

Rock County

Financial Statements and
Supplementary Information

December 31, 2023

Rock County

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Independent Auditors' Report

To the County Board of
Rock County

Report on the Audit of the Financial Statements

Opinions

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 Rock County, Wisconsin (the County), as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements 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, 2023 and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Emphasis of Matter

As discussed in Note 1, the County adopted the provisions of GASB Statement No. 96, effective January 1, 2023. Our opinions are not modified with respect to this matter.

As discussed in Note 4 to the financial statements, net position and fund balance as of January 1, 2023 have been restated to correct a material misstatement due to over accrued liabilities in the human service department in prior years. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the required supplementary information, as listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The supplementary information as listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated July 31, 2024 on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

Baker Tilly US, LLP

Madison, Wisconsin
July 31, 2024

ROCK COUNTY, WISCONSIN

MANAGEMENT DISCUSSION AND ANALYSIS (UNAUDITED)

As of and for the Year Ended December 31, 2023

Rock County's (the County) discussion and analysis is designed to assist the reader in focusing on significant financial issues, provide an overview of the County's financial activity, identify changes in the County's financial position and discuss individual fund issues.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

A requirement of Government Accounting Standards Board (GASB) Statement No. 34 is the presentation of government-wide financial statements (Statement of Net Position and Statement of Activities) on a full accrual basis of accounting (see pages 1 and 2). These statements report information about the overall governmental unit, distinguish between governmental activities and business-type activities, report all assets (including infrastructure assets-highways, bridges, etc.) and eliminate internal service fund and inter-fund activity and balances. The government-wide statements are designed to assess the government unit in its entirety, identify the true cost of providing services to its citizens, disclose the extent of capital asset investment and make better comparisons between governmental units.

FUND FINANCIAL STATEMENTS

Generally accepted accounting principles (GAAP) require the inclusion of separate sets of financial statements for governmental funds, proprietary (business-type) and fiduciary funds (see pages 3 through 12). The proprietary and fiduciary funds use the full accrual basis of accounting. The financial statements for governmental funds are prepared using the current financial resources measurement focus and the modified accrual basis of accounting. Accordingly, the government-wide financial statements include a summary reconciliation explaining the differences between the data reported in the governmental funds and the data reported for the governmental activities in the government-wide and fund financial statements.

ROCK COUNTY, WISCONSIN

MANAGEMENT DISCUSSION AND ANALYSIS (UNAUDITED) As of and for the Year Ended December 31, 2023

CONDENSED FINANCIAL INFORMATION

The 2022 figures in the table below and on page vi have been revised to reflect a restatement of net position to correct an error for over accrued liabilities. Refer to Note 4 to the financial statements for additional information.

Net Position (in Millions of Dollars)

	Governmental Activities		Business-type Activities		Totals		Change
	2022	2023	2022	2023	2022	2023	
Current and other assets	\$ 214.5	\$ 194.6	\$ 11.7	\$ 5.7	\$ 226.2	\$ 200.3	\$ (25.9)
Capital assets	207.1	269.5	44.8	46.9	251.9	316.4	64.5
Total Assets	<u>421.6</u>	<u>464.0</u>	<u>56.5</u>	<u>52.6</u>	<u>478.1</u>	<u>516.6</u>	<u>38.6</u>
Deferred Outflows of Resources	<u>68.8</u>	<u>89.5</u>	<u>13.9</u>	<u>16.2</u>	<u>82.7</u>	<u>105.7</u>	<u>23.0</u>
Current liabilities	44.6	43.8	2.1	1.2	46.7	45.0	(1.7)
Long-term liabilities	95.9	185.4	18.1	17.3	114.0	202.7	88.7
Total Liabilities	<u>140.5</u>	<u>229.2</u>	<u>20.2</u>	<u>18.5</u>	<u>160.7</u>	<u>247.7</u>	<u>87.0</u>
Deferred Inflows of Resources	<u>162.6</u>	<u>139.0</u>	<u>22.5</u>	<u>15.7</u>	<u>185.1</u>	<u>154.8</u>	<u>(30.3)</u>
NET POSITION							
Net investment in capital assets	160.6	162.1	33.0	38.7	193.6	200.8	7.2
Restricted	46.6	15.4	6.0	-	52.6	15.4	(37.2)
Unrestricted (deficit)	<u>(18.8)</u>	<u>7.8</u>	<u>(11.6)</u>	<u>(4.1)</u>	<u>(30.4)</u>	<u>3.7</u>	<u>34.1</u>
Total Net Position	<u>\$ 188.4</u>	<u>\$ 185.3</u>	<u>\$ 27.4</u>	<u>\$ 34.6</u>	<u>\$ 215.8</u>	<u>\$ 219.9</u>	<u>\$ 4.1</u>

NOTE: Totals may not foot due to rounding.

ROCK COUNTY, WISCONSIN

MANAGEMENT DISCUSSION AND ANALYSIS (UNAUDITED) As of and for the Year Ended December 31, 2023

CONDENSED FINANCIAL INFORMATION (cont.)

Changes in Net Position (in Millions of Dollars)

	Governmental Activities		Business-type Activities		Totals		Change
	2022	2023	2022	2023	2022	2023	
Revenues							
Program Revenues							
Charges for services	\$ 11.1	\$ 11.3	\$ 16.2	\$ 22.4	\$ 27.3	\$ 33.7	\$ 6.4
Grants and contributions	76.6	70.6	7.0	8.3	83.6	78.9	(4.7)
General Revenues							
Property taxes	63.3	63.8	10.9	8.2	74.2	72.0	(2.2)
Intergovernmental	7.5	7.8	-	-	7.5	7.8	0.3
Other	19.4	24.9	3.5	4.0	22.9	28.9	6.0
Total Revenues	<u>177.9</u>	<u>178.4</u>	<u>37.6</u>	<u>42.9</u>	<u>215.5</u>	<u>221.3</u>	<u>5.8</u>
Expenses							
General government	12.8	12.1	-	-	12.8	12.1	(.7)
Public safety	43.6	55.4	-	-	43.6	55.4	11.8
Health and Social Services	87.0	101.4	-	-	87.0	101.4	14.4
Public works	3.2	4.0	-	-	3.2	4.0	.8
Culture, recreation, and education	4.9	4.1	-	-	4.9	4.1	(.8)
Conservation and Development	1.7	2.0	-	-	1.7	2.0	.3
Interest and fiscal charges	1.0	2.7	-	-	1.0	2.7	1.7
Rock Haven	-	-	17.4	19.1	17.4	19.1	1.7
Highway	-	-	15.3	16.5	15.3	16.5	1.2
Total Expenses	<u>154.2</u>	<u>181.6</u>	<u>32.7</u>	<u>35.6</u>	<u>186.9</u>	<u>217.2</u>	<u>(30.3)</u>
Excess (Deficiency) Before Transfers	23.7	(3.2)	4.9	7.3	28.6	4.1	(24.5)
Transfers	4.3	.07	(4.3)	(.07)	-	-	-
Increase (Decrease) in Net Position	27.9	(3.1)	0.6	7.2	28.6	4.1	(24.5)
Net Position - Beginning of Year (as Restated)	<u>160.5</u>	<u>188.4</u>	<u>26.7</u>	<u>27.4</u>	<u>187.2</u>	<u>215.8</u>	<u>28.6</u>
Net Position - End of Year	<u>\$ 188.4</u>	<u>\$ 185.3</u>	<u>\$ 27.4</u>	<u>\$ 34.6</u>	<u>\$ 215.8</u>	<u>\$ 219.9</u>	<u>\$ 4.1</u>

NOTE: Totals may not foot due to rounding.

ROCK COUNTY, WISCONSIN

MANAGEMENT DISCUSSION AND ANALYSIS (UNAUDITED)

As of and for the Year Ended December 31, 2023

NET POSITION AND FUND BALANCE ANALYSIS

NET POSITION

The County's net position increased \$4.1 million for 2023. The governmental activities net position decreased by \$3.2 million and the business-type activities net position increased by \$7.2 million.

GOVERNMENTAL FUNDS

At December 31, 2023, the County governmental funds had combined ending fund balances of \$53.9 million, an increase of \$7.2 million, or 15.5%, from the prior year. A majority of the increase was due to the 2023 borrowing mostly funding the capital expenditures the County incurred in 2022.

GENERAL FUND

The General Fund's unassigned fund balance increased from FY2022 to FY2023 by \$2.7 million. The unassigned General Fund Balance is approximately 24.7% of the combined General Fund, Human Services Fund and Airport Fund expenditures and the enterprise funds' operating expenses. This is within the 20%-25% range targeted in the County's Fund Balance policy. The County anticipated a greater than policy unassigned fund balance for FY2022 and budgeted the use of \$3.7 million in the 2023 budget to decrease the debt levy.

The General Fund operations include Administration, Corporation Counsel, Finance, Human Resources, Health Department, Veteran's Service, Medical Examiner, Facilities Management, Land Conservation, Real Property, Surveyor, Planning and Economic Development, Child Support, UW-Extension Services, 4-H Fairgrounds Maintenance, Farm and Communications Center. This fund also includes the elected offices of the Sheriff, Clerk of Circuit Courts, District Attorney, Treasurer, Register of Deeds and County Clerk.

CAPITAL PROJECTS FUND

The General Capital Projects fund is a capital projects fund used to account for and report financial resources that are restricted, committed, or assigned to expenditure for the acquisition or construction of capital assets. This fund had a deficit fund balance of \$20.0 million at year end. This was due to not issuing debt to fund some 2023 expenditures until 2024.

SPECIAL REVENUE FUNDS

The Human Services Department is included in the financial statements as a Special Revenue Fund. Any unassigned budgetary appropriations remaining at the end of the fiscal year lapse to the General Fund.

The American Rescue Plan Act is included in the financial statements as a Special Revenue Fund. It was created to account for the Fiscal Recovery Funds awarded to the County in 2021. These funds are legally restricted to eligible uses allowed for in the grant fund legislation. Of the \$31.2 million received, \$4.3 million was expended in 2023, of which \$1.2 million was incurred in Rock Haven, for a total of \$12.2 million spent since awarded.

ROCK COUNTY, WISCONSIN

MANAGEMENT DISCUSSION AND ANALYSIS
(UNAUDITED)
As of and for the Year Ended December 31, 2023

NET POSITION AND FUND BALANCE ANALYSIS (cont.)

PROPRIETARY FUNDS

Rock Haven Nursing Home

At December 31, 2023, Rock Haven's net position increased by \$7.5 million mainly due to an increase in operating revenues as well as operating expenses being offset by \$1.2 million of ARPA funding. The net position at year-end was \$19.9 million.

Highway

The Highway Fund records the operations of the Rock County Highway Division. The Highway Division maintains County roads, bridges and other infrastructure utilizing state transportation aids and County tax levy. It also maintains State highways and local roads on a contract reimbursement basis. The Highway's net position increased by \$.3 million to \$14.7 million from \$14.4 million.

GENERAL FUND BUDGET VARIATIONS

As detailed in the Budgetary Comparison schedule on Page 58, the results of general fund operations for 2023 resulted in a net increase in the general fund balance of \$2.1 million. This is mainly due to higher than budgeted investment income, with actuals greater than budget of \$3.0 million. Also impacting the general fund operations were higher than anticipated capital outlay for Sherrif Office vehicles.

ROCK COUNTY, WISCONSIN

MANAGEMENT DISCUSSION AND ANALYSIS
(UNAUDITED)
As of and for the Year Ended December 31, 2023

CAPITAL ASSETS AND DEBT ADMINISTRATION

CAPITAL ASSETS

At the end of 2023, the County had \$316.4 million (net of depreciation) invested in a broad range of capital assets, including land, land improvements, buildings, roads, bridges and the Airport water and sewer system as detailed in the Notes to the Financial Statements (pages 30-31) and summarized below:

Table 1
Capital Assets at Year-End
(Net of Depreciation, in Millions)

	Governmental Activities		Business-type Activities		Totals	
	2022	2023	2022	2023	2022	2023
Land	\$ 11.7	\$ 11.7	\$ 0.4	\$ 0.4	\$ 12.1	\$ 12.1
Easements	4.0	4.5	-	-	4.0	4.5
Intangibles-Software	0.2	0.1	-	-	0.2	0.1
Intangibles-Subscriptions	-	1.6	-	-	-	1.6
Land improvements	13.9	13.0	1.9	1.8	15.8	14.8
Buildings	62.8	72.1	20.6	19.7	83.4	91.8
Machinery and equipment	4.5	5.2	21.3	23.5	25.8	28.7
Infrastructure	82.4	84.4	-	-	82.4	84.4
Construction in progress	27.6	77.0	0.6	1.4	28.2	78.4
Totals	\$ 207.1	\$ 269.5	\$ 44.8	\$ 46.9	\$ 251.9	\$ 316.4

NOTE: Totals may not foot due to rounding.

ROCK COUNTY, WISCONSIN

MANAGEMENT DISCUSSION AND ANALYSIS
(UNAUDITED)
As of and for the Year Ended December 31, 2023

CAPITAL ASSETS AND DEBT ADMINISTRATION (cont.)

DEBT ADMINISTRATION

At year-end, the County had \$109.3 million general obligation promissory notes and bonds outstanding versus \$56.3 million the prior year, an increase of \$53.0 million obligation bonds.

Table 2
Outstanding Debt at Year-End
(In Millions)

	Governmental Activities		Business-type Activities		Totals	
	2022	2023	2022	2023	2022	2023
General Obligation Notes and Bonds	\$ 44.4	\$ 101.1	\$ 11.9	\$ 8.2	\$ 56.3	\$ 109.3

All of the County's general obligation debt is backed by the full faith and credit of the County and is rated Aa1 by Moody's Investors Services.

State statutes limit the amount of debt that counties can issue to 5% of the County's equalized value of taxable property within the County's jurisdiction. The County's equalized value for 2023 was \$19,221,108,100 resulting in a statutory debt limit of \$961,055,405. The County's debt as of December 31, 2023 of \$109.3 million is 11.4% of the County's legal debt capacity.

2023 DEBT ISSUANCES

The County issued the following debt in 2023:

- \$2,000,000 for the Human Services building remodel
- \$3,710,000 for highway construction projects
- \$11,515,000 for the IT/911 building addition
- \$44,360,000 for the Jail/LES project. The County Board authorized the issuance of \$82,800,000 in debt for this project. The remaining \$38,440,000 in authorized debt was issued on March 11, 2024.

OTHER POST EMPLOYMENT BENEFITS

GASB 75 significantly changed the way other post-employment benefits (OPEB) are reported in the financial statements. Previously the County reported a liability only for health insurance and only for the difference between the County's annual contributions and an actuarial estimate of the annual OPEB costs. Beginning with FY 2018, the total health insurance OPEB liability is now recorded as a liability. For FY 2023, this amount is \$44.5 million.

In addition, GASB 75 requires the County record its share of the net OPEB liability for retirees' life insurance under the WI State plan. The amount reported in FY 2023 is \$5.0 million.

ROCK COUNTY, WISCONSIN

MANAGEMENT DISCUSSION AND ANALYSIS
(UNAUDITED)
As of and for the Year Ended December 31, 2023

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

The State of Wisconsin imposed a statutory tax levy limit on counties limiting the tax levy to 0% plus net new construction. The County's 2023 total tax levy for the 2024 budget was \$75,500,871 and made up of the following amounts:

- \$67,954,558 for operations and subject to the tax levy limit
- \$6,008,345 for debt service
- \$1,537,968 for the Prairie Lakes Library System

State statutes allow counties to authorize a ½ of 1% local sales and use tax. The Rock County Board authorized the local sales and use tax effective April 1, 2007. The 2024 budget includes \$20.1 million from this revenue source. Of this amount, \$12.6 million is earmarked for capital projects to help lower the need for debt and \$7.5 million is budgeted to offset the 2023 property taxes for the 2024 operating budget.

REQUEST FOR INFORMATION

Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to: Finance Director, Rock County Courthouse, 51 South Main Street, Janesville, WI 53545.

Rock CountyStatement of Net Position
December 31, 2023

	Governmental Activities	Business- Type Activities	Total
Assets			
Cash and investments	\$ 70,657,986	\$ 5,874,791	\$ 76,532,777
Taxes receivable	70,249,981	5,250,890	75,500,871
Delinquent taxes receivable	3,941,696	-	3,941,696
Accounts receivable (net)	6,397,906	2,229,922	8,627,828
Lease receivable	6,656,427	-	6,656,427
Due from other governments	19,390,808	2,780,082	22,170,890
Loans receivable (net)	2,777,828	-	2,777,828
Internal balances	12,452,952	(12,452,952)	-
Inventories	-	2,026,400	2,026,400
Prepaid items	287,661	500	288,161
Restricted assets:			
Cash and investments	-	17,758	17,758
Deposit with Wisconsin Mutual Insurance Company	1,741,000	-	1,741,000
Capital assets:			
Land	18,356,957	369,775	18,726,732
Construction in progress	77,000,204	1,407,183	78,407,387
Easements	4,506,455	-	4,506,455
Other capital assets, net of depreciation/amortization	169,621,500	45,095,408	214,716,908
Total assets	<u>464,039,361</u>	<u>52,599,757</u>	<u>516,639,118</u>
Deferred Outflows of Resources			
Pension related amounts	78,638,640	15,122,690	93,761,330
Other post-employment benefit related amounts	10,817,210	1,117,671	11,934,881
Total deferred outflows of resources	<u>89,455,850</u>	<u>16,240,361</u>	<u>105,696,211</u>
Liabilities			
Accounts payable	12,960,039	997,043	13,957,082
Accrued liabilities	8,604,902	16,695	8,621,597
Deposits	17,615	18,658	36,273
Due to other governments	2,642,616	23,438	2,666,054
Unearned revenues	19,569,581	150,000	19,719,581
Noncurrent liabilities:			
Due within one year	12,699,353	3,805,235	16,504,588
Due in more than one year	105,556,550	6,097,777	111,654,327
Net pension liability	21,033,792	4,041,582	25,075,374
Other post-employment benefit	46,098,810	3,351,658	49,450,468
Total liabilities	<u>229,183,258</u>	<u>18,502,086</u>	<u>247,685,344</u>
Deferred Inflows of Resources			
Unearned revenue	70,400,072	5,331,310	75,731,382
Lease related amounts	6,656,427	-	6,656,427
Pension related amounts	43,811,322	8,805,782	52,617,104
Other post-employment benefit related amounts	18,154,981	1,604,733	19,759,714
Total deferred inflows of resources	<u>139,022,802</u>	<u>15,741,825</u>	<u>154,764,627</u>
Net Position			
Net investment in capital assets	162,111,297	38,671,266	200,782,563
Restricted for grants and loan programs	4,645,491	-	4,645,491
Restricted for other grant activities	1,841,563	-	1,841,563
Restricted for land records	634,258	-	634,258
Restricted for debt service	3,198,141	-	3,198,141
Restricted for library activities	1,872	-	1,872
Restricted for bridge aid projects	1,048,118	-	1,048,118
Restricted for other activities	316,917	-	316,917
Restricted for ATC projects	1,372,241	-	1,372,241
Restricted for airport projects	566,115	-	566,115
Restricted for opioid settlement funds	1,754,951	-	1,754,951
Unrestricted (deficit)	7,798,187	(4,075,059)	3,723,128
Total net position	<u>\$ 185,289,151</u>	<u>\$ 34,596,207</u>	<u>\$ 219,885,358</u>

See notes to financial statements

Rock County

Statement of Activities

Year Ended December 31, 2023

Functions	Expenses	Program Revenues			Net (Expenses) Revenues and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Governmental Activities							
General government	\$ 12,090,334	\$ 2,402,956	\$ 4,091,011	\$ -	\$ (5,596,367)	\$ -	\$ (5,596,367)
Public safety	55,399,191	4,425,974	2,114,499	-	(48,858,718)	-	(48,858,718)
Health and social services	101,374,348	3,638,049	63,480,124	-	(34,256,175)	-	(34,256,175)
Public works	4,027,786	588,727	192,836	-	(3,246,223)	-	(3,246,223)
Culture, recreation and education	4,080,158	11,260	254,365	-	(3,814,533)	-	(3,814,533)
Conservation and development	1,957,258	209,811	504,894	-	(1,242,553)	-	(1,242,553)
Interest and fiscal charges	2,666,231	-	-	-	(2,666,231)	-	(2,666,231)
Total governmental activities	181,595,306	11,276,777	70,637,729	-	(99,680,800)	-	(99,680,800)
Business-Type Activities							
Rock Haven, skilled nursing facility	19,130,479	13,589,942	3,828,254	-	-	(1,712,283)	(1,712,283)
Highway	16,511,025	8,844,390	4,433,485	-	-	(3,233,150)	(3,233,150)
Total business-type activities	35,641,504	22,434,332	8,261,739	-	-	(4,945,433)	(4,945,433)
Total	\$ 217,236,810	\$ 33,711,109	\$ 78,899,468	\$ -	(99,680,800)	(4,945,433)	(104,626,233)
General Revenues							
Taxes:							
Property taxes					63,798,760	8,240,631	72,039,391
Sales taxes					16,167,586	3,582,200	19,749,786
Other taxes					29,335	-	29,335
Interest on taxes					1,390,652	-	1,390,652
Intergovernmental revenues not restricted to specific programs					7,814,666	-	7,814,666
Investment income					5,232,128	-	5,232,128
Miscellaneous					2,021,808	434,837	2,456,645
Transfers					66,247	(66,247)	-
Total general revenues and transfers					96,521,182	12,191,421	108,712,603
Change in net position					(3,159,618)	7,245,988	4,086,370
Net Position, Beginning (as Restated)					188,448,769	27,350,219	215,798,988
Net Position, Ending					\$ 185,289,151	\$ 34,596,207	\$ 219,885,358

See notes to financial statements

Rock County

Balance Sheet -
 Governmental Funds
 December 31, 2023

	General Fund	Human Services	American Rescue Plan Act	General Capital Projects	Nonmajor Governmental Funds	Total
Assets						
Assets						
Cash and investments	\$ 29,202,830	\$ 45,029	\$ 19,890,292	\$ 376,993	\$ 16,243,124	\$ 65,758,268
Receivables:						
Taxes	32,056,211	22,460,707	-	-	10,606,536	65,123,454
Delinquent taxes	3,941,696	-	-	-	-	3,941,696
Accounts	1,114,232	-	-	-	5,194,943	6,309,175
Loans (net)	-	-	-	-	2,777,828	2,777,828
Lease	1,223,714	-	-	-	5,432,713	6,656,427
Due from other funds	26,343,980	-	-	-	-	26,343,980
Due from other governments	4,818,980	13,717,201	-	-	854,627	19,390,808
Prepaid items	61,129	30,668	-	-	1,726	93,523
	<u>98,762,772</u>	<u>36,253,605</u>	<u>19,890,292</u>	<u>376,993</u>	<u>41,111,497</u>	<u>196,395,159</u>
Total assets	<u>\$ 98,762,772</u>	<u>\$ 36,253,605</u>	<u>\$ 19,890,292</u>	<u>\$ 376,993</u>	<u>\$ 41,111,497</u>	<u>\$ 196,395,159</u>
Liabilities, Deferred Inflows of Resources and Fund Balances						
Liabilities						
Accounts payable	\$ 1,365,568	\$ 1,634,428	\$ 320,711	\$ 7,557,376	\$ 892,355	\$ 11,770,438
Deposits	-	-	-	-	17,615	17,615
Accrued liabilities	6,773,861	73,167	-	-	-	6,847,028
Due to other governments	305,707	2,336,909	-	-	-	2,642,616
Due to other funds	-	8,505,611	-	12,757,937	-	21,263,548
Unearned revenue	-	-	19,569,581	-	-	19,569,581
	<u>8,445,136</u>	<u>12,550,115</u>	<u>19,890,292</u>	<u>20,315,313</u>	<u>909,970</u>	<u>62,110,826</u>
Total liabilities	<u>8,445,136</u>	<u>12,550,115</u>	<u>19,890,292</u>	<u>20,315,313</u>	<u>909,970</u>	<u>62,110,826</u>
Deferred Inflows of Resources						
Unearned revenue	32,077,433	22,498,581	-	-	10,697,531	65,273,545
Unavailable revenue	723,308	-	-	-	7,764,908	8,488,216
Lease related items	1,223,714	-	-	-	5,432,713	6,656,427
	<u>34,024,455</u>	<u>22,498,581</u>	<u>-</u>	<u>-</u>	<u>23,895,152</u>	<u>80,418,188</u>
Total deferred inflows of resources	<u>34,024,455</u>	<u>22,498,581</u>	<u>-</u>	<u>-</u>	<u>23,895,152</u>	<u>80,418,188</u>
Fund Balances						
Nonspendable	2,561,057	30,668	-	-	1,726	2,593,451
Restricted	-	-	-	-	14,359,713	14,359,713
Committed	-	-	-	-	1,578,595	1,578,595
Assigned	10,393,874	1,174,241	-	-	366,341	11,934,456
Unassigned (deficit)	43,338,250	-	-	(19,938,320)	-	23,399,930
	<u>56,293,181</u>	<u>1,204,909</u>	<u>-</u>	<u>(19,938,320)</u>	<u>16,306,375</u>	<u>53,866,145</u>
Total fund balances	<u>56,293,181</u>	<u>1,204,909</u>	<u>-</u>	<u>(19,938,320)</u>	<u>16,306,375</u>	<u>53,866,145</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 98,762,772</u>	<u>\$ 36,253,605</u>	<u>\$ 19,890,292</u>	<u>\$ 376,993</u>	<u>\$ 41,111,497</u>	<u>\$ 196,395,159</u>

See notes to financial statements

Rock CountyReconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position
December 31, 2023

Total Fund Balances, Governmental Funds	\$ 53,866,145
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets used in governmental funds are not financial resources and, therefore, are not reported in the funds (Note 2).	264,712,069
Some receivables that are not currently available are reported as unavailable revenues in the fund financial statements, but are recognized as revenue when earned in the government-wide statements.	8,488,216
The net pension liability does not relate to current liabilities and is not reported in the governmental funds	(20,304,872)
The deferred outflows of resources and deferred inflows of resources related to pensions do not relate to current financial resources and are not reported in the governmental funds.	33,521,520
The deferred outflows of resources and deferred inflows of resources related to other post-employment benefits do not relate to current financial resources and are not reported in the governmental funds.	(7,230,823)
Some liabilities, including long-term debt, are not due and payable in the current period, and, therefore, are not reported in the funds (Note 2).	(163,545,228)
Internal service funds are used by management to charge the costs of various services to of resources individual funds. The assets, deferred outflows of resources, liabilities, and deferred inflows of the internal service funds which primarily serve governmental activities are included as governmental activities.	<u>15,782,124</u>
Total Net Position, Governmental Activities	<u>\$ 185,289,151</u>

See notes to financial statements

Rock County

Statement of Revenues, Expenditures and Changes in Fund Balances -
 Governmental Funds
 Year Ended December 31, 2023

	General	Human Services	American Rescue Plan Act	General Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
Revenues						
Taxes	\$ 40,395,021	\$ 23,517,382	\$ -	\$ 6,643,500	\$ 4,302,917	\$ 74,858,820
Intergovernmental	13,258,251	43,392,994	3,124,895	-	7,866,856	67,642,996
Regulation and compliance	1,449,249	-	-	-	-	1,449,249
Public charges for services	3,363,408	780,388	-	-	2,209,536	6,353,332
Intergovernmental charges for services	1,388,520	13,120,347	-	-	124,701	14,633,568
Other	6,521,937	352,683	20,365	-	420,650	7,315,635
Total revenues	66,376,386	81,163,794	3,145,260	6,643,500	14,924,660	172,253,600
Expenditures						
Current:						
General government	8,009,010	-	2,478,494	-	657,684	11,145,188
Public safety	44,950,656	-	240,710	-	563,915	45,755,281
Health and social services	7,852,030	77,832,593	153,296	-	7,357,664	93,195,583
Public works	-	-	-	-	1,116,673	1,116,673
Culture, recreation and education	322,307	-	-	-	2,855,713	3,178,020
Conservation and development	1,271,328	-	66,651	-	817,721	2,155,700
Capital outlay	790,564	-	-	63,005,235	220,498	64,016,297
Debt service:						
Principal retirement	240,384	-	-	-	4,701,520	4,941,904
Interest and fiscal charges	-	-	-	-	1,370,655	1,370,655
Total expenditures	63,436,279	77,832,593	2,939,151	63,005,235	19,662,043	226,875,301
Excess (Deficiency) of Revenues Over Expenditures	2,940,107	3,331,201	206,109	(56,361,735)	(4,737,383)	(54,621,701)
Other Financing Sources (Uses)						
General obligation debt issued	-	-	-	61,585,000	-	61,585,000
Premium on debt issued	-	-	-	-	2,767,949	2,767,949
Subscription proceeds	790,564	-	-	-	-	790,564
Sale of fixed assets	1,700	-	3,491	11,650	8,081	24,922
Transfers in	4,203,739	-	-	32,620	6,038,497	10,274,856
Transfers out	(5,833,976)	(3,759,027)	(189,236)	(2,305,500)	(1,499,150)	(13,586,889)
Total other financing sources (uses)	(837,973)	(3,759,027)	(185,745)	59,323,770	7,315,377	61,856,402
Net change in fund balances	2,102,134	(427,826)	20,364	2,962,035	2,577,994	7,234,701
Fund Balances (Deficit), Beginning (as Restated)	54,191,047	1,632,735	(20,364)	(22,900,355)	13,728,381	46,631,444
Fund Balances (Deficit), Ending	\$ 56,293,181	\$ 1,204,909	\$ -	\$ (19,938,320)	\$ 16,306,375	\$ 53,866,145

See notes to financial statements

Rock County

Reconciliation of Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities Year Ended December 31, 2023

Net Change in Fund Balances, Total Governmental Funds \$ 7,234,701

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 Net Position the cost of these assets is capitalized and they are
depreciated over their estimated useful lives and reported as depreciation expense
in the statement of activities:

Capital outlay is reported as an expenditure in the fund financial statements but is capitalized in the government-wide financial statements	64,016,297
Some items capitalized were reported as operating expenditures in the fund financial statements but are capitalized in the government-wide financial statements	1,134,557
Assets transferred from business-type activities to governmental activities	3,594,044
Depreciation/Amortization is reported in the government-wide statements	(7,213,653)

Some receivables not currently available are reported as unavailable revenue in the fund financial
statements but are recognized as revenue when collected and expenditures when disbursed
in the government-wide financial statements:

Loans	(293,876)
Opioid settlement	(241,710)
County-levied delinquent taxes	35,093

Debt that was issued provides current financial resources to governmental funds,
but issuing debt increases long-term liabilities in the Statement of Net
Position. Repayment of principal is an expenditure in the governmental
funds, but the repayment reduces long-term liabilities in the Statement of Net Position:

Principal repaid - GO debt	4,682,290
GO debt issued	(61,585,000)
Premium on GO debt issued	(2,767,949)
Principal repaid - financed purchases	64,599
Principal repaid - subscriptions	195,015
Subscription proceeds	(790,564)

Some expenses 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:

Compensated absences	(1,790,042)
Other postemployment benefits	(5,593,703)
Net pension asset/liability	(50,678,767)
Deferred outflows of resources related to pensions	17,151,368
Deferred inflows of resources related to pensions	28,285,066
Deferred outflows of resources related to post-employment benefits	2,659,363
Deferred inflows of resources related to post-employment benefits	(570,489)
Accrued interest on debt	(1,435,420)
Amortization of debt premium	148,112

The net revenues of certain activities of internal service funds are
reported within governmental activities.

601,050

Change in Net Position of Governmental Activities \$ (3,159,618)

Rock County

Statement of Net Position -
Proprietary Funds
December 31, 2023

	<u>Rock Haven</u>	<u>Highway</u>	<u>Total</u>	<u>Internal Service Funds</u>
Assets				
Current assets:				
Cash and investments	\$ 5,874,791	\$ -	\$ 5,874,791	\$ 4,899,718
Taxes receivable	4,054,684	1,196,206	5,250,890	5,126,527
Accounts receivable (net)	2,096,042	133,880	2,229,922	88,731
Due from other funds	-	-	-	8,567,021
Due from other governments	-	2,780,082	2,780,082	-
Inventories	122,565	1,903,835	2,026,400	-
Prepaid items	500	-	500	194,138
Total current assets	<u>12,148,582</u>	<u>6,014,003</u>	<u>18,162,585</u>	<u>18,876,135</u>
Noncurrent Assets				
Restricted assets:				
Cash and investments	17,758	-	17,758	-
Deposit with Wisconsin Mutual Insurance Company	-	-	-	1,741,000
Capital assets:				
Land	-	369,775	369,775	575,710
Construction work in progress	-	1,407,183	1,407,183	359,975
Intangible assets, software	-	-	-	485,927
Intangible assets, subscriptions	-	-	-	1,513,828
Other capital assets	33,644,181	48,060,071	81,704,252	6,487,438
Less accumulated depreciation/amortization	<u>(11,583,528)</u>	<u>(25,025,316)</u>	<u>(36,608,844)</u>	<u>(4,649,831)</u>
Total noncurrent assets	<u>22,078,411</u>	<u>24,811,713</u>	<u>46,890,124</u>	<u>6,514,047</u>
Total assets	<u>34,226,993</u>	<u>30,825,716</u>	<u>65,052,709</u>	<u>25,390,182</u>
Deferred Outflows of Resources				
Pension related amounts	9,053,572	6,069,118	15,122,690	2,817,291
Other post-employment benefit related amounts	699,794	417,877	1,117,671	202,796
Total deferred outflows of resources	<u>9,753,366</u>	<u>6,486,995</u>	<u>16,240,361</u>	<u>3,020,087</u>
Liabilities				
Current liabilities:				
Accounts payable	158,534	838,509	997,043	1,189,601
Accrued liabilities	16,695	-	16,695	-
Deposits	18,658	-	18,658	-
Accrued vacation and comp time	555,308	418,677	973,985	294,097
Due to other funds	-	12,395,690	12,395,690	1,251,763
Due to other governments	-	23,438	23,438	-
Unearned revenue	-	150,000	150,000	-
Current portion of long-term debt	2,831,250	-	2,831,250	194,800
Current portion of subscription liability	-	-	-	642,229
Total current liabilities	<u>3,580,445</u>	<u>13,826,314</u>	<u>17,406,759</u>	<u>3,572,490</u>
Noncurrent Liabilities				
General obligation debt	5,369,850	-	5,369,850	223,983
Subscription liability	-	-	-	267,093
Unamortized premium on debt	-	-	-	6,788
Accrued sick leave	243,932	483,995	727,927	235,354
Other post-employment benefits	1,997,148	1,354,510	3,351,658	703,015
Net pension liability	2,410,042	1,631,540	4,041,582	728,920
Total noncurrent liabilities	<u>10,020,972</u>	<u>3,470,045</u>	<u>13,491,017</u>	<u>2,165,153</u>
Total liabilities	<u>13,601,417</u>	<u>17,296,359</u>	<u>30,897,776</u>	<u>5,737,643</u>
Deferred Inflows of Resources				
Unearned revenues	4,135,104	1,196,206	5,331,310	5,126,527
Pension related amounts	5,345,003	3,460,779	8,805,782	1,511,493
Other post-employment benefit related amounts	963,380	641,353	1,604,733	309,744
Total deferred inflows of resources	<u>10,443,487</u>	<u>5,298,338</u>	<u>15,741,825</u>	<u>6,947,764</u>
Net Position				
Net investment in capital assets	13,859,553	24,811,713	38,671,266	3,438,154
Unrestricted (deficit)	6,075,902	<u>(10,093,699)</u>	<u>(4,017,797)</u>	12,286,708
Total net position	<u>\$ 19,935,455</u>	<u>\$ 14,718,014</u>	<u>34,653,469</u>	<u>\$ 15,724,862</u>
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds			<u>(57,262)</u>	
Net position of business-type activities			<u>\$ 34,596,207</u>	

See notes to financial statements

Rock CountyStatement of Revenues, Expenses and Changes in Net Position -
Proprietary Funds
Year Ended December 31, 2023

	<u>Rock Haven</u>	<u>Highway</u>	<u>Total</u>	<u>Internal Service Funds</u>
Operating Revenues				
Charges for services	\$ 13,589,942	\$ 8,844,390	\$ 22,434,332	\$ 30,747,908
Total operating revenues	<u>13,589,942</u>	<u>8,844,390</u>	<u>22,434,332</u>	<u>30,747,908</u>
Operating Expenses				
Operation and maintenance	17,799,935	13,864,377	31,664,312	35,308,725
Depreciation/amortization	<u>986,432</u>	<u>2,438,973</u>	<u>3,425,405</u>	<u>1,248,968</u>
Total operating expenses	<u>18,786,367</u>	<u>16,303,350</u>	<u>35,089,717</u>	<u>36,557,693</u>
Operating loss	<u>(5,196,425)</u>	<u>(7,458,960)</u>	<u>(12,655,385)</u>	<u>(5,809,785)</u>
Nonoperating Revenues (Expenses)				
General property taxes	7,922,755	317,876	8,240,631	4,639,434
Sales taxes	102,200	3,480,000	3,582,200	1,464,548
Intergovernmental grants	3,828,254	4,433,485	8,261,739	-
Miscellaneous revenues	26,463	408,374	434,837	860
Investment income	-	-	-	35,636
Interest expense	<u>(57,398)</u>	<u>-</u>	<u>(57,398)</u>	<u>(8,268)</u>
Total nonoperating revenues (expenses)	<u>11,822,274</u>	<u>8,639,735</u>	<u>20,462,009</u>	<u>6,132,210</u>
Income before transfers	<u>6,625,849</u>	<u>1,180,775</u>	<u>7,806,624</u>	<u>322,425</u>
Transfers				
Transfers in	854,917	2,705,500	3,560,417	189,236
Transfers out	<u>-</u>	<u>(3,626,664)</u>	<u>(3,626,664)</u>	<u>(405,000)</u>
Total transfers	<u>854,917</u>	<u>(921,164)</u>	<u>(66,247)</u>	<u>(215,764)</u>
Change in net position	7,480,766	259,611	7,740,377	106,661
Net Position, Beginning	<u>12,454,689</u>	<u>14,458,403</u>		<u>15,618,201</u>
Net Position, Ending	<u>\$ 19,935,455</u>	<u>\$ 14,718,014</u>		<u>\$ 15,724,862</u>
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds			<u>(494,389)</u>	
Change in net position of business-type activities			<u>\$ 7,245,988</u>	

See notes to financial statements

Rock County

Statement of Cash Flows -
Proprietary Funds
Year Ended December 31, 2023

	<u>Rock Haven</u>	<u>Highway</u>	<u>Total</u>	<u>Internal Service Funds</u>
Cash Flows From Operating Activities				
Cash received from customers	\$ 14,689,026	\$ 8,441,785	\$ 23,130,811	\$ 35,431,927
Cash paid to suppliers for goods and services	(3,885,183)	(4,121,223)	(8,006,406)	(31,585,237)
Cash paid to employees for payroll	<u>(13,557,031)</u>	<u>(6,887,545)</u>	<u>(20,444,576)</u>	<u>(4,105,351)</u>
Net cash flows from operating activities	<u>(2,753,188)</u>	<u>(2,566,983)</u>	<u>(5,320,171)</u>	<u>(258,661)</u>
Cash Flows From Noncapital Financing Activities				
General property tax revenues	8,024,955	317,876	8,342,831	6,103,982
Other tax revenues	-	3,480,000	3,480,000	791
Due to other funds	-	-	-	498,183
Transfers in (out)	854,917	(921,164)	(66,247)	(215,764)
Intergovernmental grants	<u>3,828,254</u>	<u>4,433,485</u>	<u>8,261,739</u>	<u>-</u>
Net cash flows from noncapital financing activities	<u>12,708,126</u>	<u>7,310,197</u>	<u>20,018,323</u>	<u>6,387,192</u>
Cash Flows From Investing Activities				
Investment income	<u>-</u>	<u>-</u>	<u>-</u>	<u>35,636</u>
Net cash flows from investing activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>35,636</u>
Cash Flows From Capital and Related Financing Activities				
Debt principal paid	(3,655,710)	-	(3,655,710)	(192,000)
Interest paid	(59,836)	-	(59,836)	(11,664)
Acquisition and construction of capital assets	<u>(376,233)</u>	<u>(4,743,214)</u>	<u>(5,119,447)</u>	<u>(1,085,251)</u>
Net cash flows from capital and related financing activities	<u>(4,091,779)</u>	<u>(4,743,214)</u>	<u>(8,834,993)</u>	<u>(1,288,915)</u>
Net change in cash and cash equivalents	5,863,159	-	5,863,159	4,875,252
Cash and Cash Equivalents, Beginning	<u>29,390</u>	<u>-</u>	<u>29,390</u>	<u>24,466</u>
Cash and Cash Equivalents, Ending	<u>\$ 5,892,549</u>	<u>\$ -</u>	<u>\$ 5,892,549</u>	<u>\$ 4,899,718</u>

See notes to financial statements

Rock County

Statement of Cash Flows -

Proprietary Funds

Year Ended December 31, 2023

	<u>Rock Haven</u>	<u>Highway</u>	<u>Total</u>	<u>Internal Service Funds</u>
Reconciliation of Operating Loss to Net Cash Flows From Operating Activities				
Operating loss	\$ (5,196,425)	\$ (7,458,960)	\$ (12,655,385)	\$ (5,809,785)
Adjustments to reconcile operating loss to net cash flows from operating activities:				
Nonoperating revenues (expenses)	26,463	78,424	104,887	-
Noncash items included in operating loss				
Depreciation/amortization	986,432	2,438,973	3,425,405	1,248,968
Change in assets, liabilities, deferred outflows of resources and deferred inflows of resources:				
Accounts receivable	(85,356)	(1,214,318)	(1,299,674)	(115,609)
Due to/from other funds	2,751,741	3,722,155	6,473,896	4,409,036
Inventories	5,094	49,816	54,910	-
Prepaid items	-	-	-	(16,277)
Deposits	(9,632)	-	(9,632)	-
Accounts payable	49,037	(176,341)	(127,304)	(787,760)
Due to other governments	-	(274,979)	(274,979)	-
Other current liabilities	(554,218)	64,746	(489,472)	65,370
Compensated absences	-	-	-	60,669
Pension and OPEB related amounts	264,069	(529,788)	(265,719)	224,930
Unearned revenues	(990,393)	733,289	(257,104)	461,797
	<u>\$ (2,753,188)</u>	<u>\$ (2,566,983)</u>	<u>\$ (5,320,171)</u>	<u>\$ (258,661)</u>
Net cash flows from operating activities				
	<u>\$ (2,753,188)</u>	<u>\$ (2,566,983)</u>	<u>\$ (5,320,171)</u>	<u>\$ (258,661)</u>
Noncash Investing, Capital and Related Financing Activities				
Premium on debt amortized	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,396</u>

See notes to financial statements

Rock County

Statement of Fiduciary Net Position -
Fiduciary Funds
December 31, 2023

	<u>Custodial Funds</u>
Assets	
Cash and investments	\$ 18,610,846
Delinquent special assessments receivable	<u>977,669</u>
Total assets	<u>19,588,515</u>
Liabilities	
Accounts payable	473,895
Due to other governmental units	<u>16,105,755</u>
Total liabilities	<u>16,579,650</u>
Net Position	
Restricted	<u>3,008,865</u>
Total net position	<u>\$ 3,008,865</u>

See notes to financial statements

Rock County

Statement of Changes in Fiduciary Net Position -
Fiduciary Funds
Year Ended December 31, 2023

	Custodial Funds
Additions	
Property tax collections	\$ 214,363,654
Delinquent special collections	1,089,706
Drainage District collections	8,008
Dog license collections	23,770
Deposits for human services clients	828,311
Victim deposits	53,388
Inmate deposits	3,100,483
Clerk of courts deposits	3,753,577
	<hr/>
Total additions	223,220,897
	<hr/>
Deductions	
Property taxes paid to overlying districts	214,363,654
Delinquent special disbursements	1,089,706
Drainage District disbursements	3,073
Dog license distributions	23,770
Payments for human services clients	828,311
Distributions to inmates	3,534,190
Distributions for court cases	3,360,861
Distributions for victims	199,356
	<hr/>
Total deductions	223,402,921
	<hr/>
Change in net position	(182,024)
Net Position, Beginning	<hr/> 3,190,889
Net Position, Ending	<hr/> <hr/> \$ 3,008,865

See notes to financial statements

Rock County

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December 31, 2023

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Rock County

Notes to Financial Statements
December 31, 2023

1. Summary of Significant Accounting Policies

The accounting policies of Rock County, Wisconsin (the County) conform to generally accepted accounting principles as applicable to governmental units. The accepted standard-setting body for establishing governmental accounting and financial reporting principles is the Governmental Accounting Standards Board (GASB).

Reporting Entity

This report includes all of the funds of the County. The reporting entity for the County consists of the primary government and its component units. Component units are legally separate organizations for which the primary government is financially accountable or other organizations for which the nature and significance of their relationship with the primary government are such that their exclusion would cause the reporting entity's financial statements to be misleading. The primary government is financially accountable if (1) it appoints a voting majority of the organization's governing body and it is able to impose its will on that organization, (2) it appoints a voting majority of the organization's governing body and there is a potential for the organization to provide specific financial benefits to or impose specific financial burdens on, the primary government, (3) the organization is fiscally dependent on and there is a potential for the organization to provide specific financial benefits to or impose specific financial burdens on, the primary government. Certain legally separate, tax-exempt organizations should also be reported as a component unit if all of the following criteria are met: (1) the economic resources received or held by the separate organization are entirely or almost entirely for the direct benefit of the primary government, its component units or its constituents; (2) the primary government or its component units, is entitled to or has the ability to access, a majority of the economic resources received or held by the separate organization and (3) the economic resources received or held by an individual organization that the primary government or its component units, is entitled to or has the ability to otherwise access, are significant to the primary government.

Component units are reported using one of three methods, discrete presentation, blended or fiduciary. Generally, component units should be discreetly presented in a separate column in the financial statements. A component unit should be reported as part of the primary government using the blending method if it meets any one of the following criteria: (1) the primary government and the component unit have substantively the same governing body and a financial benefit or burden relationship exists, (2) the primary government and the component unit have substantively the same governing body and management of the primary government has operational responsibility for the component unit, (3) the component unit serves or benefits, exclusively or almost exclusively, the primary government rather than its citizens or (4) the total debt of the component unit will be paid entirely or almost entirely from resources of the primary government.

Government-Wide and Fund Financial Statements

In May 2020, the GASB issued Statement No. 96, *Subscription-Based Information Technology Arrangements*. This Statement establishes accounting and financial reporting requirements related to subscription-based information technology arrangements (SBITAs) for government end users. This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA and (4) requires note disclosures regarding a SBITA. This standard was implemented January 1, 2023.

Government-Wide Financial Statements

The statement of net position and statement of activities display information about the reporting government as a whole. They include all funds of the reporting entity except for fiduciary funds. The statements distinguish between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues and other nonexchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. The County does not allocate indirect expenses to functions in the Statement of Activities. Program revenues include: 1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not included among program revenues are reported as general revenues. Internally dedicated resources are reported as general revenues rather than as program revenues.

Fund Financial Statements

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

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

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

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

The County reports the following major governmental funds:

Major Governmental Funds

General Fund - Accounts for the County's primary operating activities. It is used to account for all financial resources except those required to be accounted for in another fund.

Human Services Special Revenue Fund - Used to account for and report resources legally restricted or committed for services provided to chemically dependent individuals and for operations associated with social services and welfare programs.

Rock County

Notes to Financial Statements
December 31, 2023

American Rescue Plan Act Special Revenue Fund - Used to account for and report resources legally restricted to eligible uses allowed in the grant fund legislation.

General Capital Projects Fund - Used to account for and report financial resources that are restricted, committed or assigned to expenditure for capital outlays including the acquisition or construction of capital facilities and other capital assets.

The County reports the following major enterprise funds:

Major Enterprise Funds

Rock Haven - Accounts for the operations of the County's skilled nursing and intermediate care facilities for aged and disabled residents.

Highway Fund - Accounts for the operations of the County's department of public works.

The County reports the following nonmajor governmental funds:

Nonmajor Governmental Funds

Special Revenue Funds - used to account for and report the proceeds of specific revenue sources that are legally restricted or committed to expenditures for specified purposes (other than debt service or capital projects).

Revolving loans	Arrowhead Library System
Parks	County bridge aid
Other grants	Other activities
Land records	Other special revenue funds
Veterans' relief	Income maintenance consortium
Airport	Opioid settlement

Debt Service Fund - Used to account for and report financial resources that are restricted, committed or assigned to expenditure, the payment of general long-term debt principal, interest and related costs.

Capital Projects Fund - Used to account for and report financial resources that are restricted, committed or assigned to expenditure for capital outlays including the acquisition or construction of capital facilities and other capital assets.

Airport Projects

In addition, the County reports the following fund types:

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

The County's internal service funds are:

Motor Pool
Information Technology
Self Insurance
Job Center
Health Insurance

Rock County

Notes to Financial Statements
December 31, 2023

Custodial funds are used to account for and report assets controlled by the County and the assets are for the benefit of individuals, private organizations and/or other governmental units. The County's custodial funds include tax collections for municipalities, delinquent special assessments, clerk of courts, dog licenses, human services trust, sheriff trust and drainage districts.

Measurement Focus, Basis of Accounting and Financial Statement Presentation

Government-Wide Financial Statements

The government-wide statement of net position and statement of activities are reported using the economic resources measurement focus and the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Property taxes are recognized as revenues in the year for which they are levied. Taxes receivable for the following year are recorded as receivables and unearned revenue. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider are met. Unbilled receivables are recorded as revenues when services are provided.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

Fund Financial Statements

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recorded when they are both measurable and available. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. For this purpose, the County considers revenues to be available if they are collected within 60 days of the end of the current fiscal period except for certain federal and state grants for which the County considers revenues to be available if they are collected within 180 days of the end of the current fiscal period. Expenditures are recorded when the related fund liability is incurred, except for unmatured interest on long-term debt, claims, judgments, compensated absences and pension expenditures, which are recorded as a fund liability when expected to be paid with expendable available financial resources.

Property taxes are recorded in the year levied as receivables and unearned revenues. They are recognized as revenues in the succeeding year when services financed by the levy are being provided.

Sales taxes are recognized as revenues in the year in which the underlying sales relating to it take place.

Intergovernmental aids and grants are recognized as revenues in the period the County is entitled to the resources and the amounts are available. Amounts owed to the County, which are not available, are recorded as receivables and unavailable revenues. Amounts received before eligibility requirements (excluding time requirements) are met are recorded as liabilities. Amounts received in advance of meeting time requirements are reported as deferred inflows of resources/unearned revenues.

Revenues susceptible to accrual include property taxes, miscellaneous taxes, public charges for services and interest. Other general revenues such as fines and forfeitures, inspection fees, recreation fees and miscellaneous revenues are recognized when received in cash or when measurable and available under the criteria described above.

Rock County

Notes to Financial Statements

December 31, 2023

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

The proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Rock Haven and Highway funds are charges to customers for sales and services. Operating expenses for proprietary funds include the cost of sales and services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

All Financial Statements

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

Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position or Equity

Deposits and Investments

For purposes of the statement of cash flows, the County considers all highly liquid investments with an initial maturity of three months or less when acquired to be cash equivalents.

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

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

The County has adopted an investment policy. That policy follows the state statute for allowable investments.

The County's investment policy as it relates to custodial credit risk specifies that safekeeping agreements shall be in effect with each financial institution.

Rock County

Notes to Financial Statements
December 31, 2023

The County's investment policy as it relates to custodial credit risk states that ownership of all securities shall be perfected in the name of the County.

The County's investment policy as it relates to credit risk states that the County may invest in treasury obligations, federal agencies, local government investment pool, commercial paper rated at least A-1 by Standard & Poor's or P-1 by Moody's and other allowable investments. Complete details are available in the County's investment policy.

The County's investment policy states that the County may invest in U.S. treasuries and agencies not exceeding five years, corporate bonds not exceeding three years and the LGIP in accordance with Federal Securities Regulation 2a-7.

No policy exists for concentration of credit risk.

Investments are stated at fair value, which is the amount at which an investment could be exchanged in a current transaction between willing parties. Fair values are based on inputs and methods described in Note 4. No investments are reported at amortized cost. Adjustments necessary to record investments at fair value are recorded in the operating statement as increases or decreases in investment income. Investment income on commingled investments is allocated based on average balances of individual funds. The difference between the bank balance and carrying value is due to outstanding checks and/or deposits in transit.

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, 2023, the fair value of the County's share of the LGIP's assets was substantially equal to the amount as reported in these statements.

See Note 4 for further information.

Receivables

The County's property taxes are levied on or before December 31 on the equalized valuation as of the prior January 1 for all general property located in the County. The taxes are due and payable in the following year. Property taxes are recorded in the year levied as taxes receivable and deferred inflows.

Local property taxes as levied are collected by local treasurers, typically through the last day of January in each year. Twenty municipalities have contracted with the County for tax collections. By February 20, the county treasurer and local treasurers settle for all collections and amounts paid timely through January 31 due the various taxing districts. On February 1, tax collection becomes the responsibility of the County, except for the City of Beloit and delinquent taxes receivable represent unpaid taxes levied for all taxing entities within the County. On August 20, the County purchased uncollected property taxes from other taxing authorities at the unpaid amount to facilitate the collection of the taxes. The purchases are a financing arrangement and are not included in property tax revenues.

Rock County

Notes to Financial Statements
December 31, 2023

Following is the property tax calendar for municipalities within the County.

Property tax calendar - 2023 tax roll:

Levy date	December 2023
Tax bills mailed	December 2023
Payment in full, or	January 31, 2024
First installment due	January 31, 2024
Final installment due	July 31, 2024
	January 31, 2024 (except improvements on leased land due January 31, 2024 and July 31, 2024)
Personal property taxes in full	September 1, 2023
Tax certificate date	September 1, 2023
Tax sale - 2023 delinquent real estate taxes	October 2026

Delinquent property taxes purchased from other taxing authorities are included as nonspendable fund balance at year-end. Delinquent property taxes levied by the County are included as deferred inflows and are excluded from revenues and fund balance until collected.

On September 1, the tax lien date, all unpaid taxes are reflected as tax certificates. No allowance for losses on delinquent taxes has been provided because the County has demonstrated its ability to recover any losses through the sale of the property.

During the course of operations, transactions occur between individual funds that may result in amounts owed between funds. Short-term interfund loans are reported as due to and from other funds. Long-term interfund loans (noncurrent portion) are reported as advances from and to other funds. Interfund receivables and payables between funds within governmental activities are eliminated in the statement of net position. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as internal balances.

Rock County has a 0.5% sales tax, which is collected by the State of Wisconsin and is remitted to the County monthly. Sales taxes are accrued as a receivable when the underlying sale relating to it takes place. At December 31, 2023, the County has accrued two months of the subsequent year's collections as receivable.

The County has received federal and state grant funds for housing rehabilitation loan programs. The County records a loan receivable when the loan has been made and funds have been disbursed.

Accounts receivable have been shown net of an allowance for uncollectible accounts. It is the County's policy to record unavailable revenue for the net amount of the receivable balance. As loans are repaid, revenue is recognized. When new loans are made from the repayments, expenditures are recorded. Interest received from loan repayments is recognized as revenue when received in cash. Any unspent loan repayments at year-end are presented as restricted fund balance in the fund financial statements.

Inventories and Prepaid Items

Governmental fund inventories are valued at cost using the first-in, first-out (FIFO) method and using the consumption method of accounting. Inventories of the proprietary funds, except for the public works department, are valued at cost using the FIFO method. The public works department uses the average cost method.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

Rock County

Notes to Financial Statements
December 31, 2023

Capital Assets

Government-Wide Statements

Capital assets, which include property, plant and equipment (including right-to-use subscription assets), are reported in the government-wide financial statements. Capital assets are defined by the government as assets with an initial cost of more than \$25,000 for general capital assets and \$100,000 for infrastructure assets and an estimated useful life in excess of one year. All capital assets are valued at historical cost or estimated historical cost, if actual amounts are unavailable. Donated fixed assets are recorded at their estimated acquisition value at the date of donation.

Additions to and replacements of capital assets of business-type activities are recorded at original cost, which includes material, labor and overhead. The cost of renewals and betterments relating to retirement units is added to plant accounts. The cost of property replaced, retired or otherwise disposed of, is deducted from plant accounts and, generally, together with removal costs less salvage, is charged to accumulated depreciation.

Depreciation of all exhaustible capital assets is recorded as an allocated expense in the statement of activities, with accumulated depreciation reflected in the statement of net position. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. The range of estimated useful lives by type of asset is as follows:

<u>Buildings</u>	<u>Years</u>
Land improvements	10-20
Machinery and equipment	4-25
Infrastructure	15-75

Fund Financial Statements

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition. Capital assets used in proprietary fund operations are accounted for the same way as in the government-wide statements.

Deferred Outflows of Resources

A deferred outflow of resources represents a consumption of assets that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until that future time.

Compensated Absences

Under terms of employment, employees are granted sick leave and vacations in varying amounts. Only benefits considered to be vested are disclosed in these statements.

All vested vacation and sick leave pay is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements and are payable with expendable available resources.

Payments for vacation and sick leave will be made at rates in effect when the benefits are used. Accumulated vacation and sick leave liabilities at December 31, 2023 are determined on the basis of current salary rates and include salary related payments.

Long-Term Obligations

All long-term obligations to be repaid from governmental and business-type resources are reported as liabilities in the government-wide statements. The long-term debt consists primarily of notes and bonds payable and accrued compensated absences.

Long-term obligations for governmental funds are not reported as liabilities in the fund financial statements. The face value of debts (plus any premiums) is reported as other financing sources and payments of principal and interest are reported as expenditures. The accounting in proprietary funds is the same as it is in the government-wide statements.

For the government-wide statements and proprietary fund statements, bond premiums and discounts are deferred and amortized over the life of the issue using the effective interest method. The balance at year-end is shown as an increase or decrease in the liability section of the statement of net position.

Conduit Debt

Rock County (the County) has entered into an intergovernmental agreement dated December 16, 2021 along with other participating Wisconsin counties involving the issuance of industrial revenue bonds (IRB) for the benefit of a private business enterprise known as Bug Tussel 1, LLC (the Borrower). IRB's are secured by mortgages or revenue agreements on the associated projects, and do not constitute indebtedness of the County. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements. The intergovernmental agreement appointed Fond du Lac County, Wisconsin (the Issuer), as conduit issuer for the \$92,000,000 Taxable Revenue Bonds, Series 2022A. The Series 2022A Bonds were issued for the purpose of financing the construction of wireless communication towers, wires broadband equipment, fiber optic transport facilities and other infrastructure (the Project) to provide broadband services to governmental units, businesses and citizens.

The Issuer and the Borrower entered into a Loan Agreement dated December 1, 2021 to deliver the proceeds of the Series 2022A Bonds to U.S. Bank National Associated (the Trustee). The Borrower has the primary obligation to make all scheduled principal and interest payments on the Series 2021 Bonds when due. The Issuer and Trustee also executed a Trust Indenture which establishes separate debt service reserve and bond issuance cost accounts. The Borrower has agreed that it shall deposit with the Trustee sufficient resources to cure any deficit in the debt service reserve account.

As a participating county, Rock County entered into a Guaranty Agreement with the Trustee to guarantee the payment of its pro rata share of principal and interest of the Series 2022A Bonds in the aggregate principal amount of \$10,900,000. The County has guaranteed replenishment of its pro rata share of the Series 2022A Bonds if pledged revenues are insufficient and the Borrower fails to replenish a deficiency in the debt service reserve account. To secure its interest, the County has also entered into a Reimbursement Agreement with the Borrower dated August 1, 2022 which requires the Borrower to reimburse the County within five business days of the County making payment under the Guaranty Agreement. The County also executed a Guaranty Agreement dated August 1, 2022 with Hilbert Communications, LLC, sole owner of the Borrower (the Guarantor), for the full and prompt payment to the County of all amounts when due from the Borrower pursuant to, and the performance of all other obligations, covenants and agreements of the Borrower under the Reimbursement Agreement or other security interests filed on assets acquired using proceeds of the Series 2022A Bonds.

Rock County

Notes to Financial Statements
December 31, 2023

Leases

The County is a lessor because it leases capital assets to other entities. As a lessor, the County reports a lease receivable and corresponding deferred inflow of resources in both the fund financial statements and government-wide financial statements. The County continues to report and depreciate the capital assets being leased as capital assets of the primary government.

Subscription-Based Information Technology Arrangements

The County reports a subscription liability and an intangible right-to-use capital asset (known as the subscription asset) on the government-wide financial statements and proprietary fund statements. In the governmental fund financial statements, the County recognizes subscription proceeds and capital outlay at initiation of the subscription, and the outflow of resources for the subscription liability as a debt service payment.

Deferred Inflows of Resources

A deferred inflow of resources represents an acquisition of net assets that applies to a future period and therefore will not be recognized as an inflow of resources (revenue) until that future time.

Equity Classifications

Government-Wide Statements

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

- a) **Net Investment in Capital Assets** - Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances (excluding unspent debt proceeds) of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction or improvement of those assets.
- b) **Restricted Net Position** - Consists of net position with constraints placed on their use either 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.
- c) **Unrestricted Net Position** - All other net position that does not meet the definition of restricted or net investment in capital assets.

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

Fund Statements

Governmental balances are displayed as follows:

- a) **Nonspendable** - Includes fund balance amounts that cannot be spent either because they are not in spendable form or because legal or contractual requirements require them to be maintained intact.
- b) **Restricted** - Consists of fund balances with constraints placed on their use either 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.

Rock County

Notes to Financial Statements
December 31, 2023

- c) **Committed** - Includes fund balance amounts that are constrained for specific purposes that are internally imposed by the government through formal action of the highest level of decision-making authority. Fund balance amounts are committed through a formal action (resolution) of the County. This formal action must occur prior to the end of the reporting period, but the amount of the commitment which will be subject to the constraints, may be determined in the subsequent period. Any changes to the constraints imposed require the same formal action of the County that originally created the commitment.
- d) **Assigned** - Includes spendable fund balance amounts that are intended to be used for specific purposes that are not considered restricted or committed. Fund balance may be assigned through the following: 1) the County has adopted a financial policy authorizing the finance director to assign amounts; 2) All remaining positive spendable amounts in governmental funds, other than the general fund, that are neither restricted nor committed. Assignments may take place after the end of the reporting period.
- e) **Unassigned** - Includes residual positive fund balance within the general fund, which has not been classified within the other above-mentioned categories. Unassigned fund balance may also include negative balances for any governmental fund if expenditures exceed amounts restricted, committed or assigned for those purposes.

Proprietary fund equity is classified the same as in the government-wide statements.

The County has a formal fund balance policy. The policy is to maintain an unassigned general fund balance of 20% to 25% of the total general, human services, airport and enterprise fund expenditures/expenses. The unassigned general fund balance at year-end was \$43,338,250 or 24.7% of the expenditures/expenses of the funds listed above.

Postemployment Benefit Plans Other Than Pensions (OPEB)

For purposes of measuring the total OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB and OPEB expense, information about the County health insurance OPEB Plan has been determined on the same basis as reported by the plan. For this purpose, the County OPEB Plan recognizes benefit payments when due and payable in accordance with the benefit terms.

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

- Net OPEB Liability,
- Deferred Outflows of Resources and Deferred Inflows of Resources Related to Other Post-Employment Benefits, and
- OPEB Expense (Revenue).

Information about the fiduciary net position of the LRLIF and additions to/deductions from 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 member contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Rock County

Notes to Financial Statements
December 31, 2023

Pension

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

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

Information about the fiduciary net position of the 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.

2. Reconciliation of Government-Wide and Fund Financial Statements

Explanation of Certain Differences Between the Governmental Fund Balance Sheet and the Statement of Net Position

The governmental fund balance sheet includes a reconciliation between *fund balance - total governmental funds* and *net position - governmental activities* as reported in the government-wide statement of net position. The details of this reconciliation include the following:

Capital assets used in governmental funds are not financial resources and, therefore, are not reported in the funds.

Land and land improvements	\$ 18,356,957
Construction in progress	77,000,204
Easements	4,506,455
Other capital assets, net of depreciation/amortization	169,621,500
Less internal service fund capital assets included above, net of depreciation/amortization	<u>(4,773,047)</u>
Adjustment for capital assets	<u>\$ 264,712,069</u>

Long-term liabilities applicable to the County's governmental activities are not due and payable in the current period and accordingly, are not reported as fund liabilities. Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due. All liabilities, both current and long-term are reported in the statement of net position.

General obligation debt payable	\$ 100,705,117
Financed purchase payable	385,485
Unamortized debt premium	4,249,944
Compensated absences	10,352,633
Other postemployment benefits	45,395,795
Subscription liability	698,380
Accrued interest	<u>1,757,874</u>
Combined adjustment for long-term liabilities	<u>\$ 163,545,228</u>

Rock County

Notes to Financial Statements

December 31, 2023

3. Stewardship, Compliance and Accountability

Limitations on the County's Tax Levy

Wisconsin law limits the County's future tax levies. Generally, the County is limited to its prior tax levy dollar amount (excluding TIF districts), increased by the greater of the percentage change in the County's equalized value due to net new construction or zero percent. Changes in debt service from one year to the next are generally exempt from this limit with certain exceptions. The County is required to reduce its allowable levy by the estimated amount of fee revenue it collects for certain services if those services were funded in 2013 by the property tax levy. Levies can be increased above the allowable limits if the amount is approved by referendum.

Deficit Balances

Generally accepted accounting principles require disclosure of individual funds that have deficit balances at year-end.

As of December 31, 2023, the following individual funds held a deficit balance:

<u>Fund</u>	<u>Amount</u>	<u>Reason</u>
General Capital Projects	\$ 19,938,320	Expenditures exceeding funding
Internal Service, Motor Pool	8,068	Expenditures exceeding funding

The General Capital Projects and Motor Pool fund deficits are anticipated to be funded with charges for services, general tax revenues, or long-term borrowing.

4. Detailed Notes on All Funds

Deposits and Investments

The County's cash and investments at year-end were comprised of the following:

	<u>Carrying Value</u>	<u>Bank Balance</u>	<u>Associated Risks</u>
Demand deposits	\$ 33,305,814	\$ 35,495,250	Custodial credit risk
U.S. treasuries	19,009,786	19,009,786	Custodial credit risk, interest rate risk
State and local bonds	153,225	153,225	Custodial credit risk, credit risk, concentration of credit risk, interest rate risk
Corporate bonds	9,746,589	9,746,589	Custodial credit risk, credit risk, concentration of credit risk, interest rate risk
Other debt securities	1,690,516	1,690,516	Credit risk, custodial credit risk, concentration of credit risk, interest rate risk
LGIP	31,245,211	31,245,211	Credit risk
Petty cash	10,240	-	N/A
Total cash and investments	<u>\$ 95,161,381</u>	<u>\$ 97,340,577</u>	

Rock County

Notes to Financial Statements

December 31, 2023

	<u>Carrying Value</u>
Reconciliation to financial statements	
Per statement of net position:	
Cash and investments	\$ 76,532,777
Restricted cash and investments	17,758
Per statement of fiduciary net position:	
Custodial funds	<u>18,610,846</u>
 Total cash and investments	 <u><u>\$ 95,161,381</u></u>

Deposits in each local and area bank are insured by the FDIC in the amount of \$250,000 for time and savings accounts (including NOW accounts) and \$250,000 for demand deposit amounts (interest-bearing and noninterest bearing). In addition, if deposits are held in an institution outside of the state in which the government is located, insured amounts are further limited to a total of \$250,000 for the combined amount of all deposits.

Bank accounts are also insured by the State Deposit Guarantee Fund in the amount of \$400,000. However, due to the nature of this fund, recovery of material principal losses may not be significant to individual municipalities. This coverage has been considered in computing the custodial credit risk.

The Securities Investor Protection Corporation (SIPC), created by the Securities Investor Protection Act of 1970, is an independent government-sponsored corporation (not an agency of the U.S. government).

SIPC membership provides account protection up to a maximum of \$500,000 per customer, of which \$250,000 may be in cash. Additionally, through Lloyds of London, accounts have additional securities coverage of \$99.5 million per customer subject to a \$500 million aggregate firm limit.

The County maintains collateral agreements with its banks. At December 31, 2023, the banks had pledged various government securities in the amount of \$13,000,000 to secure the County's deposits.

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 other observable inputs; Level 3 inputs are significant unobservable inputs.

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

- Quoted market prices
- Automated method using spread scales

<u>Investment Type</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
State and local bonds	\$ -	\$ 153,225	\$ -	\$ 153,225
U.S. treasuries	19,009,786	-	-	19,009,786
Corporate bonds	-	9,746,589	-	9,746,589
Other debt securities	-	1,690,516	-	1,690,516
 Total	 <u>\$ 19,009,786</u>	 <u>\$ 11,590,330</u>	 <u>\$ -</u>	 <u>\$ 30,600,116</u>

Rock County

Notes to Financial Statements
December 31, 2023

Custodial Credit Risk

Deposits - Custodial credit risk is the risk that in the event of a financial institution failure, the County's deposits may not be returned to the County.

The County does not have any deposits exposed to custodial credit risk.

Investments - For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the County will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party.

The County does not have any investments exposed to custodial credit risk.

Credit Risk

As of December 31, 2023, the County's investments were rated as follows:

<u>Investment Type</u>	<u>Standard & Poor's</u>
Corporate bonds	AAA, AA+, AA, AA-, A+, A, A-
State and local bonds	Not rated
Other debt securities	AAA, not rated

The County also had investments in the following external pool, which is not rated:

Local Government Investment Pool

Interest Rate Risk

As of December 31, 2023, the County's investments were as follows:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Maturity (in Years)</u>		
		<u>Less Than 1</u>	<u>1-5</u>	<u>More Than 5</u>
State and local bonds	\$ 153,225	\$ 153,225	\$ -	\$ -
U.S. treasuries	19,009,786	-	19,009,786	-
Corporate bonds	9,746,589	3,234,709	6,511,880	-
Other debt securities	1,690,516	-	1,690,516	-
Total fair value	<u>\$ 30,600,116</u>	<u>\$ 3,387,934</u>	<u>\$ 27,212,182</u>	<u>\$ -</u>

Receivables

Receivables are not expected to be collected within one year as follows:

	<u>General</u>	<u>Nonmajor Governmental Funds</u>
Amounts not expected to be collected within one year	\$ 4,952,779	\$ 8,208,916

Receivables in the Rock Haven and nonmajor governmental funds have been recorded net of allowances. The allowances as of December 31, 2023, in these funds, respectively, are \$347,420 and \$79,680.

Rock County

Notes to Financial Statements
December 31, 2023

At December 31, 2023, delinquent taxes receivable are as follows:

Tax certificates:	
2022	\$ 2,441,446
2021	973,818
2020	322,936
2019	44,954
2018 and prior	<u>132,344</u>
Total	3,915,498
Other miscellaneous taxes	<u>26,198</u>
Total delinquent taxes receivable	<u>\$ 3,941,696</u>

Governmental funds report *unavailable revenue* in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Property taxes receivable for the subsequent year are not earned and cannot be used to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned. At the end of the current fiscal year, the various components of *unavailable revenue* and *unearned revenue* reported in the governmental funds were as follows:

	<u>Unavailable</u>	<u>Unearned</u>
Property taxes receivable	\$ -	\$ 65,123,454
Delinquent property taxes receivable	723,308	-
Loans receivable	2,777,828	-
Opioid receivable	4,987,080	-
Lease receivable	-	6,656,427
Grants	-	<u>19,719,672</u>
Total unavailable/unearned revenue for governmental funds	<u>\$ 8,488,216</u>	<u>\$ 91,499,553</u>
Unearned revenue included in liabilities		\$ 19,569,581
Unearned revenue included in deferred inflows of resources		65,273,545
Unearned revenue related to leases		<u>6,656,427</u>
Total unavailable/unearned revenue for governmental funds		<u>91,449,553</u>
Internal service fund:		
Property taxes receivable		<u>5,126,527</u>
Governmental activities unearned revenue		<u>\$ 96,626,080</u>

Rock County

Notes to Financial Statements
December 31, 2023

Capital Assets

Capital asset activity for the year ended December 31, 2023 was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Governmental activities:				
Capital assets not being depreciated/amortized:				
Land	\$ 11,693,266	\$ -	\$ 376	\$ 11,692,890
Construction in progress	25,604,439	61,243,766	11,884,051	74,964,154
Easements	4,036,955	469,500	-	4,506,455
Infrastructure construction in progress	1,998,737	149,591	112,278	2,036,050
Infrastructure and land improvements	6,664,067	-	-	6,664,067
Total capital assets not being depreciated/amortized	<u>49,997,464</u>	<u>61,862,857</u>	<u>11,996,705</u>	<u>99,863,616</u>
Capital assets being depreciated/amortized:				
Intangible assets, software	1,637,792	-	1,151,865	485,927
Intangible assets, subscriptions	-	2,407,223	-	2,407,223
Land improvements	30,670,246	202,451	-	30,872,697
Buildings and improvements	144,708,922	13,359,483	-	158,068,405
Machinery and equipment	9,143,274	1,657,619	55,651	10,745,242
Roads	64,142,723	3,556,731	1,500,730	66,198,724
Bridges	15,521,763	-	-	15,521,763
Stop lights	515,846	-	-	515,846
Airport water and sewer system	1,557,502	-	-	1,557,502
Snowmobile bridges	247,574	-	-	247,574
Total capital assets being depreciated/amortized	<u>268,145,642</u>	<u>21,183,507</u>	<u>2,708,246</u>	<u>286,620,903</u>
Less accumulated depreciation/amortization for:				
Intangible assets, software	(1,448,244)	(140,955)	1,151,865	(437,334)
Intangible assets, subscriptions	-	(799,521)	-	(799,521)
Land improvements	(16,784,787)	(1,107,308)	-	(17,892,095)
Buildings and improvements	(81,912,925)	(4,054,105)	-	(85,967,030)
Machinery and equipment	(4,686,879)	(931,793)	35,881	(5,582,791)
Roads	(2,498,262)	(1,323,974)	1,500,730	(2,321,506)
Bridges	(2,924,916)	(254,913)	-	(3,179,829)
Stop lights	(104,446)	(10,317)	-	(114,763)
Airport water and sewer system	(560,709)	(20,767)	-	(581,476)
Snowmobile bridges	(118,106)	(4,952)	-	(123,058)
Total accumulated depreciation/amortization	<u>(111,039,274)</u>	<u>(8,648,605)</u>	<u>2,688,476</u>	<u>(116,999,403)</u>
Net capital assets being depreciated/amortized	<u>157,106,368</u>	<u>12,534,902</u>	<u>19,770</u>	<u>169,621,500</u>
Total governmental activities capital assets, net of depreciation/amortization	<u>\$ 207,103,832</u>	<u>\$ 74,397,759</u>	<u>\$ 12,016,475</u>	<u>\$ 269,485,116</u>

Rock County

Notes to Financial Statements
December 31, 2023

Depreciation expense was charged to functions as follows:

Governmental activities:	
General government	\$ 527,324
Public safety	2,136,819
Health and social services	595,691
Public works	998,571
Culture, recreation and education	<u>2,955,548</u>
Subtotal	7,213,953
Capital assets held by internal service funds are charged to the various functions based on their usage of the assets	<u>1,434,952*</u>
Total governmental activities depreciation expenses	<u>\$ 8,648,905</u>

*Depreciation expense differs from Statement of Revenues, Expenditures and Changes in Fund Balances due to a current year adjustment to capture overhead and add-on costs for motor pool equipment.

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Business-type activities:				
Capital assets not being depreciated:				
Land	\$ 369,775	\$ -	\$ -	\$ 369,775
Construction in progress	<u>591,850</u>	<u>1,017,131</u>	<u>201,798</u>	<u>1,407,183</u>
Total capital assets not being depreciated	<u>961,625</u>	<u>1,017,131</u>	<u>201,798</u>	<u>1,776,958</u>
Capital assets being depreciated:				
Land improvements	2,879,019	-	-	2,879,019
Buildings	29,805,707	-	-	29,805,707
Machinery and equipment	<u>44,971,304</u>	<u>5,106,423</u>	<u>1,058,201</u>	<u>49,019,526</u>
Total capital assets being depreciated	<u>77,656,030</u>	<u>5,106,423</u>	<u>1,058,201</u>	<u>81,704,252</u>
Less accumulated depreciation/amortization for:				
Land improvements	(953,930)	(85,478)	-	(1,039,408)
Buildings	(9,218,484)	(871,312)	-	(10,089,796)
Machinery and equipment	<u>(23,596,867)</u>	<u>(2,838,068)</u>	<u>955,295</u>	<u>(25,479,640)</u>
Total accumulated depreciation	<u>(33,769,281)</u>	<u>(3,794,857)</u>	<u>955,295</u>	<u>(36,608,844)</u>
Net capital assets being depreciated	<u>43,886,749</u>	<u>1,311,566</u>	<u>102,906</u>	<u>45,095,408</u>
Total business-type activities capital assets, net of depreciation	<u>\$ 44,848,374</u>	<u>\$ 2,328,697</u>	<u>\$ 304,704</u>	<u>\$ 46,872,366</u>

Rock County

Notes to Financial Statements
December 31, 2023

Depreciation expense was charged to functions as follows:

Business-type activities:		
Rock Haven	\$	986,432
Highway		<u>2,438,973</u>
Total business-type activities depreciation expense	\$	<u>3,425,405</u>

Depreciation expense may be different from business-type activity capital asset additions because of salvage, cost of removal, internal allocations or costs associated with the disposal of assets.

Interfund Receivables/Payables and Transfers

Interfund Receivables/Payables

The following is a schedule of interfund receivables and payables:

Receivable Fund	Payable Fund	Amount
General Fund	Special revenue, Human Services	\$ 8,505,611
	Capital projects, general	12,757,937
	Enterprise, highway	4,326,852
	Internal service, motor pool	753,580
Internal Service Funds		
Health insurance	Enterprise, highway	8,068,838
Health insurance	Internal service, job center	<u>498,183</u>
Subtotal, fund financial statements		34,911,001
Less fund eliminations		(21,761,731)
Less government-wide eliminations		(639,056)
Less interfund receivables, IT, self-insurance created with internal service and fund eliminations		<u>(57,262)</u>
Total government-wide financial statements		<u>\$ 12,452,952</u>

All amounts are considered to be due within one year and the principal purpose of these interfunds is for operating activities.

Balances owed by the general fund to other funds result from the cash and investment management for the County being accounted for in the general fund with the share owned by other funds being reported as interfund balances. Balances owed to the general fund resulted from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system and (3) payments between funds are made.

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

Rock County

Notes to Financial Statements
December 31, 2023

Transfers

The following is a schedule of interfund transfers:

Fund Transferred to	Fund Transferred From	Amount
General	Human services	\$ 3,759,027
General	Nonmajor governmental funds	439,712
General	Internal service funds	5,000
General capital projects	Highway	32,620
Nonmajor governmental funds	General	5,833,976
Nonmajor governmental funds	Nonmajor governmental funds	204,521
Internal service funds	American rescue plan act	189,236
Rock Haven	Nonmajor governmental funds	854,917
Highway	Internal service funds	400,000
Highway	General capital projects	2,305,500
		<hr/>
Subtotal, fund financial statements		14,024,509
Add governmental activities' infrastructure paid by Highway		3,594,044
Less fund eliminations		(10,237,236)
Less government-wide eliminations		<u>(7,315,070)</u>
		<hr/>
Total transfers, government-wide statement of activities		<u>\$ 66,247</u>
		<hr/>
Fund Transferred to	Fund Transferred From	Amount
Governmental activities	Business-type activities	\$ 3,626,664
Business-type activities	Governmental activities	<u>(3,560,417)</u>
		<hr/>
Total government-wide financial statements		<u>\$ 66,247</u>

Generally, transfers are used to 1) close lapsing funds, 2) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations and 3) funding for various projects.

Rock County

Notes to Financial Statements
December 31, 2023

Long-Term Obligations

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

	<u>Beginning Balance</u>	<u>Increase</u>	<u>Decrease</u>	<u>Ending Balance</u>	<u>Amounts Due Within One Year</u>
Governmental Activities					
Bonds and notes payable:					
General obligation debt:					
General	\$ 43,802,407	\$ 61,585,000	\$ 4,682,290	\$ 100,705,117	\$ 5,958,950
Internal service	610,783	-	192,000	418,783	194,800
Add deferred amounts for premiums:					
Premium on long-term debt:					
General	1,630,107	2,767,949	148,112	4,249,944	-
Internal service	10,184	-	3,396	6,788	-
Financed purchases:					
General	450,084	-	64,599	385,485	69,050
Total notes payable	<u>46,503,565</u>	<u>64,352,949</u>	<u>5,090,397</u>	<u>105,766,117</u>	<u>6,222,800</u>
Other liabilities:					
Vested compensated absences:					
General	8,562,591	6,221,503	4,431,461	10,352,633	5,336,409
Internal services	403,412	354,766	228,727	529,451	294,097
Subscription Liabilities:					
General	-	893,395	195,015	698,380	203,818
Internal services	-	1,513,828	604,506	909,322	642,229
Total other liabilities	<u>8,966,003</u>	<u>8,983,492</u>	<u>5,459,709</u>	<u>12,489,786</u>	<u>6,476,553</u>
Total governmental activities long-term liabilities	<u>\$ 55,469,568</u>	<u>\$ 73,336,441</u>	<u>\$ 10,550,106</u>	<u>\$ 118,255,903</u>	<u>\$ 12,699,353</u>
	<u>Beginning Balance</u>	<u>Increase</u>	<u>Decrease</u>	<u>Ending Balance</u>	<u>Amounts Due Within One Year</u>
Business-Type Activities					
Bonds and notes payable:					
General obligation debt	\$ 11,856,810	\$ -	\$ 3,655,710	\$ 8,201,100	\$ 2,831,250
Total bonds and notes payable	<u>11,856,810</u>	<u>-</u>	<u>3,655,710</u>	<u>8,201,100</u>	<u>2,831,250</u>
Other liabilities:					
Vested compensated absences	<u>1,598,045</u>	<u>1,036,111</u>	<u>932,244</u>	<u>1,701,912</u>	<u>973,985</u>
Total other liabilities	<u>1,598,045</u>	<u>1,036,111</u>	<u>932,244</u>	<u>1,701,912</u>	<u>973,985</u>
Total business-type activities long-term liabilities	<u>\$ 13,454,855</u>	<u>\$ 1,036,011</u>	<u>\$ 4,587,954</u>	<u>\$ 9,903,012</u>	<u>\$ 3,805,235</u>

Rock County

Notes to Financial Statements

December 31, 2023

General Obligation Debt

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

In accordance with Wisconsin Statutes, total general obligation indebtedness of the County may not exceed 5% of the equalized value of taxable property within the County's jurisdiction. The debt limit as of December 31, 2023 was \$961,055,405. Total general obligation debt outstanding at year-end was \$109,325,000.

	<u>Date of Issue</u>	<u>Final Maturity</u>	<u>Interest Rates</u>	<u>Original Indebtedness</u>	<u>Balance, December 31, 2023</u>
General obligation debt:					
Promissory notes	2015	2025	1.00-2.00 %	\$ 7,890,000	\$ 1,630,000
Promissory notes	2017	2027	1.50-2.20	8,785,000	4,560,000
Promissory notes	2019	2029	2.00-4.00	11,655,000	7,395,000
Promissory notes	2021	2030	1.50-2.50	6,485,000	4,900,000
Bonds	2021	2040	2.00-3.00	22,610,000	20,210,000
Refunding bonds	2021	2026	0.15-0.85	17,195,000	9,045,000
Promissory notes	2023	2032	4.00-5.00	3,710,000	3,710,000
Bonds	2023	2042	4.00-5.00	57,875,000	<u>57,875,000</u>
Total general obligation debt					<u>\$ 109,325,000</u>

Debt service requirements to maturity are as follows:

<u>Years</u>	<u>Governmental Activities General Obligation Debt</u>		<u>Business-Type Activities General Obligation Debt</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2024	\$ 6,153,750	\$ 4,138,662	\$ 2,831,250	\$ 50,086
2025	6,598,410	3,400,517	2,731,590	38,761
2026	6,191,740	3,214,766	2,638,260	22,372
2027	7,520,000	3,013,145	-	-
2028	6,340,000	2,742,625	-	-
2029-2033	25,010,000	10,588,000	-	-
2034-2038	24,450,000	6,145,000	-	-
2039-2042	18,860,000	1,750,800	-	-
Total	<u>\$ 101,123,900</u>	<u>\$ 34,993,515</u>	<u>\$ 8,201,100</u>	<u>\$ 111,219</u>

Rock County

Notes to Financial Statements
December 31, 2023

Financed Purchases

Financed purchases at December 31, 2023 consist of the following:

Governmental Activities

Financed Purchases	Date of Issue	Final Maturity	Interest Rate	Original Indebtedness	Balance
Jail equipment	08/31/2018	05/01/2028	3.61 %	\$ 505,350	\$ 276,329
Telehandler	02/24/2022	04/05/2028	4.26	152,580	109,156
Total governmental activities financed purchases					<u>\$ 385,485</u>

Debt service requirements to maturity are as follows:

Years	Governmental Activities Financed Purchases	
	Principal	Interest
2024	\$ 69,050	\$ 14,626
2025	73,737	12,003
2026	78,671	9,205
2027	83,865	6,223
2028	80,162	3,048
Total	<u>\$ 385,485</u>	<u>\$ 45,105</u>

Lease Disclosures

Lessor - Lease Receivables

Governmental Activities

Lease Receivables Description	Date of Inception	Final Maturity	Interest Rates	Receivable Balance December 31, 2023
Rock Ridge Golf Course	07/01/1999	06/30/2050	1.95%	\$ 985,087
GRP Towers (American Tower)	11/28/2008	12/31/2068	1.95	2,104,828
Crown Castle	09/11/2009	12/31/2038	1.95	650,518
AT&T W County Tower	08/01/2003	12/31/2038	1.95	265,923
State of WI DWD	09/01/2021	12/31/2026	1.95	418,826
Forward Services	09/01/2021	12/31/2038	1.95	146,599
Southwest Development Board	09/01/2021	12/31/2028	1.95	392,366
Wisconsin Power and Light, land lease	02/23/2022	12/31/2061	1.95	1,475,205
Wisconsin Power and Light, community solar	03/15/2023	12/31/2063	3.78	217,075
Total governmental activities				<u>\$ 6,656,427</u>

The County recognized \$309,051 of lease revenue during the fiscal year.

The County recognized \$222,696 of interest revenue during the fiscal year.

Rock County

Notes to Financial Statements

December 31, 2023

Regulated Leases

The County maintains certain regulated leases that, in accordance with GASB No. 87, do not recognize a lease receivable or a deferred inflow of resources. Regulated leases are subject to external laws, regulations or legal rulings. These GASB No. 87 regulated leases are summarized as follows:

Hangars

On various dates, the County entered into twenty-two T-hangar lease agreements with tenants for the use of the airport's hangars. The lessees are required to make monthly lease payments. The County recognized lease revenue of \$141,306 during the fiscal year.

Airline Use and Lease Agreement Signatory Airlines

The rights, services and privileges, including the lease of preferentially assigned gates, an airline has in connection with the use of the airport and its facilities is addressed in the Airline Use and Lease Agreement (ULA). By definition, a ULA is considered a regulated lease and does not recognize a receivable and corresponding deferred inflow of resources.

On various dates, the County entered into two fixed base operator lease agreements with tenants for the use of the airport's facilities. The lessee is required to make varying annual lease payments. The County recognized lease revenue of \$25,413 during the fiscal year.

Subscription Disclosures

Subscription Liabilities

<u>Subscription Liability Description</u>	<u>Date of Inception</u>	<u>Final Maturity</u>	<u>Interest Rates</u>	<u>Liability Balance December 31, 2023</u>
Core BTS (Cisco), Security enterprise agreement	10/28/2023	12/31/2025	3.98%	\$ 248,390
Motorola Premier One, Computer-aided dispatch (CAD) software	01/01/2020	12/31/2024	3.98	284,410
NetSmart, Avatar Hosting: Disaster recovery and perceptive hosting	01/01/2022	12/31/2026	3.98	46,919
Cisco Duo, Two-factor authentication	07/01/2022	12/31/2024	3.98	76,590
EDCI Citrix, DaaS premium Citrix Cloud	12/30/2022	12/31/2025	3.98	212,720
Veeam, Backup software for onsite and remote (cloud) storage	07/01/2022	12/31/2024	3.98	40,293
Fidlar, Real estate records software	01/01/2022	12/31/2024	3.98	52,446
Motorola, Video software service	01/01/2023	12/31/2027	3.98	645,934
Total subscriptions payable				<u>\$ 1,607,702</u>

Rock County

Notes to Financial Statements
December 31, 2023

Future minimum subscription payments are as follows:

<u>Years</u>	<u>Principal</u>	<u>Interest</u>
2024	\$ 846,047	\$ 65,185
2025	408,927	30,741
2026	181,133	14,122
2027	171,595	6,741
Total	<u>\$ 1,607,702</u>	<u>\$ 116,789</u>

Governmental Activities Net Position/Fund Balances

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

Governmental Activities

Net investment in capital assets:	
Land and land improvements	\$ 18,356,957
Construction in progress	77,000,204
Easements	4,506,455
Other capital assets, net of accumulated depreciation	169,621,500
Less long-term debt outstanding	(101,123,900)
Less financed purchase	(385,485)
Less subscription liabilities	(1,607,702)
Less unamortized debt premium	<u>(4,256,732)</u>
Total net investment in capital assets	<u>\$ 162,111,297</u>

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

Nonspendable

Major funds:	
General fund:	
Delinquent taxes	\$ 2,499,928
Prepaid items	<u>61,129</u>
Subtotal	2,561,057
Human Services:	
Prepaid items	30,668
Nonmajor funds:	
Special revenue funds, prepaid items	<u>1,726</u>
Total	<u>\$ 2,593,451</u>

Rock County

Notes to Financial Statements
December 31, 2023

Restricted

Nonmajor funds, special revenue funds:	
Revolving loans	\$ 1,867,663
Other grants	1,841,563
Land records	634,258
Arrowhead library system	1,872
County bridge aid	1,048,118
Other activities	316,917
Other special revenue funds	1,372,241
Airport	566,115
Opioid settlement	1,754,951
	<hr/>
Subtotal	9,403,698
Nonmajor fund, debt service fund	<hr/>
	4,956,015
Total	<hr/>
	\$ 14,359,713

Committed

Nonmajor funds, special revenue funds:	
Other special revenue funds	\$ 1,578,595

Assigned

Major funds:	
General fund:	
Sales taxes for future expenditures	\$ 2,923,304
Subsequent budget	7,221,000
Carryforward appropriations	249,570
	<hr/>
Total general fund	10,393,874
Human Services fund:	
Human Service programs	1,174,241
Nonmajor fund:	
Airport projects	<hr/>
	366,341
Total	<hr/>
	\$ 11,934,456

Unassigned (Deficit)

Major funds:	
General fund	\$ 43,338,250
General capital projects	(19,938,320)
	<hr/>
Total	\$ 23,399,930

Rock County

Notes to Financial Statements
December 31, 2023

Business-Type Activities Net Position

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

Business-Type Activities

Net investment in capital assets:

Land	\$	369,775
Construction in progress		1,407,183
Other capital assets, net of depreciation		45,095,408
Less related long-term debt outstanding		<u>(8,201,100)</u>

Total net investment in capital assets	\$	<u>38,671,266</u>
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Restatement of Prior Year Net Position / Fund Balance

Fund balance and net position were restated to correct errors in the Human Services Fund for over accrued liabilities in prior years.

Description	Statement of Net Position	Balance Sheet
	Governmental Activities	Human Services
Beginning equity as per prior year audited financials	\$ 187,314,148	\$ 498,114
Plus correction of over accrued liabilities	<u>1,134,621</u>	<u>1,134,621</u>
Adjusted beginning net position / fund balance	<u>\$ 188,448,769</u>	<u>\$ 1,632,735</u>

Net income of the prior period would have been increased by \$427,826, related to the correction of the over accrued liabilities from 2022 only.

5. Other Information

Employees' Retirement System

Plan Description

The WRS is a cost-sharing multiple-employer, defined benefit pension plan. WRS benefits and other plan provisions are established by Chapter 40 of the Wisconsin Statutes. Benefit terms may only be modified by the legislature. The retirement system is administered by the Wisconsin Department of Employee Trust Funds (ETF). The system provides coverage to all eligible State of Wisconsin, local government and other public employees. All employees initially employed by a participating WRS employer on or after July 1, 2011 expected to work at least 1,200 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 Annual Comprehensive Financial Report (ACFR), which can be found at <http://etf.wi.gov/about-etf/reports--and-studies/financial-reports-and-statements>.

Additionally, ETF issued a standalone Wisconsin Retirement System Financial Report, which can also be found using the link above.

Vesting

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

Benefits Provided

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

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

Vested participants may retire at 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.

Rock County

Notes to Financial Statements
December 31, 2023

Summary of Significant Accounting Policies

Postretirement Adjustments

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

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

Contributions

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

During the reporting period, the WRS recognized \$5,672,395 in contributions from the County.

Contribution rates for the plan year reported as of December 31, 2023 are:

<u>Employee Category</u>	<u>Employee</u>	<u>Employer</u>
General (Executives and Elected Officials)	6.50 %	6.50 %
Protective with Social Security	6.50	12.00
Protective without Social Security	6.50	16.40

Rock County

Notes to Financial Statements
December 31, 2023

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

At December 31, 2023, the County reported a liability of \$25,075,374 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2022 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2021 rolled forward to December 31, 2022. No material changes in assumptions or benefit terms occurred between the actuarial valuation date and the measurement date. The County's proportion of the net pension liability was based on the County's share of contributions to the pension plan relative to the contributions of all participating employers. At December 31, 2022, the County's proportion was 0.47332534%, which was an increase of 0.00831449% from its proportion measured as of December 31, 2021.

For the year ended December 31, 2023, the County recognized pension expense of \$12,240,249.

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between projected actual experience	\$ 39,937,302	\$ 52,468,647
Changes of assumptions	4,930,856	-
Net differences between projected and actual earnings on pension plan investments	42,597,270	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	28,734	148,457
Employer contributions subsequent to the measurement date	6,267,168	-
Total	<u>\$ 93,761,330</u>	<u>\$ 52,617,104</u>

\$6,267,168 reported as deferred outflows of resources related to pension resulting from the WRS Employer's contributions subsequent to the measurement date will be recognized as a reduction of the net pension asset in the year ended December 31, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

Years Ending December 31	Deferred Outflows of Resources and Deferred Inflows of Resources
2024	\$ 1,419,339
2025	7,214,042
2026	7,394,320
2027	18,849,357
Total	<u>\$ 34,877,058</u>

Rock County

Notes to Financial Statements
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Actuarial Assumptions

The total pension liability in the December 31, 2021 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

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

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

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

Rock County

Notes to Financial Statements
December 31, 2023

Long-Term Expected Return on Plan Assets

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

Asset Allocation Targets and Expected Returns* as of December 31, 2022			
Core Fund Asset Class	Asset Allocation %	Long-Term Expected Nominal Rate of Return %	Long-Term Expected Real Rate of Return %**
Public Equity	48	7.6	5
Public Fixed Income	25	5.3	2.7
Inflation Sensitive	19	3.6	1.1
Real Estate	8	5.2	2.6
Private Equity/Debt	15	9.6	6.9
Total Core Fund***	115	7.4	4.8
Variable Fund Asset			
U.S. Equities	70	7.2	4.6
International Equities	30	8.1	5.5
Total Variable Fund	100	7.7	5.1

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

** *New England Pension Consultants' Long-Term U.S. CPI (Inflation) Forecast: 2.5%*

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

Single Discount Date

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

Sensitivity of the County's Proportionate Share of the Net Pension Liability (Asset) to Changes in the Discount Rate.

The following presents the County's proportionate share of the net pension liability (asset) calculated using the discount rate of 6.80%, as well as what the County's proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (5.80%) or 1-percentage-point higher (7.80%) than the current rate:

	1% Decrease to Discount Rate (5.80%)	Current Discount Rate (6.80%)	1% Increase to Discount Rate (7.80%)
County's proportionate share of the net pension liability (asset)	\$ 83,224,350	\$ 25,075,374	\$ (14,926,134)

Pension Plan Fiduciary Net Position

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

At December 31, 2023, the County reported a payable to the pension plan of \$1,427,252, which represents contractually required contributions outstanding as of the end of the year.

Risk Management

Commercial Insurance

As of January 1, 2020, the County is now using commercial health insurance. The County is exposed to various risks of loss related to health care of its employees. These risks are covered through the purchase of commercial insurance, with minimal deductibles. Settled claims have not exceeded the commercial coverage in the last two years. There were no significant reductions in coverage compared to the prior year.

Self Insurance

The County is exposed to various risks of loss related to torts; theft of, damage to or destruction of assets; errors and omissions; and worker's compensation. The County participates in a public entity risk pool called WMMIC to provide coverage for losses from theft of, damage to or destruction of assets. However, other risks, such as worker's compensation and any outstanding claims related to health care of employees under the County's previous self-insured health plan, are accounted for and financed through self-insurance activities recorded in the self-insurance internal service fund.

The County has self-funded insurance programs for worker's compensation. Claims for worker's compensation and any outstanding health claims incurred prior to January 1, 2020 are processed by an administrator on behalf of the County. A separate fund has been established into which deposits are made and actual claims are paid out. As a part of the plan, a reinsurance policy has been purchased which picks up worker's compensation claims in excess of \$400,000 per individual. Settled claims have not exceeded the commercial coverage in any of the past three years.

All funds of the County participate in the risk management program. Amounts payable to the fund are based on actuarial estimates of the amounts necessary to pay prior and current year claims and to establish a reserve for catastrophic losses. The excess of deposits over claims as of December 31, 2023 was \$2,978,682 and is reflected in an internal service fund in these statements. Total contributions to the program during the year were \$2,403,846.

A liability for a claim is established if information indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss is reasonably estimable. Accounts payable include an amount for claims that have been incurred but not reported. The County does not allocate overhead costs or other nonincremental costs to the claim's liability.

Public Entity Risk Pool

Wisconsin Municipal Mutual Insurance Company (WMMIC) was organized in 1987 by municipal members in the State of Wisconsin under Wisconsin Insurance Laws as a non-assessable municipal mutual insurance company. WMMIC provides general liability (including law enforcement professionals), auto and other public officials' errors and omissions liability coverages, workers compensation claims administrative services (as a third-party administrator), a worker's compensation excess program and a cyber-liability program for participating members in the State of Wisconsin on terms calling for recognition of premium upon the effective date of the policy. Responsibility for the operations and management of WMMIC is vested in its executive director and Board of Directors, which is comprised of various municipal officials. At December 31, 2023, WMMIC was owned by twenty members.

WMMIC limits the maximum net loss that can arise from larger risks or risks in concentrated areas of exposure by reinsuring (ceding) certain levels of risks with other insurers or reinsurers. Ceded reinsurance is treated as the risk and liability of the assuming companies. Such reinsurance includes all lines of insurance.

WMMIC had a general, automobile and other liability reinsurance contract in force for the year ended December 31, 2023. This is a quota share reinsurance agreement with General Reinsurance Corporation (60.0%) and Governmental Entities Mutual (GEM) Insurance Company (40.0%) for excess of loss reinsurance. The contract covered losses (in excess of the self-insured retention of each member), which exceeded \$1,500,000 per occurrence up to the maximum loss of \$12,000,000 per occurrence. WMMIC retains the first \$1,500,000 of the loss excess of each member's self-insured retention. The members retain all losses greater than \$12,000,000 per occurrence.

Rock County

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WMMIC has contracted with Safety National to provide 100% reinsurance coverage for workers compensation insurance in excess of the members' self-insured retention limits, which are \$550,000 for all but one member that has a retention of \$650,000.

The County's investment in WMMIC is reported on the statement of net position as a noncurrent asset in the amount of \$1,741,000.

Claims Liability

	<u>Prior Year</u>	<u>Current Year</u>
Unpaid claims, beginning	\$ 589,948	\$ 1,115,835
Current year claims and administration	1,074,939	530,626
Claims and administration payments	<u>(509,052)</u>	<u>(771,666)</u>
Unpaid claims, ending	<u>\$ 1,155,835</u>	<u>\$ 874,795</u>

Commitments and Contingencies

The County has received federal and state grants for specific purposes that are subject to review and audit by the grantor agencies. Such audits could lead to requests for reimbursements to the grantor agency for expenditures disallowed under terms of the grants. Management believes such disallowances, if any, would be immaterial.

The County has active construction projects as of December 31, 2023. Work that has been completed on these projects but not yet paid for (including contract retainages) is reflected as accounts payable and expenditures/expenses.

The County has encumbrances of \$25,910,402 outstanding at year-end related to the General Capital Projects fund, which are expected to be honored upon performance by the vendor.

Other Postemployment Benefits (OPEB)

General Information About the OPEB Plan

Plan Description

The County administers a single-employer, defined benefit healthcare plan (the Retiree Healthcare Benefit Program). The plan provides health insurance for eligible retirees and their spouses through the County's group health insurance plan, which covers both active and retired members. Benefit provisions are established through collective bargaining agreements and state that eligible retirees and their spouses receive postemployment healthcare insurance at established contribution rates. The Retiree Health Plan does not issue a publicly available financial report.

No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75.

Rock County

Notes to Financial Statements
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Benefits Provided

The County's group health insurance plan provides coverage to eligible retirees and their spouses. Contribution requirements are established through collective bargaining agreements and may be amended only through negotiations between the County and the union. For Deputy Sheriffs and Deputy Sheriff's Supervisors, the County makes the same monthly health insurance contribution on behalf of the retiree as it makes on behalf of all other active employees during that year until age 65. The County provides other employees access to the retiree healthcare benefits; however, these retirees must pay 100% of the premium. The premium for coverage prior to age 65 is the same as the active employee rate. There is a separate plan for members after age 65 that is fully insured through outside carriers that retirees may elect at that time. All post-65 retirees pay 100% of that premium for coverage. The County contributes 100% of the current year premiums for a family or single plan for eligible Deputy Sheriffs and Deputy Sheriff's Supervisors, retired plan members and their spouses. All other eligible retirees pay 100% of the current year premiums for a family or single plan. The County, by paying the blended premium for active employees, in effect contributes the difference between the blended premium and the age adjustment premium towards retiree benefits. This results in another postemployment benefit (OPEB) for the retirees, commonly referred to as an implicit rate subsidy.

Employees Covered by Benefit Terms

At December 31, 2023, the following employees were covered by the benefit terms:

Inactive plan members or beneficiaries currently receiving benefit payments	80
Active plan members	<u>1,167</u>
	<u><u>1,247</u></u>

Total OPEB Liability

The County's total OPEB liability of \$44,476,114 was measured as of December 31, 2023 and was determined by an actuarial valuation as of January 1, 2023.

Actuarial Assumptions and Other Inputs

The total OPEB liability in the actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	3.00%
Salary increases	For general employees, 6.5% at less than 1 year service to 3.4% at 30+ years of service. For protective service employees, 7.8% at less than 1 year of service to 3.5% at 30+ years of service.
Healthcare cost trend rates	10.9 for 2024, 9.0% for 2025, 8.5% for 2026, 8% for 2027 reduced by 0.25% increments each year going forward to an ultimate rate of 4.25% in 2042.
Retirees' share of benefit-related costs	Deputy sheriffs and deputy sheriff supervisor, 0% and Other, 100%

Rock County

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The discount rate was based on the yield for 20-year, tax-exempt general obligation municipal bonds with an average rating of AA as of the measurement date.

Mortality rates are from the 2020 WRS Experience Mortality Table for men and women adjusted for future mortality improvements using the MP-2021 fully generational improvement scale (multiplied by 60%).

Other assumptions are based on a county-determined analysis of past trends and future expectations.

Changes in the Total OPEB Liability

	Total OPEB Liability
Balance, December 31, 2022	<u>\$ 37,548,843</u>
Changes for the year:	
Service cost	2,519,629
Interest	1,665,797
Changes of benefit terms	-
Differences between expected and actual experience	8,264
Changes in assumptions or other inputs	4,435,796
Benefit payments	<u>(1,702,215)</u>
Net changes	<u>6,927,271</u>
Balance, December 31, 2023	<u><u>\$ 44,476,114</u></u>

Changes of assumptions and other inputs reflect a change in the discount rate from 4.05% in 2022 to 3.77% in 2023.

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate

The following presents the total OPEB liability of the County, as well as what the County's OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.77%) or 1-percentage-point higher (4.77%) than the current discount rate:

	1% Decrease (2.77%)	Discount Rate (3.77%)	1% Increase (4.77%)
Total OPEB liability	\$ 49,418,220	\$ 44,476,114	\$ 40,168,420

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates

The following presents the total OPEB liability of the County, as well as what the County's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (9.9% decreasing to 3.25%) or 1-percentage-point higher (11.9% decreasing to 5.25%) than the current healthcare cost trend rates:

	1% Decrease (9.9% Decreasing to 3.25%)	Healthcare Cost Trend Rates	1% Increase (11.9% Decreasing to 5.25%)
Total OPEB liability	\$ 39,086,209	\$ 44,476,114	\$ 50,940,298

Rock County

Notes to Financial Statements
December 31, 2023

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

For the year ended December 31, 2023, the County recognized OPEB expense of \$3,381,916. At December 31, 2023, the County reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected actual experience	\$ 718,006	\$ 1,846,087
Changes of assumptions or other inputs	9,065,664	14,443,668
Total	<u>\$ 9,783,670</u>	<u>\$ 16,289,755</u>

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

Years Ending December 31	Deferred Outflows of Resources and Deferred Inflows of Resources, Net
2024	\$ (803,510)
2025	(803,510)
2026	(803,510)
2027	(803,510)
2028	(762,119)
Thereafter	<u>(2,529,926)</u>
Total	<u>\$ (6,506,085)</u>

Local Retiree Life Insurance Fund (LRLIF)

Plan Description

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

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

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

Rock County

Notes to Financial Statements
December 31, 2023

Vesting

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

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 postretirement benefit.

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

Contribution rates for the plan year reported as of December 31, 2023 are:

<u>Coverage Type</u>	<u>Employer Contribution</u>
50% Post retirement coverage	40% of member contribution
25% Post retirement coverage	20% of member contribution

Rock County

Notes to Financial Statements
December 31, 2023

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 plan year are as listed below:

Life Insurance Member Contribution Rates* for the Plan Year				
	Basic		Supplemental	
Life insurance member contribution rates for the plan year:				
Attained Age:				
Under 30	\$	0.05	\$	0.05
30-34		0.06		0.06
35-39		0.07		0.07
40-44		0.08		0.08
45-49		0.12		0.12
50-54		0.22		0.22
55-59		0.39		0.39
60-64		0.49		0.49
65-69		0.57		0.57

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

During the reporting period, the LRLIF recognized \$26,296 in contributions from the employer.

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

At December 31, 2023, the County reported a liability of \$4,974,354 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of December 31, 2022 and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of January 1, 2022 rolled forward to December 31, 2022. No material changes in assumptions or benefit terms occurred between the actuarial valuation date and the measurement date. The County's proportion of the net OPEB liability was based on the County's share of contributions to the OPEB plan relative to the contributions of all participating employers. At December 31, 2022, the County's proportion was 1.30566400%, which was an increase of 0.02470000% from its proportion measured as of December 31, 2021.

For the year ended December 31, 2023, the County recognized OPEB expense of \$509,876.

Rock County

Notes to Financial Statements
December 31, 2023

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

	Deferred Outflow of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 486,822
Net differences between projected and actual earnings on plan investments	93,340	-
Changes in actuarial assumptions	1,787,176	2,936,232
Changes in proportion and differences between employer contributions and proportionate share of contributions	244,012	46,905
Employer contributions subsequent to the measurement date	26,683	-
Total	<u>\$ 2,151,211</u>	<u>\$ 3,469,959</u>

\$26,683 reported as deferred outflows of resources related to OPEB resulting from the LRLIF Employer's contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability (asset) in the year ended December 31, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Years Ending December 31	Deferred Outflows of Resources and Deferred Inflows of Resources, Net
2024	\$ (73,032)
2025	(110,131)
2026	(24,916)
2027	(253,654)
2028	(449,825)
Thereafter	(433,873)
Total	<u>\$ (1,345,431)</u>

Rock County

Notes to Financial Statements
December 31, 2023

Actuarial Assumptions

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

Actuarial Valuation Date:	January 1, 2022
Measurement Date of Net OPEB Liability (Asset):	December 31, 2022
Experience Study:	January 1, 2018 – December 31, 2020, Published November 19, 2021
Actuarial Cost Method:	Entry Age Normal
20 Year Tax-Exempt Municipal Bond Yield*	3.72%
Long-Term Expected Rate of Return:	4.25%
Discount Rate:	3.76%
Salary Increases:	
Wage Inflation	3.0%
Seniority/Merit	0.10% - 5.6%
Mortality:	2020 WRS Experience Mortality Table

* Based on the Bond Buyers Go index.

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, 2022 is based upon a roll-forward of the liability calculated from the January 1, 2022 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.

State OPEB Life Insurance Asset Allocation Targets and Expected Returns as of December 31, 2022

Asset Class	Index	Target Allocation	Long-Term Expected Geometric Real Rate of Return
U.S. Intermediate Credit Bonds	Bloomberg U.S. Interm Credit	50.00%	2.45%
U.S. Mortgages	Bloomberg U.S. MBS	50.00	2.83
Inflation			2.30
Long-term Expected Rate of Return			4.25

Rock County

Notes to Financial Statements

December 31, 2023

The long-term expected rate of return remained unchanged from the prior year at 4.25%. The long-term expected rate of return is determined by adding expected inflation to expected long-term real returns and reflecting expected volatility and correlation. The expected inflation rate remained unchanged from the prior year at 2.30%.

Single Discount Rate

A single discount rate of 3.76% was used to measure the total OPEB liability for the current year, as opposed to a discount rate of 2.17% for the prior year. The significant change in the discount rate was primarily caused by the increase in the municipal bond rate from 2.06% as of December 31, 2021 to 3.72% as of December 31, 2022. The Plan's fiduciary net position was projected to be insufficient to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculating the Total OPEB Liability is equal to the single equivalent rate that results in the same actuarial present value as the long-term expected rate of return applied to benefit payments, to the extent that the plan's fiduciary net position is projected to be sufficient to make projected benefit payments and the municipal bond rate applied to benefit payment to the extent that the plan's fiduciary net position is projected to be insufficient. The plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through December 31, 2036.

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

Sensitivity of the County's Proportionate Share of the Net OPEB Liability (Asset) to Changes in the Discount Rate

The following presents the County's proportionate share of the net OPEB liability (asset) calculated using the discount rate of 3.76%, as well as what the County's proportionate share of the net OPEB liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (2.76%) or 1-percentage-point higher (4.76%) than the current rate:

	1% Decrease to Discount Rate (2.76%)	Current Discount Rate (3.76%)	1% Increase to Discount Rate (4.76%)
County's proportionate share of the net OPEB liability	6,782,005	4,974,354	3,588,999

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/about-etf/reports-and-studies/financial-reports-and-statements>.

Subsequent Events

On February 22, 2024, the County issued \$38,440,000 in General Obligation Bonds at 4.00-5.00% for the purpose of paying for the remaining costs of the jail/law enforcement services project.

Effect of New Accounting Standards on Current-Period Financial Statements

The Governmental Accounting Standards Board (GASB) has approved the following:

- Statement No. 100, *Accounting Changes and Error Corrections*
- Statement No. 101, *Compensated Absences*
- Statement No. 102, *Certain Risk Disclosures*
- Statement No. 103, *Financial Reporting Model Improvements*

When they become effective, application of these standards may restate portions of these financial statements.

REQUIRED SUPPLEMENTARY INFORMATION

Rock County

Required Supplementary Information
Budgetary Comparison Schedule -
General Fund
Year Ended December 31, 2023

	Budgeted Amounts		Actual	Variance With Final Budget
	Original	Final		
Revenues				
Taxes	\$ 41,285,370	\$ 41,285,370	\$ 40,395,021	\$ (890,349)
Intergovernmental	12,419,118	12,413,584	13,258,251	844,667
Regulation and compliance	1,431,120	1,431,120	1,449,249	18,129
Public charges for services	3,260,983	3,260,983	3,363,408	102,425
Intergovernmental charges for services	1,190,435	1,190,435	1,388,520	198,085
Other	2,898,313	3,370,845	6,521,937	3,151,092
Total revenues	<u>62,485,339</u>	<u>62,952,337</u>	<u>66,376,386</u>	<u>3,424,049</u>
Expenditures				
Current:				
General government	8,611,398	8,682,398	8,009,010	673,388
Public safety	44,341,601	44,731,133	44,950,656	(219,523)
Health and social services	8,001,296	8,013,296	7,852,030	161,266
Culture, recreation and education	356,481	350,947	322,307	28,640
Conservation and development	1,329,563	1,329,563	1,271,328	58,235
Capital outlay	-	-	790,564	(790,564)
Debt service:				
Principal retirement	-	-	240,384	(240,384)
Total expenditures	<u>62,640,339</u>	<u>63,107,337</u>	<u>63,436,279</u>	<u>(328,942)</u>
Excess (deficiency) of revenues over expenditures	<u>(155,000)</u>	<u>(155,000)</u>	<u>2,940,107</u>	<u>3,095,107</u>
Other Financing Sources (Uses)				
Subscription proceeds	-	-	790,564	790,564
Sale of fixed assets	-	-	1,700	1,700
Transfers in	155,000	155,000	4,203,739	4,048,739
Transfers out	<u>(3,666,423)</u>	<u>(3,666,423)</u>	<u>(5,833,976)</u>	<u>(2,167,553)</u>
Total other financing sources (uses)	<u>(3,511,423)</u>	<u>(3,511,423)</u>	<u>(837,973)</u>	<u>2,673,450</u>
Net change in fund balance	(3,666,423)	(3,666,423)	2,102,134	5,768,557
Fund Balance, Beginning	<u>54,191,047</u>	<u>54,191,047</u>	<u>54,191,047</u>	<u>-</u>
Fund Balance, Ending	<u>\$ 50,524,624</u>	<u>\$ 50,524,624</u>	<u>\$ 56,293,181</u>	<u>\$ 5,768,557</u>

See notes to required supplementary information

Rock County

Required Supplementary Information
Budgetary Comparison Schedule -
Human Services Fund
Year Ended December 31, 2023

	Budgeted Amounts		Actual	Variance With Final Budget
	Original	Final		
Revenues				
Taxes	\$ 23,228,286	\$ 23,228,286	\$ 23,517,382	\$ 289,096
Intergovernmental	41,551,763	42,608,874	43,392,994	784,120
Public charges for services	1,009,340	1,009,340	780,388	(228,952)
Intergovernmental charges for services	12,346,920	12,346,920	13,120,347	773,427
Other	129,250	425,696	352,683	(73,013)
Total revenues	<u>78,265,559</u>	<u>79,619,116</u>	<u>81,163,794</u>	<u>1,544,678</u>
Expenditures				
Current:				
Health and social services	<u>78,265,559</u>	<u>79,619,116</u>	<u>77,832,593</u>	<u>1,786,523</u>
Total expenditures	<u>78,265,559</u>	<u>79,619,116</u>	<u>77,832,593</u>	<u>1,786,523</u>
Excess of revenues over expenditures	<u>-</u>	<u>-</u>	<u>3,331,201</u>	<u>3,331,201</u>
Other Financing Sources (Uses)				
Transfers out	<u>-</u>	<u>-</u>	<u>(3,759,027)</u>	<u>(3,759,027)</u>
Net change in fund balance	<u>-</u>	<u>-</u>	<u>(427,826)</u>	<u>(427,826)</u>
Fund Balance, Beginning (as Restated)	<u>1,632,735</u>	<u>1,632,735</u>	<u>1,632,735</u>	<u>-</u>
Fund Balance, Ending	<u>\$ 1,632,735</u>	<u>\$ 1,632,735</u>	<u>\$ 1,204,909</u>	<u>\$ (427,826)</u>

See notes to required supplementary information

Rock County

Required Supplementary Information
Budgetary Comparison Schedule -
American Rescue Plan Act Fund
Year Ended December 31, 2023

	Budgeted Amounts		Actual	Variance With Final Budget
	Original	Final		
Revenues				
Intergovernmental	\$ 1,667,452	\$ 2,156,509	\$ 3,124,895	\$ 968,386
Other	-	-	20,365	20,365
Total revenues	<u>1,667,452</u>	<u>2,156,509</u>	<u>3,145,260</u>	<u>988,751</u>
Expenditures				
Current:				
General government	1,450,664	6,274,479	2,478,494	3,795,985
Public safety	92,802	92,802	240,710	(147,908)
Health and human services	64,687	414,687	153,296	261,391
Conservation and development	59,299	59,299	66,651	(7,352)
Total expenditures	<u>1,667,452</u>	<u>6,841,267</u>	<u>2,939,151</u>	<u>3,902,116</u>
Excess of revenues over expenditures	-	(4,684,758)	206,109	4,890,867
Other Financing Sources (Uses)				
Sale of fixed assets	-	-	3,491	3,491
Transfers out	-	-	(189,236)	(189,236)
Total other financial sources (uses)	-	-	<u>(185,745)</u>	<u>(185,745)</u>
Net change in fund balance	-	(4,684,758)	20,364	4,705,122
Fund Balance (Deficit), Beginning	<u>(20,364)</u>	<u>(20,364)</u>	<u>(20,364)</u>	-
Fund Balance (Deficit), Ending	<u>\$ (20,364)</u>	<u>\$ (4,705,122)</u>	<u>\$ -</u>	<u>\$ 4,705,122</u>

See notes to required supplementary information

Rock County

Required Supplementary Information

Schedule of Proportionate Share of the Net Pension Liability (Asset) - Wisconsin Retirement System

Year Ended December 31, 2023

<u>Fiscal Year Ending</u>	<u>Proportion of the Net Pension Liability (Asset)</u>	<u>Proportionate Share of the Net Pension Liability (Asset)</u>	<u>Covered Payroll</u>	<u>Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Covered Payroll</u>	<u>Plan Fiduciary Net Position as a Percentage of the Total Pension Liability</u>
12/31/23	0.47332534 %	\$ 25,075,374	\$ 76,280,406	32.87 %	95.72 %
12/31/22	0.46501085 %	(37,480,730)	72,385,861	51.78 %	106.02 %
12/31/21	0.46130234 %	(28,799,745)	69,036,386	-41.72 %	105.26 %
12/31/20	0.45859342 %	(14,787,145)	65,711,335	-22.50 %	102.96 %
12/31/19	0.45606992 %	16,225,538	63,975,578	25.36 %	96.45 %
12/31/18	0.45758515 %	(13,586,246)	61,432,280	-22.12 %	102.93 %
12/31/17	0.45374505 %	3,739,943	59,894,237	6.24 %	99.12 %
12/31/16	0.45470008 %	7,388,788	61,691,490	11.98 %	98.20 %
12/31/15	0.44871979 %	(11,021,786)	57,733,976	-19.09 %	102.74 %

Schedule of Employer Contributions - Wisconsin Retirement System

Year Ended December 31, 2023

<u>Fiscal Year Ending</u>	<u>Contractually Required Contributions</u>	<u>Contributions in Relation to the Contractually Required Contributions</u>	<u>Contribution Deficiency (Excess)</u>	<u>Covered Payroll</u>	<u>Contributions as a Percentage of Covered Payroll</u>
12/31/23	\$ 6,267,168	\$ 6,267,168	\$ -	\$ 79,275,491	7.91 %
12/31/22	5,723,453	5,723,453	-	76,284,682	7.50 %
12/31/21	5,600,923	5,600,923	-	72,390,882	7.74 %
12/31/20	5,294,993	5,294,993	-	69,036,386	7.67 %
12/31/19	4,821,039	4,821,039	-	65,675,939	7.34 %
12/31/18	4,762,978	4,762,978	-	63,972,191	7.45 %
12/31/17	4,635,457	4,635,457	-	61,432,281	7.55 %
12/31/16	4,283,383	4,283,383	-	59,894,237	7.15 %
12/31/15	4,349,693	4,349,693	-	61,691,490	7.05 %

Schedule of Proportionate Share of the Net Life Insurance OPEB Liability - Local Retiree Life Insurance Fund

Year Ended December 31, 2023

<u>Fiscal Year Ending</u>	<u>Proportion of the Net OPEB Liability</u>	<u>Proportionate Share of the Net OPEB Liability</u>	<u>Covered Payroll</u>	<u>Proportionate Share of the Net OPEB Liability as a Percentage of Covered Payroll</u>	<u>Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability</u>
12/31/23	1.30566400 %	\$ 4,974,354	\$ 62,651,000	7.94 %	38.81 %
12/31/22	1.28096400 %	7,570,971	60,373,000	12.54 %	29.57 %
12/31/21	1.25140600 %	6,883,637	57,998,000	11.87 %	31.36 %
12/31/20	1.22092700 %	5,198,945	56,047,000	9.28 %	37.58 %
12/31/19	1.24892800 %	3,222,656	55,169,000	5.84 %	48.69 %
12/31/18	1.26204300 %	3,796,957	53,072,518	7.15 %	44.81 %

See notes to required supplementary information

Rock County

Required Supplementary Information
Schedule of Changes in Employer's Total OPEB Liability and Related Ratios - Health Insurance
Year Ended December 31, 2023

	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Total OPEB Liability						
Service cost	\$ 2,319,710	\$ 2,249,458	\$ 2,654,711	\$ 2,871,598	\$ 2,894,937	\$ 2,519,629
Interest	1,330,117	1,428,166	1,266,601	850,922	837,566	1,665,797
Changes of benefit terms	-	-	-	-	-	-
Differences between expected and actual experience	180,437	(1,266,584)	566,115	(1,703,831)	361,847	8,264
Changes of assumptions	(1,925,523)	4,311,319	4,764,232	(8,285,590)	(9,655,222)	4,435,796
Benefit payments	<u>(1,461,657)</u>	<u>(1,583,192)</u>	<u>(1,830,604)</u>	<u>(1,582,766)</u>	<u>(1,713,713)</u>	<u>(1,702,215)</u>
Net change in total OPEB liability	443,084	5,139,167	7,421,055	(7,849,667)	(7,274,585)	6,927,271
Total OPEB Liability, Beginning	<u>39,669,789</u>	<u>40,112,873</u>	<u>45,252,040</u>	<u>52,673,095</u>	<u>44,823,428</u>	<u>37,548,843</u>
Total OPEB Liability, Ending	<u>\$ 40,112,873</u>	<u>\$ 45,252,040</u>	<u>\$ 52,673,095</u>	<u>\$ 44,823,428</u>	<u>\$ 37,548,843</u>	<u>\$ 44,476,114</u>
Covered Payroll	\$ 61,987,476	\$ 67,204,706	\$ 69,220,847	\$ 66,879,599	\$ 68,885,987	\$ 67,680,937
Total OPEB liability as a percentage of covered payroll	64.71 %	67.33 %	76.09 %	67.02 %	54.51 %	65.71 %

Notes to Schedule:

The amounts presented for each fiscal year were determined as of the calendar year-end that occurred within the fiscal year.

Benefit changes - There were no changes to the benefits.

Changes in assumptions - There discount rate changed from 4.05% to 3.77%.

No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75.

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

See notes to required supplementary information

Rock County

Notes to Required Supplementary Information
Year Ended December 31, 2023

1. Budgetary Information

Budgetary information is derived from the annual operating budget and is presented using the same basis of accounting for each fund as described in Note 1.

The budgeted amounts presented include any amendments made. The finance committee may authorize transfers of budgeted amounts within departments. Transfers between departments and changes to the overall budget must be approved by a two-thirds board action. Budgets are adopted at the program level of expenditure.

Appropriations lapse at year-end unless specifically carried over. Carryovers to the following year were \$249,570 in the general fund.

2. Wisconsin Retirement System

The amounts determined for each fiscal year were determined as of the calendar year-end that occurred within the fiscal year.

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

Changes in benefit terms: There were no changes of benefit terms for any participating employer in the Wisconsin Retirement System.

Changes in assumptions. Based on a three-year experience study conducted in 2021 covering January 1, 2018 through December 31, 2020, the ETF Board adopted assumption changes that were used to measure the total pension liability beginning with the year-end December 31, 2021, including the following:

- Lowering the long-term expected rate of return from 7.0% to 6.8%
- Lowering the discount rate from 7.0% to 6.8%
- Lowering the price inflation rate from 2.5% to 2.4%
- Lowering the postretirement adjustments from 1.9% to 1.7%
- Mortality assumptions were changed to reflect updated trends by transitioning from the Wisconsin 2018 Mortality Table to the 2020 WRS Experience Mortality Table

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

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

Rock County

Notes to Required Supplementary Information
Year Ended December 31, 2023

3. Local Retiree Life Insurance Funds

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

Changes in assumptions. In addition to the rate changes detailed in the tables above, the State of Wisconsin Employee Trust Fund Board adopted economic and demographic assumption changes based on a three year experience study performed for the Wisconsin Retirement System. These assumptions are used in the actuarial valuations of OPEB liabilities (assets) for the retiree life insurance programs and are summarized below.

The assumption changes that were used to measure the December 31, 2021 total OPEB liabilities, including the following:

- Lowering the price inflation rate from 2.5% to 2.4%
- Mortality assumptions were changed to reflect updated trends by transitioning from the Wisconsin 2018 Mortality Table to the 2020 WRS Experience Mortality Table

The assumption changes that were used to measure the December 31, 2018 total OPEB liabilities, including the following:

- Lowering the long-term expected rate of return from 5.00% to 4.25%
- Lowering the wage inflation rate from 3.2% to 3.0%
- Lowering the price inflation rate from 2.7% to 2.5%
- Mortality assumptions were changed to reflect updated trends by transitioning from the Wisconsin 2012 Mortality Table to the Wisconsin 2018 Mortality Table

SUPPLEMENTARY INFORMATION

Rock County

Combining Balance Sheet -
 Nonmajor Governmental Funds
 December 31, 2023

	Special Revenue Funds					Arrowhead Library System
	Revolving Loans	Parks	Other Grants	Land Records	Veterans' Relief	
Assets						
Cash and investments	\$ 1,867,898	\$ 2,381	\$ 1,425,199	\$ 650,904	\$ -	\$ 1,872
Taxes receivable	-	1,036,958	1,421,719	-	-	1,487,968
Accounts receivable	-	666	1,275	-	-	-
Loans receivable (net)	2,777,828	-	-	-	-	-
Lease receivable	-	-	1,692,280	-	-	-
Due from other governments	-	-	854,627	-	-	-
Prepaid items	-	-	-	-	-	-
Total assets	\$ 4,645,726	\$ 1,040,005	\$ 5,395,100	\$ 650,904	\$ -	\$ 1,489,840
Liabilities, Deferred Inflows of Resources and Fund Balances						
Liabilities						
Accounts payable	\$ 235	\$ 3,047	\$ 373,617	\$ 16,646	\$ -	\$ -
Deposits	-	-	-	-	-	-
Total liabilities	235	3,047	373,617	16,646	-	-
Deferred Inflows of Resources						
Unearned revenues	-	1,036,958	1,487,640	-	-	1,487,968
Unavailable revenues	2,777,828	-	-	-	-	-
Lease related amounts	-	-	1,692,280	-	-	-
Total deferred inflows of resources	2,777,828	1,036,958	3,179,920	-	-	1,487,968
Fund Balances						
Nonspendable	-	-	-	-	-	-
Restricted	1,867,663	-	1,841,563	634,258	-	1,872
Committed	-	-	-	-	-	-
Assigned	-	-	-	-	-	-
Total fund balances	1,867,663	-	1,841,563	634,258	-	1,872
Total liabilities, deferred inflows of resources and fund balances	\$ 4,645,726	\$ 1,040,005	\$ 5,395,100	\$ 650,904	\$ -	\$ 1,489,840

Special Revenue Funds						Debt Service Fund	Capital Project Fund	
County Bridge Aid	Other Activities	Other Special Revenue Funds	Income Maintenance Consortium	Airport	Opioid Settlement	Debt Service	Airport Projects	Total
\$ 1,048,118	\$ 316,917	\$ 2,968,655	\$ 442,436	\$ 441,437	\$ 1,754,951	\$ 4,956,015	\$ 366,341	\$ 16,243,124
50,000	-	114,445	-	487,101	-	6,008,345	-	10,606,536
-	-	869	-	205,053	4,987,080	-	-	5,194,943
-	-	-	-	-	-	-	-	2,777,828
-	-	2,755,346	-	985,087	-	-	-	5,432,713
-	-	-	-	-	-	-	-	854,627
-	-	-	-	1,726	-	-	-	1,726
<u>\$ 1,098,118</u>	<u>\$ 316,917</u>	<u>\$ 5,839,315</u>	<u>\$ 442,436</u>	<u>\$ 2,120,404</u>	<u>\$ 6,742,031</u>	<u>\$ 10,964,360</u>	<u>\$ 366,341</u>	<u>\$ 41,111,497</u>
\$ -	\$ -	\$ 12,688	\$ 442,436	\$ 43,686	\$ -	\$ -	\$ -	\$ 892,355
-	-	6,000	-	11,615	-	-	-	17,615
-	-	18,688	442,436	55,301	-	-	-	909,970
50,000	-	114,445	-	512,175	-	6,008,345	-	10,697,531
-	-	-	-	-	4,987,080	-	-	7,764,908
-	-	2,755,346	-	985,087	-	-	-	5,432,713
50,000	-	2,869,791	-	1,497,262	4,987,080	6,008,345	-	23,895,152
-	-	-	-	1,726	-	-	-	1,726
1,048,118	316,917	1,372,241	-	566,115	1,754,951	4,956,015	-	14,359,713
-	-	1,578,595	-	-	-	-	-	1,578,595
-	-	-	-	-	-	-	366,341	366,341
<u>1,048,118</u>	<u>316,917</u>	<u>2,950,836</u>	<u>-</u>	<u>567,841</u>	<u>1,754,951</u>	<u>4,956,015</u>	<u>366,341</u>	<u>16,306,375</u>
<u>\$ 1,098,118</u>	<u>\$ 316,917</u>	<u>\$ 5,839,315</u>	<u>\$ 442,436</u>	<u>\$ 2,120,404</u>	<u>\$ 6,742,031</u>	<u>\$ 10,964,360</u>	<u>\$ 366,341</u>	<u>\$ 41,111,497</u>

Rock County

Combining Statement of Revenues, Expenditures and Changes in Fund Balances -
 Nonmajor Governmental Funds
 Year Ended December 31, 2023

	Special Revenue Funds					Arrowhead Library System
	Revolving Loans	Parks	Other Grants	Land Records	Veterans' Relief	
Revenues						
Taxes	\$ -	\$ 936,388	\$ 1,378,553	\$ -	\$ 454	\$ 1,411,066
Intergovernmental	-	55,429	2,693,250	1,000	-	-
Public charges for services	190,750	79,924	48,086	360,762	-	-
Intergovernmental charges for services	-	-	124,701	-	-	-
Other	128,089	15,367	28,152	4	-	-
Total revenues	318,839	1,087,108	4,272,742	361,766	454	1,411,066
Expenditures						
Current:						
General government	-	-	83,803	303,486	-	-
Public safety	-	-	508,559	-	-	-
Health and social services	-	-	2,812,056	-	10,861	-
Public works	-	-	47,633	-	-	-
Culture, recreation and education	-	1,101,431	-	-	-	1,752,360
Conservation and development	54,889	-	757,661	-	-	-
Capital outlay	-	-	-	-	-	-
Debt service:						
Principal retirement	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-
Total expenditures	54,889	1,101,431	4,209,712	303,486	10,861	1,752,360
Excess (deficiency) of revenues over expenditures	263,950	(14,323)	63,030	58,280	(10,407)	(341,294)
Other Financing Sources (Uses)						
Premium on debt issued	-	-	-	-	-	-
Sale of fixed assets	-	8,081	-	-	-	-
Transfers in	-	115,631	50,958	-	2,069	-
Transfers out	-	(109,389)	-	-	-	-
Total other financing sources (uses)	-	14,323	50,958	-	2,069	-
Net changes in fund balance	263,950	-	113,988	58,280	(8,338)	(341,294)
Fund Balances, Beginning	1,603,713	-	1,727,575	575,978	8,338	343,166
Fund Balances, Ending	\$ 1,867,663	\$ -	\$ 1,841,563	\$ 634,258	\$ -	\$ 1,872

County Bridge Aid	Other Activities	Special Revenue Funds				Debt Service Fund	Capital Project Fund	Total
		Other Special Revenue Funds	Income Maintenance Consortium	Airport	Opioid Settlement	Debt Service	Airport Projects	
\$ -	\$ -	\$ 111,292	\$ -	\$ 407,164	\$ -	\$ -	\$ 58,000	\$ 4,302,917
-	-	14,937	4,534,747	148,000	362,493	-	57,000	7,866,856
-	-	1,009,381	-	520,633	-	-	-	2,209,536
-	-	-	-	-	-	-	-	124,701
-	25,000	220,514	-	3,524	-	-	-	420,650
-	25,000	1,356,124	4,534,747	1,079,321	362,493	-	115,000	14,924,660
-	-	270,395	-	-	-	-	-	657,684
-	-	55,356	-	-	-	-	-	563,915
-	-	-	4,534,747	-	-	-	-	7,357,664
28,661	-	-	-	1,040,379	-	-	-	1,116,673
-	-	1,922	-	-	-	-	-	2,855,713
-	-	5,171	-	-	-	-	-	817,721
-	-	-	-	-	-	-	220,498	220,498
-	-	-	-	-	-	4,682,290	19,230	4,701,520
-	-	-	-	-	-	1,370,655	-	1,370,655
28,661	-	332,844	4,534,747	1,040,379	-	6,052,945	239,728	19,662,043
(28,661)	25,000	1,023,280	-	38,942	362,493	(6,052,945)	(124,728)	(4,737,383)
-	-	-	-	-	-	2,767,949	-	2,767,949
-	-	-	-	-	-	-	-	8,081
-	965	-	-	-	-	5,666,423	202,451	6,038,497
-	(9,063)	(323,330)	-	(202,451)	-	(854,917)	-	(1,499,150)
-	(8,098)	(323,330)	-	(202,451)	-	7,579,455	202,451	7,315,377
(28,661)	16,902	699,950	-	(163,509)	362,493	1,526,510	77,723	2,577,994
1,076,779	300,015	2,250,886	-	731,350	1,392,458	3,429,505	288,618	13,728,381
\$ 1,048,118	\$ 316,917	\$ 2,950,836	\$ -	\$ 567,841	\$ 1,754,951	\$ 4,956,015	\$ 366,341	\$ 16,306,375

Rock County

Combining Statement of Net Position -
Internal Service Funds
December 31, 2023

	Motor Pool	Information Technology	Self Insurance	Job Center	Health Insurance	Total
Assets and Deferred Outflows of Resources						
Current Assets						
Cash and investments	\$ 84,320	\$ 1,532,946	\$ 1,909,908	\$ -	\$ 1,372,544	\$ 4,899,718
Taxes receivable	-	4,926,527	200,000	-	-	5,126,527
Accounts receivable	-	-	8,431	-	80,300	88,731
Due from other funds	-	-	-	-	8,567,021	8,567,021
Prepaid items	-	-	194,138	-	-	194,138
Total current assets	84,320	6,459,473	2,312,477	-	10,019,865	18,876,135
Noncurrent Assets						
Deposit with Wisconsin Mutual Insurance Company	-	-	1,741,000	-	-	1,741,000
Capital assets:						
Land	-	-	-	575,710	-	575,710
Construction work in progress	-	359,975	-	-	-	359,975
Intangible assets, software	-	485,927	-	-	-	485,927
Intangible assets, subscriptions	-	1,513,828	-	-	-	1,513,828
Other capital assets	1,910,047	594,992	-	3,982,399	-	6,487,438
Less accumulated depreciation/ amortization	(1,247,203)	(1,308,253)	-	(2,094,375)	-	(4,649,831)
Net capital assets	662,844	1,646,469	-	2,463,734	-	4,773,047
Total assets	747,164	8,105,942	4,053,477	2,463,734	10,019,865	25,390,182
Deferred Outflows of Resources						
Pension related amounts	-	2,817,291	-	-	-	2,817,291
OPEB related amounts	-	202,796	-	-	-	202,796
Total deferred outflows of resources	-	3,020,087	-	-	-	3,020,087
Liabilities, Deferred Inflows of Resources and Net Position						
Current Liabilities						
Accounts payable	1,652	305,807	874,795	227	7,120	1,189,601
Accrued vacation and comp time	-	294,097	-	-	-	294,097
Due to other funds	753,580	-	-	498,183	-	1,251,763
Current portion of debt	-	-	-	194,800	-	194,800
Current portion of subscription payable	-	642,229	-	-	-	642,229
Total current liabilities	755,232	1,242,133	874,795	693,210	7,120	3,572,490
Noncurrent Liabilities						
General obligation debt	-	-	-	223,983	-	223,983
Subscription payable	-	267,093	-	-	-	267,093
Unamortized premium	-	-	-	6,788	-	6,788
Accrued sick leave	-	235,354	-	-	-	235,354
Other post employment benefits liability	-	703,015	-	-	-	703,015
Net pension liability	-	728,920	-	-	-	728,920
Total noncurrent liabilities	-	1,934,382	-	230,771	-	2,165,153
Total liabilities	755,232	3,176,515	874,795	923,981	7,120	5,737,643
Deferred Inflows of Resources						
Unearned revenues	-	4,926,527	200,000	-	-	5,126,527
Pension related amounts	-	1,511,493	-	-	-	1,511,493
OPEB related amounts	-	309,744	-	-	-	309,744
Total deferred inflows of resources	-	6,747,764	200,000	-	-	6,947,764
Net Position						
Net investment in capital assets	662,844	737,147	-	2,038,163	-	3,438,154
Unrestricted (deficit)	(670,912)	464,603	2,978,682	(498,410)	10,012,745	12,286,708
Total net position (deficit)	\$ (8,068)	\$ 1,201,750	\$ 2,978,682	\$ 1,539,753	\$ 10,012,745	\$ 15,724,862

Rock County

Combining Statement of Revenues, Expenses and Changes in Net Position -
Internal Service Funds
Year Ended December 31, 2023

	<u>Motor Pool</u>	<u>Information Technology</u>	<u>Self Insurance</u>	<u>Job Center</u>	<u>Health Insurance</u>	<u>Total</u>
Operating Revenues						
Charges for services	\$ 297,825	\$ 3,953,388	\$ 2,403,846	\$ -	\$ 24,092,849	\$ 30,747,908
Total operating revenues	<u>297,825</u>	<u>3,953,388</u>	<u>2,403,846</u>	<u>-</u>	<u>24,092,849</u>	<u>30,747,908</u>
Operating Expenses						
Operation and maintenance	163,898	8,873,742	2,616,692	3,851	23,650,542	35,308,725
Depreciation/amortization	<u>210,259</u>	<u>864,462</u>	<u>-</u>	<u>174,247</u>	<u>-</u>	<u>1,248,968</u>
Total operating expenses	<u>374,157</u>	<u>9,738,204</u>	<u>2,616,692</u>	<u>178,098</u>	<u>23,650,542</u>	<u>36,557,693</u>
Operating income (loss)	<u>(76,332)</u>	<u>(5,784,816)</u>	<u>(212,846)</u>	<u>(178,098)</u>	<u>442,307</u>	<u>(5,809,785)</u>
Nonoperating Revenues						
General property taxes	-	4,555,927	83,507	-	-	4,639,434
Sales taxes	-	1,464,548	-	-	-	1,464,548
Investment income	-	-	35,636	-	-	35,636
Miscellaneous revenues	27	764	-	69	-	860
Interest expense	<u>-</u>	<u>-</u>	<u>-</u>	<u>(8,268)</u>	<u>-</u>	<u>(8,268)</u>
Total nonoperating revenues (expenses)	<u>27</u>	<u>6,021,239</u>	<u>119,143</u>	<u>(8,199)</u>	<u>-</u>	<u>6,132,210</u>
Increase (decrease) before transfers	<u>(76,305)</u>	<u>236,423</u>	<u>(93,703)</u>	<u>(186,297)</u>	<u>442,307</u>	<u>322,425</u>
Transfers						
Transfers in	-	189,236	-	-	-	189,236
Transfers out	<u>-</u>	<u>-</u>	<u>-</u>	<u>(400,000)</u>	<u>(5,000)</u>	<u>(405,000)</u>
Total transfers	<u>-</u>	<u>189,236</u>	<u>-</u>	<u>(400,000)</u>	<u>(5,000)</u>	<u>(215,764)</u>
Increase (decrease) in net position	<u>(76,305)</u>	<u>425,659</u>	<u>(93,703)</u>	<u>(586,297)</u>	<u>437,307</u>	<u>106,661</u>
Net Position, Beginning	<u>68,237</u>	<u>776,091</u>	<u>3,072,385</u>	<u>2,126,050</u>	<u>9,575,438</u>	<u>15,618,201</u>
Net Position (Deficit), Ending	<u>\$ (8,068)</u>	<u>\$ 1,201,750</u>	<u>\$ 2,978,682</u>	<u>\$ 1,539,753</u>	<u>\$ 10,012,745</u>	<u>\$ 15,724,862</u>

Rock County

 Combining Statement of Cash Flows -
 Internal Service Funds
 Year Ended December 31, 2023

	Motor Pool	Information Technology	Self Insurance	Job Center	Health Insurance	Total
Cash Flows From Operating Activities						
Cash received from customers	\$ 297,825	\$ 5,313,226	\$ 4,680,308	\$ 109,328	\$ 25,031,240	\$ 35,431,927
Cash paid to suppliers for goods and services	(84,606)	(4,929,010)	(2,914,009)	(3,916)	(23,653,696)	(31,585,237)
Cash paid to employees for payroll	(8,087)	(4,097,264)	-	-	-	(4,105,351)
Net cash flows from operating activities	<u>205,132</u>	<u>(3,713,048)</u>	<u>1,766,299</u>	<u>105,412</u>	<u>1,377,544</u>	<u>(258,661)</u>
Cash Flows From Noncapital Financing Activities						
General property taxes	-	6,020,475	83,507	-	-	6,103,982
Other miscellaneous	27	764	-	-	-	791
Due to other funds	-	-	-	498,183	-	498,183
Transfers in (out)	-	189,236	-	(400,000)	(5,000)	(215,764)
Net cash flows from noncapital financing activities	<u>27</u>	<u>6,210,475</u>	<u>83,507</u>	<u>98,183</u>	<u>(5,000)</u>	<u>6,387,192</u>
Cash Flows From Capital and Related Financing activities						
Debt principal paid	-	-	-	(192,000)	-	(192,000)
Interest paid	-	-	-	(11,664)	-	(11,664)
Acquisition and construction of capital assets	(120,839)	(964,481)	-	69	-	(1,085,251)
Net cash flows from capital and related financing activities	<u>(120,839)</u>	<u>(964,481)</u>	<u>-</u>	<u>(203,595)</u>	<u>-</u>	<u>(1,288,915)</u>
Cash Flows From Investing Activities						
Investment income	-	-	35,636	-	-	35,636
Net cash flows from investing activities	<u>-</u>	<u>-</u>	<u>35,636</u>	<u>-</u>	<u>-</u>	<u>35,636</u>
Net change in cash and cash equivalents	84,320	1,532,946	1,885,442	-	1,372,544	4,875,252
Cash and Cash Equivalents, Beginning	<u>-</u>	<u>-</u>	<u>24,466</u>	<u>-</u>	<u>-</u>	<u>24,466</u>
Cash and Cash Equivalents, Ending	<u>\$ 84,320</u>	<u>\$ 1,532,946</u>	<u>\$ 1,909,908</u>	<u>\$ -</u>	<u>\$ 1,372,544</u>	<u>\$ 4,899,718</u>
Reconciliation of Operating Income (Loss) to Net Cash Flows From Operating Activities						
Operating income (loss)	\$ (76,332)	\$ (5,784,816)	\$ (212,846)	\$ (178,098)	\$ 442,307	\$ (5,809,785)
Adjustments to reconcile operating loss to net cash flows from operating activities:						
Noncash items included in operating loss:						
Depreciation/amortization	210,259	864,462	-	174,247	-	1,248,968
Change in assets, deferred outflows of resources, liabilities and deferred inflows of resources:						
Accounts receivable	-	25,770	(124,924)	-	(16,455)	(115,609)
Due to/from other funds	71,205	963,468	2,284,893	109,328	980,142	4,409,036
Prepaid items	-	-	(16,277)	-	-	(16,277)
Compensated absences	-	60,669	-	-	-	60,669
Accounts payable	-	(503,501)	(281,040)	(65)	(3,154)	(787,760)
Other current liabilities	-	65,370	-	-	-	65,370
Unearned revenues	-	370,600	116,493	-	(25,296)	461,797
Pension and OPEB related amounts	-	224,930	-	-	-	224,930
Net cash flows from operating activities	<u>\$ 205,132</u>	<u>\$ (3,713,048)</u>	<u>\$ 1,766,299</u>	<u>\$ 105,412</u>	<u>\$ 1,377,544</u>	<u>\$ (258,661)</u>
Noncash Investing, Capital and Related Financing Activities						
Premium on debt amortized	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,396</u>	<u>\$ -</u>	<u>\$ 3,396</u>

Rock County

Combining Statement of Fiduciary Net Position -
Fiduciary Funds
December 31, 2023

	Custodial Funds		
	Property Tax	Human Services Trust	Sheriff Trust
Assets			
Cash and investments	\$ 15,105,230	\$ 341,295	\$ 291,934
Delinquent special assessments receivable	-	-	-
Total assets	<u>15,105,230</u>	<u>341,295</u>	<u>291,934</u>
Liabilities			
Accounts payable	-	341,295	132,600
Due to other governmental units	<u>15,105,230</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>15,105,230</u>	<u>341,295</u>	<u>132,600</u>
Net Position			
Restricted for:			
Dog licenses	-	-	-
Drainage district	-	-	-
Jail inmates	-	-	159,334
Victims	-	-	-
Court cases	-	-	-
Net position	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 159,334</u>

Custodial Funds

Clerk of Circuit Courts	Delinquent Special Assessments	Drainage District	Dog Licenses	Total
\$ 2,808,982	\$ -	\$ 39,549	\$ 23,856	\$ 18,610,846
-	977,669	-	-	977,669
<u>2,808,982</u>	<u>977,669</u>	<u>39,549</u>	<u>23,856</u>	<u>19,588,515</u>
-	-	-	-	473,895
-	977,669	-	22,856	16,105,755
-	977,669	-	22,856	16,579,650
-	-	-	1,000	1,000
-	-	39,549	-	39,549
-	-	-	-	159,334
202,060	-	-	-	202,060
<u>2,606,922</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,606,922</u>
<u>\$ 2,808,982</u>	<u>\$ -</u>	<u>\$ 39,549</u>	<u>\$ 1,000</u>	<u>\$ 3,008,865</u>

Rock County

Combining Statement of Changes in Fiduciary Net Position -

Fiduciary Funds

Year Ended December 31, 2023

	Custodial Funds		
	Property Tax	Human Services Trust	Sheriff Trust
Additions			
Property tax collections	\$ 214,363,654	\$ -	\$ -
Delinquent special collections	-	-	-
Drainage District collections	-	-	-
Dog license collections	-	-	-
Deposits for human services clients	-	828,311	-
Inmate deposits	-	-	3,100,483
Victim deposits	-	-	-
Clerk of courts deposits	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
Total additions	<u>214,363,654</u>	<u>828,311</u>	<u>3,100,483</u>
Deductions			
Property taxes paid to overlying districts	214,363,654	-	-
Delinquent special disbursements	-	-	-
Drainage District disbursements	-	-	-
Dog license distributions	-	-	-
Payments for human services clients	-	828,311	-
Distributions to inmates	-	-	3,534,190
Distributions for court cases	-	-	-
Distributions for victims	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
Total deductions	<u>214,363,654</u>	<u>828,311</u>	<u>3,534,190</u>
Change in fiduciary net position	-	-	(433,707)
Net Position, Beginning	<u>-</u>	<u>-</u>	<u>593,041</u>
Net Position, Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 159,334</u>

Custodial Funds

Clerk of Courts	Delinquent Special Assessments	Drainage District	Dog Licenses	Total
\$ -	\$ -	\$ -	\$ -	\$ 214,363,654
-	1,089,706	-	-	1,089,706
-	-	8,008	-	8,008
-	-	-	23,770	23,770
-	-	-	-	828,311
-	-	-	-	3,100,483
53,388	-	-	-	53,388
3,753,577	-	-	-	3,753,577
<u>3,806,965</u>	<u>1,089,706</u>	<u>8,008</u>	<u>23,770</u>	<u>223,220,897</u>
-	-	-	-	214,363,654
-	1,089,706	-	-	1,089,706
-	-	3,073	-	3,073
-	-	-	23,770	23,770
-	-	-	-	828,311
-	-	-	-	3,534,190
3,360,861	-	-	-	3,360,861
199,356	-	-	-	199,356
<u>3,560,217</u>	<u>1,089,706</u>	<u>3,073</u>	<u>23,770</u>	<u>223,402,921</u>
246,748	-	4,935	-	(182,024)
<u>2,562,234</u>	<u>-</u>	<u>34,614</u>	<u>1,000</u>	<u>3,190,889</u>
<u>\$ 2,808,982</u>	<u>\$ -</u>	<u>\$ 39,549</u>	<u>\$ 1,000</u>	<u>\$ 3,008,865</u>