

**COUNTY OF SHEBOYGAN,  
WISCONSIN**

**COMPREHENSIVE ANNUAL FINANCIAL  
REPORT**

**FOR THE YEAR ENDED**

**DECEMBER 31, 2020**



**WISCONSIN**

COUNTY OF SHEBOYGAN, WISCONSIN  
COMPREHENSIVE ANNUAL FINANCIAL REPORT  
FOR THE YEAR ENDED DECEMBER 31, 2020

PREPARED BY:

Sheboygan County Finance Department

**COUNTY OF SHEBOYGAN, WISCONSIN**  
**For the Year Ended December 31, 2020**

**TABLE OF CONTENTS**

<b>I. Introductory Section</b>	<b>Page No(s).</b>
a. Letter of Transmittal.....	2-5
b. GFOA Certificate of Achievement.....	6
c. Organizational Chart .....	7
d. Sheboygan County Board of Supervisors.....	8
e. Sheboygan County Offices and Departments.....	9
<b>II. Financial Section</b>	
a. Independent Auditors’ Report .....	11-13
b. Management’s Discussion and Analysis .....	14-26
c. Basic Financial Statements:	
Government-Wide Financial Statements:	
Statement of Net Position.....	27
Statement of Activities .....	28
Fund Financial Statements	
Balance Sheet – Governmental Funds.....	29-30
Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds.....	31-32
Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – General Fund.....	33-36
Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – Public Health and Human Services.....	37
Statement of Net Position – Proprietary Funds .....	38-39
Statement of Revenues, Expenses and Changes in Net Position – Proprietary Funds.....	40-41
Statement of Cash Flows – Proprietary Funds .....	42-43
Statement of Fiduciary Net Position – Fiduciary Funds .....	44
Statement of Changes in Fiduciary Net Position – Fiduciary Funds.....	45
Notes to the Financial Statements .....	46-84
d. Required Supplementary Information	
Schedule of Proportionate Share of Net Pension Liability (Asset) – Wisconsin Retirement System .....	86
Schedule of Contributions – Wisconsin Retirement System.....	87
Schedule of Proportionate Share of the Net OPEB Liability – Local Retiree Life Insurance Fund .....	88
Schedule of Contributions – Local Retiree Life Insurance Fund .....	89
e. Supplementary Information	
Combining Balance Sheet – Nonmajor Governmental Funds.....	92
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Governmental Funds .....	93
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – Debt Service .....	95

**COUNTY OF SHEBOYGAN, WISCONSIN**  
**For the Year Ended December 31, 2020**

**TABLE OF CONTENTS (Continued)**

Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – Capital Projects.....	97
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – Transportation .....	99
Combining Statement of Net Position – Internal Service Funds .....	101
Combining Statements of Revenues, Expenses and Changes in Net Position – Internal Service Funds.....	102
Combining Statement of Cash Flows – Internal Service Funds .....	103-104
Combining Statement of Fiduciary Net Position – Fiduciary Funds – Other Custodial Funds .....	106
Combining Statement of Changes in Fiduciary Net Position – Fiduciary Funds – Other Custodial Funds .....	107

**III. Statistical Section**

Table I – Net Position by Component.....	110
Table II – Changes in Net Position .....	111-112
Table III – Fund Balances, Governmental Funds .....	113
Table IV – Changes in Fund Balances, Governmental Funds .....	114
Table V – Equalized Value of Taxable Property .....	115
Table VI– Direct and Aggregated Overlapping Tax Rates .....	116
Table VII – Principal Property Taxpayers .....	117
Table VIII – Property Tax Levied and Collections.....	118
Table IX – Ratio of Debt by Type Outstanding.....	119
Table X – Legal Debt Margin Information.....	120
Table XI – Computation of Direct, Overlapping and Underlying Debt .....	121
Table XII – Demographic and Economic Statistics .....	122
Table XIII – Principal Employers.....	123
Table XIV – Full-time Equivalent County Employees.....	124
Table XV – Operating Indicators by Program/Function.....	125
Table XVI – Capital Assets by Functional Area.....	126

## **INTRODUCTORY SECTION**



# SHEBOYGAN COUNTY

**Wendy A. Charnon**  
*Finance Director*

**Jeremy Fetterer**  
*Deputy Finance Director*

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June 29, 2021

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 of Sheboygan County, Wisconsin for the fiscal year ended December 31, 2020.

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, 2020 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 and State Awards 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, 2020 was 4.2%.

Economic signs continue to be positive as we move into 2021. 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 opened another major golf course with a 10-hole, par-3 course experience. The John Michael Kohler Arts Center completed construction on their \$40 million-dollar Art Preserve. Rockline Industries is planning a \$19.7 million expansion which will double their production of disinfecting wet wipes. Wisconsin regulators approved construction of 1,400-acre Sheboygan County solar farm in the town of Holland which will produce enough electricity to supply nearly 40,000 homes. Masters Gallery Foods partnered with Oostburg School District to support ongoing capital improvements in the district. Sartori Cheese began a 22,000 square foot expansion of their Sartori Whey Converting facility in Plymouth. Johnsonville Sausage completed construction for an expansion of their corporate headquarters in Sheboygan Falls in 2020 and has recently purchased a factory in the Sheboygan Industrial district to expand their premiere breakfast sausage lines.

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 \$24,609,976 of projects over the next five years. Long-term financing is projected to fund approximately \$20.6 million. The balance will be funded by State and Federal dollars, donations and other internal funding sources. In 2021, the County has funded new construction on the old plank road trail, updates to UW-Green Bay – Sheboygan Campus entrance road and green space, the start of the detention center alternatives expansion, Health and Human Services software upgrade, replacement of firewalls, 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. Due to COVID and the uncertainty it would have on the sales tax revenues in 2020, the County adjusted its budget of 30 miles of road enhancements to completing approximately 15 miles and incorporating more municipal work into their plan. In 2019, sales tax revenues were able to contribute to the completion of 31 miles of roadway repairs and reconstruction. In addition, the County instituted a revenue sharing program with the municipalities of the County to aid in their transportation needs. \$1,602,107 and \$1,500,000 was distributed to the municipalities based on their equalized value in the 2020 and 2019 fiscal years, respectively.

The County completed 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 2020. The funds are part of the reimbursement to the general fund for the purchase of the Amsterdam Dunes.

***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 2020, unassigned fund balance is at 25.59%.

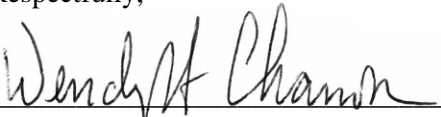
***Awards and Acknowledgements***

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, 2019. This is the seventh 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 2020 audit of Sheboygan County. In addition, I would like to recognize CliftonLarsonAllen 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**

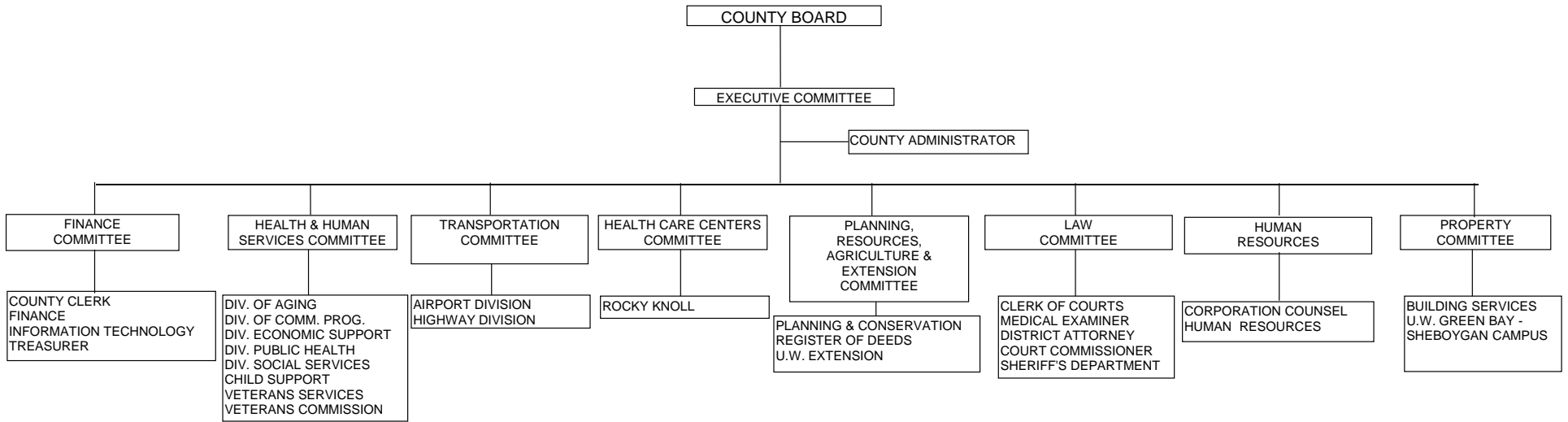
For its Comprehensive Annual  
Financial Report  
For the Fiscal Year Ended

December 31, 2019

*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 ..... Chris Nehring  
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

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, 2020, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

### **MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS**

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

### **AUDITORS' RESPONSIBILITY**

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. 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, 2020, 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.

## **EMPAHSIS OF MATTER**

As discussed in Note A.3 to the financial statements, the County adopted new accounting guidance, GASB Statement No. 84, *Fiduciary Activities*. 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 86 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.

*CliftonLarsonAllen LLP*

**CliftonLarsonAllen LLP**

Sheboygan, Wisconsin  
June 29, 2021

**COUNTY OF SHEBOYGAN, WISCONSIN**  
**Management's Discussion and Analysis**  
**(Unaudited)**  
**December 31, 2020**

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, 2020.

**FINANCIAL HIGHLIGHTS**

- The assets and deferred outflows of resources of the County exceeded liabilities and deferred inflows of resources as of December 31, 2020 by \$197,734,310 (*net position*). Of this amount, \$38,157,862 (*unrestricted*) may be used to meet ongoing obligations to citizens and creditors.
- The County's total net position increased by \$10,990,310 primarily influenced by capital asset additions exceeding depreciation expense by \$2,469,471 and issuance of \$8,913,000 of GO debt. Also, in response to the pandemic the County made cost reductions to structural projects, meals, travel, training, furniture expenses, and the delay of capital outlay projects not in progress at a cost reduction of \$720,000.
- The property tax rate decreased \$0.0758 per \$1,000 of property value from the year ended December 31, 2020. A significant part of the 2020 levy rate decrease resulted from the 3.90% increase in equalized property value.
- As of December 31, 2020, the County's governmental funds reported combined ending fund balances of \$33,622,345 an increase of \$7,502,526. This was primarily due to the bonding issued in May 2020 for activities in the Capital Projects fund and the increase in fund balance of the Transportation Fund. The General Fund reported a transfer of excess fund balance from Health & Human Services of \$1,699,365.
- As of December 31, 2020, assigned and unassigned fund balance of the General Fund was \$22,513,974, or approximately 55% of total general fund expenditures.
- The County's total outstanding general obligation debt decreased \$1,272,000.
- The financial statements for the year ended December 31, 2020 reflect a net pension asset of \$9,309,530 along with deferred outflows of resources of \$21,598,806 and deferred inflows of resources of \$27,915,351 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, 2020**

**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, 2020**

considered to be major funds. Data from the Sheboygan County Industrial Development and Revolving Loan Agency, Inc. 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 44-45 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 46-84 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 86-89, supplementary information can be found on pages 92-107, 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 \$197,734,310 at the close of 2020.

**COUNTY OF SHEBOYGAN, WISCONSIN**  
**Management's Discussion and Analysis**  
**(Unaudited)**  
**December 31, 2020**

**Net Position**

December 31, 2020 and 2019  
(Amounts expressed in \$1,000)

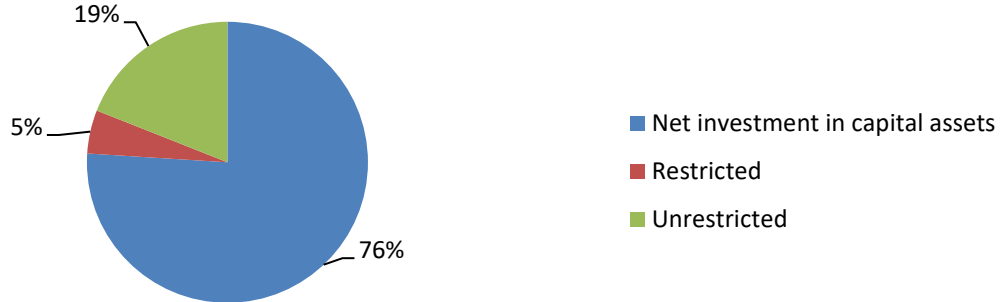
	Governmental Activities		Business-type Activities		Total	
	2020	2019	2020	2019	2020	2019
<b>Assets</b>						
Current and other assets	\$ 121,781	\$ 106,562	\$ 7,205	\$ 5,538	\$ 128,986	\$ 112,100
Capital assets	169,981	166,737	7,366	7,332	177,347	174,069
<b>Total Assets</b>	<b>291,762</b>	<b>273,299</b>	<b>14,571</b>	<b>12,870</b>	<b>306,333</b>	<b>286,169</b>
<b>Deferred Outflows of Resources</b>	<b>19,804</b>	<b>24,280</b>	<b>3,138</b>	<b>3,919</b>	<b>22,942</b>	<b>28,199</b>
<b>Liabilities</b>						
Current and other liabilities	11,121	11,244	555	613	11,676	11,857
Long-term liabilities	38,732	47,805	1,145	2,512	39,877	50,317
<b>Total Liabilities</b>	<b>49,853</b>	<b>59,049</b>	<b>1,700</b>	<b>3,125</b>	<b>51,553</b>	<b>62,174</b>
<b>Deferred Inflows of Resources</b>	<b>75,117</b>	<b>62,538</b>	<b>4,871</b>	<b>2,912</b>	<b>79,988</b>	<b>65,450</b>
<b>Net Position</b>						
Net investment in capital assets	142,240	136,151	7,366	7,332	149,606	143,483
Restricted	8,685	702	1,285		9,970	702
Unrestricted	35,671	39,139	2,487	3,420	38,158	42,559
<b>Total Net Position</b>	<b>\$ 186,596</b>	<b>\$ 175,992</b>	<b>\$ 11,138</b>	<b>\$ 10,752</b>	<b>\$ 197,734</b>	<b>\$ 186,744</b>

The largest portion of the County's net position (76%) reflects its net investment of \$149.6 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, 5%, 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, \$38.2 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, 2020**

**Primary Government Net Position at 2020**



**Changes in Net Position**

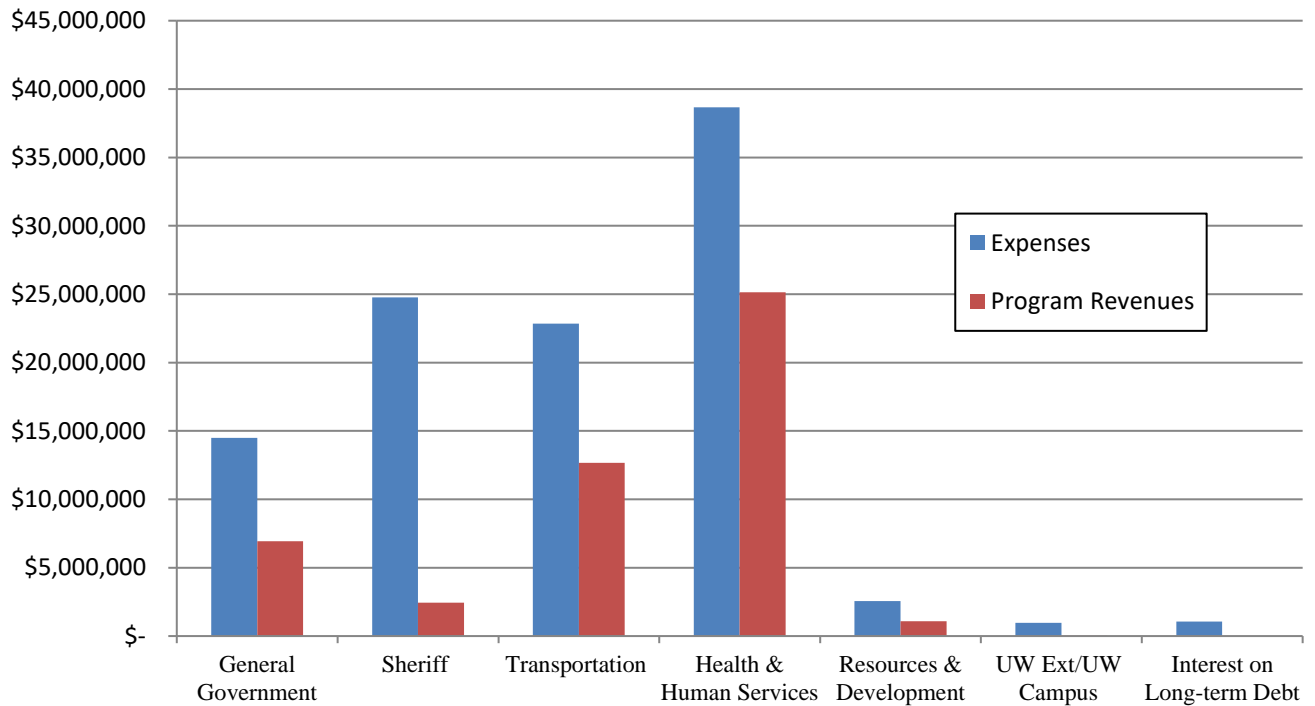
For the Years Ended December 31, 2020 and 2019  
(Amounts expressed in \$1,000)

	Governmental Activities		Business-type Activities		Total	
	2020	2019	2020	2019	2020	2019
<b>Revenues</b>						
Program revenues:						
Charges for services	\$ 10,197	\$ 10,049	\$ 11,002	\$ 11,494	\$ 21,199	\$ 21,543
Operating grants & contributions	36,031	29,979	2,905	2,268	38,936	32,247
Capital grants and contributions	2,065	2,430			2,065	2,430
Total program revenues	48,293	42,458	13,907	13,762	62,200	56,220
General revenues:						
Property tax	49,788	48,684	826	717	50,614	49,401
Other taxes	10,311	10,854			10,311	10,854
Nonspecific grants and contributions	3,701	3,828	46		3,747	3,828
Investment earnings	1,474	2,289		1	1,474	2,290
Gain on disposal of capital assets	367	68	3	13	370	81
Miscellaneous	2,198	1,635	27	7	2,225	1,642
Total general revenues	67,839	67,358	902	738	68,741	68,096
<b>Total Revenues</b>	<b>116,132</b>	<b>109,816</b>	<b>14,809</b>	<b>14,500</b>	<b>130,941</b>	<b>124,316</b>
<b>Expenses:</b>						
General government	14,486	16,715			14,486	16,715
Sheriff	24,775	25,787			24,775	25,787
Transportation	22,839	22,375			22,839	22,375
Public health and human services	38,669	37,969			38,669	37,969
Resources and development	2,547	2,704			2,547	2,704
UW Ext/UW Campus	964	1,071			964	1,071
Interest on long-term debt	1,065	963			1,065	963
Health care centers			14,606	14,457	14,606	14,457
<b>Total Expenses</b>	<b>105,345</b>	<b>107,584</b>	<b>14,606</b>	<b>14,457</b>	<b>119,951</b>	<b>122,041</b>
Excess(deficiency) before transfers	10,787	2,232	203	43	10,990	2,275
Transfers	(183)	(374)	183	374		
<b>Change in net position</b>	<b>10,604</b>	<b>1,858</b>	<b>386</b>	<b>417</b>	<b>10,990</b>	<b>2,275</b>
Net Position - January 1	175,992	174,134	10,752	10,335	186,744	184,469
<b>Net Position - December 31</b>	<b>\$ 186,596</b>	<b>\$ 175,992</b>	<b>\$ 11,138</b>	<b>\$ 10,752</b>	<b>\$ 197,734</b>	<b>\$ 186,744</b>

**COUNTY OF SHEBOYGAN, WISCONSIN**  
**Management's Discussion and Analysis**  
**(Unaudited)**  
**December 31, 2020**

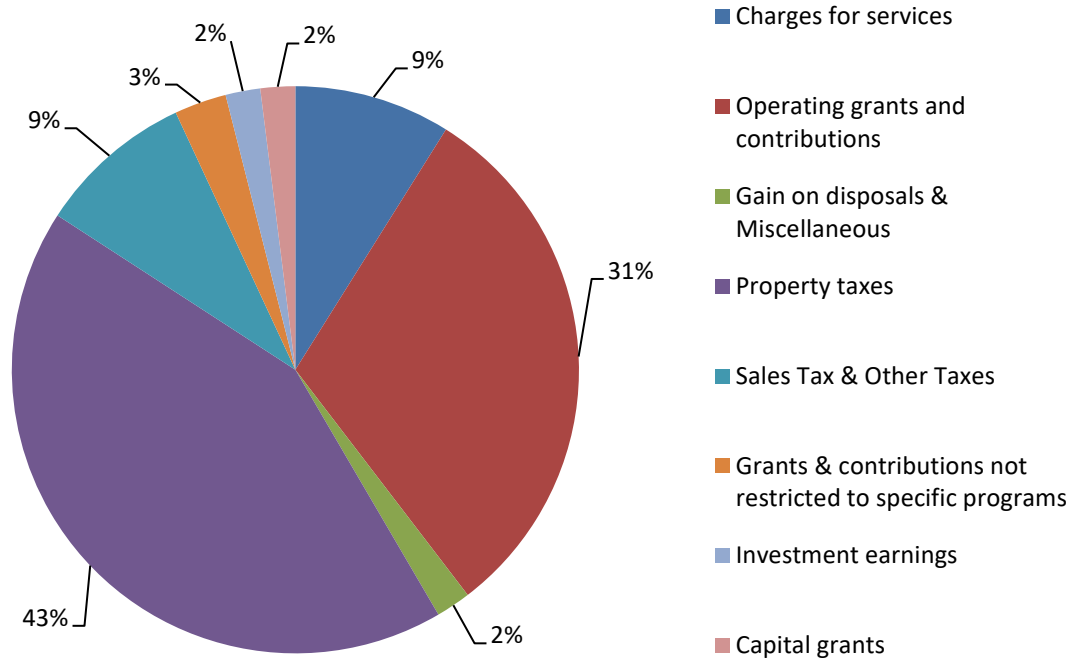
**Governmental activities:** Governmental activities increased the County's net position by \$10,603,838. Influencing factors to net position by the governmental activities were:

- Projects not completed in 2020 that will carry over to 2021 resulted in less expenses of \$720,000.
- Health and Human Services had a successful response to the pandemic and reported excess revenues over expenses of \$2,268,592. Even while Public Health expenses increased by about \$861,000 along with increased expenses for Community Programs by \$905,000.
- The Transportation fund experienced less expenses and reported a positive change to net position of \$2,452,009.



**COUNTY OF SHEBOYGAN, WISCONSIN**  
**Management's Discussion and Analysis**  
**(Unaudited)**  
**December 31, 2020**

**Revenues by Source - Governmental Activities**

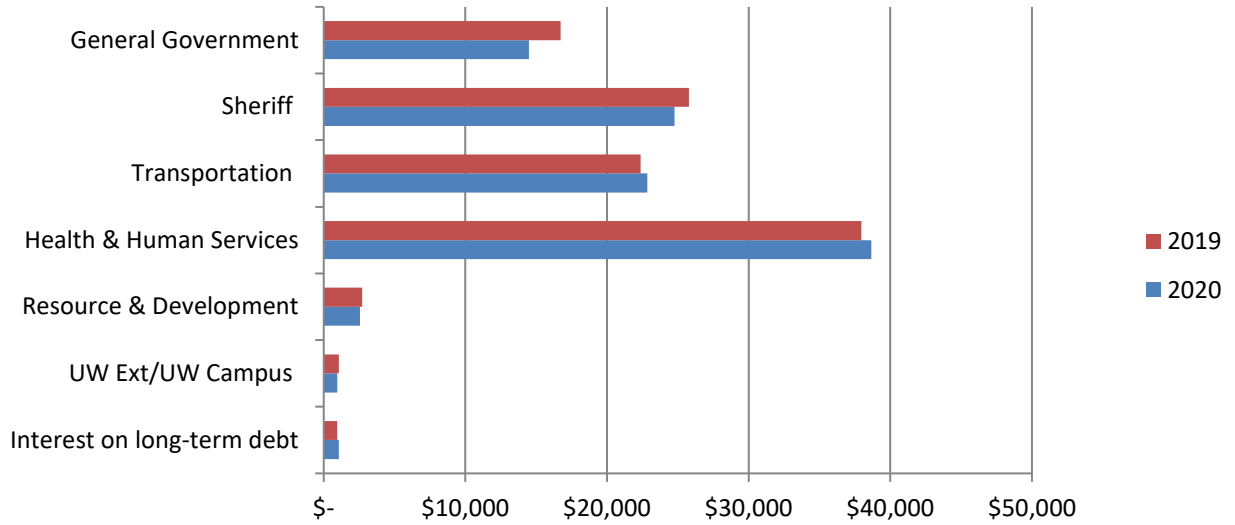


Governmental Activities compared to 2019 are showing a decrease in net expenses of \$6,669,000. Sheriff decreased net expenses by \$1,447,000 but continues to be challenged with overtime in the correction facilities and inmate populations. Public Health and Human Services experienced a decrease net expenses of 3,105,000. General Government showed decreased net expenses of over \$3,000,000.



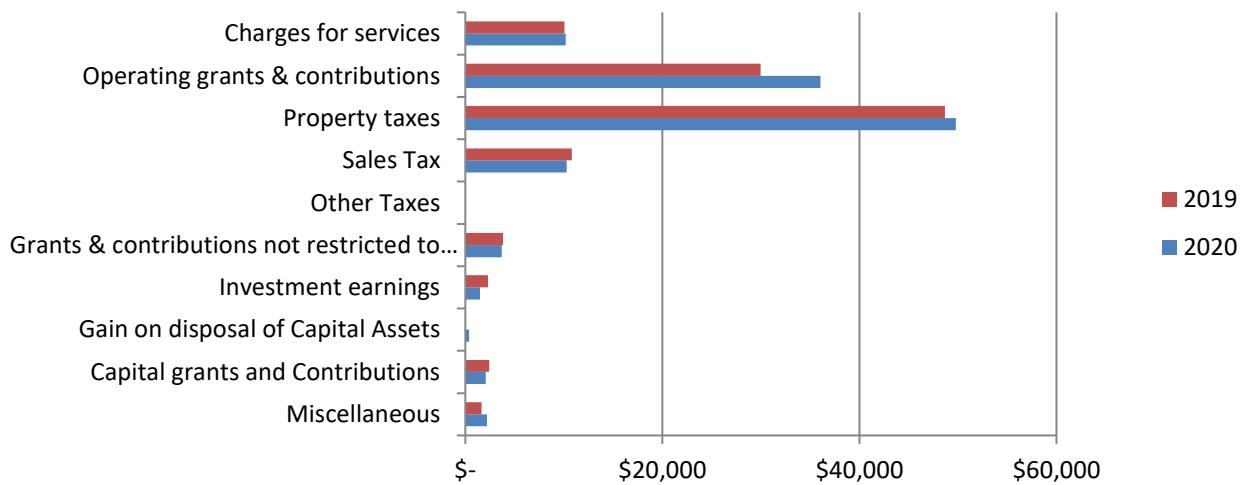
**COUNTY OF SHEBOYGAN, WISCONSIN**  
**Management's Discussion and Analysis**  
**(Unaudited)**  
**December 31, 2020**

**Governmental Activities Functional Expenses for Years 2020 and 2019**  
**(Shown in Thousands of Dollars)**



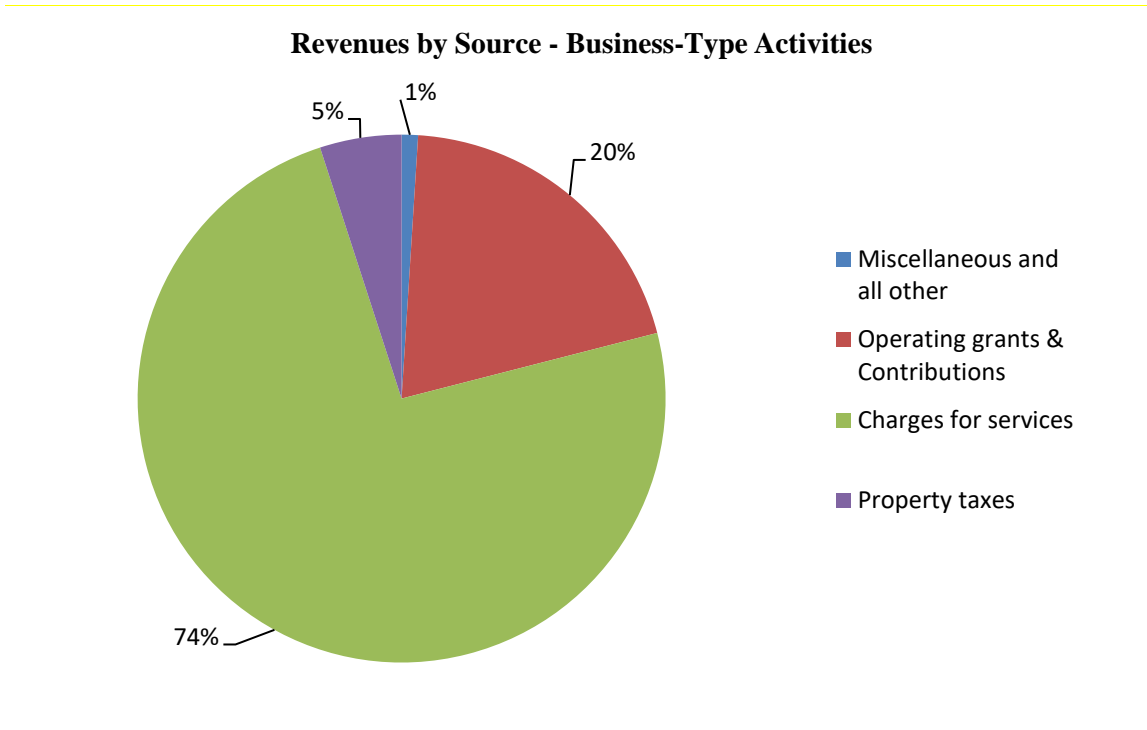
For the Governmental Activities between the 2019 and 2020 fiscal cycle, Health & Human Services increased by \$700,012, which reflects increased costs related to the response to the pandemic.

**Governmental Activities Revenues by Source for Years 2020 and 2019**  
**(Shown in Thousands of Dollars)**



**COUNTY OF SHEBOYGAN, WISCONSIN**  
**Management's Discussion and Analysis**  
**(Unaudited)**  
**December 31, 2020**

**Business-type Activities:** Rocky Knoll Health Care Center increased Sheboygan County's net position by \$386,472. The Rocky Knoll Health Care Center has maintained an overall Five-Star Rating recognized by the Centers for Medicare and Medicaid Services. Rocky Knoll has been successful in their pandemic response completing four Infection Control Focused audits in 2020 and two complaint audits resulting in no substandard care deficiencies.



**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, 2020, the County's governmental funds reported combined ending fund balances of \$33,622,345 an increase of \$7,502,526. Of the combined ending fund balances, \$23,476,074 or 70% 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 (\$1,026,509), 2) prepayments that benefit periods beyond the end of the current year (\$70,270), 3) various individual fund commitments approved by the County Board (\$6,143,026), and 4) restricted for grant or statutory provisions (\$2,906,466).

**COUNTY OF SHEBOYGAN, WISCONSIN**  
**Management's Discussion and Analysis**  
**(Unaudited)**  
**December 31, 2020**

The General Fund is the chief operating fund of the County. At the end of the current year, assigned fund balance was \$578,127 and unassigned fund balance was \$21,935,847 while the total fund balance was \$24,357,516. 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 \$22,513,974 represents 55% of total general fund expenditures, while total fund balance represents 60% of that same amount.

During the current year the County's General Fund balance increased by \$3,057,352. Per Fund Balance Policy approved by the Finance Committee, \$1,699,365 was the year-end transfer of fund balance from the Health & Human Services. In 2020, 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 \$400,000 that was in assigned fund balance for the customs facility. For a more detailed analysis of budgetary variances, please refer to the "General Fund Budgetary Highlights" discussion below.

Health and Human Services fund revenues exceed expenditures by \$2,268,592 due mainly to receipt of intergovernmental revenue and Public Health's response to the pandemic.

The Debt Service fund has a fund balance of \$247,315 an increase of \$92,184 over the prior year.

The Capital Projects fund has a fund balance of \$2,123,638 an increase of \$1,262,372 due to the 2020 bonding. These restricted fund balance monies will be used to complete capital projects that are in progress at the end of 2020.

The Transportation Capital Projects fund has a fund balance of \$5,931,776. This is an increase of \$2,452,009 over the prior year due to the uncertainty of the sales tax revenue during 2020 leading to recommitting Transportation Department resources otherwise dedicated to maintaining County roads. 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 \$568,274 compared to an increase of \$653,851 experienced in 2019. This increase is mainly due to the receipt of a Certified Public Expenditure (CPE) from the State of Wisconsin in the amount of \$390,539. 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, resident alert/security system, onsite child care, and network upgrade, \$271,492.

The Internal Service Funds is comprised of the County's Employee Insurances, Information Technology Services and the Highway Department. For 2020, the Internal Service funds decreased net position by \$13,700 compared to an increase of \$1,233,166 experienced in 2019.

**COUNTY OF SHEBOYGAN, WISCONSIN**  
**Management's Discussion and Analysis**  
**(Unaudited)**  
**December 31, 2020**

**General Fund Budgetary Highlights**

Difference between the original budget and the final amended budget for expenditures was a \$331,098 increase in appropriations or a 0.80% increase over the original budget.

During the year, actual expenditures were \$822,809 under budget, a relatively even to positive year of operations. Sheriff did experience a negative variance to budget of \$256,000 which is a result of Correction Officer vacancies which lead to more overtime. Also effecting this negative variance is the inmate population. A negative variance to budget of \$140,000 was also experienced in Resource and Development which more than planned consulting for Brownsfield and US Forestry projects and more than planned grounds maintenance for the snow season but offsetting grant revenue was received. The Clerk of Courts experienced increases in mandated costs and ended with a negative variance to budget of \$139,000. These negative variances were offset by the Building Services positive variance of \$251,000 that resulted from delays in internal repairs and maintenance and structural projects, a positive variance of \$470,000 at the Airport from the delay in purchasing of capital outlay equipment, and a positive variance of over \$100,000 in Finance and Human Resources due to position vacancies. Both structural projects and capital outlay equipment have been approved to be carried forward for completion in 2021.

**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, 2020 was \$177,347,291 (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 \$5,111,361.
- Building and other improvements, mostly Airport Customs Facility, Airport Drive and Lot, and HHS Parking Lot, projects at a cost of \$4,861,270
- Office, communication, and computer equipment projects, at a cost of \$1,292,054.
- Vehicles, mostly Sheriff's squads and Highway vehicles, at a cost of \$542,237.

**COUNTY OF SHEBOYGAN, WISCONSIN**  
**Management's Discussion and Analysis**  
**(Unaudited)**  
**December 31, 2020**

Sheboygan County's Capital Assets

(Amounts Expressed in \$1,000)

	Governmental Activities		Business-Type Activities		Total	
	2020	2019	2020	2019	2020	2019
Land	\$ 17,170	\$ 17,041	\$ 32	\$ 32	\$ 17,202	\$ 17,073
Construction in progress	2,932	2,364			2,932	2,364
Buildings	91,823	87,411	16,164	15,934	107,987	103,345
Other improvements	13,960	13,511	701	624	14,661	14,135
Infrastructure	154,244	149,208	31		154,275	149,208
Machinery and equipment	24,115	23,328	4,948	4,769	29,063	28,097
Office furniture and equipment	24,183	22,891	1,186	1,080	25,369	23,971
Vehicles	16,227	15,685	141	141	16,368	15,826
Less Accumulated depreciation	(174,673)	(164,702)	(15,837)	(15,248)	(190,510)	(179,950)
<b>Total</b>	<b>\$ 169,981</b>	<b>\$ 166,737</b>	<b>\$ 7,366</b>	<b>\$ 7,332</b>	<b>\$ 177,347</b>	<b>\$ 174,069</b>

Additional information on Sheboygan County's capital assets can be found in Note C.5 on pages 65-66.

**Long-term debt:** At the end of the current fiscal year, Sheboygan County had total debt outstanding of \$28,893,000 backed by the full faith and credit of the County.

Sheboygan County's Outstanding Debt

	2020	2019
General obligation debt:		
Bonds	\$ 4,163,000	\$ -
Notes	24,730,000	30,165,000
<b>Total general obligation debt</b>	<b>\$ 28,893,000</b>	<b>\$ 30,165,000</b>

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 \$515,117,305 which is significantly in excess of the County's \$28,893,000 in general obligation debt. The County's debt service fund has a fund balance of \$247,315 at December 31, 2020.

Additional information on Sheboygan County's long-term debt can be found in Note C.7 on page 68-70 of this report.

**COUNTY OF SHEBOYGAN, WISCONSIN**  
**Management's Discussion and Analysis**  
**(Unaudited)**  
**December 31, 2020**

**Economic Factors and Next Year's Budgets and Rates**

The unemployment rate for December 2020 was 4.2%. This is an increase of 1.6% from the prior year. The average unemployment rate for the State of Wisconsin was 4.0%.

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 2020 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 2021, the County's operating rate of \$4.9643 represents a \$0.2604 decrease from the prior year and conforms to the state statute requirements.

The Coronavirus Disease 2019 (COVID-19) has affected global markets, supply chains, employees of organizations, and local communities. Specific to the County, COVID-19 may impact parts of its 2021 operations and financial results. Management believes the County is taking appropriate actions to mitigate the negative impact. However, the full impact of COVID-19 is unknown and cannot be reasonably estimated

**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, 2020**

	<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total</b>
<b>Assets</b>			
Cash and investments	\$48,559,707	\$4,879,518	\$53,439,225
Receivables			
Taxes	50,465,444	921,241	51,386,685
Accounts, net	2,823,036	833,473	3,656,509
Delinquent taxes	1,606,881		1,606,881
Interest	479,961		479,961
Loans	1,869,039		1,869,039
Internal balances	759,342	(759,342)	
Due from other governments	4,422,298	1,739	4,424,037
Prepays and other items	2,771,020	42,306	2,813,326
Capital assets, nondepreciable			
Land	17,169,800	31,750	17,201,550
Construction in progress	2,932,222		2,932,222
Capital assets, depreciable			
Buildings	91,823,408	16,163,565	107,986,973
Improvements other than buildings	13,959,606	701,148	14,660,754
Infrastructure	154,244,189	30,877	154,275,066
Machinery and equipment	24,114,852	4,948,401	29,063,253
Office furniture and equipment	24,182,773	1,185,992	25,368,765
Vehicles	16,227,232	140,915	16,368,147
Less: Accumulated depreciation	(174,672,922)	(15,836,517)	(190,509,439)
Other assets			
Net pension asset	8,024,043	1,285,487	9,309,530
<b>Total Assets</b>	<b>291,761,931</b>	<b>14,570,553</b>	<b>306,332,484</b>
<b>Deferred Outflows of Resources</b>			
Deferred outflows related to pension	18,645,896	2,952,910	21,598,806
Other postemployment related amounts	1,157,893	185,499	1,343,392
<b>Total Deferred Outflows of Resources</b>	<b>19,803,789</b>	<b>3,138,409</b>	<b>22,942,198</b>
<b>Liabilities</b>			
Accounts payable	3,249,560	5,993	3,255,553
Accrued compensation	5,460,410	358,722	5,819,132
Accrued and other current liabilities	718,474		718,474
Accrued interest payable	122,095		122,095
Due to other governments	1,210,236		1,210,236
Unearned revenue	359,808	190,289	550,097
Long-term obligations			
Due within one year	6,141,469	34,575	6,176,044
Due in more than one year			
Other postemployment benefits	2,959,335	474,098	3,433,433
Other	29,631,235	636,456	30,267,691
<b>Total Liabilities</b>	<b>49,852,622</b>	<b>1,700,133</b>	<b>51,552,755</b>
<b>Deferred Inflows of Resources</b>			
Property taxes levied for subsequent year	50,465,444	921,241	51,386,685
Deferred inflows related to pension	24,060,719	3,854,632	27,915,351
Other postemployment related amounts	590,914	94,667	685,581
<b>Total Deferred Inflows of Resources</b>	<b>75,117,077</b>	<b>4,870,540</b>	<b>79,987,617</b>
<b>Net Position</b>			
Net investment in capital assets	142,240,054	7,366,131	149,606,185
Restricted For:			
Debt service	125,220		125,220
Land records	422,550		422,550
Jail assessment	112,963		112,963
Pension benefits	8,024,043	1,285,487	9,309,530
Unrestricted	35,671,191	2,486,671	38,157,862
<b>Total Net Position</b>	<b>\$186,596,021</b>	<b>\$11,138,289</b>	<b>\$197,734,310</b>

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, 2020**

Expenses	Program Revenues			Net (Expense) Revenue and Change in Net Position		
	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		
				Governmental Activities	Business-Type Activities	Total
<b>Primary Government</b>						
Governmental Activities:						
General Government	\$ 14,486,486	\$ 2,064,843	\$ 2,830,272	\$ 2,047,917	\$ (7,543,454)	\$ (7,543,454)
Sheriff	24,775,296	1,704,204	730,207		(22,340,885)	(22,340,885)
Transportation	22,838,614	257,543	12,403,403	16,839	(10,160,829)	(10,160,829)
Health and Human Services	38,669,096	5,769,026	19,374,711		(13,525,359)	(13,525,359)
Resources and Development	2,546,894	388,622	690,216		(1,468,056)	(1,468,056)
UW Ext/UW Campus	963,984	13,449	2,115		(948,420)	(948,420)
Interest on Long-term Debt	1,064,726				(1,064,726)	(1,064,726)
	<u>105,345,096</u>	<u>10,197,687</u>	<u>36,030,924</u>	<u>2,064,756</u>	<u>(57,051,729)</u>	<u>(57,051,729)</u>
Business-Type Activities:						
Rocky Knoll	14,605,593	11,001,499	2,905,179		(698,915)	(698,915)
<b>Total Primary Government</b>	<u>\$ 119,950,689</u>	<u>\$ 21,199,186</u>	<u>\$ 38,936,103</u>	<u>\$ 2,064,756</u>	<u>(57,051,729)</u>	<u>(57,750,644)</u>
General Revenues						
Taxes:						
Property taxes					49,787,970	826,459
Sales tax					10,273,246	10,273,246
Other Taxes					37,381	37,381
Grants and Contributions Not Restricted to Specific Functions					3,701,158	45,970
Investment Earnings					1,474,407	56
Gain on disposal of capital assets					366,752	2,561
Miscellaneous					2,197,735	27,259
Transfers In (Out)					(183,082)	183,082
Total general revenues and transfers					<u>67,655,567</u>	<u>1,085,387</u>
<b>Change in net position</b>					<u>10,603,838</u>	<u>386,472</u>
<b>Net Position - January 1</b>					<u>175,992,183</u>	<u>10,751,817</u>
<b>Net Position - December 31</b>					<u>\$186,596,021</u>	<u>\$197,734,310</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, 2020**

	General	Public Health and Human Services	Debt Service	Capital Projects	Transportation	Other Governmental Fund	Total Governmental Funds
<b>Assets</b>							
Cash and investments	\$ 33,729,631	\$ 605,423	\$ 247,315	\$ 888,141	\$ 4,312,043	\$ 362,100	\$ 40,144,653
Receivables							
Taxes	28,474,133	14,398,127	5,405,086				48,277,346
Accounts, net	394,626	764,763		4,505	1,619,733		2,783,627
Delinquent taxes	1,606,881						1,606,881
Interest	479,961						479,961
Loans	990,629					878,410	1,869,039
Due from other governments	626,452	1,472,915		1,250,000			3,349,367
Prepays and other items	70,270						70,270
<b>Total Assets</b>	<b>\$ 66,372,583</b>	<b>\$ 17,241,228</b>	<b>\$ 5,652,401</b>	<b>\$ 2,142,646</b>	<b>\$ 5,931,776</b>	<b>\$ 1,240,510</b>	<b>\$ 98,581,144</b>
<b>Liabilities, Deferred Inflows of Resources and Fund Balances</b>							
<b>Liabilities</b>							
Accounts payable	\$ 2,149,286	\$ 1,033,230	\$	\$ 19,008	\$	\$	\$ 3,201,524
Accrued compensation	8,821,312						8,821,312
Accrued and other current liabilities	437,486	10,815					448,301
Due to other governments	188,712	1,021,524					1,210,236
Unearned revenue	182,276	177,532					359,808
<b>Total Liabilities</b>	<b>11,779,072</b>	<b>2,243,101</b>		<b>19,008</b>			<b>14,041,181</b>
<b>Deferred Inflows of Resources</b>							
Property taxes levied for subsequent year	28,474,133	14,398,127	5,405,086				48,277,346
County portion of delinquent taxes	771,233						771,233
Loans receivable	990,629					878,410	1,869,039
<b>Total Deferred Inflows of Resources</b>	<b>30,235,995</b>	<b>14,398,127</b>	<b>5,405,086</b>			<b>878,410</b>	<b>50,917,618</b>
<b>Fund Balances</b>							
Nonspendable	1,096,779						1,096,779
Restricted	535,513		247,315	2,123,638			2,906,466
Committed	211,250				5,931,776		6,143,026
Assigned	578,127	600,000				362,100	1,540,227
Unassigned	21,935,847						21,935,847
<b>Total Fund Balances</b>	<b>24,357,516</b>	<b>600,000</b>	<b>247,315</b>	<b>2,123,638</b>	<b>5,931,776</b>	<b>362,100</b>	<b>33,622,345</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<b>\$ 66,372,583</b>	<b>\$ 17,241,228</b>	<b>\$ 5,652,401</b>	<b>\$ 2,142,646</b>	<b>\$ 5,931,776</b>	<b>\$ 1,240,510</b>	<b>\$ 98,581,144</b>

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, 2020**

Reconciliation to the Statement of Net Position

Total Fund Balances as shown on the previous page \$ 33,622,345

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 131,476,022

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

Delinquent taxes	771,233	
Loans receivable	1,869,039	2,640,272

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

Net pension asset	8,024,043	
Deferred outflows of resources	18,544,887	
Deferred inflows of resources	(23,959,710)	2,609,220

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	1,157,893	
Net OPEB liability	(2,959,335)	
Deferred inflows of resources	(590,914)	(2,392,356)

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	\$ (28,893,000)	
Compensated absences	(1,380,402)	
Bond premiums	(851,071)	
Accrued interest on long-term obligations	(122,095)	(31,246,568)

Receivable or (payable) to a business-type activity due to the lookback adjustment and consolidation of internal service funds 759,342

Internal service fund activities included in governmental activities 49,127,744

Net Position of Governmental Activities as Reported on the Statement of Net Position (see page 27)	\$ 186,596,021
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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, 2020**

	General	Public Health and Human Services	Debt Service	Capital Projects	Transportation	Other Governmental Funds	Total Governmental Funds
<b>Revenues</b>							
Property taxes	\$ 27,553,715	\$ 13,892,065	\$ 5,531,004				\$ 46,976,784
Other taxes	37,381				10,273,246		10,310,627
Intergovernmental	6,260,805	19,359,137		1,597,817			27,217,759
Licenses and permits	433,472	346,429					779,901
Fines, forfeits and penalties	291,990						291,990
Public charges for services	4,098,430	5,422,597					9,521,027
Miscellaneous	4,020,979	808,114	5,421	40,070		187,180	5,061,764
<b>Total Revenues</b>	<b>42,696,772</b>	<b>39,828,342</b>	<b>5,536,425</b>	<b>1,637,887</b>	<b>10,273,246</b>	<b>187,180</b>	<b>100,159,852</b>
<b>Expenditures</b>							
Current:							
General government	14,353,099					273	14,353,372
Sheriff	22,023,826					26,753	22,050,579
Transportation	545,017				6,448,788		6,993,805
Health and human services	294,752	37,559,750					37,854,502
Resources and development	2,311,133						2,311,133
UW Ext/UW Campus	533,930						533,930
Debt Service:							
Principal			6,165,000				6,165,000
Interest and other charges	201		1,012,272				1,012,473
Capital Outlay	892,523			6,108,687			7,001,210
<b>Total Expenditures</b>	<b>40,954,481</b>	<b>37,559,750</b>	<b>7,177,272</b>	<b>6,108,687</b>	<b>6,448,788</b>	<b>27,026</b>	<b>98,276,004</b>
<b>Excess (deficiency) of revenues over expenditures</b>	<b>1,742,291</b>	<b>2,268,592</b>	<b>(1,640,847)</b>	<b>(4,470,800)</b>	<b>3,824,458</b>	<b>160,154</b>	<b>1,883,848</b>
<b>Other Financing Sources (Uses)</b>							
General obligation debt issued				4,750,000			4,750,000
General obligation refunding debt issued			4,163,000				4,163,000
Payment to refunding debt escrow agent			(4,098,390)				(4,098,390)
Premium on long-term debt issued			245,972				245,972
Transfers in	1,790,137		1,422,449	983,172			4,195,758
Transfers out	(475,076)	(1,699,365)			(1,372,449)	(90,772)	(3,637,662)
<b>Total Other Financing Sources (Uses)</b>	<b>1,315,061</b>	<b>(1,699,365)</b>	<b>1,733,031</b>	<b>5,733,172</b>	<b>(1,372,449)</b>	<b>(90,772)</b>	<b>5,618,678</b>
<b>Net change in fund balances</b>	<b>3,057,352</b>	<b>569,227</b>	<b>92,184</b>	<b>1,262,372</b>	<b>2,452,009</b>	<b>69,382</b>	<b>7,502,526</b>
<b>Fund balances, January 1</b>	<b>21,300,164</b>	<b>30,773</b>	<b>155,131</b>	<b>861,266</b>	<b>3,479,767</b>	<b>292,718</b>	<b>26,119,819</b>
<b>Fund balances, December 31</b>	<b>\$ 24,357,516</b>	<b>\$ 600,000</b>	<b>\$ 247,315</b>	<b>\$ 2,123,638</b>	<b>\$ 5,931,776</b>	<b>\$ 362,100</b>	<b>\$ 33,622,345</b>

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, 2020**

Reconciliation to the Statement of Activities

Net Change in Fund Balances as show on previous page \$ 7,502,526

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	\$ 13,525,839	
Capital assets financed by (transferred to) the Internal Service Fund	(1,238,155)	
Depreciation expense reported in the statement of activities	<u>(9,818,213)</u>	
Amount by which capital outlays are greater than depreciation in current period		2,469,471

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. (46,833)

Governmental funds report delinquent taxes and special assessments as revenue in the year paid. However, delinquent taxes and special assessments are recognized as revenue in the year assessed on the statement of activities. Change in delinquent taxes and special assessments in the current year is: 13,004

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. (302,532)

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. (192,392)

Long-term debt proceeds are reported as an other financing source in the governmental funds but increases liabilities in the statement of net position. The amount of long-term debt proceeds in the current year are:  
 General obligation bonds and promissory notes issued (8,913,000)

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 10,185,000

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	(432,980)	
Compensated absences	(134,812)	
Accrued interest	25,936	
Issuance and amortization of bond premiums	<u>176,649</u>	(365,207)

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. 71,999

Additional (loss) revenue due to internal service fund look-back adjustments must be recognized in the government-wide statements. 181,802

Change in Net Position of Governmental Activities as reported in the Statement of Activities (see page 28) \$ 10,603,838

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, 2020**

	Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Taxes				
Property taxes	\$ 27,356,896	\$ 27,544,936	\$ 27,553,715	\$ 8,779
Other taxes	15,075	15,075	37,381	22,306
	<u>27,371,971</u>	<u>27,560,011</u>	<u>27,591,096</u>	<u>31,085</u>
Intergovernmental				
General Government	4,494,691	4,509,391	4,822,693	313,302
Sheriff	146,528	213,707	730,207	516,500
Health & Human Services	13,000	13,000	15,574	
Resources and Development	547,610	547,610	690,216	142,606
UW Ext/UW Campus	3,000	3,000	2,115	(885)
	<u>5,528,311</u>	<u>5,610,190</u>	<u>6,260,805</u>	<u>648,041</u>
Licenses and permits				
General Government	118,429	118,429	89,020	(29,409)
Resources and Development	285,000	285,000	344,452	59,452
	<u>403,429</u>	<u>403,429</u>	<u>433,472</u>	<u>30,043</u>
Fines, Forfeits and Penalties				
General Government	320,000	320,000	287,815	(32,185)
Sheriff			475	475
Resources and Development	3,000	3,000	3,700	700
	<u>323,000</u>	<u>323,000</u>	<u>291,990</u>	<u>(31,010)</u>
Public Charges for Services				
General Government	1,645,453	1,645,453	1,976,371	330,918
Sheriff	1,800,185	1,800,185	1,703,729	(96,456)
Transportation	257,248	257,248	217,022	(40,226)
Resources and Development	131,550	131,550	187,859	56,309
UW Ext/UW Campus	23,500	23,500	13,449	(10,051)
	<u>3,857,936</u>	<u>3,857,936</u>	<u>4,098,430</u>	<u>240,494</u>
Miscellaneous				
General Government	3,658,555	3,651,055	3,480,676	(170,379)
Sheriff	303,538	303,538	400,541	97,003
Transportation	47,436	47,436	96,059	48,623
Public Health and Human Services			2,959	2,959
Resources and Development	33,726	33,726	30,542	(3,184)
UW Ext/UW Campus	11,435	11,435	10,202	(1,233)
	<u>4,054,690</u>	<u>4,047,190</u>	<u>4,020,979</u>	<u>(26,211)</u>
Total Revenues	<u>41,539,337</u>	<u>41,801,756</u>	<u>42,696,772</u>	<u>892,442</u>
<b>EXPENDITURES</b>				
General Government				
Treasurer				
Wages and benefits	431,763	408,700	405,252	3,448
Operating expenses	139,556	160,597	119,381	41,216
Interdepartmental charges	183,457	183,430	178,081	5,349
Capital outlay	38,000	38,000	22,686	15,314
	<u>792,776</u>	<u>790,727</u>	<u>725,400</u>	<u>65,327</u>
Register of Deeds				
Wages and benefits	387,544	387,544	372,586	14,958
Operating expenses	110,717	243,972	224,378	19,594
Interdepartmental charges	162,771	162,771	158,651	4,120
	<u>661,032</u>	<u>794,287</u>	<u>755,615</u>	<u>38,672</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, 2020**

	Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)
	Original	Final		
Finance				
Wages and benefits	1,347,844	1,347,844	1,256,134	91,710
Operating expenses	54,938	51,965	42,283	9,682
Interdepartmental charges	335,660	335,660	280,943	54,717
	<u>1,738,442</u>	<u>1,735,469</u>	<u>1,579,360</u>	<u>156,109</u>
Medical Examiner				
Wages and benefits	105,487	105,487	134,407	(28,920)
Operating expenses	87,041	77,054	82,750	(5,696)
Interdepartmental charges	25,255	25,255	25,497	(242)
	<u>217,783</u>	<u>207,796</u>	<u>242,654</u>	<u>(34,858)</u>
County Board				
Wages and benefits	152,630	152,630	140,662	11,968
Operating expenses	47,462	47,462	31,648	15,814
Interdepartmental charges	39,004	39,004	38,275	729
	<u>239,096</u>	<u>239,096</u>	<u>210,585</u>	<u>28,511</u>
Court Commissioner				
Wages and benefits	259,548	259,548	258,884	664
Operating expenses	52,180	45,005	28,263	16,742
Interdepartmental charges	44,185	44,185	41,695	2,490
	<u>355,913</u>	<u>348,738</u>	<u>328,842</u>	<u>19,896</u>
Clerk of Courts				
Wages and benefits	1,265,449	1,265,449	1,270,590	(5,141)
Operating expenses	748,027	743,520	882,935	(139,415)
Interdepartmental charges	520,900	520,900	462,020	58,880
Capital outlay		46,737	44,960	1,777
	<u>2,534,376</u>	<u>2,576,606</u>	<u>2,660,505</u>	<u>(83,899)</u>
District Attorney				
Wages and benefits	773,679	773,679	711,415	62,264
Operating expenses	58,389	60,087	63,750	(3,663)
Interdepartmental charges	239,921	239,921	218,627	21,294
	<u>1,071,989</u>	<u>1,073,687</u>	<u>993,792</u>	<u>79,895</u>
County Clerk				
Wages and benefits	182,066	182,066	182,719	(653)
Operating expenses	124,238	112,124	99,953	12,171
Interdepartmental charges	97,101	122,701	136,120	(13,419)
	<u>403,405</u>	<u>416,891</u>	<u>418,792</u>	<u>(1,901)</u>
Building Services				
Wages and benefits	1,565,183	1,565,183	1,486,060	79,123
Operating expenses	1,383,614	1,371,495	1,256,121	115,374
Interdepartmental charges	557,244	557,244	537,591	19,653
Capital outlay	152,500	182,247	145,332	36,915
	<u>3,658,541</u>	<u>3,676,169</u>	<u>3,425,104</u>	<u>251,065</u>
Human Resources				
Wages and benefits	493,983	435,709	412,796	22,913
Operating expenses	137,320	134,724	84,424	50,300
Interdepartmental charges	158,305	136,070	105,107	30,963
	<u>789,608</u>	<u>706,503</u>	<u>602,327</u>	<u>104,176</u>
Non-Departmental				
Operating expenses	1,918,399	1,824,967	1,799,884	25,083
Interdepartmental charges	2,848	2,848	1,019	1,829
Interest and other charges	1,000	1,000	201	799
	<u>1,922,247</u>	<u>1,828,815</u>	<u>1,801,104</u>	<u>27,711</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, 2020**

	Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)
	Original	Final		
Corporation Counsel				
Wages and benefits	83,717	83,717	60,202	23,515
Operating expenses	387,524	387,099	423,979	(36,880)
Interdepartmental charges	25,545	25,545	8,213	17,332
	<u>496,786</u>	<u>496,361</u>	<u>492,394</u>	<u>3,967</u>
County Administrator				
Wages and benefits	212,713	256,116	240,880	15,236
Operating expenses	12,555	33,875	40,516	(6,641)
Interdepartmental charges	53,766	69,552	48,408	21,144
	<u>279,034</u>	<u>359,543</u>	<u>329,804</u>	<u>29,739</u>
Total General Government	<u>15,161,028</u>	<u>15,250,688</u>	<u>14,566,278</u>	<u>684,410</u>
Sheriff				
Wages and benefits	14,099,101	14,344,543	14,628,404	(283,861)
Operating expenses	3,774,518	3,778,514	3,832,689	(54,175)
Interdepartmental charges	3,938,995	3,738,995	3,562,733	176,262
Capital outlay	382,511	382,511	476,506	(93,995)
Total Sheriff	<u>22,195,125</u>	<u>22,244,563</u>	<u>22,500,332</u>	<u>(255,769)</u>
Transportation				
Airport				
Wages and benefits	225,076	225,076	216,885	8,191
Operating expenses	161,140	163,529	257,359	(93,830)
Interdepartmental charges	80,754	107,111	70,773	36,338
Capital outlay	520,451	685,285	165,988	519,297
Total Transportation	<u>987,421</u>	<u>1,181,001</u>	<u>711,005</u>	<u>469,996</u>
Health and Human Services				
Veterans Services				
Wages and benefits	185,929	185,929	183,793	2,136
Operating expenses	23,446	22,446	20,782	1,664
Interdepartmental charges	84,050	84,050	81,045	3,005
	<u>293,425</u>	<u>292,425</u>	<u>285,620</u>	<u>6,805</u>
Veterans Commission				
Wages and benefits	2,148	2,148	215	1,933
Operating expenses	19,731	17,798	8,870	8,928
Interdepartmental charges	51	51	47	4
	<u>21,930</u>	<u>19,997</u>	<u>9,132</u>	<u>10,865</u>
Total Health and Human Services	<u>315,355</u>	<u>312,422</u>	<u>294,752</u>	<u>17,670</u>
Resources and Development				
Planning and Conservation				
Wages and benefits	898,184	898,184	852,775	45,409
Operating expenses	922,407	910,093	1,052,230	(142,137)
Interdepartmental charges	357,059	360,197	406,128	(45,931)
Capital outlay	40,000	40,000	37,051	2,949
Total Resources and Development	<u>2,217,650</u>	<u>2,208,474</u>	<u>2,348,184</u>	<u>(139,710)</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, 2020**

	Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)
	Original	Final		
UW Ext/UW Campus				
U.W. Green Bay - Sheboygan Campus				
Operating expenses	90,345	107,740	107,418	322
Interdepartmental charges	20,116	20,116	21,553	(1,437)
	<u>110,461</u>	<u>127,856</u>	<u>128,971</u>	<u>(1,115)</u>
U.W. Extension				
Wages and benefits	95,389	95,389	89,852	5,537
Operating expenses	296,620	289,754	252,855	36,899
Interdepartmental charges	67,143	67,143	62,252	4,891
	<u>459,152</u>	<u>452,286</u>	<u>404,959</u>	<u>47,327</u>
Total UW Ext/UW Campus	<u>569,613</u>	<u>580,142</u>	<u>533,930</u>	<u>46,212</u>
Total Expenditures	41,446,192	41,777,290	40,954,481	822,809
Excess of revenues over expenditures	<u>93,145</u>	<u>24,466</u>	<u>1,742,291</u>	<u>1,715,251</u>
Other financing sources (uses)				
Transfers in	420,810	425,430	1,790,137	1,364,707
Transfers out	(900,410)	(905,030)	(475,076)	429,954
Total other financing sources (uses)	<u>(479,600)</u>	<u>(479,600)</u>	<u>1,315,061</u>	<u>1,794,661</u>
Net change in fund balance	(386,455)	(455,134)	3,057,352	3,509,912
Fund balance, January 1	21,300,164	21,300,164	21,300,164	
Fund balance, December 31	<u>\$ 20,913,709</u>	<u>\$ 20,845,030</u>	<u>\$ 24,357,516</u>	<u>\$ 3,509,912</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, 2020**

	Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Property taxes	\$ 14,011,572	\$ 13,892,065	\$ 13,892,065	\$
Intergovernmental	16,782,486	17,309,335	19,359,137	2,049,802
Licenses and permits	438,482	438,482	346,429	(92,053)
Public charges for services	7,235,087	7,234,335	5,422,597	(1,811,738)
Miscellaneous	138,634	109,921	808,114	698,193
<b>Total Revenues</b>	<b>38,606,261</b>	<b>38,984,138</b>	<b>39,828,342</b>	<b>844,204</b>
<b>EXPENDITURES</b>				
Community Programs				
Wages and benefits	4,252,573	4,294,233	4,118,344	175,889
Operating expenses	12,081,823	11,988,314	11,433,260	555,054
Interdepartmental charges	2,557,721	2,568,680	2,201,179	367,501
	<b>18,892,117</b>	<b>18,851,227</b>	<b>17,752,783</b>	<b>1,098,444</b>
Elder Services				
Wages and benefits	421,815	401,201	413,661	(12,460)
Operating expenses	764,491	775,852	722,015	53,837
Interdepartmental charges	350,838	350,838	278,886	71,952
	<b>1,537,144</b>	<b>1,527,891</b>	<b>1,414,562</b>	<b>113,329</b>
Public Health				
Wages and benefits	1,730,332	1,730,332	2,362,555	(632,223)
Operating expenses	125,654	142,801	197,866	(55,065)
Interdepartmental charges	1,031,798	1,032,810	986,439	46,371
	<b>2,887,784</b>	<b>2,905,943</b>	<b>3,546,860</b>	<b>(640,917)</b>
Social Services				
Wages and benefits	3,462,089	3,477,539	3,293,064	184,475
Operating expenses	5,420,621	5,882,705	5,975,307	(92,602)
Interdepartmental charges	2,249,243	2,257,080	1,864,941	392,139
	<b>11,131,953</b>	<b>11,617,324</b>	<b>11,133,312</b>	<b>484,012</b>
Economic Support				
Wages and benefits	2,294,057	2,294,057	2,204,585	89,472
Operating expenses	310,003	297,766	253,817	43,949
Interdepartmental charges	1,546,553	1,546,553	1,305,818	240,735
	<b>4,150,613</b>	<b>4,138,376</b>	<b>3,764,220</b>	<b>374,156</b>
Administration				
Wages and benefits	1,633,023	1,633,023	1,371,107	261,916
Operating expenses	329,230	265,957	170,312	95,645
Interdepartmental charges	(1,955,603)	(1,955,603)	(1,593,406)	(362,197)
	<b>6,650</b>	<b>(56,623)</b>	<b>(51,987)</b>	<b>(4,636)</b>
<b>Total Expenditures</b>	<b>38,606,261</b>	<b>38,984,138</b>	<b>37,559,750</b>	<b>1,424,388</b>
Excess of revenues over expenditures			2,268,592	2,268,592
Other financing sources (uses)				
Transfers out			(1,699,365)	(1,699,365)
<b>Net change in fund balance</b>			<b>569,227</b>	<b>569,227</b>
Fund balance, January 1	30,773	30,773	30,773	
<b>Fund balance, December 31</b>	<b>\$ 30,773</b>	<b>\$ 30,773</b>	<b>\$ 600,000</b>	<b>\$ 569,227</b>

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, 2020**

	<b>Enterprise Fund Rocky Knoll</b>	<b>Governmental Activities Internal Service Funds</b>
<b>Assets</b>		
Current assets		
Cash and investments	\$ 4,879,518	\$ 8,415,054
Receivables (net)		
Taxes	921,241	2,188,098
Accounts	833,473	39,409
Due from external parties	1,739	1,072,931
Prepays and other items	42,306	2,700,750
<b>Total Current Assets</b>	<b>6,678,277</b>	<b>14,416,242</b>
Noncurrent assets		
Capital assets, nondepreciable		
Land	31,750	5,513,574
Capital assets, depreciable		
Buildings	16,163,565	19,419,924
Improvements other than buildings	701,148	1,758,751
Infrastructure	30,877	715,471
Machinery and equipment	4,948,401	17,328,150
Office furniture and equipment	1,185,992	5,993,891
Vehicles	140,915	12,258,819
Less Accumulated depreciation	(15,836,517)	(24,483,442)
Other noncurrent assets		
Net pension asset	1,285,487	1,229,845
<b>Total Noncurrent Assets</b>	<b>8,651,618</b>	<b>39,734,983</b>
<b>Total Assets</b>	<b>15,329,895</b>	<b>54,151,225</b>
<b>Deferred Outflows of Resources</b>		
Deferred outflows related to pension	2,952,910	2,860,604
Other postemployment related amounts	185,499	177,471
<b>Total Deferred Outflows of Resources</b>	<b>3,138,409</b>	<b>3,038,075</b>
<b>Liabilities</b>		
Current liabilities		
Accounts payable	5,993	48,036
Accrued and other current liabilities		462,147
Accrued compensation	358,722	270,173
Unearned revenue	190,289	
Current maturities of long-term obligations	34,575	
<b>Total Current Liabilities</b>	<b>589,579</b>	<b>780,356</b>
Noncurrent liabilities		
Long-term obligations	636,456	825,182
Other postemployment benefits	474,098	453,577
<b>Total Noncurrent Liabilities</b>	<b>1,110,554</b>	<b>1,278,759</b>
<b>Total Liabilities</b>	<b>1,700,133</b>	<b>2,059,115</b>
<b>Deferred Inflows of Resources</b>		
Property taxes levied for subsequent year	921,241	2,188,098
Deferred inflows related to pension	3,854,632	3,687,787
Other postemployment related amounts	94,667	90,569
<b>Total Deferred Inflows of Resources</b>	<b>4,870,540</b>	<b>5,966,454</b>
<b>Net Position</b>		
Net investment in capital assets	7,366,131	38,505,138
Restricted for		
Pension benefits	1,285,487	1,229,845
Unrestricted	3,246,013	9,428,748
<b>Total Net Position</b>	<b>\$ 11,897,631</b>	<b>\$ 49,163,731</b>

**COUNTY OF SHEBOYGAN, WISCONSIN**  
**Statement of Net Position (Continued)**  
**Proprietary Funds**  
**December 31, 2020**

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 \$ 11,897,631

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 (759,342)

Net Position of Business-Type Activities as Reported on the Government-wide Statement of Net Position \$ 11,138,289

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, 2020**

	<b>Enterprise Fund Rocky Knoll</b>	<b>Governmental Activities - Internal Service Funds</b>
<b>Operating Revenues</b>		
Charges for services	\$ 11,001,499	\$ 31,873,264
Miscellaneous operating revenue	27,259	419,648
<b>Total Operating Revenues</b>	<b>11,028,758</b>	<b>32,292,912</b>
<b>Operating Expenses</b>		
Operation and maintenance	13,819,064	36,630,816
Depreciation	604,727	1,988,402
<b>Total Operating Expenses</b>	<b>14,423,791</b>	<b>38,619,218</b>
<b>Operating loss</b>	<b>(3,395,033)</b>	<b>(6,326,306)</b>
<b>Nonoperating revenues</b>		
Intergovernmental contracts/grants	2,905,179	3,156,739
Property tax appropriation	826,459	2,811,186
Investment income	56	
Donations	45,970	
Rental income		69,577
Gain (loss) on disposal of capital assets	2,561	85,044
<b>Total nonoperating revenues</b>	<b>3,780,225</b>	<b>6,122,546</b>
<b>Income (loss) before contributions and transfers</b>	<b>385,192</b>	<b>(203,760)</b>
Capital contributions - County	271,494	659,744
Transfers In		25,076
Transfers Out	(88,412)	(494,760)
<b>Change in net position</b>	<b>568,274</b>	<b>(13,700)</b>
<b>Net Position - January 1</b>	<b>11,329,357</b>	<b>49,177,431</b>
<b>Net Position - December 31</b>	<b>\$ 11,897,631</b>	<b>\$ 49,163,731</b>

**COUNTY OF SHEBOYGAN, WISCONSIN**  
**Statement of Revenues, Expenses and Changes in Net Position (Continued)**  
**Proprietary Funds**  
**For the Year Ended December 31, 2020**

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	\$	568,274
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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		(181,802)
		(181,802)

Change in Net Position of Business-Type Activities as Reported on the Government-wide Statement of Activities	\$	386,472
		386,472

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, 2020**

	<b>Enterprise Fund Rocky Knoll</b>	<b>Governmental Activities - Internal Service Funds</b>
<b>Cash flows from operating activities</b>		
Receipts from customers and users	\$ 11,173,032	\$ 9,064,957
Receipts from interfund services provided	32,923	20,064,651
Other operating cash receipts	217,548	2,965,762
Payments to suppliers	(3,907,311)	(11,826,640)
Payments for wages and benefits	(7,854,271)	(23,287,056)
Payments for interfund services used	(2,289,024)	(2,308,916)
Net cash used by operating activities	(2,627,103)	(5,327,242)
<b>Cash flows from noncapital financing activities</b>		
Intergovernmental contracts/grants	2,905,179	3,156,739
Property tax appropriation received	826,459	2,811,186
Donations	45,970	
Rental income		69,577
Transfer in		25,076
Transfer out	(88,412)	(494,760)
Net cash provided by noncapital financing activities	3,689,196	5,567,818
<b>Cash flows from capital and related financing activities</b>		
Proceeds from sale of equipment	2,561	350,858
Purchases of capital assets	(367,509)	(2,415,729)
Net cash used by capital and related financing activities	(364,948)	(2,064,871)
<b>Cash flows from investing activities</b>		
Investment income	56	
Net cash provided by investing activities	56	
Net increase in cash and cash equivalents	697,201	(1,824,295)
Cash and cash equivalents - January 1	4,182,317	10,239,349
Cash and cash equivalents - December 31	\$ 4,879,518	\$ 8,415,054

**COUNTY OF SHEBOYGAN, WISCONSIN**  
**Statement of Cash Flows (Continued)**  
**Proprietary Funds**  
**For the Year Ended December 31, 2020**

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	\$	(3,395,033)	\$	(6,326,306)
Adjustments to reconcile operating loss to net cash used by operating activities:				
Depreciation (net of amortization)		604,727		1,988,402
Change in WRS pension related liabilities (assets)		(2,719,799)		(2,592,328)
Change in WRS pension related deferred outflows		927,703		841,127
Change in WRS pension related deferred inflows		1,875,569		1,807,833
Change in other post employment related liabilities (assets)		166,619		161,496
Change in other post employment related deferred outflows		(146,817)		(140,726)
Change in other post employment related deferred inflows		8,058		8,297
Changes in assets and liabilities:				
Accounts receivable		201,315		(9,025)
Due from other external parties		3,141		(188,520)
Prepays and other items		4,602		(299,418)
Accounts payable		(59,178)		23,761
Accrued compensation		(175,232)		(175,459)
Accrued compensated absences		(113,067)		53,863
Unearned revenue		190,289		
Accrued insurance				(480,239)
Net cash used by operating activities	\$	(2,627,103)	\$	(5,327,242)

**Noncash capital and financing activities**

Contribution of capital assets - County	\$	271,494	\$	659,744
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The notes to the basic financial statements are an integral part of this statement.

**COUNTY OF SHEBOYGAN, WISCONSIN**  
**Statement of Fiduciary Net Position**  
**Fiduciary Funds**  
**December 31, 2020**

	<u>Other Custodial Funds</u>
<b>Assets</b>	
Cash & Investments	\$ 2,224,601
Tax Receivable For Other Governments	54,639
Special certificates	<u>142,827</u>
<b>Total Assets</b>	<b>\$ 2,422,067</b>
 <b>Liabilities</b>	
Due to Other Governments	<u>444,851</u>
<b>Total Liabilities</b>	<b><u>444,851</u></b>
 <b>Net Position</b>	
Restricted for:	
Individuals, Organizations, and Other Governments	<u>1,977,216</u>
<b>Total Net Position</b>	<b><u><u>\$ 1,977,216</u></u></b>

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



**COUNTY OF SHEBOYGAN, WISCONSIN**  
**Statement of Changes in Fiduciary Net Position**  
**Fiduciary Funds**  
**For the year ended December 31, 2020**

	<u>Other Custodial Funds</u>
<b>Additions</b>	
Contributions	
Individuals	\$ 4,520,395
Property Tax Collections for Other Governments	54,639
Special Certificate Collections for Other Governments	113,401
Fee collections and other items	<u>1,767,020</u>
<b>Total Additions</b>	<b>6,455,455</b>
 <b>Deductions</b>	
Beneficiary Payments to Individuals	2,274,772
Payments of Property Tax to Other Governments	157,631
Payments of Special Certificates to Other Governments	73,554
Payments to Other Entities	<u>3,487,570</u>
<b>Total Deductions</b>	<b><u>5,993,527</u></b>
 <b>Net Increase (Decrease) in Fiduciary Net Position</b>	
	461,928
Fiduciary Net Position - January 1, restated	<u>1,515,288</u>
<b>Fiduciary Net Position - December 31</b>	<b><u>\$ 1,977,216</u></b>

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, 2020**

**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 identified the following component unit that is required to be included in the basic financial statements in accordance with standards.

**Sheboygan County Industrial Development and Revolving Loan Agency, Inc.**

The Sheboygan County Industrial Development and Revolving Loan Agency, Inc. of the County of Sheboygan, Wisconsin was formed solely to carry out a revolving loan fund program supporting economic development for Sheboygan County and other purposes approved by the members and directors. The board of the Sheboygan County Industrial Development and Revolving Loan Agency, Inc. is appointed in the Bylaws, and consists of not more than nine members, six of which are County members. Although it is legally separate from the County, the Sheboygan County Industrial Development and Revolving Loan Agency, Inc. is reported as a blended component unit as if it were part of the primary government because its only financial transactions relate to revolving loan funds issued supporting economic development within Sheboygan County. Separate financial statements are not prepared for the Sheboygan County Industrial Development and Revolving Loan Agency, Inc.

**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.

**COUNTY OF SHEBOYGAN, WISCONSIN**  
**Notes to the Basic Financial Statements**  
**December 31, 2020**

**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

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 2020, payments from Sheboygan County to the Library System totaled \$1,438,457. Financial statements of the Monarch Library System can be obtained by contacting the Library System at: 4632 S. Taylor Drive, Sheboygan, WI. 53081.

**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.

**COUNTY OF SHEBOYGAN, WISCONSIN**  
**Notes to the Basic Financial Statements**  
**December 31, 2020**

**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**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.

**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 fund includes the public safety and industrial development and revolving loan agency 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.

**FIDUCIARY FUNDS** accounts for funds held for the Clerk of Courts, Register of Deeds, taxes for other governments, inmates, and patients, in custodial funds.

The amounts held in these funds were recorded in the general fund or agency funds in prior years. Due to the implementation of GASB 84, *Fiduciary Activities*, they are now recorded in custodial funds.

**COUNTY OF SHEBOYGAN, WISCONSIN**  
**Notes to the Basic Financial Statements**  
**December 31, 2020**

**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**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 cashflows. 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. Custodial funds have no measurement focus.

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.

**COUNTY OF SHEBOYGAN, WISCONSIN**  
**Notes to the Basic Financial Statements**  
**December 31, 2020**

**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**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 \$1,216,574.

**c. Property Taxes Levied for the 2021 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 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.

**COUNTY OF SHEBOYGAN, WISCONSIN**  
**Notes to the Basic Financial Statements**  
**December 31, 2020**

**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**f. Prepaid and Other 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 and are expensed during the periods benefited.

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

Prepaid and other 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.

**g. Capital Assets**

Capital assets, which include property, plant, equipment, and infrastructure assets, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are 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

**h. 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.

During 2020, the County made a temporary change to the vacation banks cap to provide employees, defined as Emergency Responders and Health Care Providers in Policy 704-FMLA Addendum I, the opportunity to continue to accrue vacation during the current health care crisis increasing the current vacation bank cap from 280 hours to 320 hours. This temporary change will expire on December 31, 2021.

**COUNTY OF SHEBOYGAN, WISCONSIN**  
**Notes to the Basic Financial Statements**  
**December 31, 2020**

**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

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.

Payments for vacation and sick leave will be made at rates in effect when the benefits are used. Accumulated vacation liabilities at December 31, 2020, 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.

**i. 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.

**j. 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



**COUNTY OF SHEBOYGAN, WISCONSIN**  
**Notes to the Basic Financial Statements**  
**December 31, 2020**

**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

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.

**k. 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.

**l. 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.

**m. 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.

**COUNTY OF SHEBOYGAN, WISCONSIN**  
**Notes to the Basic Financial Statements**  
**December 31, 2020**

**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

- 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.

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.

**n. 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, 2020**

**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, 2020**

**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, 2020.

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, 2020 as follows:

	Wages & Benefits	Operating Expenses	Interdepartmental Charges	Debt Service Interest	Capital Outlay
<b>General Fund</b>					
<b>General Government</b>					
Medical Examiner	\$ 28,920	\$ 5,696	\$ 242	\$	\$
Clerk of Courts	5,141	139,415			
District Attorney		3,663			
County Clerk	653		13,419		
Corporation Counsel		36,880			
County Administrator		6,641			
<b>Sheriff</b>					
Sheriff	283,861	54,175			93,995
<b>Transportation</b>					
Airport		93,830			
<b>Resources and Development</b>					
Planning and Conservation		142,137	45,931		
<b>UW Ext/UW Campus</b>					
U.W. Green Bay - Sheboygan Campus			1,437		
<b>Special Revenue Funds</b>					
<b>Health and Human Services</b>					
Elder Services	12,460				
Public Health	632,223	55,065			
Social Services		92,602			
Administration			362,197		
<b>Debt Service</b>					
Interest and other charges				64,988	
<b>Capital Projects</b>					
Capital Outlay					116,258

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, 2020**

**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 \$55,663,826 at December 31, 2020 as summarized below:

Petty cash funds	\$ 14,640
Deposits with financial institutions	38,718,040
Investments	
Certificates of deposit	2,057,543
Federal agency securities	8,265,843
Municipal bonds	4,124,617
Wisconsin local government investment pool	<u>2,483,143</u>
Total	<u>\$55,663,826</u>

Reconciliation to the basic financial statements:

Government-wide Statement of Net Position	
Cash and investments	\$53,439,225
Fiduciary Fund Statement of Net Position	
Cash and investments	<u>2,224,601</u>
Total	<u>\$55,663,826</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, 2020**

**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, 2020, \$38,478,262 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, 2020**

**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 Ag Mortgage Corp	\$ 498,545	\$	\$	\$	\$	\$ 498,545
Federal Farm Credit Bank	2,250,367		2,250,367			
Federal Home Loan Bank	1,748,275		1,748,275			
Federal Home Loan Mortgage Corp	797,344		797,344			
Federal National Mortgage Association	2,248,568		2,248,568			
Government National Mortgage Association	722,744					722,744
Certificates of deposit	2,057,543					2,057,543
Municipal bonds	4,124,617		900,939	3,223,678		
Wisconsin Local Government Investment Pool	2,483,143					2,483,143
<b>Totals</b>	<b>\$ 16,931,146</b>	<b>\$</b>	<b>\$ 7,945,493</b>	<b>\$ 3,223,678</b>	<b>\$</b>	<b>\$ 5,761,975</b>

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 Farm Credit Bank	Federal agency securities	\$ 2,250,367	13.3%
Federal Home Loan Bank	Federal agency securities	1,748,275	10.3%
Federal National Mortgage Association	Municipal bond	2,248,568	13.3%
State of Wisconsin	Municipal bond	2,632,856	15.6%

**COUNTY OF SHEBOYGAN, WISCONSIN**  
**Notes to the Basic Financial Statements**  
**December 31, 2020**

**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 Ag Mortgage Corp	\$ 498,545	\$	\$	\$ 498,545	\$
Federal Farm Credit Bank	2,250,367			1,499,985	750,382
Federal Home Loan Bank	1,748,275			1,748,275	
Federal Home Loan Mortgage Corp	797,344			797,344	
Federal National Mortgage Association	2,248,568			2,248,568	
Government National Mortgage Association	722,744				722,744
Certificates of deposit	2,057,543	1,004,295	257,546	795,702	
Municipal bonds	4,124,617	755,863		1,149,407	2,219,347
Wisconsin Local Government Investment Pool	2,483,143	2,483,143			
<b>Totals</b>	<b>\$ 16,931,146</b>	<b>\$ 4,243,301</b>	<b>\$ 257,546</b>	<b>\$ 8,737,826</b>	<b>\$ 3,692,473</b>

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 Ag Mortgage Corp	\$ 498,545
Federal Farm Credit Bank	2,250,367
Federal Home Loan Bank	1,748,275
Federal Home Loan Mortgage Corp	797,344
Federal National Mortgage Association	2,248,568
Government National Mortgage Association	722,744



**COUNTY OF SHEBOYGAN, WISCONSIN**  
**Notes to the Basic Financial Statements**  
**December 31, 2020**

**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 \$2,483,143 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, 2020, 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, 2020:

Investments	Fair Value Measurements Using :		
	Level 1	Level 2	Level 3
Federal Agency Securities	\$	\$ 8,265,843	\$
Certificates of Deposit		2,057,543	
Municipal Bonds		4,124,617	
Total investments by fair value level	\$	\$ 14,448,003	\$

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

Investment Type	Valuation Method
Federal Ag Mortgage Corp	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 Bank	Mortgage backed securities pricing - 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 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, 2020**

**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, 2020 for collection in 2021 are for the following:

County apportionment	\$ 51,386,685
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The above County apportionment of \$51,386,685 is for financing 2021 operations and will be transferred in 2021 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, 2020**

**NOTE C – DETAILED NOTES ON ALL FUNDS (Continued)**

On December 31, 2020, the County’s general fund showed an investment of \$1,606,881 in delinquent tax certificates. An aging of the delinquent taxes certificates follows:

Year Acquired	Total	County Share	County Purchased
2020	\$ 953,639	\$ 234,457	\$ 719,182
2019	453,328	112,879	340,449
2018	177,883	44,115	133,768
2017	13,929	3,482	10,447
2016	3,081	767	2,314
2015	2,801	681	2,120
2014	1,185	279	906
2013	1,027	241	786
2012	2		2
2011	2		2
2010	2		2
2009	2		2
Delinquent property taxes at December 31, 2020	<u>\$ 1,606,881</u>	396,901	1,209,980
Less 60 day collections after December 31, 2020		<u>60,163</u>	<u>183,471</u>
County Share of Taxes		336,738	
Interest accrued		<u>434,495</u>	
Deferred Inflow of Resources		<u>\$ 771,233</u>	
Nonspendable Fund Balance (purchased equities of state and local governments)			<u>\$ 1,026,509</u>

**COUNTY OF SHEBOYGAN, WISCONSIN**  
**Notes to the Basic Financial Statements**  
**December 31, 2020**

**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%.	\$	45,022
\$2,264 issued 12/22/2016 to the Village of Adell, Wisconsin. \$469 due annually through 2021, interest 1.7%.		461
\$20,125 issued 06/30/2017 to the Village of Howards Grove, Wisconsin. \$4,198 due annually through 2022, interest 1.7%.		8,186
\$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>936,960</u>
Total Outstanding Loans Receivable	\$	<u><u>990,629</u></u>

Annual principal and interest maturities of the above outstanding loans receivable of \$990,629 are detailed below:

Year Ended December 31	Principal	Interest	Total
2021	\$140,138	\$13,142	\$153,280
2022	141,648	11,162	152,810
2023	139,451	9,161	148,612
2024	141,411	7,201	148,612
2025	143,401	5,211	148,612
2026	145,421	3,191	148,612
2027	139,159	1,141	140,300
	<u>\$990,629</u>	<u>\$50,209</u>	<u>\$1,040,838</u>

**COUNTY OF SHEBOYGAN, WISCONSIN**  
**Notes to the Basic Financial Statements**  
**December 31, 2020**

**NOTE C – DETAILED NOTES ON ALL FUNDS (Continued)**

5. Capital Assets

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

	Beginning Balance	Increases	Decreases	Ending Balance
<b>Governmental activities:</b>				
Capital assets, not being depreciated				
Land	\$ 17,040,871	\$ 170,348	\$ 41,419	\$ 17,169,800
Construction in progress	2,364,601	10,913,131	10,345,510	2,932,222
Total capital assets, not being depreciated	19,405,472	11,083,479	10,386,929	20,102,022
Capital assets, being depreciated				
Buildings	87,410,801	4,412,607		91,823,408
Improvements other than buildings	13,510,943	448,663		13,959,606
Infrastructure	149,208,131	5,195,013	158,955	154,244,189
Machinery and equipment	23,328,221	1,454,607	667,976	24,114,852
Office furniture and equipment	22,890,720	1,292,053		24,182,773
Vehicles	15,684,996	1,832,901	1,290,665	16,227,232
Subtotals	312,033,812	14,635,844	2,117,596	324,552,060
Less accumulated depreciation for:				
Buildings	(51,011,541)	(2,342,029)		(53,353,570)
Improvements other than buildings	(9,331,213)	(341,914)		(9,673,127)
Infrastructure	(68,076,457)	(5,744,500)	158,954	(73,662,003)
Machinery and equipment	(12,694,126)	(1,001,752)	561,003	(13,134,875)
Office furniture and equipment	(13,973,528)	(1,394,474)		(15,368,002)
Vehicles	(9,615,152)	(997,715)	1,131,522	(9,481,345)
Subtotals	(164,702,017)	(11,822,384)	1,851,479	(174,672,922)
Total capital assets, being depreciated, net	147,331,795	2,813,460	266,117	149,879,138
Governmental activities capital assets, net	\$ 166,737,267	\$ 13,896,939	\$ 10,653,046	169,981,160
Less related long-term debt outstanding				27,741,106
Net investment in capital assets				<u>\$ 142,240,054</u>

**COUNTY OF SHEBOYGAN, WISCONSIN**  
**Notes to the Basic Financial Statements**  
**December 31, 2020**

**NOTE C – DETAILED NOTES ON ALL FUNDS (Continued)**

	Beginning Balance	Increases	Decreases	Ending Balance
<b>Business-type activities:</b>				
Capital assets, not being depreciated:				
Land	\$ 31,750	\$	\$	\$ 31,750
Capital assets, being depreciated:				
Buildings	15,934,586	228,979		16,163,565
Improvements other than buildings	624,035	77,113		701,148
Infrastructure		30,877		30,877
Machinery and equipment	4,769,444	190,359	11,402	4,948,401
Office furniture and equipment	1,079,587	111,675	5,270	1,185,992
Vehicles	140,915			140,915
Subtotals	<u>22,548,567</u>	<u>639,003</u>	<u>16,672</u>	<u>23,170,898</u>
Less accumulated depreciation for:				
Buildings	(9,860,174)	(432,136)		(10,292,310)
Improvements other than buildings	(491,972)	(19,819)		(511,791)
Machinery and equipment	(3,963,650)	(89,438)	11,402	(4,041,686)
Office furniture and equipment	(812,150)	(54,255)	5,270	(861,135)
Vehicles	(120,516)	(9,079)		(129,595)
Subtotals	<u>(15,248,462)</u>	<u>(604,727)</u>	<u>16,672</u>	<u>(15,836,517)</u>
Total capital assets, being depreciated, net	<u>7,300,105</u>	<u>34,276</u>		<u>7,334,381</u>
Business-type activities capital assets, net	<u>\$ 7,331,855</u>	<u>\$ 34,276</u>	<u>\$</u>	<u>7,366,131</u>
Less related long-term debt outstanding				
Investment in capital assets				<u>\$ 7,366,131</u>

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

<b>Governmental activities:</b>	
General government	\$ 1,096,649
Sheriff	2,145,586
Transportation	5,769,216
Public health and human services	199,217
Resources and development	188,367
UW Ext/UW Campus	419,178
Total depreciation expense – governmental activities	9,818,213
Capital assets held by the County’s internal service funds are charged to various functions based on their usage of the assets	<u>2,004,170</u>
Total depreciation expense – governmental activities	<u>\$11,822,384</u>
<b>Business-type activities:</b>	
Rocky Knoll	<u>\$ 604,727</u>

**COUNTY OF SHEBOYGAN, WISCONSIN**  
**Notes to the Basic Financial Statements**  
**December 31, 2020**

**NOTE C – DETAILED NOTES ON ALL FUNDS (Continued)**

Construction Commitment

The County has several unfinished construction projects in progress as of December 31, 2020. Major projects include the Rocky Knoll Renovation project, renovating the entrance to, and roads surrounding, The University of Wisconsin Green Bay, Sheboygan Campus and reconstructing the Taxiway B center lane at the Sheboygan 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, 2020 were as follows:

	Transfer to:				Total
	General Fund	Debt Service	Capital Projects	Governmental Activities - Internal Service Funds	
Transfers from:					
General Fund	\$	\$ 50,000	\$ 400,000	\$ 25,076	\$ 475,076
Public Health and Human Services	1,699,365				1,699,365
Transportation Fund		1,372,449			1,372,449
Other Governmental Fund	90,772				90,772
Enterprise Fund - Rocky Knoll			88,412		88,412
Governmental Activities - Internal Service Funds			494,760		494,760
	<u>\$ 1,790,137</u>	<u>\$ 1,422,449</u>	<u>\$ 983,172</u>	<u>\$ 25,076</u>	<u>\$ 4,220,834</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, 2020**

**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, 2020:

	Outstanding 1/1/2020	Issued	Retired	Outstanding 12/31/2020	Due Within One Year
<b>Governmental activities:</b>					
General obligation debt					
Bonds	\$	\$ 4,163,000	\$	\$ 4,163,000	\$ 100,000
Notes	30,165,000	4,750,000	10,185,000	24,730,000	5,635,000
Total general obligation debt	30,165,000	8,913,000	10,185,000	28,893,000	5,735,000
Bond premiums	1,027,720	245,771	422,420	851,071	165,709
Compensated absences	5,830,752	4,343,393	4,145,510	6,028,635	240,760
Governmental activities long-term obligations	<u>\$ 37,023,472</u>	<u>\$ 13,502,164</u>	<u>\$ 14,752,930</u>	<u>\$ 35,772,706</u>	<u>\$ 6,141,469</u>
<b>Business-type activities:</b>					
Compensated absences	\$ 769,786	\$ 552,496	\$ 651,251	\$ 671,031	\$ 34,575
Business-type activities long-term obligations	<u>\$ 769,786</u>	<u>\$ 552,496</u>	<u>\$ 651,251</u>	<u>\$ 671,031</u>	<u>\$ 34,575</u>

Total interest paid during the year on long-term debt totaled \$870,730.



**COUNTY OF SHEBOYGAN, WISCONSIN**  
**Notes to the Basic Financial Statements**  
**December 31, 2020**

**NOTE C – DETAILED NOTES ON ALL FUNDS (Continued)**

General Obligation Debt

General obligation debt currently outstanding is detailed as follows:

	Amount
<b>Refunding bonds:</b>	
\$4,163,000 - Series 2020, due May 1, 2023; interest 1% to 1.11%	\$ 4,163,000
<b>Notes:</b>	
\$14,575,000 - Series 2014, various amounts due through May 1, 2023; interest 4%	1,895,000
\$9,500,000 - Series 2015, various amounts due through May 1, 2025; interest 2% to 3%	6,205,000
\$10,000,000 - Series 2017, various amounts due through May 1, 2027; interest 2% to 3%	7,180,000
\$6,680,000 - Series 2018, various amounts due through May 1, 2027; interest 2% to 4%	4,700,000
\$4,750,000 - Series 2020, various amounts due through May 1, 2030; interest 2% to 3%	4,750,000
	24,730,000
Total outstanding general obligation debt	\$ 28,893,000

The annual principal and interest payments on general obligation debt as of December 31, 2020, are as follows:

Year Ended December 31	Governmental Activities	
	Principal	Interest
2021	\$ 5,735,000	\$ 647,725
2022	5,628,000	519,595
2023	5,300,000	416,101
2024	3,300,000	307,125
2025	3,400,000	203,275
2026	2,155,000	124,000
2027	2,210,000	65,338
2028	375,000	29,325
2029	390,000	17,850
2030	400,000	6,000
	\$ 28,893,000	\$ 2,336,334

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, 2020**

**NOTE C – DETAILED NOTES ON ALL FUNDS (Continued)**

Advance Refunding

During fiscal year 2020, the County advance refunded a portion of a 2014 general obligation promissory note. The County issued \$4,163,000 of general obligation refunding bonds to provide resources to purchase U.S. Government Securities that were irrevocably deposited in an escrow account for the purpose of generating resources for all future debt service payments of the refunded debt. As a result, the refunded bonds are considered to be defeased and the liability has been removed from the financial statements. The advance refunding was undertaken to reduce total debt service payments over the next three years by \$108,304 and to obtain an economic benefit (difference between the present value of the debt service payments of the refunded and refunding bonds) of \$104,694.

At December 31, 2020, \$4,020,000 of outstanding general obligation bonds are considered defeased.

Legal Margin for New Debt

The County’s legal margin for creation of additional general obligation debt on December 31, 2020 was \$515,117,305 as follows:

Equalized valuation of the County		\$ 10,875,259,800
Statutory limitation percentage		(x) 5%
General obligation debt limitation, per Section 67.03 of the Wisconsin Statutes		543,762,990
Total outstanding general obligation debt applicable to debt limitation	\$ 28,893,000	
Less: Amount available for financing general obligation debt		
Debt service fund	247,315	
Net outstanding general obligation debt applicable to debt limitation		28,645,685
Legal Margin for New Debt		\$ 515,117,305

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 \$21,935,847 or 15.5% of 2021 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 25.59% 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, 2020 fund balance was nonspendable as follows:

**COUNTY OF SHEBOYGAN, WISCONSIN**  
**Notes to the Basic Financial Statements**  
**December 31, 2020**

**NOTE C – DETAILED NOTES ON ALL FUNDS (Continued)**

General Fund	
Nonspendable	
Prepays and other items	\$ 70,270
Delinquent property taxes	<u>1,026,509</u>
Total	<u>\$ 1,096,779</u>

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, 2020 fund balance was restricted as follows:

General Fund	
Restricted	
Jail assessment fees	\$112,963
Land record fees	<u>422,550</u>
Total	<u>\$ 535,513</u>
Debt Service Fund	
Restricted	
Debt Service	<u>\$ 247,315</u>
Capital Project Fund	
Restricted	
Capital Projects	<u>\$ 2,123,638</u>

Also, in the fund financial statements portions of governmental fund balances are committed by County Board action. At December 31, 2020 fund balance was committed as follows:

General Fund	
Committed	
UW Extension funds	\$ 37,086
County airport funds	115,752
Planning and conservation programs	<u>58,411</u>
Total	<u>\$ 211,250</u>
Transportation Fund	
Committed	
Transportation	<u>\$ 5,931,776</u>

Also, in the fund financial statements portions of governmental fund balances are assigned by County Board action. At December 31, 2020 fund balance was assigned as follows:

General Fund	
Assigned	
Subsequent years' expenditures	\$ 367,490
Veterans Services programs	9,674
Planning and conservation programs	187,048
Employee picnic expenditures	<u>13,915</u>
Total	<u>\$ 578,127</u>
Public Health and Human Services –	
Assigned	
Public health and human services programs	<u>\$ 600,000</u>

**COUNTY OF SHEBOYGAN, WISCONSIN**  
**Notes to the Basic Financial Statements**  
**December 31, 2020**

**NOTE C – DETAILED NOTES ON ALL FUNDS (Continued)**

Public Safety Fund	
Assigned	
Sheriff equipment funds	<u>\$ 101,911</u>
Sheboygan County Industrial Development and Revolving Loan Fund Agency, Inc.	
Assigned	
Community development	<u>\$ 260,189</u>

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 2020 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	\$ 86,241
Individual	22,317
Agricultural	<u>25,120</u>
	<u>\$133,678</u>

10. Pension Plan

Plan Description

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

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

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

Employees who retire at or after age 65 (54 for protective 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

**COUNTY OF SHEBOYGAN, WISCONSIN**  
**Notes to the Basic Financial Statements**  
**December 31, 2020**

**NOTE C – DETAILED NOTES ON ALL FUNDS (Continued)**

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:

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

Contributions

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

During the year ending December 31, 2020, the WRS recognized \$3,186,911 in contributions from the County.

**COUNTY OF SHEBOYGAN, WISCONSIN**  
**Notes to the Basic Financial Statements**  
**December 31, 2020**

**NOTE C – DETAILED NOTES ON ALL FUNDS (Continued)**

Contribution rates for the reporting period are:

<u>Employee Category</u>	<u>Employee</u>	<u>Employer</u>
General (including teachers, Executives and elected officials)	6.55%	6.55%
Protective with Social Security	6.55%	10.55%
Protective without Social Security	6.55%	14.95%

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

At December 31, 2020, the County reported an asset of \$9,309,530 for its proportionate share of the net pension asset. The net pension asset was measured as of December 31, 2019, and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of December 31, 2018 rolled forward to December 31, 2019. No material changes in assumptions or benefit terms occurred between the actuarial valuation date and the measurement date. The County's proportion of the net pension asset was based on the County's share of contributions to the pension plan relative to the contributions of all participating employers. At December 31, 2019, the County's proportion was 0.28871628%, which was a decrease of 0.00115507% from its proportion measured as of December 31, 2018.

For the year ended December 31, 2020, the County recognized pension expense of \$3,541,943.

At December 31, 2020, 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 expected and actual experience	\$ 17,671,617	\$ 8,843,460
Net differences between projected and actual earnings on pension plan investments		19,031,990
Changes in assumptions	725,458	
Changes in proportion and differences between employer contributions and proportionate share of contributions	14,820	39,901
Employer contributions subsequent to the measurement date	3,186,911	
<b>Total</b>	<b>\$ 21,598,806</b>	<b>\$ 27,915,351</b>

\$3,186,911 reported as deferred outflows related to pension resulting from the County's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability (asset) in the year ended December 31, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

**COUNTY OF SHEBOYGAN, WISCONSIN**  
**Notes to the Basic Financial Statements**  
**December 31, 2020**

**NOTE C – DETAILED NOTES ON ALL FUNDS (Continued)**

Year Ended December 31	Expense
2021	\$ 2,812,347
2022	2,110,488
2023	(317,810)
2024	4,898,431
Total	\$ 9,503,456

Actuarial Assumptions

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

Actuarial Valuation Date:	December 31, 2018
Measurement Date of Net Pension Liability (Asset)	December 31, 2019
Actuarial Cost Method:	Entry Age Normal
Asset Valuation Method:	Fair Value
Long-Term Expected Rate of Return:	7.0%
Discount Rate:	7.0%
Salary Increases:	
Inflation	3.0%
Seniority/Merit	0.1% - 5.6%
Mortality:	Wisconsin 2018 Mortality Table
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. The Total Pension Liability for December 31, 2019 is based upon a roll-forward of the liability calculated from the December 31, 2018 actuarial valuation.

*Long-term expected Return on Plan Assets.* The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of 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, 2020**

**NOTE C – DETAILED NOTES ON ALL FUNDS (Continued)**

<u>Core Fund Asset Class</u>	<u>Current Asset Allocation %</u>	<u>Long-Term Expected Nominal Rate of Return %</u>	<u>Long-Term Expected Real Rate of Return %</u>
Global Equities	49%	8.1%	5.1%
Fixed Income	24.5%	4.9%	2.1%
Inflation Sensitive Assets	15.5%	4.0%	1.2%
Real Estate	9%	6.3%	3.5%
Private Equity/Debt	8%	10.6%	7.6%
Multi-Asset	4%	6.9%	4.0%
Cash	(10%)	0.9%	N/A
Total Core Fund	100%	7.5%	4.6%
<u>Variable Fund Asset Class</u>			
U.S. Equities	70%	7.5%	4.6%
International Equities	30%	8.2%	5.3%
Total Variable Fund	100%	7.8%	4.9%

New England Pension Consultants Long Term US CPI (Inflation) Forecast: 2.75%  
 Asset Allocations are managed within established ranges, target percentages may differ from actual monthly allocations.

*Single Discount rate.* A single discount rate of 7.00% was used to measure the total pension liability for the current and prior year. This single discount rate is based on the expected rate of return on pension plan investments of 7.00% and a municipal bond rate of 2.75% (Source: Fixed-income municipal bonds with 20 years to maturity that include only federally tax-exempt municipal bonds as reported in Fidelity Index’s “20-year Municipal GO AA Index” as of December 31, 2019. In describing this index, Fidelity notes that the Municipal Curves are constructed using option-adjusted analytics of a diverse population of over 10,000 tax-exempt securities). Because of the unique structure of WRS, the 7.00% expected rate of return implies that a dividend of approximately 1.9% will always be paid. For purposes of the single discount rate, it was assumed that the dividend would always be paid. The projection of cash flows used to determine this single discount rate assumed that plan 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.

*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)	\$ 23,973,705	\$ (9,309,530)	\$ (34,192,578)



**COUNTY OF SHEBOYGAN, WISCONSIN**  
**Notes to the Basic Financial Statements**  
**December 31, 2020**

**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, 2020 the County reported a payable of \$740,209 for the outstanding amount of contribution to the plan required for the year ended December 31, 2020.

11. Other Postemployment Benefits

Local Retiree Life Insurance Fund

Plan Description

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

OPEB Plan Fiduciary Net Position

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

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

Benefits Provided

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

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

Contribution rates as of December 31, 2020 are:

Coverage Type	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, 2020**

**NOTE C – DETAILED NOTES ON ALL FUNDS (Continued)**

Member contributions are based upon nine age bands through age 69 and an additional eight age bands for those age 70 and over. Participating members must pay monthly contribution rates per \$1,000 of coverage until the age of 65 (age 70 if active). The member contribution rates in effect for the year ended December 31, 2019 are listed below:

Life Insurance Member Contribution Rates For the Year Ended December 31, 2019		
Attained Age	Basic	Supplemental
Under 30	\$0.05	\$0.05
30 - 34	0.06	0.06
35 - 39	0.07	0.07
40 - 44	0.08	0.08
45 - 49	0.12	0.12
50 - 54	0.22	0.22
55 - 59	0.39	0.39
60 - 64	0.49	0.49
65 - 69	0.57	0.57

During the year ended December 31, 2020, the LRLIF recognized \$14,576 in contributions from the employer.

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

At December 31, 2020, the County reported a liability of \$3,433,433 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of December 31, 2019, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of January 1, 2019 rolled forward to December 31, 2019. No material changes in assumptions or benefits terms occurred between the actuarial valuation date and the measurement date. The County's proportion of the net OPEB liability was based on the County's share of contributions to the OPEB plan relative to the contributions of all participating employers. At December 31, 2019, the County's proportion was 0.80631200%, which was a decrease of 0.05466% from its proportion measured as of December 31, 2018.

For the year ended December 31, 2020, the County recognized OPEB expense of \$339,202.

**COUNTY OF SHEBOYGAN, WISCONSIN**  
**Notes to the Basic Financial Statements**  
**December 31, 2020**

**NOTE C – DETAILED NOTES ON ALL FUNDS (Continued)**

At December 31, 2020, 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	\$	\$ 153,813
Net differences between projected and actual earnings on OPEB plan investments	64,766	
Changes in actuarial assumptions	1,266,609	377,652
Changes in proportion and differences between employer contributions and proportionate share of contributions	12,017	154,116
Total	<u>\$ 1,343,392</u>	<u>\$ 685,581</u>

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
2021	\$ 112,383
2022	112,383
2023	105,400
2024	98,207
2025	79,154
Thereafter	150,284
	<u>\$ 657,811</u>

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

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

**COUNTY OF SHEBOYGAN, WISCONSIN**  
**Notes to the Basic Financial Statements**  
**December 31, 2020**

**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. The Total OPEB Liability for December 31, 2019 is based upon a roll-forward of the liability calculated from the January 1, 2019 actuarial valuation.

*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. Credit Bonds	Barclays Credit	45%	2.12%
U.S. Long Credit Bonds	Barclays Long Credit	5%	2.90%
U.S. Mortgages	Barclays MBS	50%	1.53%
Inflation			2.20%
Long-term expected rate of return			4.25%

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

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

**COUNTY OF SHEBOYGAN, WISCONSIN**  
**Notes to the Basic Financial Statements**  
**December 31, 2020**

**NOTE C – DETAILED NOTES ON ALL FUNDS (Continued)**

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

*Sensitivity of the County’s proportionate share of net OPEB liability to changes in the discount rate.* The following presents the County’s proportionate share of the net OPEB liability calculated using the discount rate of 2.87%, as well as what the County’s proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (3.22%) or 1-percentage-point higher (5.22%) than the current rate:

	1% Decrease to Discount Rate (3.22%)	Current Discount Rate (2.87%)	1% Increase to Discount Rate (5.22%)
County’s proportionate share of the net OPEB liability (asset)	\$ 4,740,997	\$ 3,433,433	\$ 2,438,633

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

Payable to the OPEB Plan

At December 31, 2020, the County reported no payable for the outstanding amount of contribution to the Plan required for the year ended December 31, 2020.

**COUNTY OF SHEBOYGAN, WISCONSIN**  
**Notes to the Basic Financial Statements**  
**December 31, 2020**

**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	2019	2020
Liability, beginning of year	\$ 197,284	\$ 202,651
Current year claims and changes in estimates	94,797	62,614
Claim payments	(89,430)	(107,592)
Liability, end of year	<u>\$ 202,651</u>	<u>\$ 157,673</u>

**COUNTY OF SHEBOYGAN, WISCONSIN**  
**Notes to the Basic Financial Statements**  
**December 31, 2020**

**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	2019	2020
Liability, beginning of year	\$ 503,870	\$ 575,995
Current year claims and changes in estimates	164,981	(134,384)
Claim payments	(92,856)	(124,494)
Liability, end of year	<u>\$ 575,995</u>	<u>\$ 317,117</u>

**COUNTY OF SHEBOYGAN, WISCONSIN**  
**Notes to the Basic Financial Statements**  
**December 31, 2020**

**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 2020. 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 2021 budget was 1.88%. 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. Risks and Uncertainties

The Coronavirus Disease 2019 (COVID-19) has affected global markets, supply chains, employees of organizations, and local communities. Specific to the County, COVID-19 may impact parts of its 2021 operations and financial results. Management believes the County is taking appropriate actions to mitigate the negative impact. However, the full impact of COVID-19 is unknown and cannot be reasonably estimated as of June 29, 2021.

5. Select Upcoming Accounting Pronouncements

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



**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%
12/31/2019	0.288716%	\$ (9,309,530)	\$ 42,469,129	21.92%	102.96%

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	\$ 2,994,797	\$ 2,994,797	\$ -	\$ 42,469,129	7.05%
12/31/2020	\$ 3,186,911	\$ 3,186,911	\$ -	\$ 44,602,607	7.15%

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%
12/31/2019	0.806312%	\$ 3,433,433	\$ 34,924,000	9.83%	37.58%

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**

<u>Fiscal year ending</u>	<u>Contractually required contributions</u>	<u>Contributions in relation to the contractually required contributions</u>	<u>Contribution deficiency (excess)</u>	<u>Covered payroll (fiscal year)</u>	<u>Contributions as a percentage of covered payroll</u>
12/31/2018	\$ 16,351	\$ 16,351	\$ -	\$ 33,637,000	0.05%
12/31/2019	\$ 16,507	\$ 16,507	\$ -	\$ 42,469,129	0.04%
12/31/2020	\$ 14,576	\$ 14,576	\$ -	\$ 44,602,607	0.03%

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.

Sheboygan County Industrial Development and Revolving Loan Fund Agency, Inc. – To carry out a revolving loan fund program supporting economic development for Sheboygan County and other purposes approved by the members and directors.

**COUNTY OF SHEBOYGAN, WISCONSIN**  
**Combining Balance Sheet**  
**NonMajor Governmental Funds**  
**December 31, 2020**

Special Revenue Funds		Total NonMajor Governmental Funds
Public Safety	Industrial Development and Revolving Loan Agency, Inc.	

**Assets**

Cash and investments	\$ 101,911	\$ 260,189	\$ 362,100
Receivables			
Loans		878,410	878,410

**Total Assets**

	\$ 101,911	\$ 1,138,599	\$ 1,240,510
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**Deferred Inflows of Resources and Fund Balances**

Deferred Inflows of Resources

Loans receivable	\$	\$ 878,410	\$ 878,410
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Fund Balances

Assigned	101,911	260,189	362,100
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**Total Deferred Inflows of Resources and  
Fund Balances**

	\$ 101,911	\$ 1,138,599	\$ 1,240,510
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**COUNTY OF SHEBOYGAN, WISCONSIN**  
**Combining Statement of Revenues, Expenditures, and Changes**  
**in Fund Balances - NonMajor Governmental Funds**  
**For the Year Ended December 31, 2020**

	Special Revenue Funds		Total NonMajor Governmental Funds
	Public Safety	Industrial Development and Revolving Loan Agency, Inc.	
<b>Revenues</b>			
Miscellaneous	\$ 23,932	\$ 163,248	\$ 187,180
<b>Expenditures</b>			
Current:			
General government		273	273
Sheriff	26,753		26,753
<b>Total Expenditures</b>	26,753	273	27,026
<b>Excess (deficiency) of revenues over expenditures</b>	(2,821)	162,975	160,154
<b>Other Financing Uses</b>			
Transfers out		(90,772)	(90,772)
<b>Net change in fund balances</b>	(2,821)	72,203	69,382
<b>Fund balances, January 1</b>	104,732	187,986	292,718
<b>Fund balances, December 31</b>	\$ 101,911	\$ 260,189	\$ 362,100

## **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, 2020**

	Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Property taxes	\$ 5,531,005	\$ 5,531,005	\$ 5,531,004	\$
Miscellaneous	5,362	5,362	5,421	59
<b>Total Revenues</b>	<u>5,536,367</u>	<u>5,536,367</u>	<u>5,536,425</u>	<u>59</u>
<b>Expenditures</b>				
Debt service				
Principal	6,165,000	6,165,000	6,165,000	
Interest and other charges	947,284	947,284	1,012,272	(64,988)
<b>Total Expenditures</b>	<u>7,112,284</u>	<u>7,112,284</u>	<u>7,177,272</u>	<u>(64,988)</u>
<b>Deficiency of revenues under expenditures</b>	<u>(1,575,917)</u>	<u>(1,575,917)</u>	<u>(1,640,847)</u>	<u>(64,929)</u>
<b>Other Financing Sources</b>				
General obligation refunding debt issued			4,163,000	4,163,000
Payment to refunding debt escrow agent			(4,098,390)	(4,098,390)
Premium on long-term debt issued			245,972	245,972
Transfer in	1,422,449	1,422,449	1,422,449	
<b>Total Other Financing Sources</b>	<u>1,422,449</u>	<u>1,422,449</u>	<u>1,733,031</u>	<u>310,582</u>
<b>Net Change in Fund Balance</b>	<u>(153,468)</u>	<u>(153,468)</u>	<u>92,184</u>	<u>245,653</u>
<b>Fund balance, January 1</b>	<u>155,131</u>	<u>155,131</u>	<u>155,131</u>	
<b>Fund balance, December 31</b>	<u>\$ 1,663</u>	<u>\$ 1,663</u>	<u>\$ 247,315</u>	

## **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, 2020**

	Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Intergovernmental	\$ 2,892,833	\$ 2,892,833	\$ 1,597,817	\$ (1,295,016)
Miscellaneous	2,500	2,500	40,070	37,570
<b>Total Revenues</b>	<u>2,895,333</u>	<u>2,895,333</u>	<u>1,637,887</u>	<u>(1,257,446)</u>
<b>Expenditures</b>				
Capital outlay	5,904,017	5,992,429	6,108,687	(116,258)
<b>Deficiency of revenues under expenditures</b>	<u>(3,008,684)</u>	<u>(3,097,096)</u>	<u>(4,470,800)</u>	<u>(1,373,704)</u>
<b>Other Financing Sources</b>				
General obligation debt issued	2,063,924	2,063,924	4,750,000	2,686,076
Transfer in	894,760	983,172	983,172	
<b>Total Other Financing Sources</b>	<u>2,958,684</u>	<u>3,047,096</u>	<u>5,733,172</u>	<u>2,686,076</u>
<b>Net Change in Fund Balance</b>	(50,000)	(50,000)	1,262,372	1,312,372
<b>Fund balance, January 1</b>	<u>861,266</u>	<u>861,266</u>	<u>861,266</u>	
<b>Fund balance, December 31</b>	<u>\$ 811,266</u>	<u>\$ 811,266</u>	<u>\$ 2,123,638</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, 2020**

	Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
County Sales Tax	\$ 10,555,478	\$ 10,555,478	\$ 10,273,246	\$ (282,232)
<b>Expenditures</b>				
Transportation (formerly Public Works):				
Capital Outlay	9,571,558	9,571,558	4,846,681	4,724,877
Sales Tax Distribution	1,602,107	1,602,107	1,602,107	
<b>Total Expenditures</b>	11,173,665	11,173,665	6,448,788	4,724,877
<b>Excess of revenues over expenditures</b>	(618,187)	(618,187)	3,824,458	4,442,645
<b>Other Financing Uses</b>				
Transfer out	(1,372,449)	(1,372,449)	(1,372,449)	
<b>Net Change in Fund Balance</b>	(1,990,636)	(1,990,636)	2,452,009	4,442,645
<b>Fund balance, January 1</b>	3,479,767	3,479,767	3,479,767	
<b>Fund balance, December 31</b>	\$ 1,489,131	\$ 1,489,131	\$ 5,931,776	

## **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, 2020**

<b>Governmental Activities - Internal Service Funds</b>				
	<b>Employee Benefits &amp; Insurance</b>	<b>Information Technology &amp; Printing</b>	<b>Highway</b>	<b>Total</b>
<b>Assets</b>				
Current assets				
Cash and investments	\$ 5,613,095	\$ 695,017	\$ 2,106,942	\$ 8,415,054
Receivables (net)				
Taxes			2,188,098	2,188,098
Accounts	11,590	3,283	24,536	39,409
Due from external parties		1,452	1,071,479	1,072,931
Prepays and other items	11,379	262,419	2,426,952	2,700,750
<b>Total Current Assets</b>	<b>5,636,064</b>	<b>962,171</b>	<b>7,818,007</b>	<b>14,416,242</b>
Noncurrent assets				
Capital assets, nondepreciable				
Land			5,513,574	5,513,574
Capital assets, depreciable				
Buildings		248,291	19,171,633	19,419,924
Land improvements		35,701	1,723,050	1,758,751
Infrastructure			715,471	715,471
Machinery and equipment	5,700	189,702	17,132,748	17,328,150
Office furniture and equipment		5,651,628	342,263	5,993,891
Vehicles			12,258,819	12,258,819
Less Accumulated depreciation	(5,700)	(4,670,223)	(19,807,519)	(24,483,442)
Other noncurrent assets				
Net pension asset		111,513	1,118,332	1,229,845
<b>Total Noncurrent Assets</b>		<b>1,566,612</b>	<b>38,168,371</b>	<b>39,734,983</b>
<b>Total Assets</b>	<b>5,636,064</b>	<b>2,528,783</b>	<b>45,986,378</b>	<b>54,151,225</b>
<b>Deferred Outflows of Resources</b>				
Deferred outflows related to pension		258,495	2,602,109	2,860,604
Other postemployment related amounts		16,092	161,379	177,471
<b>Total Deferred Outflows of Resources</b>		<b>274,587</b>	<b>2,763,488</b>	<b>3,038,075</b>
<b>Liabilities</b>				
Current liabilities				
Accounts payable	32,047	5,852	10,137	48,036
Accrued and other current liabilities	462,147			462,147
Accrued compensation		24,604	245,569	270,173
<b>Total Current Liabilities</b>	<b>494,194</b>	<b>30,456</b>	<b>255,706</b>	<b>780,356</b>
Noncurrent liabilities				
Long-term obligations		106,311	718,871	825,182
Other postemployment benefits		41,127	412,450	453,577
<b>Total Noncurrent Liabilities</b>		<b>147,438</b>	<b>1,131,321</b>	<b>1,278,759</b>
<b>Total Liabilities</b>	<b>494,194</b>	<b>177,894</b>	<b>1,387,027</b>	<b>2,059,115</b>
<b>Deferred Inflows of Resources</b>				
Property taxes levied for subsequent year			2,188,098	2,188,098
Deferred inflows related to pension		334,381	3,353,406	3,687,787
Other postemployment related amounts		8,212	82,357	90,569
<b>Total Deferred Inflows of Resources</b>		<b>342,593</b>	<b>5,623,861</b>	<b>5,966,454</b>
<b>Net Position</b>				
Investment in capital assets		1,455,099	37,050,039	38,505,138
Restricted for				
Pension benefits		111,513	1,118,332	1,229,845
Unrestricted	5,141,870	716,271	3,570,607	9,428,748
<b>Total Net Position</b>	<b>\$ 5,141,870</b>	<b>\$ 2,282,883</b>	<b>\$ 41,738,978</b>	<b>\$ 49,163,731</b>

**COUNTY OF SHEBOYGAN, WISCONSIN**  
**Combining Statement of Revenues, Expenses, and Changes in Net Position**  
**Internal Service Funds**  
**For the Year Ended December 31, 2020**

	Governmental Activities - Internal Service Funds			
	Employee Benefits & Insurance	Information Technology & Printing	Highway	Total
<b>Operating Revenues</b>				
Charges for services	\$ 14,919,625	\$ 2,233,538	\$ 14,720,101	\$ 31,873,264
Miscellaneous operating revenue	287,587	3,071	128,990	419,648
<b>Total Operating Revenues</b>	<b>15,207,212</b>	<b>2,236,609</b>	<b>14,849,091</b>	<b>32,292,912</b>
<b>Operating Expenses</b>				
Operation and maintenance	16,204,514	2,097,224	18,329,078	36,630,816
Depreciation		167,085	1,821,317	1,988,402
<b>Total Operating Expenses</b>	<b>16,204,514</b>	<b>2,264,309</b>	<b>20,150,395</b>	<b>38,619,218</b>
<b>Operating Loss</b>	<b>(997,302)</b>	<b>(27,700)</b>	<b>(5,301,304)</b>	<b>(6,326,306)</b>
<b>Nonoperating revenues</b>				
Intergovernmental contracts/grants		7,144	3,149,595	3,156,739
Property tax appropriation			2,811,186	2,811,186
Rental income	60,757		8,820	69,577
Loss on disposal of capital assets			85,044	85,044
<b>Total nonoperating revenues</b>	<b>60,757</b>	<b>7,144</b>	<b>6,054,645</b>	<b>6,122,546</b>
<b>Income (loss) before contributions and transfers</b>	<b>(936,545)</b>	<b>(20,556)</b>	<b>753,341</b>	<b>(203,760)</b>
Capital contributions - County		642,905	16,839	659,744
Transfers In		9,000	16,076	25,076
Transfers Out		(494,760)		(494,760)
<b>Change in net position</b>	<b>(936,545)</b>	<b>136,589</b>	<b>786,256</b>	<b>(13,700)</b>
<b>Net Position - January 1</b>	<b>6,078,415</b>	<b>2,146,294</b>	<b>40,952,722</b>	<b>49,177,431</b>
<b>Net Position - December 31</b>	<b>\$ 5,141,870</b>	<b>\$ 2,282,883</b>	<b>\$ 41,738,978</b>	<b>\$ 49,163,731</b>

**COUNTY OF SHEBOYGAN, WISCONSIN**  
**Combining Statement of Cash Flows**  
**Internal Service Funds**  
**For the Year Ended December 31, 2020**

<b>Governmental Activities - Internal Service Funds</b>				
<b>Employee Benefits &amp; Insurance</b>	<b>Information Technology &amp; Printing</b>	<b>Highway</b>	<b>Total</b>	
<b>Cash flows from operating activities</b>				
Receipts from customers and users	\$	\$	\$ 9,064,957	\$ 9,064,957
Receipts from interfund services provided	12,406,664	2,232,214	5,425,773	20,064,651
Other operating cash receipts	2,793,181	3,071	169,510	2,965,762
Payments to suppliers	(749,021)	(1,333,216)	(9,744,403)	(11,826,640)
Payments for wages and benefits	(15,810,485)	(635,213)	(6,841,358)	(23,287,056)
Payments for interfund services used	(111,396)	(133,866)	(2,063,654)	(2,308,916)
Net cash provided (used) by operating activities	(1,471,057)	132,990	(3,989,175)	(5,327,242)
<b>Cash flows from noncapital financing activities</b>				
Intergovernmental contracts/grants		7,144	3,149,595	3,156,739
Property tax appropriation received			2,811,186	2,811,186
Rental income	60,757		8,820	69,577
Transfer in		9,000	16,076	25,076
Transfer out		(494,760)		(494,760)
Net cash provided (used) by financing activities	60,757	(478,616)	5,985,677	5,567,818
<b>Cash flows from capital and related financing activities</b>				
Proceeds from sale of capital assets			350,858	350,858
Purchases of capital assets		(6,800)	(2,408,929)	(2,415,729)
Net cash used by capital and related financing activities		(6,800)	(2,058,071)	(2,064,871)
Net decrease in cash and cash equivalents	(1,410,300)	(352,426)	(61,569)	(1,824,295)
Cash and cash equivalents - January 1	7,023,395	1,047,443	2,168,511	10,239,349
Cash and cash equivalents - December 31	\$ 5,613,095	\$ 695,017	\$ 2,106,942	\$ 8,415,054

**COUNTY OF SHEBOYGAN, WISCONSIN**  
**Combining Statement of Cash Flows (Continued)**  
**Internal Service Funds**  
**For the Year Ended December 31, 2020**

<b>Governmental Activities - Internal Service Funds</b>			
<b>Employee Benefits &amp; Insurance</b>	<b>Information Technology &amp; Printing</b>	<b>Highway</b>	<b>Total</b>

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

Operating loss	\$ (997,302)	\$ (27,700)	\$ (5,301,304)	\$ (6,326,306)
Adjustments to reconcile operating loss to net cash provided (used) by operating activities:				
Depreciation (net of amortization)		167,085	1,821,317	1,988,402
Change in WRS pension related liabilities (assets)		(231,176)	(2,361,152)	(2,592,328)
Change in WRS pension related deferred outflows		69,136	771,991	841,127
Change in WRS pension related deferred inflows		169,270	1,638,563	1,807,833
Change in other post employment related liabilities (assets)		15,474	146,022	161,496
Change in other post employment related deferred outflows		(12,865)	(127,861)	(140,726)
Change in other post employment related deferred inflows		986	7,311	8,297
Changes in assets and liabilities:				
Accounts receivable	(7,369)	(1,197)	(459)	(9,025)
Due from external parties		(128)	(188,392)	(188,520)
Prepays and other items	(5,868)	5,592	(299,142)	(299,418)
Accounts payable and accrued expenses	19,721	(23,014)	27,054	23,761
Accrued compensation		(12,202)	(163,257)	(175,459)
Accrued compensated absences		13,729	40,134	53,863
Accrued insurance	(480,239)			(480,239)
Net cash provided (used) by operating activities	<u>\$ (1,471,057)</u>	<u>\$ 132,990</u>	<u>\$ (3,989,175)</u>	<u>\$ (5,327,242)</u>

**Noncash investing, capital and financing activities**

Contribution of capital assets - County	\$ 642,905	\$ 16,839	\$ 659,744
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## **Fiduciary Funds**

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

Register of Deeds – To account for the receipt and disbursement of state mandated fees.

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

Sheriff General - To account for the receipt and disbursement of fees collected for third parties.

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

Taxes – To account for collection and payment of funds deposited with the County Treasurer for payment of taxes and special assessments to other governmental units.

**COUNTY OF SHEBOYGAN, WISCONSIN**  
**Combining Statement of Fiduciary Net Position**  
**Fiduciary Funds - Other Custodial Funds**  
**December 31, 2020**

	Taxes & Specials	Sheriff General	Sheriff Inmate	Clerk of Court	Rocky Knoll Patient	Register of Deeds	Total Other Custodial Funds
<b>Assets</b>							
Cash & Investments	\$ 2,290	\$ 797	\$ 72,932	\$ 1,925,499	\$ 44,354	\$ 178,729	\$ 2,224,601
Tax Receivable For Other Governments	54,639						54,639
Special certificates	142,827						142,827
<b>Total Assets</b>	<b>199,756</b>	<b>797</b>	<b>72,932</b>	<b>1,925,499</b>	<b>44,354</b>	<b>178,729</b>	<b>2,422,067</b>
<b>Liabilities</b>							
Due to Other Governments	54,623			211,499		178,729	444,851
<b>Total Liabilities</b>	<b>54,623</b>			<b>211,499</b>		<b>178,729</b>	<b>444,851</b>
<b>Net Position</b>							
Restricted for:							
Individuals, Organizations, and Other Governments	145,133	797	72,932	1,714,000	44,354		1,977,216
<b>Total Net Position</b>	<b>\$ 145,133</b>	<b>\$ 797</b>	<b>\$ 72,932</b>	<b>\$ 1,714,000</b>	<b>\$ 44,354</b>		<b>\$ 1,977,216</b>

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

**COUNTY OF SHEBOYGAN, WISCONSIN**  
**Combining Statement of Changes in Fiduciary Net Position**  
**Fiduciary Funds - Other Custodial Funds**  
**For the year ended December 31, 2020**

	Taxes	Sheriff General	Sheriff Inmate	Clerk of Court	Rocky Knoll Patient	Register of Deeds	Total Other Custodial Funds
<b>Additions</b>							
Contributions							
Individuals	\$	\$	\$ 1,848,406	\$ 2,248,222	\$ 423,767	\$	\$ 4,520,395
Property Tax Collections for Other Governments	54,639						54,639
Special Certificate Collections for Other Governments	113,401						113,401
Fee collections and other items		141,463				1,625,557	1,767,020
<b>Total Additions</b>	<b>168,040</b>	<b>141,463</b>	<b>1,848,406</b>	<b>2,248,222</b>	<b>423,767</b>	<b>1,625,557</b>	<b>6,455,455</b>
<b>Deductions</b>							
Beneficiary Payments to Individuals		45	1,869,062		405,665		2,274,772
Payments of Property Tax to Other Governments	157,631						157,631
Payments of Special Certificates to Other Governments	73,554						73,554
Payments to Other Entities		141,523		1,720,490		1,625,557	3,487,570
<b>Total Deductions</b>	<b>231,230</b>	<b>141,523</b>	<b>1,869,062</b>	<b>1,720,490</b>	<b>405,665</b>	<b>1,625,557</b>	<b>5,993,527</b>
<b>Net Increase (Decrease) in Fiduciary Net Position</b>	<b>(63,190)</b>	<b>(60)</b>	<b>(20,656)</b>	<b>527,732</b>	<b>18,102</b>		<b>461,928</b>
Fiduciary Net Position - January 1, restated	208,323	857	93,588	1,186,268	26,252		1,515,288
<b>Fiduciary Net Position - December 31</b>	<b>\$ 145,133</b>	<b>\$ 797</b>	<b>\$ 72,932</b>	<b>\$ 1,714,000</b>	<b>\$ 44,354</b>	<b>\$</b>	<b>\$ 1,977,216</b>

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

## **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)**

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
<b>Governmental Activities</b>										
Net investment in capital assets	\$ 93,177	\$ 94,537	\$ 97,989	\$ 108,499	\$ 113,184	\$ 113,937	\$ 121,726	\$ 129,443	\$ 136,151	\$ 142,240
Restricted	1,995	3,802	2,904	3,215	9,892	3,974	2,777	9,998	702	8,685
Unrestricted	15,022	23,610	28,243	26,174	37,668	42,546	42,699	34,290	39,139	35,671
<b>Total Governmental Activities Net Position</b>	<b>\$ 110,194</b>	<b>\$ 121,949</b>	<b>\$ 129,136</b>	<b>\$ 137,888</b>	<b>\$ 160,744</b>	<b>\$ 160,457</b>	<b>\$ 167,202</b>	<b>\$ 173,731</b>	<b>\$ 175,992</b>	<b>\$ 186,596</b>
<b>Business-type Activities</b>										
Net investment in capital assets	\$ 9,083	\$ 8,380	\$ 7,899	\$ 7,738	\$ 7,352	\$ 7,483	\$ 7,598	\$ 7,280	\$ 7,332	\$ 7,366
Restricted					1,088			1,234		1,285
Unrestricted (Deficit)	(1,060)	(714)	(14)		1,523	3,008	2,875	1,822	3,420	2,487
<b>Total Business-type Activities Net Position</b>	<b>\$ 8,023</b>	<b>\$ 7,666</b>	<b>\$ 7,885</b>	<b>\$ 7,738</b>	<b>\$ 9,963</b>	<b>\$ 10,491</b>	<b>\$ 10,473</b>	<b>\$ 10,336</b>	<b>\$ 10,752</b>	<b>\$ 11,138</b>
<b>Total Primary Government</b>										
Net investment in capital assets	\$ 102,260	\$ 102,917	\$ 105,888	\$ 116,237	\$ 120,536	\$ 121,420	\$ 129,324	\$ 136,723	\$ 143,483	\$ 149,606
Restricted	1,995	3,802	2,904	3,215	10,980	3,974	2,777	11,232	702	9,970
Unrestricted	13,962	22,896	28,229	26,174	39,191	45,554	45,574	36,112	42,559	38,158
<b>Total Primary Government Net Position</b>	<b>\$ 118,217</b>	<b>\$ 129,615</b>	<b>\$ 137,021</b>	<b>\$ 145,626</b>	<b>\$ 170,707</b>	<b>\$ 170,948</b>	<b>\$ 177,675</b>	<b>\$ 184,067</b>	<b>\$ 186,744</b>	<b>\$ 197,734</b>

**COUNTY OF SHEBOYGAN, WISCONSIN**

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

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
<b>Expenses</b>										
Governmental activities:										
General government	\$ 17,749	\$ 13,271	\$ 12,876	\$ 12,042	\$ 14,113	\$ 16,506	\$ 15,380	\$ 14,092	\$ 16,715	\$ 14,486
Sheriff (formerly Public safety)	17,060	18,742	18,387	18,372	18,541	21,007	22,182	23,689	25,787	24,775
Transportation (formerly Public works)	16,819	18,678	14,104	15,319	15,972	16,022	17,144	18,630	22,375	22,839
Public health and human services	30,561	30,664	29,859	31,397	31,210	33,763	32,864	34,126	37,969	38,669
Resources and development	2,976	6,384	2,314	4,035	2,913	2,339	3,089	1,972	2,704	2,547
UW Ext/UW Campus (formerly Education)	572	1,220	1,211	1,267	1,213	1,182	1,101	1,103	1,071	964
Interest on long term debt	1,091	877	934	1,382	1,106	1,089	1,121	1,223	963	1,065
Total governmental activities expenses	86,828	89,836	79,685	83,814	85,068	91,908	92,881	94,835	107,584	105,345
Business-type activities:										
Rocky Knoll	16,449	14,363	13,620	13,671	13,377	13,572	13,815	13,792	14,457	14,606
Total business-type activities expenses	16,449	14,363	13,620	13,671	13,377	13,572	13,815	13,792	14,457	14,606
Total primary government expenses	\$ 103,277	\$ 104,199	\$ 93,305	\$ 97,485	\$ 98,445	\$ 105,480	\$ 106,696	\$ 108,627	\$ 122,041	\$ 119,951
<b>Program Revenues</b>										
Governmental activities:										
Charges for Services:										
General government	\$ 2,095	\$ 1,154	\$ 1,616	\$ 1,298	\$ 1,961	\$ 1,914	\$ 2,245	\$ 1,815	\$ 2,261	\$ 2,065
Sheriff (formerly Public safety)	1,611	1,159	1,147	1,258	1,334	1,337	1,775	1,660	1,770	1,704
Transportation (formerly Public works)	4,384	5,995	268	252	349	104	275	279	487	257
Public health and human services	2,558	2,259	3,645	3,374	4,063	4,235	4,181	4,285	4,516	5,769
Resources and development	331	2,118	588	1,312	666	472	519	491	482	389
UW Ext/UW Campus (formerly Education)	23	28	26	26	32	21	20	21	19	13
Interest on long term debt	542	515	512	516	518	519	517	514	515	
Operating grants and contributions	28,396	29,448	24,233	30,474	30,226	28,141	26,095	27,498	29,979	36,031
Capital grants and contributions	2,042	515	2,239	741	223	198	384	302	2,430	2,065
Total governmental activities program revenues	\$ 41,982	\$ 43,191	\$ 34,274	\$ 39,251	\$ 39,372	\$ 36,941	\$ 36,011	\$ 36,865	\$ 42,459	\$ 48,293
Business-type activities:										
Charges for Services:										
Rocky Knoll	11,641	11,573	11,334	11,096	11,306	11,481	11,052	11,158	11,494	11,002
Operating grants and contributions	1,403	1,711	1,194	1,100	1,226	1,142	1,315	2,233	2,268	2,905
Capital grants and contributions		57	191			522				
Total business-type activities program revenues	\$ 13,044	\$ 13,284	\$ 12,585	\$ 12,387	\$ 12,532	\$ 13,145	\$ 12,367	\$ 13,391	\$ 13,762	\$ 13,907
Net (expense) revenue										
Governmental activities	(44,846)	(46,645)	(45,411)	(44,563)	(45,696)	(54,967)	(56,870)	(57,970)	(65,126)	(57,052)
Business-type activities	(3,405)	(1,079)	(1,035)	(1,284)	(845)	(427)	(1,448)	(401)	(695)	(699)
Total primary government net expense	\$ (48,251)	\$ (47,724)	\$ (46,446)	\$ (45,847)	\$ (46,541)	\$ (55,394)	\$ (58,318)	\$ (58,371)	\$ (65,821)	\$ (57,751)

**COUNTY OF SHEBOYGAN, WISCONSIN**

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

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
<b>General Revenues and Other Changes in Net Position</b>										
Governmental activities:										
Property taxes	\$ 44,053	\$ 44,308	\$ 45,126	\$ 45,155	\$ 46,233	\$ 47,548	\$ 47,059	\$ 47,855	\$ 48,684	\$ 49,788
Sales tax							9,391	10,030	10,821	10,273
Other taxes	7	13	8	4	11	25	21	29	32	37
Grants and contributions	4,214	3,558	3,572	3,862	4,416	3,938	3,901	3,765	3,828	3,701
Investment earnings	1,861	1,886	704	2,380	1,971	1,987	1,848	2,188	2,289	1,475
Miscellaneous	1,555	1,518	1,679	1,915	3,603	1,181	1,972	2,294	1,704	2,565
Special item - Other Post Employment Benefit Adjustment			1,062							
Transfers	1,231		(11)		(1)		(576)	95	(374)	(183)
Total governmental activities	52,921	51,283	52,140	53,316	56,233	54,679	63,616	66,256	66,984	67,656
Business-type activities:										
Property taxes	1,327	687	802	846	835	885	845	671	717	826
Grants and contributions		1	12	262	1	5	1	1		46
Investment earnings	10			1		2	1	1	1	
Miscellaneous		34	10	28	35	64	6	36	20	30
Special item - Other Post Employment Benefit Adjustment			419							
Transfers	(1,231)		11		1		576	(95)	373	183
Total business-type activities	106	722	1,254	1,137	872	956	1,429	614	1,111	1,085
Total primary government	\$ 53,027	\$ 52,005	\$ 53,394	\$ 54,453	\$ 57,105	\$ 55,635	\$ 65,045	\$ 66,870	\$ 68,095	\$ 68,741
Change in Net Position										
Governmental activities	\$ 8,075	\$ 4,638	\$ 6,729	\$ 8,753	\$ 10,537	\$ (288)	\$ 6,746	\$ 8,287	\$ 1,858	\$ 10,604
Cumulative effect of change in accounting principle		(308)			12,318			(1,758)		
Prior period adjustment		7,426	457						403	
Business-type activities	(3,299)	(357)	219	(147)	27	529	(19)	212	416	386
Cumulative effect of change in accounting principle					2,199			(350)		
Total primary government	\$ 4,776	\$ 11,399	\$ 7,405	\$ 8,606	\$ 25,081	\$ 241	\$ 6,727	\$ 6,391	\$ 2,677	\$ 10,990

**COUNTY OF SHEBOYGAN, WISCONSIN**

**Table III**

**Fund Balances, Governmental Funds**

**Last Ten Fiscal Years**

**(Modified Accrual Basis of Accounting)**

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
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	\$ 1,096,779
Restricted	449,898	575,873	696,990	798,783	880,688	858,852	791,242	861,662	694,557	535,513
Committed	106,249	193,156	130,075	153,424	172,780	153,973	160,012	224,737	182,469	211,250
Assigned	491,373	296,114	884,861	524,183	2,643,631	3,767,583	3,344,874	882,577	1,425,764	578,127
Unassigned	12,053,878	12,503,137	13,837,437	15,592,319	18,633,273	17,828,037	16,185,605	18,476,704	17,922,130	21,935,847
Total General Fund	16,986,203	16,832,429	17,939,667	18,679,648	23,758,405	23,762,669	21,486,916	21,486,955	21,300,164	24,357,516
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	2,370,953
Committed	91,035						3,140,569	3,578,678	3,479,767	5,931,776
Assigned	1,015,533	1,997,444	3,309,914	564,878	726,904	579,835	719,717	552,641	323,491	962,100
Unassigned (Deficit)		(341,591)	(192,432)				(1,129,592)			
Total All Other Governmental Funds	7,565,348	2,880,093	6,649,797	13,706,136	13,744,461	8,649,073	4,261,011	7,302,681	4,819,655	9,264,829
Total Governmental Funds	\$ 24,551,551	\$ 19,712,522	\$ 24,589,464	\$ 32,385,784	\$ 37,502,866	\$ 32,411,742	\$ 25,747,927	\$ 28,789,636	\$ 26,119,819	\$ 33,622,345

\* 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)**

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
<b>REVENUES</b>										
Property taxes	\$ 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	\$ 46,976,784
Other taxes	11,321	13,456	45,326	3,967	11,496	24,726	941204500%	10,058,722	10,853,301	10,310,627
Intergovernmental	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	27,217,759
Licenses and permits	642,810	684,457	638,499	660,638	667,105	675,737	701,477	748,798	782,043	779,901
Fines, forfeits and penalties	347,215	321,971	298,137	293,855	318,962	330,169	336,949	340,618	308,711	291,990
Public charges for services	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	9,521,027
Capital contributions	530,904		1,657,631							
Miscellaneous	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	5,061,764
Total revenues	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	100,159,852
<b>EXPENDITURES</b>										
Current:										
General government	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	14,353,372
Sheriff (formerly Public safety)	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	22,050,579
Transportation (formerly Public works)	425,726	417,404	401,438	415,655	528,951	476,568	4,420,486	8,422,206	9,339,204	6,993,805
Public health and human services	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	37,854,502
Resources and development	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	2,311,133
UW Ext/UW Campus (formerly Education)	569,657	575,560	574,150	617,580	602,949	565,076	538,075	558,053	613,443	533,930
Debt Service										
Principal	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	6,165,000
Interest and other charges	1,057,895	904,219	932,073	1,328,558	1,129,015	1,079,250	1,103,209	1,216,590	990,043	1,012,473
Capital Outlay	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	7,001,210
Total expenditures	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	98,276,004
Excess (deficiency) of revenues over expenditures	(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)	1,883,848
<b>OTHER FINANCING SOURCES (USES)</b>										
Premium on long term debt issued			245,928	979,694	453,755	72,745	281,725	292,211		245,972
Long-term debt issued			9,590,000	16,962,040	9,500,000	3,265,000	10,000,000	6,680,000		8,913,000
Capital leases				26,512		(3,280,000)				
Payment to current noteholder			(1,731,522)	(2,280,000)						(4,098,390)
Transfers in	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	4,195,758
Transfers out	(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)	(3,637,662)
Total other financing sources (uses)	1,384,911	36,887	8,084,501	15,931,782	10,036,968	645,326	12,311,231	8,395,861	(958,017)	5,618,678
Net change in fund balances	\$ (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)	\$ 7,502,526
Debt service as a percentage of noncapital expenditures	9.1%	8.6%	9.8%	10.3%	10.1%	9.1%	8.8%	9.8%	9.0%	8.5%

**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				
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
2020	2021	7,847,487,800	1,892,325,500	547,378,500	310,774,300	277,293,700	524,061,500	10,351,198,300	4.9600

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	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	2020 TAX RATE FOR YEAR 2021
Direct Sheboygan County Tax Rate	\$ 5.28	\$ 5.41	\$ 5.60	\$ 5.64	\$ 5.77	\$ 5.65	\$ 5.45	\$ 5.30	\$ 5.22	\$ 4.96
<b>TOWNSHIPS</b>										
Greenbush	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	13.05-14.80
Herman	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	15.10-16.88
Holland	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	15.09-15.76
Lima	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	13.99-15.09
Lyndon	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	15.61-17.02
Mitchell	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	14.58-16.46
Mosel	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	15.14-15.31
Plymouth	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	12.89-13.57
Rhine	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	13.61-15.12
Russell	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	14.00-15.51
Scott	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	13.69-15.42
Sheboygan	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	14.34-15.89
Sheboygan Falls	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	14.35-15.50
Sherman	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	14.86-15.79
Wilson	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	13.71-15.25
<b>VILLAGE</b>										
Adell	21.09	21.33	21.72	21.47	21.03	20.36	19.71	20.04	19.56	19.51
Cascade	18.57	19.45	20.02	18.07	17.87	17.62	16.92	16.90	17.11	16.44
Cedar Grove	21.42	21.95	22.80	22.62	22.95	22.68	21.95	21.29	20.31	20.02
Elkhart Lake	17.31	17.7	18.53	17.99	18.2	17.86	17.4	16.34	16.87	16.22
Glenbeulah	17.82	19.12	19.71	18.93	19.27	19.44	18.33	17.55	18.09	18.1
Howards Grove	18.92	19.415	20.09	18.66	18.14	17.5	17.34	16.73	16.57	16.25
Kohler	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	17.36-18.91
Oostburg	20.36	21.36	22.44	21.51	21.6	21.4	20.64	20.31	20.12	19.06
Random Lake	20.13	20.51	21.06	21.16	20.58	19.17	19.13	19.43	19.56	18.98
Waldo	22.24	22.53	23.68	22.49	21.91	21.77	20.85	20.40	19.71	19.45
<b>CITY</b>										
Plymouth	21.22	22.19	22.72	20.73	20.28	20.22	19.68	19.65	19.78	19.01
Sheboygan	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	20.15-21.75
Sheboygan Falls	20.59	20.98	22.01	21.79	21.46	21.18	20.25	19.75	19.46	19.15

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	2011			2020		
	Equalized Value	Rank	Percentage of Total County Equalized Value	Equalized Value	Rank	Percentage of Total County Equalized Value
Kohler Co	128,145,423	1	1.4943%	181,164,800	1	1.7502%
Acuity Insurance Co	38,474,865	3	0.4487%	170,435,900	2	1.6465%
Sargento Foods Inc	22,517,349	4	0.2626%	42,047,400	3	0.4062%
Wal-Mart Stores Inc	39,351,898	2		37,132,300	4	0.3587%
Johnsonville Sausage	17,426,763	6	0.2032%	35,893,400	5	0.3468%
Meijer Stores LP				32,308,500	6	0.3121%
OCS Plymouth LLC				29,516,600	7	0.2852%
SNH Medical Office	19,701,460	5	0.2297%	26,755,600	8	0.2585%
St Nicholas Hospital				22,971,000	9	0.2219%
Masters Gallery Foods Inc				17,527,600	10	0.1693%
Nemak (JL French)	15,694,428	7	0.1830%			
Target Corporation	14,055,049	8	0.1639%			
NNN Eastern Wisc Medical	13,512,274	9	0.1576%			
JHK Company (Great Lakes Cheese)	12,794,984	10	0.1492%			
	<u>\$ 321,674,493</u>		<u>3.2922%</u>	<u>\$ 595,753,100</u>		<u>5.7554%</u>
Total Equalized Value Sheboygan County	<u>\$ 8,575,432,000</u>			<u>\$ 10,351,198,300</u>		

Source: Sheboygan County Treasurer's Office for 2011 and 2020

**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
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%	2,245,546	195,917,126	100.00%
2012	2013	194,572,586	192,894,815	99.14%	1,676,744	194,571,559	100.00%
2013	2014	197,644,230	196,326,845	99.33%	1,316,200	197,643,045	100.00%
2014	2015	193,689,789	192,549,556	99.41%	1,137,432	193,686,988	100.00%
2015	2016	194,144,196	193,200,662	99.51%	940,453	194,141,115	100.00%
2016	2017	191,324,730	190,404,311	99.52%	906,490	191,310,801	99.99%
2017	2018	195,371,642	194,514,150	99.56%	679,609	195,193,759	99.91%
2018	2019	198,283,746	197,382,206	99.55%	448,212	197,830,418	99.77%
2019	2020	205,805,229	204,851,590	99.54%	-	204,851,590	99.54%

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							
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	54,703	0.49%	270.44
2020	4,163,000	24,730,000			851,069	29,744,069	10,351,198	0.29%	115,447	*	*	257.64

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
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	-	27,015,028	0.33%	0.51%	235.07
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	813,902	33,141,581	0.39%	0.60%	287.12
2017	38,042,294	377,452	37,664,842	0.42%	0.65%	326.54
2018	38,080,171	157,590	37,922,581	0.41%	0.62%	328.46
2019	31,192,720	7,100	31,185,620	0.32%	0.49%	270.38
2020	29,744,069	125,220	29,618,849	0.29%	*	256.56

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**

	2011	2012	2013	2014	2015
Equalized Value	\$ 8,575,432,000	\$ 8,651,327,800	\$ 8,526,701,100	\$ 8,604,762,900	\$ 8,645,086,200
Debt Limit - 5% of Equalized Value (Wisconsin Statutory Limitation)	428,771,600	432,566,390	426,335,055	430,238,145	432,254,310
Amount of Debt Applicable to Debt Limitation	30,340,904	24,762,178	26,863,452	35,180,000	38,635,000
Less: Amount Available in Debt Service Funds	86,385	45,249		184,989	651,997
Net Debt Applicable to the Debt Margin	30,254,519	24,716,929	26,863,452	34,995,011	37,983,003
Legal Debt Margin ( Debt Capacity )	\$ 398,517,081	\$ 407,849,461	\$ 399,471,603	\$ 395,243,134	\$ 394,271,307
Percent of Debt Capacity Used	7.06%	5.71%	6.30%	8.13%	8.79%

	2016	2017	2018	2019	2020
Equalized Value	\$ 8,755,117,500	\$ 9,228,846,100	\$ 9,706,227,200	\$ 10,142,962,300	\$ 10,875,259,800
Debt Limit - 5% of Equalized Value (Wisconsin Statutory Limitation)	437,755,875	461,442,305	\$ 485,311,360	\$ 507,148,115	\$ 543,762,990
Amount of Debt Applicable to Debt Limitation	32,730,000	36,785,000	\$ 36,820,000	\$ 30,165,000	\$ 28,893,000
Less: Amount Available in Debt Service Funds	961,740	544,083	331,606	155,131	247,315
Net Debt Applicable to the Debt Margin	31,768,260	36,240,917	36,488,394	30,009,869	28,645,685
Legal Debt Margin ( Debt Capacity )	\$ 405,987,615	\$ 425,201,388	\$ 448,822,966	\$ 477,138,246	\$ 515,117,305
Percent of Debt Capacity Used	7.26%	7.85%	7.52%	5.92%	5.27%

**COUNTY OF SHEBOYGAN, WISCONSIN**  
**Table XI**  
**Computation of Direct, Overlapping and Underlying Debt**  
**December 31, 2020**

	Number of Entities	Amount of Debt	Applicable to Sheboygan County	
			Percent*	Amount
Sheboygan County				
General obligation debt				\$ 28,893,000
Bond premium				851,069
Total Direct Debt				<u>29,744,069</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>
<b>TOTAL DIRECT, OVERLAPPING AND UNDERLYING DEBT</b>				<b><u>\$ 263,027,948</u></b>

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
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	53,263	2.30%
2019	115,340	6,309,435	54,703	2.60%
2020	115,447	*	*	4.20%

Source: Population - US Census Bureau (estimate) 2011-2019, World Population Review (estimate) for 2020

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

Unemployment Rate - Bureau of Labor Statistics for Sheboygan County, WI extracted March 31, 2021 for December 2020

\* Information not available

**COUNTY OF SHEBOYGAN, WISCONSIN**

**Table XIII**

**Principal Employers**

**Current Year and Nine Years Ago**

	2020			2011	
	<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	11.3%	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	1.1%	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	61,141				

Source: Quarles & Brady LLP for 2020 and Robert W. Baird for 2011. Estimated County Workforce from Department of Workforce Development website data search for December 2020.

**COUNTY OF SHEBOYGAN, WISCONSIN**

**Table XIV**

**Full-time Equivalent County Employees <sup>(1)</sup>  
Last Ten Fiscal Years**

	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>
General Government	169	127	122	119	123	124	125	125	120	125
County Treasurer	10	6	6	5	7	7	7	7	7	7
Register of Deeds	7	7	7	7	7	7	7	7	7	7
Finance	10	15	15	17	15	15	18	17	17	17
Medical Examiner	7	4	4	1	2	2	2	1	1	1
County Board	36	5	4	3	3	3	3	3	3	3
Court Commissioner	3	3	4	5	3	3	3	3	3	3
Clerk of Courts	27	24	22	23	24	24	23	24	23	25
District Attorney	14	13	13	13	13	14	14	14	13	13
County Clerk	4	4	4	4	4	4	4	3	3	3
Building Services	29	30	29	29	30	30	29	30	29	30
Human Resources	4	4	4	4	5	5	5	5	4	4
Corporation Counsel	1	1	1	1	1	1	1	1	1	1
County Administrator	2	2	2	2	2	2	2	2	2	3
Information Technology	15	9	7	5	7	7	7	8	7	8
Public Safety	171	166	168	170	179	186	191	186	199	196
Public Works	102	90	86	82	86	93	93	94	99	95
Public Health and Human Services	207	189	198	198	195	195	194	185	195	210
Resources and Development	26	15	15	14	14	14	15	13	16	14
Education	3	3	3	3	4	4	3	3	3	3
Health Care Center	256	170	158	146	145	137	141	140	138	137
<b>Total</b>	<b>934</b>	<b>760</b>	<b>750</b>	<b>732</b>	<b>746</b>	<b>753</b>	<b>762</b>	<b>746</b>	<b>770</b>	<b>780</b>

Source: Sheboygan County Payroll Records

(1) Data shown for 2011 represents employee head count. Data shown for 2012 - 2020 represents full-time equivalent (FTE).



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

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
<b>Police</b>										
Prisoners bookings - Adult	4,093	4,591	3,706	3,742	3,424	3,335	3,411	3,466	3,514	2,277
Prisoners bookings - Juvenile	385	318	351	274	430	392	455	400	318	251
Total complaints (1)		33,221	40,292	39,426	42,814	46,523	31,428	78,113	87,680	146,274
<b>Courts</b>										
Case filings	13,276	14,060	13,312	13,180	13,638	15,389	15,395	14,388	13,547	11,561
Criminal cases	2,273	2,303	2,371	2,330	2,270	2,217	2,190	2,205	2,308	2,212
Non-criminal cases	5,009	5,646	4,848	5,589	6,579	7,823	7,703	6,821	5,717	5,473
Jury trials	38	37	29	38	42	33	45	39	42	13
Family Court Commissioner hearings	752	920	989	984	874	835	881	879	692	725
Mediation referrals	270	262	272	252	207	228	232	203	193	166
<b>Medical Examiner</b>										
Death Investigations	523	568	543	262	265	282	266	261	326	348
Cremations Permits Issued	471	502	539	540	577	625	628	673	702	844
<b>Register of Deeds</b>										
Real estate documents processed	23,950	29,308	27,819	19,056	21,030	22,399	21,609	20,792	21,060	25,739
Vital records filed	3,290	3,255	3,385	3,016	3,329	3,269	3,141	3,215	3,169	3,023
Military discharge records	122	150	122	94	83	42	35	45	49	5
Genealogical searches	682	735	717	437	326	363	379	378	353	108
<b>Planning and Conservation</b>										
Sanitary permits	145	137	161	183	180	170	167	152	168	182
Shoreland permits	56	68	87	88	94	106	91	134	138	214
Certified Survey Maps Reviewed	33	45	38	46	46	48	46	51	42	57
<b>County Clerk</b>										
Marriage Licenses/Domestic Partnerships	612	664	669	670	667	631	642	621	601	498
Passport Applications	636	827	844	876	973	844	1,311	1,154	1,028	542
<b>Public Health &amp; Human Services</b>										
Senior Meals Provided	52,146	57,146	53,232	53,358	51,083	48,046	46,533	47,391	41,531	35,450
Health Inspections	1,178	934	846	959	909	718	1,000	1,053	1,098	1,098
Child Abuse and Neglect Referrals	1,109	1,196	1,243	1,092	1,172	1,071	1,268	1,204	1,272	1,063
Average WIC Participants per Month	2,186	2,197	2,127	1,952	1,887	1,823	1,771	1,719	1,616	1,677
Communicable Disease Cases (Confirmed)	612	616	638	596	550	707	903	818	909	11,194
Immunizations Given (2) (3)	6,853	5,047	2,194	1,418	508	73	10	-	-	-
<b>Health Care Centers</b>										
Total Patient Days	53,975	52,233	48,815	47,081	47,162	49,166	48,715	46,204	47,109	43,142
Patient Meals Served	153,888	151,710	131,982	140,361	141,006	146,531	145,635	138,612	141,327	129,426
<b>Highway</b>										
Miles of roads resurfaced	27	25	20	18	11	13	32	30	30	15
Miles of roads seal coated	10	11	13	-	14	14	13	15	15	19
Asphalt Produced (tons)	74,161	76,737	68,336	38,479	64,558	62,848	135,791	143,713	133,875	121,134
Gravel Production (tons)	109,810	168,889	150,514	168,668	163,289	207,076	210,040	294,535	341,032	254,639

(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**

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
<b>General Government</b>										
Buildings (excludes Public Safety and Business-type operations)	5	5	5	5	5	5	5	5	5	5
<b>Public Safety</b>										
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	42	42	42	45	45	45	45	38	53
<b>Health Care Centers</b>										
Facilities	1	1	1	1	1	1	1	1	1	1
Number of Beds	175	165	157	155	154	149	149	149	149	149
<b>Highway</b>										
County lane miles	451	451	451	451	451	451	451	451	451	451
Garages/Shops	6	6	6	6	6	6	4	4	4	4
County bridges	76	76	76	75	75	75	75	77	77	77

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