MANITOWOC COUNTY, WISCONSIN

FINANCIAL STATEMENTS AND SUPPLEMENTARY INFORMATION

YEAR ENDED DECEMBER 31, 2025

MANITOWOC COUNTY, WISCONSIN
TABLE OF CONTENTS
YEAR ENDED DECEMBER 31, 2025

MANITOWOC COUNTY, WISCONSIN
TABLE OF CONTENTS
YEAR ENDED DECEMBER 31, 2025

INDEPENDENT AUDITORS' REPORT

County Board
Manitowoc County, Wisconsin

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Manitowoc County, Wisconsin (the County), as of and for the year ended December 31, 2025, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the County as of December 31, 2025, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the General Fund, the Human Services Fund, and the County Roads and Bridges Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Emphasis of Matters

As described in Note 4.E., the County recorded a prior period adjustment to increase accrued liabilities and decrease fund balance by a total of $710,370 in the Governmental Funds and Governmental Activities. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the County's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

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

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the financial statements. Such missing information, although not a part of the financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of the financial reporting for placing the financial statements in an appropriate operational, economic, or historical context. Our opinion on the financial statements is not affected by this missing information.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The combining nonmajor fund financial statements, budget to actual schedules, and combining statements for the internal service and custodial funds are presented for purposes of additional analysis and are 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 GAAS. In our opinion, the combining nonmajor fund financial statements, budget to actual schedules, and combining statements for the internal service and custodial funds are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

County Board
Manitowoc County, Wisconsin

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated July 23, 2026, on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Sheboygan, Wisconsin
July 23, 2026

BASIC FINANCIAL STATEMENTS

MANITOWOC COUNTY, WISCONSIN
STATEMENT OF NET POSITION
DECEMBER 31, 2025

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and Investments	$ 16,425,024	$ 488,347	$ 16,913,371
Receivables:			
Taxes and Special Charges	34,150,737	-	34,150,737
Delinquent Taxes	1,612,314	-	1,612,314
Accounts, Net	5,679,918	53,583	5,733,501
Special Assessments	163,088	-	163,088
Leases	313,111	25,961	339,072
Other	283,164	-	283,164
Internal Balances	(227,376)	227,376	-
Due from Other Governments	1,375,880	980,888	2,356,768
Supplies and Prepaid Items	167,091	648,855	815,946
Deposit in WMMIC	1,822,896	-	1,822,896
Capital Assets, Nondepreciable/Nonamortizable	6,196,506	1,668,451	7,864,957
Capital Assets, Depreciable/Amortizable, Net	105,264,755	5,575,986	110,840,741
Total Assets	173,227,108	9,669,447	182,896,555
DEFERRED OUTFLOWS OF RESOURCES			
Pension Related Amounts	16,846,630	1,327,652	18,174,282
Other Postemployment Related Amounts	1,072,953	82,342	1,155,295
Total Deferred Outflows of Resources	17,919,583	1,409,994	19,329,577
LIABILITIES			
Accounts Payable	4,660,669	196,198	4,856,867
Accrued and Other Current Liabilities	2,489,268	130,337	2,619,605
Due to Other Governments	93,853	-	93,853
Accrued Interest Payable	268,933	-	268,933
Special Deposits	579,212	-	579,212
Unearned Revenues	328,050	-	328,050
Long-Term Obligations:			
Due Within One Year	3,747,224	23,900	3,771,124
Due in More than One Year	32,342,253	215,220	32,557,473
Net Pension Liability	2,852,286	225,509	3,077,795
Total Other Postemployment Benefits:			
Due Within One Year	50,000	-	50,000
Due in More than One Year	3,010,137	273,639	3,283,776
Total Liabilities	50,421,885	1,064,803	51,486,688
DEFERRED INFLOWS OF RESOURCES			
Property Taxes Levied for Subsequent Year	34,139,353	-	34,139,353
Lease Related	313,111	25,961	339,072
Pension Related Amounts	8,378,814	662,450	9,041,264
Other Postemployment Related Amounts	1,506,593	121,595	1,628,188
Total Deferred Inflows of Resources	44,337,871	810,006	45,147,877
NET POSITION			
Net Investment in Capital Assets	78,910,666	7,175,719	86,086,385
Restricted:			
Conservation	354,005	-	354,005
Land Record Modernization	303,659	-	303,659
Opioid Settlement	1,316,823	-	1,316,823
Jail Assessment Project	101,124	-	101,124
Register of Deeds Redaction	85,812	-	85,812
Other	52,188	-	52,188
Unrestricted	15,262,658	2,028,913	17,291,571
Total Net Position	$ 96,386,935	$ 9,204,632	$ 105,591,567

See accompanying Notes to Basic Financial Statements.

MANITOWOC COUNTY, WISCONSIN
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2025

		Program Revenues	
Functions/Programs	Expenses	Charges for Services	Operating Grants and Contributions
GOVERNMENTAL ACTIVITIES			
General Government	$ 13,174,686	$ 2,266,398	$ 590,136
Public Safety	22,099,163	1,173,561	217,761
Public Works	11,809,246	2,187,493	2,072,923
Health and Human Services	37,542,462	6,906,176	17,490,281
Culture and Recreation	3,215,612	1,057,365	135,454
Conservation and Development	2,473,612	541,512	836,940
Interest and Fiscal Charges	1,279,077	-	-
Total Governmental Activities	91,593,858	14,132,505	21,343,495
BUSINESS-TYPE ACTIVITIES			
Highway	13,549,500	12,547,352	-
Total	$ 105,143,358	$ 26,679,857	$ 21,343,495

See accompanying Notes to Basic Financial Statements.

MANITOWOC COUNTY, WISCONSIN
STATEMENT OF ACTIVITIES (CONTINUED)
YEAR ENDED DECEMBER 31, 2025

Functions/Programs	Net (Expense) Revenue and Changes in Net Position		
	Governmental Activities	Business-Type Activities	Total
GOVERNMENTAL ACTIVITIES			
General Government	$ (10,318,152)	$ -	$ (10,318,152)
Public Safety	(20,707,841)	-	(20,707,841)
Public Works	(7,548,830)	-	(7,548,830)
Health and Human Services	(13,146,005)	-	(13,146,005)
Culture and Recreation	(2,022,793)	-	(2,022,793)
Conservation and Development	(1,095,160)	-	(1,095,160)
Interest and Fiscal Charges	(1,279,077)	-	(1,279,077)
Total Governmental Activities	(56,117,858)	-	(56,117,858)
BUSINESS-TYPE ACTIVITIES			
Highway	-	(1,002,148)	(1,002,148)
Total	(56,117,858)	(1,002,148)	(57,120,006)
GENERAL REVENUES			
Taxes:			
Property Taxes	33,021,668	-	33,021,668
Sales Tax	8,143,240	-	8,143,240
Other Taxes	329,183	-	329,183
Federal and State Grants and Other Contributions Not Restricted to Specific Functions	9,791,750	-	9,791,750
Interest and Investment Earnings	1,325,763	-	1,325,763
Miscellaneous	2,138,205	139,289	2,277,494
Gain on Sale of Assets	114,064	2,088	116,152
Transfers	(749,189)	749,189	-
Total General Revenues	54,114,684	890,566	55,005,250
CHANGE IN NET POSITION	(2,003,174)	(111,582)	(2,114,756)
Net Position - Beginning of Year, as Originally Reported	99,100,479	9,316,214	108,416,693
Prior Period Adjustment	(710,370)	-	(710,370)
Net Position - Beginning of Year, as Restated	98,390,109	9,316,214	107,706,323
NET POSITION - END OF YEAR	$ 96,386,935	$ 9,204,632	$ 105,591,567

See accompanying Notes to Basic Financial Statements.

MANITOWOC COUNTY, WISCONSIN
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2025

	General	Human Services	County Roads and Bridges	ARPA
ASSETS				
Cash and Investments	$ 3,248,783	$ -	$ -	$ 1,056,748
Receivables:				
Taxes and Special Charges	14,100,542	11,091,769	4,146,570	-
Delinquent Taxes	1,612,314	-	-	-
Accounts, Net	1,773,047	2,416,951	-	14,093
Special Assessments	163,088	-	-	-
Leases	313,111	-	-	-
Other	283,164	-	-	-
Due from Other Funds	3,505,189	-	-	278,108
Due from Other Governments	1,372,051	-	-	-
Prepaid Items	132,355	11,751	-	15,507
Total Assets	$ 26,503,644	$ 13,520,471	$ 4,146,570	$ 1,364,456
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
LIABILITIES				
Accounts Payable	$ 545,795	$ 1,778,626	$ -	$ 997,869
Accrued and Other Current Liabilities	1,607,568	414,245	-	-
Due to Other Funds	-	3,505,189	5,575	-
Due to Other Governments	89,273	-	-	-
Special Deposits	552,896	26,316	-	-
Unearned Revenues	167,648	-	-	138,318
Total Liabilities	2,963,180	5,724,376	5,575	1,136,187
DEFERRED INFLOWS OF RESOURCES				
Property Taxes Levied for Subsequent Year	14,089,158	11,091,769	4,146,570	-
Delinquent Taxes	626,838	-	-	-
Long-Term Receivables	831,557	-	-	-
Lease Related	313,111	-	-	-
Total Deferred Inflows of Resources	15,860,664	11,091,769	4,146,570	-
FUND BALANCES				
Nonspendable	1,187,546	11,751	-	15,507
Restricted	441,659	-	-	-
Committed	1,251,480	-		212,762
Unassigned	4,799,115	(3,307,425)	(5,575)	-
Total Fund Balances	7,679,800	(3,295,674)	(5,575)	228,269
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	$ 26,503,644	$ 13,520,471	$ 4,146,570	$ 1,364,456

See accompanying Notes to Basic Financial Statements.

MANITOWOC COUNTY, WISCONSIN
BALANCE SHEET (CONTINUED)
GOVERNMENTAL FUNDS
DECEMBER 31, 2025

	Debt Service	Nonmajor Governmental Funds	Total
ASSETS			
Cash and Investments	$ 262,642	$ 5,092,794	$ 9,660,967
Receivables:			
Taxes and Special Charges	3,666,369	1,145,487	34,150,737
Delinquent Taxes	-	-	1,612,314
Accounts, Net	-	1,435,513	5,639,604
Special Assessments	-	-	163,088
Leases	-	-	313,111
Other	-	-	283,164
Due from Other Funds	-	8,117	3,791,414
Due from Other Governments	-	-	1,372,051
Prepaid Items	-	2,228	161,841
Total Assets	$ 3,929,011	$ 7,684,139	$ 57,148,291
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES			
LIABILITIES			
Accounts Payable	$ -	$ 311,600	$ 3,633,890
Accrued and Other Current Liabilities	-	75,984	2,097,797
Due to Other Funds	-	280,650	3,791,414
Due to Other Governments	-	-	89,273
Special Deposits	-	-	579,212
Unearned Revenues	-	22,084	328,050
Total Liabilities	-	690,318	10,519,636
DEFERRED INFLOWS OF RESOURCES			
Property Taxes Levied for Subsequent Year	3,666,369	1,145,487	34,139,353
Delinquent Taxes	-	-	626,838
Long-Term Receivables	-	-	831,557
Lease Related	-	-	313,111
Total Deferred Inflows of Resources	3,666,369	1,145,487	35,910,859
FUND BALANCES			
Nonspendable	-	2,228	1,217,032
Restricted	262,642	1,786,371	2,490,672
Committed	-	4,130,005	5,594,247
Unassigned	-	(70,270)	1,415,845
Total Fund Balances	262,642	5,848,334	10,717,796
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	$ 3,929,011	$ 7,684,139	$ 57,148,291

See accompanying Notes to Basic Financial Statements.

MANITOWOC COUNTY, WISCONSIN
RECONCILIATION TO THE STATEMENT OF NET POSITION
GOVERNMENTAL FUNDS
DECEMBER 31, 2025

Total Fund Balances as Shown on Previous Page	$ 10,717,796
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets used in governmental activities are not current financial resources and therefore are not reported in the funds.	111,461,261
Net position of the internal service fund is reported in the Statement of Net Position as governmental activities.	6,934,069
Some deferred outflows and inflows of resources reflect changes in long-term liabilities and are not reported in the funds.	
Deferred Outflows Related to Pensions	16,846,630
Deferred Inflows Related to Pensions	(8,378,814)
Deferred Outflows Related to Total Other Postemployment Benefits	1,072,953
Deferred Inflows Related to Total Other Postemployment Benefits	(1,506,593)
Other long-term assets are not available to pay current period expenditures and therefore are deferred in the funds activities.	1,458,395
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.	
Bonds and Notes Payable	(29,325,000)
Premium on Bonds and Notes Payable	(943,565)
Lease Liability	(149,422)
Subscription Liability	(2,122,359)
Compensated Absences	(3,497,060)
Net Pension Liability	(2,852,286)
Other Postemployment Benefits	(3,060,137)
Accrued Interest on Long-Term Obligations	(268,933)
Net position of governmental activities as reported on the Statement of Net Position	$ 96,386,935

See accompanying Notes to Basic Financial Statements.

MANITOWOC COUNTY, WISCONSIN
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2025

	General	Human Services	County Roads and Bridges	ARPA
REVENUES				
Taxes	$ 22,328,486	$ 10,407,052	$ 4,266,028	$ -
Intergovernmental	10,093,595	13,338,096	1,995,268	2,390,832
Licenses and Permits	550,861	-	-	-
Fines and Forfeits	281,529	52,528	-	-
Public Charges for Services	2,499,950	5,174,417	-	-
Intergovernmental Charges for Services	598,892	-	-	-
Miscellaneous	1,469,952	3,524	318	228,270
Total Revenues	37,823,265	28,975,617	6,261,614	2,619,102
EXPENDITURES				
Current:				
General Government	9,186,876	-	-	-
Public Safety	17,911,682	-	-	-
Public Works	571,775	-	3,577,313	-
Health and Human Services	3,234,944	30,039,691	-	-
Culture and Recreation	1,656,576	-	-	-
Conservation and Development	1,144,604	-	-	-
Debt Service:				
Principal	284,874	-	-	-
Interest and Fiscal Charges	93,692	-	-	-
Capital Outlay	4,052,890	39,779	5,606,113	2,390,833
Total Expenditures	38,137,913	30,079,470	9,183,426	2,390,833
Excess of Revenues Over (Under) Expenditures	(314,648)	(1,103,853)	(2,921,812)	228,269
OTHER FINANCING SOURCES (USES)				
Long-Term Debt Issued	-	-	2,570,000	-
Lease Issued	68,977	-	-	-
SBITA issued	2,136,916	-	-	-
Premium on Debt Issued	-	-	-	-
Insurance Proceeds	32,785	-	-	-
Proceeds from Sale of Capital Assets	107,079	2,150	-	-
Transfers In	-	1,331,879	-	-
Transfers Out	-	-	(749,189)	(831,879)
Total Other Financing Sources (Uses)	2,345,757	1,334,029	1,820,811	(831,879)
NET CHANGE IN FUND BALANCES	2,031,109	230,176	(1,101,001)	(603,610)
Fund Balances - Beginning of Year, as Originally Reported	5,648,691	(2,815,480)	1,095,426	831,879
Prior Period Adjustment	-	(710,370)	-	-
Fund Balances - Beginning of Year, as Restated	5,648,691	(3,525,850)	1,095,426	831,879
FUND BALANCES - END OF YEAR	$ 7,679,800	$ (3,295,674)	$ (5,575)	$ 228,269

See accompanying Notes to Basic Financial Statements.

MANITOWOC COUNTY, WISCONSIN
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS (CONTINUED)
YEAR ENDED DECEMBER 31, 2025

	Debt Service	Nonmajor Governmental Funds	Total
REVENUES			
Taxes	$ 3,403,006	$ 1,046,369	$ 41,450,941
Intergovernmental	-	3,243,602	31,061,393
Licenses and Permits	-	9,550	560,411
Fines and Forfeits	-	114,506	448,563
Public Charges for Services	-	2,438,099	10,112,466
Intergovernmental Charges for Services	-	1,339,140	1,938,032
Miscellaneous	-	575,725	2,277,789
Total Revenues	3,403,006	8,766,991	87,849,595
EXPENDITURES			
Current:			
General Government	-	-	9,186,876
Public Safety	-	4,383	17,916,065
Public Works	-	2,369,810	6,518,898
Health and Human Services	-	3,285,889	36,560,524
Culture and Recreation	-	1,053,572	2,710,148
Conservation and Development	-	1,356,464	2,501,068
Debt Service:			
Principal	2,585,000	-	2,869,874
Interest and Fiscal Charges	1,234,781	-	1,328,473
Capital Outlay	-	2,541,342	14,630,957
Total Expenditures	3,819,781	10,611,460	94,222,883
Excess of Revenues Over (Under) Expenditures	(416,775)	(1,844,469)	(6,373,288)
OTHER FINANCING SOURCES (USES)			
Long-Term Debt Issued	-	-	2,570,000
Lease Issued	-	-	68,977
SBITA issued	-	-	2,136,916
Premium on Debt Issued	191,649	-	191,649
Insurance Proceeds	-	-	32,785
Proceeds from Sale of Capital Assets	-	3,825	113,054
Transfers In	227,000	-	1,558,879
Transfers Out	-	(727,000)	(2,308,068)
Total Other Financing Sources (Uses)	418,649	(723,175)	4,364,192
NET CHANGE IN FUND BALANCES	1,874	(2,567,644)	(2,009,096)
Fund Balances - Beginning of Year, as Originally Reported	260,768	8,415,978	13,437,262
Prior Period Adjustment	-	-	(710,370)
Fund Balances - Beginning of Year, as Restated	260,768	8,415,978	12,726,892
FUND BALANCES - END OF YEAR	$ 262,642	$ 5,848,334	$ 10,717,796

See accompanying Notes to Basic Financial Statements.

MANITOWOC COUNTY, WISCONSIN
RECONCILIATION TO THE STATEMENT OF ACTIVITIES
GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2025

Net Change in Fund Balances as Shown on Previous Page	$	(2,009,096)
Amounts reported for governmental activities in the Statement of Activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.		
Capital Assets and Right-to-Use Reported as Expenditures in Governmental Fund Statements		12,079,820
Depreciation and Amortization Expense Reported in the Statement of Activities		(7,059,971)
Net Book Value of Disposals		(1,862,519)
Governmental funds do not present revenues that are not available to pay current obligations. In contrast, such revenues are reported in the Statement of Activities when earned.		365,148
Debt issued provides current financial resources to governmental funds, but issuing debt increases long-term liabilities in the Statement of Net Position. Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position.		
Long-Term Debt Issued		(2,570,000)
Lease Liability Issued		(68,977)
Premium on Debt Issued		(191,649)
Principal Repaid		2,585,000
Lease Principal Paid		27,396
Subscription Liability Issued		(2,136,916)
Subscription Liability Principal Repaid		493,230
Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds:		
Accrued Interest on Long-Term Debt		71,918
Amortization of Premiums		200,546
Compensated Absences		(476,536)
Net Pension Liability		(316,990)
Deferred Outflows of Resources Related to Pensions		(5,966,784)
Deferred Inflows of Resources Related to Pensions		5,188,869
Other Postemployment Benefits		254,180
Deferred Outflows of Resources Related to Net Other Postemployment Benefits		(229,617)
Deferred Inflows of Resources Related to Net Other Postemployment Benefits		(228,261)
Internal service funds are used by management to charge the costs of certain activities to individual funds. The net revenue (expense) of the internal service funds is reported with governmental activities.		(151,965)
Change in Net Position of Governmental Activities as Reported in the Statement of Activities	$	(2,003,174)

See accompanying Notes to Basic Financial Statements.

MANITOWOC COUNTY, WISCONSIN
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL – GENERAL FUND
YEAR ENDED DECEMBER 31, 2025

	Budget			Variance Final Budget - Positive
	Original	Final	Actual	(Negative)
REVENUES				
Taxes	$ 21,614,219	$ 21,614,219	$ 22,328,486	$ 714,267
Intergovernmental	10,007,537	10,007,537	10,093,595	86,058
Licenses and Permits	448,229	448,229	550,861	102,632
Fines and Forfeits	258,100	258,100	281,529	23,429
Public Charges for Services	2,328,454	2,328,454	2,499,950	171,496
Intergovernmental Charges for Services	645,327	645,327	598,892	(46,435)
Miscellaneous	1,608,878	1,608,878	1,469,952	(138,926)
Total Revenues	36,910,744	36,910,744	37,823,265	912,521
EXPENDITURES				
Current:				
General Government	9,658,761	9,658,761	9,186,876	471,885
Public Safety	18,230,274	18,230,274	17,911,682	318,592
Public Works	590,610	590,610	571,775	18,835
Health and Human Services	3,597,633	3,597,633	3,234,944	362,689
Culture and Recreation	1,638,832	1,638,832	1,656,576	(17,744)
Conservation and Development	1,242,734	1,242,734	1,144,604	98,130
Debt Service:				
Principal	-	-	284,874	(284,874)
Interest and Fiscal Charges	-	-	93,692	(93,692)
Capital Outlay	2,044,400	2,044,400	4,052,890	(2,008,490)
Total Expenditures	37,003,244	37,003,244	38,137,913	(1,134,669)
Deficiency of Revenues Under Expenditures	(92,500)	(92,500)	(314,648)	(222,148)
OTHER FINANCING SOURCES (USES)				
Lease Issued	-	-	68,977	68,977
SBITA Issued	-	-	2,136,916	2,136,916
Insurance Proceeds	2,000	2,000	32,785	30,785
Proceeds from Sale of Capital Assets	90,500	90,500	107,079	16,579
Total Other Financing Sources	92,500	92,500	2,345,757	2,253,257
NET CHANGE IN FUND BALANCE	-	-	2,031,109	2,031,109
Fund Balance, Beginning of Year	5,648,691	5,648,691	5,648,691	-
FUND BALANCE - END OF YEAR	$ 5,648,691	$ 5,648,691	$ 7,679,800	$ 2,031,109

See accompanying Notes to Basic Financial Statements.

MANITOWOC COUNTY, WISCONSIN
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL – HUMAN SERVICES SPECIAL REVENUE FUND
YEAR ENDED DECEMBER 31, 2025

	Budget			Variance Final Budget - Positive
	Original	Final	Actual	(Negative)
REVENUES				
Taxes	$ 10,407,052	$ 10,407,052	$ 10,407,052	$ -
Intergovernmental	12,968,522	12,968,522	13,338,096	369,574
Fines and Forfeits	45,000	45,000	52,528	7,528
Public Charges for Services	5,392,400	5,392,400	5,174,417	(217,983)
Miscellaneous	-	-	3,524	3,524
Total Revenues	28,812,974	28,812,974	28,975,617	162,643
EXPENDITURES				
Current:				
Health and Human Services	29,279,474	29,279,474	30,039,691	(760,217)
Capital Outlay	33,500	33,500	39,779	(6,279)
Total Expenditures	29,312,974	29,312,974	30,079,470	(766,496)
Excess of Revenues Over (Under) Expenditures	(500,000)	(500,000)	(1,103,853)	(603,853)
OTHER FINANCING SOURCES				
Proceeds from Sale of Capital Assets	-	-	2,150	2,150
Transfers In	500,000	500,000	1,331,879	831,879
Total Other Financing Sources	500,000	500,000	1,334,029	834,029
NET CHANGE IN FUND BALANCE	-	-	230,176	230,176
Fund Balance, Beginning of Year, as Originally Reported	(2,815,480)	(2,815,480)	(2,815,480)	-
Prior Period Adjustment	(710,370)	(710,370)	(710,370)	(710,370)
Fund Balance, Beginning of Year, as Restated	(3,525,850)	(3,525,850)	(3,525,850)	(710,370)
FUND BALANCE - END OF YEAR	$ (3,525,850)	$ (3,525,850)	$ (3,295,674)	$ (480,194)

See accompanying Notes to Basic Financial Statements.

MANITOWOC COUNTY, WISCONSIN
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL – COUNTY ROADS AND BRIDGES SPECIAL REVENUE FUND
YEAR ENDED DECEMBER 31, 2025

	Budget			Variance Final Budget - Positive
	Original	Final	Actual	(Negative)
REVENUES				
Taxes	$ 4,266,028	$ 4,266,028	$ 4,266,028	$ -
Intergovernmental	2,000,000	2,000,000	1,995,268	(4,732)
Miscellaneous	-	-	318	318
Total Revenues	6,266,028	6,266,028	6,261,614	(4,414)
EXPENDITURES				
Current:				
Public Works	4,360,230	4,360,230	3,577,313	782,917
Capital Outlay	6,101,000	6,101,000	5,606,113	494,887
Total Expenditures	10,461,230	10,461,230	9,183,426	1,277,804
Deficiency of Revenues Under Expenditures	(4,195,202)	(4,195,202)	(2,921,812)	1,273,390
OTHER FINANCING SOURCES (USES)				
Long-Term Debt Issued	2,500,000	2,500,000	2,570,000	70,000
Transfers Out	-	-	(749,189)	(749,189)
Total Other Financing Sources (Uses)	2,500,000	2,500,000	1,820,811	(679,189)
NET CHANGE IN FUND BALANCE	(1,695,202)	(1,695,202)	(1,101,001)	594,201
Fund Balance - Beginning of Year	1,095,426	1,095,426	1,095,426	-
FUND BALANCE - END OF YEAR	$ (599,776)	$ (599,776)	$ (5,575)	$ 594,201

See accompanying Notes to Basic Financial Statements.

MANITOWOC COUNTY, WISCONSIN
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
DECEMBER 31, 2025

	Enterprise Fund Highway	Governmental Activities - Internal Service Funds
ASSETS		
Current Assets:		
Cash and Investments	$ 488,347	$ 6,764,057
Receivables:		
Customer Accounts	53,583	40,314
Leases Receivable, Current Portion	12,851	-
Due from Other Governments	980,888	3,829
Supplies and Prepaid Items	648,855	5,250
Total Current Assets	2,184,524	6,813,450
Noncurrent Assets:		
Leases Receivable	13,110	-
Deposit in WMMIC	-	1,822,896
Capital Assets:		
Nondepreciable	1,668,451	-
Depreciable/Amortizable, Net	5,575,986	1,279,106
Total Capital Assets	7,244,437	1,279,106
Total Noncurrent Assets	7,244,437	3,102,002
Total Assets	9,442,071	9,915,452
DEFERRED OUTFLOWS OF RESOURCES		
Pension Related Amounts	1,327,652	-
Total Other Postemployment Related Amounts	82,342	-
Total Deferred Outflows of Resources	1,409,994	-

See accompanying Notes to Basic Financial Statements.

MANITOWOC COUNTY, WISCONSIN
STATEMENT OF NET POSITION (CONTINUED)
PROPRIETARY FUNDS
DECEMBER 31, 2025

	Enterprise Fund Highway	Governmental Activities - Internal Service Funds
LIABILITIES		
Current Liabilities:		
Accounts Payable	$ 196,198	$ 222,355
Accrued and Other Current Liabilities	130,337	73,542
Insurance Claims Payable	-	1,174,424
Due to Other Governments	-	4,580
Current Portion of:		
Subscription Liability	-	235,751
Compensated Absences	23,900	-
Total Current Liabilities	350,435	1,710,652
Long-Term Obligations, Less Current Portion:		
Subscription Liability	-	7,171
Compensated Absences	215,220	-
Net Pension Liability	225,509	-
Total Other Postemployment Benefits	273,639	-
Total Long-Term Liabilities	714,368	7,171
Total Liabilities	1,064,803	1,717,823
DEFERRED INFLOWS OF RESOURCES		
Lease Related	25,961	-
Pension Related Amounts	662,450	-
Total Other Postemployment Related Amounts	121,595	-
Total Deferred Inflows of Resources	810,006	-
NET POSITION		
Net Investment in Capital Assets	7,175,719	1,036,184
Unrestricted	1,801,537	7,161,445
Total Net Position	8,977,256	$ 8,197,629
Adjustment to Reflect the Consolidation of Internal Service Fund Activities Related to Enterprise Funds	227,376	
Net Position of Business-Type Activities as Reported on the Statement of Net Position	$ 9,204,632	

See accompanying Notes to Basic Financial Statements.

MANITOWOC COUNTY, WISCONSIN
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
YEAR ENDED DECEMBER 31, 2025

	Enterprise Fund Highway	Governmental Activities - Internal Service Funds
OPERATING REVENUES		
Charges for Services	$ 49,015	$ 8,505
Intergovernmental Charges for Services	3,343,131	-
Interdepartmental Charges for Services	9,153,196	9,805,164
Other	2,010	533,926
Total Operating Revenues	12,547,352	10,347,595
OPERATING EXPENSES		
Personnel	5,512,466	821,009
Purchased Services	379,784	1,985,126
Supplies and Materials	6,415,537	21,594
Depreciation and Amortization	1,001,634	487,523
Other	79,707	7,517,403
Total Operating Expenses	13,389,128	10,832,655
OPERATING LOSS	(841,776)	(485,060)
NONOPERATING REVENUES (EXPENSES)		
Interest Income	-	7,803
Insurance Refunds	9,539	95,972
Gain on Disposal of Capital Assets	2,088	-
Interest and Fiscal Charges	-	(7,171)
Rental Income	129,750	-
Total Nonoperating Revenues (Expenses)	141,377	96,604
LOSS BEFORE TRANSFERS	(700,399)	(388,456)
Transfers In	749,189	-
CHANGE IN NET POSITION	48,790	(388,456)
Net Position - Beginning of Year	8,928,466	8,586,085
NET POSITION - END OF YEAR	$ 8,977,256	$ 8,197,629
Net Change of Enterprise Funds as Shown Above	$ 48,790	
Allocation of Internal Service Funds Change in Net Position to Business-Type Activities	(160,372)	
Change in Net Position of Business-Type Activities as Reported on the Statement of Activities	$ (111,582)	

See accompanying Notes to Basic Financial Statements.

MANITOWOC COUNTY, WISCONSIN
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
YEAR ENDED DECEMBER 31, 2025

	Enterprise Fund Highway	Governmental Activities - Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash Received from Customers	$ 3,314,167	$ 8,505
Cash Received from Other Departments	9,151,638	10,304,185
Cash Received from Other	2,010	-
Cash Paid for Employee Wages and Benefits	(5,367,756)	(807,520)
Cash Paid to Suppliers	(6,764,212)	(9,500,151)
Net Cash Provided by Operating Activities	335,847	5,019
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Repayment of Temporary Cash Advances	612,065	-
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Acquisition of Capital Assets	(655,249)	(175,656)
Insurance Refunds	9,539	95,972
Lease Payments Received	129,750	-
Sale of Capital Assets	56,395	-
Principal Paid on Subscription Liability	-	(235,748)
Interest Paid on Subscription Liability	-	(7,171)
Net Cash Used by Capital and Related Financing Activities	(459,565)	(322,603)
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest from Investments	-	7,803
CHANGE IN CASH AND INVESTMENTS	488,347	(309,781)
Cash and Investments - Beginning of Year	-	7,073,838
CASH AND INVESTMENTS - END OF YEAR	$ 488,347	$ 6,764,057

See accompanying Notes to Basic Financial Statements.

MANITOWOC COUNTY, WISCONSIN
STATEMENT OF CASH FLOWS (CONTINUED)
PROPRIETARY FUNDS
YEAR ENDED DECEMBER 31, 2025

	Enterprise Fund Highway 2025	Governmental Activities - Internal Service Funds 2025
RECONCILIATION OF OPERATING LOSS TO NET CASH PROVIDED BY OPERATING ACTIVITIES		
Operating Loss	$ (841,776)	$ (485,060)
Adjustments to Reconcile Operating Loss to Net Cash Provided by Operating Activities:		
Depreciation and Amortization	1,001,634	487,523
Change in Liability (Asset) and Deferred Outflows and Inflows of Resources:		
Net Pension Liability	19,921	-
Deferred Inflows Related to Pension	(437,757)	-
Deferred Outflows Related to Pension	516,680	-
Total Other Postemployment Benefits	(24,555)	-
Deferred Inflows Related to OPEB	15,855	-
Deferred Outflows Related to OPEB	28,254	-
Change in Operating Assets and Liabilities:		
Accounts Receivables	(28,795)	(31,076)
Due from Other Governments	(50,742)	(3,829)
Supplies and Prepaid Items	210,584	62,198
Deposits	-	(52,360)
Accounts Payable	(143,888)	159,013
Accrued and Other Current Liabilities	44,120	13,489
Due to Other Funds	-	-
Insurance Claims Payable	-	(143,505)
Compensated Absences	26,312	-
Net Cash Provided by Operating Activities	$ 335,847	$ 5,019
SUPPLEMENTAL DISCLOSURE OF NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES		
Capital Assets included in Accounts Payable	$ 68,718	$ -

See accompanying Notes to Basic Financial Statements.

MANITOWOC COUNTY, WISCONSIN
STATEMENT OF FIDUCIARY NET POSITION
CUSTODIAL FUNDS
DECEMBER 31, 2025

ASSETS	
Current Assets:	
Cash and Investments	$ 1,794,364
Special Certificates	313,591
Total Assets	2,107,955
LIABILITIES	
Current Liabilities:	
Due to Other Governments	707,405
NET POSITION	
Restricted for:	
Individuals, Organizations, and Other Governments	$ 1,400,550

See accompanying Notes to Basic Financial Statements.

MANITOWOC COUNTY, WISCONSIN
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
CUSTODIAL FUNDS
YEAR ENDED DECEMBER 31, 2025

ADDITIONS	
Contributions:	
Individuals	$ 4,127,338
Special Certificate Collections for Other Governments	480,132
Fee Collections and Other Items	1,296,562
Total Additions	5,904,032
DEDUCTIONS	
Beneficiary Payments to Individuals	4,107,562
Payments of Special Certificates to Other Governments	480,132
Payments to Other Entities	1,296,562
Total Deductions	5,884,256
NET INCREASE IN FIDUCIARY NET POSITION	19,776
Fiduciary Net Position - Beginning of Year	1,380,774
FIDUCIARY NET POSITION - END OF YEAR	$ 1,400,550

See accompanying Notes to Basic Financial Statements.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Reporting Entity

The County is a municipal corporation governed by an elected 25 member board. In accordance with GAAP, the basic financial statements are required to include the County (the primary government) and any separate component units that have a significant operational or financial relationship with the County. The County has not identified any component units that are required to be included in the basic financial statements in accordance with standards.

B. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the County. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which are primarily supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for services.

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

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Governmental funds include general, special revenue, debt service and capital projects funds. Proprietary funds include enterprise and internal service funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Government-Wide and Fund Financial Statements (Continued)

The County reports the following major governmental funds:

General Fund – This is the County's primary operating fund. It accounts for all financial resources of the general government, except those accounted for in another fund.

Human Services Fund – This special revenue fund is used to account for social services and community board programs directed by state statutes. The fund's primary revenue sources are state and federal aids.

Country Roads and Bridges Fund – This special revenue fund is used to account for County highway, trunk, and road maintenance as well as town bridge construction. The primary revenue sources are taxes that have been levied and state aid.

ARPA Fund – This special revenue fund accounts for the financial resources of allowable costs associated with the American Rescue Plan Act. Intergovernmental aids are the primary source of revenue.

Debt Service Fund – This fund accounts for the resources accumulated and payments made for principal and interest on long-term general obligation debt of government funds.

The County reports the following major enterprise fund:

Highway Fund – The highway fund is used to support the maintenance of county, state, and federal highways on a cost reimbursement basis.

Additionally, the County reports the following fund types:

- *Special revenue funds* are used to account for the proceeds of specific revenue sources that are legally restricted for specific purposes. Nonmajor special revenue funds consist of the following:
  - Recycling
  - Solid Waste Disposal
  - Aging
  - Soil and Water Conversation
  - Forestry Tree Planning
  - Sheriff K-9 Unit
  - Expo
  - Revolving Loan
  - Opioid Settlement

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Government-Wide and Fund Financial Statements (Continued)

- *Capital project funds* are used to account for financial resources to be used for the acquisition of equipment or construction of major capital facilities. The County reports the following nonmajor capital project funds:
  - Economic Development Projects
  - Jail Assessment Project
  - Jail Security Project
  - Courthouse Windows & HVAC

- *Internal service funds* are used to account for services provided to other department or agencies of the County, or to other governments, on a cost reimbursement basis. The County reports the following internal service funds:
  - Information Systems
  - Workers' Compensation Self Insurance
  - WMMIC Liability Insurance
  - Dental Self Insurance
  - Health Self Insurance

- *Fiduciary funds* are used to account for funds held for the Clerk of Courts, Register of Deeds, taxes for other governments, and sheriff inmates in custodial funds.

C. Measurement Focus and Basis of Accounting

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenues as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the County considers grant revenues to be available if they are collected within 180 days and all other revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, including lease liabilities as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. Custodial funds use the accrual basis of accounting.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Measurement Focus and Basis of Accounting (Continued)

Revenues susceptible to accrual include intergovernmental grants, intergovernmental charges for services, public charges for services and interest. Other revenues such as licenses and permits, fines and forfeits and miscellaneous revenues are recognized when received in cash or when measurable and available.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are internal services between governmental activities and business-type activities. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

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

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

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

1. Cash and Investments

Cash and investments are combined in the financial statements. Cash deposits consist of demand and time deposits with financial institutions. Investments are stated at fair value. Fair value is the price that would be received to sell an asset in an orderly transaction between market participants at the measurement date. For purposes of the statement of cash flows, all cash deposits and highly liquid investments (including restricted assets) with a maturity of three months or less from date of acquisition are considered to be cash equivalents.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Fund Balance (Continued)

2. Property Tax Apportionments

Property taxes are apportioned annually in November to local taxing units within the County for Financing state charges and the subsequent year's operations of the County. Since the November apportionment is not due from local taxing districts until February of the subsequent year, the County's apportionment is recorded as a deferred inflows of resources at year-end. Property tax payments from individual property owners are due in two installments by January 31 and July 31. During the month of February, each local taxing district settles with the County for both collected and unpaid property taxes. At the February settlement, the County becomes responsible for the collection of unpaid property taxes, including unpaid property taxes returned by local taxing districts for financing their individual operations. Property taxes subsequently not paid by property owners by September 1 of the same year are considered delinquent. The delinquent taxes are then acquired by the County's General Fund in accordance with state statutes in order to provide the County with a statutory lien.

Property taxes of $34,139,353 are recorded on December 31, 2025, for collection in 2026 for the County apportionment. The County apportionment is for financing 2026 operations and will be transferred in 2026 from deferred inflows of resources to current revenues of the County's governmental funds.

3. Accounts Receivable

All trade and other receivables are shown net of allowances for uncollectible amounts. Receivables are analyzed for their collectability based on the terms and conditions of agreements, as well as current economic conditions and consideration of the creditors ability to pay. In addition to those receivables specifically identified as uncollectible, a general allowance is established for receivables older than one year.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Fund Balance (Continued)

4. Interfund Receivables and Payables

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as "due from other funds" and "due to other funds" in the fund financial statements.

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

5. Prepaid Items and Supplies

Payments made to vendors that will benefit periods beyond the end of the current fiscal year are recorded as prepaid items and are expensed in the periods benefitted.

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

6. Capital Assets

Capital assets are tangible and intangible assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities column in the government-wide financial statements and in the proprietary fund financial statements. Capital assets, except for infrastructure assets, are defined by the County as assets with an initial, individual cost of more than $5,000 and an estimated useful life in excess of one year.

Capital assets are capitalized and reported at cost or estimated historical cost (except for intangible right-to-use lease assets and subscription assets). The costs of normal maintenance and repairs that do not add to the value of the asset or materiality extend its life are not capitalized. Donated capital assets are recorded at acquisition value at the date of donation.

Land and construction in progress are not depreciated. The other tangible and intangible property, plant, equipment, and infrastructure of the primary government are depreciated/amortized using the straight-line method over the following estimated useful lives:

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Fund Balance (Continued)

6. Capital Assets (Continued)

Assets	Governmental Activities	Business-Type Activities
Land Improvements	10 to 20 Years	10 to 20 Years
Buildings	10 to 50 Years	15 to 60 Years
Improvements Other than Buildings	4 to 40 Years	4 to 40 Years
Machinery and Equipment	3 to 10 Years	4 to 30 Years
Infrastructure	15 to 70 Years	15 to 70 Years
Subscription Based Information Technology Arrangement Assets	2 to 5 Years	2 to 5 Years
Right-to-Use Lease Assets:		
Machinery and Equipment	2 to 10 Years	2 to 10 Years
Buildings	2 to 10 Years	2 to 10 Years

Right-to-use lease assets are initially measured at the present value of payments expected to be made during the lease term, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized in a systematic and rational manner over the shorter of the lease term or the useful life of the underlying asset.

SBITA assets are initially measured as the sum of present value of payments expected to be made during the subscription term, payments associated with the SBITA contract made to the SBITA vendor at the commencement of the subscription term, when applicable, and capitalizable implementation costs, less any SBITA vendor incentives from the SBITA vendor at the commencement of the SBITA term. SBITA assets are amortized in a systematic and rational manner over the short of the subscription term or the useful life of the underlying IT assets.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Fund Balance (Continued)

7. Compensated Absences

The liability for compensated absences reported in the government-wide and proprietary fund statements consists of leave that has not been used that is attributable to services already rendered, accumulates and is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. The liability also includes amounts for leave that has been used for time off but has not yet been paid in cash or settled through noncash means and certain other types of leave.

8. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position includes a separate section for deferred outflows of resources. Deferred outflows of resources represent a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The category of deferred outflow of resources reported in the statement of net position is related to debt refunding, asset retirement obligations, pensions, and other postemployment benefits. Deferred outflows on pension and other postemployment benefits are more fully discussed in Note 3.I and 3.J.

In addition to liabilities, the statement of net position and the governmental funds balance sheet includes a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. In the government-wide financial statements. The County's deferred inflows of resources reported on the statement of net position relate to pension and other postemployment benefits, which are more fully discussed in Note 3.I and 3.J. The statement of net position and the governmental funds balance sheet also report a deferred inflow of resources related to leases. The lease related deferred inflow of resources is recorded in an amount equal to the corresponding lease receivable plus any payments received at or before the start of the lease term that relates to future periods, less any lease incentives paid to, or on behalf of the lessee at or before the commencement of the lease term. The inflow of resources is recognized in a systematic and rational manner over the term of the lease.

9. Unearned Revenues

Unearned revenues are reported in connection with resources that have been received but not yet earned.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Fund Balance (Continued)

10. Long-Term Obligations

In the government-wide financial statements, and proprietary funds in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed as incurred.

In the fund financial statements, governmental funds recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

11. Pensions

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

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

Information about the fiduciary net position of the WRS and additions to/deductions from WRS' fiduciary net position have been determined on the same basis as they are reported by 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.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Fund Balance (Continued)

12. Other Postemployment Benefits Other Than Pensions (OPEB)

Defined Benefit Plan

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense (revenue), information about the fiduciary net position of the County's Other Postemployment Benefit Plan (the Plan) and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by the Plan. For this purpose, the Plan recognizes benefit payments when due and payable in accordance with the benefit terms.

Local Retiree Life Insurance Fund

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

- Net OPEB Liability (Asset),
- Deferred Outflow of Resources and Deferred Inflows of Resources Related to OPEBs, and
- OPEB Expense (Revenue).

Information about the fiduciary net position of the LRLIF and additions to/deductions from LRLIF's fiduciary net position have been determined on the same basis as they are reported by LRLIF. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Fund Balance (Continued)

13. Fund Balance

Governmental Fund Financial Statements

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The following classifications describe the relative strength of the spending constraints placed on the purposes for which resources can be used:

- **Nonspendable Fund Balance**. Amounts that are not in spendable form (such as prepaid items or long-term receivables) or are legally or contractually required to remain intact.
- **Restricted Fund Balance**. Amounts that are constrained for specific purposes by external parties (such as grantor or bondholders), through constitutional provisions, or by enabling legislation.
- **Committed Fund Balance**. Amounts that are constrained for specific purposes by action of the County Board (resolution). These constraints can only be removed or changed by the County Board using the same action that was used to create them.
- **Assigned Fund Balance**. Amounts that are constrained for specific purposes by action of County management. The County Board has not authorized a position to assign fund balance. Residual amounts in any governmental fund, other than the General Fund, are also reported as assigned.
- **Unassigned Fund Balance**. Amounts that are available for any purpose. Positive unassigned amounts are only reported in the General Fund.

The County has adopted a fund balance spend-down policy regarding the order in which fund balance will be utilized. Where applicable, the policy requires restricted funds to be spent first, followed by committed funds, and then assigned funds. Unassigned funds would be spent last.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Fund Balance (Continued)

14. Net Position

Government-Wide and Proprietary Fund Statements

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

- **Net Investment in Capital Assets**. Amount of capital assets, net of accumulated depreciation or amortization, and capital related deferred outflows of resources less outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets and any capital related deferred inflows of resources.
- **Restricted Net Position**. Amount of net position that is subject to restrictions that are imposed by 1) external groups, such as creditors, grantors, contributors or laws or regulations of other governments or 2) law through constitutional provisions or enabling legislation.
- **Unrestricted Net Position**. Net position that is neither classified as restricted nor as net investment in capital assets.

E. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

NOTE 2 STEWARDSHIP AND COMPLIANCE

A. Budgets and Budgetary Accounting

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

1. On the fourth Monday of October, the County Executive submits to the County Board a proposed operating budget for the calendar year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them. After submission to the governing body, public hearings are held to obtain taxpayer comments. Following the public hearings, the proposed budget, including authorized additions and deletions, is legally enacted by County Board action.

2. Budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America for the general, certain special revenue, and debt service funds. Budget is defined as the originally approved budget plus or minus approved amendments. Individual amendments throughout the year were not material in relation to the original budget. Budget appropriations not expended during the year are closed to fund balance unless authorized by the governing body to be forwarded into the succeeding year’s budget.

3. During the year, formal budgetary integration is employed as a management control device for the general fund, certain special revenue funds, and debt service funds. Management control for the capital projects funds is achieved through project authorizations included in debt issue resolutions. Budgets are adopted for capital project funds that are not financed with debt issues.

   The County did not adopt an annual budget for the ARPA, Forestry Tree Planting, Sheriff K-9 Unit, Revolving Loan, Opioid Settlement, Economic Development Projects, Jail Assessment Project, Jail Security Project, and Courthouse Windows & HVAC Funds.

4. Expenditures may not exceed appropriations provided in detailed budget accounts maintained for each activity or department of the general, special revenue and debt service funds of the County. This is also the legal level of budgetary control as authorized by the County Board. All amendments to the budget during the year require initial approval by management and are subsequently authorized by the County Board. No changes to the budget may be made by management without standing Committee or County Board approval.

5. Encumbrance accounting is not used by the County to record commitments related to unperformed contracts for goods or services.

NOTE 2 STEWARDSHIP AND COMPLIANCE (CONTINUED)

B. Excess of Expenditures Over Budget Appropriations

The following expenditure accounts of the governmental funds had actual expenditures in excess of budget appropriations for the year ended December 31, 2025 as follows:

Funds	Excess Expenditures
General:	
General Government:	
Register in Probate	$ 19,424
Coroner	16,010
Executive	134
Central Mailing	11,154
Assessment of Property	768
Maintenance - Jail	22
Maintenance - University Center	34,433
Maintenance - Administrative Office	16,805
Maintenance - Other	53,160
Land Records Modernization	19,670
Insurance	4,040
Other Special Charges and Non-Departmental	4,066
Public Safety:	
Sheriff - Traffic Control	282,797
Sheriff - Snowmobile Patrol	820
HAZMAT	9,411
Metro Drug	1,040
Sheriff - Retiree Benefits	447
Public Works:	
Solid Waste Administration	7,327
Health and Human Services:	
GPR Lead	1,239
PHEP DWD	107
Bioterrorism	18,231
WIC Program Administration	11,779
WIC Nutrition	4,678
Environmental Health	42,821
Veterans Service Commission	4,902
Culture and Recreation:	
University Extension - State	861
Debt Service:	
Principal	284,874
Interest and Fiscal Charges	93,692
Capital Outlay:	
General Government	2,182,930
Culture, Recreation, and Education	139,178

NOTE 2 STEWARDSHIP AND COMPLIANCE (CONTINUED)

B. Excess of Expenditures Over Budget Appropriations (Continued)

Funds	Excess Expenditures
Special Revenue Funds:	
Human Services:	
Mental Health	$ 163,463
Alcohol and Other Drug Abuse	215,064
Intoxicated Driver	7,973
Community LT Support	617,319
Autism - Post-Intensive/SED	561,087
Juvenile Therapy Services	22,155
Economic Support	56,828
Agency Support and Overhead	82,352
Child Care	26,469
Alternate Care	253,978
Purchase of Services	43,829
CCS	596,552
Capital Outlay	6,279
County Roads and Bridges:	
County Winter Snow Removal	229,154
Debt Service Fund:	
Principal	305,807
Interest and Fiscal Charges	110,968
Recycling:	
Capital Outlay	2,448
Solid Waste	
Public Works	54,844
Aging:	
Capital Outlay	82,616
Soil and Water Conservation:	
Capital Outlay	2,673
Conservation and Development	434,140
Expo:	
Culture and Recreation	242,573
Capital Outlay	88,432

The above excess expenditures were funded using either favorable revenue variances or will be funded using expected new future revenue sources expected to be received in 2025.

C. Deficit Fund Equity

The following funds had deficit fund balance as of December 31, 2025:

Fund	Deficit Fund Balance
Human Services	$ 3,295,674
Recycling	62,157
County Road and Bridges	5,575
Sheriff K-9	8,113

The County anticipates funding the above deficits from future revenues of the funds. Also note that the County plans to utilize sales tax revenues to help fund the Human services deficit.

NOTE 2 STEWARDSHIP AND COMPLIANCE (CONTINUED)

D. Property Tax Levy Limit

Wisconsin state statutes provide for a limit on the property tax levies for all Wisconsin cities, villages, and counties. For the 2025 and 2026 budget years, Wisconsin Statutes limit the increase in the maximum allowable tax levy to the change in the County's January 1 equalized value as a result of net new construction. The actual limit for the County for the 2025 budget was 1.47%. The actual limit for the County for the 2026 budget was 0.83%. Debt service for debt authorized after July 1, 2005 is exempt from the levy limit. In addition, Wisconsin statutes allow the limit to be adjusted for the increase in debt service authorized prior to July 1, 2005 and in certain other situations.

NOTE 3 DETAILED NOTES ON ALL FUNDS

A. Cash and Investments

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

Invested cash consists of deposits and investments that are restricted by Wisconsin Statutes to the following:

Time deposits; repurchase agreements; securities issued by federal, state and local governmental entities; statutorily authorized commercial paper and corporate securities; and the Wisconsin local government investment pool.

The carrying amount of the County's cash and investments totaled $18,707,735 on December 31, 2025 as summarized below:

Petty Cash and Cash on Hand	$ 5,297
Deposits with Financial Institutions	4,159,666
Investments	14,542,772
Total	$ 18,707,735

Reconciliation to the basic financial statements:

Government-Wide Statement of Net Position:	
Cash and Investments	$ 16,913,371
Fiduciary Fund Statement of Net Position:	
Cash and Investments	1,794,364
Total	$ 18,707,735

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

A. Cash and Investments (Continued)

Fair Value Measurements

The County categorizes its fair value measurements within the fair value hierarchy established by accounting principles generally accepted in the United States of America. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant observable inputs; Level 3 inputs are significant unobservable inputs. The County has the following fair value measurements as of December 31, 2025:

	Fair Value Measurements Using:		
	Level 1	Level 2	Level 3
Investments:			
Federal Home Loan Bank	$ -	$ 400,412	$ -
Federal Farm Credit Bank	-	350,968	-
Freddie Mac	-	499,207	-
Fannie Mae	-	398,986	-
U.S. Treasury Notes	2,570,428	-	-
Mutual Funds	156,717	-	-
Corporate Bonds and Notes	-	123,741	-
Municipal Bonds	-	2,131,962	-
Total	$ 2,727,145	$ 3,905,276	$ -

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

Investment Type	Valuation Method
U.S. Treasury Notes and Federal Farm Credit Bank	Institutional bond quotes - evaluations based on various market and industry inputs
Mutual Funds and Municipal Bonds	Institutional quotes - evaluations based on various market and industry inputs
Corporate Bonds	Institutional quotes - evaluations based on various market and industry inputs
Federal Home Loan Bank, Freddie Mac and Fannie Mae	Mortgage backed securities pricing - evaluations based on various market and industry inputs

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

A. Cash and Investments (Continued)

Deposits and investments of the County are subject to various risks. Presented below is a discussion of the County's deposits and investments and the related risks.

Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. Wisconsin statutes require repurchase agreements to be fully collateralized by bonds or securities issued or guaranteed by the federal government or its instrumentalities. The County does not have an additional custodial credit policy.

Deposits with financial institutions within the state of Wisconsin are insured by the Federal Deposit Insurance Corporation (FDIC) in the amount of $250,000 for the combined amount of all time and savings deposits and $250,000 for interest-bearing and noninterest-bearing demand deposits per official custodian per insured depository institution. Deposits with financial institutions located outside the state of Wisconsin are insured by the FDIC in the amount of $250,000 for the combined amount of all deposit accounts per official custodian per depository institution. Deposits with credit unions are insured by the National Credit Union Share Insurance Fund (NCUSIF) in the amount of $250,000 per credit union member. Also, the state of Wisconsin has a State Guarantee Fund which provides a maximum of $1,000,000 per public depository above the amount provided by an agency of the U.S. Government. However, due to the relatively small size of the State Guarantee Fund in relation to the Fund's total coverage, total recovery of insured losses may not be available. This coverage has been considered in determining custodial credit risk.

As of December 31, 2025, $2,035,456 of the County's deposits with financial institutions were in excess of Federal and State depository insurance limits. All excess funds are collateralized with securities held by the pledging financial institution or its trust department or agent but not in the in the County's name.

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

A. Cash and Investments (Continued)

Credit Risk

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

Investment Type	Amount	Exempt from Disclosure	AAA	Aa	Not Rated
Federal Home Loan Bank	$ 400,412	$ -	$ 400,412	$ -	$ -
Federal Farm Credit Bank	350,968	-	350,968	-	-
Freddie Mac	499,207	-	499,207	-	-
Fannie Mae	398,986	-	398,986	-	-
U.S. Treasury Notes	2,570,428	2,570,428	-	-	-
Mutual Funds	156,717	-	-	-	156,717
Corporate Bonds	123,741	-	-	123,741	-
Municipal Bonds	2,131,962	-	589,601	1,091,899	450,462
WISC Investments	6,704,676	-	-	-	6,704,676
Wisconsin Local Government Investment Pool	1,205,675	-	-	-	1,205,675
Totals	$ 14,542,772	$ 2,570,428	$ 2,239,174	$ 1,215,640	$ 8,517,530

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The County does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. Information about the sensitivity of the fair values of the County's investments to market interest rate fluctuations is provided by the following table that shows the distribution of the County's investments by maturity:

		Remaining Maturity (in Months)			
Investment Type	Amount	12 Months or Less	13 to 24 Months	25 to 60 Months	More Than 60 Months
Federal Home Loan Bank	$ 400,412	$ 400,412	$ -	$ -	$ -
Federal Farm Credit Bank	350,968	350,968	-	-	-
Freddie Mac	499,207	100,031	399,176	-	-
Fannie Mae	398,986		198,946	200,040	-
U.S. Treasury Notes	2,570,428	251,088	804,889	1,514,452	-
Mutual Funds	156,717	156,717	-	-	-
Corporate Bonds	123,741	-	123,741	-	-
Municipal Bonds	2,131,962	623,946	1,251,079	256,937	-
WISC Investments	6,704,676	6,704,676	-	-	-
Wisconsin Local Government Investment Pool	1,205,675	1,205,675	-	-	-
Totals	$ 14,542,772	$ 9,793,512	$ 2,777,831	$ 1,971,429	$ -

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

A. Cash and Investments (Continued)

Wisconsin Local Government Investment Pool

The County has investments in the Wisconsin local government investment pool of $1,205,675 at year-end. The Wisconsin local government investment pool (LGIP) is part of the State Investment Fund (SIF), and is managed by the state of Wisconsin Investment Board. The SIF is not registered with the Securities and Exchange Commission, but operates under the statutory authority of Wisconsin Chapter 25. The SIF reports the fair value of its underlying assets annually. Participants in the LGIP have the right to withdraw their funds in total on one day's notice. At December 31, 2025, the fair value of the County's share of the LGIP's assets was substantially equal to the carrying value. As of December 31, 2025, the Wisconsin local government investment pool had a weighted average maturity of 13 days.

Investment in Wisconsin Investment Series Cooperation

The County has investments in the Wisconsin Investment Series Cooperative (WISC) of $6,704,676 at year-end. Of this total, $993,977 was invested in the Cash Management Series and $5,710,699 was invested in the Investment Series. The Cash Management Series has no minimum investment period, allows check writing privileges, and the average dollar weighted maturity is ninety (90) days or less. The Investment Series requires a 14-day minimum investment period and one business day withdrawal notice, and the average dollar weighted maturity is one hundred twenty (120) days or less. The Investment Series and Cash Management Series have received a credit rate of AAA by a nationally recognized statistical rating organization.

WISC is organized by and operated exclusively for Wisconsin public schools, technical colleges, and municipal entities. WISC is not registered with the Securities and Exchange Commission, but operates under Wisconsin International Cooperate Statute, Wisconsin Statute, Section 66.031. WISC is governed by the Wisconsin Investment Series Cooperative Commission in accordance with the terms of the Intergovernmental Cooperation Agreement. WISC invests District funds in accordance with Wisconsin law. WISC investments are valued at amortized cost, which approximates market value.

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

B. Delinquent Property Taxes – General Fund

Delinquent property taxes of the general fund represent unpaid property taxes on real estate, including state and local government equities therein. Under state statutes, the County annually reimburses the state and local governments for their equities in property taxes not collected from the property owner. Unless redeemed by the property owner, the County will eventually obtain tax deed ownership of the properties comprising delinquent taxes. In the past, the County has generally been able to recover its investment in delinquent taxes by sale of the tax deeded properties. Delinquent property taxes purchased from other taxing authorities are reported as nonspendable fund balance at year-end.

Delinquent property taxes levied by the County are shown as a deferred inflow of resources and are excluded from the fund balance until collected.

On December 31, 2025, the County's general fund showed an investment of $1,597,841 in delinquent tax certificates.

An aging of the delinquent taxes on December 31, 2025 follows:

Year Purchased	Total	County Share	County Purchased
2014	$ 1,109	$ 274	$ 834
2015	6,032	1,577	4,455
2016	6,454	1,682	4,772
2017	8,093	2,077	6,016
2018	9,885	2,592	7,293
2019	10,023	2,668	7,355
2020	11,867	3,100	8,767
2021	13,232	3,456	9,776
2022	8,483	2,183	6,300
2023	107,397	28,664	78,733
2024	391,297	96,142	295,155
2025	1,023,970	247,319	776,651
Total Tax Certificates	1,597,841	391,733	1,206,108
Tax Deeds	14,473	14,473	-
Delinquent Property Taxes at December 31, 2025	$ 1,612,314	406,206	1,206,108
Less: 60 Day Collections		62,532	150,917
County Share of Taxes		343,674	
Interest on Delinquent Taxes		283,164	
Deferred Inflow of Resources		$ 626,838	
Nonspendable Fund Balance (Purchased Equities of Other Governments)			$ 1,055,191

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

C. Receivables

Receivables as of year-end for the County's individual major funds and nonmajor governmental funds in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

	General	Human Services	County Roads and Bridges	Debt Service	ARPA	Nonmajor Gov't Funds	Highway
Receivables							
Taxes	$ 14,100,542	$ 11,091,769	$ 4,146,570	$ 3,666,369	$ -	$ 1,145,487	$ -
Delinquent taxes	1,612,314	-	-	-	-	-	-
Accounts	3,264,498	2,416,951	-	-	14,093	1,435,513	53,583
Special Assessments	163,088	-	-	-	-	-	-
Leases	313,111	-	-	-	-	-	-
Other	283,164	-	-	-	-	-	-
Gross receivables	19,736,717	13,508,720	4,146,570	3,666,369	14,093	2,581,000	53,583
Less: Allowance for uncollectibles	(1,491,451)	-	-	-	-	-	-
Net total receivables	$ 18,245,266	$ 13,508,720	$ 4,146,570	$ 3,666,369	$ 14,093	$ 2,581,000	$ 53,583

D. Lease Receivable

The County has entered into long-term written agreements to rent building space and land under the terms of noncancelable lease agreements. Annual installments range between $834 - $134,954. The agreements do not include a stated interest rate, therefore, the County has elected to use their incremental borrowing rate of 1.5% to calculate the present value of the expected lease payments. During the year ended December 31, 2025, the County recognized $153,204 and $5,891 in lease revenue and interest revenue, respectively, in the governmental funds pursuant to these contracts. In addition, County recognized $12,596 and $514 in lease revenue and interest revenue, respectively, in the Highway enterprise fund and business-type activities pursuant to these contracts.

Principal and interest requirements to maturity under lease agreements are as follows:

	Governmental Activities	
Year Ending December 31,	Principal	Interest
2026	$ 151,077	$ 3,253
2027	132,015	636
2028	7,104	341
2029	5,920	253
2030	6,009	163
2031-2035	10,986	332
Total	$ 313,111	$ 4,978

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

E. Capital Assets

Capital asset activity for the year ended December 31, 2025 was as follows:

	Beginning Balance	Increases	Decreases/ Adjustments	Ending Balance
Governmental Activities:				
Capital Assets, Nondepreciable:				
Land	$ 6,196,506	$ -	$ -	$ 6,196,506
Construction in Progress	2,559,241	2,214,685	4,773,926	-
Total Capital Assets, Nondepreciable	8,755,747	2,214,685	4,773,926	6,196,506
Capital Assets, Depreciable and Amortizable:				
Land Improvements	12,340,731	90,000	-	12,430,731
Buildings and Improvements	60,138,037	4,916,124	17,782	65,036,379
Machinery and Equipment	29,800,464	1,947,095	478,117	31,269,442
Infrastructure	108,364,677	5,479,953	4,318,223	109,526,407
Subscription Based Information Technology Assets	1,101,151	2,136,916	205,241	3,032,826
Right-to-Use Lease Assets:				
Buildings	47,061	68,977	47,061	68,977
Machinery and Equipment	212,647	-	-	212,647
Subtotals	212,004,768	14,639,065	5,066,424	221,577,409
Less Accumulated Depreciation and Amortization for:				
Land Improvements	9,680,537	324,153	-	10,004,690
Buildings and Improvements	31,245,819	1,484,957	14,967	32,715,809
Machinery and Equipment	18,503,108	1,632,518	413,497	19,722,129
Infrastructure	52,351,461	2,585,752	2,523,139	52,414,074
Subscription Based Information Technology Assets	493,158	1,009,098	205,241	1,297,015
Right-to-Use Lease Asset:				
Buildings	37,650	12,861	47,061	3,450
Machinery and Equipment	144,855	10,632		155,487
Subtotals	112,456,588	7,059,971	3,203,905	116,312,654
Total Capital Assets, Depreciable and Amortizable, Net	99,548,180	7,579,094	1,862,519	105,264,755
Governmental Activities Capital Assets, Net	$ 108,303,927	$ 9,793,779	$ 6,636,445	111,461,261
Less: Capital Related Debt				31,582,362
Less: Debt Premium				943,565
Less: Capital Related Accounts Payable				24,668
Net Investment in Capital Assets				$ 78,910,666

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

E. Capital Assets (Continued)

	Beginning Balance	Increases	Decreases/ Adjustments	Ending Balance
Business-Type Activities:				
Capital Assets, Nondepreciable:				
Land	$ 1,449,474	$ -	$ -	$ 1,449,474
Construction in Progress	184,151	218,977	184,151	218,977
Total Capital Assets, Nondepreciable	1,633,625	218,977	184,151	1,668,451
Capital Assets, Depreciable:				
Buildings	6,863,118	31,000	-	6,894,118
Improvement Other than Buildings	828,664	-	-	828,664
Machinery and Equipment	14,059,821	658,141	397,895	14,320,067
Subtotals	21,751,603	689,141	397,895	22,042,849
Less Accumulated Depreciation for:				
Buildings	6,165,577	237,495		6,403,072
Improvements Other than Buildings	497,381	45,929	-	543,310
Machinery and Equipment	9,145,859	718,210	343,588	9,520,481
Subtotals	15,808,817	1,001,634	343,588	16,466,863
Total Capital Assets, Depreciable, Net	5,942,786	(312,493)	54,307	5,575,986
Business-Type Activities Capital Assets, Net	$ 7,576,411	$ (93,516)	$ 238,458	7,244,437
Less: Capital Related Accounts Payable				68,718
Net Investment in Capital Assets				$ 7,175,719

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

Governmental Activities:	
General Government	$ 2,263,439
Public Safety	1,392,878
Public Works	2,957,442
Health and Human Services	132,428
Culture and Recreation	301,656
Conservation and Development	12,128
Total Depreciation and Amortization Expense - Governmental Activities	$ 7,059,971
Business-Type Activities:	
Highway	$ 1,001,634

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

F. Interfund Receivables, Payables, and Transfers

Interfund receivables and payables between individual funds of the County, as reported in the fund financial statements, as of December 31, 2025 are detailed below:

	Interfund Receivables	Interfund Payables
Temporary Cash Advances to Finance Operating Cash Deficits:		
Governmental Funds:		
General Fund	$ 3,505,189	$ -
Human Services	-	3,505,189
County Roads & Bridges	-	5,575
ARPA	278,108	-
Nonmajor Funds:		
Courthouse Remod CPF	-	8,117
Sheriff K-9 Unit	8,117	-
Solid Waste	-	272,533
Totals	$ 3,791,414	$ 3,791,414

Interfund transfers for the year ended December 31, 2025 were as follows:

Fund	Transfer In	Transfer Out
Debt Service	$ 227,000	$ -
Special Revenue Funds:		
Human Services	1,331,879	-
ARPA	-	831,879
County Roads and Bridges	-	749,189
Opioid Settlement	-	500,000
Capital Project Funds:		
Courthouse Remodel Project	-	227,000
Highway Enterprise Fund	749,189	-
Total	$ 2,308,068	$ 2,308,068

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

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

G. Long-Term Obligations

The following is a summary of changes in long-term obligations of the County for the year ended December 31, 2025:

	Beginning Balance (1)	Issued	Retired	Ending Balance	Due Within One Year
Governmental Activities:					
General Obligation:					
Bonds	$ 28,815,000	$ 2,570,000	$ 2,335,000	$ 29,050,000	$ 2,560,000
Direct Borrowing:					
Notes	525,000	-	250,000	275,000	275,000
Total General Obligation Debt	29,340,000	2,570,000	2,585,000	29,325,000	2,835,000
Lease Liability	107,841	68,977	27,396	149,422	28,385
Subscription Liability	478,670	2,136,919	493,230	2,122,359	528,926
Debt Premium	952,462	191,649	200,546	943,565	-
Compensated Absences	3,062,702	486,429		3,549,131	354,913
Governmental Activities Long-Term Obligations	$ 33,941,675	$ 5,453,974	$ 3,306,172	$ 36,089,477	$ 3,747,224
Business-Type Activities:					
General Obligation Debt:					
Compensated Absences	$ 212,808	$ 26,312	$ -	$ 239,120	$ 23,900

(1) The change in the compensated absences liability is presented as a net change.

Total interest paid during the year on long-term debt totaled $1,118,814.

General Obligation Debt

General obligation debt currently outstanding is detailed as follows:

	Date of Issue	Final Maturity	Interest Rates	Original Indebtedness	Balance 12/31/2025
Refunding Bonds	8/18/17	2036	2% - 3.25%	$ 9,995,000	$ 6,075,000
General Obligation Bonds	9/23/19	2036	3.21%	6,065,000	5,035,000
General Obligation Bonds	1/7/20	2030	3.00% - 4.00%	9,785,000	5,395,000
G.O. Promissory Note (Direct Borrowing)	6/15/21	2026	1.09%	1,000,000	275,000
General Obligation Bonds	10/10/23	2033	4.00%	2,500,000	2,075,000
General Obligation Bonds	4/9/24	2034	2.00% - 4.00%	4,200,000	3,900,000
General Obligation Bonds	4/9/24	2044	2.00% - 4.00%	4,075,000	4,000,000
General Obligation Bonds	6/10/25	2035	5.00%	2,570,000	2,570,000
Total Outstanding General Obligation Debt					$ 29,325,000

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

G. Long-Term Obligations (Continued)

Annual principal and interest maturities of the outstanding general obligation debt of $29,325,000 on December 31, 2025 are detailed below:

	Governmental Activities					
Year Ending	Bonded Debt		Notes From Direct Borrowing		Totals	
December 31,	Principal	Interest	Principal	Interest	Principal	Interest
2026	$ 2,560,000	$ 1,051,120	$ 275,000	$ 2,998	$ 2,835,000	$ 1,054,118
2027	3,085,000	910,950	-	-	3,085,000	910,950
2028	3,075,000	794,750	-	-	3,075,000	794,750
2029	3,195,000	677,450	-	-	3,195,000	677,450
2030	3,320,000	552,300	-	-	3,320,000	552,300
2031 - 2035	10,480,000	1,513,505	-	-	10,480,000	1,513,505
2036 - 2040	2,250,000	340,250	-	-	2,250,000	340,250
2041 - 2044	1,085,000	68,800	-	-	1,085,000	68,800
Total	$ 29,050,000	$ 5,909,125	$ 275,000	$ 2,998	$ 29,325,000	$ 5,912,123

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

Legal Margin for New Debt

The County's legal margin for creation of additional general obligation debt on December 31, 2025 was $483,271,345 as follows:

Equalized Valuation of the County	$ 10,251,926,900
Statutory Limitation Percentage	(x) 5%
General Obligation Debt Limitation, per Section 67.03 of the Wisconsin Statutes	512,596,345
Total Outstanding General Obligation Debt Applicable to Debt Limitation	29,325,000
Legal Margin for New Debt	$ 483,271,345

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

G. Long-Term Obligations (Continued)

Subscription Liability

The County has entered into subscription-based information technology arrangements (SBITAs) for technology. The SBITA arrangements expire during 2028.

The future subscription payments under the SBITA agreement are as follows:

	Governmental Activities		
Year Ending December 31,	Principal	Interest	Total
2026	$ 528,926	$ 77,555	$ 606,481
2027	360,835	59,993	420,828
2028	390,081	41,007	431,088
2029	421,224	20,505	441,729
2028	421,293	-	421,293
Total	$ 2,122,359	$ 199,060	$ 2,321,419

H. Leases Liability

The County leases equipment as well as building space under the terms of various long-term noncancelable lease agreements. The lease agreements mature at various dates through 2034.

Principal and interest payments to maturity under the terms of the lease agreements are as follows:

	Governmental Activities		
Year Ending December 31,	Principal	Interest	Total
2026	$ 28,385	$ 2,691	$ 31,076
2027	29,460	2,114	31,574
2028	30,573	1,514	32,087
2029	31,723	891	32,614
2030	29,281	258	29,539
Total	$ 149,422	$ 7,468	$ 156,890

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

I. Pension Plan

1. Plan Description

The WRS is a cost-sharing, multiemployer defined benefit pension plan. WRS benefits and other plan provisions are established by Chapter 40 of the Wisconsin Statutes. Benefit terms may only be modified by the legislature. The retirement system is administered by the Wisconsin Department of Employee Trust Funds (ETF). The system provides coverage to all eligible state of Wisconsin, local government and other public employees. All employees, initially employed by a participating WRS employer on or after July 1, 2011, expected to work at least 1200 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 Annual Comprehensive Financial Report, which can be found at http://etf.wi.gov/reports-and-studies/financial-reports-and-statements.

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

2. 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.

3. Benefits Provided

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

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

I. Pension Plan (Continued)

3. Benefits Provided (Continued)

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

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

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

The WRS also provides death and disability benefits for employees.

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

I. Pension Plan (Continued)

4. Postretirement Adjustments

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

Year	Core Fund Adjustment	Variable Fund Adjustment
2015	2.9%	2%
2016	0.5%	-5%
2017	2.0%	4%
2018	2.4%	17%
2019	0.0%	-10%
2020	1.7%	21%
2021	5.1%	13%
2022	7.4%	15%
2023	1.6%	-21%
2024	3.6%	15%

5. Contributions

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

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

I. Pension Plan (Continued)

5. Contributions (Continued)

During the year ending December 31, 2025, the WRS recognized $3,007,612 in contributions from the County.

Contribution rates for the reporting period are:

Employee Category	Employee	Employer
General (Including Executives and Elected Officials)	6.95%	6.95%
Protective with Social Security	6.95%	14.95%
Protective without Social Security	6.95%	18.95%
Act 4 Protective County Jailors	14.95%	6.95%

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

At December 31, 2025, the County reported a liability of $3,077,795 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2023 rolled forward to December 31, 2024. No material changes in assumptions or benefit terms occurred between the actuarial valuation date and the measurement date. The County’s proportion of the net pension liability was based on the County’s share of contributions to the pension plan relative to the contributions of all participating employers. At December 31, 2024, the County’s proportion was 0.18730888%, which was an increase of 0.00296176% from its proportion measured as of December 31, 2023.

For the year ended December 31, 2025, the County recognized pension expense of $4,127,763.

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

I. Pension Plan (Continued)

6. Pension Asset, Pension Expense (Revenue), and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

At December 31, 2025, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	$ 9,558,237	$ 8,981,745
Net Differences Between Projected and Actual Earnings on Pension Plan Investments	4,676,872	-
Changes in Assumptions	913,241	-
Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	18,320	59,519
Employer Contributions Subsequent to the Measurement Date	3,007,612	-
Total	$ 18,174,282	$ 9,041,264

$3,007,612 reported as deferred outflows related to pension resulting from the County's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

Year Ending December 31,	Expenses
2026	$ 1,837,604
2027	6,371,540
2028	(1,587,014)
2029	(496,724)
Total	$ 6,125,406

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

I. Pension Plan (Continued)

7. Actuarial Assumptions

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

Actuarial Valuation Date:	December 31, 2023
Measurement Date of Net Pension Liability:	December 31, 2024
Experience Study:	January 1, 2021 - December 31, 2023 Published November 19, 2024
Actuarial Cost Method:	Entry Age Normal
Asset Valuation Method:	Fair Value
Long-Term Expected Rate of Return:	6.8%
Discount Rate:	6.8%
Salary Increases:	
Wage Inflation	3.0%
Seniority/Merit	0.1% - 5.7%
Mortality	2020 WRS Experience Mortality Table
Postretirement Adjustments*	1.7%

** No postretirement adjustment is guaranteed. Actual adjustments are based on recognized investment return, actuarial experience and other factors. 1.7% is the assumed annual adjustment based on the investment return assumption and the postretirement discount rate. Includes the impact of the known Market Recognition Account deferred gains/losses on the liability for dividend payments.*

Actuarial assumptions are based upon an experience study conducted in 2024 that covered a three-year period from January 1, 2021 to December 31, 2023. The total pension liability for December 31, 2024 is based upon a roll-forward of the liability calculated from the December 31, 2023 actuarial valuation.

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

I. Pension Plan (Continued)

7. Actuarial Assumptions (Continued)

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

	Current Asset Allocation %	Long-Term Expected Nominal Rate of Return %	Long-Term Expected Real Rate of Return %
Core Fund Asset Class:			
Public Equity	38.0%	7.0%	4.3%
Public Fixed Income	27.0	6.1%	3.4%
Private Equity/Debt	20.0	9.5%	6.7%
Inflation Sensitive	19.0	4.8%	2.1%
Real Estate	8.0	6.5%	3.8%
Leverage	-12.0	3.7%	1.1%
Total Core Fund	100.0%	7.5%	4.8%
Variable Fund Asset:			
U.S. Equities	70.0%	6.5%	3.8%
International Equities	30.0	7.4%	4.7%
Total Variable Fund	100.0%	6.9%	4.2%

New England Pension Consultants Long Term US CPI (Inflation) Forecast: 2.6%

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

The investment policy used for the Core Fund involves reducing equity exposure by leveraging lower-volatility assets, such as fixed income securities. Currently, an asset allocation target of 12% policy leverage is used, subject to an allowable range of up to 20%.

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

I. Pension Plan (Continued)

7. Actuarial Assumptions (Continued)

Single Discount Rate – A single discount rate of 6.80% was used to measure the total pension liability for the current and prior year. The discount rate is based on the expected rate of return on pension plan investments of 6.80% and a municipal bond rate of 4.08% (Source: “20-Bond GO Index” is the Bond Buyer Index, general obligation, 20 years to maturity, mixed quality as of December 31, 2024. In describing this index, the Bond Buyer notes that the bonds’ average quality is roughly equivalent to Moody’s investors Service’s Aa2 rating and Standard and Poor’s Corp.’s AA.). Because of the unique structure of WRS, the 6.80% expected rate of return implies that a dividend of approximately 1.70% will always be paid after reflecting known changes in the Market Recognition Account. 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.

Sensitivity of the County’s Proportionate Share of the Net Pension Liability (Asset) to Changes in the Discount Rate – The following presents the County’s proportionate share of the net pension liability (asset) calculated using the discount rate of 6.80%, as well as what the County’s proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (5.80%) or 1-percentage-point higher (7.80%) than the current rate:

	1% Decrease to Discount Rate (5.80%)	Current Discount Rate (6.80%)	1% Increase to Discount Rate (7.80%)
County's Proportionate Share of the Net Pension Liability (Asset)	$ 28,873,735	$ 3,077,795	$ (15,249,481)

Pension Plan Fiduciary Net Position – Detailed information about the pension plan’s fiduciary net position is available in separately issued financial statements available at https://etf.wi.gov/about-etf/reports-and-studies/financial-reports-and-statements.

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

I. Pension Plan (Continued)

8. Payables to the Pension Plan

The County reported a payable of $837,987 for the outstanding amount of contributions to the pension plan for the year ended December 31, 2025.

J. Other Postemployment Benefits

The County reports OPEB related balances at December 31, 2025 as summarized below:

	OPEB Liability	Deferred Outflows of Resources	Deferred Inflows of Resources	OPEB Expense
Local Retiree Life Insurance Fund (LRLIF)	$ 2,059,424	$ 652,691	$ 1,382,232	$ 126,301
Single-Employer Defined OPEB Plan	1,274,352	502,604	245,956	156,961
Total Pension Liability	$ 3,333,776	$ 1,155,295	$ 1,628,188	$ 283,262

1. Single-Employer Defined Postemployment Benefit Plan

Plan Description

The Plan is a single-employer defined benefit postemployment health plan that covers retired employees of the County. Eligible retired employees have access to group medical coverage through the County's group plan until they reach the age of 65. The retired employee contributes 100% of the premium for family coverage and 100% of the premium for single coverage. There are no plan assets that have been accumulated in a trust.

Employees Covered by Benefit Terms

At December 31, 2025, the following employees were covered by the benefit terms:

Inactive Employees or Beneficiaries Currently Receiving Benefit Payments	85
Active Employees	496
Total	581

Total OPEB Liability

The County's total OPEB liability was measured as of December 31, 2024, and the total OPEB liability was determined by an actuarial valuation as of December 31, 2023.

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

J. Other Postemployment Benefits (Continued)

1. Single-Employer Defined Postemployment Benefit Plan (Continued)

Total OPEB Liability (Continued)

Actuarial Assumptions. The total OPEB liability in the December 31, 2023 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Actuarial Valuation Date:	December 31, 2023
Measurement Date:	December 31, 2024
Actuarial Cost Method:	Entry Age Normal (level percent of salary)
Medical Care Trend:	7.0% decreasing by .10% per year down to 4.5%, and then level thereafter
Discount Rate:*	4.28%
Municipal Bond Rate Source:	S&P Municipal Bond 20 Year High Grade Index
Actuarial Assumptions:	Based on an experience study conducted in 2021 using Wisconsin Retirement System experience form 2018-20.
Mortality	2020 WRS Experience Tables for Active Employees and Healthy Retirees

* Implicit in this rate is an assumed rate of inflation of 2.5%

Changes in the Total OPEB Liability

	Increase (Decrease) Total OPEB Liability (a)
Balance at January 1, 2024	$ 1,235,532
Changes for the Year:	
Service Cost	80,405
Interest	50,718
Differences Between Expected and Actual Experiences	(49,953)
Benefit Payments	(27,419)
Changes of Assumptions or Other Input	(14,931)
Net Changes	38,820
Balance at December 31, 2024	$ 1,274,352

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

J. Other Postemployment Benefits (Continued)

1. Single-Employer Defined Postemployment Benefit Plan (Continued)

Changes in the Total OPEB Liability (Continued)

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate. The following presents the total OPEB liability of the County would be if it were calculated using a discount rate that is 1-percentage-point lower (3.28%) or 1-percentage-point higher (5.28%) than the current rate:

	1% Decrease to Discount Rate (3.28%)	Current Discount Rate (4.28%)	1% Increase to Discount Rate (5.28%)
Total OPEB liability	$ 1,389,082	$ 1,274,352	$ 1,169,456

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates. The following presents the total OPEB liability of the County would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

	1% Decrease (6.0% Decreasing to 3.5%)	Healthcare Cost Trend Rates (7.0% Decreasing to 4.5%)	1% Increase (8.0% Decreasing to 5.5%)
Total OPEB Liability	$ 1,139,209	$ 1,274,352	$ 1,433,090

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

For the year ended December 31, 2025 the County recognized OPEB expense of $156,961. The County reported deferred outflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	$ 340,472	$ 117,358
Changes in Assumptions	113,195	128,598
County Benefit Payments Subsequent to the Measurement Date	48,937	-
Total	$ 502,604	$ 245,956

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

J. Other Postemployment Benefits (Continued)

1. Single-Employer Defined Postemployment Benefit Plan (Continued)

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Continued)

$48,937 reported as deferred outflow related to OPEB resulting from the County's benefit payments subsequent to the measurement date will be recognized as a reduction of the OPEB liability in the year ended December 31, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ending December 31,	Expense
2026	$ 25,838
2027	25,836
2028	29,581
2029	35,295
2030	31,435
Thereafter	59,726
Total	$ 207,711

Payable to the OPEB Plan

At December 31, 2025, the County no outstanding contribution to the Plan required for the year ended December 31, 2025.

2. Local Retiree Life Insurance Fund

Plan Description

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

OPEB Plan Fiduciary Net Position

ETF issues a standalone Annual Comprehensive Financial Report, which can be found at https://etf.wi.gov/about-etf/reports-and-studies/financial-reports-and-statements.

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

Benefits Provided

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

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

J. Other Postemployment Benefits (Continued)

2. Local Retiree Life Insurance Fund (Continued)

Contributions

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

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

Contribution rates as of December 31, 2025 are:

Coverage Type	Employer Contribution
50% Postretirement Coverage	40% of Member Contribution
25% Postretirement Coverage	20% of Member Contribution

Member contributions are based upon nine age bands through age 69 and an additional eight age bands for those age 70 and over. Participating members must pay monthly contribution rates per $1,000 of coverage until the age of 65 (age 70 if active). The member contribution rates in effect for the year ended December 31, 2024 are listed below:

Life Insurance
Member Contribution Rates
For the Year Ended December 31, 2024

Attained Age	Basic	Supplemental
Under 30	$0.05	$0.05
30 - 34	0.06	0.06
35 - 39	0.07	0.07
40 - 44	0.08	0.08
45 - 49	0.12	0.12
50 - 54	0.22	0.22
55 - 59	0.39	0.39
60 - 64	0.49	0.49
65 - 69	0.57	0.57

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

J. Other Postemployment Benefits (Continued)

2. Local Retiree Life Insurance Fund (Continued)

Contributions (Continued)

During the reporting period, the LRLIF recognized $12,681 in contributions from the employer.

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

At December 31, 2025, the County reported a liability of $2,059,424 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of December 31, 2024, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of January 1, 2024 rolled forward to December 31, 2024. No material changes in assumptions or benefits terms occurred between the actuarial valuation date and the measurement date. The County's proportion of the net OPEB liability was based on the County's share of contributions to the OPEB plan relative to the contributions of all participating employers. At December 31, 2024, the County's proportion was 0.52640300%, which was a increase of 0.00974200% from its proportion measured as of December 31, 2023.

For the year ended December 31, 2025, the County recognized OPEB expense of $126,301.

At December 31, 2025, the County reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	$ -	$ 214,253
Net Differences Between Projected and Actual Earnings on OPEB Plan Investments	28,281	-
Changes in Assumptions	505,325	1,155,088
Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	119,085	12,891
Total	$ 652,691	$ 1,382,232

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

J. Other Postemployment Benefits (Continued)

2. Local Retiree Life Insurance Fund (Continued)

OPEB Liabilities, OPEB Expense (Revenue) and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Continued)

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

Year Ending December 31,	Expense
2026	$ (48,742)
2027	(140,161)
2028	(213,478)
2029	(213,703)
2030	(49,377)
Thereafter	(64,080)
Total	$ (729,541)

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

Actuarial Valuation Date:	January 1, 2024
Measurement Date of Net OPEB Liability (Asset):	December 31, 2024
Experience Study:	January 1, 2021 - December 31, 2023 Published November 19, 2024
Actuarial Cost Method:	Entry Age Normal
20 Year Tax-Exempt Municipal Bond Yield*:	4.08%
Long-Term Expected Rate of Return:	4.25%
Discount Rate:	4.09%
Salary Increases:	
Wage Inflation	3.00%
Seniority/Merit	0.1% - 5.7%
Mortality:	2020 WRS Experience Mortality Table

*Based on the Bond Buyers GO 20-Bond Municipal Index

Actuarial assumptions are based upon an experience study conducted in 2024 that covered a three-year period from January 1, 2021 to December 31, 2023. The total OPEB liability for December 31, 2024 is based upon a roll-forward of the liability calculated from the January 1, 2024 actuarial valuation.

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

J. Other Postemployment Benefits (Continued)

2. Local Retiree Life Insurance Fund (Continued)

OPEB Liabilities, OPEB Expense (Revenue) and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Continued)

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

Asset Class	Index	Target Allocation	Long-Term Expected Geometric Real Rate of Return %
U.S. Credit Bonds	Bloomberg US Interim Credit	40%	2.41%
U.S. Mortgages	Bloomberg US MBS	60%	2.71%
Inflation			2.30%
Long-Term Expected Rate of Return			4.25%

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

J. Other Postemployment Benefits (Continued)

2. Local Retiree Life Insurance Fund (Continued)

OPEB Liabilities, OPEB Expense (Revenue) and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Continued)

Single Discount Rate. A single discount rate of 4.09% was used to measure the total OPEB liability for the current year, as opposed to a discount rate of 3.32% for the prior year. The change in the discount rate was primarily caused by the increase in the municipal bond rate from 3.26% as of December 31, 2023 to 4.08% as of December 31, 2024. The Plan's fiduciary net position was projected to be insufficient to make all projected future benefit payments of current active and inactive members. Therefore, the discount rate for calculating the total OPEB liability is equal to the single equivalent rate that results in the same actuarial present value as the long-term expected rate of return applied to benefit payments, to the extent that the plan's fiduciary net position is projected to be sufficient to make projected benefit payments, and the municipal bond rate applied to benefit payment to the extent that the plan's fiduciary net position is projected to be insufficient. The plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through December 31, 2037.

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

Sensitivity of the County's Proportionate Share of Net OPEB Liability to Changes in the Discount Rate. The following presents the County's proportionate share of the net OPEB liability calculated using the discount rate of 4.09%, as well as what the County's proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (3.09%) or 1-percentage-point higher (5.09%) than the current rate:

	1% Decrease to Discount Rate (3.09%)	Current Discount Rate (4.09%)	1% Increase to Discount Rate (5.09%)
County's Proportionate Share of the Net OPEB Liability	$ 2,752,709	$ 2,059,424	$ 1,525,186

Payable to the OPEB Plan

The County reported a payable of $-0- for the outstanding amount of contribution to the Plan required for the year ended December 31, 2025.

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

K. Fund Equity

Nonspendable Fund Balance

In the fund financial statements, portions of the governmental fund balances are amounts that cannot be spent because they are either 1) not in spendable form or 2) legally or contractually required to be maintained intact. At December 31, 2025, nonspendable fund balance was as follows:

General Fund:	
Nonspendable:	
Prepaid Items	$ 132,355
Delinquent Property Taxes	1,055,191
Total General Fund Nonspendable Fund Balance	1,187,546
Human Services:	
Nonspendable:	
Prepaid Items	11,751
Special Revenue Funds:	
ARPA Fund	
Nonspendable - Prepaid Items	15,507
Nonmajor Funds	
Nonspendable - Prepaid Items	2,228
Total Nonspendable Fund Balance	$ 1,217,032

Restricted Fund Balance

In the fund financial statements, portions of governmental fund balances are not available for appropriation or are legally restricted for use for a specific purpose. At December 31, 2025, restricted fund balance was as follows:

General Fund:	
Restricted for:	
Public Health	$ 2,308
Veterans Service	49,880
Land Record Modernization	303,659
Register of Deeds Redaction	85,812
Total General Fund Restricted Fund Balance	441,659
Special Revenue Funds:	
Restricted for:	
Conservation	354,005
Opioid Programs	1,316,823
Total Special Revenue Funds	1,670,828
Debt Service Fund:	
Restricted for Debt Service Payments	262,642
Capital Improvements Fund:	
Restricted for Jail Assessment Project	101,124
Restricted for Courthouse Capital Improvements	14,419
Total Capital Improvements Funds	115,543
Total Restricted Fund Balance	$ 2,490,672

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

K. Fund Equity (Continued)

Committed Fund Balance

In the fund financial statements, portions of government fund balances are committed by County Board action. At December 31, 2025, General Fund balance was committed as follows:

General Fund:	
Committed for:	
Aerial Mapping	$ 109,621
Area Wide Planning	160,473
Communications E-911	307,805
Vehicle Pool Public Works	138,926
Emergency Management HAZMAT	228,742
Personnel	14,965
Elections	141,232
Communications	149,716
Total General Fund Committed Fund Balance	1,251,480
Special Revenue Funds:	
Committed for:	
Solid Waste Disposal	229,922
Aging	2,386,346
Forestry Tree Planting	18,507
Expo	1,159,035
ARPA	212,762
Total Special Revenue Funds Committed Fund Balance	4,006,572
Capital Improvements Funds:	
Committed for:	
Economic Development Projects	22,675
Jail Security Project	2,517
Courthouse Capital Improvements	311,003
Total Capital Improvements Funds Committed Fund Balance	336,195
Total Committed Fund Balance	$ 5,594,247

NOTE 4 OTHER INFORMATION

A. Risk Management

The County is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the government carries commercial insurance. The County completes an annual review of its insurance coverage to ensure adequate coverage. A description of the County's risk management programs is presented below:

Property and Liability Insurance

During 1987, the County became a member of the Wisconsin Municipal Mutual Insurance Company (WMMIC). WMMIC was created by several governmental units within the state of Wisconsin to provide liability insurance services to its members. The County is partially self-funded for liability insurance and pays premiums to WMMIC for its excess liability insurance coverage. The actuary for WMMIC determined charges to its members for expected losses and loss adjustment expenses on which premiums are based. WMMIC provides general and police professional liability, errors and omissions, and vehicle liability coverage for the County. The County's self-insured retention limit is $125,000 for each occurrence with a maximum limit of $400,000 annually. A separate financial report is issued by WMMIC.

Financing for the self-insurance internal service fund is provided by payments from other county funds based on their portion of WMMIC's charges to the County and claim expenses incurred by the County. On December 31, 2025, the fund has an unrestricted net position of $1,845,891 for future catastrophic losses. The claims liability of $140,000 reported in the fund at December 31, 2025 is based on the requirements of GASB Statement No. 10, which requires that a liability for claims be reported if information prior to issuance of the financial statements indicates that it is probably that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonable estimated. Changes in the fund's claim liability amount for 2024 and 2025 follows:

	Liability January 1	Current Year Claims and Changes in Estimates	Claims Payments	Liability December 31
2025	$ 150,000	$ 258,303	$ 268,303	$ 140,000
2024	495,000	132,400	477,400	150,000

Health Self-Insurance Fund

County employees, retirees and employee dependents are eligible for medical benefits from a health self-insurance fund. Funding is provided by charges to County departments, employees and retirees. The program is supplemented by stop loss protection, which limits the County's annual liability. Fund expenses consist of payments to a third-party administrator for medical claims, stop loss insurance premiums and administrative fees. On December 31, 2025, the fund had a net position balance of $318,089.

NOTE 4 OTHER INFORMATION (CONTINUED)

A. Risk Management (Continued)

Health Self-Insurance Fund (Continued)

The claims liability of $804,424 reported in the fund at December 31, 2025 is based on the requirements of GASB Statement No. 10, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. Changes in the fund's claims liability amount are as follows:

	Liability January 1	Current Year Claims and Changes in Estimates	Claims Payments	Liability December 31
2025	$ 1,067,929	$ 6,013,749	$ 6,277,254	$ 804,424
2024	416,380	7,443,403	6,791,854	1,067,929

Workers' Compensation

The County has established a workers' compensation fund to finance workers' compensation awards for County employees. The program is funded by charges to County departments. The program is also supplemented by stop loss protection, which limits the County's annual liability. The claims liability of $230,000 reported in the fund at December 31, 2025, is due within one year, and is based on the requirements of GASB Statement No. 10 which requires that a liability for claims be reported if information prior to the issuance of the financial statements and the amount of the loss can be reasonably estimated. Changes in the fund's claims liability for 2024 and 2025 follows:

	Liability January 1	Current Year Claims and Changes in Estimates	Claims Payments	Liability December 31
2025	$ 100,000	$ 926,791	$ 796,791	$ 230,000
2024	195,000	840,473	935,473	100,000

B. Contingencies

The County participates in a number of federal and state assisted grant programs. These programs are subject to program review and compliance audits by the grantors or their representatives. Such audits could lead to requests for reimbursement to the grantor agency for expenditures disallowed under terms of the grants. Management believes such disallowances, if any, would be immaterial.

NOTE 4 OTHER INFORMATION (CONTINUED)

B. Contingencies (Continued)

From time to time, the County is party to other various pending claims and legal proceedings. Although the outcome of such matters cannot be forecast with certainty, it is the opinion of management and legal counsel that the likelihood is remote that any such claims or proceedings will have a material adverse effect on the County's financial position or results of operations. Settled claims have not exceeded coverage amounts in any of the last three fiscal years.

C. Deferred Compensation Plan

The County offers its employees a deferred compensation plan created in accordance with the Internal Revenue Service Code Section 457. The Plan, available to all County employees, permits them to defer a portion of their compensation until future years. The deferred compensation is not available to employees until termination, retirement, death, or foreseeable emergency. Contributions to this plan are entirely from employee voluntary contributions. The County makes no employer contributions to this plan.

D. Subsequent Events

<u>Debt Issuance</u>

During June of 2026 the County Board approved an initial resolution authorizing the issuance of general obligation debt to be used for capital projects in an amount not to exceed $3,450,000. The general obligation debt is expected to be issued in August of 2026.

NOTE 4 OTHER INFORMATION (CONTINUED)

E. Restatements

Prior Period Adjustment

The County recorded a prior period adjustment to increase accrued liabilities and decrease fund balance by $710,370 in the Human Services fund. In addition, accrued liabilities were understated and net position was overstated in Governmental Activities by $710,370. The effect of these error corrections are also shown in the table below.

	December 31, 2024, as Previously Reported	Error Correction	December 31, 2024, as Adjusted
Governmental-Wide:			
Governmental Activities	$ 99,100,479	$ (710,370)	$ 98,390,109
Governmental Funds:			
Major Funds:			
Human Services	$ (2,815,480)	$ (710,370)	$ (3,525,850)

REQUIRED SUPPLEMENTARY INFORMATION

MANITOWOC COUNTY, WISCONSIN
SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY (ASSET)
WISCONSIN RETIREMENT SYSTEM
LAST TEN MEASUREMENT PERIODS

Measurement Period Ended	Proportion of the Total Pension Liability (Asset)	Proportionate Share of the Total Pension Liability (Asset)	Covered Payroll	Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability (Asset)
12/31/15	0.16764895%	$ 2,724,263	$ 22,129,259	12.31%	98.20%
12/31/16	0.17127670%	1,411,729	23,259,252	6.07%	99.12%
12/31/17	0.17520192%	(5,201,952)	23,843,257	21.82%	102.93%
12/31/18	0.17948576%	6,385,540	24,924,516	25.62%	96.45%
12/31/19	0.17911910%	(5,775,617)	25,714,438	22.46%	102.96%
12/31/20	0.18202769%	(11,364,241)	27,506,179	41.32%	105.26%
12/31/21	0.18130783%	(14,613,744)	27,176,373	53.77%	106.02%
12/31/22	0.18317256%	9,703,939	28,920,472	33.55%	95.72%
12/31/23	0.18434712%	2,740,884	31,499,711	8.70%	98.85%
12/31/24	0.18730888%	3,077,795	33,430,867	9.21%	98.79%

SCHEDULE OF CONTRIBUTIONS
WISCONSIN RETIREMENT SYSTEM
LAST TEN FISCAL YEARS

Fiscal Year Ending	Contractually Required Contributions	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency (Excess)	Covered Payroll (Fiscal Year)	Contributions as a Percentage of Covered Payroll
12/31/16	$ 1,615,187	$ 1,618,187	$ -	$ 23,259,252	6.96%
12/31/17	1,795,213	1,795,213	-	23,843,257	7.53%
12/31/18	1,798,662	1,798,662	-	24,924,516	7.22%
12/31/19	1,858,442	1,858,442	-	25,714,438	7.23%
12/31/20	2,101,824	2,101,824	-	27,506,179	7.64%
12/31/21	2,083,944	2,083,944	-	27,176,373	7.67%
12/31/22	2,176,542	2,176,542	-	28,920,472	7.53%
12/31/23	2,502,426	2,502,426	-	31,499,711	7.94%
12/31/24	2,828,423	2,828,423	-	33,430,867	8.46%
12/31/25	3,007,612	3,007,612	-	34,667,242	8.68%

See accompanying Notes to Required Supplementary Information.

MANITOWOC COUNTY, WISCONSIN
SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS
LAST 10 FISCAL YEARS *

	2025	2024	2023	2022	2021	2020	2019	2018
Total OPEB Liability:								
Service Cost	$ 80,405	$ 64,294	$ 85,203	$ 62,557	$ 56,283	$ 52,936	$ 57,470	$ 57,470
Interest	50,718	35,229	24,262	21,599	25,280	36,988	32,195	30,210
Differences Between Expected and Actual Experience	(49,953)	420,558	(56,534)	24,068	-	(105,797)	-	-
Change of Assumptions	(27,419)	65,056	(145,089)	52,250	34,746	54,392	(33,743)	-
Benefit Payments	(14,931)	(292,753)	(2,869)	(106,011)	(51,549)	(39,676)	(57,954)	(3,947)
Net Change in Total OPEB Liability	38,820	292,384	(95,027)	54,463	64,760	(1,157)	(2,032)	83,733
Total OPEB Liability - Beginning	1,235,532	943,148	1,038,175	983,712	918,952	920,109	920,109	836,376
Total OPEB Liability - Ending	$ 1,274,352	$ 1,235,532	$ 943,148	$ 1,038,175	$ 983,712	$ 918,952	$ 918,077	$ 920,109
Covered-Employee Payroll	$ 32,315,859	$ 32,315,859	$ 27,904,518	$ 27,904,518	$ 25,322,754	$ 25,322,754	$ 23,560,909	$ 23,560,909
County's Total OPEB Liability as a percentage of Covered-Employee Payroll	3.94%	3.82%	3.38%	3.72%	3.88%	3.63%	3.90%	3.91%

* The amounts presented for each fiscal year were determined as of the prior fiscal year-end. Amounts for prior years were not available. 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.

See accompanying Notes to Required Supplementary Information.

MANITOWOC COUNTY, WISCONSIN
SCHEDULE OF PROPORTIONATE SHARE OF NET OPEB LIABILITY (ASSET)
LOCAL RETIREE LIFE INSURANCE FUND
LAST TEN MEASUREMENT PERIODS*

Plan Fiscal Year Ending	Proportion of the Total OPEB Liability (Asset)	Proportionate Share of the Total OPEB Liability (Asset)	Covered-Employee Payroll (Plan Year)	Proportionate Share of the Net OPEB Liability (Asset) as a Percentage of Covered-Employee Payroll	Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability (Asset)
12/31/17	0.50213100%	$ 1,510,701	$ 21,116,045	7.15%	44.81%
12/31/18	0.49761700%	1,282,859	23,059,000	5.56%	48.69%
12/31/19	0.48373100%	2,059,821	23,938,000	8.60%	37.58%
12/31/20	0.48269700%	2,655,182	24,410,000	10.88%	31.36%
12/31/21	0.50196100%	2,966,775	25,721,000	11.53%	29.57%
12/31/22	0.51821800%	1,974,321	25,850,000	7.64%	38.81%
12/31/23	0.51666100%	2,376,979	27,158,000	8.75%	33.90%
12/31/24	0.52640300%	2,059,424	28,615,000	7.20%	37.20%

*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.

SCHEDULE OF CONTRIBUTIONS
LOCAL RETIREE LIFE INSURANCE FUND
LAST TEN FISCAL YEARS*

Fiscal Year Ending	Contractually Required Contributions	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency (Excess)	Covered - Employee Payroll	Contributions as a Percentage of Covered - Employee Payroll
12/31/18	$ 9,535	$ 9,535	$ -	$ 23,059,000	0.04%
12/31/19	9,578	9,578	-	23,938,000	0.04%
12/31/20	9,567	9,567	-	24,410,000	0.04%
12/31/21	10,060	10,060	-	25,721,000	0.04%
12/31/22	10,352	10,352	-	25,850,000	0.04%
12/31/23	10,332	10,332	-	27,158,000	0.04%
12/31/24	11,078	11,078	-	28,615,000	0.04%
12/31/25	12,681	12,681	-	34,667,242	0.04%

*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.

See accompanying Notes to Required Supplementary Information.

NOTE 1 OTHER POSTEMPLOYMENT BENEFIT PLANS

Single Employer Plan

The data presented in the Schedule of Changes in Total OPEB Liability and Related Ratios was taken from the reports issued by the actuary.

There were no changes of benefit terms.

The discount rate changed from 4.00% to 4.28%. There were no other changes in assumptions.

No assets have been accumulated in an irrevocable trust.

Local Retiree Life Insurance Fund (LRLIF)

Changes of Benefit Terms:
There were no changes of benefit terms for any participating employer in LRLIF. Changes in assumptions are as follows:

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

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

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

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

- Lowering the long-term expected rate of return from 5.00% to 4.25%
- Lowering the wage inflation rate from 3.2% to 3.0%
- Lowering the price inflation rate from 2.7% to 2.5%
- Mortality assumptions were changed to reflect update trends by transitioning from the Wisconsin 2018 Mortality Table to the 2020 WRS Experience Mortality Table.

The amounts reported for each fiscal year were determined as of the prior fiscal year-end. The County is required to present the last 10 fiscal years of data; however accounting standards allow the presentation of as many years as are available until 10 fiscal years are presented.

NOTE 2 WISCONSIN RETIREMENT SYSTEM (WRS)

Changes of Benefit Terms:
There were no changes of benefit terms for any participating employer in the WRS.

Changes of Assumptions:
Based on a three-year experience study conducted in 2024 covering January 1, 2021 through December 31, 2023, the ETF Board adopted assumption changes that were used to measure the total pension liability beginning with the year ended December 31, 2024, including the following:

- Lowering the seniority/merit inflation rate from 0.1% to 5.6% to 0.1% to 5.7%

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

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

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

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

SUPPLEMENTARY INFORMATION

MANITOWOC COUNTY, WISCONSIN
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2025

	Special Revenue						
	Recycling	Solid Waste Disposal	Aging	Soil and Water Conservation	Forestry Tree Planting	Sheriff K-9 Unit	Expo
ASSETS							
Cash and Investments	$ 19,653	$ 66,125	$ 2,009,607	$ -	$ 18,507	$ -	$ 1,202,525
Receivables:							
Taxes and Special Charges	691,986	10,000	30,650	412,851	-	-	-
Accounts	9,787	264,645	500,241	652,101	-	4	-
Due from Other Funds	-	-	-	-	-	-	-
Prepaid Items	-	-	448	-	-	-	1,780
Total Assets	$ 721,426	$ 340,770	$ 2,540,946	$ 1,064,952	$ 18,507	$ 4	$ 1,204,305
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES							
LIABILITIES							
Accounts Payable	$ 88,979	$ 100,848	$ 68,894	$ 11,757	$ -	$ -	$ 16,454
Accrued and Other Current Liabilities	2,618	-	54,608	13,806	-	-	4,952
Due to Other Funds	-	-	-	272,533	-	8,117	-
Unearned Revenues	-	-	-	-	-	-	22,084
Total Liabilities	91,597	100,848	123,502	298,096	-	8,117	43,490
DEFERRED INFLOWS OF RESOURCES							
Property Taxes Levied for Subsequent Year	691,986	10,000	30,650	412,851	-	-	-
FUND BALANCES							
Nonspendable	-	-	448	-	-	-	1,780
Restricted	-	-	-	354,005	-	-	-
Committed	-	229,922	2,386,346	-	18,507	-	1,159,035
Unassigned	(62,157)	-	-	-	-	(8,113)	-
Total Fund Balances	(62,157)	229,922	2,386,794	354,005	18,507	(8,113)	1,160,815
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	$ 721,426	$ 340,770	$ 2,540,946	$ 1,064,952	$ 18,507	$ 4	$ 1,204,305

MANITOWOC COUNTY, WISCONSIN
COMBINING BALANCE SHEET (CONTINUED)
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2025

	Special Revenue		Capital Projects				
	Revolving Loan	Opioid Settlement	Economic Development Projects	Jail Assessment Project	Jail Security Project	Courthouse Windows & HVAC	Total
ASSETS							
Cash and Investments	$ -	$ 1,316,823	$ 22,675	$ 94,280	$ 2,517	$ 340,082	$ 5,092,794
Receivables:							
Taxes and Special Charges	-	-	-	-	-	-	1,145,487
Accounts	-	-	-	6,844	-	1,891	1,435,513
Due from Other Funds	-	-	-	-	-	8,117	8,117
Prepaid Items	-	-	-	-	-	-	2,228
Total Assets	$ -	$ 1,316,823	$ 22,675	$ 101,124	$ 2,517	$ 350,090	$ 7,684,139
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES							
LIABILITIES							
Accounts Payable	$ -	$ -	$ -	$ -	$ -	$ 24,668	$ 311,600
Accrued and Other Current Liabilities	-	-	-	-	-	-	75,984
Due to Other Funds	-	-	-	-	-	-	280,650
Unearned Revenues	-	-	-	-	-	-	22,084
Total Liabilities	-	-	-	-	-	24,668	690,318
DEFERRED INFLOWS OF RESOURCES							
Property Taxes Levied for Subsequent Year	-	-	-	-	-	-	1,145,487
FUND BALANCES							
Nonspendable	-	-	-	-	-	-	2,228
Restricted	-	1,316,823	-	101,124	-	14,419	1,786,371
Committed	-	-	22,675	-	2,517	311,003	4,130,005
Unassigned	-	-	-	-	-	-	(70,270)
Total Fund Balances	-	1,316,823	22,675	101,124	2,517	325,422	5,848,334
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	$ -	$ 1,316,823	$ 22,675	$ 101,124	$ 2,517	$ 350,090	$ 7,684,139

MANITOWOC COUNTY, WISCONSIN
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2025

	Special Revenue						
	Recycling	Solid Waste Disposal	Aging	Soil and Water Conservation	Forestry Tree Planting	Sheriff K-9 Unit	Expo
REVENUES							
Taxes	$ 589,986	$ 10,000	$ 30,650	$ 415,733	$ -	$ -	$ -
Intergovernmental	-	-	1,997,817	842,878	-	-	10,213
Licenses and Permits	-	-	-	9,550	-	-	-
Fines and Forfeits	-	-	-	-	-	-	-
Public Charges for Services	432,719	-	963,704	-	-	-	1,041,676
Intergovernmental Charges for Services	-	1,237,057	102,083	-	-	-	-
Miscellaneous	20,898	-	385,409	1,824	177	57	37,340
Total Revenues	1,043,603	1,247,057	3,479,663	1,269,985	177	57	1,089,229
EXPENDITURES							
Current:							
Public Safety	-	-	-	-	-	4,383	-
Public Works	1,054,966	1,314,844	-	-	-	-	-
Health and Human Services	-	-	3,285,889	-	-	-	-
Culture and Recreation	-	-	-	-	-	-	1,053,572
Conservation and Development	-	-	-	1,278,147	-	-	-
Capital Outlay	45,448	-	111,351	2,673	-	-	131,932
Total Expenditures	1,100,414	1,314,844	3,397,240	1,280,820	-	4,383	1,185,504
Excess of Revenues Over (Under) Expenditures	(56,811)	(67,787)	82,423	(10,835)	177	(4,326)	(96,275)
OTHER FINANCING SOURCES (USES)							
Proceeds from Sale of Capital Assets	-	-	2,800	-	-	-	1,025
Transfers Out	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	2,800	-	-	-	1,025
NET CHANGE IN FUND BALANCES	(56,811)	(67,787)	85,223	(10,835)	177	(4,326)	(95,250)
Fund Balance - Beginning of Year	(5,346)	297,709	2,301,571	364,840	18,330	(3,787)	1,256,065
FUND BALANCE - END OF YEAR	$ (62,157)	$ 229,922	$ 2,386,794	$ 354,005	$ 18,507	$ (8,113)	$ 1,160,815

MANITOWOC COUNTY, WISCONSIN
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (CONTINUED)
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2025

	Special Revenue		Capital Projects				
	Revolving Loan	Opioid Settlement	Economic Development Projects	Jail Assessment Project	Jail Security Project	Courthouse Windows & HVAC	Total
REVENUES							
Taxes	$ -	$ -	$ -	$ -	$ -	$ -	$ 1,046,369
Intergovernmental	-	392,694	-	-	-	-	3,243,602
Licenses and Permits	-	-	-	-	-	-	9,550
Fines and Forfeits	-	-	-	114,506	-	-	114,506
Public Charges for Services	-	-	-	-	-	-	2,438,099
Intergovernmental Charges for Services	-	-	-	-	-	-	1,339,140
Miscellaneous	1,590	63,642	-	-	-	64,788	575,725
Total Revenues	1,590	456,336	-	114,506	-	64,788	8,766,991
EXPENDITURES							
Current:							
Public Safety	-	-	-	-	-	-	4,383
Public Works	-	-	-	-	-	-	2,369,810
Health and Human Services	-	-	-	-	-	-	3,285,889
Culture and Recreation	-	-	-	-	-	-	1,053,572
Conservation and Development	78,317	-	-	-	-	-	1,356,464
Capital Outlay	-	-	484	112,380	-	2,137,074	2,541,342
Total Expenditures	78,317	-	484	112,380	-	2,137,074	10,611,460
Excess of Revenues Over (Under) Expenditures	(76,727)	456,336	(484)	2,126	-	(2,072,286)	(1,844,469)
OTHER FINANCING SOURCES (USES)							
Proceeds from Sale of Capital Assets	-	-	-	-	-	-	3,825
Transfers Out	-	(500,000)	-	-	-	(227,000)	(727,000)
Total Other Financing Sources (Uses)	-	(500,000)	-	-	-	(227,000)	(723,175)
NET CHANGE IN FUND BALANCES	(76,727)	(43,664)	(484)	2,126	-	(2,299,286)	(2,567,644)
Fund Balance - Beginning of Year	76,727	1,360,487	23,159	98,998	2,517	2,624,708	8,415,978
FUND BALANCE - END OF YEAR	$ -	$ 1,316,823	$ 22,675	$ 101,124	$ 2,517	$ 325,422	$ 5,848,334

MANITOWOC COUNTY, WISCONSIN
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES
BUDGET AND ACTUAL – GENERAL FUND
YEAR ENDED DECEMBER 31, 2025

	Budget			Variance Final Budget - Positive
	Original	Final	Actual	(Negative)
Taxes:				
Property Taxes	$ 13,894,099	$ 13,894,099	$ 13,877,243	$ (16,856)
Managed Forest Land	20,000	20,000	21,810	1,810
Sales Tax	7,500,120	7,500,120	8,143,363	643,243
Interest on Taxes	200,000	200,000	286,070	86,070
Total Taxes	21,614,219	21,614,219	22,328,486	714,267
Intergovernmental:				
Bulletproof Vest Program	3,500	3,500	6,890	3,390
State Shared Taxes	6,687,155	6,687,155	6,723,105	35,950
Exempt Computer Aid	589,138	589,138	593,331	4,193
Clerk of Courts Support Reimbursement	296,250	296,250	369,163	72,913
Clerk of Courts GAL Reimbursement	82,500	82,500	83,159	659
Register of Probate GAL Reimbursement	25,600	25,600	27,720	2,120
Register of Deeds Land Information Grant	41,000	41,000	41,784	784
Public Defender Discovery	9,000	9,000	9,148	148
Training/Conference Reimbursement	30,000	30,000	35,846	5,846
Snowmobile Law Enforcement	2,000	2,000	-	(2,000)
Water Safety Patrol	15,000	15,000	4,926	(10,074)
Metro Drug	151,615	151,615	44,337	(107,278)
Victim Witness Assistance	28,000	28,000	43,012	15,012
Emergency Management Planning	71,613	71,613	-	(71,613)
Emergency Management EPCRA	24,053	24,053	23,280	(773)
Emergency Management LEPC	7,500	7,500	47,695	40,195
COPS Grant	500	500	10,941	10,441
DNA Sample Reimbursement	3,000	3,000	2,440	(560)
AG Clean Sweep Program	19,147	19,147	19,147	-
Household Hazardous Waste	57,494	57,494	58,508	1,014
Lead Poison Prevention	13,913	13,913	13,913	-
Maternal Child Healthy Start	28,750	28,750	25,644	(3,106)
DOH Radiation Protection	12,000	12,000	18,891	6,891
WIC Program	227,101	227,101	329,342	102,241
Immunization Grants	58,825	58,825	12,538	(46,287)
Radon Information Grant	8,800	8,800	9,729	929
Environmental Mini Grant	18,000	18,000	21,262	3,262
Prevention Block Grant	8,000	8,000	3,986	(4,014)
Bioterrorism Grant	61,185	61,185	81,443	20,258
Child Support Program Aid	955,834	955,834	1,061,666	105,832
Veterans Service Aid	18,000	18,000	17,875	(125)
Snowmobile Trail Aid	72,120	72,120	72,120	-
Boomerang Grant	10,000	10,000	10,991	991
Conservation Aids	1,575	1,575	10,568	8,993
DNR Grant	20,000	20,000	21,507	1,507
Other State Payments	326,359	326,359	214,219	(112,140)
Emergency Management HERC	-	-	1,678	1,678
Communicable Disease Prevention	6,010	6,010	5,641	(369)
State Payment in Lieu of Taxes	17,000	17,000	16,150	(850)
Total Intergovernmental	10,007,537	10,007,537	10,093,595	86,058

MANITOWOC COUNTY, WISCONSIN
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES (CONTINUED)
BUDGET AND ACTUAL – GENERAL FUND
YEAR ENDED DECEMBER 31, 2025

	Budget			Variance Final Budget - Positive
	Original	Final	Actual	(Negative)
Licenses and Permits:				
Marriage License Fees	$ 11,500	$ 11,500	$ 14,665	$ 3,165
Conservation License Fees	3,500	3,500	5,474	1,974
Passport Fees	13,000	13,000	31,650	18,650
Sanitary Permit Fees	230,370	230,370	286,249	55,879
WI Fund Application Fees	-	-	400	400
Building Permits	50,000	50,000	60,024	10,024
Board of Adjustment Variance Fees	15,000	15,000	19,355	4,355
Zoning Fees	20,000	20,000	27,433	7,433
Reclamation Fees	104,859	104,859	105,611	752
Total Licenses and Permits	448,229	448,229	550,861	102,632
Fines and Forfeits:				
Land Use Value Penalty	3,100	3,100	5,186	2,086
Ordinance Forfeitures	125,000	125,000	136,824	11,824
County Share of State Fines	130,000	130,000	139,519	9,519
Total Fines and Forfeits	258,100	258,100	281,529	23,429
Public Charges for Services:				
Treasurer Service Fees	3,000	3,000	2,830	(170)
County Clerk Fees	-	-	130	130
Register of Deeds Official Copies	140,020	140,020	169,373	29,353
Real Estate Transfer Fees	225,000	225,000	290,188	65,188
Register of Deeds Real Estate Recording Fees	150,000	150,000	172,295	22,295
Real Estate Certified Copy Fees	30	30	112	82
Birth, Death, and Marriage Copy Fees	55,000	55,000	60,030	5,030
Land Records Modernization Fees	80,000	80,000	91,656	11,656
Electronic Access Fees	59,500	59,500	56,600	(2,900)
Register of Deeds Real Estate Document Records	1,500	1,500	2,805	1,305
Court Fees	330,300	330,300	330,019	(281)
Counseling Service Fee	13,250	13,250	14,435	1,185
Probate Fees - County	37,000	37,000	44,355	7,355
Probate Fees - GAL	27,000	27,000	13,936	(13,064)
Sheriff Fees	45,000	45,000	49,647	4,647
Sheriff Copy Fees	2,000	2,000	903	(1,097)
Photo Lab Sales	3,000	3,000	92	(2,908)
Reserve Duty	8,000	8,000	19,959	11,959
Prisoners Board - Other	220,000	220,000	234,516	14,516
GPS Inmate Fees	150,000	150,000	104,519	(45,481)
Contracted Police Services	42,000	42,000	69,106	27,106
Nuclear Plant Revenues	133,041	133,041	254,153	121,112
Nuclear Plant Personnel Safety	113,709	113,709	-	(113,709)
Coroner Fees	70,000	70,000	77,070	7,070
Jail Booking Fees	10,000	10,000	10,001	1
Jail Per Diem Charges	90,000	90,000	89,631	(369)
Jail Medical Reimbursements	18,000	18,000	23,222	5,222
PHS Charges	1,000	1,000	85	(915)
PHS Environmental Health Charges	6,500	6,500	9,581	3,081

MANITOWOC COUNTY, WISCONSIN
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES (CONTINUED)
BUDGET AND ACTUAL – GENERAL FUND
YEAR ENDED DECEMBER 31, 2025

	Budget			Variance Final Budget - Positive
	Original	Final	Actual	(Negative)
Public Charges for Services (Continued):				
PHS DOH Agent License Fees	$ 255,000	$ 255,000	$ 271,648	$ 16,648
PHS DOA Agent License Fees	2,650	2,650	1,929	(721)
PHS School Inspection Fees	11,140	11,140	6,400	(4,740)
Child Support Maintenance	20,000	20,000	21,825	1,825
UW Extension Materials Testing	-	-	861	861
UW Ext Supply Sales	20	20	10	(10)
Interpretation	750	750	984	234
Public Property Dept	5,044	5,044	5,044	-
Total Public Charges for Services	2,328,454	2,328,454	2,499,950	171,496
Intergovernmental Charges for Services:				
SVRS Voter Registration	-	-	544	544
Interpreter Reimbursement	8,000	8,000	18,715	10,715
TB Dispensary	1,000	1,000	-	(1,000)
New World System Charges	7,404	7,404	7,404	-
Phone Equipment Reimbursement	176,092	176,092	179,285	3,193
Departmental Charges for Service	225,000	225,000	195,902	(29,098)
Departmental Charges for Board of Adjustment	227,831	227,831	197,042	(30,789)
Total Intergovernmental Charges for Services	645,327	645,327	598,892	(46,435)
Miscellaneous:				
Interest on Investments	950,000	950,000	923,105	(26,895)
Uncashed Check Cancellation	1,000	1,000	17,714	16,714
Rent	574,528	574,528	459,045	(115,483)
Donations and Contributions	19,350	19,350	19,608	258
Fuel Flowage Fee	64,000	64,000	50,480	(13,520)
Total Miscellaneous	1,608,878	1,608,878	1,469,952	(138,926)
Total Revenues	36,910,744	36,910,744	37,823,265	912,521
Other Financing Sources:				
Lease Issued	-	-	68,977	68,977
SBITA Issued	-	-	2,136,916	2,136,916
Insurance Proceeds	2,000	2,000	32,785	30,785
Proceeds from Sale of Capital Assets	90,500	90,500	107,079	16,579
Total Other Financing Sources	92,500	92,500	2,345,757	2,253,257
Total Revenues and Other Financing Sources	$ 37,003,244	$ 37,003,244	$ 40,169,022	$ 3,165,778

MANITOWOC COUNTY, WISCONSIN
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES
BUDGET AND ACTUAL – GENERAL FUND
YEAR ENDED DECEMBER 31, 2025

	Budget			Variance Final Budget - Positive
	Original	Final	Actual	(Negative)
General Government:				
County Board	$ 170,843	$ 170,843	$ 162,146	$ 8,697
Circuit Court	1,762,718	1,762,718	1,678,373	84,345
Register in Probate	354,767	354,767	374,191	(19,424)
Court Commissioner	38,200	38,200	34,797	3,403
Family Court Commissioner	314,420	314,420	292,804	21,616
Coroner	421,634	421,634	437,644	(16,010)
District Attorney	571,752	571,752	558,028	13,724
Corporation Counsel	536,565	536,565	487,638	48,927
Executive	156,593	156,593	156,727	(134)
County Clerk	285,917	285,917	281,010	4,907
Central Mailing	72,000	72,000	83,154	(11,154)
Central Duplicating	26,500	26,500	18,847	7,653
Personnel	418,238	418,238	358,757	59,481
Elections	116,050	116,050	53,185	62,865
Comptroller	822,177	822,177	806,288	15,889
Treasurer	310,175	310,175	277,129	33,046
Assessment of Property	7,806	7,806	8,574	(768)
Public Property Administration	1,146,194	1,146,194	1,136,043	10,151
Maintenance - Phone System	127,275	127,275	74,734	52,541
Maintenance - Courthouse	196,755	196,755	170,568	26,187
Maintenance - Office Complex	104,210	104,210	103,546	664
Maintenance - Jail	436,315	436,315	436,337	(22)
Maintenance - University Center	48,835	48,835	83,268	(34,433)
Maintenance - Human Services	248,039	248,039	75,852	172,187
Maintenance - Public Health	51,090	51,090	41,738	9,352
Maintenance - Administrative Office	27,020	27,020	43,825	(16,805)
Maintenance - Other	33,476	33,476	86,636	(53,160)
Maintenance - M&I Building	146,630	146,630	144,906	1,724
Register of Deeds	511,093	511,093	496,881	14,212
Land Records Modernization	53,129	53,129	72,799	(19,670)
Insurance	141,227	141,227	145,267	(4,040)
Other Special Charges and Non-Departmental	1,118	1,118	5,184	(4,066)
Total General Government	9,658,761	9,658,761	9,186,876	471,885
Public Safety:				
Sheriff - Administration	3,124,006	3,124,006	3,096,939	27,067
Sheriff - Training	88,750	88,750	70,794	17,956
Sheriff - Traffic Control	5,132,104	5,132,104	5,414,901	(282,797)
Sheriff - Snowmobile Patrol	1,300	1,300	2,120	(820)
Sheriff - Water Safety Patrol	3,400	3,400	511	2,889
Joint Dispatch Center	2,151,557	2,151,557	1,993,646	157,911
Communications Activity	988,430	988,430	646,995	341,435
Emergency Management	212,425	212,425	208,657	3,768
Nuclear Preparedness	208,879	208,879	177,578	31,301
EPCRA	12,700	12,700	11,447	1,253
HAZMAT	1,175	1,175	10,586	(9,411)
Correctional Institutions	5,835,641	5,835,641	5,806,114	29,527
Metro Drug	458,287	458,287	459,327	(1,040)
Sheriff - Retiree Benefits	11,620	11,620	12,067	(447)
Total Public Safety	18,230,274	18,230,274	17,911,682	318,592
Public Works:				
Airport	419,314	419,314	393,152	26,162
Solid Waste Administration	171,296	171,296	178,623	(7,327)
Total Public Works	590,610	590,610	571,775	18,835

MANITOWOC COUNTY, WISCONSIN
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES (CONTINUED)
BUDGET AND ACTUAL – GENERAL FUND
YEAR ENDED DECEMBER 31, 2025

	Budget			Variance Final Budget - Positive
	Original	Final	Actual	(Negative)
Health and Human Services:				
Child Support	$ 293,681	$ 293,681	$ 273,451	$ 20,230
Child Support - Order Revision	250	250	-	250
Child Support - Case	833,656	833,656	725,430	108,226
Child Support - Mixed	67,387	67,387	54,086	13,301
Wisconsin Wins	6,010	6,010	5,642	368
Prevention	8,000	8,000	3,986	4,014
GPR Lead	14,128	14,128	15,367	(1,239)
APRA	164,546	164,546	163,792	754
Health Start	28,809	28,809	25,477	3,332
Immunization	16,339	16,339	12,538	3,801
Vaccine Supplement #4	12,716	12,716	11,081	1,635
PHEP DWD	-	-	107	(107)
Bioterrorism	63,508	63,508	81,739	(18,231)
Mercury Reduction	2,400	2,400	-	2,400
WIC Program Administration	37,259	37,259	49,038	(11,779)
WIC Nutrition	100,034	100,034	104,712	(4,678)
WIC Breast Feeding	37,304	37,304	37,144	160
WIC Client Services	146,075	146,075	138,465	7,610
Administrative Support	246,996	246,996	173,095	73,901
Environmental Health	305,713	305,713	348,534	(42,821)
General Public Health	892,586	892,586	701,530	191,056
Veterans Service Office	300,736	300,736	285,328	15,408
Veterans Service Commission	19,500	19,500	24,402	(4,902)
Total Health and Human Services	3,597,633	3,597,633	3,234,944	362,689
Culture and Recreation:				
Public Library	1,039,703	1,039,703	1,039,703	-
Parks	213,685	213,685	167,722	45,963
Devils River State Rec Trail	5,500	5,500	5,500	-
Parks - Snowmobile Trails	72,120	72,120	72,120	-
University Extension	307,824	307,824	285,551	22,273
University Extension - State	-	-	861	(861)
Total Culture and Recreation	1,638,832	1,638,832	1,571,457	67,375
Conservation and Development:				
Planning - County Conservation	1,575	1,575	-	1,575
Planning - Comprehensive	1,203,328	1,203,328	1,136,045	67,283
Board of Adjustment	37,831	37,831	8,559	29,272
Total Conservation and Development	1,242,734	1,242,734	1,144,604	98,130
Debt Service:				
Principal	-	-	284,874	(284,874)
Interest and Fiscal Charges	-	-	93,692	(93,692)
Total Debt Service	-	-	378,566	(378,566)
Capital Outlay:				
General Government	912,500	912,500	3,095,430	(2,182,930)
Public Safety	882,000	882,000	683,149	198,851
Public Works	60,000	60,000	53,233	6,767
Health and Human Services	2,500	2,500	31	2,469
Culture, Recreation, and Education	159,400	159,400	298,578	(139,178)
Conservation and Development	28,000	28,000	7,588	20,412
Total Capital Outlay	2,044,400	2,044,400	4,138,009	(2,093,609)
Total Expenditures	$ 37,003,244	$ 37,003,244	$ 38,137,913	$ (1,134,669)

MANITOWOC COUNTY, WISCONSIN
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES
BUDGET AND ACTUAL – HUMAN SERVICES SPECIAL REVENUE FUND
YEAR ENDED DECEMBER 31, 2025

	Budget			Variance Final Budget - Positive
	Original	Final	Actual	(Negative)
Taxes:				
Property Taxes	$ 10,407,052	$ 10,407,052	$ 10,407,052	$ -
Intergovernmental:				
Mental Health Block Grant	35,127	35,127	35,127	-
AODA Block Grant	140,547	140,547	140,547	-
Base County Allocation	4,582,718	4,582,718	4,598,041	15,323
Other Intergovernmental Revenue	-	-	9,509	9,509
Youth Aids	647,118	647,118	638,749	(8,369)
IMD OBRA Relocations	426,416	426,416	426,416	-
Birth to Three	192,968	192,968	211,175	18,207
COP	82,730	82,730	82,730	-
IM Aid	1,188,776	1,188,776	1,390,237	201,461
Program Integrity	15,340	15,340	8,867	(6,473)
HSD Grant	50,000	50,000	3,714	(46,286)
Kinship Care	456,000	456,000	636,166	180,166
W-2 Day Care	100,000	100,000	103,013	3,013
Children/Families Incentive	52,345	52,345	52,345	-
Coordinated Services Team	-	-	11,082	11,082
Foster Parent Services	107,000	107,000	247,805	140,805
Autism Long-Term Support	575,000	575,000	112,820	(462,180)
WIMCR	1,750,000	1,750,000	1,237,039	(512,961)
Training Grant	60,000	60,000	60,000	-
Locally Matched CCDF	58,000	58,000	50,092	(7,908)
Adult Protective Services	79,004	79,004	92,191	13,187
Insurance Payments WPS TPA	1,139,000	1,139,000	2,273,856	1,134,856
Opioid Grant	768,741	768,741	452,619	(316,122)
Treatment Altrn and Drivers	150,000	150,000	140,860	(9,140)
Elder Abuse	35,000	35,000	30,292	(4,708)
Targeted Safety Support	90,000	90,000	143,554	53,554
Other	186,692	186,692	149,250	(37,442)
Total Intergovernmental	12,968,522	12,968,522	13,338,096	369,574
Fines and Forfeits:				
OWI Assessments	45,000	45,000	52,528	7,528
Public Charges for Services:				
Mental Health Outpatient	15,000	15,000	11,408	(3,592)
Mental Health Inpatient	40,000	40,000	47,569	7,569
IDP Fees	80,000	80,000	78,446	(1,554)
AODA Outpatient	2,000	2,000	593	(1,407)
AODA Inpatient	6,000	6,000	2,366	(3,634)
Service Fees	51,400	51,400	-	(51,400)
Court Service Fees	10,000	10,000	1,793	(8,207)
CSP Outpatient	20,000	20,000	20,635	635
DD Client Revenue	20,000	20,000	5,500	(14,500)
Food Stamps	4,000	4,000	6,697	2,697
Foster Home Refunds	-	-	12,619	12,619
Child Care Institution Refunds	-	-	3,571	3,571
Medical Assistance	5,124,000	5,124,000	4,965,709	(158,291)
Other Human Service Fees	20,000	20,000	17,511	(2,489)
Total Public Charges for Services	5,392,400	5,392,400	5,174,417	(217,983)

MANITOWOC COUNTY, WISCONSIN
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES (CONTINUED)
BUDGET AND ACTUAL – HUMAN SERVICES SPECIAL REVENUE FUND
YEAR ENDED DECEMBER 31, 2025

	Budget			Variance Final Budget - Positive
	Original	Final	Actual	(Negative)
Miscellaneous:				
Other	-	-	3,524	3,524
Total Revenues	28,812,974	28,812,974	28,975,617	162,643
Other Financing Sources:				
Proceeds from Sale of Capital Assets	-	-	2,150	2,150
Transfers In	500,000	500,000	1,331,879	831,879
Total Other Financing Sources	500,000	500,000	1,334,029	834,029
Total Revenues and Other Financing Sources	$ 29,312,974	$ 29,312,974	$ 30,309,646	$ 996,672

MANITOWOC COUNTY, WISCONSIN
SCHEDULE OF EXPENDITURES
BUDGET AND ACTUAL – HUMAN SERVICES SPECIAL REVENUE FUND
YEAR ENDED DECEMBER 31, 2025

	Budget			Variance Final Budget - Positive
	Original	Final	Actual	(Negative)
Health and Human Services:				
Mental Health	$ 1,701,929	$ 1,701,929	$ 1,865,392	$ (163,463)
Alcohol and Other Drug Abuse	406,180	406,180	621,243	(215,063)
Chronically Mentally Ill	3,671,330	3,671,330	3,569,016	102,314
Intoxicated Driver	190,862	190,862	198,835	(7,973)
Crisis on Call	1,173,075	1,173,075	1,053,087	119,988
Birth to Three	859,046	859,046	641,421	217,625
Adult Protective Services	836,353	836,353	792,129	44,224
Community LT Support	498,000	498,000	1,115,319	(617,319)
Autism - Post Intensive/SED	929,000	929,000	1,490,087	(561,087)
CLTS - TPA	497,666	497,666	197,666	300,000
Juvenile Therapy Services	-	-	22,155	(22,155)
Economic Support	1,331,503	1,331,503	1,388,331	(56,828)
Program Integrity	15,340	15,340	11,077	4,263
Agency Management	325,464	325,464	324,958	506
Agency Support and Overhead	1,838,283	1,838,283	1,920,635	(82,352)
Human Services	5,668,872	5,668,872	5,056,817	612,055
County-Owned Residential Homes	467	467	-	467
Child Care	35,990	35,990	62,459	(26,469)
Youth Aids	1,393,216	1,393,216	1,262,848	130,368
Alternate Care	2,292,114	2,292,114	2,546,092	(253,978)
Purchase of Services	60,000	60,000	103,829	(43,829)
Community Options Program	82,730	82,730	15,596	67,134
County Owned Home 16th Street	13,763	13,763	6,021	7,742
CCS	4,631,157	4,631,157	5,227,709	(596,552)
Treatment Altrn and Driver	200,518	200,518	166,925	33,593
CBRF	626,616	626,616	380,044	246,572
Total Health and Human Services	29,279,474	29,279,474	30,039,691	(760,217)
Capital Outlay	33,500	33,500	39,779	(6,279)
Total Expenditures	$ 29,312,974	$ 29,312,974	$ 30,079,470	$ (766,496)

MANITOWOC COUNTY, WISCONSIN
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL – COUNTY ROADS AND BRIDGES SPECIAL REVENUE FUND
YEAR ENDED DECEMBER 31, 2025

	Budgeted Amounts			Variance with Final Budget - Positive
	Original	Final	Actual	(Negative)
REVENUES				
Taxes:				
Property Taxes	$ 4,235,798	$ 4,235,798	$ 4,235,798	$ -
Bridge Aid Assessments	30,230	30,230	30,230	-
Subtotal	4,266,028	4,266,028	4,266,028	-
Intergovernmental:				
State Transportation Aid	2,000,000	2,000,000	1,995,268	(4,732)
Miscellaneous	-	-	318	318
Total Revenues	6,266,028	6,266,028	6,261,614	(4,414)
EXPENDITURES				
Current:				
Public Works:				
County Highway Maintenance	3,080,000	3,080,000	2,067,929	1,012,071
County Winter Snow Removal	1,250,000	1,250,000	1,479,154	(229,154)
Town Bridge Construction	30,230	30,230	30,230	-
Capital Outlay	6,101,000	6,101,000	5,606,113	494,887
Total Expenditures	10,461,230	10,461,230	9,183,426	1,277,804
Excess of Revenues Over (Under) Expenditures	(4,195,202)	(4,195,202)	(2,921,812)	1,273,390
OTHER FINANCING SOURCES (USES)				
Long-Term Debt Issued	3,250,000	3,250,000	2,570,000	(680,000)
Transfers Out	-	-	(749,189)	(749,189)
Total Other Financing Sources (Uses)	3,250,000	3,250,000	1,820,811	(1,429,189)
NET CHANGE IN FUND BALANCE	(945,202)	(945,202)	(1,101,001)	(155,799)
Fund Balance - Beginning of Year	1,095,426	1,095,426	1,095,426	-
FUND BALANCE - END OF YEAR	$ 150,224	$ 150,224	$ (5,575)	$ (155,799)

MANITOWOC COUNTY, WISCONSIN
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL – DEBT SERVICE FUND
YEAR ENDED DECEMBER 31, 2025

	Budgeted Amounts			Variance with Final Budget - Positive
	Original	Final	Actual	(Negative)
REVENUES				
Taxes	$ 3,403,006	$ 3,403,006	$ 3,403,006	$ -
EXPENDITURES				
Debt Service:				
Principal	2,279,193	2,279,193	2,585,000	(305,807)
Interest and Fiscal Charges	1,123,813	1,123,813	1,234,781	(110,968)
Total Expenditures	3,403,006	3,403,006	3,819,781	(416,775)
Excess of Revenues Over (Under) Expenditures	-	-	(416,775)	(416,775)
OTHER FINANCING SOURCES				
Premium on Debt Issued	-	-	191,649	191,649
Transfers In	-	-	227,000	227,000
Total Other Financing Sources	-	-	418,649	418,649
NET CHANGE IN FUND BALANCE	-	-	1,874	1,874
Fund Balance - Beginning of Year	260,768	260,768	260,768	-
FUND BALANCE - END OF YEAR	$ 260,768	$ 260,768	$ 262,642	$ 1,874

MANITOWOC COUNTY, WISCONSIN
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL – RECYCLING SPECIAL REVENUE FUND
YEAR ENDED DECEMBER 31, 2025

	Budgeted Amounts			Variance with Final Budget - Positive
	Original	Final	Actual	(Negative)
REVENUES				
Taxes	$ 589,986	$ 589,986	$ 589,986	$ -
Public Charges for Services	565,000	565,000	432,719	(132,281)
Miscellaneous	8,900	8,900	20,898	11,998
Total Revenues	1,163,886	1,163,886	1,043,603	(120,283)
EXPENDITURES				
Current:				
Public Works	1,120,886	1,120,886	1,054,966	65,920
Capital Outlay	43,000	43,000	45,448	(2,448)
Total Expenditures	1,163,886	1,163,886	1,100,414	63,472
NET CHANGE IN FUND BALANCE	-	-	(56,811)	(56,811)
Fund Balance - Beginning of Year	(5,346)	(5,346)	(5,346)	-
FUND BALANCE - END OF YEAR	$ (5,346)	$ (5,346)	$ (62,157)	$ (56,811)

MANITOWOC COUNTY, WISCONSIN
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL – SOLID WASTE DISPOSAL SPECIAL REVENUE FUND
YEAR ENDED DECEMBER 31, 2025

	Budgeted Amounts			Variance with Final Budget - Positive
	Original	Final	Actual	(Negative)
REVENUES				
Taxes	$ 10,000	$ 10,000	$ 10,000	$ -
Intergovernmental Charges for Services	1,250,000	1,250,000	1,237,057	(12,943)
Total Revenues	1,260,000	1,260,000	1,247,057	(12,943)
EXPENDITURES				
Current:				
Public Works	1,260,000	1,260,000	1,314,844	(54,844)
NET CHANGE IN FUND BALANCE	-	-	(67,787)	(67,787)
Fund Balance - Beginning of Year	297,709	297,709	297,709	-
FUND BALANCE - END OF YEAR	$ 297,709	$ 297,709	$ 229,922	$ (67,787)

MANITOWOC COUNTY, WISCONSIN
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL – AGING SPECIAL REVENUE FUND
YEAR ENDED DECEMBER 31, 2025

	Budgeted Amounts			Variance with Final Budget - Positive
	Original	Final	Actual	(Negative)
REVENUES				
Taxes	$ 30,650	$ 30,650	$ 30,650	$ -
Intergovernmental	1,995,832	1,995,832	1,997,817	1,985
Public Charges for Services	773,209	773,209	963,704	190,495
Intergovernmental Charges for Services	101,000	101,000	102,083	1,083
Miscellaneous	406,929	406,929	385,409	(21,520)
Total Revenues	3,307,620	3,307,620	3,479,663	172,043
EXPENDITURES				
Current:				
Health and Human Services	3,338,966	3,338,966	3,285,889	53,077
Capital Outlay	28,735	28,735	111,351	(82,616)
Total Expenditures	3,367,701	3,367,701	3,397,240	(29,539)
Excess of Revenues Over (Under) Expenditures	(60,081)	(60,081)	82,423	142,504
OTHER FINANCING SOURCES				
Proceeds from Sale of Capital Assets	-	-	2,800	2,800
Transfers In	9,590	9,590	-	(9,590)
Total Other Financing Sources	9,590	9,590	2,800	(6,790)
NET CHANGE IN FUND BALANCE	(50,491)	(50,491)	85,223	135,714
Fund Balance - Beginning of Year	2,301,571	2,301,571	2,301,571	-
FUND BALANCE - END OF YEAR	$ 2,251,080	$ 2,251,080	$ 2,386,794	$ 135,714

MANITOWOC COUNTY, WISCONSIN
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL – SOIL AND WATER CONSERVATION SPECIAL REVENUE FUND
YEAR ENDED DECEMBER 31, 2025

	Budgeted Amounts			Variance with Final Budget - Positive
	Original	Final	Actual	(Negative)
REVENUES				
Taxes	$ 415,733	$ 415,733	$ 415,733	$ -
Intergovernmental	445,591	445,591	842,878	397,287
Licenses and Permits	4,000	4,000	9,550	5,550
Public Charges for Services	2,000	2,000	-	(2,000)
Miscellaneous	-	-	1,824	1,824
Total Revenues	867,324	867,324	1,269,985	402,661
EXPENDITURES				
Current:				
Conservation and Development	867,324	867,324	1,278,147	(410,823)
Capital Outlay	-	-	2,673	(2,673)
Total Expenditures	867,324	867,324	1,280,820	(413,496)
NET CHANGE IN FUND BALANCE	-	-	(10,835)	(10,835)
Fund Balance - Beginning of Year	364,840	364,840	364,840	-
FUND BALANCE - END OF YEAR	$ 364,840	$ 364,840	$ 354,005	$ (10,835)

MANITOWOC COUNTY, WISCONSIN
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL – EXPO SPECIAL REVENUE FUND
YEAR ENDED DECEMBER 31, 2025

	Budgeted Amounts			Variance with Final Budget - Positive
	Original	Final	Actual	(Negative)
REVENUES				
Intergovernmental	$ 9,500	$ 9,500	$ 10,213	$ 713
Public Charges for Services	847,471	847,471	1,041,676	194,205
Miscellaneous	2,000	2,000	37,340	35,340
Total Revenues	858,971	858,971	1,089,229	230,258
EXPENDITURES				
Current:				
Culture and Recreation	810,999	810,999	1,053,572	(242,573)
Capital Outlay	43,500	43,500	131,932	(88,432)
Total Expenditures	854,499	854,499	1,185,504	(331,005)
Excess of Revenues Over (Under) Expenditures	4,472	4,472	(96,275)	(100,747)
OTHER FINANCING SOURCES				
Proceeds from Sale of Capital Assets	-	-	1,025	1,025
NET CHANGE IN FUND BALANCE	4,472	4,472	(95,250)	(99,722)
Fund Balance - Beginning of Year	1,256,065	1,256,065	1,256,065	-
FUND BALANCE - END OF YEAR	$ 1,260,537	$ 1,260,537	$ 1,160,815	$ (99,722)

MANITOWOC COUNTY, WISCONSIN
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN NET POSITION
BUDGET AND ACTUAL – HIGHWAY ENTERPRISE FUND
YEAR ENDED DECEMBER 31, 2025

	Budgeted Amounts			Variance with Final Budget - Positive
	Original	Final	Actual	(Negative)
OPERATING REVENUES				
Public Charges for Services:				
Fees and Permits	$ 28,000	$ 28,000	$ 16,090	$ (11,910)
Public Charges	49,000	49,000	32,925	(16,075)
Total Public Charges For Services	77,000	77,000	49,015	(27,985)
Intergovernmental Charges for Services:				
State Highway Charges	1,983,062	1,983,062	2,504,944	521,882
Local Government Charges	238,000	238,000	431,989	193,989
Departmental Charges for Service	230,000	230,000	261,856	31,856
Records and Report Fees	115,825	115,825	144,342	28,517
Total Intergovernmental Charges for Services	2,566,887	2,566,887	3,343,131	776,244
Interdepartmental Charges for Services:				
County Charges Reimbursed	10,431,000	10,431,000	9,153,196	(1,277,804)
Other	90,000	90,000	2,010	(87,990)
Total Operating Revenues	13,164,887	13,164,887	12,547,352	(617,535)
OPERATING EXPENSES				
Public Works:				
Administration	686,609	686,609	706,630	(20,021)
Patrol Supervision	267,039	267,039	262,299	4,740
Radio	388	388	1,033	(645)
Liability Insurance	56,492	56,492	22,853	33,639
Cost Pools	(2,870,371)	159,443	874,832	(715,389)
County Road Maintenance	2,905,661	2,905,661	1,947,017	958,644
County Road Construction	5,755,660	5,755,660	5,288,787	466,873
Winter Snow Removal	1,179,245	1,179,245	1,392,726	(213,481)
State Road Maintenance/Construction	1,877,658	1,877,658	2,376,082	(498,424)
Other Local Roads	155,000	155,000	290,569	(135,569)
Department Non-Road Services	163,000	163,000	216,293	(53,293)
Public Services	39,000	39,000	10,007	28,993
Total Operating Expenses	10,215,381	13,245,195	13,389,128	(143,933)
OPERATING INCOME (LOSS)	2,949,506	(80,308)	(841,776)	(761,468)
NONOPERATING REVENUES (EXPENSES)				
Insurance Refunds	3,300	3,300	9,539	6,239
Rental Income	125,110	125,110	129,750	4,640
Gain on Sale of Capital Assets	16,100	16,100	2,088	(14,012)
Total Nonoperating Revenues	144,510	144,510	141,377	(3,133)
INCOME BEFORE TRANSFERS	3,094,016	64,202	(700,399)	(764,601)
Transfers In	-	-	749,189	749,189
CHANGE IN NET POSITION	3,094,016	64,202	48,790	(15,412)
Net Position - Beginning of Year	8,928,466	8,928,466	8,928,466	-
NET POSITION - END OF YEAR	$ 12,022,482	$ 8,992,668	$ 8,977,256	$ (15,412)

MANITOWOC COUNTY, WISCONSIN
COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
DECEMBER 31, 2025

	Information Systems	WMMIC Liability Insurance	Health Self Insurance	Workers' Compensation Self Insurance	Dental Self Insurance	Total
ASSETS						
Current Assets:						
Cash and Investments	$ 2,460,679	$ 230,880	$ 1,090,662	$ 2,156,064	$ 825,772	$ 6,764,057
Receivables:						
Accounts	-	6,830	31,851	1,542	91	40,314
Due from Other Governments	3,829	-	-	-	-	3,829
Prepaid Items	5,250	-	-	-	-	5,250
Total Current Assets	2,469,758	237,710	1,122,513	2,157,606	825,863	6,813,450
Noncurrent Assets:						
Deposit In WMMIC	-	1,748,181	-	69,215	5,500	1,822,896
Capital Assets:						
Depreciable/Amortizable, net	1,279,106	-	-	-	-	1,279,106
Total Assets	3,748,864	1,985,891	1,122,513	2,226,821	831,363	9,915,452
LIABILITIES						
Current Liabilities:						
Accounts Payable	139,908	-	-	57,455	24,992	222,355
Accrued and Other Current Liabilities	73,542	-	-	-	-	73,542
Insurance Claims Payable	-	140,000	804,424	230,000	-	1,174,424
Due to Other Governments	-	-	-	4,580	-	4,580
Current Portion of Subscription Liability	235,751	-	-	-	-	235,751
Total Current Liabilities	449,201	140,000	804,424	292,035	24,992	1,710,652
Long-Term Obligations, Less Current Portion:						
Subscription Liability	7,171	-	-	-	-	7,171
Total Liabilities	456,372	140,000	804,424	292,035	24,992	1,717,823
NET POSITION						
Net Investment in Capital Assets	1,036,184	-	-	-	-	1,036,184
Unrestricted	2,256,308	1,845,891	318,089	1,934,786	806,371	7,161,445
Total Net Position	$ 3,292,492	$ 1,845,891	$ 318,089	$ 1,934,786	$ 806,371	$ 8,197,629

MANITOWOC COUNTY, WISCONSIN
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
INTERNAL SERVICE FUNDS
YEAR ENDED DECEMBER 31, 2025

	Information Systems	WMMIC Liability Insurance	Health Self Insurance	Workers' Compensation Self Insurance	Dental Self Insurance	Total
OPERATING REVENUES						
Public Charges for Services	$ 8,505	$ -	$ -	$ -	$ -	$ 8,505
Interdepartmental Charges for Services	3,407,731	-	5,682,506	311,833	403,094	9,805,164
Other	-	-	533,926	-	-	533,926
Total Operating Revenues	3,416,236	-	6,216,432	311,833	403,094	10,347,595
OPERATING EXPENSES						
Personnel	821,009	-	-	-	-	821,009
Purchased Services	1,985,126	-	-	-	-	1,985,126
Supplies and Materials	21,594	-	-	-	-	21,594
Depreciation and Amortization	487,523	-	-	-	-	487,523
Other	36,068	192,156	6,013,749	926,791	348,639	7,517,403
Total Operating Expenses	3,351,320	192,156	6,013,749	926,791	348,639	10,832,655
OPERATING INCOME (LOSS)	64,916	(192,156)	202,683	(614,958)	54,455	(485,060)
NONOPERATING REVENUES (EXPENSES)						
Interest Income	-	7,803	-	-	-	7,803
Insurance Refunds	-	37,164	-	58,808	-	95,972
Interest and Fiscal Charges	(7,171)	-	-	-	-	(7,171)
Total Nonoperating Revenues (Expenses)	(7,171)	44,967	-	58,808	-	96,604
CHANGE IN NET POSITION	57,745	(147,189)	202,683	(556,150)	54,455	(388,456)
Net Position - Beginning of Year	3,234,747	1,993,080	115,406	2,490,936	751,916	8,586,085
NET POSITION - END OF YEAR	$ 3,292,492	$ 1,845,891	$ 318,089	$ 1,934,786	$ 806,371	$ 8,197,629

MANITOWOC COUNTY, WISCONSIN
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
YEAR ENDED DECEMBER 31, 2025

	Information Systems	WMMIC Liability Insurance	Health Self Insurance	Workers' Compensation Self Insurance	Dental Self Insurance	Total
CASH FLOWS FROM OPERATING ACTIVITIES						
Cash Received from Customers	$ 8,505	$ -	$ -	$ -	$ -	$ 8,505
Cash Received from Other Departments	3,403,902	-	6,186,814	310,291	403,178	10,304,185
Cash Paid for Employee Wages and Benefits	(807,520)	-	-	-	-	(807,520)
Cash Paid to Suppliers	(1,880,772)	(201,800)	(6,277,254)	(792,052)	(348,273)	(9,500,151)
Net Cash Provided (Used) by Operating Activities	724,115	(201,800)	(90,440)	(481,761)	54,905	5,019
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES						
Acquisition of Capital Assets	(175,656)	-	-	-	-	(175,656)
Insurance Refunds	-	37,164	-	58,808	-	95,972
Principal Paid on Subscription Liability	(235,748)	-	-	-	-	(235,748)
Interest Paid on Subscription Liability	(7,171)	-	-	-	-	(7,171)
Net Cash Flows Provided (Used) by Capital and Related Financing Activities	(418,575)	37,164	-	58,808	-	(322,603)
CASH FLOWS FROM INVESTING ACTIVITIES						
Interest from Investments	-	7,803	-	-	-	7,803
CHANGE IN CASH AND INVESTMENTS	305,540	(156,833)	(90,440)	(422,953)	54,905	(309,781)
Cash and Investments - Beginning of Year	2,155,139	387,713	1,181,102	2,579,017	770,867	7,073,838
CASH AND INVESTMENTS - END OF YEAR	$ 2,460,679	$ 230,880	$ 1,090,662	$ 2,156,064	$ 825,772	$ 6,764,057

MANITOWOC COUNTY, WISCONSIN
COMBINING STATEMENT OF CASH FLOWS (CONTINUED)
INTERNAL SERVICE FUNDS
YEAR ENDED DECEMBER 31, 2025

	Information Systems	WMMIC Liability Insurance	Health Self Insurance	Workers Compensation Self Insurance	Dental Self Insurance	Total
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES						
Operating Income (Loss)	$ 64,916	$ (192,156)	$ 202,683	$ (614,958)	$ 54,455	$ (485,060)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:						
Depreciation and Amortization	487,523	-	-	-	-	487,523
Change in Operating Assets and Liabilities:						
Accounts Receivables	-	-	(29,618)	(1,542)	84	(31,076)
Due From Other Governments	(3,829)	-	-	-	-	(3,829)
Prepaid Items	62,198	-	-	-	-	62,198
Deposits	-	356	-	(52,716)	-	(52,360)
Accounts Payable	101,192	-	-	57,455	366	159,013
Accrued and Other Current Liabilities	13,489	-	-	-	-	13,489
Insurance Claims Payable	-	(10,000)	(263,505)	130,000	-	(143,505)
Due to Other Governments	(1,374)	-	-	-	-	(1,374)
Net Cash Provided (Used) by Operating Activities	$ 724,115	$ (201,800)	$ (90,440)	$ (481,761)	$ 54,905	$ 5,019

MANITOWOC COUNTY, WISCONSIN
SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
BUDGET AND ACTUAL – INFORMATION SYSTEMS INTERNAL SERVICE FUND
YEAR ENDED DECEMBER 31, 2025

	Budgeted Amounts			Variance with Final Budget - Positive
	Original	Final	Actual	(Negative)
OPERATING REVENUES				
Charges for Services	$ 8,200	$ 8,200	$ 8,505	$ 305
Interdepartmental Charges for Services	3,407,973	3,407,973	3,407,731	(242)
Total Operating Revenues	3,416,173	3,416,173	3,416,236	63
OPERATING EXPENSES				
Personnel	837,395	837,395	821,009	16,386
Purchased Services	2,243,674	2,243,674	1,985,126	258,548
Supplies and Materials	41,509	41,509	21,594	19,915
Depreciation and Amortization	31,667	31,667	487,523	(455,856)
Other	52,777	52,777	36,068	16,709
Total Operating Expenses	3,207,022	3,207,022	3,351,320	(144,298)
OPERATING INCOME	209,151	209,151	64,916	(144,235)
NONOPERATING EXPENSES				
Interest and Fiscal Charges	-	-	(7,171)	(7,171)
CHANGE IN NET POSITION	209,151	209,151	57,745	(151,406)
Net Position - Beginning of Year	3,234,747	3,234,747	3,234,747	-
NET POSITION - END OF YEAR	$ 3,443,898	$ 3,443,898	$ 3,292,492	$ (151,406)

MANITOWOC COUNTY, WISCONSIN
COMBINING STATEMENT OF FIDUCIARY NET POSITION
CUSTODIAL FUNDS
DECEMBER 31, 2025

	Specials & Tax Certificates	Sheriff	Clerk of Court	Register of Deeds	Total
ASSETS					
Current Assets:					
Cash and Investments	$ -	$ 281,302	$ 1,422,990	$ 90,072	$ 1,794,364
Special Certificates	313,591	-	-	-	313,591
Total Assets	313,591	281,302	1,422,990	90,072	2,107,955
LIABILITIES					
Current Liabilities:					
Due to Other Governments	313,591	91,022	212,720	90,072	707,405
NET POSITION					
Restricted for:					
Individuals, Organizations, and Other Governments	$ -	$ 190,280	$ 1,210,270	$ -	$ 1,400,550

MANITOWOC COUNTY, WISCONSIN
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
CUSTODIAL FUNDS
YEAR ENDED DECEMBER 31, 2025

	Specials & Tax Certificates	Sheriff	Clerk of Court	Register of Deeds	Total
ADDITIONS					
Contributions:					
Individuals	$ -	$ 767,957	$ 3,359,381	$ -	$ 4,127,338
Special Certificate Collections for Other Governments	480,132	-	-	-	480,132
Fee Collections and Other Items	-	-	-	1,296,562	1,296,562
Total Additions	480,132	767,957	3,359,381	1,296,562	5,904,032
DEDUCTIONS					
Beneficiary Payments to Individuals	-	742,994	3,364,568	-	4,107,562
Payments of Special Certificates to Other Governments	480,132	-	-	-	480,132
Payments to Other Entities	-	-	-	1,296,562	1,296,562
Total Deductions	480,132	742,994	3,364,568	1,296,562	5,884,256
NET INCREASE (DECREASE) IN FIDUCIARY NET POSITION	-	24,963	(5,187)	-	19,776
Fiduciary Net Position - Beginning of Year	-	165,317	1,215,457	-	1,380,774
FIDUCIARY NET POSITION - END OF YEAR	$ -	$ 190,280	$ 1,210,270	$ -	$ 1,400,550

ADDITIONAL INDEPENDENT AUDITORS' REPORT
FOR BASIC FINANCIAL STATEMENTS

CliftonLarsonAllen LLP
CLAconnect.com

INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

County Board
Manitowoc County, Wisconsin

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Manitowoc County, Wisconsin, as of and for the year ended December 31, 2025, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated July 23, 2026.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the County's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, we do not express an opinion on the effectiveness of the County's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies, and therefore, material weaknesses or significant deficiencies may exist that were not identified.

We identified certain deficiencies in internal control, described in the accompanying schedule of findings and responses as items 2025-001, 2025-002, and 2025-003 that we consider to be material weaknesses.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Manitowoc County, Wisconsin's Response to Finding

Government Auditing Standards requires the auditor to perform limited procedures on the County's responses to the finding identified in our audit and described in the accompanying schedule of findings and responses. The County's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Sheboygan, Wisconsin
July 23, 2026

Section I – Internal Control Over Financial Reporting

Finding No.	**Control Deficiencies**
2025-001	Adjustments to the County's Financial Records

Type of Finding: Material Weakness in Internal Control over Financial Reporting

Condition: The County is responsible for the design of the organization's internal control structure including preparation, review and approval of year-end reconciliations and related adjusting entries. As part of the audit, we proposed adjusting entries that were material to the County's financial statements including a prior period adjustment related to accrued liabilities

Criteria or Specific Requirement: Material adjusting journal entries proposed by the auditors are considered to be an internal control deficiency.

Effect: Year-end financial records may contain material misstatements.

Cause: The County's internal control structure related to the preparation, review and approval of year-end reconciliation's did not identify all material adjusting entries that needed to be recorded.

Repeat Finding: Yes. Repeat of Finding 2024-001.

Recommendation: We recommend the County review year-end closing procedures including review and approval procedures to ensure proper year-end recording.

Views of Responsible Officials and Corrective Action Plan: There is no disagreement with the finding. Management has reviewed and approved all audit entries proposed by CliftonLarsonAllen LLP (CLA). Policies and procedures will be reviewed to ensure proper recording in future periods.

Section I – Internal Control Over Financial Reporting

Finding No.	**Control Deficiencies**
2025-002	General Ledger Reconciliations
Type of Finding:	Material Weakness in Internal Control over Financial Reporting
Condition:	The County's cash and investment accounts, tax roll related accounts, and other significant balance sheet accounts were not consistently reconciled on a timely basis throughout the year
Criteria or Specific Requirement:	Preparation of monthly balance sheet reconciliations and verification of County general ledger balances to supporting documentation is a key control intended to prevent or decrease the occurrence of financial reporting error or intentional fraud.
Effect:	Errors or intentional fraud could occur and not be detected timely by other employees in the normal course of their responsibilities.
Cause:	The County has experienced turnover in key accounting positions in multiple departments in the past year which have caused delays in the preparation of monthly reconciliations.
Repeat Finding:	Not a repeat finding.
Recommendation:	We recommend the County evaluate key accounting positions and staffing, ensure staff are properly trained and also review policies and procedures to ensure that reconciliations are completed in a timely manner.
Views of Responsible Officials and Corrective Action Plan:	There is no disagreement with the finding. Management will ensure that staff are properly trained and procedures are consistently followed to ensure completion of general ledger reconciliations in a timely manner.

MANITOWOC COUNTY, WISCONSIN
SCHEDULE OF FINDINGS AND RESPONSES
YEAR ENDED DECEMBER 31, 2025

Section I – Internal Control Over Financial Reporting

Finding No.	**Control Deficiencies**
2025-003	Preparation of Annual Financial Report.
Type of Finding:	Material Weakness in Internal Control over Financial Reporting
Condition:	Management and the Boad of the county share the ultimate responsibility for the County's internal control system. While it is acceptable to outsource various accounting functions, the responsibilities for internal control cannot be outsourced. The County engages CLA to assist in preparing its financial statements and accompanying disclosures. However, as independent auditors, CLA cannot be considered part of the County's internal control system including disclosures. The County has implemented a comprehensive review procedure to ensure that the financial statements, including disclosures, are complete and accurate. Such review procedures should be performed by an individual possessing a thorough understating of accounting principles generally accepted in the United States of America and knowledge of the County's activities and operations.
Criteria or Specific Requirement:	The preparation and review of the annual financial report, by staff with expertise in financial reporting is an internal control intended to prevent, detect and correct a potential omission or misstatement in the financial statements or notes.
Effect:	The County may not be able to completely prepare an annual financial report in accordance with accounting principles generally accepted in the United States of America.
Cause:	County Management has determined that the additional cost associated with training staff to become experienced in applicable accounting principles and note disclosures currently outweigh the derived benefits. The Country is evaluating staffing and continuing to undergo training.
Repeat Finding:	Not a repeat finding.
Recommendation:	We recommend the County continue reviewing the annual financial report. While it may not be cost beneficial to train additional staff to completely prepare the report, a thorough review of this information by appropriate staff of the County is necessary to obtain a complete and adequate understating of the County's annual financial report.
Views of Responsible Officials:	There is no disagreement with the finding. Management will complete a thorough review of draft financial statements prior to issuance.