

PRELIMINARY OFFICIAL STATEMENT DATED OCTOBER 18, 2024

In the opinion of Quarles & Brady LLP, Bond Counsel, assuming continued compliance with the requirements of the Internal Revenue Code of 1986, as amended, under existing law interest on the Notes is excludable from gross income and is not an item of tax preference for federal income tax purposes; however, interest on the Notes is taken into account in determining "adjusted financial statement income" for purposes of computing the federal alternative minimum tax imposed on Applicable Corporations (as defined in Section 59(k) of the Code). See "TAX EXEMPTION" herein for a more detailed discussion of some of the federal income tax consequences of owning the Notes. The interest on the Notes is not exempt from present Wisconsin income or franchise taxes.

The Notes shall not be "qualified tax-exempt obligations".

New Issue

Rating: Moody's Investors Service, Inc. "Aa2"

WAUPACA COUNTY, WISCONSIN

\$35,000,000* GENERAL OBLIGATION PROMISSORY NOTES, SERIES 2024A

BID OPENING: October 28, 2024, 12:00 P.M. (Noon), C.T. **CONSIDERATION:** October 29, 2024, 9:00 A.M., C.T.

PURPOSE/AUTHORITY/SECURITY: The \$35,000,000* General Obligation Promissory Notes, Series 2024A (the "Notes") are being issued pursuant to Section 67.12(12), Wisconsin Statutes, by Waupaca County, Wisconsin (the "County"), for public purposes including financing a courthouse renovation project. The Notes are general obligations of the County, and all the taxable property in the County is subject to the levy of a tax to pay the principal of and interest on the Notes as they become due which tax may, under current law, be levied without limitation as to rate or amount. Delivery is subject to receipt of an approving legal opinion of Quarles & Brady LLP, Milwaukee, Wisconsin.

DATE OF NOTES: November 14, 2024

MATURITY: March 1 as follows:

<u>Year</u>	<u>Amount*</u>	<u>Year</u>	<u>Amount*</u>	<u>Year</u>	<u>Amount*</u>
2025	\$1,470,000	2032	\$1,540,000	2039	\$1,990,000
2026	1,245,000	2033	1,595,000	2040	2,070,000
2027	1,290,000	2034	1,650,000	2041	2,160,000
2028	1,335,000	2035	1,715,000	2042	2,260,000
2029	1,385,000	2036	1,775,000	2043	2,365,000
2030	1,435,000	2037	1,845,000	2044	2,475,000
2031	1,485,000	2038	1,915,000		

***MATURITY ADJUSTMENTS:** The County reserves the right to increase or decrease the principal amount of the Notes on the day of sale, in increments of \$5,000 each. Increases or decreases may be made in any maturity. If any principal amounts are adjusted, the purchase price proposed will be adjusted to maintain the same gross spread per \$1,000.

TERM BONDS: See "Term Bond Option" herein.

INTEREST: March 1, 2025 and semiannually thereafter.

OPTIONAL REDEMPTION: Notes maturing on March 1, 2033 and thereafter are subject to call for prior optional redemption on March 1, 2032 or any date thereafter, at a price of par plus accrued interest to the date of optional redemption.

MINIMUM BID: \$34,562,500.

MAXIMUM BID: \$37,450,000.

GOOD FAITH DEPOSIT: A good faith deposit in the amount of \$700,000 shall be made by the winning bidder by wire transfer of funds.

PAYING AGENT: County official, a bank or trust company to be selected by the County.

BOND COUNSEL AND DISCLOSURE COUNSEL: Quarles & Brady LLP.

MUNICIPAL ADVISOR: Ehlers and Associates, Inc.

BOOK-ENTRY-ONLY: See "Book-Entry-Only System" herein (unless otherwise specified by the purchaser).

This Preliminary Official Statement and the information contained herein are subject to completion and amendment. These securities may not be sold nor may offers to buy be accepted prior to the time the Official Statement is delivered in final form. Under no circumstances shall this Preliminary Official Statement constitute an offer to sell or the solicitation of an offer to buy these securities nor shall there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction. This Preliminary Official Statement is in a form deemed final as of its date for purposes of SEC Rule 15c2-12(b) (1), but is subject to revision, amendment and completion in a Final Official Statement.



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REPRESENTATIONS

No dealer, broker, salesperson or other person has been authorized by the County to give any information or to make any representation other than those contained in this Official Statement and, if given or made, such other information or representations must not be relied upon as having been authorized by the County. ***This Official Statement does not constitute an offer to sell or a solicitation of an offer to buy any of the Notes in any jurisdiction to any person to whom it is unlawful to make such an offer or solicitation in such jurisdiction.***

This Official Statement is not to be construed as a contract with the underwriter (Syndicate Manager). Statements contained herein which involve estimates or matters of opinion are intended solely as such and are not to be construed as representations of fact. Ehlers and Associates, Inc. prepared this Official Statement and any addenda thereto relying on information of the County and other sources for which there is reasonable basis for believing the information is accurate and complete. Quarles & Brady LLP will serve as Disclosure Counsel to the County with respect to the Notes. Compensation of Ehlers and Associates, Inc., payable entirely by the County, is contingent upon the delivery of the Notes.

COMPLIANCE WITH S.E.C. RULE 15c2-12

Certain municipal obligations (issued in an aggregate amount over \$1,000,000) are subject to Rule 15c2-12 promulgated by the Securities and Exchange Commission pursuant to the Securities Exchange Act of 1934, as amended (the "Rule").

Preliminary Official Statement: This Official Statement was prepared for the County for dissemination to potential investors. Its primary purpose is to disclose information regarding the Notes to prospective underwriters in the interest of receiving competitive proposals in accordance with the sale notice contained herein. Unless an addendum is posted prior to the sale, this Official Statement shall be deemed nearly final for purposes of the Rule subject to completion, revision and amendment in a Final Official Statement as defined below.

Review Period: This Official Statement has been distributed to prospective bidders for review. Comments or requests for the correction of omissions or inaccuracies must be submitted to Ehlers and Associates, Inc. at least two business days prior to the sale. Requests for additional information or corrections in the Official Statement received on or before this date will not be considered a qualification of a proposal received from an underwriter. If there are any changes, corrections or additions to the Official Statement, interested bidders will be informed by an addendum prior to the sale.

Final Official Statement: Copies of the Final Official Statement will be delivered to the underwriter (Syndicate Manager) within seven business days following the proposal acceptance.

Continuing Disclosure: Subject to certain exemptions, issues in an aggregate amount over \$1,000,000 may be required to comply with provisions of the Rule which require that underwriters obtain from the issuers of municipal securities (or other obligated party) an agreement for the benefit of the owners of the securities to provide continuing disclosure with respect to those securities. This Official Statement describes the conditions under which the County is required to comply with the Rule.

CLOSING CERTIFICATES

Upon delivery of the Notes, the underwriter (Syndicate Manager) will be furnished with the following items: (1) a certificate of the appropriate officials to the effect that at the time of the sale of the Notes and all times subsequent thereto up to and including the time of the delivery of the Notes, this Official Statement did not and does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; (2) a receipt signed by the appropriate officer evidencing payment for the Notes; (3) a certificate evidencing the due execution of the Notes, including statements that (a) no litigation of any nature is pending, or to the knowledge of signers, threatened, restraining or enjoining the issuance and delivery of the Notes, (b) neither the corporate existence or boundaries of the County nor the title of the signers to their respective offices is being contested, and (c) no authority or proceedings for the issuance of the Notes have been repealed, revoked or rescinded; and (4) a certificate setting forth facts and expectations of the County which indicates that the County does not expect to use the proceeds of the Notes in a manner that would cause them to be arbitrage bonds within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended, or within the meaning of applicable Treasury Regulations.

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WAUPACA COUNTY BOARD OF SUPERVISORS

		<u>Term Expires</u>			<u>Term Expires</u>
David R. Morack	Board Chair	April 2026	John Miller	Supervisor	April 2026
James Nygaard	Board Vice Chair	April 2026	Lee Much	Supervisor	April 2026
Peter Bosquez	Supervisor	April 2026	Scott Purchatzke	Supervisor	April 2026
Lois Bressette	Supervisor	April 2026	Bernie Ritchie	Supervisor	April 2026
Larry Eisentraut	Supervisor	April 2026	Dick Rohan	Supervisor	April 2026
Ricky Ertl	Supervisor	April 2026	John Spierings	Supervisor	April 2026
DuWayne Federwitz	Supervisor	April 2026	Tammy Strey-Hirt	Supervisor	April 2026
Cindy Hardy	Supervisor	April 2026	Judy Suhs	Supervisor	April 2026
Kenneth Jaeger	Supervisor	April 2026	Jake Timm	Supervisor	April 2026
Theodore Johnson	Supervisor	April 2026	Rob Way	Supervisor	April 2026
Allen Kraeger	Supervisor	April 2026	Dennis Wengelski	Supervisor	April 2026
Cameron Looker	Supervisor	April 2026	Kevin Will	Supervisor	April 2026
Lila Malvik-Shower	Supervisor	April 2026	Fred Zaug	Supervisor	April 2026
Vacant ¹	Supervisor	April 2026			

ADMINISTRATION

Heidi Dombrowski, Finance Director
Mark H. Sether, County Treasurer
Kristy K. Opperman, County Clerk
Diane L. Meulemans, Corporation Counsel

PROFESSIONAL SERVICES

Quarles & Brady LLP, Bond Counsel and Disclosure Counsel, Milwaukee, Wisconsin

Ehlers and Associates, Inc., Municipal Advisors, Waukesha, Wisconsin
(Other office located in Roseville, Minnesota)

¹ Vacancy has been posted to seek candidates.

INTRODUCTORY STATEMENT

This Official Statement contains certain information regarding Waupaca County, Wisconsin (the "County") and the issuance of its \$35,000,000* General Obligation Promissory Notes, Series 2024A (the "Notes"). Any descriptions or summaries of the Notes, statutes, or documents included herein are not intended to be complete and are qualified in their entirety by reference to such statutes and documents and the form of the Notes to be included in the resolution awarding the sale of the Notes ("Award Resolution") to be adopted by the Board of Supervisors on October 29, 2024.

Inquiries may be directed to Ehlers and Associates, Inc. ("Ehlers" or the "Municipal Advisor"), Waukesha, Wisconsin, (262) 785-1520, the County's municipal advisor. A copy of this Official Statement may be downloaded from Ehlers' web site at www.ehlers-inc.com by connecting to the Bond Sales link and following the directions at the top of the site.

THE NOTES

GENERAL

The Notes will be issued in fully registered form as to both principal and interest in denominations of \$5,000 each or any integral multiple thereof, and will be dated, as originally issued, as of November 14, 2024. The Notes will mature on March 1 in the years and amounts set forth on the cover of this Official Statement. Interest will be payable on March 1 and September 1 of each year, commencing March 1, 2025, to the registered owners of the Notes appearing of record in the bond register as of the close of business on the 15th day (whether or not a business day) of the immediately preceding month. Interest will be computed upon the basis of a 360-day year of twelve 30-day months and will be rounded pursuant to rules of the Municipal Securities Rulemaking Board ("MSRB"). All Notes of the same maturity must bear interest from the date of issue until paid at a single, uniform rate. Each rate must be expressed in an integral multiple of 5/100 or 1/8 of 1%.

Unless otherwise specified by the purchaser, the Notes will be registered in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York ("DTC"). (See "Book-Entry-Only System" herein.) As long as the Notes are held under the book-entry system, beneficial ownership interests in the Notes may be acquired in book-entry form only, and all payments of principal of, premium, if any, and interest on the Notes shall be made through the facilities of DTC and its participants. If the book-entry system is terminated, principal of, premium, if any, and interest on the Notes shall be payable as provided in the Award Resolution.

The County may select a County official, a bank or trust company, to act as paying agent (the "Paying Agent"). If a bank or trust company is selected, the County will pay the fees for Paying Agent services. The County reserves the right to remove the Paying Agent and to appoint a successor.

OPTIONAL REDEMPTION

At the option of the County, the Notes maturing on or after March 1, 2033 shall be subject to optional redemption prior to maturity on March 1, 2032 or any date thereafter, at a price of par plus accrued interest to the date of optional redemption.

Redemption may be in whole or in part of the Notes subject to prepayment. If redemption is in part, the selection of the amounts and maturities of the Notes to be redeemed shall be at the discretion of the County. If only part of the

*Preliminary, subject to change.

Notes having a common maturity date are called for redemption, then the County or Paying Agent, if any, will notify DTC of the particular amount of such maturity to be redeemed. DTC will determine by lot the amount of each participant's interest in such maturity to be redeemed and each participant will then select by lot the beneficial ownership interest in such maturity to be redeemed.

Notice of such call shall be given by sending a notice by registered or certified mail, facsimile or electronic transmission, overnight delivery service or in any other manner required by DTC, not less than 30 days nor more than 60 days prior to the date fixed for redemption to the registered owner of each Note to be redeemed at the address shown on the registration books.

AUTHORITY; PURPOSE

The Notes are being issued pursuant to Section 67.12(12), Wisconsin Statutes, by the County, for public purposes including financing a courthouse renovation project (the "Project").

ESTIMATED SOURCES AND USES*

Sources

Par Amount of Notes	\$35,000,000	
Estimated Interest Earnings	<u>860,900</u>	
Total Sources		\$35,860,900

Uses

Estimated Underwriter's Discount	\$437,500	
Cost of Issuance	194,300	
Deposit to Borrowed Money Fund	<u>35,229,100</u>	
Total Uses		\$35,860,900

*Preliminary, subject to change.

SECURITY

For the prompt payment of the Notes with interest thereon and for the levy of taxes sufficient for this purpose, the full faith, credit and resources of the County will be irrevocably pledged. The County will levy a direct, annual, irrepealable tax on all taxable property in the County sufficient to pay the interest on the Notes when it becomes due and also to pay and discharge the principal on the Notes at maturity, in compliance with Article XI, Section 3 of the Wisconsin Constitution. Such tax may, under current law, be levied without limitation as to rate or amount.

RATING

The County received a rating of "Aa2" on the Notes by Moody's Investors Service, Inc. ("Moody's"). Such rating reflects only the views of such organization and explanations of the significance of such rating may be obtained from Moody's.

Generally, a rating agency bases its rating on the information and materials furnished to it and on investigations, studies and assumptions of its own. There is no assurance that such rating will continue for any given period of time or that it will not be revised downward or withdrawn entirely by such rating agency, if in the judgment of such rating agency circumstances so warrant. Any such downward revision or withdrawal of such rating may have an adverse effect on the market price of the Notes.

Such rating is not to be construed as a recommendation of the rating agency to buy, sell or hold the Notes, and the rating assigned by the rating agency should be evaluated independently. Except as may be required by the Disclosure Undertaking described under the heading "CONTINUING DISCLOSURE" neither the County nor the underwriter undertake responsibility to bring to the attention of the owner of the Notes any proposed changes in or withdrawal of such rating or to oppose any such revision or withdrawal.

CONTINUING DISCLOSURE

In order to assist brokers, dealers, and municipal securities dealers, in connection with their participation in the offering of the Notes, to comply with Rule 15c2-12 promulgated by the Securities and Exchange Commission, pursuant to the Securities and Exchange Act of 1934, as amended (the "Rule"), the County shall agree to provide certain information to the Municipal Securities Rulemaking Board (MSRB) through its Electronic Municipal Market Access (EMMA) system, or any system that may be prescribed in the future. The Rule was last amended, effective February 27, 2019, to include an expanded list of material events. The Disclosure Undertaking includes the two new material events effective February 27, 2019 under the Rule.

On the date of issue and delivery of the Notes, the County shall execute and deliver a Continuing Disclosure Certificate, under which the County will covenant for the benefit of holders including beneficial holders, to provide electronically, or in a manner otherwise prescribed, certain financial information annually and to provide notices of the occurrence of certain events enumerated in the Rule (the "Disclosure Undertaking"). The details and terms of the Disclosure Undertaking for the County are set forth in Appendix D. Such Disclosure Undertaking will be in substantially the form attached hereto.

A failure by the County to comply with the Disclosure Undertaking will not constitute an event of default on the Notes. However, such a failure may adversely affect the transferability and liquidity of the Notes and their market price.

In the previous five years, the County believes it has not failed to comply in all material respects with its prior undertakings under the Rule. Ehlers is currently engaged as dissemination agent for the County.

LEGAL MATTERS

An opinion as to the validity of the Notes and the exemption from federal taxation of the interest thereon will be furnished by Quarles & Brady LLP, Bond Counsel to the County ("Bond Counsel"), and will be available at the time of delivery of the Notes. The legal opinion will be issued on the basis of existing law and will state that the Notes are valid and binding general obligations of the County; provided that the rights of the owners of the Notes and the enforceability of the Notes may be limited by bankruptcy, insolvency, reorganization, moratorium, and other similar laws affecting creditors' rights and by equitable principles (which may be applied in either a legal or equitable proceeding). (See "FORM OF LEGAL OPINION" found in Appendix B).

Quarles & Brady LLP has also been retained by the County to serve as Disclosure Counsel to the County with respect to the Notes. Although, as Disclosure Counsel to the County, Quarles & Brady LLP has assisted the County with certain disclosure matters, Quarles & Brady LLP has not undertaken to independently verify the accuracy, completeness or sufficiency of the Official Statement or other offering material relating to the Notes and assumes no responsibility whatsoever nor shall have any liability to any other party for the statements or information contained or incorporated by reference in the Official Statement. Further, Quarles & Brady LLP makes no representation as to the suitability of the Notes for any investor.

TAX EXEMPTION

Quarles & Brady LLP, Milwaukee, Wisconsin, Bond Counsel, will deliver a legal opinion with respect to the federal income tax exemption applicable to the interest on the Notes under existing law substantially in the following form:

"The interest on the Notes is excludable for federal income tax purposes from the gross income of the owners of the Notes. The interest on the Notes is not an item of tax preference for purposes of the federal alternative minimum tax imposed by Section 55 of the Internal Revenue Code of 1986, as amended (the "Code") on individuals; however, interest on the Notes is taken into account in determining "adjusted financial statement income" for purposes of computing the federal alternative minimum tax imposed on Applicable Corporations (as defined in Section 59(k) of the Code). The Code contains requirements that must be satisfied subsequent to the issuance of the Notes in order for interest on the Notes to be or continue to be excludable from gross income for federal income tax purposes. Failure to comply with certain of those requirements could cause the interest on the Notes to be included in gross income retroactively to the date of issuance of the Notes. The County has agreed to comply with all of those requirements. The opinion set forth in the first sentence of this paragraph is subject to the condition that the County comply with those requirements. We express no opinion regarding other federal tax consequences arising with respect to the Notes."

The interest on the Notes is not exempt from present Wisconsin income or franchise taxes.

Prospective purchasers of the Notes should be aware that ownership of the Notes may result in collateral federal income tax consequences to certain taxpayers. Bond Counsel will not express any opinion as to such collateral tax consequences. Prospective purchasers of the Notes should consult their tax advisors as to collateral federal income tax consequences.

From time to time legislation is proposed, and there are or may be legislative proposals pending in the Congress of the United States that, if enacted, could alter or amend the federal tax matters referred to above or adversely affect the market value of the Notes. It cannot be predicted whether, or in what form, any proposal that could alter one or more of the federal tax matters referred to above or adversely affect the market value of the Notes may be enacted. Prospective purchasers of the Notes should consult their own tax advisors regarding any pending or proposed federal tax legislation. Bond Counsel expresses no opinion regarding any pending or proposed federal tax legislation.

ORIGINAL ISSUE DISCOUNT

To the extent that the initial public offering price of certain of the Notes is less than the principal amount payable at maturity, such Notes ("Discounted Bonds") will be considered to be issued with original issue discount. The original issue discount is the excess of the stated redemption price at maturity of a Discounted Bond over the initial offering price to the public, excluding underwriters or other intermediaries, at which price a substantial amount of such Discounted Bonds were sold (issue price). With respect to a taxpayer who purchases a Discounted Bond in the initial public offering at the issue price and who holds such Discounted Bond to maturity, the full amount of original issue discount will constitute interest that is not includible in the gross income of the owner of such Discounted Bond for federal income tax purposes and such owner will not, subject to the caveats and provisions herein described, realize taxable capital gain upon payment of such Discounted Bond upon maturity.

Original issue discount is treated as compounding semiannually, at a rate determined by reference to the yield to maturity of each individual Discounted Bond, on days that are determined by reference to the maturity date of such Discounted Bond. The amount treated as original issue discount on a Discounted Bond for a particular semiannual accrual period is generally equal to (a) the product of (i) the yield to maturity for such Discounted Bond (determined by compounding at the close of each accrual period) and (ii) the amount that would have been the tax basis of such Discounted Bond at the beginning of the particular accrual period if held by the original purchaser; and less (b) the amount of any interest payable for such Discounted Bond during the accrual period. The tax basis is determined by adding to the initial public offering price on such Discounted Bond the sum of the amounts that have been treated as

original issue discount for such purposes during all prior periods. If a Discounted Bond is sold or exchanged between semiannual compounding dates, original issue discount that would have been accrued for that semiannual compounding period for federal income tax purposes is to be apportioned in equal amounts among the days in such compounding period.

For federal income tax purposes, the amount of original issue discount that is treated as having accrued with respect to such Discounted Bond is added to the cost basis of the owner in determining gain or loss upon disposition of a Discounted Bond (including its sale, exchange, redemption, or payment at maturity). Amounts received upon disposition of a Discounted Bond that are attributable to accrued original issue discount will be treated as tax-exempt interest, rather than as taxable gain.

The accrual or receipt of original issue discount on the Discounted Bonds may result in certain collateral federal income tax consequences for the owners of such Discounted Bonds. The extent of these collateral tax consequences will depend upon the owner's particular tax status and other items of income or deduction.

The Code contains additional provisions relating to the accrual of original issue discount. Owners who purchase Discounted Bonds at a price other than the issue price or who purchase such Discounted Bonds in the secondary market should consult their own tax advisors with respect to the tax consequences of owning the Discounted Bonds. Under the applicable provisions governing the determination of state and local taxes, accrued interest on the Discounted Bonds may be deemed to be received in the year of accrual even though there will not be a corresponding cash payment until a later year. Owners of Discounted Bonds should consult their own tax advisors with respect to the state and local tax consequences of owning the Discounted Bonds.

BOND PREMIUM

To the extent that the initial offering price of certain of the Notes is more than the principal amount payable at maturity, such Notes ("Premium Bonds") will be considered to have bond premium.

Any Premium Bond purchased in the initial offering at the issue price will have "amortizable bond premium" within the meaning of Section 171 of the Code. The amortizable bond premium of each Premium Bond is calculated on a daily basis from the issue date of such Premium Bond until its stated maturity date (or call date, if any) on the basis of a constant interest rate compounded at each accrual period (with straight line interpolation between the compounding dates). An owner of a Premium Bond that has amortizable bond premium is not allowed any deduction for the amortizable bond premium; rather the amortizable bond premium attributable to a taxable year is applied against (and operates to reduce) the amount of tax-exempt interest payments on the Premium Bonds. During each taxable year, such an owner must reduce his or her tax basis in such Premium Bond by the amount of the amortizable bond premium that is allocable to the portion of such taxable year during which the holder held such Premium Bond. The adjusted tax basis in a Premium Bond will be used to determine taxable gain or loss upon a disposition (including the sale, exchange, redemption, or payment at maturity) of such Premium Bond.

Owners of Premium Bonds who did not purchase such Premium Bonds in the initial offering at the issue price should consult their own tax advisors with respect to the tax consequences of owning such Premium Bonds. Owners of Premium Bonds should consult their own tax advisors with respect to the state and local tax consequences of owning the Premium Bonds.

NOT QUALIFIED TAX-EXEMPT OBLIGATIONS

The Notes shall not be "qualified tax-exempt obligations" pursuant to Section 265(b)(3) of the Code.

MUNICIPAL ADVISOR

Ehlers has served as municipal advisor to the County in connection with the issuance of the Notes. The Municipal Advisor cannot participate in the underwriting of the Notes. The financial information included in this Official Statement has been compiled by the Municipal Advisor. Such information does not purport to be a review, audit or certified forecast of future events and may not conform with accounting principles applicable to compilations of financial information. Ehlers is not a firm of certified public accountants. Ehlers is registered with the Securities and Exchange Commission and the MSRB as a municipal advisor.

MUNICIPAL ADVISOR AFFILIATED COMPANIES

Bond Trust Services Corporation ("BTSC") and Ehlers Investment Partners, LLC ("EIP") are affiliate companies of Ehlers. BTSC is chartered by the State of Minnesota and authorized in Minnesota, Wisconsin, Colorado, and Illinois to transact the business of a limited purpose trust company. BTSC provides paying agent services to debt issuers. EIP is a Registered Investment Advisor with the Securities and Exchange Commission. EIP assists issuers with the investment of bond proceeds or investing other issuer funds. This includes escrow bidding agent services. Issuers, such as the County, have retained or may retain BTSC and/or EIP to provide these services. If hired, BTSC and/or EIP would be retained by the County under an agreement separate from Ehlers.

INDEPENDENT AUDITORS

The basic financial statements of the County for the fiscal year ended December 31, 2023 have been audited by CliftonLarsonAllen LLP, Green Bay, Wisconsin, independent auditors (the "Auditor"). The report of the Auditor, together with the basic financial statements, component units financial statements, and notes to the financial statements are attached hereto as "APPENDIX A – FINANCIAL STATEMENTS". The Auditor has not been engaged to perform and has not performed, since the date of its report included herein, any procedures on the financial statements addressed in that report. The Auditor also has not performed any procedures relating to this Official Statement.

RISK FACTORS

The following is a description of possible risks to holders of the Notes without weighting as to probability. This description of risks is not intended to be all-inclusive, and there may be other risks not now perceived or listed here. Potential investors should read this Official Statement, including the appendices, in its entirety.

Taxes: The Notes will be general obligations of the County, the ultimate payment of which rests in the County's ability to levy and collect sufficient taxes to pay debt service. In the event of delayed billing, collection or distribution of property taxes, sufficient funds may not be available to the County in time to pay debt service when due.

State Actions: Many elements of local government finance, including the issuance of debt and the levy of property taxes, are controlled by state government. Future actions of the State of Wisconsin (the "State") may affect the overall financial condition of the County, the taxable value of property within the County, and the ability of the County to levy and collect property taxes.

Future Changes in Law: Various State and federal laws, regulations and constitutional provisions apply to the County and to the Notes. The County can give no assurance that there will not be a change in or interpretation of any such applicable laws, regulations and provisions which would have a material effect on the County or the taxing authority of the County.

Property Tax Collection: Although the levying of the property tax for the payment of principal and interest on the Notes is irrevocable, and the County Clerk is mandated to carry the tax onto the rolls, the levy could be inadvertently omitted, causing a delay in payments when due. Property tax statements are distributed to taxpayers by the town, village and city clerks in December of the levy year. Current property tax settlement law directs counties to settle in full for all taxes levied by cities, villages, towns and school districts on or about August 20 of the collection year.

Ratings; Interest Rates: In the future, the County's credit rating may be reduced or withdrawn, or interest rates for this type of obligation may rise generally, either possibility resulting in a reduction in the value of the Notes for resale prior to maturity.

Tax Exemption: If the federal government taxes all or a portion of the interest on municipal bonds or notes or if the State government increases its tax on interest on bonds and notes, directly or indirectly, or if there is a change in federal or state tax policy, then the value of these Notes may fall for purposes of resale. Noncompliance by the County with the covenants in the Award Resolution relating to certain continuing requirements of the Code may result in inclusion of interest to be paid on the Notes in gross income of the recipient for United States income tax purposes, retroactive to the date of issuance.

Continuing Disclosure: A failure by the County to comply with the Disclosure Undertaking for continuing disclosure (see "CONTINUING DISCLOSURE") will not constitute an event of default on the Notes. Any such failure must be reported in accordance with the Rule and must be considered by any broker, dealer, or municipal securities dealer before recommending the purchase or sale of the Notes in the secondary market. Such a failure may adversely affect the transferability and liquidity of the Notes and their market price.

Book-Entry-Only System: The timely credit of payments for principal and interest on the Notes to the accounts of the Beneficial Owners of the Notes may be delayed due to the customary practices, standing instructions or for other unknown reasons by DTC participants or indirect participants. Since the notice of redemption or other notices to holders of these obligations will be delivered by the County to DTC only, there may be a delay or failure by DTC, DTC participants or indirect participants to notify the Beneficial Owners of the Notes.

Depository Risk: Wisconsin Statutes direct the local treasurer to immediately deposit upon receipt thereof, the funds of the municipality in a public depository designated by the governing body. A public depository means a federal or state credit union, federal or state savings and loan association, state bank, savings and trust company, mutual savings bank or national bank in Wisconsin or the local government pooled investment fund operated by the State Investment Board. It is not uncommon for a municipality to have deposits exceeding limits of federal and state insurance programs. Failure of a depository could result in loss of public funds or a delay in obtaining them. Such a loss or delay could interrupt a timely payment of municipal debt.

Economy: A combination of economic, climatic, political or civil disruptions or terrorist actions outside of the control of the County, including loss of major taxpayers or major employers, could affect the local economy and result in reduced tax collections and/or increased demands upon local government. Real or perceived threats to the financial stability of the County may have an adverse effect on the value of the Notes in the secondary market.

Secondary Market for the Notes: No assurance can be given that a secondary market will develop for the purchase and sale of the Notes or, if a secondary market exists, that such Notes can be sold for any particular price. The underwriters are not obligated to engage in secondary market trading or to repurchase any of the Notes at the request of the owners thereof. Prices of the Notes as traded in the secondary market are subject to adjustment upward and downward in response to changes in the credit markets and other prevailing circumstances. No guarantee exists as to the future market value of the Notes. Such market value could be substantially different from the original purchase price.

Bankruptcy: The rights and remedies of the holders may be limited by and are subject to the provisions of federal bankruptcy laws, to other laws, or equitable principles that may affect the enforcement of creditors' rights, to the exercise of judicial discretion in appropriate cases and to limitations on legal remedies against local governments. The opinion of Bond Counsel to be delivered with respect to the Notes will be similarly qualified. See "MUNICIPAL BANKRUPTCY" herein.

Cybersecurity: The County is dependent on electronic information technology systems to deliver services. These systems may contain sensitive information or support critical operational functions which may have value for unauthorized purposes. As a result, the electronic systems and networks may be targets of cyberattack. There can be no assurance that the County will not experience an information technology breach or attack with financial consequences that could have a material adverse impact.

VALUATIONS

WISCONSIN PROPERTY VALUATIONS; PROPERTY TAXES

Equalized Value

Section 70.57, Wisconsin Statutes, requires the Department of Revenue to annually determine the equalized value (also referred to as full equalized value or aggregate full value) of all taxable property in each county and taxation district. The equalized value is an independent estimate of value used to equate individual local assessment policies so that property taxes are uniform throughout the various subdivisions in the State. Equalized value is calculated based on the history of comparable sales and information about value changes or taxing status provided by the local assessor. A comparison of the State-determined equalized value and the local assessed value, expressed as a percentage, is known as the assessment ratio or level of assessment. The Department of Revenue notifies each county and taxing jurisdiction of its equalized value on August 15; school districts are notified on October 1. The equalized value of each county is the sum of the valuations of all cities, villages, and towns within its boundaries. Taxing jurisdictions lying in more than one municipality, such as counties, school districts, or special taxing districts, use the equalized value of the underlying units in calculating and levying their respective levies. Equalized values are also used to apportion state aids and calculate municipal general obligation debt limits.

Assessed Value

The "assessed value" of taxable property in a municipality is determined by the local assessor, except for manufacturing properties which are valued by the State. Each city, village or town retains its own local assessor, who must be certified by the State Department of Revenue. Assessed value is used by these municipalities to determine tax levy mill rates and to apportion levies among individual property owners. Each taxing district must assess property at full value at least once in every five-year period. The State requires that the assessed values must be within 10% of State equalized values at least once every four years. The local assessor values property as of January 1 each year and submits those values to each municipality by the second Monday in June. The assessor also reports any value changes taking place since the previous year, to the Department of Revenue, by the second Monday in June.

CURRENT PROPERTY VALUATIONS

2024 Equalized Value	\$6,854,069,800
2024 Equalized Value Reduced by Tax Increment Valuation	\$6,723,628,500
2023 Assessed Value ¹	\$5,179,465,241

2024 EQUALIZED VALUE BY CLASSIFICATION

	2024 Equalized Value ²	Percent of Total Equalized Value
Residential	\$5,413,208,500	78.978%
Commercial	601,270,900	8.772%
Manufacturing	162,170,700	2.366%
Agricultural	41,882,600	0.611%
Undeveloped	70,489,000	1.028%
Ag Forest	84,527,700	1.233%
Forest	218,956,500	3.195%
Other	261,563,900	3.816%
Personal Property ³	0	0.000%
Total	<u>\$6,854,069,800</u>	<u>100.000%</u>

TREND OF VALUATIONS

Year	Assessed Value	Equalized Value Reduced by Tax Increment Valuation	Equalized Value ¹	Percent Increase/Decrease in Equalized Value
2020	\$4,112,564,761	\$4,344,409,900	\$4,453,425,800	2.70%
2021	4,188,335,730	4,692,105,500	4,807,805,200	7.96%
2022	4,357,896,544	5,139,999,600	5,219,718,300	8.57%
2023	5,179,465,241	5,971,084,200	6,079,315,700	16.47%
2024	N/A ¹	6,723,628,500	6,854,069,800	12.74%

Source: Wisconsin Department of Revenue, Bureau of Equalization and Local Government Services Bureau.

¹ 2024 Assessed Values are not yet available.

² Includes tax increment valuation.

³ Personal property has been exempted from taxation as of January 1, 2024 (see “TAX LEVIES AND COLLECTIONS” herein).

LARGER TAXPAYERS

Taxpayer	Type of Business/Property	2023 Equalized Value ¹	Percent of County's Total Equalized Value
Waupaca Foundry	Iron Foundries	\$51,262,206	0.84%
Strum Foods Inc.	Food Manufacturing	27,022,060	0.44%
CI05 Clintonville, WI	Paper Converting	13,171,785	0.22%
Agropur Inc.	Cheese Processing	11,587,914	0.19%
WT Walker	Iron & Steel Forging	11,090,641	0.18%
KT Real Estate Holding, LLC	Gas Station/Convenience Store	9,928,725	0.16%
Waubuck Seba Partners	Senior Housing	9,150,179	0.15%
TheDACare Medical Center	Hospital	8,363,017	0.14%
SCS Timber Ridge Apt	Apartments	7,954,032	0.13%
Realty Income Properties	Grocery Store	<u>7,581,979</u>	<u>0.12%</u>
Total		\$157,112,538	2.58%
County's Total 2023 Equalized Value ²		\$6,079,315,700	

Source: The County.

¹ Calculated by dividing the 2023 Assessed Values by the 2023 Aggregate Ratio of assessment for the County. Information for 2024 is not yet available.

² Includes tax increment valuation.

DEBT

DIRECT DEBT¹

General Obligation Debt (see schedules following)

Total General Obligation Debt (includes the Notes)*	<u>\$ 51,215,000</u>
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DEBT PAYMENT HISTORY

The County has no record of default in the payment of principal and interest on its debt.

FUTURE FINANCING

The County has no current plans for additional financing in the next 12 months.

DEBT LIMIT

The constitutional general obligation debt limit for Wisconsin municipalities, including cities, villages, and counties (Article XI, Section 3 of the Wisconsin Constitution and Section 67.03, Wisconsin Statutes) is 5% of the current equalized value.

Equalized Value	\$6,854,069,800
Multiply by 5%	<u>0.05</u>
Statutory Debt Limit ²	\$342,703,490
Less: General Obligation Debt*	<u>(51,215,000)</u>
Unused Debt Limit*	<u><u>\$291,488,490</u></u>

*Preliminary, subject to change.

¹ Outstanding debt is as of the dated date of the Notes.

² The County has adopted a debt management policy which establishes a targeted maximum for general obligation debt of 1.25% of the County's current equalized value and \$575 for direct debt burden per capita.

In addition, the policy provides for additional affordability and debt profile targets as follows: (i) target of repayment of general obligation of no less than 80% of all outstanding principal within 10 years; (ii) a targeted maximum of the annual gross general obligation debt service payment as a percentage of the sum of all operating and debt service fund expenditures of 9%; and (iii) a targeted maximum tax rate of debt service of \$1.50 calculated by dividing the County's annual general obligation debt service payment, net of revenues used to reduce the levy amount needed, by the County's equalized value reduced by tax increment. While certain of the targets identified in the policy may not be met in connection with the issuance of the Notes, the County has reviewed its policy and is comfortable with the issuance of the Notes based on the nature of the financing, the lack of immediate planned future borrowing and the need for the Project.

Waupaca County, Wisconsin
Schedule of Bonded Indebtedness
General Obligation Debt Secured by Taxes
(As of 11/14/2024)

Highway Facility Building Bonds Series 2018A			Promissory Notes Series 2024A							Calendar Year Ending
Dated Amount	10/11/2018 \$24,125,000		11/14/2024 \$35,000,000*							
Maturity	03/01		03/01							
Calendar Year Ending	Principal	Interest	Principal	Estimated Interest	Total Principal	Total Interest	Total P & I	Principal Outstanding	% Paid	
2025	1,155,000	600,725	1,470,000	1,060,912	2,625,000	1,661,637	4,286,637	48,590,000	5.13%	2025
2026	1,155,000	542,975	1,245,000	1,288,512	2,400,000	1,831,487	4,231,487	46,190,000	9.81%	2026
2027	1,155,000	485,225	1,290,000	1,243,204	2,445,000	1,728,429	4,173,429	43,745,000	14.59%	2027
2028	1,155,000	427,475	1,335,000	1,196,544	2,490,000	1,624,019	4,114,019	41,255,000	19.45%	2028
2029	1,155,000	381,275	1,385,000	1,148,266	2,540,000	1,529,541	4,069,541	38,715,000	24.41%	2029
2030	1,160,000	346,550	1,435,000	1,098,352	2,595,000	1,444,902	4,039,902	36,120,000	29.47%	2030
2031	1,160,000	310,300	1,485,000	1,046,668	2,645,000	1,356,968	4,001,968	33,475,000	34.64%	2031
2032	1,160,000	271,875	1,540,000	992,972	2,700,000	1,264,847	3,964,847	30,775,000	39.91%	2032
2033	1,160,000	232,000	1,595,000	936,929	2,755,000	1,168,929	3,923,929	28,020,000	45.29%	2033
2034	1,160,000	191,400	1,650,000	878,764	2,810,000	1,070,164	3,880,164	25,210,000	50.78%	2034
2035	1,160,000	150,075	1,715,000	818,273	2,875,000	968,348	3,843,348	22,335,000	56.39%	2035
2036	1,160,000	108,025	1,775,000	754,924	2,935,000	862,949	3,797,949	19,400,000	62.12%	2036
2037	1,160,000	65,250	1,845,000	688,305	3,005,000	753,555	3,758,555	16,395,000	67.99%	2037
2038	1,160,000	21,750	1,915,000	617,313	3,075,000	639,063	3,714,063	13,320,000	73.99%	2038
2039			1,990,000	541,541	1,990,000	541,541	2,531,541	11,330,000	77.88%	2039
2040			2,070,000	461,447	2,070,000	461,447	2,531,447	9,260,000	81.92%	2040
2041			2,160,000	371,758	2,160,000	371,758	2,531,758	7,100,000	86.14%	2041
2042			2,260,000	272,308	2,260,000	272,308	2,532,308	4,840,000	90.55%	2042
2043			2,365,000	167,654	2,365,000	167,654	2,532,654	2,475,000	95.17%	2043
2044			2,475,000	56,925	2,475,000	56,925	2,531,925	0	100.00%	2044
	16,215,000	4,134,900	35,000,000	15,641,568	51,215,000	19,776,468	70,991,468			

* Preliminary, subject to change.

UNDERLYING DEBT¹

Taxing District	2024 Equalized Value²	% In County	Total G.O. Debt³	County's Proportionate Share
Towns of:				
Caledonia	\$263,652,400	100.0000%	\$107,330	\$107,330
Lebanon	200,657,200	100.0000%	187,637	187,637
Saint Lawrence	9,311,500	100.0000%	6,267	6,267
Wyoming	56,675,600	100.0000%	76,974	76,974
Villages of:				
Embarrass	26,414,300	100.0000%	150,000	150,000
Iola	95,764,100	100.0000%	965,816	965,816
Ogdensburg	9,837,400	100.0000%	48,238	48,238
City of:				
Clintonville	345,394,000	100.0000%	8,619,749	8,619,749
Manawa	115,010,200	100.0000%	4,097,874	4,097,874
Marion	98,668,600	90.7211%	897,985	814,662
New London	598,047,800	69.4830%	12,208,171	8,482,603
Waupaca	647,283,200	100.0000%	14,760,000	14,760,000
Weyauwega	148,972,800	100.0000%	2,100,000	2,100,000
School Districts of:				
Clintonville	1,003,986,116	72.6607%	30,535,000	22,186,948
Iola-Scandinavia	673,558,801	96.4038%	3,065,000	2,954,776
Manawa	572,599,938	100.0000%	9,825,000	9,825,000
Waupaca	2,783,268,806	95.9063%	3,500,000	3,356,721
Weyauwega/Fremont	1,102,299,254	65.5480%	10,415,000	6,826,824
Wild Rose	1,263,483,864	0.5135%	16,355,000	83,983
Technical College Districts:				
Fox Valley	64,496,566,621	10.5587%	93,055,000	9,825,398
North Central	27,637,992,337	0.1594%	46,330,000	73,850
County's Share of Total Underlying Debt				<u><u>\$95,550,650</u></u>

¹ Overlapping debt is as of the dated date of the Notes. Only those taxing jurisdictions with general obligation debt outstanding are included in this section.

² Includes tax increment valuation.

³ Outstanding debt based on information obtained on EMMA and the Municipal Advisor's records.

DEBT RATIOS

	G.O. Debt	Debt/Equalized Value \$6,854,069,800	Debt/ Per Capita 51,950¹
Total General Obligation Debt*	\$51,215,000	0.75%	\$985.85
County's Share of Total Overlapping Debt	<u>95,550,650</u>	<u>1.39%</u>	<u>1,839.28</u>
Total	\$146,765,650	2.14%	\$2,825.13

*Preliminary, subject to change.

TAX LEVIES AND COLLECTIONS

TAX LEVIES AND COLLECTIONS

Levy/ Collect	Levy for County Purposes Only	Total Levy for All Units in County	% Collected to Date	Levy/Equalized Value Reduced by Tax Increment Valuation in Dollars per \$1,000
2019/20	\$28,392,468	\$90,427,080	99.99%	\$6.70
2020/21	29,115,869	91,358,248	99.97%	6.70
2021/22	29,261,643	92,044,737	99.82%	6.24
2022/23	29,625,962	90,662,048	99.66%	5.76
2023/24	29,887,446	96,370,304	98.98%	5.01

Property tax statements are distributed to taxpayers by the town, village, and city treasurers in December of the levy year. Current state law requires counties to pay 100% of the real property taxes levied to cities, villages, towns, school districts and other taxing entities on or about August 20 of the collection year.

Personal property taxes, special assessments, special charges and special taxes must be paid to the town, city or village treasurer in full by January 31, unless the municipality, by ordinance, permits special assessments to be paid in installments. Real property taxes must be paid in full by January 31 or in two equal installments by January 31 and July 31. Alternatively, municipalities may adopt a payment plan which permits real property taxes to be paid in three or more equal installments, provided that the first installment is paid by January 31, one-half of the taxes are paid by April 30 and the remainder is paid by July 31. Amounts paid on or before January 31 are paid to the town, city or village treasurer. Amounts paid after January 31, are paid to the county treasurer unless the municipality has authorized payment in three or more installments in which case payment is made to the town, city or village treasurer. On or before January 15 and February 20 the town, city or village treasurer settles with other taxing jurisdictions for all collections through December and January, respectively. In municipalities which have authorized the payment of real property taxes in three or more installments, the town, city or village treasurer settles with the other taxing

¹ Estimated 2024 population.

jurisdictions on January 15, February 20 and on the fifteenth day of each month following the month in which an installment payment is required. On or before August 20, the county treasurer must settle in full with the underlying taxing districts for all real property taxes and special taxes. Any county board may authorize its county treasurer to also settle in full with the underlying taxing districts for all special assessments and special charges. The county may then recover any tax delinquencies by enforcing the lien on the property and retain any penalties or interest on the delinquencies for which it has settled. Uncollected personal property taxes owed by an entity that has ceased operations or filed a petition for bankruptcy, or are due on personal property that has been removed from the next assessment roll are collected from each taxing entity in the year following the levy year. The personal property tax has been repealed, starting with the property tax assessments as of January 1, 2024. Beginning in 2025, the personal property tax has been replaced with a payment from the State intended to replace the amount of property taxes imposed on personal property for the property tax assessments as of January 1, 2023.

PROPERTY TAX RATES OF LARGER MUNICIPALITIES WITHIN THE COUNTY

Full value rates for property taxes expressed in dollars per \$1,000 of equalized value (excluding tax increment valuation) that have been collected in recent years have been as follows:

Year Levied/ Year Collected	Schools¹	County	Local	Other²	Total
<i>City of Clintonville</i>					
2019/20	\$11.77	\$6.44	\$10.27	\$0.19	\$28.67
2020/21	11.74	6.43	10.06	0.18	28.41
2021/22	11.64	5.99	9.70	0.18	27.51
2022/23	11.54	5.53	9.86	0.17	27.10
2023/24	11.48	4.80	8.35	0.15	24.78
<i>City of Waupaca</i>					
2019/20	\$9.01	\$6.44	\$8.78	\$0.03	\$24.26
2020/21	8.50	6.43	8.69	0.03	23.65
2021/22	8.02	5.99	8.64	0.03	22.68
2022/23	6.45	5.53	7.56	0.02	19.56
2023/24	5.75	4.80	7.78	0.02	18.35

Source: Property Tax Rates were extracted from Statement of Taxes prepared by the Wisconsin Department of Revenue, Division of State and Local Finance.

¹ The Schools tax rate reflects the composite rate of all local school districts and the technical college district.

² Includes taxes levied for special purpose districts such as metropolitan sewerage districts, sanitary districts, and public inland lake protection districts. Tax increment values are not included.

DEBT ISSUANCE CONDITIONS FOR COUNTIES

Wisconsin Statutes Section 67.045 provides that general obligation bonds or notes can be issued by a county only if one of the following conditions is met: (a) the bonds or notes are approved at a referendum; (b) the county board adopts a resolution that sets forth its reasonable expectation that the issuance will not cause the county to exceed its debt levy rate limit; (c) the debt is issued for regional projects; (d) the debt is issued to refund existing debt or (e) the resolution authorizing the debt is approved by a vote of at least 3/4 of the members elect of the county board. In addition, counties generally are prohibited from using the proceeds of general obligation bonds or notes to fund the operating expenses of the general fund of the county or to fund the operating expenses of any special revenue fund of the county that is supported by property taxes, although this prohibition does not apply to notes issued to pay unfunded prior service liability contributions.

An Initial Resolution authorizing the Notes was adopted by a vote of at least 3/4 of the members of the members-elect of the Board of Supervisors on March 19, 2024.

LEVY LIMITS

Section 66.0602 of the Wisconsin Statutes, imposes a limit on property tax levies by cities, villages, towns and counties. No city, village, town or county is permitted to increase its tax levy by a percentage that exceeds its valuation factor (which is defined as a percentage equal to the greater of either the percentage change in the political subdivision's January 1 equalized value due to new construction less improvements removed between the previous year and the current or zero percent; for a tax incremental district created after December 31, 2024, the valuation factor includes 90% of the equalized value increase due to new construction that is located in a tax incremental district, but does not include any improvements removed in a tax incremental district). The base amount in any year to which the levy limit applies is the actual levy for the immediately preceding year. In 2018, and in each year thereafter, the base amount is the actual levy for the immediately preceding year plus the amount of the payment from the State under Section 79.096 of the Wisconsin Statutes (an amount equal to the property taxes formerly levied on certain items of personal property), and the levy limit is the base amount multiplied by the valuation factor, minus the amount of payment from the State under Section 79.096 of the Wisconsin Statutes. This levy limitation is an overall limit, applying to levies for operations as well as for other purposes.

A political subdivision that did not levy its full allowable levy in the prior year can carry forward the difference between the allowable levy and the actual levy, up to a maximum of 1.5% of the prior year's actual levy. The use of the carry forward levy adjustment needs to be approved by a majority vote of the political subdivision's governing body (except in the case of towns) if the amount of carry forward levy adjustment is less than or equal to 0.5% and by a super majority vote of the political subdivision's governing body (three-quarters vote if the governing body is comprised of five or more members, two-thirds vote if the governing body is comprised of fewer than five members) (except in the case of towns) if the amount of the carry forward levy adjustment is greater than 0.5% up to the maximum increase of 1.5%. For towns, the use of the carry forward levy adjustment needs to be approved by a majority vote of the annual town meeting or special town meeting after the town board has adopted a resolution in favor of the adjustment by a majority vote if the amount of carry forward levy adjustment is less than or equal to 0.5% or by two-thirds vote or more if the amount of carry forward levy adjustment is greater than 0.5% up to the maximum of 1.5%.

Beginning with levies imposed in 2015, if a political subdivision does not make an adjustment in its levy as described in the above paragraph in the current year, the political subdivision may increase its levy by the aggregate amount of the differences between the political subdivision's valuation factor in the previous year and the actual percent increase in a political subdivision's levy attributable to the political subdivision's valuation factor in the previous year, for the five years before the current year, less any amount of such aggregate amount already claimed as an adjustment in any of the previous five years. The calculation of the aggregate amount available for such adjustment may not include any year before 2014, and the maximum adjustment allowed may not exceed 5%. The use of the adjustment described in this paragraph requires approval by a two-thirds vote of the political subdivision's governing body, and

the adjustment may only be used if the political subdivision's level of outstanding general obligation debt in the current year is less than or equal to the political subdivision's level of outstanding general obligation debt in the previous year.

Special provisions are made with respect to property taxes levied to pay general obligation debt service. Those are described below. In addition, the statute provides for certain other adjustments to and exclusions from the tax levy limit. Among the exclusions, Section 66.0602(3)(e)5. of the Wisconsin Statutes provides that the levy limit does not apply to "the amount that a political subdivision levies in that year to make up any revenue shortfall for the debt service on a revenue bond issued under Section 66.0621 by that political subdivision." Recent positions taken by the Wisconsin Department of Revenue ("DOR") call into question the availability of this exception if the revenue shortfall is planned or ongoing. To date, such DOR positions have not been expressed formally in a declaratory ruling under Section 227.41(5)(a) of the Wisconsin Statutes, nor have they been the subject of any court challenge or resulting court ruling.

With respect to general obligation debt service, the following provisions are made:

(a) If a political subdivision's levy for the payment of general obligation debt service, including debt service on debt issued or reissued to fund or refund outstanding obligations of the political subdivision and interest on outstanding obligations of the political subdivision, on debt originally issued before July 1, 2005, is less in the current year than in the previous year, the political subdivision is required to reduce its levy limit in the current year by the amount of the difference between the previous year's levy and the current year's levy.

(b) For obligations authorized before July 1, 2005, if the amount of debt service in the preceding year is less than the amount of debt service needed in the current year, the levy limit is increased by the difference between the two amounts. This adjustment is based on scheduled debt service rather than the amount actually levied for debt service (after taking into account offsetting revenues such as sales tax revenues, special assessments, utility revenues, tax increment revenues or surplus funds). Therefore, the levy limit could negatively impact political subdivisions that experience a reduction in offsetting revenues.

(c) The levy limits do not apply to property taxes levied to pay debt service on general obligation debt authorized on or after July 1, 2005.

The Notes were authorized after July 1, 2005 and therefore the levy limits do not apply to taxes levied to pay debt service on the Notes.

REVENUE FROM THE STATE

In addition to local property taxes described above, a number of state programs exist which provide revenue to the County. One such program is commonly known as shared revenue which, pursuant to sec. 79.036, Wis. Stats., provides funding to the County that can be used for any public purpose. Chapter 79, Wis. Stats. includes other revenue sharing programs, which each have their own requirements. 2023 Wisconsin Act 12 ("Act 12") created a supplement to shared revenue, with payments to the County beginning in 2024. This supplemental shared revenue may be used only for the purposes specified in section 79.037, Wis. Stats. In 2024, the County is expected to receive approximately \$2,203,000 in shared revenue under Chapter 79, Wis. Stats., an increase from the approximately \$1,407,000 received in 2023. The County is currently estimated to receive approximately \$2,244,000 in shared revenue under Chapter 79, Wis. Stats., in 2025. future years, the amount of supplemental shared revenue could grow if State sales tax collections grow.

SALES TAX COLLECTIONS

Under Wisconsin Statutes, counties may charge a one-half of one percent (0.5%) sales tax. Collection and administrative functions are performed by the State. The County's historic sales tax revenues are shown in the table below.

Sales Tax Receipts	
Year	Total
2023	\$4,963,394
2022	4,821,564
2021	4,584,195
2020	4,130,827
2019	3,855,361

The total sales tax receipts for the current year through September is \$3,682,465.

Source: State of Wisconsin Department of Revenue.

THE ISSUER

COUNTY GOVERNMENT

The County was organized in 1851 and is governed by a 27-member Board of Supervisors. All are elected to two-year terms. Current terms all expire in 2026. The appointed County Finance Director and elected County Clerk and County Treasurer are responsible for administrative details and financial records.

EMPLOYEES; PENSIONS

The County has 367 full-time, 15 part-time, and 29 seasonal employees. All eligible employees in the County are covered under the Wisconsin Retirement System ("WRS") established under Chapter 40 of the Wisconsin Statutes ("Chapter 40"). The WRS is a cost-sharing multiple-employer defined benefit pension plan. The Department of Employee Trust Funds ("ETF") administers the WRS. Required contributions to the WRS are determined by the ETF Board pursuant to an annual actuarial valuation in accordance with Chapter 40 and the ETF's funding policies. The ETF Board has stated that its funding policy is to (i) ensure funds are adequate to pay benefits; (ii) maintain stable and predictable contribution rates for employers and employees; and (iii) maintain inter-generational equity to ensure the cost of the benefits is paid for by the generation that receives the benefits.

County employees are generally required to contribute half of the actuarially determined contributions, and the County generally may not pay the employees' required contribution. During the fiscal year ended December 31, 2021 ("Fiscal Year 2021"), the fiscal year ended December 31, 2022 ("Fiscal Year 2022") and the fiscal year ended December 31, 2023 ("Fiscal Year 2023"), the County's portion of contributions to WRS (not including any employee contributions) totaled \$1,704,829, \$1,735,444 and \$1,865,548, respectively.

Governmental Accounting Standards Board Statement No. 68 ("GASB 68") requires calculation of a net pension liability for the pension plan. The net pension liability is calculated as the difference between the pension plan's total pension liability and the pension plan's fiduciary net position. The pension plan's total pension liability is the present value of the amounts needed to pay pension benefits earned by each participant in the pension plan based on the service provided as of the date of the actuarial valuation. In other words, it is a measure of the present value of benefits

owed as of a particular date based on what has been earned only up to that date, without taking into account any benefits earned after that date. The pension plan's fiduciary net position is the market value of plan assets formally set aside in a trust and restricted to paying pension plan benefits. If the pension plan's total pension liability exceeds the pension plan's fiduciary net position, then a net pension liability results. If the pension plan's fiduciary net position exceeds the pension plan's total pension liability, then a net pension asset results.

As of December 31, 2022, the total pension liability of the WRS was calculated as \$123.7 billion and the fiduciary net position of the WRS was calculated as \$118.4 billion, resulting in a net pension liability of \$5.3 billion.

Under GASB 68, each participating employer in a cost-sharing pension plan must report the employer's proportionate share of the net pension liability or net pension asset of the pension plan. Accordingly, for Fiscal Year 2023, the County reported an liability of \$7,893,068 for its proportionate share of the net pension liability of the WRS. The net pension liability was measured as of December 31, 2022 based on the County's share of contributions to the pension plan relative to the contributions of all participating employers. The County's proportion was 0.14899037% of the aggregate WRS net pension liability as of December 31, 2022.

The calculation of the total pension liability and fiduciary net position are subject to a number of actuarial assumptions, which may change in future actuarial valuations. Such changes may have a significant impact on the calculation of net pension liability of the WRS, which may also cause the ETF Board to change the contribution requirements for employers and employees. For more detailed information regarding the WRS and such actuarial assumptions, see Note 3.G. in "APPENDIX A - FINANCIAL STATEMENTS" attached hereto.

Recognized and Certified Bargaining Units

All eligible County personnel are covered by the Municipal Employment Relations Act (MERA) of the Wisconsin Statutes. Pursuant to that law, employees have limited rights to organize and collectively bargain with the municipal employers. MERA was amended by 2011 Wisconsin Act 10 (the "Act") and by 2011 Wisconsin Act 32, which altered the collective bargaining rights of public employees in Wisconsin.

As a result of the 2011 amendments to MERA, the County is prohibited from bargaining collectively with municipal employees, other than public safety and transit employees, with respect to any factor or condition of employment except total base wages. Even then, the County is limited to increasing total base wages beyond any increase in the consumer price index since 180 days before the expiration of the previous collective bargaining agreement (unless County were to seek approval for a higher increase through a referendum). Ultimately, the County can unilaterally implement the wages for a collective bargaining unit.¹

¹ On July 3, 2024, a Wisconsin circuit court judge issued a decision in the case *Abbotsford Education Association vs. Wisconsin Employment Relations Commission, Case No. 2023CV3152*, denying the Wisconsin State Legislature's intervening motion to dismiss the plaintiffs' challenge to the different classifications the Act created regarding collective bargaining rights. The court's order denying the motion to dismiss states that the Act violates the equal protection clause of the Wisconsin Constitution and declares those provisions of the Act relating to collective bargaining modifications unconstitutional and void. The decision further instructs the parties to make additional filings to the court as to whether the court should issue judgment on the pleadings in light of the court's order or take some other action to bring the case to a final judgment. In the event that a final judgment is entered to the same effect, it is expected that the decision would be appealed. No guarantee can be made regarding the future outcome of the case or any subsequent appeals.

Under the changes to MERA, impasse resolution procedures were removed from the law for municipal employees of the type employed by the County, including binding interest arbitration. Strikes by any municipal employee or labor organization are expressly prohibited. Furthermore, if strikes do occur, they may be enjoined by the courts. Additionally, because the only legal subject of bargaining is total base wages, all bargaining over items such as just cause, benefits, and terms of conditions of employment are prohibited and cannot be included in a collective bargaining agreement. Impasse resolution for public safety employees and transit employees is subject to final and binding arbitration procedures, which do not include a right to strike. Interest arbitration is available for transit employees if certain conditions are met.

The following bargaining unit represents employees of the County:

Bargaining Unit	Expiration Date of Current Contract
Waupaca County Law Enforcement	December 31, 2024*

*A new contract through December 31, 2027 is pending ratification by the Board of Supervisors in the near future.

OTHER POST EMPLOYMENT BENEFITS

The County does not provide any other post employment benefits.

LITIGATION

There is no litigation threatened or pending questioning the organization or boundaries of the County or the right of any of its officers to their respective offices or in any manner questioning their rights and power to execute and deliver the Notes or otherwise questioning the validity of the Notes.

MUNICIPAL BANKRUPTCY

Municipalities are prohibited from filing for bankruptcy under Chapter 11 (reorganization) or Chapter 7 (liquidation) of the U.S. Bankruptcy Code (11 U.S.C. §§ 101-1532) (the "Bankruptcy Code"). Instead, the Bankruptcy Code permits municipalities to file a petition under Chapter 9 of the Bankruptcy Code, but only if certain requirements are met. These requirements include that the municipality must be "specifically authorized" under State law to file for relief under Chapter 9. For these purposes, "State law" may include, without limitation, statutes of general applicability enacted by the State legislature, special legislation applicable to a particular municipality, and/or executive orders issued by an appropriate officer of the State's executive branch.

As of the date hereof, Wisconsin law contains no express authority for municipalities to file for bankruptcy relief under Chapter 9 of the Bankruptcy Code.

Nevertheless, there can be no assurance (a) that State law will not change in the future, while the Notes are outstanding, in a way that would allow the County to file for bankruptcy relief under Chapter 9 of the Bankruptcy Code; or (b) even absent such a change in State law, that an executive order or other executive action could not effectively authorize the County to file for relief under Chapter 9. If, in the future, the County were to file a bankruptcy case under Chapter 9, the relevant bankruptcy court would need to consider whether the County could properly do so, which would involve questions regarding State law authority as well as other questions such as whether the County is a municipality for bankruptcy purposes. If the relevant bankruptcy court concluded that the County could properly file a bankruptcy case, and that determination was not reversed, vacated, or otherwise substantially altered on appeal, then the rights of holders of the Notes could be modified in bankruptcy proceedings. Such modifications could be adverse to holders of the Notes, and there could ultimately be no assurance that holders

of the Notes would be paid in full or in part on the Notes. Further, under such circumstances, there could be no assurance that the Notes would not be treated as general, unsecured debt by a bankruptcy court, meaning that claims of holders of the Notes could be viewed as having no priority (a) over claims of other creditors of the County; (b) to any particular assets of the County, or (c) to revenues otherwise designated for payment to holders of the Notes.

Moreover, if the County were determined not to be a "municipality" for the purposes of the Bankruptcy Code, no representations can be made regarding whether it would still be eligible for voluntary or involuntary relief under Chapters of the Bankruptcy Code other than Chapter 9 or under similar federal or state law or equitable proceeding regarding insolvency or providing for protection from creditors. In any such case, there can be no assurance that the consequences described above for the holders of the Notes would not occur.

FUNDS ON HAND (as of September 9, 2024)

Fund	Total Cash and Investments
General Fund	\$7,701,762
Economic Development Special Revenue Fund	1,975,668
Health and Human Services Special Revenue Fund	5,211,505
Debt Service Fund	2,911
Capital Improvement Fund	586,843
Environmental Program Fund	36,656
American Rescue Plan Act Fund	5,363,409
Opioid Settlement Fund	734,680
Highway Operations Fund	<u>260,450</u>
Total Funds on Hand	\$21,873,884

ENTERPRISE FUNDS

Revenues available for debt service for the County's enterprise funds have been as follows as of December 31 each year:

	2021 Audited	2022 Audited	2023 Audited
Highway Operations			
Total Operating Revenues	\$15,127,047	\$15,831,468	\$17,742,767
Less: Operating Expenses	<u>(14,773,562)</u>	<u>(15,354,437)</u>	<u>(17,202,340)</u>
Operating Income	\$353,485	\$477,031	\$540,427
Plus: Depreciation	1,728,578	1,737,004	1,675,358
Interest Income	<u>(746,547)</u>	<u>(688,766)</u>	<u>(631,079)</u>
Revenues Available for Debt Service	<u><u>\$1,335,516</u></u>	<u><u>\$1,525,269</u></u>	<u><u>\$1,584,706</u></u>

SUMMARY GENERAL FUND INFORMATION

The following are summaries of the revenues and expenditures and fund balances for the County's General Fund. These summaries are not purported to be the complete audited financial statements of the County, and potential purchasers should read the included financial statements in their entirety for more complete information concerning the County. Copies of the complete statements are available upon request. Appendix A includes the 2023 audited financial statements.

COMBINED STATEMENT	FISCAL YEAR ENDING DECEMBER 31				
	2020 Audited	2021 Audited	2022 Audited	2023 Audited	2024 Budget ¹
Revenues					
Taxes	\$22,204,804	\$23,654,611	\$24,258,404	\$25,093,366	\$25,592,260
Intergovernmental	4,706,452	4,447,157	3,820,178	4,377,219	5,293,034
Licenses and permits	251,506	244,687	223,958	234,698	207,000
Fines and forfeits	182,901	227,934	231,958	196,291	221,250
Charges for services	4,150,189	4,652,568	4,323,627	4,460,511	4,227,990
Commercial revenues	601,613	710,627	141,822	1,849,579	1,286,775
Total Revenues	\$32,097,465	\$33,937,584	\$32,999,947	\$36,211,664	\$36,828,309
Expenditures					
Current:					
General government	\$7,801,276	\$6,948,901	\$7,732,405	\$7,719,825	\$8,663,547
Public safety	12,711,403	13,223,565	13,776,516	14,644,589	15,110,928
Public works	1,201,861	1,286,735	1,344,096	1,339,983	1,374,851
Health and human services	260,010	769,981	750,734	820,874	881,572
Culture and recreation	2,065,017	2,179,277	2,090,834	2,179,528	2,221,580
Conservation and development	1,696,573	2,313,414	1,915,187	2,383,907	2,763,478
Capital outlay	928,492	477,476	358,515	243,342	236,794
Total Expenditures	\$26,664,632	\$27,199,349	\$27,968,287	\$29,332,048	\$31,252,750
Excess of revenues over (under) expenditures	\$5,432,833	\$6,738,235	\$5,031,660	\$6,879,616	\$5,575,559
Other Financing Sources (Uses)					
Transfers in	\$0	\$0	\$0	\$46,176	\$0
Transfers (out)	(4,248,234)	(4,984,195)	(5,376,121)	(6,024,500)	(7,042,831)
Total Other Financing Sources (Uses)	(4,248,234)	(4,984,195)	(5,376,121)	(5,978,324)	(7,042,831)
Net changes in Fund Balances	\$1,184,599	\$1,754,040	(\$344,461)	\$901,292	(\$1,467,272)
General Fund Balance January 1	\$13,582,157	\$15,449,222	\$17,203,262	\$18,858,801	
Prior Period Adjustment	682,466	0	2,000,000	0	
General Fund Balance December 31	\$15,449,222	\$17,203,262	\$18,858,801	\$19,760,093	
DETAILS OF DECEMBER 31 FUND BALANCE					
Nonspendable	\$2,060,062	\$2,087,651	\$1,271,607	\$1,176,825	
Restricted	487,257	602,224	658,076	574,319	
Assigned	1,789,362	1,789,559	3,576,876	4,605,382	
Unassigned	11,112,541	12,723,828	13,352,242	13,403,567	
Total	\$15,449,222	\$17,203,262	\$18,858,801	\$19,760,093	

¹ The 2024 budget was adopted on November 14, 2023, and figures reflect amendments to date. The budgeted use of fund balance primarily relates to expenditures for the Project and use of fund balance to help manage health insurance premium rates.

GENERAL INFORMATION

LOCATION

The County, with a 2020 U.S. Census population of 51,812 and a current population estimate of 51,950, and comprising an area of 769 square miles and is located in central Eastern Wisconsin. The City of Waupaca, the County seat, is located approximately 30 miles east of Stevens Point and 40 miles west of Appleton.

LARGER EMPLOYERS¹

Larger employers in the County include the following:

Firm	Type of Business/Product	Estimated No. of Employees
Waupaca Foundry	Gray & ductile iron products	1,600
Treehouse Foods	Food packaging	700
ThedaCare - Waupaca	Hospital/emergency room services	585
WI Veterans Home	Veterans Longterm Care	525
Waupaca County	County government and services	411
Creative Converting Inc.	Paper, tableware, party goods manufacturer and distribution	340
Waupaca School District	Elementary and secondary education	338
Bethany Home	Skilled Nursing Care	200
Alliance Industries	Industrial painting, sand coves	155
Gusmer Enterprises	Specialty paper products	146

Source: The County.

¹ This does not purport to be a comprehensive list and is based on available data obtained through a survey of individual employers, as well as the sources identified above.

U.S. CENSUS DATA

Population Trend: The County

2010 U.S. Census Population	52,410
2020 U.S. Census Population	51,812
Percent of Change 2010-2020	-1.14%
2024 Estimated Population	51,950

Income and Age Statistics

	The County	State of Wisconsin	United States
2022 per capita income	\$39,147	\$40,130	\$41,261
2022 median household income	\$69,198	\$72,458	\$75,149
2022 median family income	\$84,282	\$92,974	\$92,646
2022 median gross rent	\$817	\$992	\$1,268
2022 median value owner occupied units	\$178,500	\$231,400	\$281,900
2022 median age	45.3 yrs.	39.9 yrs.	38.5 yrs.

	State of Wisconsin	United States
County % of 2022 per capita income	97.55%	94.88%
County % of 2022 median family income	90.65%	90.97%

Housing Statistics

	<u>The County</u>		
	2020	2022	Percent of Change
All Housing Units	25,457	25,536	0.31%

Source: 2010 and 2020 Census of Population and Housing, Wisconsin Demographic Services Center (https://doa.wi.gov/Pages/LocalGovtsGrants/Population_Estimates.aspx) and 2022 American Community Survey (Based on a five-year estimate), U.S. Census Bureau (<https://data.census.gov/cedsci>).

EMPLOYMENT/UNEMPLOYMENT DATA

Rates are not compiled for individual communities with populations under 25,000.

	<u>Average Employment</u>	<u>Average Unemployment</u>	
Year	Waupaca County	Waupaca County	State of Wisconsin
2020	24,301	5.6%	6.4%
2021	24,955	3.6%	3.9%
2022	24,575	3.0%	2.9%
2023 ¹	24,548	3.0%	3.0%
2024, August ¹	24,885	2.6%	2.7%

Source: Wisconsin Department of Workforce Development.

¹ Preliminary.

FINANCIAL STATEMENTS

Potential purchasers should read the included financial statements in their entirety for more complete information concerning the County's financial position. Such financial statements have been audited by the Auditor, to the extent and for the periods indicated thereon. The County has not requested or engaged the Auditor to perform, and the Auditor has not performed, any additional examination, assessments, procedures or evaluation with respect to such financial statements since the date thereof or with respect to this Official Statement, nor has the County requested that the Auditor consent to the use of such financial statements in this Official Statement. Although the inclusion of the financial statements in this Official Statement is not intended to demonstrate the fiscal condition of the County since the date of the financial statements, in connection with the issuance of the Notes, the County represents that there have been no material adverse changes in the financial position or results of operations of the County, nor has the County incurred any material liabilities, which would make such financial statements misleading.

Copies of the complete audited financial statements for the past three years and the current budget are available upon request from Ehlers.

WAUPACA COUNTY, WISCONSIN

ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED DECEMBER 31, 2023

WAUPACA COUNTY, WISCONSIN
Annual Financial Report
For the Year Ended December 31, 2023

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INDEPENDENT AUDITORS' REPORT

County Board
Waupaca County
Waupaca, 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 Waupaca County, Wisconsin, as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise Waupaca 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 Waupaca County, Wisconsin, as of December 31, 2023, and the respective changes in financial position, and, where applicable, cash flows thereof and the respective budgetary comparison for the General Fund, Health and Human Services fund, Transportation Services Fund, and American Rescue Plan Act 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 Waupaca County, Wisconsin 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.

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 Waupaca County, Wisconsin'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 Waupaca County, Wisconsin'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 Waupaca County, Wisconsin's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

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

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Waupaca County, Wisconsin's basic financial statements. The financial information listed in the table of contents as supplementary are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedules of expenditures of federal and state awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and the *State Single Audit Guidelines*, issued by the Wisconsin Department of Administration, are also 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 supplementary information and schedules of expenditures of Federal and State Awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.


Other Information

Management is responsible for the other information included in the annual report. The other information comprises the statistical section but does not include the basic financial statements and our auditors' report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated July 22, 2024, on our consideration of Waupaca County, Wisconsin'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 Waupaca County, Wisconsin'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 Waupaca County, Wisconsin's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "CliftonLarsonAllen LLP". The signature is written in a cursive, flowing style.

CliftonLarsonAllen LLP

Green Bay, Wisconsin
July 22, 2024

BASIC FINANCIAL STATEMENTS

WAUPACA COUNTY, WISCONSIN

Statement of Net Position

December 31, 2023

(With summarized financial information as of December 31, 2022)

	Primary Government		Totals	
	Governmental Activities	Business-type Activities	2023	2022
Assets				
Cash and investments	\$31,904,037	\$3,594,585	\$35,498,622	\$33,069,221
Receivables	34,643,597	1,263,682	35,907,279	36,037,458
Internal balances	(349,355)	349,355	-	-
Prepaid items and supplies	774,151	1,869,054	2,643,205	2,291,404
Net pension asset	-	-	-	12,015,883
Capital assets (net of accumulated depreciation):				
Land	5,064,628	3,457,364	8,521,992	8,430,598
Land improvements	2,129,167	-	2,129,167	2,150,761
Buildings	18,351,184	16,965,379	35,316,563	36,396,783
Machinery and equipment	4,912,046	4,171,721	9,083,767	9,753,883
Vehicles	2,630,228	4,002,706	6,632,934	6,830,878
Infrastructure	63,493,273	-	63,493,273	55,740,397
Construction in progress	4,397,570	393,423	4,790,993	11,247,696
Total assets	167,950,526	36,067,269	204,017,795	213,964,962
Deferred outflows of resources				
Deferred outflows related to pension	24,799,756	4,610,842	29,410,598	23,412,679
Liabilities				
Accounts payable and accrued expenses	2,839,397	264,399	3,103,796	3,328,347
Accrued interest payable	5,959	229,744	235,703	260,876
Advances from grantors	5,582,437	-	5,582,437	6,291,599
Advances from other governments	29,950	-	29,950	-
Unearned revenue	96,728	191,284	288,012	189,053
Long-term obligations:				
Due within one year	2,695,988	1,314,407	4,010,395	3,871,719
Due in more than one year	1,105,178	17,369,023	18,474,201	21,803,063
Net pension liability	6,652,014	1,241,054	7,893,068	-
Total liabilities	19,007,651	20,609,911	39,617,562	35,744,657
Deferred inflows of resources				
Deferred inflows related to pension	13,934,312	2,599,698	16,534,010	28,294,119
Property taxes levied for subsequent year	29,887,446	-	29,887,446	29,625,962
Total deferred inflows of resources	43,821,758	2,599,698	46,421,456	57,920,081
Net Position				
Net investment in capital assets	98,974,827	10,687,364	109,662,191	106,711,584
Restricted for:				
Pension benefits	-	-	-	12,015,883
Recycling program activities	164,321	-	164,321	154,192
Land records	74,418	-	74,418	68,510
Jail improvements	102,261	-	102,261	173,012
Register of deeds	13,867	-	13,867	22,872
Opioid Settlement	307,409	-	307,409	287,873
Donations	408,519	-	408,519	436,444
Unrestricted	29,875,251	6,781,138	36,656,389	23,842,533
Total net position	\$129,920,873	\$17,468,502	\$147,389,375	\$143,712,903

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

WAUPACA COUNTY, WISCONSIN

Statement of Activities

For the Year Ended December 31, 2023

(With summarized financial information for the year ended December 31, 2022)

Functions/Programs	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government	
					Governmental Activities	Business-type Activities
Primary government:						
Governmental activities:						
General government	\$ 8,639,892	\$ 1,438,769	\$ 1,504,147	\$ -	\$ (5,696,976)	\$ (1,945,063)
Public safety	17,187,819	2,324,736	443,252	-	(14,419,831)	(11,753,935)
Public works	10,956,448	866,862	3,165,611	301,852	(6,622,123)	(5,427,090)
Health and human services	16,818,162	4,349,911	7,527,843	-	(4,940,408)	(3,977,547)
Culture and recreation	2,490,444	181,111	168,041	-	(2,141,292)	(1,925,297)
Conservation and development	2,855,591	410,018	1,210,878	-	(1,234,695)	(1,589,234)
Interest on long-term debt	20,559	-	-	-	(20,559)	(38,385)
Total governmental activities	58,968,915	9,571,407	14,019,772	301,852	(35,075,884)	(26,656,551)
Business-type activities:						
Highway construction and maintenance	17,833,419	17,742,767	-	-	(90,652)	(211,735)
Total primary government	\$ 76,802,334	\$ 27,314,174	\$ 14,019,772	\$ 301,852	(35,166,536)	(26,868,286)
General revenues:						
Property taxes					27,754,737	29,625,962
Sales taxes					4,980,922	4,980,922
Other taxes					648,888	648,888
Grants and contributions not restricted to specific programs					1,636,177	1,636,177
Unrestricted investment earnings (loss)					1,943,597	1,943,597
Gain on sale of capital assets					-	7,462
Transfers					(332,561)	332,561
Total general revenues and transfers					36,631,760	38,843,008
Change in net position					1,555,876	3,676,472
Net Position - beginning					128,364,997	143,712,903
Net position - ending					\$ 129,920,873	\$ 147,389,375
						\$ 143,712,903

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

WAUPACA COUNTY, WISCONSIN

Balance Sheet

Governmental Funds

December 31, 2023

(With summarized financial information as of December 31, 2022)

	General	Health and Human Services	Trans- portation Services	American Rescue Plan Act	Debt Service	Capital Improvement	Other Governmental Funds	Governmental Funds 2023	Total Governmental Funds 2022
Assets									
Cash and investments	\$18,316,165	\$2,713,585	\$590,673	\$5,747,055	\$2,664	\$1,957,300	\$2,576,595	\$31,904,037	\$31,637,630
Receivables									
Taxes receivable	20,162,492	4,320,528	1,578,767	-	3,825,659	-	-	29,887,446	29,625,962
Delinquent property taxes	907,891	-	-	-	-	-	-	907,891	980,794
Accounts receivable	175,835	200,408	-	-	-	21,861	-	398,104	354,225
Interest receivable	32,605	-	-	-	-	-	-	32,605	25,236
Due from other governments	2,458,877	958,674	-	-	-	-	-	3,417,551	3,783,422
Due from other funds	313	-	-	-	-	-	-	313	289
Prepaid items and supplies	395,811	-	-	-	-	378,340	-	774,151	438,918
Total assets	\$42,449,989	\$8,193,195	\$2,169,440	\$5,747,055	\$3,828,323	\$2,357,501	\$2,576,595	\$67,322,098	\$66,846,476
Liabilities, deferred inflows of resources and fund balances									
Liabilities:									
Accounts payable	\$631,131	\$373,865	\$0	\$0	\$0	\$16,940	\$1,670	\$1,023,606	\$1,032,471
Accrued wages	367,512	144,304	-	-	-	-	-	511,816	463,987
Payroll taxes and fringe benefits	516,145	-	-	-	-	-	-	516,145	515,046
Health ins. claims payable	369,244	-	-	-	-	-	-	369,244	444,867
Worker's comp claims payable	239,399	-	-	-	-	-	-	239,399	330,246
Trust funds due others	139,808	-	-	-	-	-	-	139,808	182,782
Due to other governments	39,379	-	-	-	-	-	-	39,379	67,496
Advances from grantors	72,303	-	-	5,472,543	-	-	37,591	5,582,437	6,291,599
Due to other funds	25,805	272	323,591	-	-	-	-	349,668	617,866
Unearned revenue	126,678	-	-	-	-	-	-	126,678	109,691
Total liabilities	2,527,404	518,441	323,591	5,472,543	-	16,940	39,261	8,898,180	10,056,051
Deferred Inflows of Resources:									
Property taxes levied for subsequent year	20,162,492	4,320,528	1,578,767	-	3,825,659	-	-	29,887,446	29,625,962
Fund balances:									
Non-spendable	1,176,825	-	-	-	-	378,340	-	1,555,165	1,305,028
Spendable									
Restricted	574,319	189,067	-	-	2,664	-	307,409	1,073,459	1,145,369
Committed	-	3,165,159	267,082	274,512	-	-	2,229,925	5,936,678	6,332,994
Assigned	4,605,382	-	-	-	-	1,962,221	-	6,567,603	5,032,306
Unassigned (Deficit)	13,403,567	-	-	-	-	-	-	13,403,567	13,348,766
Total fund balances	19,760,093	3,354,226	267,082	274,512	2,664	2,340,561	2,537,334	28,536,472	27,164,463
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$42,449,989	\$8,193,195	\$2,169,440	\$5,747,055	\$3,828,323	\$2,357,501	\$2,576,595	\$67,322,098	\$66,846,476

(continued)

WAUPACA COUNTY, WISCONSIN

Balance Sheet

Governmental Funds

December 31, 2023

(With summarized financial information as of December 31, 2022)

	<u>2023</u>	<u>2022</u>
<u>Reconciliation to the Statement of Net Position</u>		
Total Fund Balance from previous page	\$ 28,536,472	\$ 27,164,463
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	100,978,096	101,053,202
Changes in net pension liability (asset) and related deferred inflows/outflows as a result of employer contributions, changes in assumptions and proportionate share and the difference between the expected and actual experience in the pension plan.		
Net pension asset	-	10,048,536
Deferred outflows of resources	24,799,756	19,591,174
Net pension liability	(6,652,014)	-
Deferred inflows of resources	(13,934,312)	(23,661,556)
Some liabilities, including bonds and notes payable, are not due and payable in the current period and therefore are not reported in the funds.		
Bond, notes and loans payable	(2,003,269)	(3,986,729)
Compensated absences payable	(1,797,897)	(1,832,233)
Accrued interest payable	(5,959)	(11,860)
Net position of governmental activities as reported on the statement of net position (page 5)	<u>\$ 129,920,873</u>	<u>\$ 128,364,997</u>

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

WAUPACA COUNTY, WISCONSIN
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds

For the Year Ended December 31, 2023
(With summarized information as of December 31, 2022)

	General	Health and Human Services	Trans- portation Services	American Rescue Plan Act	Debt Service	Capital Improvement	Other Governmental Funds	Governmental Funds 2023	Total Governmental Funds 2022
Revenues									
Taxes	\$25,093,366	\$3,860,707	\$1,373,262	\$ -	\$ 2,010,116	\$ 1,047,095	\$ -	\$33,384,546	\$32,998,627
Intergovernmental	4,377,219	7,250,654	2,960,626	660,513	-	-	127,356	15,376,368	17,853,131
Licenses and permits	234,698	-	-	-	-	-	-	234,698	223,958
Fines and forfeits	196,291	3,992	-	-	-	-	-	200,283	235,445
Charges for services	4,460,511	4,301,126	-	-	-	-	-	8,761,637	8,507,317
Commercial revenues	1,849,579	267,626	-	302,651	-	87,307	90,804	2,597,967	712,412
Total revenues	36,211,664	15,684,105	4,333,888	963,164	2,010,116	1,134,402	218,160	60,555,499	60,530,890
Expenditures									
Current:									
General government	7,719,825	-	-	-	-	-	-	7,719,825	7,784,604
Public safety	14,644,589	-	-	-	-	-	-	14,644,589	13,947,545
Public works	1,339,983	-	4,067,615	-	-	-	-	5,407,598	4,968,089
Health and human services	820,874	15,171,288	-	-	-	-	202,054	16,194,216	16,512,692
Culture and recreation	2,179,528	-	-	-	-	-	-	2,179,528	2,097,338
Conservation and development	2,363,907	-	-	-	-	-	250,916	2,634,823	2,683,764
Debt service:									
Principal	-	-	-	-	1,983,459	-	-	1,983,459	1,967,659
Interest and other charges	-	-	-	-	26,459	-	-	26,459	44,238
Capital outlay	243,342	26,853	6,124,632	-	-	1,533,951	138,504	8,067,282	7,388,794
Total expenditures	29,332,048	15,198,141	10,192,247	-	2,009,918	1,533,951	591,474	58,857,779	57,394,723
Excess (deficiency) of revenues over (under) expenditures	6,879,616	485,964	(5,858,359)	963,164	198	(399,549)	(373,314)	1,697,720	3,136,167
Other financing sources (uses)									
Transfers in	46,176	-	5,209,500	-	-	1,254,735	-	6,510,411	8,830,721
Transfers out	(6,024,500)	-	-	(765,182)	-	-	(46,440)	(6,836,122)	(8,830,721)
Total other financing sources (uses)	(5,978,324)	-	5,209,500	(765,182)	-	1,254,735	(46,440)	(325,711)	-
Net change in fund balances	901,292	485,964	(648,859)	197,982	198	855,186	(419,754)	1,372,009	3,136,167
Fund balances - beginning	18,858,801	2,868,262	915,941	76,530	2,466	1,485,375	2,957,088	27,164,463	24,028,296
Fund balances - ending	19,760,093	\$3,354,226	\$267,082	\$274,512	2,664	\$2,340,561	2,537,334	28,536,472	\$27,164,463

(continued)

WAUPACA COUNTY, WISCONSIN
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2023
(With summarized information as of December 31, 2022)

	<u>2023</u>	<u>2022</u>
Net changes in fund balances - total governmental funds (Exhibit 4)	\$ 1,372,009	\$ 3,136,167
Amounts reported for governmental activities in the statement of activities (Exhibit 2) 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. This is the amount by which capital outlays exceeded depreciation in the current period.		
Capital assets reported as capital outlay in governmental fund statements	7,554,658	7,200,998
Capital contributions of capital assets	301,852	976,331
Depreciation expense reported in the statement of activities	(7,577,762)	(7,485,697)
Move of previously set up construction in progress to expense	(3,000)	-
Transfer of assets from governmental-type activities to business-type activities	(6,852)	-
Net book value of disposals	(344,002)	(345,891)
Changes in net pension liability (asset) and related deferred inflows and outflows of resources as a result of employer contributions, changes in assumptions and proportionate share and the difference between the expected and actual experience of the pension plan. (Note 2)		
Net pension asset	(10,048,536)	2,366,007
Net pension liability	(6,652,014)	-
Deferred outflows of resources related to pension	5,208,582	6,845,694
Deferred inflows of resources related to pensions	9,727,244	(6,840,897)
The issuance of long-term debt (i.e., bonds, notes, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items. (Note 2)		
General obligation debt	1,983,460	1,967,658
Some expenses (revenue reductions) reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures (revenue reductions) in the governmental funds. (Note 2)		
Change in compensated absences	34,336	69,105
Change in accrued interest	5,901	5,853
Change in net position of governmental activities (page 6)	<u>\$ 1,555,876</u>	<u>\$ 7,895,328</u>

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

WAUPACA COUNTY, WISCONSIN
General Fund
Statement of Revenues, Expenditures, and Changes in
Fund Balance - Budget and Actual
For the Year Ended December 31, 2023
(With comparative Actual Amounts for the Year Ended December 31, 2022)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)	2022 Actual Amounts
	Original	Final			
Revenues					
Taxes	\$25,013,677	\$25,013,677	\$25,093,366	\$79,689	\$24,258,404
Intergovernmental	4,297,532	4,443,296	4,377,219	(66,077)	3,820,178
Licenses and permits	211,200	211,200	234,698	23,498	223,958
Fines and forfeits	221,300	221,300	196,291	(25,009)	231,958
Charges for services	4,138,643	4,138,643	4,460,511	321,868	4,323,627
Commercial revenues	458,303	458,303	1,849,579	1,391,276	141,822
Total revenues	<u>34,340,655</u>	<u>34,486,419</u>	<u>36,211,664</u>	<u>1,725,245</u>	<u>32,999,947</u>
Expenditures					
Current:					
General government	7,823,730	7,981,425	7,719,825	261,600	7,732,405
Public safety	14,425,255	14,560,605	14,644,589	(83,984)	13,776,516
Public works	1,241,320	1,241,320	1,339,983	(98,663)	1,344,096
Health and human services	826,554	830,115	820,874	9,241	750,734
Culture and recreation	2,184,690	2,184,690	2,179,528	5,162	2,090,834
Conservation and development	2,589,852	2,756,219	2,383,907	372,312	1,915,187
Capital outlay	231,000	291,000	243,342	47,658	358,515
Total expenditures	<u>29,322,401</u>	<u>29,845,374</u>	<u>29,332,048</u>	<u>513,326</u>	<u>27,968,287</u>
Excess (deficiency) of revenues over (under) expenditures	<u>5,018,254</u>	<u>4,641,045</u>	<u>6,879,616</u>	<u>2,238,571</u>	<u>5,031,660</u>
Other financing sources (uses)					
Transfers in	-	91,872	46,176	(45,696)	-
Transfers out	<u>(5,209,500)</u>	<u>(6,024,500)</u>	<u>(6,024,500)</u>	<u>-</u>	<u>(5,376,121)</u>
Total other financing sources (uses)	<u>(5,209,500)</u>	<u>(5,932,628)</u>	<u>(5,978,324)</u>	<u>(45,696)</u>	<u>(5,376,121)</u>
Net change in fund balance	(191,246)	(1,291,583)	901,292	2,192,875	(344,461)
Fund balances - beginning	<u>18,858,801</u>	<u>18,858,801</u>	<u>18,858,801</u>	<u>-</u>	<u>19,203,262</u>
Fund balance - ending	<u>18,667,555</u>	<u>17,567,218</u>	<u>19,760,093</u>	<u>2,192,875</u>	<u>18,858,801</u>

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

WAUPACA COUNTY, WISCONSIN

Health and Human Services Special Revenue Fund
Statement of Revenues, Expenditures, and Changes in
Fund Balance - Budget and Actual

For the Year Ended December 31, 2023

(With comparative Actual Amounts for the Year Ended December 31, 2022)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)	2022 Actual Amounts
	Original	Final			
Revenues					
Taxes	\$3,860,707	\$3,860,707	\$3,860,707	\$ -	\$3,568,730
Intergovernmental	7,184,216	7,184,216	7,250,654	66,438	7,516,317
Fines and forfeits	5,000	5,000	3,992	(1,008)	3,487
Charges for services	4,332,811	4,332,811	4,301,126	(31,685)	4,183,690
Commercial revenues	196,999	196,999	267,626	70,627	197,741
Total revenues	<u>15,579,733</u>	<u>15,579,733</u>	<u>15,684,105</u>	<u>104,372</u>	<u>15,469,965</u>
Expenditures					
Current:					
Health and human services	15,593,537	15,593,537	15,171,288	422,249	15,035,425
Capital outlay	32,625	32,625	26,853	5,772	-
Total expenditures	<u>15,626,162</u>	<u>15,626,162</u>	<u>15,198,141</u>	<u>428,021</u>	<u>15,035,425</u>
Net change in fund balance	(46,429)	(46,429)	485,964	532,393	434,540
Fund balance - beginning	<u>2,868,262</u>	<u>2,868,262</u>	<u>2,868,262</u>	-	<u>2,433,722</u>
Fund balance - ending	<u>\$2,821,833</u>	<u>\$2,821,833</u>	<u>\$3,354,226</u>	<u>\$532,393</u>	<u>\$2,868,262</u>

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

WAUPACA COUNTY, WISCONSIN
Transportation Services Special Revenue Fund
Statement of Revenues, Expenditures, and Changes in
Fund Balance - Budget and Actual
For the Year Ended December 31, 2023
(With comparative Actual Amounts for the Year Ended December 31, 2022)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)	2022 Actual Amounts
	Original	Final			
Revenues					
Taxes	\$1,373,262	\$1,373,262	\$1,373,262	\$ -	\$1,906,532
Intergovernmental	2,960,411	2,960,411	2,960,626	215	2,606,029
Total revenues	<u>4,333,673</u>	<u>4,333,673</u>	<u>4,333,888</u>	<u>215</u>	<u>4,512,561</u>
Expenditures					
Current:					
Public works	3,841,138	3,841,138	4,067,615	(226,477)	3,336,414
Capital Outlay	5,702,035	5,702,035	6,124,632	(422,597)	5,332,036
Total expenditures	<u>9,543,173</u>	<u>9,543,173</u>	<u>10,192,247</u>	<u>(649,074)</u>	<u>8,668,450</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(5,209,500)</u>	<u>(5,209,500)</u>	<u>(5,858,359)</u>	<u>(648,859)</u>	<u>(4,155,889)</u>
Other financing sources					
Transfers in	<u>5,209,500</u>	<u>5,209,500</u>	<u>5,209,500</u>	<u>-</u>	<u>4,559,700</u>
Net change in fund balance	-	-	(648,859)	(648,859)	403,811
Fund balance - beginning	<u>915,941</u>	<u>915,941</u>	<u>915,941</u>	<u>-</u>	<u>512,130</u>
Fund balance - ending	<u>\$915,941</u>	<u>\$915,941</u>	<u>\$267,082</u>	<u>\$ (648,859)</u>	<u>\$915,941</u>

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

WAUPACA COUNTY, WISCONSIN
American Rescue Plan Act Fund
Statement of Revenues, Expenditures, and Changes in
Fund Balance - Budget and Actual
For the Year Ended December 31, 2023
(With comparative Actual Amounts for the Year Ended December 31, 2022)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)	2022 Actual Amounts
	Original	Final			
Revenues					
Intergovernmental	\$ 2,171,650	\$6,133,057	\$660,513	(\$5,472,544)	\$3,871,153
Commercial revenues	-	-	302,651	302,651	75,876
Total revenues	<u>2,171,650</u>	<u>6,133,057</u>	<u>963,164</u>	<u>(5,169,893)</u>	<u>3,947,029</u>
Expenditures					
Current:					
General government	-	-	-	-	52,199
Public safety	-	-	-	-	171,029
Public works	-	-	-	-	87,579
Health and human services	-	-	-	-	91,148
Culture and recreation	-	-	-	-	6,504
Conservation and development	-	-	-	-	8,094
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>416,553</u>
Excess (deficiency) of revenues over (under) expenditures	<u>2,171,650</u>	<u>6,133,057</u>	<u>963,164</u>	<u>(5,169,893)</u>	<u>3,530,476</u>
Other financing uses					
Transfers out	<u>(2,171,650)</u>	<u>(6,236,900)</u>	<u>(765,182)</u>	<u>5,471,718</u>	<u>(3,454,600)</u>
Net change in fund balance	-	(103,843)	197,982	301,825	75,876
Fund balance - beginning	76,530	76,530	76,530	-	654
Fund balance - ending	<u>\$ 76,530</u>	<u>\$ (27,313)</u>	<u>\$ 274,512</u>	<u>\$ 301,825</u>	<u>\$ 76,530</u>

WAUPACA COUNTY, WISCONSIN
Statement of Net Position - Proprietary Fund
Highway Operations Enterprise Fund
December 31, 2023

(With summarized financial information as of December 31, 2022)

	2023	2022
Assets		
Current assets:		
Cash and investments	\$3,594,585	\$1,431,591
Accounts receivable	33,653	64,418
Due from other governments	1,230,029	1,203,401
Due from other funds	349,668	617,865
Prepaid items and supplies	1,869,054	1,852,486
Total current assets	<u>7,076,989</u>	<u>5,169,761</u>
Noncurrent assets:		
Net pension asset	-	1,967,347
Capital assets:		
Land	3,457,364	3,457,364
Buildings and building improvements	20,823,495	20,667,885
Machinery and equipment	9,996,063	9,587,649
Vehicles	10,218,363	10,137,854
Less accumulated depreciation	(15,898,115)	(14,352,958)
Construction in progress	393,423	-
Total noncurrent assets	<u>28,990,593</u>	<u>31,465,141</u>
Total assets	<u>36,067,582</u>	<u>36,634,902</u>
Deferred outflows of resources		
Deferred outflows related to pension	<u>4,610,842</u>	<u>3,821,505</u>
Liabilities		
Current liabilities:		
Accounts payable	\$156,575	\$201,992
Accrued wages and fringe benefits	107,748	89,396
Trust funds due others	76	64
Unbilled cost pools	191,284	79,362
Due to other funds	313	288
Accrued interest payable	229,744	249,016
Compensated absences payable	159,407	133,990
Bond, notes and loans payable	1,155,000	1,155,000
Total current liabilities	<u>2,000,147</u>	<u>1,909,108</u>
Noncurrent liabilities:		
Compensated absences payable	220,794	197,726
Bond, notes and loans payable	17,148,229	18,369,104
Net pension liability	1,241,054	-
Total noncurrent liabilities	<u>18,610,077</u>	<u>18,566,830</u>
Total liabilities	<u>20,610,224</u>	<u>20,475,938</u>
Deferred inflows of resources		
Deferred inflows related to pension	<u>2,599,698</u>	<u>4,632,563</u>
Net Position		
Net investment in capital assets	10,687,364	9,973,690
Restricted for pension benefits	-	1,967,347
Unrestricted	6,781,138	3,406,869
Total net position	<u>\$17,468,502</u>	<u>\$15,347,906</u>

WAUPACA COUNTY, WISCONSIN

Statement of Revenues, Expenses, and Changes in Net Position - Proprietary Fund

Highway Operations Enterprise Fund

For the Year Ended December 31, 2023

(With summarized financial information as of December 31, 2022)

	2023	2022
Operating revenues		
Charges for services	\$17,708,014	\$15,804,366
Miscellaneous operating revenue	34,753	27,102
Total operating revenues	<u>17,742,767</u>	<u>15,831,468</u>
Operating expenses		
Highway operations	15,526,982	13,617,433
Depreciation	1,675,358	1,737,004
Total operating expenses	<u>17,202,340</u>	<u>15,354,437</u>
Operating income	<u>540,427</u>	<u>477,031</u>
Nonoperating revenues (expenses)		
Property tax appropriation	1,871,225	1,928,975
Interest and other charges	(631,079)	(688,766)
Gain (loss) on disposal of capital assets	7,462	13,088
Total nonoperating revenues (expenses)	<u>1,247,608</u>	<u>1,253,297</u>
Income before transfers	1,788,035	1,730,328
Transfers in	<u>332,561</u>	<u>-</u>
Change in net position	2,120,596	1,730,328
Net position - beginning	15,347,906	13,617,578
Net position - ending	<u><u>\$17,468,502</u></u>	<u><u>\$15,347,906</u></u>

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

WAUPACA COUNTY, WISCONSIN
Statement of Cash Flows - Proprietary Fund
Highway Operations Enterprise Fund
For the Year Ended December 31, 2023
(With summarized financial information as of December 31, 2022)

	<u>2023</u>	<u>2022</u>
Cash flows from operating activities		
Receipts from customers and users	\$7,001,895	\$6,437,734
Receipts from interfund services provided	10,999,088	9,208,854
Payments to suppliers	(9,324,074)	(8,138,703)
Payments to employees	(5,461,506)	(5,768,496)
Payments for interfund services used	(224,275)	(205,654)
Net cash provided by operating activities	<u>2,991,128</u>	<u>1,533,735</u>
Cash flows from noncapital financing activities		
Property tax appropriation received	1,871,225	1,928,975
Transfers	325,710	-
Net cash provided by noncapital financing activities	<u>2,196,935</u>	<u>1,928,975</u>
Cash flows from capital and related financing activities		
Purchases of capital assets	(1,190,524)	(765,905)
Sale of capital assets	36,680	261,056
Principal paid on capital debt	(1,155,000)	(1,155,000)
Interest paid on capital debt	(716,225)	(773,975)
Net cash used by capital and related financing activities	<u>(3,025,069)</u>	<u>(2,433,824)</u>
Net decrease in cash and cash equivalents	2,162,994	1,028,886
Cash and cash equivalents - beginning	1,431,591	402,705
Cash and cash equivalents - ending	<u>\$3,594,585</u>	<u>\$1,431,591</u>
Reconciliation of operating income to net cash provided by operating activities:		
Operating income	\$540,427	\$477,031
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation	1,675,358	1,737,004
Effect of changes in operating assets, deferred outflows, liabilities, and deferred inflows:		
Net pension liability (asset)	3,208,401	(307,790)
Deferred outflows of resources	(789,337)	(1,093,506)
Deferred inflows of resources	(2,032,865)	999,015
Accounts receivable	16,647	(34,984)
Due from other governments	(26,628)	(197,890)
Due other funds	268,222	43,039
Inventories and prepayments	(2,451)	45,229
Accounts payable	(45,405)	(2,482)
Accrued wages and fringe benefits	18,352	(30,974)
Unearned revenue	111,922	2,584
Compensated absences payable	48,485	(102,541)
Net cash provided by operating activities	<u>\$2,991,128</u>	<u>\$1,533,735</u>
Noncash investing, capital and financing activities:		
Capital assets acquired from other funds	<u>\$ 6,851</u>	<u>\$ -</u>

WAUPACA COUNTY, WI
Statement of Fiduciary Net Position
Fiduciary Funds
For the Year Ended December 31, 2023
(With summarized financial information as of December 31, 2022)

	Custodial Funds	
	2023	2022
Assets		
Cash and investments	\$ 15,930,734	\$ 15,228,622
Specials held in trust	77,493	80,709
Accounts receivable	2,957	2,508
Total Assets	<u>16,011,184</u>	<u>15,311,839</u>
Liabilities		
Due to others	\$ 1,031,072	\$ 1,053,008
Due to other governments	14,812,292	14,084,051
Total deductions	<u>15,843,364</u>	<u>15,137,059</u>
Net Position		
Restricted for Individuals, Organizations, and Other Governments	<u>\$ 167,820</u>	<u>\$ 174,780</u>

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

WAUPACA COUNTY, WI
Statement of Changes in Fiduciary Net Position
Fiduciary Funds
For the Year Ended December 31, 2023
(With summarized financial information as of December 31, 2022)

	Custodial Funds	
	2023	2022
Additions		
Contributions:		
Individuals	\$ 782,419	\$ 989,200
Fees collected	3,331,634	3,645,878
Property tax collections for other governments	47,709,966	44,349,301
Total Additions	<u>51,824,019</u>	<u>48,984,379</u>
Deductions		
Payments to individuals and organizations	\$ 2,233,278	\$ 2,503,107
Payments to state	1,824,613	2,052,157
Payments to other governments	47,773,088	44,378,565
Total deductions	<u>51,830,979</u>	<u>48,933,829</u>
Change in fiduciary net position	(6,960)	50,550
Fiduciary net position - beginning	<u>174,780</u>	<u>124,230</u>
Fiduciary net position - ending	<u><u>\$ 167,820</u></u>	<u><u>\$ 174,780</u></u>

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

WAUPACA COUNTY, WISCONSIN
Notes to the Basic Financial Statements
December 31, 2023

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Reporting Entity

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

B. Government-Wide and Fund Financial Statements

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

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

Separate financial statements are provided for governmental funds and proprietary funds. Governmental funds include general, special revenue, debt service and capital projects funds. Proprietary funds include enterprise funds. The County has no internal service funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

The County reports the following major governmental funds:

- The *general fund* is the County's primary operating fund. It accounts for all financial resources of the County, except those accounted for in another fund.

WAUPACA COUNTY, WISCONSIN
Notes to the Basic Financial Statements
December 31, 2023

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

- The *health and human services fund* accounts for the County's many comprehensive and integrated programs which deal with the physical, social, mental, emotional, economic, vocational and nutritional needs of individuals and families. Intergovernmental aids and property taxes are the primary sources of revenue.
- The *transportation services fund* accounts for the financial resources of the County's road and bridge system. Property taxes and intergovernmental aids are the primary sources of revenue.
- The *american rescue plan act fund* accounts for the American Rescue Plan Act of 2021 (ARPA) funding received for public health and economic impacts caused by the pandemic and maintain County services affected by revenue losses.
- The *debt service fund* accounts for the County's accumulation of resources and payments of general obligation debt principal and interest from which the County is obligated in some manner for the payment.
- The *capital improvement fund* accounts for the financial resources to be used for the acquisition or construction of capital assets other than those financed by the proprietary funds.

The County reports the following major proprietary funds:

- The *highway operations fund* accounts for the activities associated with the maintenance and/or construction of roadways located within the County.

Additionally, the County reports the following fund types:

- *Special revenue funds* are used to account for the proceeds of specific revenue sources that are legally restricted or committed for specific purposes. The County reports the following non-major special fund: *economic development fund, opioid settlement fund and environmental program fund*.
- *Fiduciary funds* – custodial funds are used to account for and report assets controlled by the County and assets are for the benefit of individuals, private organizations and/or other governmental units. The County reports the following custodial funds: *tax collection, jail canteen, representative payee, clerk of courts, evidence and register of deeds*.

WAUPACA COUNTY, WISCONSIN
Notes to the Basic Financial Statements
December 31, 2023

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

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

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

Property taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the government.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the County's public works function and various other functions of the County. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

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

When both restricted and unrestricted resources are available for use, the County uses restricted resources first, and then unrestricted resources as they are needed.

WAUPACA COUNTY, WISCONSIN
Notes to the Basic Financial Statements
December 31, 2023

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

1. Cash and Investments

The County's deposits consist of cash on hand as well as demand deposits with financial institutions.

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

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

Investments are reported at fair value. Fair value is the price that would be received to sell an asset in an orderly transaction between market participants at the measurement date.

For purposes of the statement of cash flows, all cash deposits and highly liquid investments with a maturity of three months or less (except for restricted assets) are considered to be cash equivalents.

2. Receivables and Payables

Activities between funds that are representative of lending/borrowing arrangements and that which is outstanding at the end of the year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). Any residual balances outstanding between governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances".

Advances between funds, as reported in the fund financial statements, are offset by a nonspendable fund balance account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

All trade receivables are shown net of an allowance for uncollectibles.

Wisconsin cities, villages and towns are charged with the responsibility of assessing taxable property, collecting taxes, and making distribution to the county, school districts and other taxing jurisdictions. Property of manufacturing establishments and utilities is assessed by the Wisconsin Department of Revenue. All assessments are made as of January 1.

WAUPACA COUNTY, WISCONSIN
Notes to the Basic Financial Statements
December 31, 2023

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Taxes on real estate and personal property are levied in December (for the County the levy date is the second Tuesday of November) of each year by each municipality within the County for each taxing jurisdiction in amounts that, when collected in the ensuing year, are sufficient to cover operating expenses, debt service and other expenditures of the said taxing jurisdiction.

In all taxation districts, real property taxes must either be paid in full by January 31 to the taxation district treasurer, or paid in two or more installments with the first installment paid by January 31 and the balance due by July 31. Amounts paid after January 31 are paid to the County Treasurer. On or about February 20, all tax rolls are turned over to the County Treasurer who then continues to collect all delinquent and postponed taxes.

Personal property taxes, special assessments, special charges and special taxes must be paid in full by January 31.

On or before January 15 and February 20, the taxation district treasurer settles with other taxing jurisdictions for all collections through the preceding month. On or before August 20, the County Treasurer must settle in full with the underlying taxing jurisdictions for all real estate and special taxes (except special assessments). The County may then recover any tax delinquencies by enforcing the lien on the property (which commences on September 1) and retain any penalties or interest on the delinquencies for which it has settled.

Collection of delinquent personal property taxes is the duty of the taxation district treasurer. However, if they remain uncollected after one year, each taxing jurisdiction may be billed their proportionate amount.

3. Prepaid Supplies and Prepayments

Prepaid supplies held by the proprietary fund types are valued at cost, which approximates market, using the following method: the Highway Operations Enterprise Fund uses the weighted average cost method.

The costs of prepaid supplies in the governmental fund types are recorded as expenditures when purchased with a year-end adjustment to reflect inventories not consumed at December 31; therefore, the asset amount is not available for appropriation, and is offset by a fund balance nonspendable account.

Payments made to vendors for services that will benefit periods beyond the end of the current year are recorded as prepayments in both government-wide and fund financial statements. Prepayments are not available for appropriation and the balance is offset by a fund balance nonspendable account in the governmental funds.

WAUPACA COUNTY, WISCONSIN
Notes to the Basic Financial Statements
December 31, 2023

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

4. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges and similar items) are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. The County defines capital assets as assets with an initial, individual cost of \$5,000 or higher and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Capital assets of the County are depreciated using the straight line method over the following estimated useful lives:

	Governmental Activities	Business-type Activities
	Years	
<u>Assets</u>		
Land improvements	20	10
Buildings	50	5 - 60
Machinery and equipment	5 - 20	3 - 33
Vehicles	8	5 - 10
Infrastructure	20 - 50	-

5. Compensated Absences

It is the County's policy to permit employees to accumulate earned but unused vacation and sick leave benefits in accordance with bargaining unit agreements or employee benefit policies. All vacation and sick leave is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

6. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The County has one item that qualifies for reporting in this category in the government-wide statement of net position. The item is related to the County's proportionate share of the Wisconsin Retirement System pension plan and is deferred and amortized over the expected remaining service lives of the pension plan participants.

WAUPACA COUNTY, WISCONSIN
Notes to the Basic Financial Statements
December 31, 2023

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The County has three types of items that qualify for reporting in this category, property taxes, advances from grantors / funding sources, and deferred inflows related to pensions. Property taxes and advances from grantors/funding sources will be recognized as an inflow of resources in the subsequent year for which it was levied and when related costs are incurred. The pension item is related to the Wisconsin Retirement System pension plan and is deferred and amortized over the expected remaining service lives of the pension plan participants.

7. Long-Term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond issue costs are expensed as incurred.

In the fund financial statements, governmental fund types recognize bond issuance costs during the current period. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures as incurred.

8. Pensions

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

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

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

WAUPACA COUNTY, WISCONSIN
Notes to the Basic Financial Statements
December 31, 2023

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

9. Fund Equity

GOVERNMENTAL FUND FINANCIAL STATEMENTS

In accordance with Governmental Accounting Standards Board Statement #54, *Fund Balance Reporting and Governmental Type Definitions*, the County classifies governmental fund balances as follows:

- *Non-spendable Fund Balance* – Non-spendable fund balance are amounts that cannot be spent because they are either (a) not in spendable form – such as inventory, prepaid items or non-liquid delinquent taxes or (b) legally or contractually required to be maintained intact – such as a trust that must be retained in perpetuity.
- *Restricted Fund Balance* – Restricted fund balances are restricted when constraints are placed on the use of resources are either (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or (b) imposed by law through constitutional provisions or enabling legislations.
- *Committed Fund Balance* – Committed fund balances are amounts that can be used for specific purpose as a result of constraints imposed by the County Board of Supervisors. Committed amounts cannot be used for any other purpose unless the Board removes those constraints by taking the same type of action (e.g., legislation, resolution, ordinance) and does not lapse at year-end. Amounts in the committed fund balance classification may be used for other purposes with appropriate due process by the Board. Committed fund balances differ from restricted balances because the constraints on their use do not come from outside parties, constitutional provisions, or enabling legislation.
- *Assigned Fund Balance* – Assigned fund balances are amounts that are constrained by the County's intent to be used for specific purposes, but are neither restricted nor committed. Intent is expressed by (a) the Director of Finance or (b) an appointed body (e.g. finance committee).
- *Unassigned Fund Balance* – Unassigned fund balance is the residual classification for the General Fund. This classification represents General Fund balance that has not been restricted, committed, or assigned to specific purpose within the General Fund.

The County has not adopted a fund balance spend-down policy regarding the order in which fund balance will be utilized. When a policy does not specify the spend-down policy, GASB Statement No. 54 indicates that restricted funds would be spent first, followed by committed funds, and then assigned funds. Unassigned funds would be spent last.

WAUPACA COUNTY, WISCONSIN
Notes to the Basic Financial Statements
December 31, 2023

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

GOVERNMENT-WIDE AND PROPRIETARY FUND STATEMENTS

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

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

10. Use of Estimates

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

11. Summarized Comparative Information

Comparative amounts for the prior year have been presented in the basic financial statements to provide an understanding of changes in the County's financial position and operations. The comparative amounts may be summarized in total and not at the level of detail required for a presentation in conformity with general accepted accounting principles. Accordingly, such information should be read in conjunction with the government's financial statements for the year ended December 31, 2022, from which the summarized information was derived.

NOTE 2 – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. Budgetary Information

Budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America. The County prepares an annual budget in accordance with Chapter 65 of the Wisconsin Statutes for each year ending December 31.

The County adopts annual appropriated budgets for the general, special revenue, debt service, capital project, and enterprise funds. For the proprietary fund types, the budget is viewed as an approved operating plan.

WAUPACA COUNTY, WISCONSIN
Notes to the Basic Financial Statements
December 31, 2023

NOTE 2 – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (Continued)

On or before the second Wednesday in September of each year, all departments of Waupaca County submit written requests for appropriations to the County's Finance Director so that a budget may be prepared. The budget is prepared by fund, department, program and object, and includes information on the past year, year-to-date current year activity, current year estimates and requested appropriations for the next year.

The County's Finance Committee holds several budgetary review meetings to consider departmental budgets. The public is invited to attend. Any modifications of budget items by the Finance Committee require notification to the departments and/or committees of jurisdiction. If the department or committee of jurisdiction requests to be heard in rebuttal, the Finance Committee shall grant that opportunity.

On or before the last Tuesday of October, the preliminary budget as approved by the Finance Committee is introduced to the County Board of Supervisors. Changes may be made at that time and the budget is referred back to the Finance Committee for final adjustments. Fifteen days before final adoption of the budget, a public hearing notice is posted, and the public is invited to inspect the budget.

On the second Tuesday in November, the public hearing on the budget is held. Discussion and/or changes may be made to the budget during this session. The final version of the budget is approved by simple majority through the County's property tax resolution and the budget is formally adopted at the functional level of expenditures.

Major budgetary transfers and changes must be introduced by the Finance Committee through resolutions. All such resolutions must be approved by the County Board of Supervisors. Minor budgetary transfers and changes, defined as ten percent or less of a department's annual approved budgeted line item, are controlled by the County's Finance Director. The budgeted amounts presented in the basic financial statements include any amendments made.

All annual appropriations lapse at year-end unless specifically authorized as non-lapsing appropriations by the County's Finance Committee. The portion of fund balance representing non-lapsing appropriations is reported as an assigned fund balance.

Encumbrance accounting is used by the County as an extension of formal budgetary control during the year. Encumbrances outstanding at year-end (e.g., construction related purchase orders and contracts) are reported as assigned fund balances.

The County did not have any material violation of legal or contractual provisions for the fiscal year ended December 31, 2023.

WAUPACA COUNTY, WISCONSIN
Notes to the Basic Financial Statements
December 31, 2023

NOTE 3 – DETAILED NOTES ON ALL FUNDS

B. Excess of Expenditures over Budget Appropriations

The following expenditure accounts had actual expenditures in excess of budget appropriations for the year ended December 31, 2023 as follows:

Fund(s)	Excess Expenditures
General Fund	
Public safety	\$ 83,984
Public works	98,663
Transportation Services Fund	
Public works	226,477
Capital Outlay	422,597

The excess expenditures were funded with fees and fund balance.

A. Cash and Investments

The County maintains various cash and investment accounts, including pooled funds that are available for use by all funds. Each fund's portion of these accounts is displayed as "Cash and investments" on the statement of net position (government-wide and proprietary funds) or balance sheet (governmental funds).

The carrying amount of the County's cash and investments totaled \$51,429,356 on December 31, 2023 as summarized below:

Petty cash funds	\$ 3,013
Deposits with financial institutions:	
Unrestricted	33,814,729
Investments:	
US Treasuries	5,676,597
Federal agency securities	1,779,354
Negotiable certificates of deposits	1,964,708
Corporate bonds	365,721
Municipal bonds	1,453,940
Money Market Mutual Funds	194,195
Wisconsin investment services cooperative	6,177,099
Total cash and cash equivalents or investments	<u>\$ 51,429,356</u>

Reconciliation to the basic financial statements:

Government-wide Statement of Net Position	
Cash and investments	\$ 35,498,622
Fiduciary Funds Statement of Fiduciary Net Position	
Cash and investments	15,930,734
Total cash and cash equivalents or investments	<u>\$ 51,429,356</u>

WAUPACA COUNTY, WISCONSIN
Notes to the Basic Financial Statements
December 31, 2023

NOTE 3 – DETAILED NOTES ON ALL FUNDS (Continued)

Fair Value Measurements

The County categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant observable inputs; Level 3 inputs are significant unobservable inputs. The County has the following fair value measurements as of December 31, 2023:

	Fair Value Measurements Using:		
	Level 1	Level 2	Level 3
U.S. Treasury Notes	\$ -	\$ 5,676,597	\$ -
Money Market Mutual Funds	194,195	-	-
Government National Mortgage Association	-	3,194	-
Federal Home Loan Mortgage Association	-	471,380	-
Federal National Mortgage Association	-	509,970	-
Federal Home Loan Bank	-	282,551	-
Federal Farm Credit Bank	-	512,259	-
Negotiable Certificates of Deposits	-	1,964,708	-
Corporate Bonds	-	365,721	-
Municipal Bonds	-	1,453,940	-
Total investments by fair value level	\$ 194,195	\$ 11,240,320	\$ -

Deposits and investments of the County are subject to various risks. Presented below is a discussion of the specific risks and the County's policy to the risk.

Custodial Credit Risk

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

WAUPACA COUNTY, WISCONSIN
Notes to the Basic Financial Statements
December 31, 2023

NOTE 3 – DETAILED NOTES ON ALL FUNDS (Continued)

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 time and savings deposits and \$250,000 for interest-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 all time accounts, savings accounts and interest-bearing demand deposit accounts per official custodian per depository institutions. Deposits with credit unions are insured by the National Credit Union Shared Insurance Fund (NCUSIF) in the amount of \$250,000 per credit union member. Also, the State of Wisconsin has a State Guarantee Fund which provides a maximum of \$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.

As of December 31, 2023, \$9,070,511 of the County's deposits with financial institutions were in excess of federal and state depository insurance limits. Of this amount, \$8,079,064 was collateralized with securities held by the pledging financial institutions or its trust department or agent but not in the County's name. During the year, due to higher cash flows from tax collections in July and before the subsequent payout in August, the County's unsecured deposits increased significantly for a short period of time. However, no losses were incurred.

Concentration of Credit Risk

The investment policy of the County contains no limitations on the amount that can be invested in any one issuer. There were no investments in any one issuer (other than U.S. Treasury securities, mutual funds, and external investment pools) that represent 5% or more of total County investments, except for federal agency securities which are rated AAA by Moody's.

WAUPACA COUNTY, WISCONSIN
Notes to the Basic Financial Statements
December 31, 2023

NOTE 3 – DETAILED NOTES ON ALL FUNDS (Continued)

Credit Risk

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

Investment Type	Amount	Exempt From Disclosure	AAA	Aa	Not Rated
U.S. Treasury notes	\$ 5,676,597	\$ 5,676,597	\$ -	\$ -	\$ -
Government National					
Mortgage Association	3,194	3,194	-	-	-
Federal National					
Mortgage Association	471,380	471,380	-	-	-
Federal Home Loan					
Mortgage Association	509,970	509,970	-	-	-
Federal Home Loan Bank	282,551	282,551	-	-	-
Federal Farm Credit Bank	512,259	512,259	-	-	-
Negotiable Certificates of Deposit	1,964,708	-	-	-	1,964,708
Corporate Bonds	365,721	-	122,455	243,266	-
Municipal Bonds	1,453,940	-	407,109	740,328	306,503
Wisconsin investment series					
cooperative	6,177,099	-	-	-	6,177,099
Totals	<u>\$ 17,417,419</u>	<u>\$ 7,455,951</u>	<u>\$ 529,564</u>	<u>\$ 983,594</u>	<u>\$ 8,448,310</u>

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The County does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Investments with Fair Values Highly Sensitive to Interest Rate Fluctuation

The County's investments include the following investments that are highly sensitive to interest rate fluctuations (to a greater degree than already indicated in the information provided above):

Highly Sensitive Investments	Fair Value at Year End
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Mortgage backed securities. These securities are subject to early payment in a period of declining interest rates. The resultant reduction in expected total cash flows affects the fair value of these securities and makes the fair values of these securities highly sensitive to changes in interest rates

\$ 984,544

WAUPACA COUNTY, WISCONSIN
Notes to the Basic Financial Statements
December 31, 2023

NOTE 3 – DETAILED NOTES ON ALL FUNDS (Continued)

Information about the sensitivity of the fair values of the County's investments to market interest rate fluctuations is provided by the following table that shows the distribution of the County's investments by maturity:

Investment Type	Amount	Remaining Maturity (in Months)			
		12 Months or Less	13 to 24 Months	25 to 60 Months	More Than 60 Months
U.S. Treasury Notes	\$ 5,676,597	\$ 2,163,575	\$ 3,040,584	\$ 243,048	\$ 229,390
Government National					
Mortgage Association	3,194	-	-	1,003	2,191
Federal National					
Mortgage Association	471,380	149,835	291,883	-	29,662
Federal Home Loan					
Mortgage Association	509,970	247,870	142,655	100,565	18,880
Federal Home Loan Bank	282,551	146,667	-	135,884	-
Federal Farm Credit Bank	512,259	-	373,462	138,797	-
Negotiable Certificates of Deposit	1,964,708	1,475,196	489,512	-	-
Corporate Bonds	365,721	-	244,835	120,886	-
Municipal Bonds	1,453,940	768,956	432,538	252,446	-
Wisconsin investment series					
cooperative	6,177,100	6,177,100	-	-	-
Totals	\$ 17,417,420	\$ 11,129,199	\$ 5,015,469	\$ 992,629	\$ 280,123

Investment in Wisconsin Investment Series Cooperation

The County has investments in the Wisconsin Investment Series Cooperative (WISC) of \$16,674,668 at year-end consisting of \$343,211 invested in the Cash Management Series, \$734,095 invested in the Investment Series, \$3,660,884 invested in Long Term Duration, \$1,438,907 invested in Extended Term Duration, \$2 invested in Savings Deposit Account, \$4,346,611 invested in securities and \$6,150,958 invested in various certificates of deposit. The Cash Management Series has no minimum investment period, allows check writing privileges, and the average dollar weighted maturity is ninety (90) days or less. The Investment Series requires a 14 day minimum investment period and one business day withdrawal notice, and the average dollar weighted maturity is one hundred twenty (120) days or less. The Long Term Duration Series and the Extended Term Duration Series requires a minimum investment of at least \$100,000 and requires at least two weeks advance notice for quarterly withdrawals available on the third Wednesday of each March, June, September and December.

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

WAUPACA COUNTY, WISCONSIN
Notes to the Basic Financial Statements
December 31, 2023

NOTE 3 – DETAILED NOTES ON ALL FUNDS (Continued)

B. Receivables

Receivables (net of allowance for uncollectibles) for the year ended December 31, 2023 for the County's governmental activities (all major and nonmajor governmental funds) and business-type activities (all enterprise funds) are as follows:

Major Funds					
Governmental Activities					
General	Health and Human Services	Trans- portation Services	Debt Service	Capital Improvement	
Receivables (net):					
Current year tax levy	\$ 20,162,492	\$ 4,320,528	\$ 1,578,767	\$ 3,825,659	\$ -
Tax certificates	896,284	-	-	-	-
Tax deeds	11,607	-	-	-	-
Interest	32,605	-	-	-	-
Accounts	175,835	200,408	-	-	21,861
Intergovernmental	2,458,877	958,674	-	-	-
Total	\$ 23,737,700	\$ 5,479,610	\$ 1,578,767	\$ 3,825,659	\$ 21,861

Major Funds		
Governmental Activities Subtotal	Highway Operations Business- type Activities	Total
Receivables (net):		
Current year tax levy	\$ 29,887,446	\$ -
Tax certificates	896,284	-
Tax deeds	11,607	-
Interest	32,605	-
Accounts	398,104	33,653
Intergovernmental	3,417,551	1,230,029
Total	\$ 34,643,597	\$ 1,263,682

WAUPACA COUNTY, WISCONSIN
Notes to the Basic Financial Statements
December 31, 2023

NOTE 3 – DETAILED NOTES ON ALL FUNDS (Continued)

C. Delinquent Property Taxes – General Fund

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

On December 31, 2023, the County’s general fund showed an investment of \$907,891 in delinquent taxes as follows:

Tax certificates	\$ 896,284
Tax deeds	11,607
Total	<u>\$ 907,891</u>

An aging of the total delinquent taxes of \$907,891 on December 31, 2023 follows:

Year Acquired	Tax Certificates	Tax Deeds
Prior to 2019	\$ 40,167	\$ 6,597
2019	25,255	1,255
2020	111,891	1,253
2021	213,643	1,258
2022	505,328	1,244
	<u>\$ 896,284</u>	<u>\$ 11,607</u>

Of the total of \$907,891 for delinquent taxes and deeds, \$126,877 was collected by the County within 60 days after December 31, 2023. The remaining unpaid balance of \$781,014 is recorded as nonspendable fund balance for the general fund.

WAUPACA COUNTY, WISCONSIN
Notes to the Basic Financial Statements
December 31, 2023

NOTE 3 – DETAILED NOTES ON ALL FUNDS (Continued)

D. Capital Assets

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

	Beginning Balance	Increases	Decreases	Transfers	Adjustments	Ending Balance
Governmental activities:						
Capital assets, not being depreciated:						
Land	\$ 4,973,234	\$ 91,394	\$ -	\$ -	\$ -	\$ 5,064,628
Construction in progress	11,247,696	1,402,510	8,249,636	-	(3,000)	4,397,570
Total capital assets not being depreciated	16,220,930	1,493,904	8,249,636	-	(3,000)	9,462,198
Capital assets, being depreciated:						
Land improvements	4,990,086	120,213	-	-	-	5,110,299
Buildings	34,953,182	58,453	-	-	-	35,011,635
Machinery and equipment	17,736,392	412,917	72,180	-	-	18,077,129
Vehicles	5,817,197	833,321	581,268	(6,852)	-	6,062,398
Infrastructure	121,677,585	13,187,338	1,631,212	-	-	133,233,711
Total capital assets being depreciated	185,174,442	14,612,242	2,284,660	(6,852)	-	197,495,172
Less accumulated depreciation for:						
Land improvements	(2,839,325)	(141,807)	-	-	-	(2,981,132)
Buildings and improvements	(15,892,984)	(767,467)	-	-	-	(16,660,451)
Machinery and equipment	(12,232,817)	(1,004,446)	72,180	-	-	(13,165,083)
Vehicles	(3,439,856)	(528,925)	536,611	-	-	(3,432,170)
Infrastructure	(65,937,188)	(5,135,117)	1,331,867	-	-	(69,740,438)
Total accumulated depreciation	(100,342,170)	(7,577,762)	1,940,658	-	-	(105,979,274)
Total capital assets, being depreciated, net	84,832,272	7,034,480	344,002	(6,852)	-	91,515,898
Governmental activities capital assets, net	\$ 101,053,202	\$ 8,528,384	\$ 8,593,638	\$ (6,852)	\$ (3,000)	100,978,096
Less related long-term debt outstanding						2,003,269
Net investment in capital assets						\$ 98,974,827

WAUPACA COUNTY, WISCONSIN
Notes to the Basic Financial Statements
December 31, 2023

NOTE 3 – DETAILED NOTES ON ALL FUNDS (Continued)

	Beginning Balance	Increases	Decreases	Transfers	Adjustment	Ending Balance
Business-type activities:						
Capital assets, not being depreciated:						
Land	\$ 3,457,364	\$ -	\$ -	\$ -	\$ -	\$ 3,457,364
Construction in progress	-	393,423	-	-	-	393,423
Total capital assets not being depreciated	3,457,364	393,423	-	-	-	3,850,787
Capital assets, being depreciated:						
Buildings	20,667,885	155,610	-	-	-	20,823,495
Machinery and equipment	9,587,649	447,746	62,527	-	23,195	9,996,063
Vehicles	10,137,854	193,744	120,087	6,852	-	10,218,363
Total capital assets being depreciated	40,393,388	797,100	182,614	6,852	23,195	41,037,921
Less accumulated depreciation for:						
Buildings	(3,331,300)	(526,816)	-	-	-	(3,858,116)
Machinery and equipment	(5,337,341)	(514,989)	43,267	-	(15,279)	(5,824,342)
Vehicles	(5,684,317)	(633,553)	102,213	-	-	(6,215,657)
Total accumulated depreciation	(14,352,958)	(1,675,358)	145,480	-	(15,279)	(15,898,115)
Total capital assets, being depreciated, net	26,040,430	(878,258)	37,134	6,852	7,916	25,139,806
Business-type activities capital assets, net	\$ 29,497,794	\$ (484,835)	\$ 37,134	\$ 6,852	\$ 7,916	\$ 28,990,593
Less related long-term debt outstanding						18,303,229
Net investment in capital assets						\$ 10,687,364

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

Governmental activities	
General government	\$ 510,279
Public safety	1,488,258
Public works	5,209,521
Health and human services	80,526
Culture and recreation	208,753
Conservation and development	80,425
Total depreciation expense - governmental activities	<u>\$ 7,577,762</u>
Business-type activities	
Highway construction and maintenance	<u>\$ 1,675,358</u>

WAUPACA COUNTY, WISCONSIN
Notes to the Basic Financial Statements
December 31, 2023

NOTE 3 – DETAILED NOTES ON ALL FUNDS (Continued)

E. Interfund Receivables, Payables, and Transfers

The composition of interfund balances as of December 31, 2023 is as follows:

Receivable Fund	Payable Fund	Amount
Due from / to other funds:		
General fund	Highway Operations	\$ 313
Highway operations	General	25,805
	General	(313)
	Health and human services	272
	Transportation services	323,591
	Elimination entries	(313)
Total		<u>\$ 349,355</u>

The above interfund balances result from temporary advances made to the payable fund to finance operations.

The following operating transfers were recorded for the year ended December 31, 2023:

Fund	Transfer In	Transfer Out
General	\$ 46,176	\$ 6,024,500
American rescue plan act	-	765,182
Environmental program	-	46,440
Transportation services	5,209,500	-
Capital improvement	1,254,735	-
Highway operations	325,711	-
	<u>\$ 6,836,122</u>	<u>\$ 6,836,122</u>

Transfers were used for the following purposes:

Transfer for capital project expenditures	<u>\$ 6,836,122</u>
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There is an additional transfer of \$6,850 between governmental activities and Highway operations. This results in a total transfer between governmental activities and Highway operations of \$332,561.

WAUPACA COUNTY, WISCONSIN
Notes to the Basic Financial Statements
December 31, 2023

NOTE 3 – DETAILED NOTES ON ALL FUNDS (Continued)

F. Long-Term Obligations

Changes in Long-Term Obligations

Long-term obligation activities for the year ended December 31, 2023 were as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities:					
General Obligation Debt					
Direct borrowing notes	\$ 3,986,729	\$ -	\$ 1,983,460	\$ 2,003,269	\$ 2,003,269
Compensated absences	1,832,233	1,345,583	1,379,919	1,797,897	692,719
Governmental activities					
Long-term obligations	\$ 5,818,962	\$ 1,345,583	\$ 3,363,379	\$ 3,801,166	\$ 2,695,988
	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Business-type activities:					
General obligation debt:					
Bonds	\$ 18,525,000	\$ -	\$ 1,155,000	\$ 17,370,000	\$ 1,155,000
Premium on bonds	999,103	-	65,874	933,229	-
Compensated absences	331,717	303,428	254,944	380,201	159,407
Business-type activities					
Long-term obligations	\$ 19,855,820	\$ 303,428	\$ 1,475,818	\$ 18,683,430	\$ 1,314,407

Interest paid on long-term obligations in 2023 was \$742,684.

General Obligation Debt

General obligation debt currently outstanding is detailed as follows:

Purpose	Interest Rates	Amount
\$5,954,387 issued April 13, 2021 (direct borrowing)	.89%	\$ 2,003,269
\$24,125,000 issued October 11, 2018	3.00% - 5.00%	17,370,000
Total general obligation debt outstanding		<u>\$ 19,373,269</u>

WAUPACA COUNTY, WISCONSIN
Notes to the Basic Financial Statements
December 31, 2023

NOTE 3 – DETAILED NOTES ON ALL FUNDS (Continued)

Annual principal and interest maturities of the outstanding general obligation debt of \$19,373,269 on December 31, 2023 are as follows:

Year Ended December 31	Direct Borrowing		Bonded Debt		Totals	
	Governmental Activities		Business-type Activities			
	Principal	Interest	Principal	Interest	Principal	Interest
2024	\$ 2,003,269	\$ 8,915	\$ 1,155,000	\$ 658,475	\$ 3,158,269	\$ 667,390
2025	-	-	1,155,000	600,725	1,155,000	600,725
2026	-	-	1,155,000	542,975	1,155,000	542,975
2027	-	-	1,155,000	485,225	1,155,000	485,225
2028	-	-	1,155,000	427,475	1,155,000	427,475
2029-2033	-	-	5,795,000	1,542,000	5,795,000	1,542,000
2034-2038	-	-	5,800,000	536,500	5,800,000	536,500
	<u>\$ 2,003,269</u>	<u>\$ 8,915</u>	<u>\$ 17,370,000</u>	<u>\$ 4,793,375</u>	<u>\$ 19,373,269</u>	<u>\$ 4,802,290</u>

Bank Notes

The County's outstanding notes from direct borrowings related to governmental activities of \$2,003,269 contain a provision that in an event of default, outstanding amounts become immediately due if the County is unable to make payment.

Legal Margin for New Debt

The County's legal margin for creation of additional general obligation debt on December 31, 2023 was \$284,592,516 as follows:

Equalized valuation of the County	\$ 6,079,315,700
Statutory limitation percentage	(x) 5%
General obligation debt limitation, per Section 67.03 of the Wisconsin Statutes	303,965,785
Total outstanding general obligation debt	19,373,269
Legal margin of new debt	<u>\$ 284,592,516</u>

WAUPACA COUNTY, WISCONSIN
Notes to the Basic Financial Statements
December 31, 2023

NOTE 3 – DETAILED NOTES ON ALL FUNDS (Continued)

G. Pension Plan

1. Plan Description

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

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

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

Employees who retire at or after age 65 (54 for protective occupations and 62 for elected officials and executive service retirement plan participants, if hired on or before 12/31/2016) 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 receives earnings and made contributions as required. Creditable service also includes creditable military service. The retirement benefit will be calculated as a money purchase benefit based on the employee's contributions plus matching employer's contributions, with interest, if that benefit is higher than the formula benefit.

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

WAUPACA COUNTY, WISCONSIN
Notes to the Basic Financial Statements
December 31, 2023

NOTE 3 – DETAILED NOTES ON ALL FUNDS (Continued)

The WRS also provides death and disability benefits for employees.

2. 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
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%
2021	5.1%	13%
2022	7.4%	15%

3. 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, 2023, the WRS recognized \$1,865,548 in contributions from the County.

WAUPACA COUNTY, WISCONSIN
Notes to the Basic Financial Statements
December 31, 2023

NOTE 3 – DETAILED NOTES ON ALL FUNDS (Continued)

Contribution rates for the reporting period are:

Employee Category	Employee	Employer
General (including executives, and elected officials)	6.80%	6.80%
Protective with Social Security	6.80%	13.20%
Protective without Social Security	6.80%	18.10%

4. Pension Assets, Liabilities, Pension Expense (Revenue), and Deferred Outflows of Resources and Deferred Inflows of Resources Related Pensions.

At December 31, 2023, the County reported a liability of \$7,893,068 for its proportionate share of the net pension asset. The net pension asset was measured as of December 31, 2022, and the total pension asset used to calculate the net pension asset was determined by an actuarial valuation as of December 31, 2021 rolled forward to December 31, 2022. No material changes in assumptions or benefit terms occurred between the actuarial valuation date and the measurement date. The County's proportion of the net pension liability was based on the County's share of contributions to the pension plan relative to the contributions of all participating employers. At December 31, 2022, the County's proportion was .14899037%, which was a decrease of .00008667% from its proportion measured as of December 31, 2021.

For the year ended December 31, 2023, the County recognized pension expense of \$4,019,278.

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 12,571,212	\$ 16,515,750
Net differences between projected and actual earnings on pension plan investments	13,408,500	-
Changes in assumptions	1,552,103	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	13,235	18,260
Employer contributions subsequent to the measurement date	1,865,548	-
Total	<u>\$ 29,410,598</u>	<u>\$ 16,534,010</u>

WAUPACA COUNTY, WISCONSIN
Notes to the Basic Financial Statements
December 31, 2023

NOTE 3 – DETAILED NOTES ON ALL FUNDS (Continued)

The \$1,865,548 reported as deferred outflows related resulting from the County's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability (asset) in the year ended December 31, 2023.

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
2024	\$ 458,414
2025	2,279,260
2026	2,334,444
2027	5,938,922
Total	<u>\$ 11,011,040</u>

5. Actuarial Assumption

The total pension liability in the December 31, 2022, actuarial valuation was determined using the following actuarial assumptions, applied to all periods including in the measurement:

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

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

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

WAUPACA COUNTY, WISCONSIN
Notes to the Basic Financial Statements
December 31, 2023

NOTE 3 – DETAILED NOTES ON ALL FUNDS (Continued)

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

	Current Asset Allocation %	Long-Term Expected Nominal Rate of Return %	Long-Term Expected Real Rate of Return %
<u>Core Fund Asset Class</u>			
Public Equities	48%	7.6%	5%
Public Fixed Income	25%	5.3%	2.7%
Inflation Sensitive Assets	19%	3.6%	1.1%
Real Estate	8%	5.2%	2.6%
Cash	-15%	N/A	N/A
Private Equity/Debt	<u>15%</u>	9.6%	6.9%
Total Core Fund	<u>100%</u>	7.4%	4.8%
<u>Variable Fund Asset Class</u>			
U.S. Equities	70%	7.2%	4.6%
International Equities	<u>30%</u>	8.1%	5.5%
Total Variable Fund	<u>100%</u>	7.7%	5.1%

Single Discount Rate. A single discount rate of 6.8% 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 6.80% and a municipal bond rate of 4.05%. (Source: Fixed-income municipal bonds with 20 years to maturity that include only federally tax-exempt municipal bonds as reported in Fidelity Index's "20-year Municipal GO AA Index" as of December 31, 2022. In describing this index, Fidelity notes that the Municipal Curves are constructed using option-adjusted analytics of a diverse population of over 10,000 tax-exempt securities.). Because of the unique structure of WRS, the 6.8% expected rate of return implies that a dividend of approximately 1.7% will always be paid. For purposes of the single discount rate, it was assumed that the dividend would always be paid. The projection of cash flows used to determine this single discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments (including expected dividends) of current plan members.

WAUPACA COUNTY, WISCONSIN
Notes to the Basic Financial Statements
December 31, 2023

NOTE 3 – DETAILED NOTES ON ALL FUNDS (Continued)

Therefore, the expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the County's proportionate share of the net pension liability (asset) to changes in the discount rate. The following presents the County's proportionate share of the net pension liability (asset) calculated using the discount rate of 6.80 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 (5.80 percent) or 1-percentage-point higher (7.80 percent) than the current rate:

	1% Decrease to Discount Rate (5.80%)	Current Discount Rate (6.80%)	1% Increase to Discount Rate (7.80%)
County's proportionate share of the net pension liability (asset)	\$ 26,196,836	\$ 7,893,068	\$ (4,698,354)

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

6. Payable to WRS

At December 31, 2023 the County reported a payable of \$436,085 for the outstanding amount of contributions to the pension plan for the year ended December 31, 2023.

H. Fund Balances

The constraints on fund balance as listed in aggregate in the *Balance Sheet – Governmental Funds* are detailed according to balance classification and fund.

WAUPACA COUNTY, WISCONSIN
Notes to the Basic Financial Statements
December 31, 2023

NOTE 3 – DETAILED NOTES ON ALL FUNDS (Continued)

	General Fund	Major Special Revenue Funds					Capital Improvement Fund	Other Governmental Funds	Total
		Health and Human Services Fund	Transportation Services Fund	Rescue Plan Act Fund	American Fund	Debt Service Fund			
Fund Balances:									
Nonspendable:									
Prepaid items and supplies	\$ 395,811	\$ -	\$ -	\$ -	-	\$ -	\$ 378,340	\$ -	\$ 774,151
Tax certificates	781,014	-	-	-	-	-	-	-	781,014
Restricted									
Recycling program	164,321	-	-	-	-	-	-	-	164,321
Land records	74,418	-	-	-	-	-	-	-	74,418
Jail improvements	102,261	-	-	-	-	-	-	-	102,261
Register of deeds	13,867	-	-	-	-	-	-	-	13,867
Donations									
Law enforcement	161,632	-	-	-	-	-	-	-	161,632
Emergency management	35,857	-	-	-	-	-	-	-	35,857
Veterans service	9,368	-	-	-	-	-	-	-	9,368
Fairgrounds	8,445	-	-	-	-	-	-	-	8,445
Parks and recreation	4,150	-	-	-	-	-	-	-	4,150
Health and human services	-	189,067	-	-	-	-	-	-	189,067
Opioid settlement	-	-	-	-	-	-	-	307,409	307,409
Debt service	-	-	-	-	-	2,664	-	-	2,664
Committed									
Highways	-	-	267,082	-	-	-	-	-	267,082
Health and human services	-	3,165,159	-	-	-	-	-	-	3,165,159
American rescue plan act	-	-	-	274,512	-	-	-	-	274,512
Economic development	-	-	-	-	-	-	-	2,229,925	2,229,925
Assigned									
Capital projects	-	-	-	-	-	-	1,962,221	-	1,962,221
Unemployment compensation	300,000	-	-	-	-	-	-	-	300,000
Insurance claims	2,846,970	-	-	-	-	-	-	-	2,846,970
Non-lapsing appropriations	239,788	-	-	-	-	-	-	-	239,788
Other purposes	1,218,624	-	-	-	-	-	-	-	1,218,624
Unassigned (deficit)	13,403,567	-	-	-	-	-	-	-	13,403,567
Total Fund Balances	\$ 19,760,093	\$ 3,354,226	\$ 267,082	\$ 274,512	\$ -	\$ 2,664	\$ 2,340,561	\$ 2,537,334	\$ 28,536,472

WAUPACA COUNTY, WISCONSIN
Notes to the Basic Financial Statements
December 31, 2023

NOTE 3 – DETAILED NOTES ON ALL FUNDS (Continued)

The General Fund's unassigned fund balance represents available financial resources that can be used to meet contingencies and working capital requirements. The County has an established policy that the County will maintain a minimum unassigned fund balance of 25% of the General Fund revenues.

General fund revenues	\$ 36,211,664
Minimum fund balance policy	<u>(x) 25%</u>
Minimum unassigned fund balance	<u><u>\$ 9,052,916</u></u>

The unassigned general fund balance at December 31, 2023 is \$13,403,567.

I. Net Position

The County reports restricted net position at December 31, 2023 as follows:

Governmental Activities	
Restricted for	
Recycling program activities	\$ 164,321
Land records	74,418
Jail improvements	102,261
Register of deeds	13,867
Opioid settlement	307,409
Donations	
Law enforcement	161,632
Emergency management	35,857
Veterans service	9,368
Fairgrounds	8,445
Parks and recreation	4,150
Health and human services	<u>189,067</u>
Total Restricted Net Position	<u><u>\$ 1,070,795</u></u>

WAUPACA COUNTY, WISCONSIN
Notes to the Basic Financial Statements
December 31, 2023

NOTE 4 – OTHER INFORMATION

A. Risk Management

The County has purchased commercial insurance policies for various risks of loss related to torts; theft, damage or destruction of assets; errors or omissions; injuries to employees; or acts of God. Payments of premiums for these policies are recorded as expenditures or expenses in various funds of the County.

The County retains certain risks that are financed in large part by self-insuring these risks. Three principal areas are covered by self-insurance: worker's compensation, unemployment compensation, and health care claims (including medical, dental, and prescription drug).

Worker's compensation claims are self-insured for all operations in the county. A third-party administrator is contracted to monitor worker's compensation claims that are included in the self-insured category. Also, the County purchases an excess worker's compensation insurance policy with a \$600,000 per occurrence retention. These safety measures will insure that the County's risk to worker's compensation claims falls within an acceptable range in the future.

All funds of the County participate in the program and make payments to the general fund based upon exposure classification and to establish a reserve for incurred but not reported claims. The claims liability of \$239,399 reported in the general fund at December 31, 2023 is based on the requirements of Governmental Accounting Standards Board Statement 10, which requires that a liability for claims be reported if information prior to the issuance of the basic financial statements indicates that it is probable that a liability has been incurred at the date of the basic financial statements and the amount of the loss can be reasonably estimated. Changes in the claims liability amount for the year ended December 31, 2023 follows:

Year Ending December 31	Liability January 1	Current Year Claims and Changes in Estimates	Payments	Liability December 31
2023	\$ 180,246	\$ 324,970	\$ 265,817	\$ 239,399
2022	\$ 127,748	\$ 319,004	\$ 266,506	\$ 180,246

Unemployment compensation claims paid by the County are also paid by the appropriate funds incurring the claims. Prior experience by the County indicates that the risk in this area is relatively low. This is due in large part by the County being a stable employer. If there were an unexpected layoff by the County, the general fund maintains a \$300,000 assigned fund balance assigned for this event.

WAUPACA COUNTY, WISCONSIN
Notes to the Basic Financial Statements
December 31, 2023

NOTE 4 – OTHER INFORMATION (Continued)

Medical care claims are self-insured for all active employees, eligible retirees and eligible dependents. The program is administered by a third party administrator and is supplemented by stop loss protection, which limits the County's liability to \$100,000 per individual claim or an aggregate limit of \$5,870,016 for health insurance claims during the period of January 1, 2023 to December 31, 2023.

All funds of the County participate in the program and make payments to the general fund based upon estimates of the amounts needed to pay prior year and current year claims and to establish a reserve for incurred but not reported claims. The claims liability of \$369,244 reported in the general fund at December 31, 2023 is based on the requirements of Governmental Accounting Standards Board Statement 10, which requires that a liability for claims be reported if information prior to the issuance of the basic financial statements indicates that it is probable that a liability has been incurred at the date of the basic financial statements and the amount of the loss can be reasonably estimated. Changes in the claims liability amount for the year ended December 31, 2023 follows:

Year Ending December 31	Liability January 1	Current Year Claims and Changes in Estimates	Payments	Liability December 31
2023	\$ 594,867	\$ 5,561,969	\$ 5,787,592	\$ 369,244
2022	\$ 927,513	\$ 5,134,274	\$ 5,466,920	\$ 594,867

For each of the County's self-insured risk management areas, there have been no significant reductions in insurance coverage in comparison to the prior year. Also, the amount of insurance settlements for each of the County's self-insured risk management areas has not exceeded insurance coverage in any of the past three years

B. Contingent Liabilities

The County has identified the following items as potential liabilities not recorded on the basic financial statements:

1. The County participates in a number of federal and state assisted grant agreements. These programs are subject to program compliance audits by the grantors or their representatives. An audit under Federal Uniform Guidance and the Wisconsin *State Single Audit Guidelines* has been conducted but final acceptance is still pending. Accordingly, the County's compliance with applicable grant requirements will be established at some future date. The amount of expenditures which may be disallowed by the granting agencies cannot be determined at this time although the County expects such amounts, if any, to be immaterial.

WAUPACA COUNTY, WISCONSIN
Notes to the Basic Financial Statements
December 31, 2023

NOTE 4 – OTHER INFORMATION (Continued)

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

C. Property Tax Levy Limit

Wisconsin state statutes provide for a limit on the property tax levies for all Wisconsin cities, villages, towns and counties. For the 2023 and 2024 budget years, the increase in the maximum allowable tax levy is limited to the percentage change in the County's January 1 equalized value as a result of net new construction. The actual limit for the county for the 2023 budget was 1.069%. The actual limit for the 2024 budget was 1%. Debt service for debt authorized after July 1, 2005 is exempt from the levy limit. In addition, Wisconsin statutes allow the limit to be adjusted for the increase in debt service authorized prior to July 1, 2005 and in certain situations.

REQUIRED SUPPLEMENTARY INFORMATION

WAUPACA COUNTY, WISCONSIN

Schedule of Proportionate Share of the Net Pension Liability (Asset)
Wisconsin Retirement System
Last 10 Measurement Periods*

Measurement Period Ending	Proportion of the Net Pension Liability (Asset)	Proportionate Share of the Net Pension Liability (Asset)	Covered Employee Payroll	Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Covered Employee Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability (Asset)
12/31/14	0.15382800%	\$ (3,778,437)	\$ 20,225,627	18.68%	102.74%
12/31/15	0.15377411%	2,498,799	20,719,019	12.06%	98.20%
12/31/16	0.15354767%	1,265,599	21,005,473	6.03%	99.12%
12/31/17	0.15180466%	(4,507,260)	20,249,519	22.26%	102.93%
12/31/18	0.14974242%	5,327,365	20,721,115	25.71%	96.45%
12/31/19	0.14776062%	(4,764,476)	21,597,635	-22.06%	102.96%
12/31/20	0.14963766%	(9,342,086)	22,965,639	-40.68%	105.26%
12/31/21	0.14907704%	(12,015,883)	22,584,415	-53.20%	106.02%
12/31/22	0.14899037%	7,893,068	23,505,353	33.58%	95.72%

Schedule of Contributions
Wisconsin Retirement System
Last 10 Fiscal Years*

Fiscal Year Ending	Contractually Required Contributions	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency (Excess)	Covered Employee Payroll (fiscal year)	Contributions as a Percentage of Covered Employee Payroll
12/31/15	\$ 1,465,845	\$ 1,465,845	\$ -	\$ 20,719,019	7.07%
12/31/16	1,487,390	1,487,390	-	21,005,473	7.08%
12/31/17	1,494,094	1,494,094	-	20,249,519	7.38%
12/31/18	1,516,195	1,516,195	-	20,721,115	7.32%
12/31/19	1,545,020	1,545,020	-	21,597,635	7.15%
12/31/20	1,727,436	1,727,436	-	22,965,639	7.52%
12/31/21	1,704,829	1,704,829	-	22,584,416	7.55%
12/31/22	1,735,444	1,735,444	-	23,503,353	7.38%
12/31/23	1,865,548	1,865,548	-	23,798,091	7.84%

See notes to required supplementary information.

WAUPACA COUNTY, WISCONSIN
Notes to Required Supplementary Information
For the Year Ended December 31, 2023

NOTE A – WISCONSIN RETIREMENT SYSTEM

The amounts reported for each fiscal year were determined as of the calendar year end that occurred within the prior 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 available until ten fiscal years are present.

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

Changes of assumptions:

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

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

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

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

SUPPLEMENTARY INFORMATION

WAUPACA COUNTY, WISCONSIN

Combining Balance Sheet
 Nonmajor Governmental Funds
 December 31, 2023

(With summarized financial information as of December 31, 2022)

	Economic Development Fund	Opioid Settlement Fund	Environmental Program Fund	Total Nonmajor Governmental Funds	2022 Actual Amounts
Assets					
Cash and investments	\$ 2,231,460	\$ 307,544	\$ 37,591	\$ 2,576,595	\$ 3,047,034
Liabilities, deferred inflows of resources and fund balances					
Liabilities:					
Accounts payable	\$ 1,535	\$ 135	\$ -	\$ 1,670	\$ 89,946
Advances from grantors	-	-	37,591	37,591	-
Total liabilities	1,535	135	37,591	39,261	89,946
Fund balances:					
Restricted	-	307,409	-	307,409	287,873
Committed	2,229,925	-	-	2,229,925	2,669,215
Total fund balances (deficit)	2,229,925	307,409	-	2,537,334	2,957,088
Total liabilities, deferred inflows of resources and fund balances	\$ 2,231,460	\$ 307,544	\$ 37,591	\$ 2,576,595	\$ 3,047,034

WAUPACA COUNTY, WISCONSIN
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended December 31, 2023
(With summarized financial information as of December 31, 2022)

	Economic Development Fund	Opioid Settlement Fund	Environmental TIF Fund	Environmental Program Fund	Total Nonmajor Governmental Funds	2022 Actual Amounts
Revenues						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 247
Intergovernmental	75,000	-	-	52,356	127,356	10,483
Commerical revenues	-	90,804	-	-	90,804	287,873
Total revenues	<u>75,000</u>	<u>90,804</u>	<u>-</u>	<u>52,356</u>	<u>218,160</u>	<u>298,603</u>
Expenditures						
Current:						
Public works	-	-	-	-	-	200,000
Health and human services	189,990	12,064	-	-	202,054	635,385
Conservation and development	245,000	-	-	5,916	250,916	760,483
Capital Outlay	79,300	59,204	-	-	138,504	-
Total expenditures	<u>514,290</u>	<u>71,268</u>	<u>-</u>	<u>5,916</u>	<u>591,474</u>	<u>1,595,868</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(439,290)</u>	<u>19,536</u>	<u>-</u>	<u>46,440</u>	<u>(373,314)</u>	<u>(1,297,265)</u>
Other financing uses						
Transfers in	-	-	-	-	-	4,271,021
Transfers out	-	-	-	(46,440)	(46,440)	-
Total other financing uses	<u>-</u>	<u>-</u>	<u>-</u>	<u>(46,440)</u>	<u>(46,440)</u>	<u>4,271,021</u>
Net change in fund balances	(439,290)	19,536	-	-	(419,754)	2,973,756
Fund balances - beginning	2,669,215	287,873	-	-	2,957,088	(16,668)
Fund balances - ending	<u>\$ 2,229,925</u>	<u>\$ 307,409</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,537,334</u>	<u>\$ 2,957,088</u>

WAUPACA COUNTY, WISCONSIN
Economic Development Fund
Statement of Revenues, Expenditures, and Changes in
Fund Balance - Budget and Actual
For the Year Ended December 31, 2023
(With comparative Actual Amounts for the Year Ended December 31, 2022)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)	2022 Actual Amounts
	Original	Final			
Revenues					
Intergovernmental	\$0	\$75,000	\$75,000	\$0	\$0
Expenditures					
Current:					
Public works	-	-	-	-	200,000
Health and human services	509,078	584,078	189,990	394,088	635,385
Conservation and development	376,900	376,900	245,000	131,900	750,000
Capital outlay	-	-	79,300	(79,300)	-
Total expenditures	885,978	960,978	514,290	446,688	1,585,385
Excess (deficiency) of revenues over (under) expenditures	(885,978)	(885,978)	(439,290)	446,688	(1,585,385)
Other financing sources					
Transfers in	-	-	-	-	4,254,600
Net change in fund balance	(885,978)	(885,978)	(439,290)	446,688	2,669,215
Fund balances - beginning	2,669,215	2,669,215	2,669,215	-	-
Fund balance - ending	1,783,237	1,783,237	2,229,925	446,688	2,669,215

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

WAUPACA COUNTY, WISCONSIN
Opioid Settlement Fund
Statement of Revenues, Expenditures, and Changes in
Fund Balance - Budget and Actual
For the Year Ended December 31, 2023
(With comparative Actual Amounts for the Year Ended December 31, 2022)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)	2022 Actual Amounts
	Original	Final			
Revenues					
Commercial Revenue	\$ -	\$ -	\$ 90,804	\$ 90,804	\$ 287,873
Expenditures					
Current:					
Health and human services	-	16,750	12,064	(4,686)	-
Capital outlay	-	60,000	59,204	(796)	-
Total expenditures	-	76,750	71,268	(5,482)	-
Net change in fund balance	-	(76,750)	19,536	96,286	287,873
Fund balance - beginning	287,873	287,873	287,873	-	-
Fund balance - ending	<u>\$ 287,873</u>	<u>\$ 211,123</u>	<u>\$ 307,409</u>	<u>\$ 96,286</u>	<u>\$ 287,873</u>

WAUPACA COUNTY, WISCONSIN
Environmental TIF Special Revenue Fund
Statement of Revenues, Expenditures, and Changes in
Fund Balance - Budget and Actual
For the Year Ended December 31, 2023
(With comparative Actual Amounts for the Year Ended December 31, 2022)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)	2022 Actual Amounts
	Original	Final			
Revenues					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ 247
Expenditures					
Current:					
General government	-	-	-	-	-
Other financing uses					
Transfers in	-	-	-	-	16,421
Net change in fund balance	-	-	-	-	16,668
Fund balance - beginning	-	-	-	-	(16,668)
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

WAUPACA COUNTY, WISCONSIN
Environmental Program Special Revenue Fund
Statement of Revenues, Expenditures, and Changes in
Fund Balance - Budget and Actual
For the Year Ended December 31, 2023
(With comparative Actual Amounts for the Year Ended December 31, 2022)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)	2022 Actual Amounts
	Original	Final			
Revenues					
Intergovernmental	\$ -	\$ 89,946	\$52,356	\$ (37,590)	\$ 10,483
Expenditures					
Current:					
Conservation and development	-	42,946	5,916	37,030	10,483
Other financing uses					
Transfers out	-	(47,000)	(46,440)	560	-
Net change in fund balance	-	-	-	-	-
Fund balance - beginning	-	-	-	-	-
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

WAUPACA COUNTY, WISCONSIN

Debt Service Fund

Statement of Revenues, Expenditures, and Changes in

Fund Balance - Budget and Actual

For the Year Ended December 31, 2023

(With comparative Actual Amounts for the Year Ended December 31, 2022)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)	2022 Actual Amounts
	Original	Final			
Revenues					
Taxes	\$ 3,881,341	\$ 2,010,116	\$ 2,010,116	\$ -	\$ 2,011,896
Expenditures					
Debt service:					
Principal	3,138,460	1,983,460	1,983,459	1	1,967,659
Interest and other charges	742,881	26,656	26,459	197	44,238
Total expenditures	3,881,341	2,010,116	2,009,918	198	2,011,897
Net change in fund balance	-	-	198	198	(1)
Fund balance - beginning	2,466	2,466	2,466	-	2,467
Fund balance - ending	\$ 2,466	\$ 2,466	\$ 2,664	\$ 198	\$ 2,466

WAUPACA COUNTY, WISCONSIN
Capital Improvements Fund
Statement of Revenues, Expenditures, and Changes in
Fund Balance - Budget and Actual
For the Year Ended December 31, 2023
(With comparative Actual Amounts for the Year Ended December 31, 2022)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)	2022 Actual Amounts
	Original	Final			
Revenues					
Taxes	\$ 1,047,095	\$ 1,047,095	\$ 1,047,095	\$ -	\$ 1,252,818
Intergovernmental	-	-	-	-	28,971
Commercial revenue	-	-	87,307	87,307	9,100
Total revenues	<u>1,047,095</u>	<u>1,047,095</u>	<u>1,134,402</u>	<u>87,307</u>	<u>1,290,889</u>
Expenditures					
Capital outlay	<u>3,418,745</u>	<u>8,203,853</u>	<u>1,533,951</u>	<u>6,669,902</u>	<u>1,698,243</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(2,371,650)</u>	<u>(7,156,758)</u>	<u>(399,549)</u>	<u>6,757,209</u>	<u>(407,354)</u>
Other financing sources					
Transfers in	<u>2,171,650</u>	<u>5,831,778</u>	<u>1,254,735</u>	<u>(4,577,043)</u>	<u>-</u>
Net change in fund balance	(200,000)	(1,324,980)	855,186	2,180,166	(407,354)
Fund balance - beginning	<u>1,485,375</u>	<u>1,485,375</u>	<u>1,485,375</u>	<u>-</u>	<u>1,892,729</u>
Fund balance - ending	<u>\$ 1,285,375</u>	<u>\$ 160,395</u>	<u>\$ 2,340,561</u>	<u>\$ 2,180,166</u>	<u>\$ 1,485,375</u>

WAUPACA COUNTY, WI
Combining Statement of Fiduciary Net Position
Fiduciary Funds - Other Custodial Funds
For the Year Ended December 31, 2023
(With comparative Actual Amounts for the Year Ended December 31, 2022)

	Custodial Funds					Total	
	Tax Collection	Jail Canteen	Representative Payee	Clerk of Courts	Evidence	Register of Deeds	Custodial Funds
							2023
							2022
Assets							
Cash and investments	\$ 14,669,466	\$ 31,132	\$ 28,867	\$ 1,112,180	\$ 24,604	\$ 64,485	\$ 15,930,734
Special held in trust	77,493	-	-	-	-	-	77,493
Accounts receivable	-	2,957	-	-	-	-	2,957
Total Assets	14,746,959	34,089	28,867	1,112,180	24,604	64,485	16,011,184
							15,311,839
Liabilities							
Due to others	\$ -	\$ -	\$ -	\$ 1,031,072	\$ -	\$ -	\$ 1,031,072
Due to other governments	14,666,699	-	-	81,108	-	64,485	14,812,292
Total deductions	14,666,699	-	-	1,112,180	-	64,485	15,843,364
							15,137,059
Net Position							
Restricted for Individuals, Organizations, and Other Governments	\$ 80,260	\$ 34,089	\$ 28,867	\$ -	\$ 24,604	\$ -	\$ 167,820
							\$ 174,780

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

WAUPACA COUNTY, WI
Combining Statement of Changes in Fiduciary Net Position
Fiduciary Funds - Other Custodial Funds
For the Year Ended December 31, 2023
(With comparative Actual Amounts for the Year Ended December 31, 2022)

	Custodial Funds					Register of Deeds	Total Custodial Funds	
	Tax Collection	Jail Canteen	Representative Payee	Clerk of Courts	Evidence		2023	2022
Additions								
Contributions:								
Individuals	\$ -	\$ 726,992	\$ 55,427	\$ -	\$ -	\$ -	\$ 782,419	\$ 989,200
Fees collected	-	-	-	2,568,525	-	763,109	3,331,634	3,645,878
Property tax collection for other governments	47,709,966	-	-	-	-	-	47,709,966	44,349,301
Total Additions	47,709,966	726,992	55,427	2,568,525	-	763,109	51,824,019	48,984,379
Deductions								
Payments to individuals and organizations	\$ -	\$ 727,971	\$ 52,175	\$ 1,444,348	\$ 8,784	\$ -	\$ 2,233,278	\$ 2,503,107
Payments to state	-	-	-	1,061,504	-	763,109	1,824,613	2,052,157
Payments to other governments	47,710,415	-	-	62,673	-	-	47,773,088	44,378,565
Total deductions	47,710,415	727,971	52,175	2,568,525	8,784	763,109	51,830,979	48,933,829
Change in fiduciary net position	(449)	(979)	3,252	-	(8,784)	-	(6,960)	50,550
Fiduciary net position - beginning	80,709	35,068	25,615	-	33,388	-	174,780	124,230
Fiduciary net position - ending	\$ 80,260	\$ 34,089	\$ 28,867	\$ -	\$ 24,604	\$ -	\$ 167,820	\$ 174,780

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

**CAPITAL ASSETS
USED IN THE OPERATION
OF GOVERNMENTAL FUNDS**

WAUPACA COUNTY, WISCONSIN
Capital Assets Used in the Operation of Governmental Funds
Comparative Schedules by Source
December 31, 2023 and 2022

	2023	2022
Governmental funds capital assets:		
Land	\$ 5,064,628	\$ 4,973,234
Land improvements	5,110,299	4,990,086
Buildings	35,011,635	34,953,182
Machinery and equipment	18,077,129	17,736,392
Vehicles	6,062,398	5,817,197
Infrastructure	133,233,711	121,677,585
Construction in progress	4,397,570	11,247,696
Total governmental funds capital assets	<u>\$ 206,957,370</u>	<u>\$ 201,395,372</u>
Investments in governmental funds		
capital assets by source:		
General fund	\$ 19,787,060	\$ 19,821,380
Special revenue funds	91,017,644	84,546,603
Capital projects fund	96,152,666	97,027,389
Total governmental funds capital assets	<u>\$ 206,957,370</u>	<u>\$ 201,395,372</u>

WAUPACA COUNTY, WISCONSIN
Capital Assets Used in the Operation of Governmental Funds
Schedule By Function and Activity
December 31, 2023

<u>FUNCTION AND ACTIVITY</u>	<u>Land</u>	<u>Land Improvements</u>	<u>Buildings</u>	<u>Machinery and Equipment</u>	<u>Vehicles</u>	<u>Infrastructure</u>	<u>Construction in Progress</u>	<u>Total</u>
General government:								
Clerk of courts	\$ -	\$ -	\$ -	\$ 403,376	\$ -	\$ -	\$ -	\$403,376
Medical Examiner	-	-	-	24,468	45,063	-	-	69,531
Finance	-	-	-	395,809	-	-	-	395,809
County clerk	-	-	-	205,167	-	-	2,600	207,767
Human resources	-	-	-	12,448	-	-	-	12,448
Information technology	-	-	-	3,754,758	-	627,974	-	4,382,732
County treasurer	-	-	-	1,363,783	-	-	36,664	1,400,447
Judicial circuit courts	-	-	-	97,381	-	-	-	97,381
District attorney	-	-	-	16,645	-	-	-	16,645
Corporation counsel	-	-	-	25,884	-	-	-	25,884
Register of deeds	-	-	-	76,654	-	-	-	76,654
Maintenance	259,585	317,689	9,142,991	1,031,685	28,210	-	-	10,780,160
Total general government	259,585	317,689	9,142,991	7,408,058	73,273	627,974	39,264	17,868,834
Public safety:								
Law enforcement	41,750	2,228,692	20,432,450	8,157,467	4,876,863	-	70,125	35,807,347
Emergency government	-	4,692	-	318,635	273,276	-	-	596,603
Total public safety	41,750	2,233,384	20,432,450	8,476,102	5,150,139	-	70,125	36,403,950
Public works:								
Solid waste and recycling	-	159,822	1,235,699	1,038,514	34,817	-	-	2,468,852
Transportation services	3,678,410	-	-	32,790	-	132,175,927	4,280,531	140,167,658
Total public works	3,678,410	159,822	1,235,699	1,071,304	34,817	132,175,927	4,280,531	142,636,510
Health and human services:								
Health and human services	-	35,745	416,535	264,945	134,677	-	-	851,902
Veterans services	-	-	-	7,962	-	-	-	7,962
Total health and human services	-	35,745	416,535	272,907	134,677	-	-	859,864
Culture and recreation:								
Parks and recreation	1,084,883	1,491,299	3,783,960	521,608	324,266	429,810	-	7,635,826
UWEX	-	-	-	60,261	-	-	-	60,261
Total culture and recreation	1,084,883	1,491,299	3,783,960	581,869	324,266	429,810	-	7,696,087
Conservation and development:								
Land and water conservation	-	-	-	256,001	255,906	-	-	511,907
Zoning administration	-	872,360	-	10,888	89,320	-	7,650	980,218
Total conservation and development	-	872,360	-	266,889	345,226	-	7,650	1,492,125
Total governmental funds capital assets	\$5,064,628	\$5,110,299	\$35,011,635	\$18,077,129	\$6,062,398	\$133,233,711	\$4,397,570	\$206,957,370

WAUPACA COUNTY, WISCONSIN
Capital Assets Used in the Operation of Governmental Funds
Schedule of Changes By Function and Activity
For the Year Ended December 31, 2023

FUNCTION AND ACTIVITY:	Governmental Funds Capital Assets				Governmental Funds Capital Assets
	January 1, 2023	Additions	Deductions	Transfers	December 31, 2023
General government:					
Clerk of courts	\$ 403,376	\$ -	\$ -	\$ -	\$ 403,376
Medical Examiner	69,531	-	-	-	69,531
Finance	395,809	-	-	-	395,809
County clerk	150,689	57,078	-	-	207,767
Human resources	12,448	-	-	-	12,448
Information technology	4,256,322	126,410	-	-	4,382,732
County treasurer	1,363,783	36,664	-	-	1,400,447
Judicial circuit courts	97,381	-	-	-	97,381
District attorney	16,645	-	-	-	16,645
Corporation counsel	25,884	-	-	-	25,884
Register of deeds	76,654	-	-	-	76,654
Maintenance	10,780,160	-	-	-	10,780,160
Total general government	<u>17,648,682</u>	<u>220,152</u>	<u>-</u>	<u>-</u>	<u>17,868,834</u>
Public safety:					
Law enforcement	35,613,062	809,175	588,119	(26,771)	35,807,347
Emergency government	495,778	100,825	-	-	596,603
Total public safety	<u>36,108,840</u>	<u>910,000</u>	<u>588,119</u>	<u>(26,771)</u>	<u>36,403,950</u>
Public works:					
Solid waste and recycling	2,488,802	-	19,950	-	2,468,852
Transportation services	135,375,385	6,426,485	1,634,212	-	140,167,658
Total public works	<u>137,864,187</u>	<u>6,426,485</u>	<u>1,654,162</u>	<u>-</u>	<u>142,636,510</u>
Health and human services:					
Health and human services	799,912	26,853	1,634	26,771	851,902
Veterans services	7,962	-	-	-	7,962
Total health and human services	<u>807,874</u>	<u>26,853</u>	<u>1,634</u>	<u>26,771</u>	<u>859,864</u>
Culture and recreation:					
Parks and recreation	7,511,208	175,215	50,597	-	7,635,826
UWEX	60,261	-	-	-	60,261
Total culture and recreation	<u>7,571,469</u>	<u>175,215</u>	<u>50,597</u>	<u>-</u>	<u>7,696,087</u>
Conservation and development:					
Land and water conservation	421,753	90,154	-	-	511,907
Zoning administration	972,568	7,650	-	-	980,218
Total conservation and development	<u>1,394,321</u>	<u>97,804</u>	<u>-</u>	<u>-</u>	<u>1,492,125</u>
Total governmental funds capital assets	<u>\$ 201,395,373</u>	<u>\$7,856,509</u>	<u>\$2,294,512</u>	<u>\$ -</u>	<u>\$ 206,957,370</u>

**ADDITIONAL INDEPENDENT AUDITORS' REPORT
FOR BASIC FINANCIAL STATEMENTS**



**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**

To the County Board
Waupaca County
Waupaca, 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 Waupaca County, Wisconsin, as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the Waupaca County, Wisconsin's basic financial statements, and have issued our report thereon dated July 22, 2024.

Report on Internal Control Over Financial Reporting

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

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

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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Waupaca County, Wisconsin'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 the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in cursive script that reads "CliftonLarsonAllen LLP".

CliftonLarsonAllen LLP

Green Bay, Wisconsin
July 22, 2024

FEDERAL AND STATE AWARDS



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

County Board
Waupaca County
Waupaca County, Wisconsin

Report on Compliance for Each Major Federal and State Program

Opinion on Each Major Federal and State Program

We have audited Waupaca County, Wisconsin'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 Waupaca County, Wisconsin's major federal and state programs for the year ended December 31, 2023. Waupaca County, Wisconsin'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, Waupaca County, Wisconsin 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, 2023.

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, 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*. Our responsibilities under those standards and 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 Waupaca County, Wisconsin 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 Waupaca County, Wisconsin'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 Waupaca County, Wisconsin's federal and state programs.

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 Waupaca County, Wisconsin'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 Waupaca County, Wisconsin'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 Waupaca County, Wisconsin'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 Waupaca County, Wisconsin'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 *State Single Audit Guidelines*, but not for the purpose of expressing an opinion on the effectiveness of Waupaca County, Wisconsin'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.

Other Matters

The results of our auditing procedures disclosed an instance of noncompliance, which is required to be reported in accordance with the *State Single Audit Guidelines* and which is described in the accompanying schedule of findings and questioned costs as item 2023-001. Our opinion on each major federal and state program is not modified with respect to this matter.

Government Auditing Standards requires the auditor to perform limited procedures on Waupaca County's response to the noncompliance findings identified in our compliance audit described in the accompanying schedule of findings and questioned costs. Waupaca 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.

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 were not 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 in 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 or 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 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 or 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 2023-001, to be a significant deficiency.

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 Waupaca County, Wisconsin's response to the internal control over compliance findings identified in our audit described in the accompanying schedule of findings and questioned costs. Waupaca County, Wisconsin'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.



CliftonLarsonAllen LLP

Green Bay, Wisconsin
July 22, 2024

WAUPACA COUNTY, WISCONSIN
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2023

Grantor Agency/Federal Program Title	Pass-through Agency	Pass-through Entity Identifying Number	Assistance Listing Number	Revenues			Total Expenditures	Subrecipient Payments
				(Accrued) or Deferred Revenue 1/1/2023	Cash Received	Accrued or (Deferred) Revenue 12/31/2023		
U.S. DEPARTMENT OF AGRICULTURE								
Special Supplemental Food Program For Women, Infants and Children	WI Department of Health Services	154710	10.557	\$ (66,184)	\$ 238,362	\$ 51,188	\$ 223,346	\$ -
Special Supplemental Food Program For Women, Infants and Children	WI Department of Health Services	154760	10.557	(2,452)	7,199	1,797	6,544	-
Total Special Supplemental Food Program For Women, Infants and Children				(68,636)	245,561	52,965	229,890	229,890
SNAP Cluster								
State Administrative Matching Grants for Supplemental Nutrition Assistance Program	WI Department of Health Services	154661	10.561	(7,810)	33,368	7,912	33,490	-
State Administrative Matching Grants for Supplemental Nutrition Assistance Program	Marquette County, Wisconsin	61	10.561	(687)	3,936	1,784	5,033	-
COVID-19 State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	Marquette County, Wisconsin	253	10.561	-	-	2,693	2,693	-
COVID-19 State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	Marquette County, Wisconsin	284	10.561	-	33,703	-	33,703	-
State Administrative Matching Grants for Supplemental Nutrition Assistance Program	Marquette County, Wisconsin			(57,627)	259,728	75,699	277,800	-
Total SNAP Cluster				(66,124)	330,755	88,088	352,719	-
Environmental Quality Incentives Program								
	Direct Program	NR185F8XXXXC023	10.912	(37,451)	37,451	90,759	90,759	-
Total U.S. Department of Agriculture				(172,211)	613,767	231,812	673,368	-
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT								
Community Development Block Grant	WI Department of Administration	CBDG CL PF 21-07	14.228	(25,000)	25,000	-	-	-
U.S. DEPARTMENT OF JUSTICE								
Bulletproof Vest Partnership Program	Direct Program		16.607	(5,953)	5,953	5,443	5,443	-
COVID-19 Coronavirus Emergency Supplemental Funding	Direct Program		16.034	-	25,000	-	25,000	-
Public Safety Partnership and Community Policing Grants	Marquette County, Wisconsin	N/A	16.710	-	904	-	904	-
Public Safety Partnership and Community Policing Grants	City Of Marshfield, Wisconsin	N/A	16.710	-	8,598	4,027	12,625	-
Total Public Safety Partnership and Community Policing Grants				-	9,502	4,027	13,529	-
Total U.S. Department of Justice				(5,953)	40,455	9,470	43,972	-
U.S. DEPARTMENT OF TRANSPORTATION								
State and Community Highway Safety	WI Department of Transportation	185	20.600	(5,112)	51,575	6,517	52,980	-
U.S. ENVIRONMENTAL PROTECTION AGENCY								
Bear Lake Soil Health Project	WI Department of Natural Resources	N/A	66.460	-	-	30,669	30,669	-
Aq NPS Reduction Bear Lake Watershed	WI Department of Natural Resources	N/A	66.469	-	-	83,214	83,214	-
Total U.S. Environmental Protection Agency				-	-	113,883	113,883	-
U.S. TREASURY								
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	WI Department of Health Services	155811	21.027	(65,427)	92,744	738	28,055	-
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	WI Department of Veteran Affairs	N/A	21.027	-	17,528	(11,717)	5,811	-
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	Direct Program	N/A	21.027	6,033,057	-	(5,472,543)	560,514	-
Total COVID-19 Coronavirus State and Local Fiscal Recovery Funds				5,967,630	110,272	(5,483,522)	594,380	-
Local Assistance and Tribal Consistency Fund	Direct Program	N/A	21.032	(50,000)	50,000	-	100,000	-
Total U.S. Department of Treasury				6,017,630	160,272	(5,483,522)	694,380	-
U.S. DEPARTMENT OF EDUCATION								
Special Education-Grants for Infants and Families	WI Department of Human Services	550	84.181	-	65,349	-	65,349	-
COVID-19 Special Education-Grants for Infants and Families	WI Department of Human Services	535900	84.181	-	1,058	6,344	7,402	-
Total U.S. Department of Education				-	66,407	6,344	72,751	-
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES								
Special Programs for the Aging	Greater Wisconsin Agency on Aging Resources	560510	93.043	-	596	163	759	-
Aging Cluster								
Grants for Supportive Services and Senior Centers (Title II-E)	Greater Wisconsin Agency on Aging Resources	560340	93.044	(1,244)	39,191	15,155	53,102	-
COVID-19 Special Programs for the Aging, Title III, Part B, Grants for Supportive Services and Senior Centers (Title II-B)	Greater Wisconsin Agency on Aging Resources	560343	93.044	(36,646)	26,646	14,354	14,354	-
Subtotal - Grants for Supportive Services and Senior Centers (Title II-B)				(37,890)	75,837	29,509	67,456	-
Honoring the Present Preparing for the Future - Congregate Dining Services Modernization	Direct Program	90NNJ0038-01-00	93.045	(9,179)	39,863	31,663	62,347	-
COVID-19 Special Programs for the Aging, Title III, Part C, Nutrition Services	Greater Wisconsin Agency on Aging Resources	560353	93.045	(57,254)	57,254	-	-	-
Title 3C1 Cong Meal Prog	Greater Wisconsin Agency on Aging Resources	560355	93.045	(30,039)	79,295	-	49,256	-
Home Delivered Meals (Title III C-2)	Greater Wisconsin Agency on Aging Resources	560360	93.045	(3,127)	127,194	2,371	126,438	-
COVID-19 Special Programs for the Aging, Title III, Part C, Nutrition Services	Greater Wisconsin Agency on Aging Resources	560363	93.045	(33,862)	33,862	-	-	-
Subtotal - Nutrition Services				(133,461)	337,468	34,034	238,041	-
Nutrition Services Incentive Program	Greater Wisconsin Agency on Aging Resources	560422	93.053	(4,981)	27,902	-	22,921	-
Total Aging Cluster				(176,332)	441,803	63,706	329,177	-

(Continued)

WAUPACA COUNTY, WISCONSIN
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2023

Grantor/Agency/Federal Program Title	Pass-through Agency	Pass-through Entity Identifying Number	Assistance Listing Number	Revenues			Total Expenditures	Subrecipient Payments
				(Accrued) or (Deferred) Revenue 1/1/2023	Cash Received	(Accrued or (Deferred) Revenue 12/31/2023		
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (Continued)								
National Family Caregiver Support, Title III, Part E	Greater Wisconsin Agency on Aging Resources	560520	93.052	(20,294)	44,073	4,334	28,113	-
National Family Caregiver Support, Title III, Part E	Greater Wisconsin Agency on Aging Resources	560523	93.052	(992)	12,273	10,857	22,138	-
Total National Family Caregiver Support, Title III, Part E				(21,286)	56,346	15,191	50,251	-
Environmental Public Health and Emergency Response	WI Department of Health Services	155015	93.069	(10,996)	46,060	7,142	42,226	-
Guardianship Assistance	WI Department of Children and Families	3456	93.090	(2,975)	14,716	2,899	14,640	-
Injury Prevention and Control Research and State and Community Based Programs	WI Department of Health Services	150216	93.136	-	-	4,996	4,996	-
Immunization Cooperative Agreements	WI Department of Health Services	155020	93.268	-	11,693	-	11,693	-
State Health Insurance Assistance Program	WI Department of Health Services	155806/155817	93.323	(228,535)	248,804	1,651	21,920	-
COVID-19 Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)	Calumet County, Wisconsin	560432	93.324	-	3,944	4,289	8,233	-
COVID-19 Cooperative Agreement for Emergency Response: Public Health Crisis Response	WI Department of Health Services	155812	93.354	(11,562)	36,896	9,488	34,822	-
Every Student Succeeds Act/Preschool Development Grants (Dream Up Childcare Grant)	First Children's Finance	N/A	93.434	-	75,000	-	75,000	-
Promoting Safe and Stable Families	WI Department of Children and Families	3306	93.556	(35,131)	35,131	42,827	42,827	-
Temporary Assistance for Needy Families (TANF)	WI Department of Children and Families	3632	93.558	(7,147)	7,147	-	-	-
Temporary Assistance for Needy Families (TANF)	WI Department of Children and Families	3645D	93.558	(695)	808	14,628	14,741	-
Total Temporary Assistance for Needy Families (TANF)				(7,842)	7,955	14,628	14,741	-
Child Support Enforcement	WI Department of Children and Families	7332F	93.563	81	(1,701)	(1,478)	(3,098)	-
Child Support Enforcement	WI Department of Children and Families	7332R	93.563	(123)	2,577	2,239	4,693	-
Child Support Enforcement	WI Department of Children and Families	7477	93.563	(81,482)	296,081	81,321	295,920	-
Child Support Enforcement	WI Department of Children and Families	7482	93.563	1,301	(3,606)	(1,175)	(3,480)	-
Child Support Enforcement	WI Department of Children and Families	7506	93.563	(790)	2,819	977	3,006	-
Child Support Enforcement	WI Department of Children and Families	7621	93.563	-	86,954	-	86,954	-
Child Support Enforcement	WI Department of Children and Families	7621F	93.563	-	(57,390)	-	(57,390)	-
Total Child Support Enforcement				(81,013)	325,734	81,884	326,605	-
CCDF Cluster								
Child Care and Development Fund	WI Department of Children and Families	831	93.575	(123)	5,037	-	4,914	-
Child Care and Development Fund	WI Department of Children and Families	840	93.575	(929)	4,216	-	3,287	-
Child Care and Development Fund	WI Department of Children and Families	852	93.575	(2,238)	55,503	14,712	67,977	-
Child Care and Development Fund	WI Department of Children and Families	875	93.575	-	1,600	-	1,600	-
Total CCDF Cluster				(3,290)	66,356	14,712	77,778	-
Stephanie Tubbs Jones Child Welfare Services Program	WI Department of Children and Families	3413	93.645	-	4,309	-	4,309	-
Stephanie Tubbs Jones Child Welfare Services Program	WI Department of Children and Families	3561	93.645	-	24,312	-	24,312	-
Stephanie Tubbs Jones Child Welfare Services Program	WI Department of Children and Families	3681	93.645	-	1,948	-	1,948	-
Total Stephanie Tubbs Jones Child Welfare Services Program				-	30,569	-	30,569	-
Foster Care (Title IV-E)	WI Department of Children and Families	3396	93.658	(67)	67	457	457	-
Foster Care (Title IV-E)	WI Department of Children and Families	3413	93.658	-	7,726	-	7,726	-
Foster Care (Title IV-E)	WI Department of Children and Families	3554	93.658	(237)	12,286	4,722	16,771	-
Foster Care (Title IV-E)	WI Department of Children and Families	3561	93.658	-	396,301	-	396,301	-
Foster Care (Title IV-E)	WI Department of Children and Families	3568	93.658	(452)	23,403	8,370	31,321	-
Foster Care (Title IV-E)	WI Department of Children and Families	3588	93.658	-	-	752	752	-
Foster Care (Title IV-E)	WI Department of Children and Families	3645	93.658	(9,708)	53,802	10,917	55,011	-
Foster Care (Title IV-E)	WI Department of Children and Families	3681	93.658	-	31,751	-	31,751	-
Total Foster Care (Title IV-E)				(10,464)	525,336	25,218	540,090	-
CW TFR Adoption Services	WI Dept of Children & Families	3574	93.659	-	1,724	-	1,724	-
Social Services Block Grant	WI Department of Health Services	561	93.667	-	258,803	-	258,803	-
Social Services Block Grant	WI Department of Children and Families	3561	93.667	-	64,744	-	64,744	-
Social Services Block Grant	WI Department of Children and Families	3681	93.667	-	5,187	-	5,187	-
Total Social Services Block Grant				-	328,734	-	328,734	-
Child Abuse and Neglect State Grants	WI Department of Children and Families	3232A	93.669	7,147	(7,147)	-	-	-
COVID-19 Elder Abuse Prevention Interventions Program	WI Department of Health Services	560333	93.747	(4,271)	12,241	1,586	9,556	-
Children's Health Insurance Program	Marquette County, Wisconsin	253	93.767	-	267	-	267	-
Children's Health Insurance Program	Marquette County, Wisconsin	284	93.767	(9,539)	25,653	6,036	22,150	-
Total Children's Health Insurance Program				(9,539)	25,653	6,036	22,117	-

(Continued)

WAUPACA COUNTY, WISCONSIN
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2023

Grantor Agency/Federal Program Title	Pass-through Agency	Pass-through Entity Identifying Number	Assistance Listing Number	Revenues			Total Expenditures	Subrecipient Payments
				(Accrued) or Deferred Revenue 1/1/2023	Cash Received	Accrued or (Deferred) Revenue 12/31/2023		
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (Continued)								
Medicaid Cluster								
Medical Assistance Program	WI Department of Health Services	878	93.778	13,070	(13,070)	29,744	29,744	-
Medical Assistance Program - WIMCR	WI Department of Health Services	159322	93.778	(2,219)	2,219	3,154	3,154	-
Medical Assistance Program - CLTS TPA	WI Department of Health Services	N/A	93.778	-	437,912	-	437,912	-
Medical Assistance Program	Calumet County, Wisconsin	560152	93.778	(18,890)	139,272	2,731,833	2,731,833	-
Medical Assistance Program	Calumet County, Wisconsin	560155	93.778	(32,595)	180,572	130,764	130,764	-
Medical Assistance Program	Marquette County, Wisconsin	82	93.778	(777)	4,853	164,114	164,114	-
Medical Assistance Program	Marquette County, Wisconsin	253	93.778	-	-	5,352	5,352	-
Medical Assistance Program	Marquette County, Wisconsin	284	93.778	(118,939)	378,832	97,346	357,239	-
Total Medicaid Cluster				(160,350)	3,862,423	162,304	3,864,377	-
Block Grants for Community Mental Health Services								
Block Grants for Community Mental Health Services	WI Department of Health Services	515	93.958	(1,042)	8,722	-	7,680	-
Block Grants for Community Mental Health Services	WI Department of Health Services	569	93.958	(5,448)	23,636	2,598	20,786	-
Block Grants for Community Mental Health Services	WI Department of Health Services	81055	93.958	(100,663)	272,932	42,662	214,931	-
Block Grants for Community Mental Health Services	WI Department of Health Services	533287	93.958	-	52,379	1,487	53,866	-
Total Block Grants for Community Mental Health Services				(107,153)	357,669	46,747	297,263	-
Block Grants for Prevention and Treatment of Substance Abuse								
Block Grants for Prevention and Treatment of Substance Abuse	WI Department of Health Services	515	93.959	-	1,501	-	1,332	-
Block Grants for Prevention and Treatment of Substance Abuse	WI Department of Health Services	545	93.959	(3,885)	49,939	-	46,054	-
Block Grants for Prevention and Treatment of Substance Abuse	WI Department of Health Services	546	93.959	(4,846)	16,968	2,424	14,544	-
Block Grants for Prevention and Treatment of Substance Abuse	WI Department of Health Services	570	93.959	(20,200)	20,200	20,200	20,200	-
COVID-19 Block Grants for Prevention and Treatment of Substance Abuse	WI Department of Health Services	533288	93.959	-	64,480	5,652	70,132	-
COVID-19 Block Grants for Prevention and Treatment of Substance Abuse	WI Department of Health Services	533291	93.959	-	18,425	1,613	20,038	-
COVID-19 Block Grants for Prevention and Treatment of Substance Abuse	WI Department of Health Services	533292	93.959	-	5,818	-	5,818	-
Total Block Grants for Prevention and Treatment of Substance Abuse				(29,102)	177,331	29,889	178,118	-
Preventive Health and Health Services Block Grant								
Maternal and Child Health Services Block Grant	WI Department of Health Services	159220	93.991	-	6,755	-	6,755	-
Maternal and Child Health Services Block Grant	WI Department of Health Services	159316	93.994	(3,733)	18,733	-	15,000	-
Maternal and Child Health Services Block Grant	WI Department of Health Services	159320	93.994	(5,331)	15,159	7,058	16,886	-
Total Maternal and Child Health Services Block Grant				(9,064)	33,892	7,058	31,886	-
Total U.S. Department of Health and Human Services				(901,758)	6,725,638	542,518	6,366,398	-
U.S. DEPARTMENT OF HOMELAND SECURITY								
Emergency Management Performance Grants	WI Department of Military Affairs	22-EMPG-S/EMPG-02-0126920-AL-01/2023- EMPG-01-12965	97,042	(65,610)	65,610	45,224	45,224	-
TOTAL FEDERAL AWARDS				\$ 4,841,986	\$ 7,748,724	\$ (4,527,754)	\$ 8,062,956	\$ 8,062,956

The notes to the schedules of expenditures of federal awards are an integral part of this schedule.

WAUPACA COUNTY, WISCONSIN
Schedule of Expenditures of State Awards
For the Year Ended December 31, 2023

Grantor Agency/State Program Title	Pass-through Agency	State Identifying Number	State I.D. Number	Revenues				Total Expenditures	Subrecipient Payments
				(Accrued) or Deferred Revenue 1/1/2023	Cash Received	Accrued or (Deferred) Revenue 12/31/2023	Total Revenues		
DEPARTMENT OF AGRICULTURE, TRADE, AND CONSUMER PROTECTION									
Agriculture Clean Sweep Program	Direct Program	N/A	115.04	\$ 3,950	\$ 9,000	\$ 19,185	\$ 32,135	\$ 32,135	\$ -
Soil and Water Resource Management County Staff and Support	Direct Program	9214-21-69-00 / 9214-22-69-00	115.15	(163,726)	163,726	165,542	165,542	165,542	-
Land and Water Resource Management Plan Cost-Sharing - SEG Fundi	Direct Program	9214-21-69-00 / 9214-22-69-00	115.40	(103,791)	103,791	62,845	62,845	62,845	-
Land and Water Resource Management Plan Cost-Sharing - Bond fundir	Direct Program	9214-21-69-00 / 9214-22-69-00	115.40	(65,329)	99,254	64,531	98,456	98,456	-
Harvestable Buffer Pilot Program	Direct Program	HBBP-20-101/102/103/104	115.WE100	40,655	-	(14,155)	26,500	26,500	-
Total Department of Agriculture, Trade, and Consumer Protection				(288,241)	375,771	297,948	385,478	385,478	-
DEPARTMENT OF NATURAL RESOURCES									
Boating Enforcement Aids	Direct Program	550	370.550	(43,669)	43,669	42,529	42,529	42,529	-
ATV Enforcement Aids	Direct Program	551	370.551	-	7,662	-	7,662	7,662	-
Snowmobile Enforcement Aids	Direct Program	552	370.552	-	4,639	-	4,639	4,639	-
Wildlife Damage Abatement Claims	Direct Program	553	370.553	(8,040)	8,040	9,927	9,927	9,927	-
Recreation Aids - Recreation Boating Facilities	Direct Program		370.573	-	2,500	-	2,500	2,500	-
Shaw's Landing Boat Ramp Extension	Direct Program	OF CC22-69FD F		13,000	6,960	-	19,960	19,960	-
Big Falls Accessible Canoe/Kayak Launch	Direct Program	RBF-1836							
Recreation Aids - Snowmobile Trails	Direct Program	S-5880	370.574	-	60,165	-	60,165	60,165	-
S-5880	Direct Program	S-5732		-	-	61,845	61,845	61,845	-
All-Terrain Vehicle (ATV) Program	Direct Program	ATV-4400	370.576	-	11,240	-	11,240	11,240	-
ATV - 4685	Direct Program	ATV-4545		-	-	11,500	11,500	11,500	-
ATV - 4545	Direct Program								
Targeted Runoff Management Program-Weyauwega Lake-Waupaca Rivi	Direct Program	TMD6800LY21	370.TF100	-	13,200	56,890	70,090	70,090	-
Targeted Runoff Management Program-Bear Creek-Lower Little Wolf	Direct Program	TMD6800LY20	370.TF100	(100,210)	126,711	262,997	289,498	289,498	-
Targeted Runoff Management Program-Shaw Creek-Lower Little Wolf	Direct Program	TMD6800LY21	370.TF100	(146,435)	146,435	103,429	103,429	103,429	-
Targeted Runoff Management Program-Moen	Direct Program	TMD6800LY22	370.TF100	-	-	160,715	160,715	160,715	-
Total Targeted Runoff Management				(246,645)	286,346	584,031	623,732	623,732	-
Lake Protection- Healthy Lakes Grant	Direct Program		370.663	(1,000)	2,000	7,428	8,428	8,428	-
Recycling Grants to Responsible Units	Direct Program	N/A	370.670	-	172,850	-	172,850	172,850	-
Total Department of Natural Resources				(286,354)	606,071	717,260	1,036,977	1,036,977	-
DEPARTMENT OF TRANSPORTATION									
Elderly and Handicapped Transportation Aids	Direct Program	N/A	395.101	-	152,900	-	152,900	152,900	-
DEPARTMENT OF HEALTH SERVICES									
WIC Program	Direct Program	154720	435.154720	-	2,548	-	2,548	2,548	-
Communicable Disease Control and Prevention	Direct Program	155800	435.155800	-	4,800	-	4,800	4,800	-
Consolidated Contracts - Childhood Lead	Direct Program	157720	435.157720	-	6,583	-	6,583	6,583	-
WH/FP RH 20.435 (1)(EV)	Direct Program	159322	435.159322	(2,219)	2,219	3,154	3,154	3,154	-
Fraud Prevention Investigation, State Share	Marquette County, Wisconsin	60	435.060	-	10,518	661	11,179	11,179	-
IM COVID Unwinding	Marquette County, Wisconsin	252	435.252	-	-	7,253	7,253	7,253	-
IM COVID Unwinding Fed	Marquette County, Wisconsin	253	435.253	-	-	28	28	28	-
IM Incentive	Marquette County, Wisconsin	254	435.254	(4,673)	4,673	7,846	7,846	7,846	-
IMAA State Share	Marquette County, Wisconsin	283	435.283	(4,527)	224,786	9,290	229,549	229,549	-
IMAA Federal Share	Marquette County, Wisconsin	284	435.284	(935)	2,422	557	2,044	2,044	-
Adult Protective Services	Marquette County, Wisconsin	312	435.312	(13,195)	46,185	6,597	39,587	39,587	-
Children's COP	Direct Program	377	435.377	(138,743)	226,291	104,631	192,179	192,179	-
Alzheimers Family Support	Direct Program	381	435.381	(10,422)	30,471	6,650	26,699	26,699	-
Enhanced IM	Marquette County, Wisconsin	468	435.468	-	43,578	78,131	121,709	121,709	-
Coordinated Services - County	Direct Program	515	435.515	(6,510)	57,498	-	50,988	50,988	-
Community Mental Health Program	Direct Program	516	435.516	-	55,069	-	55,069	55,069	-
Birth to Three Initiative	Direct Program	550	435.550	-	71,938	-	71,938	71,938	-
R&B RSUD OP SETTLEMENT	Direct Program	533178	435.533178	-	11,467	-	11,467	11,467	-

WAUPACA COUNTY, WISCONSIN
Schedule of Expenditures of State Awards
For the Year Ended December 31, 2023

Grantor Agency/State Program Title	Pass-through Agency	State Identifying Number	State I.D. Number	Revenues			Total Expenditures	Subrecipient Payments
				(Accrued) or Deferred Revenue 1/1/2023	Cash Received	Accrued or (Deferred) Revenue 12/31/2023		
DEPARTMENT OF HEALTH SERVICES (Continued)								
AGING & DIS RESOURCE CTR	Calumet County, Wisconsin	560100	435.560100	(89,584)	411,266	36,715	358,397	-
BENEFIT SPECIALIST COUNTY	Calumet County, Wisconsin	560320	435.560320	-	27,628	370	27,998	-
ADRC SPAP EBS	Calumet County, Wisconsin	560328	435.560328	-	5,795	38	5,833	-
Senior Community Services	Greater Wisconsin Agency on Aging Resources	560330	435.560330	(8,951)	17,902	-	8,951	-
Congregate Meals Program (Title III-C-1)	Greater Wisconsin Agency on Aging Resources	560355	435.560355	(36,689)	73,676	-	36,977	-
Home Delivered Meals (Title III-C-2)	Greater Wisconsin Agency on Aging Resources	560360	435.560360	(193)	9,374	175	9,356	-
Elder Abuse	Greater Wisconsin Agency on Aging Resources	560490	435.560490	(20,579)	21,458	22,281	23,160	-
Basic County Allocation	Direct Program	561	435.561	-	970,082	-	970,082	-
State/County Match	Direct Program	681	435.681	-	134,614	-	134,614	-
CLTS Waiver Other CWA Admin GPR	Direct Program	877	435.877	13,075	(13,075)	29,744	29,744	-
CLTS Waiver GPR	Direct Program	871	435.871	-	1,472,535	-	1,472,535	-
Total Department of Health Services				(324,155)	3,933,301	314,121	3,923,267	-
DEPARTMENT OF CHILDREN AND FAMILIES								
Child Support Fingerprint	Direct Program	961	437.0961	(62)	62	-	-	-
Food Stamp Agency Incentives	Direct Program	965	437.0965	-	3,016	116	3,132	-
MA Agency Incentives	Direct Program	980	437.0980	(273)	3,827	51	3,605	-
Kinship Care Program Benefits	Direct Program	3377A	437.3377A	-	37,886	-	37,886	-
Kinship Care Program Benefits	Direct Program	3377B	437.3377B	(4,639)	77,134	20,735	93,230	-
Kinship Care Program Assessment	Direct Program	3380A	437.3380A	-	2,000	-	2,000	-
Kinship Care Program Assessment	Direct Program	3380B	437.3380B	(400)	2,600	-	4,400	-
JJ Community Intervention	Direct Program	3410	437.3410	-	31,261	4,842	36,103	-
JJ AODA	Direct Program	3411	437.3411	(1,771)	6,211	891	5,331	-
JJ Youth Aids	Direct Program	3413	437.3413	-	483,222	-	483,222	-
DSP Subsidized Guardianship	Direct Program	3456	437.3456	(5,524)	27,328	5,385	27,189	-
Basic County Allocation	Direct Program	3561	437.3561	-	405,206	-	405,206	-
State/County Match	Direct Program	3681	437.3681	-	32,464	-	32,464	-
Out-of-Home Care Placements for Sex Trafficked Youth	Direct Program	3720	437.3720	(4,837)	6,913	893	2,969	-
Child Support - State GPR/PR Funding Allocation	Direct Program	7502	437.7502	-	70,676	-	70,676	-
Child Support Enforcement	Direct Program	7606	437.7606	-	2,859	-	2,859	-
Total Department of Children and Families				(17,506)	1,192,665	35,113	1,210,272	-
DEPARTMENT OF JUSTICE								
Law Enforcement Training Fund Local Assistance	Direct Program	231	435.231	-	12,320	-	12,320	-
Victim and Witness Assistance Program - A Program Cluster	Direct Program	539	455.532, 455.539	(32,442)	55,166	36,796	59,520	-
Total Department of Justice				(32,442)	67,486	36,796	71,840	-
DEPARTMENT OF MILITARY AFFAIRS								
Regional Emergency Response Teams	Direct Program	N/A	465.306	(4,156)	16,625	8,313	20,782	-
Computer and Hazmat Response Equipment Grant	Direct Program	22-EPCRA-01-012826-01/23-EPCRA-01-13269	465.308	(7,517)	7,517	7,235	7,235	-
Hazmat Emergency Preparedness Grant	Direct Program	2023-HMEP-GPR-1-12650	465.310	-	2,250	-	2,250	-
Emergency Planning Grant Program	Direct Program	22-EPCRA-LEPC-01-12619/23-EPCRA-LEPC-01-12966	465.337	(19,364)	19,363	18,398	18,397	-
Total Department of Military Affairs				(31,037)	45,755	33,946	48,664	-
DEPARTMENT OF VETERANS AFFAIRS								
County Grants (CVSO)	Direct Program	N/A	485.267	-	13,348	-	13,348	-
Transportation Payments	Direct Program	N/A	485.001	-	7,769	-	7,769	-
Total Department of Veterans Affairs				-	21,117	-	21,117	-
DEPARTMENT OF ADMINISTRATION								
Land Information - Aid to Counties	Direct Program	AD229069 / EDUC-22-69	505.166	-	81,816	-	81,816	-
TOTAL STATE PROGRAMS				\$ (979,735)	\$ 6,476,882	\$ 1,435,184	\$ 6,932,331	\$ -

The notes to the schedules of expenditures of state awards are an integral part of this schedule.

WAUPACA COUNTY, WISCONSIN

Notes to the Schedule of Expenditures of Federal and State Awards

For the Year Ended December 31, 2023

NOTE 1: BASIS OF PRESENTATION

The accompanying Schedules of Expenditures of Federal and State Awards for Waupaca County, Wisconsin 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 Waupaca County, Wisconsin. Because the schedules present only a selected portion of the operations of Waupaca County, it is not intended to and does not present the financial position, changes in net position, or cash flows of Waupaca County, Wisconsin.

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 Waupaca County, Wisconsin's 2023 fund financial statements. Accrued revenue at year-end consists of federal and state program expenditures scheduled for reimbursement to Waupaca County, Wisconsin in the succeeding year while unearned revenue represents advances for federal and state programs that exceed recorded Waupaca County, Wisconsin expenditures. Because of subsequent program adjustments, these amounts may differ from the prior year's ending balances.

Waupaca County, Wisconsin has not elected to charge a de minimis rate of 10% of modified total costs.

NOTE 3: OVERSIGHT AGENCIES

The federal and state oversight agencies for Waupaca County, Wisconsin are as follows:

Federal - U.S. Department of Treasury

State - Wisconsin Department of Health Services

NOTE 4: TITLE 19 MEDICAL ASSISTANCE PAYMENTS

The Schedules of Expenditures of Federal and State Awards do not include recorded revenues of \$2,645,218 received by Waupaca County, Wisconsin for Title 19 Medical Assistance programs. The payments are considered a contract for services between the State and Waupaca County, Wisconsin and therefore are not reported as federal or state awards.

NOTE 5: STATE DIRECT PAYMENTS

Payments made directly to recipients and vendors by the State of Wisconsin under the FoodShare Wisconsin program on behalf of Waupaca County, Wisconsin are not included in the Schedules of Expenditures of Federal and State Awards.

WAUPACA COUNTY, WISCONSIN

Notes to the Schedule of Expenditures of Federal and State Awards
For the Year Ended December 31, 2023

NOTE 6: STATE OF WISCONSIN COMMUNITY AIDS REPORTING SYSTEM

The Wisconsin Departments of Health Services (DHS) and Children and Families (DCF) utilize the Community Aids Reporting System (CARS) and the System for Payments and Reports of Contracts (SPARC) for reimbursing Waupaca County, Wisconsin for various federal and state program expenditures. The expenditures reported on the Schedules of Expenditures of Federal and State Awards for various DHS & DCF programs agree with the expenditures reported on the June 2024 GEARS for the Human Services and Public Health Departments, and the December 2023 SPARC for Child Support and Child Care programs.

WAUPACA COUNTY, WISCONSIN
Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2023

SECTION I - SUMMARY OF AUDITORS' RESULTS

BASIC FINANCIAL STATEMENTS

Type of auditors' report issued:	Unmodified
Internal control over financial reporting:	
▶ Material weakness(es) identified?	No
▶ Significant deficiency(ies) identified?	No
Noncompliance material to basic financial statements noted?	No

FEDERAL AND STATE AWARDS

Internal control over major program:	
▶ Material weakness(es) identified?	No
▶ Significant deficiency(ies) identified?	Yes
Type of auditors' report issued on compliance for major programs	Unmodified
Any audit findings disclosed that are required to be reported in accordance with Uniform Guidance?	No
Any audit findings disclosed that are required to be reported in accordance with the <i>State Single Audit Guidelines</i> ?	Yes

Identification of major federal programs:

CFDA Number	Name of Federal Program
21.027	COVID-19 Coronavirus State and Local Fiscal Recovery Funds
93.778	Medicaid Cluster

Identification of major state programs:

State ID Number	Name of State Program
435.283	IMAA State Share
435.284	IMAA Federal Share
435.465	Enhanced IM
435.560100	Aging & Disability Resource Center
435.560320	Elderly Benefit Specialist Program
435.560328	Aging & Disability Resource Center
435.561	Basic County Allocation
435.681	State/County Match
435.871	CLTS Other GPR
435.877	CLTS Other CWA Admin GPR
437.3413	Youth Aids
437.3561	Basic County Allocation

Audit threshold used to determine between Type A and Type B programs:

Federal Awards	\$750,000
State Awards	\$250,000
Auditee qualified as low-risk auditee	No

WAUPACA COUNTY, WISCONSIN
Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2023

SECTION III - FEDERAL AND STATE AWARD FINDINGS AND QUESTIONED COSTS

FINDING NO.	CONTROL DEFICIENCIES
2023-001	Department of Health Services (DHS) General Requirements – Review of Provider Audits
State Agency:	Department of Health Services and Department of Children and Families
State ID Numbers:	Various
Type of Finding	Significant Deficiency in Internal Control Over Compliance (Other Matter)
Condition:	The County contracts with providers to provide client services. The County has procedures established to monitor receipt of provider audit reports and subsequent resolution of any issues noted in the audit reports; however as of the date of fieldwork each of the three providers tested were not reviewed.
Criteria or Specific Requirement:	By County contract and provisions of the Wisconsin Statutes, providers are required to submit to the County an audit report within 6 months from the end of their fiscal year. State Single Audit Guidelines require that "the agency monitors contract compliance, including collecting financial, performance, program, and special reports, reviewing them in a timely manner and taking action when problems are noted."
Questioned Costs:	None determined.
Context:	While performing compliance procedures, it was noted that the County did not follow the state general requirements to ensure compliance with provider audits.
Cause:	The County did not review one provider audit in 2023 due to never receiving that provider audit.
Effect:	The County is unable to monitor contract compliance, including collecting financial, performance, program, and special reports, and take action if problems are noted without reviewing provider audits.
Repeat Finding:	Repeat finding of 2022-002.
Recommendation:	We recommend the County review follow-up procedures for those not received.
Views of responsible officials:	There is no disagreement with the audit finding.

WAUPACA COUNTY, WISCONSIN
Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2023

SECTION IV - OTHER ISSUES

- | | |
|---|-----|
| 1. Does the auditor have substantial doubt as to the auditee's ability to continue as a going concern? | No |
| 2. Does the audit report show audit issues (i.e. material noncompliance, nonmaterial noncompliance, questioned cost, material weakness, significant deficiencies, management letter comment, excess revenue or excess reserve) related to grant/contracts with funding agencies that require audits to be in accordance with the <i>State Single Audit Guidelines</i> : | |
| Department of Agriculture, Trade and Consumer Protection | No |
| Department of Natural Resources | No |
| Department of Transportation | No |
| Department of Health Services | Yes |
| Department of Children and Families | Yes |
| Department of Justice | No |
| Department of Military Affairs | No |
| Department of Administration | No |
| 3. Was a Management Letter or other document conveying audit comments issued as a result of this audit? | Yes |

4. Name and signature of partner



Amber Drewieske, CPA

Date of report

July 22, 2024



**COUNTY OF WAUPACA
FINANCE & CENTRAL SERVICES OFFICE**

Heidi R. Dombrowski
Finance Director
811 Harding Street, Waupaca, WI 54981
Phone: (715) 258-6488 Fax: (715) 258-6209

Tera Mytton
Assistant Finance Director
(715) 258-6383

Lisa Rice
Accounts Payable
(715) 258-6204

PRIOR YEAR AUDIT FINDINGS

FINDING—FINANCIAL STATEMENT AUDIT

2022-001 **Adjustments to the County's Financial Records**
This finding was resolved for 2023 as the county properly evaluated insurance claims.

FINDING—FEDERAL AND STATE AWARD PROGRAMS

2022-002 **Department of Health Services (DHS) General Requirements – Review of Provider Audits**
Provider audits were not reviewed timely in accordance with state requirements. The finding is repeated as 2023-001.

CORRECTIVE ACTION PLAN

Waupaca County, Wisconsin respectfully submits the following corrective action plan for the year ended December 31, 2023.

Audit period: January 1, 2023 – December 31, 2023

The findings from the schedule of findings and questioned costs are discussed below. The findings are numbered consistently with the numbers assigned in the schedule.

FINDING—FINANCIAL STATEMENT AUDIT

None reported.

FINDINGS—FEDERAL AND STATE AWARD PROGRAMS

<u>Finding No.</u>	<u>Corrective Action Plan</u>
SIGNIFICANT DEFICIENCY	

2023-001	Department of Health Services (DHS) General Requirements – Review of Provider Audits Recommendation: CLA recommends the County review their processes and procedures to ensure provider audits are received and reviewed timely in accordance with state requirements.
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Explanation of disagreement with audit finding: There is no disagreement with the audit finding.

Action planned/taken in response to finding: The County will be reviewing processes and procedures for provider audits for the 2024 audit.

Name(s) of the contact person(s) responsible for corrective action: Heidi Dombrowski

Planned completion date for corrective action plan: December 31, 2024

Contact for Correct action plan:
Heidi Dombrowski, Finance Director
715-258-6488
Heidi.Dombrowski@co.waupaca.wi.us

STATISTICAL SECTION

STATISTICAL SECTION

This part of Waupaca County's annual financial report presents detailed information as a context of understanding what the information in the financial statements, note disclosures, and required supplementary information says about the county's overall financial health.

FINANCIAL TRENDS - TABLES 1-4

These schedules contain trend information to help the reader understand how the county's financial performance and well-being have changed over time.

REVENUE CAPACITY - TABLES 5-8

These schedules contain information to help the reader assess the county's most significant local revenue source, the property tax.

DEBT CAPACITY - TABLES 9-10

These schedules present information to help the reader assess the affordability of the county's current levels of outstanding debt and the county's ability to issue additional debt in the future.

WAUPACA COUNTY, WISCONSIN

NET POSITION BY COMPONENT

Last Ten Fiscal Years
(Accrual Basis of Accounting)

	2014	2015	2016	2017
Governmental activities				
Net investment in capital assets	\$ 67,375,096	\$ 71,480,821	\$ 72,695,646	\$ 74,849,788
Restricted	2,715,539	5,427,753	1,947,271	1,883,929
Unrestricted	12,689,713	16,092,700	20,082,602	20,613,005
Total governmental activities net position	<u>\$ 82,780,348</u>	<u>\$ 93,001,274</u>	<u>\$ 94,725,519</u>	<u>\$ 97,346,722</u>
Business-type activities				
Net investment in capital assets	\$ 6,839,909	\$ 7,175,654	\$ 7,489,629	\$ 7,668,619
Restricted	-	882,209	-	-
Unrestricted	8,127,009	9,277,630	9,497,883	9,382,589
Total business-type activities net position	<u>\$ 14,966,918</u>	<u>\$ 17,335,493</u>	<u>\$ 16,987,512</u>	<u>\$ 17,051,208</u>
Primary government				
Net investment in capital assets	\$ 74,215,005	\$ 78,656,475	\$ 80,185,275	\$ 82,518,407
Restricted	2,715,539	6,309,962	1,947,271	1,883,929
Unrestricted	20,816,722	25,370,330	29,580,485	29,995,594
Total primary government activities net position	<u>\$ 97,747,266</u>	<u>\$ 110,336,767</u>	<u>\$ 111,713,031</u>	<u>\$ 114,397,930</u>

WAUPACA COUNTY, WISCONSIN

NET POSITION BY COMPONENT

Last Ten Fiscal Years
(Accrual Basis of Accounting)

2018	2019	2020	2021	2022	2023
\$ 87,339,458	\$ 88,958,169	\$ 92,984,165	\$ 94,447,723	\$ 96,737,894	\$ 98,974,827
5,609,921	921,307	4,646,440	8,485,566	11,191,439	1,070,795
12,404,262	16,836,014	14,547,467	15,536,380	20,435,664	29,875,251
<u>\$ 105,353,641</u>	<u>\$ 106,715,490</u>	<u>\$ 112,178,072</u>	<u>\$ 118,469,669</u>	<u>\$ 128,364,997</u>	<u>\$ 129,920,873</u>
\$ 6,382,121	\$ 8,397,357	\$ 9,000,624	\$ 9,971,882	\$ 9,973,690	\$ 10,687,364
735,514	-	-	1,659,557	1,967,347	-
4,446,064	4,037,347	2,160,159	1,986,139	3,406,869	6,781,138
<u>\$ 11,563,699</u>	<u>\$ 12,434,704</u>	<u>\$ 11,160,783</u>	<u>\$ 13,617,578</u>	<u>\$ 15,347,906</u>	<u>\$ 17,468,502</u>
\$ 93,721,579	\$ 97,355,526	\$ 101,984,789	\$ 104,419,605	\$ 106,711,584	\$ 109,662,191
6,345,435	921,307	4,646,440	10,145,123	13,158,786	1,070,795
16,850,326	20,873,361	16,707,626	17,522,519	23,842,533	36,656,389
<u>\$ 116,917,340</u>	<u>\$ 119,150,194</u>	<u>\$ 123,338,855</u>	<u>\$ 132,087,247</u>	<u>\$ 143,712,903</u>	<u>\$ 147,389,375</u>

WAUPACA COUNTY, WISCONSIN

CHANGES IN NET POSITION

Last Ten Fiscal Years
(Accrual Basis of Accounting)

	2014	2015	2016	2017
Expenses				
Governmental activities:				
General government	\$ 7,336,931	\$ 6,884,058	\$ 7,327,521	\$ 7,287,379
Public safety	11,322,293	12,278,987	13,089,833	13,407,014
Public works	7,606,898	8,562,457	8,007,567	8,819,274
Health and human services	17,327,131	16,353,113	16,315,426	14,754,908
Culture and recreation	2,064,852	2,150,970	2,064,048	2,114,634
Conservation and development	1,466,974	1,479,231	2,025,223	1,519,612
Interest on long-term debt	675,465	688,965	509,598	354,161
Total governmental activities expenses	<u>47,800,544</u>	<u>48,397,781</u>	<u>49,339,216</u>	<u>48,256,982</u>
Business-type activities:				
Nursing home	3,689,898	3,624,931	3,827,133	1,834,837
Highway construction and maintenance	11,698,975	14,430,922	11,982,667	12,581,059
Total business-type activities expenses	<u>15,388,873</u>	<u>18,055,853</u>	<u>15,809,800</u>	<u>14,415,896</u>
Total primary government expenses	<u>\$ 63,189,417</u>	<u>\$ 66,453,634</u>	<u>\$ 65,149,016</u>	<u>\$ 62,672,878</u>
Program revenues				
Governmental activities:				
Charges for services				
General government	\$ 1,864,459	\$ 2,028,430	\$ 1,718,560	\$ 1,691,033
Public safety	2,294,985	2,065,887	1,985,856	2,036,416
Public works	527,491	541,095	493,835	521,843
Health and human services	6,012,766	5,345,641	4,639,324	4,027,447
Culture and recreation	120,482	109,756	139,981	151,547
Conservation and development	264,335	289,479	378,080	358,861
Operating grants and contributions				
General government	770,712	779,165	380,293	829,674
Public safety	269,764	419,396	349,884	366,312
Public works	2,929,438	2,395,828	1,913,328	2,181,861
Health and human services	7,567,704	7,661,503	8,266,549	7,132,931
Culture and recreation	183,740	218,626	441,045	213,847
Conservation and development	628,877	541,754	581,416	350,447
Capital grants and contributions				
Public works	1,132,611	1,645,345	79,491	631,849
Health and human services	-	64,590	-	-
Total governmental activities program revenues	<u>24,567,364</u>	<u>24,106,495</u>	<u>21,367,642</u>	<u>20,494,068</u>

WAUPACA COUNTY, WISCONSIN

CHANGES IN NET POSITION

Last Ten Fiscal Years
(Accrual Basis of Accounting)

2018	2019	2020	2021	2022	2023
\$ 8,116,898	\$ 8,277,838	\$ 8,367,792	\$ 7,102,755	\$ 8,178,116	\$ 8,639,892
14,254,462	14,423,289	14,388,937	13,914,028	14,496,824	17,187,819
9,672,159	9,589,439	9,862,805	10,674,565	10,048,876	10,956,448
14,493,719	16,720,089	15,364,455	14,667,376	15,881,286	16,818,162
2,249,075	2,388,623	2,270,873	2,360,568	2,279,462	2,490,444
1,972,416	3,104,428	1,754,754	2,285,748	2,688,942	2,855,591
440,744	222,631	164,913	20,420	38,385	20,559
51,199,473	54,726,337	52,174,529	51,025,460	53,611,891	58,968,915
-	-	-	-	-	-
14,739,160	16,082,562	16,487,734	15,520,109	16,043,203	17,833,419
14,739,160	16,082,562	16,487,734	15,520,109	16,043,203	17,833,419
\$ 65,938,633	\$ 70,808,899	\$ 68,662,263	\$ 66,545,569	\$ 69,655,094	\$ 76,802,334
\$ 2,243,022	\$ 3,311,336	\$ 1,306,591	\$ 1,595,473	\$ 1,278,502	\$ 1,438,769
2,067,044	2,321,806	2,199,700	2,557,413	2,286,330	2,324,736
525,935	624,203	735,367	804,101	851,491	866,862
2,679,953	2,954,367	2,757,884	3,465,089	4,196,790	4,349,911
130,099	279,924	218,946	187,805	149,199	181,111
355,088	447,469	348,705	418,267	371,776	410,018
834,483	839,801	868,628	856,227	4,954,551	1,504,147
459,672	430,934	380,696	570,071	456,559	443,252
2,253,882	2,582,779	2,390,401	2,634,625	2,793,964	3,165,611
7,178,292	7,907,567	10,201,802	7,613,577	7,706,949	7,527,843
175,190	222,268	249,632	276,656	204,966	168,041
875,303	914,825	542,930	1,714,839	727,932	1,210,878
668,695	74,573	94,250	54,723	976,331	301,852
-	-	-	-	-	-
20,446,658	22,911,852	22,295,532	22,748,866	26,955,340	23,893,031

WAUPACA COUNTY, WISCONSIN

CHANGES IN NET POSITION

Last Ten Fiscal Years
(Accrual Basis of Accounting)

	2014	2015	2016	2017
Business-type activities:				
Charges for services				
Nursing home	\$ 2,711,025	\$ 2,510,847	\$ 2,105,776	\$ 292,152
Highway construction and maintenance	11,824,700	14,726,854	12,059,351	12,945,595
Operating grants and contributions				
Nursing home	370,785	413,751	359,100	58,200
Total business-type activities program revenues	<u>14,906,510</u>	<u>17,651,452</u>	<u>14,524,227</u>	<u>13,295,947</u>
Total primary government program revenues	<u>\$ 39,473,874</u>	<u>\$ 41,757,947</u>	<u>\$ 35,891,869</u>	<u>\$ 33,790,015</u>
Net (expense) revenue				
Governmental activities	(23,233,180)	(24,291,286)	(27,971,574)	(27,762,914)
Business-type activities	<u>(482,363)</u>	<u>(404,401)</u>	<u>(1,285,573)</u>	<u>(1,119,949)</u>
Total primary government net expenses	<u><u>(\$23,715,543)</u></u>	<u><u>(\$24,695,687)</u></u>	<u><u>(\$29,257,147)</u></u>	<u><u>(\$28,882,863)</u></u>
General revenues and other changes in net position				
Governmental activities:				
Property taxes	\$ 22,553,805	\$ 23,203,737	\$ 23,665,515	\$ 24,269,633
Sales taxes	2,951,183	3,226,358	3,293,601	3,521,903
Other taxes	128,747	129,193	140,332	173,326
Grants and contributions not restricted to specific programs	1,468,812	1,477,500	1,503,574	1,505,056
Unrestricted investment earnings (loss)	66,495	69,964	99,656	224,517
Gain on sale of capital assets	6,595	42,183	77,785	1,385
Transfers	-	(420)	(727)	-
Total governmental activities	<u>27,175,637</u>	<u>28,148,515</u>	<u>28,779,736</u>	<u>29,695,820</u>
Business-type activities:				
Property taxes	849,903	880,070	910,070	937,592
Interest income	-	-	-	-
Gain on sale of capital assets	-	-	-	-
Sale of intangible asset	-	-	-	-
Transfers	-	420	727	-
Total business-type activities	<u>849,903</u>	<u>880,490</u>	<u>910,797</u>	<u>937,592</u>
Prior Period Adjustment	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Change in net position				
Governmental activities	3,942,457	3,857,229	808,162	1,932,906
Business-type activities	<u>367,540</u>	<u>476,089</u>	<u>(374,776)</u>	<u>(182,357)</u>
Total primary government	<u><u>\$ 4,309,997</u></u>	<u><u>\$ 4,333,318</u></u>	<u><u>\$ 433,386</u></u>	<u><u>\$ 1,750,549</u></u>

WAUPACA COUNTY, WISCONSIN

CHANGES IN NET POSITION

Last Ten Fiscal Years
(Accrual Basis of Accounting)

2018	2019	2020	2021	2022	2023
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
14,670,778	15,228,469	15,367,207	15,127,047	15,831,468	17,742,767
-	-	-	-	-	-
14,670,778	15,228,469	15,367,207	15,127,047	15,831,468	17,742,767
\$ 35,117,436	\$ 38,140,321	\$ 37,662,739	\$ 37,875,913	\$ 42,786,808	\$ 41,635,798
(30,752,815)	(31,814,485)	(29,878,997)	(28,276,594)	(26,656,551)	(35,075,884)
(68,382)	(854,093)	(1,120,527)	(393,062)	(211,735)	(90,652)
(\$30,821,197)	(\$32,668,578)	(\$30,999,524)	(\$28,669,656)	(\$26,868,286)	(\$35,166,536)
\$ 24,786,282	\$ 26,373,834	\$ 27,721,339	\$ 27,129,357	\$ 27,332,915	\$ 27,754,737
3,579,324	3,855,481	4,156,794	4,605,462	4,920,428	4,980,922
203,235	232,786	877,939	1,213,238	745,284	648,888
1,503,895	1,595,308	1,591,641	1,584,380	1,627,657	1,636,177
292,326	610,789	335,297	35,754	(74,405)	1,943,597
-	-	-	-	-	-
19,055	508,136	(23,897)	-	-	(332,561)
30,384,117	33,176,334	34,659,113	34,568,191	34,551,879	36,631,760
937,593	1,870,000	671,338	1,986,725	1,928,975	1,871,225
-	303,945	8,982	25	-	-
15,107	59,289	-	5,496	13,088	7,462
250,000	-	-	-	-	-
(19,055)	(508,136)	23,897	-	-	332,561
1,183,645	1,725,098	704,217	1,992,246	1,942,063	2,211,248
-	-	682,466	-	2,000,000	-
(368,698)	1,361,849	5,462,582	6,291,597	9,895,328	1,555,876
1,115,263	871,005	(416,310)	1,599,184	1,730,328	2,120,596
\$ 746,565	\$ 2,232,854	\$ 5,046,272	\$ 7,890,781	\$ 11,625,656	\$ 3,676,472

WAUPACA COUNTY, WISCONSIN**FUND BALANCES - GOVERNMENTAL FUNDS**

Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)

	2014	2015	2016	2017
General fund				
Non-spendable	\$ 2,648,123	\$ 2,102,226	\$ 2,095,837	\$ 2,407,047
Restricted	1,046,922	995,427	782,768	813,598
Assigned	2,005,780	2,495,318	2,452,656	2,599,434
Unassigned	7,580,610	8,587,670	9,233,172	9,245,958
Total general fund	<u>\$ 13,281,435</u>	<u>\$ 14,180,641</u>	<u>\$ 14,564,433</u>	<u>\$ 15,066,037</u>
All other government funds				
Non-spendable				
Capital improvement fund	\$ -	\$ -	\$ -	\$ -
Restricted				
Health and human services fund	105,622	134,075	142,875	126,271
Economic development fund	501,844	491,203	292,431	357,947
Debt service fund	169,989	1,981	1,931	1,931
Capital improvement fund	13,450,647	7,873,504	3,946,130	-
Committed				
Health and human services fund	2,132,607	2,376,923	2,543,771	2,937,335
Transportation services fund	1,465,746	644,502	1,848,965	2,324,369
American rescue plan act fund	-	-	-	-
Economic development fund	-	-	-	-
Opioid settlement fund	-	-	-	-
Assigned				
Capital improvement fund	65,764	-	-	25,000
Unassigned (Deficit)				
Environmental TIF fund	(18,078)	(17,913)	(17,743)	(17,514)
	<u>\$ 17,874,141</u>	<u>\$ 11,504,275</u>	<u>\$ 8,758,360</u>	<u>\$ 5,755,339</u>

NOTE: The County revised the fund balances categories when it implemented GASB Statement No. 54 in 2011, and restated all prior years.

WAUPACA COUNTY, WISCONSIN**FUND BALANCES - GOVERNMENTAL FUNDS**

Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)

2018	2019	2020	2021	2022	2023
\$ 2,558,290	\$ 2,229,302	\$ 2,060,062	\$ 2,087,651	\$ 1,275,083	\$ 1,176,825
770,514	799,578	487,257	602,224	658,076	574,319
585,443	1,780,751	1,789,362	1,789,559	3,576,876	4,605,382
8,019,821	8,772,526	11,112,541	12,723,828	13,348,766	13,403,567
<u>\$ 11,934,068</u>	<u>\$ 13,582,157</u>	<u>\$ 15,449,222</u>	<u>\$ 17,203,262</u>	<u>\$ 18,858,801</u>	<u>\$ 19,760,093</u>
\$ -	\$ -	\$ -	\$ -	\$ 29,945	\$ 378,340
113,553	121,729	252,318	200,813	196,954	189,067
473,633	-	-	-	-	-
2,436	2,436	2,437	2,467	2,466	2,664
-	-	-	-	-	-
2,501,412	1,641,973	2,045,516	2,232,909	2,671,308	3,165,159
491,565	1,678,397	192,276	512,130	915,941	267,082
-	-	-	654	76,530	274,512
-	-	-	-	2,669,215	2,669,215
-	-	-	-	1,538	1,538
1,016,367	1,162,006	1,904,859	1,892,729	1,455,430	1,962,221
(17,303)	(17,089)	(16,880)	(16,668)	-	-
<u>\$ 4,581,663</u>	<u>\$ 4,589,452</u>	<u>\$ 4,380,526</u>	<u>\$ 4,825,034</u>	<u>\$ 8,019,327</u>	<u>\$ 8,909,798</u>

WAUPACA COUNTY, WISCONSIN

CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS

Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)

	2014	2015	2016	2017
Revenues				
Taxes	\$27,217,932	\$27,959,950	\$28,434,087	\$29,051,044
Intergovernmental	13,205,179	12,941,241	12,906,135	12,134,990
Licenses and permits	179,812	200,165	201,105	215,700
Fines and forfeits	225,418	239,897	219,249	222,436
Charges for services	9,816,824	9,098,051	8,237,398	7,736,868
Commercial revenues	1,007,798	962,452	1,086,026	964,840
Total revenues	<u>51,652,963</u>	<u>51,401,756</u>	<u>51,084,000</u>	<u>50,325,878</u>
Expenditures				
Current:				
General government	6,617,776	6,572,049	6,768,875	6,758,344
Public safety	11,034,425	11,312,536	11,527,898	11,646,365
Public works	4,079,787	4,600,165	4,165,958	4,397,350
Health and human services	17,128,122	16,299,197	15,799,695	14,309,443
Culture and recreation	1,957,531	2,000,453	1,935,465	1,909,694
Conservation and development	1,636,043	1,583,819	1,813,440	1,401,084
Capital outlay	5,538,512	8,612,047	5,419,677	6,312,212
Debt service:				
Principal	5,065,000	5,040,000	5,200,000	5,445,000
Interest and other charges	979,196	900,898	815,115	666,858
Total expenditures	<u>54,036,392</u>	<u>56,921,164</u>	<u>53,446,123</u>	<u>52,846,350</u>
Excess (deficiency) of revenues over expenditures	<u>(2,383,429)</u>	<u>(5,519,408)</u>	<u>(2,362,123)</u>	<u>(2,520,472)</u>
Other financing sources (uses)				
Transfers in	-		735,009	1,215,921
Transfers out	(420)	(727)	(735,009)	(1,196,866)
Capital-related debt issued	-	-	-	-
Payment to current noteholder	-	-	-	-
Refunding-debt issued	13,680,000	-	-	-
Bond premium	246,454	-	-	-
Capital lease issued	413,401	49,475	-	-
Total other financing sources (uses)	<u>14,339,435</u>	<u>48,748</u>	<u>-</u>	<u>19,055</u>
Net change in fund balances	11,956,006	(5,470,660)	(2,362,123)	(2,501,417)
Fund balances - beginning	19,199,570	31,155,576	25,684,916	23,322,793
Prior period adjustment	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances - beginning as restated	<u>19,199,570</u>	<u>31,155,576</u>	<u>25,684,916</u>	<u>23,322,793</u>
Fund balances - ending	<u><u>\$31,155,576</u></u>	<u><u>\$25,684,916</u></u>	<u><u>\$23,322,793</u></u>	<u><u>\$20,821,376</u></u>
Debt service as a percentage of noncapital expenditures	12.46%	12.30%	12.52%	13.13%

WAUPACA COUNTY, WISCONSIN

CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS

Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)

2018	2019	2020	2021	2022	2023
\$31,797,396	\$31,153,565	\$32,756,072	\$32,948,056	\$32,998,627	\$33,384,546
12,825,422	14,187,054	15,910,670	14,805,514	17,853,131	15,376,368
199,175	213,055	251,506	244,687	223,958	234,698
233,041	232,498	189,463	230,776	235,445	200,283
6,418,622	7,111,423	6,898,776	8,114,815	8,507,317	8,761,637
1,673,688	2,631,637	877,804	922,092	712,412	2,597,967
53,147,344	55,529,232	56,884,291	57,265,940	60,530,890	60,555,499
7,264,129	7,294,713	7,801,276	6,948,901	7,784,604	7,719,825
12,805,112	12,817,912	12,711,403	13,223,565	13,947,545	14,644,589
4,950,167	4,669,787	4,874,511	5,008,806	4,968,089	5,407,598
14,014,277	15,550,620	15,273,682	15,267,861	16,512,692	16,194,216
2,018,535	2,191,513	2,065,017	2,179,277	2,097,338	2,179,528
1,918,858	2,544,529	1,698,597	2,313,414	2,683,764	2,634,823
7,843,494	6,090,456	8,881,148	8,056,756	7,388,794	8,067,282
10,990,000	2,955,000	2,370,000	1,905,000	1,967,659	1,983,459
562,030	266,960	209,087	148,199	44,238	26,459
62,366,602	54,381,490	55,884,721	55,051,779	57,394,723	58,857,779
(9,219,258)	1,147,742	999,570	2,214,161	3,136,167	1,697,720
9,561,565	5,040,731	4,224,337	4,985,814	8,830,721	6,510,411
(4,647,952)	(4,532,595)	(4,248,234)	(4,985,814)	(8,830,721)	(6,836,122)
-	-	-	5,954,387	-	-
-	-	-	(5,970,000)	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
4,913,613	508,136	(23,897)	(15,613)	-	(325,711)
(4,305,645)	1,655,878	975,673	2,198,548	3,136,167	1,372,009
20,821,376	16,515,731	18,171,609	19,829,748	22,028,296	27,164,463
-	-	682,466	-	2,000,000	-
20,821,376	16,515,731	18,854,075	19,829,748	24,028,296	27,164,463
\$16,515,731	18,171,609	19,829,748	22,028,296	27,164,463	\$28,536,472
21.19%	6.67%	5.49%	4.37%	4.02%	3.96%

WAUPACA COUNTY, WISCONSIN

EQUALIZED VALUE OF TAXABLE PROPERTY (a)

Last Ten Fiscal Years

Fiscal Year	Real Property				Personal Property	Less: Tax Incremental Districts (TID)		Total Direct Tax Rate (c)
	Residential Property	Commercial Property	Manufacturing Property	Other Property		Personal Property	Incremental Districts (TID)	
2014	2,749,731,800	402,276,000	121,650,400	483,759,100	88,836,900	(136,269,200)	3,709,985,000	6.62
2015	2,763,022,600	399,535,100	116,574,700	486,528,100	84,188,300	(132,422,900)	3,717,425,900	6.78
2016	2,820,996,600	397,092,100	137,294,100	499,061,900	81,137,500	(112,616,000)	3,822,966,200	6.73
2017	2,978,621,600	420,180,200	146,803,700	499,636,700	87,920,600	(126,949,600)	4,006,213,200	\$6.80
2018	3,061,125,400	436,170,800	127,206,300	513,017,900	67,424,000	(89,994,900)	4,114,949,500	6.86
2019	3,162,932,400	448,297,000	139,056,200	511,446,800	74,806,500	(100,812,900)	4,235,726,000	6.70
2020	3,262,550,700	465,822,900	141,287,500	517,926,300	65,838,400	(109,015,900)	4,344,409,900	6.70
2021	3,628,722,700	437,436,900	147,515,400	529,363,400	64,766,800	(115,699,700)	4,692,105,500	6.24
2022	3,971,171,100	474,958,200	151,352,100	554,092,200	68,144,700	(79,718,700)	5,139,999,600	5.76
2023	4,705,589,400	535,844,300	157,801,300	610,306,100	69,774,600	(108,231,500)	5,971,084,200	4.96

Source: Wisconsin Department of Revenue, Bureau of Property Tax

- (a) Due to varying assessment ratios to full market value used in municipalities, all underlying tax districts such as counties are required to use equalized value for levying property taxes. Equalized value, defined by state statute, is the legal market value determined by the Wisconsin Department of Revenue.
- (b) Equalized values are reduced by Tax Incremental District value increments for apportioning the county tax levy.
- (c) Per \$1,000 of equalized value.

WAUPACA COUNTY, WISCONSIN**DIRECT AND OVERLAPPING PROPERTY TAX RATES**

Last Ten Fiscal Years

(Rate per \$1,000 of Assessed Value)

	2014 6.24	2015 6.4	2016 6.44	2017 6.76
Bear Creek	18.99-21.62	18.62-20.92	17.92-19.44	17.43-21.07
Caledonia	18.52	18	17	17.43
Dayton	16.85-19.25	15.90-18.78	16.57-19.61	15.93-19.07
Dupont	17.77	17	17	16.56
Farmington	18.05	18	19	19.33
Fremont	16.99-18.91	17.08-19.00	16.71-18.80	19.38-20.14
Harrison	18.76-19.60	18.82-18.88	18.01-18.86	16.97-17.48
Helvetia	17.74-19.29	17.19-19.07	16.32-19.62	17.73-19.04
Iola	18.87	18	19	17.52
Larrabee	17.29-19.78	17.84-20.06	17.38-20.23	15.31-19.92
Lebanon	18.31-20.98	17.56-19.63	18.42-19.89	18.53-20.16
Lind	17.38-20.22	16.92-20.19	16.65-19.99	18.75-19.68
Little Wolf	19.00	18	19	18.40
Matteson	20.00	20	20	21.33
Mukwa	15.60-17.59	16.73-18.74	16.08-18.23	17.66-18.43
Royalton	16.27-18.61	15.62-18.78	15.68-18.95	17.94-19.70
Scandinavia	16.89-17.81	16.45-17.60	17.42-17.54	17.30-17.53
St. Lawrence	18.00-20.28	17.46-20.42	17.95-19.91	17.38-18.99
Union	19.57-22.40	19.14-21.54	18.68-21.72	17.27-22.22
Waupaca	16.60-19.40	16.16-19.34	15.75-19.01	17.27-18.15
Weyauwega	17.00	17	16	18.68
Wyoming	17.99-22.40	17.20-21.84	15.11-19.45	15.13-22.59
Big Falls	19	19	18	17.74
Embarrass	20	20	19	20.95
Fremont	19	19	18	20.17
Iola	27	27.70	28	27.67
Ogdensburg	18	18	18	18.85
Scandinavia	19	19	19	18.13
Clintonville	27.18	27.29	26.39	27.52
Manawa	24.56	25.56	25.24	28.36
Marion	22.14	22.67	20.47	20.98
New London	23.62	24.04	23.97	23.73
Waupaca	27.15	27.87	26.56	26.80
Weyauwega	21.49	21.92	21.97	24.13

Source: Waupaca County Treasurer's Office

All tax rates are exclusive of lottery credits.

Tax rates are subject to limitations as described in Note 5E of the Notes to Financial Statements.

Table 6

WAUPACA COUNTY, WISCONSIN**DIRECT AND OVERLAPPING PROPERTY TAX RATES**

Last Ten Fiscal Years

(Rate per \$1,000 of Assessed Value)

2018	2019	2020	2021	2022	2023
6.71	6.97	7.06	6.99	6.80	5.72
18.04-19.59	17.63-20.65	17.59-20.72	16.41-21.00	13.12-18.20	14.10-19.63
16.28	16.59	17.29	16.63	15.14	16.18
16.37-19.96	16.47-16.80	16.08-16.44	17.08-17.47	18.02-18.89	10.89-12.35
18.47	18.36	17.39	14.34	14.13	15.32
18.84	17.00	16.94	17.12	12.69	13.30
17.12-19.34	15.90-17.75	16.02-17.99	15.31-18.65	15.95-21.31	16.36-21.76
17.47-18.14	17.25-18.56	17.66-18.33	18.12-18.41	14.59-14.64	14.57-15.30
16.85-20.06	16.60-20.15	15.80-20.14	13.72-17.36	14.10-16.87	14.62-16.22
18.33	19.07	19.58	19.61	18.42	13.10
16.75-20.36	16.94-19.96	16.20-20.38	16.21-21.21	15.95-21.30	12.88-16.40
17.89-21.08	17.58-20.47	17.62-20.62	16.96-21.49	15.82-21.87	17.62-24.24
21.16-21.20	18.22-20.34	16.12-18.53	16.19-19.78	14.55-19.29	14.44-20.72
20.67	19.19	20.05	17.02	17.02	16.21
21.71	21.12	21.34	18.79	19.06	20.28
16.22-18.42	17.12-19.18	17.41-19.62	17.64-21.61	15.18-20.39	11.96-17.02
19.47-21.47	16.87-18.91	17.01-19.66	16.98-20.33	15.46-20.97	15.20-22.56
18.50-19.06	16.13-19.30	16.26-19.70	16.19-18.98	14.71-18.32	10.75-13.50
17.91-19.62	16.29-19.31	15.93-19.10	15.86-18.46	14.35-17.63	13.77-16.96
18.98-22.66	18.88-22.16	17.74-22.11	17.73-22.90	17.48-22.99	18.76-24.77
18.54-19.55	17.31-19.18	16.89-19.55	17.27-20.52	15.99-21.32	17.36-25.26
18.38	18.65	18.43	18.21	18.22	19.29
16.11-21.60	16.16-19.68	15.07-19.31	14.63-18.27	14.98-17.97	15.98-17.75
20.34	20.20	15.54	15.01	15.16	16.14
21.90	21.68	21.34	21.35	21.99	17.13
20.23	20.81	21.01	22.49	21.94	25.49
28.81	28.88	28.28	27.6	27.05	25.78
19.78	19.92	19.57	18.02	17.51	15.73
19.32	20.19	19.63	19.51	18.81	13.46
27.12	28.21	28.71	29.96	32.04	32.96
23.79	27.13	27.04	27.10	25.27	25.65
23.77	25.13	24.68	25.23	27.34	17.57
22.53	23.69	23.94	23.83	23.32	23.84
27.25	24.71	25.42	24.49	23.83	16.86
23.70	23.08	25.28	26.42	28.93	21.40

WAUPACA COUNTY, WISCONSIN

PRINCIPAL TAXPAYERS

December 31, 2023 and Nine Years Prior

Taxpayer	2023		2023		2015	
	Assessed Value	Rank	Percentage of Total Assessed Valuation	Assessed Value	Rank	Percentage of Total Assessed Valuation
Waupaca Foundry Inc	\$25,368,500	1	0.49%	29,223,500	1	0.74%
A. Sturm Foods, Inc.	16,836,800	2	0.33%	\$23,385,000	2	0.59%
Agropur	10,749,100	3	0.21%	7,398,600	8	0.19%
Waubuck Seba Partners	9,338,900	4	0.18%	7,531,600	7	0.19%
Thedacare Medical Center	8,538,300	5	0.16%	6,486,900	9	0.16%
SCS Timber Ridge Apartment	8,183,800	6	0.16%	-	-	0.00%
CI05 Converting Inc (Hoffmaster)	8,093,000	7	0.16%	10,926,300	4	0.28%
KT Real Estate Holding (Kwik Trip)	8,017,300	8	0.15%	10,141,700	5	0.26%
Realty Income Properties 6 LLC	7,801,000	9	0.15%			
W T Walker Group Inc.	6,847,900	10	0.13%	11,200,200	3	0.28%
Mills Properties Inc				9,660,600	6	0.25%
Time Square Joint Venture				5,793,400	10	0.15%
Total Assessed Valuation	109,774,600		2.12%	121,747,800		3.09%
Total County Assessed Valuation	\$5,179,465,241			\$3,940,007,776		

Source: Waupaca County Treasurer's Office

WAUPACA COUNTY, WISCONSIN

RATIO OF OUTSTANDING DEBT TO EQUALIZED VALUATION AND DEBT PER CAPITA

Last Ten Fiscal Years

Year Ending December 31	Estimated Population (a)	Equalized Valuation (b)	Outstanding Debt (c)	Percent of Debt to Equalized Valuation	Debt Per Capita
2014	52,435	3,709,985,000	39,875,000	1.075%	760.47
2015	52,429	3,717,425,900	34,835,000	0.937%	664.42
2016	52,320	3,822,966,200	29,635,000	0.775%	566.42
2017	52,100	4,006,213,200	24,190,000	0.604%	464.30
2018	52,217	4,114,949,500	37,325,000	0.907%	714.81
2019	52,368	4,235,726,000	32,500,000	0.767%	620.61
2020	52,155	4,344,409,900	28,710,000	0.661%	550.47
2021	52,676	4,692,105,500	25,634,388	0.546%	486.64
2022	52,309	5,139,999,600	22,511,729	0.438%	430.36
2023	51,839	5,971,084,200	19,373,269	0.324%	373.72

(a) Source for population statistics is the State of Wisconsin Department of Administration

(b) Equalized values are reduced by Tax Incremental District value increments.

(c) Includes general obligation debt of both governmental activities and business-type activities.

WAUPACA COUNTY, WISCONSIN**LEGAL DEBT MARGIN INFORMATION**

Last Ten Fiscal Years
(Dollars in Thousands)

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Equalized value of real and personal property (a)	<u>\$ 3,846,254</u>	<u>\$ 3,849,849</u>	<u>\$ 3,935,582</u>	<u>\$ 4,133,163</u>
Debt limit, 5% of equalized valuation (Wisconsin statutory limitation)	\$192,313	\$192,492	\$196,779	\$206,658
Amount of debt applicable to debt limitation				
General obligation promissory notes, bonds and loans (b)	<u>\$39,875</u>	<u>\$34,835</u>	<u>\$29,635</u>	<u>\$24,190</u>
Legal debt margin (debt capacity)	<u>\$152,438</u>	<u>\$157,657</u>	<u>\$167,144</u>	<u>\$182,468</u>
Percent of debt capacity used	20.73%	18.10%	15.06%	11.71%

(a) Equalized values include the increment value of Tax Incremental Districts.

(b) Includes general obligation debt of governmental activities and business-type activities.

WAUPACA COUNTY, WISCONSIN**LEGAL DEBT MARGIN INFORMATION**

Last Ten Fiscal Years
(Dollars in Thousands)

<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
<u>\$ 4,114,949</u>	<u>\$ 4,235,726</u>	<u>\$ 4,453,426</u>	<u>\$ 4,807,805</u>	<u>\$ 5,219,718</u>	<u>\$ 6,079,316</u>
\$205,747	\$211,786	\$222,671	\$240,390	\$260,986	\$303,966
<u>\$37,325</u>	<u>\$32,500</u>	<u>\$28,710</u>	<u>\$25,634</u>	<u>\$22,512</u>	<u>\$19,373</u>
<u>\$168,422</u>	<u>\$179,286</u>	<u>\$193,961</u>	<u>\$214,756</u>	<u>\$238,474</u>	<u>\$284,593</u>
18.14%	15.35%	12.89%	10.66%	8.63%	6.37%

FORM OF LEGAL OPINION

(See following pages)

Quarles & Brady LLP
411 East Wisconsin Avenue
Milwaukee, WI 53202

November 14, 2024

Re: Waupaca County, Wisconsin ("Issuer")
\$35,000,000 General Obligation Promissory Notes, Series 2024A,
dated November 14, 2024 ("Notes")

We have acted as bond counsel to the Issuer in connection with the issuance of the Notes. In such capacity, we have examined such law and such certified proceedings, certifications, and other documents as we have deemed necessary to render this opinion.

Regarding questions of fact material to our opinion, we have relied on the certified proceedings and other certifications of public officials and others furnished to us without undertaking to verify the same by independent investigation.

The Notes are numbered from R-1 and upward; bear interest at the rates set forth below; and mature on March 1 of each year, in the years and principal amounts as follows:

<u>Year</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
2025	\$1,470,000	____%
2026	1,245,000	____
2027	1,290,000	____
2028	1,335,000	____
2029	1,385,000	____
2030	1,435,000	____
2031	1,485,000	____
2032	1,540,000	____
2033	1,595,000	____
2034	1,650,000	____
2035	1,715,000	____
2036	1,775,000	____
2037	1,845,000	____
2038	1,915,000	____
2039	1,990,000	____
2040	2,070,000	____
2041	2,160,000	____
2042	2,260,000	____
2043	2,365,000	____
2044	2,475,000	____

Interest is payable semi-annually on March 1 and September 1 of each year commencing on March 1, 2025.

The Notes maturing on March 1, 2033 and thereafter are subject to redemption prior to maturity, at the option of the Issuer, on March 1, 2032 or on any date thereafter. Said Notes are redeemable as a whole or in part, and if in part, from maturities selected by the Issuer, and within each maturity by lot, at the principal amount thereof, plus accrued interest to the date of redemption.

【The Notes maturing in the years _____ are subject to mandatory redemption by lot as provided in the Notes, at the redemption price of par plus accrued interest to the date of redemption and without premium.】

We further certify that we have examined a sample of the Notes and find the same to be in proper form.

Based upon and subject to the foregoing, it is our opinion under existing law that:

1. The Notes have been duly authorized and executed by the Issuer and are valid and binding general obligations of the Issuer.

2. All the taxable property in the territory of the Issuer is subject to the levy of ad valorem taxes to pay principal of, and interest on, the Notes, without limitation as to rate or amount. The Issuer is required by law to include in its annual tax levy the principal and interest coming due on the Notes except to the extent that necessary funds have been irrevocably deposited into the debt service fund account established for the payment of the principal of and interest on the Notes.

3. The interest on the Notes is excludable for federal income tax purposes from the gross income of the owners of the Notes. The interest on the Notes is not an item of tax preference for purposes of the federal alternative minimum tax imposed by Section 55 of the Internal Revenue Code of 1986, as amended (the "Code") on individuals; however, interest on the Notes is taken into account in determining "adjusted financial statement income" for purposes of computing the federal alternative minimum tax imposed on Applicable Corporations (as defined in Section 59(k) of the Code). The Code contains requirements that must be satisfied subsequent to the issuance of the Notes in order for interest on the Notes to be or continue to be excludable from gross income for federal income tax purposes. Failure to comply with certain of those requirements could cause the interest on the Notes to be included in gross income retroactively to the date of issuance of the Notes. The Issuer has agreed to comply with all of those requirements. The opinion set forth in the first sentence of this paragraph is subject to the condition that the Issuer comply with those requirements. We express no opinion regarding other federal tax consequences arising with respect to the Notes.

We express no opinion regarding the accuracy, adequacy, or completeness of the Official Statement or any other offering material relating to the Notes. Further, we express no opinion regarding tax consequences arising with respect to the Notes other than as expressly set forth herein.

The rights of the owners of the Notes and the enforceability thereof may be subject to bankruptcy, insolvency, reorganization, moratorium and similar laws affecting creditors' rights

and may be subject to the exercise of judicial discretion in accordance with general principles of equity, whether considered at law or in equity.

This opinion is given as of the date hereof, and we assume no obligation to revise or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention, or any changes in law that may hereafter occur.

QUARLES & BRADY LLP

BOOK-ENTRY-ONLY SYSTEM

1. The Depository Trust Company ("DTC"), New York, New York, will act as securities depository for the securities (the "Securities"). The Securities will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Security certificate will be issued for [each issue of] the Securities, [each] in the aggregate principal amount of such issue, and will be deposited with DTC. [If, however, the aggregate principal amount of [any] issue exceeds \$500 million, one certificate will be issued with respect to each \$500 million of principal amount, and an additional certificate will be issued with respect to any remaining principal amount of such issue.]
2. DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a Standard & Poor's rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.
3. Purchases of Securities under the DTC system must be made by or through Direct Participants, which will receive a credit for the Securities on DTC's records. The ownership interest of each actual purchaser of each Security ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Securities are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Securities, except in the event that use of the book-entry system for the Securities is discontinued.
4. To facilitate subsequent transfers, all Securities deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Securities with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Securities; DTC's records reflect only the identity of the Direct Participants to whose accounts such Securities are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

5. Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. [Beneficial Owners of Securities may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Securities, such as redemptions, tenders, defaults, and proposed amendments to the Security documents. For example, Beneficial Owners of Securities may wish to ascertain that the nominee holding the Securities for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.]
6. Redemption notices shall be sent to DTC. If less than all of the Securities within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.
7. Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Securities unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to County as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Securities are credited on the record date (identified in a listing attached to the Omnibus Proxy).
8. Redemption proceeds, distributions, and dividend payments on the Securities will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the County or Agent, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, Agent, or the County, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the County or Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.
9. A Beneficial Owner shall give notice to elect to have its Securities purchased or tendered, through its Participant, to [Tender/Remarketing] Agent, and shall effect delivery of such Securities by causing the Direct Participant to transfer the Participant's interest in the Securities, on DTC's records, to [Tender/Remarketing] Agent. The requirement for physical delivery of Securities in connection with an optional tender or a mandatory purchase will be deemed satisfied when the ownership rights in the Securities are transferred by Direct Participants on DTC's records and followed by a book-entry credit of tendered Securities to [Tender/Remarketing] Agent's DTC account.
10. DTC may discontinue providing its services as depository with respect to the Securities at any time by giving reasonable notice to the County or Agent. Under such circumstances, in the event that a successor depository is not obtained, Security certificates are required to be printed and delivered.
11. The County may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Security certificates will be printed and delivered to DTC.
12. The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the County believes to be reliable, but the County takes no responsibility for the accuracy thereof.

FORM OF CONTINUING DISCLOSURE CERTIFICATE

(See following pages)

CONTINUING DISCLOSURE CERTIFICATE

This Continuing Disclosure Certificate (the "Disclosure Certificate") is executed and delivered by Waupaca County, Wisconsin (the "Issuer") in connection with the issuance of \$35,000,000 General Obligation Promissory Notes, Series 2024A, dated November 14, 2024 (the "Securities"). The Securities are being issued pursuant to resolutions adopted on March 19, 2024 and October 29, 2024 (collectively, the "Resolution") and delivered to _____ (the "Purchaser") on the date hereof. Pursuant to the Resolution, the Issuer has covenanted and agreed to provide continuing disclosure of certain financial information and operating data and timely notices of the occurrence of certain events. In addition, the Issuer hereby specifically covenants and agrees as follows:

Section 1(a). Purpose of the Disclosure Certificate. This Disclosure Certificate is being executed and delivered by the Issuer for the benefit of the holders of the Securities in order to assist the Participating Underwriters within the meaning of the Rule (defined herein) in complying with SEC Rule 15c2-12(b)(5). References in this Disclosure Certificate to holders of the Securities shall include the beneficial owners of the Securities. This Disclosure Certificate constitutes the written Undertaking required by the Rule.

Section 1(b). Filing Requirements. Any filing under this Disclosure Certificate must be made solely by transmitting such filing to the MSRB (defined herein) through the Electronic Municipal Market Access ("EMMA") System at www.emma.msrb.org in the format prescribed by the MSRB. All documents provided to the MSRB shall be accompanied by the identifying information prescribed by the MSRB.

Section 2. Definitions. In addition to the defined terms set forth in the Resolution, which apply to any capitalized term used in this Disclosure Certificate unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

"Annual Report" means any annual report provided by the Issuer pursuant to, and as described in, Sections 3 and 4 of this Disclosure Certificate.

"Audited Financial Statements" means the Issuer's annual financial statements, which are currently prepared in accordance with generally accepted accounting principles (GAAP) for governmental units as prescribed by the Governmental Accounting Standards Board (GASB) and which the Issuer intends to continue to prepare in substantially the same form.

"Final Official Statement" means the Final Official Statement dated October 29, 2024 delivered in connection with the Securities, which is available from the MSRB.

"Financial Obligation" means a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of (i) or (ii). The term Financial Obligation shall not include municipal securities as to which a final official statement has been provided to the MSRB consistent with the Rule.

"Fiscal Year" means the fiscal year of the Issuer.

"Governing Body" means the County Board of Supervisors of the Issuer or such other body as may hereafter be the chief legislative body of the Issuer.

"Issuer" means Waupaca County, Wisconsin, which is the obligated person with respect to the Securities.

"Issuer Contact" means the Finance Director of the Issuer who can be contacted at 811 Harding Street, Waupaca, Wisconsin 54981, phone (715) 258-6488, fax (715) 258-6209.

"Listed Event" means any of the events listed in Section 5(a) of this Disclosure Certificate.

"MSRB" means the Municipal Securities Rulemaking Board.

"Participating Underwriter" means any of the original underwriter(s) of the Securities (including the Purchaser) required to comply with the Rule in connection with the offering of the Securities.

"Rule" means SEC Rule 15c2-12(b)(5) promulgated by the SEC under the Securities Exchange Act of 1934, as the same may be amended from time to time, and official interpretations thereof.

"SEC" means the Securities and Exchange Commission.

Section 3. Provision of Annual Report and Audited Financial Statements.

(a) The Issuer shall, not later than 365 days after the end of the Fiscal Year, commencing with the year ending December 31, 2024, provide the MSRB with an Annual Report filed in accordance with Section 1(b) of this Disclosure Certificate and which is consistent with the requirements of Section 4 of this Disclosure Certificate. The Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in Section 4 of this Disclosure Certificate; provided that the Audited Financial Statements of the Issuer may be submitted separately from the balance of the Annual Report and that, if Audited Financial Statements are not available within 365 days after the end of the Fiscal Year, unaudited financial information will be provided, and Audited Financial Statements will be submitted to the MSRB when and if available.

(b) If the Issuer is unable or fails to provide to the MSRB an Annual Report by the date required in subsection (a), the Issuer shall send in a timely manner a notice of that fact to the MSRB in the format prescribed by the MSRB, as described in Section 1(b) of this Disclosure Certificate.

Section 4. Content of Annual Report. The Issuer's Annual Report shall contain or incorporate by reference the Audited Financial Statements and updates of the following sections of the Final Official Statement to the extent such financial information and operating data are not included in the Audited Financial Statements:

1. DEBT - Direct Debt
2. DEBT - Debt Limit
3. VALUATIONS - Current Property Valuations
4. TAX LEVIES AND COLLECTIONS - Tax Levies and Collections

Any or all of the items listed above may be incorporated by reference from other documents, including official statements of debt issues of the Issuer or related public entities, which are available to the public on the MSRB's Internet website or filed with the SEC. The Issuer shall clearly identify each such other document so incorporated by reference.

Section 5. Reporting of Listed Events.

(a) This Section 5 shall govern the giving of notices of the occurrence of any of the following events with respect to the Securities:

1. Principal and interest payment delinquencies;
2. Non-payment related defaults, if material;
3. Unscheduled draws on debt service reserves reflecting financial difficulties;
4. Unscheduled draws on credit enhancements reflecting financial difficulties;
5. Substitution of credit or liquidity providers, or their failure to perform;
6. Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Securities, or other material events affecting the tax status of the Securities;
7. Modification to rights of holders of the Securities, if material;
8. Securities calls, if material, and tender offers;
9. Defeasances;
10. Release, substitution or sale of property securing repayment of the Securities, if material;
11. Rating changes;

12. Bankruptcy, insolvency, receivership or similar event of the Issuer;
13. The consummation of a merger, consolidation, or acquisition involving the Issuer or the sale of all or substantially all of the assets of the Issuer, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
14. Appointment of a successor or additional trustee or the change of name of a trustee, if material;
15. Incurrence of a Financial Obligation of the Issuer, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the Issuer, any of which affect holders of the Securities, if material; and
16. Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the Issuer, any of which reflect financial difficulties.

For the purposes of the event identified in subsection (a)12. above, the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the Issuer in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the Issuer, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Issuer.

(b) When a Listed Event occurs, the Issuer shall, in a timely manner not in excess of ten business days after the occurrence of the Listed Event, file a notice of such occurrence with the MSRB. Notwithstanding the foregoing, notice of Listed Events described in subsections (a) (8) and (9) need not be given under this subsection any earlier than the notice (if any) of the underlying event is given to holders of affected Securities pursuant to the Resolution.

(c) Unless otherwise required by law, the Issuer shall submit the information in the format prescribed by the MSRB, as described in Section 1(b) of this Disclosure Certificate.

Section 6. Termination of Reporting Obligation. The Issuer's obligations under the Resolution and this Disclosure Certificate shall terminate upon the legal defeasance, prior redemption or payment in full of all the Securities.

Section 7. Issuer Contact; Agent. Information may be obtained from the Issuer Contact. Additionally, the Issuer may, from time to time, appoint or engage a dissemination agent to assist

it in carrying out its obligations under the Resolution and this Disclosure Certificate, and may discharge any such agent, with or without appointing a successor dissemination agent.

Section 8. Amendment; Waiver. Notwithstanding any other provision of the Resolution or this Disclosure Certificate, the Issuer may amend this Disclosure Certificate, and any provision of this Disclosure Certificate may be waived, if the following conditions are met:

(a)(i) The amendment or waiver is made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature, or status of the Issuer, or the type of business conducted; or

(ii) This Disclosure Certificate, as amended or waived, would have complied with the requirements of the Rule at the time of the primary offering, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(b) The amendment or waiver does not materially impair the interests of beneficial owners of the Securities, as determined and certified to the Issuer by an underwriter, financial advisor, bond counsel or trustee.

In the event this Disclosure Certificate is amended for any reason other than to cure any ambiguities, inconsistencies, or typographical errors that may be contained herein, the Issuer agrees the next Annual Report it submits after such amendment shall include an explanation of the reasons for the amendment and the impact of the change, if any, on the type of financial statements or operating data being provided.

If the amendment concerns the accounting principles to be followed in preparing financial statements, then the Issuer agrees that it will give an event notice and that the next Annual Report it submits after such amendment will include a comparison between financial statements or information prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

Section 9. Additional Information. Nothing in this Disclosure Certificate shall be deemed to prevent the Issuer from disseminating any other information, using the means of dissemination set forth in this Disclosure Certificate or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Certificate. If the Issuer chooses to include any information in any Annual Report or notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Certificate, the Issuer shall have no obligation under this Disclosure Certificate to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

Section 10. Default. (a) Except as described in the Final Official Statement, in the previous five years, the Issuer has not failed to comply in all material respects with any previous undertakings under the Rule to provide annual reports or notices of events.

(b) In the event of a failure of the Issuer to comply with any provision of this Disclosure Certificate any holder of the Securities may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the Issuer to comply with its obligations under the Resolution and this Disclosure Certificate. A default under this Disclosure Certificate shall not be deemed an event of default with respect to the Securities and the sole remedy under this Disclosure Certificate in the event of any failure of the Issuer to comply with this Disclosure Certificate shall be an action to compel performance.

Section 11. Beneficiaries. This Disclosure Certificate shall inure solely to the benefit of the Issuer, the Participating Underwriters and holders from time to time of the Securities, and shall create no rights in any other person or entity.

IN WITNESS WHEREOF, we have executed this Certificate in our official capacities effective the 14th day of November, 2024.

(SEAL)

David R. Morack
Chairperson

Kristy K. Opperman
County Clerk

NOTICE OF SALE

\$35,000,000* GENERAL OBLIGATION PROMISSORY NOTES, SERIES 2024A WAUPACA COUNTY, WISCONSIN

Bids for the purchase of \$35,000,000* General Obligation Promissory Notes, Series 2024A (the "Notes") of Waupaca County, Wisconsin (the "County") will be received at the offices of Ehlers and Associates, Inc. ("Ehlers"), 3060 Centre Pointe Drive, Roseville, Minnesota 55113-1105, municipal advisors to the County, until 12:00 P.M. (Noon), Central Time, and **ELECTRONIC PROPOSALS** will be received via bondsale@ehlers-inc.com or **PARITY**, in the manner described below, until 12:00 P.M. (Noon) Central Time, on **October 28, 2024**, at which time they will be opened, read and tabulated. The bids will be presented to the Board of Supervisors for consideration for award by resolution at a meeting to be held at 9:00 A.M., Central Time, on the **October 29, 2024**. The bid offering to purchase the Notes upon the terms specified herein and most favorable to the County will be accepted unless all bids are rejected.

AUTHORITY; PURPOSE; SECURITY

The Notes are being issued pursuant to Section 67.12(12), Wisconsin Statutes, by the County, for public purposes including financing a courthouse renovation project. The Notes are general obligations of the County, and all the taxable property in the County is subject to the levy of a tax to pay the principal of and interest on the Notes as they become due which tax may, under current law, be levied without limitation as to rate or amount.

DATES AND MATURITIES

The Notes will be dated November 14, 2024, will be issued as fully registered Notes in the denomination of \$5,000 each, or any integral multiple thereof, and will mature on March 1 as follows:

<u>Year</u>	<u>Amount*</u>	<u>Year</u>	<u>Amount*</u>	<u>Year</u>	<u>Amount*</u>
2025	\$1,470,000	2032	\$1,540,000	2039	\$1,990,000
2026	1,245,000	2033	1,595,000	2040	2,070,000
2027	1,290,000	2034	1,650,000	2041	2,160,000
2028	1,335,000	2035	1,715,000	2042	2,260,000
2029	1,385,000	2036	1,775,000	2043	2,365,000
2030	1,435,000	2037	1,845,000	2044	2,475,000
2031	1,485,000	2038	1,915,000		

ADJUSTMENT OPTION

The County reserves the right to increase or decrease the principal amount of the Notes on the day of sale, in increments of \$5,000 each. Increases or decreases may be made in any maturity. If any principal amounts are adjusted, the purchase price proposed will be adjusted to maintain the same gross spread per \$1,000.

TERM BOND OPTION

Bids for the Notes may contain a maturity schedule providing for any combination of serial bonds and term bonds, subject to mandatory redemption, so long as the amount of principal maturing or subject to mandatory redemption in each year conforms to the maturity schedule set forth above. All dates are inclusive.

INTEREST PAYMENT DATES AND RATES

Interest will be payable on March 1 and September 1 of each year, commencing March 1, 2025, to the registered owners of the Notes appearing of record in the bond register as of the close of business on the 15th day (whether or not a business day) of the immediately preceding month. Interest will be computed upon the basis of a 360-day year of twelve 30-day months and will be rounded pursuant to rules of the Municipal Securities Rulemaking Board. All Notes of the same maturity must bear interest from date of issue until paid at a single, uniform rate. Each rate must be expressed in an integral multiple of 5/100 or 1/8 of 1%.

BOOK-ENTRY-ONLY FORMAT

Unless otherwise specified by the purchaser, the Notes will be designated in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York ("DTC"). DTC will act as securities depository for the Notes, and will be responsible for maintaining a book-entry system for recording the interests of its participants and the transfers of interests between its participants. The participants will be responsible for maintaining records regarding the beneficial interests of the individual purchasers of the Notes. So long as Cede & Co. is the registered owner of the Notes, all payments of principal and interest will be made to the depository which, in turn, will be obligated to remit such payments to its participants for subsequent disbursement to the beneficial owners of the Notes.

PAYING AGENT

The County may select a County official, a bank or trust company, to act as paying agent (the "Paying Agent"). If a bank or trust company is selected, the County will pay the fees for Paying Agent services. The County reserves the right to remove the Paying Agent and to appoint a successor.

OPTIONAL REDEMPTION

At the option of the County, the Notes maturing on or after March 1, 2033 shall be subject to optional redemption prior to maturity on March 1, 2032 or any date thereafter, at a price of par plus accrued interest to the date of optional redemption.

Redemption may be in whole or in part of the Notes subject to prepayment. If redemption is in part, the selection of the amounts and maturities of the Notes to be redeemed shall be at the discretion of the County. If only part of the Notes having a common maturity date are called for redemption, then the County or Paying Agent, if any, will notify DTC of the particular amount of such maturity to be redeemed. DTC will determine by lot the amount of each participant's interest in such maturity to be redeemed and each participant will then select by lot the beneficial ownership interest in such maturity to be redeemed.

Notice of such call shall be given by sending a notice by registered or certified mail, facsimile or electronic transmission, overnight delivery service or in any other manner required by DTC, not less than 30 days nor more than 60 days prior to the date fixed for redemption to the registered owner of each Note to be redeemed at the address shown on the registration books.

DELIVERY

On or about November 14, 2024, the Notes will be delivered without cost to the winning bidder at DTC. On the day of closing, the County will furnish to the winning bidder the opinion of bond counsel hereinafter described, an arbitrage certification, and certificates verifying that no litigation in any manner questioning the validity of the Notes is then pending or, to the best knowledge of officers of the County, threatened. Payment for the Notes must be received by the County at its designated depository on the date of closing in immediately available funds.

LEGAL MATTERS

An opinion as to the validity of the Notes and the exemption from federal taxation of the interest thereon will be furnished by Quarles & Brady LLP, Bond Counsel to the County ("Bond Counsel"), and will be available at the time of delivery of the Notes. The legal opinion will be issued on the basis of existing law and will state that the Notes are valid and binding general obligations of the County; provided that the rights of the owners of the Notes and the enforceability of the Notes may be limited by bankruptcy, insolvency, reorganization, moratorium, and other similar laws affecting creditors' rights and by equitable principles (which may be applied in either a legal or equitable proceeding). (See "FORM OF LEGAL OPINION" found in Appendix B in the Preliminary Official Statement).

Quarles & Brady LLP has also been retained by the County to serve as Disclosure Counsel to the County with respect to the Notes. Although, as Disclosure Counsel to the County, Quarles & Brady LLP has assisted the County with certain disclosure matters, Quarles & Brady LLP has not undertaken to independently verify the accuracy, completeness or sufficiency of the Official Statement or other offering material relating to the Notes and assumes no responsibility whatsoever nor shall have any liability to any other party for the statements or information contained or incorporated by reference in the Official Statement. Further, Quarles & Brady LLP makes no representation as to the suitability of the Notes for any investor.

SUBMISSION OF BIDS

Bids must not be for less than \$34,562,500, nor more than \$37,450,000 plus accrued interest on the principal sum of \$35,000,000 from date of original issue of the Notes to date of delivery. Prior to the time established above for the opening of bids, interested parties may submit a bid as follows:

- 1) Electronically to bondsale@ehlers-inc.com; or
- 2) Electronically via **PARITY** in accordance with this Notice of Sale until 12:00 P.M. (Noon) Central Time, but no bid will be received after the time for receiving bids specified above. To the extent any instructions or directions set forth in **PARITY** conflict with this Notice of Sale, the terms of this Notice of Sale shall control. For further information about **PARITY**, potential bidders may contact IHS Markit (now part of S&P Global) at <https://ihsmarkit.com/products/municipal-issuance.html> or via telephone (844) 301-7334.

Bids must be submitted to Ehlers via one of the methods described above and must be received prior to the time established above for the opening of bids. Each bid must be unconditional except as to legality. Neither the County nor Ehlers shall be responsible for any failure to receive a submission.

A good faith deposit ("Deposit") in the amount of \$700,000 shall be made by the winning bidder by wire transfer of funds. Such Deposit shall be received by Ehlers no later than two hours after the bid opening time. Wire transfer instructions will be provided to the winning bidder by Ehlers after the tabulation of bids. The County reserves the right to award the Notes to a winning bidder whose wire transfer is initiated but not received by such time provided that such winning bidder's federal wire reference number has been received by such time. In the event the Deposit is not received as provided above, the County may award the Notes to the bidder submitting the next best bid provided such bidder agrees to such award. The Deposit will be retained by the County as liquidated damages if the bid is accepted and the Purchaser fails to comply therewith.

The County and the winning bidder who chooses to so wire the Deposit hereby agree irrevocably that Ehlers shall be the escrow holder of the Deposit wired to such account subject only to these conditions and duties: 1) All income earned thereon shall be retained by the escrow holder as payment for its expenses; 2) If the bid is not accepted, Ehlers shall, at its expense, promptly return the Deposit amount to the winning bidder; 3) If the bid is accepted, the Deposit shall be returned to the winning bidder at the closing; 4) Ehlers shall bear all costs of maintaining the escrow account and returning the funds to the winning bidder; 5) Ehlers shall not be an insurer of the Deposit amount and shall have no liability hereunder except if it willfully fails to perform or recklessly disregards, its duties specified herein; and 6) FDIC insurance on deposits within the escrow account shall be limited to \$250,000 per bidder.

No bid can be withdrawn after the time set for receiving bids unless the meeting of the County scheduled for award of the Notes is adjourned, recessed, or continued to another date without award of the Notes having been made.

AWARD

The Notes will be awarded to the bidder offering the lowest interest rate to be determined on a True Interest Cost (TIC) basis. The County's computation of the interest rate of each bid, in accordance with customary practice, will be controlling. In the event of a tie, the sale of the Notes will be awarded by lot. The County reserves the right to reject any and all bids and to waive any informality in any bid.

BOND INSURANCE

If the Notes are qualified for any bond insurance policy, the purchase of such policy shall be at the sole option and expense of the winning bidder. Any cost for such insurance policy is to be paid by the winning bidder, except that, if the County requested and received a rating on the Notes from a rating agency, the County will pay that rating fee. Any rating agency fees not requested by the County are the responsibility of the winning bidder.

Failure of the municipal bond insurer to issue the policy after the Notes are awarded to the winning bidder shall not constitute cause for failure or refusal by the winning bidder to accept delivery of the Notes.

CUSIP NUMBERS

The County will assume no obligation for the assignment or printing of CUSIP numbers on the Notes or for the correctness of any numbers printed thereon, but will permit such numbers to be printed at the expense of the winning bidder, if the winning bidder waives any delay in delivery occasioned thereby.

NOT QUALIFIED TAX-EXEMPT OBLIGATIONS

The Notes shall not be "qualified tax-exempt obligations" pursuant to Section 265(b)(3) of the Code.

CONTINUING DISCLOSURE

In order to assist the Underwriter (Syndicate Manager) in complying with the provisions of Rule 15c2-12 promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934 the County will enter into an undertaking for the benefit of the holders of the Notes. A description of the details and terms of the undertaking is set forth in Appendix D of the Official Statement.

NEW ISSUE PRICING

The winning bidder will be required to provide, in a timely manner, certain information necessary to compute the yield on the Notes pursuant to the provisions of the Internal Revenue Code of 1986, as amended, and to provide a certificate, the form of which will be provided by Bond Counsel upon request.

(a) The winning bidder shall assist the County in establishing the issue price of the Notes and shall execute and deliver to the County at closing an "issue price" or similar certificate satisfactory to Bond Counsel setting forth the reasonably expected initial offering price to the public or the sales price or prices of the Notes, together with the supporting pricing wires or equivalent communications. All actions to be taken by the County under this Notice of Sale to establish the issue price of the Notes may be taken on behalf of the County by the County's municipal advisor identified herein and any notice or report to be provided to the County may be provided to the County's municipal advisor.

(b) The County intends that the provisions of Treasury Regulation Section 1.148-1(f)(3)(i) (defining "competitive sale" for purposes of establishing the issue price of the Notes) will apply to the initial sale of the Notes (the "competitive sale requirements") because:

- (1) The County shall disseminate this Notice of Sale to potential underwriters in a manner that is reasonably designed to reach potential investors;
- (2) all bidders shall have an equal opportunity to bid;
- (3) the County may receive bids from at least three underwriters of municipal bonds who have established industry reputations for underwriting new issuances of municipal bonds; and
- (4) the County anticipates awarding the sale of the Notes to the bidder who submits a firm offer to purchase the Notes at the highest price (or lowest interest cost), as set forth in this Notice of Sale.

Any bid submitted pursuant to this Notice of Sale shall be considered a firm offer for the purchase of the Notes, as specified in this bid.

(c) If all of the requirements of a "competitive sale" are not satisfied, the County shall advise the winning bidder of such fact prior to the time of award of the sale of the Notes to the winning bidder. In such event, any bid submitted will not be subject to cancellation or withdrawal and the County agrees to use the rule selected by the winning bidder on its bid form to determine the issue price for the Notes. On its bid form, each bidder must select one of the following two rules for determining the issue price of the Notes: (1) the first price at which 10% of a maturity of the Notes (the "10% test") is sold to the public as the issue price of that maturity or (2) the initial offering price to the public as of the sale date as the issue price of each maturity of the Notes (the "hold-the-offering-price rule").

(d) If all of the requirements of a "competitive sale" are not satisfied and the winning bidder selects the hold-the-offering-price rule, the winning bidder shall (i) confirm that the underwriters have offered or will offer the Notes to the public on or before the date of award at the offering price or prices (the "initial offering price"), or at the corresponding yield or yields, set forth in the bid submitted by the winning bidder and (ii) agree, on behalf of the underwriters participating in the purchase of the Notes, that the underwriters will neither offer nor sell unsold Notes of any maturity to which the hold-the-offering-price rule shall apply to any person at a price that is higher than the initial offering price to the public during the period starting on the sale date and ending on the earlier of the following:

- (1) the close of the fifth (5th) business day after the sale date; or
- (2) the date on which the underwriters have sold at least 10% of that maturity of the Notes to the public at a price that is no higher than the initial offering price to the public.

The winning bidder will advise the County promptly after the close of the fifth (5th) business day after the sale whether it has sold 10% of that maturity of the Notes to the public at a price that is no higher than the initial offering price to the public.

The County acknowledges that in making the representation set forth above, the winning bidder will rely on:

(i) the agreement of each underwriter to comply with requirements for establishing issue price of the Notes, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Notes, as set forth in an agreement among underwriters and the related pricing wires,

(ii) in the event a selling group has been created in connection with the initial sale of the Notes to the public, the agreement of each dealer who is a member of the selling group to comply with the requirements for establishing issue price of the Notes, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Notes, as set forth in a selling group agreement and the related pricing wires, and

(iii) in the event that an underwriter or dealer who is a member of the selling group is a party to a third-party distribution agreement that was employed in connection with the initial sale of the Notes to the public, the agreement of each broker-dealer that is party to such agreement to comply with the requirements for establishing issue price of the Notes, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Notes, as set forth in the third-party distribution agreement and the related pricing wires. The County further acknowledges that each underwriter shall be solely liable for its failure to comply with its agreement regarding the requirements for establishing issue price rule of the Notes, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Notes, and that no underwriter shall be liable for the failure of any other underwriter, or of any dealer who is a member of a selling group, or of any broker-dealer that is a party to a third-party distribution agreement to comply with its corresponding agreement to comply with the requirements for establishing issue price of the Notes, including, but not limited to, its agreement to comply with the hold-the-offering-price rule as applicable to the Notes.

(e) If all of the requirements of a "competitive sale" are not satisfied and the winning bidder selects the 10% test, the winning bidder agrees to promptly report to the County, Bond Counsel and Ehlers the prices at which the Notes have been sold to the public. That reporting obligation shall continue, whether or not the closing date of the Notes (the "Closing Date") has occurred, until either (i) all Notes of that maturity have been sold or (ii) the 10% test has been satisfied as to each maturity of the Notes, provided that, the winning bidder's reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the County or bond counsel.

(f) By submitting a bid, each bidder confirms that:

(i) any agreement among underwriters, any selling group agreement and each third-party distribution agreement (to which the bidder is a party) relating to the initial sale of the Notes to the public, together with the related pricing wires, contains or will contain language obligating each underwriter, each dealer who is a member of the selling group, and each broker-dealer that is party to such third-party distribution agreement, as applicable, to:

(A) report the prices at which it sells to the public the unsold Notes of each maturity allocated to it, whether or not the Closing Date has occurred until either all securities of that maturity allocated to it have been sold or it is notified by the winning bidder that either the 10% test has been satisfied as to the Notes of that maturity, provided that, the reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the County or bond counsel.

(B) comply with the hold-the-offering-price rule, if applicable, in each case if and for so long as directed by the winning bidder and as set forth in the related pricing wires, and

(ii) any agreement among underwriters or selling group agreement relating to the initial sale of the Notes to the public, together with the related pricing wires, contains or will contain language obligating each underwriter, each dealer who is a member of the selling group and each broker dealer that is a party to a third-party distribution agreement to be employed in connection with the initial sale of the Notes to the public to require each broker-dealer that is a party to such third-party distribution agreement to:

(A) to promptly notify the winning bidder of any sales of Notes that, to its knowledge, are made to a purchaser who is a related party to an underwriter participating in the initial sale of the Notes to the public (each such term being used as defined below), and

(B) to acknowledge that, unless otherwise advised by the underwriter, dealer or broker-dealer, the winning bidder shall assume that each order submitted by the underwriter, dealer or broker-dealer is a sale to the public.

(g) Sales of any Notes to any person that is a related party to an underwriter participating in the initial sale of the Notes to the public (each term being used as defined below) shall not constitute sales to the public for purposes of this Notice of Sale. Further, for purposes of this Notice of Sale:

- (i) "public" means any person other than an underwriter or a related party,
- (ii) "underwriter" means (A) any person that agrees pursuant to a written contract with the County (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Notes to the public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Notes to the public (including a member of a selling group or a party to a third-party distribution agreement participating in the initial sale of the Notes to the public),
- (iii) a purchaser of any of the Notes is a "related party" to an underwriter if the underwriter and the purchaser are subject, directly or indirectly, to (A) more than 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (B) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (C) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other), and
- (iv) "sale date" means the date that the Notes are awarded by the County to the winning bidder.

PRELIMINARY OFFICIAL STATEMENT

Bidders may obtain a copy of the Official Statement relating to the Notes prior to the bid opening by request from Ehlers at www.ehlers-inc.com by connecting to the Bond Sales link. The Underwriter (Syndicate Manager) will be provided with an electronic copy of the Final Official Statement within seven business days of the bid acceptance. Up to 10 printed copies of the Final Official Statement will be provided upon request. Additional copies of the Final Official Statement will be available at a cost of \$10.00 per copy.

Information for bidders and bid forms may be obtained from Ehlers at 3060 Centre Pointe Drive, Roseville, Minnesota 55113-1105, Telephone (651) 697-8500.

By Order of the Board of Supervisors

Kristy K. Opperman, County Clerk
Waupaca County, Wisconsin

BID FORM

The Board of Supervisors
Waupaca County, Wisconsin (the "County")

Bid Date: October 28, 2024, 12:00 P.M. (Noon), C.T.
Award Date: October 29, 2024, 9:00 A.M., C.T.

RE: \$35,000,000* General Obligation Promissory Notes, Series 2024A (the "Notes")
DATED: November 14, 2024

For all or none of the above Notes, in accordance with the Notice of Sale and terms of the Global Book-Entry System (unless otherwise specified by the Purchaser) as stated in this Official Statement, we will pay you \$_____ (not less than \$34,562,500, nor more than \$37,450,000) plus accrued interest to date of delivery for fully registered Notes bearing interest rates and maturing in the stated years as follows:

_____ % due	2025	_____ % due	2032	_____ % due	2039
_____ % due	2026	_____ % due	2033	_____ % due	2040
_____ % due	2027	_____ % due	2034	_____ % due	2041
_____ % due	2028	_____ % due	2035	_____ % due	2042
_____ % due	2029	_____ % due	2036	_____ % due	2043
_____ % due	2030	_____ % due	2037	_____ % due	2044
_____ % due	2031	_____ % due	2038		

The County reserves the right to increase or decrease the principal amount of the Notes on the day of sale, in increments of \$5,000 each. Increases or decreases may be made in any maturity. If any principal amounts are adjusted, the purchase price proposed will be adjusted to maintain the same gross spread per \$1,000.

All Notes of the same maturity must bear interest from date of issue until paid at a single, uniform rate. Each rate must be expressed in an integral multiple of 5/100 or 1/8 of 1%.

A good faith deposit ("Deposit") in the amount of \$700,000 shall be made by the winning bidder by wire transfer of funds. Such Deposit shall be received by Ehlers no later than two hours after the bid opening time. Wire transfer instructions will be provided to the winning bidder by Ehlers after the tabulation of bids. The County reserves the right to award the Notes to a winning bidder whose wire transfer is initiated but not received by such time provided that such winning bidder's federal wire reference number has been received by such time. In the event the Deposit is not received as provided above, the County may award the Notes to the bidder submitting the next best bid provided such bidder agrees to such award. The Deposit will be retained by the County as liquidated damages if the bid is accepted and the Purchaser fails to comply therewith. We agree to the conditions and duties of Ehlers and Associates, Inc., as escrow holder of the Deposit, pursuant to the Notice of Sale. This bid is for prompt acceptance and is conditional upon delivery of said Notes to The Depository Trust Company, New York, New York, in accordance with the Notice of Sale. Delivery is anticipated to be on or about November 14, 2024.

This bid is subject to the County's agreement to enter into a written undertaking to provide continuing disclosure under Rule 15c2-12 promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934 as described in the Official Statement for the Notes.

We have received and reviewed the Official Statement, and any addenda thereto, and have submitted our requests for additional information or corrections to the Final Official Statement. As Underwriter (Syndicate Manager), we agree to provide the County with the reoffering price of the Notes within 24 hours of the bid acceptance.

This bid is a firm offer for the purchase of the Notes identified in the Notice of Sale, on the terms set forth in this bid form and the Notice of Sale, and is not subject to any conditions, except as permitted by the Notice of Sale.

By submitting this bid, we confirm that we are an underwriter and have an established industry reputation for underwriting new issuances of municipal bonds. YES: ____ NO: ____.

If the competitive sale requirements are not met, we elect to use either the: ____ 10% test, or the ____ hold-the-offering-price rule to determine the issue price of the Notes.

Account Manager: _____ By: _____
Account Members: _____

Award will be on a true interest cost basis. According to our computations (the correct computation being controlling in the award), the total dollar interest cost (including any discount or less any premium) computed from November 14, 2024 of the above bid is \$_____ and the true interest cost (TIC) is _____%.

The foregoing offer is hereby accepted on behalf of the Board of Supervisors of Waupaca County, Wisconsin, on October 29, 2024.

By: _____ By: _____
Title: _____ Title: _____