KENOSHA COUNTY
Kenosha, Wisconsin

FINANCIAL STATEMENTS

Including Independent Auditors' Report

December 31, 2021

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KENOSHA COUNTY
TABLE OF CONTENTS
December 31, 2021

Independent Auditors' Report	1
Management's Discussion and Analysis	4
Basic Financial Statements	
Government-wide Financial Statements	
Statement of Net Position	22
Statement of Activities	23
Fund Financial Statements	
Balance Sheet – Governmental Funds	24
Reconciliation of the Governmental Fund Balance Sheet and the Statement of Net Position	25
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds	26
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	28
Statement of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – General Fund	29
Statement of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – Human Services Fund	30
Statement of Net Position – Proprietary Funds	31
Statement of Revenues, Expenses and Changes in Fund Net Position – Proprietary Funds	32
Statement of Cash Flows – Proprietary Funds	33
Statement of Fiduciary Net Position – Fiduciary Funds	35
Statement of Changes in Fiduciary Position – Fiduciary Funds	36
Notes to the Financial Statements	39

KENOSHA COUNTY
TABLE OF CONTENTS (cont.)
December 31, 2021

Required Supplementary Information 99

Schedule of Changes in Health Insurance OPEB Liability and Related Ratios 100

Schedule of Proportionate Share of Net Pension Liability (Asset) – Local Retiree Life Insurance Fund 101

Schedule of Contributions – Local Retiree Life Insurance Fund 101

Schedule of Proportionate Share of Net Pension Liability (Asset) – Wisconsin Retirement System 102

Schedule of Contributions – Wisconsin Retirement System 102

Notes to Required Supplementary Information 103

Supplementary Information 104

Combining Balance Sheet – Nonmajor Governmental Funds 105

Combining Balance Sheet – Nonmajor Governmental Funds - Special Revenue Funds 106

Combining Balance Sheet – Nonmajor Governmental Funds - Capital Project Funds 107

Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Governmental Funds 108

Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Governmental Funds - Special Revenue Funds 109

Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Governmental Funds - Capital Projects Funds 110

Combining Statement of Net Position – Internal Service Funds 111

Combining Statement of Revenues, Expenses and Changes in Fund Net Position – Internal Service Funds 112

Combining Statement of Cash Flows - Internal Service Funds 113

Combining Statement of Fiduciary Net Position – Fiduciary Funds – Other Custodial Funds 115

KENOSHA COUNTY
TABLE OF CONTENTS (cont.)
December 31, 2021

Additional Independent Auditors Report For Financial Statements 117

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*

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INDEPENDENT AUDITORS' REPORT

County Board
Kenosha County
Kenosha, Wisconsin

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Kenosha County, Wisconsin (the County), as of and for the year ended December 31, 2021, 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 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, 2021, and the respective changes in financial position, and, where applicable, cash flows thereof and the budgetary comparison for the General Fund and Human Service 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.

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.

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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 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 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.

County Board
Kenosha County

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the schedules relating to pensions 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.

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 and individual nonmajor fund financial statements 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 and individual nonmajor fund financial statements is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated July 29, 2022, 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 County's internal control over financial reporting and compliance.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Milwaukee, Wisconsin
July 29, 2022

Our discussion and analysis of Kenosha County's financial performance provides an overview of the County's financial activities for the year ended December 31, 2021.

USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities provide information about the activities of the County as a whole and present a long-term view of the County's finances. For governmental activities, these statements tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the County's operations in more detail than the government-wide statements by providing information about the County's most significant funds.

Reporting the County as a Whole

The financial statements that present the County as a whole begin on page 22. One of the most important questions asked about the County's finances is, "Is the County as a whole better off or worse off as a result of the year's activities?" The Statement of Net Position and the Statement of Activities report information about the County as a whole and about its activities in a way that helps answer this question. These statements include all assets, liabilities, and deferred outflows/inflows of resources using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the County's net position and changes in them. You can think of the County's net position - the difference between assets, liabilities and deferred outflows/inflows of resources - as one way to measure the County's financial health, or financial position. Over time, increases or decreases in the County's net position are one indicator of whether its financial health is improving or deteriorating. The consideration of other non-financial factors, however, such as changes in the County's property tax base and the condition of the County's roads, is needed to assess the overall health of the County.

To aid in understanding the Statement of Activities, some additional explanation is given. Of particular interest is the format is significantly different from a typical Statement of Revenues, Expenditures, and Changes in Fund Balance. Expenses are listed in the first column, with revenues from that particular function reported to the right. The result is a Net (Expense)/Revenue. The formatting rationale is to highlight the relative financial burden of each of the functions on the County's taxpayers. It also identifies how much each function draws from the general revenues or if it is self-financing, through fees and grants.

In the Statement of Net Position and the Statement of Activities, we divide the County into two kinds of activities:

Governmental activities: Most of the County's basic services are reported here, including law enforcement, parks, planning, capital projects, administration, and human services. Sales taxes, property taxes, fines, and state and federal grants finance most of these activities.

The functions and programs of the governmental activities are as follows:

- General Government includes the County Board, Circuit Court, Juvenile Intake, County Executive, County Clerk, Personnel, Information Systems, Finance, Purchasing, Treasurer, District Attorney, Corporation Counsel, Register of Deeds, Facilities, Medical Examiner, Health Insurance, Workers Compensation, and Liability Insurance.
- Health includes the Health Division and the health-related portion of the Division of Aging and Disability Services.
- Public Works includes the infrastructure depreciation.

Governmental activities (continued):

- Public Safety includes the Sheriff, Joint Services, Sheriff Equitable Sharing and Emergency Services.
- Social Services includes the Division of Children and Family Services, Division of Workforce Development, a portion of the Division of Aging and Disability Services, and Veterans.
- Education and Recreation includes Parks, UW Extension, and the Library.
- Conservation and Development includes Planning and Development, Economic Development, and the Housing Authority.

Business-type activities: Brookside Care Center and Willowbrook Assisted Living (Brookside), Highway and the Golf Courses are reported here. For Brookside and the Golf Courses, the County charges a fee to customers to help it cover all or most of the cost of certain services it provides. Highway is funded by grants and tax levy for County highways and via charges to other municipalities for services to roads not owned by the County.

Reporting the County's Most Significant Funds

The fund financial statements provide detailed information about the most significant funds - not the County as a whole. The County's three kinds of funds - governmental and proprietary - use different accounting approaches.

Governmental funds: Most of the County's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the County's general government operations and the basic services it provides. Governmental fund information helps determine whether there are more or fewer financial resources that can be spent in the near future to finance the County's programs. We describe the relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds in reconciliations following the respective governmental funds' statements.

The governmental funds present separate columns for the major funds, including the General Fund, Human Services Fund, and Debt Service Fund. All other governmental activities including capital projects, library, housing authority, health department, GIS (Geographical Information System), and Federal Equitable Sharing, and ARPA are included in the non-major column. The General Fund includes the Sheriff, District Attorney, Courts, Juvenile Intake, Joint Services, Facilities, Parks, Veterans, Personnel, Emergency Management, Finance, Purchasing, Information Systems, Planning and Development, County Clerk, Treasurer, Register of Deeds, County Executive, Corporation Counsel, and the Medical Examiner. Revenues and expenditures not allocated back to departments (referred to as Non-Departmental in the County budget) are also included in the General Fund. Some of the larger elements included in Non-Departmental are shared revenue, sales tax, and vacancy adjustment. The vacancy adjustment is a reduction of personnel costs based upon an estimate of County vacancies.

The Human Services Fund includes the Divisions of Children and Family Services, Workforce Development, Child Support, Aging and Disability Services.

The Debt Service Fund is used to account for debt payments of principal and interest and the taxes levied to cover the payments.

Reporting the County's Most Significant Funds (continued)

Proprietary funds: When the County charges customers for the services it provides, these services are generally reported in proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the Statement of Net Position and the Statement of Activities. In fact, the County's enterprise funds are the same as the business-type activities we report in the government-wide statements, but provide more detail and additional information, such as cash flows. The proprietary funds include Golf, Brookside, Highway, Insurances, and the Human Services Building.

Custodial funds: When the County collects and subsequently pays out funds for other entities or individuals, this activity is reported in custodial funds.

The County as Trustee

The County is the trustee, or fiduciary, for the Culich/Schneider Memorial Fund and for the State of Wisconsin. The Culich/Schneider Memorial Fund is reported within the Brookside Care Center Fund because it is a restricted fund used solely for Brookside. We exclude the remaining activities from the County's other financial statements because the County cannot use these assets to finance its operations. The County is responsible for ensuring that the assets reported in these funds are used for their intended purposes.

THE COUNTY AS A WHOLE

Government-wide Financial Analysis
The condensed financial statements on the next two pages present the net position of the County and changes in net position. These statements are presented with comparisons to 2020.

Net position may serve over time as a useful indicator of a government's financial position. In 2021, the County's assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by $127,497,997. The largest portion ($115.2 million) reflects the County's investment in capital assets less any related debt used to acquire those assets that are still outstanding. The County uses these capital assets to provide services to the citizens; consequently, these assets are not available for future spending. Although the County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

The restricted net position amount which is subject to external restrictions on how it may be used is $26.9 million.

The remainder of the County's net position total is the category of unrestricted net position which is normally used to meet the County's ongoing obligations to citizens and creditors. At the end of 2021, this category has a deficit balance of ($14.7 million). This negative balance resulted primarily from the recording of other post-employment benefits for which the County has not funded and from the construction of infrastructure that will be financed in the next year.

THE COUNTY AS A WHOLE (continued)

Total assets for the County increased by $47.93 million mainly resulting from an increase in current and other assets of $30.7 million. This was supplemented by investments in new capital assets of $17.20 million. Deferred outflows of resources increased by $15.92 million mostly related to the County's increase in the deferred outflows related to pension benefits.

Total liabilities increased by $17.16 million due to a $16.23 million increase in long term liabilities, particularly due an increase in government long-term debt.

The County's total net position increased by $17.06 million. Net investment in capital assets increased by $7.20 million as a result of completion of major road construction projects to accommodate development increasing economic development through 2021. Restricted amounts increased by $12.37 million, mainly due to the swing from an asset in 2019 to a liability in 2020 of the Wisconsin Retirement System of $12.0 million.

KENOSHA COUNTY
NET POSITION
December 31, 2021
(Rounded to Millions)

	Governmental Activities		Business-type Activities		Totals	
	2021	2020	2021	2020	2021	2020
Current and other assets	$ 165.25	$ 147.51	$ 4.04	$ (8.95)	$ 169.29	$ 138.56
Capital assets	243.89	225.28	35.46	36.87	279.35	262.15
Total Assets	409.14	372.79	39.50	27.92	448.64	400.71
Deferred outflows of resources	45.82	31.85	9.93	7.37	55.75	39.22
					-	-
Long-term liabilities outstanding	192.07	175.39	24.03	24.48	216.10	199.87
Other liabilities	25.60	22.89	1.59	3.37	27.19	26.26
Total liabilities	217.67	198.28	25.62	27.85	243.29	226.13
Deferred inflows of resources	120.45	103.82	13.14	10.15	133.59	113.97
Net position:						
Net investment in capital assets	108.91	103.19	16.92	15.45	115.18	108.05
Restricted	21.88	11.82	5.11	2.80	26.99	14.62
Unrestricted (deficit)	(13.95)	(12.44)	(11.37)	(20.96)	(14.68)	(22.82)
Total Net Position	$ 116.84	$ 102.57	$ 10.66	$ (2.71)	$ 127.50	$ 99.85

THE COUNTY AS A WHOLE (continued)

KENOSHA COUNTY
CHANGES IN NET POSITION
Year Ended December 31, 2021
(Rounded to Millions)

	Governmental Activities		Business-type Activities		Totals	
	2021	2020	2021	2020	2021	2020
Revenues:						
Program revenues:						
Charges for services	$ 9.11	$ 8.67	$ 24.76	$ 27.00	$ 33.87	$ 35.67
Operating grants and contributions	82.50	66.48	4.79	4.91	87.29	71.39
Capital grants and contributions	1.90	1.22	7.95	8.16	9.85	9.38
General revenues:						
Property taxes	72.96	70.40	1.65	1.66	74.61	72.06
Other taxes	19.23	16.29	-	-	19.23	16.29
Grants and contributions not restricted to specific programs	4.41	4.95	-	-	4.41	4.95
Other	0.65	1.17	0.10	0.02	0.75	1.19
Total revenues	190.76	169.18	39.25	41.75	230.01	210.93
Expenses:						
General government	34.89	30.55	-	-	34.89	30.55
Health	24.84	23.71	-	-	24.84	23.71
Public works	4.39	3.08	-	-	4.39	3.08
Public safety	43.03	47.18	-	-	43.03	47.18
Social services	51.42	50.40	-	-	51.42	50.40
Education and recreation	5.08	4.95	-	-	5.08	4.95
Conservation and development	1.37	2.45	-	-	1.37	2.45
Interest on long-term debt	3.10	3.54	-	-	3.10	3.54
Nursing home	-	-	19.91	19.62	19.91	19.62
Highway	-	-	10.34	10.34	10.34	10.34
Golf Course	-	-	4.02	3.44	4.02	3.44
Total expenses	168.12	165.86	34.27	33.40	202.39	199.26
Increase (decrease) in net position before transfers	22.64	3.32	4.98	8.35	27.62	11.67
Transfers	(8.38)	21.39	8.38	(21.39)	-	-
Increase (decrease) in net position	14.26	24.71	13.36	(13.04)	27.62	11.67
Net position beginning of year	102.56	77.80	(2.70)	10.33	99.87	88.13
Net position end of year	$ 116.82	$ 102.51	$ 10.66	$ (2.71)	$ 127.49	$ 99.80

THE COUNTY AS A WHOLE (continued)

Revenue for governmental activities increased by a net amount of $21.6 million when compared to 2020. Key elements of this net increase are as follows:

- Increase in operating grants, including ARPA for $14.6 million..
- Increase in sales tax revenue of $2.9 million.
- Increase in property tax of $2.6 million.
- Increase in mental health CCS revenue of $1.9 million.
- Increase in Parks capital contributions of $1.5 million.
- Increase in grants through the Health Department $1.1 million.
- Increase in grants and other revenue through the Sheriff division of KSD revenue of $1.1 million.
- Decrease in Routes to Recovery grant to general government and capital projects $3.2 million.
- Decrease in Planning and Development state grants of $1 million.
- Decrease in Federal inmate housing fees of $0.9 million.

Expenditures for governmental activities increased by $2.3 million when compared to 2020. Key elements of this increase are as follows:

- Increase in land improvement capital projects related to KCVMP-enhancements and Pike River restoration of $3.9 million.
- Increase in social services purchased services and out-of-home placements of $3.5 million.
- Increase in purchased services related to the Health Division's clinic, environmental, and public services of $0.6 million due to focus on the pandemic.
- Increase in personnel appropriation for retention of $2.6 million.
- Decrease in Routes to Recovery general government and capital projects expenditures $3.2 million.
- Decrease in Sheriff inmate medical/dental and other operating expenses of $1.2 million.
- Decrease in capital projects for ERP completion in 2020 of $1.2 million.
- Decrease in KABA economic development expenditures of $1 million.
- Decrease for completion of Public Safety Building remodel in 2020 of $0.9 million.

Revenue for the Business-type activities decreased by $2.5 million when compared to 2020. Key elements of this decrease are as follows:

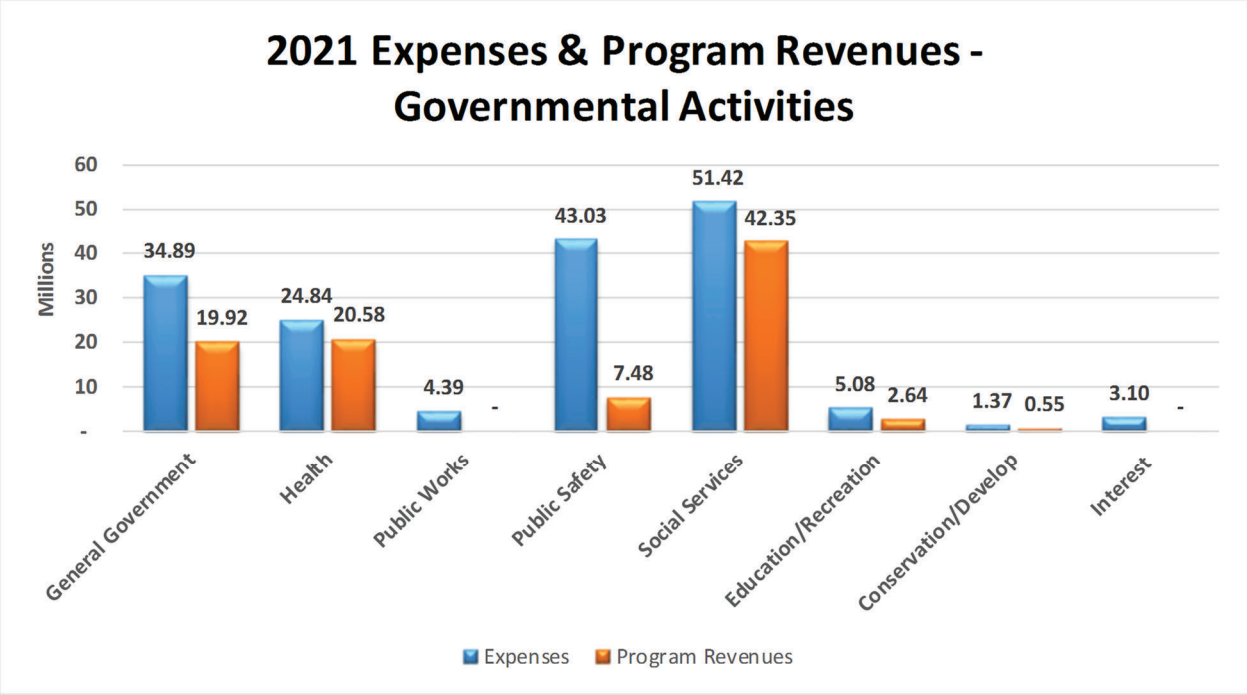
- Decrease in COVID-related nursing home federal/state grants of $1.5 million.
- Decrease of Brookside/Willowbrook Medicare, Medicaid and private pay revenues of $1.15 million.
- Decrease of federal/state revenue for infrastructure capital projects of $0.8 million.
- Increase of Local Transportation Aids revenues for road projects of $0.6 million
- Increase in Golf Course revenues of $0.3 million.

Expenses for Business-type activities increased $0.9 million when compared to 2020. Key elements of this increase are as follows:

- Increase in Golf Course expenses of $0.6 million
- Increase in Brookside expenses of $0.3 million.

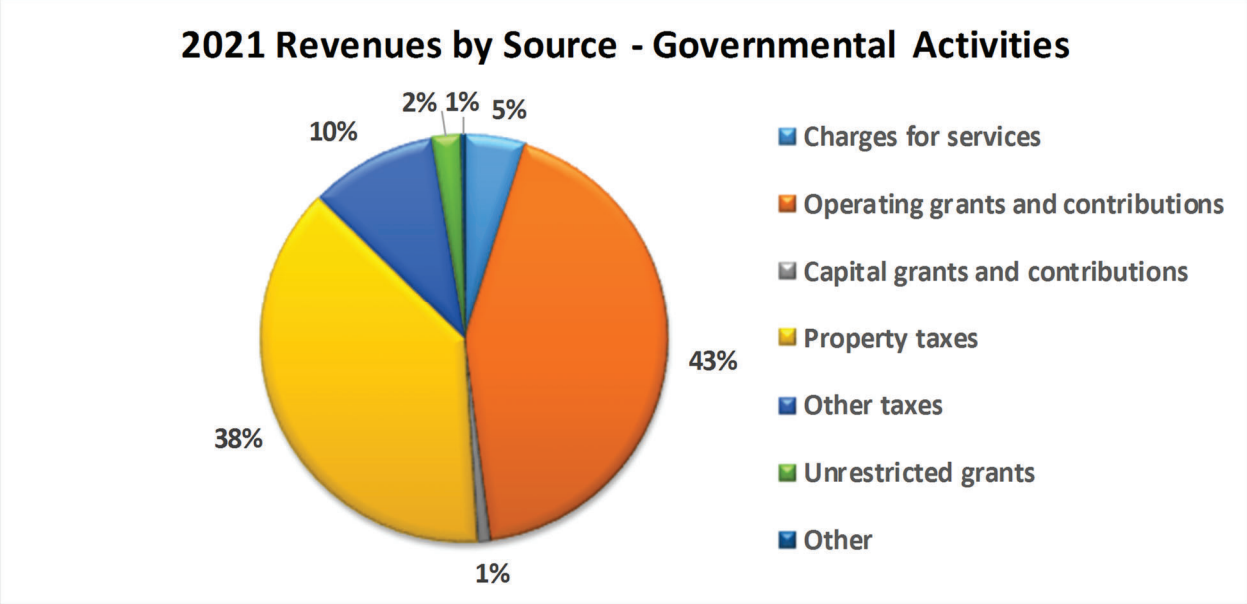
EXPENSES AND PROGRAM REVENUES – GOVERNMENTAL ACTIVITIES

The following chart shows the portion of expenses by function that is covered by program revenues for governmental activities for 2021.



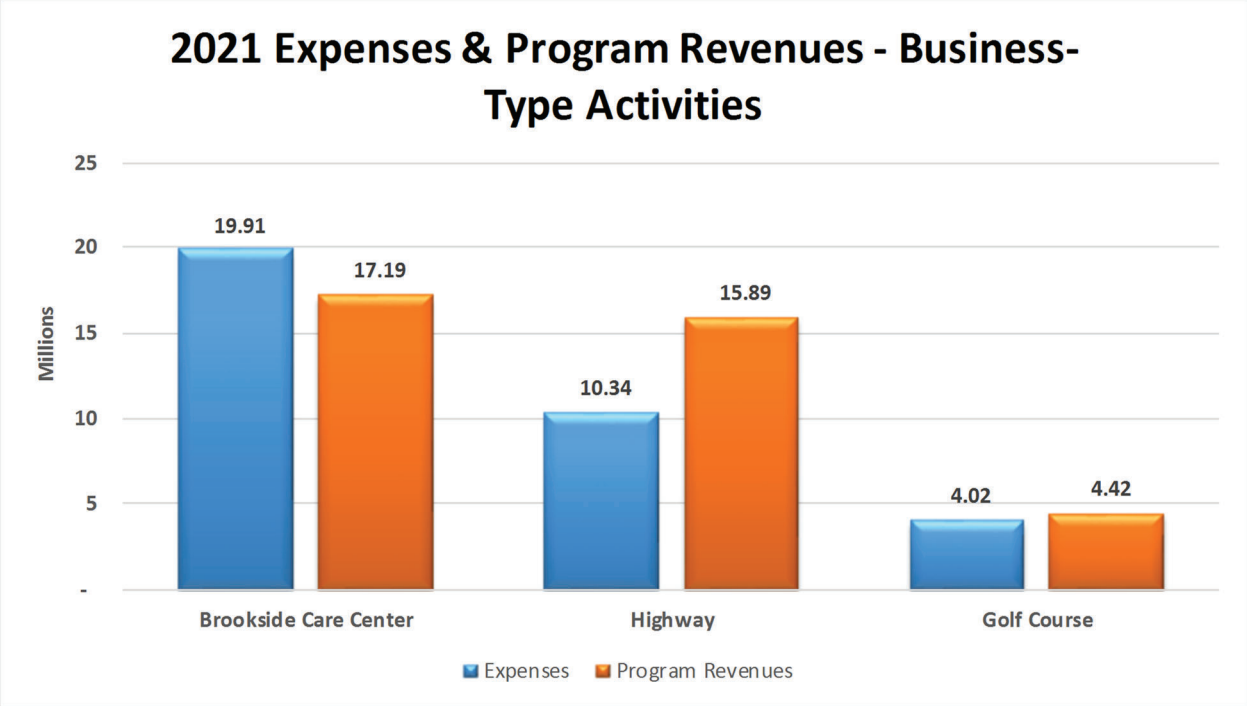
REVENUES BY SOURCE – GOVERNMENTAL ACTIVITIES

This chart illustrates the percent of revenue sources that fund the County's governmental activities for 2021.



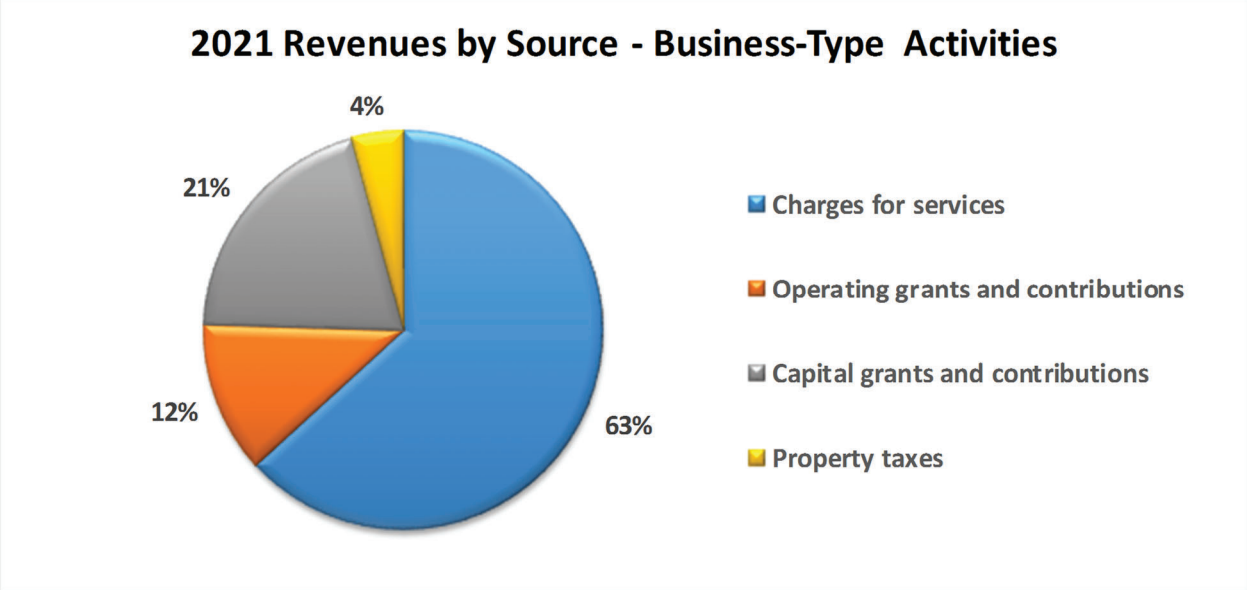
EXPENSES AND PROGRAM REVENUES – BUSINESS-TYPE ACTIVITIES

The following chart shows the portion of expenses by function that is covered by program revenues for business-type activities for 2021.



REVENUES BY SOURCE – BUSINESS-TYPE ACTIVITIES

This chart illustrates the percent of revenue sources that fund the County's business-type activities for 2021.



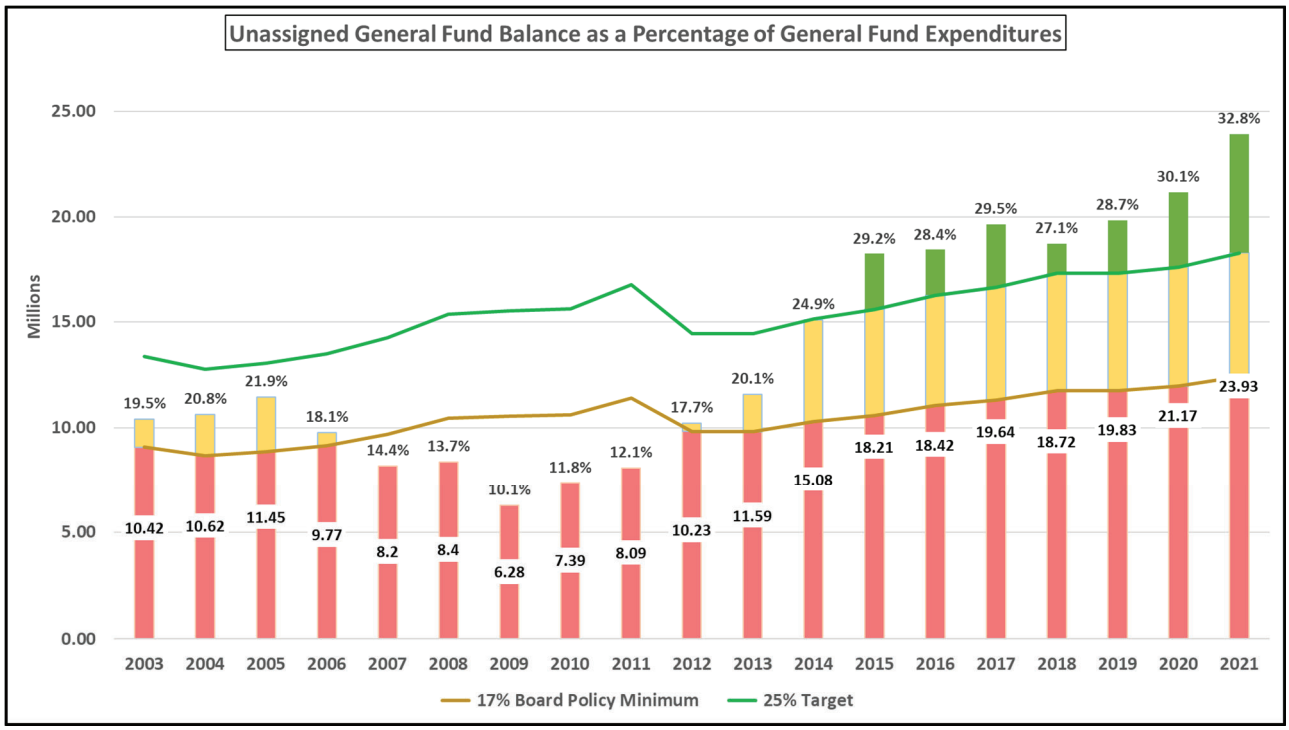
THE COUNTY'S FUNDS

Kenosha County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. These funds, along with major changes that occurred in the County's funds are described below.

General Fund

The General Fund experienced an increase in the total fund balance. Sales tax revenues increased by $2.94 million. Other items impacting the General Fund are discussed below.

The unassigned general fund balance continues to exceed the 17% threshold required by the County Board as well as the 25% target. A healthy unassigned general fund demonstrates creditworthiness and is evidence of appropriate liquidity to meet the obligations of the County.



Because of the approval of the Health Insurance internal service reserve policy, funds that otherwise would have lapsed to the General Fund remain in the Health Insurance internal service fund for a maximum of $1.5 million as approved by County Board.

	2015	2016	2017	2018	2019	2020	2021
General Fund	18,200,731	18,421,373	19,640,114	18,718,617	19,834,327	21,165,486	23,930,205
Health Insurance	1,500,001	1,500,000	1,500,001	1,500,001	1,500,000	1,500,000	1,500,000
Total	19,700,732	19,921,373	21,140,115	20,218,618	21,334,327	22,665,486	25,430,205

The unassigned fund balance amount is significant, as this is the amount available for future expenditures if approved by the County Board. A summary of the primary elements for all funds resulting in the increase in unassigned fund balance in the General Fund is provided on page 15.

THE COUNTY'S FUNDS (continued)

General Fund (continued)

The purpose of the General Fund fund balance reserve policy is:

- To maintain the fund balance of the General Fund at levels sufficient to protect the County's creditworthiness as well as its financial positions from unforeseeable emergencies.
- To ensure sufficient liquidity to provide for County obligations as they become due.
- To maintain the proper balance between maintaining a prudent level of reserves that is neither too low nor too high. The policy requires that the County maintain 17% of General Fund expenditures as unassigned fund balance in the General Fund. The County surpassed the 17% threshold by $11.5 million at year-end 2021. See the summary on page 15 for an analysis of this.

In accordance with this policy, available balances within the General Fund in excess of 17% may be used for capital expenditures and one-time operating expenditures. An amount not to exceed $300,000 may be used for ongoing operational expenditures. In the 2021 financial statements, $290,000 of funds from the General Fund was designated to fund a one-time expense for the 2022 budget. This policy does permit reserves to be used for mid-year budget transfers.

In compliance with County Board policy, the remainder of available and expendable resources from all non-lapsing funds has been transferred to the General Fund.

The following information summarizes the major items that impacted unassigned fund balance in the General Fund:

Items that affected the General Fund:

Sales Tax - Sales tax collections were higher than expected by $2.7 million.

Insurance Internal Service Funds - The net health insurance surplus was $424,000. The net effect to the General Fund was a $259,000 surplus due to $1.233 million credited to the proprietary funds of Brookside and Golf, which included $1.657 million vacancy savings. In addition, the liability insurance spending was $74,000 under budget, and the workers compensation insurance was $86,000 over budget. The net effect to the General Fund between these two insurances resulted in $1,000 deficit, almost break-even.

Vacancy Adjustment Surplus - Kenosha County reduces its total budgeted personnel costs using a vacancy adjustment. Historically, the County has an employee turnover rate in excess of 2%. Therefore, it is not necessary to fund 100% of all budgeted positions. In 2021, the budgeted County vacancy adjustment was $700,000. In 2021, the General Fund was affected with a deficit effect of $388,000 due to the vacancy adjustment.

Human Services – Overall, a surplus of $3.25 million in operations.

Sheriff - Fund balance was decreased by an expense deficit of $798,000 million in the Sheriff's department operating budget. This was supplemented with an additional deficit of $351,000 revenue less than budget for housing of federal inmates and other Sheriff related revenues.

Elected Officials Revenue - The tax delinquency revenue and interest on taxes was $688,000 less than budgeted.

THE COUNTY'S FUNDS (continued)

General Fund (continued)

Decrease in Tax Delinquencies - The amount of delinquencies at year end 2021 was $3.6 million compared to year end 2020 delinquencies of $3.7 million or an decrease of $142,000. Considering the economic downtown, this immaterial decrease significantly lower than expected.

Public Works – In the divisions of Highway, Facilities, and Parks, the County experienced an operating surplus of $610,000. In addition to operational expenses, the Highway fund income statement reports higher than normal road construction expenses which resulted from projects completed in advance of the funding schedule. The borrowing for these roads will be issued in the following year as was originally scheduled. The road construction completed in advance of the original schedule resulted in cost savings for the County.

Brookside Care Center Fund
The County's lapsing policy changed in 2016 allowing the Brookside Care Center fund to retain any surplus so their activity no longer affects the General Fund. The Brookside Care Center fund must also cover its losses within its operations. In prior years, Brookside was able to cover any losses within the Human Services Department. In 2018, the Brookside Care Center fund experienced a loss of $2.2 million before transfers. This loss was expected due to the construction of the Willowbrook addition completed during the early part of 2018 which resulted in a decrease in available beds. In 2021, the Brookside fund experienced a decrease in charges for service of $1.1 million, and operating expenses increased by $ 0.3 million which resulted in an increase in the operating loss from 2020. During 2020 and 2021, the COVID-19 pandemic placed significant constraints on the Brookside operation, limiting the number of admissions in order to keep the residents safe from the virus. The County has allocated a portion of its ARPA funds to be used to stabilize Brookside during this period.

The long-term plan for Brookside/Willowbrook estimates a period of negative cash that will be recovered by 2028. The County set aside $2.3 million as nonspendable for this long-term advance. Brookside gained on achieving a positive cash balance during 2021 due to State budget approved rate increases for Medicaid and unexpected additional revenue from the State.

Golf Course Fund
Golf fee revenue was $4.4 million for 2021. Any surplus remains in the Golf Course fund to cover future operations or capital outlays. This is the eighth year in a row in which this fund did not experience a deficit.

THE COUNTY'S FUNDS (continued)
General Fund (continued)

Summary of 2021 Operations: Review of Major Elements Impacting the Unassigned Fund Balance in the General Fund

2021 General Fund Year-End Forecast

In 2020, the County's general fund closed with a balance of approximately $21.17 million or $9.20 million over the County general fund reserve policy minimum threshold. This year end balance is 30.80% of the 2021 General Fund operating expenditures of $72.96 million.

	Year End 2021	Difference
Prior Year Unassigned Reserves	$21,165,486	$0
Items causing increase to the General Fund		
Human Services - Institute Placements net against Medicaid revenue surplus	$3,253,000	($97,000)
Sales Tax revenue surplus	2,699,600	$0
Public Works operating surplus	610,000	$110,000
Health Insurance surplus	259,150	$559,150
Circuit Court/County Clerk/Register of Deeds revenue surplus	247,000	$0
Liability Insurance surplus	67,000	$0
Total increases to General Fund	$7,135,750	$572,150
Items causing decrease to the General Fund		
Sheriff - operating expenditures deficit	($798,000)	$0
County General Fund Interest revenue deficit	(733,000)	$0
Brookside revenue loss offset using reserves with Board approval	(650,000)	($650,000)
Human Services/Juvenile Intake rate increase offset using reserves with Board approval	(450,000)	($450,000)
State clawback of personal property aid	(445,700)	$0
Vacancy deficit	(388,000)	$45,000
Sheriff revenue deficit	(351,000)	$0
Reserves to fund budget approved and permitted by Reserve policy	(290,000)	$0
Miscellaneous operating expenditures/revenues deficit	(153,031)	$265,269
Workers Compensation Insurance deficit	(68,000)	($7,000)
Decrease in Tax Delinquencies net of Profit/Loss Tax Deed Sale revenues	(44,300)	$0
Total reduction to Fund Balance	($4,371,031)	($796,731)
Projected year-end unassigned fund balance	$23,930,205	($224,581)
Less: County Board minimum requirement of 17% of General Fund Expenditures	$12,403,186	$205,600
Amount over 17% Minimum	$11,527,019	($430,181)
Projected Year-End Unassigned General Fund Balance	$23,930,205	($224,581)
Increase in General Fund Over Year Prior	2,764,719	($224,581)
General Fund Expenditures	$72,959,920	$1,209,411
Unassigned Reserves as a Percentage of General Fund Expense	**32.80%**	-0.87%

THE COUNTY'S FUNDS (continued)

GENERAL FUND BUDGETARY HIGHLIGHTS

Over the course of the year, the County Board revised the County budget several times. These budget amendments fall into five categories.

- The first category includes amendments for continuing appropriations from the prior year. The carryover of these funds allows the County to complete projects previously authorized by the Board.

- The second category includes budget amendments done to reflect changes in intergovernmental aids and grants.

- The third category includes transfers the Board approved for use between appropriations to prevent budget overruns. All of the transfers in this category were done within the total budget.

- The fourth category includes transfers from the General Fund approved by the County Board.

- The fifth category is reprogrammed surplus funds re-budgeted for a new purpose using surplus funds identified as part of the year-end closeout. The County approved the reprogramming of $3,750 of Land Information staff development for furniture purchase, $30,753 of Information Technology hardware repair, office machines, books/manuals, mileage, and travel for other professional services, and $90,000 of Energy Reduction building improvements for computer – miscellaneous.

The County Board has approved all budget amendments. See "Statement of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual" presented for the General Fund on page 29 for more detail.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The County continued the trend of growth in the General Fund due to operations increasing by $2.68 million in 2021. The fact remains that the balance reflects a material recovery from 2009 when the General Fund declined to $5.9 million.

The County reached a milestone in 2012 when its General Fund unassigned balance exceeded 17% of general fund expenditures, climbing above the policy benchmark for the first time in 6 years. This trend continued in 2021 with the balance being $23.93 million which is $11.5 million above the 17%. Many factors contributed to this event, as explained in this report.

Now, as a result of many factors as reflected on page 15, the County exceeds its reserve policy benchmark. It is worth noting that the County was able to return to reserve policy compliance without a significant decrease in property tax delinquencies. As the economy continues to improve, a decline in delinquencies has demonstrated the ability to significantly increase reserves above the policy benchmark.

The General Fund had experienced a trend of increases in cash reserves, beginning in 2002 when the County Board implemented a permanent budget reduction of $1.1 million with the adoption of Resolution 27. This permanent reduction combined with increases in sales tax revenue and other revenues, a reduction in juvenile placement costs, and new revenue from the Sheriff for housing federal inmates enabled the County to adopt its budgets without the use of accumulated surplus. The year 2003 was the first year since 1997 that the County did not use a significant amount of reserves to fund ongoing operating costs. The County had continued this practice with the adoption of the 2004, 2005, and 2006 budgets. As a result of not using reserves to fund operating costs, the unassigned fund balance in the General Fund had grown from $5.7 million in 2001 to $8.1 in 2002, to $10.4 million in 2003, $10.6 million in 2004, and $11.5 million in 2005. However, because of the County policy to use reserves in excess of the 17% target to fund capital costs, it was expected that this trend in the growth of the level of reserves would end.

As predicted, in 2006, the General Fund declined from $11.5 million to $9.7 million. In 2007, this trend continued with a reduction to $8.2 million. The primary reason for the decline in 2007 is that tax delinquencies increased by $889,065, the vacancy adjustment was $979,165 below budget, and sales tax collections were $597,190 below budget.

In 2008, the County was impacted by the recession. While the General Fund increased slightly, this was primarily because it borrowed $2.6 million in lieu of using cash reserves to fund certain projects in lieu of using reserves, or to reimburse certain capital projects that had been financed with reserves.

The recession continued into 2009. The General Fund declined by $2.5 million to $6.2 million. The primary reason for the decline in the General Fund had been the increase in property tax delinquencies. From the low point of $4 million in 2005, tax delinquencies have now decreased to $3.5 million in 2020.

In 2010, the unassigned General Fund balance experienced an increase of $1.4 million primarily due to a mid-year budget adjustment.

In 2012, the unassigned General Fund balance increased again due to many factors, including a surplus in health insurance and sales tax collections. Also, for the first time in 6 years, the unassigned General Fund balance was in compliance with County policy when it exceeded 17% of General Fund expenditures.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES (continued)

In 2013, the trend continued when the unassigned General Fund balance increased by $1.8 million to $11.6 million, and then in 2014, when the unassigned balance increased by $3.5 million which represented 25% of general fund expenditures.

State and National events have had and will continue to have a significant impact upon the County. In 2017, the County demonstrated continued economic recovery, as property values of the average home in Kenosha County per equalized valuation (TID IN) increased from a low of $97,000 in 2013 to $175,198 in May of 2018. In 2020, we are well beyond economic recovery phase. Kenosha County is one of the strongest economic growth communities nationally. The current 5-year budget forecast reflects sustainability with regard to County operations. Because we are in such a rapid growth economy reduction in service does not appear to be necessary at this time. If it was necessary, the County is well prepared to deal with this.

Other indicators of economic growth are the material decline in delinquencies for Kenosha County from $5.8 million in 2017 to $3.7 million in 2020. Kenosha County also experienced a decline in the unemployment rate from a high of 16.5% in April 2020 back to an average low of 4.5% at yearend.

In calendar year 2020, the County, as did the rest of the United States and more broadly the entire world, experienced an unprecedented economic downturn as a result of the COVID-19 pandemic. As of the audit date, the effect of this downturn did not materially occur as expected. In its revenues, the County expected a significant decrease in its sales tax revenue, but instead experienced an increase of $539,000. In addition, as a result of the pandemic, the federal government removed its U.S Immigration and Customs Enforcement (ICE) detainees from the County housing facility in mid-March 2020 resulting in a loss of revenue of $3.7 million. This loss of revenue was significantly mitigated, however, due to the fiscal management of the Administration by reducing expenditures for personnel and related variable costs directly related to the housing of these detainees. Also, regarding County expenditures, the County experienced increased costs for personnel and other related expenditures in its Health Division as it assisted State health officials in the area of testing and contact tracing. As of the audit date, the County was awarded grants exceeding $7.14 million in total for reimbursement of eligible costs related to the pandemic, which mitigated the increased personnel costs for the Health Division. The County worked diligently in drawing down from the grants to offset the increased costs related to the pandemic. Overall, the County experienced a $1.4 million positive effect on the Fund balance, and therefore, it can be stated that the pandemic did not materially affect the County's current excellent financial position.

In calendar 2021, the County endured a second wave of the COVID-19 pandemic and similar to 2020, fared very well. Despite pressures on some personnel costs and supplies related to the pandemic ,the County's strong sales tax revenues coupled with some additional grants and the use of the America Rescue Plan act funding more than mitigated the impact of the pandemic. Overall, the County experienced a $2.76 million positive effect on the County unrestricted general fund balance and again it is appropriate to state that the pandemic did not materially affect the County's continued excellent financial position.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At the end of December 31, 2021, the County had $279.4 million invested in net capital assets including land, buildings, park and golf facilities, vehicles, equipment, and infrastructure.

The $32.5 million decrease in construction in progress along with a corresponding $35.7 million increase in infrastructure reflects the completion of major projects associated with the County's continued investment in roads related to new development projects that will increase the County's value in the years to come. See Notes to the Financial Statements page 63 through 66 for more detail about the capital assets. Summary report (rounded to millions) is as follows:

	Governmental Activities		Business-type Activities		Totals	
	2021	2020	2021	2020	2021	2020
Construction in progress	$ 7.03	$ 39.18	$ -	$ 0.36	$ 7.03	$ 39.54
Land	24.54	24.21	0.34	0.34	24.88	24.55
Land improvements	47.39	29.84	7.97	7.35	55.36	37.19
Intangible assets	4.65	4.59	-	-	4.65	4.59
Buildings	128.89	127.10	34.52	34.55	163.41	161.65
Machinery & equipment	47.19	46.01	31.34	28.26	78.52	74.27
Infrastructure	108.04	72.33	-	-	108.04	72.33
Total capital assets	367.73	343.25	74.16	70.86	$ 441.89	414.11
Less: accumulated depreciatio	(123.84)	(117.97)	(38.70)	(35.22)	(162.55)	(153.19)
Total net capital assets	$ 243.89	$ 225.28	$ 35.46	$ 35.64	$ 279.35	$ 260.92

CAPITAL ASSETS AND DEBT ADMINISTRATION (continued)

Debt

At year-end, the County had $155,890,000 in outstanding general obligation debt.

Bonded debt outstanding at 12/31/2020	$	145,200,000
Principal retired in 2021		(16,645,000)
Notes issued to fund 2021 capital projects		27,335,000
Debt outstanding at 12/31/2021	$	155,890,000

New principal issued was $27,335,000. Total general obligation debt outstanding increased by $10,690,000 or 7.36%.In 2021, the County's Standard and Poor's rating was raised one notch to AAA from AA+. This rating is the highest attainable and is held by only six other Wisconsin counties. The outlook upgrade was due to S&P's view of the strengthening of the County's institutionalized policies and practices, stable budgetary resilience throughout the pandemic, and continued maintenance of very strong available general fund reserves. In 2021, Fitch Ratings maintained the County's rating of 'AA+' rating with a stable outlook.

As of year-end 2021, total County general obligation debt outstanding increased to $155.9 million compared to $112.9 million at year end 1999, a modest annual 1.71% increase over that same time period. The debt increase is attributed to maintenance of capital assets which provide savings in operating maintenance costs and in building up the County's infrastructure. This strategic plan has paid dividends in economic growth shown in significant increases to County equalized value (a 52% increase since 2013) and sales tax revenue. Recent debt has been incurred in an environment with historically low interest rates which assists with keeping the debt service growth at a sustainable level. In addition, since 2008, the County has experienced an overall decline in total long-term obligations despite the increase in total debt outstanding. In 2008, total long-term liabilities were $216.8 million compared to $209.1 million as of 2021.

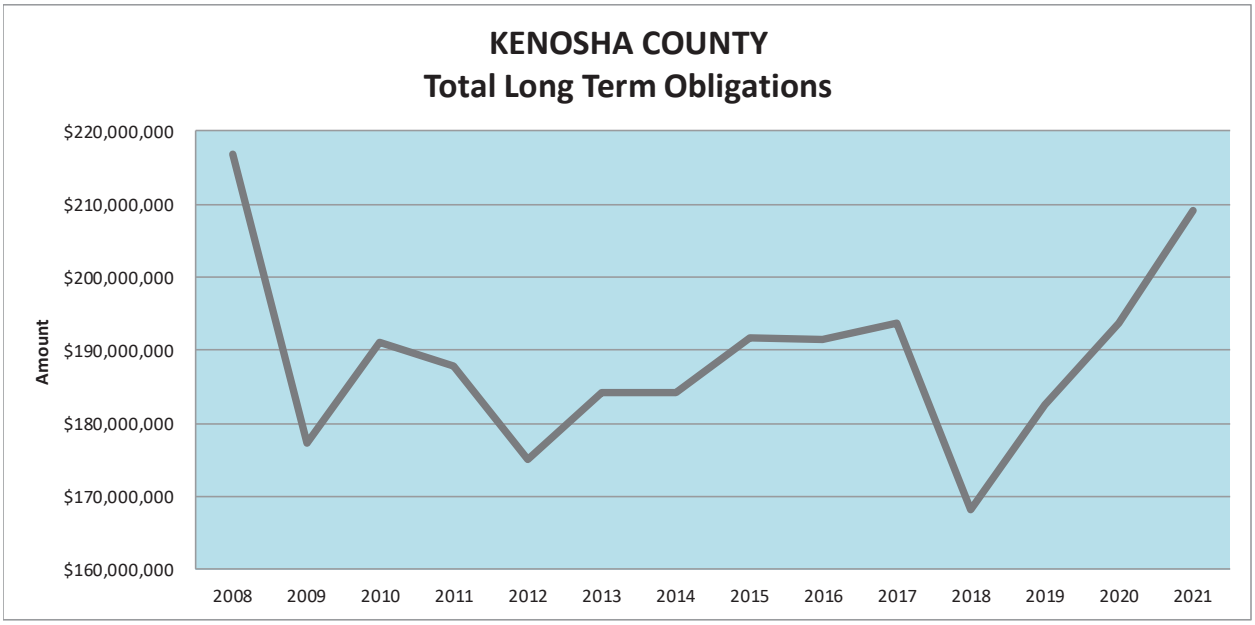
The chart below reflects the change in Kenosha County long term obligations since the implementation of GASB 45. GASB 45 required that Kenosha County account for its long-term obligations relative to post retirement benefits for health insurance (OPEB). Because of changes made to the County OPEB program, total long-term obligations have declined since the inception of GASB 45. In addition to making changes to post-retirement health insurance benefits, the County established a Paid Time Off (PTO) program in 2012. The program eliminated vacation accruals for all nonprotective employees by year end 2013. Changes to the post-retirement benefit for health insurance, combined with the implementation of the PTO program, will result in continued significant declines in County long term obligations. Effective 2018, the County adopted GASB 75 for OPEB liability for health insurance and retiree life insurance.

KENOSHA COUNTY
TOTAL LONG TERM OBLIGATIONS

	2015	2016	2017	2018	2019	2020	2021
General Obligation	$ 117,980,000	$ 118,970,000	$ 124,355,000	$ 124,885,000	$ 136,130,000	$ 145,200,000	$ 155,890,000
OPEB Health:							
Protective	40,735,463	40,979,068	39,936,357	13,805,400	19,979,271	21,245,778	25,298,803
Nonprotective	32,801,555	31,400,351	29,298,724	25,584,750	23,233,419	22,151,919	21,539,933
OPEB Life Insurance	-	-	-	3,697,166	3,156,336	5,024,853	6,249,915
Vacation/Casual	132,313	120,055	109,836	100,132	127,594	159,557	106,632
	$ 191,649,331	**$ 191,469,474**	**$ 193,699,917**	**$ 168,072,448**	**$ 182,626,620**	**$ 193,782,107**	**$ 209,085,283**

CAPITAL ASSETS AND DEBT ADMINISTRATION (continued)

The OPEB debt in the above table represents the total OPEB liability for health insurance and retiree life insurance based on adoption of GASB 75.



See Notes to the Financial Statements page 69 for more detail about the County's debt.

CONTACTING THE COUNTY'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and creditors with a general overview of the County's finances and to show the County's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the County Financial Services Division at 1010 56th Street, Kenosha, WI.

Patricia Merrill, CPA, CPFO
Director of Finance
Kenosha County, Wisconsin

KENOSHA COUNTY
STATEMENT OF NET POSITION
December 31, 2021

	Governmental Activities	Business-type Activities	Totals
ASSETS			
Cash and temporary cash investments	$ 37,213,169	$ -	$ 37,213,169
Receivables			
Property taxes	72,834,982	1,706,761	74,541,743
Delinquent taxes and special charges	6,785,670	-	6,785,670
Other	4,688,446	1,805,420	6,493,866
Due from other governments	13,511,035	1,155,770	14,666,805
Internal balances	6,542,786	(6,542,786)	-
Prepaid items	738,898	105,666	844,564
Prepaid supplies	-	756,915	756,915
Restricted cash and investments	1,094,632	-	1,094,632
Deposit with Wisconsin Municipal Mutual Insurance Co.	1,157,860	-	1,157,860
Other assets			
Net pension asset	20,677,563	5,049,551	25,727,114
Capital assets			
Land, improvements, and construction in progress	66,551,302	338,258	66,889,560
Other capital assets, net of depreciation	177,337,535	35,118,837	212,456,372
Total Capital Assets	243,888,837	35,457,095	279,345,932
Total Assets	409,133,878	39,494,392	448,628,270
DEFERRED OUTFLOWS OF RESOURCES			
Deferred loss on refunding of bond	41,726	-	41,726
Deferred outflows related to pension	34,251,152	8,318,208	42,569,360
Deferred outflows related to OPEB	11,528,864	1,609,775	13,138,639
Total Deferred Outflows of Resources	45,821,742	9,927,983	55,749,725
LIABILITIES			
Accounts payable	9,374,855	1,332,734	10,707,589
Claims payable	6,064,148	-	6,064,148
Accrued compensation	3,839,781	-	3,839,781
Accrued interest	1,217,218	212,934	1,430,152
Other current liabilities	36,338	-	36,338
Special deposits	585,715	13,497	599,212
Due to other governments	2,115,713	-	2,115,713
Unearned revenue	2,362,052	35,603	2,397,655
Long-term liabilities			
Due within one year	15,895,000	1,000,000	16,895,000
Due in more than one year	129,231,266	16,884,983	146,116,249
Other postretirement benefits due within one year	3,231,845	379,155	3,611,000
Other postretirement benefits due in more than one year	43,712,047	5,765,604	49,477,651
Total Liabilities	217,665,978	25,624,510	243,290,488
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows related to pension	45,321,324	11,067,657	56,388,981
Deferred inflows related to OPEB	2,293,496	367,290	2,660,786
Deferred property taxes levied for subsequent year	72,834,982	1,706,761	74,541,743
Total Deferred Inflows of Resources	120,449,802	13,141,708	133,591,510
NET POSITION			
Net investment in capital assets	108,914,874	16,919,961	115,184,189
Restricted			
Housing authority loans	1,202,473	-	1,202,473
Aging programs	40,815	-	40,815
Net pension asset	20,677,563	5,049,551	25,727,114
Culich Trust	-	60,450	60,450
Unrestricted (deficit)	(13,995,885)	(11,373,805)	(14,719,044)
Total Net Position	$ 116,839,840	$ 10,656,157	$ 127,495,997

See accompanying notes to the financial statements.

KENOSHA COUNTY
STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2021

		Program Revenues			Net (Expense) Revenue and Changes in Net Position		
Functions/Programs	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Totals
Governmental activities:							
General government	$ 34,888,227	$ 3,131,032	$ 16,787,944	$ -	$ (14,969,251)	$ -	$ (14,969,251)
Health	24,836,080	1,873,061	18,706,390	-	(4,256,629)	-	(4,256,629)
Public works	4,393,080	-	-	-	(4,393,080)	-	(4,393,080)
Public safety	43,027,200	3,521,846	3,955,144	-	(35,550,210)	-	(35,550,210)
Social services	51,415,248	22,042	42,220,178	105,660	(9,067,368)	-	(9,067,368)
Education and recreation	5,077,857	301,717	641,058	1,694,532	(2,440,550)	-	(2,440,550)
Conservation and development	1,372,330	261,366	188,775	102,522	(819,667)	-	(819,667)
Interest on long-term debt	3,101,281	-	-	-	(3,101,281)	-	(3,101,281)
Total Governmental Activities	168,111,303	9,111,064	82,499,489	1,902,714	(74,598,036)	-	(74,598,036)
Business-type activities:							
Brookside Care Center	19,910,584	15,891,415	1,299,912	-	-	(2,719,257)	(2,719,257)
Highway	10,344,297	4,455,663	3,486,792	7,950,632	-	5,548,790	5,548,790
Golf Course	4,016,168	4,417,560	-	-	-	401,392	401,392
Total Assets							
Total Business-type Activities	34,271,049	24,764,638	4,786,704	7,950,632	-	3,230,925	3,230,925
Totals	$ 202,382,352	$ 33,875,702	$ 87,286,193	$ 9,853,346	(74,598,036)	3,230,925	(71,367,111)
General Revenues:							
Taxes:							
Property taxes, levied for general purposes					55,581,460	1,653,204	57,234,664
Property taxes, levied for debt service					17,381,494	-	17,381,494
Sales tax - County					19,231,158	-	19,231,158
Grants and contributions not restricted to specific programs					4,411,108	-	4,411,108
Unrestricted investment earnings					(52,465)	82	(52,383)
Miscellaneous					699,424	100,393	799,817
Transfers					(8,378,076)	8,378,076	-
Total general revenues and transfers					88,874,103	10,131,755	99,005,858
Change in net position					14,276,067	13,362,680	27,638,747
Net position - beginning of year					102,563,773	(2,706,523)	99,857,250
Net position - end of year					$ 116,839,840	$ 10,656,157	$ 127,495,997

See accompanying notes to the financial statements.

KENOSHA COUNTY
BALANCE SHEET
GOVERNMENTAL FUNDS
December 31, 2021

	General	Human Services	Debt Service	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS					
Cash and investments	$ 22,725,754	$ -	$ 530,987	$ 12,125,981	$ 35,382,722
Receivables					
Property taxes	34,426,492	16,888,252	18,010,982	3,271,756	72,597,482
Delinquent taxes and special charges	6,785,670	-	-	-	6,785,670
Miscellaneous	278,720	1,466,848	-	-	1,745,568
Due from other governments	5,184,745	6,668,606	-	1,721,427	13,574,778
Due from other funds	273,805	-	-	298,054	571,859
Advance due from other funds	2,288,000	-	-	-	2,288,000
Prepaid items	730,567	-	-	8,331	738,898
Loans receivable	-	-	-	1,200,025	1,200,025
TOTAL ASSETS	$ 72,693,753	$ 25,023,706	$ 18,541,969	$ 18,625,574	$ 134,885,002
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
Liabilities					
Accounts payable	$ 1,002,657	$ 6,975,368	$ 3,801	$ 858,836	$ 8,840,662
Accrued compensation	3,839,781	-	-	-	3,839,781
Other current liabilities	21,407	-	-	-	21,407
Special deposits	40,602	492,118	40,000	12,995	585,715
Due to other governments	2,115,713	-	-	-	2,115,713
Due to other funds	-	253,385	-	318,474	571,859
Other unearned revenue	48,285	43,768	-	2,269,999	2,362,052
Total Liabilities	7,068,445	7,764,639	43,801	3,460,304	18,337,189
Deferred Inflows of Resources					
Property taxes levied for subsequent year	34,426,492	16,888,252	18,010,982	3,271,756	72,597,482
Revolving loan fund outstanding loans	-	-	-	1,200,025	1,200,025
Total deferred inflows of resources	34,426,492	16,888,252	18,010,982	4,471,781	73,797,507
Fund Balances					
Nonspendable					
Prepaid items	730,567	-	-	8,331	738,898
Advance due from other funds	2,288,000	-	-	-	2,288,000
Delinquent taxes and special charges	3,592,454	-	-	-	3,592,454
Restricted					
Debt service	-	-	487,186	-	487,186
Housing Authority revolving loan fund	-	-	-	2,448	2,448
Human Services-Aging	-	40,815	-	-	40,815
Committed					
Health Department	-	-	-	1,087,925	1,087,925
Federated Library System	-	-	-	225	225
Geographic Information Systems	-	-	-	6,845	6,845
Assigned					
Encumbrances	108,042	330,000	-	675,432	1,113,474
Sheriff special deposit-DARE program	123,121	-	-	-	123,121
Subsequent year expenditures	426,427	-	-	7,112,981	7,539,408
Capital projects	-	-	-	1,799,302	1,799,302
Unassigned (deficit)	23,930,205	-	-	-	23,930,205
Total Fund Balances (deficit)	31,198,816	370,815	487,186	10,693,489	42,750,306
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE	$ 72,693,753	$ 25,023,706	$ 18,541,969	$ 18,625,574	$ 134,885,002

See accompanying notes to the financial statements.

KENOSHA COUNTY
Reconciliation of the Governmental Fund Balance Sheet
and the Statement of Net Position
December 31, 2021

Total fund balances as shown on previous page	$ 42,750,306
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.	242,916,774
Other long-term assets are not available to pay current period expenditures and therefore are deferred in the funds.	
Loans receivable	1,200,025
Net position of the internal service fund is reported in the statement of net position as governmental activities	4,375,634
Some deferred outflows and inflows of resources reflect changes in long-term liabilities and are not reported in the funds.	
Loss on advance refunding	41,726
Deferred outflows related to pensions	34,251,152
Deferred inflows related to pensions	(45,321,324)
Deferred outflows related to other postemployment benefits	11,528,856
Deferred inflows related to other postemployment benefits	(2,293,496)
Long -term asset are not considered available; therefore, are not reported in the funds:	
Net pension asset	20,677,563
Long-term liabilities are not due and payable in the current period and,	
Bonds and notes payable	(138,565,000)
Premium on debt	(6,454,634)
Net pension liability	-
Compensated absences	(106,632)
Other postemployment benefit	(46,943,892)
Accrued interest on long-term obligations	(1,217,218)
Net position of governmental activities as reported on the statement	

See accompanying notes to the financial statements.

KENOSHA COUNTY
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
GOVERNMENTAL FUNDS
December 31, 2021

	General	Human Services	Debt Service	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES					
Taxes	$ 56,008,459	$ 15,406,591	$ 17,381,494	$ 3,163,463	$ 91,960,007
Licenses and permits	174,182	-	-	461,906	636,088
Intergovernmental revenues	11,165,790	54,430,646	-	24,256,957	89,853,393
Charges for services	3,969,674	17,785	-	2,142,638	6,130,097
Fines, forfeits and penalties	1,060,057	-	-	-	1,060,057
Investment income	(67,234)	-	-	3	(67,231)
Miscellaneous income	590,029	6,130	-	157,703	753,862
Total Revenues	72,900,957	69,861,152	17,381,494	30,182,670	190,326,273
EXPENDITURES					
Current					
General government	24,761,148	-	-	2,637,602	27,398,750
Health	-	14,764,273	-	9,515,652	24,279,925
Public safety	44,399,844	-	-	1,119,938	45,519,782
Social services	354,896	51,516,842	-	-	51,871,738
Education and recreation	2,467,344	-	-	2,406,435	4,873,779
Conservation and development	976,688	-	-	129,035	1,105,723
Capital Outlay	-	-	-	11,837,160	11,837,160
Debt Service					
Principal retirement	-	-	15,680,000	-	15,680,000
Interest, fiscal charges and debt issuance costs	-	-	3,327,900	280,575	3,608,475
Total Expenditures	72,959,920	66,281,115	19,007,900	27,926,397	186,175,332
Excess (deficiency) of revenues over expenditures	(58,963)	3,580,037	(1,626,406)	2,256,273	4,150,941

See accompanying notes to the financial statements.

KENOSHA COUNTY
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
GOVERNMENTAL FUNDS
December 31, 2021

	General	Human Services	Debt Service	Nonmajor Governmental Funds	Total Governmental Funds
OTHER FINANCING SOURCES (USES)					
General obligation debt issued	$ -	$ -	$ -	$ 27,335,000	$ 27,335,000
Premium on issuance of debt	-	-	1,421,820	85,383	1,507,203
Transfers in	3,438,627	-	-	510,118	3,948,745
Transfers out	(701,661)	(3,253,266)	-	(30,344,267)	(34,299,194)
Total Other Financing Sources (Uses)	2,736,966	(3,253,266)	1,421,820	(2,413,766)	(1,508,246)
Net change in fund balance	2,678,003	326,771	(204,586)	(157,493)	2,642,695
FUND BALANCES					
Beginning of year	28,520,813	44,044	691,772	10,850,982	40,107,611
FUND BALANCES - END OF YEAR	$ 31,198,816	$ 370,815	$ 487,186	$ 10,693,489	$ 42,750,306

See accompanying notes to the financial statements.

KENOSHA COUNTY
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2021

Net Change in Fund Balances - Total Governmental Funds	$	2,642,695
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.		
Capital assets reported as expenditures in governmental fund statements		11,837,160
Expenditures not capitalized in government-wide statements		(417,658)
Contributed capital assets		21,917,373
Depreciation expense reported in the statement of activities		(12,342,360)
Net book value of disposals and adjustments		(2,406,832)
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.		13,947
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		(27,335,000)
Premium on debt issued		(1,507,203)
Principal repaid		15,680,000
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		(147,546)
Amortization of premiums, discounts and loss on advance refunding		696,465
Loss on advance refunding		(41,726)
Compensated absences		(52,925)
Net pension asset		10,048,380
Deferred outflows of resources related to pensions		9,509,467
Deferred inflows of resources related to pensions		(13,419,473)
Other postemployment benefits		(4,108,285)
Deferred outflows of resources related to other postemployment benefits		4,445,601
Deferred inflows of resources related to other postemployment benefits		(1,306,779)
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.		570,766
Change in net position of governmental activities as reported in the statement of activities	$	14,276,067

See accompanying notes to the financial statements.

KENOSHA COUNTY
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL - GENERAL FUND
For the Year Ended December 31, 2021

	Budgeted Amounts			
	Original	Final	Actual Amounts	Variance with Final Budget
Revenues				
Taxes	$ 53,334,253	$ 53,037,872	$ 56,008,459	$ 2,970,587
Licenses and permits	118,500	118,500	174,182	55,682
Intergovernmental revenues	14,067,551	13,106,469	11,165,790	(1,940,679)
Charges for services	2,993,509	3,777,413	3,969,674	192,261
Fines, forfeits and penalties	1,146,700	1,146,700	1,060,057	(86,643)
Investment income	644,000	644,000	(67,234)	(711,234)
Miscellaneous income	659,477	670,477	590,029	(80,448)
Continuing appropriations	332,000	820,439	-	(820,439)
Total Revenues	73,295,990	73,321,870	72,900,957	(420,913)
Expenditures				
Current				
General government	24,585,815	24,871,626	24,761,148	110,478
Public safety	44,718,056	44,472,408	44,399,844	72,564
Social services	392,246	392,246	354,896	37,350
Education/recreation	2,591,495	2,706,937	2,467,344	239,593
Conservation and development	1,008,378	1,082,599	976,688	105,911
Total Expenditures	73,295,990	73,525,816	72,959,920	565,896
Excess (deficiency) of revenues over expenditures	-	(203,946)	(58,963)	144,983
Other Financing Sources				
Transfers in	-	3,438,627	3,438,627	-
Transfers out	-	(701,661)	(701,661)	-
Total Other Financing Sources (Uses)	-	2,736,966	2,736,966	-
Net change in fund balance	-	2,533,020	2,678,003	144,983
Fund balance - beginning	28,520,813	28,520,813	28,520,813	-
Fund balance - ending	$ 28,520,813	$ 31,053,833	$ 31,198,816	$ 144,983

See accompanying notes to the financial statements.

KENOSHA COUNTY
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL - HUMAN SERVICES FUND
For the Year Ended December 31, 2021

	Budgeted Amounts			
	Original	Final	Actual Amounts	Variance with Final Budget
Revenues				
Taxes	$ 15,406,591	$ 15,406,591	$ 15,406,591	$ -
Intergovernmental revenues	55,871,961	56,265,137	54,430,646	(1,834,491)
Charges for services	17,600	17,600	17,785	185
Miscellaneous income	3,059	3,059	6,130	3,071
Continuing appropriations	-	43,847	-	(43,847)
Total Revenues	71,299,211	71,736,234	69,861,152	(1,875,082)
Expenditures				
Current				
Health	17,613,500	17,872,996	14,764,273	3,108,723
Social services	53,685,711	53,862,738	51,516,842	2,345,896
Total Expenditures	71,299,211	71,735,734	66,281,115	5,454,619
Excess (deficiency) of revenues over expenditures	-	500	3,580,037	3,579,537
Other Financing				
Transfers out	-	(3,253,266)	(3,253,266)	-
Net change in fund balance	-	(3,252,766)	326,771	3,579,537
Fund balance - beginning	44,044	44,044	44,044	-
Fund balance - ending	$ 44,044	$ (3,208,722)	$ 370,815	$ 3,579,537

See accompanying notes to the financial statements.

KENOSHA COUNTY
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
December 31, 2021

	Business-type Activities				Governmental Activities
	Brookside Care Center	Highway	Non-major Fund Golf Course	Totals	Internal Service
ASSETS					
Current assets					
Cash and cash equivalents	$ -	$ -	$ -	$ -	$ 1,830,447
Accounts receivable	1,805,420	-	-	1,805,420	1,665,331
Property taxes receivable	-	1,706,761	-	1,706,761	242,500
Due from other governments	-	1,155,770	-	1,155,770	13,779
Due from other funds	-	1,537,349	1,356,575	2,893,924	4,254,786
Prepaid supplies	-	700,225	56,690	756,915	-
Prepaid items	105,666	-	-	105,666	-
Total current assets	1,911,086	5,100,105	1,413,265	8,424,456	8,006,843
Noncurrent assets					
Restricted cash and investments	-	-	-	-	1,094,632
Deposit in WMMIC	-	-	-	-	1,157,860
Net pension asset	2,992,146	1,704,741	352,664	5,049,551	-
Capital assets					
Land and construction in progress	203	60,409	277,646	338,258	682,623
Buildings and improvements	22,941,238	9,340,840	10,203,434	42,485,512	7,594,373
Machinery and equipment	9,741,178	17,485,739	4,108,367	31,335,284	638,654
Accumulated depreciation/amortization	(10,949,795)	(19,045,117)	(8,707,047)	(38,701,959)	(7,943,587)
Total capital assets	21,732,824	7,841,871	5,882,400	35,457,095	972,063
Total noncurrent assets	24,724,970	9,546,612	6,235,064	40,506,646	3,224,555
Total Assets	26,636,056	14,646,717	7,648,329	48,931,102	11,231,398
DEFERRED OUTFLOWS OF RESOURCES					
Deferred outflows related to pension	4,913,628	2,822,608	581,972	8,318,208	-
Deferred outflows related to OPEB	845,401	655,485	108,889	1,609,775	-
Total Deferred Outflows of Resources	5,759,029	3,478,093	690,861	9,927,983	-
LIABILITIES					
Current liabilities					
Accounts payable	614,138	675,452	43,144	1,332,734	534,184
Claims payable	-	-	-	-	6,064,148
Due to other funds	7,148,710	-	-	7,148,710	-
Special deposits	13,497	-	-	13,497	-
Accrued interest	212,934	-	-	212,934	-
Other current liabilities	-	-	-	-	14,932
Current portion of long-term debt payable	1,000,000	-	-	1,000,000	-
Current portion of OPEB liability	187,772	166,106	25,277	379,155	-
Unearned revenue	-	-	35,603	35,603	-
Total current liabilities	9,177,051	841,558	104,024	10,122,633	6,613,264
Noncurrent liabilities					
Advance due to other funds	2,288,000	-	-	2,288,000	-
Unamortized premium on bonds	559,983	-	-	559,983	-
Long-term obligations	16,325,000	-	-	16,325,000	-
OPEB liability	2,974,727	2,402,610	388,267	5,765,604	-
					-
Total noncurrent liabilities	22,147,710	2,402,610	388,267	24,938,587	-
Total Liabilities	31,324,761	3,244,168	492,291	35,061,220	6,613,264
DEFERRED INFLOWS OF RESOURCES					
Deferred inflows related to pension	6,558,221	3,736,464	772,972	11,067,657	-
Deferred inflows related to OPEB	200,293	141,911	25,086	367,290	-
Deferred property tax levy	-	1,706,761	-	1,706,761	242,500
Total Deferred Inflows of Resources	6,758,514	5,585,136	798,058	13,141,708	242,500
NET POSITION					
Net investment in capital assets	3,750,968	7,297,418	5,871,575	16,919,961	972,063
Restricted for non-expendable fund use					
Culich Trust	60,450	-	-	60,450	-
Net pension asset	2,992,146	1,704,741	352,664	5,049,551	-
Unrestricted (deficit)	(12,491,754)	293,347	824,602	(11,373,805)	3,403,571
Total Net Position	$ (5,688,190)	$ 9,295,506	$ 7,048,841	$ 10,656,157	$ 4,375,634

See accompanying notes to the financial statements.

KENOSHA COUNTY
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
December 31, 2021

	Business-type Activities				Governmental Activities
	Brookside Care Center	Highway	Non-major Fund Golf Course	Totals	Internal Service
OPERATING REVENUES					
Charges for services	$ 15,883,013	$ 4,455,664	$ 4,417,560	$ 24,756,237	$ 26,415,552
Total Operating Revenues	15,883,013	4,455,664	4,417,560	24,756,237	26,415,552
OPERATING EXPENSES					
Operations and maintenance	18,324,788	31,456,574	3,363,022	53,144,384	26,201,389
Depreciation and amortization	986,994	805,090	653,149	2,445,233	43,109
Total Operating Expenses	19,311,782	32,261,664	4,016,171	55,589,617	26,244,498
Operating Income (Loss)	(3,428,769)	(27,806,000)	401,389	(30,833,380)	171,054
NON-OPERATING REVENUES (EXPENSES)					
General property taxes	-	1,706,222	-	1,706,222	239,105
Intergovernmental grants	1,308,314	11,437,424	-	12,745,738	42,590
Levy reduction contribution	(53,018)	-	-	(53,018)	-
Investment income	82	-	-	82	14,766
Miscellaneous income	19,103	81,285	-	100,388	48,251
Amortization of debt premium	39,999	-	-	39,999	-
Interest and fiscal charges	(638,800)	-	-	(638,800)	-
Total Non-Operating Revenues (Expenses)	675,680	13,224,931	-	13,900,611	344,712
Income (Loss) Before Transfers	(2,753,089)	(14,581,069)	401,389	(16,932,769)	515,766
TRANSFERS					
Transfers in	2,795,000	27,500,449	-	30,295,449	55,000
Change in net position	41,911	12,919,380	401,389	13,362,680	570,766
Net position - January 1	(5,730,101)	(3,623,874)	6,647,452	(2,706,523)	3,804,868
Net position - December 31	$ (5,688,190)	$ 9,295,506	$ 7,048,841	$ 10,656,157	$ 4,375,634

See accompanying notes to the financial statements.

KENOSHA COUNTY
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the Year Ended December 31, 2021

	Business-type Activities				Governmental Activities
	Brookside Care Center	Highway	Non-major Fund Golf Course	Totals	Internal Service
CASH FLOWS FROM OPERATING ACTIVITIES					
Received from customers	$ 15,678,620	$ 4,321,380	$ 4,431,732	$ 24,431,732	$ 25,026,985
Paid to suppliers and employees for goods and services	(18,965,279)	(31,669,708)	(3,492,582)	(54,127,569)	(25,496,829)
Cash Flows from (used in) Operating Activities	(3,286,659)	(27,348,328)	939,150	(29,695,837)	(469,844)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
General property taxes	(53,018)	1,706,222	-	1,653,204	239,105
Due to/from other funds	993,167	(10,983,545)	(480,498)	(10,470,876)	2,017,549
Intergovernmental grants	1,308,314	11,437,424	-	12,745,738	42,590
Miscellaneous income	-	-	-	-	48,251
Transfers	2,650,000	22,488	-	2,672,488	-
Cash Flows from (used in) Noncapital Financing Activities	4,898,463	2,182,589	(480,498)	6,600,554	2,347,495
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Principal paid	(965,000)	-	-	(965,000)	-
Interest paid	(638,800)	-	-	(638,800)	-
Miscellaneous income	19,103	81,285	-	100,388	-
Acquisition and construction of capital assets	(172,189)	(2,393,507)	(493,229)	(3,058,925)	(59,305)
Transfers	145,000	27,477,961	-	27,622,961	55,000
Cash Flows from (used in) Capital and Related Financing Activities	(1,611,886)	25,165,739	(493,229)	23,060,624	(4,305)
CASH FLOWS FROM INVESTING ACTIVITIES					
Investment income	82	-	-	82	14,766
Cash Flows from (used in) Investing Activities	82	-	-	82	14,766
Net Change in Cash and Cash Equivalents	-	-	(34,577)	(34,577)	1,888,112
Cash and Cash Equivalents - Beginning of Year	-	-	-	-	-
Cash and Cash Equivalents - End of Year	$ -	$ -	$ (34,577)	$ (34,577)	$ 2,925,079

See accompanying notes to the financial statements.

KENOSHA COUNTY
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the Year Ended December 31, 2021

	Business-type Activities				Governmental Activities
	Brookside Care Center	Highway	Non-major Fund Golf Course	Totals	Internal Service
RECONCILIATION OF OPERATING INCOME (LOSS) TO CASH FLOWS FROM OPERATING ACTIVITIES					
Operating Income (Loss)	$ (3,428,769)	$ (27,806,000)	$ 401,389	$ (30,833,380)	$ 171,054
Adjustments to Reconcile Operating Income (Loss) to Net Cash Flows from Operating Activities:					
Depreciation expense and amortization	986,994	805,090	653,149	2,445,233	43,109
Change in net pension liability (assets)	(1,358,118)	(799,415)	(150,849)	(2,308,382)	-
Change in deferred outflows related to pension	(1,135,997)	(729,576)	(121,584)	(1,987,157)	-
Change in deferred inflows related to pension	1,653,938	1,019,268	167,255	2,840,461	-
Change in net OPEB liability	291,717	232,184	33,915	557,816	-
Change in deferred outflows related to OPEB	(288,848)	(241,870)	(36,614)	(567,332)	-
Change in deferred inflows related to OPEB	73,425	66,636	9,250	149,311	-
Effect of changes in assets and liabilities:					
Accounts receivable	(267,896)	-	-	(267,896)	(1,387,591)
Due from other governments	63,800	(134,284)	-	(70,484)	(976)
Inventories	-	132,819	(2,012)	130,807	-
Prepaid items	1,226	-	-	1,226	-
Accounts payable	160,041	106,820	(28,921)	237,940	317,336
Claims payable	-	-	-	-	387,224
Special deposits	(37,875)	-	-	(37,875)	-
Unearned revenue	(297)	-	14,172	13,875	-
NET CASH FLOWS FROM (USED BY) OPERATING ACTIVITIES	$ (3,286,659)	$ (27,348,328)	$ 939,150	$ (29,695,837)	$ (469,844)
RECONCILIATION OF CASH AND CASH EQUIVALENTS TO THE STATEMENT OF NET POSITION					
Cash and Cash Equivalents in Current Assets	$ -	$ -	$ -	$ -	$ 1,830,447
Cash and Cash Equivalents in Restricted Assets	-	-	-	-	1,094,632
Total Cash and Cash Equivalents	$ -	$ -	$ -	$ -	$ 2,925,079
Noncash investing, capital and financing activities: Accounts payable related to capital assets acquisition	$ -	$ 617,574	$ 34,577	$ 652,151	$ -

See accompanying notes to the financial statements.

KENOSHA COUNTY
STATEMENT OF FIDUCIARY NET POSITION
Fiduciary Funds
December 31, 2021

		Custodial Funds
ASSETS		
Cash and Investments	$	10,031,649
Accounts Receivable		209,873
Total Assets	$	10,241,522
LIABILITIES		
Due to Others	$	192,055
Due to Other Governments		857,346
Total Liabilities		1,049,401
NET POSITION		
Restricted for:		
Individuals, Organizations, and Other Governments		9,192,121
Total Net Position	$	9,192,121

See accompanying notes to the financial statements.

KENOSHA COUNTY
STATEMENT OF CHANGES IN FIDUCIARY POSITION
Fiduciary Funds
For the year ended December 31, 2021

	Custodial Funds
ADDITIONS	
Contributions:	
Individuals	$ 9,794,185
License and Fees Collected for State	7,459,686
Miscellaneous	890,937
Total Additions	18,144,808
DEDUCTIONS	
Beneficiary Payments to Individuals	71,648
Payments to State	7,457,848
Payments to Other Entities	10,118,830
Total Deductions	17,648,325
NET INCREASE IN FIDUCIARY NET POSITION	496,483
Fiduciary Net Position - Beginning of Year	8,695,638
FIDUCIARY NET POSITION - END OF YEAR	$ 9,192,121

See accompanying notes to the financial statements.

KENOSHA COUNTY

INDEX TO NOTES TO FINANCIAL STATEMENTS
December 31, 2021

Index Contents

NOTE I – Summary of Significant Accounting Policies 39
- A. Reporting Entity 39
- B. Government-Wide and Fund Financial Statements 39
- C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation 42
- D. Assets, Liabilities, and Net Position or Equity 44
  - 1. Deposits and Investments 44
  - 2. Receivables 45
  - 3. Prepaid Supplies and Prepaid Items 46
  - 4. Restricted Assets 46
  - 5. Capital Assets 47
  - 6. Other Assets 47
  - 7. Compensated Absences 48
  - 8. Deferred Outflows/Inflows of Resources 48
  - 9. Long-Term Obligations/Conduit Debt 48
  - 10. Claims and Judgments 49
  - 11. Equity Classifications 49

NOTE II – Reconciliation Of Government-Wide and Fund Financial Statements 51
- A. Explanation of Certain Differences Between the Governmental Fund Balance Sheet and the Statement of Net Position 51

NOTE III – Stewardship, Compliance, and Accountability 52
- A. Budgetary Information 52
- B. Governmental Funds-Excess Expenditures Over Appropriations 52
- C. Deficit Balances 53
- D. Limitations on the County's Tax Levy Rate and Its Ability to Issue New Debt 53

NOTE IV – Detailed Notes on All Funds 54
- A. Deposits and Investments 54
- B. Receivables 61
- C. Capital Assets 62
- D. Interfund Receivables/Payables and Transfers 66
- E. Long-Term Obligations 68
- F. Pension Plan 71
- G. Restricted Assets 77
- H. Lease Disclosures 77
- I. Governmental and Business-type Activities Net Position 78

NOTE V – Other Information 82
A. Risk Management 82
B. Commitments and Contingencies 86
C. Joint Venture 86
D. Other Postemployment Benefits 87
E. Subsequent Events 98

NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. REPORTING ENTITY

This report includes all of the funds of Kenosha County. The reporting entity for the County consists of (a) the primary government, (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the primary government are such that their exclusion would cause the reporting entity's financial statements to be misleading or incomplete. A legally separate organization should be reported as a component unit if the elected officials of the primary government are financially accountable to the organization. The primary government is financially accountable if it appoints a voting majority of the organization's governing body and (1) it capable of imposing its will on that organization or (2) there is a potential for the organization to provide specific financial benefits to or burdens on the primary government. The primary government may be financially accountable if an organization is fiscally dependent on the primary government.

A legally separate tax-exempt organization should be reported as a component unit of a reporting entity if all the following criteria are met: (1) the economic resources received or held by the separate organization are entirely or almost entirely for the direct benefit of the primary government, its component units or its constituents, (2) the primary government is entitled to or is capable to otherwise access a majority of the economic resources received or held by the separate organization, (3) the economic resources received or held by an individual organization that the specific primary government, or its component units, is entitled to or has the ability to otherwise access are significant to that primary government. This report does not contain any component units.

B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

GOVERNMENT-WIDE FINANCIAL STATEMENTS

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

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. The County allocates indirect expenses to functions in the statement of activities by using a cost allocation plan. Program revenues include (1) charges to customers or applicants who purchase, use or directly benefit from goods, services, or privileges provided by a given function or segment, and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment.

NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont.)

Taxes and other items not included in program revenues are reported as general revenues. Internally dedicated resources are reported as general revenues rather than as program revenues.

FUND FINANCIAL STATEMENTS

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

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

Funds are organized as major funds or non-major funds within the governmental, proprietary, and fiduciary statements. An emphasis is placed on major funds within the governmental and proprietary categories.

A fund is considered major if it is the primary operating fund of the County or meets the following criteria:

a. Total assets and deferred outflows of resources, liabilities and deferred inflows of resources, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type, and

b. The same element of the individual governmental fund or enterprise fund that met the 10 percent test is at least 5 percent of the corresponding total for all governmental and enterprise funds combined.

c. In addition, any other governmental or proprietary fund that the County believes is particularly important to financial statement users may be reported as a major fund.

The County reports the following major governmental funds:

- General – accounts for and reports all financial resources not accounted for and reported in another fund.

- Human Services – Accounts for resources legally restricted to supporting expenditures for the Social Services and Aging programs.

- Debt Service – accounts for resources accumulated and payments made for principal and interest on long-term debt other than enterprise fund debt.

NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont.)

The County reports the following major enterprise funds:

- Brookside Care Center – accounts for the operations of the County nursing home including the Willowbrook assisted living home.

- Highway – accounts for the maintenance of the County, state, and local roads.

The County reports the following non-major governmental and enterprise funds:

- Special Revenue Funds – used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes other than debt service or capital projects. These specific restricted or committed revenues should be the foundation for a special revenue fund. These funds are:

  Housing Authority
  Health Department
  Federal Inmate
  American Rescue Plan Act (ARPA)
  Federated Library System
  Geographic Information Systems
  Sheriff Federal Equitable Sharing

- Capital Projects Funds – used to account for financial resources to be used for the acquisition or construction of equipment and/or major capital facilities. These projects include:

  Parkland Development
  Public Safety Access Point
  Public Safety Building
  Energy Reduction Technology
  Other Capital Projects

- Enterprise Fund – Golf Course Fund – accounts for the operations of the County golf courses.

In addition, the County reports the following fund types:

- Internal Service Funds - used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the County, or to other governmental units, on a cost-reimbursement basis. These funds consist of:

  Human Services Building
  Health Insurance
  Workers' Compensation
  General Liability Insurance

- Fiduciary Funds - used to account for assets held by the County in a custodial capacity or as an agent for individuals, private organizations, and/or other governmental units. These funds consist of the following:

  Clerk of Courts
  Register of Deeds
  Other Custodial Funds
  County Clerk
  Inmate's Deposit Fund

NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont.)

C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION

GOVERNMENT-WIDE FINANCIAL STATEMENTS

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

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

FUND FINANCIAL STATEMENTS

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recorded when they are both measurable and available. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. For this purpose, the County considers revenues to be available if they are collected within 60 days of the end of the current fiscal period except for human services, victim witness, and other reimbursable grants, for which available is defined as 180 days. This exception is necessary because the funding source reimbursement process routinely extends to this period and the revenue then more appropriately matches the related expenditures. Expenditures are recorded when the related fund liability is incurred, except for unmatured interest on long-term debt, claims, judgments, compensated absences, OPEB and pension expenditures, which are recorded as a fund liability when expected to be paid with expendable available financial resources.

Property taxes are recorded in the year levied as receivables and deferred inflows of resources. They are recognized as revenues in the succeeding year when services financed by the levy are being provided. Sales taxes are recognized as revenues in the year in which the underlying sales relating to it take place.

Intergovernmental aids and grants are recognized as revenues in the period the County is entitled to the resources and the amounts are available. Amounts owed to the County which are not available are recorded as receivables or deferred inflows. Amounts received prior to the entitlement period are also recorded as liabilities.

Special charges are recorded as revenues when they become measurable and available as current assets. Annual installments due in the future years are reflected as receivables and unearned revenues. Delinquent special assessments being held for collection by the County are reported as receivables and due to other governments in the General Fund.

NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont.)

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

Deferred inflows of resources arise from taxes levied in the current year which are for subsequent years' operations. For governmental fund financial statements, deferred inflows also arise when a potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period.

The County reports unearned revenues on its governmental funds balance sheet. Unearned revenues also arise when resources are received before the County has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the County has a legal claim to the resources, the liability for unearned revenue is removed from the balance sheet and revenue is recognized.

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

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

ALL FINANCIAL STATEMENTS

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

NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont.)

D. ASSETS, LIABILITIES, DEFERRED OUTFLOWS/INFLOWS, AND NET POSITION OR EQUITY

1. DEPOSITS AND INVESTMENTS

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

The County has adopted an investment policy that follows the state statute for allowable investments. Available investments are limited to:

1. Time deposits in any credit union, bank, savings bank, or trust company maturing in three years or less.

2. Bonds or securities of any county, city, drainage district, technical college district, village, town, or school district of the state. Also, bonds issued by a local exposition district, a local professional baseball park district, a local professional football stadium district, a local cultural arts district, the University of Wisconsin Hospitals and Clinics Authority or the Wisconsin Aerospace Authority.

3. Bonds or securities issued or guaranteed by the federal government.

4. The local government investment pool.

5. Any security maturing in seven years or less and having the highest or second highest rating category of a nationally recognized rating agency.

6. Securities of an open-end management investment company or investment trust, subject to various conditions and investment options.

7. Repurchase agreements with public depositories, with certain conditions.

Investments are stated at fair value, which is the price that would be received to sell an asset in an orderly transaction between market participants at the measurement date. Fair values are based on quoted market prices. No investments are reported at amortized cost. Adjustments necessary to record investments at fair value are recorded in the operating statement as increases or decreases in investment income. Investment income on commingled investments of accounting funds is allocated based on average balances. The difference between the bank balance and carrying value is due to outstanding checks and/or deposits in transit.

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, 2021, the fair value of the County's share of the LGIP's assets was substantially equal to the amount as reported in these statements.

See Note IV. A. for further information.

NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont.)

D. ***ASSETS, LIABILITIES, DEFERRED OUTFLOWS/INFLOWS, AND NET POSITION OR EQUITY*** (Cont.)

2. RECEIVABLES

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

Property taxes are recorded in the year levied as receivables and deferred inflows of resources. They are recognized as revenues in the succeeding year when services financed by the levy are being provided. If not collected by July 31, the delinquent property taxes are recorded as delinquent taxes receivable and nonspendable fund balance in the general fund. Interest on delinquent property taxes is recognized as revenue when received.

The County purchases uncollected property taxes from other taxing authorities as the unpaid amount to facilitate the collection of taxes.

The purchases are a financing arrangement and are not included in property tax revenues. Delinquent property taxes purchased from other taxing authorities are included as a nonspendable fund balance at year end. Delinquent special assessments are recorded as a receivable and due to other units of government until collected and paid to the taxing jurisdiction.

Property taxes as levied are collected by local treasurers until January 31 in eleven municipalities and July 31 in two municipalities. At the end of the local treasurer's collection process, a settlement between the County treasurer and local treasurers determines the amount due to the various taxing districts. Tax collection becomes the responsibility of the County and delinquent taxes receivable represent unpaid taxes levied for all taxing entities within the County. On August 31, the tax lien date, all unpaid taxes are reflected as tax certificates. No allowance for losses on delinquent taxes has been provided because the County has demonstrated its ability to recover any losses through the sale of property.

Following is the property tax calendar for municipalities within the County except for the City of Kenosha and the Village of Pleasant Prairie which collect taxes in three installments through July 31.

Property tax calendar – 2021 tax roll:

Lien date and levy date	December 2021
Tax bills mailed	December 2021
Payment in full, or	January 31, 2022
First installment due	January 31, 2022
Second installment due	July 31, 2022
Personal property taxes in full	January 31, 2022
Tax sale – 2020 delinquent real estate taxes	October 2024

NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont.)

D. ***ASSETS, LIABILITIES, DEFERRED OUTFLOWS/INFLOWS, AND NET POSITION OR EQUITY*** (Cont.)

2. RECEIVABLES (Cont.)

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

The County has a 0.5% sales tax which is collected by the State of Wisconsin and remitted to the County monthly. Sales tax is accrued as a receivable when the underlying sale related to it takes place. At December 31, 2021, the County has accrued two months of the subsequent year's collections as receivable. In 2021, sales tax revenue totaled $19,231,034 of which $3,335,733 has been accrued.

The County has received federal grant funds for economic development and housing rehabilitation loan programs for various businesses and individuals. The County records a loan receivable when the loan has been made and funds have been disbursed.

It is the County's policy to record deferred inflow in the governmental funds for the net amount of the receivable balance. As loans are repaid, revenue is recognized. When new loans are issued from the repayments, expenditures are recorded. In the government-wide statements, revenue is recorded when new loans are made. Interest received from loan repayments is recognized as revenue when received in cash. Any unspent loan repayments at year end are presented as restricted fund balance in the fund financial statements.

3. PREPAID SUPPLIES AND PREPAID ITEMS

Governmental fund supplies are charged to expenditure accounts when purchased. Unused year-end supplies was not significant. Proprietary fund supplies are generally used for construction and for operation and maintenance work. They are not for resale. They are valued at cost based on weighted average, and charged to construction, and/or operation and maintenance expense when used.

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

4. RESTRICTED ASSETS

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

NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont.)

D. ***ASSETS, LIABILITIES, DEFERRED OUTFLOWS/INFLOWS, AND NET POSITION OR EQUITY*** (Cont.)

5. CAPITAL ASSETS

GOVERNMENT-WIDE FINANCIAL STATEMENTS

Capital assets, which include property, plant and equipment, are reported in the government-wide financial statements. Capital assets are defined by the government as assets with an initial individual cost of more than $5,000 (Brookside Care Center's threshold is $1,000) for general capital assets and infrastructure assets, and an estimated useful life based on the asset type. All capital assets are valued at historical cost, or estimated historical cost, if actual amounts are unavailable based on the amount provided by the appraisal firm retained by the County. Donated capital assets are recorded at their estimated acquisition value at the date of donation.

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

Depreciation/amortization of all exhaustible capital assets is recorded as an allocated expense in the Statement of Activities, with accumulated depreciation/amortization reflected in the Statement of Net Position. Depreciation/amortization is provided over the assets' estimated useful lives using the straight-line method of depreciation/amortization. The range of estimated useful lives by type of asset is as follows:

Intangible Assets	3-5 Years
Land Improvements	20 Years
Buildings	50-100 Years
Machinery and Equipment	5-40 Years
Infrastructure	15-50 Years

FUND FINANCIAL STATEMENTS

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

6. OTHER ASSETS

In all funds, debt issuance costs are recognized as expenditures in the current period. GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*, requires debt issuance costs to be expensed in the period incurred, rather than recorded as assets and amortized over the life of the related debt issue. Discounts and premiums are amortized over the life of the related debt issue.

NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont.)

D. ***ASSETS, LIABILITIES, DEFERRED OUTFLOWS/INFLOWS, AND NET POSITION OR EQUITY*** (Cont.)

7. COMPENSATED ABSENCES

Under terms of employment, employees are granted sick leave and vacations in varying amounts. Only benefits considered to be vested are disclosed in these statements. Sick leave does not vest.

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

Non-classified employees are subject to a PTO (paid time off) bank in which unused benefit time is not matured at resignation or retirement. Previously, these employees earned vacation and casual benefit days during the current year for the following year. Currently, two bargaining units will accrue a full year of compensated benefit time that can mature. All other employees will have PTO banks and the benefit time will not be a liability to the County.

Accumulated liabilities at December 31, 2021 are determined on the basis of current salary rates and include salary related payments.

8. DEFERRED OUTFLOWS/INFLOWS OF RESOURCES

Deferred outflows of resources are a consumption of net position by the government that is applicable to a future reporting period. Deferred inflows of resources are an acquisition of net position by the government that is applicable to a future reporting period. The recognition of those outflows and inflows as expenses or expenditures and revenues are deferred until the future periods to which the outflows and inflows are applicable.

Governmental funds may report deferred inflows of resources for unavailable revenues. The County reports unavailable revenues for special assessments and loan receivables. These inflows are recognized as revenues in the government-wide financial statements.

9. LONG-TERM OBLIGATIONS/CONDUIT DEBT

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

Long-term debt for governmental funds is not reported as liabilities in the fund financial statements. The debt proceeds are reported as other financing sources. The payments of principal and interest are reported as expenditures. The accounting in proprietary funds is the same as it is in the government-wide statements.

For the government-wide statements and proprietary fund statements, bond premiums and discounts are deferred and amortized over the life of the issue using the effective interest method. Gains or losses on

NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont.)

D. ***ASSETS, LIABILITIES, DEFERRED OUTFLOWS/INFLOWS, AND NET POSITION OR EQUITY*** (Cont.)

prior refunding are amortized over the remaining life of the old debt, or the life of the new debt, whichever is shorter. The balance at year end for both premiums/discounts is shown as an increase or decrease in the liability section of the balance sheet.

In September 2009, the County Board authorized issuance of conduit debt titled "Kenosha County, Wisconsin Community Facility Revenue Bond, Series 2009" whose principal may not exceed $8,300,000. The purpose of the bond was to assist a nonprofit community organization in the construction of a facility within the County. In 2013, the agency refinanced this bond at $5,713,550. In 2019, the interest rate was reset to 78% of Libor plus 3.60% and will be reset every five years.

The bank covenant also requires the agency to prepay $60,000 by December 1 of each year. Final maturity of the bond is September 2034. The bond is secured by various assets of the borrower. The balance of the debt as of December 31, 2021 is $4,121,231.

The County has no liability for this conduit debt in the event of default by the borrowers. Accordingly, the bonds are not reported as liabilities in the County's financial statements.

10. CLAIMS AND JUDGMENTS

Claims and judgments are recorded as liabilities if all of the conditions of Government Accounting Standards Board pronouncements are met. The liability and expenditure for claims and judgments are only reported in governmental funds if it has matured. Claims and judgments are recorded in the government-wide statements and proprietary funds as expenses when the related liabilities are incurred. See Note V. B. on commitments and contingencies.

11. EQUITY CLASSIFICATIONS

GOVERNMENT-WIDE FINANCIAL STATEMENTS

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

a. Net Investment in Capital Assets – includes the County's capital assets (net of accumulated depreciation and capital related deferred outflows of resources) reduced by the outstanding balances of bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets and any capital related deferred inflows or outflows of resources, deferred loss on refunding and any unspent bond proceeds. Certain capital assets reported in the proprietary funds are financed by debt for which the governmental funds are making payment.

b. Restricted Net Position – includes assets that have third party (statutory, bond covenant, or granting agency) limitations on their use. The County typically uses restricted assets first, as appropriate opportunities arise, but reserves the right to selectively defer the use until a future project.

c. Unrestricted Net Position – typically includes unrestricted liquid assets.

NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont.)

D. ***ASSETS, LIABILITIES, DEFERRED OUTFLOWS/INFLOWS, AND NET POSITION OR EQUITY*** (Cont.)

The calculation of net investment in capital assets includes the adjustment for capital assets owned by the business-type activities column but financed by the debt of the governmental activities' column. The amount is a reduction of "net investment in capital assets", and an increase in "unrestricted" net position, shown only in the total column. See Note IV.C. Capital Assets for detail.

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

FUND FINANCIAL STATEMENTS

Governmental fund equity is classified as fund balance. GASB 54 requires the fund balance amounts to be reported in the following categories:

a. Nonspendable – Amounts that cannot be spent either because they are in a nonspendable form, or because they are legally or contractually required to be maintained intact.

b. Restricted – Amounts that can be spent only for the specific purposed stipulated by constitution, external resource providers, or through enabling legislation.

c. Committed – Amounts that can be used only for the specific purposed determined by a formal action or resolution of the County Board (the County's highest level of decision-making authority).

d. Assigned – Amounts that are intended to be used for a particular purpose expressed by the Board or other authorized committee or individual.

e. Unassigned – All amounts not included in other spendable classifications.

It is the practice of the County to spend committed amounts first followed by assigned then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the fund balance classifications could be used.

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

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

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

The governmental fund balance sheet includes a reconciliation between *fund balance – total governmental funds* and *net position – governmental activities* as reported in the government-wide statement of net position. One element of that reconciliation explains that "long-term liabilities applicable to the County's governmental activities are not due and payable in the current period, and accordingly, are not reported as fund liabilities." All liabilities, both current and long-term, are reported in the statement of net position.

Internal service funds are classified as proprietary funds in the fund statements but as governmental activities in the government-wide statements.

Internal Service Funds:	
Human Services Building	$2,875,634
Health Insurance	1,500,000
Total	$ 4,375,634

NOTE III – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. BUDGETARY INFORMATION

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

For the governmental funds, a budget has been adopted for the general fund, special revenue funds, debt service fund, and capital projects funds. Comparisons of actual to budget are presented in the basic financial statements for the general fund and human services special revenue fund. Budgetary comparisons are not required for proprietary funds.

The budgeted amounts presented include any amendments made. Various approvals are required to transfer budgeted amounts within departments, between departments, or changes to the overall budget.

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

Prior to November, 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.

Budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America and the modified accrual basis of accounting. Budgets are adopted for all the funds. The Amended 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. Appropriations lapse at year end unless specifically carried over. Continuing appropriations to the following year are included in assigned fund balance (for government funds) as follows:

General Fund	$ 534,469
Capital Projects Funds	7,769,098
Nonmajor Special Revenue Funds	19,315
	$ 8,322,882

During the year, formal budgetary integration is employed as a management control device for all funds. Expenditures may not exceed appropriations provided in detailed budget accounts maintained for each activity or department of the County. Excess expenditures were funded using budget transfers from other departments and available fund balance in the governmental funds. Amendments to the budget during the year require initial approval by management and are subsequently authorized by the County Board.

NOTE III – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (Cont.)

B. GOVERNMENTAL FUNDS-EXCESS EXPENDITURES OVER APPROPRIATIONS

The County controls expenditures at the business unit level which is defined as a cost center. There were no expenditure line item accounts that experienced expenditures which exceed appropriations.

C. DEFICIT BALANCES

Generally accepted accounting principles require disclosure of individual funds that have deficit balances at year end. The County had no deficit fund balances on December 31, 2021.

D. LIMITATIONS ON THE COUNTY'S TAX LEVY RATE AND ITS ABILITY TO ISSUE NEW DEBT

The State budget repealed the county operating tax (mill) rate limit. Counties remain subject to levy limits and current law provisions pertain to the issuance of debt.

The State budget continues the property tax "freeze" by limiting levy growth (with some exceptions) to the greater of 0.0 percent or the change in property values due to net new construction. Levy limit exceptions for debt service, service consolidations, and annexations are retained. The budget increases the carry forward of unused levy capacity ("use it or lose it") from 0.5 percent of the prior year's levy to 1.5 percent. For a county to carry forward unused levy capacity of up to 0.5 percent, a simple majority vote of the board is required. In order for a county to carry forward between 0.5 percent and 1.5 percent, a super majority vote of the board is required.

The budget also includes an exception to the pre-2005 negative debt adjustment for counties that do not carry forward unused levy capacity from the prior year.

NOTE IV – DETAILED NOTES ON ALL FUNDS

A. DEPOSITS AND INVESTMENTS

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. The National Credit Union Share Insurance Fund (NCUSIF) insures a member's interest in all joint accounts combined in federally insured credit unions up to $250,000. Also, the State of Wisconsin has a State Guarantee Fund which provides a maximum of $400,000 per public depository above the amount provided by an agency of the U.S. Government. However, due to the relatively small size of the State Guarantee Fund in relation to the Fund's total coverage, total recovery of insured losses may not be available. This coverage has been considered in determining custodial credit risk.

The County has an agreement with Johnson Bank for collateralization of its deposits and investments. The bank has pledged $9,341,659 of various governmental securities as collateralization for the County's deposits.

The County maintains a cash and investment pool that is available for use by all funds. The carrying amount of the various fund types on December 31, 2021 are as follows:

General	$ 22,725,754
Special Revenue	2,348,120
Capital Projects	9,777,861
Debt Service	530,987
Internal Service	2,925,079
Fiduciary	10,031,649
	$ 48,339,450

The distribution of deposits and investments is as follows:

Petty Cash	$ 14,460
Deposits	8,078,239
Investments	40,246,751
	$ 48,339,450

DEPOSITS – CUSTODIAL CREDIT RISK

Custodial credit risk is the risk that in the event of the failure of the custodian holding the County's deposits, the deposits may not be returned.

NOTE IV – DETAILED NOTES ON ALL FUNDS (Cont.)

A. DEPOSITS AND INVESTMENTS (cont.)

As of December 31, 2021, the carrying amount of the County's deposits was $8,078,239 and the bank balance was $11,374,495. As of December 31, 2021, $9,341,659 of the County's deposits with financial institutions were in excess of federal and state depository insurance limits of which all were collateralized with securities held by the pledging financial institution or its trust department or agent but not in the County's name. In addition, the County maintains petty cash funds in the amount of $14,460.

INVESTMENTS

The County's investment policy follows Wisconsin State Statute 34 and County ordinance which delegates authority to the Treasurer to invest money of the County, to sell or exchange securities purchased and to provide for the safekeeping of such securities. The County contracts with investment advisory firms for investment management services.

State statutes authorize the County to invest in obligations of the U.S. Treasury, agencies and instrumentalities; obligations of Wisconsin governmental units; bonds issued by a local exposition district, a local professional baseball park district, the University of Wisconsin Hospitals and Clinics Authority or by the Wisconsin Aerospace Agency; time deposits with maturities of less than three years in any financial institution in Wisconsin; the State of Wisconsin Local Government Investment Pool; any security maturing in seven years or less and having the highest or second highest rating category of a nationally recognized rating agency; securities of an open-end management investment company or investment trust subject to various conditions and investment options; and repurchase agreements with public depositories, with certain conditions. The County only deposits and invests its monies in investments allowed by State Statute.

Investments are stated at fair value, which is the price that would be received to sell an asset in an orderly transaction between market participants at the measurement date. Fair values are based on quoted market prices. No investments are recorded at amortized cost. Adjustments necessary to record investments at fair value are recorded in the operating statement as increases or decreases in investment income.

The County has investments in the Wisconsin local government investment pool of $7,090,726 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, 2021, the fair value of the County's share of the LGIP's assets was substantially equal to the carrying value.

NOTE IV – DETAILED NOTES ON ALL FUNDS (Cont.)

A. DEPOSITS AND INVESTMENTS (cont.)

Net investment income (loss) reported in the accompanying financial statements consists of the following:

Source of Investment Income

Interest - Deposits	13,651
Interest - Investments	370,297
Dividends	1,662
Net Accrued Income	14,413
Realized Gain (Loss)	49,482
Unrealized Gain (Loss)	(422,513)
Plan Expenses	(79,375)
Net Investment Income (Loss)	(52,383)

Investment Income by Fund Type

General Fund	(67,234)
Internal Service	14,766
Proprietary	82
Special Revenue	3
Net Investment Income (Loss)	(52,383)

INVESTMENT RISK FACTORS

There are many factors that can affect the value of investments, such as credit risk, custodial credit risk, interest rate risk and foreign currency risk.

CREDIT RISK

Fixed income securities are subject to credit risk, which is the risk that a bond issuer will fail to pay interest or principal in a timely manner, or that negative perceptions of the issuer's ability to make payments will cause security prices to decline. The circumstances may arise due to a variety of factors such as financial weakness, bankruptcy litigation and/or adverse political developments.

A bond's credit quality is an assessment of the issuer's ability to pay interest on the bond, and ultimately, to pay the principal. Credit quality is evaluated by one of the independent bond rating agencies, such as Moody's Investors Service (Moody's) or Standard and Poor's (S&P). The lower the rating, the greater the risk, in the rating agency's opinion, that the bond issuer will default or fail to meet its payment obligations. Generally, the lower a bond's credit rating, the higher its yield should be to compensate for the additional risk.

Certain fixed income securities, including obligations of the U.S. government or those explicitly guaranteed by the U.S. government are not considered to have credit risk.

NOTE IV – DETAILED NOTES ON ALL FUNDS (Cont.)

A. DEPOSITS AND INVESTMENTS (cont.)

The credit risk profile for fixed income securities at December 31, 2021 is as follows:

U.S. Government Guaranteed		
Investment	Moody's Rating	Amount
AIM		
Government & Agency- Institutional	AAA	$ 5,963,901
Treasury - Institutional	AAA	264,044
DANA		
International Bank for Reconstruction and Development	AAA	1,448,170
Federal Farm Credit Bank	AAA	8,790,814
Federal Home Loan Mortgage Corp.	AAA	7,645,160
Federal National Mortgage Association	AAA	4,530,513
Government National Mortgage Association	AAA	3,345
Small Business Association	AAA	2,179,632
Total U.S. Government Guaranteed		**30,825,579**
Pooled Funds		
Wisconsin Local Government		
Investment Pool	Unrated	**7,090,726**
Money Market Mutual Fund		
DANA Money Market Mutual Fund	AAA	2,330,446
Total Money Market Mutual Fund		**2,330,446**
Grand Total		**$ 40,246,751**

CUSTODIAL CREDIT RISK

Custodial credit risk is the risk that in the event of the failure of the custodian holding the County's investments, the investments may not be returned.

The County's Investment Policy requires all investment institutions acting as a depository for the County to enter into a "depository agreement" requiring the depository to pledge collateral to

NOTE IV – DETAILED NOTES ON ALL FUNDS (Cont.)

A. DEPOSITS AND INVESTMENTS (cont.)

secure deposits over and above the $250,000 of federal depository insurance and the $400,000 covered by the State Deposit Guarantee. All securities serving as collateral shall be specifically pledged to the County (not as part of a pooled fund) and placed in a custodial account at a Federal Reserve Bank, a trust department of a commercial bank, or through another financial institution. The custodian may not be owned or controlled by the depository institution or its holding company unless it is a separately operated trust institution. The custodian shall send statements of pledged collateral to the Treasurer's Office on a monthly basis.

The County's Investment Policy does not address custodial credit risk for investments. In practice, all of the County's investments are held in the County's name by a third party custodian (a bank trust company), or are part of an external investment pool. There is no custodial credit risk exposure for these investments.

CONCENTRATION OF CREDIT RISK

Concentration of credit risk is the risk associated with a lack of diversification of having significant funds invested in a few individual issuers, thereby exposing the County to greater risks resulting from adverse economic, political, regulatory, geographic or credit developments. The County's Investment Policy follows the "prudent investor rule" which strives toward the preservation of capital and diversification of the portfolio to minimize losses.

Major issuers (over five percent of total investments) in the County's portfolio as of December 31, 2021 are as follows:

Issuer	Amount	Percentage
Federal National Mortgage Association	$ 4,530,513	11%
U.S.Treasury	6,227,945	15%
Federal Home Loan Mortgage Corp.	7,645,160	19%
Federal Home Loan Bank	8,790,814	22%
Other issuers (none over 5%)	13,052,319	32%
	$40,246,751	100%

INTEREST RATE RISK

The County's Investment Policy does not address interest rate risk for its investments. In practice, the County contracts with professional portfolio management firms for its investments. Each portfolio management firm has been assigned a widely recognized benchmark consistent with their management strategy.

AIM has been assigned the Lehman Intermediate Government Index as their benchmark. Dana Investment Advisors uses the Merrill Lynch three-month Treasury Bill index as their official benchmark.

NOTE IV – DETAILED NOTES ON ALL FUNDS (Cont.)

A. DEPOSITS AND INVESTMENTS (cont.)

In addition to using the assigned benchmarks to evaluate the performance of the portfolio management firms, the firms also manage interest rate risk by maintaining the effective duration of their portfolios consistent to the duration of the assigned benchmark. The duration of the County's overall investments at December 31, 2021 is as follows (total duration includes money market accounts, which are not listed in the table):

Investment Type	Amount	Effective Duration
Federal Home Loan Mortgage Corp. (FHLMC)	$ 7,645,160	Average 310 days
Federal Home Loan Bank	8,790,814	Average 756 days
Federal Farm Credit Bank	1,448,170	Average 763 days
Federal National Mortgage Association (FNMA)	4,530,513	Average 361 days
Government National Mortgage Association	3,345	Average 193 days
Small Business Association	2,179,632	Average 219 days
	$24,597,634	

For money market fund investments and the Wisconsin Local Government Investment Pool, weighted average maturity is used to measure interest rate risk. The weighted average maturity of all of the County's money market investments at December 31, 2021 is as follows:

Fund Name	Amount	Weighted Average Maturity
Wisconsin Local Government Investment Pool	$ 7,090,726	61 days
AIM Short Term Government & Agency	5,963,901	41 days
AIM Short Term Treasury	264,044	50 days
DANA Money Market Mutual Fund	2,330,446	33 days
	$ 15,649,117	

NOTE IV – DETAILED NOTES ON ALL FUNDS (Cont.)

A. DEPOSITS AND INVESTMENTS (cont.)

FAIR VALUE MEASUREMENTS

The County categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset.

METHODS USED TO VALUE INVESTMENTS
Level 1 inputs are quoted prices in active markets for identical assets. Level 2 inputs are significant observable inputs. Level 2 consists of U.S government-backed securities with reported fair values obtained from independent pricing services. Level 3 inputs are significant unobservable inputs.

	Fair Value Measurements Using:		
	Level 1	Level 2	Level 3
U.S. Treasuries	$ -	$ 264,044	$ -
Government & Agency - Institutional	-	5,963,901	-
SBA	2,330,446	2,179,632	-
GNMA	-	3,345	-
Money market mutual funds	-	-	-
FFCB		1,448,170	
FNMA		4,530,513	
FHLB	-	8,790,814	-
FHLMC	-	7,645,160	-
	$ 2,330,446	$ 30,825,579	$ -

NOTE IV – DETAILED NOTES ON ALL FUNDS (Cont.)

B. RECEIVABLES

Accounts receivable are recorded at gross amount with uncollectible amounts recognized under the direct write-off method. No allowance for uncollectible accounts has been provided since it is believed that the amount of such allowance would not be material to the financial statements.

Loans issued by the Housing Authority are not due until the related real estate property is sold by the borrower. Therefore, the amount that will be due within one year cannot be determined.

Delinquent property taxes purchased from other taxing authorities are reflected as nonspendable fund balance at year-end. Delinquent property taxes collected within sixty days subsequent to year-end are considered to be available for current expenditures and are therefore excluded from the nonspendable portion of fund balance. The County adjusts the nonspendable fund balance for delinquencies by the full amount net of the first sixty days of collections in the following year.

For the year ended December 31, 2021, collections in the first sixty days aggregated $462,815. Therefore, the delinquent property tax nonspendable fund balance is $4,055,269 less $462,815 or $3,592,454.

At December 31, 2021, delinquent property taxes by year levied consists of the following:

	Total	County Levied	County Purchased
Tax Certificates			
2020	$ 2,105,582	$ 334,067	$ 1,771,515
2019	1,149,398	182,361	967,037
2018	368,362	58,443	309,919
2017	176,368	27,982	148,386
2016	75,445	11,970	63,475
2015	34,622	5,493	29,129
2014	24,984	3,964	21,020
2013 and prior	120,509	19,120	101,389
Total Tax Certificates	4,055,269	$ 643,400	$ 3,411,869
Delinquent Special Assessments	998,750		
Tax Deeds held by County	1,731,652		
Total Delinquent Property Taxes Receivable	$ 6,785,670		

For economic development loans, the County is limited by the Wisconsin Department of Commerce to the amount of program income from economic development loans it may retain and loan to other businesses. Program income includes the principal and interest received from economic development loans repayments. Based upon its current population, the County may retain $750,000. At December 31, 2021, the County has not exceeded its maximum retention cap. If it does, a liability to the state will be recorded.

NOTE IV – DETAILED NOTES ON ALL FUNDS (Cont.)

C. *CAPITAL ASSETS*

The County defines their capital assets as assets with an initial individual cost of more than $5,000. The addition column represents the new assets in 2021 including new infrastructure assets. The deletion column represents the assets that were discarded in 2021.

Capital asset activity for the year ended December 31, 2021 was as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
Governmental Activities, excluding Internal Service Capital Assets				
Capital Assets not being depreciated:				
Construction in Progress	$ 39,182,759	$ 3,899,896	$ (36,047,874)	$ 7,034,781
Land Improvements	20,587,395	14,390,916	-	34,978,311
Land	23,527,552	328,035	-	23,855,587
Total Capital Assets not being depreciated	83,297,706	18,618,847	(36,047,874)	65,868,679
Other Capital Assets:				
Intangible Assets	4,587,858	61,581	-	4,649,439
Land Improvements	9,252,957	4,931,886	(1,549,216)	12,635,627
Buildings	119,562,036	2,017,455	(282,434)	121,297,057
Machinery & Equipment	45,366,984	6,193,940	(5,014,364)	46,546,560
Infrastructure	72,326,850	37,561,043	(2,068,466)	107,819,427
Total Other Capital Assets at Historical Cost	251,096,685	50,765,905	(8,914,480)	292,948,110
Less: Accumulated Depreciation				
Intangible Assets	(1,876,149)	(918,598)	-	(2,794,747)
Land Improvements	(4,227,880)	(345,705)	1,481,706	(3,091,879)
Buildings	(45,007,992)	(3,001,383)	95,493	(47,913,882)
Machinery & Equipment	(29,296,377)	(3,683,594)	3,163,330	(29,816,641)
Infrastructure	(29,656,905)	(4,393,080)	1,767,119	(32,282,866)
Total Accumulated Depreciation	(110,065,303)	(12,342,360)	6,507,648	(115,900,015)
Net Total Other Capital Assets	141,031,382	38,423,545	(2,406,832)	177,048,095
Net Subtotal Non-Internal Service Capital Assets	224,329,088	57,042,392	(38,454,706)	242,916,774

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

C. *CAPITAL ASSETS* (cont.)

	Ending Balance	Additions	Deletions	Ending Balance
Internal Service Capital Assets				
Capital Assets not being depreciated:				
Land	682,623	-	-	682,623
Total Capital Assets not being depreciated	682,623	-	-	682,623
Other Capital Assets:				
Buildings	7,535,068	59,305	-	7,594,373
Machinery & Equipment	638,654	-	-	638,654
Total Other Capital Assets	8,173,722	59,305	-	8,233,027
Less: Accumulated Depreciation	(7,900,476)	(43,111)	-	(7,943,587)
Net Total Other Capital Assets	273,246	16,194	-	289,440
Net Subtotal Internal Service Capital Assets	955,869	16,194	-	972,063
Net Total Government Activities Capital Assets	$ 225,284,957	$ 57,058,586	$ (38,454,706)	$ 243,888,837
Less: Debt related to capital assets and other adjustments				(145,624,609)
Adjustment for debt related to proprietary fund assets				10,650,646
Net investment in capital assets for government-wide statements				$ 108,914,874

The schedule above includes the detail for the net position adjustment for capital assets owned by the business-type activities funds but financed by the debt of the governmental activities funds.

Depreciation expense was charged to functions as follows:

General Government	$ 6,403,961
Public Safety	1,170,422
Public Works	4,393,080
Social Services	10,821
Education & Recreation	339,738
Health	29,749
Conservation & Development	37,700
Total Governmental Activities- Depreciation Expense	$ 12,385,471

Total governmental activities depreciation expense includes $43,111 recorded to the internal service fund Human Services Building.

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

C. CAPITAL ASSETS (cont.)

The total amounts for infrastructure shown in the previous schedule are detailed more fully below.

Infrastructure Category	Beginning Balance	Additions	Deletions	Ending Balance
Roadways	$ 62,891,949	$ 36,890,922	$ (2,068,466)	$ 97,714,405
Bridges	6,833,105	-	-	6,833,105
Traffic signals	1,281,527	-	-	1,281,527
Sewer drainage	384,000	-	-	384,000
Culverts	936,269	670,121	-	1,606,390
Infrastructure	72,326,850	37,561,043	(2,068,466)	107,819,427
Less Accumulated Depreciation				
Roadways	(25,977,033)	(4,150,663)	1,767,119	(28,360,577)
Bridges	(2,628,434)	(135,941)	-	(2,764,375)
Traffic signals	(655,182)	(56,192)	-	(711,374)
Sewer drainage	(285,494)	(7,898)	-	(293,392)
Culverts	(110,762)	(42,386)	-	(153,148)
Total Accumulated Depreciation	(29,656,905)	(4,393,080)	1,767,119	(32,282,866)
Net Infrastructure	$ 42,667,215	$ 33,167,963	$ (301,347)	$ 75,533,831

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

C. *CAPITAL ASSETS* (cont.)

	Beginning Balance	Additions	Deletions	Ending Balance
Business - type Activities				
Capital Assets not being depreciated:				
Land	$ 338,258	$ -	$ -	$ 338,258
Construction In Progress	171,392	-	(171,392)	-
Total Capital Assets not being depreciated/amortized	509,650	-	(171,392)	338,258
Other Capital Assets:				
Intangible Assets	-	-	-	-
Land Improvements	7,949,250	23,601	(3,598)	7,969,253
Buildings	34,481,209	35,050	-	34,516,259
Machinery & Equipment	30,839,568	1,293,882	(798,166)	31,335,284
Total Other Capital Assets at Historical Cost	73,270,027	1,352,533	(801,764)	73,820,796
Less: Accumulated Depreciation/Amortization				
Intangible Assets	-	-	-	-
Land Improvements	(4,664,715)	(174,193)	3,598	(4,835,310)
Buildings	(15,374,176)	(761,432)	-	(16,135,608)
Machinery & Equipment	(16,873,094)	(1,509,608)	651,661	(17,731,041)
Total Accumulated Depreciation/Amortization	(36,911,985)	(2,445,233)	655,259	(38,701,959)
Net Total Other Capital Assets	36,358,042	(1,092,700)	(146,505)	35,118,837
Net Total Business - type Activities Capital Assets	$ 36,867,692	$ (1,092,700)	$ (317,897)	$ 35,457,095
Less: Debt related to capital assets				17,884,983
Less: accounts payable related to capital outlay				652,151
Net investment in capital assets for government-wide statements - business type				$ 16,919,961

The schedule above includes the detail for the net position adjustment for capital assets owned by the business-type activities funds but financed by the debt of the governmental activities' funds.

Depreciation expense was charged to functions as follows:

Brookside Care Center	$ 986,994
Highway	805,090
Golf Course	653,149
Total Business-type Activities - Depreciation/Amortization Expense	$ 2,445,233

NOTE IV – DETAILED NOTES ON ALL FUNDS (Cont.)

D. INTERFUND RECEIVABLES/PAYABLES AND TRANSFERS

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

Receivable Fund	Payable Fund	Amount
General Fund		$ 273,805
Highway		1,537,349
Health Insurance		1,210,640
Workers Comp. Insurance		1,044,877
Human Services Building		1,999,269
Golf		1,356,575
Other Capital Projects		298,054
	Human Services	(253,385)
	GIS	(20,420)
	Public Safety Access Point Project	(298,054)
	Brookside Care Center	(7,148,710)
		$ -

All of these balances are expected to be repaid with future fund revenues, transfers, and planned borrowings.

These balances resulted from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made. For the statement of net position, interfund balances which are owed within the governmental activities or business-type activities are netted and eliminated.

Amounts owed between governmental and business-type activities are shown as “internal balances” on the statement of net position.

Noncurrent portions of the interfund receivables for the governmental funds are reported as “advances due from other funds” and “advances due to other funds” and are offset by nonspendable fund balance since they do not constitute expendable available financial resources and therefore are not available for appropriation.

Long-term Cash Advances to Finance Operating Cash Deficits of Other Funds

Receivable Fund	Payable Fund	Amount
General Fund		$ 2,288,000
	Brookside Care Center	(2,288,000)
		$ -

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

D. INTERFUND RECEIVABLES/PAYABLES AND TRANSFERS (cont.)

The following is a schedule of interfund transfers in the governmental fund statements:

		Amount		
Fund Transferred To	**Fund Transferred From**	**In**	**Out**	**Principal Purpose**
Highway Fund		45,000		Transfer related to carryovers
	General Fund		45,000	
Capital Project PSAP Update		73,457		Transfer to cover shortfall of reimbursement
	Capital Projects		73,457	City of Kenosha
Capital Projects		90,000		Surplus balance transferred for other
	Capital Projects Energy Reduction		90,000	capital projects
General Fund		500		Transfer for purchased services
	Human Services		500	
Capital Projects		340,000		Transfer for Parkland Development Project
	Parkland Development		340,000	
Highway Fund		10,000,000		Transfer of ARPA funds
Brookside Care Center		2,000,000		
	ARPA		12,000,000	
General Fund		3,438,127		Surplus available to lapse into General fund
Highway Fund		22,488		
	Federal Inmate		207,849	
	Human Services Fund		3,252,766	
Housing Authority		6,661		Resolution to cover deficit fund balance at year end
Brookside Care Center		650,000		
	General Fund		656,661	
Human Services Building		55,000		To allocate bond proceeds to
Brookside Care Center		145,000		appropriate funds per adopted budget.
Highway		17,432,961		
	Capital Projects		17,632,961	
	Totals	$ 34,299,194	$ 34,299,194	

The following reconciles the governmental statements to the government-wide presentation:

	Governmental Activities	**Business-type Activities**
Net activity above	$ (30,350,449)	$ 30,350,449
Infrastructure	21,782,189	(21,782,189)
Equipment contribution	135,184	(135,184)
Internal service elimination	55,000	(55,000)
Transfer in, (out)	$ (8,378,076)	$ 8,378,076

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

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

E. LONG-TERM OBLIGATIONS

Long-term obligations activity for the year ended December 31, 2021 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance	Amounts Due Within One Year
Governmental Activities					
Bonds and Notes Payable:					
General Obligation Debt	$ 126,910,000	$ 27,335,000	$ 15,680,000	$ 138,565,000	$ 15,895,000
Add/(Subtract) Deferred Amounts For:					
Bond premiums net of discounts	5,643,896	1,507,203	696,465	6,454,634	-
Total Bonds And Notes Payable	132,553,896	28,842,203	16,376,465	145,019,634	15,895,000
Other Liabilities:					
Vested Vacation and Casual Days	159,557		52,925	106,632	-
Total Other Liabilities	159,557	-	52,925	106,632	-
Total Governmental Activities-Long-Term Obligations	$ 132,713,453	$ 28,842,203	$ 16,429,390	$ 145,126,266	$ 15,895,000

	Beginning Balance	Increases	Decreases	Ending Balance	Amounts Due Within One Year
Business-type Activities					
Bonds and Notes Payable:					
General Obligation Debt	$ 18,290,000	$ -	$ 965,000	$ 17,325,000	$ 1,000,000
Add/(Subtract) Deferred Amounts For:					
Bond premiums net of discounts	599,979	-	39,996	559,983	-
Total Business-type Activities-Long-Term Obligations	$ 18,889,979	$ -	$ 1,004,996	$ 17,884,983	$ 1,000,000

GENERAL OBLIGATION DEBT

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

In accordance with Wisconsin Statutes, total general obligation indebtedness of the County may not exceed five percent of the equalized value of taxable property within the County's jurisdiction. The debt limit as of December 31, 2021, was $987,146,085. Total general obligation debt outstanding at year end was $155,890,000.

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

E. LONG-TERM OBLIGATIONS (cont.)

	Date of Issue	Final Maturity	Interest Rates	Original Indebtedness	Balance 12/31/2021
Governmental Activities - General Obligation Debt					
Promissory Notes	2014	2024	2.00% - 3.00%	11,925,000	5,550,000
Refunding Bonds	2015	2030	0.05% - 4.00%	21,555,000	8,895,000
Promissory Notes	2015	2025	2.00% - 4.00%	12,305,000	6,105,000
Promissory Notes	2016	2026	2.00% - 3.00%	13,965,000	10,030,000
Promissory Notes	2017	2027	2.25% - 4.00%	13,255,000	8,150,000
Law Enforcement Enhancement Bonds	2017	2037	2.75% - 4.00%	5,315,000	4,590,000
Promissory Notes	2018	2028	3.00% - 4.00%	15,270,000	12,950,000
Promissory Notes	2019	2029	2.00% - 3.00%	16,620,000	15,145,000
Highway Improvements Bonds	2019	2039	2.00% - 3.00%	8,880,000	8,005,000
Refunding Bonds	2020	2031	2.00% - 2.10%	3,785,000	2,750,000
Refunding Bonds	2020	2032	2.00% - 4.00%	11,870,000	6,695,000
Promissory Notes	2020	2030	1.00% - 2.00%	13,360,000	12,615,000
Corporate Purpose	2020	2040	2.00% - 3.00%	10,460,000	9,750,000
Promissory Notes	2021	2031	1.50% - 2.00%	15,445,000	15,445,000
Highway Improvements Bonds	2021	2041	2.00% - 4.00%	11,890,000	11,890,000
Total Governmental Activities - General Obligation Debt					$ 138,565,000

	Date of Issue	Final Maturity	Interest Rates	Original Indebtedness	Balance 12/31/2021
Business-type Activities - General Obligation Debt					
Refunding Bonds	2015	2035	3.00% - 4.00%	18,290,000	$ 17,325,000
Total Business-type Activities - General Obligation Debt					$ 17,325,000
Total Debt					$ 155,890,000

During 2021, the County borrowed $27,335,000 for the purpose of making various capital improvements. These monies, as well as other revenue sources, are reflected in the various Capital Project and Proprietary funds. Work that has been completed but not yet paid for (including contract retainages) is reflected as accounts payable and expenditures. Open purchase orders for the General Fund, Health, Federal Equitable Sharing and Capital Projects-Other Fund totaled $1,113,474 at year end and is included in Assigned Fund Balance for encumbrances.

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

E. LONG-TERM OBLIGATIONS (cont.)

Debt service requirements to maturity are as follows:

	Governmental Activities General Obligation Debt		Business-type Activities General Obligation Debt	
Years	Principal	Interest	Principal	Interest
2022	15,895,000	3,526,504	1,000,000	609,850
2023	14,885,000	3,091,079	1,030,000	579,850
2024	14,580,000	2,662,910	1,060,000	548,950
2025	14,580,000	2,281,598	1,090,000	517,150
2026	14,090,000	1,883,685	1,125,000	484,450
2027-2031	45,660,000	4,714,308	6,180,000	1,858,275
2032-2036	10,820,000	1,629,381	5,840,000	595,600
2037-2041	8,055,000	429,038	-	-
Totals	$ 138,565,000	$ 20,218,502	$ 17,325,000	$ 5,194,125

OTHER DEBT INFORMATION

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

There are a number of limitations and restrictions contained in the various bond indentures and loan agreements. The County believes it is in compliance with all significant limitations and restrictions.

NOTE IV – DETAILED NOTES ON ALL FUNDS (Cont.)

F. PENSION PLAN

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Pensions. For purposes of measuring the net pension liability (asset), deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Wisconsin Retirement System (WRS) and additions to/deductions from WRS' fiduciary net position have been determined on the same basis as they are reported by 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.

GENERAL INFORMATION ABOUT THE PENSION PLAN

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

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

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 12/31/2016, are entitled to a retirement benefit based on a formula factor, their final average earnings, and creditable service.

Final average earnings is the average of the participant's three highest annual earnings 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.

NOTE IV – DETAILED NOTES ON ALL FUNDS (Cont.)

F. PENSION PLAN (cont.)

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

The WRS also provides death and disability benefits for employees.

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

Year	Core Fund Adjustment	Variable Fund Adjustment
2011	(1.2)%	11%
2012	(7.0)%	(7)%
2013	(9.6)%	9%
2014	4.7%	25%
2015	2.9%	2%
2016	0.5%	(5)%
2017	2.0%	4%
2018	2.4%	17%
2019	0.0%	(10)%
2020	1.7%	21%

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

During the year ending December 31, 2021, the WRS recognized $4,750,790 in contributions from the employer.

NOTE IV – DETAILED NOTES ON ALL FUNDS (Cont.)

F. PENSION PLAN (cont.)

Contribution rates for the reporting period are:

Employee Category	Employee	Employer
General (including executives, and elected officials)	6.75%	6.75%
Protective with Social Security	6.75%	11.75%
Protective without Social Security	6.75%	16.35%

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

At December 31, 2021, the County reported an asset of $25,727,114 for its proportionate share of the net pension asset. The net pension asset was measured as of December 31, 2020, and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of December 31, 2019 rolled forward to December 31, 2020. No material changes in assumptions or benefit terms occurred between the actuarial valuation date and the measurement date. The County's proportion of the net pension asset was based on the County's share of contributions to the pension plan relative to the contributions of all participating employers. At December 31, 2020, the County's proportion was 0.41208618%, which was a decrease of 0.00256827% from its proportion measured as of December 31, 2019.

For the year ended December 31, 2021 the County recognized pension revenue of $2,834,142.

At December 31, 2021, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Outflows of Resources	Inflows of Resources
Differences between projected and actual experience	$ 37,235,028	$ 8,020,358
Net differences between projected and actual earnings on pension plan investments	-	48,300,555
Changes in assumptions	583,542	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	-	68,068
Employer contributions subsequent to the measurement date	4,750,790	-
Total	$ 42,569,360	$ 56,388,981

NOTE IV – DETAILED NOTES ON ALL FUNDS (Cont.)

F. PENSION PLAN (cont.)

The $4,750,790 reported as deferred outflows related to pension resulting from the WRS Employer's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

Year ended December 31	Expense
2022	$ (4,788,857)
2023	(1,315,819)
2024	(8,759,515)
2025	(3,706,220)
Total	$ (18,570,411)

Actuarial assumptions. The total pension liability in the December 31, 2019, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Valuation Date:	December 31, 2019
Measurement date of net pension liability (asset)	December 31, 2020
Actuarial Cost Method:	Entry Age Normal
Asset Valuation Method:	Fair Value
Long-Term Expected Rate of Return:	7.0%
Discount Rate:	7.0%
Salary Increases: Inflation Seniority/Merit	 3.0% 0.1% - 5.6%
Mortality:	Wisconsin 2018 Mortality Table
Post-retirement Adjustments*	1.9%

** No post-retirement adjustment is guaranteed. Actual adjustments are based on recognized investment return, actuarial experience and other factors. The 1.9% is the assumed annual adjustment based on the investment return assumption and the post-retirement discount rate.*

NOTE IV – DETAILED NOTES ON ALL FUNDS (Cont.)

F. PENSION PLAN (cont.)

Actuarial assumptions are based upon an experience study conducted in 2018 using experience from 2015 – 2017. Based on this experience study, actuarial assumptions used to measure the total pension liability changed from prior year, including the discount rate, long-term expected rate of return, post-retirement adjustment, wage inflation rate, mortality and separation rates. The total pension liability for December 31, 2020 is based upon a roll-forward of the liability calculated from the December 31, 2019 actuarial valuation.

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

Asset Allocation Targets and Expected Returns
As of December 31, 2020

Core Fund Asset Class	Asset Allocation %	Long-Term Expected Nominal Rate of Return %	Long-Term Expected Real Rate of Return %
Global Equities	51	7.2	4.7
Fixed Income	25	3.2	0.8
Inflation Sensitive Assets	16	2.0	(0.4)
Real Estate	8	5.6	3.1
Private Equity/Debt	11	10.2	7.6
Multi-Asset	4	5.8	3.3
Cash	-15	0.9	N/A
Total Core Fund	100	6.6	4.1
Variable Fund Asset Class			
U.S. Equities	70	6.6	4.1
International Equities	30	7.4	4.9
Total Variable Fund	100	7.1	4.6

New England Pension Consultants Long Term US CPI (Inflation) Forecast: 2.4%

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

NOTE IV – DETAILED NOTES ON ALL FUNDS (Cont.)

F. PENSION PLAN (cont.)

Single Discount rate. A single discount rate of 7.00% was used to measure the Total Pension Liability for the current and prior year. This single discount rate is based on the expected rate of return on pension plan investments of 7.00% and a municipal bond rate of 2.00%. (Source: Fixed-income municipal bonds with 20 years to maturity that include only federally tax-exempt municipal bonds as reported in Fidelity Index's "20-year Municipal GO AA Index" as of December 31, 2020. In describing this index, Fidelity notes that the Municipal Curves are constructed using option-adjusted analytics of diverse population of over 10,000 tax-exempt securities.) Because of the unique structure of WRS, the 7.00% expected rate of return implies that a dividend of approximately 1.9% will always be paid. For purposes of the single discount rate, it was assumed that the dividend would always be paid. The projection of cash flows used to determine this single discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments (including expected dividends) of current plan members. Therefore, the municipal bond rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the County's proportionate share of the net pension liability (asset) to changes in the discount rate. The following presents the County's proportionate share of the net pension liability (asset) calculated using the discount rate of 7.00 percent, as well as what the County's proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00 percent) or 1-percentage-point higher (8.00 percent) than the current rate:

	1% Decrease to Discount Rate (6.00%)	**Current Discount Rate (7.00%)**	**1% Increase To Discount Rate (8.00%)**
County's proportionate share of the net pension liability (asset)	$ 24,488,645	$ 25,727,114	$ 62,610,210

Pension plan fiduciary net position. Detailed information about the pension plan's fiduciary net position is available in separately issued financial statements available at http://etf.wi.gov/publications/cafr.htm.

At December 31, 2021 the County reported a payable of $685,693 for the outstanding amount of contributions to the pension plan for the year ended December 31, 2021.

NOTE IV – DETAILED NOTES ON ALL FUNDS (Cont.)

G. RESTRICTED ASSETS

The County has restricted assets which consist of a deposit in Wisconsin Municipal Mutual Insurance Company (WMMIC) in the amount of $1,157,860. This deposit is the County's original capitalization investment. In addition, cash in the amount of $447,432 is restricted for liability insurance at WMMIC.

In addition, the County has cash in the amount of $647,200 restricted for health insurance claims with the plan manager, Humana Insurance Company.

H. LEASE DISCLOSURES

LESSOR – OPERATING LEASES

The County leases a portion (51%) of the Public Safety Building facility to the City of Kenosha and the Kenosha City-Joint Services Board under operating leases that are renewed on a year to year basis. The 2021 revenues of $890,346 related to these leases were recorded in the General Fund. The provisions of the lease agreement allow for an annual adjustment of the lease amount based on the actual costs to the County of maintaining the facility. The book value of the entire building is $37,511,550 with a net book value of $22,513,679.

The County has no material operating leases with a remaining non-cancellable term exceeding one year.

CAPITAL LEASES – LESSEE/LESSOR

The County has no material capital leases as lessee or lessor.

NOTE IV – DETAILED NOTES ON ALL FUNDS (Cont.)

I. GOVERNMENTAL AND BUSINESS-TYPE ACTIVITIES NET POSITION

Governmental and business-type activities net position reported on the government-wide statement of net position at December 31, 2021 includes the following:

GOVERNMENTAL ACTIVITIES

Invested in capital assets, net of related debt:	
Construction in Progress, land and land improvements	$ 66,330,302
Other capital assets, net of accumulated depreciation	177,558,535
Plus: deferred outflow - loss on refunding of capital debt	41,726
Less: related long-term debt outstanding (net of unspent proceeds of debt)	(138,565,000)
Less: premium related to debt	(6,454,634)
Less: accounts payable related to capital outlay	(646,701)
Government-type debt issued for business-type assets	10,650,646
Total net investment in capital assets	$ 108,914,874
Restricted for:	
Net pension asset	$ 20,677,563
Specific purpose: grants and loans	1,202,473
Aging programs	40,815
	$ 21,880,036
Unrestricted (deficit)	$ (13,995,885)

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

I. GOVERNMENTAL AND BUSINESS-TYPE ACTIVITIES NET POSITION (cont.)

BUSINESS-TYPE ACTIVITIES

Invested in capital assets, net of related debt:		
Land and land improvements	$	338,258
Other capital assets, net of accumulated depreciation		35,118,837
Less: related long-term debt outstanding (net of unspent proceeds of debt)		(17,325,000)
Less: premium related to debt		(559,983)
Less: accounts payable related to capital outlay		(652,151)
Total net investment in capital assets	$	16,919,961
Restricted for:		
Non-expendable fund use	$	60,450
Net pension asset		5,049,551
	$	5,110,001
Unrestricted	$	(11,373,805)

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

I. GOVERNMENTAL AND BUSINESS-TYPE ACTIVITIES NET POSITION (cont.)

Governmental fund balances reported on the fund financial statements at December 31, 2021 include the following:

Nonspendable	
Major Funds	
General Fund	
Prepaid items	$ 730,567
Advances due from other funds	2,288,000
Delinquent taxes	3,592,454
Total Nonspendable - Major Funds	$ 6,611,021
Nonmajor Funds	
Prepaid items	$ 8,331
Total Nonspendable-Nonmajor Funds	$ 8,331
Restricted	
Major Funds	
Human Service-Aging	$ 40,815
Debt Service	487,186
Total Restricted - Major Funds	$ 528,001
Nonmajor - Special Revenue Funds	
Housing Authority -revolving loan fund	$ 2,448
Total Restricted - Nonmajor Funds	$ 2,448
Committed	
Major Funds	
Health Department	$ 1,087,925
Federated Library Fund - for Library use only	225
Geographic Information Systems - GIS use only	6,845
Total Committed - Nonmajor Funds	$ 1,094,995

NOTE IV – DETAILED NOTES ON ALL FUNDS (Cont.)

Assigned

Major Funds	
General Fund	
Encumbrances	$ 108,042
Sheriff trust-DARE	123,121
Subsequent year expenditures	426,427
Total Assigned - Major Funds	$ 657,590
Nonmajor Funds	
Geographic Information Systems	
Subsequent year expenditures	$ 19,315
Capital Projects	
Encumbrances	675,432
Subsequent year expenditures	7,093,666
Capital Projects - Capital use only	1,799,302
Total Assigned - Nonmajor Funds	$ 9,587,715

Unassigned

Major Funds	
General Fund	$ 23,930,205
Total Unassigned - Major Fund	$ 23,930,205

NOTE V – OTHER INFORMATION

A. RISK MANAGEMENT

The County is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets; errors and omissions; workers compensation; and health care of its employees. The County participates in a public entity risk pool called WMMIC to provide coverage for losses from torts; errors and omissions; and public liability. However, other risks, such as workers compensation is accounted for and financed by the County in internal service funds. Theft, damage to, or destruction of assets is covered through the purchase of an insurance policy. Settled claims have not exceeded the commercial coverage in any of the past three years. Health insurance claims are self-insured with a purchased stop loss policy with a maximum $150,000 per employee exposure. There were no significant reductions in coverage compared to the prior year.

PUBLIC ENTITY RISK POOL

The County, together with certain other units of government within the State of Wisconsin, created the Wisconsin Municipal Mutual Insurance Company (WMMIC), a non-assessable mutual company which provides liability insurance and risk management services to its members. The County became a member of WMMIC in 1992 by issuing a general obligation note for $1,157,860 and investing the proceeds in WMMIC. The scope of insurance protection provided by WMMIC is broad, covering automobile liability, general liability, law enforcement liability, public official's errors and omissions, civil rights, incidental medical malpractice, personal injury, equal rights, and American with Disabilities Act at policy limits of $12,000,000 per occurrence and $30,000,000 annual aggregate on an excess basis above members per occurrence and annual aggregate self-insured retentions. The County's self-insured retention limit is $400,000 for each occurrence and $1,275,000 for the annual aggregate.

WMMIC's exposure in its layer of insurance is limited to $1,500,000 per occurrence in that the company purchases $10,500,000 per occurrence in reinsurance for losses in excess of its retained layer of coverage. The amount of reinsurance may vary from year to year as determined by the WMMIC Board of Directors.

WMMIC is governed by one entity-one vote. Member entities include Kenosha County and; the counties of Brown, Chippewa, Dane, Dodge, Eau Claire, Jefferson, Lacrosse, Manitowoc, Marathon, Outagamie, Rock, Walworth, St. Croix, Walworth, and Waukesha; and the cities of Eau Claire, La Crosse, and Madison. All member entities participate in the governing of the company. Its Board of Directors is made up of at least five representatives of the participating entities and the company's charter allows for the appointment of two at-large members to the Board of Directors. The board members are elected at the annual meeting by the participants. The board has the authority to adopt its own budget, set policy matters and control the financial affairs of the company.

The actuary for WMMIC determines the insurance premiums for each member based upon the relevant rating exposure bases as well as the historical loss experience by member. WMMIC's ongoing operational expenses, other than loss adjustment expenses, are apportioned pro rata to each participant based on equity interest in the company.

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

The participant's share in the operation of WMMIC as of December 31, 2021 is as follows:

	Percentage
Brown County	7.29
Chippewa County	3.17
Dane County	9.70
Dodge County	3.82
Eau Claire County	3.76
Eau Claire, City of	3.04
Jefferson County	2.93
Kenosha County	6.24
La Crosse County	3.79
La Crosse, City of	1.62
Madison, City of	14.14
Manitowoc County	5.40
Marathon County	5.88
Outagamie County	5.89
Rock County	5.41
St. Croix County	3.23
Walworth County	5.44
Waukesha County	9.25
Total	100.00

The County's investment in WMMIC is reported on the General Liability Insurance Fund balance sheet as a deposit. The amount reported is the original capitalization of $1,157,860. For 2021, WMMIC prepared its statutory financial statements in accordance with accounting practices prescribed or permitted by the Office of the Commissioner of Insurance of the State of Wisconsin (OCI). This reflects a change in basis in presentation since 2005 when the financial statements were prepared in conformity with accounting principles generally accepted in the United States of America (GAAP).

Therefore, in 2021, the participant's share in the operation of WMMIC and the market value are shown using the new presentation. Using this presentation, the market value of the original capitalization as of December 31, 2021 is $2,198,455. The financial statements can be obtained from WMMIC at their address of 4781 #201 Hayes Road, Madison, Wisconsin, 53704-7364.

NOTE V – OTHER INFORMATION (Cont.)

The estimated liability for the County's self-insured retention (SIR) limits related to coverage provided by WMMIC has been determined on an actuarial basis.

Claims Liability – WMMIC	2021	2020
Unpaid claims, including IBNR – beginning of year	$ 2,204,285	$ 1,805,701
Current year claims and changes in estimates	275,055	839,136
Claim payments	(361,413)	(440,554)
Unpaid Claims – end of year	$ 2,117,927	$ 2,204,285

SELF-INSURANCE – WORKERS COMPENSATION

The County has also established a Risk Management program for workers compensation. All funds of the County participate in this program. The workers compensation internal service fund is maintained to provide for self-insured workers compensation insurance coverage and employee safety and loss control programs. The County contracts with a third party claims administrator for the purpose of adjusting workers compensation claims. An excess claims insurance policy covers individual claims in excess of the County's $650,000 self-insured retention up to statutory requirements (unlimited) per claim. One settled claim has exceeded the commercial coverage in the past three years. Costs associated with the workers compensation program are billed to other County departments based on exposure and historical loss experience and include amounts necessary to fund current year claims to be paid in the current year and in the future. At December 31, 2021, the County has established a future claims insurance liability in the amount of $2,259,221 to fund the estimated liability for the County's self-insured retention limits under its workers compensation program.

This represents a discounted reserve determined on an actuarial basis with a mean confidence level which achieves the County's objective of providing a reserve confidence level not less than 50%, but not more than 95% as a reflection of the County's risk tolerance.

A liability for a claim is established if information indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss is reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported. The County does not allocate overhead costs or other non-incremental costs to the claims liability.

NOTE V – OTHER INFORMATION (Cont.)

Claims Liability	2021	2020
Unpaid claims, including IBNR – beginning of year	$ 1,855,640	$ 2,194,604
Current year claims and changes in estimates	1,452,956	891,098
Claim payments	(1,049,375)	(1,230,062)
Unpaid Claims – end of year	$ 2,259,221	$ 1,855,640

SELF-INSURANCE – HEALTH INSURANCE

In the Health Insurance internal service fund, revenues from County departments and other sources totaled $22,196,733. Expenditures in the same fund totaled $22,239,323. A deficit of $1,233,372 was allocated in the form of a chargeback resulting in additional revenue equal to the deficit from the County departments.

The estimated liability for the County's self-insured incurred but not recorded (IBNR) expenditures related to outstanding claims has been determined on an actuarial basis.

Claims Liability	2021	2020
Unpaid claims, including IBNR – beginning of year	$ 1,617,000	$ 2,147,000
Current year claims and changes in estimates	18,752,874	17,015,076
Claim payments	(18,682,874)	(17,545,076)
Unpaid Claims – end of year	$ 1,687,000	$ 1,617,000

NOTE V – OTHER INFORMATION (Cont.)

B. COMMITMENTS AND CONTINGENCIES

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

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

Funding for the operating budget of the County comes from many sources, including property taxes, grants and aids from other units of government, user fees, fines and permits, and other miscellaneous revenues. The State of Wisconsin provides a variety of aid and grant programs which benefit the County. Those aid and grant programs are dependent on continued approval and funding by the Wisconsin governor and legislature, through their budget processes. The State of Wisconsin is currently experiencing budget problems and is considering numerous alternatives including reducing aid to local governments. Any changes made by the State to funding or eligibility of local aid programs could have a significant impact on the future operating results of the County.

C. JOINT VENTURE

Kenosha County and the City of Kenosha jointly operate the Kenosha City-County Joint Services Board (Board) which was formed in 1981 to provide joint service functions supporting operations of the Kenosha County Sheriff's Department and the City of Kenosha Police Department. The Board provides the following support services: communications, records, property room evidence, collection of citations, vehicle maintenance and administrative services. The County and City share in the annual operation of the district equally.

The Board consists of three members appointed by the County, three by the City of Kenosha and one independent member confirmed by both. County representatives are the County Executive, the County Board Chairman and the chairman of the County Judiciary Committee or their designees. The Board has the authority to adopt its own budget and control the financial affairs of the organization. The County made payments totaling $4,867,917 to the Board for 2021.

NOTE V – OTHER INFORMATION (Cont.)

The current intergovernmental agreement was negotiated and agreed upon by Kenosha County and the City of Kenosha effective January 1, 2010.

The transactions of the Board are not reflected in these financial statements.

The County accounts for its share of the operation in the general fund. Financial information of the Board as of December 31, 2021 is available directly from the Board's office.

D. OTHER POSTEMPLOYMENT BENEFITS

The County reports OPEB related balances at December 31, 2021 as summarized below:

	OPEB Liability	Deferred Outflows of Resources	Deferred Inflows of Resources	OPEB Expense
Local Retiree Life Insurance Fund (LRLIF)	$ 6,249,915	$ 2,522,298	$ 963,127	$ 722,323
Single-employer defined OPEB plan	46,838,736	10,616,341	1,697,659	4,136,637
Total pension liability	$ 53,088,651	$ 13,138,639	$ 2,660,786	$ 4,858,960

NOTE V – OTHER INFORMATION (Cont.)

The County adopted the Other Post-Employment Benefit Health Insurance Policy with an effective date of January 1, 2013. All of the following actuarially determined liability estimates were calculated taking this adoption into consideration.

Plan Description. Kenosha County (County) provides medical insurance benefits to eligible retirees and their spouses. Eligibility requirements and benefits by County employee group are as follows:

Deputy Sheriffs

Eligibility Any classified or non-classified sworn active employees who are between the ages of 50 and Medicare eligibility age as of effective date are eligible.

Benefits Before age 52, the retiree pays 100% of the premium. Between the ages of 52 and Medicare eligible age, the County pays 100% of the premium for single or family coverage. After Medicare eligible age, the retiree may continue in the plan, paying 100% of the premium.

All Others

Eligibility Active employees hired before January 1, 2012 who have had at least ten years of continuous employment as of the effective date are eligible.

Benefits Eligible active employees who as of the date of retirement are at least 60 years of age and have had at least 15 years of continuous employment are eligible to receive post-employment health insurance benefit which includes paying the same copayments, deductibles, and premium contributions and remaining in the same risk pool as active employees. Eligibility continues until employee is eligible for Medicare. After Medicare eligible age, the retiree may purchase coverage under the County-sponsored Medicare supplement plan or another Medicare supplement plan at their own expense.

Eligible active employees who retire at age 55, 56, 57, 58, or 59 with 15 years of continuous employment with the County as of the date of retirement may find alternative health insurance coverage and then return to the County health insurance plan (one re-entry allowed per retiree) at or after age 60 subject to the terms described in the preceding paragraph if the retiree has no other health coverage. In addition, eligible active employees who retire after age 60 with at least 15 years of continuous employment with the County as of the date of retirement may find alternative coverage and then return to the County health insurance plan (one re-entry allowed per retiree) subject to the terms described in the preceding paragraph if the other coverage ends. Under either of these options, proof of other insurance is required. All employees hired after December 31, 2011 are not eligible for post-employment retiree health insurance benefits.

NOTE V – OTHER INFORMATION (Cont.)

All Others (continued)

Benefits COBRA- Employees may be eligible to continue coverage under the County health insurance plan by paying the monthly budgeted premium cost (at an implicit subsidized rate-see definition section) adding the allowed administrative cost in accordance with State and Federal law concerning a qualifying event. This may occur as the result of resignation, layoff, reduction in hours, injury or illness and other leaves of absence.

Consolidation of Years of Service- An employee who is reemployed by the County within three years of his/her resignation may request a bridge in service from the Director of Human Resources if that employee had a minimum of ten years of previous service with the County and had resigned in good standing. Such a request may be made only after the employee has been reemployed for a period of 24 months.

National Health Insurance- In the case a plan of national health insurance should be established, the County reserves the right to make changes to a retiree's health insurance benefit. Such changes could include but are not limited to the reduction or cessation of the County's contributions for that benefit, changes in plan design, or changes in the benefits available under the plan. For example (and without limitation), the County could reduce its contribution or the benefits available in proportion to benefits which may be provided by the government under any plan.

For active employees who are not eligible for a post-employment health insurance benefit as described in the preceding paragraphs, the County agrees to include retired/former employees in the group for which the County shall negotiate a comprehensive hospital-surgical-major medical coverage policy. Retiring/terminating employees (other than employees who are terminated for cause) who are at least 55 years of age as of the date of retirement/termination may enroll in the County health insurance plan at the monthly budgeted premium cost (see definition section) and may maintain coverage until they become eligible to enroll in Medicare.

If a retiree and the retiree's spouse are both participating in the County health insurance plan under this policy and the retiree becomes eligible to enroll in Medicare and is therefore no longer eligible for coverage under the County health insurance plan, the spouse may purchase single coverage under the County health insurance plan at the budgeted premium cost until he/she becomes eligible to enroll in Medicare.

Active employees who otherwise had qualified for a post-employment health benefit who retire as the result of a disability are eligible to purchase County health insurance benefits in the specific plan they were previously enrolled in at the monthly budgeted premium cost and may continue coverage under the plan until becoming eligible to enroll in Medicare. Medicare-eligible retirees may purchase coverage under the County-sponsored Medicare supplement plan or another Medicare supplement plan at their own expense.

In the event a retired employee who otherwise had qualified for a post-employment health benefit who has family coverage under the County health insurance plan dies before reaching Medicare eligibility age, his/her surviving spouse may continue

NOTE V – OTHER INFORMATION (Cont.)

All Others (continued)

Benefits coverage under the County health insurance plan until becoming eligible for Medicare by paying the monthly budgeted premium cost (at an implicit subsidized rate) for single coverage. Medicare-eligible spouses of retired employees may purchase coverage under the County-sponsored Medicare supplement plan or another Medicare supplement plan at their own expense

County Board - Effective April 30, 2012, all current County Board members (of which there are 23) can only obtain County health insurance if they pay the full County budgeted Family/Single rate.

All Public Officials (including County Board) – County Board members are elected for two year terms. The other six public officials (Sheriff, Treasurer, County Clerk, Clerk of Courts, Register of Deeds, and County Executive) are elected to four year terms. By County Board resolution, all former public elected officials are allowed to continue on the County health insurance indefinitely at the County budgeted Single/Family rate. Upon reaching Medicare age eligibility, they may continue coverage at the calculated self-supporting rate and the County's insurance is secondary to Medicare.

Employees Covered by Benefit Terms

At December 31, 2021, the following employees were covered by the benefit terms using membership information as of January 1, 2020:

Active participants		947
Retirees and surviving spouses		190
	Total	1,137

Funding Policy. The contribution requirements of plan members and the County are established and may be amended by the Kenosha County Board by approving bargaining unit contracts in which plan eligibility and benefits are detailed and setting plan eligibility and benefits for non-represented employees. The County contribution is based on actual pay-as-you-go all-inclusive (pre-Medicare and Medicare eligible age) plan member expenditures. Plan members that are Medicare eligible age contribute premium amounts that are adjusted annually. These premium amounts vary depending upon the plan benefit level under which the plan member retired. In addition, plan members that are Medicare eligible are eligible to select a fully insured wrap-around plan in which all premiums are paid by the member with Kenosha County only used in a pass-thru capacity.

Total OPEB Liability

The County's total OPEB liability was measured as of December 31, 2020, and the total OPEB liability determined by an actuarial valuation as of December 31, 2021.

NOTE V – OTHER INFORMATION (Cont.)

Actuarial Assumptions

Mortality Rate:	2020 Wisconsin Retirement Experience Table
Turnover Rate General Employees -:	Ranging from 4.0% - 20% for next 10 years
Turnover Rate Protective employees with Social Security	Ranging from 2.3% - 15.6% for next 10 years
Healthcare Trend Rates:	Ranging from 5.4% to 3.7%through 2073

The total OPEB liability in the December 31, 2021 actuarial valuation was determined using the following actuarial assumption, applied to all periods included in the measurement, unless otherwise specified:

Inflation:	3.00%
Discount Rate:	2.12%

The County has not established a separate, irrevocable trust to fund the annual OPEB cost and does not issue separate plan statements. As a result, actuarial assumptions included an annual healthcare cost trend rate of 5.4 percent per annum for 2022 grading down to an ultimate rate of 3.7 percent over a 52 year period. Medical inflation was based on the "Getzen" model published by the Society of Actuaries for purposes of evaluating long term medical trend. This model reflects the most current academic research regarding future healthcare cost trends. The discount rate is based upon the Bond Buyer General Obligation 20-Year Municipal Bond Index as of the measurement date. Expected medical relative cost factors were developed from the Milliman Health Cost Guidelines. Based on the County's recent claim experience, plan provisions, and relative age cost factors assumptions, the actuary developed age adjusted "per member per month" (PMPM) cost for 2021. Participation rate and spouse election was based on recent experience in the plan. In addition, the actuarial valuation calculated the liability estimates using actuarial assumptions related to the eligibility for Medicare, termination rates, retirement rates, disability rates, and mortality based on information provided by the County to the Wisconsin Retirement System (WRS), and the actuarial firm's judgment.

Changes in the Total OPEB Liability

	Total OPEB Liability
Balance at January 1, 2021	$ 43,397,697
Changes for the year:	
Service Cost	1,835,142
Interest on total OPEB liability	1,196,125
Effect of plan changes	-
Effect of economic/demographic gains/losses	5,367,102
Effect of assumptions changes inputs	(1,778,569)
Benefit payments	(3,178,961)
Net changes	3,441,039
Balance at December 31, 2021	$ 46,838,736

NOTE V – OTHER INFORMATION (Cont.)

Sensitivity of the total OPEB liability to changes in the discount rate

The following presents the total OPEB liability of the County calculated using a discount rate that is one percentage point lower (1.12%) or one percentage point higher (3.12%) than the current rate of 2.12%:

	1% Decrease to Discount rate (1.12%)	Current Discount Rate (2.12%)	1% Increase to Discount Rate (3.12%)
Total OPEB Liability	$ 49,937,503	$ 46,838,736	$ 43,913,204

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates

The following presents the total OPEB liability of the County, as well as what the County's total liability would be if it were calculated using healthcare cost trend rates that are one percentage point lower (4.4% decreasing to 2.7%) or one percentage point higher (6.4% decreasing to 4.7%) that the current healthcare cost trend rates:

	1% Decrease (4.4% decreasing to 2.7%)	Healthcare Cost Trend Rates (5.4% decreasing to 3.7%	1% Increase (6.4% decreasing to 4.7%)
Total OPEB Liability	$ 43,250,443	$ 46,838,736	$ 50,939,103

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

For the year ended December 31, 2021, the County recognized OPEB expense of $4,136,637. At December 31, 2021, 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	$ 6,423,615	$ -
Changes in assumptions	581,726	1,697,659
Employer contributions subsequent to the measurement date	3,611,000	-
Total	$ 10,616,341	$ 1,697,659

The $3,611,000 reported as deferred outflows related to other post-employment benefits resulting from the County's contributions subsequent to the measurement date will be recognized as a reduction of the total OPEB in the year ended December 31, 2022.

NOTE V – OTHER INFORMATION (Cont.)

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

Year Ended December 31,	Expense
2022	$ 1,120,459
2023	1,169,381
2024	1,048,622
2025	1,032,307
2026	505,449
Thereafter	431,464
Total	$ 5,307,682

Payable to the OPEB Plan

At December 31, 2021, the County reported a payable of zero for the outstanding amount of contribution to the Plan required for the year ended December 31, 2021.

Local Retiree Life Insurance Fund (LRLIF)

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

OPEB Plan Fiduciary Net Position
The ETF issues a standalone Annual Comprehensive Financial Report (ACFR), which can be found at http://etf.wi.gov/publications/cafr.htm.

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

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

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

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

NOTE V – OTHER INFORMATION (Cont.)

Contribution rates as of December 31, 2021 are:

Coverage Type	Employer Contribution
50% Post-retirement coverage	40% of member contribution
25% Post-retirement 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, 2020 are listed below:

Life Insurance
Member Contribution Rates
For the Year Ended December 31, 2020

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

During the year ended December 31, 2021, the LRLIF recognized $22,524 in contributions from Kenosha County.

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

At December 31, 2021, the County reported a liability of $6,249,195 for its proportionate share of the OPEB liability. The net OPEB liability as measured as of December 31, 2020, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of December 31, 2019 rolled forward to December 31, 2020. No material changes in assumptions or benefit terms occurred between the actuarial valuation date and the measurement date. The County's proportion of the net OPEB liability was based on the County's share of contributions to the OPEB plan relative to the contributions of all participating employers. At December 31, 2020, the County's proportion was 1.136199%, which was a decrease of 0.043844% from its proportion measured as of December 31, 2019.

For the year ended December 31, 2021, the County recognized OPEB expense of $722,323.

NOTE V – OTHER INFORMATION (Cont.)

At December 31, 2021, 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	$ -	$ 298,224
Net differences between projected and actual earnings on OPEB plan investments	90,993	-
Changes in assumptions	2,431,305	236,074
Total	$ 2,522,298	$ 963,127

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

Year Ended December 31,	Expense
2022	$ 293,587
2023	283,747
2024	273,611
2025	244,662
2026	320,701
Thereafter	142,863
Total	$ 1,559,171

NOTE V – OTHER INFORMATION (Cont.)

Actuarial Assumptions - The total OPEB liability in the January 1, 2020 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, 2020
Actuarial cost method:	Entry age normal
20-year tax-exempt municipal bond yield:	2.12%
Long-term expected rate of return:	4.25%
Discount rate:	2.25%
Salary increases:	
Inflation	3.00%
Seniority/Merit	0.1% - 5.6%
Mortality:	Wisconsin 2018 Mortality Table

Actuarial assumptions are based upon an experience study conducted in 2018 that covered a three-year period from January 1, 2015 to December 31, 2017. The total OPEB liability for December 31, 2020 is based upon a roll-forward of the liability calculated from the January 1, 2020 actuarial valuation.

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

Asset Class	Index	Target Allocation	Long-term Expected Geometric Real Rate of Return %
U.S. Credit Bonds	Barclays Credit	50%	1.47%
U.S. Mortgages	Barclays MBS	50%	0.82%
Inflation			2.20%
Long-term expected rate of return			4.25%

NOTE V – OTHER INFORMATION (Cont.)

Single discount rate – A single discount rate of 2.25% was used to measure the total OPEB liability for the current year, as opposed to a discount rate of 2.87% for the prior year. The significant change in the discount rate was primarily caused by the decrease in the municipal bond rate from 2.00% as of December 31, 2019 to 2.21% as of December 31, 2020. The Plan's fiduciary net position was projected to be insufficient to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculating the Total OPEB Liability is equal to the single equivalent rate that results in the same actuarial present value as the long-term expected rate of return applied to benefit payments, to the extent that the plan's fiduciary net position is projected to be sufficient to the 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 future benefit payments of current plan members through December 31, 2036.

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

Sensitivity of the County's proportionate share of net OPEB liability to changes in the discount rate
The following presents the County's proportionate share of the net OPEB liability calculated using the discount rate of 2.25%, as well as what the County's proportionate share of the OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (1.25%) or 1-percentage-point higher (3.25%) than the current rate:

	1% Decrease to Discount Rate (1.25%)	Current Discount Rate (2.25%)	1% Increase to Discount Rate (3.25%)
County's proportionate share of the net OPEB liability (asset)	$8,501,671	$6,249,915	$4,546,976

OPEB plan fiduciary net position – Detailed information about the OPEB plan's fiduciary net position is available in separately issued financial statements available at http://eft.wi.gov/publications/cafr.htm.

Payable to the OPEB Plan

At December 31, 2021, the County reported a payable of zero for the outstanding amount of contribution to the Plan required for the year ended December 31, 2021.

NOTE V – OTHER INFORMATION (Cont.)

E. SUBSEQUENT EVENTS

Subsequent to the year ending December 31, 2021, at a board meeting on July 19, 2022, the County Board passed a resolution to authorize and provide for the issuance of not to exceed $13,735,000 general obligation promissory notes and $6,490,000 general obligation bonds.

REQUIRED SUPPLEMENTARY INFORMATION

KENOSHA COUNTY
REQUIRED SUPPLEMENTARY INFORMATION
December 31, 2021

Schedule of Changes in Health Insurance OPEB Liability and Related Ratios

Last 10
Fiscal Years

	2021	2020	2019	2018	2017
Total OPEB Liability					
Service Cost	$ 1,835,142	$ 1,568,490	$ 1,729,125	$ 1,564,945	$ 1,573,914
Interest on total OPEB liability	1,196,125	1,774,954	1,362,328	1,458,060	1,403,049
Effect of plan changes	-	-	-	-	-
Effect of economic/demographic gains or losses	5,367,102	-	3,236,537	-	-
Effect of assumptions changes or inputs	(1,778,569)	(148,967)	553,867	848,224	(517,381)
Benefit payments	(3,178,761)	(3,009,470)	(3,059,317)	(2,950,902)	(3,404,000)
Net change in total OPEB liability	3,441,039	185,007	3,822,540	920,327	(944,418)
Total OPEB Liability- beginning balance	43,397,697	43,212,690	39,390,150	38,469,823	39,414,241
Total OPEB Liability - ending balance	$ 46,838,736	$ 43,397,697	$ 43,212,690	$ 39,390,150	$ 38,469,823
Covered-employee payroll	$ 61,853,396	$ 56,582,000	$ 56,779,000	$ 56,681,000	$ 51,677,667
County's total liability as a percentage of covered-employee payroll	75.73%	76.70%	76.11%	69.49%	74.44%

KENOSHA COUNTY
REQUIRED SUPPLEMENTARY INFORMATION
December 31, 2021

SCHEDULE OF PROPORTIONATE SHARE OF THE NET OPEB LIABILITY (ASSET)
LOCAL RETIREE LIFE INSURNACE FUND
FOR THE LAST TEN MEASUREMENT PERIODS

Measurement Period Ending	Proportion of the Net OPEB Liability (Asset)	Proportionate Share of the Net OPEB Liability (Asset)	Covered Payroll	Proportionate Share of the Net OPEB Liability (Asset) as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability (Asset)
12/31/2017	1.28874000%	$ 3,697,166	51,677,667	7.15%	44.81%
12/31/2018	1.22322600%	3,156,336	56,681,000	5.57%	48.69%
12/31/2019	1.18004300%	5,024,853	56,779,000	8.85%	37.58%
12/31/2020	1.13619900%	6,249,915	56,582,000	11.05%	31.36%

KENOSHA COUNTY
SCHEUDLE OF CONTRIBUTUIONS-
LOCAL RETIREE LIFE INSURNACE FUND
FOR THE LAST TEN FISCAL YEARS PERIODS

Fiscal Year Ending	Contractually Required Contributions	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
12/31/2018	$ 23,336	$ 23,336	$ -	$ 56,681,000	0.04%
12/31/2019	23,567	23,567	-	56,779,000	0.04%
12/31/2020	21,332	21,332	-	56,582,000	0.04%
12/31/2021	22,524	22,524	-	61,853,396	0.04%

See Notes to Required Supplementary Information.

KENOSHA COUNTY
REQUIRED SUPPLEMENTARY INFORMATION
December 31, 2021

SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY (ASSET) FOR THE LAST TEN MEASUREMENT PERIODS

Measurement Period Ending	Proportion of the Net Pension Liability (Asset)	Proportionate Share of the Net 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)
12/31/14	0.40241775%	$ (9,884,481)	$ 52,348,117	18.88%	102.74%
12/31/15	0.39990601%	6,498,395	53,343,061	12.18%	98.20%
12/31/16	0.40277308%	3,319,812	54,998,853	6.04%	99.12%
12/31/17	0.40940870%	(12,155,830)	57,187,343	21.26%	102.93%
12/31/18	0.41422110%	14,736,687	58,258,793	25.30%	96.45%
12/31/19	0.41465445%	(13,370,352)	59,306,425	22.54%	102.96%
12/31/20	0.41208618%	(25,727,114)	61,087,862	42.11%	105.26%

SCHEDULE OF EMPLOYER CONTRIBUTIONS

Fiscal Year Ending	Contractually Required Contributions	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
12/31/15	$ 3,870,441	$ 3,870,441	-	$ 53,343,061	7.26%
12/31/16	3,879,598	3,879,598	-	54,998,853	7.05%
12/31/17	4,245,598	4,245,598	-	57,187,343	7.42%
12/31/18	4,302,197	4,302,197	-	58,258,793	7.38%
12/31/19	4,306,386	4,306,386	-	59,306,425	7.26%
12/31/20	4,648,247	4,648,247	-	61,087,862	7.61%
12/31/21	4,750,790	4,750,790	-	61,853,396	7.68%

See Notes to Required Supplementary Information.

NOTE A – GOVERNMENTAL ACCOUNTING STANDARDS BOARD STATEMENT NOS. 68 AND 71

The County implemented GASB Statement No. 68, *Accounting and Financial Reporting for Pensions – An Amendment of GASB Statement No. 27* and Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – An Amendment of GASB Statement No. 68* for the fiscal year ended December 31, 2015. Information for prior years is not available. The amounts presented for each fiscal year were determined as of the calendar year end that occurred with in the fiscal year.

NOTE B – GOVERNMENTAL ACCOUNTING STANDARDS BOARD STATEMENT NO. 75

The County implemented GASB Statement 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, for the fiscal year ended December 31, 2018. Information for prior years is not available. The County currently has no assets accumulated in a trust for the single employer plan.

NOTE C – WISCONSIN RETIREMENT SYSTEM

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

There were no significant changes in assumptions noted from the prior year.

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

NOTE D – OTHER POSTEMPLOYMENT BENEFITS

Single employer Defined Postemployment Benefit Plans

There were no changes in benefit terms.
No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75.

There were no significant changes in assumptions noted from the prior year.

Local Retiree Life Insurance Fund

There were no changes in benefit terms.
Actuarial assumptions were based on an experience study conducted in 2018 using Wisconsin Retirement Systems (WRS) experience from 2015-2017 and the discount rate was updated to reflect the municipal bond rate at the completion of the actuarial valuation.

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.

SUPPLEMENTARY INFORMATION

KENOSHA COUNTY
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
December 31, 2021

	Total Nonmajor Special Revenue Funds	Total Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
ASSETS			
Cash and investments	$ 2,348,120	$ 9,777,861	$ 12,125,981
Receivables			
Property taxes	3,271,756	-	3,271,756
Due from other governments	1,284,187	437,240	1,721,427
Due from other funds	-	298,054	298,054
Prepaid items	8,331	-	8,331
Loans receivable	1,200,025	-	1,200,025
TOTAL ASSETS	$ 8,112,419	$ 10,513,155	$ 18,625,574
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES			
Liabilities			
Accounts payable	$ 212,135	$ 646,701	$ 858,836
Special deposits	12,995	-	12,995
Due to other funds	20,420	298,054	318,474
Other unearned revenue	2,269,999	-	2,269,999
Total Liabilities	2,515,549	944,755	3,460,304
Deferred Inflows of Resources			
Property taxes levied for subsequent year	3,271,756	-	3,271,756
Revolving loan fund outstanding loans	1,200,025	-	1,200,025
Total deferred inflows of resources	4,471,781	-	4,471,781
Fund Balances			
Nonspendable			
Prepaid items	8,331	-	8,331
Restricted			
Housing Authority revolving loan fund	2,448		2,448
Committed			
Health Department	1,087,925	-	1,087,925
Federated Library System	225	-	225
Geographic Information Systems	6,845	-	6,845
Assigned			
Encumbrances	-	675,432	675,432
Subsequent year expenditures	19,315	7,093,666	7,112,981
Capital Projects	-	1,799,302	1,799,302
Total Fund Balances	1,125,089	9,568,400	10,693,489
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE	$ 8,112,419	$ 10,513,155	$ 18,625,574

KENOSHA COUNTY
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS
December 31, 2021

	Housing Authority	Health Department	ARPA	Federated Library System	Geographic Information Systems	Sheriff Federal Equitable Sharing	Total Nonmajor Special Revenue Funds
ASSETS							
Cash and investments	$ 2,448	$ 146,544	$ 1,830,016	$ 368,939	$ -	$ 173	$ 2,348,120
Receivables							
Property taxes	-	1,470,920	-	1,800,836	-	-	3,271,756
Due from other governments	-	1,236,451	-	-	47,736	-	1,284,187
Prepaid items	-	8,331	-	-	-	-	8,331
Loans receivable	1,200,025	-	-	-	-	-	1,200,025
TOTAL ASSETS	$ 1,202,473	$ 2,862,246	$ 1,830,016	$ 2,169,775	$ 47,736	$ 173	$ 8,112,419
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES							
Liabilities							
Accounts payable	$ -	$ 210,806	$ -	$ -	$ 1,156	$ 173	$ 212,135
Special deposits	-	12,995	-	-	-	-	12,995
Due to other funds	-	-	-	-	20,420	-	20,420
Other unearned revenue	-	71,269	1,830,016	368,714	-	-	2,269,999
Total Liabilities	-	295,070	1,830,016	368,714	21,576	173	2,515,549
Deferred Inflows of Resources							
Property taxes levied for subsequent year	-	1,470,920	-	1,800,836	-	-	3,271,756
Revolving loan fund outstanding loans	1,200,025	-	-	-	-	-	1,200,025
Total Deferred Inflows of Resources	1,200,025	1,470,920		1,800,836	-	-	4,471,781
Fund Balances							
Nonspendable							
Prepaid items	-	8,331	-	-	-	-	8,331
Restricted							
Housing Authority revolving loan fund	2,448	-	-	-	-	-	2,448
Committed							
Health Department	-	1,087,925	-	-	-	-	1,087,925
Federated Library System	-	-	-	225	-	-	225
Geographic Information Systems	-	-	-	-	6,845	-	6,845
Assigned							
Subsequent year expenditures	-	-	-	-	19,315	-	19,315
Total Fund Balances	2,448	1,096,256	-	225	26,160	-	1,125,089
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE	$ 1,202,473	$ 2,862,246	$ 1,830,016	$ 2,169,775	$ 47,736	$ 173	$ 8,112,419

KENOSHA COUNTY
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS - CAPITAL PROJECTS FUNDS
December 31, 2021

	Parkland Development	Public Safety Building	Energy Reduction Technology	Public Safety Access Point Project	Other Capital Projects	Total Nonmajor Capital Projects Funds
ASSETS						
Cash and investments	$ 482,305	$ 343,304	$ 264,612	$ -	$ 8,687,640	$ 9,777,861
Due from other governments	-	-	-	298,054	139,186	437,240
Due from other funds	-	-	-	-	298,054	298,054
TOTAL ASSETS	$ 482,305	$ 343,304	$ 264,612	$ 298,054	$ 9,124,880	$ 10,513,155
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES						
Liabilities						
Accounts payable	$ 8,000	$ -	$ -	$ -	$ 638,701	$ 646,701
Due to other funds	-	-	-	298,054	-	298,054
Total Liabilities	8,000	-	-	298,054	638,701	944,755
Fund Balance						
Assigned						
Encumbrances	-	-	-	-	675,432	675,432
Subsequent year expenditures	-	343,304	264,612	-	6,485,750	7,093,666
Capital Projects	474,305	-		-	1,324,997	1,799,302
Total Fund Balances	474,305	343,304	264,612	-	8,486,179	9,568,400
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	$ 482,305	$ 343,304	$ 264,612	$ 298,054	$ 9,124,880	$ 10,513,155

KENOSHA COUNTY
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended December 31, 2021

	Total Nonmajor Special Revenue Funds	Total Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
REVENUES			
Taxes	$ 3,163,463	$ -	$ 3,163,463
Licenses and permits	461,906	-	461,906
Intergovernmental revenues	22,459,903	1,797,054	24,256,957
Charges for services	2,012,069	130,569	2,142,638
Investment income	3	-	3
Miscellaneous income	36,013	121,690	157,703
Total Revenues	28,133,357	2,049,313	30,182,670
EXPENDITURES			
Current			
General government	2,637,602	-	2,637,602
Health	9,515,652	-	9,515,652
Public Safety	1,119,938	-	1,119,938
Education and recreation	2,332,978	73,457	2,406,435
Conservation and development	129,035	-	129,035
Capital Outlay	62,053	11,775,107	11,837,160
Debt Service			
Interest, fiscal charges and debt issuance costs	-	280,575	280,575
Total Expenditures	15,797,258	12,129,139	27,926,397
Excess (deficiency) of revenues over expenditures	12,336,099	(10,079,826)	2,256,273
OTHER FINANCING SOURCES (USES)			
General obligation debt issued	38,000	27,297,000	27,335,000
Premium on issuance of debt	-	85,383	85,383
Transfers in	6,661	503,457	510,118
Transfers out	(12,207,849)	(18,136,418)	(30,344,267)
Total Other Financing Sources (Uses)	(12,163,188)	9,749,422	(2,413,766)
Net change in fund balance	172,911	(330,404)	(157,493)
FUND BALANCES			
Beginning of year	952,178	9,898,804	10,850,982
FUND BALANCES - END OF YEAR	$ 1,125,089	$ 9,568,400	$ 10,693,489

KENOSHA COUNTY
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS
For the Year Ended December 31, 2021

	Housing Authority	Health Department	ARPA	Federated Library System	Geographic Information Systems	Sheriff Federal Equitable Sharing	Federal Inmate Fund	Total Nonmajor Special Revenue Funds
REVENUES								
Taxes	$ -	$ 1,429,963	$ -	$ 1,733,500	$ -	$ -	$ -	$ 3,163,463
Licenses and permits	-	461,906	-	-	-	-	-	461,906
Intergovernmental revenues	-	5,842,270	14,637,602	599,703	56,531	-	1,323,797	22,459,903
Charges for services	-	2,012,049	-	-	20	-	-	2,012,069
Investment income	3		-	-	-	-	-	3
Miscellaneous income	33,848	2,165	-	-	-	-	-	36,013
Total Revenues	33,851	9,748,353	14,637,602	2,333,203	56,551	-	1,323,797	28,133,357
EXPENDITURES								
Current								
General Government	-	-	2,637,602	-	-	-	-	2,637,602
Health	-	9,515,652	-	-	-	-	-	9,515,652
Public Safety	-	-	-	-	-	3,990	1,115,948	1,119,938
Education and recreation	-	-	-	2,332,978	-	-	-	2,332,978
Conservation and development	68,141	-	-	-	60,894	-	-	129,035
Capital Outlay	-	62,053	-	-	-	-	-	62,053
Total Expenditures	68,141	9,577,705	2,637,602	2,332,978	60,894	3,990	1,115,948	15,797,258
Excess (deficiency) of revenues over expenditures	(34,290)	170,648	12,000,000	225	(4,343)	(3,990)	207,849	12,336,099
OTHER FINANCING SOURCES (USES)								
General obligation debt issued	-	38,000	-	-	-	-	-	38,000
Transfers in	6,661	-	-	-	-	-	-	6,661
Transfers out	-	-	(12,000,000)	-	-	-	(207,849)	(12,207,849)
Total Other Financing Sources (Uses)	6,661	38,000	(12,000,000)	-	-	-	(207,849)	(12,163,188)
Net change in fund balance	(27,629)	208,648	-	225	(4,343)	(3,990)	-	172,911
FUND BALANCES								
Beginning of year	30,077	887,608	-	-	30,503	3,990	-	952,178
FUND BALANCES - END OF YEAR	$ 2,448	$ 1,096,256	$ -	$ 225	$ 26,160	$ -	$ -	$ 1,125,089

KENOSHA COUNTY
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS - CAPITAL PROJECTS FUNDS
For the Year Ended December 31, 2021

	Parkland Development	Public Safety Building	Energy Reduction Technology	Public Safety Access Point Project	Other Capital Projects	Nonmajor Capital Projects Funds
REVENUES						
Intergovernmental revenues	$ -	$ -	$ -	-	$ 1,797,054	$ 1,797,054
Charges for services	65,969	-	-	-	64,600	130,569
Miscellaneous income	84,400	-	-	-	37,290	121,690
Total Revenues	150,369	-	-	-	1,898,944	2,049,313
EXPENDITURES						
Current						
Public Safety	$ -	$ -	$ -	$ 73,457	$ -	$ 73,457
Capital Outlay	14,800	45,367	49,606	-	11,665,334	11,775,107
Debt Service						
Interest, fiscal charges and debt issuance costs	-	-	-	-	280,575	280,575
Total Expenditures	14,800	45,367	49,606	73,457	11,945,909	12,129,139
Excess (deficiency) of revenues over expenditures	135,569	(45,367)	(49,606)	(73,457)	(10,046,965)	(10,079,826)
OTHER FINANCING SOURCES (USES)						
General obligation debt issued	-	-	100,000	-	27,197,000	27,297,000
Premium on issuance of debt	-	-	-	-	85,383	85,383
Transfers in	-	-	-	73,457	430,000	503,457
Transfers out	(340,000)	-	(90,000)	-	(17,706,418)	(18,136,418)
Total Other Financing Sources (Uses)	(340,000)	-	10,000	73,457	10,005,965	9,749,422
Net change in fund balance	(204,431)	(45,367)	(39,606)	-	(41,000)	(330,404)
FUND BALANCES						
Beginning of year	678,736	388,671	304,218	-	8,527,179	9,898,804
FUND BALANCES - END OF YEAR (deficit)	$ 474,305	$ 343,304	$ 264,612	$ -	$ 8,486,179	$ 9,568,400

KENOSHA COUNTY
COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
December 31, 2021

	Human Services Building	Health Insurance	Workers Compensation	General Liability Insurance	Totals
ASSETS					
Current assets					
Cash and cash equivalents	$ -	$ -	$ 1,215,244	$ 615,203	$ 1,830,447
Accounts receivable	-	1,665,331	-	-	1,665,331
Property taxes receivable	242,500	-	-	-	242,500
Due from other governments	13,779	-	-	-	13,779
Due from other funds	1,999,269	1,210,640	1,044,877	-	4,254,786
Total current assets	2,255,548	2,875,971	2,260,121	615,203	8,006,843
Noncurrent assets					
Restricted cash and investments	-	647,200	-	447,432	1,094,632
Deposit in WMMIC	-	-	-	1,157,860	1,157,860
Capital assets					
Land and construction in progress	682,623	-	-	-	682,623
Buildings and improvements	7,594,373	-	-	-	7,594,373
Machinery and equipment	638,654	-	-	-	638,654
Accumulated depreciation	(7,943,587)	-	-	-	(7,943,587)
Total capital assets	972,063	-	-	-	972,063
Total noncurrent assets	972,063	647,200	-	1,605,292	3,224,555
Total Assets	3,227,611	3,523,171	2,260,121	2,220,495	11,231,398
LIABILITIES					
Current liabilities					
Accounts payable	94,545	336,171	900	102,568	534,184
Claims payable	-	1,687,000	2,259,221	2,117,927	6,064,148
Other current liabilities	14,932	-	-	-	14,932
Total current liabilities	109,477	2,023,171	2,260,121	2,220,495	6,613,264
Total Liabilities	109,477	2,023,171	2,260,121	2,220,495	6,613,264
DEFERRED INFLOWS OF RESOURCES					
Property taxes levied for subsequent year	242,500	-	-	-	242,500
	242,500	-	-	-	242,500
NET POSITION					
Net investment in capital assets	972,063	-	-	-	972,063
Unrestricted	1,903,571	1,500,000	-	-	3,403,571
Total Net Position	$ 2,875,634	$ 1,500,000	$ -	$ -	$ 4,375,634

KENOSHA COUNTY
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
INTERNAL SERVICE FUNDS
For the Year Ended December 31, 2021

	Human Services Building	Health Insurance	Workers Compensation	General Liability Insurance	Totals
OPERATING REVENUES					
Charges for services	$ 1,767,260	$ 22,196,733	$ 1,677,646	$ 773,913	$ 26,415,552
Total Operating Revenues	1,767,260	22,196,733	1,677,646	773,913	26,415,552
OPERATING EXPENSES					
Operations and maintenance	1,447,490	22,239,323	1,683,085	831,491	26,201,389
Depreciation and amortization	43,109	-	-	-	43,109
Total Operating Expenses	1,490,599	22,239,323	1,683,085	831,491	26,244,498
Operating Income (Loss)	276,661	(42,590)	(5,439)	(57,578)	171,054
NON-OPERATING REVENUES (EXPENSES)					
General property taxes	239,105	-	-	-	239,105
Intergovernmental grants	-	42,590	-	-	42,590
Investment income	-	-	5,439	9,327	14,766
Miscellaneous income	-	-	-	48,251	48,251
Total Non-operating Revenues (Expenses)	239,105	42,590	5,439	57,578	344,712
Income (Loss) Before Transfers	515,766	-	-	-	515,766
TRANSFERS					
Transfers in	55,000	-	-	-	55,000
Change in net position	570,766	-	-	-	570,766
Total net position at the beginning of year	2,304,868	1,500,000	-	-	3,804,868
Total net position at end of year	$ 2,875,634	$ 1,500,000	$ -	$ -	$ 4,375,634

KENOSHA COUNTY
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
For the Year Ended December 31, 2021

	Human Services Building	Health Insurance	Workers Compensation	General Liability Insurance	Totals
CASH FLOWS FROM OPERATING ACTIVITIES					
Received from customers	$ 1,766,284	$ 20,809,142	$ 1,677,646	$ 773,913	$ 25,026,985
Paid to suppliers for goods and services	(1,450,443)	(21,949,802)	(1,281,304)	(815,280)	(25,496,829)
Cash Flows from (used by) Operating Activities	315,841	(1,140,660)	396,342	(41,367)	(469,844)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
General property taxes	239,105	-	-	-	239,105
Due to/ from other funds	(550,641)	1,162,070	813,463	592,657	2,017,549
Intergovernmental grants	-	42,590	-	-	42,590
Miscellaneous income	-	-	-	48,251	48,251
Cash Flows from (used by) Noncapital Financing Activities	(311,536)	1,204,660	813,463	640,908	2,347,495
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Acquisition and construction of capital assets	(59,305)	-	-	-	(59,305)
Transfers	55,000	-	-	-	55,000
Cash Flows used by Capital and Related Financing Activities	(4,305)	-	-	-	(4,305)
CASH FLOWS FROM (USED BY) INVESTING ACTIVITIES					
Investment income	-	-	5,439	9,327	14,766
Cash Flows from (used by) Investing Activities	-	-	5,439	9,327	14,766
Net Change in Cash and Cash Equivalents	-	64,000	1,215,244	608,868	1,888,112
Cash and Cash Equivalents - Beginning of Year	-	583,200	-	453,767	1,036,967
Cash and Cash Equivalents - End of Year	$ -	$ 647,200	$ 1,215,244	$ 1,062,635	$ 2,925,079

KENOSHA COUNTY
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
For the Year Ended December 31, 2021

	Human Services Building	Health Insurance	Workers Compensation	General Liability Insurance	Totals
RECONCILIATION OF OPERATING INCOME (LOSS) TO CASH FLOWS FROM OPERATING ACTIVITIES					
Operating Income (Loss)	$ 276,661	$ (42,590)	$ (5,439)	$ (57,578)	$ 171,054
Adjustments to Reconcile Operating Income (Loss) to Net Cash Flows from (Used by) Operating Activities:					
Non-cash items included in operating income:					
Depreciation expense	43,109	-	-	-	43,109
Effect of Changes in assets and liabilities:					
Accounts receivable	-	(1,387,591)	-	-	(1,387,591)
Due from other governments	(976)	-	-	-	(976)
Accounts payable	(2,953)	219,521	(1,800)	102,568	317,336
Claims payable	-	70,000	403,581	(86,357)	387,224
NET CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES	$ 315,841	$ (1,140,660)	$ 396,342	$ (41,367)	$ (469,844)
RECONCILIATION OF CASH AND CASH EQUIVALENTS TO THE STATEMENT OF NET POSITION					
Cash and Cash Equivalents in Current Assets	$ -	$ -	$ 1,215,244	$ 615,203	$ 1,830,447
Cash and Cash Equivalents in Restricted Assets	-	647,200	-	447,432	1,094,632
Total Cash and Cash Equivalents	$ -	$ 647,200	$ 1,215,244	$ 1,062,635	$ 2,925,079

Noncash investing, capital and financing activities: None

KENOSHA COUNTY
Combining Statement of Fiduciary Net Position
Fiduciary Funds - Custodial Funds
December 31, 2021

	Custodial Funds					
	Clerk of Courts	Register of Deeds	County Clerk	Inmate's Deposit Fund	Other Custodial Funds	Total Custodial Funds
ASSETS						
Cash and Investments	$ 7,867,667	$ 467,393	$ 30,503	$ 728,627	$ 937,459	$ 10,031,649
Accounts Receivable	196,178	-	-	-	13,695	209,873
Total Assets	8,063,845	467,393	30,503	728,627	951,154	10,241,522
LIABILITIES						
Due to Others	-	-	-	-	192,055	192,055
Due to Other Governments	326,953	467,393	30,503	-	32,497	857,346
Total Liabilities	326,953	467,393	30,503	-	224,552	1,049,401
NET POSITION						
Restricted for:						
Individuals, Organizations, and Other Governments	$ 7,736,892	$ -	$ -	$ 728,627	$ 726,602	$ 9,192,121

KENOSHA COUNTY
Combining Statement of Changes in Fiduciary Net Position
Fiduciary Funds - Other Custodial Funds
For the Year Ended December 31, 2021

	Custodial Funds					
	Clerk of Courts	Register of Deeds	County Clerk	Inmate's Deposit Fund	Other Custodial Funds	Total Custodial Funds
ADDITIONS						
Contributions:						
Individuals	$ 9,490,063	$ -	$ -	$ 191,114	$ 113,008	$ 9,794,185
License and fees collected for state	3,279,015	4,124,670	28,669	-	27,332	7,459,686
Miscellaneous	-	-	-	-	890,937	890,937
Total Additions	12,769,078	4,124,670	28,669	191,114	1,031,277	18,144,808
DEDUCTIONS						
Beneficiary Payments to Individuals	-	-	-	-	71,648	71,648
Payments to State	3,279,015	4,124,670	28,668	-	25,495	7,457,848
Payments to Other Entities	9,373,364	-	-	-	745,466	10,118,830
Total Deductions	12,652,379	4,124,670	28,668	-	842,608	17,648,325
NET INCREASE (DECREASE) IN FIDUCIARY NET POSITION	116,700	-	-	191,114	188,669	496,483
Fiduciary Net Position - Beginning of Year	7,620,192	-	-	537,513	537,933	8,695,638
FIDUCIARY NET POSITION - END OF YEAR	$ 7,736,892	$ -	$ -	$ 728,627	$ 726,602	$ 9,192,121

CliftonLarsonAllen LLP
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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
Kenosha County
Kenosha, 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 the Kenosha County, Wisconsin, (the County) as of and for the year ended December 31, 2021, 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 29, 2022.

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 the 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 combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the County'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. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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County Board
Kenosha County, Wisconsin

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*.

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 County'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 County's internal control and on compliance. Accordingly, this communication is not suitable for any other purpose.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Green Bay, Wisconsin
July 29, 2022

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Investment Advisory Services and securities are offered through CliftonLarsonAllen Wealth Advisors, LLC, an SEC-registered investment advisor.

KENOSHA COUNTY
Kenosha, Wisconsin

SINGLE AUDIT REPORT

December 31, 2021

CPAs | CONSULTANTS | WEALTH ADVISORS

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KENOSHA COUNTY
TABLE OF CONTENTS
December 31, 2021

FEDERAL AND STATE AWARDS

Independent Auditors' Report on Compliance for Each Major Federal and State Program and on Internal Control Over Compliance, and Report on the Schedule of Expenditures of Federal and State Awards Required by the Uniform Guidance and the *State Single Audit Guidelines*	1
Schedule of Expenditures of Federal Awards	4
Schedule of Expenditures of State Awards	10
Notes to Schedule of Expenditures of Federal and State Awards	15
Schedule of Findings and Questioned Costs	18
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*	22

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INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL AND STATE PROGRAM, REPORT ON INTERNAL CONTROL OVER COMPLIANCE, AND REPORT ON THE SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS REQUIRED BY THE UNIFORM GUIDANCE AND THE *STATE SINGLE AUDIT GUIDELINES*

To the County Board
Kenosha County

Report on Compliance for Each Major Federal and State Program

Opinion on Each Major Federal and State Program

We have audited Kenosha County, Wisconsin's (the "County's") compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* and the *State Single Audit Guidelines* issued by the Wisconsin Department of Administration, that could have a direct and material effect on each of the County's major federal and state programs for the year ended December 31, 2021. The County's major federal and state programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, the County complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the year ended December 31, 2021.

Basis for Opinion on Each Major Federal and State Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative* Requirements*, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and the *State Single Audit Guidelines* issued by the Wisconsin Department of Administration. Our responsibilities under those standards, the Uniform Guidance, and the *State Single Audit Guidelines* are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the County and to meet our other ethical responsibilities, in accordance with 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 opinion on compliance for each major federal and state program. Our audit does not provide a legal determination of the County's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the County's federal and state programs.

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Auditors' Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the County's compliance based on our audit. 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, *Government Auditing Standards*, Uniform Guidance, and the *State Single Audit Guidelines* will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the County's compliance with the requirements of each major federal and state program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, the Uniform Guidance, and the *State Single Audit Guidelines,* we:

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material noncompliance, 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 County's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- obtain an understanding of the County's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance and the *State Single Audit Guidelines*, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, as discussed below, we did identify a certain deficiency internal control over compliance that we consider to be a significant deficiency.

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal and state program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal and state program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal and state program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2021-001 to be a significant deficiency.

County Board
Kenosha County, Wisconsin

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance and the *State Single Audit Guidelines*. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal and State Awards Required by the Uniform Guidance and *State Single Audit Guidelines*

We have audited the financial statements of the County as of and for the year ended December 31, 2021, and have issued our report thereon dated July 29, 2022, which contained an unmodified opinion on those financial statements. Our audit was performed for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal and state awards is presented for purposes of additional analysis as required by the Uniform Guidance and the State Single Audit Guidelines and is not a required part of the 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 financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal and state awards is fairly stated in all material respects in relation to the financial statements as a whole.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Milwaukee, Wisconsin
September 27, 2022

KENOSHA COUNTY

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
For the Year Ended December 31, 2021

Grantor Agency / Program Cluster / Title Subrecipient	Federal Assistance Listing Number	Pass-Through Agency	Direct/Pass-Through Agency ID	Revenues: (Accrued) Deferred Beginning Balance	Revenues: Adjust-ments	Revenues: Cash Received (Refunded)	Revenues: Accrued (Deferred) Ending Balance	Revenues: Total Revenues	Expenditures	Federal Funds Transmitted to Subrecipients
FEDERAL PROGRAMS										
U.S. Department of Agriculture										
Special Supplemental Food Program for Women, Infants, and Children	10.557	DHS	Type 030/130	$ (209,705)	$ -	$ 823,140	$ 229,754	$ 843,189	$ 843,189	$ 817,632
SNAP Cluster										
State Administration Matching Grants for Supplemental Nutrition Assistance Program	10.561	DHS	Type 030/130	(9,252)	-	32,908	7,517	31,173	31,173	30,082
State Administration Matching Grants for Supplemental Nutrition Assistance Program	10.561	DHS	Type 015/115	(384,452)	(866)	1,760,201	610,083	1,984,966	1,984,966	959,265
Total SNAP Cluster				(393,704)	(866)	1,793,109	617,600	2,016,139	2,016,139	989,347
Total U.S. Department of Agriculture				(603,409)	(866)	2,616,249	847,354	2,859,328	2,859,328	1,806,979
U.S. Department of Housing and Urban Development										
Healthy Homes Demonstration Grants	14.901	Direct	WILHD0309-17	(115)	-	17,421	13,840	31,146	31,146	-
Lead Hazard Reduction Demonstration Grant	14.905	Direct	WILHD0309-17	(43,409)	-	603,243	182,895	742,729	742,729	-
Total U.S. Department of Housing and Urban Development				(43,524)	-	620,664	196,735	773,875	773,875	-
U.S. Department of Justice										
State Criminal Alien Assistance Program	16.606	Direct	2019-H0130-WI-AP	(20,000)	-	-	20,000	-	-	-
Paul Coverdell Forensic Sciences Improvement Grant	16.742	Direct	2019-CD-BX-0023	(3,446)	-	15,474	-	12,028	12,028	-
Comprehensive Opioid, Stimulant, and Substance Abuse Program	16.838	Direct	2017-AR-BX-K41	(21,911)	-	21,911	-	-	-	-
Equitable Sharing Program [1]	16.922	Direct	#WIEQ00164	3,990	(3,990)	-	-	-	-	-
Edward Byrne Memorial Justice Assistance Grant	16.738	DOJ	Not available	-	-	101,932	24,324	126,256	126,256	96,219
Edward Byrne Memorial Justice Assistance Grant	16.738	Racine Co	2017-DJ-01-14929	(1,673)	-	1,673	-	-	-	-
Edward Byrne Memorial Justice Assistance Grant	16.738	City Kenosha	0-BIA-2021-35004	-	-	-	14,000	14,000	14,000	-
Edward Byrne Memorial Justice Assistance Grant	16.738	City Kenosha	2020-H703-WI-DJ	(12,950)	-	12,950	-	-	-	-
Total Edward Byrne Memorial JAG				(14,623)	-	116,555	38,324	140,256	140,256	96,219

Note 1 - Received by the Kenosha Drug Operational (KDOG) Task Force and reported by Kenosha County.

See notes to schedule of expenditures of federal and state awards.

KENOSHA COUNTY

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
For the Year Ended December 31, 2021

Grantor Agency / Program Cluster / Title Subrecipient	Federal Assistance Listing Number	Pass-Through Agency	Direct/Pass-Through Agency ID	Revenues: (Accrued) Deferred Beginning Balance	Revenues: Adjust-ments	Revenues: Cash Received (Refunded)	Revenues: Accrued (Deferred) Ending Balance	Revenues: Total Revenues	Expenditures	Federal Funds Transmitted to Subrecipients
FEDERAL PROGRAMS continued										
U.S. Department of Justice continued										
Cease Grant	16.595	DOJ	WI Approp #100.241	-	-	4,966	-	4,966	4,966	-
Public Safety Partnership and Community Policing Grants	16.710	Walworth Co	Anti-Heroin Grant	-	-	2,667	-	2,667	2,667	-
Public Safety Partnership and Community Policing Grants	16.710	Racine Co	Anti-Heroin Grant	(4,666)	-	6,742	-	2,076	2,076	-
Emergency Law Enforcement Assistance Grant	16.824	City Kenosha	Not available	(400,000)	-	400,000	-	-	-	-
Total U.S. Department of Justice				(460,656)	(3,990)	568,315	58,324	161,993	161,993	96,219
U.S. Department of Labor										
WIA/WIOA Program Cluster										
WIA/WIOA Adult Program	17.258	DWD	Not available	(119,282)	-	670,734	331,812	883,264	883,264	523,992
WIA/WIOA Youth Activities	17.259	DWD	Not available	(172,727)	-	788,438	442,898	1,058,609	1,058,609	700,476
WIA/WIOA Dislocated Worker Formula Grants	17.278	DWD	Not available	(52,992)	-	340,652	126,238	413,898	413,898	182,394
Total WIA/WIOA Program Cluster				(345,001)	-	1,799,824	900,948	2,355,771	2,355,771	1,406,862
WIA/WIOA National DWG National Emergency Grants	17.277	DWD	Not available	(20,569)	-	92,334	46,277	118,042	118,042	-
Apprenticeship USA Grants	17.285	DWD	Not available	(16,787)	-	152,867	9,214	145,294	145,294	140,720
Total U.S. Department of Labor				(382,357)	-	2,045,025	956,439	2,619,107	2,619,107	1,547,582
U.S. Department of Transportation										
Formula Grants for Rural Areas	20.509	DOT	Not available	(193,828)	-	352,778	119,301	278,251	278,251	-
Transit Services Programs Cluster										
New Freedom Program	20.521	DOT	Not available	(11,647)	-	11,647	-	-	-	-
Total Transit Services Programs Cluster				(11,647)	-	11,647	-	-	-	-
Highway Safety Cluster										
National Priority Safety Programs	20.616	Racine Co	FG 2020-Racine C-05059	(3,915)	3,915	-	-	-	-	-
National Priority Safety Programs	20.616	Racine Co	FG 2021-Racine C-05059	(4,767)	-	26,714	250	22,197	22,197	-
National Priority Safety Programs	20.616	Racine Co	FG 2022-Racine C-05059	-	-	4,273	-	4,273	4,273	-
Total Highway Safety Cluster				(8,682)	3,915	30,987	250	26,470	26,470	-
Total U.S. Department of Transportation				(214,157)	3,915	395,412	119,551	304,721	304,721	-
U. S. Department of the Treasury										
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	21.027	Direct	Direct	-	-	16,467,618	(1,830,016)	14,637,602	14,637,602	-
COVID-19 Test Coord-Coronavirus Relief Fund	21.019	DHS	155803	(25,878)	-	25,878	-	-	-	-
COVID-19 Plan-Coronavirus Relief Fund	21.019	DHS	155804	(30,000)	-	30,000	-	-	-	-
COVID-19 Contact Tracing-Coronavirus Relief Fund	21.019	DHS	155805	(408,987)	-	408,987	-	-	-	-
Total U.S. Department of the Treasury				(464,865)	-	16,932,483	(1,830,016)	14,637,602	14,637,602	-

See notes to schedule of expenditures of federal and state awards.

KENOSHA COUNTY

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
For the Year Ended December 31, 2021

Grantor Agency / Program Cluster / Title Subrecipient	Federal Assistance Listing Number	Pass-Through Agency	Direct/Pass-Through Agency ID	Revenues: (Accrued) Deferred Beginning Balance	Adjust-ments	Cash Received (Refunded)	Accrued (Deferred) Ending Balance	Total Revenues	Expenditures	Federal Funds Transmitted to Subrecipients
FEDERAL PROGRAMS continued										
Institute of Museum and Library Services										
Library Services & Technology Act LSTA	45.310	DPI	2021-309929-DPI-LSTA-Cares-161	225	-	-	-	225	225	-
Total Institute of Museum and Library Services				225	-	-	-	225	225	-
U.S. Environmental Protection Agency										
State Indoor Radon Grants	66.032	DHS	Type 030/130	(5,031)	-	8,594	1,984	5,547	5,547	-
Total U.S. Environmental Protection Agency				(5,031)	-	8,594	1,984	5,547	5,547	-
U. S. Department of Education										
Special Education - Grants for Infants and Families	84.181	DHS	Type 010/110	(2,228)	-	154,416	-	152,188	152,188	-
Total U.S. Department of Education				(2,228)	-	154,416	-	152,188	152,188	-
U. S. Department of Health and Human Services										
Public Health Emergency Preparedness	93.069	DHS	Type 030/130	(27,411)	-	111,912	79,945	164,446	164,446	-
Environmental Public Health and Emergency Response	93.070	DHS	Type 030/130	(14,434)	-	25,655	19,875	31,096	31,096	-
Medicare Enrollment Assistance Program	93.071	DHS	Type 025/125- 560620	-	-	11,754	-	11,754	11,754	-
Family Planning Services	93.217	DHS	Type 030/130	(8,316)	-	101,499	7,587	100,770	100,770	-
Substance Abuse and Mental Health Services - Projects of Regional and National Significance	93.243	DHS	Type 030/130	(25,043)	-	220,856	-	195,813	195,813	-
COVID-19 Immunization Cooperative Agreements	93.268	DHS	Type 025/125- 560201	-	-	19,048	-	19,048	19,048	
Immunization Cooperative Agreements	93.268	DHS	Type 030/130	(8,969)	-	31,588	6,856	29,475	29,475	-
COVID-19 Immunization Cooperative Agreements	93.268	DHS	Type 030/130	-	-	-	185,829	185,829	185,829	-
COVID-19 Epidemiology and Laboratory Capacity for Infectious Diseases	93.323	DHS	155802	(20,691)	-	39,700	-	19,009	19,009	-
COVID-19 Epidemiology and Laboratory Capacity for Infectious Diseases	93.323	DHS	155806	-	-	1,380,974	326,827	1,707,801	1,707,801	-
State Health Insurance Assistance Program	93.324	DHS	Type 025/125- 560432	-	-	6,140	-	6,140	6,140	-
COVID-19 Public Health Crisis Response Awards	93.354	DHS	155801	-	-	79,789	-	79,789	79,789	-
Provider Relief Funds	93.498	Direct	Not available	-	-	1,176,482	-	1,176,482	1,176,482	-
Promoting Safe and Stable Families	93.556	DCF	Sparc- 3306	-	-	57,103	-	57,103	57,103	-
COVID 19- Promoting Safe and Stable Families	93.556	DCF	Sparc- 3306C	-	-	-	20,523	20,523	20,523	-
Temporary Assist for Needy Families	93.558	DCF	Sparc 1402	(5,026)	-	35,826	-	30,800	30,800	-
Temporary Assist for Needy Families	93.558	DCF	Sparc 3632	(49,650)	19,293	230,227	53,330	253,200	253,200	-
Temporary Assist for Needy Families	93.558	DCF	Sparc 1008	(34,223)	-	560,274	32,100	558,151	558,151	-
Temporary Assist for Needy Families	93.558	DHS	Type 010/110	-	-	352,852	-	352,852	352,852	-
Total Temporary Assist for Needy Families				(88,899)	19,293	1,179,179	85,430	1,195,003	1,195,003	-
Child Support Enforcement	93.563	DCF	7732F	7,494	-	(66,685)	(4,224)	(63,415)	(63,415)	-
Child Support Enforcement	93.563	DCF	7732R	(11,354)	-	101,038	6,400	96,084	96,084	-
Child Support Enforcement	93.563	DCF	7482	2,641	-	(10,602)	(2,710)	(10,671)	(10,671)	-
Child Support Enforcement	93.563	DCF	7506	(1,520)	-	6,513	1,703	6,696	6,696	-
Child Support Enforcement	93.563	DCF	7560	-	-	-	11,995	11,995	11,995	-
Child Support Enforcement	93.563	DCF	7702A	(26,968)	-	106,541	31,662	111,235	111,235	-
Child Support Enforcement	93.563	DCF	7619	-	-	455,776		455,776	455,776	-
Child Support Enforcement	93.563	DCF	7618C	-	-	-	4,357	4,357	4,357	-
Child Support Enforcement	93.563	DCF	7477	(1,095,116)	-	3,547,289	942,007	3,394,180	3,394,180	-
Total Child Support Enforcement				(1,124,823)	-	4,139,870	991,190	4,006,237	4,006,237	-
Low Income Home Energy Assistance Block Grant	93.568	DOA	Not available	(87,687)	-	220,941	-	133,254	133,254	133,254
Child Care and Development Block Grant	93.575	DCF	Sparc 0840	(16,052)	-	55,826	6,446	46,220	46,220	-
Child Care and Development Block Grant	93.575	DCF	Sparc 0831	-	(25,925)	63,746	9,011	46,832	46,832	-
Child Care and Development Block Grant	93.575	DCF	Sparc 0852	(137,921)	36	826,322	218,445	906,882	906,882	-
State Court Improvement Program	93.586	WCS	Not available	-	-	3,616	-	3,616	3,616	-
Community Based Child Abuse Prevention Grants	93.590	DCF	Sparc 6093	(976)	-	11,283	1,539	11,846	11,846	-
Community Based Child Abuse Prevention Grants	93.590	DCF	Sparc 6095	-	-	7,779	976	8,755	8,755	-

See notes to schedule of expenditures of federal and state awards.

KENOSHA COUNTY

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
For the Year Ended December 31, 2021

Grantor Agency / Program Cluster / Title Subrecipient	Federal Assistance Listing Number	Pass-Through Agency	Direct/Pass-Through Agency ID	Revenues: (Accrued) Deferred Beginning Balance	Revenues: Adjust-ments	Revenues: Cash Received (Refunded)	Revenues: Accrued (Deferred) Ending Balance	Revenues: Total Revenues	Expenditures	Federal Funds Transmitted to Subrecipients
FEDERAL PROGRAMS continued										
U.S. Department of Health and Human Services continued										
CS Child Support Access and Visitation	93.597	DCF	7703	(7,814)	-	48,857	13,957	55,000	55,000	-
Adoption and Legal Guardianship Incentive Payments	93.603	DCF	Sparc	(629)	-	629	-	-	-	-
Child Welfare Services Grant - State Grants	93.645	DCF	Sparc 3413	-	-	29,119	-	29,119	29,119	-
Child Welfare Services Grant - State Grants	93.645	DCF	Sparc 3561	-	-	70,990	-	70,990	70,990	-
Child Welfare Services Grant - State Grants	93.645	DCF	Sparc 3681	-	-	5,688	-	5,688	5,688	-
Foster Care Title - IV-E	93.658	DCF	Sparc 3413		-	52,214	-	52,214	52,214	-
Foster Care Title - IV-E	93.658	DCF	Sparc 3561	-	-	1,601,222	-	1,601,222	1,601,222	-
Foster Care Title - IV-E	93.658	DCF	Sparc 3568	-	-	18,095	8,123	26,218	26,218	-
Foster Care Title - IV-E	93.658	DCF	Sparc 3588	-	-	17,624	16,527	34,151	34,151	-
Foster Care Title - IV-E	93.658	DCF	Sparc 3554	(5,724)	-	32,073	4,912	31,261	31,261	-
Foster Care Title - IV-E	93.658	DCF	Sparc 3681	-	-	128,286	-	128,286	128,286	-
Foster Care Title - IV-E	93.658	DCF	Sparc 3396	(2,888)	-	17,048	2,376	16,536	16,536	-
Foster Care Title - IV-E	93.658	DCF	Sparc 3604	(3,699)	-	21,628	472	18,401	18,401	-
Foster Care Title - IV-E	93.658	DCF	Sparc 3564	(4,247)	-	4,247	-	-	-	-
COVID-19 Foster Care Title - IV-E	93.658	DCF	Sparc 3619	-	-	25,025	-	25,025	25,025	-
Total Foster Care				(16,558)	-	1,917,462	32,410	1,933,314	1,933,314	-
Adoption Assistance	93.659	DCF	Sparc 3584	(5,058)	-	5,058	-	-	-	-
Adoption Assistance	93.659	DCF	Sparc 3574	(12,417)	-	86,583	16,276	90,442	90,442	-
COVID-19 Emergency Grants to Address Mental and Substance Use Disorders During COVID-19	93.665	DHS	533280	(43,377)	11,964	154,564	-	123,151	123,151	-
COVID-19 Emergency Grants to Address Mental and Substance Use Disorders During COVID-19	93.665	DHS	533289	-	-	-	55,345	55,345	55,345	-
Social Services Block Grant	93.667	DHS	Type 010/110	-	-	662,397	-	662,397	662,397	-

See notes to schedule of expenditures of federal and state awards.

KENOSHA COUNTY

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
For the Year Ended December 31, 2021

Grantor Agency / Program Cluster / Title Subrecipient	Federal Assistance Listing Number	Pass-Through Agency	Direct/Pass-Through Agency ID	Revenues: (Accrued) Deferred Beginning Balance	Adjust-ments	Cash Received (Refunded)	Accrued (Deferred) Ending Balance	Total Revenues	Expenditures	Federal Funds Transmitted to Subrecipients
FEDERAL PROGRAMS continued										
U.S. Department of Health and Human Services continued										
COVID-19 Elder Abuse Prevention Interventions Program	93.747	DHS	560332	-	-	5,889	3,151	9,040	9,040	-
Children's Health Insurance Program	93.767	DHS	Type 015/115	(61,936)	(144)	238,188	76,939	253,047	253,047	121,910
Medicaid Cluster										
Medical Assistance Program	93.778	DHS	Type 010/110	(13,236)	(771)	53,447	30,938	70,378	70,378	-
Medical Assistance Program	93.778	DHS	Type 025/125- 560152	(115,273)	-	467,035	132,455	484,217	484,217	-
Medical Assistance Program	93.778	DHS	Type 025/125- 560155	(172,907)		633,909	169,896	630,898	630,898	-
Medical Assistance Program	93.778	DHS	Type 015/115	(772,275)	(1,769)	2,608,068	812,324	2,646,348	2,646,348	1,279,715
Medical Assistance Program	93.778	DHS	Type 030/130	-	-	3,017	-	3,017	3,017	-
Medical Assistance Program - WIMCR	93.778	DHS	Not available	-	-	759,710	-	759,710	759,710	-
Medical Assistance Program	93.778	DHS	TPA-CLTS	-	-	2,542,539	-	2,542,539	2,542,539	-
Total Medicaid Cluster				(1,073,691)	(2,540)	7,067,725	1,145,613	7,137,107	7,137,107	1,279,715
Opioid State Targeted Response	93.788	DHS	Type 910/010	-	-	339,570	88,559	428,129	428,129	-
Opioid State Targeted Response	93.788	DOJ	Not available	(8,075)	8,075	-	-	-	-	-
Maternal, Infant, & Early Childhood Home Visiting Grant Program	93.870	DCF	Sparc 1008	(66,307)	-	629,933	34,393	598,019	598,019	-
Cancer Prevention and Control Programs for State, Territorial and Tribal Organizations	93.898	DHS	Type 030/130	-	-	4,069	-	4,069	4,069	-
HIV Prevention Activities Health Department Based	93.940	DHS	Type 030/130	(3,466)	-	5,413	2,671	4,618	4,618	-
Block Grants for Community Mental Health Services	93.958	DHS	Type 010/110	(613)	(601)	82,889	-	81,675	81,675	-
Block Grants for Prevention & Treat. of Substance Abuse	93.959	DHS	515	(99)	(98)	1,493	-	1,296	1,296	-
Block Grants for Prevention & Treat. of Substance Abuse	93.959	DHS	545	-		186,287	-	186,287	186,287	-
Block Grants for Prevention & Treat. of Substance Abuse	93.959	DHS	546	(4,136)	(4,547)	67,511	-	58,828	58,828	-
Block Grants for Prevention & Treat. of Substance Abuse	93.959	DHS	570	-	-	81,705	-	81,705	81,705	-
Block Grants for Prevention & Treat. of Substance Abuse	93.959	DHS	586	(7,031)	(3,007)	10,038	-	-	-	-
Block Grants for Prevention & Treat. of Substance Abuse	93.959	DHS	587	-	(2,639)	2,639	-	-	-	-
Block Grants for Prevention & Treat. of Substance Abuse	93.959	DHS	589	-	-	50,000	-	50,000	50,000	-
Total Block Grants for Prevention and Treatment of Substance Abuse				(11,266)	(10,291)	399,673	-	378,116	378,116	-
Preventive Health and Health Services Block Grant	93.991	DHS	Type 030/130	161	-	12,704	6,430	19,295	19,295	-
Maternal and Child Health Services Block Grant	93.994	DHS	Type 030/130	(24,103)	-	70,295	44,303	90,495	90,495	-
Special Programs for the Aging										
Title III, Part D - Preventive Health	93.043	GWAAR	560510	-	-	3,196	6,445	9,641	9,641	-
Title III, Part E - National Family Support	93.052	GWAAR	560250	(55,002)	-	137,968	39,770	122,736	122,736	-
Aging Cluster										
Title III, Part B - Grants for Supportive Services	93.044	GWAAR	560340	(7,263)	-	173,255	76,861	242,853	242,853	-
COVID-19 Title III, Part B - Grants for Supportive Services	93.044	GWAAR	560240	(28,653)	-	28,653	-	-	-	-
COVID-19 Title III, Part B - Grants for Supportive Services	93.044	GWAAR	560342	-	-	882	5,092	5,974	5,974	-
Title III, Part C - Nutrition Services	93.045	GWAAR	560360	(85,203)	-	394,794	139,795	449,386	449,386	-
COVID-19 Title III, Part C - Nutrition Services	93.045	GWAAR	560260	(30,722)	-	30,722	-	-	-	-
Nutrition Services Incentive Program	93.053	GWAAR	560422	-	-	49,916	-	49,916	49,916	-
Total Aging Cluster				(151,841)	-	678,222	221,748	748,129	748,129	-
Total U.S. Department of Health and Human Services				(4,228,037)	(133)	26,568,013	4,739,679	27,079,522	27,079,522	1,534,879

See notes to schedule of expenditures of federal and state awards.

KENOSHA COUNTY

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
For the Year Ended December 31, 2021

Grantor Agency / Program Cluster / Title Subrecipient	Federal Assistance Listing Number	Pass-Through Agency	Direct/Pass-Through Agency ID	Revenues: (Accrued) Deferred Beginning Balance	Revenues: Adjust-ments	Revenues: Cash Received (Refunded)	Revenues: Accrued (Deferred) Ending Balance	Revenues: Total Revenues	Expenditures	Federal Funds Transmitted to Subrecipients
FEDERAL PROGRAMS continued										
Executive Office of the President										
High Intensity Drug Trafficking Area (HIDTA)	95.001	N Central HIDTA	GL20ML0008A	(4,595)	-	4,595	-	-	-	-
High Intensity Drug Trafficking Area (HIDTA)	95.001	N Central HIDTA	G19ML0008A	-	-	36,914	20,083	56,997	56,997	-
Total High Intensity Drug Trafficking Area (HIDTA)				(4,595)	-	41,509	20,083	56,997	56,997	-
Total Executive Office of the President				(4,595)	-	41,509	20,083	56,997	56,997	-
U. S. Department of Homeland Security										
Disaster Grants- Public Assistance	97.036	DMA	477 PW 026 & 023	-	-	44,394	-	44,394	44,394	-
Hazard Mitigation Grant	97.039	DMA	HMGP-DR-4276-WI	(232,201)	-	206,590	25,611	-	-	-
Hazard Mitigation Grant	97.039	DMA	HMGP-DR-4276.14-R	-	-	-	6,955	6,955	6,955	-
Hazard Mitigation Grant	97.039	DMA	HMGP-DR-4276.15-R	-	-	-	5,342	5,342	5,342	-
Hazard Mitigation Grant	97.039	DMA	HMGP-DR-4288.08-R	-	-	-	23,215	23,215	23,215	-
Hazard Mitigation Grant	97.039	DMA	HMGP-DR-4402.22-R	-	-	-	43,232	43,232	43,232	-
Hazard Mitigation Grant	97.039	DMA	HMGP-DR-4343.06-R	-	-	-	86,150	86,150	86,150	-
Hazard Mitigation Grant	97.039	DMA	HMGP-DR-4343.07-R	-	-	-	4,402	4,402	4,402	-
Emergency Management Performance Grants	97.042	DMA	2019-EMPG-o1-11408	(109,326)	21,671	87,655	80,000	80,000	80,000	-
Homeland Security Grant Program	97.067	DMA	2019-HSW-02A 11981	(35,959)	-	35,959	-	-	-	-
Homeland Security Grant Program	97.067	DMA	2020-HSW-02A 12263	(28,374)	-	28,374	-	-	-	-
Homeland Security Grant Program	97.067	DMA	2018-HSW-02A-12329	-	-	3,500	-	3,500	3,500	-
Homeland Security Grant Program	97.067	DMA	2020-HSW-02B-12370	-	-	3,958	-	3,958	3,958	-
Total U.S. Department of Homeland Security				(405,860)	21,671	410,430	274,907	301,148	301,148	-
TOTAL FEDERAL PROGRAMS				$ (5,689,671)	$ 20,597	$ 46,221,240	$ 4,393,850	$ 44,946,016	$ 44,946,016	$ 4,985,659

See notes to schedule of expenditures of federal and state awards.

KENOSHA COUNTY

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
For the Year Ended December 31, 2021

Grantor Agency / Pass-Through Agency / Program Title	State ID Number	Revenues: (Accrued) Deferred Beginning Balance	Revenues: Adjust-ments	Revenues: Cash Received (Refunded)	Revenues: Accrued (Deferred) Ending Balance	Revenues: Total Revenues	Expenditures	State Funds Transmitted to Subrecipients
STATE PROGRAMS								
Wisconsin Department of Agriculture, Trade, and Consumer Protection								
County Staff and Support	115.150	$ (133,255)	$ -	$ 133,255	$ 131,244	$ 131,244	$ 131,244	$ -
Land and Water Resource Management	115.400	(50,437)	-	59,232	47,736	56,531	56,531	-
Total WI Department of Agriculture, Trade, and Consumer Protection		(183,692)	-	192,487	178,980	187,775	187,775	-
Wisconsin Department of Public Instruction								
Public Library Systems Aid	255.002	318,923	-	475,021	(368,714)	425,230	425,230	-
Total Wisconsin Department of Public Instruction		318,923	-	475,021	(368,714)	425,230	425,230	-
Wisconsin Department of Natural Resources								
Local Park Aids Stewardship- ADLP	370.TA1	-	-	242,020	-	242,020	242,020	-
Recreational Aids - Snowmobile Trail and Area	370.485	-	-	24,555	-	24,555	24,555	-
County Conservation Aids	370.485	-	-	849	-	849	849	-
Boating Enforcement Aids	370.550	(8,619)	2,155	6,464	10,000	10,000	10,000	-
Transient Non-Community Water Sampling Contracts	370.QBHI4824	-	(5,937)	27,329	-	21,392	21,392	-
Total Wisconsin Department of Natural Resources		(8,619)	(3,782)	301,217	10,000	298,816	298,816	-
Wisconsin Department of Transportation								
Elderly and Handicapped County Aids	395.101	406,301	(149,639)	410,855	(484,211)	183,306	183,306	-
Total Wisconsin Department of Transportation		406,301	(149,639)	410,855	(484,211)	183,306	183,306	-

See notes to schedule of expenditures of federal and state awards.

KENOSHA COUNTY

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
For the Year Ended December 31, 2021

Grantor Agency / Pass-Through Agency / Program Title	State ID Number	Revenues: (Accrued) Deferred Beginning Balance	Revenues: Adjust-ments	Revenues: Cash Received (Refunded)	Revenues: Accrued (Deferred) Ending Balance	Revenues: Total Revenues	Expenditures	State Funds Transmitted to Subrecipients
STATE PROGRAMS continued								
Wisconsin Department of Corrections								
Windows to Work	410.112	(24,995)	(12,500)	206,521	28,389	197,415	197,415	88,247
Total Wisconsin Department of Corrections		(24,995)	(12,500)	206,521	28,389	197,415	197,415	88,247
Wisconsin Department of Health Services								
COVID-19 Emergency Quarantine	435.105000	(3,116)	-	3,116	-	-	-	-
Family Health - Women's Health	435.152020	-	-	31,500	-	31,500	31,500	-
WIC Farmers Market Grant	435.154720	(5,126)	-	13,098	-	7,972	7,972	7,972
Comm Disease Control & Prevention	435.155800	-	-	9,900	-	9,900	9,900	-
HIV Prevention PS & Linkages	435.155957	(2,495)	-	3,436	1,292	2,233	2,233	-
WWWP - GPR CC	435.157010	(27,324)	-	74,059	18,192	64,927	64,927	-
Childhood Lead - Consolidated	435.157720	(7,733)	-	20,843	5,003	18,113	18,113	-
WH/FP RH 253.07 GPR	435.159317	(18,431)	-	47,654	6,667	35,890	35,890	-
Cons Contracts MCH	435.159322	-	-	3,017	-	3,017	3,017	-
Fraud Prevention Investigation, State Share	435.060	(24,470)	-	78,822	43,664	98,016	98,016	54,350
IMAA State Share	435.283	(6,677)	-	1,688,002	5,308	1,686,633	1,686,633	879,414
IMAA Federal Share	435.284	(6,122)	(14)	28,182	9,819	31,865	31,865	15,558
IM FSET GPR MA Amounts	435.285	-	-	62,621	-	62,621	62,621	-
IM FSET FED MA Amounts	435.286	-	-	426	-	426	426	-
Adult Protective Services	435.312	-	-	159,031	-	159,031	159,031	-
Children's COP	435.377	(19,078)	(5,620)	108,655	43,097	127,054	127,054	-
Enhanced IM Funding	435.468	-	-	793,935	-	793,935	793,935	789,323

See notes to schedule of expenditures of federal and state awards.

KENOSHA COUNTY

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
For the Year Ended December 31, 2021

Grantor Agency / Pass-Through Agency / Program Title	State ID Number	Revenues: (Accrued) Deferred Beginning Balance	Revenues: Adjust-ments	Revenues: Cash Received (Refunded)	Revenues: Accrued (Deferred) Ending Balance	Revenues: Total Revenues	Expenditures	State Funds Transmitted to Subrecipients
STATE PROGRAMS continued								
Wisconsin Department of Health Services continued								
Coordinated Services County	435.515	(3,830)	(3,755)	57,427	-	49,842	49,842	-
Community Mental Health	435.516	-	-	708,894	-	708,894	708,894	-
Birth to Three Initiative	435.550	(2,778)	-	177,594	-	174,816	174,816	174,816
B3 Innovation Grant	435.553	(9,900)	-	35,353	55,986	81,439	81,439	81,439
Basic County Allocation	435.561	-	-	3,905,979	-	3,905,979	3,905,979	-
State/County Match	435.681	-	-	540,609	-	540,609	540,609	-
CLTS OTHER GPR	435.871	-	-	1,157,999	-	1,157,999	1,157,999	-
CLTS AUTISM GPR	435.874	-	-	-	-	-	-	-
CLTS WAIVER CWA ADMIN	435.877	(8,113)	(2,341)	49,897	30,936	70,379	70,379	-
CLTS GRANDFATHER ADMN FED	435.881	(2,865)	(694)	3,559	-	-	-	-
Mat in a Jail Setting	435.533264	-	-	86,256	86,256	172,512	172,512	-
ADRC MFP - NH Relocation, State Share	435.560065	(10,478)	-	37,515	10,463	37,500	37,500	-
Aging and Disability Resource Centers	435.560100	(23,007)	-	1,067,438	-	1,044,431	1,044,431	-
ADRC Dementia Care Project	435.560158	-	-	86,213	-	86,213	86,213	-
Environmental Monitoring of Nuclear Power Plants for Radiological Emissions	435.DPH 90013 DC	(2,750)	-	8,250	-	5,500	5,500	-
ADRC Elderly Benefit Specialist Program	435.560320	-	-	33,438	-	33,438	33,438	-
ADRC SPAP EBS	435.560328	(7,360)	-	7,360	-	-	-	-
Passed Through Greater WI Agency on Aging Resources								
State Senior Community Services	435.560330	-	-	9,389	-	9,389	9,389	-
Congregate Meals	435.560350	-	-	-	-	-	-	-
Home Delivered Meals	435.560360	(4,249)	-	16,646	5,598	17,995	17,995	-
Alzheimer's Family and Caregiver Support	435.560381	(23,903)	-	77,882	12,337	66,316	66,316	-
Elder Abuse	435.560490	(29,312)	-	42,227	39,964	52,879	52,879	-
Total Wisconsin Department of Health Services		(249,117)	(12,424)	11,236,222	374,582	11,349,263	11,349,263	2,002,872

See notes to schedule of expenditures of federal and state awards.

KENOSHA COUNTY

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
For the Year Ended December 31, 2021

Grantor Agency / Pass-Through Agency / Program Title	State ID Number	Revenues: (Accrued) Deferred Beginning Balance	Revenues: Adjust-ments	Revenues: Cash Received (Refunded)	Revenues: Accrued (Deferred) Ending Balance	Revenues: Total Revenues	Expenditures	State Funds Transmitted to Subrecipients
STATE PROGRAMS continued								
Wisconsin Department of Children and Families								
Child Abuse & Neglect Prevention Board - Parent Education Child Abuse	437.6093	(8,783)	-	101,544	13,847	106,608	106,608	-
Children First	437.700	(11,605)	-	11,605	-	-	-	-
Children First - Direct Services - County Agency	437.700C	-	-	47,621	9,882	57,503	57,503	-
Food Stamp Agency Incentives	437.965	(7,384)	-	75,607	6,160	74,383	74,383	-
AFDC Agency Incentives	437.975	-	-	75	-	75	75	-
Medicaid Agency Incentives	437.980	(5,382)	-	49,227	4,642	48,487	48,487	-
Family Foundations Comprehensive Home Visitation Prograr	437.1008	(6,417)	-	169,242	9,936	172,761	172,761	-
BFI - DCF GPR/Regular TANF	437.1402	(6,142)	-	195,342	-	189,200	189,200	-
CW Kinship Care Program - Benefits	437.3377A	-	-	208,438	-	208,438	208,438	-
CW Kinship Care Program - Benefits	437.3377B	(100,017)	-	413,505	100,721	414,209	414,209	-
Kinship Care Program - Assessment	437.338A	-	-	25,451	-	25,451	25,451	-
Kinship Care Program - Assessment	437.338B	-	(8,193)	59,086	9	50,902	50,902	-
Grants for Foster Parents - Foster Parent Retention	437.3390	(9,056)	-	76,937	2,586	70,467	70,467	-
Youth Justice Innovation Grants - Continuation	437.3407C	-	-	58,859	16,141	75,000	75,000	-
Youth Justice Innovation Grants	437.3409	(14,771)	-	14,771	-	-	-	-
Community Intervention Program	437.3410	-	-	171,161	-	171,161	171,161	-
Youth Aids AODA	437.3411	-	-	56,856	-	56,856	56,856	-
Youth Aids	437.3413	-	-	3,265,706	-	3,265,706	3,265,706	-
Children & Families Allocation	437.3561	-	-	1,913,148	-	1,913,148	1,913,148	-
Children & Families Allocation - State/County Match	437.3681	-	-	153,277	-	153,277	153,277	-
Out-of-Home Care Placements for Sex Trafficked Youth	437.3720	(27,116)	2,313	99,472	84,000	158,669	158,669	-
CS Additional Funding	437.7335	-	-	-	58,413	58,413	58,413	-
CS State GPR/PR Funding Allocation	437.7502	-	-	311,451	-	311,451	311,451	-
CS Medical Support GPR Earned	437.7606	-	-	11,286	-	11,286	11,286	-
CS Supporting Parents Supporting Kids	437.7702	(13,893)	-	54,885	16,310	57,302	57,302	-
Total Wisconsin Department of Children and Family		(210,566)	(5,880)	7,544,552	322,647	7,650,753	7,650,753	-

See notes to schedule of expenditures of federal and state awards.

KENOSHA COUNTY

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
For the Year Ended December 31, 2021

Grantor Agency / Pass-Through Agency / Program Title	State ID Number	Revenues: (Accrued) Deferred Beginning Balance	Revenues: Adjust-ments	Revenues: Cash Received (Refunded)	Revenues: Accrued (Deferred) Ending Balance	Revenues: Total Revenues	Expenditures	State Funds Transmitted to Subrecipients
STATE PROGRAMS continued								
Wisconsin Department of Justice								
Treatment Alternatives and Diversion	455.271	(21,358)	-	85,898	43,749	108,289	108,289	-
DNA Sample Reimbursement Grant	455.221	-	-	5,480	-	5,480	5,480	-
Drug Crimes Enforcement	455.225	-	-	86,616	-	86,616	86,616	66,010
Law Enforcement Training Fund Local Assistance	455.231	(8,942)	-	55,295	-	46,353	46,353	-
Victim and Witness Assistance Program - Part A	455.532	(94,461)	-	216,018	138,302	259,859	259,859	-
Youth Diversion - Aids - Gang - PR	455.629	(34,385)	-	102,090	34,841	102,546	102,546	-
Passed through Racine County								
Drug Crimes Enforcement	455.225	-	-	10,000	-	10,000	10,000	-
Total Wisconsin Department of Justice		(159,146)	-	561,397	216,892	619,143	619,143	66,010
Wisconsin Department of Military Affairs								
State Match - Federal Disaster Assistance	465.305	(70,485)	-	34,432	64,268	28,215	28,215	-
State Match - Federal Disaster Assistance	465.305	-	-	7,399	-	7,399	7,399	-
Emergency Response Equipment Grant	465.308	(7,285)	-	7,285	-	-	-	-
Emergency Planning Grant	465.337	(25,776)	7,950	17,826	30,000	30,000	30,000	-
Total Wisconsin Department of Military Affairs		(103,546)	7,950	66,942	94,268	65,614	65,614	-
Wisconsin Department of Veteran Affairs								
County Veterans Service Officer	485.001	-	-	13,000	-	13,000	13,000	-
Total Wisconsin Department of Veteran Affairs		-	-	13,000	-	13,000	13,000	-
Wisconsin Department of Administration								
Land Information Board Grants	505.116	-	-	26,000	-	26,000	26,000	-
Public Benefits	505.371	(19,883)	-	57,363	-	37,480	37,480	37,480
Total Wisconsin Department of Administration		(19,883)	-	83,363	-	63,480	63,480	37,480
TOTAL STATE PROGRAMS		$ (234,340)	$ (176,275)	$ 21,091,577	$ 372,833	$ 21,053,795	$ 21,053,795	$ 2,194,609

See notes to schedule of expenditures of federal and state awards.

KENOSHA COUNTY

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
For the Year Ended December 31, 2021

NOTE 1 – BASIS OF PRESENTATION

The accompanying Schedules of Expenditures of Federal and State Awards for Kenosha County, Wisconsin (the County) are presented in accordance with the requirements of Title 2 *U.S. Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and the *State Single Audit Guidelines* issued by the Wisconsin Department of Administration.

The Schedules of Expenditures of Federal and State Awards include all federal and state awards of the County. Because the schedules present only a selected portion of the operations of the County, it is not intended to and does not present the financial position, changes in net position, or cash flows of the County.

NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES

Revenues and expenditures in the schedules are presented in accordance with the modified accrual basis of accounting and are generally in agreement with revenues and expenditures reported in the County's 2021 fund financial statements. Such expenditures are recognized following the cost principles contained in the Uniform Guidance and the *State Single Audit Guidelines* for all awards with the exception of Federal Assistance Listing Number 21.019 and 21.027, which follows criteria determined by the Department of Treasury for allowability of costs. Under these principles, certain types of expenditures are not allowable or are limited to reimbursement. Accrued revenue at year-end consists of federal and state program expenditures scheduled for reimbursement to the County in the succeeding year while unearned revenue represents advances for federal and state programs that exceed recorded the County expenditures. Because of subsequent program adjustments, these amounts may differ from the prior year's ending balances. Negative amounts shown on the schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

NOTE 3 – OVERSIGHT AGENCIES

The federal and state oversight agencies for the County are as follows:

Federal – U.S. Department of Treasury
State – Wisconsin Department of Health Services

NOTE 4 – DIRECT PAYMENTS – STATE OF WISCONSIN

Direct payments to individuals from the State of Wisconsin on behalf of the County for the year ended December 31, 2021 included:

Program	CFDA No.	Unaudited Amount
Food Share Wisconsin Program	10.561	$ 68,867,895

NOTE 5 – DIRECT PAYMENTS – WISCONSIN MEDICAL ASSISTANCE

The County received the following payments from Wisconsin Medical Assistance in 2021:

County Department of Human Services:	Provider Number	Unaudited Amount
Division of Aging & Disability Services	43072900	$ 63,759
Division of Aging & Disability Services	43422900	568,784
Division of Aging & Disability Services	32975900	2,240,273
Division of Aging & Disability Services	100038404	13,216,311
Division of Children & Family Services	43073000	68,416
Brookside Care Center	20130300	4,107,799
Division of Health Services	41862400	2,972
Division of Health Services	42010200	35,106
Division of Health Services	43084000	67,816
Total		$ 20,371,236

The payments are considered a contract for services between the State and the County and therefore are not reported as federal or state awards.

NOTE 6 – CARS / SPARC REPORT DATES

The Schedule of Expenditures of Federal and State Awards include adjustments through Community Aids Reporting System reports dated May, 2022 and the SPARC reports for December, 2021.

NOTE 7 – ALLOCATION OF INDIRECT COSTS

Kenosha County chooses not to utilize the de minimis rate as allowed under Uniform Guidance. Instead, Kenosha County identifies and recovers indirect costs using a cost allocation plan developed annually by Maximus Inc.

NOTE 8 – PASS THROUGH ENTITIES

Federal awards have been passed through the following entities:
GWAAR - Greater Wisconsin Agency on Aging Resources
DCF - Wisconsin Department of Children and Families
DHS - Wisconsin Department of Health Services
DMA - Wisconsin Department of Military Affairs
DNR - Wisconsin Department of Natural Resources
DOA - Wisconsin Department of Administration
DOC - Wisconsin Department of Corrections
DOJ - Wisconsin Department of Justice
DOT - Wisconsin Department of Transportation
DWD - Wisconsin Department of Workforce Development
WCS - Wisconsin Court System

KENOSHA COUNTY

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended December 31, 2021

SECTION I – Summary of Auditors' Results

Financial Statements

Type of Auditor's report issued:	Unmodified
Internal control over financial reporting:	
• Material weakness identified?	No
• Significant deficiencies identified that are not considered to be material weaknesses?	None reported
Noncompliance material to financial statements noted?	No

Federal or State Awards

Internal control over major programs:	
• Material weakness identified?	No
• Significant deficiencies identified that are not considered to be material weaknesses?	Yes
Type of auditor's report issued on compliance for major programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?	Yes
Any audit findings disclosed that are required to be reported in accordance with the *State Single Audit Guidelines*?	No
Auditee qualified as low-risk auditee for federal programs?	Yes
Auditee qualified as low-risk auditee for state programs?	Yes

KENOSHA COUNTY

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended December 31, 2021

SECTION I – Summary of Auditors' Results (continued)

Identification of major federal programs:

Federal Assistance Listing Number	Name of Federal Programs/Clusters
21.027	Coronavirus State and Local Fiscal Recovery Funds
93.323	Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)
93.498	Provider Relief Funds
93.658	Foster Care Title IV-E

Identification of major state programs:

State ID Number	Name of State Programs
395.101	Elderly Transportation
435.561	Basic County Allocation
435.681	State/County Match
437.3377	Kinship Care
437.3561	Basic County Allocation
437.3681	State/County Match
455.532	Victim and Witness Assistance Program

	Federal	State	
		DHS	All Others
Dollar threshold used to distinguish between Type A and Type B programs	$ 1,348,380	$ 340,478	$ 250,000

SECTION II – Financial Statement Findings Required to be Reported in Accordance with Government Auditing Standards.

None

KENOSHA COUNTY

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended December 31, 2021

SECTION III – Federal and State Award Findings and Questioned Costs

FINDING NO.	**UNIFORM GUIDANCE AND *STATE SINGLE AUDIT GUIDELINES* FINDINGS**
2021-001	Review of Claim Forms and Expenditure Reconciliations New finding for year ended December 31, 2021 Assistance Listing Number - 93.498, 93.323, 21.027 Agency- Department of Health Services and Department of the Treasury Program Title- Provider Relief Funds, Epidemiology and Laboratory Capacity for Infectious Diseases (ELC) and Coronavirus State and Local Fiscal Recovery Funds Pass-Through Agency: WI Department of Health Services Pass-Through Number: 47220-2 Award Period: January 1, 2021- December 31, 2021
Compliance Requirement:	Reporting
Type of Finding:	Significant Deficiency in Internal Control over Compliance
Condition:	The County did not perform review procedures over claims prior to submission.
Criteria or Specific Requirement:	Uniform Guidance requires the reporting of costs or activities as the basis for making payments to providers. The *State Single Audit Guidelines* require the County to perform control activities for ensuring accurate reporting, such as timely and accurate reconciliations. Monthly review of financial information, including claim forms and reconciliations, are an important control over compliance to ensure expenditure reimbursements are properly prepared and agree with the County's actual activity.
Questioned Costs:	None
Cause:	While monthly claims were being prepared and reconciled to the ledger, there was no review over those claims prior to submission.
Effect:	Unallowed costs could be claimed, or costs could be double claimed.
Recommendation:	We recommend that there is an appropriate reviewer of each grant claim.
Views of Responsible Officials:	There is no disagreement with the finding. The County’s internal control process includes a required review of all reimbursement requests. The claims for which this review was not completed were isolated to three new 2021 Covid related grants out of the 222 grants managed by the County and were being handled by high level management. Immediately upon discovery of the omission of the review step, management reiterated to County financial staff the importance of the existing review process.

KENOSHA COUNTY

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended December 31, 2021

Section IV – Other Issues

1.	Does the auditor's report or the notes to the financial statements include disclosure with regard to substantial doubt as to the auditee's ability to continue as a going concern?		yes	X	no
2.	Does the audit report show audit issues (i.e., material non-compliance, non-material noncompliance, questioned costs, material weakness, significant deficiency, management letter comment, excess revenue or excess reserve) related to grants/contracts with funding agencies that require audits to be in accordance with the *State Single Audit Guidelines*:				
	Department of Agriculture, Trade and Consumer Protection		yes	X	no
	Department of Public Instruction		yes	X	no
	Department of Natural Resources		yes	X	no
	Department of Transportation		yes	X	no
	Department of Corrections		yes	X	no
	Department of Health Services	X	yes		no
	Department of Children and Families		yes	X	no
	Department of Workforce Development		yes	X	no
	Department of Justice		Yes	X	no
	Department of Military Affairs		yes	X	no
	Department of Veteran Affairs		yes	X	no
	Department of Administration		yes	X	no
3.	Was a Management Letter or other document conveying audit comments issued as a result of this audit?		yes	X	no

4. Name and signature of partner — Jake Lenell, Principal

5. Date of report — September 27, 2022

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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
Kenosha County
Kenosha, 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 the Kenosha County, Wisconsin, (the County) as of and for the year ended December 31, 2021, 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 29, 2022.

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 the 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 combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the County'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. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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County Board
Kenosha County, Wisconsin

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*.

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 County'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 County's internal control and on compliance. Accordingly, this communication is not suitable for any other purpose.

CliftonLarsonAllen LLP

Milwaukee, Wisconsin
July 29, 2022

Global
INDEPENDENT
NETWORK MEMBER

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COUNTY OF KENOSHA

Department of Finance and Administration
Patricia Merrill, Director of Finance

1010 – 56th Street, Second Floor
Kenosha, Wisconsin 53140
(262) 653-2460
Fax: (262) 653-2491

PRIOR YEAR AUDIT FINDINGS

There were no findings noted in the 2020 audit.

CORRECTIVE ACTION PLAN

2021-001 **Review of Claim Forms and Expenditure Reconciliations**

Recommendation: We recommend that there is an appropriate reviewer of each grant claim.

Action planned/taken in response to finding: The County's internal control process includes a required review of all reimbursement requests. The claims for which this review was not completed were isolated to three new 2021 Covid related grants out of the 135 Federal grants and the 87 State grants that are managed by the County. The amounts reported were accurate and in compliance. Due to these being significant first-year grants, these three grant submissions were being handled by high level management. Immediately upon discovery of the omission of the review step, management reiterated to County financial staff the importance of the existing review process. The internal control requirements have again been promulgated to all County staff that are involved in the processing of grants.

Name(s) of the contact person(s) responsible for corrective action: Patricia Merrill

Planned completion date for corrective action: June 30, 2022