

**COUNTY OF SHEBOYGAN,
WISCONSIN**

**COMPREHENSIVE ANNUAL FINANCIAL
REPORT**

FOR THE YEAR ENDED

DECEMBER 31, 2019



WISCONSIN

COUNTY OF SHEBOYGAN, WISCONSIN
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2019

PREPARED BY:

Sheboygan County Finance Department

COUNTY OF SHEBOYGAN, WISCONSIN
For the Year Ended December 31, 2019

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INTRODUCTORY SECTION



SHEBOYGAN COUNTY

Wendy A. Charnon
Finance Director

Jeremy Fetterer
Deputy Finance Director

July 29, 2020

Honorable Members of the Board of Supervisors and Citizens
County of Sheboygan
508 New York Ave
Sheboygan, Wisconsin 53081

Ladies and Gentlemen:

State Statute, Administrative Rule 16, and the Securities and Exchange Commission (SEC) require counties to submit audited financial statements within certain time frames based upon their individual rules and regulations. Major federal and state programs impose additional audit requirements. Pursuant to the above, we hereby respectfully submit the Comprehensive Annual Financial Report (CAFR) of Sheboygan County, Wisconsin for the fiscal year ended December 31, 2019.

This report consists of management's representations concerning the finances for Sheboygan County. Consequently, management assumes full responsibility for the completeness and reliability of all information presented in this report. To provide a reasonable basis for making these representations, management of Sheboygan County has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, Sheboygan County's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. To the best of our knowledge and belief the financial report is accurate, complete and reliable in all material respects.

CliftonLarsonAllen LLP has audited Sheboygan County's financial statements. The goal of the independent audit was to provide reasonable assurance that the financial statements of Sheboygan County are free from material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering unmodified opinions that Sheboygan County's financial statements for the fiscal year ended December 31, 2019 are fairly presented in conformity with GAAP. Their report is presented as the first component of the financial section of this report.

The County is required to undergo a federally mandated "Single Audit" designed to meet special needs of federal and state grantor agencies. The standards governing Single Audit engagements require the independent auditors to report not only on the fair presentation of the financial statements, but also on the internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal and state awards. The Single Audit Report is available in the County's separately issued Federal Awards and State Financial Assistance Report.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of a Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. Sheboygan County's MD&A can be found immediately following the report of the independent auditors.

Profile of the Government

The County of Sheboygan is located in the eastern part of the state adjacent to Lake Michigan. It occupies 513 square miles. The County is comprised of 15 towns, 10 villages, and three cities and is 50 miles north of Milwaukee. Several major county highways as well as US highways 141 and 43 serve the County's transportation needs. Airline service to Chicago's O'Hare Airport, as well as other parts of Wisconsin, Illinois, and Iowa are available at Sheboygan County Memorial Airport.

The governing body of Sheboygan County is comprised of 25 County Board Supervisors, each serving two-year terms and elected by a majority of voters from their respective district. At the first session of each two-year term, the County Board elects a Chairperson and Vice-Chairperson to preside over proceedings of the County Board for the next two years.

Sheboygan County provides a full range of services, including police protection (Sheriff's Department), a county jail, nursing home care, highway and other infrastructure construction and repair, ownership and maintenance of the buildings at the University of Green Bay – Sheboygan Campus, recreational facilities, marriage licensing, maintenance of vital records for births, deaths, real estate transfers, administration of the court system, district attorney's office, child support enforcement, health and human services, operation of the municipal airport and other activities. Sheboygan County also maintains a close working relationship with the Monarch Library System and the Sheboygan County Economic Development Corporation.

The annual budget serves as the foundation for financial planning and control. All departments and agencies are required to submit requests to the Finance Committee by mid-September. The Finance Committee's Budget is then sent to the County Board at its regularly scheduled October meeting. A legally required public hearing is held in late October. In early November the budget is formally adopted. The appropriated budget is adopted by appropriation units within departments. Departments are also aggregated into fund groupings. Appropriation units have been designated as "Wages & Benefits", "Operating Expenses", "Interdepartmental Charges", and "Capital Outlay". Departments may transfer funds within appropriation units as they see necessary. Transfers between appropriation units of the same department or between departments, however, need Finance Committee approval. Budget-to-actual comparisons are provided in this report for each department for which an appropriated annual budget has been adopted.

Factors Affecting Financial Conditions

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which Sheboygan County operates.

Local Economy

The County benefits from a mixed economic base of manufacturing, retail trades, services, agricultural, insurance and tourism. By far the largest economic sector is manufacturing. The unemployment rate as of December 31, 2019 was 2.6%.

Economic signs continue to be positive as we move into 2020. The Aurora Health Care construction of a new hospital, outpatient surgery center and medical office in Kohler, Wisconsin, is an investment of \$324 million with an estimated time of completion in 2021. The Kohler Company is undertaking efforts for the construction of another major golf course with a goal to be operational by 2020. Johnsonville Sausage completed construction for an expansion of their corporate headquarters in Sheboygan Falls and Master Gallery's, cheese manufacturing company completed a new 160,000 square foot packaging and distribution facility in Oostburg, Wisconsin. Country Visions and Kettle Lakes Coop partnered together and completed an agronomy plan east of Plymouth with an investment of \$11 million. Federal Express completed a distribution center for \$10.5 million and Millipore Sigma completed an 80,000 sq. ft. expansion for about \$62 million. The John Michael Kohler Arts Center is constructing a \$40 million dollar Art Preserve.

Sheboygan County borders Lake Michigan and remains a top tourism destination, with \$243.3 million of direct visitor spending per the State of Wisconsin during 2019. This is an increase of 1.46% over last year. Sheboygan County features attractions of world-class golf, Lake Michigan sport fishing, numerous summer festivals, ice fishing and snowmobiling. In August of 2014, the County finalized the purchase of the Amsterdam Dunes. This purchase preserves for public access one of the last undeveloped stretches of beaches and dunes on the western shores of Lake Michigan. The County worked with the Wisconsin Department of Natural Resources on the development of the Amsterdam Dunes Wetland Mitigation Bank which allows the County to sell credits on the 78-acres of wetlands.

Long-term Planning

As part of long range planning, the County employs a five-year capital improvement program. The program identifies major capital improvement projects and the methods to finance them.

The most recent document identifies \$33,833,712 of projects over the next five years. Long-term financing is projected to fund approximately \$28.1 million. The balance will be funded by State and Federal dollars, donations and other internal funding sources. In 2020, the County has funded the final stages of a Customs Facility, new data center hardware, a network upgrade and onsite child care at Rocky Knoll, a renovation to the indoor range at the Law Enforcement Center, along with other various Building Improvements.

Major Initiatives

The County Board enacted Ordinance Number 02 (2016/2017); adopting a half cent sales tax effective January 1, 2017. The ordinance also established a Transportation Fund in which all sales tax revenues are to be used for highway roadwork and highway capital equipment. It is the expectation of the County to complete 30 miles of road enhancements per year. Proceeds from the sales tax revenues in 2019 were able to contribute to the completion of 31 miles of roadway repairs and reconstruction and in 2018, 30.07 miles. Prior to the enactment of the Sales Tax, the County completed an average of 17.2 miles during the previous five years. In addition, the County instituted a revenue sharing program with the municipalities of the County to aid in their transportation needs. \$1,500,000 was distributed to the municipalities based on their equalized value in both the 2018 and 2019 fiscal years.

The County began construction on the U.S. Customs Facility.

The County was party to the settlement of a Natural Resource Damage Assessment issued against a local company for the pollution of the Sheboygan River. The settlement entitles Sheboygan County to receive \$1,295,500 over a ten year term which the County continued receiving payments in 2019. The funds are part of the reimbursement to the general fund for the purchase of the Amsterdam Dunes.

During 2019, the County contracted with a consultant to evaluate Detention Center capacity and alternatives to incarceration. It was the primary goal of this consultation to explore methods aimed at decreasing the average daily population of our correctional facilities. The alternatives to incarceration unit was expanded.

Major Financial Policies

Fund Balance: The County Board has adopted a minimum fund balance policy to maintain an unassigned fund balance of 5% to 10% of total county expenditures, less capital project expenditures. The Finance Committee in December of 2014 further refined the policy such that the General Fund unassigned fund balance be maintained at a minimum of 15% and a maximum of 30% of total governmental fund expenditures less capital project expenditures. As of the close of 2019, unassigned fund balance is at 21%.

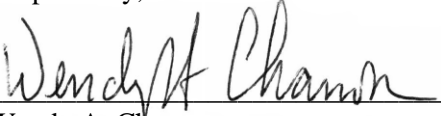
Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the County of Sheboygan, Wisconsin, for its comprehensive annual financial report for the fiscal year ended December 31, 2018. This is the sixth consecutive year of being awarded this achievement. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

I would like to express my sincere appreciation to all staff that assisted with the preparation for the 2019 audit of Sheboygan County. In addition, I would like to recognize CliftonLarsenAllen for their leadership in their role as independent auditor. The Board of Supervisors, Finance Committee, and County Administrator are to be commended for using sound business practices while conducting the financial operations of the County.

Respectfully,



Wendy A. Charnon
Finance Director



Jeremy J. Fetterer
Deputy Finance Director



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**County of Sheboygan
Wisconsin**

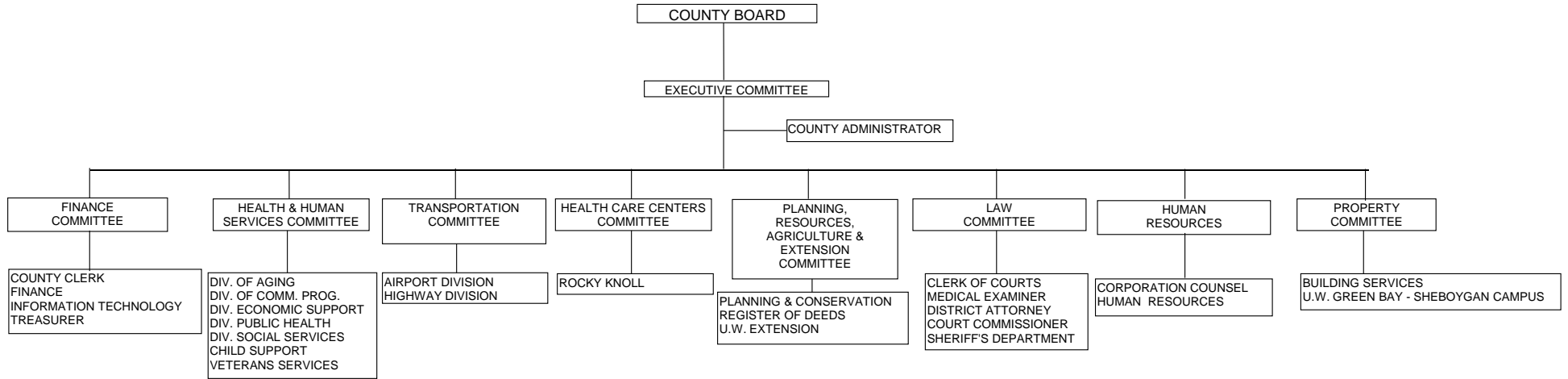
For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2018

Christopher P. Morill

Executive Director/CEO

COUNTY OF SHEBOYGAN, WISCONSIN
ORGANIZATIONAL CHART



COUNTY OF SHEBOYGAN, WISCONSIN

Board of Supervisors

Term Expires April, 2022

Vernon Koch.....Chairperson

Robert Ziegelbauer.....Vice-Chairperson

Keith Abler

Marilyn Montemayor

Al Bosman

Henry Nelson

Curt A. Brauer

Charlette Nennig

Rebecca Clarke

Michael S. Ogea

Fran Damp

Edward J. Procek

William C. Goehring

Vicky Schneider

Paul A. Gruber

Wendy A. Schobert

Brian Hilbelink

Brian Smith

Brian C. Hoffmann

Roger L. TeStroete

Jacob Immel

Jacqueline Veldman

Gerald Jorgensen

Thomas Wegner

George H. Kulow

SHEBOYGAN COUNTY OFFICES AND DEPARTMENTS

Chief Administrative Officer

County Administrator Adam N. Payne

Department Heads

Building Services James TeBeest
Clerk of Courts* Melody Lorge
County Clerk* Jon Dolson
Court Commissioner Ryan T. O'Rourke
Corporation Counsel** Atty. Crystal Fieber
District Attorney* Joel Urmanski
Finance Wendy A. Charnon
Health & Human Services Matt Strittmater
Health Care Centers Kayla Clinton
Human Resources Dennis Miller
Information Technology Chris Lewinski
Medical Examiner David J. Leffin
Planning & Conservation Aaron Brault
Register of Deeds* Ellen Schleicher
Sheriff* Cory Roeseler
Transportation Greg Schnell
Treasurer* Laura M. Henning-Lorenz
University of Wisconsin-Extension*** Cindy Sarkady
University of Green Bay-Sheboygan Campus*** James Schramm
Veteran's Service Todd Richter

* Elected Position
** Contracted Employee
*** State Employee

FINANCIAL SECTION



Independent auditors' report

To the County Board
Sheboygan 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 Sheboygan 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 auditor considers 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 Public Health and Human Services Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

EMPHASIS OF MATTER

As described in Note C. 10, the County recorded a prior period adjustment of \$402,772 in the proprietary and government-wide financial statements for an adjustment to the County's insurance liability and net position. Our opinions are not modified with respect to this matter.

OTHER MATTERS

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 14 through 26 and the schedules relating to pensions and other postemployment benefits on pages 87 through 89 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.

Other Information

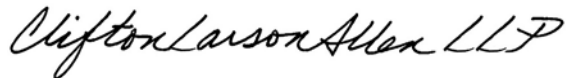
Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The financial information listed in the table of contents as supplementary information is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. 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 is fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

OTHER REPORTING REQUIRED BY GOVERNMENT AUDITING STANDARDS

In accordance with *Government Auditing Standards*, we have also issued our report dated July 29, 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 the County's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

A handwritten signature in cursive script that reads "CliftonLarsonAllen LLP".

CliftonLarsonAllen LLP

Sheboygan, Wisconsin
July 29, 2020

COUNTY OF SHEBOYGAN, WISCONSIN
Management's Discussion and Analysis
(Unaudited)
December 31, 2019

As management of Sheboygan County, we offer readers of the County's basic financial statements this narrative overview and analysis of the financial activities of the County for the fiscal year ended December 31, 2019.

FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of resources of the County exceeded liabilities and deferred inflows of resources as of December 31, 2019 by \$186,744,000 (*net position*). Of this amount, \$42,559,595 (*unrestricted*) may be used to meet ongoing obligations to citizens and creditors.
- The County's total net position increased by \$2,677,162 primarily influenced by capital asset additions exceeding depreciation expense by \$503,165 and repayment of principal of \$6,655,000.
- The property tax rate decreased \$0.1517 per \$1,000 of property value from the year ended December 31, 2019. A significant part of the 2019 levy rate decrease resulted from the 4.74% increase in equalized property value.
- As of December 31, 2019, the County's governmental funds reported combined ending fund balances of \$26,119,819 a decrease of \$2,669,817. This was primarily due to the every other year bonding method the County uses for the activities in the Capital Projects fund. The change in the Capital Projects Fund was a decrease of \$1,814,223. The bonding for the 2019 Capital Projects will occur in the year of 2020. The Special Revenue Fund also experienced a negative change in fund balance of \$469,227 due to our Health and Human Services Department experiencing larger than normal placements in adult care facilities. The General Fund experienced a small negative change in fund balance of \$186,791.
- As of December 31, 2019, assigned and unassigned fund balance of the General Fund was \$19,347,894, or approximately 46% of total general fund expenditures.
- The County's total outstanding general obligation debt decreased \$6,655,000.
- The financial statements for the year ended December 31, 2019 reflect a net pension liability of \$10,312,713 along with deferred outflows of resources of \$27,921,179 and deferred inflows of resources of \$14,229,476 related to the County's participation in the Wisconsin Retirement System.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the County's basic financial statements. The County's basic financial statements comprise three components 1) Government-wide financial statements, 2) Fund financial statements, and 3) Notes to the basic financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

COUNTY OF SHEBOYGAN, WISCONSIN
Management's Discussion and Analysis
(Unaudited)
December 31, 2019

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

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

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

Both of these government-wide financial statements distinguish functions of Sheboygan County that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the County include general government, public safety, public works, public health and human services, education, and resource & development. The business-type activity of the County is a skilled health care facility (nursing home).

The government-wide financial statements can be found on pages 27-28 of this report.

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

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

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

The County maintains 7 individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances for the General Fund, the Public Health & Human Services Special Revenue Fund, the Capital Projects Fund, the Transportation Fund, and the Debt Service Fund, all of which are

COUNTY OF SHEBOYGAN, WISCONSIN
Management's Discussion and Analysis
(Unaudited)
December 31, 2019

considered to be major funds. Data from the community development and public safety special revenue funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

The County adopts an annual appropriated budget for all its major governmental funds. As part of the basic governmental fund financial statements, budgetary comparison statements have been provided for the general and public health & human services special revenue fund to demonstrate compliance with the budget.

The basic governmental fund financial statements can be found on pages 29-37 of this report.

Proprietary funds: Sheboygan County maintains two different types of proprietary funds. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The County uses the enterprise fund to account for its nursing home. *Internal service funds* are an accounting device used to accumulate and allocate costs internally among the County's various functions. The County uses internal service funds to account for its various insurance activities, information technology, printing services, and highway operations. Because these services predominantly benefit governmental rather than business-type functions they have been included within the *governmental activities* in the government-wide financial statements. Individual fund data for the internal service funds is provided in the form of *combining statements* elsewhere in this report.

The basic proprietary fund financial statements can be found on pages 38-43 of this report.

Fiduciary funds: Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the County's programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The basic fiduciary fund financial statements can be found on page 44 of this report.

Notes to the basic financial statements: The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the basic financial statements can be found on pages 45-85 of this report.

Other information: The combining statements referred to earlier in connection with nonmajor governmental funds and internal service funds, individual fund budget comparison information, and statistical tables are presented immediately following the required supplemental information. The required supplementary information can be found on pages 87-90, supplementary information can be found on pages 93-107, and the statistical tables can be found on pages 110-126.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net position: As noted earlier, net position may serve, over time, as a useful indicator of a government's financial position. In the case of the County, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$186,744,000 at the close of 2019.

COUNTY OF SHEBOYGAN, WISCONSIN
Management's Discussion and Analysis
(Unaudited)
December 31, 2019

Net Position

December 31, 2019 and 2018
(Amounts expressed in \$1,000)

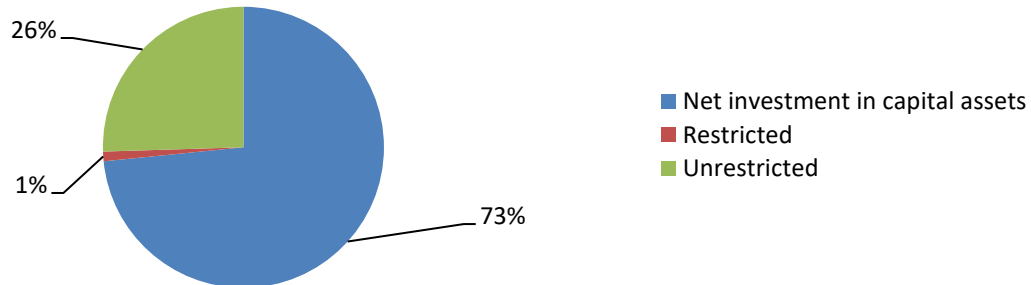
	Governmental Activities		Business-type Activities		Total	
	2019	2018	2019	2018	2019	2018
Assets						
Current and other assets	\$ 106,562	\$ 115,838	\$ 5,538	\$ 5,750	\$ 112,100	\$ 121,588
Capital assets	166,737	164,120	7,332	7,280	174,069	171,400
Total Assets	273,299	279,958	12,870	13,030	286,169	292,988
Deferred Outflows of Resources	24,280	13,676	3,919	2,284	28,199	15,960
Liabilities						
Current and other liabilities	11,244	10,608	613	601	11,857	11,209
Long-term liabilities	47,805	45,691	2,512	1,220	50,317	46,911
Total Liabilities	59,049	56,299	3,125	1,821	62,174	58,120
Deferred Inflows of Resources	62,538	63,201	2,912	3,157	65,450	66,358
Net Position						
Net investment in capital assets	136,151	129,443	7,332	7,280	143,483	136,723
Restricted	702	9,998		1,234	702	11,232
Unrestricted	39,139	34,693	3,420	1,822	42,559	36,515
Total Net Position	\$ 175,992	\$ 174,134	\$ 10,752	\$ 10,336	\$ 186,744	\$ 184,470

The largest portion of the County's net position (73%) reflects its net investment of \$143.5 million in capital assets (e.g. land, infrastructure, buildings, and equipment) less any related outstanding debt used to acquire those assets. The County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be liquidated for these liabilities.

An additional portion of the County's net position, 1%, represents resources that are subject to external restrictions on how they may be used. External restrictions include those imposed by grantors, contributors, laws/regulations of other governments, or restrictions imposed by law through constitutional provisions or legislation, including those passed by the County itself. The remaining balance of unrestricted net position, \$42.6 million may be used to meet the County's ongoing obligations to its citizens and creditors.

COUNTY OF SHEBOYGAN, WISCONSIN
Management's Discussion and Analysis
(Unaudited)
December 31, 2019

Primary Government Net Position at 2019



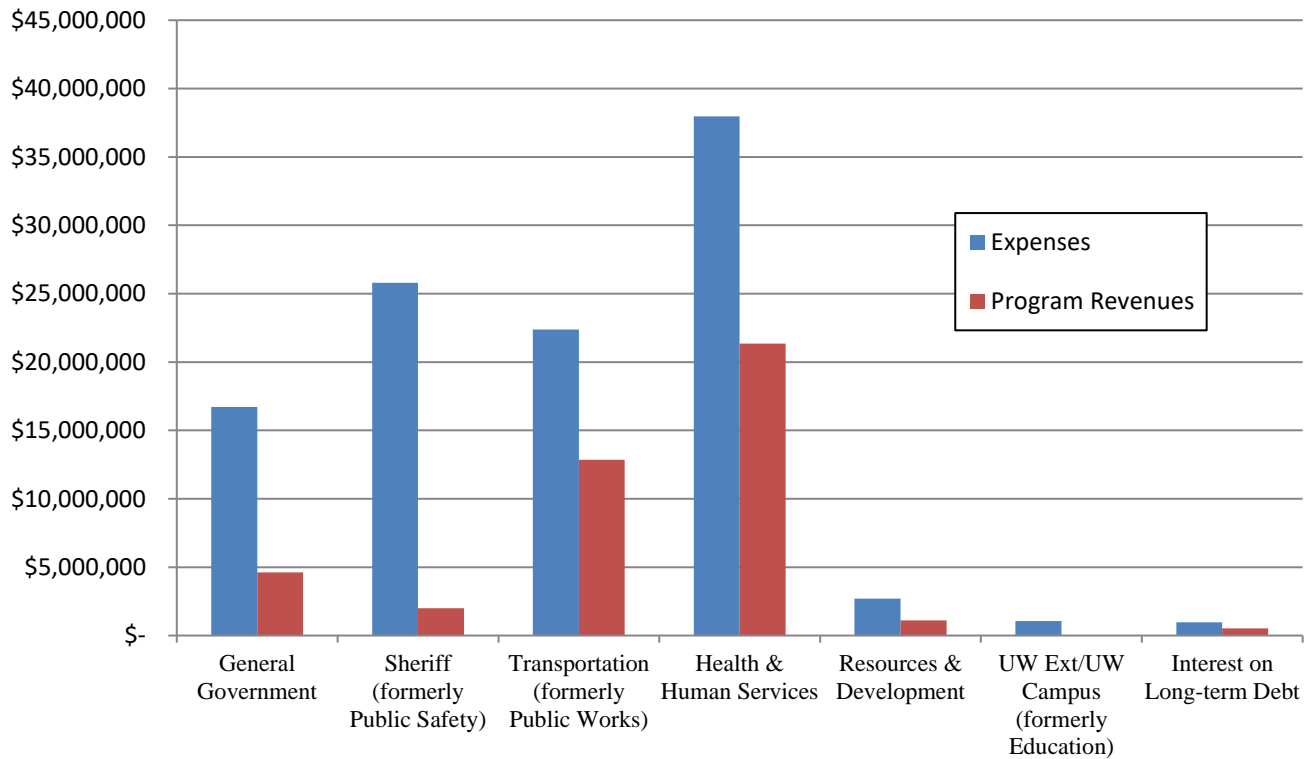
Changes in Net Position
For the Years Ended December 31, 2019 and 2018
(Amounts expressed in \$1,000)

	Governmental Activities		Business-type Activities		Total	
	2019	2018	2019	2018	2019	2018
Revenues						
Program revenues:						
Charges for services	\$ 10,049	\$ 9,065	\$ 11,494	\$ 11,158	\$ 21,543	\$ 20,223
Operating grants & contributions	29,979	27,498	2,268	2,233	32,247	29,731
Capital grants and contributions	2,430	303			2,430	303
Total program revenues	42,458	36,866	13,762	13,391	56,220	50,257
General revenues:						
Property tax	48,684	47,855	717	671	49,401	48,526
Other taxes	10,854	10,059			10,854	10,059
Nonspecific grants and contributions	3,828	3,765		1	3,828	3,766
Investment earnings	2,289	2,188	1	1	2,290	2,189
Gain on disposal of capital assets	68	1,399	13	11	81	1,410
Miscellaneous	1,635	895	7	25	1,642	920
Total general revenues	67,358	66,161	738	709	68,096	66,870
Total Revenues	109,816	103,027	14,500	14,100	124,316	117,127
Expenses:						
General government	16,715	14,092			16,715	14,092
Sheriff (formerly Public safety)	25,787	23,689			25,787	23,689
Transportation (formerly Public works)	22,375	18,630			22,375	18,630
Public health and human services	37,969	34,126			37,969	34,126
Resources and development	2,704	1,972			2,704	1,972
UW Ext/UW Campus (formerly Education)	1,071	1,103			1,071	1,103
Interest on long-term debt	963	1,223			963	1,223
Health care centers			14,457	13,793	14,457	13,793
Total Expenses	107,584	94,835	14,457	13,793	122,041	108,628
Excess(deficiency) before transfers	2,232	8,192	43	307	2,275	8,499
Transfers	(374)	95	374	(95)		
Change in net position	1,858	8,287	417	212	2,275	8,499
Net Position - January 1, as originally stated	174,134	165,444	10,335	10,123	184,469	175,567
Prior Period Adjustment		403				403
Net Position - January 1, restated	174,134	165,847	10,335	10,123	184,469	175,970
Net Position - December 31	\$ 175,992	\$ 174,134	\$ 10,752	\$ 10,335	\$ 186,744	\$ 184,469

COUNTY OF SHEBOYGAN, WISCONSIN
Management's Discussion and Analysis
(Unaudited)
December 31, 2019

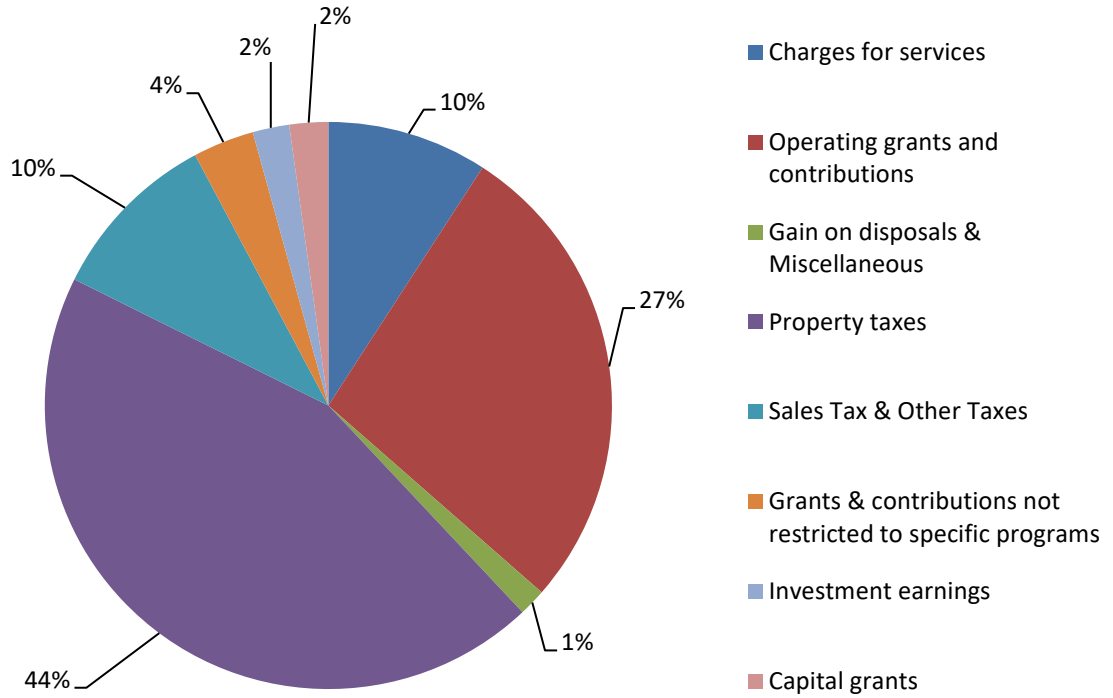
Governmental activities: Governmental activities increased the County's net position by \$1,858,280. A change in how we account for the net position for our self-funded Property Insurance is what is reported in the prior period adjustment, resulting in an increase in net position of 402,772. Other influencing factors to net position by the governmental activities were:

- Projects not completed in 2018 that will carry over to 2019 resulted in less expenses of \$1,198,000.
- Jail Populations rose during 2019 are reflected in the \$2,030,000 increase in Public Safety. Significant increases were experienced in Correction Officer overtime and inmate related expenses.
- The Transportation fund experienced a small use of fund balance of \$99,000. Established planning for this fund is to accomplish a minimum of 30 miles of road projects annually. By policy established by the Finance Committee, the Transportation fund will retain 15% of the projected revenues and will plan to spend those funds above this limit on roadwork and transportation capital equipment replacement.
- Sale of County owned property at the Amsterdam Dunes for \$400,000.



COUNTY OF SHEBOYGAN, WISCONSIN
Management's Discussion and Analysis
(Unaudited)
December 31, 2019

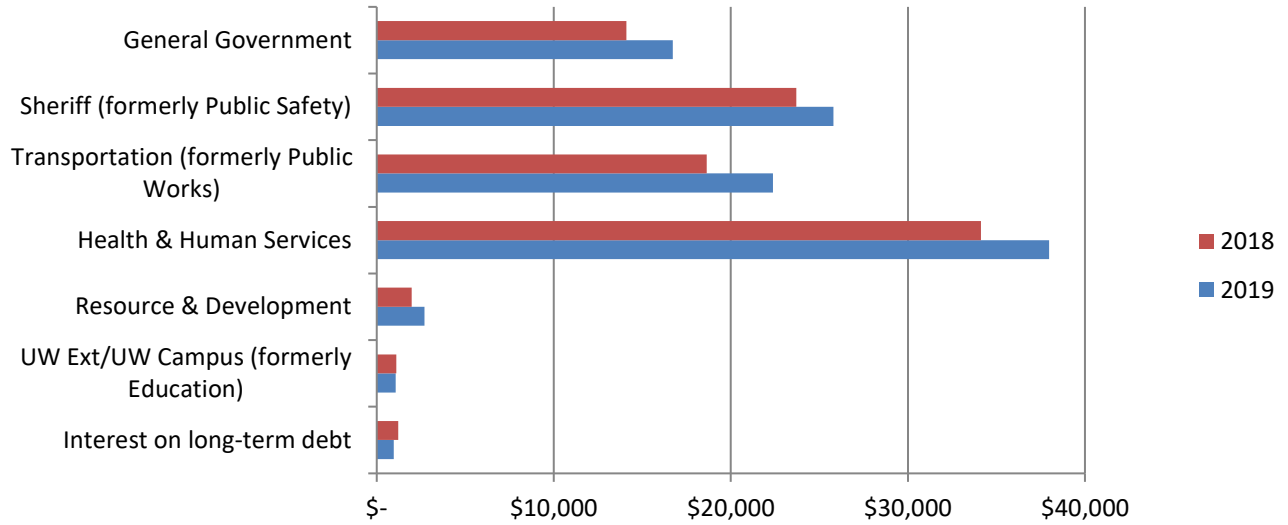
Revenues by Source - Governmental Activities



Governmental Activities compared to 2018 are showing an increase in net expenses of \$7,157,000. Sheriff (formerly Public Safety) increased net expenses by \$2,030,000 and continues to be challenged with overtime in the correction facilities and increased inmate populations. Public Health and Human Services also experienced increased net expenses of \$2,473,000. General Government and Transportation (formerly Public Works) also showed increased net expenses of over \$1,000,000 for each area.

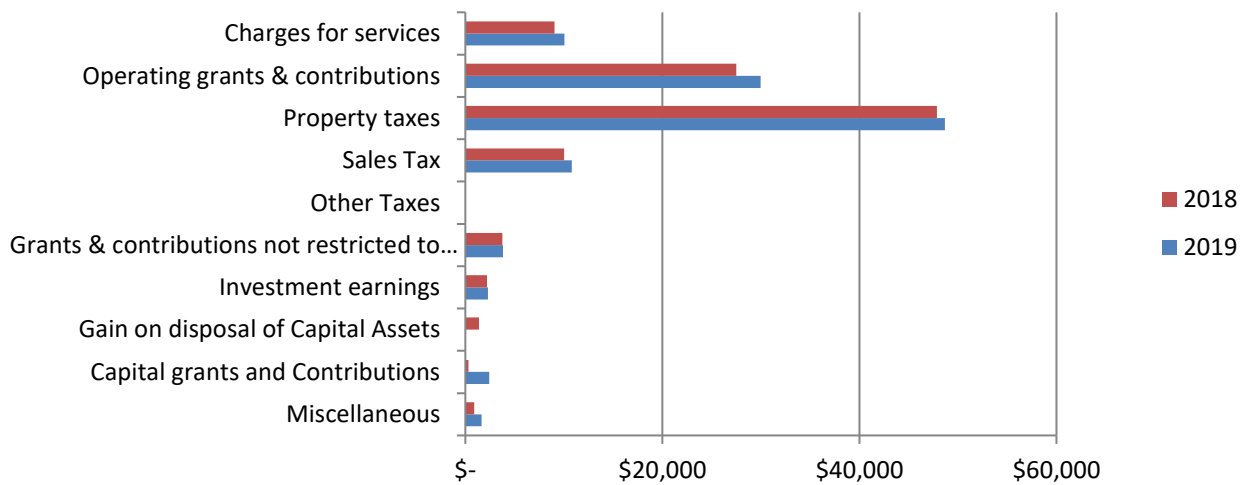
COUNTY OF SHEBOYGAN, WISCONSIN
Management's Discussion and Analysis
(Unaudited)
December 31, 2019

Governmental Activities Functional Expenses for Years 2019 and 2018
(Shown in Thousands of Dollars)



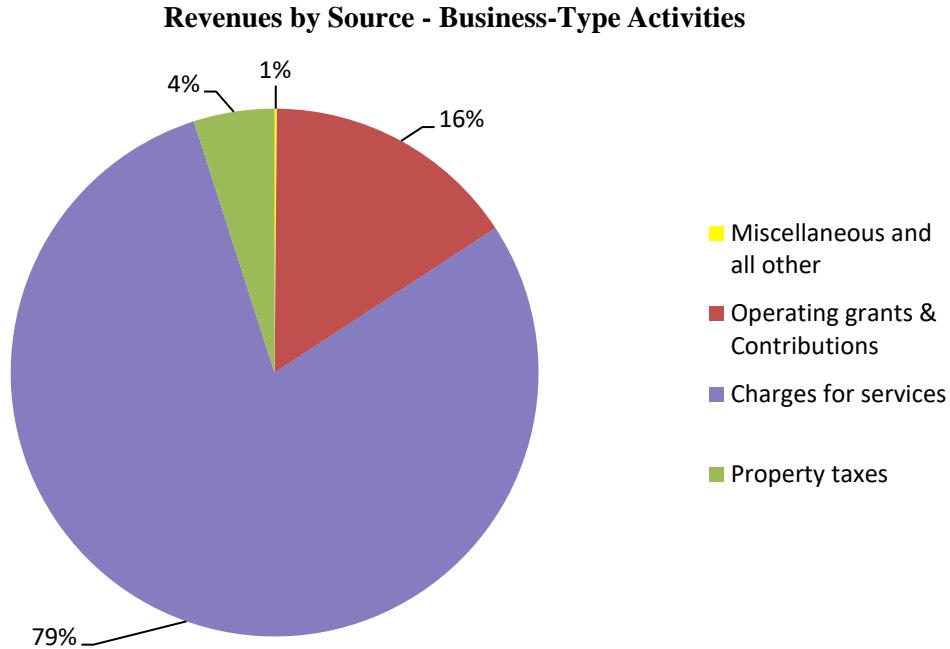
For the Governmental Activities between the 2018 and 2019 fiscal cycle, Health & Human Services increased by \$3,843,246, which reflects increased state costs and high cost clients.

Governmental Activities Revenues by Source for Years 2019 and 2018
(Shown in Thousands of Dollars)



COUNTY OF SHEBOYGAN, WISCONSIN
Management's Discussion and Analysis
(Unaudited)
December 31, 2019

Business-type Activities: Rocky Knoll Health Care Center increased Sheboygan County's net position by \$416,110. The Rocky Knoll Health Care Center was awarded a Four Star Rating in Quality Measures as recognized by the Centers for Medicare and Medicaid Services and has been successful in implementing the first two phases of the new Mega Rule with an audit of the third phase forthcoming, also known as the Final Rule issued by the Centers for Medicare and Medicaid Services.



Financial Analysis of Sheboygan County's Funds

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

Governmental funds: The focus of Sheboygan County's *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing the County's financing requirements. In particular, *assigned and unassigned fund balance* may serve as a useful measure of the County's net resources available for spending at the end of the fiscal year.

As of December 31, 2019, the County's governmental funds reported combined ending fund balances of \$26,119,819 a decrease of \$2,669,817. Of the combined ending fund balances, \$19,671,385 or 75% constitutes *assigned and unassigned fund balance* that is available for spending at the County's discretion. The remainder of fund balance is nonspendable, restricted, or committed to indicate that it is not available for new spending because it has already been committed for the following: 1) delinquent property taxes (\$995,860), 2) prepayments that benefit periods beyond the end of the current year (\$79,384), 3) various individual fund commitments approved by the County Board (\$3,662,236), and 4) restricted for grant or statutory provisions (\$1,710,954).

COUNTY OF SHEBOYGAN, WISCONSIN
Management's Discussion and Analysis
(Unaudited)
December 31, 2019

The General Fund is the chief operating fund of the County. At the end of the current year, assigned fund balance was \$1,425,764 and unassigned fund balance was \$17,922,130 while the total fund balance was \$21,300,164. As a measure of the general fund's liquidity, it may be useful to compare both assigned and unassigned fund balance and the total fund balance to total fund expenditures. Assigned and unassigned fund balance of \$19,347,894 represents 46% of total general fund expenditures, while total fund balance represents 51% of that same amount.

During the current year the County's General Fund balance decreased by \$186,791. Also, the Health & Human Services fund balance decreased by \$469,227 during the year. In 2019, there was no large approval of fund balance to be utilized for the remaining construction of capital projects. Which is less than the prior year amount of \$1,519,370 that was in assigned fund balance for the transportation complex. For a more detailed analysis of budgetary variances, please refer to the "General Fund Budgetary Highlights" discussion below.

Public Health and Human Services fund revenues are deficient of expenditures by \$469,227 due mainly to high cost clients and increase state costs.

The Debt Service fund has a fund balance of \$155,131 a decrease of \$176,475 over the prior year.

The Capital Projects fund has a fund balance of \$861,266 a decrease of \$1,814,223 due to completing capital projects that were in progress. These restricted fund balance monies will be used to complete capital projects that are in progress at the end of 2019.

The Transportation Capital Projects fund has a fund balance of \$3,479,767. This is a decrease of \$98,911 over the prior year due to repairing and reconstructing the County's transportation infrastructure. The Transportation Capital Projects fund was established by County Ordinance, and is used to record sales tax revenues for the purpose of repairing and reconstructing the County's transportation infrastructure.

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

The Rocky Knoll Health Care Center is the only Enterprise Fund of the County. Rocky Knoll had an increase in net position of \$653,851 compared to an increase of \$327,663 experienced in 2018. This increase is mainly due to the receipt of a Certified Public Expenditure (CPE) from the State of Wisconsin in the amount of \$754,227. This reimbursement occurs when the Federal Medicaid funds received by the State for Direct Care Medicaid losses are higher than what the State of Wisconsin had budgeted for allocation. This increase is also due to the contribution for the capitalization of renovations, roof replacements, VOIP system, Resident alert/security system, and a boiler install, \$419,337.

The Internal Service Funds is comprised of the County's Employee Insurances, Information Technology Services and the Highway Department. For 2019, the Internal Service funds increased net position by \$1,233,166 compared to an increase of \$21,595,954 experienced in 2018 which was mainly from the contribution for the capitalization of the new Transportation Complex.

COUNTY OF SHEBOYGAN, WISCONSIN
Management's Discussion and Analysis
(Unaudited)
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General Fund Budgetary Highlights

Difference between the original budget and the final amended budget for expenditures was a \$2,472,598 increase in appropriations or a 6.32% increase over the original budget.

During the year, actual expenditures were \$93,842 over budget, a relatively even year of operations. Sheriff (formerly Public Safety) did experience a negative variance to budget of \$907,000 which is a result of Correction Officer vacancies which lead to more overtime. Also effecting this negative variance is the increased inmate population. A negative variance to budget of \$297,000 was also experienced in Resource and Development which more than planned consulting for Brownsfield and US Forestry projects but offsetting grant revenue was received. The Clerk of Courts experienced increases in mandated costs and ended with a negative variance to budget of \$190,000. These negative variances were offset by the Building Services positive variance of \$498,000 that resulted from delays in internal repairs and maintenance projects, a positive variance of \$201,000 at the Airport from the delay in purchasing of Security Cameras, and a positive variance of \$156,000 in Register of Deeds for delayed completion of scanning projects. Both the repairs and maintenance projects, Security Cameras, and scanning projects have been approved to be carried forward for completion in 2020.

Capital Asset and Debt Administration

Capital assets: Sheboygan County's investment in capital assets for its governmental and business-type activities as of December 31, 2019 was \$174,069,122 (net of accumulated depreciation). This investment in capital assets includes land, buildings, improvements, machinery and equipment, infrastructure (highways and bridges), and construction in progress.

Major capital asset investment during the current year included the following:

- Highway construction projects at a cost of \$11,536,412.
- Vehicles, mostly Sheriff's squads and Highway vehicles, at a cost of \$1,049,438

COUNTY OF SHEBOYGAN, WISCONSIN
Management's Discussion and Analysis
(Unaudited)
December 31, 2019

Sheboygan County's Capital Assets

(Amounts Expressed in \$1,000)

	Governmental Activities		Business-Type Activities		Total	
	2019	2018	2019	2018	2019	2018
Land	\$ 17,041	\$ 17,040	\$ 32	\$ 32	\$ 17,073	\$ 17,072
Construction in progress	2,364	6,559			2,364	6,559
Buildings	87,411	86,070	15,934	15,817	103,345	101,887
Other improvements	13,511	13,491	624	624	14,135	14,115
Infrastructure	149,208	137,672			149,208	137,672
Machinery and equipment	23,328	21,992	4,769	4,472	28,097	26,464
Office furniture and equipment	22,891	22,837	1,080	980	23,971	23,817
Vehicles	15,685	14,636	141	141	15,826	14,777
Less Accumulated depreciation	(164,702)	(156,177)	(15,248)	(14,786)	(179,950)	(170,963)
Total	\$ 166,737	\$ 164,120	\$ 7,332	\$ 7,280	\$ 174,069	\$ 171,400

Additional information on Sheboygan County's capital assets can be found in Note C.5 on pages 64-65.

Long-term debt: At the end of the current fiscal year, Sheboygan County had total debt outstanding of \$30,165,000 backed by the full faith and credit of the County.

Sheboygan County's Outstanding Debt

	2019	2018
General obligation debt:		
Bonds	\$ -	\$ 1,630,000
Notes	30,165,000	35,190,000
Total general obligation debt	\$ 30,165,000	\$ 36,820,000

Subsequent General Obligation Promissory Notes were issued on May12, 2020 to conclude necessary funding for Capital Projects approved in the Five Year Capital Plan for 2019 and for 2020.

State statutes limit the amount of general obligation debt the County may issue to 5% of its total equalized valuation. The current legal threshold for new debt for the County is \$477,138,246 which is significantly in excess of the County's \$30,165,000 in general obligation debt. The County's debt service fund has a fund balance of \$155,131 at December 31, 2019.

Additional information on Sheboygan County's long-term debt can be found in Note C.7 on page 67-69 of this report.

COUNTY OF SHEBOYGAN, WISCONSIN
Management's Discussion and Analysis
(Unaudited)
December 31, 2019

Economic Factors and Next Year's Budgets and Rates

The unemployment rate for December 2019 was 2.6%. This is an increase of .3% from the prior year. The average unemployment rate for the State of Wisconsin was 3.2%.

The economic condition and outlook mirrors that of the state and region. The County continues to have a diversified mix of manufacturing, service industries, retailers, health services, and dairy farming. However, all of these activities reflect state and national economies and economic conditions.

In prior years, limits have been imposed on the property tax levy rates and actual levies on Wisconsin counties. The baseline for the first imposed tax rate limit is the actual 1992 tax rate adopted for the 1993 budget. The operating levy rate and the debt levy rate cannot exceed the baseline rates unless the County qualifies for one of the exceptions allowed under the statute. The statute establishes specific penalties for failure to meet the levy rate freeze requirements. Among the penalties for exceeding the limits is the reduction of state shared revenues and transportation aids. For the 2019 budget year the County was allowed to increase the levy by net new construction under the actual tax levy freeze formula. Adjustments were also allowed for debt service payments and other specific items.

With the adoption of the budget for 2020, the County's operating rate of \$5.2247 represents a \$0.0758 decrease from the prior year and conforms to the state statute requirements.

Contacting the County's Financial Management

This financial report is designed to provide a general overview of Sheboygan County's finances. Questions concerning any of the information provided in this report or request for additional financial information should be addressed to the Finance Director, County of Sheboygan, 508 New York Avenue, Sheboygan, Wisconsin, 53081.

COUNTY OF SHEBOYGAN, WISCONSIN
Statement of Net Position
December 31, 2019

	Governmental Activities	Business-Type Activities	Total
Assets			
Cash and investments	\$43,996,971	\$4,182,317	\$48,179,288
Receivables			
Taxes	49,751,645	846,506	50,598,151
Accounts, net	2,736,100	1,034,788	3,770,888
Delinquent taxes	1,529,836		1,529,836
Delinquent special certificates	102,980		102,980
Interest	556,412		556,412
Loans	2,302,019		2,302,019
Internal balances	577,540	(577,540)	
Due from other governments	2,527,913	4,880	2,532,793
Prepays and inventory	2,480,715	46,908	2,527,623
Capital assets, nondepreciable			
Land	17,040,871	31,750	17,072,621
Construction in progress	2,364,601		2,364,601
Capital assets, depreciable			
Buildings	87,410,801	15,934,586	103,345,387
Improvements other than buildings	13,510,943	624,035	14,134,978
Infrastructure	149,208,131		149,208,131
Machinery and equipment	23,328,221	4,769,444	28,097,665
Office furniture and equipment	22,890,720	1,079,587	23,970,307
Vehicles	15,684,996	140,915	15,825,911
Less: Accumulated depreciation	(164,702,017)	(15,248,462)	(179,950,479)
Total Assets	273,299,398	12,869,714	286,169,112
Deferred Outflows of Resources			
Deferred outflows related to pension	24,040,566	3,880,613	27,921,179
Other postemployment related amounts	239,444	38,682	278,126
Total Deferred Outflows of Resources	24,280,010	3,919,295	28,199,305
Liabilities			
Accounts payable	4,492,736	65,171	4,557,907
Accrued compensation	3,676,744	548,266	4,225,010
Accrued and other current liabilities	1,329,112		1,329,112
Accrued interest payable	148,031		148,031
Due to other governments	1,325,545		1,325,545
Unearned revenue	271,718		271,718
Long-term obligations			
Due within one year	6,442,407	105,708	6,548,115
Due in more than one year			
Net pension liability	8,878,401	1,434,312	10,312,713
Other postemployment benefits	1,903,297	307,479	2,210,776
Other	30,581,064	664,078	31,245,142
Total Liabilities	59,049,055	3,125,014	62,174,069
Deferred Inflows of Resources			
Property taxes levied for subsequent year	49,751,646	846,506	50,598,152
Deferred inflows related to pension	12,250,413	1,979,063	14,229,476
Other postemployment related amounts	536,111	86,609	622,720
Total Deferred Inflows of Resources	62,538,170	2,912,178	65,450,348
Net Position			
Net investment in capital assets	136,150,893	7,331,855	143,482,748
Restricted For:			
Debt service	7,100		7,100
Land records	486,821		486,821
Jail assessment	207,736		207,736
Unrestricted	39,139,633	3,419,962	42,559,595
Total Net Position	\$175,992,183	\$10,751,817	\$186,744,000

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

COUNTY OF SHEBOYGAN, WISCONSIN
Statement of Activities
For the Year Ended December 31, 2019

	Program Revenues			Net (Expense) Revenue and Change in Net Position			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		
					Governmental Activities	Business-Type Activities	Total
Primary Government							
Governmental Activities:							
General Government	\$ 16,714,934	\$ 2,261,219	\$ 892,723	\$ 1,452,507	\$ (12,108,485)	\$ (12,108,485)	
Sheriff (formerly Public Safety)	25,787,092	1,770,114	228,751		(23,788,227)	(23,788,227)	
Transportation (formerly Public Works)	22,374,832	486,737	11,400,840	977,798	(9,509,457)	(9,509,457)	
Health and Human Services	37,969,084	4,515,798	16,822,932		(16,630,354)	(16,630,354)	
Resources and Development	2,703,629	482,008	624,677		(1,596,944)	(1,596,944)	
UW Ext/UW Campus (formerly Education)	1,071,464	18,978	8,578		(1,043,908)	(1,043,908)	
Interest on Long-term Debt	963,007	514,548			(448,459)	(448,459)	
	<u>107,584,042</u>	<u>10,049,402</u>	<u>29,978,501</u>	<u>2,430,305</u>	<u>(65,125,834)</u>	<u>(65,125,834)</u>	
Business-Type Activities:							
Rocky Knoll	14,457,077	11,494,327	2,267,777		(694,973)	(694,973)	
Total Primary Government	<u>\$ 122,041,119</u>	<u>\$ 21,543,729</u>	<u>\$ 32,246,278</u>	<u>\$ 2,430,305</u>	<u>(65,125,834)</u>	<u>(65,820,807)</u>	
General Revenues							
Taxes:							
Property taxes					48,684,447	716,884	
Sales tax					10,821,303		
Other Taxes					31,998	31,998	
Grants and Contributions Not Restricted to Specific Functions					3,828,224	10	
Investment Earnings					2,288,587	533	
Gain on disposal of capital assets					68,358	13,293	
Miscellaneous					1,635,034	6,526	
Transfers In (Out)					(373,837)	373,837	
Total general revenues and transfers					<u>66,984,114</u>	<u>1,111,083</u>	
Change in net position					<u>1,858,280</u>	<u>416,110</u>	
Net Position - January 1, as originally reported					<u>173,731,131</u>	<u>10,335,707</u>	
Prior period adjustment					<u>402,772</u>	<u>402,772</u>	
Net Position - January 1, restated					<u>174,133,903</u>	<u>10,335,707</u>	
Net Position - December 31					<u>\$175,992,183</u>	<u>\$186,744,000</u>	

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

COUNTY OF SHEBOYGAN, WISCONSIN
Balance Sheet
Governmental Funds
December 31, 2019

	General	Public Health and Human Services	Debt Service	Capital Projects	Transportation	Other Governmental Fund	Total Governmental Funds
Assets							
Cash and investments	\$ 30,029,571	\$ 918,964	\$ 155,131	\$ 882,756	\$ 1,478,482	\$ 292,718	\$ 33,757,622
Receivables							
Taxes	27,356,896	14,011,572	5,531,005				46,899,473
Accounts, net	337,948	349,566			2,001,285		2,688,799
Delinquent taxes	1,529,836						1,529,836
Delinquent special certificates	102,980						102,980
Interest	556,412						556,412
Loans	1,128,828					1,173,191	2,302,019
Due from other governments	440,115	1,203,387					1,643,502
Prepays and inventory	79,384						79,384
Total Assets	\$ 61,561,970	\$ 16,483,489	\$ 5,686,136	\$ 882,756	\$ 3,479,767	\$ 1,465,909	\$ 89,560,027
Liabilities, Deferred Inflows of Resources and Fund Balances							
Liabilities							
Accounts payable	\$ 3,168,587	\$ 1,261,467		\$ 21,490			\$ 4,451,544
Accrued compensation	7,044,954						7,044,954
Accrued and other current liabilities	385,320	1,406					386,726
Due to other governments	310,722	1,014,823					1,325,545
Unearned revenue	108,270	163,448					271,718
Total Liabilities	11,017,853	2,441,144		21,490			13,480,487
Deferred Inflows of Resources							
Property taxes levied for subsequent year	27,356,896	14,011,572	5,531,005				46,899,473
County portion of delinquent taxes	758,229						758,229
Loans receivable	1,128,828					1,173,191	2,302,019
Total Deferred Inflows of Resources	29,243,953	14,011,572	5,531,005			1,173,191	49,959,721
Fund Balances							
Nonspendable	1,075,244						1,075,244
Restricted	694,557		155,131	861,266			1,710,954
Committed	182,469				3,479,767		3,662,236
Assigned	1,425,764	30,773				292,718	1,749,255
Unassigned	17,922,130						17,922,130
Total Fund Balances	21,300,164	30,773	155,131	861,266	3,479,767	292,718	26,119,819
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 61,561,970	\$ 16,483,489	\$ 5,686,136	\$ 882,756	\$ 3,479,767	\$ 1,465,909	\$ 89,560,027

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

COUNTY OF SHEBOYGAN, WISCONSIN
Balance Sheet (Continued)
Governmental Funds
December 31, 2019

Reconciliation to the Statement of Net Position

Total Fund Balances as shown on the previous page \$ 26,119,819

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds 129,053,384

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

Delinquent taxes	758,229	
Loans receivable	2,302,019	3,060,248

The County's proportionate share of the Wisconsin Retirement System pension plan is not an available financial resource; therefore, it is not reported in the fund financial statements

Deferred outflows of resources	24,040,566	
Net pension liability	(8,878,401)	
Deferred inflows of resources	(12,250,413)	2,911,752

The County's proportionate share of the Local Retiree Life Insurance Fund OPEB plan is not an available financial resource; therefore, it is not reported in the fund financial statements

Deferred outflows of resources	239,444	
Net pension liability	(1,903,297)	
Deferred inflows of resources	(536,111)	(2,199,964)

Some liabilities, including bonds and notes payable, are not due and payable in the current period and therefore are not reported in the funds

Bonds and notes payable	\$ (30,165,000)	
Compensated absences	(1,245,590)	
Bond premiums	(1,027,720)	
Accrued interest on long-term obligations	(148,031)	(32,586,341)

Receivable or (payable) to a business-type activity due to the lookback adjustment and consolidation of internal service funds 577,540

Internal service fund activities included in governmental activities 49,055,745

Net Position of Governmental Activities as Reported on the Statement of Net Position (see page 27)	\$ 175,992,183

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

COUNTY OF SHEBOYGAN, WISCONSIN
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2019

	General	Public Health and Human Services	Debt Service	Capital Projects	Transportation	Other Governmental Funds	Total Governmental Funds
Revenues							
Property taxes	\$ 26,534,166	\$ 14,011,572	\$ 5,261,520				\$ 45,807,258
Other taxes	31,998				10,821,303		10,853,301
Intergovernmental	5,370,897	16,809,932					22,180,829
Licenses and permits	414,508	367,535					782,043
Fines, forfeits and penalties	308,711						308,711
Public charges for services	4,102,845	4,143,085					8,245,930
Miscellaneous	5,225,353	133,889	531,905	114,787		427,595	6,433,529
Total Revenues	41,988,478	35,466,013	5,793,425	114,787	10,821,303	427,595	94,611,601
Expenditures							
Current:							
General government	15,361,497						15,361,497
Sheriff (formerly Public safety)	21,727,334					21,830	21,749,164
Transportation (formerly Public works)	418,990				8,920,214		9,339,204
Health and human services	276,621	35,935,240					36,211,861
Resources and development	2,408,909					3,222	2,412,131
UW Ext/UW Campus (formerly Education)	613,443						613,443
Debt Service:							
Principal			6,655,000				6,655,000
Interest and other charges	1,051		988,992				990,043
Capital Outlay	909,298			2,081,760			2,991,058
Total Expenditures	41,717,143	35,935,240	7,643,992	2,081,760	8,920,214	25,052	96,323,401
Excess (deficiency) of revenues over expenditures	271,335	(469,227)	(1,850,567)	(1,966,973)	1,901,089	402,543	(1,711,800)
Other Financing Sources (Uses)							
Transfers in	326,733		1,674,092	152,750			2,153,575
Transfers out	(784,859)				(2,000,000)	(326,733)	(3,111,592)
Total Other Financing Sources (Uses)	(458,126)		1,674,092	152,750	(2,000,000)	(326,733)	(958,017)
Net change in fund balances	(186,791)	(469,227)	(176,475)	(1,814,223)	(98,911)	75,810	(2,669,817)
Fund balances, January 1	21,486,955	500,000	331,606	2,675,489	3,578,678	216,908	28,789,636
Fund balances, December 31	\$ 21,300,164	\$ 30,773	\$ 155,131	\$ 861,266	\$ 3,479,767	\$ 292,718	\$ 26,119,819

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

COUNTY OF SHEBOYGAN, WISCONSIN
Statement of Revenues, Expenditures and Changes in Fund Balances (Continued)
Governmental Funds
For the Year Ended December 31, 2019

Reconciliation to the Statement of Activities

Net Change in Fund Balances as show on previous page \$ (2,669,817)

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 the governmental fund statements	\$ 11,705,026	
Capital assets financed by (transferred to) the Internal Service Fund	(1,671,411)	
Depreciation expense reported in the statement of activities	<u>(9,530,450)</u>	
Amount by which capital outlays are greater than depreciation in current period		503,165

In governmental funds the entire proceeds, if any, from the disposal of capital assets is reported as an other financing source because they increase the financial resources. In the statement of activities, only the gain (or loss) on the sale of capital assets is reported. (513,337)

Governmental funds report special assessments as revenue in the year paid. However, special assessments are recognized as revenue in the year assessed on the statement of activities. Change in special assessments in the current year is: (15,084)

Changes in the net pension liability (asset) and related deferred inflows and outflows of resources as a result of employer contributions, changes in assumptions and proportionate share and the difference between the expected and actual experience of the pension plan. (3,423,327)

Changes in the net OPEB liability (asset) and related deferred inflows and outflows of resources as a result of employer contributions, changes in assumptions and proportionate share and the difference between the expected and actual experience of the life insurance plan. (234,950)

Repayment of principal on long-term debt is reported in the governmental funds as expenditure, but is reported as a reduction in long-term debt in the statement of net position and does not affect the statement of activities. The amount of long-term debt principal payments in the current year is:
 General obligation and notes payable retired 6,655,000

Some expenses reported in the governmental funds required the use of current financial resources and, therefore, were reported as expenditures in governmental funds. However, the amounts were not included as expenses in the statement of activities since they were expensed in prior years. In addition, 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.

Loan repayment/issuance	(443,117)	
Compensated absences	(265,236)	
Accrued interest	25,985	
Issuance and amortization of bond premiums	<u>232,451</u>	(449,917)

Internal service funds are used by management to charge the costs of certain activities, such as insurance and telecommunications, to certain funds. The net revenue of the internal service funds is reported with governmental activities. 1,768,806

Additional (loss) revenue due to internal service fund look-back adjustments must be recognized in the government-wide statements. 237,741

Change in Net Position of Governmental Activities as reported in the Statement of Activities (see page 28) \$ 1,858,280

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

COUNTY OF SHEBOYGAN, WI
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
General Fund
For the Year Ended December 31, 2019

	Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes				
Property taxes	\$ 26,540,296	\$ 26,540,296	\$ 26,534,166	\$ (6,130)
Other taxes	13,513	20,513	31,998	11,485
	<u>26,553,809</u>	<u>26,560,809</u>	<u>26,566,164</u>	<u>5,355</u>
Intergovernmental				
General Government	4,702,437	4,680,961	4,495,891	(185,070)
Sheriff (formerly Public Safety)	111,400	200,411	228,751	28,340
Health & Human Services	13,000	13,000	13,000	
Resources and Development	435,821	435,821	624,677	188,856
UW Ext/UW Campus (formerly Education)		5,000	8,578	3,578
	<u>5,262,658</u>	<u>5,335,193</u>	<u>5,370,897</u>	<u>35,704</u>
Licenses and permits				
General Government	118,429	118,429	114,760	(3,669)
Resources and Development	281,300	281,300	299,748	18,448
	<u>399,729</u>	<u>399,729</u>	<u>414,508</u>	<u>14,779</u>
Fines, Forfeits and Penalties				
General Government	320,000	320,000	305,216	(14,784)
Sheriff (formerly Public Safety)			195	195
Resources and Development	4,400	4,400	3,300	(1,100)
	<u>324,400</u>	<u>324,400</u>	<u>308,711</u>	<u>(15,689)</u>
Public Charges for Services				
General Government	1,554,793	1,652,126	1,895,339	243,213
Sheriff (formerly Public Safety)	1,695,366	1,741,278	1,775,097	33,819
Transportation (formerly Public Works)	251,429	251,429	234,471	(16,958)
Resources and Development	145,350	145,350	178,960	33,610
UW Ext/UW Campus (formerly Education)	23,100	23,100	18,978	(4,122)
	<u>3,670,038</u>	<u>3,813,283</u>	<u>4,102,845</u>	<u>289,562</u>
Miscellaneous				
General Government	3,231,458	3,260,913	4,702,780	1,441,867
Sheriff (formerly Public Safety)	317,424	337,419	390,681	53,262
Transportation (formerly Public Works)	2,640	2,640	56,544	53,904
Public Health and Human Services			5,075	5,075
Resources and Development	36,280	36,280	57,692	21,412
UW Ext/UW Campus (formerly Education)	11,000	11,000	12,581	1,581
	<u>3,598,802</u>	<u>3,648,252</u>	<u>5,225,353</u>	<u>1,577,101</u>
Total Revenues	<u>39,809,436</u>	<u>40,081,666</u>	<u>41,988,478</u>	<u>1,906,812</u>
EXPENDITURES				
General Government				
Treasurer				
Wages and benefits	424,749	424,749	395,820	28,929
Operating expenses	141,462	152,507	116,857	35,650
Interdepartmental charges	168,300	168,300	168,017	283
Capital outlay	50,000	40,000	65,036	(25,036)
	<u>784,511</u>	<u>785,556</u>	<u>745,730</u>	<u>39,826</u>
Register of Deeds				
Wages and benefits	380,579	380,579	378,971	1,608
Operating expenses	310,136	392,469	244,725	147,744
Interdepartmental charges	153,980	153,980	147,618	6,362
	<u>844,695</u>	<u>927,028</u>	<u>771,314</u>	<u>155,714</u>

COUNTY OF SHEBOYGAN, WI
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
General Fund
For the Year Ended December 31, 2019

	Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)
	Original	Final		
Finance				
Wages and benefits	1,219,826	1,219,826	1,139,123	80,703
Operating expenses	58,785	63,573	41,917	21,656
Interdepartmental charges	343,467	343,467	293,709	49,758
	<u>1,622,078</u>	<u>1,626,866</u>	<u>1,474,749</u>	<u>152,117</u>
Medical Examiner				
Wages and benefits	107,423	107,423	132,991	(25,568)
Operating expenses	65,257	69,425	77,317	(7,892)
Interdepartmental charges	40,451	36,283	29,099	7,184
	<u>213,131</u>	<u>213,131</u>	<u>239,407</u>	<u>(26,276)</u>
County Board				
Wages and benefits	134,919	134,919	132,010	2,909
Operating expenses	55,082	55,082	48,094	6,988
Interdepartmental charges	35,109	35,109	34,904	205
	<u>225,110</u>	<u>225,110</u>	<u>215,008</u>	<u>10,102</u>
Court Commissioner				
Wages and benefits	251,307	251,307	251,605	(298)
Operating expenses	49,840	49,840	35,707	14,133
Interdepartmental charges	59,919	59,919	41,469	18,450
	<u>361,066</u>	<u>361,066</u>	<u>328,781</u>	<u>32,285</u>
Clerk of Courts				
Wages and benefits	1,268,553	1,268,553	1,227,762	40,791
Operating expenses	527,333	527,333	815,567	(288,234)
Interdepartmental charges	468,151	468,151	457,288	10,863
Capital outlay		46,737		46,737
	<u>2,264,037</u>	<u>2,310,774</u>	<u>2,500,617</u>	<u>(189,843)</u>
District Attorney				
Wages and benefits	781,447	778,104	758,707	19,397
Operating expenses	94,453	109,453	73,264	36,189
Interdepartmental charges	221,640	199,962	194,989	4,973
	<u>1,097,540</u>	<u>1,087,519</u>	<u>1,026,960</u>	<u>60,559</u>
County Clerk				
Wages and benefits	177,956	177,956	178,445	(489)
Operating expenses	103,868	103,868	87,196	16,672
Interdepartmental charges	86,300	86,300	87,318	(1,018)
	<u>368,124</u>	<u>368,124</u>	<u>352,959</u>	<u>15,165</u>
Building Services				
Wages and benefits	1,522,163	1,522,163	1,491,903	30,260
Operating expenses	1,337,063	1,526,835	1,175,365	351,470
Interdepartmental charges	518,074	528,074	515,053	13,021
Capital outlay	214,100	274,100	171,331	102,769
	<u>3,591,400</u>	<u>3,851,172</u>	<u>3,353,652</u>	<u>497,520</u>
Human Resources				
Wages and benefits	420,501	420,501	454,246	(33,745)
Operating expenses	117,381	117,381	105,117	12,264
Interdepartmental charges	125,037	125,037	119,488	5,549
	<u>662,919</u>	<u>662,919</u>	<u>678,851</u>	<u>(15,932)</u>
Non-Departmental				
Operating expenses	1,759,197	3,341,331	3,301,286	40,045
Interdepartmental charges	105,738	100,390	2,841	97,549
Interest and other charges		100	1,051	(951)
	<u>1,864,935</u>	<u>3,441,821</u>	<u>3,305,178</u>	<u>136,643</u>

COUNTY OF SHEBOYGAN, WI
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
General Fund
For the Year Ended December 31, 2019

	Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)
	Original	Final		
Corporation Counsel				
Wages and benefits	80,917	80,917	81,277	(360)
Operating expenses	229,261	229,261	254,502	(25,241)
Interdepartmental charges	21,201	21,201	22,115	(914)
	<u>331,379</u>	<u>331,379</u>	<u>357,894</u>	<u>(26,515)</u>
County Administrator				
Wages and benefits	205,014	205,014	206,172	(1,158)
Operating expenses	11,193	11,193	7,132	4,061
Interdepartmental charges	34,659	34,659	34,511	148
	<u>250,866</u>	<u>250,866</u>	<u>247,815</u>	<u>3,051</u>
Total General Government	<u>14,481,791</u>	<u>16,443,331</u>	<u>15,598,915</u>	<u>844,416</u>
Sheriff (formerly Public Safety)				
Sheriff				
Wages and benefits	13,561,804	13,632,943	14,552,601	(919,658)
Operating expenses	3,481,637	3,548,980	3,642,629	(93,649)
Interdepartmental charges	3,695,959	3,694,400	3,532,104	162,296
Capital outlay	508,500	584,094	639,792	(55,698)
Total Sheriff (formerly Public Safety)	<u>21,247,900</u>	<u>21,460,417</u>	<u>22,367,126</u>	<u>(906,709)</u>
Transportation (formerly Public Works)				
Airport				
Wages and benefits	216,051	216,051	197,794	18,257
Operating expenses	118,594	118,594	135,730	(17,136)
Interdepartmental charges	120,806	120,806	85,466	35,340
Capital outlay		182,250	17,417	164,833
Total Transportation (formerly Public Works)	<u>455,451</u>	<u>637,701</u>	<u>436,407</u>	<u>201,294</u>
Health and Human Services				
Veterans Services				
Wages and benefits	186,627	186,627	160,091	26,536
Operating expenses	22,129	22,129	24,496	(2,367)
Interdepartmental charges	65,748	71,096	69,905	1,191
	<u>274,504</u>	<u>279,852</u>	<u>254,492</u>	<u>25,360</u>
Veterans Commission				
Wages and benefits	2,147	2,147	538	1,609
Operating expenses	19,732	19,732	21,542	(1,810)
Interdepartmental charges	51	51	49	2
	<u>21,930</u>	<u>21,930</u>	<u>22,129</u>	<u>(199)</u>
Total Health and Human Services	<u>296,434</u>	<u>301,782</u>	<u>276,621</u>	<u>25,161</u>
Resources and Development				
Planning and Conservation				
Wages and benefits	873,278	873,278	875,330	(2,052)
Operating expenses	842,337	864,837	1,152,056	(287,219)
Interdepartmental charges	357,183	369,716	381,523	(11,807)
Capital outlay	20,000	20,000	15,722	4,278
Total Resources and Development	<u>2,092,798</u>	<u>2,127,831</u>	<u>2,424,631</u>	<u>(296,800)</u>

COUNTY OF SHEBOYGAN, WI
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
General Fund
For the Year Ended December 31, 2019

	Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)
	Original	Final		
UW Ext/UW Campus (formerly Education)				
U.W. Green Bay - Sheboygan Campus				
Operating expenses	90,345	166,255	144,168	22,087
Interdepartmental charges	20,116	20,116	20,464	(348)
	<u>110,461</u>	<u>186,371</u>	<u>164,632</u>	<u>21,739</u>
U.W. Extension				
Wages and benefits	130,161	130,161	116,791	13,370
Operating expenses	259,752	259,752	260,342	(590)
Interdepartmental charges	75,955	75,955	71,678	4,277
	<u>465,868</u>	<u>465,868</u>	<u>448,811</u>	<u>17,057</u>
Total UW Ext/UW Campus (formerly Education)	<u>576,329</u>	<u>652,239</u>	<u>613,443</u>	<u>38,796</u>
Total Expenditures	<u>39,150,703</u>	<u>41,623,301</u>	<u>41,717,143</u>	<u>(93,842)</u>
Excess (deficiency) of revenues over expenditures	<u>658,733</u>	<u>(1,541,635)</u>	<u>271,335</u>	<u>1,812,970</u>
Other financing sources (uses)				
Transfers in	640,509	1,017,841	326,733	(691,108)
Transfers out	(1,433,525)	(1,484,124)	(784,859)	699,265
Net change in fund balance	<u>(134,283)</u>	<u>(2,007,918)</u>	<u>(186,791)</u>	<u>1,821,127</u>
Fund balance, January 1	21,486,955	21,486,955	21,486,955	
Fund balance, December 31	<u>\$ 21,352,672</u>	<u>\$ 19,479,037</u>	<u>\$ 21,300,164</u>	<u>\$ 1,821,127</u>

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

COUNTY OF SHEBOYGAN, WI
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
Public Health and Human Services
For the Year Ended December 31, 2019

	Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Property taxes	\$ 14,011,572	\$ 14,011,572	\$ 14,011,572	\$
Intergovernmental	16,027,485	16,838,070	16,809,932	(28,138)
Licenses and permits	316,930	316,930	367,535	50,605
Public charges for services	4,319,781	4,319,281	4,143,085	(176,196)
Miscellaneous	184,052	133,668	133,889	221
Total Revenues	34,859,820	35,619,521	35,466,013	(153,508)
EXPENDITURES				
Community Programs				
Wages and benefits	3,843,472	3,843,472	3,583,170	260,302
Operating expenses	10,862,698	11,470,828	11,156,393	314,435
Interdepartmental charges	2,258,716	2,258,716	2,107,866	150,850
	16,964,886	17,573,016	16,847,429	725,587
Elder Services				
Wages and benefits	396,500	396,500	429,816	(33,316)
Operating expenses	743,657	785,502	769,953	15,549
Interdepartmental charges	312,743	313,463	314,738	(1,275)
Capital outlay	63,500			
	1,516,400	1,495,465	1,514,507	(19,042)
Public Health				
Wages and benefits	1,655,141	1,655,141	1,613,887	41,254
Operating expenses	103,392	124,890	141,912	(17,022)
Interdepartmental charges	985,428	985,428	930,219	55,209
	2,743,961	2,765,459	2,686,018	79,441
Social Services				
Wages and benefits	3,308,722	3,308,722	3,427,783	(119,061)
Operating expenses	4,341,246	4,492,254	5,727,734	(1,235,480)
Interdepartmental charges	1,930,537	1,930,537	1,918,162	12,375
	9,580,505	9,731,513	11,073,679	(1,342,166)
Economic Support				
Wages and benefits	2,243,964	2,243,964	2,122,789	121,175
Operating expenses	302,997	302,997	275,994	27,003
Interdepartmental charges	1,500,377	1,500,377	1,406,690	93,687
	4,047,338	4,047,338	3,805,473	241,865
Administration				
Wages and benefits	1,590,545	1,590,545	1,606,727	(16,182)
Operating expenses	319,785	319,785	280,389	39,396
Interdepartmental charges	(1,903,600)	(1,903,600)	(1,878,982)	(24,618)
	6,730	6,730	8,134	(1,404)
Total Expenditures	34,859,820	35,619,521	35,935,240	(315,719)
Net change in fund balance			(469,227)	(469,227)
Fund balance, January 1	500,000	500,000	500,000	
Fund balance, December 31	\$ 500,000	\$ 500,000	\$ 30,773	\$ (469,227)

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

COUNTY OF SHEBOYGAN, WISCONSIN
Statement of Net Position
Proprietary Funds
December 31, 2019

	Enterprise Fund Rocky Knoll	Governmental Activities Internal Service Funds
Assets		
Current assets		
Cash and investments	\$ 4,182,317	\$ 10,239,349
Receivables (net)		
Taxes	846,506	2,852,172
Accounts	1,034,788	47,301
Due from external parties	4,880	884,411
Prepays and inventory	46,908	2,401,331
Total Current Assets	6,115,399	16,424,564
Noncurrent assets		
Capital assets, nondepreciable		
Land	31,750	5,365,911
Construction in progress		93,045
Capital assets, depreciable		
Buildings	15,934,586	19,418,074
Improvements other than buildings	624,035	1,758,751
Infrastructure		715,471
Machinery and equipment	4,769,444	17,037,544
Office furniture and equipment	1,079,587	5,337,503
Vehicles	140,915	11,886,127
Less Accumulated depreciation	(15,248,462)	(23,928,543)
Total Noncurrent Assets	7,331,855	37,683,883
Total Assets	13,447,254	54,108,447
Deferred Outflows of Resources		
Deferred outflows related to pension	3,880,613	3,701,731
Other postemployment related amounts	38,682	36,745
Total Deferred Outflows of Resources	3,919,295	3,738,476
Liabilities		
Current liabilities		
Accounts payable	65,171	41,192
Accrued and other current liabilities		942,386
Accrued compensation	548,266	454,839
Current maturities of long-term obligations	105,708	13,897
Total Current Liabilities	719,145	1,452,314
Noncurrent liabilities		
Long-term obligations	664,078	748,215
Net pension liability	1,434,312	1,362,483
Other postemployment benefits	307,479	292,081
Total Noncurrent Liabilities	2,405,869	2,402,779
Total Liabilities	3,125,014	3,855,093
Deferred Inflows of Resources		
Property taxes levied for subsequent year	846,506	2,852,173
Deferred inflows related to pension	1,979,063	1,879,954
Other postemployment related amounts	86,609	82,272
Total Deferred Inflows of Resources	2,912,178	4,814,399
Net Position		
Net investment in capital assets	7,331,855	37,683,883
Unrestricted	3,997,502	11,493,548
Total Net Position	\$ 11,329,357	\$ 49,177,431

COUNTY OF SHEBOYGAN, WISCONSIN
Statement of Net Position (Continued)
Proprietary Funds
December 31, 2019

Reconciliation of Proprietary Fund Statement of Net Position to the Government-wide Statement of Net Position

Total Net Position as shown on the previous page \$ 11,329,357

Amounts reported for business-type activities in the government-wide statement of net position are different because:

Change in revenue or expense due to the look-back adjustment resulting from consolidation of the internal service funds (577,540)

Net Position of Business-Type Activities as Reported on the Government-wide Statement of Net Position \$ 10,751,817

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

COUNTY OF SHEBOYGAN, WISCONSIN
Statement of Revenues, Expenses, and Changes in Net Position
Proprietary Funds
For the Year Ended December 31, 2019

	Enterprise Fund Rocky Knoll	Governmental Activities - Internal Service Funds
Operating Revenues		
Charges for services	\$ 11,494,327	\$ 32,950,554
Miscellaneous operating revenue	6,526	218,365
Total Operating Revenues	11,500,853	33,168,919
Operating Expenses		
Operation and maintenance	13,673,797	38,276,002
Depreciation	545,539	1,689,229
Total Operating Expenses	14,219,336	39,965,231
Operating loss	(2,718,483)	(6,796,312)
Nonoperating revenues		
Intergovernmental contracts/grants	2,267,777	2,809,958
Property tax appropriation	716,884	2,877,189
Investment income	533	
Donations	10	
Rental income		82,321
Gain (loss) on disposal of capital assets	13,293	(10,575)
Total nonoperating revenues	2,998,497	5,758,893
Income before contributions and transfers	280,014	(1,037,419)
Capital contributions - County	419,337	1,267,068
Transfers In		1,036,267
Transfers Out	(45,500)	(32,750)
Change in net position	653,851	1,233,166
Net Position - January 1, as originally reported	10,675,506	47,541,493
Prior period adjustment		402,772
Net Position - January 1, restated	10,675,506	47,944,265
Net Position - December 31	\$ 11,329,357	\$ 49,177,431

COUNTY OF SHEBOYGAN, WISCONSIN
Statement of Revenues, Expenses and Changes in Net Position (Continued)
Proprietary Funds
For the Year Ended December 31, 2019

Reconciliation of Proprietary Fund Statement of Revenues, Expenses and Changes in Net Position to the Government-wide Statement of Activities

Change in Net Position as shown on previous page	\$	653,851
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Amounts reported for business-type activities in the government-wide statement of activities are different because:

Change in revenue or expenses due to the look-back adjustment resulting from consolidation of the internal service funds		(237,741)
		(237,741)

Change in Net Position of Business-Type Activities as Reported on the Government-wide Statement of Activities	\$	416,110
		416,110

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

COUNTY OF SHEBOYGAN, WISCONSIN
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2019

	Enterprise Fund Rocky Knoll	Governmental Activities - Internal Service Funds
Cash flows from operating activities		
Receipts from customers and users	\$ 11,427,933	\$ 9,067,927
Receipts from interfund services provided	27,425	21,616,538
Other operating cash receipts	6,317	2,960,063
Payments to suppliers	(3,006,433)	(14,546,777)
Payments for wages and benefits	(7,783,971)	(22,106,697)
Payments for interfund services used	(2,366,990)	(2,157,651)
Net cash used by operating activities	<u>(1,695,719)</u>	<u>(5,166,597)</u>
Cash flows from noncapital financing activities		
Intergovernmental contracts/grants	2,267,777	2,809,958
Property tax appropriation received	716,884	2,877,189
Donations	10	
Rental income		82,321
Transfer in		1,036,267
Transfer out	(45,500)	(32,750)
Net cash provided by noncapital financing activities	<u>2,939,171</u>	<u>6,772,985</u>
Cash flows from capital and related financing activities		
Proceeds from sale of equipment	13,727	31,885
Purchases of capital assets	(178,231)	(3,092,120)
Net cash used by capital and related financing activities	<u>(164,504)</u>	<u>(3,060,235)</u>
Cash flows from investing activities		
Investment income	533	
Net cash provided by investing activities	<u>533</u>	
Net increase in cash and cash equivalents	1,079,481	(1,453,847)
Cash and cash equivalents - January 1	3,102,836	11,693,196
Cash and cash equivalents - December 31	<u>\$ 4,182,317</u>	<u>\$ 10,239,349</u>

COUNTY OF SHEBOYGAN, WISCONSIN
Statement of Cash Flows (Continued)
Proprietary Funds
For the Year Ended December 31, 2019

Enterprise Fund Rocky Knoll	Governmental Activities - Internal Service Funds
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Reconciliation of operating loss to net cash used by operating activities:

Operating loss	\$	(2,718,483)	\$	(6,796,312)
Adjustments to reconcile operating loss to net cash used by operating activities:				
Depreciation (net of amortization)		545,539		1,689,229
Change in WRS pension related liabilities (assets)		2,667,707		2,499,223
Change in WRS pension related deferred outflows		(1,642,569)		(1,626,142)
Change in WRS pension related deferred inflows		(449,417)		(358,218)
Change in other post employment related liabilities (assets)		(116,863)		(52,146)
Change in other post employment related deferred outflows		7,209		482
Change in other post employment related deferred inflows		74,490		72,441
Changes in assets and liabilities:				
Accounts receivable		(45,370)		1,183
Due from other external parties		6,192		474,426
Prepays and inventory		(10,768)		(386,832)
Accounts payable		11,652		(826,264)
Accrued compensation		(18,611)		15,415
Accrued compensated absences		(6,427)		93,536
Accrued insurance				33,382
Net cash used by operating activities	\$	(1,695,719)	\$	(5,166,597)

Noncash investing, capital and financing activities

Contribution of capital assets - County	\$	419,337	\$	1,267,068
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The notes to the basic financial statements are an integral part of this statement.

COUNTY OF SHEBOYGAN, WISCONSIN
Statement of Net Position
Fiduciary Funds
December 31, 2019

	Agency Funds
Assets	
Current Assets	
Cash & Investments	\$ 1,459,724
Receivables (net)	157,631
Total Assets	\$ 1,617,355
Liabilities	
Current Liabilities	
Accounts Payable	\$ 1,336,693
Deposits	123,031
Due to Other Governments	157,631
Total Liabilities	\$ 1,617,355

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

COUNTY OF SHEBOYGAN, WISCONSIN
Notes to the Basic Financial Statements
December 31, 2019

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

1. Reporting Entity

Sheboygan County is a municipal corporation governed by an elected 25 member board. In accordance with GAAP, the basic financial statements are required to include the County (the primary government) and any separate component units that have a significant operational or financial relationship with the County. The following circumstances set forth the County’s financial accountability for a legally separate organization:

- a. The County is financially accountable if it appoints a voting majority of the organization’s governing body and (1) it is able to impose its will on that organization or (2) there is a potential for the organization to provide specific financial benefits to or impose specific financial burdens on the County.
- b. The County may be financially accountable if an organization is fiscally dependent on the County regardless of whether the organization has (1) a separately elected governing board, (2) a governing board appointed by a higher level of government, or (3) a jointly appointed board.

The County has not identified any component units that are required to be included in the basic financial statements in accordance with standards.

2. Related Organization

Sheboygan County is a member of the multicounty federated library system named Monarch Library System. Funding for the Monarch Library System comes primarily from the State of Wisconsin, Sheboygan County, Ozaukee County, Dodge County and Washington County. Since the Monarch Library System is a related party organization of multiple counties and exercises substantial control of its own operations, it is not considered to be a component unit of Sheboygan County.

As a member of the Monarch Library System, Sheboygan County has the authority to appoint members to the Library System Board. The membership of the Library System Board is allocated among the member counties in the same proportion as the county’s population is to the total population of all the member counties. Each County appoints a county board member to the Library System board. In addition, one of the members is a member of the Mead Public Library Board, the library system’s resource library. The remaining Library System Board members are representatives of the member library boards and public members at large.

Payments to the Monarch Library System represent related party transactions, which are not considered to be “arm’s length transactions”. In 2019, payments from Sheboygan County to the Library System totaled \$1,377,011. Financial statements of the Monarch Library System can be obtained by contacting the Library System at: 4632 S. Taylor Drive, Sheboygan, WI. 53081.

COUNTY OF SHEBOYGAN, WISCONSIN
Notes to the Basic Financial Statements
December 31, 2019

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3. 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. *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 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 project funds. Proprietary funds include enterprise and internal service funds. 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 main operating fund. It accounts for all financial resources of the general government, except those accounted for in another fund.

PUBLIC HEALTH AND HUMAN SERVICES

This fund accounts for federal and state grants (other than capital grants) that are legally restricted for the nutritional, physical, social, mental, and economic needs of individual and families. Significant revenues are intergovernmental grants and public charges for services.

DEBT SERVICE FUND

This fund accounts for the resources accumulated and payments made for principal and interest on long-term general obligation debt of governmental funds.

CAPITAL PROJECTS FUND

This fund accounts for the financial resources used for the acquisition or construction of major capital facilities and related assets.

COUNTY OF SHEBOYGAN, WISCONSIN
Notes to the Basic Financial Statements
December 31, 2019

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

TRANSPORTATION FUND

This fund accounts for the financial resources used for the acquisition or construction of major transportation related capital facilities and related assets.

The County reports the following major enterprise fund:

ROCKY KNOLL HEALTH CARE CENTER

This fund accounts for the operation and maintenance of a long-term skilled care nursing facility.

The County reports the following non-major funds.

SPECIAL REVENUE FUNDS are used to account for the proceeds of specific revenue sources that are legally restricted for specific purposes. Non-major special revenue funds include the public safety and community development funds.

Additionally the County reports the following fund types:

INTERNAL SERVICE FUNDS account for insurance, information technology services, printing, and highway maintenance services provided to other departments or agencies of the County, or to other governments, on a cost reimbursement basis.

AGENCY FUNDS account for assets held for individuals by various departments and funds held for other governmental agencies. Agency funds include inmate, patient, third party, and other governmental agencies funds.

4. 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 funds. 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 with the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the County considers grant revenues to be available if they are collected within 120 days and all other revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. Agency funds have no measurement focus.

COUNTY OF SHEBOYGAN, WISCONSIN
Notes to the Basic Financial Statements
December 31, 2019

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Property taxes, sales taxes, public charges for services, licenses and interest associated with the current period are considered susceptible to accrual and so have been recognized as revenues of the current period. Grants are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. 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 internal services between governmental activities and business type activities. 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 revenue of the County's enterprise fund is charges to customers for services. Operating expenses for enterprise funds include the cost 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, and then unrestricted resources are they are needed.

5. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Fund Balance

a. 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.

b. Accounts Receivable

Accounts receivable have been shown net of allowance for uncollectible accounts of \$1,292,368.

c. Property Taxes Levied for the 2020 Budget

Property taxes are recorded in the year levied as taxes receivable and as deferred inflow of resources. They are recognized as revenue in full in the succeeding year when services financed

COUNTY OF SHEBOYGAN, WISCONSIN
Notes to the Basic Financial Statements
December 31, 2019

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

by the levy are being provided. The General Fund makes all other funds whole for their tax levies and accounts for any deferred, uncollected, or delinquent amounts.

d. Loans Receivable

The County has established an economic development loan programs and has passed the funds to various businesses in the form of loans. The County records a loan receivable and expenditure when the loan has been made and the funds disbursed. No allowance for uncollectable accounts has been provided since it is believed that the amount of such allowance would not be material to the basic financial statements. In the government 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.

e. Interfund Receivables and Payables

During the course of operations, numerous transactions occur between individual funds for goods provided and services rendered. These receivables and payables are classified as “due from other funds” and “due to other funds” in the fund financial statements. Noncurrent portions of the interfund receivables for governmental funds are reported as “advances to other funds” and are offset by nonspendable fund balance since they do not constitute expendable available financial resources and therefore are not available for appropriation.

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

f. 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 classified as nonspendable fund balance in the respective fund to indicate that they do not represent spendable available financial resources.

g. Prepaid Items

Payments made to vendors that will benefit periods beyond the end of the current fiscal year are recorded as prepaid items in both the government-wide and fund financial statements using the consumption method.

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

COUNTY OF SHEBOYGAN, WISCONSIN
Notes to the Basic Financial Statements
December 31, 2019

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

h. 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 more except for Rocky Knoll Health Care Center, which must have a unit of cost of \$1,000 or more and an estimated useful life in excess of 1 year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

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

Buildings	25 – 40 years
Improvements other than buildings	15 years
Infrastructure	15 – 50 years
Infrastructure improvements	5 – 15 years
Machinery and equipment	5 – 20 years
Office furniture and equipment	5 – 20 years
Vehicles	3 – 4 years

i. Compensated Absences

The County compensates all employees upon termination for unused vacation time. Generally, vacation pay is earned during the same calendar year it is used. Vacation banks are capped at 280 hours and the employee earns no additional vacation until the bank falls below the cap.

The County provides a Sick Pay Program to all employees. Beginning 1/1/2013 employees are eligible to receive up to nine (9) days per year. Upon termination of employment employees will be paid out 33 1/3% of their earned but unused sick pay. Prior to January 1, 2013, all County union employees except Local 1749 (Highway Department) who had earned but unused sick leave in the employee's bank retain the value of that sick leave bank, converted to dollars at the employee's regular rate of pay as of 12/31/2012. An employee's "old sick leave" account is available for use by the employee as sick pay if the employee's regular sick pay account has become exhausted. Upon termination, any balance remaining in the employee's "old sick leave" account will be paid to the employee at 100% no matter when the termination of employment occurs. As of 12/31/2012, some employees were no longer eligible for the County's Income Protection Program. Those employees (Public Health and Community Programs Professionals and Highway Department) received nineteen (19) days of sick pay in their accounts as a starting balance as of 1/1/2013. Non-union employees are not eligible to accumulate sick leave. For these employees the County provides an income protection plan. Thus, they receive no sick leave compensation upon termination.

COUNTY OF SHEBOYGAN, WISCONSIN
Notes to the Basic Financial Statements
December 31, 2019

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Payments for vacation and sick leave will be made at rates in effect when the benefits are used. Accumulated vacation liabilities at December 31, 2019, are determined on the basis of current salary in the government-wide and proprietary funds. Sick leave liabilities are determined on the basis of the dollar value of the “old sick banks” and pay-out value of the “new sick banks”. A liability for these amounts is reported in the governmental funds in the fund financial statements to the extent that the County has provided funding for leave to be taken in future years.

j. Deferred Outflows/Inflows of Resources

Deferred outflows of resources represent a consumption of net position by the government that is applicable to a future reporting period. Deferred inflows of resources represent 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 the County portion of delinquent property taxes and loans receivable that will be recognized as inflows of resources in the subsequent year for which it was levied or when the time requirement is met.

k. Long-Term Obligations

In the government-wide financial statements and proprietary fund types 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 type statement of net position. Debt premiums and discounts are deferred and amortized over the life of the bonds. Bonds and notes payable are reported net of the applicable debt premium or discount. Debt issuance costs are expensed as incurred.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of the 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.

l. 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 the 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.

COUNTY OF SHEBOYGAN, WISCONSIN
Notes to the Basic Financial Statements
December 31, 2019

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

m. Other Postemployment Benefits Other Than Pensions Plan (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.

n. 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 (ordinance) 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. By resolution, the County Board has authorized the County Administrator and the Finance Director to assign fund balance. By practice, the County Administrator and Finance Director recommend assigned fund balances to the Finance Committee for their approval. Requests include: 1) unused funds for projects or programs that span multiple calendar years, 2) donations specifically requested to be used for veterans services, and 3) maintenance of county recreational trails.
- Unassigned fund balance – Amounts that are available for any purpose. Positive unassigned amounts are only reported in the General Fund.

COUNTY OF SHEBOYGAN, WISCONSIN
Notes to the Basic Financial Statements
December 31, 2019

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The County considers restricted amounts to be spent first when restricted, committed, assigned, and unassigned fund balances are available unless there are legal documents or contracts that prohibit doing this, such as grant agreements requiring dollar for dollar spending. Additionally, the County will first use committed, then assigned, and lastly unassigned amounts of unrestricted fund balances when expenditures are made.

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, less outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt are also included.
- 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.

o. 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.

COUNTY OF SHEBOYGAN, WISCONSIN
Notes to the Basic Financial Statements
December 31, 2019

NOTE B – STEWARDSHIP AND COMPLIANCE

1. Budgets and Budgetary Accounting

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

- a. Prior to August 31, County departments, with liaison committee approval, submit their annual budget requests to the Finance Committee of the County Board for the calendar commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them.
- b. 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.
- c. Budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America for the governmental and proprietary funds. Budget is defined as the originally approved budget plus or minus approved amendments. 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.
- d. During the year, formal budgetary integration is employed as a management control device for governmental and proprietary funds. The County did not adopt an annual budget for the Community Development and Public Safety Special Revenue Funds.
- e. The budget is prepared by fund and department level. The legal level of budgetary control is by appropriation unit, defined as groups of account classes within a department, including wages and benefits, operating expenses, interdepartmental charges, and capital outlay. Management can make transfers within an appropriation unit without the approval of the County Board. The amounts of the various appropriations and the purposes for such appropriations may not be changed unless authorized by two-thirds (2/3) vote of the Board, in accordance with Wis Stat. 65.90(5)(a), except that the Finance Committee may authorize expenditures, transfers, and variances without Board approval in the following circumstances:
 - Capital Outlay Reprioritizations. Upon request of a liaison committee, the Finance Committee may authorize capital outlay account expenditures for items in substitution for those budgeted, provided the expenditure does not exceed the amount budgeted for the deleted items.
 - Underfunded Appropriation Units. Upon request of a liaison committee, the Finance Committee may transfer funds between appropriation units of a department, so long as such transfers are not in excess of 10% of the funds originally provided for such department in the budget.
 - Contingency Account Transfers. The Finance Committee may, if approved by two-thirds (2/3) vote of the Committee, transfer funds from the Contingency Fund for underfunded or unbudgeted items of up to the lesser of \$25,000 or 10% of the Contingency Fund appropriation. All other transfers from the Contingency Fund may be made only by a majority vote of the County Board.

COUNTY OF SHEBOYGAN, WISCONSIN
Notes to the Basic Financial Statements
December 31, 2019

NOTE B – STEWARDSHIP AND COMPLIANCE (Continued)

The County did not have any material violation of legal or contractual provisions for the fiscal year ended December 31, 2019.

2. 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:

	Wages & Benefits	Operating Expenses	Interdepartmental Charges	Debt Service Interest	Capital Outlay
General Fund					
General Government					
Treasurer	\$	\$	\$	\$	\$ 25,036
Medical Examiner	25,568	7,892			
Court Commissioner	298				
Clerk of Courts		288,234			
County Clerk	489		1,018		
Human Resources	33,745				
Non-Departmental				951	
Corporation Counsel	360	25,241	914		
County Administrator	1,158				
Sheriff (formerly Public Safety)					
Sheriff	919,658	93,649			55,698
Transportation (formerly Public Works)					
Airport		17,136			
Health and Human Services					
Veterans Services		2,367			
Veterans Commission		1,810			
Resources and Development					
Planning and Conservation	2,052	287,219	11,807		
UW Ext/UW Campus (formerly Education)					
U.W. Green Bay - Sheboygan Campus			348		
U.W.Extension		590			
Special Revenue Funds					
Health and Human Services					
Elder Services	33,316		1,275		
Public Health		17,022			
Social Services	119,061	1,235,480			
Administration	16,182		24,618		

The above excess expenditures were funded using favorable revenue variances and other favorable expenditure variances.

COUNTY OF SHEBOYGAN, WISCONSIN
Notes to the Basic Financial Statements
December 31, 2019

NOTE C – DETAILED NOTES ON ALL FUNDS

1. Cash and Investments

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

The County maintains its own investment policy which is in accordance with Wisconsin State Statutes. State statutes authorize the County to invest in obligations of the U.S. Treasury, agencies and instrumentalities, obligations of Wisconsin governmental units, time deposits with maturities of less than three years in any financial institution in Wisconsin, the State of Wisconsin Local Government Investment Pool, any security maturing in seven years or less and having the highest or second highest rating category of a nationally recognized rating agency, securities of an open-end management investment company or investment trust subject to various conditions and investment options and repurchase agreements with public depositories, with certain conditions. The County’s adopted investment policy is more restrictive than the state statutes in that it limits money market funds to maturities of less than one year and corporate debt obligations to 20% of total investible assets and/or 5% of total investible assets with any one corporate issuer.

The carrying amount of the County’s cash and investments totaled \$49,639,012 at December 31, 2019 as summarized below:

Petty cash funds	\$ 14,640
Deposits with financial institutions	15,101,567
Investments	
Certificates of deposit	3,905,858
Federal agency securities	22,661,834
Municipal bonds	4,565,343
Wisconsin local government investment pool	<u>3,389,770</u>
Total	<u>\$49,639,012</u>

Reconciliation to the basic financial statements:

Government-wide Statement of Net Position	
Cash and investments	\$48,179,288
Fiduciary Fund Statement of Net Position	
Cash and investments	<u>1,459,724</u>
Total	<u>\$49,639,012</u>

Deposits and investments of the County are subject to various risks. Presented below is a discussion of the specific risks and the County’s policy related to the risk.

COUNTY OF SHEBOYGAN, WISCONSIN
Notes to the Basic Financial Statements
December 31, 2019

NOTE C – DETAILED NOTES ON ALL FUNDS (Continued)

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 does not have an additional custodial credit risk policy.

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 per official custodian per depository institution. 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.

As of December 31, 2019, \$14,421,715 of the County's deposits with financial institutions were in excess of federal and state depository insurance limits. The entire balance was collateralized with securities held by the same financial institution with which the cash was deposited.

COUNTY OF SHEBOYGAN, WISCONSIN
Notes to the Basic Financial Statements
December 31, 2019

NOTE C – DETAILED NOTES ON ALL FUNDS (Continued)

Credit Risk

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

Investment Type	Amount	Exempt From Disclosure	Rating as of Year End			
			AAA	AA	A	Not Rated
Federal Home Loan Bank	\$ 8,982,798	\$	\$ 8,982,798	\$	\$	\$
Federal Farm Credit Bank	10,212,122		10,212,122			
Federal Home Loan Mortgage Corp	1,249,515		1,249,515			
Federal National Mortgage Association	1,489,195		1,489,195			
Government National Mortgage Association	728,204					728,204
Certificates of deposit	3,905,858					3,905,858
Municipal bonds	4,565,343		638,861	3,781,425	145,057	
Wisconsin Local Government Investment Pool	3,389,770					3,389,770
Totals	\$ 34,522,805	\$	\$ 22,572,491	\$ 3,781,425	\$ 145,057	\$ 8,023,832

Concentration of Credit Risk

The investment policy of the County contains no limitations on the amount that can be invested in any one issuer. 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 are as follows:

Issuer	Investment Type	Reported Amount	Percent of Total Investments
Federal Home Loan Bank	Federal agency securities	\$ 8,982,798	26.0%
Federal Farm Credit Bank	Federal agency securities	10,212,122	29.6%
State of Wisconsin	Municipal bond	2,688,205	7.8%

COUNTY OF SHEBOYGAN, WISCONSIN
Notes to the Basic Financial Statements
December 31, 2019

NOTE C – DETAILED NOTES ON ALL FUNDS (Continued)

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The County’s investment portfolio is structured to provide a high total return giving consideration to risk and necessary availability of funds.

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
Federal Home Loan Bank	\$ 8,982,798	\$ 499,750	\$ 1,248,135	\$ 4,998,180	\$ 2,236,733
Federal Farm Credit Bank	10,212,122	1,389,163	748,695	5,582,350	2,491,914
Federal Home Loan Mortgage Corp	1,249,515	750,000		499,515	
Federal National Mortgage Association	1,489,195			1,489,195	
Government National Mortgage Association	728,204				728,204
Certificates of deposit	3,905,858	1,146,333	1,491,841	1,267,684	
Municipal bonds	4,565,343	396,687	762,815	892,649	2,513,192
Wisconsin Local Government Investment Pool	3,389,770	3,389,770			
Totals	\$ 34,522,805	\$ 7,571,703	\$ 4,251,486	\$ 14,729,573	\$ 7,970,043

Investments with Fair Values Highly Sensitive to Interest Rate Fluctuations

The County’s investments include the following investments that are highly sensitive to interest rate fluctuations (to a greater degree than already indicated in the information provided above):

Highly Sensitive Instruments	Fair Value at Year End
Federal Home Loan Bank	\$ 8,982,798
Federal Farm Credit Bank	10,212,122
Federal Home Loan Mortgage Corp	1,249,515
Federal National Mortgage Association	1,489,195
Government National Mortgage Association	728,204

COUNTY OF SHEBOYGAN, WISCONSIN
Notes to the Basic Financial Statements
December 31, 2019

NOTE C – DETAILED NOTES ON ALL FUNDS (Continued)

Investment in Wisconsin Local Government Investment Pool

The County has investments in the Wisconsin local government investment pool of \$3,389,770 at year-end. The Wisconsin local government investment pool (LGIP) is part of the State Investment Fund (SIF), and is managed by the State of Wisconsin Investment Board. The SIF is not registered with the Securities and Exchange Commission, but operates under the statutory authority of Wisconsin Chapter 25. The SIF reports the fair value of its underlying assets annually. 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.

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:

Investments	Fair Value Measurements Using :		
	Level 1	Level 2	Level 3
Federal Agency Securities	\$	\$ 22,661,834	\$
Certificates of Deposit		3,905,858	
Municipal Bonds		4,565,343	
Total investments by fair value level	\$	- \$ 31,133,035	\$

The valuation methods for recurring fair value measurements are as follows:

Investment Type	Valuation Method
Federal Home Loan Bank	Mortgage backed securities pricing - evaluations based on various market and industry inputs
Federal Farm Credit Bank	Institutional bond quotes - evaluations based on various market and industry inputs
Federal Home Loan Mortgage Corp	Mortgage backed securities pricing - evaluations based on various market and industry inputs
Federal National Mortgage Association	Mortgage backed securities pricing - evaluations based on various market and industry inputs
Government National Mortgage Association	Mortgage backed securities pricing - evaluations based on various market and industry inputs
Certificates of Deposit	Institutional bond quotes - evaluations based on various market and industry inputs
Municipal Bonds	Institutional bond quotes - evaluations based on various market and industry inputs

COUNTY OF SHEBOYGAN, WISCONSIN
Notes to the Basic Financial Statements
December 31, 2019

NOTE C – DETAILED NOTES ON ALL FUNDS (Continued)

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 deferred inflow of resources at year-end. Property tax payments from individual property owners are due in two installments by January 31 and July 31. During the month of February, each local taxing district settles with the County for both collected and unpaid property taxes. At the February settlement, the County becomes responsible for the collection of unpaid property taxes, including unpaid property taxes returned by local taxing districts for financing their individual operations. Property taxes subsequently not paid by property owners by September 1 of the same year are considered delinquent. The delinquent taxes are then acquired by the County's general fund in accordance with state statutes in order to provide the County with a statutory lien.

Property taxes recorded on December 31, 2019 for collection in 2020 are for the following:

County apportionment	\$ 50,598,152
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The above County apportionment of \$50,598,152 is for financing 2020 operations and will be transferred in 2020 from deferred inflows of resources to current revenues of the County's governmental and proprietary funds.

3. 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.

COUNTY OF SHEBOYGAN, WISCONSIN
Notes to the Basic Financial Statements
December 31, 2019

NOTE C – DETAILED NOTES ON ALL FUNDS (Continued)

On December 31, 2019, the County’s general fund showed an investment of \$1,529,836 in delinquent tax certificates. An aging of the delinquent taxes certificates follows:

Year Acquired	Total	County Share	County Purchased
2019	\$ 901,540	\$ 224,642	\$ 676,898
2018	427,525	106,027	321,498
2017	179,657	44,915	134,742
2016	7,985	1,988	5,997
2015	8,549	2,078	6,471
2014	2,320	545	1,775
2013	1,180	276	904
2012	1,074	248	826
2011	2	-	2
2010	2	-	2
2009	2	-	2
Delinquent property taxes at December 31, 2019	<u>\$ 1,529,836</u>	380,719	1,149,117
Less 60 day collections after December 31, 2019		<u>50,844</u>	<u>153,257</u>
County Share of Taxes		329,875	
Interest accrued		<u>428,354</u>	
Deferred Inflow of Resources		<u>\$ 758,229</u>	
Nonspendable Fund Balance (purchased equities of state and local governments)			<u>\$ 995,860</u>

COUNTY OF SHEBOYGAN, WISCONSIN
Notes to the Basic Financial Statements
December 31, 2019

NOTE C – DETAILED NOTES ON ALL FUNDS (Continued)

4. Loans Receivable – General Fund

The County’s general fund has the following loans receivable detailed as follows:

\$72,609 issued 12/15/2016 to the Bay-Lake Regional Planning Commission. \$8,311 due annually through 2026, interest 3.0%.	\$	51,779
\$2,264 issued 12/22/2016 to the Village of Adell, Wisconsin. \$469 due annually through 2021, interest 1.7%.		914
\$20,125 issued 06/30/2017 to the Village of Howards Grove, Wisconsin. \$4,198 due annually through 2022, interest 1.7%.		12,177
\$1,295,500 issued 12/12/2017 to Tecumseh Products Company. Approximately \$37,336 due quarterly through 2027, interest adjusted quarterly to the Long-Term Applicable Federal Rate		<u>1,063,958</u>
Total Outstanding Loans Receivable	\$	<u><u>1,128,828</u></u>

Annual principal and interest maturities of the above outstanding loans receivable of \$1,128,828 are detailed below:

Year Ended December 31	Principal	Interest	Total
2020	\$130,462	\$30,849	\$161,311
2021	135,214	27,107	162,321
2022	138,595	23,257	161,852
2023	138,350	19,305	157,655
2024	142,344	15,310	157,654
2025	146,453	11,201	157,654
2026	150,681	6,973	157,654
2027	146,729	2,623	149,352
	<u>\$1,128,828</u>	<u>\$136,625</u>	<u>\$1,265,453</u>

COUNTY OF SHEBOYGAN, WISCONSIN
Notes to the Basic Financial Statements
December 31, 2019

NOTE C – DETAILED NOTES ON ALL FUNDS (Continued)

5. Capital Assets

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

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities:				
Capital assets, not being depreciated				
Land	\$ 17,039,586	\$ 483,129	\$ 481,844	\$ 17,040,871
Construction in progress	6,559,511	9,736,381	13,931,291	2,364,601
Total capital assets, not being depreciated	<u>23,599,097</u>	<u>10,219,510</u>	<u>14,413,135</u>	<u>19,405,472</u>
Capital assets, being depreciated				
Buildings	86,070,459	1,353,123	12,781	87,410,801
Improvements other than buildings	13,490,986	22,717	2,760	13,510,943
Infrastructure	137,671,719	12,736,646	1,200,234	149,208,131
Machinery and equipment	21,991,714	2,077,069	740,562	23,328,221
Office furniture and equipment	22,836,972	289,270	235,522	22,890,720
Vehicles	14,635,558	1,707,064	657,626	15,684,996
Subtotals	<u>296,697,408</u>	<u>18,185,889</u>	<u>2,849,485</u>	<u>312,033,812</u>
Less accumulated depreciation for:				
Buildings	(48,712,167)	(2,312,155)	12,781	(51,011,541)
Improvements other than buildings	(8,997,312)	(336,661)	2,760	(9,331,213)
Infrastructure	(63,930,213)	(5,339,665)	1,193,421	(68,076,457)
Machinery and equipment	(12,528,315)	(815,565)	649,754	(12,694,126)
Office furniture and equipment	(12,793,986)	(1,412,955)	233,413	(13,973,528)
Vehicles	(9,214,576)	(1,002,678)	602,102	(9,615,152)
Subtotals	<u>(156,176,569)</u>	<u>(11,219,679)</u>	<u>2,694,231</u>	<u>(164,702,017)</u>
Total capital assets, being depreciated, net	<u>140,520,839</u>	<u>6,966,210</u>	<u>155,254</u>	<u>147,331,795</u>
Governmental activities capital assets, net	<u>\$ 164,119,936</u>	<u>\$ 17,185,720</u>	<u>\$ 14,568,389</u>	<u>166,737,267</u>
Less related long-term debt outstanding				<u>30,586,374</u>
Net investment in capital assets				<u>\$ 136,150,893</u>

COUNTY OF SHEBOYGAN, WISCONSIN
Notes to the Basic Financial Statements
December 31, 2019

NOTE C – DETAILED NOTES ON ALL FUNDS (Continued)

	Beginning Balance	Increases	Decreases	Ending Balance
Business-type activities:				
Capital assets, not being depreciated:				
Land	\$ 31,750	\$	\$	\$ 31,750
Capital assets, being depreciated:				
Buildings	15,817,543	117,043		15,934,586
Improvements other than buildings	624,035			624,035
Machinery and equipment	4,471,845	380,693	83,094	4,769,444
Office furniture and equipment	979,756	99,831		1,079,587
Vehicles	140,915			140,915
Subtotals	<u>22,034,094</u>	<u>597,567</u>	<u>83,094</u>	<u>22,548,567</u>
Less accumulated depreciation for:				
Buildings	(9,451,315)	(408,859)		(9,860,174)
Improvements other than buildings	(473,304)	(18,668)		(491,972)
Machinery and equipment	(3,979,785)	(66,526)	82,661	(3,963,650)
Office furniture and equipment	(777,456)	(34,694)		(812,150)
Vehicles	(103,724)	(16,792)		(120,516)
Subtotals	<u>(14,785,584)</u>	<u>(545,539)</u>	<u>82,661</u>	<u>(15,248,462)</u>
Total capital assets, being depreciated, net	<u>7,248,510</u>	<u>52,028</u>	<u>433</u>	<u>7,300,105</u>
Business-type activities capital assets, net	<u>\$ 7,280,260</u>	<u>\$ 52,028</u>	<u>\$</u>	<u>7,331,855</u>
Less related long-term debt outstanding				
Investment in capital assets				<u>\$ 7,331,855</u>

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

Governmental activities:	
General government	\$ 1,082,312
Sheriff (formerly Public safety)	2,181,085
Transportation (formerly Public works)	5,401,790
Public health and human services	228,371
Resources and development	195,611
UW Ext/UW Campus (formerly Education)	<u>441,281</u>
Total depreciation expense – governmental activities	9,530,450
Capital assets held by the County’s internal service funds are charged to various functions based on their usage of the assets	<u>1,689,229</u>
Total depreciation expense – governmental activities	<u>\$11,219,679</u>
Business-type activities:	
Rocky Knoll	<u>\$ 545,539</u>

COUNTY OF SHEBOYGAN, WISCONSIN
Notes to the Basic Financial Statements
December 31, 2019

NOTE C – DETAILED NOTES ON ALL FUNDS (Continued)

Construction Commitment

The County has several unfinished construction projects in progress as of December 31, 2019. Major projects include construction of a customs facility at the County Airport. A combination of general obligation bonds, Federal and State Agencies, and fund balance are financing these projects.

6. Interfund Transfers

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

	Transfer to:				Total
	General Fund	Debt Service	Capital Projects	Governmental Activities - Internal Service Funds	
Transfers from:					
General Fund	\$	\$ 674,092	\$ 74,500	\$ 36,267	\$ 784,859
Transportation Fund		1,000,000		1,000,000	2,000,000
Other Governmental Fund	326,733				326,733
Enterprise Fund -					
Rocky Knoll			45,500		45,500
Governmental Activities -					
Internal Service Funds			32,750		32,750
	<u>\$ 326,733</u>	<u>\$ 1,674,092</u>	<u>\$ 152,750</u>	<u>\$ 1,036,267</u>	<u>\$ 3,189,842</u>

Transfers are used to move unrestricted revenues collected to finance various programs accounted for in other funds in accordance with budgetary authorizations.

COUNTY OF SHEBOYGAN, WISCONSIN
Notes to the Basic Financial Statements
December 31, 2019

NOTE C – DETAILED NOTES ON ALL FUNDS (Continued)

7. Long-term Obligations

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

	Outstanding 1/1/2019	Issued	Retired	Outstanding 12/31/2019	Due Within One Year
Governmental activities:					
General obligation debt					
Bonds	\$ 1,630,000	\$	\$ 1,630,000	\$	\$
Notes	35,190,000		5,025,000	30,165,000	6,165,000
Total general obligation debt	36,820,000		6,655,000	30,165,000	6,165,000
Bond premiums	1,260,171		232,451	1,027,720	209,246
Compensated absences	5,476,232	5,727,879	5,373,359	5,830,752	68,161
Governmental activities long-term obligations	<u>\$ 43,556,403</u>	<u>\$ 5,727,879</u>	<u>\$ 12,260,810</u>	<u>\$ 37,023,472</u>	<u>\$ 6,442,407</u>
Business-type activities:					
Compensated absences	\$ 795,517	\$ 610,761	\$ 636,492	\$ 769,786	\$ 105,708
Business-type activities long-term obligations	<u>\$ 795,517</u>	<u>\$ 610,761</u>	<u>\$ 636,492</u>	<u>\$ 769,786</u>	<u>\$ 105,708</u>

Total interest paid during the year on long-term debt totaled \$988,992.

COUNTY OF SHEBOYGAN, WISCONSIN
Notes to the Basic Financial Statements
December 31, 2019

NOTE C – DETAILED NOTES ON ALL FUNDS (Continued)

General Obligation Debt

General obligation debt currently outstanding is detailed as follows:

	Amount
Notes:	
\$6,385,000 - Series 2010, issued under the Build America Bond Program, various amounts due through May 1, 2020; interest 3.85%	\$ 855,000
\$14,575,000 - Series 2014, various amounts due through May 1, 2023; interest 4%	7,630,000
\$9,500,000 - Series 2015, various amounts due through May 1, 2025; interest 2% to 3%	7,360,000
\$10,000,000 - Series 2017, various amounts due through May 1, 2027; interest 2% to 3%	8,120,000
\$6,680,000 - Series 2018, various amounts due through May 1, 2027; interest 2% to 4%	6,200,000
Total outstanding general obligation debt	\$ 30,165,000

The annual principal and interest payments on general obligation debt as of December 31, 2019, are as follows:

Year Ended December 31	Governmental Activities	
	Principal	Interest
2020	\$ 6,165,000	\$ 812,284
2021	4,635,000	657,250
2022	4,775,000	518,350
2023	4,925,000	365,400
2024	2,965,000	235,200
2025	3,055,000	141,550
2026	1,800,000	72,775
2027	1,845,000	24,912
	\$ 30,165,000	\$ 2,827,721

For governmental activities, other long-term liabilities are generally funded by the general fund.

COUNTY OF SHEBOYGAN, WISCONSIN
Notes to the Basic Financial Statements
December 31, 2019

NOTE C – DETAILED NOTES ON ALL FUNDS (Continued)

Build America Bond

The general obligation debt issued on November 9, 2010 qualifies as Build America Bonds, as described in Section 54AA of the Internal Revenue Code. The interest on the debt is taxable as set forth in the regulations. The County is eligible to receive a 35% subsidy of the annual interest payment from the Federal government. In order to receive this subsidy it is necessary for the County to file a claim form semi-annually.

Legal Margin for New Debt

The County's legal margin for creation of additional general obligation debt on December 31, 2019 was \$477,138,246 as follows:

Equalized valuation of the County		\$ 10,142,962,300
Statutory limitation percentage		<u>(x) 5%</u>
General obligation debt limitation, per Section 67.03 of the Wisconsin Statutes		507,148,115
Total outstanding general obligation debt applicable to debt limitation	\$ 30,165,000	
Less: Amount available for financing general obligation debt		
Debt service fund	<u>155,131</u>	
Net outstanding general obligation debt applicable to debt limitation		<u>30,009,869</u>
Legal Margin for New Debt		<u>\$ 477,138,246</u>

8. Fund Equity

The County has a formal minimum fund balance policy. That policy is to maintain a general fund unassigned fund balance of 5% to 10% of total county expenditures, less capital project and transportation fund expenditures. The unassigned fund balance at year end was \$17,922,130 or 12.5% of 2020 anticipated expenditures. County policy also indicates that the general fund unassigned fund balance be maintained at a minimum of 15% and a maximum of 30% of total governmental fund expenditures less capital project and transportation fund expenditures. The general fund unassigned fund balance at year end was 21% of the total governmental fund expenditures (excluding capital project and transportation fund expenditures).

Fund Statements

In the fund financial statements, portions of governmental fund balances are nonspendable because amounts are not in spendable form (such as inventory, prepaid items, or long-term receivables) or legally or contractually required to remain intact. At December 31, 2019 fund balance was nonspendable as follows:

General Fund		
Nonspendable		
Prepays and inventory		\$ 79,384
Delinquent property taxes		<u>995,860</u>
Total		<u>\$1,075,244</u>

COUNTY OF SHEBOYGAN, WISCONSIN
Notes to the Basic Financial Statements
December 31, 2019

NOTE C – DETAILED NOTES ON ALL FUNDS (Continued)

Also in the fund financial statements, portions of governmental fund balances are restricted by external parties (such as grantor or bondholders), through constitutional provisions, or by enabling legislation. At December 31, 2019 fund balance was restricted as follows:

General Fund	
Restricted	
Jail assessment fees	\$207,736
Land record fees	<u>486,821</u>
Total	<u>\$694,557</u>
Debt Service Fund	
Restricted	
Debt Service	<u>\$ 155,131</u>
Capital Project Fund	
Restricted	
Capital Projects	<u>\$ 861,266</u>

Also in the fund financial statements portions of governmental fund balances are committed by County Board action. At December 31, 2019 fund balance was committed as follows:

General Fund	
Committed	
UW Extension funds	\$ 30,900
County airport funds	106,638
Planning and conservation programs	<u>44,931</u>
Total	<u>\$182,469</u>
Transportation Fund	
Committed	
Transportation	<u>\$3,479,767</u>

Also in the fund financial statements portions of governmental fund balances are assigned by County Board action. At December 31, 2019 fund balance was assigned as follows:

General Fund	
Assigned	
Subsequent years' expenditures	\$814,297
Veterans Services programs	9,694
Planning and conservation programs	187,713
Employee picnic expenditures	14,060
Capital Projects 2020 fund balance usage	<u>400,000</u>
Total	<u>\$ 1,425,764</u>
Public Health and Human Services –	
Assigned	
Public health and human services programs	<u>\$30,773</u>
Public Safety Fund	
Assigned	
Sheriff equipment funds	<u>\$104,732</u>
Community Development Fund	
Assigned	
Community development	<u>\$ 187,986</u>

COUNTY OF SHEBOYGAN, WISCONSIN
Notes to the Basic Financial Statements
December 31, 2019

NOTE C – DETAILED NOTES ON ALL FUNDS (Continued)

9. Airport Leases

The County oversees the overall operation of the airport and is lessor of the facility under various operating leases for periods ranging from 2019 through 2064. Although some operating leases extend as far as 2064, rates are re-negotiated annually. The table below represents the current annual negotiated rates by tenant category.

Industrial & commercial	\$ 86,229
Individual	22,317
Agricultural	<u>23,301</u>
	<u>\$131,847</u>

10. Prior Period Adjustment

The County determined that the classification of the insurance reserve as a liability in the internal service funds would be more appropriately classified as unrestricted net position, therefore overstating the liability and understating the net position by \$402,772 in both the proprietary and government-wide financial statements per the 2018 Comprehensive Annual Financial Report. As a result, ending net position of the internal service funds in the proprietary financial statements and ending net position of the governmental activities in the government wide financial statements increased by \$402,772 as of December 31, 2018.

COUNTY OF SHEBOYGAN, WISCONSIN
Notes to the Basic Financial Statements
December 31, 2019

NOTE C – DETAILED NOTES ON ALL FUNDS (Continued)

11. Pension Plan

Plan Description

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

ETF 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 occupations and 62 for elected officials and executive service retirement plan participants, if hired on or before 12/31/16), are entitled to a retirement benefit based on a formula factor, their final average earnings, and creditable service.

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

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

The WRS also provides death and disability benefits for employees.

Post-Retirement Adjustments

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

COUNTY OF SHEBOYGAN, WISCONSIN
Notes to the Basic Financial Statements
December 31, 2019

NOTE C – DETAILED NOTES ON ALL FUNDS (Continued)

<u>Year</u>	<u>Core Fund Adjustment</u>	<u>Variable Fund Adjustment</u>
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	(5.0)
2017	2.0	4
2018	2.4	17

Contributions

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

During the year ending December 31, 2019, the WRS recognized \$3,031,562 in contributions from the County.

Contribution rates for the reporting period are:

<u>Employee Category</u>	<u>Employee</u>	<u>Employer</u>
General (including teachers, Executives, and elected officials)	6.7%	6.7%
Protective with Social Security	6.7%	10.7%
Protective without Social Security	6.7%	14.9%

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

At December 31, 2019, the County reported a liability of \$10,312,713 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 0.28987135%, which was an increase of 0.00116678% from its proportion measured as of December 31, 2017.

COUNTY OF SHEBOYGAN, WISCONSIN
Notes to the Basic Financial Statements
December 31, 2019

NOTE C – DETAILED NOTES ON ALL FUNDS (Continued)

For the year ended December 31, 2019, the County recognized pension expense of \$7,014,619.

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

	Deferred Outflow of Resources	Deferred Inflow of Resources
Differences between projected and actual experience	\$ 8,032,042	\$ 14,197,762
Net differences between projected and actual earnings on pension plan investments	15,061,012	
Changes in assumptions	1,738,346	
Changes in proportion and differences between employer contributions and proportionate share of contributions	58,217	31,714
Employer contributions subsequent to the measurement date	3,031,562	
Total	\$ 27,921,179	\$ 14,229,476

\$3,031,562 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 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:

Year Ended December 31	Expense
2020	\$ 3,881,866
2021	976,941
2022	1,681,662
2023	4,119,672
Total	\$ 10,660,141

COUNTY OF SHEBOYGAN, WISCONSIN
Notes to the Basic Financial Statements
December 31, 2019

NOTE C – DETAILED NOTES ON ALL FUNDS (Continued)

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
Measurement Date of Net Pension Liability (Asset)	December 31, 2018
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 on this experience study, actuarial assumptions used to measure the Total Pension Liability changed from prior year, including the discount rate, long-term expected rate of return, post-retirement adjustment, 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:

COUNTY OF SHEBOYGAN, WISCONSIN
Notes to the Basic Financial Statements
December 31, 2019

NOTE C – DETAILED NOTES ON ALL FUNDS (Continued)

Asset Allocation Targets and Expected Returns

As of December 31, 2018

<u>Core Fund Asset Class</u>	Current Asset <u>Allocation %</u>	Long-Term Expected Nominal <u>Rate of Return %</u>	Long-Term Expected Real <u>Rate of Return %</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

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 municipal bond rate of 3.71%. Because of the unique structure of WRS, the 7.00% expected rate of return implies that a dividend of approximately 1.9% will always be paid. For purposes of the single discount rate, it was assumed that the dividend would always be paid. The projection of cash flows used to determine this single discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments (including expected dividends) of current plan members. Therefore, the municipal bond rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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 7.00 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 (6.00 percent) or 1-percentage-point higher (8.00 percent) than the current rate:

	1% Decrease to Discount Rate (6.00%)	Current Discount Rate (7.00%)	1% Increase to Discount Rate (8.00%)
County's proportionate share of the net pension liability (asset)	\$ 40,983,805	\$ 10,312,713	\$ (12,493,621)

COUNTY OF SHEBOYGAN, WISCONSIN
Notes to the Basic Financial Statements
December 31, 2019

NOTE C – DETAILED NOTES ON ALL FUNDS (Continued)

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>.

Payable to the WRS

At December 31, 2019 the County reported a payable of \$259,974 for the outstanding amount of contributions to the pension plan for the year ended December 31, 2019.

12. Other Postemployment Benefits

Local Retiree Life Insurance Fund

Plan Description

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

OPEB Plan Fiduciary Net Position

ETF issues a standalone 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.

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

COUNTY OF SHEBOYGAN, WISCONSIN
Notes to the Basic Financial Statements
December 31, 2019

NOTE C – DETAILED NOTES ON ALL FUNDS (Continued)

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 reporting period, the LRLIF recognized \$16,507 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 \$2,210,776 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 0.85677800%, which was an increase of 0.006121% from its proportion measured as of December 31, 2017.

For the year ended December 31, 2019, the County recognized OPEB expense of \$216,294.

COUNTY OF SHEBOYGAN, WISCONSIN
Notes to the Basic Financial Statements
December 31, 2019

NOTE C – DETAILED NOTES ON ALL FUNDS (Continued)

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

	Deferred Outflow of Resources	Deferred Inflow of Resources
Differences between expected and actual experience	\$	\$ 112,151
Net differences between projected and actual earnings on OPEB plan investments	52,834	
Changes in actuarial assumptions	210,942	479,209
Changes in proportion and differences between employer contributions and proportionate share of contributions	14,350	31,360
Total	\$ 278,126	\$ 622,720

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

Year Ended December 31,	Expense
2020	\$ (46,846)
2021	(46,846)
2022	(46,846)
2023	(54,267)
2024	(61,910)
Thereafter	(87,879)
	\$ (344,594)

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:

Actuarial valuation date:	January 1, 2018
Measurement date of net OPEB liability (asset):	December 31, 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

COUNTY OF SHEBOYGAN, WISCONSIN
Notes to the Basic Financial Statements
December 31, 2019

NOTE C – DETAILED NOTES ON ALL FUNDS (Continued)

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.

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

Asset Class	Index	Target Allocation	Long-Term Expected Geometric Real Rate of Return %
U.S. 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	Bloomberg Barclays Muni	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. 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.

COUNTY OF SHEBOYGAN, WISCONSIN
Notes to the Basic Financial Statements
December 31, 2019

NOTE C – DETAILED NOTES ON ALL FUNDS (Continued)

Sensitivity of the County's proportionate share of net OPEB liability (asset) to changes in the discount rate. The following presents the County's proportionate share of the net OPEB liability (asset) calculated using the discount rate of 4.22%, as well as what the County's proportionate share of the net OPEB liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (3.22%) or 1-percentage-point higher (5.22%) than the current rate:

	1% Decrease to Discount Rate (3.22%)	Current Discount Rate (4.22%)	1% Increase to Discount Rate (5.22%)
County's proportionate share of the net OPEB liability (asset)	\$ 3,144,976	\$ 2,210,776	\$ 1,490,254

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 no payable for the outstanding amount of contribution to the Plan required for the year ended December 31, 2019.

COUNTY OF SHEBOYGAN, WISCONSIN
Notes to the Basic Financial Statements
December 31, 2019

NOTE D – OTHER INFORMATION

1. Risk Management

The County maintains an insurance program to safeguard its financial security by protecting its human, financial and property assets from the adverse impact of loss. Various techniques and programs are utilized to reduce the possibility of a loss from occurring and manage the adverse consequences should an event occur resulting in a loss, including safety and loss control practices, contractual risk transfer, self-insurance funding and the purchase of insurance.

Public Entity Risk Pool

During 1987, the County together with other counties in the State of Wisconsin, created the Wisconsin County Municipal Mutual Insurance Company (WCMIC), to provide liability insurance to its members. WCMIC also provides bodily and personal injury, and errors and omissions coverage for the County. WCMIC is governed by one entity-one vote and includes counties of varying size. Only member entities participate in governing WCMIC. The actuary for WCMIC determines the charge per \$1,000 of ratable governmental expenditures required to pay the expected losses and loss adjustment expenses on which premiums are based. A separate financial report is issued by WCMIC. The County's self-insured retention limit is \$250,000 aggregate.

Claims Liability - WCMIC	2018	2019
Liability, beginning of year	\$ 62,664	\$ 197,284
Current year claims and changes in estimates	190,816	94,797
Claim payments	(56,196)	(89,430)
Liability, end of year	<u>\$ 197,284</u>	<u>\$ 202,651</u>

COUNTY OF SHEBOYGAN, WISCONSIN
Notes to the Basic Financial Statements
December 31, 2019

NOTE D – OTHER INFORMATION (Continued)

Self-Insurance – Worker’s Compensation

The County has also established a program for worker’s compensation. All funds of the County participate in this program. Worker’s Compensation is part of the Insurance Internal Service Fund and is maintained to provide for self-insured worker’s compensation insurance coverage and employee safety and loss control programs. The County contracts with a third party claims administrator for the purpose of adjudicating worker’s compensation claims. The County’s excess insurance policy covers individual claims in excess of \$500,000. Settled claims have not exceeded the \$500,000 in any of the past four years. Costs associated with the worker’s compensation program are billed to other County departments based on actual wages and include amounts necessary to fund current and prior year claims to be paid in the current year and in the future.

A liability for a claim is established if claim information indicates that it is probable that the liability may have future estimable claims at the date of the financial statements. Liabilities include an amount for claims that have been incurred, but not reported.

Claims Liability - Worker's Compensation	2018	2019
Liability, beginning of year	\$ 352,331	\$ 503,870
Current year claims and changes in estimates	501,151	164,981
Claim payments	(349,612)	(92,856)
Liability, end of year	<u>\$ 503,870</u>	<u>\$ 575,995</u>

COUNTY OF SHEBOYGAN, WISCONSIN
Notes to the Basic Financial Statements
December 31, 2019

NOTE D – OTHER INFORMATION (Continued)

2. Contingencies

- a. 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. 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.
- b. From time to time, the County is party to other various pending claims and legal proceeding. 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 operation.

3. Tax Levy Limit

Wisconsin Act 25 imposed a limit on the property tax levies for all Wisconsin cities, villages, towns and counties for a two-year period effective July 27, 2005. Subsequent legislation has extended the levy limit through 2019. The current law limits the increase in the maximum allowable tax levy to the percentage change in the County's January 1 equalized value as a result of net new construction. The actual limit for the County for the 2020 budget was 1.26%. Debt service for debt authorized after July 1, 2005 is exempt from the levy limit. In addition, the Act allows the limit to be adjusted for the increase in debt service authorized prior to July 1, 2005 and in certain other situations.

4. Subsequent Event

General Obligation Debt

On April 14, 2020, the County Board authorized the issuance of \$4,750,000 of General Obligation Promissory Notes, dated May 12, 2020. The notes will be used to finance part of the cost of capital improvements within the County.

COVID-19 Pandemic

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 reasonable estimated as these events occurred subsequent to year end and are still developing.

5. Upcoming Accounting Pronouncements

In January 2017, the GASB issued Statement No. 84, *Fiduciary Activities*. The Statement establishes criteria for identifying fiduciary activities and addresses financial reporting for these activities. This statement is effective for reporting periods beginning after December 15, 2019. The County is currently evaluating the impact this standard will have on the financial statements when adopted.

COUNTY OF SHEBOYGAN, WISCONSIN
Notes to the Basic Financial Statements
December 31, 2019

NOTE D – OTHER INFORMATION (Continued)

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.

**REQUIRED
SUPPLEMENTARY INFORMATION**

COUNTY OF SHEBOYGAN, WISCONSIN
Schedule of Proportionate Share of the Net Pension Liability (Asset)
Wisconsin Retirement System
Last 10 Fiscal Years*

Plan year ending	Proportion of the net pension liability (asset)	Proportionate share of the net pension liability (asset)	Covered payroll (plan year)	Proportionate share of the net pension liability (asset) as a percentage of covered payroll	Plan fiduciary net position as a percentage of the total pension liability (asset)
12/31/2014	0.292189%	\$ 7,176,953	\$ 38,151,964	18.81%	102.74%
12/31/2015	0.288107%	\$ 4,681,689	\$ 38,308,649	12.22%	98.20%
12/31/2016	0.286855%	\$ 2,364,373	\$ 39,654,337	5.96%	99.12%
12/31/2017	0.288705%	\$ (8,571,981)	\$ 40,662,447	21.08%	102.93%
12/31/2018	0.289871%	\$ 10,312,713	\$ 41,022,625	25.14%	96.45%

Notes to Required Supplementary Information

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

Changes of assumptions. The amounts reported for each fiscal year were determined as of the calendar year-end which occurred within the prior fiscal year. The County is required to present the last ten years of financial data; however, accounting standards allow the presentation of as many years as are available until ten years fiscal are presented.

COUNTY OF SHEBOYGAN, WISCONSIN
Schedule of Contributions
Wisconsin Retirement System
Last 10 Fiscal Years*

County Fiscal year ending	Contractually required contributions	Contributions in relation to the contractually required contributions	Contribution deficiency (excess)	Covered payroll (fiscal year)	Contributions as a percentage of covered payroll
12/31/2015	\$ 2,740,719	\$ 2,740,719	\$ -	\$ 38,308,649	7.15%
12/31/2016	\$ 2,756,258	\$ 2,756,258	\$ -	\$ 39,654,337	6.95%
12/31/2017	\$ 2,962,039	\$ 2,962,039	\$ -	\$ 40,662,447	7.28%
12/31/2018	\$ 2,982,459	\$ 2,982,459	\$ -	\$ 41,022,625	7.27%
12/31/2019	\$ 3,031,562	\$ 3,031,562	\$ -	\$ 42,469,129	7.14%

Notes to Required Supplementary Information

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

Changes of assumptions. The amounts reported for each fiscal year were determined as of the calendar year-end which occurred within the prior fiscal year. The County is required to present the last ten years of financial data; however, accounting standards allow the presentation of as many years as are available until ten years fiscal are presented.

COUNTY OF SHEBOYGAN, WISCONSIN
Schedule of Proportionate Share of the Net OPEB Liability
Local Retiree Life Insurance Fund
Last 10 Fiscal Years

Plan fiscal year ending	Proportion of the net OPEB liability	Proportionate share of the net OPEB liability	Covered payroll	Proportionate share of the net OPEB liability as a percentage of covered payroll	Plan fiduciary net position as a percentage of the total OPEB liability
12/31/2017	0.850657%	\$ 2,559,269	\$ 35,772,560	7.15%	44.81%
12/31/2018	0.856778%	\$ 2,210,776	\$ 33,637,000	6.57%	48.69%

Notes to Required Supplementary Information

The County implemented GASB Statement 75, Accounting and Financial Reporting for Postemployment Benefits Other than Pensions, for the fiscal year ended December 31, 2018. Information for prior years is not available.

COUNTY OF SHEBOYGAN, WISCONSIN
Schedule of Contributions
Local Retiree Life Insurance Fund
Last 10 Fiscal Years

Fiscal year ending	Contractually required contributions	Contributions in relation to the contractually required contributions	Contribution deficiency (excess)	Covered payroll (fiscal year)	Contributions as a percentage of covered payroll
12/31/2018	\$ 16,351	\$ 16,351	\$ -	\$ 33,637,000	0.05%
12/31/2019	\$ 16,507	\$ 16,507	\$ -	\$ 42,469,129	0.04%

Notes to Required Supplementary Information

The County implemented GASB Statement 75, Accounting and Financial Reporting for Postemployment Benefits Other than Pensions, for the fiscal year ended December 31, 2018. Information for prior years is not available.

SUPPLEMENTARY INFORMATION

Nonmajor Governmental Funds

Special Revenue Funds

Special revenue funds are used to account for the proceeds from specific revenue sources that are legally restricted to expenditures for specific purposes.

Public Safety – To account for donation and certain asset sales restricted for public safety improvements.

Community Development – To account for funds used to create business start-up or expansion. Repayments of approved loans go back into this fund to allow for future loans.

COUNTY OF SHEBOYGAN, WISCONSIN
Combining Balance Sheet
NonMajor Governmental Funds
December 31, 2019

	Special Revenue Funds		Total NonMajor Governmental Funds
	Public Safety	Community Development	
Assets			
Cash and investments	\$ 104,732	\$ 187,986	\$ 292,718
Receivables			
Loans		1,173,191	1,173,191
Total Assets	<u>\$ 104,732</u>	<u>\$ 1,361,177</u>	<u>\$ 1,465,909</u>
Deferred Inflows of Resources and Fund Balances			
Deferred Inflows of Resources			
Loans receivable		\$ 1,173,191	\$ 1,173,191
Fund Balances			
Assigned	104,732	187,986	292,718
Total Deferred Inflows of Resources and Fund Balances	<u>\$ 104,732</u>	<u>\$ 1,361,177</u>	<u>\$ 1,465,909</u>

COUNTY OF SHEBOYGAN, WISCONSIN
Combining Statement of Revenues, Expenditures, and Changes
in Fund Balances - NonMajor Governmental Funds
For the Year Ended December 31, 2019

	Special Revenue Funds		Total NonMajor Governmental Funds
	Public Safety	Community Development	
Revenues			
Miscellaneous	\$ 80,922	\$ 346,673	\$ 427,595
Expenditures			
Current:			
Sheriff (formerly Public safety)	21,831		21,831
Resources and development		3,221	3,221
Total Expenditures	21,831	3,221	25,052
Excess of revenues over expenditures	59,091	343,452	402,543
Other Financing Uses			
Transfers out	(7,000)	(319,733)	(326,733)
Net change in fund balances	52,091	23,719	75,810
Fund balances, January 1	52,641	164,267	216,908
Fund balances, December 31	\$ 104,732	\$ 187,986	\$ 292,718

Debt Service Fund

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

COUNTY OF SHEBOYGAN, WI
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
Debt Service
For the Year Ended December 31, 2019

	Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues				
Property taxes	\$ 5,261,520	\$ 5,261,520	\$ 5,261,520	\$
Miscellaneous	530,240	530,240	531,905	1,665
Total Revenues	5,791,760	5,791,760	5,793,425	1,665
Expenditures				
Debt service				
Principal	6,655,000	6,655,000	6,655,000	
Interest and other charges	988,992	988,992	988,992	
Total Expenditures	7,643,992	7,643,992	7,643,992	
Deficiency of revenues under expenditures	(1,852,232)	(1,852,232)	(1,850,567)	1,665
Other Financing Sources				
Transfer in	1,674,092	1,674,092	1,674,092	
Net Change in Fund Balance	(178,140)	(178,140)	(176,475)	1,665
Fund balance, January 1	331,606	331,606	331,606	
Fund balance, December 31	\$ 153,466	\$ 153,466	\$ 155,131	

Capital Project Funds

Capital project funds are used to account for financial resources to be used for the acquisition and construction of major capital facilities.

COUNTY OF SHEBOYGAN, WI
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
Capital Projects
For the Year Ended December 31, 2019

	Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$ 1,682,000	\$ 1,682,000		\$ (1,682,000)
Miscellaneous	17,385	17,385	114,787	97,402
Total Revenues	<u>1,699,385</u>	<u>1,699,385</u>	<u>114,787</u>	<u>(1,584,598)</u>
Expenditures				
Capital outlay	4,742,711	4,788,211	2,081,760	2,706,451
Deficiency of revenues under expenditures	<u>(3,043,326)</u>	<u>(3,088,826)</u>	<u>(1,966,973)</u>	<u>1,121,853</u>
Other Financing Sources				
Long-term debt issued	2,936,076	2,936,076		(2,936,076)
Transfer in	107,250	152,750	152,750	
Total Other Financing Sources	<u>3,043,326</u>	<u>3,088,826</u>	<u>152,750</u>	<u>(2,936,076)</u>
Net Change in Fund Balance			(1,814,223)	(1,814,223)
Fund balance, January 1	2,675,489	2,675,489	2,675,489	
Fund balance, December 31	<u>\$ 2,675,489</u>	<u>\$ 2,675,489</u>	<u>\$ 861,266</u>	

Transportation Fund

The transportation fund is used to account for financial resources to be used for the acquisition or construction of major transportation related capital facilities and related assets.

COUNTY OF SHEBOYGAN, WI
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
Transportation
For the Year Ended December 31, 2019

	Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues				
County Sales Tax	\$ 9,300,000	\$ 9,300,000	\$ 10,821,303	\$ 1,521,303
Expenditures				
Transportation (formerly Public Works):				
Capital Outlay	6,800,000	7,420,214	7,420,214	
Sales Tax Distribution	1,500,000	1,500,000	1,500,000	
Total Expenditures	8,300,000	8,920,214	8,920,214	
Excess of revenues over expenditures	1,000,000	379,786	1,901,089	1,521,303
Other Financing Uses				
Transfer out	(1,620,214)	(2,000,000)	(2,000,000)	
Net Change in Fund Balance	(620,214)	(1,620,214)	(98,911)	1,521,303
Fund balance, January 1	3,578,678	3,578,678	3,578,678	
Fund balance, December 31	\$ 2,958,464	\$ 1,958,464	\$ 3,479,767	

Internal Service Funds

Internal service funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the County or to other governments on a cost-reimbursement basis.

Employee Benefits & Insurance – To account for costs associated with the County’s self-insured employee benefits and property insurance funds.

Information Technology & Printing – To account for costs associated with providing hardware, software and printing services to other county departments and other governments.

Highway – To account for costs associated with providing street and highway maintenance to other governments and maintenance of county parking lots and recreational trails.

COUNTY OF SHEBOYGAN, WISCONSIN
Combining Statement of Net Position
Internal Service Funds
December 31, 2019

Governmental Activities - Internal Service Funds				
	Employee Benefits & Insurance	Information Technology & Printing	Highway	Total
Assets				
Current assets				
Cash and investments	\$ 7,023,395	\$ 1,047,443	\$ 2,168,511	\$ 10,239,349
Receivables (net)				
Taxes			2,852,172	2,852,172
Accounts	4,221	2,086	40,994	47,301
Due from external parties		1,324	883,087	884,411
Prepays and inventory	5,511	268,011	2,127,809	2,401,331
Total Current Assets	7,033,127	1,318,864	8,072,573	16,424,564
Noncurrent assets				
Capital assets, nondepreciable				
Land			5,365,911	5,365,911
Construction in progress			93,045	93,045
Capital assets, depreciable				
Buildings		248,291	19,169,783	19,418,074
Land improvements		35,701	1,723,050	1,758,751
Infrastructure			715,471	715,471
Machinery and equipment	5,700	189,702	16,842,142	17,037,544
Office furniture and equipment		5,001,923	335,580	5,337,503
Vehicles		17,149	11,868,978	11,886,127
Less Accumulated depreciation	(5,700)	(4,520,287)	(19,402,556)	(23,928,543)
Total Noncurrent Assets		972,479	36,711,404	37,683,883
Total Assets	7,033,127	2,291,343	44,783,977	54,108,447
Deferred Outflows of Resources				
Deferred outflows related to pension		327,631	3,374,100	3,701,731
Other postemployment related amounts		3,227	33,518	36,745
Total Deferred Outflows of Resources		330,858	3,407,618	3,738,476
Liabilities				
Current liabilities				
Accounts payable	12,326	28,866		41,192
Accrued and other current liabilities	942,386			942,386
Accrued compensation		37,348	417,491	454,839
Current maturities of long-term obligations			13,897	13,897
Total Current Liabilities	954,712	66,214	431,388	1,452,314
Noncurrent liabilities				
Long-term obligations		92,040	656,175	748,215
Net pension liability		119,663	1,242,820	1,362,483
Other postemployment benefits		25,653	266,428	292,081
Total Noncurrent Liabilities		237,356	2,165,423	2,402,779
Total Liabilities	954,712	303,570	2,596,811	3,855,093
Deferred Inflows of Resources				
Property taxes levied for subsequent year			2,852,173	2,852,173
Deferred inflows related to pension		165,111	1,714,843	1,879,954
Other postemployment related amounts		7,226	75,046	82,272
Total Deferred Inflows of Resources		172,337	4,642,062	4,814,399
Net Position				
Investment in capital assets		972,479	36,711,404	37,683,883
Unrestricted	6,078,415	1,173,815	4,241,318	11,493,548
Total Net Position	\$ 6,078,415	\$ 2,146,294	\$ 40,952,722	\$ 49,177,431

COUNTY OF SHEBOYGAN, WISCONSIN
Combining Statement of Revenues, Expenses, and Changes in Net Position
Internal Service Funds
For the Year Ended December 31, 2019

	Governmental Activities - Internal Service Funds			
	Employee Benefits & Insurance	Information Technology & Printing	Highway	Total
Operating Revenues				
Charges for services	\$ 14,112,996	\$ 2,174,659	\$ 16,662,899	\$ 32,950,554
Miscellaneous operating revenue	125,386	1,976	91,003	218,365
Total Operating Revenues	14,238,382	2,176,635	16,753,902	33,168,919
Operating Expenses				
Operation and maintenance	15,760,887	2,201,731	20,313,384	38,276,002
Depreciation		174,808	1,514,421	1,689,229
Total Operating Expenses	15,760,887	2,376,539	21,827,805	39,965,231
Operating Loss	(1,522,505)	(199,904)	(5,073,903)	(6,796,312)
Nonoperating revenues				
Intergovernmental contracts/grants			2,809,958	2,809,958
Property tax appropriation			2,877,189	2,877,189
Rental income	71,281		11,040	82,321
Loss on disposal of capital assets			(10,575)	(10,575)
Total nonoperating revenues	71,281		5,687,612	5,758,893
Income (loss) before contributions and transfers	(1,451,224)	(199,904)	613,709	(1,037,419)
Capital contributions - County		289,270	977,798	1,267,068
Transfers In			1,036,267	1,036,267
Transfers Out		(32,750)		(32,750)
Change in net position	(1,451,224)	56,616	2,627,774	1,233,166
Net Position - January 1, as originally reported	7,126,867	2,089,678	38,324,948	47,541,493
Prior period adjustment	402,772			402,772
Net Position - January 1, restated	7,529,639	2,089,678	38,324,948	47,944,265
Net Position - December 31	\$ 6,078,415	\$ 2,146,294	\$ 40,952,722	\$ 49,177,431

COUNTY OF SHEBOYGAN, WISCONSIN
Combining Statement of Cash Flows
Internal Service Funds
For the Year Ended December 31, 2019

Governmental Activities - Internal Service Funds			
Employee Benefits & Insurance	Information Technology & Printing	Highway	Total

Cash flows from operating activities

Receipts from customers and users	\$		\$	9,067,927	\$	9,067,927
Receipts from interfund services provided		11,621,700	2,175,088	7,819,750		21,616,538
Other operating cash receipts		2,614,818	1,976	343,269		2,960,063
Payments to suppliers		(758,145)	(1,484,612)	(12,304,020)		(14,546,777)
Payments for wages and benefits		(14,900,962)	(605,449)	(6,600,286)		(22,106,697)
Payments for interfund services used		(52,885)	(120,213)	(1,984,553)		(2,157,651)
Net cash used by operating activities		(1,475,474)	(33,210)	(3,657,913)		(5,166,597)

Cash flows from noncapital financing activities

Intergovernmental contracts/grants				2,809,958		2,809,958
Property tax appropriation received				2,877,189		2,877,189
Donations						
Rental income		71,281		11,040		82,321
Transfer in				1,036,267		1,036,267
Transfer out			(32,750)			(32,750)
Net cash provided (used) by financing activities		71,281	(32,750)	6,734,454		6,772,985

Cash flows from capital and related financing activities

Proceeds from sale of capital assets				31,885		31,885
Purchases of capital assets				(3,092,120)		(3,092,120)
Net cash used by capital and related financing activities				(3,060,235)		(3,060,235)
Net decrease in cash and cash equivalents		(1,404,193)	(65,960)	16,306		(1,453,847)
Cash and cash equivalents - January 1		8,427,588	1,113,403	2,152,205		11,693,196
Cash and cash equivalents - December 31	\$	7,023,395	\$	1,047,443	\$	2,168,511
				\$		10,239,349

COUNTY OF SHEBOYGAN, WISCONSIN
Combining Statement of Cash Flows (Continued)
Internal Service Funds
For the Year Ended December 31, 2019

Governmental Activities - Internal Service Funds			
Employee Benefits & Insurance	Information Technology & Printing	Highway	Total

**Reconciliation of operating loss
to net cash used
by operating activities:**

Operating loss	\$ (1,522,505)	\$ (199,904)	\$ (5,073,903)	\$ (6,796,312)
Adjustments to reconcile operating loss to net cash used by operating activities:				
Depreciation (net of amortization)		174,808	1,514,421	1,689,229
Change in WRS pension related liabilities (assets)		220,613	2,278,610	2,499,223
Change in WRS pension related deferred outflows		(143,989)	(1,482,153)	(1,626,142)
Change in WRS pension related deferred inflows		(33,653)	(324,565)	(358,218)
Change in other post employment related liabilities (assets)		(7,514)	(44,632)	(52,146)
Change in other post employment related deferred outflows		360	122	482
Change in other post employment related deferred inflows		6,279	66,162	72,441
Changes in assets and liabilities:				
Accounts receivable	(1,865)	1,520	1,528	1,183
Due from external parties		(1,091)	475,517	474,426
Prepays and inventory	4,754	(47,985)	(343,601)	(386,832)
Accounts payable and accrued expenses	10,760	(3,494)	(833,530)	(826,264)
Accrued compensation		(1,196)	16,611	15,415
Accrued compensated absences		2,036	91,500	93,536
Accrued insurance		33,382		33,382
Net cash used by operating activities	<u>\$ (1,475,474)</u>	<u>\$ (33,210)</u>	<u>\$ (3,657,913)</u>	<u>\$ (5,166,597)</u>

Noncash investing, capital and financing activities

Contribution of capital assets - County	\$	289,270	\$	977,798	\$	1,267,068
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Agency Funds

Clerk of Courts Fund – To account for the receipt and disbursement of court-ordered payments to third parties.

Sheriff Inmate Trust – To account for the receipt and disbursement of funds for persons incarcerated in the County jail and eligible for the Huber Law program.

Rocky Knoll Patient Fund – To account for funds deposited by patients and disbursed on their behalf at the Rocky Knoll Health Care Center.

Treasurer Trust Account – To account for collection and payment of funds deposited with the County Treasurer for burial expenses and payment of taxes to other governmental units.

COUNTY OF SHEBOYGAN, WISCONSIN
Statement of Changes in Assets and Liabilities - Fiduciary Fund
Agency Funds
For the Year Ended December 31, 2019

	Balance January 1, 2019	Additions	Deductions	Balance December 31, 2019
Clerk of Courts Fund				
Assets				
Cash & investments	\$ 1,728,558	\$ 5,180,346	\$ 5,572,211	\$ 1,336,693
Total Assets	1,728,558	5,180,346	5,572,211	1,336,693
Liabilities				
Current Liabilities				
Accounts Payable	1,728,558	11,489,204	11,881,069	1,336,693
Total Liabilities	1,728,558	11,489,204	11,881,069	1,336,693
Sheriff Inmate Trust Fund				
Assets				
Cash & investments	81,810	2,474,499	2,461,865	94,444
Total Assets	81,810	2,474,499	2,461,865	94,444
Liabilities				
Current Liabilities				
Deposits	81,810	2,474,499	2,461,865	94,444
Total Liabilities	81,810	2,474,499	2,461,865	94,444
Rocky Knoll Patient Fund				
Assets				
Cash & investments	25,038	459,762	458,548	26,252
Total Assets	25,038	459,762	458,548	26,252
Liabilities				
Current Liabilities				
Deposits	25,038	448,178	446,964	26,252
Total Liabilities	25,038	448,178	446,964	26,252
Treasurer Trust Account				
Assets				
Cash & investments	2,335			2,335
Receivables (net)	251,649	157,631	251,649	157,631
Total Assets	253,984	157,631	251,649	159,966
Liabilities				
Current Liabilities				
Deposits	2,335			2,335
Due to other governments	251,649	157,631	251,649	157,631
Total Liabilities	253,984	157,631	251,649	159,966
All Agency Funds				
Assets				
Cash & investments	1,837,741	8,114,607	8,492,624	1,459,724
Receivables (net)	251,649	157,631	251,649	157,631
Total Assets	2,089,390	8,114,607	8,492,624	1,617,355
Liabilities				
Current Liabilities				
Accounts payable	1,728,558	11,489,204	11,881,069	1,336,693
Deposits	109,183	2,922,677	2,908,829	123,031
Due to other governments	251,649	157,631	251,649	157,631
Total Liabilities	\$ 2,089,390	\$ 14,569,512	\$ 15,041,547	\$ 1,617,355

STATISTICAL SECTION

Statistical Section

This part of Sheboygan County's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and supplementary information says about the overall financial well-being of the county.

Contents

Tables

Financial Trends

I-IV

These schedules contain trend information to help the reader understand how the county's financial performance and well-being have changed over time.

Revenue Capacity

V-VIII

These schedules contain information to help the reader access the county's most significant local revenue source, the property tax.

Debt Capacity

IX-XI

These schedules present information to help the reader assess the affordability of the county's current levels of outstanding debt and the county's ability to issue new debt in the future.

Demographic and Economic Information

XII-XIII

These schedules offer demographic and economic indicators to help the reader understand the environment within which the county's financial activities take place.

Operating Information

XIV-XVI

These schedules contain service and infrastructure data to help the reader understand how the information in the county's financial report relates to the services the county provides and the activities it performs.

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

COUNTY OF SHEBOYGAN, WISCONSIN

**Table I
Net Position by Component
Last Ten Fiscal Years
(Accrual Basis of Accounting)
(000's)**

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Governmental Activities										
Net investment in capital assets	\$ 88,965	\$ 93,177	\$ 94,537	\$ 97,989	\$ 108,499	\$ 113,184	\$ 113,937	\$ 121,726	\$ 129,443	\$ 136,151
Restricted	757	1,995	3,802	2,904	3,215	9,892	3,974	2,777	9,998	702
Unrestricted	12,397	15,022	23,610	28,243	26,174	37,668	42,546	42,699	34,290	39,139
Total Governmental Activities Net Position	\$ 102,119	\$ 110,194	\$ 121,949	\$ 129,136	\$ 137,888	\$ 160,744	\$ 160,457	\$ 167,202	\$ 173,731	\$ 175,992
Business-type Activities										
Net investment in capital assets	\$ 9,651	\$ 9,083	\$ 8,380	\$ 7,899	\$ 7,738	\$ 7,352	\$ 7,483	\$ 7,598	\$ 7,280	\$ 7,332
Restricted						1,088			1,234	
Unrestricted (Deficit)	1,672	(1,060)	(714)	(14)		1,523	3,008	2,875	1,822	3,420
Total Business-type Activities Net Position	\$ 11,323	\$ 8,023	\$ 7,666	\$ 7,885	\$ 7,738	\$ 9,963	\$ 10,491	\$ 10,473	\$ 10,336	\$ 10,752
Total Primary Government										
Net investment in capital assets	\$ 98,616	\$ 102,260	\$ 102,917	\$ 105,888	\$ 116,237	\$ 120,536	\$ 121,420	\$ 129,324	\$ 136,723	\$ 143,483
Restricted	757	1,995	3,802	2,904	3,215	10,980	3,974	2,777	11,232	702
Unrestricted	14,069	13,962	22,896	28,229	26,174	39,191	45,554	45,574	36,112	42,559
Total Primary Government Net Position	\$ 113,442	\$ 118,217	\$ 129,615	\$ 137,021	\$ 145,626	\$ 170,707	\$ 170,948	\$ 177,675	\$ 184,067	\$ 186,744

COUNTY OF SHEBOYGAN, WISCONSIN

**Table II
Changes in Net Position
Last Ten Fiscal Years
(Accrual Basis of Accounting)
(000's)**

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Expenses										
Governmental activities:										
General government	\$ 11,980	\$ 17,749	\$ 13,271	\$ 12,876	\$ 12,042	\$ 14,113	\$ 16,506	\$ 15,380	\$ 14,092	\$ 16,715
Sheriff (formerly Public safety)	19,067	17,060	18,742	18,387	18,372	18,541	21,007	22,182	23,689	25,787
Transportation (formerly Public works)	15,599	16,819	18,678	14,104	15,319	15,972	16,022	17,144	18,630	22,375
Public health and human services	32,133	30,561	30,664	29,859	31,397	31,210	33,763	32,864	34,126	37,969
Resources and development	2,669	2,976	6,384	2,314	4,035	2,913	2,339	3,089	1,972	2,704
UW Ext/UW Campus (formerly Education)	1,372	572	1,220	1,211	1,267	1,213	1,182	1,101	1,103	1,071
Interest on long term debt	1,416	1,091	877	934	1,382	1,106	1,089	1,121	1,223	963
Total governmental activities expenses	84,236	86,828	89,836	79,685	83,814	85,068	91,908	92,881	94,835	107,584
Business-type activities:										
Rocky Knoll	17,489	16,449	14,363	13,620	13,671	13,377	13,572	13,815	13,792	14,457
Total business-type activities expenses	17,489	16,449	14,363	13,620	13,671	13,377	13,572	13,815	13,792	14,457
Total primary government expenses	\$ 101,725	\$ 103,277	\$ 104,199	\$ 93,305	\$ 97,485	\$ 98,445	\$ 105,480	\$ 106,696	\$ 108,627	\$ 122,041
Program Revenues										
Governmental activities:										
Charges for Services:										
General government	\$ 2,873	\$ 2,095	\$ 1,154	\$ 1,616	\$ 1,298	\$ 1,961	\$ 1,914	\$ 2,245	\$ 1,815	\$ 2,261
Sheriff (formerly Public safety)	1,706	1,611	1,159	1,147	1,258	1,334	1,337	1,775	1,660	1,770
Transportation (formerly Public works)	225	4,384	5,995	268	252	349	104	275	279	487
Public health and human services	3,116	2,558	2,259	3,645	3,374	4,063	4,235	4,181	4,285	4,516
Resources and development	90	331	2,118	588	1,312	666	472	519	491	482
UW Ext/UW Campus (formerly Education)	20	23	28	26	26	32	21	20	21	19
Interest on long term debt	547	542	515	512	516	518	519	517	514	515
Operating grants and contributions	27,226	28,396	29,448	24,233	30,474	30,226	28,141	26,095	27,498	29,979
Capital grants and contributions	3,308	2,042	515	2,239	741	223	198	384	302	2,430
Total governmental activities program revenues	\$ 39,111	\$ 41,982	\$ 43,191	\$ 34,274	\$ 39,251	\$ 39,372	\$ 36,941	\$ 36,011	\$ 36,865	\$ 42,459
Business-type activities:										
Charges for Services:										
Rocky Knoll	12,161	11,641	11,573	11,334	11,096	11,306	11,481	11,052	11,158	11,494
Operating grants and contributions	1,156	1,403	1,711	1,194	1,100	1,226	1,142	1,315	2,233	2,268
Capital grants and contributions	44		57	57	191		522			
Total business-type activities program revenues	\$ 13,361	\$ 13,044	\$ 13,284	\$ 12,585	\$ 12,387	\$ 12,532	\$ 13,145	\$ 12,367	\$ 13,391	\$ 13,762
Net (expense) revenue										
Governmental activities	(45,125)	(44,846)	(46,645)	(45,411)	(44,563)	(45,696)	(54,967)	(56,870)	(57,970)	(65,126)
Business-type activities	(4,128)	(3,405)	(1,079)	(1,035)	(1,284)	(845)	(427)	(1,448)	(401)	(695)
Total primary government net expense	\$ (49,253)	\$ (48,251)	\$ (47,724)	\$ (46,446)	\$ (45,847)	\$ (46,541)	\$ (55,394)	\$ (58,318)	\$ (58,371)	\$ (65,821)

COUNTY OF SHEBOYGAN, WISCONSIN

**Table II
Changes in Net Position
Last Ten Fiscal Years
(Accrual Basis of Accounting)
(000's)**

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
General Revenues and Other Changes in Net Position										
Governmental activities:										
Property taxes	\$ 41,873	\$ 44,053	\$ 44,308	\$ 45,126	\$ 45,155	\$ 46,233	\$ 47,548	\$ 47,059	\$ 47,855	\$ 48,684
Sales tax								9,391	10,030	10,821
Other taxes	13	7	13	8	4	11	25	21	29	32
Grants and contributions	5,019	4,214	3,558	3,572	3,862	4,416	3,938	3,901	3,765	3,828
Investment earnings	1,409	1,861	1,886	704	2,380	1,971	1,987	1,848	2,188	2,289
Miscellaneous	1,237	1,555	1,518	1,679	1,915	3,603	1,181	1,972	2,294	1,704
Special item - Other Post Employment Benefit Adjustment				1,062						
Transfers	1,642	1,231		(11)		(1)		(576)	95	(374)
Total governmental activities	51,193	52,921	51,283	52,140	53,316	56,233	54,679	63,616	66,256	66,984
Business-type activities:										
Property taxes	2,354	1,327	687	802	846	835	885	845	671	717
Grants and contributions	45		1	12	262	1	5	1	1	
Investment earnings	(746)	10			1		2	1	1	1
Miscellaneous	51		34	10	28	35	64	6	36	20
Special item - Other Post Employment Benefit Adjustment				419						
Transfers	(1,642)	(1,231)		11		1		576	(95)	373
Total business-type activities	62	106	722	1,254	1,137	872	956	1,429	614	1,111
Total primary government	\$ 51,255	\$ 53,027	\$ 52,005	\$ 53,394	\$ 54,453	\$ 57,105	\$ 55,635	\$ 65,045	\$ 66,870	\$ 68,095
Change in Net Position										
Governmental activities	\$ 6,068	\$ 8,075	\$ 4,638	\$ 6,729	\$ 8,753	\$ 10,537	\$ (288)	\$ 6,746	\$ 8,287	\$ 1,858
Cumulative effect of change in accounting principle			(308)			12,318			(1,758)	
Prior period adjustment			7,426	457						403
Business-type activities	(4,066)	(3,299)	(357)	219	(147)	27	529	(19)	212	416
Cumulative effect of change in accounting principle						2,199		\$	(350)	
Total primary government	\$ 2,002	\$ 4,776	\$ 11,399	\$ 7,405	\$ 8,606	\$ 25,081	\$ 241	\$ 6,727	\$ 6,391	\$ 2,677

COUNTY OF SHEBOYGAN, WISCONSIN
Table III
Fund Balances, Governmental Funds
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)

Note - Starting January 1, 2011, the County implemented GASB #54

	2010
General Fund	
Reserved	\$ 4,496,632
Unreserved	
Undesignated	<u>6,699,183</u>
Total General Fund	11,195,815
All Other Governmental Funds	
Reserved	105,780
Unreserved, Reported in	
Special Revenue	4,172,817
Capital Project	<u>9,993,591</u>
Total All Other Governmental Funds	<u>14,272,188</u>
Total Governmental Funds	<u>\$ 25,468,003</u>

	2011	2012	2013	2014	2015	2016	2017	2018	2019
General Fund									
Nonspendable	\$ 3,884,805	\$ 3,264,149	\$ 2,390,304	\$ 1,610,939	\$ 1,428,033	\$ 1,154,224	\$ 1,005,183	1,041,275	1,075,244
Restricted	449,898	575,873	696,990	798,783	880,688	858,852	791,242	861,662	694,557
Committed	106,249	193,156	130,075	153,424	172,780	153,973	160,012	224,737	182,469
Assigned	491,373	296,114	884,861	524,183	2,643,631	3,767,583	3,344,874	882,577	1,425,764
Unassigned	<u>12,053,878</u>	<u>12,503,137</u>	<u>13,837,437</u>	<u>15,592,319</u>	<u>18,633,273</u>	<u>17,828,037</u>	<u>16,185,605</u>	<u>18,476,704</u>	<u>17,922,130</u>
Total General Fund	<u>16,986,203</u>	<u>16,832,429</u>	<u>17,939,667</u>	<u>18,679,648</u>	<u>23,758,405</u>	<u>23,762,669</u>	<u>21,486,916</u>	<u>21,486,955</u>	<u>21,300,164</u>
All Other Governmental Funds									
Nonspendable	4,514	3,386	3,239	4,446					
Restricted	6,454,266	1,220,854	3,529,076	13,136,812	13,017,557	8,069,238	1,530,317	3,171,362	1,016,397
Committed	91,035						3,140,569	3,578,678	3,479,767
Assigned	1,015,533	1,997,444	3,309,914	564,878	726,904	579,835	719,717	552,641	323,491
Unassigned (Deficit)		(341,591)	(192,432)				(1,129,592)		
Total All Other Governmental Funds	<u>7,565,348</u>	<u>2,880,093</u>	<u>6,649,797</u>	<u>13,706,136</u>	<u>13,744,461</u>	<u>8,649,073</u>	<u>4,261,011</u>	<u>7,302,681</u>	<u>4,819,655</u>
Total Governmental Funds	<u>\$ 24,551,551</u>	<u>\$ 19,712,522</u>	<u>\$ 24,589,464</u>	<u>\$ 32,385,784</u>	<u>\$ 37,502,866</u>	<u>\$ 32,411,742</u>	<u>\$ 25,747,927</u>	<u>\$ 28,789,636</u>	<u>\$ 26,119,819</u>

* 2017 change in All Other Governmental Funds Committed fund balance is due to the implementation of a 5% sales tax in 2017 maintained in the County's Transportation Fund.

COUNTY OF SHEBOYGAN, WISCONSIN
Table IV
Changes in Fund Balances, Governmental Funds
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
REVENUES										
Property taxes	\$ 37,407,898	\$ 39,709,291	\$ 39,860,037	\$ 40,732,916	\$ 41,090,607	\$ 41,792,813	\$ 43,135,516	\$ 43,237,800	\$ 44,883,901	\$ 45,807,258
Other taxes	13,253	11,321	13,456	45,326	3,967	11,496	24,726	9,412,045	10,058,722	10,853,301
Intergovernmental	26,963,208	25,655,129	26,595,361	20,115,255	25,930,635	24,779,280	22,159,823	20,718,403	21,002,275	22,180,829
Licenses and permits	636,825	642,810	684,457	638,499	660,638	667,105	675,737	701,477	748,798	782,043
Fines, forfeits and penalties	390,900	347,215	321,971	298,137	293,855	318,962	330,169	336,949	340,618	308,711
Public charges for services	6,108,140	5,482,940	5,949,188	6,725,264	6,342,810	7,327,394	7,356,665	7,910,938	7,846,079	8,245,930
Capital contributions	351,211	530,904		1,657,631						
Miscellaneous	4,871,100	4,965,385	5,262,851	3,569,390	6,281,723	7,949,315	5,523,990	5,147,588	5,579,336	6,433,529
Total revenues	76,742,535	77,344,995	78,687,321	73,782,418	80,604,235	82,846,365	79,206,626	87,465,200	90,459,729	94,611,601
EXPENDITURES										
Current:										
General government	12,282,498	12,249,378	12,631,381	12,047,936	11,995,998	13,404,576	14,110,906	14,332,710	13,339,756	15,361,497
Sheriff (formerly Public safety)	17,181,813	16,897,512	17,124,160	17,173,428	17,004,800	17,575,231	19,103,312	20,271,273	21,039,840	21,749,165
Transportation (formerly Public works)	517,580	425,726	417,404	401,438	415,655	528,951	476,568	4,420,486	8,422,206	9,339,204
Public health and human services	31,627,594	31,089,131	31,280,061	30,034,786	31,053,474	31,030,377	33,030,480	32,650,434	33,396,735	36,211,861
Resources and development	2,326,357	3,049,303	6,519,403	2,038,584	3,727,078	2,750,605	2,224,613	2,240,090	3,184,194	2,412,130
UW Ext/UW Campus (formerly Education)	647,719	569,657	575,560	574,150	617,580	602,949	565,076	538,075	558,053	613,443
Debt Service										
Principal	8,718,754	5,390,000	5,425,000	5,630,000	6,134,147	6,285,614	5,896,149	5,951,546	6,649,548	6,655,000
Interest and other charges	1,272,110	1,057,895	904,219	932,073	1,328,558	1,129,015	1,079,250	1,103,209	1,216,590	990,043
Capital Outlay	8,126,484	8,917,756	8,686,049	8,614,575	16,462,407	14,458,933	8,456,722	24,932,423	8,006,959	2,991,058
Total expenditures	82,700,909	79,646,358	83,563,237	77,446,970	88,739,697	87,766,251	84,943,076	106,440,246	95,813,881	96,323,401
Excess (deficiency) of revenues over expenditures	(5,958,374)	(2,301,363)	(4,875,916)	(3,664,552)	(8,135,462)	(4,919,886)	(5,736,450)	(18,975,046)	(5,354,152)	(1,711,800)
OTHER FINANCING SOURCES (USES)										
Premium on long term debt issued	135,442			245,928	979,694	453,755	72,745	281,725	292,211	
Long-term debt issued	17,840,000			9,590,000	16,962,040	9,500,000	3,265,000	10,000,000	6,680,000	
Capital leases					26,512		(3,280,000)			
Payment to current noteholder				(1,731,522)	(2,280,000)					
Transfers in	1,695,207	5,309,182	151,656	938,764	4,724,711	2,873,441	1,800,002	7,828,064	6,966,578	2,153,575
Transfers out	(80,541)	(3,924,271)	(114,769)	(958,669)	(4,481,175)	(2,790,228)	(1,212,421)	(5,798,558)	(5,542,928)	(3,111,592)
Total other financing sources (uses)	19,590,108	1,384,911	36,887	8,084,501	15,931,782	10,036,968	645,326	12,311,231	8,395,861	(958,017)
Net change in fund balances	\$ 13,631,734	\$ (916,452)	\$ (4,839,029)	\$ 4,419,949	\$ 7,796,320	\$ 5,117,082	\$ (5,091,124)	\$ (6,663,815)	\$ 3,041,709	\$ (2,669,817)
Debt service as a percentage of noncapital expenditures	13.4%	9.1%	8.6%	9.8%	10.3%	10.1%	9.1%	8.8%	9.8%	9.0%

COUNTY OF SHEBOYGAN, WISCONSIN

Table V

Equalized Value of Taxable Property (1)

Last Ten Fiscal Years

Tax Year Ended December 31	Budget Year Ended December 31	Real Estate				Personal Property	Less: Tax Incremental Districts (2)	Total	General County Tax Rate (3)
		Residential	Commercial	Manufacturing	All Other				
2010	2011	6,667,282,500	1,431,334,200	400,198,000	267,743,400	259,037,400	356,636,800	8,668,958,700	5.2310
2011	2012	6,600,372,700	1,384,228,500	397,180,600	268,411,100	244,287,700	319,048,600	8,575,432,000	5.2774
2012	2013	6,356,373,400	1,361,176,300	406,929,800	264,626,700	262,221,600	221,203,100	8,430,124,700	5.4105
2013	2014	6,162,019,800	1,407,669,500	416,568,200	270,640,300	269,803,300	228,800,800	8,297,900,300	5.5971
2014	2015	6,220,495,100	1,398,486,000	447,610,000	269,485,700	268,686,100	272,900,200	8,331,862,700	5.6423
2015	2016	6,226,857,900	1,404,001,900	457,888,400	284,921,900	271,416,100	264,542,500	8,380,543,700	5.7705
2016	2017	6,303,790,800	1,426,483,400	464,712,800	286,486,200	273,644,300	290,216,200	8,464,901,300	5.6541
2017	2018	6,620,945,700	1,540,226,300	485,009,400	295,514,100	287,150,600	329,522,100	8,899,324,000	5.4522
2018	2019	7,004,274,000	1,641,736,100	500,307,000	301,156,300	258,753,800	384,910,200	9,321,317,000	5.3005
2019	2020	7,381,855,600	1,689,012,100	517,894,300	307,365,600	246,834,700	458,533,700	9,684,428,600	5.2200

Source: Bureau of Property Tax, Wisconsin Department of Revenue

(1) Equalized value is actual value determined by the State of Wisconsin Department of Revenue, Bureau of Property Tax

(2) Equalized values are reduced by tax increment district value increments for apportioning County taxes.

(3) Per \$1,000 value

COUNTY OF SHEBOYGAN, WISCONSIN
Table VI
Direct and Aggregated Overlapping Tax Rates
Last Ten Fiscal Years

MUNICIPALITIES	2010 TAX RATE FOR YEAR 2011	2011 TAX RATE FOR YEAR 2012	2012 TAX RATE FOR YEAR 2013	2013 TAX RATE FOR YEAR 2014	2014 TAX RATE FOR YEAR 2015	2015 TAX RATE FOR YEAR 2016	2016 TAX RATE FOR YEAR 2017	2017 TAX RATE FOR YEAR 2018	2018 TAX RATE FOR YEAR 2019	2019 TAX RATE FOR YEAR 2020
Direct Sheboygan County Tax Rate	\$ 5.23	\$ 5.28	\$ 5.41	\$ 5.60	\$ 5.64	\$ 5.77	\$ 5.65	\$ 5.45	\$ 5.30	\$ 5.22
TOWNSHIPS										
Greenbush	13.59 - 15.35	13.81 - 16.06	14.02 - 16.39	15.22 - 17.95	14.55-17.12	14.76-17.12	14.62-17.18	14.08-16.80	13.05-16.18	13.54-16.03
Herman	14.46 - 18.41	14.14 - 17.28	14.94 - 17.98	15.72 - 18.52	15.11-17.48	15.28-17.15	15.52-17.51	15.08-17.13	14.53-16.89	15.62-17.20
Holland	16.47 - 16.71	16.43 - 16.78	16.79 - 17.05	17.54 - 17.97	17.35-17.74	17.57-18.15	16.44-17.88	16.02-17.20	16.31-16.70	16.18-16.43
Lima	15.24 - 16.05	15.27 - 16.66	16.27 - 16.89	17.72 - 18.78	15.85-17.71	15.52-17.38	15.28-17.26	14.42-16.24	14.38-15.66	14.70-15.40
Lyndon	17.08 - 17.67	16.98 - 18.36	17.67 - 18.67	18.46 - 19.78	17.05-18.79	16.86-18.73	16.83-18.81	16.21-18.04	16.17-17.45	16.46-17.16
Mitchell	15.86 - 16.24	15.88 - 16.45	16.61 - 17.45	17.30 - 18.33	15.51-17.55	15.23-17.59	15.13-17.67	14.72-17.44	15.17-17.21	15.84-17.72
Mosel	18.04 - 18.40	16.87 - 18.02	17.77 - 18.52	18.24 - 18.78	16.75-18.55	16.20-18.14	15.52-17.06	15.45-16.16	14.84-15.55	15.01-15.49
Plymouth	13.80 - 15.31	13.61 -15.30	14.61 -16.08	15.13 - 16.54	13.88-14.60	14.41-14.44	14.28-14.30	13.57-13.79	12.87-13.95	13.37-14.26
Rhine	14.61 - 18.55	14.49 - 17.64	15.23 - 18.18	15.91 - 18.70	15.29-17.13	15.49-17.02	15.25-16.45	14.39-15.87	13.56-15.84	14.09-15.44
Russell	15.58 - 18.04	15.24 -17.88	15.78 -18.20	16.47 - 18.07	16.03-17.61	16.21-17.73	15.90-17.10	14.99-16.47	14.09-15.87	14.48-15.82
Scott	16.41 - 16.62	16.32 -16.53	16.85 -18.22	17.44 - 18.21	15.93-17.45	15.71-17.01	15.43-16.20	14.88-15.73	14.88-15.62	14.94-15.77
Sheboygan	17.35 - 19.22	18.05 -19.68	17.84 -20.13	18.72 - 19.94	17.88-19.55	17.63-19.23	17.42-18.16	16.83-17.37	14.46-16.44	14.97-16.52
Sheboygan Falls	15.33 - 17.77	15.42 -16.96	16.09 -17.26	16.50 - 17.60	15.50-17.37	15.14-17.03	14.79-16.74	14.21-16.03	14.38-15.64	14.88-15.56
Sherman	16.40 - 16.90	16.37 - 16.94	16.91 - 17.24	17.89 - 18.33	16.32-17.85	15.91-17.78	15.65-17.35	15.19-16.88	15.33-16.46	15.66-16.22
Wilson	15.91 - 18.33	15.91 - 18.68	16.39 - 18.75	17.05 - 18.89	16.56-18.61	16.58-18.48	16.28-17.36	15.87-16.71	14.19-16.17	14.37-15.92
VILLAGE										
Adell	21.04	21.09	21.33	21.72	21.47	21.03	20.36	19.71	20.04	19.56
Cascade	18.62	18.57	19.45	20.02	18.07	17.87	17.62	16.92	16.90	17.11
Cedar Grove	21.47	21.42	21.95	22.80	22.62	22.95	22.68	21.95	21.29	20.31
Elkhart Lake	17.57	17.31	17.7	18.53	17.99	18.2	17.86	17.4	16.34	16.87
Glenbeulah	18.11	17.82	19.12	19.71	18.93	19.27	19.44	18.33	17.55	18.09
Howards Grove	19.95	18.92	19.415	20.09	18.66	18.14	17.5	17.34	16.73	16.57
Kohler	18.15 - 20.06	18.45 - 19.95	19.74 - 20.41	21.00 - 22.08	19.14-20.98	19.72-20.46	20.09-20.52	19.10-20.00	17.49-19.10	17.83-19.03
Oostburg	19.95	20.36	21.36	22.44	21.51	21.6	21.4	20.64	20.31	20.12
Random Lake	20.30	20.13	20.51	21.06	21.16	20.58	19.17	19.13	19.43	19.56
Waldo	21.78	22.24	22.53	23.68	22.49	21.91	21.77	20.85	20.40	19.71
CITY										
Plymouth	21.22	21.22	22.19	22.72	20.73	20.28	20.22	19.68	19.65	19.78
Sheboygan	24.66 - 24.97	24.66 - 25.56	24.86 - 25.84	25.24 - 26.48	23.62-26.15	24.45-25.85	24.13-24.89	23.51-23.86	21.11-23.08	21.21-22.75
Sheboygan Falls	19.99	20.59	20.98	22.01	21.79	21.46	21.18	20.25	19.75	19.46

Source: Sheboygan County Treasurer's Office (Tax rate sheet)

COUNTY OF SHEBOYGAN, WISCONSIN

Table VII

**Principal Property Taxpayers
Current Year and Nine Years Ago**

Company	2010			2019		
	Equalized Value	Rank	Percentage of Total County Equalized Value	Equalized Value	Rank	Percentage of Total County Equalized Value
Kohler Co	133,182,900.00	1	1.5363%	150,643,600.00	1	1.5555%
Acuity Insurance Co	43,259,700	2	0.4990%	130,500,000	2	1.3475%
Sargento Foods Inc	19,062,600	7	0.2199%	37,836,800	3	0.3907%
Johnsonville Sausage				33,871,200	4	0.3497%
Wal-Mart Stores Inc	39,971,800	3	0.4611%	26,827,100	5	0.2770%
SNH Medical Office	20,397,400	5	0.2353%	21,693,500	6	0.2240%
Meijer Stores LP				20,294,600	7	0.2096%
OCS Plymouth LLC				17,474,300	8	0.1804%
PJR Properties LLC				14,381,900	9	0.1485%
Blue Harbor Resort	25,408,100	4	0.2931%	13,539,000	10	0.1398%
Bemis Mfg Co.	23,839,200	6	0.2750%			
Nemak (JL French)	15,869,000	8	0.1831%			
Agree LTD Partnership	18,333,600	9	0.2115%			
St Nicholas Hospital	14,809,200	10	0.1708%			
	<u>\$ 354,133,500</u>		<u>4.0851%</u>	<u>\$ 467,062,000</u>		<u>4.8228%</u>
Total Equalized Value Sheboygan County	<u>\$ 8,668,958,700</u>			<u>\$ 9,684,428,600</u>		

Source: Sheboygan County Treasurer's Office for 2010 and 2019

COUNTY OF SHEBOYGAN, WISCONSIN
Table VIII
Property Tax Levied and Collections
Last Ten Fiscal Years

Tax Roll Year	For Fiscal Year Ended December 31	Taxes Levied for Fiscal Year	Collections within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collected To Date	
			Amount	Percentage of Levy		Amount	Percentage of Levy
2009	2010	191,439,278	188,640,599	98.54%	2,798,677	191,439,276	100.00%
2010	2011	197,237,966	194,487,393	98.61%	2,750,571	197,237,964	100.00%
2011	2012	195,917,128	193,671,580	98.85%	2,244,474	195,916,054	100.00%
2012	2013	194,572,586	192,894,815	99.14%	1,676,591	194,571,406	100.00%
2013	2014	197,644,230	196,326,845	99.33%	1,315,066	197,641,911	100.00%
2014	2015	193,689,789	192,549,556	99.41%	1,131,684	193,681,240	100.00%
2015	2016	194,144,196	193,200,662	99.51%	935,549	194,136,211	100.00%
2016	2017	191,324,730	190,404,311	99.52%	740,762	191,145,073	99.91%
2017	2018	195,371,642	194,514,150	99.56%	429,967	194,944,117	99.78%
2018	2019	198,283,746	197,382,206	99.55%	-	197,382,206	99.55%

Source: Sheboygan County Treasurer's Office - Delinquent Certificate Balances Report

COUNTY OF SHEBOYGAN, WISCONSIN
Table IX
Ratio of Debt by Type Outstanding and General Bonded Debt
Last Ten Fiscal Years

YEAR	Governmental Activities					TOTAL ALL DEBT	EQUALIZED VALUE (000's) (2)	RATIO OF DEBT TO TOTAL EQUALIZED VALUE	ESTIMATED POPULATION	PER CAPITA INCOME \$	PERCENTAGE OF PERSONAL INCOME (1)	DEBT PER CAPITA
	GENERAL OBLIGATION BONDS	GENERAL OBLIGATION NOTES	CAPITAL LEASES	NOTE PAYABLE	BOND PREMIUM							
2010	7,965,000	27,235,000			323,699	35,523,699	8,668,959	0.41%	115,507	38,516	0.80%	307.55
2011	7,170,000	22,640,000	530,904		272,430	30,613,334	8,575,432	0.36%	115,569	39,910	0.66%	264.89
2012	6,370,000	18,015,000	377,178		221,292	24,983,470	8,430,125	0.30%	114,973	44,779	0.49%	217.30
2013	5,540,000	21,100,000	223,452		375,028	27,238,480	8,297,900	0.33%	114,922	46,508	0.51%	237.02
2014	4,670,000	30,510,000	135,817	122,040	1,161,656	36,599,513	8,331,863	0.44%	115,290	46,328	0.69%	317.46
2015	3,785,000	34,850,000	17,243		1,434,422	40,086,665	8,380,544	0.48%	115,569	45,896	0.76%	346.86
2016	6,130,000	26,600,000	11,094		1,225,483	33,966,577	8,464,901	0.40%	115,427	47,930	0.61%	294.27
2017	3,895,000	32,890,000	4,548		1,257,294	38,046,842	8,899,324	0.43%	115,344	50,081	0.66%	329.86
2018	1,630,000	35,190,000			1,260,171	38,080,171	9,321,317	0.41%	115,456	52,851	0.62%	329.82
2019		30,165,000			1,027,720	31,192,720	9,684,429	0.32%	115,340	*	*	270.44

YEAR	TOTAL GROSS BONDED DEBT	LESS DEBT SERVICE FUND @	TOTAL NET BONDED DEBT	NET DEBT		
				TO TOTAL EQUALIZED VALUE	PERCENTAGE OF PERSONAL INCOME	PER CAPITA
2010	35,523,699	86,385	35,437,314	0.41%	0.80%	306.80
2011	30,082,430	46,471	30,035,959	0.35%	0.65%	259.90
2012	24,606,292	45,249	24,561,043	0.29%	0.48%	213.62
2013	27,015,028	(192,432)	27,207,460	0.33%	0.51%	236.75
2014	36,341,656	184,989	36,156,667	0.43%	0.68%	313.61
2015	40,069,422	651,997	39,417,425	0.47%	0.74%	341.07
2016	33,955,483	961,740	32,993,743	0.39%	0.60%	285.84
2017	38,042,294	544,083	37,498,211	0.42%	0.65%	325.10
2018	38,080,171	331,606	37,748,565	0.40%	0.62%	326.95
2019	31,192,720	155,131	31,037,589	0.32%	*	269.10

Sources:

(1) - See Table XII - Demographic and Economic Statistics

(2) - Equalized values are reduced by tax increment district value increments for apportioning County taxes.

* Information not available

@ Amount available for repayment of governmental general obligation bonds

COUNTY OF SHEBOYGAN, WISCONSIN

Table X

Legal Debt Margin Information

Last Ten Fiscal Years

	2010	2011	2012	2013	2014
Equalized Value	\$ 8,668,958,700	\$ 8,575,432,000	\$ 8,651,327,800	\$ 8,526,701,100	\$ 8,604,762,900
Debt Limit - 5% of Equalized Value (Wisconsin Statutory Limitation)	433,447,935	428,771,600	432,566,390	426,335,055	430,238,145
Amount of Debt Applicable to Debt Limitation	35,200,000	30,340,904	24,762,178	26,863,452	35,180,000
Less: Amount Available in Debt Service Funds	86,385	86,385	45,249		184,989
Net Debt Applicable to the Debt Margin	35,113,615	30,254,519	24,716,929	26,863,452	34,995,011
Legal Debt Margin (Debt Capacity)	\$ 398,334,320	\$ 398,517,081	\$ 407,849,461	\$ 399,471,603	\$ 395,243,134
Percent of Debt Capacity Used	8.10%	7.06%	5.71%	6.30%	8.13%

	2015	2016	2017	2018	2019
Equalized Value	\$ 8,645,086,200	\$ 8,755,117,500	\$ 9,228,846,100	\$ 9,706,227,200	\$ 10,142,962,300
Debt Limit - 5% of Equalized Value (Wisconsin Statutory Limitation)	432,254,310	437,755,875	461,442,305	\$ 485,311,360	\$ 507,148,115
Amount of Debt Applicable to Debt Limitation	38,635,000	32,730,000	36,785,000	\$ 36,820,000	\$ 30,165,000
Less: Amount Available in Debt Service Funds	651,997	961,740	544,083	331,606	155,131
Net Debt Applicable to the Debt Margin	37,983,003	31,768,260	36,240,917	36,488,394	30,009,869
Legal Debt Margin (Debt Capacity)	\$ 394,271,307	\$ 405,987,615	\$ 425,201,388	\$ 448,822,966	\$ 477,138,246
Percent of Debt Capacity Used	8.79%	7.26%	7.85%	7.52%	5.92%

COUNTY OF SHEBOYGAN, WISCONSIN
Table XI
Computation of Direct, Overlapping and Underlying Debt
December 31, 2019

	Number of Entities	Amount of Debt	Applicable to Sheboygan County	
			Percent*	Amount
Sheboygan County				
General obligation debt				\$ 30,165,000
Bond premium				<u>1,027,720</u>
Total Direct Debt				<u>31,192,720</u>
OVERLAPPING DEBT:				
Lakeshore VTAE District	1	\$ 25,980,000	62.40%	16,211,520
Moraine Park Technical College District	1	<u>23,545,000</u>	0.03%	<u>7,064</u>
Total Overlapping Debt	2	<u>49,525,000</u>	32.75%	<u>16,218,584</u>
UNDERLYING DEBT:				
Cities	3	\$ 51,600,000	100%	51,600,000
Villages	10	23,023,835	100%	23,023,835
Townships	15	2,121,599	100%	2,121,599
School Districts	13	213,417,062	varies	139,419,763
Sanitary Districts	4	<u>900,098</u>	100%	<u>900,098</u>
Total Underlying Debt	45	<u>\$ 291,062,594</u>	varies	<u>217,065,295</u>
TOTAL DIRECT, OVERLAPPING AND UNDERLYING DEBT				<u><u>\$ 264,476,599</u></u>

Source: EMMA website

Note: This summary may not reflect all of the County's outstanding overlapping and underlying indebtedness

*Sheboygan County - Overlap percentage is based upon the number of Sheboygan County residents served as a percentage of total population served.

COUNTY OF SHEBOYGAN, WISCONSIN
Table XII
Demographic and Economic Statistics
Last Ten Fiscal Years

Fiscal Year	Population	Personal Income in 000's	Per Capita Personal Income	Unemployment Rate
2010	115,507	4,447,253	38,516	8.20%
2011	115,569	4,595,577	39,910	6.90%
2012	114,973	5,148,376	44,779	6.10%
2013	114,922	5,344,757	46,508	5.00%
2014	115,290	5,341,196	46,328	3.80%
2015	115,569	5,304,168	45,896	3.40%
2016	115,427	5,532,445	47,930	3.10%
2017	115,344	5,776,492	50,081	2.30%
2018	115,456	6,101,981	52,851	2.30%
2019	115,340	*	*	2.60%

Source: Population - US Census Bureau (estimate)

Personal Income - U.S Bureau of Economic Analysis per ALFRED

Unemployment Rate - Bureau of Labor Statistics for Sheboygan County, WI extracted March 31, 2020 for December 2019

* Information not available

COUNTY OF SHEBOYGAN, WISCONSIN

Table XIII

Principal Employers

Current Year and Nine Years Ago

	2019			2010	
	<u>Estimated Employment</u>	<u>Rank</u>	<u>Percentage of Total County Employment</u>	<u>Estimated Employment</u>	<u>Rank</u>
Kohler Co	6,935	1	11.4%	5,000	1
Bemis Manufacturing	2,200	2	3.6%	1,800	2
Sargento Foods	1,500	3	2.5%		
Vollrath Co LLC	1,459	4	2.4%		
Aurora Medical Group	1,416	5	2.3%	600	10
Sheboygan Area School District	1,294	6	2.1%	1,432	3
County of Sheboygan	880	7	1.4%	894	7
Acuity Mutual Insurance CO.	850	8	1.4%		
Lakeland University	737	9	1.2%		
St Nicholas Hospital	700	10	1.2%	848	8
Nemak (JL French)				1,325	4
Johnsonville Sausage LLC				933	5
Piggly Wiggly				900	6
Sheboygan Clinic (Aurora)				750	9
Total Estimated County Workforce	60,696				

Source: Quarles & Brady LLP for 2019 and Robert W. Baird for 2010. Estimated County Workforce from Department of Workforce Development website data search for December 2019.

COUNTY OF SHEBOYGAN, WISCONSIN

Table XIV

**Full-time Equivalent County Employees ⁽¹⁾
Last Ten Fiscal Years**

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
General Government	170	169	127	122	119	123	124	125	125	120
County Treasurer	7	10	6	6	5	7	7	7	7	7
Register of Deeds	8	7	7	7	7	7	7	7	7	7
Finance	10	10	15	15	17	15	15	18	17	17
Medical Examiner	6	7	4	4	1	2	2	2	1	1
County Board	36	36	5	4	3	3	3	3	3	3
Court Commissioner	3	3	3	4	5	3	3	3	3	3
Clerk of Courts	28	27	24	22	23	24	24	23	24	23
District Attorney	15	14	13	13	13	13	14	14	14	13
County Clerk	4	4	4	4	4	4	4	4	3	3
Building Services	31	29	30	29	29	30	30	29	30	29
Human Resources	4	4	4	4	4	5	5	5	5	4
Corporation Counsel	1	1	1	1	1	1	1	1	1	1
County Administrator	2	2	2	2	2	2	2	2	2	2
Information Technology	15	15	9	7	5	7	7	7	8	7
Public Safety	177	171	166	168	170	179	186	191	186	199
Public Works	111	102	90	86	82	86	93	93	94	99
Public Health and Human Services	204	207	189	198	198	195	195	194	185	195
Resources and Development	27	26	15	15	14	14	14	15	13	16
Education	4	3	3	3	3	4	4	3	3	3
Health Care Center	264	256	170	158	146	145	137	141	140	138
Total	957	934	760	750	732	746	753	762	746	770

Source: Sheboygan County Payroll Records

(1) Data shown for 2010 - 2011 represent employee head count. Data shown for 2012 - 2019 represent full-time equivalent (FTE).

COUNTY OF SHEBOYGAN, WISCONSIN
Table XV
Operating Indicators by Program/Function
Last Ten Fiscal Years

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Police										
Prisoners bookings - Adult	4,266	4,093	4,591	3,706	3,742	3,424	3,335	3,411	3,466	3,514
Prisoners bookings - Juvenile	355	385	318	351	274	430	392	455	400	318
Total complaints (1)	33,499		33,221	40,292	39,426	42,814	46,523	31,428	78,113	87,680
Courts										
Case filings	15,294	13,276	14,060	13,312	13,180	13,638	15,389	15,395	14,388	13,547
Criminal cases	2,737	2,273	2,303	2,371	2,330	2,270	2,217	2,190	2,205	2,308
Non-criminal cases	6,044	5,009	5,646	4,848	5,589	6,579	7,823	7,703	6,821	5,717
Jury trials	41	38	37	29	38	42	33	45	39	42
Family Court Commissioner hearings	771	752	920	989	984	874	835	881	879	692
Mediation referrals	297	270	262	272	252	207	228	232	203	193
Medical Examiner										
Death Investigations	508	523	568	543	262	265	282	266	261	326
Cremations Permits Issued	407	471	502	539	540	577	625	628	673	702
Register of Deeds										
Real estate documents processed	27,057	23,950	29,308	27,819	19,056	21,030	22,399	21,609	20,792	21,060
Vital records filed	3,215	3,290	3,255	3,385	3,016	3,329	3,269	3,141	3,215	3,169
Military discharge records	133	122	150	122	94	83	42	35	45	49
Genealogical searches	727	682	735	717	437	326	363	379	378	353
Planning and Conservation										
Sanitary permits	142	145	137	161	183	180	170	167	152	168
Shoreland permits	83	56	68	87	88	94	106	91	134	138
Certified Survey Maps Reviewed	40	33	45	38	46	46	48	46	51	42
County Clerk										
Marriage Licenses/Domestic Partnerships	620	612	664	669	670	667	631	642	621	601
Passport Applications	770	636	827	844	876	973	844	1,311	1,154	1,028
Public Health & Human Services										
Senior Meals Provided	51,889	52,146	57,146	53,232	53,358	51,083	48,046	46,533	47,391	41,531
Health Inspections	836	1,178	934	846	959	909	718	1,000	1,053	1,098
Child Abuse and Neglect Referrals	1,125	1,109	1,196	1,243	1,092	1,172	1,071	1,268	1,204	1,272
Average WIC Participants per Month	2,284	2,186	2,197	2,127	1,952	1,887	1,823	1,771	1,719	1,616
Communicable Disease Cases (Confirmed)	624	612	616	638	596	550	707	903	818	909
Immunizations Given (2) (3)	12,234	6,853	5,047	2,194	1,418	508	73	10	-	-
Health Care Centers										
Total Patient Days	58,480	53,975	52,233	48,815	47,081	47,162	49,166	48,715	46,204	47,109
Patient Meals Served	168,534	153,888	151,710	131,982	140,361	141,006	146,531	145,635	138,612	141,327
Highway										
Miles of roads resurfaced	14	27	25	20	18	11	13	32	30	30
Miles of roads seal coated	8	10	11	13	-	14	14	13	15	15
Asphalt Produced (tons)	48,500	74,161	76,737	68,336	38,479	64,558	62,848	135,791	143,713	133,875
Gravel Production (tons)	180,002	109,810	168,889	150,514	168,668	163,289	207,076	210,040	294,535	341,032

(1) In 2011, crime record software was replaced with new system and were unable to retrieve information.

(2) Reduction in immunizations reflects revised program eligibility rules

(3) Due to changes in health care and funding rules, immunizations are now expected to be provided by primary care physicians.

The Lakeshore Community Health Center provides backup for families who do not have a medical home or health insurance.

Source: Sheboygan County Department Annual Reports and Sheboygan County Department Internal Reports

COUNTY OF SHEBOYGAN, WISCONSIN

Table XVI

**Capital Assets by Functional Area
Last Ten Fiscal Years**

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
General Government										
Buildings (excludes Public Safety and Business-type operations)	5	5	5	5	5	5	5	5	5	5
Public Safety										
Facilities	2	2	2	2	2	2	2	2	2	2
Jail Capacity	314	314	314	314	314	314	314	314	314	314
Squads (includes marked and unmarked)	43	43	42	42	42	45	45	45	45	38
Health Care Centers										
Facilities	1	1	1	1	1	1	1	1	1	1
Number of Beds	195	175	165	157	155	154	149	149	149	149
Highway										
County lane miles	451	451	451	451	451	451	451	451	451	451
Garages/Shops	7	6	6	6	6	6	6	4	4	4
County bridges	76	76	76	76	75	75	75	75	77	77

Source: Sheboygan County Department Annual Reports and Sheboygan County Department Internal Reports