

# Langlade County, Wisconsin

## ANNUAL FINANCIAL REPORT

December 31, 2019



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CONSULTING

# Langlade County, Wisconsin

DECEMBER 31, 2019

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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, 2019, 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, 2019, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the General Fund and 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.

## **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.

### **Prior-Year Comparative Information**

We have previously audited the County's 2018 financial statements, and we expressed unmodified opinions on the respective financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information in our report dated September 27, 2019. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2018, is consistent, in all material respects, with the audited financial statements from which it has been derived.

### **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 supplementary information as referenced in the Table of Contents is 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 supplementary information 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 supplementary information, 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.

We also previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statements of Langlade County, Wisconsin as of and for the year ended December 31, 2018 (not presented herein), and have issued our report thereon dated September 27, 2019, which contained unmodified opinions on the respective financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information. The general fund budgetary comparison schedules and the combining nonmajor fund financial statements for the year ended December 31, 2018 are presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2018 financial statements. The general fund budgetary comparison schedules and the combining nonmajor fund financial statements have been subjected to the auditing procedures applied in the audit of the 2018 basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare those financial statements or to those financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the general fund budgetary comparison schedules and the combining nonmajor fund financial statements are fairly stated in all material respects in relation to the basic financial statements as a whole for the year ended December 31, 2018.

### **OTHER REPORTING REQUIRED BY GOVERNMENT AUDITING STANDARDS**

In accordance with *Government Auditing Standards*, we have also issued our report dated September 14, 2020, 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.



**CliftonLarsonAllen LLP**

Green Bay, Wisconsin  
September 14, 2020

# Langlade County, Wisconsin

STATEMENT OF NET POSITION  
 DECEMBER 31, 2019  
 WITH SUMMARIZED FINANCIAL INFORMATION AS OF DECEMBER 31, 2018

	Governmental Activities	Business-type Activities	Totals	
			2019	2018
<b>ASSETS</b>				
Cash and investments	\$ 15,046,450	\$ 1,921,128	\$ 16,967,578	\$ 17,911,480
Receivables				
Taxes	10,364,812	-	10,364,812	9,775,396
Delinquent taxes	862,649	-	862,649	899,480
Accounts	326,720	4,184	330,904	525,086
Loans, net	6,764,689	-	6,764,689	6,710,083
Other	160,041	-	160,041	158,278
Internal balances	(19,970)	19,970	-	-
Due from other governments	824,241	602,963	1,427,204	1,187,038
Inventories and prepaid items	642,575	728,449	1,371,024	1,171,170
Net pension asset	-	-	-	1,668,074
Capital assets, nondepreciable	10,354,851	147,902	10,502,753	10,998,802
Capital assets, depreciable	34,070,032	5,019,176	39,089,208	39,437,056
<b>Total assets</b>	<b>79,397,090</b>	<b>8,443,772</b>	<b>87,840,862</b>	<b>90,441,943</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Pension related amounts	4,620,033	899,925	5,519,958	3,090,868
Other postemployment related amounts	91,993	17,635	109,628	96,478
<b>Total deferred outflows of resources</b>	<b>4,712,026</b>	<b>917,560</b>	<b>5,629,586</b>	<b>3,187,346</b>
<b>LIABILITIES</b>				
Accounts and claims payable	1,395,253	151,228	1,546,481	1,161,634
Accrued and other current liabilities	490,050	118,853	608,903	576,606
Due to other governments	360,262	-	360,262	330,347
Accrued interest payable	25,299	-	25,299	28,975
Special deposits	694,865	-	694,865	624,769
Unearned revenues	735,619	111,864	847,483	698,331
Short-term note payable	525,000	-	525,000	-
Long-term obligations				
Due within one year	862,000	-	862,000	842,000
Due in more than one year	2,944,296	202,666	3,146,962	3,731,684
Net pension liability	1,697,609	325,944	2,023,553	-
Other postemployment benefits	656,872	126,121	782,993	892,107
<b>Total liabilities</b>	<b>10,387,125</b>	<b>1,036,676</b>	<b>11,423,801</b>	<b>8,886,453</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Property taxes levied for subsequent year	10,364,812	-	10,364,812	9,775,396
Pension related amounts	2,340,957	449,467	2,790,424	2,983,964
Other postemployment related amounts	207,142	39,772	246,914	56,817
<b>Total deferred inflows of resources</b>	<b>12,912,911</b>	<b>489,239</b>	<b>13,402,150</b>	<b>12,816,177</b>
<b>NET POSITION</b>				
Net investment in capital assets	42,873,050	5,120,808	47,079,834	48,208,065
Restricted	6,989,289	-	6,989,289	9,813,125
Unrestricted	10,946,741	2,714,609	14,575,374	13,905,469
<b>Total net position</b>	<b>\$ 60,809,080</b>	<b>\$ 7,835,417</b>	<b>\$ 68,644,497</b>	<b>\$ 71,926,659</b>

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, 2019  
 WITH SUMMARIZED FINANCIAL INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2018

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
<b>GOVERNMENTAL ACTIVITIES</b>				
General government	\$ 4,316,938	\$ 735,049	\$ 101,574	\$ 3,800
Public safety	6,043,871	534,319	151,438	3,300
Public works	4,096,490	34,722	626,505	-
Health and human services	5,542,287	205,937	2,108,106	-
Culture and recreation	1,629,754	182,334	3,948	-
Conservation and development	3,833,073	2,354,005	1,892,710	-
Interest and fiscal charges	105,124	-	-	-
Total governmental activities	25,567,537	4,046,366	4,884,281	7,100
<b>BUSINESS-TYPE ACTIVITIES</b>				
Highway	6,193,934	6,285,006	-	-
<b>Total</b>	<b>\$ 31,761,471</b>	<b>\$ 10,331,372</b>	<b>\$ 4,884,281</b>	<b>\$ 7,100</b>

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**

**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**

<b>Governmental Activities</b>	<b>Business-type Activities</b>	<b>Totals</b>	
		<b>2019</b>	<b>2018</b>
\$ (3,476,515)	\$ -	\$ (3,476,515)	\$ (2,779,542)
(5,354,814)	-	(5,354,814)	(4,847,651)
(3,435,263)	-	(3,435,263)	(2,291,390)
(3,228,244)	-	(3,228,244)	(2,711,385)
(1,443,472)	-	(1,443,472)	(1,331,750)
413,642	-	413,642	2,751,993
(105,124)	-	(105,124)	(155,840)
(16,629,790)	-	(16,629,790)	(11,365,565)
-	91,072	91,072	(157,324)
(16,629,790)	91,072	(16,538,718)	(11,522,889)
9,775,396	-	9,775,396	9,716,027
1,801,462	-	1,801,462	1,695,177
143,182	-	143,182	159,490
764,956	-	764,956	735,716
571,820	-	571,820	440,938
196,635	3,105	199,740	154,612
(228,582)	228,582	-	-
13,024,869	231,687	13,256,556	12,901,960
(3,604,921)	322,759	(3,282,162)	1,379,071
64,414,001	7,512,658	71,926,659	70,547,588
\$ 60,809,080	\$ 7,835,417	\$ 68,644,497	\$ 71,926,659

# Langlade County, Wisconsin

BALANCE SHEET  
 GOVERNMENTAL FUNDS  
 DECEMBER 31, 2019  
 WITH SUMMARIZED FINANCIAL INFORMATION AS OF DECEMBER 31, 2018

	<u>General</u>	<u>County Roads and Bridges</u>	<u>Social Services</u>	<u>Northwoods CDBG</u>
<b>ASSETS</b>				
Cash and investments	\$ 9,236,123	\$ 2,847,481	\$ 174,123	\$ 179,549
Receivables				
Taxes and special charges	5,627,217	2,038,392	1,132,107	-
Delinquent taxes	862,649	-	-	-
Accounts	268,132	-	18,763	-
Loans, net	-	-	-	4,834,670
Other	160,041	-	-	-
Due from other funds	321,715	-	-	-
Due from other governments	411,249	-	203,737	203,367
Inventories and prepaid items	636,885	-	4,896	-
	<u>\$ 17,524,011</u>	<u>\$ 4,885,873</u>	<u>\$ 1,533,626</u>	<u>\$ 5,217,586</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>				
Liabilities				
Accounts payable	\$ 237,328	\$ -	\$ 191,805	\$ 70,290
Accrued and other current liabilities	430,076	-	46,455	-
Due to other funds	-	-	-	320,385
Due to other governments	294,832	-	-	-
Special deposits	692,952	-	-	-
Unearned revenues	702,688	-	8,209	-
Short-term note payable	-	-	-	-
	<u>2,357,876</u>	<u>-</u>	<u>246,469</u>	<u>390,675</u>
Deferred inflows of resources				
Property taxes levied for subsequent year	5,627,217	2,038,392	1,132,107	-
Interest on taxes	116,387	-	-	-
Loans receivable	-	-	-	4,834,670
Long-term receivable	160,894	-	-	-
	<u>5,904,498</u>	<u>2,038,392</u>	<u>1,132,107</u>	<u>4,834,670</u>
Fund balances				
Nonspendable	1,375,013	-	4,896	-
Restricted	-	-	-	-
Committed	-	2,847,481	150,154	-
Assigned	2,523,022	-	-	-
Unassigned	5,363,602	-	-	(7,759)
	<u>9,261,637</u>	<u>2,847,481</u>	<u>155,050</u>	<u>(7,759)</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 17,524,011</u>	<u>\$ 4,885,873</u>	<u>\$ 1,533,626</u>	<u>\$ 5,217,586</u>

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

Housing Rehabilitation	Other Governmental Funds	Totals	
		2019	2018
\$ 135,258	\$ 1,515,971	\$ 14,088,505	\$ 14,724,527
-	1,567,096	10,364,812	9,775,396
-	-	862,649	899,480
-	39,825	326,720	525,086
2,159,900	70,119	7,064,689	7,010,083
-	-	160,041	158,278
-	-	321,715	322,434
-	5,888	824,241	790,756
-	794	642,575	560,778
<u>\$ 2,295,158</u>	<u>\$ 3,199,693</u>	<u>\$ 34,655,947</u>	<u>\$ 34,766,818</u>
\$ -	\$ 82,933	\$ 582,356	\$ 488,212
-	15,193	491,724	478,404
-	-	320,385	317,184
-	65,430	360,262	330,347
-	1,913	694,865	624,769
-	24,722	735,619	672,897
-	525,000	525,000	-
-	715,191	3,710,211	2,911,813
-	1,567,096	10,364,812	9,775,396
-	-	116,387	104,939
2,159,900	70,119	7,064,689	7,010,083
-	-	160,894	270,149
<u>2,159,900</u>	<u>1,637,215</u>	<u>17,706,782</u>	<u>17,160,567</u>
-	794	1,380,703	1,288,568
135,258	687,254	822,512	2,520,215
-	-	2,997,635	2,835,258
-	159,239	2,682,261	2,186,652
-	-	5,355,843	5,863,745
<u>135,258</u>	<u>847,287</u>	<u>13,238,954</u>	<u>14,694,438</u>
<u>\$ 2,295,158</u>	<u>\$ 3,199,693</u>	<u>\$ 34,655,947</u>	<u>\$ 34,766,818</u>

# Langlade County, Wisconsin

BALANCE SHEET  
 GOVERNMENTAL FUNDS  
 DECEMBER 31, 2019  
 WITH SUMMARIZED FINANCIAL INFORMATION AS OF DECEMBER 31, 2018

<b>RECONCILIATION TO THE STATEMENT OF NET POSITION</b>	<b>2019</b>	<b>2018</b>
Total fund balances as shown on previous page	\$ 13,238,954	\$ 14,694,438
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.	44,424,883	45,607,834
Other long-term assets are not available to pay current period expenditures and therefore are deferred in the funds.		
Interest on taxes	116,387	104,939
Loans receivable	6,764,689	7,010,083
Long-term receivable	160,894	270,149
Net pension asset	-	1,384,553
Net position of the internal service fund is reported in the statement of net position as governmental activities	123,748	579,160
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	4,620,033	2,561,210
Deferred inflows related to pensions	(2,340,957)	(2,725,791)
Deferred outflows related to other postemployment benefits	91,993	80,080
Deferred inflows related to other postemployment benefits	(207,142)	(47,160)
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.		
Bonds and notes payable	(2,965,000)	(3,500,000)
Premium on debt	(97,850)	(118,450)
Compensated absences	(743,446)	(717,593)
Net pension liability	(1,697,609)	-
Other postemployment benefit	(656,872)	(740,476)
Accrued interest on long-term obligations	(23,625)	(28,975)
Net position of governmental activities as reported on the statement of net position (see page 4)	<b>\$ 60,809,080</b>	<b>\$ 64,414,001</b>

*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, 2019  
 WITH SUMMARIZED FINANCIAL INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2018

	<u>General</u>	<u>County Roads and Bridges</u>	<u>Social Services</u>	<u>Northwoods CDBG</u>
<b>REVENUES</b>				
Taxes	\$ 7,500,776	\$ 2,238,511	\$ 1,120,696	\$ -
Intergovernmental	2,267,241	626,505	1,577,714	1,053,989
Licenses and permits	93,810	-	-	-
Fines and forfeits	83,390	-	-	-
Public charges for services	3,172,311	-	146,606	-
Intergovernmental charges for services	304,551	-	-	-
Interdepartmental charges for services	529,563	-	-	-
Miscellaneous	626,369	-	776	219,050
Total revenues	<u>14,578,011</u>	<u>2,865,016</u>	<u>2,845,792</u>	<u>1,273,039</u>
<b>EXPENDITURES</b>				
Current				
General government	3,531,068	-	-	-
Public safety	5,116,378	-	-	-
Public works	161,251	2,635,877	-	-
Health and human services	1,641,022	-	3,530,807	-
Culture and recreation	1,279,079	-	-	-
Conservation and development	1,544,871	-	-	1,316,091
Debt service				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Capital outlay	441,097	134,405	-	-
Total expenditures	<u>13,714,766</u>	<u>2,770,282</u>	<u>3,530,807</u>	<u>1,316,091</u>
Excess of revenues over (under) expenditures	<u>863,245</u>	<u>94,734</u>	<u>(685,015)</u>	<u>(43,052)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Long-term debt issued	-	-	-	-
Premium on debt issued	-	-	-	-
Transfers in	38,430	-	752,940	-
Transfers out	(750,000)	-	-	-
Total other financing sources (uses)	<u>(711,570)</u>	<u>-</u>	<u>752,940</u>	<u>-</u>
<b>Net change in fund balances</b>	151,675	94,734	67,925	(43,052)
<b>Fund balances - January 1</b>	<u>9,109,962</u>	<u>2,752,747</u>	<u>87,125</u>	<u>35,293</u>
<b>Fund balances - December 31</b>	<u>\$ 9,261,637</u>	<u>\$ 2,847,481</u>	<u>\$ 155,050</u>	<u>\$ (7,759)</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>Totals</u>	
		<u>2019</u>	<u>2018</u>
\$ -	\$ 1,044,823	\$ 11,904,806	\$ 11,780,202
-	107,546	5,632,995	5,641,704
-	10,609	104,419	106,844
-	-	83,390	79,847
-	147,858	3,466,775	3,430,431
-	209	304,760	299,016
-	-	529,563	528,464
<u>114,792</u>	<u>856,114</u>	<u>1,817,101</u>	<u>1,100,474</u>
<u>114,792</u>	<u>2,167,159</u>	<u>23,843,809</u>	<u>22,966,982</u>
-	20,865	3,551,933	3,342,176
-	87,151	5,203,529	5,104,045
-	-	2,797,128	2,117,511
-	482,362	5,654,191	4,889,232
-	100,907	1,379,986	1,407,356
<u>147,811</u>	<u>1,611,025</u>	<u>4,619,798</u>	<u>2,936,599</u>
-	535,000	535,000	620,177
-	131,074	131,074	147,908
-	622,570	1,198,072	2,077,458
<u>147,811</u>	<u>3,590,954</u>	<u>25,070,711</u>	<u>22,642,462</u>
<u>(33,019)</u>	<u>(1,423,795)</u>	<u>(1,226,902)</u>	<u>324,520</u>
-	-	-	3,500,000
-	-	-	135,596
-	-	791,370	535,022
-	<u>(269,952)</u>	<u>(1,019,952)</u>	<u>(535,022)</u>
-	<u>(269,952)</u>	<u>(228,582)</u>	<u>3,635,596</u>
<u>(33,019)</u>	<u>(1,693,747)</u>	<u>(1,455,484)</u>	<u>3,960,116</u>
<u>168,277</u>	<u>2,541,034</u>	<u>14,694,438</u>	<u>10,734,322</u>
<u>\$ 135,258</u>	<u>\$ 847,287</u>	<u>\$ 13,238,954</u>	<u>\$ 14,694,438</u>

# Langlade County, Wisconsin

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
 GOVERNMENTAL FUNDS  
 FOR THE YEAR ENDED DECEMBER 31, 2019  
 WITH SUMMARIZED FINANCIAL INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2018

	<u>2019</u>	<u>2018</u>
<b>RECONCILIATION TO THE STATEMENT OF ACTIVITIES</b>		
Net change in fund balances as shown on previous page	\$ (1,455,484)	\$ 3,960,116
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	1,993,733	1,761,254
Depreciation expense reported in the statement of activities	(2,324,920)	(2,397,147)
Net book value of disposals	(851,764)	(22,161)
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.	(97,807)	(74,557)
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	1,254,249	1,105,020
Loan repayments	(1,091,425)	(491,125)
Loan adjustments and change in allowance for uncollectible accounts	(408,218)	3,138
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.		
Long-term debt issued	-	(3,500,000)
Premium on debt issued	-	(135,596)
Principal repaid	535,000	620,177
Capital leases paid	-	-
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	5,350	(20,902)
Amortization of premiums and loss on advance refunding	20,600	12,970
Compensated absences	(25,853)	36,238
Net pension asset (liability)	(3,082,162)	1,747,188
Deferred outflows of resources related to pensions	2,058,823	(294,695)
Deferred inflows of resources related to pensions	384,834	(1,585,337)
Other postemployment benefits	83,604	(100,574)
Deferred outflows of resources related to other postemployment benefits	11,913	80,080
Deferred inflows of resources related to other postemployment benefits	(159,982)	(47,160)
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.	(455,412)	(210,471)
Change in net position of governmental activities as reported in the statement of activities (see pages 5 - 6)	<u>\$ (3,604,921)</u>	<u>\$ 446,456</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, 2019  
 WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2018

	Budget		Actual	Variance Final Budget - Positive (Negative)	2018 Actual
	Original	Final			
<b>REVENUES</b>					
Taxes	\$ 7,450,666	\$ 7,450,666	\$ 7,500,776	\$ 50,110	\$ 7,539,236
Intergovernmental	2,126,055	2,113,586	2,267,241	153,655	2,400,173
Licenses and permits	98,640	98,640	93,810	(4,830)	95,996
Fines and forfeits	83,000	83,000	83,390	390	79,847
Public charges for services	2,478,527	2,481,616	3,172,311	690,695	3,188,719
Intergovernmental charges for services	200,500	272,540	304,551	32,011	298,826
Interdepartmental charges for services	481,060	584,872	529,563	(55,309)	528,464
Miscellaneous	417,711	439,819	626,369	186,550	489,693
<b>Total revenues</b>	<b>13,336,159</b>	<b>13,524,739</b>	<b>14,578,011</b>	<b>1,053,272</b>	<b>14,620,954</b>
<b>EXPENDITURES</b>					
Current					
General government	3,584,313	3,761,147	3,531,068	230,079	3,341,584
Public safety	5,058,833	5,223,161	5,116,378	106,783	5,040,830
Public works	155,957	155,957	161,251	(5,294)	136,411
Health and human services	1,589,759	1,733,382	1,641,022	92,360	1,541,591
Culture and recreation	1,015,900	1,110,462	1,279,079	(168,617)	1,288,562
Conservation and development	1,625,597	1,658,518	1,544,871	113,647	1,655,661
Capital outlay	300,000	733,078	441,097	291,981	329,733
<b>Total expenditures</b>	<b>13,330,359</b>	<b>14,375,705</b>	<b>13,714,766</b>	<b>660,939</b>	<b>13,334,372</b>
Excess of revenues over (under) expenditures	5,800	(850,966)	863,245	1,714,211	1,286,582
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers in	-	-	38,430	38,430	8,649
Transfers out	-	(17,040)	(750,000)	(732,960)	(526,373)
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>(17,040)</b>	<b>(711,570)</b>	<b>(694,530)</b>	<b>(517,724)</b>
<b>Net change in fund balance</b>	<b>5,800</b>	<b>(868,006)</b>	<b>151,675</b>	<b>1,019,681</b>	<b>768,858</b>
<b>Fund balance - January 1</b>	<b>9,109,962</b>	<b>9,109,962</b>	<b>9,109,962</b>	<b>-</b>	<b>8,341,104</b>
<b>Fund balance - December 31</b>	<b>\$ 9,115,762</b>	<b>\$ 8,241,956</b>	<b>\$ 9,261,637</b>	<b>\$ 1,019,681</b>	<b>\$ 9,109,962</b>

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, 2019  
 WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2018

	Budget		Actual	Variance Final Budget - Positive (Negative)	2018 Actual
	Original	Final			
<b>REVENUES</b>					
Taxes	\$ 2,238,392	\$ 2,238,392	\$ 2,238,511	\$ 119	\$ 2,238,392
Intergovernmental	849,650	849,650	626,505	(223,145)	750,050
Total revenues	3,088,042	3,088,042	2,865,016	(223,026)	2,988,442
<b>EXPENDITURES</b>					
Current					
Public works	2,376,491	2,376,491	2,635,877	(259,386)	1,981,100
Capital outlay	454,926	454,926	134,405	320,521	268,830
Total expenditures	2,831,417	2,831,417	2,770,282	61,135	2,249,930
Excess of revenues over expenditures	256,625	256,625	94,734	(161,891)	738,512
<b>OTHER FINANCING USES</b>					
Transfers out	(256,625)	(256,625)	-	256,625	-
<b>Net change in fund balance</b>	-	-	94,734	94,734	738,512
<b>Fund balance - January 1</b>	2,752,747	2,752,747	2,752,747	-	2,014,235
<b>Fund balance - December 31</b>	<u>\$ 2,752,747</u>	<u>\$ 2,752,747</u>	<u>\$ 2,847,481</u>	<u>\$ 94,734</u>	<u>\$ 2,752,747</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, 2019  
 WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2018

	Budget		Actual	Variance Final Budget - Positive (Negative)	2018 Actual
	Original	Final			
<b>REVENUES</b>					
Taxes	\$ 1,120,696	\$ 1,120,696	\$ 1,120,696	\$ -	\$ 993,189
Intergovernmental	1,395,654	1,465,173	1,577,714	112,541	1,390,353
Public charges for services	69,100	72,357	146,606	74,249	119,235
Miscellaneous	-	-	776	776	-
Total revenues	<u>2,585,450</u>	<u>2,658,226</u>	<u>2,845,792</u>	<u>187,566</u>	<u>2,502,777</u>
<b>EXPENDITURES</b>					
Current					
Health and human services	<u>2,585,450</u>	<u>2,658,991</u>	<u>3,530,807</u>	<u>(871,816)</u>	<u>2,904,442</u>
Excess of revenues under expenditures	<u>-</u>	<u>(765)</u>	<u>(685,015)</u>	<u>(684,250)</u>	<u>(401,665)</u>
<b>OTHER FINANCING SOURCES</b>					
Transfers in	<u>-</u>	<u>2,940</u>	<u>752,940</u>	<u>750,000</u>	<u>488,790</u>
<b>Net change in fund balance</b>	<u>-</u>	<u>2,175</u>	<u>67,925</u>	<u>65,750</u>	<u>87,125</u>
<b>Fund balance - January 1</b>	<u>87,125</u>	<u>87,125</u>	<u>87,125</u>	<u>-</u>	<u>-</u>
<b>Fund balance - December 31</b>	<u>\$ 87,125</u>	<u>\$ 89,300</u>	<u>\$ 155,050</u>	<u>\$ 65,750</u>	<u>\$ 87,125</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, 2019  
 WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2018

	Budget		Actual	Variance Final Budget - Positive (Negative)	2018 Actual
	Original	Final			
<b>REVENUES</b>					
Intergovernmental	\$ 1,500,000	\$ 1,500,000	\$ 1,053,989	\$ (446,011)	\$ 1,050,817
Miscellaneous	100,000	100,000	219,050	119,050	104,391
Total revenues	1,600,000	1,600,000	1,273,039	(326,961)	1,155,208
<b>EXPENDITURES</b>					
Current					
Conservation and development	1,600,000	1,600,000	1,316,091	283,909	1,121,731
Excess of revenues over (under) expenditures	-	-	(43,052)	(43,052)	33,477
<b>Net change in fund balance</b>	-	-	(43,052)	(43,052)	33,477
<b>Fund balance - January 1</b>	35,293	35,293	35,293	-	1,816
<b>Fund balance (deficit) - December 31</b>	<u>\$ 35,293</u>	<u>\$ 35,293</u>	<u>\$ (7,759)</u>	<u>\$ (43,052)</u>	<u>\$ 35,293</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, 2019  
 WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2018

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	Budget		Actual	Variance Final Budget - Positive (Negative)	2018 Actual
	Original	Final			
<b>REVENUES</b>					
Miscellaneous	\$ 55,000	\$ 55,000	\$ 114,792	\$ 59,792	\$ 118,686
<b>EXPENDITURES</b>					
Current					
Conservation and development	55,000	55,000	147,811	(92,811)	96,818
<b>Net change in fund balance</b>	-	-	(33,019)	(33,019)	21,868
<b>Fund balance - January 1</b>	168,277	168,277	168,277	-	146,409
<b>Fund balance - December 31</b>	<u>\$ 168,277</u>	<u>\$ 168,277</u>	<u>\$ 135,258</u>	<u>\$ (33,019)</u>	<u>\$ 168,277</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, 2019  
 WITH COMPARATIVE AMOUNTS AS OF DECEMBER 31, 2018

	<b>Enterprise Fund</b>		<b>Governmental Activities -</b>	
	<b>Highway</b>		<b>Internal Service Fund</b>	
	<b>2019</b>	<b>2018</b>	<b>2019</b>	<b>2018</b>
<b>ASSETS</b>				
Current assets				
Cash and investments	\$ 1,921,128	\$ 1,874,315	\$ 957,945	\$ 1,312,638
Receivables				
Accounts	4,184	-	-	-
Due from other governments	602,963	396,282	-	-
Inventories and prepaid items	728,449	610,392	-	-
Total current assets	<u>3,256,724</u>	<u>2,880,989</u>	<u>957,945</u>	<u>1,312,638</u>
Other assets				
Net pension asset	-	283,521	-	-
Capital assets				
Nondepreciable	147,902	1,114,617	-	-
Depreciable	5,019,176	3,713,407	-	-
Total capital assets	<u>5,167,078</u>	<u>4,828,024</u>	<u>-</u>	<u>-</u>
Total assets	<u>8,423,802</u>	<u>7,992,534</u>	<u>957,945</u>	<u>1,312,638</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Pension related amounts	899,925	529,658	-	-
Other postemployment related amounts	17,635	16,398	-	-
Total deferred outflows of resources	<u>917,560</u>	<u>546,056</u>	<u>-</u>	<u>-</u>
<b>LIABILITIES</b>				
Current liabilities				
Accounts and claims payable	151,228	83,227	812,897	590,195
Accrued and other current liabilities	118,853	98,202	-	-
Due to other funds	-	-	1,330	5,250
Unearned revenue	111,864	25,434	-	-
Total current liabilities	<u>381,945</u>	<u>206,863</u>	<u>814,227</u>	<u>595,445</u>
Long-term obligations, less current portion				
Compensated absences	202,666	237,641	-	-
Net pension liability	325,944	-	-	-
Other postemployment benefits	126,121	151,631	-	-
Total long-term liabilities	<u>654,731</u>	<u>389,272</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>1,036,676</u>	<u>596,135</u>	<u>814,227</u>	<u>595,445</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Pension related amounts	449,467	558,173	-	-
Other postemployment related amounts	39,772	9,657	-	-
Total deferred inflows of resources	<u>489,239</u>	<u>567,830</u>	<u>-</u>	<u>-</u>
<b>NET POSITION</b>				
Net investment in capital assets	5,120,808	4,828,024	-	-
Restricted	-	283,521	-	-
Unrestricted	2,694,639	2,263,080	143,718	717,193
Total net position	<u>\$ 7,815,447</u>	<u>\$ 7,374,625</u>	<u>\$ 143,718</u>	<u>\$ 717,193</u>
Adjustment to reflect the consolidation of internal service fund activities related to enterprise fund	<u>\$ 19,970</u>	<u>\$ 138,033</u>		
Net position of business-type activities as reported on the statement of net position (see page 4)	<u>\$ 7,835,417</u>	<u>\$ 7,512,658</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, 2019  
 WITH COMPARATIVE AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2018

	Enterprise Fund		Governmental Activities -	
	Highway		Internal Service Fund	
	2019	2018	2019	2018
<b>OPERATING REVENUES</b>				
Charges for services	\$ 6,266,218	\$ 5,256,878	\$ 2,436,311	\$ 2,403,148
Other	4,411	11,491	584,845	625,336
Total operating revenues	6,270,629	5,268,369	3,021,156	3,028,484
<b>OPERATING EXPENSES</b>				
Operation and maintenance	5,556,877	4,873,068	3,599,597	3,296,830
Depreciation	517,242	498,185	-	-
Total operating expenses	6,074,119	5,371,253	3,599,597	3,296,830
Operating income (loss)	196,510	(102,884)	(578,441)	(268,346)
<b>NONOPERATING REVENUES (EXPENSES)</b>				
Interest income	-	-	4,966	3,435
Gain (loss) on disposal of capital assets	(1,752)	-	-	-
Insurance recoveries	3,105	-	-	-
Total nonoperating revenues (expenses)	1,353	-	4,966	3,435
Income (loss) before contributions	197,863	(102,884)	(573,475)	(264,911)
Capital contributions	242,959	1,089,939	-	-
<b>Change in net position</b>	440,822	987,055	(573,475)	(264,911)
<b>Net position - January 1</b>	7,374,625	6,387,570	717,193	982,104
<b>Net position - December 31</b>	<u>\$ 7,815,447</u>	<u>\$ 7,374,625</u>	<u>\$ 143,718</u>	<u>\$ 717,193</u>
Adjustment to reflect the consolidation of internal service fund activities related to enterprise fund	<u>\$ (118,063)</u>	<u>\$ (54,440)</u>		
Net position of business-type activities as reported on the statement of activities (see pages 5 - 6)	<u>\$ 322,759</u>	<u>\$ 932,615</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, 2019  
 WITH COMPARATIVE AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2018

	Enterprise Fund		Governmental Activities -	
	Highway		Internal Service Fund	
	2019	2018	2019	2018
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Cash received from customers	\$ 6,146,194	\$ 5,347,077	\$ 2,432,391	\$ 2,406,001
Cash received from other revenues	-	-	584,845	625,336
Cash paid for employee wages and benefits	(2,244,252)	(2,368,110)	-	-
Cash paid to suppliers	(3,289,415)	(2,503,380)	(3,376,895)	(3,344,503)
Net cash provided (used) by operating activities	612,527	475,587	(359,659)	(313,166)
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>				
Insurance recoveries	3,105	-	-	-
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>				
Acquisition of capital assets	(585,419)	(410,122)	-	-
Sale of capital assets	16,600	-	-	-
Net cash flows used by capital and related financing activities	(568,819)	(410,122)	-	-
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Interest received	-	-	4,966	3,435
<b>Change in cash and cash equivalents</b>	46,813	65,465	(354,693)	(309,731)
<b>Cash and cash equivalents - January 1</b>	1,874,315	1,808,850	1,312,638	1,622,369
<b>Cash and cash equivalents - December 31</b>	\$ 1,921,128	\$ 1,874,315	\$ 957,945	\$ 1,312,638

*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, 2019  
 WITH COMPARATIVE AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2018**

	Enterprise Fund		Governmental Activities -	
	Highway		Internal Service Fund	
	2019	2018	2019	2018
<b>RECONCILIATION OF OPERATING INCOME            (LOSS) TO NET CASH PROVIDED (USED) BY            OPERATING ACTIVITIES</b>				
Operating income (loss)	\$ 196,510	\$ (102,884)	\$ (578,441)	\$ (268,346)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities				
Depreciation	517,242	498,185	-	-
Change in pension related amounts				
Net pension assets (liability)	609,465	(379,506)	-	-
Deferred outflows of resources	(370,267)	152,858	-	-
Deferred inflows of resources	(108,706)	256,307	-	-
Change in OPEB related amounts				
Net OPEB liability	(25,510)	20,595	-	-
Deferred outflows of resources	(1,237)	(16,398)	-	-
Deferred inflows of resources	30,115	9,657	-	-
Change in operating assets and liabilities				
Accounts receivables	(4,184)	530	-	-
Due from other funds	-	4,431	(3,920)	2,853
Due from other governments	(206,681)	61,228	-	-
Inventories and prepaid items	(118,057)	(28,433)	-	-
Accounts and claims payable	21,731	(24,284)	222,702	(47,673)
Accrued liabilities	20,651	22,202	-	-
Unearned revenue	86,430	16,950	-	-
Compensated absences	(34,975)	(15,851)	-	-
Net cash provided (used) by operating activities	<u>\$ 612,527</u>	<u>\$ 475,587</u>	<u>\$ (359,659)</u>	<u>\$ (313,166)</u>
Noncash capital and related financing activities				
Capital assets financed by County	\$ 228,582	\$ 1,089,939	\$ -	\$ -
Capital assets contributed by State	14,377	-	-	-
Capital assets in accounts payable	46,270	-	-	-
Trade-in value of capital assets	23,319	-	-	-

*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, 2019  
WITH COMPARATIVE AMOUNTS AS OF DECEMBER 31, 2018

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	<u>Department Agency Funds</u>	
	<u>2019</u>	<u>2018</u>
<b>ASSETS</b>		
Current assets		
Cash and investments	<u>\$ 375,763</u>	<u>\$ 325,283</u>
<b>LIABILITIES</b>		
Deposits payable	<u>\$ 375,763</u>	<u>\$ 325,283</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, 2019

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### 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 (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 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 established in GASB Statement No. 61.

#### 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 2019, the County remitted an operating appropriation of \$298,483 to the North Central Health Care Facility. 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, 2019

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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.

### **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 an *agency fund*.

## **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.

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.

# Langlade County, Wisconsin

## NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2019

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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.

#### **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.

# Langlade County, Wisconsin

## NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2019

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Property taxes of \$10,364,812 are recorded on December 31, 2019 for collection in 2020 for the County apportionment. The County apportionment is for financing 2020 operations and will be transferred in 2020 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. Inventories

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

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

### 7. Prepaid Items

Payments made to vendors that will benefit periods beyond the end of the current fiscal year are recorded as prepaid items and are accounted for on the consumption method.

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

### 8. 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.

# Langlade County, Wisconsin

## NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2019

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	-

### 9. 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.

### 10. 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.

### 11. 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.

# Langlade County, Wisconsin

## NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2019

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### 12. 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.

### 13. 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.

### 14. 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. Residual amounts in any governmental fund, other than the General Fund, are also reported as assigned.
- ▶ **Unassigned fund balance.** Amounts that are available for any purpose. Positive unassigned amounts are only reported in the General Fund.

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

# Langlade County, Wisconsin

## NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2019

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### ***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.

### **H. PRIOR YEAR INFORMATION**

Comparative amounts for the prior year have been presented in the basic financial statements to provide an understanding of changes in the County's financial position and operations. The comparative amounts may be summarized in total and not at the level of detail required for a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the government's financial statements for the year ended December 31, 2018, from which the summarized information was derived.

### **I. RECLASSIFICATIONS**

Certain amounts in the prior year financial statements have been reclassified to conform with the presentation in the current year financial statements with no change in previously reported net position, changes in net position, fund balance or changes in fund balance.

## **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.

# Langlade County, Wisconsin

## NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2019

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, 2019.

### 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, 2019 as follows:

Funds	Function	Excess Expenditures
General Fund		
Maintenance - resource center	General government	\$ 3,089
Airport	Public works	5,294
North central health care	Health and human services	1,220
Parks	Culture and recreation	197,941
Economic Development	Conservation and development	476
Capital improvements	Capital outlay	6,237
Sheriff	Capital outlay	1,580
Special Revenue Funds		
Social Services	Health and human services	871,816
Housing Rehabilitation	Conservation and development	92,811

### 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 2019 and 2020 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 2019 budget was 0.76%. The actual limit for the County for the 2020 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.

## 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, 2019

The carrying amount of the County's cash and investments totaled \$17,343,341 on December 31, 2019 as summarized below:

Petty cash and cash on hand	\$ 1,230
Deposits with financial institutions	8,719,802
Investments	
Wisconsin local government investment pool	3,506,345
Wisconsin Investment Series Cooperative (WISC)	
Limited Term Duration Series	661,882
Investment Class	4,454,082
	<u>\$ 17,343,341</u>

Reconciliation to the basic financial statements:

Government-wide statement of net position	
Cash and investments	\$ 16,967,578
Fiduciary fund statement of net position	
Agency fund	375,763
	<u>\$ 17,343,341</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, 2019:

	Fair Value Measurements Using:		
	Level 1	Level 2	Level 3
Investments			
WISC - Limited Term Duration Series	\$ -	\$ 661,882	\$ -

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, 2019

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, 2019, \$5,466,427 of the County's deposits with financial institutions were in excess of federal and state depository insurance limits. \$5,106,096 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	AAA	AA	Not Rated
Wisconsin Investment Series Cooperative					
Limited Term Duration Series	\$ 661,882	\$ -	\$ -	\$ 661,882	\$ -
Investment Class	4,454,082	-	4,454,082	-	-
Wisconsin local government investment pool	3,506,345	-	-	-	3,506,345
Totals	<u>\$ 8,622,309</u>	<u>\$ -</u>	<u>\$ 4,454,082</u>	<u>\$ 661,882</u>	<u>\$ 3,506,345</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, 2019, 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	\$ 661,882	\$ 661,882	\$ -	\$ -	\$ -
WISC IS	4,454,082	4,454,082	-	-	-
Wisconsin local government investment pool	3,506,345	3,506,345	-	-	-
Totals	<u>\$ 8,622,309</u>	<u>\$ 8,622,309</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

# Langlade County, Wisconsin

## NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2019

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### Investment in Wisconsin's Investment Series Cooperation

The District has investments in the Wisconsin Investment Series Cooperative (WISC) of \$5,115,964 at year-end consisting of \$661,882 invested in the Limited Duration Series and \$4,454,082 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 \$3,506,345 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, 2019, 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, 2019, the County's general fund showed an investment of \$862,649 in delinquent taxes consisting of tax certificates.

An aging of the delinquent taxes and special assessments of \$862,649 on December 31, 2019 follows:

<u>Year Acquired</u>	<u>Tax Certificates</u>
2013	\$ 2,469
2014	2,524
2015	767
2016	90,922
2017	250,132
2018	515,835
Total	<u>\$ 862,649</u>

Of the total of \$862,649 for delinquent taxes, \$124,521 was collected within 60 days of year-end. The remaining balance of \$738,128 is recorded as nonspendable fund balance for the general fund.

# Langlade County, Wisconsin

## NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2019

### C. CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2019 was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
<b>Governmental activities:</b>				
Capital assets, nondepreciable:				
Land	\$8,962,320	\$ -	\$ -	\$ 8,962,320
Construction in progress	921,865	470,666	-	1,392,531
Total capital assets, nondepreciable	<u>9,884,185</u>	<u>470,666</u>	<u>-</u>	<u>10,354,851</u>
Capital assets, depreciable:				
Land improvements	3,246,346	-	-	3,246,346
Buildings and improvements	29,065,343	154,402	-	29,219,745
Machinery and equipment	5,203,238	241,653	12,590	5,432,301
Infrastructure	45,106,344	1,127,012	2,203,529	44,029,827
Subtotals	<u>82,621,271</u>	<u>1,523,067</u>	<u>2,216,119</u>	<u>81,928,219</u>
Less accumulated depreciation for:				
Land improvements	2,152,791	72,207	-	2,224,998
Buildings and improvements	20,806,914	595,552	-	21,402,466
Machinery and equipment	3,400,775	286,710	10,701	3,676,784
Infrastructure	20,537,142	1,370,451	1,353,654	20,553,939
Subtotals	<u>46,897,622</u>	<u>2,324,920</u>	<u>1,364,355</u>	<u>47,858,187</u>
Total capital assets, depreciable, net	<u>35,723,649</u>	<u>(801,853)</u>	<u>851,764</u>	<u>34,070,032</u>
Governmental activities capital assets, net	<u>\$45,607,834</u>	<u>\$ (331,187)</u>	<u>\$ 851,764</u>	44,424,883
Less: Capital related debt				1,453,983
Less: Debt premium				<u>97,850</u>
Net investment in capital assets				<u>\$ 42,873,050</u>

# Langlade County, Wisconsin

## NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2019

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
<b>Business-type activities:</b>				
Capital assets, nondepreciable:				
Land	\$ 10,509	\$ -	\$ -	\$ 10,509
Construction in progress	1,104,108	365,975	1,332,690	137,393
Total capital assets, nondepreciable	<u>1,114,617</u>	<u>365,975</u>	<u>1,332,690</u>	<u>147,902</u>
Capital assets, depreciable:				
Land improvements	95,425	-	-	95,425
Buildings and improvements	1,231,741	1,318,521	10,774	2,539,488
Machinery and equipment	9,973,495	546,161	326,754	10,192,902
Other assets	102,216	-	-	102,216
Subtotals	<u>11,402,877</u>	<u>1,864,682</u>	<u>337,528</u>	<u>12,930,031</u>
Less accumulated depreciation for:				
Land improvements	39,266	3,946	-	43,212
Buildings and improvements	1,175,849	54,704	9,174	1,221,379
Machinery and equipment	6,422,435	458,592	286,683	6,594,344
Other assets	51,920	-	-	51,920
Subtotals	<u>7,689,470</u>	<u>517,242</u>	<u>295,857</u>	<u>7,910,855</u>
Total capital assets, depreciable, net	<u>3,713,407</u>	<u>1,347,440</u>	<u>41,671</u>	<u>5,019,176</u>
Business-type activities capital assets, net	<u>\$ 4,828,024</u>	<u>\$ 1,713,415</u>	<u>\$ 1,374,361</u>	<u>\$ 5,167,078</u>
Less: Capital related debt				<u>46,270</u>
Net investment in capital assets				<u>\$ 5,120,808</u>

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

Governmental activities	
General government	\$ 132,014
Public safety	381,071
Public works	1,445,839
Health and human services	33,482
Culture and recreation	200,363
Conservation and development	132,151
Total depreciation expense - governmental activities	<u>\$ 2,324,920</u>
Business-type activities	
Highway	<u>\$ 517,242</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, 2019 are detailed below:

# Langlade County, Wisconsin

## NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2019

	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
Operating accounts		
Governmental funds		
General Fund	\$ 321,715	\$ -
Special revenue fund		
Northwoods CDBG	-	320,385
Internal service fund		
Health insurance	-	1,330
Totals	<u>\$ 321,715</u>	<u>\$ 321,715</u>

Interfund transfers for the year ended December 31, 2019 were as follows:

<u>Fund</u>	<u>Transfer In</u>	<u>Transfer Out</u>
General	\$ 38,430	\$ 750,000
Special revenue funds		
Social Services	752,940	-
Public Health	-	41,370
Capital Projects funds		
Capital Improvements	-	228,582
Enterprise fund		
Highway	228,582	-
	<u>\$ 1,019,952</u>	<u>\$ 1,019,952</u>

Interfund transfers were made for the following purposes:

Public Health surplus returned to General Fund	\$ 38,430
Social Service operating deficit funded by public health	2,940
Highway building paid for by capital improvement fund	228,582
Social Service operating deficit funded by the General Fund	750,000
	<u>\$ 1,019,952</u>

# Langlade County, Wisconsin

## NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2019

### E. SHORT-TERM DEBT

Short-term debt activity for the year ended December 31, 2019 was as follows:

	<u>Outstanding 1/1/19</u>	<u>Issued</u>	<u>Retired</u>	<u>Outstanding 12/31/19</u>
Governmental activities:				
Promissory note	\$ -	\$ 525,000	\$ -	\$ 525,000

No interest was paid on short-term debt during 2019.

### F. LONG-TERM OBLIGATIONS

The following is a summary of changes in long-term obligations of the County for the year ended December 31, 2019:

	<u>Beginning Balance</u>	<u>Issued</u>	<u>Retired</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
<b>Governmental activities:</b>					
General obligation debt					
Notes	\$ 3,500,000	\$ -	\$ 535,000	\$ 2,965,000	\$ 555,000
Debt premium	118,450	-	20,600	97,850	-
Compensated absences	717,593	25,853	-	743,446	307,000
Governmental activities					
Long-term obligations	<u>\$ 4,336,043</u>	<u>\$ 25,853</u>	<u>\$ 555,600</u>	<u>\$ 3,806,296</u>	<u>\$ 862,000</u>
<b>Business-type activities:</b>					
Compensated absences	<u>\$ 237,641</u>	<u>\$ -</u>	<u>\$ 34,975</u>	<u>\$ 202,666</u>	<u>\$ -</u>

Total interest paid during the year on long-term debt totaled \$115,900.

#### General Obligation Debt

General obligation debt currently outstanding is detailed as follows:

	<u>Date of Issue</u>	<u>Final Maturity</u>	<u>Interest Rates</u>	<u>Original Indebtedness</u>	<u>Balance 12/31/19</u>
General Obligation Note	03/08/18	10/01/24	3.00 - 4.00%	\$ 3,500,000	<u>\$ 2,965,000</u>

Annual principal and interest maturities of the outstanding general obligation debt of \$2,965,000 on December 31, 2019 are detailed below:

<u>Year Ended December 31,</u>	<u>Governmental Activities</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2020	\$ 555,000	\$ 94,500	\$ 649,500
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>\$ 2,965,000</u>	<u>\$ 277,950</u>	<u>\$ 3,242,950</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, 2019

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### Legal Margin for New Debt

The County's legal margin for creation of additional general obligation debt on December 31, 2019 was \$87,410,265 as follows:

Equalized valuation of the County	\$ 1,807,505,300
Statutory limitation percentage	<u>(x) 5%</u>
General obligation debt limitation, per Section 67.03 of the Wisconsin Statutes	90,375,265
Total outstanding general obligation debt applicable to debt limitation	<u>2,965,000</u>
Legal margin for new debt	<u>\$ 87,410,265</u>

### G. PENSION PLAN

#### 1. Plan Description

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

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

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, 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, 2019

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### 2. Post-Retirement Adjustments

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

Year	Core Fund Adjustment	Variable Fund Adjustment
2008	6.6%	0%
2009	(2.1)	(42)
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

### 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 remainder of the actuarially determined contribution rate. The employer may not pay the employee required contribution unless provided for by an existing collective bargaining agreement.

During the reporting period ending December 31, 2018, the WRS recognized \$633,994 in contributions from the County.

Contribution rates for the reporting period are:

Employee Category	Employee	Employer
General (including teachers, executives and elected officials)	6.70%	6.70%
Protective with Social Security	6.70%	10.70%
Protective without Social Security	6.70%	14.90%

# Langlade County, Wisconsin

## NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2019

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

At December 31, 2019, the County reported a liability of \$2,023,553 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2017 rolled forward to December 31, 2018. No material changes in assumptions or benefit terms occurred between the actuarial valuation date and the measurement date. The County's proportion of the net pension liability was based on the County's share of contributions to the pension plan relative to the contributions of all participating employers. At December 31, 2018, the County's proportion was 0.05687833%, which was an increase of 0.00069753% from its proportion measured as of December 31, 2017.

For the year ended December 31, 2019, the County recognized pension expense of \$1,376,615.

At December 31, 2019, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 1,576,039	\$ 2,785,873
Net differences between projected and actual earnings on pension plan investments	2,955,260	-
Changes in assumptions	341,096	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	13,569	4,551
Employer contributions subsequent to the measurement date	633,994	-
Total	<u>\$ 5,519,958</u>	<u>\$ 2,790,424</u>

\$633,994 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, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

<u>Year Ended December 31,</u>	<u>Expense</u>
2020	\$ 764,044
2021	192,073
2022	330,735
2023	808,688
Total	<u>\$ 2,095,540</u>

# Langlade County, Wisconsin

## NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2019

### 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, 2017
Actuarial cost method:	Entry Age
Asset valuation method:	Fair Value
Long-term expected rate of return:	7.0%
Discount rate:	7.0%
Salary increases:	
Inflation	3.0%
Seniority/Merit	0.1% - 5.6%
Mortality	Wisconsin 2018 Mortality Table
Post-retirement adjustments*	1.9%

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

Actuarial assumptions are based upon an experience study conducted in 2018 that covered a three year period from January 1, 2015 to December 31, 2017. Based upon this experience study, actuarial assumptions used to measure the total pension liability changed from the prior year including the discount rate, long-term expected rate of return, post-retirement adjustment, wage inflation rate, mortality and separation rates. The total pension liability for December 31, 2018 is based upon a roll-forward of the liability calculated from the December 31, 2017 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 arithmetic real rates of return for each major asset class are summarized in the following table:

	<u>Current Asset Allocation %</u>	<u>Long-term Expected Nominal Rate of Return %</u>	<u>Long-term Expected Real Rate of Return %</u>
<u>Core Fund Asset Class</u>			
Global equities	49%	8.1%	5.5%
Fixed income	24.5%	4.0%	1.5%
Inflation sensitive assets	15.5%	3.8%	1.3%
Real estate	9%	6.5%	3.9%
Private equity/debt	8%	9.4%	6.7%
Multi-asset	4%	6.7%	4.1%
Total Core Fund	110%	7.3%	4.7%
<u>Variable Fund Asset Class</u>			
U.S. equities	70%	7.6%	5.0%
International equities	30%	8.5%	5.9%
Total Variable Fund	100%	8.0%	5.4%

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

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

# Langlade County, Wisconsin

## NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2019

**Single Discount Rate.** A single discount rate of 7.00% was used to measure the total pension liability, as opposed to a discount rate of 7.20% for the prior year. This single discount rate was based on the expected rate of return on pension plan investments of 7.00% and a long-term bond rate of 3.71%. Because of the unique structure of WRS, the 7.20% 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. Therefore, the municipal bond rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

	<u>1% Decrease to Discount Rate (6.0%)</u>	<u>Current Discount Rate (7.0%)</u>	<u>1% Increase to Discount Rate (8.0%)</u>
County's proportionate share of the net pension liability (asset)	\$ 8,041,810	\$ 2,023,553	\$ (2,451,488)

**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, 2019, the County reported a payable of \$152,983 for the outstanding amount of contributions to the pension plan for the year ended December 31, 2019.

## 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 employees.

### *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>.

### *Benefits Provided*

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

### *Contributions*

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

# Langlade County, Wisconsin

## NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2019

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

Contribution rates as of December 31, 2019 are:

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

Employee contributions are based upon nine age bands through age 69 and an additional eight age bands for those age 70 and over. Participating employees must pay monthly contribution rates per \$1,000 of coverage until the age of 65 (age 70 if active). The employee contribution rates in effect for the year ended December 31, 2018 are listed below:

Life Insurance Employee Contribution Rates* For the Year Ended December 31, 2018		
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, 2019, the LRLIF recognized \$16,234 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, 2019, the County reported a liability of \$782,993 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of December 31, 2018, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of December 31, 2017 rolled forward to December 31, 2018. 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, 2018, the County's proportion was .30344600%, which was an increase of .00692500% from its proportion measured as of December 31, 2017.

For the year ended December 31, 2019, the County recognized OPEB expense of \$73,651.

# Langlade County, Wisconsin

## NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2019

At December 31, 2019, 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	\$ -	\$ 39,720
Net differences between projected and actual earnings on OPEB plan investments	18,712	-
Changes in assumptions	74,682	169,722
Changes in proportion and differences between employer contributions and proportionate share of contributions	16,234	37,472
Total	<u>\$ 109,628</u>	<u>\$ 246,914</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>
2020	\$ (19,545)
2021	(19,545)
2022	(19,545)
2023	(22,173)
2024	(24,880)
Thereafter	(31,598)
Total	<u>\$ (137,286)</u>

**Actuarial assumptions.** The total OPEB liability in the January 1, 2018 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, 2018
Actuarial cost method:	Entry age normal
20 year tax-exempt municipal bond yield:	4.10%
Long-term expected rate of return:	5.00%
Discount rate:	4.22%
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. Based on this experience study, actuarial assumptions used to measure the total OPEB liability changed from prior year, including the discount rate, wage inflation rate, mortality and separation rates. The total OPEB liability for December 31, 2018 is based upon a roll-forward of the liability calculated from the December 31, 2017 actuarial valuation.

# Langlade County, Wisconsin

## NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2019

**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. Government Bonds	Barclays Government	1%	1.44%
U.S. Credit Bonds	Barclays Credit	40%	2.69%
U.S. Long Credit Bonds	Barclays Long Credit	4%	3.01%
U.S. Mortgages	Barclays MBS	54%	2.25%
U.S. Municipal Bonds	Barclays MBS	1%	1.68%
Inflation			2.30%
Long-term expected rate of return			5.00%

**Single discount rate.** A single discount rate of 4.22% was used to measure the total OPEB liability for the current year, as opposed to a discount rate of 3.63% for the prior year. 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.

**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 4.22%, 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 (3.22%) or 1-percentage-point higher (5.22%) than the current rate:

	<u>1% Decrease to Discount Rate (3.22%)</u>	<u>Current Discount Rate (4.22%)</u>	<u>1% Increase to Discount Rate (5.22%)</u>
County's proportionate share of the net OPEB liability (asset)	\$ 1,113,860	\$ 782,993	\$ 527,805

**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, 2019, the County reported a payable of \$0 for the outstanding amount of contribution to the Plan required for the year ended December 31, 2019.

# Langlade County, Wisconsin

## NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2019

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### 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, 2019, nonspendable fund balance was as follows:

General Fund	
Nonspendable	
Delinquent taxes	\$ 738,128
Inventories and prepaid items	636,885
Total General Fund nonspendable fund balance	<u>1,375,013</u>
Special Revenue Fund	
Nonspendable	
Social Services	
Prepaid items	4,896
Public health	
Prepaid items	794
Total Special Revenue nonspendable fund balance	<u>5,690</u>
Total nonspendable fund balance	<u>\$ 1,380,703</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, 2019, restricted fund balance was as follows:

Special Revenue Funds	
Restricted for	
Housing rehabilitation	\$ 135,258
Community development loan	94,253
Lenzer trust	2,848
Debt Service Fund	
Restricted for debt service	6,977
Capital Improvements Fund	
Restricted for capital improvements	<u>583,176</u>
Total Restricted Fund Balance	<u>\$ 822,512</u>

#### **Committed Fund Balance**

In the fund financial statements, portions of government fund balances are committed by County Board action. At December 31, 2019, General Fund balance was committed as follows:

Special Revenue Fund	
Committed for	
County roads and bridges	\$ 2,847,481
Social services	150,154
Total Committed Fund Balance	<u>\$ 2,997,635</u>

# Langlade County, Wisconsin

## NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2019

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### Assigned Fund Balance

Portions of governmental fund balances have been assigned to represent tentative management plans that are subject to change. At December 31, 2019, fund balance was assigned as follows:

General Fund	
Capital improvement projects	\$ 612,310
Computer and office equipment replacement	466,666
Forestry recreation	100,000
Forestry preservation	117,049
Forestry land purchase	169,916
Sick leave	150,000
Maintenance projects	100,000
Subsequent years budget	807,081
Subtotal	<u>2,523,022</u>
Special Revenue Funds	
Jail Assessment	51,024
Public Health	544
Dog License	1,000
Jail Commissary	105,611
Fairgrounds	1,060
Subtotal	<u>159,239</u>
Total	<u>\$ 2,682,261</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 2020 General Fund expenditures	\$ 13,769,272
Minimum fund balance %	<u>(x) 25%</u>
Minimum fund balance amount	<u>\$ 3,442,318</u>

The County's unassigned General Fund balance of \$5,363,602 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, 2019, restricted net position was as follows:

Governmental activities	
Restricted for	
Northwoods CDBG	\$ 4,526,911
Housing rehabilitation	2,295,158
Community development loan	164,372
Lenzer trust	<u>2,848</u>
Total	<u>\$ 6,989,289</u>

# Langlade County, Wisconsin

## NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2019

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### 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, 2019, the fund had a net position balance of \$143,718.

The claims liability of \$812,897 reported in the fund at December 31, 2019 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
2019	\$ 590,195	\$ 2,888,660	\$ 2,665,958	\$ 812,897
2018	637,868	2,626,132	2,673,805	590,195

#### 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.

# Langlade County, Wisconsin

## NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2019

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### **C. SUBSEQUENT EVENT**

Subsequent to year end, the World Health Organization declared the spread of Coronavirus Disease (COVID-19) a worldwide pandemic. The COVID-19 pandemic is having significant effects on global markets, supply chains, businesses, and communities. Specific to the County, COVID-19 may impact various parts of its 2020 operations and financial results including, but not limited to, costs for emergency preparedness and shortages of personnel. Management believes the County is taking appropriate actions to mitigate the negative impact. However, the full impact of COVID-19 is unknown and cannot be reasonably estimated as these events occurred subsequent to year end and are still developing.

During the period from January 1, 2020 through September 14, 2020, both domestic and international equity markets have experienced significant declines. These losses are not reflected in the financial statements as of and for the year ended December 31, 2019 as these events occurred subsequent to year end and are still developing.

### **D. UPCOMING ACCOUNTING PRONOUNCEMENTS**

In June 2017, the GASB issued Statement No. 87, *Leases*. The Statement establishes a single model for lease accounting based on the principle that leases are financings of the right to use an underlying asset. This statement is effective for reporting periods beginning after June 15, 2021. The County is currently evaluating the impact this standard will have on the financial statements when adopted.

# 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%

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%

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%

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%

See notes to required supplementary information.

# Langlade County, Wisconsin

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
DECEMBER 31, 2019

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## **A. WISCONSIN RETIREMENT SYSTEM**

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

*Changes of assumptions.* Actuarial assumptions are based upon an experience study conducted in 2018 using experience from 2015 - 2017. Based on the experience study conducted in 2018, actuarial assumptions used to develop Total Pension Liability changed, including the discount rate, long-term expected rate of return, post-retirement adjustment, wage inflation rate, mortality and separation rates.

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 terms for any participating employer in LRLIF.

*Changes of assumptions.* Actuarial assumptions are based upon an experience study conducted in 2018 using experience from 2015 - 2017. Based on the experience study conducted in 2018, actuarial assumptions used to develop Total OPEB Liability changed, including the discount rate, wage inflation rate, and mortality and separation rates.

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.

# Langlade County, Wisconsin

## GENERAL FUND

### DETAILED COMPARISON OF BUDGETED AND ACTUAL REVENUES

FOR THE YEAR ENDED DECEMBER 31, 2019

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2018

	Budget		Actual	Variance	2018 Actual
	Original	Final		Final Budget - Positive (Negative)	
<b>Taxes</b>					
General property	\$ 5,371,485	\$ 5,371,485	\$ 5,371,485	\$ -	\$ 5,475,061
Forest crop	81,000	81,000	122,393	41,393	123,941
Payment in lieu of taxes	18,000	18,000	16,889	(1,111)	18,005
County sales tax	1,765,181	1,765,181	1,801,462	36,281	1,695,177
Interest on taxes	215,000	215,000	188,547	(26,453)	210,425
Other taxes	-	-	-	-	16,627
<b>Total taxes</b>	<b>7,450,666</b>	<b>7,450,666</b>	<b>7,500,776</b>	<b>50,110</b>	<b>7,539,236</b>
<b>Intergovernmental</b>					
<b>State</b>					
State shared taxes	723,222	723,222	752,648	29,426	723,699
Tax exempt computer aid	12,000	12,000	12,308	308	12,017
Severance/withdrawal	1,000	1,000	3,781	2,781	917
Circuit court	52,275	52,275	52,275	-	52,275
Other state payments	500	6,875	12,521	5,646	27,702
Guardian ad litem	23,200	23,200	37,999	14,799	27,678
Interpreter fees	4,500	4,500	5,602	1,102	3,246
Victim witness program	13,500	13,500	13,035	(465)	14,218
Land information	112,937	53,688	55,299	1,611	147,534
Sheriff department	19,440	32,072	35,251	3,179	13,438
Tribal enforcement grant	22,000	22,000	22,520	520	21,476
OJA grant	841	2,195	1,354	(841)	2,364
Emergency government	47,104	67,104	68,564	1,460	45,602
Child Support	374,425	374,425	333,692	(40,733)	353,051
Transportation	72,389	72,389	72,389	-	70,970
Veterans service	10,000	10,000	12,998	2,998	13,762
Snowmobile/ATV trail maintenance	259,995	259,995	477,457	217,462	492,215
Lake protection	50,116	46,175	25,712	(20,463)	36,566
UW Extension	4,749	4,749	3,372	(1,377)	4,650
Wisconsin fund	10,000	10,000	7,000	(3,000)	-
Forestry	110,315	110,315	110,599	284	120,329
Land conservation	201,547	211,907	150,865	(61,042)	216,464
<b>Total intergovernmental</b>	<b>2,126,055</b>	<b>2,113,586</b>	<b>2,267,241</b>	<b>153,655</b>	<b>2,400,173</b>
<b>Licenses and permits</b>					
<b>Licenses</b>					
Marriage license	2,100	2,100	1,920	(180)	1,700
Occupational drivers license	40	40	-	(40)	-
Passport fees	4,000	4,000	1,486	(2,514)	3,700
<b>Permits</b>					
Zoning	77,200	77,200	75,299	(1,901)	73,791
Non-metallic mine permit	12,500	12,500	12,080	(420)	13,505
Land record fees	2,800	2,800	3,025	225	3,300
<b>Total licenses and permits</b>	<b>98,640</b>	<b>98,640</b>	<b>93,810</b>	<b>(4,830)</b>	<b>95,996</b>

# Langlade County, Wisconsin

## GENERAL FUND

### DETAILED COMPARISON OF BUDGETED AND ACTUAL REVENUES

FOR THE YEAR ENDED DECEMBER 31, 2019

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2018

	Budget		Actual	Variance Final Budget - Positive (Negative)	2018 Actual
	Original	Final			
<b>Fines and forfeits</b>					
County ordinance forfeitures	60,500	60,500	61,540	1,040	58,061
State fines and forfeitures	22,500	22,500	21,850	(650)	21,786
Total fines and forfeits	83,000	83,000	83,390	390	79,847
<b>Public charges for services</b>					
Register of deeds fees	142,400	142,400	147,570	5,170	160,243
Register of deeds land modernization	34,491	26,653	32,784	6,131	34,079
Circuit court fees and costs	66,100	66,100	68,350	2,250	67,067
Guardian ad litem fees	300	300	113	(187)	151
Mediation fees	2,100	2,100	1,915	(185)	1,820
Register in probate fees	5,500	5,500	3,127	(2,373)	4,331
Conservation fees	350	350	1,858	1,508	2,434
County clerk	600	600	882	282	915
Plat book sales	1,500	1,500	4,058	2,558	7,397
District attorney	400	400	779	379	100
Sale of maps	500	500	323	(177)	3,865
Coroner	7,000	7,000	9,652	2,652	6,853
Information services	2,500	2,500	2,927	427	2,502
Sheriff fees	118,600	121,765	158,758	36,993	148,182
Airport	29,000	29,000	34,722	5,722	25,521
Child support	5,000	5,000	4,323	(677)	4,477
Forest crop stumpage	1,840,000	1,843,537	2,453,100	609,563	2,430,905
Miscellaneous forestry	19,006	19,006	44,161	25,155	60,730
Park fees	134,500	137,225	141,823	4,598	163,836
Treasurer fees - NSF	-	-	200	200	-
Photocopies	65,910	65,910	58,386	(7,524)	61,521
Agriculture	2,770	4,270	2,500	(1,770)	1,790
Total public charges for services	2,478,527	2,481,616	3,172,311	690,695	3,188,719
<b>Intergovernmental charges for services</b>					
Probation and parole holds	8,800	8,800	39,903	31,103	7,600
Prisoner housing	191,700	260,440	261,348	908	217,226
Software updates	-	3,300	3,300	-	74,000
Total intergovernmental charges for services	200,500	272,540	304,551	32,011	298,826
<b>Interdepartmental charges for services</b>					
Indirect charges	296,560	381,872	345,557	(36,315)	316,655
Insurance premiums	182,000	182,000	180,775	(1,225)	208,467
CSA revenues	2,500	21,000	3,231	(17,769)	3,342
Total interdepartmental charges for services	481,060	584,872	529,563	(55,309)	528,464

# Langlade County, Wisconsin

GENERAL FUND  
 DETAILED COMPARISON OF BUDGETED AND ACTUAL REVENUES  
 FOR THE YEAR ENDED DECEMBER 31, 2019  
 WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2018

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	Budget		Actual	Variance Final Budget - Positive (Negative)	2018 Actual
	Original	Final			
Miscellaneous					
Interest on investments	166,000	166,000	352,193	186,193	220,041
Agriculture research station	15,500	15,500	1,500	(14,000)	27,489
Sale of County property	2,250	2,250	13,290	11,040	3,475
Profit on tax deed sales	55,890	65,494	49,835	(15,659)	88,054
Rent	120,371	120,371	120,784	413	116,936
Donations	57,300	65,010	14,692	(50,318)	30,840
Other	400	5,194	74,075	68,881	2,858
Total miscellaneous	<u>417,711</u>	<u>439,819</u>	<u>626,369</u>	<u>186,550</u>	<u>489,693</u>
<b>Total revenues</b>	<u><u>\$ 13,336,159</u></u>	<u><u>\$ 13,524,739</u></u>	<u><u>\$ 14,578,011</u></u>	<u><u>\$ 1,053,272</u></u>	<u><u>\$ 14,620,954</u></u>

# Langlade County, Wisconsin

GENERAL FUND  
 DETAILED COMPARISON OF BUDGETED AND ACTUAL EXPENDITURES  
 FOR THE YEAR ENDED DECEMBER 31, 2019  
 WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2018

	Budget		Actual	Variance	2018 Actual
	Original	Final		Final Budget - Positive (Negative)	
General government					
County board	\$ 108,832	\$ 123,437	\$ 107,239	\$ 16,198	\$ 155,240
County clerk	158,095	158,095	131,233	26,862	166,665
County treasurer	149,846	149,846	149,354	492	146,607
Coroner	69,927	69,927	65,204	4,723	67,123
Register of deeds	212,097	213,297	208,737	4,560	220,793
Human resources	95,121	136,256	136,257	(1)	131,540
Insurance					
Property and liability	68,000	99,963	54,919	45,044	61,130
Workers' compensation	226,000	226,000	271,045	(45,045)	222,447
Circuit Court	672,617	697,710	685,350	12,360	629,436
District Attorney	253,023	191,449	188,882	2,567	157,827
Corporation counsel	201,607	201,606	197,485	4,121	195,097
Finance department	441,586	440,311	440,024	287	400,415
Information systems	306,050	384,041	326,922	57,119	253,034
Maintenance					
Courthouse	118,330	148,330	120,719	27,611	108,078
Resource center	109,715	109,715	112,804	(3,089)	97,670
Shop	252,767	251,964	230,138	21,826	218,932
Architectural fees	1,000	1,000	-	1,000	-
Other general government	89,700	108,200	101,103	7,097	109,029
Contingency	50,000	50,000	3,653	46,347	521
Total general government	<u>3,584,313</u>	<u>3,761,147</u>	<u>3,531,068</u>	<u>230,079</u>	<u>3,341,584</u>
Public safety					
Sheriff	2,831,863	2,885,167	2,797,492	87,675	2,736,830
Jail	1,887,664	1,970,379	1,966,976	3,403	1,958,372
Maintenance	253,453	253,980	245,555	8,425	273,206
Emergency government	85,853	113,635	106,355	7,280	72,422
Total public safety	<u>5,058,833</u>	<u>5,223,161</u>	<u>5,116,378</u>	<u>106,783</u>	<u>5,040,830</u>
Public works					
Airport	155,957	155,957	161,251	(5,294)	136,411
Total public works	<u>155,957</u>	<u>155,957</u>	<u>161,251</u>	<u>(5,294)</u>	<u>136,411</u>
Health and human services					
North Central Health Care	301,483	431,483	432,703	(1,220)	298,483
Family Care	259,523	259,523	259,523	-	259,523
Maintenance	158,804	160,280	132,737	27,543	154,348
Child support	462,424	462,424	409,799	52,625	435,829
ADRC	115,070	115,070	115,070	-	115,070
Transportation	86,867	98,181	98,181	-	84,414
Veteran's service officer	170,588	170,588	157,176	13,412	160,591
Avail	35,000	35,833	35,833	-	33,333
Total health and human services	<u>1,589,759</u>	<u>1,733,382</u>	<u>1,641,022</u>	<u>92,360</u>	<u>1,541,591</u>

# Langlade County, Wisconsin

GENERAL FUND  
 DETAILED COMPARISON OF BUDGETED AND ACTUAL EXPENDITURES  
 FOR THE YEAR ENDED DECEMBER 31, 2019  
 WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2018

	Budget		Actual	Variance	2018 Actual
	Original	Final		Final Budget - Positive (Negative)	
Culture and recreation					
Parks	479,441	568,192	766,133	(197,941)	774,168
Library	320,557	320,557	316,807	3,750	323,756
Agriculture agents	215,902	221,713	196,139	25,574	190,638
Total culture and recreation	<u>1,015,900</u>	<u>1,110,462</u>	<u>1,279,079</u>	<u>(168,617)</u>	<u>1,288,562</u>
Conservation and development					
Land records and regulations	676,622	646,794	601,340	45,454	656,376
Land conservation	261,905	272,265	209,293	62,972	276,260
Forestry department	597,498	649,887	644,190	5,697	633,611
Economic development	75,000	75,000	75,476	(476)	75,000
Regional planning commission	14,572	14,572	14,572	-	14,414
Total conservation and development	<u>1,625,597</u>	<u>1,658,518</u>	<u>1,544,871</u>	<u>113,647</u>	<u>1,655,661</u>
Capital outlay					
Information services	-	203,900	186,366	17,534	50,000
General public buildings	-	27,735	24,402	3,333	36,102
Health center	-	3,333	-	3,333	-
Capital improvements	-	46,741	52,978	(6,237)	54,768
Sheriff	-	125,632	127,212	(1,580)	141,718
Airport	-	-	-	-	38,651
Other	300,000	325,737	50,139	275,598	8,494
Total capital outlay	<u>300,000</u>	<u>733,078</u>	<u>441,097</u>	<u>291,981</u>	<u>329,733</u>
<b>Total expenditures</b>	<u><b>\$ 13,330,359</b></u>	<u><b>\$ 14,375,705</b></u>	<u><b>\$ 13,714,766</b></u>	<u><b>\$ 660,939</b></u>	<u><b>\$ 13,334,372</b></u>

# Langlade County, Wisconsin

COMBINING BALANCE SHEET  
 NONMAJOR GOVERNMENTAL FUNDS  
 DECEMBER 31, 2019  
 WITH SUMMARIZED FINANCIAL INFORMATION AS OF DECEMBER 31, 2018

	Special Revenue				
	Public Health	Jail Assessment	Dog License	Jail Commissary	Community Development Loan
<b>ASSETS</b>					
Cash and investments	\$ 687	\$ 50,131	\$ 11,092	\$ 98,487	\$ 94,253
Receivables					
Taxes	362,501	-	-	-	-
Accounts	30,902	893	-	7,187	-
Loans, net	-	-	-	-	70,119
Due from other governments	5,888	-	-	-	-
Inventories and prepaid items	794	-	-	-	-
<b>Total assets</b>	<b><u>\$ 400,772</u></b>	<b><u>\$ 51,024</u></b>	<b><u>\$ 11,092</u></b>	<b><u>\$ 105,674</u></b>	<b><u>\$ 164,372</u></b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>					
Liabilities					
Accounts payable	\$ 6,469	\$ -	\$ 10,092	\$ 63	\$ -
Accrued and other current liabilities	13,519	-	-	-	-
Due to other funds	-	-	-	-	-
Due to other governments	-	-	-	-	-
Special deposits	1,913	-	-	-	-
Unearned revenues	15,032	-	-	-	-
Short-term note payable	-	-	-	-	-
<b>Total liabilities</b>	<b><u>36,933</u></b>	<b><u>-</u></b>	<b><u>10,092</u></b>	<b><u>63</u></b>	<b><u>-</u></b>
Deferred inflows of resources					
Property taxes levied for subsequent year	362,501	-	-	-	-
Loans receivable	-	-	-	-	70,119
<b>Total deferred inflows of resources</b>	<b><u>362,501</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>70,119</u></b>
Fund balances					
Nonspendable	794	-	-	-	-
Restricted	-	-	-	-	94,253
Assigned	544	51,024	1,000	105,611	-
Unassigned	-	-	-	-	-
<b>Total fund balances</b>	<b><u>1,338</u></b>	<b><u>51,024</u></b>	<b><u>1,000</u></b>	<b><u>105,611</u></b>	<b><u>94,253</u></b>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b><u>\$ 400,772</u></b>	<b><u>\$ 51,024</u></b>	<b><u>\$ 11,092</u></b>	<b><u>\$ 105,674</u></b>	<b><u>\$ 164,372</u></b>

Special Revenue (continued)			Capital Projects		Totals	
Economic Development	Fairgrounds	Lenzer Trust	Capital Improvements	Debt Service	2019	2018
\$ 65,430	\$ 12,600	\$ 2,848	\$ 1,173,466	\$ 6,977	\$ 1,515,971	\$ 2,615,910
-	30,095	-	525,000	649,500	1,567,096	1,044,823
-	843	-	-	-	39,825	39,062
-	-	-	-	-	70,119	770,182
-	-	-	-	-	5,888	-
-	-	-	-	-	794	1,501
<u>\$ 65,430</u>	<u>\$ 43,538</u>	<u>\$ 2,848</u>	<u>\$ 1,698,466</u>	<u>\$ 656,477</u>	<u>\$ 3,199,693</u>	<u>\$ 4,471,478</u>
\$ -	\$ 2,693	\$ -	\$ 63,616	\$ -	\$ 82,933	\$ 82,720
-	-	-	1,674	-	15,193	10,057
-	-	-	-	-	-	979
65,430	-	-	-	-	65,430	-
-	-	-	-	-	1,913	977
-	9,690	-	-	-	24,722	20,706
-	-	-	525,000	-	525,000	-
<u>65,430</u>	<u>12,383</u>	<u>-</u>	<u>590,290</u>	<u>-</u>	<u>715,191</u>	<u>115,439</u>
-	30,095	-	525,000	649,500	1,567,096	1,044,823
-	-	-	-	-	70,119	770,182
-	30,095	-	525,000	649,500	1,637,215	1,815,005
-	-	-	-	-	794	1,501
-	-	2,848	583,176	6,977	687,254	2,316,645
-	1,060	-	-	-	159,239	223,930
-	-	-	-	-	-	(1,042)
-	1,060	2,848	583,176	6,977	847,287	2,541,034
<u>\$ 65,430</u>	<u>\$ 43,538</u>	<u>\$ 2,848</u>	<u>\$ 1,698,466</u>	<u>\$ 656,477</u>	<u>\$ 3,199,693</u>	<u>\$ 4,471,478</u>

# Langlade County, Wisconsin

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
 NONMAJOR GOVERNMENTAL FUNDS  
 FOR THE YEAR ENDED DECEMBER 31, 2019  
 WITH SUMMARIZED FINANCIAL INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2018

	<b>Special Revenue</b>				
	<b>Public Health</b>	<b>Jail Assessment</b>	<b>Dog License</b>	<b>Jail Commissary</b>	<b>Community Development Loan</b>
<b>REVENUES</b>					
Taxes	\$ 362,928	\$ -	\$ -	\$ -	\$ -
Intergovernmental	107,546	-	-	-	-
Licenses and permits	-	-	10,609	-	-
Public charges for services	52,516	13,226	-	56,750	-
Intergovernmental charges for services	209	-	-	-	-
Miscellaneous	1,871	-	-	24,824	16,253
<b>Total revenues</b>	<b>525,070</b>	<b>13,226</b>	<b>10,609</b>	<b>81,574</b>	<b>16,253</b>
<b>EXPENDITURES</b>					
Current					
General government	-	-	20,865	-	-
Public safety	-	12,988	-	74,163	-
Health and human services	482,362	-	-	-	-
Culture and recreation	-	-	-	-	-
Conservation and development	-	-	-	-	24,999
Debt service					
Principal	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-
Capital outlay	-	-	-	-	-
<b>Total expenditures</b>	<b>482,362</b>	<b>12,988</b>	<b>20,865</b>	<b>74,163</b>	<b>24,999</b>
Excess of revenues over (under) expenditures	42,708	238	(10,256)	7,411	(8,746)
<b>OTHER FINANCING SOURCES (USES)</b>					
Long-term debt issued	-	-	-	-	-
Premium on debt issued	-	-	-	-	-
Transfers in	-	-	-	-	-
Transfers out	(41,370)	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>(41,370)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net change in fund balances</b>	<b>1,338</b>	<b>238</b>	<b>(10,256)</b>	<b>7,411</b>	<b>(8,746)</b>
<b>Fund balances - January 1</b>	<b>-</b>	<b>50,786</b>	<b>11,256</b>	<b>98,200</b>	<b>102,999</b>
<b>Fund balances - December 31</b>	<b>\$ 1,338</b>	<b>\$ 51,024</b>	<b>\$ 1,000</b>	<b>\$ 105,611</b>	<b>\$ 94,253</b>

Special Revenue (continued)			Capital Projects		Totals	
Economic Development	Fairgrounds	Lenzer Trust	Capital Improvements	Debt Service	2019	2018
\$ -	\$ 30,995	\$ -	\$ -	\$ 650,900	\$ 1,044,823	\$ 1,009,385
-	-	-	-	-	107,546	50,311
-	-	-	-	-	10,609	10,848
-	25,366	-	-	-	147,858	122,477
-	-	-	-	-	209	190
760,475	22,932	-	29,759	-	856,114	387,704
760,475	79,293	-	29,759	650,900	2,167,159	1,580,915
-	-	-	-	-	20,865	592
-	-	-	-	-	87,151	63,215
-	-	-	-	-	482,362	443,199
-	100,907	-	-	-	100,907	118,794
1,586,026	-	-	-	-	1,611,025	62,389
-	-	-	-	535,000	535,000	620,177
-	-	-	15,174	115,900	131,074	147,908
-	-	-	622,570	-	622,570	1,478,895
1,586,026	100,907	-	637,744	650,900	3,590,954	2,935,169
(825,551)	(21,614)	-	(607,985)	-	(1,423,795)	(1,354,254)
-	-	-	-	-	-	3,500,000
-	-	-	-	-	-	135,596
-	-	-	-	-	-	37,583
-	-	-	(228,582)	-	(269,952)	(8,649)
-	-	-	(228,582)	-	(269,952)	3,664,530
(825,551)	(21,614)	-	(836,567)	-	(1,693,747)	2,310,276
825,551	22,674	2,848	1,419,743	6,977	2,541,034	230,758
\$ -	\$ 1,060	\$ 2,848	\$ 583,176	\$ 6,977	\$ 847,287	\$ 2,541,034



## 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, 2019, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated September 14, 2020.

### **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) to determine 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 County'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 2019-001 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 by those charged with governance. We consider the deficiency described in the accompanying schedule of findings and questioned costs as items 2019-002 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 determination of financial statement amounts. 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  
September 14, 2020



## Independent auditors' report on compliance for each major federal and state program and 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 *U.S. Office of Management and Budget (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, 2019. 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, 2019.

## REPORT ON INTERNAL CONTROL 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 a deficiency in internal control over compliance, as described in the accompanying schedule of findings and questioned costs as item 2019-003 that we consider to be a significant deficiency.

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  
September 14, 2020

# Langlade County, Wisconsin

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED DECEMBER 31, 2019

Grantor Agency/Federal Program Title	CFDA Number	Pass-Through Agency	Pass-Through Entity Identifying Number
<b>U.S. DEPARTMENT OF AGRICULTURE</b>			
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			
<b>U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</b>			
Community Development Block Grant			
Program Agreements			
7/1/2016 - 3/31/2019	14.228	WI DOA	H 14-15-02
7/1/2018 - 12/31/2020	14.228	WI DOA	H 17-18-02
Program Income			
Economic redevelopment loan program	14.228	WI DOA	Not Applicable
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			
<b>U.S. DEPARTMENT OF JUSTICE</b>			
Bulletproof Vest Program			
	16.607	Direct Program	Not Applicable
Edward Byrne Memorial Justice Assistance Grant Program			
Edward Byrne Memorial Justice Assistance Grant Program	16.738	WI DOJ	2018-NC-01-15029
Total Edward Byrne Memorial Justice Assistance Grant Program	16.738	Oneida County	Not Applicable
Total U.S. Department of Justice			
<b>U.S. DEPARTMENT OF TRANSPORTATION</b>			
Highway Planning and Construction Cluster			
Recreational Trails Program	20.219	WI DNR	RTP-785-16M
Recreational Trails Program	20.219	WI DNR	RTP-785-16N
Recreational Trails Program	20.219	WI DNR	RTP-797-16M
Recreational Trails Program	20.219	WI DNR	RTP-802-16M
Recreational Trails Program	20.219	WI DNR	RTP-822-16N
Recreational Trails Program	20.219	WI DNR	RTP-824-16N
Recreational Trails Program	20.219	WI DNR	RTP-831-16N
Recreational Trails Program	20.219	WI DNR	RTP-832-16N
Recreational Trails Program	20.219	WI DNR	RTA-565
Total Highway Planning and Construction Cluster			
Total U.S. Department of Transportation			
<b>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>			
Public Health Emergency Preparedness			
Public Health Emergency Preparedness	93.069	WI DHS	155015
Public Health Emergency Preparedness	93.069	WI DHS	155050
Total Public Health Emergency Preparedness			
Immunization Cooperative Agreements			
Promoting Safe and Stable Families	93.268	WI DHS	155020
Promoting Safe and Stable Families	93.556	WI DCF	3306

<b>(Accrued) Deferred Revenue 1/1/19</b>	<b>Cash Received (Refunded)</b>	<b>Accrued (Deferred) Revenue 12/31/19</b>	<b>Total Expenditures</b>	<b>Subrecipient Payment</b>
\$ (141)	\$ 435	\$ 117	\$ 411	\$ -
<u>(54,979)</u>	<u>118,560</u>	<u>59,878</u>	<u>123,459</u>	<u>-</u>
<u>(55,120)</u>	<u>118,995</u>	<u>59,995</u>	<u>123,870</u>	<u>-</u>
<u>(55,120)</u>	<u>118,995</u>	<u>59,995</u>	<u>123,870</u>	<u>-</u>
(110,421)	110,421	-	-	-
-	850,622	203,367	1,053,989	-
825,551	(825,551)	-	-	-
168,277	114,792	(135,258)	147,811	-
35,294	219,050	(7,759)	246,585	-
<u>918,701</u>	<u>469,334</u>	<u>60,350</u>	<u>1,448,385</u>	<u>-</u>
<u>918,701</u>	<u>469,334</u>	<u>60,350</u>	<u>1,448,385</u>	<u>-</u>
-	1,354	-	1,354	-
-	12,632	-	12,632	-
-	9,119	-	9,119	-
<u>-</u>	<u>21,751</u>	<u>-</u>	<u>21,751</u>	<u>-</u>
<u>-</u>	<u>23,105</u>	<u>-</u>	<u>23,105</u>	<u>-</u>
(3,789)	3,764	-	(25)	-
(3,790)	3,765	-	(25)	-
(3,038)	4,556	-	1,518	-
(26,350)	-	27,718	1,368	-
-	-	2,341	2,341	-
-	-	2,649	2,649	-
-	5,520	-	5,520	-
-	1,424	-	1,424	-
-	-	1,981	1,981	-
<u>(36,967)</u>	<u>19,029</u>	<u>34,689</u>	<u>16,751</u>	<u>-</u>
<u>(36,967)</u>	<u>19,029</u>	<u>34,689</u>	<u>16,751</u>	<u>-</u>
(4,771)	40,719	4,180	40,128	-
-	2,674	-	2,674	-
<u>(4,771)</u>	<u>43,393</u>	<u>4,180</u>	<u>42,802</u>	<u>-</u>
-	6,374	-	6,374	-
(8,305)	46,374	-	38,069	-

# Langlade County, Wisconsin

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED DECEMBER 31, 2019

Grantor Agency/Federal Program Title	CFDA Number	Pass-Through Agency	Pass-Through Entity Identifying Number
<b>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (Continued)</b>			
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	7617
Total Child Support Enforcement (Title IV-D)			
Low Income Home Energy Assistance	93.568	WI DOA	AD1599974.34
Low Income Home Energy Assistance	93.568	WI DOA	AD1599975.34
Total Low Income Home Energy Assistance			
CCDF Cluster			
Child Care and Development Block Grant	93.575	WI DCF	831
Child Care and Development Block Grant	93.575	WI DCF	840
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	3413
Foster Care (Title IV-E)	93.658	WI DCF	3561
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
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			
<b>U.S. DEPARTMENT OF HOMELAND SECURITY</b>			
Hazard Mitigation Grant	97.039	WI DMA	PDMC-PL-05-WI-2017-013
Emergency Management Performance Grants	97.042	WI DMA	2019-EMPG-01-11348
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.*

<b>(Accrued) Deferred Revenue 1/1/19</b>	<b>Cash Received (Refunded)</b>	<b>Accrued (Deferred) Revenue 12/31/19</b>	<b>Total Expenditures</b>	<b>Subrecipient Payment</b>
-	10,162	674	10,836	-
(77,507)	218,924	80,867	222,284	-
955	(2,918)	(890)	(2,853)	-
(42)	527	362	847	-
-	1,708	-	1,708	-
-	59,946	-	59,946	-
<u>(76,594)</u>	<u>288,349</u>	<u>81,013</u>	<u>292,768</u>	<u>-</u>
(9,578)	11,925	-	2,347	-
-	34,113	15,124	49,237	-
<u>(9,578)</u>	<u>46,038</u>	<u>15,124</u>	<u>51,584</u>	<u>-</u>
272	1,688	69	2,029	-
-	400	-	400	-
(3,943)	28,263	5,457	29,777	-
<u>(3,671)</u>	<u>30,351</u>	<u>5,526</u>	<u>32,206</u>	<u>-</u>
(901)	901	-	-	-
(547)	3,914	464	3,831	-
-	15,362	-	15,362	-
-	1,229	-	1,229	-
<u>(547)</u>	<u>20,505</u>	<u>464</u>	<u>20,422</u>	<u>-</u>
(981)	7,018	832	6,869	-
-	172,403	-	172,403	-
-	13,797	-	13,797	-
<u>(981)</u>	<u>193,218</u>	<u>832</u>	<u>193,069</u>	<u>-</u>
(1,102)	10,602	-	9,500	-
(16)	7,138	293	7,415	-
(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>
-	5,258	705	5,963	-
(325)	11,127	-	10,802	-
<u>(184,050)</u>	<u>877,847</u>	<u>193,638</u>	<u>887,435</u>	<u>-</u>
-	20,000	-	20,000	-
(15,331)	15,331	33,309	33,309	-
<u>(15,331)</u>	<u>35,331</u>	<u>33,309</u>	<u>53,309</u>	<u>-</u>
<u>\$ 627,233</u>	<u>\$ 1,543,641</u>	<u>\$ 381,981</u>	<u>\$ 2,552,855</u>	<u>\$ -</u>

# Langlade County, Wisconsin

SCHEDULE OF EXPENDITURES OF STATE AWARDS  
FOR THE YEAR ENDED DECEMBER 31, 2019

Grantor Agency/State Program Title	State I.D. Number	Pass-Through Agency	State Identifying Number
<b>DEPARTMENT OF AGRICULTURE, TRADE AND CONSUMER PROTECTION</b>			
County Staff and Support	115.15	Direct Program	Not Applicable
LWRM Plan Implementation Projects	115.40	Direct Program	Not Applicable
Total Department of Agriculture, Trade and Consumer Protection			
<b>DEPARTMENT OF SAFETY AND PROFESSIONAL SERVICES</b>			
Private Sewage System Replacement and Rehabilitation Program	143.110	Direct Program	Not Applicable
<b>DEPARTMENT OF NATURAL RESOURCES</b>			
Snowmobile Patrol	370.552	Direct Program	Not Applicable
Wildlife Damage Abatement and Claims	370.553	Direct Program	Not Applicable
County Conservation Aids	370.563	Direct Program	Not Applicable
County Fish, Wildlife & Forestry	370.564	Direct Program	Not Applicable
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	Not Applicable
Recreational Aids - Snowmobile Trail and Area Aid	370.574 & 370.575	Direct Program	S-4895
Recreational Aids - Snowmobile Trail and Area Aid	370.574 & 370.575	Direct Program	S-5037
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-5429
Total Recreational Aids - Snowmobile Trail and Area Aid			
All-Terrain Vehicle (ATV) Program	370.576 & 370.577	Direct Program	ATV-3511
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-3664
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-3814
All-Terrain Vehicle (ATV) Program	370.576 & 370.577	Direct Program	ATV-3854
All-Terrain Vehicle (ATV) Program	370.576 & 370.577	Direct Program	ATV-3874T
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
Total All-Terrain Vehicle (ATV) Program			
Total Department of Natural Resources			
<b>DEPARTMENT OF TRANSPORTATION</b>			
Elderly and Handicapped Transportation Aids	395.101	Direct Program	Not Applicable
County Forest Aids	395.170	Direct Program	Not Applicable
Total Department of Transportation			

<b>(Accrued) Deferred Revenue 1/1/19</b>	<b>Cash Received (Refunded)</b>	<b>Accrued (Deferred) Revenue 12/31/19</b>	<b>Total Expenditures</b>	<b>Subrecipient Payment</b>
\$ (92,770)	\$ 92,770	\$ 90,476	\$ 90,476	\$ -
(37,716)	72,149	2,136	36,569	-
(130,486)	164,919	92,612	127,045	-
-	7,000	-	7,000	-
-	6,853	-	6,853	-
(39,391)	39,391	23,820	23,820	-
-	4,039	-	4,039	-
13,619	6,804	(17,308)	3,115	-
(36,566)	36,566	-	-	-
-	-	25,712	25,712	-
(36,566)	36,566	25,712	25,712	-
-	50,921	-	50,921	-
(1,914)	-	-	(1,914)	-
(50,205)	50,205	-	-	-
76,257	150,107	68,395	294,759	-
99,908	-	(99,908)	-	-
76,875	-	(76,875)	-	-
-	79,905	(77,851)	2,054	-
-	7,178	(7,178)	-	-
200,921	287,395	(193,417)	294,899	-
(2,014)	-	-	(2,014)	-
(6,502)	-	6,894	392	-
(136)	-	-	(136)	-
5,056	-	(5,056)	-	-
7,303	37,188	-	44,491	-
9,356	26,465	-	35,821	-
690	690	-	1,380	-
198,586	-	(198,586)	-	-
-	37,188	25,044	62,232	-
-	24,955	(1,311)	23,644	-
-	690	(690)	-	-
-	7,178	(7,178)	-	-
-	4,805	(4,805)	-	-
212,339	139,159	(185,688)	165,810	-
350,922	571,128	(346,881)	575,169	-
-	72,389	-	72,389	-
-	2,391	-	2,391	-
-	74,780	-	74,780	-

# Langlade County, Wisconsin

SCHEDULE OF EXPENDITURES OF STATE AWARDS  
FOR THE YEAR ENDED DECEMBER 31, 2019

Grantor Agency/State Program Title	State I.D. Number	Pass-Through Agency	State Identifying Number
<b>DEPARTMENT OF HEALTH SERVICES</b>			
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
Fluoride Mouth Rinse	435.151735	Direct Program	151735
Comm Disease Control & Prevention	435.155800	Direct Program	155800
Cons Contracts CHHD LD	435.157720	Direct Program	157720
Total Department of Health Services			
<b>DEPARTMENT OF CHILDREN AND FAMILIES</b>			
Child Support Fingerprint	437.961	Direct Program	961
Food Stamp Agency Incentives	437.965	Direct Program	965
Kinship Care Program - Benefits	437.3377	Direct Program	3377
Kinship Care Program - Assessment	437.3380	Direct Program	3380
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
Out-of-Home Care Placements for Sex Trafficked Youth	437.3720	Direct Program	3720
Child Support Activities	437.7502	Direct Program	7502
Child Support Medical Support	437.7606	Direct Program	7606
Total Department of Children and Families			
<b>DEPARTMENT OF JUSTICE</b>			
Victim Witness Cluster	455. (1)	Direct Program	Not Applicable
<b>DEPARTMENT OF MILITARY AFFAIRS</b>			
Emergency Training Grant Program	465.337	Direct Program	2019-EPCRA-01-11355
Computer and Hazmat Equipment Grant	465.367	Direct Program	2019-EPCRA-01-11597
Total Department of Military Affairs			
<b>DEPARTMENT OF ADMINISTRATION</b>			
Wisconsin Land Information Program - Aid to Counties			
Land Information Grant	505.173	Direct Program	Not Applicable
Training Grant	505.173	Direct Program	Not Applicable
Strategic Initiative Grant	505.173	Direct Program	Not Applicable
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			
<b>TOTAL STATE PROGRAMS</b>			

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

<b>(Accrued) Deferred Revenue 1/1/19</b>	<b>Cash Received (Refunded)</b>	<b>Accrued (Deferred) Revenue 12/31/19</b>	<b>Total Expenditures</b>	<b>Subrecipient Payment</b>
(282)	870	233	821	-
(690)	93,980	95	93,385	-
-	1,056	995	2,051	-
(977)	29,430	17,654	46,107	-
(264)	806	384	926	-
-	1,909	-	1,909	-
-	3,376	-	3,376	-
(286)	3,230	472	3,416	-
<u>(2,499)</u>	<u>134,657</u>	<u>19,833</u>	<u>151,991</u>	<u>-</u>
-	216	-	216	-
(22)	1,343	123	1,444	-
(27,287)	108,740	16,100	97,553	-
(862)	3,995	819	3,952	-
(1,762)	4,499	1,232	3,969	-
(5,725)	7,305	-	1,580	-
(61,344)	438,938	52,058	429,652	-
-	176,262	-	176,262	-
-	14,106	-	14,106	-
(3,240)	4,615	-	1,375	-
-	39,117	-	39,117	-
-	1,830	-	1,830	-
<u>(100,242)</u>	<u>800,966</u>	<u>70,332</u>	<u>771,056</u>	<u>-</u>
<u>(7,809)</u>	<u>14,166</u>	<u>6,678</u>	<u>13,035</u>	<u>-</u>
(3,870)	3,870	7,780	7,780	-
(8,077)	15,552	-	7,475	-
<u>(11,947)</u>	<u>19,422</u>	<u>7,780</u>	<u>15,255</u>	<u>-</u>
98,500	64,544	(109,202)	53,842	-
-	1,000	-	1,000	-
1,966	25,000	(26,508)	458	-
<u>100,466</u>	<u>90,544</u>	<u>(135,710)</u>	<u>55,300</u>	<u>-</u>
(7,430)	9,148	-	1,718	-
-	18,537	2,377	20,914	-
<u>(7,430)</u>	<u>27,685</u>	<u>2,377</u>	<u>22,632</u>	<u>-</u>
<u>93,036</u>	<u>118,229</u>	<u>(133,333)</u>	<u>77,932</u>	<u>-</u>
<u>\$ 190,975</u>	<u>\$ 1,905,267</u>	<u>\$ (282,979)</u>	<u>\$ 1,813,263</u>	<u>\$ -</u>

# Langlade County, Wisconsin

## NOTES TO THE SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS FOR THE YEAR ENDED DECEMBER 31, 2019

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### **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 2019 fund financial statements. Such expenditures are recognized following the cost principles contained in the Uniform Guidance and the *State Single Audit Guidelines*, wherein certain types of expenditures are not allowable or are limited as 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

# Langlade County, Wisconsin

## NOTES TO THE SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS FOR THE YEAR ENDED DECEMBER 31, 2019

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### **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 & DCF programs agree with the expenditures reported on the May 2020 CARS for the Human Services and Public Health Departments, and the December 2019 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 2019, the County received program income of \$114,792 and expended \$147,811 from their housing rehabilitation loan fund as detailed below:

Housing rehabilitation loans	\$ 128,308
Administrative expenses	19,503
Total expenditures	<u>\$ 147,811</u>

At December 31, 2019, program income of \$147,811 is available for future housing rehabilitation loans and administrative expenses. Outstanding mortgages receivable totaled \$2,159,900.

# Langlade County, Wisconsin

## NOTES TO THE SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS FOR THE YEAR ENDED DECEMBER 31, 2019

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### **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 2019, the County received intergovernmental grant income of \$961,043, program income of \$219,050 and expended \$1,300,574 from their housing rehabilitation loan fund as detailed below:

	<u>Grant</u>	<u>Program Income</u>	<u>Total Expenditures</u>
Housing rehabilitation loans	\$ 895,891	\$ 209,597	\$ 1,105,488
Administrative expenses	158,098	36,988	195,086
Total expenditures	<u>\$ 1,053,989</u>	<u>\$ 246,585</u>	<u>\$ 1,300,574</u>

At December 31, 2019, program income of \$7,759 is available for future housing rehabilitation loans and administrative expenses. Outstanding mortgages receivable totaled \$4,834,669.

# Langlade County, Wisconsin

## SCHEDULE OF FINDINGS AND QUESTIONED COSTS FOR THE YEAR ENDED DECEMBER 31, 2019

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### SECTION I - SUMMARY OF AUDITORS' RESULTS

#### BASIC FINANCIAL STATEMENTS

Type of auditors' report issued:	Unmodified
Internal control over financial reporting:	
▶ Material weakness(es) identified?	Yes
▶ 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

Identification of major state programs:

State ID Number	Name of State Programs
370.574 & 370.575	Recreational Aids - Snowmobile Trail and Area Aid
437.3411	Youth Aids AODA
437.3413	Youth Aids

#### 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
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# Langlade County, Wisconsin

## SCHEDULE OF FINDINGS AND QUESTIONED COSTS FOR THE YEAR ENDED DECEMBER 31, 2019

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### SECTION II - FINANCIAL STATEMENT FINDINGS

<b>FINDING NO.</b>	<b>CONTROL DEFICIENCIES</b>
2019-001	<b>Adjustments to the County's Financial Records</b> Repeat of Finding 2018-001
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 thirty-three 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	Refer to the management response per the correction action plan.

# Langlade County, Wisconsin

## SCHEDULE OF FINDINGS AND QUESTIONED COSTS FOR THE YEAR ENDED DECEMBER 31, 2019

FINDING NO.	CONTROL DEFICIENCIES
2019-002	<p><b>Preparation of Annual Financial Report</b> Repeat of Finding 2018-002</p>
Condition:	<p>Current County staff maintains accounting records which reflect the County's financial transactions; however, preparing the County's annual financial report, including note disclosures, involves the selection and application of specific accounting principles which would require additional experience and knowledge. The County contracts with us and our knowledge of applicable accounting principles, financial statement format, and note disclosures to assist in the preparation of the annual financial report in an efficient manner.</p>
Context:	<p>When performing audit procedures, we noted that management does not have the proper procedures in place to provide reasonable assurance that financial statements could be prepared in accordance with U.S. GAAP.</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 or other required State Financial reports.</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 in accordance with accounting principles generally accepted in the United States of America.</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>County management has reviewed and approved the County's annual financial report prepared by the auditors. While the County does not anticipate the finance staff will prepare the financial statements in the future, the County intends to provide training to finance department staff on the applicable accounting principles used and note disclosures contained in its annual financial report. Refer to the management response per the correction action plan.</p>

# Langlade County, Wisconsin

## SCHEDULE OF FINDINGS AND QUESTIONED COSTS FOR THE YEAR ENDED DECEMBER 31, 2019

### SECTION III – FEDERAL AND STATE AWARD FINDINGS AND QUESTIONED COSTS

FINDING NO.	UNIFORM GUIDANCE AND STATE SINGLE AUDIT GUIDELINES FINDINGS
2019-003	<p><b>Financial Reporting for Federal and State Awards</b></p> <p><i>Federal CFDA - All</i> <i>State IDs - All</i></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:	No
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	Refer to the management response per the correction action plan.

# Langlade County, Wisconsin

## SCHEDULE OF FINDINGS AND QUESTIONED COSTS FOR THE YEAR ENDED DECEMBER 31, 2019

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### SECTION IV - OTHER ISSUES

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| 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 <i>State Single Audit Guidelines</i> : |     |
| 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



David L. Maccoux, CPA

September 14, 2020