | 361,524 | 282,036 |
| Total expenditures | 13,213,278 | 14,894,577 | 14,042,496 | 852,081 |
| Excess of revenues over (under) expenditures | 600,369 | (284,220) | 1,102,374 | 1,386,594 |
| OTHER FINANCING USES | | | | |
| Transfers out | - | (768,195) | (734,879) | 33,316 |
| Net change in fund balance | 600,369 | (1,052,415) | 367,495 | 1,419,910 |
| Fund balance - January 1 | 9,261,637 | 9,261,637 | 9,261,637 | - |
| Fund balance - December 31 | \$ 9,862,006 | \$ 8,209,222 | \$ 9,629,132 | \$ 1,419,910 |

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

Langlade County, Wisconsin

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL - COUNTY ROADS AND BRIDGES SPECIAL REVENUE FUND
 FOR THE YEAR ENDED DECEMBER 31, 2020

| | Budget | | Actual | Variance Final Budget - Positive (Negative) |
|--|---------------------|---------------------|---------------------|--|
| | Original | Final | | |
| REVENUES | | | | |
| Taxes | \$ 2,320,392 | \$ 2,320,392 | \$ 2,310,002 | \$ (10,390) |
| Intergovernmental | 1,013,465 | 1,013,465 | 964,462 | (49,003) |
| Total revenues | <u>3,333,857</u> | <u>3,333,857</u> | <u>3,274,464</u> | <u>(59,393)</u> |
| EXPENDITURES | | | | |
| Current | | | | |
| Public works | 2,664,897 | 2,664,897 | 2,730,621 | (65,724) |
| Capital outlay | 565,700 | 565,700 | 826,258 | (260,558) |
| Total expenditures | <u>3,230,597</u> | <u>3,230,597</u> | <u>3,556,879</u> | <u>(326,282)</u> |
| Excess of revenues over (under) expenditures | <u>103,260</u> | <u>103,260</u> | <u>(282,415)</u> | <u>(385,675)</u> |
| OTHER FINANCING USES | | | | |
| Transfers out | <u>(103,260)</u> | <u>(103,260)</u> | <u>-</u> | <u>103,260</u> |
| Net change in fund balance | <u>-</u> | <u>-</u> | <u>(282,415)</u> | <u>(282,415)</u> |
| Fund balance - January 1 | <u>2,847,481</u> | <u>2,847,481</u> | <u>2,847,481</u> | <u>-</u> |
| Fund balance - December 31 | <u>\$ 2,847,481</u> | <u>\$ 2,847,481</u> | <u>\$ 2,565,066</u> | <u>\$ (282,415)</u> |

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

Langlade County, Wisconsin

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL - SOCIAL SERVICES SPECIAL REVENUE FUND
 FOR THE YEAR ENDED DECEMBER 31, 2020

| | Budget | | Actual | Variance Final Budget - Positive (Negative) |
|--|-------------------|-------------------|-------------------|--|
| | Original | Final | | |
| REVENUES | | | | |
| Taxes | \$ 1,132,107 | \$ 1,132,107 | \$ 1,132,107 | \$ - |
| Intergovernmental | 1,580,182 | 1,580,182 | 1,712,454 | 132,272 |
| Public charges for services | 104,100 | 104,100 | 204,817 | 100,717 |
| Total revenues | <u>2,816,389</u> | <u>2,816,389</u> | <u>3,049,378</u> | <u>232,989</u> |
| EXPENDITURES | | | | |
| Current | | | | |
| Health and human services | <u>2,816,389</u> | <u>3,555,456</u> | <u>3,690,235</u> | <u>(134,779)</u> |
| Excess of revenues over (under) expenditures | <u>-</u> | <u>(739,067)</u> | <u>(640,857)</u> | <u>98,210</u> |
| OTHER FINANCING SOURCES | | | | |
| Transfers in | <u>-</u> | <u>739,067</u> | <u>711,000</u> | <u>(28,067)</u> |
| Net change in fund balance | <u>-</u> | <u>-</u> | <u>70,143</u> | <u>70,143</u> |
| Fund balance - January 1 | <u>155,050</u> | <u>155,050</u> | <u>155,050</u> | <u>-</u> |
| Fund balance - December 31 | <u>\$ 155,050</u> | <u>\$ 155,050</u> | <u>\$ 225,193</u> | <u>\$ 70,143</u> |

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

Langlade County, Wisconsin

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL - NORTHWOODS CDBG SPECIAL REVENUE FUND
 FOR THE YEAR ENDED DECEMBER 31, 2020

| | Budget | | Actual | Variance Final Budget - Positive (Negative) |
|---|-------------------|-------------------|------------------|--|
| | Original | Final | | |
| REVENUES | | | | |
| Intergovernmental | \$ 1,500,000 | \$ 1,500,000 | \$ 2,107,664 | \$ 607,664 |
| Miscellaneous | 110,000 | 110,000 | 205,306 | 95,306 |
| Total revenues | 1,610,000 | 1,610,000 | 2,312,970 | 702,970 |
| EXPENDITURES | | | | |
| Current | | | | |
| Conservation and development | 1,610,000 | 1,610,000 | 2,244,332 | (634,332) |
| Net change in fund balance | - | - | 68,638 | 68,638 |
| Fund balance (deficit) - January 1 | (7,759) | (7,759) | (7,759) | - |
| Fund balance (deficit) - December 31 | <u>\$ (7,759)</u> | <u>\$ (7,759)</u> | <u>\$ 60,879</u> | <u>\$ 68,638</u> |

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

Langlade County, Wisconsin

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL - HOUSING REHABILITATION SPECIAL REVENUE FUND
 FOR THE YEAR ENDED DECEMBER 31, 2020

| | Budget | | Actual | Variance Final Budget - Positive (Negative) |
|-----------------------------------|-------------------|-------------------|-------------------|--|
| | Original | Final | | |
| REVENUES | | | | |
| Miscellaneous | \$ 55,000 | \$ 55,000 | \$ 30,246 | \$ (24,754) |
| EXPENDITURES | | | | |
| Current | | | | |
| Conservation and development | 55,000 | 55,000 | 4,295 | 50,705 |
| Net change in fund balance | - | - | 25,951 | 25,951 |
| Fund balance - January 1 | 135,258 | 135,258 | 135,258 | - |
| Fund balance - December 31 | <u>\$ 135,258</u> | <u>\$ 135,258</u> | <u>\$ 161,209</u> | <u>\$ 25,951</u> |

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

Langlade County, Wisconsin

STATEMENT OF NET POSITION
 PROPRIETARY FUNDS
 DECEMBER 31, 2020

| | <u>Enterprise Fund Highway 2020</u> | <u>Internal Service Fund Insurance 2020</u> |
|--|---|---|
| ASSETS | | |
| Current assets | | |
| Cash and investments | \$ 2,065,672 | \$ 705,139 |
| Receivables | | |
| Due from other governments | 193,948 | - |
| Prepaid supplies | 763,302 | - |
| Total current assets | <u>3,022,922</u> | <u>705,139</u> |
| Other assets | | |
| Net pension asset | 288,981 | - |
| Capital assets | | |
| Nondepreciable | 112,109 | - |
| Depreciable | 5,555,708 | - |
| Total capital assets | <u>5,667,817</u> | <u>-</u> |
| Total assets | <u>8,979,720</u> | <u>705,139</u> |
| DEFERRED OUTFLOWS OF RESOURCES | | |
| Pension related amounts | 670,402 | - |
| Other postemployment related amounts | 93,185 | - |
| Total deferred outflows of resources | <u>763,587</u> | <u>-</u> |
| LIABILITIES | | |
| Current liabilities | | |
| Accounts and claims payable | 31,768 | 492,528 |
| Accrued and other current liabilities | 135,174 | - |
| Due to other funds | - | 490 |
| Unearned revenue | 70,811 | - |
| Current portion of long-term debt | 107,994 | - |
| Total current liabilities | <u>345,747</u> | <u>493,018</u> |
| Long-term obligations, less current portion | | |
| Compensated absences | 67,363 | - |
| Other postemployment benefits | 214,287 | - |
| Total long-term liabilities | <u>281,650</u> | <u>-</u> |
| Total liabilities | <u>627,397</u> | <u>493,018</u> |
| DEFERRED INFLOWS OF RESOURCES | | |
| Pension related amounts | 865,822 | - |
| Other postemployment related amounts | 37,943 | - |
| Total deferred inflows of resources | <u>903,765</u> | <u>-</u> |
| NET POSITION | | |
| Net investment in capital assets | 5,667,817 | - |
| Restricted | 288,981 | - |
| Unrestricted | 2,255,347 | 212,121 |
| Total net position | <u>\$ 8,212,145</u> | <u>\$ 212,121</u> |
| Adjustment to reflect the consolidation of internal service fund activities related to enterprise fund | <u>\$ 33,825</u> | |
| Net position of business-type activities as reported on the statement of net position (see page 4) | <u>\$ 8,245,970</u> | |

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

Langlade County, Wisconsin

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
 PROPRIETARY FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2020

| | <u>Enterprise Fund Highway 2020</u> | <u>Internal Service Fund Insurance 2020</u> |
|---|---|---|
| OPERATING REVENUES | | |
| Charges for services | \$ 5,959,446 | \$ 2,435,113 |
| Other | 72,425 | 186,191 |
| Total operating revenues | <u>6,031,871</u> | <u>2,621,304</u> |
| OPERATING EXPENSES | | |
| Operation and maintenance | 5,249,646 | 2,553,515 |
| Depreciation | 629,757 | - |
| Total operating expenses | <u>5,879,403</u> | <u>2,553,515</u> |
| Operating income | <u>152,468</u> | <u>67,789</u> |
| NONOPERATING REVENUES (EXPENSES) | | |
| Interest income | - | 614 |
| Income before capital contributions | 152,468 | 68,403 |
| Capital contributions | <u>244,230</u> | <u>-</u> |
| Change in net position | 396,698 | 68,403 |
| Net position - January 1 | <u>7,815,447</u> | <u>143,718</u> |
| Net position - December 31 | <u>\$ 8,212,145</u> | <u>\$ 212,121</u> |
| Adjustment to reflect the consolidation of internal service fund activities related to enterprise fund | <u>\$ 13,855</u> | |
| Net position of business-type activities as reported on the statement of activities (see pages 5 - 6) | <u>\$ 410,553</u> | |

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

Langlade County, Wisconsin

STATEMENT OF CASH FLOWS
 PROPRIETARY FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2020

| | <u>Enterprise Fund Highway 2020</u> | <u>Internal Service Fund Insurance 2020</u> |
|---|---|---|
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Cash received from customers | \$ 6,404,017 | \$ 2,434,273 |
| Cash received from other revenues | - | 186,191 |
| Cash paid for employee wages and benefits | (2,333,036) | - |
| Cash paid to suppliers | (2,993,901) | (2,873,884) |
| Net cash provided (used) by operating activities | <u>1,077,080</u> | <u>(253,420)</u> |
| CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES | | |
| Acquisition of capital assets | (939,288) | - |
| Sale of capital assets | 6,752 | - |
| Net cash flows used by capital and related financing activities | <u>(932,536)</u> | <u>-</u> |
| CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Interest received | - | 614 |
| Change in cash and cash equivalents | 144,544 | (252,806) |
| Cash and cash equivalents - January 1 | <u>1,921,128</u> | <u>957,945</u> |
| Cash and cash equivalents - December 31 | <u>\$ 2,065,672</u> | <u>\$ 705,139</u> |

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

Langlade County, Wisconsin

STATEMENT OF CASH FLOWS
 PROPRIETARY FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2020

| | <u>Enterprise Fund Highway 2020</u> | <u>Internal Service Fund Insurance 2020</u> |
|---|---|---|
| RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES | | |
| Operating income | \$ 152,468 | \$ 67,789 |
| Adjustments to reconcile operating income to net cash provided (used) by operating activities | | |
| Depreciation | 629,757 | - |
| Change in pension related amounts | | |
| Net pension assets (liability) | (614,925) | - |
| Deferred outflows of resources | 229,523 | - |
| Deferred inflows of resources | 416,355 | - |
| Change in OPEB related amounts | | |
| Net OPEB liability | 88,166 | - |
| Deferred outflows of resources | (75,550) | - |
| Deferred inflows of resources | (1,829) | - |
| Change in operating assets and liabilities | | |
| Accounts receivables | 413,199 | - |
| Due from other funds | - | (840) |
| Prepaid supplies | (34,853) | - |
| Accounts and claims payable | (73,190) | (320,369) |
| Accrued liabilities | 16,321 | - |
| Unearned revenue | (41,053) | - |
| Compensated absences | (27,309) | - |
| Net cash provided (used) by operating activities | <u>\$ 1,077,080</u> | <u>\$ (253,420)</u> |
| Noncash capital and related financing activities | | |
| Capital assets financed by County | \$ 244,230 | \$ - |

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

Langlade County, Wisconsin

STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUND
DECEMBER 31, 2020

| | Departmental Custodial Fund |
|-------------------------------|--|
| ASSETS | |
| Cash and investments | <u>\$ 531,119</u> |
| LIABILITIES | |
| Deposits payable | <u>882</u> |
| NET POSITION | |
| Restricted for other entities | <u><u>\$ 530,237</u></u> |

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

Langlade County, Wisconsin

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUND
DECEMBER 31, 2020

| | Departmental Custodial Fund |
|--|--|
| ADDITIONS | |
| Collections | |
| Individuals | \$ 1,324,147 |
| Other governments | 5,280 |
| Interest income | 378 |
| | <hr/> |
| Total additions | 1,329,805 |
| | <hr/> |
| DEDUCTIONS | |
| Program expenses | |
| Payments to other governments | 883,985 |
| Payments to other entities/vendors | 290,740 |
| | <hr/> |
| Total deductions | 1,174,725 |
| | <hr/> |
| Change in net position | 155,080 |
| Net position - January 1 | - |
| Cumulative effect of change in accounting principle | 375,157 |
| | <hr/> |
| Net position - January 1, as adjusted | 375,157 |
| | <hr/> |
| Net position - December 31 | <u><u>\$ 530,237</u></u> |

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

Langlade County, Wisconsin

NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2020

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. REPORTING ENTITY

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

B. JOINT VENTURE

The County is a participant with Marathon and Lincoln Counties in a joint venture to provide services to the mentally ill and developmentally disabled residents of the County. The North Central Health Care Facility was created for that purpose. The North Central Health Care Facility is governed by a six-member board composed of two representatives from each County. The Counties are obligated by agreement to fund an amount equal to expenditures in excess of federal and state grants and patient fees. During 2020, the County remitted an operating appropriation of \$150,876 to the North Central Health Care Facility. The County has recorded an investment of \$1,912,632 which represent their equity share in the joint venture. Complete financial statements for the North Central Health Care Facility can be obtained from the Facility's office.

C. RELATED ORGANIZATIONS

The County's officials are also responsible for appointing the members of the Boards of other organizations, but the County's accountability for these organizations does not extend beyond making the appointments. Therefore, these organizations are not included in the County's reporting entity. The County Board appoints some or all of the members of the following related organization:

Langlade County Housing Authority

D. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

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

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

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Governmental funds include general, special revenue, debt service and capital projects funds. Proprietary funds include enterprise and internal service funds.

Langlade County, Wisconsin

NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2020

Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

The County reports the following major governmental funds:

General Fund

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

County Roads and Bridges Fund

This fund is used to account for the construction and maintenance of County roads and bridges. Financing is provided by state aids and property taxes.

Social Service Fund

This fund accounts for programs operated by the County's Department of Social Services with financing provided by federal and state grants and property taxes.

Northwoods CDBG Fund

This fund accounts for loans made to individuals that are within the Northwoods CDBG consortium with financing provided by federal and state grants.

Housing Rehabilitation Fund

This fund accounts for loans made to residents of the County to improve existing homes with financing provided by federal and state grants and loan repayments.

The County reports the following major enterprise fund:

Highway Fund

The highway department is used to support the maintenance of State and County roads and bridges on a cost reimbursement basis.

Additionally, the County reports the following fund types:

- ▶ *Internal service fund* accounts for health and dental insurance benefits provided to County employees.
- ▶ The County accounts for money statutorily required to be held for other individuals in a *custodial fund*.

The County implemented GASB 84, *Fiduciary Activities*, for the year ended December 31, 2020. Activity previously reported in agency funds are now reported in custodial funds.

E. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

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

Langlade County, Wisconsin

NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2020

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the County considers revenues to be available if they are collected within 60 days of the end of the current fiscal period except for human services, victim witness, and other reimbursable grants, for which available is defined as 180 days. This exception is necessary because the funding source reimbursement process routinely extends to this period and the revenue then more appropriately matches to the related expenditures. 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 and claims and judgments, are recorded only when payment is due.

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

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

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

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

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

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

1. Cash and Investments

Cash and investments are combined in the financial statements. Cash deposits consist of demand and time deposits with financial institutions and are carried at cost. Investments are stated at fair value. Fair value is the price that would be received to sell an asset in an orderly transaction between market participants at the measurement date. For purposes of the statement of cash flows, all cash deposits and highly liquid investments (including restricted assets) with a maturity of three months or less from date of acquisition are considered to be cash equivalents.

Langlade County, Wisconsin

NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2020

2. **Property Tax Apportionments**

Property taxes are apportioned annually in November to local taxing units within the County for financing state charges and the subsequent year's operations of the County. Since the November apportionment is not due from local taxing districts until February of the subsequent year, the County's apportionment is recorded as a deferred inflows of resources at year-end. Property tax payments from individual property owners are due in two installments by January 31 and July 31. During the month of February, each local taxing district settles with the County for both collected and unpaid property taxes. At the February settlement, the County becomes responsible for the collection of unpaid property taxes, including unpaid property taxes returned by local taxing districts for financing their individual operations. Property taxes subsequently not paid by property owners by September 1 of the same year are considered delinquent. The delinquent taxes are then acquired by the County's General Fund in accordance with state statutes in order to provide the County with a statutory lien.

Property taxes of \$11,196,793 are recorded on December 31, 2020 for collection in 2021 for the County apportionment. The County apportionment is for financing 2021 operations and will be transferred in 2021 from deferred inflows of resources to current revenues of the County's governmental funds.

3. **Accounts Receivable**

Accounts receivable are recorded at gross amounts with uncollectible amounts recognized under the direct write-off method. No allowance for uncollectible accounts has been provided since it is believed that the amount of such allowance would not be material to the basic financial statements.

4. **Loans Receivable**

The County has received federal and state grant funds for economic development and housing rehabilitation loan programs and has passed the funds to various businesses and individuals in the form of loans. The County records a loan receivable and expenditure when the loan has been made and the funds disbursed. Loans receivable has been shown net of allowance for uncollectible accounts of \$300,000. In the governmental funds, the County records a deferred inflow of resources for the net amount of the receivable. As the loans are repaid, revenue is recognized. Any unspent loan proceeds are presented as restricted fund balance in the fund financial statements.

5. **Interfund Receivables and Payables**

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as "due from other funds" and "due to other funds" in the fund financial statements.

The amount reported on the statement of net position for internal balances represents the residual balance outstanding between the governmental and business-type activities.

6. **Prepaid Items and Supplies**

Payments made to vendors that will benefit periods beyond the end of the current fiscal year are recorded as prepaid items and are accounted for on the consumption method. Prepaid supplies represent expendable supplies held for consumption. The cost is recorded as an expenditure at the time the supplies are consumed.

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

Langlade County, Wisconsin

NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2020

7. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the County as assets with an initial, individual cost of \$5,000 or higher and an estimated useful life in excess of a year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition value at the date of donation.

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

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

| Assets | Governmental | Business-type |
|----------------------------|--------------|---------------|
| | Activities | Activities |
| | Years | |
| Land improvements | 10 - 20 | 10 - 20 |
| Buildings and improvements | 10 - 50 | 25 - 50 |
| Other assets | 10 - 100 | 25 - 100 |
| Machinery and equipment | 3 - 10 | 3 - 10 |
| Infrastructure | 15 - 70 | - |

8. Compensated Absences

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

Extended leave banks were created for the purpose of retirement, at the end of the year any unused PTO hours will be added to the extended leave bank at the employee's current hourly rate of pay for the year. Retired employees will be paid out 50% up to 960 hours of the extended leave bank. If an employee leaves for reasons other than retirement, all unused extended leave is forfeited.

Law enforcement employees who retire from the County are paid 50% of their accumulated sick leave at their current rate of pay. If an employee leaves for reasons other than retirement, all unused sick leave is forfeited.

9. Deferred Outflows/Inflows of Resources

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

Governmental funds may report deferred inflows of resources for unavailable revenues. The County reports unavailable revenues for interest on taxes and long-term loan receivables. These inflows are recognized as revenues in the government-wide financial statements.

Langlade County, Wisconsin

NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2020

10. Long-term Obligations

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

In the fund financial statements, governmental funds recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

11. Pensions

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

12. Other Postemployment Benefits Other Than Pensions (OPEB)

Local Retiree Life Insurance Fund

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

13. Fund Equity

Governmental Fund Financial Statements

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

- ▶ **Nonspendable fund balance.** Amounts that are not in spendable form (such as inventory, prepaid items, or long-term receivables) or are legally or contractually required to remain intact.
- ▶ **Restricted fund balance.** Amounts that are constrained for specific purposes by external parties (such as grantor or bondholders), through constitutional provisions, or by enabling legislation.
- ▶ **Committed fund balance.** Amounts that are constrained for specific purposes by action of the County Board. These constraints can only be removed or changed by the County Board using the same action that was used to create them.
- ▶ **Assigned fund balance.** Amounts that are constrained for specific purposes by action of County management. The County Board has authorized the Finance Committee to assign fund balance.
- ▶ **Unassigned fund balance.** Amounts that are available for any purpose. Positive unassigned amounts are only reported in the General Fund.

Langlade County, Wisconsin

NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2020

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

Government-Wide and Proprietary Fund Statements

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

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

G. USE OF ESTIMATES

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

NOTE 2: STEWARDSHIP AND COMPLIANCE

A. BUDGETS AND BUDGETARY ACCOUNTING

The County follows these procedures in establishing the budgetary data reflected in the basic financial statements:

1. During November, County management submits to the County Board a proposed operating budget for the calendar year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them. After submission to the governing body, public hearings are held to obtain taxpayer comments. Following the public hearings, the proposed budget, including authorized additions and deletions, is legally enacted by County Board action.
2. Budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America for the general, certain special revenue, debt service and capital projects funds. Budget is defined as the originally approved budget plus or minus approved amendments. Individual amendments throughout the year were not material in relation to the original budget. Budget appropriations not expended during the year are closed to fund balance unless authorized by the governing body to be forwarded into the succeeding year's budget.
3. During the year, formal budgetary integration is employed as a management control device for the governmental funds adopting a budget. Management control of the community development loan special revenue fund is achieved through grant contracts and available balances.
4. Expenditures may not exceed appropriations provided in detailed budget accounts maintained for each activity or department of the County. Amendments to the budget during the year require initial approval by management and are subsequently authorized by the County Board.
5. Encumbrance accounting is not used by the County to record commitments related to unperformed contracts for goods or services.

The County did not have any material violation of legal or contractual provisions for the fiscal year ended December 31, 2020.

Langlade County, Wisconsin

NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2020

B. EXCESS OF EXPENDITURES OVER BUDGET APPROPRIATIONS

The following expenditure accounts of the governmental funds had actual expenditures in excess of budget appropriations for the year ended December 31, 2020 as follows:

| Funds | Function | Excess Expenditures |
|--------------------------------|------------------------------|------------------------|
| General Fund | | |
| County board | General government | \$ 4,349 |
| Workers compensation insurance | General government | 91,225 |
| Sheriff | Public safety | 10,197 |
| Emergency government | Public safety | 3,997 |
| Parks | Culture and recreation | 217,108 |
| Forestry Department | Conservation and development | 30,169 |
| Economic development | Conservation and development | 106 |
| Special Revenue Funds | | |
| County Roads and Bridges | Public works | 65,724 |
| County Roads and Bridges | Capital outlay | 260,558 |
| Social Services | Health and human services | 134,779 |
| Northwoods CDBG | Conservation and development | 634,332 |

C. PROPERTY TAX LEVY LIMIT

Wisconsin state statutes provide for a limit on the property tax levies for all Wisconsin cities, villages, towns, and counties. For the 2020 and 2021 budget years, Wisconsin Statutes limit the increase in the maximum allowable tax levy to the change in the County's January 1 equalized value as a result of net new construction. The actual limit for the County for the 2020 budget was 0.71%. The actual limit for the County for the 2021 budget was 0.71%. Debt service for debt authorized after July 1, 2005 is exempt from the levy limit. In addition, Wisconsin statutes allow the limit to be adjusted for the increase in debt service authorized prior to July 1, 2005 and in certain other situations.

D. DEFICIT FUND BALANCE

At December 31, 2020, the Fairground fund had deficit fund balance of \$7,705. The County anticipates funding the deficit with future revenues of the fund.

NOTE 3: DETAILED NOTES ON ALL FUNDS

A. CASH AND INVESTMENTS

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

Invested cash consists of deposits and investments that are restricted by Wisconsin Statutes to the following:

Time deposits; repurchase agreements; securities issued by federal, state, and local governmental entities; statutorily authorized commercial paper and corporate securities; and the Wisconsin local government investment pool.

Langlade County, Wisconsin

NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2020

The carrying amount of the County's cash and investments totaled \$17,378,868 on December 31, 2020 as summarized below:

| | |
|---|----------------------|
| Petty cash and cash on hand | \$ 1,230 |
| Deposits with financial institutions | 9,017,747 |
| Investments | |
| Wisconsin local government investment pool | 5,203,266 |
| Wisconsin Investment Series Cooperative (WISC) | |
| Limited Term Duration Series | 674,051 |
| Investment Class | 2,482,574 |
| | <u>\$ 17,378,868</u> |
| Reconciliation to the basic financial statements: | |
| Government-wide statement of net position | |
| Cash and investments | \$ 16,847,749 |
| Fiduciary fund statement of net position | |
| Cash and investments | 531,119 |
| | <u>\$ 17,378,868</u> |

Fair Value Measurements

The County categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant observable inputs; Level 3 inputs are significant unobservable inputs. The County has the following fair value measurements as of December 31, 2020:

| | Fair Value Measurements Using: | | |
|-------------------------------------|--------------------------------|------------|---------|
| | Level 1 | Level 2 | Level 3 |
| Investments | | | |
| WISC - Limited Term Duration Series | \$ - | \$ 674,051 | \$ - |

The value of the Limited Term Duration Series is determined by the Fund administrator each Wisconsin business banking day. Under the Fund's pricing and valuation policies and procedures, debt securities held by the Limited Term Duration Series are generally valued using prices provided by an independent pricing service, which uses valuation methods that are designed to approximate market or fair value, such as matrix pricing and other analytical pricing models, market transactions and dealer quotations. Debt securities with a remaining maturity of 60 days or less may be valued at amortized cost or fair value if a market price is not available.

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

Custodial Credit Risk

Custodial credit risk for *deposits* is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for *investments* is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. Wisconsin statutes require repurchase agreements to be fully collateralized by bonds or securities issued or guaranteed by the federal government or its instrumentalities. The County's policy states that amounts in excess of Federal Deposit Insurance Corporation and State Deposit Guarantee Fund guaranteed amounts must be fully collateralized and held by a third party of fully insured by an insurance company with an A rating or better by A.M. Best.

Langlade County, Wisconsin

NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2020

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

As of December 31, 2020, \$6,175,101 of the County's deposits with financial institutions were in excess of federal and state depository insurance limits. \$6,175,101 was collateralized with securities held by the pledging financial institution or its trust department or agent but not in the County's name.

Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Wisconsin statutes limit investment in securities to the top two ratings assigned by nationally recognized statistical rating organizations. Presented below is the actual rating as of the year-end for each investment type.

| Investment Type | Amount | Exempt from Disclosure | | | Not Rated |
|---|-------------------------|------------------------|---------------------|-------------------|---------------------|
| | | AAA | AA | | |
| Wisconsin Investment Series Cooperative Limited Term Duration Series Investment Class | \$ 674,051 2,482,574 | \$ - - | \$ - 2,482,574 | \$ 674,051 - | \$ - - |
| Wisconsin local government investment pool | 5,203,266 | - | - | - | 5,203,266 |
| Totals | <u>\$ 8,359,891</u> | <u>\$ -</u> | <u>\$ 2,482,574</u> | <u>\$ 674,051</u> | <u>\$ 5,203,266</u> |

Concentration of Credit Risk

The investment policy of the County contains no limitations on the amount that can be invested in any one issuer. At December 31, 2020, the County had no investments in any one issuer (other than U.S. Treasury securities, mutual funds, and external investment pools) that represent 5% or more of total County investments.

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. Per County policy the County investments shall be managed to maintain liquidity for meeting the County's need for cash and to limit potential market risks. Investments will be made through financial institutions offering the highest yielding rates.

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 to 24 Months | 25 to 60 Months | More Than 60 Months |
| WISC LTD | \$ 674,051 | \$ 674,051 | \$ - | \$ - | \$ - |
| WISC IS | 2,482,574 | 2,482,574 | - | - | - |
| Wisconsin local government investment pool | 5,203,266 | 5,203,266 | - | - | - |
| Totals | <u>\$ 8,359,891</u> | <u>\$ 8,359,891</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |

Langlade County, Wisconsin

NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2020

Investment in Wisconsin's Investment Series Cooperation

The District has investments in the Wisconsin Investment Series Cooperative (WISC) of \$3,156,625 at year-end consisting of \$674,051 invested in the Limited Duration Series and \$2,482,574 invested in the Investment Series. The Limited Duration Series is intended for investments of 6-9 months or longer, average dollar weighted maturity of 0-2 years, and requires 30 day notice of quarterly withdrawals. The Investment Series requires a 14 day minimum investment period and one business day withdrawal notice, and the average dollar weighted maturity is one hundred twenty (120) days or less.

WISC is organized by and operated exclusively for Wisconsin public schools, technical colleges, and municipal entities. WISC is not registered with the Securities and Exchange Commission, but operates under Wisconsin International Cooperate Statute, Wisconsin Statute, Section 66.031. WISC is governed by the Wisconsin Investment Series Cooperative Commission in accordance with the terms of the Intergovernmental Cooperation Agreement. WISC invests District funds in accordance with Wisconsin law. WISC investments in the Investment Series are valued at amortized cost, which approximates market value.

Investments

The County has investments in the Wisconsin Local Government Investment Pool of \$5,203,266 at year-end. The LGIP is part of the State Investment Fund (SIF), and is managed by the State of Wisconsin Investment Board. The SIF is not registered with the Securities and Exchange Commission, but operates under the statutory authority of Wisconsin Chapter 25. The SIF reports the fair value of its underlying assets annually. Participants in the LGIP have the right to withdraw their funds in total on one day's notice. At December 31, 2020, the fair value of the County's share of the LGIP's assets was substantially equal to the carrying value.

B. DELINQUENT PROPERTY TAXES - GENERAL FUND

Delinquent property taxes of the General Fund represent unpaid property taxes on real estate, including state and local government equities therein. Under state statutes, the County annually reimburses the state and local governments for their equities in property taxes not collected from the property owner. Unless redeemed by the property owner, the County will eventually obtain tax deed ownership of the properties comprising delinquent taxes. In the past, the County has generally been able to recover its investment in delinquent taxes by sale of the tax deeded properties.

On December 31, 2020, the County's general fund showed an investment of \$765,449 in delinquent taxes consisting of tax certificates.

An aging of the delinquent taxes and special assessments of \$765,449 on December 31, 2020 follows:

| <u>Year Acquired</u> | <u>Tax Certificates</u> |
|----------------------|-----------------------------|
| 2013 | \$ 2,469 |
| 2014 | 2,524 |
| 2015 | 767 |
| 2016 | 2,440 |
| 2017 | 73,314 |
| 2018 | 220,976 |
| 2019 | 462,959 |
| Total | <u>\$ 765,449</u> |

Of the total of \$765,449 for delinquent taxes, \$126,313 was collected within 60 days of year-end. The remaining balance of \$639,136 is recorded as nonspendable fund balance for the general fund.

Langlade County, Wisconsin

NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2020

C. CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2020 was as follows:

| | <u>Beginning Balance</u> | <u>Increases</u> | <u>Decreases</u> | <u>Ending Balance</u> |
|--|------------------------------|---------------------|---------------------|---------------------------|
| Governmental activities: | | | | |
| Capital assets, nondepreciable: | | | | |
| Land | \$ 8,962,320 | \$ - | \$ 20,000 | \$ 8,942,320 |
| Construction in progress | 1,392,531 | 369,834 | 130,797 | 1,631,568 |
| Total capital assets, nondepreciable | <u>10,354,851</u> | <u>369,834</u> | <u>150,797</u> | <u>10,573,888</u> |
| Capital assets, depreciable: | | | | |
| Land improvements | 3,246,346 | 206,062 | - | 3,452,408 |
| Buildings and improvements | 29,219,745 | 82,024 | 24,124 | 29,277,645 |
| Machinery and equipment | 5,432,301 | 532,800 | 334,493 | 5,630,608 |
| Infrastructure | 44,029,827 | 2,214,154 | 2,190,233 | 44,053,748 |
| Subtotals | <u>81,928,219</u> | <u>3,035,040</u> | <u>2,548,850</u> | <u>82,414,409</u> |
| Less accumulated depreciation for: | | | | |
| Land improvements | 2,224,998 | 70,391 | - | 2,295,389 |
| Buildings and improvements | 21,402,466 | 594,284 | 17,851 | 21,978,899 |
| Machinery and equipment | 3,676,784 | 299,477 | 116,639 | 3,859,622 |
| Infrastructure | 20,553,939 | 1,232,805 | 1,448,383 | 20,338,361 |
| Subtotals | <u>47,858,187</u> | <u>2,196,957</u> | <u>1,582,873</u> | <u>48,472,271</u> |
| Total capital assets, depreciable, net | <u>34,070,032</u> | <u>838,083</u> | <u>965,977</u> | <u>33,942,138</u> |
| Governmental activities capital assets, net | <u>\$ 44,424,883</u> | <u>\$ 1,207,917</u> | <u>\$ 1,116,774</u> | 44,516,026 |
| Less: Capital related debt | | | | 1,554,026 |
| Less: Debt premium | | | | 77,250 |
| Net investment in capital assets | | | | <u>\$ 42,884,750</u> |
| | <u>Beginning Balance</u> | <u>Increases</u> | <u>Decreases</u> | <u>Ending Balance</u> |
| Business-type activities: | | | | |
| Capital assets, nondepreciable: | | | | |
| Land | \$ 10,509 | \$ - | \$ - | \$ 10,509 |
| Construction in progress | 137,393 | 101,600 | 137,393 | 101,600 |
| Total capital assets, nondepreciable | <u>147,902</u> | <u>101,600</u> | <u>137,393</u> | <u>112,109</u> |
| Capital assets, depreciable: | | | | |
| Land improvements | 95,425 | - | - | 95,425 |
| Buildings and improvements | 2,539,488 | 29,400 | - | 2,568,888 |
| Machinery and equipment | 10,192,902 | 1,085,079 | 585,520 | 10,692,461 |
| Other assets | 102,216 | - | - | 102,216 |
| Subtotals | <u>12,930,031</u> | <u>1,114,479</u> | <u>585,520</u> | <u>13,458,990</u> |
| Less accumulated depreciation for: | | | | |
| Land improvements | 43,212 | 3,946 | - | 47,158 |
| Buildings and improvements | 1,221,379 | 77,016 | - | 1,298,395 |
| Machinery and equipment | 6,594,344 | 547,705 | - | 7,142,049 |
| Other assets | 51,920 | 1,090 | 637,330 | (584,320) |
| Subtotals | <u>7,910,855</u> | <u>629,757</u> | <u>637,330</u> | <u>7,903,282</u> |
| Total capital assets, depreciable, net | <u>5,019,176</u> | <u>484,722</u> | <u>(51,810)</u> | <u>5,555,708</u> |
| Business-type activities capital assets, net | <u>\$ 5,167,078</u> | <u>\$ 586,322</u> | <u>\$ 85,583</u> | <u>\$ 5,667,817</u> |

Langlade County, Wisconsin

NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2020

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

| | |
|--|---------------------|
| Governmental activities | |
| General government | \$ 129,028 |
| Public safety | 385,154 |
| Public works | 1,309,612 |
| Health and human services | 37,382 |
| Culture and recreation | 160,030 |
| Conservation and development | 175,751 |
| Total depreciation expense - governmental activities | <u>\$ 2,196,957</u> |
| Business-type activities | |
| Highway | <u>\$ 629,757</u> |

D. INTERFUND RECEIVABLE, PAYABLES, AND TRANSFERS

Interfund receivables and payables between individual funds of the County, as reported in the fund financial statements, as of December 31, 2020 are detailed below:

| | <u>Interfund Receivables</u> | <u>Interfund Payables</u> |
|--|----------------------------------|-------------------------------|
| Temporary cash advances to finance operating cash deficits | | |
| Governmental funds | | |
| General Fund | \$ 16,224 | \$ - |
| Special revenue funds | | |
| Public Health | - | 16,224 |
| Operating accounts | | |
| Governmental funds | | |
| General Fund | 317,803 | - |
| Special revenue fund | | |
| Northwoods CDBG | - | 317,313 |
| Internal service fund | | |
| Insurance | - | 490 |
| Totals | <u>\$ 334,027</u> | <u>\$ 334,027</u> |

Interfund transfers for the year ended December 31, 2020 were as follows:

| <u>Fund</u> | <u>Transfer In</u> | <u>Transfer Out</u> |
|-----------------------|------------------------|-------------------------|
| General | \$ - | \$ 734,879 |
| Special revenue funds | | |
| Social Services | 711,000 | - |
| Fairgrounds | 23,879 | - |
| | <u>\$ 734,879</u> | <u>\$ 734,879</u> |

Interfund transfers were made for the following purposes:

| | |
|---|-------------------|
| Finance repairs in the fairgrounds | \$ 23,879 |
| Social Service operating deficit funded by the General Fund | 711,000 |
| | <u>\$ 734,879</u> |

Langlade County, Wisconsin

NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2020

E. SHORT-TERM DEBT

Short-term debt activity for the year ended December 31, 2020 was as follows:

| | <u>Outstanding</u> 1/1/20 | <u>Issued</u> | <u>Retired</u> | <u>Outstanding</u> 12/31/20 |
|--------------------------|------------------------------|---------------|----------------|--------------------------------|
| Governmental activities: | | | | |
| Promissory note | \$ 525,000 | \$ 1,292,528 | \$ 525,000 | \$ 1,292,528 |

Interest of \$2,694 was paid on short-term debt during 2020.

F. LONG-TERM OBLIGATIONS

The following is a summary of changes in long-term obligations of the County for the year ended December 31, 2020:

| | <u>Beginning</u> <u>Balance</u> | <u>Issued</u> | <u>Retired</u> | <u>Ending</u> <u>Balance</u> | <u>Due Within</u> <u>One Year</u> |
|----------------------------------|------------------------------------|---------------|-------------------|---------------------------------|--------------------------------------|
| Governmental activities: | | | | | |
| General obligation debt | | | | | |
| Notes | \$ 2,965,000 | \$ - | \$ 555,000 | \$ 2,410,000 | \$ 575,000 |
| Debt premium | 97,850 | - | 20,600 | 77,250 | - |
| Compensated absences | 743,446 | - | 8,825 | 734,621 | 415,533 |
| Governmental activities | | | | | |
| Long-term obligations | <u>\$ 3,806,296</u> | <u>\$ -</u> | <u>\$ 584,425</u> | <u>\$ 3,221,871</u> | <u>\$ 990,533</u> |
| Business-type activities: | | | | | |
| Compensated absences | <u>\$ 202,666</u> | <u>\$ -</u> | <u>\$ 27,309</u> | <u>\$ 175,357</u> | <u>\$ 107,994</u> |

Total interest paid during the year on long-term debt totaled \$94,500.

General Obligation Debt

General obligation debt currently outstanding is detailed as follows:

| | <u>Date of</u> <u>Issue</u> | <u>Final</u> <u>Maturity</u> | <u>Interest</u> <u>Rates</u> | <u>Original</u> <u>Indebtedness</u> | <u>Balance</u> <u>12/31/20</u> |
|-------------------------|--------------------------------|---------------------------------|---------------------------------|--|-----------------------------------|
| General Obligation Note | 03/08/18 | 10/01/24 | 3.00 - 4.00% | \$ 3,500,000 | <u>\$ 2,410,000</u> |

Annual principal and interest maturities of the outstanding general obligation debt of \$2,410,000 on December 31, 2020 are detailed below:

| <u>Year Ended</u> <u>December 31,</u> | <u>Governmental Activities</u> | | |
|--|--------------------------------|-------------------|---------------------|
| | <u>Principal</u> | <u>Interest</u> | <u>Total</u> |
| 2021 | \$ 575,000 | \$ 72,300 | \$ 647,300 |
| 2022 | 595,000 | 55,050 | 650,050 |
| 2023 | 610,000 | 37,200 | 647,200 |
| 2024 | 630,000 | 18,900 | 648,900 |
| | <u>\$ 2,410,000</u> | <u>\$ 183,450</u> | <u>\$ 2,593,450</u> |

For governmental activities, the other long-term liabilities are generally funded by the General Fund.

Langlade County, Wisconsin

NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2020

Legal Margin for New Debt

The County's legal margin for creation of additional general obligation debt on December 31, 2020 was \$89,739,555 as follows:

| | |
|---|----------------------|
| Equalized valuation of the County | \$ 1,842,991,100 |
| Statutory limitation percentage | (x) 5% |
| General obligation debt limitation, per Section 67.03 of the Wisconsin Statutes | 92,149,555 |
| Total outstanding general obligation debt applicable to debt limitation | 2,410,000 |
| Legal margin for new debt | <u>\$ 89,739,555</u> |

G. PENSION PLAN

1. Plan Description

The Wisconsin Retirement System (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 issues a standalone WRS Financial Report, which can be found at <http://about/reports-and-studies/financial-reports-and-statements>.

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.

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

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

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

The WRS also provides death and disability benefits for employees.

Langlade County, Wisconsin

NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2020

2. Postretirement Adjustments

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

| <u>Year</u> | <u>Core Fund Adjustment (%)</u> | <u>Variable Fund Adjustment (%)</u> |
|-------------|---------------------------------|-------------------------------------|
| 2010 | (1.3) | 22 |
| 2011 | (1.2) | 11 |
| 2012 | (7.0) | (7) |
| 2013 | (9.6) | 9 |
| 2014 | 4.7 | 25 |
| 2015 | 2.9 | 2 |
| 2016 | 0.5 | (5) |
| 2017 | 2.0 | 4 |
| 2018 | 2.4 | 17 |
| 2019 | 0.0 | (10) |

3. Contributions

Required contributions are determined by an annual actuarial valuation in accordance with Chapter 40 of the Wisconsin Statutes. The employee required contribution is one-half of the actuarially determined contribution rate for general category employees, including teachers, executives and elected officials. Starting on January 1, 2016, the executives and elected officials category was merged into the General Employee Category. Required contributions for protective employees are the same rate as general employees. Employers are required to contribute the remained 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 ending December 31, 2020, the WRS recognized \$664,577 in contributions from the County.

Contribution rates for the reporting period are:

| <u>Employee Category</u> | <u>Employee</u> | <u>Employer</u> |
|--|-----------------|-----------------|
| General (including teachers, executives and elected officials) | 6.75% | 6.75% |
| Protective with Social Security | 6.75% | 11.65% |
| Protective without Social Security | 6.75% | 16.25% |

Langlade County, Wisconsin

NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2020

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

At December 31, 2020, the County reported an asset of \$1,858,296 for its proportionate share of the net pension asset. The net pension asset was measured as of December 31, 2019, and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of December 31, 2018 rolled forward to December 31, 2019. 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 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, 2019, the County's proportion was 0.05763130%, which was an increase of 0.00075297% from its proportion measured as of December 31, 2018.

For the year ended December 31, 2020, the County recognized pension expense of \$711,280.

At December 31, 2020, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|---|-----------------------------------|----------------------------------|
| Differences between expected and actual experience | \$ 3,527,469 | \$ 1,765,262 |
| Net differences between projected and actual earnings on pension plan investments | - | 3,799,018 |
| Changes in assumptions | 144,810 | - |
| Changes in proportion and differences between employer contributions and proportionate share of contributions | 7,370 | 3,393 |
| Employer contributions subsequent to the measurement date | 664,577 | - |
| Total | <u>\$ 4,344,226</u> | <u>\$ 5,567,673</u> |

\$664,577 reported as deferred outflows related to pension resulting from the County's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability (asset) in the year ended December 31, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

| Year Ended December 31, | Expense |
|----------------------------|-----------------------|
| 2021 | \$ (558,983) |
| 2022 | (418,454) |
| 2023 | 65,835 |
| 2024 | (976,422) |
| Total | <u>\$ (1,888,024)</u> |

Langlade County, Wisconsin

NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2020

5. Actuarial Assumptions

The total pension liability in the December 31, 2018 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

| | |
|--|--------------------------------|
| Actuarial valuation date: | December 31, 2018 |
| Measurement date of net pension liability (asset): | December 31, 2019 |
| Actuarial cost method: | Entry Age Normal |
| Asset valuation method: | Fair Value |
| Long-term expected rate of return: | 7.0% |
| Discount rate: | 7.0% |
| Salary increases: | |
| Inflation | 3.0% |
| Seniority/Merit | 0.1% - 5.6% |
| Mortality | Wisconsin 2018 Mortality Table |
| Postretirement adjustments* | 1.9% |

* *No postretirement adjustment is guaranteed. Actual adjustments are based on recognized investment return, actuarial experience and other factors. 1.9% is the assumed annual adjustment based on the investment return assumption and the postretirement discount rate.*

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

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

| | Current Asset Allocation % | Long-term Expected Nominal Rate of Return % | Long-term Expected Real Rate of Return % |
|----------------------------------|---------------------------------------|--|---|
| <u>Core Fund Asset Class</u> | | | |
| Global equities | 49% | 8.1% | 5.1% |
| Fixed income | 24.5% | 4.9% | 2.1% |
| Inflation sensitive assets | 15.5% | 4.0% | 1.2% |
| Real estate | 9% | 6.3% | 3.5% |
| Private equity/debt | 8% | 10.6% | 7.6% |
| Multi-asset | 4% | 6.9% | 4.0% |
| Cash | -10% | 0.9% | N/A |
| Total Core Fund | <u>100%</u> | 7.5% | 4.6% |
| <u>Variable Fund Asset Class</u> | | | |
| U.S. equities | 70% | 7.5% | 4.6% |
| International equities | 30% | 8.2% | 5.3% |
| Total Variable Fund | <u>100%</u> | 7.8% | 4.9% |

New England Pension Consultants Long Term US CPI (Inflation) Forecast: 2.75%

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

Langlade County, Wisconsin

NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2020

Single Discount Rate. A single discount rate of 7.00% was used to measure the total pension liability for the current and prior year. This single discount rate is based on the expected rate of return on pension plan investments of 7.00% and a municipal bond rate of 2.75% (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, 2019. In describing this index, Fidelity notes that the Municipal curves are constructed using option-adjusted analytics of a diverse population of over 10,000 tax-exempt securities.). Because of the unique structure of WRS, the 7.00% expected rate of return implies that a dividend of approximately 1.9% will always be paid. For purposes of the single discount rate, it was assumed that the dividend would always be paid. The projection of cash flows used to determine this single discount rate assumed that plan members 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.

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

| | 1% Decrease to Discount Rate (6.0%) | Current Discount Rate (7.0%) | 1% Increase to Discount Rate (8.0%) |
|---|--|---|--|
| County's proportionate share of the net pension liability (asset) | \$ 4,785,444 | \$ (1,858,296) | \$ (6,825,256) |

Pension plan fiduciary net position. Detailed information about the pension plan's fiduciary net position is available in separately issued financial statements available at <http://etf.wi.gov/publications/cafr.htm>.

6. Payables to the Pension Plan

At December 31, 2020, the County reported a payable of \$153,658 for the outstanding amount of contributions to the pension plan for the year ended December 31, 2020.

H. OTHER POSTEMPLOYMENT BENEFITS

Plan Description

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

OPEB Plan Fiduciary Net Position

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

Additionally, ETF issued a standalone Retiree Life Insurance Financial Report, which can be found at <https://etfonline.wi.gov/ETFGASBPublicWeb/gasb75Local.do>.

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.

Langlade County, Wisconsin

NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2020

Contributions

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

Employers are required to pay the following contributions based on member contributions for active members to provide them with Basic Coverage after age 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, 2020 are:

| Coverage Type | Member Contribution |
|-----------------------------|----------------------------|
| 50% Postretirement coverage | 40% of member contribution |
| 25% Postretirement 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 members must pay monthly contribution rates per \$1,000 of coverage until the age of 65 (age 70 if active). The member contribution rates in effect for the year ended December 31, 2019 are listed below:

| Life Insurance Member Contribution Rates* For the Year Ended December 31, 2019 | | |
|--|--------|--------------|
| 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 year ended December 31, 2020, the LRLIF recognized \$6,634 in contributions from the employer.

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

At December 31, 2020, the County reported a liability of \$1,377,969 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of December 31, 2019, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of January 1, 2019 rolled forward to December 31, 2019. No material changes in assumptions or benefits terms occurred between the actuarial valuation date and the measurement date. The County's proportion of the net OPEB liability was based on the County's share of contributions to the OPEB plan relative to the contributions of all participating employers. At December 31, 2019, the County's proportion was .32360400%, which was an increase of .02015800% from its proportion measured as of December 31, 2018.

For the year ended December 31, 2020, the County recognized OPEB expense of \$150,225.

Langlade County, Wisconsin

NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2020

At December 31, 2020, the County reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

| | <u>Deferred Outflows of Resources</u> | <u>Deferred Inflows of Resources</u> |
|---|---|--|
| Differences between expected and actual experience | \$ - | \$ 61,731 |
| Net differences between projected and actual earnings on OPEB plan investments | 25,994 | - |
| Changes in assumptions | 508,339 | 151,566 |
| Changes in proportion and differences between employer contributions and proportionate share of contributions | 64,893 | 30,696 |
| Total | <u>\$ 599,226</u> | <u>\$ 243,993</u> |

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

| <u>Year Ended December 31,</u> | <u>Expense</u> |
|------------------------------------|-------------------|
| 2021 | \$ 59,194 |
| 2022 | 59,194 |
| 2023 | 56,391 |
| 2024 | 53,505 |
| 2025 | 47,972 |
| Thereafter | 78,977 |
| Total | <u>\$ 355,233</u> |

Actuarial assumptions. The total OPEB liability in the January 1, 2019 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

| | |
|---|--------------------------------|
| Actuarial valuation date: | January 1, 2019 |
| Measurement date of net OPEB liability (asset): | December 31, 2019 |
| Actuarial cost method: | Entry age normal |
| 20 year tax-exempt municipal bond yield: | 2.74% |
| Long-term expected rate of return: | 4.25% |
| Discount rate: | 2.87% |
| Salary increases: | |
| Inflation | 3.00% |
| Seniority/Merit | 0.1% - 5.6% |
| Mortality: | Wisconsin 2018 Mortality Table |

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

Langlade County, Wisconsin

NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2020

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.

| <u>Asset Class</u> | <u>Index</u> | <u>Target Allocation</u> | <u>Long-term Expected Geometric Real Rate of Return %</u> |
|-----------------------------------|----------------------|--------------------------|---|
| U.S. Credit Bonds | Barclays Credit | 45% | 2.12% |
| U.S. Long Credit Bonds | Barclays Long Credit | 5% | 2.90% |
| U.S. Mortgages | Barclays MBS | 50% | 1.53% |
| Inflation | | | 2.20% |
| Long-term expected rate of return | | | 4.25% |

The long-term expected rate of return decreased slightly from 5.00% in the prior year to 4.25% in the current year. This change was primarily based on the target asset allocation and capital market expectations. The expected inflation rate also decreased slightly from 2.30% in the prior year to 2.20% in the current year. 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.

Single discount rate. A single discount rate of 2.87% was used to measure the total OPEB liability for the current year, as opposed to a discount rate of 4.22% for the prior year. The significant change in the discount rate was primarily caused by the decrease in the bond rate from 4.10% as of December 31, 2018 to 2.74% as of December 31, 2019. The Plan's fiduciary net position was projected to be insufficient to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculating the Total OPEB Liability is equal to the single equivalent rate that results in the same actuarial present value as the long-term expected rate of return applied to benefit payments, to the extent that the plan's fiduciary net position is projected to be sufficient to make projected benefit payments, and the municipal bond rate applied to benefit payment to the extent that the plan's fiduciary net position is projected to be insufficient. The plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through December 31, 2036.

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 contribution are made by plan members retiring prior to age 65.

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

| | <u>1% Decrease to Discount Rate</u> 1.87% | <u>Current Discount Rate</u> 2.87% | <u>1% Increase to Discount Rate</u> 3.87% |
|--|--|---------------------------------------|--|
| County's proportionate share of the net OPEB liability (asset) | \$ 1,902,744 | \$ 1,377,969 | \$ 978,717 |

Langlade County, Wisconsin

NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2020

OPEB plan fiduciary net position. Detailed information about the OPEB plan's fiduciary net position is available in separately issued financial statements available at <http://etf.wi.gov/publications/cafr.htm>.

Payable to the OPEB Plan

At December 31, 2020, the County reported a payable of \$0 for the outstanding amount of contribution to the Plan required for the year ended December 31, 2020.

I. FUND EQUITY

Nonspendable Fund Balance

In the fund financial statements, portions of the governmental fund balances are amounts that cannot be spent because they are either 1) not in spendable form or 2) legally or contractually required to be maintained intact. At December 31, 2020, nonspendable fund balance was as follows:

| | |
|---|---------------------|
| General Fund | |
| Nonspendable | |
| Delinquent taxes | \$ 639,136 |
| Inventories and prepaid items | 644,032 |
| Total General Fund nonspendable fund balance | <u>1,283,168</u> |
| Special Revenue Fund | |
| Nonspendable | |
| Social Services | |
| Prepaid items | 4,691 |
| Public health | |
| Prepaid items | 912 |
| Total Special Revenue nonspendable fund balance | <u>5,603</u> |
| Total nonspendable fund balance | <u>\$ 1,288,771</u> |

Restricted Fund Balance

In the fund financial statements, portions of governmental fund balances are not available for appropriation or are legally restricted for use for a specific purpose. At December 31, 2020, restricted fund balance was as follows:

| | |
|-------------------------------------|-------------------|
| Special Revenue Funds | |
| Restricted for | |
| Northwoods CDBG | \$ 60,879 |
| Housing rehabilitation | 161,209 |
| Community development loan | 72,676 |
| Lenzer trust | 2,848 |
| Debt Service Fund | |
| Restricted for debt service | 4,283 |
| Capital Improvements Fund | |
| Restricted for capital improvements | <u>271,542</u> |
| Total Restricted Fund Balance | <u>\$ 573,437</u> |

Committed Fund Balance

In the fund financial statements, portions of government fund balances are committed by County Board action. At December 31, 2020, General Fund balance was committed as follows:

| | |
|------------------------------|---------------------|
| Special Revenue Fund | |
| Committed for | |
| County roads and bridges | \$ 2,565,066 |
| Social services | 220,502 |
| Public Health | 129,337 |
| Jail Assessment | 40,965 |
| Dog License | 1,000 |
| Jail Commissary | 88,646 |
| Total Committed Fund Balance | <u>\$ 3,045,516</u> |

Langlade County, Wisconsin

NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2020

Assigned Fund Balance

Portions of governmental fund balances have been assigned to represent tentative management plans that are subject to change. At December 31, 2020, fund balance was assigned as follows:

| | |
|---|---------------------|
| General Fund | |
| Capital improvement projects | \$ 359,889 |
| Computer and office equipment replacement | 430,798 |
| Forestry recreation | 90,800 |
| Forestry preservation | 41,071 |
| Forestry land purchase | 169,916 |
| Sick leave | 150,000 |
| Maintenance projects | 33,207 |
| Subsequent years budget | <u>408,555</u> |
| Total | <u>\$ 1,684,236</u> |

Minimum General Fund Balance Policy

The County has also adopted a minimum fund balance policy of 25% of subsequent year budgeted expenditures for the General Fund. The minimum fund balance is maintained for cash flow and working capital purposes. The minimum fund balance amount is calculated as follows:

| | |
|---|---------------------|
| Budgeted 2021 General Fund expenditures | \$ 13,240,028 |
| Minimum fund balance % | (x) 25% |
| Minimum fund balance amount | <u>\$ 3,310,007</u> |

The County's unassigned General Fund balance of \$6,661,728 is above the minimum fund balance amount.

Restricted Net Position

In the government-wide financial statements, portions of governmental activities net position are legally restricted for use for a specific purpose. At December 31, 2020, restricted net position was as follows:

| | |
|---------------------------------|----------------------|
| Governmental activities | |
| Restricted for | |
| Northwoods CDBG | \$ 5,760,625 |
| Housing rehabilitation | 2,353,508 |
| Community development loan | 167,241 |
| Capital projects | 158,501 |
| Lenzer trust | 2,848 |
| Pension benefits | <u>1,569,315</u> |
| Total Governmental Activities | <u>10,012,038</u> |
| Business-type activities | |
| Restricted for pension benefits | <u>288,981</u> |
| Total | <u>\$ 10,301,019</u> |

Langlade County, Wisconsin

NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2020

NOTE 4: OTHER INFORMATION

A. RISK MANAGEMENT

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

Health Self-Insurance Fund

County employees, retirees and employee dependents are eligible for medical benefits from a health self-insurance fund. Funding is provided by charges to County departments, employees and retirees. The program is supplemented by stop loss protection, which limits the County's annual liability. Fund expenses consist of payments to a third-party administrator for medical claims, stop loss insurance premiums and administrative fees. On December 31, 2020, the fund had a net position balance of \$212,121.

The claims liability of \$492,528 reported in the fund at December 31, 2020 is based on the requirements of GASB Statement No. 10, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. Changes in the fund's claims liability amount are as follows:

| | Liability January 1 | Current Year Claims and Changes in Estimates | Claims Payments | Liability December 31 |
|------|------------------------|---|--------------------|--------------------------|
| 2020 | \$ 812,897 | \$ 1,816,057 | \$ 2,136,426 | \$ 492,528 |
| 2019 | 590,195 | 2,888,660 | 2,665,958 | 812,897 |

B. CONTINGENCIES

The County participates in a number of federal and state assisted grant programs. These programs are subject to program compliance audits by the grantors or their representatives. An audit under the Uniform Guidance and the *Audit State Single Guidelines* has been conducted but final acceptance is still pending. Accordingly, the County's compliance with applicable grant requirements will be established at some future date. The amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time although the County expects such amounts, if any, to be immaterial.

From time to time, the County is party to other various pending claims and legal proceedings. Although the outcome of such matters cannot be forecast with certainty, it is the opinion of management and 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.

C. CUMULATIVE EFFECT OF CHANGE IN ACCOUNTING PRINCIPLE

The County has adopted GASB Statement No. 84, *Fiduciary Activities*, which established criteria for identifying fiduciary activities and addressed financial reporting for these activities. The cumulative effect of this change was to increase net position in the custodial fund by \$375,157.

Langlade County, Wisconsin

NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2020

D. PRIOR PERIOD ADJUSTMENT

The County recorded a prior period adjustment of \$2,418,092 in the government-wide financial statements. This adjustment increases net position and reflects Langlade County's proportionate equity share as of December 31, 2019, of North Central Health Care, a joint venture between Lincoln County, Marathon County, and Langlade County.

REQUIRED SUPPLEMENTARY INFORMATION

Langlade County, Wisconsin

SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY (ASSET)
 WISCONSIN RETIREMENT SYSTEM
 LAST 10 FISCAL YEARS

| <u>Plan Year Ending</u> | <u>Proportion of the Net Pension Liability (Asset)</u> | <u>Proportionate Share of the Net Pension Liability (Asset)</u> | <u>Covered Payroll (plan year)</u> | <u>Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Covered Payroll</u> | <u>Plan Fiduciary Net Position as a Percentage of the Total Pension Liability (Asset)</u> |
|-------------------------|--|---|------------------------------------|--|---|
| 12/31/14 | 0.05709097% | \$ (1,402,310) | \$ 7,367,284 | 19.03% | 102.74% |
| 12/31/15 | 0.05584184% | 907,419 | 7,364,261 | 12.32% | 98.20% |
| 12/31/16 | 0.05564162% | 458,620 | 7,602,227 | 6.03% | 99.12% |
| 12/31/17 | 0.05618080% | (1,668,074) | 7,953,008 | 20.97% | 102.93% |
| 12/31/18 | 0.05687833% | 2,023,553 | 8,107,033 | 24.96% | 96.45% |
| 12/31/19 | 0.05763130% | (1,858,296) | 8,523,529 | 21.80% | 102.96% |

SCHEDULE OF CONTRIBUTIONS
 WISCONSIN RETIREMENT SYSTEM
 LAST 10 FISCAL YEARS

| <u>Fiscal Year Ending</u> | <u>Contractually Required Contributions</u> | <u>Contributions in Relation to the Contractually Required Contributions</u> | <u>Contribution Deficiency (Excess)</u> | <u>Covered Payroll (fiscal year)</u> | <u>Contributions as a Percentage of Covered Payroll</u> |
|---------------------------|---|--|---|--------------------------------------|---|
| 12/31/15 | \$ 532,744 | \$ 532,744 | \$ - | \$ 7,364,261 | 7.23% |
| 12/31/16 | 531,346 | 531,346 | - | 7,602,227 | 6.99% |
| 12/31/17 | 566,909 | 566,909 | - | 7,953,008 | 7.13% |
| 12/31/18 | 617,143 | 617,143 | - | 8,107,033 | 7.61% |
| 12/31/19 | 633,994 | 633,994 | - | 8,523,529 | 7.44% |
| 12/31/20 | 664,577 | 664,577 | - | 7,916,720 | 8.39% |

See notes to required supplementary information.

Langlade County, Wisconsin

SCHEDULE OF PROPORTIONATE SHARE OF THE NET OPEB LIABILITY (ASSET)
 LOCAL RETIREE LIFE INSURANCE FUND
 LAST 10 FISCAL YEARS

| <u>Plan Fiscal Year Ending</u> | <u>Proportion of the Net OPEB Liability (Asset)</u> | <u>Proportionate Share of the Net OPEB Liability (Asset)</u> | <u>Covered Payroll</u> | <u>Proportionate Share of the Net OPEB Liability (Asset) as a Percentage of Covered-employee Payroll</u> | <u>Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability (Asset)</u> |
|--------------------------------|---|--|------------------------|--|--|
| 12/31/17 | 0.29652100% | \$ 892,107 | \$ 7,953,008 | 11.22% | 44.81% |
| 12/31/18 | 0.30344600% | 782,993 | 8,107,033 | 9.66% | 48.69% |
| 12/31/19 | 0.32360400% | 1,377,969 | 8,523,529 | 16.17% | 37.58% |

SCHEDULE OF CONTRIBUTIONS
 LOCAL RETIREE LIFE INSURANCE FUND
 LAST 10 FISCAL YEARS

| <u>Fiscal Year Ending</u> | <u>Contractually Required Contributions</u> | <u>Contributions in Relation to the Contractually Required Contributions</u> | <u>Contribution Deficiency (Excess)</u> | <u>Covered Payroll</u> | <u>Contributions as a Percentage of Covered-employee Payroll</u> |
|---------------------------|---|--|---|------------------------|--|
| 12/31/18 | \$ 5,816 | \$ 5,816 | \$ - | \$ 8,107,033 | 0.07% |
| 12/31/19 | 6,373 | 6,373 | - | 8,523,529 | 0.07% |
| 12/31/20 | 6,634 | 6,634 | - | 7,916,720 | 0.08% |

See notes to required supplementary information.

Langlade County, Wisconsin

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
DECEMBER 31, 2020

A. WISCONSIN RETIREMENT SYSTEM

Changes of benefit terms. There were no changes of benefit terms.

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

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

B. OTHER POSTEMPLOYMENT BENEFITS - LOCAL RETIREE LIFE INSURANCE FUND

Changes of benefit terms. There were no changes of benefit term.

Changes of assumptions. Actuarial assumptions are based upon an experience study conducted in 2018 using Wisconsin Retirement System (WRS) experience from 2015 – 2017 and the discount rate was updated to reflect the municipal bond rate at the completion of the actuarial valuation.

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

SUPPLEMENTARY INFORMATION

Langlade County, Wisconsin

GENERAL FUND
 DETAILED COMPARISON OF BUDGETED AND ACTUAL REVENUES
 FOR THE YEAR ENDED DECEMBER 31, 2020

| | Budget | | Actual | Variance |
|-----------------------------------|------------------|------------------|------------------|--|
| | Original | Final | | Final Budget - Positive (Negative) |
| Taxes | | | | |
| General property | \$ 5,627,217 | \$ 5,627,217 | \$ 5,627,217 | \$ - |
| Forest crop | 74,000 | 74,000 | 129,149 | 55,149 |
| Payment in lieu of taxes | 17,000 | 17,000 | 17,014 | 14 |
| County sales tax | 1,824,000 | 1,824,000 | 1,957,326 | 133,326 |
| Interest on taxes | 210,000 | 210,000 | 189,037 | (20,963) |
| Total taxes | 7,752,217 | 7,752,217 | 7,919,743 | 167,526 |
| Intergovernmental | | | | |
| State | | | | |
| State shared taxes | 750,568 | 750,568 | 751,171 | 603 |
| Tax exempt computer aid | 12,000 | 12,000 | 12,308 | 308 |
| Severance/yield/withdrawal | 1,000 | 1,000 | 860 | (140) |
| Circuit court | 52,275 | 52,275 | 52,275 | - |
| Other state payments | 500 | 5,329 | 63,949 | 58,620 |
| CARES Act | - | 485,073 | 485,073 | - |
| Guardian ad litem | 24,040 | 31,980 | 33,211 | 1,231 |
| Interpreter fees | 4,500 | 4,500 | 5,188 | 688 |
| Victim witness program | 13,500 | 13,500 | 9,263 | (4,237) |
| Land information | 104,337 | 114,526 | 107,778 | (6,748) |
| Airport | - | - | 20,000 | 20,000 |
| Sheriff department | 19,464 | 21,464 | 19,212 | (2,252) |
| Tribal enforcement grant | 18,800 | 18,800 | 22,889 | 4,089 |
| OJA grant | 841 | 60,402 | 61,907 | 1,505 |
| Emergency government | 47,104 | 112,516 | 532,653 | 420,137 |
| Child Support | 374,425 | 374,425 | 344,308 | (30,117) |
| Transportation | 79,889 | 79,889 | 79,889 | - |
| Veterans service | 10,000 | 8,131 | 12,511 | 4,380 |
| Sober living facility | - | - | 63,965 | 63,965 |
| Snowmobile/ATV trail maintenance | 296,951 | 296,951 | 537,256 | 240,305 |
| Lake protection | 46,175 | 46,175 | 34,030 | (12,145) |
| UW Extension | 4,749 | 4,749 | - | (4,749) |
| Wisconsin fund | 10,000 | 10,000 | - | (10,000) |
| Forestry | 111,602 | 120,888 | 152,767 | 31,879 |
| Land conservation | 201,547 | 201,547 | 140,288 | (61,259) |
| Total intergovernmental | 2,184,267 | 2,826,688 | 3,542,751 | 716,063 |
| Licenses and permits | | | | |
| Licenses | | | | |
| Marriage license | 1,876 | 1,876 | 1,540 | (336) |
| Occupational drivers license | 40 | 40 | - | (40) |
| Passport fees | 100 | 100 | 20 | (80) |
| Permits | | | | |
| Zoning | 77,200 | 77,200 | 90,529 | 13,329 |
| Non-metallic mine permit | 12,500 | 12,500 | 13,915 | 1,415 |
| Land record fees | 2,800 | 2,800 | 5,125 | 2,325 |
| Total licenses and permits | 94,516 | 94,516 | 111,129 | 16,613 |

Langlade County, Wisconsin

GENERAL FUND
 DETAILED COMPARISON OF BUDGETED AND ACTUAL REVENUES
 FOR THE YEAR ENDED DECEMBER 31, 2020

| | Budget | | Actual | Variance |
|--|------------------|------------------|------------------|--|
| | Original | Final | | Final Budget - Positive (Negative) |
| Fines and forfeits | | | | |
| County ordinance forfeitures | \$ 57,012 | \$ 57,012 | \$ 50,505 | \$ (6,507) |
| State fines and forfeitures | 24,484 | 24,484 | 62,899 | 38,415 |
| Total fines and forfeits | <u>81,496</u> | <u>81,496</u> | <u>113,404</u> | <u>31,908</u> |
| Public charges for services | | | | |
| Register of deeds fees | 142,400 | 142,400 | 179,125 | 36,725 |
| Register of deeds land modernization | 34,000 | 41,398 | 30,878 | (10,520) |
| Circuit court fees and costs | 70,998 | 70,998 | 55,811 | (15,187) |
| Guardian ad litem fees | 180 | 180 | 246 | 66 |
| Mediation fees | 1,858 | 1,858 | 1,960 | 102 |
| Register in probate fees | 5,500 | 5,500 | 6,974 | 1,474 |
| Conservation fees | 350 | 350 | 4,737 | 4,387 |
| County clerk | 600 | 600 | 789 | 189 |
| Plat book sales | 5,500 | 5,500 | 2,249 | (3,251) |
| District attorney | 300 | 300 | 1,588 | 1,288 |
| Sale of maps | 500 | 500 | 248 | (252) |
| Coroner | 8,000 | 8,000 | 10,810 | 2,810 |
| Information services | 2,500 | 2,500 | 2,703 | 203 |
| Sheriff fees | 118,600 | 119,503 | 92,099 | (27,404) |
| Airport | 29,000 | 29,000 | 32,967 | 3,967 |
| Child support | 5,000 | 5,000 | 3,791 | (1,209) |
| Forest crop stumpage | 1,920,000 | 1,920,000 | 1,580,814 | (339,186) |
| Miscellaneous forestry | 19,006 | 19,006 | 34,031 | 15,025 |
| Park fees | 154,000 | 154,000 | 163,306 | 9,306 |
| Treasurer fees - NSF | 100 | 100 | 50 | (50) |
| Photocopies | 59,710 | 59,710 | 54,510 | (5,200) |
| Agriculture | 2,165 | 2,165 | 1,537 | (628) |
| Total public charges for services | <u>2,580,267</u> | <u>2,588,568</u> | <u>2,261,223</u> | <u>(327,345)</u> |
| Intergovernmental charges for services | | | | |
| Probation and parole holds | 25,800 | 25,800 | 16,720 | (9,080) |
| Prisoner housing | 251,700 | 256,222 | 172,188 | (84,034) |
| Software updates | 3,300 | 3,300 | 3,300 | - |
| Total intergovernmental charges for services | <u>280,800</u> | <u>285,322</u> | <u>192,208</u> | <u>(93,114)</u> |
| Interdepartmental charges for services | | | | |
| Indirect charges | 265,500 | 311,710 | 267,752 | (43,958) |
| Insurance premiums | 190,000 | 190,000 | 262,726 | 72,726 |
| CSA revenues | 21,400 | 21,400 | 5,471 | (15,929) |
| Total interdepartmental charges for services | <u>476,900</u> | <u>523,110</u> | <u>535,949</u> | <u>12,839</u> |

Langlade County, Wisconsin

GENERAL FUND
 DETAILED COMPARISON OF BUDGETED AND ACTUAL REVENUES
 FOR THE YEAR ENDED DECEMBER 31, 2020

| | Budget | | Actual | Variance Final Budget - Positive (Negative) |
|---------------------------------------|-----------------------------|-----------------------------|-----------------------------|--|
| | Original | Final | | |
| Miscellaneous | | | | |
| Interest on investments | \$ 162,424 | \$ 162,424 | \$ 125,694 | \$ (36,730) |
| Insurance recoveries and dividends | 2,100 | 59,430 | 57,330 | (2,100) |
| Agriculture research station | 15,000 | 15,000 | 32,172 | 17,172 |
| Sale of County property | 5,750 | 9,300 | 24,463 | 15,163 |
| Profit on tax deed sales | 55,000 | 79,000 | 79,327 | 327 |
| Rent | 122,010 | 122,010 | 123,840 | 1,830 |
| Donations | 900 | 11,276 | 22,231 | 10,955 |
| Other | - | - | 3,406 | 3,406 |
| Total miscellaneous | <u>363,184</u> | <u>458,440</u> | <u>468,463</u> | <u>10,023</u> |
| Total revenues | <u><u>\$ 13,813,647</u></u> | <u><u>\$ 14,610,357</u></u> | <u><u>\$ 15,144,870</u></u> | <u><u>\$ 534,513</u></u> |

Langlade County, Wisconsin

GENERAL FUND
 DETAILED COMPARISON OF BUDGETED AND ACTUAL EXPENDITURES
 FOR THE YEAR ENDED DECEMBER 31, 2020

| | Budget | | Actual | Variance |
|---------------------------------|------------------|------------------|------------------|--|
| | Original | Final | | Final Budget - Positive (Negative) |
| General government | | | | |
| County board | \$ 108,832 | \$ 140,962 | \$ 145,311 | \$ (4,349) |
| Department of administration | 161,003 | 163,415 | 121,601 | 41,814 |
| County clerk | 159,388 | 191,452 | 188,004 | 3,448 |
| County treasurer | 150,934 | 153,137 | 151,464 | 1,673 |
| Coroner | 73,289 | 73,289 | 65,996 | 7,293 |
| Register of deeds | 213,254 | 217,452 | 213,132 | 4,320 |
| Human resources | - | 106,319 | 77,095 | 29,224 |
| Insurance | | | | |
| Property and liability | 61,640 | 61,640 | 60,218 | 1,422 |
| Workers' compensation | 238,241 | 238,241 | 329,466 | (91,225) |
| Circuit Court | 686,923 | 702,535 | 638,093 | 64,442 |
| District Attorney | 165,485 | 168,049 | 159,857 | 8,192 |
| Corporation counsel | 202,205 | 205,496 | 196,908 | 8,588 |
| Finance department | - | 462,692 | 453,551 | 9,141 |
| Information systems | 279,868 | 439,805 | 415,028 | 24,777 |
| Maintenance | | | | |
| Courthouse | 118,534 | 129,117 | 122,107 | 7,010 |
| Resource center | 109,506 | 114,019 | 88,870 | 25,149 |
| Shop | 250,568 | 253,942 | 236,467 | 17,475 |
| Architectural fees | 500 | 500 | - | 500 |
| Other general government | 101,600 | 101,600 | 95,955 | 5,645 |
| Contingency | 171,652 | 21,378 | 4,018 | 17,360 |
| Total general government | <u>3,253,422</u> | <u>3,945,040</u> | <u>3,763,141</u> | <u>181,899</u> |
| Public safety | | | | |
| Sheriff | 2,931,079 | 2,979,945 | 2,990,142 | (10,197) |
| Jail | 1,863,783 | 2,250,403 | 1,940,185 | 310,218 |
| Maintenance | 259,484 | 263,121 | 222,063 | 41,058 |
| Emergency government | 86,336 | 157,820 | 161,817 | (3,997) |
| Total public safety | <u>5,140,682</u> | <u>5,651,289</u> | <u>5,314,207</u> | <u>337,082</u> |
| Public works | | | | |
| Airport | 156,782 | 156,782 | 147,299 | 9,483 |
| Total public works | <u>156,782</u> | <u>156,782</u> | <u>147,299</u> | <u>9,483</u> |
| Health and human services | | | | |
| North Central Health Care | 321,483 | 321,483 | 305,549 | 15,934 |
| Family Care | 259,523 | 259,523 | 259,523 | - |
| Maintenance | 172,409 | 181,329 | 151,992 | 29,337 |
| Child support | 439,627 | 444,179 | 395,701 | 48,478 |
| ADRC | 115,070 | 115,070 | 115,070 | - |
| Transportation | 95,867 | 109,956 | 109,476 | 480 |
| Veteran's service officer | 171,076 | 173,405 | 144,880 | 28,525 |
| Avail | 25,000 | 25,000 | 25,000 | - |
| Total health and human services | <u>1,600,055</u> | <u>1,629,945</u> | <u>1,507,191</u> | <u>122,754</u> |

Langlade County, Wisconsin

GENERAL FUND
 DETAILED COMPARISON OF BUDGETED AND ACTUAL EXPENDITURES
 FOR THE YEAR ENDED DECEMBER 31, 2020

| | Budget | | Actual | Variance Final Budget - Positive (Negative) |
|------------------------------------|-----------------------------|-----------------------------|-----------------------------|--|
| | Original | Final | | |
| Culture and recreation | | | | |
| Parks | \$ 605,566 | \$ 618,635 | \$ 835,743 | \$ (217,108) |
| Library | 316,490 | 298,990 | 298,580 | 410 |
| Agriculture agents | 233,125 | 241,580 | 211,311 | 30,269 |
| Total culture and recreation | <u>1,155,181</u> | <u>1,159,205</u> | <u>1,345,634</u> | <u>(186,429)</u> |
| Conservation and development | | | | |
| Land records and regulations | 662,563 | 688,482 | 647,637 | 40,845 |
| Land conservation | 273,737 | 275,876 | 181,190 | 94,686 |
| Forestry department | 581,013 | 654,115 | 684,284 | (30,169) |
| Economic development | 75,000 | 75,440 | 75,546 | (106) |
| Regional planning commission | 14,843 | 14,843 | 14,843 | - |
| Total conservation and development | <u>1,607,156</u> | <u>1,708,756</u> | <u>1,603,500</u> | <u>105,256</u> |
| Capital outlay | <u>300,000</u> | <u>643,560</u> | <u>361,524</u> | <u>282,036</u> |
| Total expenditures | <u><u>\$ 13,213,278</u></u> | <u><u>\$ 14,894,577</u></u> | <u><u>\$ 14,042,496</u></u> | <u><u>\$ 852,081</u></u> |

Langlade County, Wisconsin

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2020

| | Special Revenue | | | | |
|--|-------------------|------------------|------------------|------------------|----------------------------|
| | Public Health | Jail Assessment | Dog License | Jail Commissary | Community Development Loan |
| ASSETS | | | | | |
| Cash and investments | \$ - | \$ 40,474 | \$ 10,022 | \$ 85,319 | \$ 72,676 |
| Receivables | | | | | |
| Taxes | 368,878 | - | - | - | - |
| Accounts | 200,868 | 749 | - | 5,735 | - |
| Loans, net | - | - | - | - | 94,564 |
| Prepaid supplies | 912 | - | - | - | - |
| Total assets | <u>\$ 570,658</u> | <u>\$ 41,223</u> | <u>\$ 10,022</u> | <u>\$ 91,054</u> | <u>\$ 167,240</u> |
| LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES | | | | | |
| Liabilities | | | | | |
| Accounts payable | \$ 3,583 | \$ 258 | \$ 9,022 | \$ 2,408 | \$ - |
| Accrued and other current liabilities | 31,691 | - | - | - | - |
| Due to other funds | 16,224 | - | - | - | - |
| Special deposits | 1,913 | - | - | - | - |
| Unearned revenues | 18,120 | - | - | - | - |
| Short-term note payable | - | - | - | - | - |
| Total liabilities | <u>71,531</u> | <u>258</u> | <u>9,022</u> | <u>2,408</u> | <u>-</u> |
| Deferred inflows of resources | | | | | |
| Property taxes levied for subsequent year | 368,878 | - | - | - | - |
| Loans receivable | - | - | - | - | 94,564 |
| Total deferred inflows of resources | <u>368,878</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>94,564</u> |
| Fund balances | | | | | |
| Nonspendable | 912 | - | - | - | - |
| Restricted | - | - | - | - | 72,676 |
| Committed | 129,337 | 40,965 | 1,000 | 88,646 | - |
| Unassigned | - | - | - | - | - |
| Total fund balances | <u>130,249</u> | <u>40,965</u> | <u>1,000</u> | <u>88,646</u> | <u>72,676</u> |
| Total liabilities, deferred inflows of resources and fund balances | <u>\$ 570,658</u> | <u>\$ 41,223</u> | <u>\$ 10,022</u> | <u>\$ 91,054</u> | <u>\$ 167,240</u> |

| Special Revenue (continued) | | | Capital Projects | | |
|-----------------------------|------------------|-----------------|----------------------|---------------------|---------------------|
| Economic Development | Fairgrounds | Lenzer Trust | Capital Improvements | Debt Service | Total |
| \$ - | \$ 12,728 | \$ 2,848 | \$ 1,569,867 | \$ 4,283 | \$ 1,798,217 |
| - | 30,995 | - | - | 1,940,203 | 2,340,076 |
| - | 596 | - | - | - | 207,948 |
| - | - | - | - | - | 94,564 |
| - | - | - | - | - | 912 |
| <u>\$ -</u> | <u>\$ 44,319</u> | <u>\$ 2,848</u> | <u>\$ 1,569,867</u> | <u>\$ 1,944,486</u> | <u>\$ 4,441,717</u> |
| \$ - | \$ 8,608 | \$ - | \$ 5,797 | \$ - | \$ 29,676 |
| - | - | - | - | - | 31,691 |
| - | - | - | - | - | 16,224 |
| - | 2,000 | - | - | - | 3,913 |
| - | 10,421 | - | - | - | 28,541 |
| - | - | - | 1,292,528 | - | 1,292,528 |
| - | 21,029 | - | 1,298,325 | - | 1,402,573 |
| - | 30,995 | - | - | 1,940,203 | 2,340,076 |
| - | - | - | - | - | 94,564 |
| - | 30,995 | - | - | 1,940,203 | 2,434,640 |
| - | - | - | - | - | 912 |
| - | - | 2,848 | 271,542 | 4,283 | 351,349 |
| - | - | - | - | - | 259,948 |
| - | (7,705) | - | - | - | (7,705) |
| - | (7,705) | 2,848 | 271,542 | 4,283 | 604,504 |
| <u>\$ -</u> | <u>\$ 44,319</u> | <u>\$ 2,848</u> | <u>\$ 1,569,867</u> | <u>\$ 1,944,486</u> | <u>\$ 4,441,717</u> |

Langlade County, Wisconsin

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 NONMAJOR GOVERNMENTAL FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2020

| | Special Revenue | | | | |
|--|-------------------|--------------------|-----------------|--------------------|----------------------------------|
| | Public Health | Jail Assessment | Dog License | Jail Commissary | Community Development Loan |
| REVENUES | | | | | |
| Taxes | \$ 362,501 | \$ - | \$ - | \$ - | \$ - |
| Intergovernmental | 390,953 | - | - | - | - |
| Licenses and permits | - | - | 9,456 | - | - |
| Public charges for services | 34,293 | 9,994 | - | 45,281 | - |
| Intergovernmental charges for services | 75 | - | - | - | - |
| Miscellaneous | 1,812 | - | - | 21,262 | 19,329 |
| Total revenues | 789,634 | 9,994 | 9,456 | 66,543 | 19,329 |
| EXPENDITURES | | | | | |
| Current | | | | | |
| General government | - | - | 9,456 | - | - |
| Public safety | - | 20,053 | - | 83,508 | - |
| Health and human services | 660,723 | - | - | - | - |
| Culture and recreation | - | - | - | - | - |
| Conservation and development | - | - | - | - | 40,906 |
| Debt service | | | | | |
| Principal | - | - | - | - | - |
| Interest and fiscal charges | - | - | - | - | - |
| Capital outlay | - | - | - | - | - |
| Total expenditures | 660,723 | 20,053 | 9,456 | 83,508 | 40,906 |
| Excess of revenues over (under) expenditures | 128,911 | (10,059) | - | (16,965) | (21,577) |
| OTHER FINANCING SOURCES | | | | | |
| Transfers in | - | - | - | - | - |
| Net change in fund balances | 128,911 | (10,059) | - | (16,965) | (21,577) |
| Fund balances - January 1 | 1,338 | 51,024 | 1,000 | 105,611 | 94,253 |
| Fund balances - December 31 | \$ 130,249 | \$ 40,965 | \$ 1,000 | \$ 88,646 | \$ 72,676 |

| Special Revenue (continued) | | | Capital Projects | | |
|-----------------------------|-------------|--------------|----------------------|--------------|--------------|
| Economic Development | Fairgrounds | Lenzer Trust | Capital Improvements | Debt Service | Total |
| \$ - | \$ 30,095 | \$ - | \$ 525,000 | \$ 649,500 | \$ 1,567,096 |
| - | - | - | - | - | 390,953 |
| - | - | - | - | - | 9,456 |
| - | 14,539 | - | - | - | 104,107 |
| - | - | - | - | - | 75 |
| 457 | 14,935 | - | 6,083 | - | 63,878 |
| 457 | 59,569 | - | 531,083 | 649,500 | 2,135,565 |
| - | - | - | - | - | 9,456 |
| - | - | - | - | - | 103,561 |
| - | - | - | - | - | 660,723 |
| - | 92,213 | - | - | - | 92,213 |
| 457 | - | - | - | - | 41,363 |
| - | - | - | - | 555,000 | 555,000 |
| - | - | - | - | 97,194 | 97,194 |
| - | - | - | 842,717 | - | 842,717 |
| 457 | 92,213 | - | 842,717 | 652,194 | 2,402,227 |
| - | (32,644) | - | (311,634) | (2,694) | (266,662) |
| - | 23,879 | - | - | - | 23,879 |
| - | (8,765) | - | (311,634) | (2,694) | (242,783) |
| - | 1,060 | 2,848 | 583,176 | 6,977 | 847,287 |
| \$ - | \$ (7,705) | \$ 2,848 | \$ 271,542 | \$ 4,283 | \$ 604,504 |

ADDITIONAL INDEPENDENT AUDITORS' REPORT
FOR BASIC FINANCIAL STATEMENTS



Independent auditors' report on internal control over financial reporting and on compliance and other matters based on an audit of financial statements performed in accordance with *Government Auditing Standards*

To the County Board
Langlade County, Wisconsin

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Langlade County, Wisconsin, (the County) as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated October 13, 2021.

INTERNAL CONTROL OVER FINANCIAL REPORTING

In planning and performing our audit of the financial statements, we considered the County's internal control over financial reporting (internal control) as a basis for designing the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, we do not express an opinion on the effectiveness of the County's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying schedule of findings and questioned costs, we did identify a certain deficiency in internal control that we consider to be a material weakness and another to be a significant deficiency.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiency described in the accompanying schedule of findings and questioned costs as item 2020-001 to be a material weakness.

A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention to those charged with governance. We consider the deficiency described the accompanying schedule of findings and questioned costs as item 2020-002 to be a significant deficiency.

COMPLIANCE AND OTHER MATTERS

As part of obtaining reasonable assurance about whether the County's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

LANGLADE COUNTY'S RESPONSE TO FINDINGS

The County's response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. The County's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

PURPOSE OF THIS REPORT

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



CliftonLarsonAllen LLP

Green Bay, Wisconsin
October 13, 2021

FEDERAL AND STATE AWARDS



Independent auditors' report on compliance for each major federal and state program and report on internal control over compliance required by the Uniform Guidance and the *State Single Audit Guidelines*

To the County Board
Langlade County, Wisconsin

REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL AND STATE PROGRAM

We have audited Langlade County, Wisconsin's (the County's) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* and the *State Single Audit Guidelines* issued by the Wisconsin Department of Administration that could have a direct and material effect on each of the County's major federal and state programs for the year ended December 31, 2020. The County's major federal and state programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

MANAGEMENT'S RESPONSIBILITY

Management is responsible for compliance with of federal and state statutes, regulations, and the terms and conditions of its federal and state awards applicable to its federal and state programs.

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on compliance for each of the County's major federal and state programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and the *State Single Audit Guidelines* issued by the Wisconsin Department of Administration. Those standards, Uniform Guidance and the *State Single Audit Guidelines* require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal or state program occurred. An audit includes examining, on a test basis, evidence about the County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal and state program. However, our audit does not provide a legal determination of the County's compliance.

OPINION ON EACH MAJOR FEDERAL AND STATE PROGRAM

In our opinion, the County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the year ended December 31, 2020.

OTHER MATTERS

The results of our auditing procedures disclosed instances of noncompliance, which are required to be reported in accordance with Uniform Guidance and the State Single Audit Guidelines and which are described in the accompanying schedule of findings and questioned costs as items 2020-004 and 2020-005. Our opinion on each major federal and state program are not modified with respect to these matters.

The County's responses to the noncompliance findings identified in our audit are described in the accompanying schedule of findings and questions costs. The County's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the responses.

REPORT ON INTERNAL CONTRL OVER COMPLIANCE

Management of the County is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the County's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal or state program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal and state program and to test and report on internal control over compliance in accordance with the Uniform Guidance and the *State Single Audit Guidelines*, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal or state program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal or state program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal or state program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, we did identify certain deficiencies in internal control over compliance, as described in the accompanying schedule of findings and questioned costs as items 2020-003, 2020-004, 2020-005, and 2020-006 that we consider to be significant deficiencies.

The County's response to the internal control over compliance findings identified in our audit is described in the accompanying schedule of findings and questioned costs. The County's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance and the *State Single Audit Guidelines*. Accordingly, this report is not suitable for any other purpose.



CliftonLarsonAllen LLP

Green Bay, Wisconsin
October 13, 2021

Langlade County, Wisconsin

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE YEAR ENDED DECEMBER 31, 2020

| Grantor Agency/Federal Program Title | CFDA Number | Pass-Through Agency | Pass-Through Entity Identifying Number |
|---|----------------|-------------------------|---|
| U.S. DEPARTMENT OF AGRICULTURE | | | |
| SNAP Cluster | | | |
| State Administrative Matching Grants for Food Stamp Program | 10.561 | Marathon County | 61 |
| State Administrative Matching Grants for Food Stamp Program | 10.561 | Marathon County | 284 |
| Total SNAP Cluster | | | |
| Total U.S. Department of Agriculture | | | |
| U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT | | | |
| Community Development Block Grant | | | |
| Program Agreements | 14.228 | WI DOA | H 17-18-02 |
| Program Agreements | 14.228 | WI DOA | H 20-02 |
| Program Agreements | 14.228 | WI DOA | H 19-01 |
| Program Income | | | |
| Housing rehabilitation loan program | 14.228 | WI DOA | Not Applicable |
| Northwoods CDBG | 14.228 | WI DOA | Not Applicable |
| Total Community Development Block Grant | | | |
| Total U.S. Department of Housing and Urban Development | | | |
| U.S. DEPARTMENT OF INTERIOR | | | |
| Payments in Lieu of Taxes | 15.226 | WI DNR | n/a |
| Total U.S. Department of Interior | | | |
| U.S. DEPARTMENT OF JUSTICE | | | |
| COVID 19 - Coronavirus Emergency Supplemental Funding Program | 16.034 | WI DOJ | 2020-CV-01-16234 |
| Bulletproof Vest Program | 16.607 | Direct Program | Not Applicable |
| Total U.S. Department of Justice | | | |
| U.S. DEPARTMENT OF TRANSPORTATION | | | |
| COVID 19 - Airport Improvement Program | 20.106 | WI DOT | n/a |
| Highway Planning and Construction Cluster | | | |
| Recreational Trails Program | 20.219 | WI DNR | RTP-802-16M |
| Recreational Trails Program | 20.219 | WI DNR | RTP-831-16N |
| Recreational Trails Program | 20.219 | WI DNR | RTP-824-16N |
| Recreational Trails Program | 20.219 | WI DNR | RTP-822-16N |
| Recreational Trails Program | 20.219 | WI DNR | RTP-565 |
| Recreational Trails Program | 20.219 | WI DNR | RTP-921-18N |
| Recreational Trails Program | 20.219 | WI DNR | RTP-922-18N |
| Recreational Trails Program | 20.219 | WI DNR | RTP-942-19N |
| Total Highway Planning and Construction Cluster | | | |
| Total U.S. Department of Transportation | | | |
| U.S. Department of the Treasury | | | |
| COVID-19 Coronavirus Relief Fund | 21.019 | WI DOA | n/a |
| COVID-19 Coronavirus Relief Fund | 21.019 | WI DHS | 155803 |
| COVID-19 Coronavirus Relief Fund | 21.019 | WI DHS | 155804 |
| COVID-19 Coronavirus Relief Fund | 21.019 | WI DHS | 155805 |
| Total COVID-19 Coronavirus Relief Fund | | | |
| Total U.S. Department of the Treasury | | | |
| U.S. Election Assistance Commission | | | |
| 2018 HAVA Election Security Grants | 90.404 | WI Elections Commission | n/a |
| Total U.S. Election Assistance Commission | | | |
| U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES | | | |
| Public Health Emergency Preparedness | 93.069 | WI DHS | 155015 |
| Immunization Cooperative Agreements | 93.268 | WI DHS | 155020 |
| COVID-19 Public Health Crisis Response Awards | 93.354 | WI DHS | 155801 |
| Promoting Safe and Stable Families | 93.556 | WI DCF | 3306 |

| (Accrued) Deferred Revenue 1/1/2020 | Cash Received (Refunded) | Accrued (Deferred) Revenue 12/31/2020 | Total Expenditures | Subrecipient Payment |
|--|--------------------------------|--|-----------------------|-------------------------|
| \$ (141) | \$ 435 | \$ 117 | \$ 411 | \$ - |
| (54,979) | 118,560 | 59,878 | 123,459 | - |
| (55,120) | 118,995 | 59,995 | 123,870 | - |
| (55,120) | 118,995 | 59,995 | 123,870 | - |
| (203,367) | 1,455,323 | - | 1,251,956 | - |
| - | 471,658 | 308,659 | 780,317 | - |
| - | 75,595 | - | 75,595 | - |
| 135,258 | 30,246 | (161,208) | 4,296 | - |
| 7,759 | 205,306 | (44,412) | 168,653 | - |
| (60,350) | 2,238,128 | 103,039 | 2,280,817 | - |
| (60,350) | 2,238,128 | 103,039 | 2,280,817 | - |
| - | 1,899 | - | 1,899 | - |
| - | 1,899 | - | 1,899 | - |
| - | - | 58,000 | 58,000 | - |
| - | 1,561 | - | 1,561 | - |
| - | 1,561 | 58,000 | 59,561 | - |
| - | 20,000 | - | 20,000 | - |
| (27,718) | 28,561 | - | 843 | - |
| - | 5,561 | 331 | 5,892 | - |
| (2,649) | 4,421 | - | 1,772 | - |
| (2,341) | 2,341 | - | - | - |
| (1,981) | 3,261 | 944 | 2,224 | - |
| - | 2,369 | - | 2,369 | - |
| - | 2,795 | - | 2,795 | - |
| - | - | 12,697 | 12,697 | - |
| (34,689) | 49,309 | 13,972 | 28,592 | - |
| (34,689) | 69,309 | 13,972 | 48,592 | - |
| - | 463,198 | - | 463,198 | - |
| - | 3,766 | 10,857 | 14,623 | - |
| - | 25,478 | 4,342 | 29,820 | - |
| - | 65,164 | 147,016 | 212,180 | - |
| - | 557,606 | 162,215 | 719,821 | - |
| - | 557,606 | 162,215 | 719,821 | - |
| - | 4,829 | - | 4,829 | - |
| - | 4,829 | - | 4,829 | - |
| (4,180) | 27,509 | 5,196 | 28,525 | - |
| - | 1,816 | 4,523 | 6,339 | - |
| - | 31,931 | 5,583 | 37,514 | - |
| - | 38,069 | - | 38,069 | - |

Langlade County, Wisconsin

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE YEAR ENDED DECEMBER 31, 2020

| Grantor Agency/Federal Program Title | CFDA Number | Pass-Through Agency | Pass-Through Entity Identifying Number |
|---|----------------|------------------------|---|
| U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (Continued) | | | |
| Child Support Enforcement (Title IV-D) | 93.563 | WI DCF | 7332 |
| Child Support Enforcement (Title IV-D) | 93.563 | WI DCF | 7477 |
| Child Support Enforcement (Title IV-D) | 93.563 | WI DCF | 7482 |
| Child Support Enforcement (Title IV-D) | 93.563 | WI DCF | 7506 |
| Child Support Enforcement (Title IV-D) | 93.563 | WI DCF | 7560 |
| Child Support Enforcement (Title IV-D) | 93.563 | WI DCF | 7618 |
| Child Support Enforcement (Title IV-D) | 93.563 | WI DCF | 7332F |
| Child Support Enforcement (Title IV-D) | 93.563 | WI DCF | 7332R |
| Total Child Support Enforcement (Title IV-D) | | | |
| Low Income Home Energy Assistance CCDF Cluster | 93.568 | WI DOA | AD1599974.34 |
| Child Care and Development Block Grant | 93.575 | WI DCF | 831 |
| Child Care and Development Block Grant | 93.575 | WI DCF | 852 |
| Total CCCDF Cluster | | | |
| Grants to States for Access and Visitation Programs | 93.597 | WI DCF | 7332 |
| Stephanie Tubbs Jones Child Welfare Services Program | 93.645 | WI DCF | 3413 |
| Stephanie Tubbs Jones Child Welfare Services Program | 93.645 | WI DCF | 3561 |
| Stephanie Tubbs Jones Child Welfare Services Program | 93.645 | WI DCF | 3681 |
| Total Stephanie Tubbs Jones Child Welfare Services Program | | | |
| Foster Care (Title IV-E) | 93.658 | WI DCF | 3396 |
| Foster Care (Title IV-E) | 93.658 | WI DCF | 3413 |
| Foster Care (Title IV-E) | 93.658 | WI DCF | 3561 |
| COVID 19 - Foster Care (Title IV-E) | 93.658 | WI DCF | 3619 |
| Foster Care (Title IV-E) | 93.658 | WI DCF | 3681 |
| Total Foster Care (Title IV-E) | | | |
| Adoption Assistance | 93.659 | WI DCF | 3574 |
| Child Abuse and Neglect State Grants | 93.669 | WI DCF | 3030 |
| Preventive Health and Health Services Block Grant funded solely with Prevention and Public Health Funds (PPHF) | 93.758 | WI DHS | 159220 |
| Children's Health Insurance Program | 93.767 | Marathon County | 284 |
| Medicaid Cluster | | | |
| Medical Assistance Program | 93.778 | Marathon County | 62 |
| Medical Assistance Program | 93.778 | Marathon County | 284 |
| Total Medicaid Cluster | | | |
| Preventive Health and Health Services Block Grant | 93.991 | WI DHS | 159220 |
| Maternal and Child Health Services Block Grant to the States | 93.994 | WI DHS | 159320 |
| Total U.S. Department of Health and Human Services | | | |
| U.S. DEPARTMENT OF HOMELAND SECURITY | | | |
| Disaster Grants - Public Assistance | 97.036 | WI DMA | PA-05-WI-4459-PW-00032 |
| Disaster Grants - Public Assistance | 97.036 | WI DMA | PA-05-WI-4459-PW-00192 |
| Disaster Grants - Public Assistance | 97.036 | WI DMA | PA-05-WI-4459-PW-00365 |
| Disaster Grants - Public Assistance | 97.036 | WI DMA | PA-05-WI-4459-PW-00419 |
| Disaster Grants - Public Assistance | 97.036 | WI DMA | PA-05-WI-4459-PW-00425 |
| Total Disaster Grants - Public Assistance | | | |
| Emergency Management Performance Grants | 97.042 | WI DMA | 2019-EMPG-01-11348 |
| Emergency Management Performance Grants | 97.042 | WI DMA | 2020-EMPG-01-11779 |
| Emergency Management Performance Grants | 97.042 | WI DMA | 2020-EMPG-01-11780 |
| Total U.S. Department of Homeland Security | | | |
| TOTAL FEDERAL AWARDS | | | |

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

| (Accrued) Deferred Revenue 1/1/2020 | Cash Received (Refunded) | Accrued (Deferred) Revenue 12/31/2020 | Total Expenditures | Subrecipient Payment |
|--|--------------------------------|--|-----------------------|-------------------------|
| \$ - | \$ 21,062 | \$ - | \$ 21,062 | \$ - |
| 80,867 | 60,199 | 72,501 | 213,567 | - |
| (890) | (1,403) | (683) | (2,976) | - |
| 362 | 334 | 423 | 1,119 | - |
| - | 1,708 | - | 1,708 | - |
| - | 59,893 | - | 59,893 | - |
| - | (1,362) | (2,136) | (3,498) | - |
| - | 2,064 | 3,236 | 5,300 | - |
| <u>80,339</u> | <u>142,495</u> | <u>73,341</u> | <u>296,175</u> | <u>-</u> |
| (15,124) | 15,124 | - | - | - |
| (69) | 1,443 | 326 | 1,700 | - |
| (5,457) | 29,960 | 6,487 | 30,990 | - |
| <u>(5,526)</u> | <u>31,403</u> | <u>6,813</u> | <u>32,690</u> | <u>-</u> |
| 674 | (674) | - | - | - |
| (464) | 3,349 | 545 | 3,430 | - |
| - | 20,992 | - | 20,992 | - |
| - | 1,697 | - | 1,697 | - |
| <u>(464)</u> | <u>26,038</u> | <u>545</u> | <u>26,119</u> | <u>-</u> |
| - | 49 | - | 49 | - |
| (832) | 6,005 | 978 | 6,151 | - |
| - | 235,583 | - | 235,583 | - |
| - | 40,057 | - | 40,057 | - |
| - | 19,050 | - | 19,050 | - |
| <u>(832)</u> | <u>300,744</u> | <u>978</u> | <u>300,890</u> | <u>-</u> |
| - | 9,500 | - | 9,500 | - |
| (293) | 6,661 | 389 | 6,757 | - |
| (705) | 705 | - | - | - |
| (7,080) | 15,404 | 7,839 | 16,163 | - |
| (141) | 435 | 117 | 411 | - |
| (70,038) | 152,380 | 77,545 | 159,887 | - |
| <u>(70,179)</u> | <u>152,815</u> | <u>77,662</u> | <u>160,298</u> | <u>-</u> |
| - | 5,948 | 425 | 6,373 | - |
| - | 10,401 | 306 | 10,707 | - |
| <u>(23,370)</u> | <u>815,889</u> | <u>183,600</u> | <u>976,119</u> | <u>-</u> |
| - | 3,801 | - | 3,801 | - |
| - | - | 71,742 | 71,742 | - |
| - | - | 14,516 | 14,516 | - |
| - | - | 246,322 | 246,322 | - |
| - | - | 69,968 | 69,968 | - |
| - | 3,801 | 402,548 | 406,349 | - |
| (33,309) | 33,309 | - | - | - |
| - | 33,534 | - | 33,534 | - |
| - | 10,000 | - | 10,000 | - |
| <u>(33,309)</u> | <u>80,644</u> | <u>402,548</u> | <u>449,883</u> | <u>-</u> |
| <u>\$ (206,838)</u> | <u>\$ 3,888,860</u> | <u>\$ 983,369</u> | <u>\$ 4,665,391</u> | <u>\$ -</u> |

Langlade County, Wisconsin

SCHEDULE OF EXPENDITURES OF STATE AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2020

| Grantor Agency/State Program Title | State I.D. Number | Pass-Through Agency | State Identifying Number |
|---|----------------------|------------------------|--------------------------------|
| DEPARTMENT OF AGRICULTURE, TRADE AND CONSUMER PROTECTION | | | |
| Agriculture Clean Sweep Program | 115.04 | Direct Program | n/a |
| County Staff and Support | 115.15 | Direct Program | n/a |
| LWRM Plan Implementation Projects | 115.40 | Direct Program | n/a |
| Total Department of Agriculture, Trade and Consumer Protection | | | |
| DEPARTMENT OF NATURAL RESOURCES | | | |
| Wildlife Habitat Grant | 370.564 | Direct Program | n/a |
| Snowmobile Patrol | 370.552 | Direct Program | n/a |
| Wildlife Damage Abatement and Claims | 370.553 | Direct Program | n/a |
| County Conservation Aids | 370.563 | Direct Program | CC20-34FM |
| Lakes Protection Grant | 370.663 | Direct Program | LPT 486-15 |
| Lakes Protection Grant | 370.663 | Direct Program | LPT 594-19 |
| Total Aquatic Invasive Species | | | |
| County Forest Administration | 370.572 | Direct Program | n/a |
| Recreational Aids - Snowmobile Trail and Area Aid | 370.574 & 370.575 | Direct Program | S-5237 |
| Recreational Aids - Snowmobile Trail and Area Aid | 370.574 & 370.575 | Direct Program | S-5303 |
| Recreational Aids - Snowmobile Trail and Area Aid | 370.574 & 370.575 | Direct Program | S-5304 |
| Recreational Aids - Snowmobile Trail and Area Aid | 370.574 & 370.575 | Direct Program | S-5357 |
| Recreational Aids - Snowmobile Trail and Area Aid | 370.574 & 370.575 | Direct Program | S-5456S |
| Recreational Aids - Snowmobile Trail and Area Aid | 370.574 & 370.575 | Direct Program | S-5497 |
| Recreational Aids - Snowmobile Trail and Area Aid | 370.574 & 370.575 | Direct Program | S-5546 |
| Recreational Aids - Snowmobile Trail and Area Aid | 370.574 & 370.575 | Direct Program | S-5575 |
| Total Recreational Aids - Snowmobile Trail and Area Aid | | | |
| All-Terrain Vehicle (ATV) Program | 370.576 & 370.577 | Direct Program | ATV-3531 |
| All-Terrain Vehicle (ATV) Program | 370.576 & 370.577 | Direct Program | ATV-3704 |
| All-Terrain Vehicle (ATV) Program | 370.576 & 370.577 | Direct Program | ATV-3914 |
| All-Terrain Vehicle (ATV) Program | 370.576 & 370.577 | Direct Program | ATV-4015 |
| All-Terrain Vehicle (ATV) Program | 370.576 & 370.577 | Direct Program | ATV-4055 |
| All-Terrain Vehicle (ATV) Program | 370.576 & 370.577 | Direct Program | ATV-4075T |
| All-Terrain Vehicle (ATV) Program | 370.576 & 370.577 | Direct Program | ATV-4089 |
| All-Terrain Vehicle (ATV) Program | 370.576 & 370.577 | Direct Program | ATV-4113 |
| All-Terrain Vehicle (ATV) Program | 370.576 & 370.577 | Direct Program | ATV-4215 |
| All-Terrain Vehicle (ATV) Program | 370.576 & 370.577 | Direct Program | ATV-4255 |
| All-Terrain Vehicle (ATV) Program | 370.576 & 370.577 | Direct Program | ATV-4274T |
| All-Terrain Vehicle (ATV) Program | 370.576 & 370.577 | Direct Program | ATV-4297 |
| All-Terrain Vehicle (ATV) Program | 370.576 & 370.577 | Direct Program | ATV-4298 |
| Total All-Terrain Vehicle (ATV) Program | | | |
| Total Department of Natural Resources | | | |
| DEPARTMENT OF TRANSPORTATION | | | |
| Elderly and Handicapped Transportation Aids | 395.101 | Direct Program | n/a |
| County Forest Aids | 395.170 | Direct Program | n/a |
| Total Department of Transportation | | | |

| (Accrued) Deferred Revenue 1/1/20 | Cash Received (Refunded) | Accrued (Deferred) Revenue 12/31/20 | Total Expenditures | Subrecipient Payment |
|--|--------------------------------|--|-----------------------|-------------------------|
| \$ - | \$ - | \$ 14,151 | \$ 14,151 | \$ - |
| (90,476) | 90,476 | 92,890 | 92,890 | - |
| (2,136) | 32,706 | - | 30,570 | - |
| (92,612) | 123,182 | 107,041 | 137,611 | - |
| - | 15,385 | 4,370 | 19,755 | - |
| - | 9,700 | - | 9,700 | - |
| (23,820) | 23,820 | - | - | - |
| - | 3,568 | - | 3,568 | - |
| (25,712) | 25,712 | - | - | - |
| - | 20,180 | 13,851 | 34,031 | - |
| (25,712) | 45,892 | 13,851 | 34,031 | - |
| - | 76,847 | - | 76,847 | - |
| (68,395) | 68,395 | - | - | - |
| 99,908 | - | (99,908) | - | - |
| 76,875 | - | (76,875) | - | - |
| 77,851 | 178,400 | - | 256,251 | - |
| - | 68,699 | - | 68,699 | - |
| - | 79,905 | (67,206) | 12,699 | - |
| - | 8,137 | (8,137) | - | - |
| - | 116,438 | (116,438) | - | - |
| 186,239 | 519,974 | (368,564) | 337,649 | - |
| (6,894) | 7,738 | - | 844 | - |
| 5,056 | - | (5,056) | - | - |
| 198,586 | - | (179,187) | 19,399 | - |
| (25,044) | 37,153 | - | 12,109 | - |
| 1,311 | 24,955 | - | 26,266 | - |
| 690 | 660 | - | 1,350 | - |
| 7,178 | - | - | 7,178 | - |
| 4,805 | - | - | 4,805 | - |
| - | 42,500 | 11,991 | 54,491 | - |
| - | 24,955 | 21,714 | 46,669 | - |
| - | 690 | (690) | - | - |
| - | 8,137 | (8,137) | - | - |
| - | 116,438 | (116,438) | - | - |
| 185,688 | 263,226 | (275,803) | 173,111 | - |
| 322,395 | 958,412 | (626,146) | 654,661 | - |
| - | 80,240 | - | 80,240 | - |
| - | 2,692 | (621) | 2,071 | - |
| - | 82,932 | (621) | 82,311 | - |

Langlade County, Wisconsin

SCHEDULE OF EXPENDITURES OF STATE AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2020

| Grantor Agency/State Program Title | State I.D. Number | Pass-Through Agency | State Identifying Number |
|--|----------------------|------------------------|--------------------------------|
| DEPARTMENT OF HEALTH SERVICES | | | |
| FPI NON-FED | 435.060 | Marathon County | 60 |
| IMAA State Share | 435.283 | Marathon County | 283 |
| IMAA Federal Share | 435.284 | Marathon County | 284 |
| Enhanced IM Funding | 435.568 | Marathon County | n/a |
| Fluoride Supplement | 435.151734 | Direct Program | 151734 |
| Cons Contracts CHHD LD | 435.157720 | Direct Program | 157720 |
| Total Department of Health Services | | | |
| DEPARTMENT OF CHILDREN AND FAMILIES | | | |
| Food Stamp Agency Incentives | 437.965 | Direct Program | 965 |
| AFDC Agency Incentives | 437.975 | Direct Program | 975 |
| Kinship Care Program - Benefits | 437.3377 | Direct Program | 3377A |
| Kinship Care Program - Benefits | 437.3377 | Direct Program | 3377B |
| Kinship Care Program - Assessment | 437.3380 | Direct Program | 3380A |
| Kinship Care Program - Assessment | 437.3380 | Direct Program | 3380B |
| Community Intervention Program | 437.3410 | Direct Program | 3410 |
| Youth Aids AODA | 437.3411 | Direct Program | 3411 |
| Youth Aids | 437.3413 | Direct Program | 3413 |
| Basic County Allocation | 437.3561 | Direct Program | 3561 |
| State County match | 437.3681 | Direct Program | 3681 |
| Child Support Additional Funding | 437.7335 | Direct Program | 7335 |
| Child Support Activities | 437.7502 | Direct Program | 7502 |
| Child Support Medical Support | 437.7606 | Direct Program | 7606 |
| Total Department of Children and Families | | | |
| DEPARTMENT OF JUSTICE | | | |
| County Tribal Local Assistance | 455.260 | Direct Program | n/a |
| Victim Witness Cluster | 455. (1) | Direct Program | n/a |
| Total Department of Justice | | | |
| DEPARTMENT OF MILITARY AFFAIRS | | | |
| Disaster Recovery Aids | 465.305 | Direct Program | PA-05-WI-4459-PW-00032 |
| Disaster Recovery Aids | 465.305 | Direct Program | PA-05-WI-4459-PW-00192 |
| Disaster Recovery Aids | 465.305 | Direct Program | PA-05-WI-4459-PW-0036E |
| Disaster Recovery Aids | 465.305 | Direct Program | PA-05-WI-4459-PW-0041E |
| Disaster Recovery Aids | 465.305 | Direct Program | PA-05-WI-4459-PW-0042E |
| Total Disaster Recovery Aids | | | |
| Emergency Training Grant Program | 465.337 | Direct Program | 2019-EPCRA-01-11355 |
| Computer and Hazmat Equipment Grant | 465.367 | Direct Program | 2020-EPCRA-01-11955 |
| Total Department of Military Affairs | | | |
| DEPARTMENT OF ADMINISTRATION | | | |
| Wisconsin Land Information Program - Aid to Counties | | | |
| Land Information Grant | 505.173 | Direct Program | n/a |
| Training Grant | 505.173 | Direct Program | n/a |
| Strategic Initiative Grant | 505.173 | Direct Program | n/a |
| Total Wisconsin Land Information Program - Aid to Counties | | | |
| Public Benefits - Low Income Energy Assistance Program | 505.371 | Direct Program | AD1599974.34 |
| Public Benefits - Low Income Energy Assistance Program | 505.371 | Direct Program | AD1599974.34 |
| Total Public Benefits - Low Income Energy Assistance Program | | | |
| Total Department of Administration | | | |
| TOTAL STATE PROGRAMS | | | |

The notes to the schedule of expenditures of state awards are an integral part of this schedule.

| (Accrued) Deferred Revenue 1/1/20 | Cash Received (Refunded) | Accrued (Deferred) Revenue 12/31/20 | Total Expenditures | Subrecipient Payment |
|--|--------------------------------|--|-----------------------|-------------------------|
| \$ (282) | \$ 870 | \$ 233 | \$ 821 | \$ - |
| (690) | 93,980 | 95 | 93,385 | - |
| - | 1,056 | 995 | 2,051 | - |
| (977) | 29,430 | 17,654 | 46,107 | - |
| (384) | 384 | - | - | - |
| (472) | 1,728 | 98 | 1,354 | - |
| (2,805) | 127,448 | 19,075 | 143,718 | - |
| (123) | 1,927 | 185 | 1,989 | - |
| - | 25 | - | 25 | - |
| - | 34,675 | - | 34,675 | - |
| (16,100) | 64,054 | 14,215 | 62,169 | - |
| - | 1,548 | - | 1,548 | - |
| (819) | 2,795 | 2,186 | 4,162 | - |
| (1,232) | 9,420 | 2,598 | 10,786 | - |
| - | 273 | 6,833 | 7,106 | - |
| (52,058) | 375,592 | 61,177 | 384,711 | - |
| - | 240,856 | - | 240,856 | - |
| - | 19,476 | - | 19,476 | - |
| - | 4,861 | - | 4,861 | - |
| - | 41,599 | - | 41,599 | - |
| - | 1,672 | - | 1,672 | - |
| (70,332) | 798,773 | 87,194 | 815,635 | - |
| - | 22,889 | - | 22,889 | - |
| (2,420) | 11,682 | - | 9,262 | - |
| (2,420) | 34,571 | - | 32,151 | - |
| - | 634 | - | 634 | - |
| - | - | 11,957 | 11,957 | - |
| - | - | 2,419 | 2,419 | - |
| - | - | 41,054 | 41,054 | - |
| - | - | 11,661 | 11,661 | - |
| - | 634 | 67,091 | 67,725 | - |
| (7,780) | 7,780 | - | - | - |
| - | - | 15,043 | 15,043 | - |
| (7,780) | 8,414 | 82,134 | 82,768 | - |
| 109,202 | 68,056 | (119,220) | 58,038 | - |
| - | 1,000 | (368) | 632 | - |
| 26,508 | 45,000 | (22,400) | 49,108 | - |
| 135,710 | 114,056 | (141,988) | 107,778 | - |
| (2,377) | 2,377 | - | - | - |
| - | 64,910 | 2,337 | 67,247 | - |
| (2,377) | 67,287 | 2,337 | 67,247 | - |
| 133,333 | 181,343 | (139,651) | 175,025 | - |
| \$ 279,779 | \$ 2,315,075 | \$ (470,974) | \$ 2,123,880 | \$ - |

Langlade County, Wisconsin

NOTES TO THE SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS FOR THE YEAR ENDED DECEMBER 31, 2020

NOTE 1: BASIS OF PRESENTATION

The accompanying Schedules of Expenditures of Federal and State Awards for the County are presented in accordance with the requirements of Title 2 *U.S. Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and the *State Single Audit Guidelines* issued by the Wisconsin Department of Administration.

The Schedules of Expenditures of Federal and State Awards include all federal and state awards of the County. Because the schedules present only a selected portion of the operations of the County, it is not intended to and does not present the financial position, changes in net position, or cash flows of the County.

NOTE 2: SIGNIFICANT ACCOUNTING POLICIES

Revenues and expenditures in the schedules are presented in accordance with the modified accrual basis of accounting and are generally in agreement with revenues and expenditures reported in the County's 2020 fund financial statements. Such expenditures are recognized following the cost principles contained in the Uniform Guidance for all awards with the exception of CFDA 21.019, which follows criteria determined by the Department of Treasury or allowability of costs. Under these principles, certain types of expenditures are not allowable or are limited to reimbursement. Accrued revenue at year-end consists of federal and state program expenditures scheduled for reimbursement to the County in the succeeding year while unearned revenue represents advances for federal and state programs that exceed recorded County expenditures. Because of subsequent program adjustments, these amounts may differ from the prior year's ending balances. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

The County has not elected to charge a de minimis rate of 10% of modified total costs.

NOTE 3: OVERSIGHT AGENCIES

The federal and state oversight agencies for the County are as follows:

Federal – U.S. Department of Justice

State – Wisconsin Department of Children and Families

NOTE 4: PASS THROUGH ENTITIES

Federal awards have been passed through the following entities:

WI DCF – Wisconsin Department of Children and Families

WI DHS – Wisconsin Department of Health Services

WI DMA – Wisconsin Department of Military Affairs

WI DNR – Wisconsin Department of Natural Resources

WI DOA – Wisconsin Department of Administration

WI DOJ – Wisconsin Department of Justice

WI DOT – Wisconsin Department of Transportation

Langlade County, Wisconsin

NOTES TO THE SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS FOR THE YEAR ENDED DECEMBER 31, 2020

NOTE 5: STATE DIRECT PAYMENTS

Payments made directly to recipients and vendors by the State of Wisconsin under the FoodShare Wisconsin program on behalf of the County are not included in the Schedules of Expenditures of Federal and State Awards.

NOTE 6: STATE OF WISCONSIN COMMUNITY AIDS REPORTING SYSTEM

The Wisconsin Departments of Health Services (DHS) and Children and Families (DCF) utilize the Community Aids Reporting System (CARS) and the System for Payments and Reports of Contracts (SPARC) for reimbursing the County for various federal and state program expenditures. The expenditures reported on the Schedules of Expenditures of Federal and State Awards for various DHS and DCF programs agree with the expenditures reported on the May 2021 CARS for the Human Services and Public Health Departments, and the December 2020 SPARC for Child Support and Child Care programs.

NOTE 7: REVOLVING LOAN FUND FOR HOUSING REHABILITATION

In the prior years, the County received community development block grants to finance housing rehabilitation loans made to local homeowners. Program income received by the County is obligated for additional housing rehabilitation loans.

During 2020, the County received program income of \$30,246 and expended \$4,295 from their housing rehabilitation loan fund.

At December 31, 2020, program income of \$4,295 is available for future housing rehabilitation loans and administrative expenses. Outstanding mortgages receivable totaled \$2,192,299.

NOTE 8: REVOLVING LOAN FUND FOR NORTHWOODS CONSORTIUM

The County has received community development block grants to finance housing rehabilitation loans made to homeowners in the Northwoods Consortium Revolving Loan Program. Program income received by the County is obligated for additional housing rehabilitation loans.

During 2020, the County received intergovernmental grant income of \$2,107,664, program income of \$205,306 and expended \$2,244,332 from their housing rehabilitation loan fund as detailed below:

| | <u>Grant</u> | <u>Program Income</u> | <u>Total Expenditures</u> |
|------------------------------|---------------------|---------------------------|-------------------------------|
| Housing rehabilitation loans | \$ 1,791,514 | \$ 116,168 | \$ 1,907,682 |
| Administrative expenses | 316,150 | 20,500 | 336,650 |
| Total expenditures | <u>\$ 2,107,664</u> | <u>\$ 136,668</u> | <u>\$ 2,244,332</u> |

At December 31, 2020, program income of \$60,879 is available for future housing rehabilitation loans and administrative expenses. Outstanding mortgages receivable totaled \$5,999,746.

Langlade County, Wisconsin

SCHEDULE OF FINDINGS AND QUESTIONED COSTS FOR THE YEAR ENDED DECEMBER 31, 2020

SECTION I – SUMMARY OF AUDITORS’ RESULTS

BASIC FINANCIAL STATEMENTS

| | |
|---|------------|
| Type of auditors’ report issued: | Unmodified |
| Internal control over financial reporting: | |
| ▶ Material weakness(es) identified? | No |
| ▶ Significant deficiency(ies) identified? | Yes |
| Noncompliance material to basic financial statements noted? | No |

FEDERAL AND STATE AWARDS

| | |
|---|------------|
| Internal control over major program: | |
| ▶ Material weakness(es) identified? | No |
| ▶ Significant deficiency(ies) identified? | Yes |
| Type of auditors’ report issued on compliance for major programs | Unmodified |
| Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? | Yes |
| Any audit findings disclosed that are required to be reported in accordance with the <i>State Single Audit Guidelines</i> ? | Yes |

Identification of major federal program:

| CFDA Number | Name of Federal Program |
|-------------|-----------------------------------|
| 14.228 | Community Development Block Grant |
| 21.019 | Coronavirus Relief Fund |
| 97.036 | Disaster Grants |

Identification of major state programs:

| State ID Number | Name of State Programs |
|-------------------|---|
| 115.15 | Basic Annual Staffing Grants |
| 115.40 | LWRM Plan Implementation |
| 370.574 & 370.575 | Recreational Aids - Snowmobile Trail and Area Aid |
| 370.576 & 370.577 | All-Terrain Vehicle (ATV) program |
| 437.3561 | Basic County Allocation |
| 437.3681 | State County Match |

Audit threshold used to determine between Type A and Type B programs:

| | |
|----------------|-----------|
| Federal Awards | \$750,000 |
| State Awards | \$250,000 |

Auditee qualified as low-risk auditee No

Langlade County, Wisconsin

SCHEDULE OF FINDINGS AND QUESTIONED COSTS FOR THE YEAR ENDED DECEMBER 31, 2020

SECTION II – FINANCIAL STATEMENT FINDINGS

| FINDING NO. | CONTROL DEFICIENCIES |
|-------------------------------|---|
| 2020-001 | Adjustments to the County's Financial Records <i>Significant Deficiency in Internal Controls</i> Repeat of Finding 2019-001 |
| Condition: | As part of our audit, we proposed adjusting journal entries that were material to the County's financial statements. |
| Context | When performing audit procedures, we became aware of instances where adjustments were necessary to properly reflect financial transactions related to accounts receivable, deferred revenue, pension and other areas to present the County's financial statements in accordance with U.S. GAAP. |
| Criteria: | Material adjusting journal entries proposed by the auditors are considered to be an internal control deficiency. |
| Cause: | The County experienced employee turnover within the County's finance and highway departments. As a result, certain year end reconciliations and adjustments were not processed timely by the County, resulting in additional adjustments to the County's financial records. |
| Effect: | Year-end financial records prepared by the County may contain material misstatements. |
| Recommendation: | We recommend the County enhance its documentation of monthly and annual closing procedures, and identify other County employees to cross-train on key financial reporting processes to allow the County to better manage employee turnover. |
| View of Responsible Officials | There is no disagreement with the audit finding. Refer to the management response per the corrective action plan. |

Langlade County, Wisconsin

SCHEDULE OF FINDINGS AND QUESTIONED COSTS FOR THE YEAR ENDED DECEMBER 31, 2020

| FINDING NO. | CONTROL DEFICIENCIES |
|-------------------------------|--|
| 2020-002 | <p>Preparation of Annual Financial Report Significant Deficiency in Internal Controls Repeat of Finding 2019-002</p> |
| Condition: | <p>Management and the Board of the County share the ultimate responsibility for the County's internal control system. While it is acceptable to outsource various accounting functions, the responsibility for internal control cannot be outsourced.</p> |
| | <p>The County engages CliftonLarsonAllen LLP (CLA) to assist in preparing its financial statements and accompanying disclosures. However, as independent auditors, CLA cannot be considered part of the County's internal control system. As part of its internal control over the preparation of its financial statements, including disclosures, the County has implemented a comprehensive review procedure to ensure that the financial statements, including disclosures, are complete and accurate. Such review procedures should be performed by an individual possessing a thorough understanding of accounting principles generally accepted in the United States of America and knowledge of the County's activities and operations.</p> |
| | <p>The County's personnel have not monitored recent accounting developments to the extent necessary to enable them to prepare the County's financial statements and related disclosures, to provide a high level of assurance that potential omissions or other errors that are material would be identified and corrected on a timely basis.</p> |
| Context: | <p>While performing audit procedures, it was noted that management does not have internal controls in place to provide reasonable assurance that financial statements are prepared in accordance with U.S. GAAP. Management reviews and takes responsibility for the financial statements, including the note disclosures and the schedules of expenditures of federal and state awards.</p> |
| Criteria: | <p>The preparation and review of the annual financial report by staff with expertise in financial reporting is an internal control intended to prevent, detect and correct a potential omission or misstatement in the financial statements or notes.</p> |
| Cause: | <p>The County has determined that the additional costs associated with training staff to become experienced in applicable accounting principles and note disclosures outweigh the derived benefits.</p> |
| Effect: | <p>Without our involvement, the County may not be able to completely prepare an annual financial report, including the note disclosures and schedules of expenditures of federal and state awards in accordance with accounting principles generally accepted in the United States of America, the Uniform Guidance and <i>State Single Audit Guidelines</i>.</p> |
| Recommendation: | <p>We recommend the County continue reviewing the annual financial report. While it may not be cost beneficial to train additional staff to completely prepare the report, a thorough review of this information by appropriate staff of the County is necessary to obtain a complete and adequate understanding of the County's annual financial report.</p> |
| View of Responsible Officials | <p>There is no disagreement with the audit finding. Refer to the management response per the corrective action plan.</p> |

Langlade County, Wisconsin

SCHEDULE OF FINDINGS AND QUESTIONED COSTS FOR THE YEAR ENDED DECEMBER 31, 2020

SECTION III – FEDERAL AND STATE AWARD FINDINGS AND QUESTIONED COSTS

| FINDING NO. | UNIFORM GUIDANCE AND STATE SINGLE AUDIT GUIDELINES FINDINGS |
|-------------------------------|--|
| 2020-003 | <p>Financial Reporting for Federal and State Awards Significant Deficiency in Internal Control over Compliance</p> <p><i>Federal CFDA – All</i> <i>State IDs – All</i></p> |
| Compliance Requirement: | Other |
| Criteria: | Having staff with expertise in federal and state financial reporting prepare the County's single audit report is an internal control intended to prevent, detect and correct a potential misstatement in the schedules of expenditures of federal and state awards, or accompanying notes to the schedule. |
| Condition: | Uniform Guidance and the <i>State Single Audit Guidelines</i> require the County to prepare appropriate financial statements, including the schedules of expenditures of federal and state awards. While the current staff of the County maintains financial records supporting amounts reported in the schedules of expenditures of federal and state awards, the County contracts with CLA to compile the data from these records and assist in the preparation of the single audit report for the County. |
| Questioned Costs: | None |
| Context: | A draft copy of the County's schedules of expenditures of federal and state awards was not available to the auditor to properly plan the audit of federal and state awards in accordance with Uniform Guidance and the <i>State Single Audit Guidelines</i> . Preliminary schedules were prepared by the auditor and reviewed by management to ensure the accuracy of the schedules. |
| Cause: | The additional costs associated with hiring staff sufficiently experienced to prepare the County's single audit report, including the additional training time, outweigh the derived benefits. |
| Effect: | The County could receive federal or state grant awards which are not included in the accompanying Schedules of Expenditures of Federal and State Awards. |
| Repeat Finding: | 2019-003 |
| Recommendation: | We recommend County personnel continue reviewing the County's single audit report. While it may not be cost beneficial to hire additional staff to prepare these items, a thorough review of this information by appropriate staff of the County is necessary to ensure all federal and state financial assistance programs are properly reported in the County's single audit report. |
| View of Responsible Officials | There is no disagreement with the audit finding. |

Langlade County, Wisconsin

SCHEDULE OF FINDINGS AND QUESTIONED COSTS FOR THE YEAR ENDED DECEMBER 31, 2020

| FINDING NO. | UNIFORM GUIDANCE AND STATE SINGLE AUDIT GUIDELINES FINDINGS |
|-------------|---|
| 2020-004 | <p data-bbox="436 354 857 382">Coronavirus Relief Funds – Payroll</p> <p data-bbox="436 388 1133 415"><i>Significant Deficiency in Internal Control over Compliance</i></p> <p data-bbox="436 436 997 464"><i>Federal CFDA – 21.019 Coronavirus Relief Funds</i></p> <p data-bbox="436 516 675 543"><i>Pass through ID- N/A</i></p> <p data-bbox="131 564 886 592">Compliance Requirement: Allowable Costs and Allowable Activities</p> <p data-bbox="131 644 1437 774">Criteria: 2 CFR Part 200 <i>Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Award</i> requires the establishment of a set of internal controls to ensure that costs pertaining to federal awards are in compliance with the provisions of allowable costs and allowable activities.</p> <p data-bbox="131 795 1422 856">Condition: During our testing, we noted the County did not have adequate internal controls over the payroll process for payroll claimed under the Coronavirus Relief Funds.</p> <p data-bbox="131 877 500 905">Questioned Costs: None</p> <p data-bbox="131 926 1469 1056">Context: During our testing we noted three instances in which the wage rate paid to employees was not the amount that was previously approved one instance in which a timecard was not reviewed and approved by a supervisor, and another instance in which a formula error in the calculation of the Medicare withholding amount included an extra digit.</p> <p data-bbox="131 1077 1459 1167">Cause: Proper review of the supporting spreadsheets for the costs claimed under the grant was not performed. In addition, payroll documentation was not consistently filed for each staff member.</p> <p data-bbox="131 1188 1398 1215">Effect: The County could claim an incorrect amount or pay an employee an incorrect amount.</p> <p data-bbox="131 1236 472 1264">Repeat Finding: No</p> <p data-bbox="131 1285 1398 1346">Recommendation: We recommend the County review and determine if payroll procedures are effective in preventing or catching certain errors.</p> <p data-bbox="131 1367 967 1421">View of Responsible Officials: There is no disagreement with the audit finding.</p> |

Langlade County, Wisconsin

SCHEDULE OF FINDINGS AND QUESTIONED COSTS FOR THE YEAR ENDED DECEMBER 31, 2020

| FINDING NO. | UNIFORM GUIDANCE AND STATE SINGLE AUDIT GUIDELINES FINDINGS |
|-------------------------------|--|
| 2020-005 | <p>Disaster Recovery Aids – Reporting Significant Deficiency in Internal Control over Compliance</p> <p><i>Federal CFDA – 97.036 Disaster Grants – Public Assistance</i> <i>State IDs – 465.305 Disaster Recovery Aids</i></p> <p><i>Pass through ID: PA-05-WI-4459-PW-00032, PA-05-WI-4459-PW-00192, PA-05-WI-4459-PW-00365, PA-05-WI-4459-PW-00419, PA-05-WI-4459-PW-00425</i></p> |
| Compliance Requirement: | Reporting |
| Criteria: | <p>2 CFR Part 200 <i>Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Award</i> requires compliance with the provisions of reporting which requires accurate financial and performance reports to be filed. The County should have internal controls designed to ensure compliance with those provisions.</p> |
| Condition: | <p>During our testing, we noted the County did not have adequate internal controls designed to show that the financial reports that were filed are accurate.</p> |
| Questioned Costs: | None |
| Context: | <p>During our testing, it was noted that the County was not able to provide a detailed listing of expenditures that reconciled to the costs reported on each of the financial reports for the grant.</p> |
| Cause: | <p>The grant was administered at several departments throughout the County without a central position responsible for coordinating the documentation requirements. As such when requested a detailed listing was not available nor was the County able to recreate one.</p> |
| Effect: | <p>The County was able to identify more eligible costs than what was reported so therefore the County did not receive funds it should not have. However, the lack of internal controls over these compliance requirements provides an opportunity for noncompliance.</p> |
| Repeat Finding: | No |
| Recommendation: | <p>We recommend the County designate a position for each grant which is responsible for coordination between departments and ensuring all compliance requirements are met and documentation of the internal control process is maintained.</p> |
| View of Responsible Officials | <p>There is no disagreement with the audit finding.</p> |

Langlade County, Wisconsin

SCHEDULE OF FINDINGS AND QUESTIONED COSTS FOR THE YEAR ENDED DECEMBER 31, 2020

| FINDING NO. | UNIFORM GUIDANCE AND STATE SINGLE AUDIT GUIDELINES FINDINGS |
|-------------------------------|--|
| 2020-006 | <p>Community Development Block Grant – Environmental Reviews Significant Deficiency in Internal Control over Compliance <i>Federal CFDA – 14.228 Community Development Block Grant</i> <i>Pass through ID: H 20-02</i></p> |
| Compliance Requirement: | Special Tests and Provisions |
| Criteria: | <p>2 CFR Part 200 <i>Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Award</i> requires compliance with the provisions of all relevant requirements identified by the US Department of Housing and Urban Development. The County is required to have designed and implemented internal controls to ensure compliance with those provisions.</p> |
| Condition: | <p>During our testing, we noted the County did not perform the appropriate control associated with ensuring that environmental reviews were completed timely and accurately.</p> |
| Questioned Costs: | None |
| Context: | <p>During our testing, it was noted that the relevant checklist for one of the new projects that was approved during the year was not completed.</p> |
| Cause: | <p>The County did complete the required environmental review for the project but the required checklist showing the action was performed was not completed.</p> |
| Effect: | <p>The County did not complete this aspect of their internal control process. Internal Controls are designed to prevent or detect errors. If the County does not follow their internal control documentation, then potential errors could be made and unresolved.</p> |
| Repeat Finding: | No |
| Recommendation: | <p>We recommend the County review the current internal control processes and procedures related to the CDBG grant to ensure they are still relevant and are efficiently designed to prevent and detect errors.</p> |
| View of Responsible Officials | <p>There is no disagreement with the audit finding.</p> |

Langlade County, Wisconsin

SCHEDULE OF FINDINGS AND QUESTIONED COSTS FOR THE YEAR ENDED DECEMBER 31, 2020

SECTION IV – OTHER ISSUES

1. Does the auditor have substantial doubt as to the auditee's ability to continue as a going concern? No

2. Does the audit report show audit issues (i.e. material non-compliance, non-material non-compliance, questioned cost, material weakness, significant deficiencies, management letter comment, excess revenue or excess reserve) related to grant/contracts with funding agencies that require audits to be in accordance with the *State Single Audit Guidelines*:
 - Department of Agriculture, Trade and Consumer Protection Yes
 - Department of Safety and Professional Services Yes
 - Department of Natural Resources Yes
 - Department of Transportation Yes
 - Department of Health Services Yes
 - Department of Children and Families Yes
 - Department of Justice Yes
 - Department of Military Affairs Yes
 - Department of Administration Yes

3. Was a Management Letter or other document conveying audit comments issued as a result of this audit? Yes

4. Name and signature of partner 

Scott M. Sternhagen, CPA

October 13, 2021