

**GREEN COUNTY**

Monroe, Wisconsin

**FINANCIAL STATEMENTS**

Including Independent Auditors' Report

As of and for the Year Ended December 31, 2018

# GREEN COUNTY

## TABLE OF CONTENTS As of and for the Year Ended December 31, 2018

---

<b>INDEPENDENT AUDITORS' REPORT</b>	i – ii
<b>REQUIRED SUPPLEMENTARY INFORMATION</b>	
Management's Discussion and Analysis	iii – xvii
<b>BASIC FINANCIAL STATEMENTS</b>	
Government-Wide Financial Statements	
Statement of Net Position	1
Statement of Activities	2 – 3
Fund Financial Statements	
Balance Sheet – Governmental Funds	4 – 5
Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds	6 – 7
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	8
Statement of Net Position – Proprietary Funds	9 – 10
Statement of Revenues, Expenses, and Changes in Net Position – Proprietary Funds	11
Statement of Cash Flows – Proprietary Fund Types	12 – 13
Statement of Assets and Liabilities – Agency Funds	14
Index to Notes to Financial Statements	15
Notes to Financial Statements	16 – 53
<b>REQUIRED SUPPLEMENTARY INFORMATION</b>	
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – General Fund	54 – 59
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – Human Services Special Revenue Fund	60
Schedule of Changes in Employer's Total OPEB Liability and Related Ratios – Health Insurance	61
Schedule of Proportionate Share of the Net Pension (Asset) Liability – Wisconsin Retirement System	62
Schedule of Employer Contributions – Wisconsin Retirement System	62
Notes to Required Supplementary Information	63
<b>SUPPLEMENTARY INFORMATION</b>	
Combining Statement of Assets and Liabilities – All Agency Funds	64

## INDEPENDENT AUDITORS' REPORT

To the County Board  
Green County  
Monroe, Wisconsin

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Green County, Wisconsin, as of and for the year ended December 31, 2018, and the related notes to the financial statements, which collectively comprise Green County's basic financial statements as listed in the table of contents.

### ***Management's Responsibility for the Financial Statements***

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

### ***Auditors' Responsibility***

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control over financial reporting relevant to Green County's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of Green County's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

### ***Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Green County, Wisconsin, as of December 31, 2018 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.

### ***Emphasis of Matter***

As discussed in Note I, Green County adopted the provisions of GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, effective January 1, 2018. Our opinions are not modified with respect to this matter.

### ***Other Matters***

#### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the required supplementary information as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. 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 Green 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 will issue a report on our consideration of Green 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 Green 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 Green County's internal control over financial reporting and compliance.

*Baker Tilly Virchow Krause, LLP*

Madison, Wisconsin  
May 29, 2019

# GREEN COUNTY

## MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED) As of and for the Year Ended December 31, 2018

As management of Green County, Wisconsin, we offer readers of the county's financial statements this narrative overview and analysis of the financial activities of the county for the fiscal year ended December 31, 2018. We encourage readers to consider the information presented here in conjunction with the county's financial statements and the notes to the financial statements.

---

### **FINANCIAL HIGHLIGHTS**

---

- > The assets of Green County exceeded its liabilities as of December 31, 2018 by \$64,584,884 (net position). Of this amount, \$11,932,862 (unrestricted net position) may be used to meet the government's obligations to citizens and creditors. The total net position includes all major infrastructure networks.
  - > The county's total net position increased by \$1,392,904.
  - > As of December 31, 2018 Green County's governmental funds reported a combined ending fund balance of \$17,121,649. Of this amount \$7,770,322 is assigned to offset 2019 operations; \$3,893,976, approximately 23%, is unassigned and available for use within the county's designations and policies.
  - > At the end of the current fiscal year, the unassigned fund balance for the general fund was approximately 19% of the total general fund expenditures.
  - > At the end of the current fiscal year, general obligation debt is \$26,189,960, approximately 17% of the county's total debt limit of \$152,822,235.
- 

### **OVERVIEW OF THE FINANCIAL STATEMENTS**

---

This discussion and analysis is intended to serve as an introduction to the county's basic financial statements. The county's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

#### ***GOVERNMENT-WIDE FINANCIAL STATEMENTS***

The government-wide financial statements are designed to provide readers with a broad overview of the county's finances, in a manner similar to a private-sector business.

The Statement of Net Position presents information on all of the county's assets, deferred outflows of resources, liabilities, and deferred inflows of resources with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of Green County is improving or deteriorating. To assess the overall health of the county you need to consider additional non-financial factors such as changes in the county's property tax base and the condition of the county's infrastructure.

# GREEN COUNTY

## MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED) As of and for the Year Ended December 31, 2018

---

### **OVERVIEW OF THE FINANCIAL STATEMENTS (cont.)**

---

#### ***GOVERNMENT-WIDE FINANCIAL STATEMENTS (cont.)***

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

Both government-wide financial statements distinguish functions of Green County that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the county include general government; public safety; public works; health and human services; culture, education and recreation; and conservation and development. The business-type activities of the county include the Pleasant View Nursing Home, highway department, and the solid waste management facility.

The government-wide financial statements can be found on pages 1-3 of this report.

#### ***FUND FINANCIAL STATEMENTS***

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

*Governmental Funds* – Most of the county's basic services are reported in governmental funds. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can be readily used for cash. Governmental funds are used to account for essentially the same functions reported as governmental activities in the governmental-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. Such information may be useful in evaluating a government's near-term financing requirements.

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

# GREEN COUNTY

## MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED) As of and for the Year Ended December 31, 2018

---

### **OVERVIEW OF THE FINANCIAL STATEMENTS (cont.)**

---

#### *FUND FINANCIAL STATEMENTS (cont.)*

Green County maintains five individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, and expenditures, and changes in fund balances for the General Fund and the Human Services Special Revenue Fund, which are considered to be major funds. Data from the other governmental funds, Debt Service, the Capital Projects Fund, and Revolving Loan Special Revenue Fund, are combined into a single, aggregated presentation. Individual fund data for these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

The county adopts an annual appropriated budget for all its governmental funds. As part of the required supplementary information, budgetary comparison statements have been provided in detail for the General Fund, and in summary for the Human Services Special Revenue Fund, to demonstrate compliance with the budget.

The basic governmental fund financial statements can be found on pages 4-8 of this report.

*Proprietary Funds* – When the county charges customers for the services it provides – whether to outside customers or to other units of the county – these services are generally reported in proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The county uses enterprise funds to account for its solid waste operations, nursing home, and highway operations.

Proprietary fund financial statements provide the same type of information as the government-wide financial statements, only in more detail. These statements provide separate information for Pleasant View Nursing Home, the landfill, and highway since they are considered to be major funds of the county.

The basic proprietary fund financial statements can be found on pages 9-13 of this report.

*Fiduciary Funds* are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the county's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. The county uses one particular type of fiduciary fund called an agency fund. All agency funds are combined into a single aggregated presentation in the agency fund financial statement. Individual fund data for the agency funds is provided in the form of a combining statement elsewhere in this report. The basic agency fund financial statement can be found on page 14 of this report.

# GREEN COUNTY

## MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED) As of and for the Year Ended December 31, 2018

---

### **OVERVIEW OF THE FINANCIAL STATEMENTS (cont.)**

---

#### *FUND FINANCIAL STATEMENTS (cont.)*

*Notes to the Financial Statements* – The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 15-53.

*Other Information* – In addition to the basic financial statements and accompanying notes, *required supplementary information* includes a budgetary comparison schedule for the General Fund and the Human Services Special Revenue Fund to demonstrate compliance with the budget. This section also provides information regarding the county's proportionate share of the net position asset and employer contributions to the Wisconsin Retirement System. These schedules and accompanying notes can be found on pages 54-63 of this report. The combining statements referred to earlier in connection with non-major governmental funds and agency funds is presented immediately following the required supplementary information. Combining statements can be found on page 64.

---

### **FINANCIAL ANALYSIS OF THE COUNTY AS A WHOLE**

---

An analysis of the county's financial position begins with a review of the Statement of Net Position and the Statement of Revenues, Expenses and Changes in Net Position. These two statements report the county's net position and changes therein. It should be noted that the financial position can also be affected by non-financial factors, including economic conditions, population growth and new regulations.

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of Green County, assets exceeded liabilities by \$64,584,884 as of December 31, 2018. At the end of the current fiscal year, Green County is able to report positive balances in all three categories of net position, for the government as a whole, as well as for its governmental activities and business-type activities separately.

The next two tables include comparative data of net position for the years ended December 31, 2018 and December 31, 2017.

# GREEN COUNTY

## MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED) As of and for the Year Ended December 31, 2018

### OVERVIEW OF THE FINANCIAL STATEMENTS (cont.)

#### FUND FINANCIAL STATEMENTS (cont.)

### GREEN COUNTY'S NET POSITION December 31, 2018 and 2017

	Governmental Activities		Business - Type Activities		Totals	
	2018	2017	2018	2017	2018	2017
Current and Other Assets	\$ 37,388,667	\$ 38,352,225	\$ 6,881,186	\$ 4,695,737	44,269,853	43,047,962
Capital Assets	62,998,888	54,932,131	8,507,260	7,652,546	71,506,148	62,584,677
Total Assets	<u>100,387,555</u>	<u>93,284,356</u>	<u>15,388,446</u>	<u>12,348,283</u>	<u>115,776,001</u>	<u>105,632,639</u>
Deferred Outflow s of Resources	<u>3,965,010</u>	<u>4,538,318</u>	<u>2,775,672</u>	<u>3,264,911</u>	<u>6,740,682</u>	<u>7,803,229</u>
Long-term Liabilities Outstanding	27,918,807	23,525,145	1,228,504	1,265,769	29,147,311	24,790,914
Other Liabilities	2,185,496	2,940,329	2,821,346	2,690,374	5,006,842	5,630,703
Total Liabilities	<u>30,104,303</u>	<u>26,465,474</u>	<u>4,049,850</u>	<u>3,956,143</u>	<u>34,154,153</u>	<u>30,421,617</u>
Deferred Inflow s of Resources	<u>20,023,374</u>	<u>16,942,644</u>	<u>3,754,272</u>	<u>2,157,266</u>	<u>23,777,646</u>	<u>19,099,910</u>
Net Position:						
Net Investment in Capital Assets	38,561,899	39,054,681	8,340,800	7,416,498	46,902,699	46,471,179
Restricted	4,242,668	2,101,544	1,506,655	-	5,749,323	2,101,544
Unrestricted	11,420,321	13,258,331	512,541	2,083,287	11,932,862	15,341,618
Total Net Position	<u>\$ 54,224,888</u>	<u>\$ 54,414,556</u>	<u>\$ 10,359,996</u>	<u>\$ 9,499,785</u>	<u>\$ 64,584,884</u>	<u>\$ 63,914,341</u>

The largest portion of the county's net position (approximately 72%) reflects its investment in capital assets (e.g., land, buildings, machinery and equipment, infrastructure, etc.); less any related debt used to acquire those assets that is still outstanding. The county uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the county's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt, must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the county's net position (9%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position, \$11,932,862, may be used to meet the county's ongoing obligations to citizens and creditors.

**Analysis of the County's Operations** – The following table provides a comparison summary of the county's operations for the years ended December 31, 2018 and December 31, 2017. Governmental activities experienced an increase in net position of \$166,983. Business-type activities experienced an increase in net position of \$1,225,921.

# GREEN COUNTY

## MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED) As of and for the Year Ended December 31, 2018

### OVERVIEW OF THE FINANCIAL STATEMENTS (cont.)

#### FUND FINANCIAL STATEMENTS (cont.)

### GREEN COUNTY CONDENSED STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

	Governmental Activities		Business-Type Activities		Total	
	2018	2017	2018	2017	2018	2017
<b>Revenues:</b>						
Program Revenues:						
Charges for Services	\$ 4,810,506	\$ 5,011,081	\$ 19,923,990	\$ 19,927,513	\$ 24,734,496	\$ 24,938,594
Operating Grants & Contributions	7,818,124	7,183,802	1,647,918	983,229	9,466,042	8,167,031
Capital Grants & Contributions	-	-	-	-	-	-
General Revenues:						
Property Taxes	15,014,037	14,586,056	790,000	789,689	15,804,037	15,375,745
Sales Taxes	2,870,310	2,776,673	-	-	2,870,310	2,776,673
Other Taxes	381,668	48,821	-	-	381,668	48,821
Intergovernmental	474,634	484,499	-	-	474,634	484,499
Investment Income	714,080	491,704	12,509	12,995	726,589	504,699
Miscellaneous	12,435	9,609	83,146	-	95,581	9,609
<b>Total Revenues</b>	<b>32,095,794</b>	<b>30,592,245</b>	<b>22,457,563</b>	<b>21,713,426</b>	<b>54,553,357</b>	<b>52,305,671</b>
<b>Expenses:</b>						
General Government	3,932,523	4,872,047	-	-	3,932,523	4,872,047
Public Safety	6,775,734	6,502,111	-	-	6,775,734	6,502,111
Public Works	5,935,327	5,920,325	-	-	5,935,327	5,920,325
Health & Human Services	13,009,982	12,033,017	-	-	13,009,982	12,033,017
Culture, Recreation, & Education	745,877	723,616	-	-	745,877	723,616
Conservation & Economic Development	1,270,163	1,162,223	-	-	1,270,163	1,162,223
Interest & Fiscal Charges	809,205	747,456	-	-	809,205	747,456
Pleasant View Nursing Home	-	-	11,850,762	11,539,344	11,850,762	11,539,344
Landfill	-	-	885,830	1,068,830	885,830	1,068,830
Highway	-	-	7,945,050	9,257,518	7,945,050	9,257,518
<b>Total Expenses</b>	<b>32,478,811</b>	<b>31,960,795</b>	<b>20,681,642</b>	<b>21,865,692</b>	<b>53,160,453</b>	<b>53,826,487</b>
Excess (Deficiency) Before Transfers	(383,017)	(1,368,550)	1,775,921	(152,266)	1,392,904	(1,520,816)
Transfers	550,000	500,000	(550,000)	(500,000)	-	-
Increase (Decrease) in Net Position	166,983	(868,550)	1,225,921	(652,266)	1,392,904	(1,520,816)
Net Position - Beg. of Year (2018 as restated)	54,057,905	55,283,106	9,134,075	10,152,051	63,191,980	65,435,157
<b>Net Position - End of Year</b>	<b>\$ 54,224,888</b>	<b>\$ 54,414,556</b>	<b>\$ 10,359,996</b>	<b>\$ 9,499,785</b>	<b>\$ 64,584,884</b>	<b>\$ 63,914,341</b>

# GREEN COUNTY

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)  
As of and for the Year Ended December 31, 2018

---

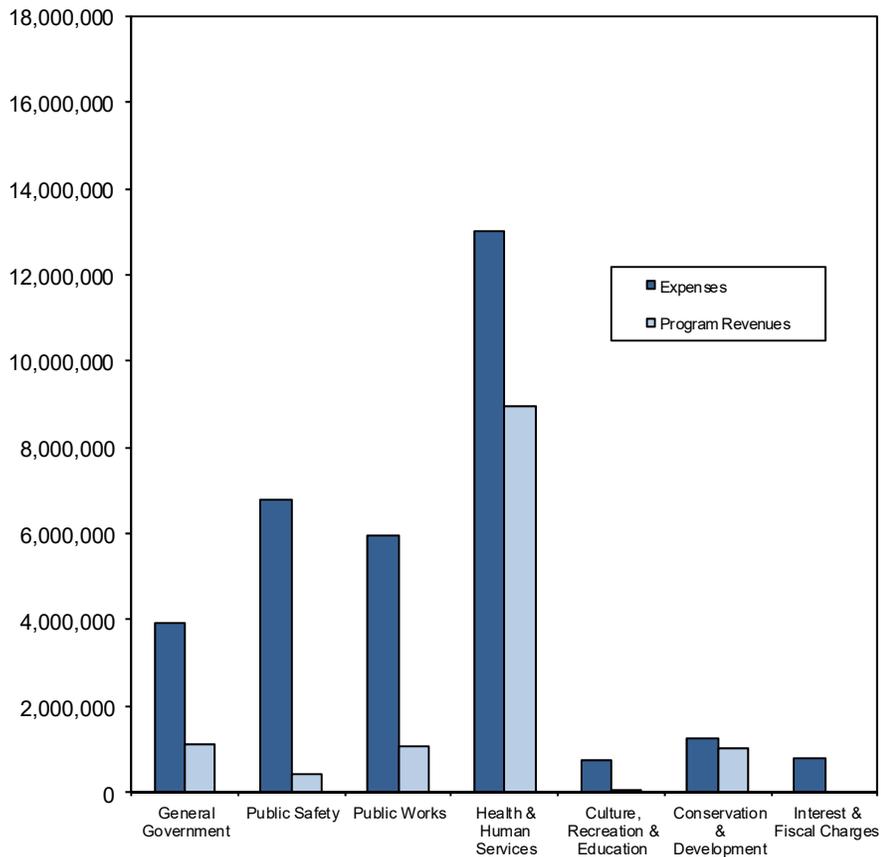
## OVERVIEW OF THE FINANCIAL STATEMENTS (cont.)

---

### *FUND FINANCIAL STATEMENTS (cont.)*

Governmental activities are generally supported by property taxes with the exception of Health and Human Services functions which receive approximately 69% of their funding from program revenues. The following chart compares expenses and program revenues for governmental activities.

**Expenses and Program Revenues  
Governmental Activities**



# GREEN COUNTY

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)  
As of and for the Year Ended December 31, 2018

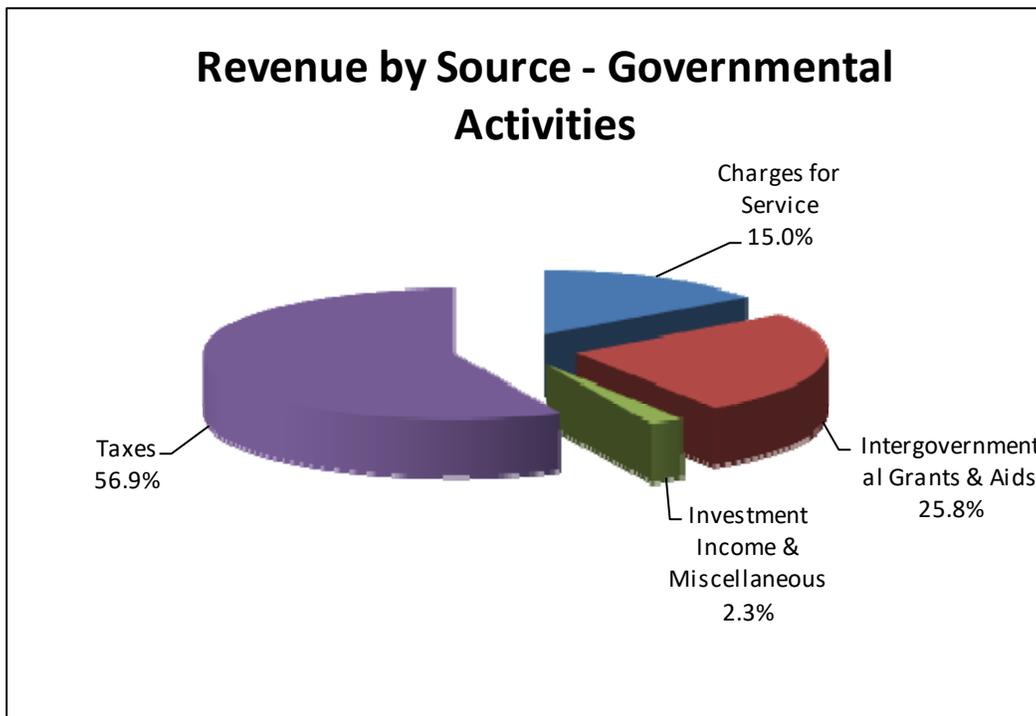
---

## OVERVIEW OF THE FINANCIAL STATEMENTS (cont.)

---

### *FUND FINANCIAL STATEMENTS* (cont.)

The distribution of revenues in governmental activities shows all revenue activities remaining fairly constant. Overall, taxes and intergovernmental grants and aids are approximately 83% of total revenues, public charges and other sources provide the balance of the revenue.



# GREEN COUNTY

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)  
As of and for the Year Ended December 31, 2018

---

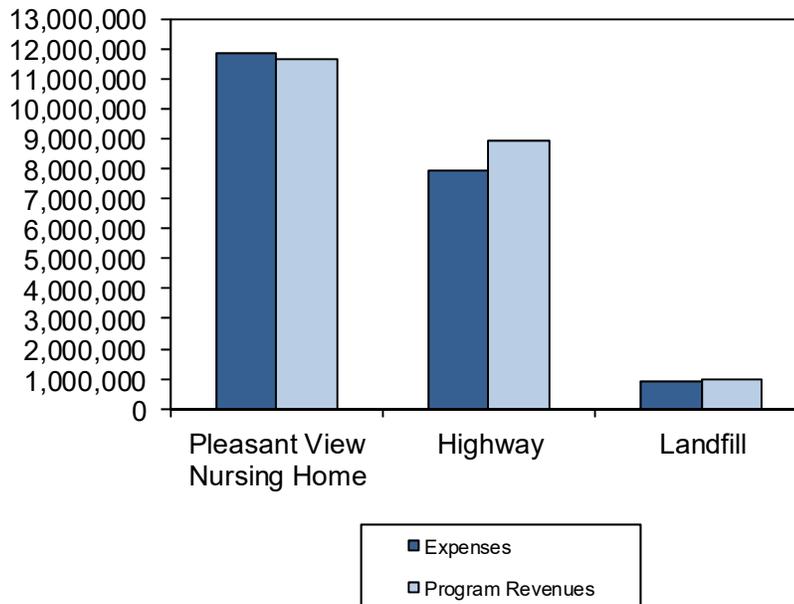
## OVERVIEW OF THE FINANCIAL STATEMENTS (cont.)

---

### *FUND FINANCIAL STATEMENTS (cont.)*

A comparison of operating expenses and revenues for business-type activities is illustrated in the following chart. Pleasant View Nursing Home continues to rely, to some extent, on intergovernmental revenues and property taxes to supplement program revenues through a referendum.

**Expenses and Program Revenues  
Business-type Activities**



# GREEN COUNTY

## MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED) As of and for the Year Ended December 31, 2018

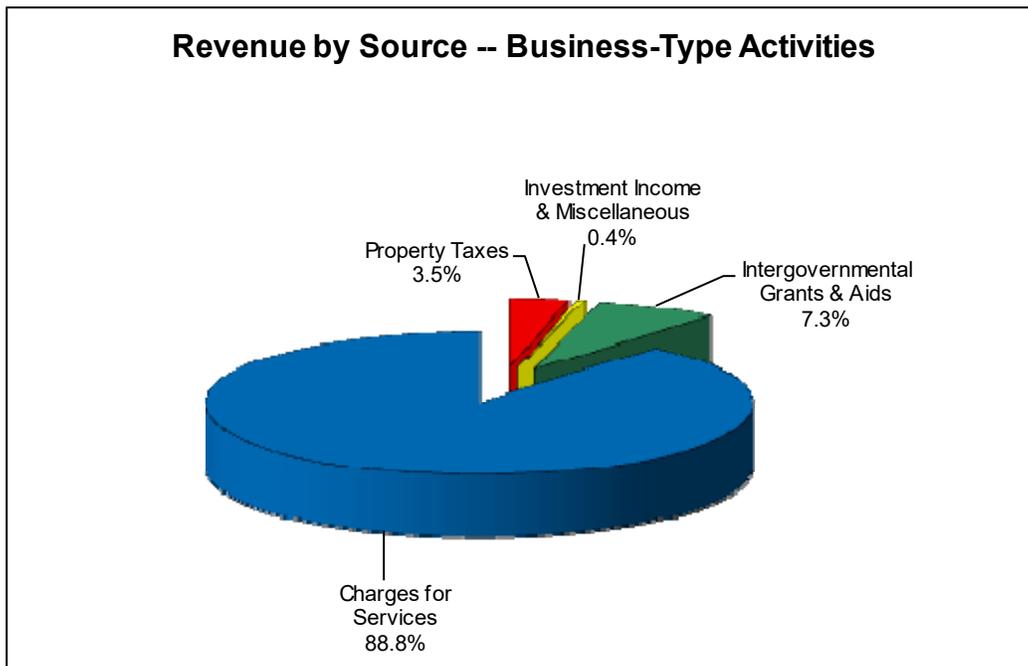
---

### OVERVIEW OF THE FINANCIAL STATEMENTS (cont.)

---

#### *FUND FINANCIAL STATEMENTS (cont.)*

The major sources of revenue for business-type activities are charges for services; other revenues, including property taxes, make up approximately 11% of total revenues.



---

### FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

---

#### **GOVERNMENTAL FUNDS**

The focus of Green County's governmental fund statements is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the county's financing requirements. In particular, unrestricted fund balance may serve as a useful measure of the government's net resources available for spending at the end of the fiscal year.

At the end of the current fiscal year, Green County's governmental funds reported combined ending fund balances of \$17,121,649. Approximately 68% or \$11,664,298 constitutes unrestricted fund balance. Of the remaining fund balance, \$1,175,245 is classified as nonspendable -- \$597,779 for prepaid items and \$577,466 for long-term receivables. An additional amount of \$4,282,106 is restricted, \$349,455 for grant purposes, \$110,948 for jail improvement, \$64,361 for land information, \$361,407 is donor-restricted, \$1,189,278 for revolving loans, \$15,902 for Debt Service and \$2,190,755 for future capital projects.

# GREEN COUNTY

## MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED) As of and for the Year Ended December 31, 2018

---

### **FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS (cont.)**

---

#### ***GOVERNMENTAL FUNDS (cont.)***

The total unrestricted fund balance of \$11,664,298 is divided into separate classifications of assigned and unassigned. \$7,770,322 is assigned fund balance and is intended to be used for specific types of activities as follows:

- > Funds intended to reduce the tax levy for next fiscal year are \$2,805,608 from county sales tax collections.
- > An amount of \$1,812,694 is intended for future highway projects; \$739,631 is intended for human services programs, and \$255,850 for public health programs. The remainder is intended for specialized activities including law enforcement, conservation and educational programs, and information technology improvements.

The remaining \$3,893,976 or 22.7% of the total fund balance is classified as unassigned.

#### ***General Fund***

The county's General Fund is used to account for the majority of the county's operations with the exception of the Human Services Department and the business activities recorded in other major funds. Operations included in the General Fund include the departments of Family Court Commissioner, Corporation Counsel, Finance, Child Support, Property and Building Management, Veterans' Service, Emergency Management, Public Health, Parks, University Extension, Land Conservation, Public Works, Tourism, Community Development and the newly created Human Resources. This fund also accounts for the activity of the elected offices of the County Clerk, the Sheriff, the Coroner, the Clerk of Courts, the District Attorney, the County Treasurer, and the Register of Deeds.

During the current year, the fund balance of the General Fund increased by \$965,605. Major factors that make up this change are as follows:

- > Human Services had higher than expected revenues and returned \$513,666 of unused funds to the General Fund.
- > Unused Highway funds increased by \$540,275 to be used for future fixed asset purchases and construction projects.

#### ***Human Services***

The Human Services fund is used to account for the revenues and expenditures associated with the Human Services Department. The majority of the funding comes from a wide variety of intergovernmental revenues for community based waiver programs, Aging & Disability Resource Centers and collections, including medical assistance. The total county contribution for Human Services programs in 2018 was \$2,679,825 or 24% of total expenditures. This amount is net of returning \$513,666 to the general fund at the end of the year. The decreased tax levy required can be attributed to higher than anticipated revenues.

## GREEN COUNTY

### MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED) As of and for the Year Ended December 31, 2018

---

#### **FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS (cont.)**

---

##### ***GOVERNMENTAL FUNDS (cont.)***

At the end of the current fiscal year, the Human Services fund had a fund balance of \$1,249,117. Of this balance, \$509,486 is restricted; \$361,407 is the amount remaining from a bequest to be used for programs for the elderly, and the balance is grant funding for specific programs. The assigned portion of the fund balance, \$728,523, represents program specific revenue retained for future expenditures.

##### ***Capital Projects***

The Capital Projects Fund is used to account for and report financial resources for expenditures for capital outlays, including the acquisition or construction of capital facilities or other capital assets.

At the end of the current fiscal year, the Capital Projects Fund had a fund balance of \$2,331,054, a decrease of \$3,837,586. The majority of the balance, \$2,319,524 is the balance of the proceeds from the bond issues for the new Government Services building. The remaining \$11,530 is reserved for future capital projects at the Justice Center.

##### ***Debt Service***

The Debt Service Fund accounts for the accumulation of resources for, and the payment of general long-term debt principal, interest and related costs. Total payments in 2018 included \$970,000 for principal and \$803,318 in interest for the bonds. In May 2018, the County issued \$5,500,000 of general obligation bonds for the last of three issuances for the construction of the new Government Services building. At the end of 2018, the total general obligation long term debt of Green County was \$26,140,000 in governmental activities and \$49,960 in the Highway fund.

##### ***Revolving Loan Fund***

The Revolving Loan Fund accounts for Economic Development grants to Green County businesses. As the loans are repaid Green County uses the funds to loan to other businesses. The principal amount of outstanding loans as of December 31, 2018 was \$677,756. During 2018, the balance of the loans increased by \$239,892. Repayments were made on existing loans and two new loan applications were approved for \$210,000 and \$110,649 respectively.

# GREEN COUNTY

## MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED) As of and for the Year Ended December 31, 2018

---

### FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS (cont.)

---

#### *PROPRIETARY FUNDS*

Green County's proprietary fund statements provide the same type of information found in the county's government-wide financial statements, but in more detail.

At the end of the current fiscal year, Green County's proprietary funds reported combined net position was \$10,359,996. Of this amount, \$8,340,800 is the net investment in capital assets, \$1,506,655 is restricted for pensions and \$512,541 is unrestricted.

#### *Pleasant View Nursing Home*

This fund is used to account for the operations of the county nursing home. In addition to charges for services, the nursing home receives grant funding from the intergovernmental transfer program and supplemental funding from county tax dollars. For the current fiscal year, Pleasant View Nursing Home received \$1,647,918, approximately 14% of their operating expenses, from the intergovernmental transfer program. The County provided \$790,000 in tax dollars to supplement nursing home operations, approximately 7% of total operating expenses. The net position of Pleasant View Nursing Home increased by \$610,863. This is due to an increase in the Supplemental Payment Program offered by the Centers for Medicare and Medicaid Services.

#### *Landfill*

The landfill fund is used to account for the county's solid waste management operations. The landfill officially closed for waste disposal in 2000, but continues to operate as a transfer station. All expenses are charged to users; no county tax dollars support landfill operations. The county is liable for long-term care and post closure monitoring for 40 years after closure. The landfill shows a deficit balance of \$407,020 in unrestricted net position due to this liability for long-term care and post closure monitoring of the landfill site.

#### *Highway*

The highway fund operates as an enterprise fund providing services to the county, state, and local governments for maintenance and construction of roads located in the county. The general fund is responsible for maintenance of county highways. The highway department maintains state and town roadways on a contract reimbursement basis with the State of Wisconsin and other local governments. Total net position for the highway fund increased by \$516,283.

# GREEN COUNTY

## MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED) As of and for the Year Ended December 31, 2018

---

### **GENERAL FUND BUDGETARY HIGHLIGHTS**

---

Green County officially amends the budget at the end of the year after final appropriations are determined. Transfers may be made during the year as legislated by the County Board of Supervisors. Actual 2018 revenues exceeded original budgeted amounts by \$1,161,567. Major factors affecting this variance are as follows:

- > Taxes, the county sales tax and the new Wheel tax exceeded budgeted amounts by \$557,526.
- > Investment and miscellaneous revenues exceeded budgeted amounts by \$174,217.
- > Funding from the State exceeded original estimates by \$309,614.

As a total, the final general fund expenditures were lower than original budgeted amounts by \$574,650. The major areas contributing to this variance were lower IT and property maintenance expenditures and postponed highway projects.

As a result of general fund operations in 2018, a net amount of \$405,957 was returned to unassigned fund balance. More detail about the general fund budget to actual comparison may be found in Required Supplementary Information on pages 54-60 of this report.

---

### **CAPITAL ASSETS**

---

At the end of 2018, Green County had a total \$71,506,148 invested in capital assets (net of accumulated depreciation). The majority of these assets (88%) \$62,998,888 relate to governmental activities and \$8,507,260 are in business-type activities. This investment in capital assets includes land, land improvements, construction work in progress, buildings, machinery and equipment, and infrastructure.

Major additions for governmental activities for 2018 include:

- > \$338,008 for county roads.
- > \$142,325 to replace vehicles in the Sheriff's Office.
- > \$359,198 to replace network equipment at the new datacenter.
- > \$8,710,217 for new Government Services Building (net of the 2017 construction in progress).
- > \$552,871 for furniture at the new Government Services Building.
- > \$38,790 to replace a handicapped accessible van at Human Services.

# GREEN COUNTY

## MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED) As of and for the Year Ended December 31, 2018

---

### **CAPITAL ASSETS (cont.)**

---

Major increases for business-type activities include:

- > \$412,919 for highway machinery & equipment.
- > Phase 1 remodeling of the nursing home including therapy and administration renovation and the lobby entrance for \$1,175,528.
- > Construction in progress of \$163,189 for the porte cochère at Pleasant View and \$24,016 for hoop building at Highway.

More detailed information about Green County's capital assets may be found in Note IV. D on page 33 of this report.

---

### **LONG-TERM DEBT**

---

At the end of 2018, the total of Green County's general obligation debt was \$26,140,000 for governmental activities and \$49,960 in the highway fund. In accordance with Wisconsin State Statutes, Chapter 67, Green County's total general obligation debt may not exceed 5% of the equalized value of the taxable property within the county's jurisdiction. The debt limit as of December 31, 2018, was \$152,822,235.

More detailed information on the county's long-term debt can be found in Note IV. F on pages 37-39 of this report.

---

### **CURRENTLY KNOWN FACTS**

---

All currently known facts and economic conditions were considered in preparing the 2019 county budget.

---

### **CONTACTING THE COUNTY'S FINANCIAL MANAGEMENT**

---

This financial report is designed to provide a general overview of Green County's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Green County Finance Director, Courthouse, 1016 16th Avenue, Monroe, WI 53566.

**GREEN COUNTY**

STATEMENT OF NET POSITION  
As of December 31, 2018

	Governmental Activities	Business- type Activities	Totals
<b>ASSETS</b>			
Cash and investments	\$ 15,467,342	\$ 397,425	\$ 15,864,767
Receivables (net of allowance for uncollectibles)			
Taxes	15,692,198	790,000	16,482,198
Delinquent taxes	743,850	-	743,850
Accounts	634,719	1,622,867	2,257,586
Accrued interest	27,052	-	27,052
Loans	677,756	-	677,756
Internal balances	(170,010)	170,010	-
Due from other governmental units	1,354,058	563,643	1,917,701
Inventories	-	986,916	986,916
Prepaid items	597,779	-	597,779
Restricted Assets			
Cash and investments	196,704	838,029	1,034,733
Resident trust funds	-	5,641	5,641
Net pension asset	2,167,219	1,506,655	3,673,874
Capital Assets			
Land	1,649,800	26,417	1,676,217
Construction in progress	53,760	187,205	240,965
Other capital assets, net of accumulated depreciation/ amortization	<u>61,295,328</u>	<u>8,293,638</u>	<u>69,588,966</u>
Total Assets	<u>100,387,555</u>	<u>15,388,446</u>	<u>115,776,001</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Pension related amounts	3,944,713	2,756,220	6,700,933
OPEB related amounts	<u>20,297</u>	<u>19,452</u>	<u>39,749</u>
Total Deferred Outflows of Resources	<u>3,965,010</u>	<u>2,775,672</u>	<u>6,740,682</u>
<b>LIABILITIES</b>			
Accounts payable	1,034,389	557,585	1,591,974
Accrued liabilities	827,765	474,257	1,302,022
Due to other governmental units	110,943	-	110,943
Unearned revenues	-	650,179	650,179
Deposits	15,695	-	15,695
Liabilities payable from restricted assets	196,704	1,139,325	1,336,029
Noncurrent Liabilities			
Other post employment liability	408,362	415,273	823,635
Due within one year	1,871,216	327,540	2,198,756
Due in more than one year	<u>25,639,229</u>	<u>485,691</u>	<u>26,124,920</u>
Total Liabilities	<u>30,104,303</u>	<u>4,049,850</u>	<u>34,154,153</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Pension related amounts	4,310,729	2,941,137	7,251,866
Unearned revenue	<u>15,712,645</u>	<u>813,135</u>	<u>16,525,780</u>
Total Deferred Inflows of Resources	<u>20,023,374</u>	<u>3,754,272</u>	<u>23,777,646</u>
<b>NET POSITION</b>			
Net investment in capital assets	38,561,899	8,340,800	46,902,699
Restricted			
Grant purposes	349,455	-	349,455
Jail improvement	110,948	-	110,948
Land information	64,361	-	64,361
Donor-restricted	361,407	-	361,407
Revolving loans	1,189,278	-	1,189,278
Pensions	2,167,219	1,506,655	3,673,874
Unrestricted	<u>11,420,321</u>	<u>512,541</u>	<u>11,932,862</u>
<b>TOTAL NET POSITION</b>	<u>\$ 54,224,888</u>	<u>\$ 10,359,996</u>	<u>\$ 64,584,884</u>

See accompanying notes to financial statements.

**GREEN COUNTY**

STATEMENT OF ACTIVITIES  
For the Year Ended December 31, 2018

Functions/Programs	Expenses	Program Revenues	
		Charges for Services	Operating Grants and Contributions
<b>Governmental Activities</b>			
General government	\$ 3,932,523	\$ 845,373	\$ 273,778
Public safety	6,775,734	312,084	102,129
Public works	5,935,327	-	1,077,253
Health and human services	13,009,982	3,073,757	5,903,815
Culture, recreation and education	745,877	1,833	34,356
Conservation and economic development	1,270,163	577,459	426,793
Interest and fiscal charges	809,205	-	-
<b>Total Governmental Activities</b>	<u>32,478,811</u>	<u>4,810,506</u>	<u>7,818,124</u>
<b>Business-type Activities</b>			
Pleasant View Nursing Home	11,850,762	10,023,707	1,647,918
Landfill	885,830	972,096	-
Highway	7,945,050	8,928,187	-
<b>Total Business-type Activities</b>	<u>20,681,642</u>	<u>19,923,990</u>	<u>1,647,918</u>
<b>Totals</b>	<u>\$ 53,160,453</u>	<u>\$ 24,734,496</u>	<u>\$ 9,466,042</u>

**General Revenues**

Taxes

- Property taxes, levied for general purposes
- Property taxes, levied for debt service
- Property taxes, levied for Pleasant View Nursing Home
- Property taxes, levied for capital projects
- Sales taxes
- Other taxes

Intergovernmental revenues not restricted to specific programs

Investment income

Miscellaneous

Transfers

Total General Revenues and Transfers

**Change in Net Position**

NET POSITION - Beginning of Year (as restated)

**NET POSITION - ENDING**

See accompanying notes to financial statements.

Net (Expense) Revenue and Changes in Net Position		
Governmental Activities	Business-type Activities	Totals
\$ (2,813,372)	\$ -	\$ (2,813,372)
(6,361,521)	-	(6,361,521)
(4,858,074)	-	(4,858,074)
(4,032,410)	-	(4,032,410)
(709,688)	-	(709,688)
(265,911)	-	(265,911)
(809,205)	-	(809,205)
<u>(19,850,181)</u>	<u>-</u>	<u>(19,850,181)</u>
-	(179,137)	(179,137)
-	86,266	86,266
-	<u>983,137</u>	<u>983,137</u>
-	<u>890,266</u>	<u>890,266</u>
(19,850,181)	890,266	(18,959,915)
13,569,902	-	13,569,902
1,444,135	-	1,444,135
-	790,000	790,000
-	-	-
2,870,310	-	2,870,310
381,668	-	381,668
474,634	-	474,634
714,080	12,509	726,589
12,435	83,146	95,581
550,000	(550,000)	-
<u>20,017,164</u>	<u>335,655</u>	<u>20,352,819</u>
166,983	1,225,921	1,392,904
<u>54,057,905</u>	<u>9,134,075</u>	<u>63,191,980</u>
<u>\$ 54,224,888</u>	<u>\$ 10,359,996</u>	<u>\$ 64,584,884</u>

See accompanying notes to financial statements.

**GREEN COUNTY**

BALANCE SHEET  
GOVERNMENTAL FUNDS  
As of December 31, 2018

	<u>General</u>	<u>Human Services</u>	<u>Debt Service Fund</u>
<b>ASSETS</b>			
Cash and investments	\$ 11,601,509	\$ 914,349	\$ 15,902
Receivables			
Taxes	10,446,515	3,157,099	2,088,584
Delinquent taxes	743,850	-	-
Accounts	150,342	484,377	-
Accrued interest	19,957	-	-
Loans	-	-	-
Due from other funds	421,277	-	-
Due from other governments	831,765	522,293	-
Prepaid items	586,671	11,108	-
Restricted cash and investments	-	196,704	-
	<u>\$ 24,801,886</u>	<u>\$ 5,285,930</u>	<u>\$ 2,104,486</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>			
Liabilities			
Accounts payable	\$ 471,976	\$ 470,549	\$ -
Accrued liabilities	550,859	211,520	-
Deposits	15,695	-	-
Due to other governmental units	110,943	-	-
Due to other funds	590,346	941	-
Funds held for others	-	196,704	-
Total Liabilities	<u>1,739,819</u>	<u>879,714</u>	<u>-</u>
Deferred Inflows of Resources			
Unearned revenues	10,466,962	3,157,099	2,088,584
Unavailable revenues	258,807	-	-
Total Deferred Inflows of Resources	<u>10,725,769</u>	<u>3,157,099</u>	<u>2,088,584</u>
Fund Balances			
Nonspendable	1,164,137	11,108	-
Restricted	376,685	509,486	15,902
Assigned	6,901,500	728,523	-
Unassigned	3,893,976	-	-
Total Fund Balances	<u>12,336,298</u>	<u>1,249,117</u>	<u>15,902</u>
	<u>\$ 24,801,886</u>	<u>\$ 5,285,930</u>	<u>\$ 2,104,486</u>

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 (see Note II A).

Some receivables that are not currently available are reported as unavailable revenue in the fund financial statements but are recognized as revenue when earned in the government-wide statements (see Note IV B).

The net pension asset does not relate to current financial resources and is not reported in the governmental funds.

Deferred outflows of resources related to pensions and other postemployment benefits do not relate to current financial resources and are not reported on the governmental funds.

Deferred inflows of resources related to pensions do not relate to current financial resources and are not reported in the governmental funds.

Some liabilities, including long-term debt, are not due and payable in the current period and, therefore, are not reported in the funds (see Note II A).

**NET POSITION OF GOVERNMENTAL ACTIVITIES**

See accompanying notes to financial statements.

Capital Projects Fund	Nonmajor Governmental		Total Governmental Funds
	Fund	Revolving Loan	
\$ 2,424,060	\$ 511,522	\$	15,467,342
-	-		15,692,198
-	-		743,850
-	-		634,719
7,095	-		27,052
-	677,756		677,756
-	-		421,277
-	-		1,354,058
-	-		597,779
-	-		196,704
<u>\$ 2,431,155</u>	<u>\$ 1,189,278</u>	<u>\$</u>	<u>35,812,735</u>

\$ 91,864	\$ -	\$	1,034,389
1,142	-		763,521
-	-		15,695
-	-		110,943
-	-		591,287
-	-		196,704
<u>93,006</u>	<u>-</u>	<u>\$</u>	<u>2,712,539</u>

-	-		15,712,645
7,095	-		265,902
<u>7,095</u>	<u>-</u>	<u>\$</u>	<u>15,978,547</u>

-	-		1,175,245
2,190,755	1,189,278		4,282,106
140,299	-		7,770,322
-	-		3,893,976
<u>2,331,054</u>	<u>1,189,278</u>		<u>17,121,649</u>

\$ 2,431,155   \$ 1,189,278

62,998,888

265,902

2,167,219

3,965,010

(4,310,729)

(27,983,051)

\$ 54,224,888

See accompanying notes to financial statements.

## GREEN COUNTY

### STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES GOVERNMENTAL FUNDS For the Year Ended December 31, 2018

	General	Human Services	Debt Service Fund
<b>REVENUES</b>			
Taxes	\$ 13,732,725	\$ 3,193,491	\$ 1,444,135
Intergovernmental	2,925,080	5,218,164	-
Licenses and permits	267,540	-	-
Fines, forfeitures and penalties	250,080	19,767	-
Public charges for services	1,072,171	2,275,690	-
Intergovernmental charges for services	106,145	619,685	-
Investment income	524,482	5,033	-
Miscellaneous	262,425	118,089	-
Total Revenues	19,140,648	11,449,919	1,444,135
<b>EXPENDITURES</b>			
Current			
General government	4,446,732	-	-
Public safety	6,466,002	-	-
Public works	4,917,343	-	-
Health and human services	1,428,301	11,026,446	-
Culture, recreation and education	742,285	-	-
Conservation and economic development	1,265,623	-	-
Capital outlay	-	-	-
Debt Service			
Principal	-	-	970,000
Interest and fiscal charges	-	-	863,638
Total Expenditures	19,266,286	11,026,446	1,833,638
Excess (deficiency) of revenues over expenditures	(125,638)	423,473	(389,503)
<b>OTHER FINANCING SOURCES (USES)</b>			
Debt issued	-	-	75,099
Premium on debt issued	-	-	70,996
Sale of property	27,577	-	-
Transfers in	1,063,666	-	-
Transfers out	-	(513,666)	-
Total Other Financing Sources (Uses)	1,091,243	(513,666)	146,095
<b>Net Change in Fund Balance</b>	965,605	(90,193)	(243,408)
FUND BALANCES - Beginning of Year	11,370,693	1,339,310	259,310
<b>FUND BALANCES - ENDING</b>	<b>\$ 12,336,298</b>	<b>\$ 1,249,117</b>	<b>\$ 15,902</b>

See accompanying notes to financial statements.

Capital Projects Fund	Nonmajor Governmental Fund Revolving Loan	Total Governmental Funds
\$ -	\$ -	\$ 18,370,351
-	-	8,143,244
-	-	267,540
-	-	269,847
-	-	3,347,861
-	-	725,830
154,220	27,335	711,070
-	-	380,514
<u>154,220</u>	<u>27,335</u>	<u>32,216,257</u>
5,945	-	4,452,677
-	-	6,466,002
-	-	4,917,343
-	-	12,454,747
-	-	742,285
-	48	1,265,671
9,355,671	-	9,355,671
-	-	970,000
55,091	-	918,729
<u>9,416,707</u>	<u>48</u>	<u>41,543,125</u>
<u>(9,262,487)</u>	<u>27,287</u>	<u>(9,326,868)</u>
5,424,901	-	5,500,000
-	-	70,996
-	-	27,577
-	-	1,063,666
-	-	(513,666)
<u>5,424,901</u>	<u>-</u>	<u>6,148,573</u>
(3,837,586)	27,287	(3,178,295)
<u>6,168,640</u>	<u>1,161,991</u>	<u>20,299,944</u>
<u>\$ 2,331,054</u>	<u>\$ 1,189,278</u>	<u>\$ 17,121,649</u>

See accompanying notes to financial statements.

## GREEN COUNTY

### RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES For the Year Ended December 31, 2018

---

Net change in fund balances - total governmental funds	\$ (3,178,295)
--	----------------

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 with depreciation expense reported 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	9,355,671
Some items reported as expenditures in the fund financial statements but are capitalized in the government-wide financial statements	1,125,322
Depreciation is reported in the government-wide statements	(2,251,335)

Net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins) is to decrease net position.	(162,901)
---	-----------

Receivables not currently available are reported as revenue when collected or currently available in the fund financial statements but are recognized as revenue when earned in the government-wide financial statements.	59,216
---	--------

Debt and lease proceeds provide current financial resources to governmental funds, but issuing these obligations 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	970,000
Debt issued	(5,500,000)

Governmental funds report the effect of premiums, discounts and other similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.

Current year premium	(70,996)
Amortization of premium	27,318

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	(7,800)
Accrued interest on debt	82,206
Net pension liability (asset)	2,763,397
Other post-employment benefit liability	(51,711)
Deferred outflows of resources related to pensions and other post employment benefits	(573,308)
Deferred inflows of resources related to pensions	<u>(2,419,801)</u>

<b>CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES</b>	<b><u>\$ 166,983</u></b>
--	--------------------------

See accompanying notes to financial statements.

**GREEN COUNTY**

STATEMENT OF NET POSITION  
 PROPRIETARY FUNDS  
 As of December 31, 2018

	Business-type Activities - Enterprise Funds			
	Pleasant View Nursing Home	Landfill	Highway	Totals
<b>ASSETS</b>				
Current Assets				
Cash and investments	\$ -	\$ 397,025	\$ 400	\$ 397,425
Taxes receivable	790,000	-	-	790,000
Accounts receivable	1,502,894	47,006	72,967	1,622,867
Due from other funds	75	175	594,922	595,172
Due from other governmental units	-	36,531	527,112	563,643
Inventories	55,748	-	931,168	986,916
Total Current Assets	<u>2,348,717</u>	<u>480,737</u>	<u>2,126,569</u>	<u>4,956,023</u>
Noncurrent Assets				
Restricted assets				
Cash and investments	-	838,029	-	838,029
Resident trust funds	5,641	-	-	5,641
Net pension asset	1,071,863	46,554	388,238	1,506,655
Capital assets				
Land	5,142	-	21,275	26,417
Construction in progress	163,189	-	24,016	187,205
Property and equipment	12,065,548	4,537,118	11,611,106	28,213,772
Less: Accumulated depreciation	<u>(8,515,622)</u>	<u>(4,034,258)</u>	<u>(7,370,254)</u>	<u>(19,920,134)</u>
Total Capital Assets (Net of Accumulated Depreciation)	<u>3,718,257</u>	<u>502,860</u>	<u>4,286,143</u>	<u>8,507,260</u>
Total Noncurrent Assets	<u>4,795,761</u>	<u>1,387,443</u>	<u>4,674,381</u>	<u>10,857,585</u>
Total Assets	<u>7,144,478</u>	<u>1,868,180</u>	<u>6,800,950</u>	<u>15,813,608</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Pension related amounts	1,951,392	83,749	721,079	2,756,220
OPEB related amounts	13,073	568	5,811	19,452
Total Deferred Outflows of Resources	<u>1,964,465</u>	<u>84,317</u>	<u>726,890</u>	<u>2,775,672</u>

See accompanying notes to financial statements.

	Business-type Activities - Enterprise Funds			
	Pleasant View Nursing Home	Landfill	Highway	Totals
<b>LIABILITIES</b>				
Current Liabilities				
Accounts payable	\$ 273,547	\$ 29,310	\$ 254,728	\$ 557,585
Accrued payroll and fringe benefits	325,738	13,082	135,437	474,257
Compensated absences	166,359	11,012	82,209	259,580
Due to other funds	8,185	-	416,977	425,162
Unearned revenues	-	502,860	147,319	650,179
Current portion of general obligation debt	-	-	49,960	49,960
Current portion of capital lease payable	-	-	18,000	18,000
Total Current Liabilities	<u>773,829</u>	<u>556,264</u>	<u>1,104,630</u>	<u>2,434,723</u>
Noncurrent Liabilities				
Liabilities payable from restricted assets				
Resident trust funds	5,641	-	-	5,641
Long-term care payable	-	1,133,684	-	1,133,684
Compensated absences	249,886	15,653	121,652	387,191
Other post employment liability	216,087	11,780	187,406	415,273
Capital lease payable	-	-	98,500	98,500
Total Noncurrent Liabilities	<u>471,614</u>	<u>1,161,117</u>	<u>407,558</u>	<u>2,040,289</u>
Total Liabilities	<u>1,245,443</u>	<u>1,717,381</u>	<u>1,512,188</u>	<u>4,475,012</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Pension related amounts	2,101,188	92,722	747,227	2,941,137
Unearned revenues	<u>790,000</u>	-	<u>23,135</u>	<u>813,135</u>
Total Deferred Inflows of Resources	<u>2,891,188</u>	<u>92,722</u>	<u>770,362</u>	<u>3,754,272</u>
<b>NET POSITION</b>				
Net investment in capital assets	3,718,257	502,860	4,119,683	8,340,800
Restricted for pensions	1,071,863	46,554	388,238	1,506,655
Unrestricted (deficit)	<u>182,192</u>	<u>(407,020)</u>	<u>737,369</u>	<u>512,541</u>
<b>TOTAL NET POSITION</b>	<u>\$ 4,972,312</u>	<u>\$ 142,394</u>	<u>\$ 5,245,290</u>	<u>\$ 10,359,996</u>

See accompanying notes to financial statements.

## GREEN COUNTY

### STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION PROPRIETARY FUNDS

For the Year Ended December 31, 2018

	Business-type Activities - Enterprise Funds			
	Pleasant View Nursing Home	Landfill	Highway	Totals
<b>OPERATING REVENUES</b>				
Charges for services	\$ 9,656,072	\$ 972,096	\$ 8,928,187	\$ 19,556,355
Miscellaneous	367,635	-	-	367,635
Total Operating Revenues	<u>10,023,707</u>	<u>972,096</u>	<u>8,928,187</u>	<u>19,923,990</u>
<b>OPERATING EXPENSES</b>				
Operation and maintenance	11,160,756	803,110	7,417,798	19,381,664
Depreciation	333,314	82,720	527,252	943,286
Miscellaneous	356,692	-	-	356,692
Total Operating Expenses	<u>11,850,762</u>	<u>885,830</u>	<u>7,945,050</u>	<u>20,681,642</u>
Operating Income (Loss)	<u>(1,827,055)</u>	<u>86,266</u>	<u>983,137</u>	<u>(757,652)</u>
<b>NONOPERATING REVENUES (EXPENSES)</b>				
Property taxes	790,000	-	-	790,000
Intergovernmental grants	1,647,918	-	-	1,647,918
Investment income	-	12,509	-	12,509
Miscellaneous nonoperating revenue	-	-	83,146	83,146
Total Nonoperating Revenues (Expenses)	<u>2,437,918</u>	<u>12,509</u>	<u>83,146</u>	<u>2,533,573</u>
Income Before Transfers	<u>610,863</u>	<u>98,775</u>	<u>1,066,283</u>	<u>1,775,921</u>
<b>TRANSFERS</b>				
Transfers out	-	-	(550,000)	(550,000)
Total Transfers	<u>-</u>	<u>-</u>	<u>(550,000)</u>	<u>(550,000)</u>
<b>Change in Net Position</b>	610,863	98,775	516,283	1,225,921
NET POSITION - Beginning of Year (as restated)	<u>4,361,449</u>	<u>43,619</u>	<u>4,729,007</u>	<u>9,134,075</u>
<b>NET POSITION - ENDING</b>	<u>\$ 4,972,312</u>	<u>\$ 142,394</u>	<u>\$ 5,245,290</u>	<u>\$ 10,359,996</u>

See accompanying notes to financial statements.

**GREEN COUNTY**

STATEMENT OF CASH FLOWS  
 PROPRIETARY FUND TYPES  
 For the Year Ended December 31, 2018

	Business-type Activities - Enterprise Funds			
	Pleasant View Nursing Home	Landfill	Highway	Totals
	<u>Home</u>	<u>Landfill</u>	<u>Highway</u>	<u>Totals</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Cash received from residents/customers	\$ 9,624,404	\$ 838,089	\$ 9,662,680	\$ 20,125,173
Resident trust funds	1,298	-	-	1,298
Cash paid to suppliers for goods and services	(2,817,856)	(607,748)	(5,180,742)	(8,606,346)
Cash payments to employees for operating payroll	(8,418,807)	(208,537)	(2,049,516)	(10,676,860)
Net Cash Flows From Operating Activities	<u>(1,610,961)</u>	<u>21,804</u>	<u>2,432,422</u>	<u>843,265</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>				
Transfers out	-	-	(550,000)	(550,000)
Repayment of negative cash implicitly financed	-	-	(1,406,402)	(1,406,402)
Intergovernmental grants	1,647,918	-	-	1,647,918
General property tax revenues	790,000	-	-	790,000
Net Cash Flows From Noncapital Financing Activities	<u>2,437,918</u>	<u>-</u>	<u>(1,956,402)</u>	<u>481,516</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Marketable securities sold	-	47,136	-	47,136
Investment income	-	12,510	-	12,510
Net Cash Flows From Investing Activities	<u>-</u>	<u>59,646</u>	<u>-</u>	<u>59,646</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>				
Cash used to retire long-term liabilities	-	-	(54,588)	(54,588)
Capital lease payments	-	-	(15,000)	(15,000)
Acquisition and construction of capital assets	(1,391,568)	-	(406,432)	(1,798,000)
Net Cash Flows From Capital and Related Financing Activities	<u>(1,391,568)</u>	<u>-</u>	<u>(476,020)</u>	<u>(1,867,588)</u>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	(564,611)	81,450	-	(483,161)
CASH AND CASH EQUIVALENTS - Beginning of Year	<u>570,252</u>	<u>315,575</u>	<u>400</u>	<u>886,227</u>
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	<u>\$ 5,641</u>	<u>\$ 397,025</u>	<u>\$ 400</u>	<u>\$ 403,066</u>

See accompanying notes to financial statements.

	Business-type Activities - Enterprise Funds			
	Pleasant View Nursing Home	Landfill	Highway	Totals
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Operating income (loss)	\$ (1,827,055)	\$ 86,266	\$ 983,137	\$ (757,652)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Flows From Operating Activities				
Nonoperating income	-	-	83,146	83,146
Depreciation	333,314	82,720	527,252	943,286
Change in Assets, Deferred Outflows, Liabilities, and Deferred Inflows				
Accounts receivable	(483,511)	(14,582)	350,677	(147,416)
Due from other funds	84,208	(36,706)	319,698	367,200
Due from other governmental units	-	-	-	-
Inventories	(3,833)	-	(25,019)	(28,852)
Accounts payable	65,328	1,812	128,800	195,940
Accrued liabilities	58,182	4,854	14,452	77,488
Other liabilities	-	(22,622)	23,798	1,176
Due to other funds	7,286	(907)	-	6,379
Due to other governmental units	-	(3,838)	-	(3,838)
Unearned revenues	-	(82,720)	-	(82,720)
Pension related items	(49,192)	(3,686)	(155,114)	(207,992)
Other post employment benefit items	203,014	11,213	181,595	395,822
Funds held in trust	1,298	-	-	1,298
<b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b>	<u>\$ (1,610,961)</u>	<u>\$ 21,804</u>	<u>\$ 2,432,422</u>	<u>\$ 843,265</u>
<b>RECONCILIATION OF CASH AND CASH EQUIVALENTS TO THE STATEMENT OF NET POSITION - PROPRIETARY FUNDS</b>				
Cash and investments - statement of net position - proprietary fund	\$ -	\$ 397,025	\$ 400	\$ 397,425
Restricted cash and investments - statement of net position - proprietary funds	5,641	838,029	-	843,670
Less: Noncash equivalents	-	(838,029)	-	(838,029)
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	<u>\$ 5,641</u>	<u>\$ 397,025</u>	<u>\$ 400</u>	<u>\$ 403,066</u>

**NONCASH INVESTING, CAPITAL AND RELATED FINANCING ACTIVITIES**

None

See accompanying notes to financial statements.

**GREEN COUNTY**

STATEMENT OF ASSETS AND LIABILITIES  
AGENCY FUNDS  
As of December 31, 2018

---

	<u>Agency Funds</u>
<b>ASSETS</b>	
Cash and investments	\$ 6,334,155
Taxes receivable	<u>130</u>
<b>TOTAL ASSETS</b>	<b><u>\$ 6,334,285</u></b>
<b>LIABILITIES</b>	
Accounts payable	\$ 82,773
Funds held for others	<u>6,251,512</u>
<b>TOTAL LIABILITIES</b>	<b><u>\$ 6,334,285</u></b>

See accompanying notes to financial statements.

# GREEN COUNTY

## INDEX TO NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2018

---

NOTE	Page
I. Summary of Significant Accounting Policies	16
A. Reporting Entity	16
B. Government-Wide and Fund Financial Statements	16
C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation	18
D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Equity	19
1. Deposits and Investments	19
2. Receivables	21
3. Inventories and Prepaid Items	23
4. Restricted Assets	23
5. Capital Assets	23
6. Deferred Outflows of Resources	24
7. Compensated Absences	24
8. Long-Term Obligations	24
9. Deferred Inflows of Resources	25
10. Equity Classifications	25
11. Pension	27
12. Postemployment Benefits Other than Pensions (OPEB)	27
II. Reconciliation of Government-Wide and Fund Financial Statements	27
A. Explanation of Certain Differences Between the Governmental Fund Balance Sheet and the Statement of Net Position	27
III. Stewardship, Compliance, and Accountability	28
A. Excess Expenditures Over Appropriations	28
B. Limitations on the County's Tax Levy	28
IV. Detailed Notes on All Funds	28
A. Deposits and Investments	28
B. Receivables	31
C. Restricted Assets	33
D. Capital Assets	33
E. Interfund Receivables/Payables and Transfers	36
F. Long-Term Obligations	37
G. Lease Disclosures	39
H. Closure and Post-Closure Care Cost	40
I. Net Position/Fund Balances	40
J. Restatement of Net Position	43
V. Other Information	44
A. Employees' Retirement System	44
B. Risk Management	49
C. Commitments and Contingencies	50
D. Other Postemployment Benefits (OPEB)	50
E. Joint Venture	52
F. Effect of New Accounting Standards on Current-Period Financial Statements	53
G. Economic Dependency	53

# GREEN COUNTY

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2018

---

### **NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

---

The accounting policies of Green County, Monroe, Wisconsin 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).

#### **A. 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 county has not identified any organizations that meet these criteria.

#### **B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS**

In June 2015, the GASB issued statement No. 75 - *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*. This Statement replaces the requirements of Statements No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*, as amended, and No. 57, *OPEB Measurements by Agent Employers and Agent Multiple- Employer Plans*, for OPEB. This standard was implemented January 1, 2018.

#### ***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 is considered to be a separate accounting entity. 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 balance, revenues, and expenditure/expenses.

# GREEN COUNTY

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2018

---

### NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

---

#### **B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS (cont.)**

##### ***Fund Financial Statements (cont.)***

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, liabilities, 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 and 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:

General Fund – accounts for the county’s primary operating activities. It is used to account for and report all financial resources except those accounted and reported for in another fund.

Human Services Special Revenue Fund – used to account for and report grants and local revenues legally restricted or committed to supporting expenditures for human services related programs.

Debt Service Fund – used to account for and report financial resources that are restricted, committed, or assigned to expenditure for 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.

The county reports the following major enterprise fund:

Pleasant View Nursing Home – accounts for operations of the nursing home

Landfill – accounts for operations of the landfill

Highway – accounts for operations of the highway department

The county reports the following nonmajor governmental fund:

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

Revolving loan

# GREEN COUNTY

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2018

---

### NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

---

#### **B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS (cont.)**

##### ***Fund Financial Statements (cont.)***

In addition, the county reports the following fund types:

Agency funds are used to account for and report assets held by the county in a trustee capacity or as an agent for individuals, private organizations, and/or other governmental units. Agency funds include the Sheriff's Trust Account, Huber Law, Clerk of Courts, Drainage Districts, Tax Collection, and Municipal Tax Collection funds.

#### **C. 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 deferred inflows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider are met. Special assessments are recorded as revenue when earned. 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 human services reimbursable grants, for which available is defined as six months. This is necessary to provide proper matching of grant revenues with the related expenditures. 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 deferred inflows. 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 takes place.

# GREEN COUNTY

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2018

---

### NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

---

#### **C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION (cont.)**

##### ***Fund Financial Statements (cont.)***

Intergovernmental aids and grants are recognized as revenues in the period the county is entitled 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) are met are recorded as liabilities. Amounts received in advance of meeting time requirements are recorded as deferred inflows.

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.

Proprietary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as described previously in this note. Agency funds follow the accrual basis of accounting, and do not have a measurement focus.

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 Pleasant View Nursing Home, Landfill, 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, deferred outflows of resources, liabilities, and deferred inflows of resources, 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.

#### **D. ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION OR EQUITY**

##### **1. 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:

- a. Time deposits in any credit union, bank, savings bank or trust company.

# GREEN COUNTY

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2018

---

### NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

---

**D. ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION OR EQUITY (cont.)**

**1. Deposits and Investments (cont.)**

- b. 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.
- c. Bonds or securities issued or guaranteed by the federal government.
- d. The local government investment pool.
- e. Any security maturing in seven years or less and having the highest or second highest rating category of a nationally recognized rating agency.
- f. Securities of an open-end management investment company or investment trust, subject to various conditions and investment options.
- g. Repurchase agreements with public depositories, with certain conditions.

The county has adopted an investment policy that follows the state statute for allowable investments.

***Custodial Credit Risk***

The county's investment policy states that funds placed in any single depository institution above \$650,000 must be 100% collateralized as to principal and accrued interest with securities that are obligations of the U.S. Government or its agencies that are fully guaranteed by the U.S. Government. Securities held as collateral shall be delivered for safekeeping to a custodial bank approved by the county. At December 31, 2018, the county has deposits which do not meet the previous criteria and are uninsured and uncollateralized. See Note IV.A.

***Credit Risk***

The county's investment policy states the county may invest in securities issued or guaranteed by the U.S. Government, U.S. Treasury obligations, State of Wisconsin local government investment pool, and corporate bonds issued by U.S. companies that are rated the highest or second highest rating category of a nationally recognized rating agency, and other allowable investments. Complete details are available in the county's investment policy.

***Interest Rate Risk***

The county's investment policy states the county may invest in U.S. Treasury obligations with a final maturity not exceeding five years, repurchase agreements with a termination date of 180 days or less, and corporate bonds with maturities not exceeding three years. At December 31, 2018, the county has U.S. Treasuries which do not meet the previous criteria and has final maturity exceeding five years.

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 methods and inputs as outline in Note IV.A. 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 of various accounting funds is allocated based on average balances. The difference between the bank balance and carrying value is due to outstanding checks and/or deposits in transit.

# GREEN COUNTY

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2018

---

### NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

---

#### **D. ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION OR EQUITY (cont.)**

##### **1. Deposits and Investments (cont.)**

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, 2018, 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 IV.A. for further information.

##### **2. Receivables**

Property taxes are levied in December on the assessed value as of the prior January 1. They are not legally available for appropriation until the ensuing year. In addition to property taxes for the county, taxes are collected for and remitted to the state government as well as the local school district and technical college district. Taxes for all state and local governmental units billed in the current year for the succeeding year are reflected as receivables and due to other governmental units on the Statement of Assets and Liabilities – Agency Funds.

Property tax calendar – 2018 tax roll:

Lien date and levy date	December 2018
Tax bills mailed	December 2018
Payment in full, or	January 31, 2019
First installment due	January 31, 2019
Second installment due	July 31, 2019
Personal property taxes in full	January 31, 2019
Tax sale – 2018 delinquent real estate taxes	October 2021

Property taxes are due, in the year subsequent to levy, on the last day of January, and collected by local treasurers through that date, at which time unpaid taxes are assigned to the county and appropriate receivables and payables are recorded. Tax collections become the responsibility of the county and taxes receivable include unpaid taxes levied for all taxing entities within the county. The county makes restitution to local districts in August for payables recorded at the settlement date without regard to collected funds. A lien is placed on all properties for which a portion of the current tax levy remains unpaid as of September 1. The interest and penalties on taxes not paid within 60 days of the end of the current fiscal period is shown as deferred inflows until it is received in cash.

The portion of county property taxes receivable at December 31, 2018, which relates to taxes initially levied by other municipalities and uncollected within sixty days after year-end, has been reflected in the financial statements as nonspendable fund balance of \$577,466.

# GREEN COUNTY

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2018

---

### NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

---

#### **D. ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION OR EQUITY (cont.)**

##### **2. Receivables (cont.)**

Accounts receivable in all funds have been adjusted for all known uncollectible accounts. No allowance for uncollectible delinquent taxes has been provided because of the county's demonstrated ability to recover any losses through the sale of the applicable property.

Pleasant View Nursing Home uses the allowance method to provide for losses from uncollectible accounts. The allowance is maintained at a level which management feels is sufficient to cover potential uncollectible accounts. The allowance for doubtful accounts was \$148,645 at December 31, 2018 and \$69,296 in bad debts were written off during 2018.

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".

The county has a 0.5% sales tax which is collected by the State of Wisconsin and remitted to the county monthly. Sales tax is accrued as a receivable when the underlying sale relating to it takes place. At December 31, 2018, the county has accrued two months of subsequent year's collections as receivable.

The county has received federal grant funds for economic development and housing rehabilitation loan programs to various businesses and individuals. The county records a loan receivable when the loan has been made and funds have been disbursed. The amount recorded as economic development and housing rehabilitation loans receivable has not been reduced by an allowance for uncollectible accounts.

It is the county's policy to record revenue when the initial loan is made from the federal grant funds. When new loans are made from loan 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.

##### *Pleasant View Nursing Home*

Pleasant View Nursing Home ("nursing home") revenues are recorded based on actual service rendered, with billings made to residents monthly. The nursing home does not accrue revenues beyond billing dates.

Resident accounts receivable includes amounts receivable for services rendered to residents under the Title XIX Wisconsin Medical Assistance Program (Medicaid). The nursing home reported revenues of \$3,016,425 from the Title XIX patients in 2018. These revenues are subject to audit and retroactive adjustment by the Medical Assistance Program. Resident accounts receivable also includes amounts receivable for services rendered to residents under the Medicare Program. The nursing home reported revenues of \$2,396,655 from the Medicare Program in 2018. These revenues are subject to audit and retroactive adjustment by the Medicare Program. All amounts are considered to be collectible in the following year.

# GREEN COUNTY

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2018

---

### NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

---

#### ***D. ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION OR EQUITY (cont.)***

##### ***3. Inventories and Prepaid Items***

Governmental fund inventory items are charged to expenditure accounts when purchased. Year-end inventory was not significant. Proprietary fund inventories are generally used for construction and/or for operation and maintenance work. They are not for resale. They are valued at cost based on the first-in/first-out (FIFO) method of accounting.

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.

##### ***4. Restricted Assets***

Mandatory segregations of assets are presented as restricted assets. Such segregations are required by bond agreements and other external parties. Current liabilities payable from these restricted assets are so classified. The excess of restricted assets over current liabilities payable from restricted assets will be used first for retirement of related long-term debt. The remainder, if generated from earnings, is shown as restricted net position.

##### ***5. Capital Assets***

###### ***Government–Wide Statements***

Capital assets, which include property, plant and equipment, are reported in the government-wide financial statements. Capital assets are defined by the government as assets with an initial cost of more than \$5,000 for general capital assets, with the exception of those reported in the Pleasant View Nursing Home fund which reports general capital assets with an initial cost of \$1,000 or more, and an estimated useful life in excess of one year. Infrastructure assets include those with an initial cost of \$25,000 or more, and an estimated useful life in excess of one year. In addition, a \$20,000 threshold has been established for remodeling projects. 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 fair 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, overhead, and an allowance for the cost of funds used during construction when significant. For tax-exempt debt, the amount of interest capitalized equals the interest expense incurred during construction netted against any interest revenue from temporary investment of borrowed fund proceeds. No interest was capitalized during the current year. 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.

# GREEN COUNTY

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2018

---

### NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

---

**D. ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION OR EQUITY (cont.)**

**5. Capital Assets (cont.)**

**Government–Wide Statements (cont.)**

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

Buildings and improvements	25 - 40 Years
Land Improvements	20 - 30 Years
Machinery and Equipment	2 - 20 Years
Infrastructure	20 - 50 Years
Intangibles	5 - 20 Years

**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.

**6. Deferred Outflows of Resources**

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

**7. 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, 2018 are determined on the basis of current salary rates and include salary related payments.

**8. 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 obligations consist primarily of notes and bonds payable, and accrued compensated absences.

# GREEN COUNTY

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2018

---

### NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

---

**D. ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION OR EQUITY (cont.)**

**8. Long-Term Obligations (cont.)**

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.

**9. Deferred Inflows of Resources**

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

The highway fund includes deferred inflows of resources for the unearned revenues from transportation costs pools.

**10. 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.

# GREEN COUNTY

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2018

---

### NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

---

#### **D. ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION OR EQUITY (cont.)**

##### **10. Equity Classifications (cont.)**

###### **Fund Statements**

Governmental fund 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.
- 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 do not meet the criteria to be classified as restricted or committed. The County Board has, by resolution, adopted a financial policy authorizing the Board to assign amounts for a specific purpose. 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 specific purposes.

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

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

The county has a formal minimum fund balance policy. That policy states that an unassigned general fund balance shall be maintained as of December 31 of each year equal to a minimum of 2 months (or 17%) of the ensuing year's budgeted general fund expenditures. The unassigned general fund balance at year end was \$3,893,976 or 19%.

See Note IV.I. for further information.

# GREEN COUNTY

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2018

---

### NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

---

**D. ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION OR EQUITY (cont.)**

**11. Pension**

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

**12. Postemployment Benefits Other than Pensions (OPEB)**

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

---

### NOTE II – RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

---

**A. EXPLANATION OF CERTAIN DIFFERENCES BETWEEN THE GOVERNMENTAL FUND BALANCE SHEET AND THE STATEMENT OF NET POSITION**

The governmental fund balance sheet includes 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 items:

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

Land	\$ 1,649,800
Construction in progress	53,760
Land improvements	299,841
Buildings and improvements	30,536,128
Machinery and equipment	4,359,809
Infrastructure	78,414,801
Intangibles	105,000
Less: Accumulated depreciation	<u>(52,420,251)</u>
Capital Assets	<u>\$ 62,998,888</u>

# GREEN COUNTY

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2018

### NOTE II – RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS (cont.)

**A. EXPLANATION OF CERTAIN DIFFERENCES BETWEEN THE GOVERNMENTAL FUND BALANCE SHEET AND THE STATEMENT OF NET POSITION (cont.)**

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.

Bonds and notes payable	\$ 26,140,000
Other postemployment benefits	408,362
Compensated absences	882,701
Premium on long-term debt	487,744
Accrued interest	<u>64,244</u>
 Combined Adjustment for Long-Term Liabilities	 <u>\$ 27,983,051</u>

### NOTE III – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

**A. EXCESS EXPENDITURES OVER APPROPRIATIONS**

Funds	Budgeted Expenditures	Actual Expenditures	Excess Expenditures Over Budget
Debt service fund	\$ 1,701,403	\$ 1,833,638	\$ 132,235

**B. 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 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. A referendum was passed in November 2018 to approve additional county levy up to \$790,000 for each of the years 2019 through 2024.

### NOTE IV – DETAILED NOTES ON ALL FUNDS

**A. DEPOSITS AND INVESTMENTS**

The county maintains a cash and investment pool that is available for use by all funds. Each fund type’s portion of this pool is displayed on the statement of net position and balance sheet as cash and investments.

## GREEN COUNTY

### NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2018

#### NOTE IV – DETAILED NOTES ON ALL FUNDS (cont.)

##### A. DEPOSITS AND INVESTMENTS (cont.)

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

	Carrying Value	Statement Balance	Associated Risks
Deposits	\$ 20,252,265	\$ 19,439,142	Custodial credit
U.S. Treasury notes	294,133	294,133	Custodial credit, interest rate
2a7 like pool	525,894	525,894	Credit
			Custodial credit, credit, interest
Certificates of deposit (negotiable)	476,322	476,322	rate
LGIP	1,433,486	1,433,486	Credit
Cash on hand	257,196	-	N/A
	<u>\$ 23,239,296</u>	<u>\$ 22,168,977</u>	

##### Reconciliation to financial statements

###### Per statement of net position

Unrestricted cash and investments \$ 15,864,767

Restricted cash and investments 1,040,374

###### Per statement of assets and liabilities –

Agency funds 6,334,155

Total Cash and Investments \$ 23,239,296

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 county maintains collateral agreements and a letter of credit with its banks. At December 31, 2018, the banks had pledged various government securities in the amount of \$9,850,000 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.

# GREEN COUNTY

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2018

---

### NOTE IV – DETAILED NOTES ON ALL FUNDS (cont.)

---

#### A. DEPOSITS AND INVESTMENTS (cont.)

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

> Quoted Market Prices

Investment Type	December 31, 2018			
	Level 1	Level 2	Level 3	Total
U.S. Treasury notes	\$ 294,133	\$ -	\$ -	\$ 294,133
Certificates of deposit (negotiable)	476,322	-	-	476,322
Total	<u>\$ 770,455</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 770,455</u>

#### **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.

As of December 31, 2018, \$2,817,376 of the county's total bank balances were exposed to custodial credit risk because they were uninsured and uncollateralized.

##### **Investments**

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 nature of its investments or collateral securities that are in possession of an outside party.

As of December 31, 2018, \$120,456 of the county's total investments were exposed to custodial credit risk because they were neither insured nor registered and held by the counterparty.

#### **Credit Risk**

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations.

At December 31, 2018, the county had investments in 2a7 like pool, which had a Standard and Poor's rating of AAAm.

At December 31, 2018, the county had investments in negotiable certificates of deposit which are not rated.

At December 31, 2018, the county also had investments in the following external pool which is not rated:

Local Government Investment Pool

# GREEN COUNTY

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2018

### NOTE IV – DETAILED NOTES ON ALL FUNDS (cont.)

#### A. DEPOSITS AND INVESTMENTS (cont.)

##### *Interest Rate Risk*

Interest rate risk is the risk that changes in interest rates will adversely affect the value of an investment.

As of December 31, 2018, the county's investments were as follows:

Investment Type	Fair Value	Maturity in Years		
		Less Than 1	1-5	More Than 5
U.S. Treasury note	\$ 294,133	\$ 49,531	\$ 144,911	\$ 99,692
Certificates of deposit (negotiable)	476,322	59,807	267,344	149,171
<b>Totals</b>	<b>\$ 770,455</b>	<b>\$ 109,338</b>	<b>\$ 412,255</b>	<b>\$ 248,863</b>

#### B. RECEIVABLES

Receivables not expected to be collected within one year include \$577,466 in the general fund and \$431,061 in the revolving loan fund.

Governmental funds report *unavailable or unearned revenue* in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Property taxes levied 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:

	Unearned	Unavailable
Property taxes receivable for subsequent year	\$ 15,692,198	\$ -
Delinquent property taxes receivable	-	166,384
Accrued interest	-	27,052
Grant revenue	-	72,466
Grant drawdowns prior to meeting all eligibility requirements	20,447	-
<b>Total Unavailable/Unearned Revenue for Governmental Funds</b>	<b>\$ 15,712,645</b>	<b>\$ 265,902</b>

# GREEN COUNTY

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2018

### NOTE IV – DETAILED NOTES ON ALL FUNDS (cont.)

#### B. RECEIVABLES (cont.)

Delinquent property taxes purchased from other taxing authorities are reflected as nonspendable fund balance at year-end. Delinquent property taxes collected within sixty days subsequent to year-end are considered to be available for current expenditures and are therefore excluded from the nonspendable portion of fund balances. Delinquent property taxes levied by the county are reflected as unearned revenue and are excluded from the fund balance until collected. At December 31, 2018, delinquent property taxes by year levied consists of the following:

<u>Tax Certificates</u>	<u>Total</u>	<u>County Levied</u>	<u>County Purchased</u>
2017	\$ 432,925	\$ 96,889	\$ 336,037
2016	229,017	50,795	178,221
2015	<u>81,908</u>	<u>18,700</u>	<u>63,208</u>
Total Delinquent Property Taxes Receivable	<u>\$ 743,850</u>	<u>\$ 166,384</u>	<u>\$ 577,466</u>

Enterprise funds defer revenue recognition in connection with resources that have been received, but not yet earned. Property taxes levied for the subsequent year are not earned and cannot be used to liquidate liabilities of the current period. At the end of the current fiscal year, the various components of *unearned revenue* reported in the enterprise funds were as follows:

	<u>Unearned</u>
Property taxes receivable for subsequent year	\$ 790,000
Depreciation collected in advance	502,860
Transportation cost pools	23,135
Revenue collected in advance	<u>147,319</u>
Total Unearned Revenue For Enterprise Funds	<u>\$ 1,463,314</u>
Unearned revenue included in liabilities	\$ 650,179
Unearned revenue included in deferred inflows	<u>813,135</u>
Total	<u>\$ 1,463,314</u>

For economic development loans, the county is limited by the Wisconsin Department of Commerce to the amount of program income from economic development loans that it may retain to be loaned to other businesses and/or the amount of time for which funds may be held without use. Program income includes the principal and interest received from economic development loans repayments.

At December 31, 2018, the county has not exceeded the maximum amount that it may retain or the amount of time for which funds may be held without use. When it does, a liability to the state will be recorded.

# GREEN COUNTY

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2018

### NOTE IV – DETAILED NOTES ON ALL FUNDS (cont.)

#### **C. RESTRICTED ASSETS**

The Pleasant View Nursing Home has restricted assets in the amount of \$1,077,504. Included in restricted assets are nursing home residents' funds held for safekeeping by the nursing home in the amount of \$5,641. The residents' funds are maintained in individual savings accounts and the balance in a checking account. All interest earned is added to the respective residents' balance. The remaining balance of \$1,071,863 represents the net pension asset as of December 31, 2018.

The landfill has restricted assets in the amount of \$884,583. Included in restricted assets are landfill funds held for post-closure costs of the solid waste landfill in the amount of \$838,029. The post-closure costs funds are maintained in a trust account. The remaining balance of \$46,554 represents the net pension asset as of December 31, 2018.

The highway has restricted net pension asset in the amount of \$388,238.

The human services fund has restricted assets in the amount of \$196,704 for funds held for others.

#### **D. CAPITAL ASSETS**

Capital asset activity for the year ended December 31, 2018 was as follows:

<b>Governmental Activities</b>	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Capital assets not being depreciated/amortized				
Land	\$ 1,649,800	\$ -	\$ -	\$ 1,649,800
Construction in progress	<u>6,274,306</u>	<u>53,760</u>	<u>6,274,306</u>	<u>53,760</u>
Total Capital Assets Not Being Depreciated/Amortized	<u>7,924,106</u>	<u>53,760</u>	<u>6,274,306</u>	<u>1,703,560</u>
Capital assets being depreciated/amortized				
Land improvements	299,841	-	-	299,841
Buildings and improvements	15,551,605	14,984,523	-	30,536,128
Machinery and equipment	3,547,268	1,116,736	304,195	4,359,809
Intangibles	105,000	-	-	105,000
Infrastructure	<u>78,076,721</u>	<u>600,280</u>	<u>262,200</u>	<u>78,414,801</u>
Total Capital Assets Being Depreciated/Amortized	<u>97,580,435</u>	<u>16,701,539</u>	<u>566,395</u>	<u>113,715,579</u>

**GREEN COUNTY**

NOTES TO FINANCIAL STATEMENTS  
As of and for the Year Ended December 31, 2018

**NOTE IV – DETAILED NOTES ON ALL FUNDS (cont.)**

**D. CAPITAL ASSETS (cont.)**

<b>Governmental Activities (cont.)</b>	Beginning Balance	Additions	Deletions	Balance
Less: Accumulated depreciation/amortization for				
Land improvements	\$ (103,703)	\$ (13,015)	\$ -	\$ (116,718)
Buildings and improvements	(4,845,770)	(401,477)	-	(5,247,247)
Machinery and equipment	(2,065,991)	(273,579)	206,794	(2,132,776)
Intangibles	(75,304)	(10,500)	-	(85,804)
Infrastructure	<u>(43,481,642)</u>	<u>(1,552,764)</u>	<u>196,700</u>	<u>(44,837,706)</u>
Total Accumulated Depreciation/Amortization	<u>(50,572,410)</u>	<u>(2,251,335)</u>	<u>403,494</u>	<u>(52,420,251)</u>
Net Capital Assets Being Depreciated/Amortized	<u>47,008,025</u>	<u>14,450,204</u>	<u>162,901</u>	<u>61,295,328</u>
Total Governmental Activities Capital Assets, Net of Depreciation/Amortization	<u>\$ 54,932,131</u>	<u>\$ 14,503,964</u>	<u>\$ 6,437,207</u>	<u>\$ 62,998,888</u>

Depreciation/amortization expense was charged to functions as follows:

<b>Governmental Activities</b>	
General government	\$ 383,624
Public safety	246,308
Public works, which includes the depreciation of infrastructure	1,552,765
Health and human services	64,246
Conservation and economic development	<u>4,392</u>
Total Governmental Activities Depreciation/Amortization Expense	<u>\$ 2,251,335</u>

## GREEN COUNTY

### NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2018

#### NOTE IV – DETAILED NOTES ON ALL FUNDS (cont.)

#### D. CAPITAL ASSETS (cont.)

	Beginning Balance	Additions	Deletions	Ending Balance
<b>Business-type Activities</b>				
Capital assets not being depreciated				
Land	\$ 26,417	\$ -	\$ -	\$ 26,417
Construction in progress	-	187,205	-	187,205
Total Capital Assets Not Being Depreciated	26,417	187,206	-	213,622
Capital assets being depreciated				
Land improvements	3,941,978	-	-	3,941,978
Buildings and improvements	7,255,481	1,175,528	314,809	8,116,200
Machinery and equipment	15,767,513	478,304	90,223	16,155,594
Total Capital Assets Being Depreciated	26,964,972	1,653,832	405,032	28,213,772
Less: Accumulated depreciation for				
Land improvements	(3,800,993)	(20,166)	-	(3,821,159)
Buildings and improvements	(5,778,316)	(119,515)	303,191	(5,594,640)
Machinery and equipment	(9,759,534)	(803,605)	58,804	(10,504,335)
Total Accumulated Depreciation	(19,338,843)	(943,286)	361,995	(19,920,134)
Total Business-type Capital Assets, Net of Depreciation	\$ 7,652,546	\$ 897,752	\$ 43,037	\$ 8,507,260

Depreciation expense was charged to functions as follows:

<b>Business-type Activities</b>	
Pleasant View Nursing Home	\$ 333,314
Landfill	82,720
Highway	527,252
Total Business-type Activities Depreciation Expense	\$ 943,286

## GREEN COUNTY

### NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2018

#### **NOTE IV – DETAILED NOTES ON ALL FUNDS (cont.)**

##### ***E. INTERFUND RECEIVABLES/PAYABLES AND TRANSFERS***

The following is a schedule of interfund receivables and payables including any overdrafts on pooled cash and investment accounts:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>	<u>Amounts Due in More than One Year</u>
General	Pleasant View Nursing Home	\$ 4,550	\$ -
General	Highway	416,727	-
Pleasant View Nursing Home	Highway	75	-
Landfill	Highway	175	-
Highway	General	590,346	-
Highway	Human Services	941	-
Highway	Pleasant View Nursing Home	<u>3,635</u>	-
Sub-Total Fund Financial Statements		1,016,449	
Less: Fund eliminations		(3,885)	
Less: Government-wide eliminations		<u>(1,182,574)</u>	
Total Internal Balances – Government-Wide Statement of Net Position		<u>\$ (170,010)</u>	
 <u>Receivable Fund</u>	 <u>Payable Fund</u>	 <u>Amount</u>	
Governmental activities	Business-type activities	\$ 421,277	
Business-type activities	Governmental activities	<u>(591,287)</u>	
Total Government-wide Financial Statements		<u>\$ (170,010)</u>	

All interfund balances 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.

## GREEN COUNTY

### NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2018

#### NOTE IV – DETAILED NOTES ON ALL FUNDS (cont.)

##### **E. INTERFUND RECEIVABLES/PAYABLES AND TRANSFERS (cont.)**

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

The following is a schedule of interfund transfers:

<u>Fund Transferred To</u>	<u>Fund Transferred From</u>	<u>Amount</u>	<u>Principal Purpose</u>
General	Highway	\$ 550,000	Capital outlay
General	Human Services	513,666	Return to general fund
Sub-total – Fund Financial Statements		1,063,666	
Less: Fund eliminations		<u>(513,666)</u>	
Total Transfers – Government-Wide Statement of Activities		<u>\$ 550,000</u>	

Generally, transfers are used to: 1) move revenues from the fund that collects them to the fund that the budget requires to expend them, 2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund, and 3) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

##### **F. LONG-TERM OBLIGATIONS**

Long-term obligations activity for the year ended December 31, 2018 was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>	<u>Amounts Due Within One Year</u>
<b>GOVERNMENTAL ACTIVITIES</b>					
Bonds and Notes Payable					
General obligation debt	\$ 21,610,000	\$ 5,500,000	\$ 970,000	\$ 26,140,000	\$ 1,515,000
Premium	444,066	70,996	27,318	487,744	-
Total Bonds and Notes Payable	<u>22,054,066</u>	<u>5,570,996</u>	<u>997,318</u>	<u>26,627,744</u>	<u>1,515,000</u>
Other Liabilities					
Vested compensated absences	874,901	364,185	356,385	882,701	356,216
Total Other Liabilities	<u>874,901</u>	<u>364,185</u>	<u>356,385</u>	<u>882,701</u>	<u>356,216</u>
Total Governmental Activities Long-Term Liabilities	<u>\$ 22,928,967</u>	<u>\$ 5,935,181</u>	<u>\$ 1,353,703</u>	<u>\$ 27,510,445</u>	<u>\$ 1,871,216</u>
<b>BUSINESS-TYPE ACTIVITIES</b>					
Bonds and Notes Payable					
General obligation debt	\$ 104,548	\$ -	\$ 54,588	\$ 49,960	\$ 49,960
Other Liabilities					
Vested compensated absences	607,426	288,304	248,959	646,771	259,580
Capital leases	131,500	-	15,000	116,500	18,000
Total Business-type Activities Long-Term Liabilities	<u>\$ 843,474</u>	<u>\$ 288,304</u>	<u>\$ 318,547</u>	<u>\$ 813,231</u>	<u>\$ 327,540</u>

\*In addition to the liabilities above, information on the net pension liability (asset) is provided in Note V.A. and information on the net OPEB liability is provided in Note V.D.

# GREEN COUNTY

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2018

### NOTE IV – DETAILED NOTES ON ALL FUNDS (cont.)

#### F. LONG-TERM OBLIGATIONS (cont.)

##### **General Obligation Debt**

All general obligation notes and bonds payable are backed by the full faith and credit of the county. Notes and bonds in the governmental funds will be retired by future property tax levies 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, 2018, was \$152,822,235. Total general obligation debt outstanding at year end was \$26,189,960.

	<u>Date of Issue</u>	<u>Final Maturity</u>	<u>Interest Rates</u>	<u>Original Indebted- ness</u>	<u>Balance 12/31/18</u>
General Obligation Debt					
Governmental Activities					
Refunding bonds	6/1/10	12/1/28	3.50% - 4.25%	\$ 8,235,000	\$ 4,910,000
Bonds	12/7/16	12/1/36	2.00% - 3.00%	3,000,000	2,870,000
Bonds	8/1/2017	12/1/2036	2.00% - 3.75%	9,500,000	9,375,000
Refunding Bonds	11/7/2017	12/1/2027	2.00% - 2.50%	3,830,000	3,485,000
Building Bonds	5/30/2018	12/1/2037	3.00% - 3.40%	5,500,000	<u>5,500,000</u>
Total					<u>\$ 26,140,000</u>
Business-type Activities					
Loan	7/18/16	1/31/19	2.3%	156,606	<u>\$ 49,960</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>
2019	\$ 1,515,000	\$ 770,768	\$ 49,960	\$ 1,211
2020	1,550,000	732,568	-	-
2021	1,585,000	693,468	-	-
2022	1,630,000	653,343	-	-
2023	1,670,000	611,623	-	-
2024 – 2028	9,035,000	2,331,508	-	-
2029 – 2033	5,235,000	1,135,724	-	-
2034 – 2037	<u>3,920,000</u>	<u>292,918</u>	<u>-</u>	<u>-</u>
Totals	<u>\$ 26,140,000</u>	<u>\$ 7,221,920</u>	<u>\$ 49,960</u>	<u>\$ 1,211</u>

##### **Capital Leases**

Refer to Note IV. G.

# GREEN COUNTY

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2018

---

### NOTE IV – DETAILED NOTES ON ALL FUNDS (cont.)

---

#### **F. LONG-TERM OBLIGATIONS (cont.)**

##### ***Other Debt Information***

Estimated payments of compensated absences and the other postemployment liability are not included in the debt service requirement schedules. The compensated absences liability and the other postemployment liability attributable to governmental activities will be liquidated primarily by the general fund.

#### **G. LEASE DISCLOSURES**

##### ***Lessee – Capital Leases***

In 2018, the Highway acquired capital assets through a lease/purchase agreement. The gross amount and accumulated depreciation of those assets under capital lease are \$145,377 and \$17,506 respectively, which are included in property and equipment in the Highway fund. Debt service requirements to maturity are as follows:

<u>Years</u>	<u>Business-type Activities Principal</u>
2019	\$ 18,000
2020	18,000
2021	18,000
2022	18,000
2023	18,000
2024 - 2025	26,500
	<u>\$ 116,500</u>

##### ***Lessee – Operating Leases***

The county has no material operating leases with a remaining noncancellable term exceeding one year.

##### ***Lessor – Capital Leases***

The county has no material outstanding sales-type or direct financing leases.

##### ***Lessor – Operating Leases***

The county does not receive material lease payments from property rented to others.

# GREEN COUNTY

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2018

---

### NOTE IV – DETAILED NOTES ON ALL FUNDS (cont.)

---

#### **H. CLOSURE AND POST-CLOSURE CARE COST**

State and federal laws and regulations require the county to place a final cover on its solid waste landfill site when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for 40 years after closure. The county closed the landfill in 2000. Post-closure care costs will be paid over a period of 40 years after the date that the landfill stops accepting waste. The \$1,133,684 reported as landfill post-closure care liability at December 31, 2018, represents the cumulative amount reported to date based on the use of 100% of the estimated capacity of the landfill. These amounts are based on what it would cost to perform all post-closure care in 2018. Actual cost may be higher due to inflation, changes in technology, or changes in regulations.

The county, as required by state and federal laws and regulations, maintains a long-term care trust to -- finance future closure and post-closure costs. The Wisconsin Department of Natural Resources has determined that the fund is sufficient to complete the long-term care work at the landfill and does not require annual contributions to the trust. At December 31, 2018, investments of \$838,029 are held for these purposes. These are reported as restricted assets. The county expects that this balance plus interest earnings on these funds will be sufficient to cover annual costs plus inflation for long-term care costs at some future date. However, if interest earnings are inadequate or additional post-closure care requirements are determined (due to changes in technology or applicable laws or regulations, for example) these costs may need to be covered by charges to future landfill users or from future tax revenue.

#### **I. NET POSITION/FUND BALANCES**

Governmental activities net position reported on the government wide statement of net position at December 31, 2018 includes the following:

##### **Governmental Activities**

Net investment in capital assets	
Land	\$ 1,649,800
Construction in progress	53,760
Other capital assets, net of accumulated depreciation	61,295,328
Less: Related capital long-term debt outstanding	(26,140,000)
Add: Unspent proceeds of capital-related debt	2,190,755
Less: Premium on long-term debt outstanding	<u>(487,744)</u>
Total Net Investment in Capital Assets	<u>\$ 38,561,899</u>

# GREEN COUNTY

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2018

### NOTE IV – DETAILED NOTES ON ALL FUNDS (cont.)

#### I. NET POSITION/FUND BALANCES (cont.)

##### Governmental Activities (cont.)

Governmental fund balances reported on the fund financial statements at December 31, 2018 include the following:

Fund Balances	General Fund	Human Services	Debt Service Fund	Capital Projects Fund	Nonmajor Fund	Totals
<b>Nonspendable:</b>						
Prepaid items	\$ 586,671	\$ 11,108	\$ -	\$ -	\$ -	\$ 597,779
Delinquent taxes	577,466	-	-	-	-	577,466
<b>Restricted:</b>						
Grant purposes	201,376	148,079	-	-	-	349,455
Jail improvement	110,948	-	-	-	-	110,948
Land information	64,361	-	-	-	-	64,361
Donor - restricted	-	361,407	-	-	-	361,407
Revolving loan program	-	-	-	-	1,189,278	1,189,278
Debt service	-	-	15,902	-	-	15,902
Future capital projects – unspent proceeds	-	-	-	2,190,755	-	2,190,755
<b>Assigned:</b>						
General fund assigned	6,901,500	-	-	-	-	6,901,500
Human services fund assigned		739,631	-	-	-	739,631
Reduced by funds not available	-	(11,108)	-	-	-	(11,108)
Capital projects	-	-	-	140,299	-	140,299
<b>Unassigned:</b>	<u>3,893,976</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,893,976</u>
<b>Totals</b>	<u>\$ 12,336,298</u>	<u>\$ 1,249,117</u>	<u>\$ 15,902</u>	<u>\$ 2,331,054</u>	<u>\$ 1,189,278</u>	<u>\$ 17,121,649</u>

# GREEN COUNTY

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2018

---

### NOTE IV – DETAILED NOTES ON ALL FUNDS (cont.)

---

#### I. NET POSITION/FUND BALANCES (cont.)

##### Governmental Activities (cont.)

The general fund and human services special revenue fund assigned fund balances are comprised of the following:

General Fund	
Computer replacement fund	\$ 60,885
IT – HIPAA compliance	5,843
Information Technology	251,115
Human resources	2,476
Section corners	11,341
District attorney	10,000
District attorney – victim witness	14,220
Courthouse renovation	1,476
Veteran’s services	1,000
Library board	746
UW extension – tractor safety	7,600
Pesticide applicator training	6,535
Clean sweep	18,395
Tourism	566
Green County development corporation	33,968
Highway	1,526,577
Sheriff	78,531
Land conservation	39,468
Health - other	255,850
Wheel tax	286,117
Sales tax fund – assigned for 2019 operations	2,805,608
Subsequent year budget	<u>1,483,183</u>
Total	<u>\$ 6,901,500</u>

## GREEN COUNTY

### NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2018

#### **NOTE IV – DETAILED NOTES ON ALL FUNDS (cont.)**

#### **I. NET POSITION/FUND BALANCES (cont.)**

##### **Governmental Activities (cont.)**

Human Services	
Community support program	\$ 36,954
WIMCR	171,022
Comprehensive community service	211,911
Alcohol and other drug abuse	7,100
Alzheimer's workshop	1,378
Information and assistance	128,436
Senior fun fest	2,350
In-Home safety services	61,836
CYF special funding	54,427
Coordinated services team	3,278
Children's Advocacy Center fundraising	25,750
Prevention/wellness	2,318
Enhanced SHC/grocery shopping	32,871
Reduced by funds not available	<u>(11,108)</u>
Total	<u><u>\$ 728,523</u></u>

##### **Business-type Activities**

Net investment in capital assets	
Land	\$ 26,417
Construction in progress	187,205
Other capital assets, net of accumulated depreciation	8,293,638
Less: Related long-term debt and capital leases outstanding	<u>(166,460)</u>
Total Net Investment in Capital Assets	<u><u>\$ 8,340,800</u></u>

#### **J. RESTATEMENT OF NET POSITION**

Net position has been restated as a result of the implementation of GASB Statement No. 75 – *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*, effective January 1, 2018.

	Governmental Activities	Business-type Activities	Highway	Landfill	Pleasant View Nursing Home
Net Position – December 31, 2017 (as reported)	\$ 54,414,556	\$ 9,499,785	\$ 4,901,607	\$ 53,951	\$ 4,544,227
Health Insurance related OPEB liability January 1, 2018	<u>(356,651)</u>	<u>(365,710)</u>	<u>(172,600)</u>	<u>(10,332)</u>	<u>(182,778)</u>
Net Position – January 1, 2018	<u><u>\$ 54,057,905</u></u>	<u><u>\$ 9,134,075</u></u>	<u><u>\$ 4,729,007</u></u>	<u><u>\$ 43,619</u></u>	<u><u>\$ 4,361,449</u></u>

# GREEN COUNTY

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2018

---

### NOTE V – OTHER INFORMATION

---

#### **A. EMPLOYEES' RETIREMENT SYSTEM**

##### **General Information About the Pension Plan**

**Plan description.** The WRS is a cost-sharing multiple-employer defined benefit pension plan. WRS benefits and other plan provisions are established by Chapter 40 of the Wisconsin Statutes. Benefit terms may only be modified by the legislature. The retirement system is administered by the Wisconsin Department of Employee Trust Funds (ETF). The system provides coverage to all eligible State of Wisconsin, local government and other public employees. All employees, initially employed by a participating WRS employer on or after July 1, 2011, and expected to work at least 1,200 hours a year and expected to be employed for at least one year from employee's date of hire are eligible to participate in the WRS.

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

**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.

##### **Summary of Significant Accounting Policies**

**Benefits provided.** Employees who retire at or after age 65 (54 for protective occupation employees, 62 for elected officials and State executive participants, if hired on or before December 31, 2016) are entitled to receive an unreduced retirement benefit. The factors influencing the benefit are: 1) final average earnings, 2) years of creditable service, and 3) a formula factor.

Final average earnings is the average of the participant's three highest years' earnings. Creditable service is the creditable current and prior service expressed in years or decimal equivalents of partial years for which a participant receives earnings and makes contributions as required. The formula factor is a standard percentage based on employment category.

Employees may retire at age 55 (50 for protective occupation employees) and receive reduced benefits. Employees terminating covered employment before becoming eligible for a retirement benefit may withdraw their contributions and forfeit all rights to any subsequent benefits. The WRS also provides death and disability benefits for employees.

# GREEN COUNTY

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2018

### NOTE V – OTHER INFORMATION (cont.)

#### A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

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

Year	Core Fund Adjustment	Variable Fund Adjustment
2008	6.6%	0%
2009	(2.1)	(42)
2010	(1.3)	22
2011	(1.2)	11
2012	(7.0)	(7)
2013	(9.6)	9
2014	4.7	25
2015	2.9	2
2016	0.5	(5)
2017	2.0	4.0

**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 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 \$1,259,974 in contributions from the county.

Contribution rates as of December 31, 2018 are:

Employee Category	Employee	Employer
General (Executives & Elected Officials)	6.8%	6.8%
Protective with Social Security	6.8%	10.6%
Protective without Social Security	6.8%	14.9%

# GREEN COUNTY

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2018

---

### NOTE V – OTHER INFORMATION (cont.)

---

#### A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

#### ***Pension Asset, Pension Expense, Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions***

At December 31, 2018, the county reported an asset of \$3,673,874 for its proportionate share of the net pension asset. The net pension asset was measured as of December 31, 2017, and the total pension asset used to calculate the net pension asset was determined by an actuarial valuation as of December 31, 2016 rolled forward to December 31, 2017. No material changes in assumptions or benefit terms occurred between the actuarial valuation date and the measurement date. The county's proportion of the net pension asset was based on the county's share of contributions to the pension plan relative to the contributions of all participating employers. At December 31, 2018, the county's proportion was 0.12373621%, which was an increase of 0.00017098% from its proportion measured as of December 31, 2017.

For the year ended December 31, 2018, the county recognized pension expense of \$1,686,964.

At December 31, 2018, the county reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 4,667,749	\$ 2,183,418
Changes of actuarial assumptions	725,886	-
Net differences between projected and actual earnings on pension plan investments	-	5,049,399
Changes in proportion and differences between employer contributions and proportionate share of contributions	16,022	19,049
Employer contributions subsequent to the measurement date	<u>1,291,276</u>	<u>-</u>
Totals	<u>\$ 6,700,933</u>	<u>\$ 7,251,866</u>

## GREEN COUNTY

### NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2018

#### NOTE V – OTHER INFORMATION (cont.)

##### A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

\$1,291,276 reported as deferred outflows 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 liability in the year ended December 31, 2018. 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 Ended December 31:	Deferred Outflows of Resources and Deferred Inflows of Resources (Net)
2019	\$ 389,638
2020	(32,994)
2021	(1,254,894)
2022	(952,776)
2023	8,817

**Actuarial assumptions.** The total pension liability in the December 31, 2017 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Valuation Date:	December 31, 2016
Measurement Date of Net Pension Liability	December 31, 2017
Actuarial Cost Method:	Entry Age Normal
Asset Valuation Method:	Fair Value
Long-Term Expected Rate of Return:	7.2%
Discount Rate:	7.2%
Salary Increases:	
Inflation	3.2%
Seniority/Merit	0.2% - 5.6%
Mortality:	Wisconsin 2012 Mortality Table
Post-retirement Adjustments*:	2.1%

\* No post-retirement adjustment is guaranteed. Actual adjustments are based on recognized investment return, actuarial experience and other factors. 2.1% is the assumed annual adjustment based on the investment return assumption and the post-retirement discount rate.

Actuarial assumptions are based upon an experience study conducted in 2015 using experience from 2012 – 2014. The total pension liability for December 31, 2017 is based upon a roll-forward of the liability calculated from the December 31, 2016 actuarial valuation.

## GREEN COUNTY

### NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2018

#### NOTE V – OTHER INFORMATION (cont.)

##### A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

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

Core Fund Asset Class	Current Asset Allocation %	Long-Term Expected Nominal Rate of Return %	Long-Term Expected Real Rate of Return %
Global Equities	50%	8.2%	5.3%
Fixed Income	24.5	4.2	1.4
Inflation Sensitive Assets	15.5	3.8	1.0
Real Estate	8	6.5	3.6
Private Equity/Debt	8	9.4	6.5
Multi-Asset	4	6.5	3.6
Total Core Fund	110	7.3	4.4
Variable Fund Asset Class			
U.S. Equities	70	7.5	4.6
International Equities	30	7.8	4.9
Total Variable Fund	100	7.9	5.0

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

**Single discount rate.** A single discount rate of 7.20% was used to measure the total pension liability. This single discount rate was based on the expected rate of return on pension plan investments of 7.20% and a long-term bond rate of 3.31%. Because of the unique structure of WRS, the 7.20% expected rate of return implies that a dividend of approximately 2.1% 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 long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

# GREEN COUNTY

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2018

### NOTE V – OTHER INFORMATION (cont.)

#### A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

**Sensitivity of the county's proportionate share of the net pension liability (asset) to changes in the discount rate.** The following presents the county's proportionate share of the net pension liability (asset) calculated using the discount rate of 7.20 percent, as well as what the county's proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (6.20 percent) or 1-percentage-point higher (8.20 percent) than the current rate:

	1% Decrease to Discount Rate (6.20%)	Current Discount Rate (7.20%)	1% Increase to Discount Rate (8.20%)
County's proportionate share of the net pension (asset)/liability	\$9,505,568	\$(3,673,874)	\$(13,690,659)

**Pension plan fiduciary net position.** Detailed information about the pension plan's fiduciary net position is available in separately issued financial statements available at <http://legis.wisconsin.gov/lab/> and reference report number 15-11.

At December 31, 2018, the county reported a payable to the pension plan, which represents contractually required contributions outstanding as of the end of the year.

#### B. RISK MANAGEMENT

The county is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets; errors and omissions; workers' compensation; and health care of its employees. The county participates in a public entity risk pool called Wisconsin County Mutual Insurance Corporation to provide coverage for losses from torts; theft of, damage to, or destruction of assets; errors and omission; and workers' compensation. However, other risks, such as health care of its employees, are covered through the purchase of commercial insurance, with minimal deductibles. Settled claims have not exceeded available coverage in any of the three prior years. There were no significant reductions in coverage compared to the prior year.

#### **Public Entity Risk Pool**

##### *Wisconsin County Mutual Insurance Corporation*

Fifty-five Wisconsin counties jointly participate in the Wisconsin County Mutual Insurance Corporation (WCMIC) for general and automobile liability insurance. The creation of the County Mutual requires the establishment of capital reserves with each of the participating counties depositing amounts as specified in projected rates. This company began operation on January 1, 1988.

The governing body is made up of eighteen directors elected by the participating counties. The governing body has authority to adopt its own budget and control the financial affairs of the corporation.

Summary financial information of WCMIC as of December 31, 2018 can be obtained directly from WCMIC's offices.

# GREEN COUNTY

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2018

---

### NOTE V – OTHER INFORMATION (cont.)

---

#### **C. COMMITMENTS AND CONTINGENCIES**

Claims and judgments are recorded as liabilities if all the conditions of Governmental Accounting Standards Board pronouncements are met. The liability and expenditure for claims and judgments is only reported in governmental fund types if it has matured. Claims and judgments are recorded in the government-wide statements and proprietary funds as expenses when the related liabilities are incurred.

From time to time, the county is party to various pending claims and legal proceedings. Although the outcome of such matters cannot be forecasted with certainty, it is the opinion of management and the county attorney that the likelihood is remote that any such claims or proceedings will have a material adverse effect on the county's financial position or results of operations.

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.

Pleasant View Nursing Home recorded revenues of \$1,647,278 in 2018 through the Supplemental Payment Program to help offset the use of local dollars to subsidize government-operated nursing homes. Pleasant View Nursing Home may have to repay a portion of these funds at a later date pending the outcome of a federal audit of the state's Medicaid Program.

#### **D. OTHER POSTEMPLOYMENT BENEFITS (OPEB)**

**Plan description.** The Green County administers a multi-employer, defined benefit healthcare plan. Continuous health insurance coverage is provided at the blended employee rate to all eligible retirees, which creates an implicit subsidy of retiree health insurance. To be eligible for benefits, an employee must qualify for retirement under Green County's retirement plan (see Note V.A). Upon a retiree reaching age 65 years of age, Medicare becomes the primary insurer and the retiree is no longer eligible to participate in the plan, but can purchase a Medicare supplement plan from Green County's insurance provider. There are no assets accumulated in a GASB compliant trust. A separate report is not issued.

**Benefits provided.** Retirees who have at least five years of continuous full-time service and have reached retirement age may participate in Green County health and dental insurance plan. The cost to the retiree for this coverage shall be 100% of Green County's cost. The cost to retirees who are eligible for Medicare shall be at a rate as determined by Green County for Medicare eligible recipients.

**Employees covered by benefit terms.** At December 30, 2018, the following employees were covered by the benefit terms:

Inactive plan members or beneficiaries currently receiving benefits	9
Inactive plan members entitled to but not yet receiving benefits	-
Active plan members	<u>337</u>
	<u><u>346</u></u>

## GREEN COUNTY

### NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2018

#### NOTE V – OTHER INFORMATION (cont.)

#### *D. OTHER POSTEMPLOYMENT BENEFITS (OPEB)* (cont.)

##### *TOTAL OPEB LIABILITY*

Green County's total OPEB liability of \$823,635 was measured as of December 31, 2017, and was determined by an actuarial valuation as of December 31, 2017.

**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	2.50%
Salary increases:	
Inflation	3.00%
Merit	0.4 – 4.8%
Healthcare cost trend rates	7.50% decreasing by 0.50% per year to 6.5%, then by 0.1% per year down to 5.0%, and level thereafter
Retirees' share of benefit-related costs	100%
Discount rate	3.50%

The discount rate was based on Bond Buyer 20-Bond GO Index.

Mortality rates were based on the December 31, 2012 Wisconsin 2012 Mortality Table.

Other assumptions are based on an experience study conducted in 2015 using Wisconsin Retirement System (WRS) experience from 2012-2014.

##### *CHANGES IN THE TOTAL OPEB LIABILITY*

	<u>Total OPEB Liability</u>
Balances at December 31, 2017	\$ 771,388
Changes for the year:	
Service cost	73,842
Interest	27,433
Benefit payments	<u>(49,028)</u>
Net changes	<u>52,247</u>
Balances at December 31, 2018	<u>\$ 823,635</u>

**GREEN COUNTY**

NOTES TO FINANCIAL STATEMENTS  
As of and for the Year Ended December 31, 2018

**NOTE V – OTHER INFORMATION (cont.)**

**D. OTHER POSTEMPLOYMENT BENEFITS (OPEB) (cont.)**

**CHANGES IN THE TOTAL OPEB LIABILITY (cont.)**

**Sensitivity of the total OPEB liability to changes in the discount rate.** The following presents the total OPEB liability Green County, as well as what the Green County’s total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.50%) or 1-percentage-point higher (4.50%) than the current discount rate:

	1% Decrease (2.50%)	Discount Rate (3.50%)	1% Increase (4.50%)
Net OPEB liability	\$ 877,366	\$ 823,635	\$ 772,855

**Sensitivity of the net OPEB liability to changes in the healthcare cost trend rates.** The following presents the net OPEB liability of Green County, as well as what Green County’s net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (6.5% decreasing to 4.0%) or 1-percentage-point higher (8.5% decreasing to 6.0%) than the current healthcare cost trend rates (7.5% decreasing to 5.0%):

	1% Decrease	Healthcare Cost Trend Rates	1% Increase
Net OPEB liability	\$ 749,812	\$ 823,635	\$ 909,363

**OPEB EXPENSE AND DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES RELATED TO OPEB**

For the year ended December 31, 2018, Green County recognized OPEB expense of \$101,275. At December 31, 2018, Green County reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

Employer contributions – subsequent to the measurement date	<table style="margin-left: auto; margin-right: auto; border-collapse: collapse;"> <tr> <td style="text-align: center; border-bottom: 1px solid black;">Deferred Outflows of Resources</td> </tr> <tr> <td style="text-align: center;">\$ 39,749</td> </tr> </table>	Deferred Outflows of Resources	\$ 39,749
Deferred Outflows of Resources			
\$ 39,749			

Deferred outflows of resources related to OPEB resulting from contributions subsequent to the measurement date of \$39,749, will be recognized as a reduction of the total OPEB liability in the year ended December 31, 2019.

**E. JOINT VENTURE**

Green County, Lafayette County, and Iowa County jointly operate the Tri-County Trails Commission (the “commission”) which maintains and manages the Monroe to Mineral Point railroad right-of-way for use as an all year, all purpose public recreational corridor.

# GREEN COUNTY

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2018

---

### NOTE V – OTHER INFORMATION (cont.)

---

#### ***E. JOINT VENTURE*** (cont.)

The governing body is made up of commissioners from each county. Local representatives are appointed by the chair of their respective county boards. The governing body has authority to adopt its own budget and control the financial affairs of the commission.

Financial information of the commission as of December 31, 2018 is available directly from the commission's office.

The county does not have an equity interest in the commission.

#### ***F. EFFECT OF NEW ACCOUNTING STANDARDS ON CURRENT-PERIOD FINANCIAL STATEMENTS***

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

- > Statement No. 82, *Pensions Issues – an Amendment of GASB Statements No. 67, No. 68, and No. 73*
- > Statement No. 83, *Certain Asset Retirement Obligations*
- > Statement No. 84, *Fiduciary Activities*
- > Statement No. 86, *Certain Debt Extinguishment Issues*
- > Statement No. 87, *Leases*
- > Statement No. 88, *Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements*
- > Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*
- > Statement No. 90, *Majority Equity Interests – an amendment of GASB Statements No. 14 and No. 61*

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

#### ***G. ECONOMIC DEPENDENCY***

In 2018, approximately 58% of Nursing Home resident days, respectively, were the responsibility of the Title XVIII (Medicare) or Title XIX (Medical Assistance) programs that are funded by the United States government and the State of Wisconsin.

The nursing home has determined that the equipment and mechanical needs anticipated for the years 2015-2019 will be approximately \$790,000 per year. A county referendum was passed in August 2014 to approve additional funding from the county in these years. Another county referendum was passed in November 2018 to approve additional county levy funding up to an additional \$790,000 for each of the years 2019 through 2024.

**REQUIRED SUPPLEMENTARY INFORMATION**

## GREEN COUNTY

### SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL - GENERAL FUND For the Year Ended December 31, 2018

	Budgeted Amounts		Actual	Variance with Final Budget -
	Original	Final		
<b>REVENUES</b>				
<b>TAXES</b>				
General property taxes	\$ 10,361,872	\$ 10,376,411	\$ 10,376,411	\$ -
Forest crop tax	1,434	4,851	4,851	-
Register of deeds - real estate transfer tax	81,600	104,336	104,336	-
Wheel tax	-	286,117	286,117	-
Treasurer - sales tax	8,038	90,700	90,700	-
County sales tax	<u>2,722,255</u>	<u>2,870,310</u>	<u>2,870,310</u>	-
Total Taxes	<u>13,175,199</u>	<u>13,732,725</u>	<u>13,732,725</u>	-
<b>INTERGOVERNMENTAL</b>				
Shared taxes from state	348,462	349,176	349,176	-
Highway aids	936,741	1,090,491	1,090,491	-
Other local grants	-	114,928	114,928	-
Clerk of court	63,362	63,206	63,206	-
Zoning	20,000	9,998	9,998	-
Circuit court	63,363	63,206	63,206	-
Juries	13,100	13,100	13,100	-
Indigent counsel	31,936	46,296	46,296	-
District attorney	30,491	44,278	44,278	-
Land records - WLIP	102,040	96,032	96,032	-
Sheriff	14,000	26,081	26,081	-
Emergency management	65,788	71,612	71,612	-
Jail	750	-	-	-
Public health	249,841	249,426	249,426	-
Child support	378,569	388,529	388,529	-
Veterans service	10,000	10,000	10,000	-
Parks	26,063	20,691	20,691	-
University extension	10,560	13,665	13,665	-
Land conservation	<u>250,400</u>	<u>254,365</u>	<u>254,365</u>	-
Total Intergovernmental	<u>2,615,466</u>	<u>2,925,080</u>	<u>2,925,080</u>	-

See independent auditors' report and accompanying notes to required supplementary information.

## GREEN COUNTY

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE (cont.)  
 BUDGET AND ACTUAL - GENERAL FUND  
 For the Year Ended December 31, 2018

	Budgeted Amounts		Actual	Variance with Final Budget -
	Original	Final		
<b>LICENSES AND PERMITS</b>				
Clerk of courts	\$ 20	\$ 40	\$ 40	\$ -
Humane society	9,000	9,000	9,000	-
Family counseling	3,600	3,360	3,360	-
County clerk	15,310	16,581	16,581	-
Zoning	228,249	238,180	238,180	-
Parks	500	379	379	-
Total Licenses and Permits	256,679	267,540	267,540	-
<b>FINES, FORFEITURES AND PENALTIES</b>				
Clerk of courts	125,000	137,573	137,573	-
Corporation counsel	1,000	1,352	1,352	-
Family counseling	3,600	3,675	3,675	-
Treasurer	3,000	20,093	20,093	-
Sheriff	30,000	41,260	41,260	-
Jail	30,000	31,767	31,767	-
Zoning	16,950	14,360	14,360	-
Total Fines, Forfeitures and Penalties	209,550	250,080	250,080	-
<b>PUBLIC CHARGES FOR SERVICES</b>				
Clerk of courts	2,500	8,800	8,800	-
Circuit court	24,000	20,897	20,897	-
Expert witness	2,000	400	400	-
Family counseling	1,000	190	190	-
Parental education	-	825	825	-
Indigent counseling	70,000	85,394	85,394	-
Coroner	24,000	34,610	34,610	-
County clerk	6,850	3,343	3,343	-
Treasurer	1,962	2,169	2,169	-
Accounting	67	75	75	-
District attorney	4,000	3,233	3,233	-
Corporation counsel	200	471	471	-
Register of deeds	158,100	172,611	172,611	-
Land records	53,318	58,639	58,639	-
Courthouse	1,300	1,311	1,311	-
Sheriff	101,226	62,443	62,443	-
Emergency management	300	318	318	-

See independent auditors' report and accompanying notes to required supplementary information.

## GREEN COUNTY

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE (cont.)  
 BUDGET AND ACTUAL - GENERAL FUND  
 For the Year Ended December 31, 2018

	Budgeted Amounts		Actual	Variance with Final Budget -
	Original	Final		
<b>PUBLIC CHARGES FOR SERVICES (cont.)</b>				
Jail	\$ 92,000	\$ 122,195	\$ 122,195	\$ -
Public health	297,618	165,541	165,541	-
Child support	5,225	4,660	4,660	-
Zoning	21,763	28,842	28,842	-
University extension	1,300	1,454	1,454	-
Pesticide applicator training	1,800	780	780	-
Tree planter	15,000	15,938	15,938	-
Land conservation	4,950	7,739	7,739	-
Community development block grant	122,228	193,662	193,662	-
Data processing	288	-	-	-
Home grant	-	7,844	7,844	-
Tourism	<u>32,852</u>	<u>67,787</u>	<u>67,787</u>	<u>-</u>
Total Public Charges for Services	<u>1,045,847</u>	<u>1,072,171</u>	<u>1,072,171</u>	<u>-</u>
<b>INTERGOVERNMENTAL CHARGES FOR SERVICES</b>				
Clerk of courts	6,800	5,245	5,245	-
County Clerk	44,000	44,000	44,000	-
Treasurer	11,764	11,471	11,471	-
Data processing	23,832	22,680	22,680	-
Jail	15,000	14,840	14,840	-
Public health	<u>7,800</u>	<u>7,909</u>	<u>7,909</u>	<u>-</u>
Total Intergovernmental Charges for Services	<u>109,196</u>	<u>106,145</u>	<u>106,145</u>	<u>-</u>
<b>INVESTMENT INCOME</b>				
Investment income	114,288	276,237	276,237	-
Interest and penalties on taxes	<u>235,977</u>	<u>248,245</u>	<u>248,245</u>	<u>-</u>
Total Investment Income	<u>350,265</u>	<u>524,482</u>	<u>524,482</u>	<u>-</u>
<b>MISCELLANEOUS</b>				
Rent	102,763	105,983	105,983	-
Insurance recoveries	2,500	11,770	11,770	-
Donations	2,200	25,680	25,680	-
Miscellaneous	<u>109,416</u>	<u>118,992</u>	<u>118,992</u>	<u>-</u>
Total Miscellaneous	<u>216,879</u>	<u>262,425</u>	<u>262,425</u>	<u>-</u>
<b>TOTAL REVENUES</b>	<u>\$ 17,979,081</u>	<u>\$ 19,140,648</u>	<u>\$ 19,140,648</u>	<u>\$ -</u>

See independent auditors' report and accompanying notes to required supplementary information.

## GREEN COUNTY

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE (cont.)  
 BUDGET AND ACTUAL - GENERAL FUND  
 For the Year Ended December 31, 2018

EXPENDITURES	Budgeted Amounts		Actual	Variance with Final Budget -
	Original	Final		
<b>GENERAL GOVERNMENT</b>				
Section corners	\$ 4,000	\$ (2,121)	\$ (2,121)	\$ -
County board	43,400	47,111	47,111	-
Clerk of courts	449,204	449,247	449,247	-
Human resources	154,562	216,056	216,056	-
Circuit court	198,143	181,886	181,886	-
Expert witness	12,000	2,050	2,050	-
Family court commissioner	92,414	92,358	92,358	-
Family counseling	12,000	6,597	6,597	-
Law library	3,000	2,565	2,565	-
Juries	13,100	6,833	6,833	-
Indigent counseling fees	125,000	137,080	137,080	-
Coroner	154,342	160,745	160,745	-
Administrative coordinator	16,210	16,231	16,231	-
County clerk	368,756	358,984	358,984	-
Treasurer	284,067	298,344	298,344	-
Accounting	247,797	244,287	244,287	-
Indirect cost allocation	6,510	6,510	6,510	-
Data processing	839,155	611,720	611,720	-
Independent auditing	35,000	32,825	32,825	-
District attorney - prosecution	163,702	160,773	160,773	-
District attorney - victim witness	60,982	61,494	61,494	-
Corporation counsel	278,721	274,049	274,049	-
Register of deeds	236,874	225,740	225,740	-
Land records - WLIP	150,817	142,257	142,257	-
Property	572,957	477,787	477,787	-
Pleasant view complex	183,976	216,844	216,844	-
Tax deed expenditure	650	-	-	-
Uncollected personal property	95	701	701	-
Labor negotiations	(45,000)	17,779	17,779	-
Total General Government	4,662,434	4,446,732	4,446,732	-
<b>PUBLIC SAFETY</b>				
Sheriff	4,603,997	4,683,114	4,683,114	-
Radio system	20,000	21,874	21,874	-
Emergency management	123,475	126,707	126,707	-
Jail	1,609,081	1,630,467	1,630,467	-
Homeland security	6,000	3,840	3,840	-
Total Public Safety	6,362,553	6,466,002	6,466,002	-

See independent auditors' report and accompanying notes to required supplementary information.

**GREEN COUNTY**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE (cont.)  
 BUDGET AND ACTUAL - GENERAL FUND  
 For the Year Ended December 31, 2018

	Budgeted Amounts		Actual	Variance with Final Budget -
	Original	Final		
<b>PUBLIC WORKS</b>				
Highway charges	\$ 5,301,998	\$ 4,913,471	\$ 4,913,471	\$ -
Rail commission	27,575	3,560	3,560	-
County waste	<u>2,200</u>	<u>312</u>	<u>312</u>	-
Total Public Works	<u>5,331,773</u>	<u>4,917,343</u>	<u>4,917,343</u>	-
<b>HEALTH AND HUMAN SERVICES</b>				
Public health	905,994	831,389	831,389	-
Child support	398,794	382,102	382,102	-
Veterans service	175,176	166,850	166,850	-
Humane society	<u>47,960</u>	<u>47,960</u>	<u>47,960</u>	-
Total Health and Human Services	<u>1,527,924</u>	<u>1,428,301</u>	<u>1,428,301</u>	-
<b>CULTURE, RECREATION AND EDUCATION</b>				
Library board	453,482	453,539	453,539	-
4-H Fair	10,000	10,000	10,000	-
Parks	13,105	8,864	8,864	-
Parks - snowmobile	24,500	19,128	19,128	-
Tri-county trail commission	1,500	1,299	1,299	-
University extension	<u>297,867</u>	<u>249,455</u>	<u>249,455</u>	-
Total Culture, Recreation and Education	<u>800,454</u>	<u>742,285</u>	<u>742,285</u>	-
<b>CONSERVATION AND ECONOMIC DEVELOPMENT</b>				
Wildlife damage program	1,700	2,391	2,391	-
Resource conservation	12,000	7,511	7,511	-
Land conservation	302,368	354,536	354,536	-
Pesticide application	1,100	565	565	-
Land conservation - special projects	102,400	127,409	127,409	-
Tree planter	13,000	13,346	13,346	-
Regional planning commission	40,984	41,105	41,105	-
Economic development	197,614	185,532	185,532	-
Tourism	190,392	230,547	230,547	-
Zoning	<u>294,240</u>	<u>302,681</u>	<u>302,681</u>	-
Total Conservation and Economic Development	<u>1,155,798</u>	<u>1,265,623</u>	<u>1,265,623</u>	-
Total Expenditures	<u>19,840,936</u>	<u>19,266,286</u>	<u>19,266,286</u>	-
Deficiency of revenues under expenditures	<u>(1,861,855)</u>	<u>(125,638)</u>	<u>(125,638)</u>	-

See independent auditors' report and accompanying notes to required supplementary information.

**GREEN COUNTY**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE (cont.)  
 BUDGET AND ACTUAL - GENERAL FUND  
 For the Year Ended December 31, 2018

	Budgeted Amounts		Actual	Variance with Final Budget -
	Original	Final		
<b>OTHER FINANCING SOURCES</b>				
Transfers in	\$ -	\$ 1,063,666	\$ 1,063,666	\$ -
Sale of property	30,000	27,577	27,577	-
Total Other Financing Sources	<u>30,000</u>	<u>1,091,243</u>	<u>1,091,243</u>	-
Net change in fund balance	(1,831,855)	965,605	965,605	-
FUND BALANCE - Beginning of Year	<u>11,370,693</u>	<u>11,370,693</u>	<u>11,370,693</u>	-
FUND BALANCE - END OF YEAR	<u>\$ 9,538,838</u>	<u>\$ 12,336,298</u>	<u>\$ 12,336,298</u>	<u>\$ -</u>

See independent auditors' report and accompanying notes to required supplementary information.

**GREEN COUNTY**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
 BUDGET AND ACTUAL - HUMAN SERVICES SPECIAL REVENUE FUND  
 For the Year Ended December 31, 2018

	Budgeted Amounts		Actual	Variance with Final Budget -
	Original	Final		
<b>REVENUES</b>				
Taxes	\$ 3,193,491	\$ 3,193,491	\$ 3,193,491	\$ -
Intergovernmental	5,282,840	5,218,164	5,218,164	-
Fines, forfeitures and penalties	28,000	19,767	19,767	-
Public charges for services	2,130,488	2,275,690	2,275,690	-
Intergovernmental charges for services	453,463	619,685	619,685	-
Investment income	1,836	5,033	5,033	-
Miscellaneous	88,454	118,089	118,089	-
Total Revenues	<u>11,178,572</u>	<u>11,449,919</u>	<u>11,449,919</u>	<u>-</u>
<b>EXPENDITURES</b>				
Health and human services	<u>11,488,054</u>	<u>11,026,446</u>	<u>11,026,446</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(309,482)</u>	<u>423,473</u>	<u>423,473</u>	<u>-</u>
<b>OTHER FINANCING USES</b>				
Transfers out	<u>-</u>	<u>(513,666)</u>	<u>(513,666)</u>	<u>-</u>
Total Other Financing Uses	<u>-</u>	<u>(513,666)</u>	<u>(513,666)</u>	<u>-</u>
Net change in fund balance	(309,482)	(90,193)	(90,193)	-
FUND BALANCE - Beginning of Year	<u>1,339,310</u>	<u>1,339,310</u>	<u>1,339,310</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u>\$ 1,029,828</u>	<u>\$ 1,249,117</u>	<u>\$ 1,249,117</u>	<u>\$ -</u>

See independent auditors' report and accompanying notes to required supplementary information.

## GREEN COUNTY

### SCHEDULE OF CHANGES IN EMPLOYER'S TOTAL OPEB LIABILITY AND RELATED RATIOS HEALTH INSURANCE December 31, 2018

	2018
<b>Total OPEB Liability</b>	
Service cost	\$ 73,842
Interest	27,433
Changes of benefit terms	-
Differences between expected and actual experience	-
Changes of assumptions	-
Benefit payments	(49,028)
<b>Net Change in Total OPEB Liability</b>	52,247
Total OPEB Liability - Beginning	771,388
 <b>Total OPEB Liability - Ending</b>	 <b>\$ 823,635</b>
 <b>Covered-employee payroll</b>	 <b>\$ 17,168,647</b>
 <b>Total OPEB Liability as a Percentage of Covered- Employee Payroll</b>	 <b>4.80%</b>

**Notes to Schedule:**

*Benefit changes.* There were no changes to the benefits.

*Changes in assumptions.* There were no changes of assumptions.

**Valuation date:**

Actuarially determined contribution rates are calculated as of December 31, 2017, one year prior to the end of the fiscal year in which contributions are reported.

Methods and assumptions used to determine the total OPEB liability:

Actuarial cost method	Entry age normal (level percent of salary)
Amortization method	Average remaining member service life
Amortization period	9 years
Asset valuation method	Market Value
Inflation	2.5 percent
Healthcare cost trend rates	7.5 percent initial, decreasing by 0.5% per year to 6.5% then decreasing by 0.1% per year to 5.0% and level thereafter
Salary increases	3.0% per year inflationary, plus 0.4% to 4.8% merit increases
Investment rate of return	N/A
Retirement age	Based on an experience study conducted in 2015 using Wisconsin Retirement System (WRS) experience from 2012-2014.
Mortality	Assumed life expectancies were based on the Wisconsin 2012 Mortality Table

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

**Other Information:**

The county implemented GASB Statement No. 75 in 2018. Information prior to 2018 is not available.

Note: This schedule is to show information for 10 years. However, until a full 10-year trend is compiled, governments should present information for those years for which information is available.

See independent auditors' report and accompanying notes to required supplementary information.

**GREEN COUNTY**

SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION (ASSET) LIABILITY  
WISCONSIN RETIREMENT SYSTEM  
For the Year Ended December 31, 2018

Fiscal Year Ending	Proportion of the Net Pension (Asset) Liability	Proportionate Share of the Net Pension (Asset) Liability	Covered Payroll	Proportionate Share of the Net Pension (Asset) Liability as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
12/31/15	0.12454960%	\$ (3,059,656)	\$ 16,321,637	18.75%	102.74%
12/31/16	0.12421013%	2,018,391	16,376,224	12.33%	98.20%
12/31/17	0.12356523%	1,018,473	16,889,139	6.03%	99.12%
12/31/18	0.12373621%	(3,673,874)	17,168,647	21.40%	102.93%

SCHEDULE OF EMPLOYER CONTRIBUTIONS - WISCONSIN RETIREMENT SYSTEM  
For the Year Ended December 31, 2018

Fiscal Year Ending	Contractually Required Contributions	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
12/31/15	\$ 1,179,069	\$ 1,179,069	\$ -	\$ 15,935,637	7.40%
12/31/16	1,187,327	1,187,327	-	16,313,656	7.28%
12/31/17	1,260,208	1,260,208	-	17,168,647	7.34%
12/31/18	1,291,276	(1,291,276)	-	17,773,734	7.27%

See independent auditors' report and accompanying notes to required supplementary information.

# GREEN COUNTY

## NOTES TO REQUIRED SUPPLEMENTARY INFORMATION For the Year Ended December 31, 2018

---

### ***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 I.C.

The budgeted amounts presented include any amendments made. The county 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.

Appropriations lapse at year end unless specifically carried over. Carryovers to the following year were \$5,795,002 and \$1,249,118 in the general fund and human services fund, respectively. Budgets are adopted at the detail level of expenditures.

### ***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.* There were no changes in assumptions.

**SUPPLEMENTARY INFORMATION**

## GREEN COUNTY

### COMBINING STATEMENT OF ASSETS AND LIABILITIES ALL AGENCY FUNDS As of December 31, 2018

	Sheriff's Trust Account	Huber Law	Clerk of Courts	Drainage Districts	Tax Collection	Municipal Tax Collection	Totals
<b>ASSETS</b>							
Cash and investments	\$ 1	\$ 230,171	\$ 317,057	\$ 68,319	\$ 5,718,607	\$ -	\$6,334,155
Taxes receivable	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>130</u>	<u>130</u>
<b>TOTAL ASSETS</b>	<u>\$ 1</u>	<u>\$ 230,171</u>	<u>\$ 317,057</u>	<u>\$ 68,319</u>	<u>\$ 5,718,607</u>	<u>\$ 130</u>	<u>\$6,334,285</u>
<b>LIABILITIES</b>							
Accounts payable	\$ -	\$ -	82,643	\$ -	\$ -	\$ 130	\$ 82,773
Funds held for others	<u>1</u>	<u>230,171</u>	<u>234,414</u>	<u>68,319</u>	<u>5,718,607</u>	<u>-</u>	<u>6,251,512</u>
<b>TOTAL LIABILITIES</b>	<u>\$ 1</u>	<u>\$ 230,171</u>	<u>\$ 317,057</u>	<u>\$ 68,319</u>	<u>\$ 5,718,607</u>	<u>\$ 130</u>	<u>\$6,334,285</u>

See accompanying notes to financial statements.