

WASHBURN COUNTY, WISCONSIN
FINANCIAL STATEMENTS
AND SUPPLEMENTARY INFORMATION
YEAR ENDED DECEMBER 31, 2014

**WASHBURN COUNTY, WISCONSIN
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YEAR ENDED DECEMBER 31, 2014**

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INDEPENDENT AUDITORS' REPORT

Honorable Members of the Board of Supervisors
Washburn County, Wisconsin

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Washburn County, Wisconsin (the County) as of and for the year ended December 31, 2014, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Washburn County Industrial Development Agency, LTD., which represents 100% of assets, net position and revenues of the discretely presented component unit. Those statements were audited by other auditors whose report thereon, has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Washburn County Industrial Development Agency, LTD., is based solely on the report of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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



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

Opinions

In our opinion, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Washburn County, Wisconsin as of December 31, 2014, and the respective changes in the financial position and cash flows, where applicable, thereof and for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

Supplementary Information

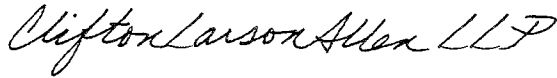
Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The individual and combining fund statements are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The individual and combining fund statements have been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements. We have also previously audited, in accordance with auditing standards generally accepted in the United States of America, the County's basic financial statements for the year ended December 31, 2013 which are not presented with the accompanying financial statements. In our report dated September 25, 2014, we expressed unmodified opinions on the respective financial statements of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information. That audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's financial statements as a whole. The 2013 individual and combining fund statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2013 basic financial statements. The information has been subjected to the auditing procedures applied in the audit of those financial statements and certain

The County Board
Washburn County

additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 2013 individual and combining fund statements are fairly stated in all material respects in relation to the basic financial statements from which they have been derived.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated September 25, 2015 on our consideration of County's internal control over financial reporting and on our tests on its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.



CliftonLarsonAllen LLP

Rice Lake, Wisconsin
September 25, 2015

**WASHBURN COUNTY, WISCONSIN
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2014**

As management of Washburn County, we offer readers of the County's financial statements this narrative overview and analysis of the financial activities of Washburn County for the year ended December 31, 2014. We encourage readers to consider the information presented here in conjunction with the County's financial statements, which begin on page 14 following this narrative.

FINANCIAL HIGHLIGHTS

Key financial highlights for the year ended December 31, 2014 include the following:

- The assets of Washburn County exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$72,665,696 (net position). Of this amount, \$50,798,836 represented the County's net investment in capital assets, \$3,843,626 was held for restricted purposes, and \$18,023,234 was unrestricted. The unrestricted net position may be used to meet the government's ongoing obligations to citizens and creditors.
- During the fiscal year, the County's total net position increased by \$1,020,383. The increase in net position is primarily attributable to results of forestry operations for the year.
- At the close of the fiscal year, the County's governmental funds reported combined ending fund balances of \$19,927,958, an increase of \$1,660,563 from the previous year. The increase was primarily attributable to the results of forestry operations for the year.
- At the end of the current fiscal year, the unassigned fund balance for the general fund was \$3,929,881 or 35.7% of total general fund expenditures.
- The County had general obligation debt outstanding at December 31, 2014 totaling \$1,735,000 a decrease of \$195,000 from the prior year.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

**WASHBURN COUNTY, WISCONSIN
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2014**

Government-Wide Financial Statements

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

The *Statement of Net Position* presents information on all of Washburn County's assets, liabilities and deferred inflows/outflows of resources, with the difference reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the County is improving or deteriorating.

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

Both of the government-wide financial statements are designed to distinguish functions of Washburn County that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the County include general government, public safety, public works, health and human services, culture, recreation and education, and conservation and development. The County had no programs that were accounted for as business-type activities.

The government-wide financial statements can be found beginning on page 14 of this report.

Fund Financial Statements

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

Governmental Funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

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

**WASHBURN COUNTY, WISCONSIN
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2014**

Washburn County maintains twenty individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, the human services special revenue fund, the debt service fund, the capital improvements program capital projects fund and the forestry special revenue fund, all of which are considered to be major funds. Data from the other fifteen governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of *combining statements* elsewhere in this report.

Proprietary Funds. There are two different types of proprietary funds. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. *Internal service funds* are an accounting device used to accumulate and allocate costs internally among the County's various functions. The County had no activities accounted for in enterprise funds during the year. Washburn County uses internal service funds to account for its highway department operations and to allocate its copy machine costs. Because these services benefit governmental functions, they have been included within *governmental activities* in the government-wide financial statements.

Proprietary funds financial statements provide the same type of information as the government-wide financial statements, only in more detail. The basic proprietary fund financial statements can be found beginning on page 20 of this report.

Fiduciary Funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the County's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. Data from fiduciary funds are combined into a single aggregate presentation. Individual fund data for each fiduciary fund is provided in the form of combining statements elsewhere in this report.

The basic fiduciary fund financial statements can be found beginning on page 23 of this report.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found beginning on page 24 of this report.

Supplementary Information

In addition to the basic financial statements and accompanying notes, this report presents certain required supplementary information on the general fund and major special revenue fund budgets as well as a schedule of funding progress for the other postemployment benefits. Required supplementary information can be found beginning on page 51 of this report. The combining statements referred to earlier in connection with nonmajor governmental and internal service funds are presented immediately following the required supplementary information. Combining and individual fund statements and schedules can be found beginning on page 56 of this report.

**WASHBURN COUNTY, WISCONSIN
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2014**

FINANCIAL ANALYSIS OF THE COUNTY AS A WHOLE

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of Washburn County, assets exceeded liabilities and deferred inflows by \$72,665,696 at the close of the most recent fiscal year. The largest portion of Washburn County's net position (69.9%) reflects its investment in capital assets (e.g., land, buildings, machinery and equipment, infrastructure); less any related debt used to acquire those assets that is still outstanding. The County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

The following is a summary of the County's statement of net position as of December 31, 2014 and 2013:

**Condensed Statement of Net Position
December 31, 2014 and 2013**

	Governmental Activities	
	2014	2013
Current Assets	\$ 36,656,384	\$ 34,155,886
Capital Assets	54,151,609	53,413,983
Other Noncurrent Assets	1,002,176	993,651
Total Assets	91,810,169	88,563,520
Long-Term Debt Outstanding	1,735,000	1,930,000
Other Long-Term Obligations	4,152,110	2,361,183
Other Liabilities	2,715,382	2,144,284
Total Liabilities	8,602,492	6,435,467
Deferred Inflows of Resources	10,541,981	10,482,740
Net Position:		
Net Investment in Capital Assets	50,798,836	51,483,983
Restricted	3,843,626	3,463,252
Unrestricted	18,023,234	16,698,078
Total Net Position	\$ 72,665,696	\$ 71,645,313

An additional portion of Washburn County's net position (5.3%) represents resources that are subject to other restrictions on how they may be used. The remaining \$18,023,234 of total net position (24.8%) may be used to meet the County's ongoing obligations to citizens and creditors.

The County's net position increased \$1,020,383 during the current fiscal year.

**WASHBURN COUNTY, WISCONSIN
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2014**

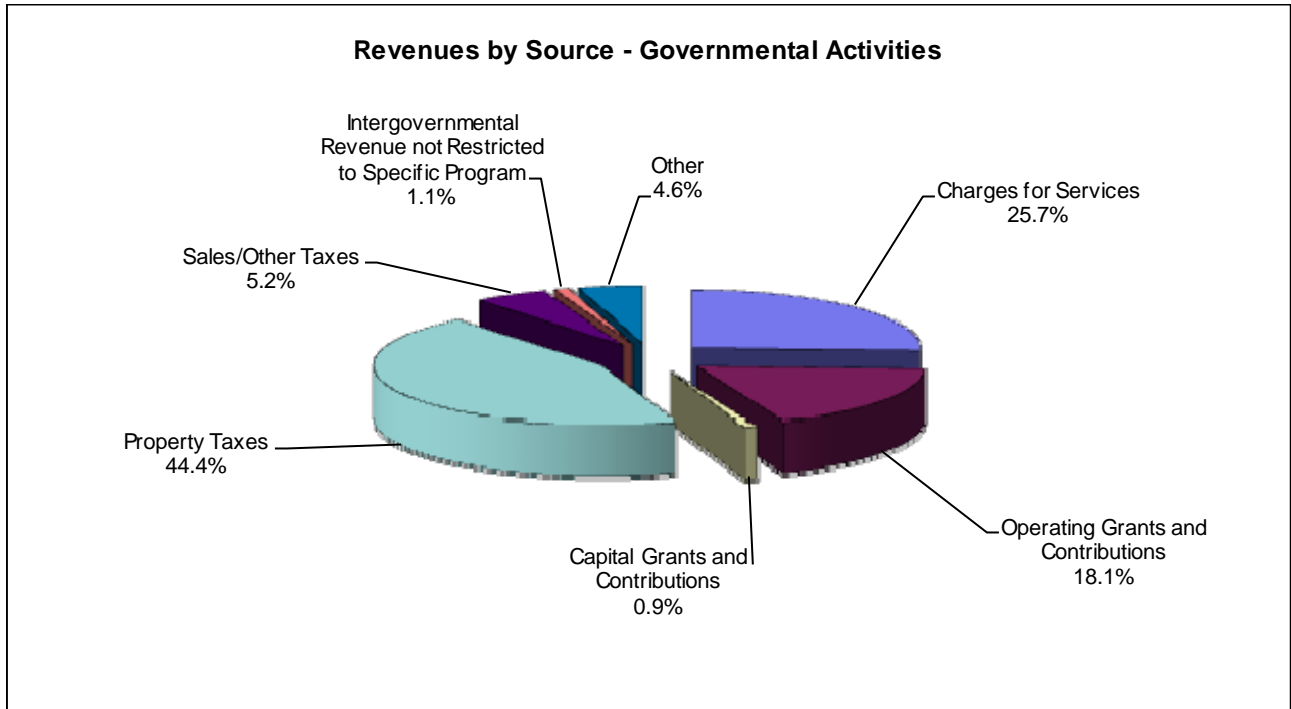
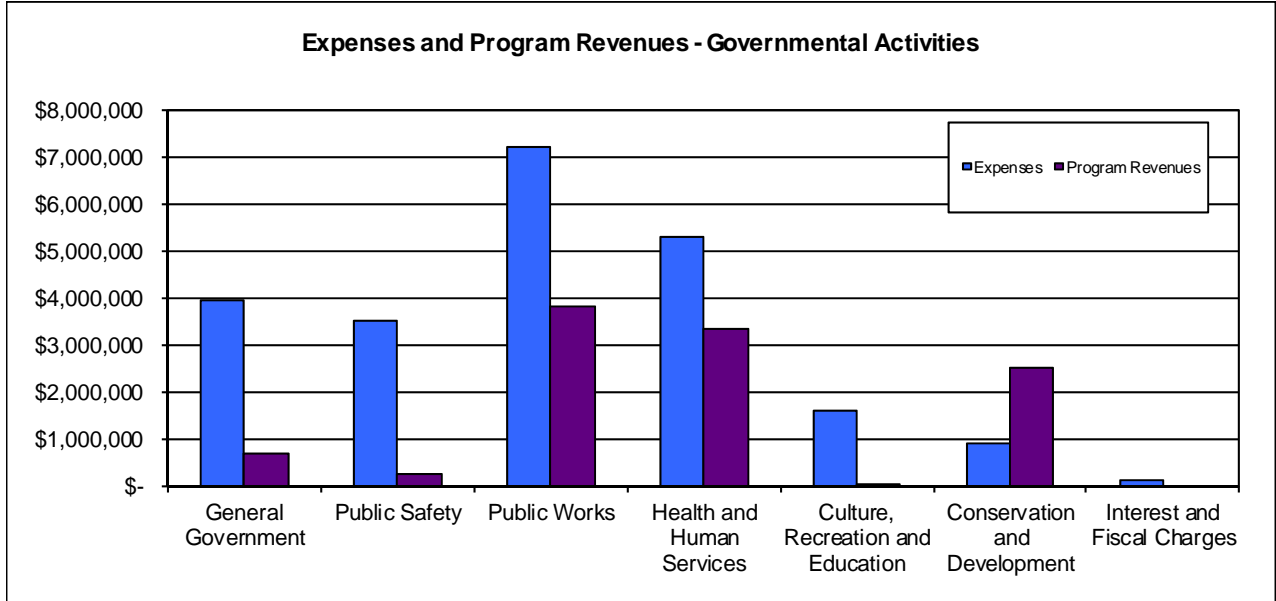
The following is a summary of the changes in the County's net position for the years ended December 31, 2014 and 2013:

**Condensed Statement of Changes in Net Position
December 31, 2014 and 2013**

	Governmental Activities	
	2014	2013
REVENUES		
Program Revenues:		
Charges for Services	\$ 6,067,041	\$ 7,457,465
Operating Grants and Contributions	4,277,054	4,567,996
Capital Grants and Contributions	208,037	317,999
General Revenues:		
Property Taxes	10,482,740	10,482,740
Sales/Other Taxes	1,229,848	1,113,744
State and Federal Aids not Restricted to Specific Programs	249,173	231,208
Other	1,076,551	913,843
Total Revenues	23,590,444	25,084,995
EXPENSES		
General Government	3,949,049	4,207,973
Public Safety	3,512,559	3,524,011
Public Works	7,225,887	9,159,364
Health and Human Services	5,283,760	5,328,408
Culture, Recreation and Education	1,601,631	1,837,855
Conservation and Development	888,649	895,297
Interest and Fiscal Charges	108,526	83,962
Total Expenses	22,570,061	25,036,870
CHANGE IN NET POSITION	\$ 1,020,383	\$ 48,125

A review of the statement of activities can provide a concise picture of how the various functions/programs of Washburn County are funded. The following charts draw data from the statement of activities. For governmental activities the County's main sources for funding governmental services are property taxes (44.4%), operating grants/contributions (18.1%), and charges for services (25.7%).

**WASHBURN COUNTY, WISCONSIN
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2014**



**WASHBURN COUNTY, WISCONSIN
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2014**

FINANCIAL ANALYSIS OF THE COUNTY'S MAJOR FUNDS

As noted earlier, Washburn County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds

The focus of the County's governmental funds is to provide information regarding near-term inflows, outflows and balances of spendable resources. Such information can be useful in assessing Washburn County's financing requirements. In particular, the level of unassigned fund balances may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year. As of December 31, 2014, the County's governmental funds reported combined ending fund balances of \$19,927,958, an increase of \$1,660,563 over the previous year. The governmental funds comprising this balance are shown below:

	Fund Balance at December 31, 2014					Total	Change During Year
	Nonspendable	Restricted	Committed	Assigned	Unassigned		
Major Funds							
General Fund	\$ 1,799,260	\$ 70,245	\$ -	\$ 1,792,564	\$ 3,929,881	\$ 7,591,950	\$ 323,946
Human Services Fund	505	-	1,263,390	-	-	1,263,895	138,896
Debt Service Fund	-	-	-	82	-	82	452
Capital Improvement Program Fund	784,215	-	5,020,582	-	-	5,804,797	130,220
Forestry Fund	-	371,426	848,979	-	-	1,220,405	840,405
Nonmajor Funds:							
Special Revenue Funds	351	2,479,779	1,566,699	-	-	4,046,829	226,644
Total Fund Balances	<u>\$ 2,584,331</u>	<u>\$ 2,921,450</u>	<u>\$ 8,699,650</u>	<u>\$ 1,792,646</u>	<u>\$ 3,929,881</u>	<u>\$ 19,927,958</u>	<u>\$ 1,660,563</u>

Restrictions of fund balances represent amounts that are not subject to appropriation or are legally restricted by outside parties for use for a specific purpose. Commitments and assignments of fund balance generally represent tentative management plans that are subject to change. The balance of the unassigned fund balance is not for specific purposes.

The general fund is the primary operating fund used to account for the governmental operations of Washburn County. As a measure of the general fund's liquidity, it may be useful to compare both total fund balance and unassigned fund balance to measures of operating volume such as fund expenditures or fund revenues. The total year-end general fund balance represented 69.0% of total general fund expenditures reported on the statement of revenues, expenditures and changes in fund balances while the unassigned balance represented 35.7% of the same amount.

The general fund's total fund balance increased \$323,946 during the year; while the unassigned portion of the fund decreased \$397,906. The primary factor in the general fund increase was due to an expenditures being less than budgeted.

The County's human services fund increased \$138,896 in 2014. The primary factor in this increase was actual expenditures were less than budgeted.

The County's debt service fund balance reported a fund balance of \$82 at December 31, 2014 due to the timing of debt service payments and receipt of related tax levy funding.

**WASHBURN COUNTY, WISCONSIN
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2014**

The County had one major capital projects fund during the year. The capital improvements program fund, used by the County for funding the County's capital improvements projects, increased \$130,220 during the year to a balance of \$5,804,797 at year end. The increase can primarily be attributed to additional funding for future capital projects.

The forestry fund ended the year with a fund balance \$1,220,405, and increase of \$840,405 during the year. The increase can primarily be attributed to timber sale proceeds.

The aggregated other governmental funds column includes various special revenue funds. The accumulated fund balances of these funds increased \$226,644 during 2014 and had an accumulated fund balance of \$4,046,829 at year end. The main component of the current year increase can be attributed to the success of several individual funds. These funds are individually detailed in the supplementary information section of this report.

Proprietary Funds

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

The County had no activities accounted for in enterprise funds during the year.

The County had two internal service funds during 2014. The County accounts for operations of its highway department and copy machine costs in its internal service funds. Net position of the internal service funds totaled \$12,340,970 at December 31, 2014, a decrease of \$478,160 from the previous year. Of that amount, \$9,315,792 was invested in capital assets. The remaining net position totaling \$3,025,178 were unrestricted.

GENERAL FUND BUDGETARY HIGHLIGHTS

As shown in the *Budgetary Comparison Schedule* for the general fund (in required supplementary information), the final 2014 general fund budget was different than the original budget adopted by the County Board. The final budget reflects a projected decrease in the general fund balance during 2014 of \$228,616 while the actual amounts resulted in an increase in the fund balance totaling \$323,946. The most significant positive budget expenditure variances were realized in the general government category of \$498,386 which is detailed out in Schedule B-2 of this report.

**WASHBURN COUNTY, WISCONSIN
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2014**

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

Washburn County's investment in capital assets for its governmental activities as of December 31, 2014 amounted to \$54,151,609 (net of accumulated depreciation). This investment in capital assets includes land, buildings, improvements, equipment, vehicles and infrastructure. The net increase in the governmental activities capital assets during 2014 was \$737,626.

**Capital Assets (Net of Accumulated Depreciation)
December 31, 2014 and 2013**

	Governmental Activities	
	2014	2013
Land and Land Rights	\$ 10,686,989	\$ 10,674,354
Gravel Pits and Quarries	332,736	348,600
Land Improvements	2,092,980	1,898,168
Buildings and Improvements	8,268,343	8,651,176
Machinery and Equipment	6,677,465	5,032,695
Highway Infrastructure	24,696,010	22,436,210
Construction Work in Progress	1,397,086	4,372,780
Total	<u>\$ 54,151,609</u>	<u>\$ 53,413,983</u>

Additional information related to the County's capital assets is reported in Note 2.C following the financial statements.

Long-Term Obligations

At December 31, 2014, Washburn County had outstanding \$5,887,110 of long-term debt and other long-term obligations. A summary detail of this amount, together with the net change from the previous year, is shown below:

**Outstanding Long-Term Obligations
December 31, 2014 and 2013**

	Governmental Activities		% Change
	2014	2013	
Long-Term Debt:			
General Obligation Bonds	\$ 1,735,000	\$ 1,930,000	-10.1%
Other Long-Term Obligations:			
Capital Lease Agreements	1,617,773	-	0.0%
Other Postemployment Benefits Payable	1,432,560	1,202,993	19.1
Compensated Absences	1,101,777	1,158,190	-4.9
Total	<u>\$ 5,887,110</u>	<u>\$ 4,291,183</u>	37.2

**WASHBURN COUNTY, WISCONSIN
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2014**

Under Wisconsin State Statutes, the outstanding general obligation long-term debt of a county may not exceed 5% of the equalized property value of all taxable property within the jurisdiction. The applicable debt of Washburn County outstanding at December 31, 2014 totaled \$1,735,000 approximately 1.5% of the maximum legal limit of \$117,883,135. Additional information on Washburn County's long-term debt is reported in Note 2.E following the financial statements.

CURRENTLY KNOWN FACTS

Limits have been imposed on the property tax levy rates for Wisconsin counties. There are separate limits for the operating levy and the debt service levy. The baseline for the limits is the actual 1992 tax rate adopted for the 1993 budget. The operating levy rate and the debt levy rate cannot exceed the baseline rates unless the County qualifies for one of the exceptions allowed under the statute. The statute establishes specific penalties for failure to meet the levy rate freeze requirements. Among the penalties for exceeding the limits is the reduction of state shared revenues and transportation aids. For the 2013 budget year, Washburn County utilized an operating levy rate of \$3.874, a debt levy rate of \$.456 and a special purpose levy rate of \$.087 for a total mill rate of \$4.417/\$1,000 of valuation. For the 2014 budget year, Washburn County utilized an operating levy rate of \$3.981, a debt levy rate of \$.445 and a special purpose levy rate of \$.092 for a total mill rate of \$4.518 /\$1,000 of valuation.

The State of Wisconsin has imposed further limits on the County's property taxes beginning with the 2006 budget year levy. Essentially, the new legislation restricts the growth in the County's property taxes (except for debt service) to the greater of the percentage increase in the County's equalization value due to new construction or 2%.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of Washburn County's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Washburn County Clerk Office, P.O. Box 639, Shell Lake, Wisconsin 54871.

**WASHBURN COUNTY, WISCONSIN
STATEMENT OF NET POSITION
DECEMBER 31, 2014**

	Primary Government Governmental Activities	Component Unit Industrial Development Agency
ASSETS		
Treasurer's Cash and Investments	\$ 20,812,603	\$ 1,094,015
Taxes Receivable	11,874,109	-
Accounts Receivable	474,794	-
Due from Other Governments	1,808,819	-
Inventories	1,293,212	-
Prepaid Expenses	392,847	-
Long-Term Receivables	1,002,176	1,128,190
Capital Assets:		
Capital Assets Not Being Depreciated	12,084,075	-
Capital Assets Being Depreciated	106,051,478	-
Accumulated Depreciation	(63,983,944)	-
Total Assets	91,810,169	2,222,205
LIABILITIES		
Vouchers and Accounts Payable	963,417	-
Accrued Liabilities	534,677	6,687
Payroll Deductions	501,523	-
Accrued Interest Payable	48,687	-
Due to Other Governments	105,854	-
Unearned Revenue	491,215	-
Special Deposits	70,009	-
Long-Term Liabilities:		
Amounts Due Within One Year	668,655	25,151
Amounts Due in More than One Year	5,218,455	643,517
Total Liabilities	8,602,492	675,355
DEFERRED INFLOWS OF RESOURCES		
Property Taxes for Subsequent Year	10,541,981	-
NET POSITION		
Net Investment in Capital Assets	50,798,836	-
Restricted for:		
Housing Loan Program	923,232	-
Other Purposes	2,920,394	1,546,850
Unrestricted	18,023,234	-
Total Net Position	\$ 72,665,696	\$ 1,546,850

See accompanying Notes to Basic Financial Statements.

**WASHBURN COUNTY, WISCONSIN
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2014**

<u>Functions/Programs</u>					<u>Net (Expense) Revenue and Changes in Net Position</u>	
	<u>Expenses</u>	<u>Program Revenues</u>			<u>Primary Governmental Activities</u>	<u>Component Unit- Industrial Development Agency</u>
		<u>Charges For Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>		
Primary Government:						
Governmental Activities:						
General Government	\$ 3,949,049	\$ 365,297	\$ 113,261	\$ 200,000	\$ (3,270,491)	\$ -
Public Safety	3,512,559	178,778	73,847	-	(3,259,934)	-
Public Works	7,225,887	2,932,091	857,426	8,037	(3,428,333)	-
Health and Human Services	5,283,760	665,376	2,668,574	-	(1,949,810)	-
Culture, Recreation and Education	1,601,631	1,534	-	-	(1,600,097)	-
Conservation and Development	888,649	1,923,965	563,946	-	1,599,262	-
Interest and Fiscal Charges	108,526	-	-	-	(108,526)	-
Total Primary Government	<u>\$ 22,570,061</u>	<u>\$ 6,067,041</u>	<u>\$ 4,277,054</u>	<u>\$ 208,037</u>	(12,017,929)	-
Component Unit:						
Industrial Development Agency	<u>\$ 182,842</u>	<u>\$ 55,803</u>	<u>\$ -</u>	<u>\$ -</u>	-	(127,039)
General Revenues:						
Taxes:						
Property Taxes, Levied for General Purposes					10,482,740	-
County Sales Taxes					1,160,527	-
Other Taxes					69,321	-
State and Federal Aids not Restricted to Specific Functions					249,173	-
Interest and Investment Earnings					342,317	895
Sale of County Property					9,403	-
Miscellaneous					724,831	-
Total General Revenues					<u>13,038,312</u>	<u>895</u>
CHANGE IN NET POSITION					1,020,383	(126,144)
Net Position - Beginning of Year					<u>71,645,313</u>	<u>1,672,994</u>
NET POSITION - END OF YEAR					<u>\$ 72,665,696</u>	<u>\$ 1,546,850</u>

See accompanying Notes to Basic Financial Statements.

**WASHBURN COUNTY, WISCONSIN
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2014**

	General Fund	Human Services Fund	Debt Service Fund	Capital Improvements Program Fund	Forestry Fund	Other Governmental Funds	Totals
ASSETS							
Treasurer's Cash and Investments	\$ 5,818,308	\$ 1,185,434	\$ 82	\$ 6,304,128	\$ 1,430,024	\$ 3,994,507	\$ 18,732,483
Taxes Receivable	9,059,079	1,128,742	1,032,372	-	-	653,916	11,874,109
Accounts Receivable	104,143	91,103	-	-	6,823	71,788	273,857
Due from Other Governmental Units	263,103	262,672	-	-	344,986	150,437	1,021,198
Due from Other Funds	274,200	-	-	-	-	-	274,200
Prepaid Expenses	375,955	505	-	14,940	-	351	391,751
Inventory	11,177	-	-	-	-	-	11,177
Long-Term Receivables	80,000	-	-	-	-	922,176	1,002,176
Advances to Other Funds	-	-	-	769,275	-	-	769,275
Total Assets	\$ 15,985,965	\$ 2,668,456	\$ 1,032,454	\$ 7,088,343	\$ 1,781,833	\$ 5,793,175	\$ 34,350,226
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE							
Liabilities:							
Vouchers and Accounts Payable	\$ 157,465	\$ 125,973	\$ -	\$ 21,487	\$ 53,553	\$ 61,261	\$ 419,739
Payroll Deductions	246,764	-	-	-	254,759	-	501,523
Accrued Liabilities	159,057	107,050	-	-	32,342	78,000	376,449
Due to Other Governmental Units	67,520	32,796	-	-	-	5,538	105,854
Due to Other Funds	-	-	-	1,262,059	-	25,455	1,287,514
Unearned Revenues	36,258	10,000	-	-	150,765	-	197,023
Special Deposits	-	-	-	-	70,009	-	70,009
Total Liabilities	667,064	275,819	-	1,283,546	561,428	170,254	2,958,111
Deferred Inflows of Resources:							
Succeeding Year's Property Taxes	7,726,951	1,128,742	1,032,372	-	-	653,916	10,541,981
Unavailable Revenue - Loans Receivable	-	-	-	-	-	922,176	922,176
Total Deferred Inflows of Resources	7,726,951	1,128,742	1,032,372	-	-	1,576,092	11,464,157
Fund Balances:							
Nonspendable	1,799,260	505	-	784,215	-	351	2,584,331
Restricted	70,245	-	-	-	371,426	2,479,779	2,921,450
Committed	-	1,263,390	-	5,020,582	848,979	1,566,699	8,699,650
Assigned	1,792,564	-	82	-	-	-	1,792,646
Unassigned	3,929,881	-	-	-	-	-	3,929,881
Total Fund Balances	7,591,950	1,263,895	82	5,804,797	1,220,405	4,046,829	19,927,958
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 15,985,965	\$ 2,668,456	\$ 1,032,454	\$ 7,088,343	\$ 1,781,833	\$ 5,793,175	\$ 34,350,226

See accompanying Notes to Basic Financial Statements.

**WASHBURN COUNTY, WISCONSIN
RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES
TO NET POSITION OF GOVERNMENTAL ACTIVITIES
DECEMBER 31, 2014**

Total Fund Balances - Governmental Funds \$ 19,927,958

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. These assets consist of:

Land	\$ 10,197,207	
Land Improvements	2,800,275	
Buildings and Improvements	8,093,731	
Machinery and Equipment	3,579,439	
Vehicles	1,162,620	
Infrastructure	71,213,761	
Construction Work in Progress	1,397,086	
Accumulated Depreciation	<u>(55,104,453)</u>	43,339,666

Some receivables are reported as deferred inflows of resources in the fund financial statements but are recognized as revenue when earned in the government-wide statements. 922,176

Some liabilities are not due and payable in the current period and therefore are not reported in the funds. These liabilities consist of:

General Obligation Bonds Payable	1,735,000	
Capital Leases	121,622	
Accrued Interest Payable	24,712	
Compensated Absences	811,854	
Other Postemployment Benefits Payable	<u>1,171,886</u>	(3,865,074)

The highway department internal service fund is used by County management to account for highway-related services provided by the department to the County and other governmental units. The assets and liabilities of the highway department internal service fund is reported in governmental activities. 12,320,810

The copy machine internal service fund is used by County's management to charge the costs of the copy machines to departments/functions. The assets and liabilities of the copy machine fund is also reported in governmental activities. 20,160

Net Position of Governmental Activities \$ 72,665,696

WASHBURN COUNTY, WISCONSIN
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2014

	General Fund	Human Services Fund	Debt Service Fund	Capital Improvements Program Fund	Forestry Fund	Other Governmental Funds	Totals
REVENUES:							
Taxes	\$ 9,103,108	\$ 1,161,338	\$ 1,032,372	\$ -	\$ -	\$ 672,917	\$ 11,969,735
Intergovernmental	1,469,376	1,856,313	-	200,000	313,131	895,444	4,734,264
Licenses and Permits	151,262	-	-	-	-	32,653	183,915
Fines, Forfeits and Penalties	95,584	14,022	-	-	-	16,395	126,001
Public Charges for Services	369,329	347,989	-	-	1,572,606	277,081	2,567,005
Intergovernmental Charges for Services	12,343	-	-	101,733	-	-	114,076
Miscellaneous	204,975	39,384	-	331,951	39,217	394,792	1,010,319
Total Revenues	<u>11,405,977</u>	<u>3,419,046</u>	<u>1,032,372</u>	<u>633,684</u>	<u>1,924,954</u>	<u>2,289,282</u>	<u>20,705,315</u>
EXPENDITURES:							
General Government	3,872,371	-	-	419,181	-	-	4,291,552
Public Safety	3,448,643	-	-	-	-	14,868	3,463,511
Public Works	2,343,471	-	-	839,283	-	-	3,182,754
Health and Human Services	211,118	3,401,575	-	-	-	1,703,240	5,315,933
Culture, Recreation and Education	484,470	-	-	-	1,212,701	14,483	1,711,654
Conservation and Development	639,161	-	-	-	-	290,966	930,127
Debt Service:							
Principal	-	-	1,000,000	-	96,549	-	1,096,549
Interest and Fiscal Charges	-	-	81,920	-	2,873	-	84,793
Total Expenditures	<u>10,999,234</u>	<u>3,401,575</u>	<u>1,081,920</u>	<u>1,258,464</u>	<u>1,312,123</u>	<u>2,023,557</u>	<u>20,076,873</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	406,743	17,471	(49,548)	(624,780)	612,831	265,725	628,442
OTHER FINANCING SOURCES (USES):							
Proceeds of Long-Term Debt	-	-	-	805,000	74,171	-	879,171
Capital Lease Proceeds	-	-	-	-	144,000	-	144,000
Sale of Capital Assets	-	-	-	-	9,403	-	9,403
Transfers In	-	121,425	50,000	-	-	19,006	190,431
Transfers Out	(82,797)	-	-	(50,000)	-	(58,087)	(190,884)
Total Other Financing Sources (Uses)	<u>(82,797)</u>	<u>121,425</u>	<u>50,000</u>	<u>755,000</u>	<u>227,574</u>	<u>(39,081)</u>	<u>1,032,121</u>
NET CHANGE IN FUND BALANCES	323,946	138,896	452	130,220	840,405	226,644	1,660,563
Fund Balances, January 1	<u>7,268,004</u>	<u>1,124,999</u>	<u>(370)</u>	<u>5,674,577</u>	<u>380,000</u>	<u>3,820,185</u>	<u>18,267,395</u>
FUND BALANCES, DECEMBER 31	<u>\$ 7,591,950</u>	<u>\$ 1,263,895</u>	<u>\$ 82</u>	<u>\$ 5,804,797</u>	<u>\$ 1,220,405</u>	<u>\$ 4,046,829</u>	<u>\$ 19,927,958</u>

See accompanying Notes to Basic Financial Statements.

**WASHBURN COUNTY, WISCONSIN
RECONCILIATION OF STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2014**

Net Change in Fund Balances - Total Governmental Funds \$ 1,660,563

Amounts reported for governmental activities in the statement of activities are different because:

Capital outlays are reported as expenditures in governmental funds. However, in the statement of activities, the cost of capital assets is allocated over their estimated useful lives as depreciation expense. In the current period, these amounts are:

Capital outlays reported in governmental fund statements	\$ 2,435,025	
Depreciation expense reported in the statement of activities	<u>(2,532,180)</u>	(97,155)

In the statement of activities, only the gain or loss on the disposal of capital assets is reported whereas in the governmental funds, the entire proceeds from the sale increase financial resources. Thus, the change in net position differs from the change in fund balances by the book value of capital assets disposed of during the year (8,050)

Receivables not currently available are reported as deferred inflows of resources in the fund financial statements but are recognized as revenue when earned in the government-wide statements. 13,525

Capital Lease incurred in governmental funds is reported as an other financing source, but is reported as an increase in outstanding long-term debt in the statement of net position and does not affect the statement of activities. The amount of capital lease proceeds incurred in the current year is (144,000)

Long-term debt and related obligations incurred in governmental funds are reported as an increase in fund balance, but are reported as an increase in outstanding long-term debt in the statement of net position and does not affect the statement of activities. Such items incurred in the current year are:

Forest Crop Loans	(74,171)	
State Trust Fund Loans	<u>(805,000)</u>	(879,171)

Repayment of long-term debt is reported as an expenditure in governmental funds, but the repayment reduces long-term liabilities in the statement of net assets. In the current year, these amounts consist of:

General Obligation Bonds Principal Retirement	195,000	
Forest Crop Loans Repaid	74,171	
State Trust Fund Loans	805,000	
Capital Lease Retirement	<u>22,378</u>	1,096,549

Internal service funds are used by the County's management to account for highway operations and to charge out copy machine costs. The change in net position of these internal service funds are allocated to governmental activities.

Total Change in Net Position (478,160)

Other postemployment benefits are reported in the governmental funds when amounts are paid. The statement of activities reports the value of benefits earned during the year.

Changes in Other Postemployment Benefits Payable (189,807)

Some items reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds. These activities consist of:

Change in Accrued Interest Payable	242	
Change in Compensated Absences at Year End	<u>45,847</u>	<u>46,089</u>

Change in Net Position of Governmental Activities \$ 1,020,383

See accompanying Notes to Basic Financial Statements.

**WASHBURN COUNTY, WISCONSIN
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
DECEMBER 31, 2014**

	<u>Governmental Activities- Internal Service Funds</u>
ASSETS	
Current Assets:	
Treasurer's Cash and Investments	\$ 2,080,120
Accounts Receivable	200,937
Due from Other Governmental Units	787,621
Due from Other Funds	1,013,314
Inventories and Prepaid Expenses	<u>1,283,131</u>
Total Current Assets	5,365,123
 Noncurrent Assets:	
Capital Assets:	
Not Being Depreciated/Depleted	489,782
Being Depreciated/Depleted	19,201,652
Accumulated Depreciation	<u>(8,879,491)</u>
Total Capital Assets	<u>10,811,943</u>
Total Assets	<u><u>\$ 16,177,066</u></u>
 LIABILITIES	
Current Liabilities:	
Accounts Payable	\$ 543,678
Accrued Liabilities	158,228
Accrued Interest Payable	23,975
Unearned Revenues	294,192
Accrued Vacation and Sick Leave - Current	96,593
Capital Leases Payable - Current	<u>171,345</u>
Total Current Liabilities	1,288,011
 Long-Term Liabilities (Net of Current Portion):	
Advance from Capital Projects Fund	769,275
Other Postemployment Benefits Payable	260,674
Accrued Vacation and Sick Leave	193,330
Capital Leases Payable	<u>1,324,806</u>
Total Long-Term Liabilities	<u>2,548,085</u>
Total Liabilities	<u>3,836,096</u>
 NET POSITION	
Net Investment in Capital Assets	9,315,792
Unrestricted	<u>3,025,178</u>
Total Net Position	<u>12,340,970</u>
Total Liabilities and Net Position	<u><u>\$ 16,177,066</u></u>

See accompanying Notes to Basic Financial Statements.

**WASHBURN COUNTY, WISCONSIN
STATEMENT OF REVENUES, EXPENSES, AND CHANGES
IN NET POSITION
PROPRIETARY FUNDS
YEAR ENDED DECEMBER 31, 2014**

	<u>Governmental Activities- Internal Service Funds</u>
OPERATING REVENUES	\$ 7,553,176
OPERATING EXPENSES	<u>8,007,814</u>
OPERATING LOSS	(454,638)
NONOPERATING EXPENSES	<u>(23,975)</u>
LOSS BEFORE TRANSFERS	(478,613)
TRANSFERS	
Transfers from General Fund	<u>453</u>
CHANGE IN NET POSITION	(478,160)
Net Position, January 1	<u>12,819,130</u>
NET POSITION, DECEMBER 31	<u><u>\$ 12,340,970</u></u>

See accompanying Notes to Basic Financial Statements.

**WASHBURN COUNTY, WISCONSIN
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
YEAR ENDED DECEMBER 31, 2014**

	<u>Governmental Activities - Internal Service Funds</u>
CASH FLOWS FROM OPERATING ACTIVITIES:	
Cash Received for Services Provided	\$ 8,270,228
Cash Paid to Suppliers for Goods and Services	(3,905,012)
Cash Paid for Employee Services	(3,064,116)
Net Cash Provided by (Used for) Operating Activities	<u>1,301,100</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:	
Transfer from General Fund	453
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:	
Cash Paid for Acquisition of Capital Assets	(2,006,805)
Cash Received for Sale of Capital Assets	264,030
Cash Received on Advance for Capital Projects	217,108
Capital Lease Proceeds	1,724,320
Principal Paid on Capital Leases	(228,169)
Net Cash Provided by (Used for) Capital and Related Financing Activities	<u>(29,516)</u>
NET CHANGE IN CASH AND IN CASH EQUIVALENTS	1,272,037
CASH AND CASH EQUIVALENTS, JANUARY 1	<u>808,083</u>
CASH AND CASH EQUIVALENTS, DECEMBER 31	<u>\$ 2,080,120</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES:	
Operating Income (Loss)	\$ (454,638)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by Operating Activities:	
Depreciation	884,080
Depletion of Gravel Pits	15,864
(Increase) Decrease in Assets:	
Accounts Receivable	(196,700)
Due from Governmental Units	(370,159)
Prepaid Expenses	(192)
Inventories	(343,502)
Due from Other Funds	1,330,942
Increase (Decrease) in Liabilities:	
Vouchers Payable	406,845
Unearned Revenue	(47,031)
Accrued Liabilities	35,831
Other Postemployment Benefits Payable	39,760
Net Cash Provided by (Used for) Operating Activities	<u>\$ 1,301,100</u>

See accompanying Notes to Basic Financial Statements.

**WASHBURN COUNTY, WISCONSIN
STATEMENT OF NET POSITION
FIDUCIARY FUNDS
DECEMBER 31, 2014**

	<u>Agency Funds</u>
ASSETS	
Treasurer's Cash and Investments	\$ 172,880
Taxes Receivable	<u>400,110</u>
Total Assets	<u><u>\$ 572,990</u></u>
LIABILITIES	
Vouchers Payable	\$ 5,292
Due to Other Governmental Units	400,110
Special Deposits	<u>167,588</u>
Total Liabilities	<u><u>\$ 572,990</u></u>

See accompanying Notes to Basic Financial Statements.

**WASHBURN COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2014**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of Washburn County (the "County") have been prepared in conformity with generally accepted accounting principles (GAAP) as applied 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

Washburn County is governed by a board of supervisors consisting of twenty-one elected members.

The financial reporting of the County is defined by the GASB to consist of (a) the primary government, (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the primary government are such that the exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

The basic financial statements of the County consist solely of the primary government and a discretely presented component as described below. The discretely presented component unit is reported in a separate column in the government-wide financial statements (see below for description) to emphasize that it is legally separate from the government.

Washburn County Industrial Development Agency, Ltd. Washburn County Industrial Development Agency, Ltd. (Agency) was organized in 1989 by the County when the County received intergovernmental funds to finance a loan to a private business. Proceeds received from the repayment of this loan are being used by the Agency to finance other loans to local businesses to promote industrial development. The Agency is governed by a seven-member board statutorily comprised of the county board chairman, finance committee chairman, county treasurer, corporation counsel and three public members appointed by the county board. The Agency receives no funding from, nor provides any funding to, the County. The Agency maintains its financial statements on a fiscal year ending June 30. Financial statements of the Agency for the year ending June 30, 2014 are presented in this report as a discretely presented component unit. The Agency's financial statements are separately audited and can be obtained from Washburn County.

**WASHBURN COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2014**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Government-Wide and Fund Financial Statements

The County's basic financial statements include both government-wide (reporting the County as a whole) and fund financial statements (reporting the County's major funds) as described below:

Government-Wide Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report financial information on all of the nonfiduciary activities of the primary government. 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 or segment are offset by program revenues. Direct expenses are those that are clearly identifiable to a specific function or segment. Program revenues include (a) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function or segment; and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Fund Financial Statements

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

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

The County did not report any enterprise funds for the year ended December 31, 2014.

**WASHBURN COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2014**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Fund Financial Statements (Continued)

The County reports the following major governmental funds:

General Fund – The General Fund is the operating fund of the County. It is used to account for all financial resources of the County, except those required to be accounted for in another fund.

Human Services Fund – The Human Services Fund, a special revenue fund, is used to account for various County human services programs funded by restricted funding sources. Through the human services programs, the County provides mental health, developmental disabilities and alcoholism and drug abuse rehabilitation services to residents of the County and administers the various social services and income maintenance programs provided by and through the County.

Debt Service Fund – The Debt Service Fund is used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest and related charges.

Capital Improvements Program Fund – The Capital Improvement Program Fund, a capital projects fund, accounts for financial resources to be used for funding the County's capital improvement program projects.

Forestry Fund – The Forestry Fund, a special revenue fund, is used to account for the maintenance of the County's parks and forests. In addition to using restricted grant funding for these purposes, the County also commits public charges for services raised through the Forestry Fund's programming.

All remaining governmental funds are aggregated and reported as nonmajor funds.

The County's proprietary funds consist solely of internal service funds to account for the operations of the County's highway department and its copy machine transactions.

The County's fiduciary funds consist of agency funds to account for assets held by the County in a trustee capacity or as an agent for individuals, private organizations and/or other governmental units.

WASHBURN COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2014

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Measurement Focus and Basis of Accounting

The government-wide financial statements and the proprietary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets deferred inflows/outflows of resources and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Nonexchange transactions, in which the County gives or receives value without directly receiving or giving equal value in exchange, include property taxes, grants, entitlements and donations. Property taxes are recognized as revenues in the year for which they are levied. Taxes receivable for the following year are recorded as receivables and deferred inflows of resources. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider are met.

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 government's utility functions and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Governmental fund statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized as soon as they are both measurable and available. Revenues are deemed to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the County generally considers revenues reported in the governmental funds to be available if they are collected within 60 days after the end of the current fiscal period. Client billings for the human services programs are recognized when received. State and federal aids under cost reimbursement programs are generally recognized when earned if expected to be collected in the subsequent year. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

Property taxes, miscellaneous taxes, cost reimbursement grant programs, public charges for services and interest associated with the current fiscal period are all considered to be susceptible to accrual. All other revenue items are generally considered to be measurable and available only when cash is received by the government.

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

**WASHBURN COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2014**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

1. Deposits and Investments

The County's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from date of acquisition. Cash and investment balances for individual funds are pooled unless maintained in segregated accounts.

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

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

Additional restrictions may arise from local charters, ordinances, resolutions and grant resolutions.

Investment of most trust funds is regulated by Chapter 881 of the Wisconsin Statutes. Those sections give broad authority to use such funds to acquire various kinds of investments including stocks, bonds and debentures.

Investments of the County are stated at fair value.

**WASHBURN COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2014**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

2. Receivables and Payables

Property Taxes. Property taxes are levied prior to the end of the calendar year and are due and collectible in the following year. Property taxes attach an enforceable lien as of January 1. In addition to property taxes for the County, taxes are also collected for and remitted to the State. Taxes billed for the State are recorded as receivables and due other governmental units in the agency fund balance sheet. Since County property taxes are not considered available until January 1 of the year following the levy, they are recorded as deferred inflows of resources in the funds budgeted.

The County is also responsible for the collection of all delinquent and postponed property taxes levied by the local taxing districts within its boundaries, except delinquent personal property taxes which are retained by the local municipal district. Real property taxes are payable in full to the local districts on or before January 31 or, alternatively, if over \$100, can be paid in two equal installments with the first installment payable on or before January 31 and the second installment payable on or before July 31. Personal property taxes and special assessments, special charges (including delinquent utility billings) and special taxes placed on the tax roll are payable in full on or before January 31. All uncollected items on the current tax roll, except delinquent personal property taxes, are turned over to the County Treasurer for collection in February. The County subsequently settles in full with the local districts in August of the same year. All uncollected taxes returned to the County for collection are financed through the general fund. A portion of the general fund's equity balance is classified as nonspendable for the County's investment in delinquent taxes.

Accounts Receivable. Accounts receivable are shown at gross amounts. No allowance for uncollectible accounts has been provided since such allowance would not be material.

Loans Receivable. The County has received federal grant funds for financing housing rehabilitation loans to various individuals. The County records a loan receivable when the loan has been made and funds have been disbursed. The amounts recorded as loans receivable have not been reduced by an allowance for uncollectible accounts since the County does not expect such amounts to be material to the financial statements. It is the County's policy to record deferred inflows of resources for the net amount of the receivable balance. As loans are repaid, revenue is recognized. When new loans are made from the repayments, expenditures are recorded. Interest received from loan repayments is recognized as revenue when received. Any unspent loan repayments at year end are presented as restricted fund balance in the fund financial statements.

**WASHBURN COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2014**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

2. Receivables and Payables (Continued)

Interfund Balances Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal 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). All other outstanding balances between funds are reported as "due to/from other funds". Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statement 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.

3. Inventories and Prepaid Items

All inventories are valued at cost using the average cost method for the highway department. Inventories of governmental funds, if material, are recorded as expenditures when consumed rather than when purchased.

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

4. Restricted Assets

Mandatory segregations of assets are presented as restricted assets. Such segregations may be required by bond agreements and other external parties. Current liabilities payable from these restricted assets are so classified.

5. Capital Assets

Government-Wide Statements. 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. Capital assets are defined by the County as assets with initial, individual costs as shown below and an estimated useful life of two years or greater. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market 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 assets lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities, if material, is included as part of the capitalized value of the assets constructed.

**WASHBURN COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2014**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

5. Capital Assets (Continued)

Government-Wide Statements (Continued). Capitalization thresholds (the dollar valued above which asset acquisitions are added to the capital asset accounts), depreciation methods, and estimated useful lives of capital assets reported in the government-wide statements are as follows:

	Capitalization Threshold	Depreciation Method	Estimated Useful Life
Land	\$5,000	N/A	N/A
Highway Right-of-Ways	5,000	N/A	N/A
Land Improvements	5,000	Straight-line	15-40 Years
Buildings and Improvements	5,000	Straight-line	10-50 Years
Machinery and Equipment	5,000	Straight-line	4-20 Years
Vehicles	5,000	Straight-line	3-5 Years
Infrastructure	5,000	Straight-line	20-60 Years

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

6. Deferred Outflows of Resources

The County would report decreases in net position or fund equity that relate to future periods as deferred outflows of resources in a separate section of its government-wide and proprietary funds statements of net position or governmental fund balance sheet. No deferred outflows of resources are reported in these financial statements in the current year.

7. Deferred Inflows of Resources

The County's governmental activities and governmental fund financial statements report a separate section for deferred inflows of resources. This separate financial statement element reflects an increase in net position or fund equity that applies to a future period. The County will not recognize the related revenue until a future event occurs. The County has two types of items which occur related to revenue recognition. The first occurs because property tax receivables are recorded in the current year, but the revenue will be recorded in the subsequent year. The second type of deferred inflow of resources occurs because governmental fund revenues are not recognized until available (collected not later than 60 days after the end of the County's year) under the modified accrual basis of accounting.

**WASHBURN COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2014**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

8. Compensated Absences

It is the County's policy to permit employees to accumulate paid leave benefits. Liabilities for accumulated employee leave benefits are not accrued in the County's governmental fund financial statements but are recorded as expenditures when paid. Such liabilities are accrued in the government-wide and proprietary fund financial statements when earned. The County's policies and estimated liabilities at year end are further discussed in Note 3.A.

9. Other Postemployment Benefits Payable

Under the various employee and union contracts the County allows retired employees to enroll in the County's health insurance plan. The retired employees pay 100% of the premiums. The payable was actuarially determined, in accordance with GASB 45, at December 31, 2014. GASB 45 was implemented prospectively, meaning that the net OPEB obligation was zero at transition.

10. Long-Term Obligations

In the government-wide financial statements and proprietary 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. In the governmental fund financial statements, the face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

11. Defining Operating Revenues and Expenses

Internal Service 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 internal service fund's principal ongoing operations. The principal operating revenues of the highway and copy machine funds are charges to customers for sales and services. Operating expenses for internal service funds include the cost of sales and services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

12. Use of Restricted Resources

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

**WASHBURN COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2014**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

13. Equity Classifications

Fund equity, representing the difference between assets, deferred inflows/outflows of resources and liabilities, is classified as follows in the County's financial statements:

Government-Wide and Proprietary Fund Statements. Fund equity is classified as net position in the government-wide and proprietary fund financial statements and is displayed in three components. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement for those assets. Net position is reported as restricted when there are limitations imposed on their use through external restrictions imposed by creditors, grantors or laws or regulations of other governments. All other net position is displayed as unrestricted.

Fund Financial Statements. In the fund financial statements, governmental funds report components of fund balance to provide information about fund balance availability for appropriation. Nonspendable fund balance represents amounts that are inherently nonspendable or assets that are legally or contractually required to be maintained intact. Restricted fund balance represents amounts available for appropriation but intended for a specific use and is legally restricted by outside parties. Committed fund balance represents constraints on spending that the government imposes upon itself by high-level formal action prior to the close of the fiscal period. Assigned fund balance represents resources intended for spending for a purpose set by the government body itself or by some person or body delegated to exercise such authority in accordance with policy established by the Board. Unassigned fund balance is the residual classification for the County's general fund and includes all spendable amounts not contained in the other classifications. It is the County's policy that at the end of each fiscal year, the County will maintain a minimum unassigned fund balance level between 20% and 33% of general fund expenditures.

Committed fund balance is required to be established, modified, or rescinded by resolution of the County Board prior to each year end. Based on resolution of the County Board, the County Finance Committee has the authority to establish or modify assigned fund balance. When restricted and unrestricted fund balance is available for expenditure, it is the County's practice to first use restricted fund balance. When committed, assigned, and unassigned fund balance is available for expenditure, it is the County's practice to use committed, assigned and finally unassigned fund balance

**WASHBURN COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2014**

NOTE 2 DETAILED NOTES ON ALL FUNDS

A. Deposits and Investments

The County's cash and investments balances at December 31, 2014 are reflected in the financial statements as follows:

Governmental Funds	\$ 18,732,483
Proprietary Funds	2,080,120
Fiduciary Funds	172,880
	<u>\$ 20,985,483</u>

The above cash and investments consisted of the following:

Deposits at Financial Institutions	\$ 8,366,938
Investment in State Local Government Pooled-Investment Fund	12,615,400
Petty Cash	3,145
Total Cash and Investments at December 31, 2014	<u>\$ 20,985,483</u>

Deposits at Financial Institutions

The insurance coverage of public unit accounts depends upon the type of deposit and the location of the insured depository institution. All time and savings deposits owned by a public unit and held by the public unit's official custodian in an insured depository institution within the State in which the public unit is located are added together and insured up to \$250,000. Separately, all demand deposits owned by a public unit and held by the public unit's official custodian in an insured depository institution within the State in which the public unit is located are added together and insured up to \$250,000. For the purpose of these rules, the term 'time and savings deposits' includes NOW accounts and money market deposit accounts but does not include interest-bearing demand deposit accounts (which were permitted after July 21, 2011). The term 'demand deposits' means both interest-bearing and noninterest-bearing deposits that are payable on demand and for which the depository institution does not reserve the right to require advance notice of an intended withdrawal.

The insurance coverage of accounts held by government depositors is different if the depository institution is located outside the State in which the public unit is located. In that case, all deposits, both time and savings deposits and demand deposits, owned by the public unit and held by the public unit's official custodian are added together and insured up to \$250,000. Time and savings deposits are not insured separately from demand deposits. Coverage under the State Guarantee Fund may not exceed \$400,000 above the amount of coverage under federal depository insurance at any institution and is limited by the availability of the appropriations authorized therein. (Due to the relatively small size of the State Guarantee Fund in relation to the total coverage, total recovery of losses may not be available.) Also, Section 34.07 of the Wisconsin Statutes authorizes the County to collateralize its deposits that exceed the amount of coverage provided by federal depository insurance and the State Guarantee Fund. Custodial credit risk for deposits is the risk that, in the event of failure, the County's deposits may not be returned.

**WASHBURN COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2014**

NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)

A. Deposits and Investments (Continued)

Deposits at Financial Institutions (Continued)

Custodial credit risk for deposits is the risk that in the event of bank failure, the County's deposits may not be returned. At December 31, 2014, the County's deposits were not exposed to custodial credit risk.

Investments

The County's investments at December 31, 2014 consisted of deposits in the following external investment pool:

Investment in State Local Government Pooled-Investment Fund. The State of Wisconsin offers a Local Government Investment Pool (LGIP) to local government units to enable them to voluntarily invest idle funds in the State Investment Fund. Local funds are pooled with state funds and invested by the State Investment Board. There is no minimum or maximum amount that can be invested by a local governmental unit. Interest is earned on a daily basis and withdrawals are generally available on the day of request. Deposits in the LGIP are not covered by federal depository insurance but are subject to coverage under the State Guarantee Fund. Also, the State of Wisconsin Investment Board has obtained a surety bond to protect deposits in the LGIP against defaults in principal payments on the LGIP's investments (subject to certain limitations). The average monthly weighted average maturity of the State Investment Fund's investments for 2014 was 92 days.

Credit risk for investments is the risk that an issuer or other counterparty to an investment will not fulfill its obligation to the holder of the investment. The County's policy is to invest its funds in accordance with provisions of the Wisconsin Statutes previously discussed in Note 1.D.1.

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Generally, the fair values of investments with maturity dates farther into the future are more sensitive to changes in market interest rates. The short weighted average maturities of the investments in the above external investment pool mitigates this risk to the County.

**WASHBURN COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2014**

NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)

B. Receivables

CDBG Housing Rehabilitation Loans. The County has also received federal grants through the State of Wisconsin for the purpose of financing housing rehabilitation loans. Repayments received by the County on these loans are recorded in a separate special revenue fund and are to be used to finance similar housing rehabilitation loans. The County had eighty-six (86) deferred mortgage loans outstanding at December 31, 2014 totaling \$922,176. These notes become due and payable in full only "in the event that the maker:

- A. No longer continues to occupy the premises securing this note as a full-time residence, or
- B. Transfers any legal or equitable interest in the mortgage premises to anyone for any reason."

Receivables have been recorded in the special revenue fund in the amount of the outstanding balances on these loans and were equally offset by deferred inflows of resources recorded therein. Revenue is recognized in the special revenue fund as collections are received on these loans.

**WASHBURN COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2014**

NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)

C. Capital Assets

Capital asset activity for the year ended December 31, 2014 was as follows:

Governmental Activities

	Beginning Balance	Increases	Decreases	Ending Balance
General County Assets:				
Capital Assets Not Being Depreciated:				
Land	\$ 1,625,959	\$ 12,635	\$ -	\$ 1,638,594
Highway Right-of-Ways	8,558,613	-	-	8,558,613
Construction Work in Progress	4,372,780	2,374,490	5,350,184	1,397,086
Total Capital Assets Not Being Depreciated	14,557,352	2,387,125	5,350,184	11,594,293
Capital Assets Being Depreciated:				
Land Improvements	2,447,302	362,973	10,000	2,800,275
Buildings and Improvements	8,023,222	70,509	-	8,093,731
Machinery and Equipment	3,081,204	522,797	24,562	3,579,439
Vehicles	1,023,587	252,781	113,748	1,162,620
Highway Infrastructure:				
Roadways	64,214,592	2,450,376	305,679	66,359,289
Bridges	1,408,186	-	-	1,408,186
Structures	1,707,638	1,738,648	-	3,446,286
Total Capital Assets Being Depreciated	81,905,731	5,398,084	453,989	86,849,826
Total Capital Assets	96,463,083	7,785,209	5,804,173	98,444,119
Accumulated Depreciation:				
Land Improvements	1,234,525	120,467	7,625	1,347,367
Buildings and Improvements	3,578,026	176,188	-	3,754,214
Equipment and Vehicles	3,311,455	306,301	132,635	3,485,121
Highway Infrastructure	44,894,206	1,929,224	305,679	46,517,751
Total Accumulated Depreciation	53,018,212	2,532,180	445,939	55,104,453
Net Capital Assets - Governmental Activities	<u>\$ 43,444,871</u>	<u>\$ 5,253,029</u>	<u>\$ 5,358,234</u>	<u>\$ 43,339,666</u>

**WASHBURN COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2014**

NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)

C. Capital Assets (Continued)

Governmental Activities (Continued)

	Beginning Balance	Increases	Decreases	Ending Balance
Highway Department:				
Capital Assets Not Being Depreciated:				
Land	\$ 489,782	\$ -	\$ -	\$ 489,782
Capital Assets Being Depreciated:				
Land Improvements	1,132,983	-	-	1,132,983
Gravel Pits and Quarries*	348,600	-	15,864	332,736
Buildings and Improvements	6,903,069	-	-	6,903,069
Machinery and Equipment	10,062,323	2,078,192	1,334,570	10,805,945
Total Capital Assets Being Depreciated	18,446,975	2,078,192	1,350,434	19,174,733
Total Capital Assets	18,936,757	2,078,192	1,350,434	19,664,515
Accumulated Depreciation:				
Land Improvements	447,592	45,319	-	492,911
Buildings and Improvements	2,697,089	277,154	-	2,974,243
Machinery and Equipment	5,824,694	561,607	999,153	5,387,148
Total Accumulated Depreciation	8,969,375	884,080	999,153	8,854,302
Net Capital Assets - Highway Department	\$ 9,967,382	\$ 1,194,112	\$ 351,281	\$ 10,810,213
Copy Machine Fund:				
Capital Assets Being Depreciated:				
Machinery and Equipment	\$ 26,919	\$ -	\$ -	\$ 26,919
Accumulated Depreciation:				
Machinery and Equipment	25,189	-	-	25,189
Net Capital Assets - Copy Machine Fund	\$ 1,730	\$ -	\$ -	\$ 1,730
Total County:				
Capital Assets Not Being Depreciated	\$ 15,047,134	\$ 2,387,125	\$ 5,350,184	\$ 12,084,075
Capital Assets Being Depreciated	100,379,625	7,476,276	1,804,423	106,051,478
Total Capital Assets	115,426,759	9,863,401	7,154,607	118,135,553
Accumulated Depreciation	62,012,776	3,416,260	1,445,092	63,983,944
Net Capital Assets - Governmental Activities	\$ 53,413,983	\$ 6,447,141	\$ 5,709,515	\$ 54,151,609

*Highway department gravel pits and quarries are subject to depletion.

**WASHBURN COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2014**

NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)

C. Capital Assets (Continued)

Governmental Activities (Continued)

Depreciation was charged to governmental functions as follows:

	General County Assets	Internal Service Funds	Total
General Government	\$ 186,471	\$ -	\$ 186,471
Public Safety	62,155	-	62,155
Transportation	1,966,265	884,080	2,850,345
Health and Human Services	40,137	-	40,137
Culture, Recreation and Education	141,514	-	141,514
Conservation and Development	135,638	-	135,638
	<u>\$ 2,532,180</u>	<u>\$ 884,080</u>	<u>\$ 3,416,260</u>

D. Interfund Receivables, Payables and Transfers

The composition of interfund balances as of December 31, 2014 was as follows:

Due to/from Other Funds

Receivable Fund	Payable Fund	Amount	Purpose
General Fund	Recycling Fund	\$ 11,715	Cash Flow
General Fund	Aging & Disability Resource Center	8,245	Cash Flow
General Fund	Wildlife Damage	5,495	Cash Flow
General Fund	Capital Improvement Program Fund	248,745	Gravel Pits
Highway Internal Service Fund	Capital Improvement Program Fund	1,013,314	2014 Expenses
		<u>\$ 1,287,514</u>	

Advances from/to Other Funds

As of December 31, 2014 the County's capital improvements capital projects fund had advanced the highway department internal service fund \$769,275 for the acquisition of gravel pit sites and additional capital items. The highway department will repay the advance at a rate of approximately \$0.50 per yard of gravel extracted until paid in full.

**WASHBURN COUNTY, WISCONSIN
 NOTES TO BASIC FINANCIAL STATEMENTS
 DECEMBER 31, 2014**

NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)

D. Interfund Receivables, Payables and Transfers (Continued)

Interfund Transfers

<u>Fund Transferred To</u>	<u>Fund Transferred From</u>	<u>Amount</u>
Human Services Fund	Child Support Fund	\$ 58,087
Human Services Fund	General Fund	63,338
Child Support	Human Services Fund	2,900
Debt Service Fund	Capital Improvement Fund	50,000
Unit on Aging	General Fund	16,106
Highway Department (ISF)	General Fund	453
		<u>\$ 190,884</u>

The County Board approved a resolution in 2001 that allows annual transfers from the public health, human services, council on aging, and certain functions in the forestry fund to the general fund at the end of each year based on management discretion. These transfers are subject to any purpose restrictions or commitments.

**WASHBURN COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2014**

NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)

E. Long-Term Obligations

Changes in Long-Term Obligations

Changes in long-term obligations of the County for the year ended December 31, 2014 were as follows:

	Balances 1/1/14	Additions	Reductions	Balances 12/31/14	Amounts Due Within One Year
Long-Term Debt:					
Governmental Activities:					
General Obligation Bonds	\$ 1,930,000	\$ -	\$ 195,000	\$ 1,735,000	\$ 205,000
State Trust Fund Loans	-	805,000	805,000	-	-
Total Long-Term Debt	<u>1,930,000</u>	<u>805,000</u>	<u>1,000,000</u>	<u>1,735,000</u>	<u>205,000</u>
Other Long-Term Obligations:					
(Governmental Activities):					
Governmental Funds:					
Forest Crop Loans Payable	-	74,171	74,171	-	-
Capital Lease Agreement - Grader	-	144,000	22,378	121,622	20,161
Compensated Absences	857,701	83,451	129,298	811,854	175,556
Other Postemployment Benefits Payable	982,079	237,972	48,165	1,171,886	-
Highway Internal Service Fund:					
Capital Lease Agreement - Trucks	-	1,724,320	228,169	1,496,151	171,345
Compensated Absences	300,489	94,870	105,436	289,923	96,593
Other Postemployment Benefits Payable	220,914	50,595	10,835	260,674	-
Total Other Long-Term Liabilities	<u>2,361,183</u>	<u>2,409,379</u>	<u>618,452</u>	<u>4,152,110</u>	<u>463,655</u>
Total Long-Term Liabilities	<u>\$ 4,291,183</u>	<u>\$ 3,214,379</u>	<u>\$ 1,618,452</u>	<u>\$ 5,887,110</u>	<u>\$ 668,655</u>

The County's estimated liability for employee leave is discussed in Note 3.A.

The County's general obligation bonds and forest crop loans are liquidated by the debt service fund and forestry fund, respectively. Compensated absences and other postemployment benefits payable are generally liquidated by the general fund and highway department internal service fund.

**WASHBURN COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2014**

NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)

E. Long-Term Obligations (Continued)

General Obligation Debt

Annual Requirements for Retirement. Long-term debt issues outstanding at December 31, 2014 and annual requirements for their retirement were as follows:

	<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
General Obligation Refunding Bonds, \$3,000,000, issued 1/15/06 due 3/1/22, interest at 4.00%-4.375%	2015	\$ 205,000	\$ 66,363	\$ 271,363
	2016	215,000	57,303	272,303
	2017	225,000	48,100	273,100
	2018	235,000	38,900	273,900
	2019	245,000	29,300	274,300
	2020-2022	<u>610,000</u>	<u>30,600</u>	<u>640,600</u>
Total General Obligation Debt		<u>\$ 1,735,000</u>	<u>\$ 270,566</u>	<u>\$ 2,005,566</u>

On April 22, 2014, Washburn County issued a State Trust Fund Loan in the amount of \$805,000 with an interest rate of 2.5 percent to finance road capital projects.

General Obligation Debt Limitation. Section 67.03 of the Wisconsin Statutes restricts county general obligation debt to 5% of the equalized value of all property in the County. At December 31, 2014, the County's debt limit amounted to \$117,883,135 and indebtedness subject to the limitation totaled \$1,735,000.

Capital Lease Agreements

On May 1, 2014, the County entered into a capital lease agreement for a new grader. The grader is reported in the County's capital asset records at a cost of \$144,000 with accumulated depreciation at December 31, 2014 of \$14,400. The lease agreement is due on December 20, 2017 with an interest rate of 3.15%. The repayment schedule is as follows:

	<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Capital Lease - Grader \$144,000, issued 5/1/2014 due 12/20/2017, interest at 3.15%	2015	\$ 20,161	\$ 3,887	\$ 24,048
	2016	20,806	3,243	24,049
	2017	<u>80,655</u>	<u>3,774</u>	<u>84,429</u>
		<u>\$ 121,622</u>	<u>\$ 10,904</u>	<u>\$ 132,526</u>

**WASHBURN COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2014**

NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)

E. Long-Term Obligations (Continued)

Capital Lease Agreements (Continued)

On August 31, 2014, the County entered into a capital lease agreement for eight new trucks and related snow removal equipment. The trucks and related equipment are reported in the County's capital asset records at a cost of \$1,724,320 with accumulated depreciation at December 31, 2014 of \$68,689. The lease agreement is due on July, 30, 2019 with an interest rate of 3.798%. The repayment schedule is as follows:

	Year	Principal	Interest	Total
Capital Lease - Trucks	2015	\$ 171,345	\$ 56,824	\$ 228,169
\$1,724,320, issued 8/31/2014	2016	177,853	50,316	228,169
due 7/30/2019, interest at 3.798%	2017	184,607	43,561	228,168
	2018	191,618	36,550	228,168
	2019	770,728	29,272	800,000
		<u>\$ 1,496,151</u>	<u>\$ 216,523</u>	<u>\$ 1,712,674</u>

County Forest Loans

Under Section 28.11(8) of the Wisconsin Statutes, counties which have established and maintained a county forest are eligible to receive annual payments from the state as a noninterest bearing loan to be used for the purchase, development, preservation and maintenance of the county forest lands. On timber cut from lands entered as "county forest lands", the county shall pay a severance share of not less than 20% of the actual stumpage sales value of timber. A higher rate of payment may be applied if agreed upon by the state and county. These severance share payments shall be credited against the cumulative payments made by the state to the county. Severance share payments shall not exceed the balance due the state. The county shall also reimburse the state the amount previously paid to the county on any county forest land withdrawn from the program; except that the state may waive all or part of such reimbursement if it finds that the lands are withdrawn for a higher public use or that the amount of such reimbursement is unreasonable when compared to the value of the land.

The County had completely repaid its liability under this program at December 31, 2014.

**WASHBURN COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2014**

NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)

F. Governmental Fund Balances

The governmental fund balances reported on the fund financial statements at December 31, 2014 consisted of the following:

	Total	Nonspendable	Restricted	Committed	Assigned	Unassigned
Major Funds:						
General Fund						
Delinquent Taxes	\$ 1,332,128	\$ 1,332,128	\$ -	\$ -	\$ -	\$ -
Inventories/Prepayments	387,132	387,132	-	-	-	-
Long-Term Note Receivable	80,000	80,000	-	-	-	-
Register of Deeds - Public Access Funds	20,433	-	20,433	-	-	-
Register of Deeds - PEASSN	49,812	-	49,812	-	-	-
Sick Leave Liability	775,000	-	-	-	775,000	-
HSD Youth	250,000	-	-	-	250,000	-
Dam Maintenance	47,040	-	-	-	47,040	-
Memorials-Donations	7,315	-	-	-	7,315	-
Unclaimed Funds	299	-	-	-	299	-
Health Insurance Excess	237,274	-	-	-	237,274	-
Special Projects-Old Hwy Cleanup	10,751	-	-	-	10,751	-
Special Projects-Countywide Training	8,000	-	-	-	8,000	-
Special Projects-Documents Imaging	20,000	-	-	-	20,000	-
IT Capital Equipment Fund	52,622	-	-	-	52,622	-
Admin-ACA/Health Ins Consulting	9,000	-	-	-	9,000	-
Property & Insurance-Deductibles	50,000	-	-	-	50,000	-
Maps & Plats	47,996	-	-	-	47,996	-
County Cars	120,271	-	-	-	120,271	-
Coroner	7,359	-	-	-	7,359	-
Veterans-WW	1,213	-	-	-	1,213	-
Wellness	3,900	-	-	-	3,900	-
Contingency	127,371	-	-	-	127,371	-
Register of Deeds-Surplus	17,153	-	-	-	17,153	-
Unassigned	3,929,881	-	-	-	-	3,929,881
Sub-Total General Fund:	7,591,950	1,799,260	70,245	-	1,792,564	3,929,881
Committed for Human Services Programs	1,263,895	505	-	1,263,390	-	-
Forestry Department Programs	1,220,405	-	371,426	848,979	-	-
Debt Service	82	-	-	-	82	-
Capital Improvements Program Fund:						
Committed for Capital Projects	5,020,582	-	-	5,020,582	-	-
Prepayments	14,940	14,940	-	-	-	-
Advances to Other Funds	769,275	769,275	-	-	-	-
Sub-Total Major Funds:	15,881,129	2,583,980	441,671	7,132,951	1,792,646	3,929,881
Nonmajor Funds:						
Special Revenue Funds:						
Public Health Fund:						
Committed for Health Services Programs	\$ 180,517	\$ -	\$ -	\$ 180,517	\$ -	\$ -
Child Support Fund	52,837	-	-	52,837	-	-
Committed for ADRC Programs:	39,978	-	-	39,978	-	-
Council on Aging Fund:						
Inventories/Prepayments	351	351	-	-	-	-
Committed for Aging Services	197,041	-	-	197,041	-	-
Restricted for CDBG Revolving Loan Program	1,056	-	1,056	-	-	-
Development Fund:						
Impact Fees Restricted for Environmental and Capital Improvements	664,919	-	664,919	-	-	-
Committed for Building Project	671,729	-	-	671,729	-	-
Restricted for Animal Control Program	3,365	-	-	3,365	-	-
County Land Sales Fund						
Committed for Dam Maintenance	408,746	-	-	408,746	-	-
Restricted for Jail Assessments Fee Funded Projects	43,850	-	43,850	-	-	-
Sheriff Special Activity Fund:						
Donor Restrictions for Sheriff Operations	12,002	-	12,002	-	-	-
Committed for Projects in the Sheriff's Department	12,486	-	-	12,486	-	-
Restricted for Environmental and Socioeconomic Impact Fund Projects	1,003,889	-	1,003,889	-	-	-
Restricted for County Trunk D Project	519,873	-	519,873	-	-	-
Solid Waste Projects						
Restricted by Contract Agreements for Solid Waste Improvements	234,190	-	234,190	-	-	-
Sub-Total Nonmajor Funds:	4,046,829	351	2,479,779	1,566,699	-	-
Total Governmental Fund Balances at December 31, 2014	\$ 19,927,958	\$ 2,584,331	\$ 2,921,450	\$ 8,699,650	\$ 1,792,646	\$ 3,929,881

**WASHBURN COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2014**

NOTE 3 OTHER INFORMATION

A. Employee Vacation, Sick Leave and Compensatory Time

Non-Highway Department Employees. Employees earn vacation in varying amounts depending upon length of service. Vacation earned one year is available to the employees the following year. The liability at December 31, 2014 for employees accrued vacation benefits was estimated at \$175,556.

Employees earn one day (7.5 hours) of sick leave per month with a maximum accumulation of 75 days (600 hours). Retiring employees with five to ten years of service are paid one-half of accumulated sick leave while employees with ten or more years of service receive actual accumulation up to the 75 day maximum. The estimated liability for accumulated sick leave at December 31, 2014 was \$636,298.

Highway Department Employees. Vacation and sick leave accrued to highway department employees totaled \$289,923 on December 31, 2014 and are reflected as liabilities in the internal service fund.

B. Employee Retirement Plan

All eligible Washburn County employees participate in the Wisconsin Retirement System (WRS), a cost-sharing multiple-employer defined benefit public employee retirement system (PERS). All employees, initially employed by a participating WRS employer prior to July 1, 2011, expected to work at least 600 hours a year (440 hours for teachers and school district educational support employees) and expected to be employed for at least one year from employee's date of hire are eligible to participate in the WRS. All employees, initially employed by a participating WRS employer on or after July 1, 2011, and expected to work at least 1200 hours a year (880 hours for teachers and school district educational support employees) and expected to be employed for at least one year from employee's date of hire are eligible to participate in the WRS. Note: Employees hired to work nine or ten months per year, (e.g. teachers contracts), but expected to return year after year are considered to have met the one-year requirement.

Prior to June 29, 2011, covered employees in the General/Teacher/Educational Support Personnel category were required by statute to contribute 6.5% of their salary (3.9% for Executives and Elected Officials, 5.8% for Protective Occupations with Social Security, and 4.8% for Protective Occupations without Social Security) to the plan. Employers could make these contributions to the plan on behalf of employees. Employers were required to contribute an actuarially determined amount necessary to fund the remaining projected cost of future benefits.

**WASHBURN COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2014**

NOTE 3 OTHER INFORMATION (CONTINUED)

B. Employee Retirement Plan (Continued)

Effective the first day of the pay period on or after June 29, 2011 the employee required contribution was change to one-half of the actuarially determined contribution rate for General category employees, including Teachers, and Executives and Elected Officials. Required contributions for protective contributions 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 provide for an existing collective bargaining agreement. Contribution rates for 2014 are:

	<u>Employee</u>	<u>Employer</u>	<u>Duty Disability</u>
General	7.00%	7.00%	0.00%
Executives & Elected Officials	7.75%	7.75%	0.00%
Protective with Social Security	7.00%	10.10%	0.21%
Protective without Social Security	7.00%	13.70%	0.21%

The payroll for County employees covered by the WRS for the year ended December 31, 2014 was \$7,830,922 and the employer's total payroll was \$7,830,922. The total required contribution for the year ended December 31, 2014 was \$1,145,291, which consisted of \$600,901, or 7.7% of payroll from the employer and \$544,390, or 7.0% of payroll from employees. Total contributions for the years ending December 31, 2013 and 2012 were \$1,120,809 and \$928,000, respectively, equal to the required contributions for each year.

Employees who retire at or after age 65 (62 for elected officials and 54 for protective occupation employees with less than 25 years of service, 53 for protective occupation employees with more than 25 years of service) are entitled to receive a retirement benefit. Employees may retire at age 55 (50 for protective occupation employees) and receive actuarially reduced benefits. The factors influencing the benefit are: (1) final average earnings, (2) years of creditable service, and (3) a formula factor. A final average earnings is the average of the employees' three highest years' earnings. Employees terminating covered employment and submitting application before becoming eligible for a retirement benefit may withdraw their contributions and, by doing so, forfeit all rights to any subsequent benefit. For employees beginning participation 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 are immediately vested. Participants who initially become WRS eligible on or after July 1, 2011 must have five years of creditable service to be vested.

The WRS also provides death and disability benefits for employees. Eligibility for and the amount of all benefits is determined under Chapter 40 of the State Statutes. The WRS issues an annual financial report which may be obtained by writing to the Department of Employee Trust Funds, P.O. Box 7931, Madison, WI 53707-7931.

**WASHBURN COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2014**

NOTE 3 OTHER INFORMATION (CONTINUED)

C. Other Postemployment Benefit Plan

The County adopted Governmental Accounting Standards Board (GASB) Statement No. 45, Accounting and Financial Reporting by Employers for Postemployment Benefits Other than Pensions. The County engaged an actuary to determine the County's liability for postemployment healthcare benefits other than pensions.

Single-Employer Plan Description

All employees who retire through the Wisconsin Retirement System are eligible to participate in the retiree medical plan if they pay 100% of the retiree premium. Coverage may continue after 65 if the retiree pays 100% of the post-65 premium. The post-65 retiree premium is assumed to be entirely self-sustaining (i.e. not subsidized). As of June 30, 2013, there were approximately 145 active participants and 14 retired participants receiving benefits from the County's health plans.

Funding Policy

The County funds its OPEB obligation on a pay-as-you-go basis. For fiscal year 2014, the County contributed \$59,000 to the plan. This contribution was in the form of an implicit rate subsidy.

Annual OPEB Cost and Net OPEB Obligation

The County's annual other postemployment benefit (OPEB) cost (expense) is calculated based on the annual required contribution (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any un-funded actuarial liabilities over a period not to exceed thirty years. The following table shows the components of the County's annual OPEB cost for the year, the amount actually paid from the plan, and changes in the County's net OPEB obligation.

Annual Required Contribution	\$ 312,065
Interest on Net OPEB Obligation	36,090
Adjustment to Annual Required Contribution	<u>(59,588)</u>
Annual OPEB Cost (Expense)	288,567
Contributions Made	<u>(59,000)</u>
Increase in Net OPEB Obligation	229,567
Net OPEB Obligation- Beginning of Year	1,202,993
Net OPEB Obligation- End of Year	<u><u>\$ 1,432,560</u></u>

**WASHBURN COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2014**

NOTE 3 OTHER INFORMATION (CONTINUED)

C. Other Postemployment Benefit Plan (Continued)

Annual OPEB Cost and Net OPEB Obligation (Continued)

The County's annual OPEB cost, the percentage of the annual OPEB cost contributed to the plan, and the net OPEB obligation for 2014:

Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
12/31/14	\$ 288,567	20.4%	\$ 1,432,560
12/31/13	276,972	18.1	1,202,993
12/31/12	284,649	33.4	976,021

Funded Status and Funding Progress

As of June 30, 2013, the most recent actuarial valuation date, the County's unfunded actuarial accrued liability (UAAL) was \$2,158,458. The annual payroll for active employees covered by the plan in the actuarial valuation for fiscal year 2013 was \$7,789,959 for a ratio of the UAAL to covered payroll of 27.7%.

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and healthcare cost trends. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Actuarial Methods and Assumptions

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

**WASHBURN COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2014**

NOTE 3 OTHER INFORMATION (CONTINUED)

C. Other Postemployment Benefit Plan (Continued)

Actuarial Methods and Assumptions (Continued)

In the June 30, 2013, actuarial valuation, the projected unit credit actuarial cost method was used. The actuarial assumptions included a 3% interest discount rate of return, which is a blended rate of the expected long-term investment returns on plan assets and on the employer's own investments calculated based on the funded level of the plan at the valuation date. The initial healthcare trend rate was 6.4%, reduced by decrements to an ultimate rate of 4.4% by the year 2083. The UAAL is being amortized as a level percentage of projected payrolls on an open basis. The remaining amortization period is less than 30 years.

D. Other Organizations

County officials appoint some or all of the governing board members of the following organizations which are not considered to be component units.

Joint Venture

Waste Management Group. Washburn County and Burnett County have jointly established the Waste Management Group to construct, operate and maintain solid waste management facilities under Wisconsin Statutes 66.30. Each member county appoints five members of the board of directors. The operating and capital budgets are funded by user charges with shortfalls funded by the participating members. The County's transactions relating to the Waste Management Group are reported in the recycling special revenue fund. Financial statements of the Waste Management Group can be obtained from its offices at 1400 South River Street, Spooner, Wisconsin.

Jointly Governed Organization

Northwest Regional Planning Commission. The County, in conjunction with Ashland, Bayfield, Burnett, Douglas, Iron, Price, Rusk, Sawyer and Taylor counties, and major cities within these counties, has created the Northwest Regional Planning Commission (NWRPC). NWRPC's governing body is comprised of two members from each of the ten counties and a representative from each major city. The County's representatives are appointed by the county board chairperson and approved by the county board.

Other

Washburn County Housing Authority. The County is responsible for the appointment of the board members of Washburn County Housing Authority (Housing Authority). The County, however, cannot, without cause, remove appointed members prior to completion of their five-year term. The County receives no funding from, nor provides any funding to, the Housing Authority. The County is not considered to be financially accountable for the Housing Authority and, accordingly, the Housing Authority is not considered to be a component unit of the County.

**WASHBURN COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2014**

NOTE 3 OTHER INFORMATION (CONTINUED)

E. Risk Management

The County is exposed to various risks of loss related to torts; thefts of, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The County maintains commercial insurance coverage to cover each of those risks of loss. Management believes such coverage is sufficient to preclude any significant uninsured losses to the County. Settled claims have not exceeded this commercial coverage in any of the last three years.

F. Contingencies

State and Federal Grant Programs

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

NOTE 4 STEWARDSHIP AND ACCOUNTABILITY

The County's annual operating budget is adopted in accordance with Chapter 65 of the Wisconsin Statutes and on a basis consistent with generally accepted accounting principles. Changes to appropriations authorized in the adopted budget generally require a vote of two-thirds of the entire membership of the governing body. The County's legal budget is adopted at the major function level in the general fund (i.e., general government) and at the fund level in all other funds. The County exercises budgetary expenditure control at the department level. While total general fund expenditures were less than total budgeted expenditures for fiscal year 2014, the line item health and human services exceeded the final budget in the total amount of \$1,334. The forestry fund expenditures were more than budgeted expenditures in the culture, recreation and education and debt service categories by \$211,693. These overages were determined necessary and authorized by management.

REQUIRED SUPPLEMENTARY INFORMATION

**WASHBURN COUNTY, WISCONSIN
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
YEAR ENDED DECEMBER 31, 2014**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES:				
Taxes	\$ 8,963,583	\$ 8,963,583	\$ 9,103,108	\$ 139,525
Intergovernmental	1,492,914	1,509,267	1,469,376	(39,891)
Licenses and Permits	147,795	147,795	151,262	3,467
Fines, Forfeits and Penalties	87,227	87,227	95,584	8,357
Public Charges for Services	365,826	365,826	369,329	3,503
Intergovernmental Charges for Services	10,000	10,000	12,343	2,343
Miscellaneous	203,319	203,319	204,975	1,656
Total Revenues	<u>11,270,664</u>	<u>11,287,017</u>	<u>11,405,977</u>	<u>118,960</u>
EXPENDITURES:				
General Government	4,332,973	4,370,757	3,872,371	498,386
Public Safety	3,474,175	3,493,922	3,448,643	45,279
Public Works	2,359,084	2,359,084	2,343,471	15,613
Health and Human Services	209,784	209,784	211,118	(1,334)
Culture, Recreation and Education	485,908	485,908	484,470	1,438
Conservation and Development	692,706	721,064	639,161	81,903
Total Expenditures	<u>11,554,630</u>	<u>11,640,519</u>	<u>10,999,234</u>	<u>641,285</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(283,966)	(353,502)	406,743	760,245
OTHER FINANCING SOURCES (USES):				
Transfers In	75,000	126,036	-	(126,036)
Transfers Out	(5,142)	(1,150)	(82,797)	(81,647)
Total Other Financing Sources (Uses)	<u>69,858</u>	<u>124,886</u>	<u>(82,797)</u>	<u>(207,683)</u>
NET CHANGE IN FUND BALANCE	(214,108)	(228,616)	323,946	552,562
Fund Balance, January 1	<u>7,268,004</u>	<u>7,268,004</u>	<u>7,268,004</u>	<u>-</u>
FUND BALANCE, DECEMBER 31	<u>\$ 7,053,896</u>	<u>\$ 7,039,388</u>	<u>\$ 7,591,950</u>	<u>\$ 552,562</u>

See Notes to Required Supplementary Information.

SCHEDULE 2

WASHBURN COUNTY, WISCONSIN
 BUDGETARY COMPARISON SCHEDULE
 HUMAN SERVICES FUND
 YEAR ENDED DECEMBER 31, 2014

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES:				
Taxes	\$ 1,161,338	\$ 1,161,338	\$ 1,161,338	\$ -
Intergovernmental	1,922,797	1,922,797	1,856,313	(66,484)
Fines, Forfeits and Penalties	20,083	20,083	14,022	-
Public Charges for Services	308,337	308,337	347,989	39,652
Miscellaneous	39,141	39,141	39,384	243
Total Revenues	<u>3,451,696</u>	<u>3,451,696</u>	<u>3,419,046</u>	<u>(26,589)</u>
EXPENDITURES:				
Health and Human Services	<u>3,451,696</u>	<u>3,515,034</u>	<u>3,401,575</u>	<u>113,459</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	(63,338)	17,471	86,870
OTHER FINANCING SOURCES (USES):				
Transfers In	<u>-</u>	<u>63,338</u>	<u>121,425</u>	<u>58,087</u>
NET CHANGE IN FUND BALANCE	-	-	138,896	144,957
Fund Balance, January 1	<u>1,124,999</u>	<u>1,124,999</u>	<u>1,124,999</u>	<u>-</u>
FUND BALANCE, DECEMBER 31	<u>\$ 1,124,999</u>	<u>\$ 1,124,999</u>	<u>\$ 1,263,895</u>	<u>\$ 144,957</u>

See Notes to Required Supplementary Information.

SCHEDULE 3

WASHBURN COUNTY, WISCONSIN
 BUDGETARY COMPARISON SCHEDULE
 FORESTRY FUND
 YEAR ENDED DECEMBER 31, 2014

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES:				
Intergovernmental	\$ 266,486	\$ 282,121	\$ 313,131	\$ 31,010
Public Charges for Services	1,606,600	1,606,600	1,572,606	(33,994)
Other Revenues	-	-	39,217	39,217
Total Revenues	<u>1,873,086</u>	<u>1,888,721</u>	<u>1,924,954</u>	<u>36,233</u>
EXPENDITURES:				
Culture, Recreation and Education	1,072,295	1,100,430	1,212,701	(112,271)
Debt Service				
Principal	-	-	96,549	(96,549)
Interest	-	-	2,873	(2,873)
Total Expenditures	<u>1,072,295</u>	<u>1,100,430</u>	<u>1,312,123</u>	<u>(211,693)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	800,791	788,291	612,831	(175,460)
OTHER FINANCING SOURCES (USES):				
Proceeds of Long-Term Debt	98,151	98,151	74,171	(23,980)
Capital Lease Proceeds	-	-	144,000	144,000
Sale of Capital Assets	-	-	9,403	9,403
Transfers In	11,840	11,840	-	(11,840)
Transfers Out	(966,997)	(966,997)	-	966,997
Total Other Financing Sources (Uses)	<u>(857,006)</u>	<u>(857,006)</u>	<u>227,574</u>	<u>1,084,580</u>
NET CHANGE IN FUND BALANCE	(56,215)	(68,715)	840,405	909,120
Fund Balance, January 1	<u>380,000</u>	<u>380,000</u>	<u>380,000</u>	<u>-</u>
FUND BALANCE, DECEMBER 31	<u>\$ 323,785</u>	<u>\$ 311,285</u>	<u>\$ 1,220,405</u>	<u>\$ 909,120</u>

See Notes to Required Supplementary Information.

WASHBURN COUNTY, WISCONSIN
SCHEDULE OF FUNDING PROGRESS

Funding Progress

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
6/30/2013	\$ -	\$ 2,158,458	\$ 2,158,458	- %	\$7,789,959	27.7 %
6/30/2010	-	2,244,230	2,244,230	-	7,287,729	30.8
6/30/2009	-	2,140,822	2,140,822	-	7,294,327	29.3

**WASHBURN COUNTY, WISCONSIN
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
DECEMBER 31, 2014**

BUDGETARY INFORMATION

GASB 34 requires the presentation of budgetary comparison schedules for the general fund and for each major special revenue fund. Budgetary information for the general fund, human services fund, and the forestry fund is derived from the County's annual operating budget.

The County's annual operating budget is adopted in accordance with Chapter 65 of the Wisconsin Statutes and on a basis consistent with generally accepted accounting principles. Changes to appropriations authorized in the adopted budget generally require a vote of two-thirds of the entire membership of the governing body. The County's legal budget is adopted at the major function level in the general fund (i.e., general government) and at the fund level in all other funds. The County exercises budgetary expenditure control at the department level.

Budget amounts in the financial statements include both the original adopted budget and the final budget. Changes to the budget during the year, if any, generally include amendments authorized by the governing body, additions of approved carryover amounts and appropriations of revenues and other sources for specified expenditures/uses. Appropriated budget amounts in the general fund lapse at the end of the year unless specifically carried over for financing subsequent year expenditures.

SUPPLEMENTARY INFORMATION

COMBINING AND INDIVIDUAL FUND STATEMENTS

**WASHBURN COUNTY, WISCONSIN
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
DECEMBER 31, 2014**

	Special Revenue Funds							Animal Control
	Public Health	Child Support	Aging & Disability Resource Center	Council on Aging	CDBG Grant Fund	Wildlife Damage	Development Fund	
ASSETS								
Treasurer's Cash and Investments	\$ 209,497	\$ 9,962	\$ -	\$ 211,207	\$ 1,056	\$ -	\$ 1,336,648	\$ 4,019
Taxes Receivable	319,282	18,502	-	295,832	-	-	-	20,300
Accounts Receivable	8,473	-	5	8,634	-	-	-	155
Due from Other Governmental Units	-	52,162	62,539	21,253	-	14,483	-	-
Loans Receivable	-	-	-	-	922,176	-	-	-
Prepaid Expenses	-	-	-	351	-	-	-	-
Total Assets	\$ 537,252	\$ 80,626	\$ 62,544	\$ 537,277	\$ 923,232	\$ 14,483	\$ 1,336,648	\$ 24,474
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES								
Liabilities:								
Vouchers Payable	\$ 490	\$ 1,948	\$ 424	\$ 24,210	\$ -	\$ 4,179	\$ -	\$ 122
Accrued Liabilities	36,921	7,339	13,897	19,843	-	-	-	-
Due to Other Governmental Units	42	-	-	-	-	4,809	-	687
Due to Other Funds	-	-	8,245	-	-	5,495	-	-
Total Liabilities	37,453	9,287	22,566	44,053	-	14,483	-	809
Deferred Inflows of Resources:								
Succeeding Year's Property Taxes	319,282	18,502	-	295,832	-	-	-	20,300
Loans Receivable	-	-	-	-	922,176	-	-	-
Total Deferred Inflows of Resources	319,282	18,502	-	295,832	922,176	-	-	20,300
Fund Balances:								
Nonspendable	-	-	-	351	-	-	-	-
Restricted	-	-	-	-	1,056	-	664,919	-
Committed	180,517	52,837	39,978	197,041	-	-	671,729	3,365
Total Fund Balances	180,517	52,837	39,978	197,392	1,056	-	1,336,648	3,365
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 537,252	\$ 80,626	\$ 62,544	\$ 537,277	\$ 923,232	\$ 14,483	\$ 1,336,648	\$ 24,474

**WASHBURN COUNTY, WISCONSIN
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET (CONTINUED)
DECEMBER 31, 2014**

	Special Revenue Funds (Continued)						Totals	
	County Land Sales	Jail Assessment Fees	Sheriff Special Activity	Environmental & Socioeconomic Impact	County Trunk D	Recycling Fund		Solid Waste Fund
ASSETS								
Treasurer's Cash and Investments	\$ 414,766	\$ 42,871	\$ 27,779	\$ 1,003,889	\$ 519,873	\$ -	\$ 212,940	\$ 3,994,507
Taxes Receivable	-	-	-	-	-	-	-	653,916
Accounts Receivable	-	1,017	1,376	16,064	-	14,814	21,250	71,788
Due from Other Governmental Units	-	-	-	-	-	-	-	150,437
Loans Receivable	-	-	-	-	-	-	-	922,176
Prepaid Expenses	-	-	-	-	-	-	-	351
Total Assets	\$ 414,766	\$ 43,888	\$ 29,155	\$ 1,019,953	\$ 519,873	\$ 14,814	\$ 234,190	\$ 5,793,175
LIABILITIES AND FUND BALANCES								
Liabilities:								
Vouchers Payable	\$ 6,020	\$ 38	4,667	\$ 16,064	\$ -	\$ 3,099	\$ -	\$ 61,261
Accrued Liabilities	-	-	-	-	-	-	-	78,000
Due to Other Governmental Units	-	-	-	-	-	-	-	5,538
Due to Other Funds	-	-	-	-	-	11,715	-	25,455
Total Liabilities	6,020	38	4,667	16,064	-	14,814	-	170,254
Deferred Inflows of Resources:								
Succeeding Year's Property Taxes	-	-	-	-	-	-	-	653,916
Loans Receivable	-	-	-	-	-	-	-	922,176
Total Deferred Inflows of Resources	-	-	-	-	-	-	-	1,576,092
Fund Balances:								
Nonspendable	-	-	-	-	-	-	-	351
Restricted	-	43,850	12,002	1,003,889	519,873	-	234,190	2,479,779
Committed	408,746	-	12,486	-	-	-	-	1,566,699
Total Fund Balances	408,746	43,850	24,488	1,003,889	519,873	-	234,190	4,046,829
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 414,766	\$ 43,888	\$ 29,155	\$ 1,019,953	\$ 519,873	\$ 14,814	\$ 234,190	\$ 5,793,175

**WASHBURN COUNTY, WISCONSIN
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
YEAR ENDED DECEMBER 31, 2014**

	Special Revenue Funds							
	Public Health	Child Support	Aging & Disability Resource Center	Council on Aging	CDBG Grant Fund	Wildlife Damage	Development Fund	
REVENUES:								
Taxes	\$ 361,239	\$ 12,926	\$ -	\$ 280,952	\$ -	\$ -	\$ -	\$ 17,800
Intergovernmental	198,119	230,517	144,022	224,922	-	14,483	-	-
Licenses and Permits	-	-	-	-	-	-	11,225	21,428
Fines, Forfeits and Penalties	-	-	-	-	-	-	-	-
Public Charges for Services	78,063	1,816	76,092	99,321	-	-	-	-
Miscellaneous:								
Interest	-	-	-	2	21	-	-	-
Loan Repayments	-	-	-	-	23,095	-	-	-
Sale of County Property	-	-	-	-	-	-	-	-
Donations	21,649	190	290	30,074	-	-	-	-
Other	4	-	-	44,407	-	-	-	2,736
Total Revenues	659,074	245,449	220,404	679,678	23,116	14,483	11,225	41,964
EXPENDITURES:								
Public Safety	-	-	-	-	-	-	-	-
Health and Human Services	583,876	186,326	216,938	675,590	-	-	-	40,510
Culture, Recreation and Education	-	-	-	-	-	14,483	-	-
Conservation and Development	-	-	-	-	63,755	-	-	-
Total Expenditures	583,876	186,326	216,938	675,590	63,755	14,483	-	40,510
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	75,198	59,123	3,466	4,088	(40,639)	-	11,225	1,454
OTHER FINANCING SOURCES (USES):								
Transfers In	-	2,900	-	16,106	-	-	-	-
Transfers Out	-	(58,087)	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	(55,187)	-	16,106	-	-	-	-
NET CHANGE IN FUND BALANCES	75,198	3,936	3,466	20,194	(40,639)	-	11,225	1,454
Fund Balances, January 1	105,319	48,901	36,512	177,198	41,695	-	1,325,423	1,911
FUND BALANCES, DECEMBER 31	\$ 180,517	\$ 52,837	\$ 39,978	\$ 197,392	\$ 1,056	\$ -	\$ 1,336,648	\$ 3,365

**WASHBURN COUNTY, WISCONSIN
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES (CONTINUED)
YEAR ENDED DECEMBER 31, 2014**

	Special Revenue Funds (Continued)							Totals
	County Land Sales	Jail Assessment Fees	Sheriff Special Activity	Environmental & Socioeconomic Impact	County Trunk D	Recycling Fund	Solid Waste Fund	
REVENUES:								
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 672,917
Intergovernmental	-	-	-	-	-	83,381	-	895,444
Licenses and Permits	-	-	-	-	-	-	-	32,653
Fines, Forfeits and Penalties	-	16,395	-	-	-	-	-	16,395
Public Charges for Services	21,789	-	-	-	-	-	-	277,081
Miscellaneous:								
Interest	-	-	-	1,848	1,062	-	660	3,593
Loan Repayments	-	-	-	-	-	-	-	23,095
Sale of County Property	94,197	-	-	-	-	-	-	94,197
Donations	-	-	13,757	-	-	-	-	65,960
Other	-	-	-	58,953	-	16,847	85,000	207,947
Total Revenues	115,986	16,395	13,757	60,801	1,062	100,228	85,660	2,289,282
EXPENDITURES:								
Public Safety	-	2,691	12,177	-	-	-	-	14,868
Health and Human Services	-	-	-	-	-	-	-	1,703,240
Culture, Recreation and Education	-	-	-	-	-	-	-	14,483
Conservation and Development	44,560	-	-	58,953	-	100,228	23,470	290,966
Total Expenditures	44,560	2,691	12,177	58,953	-	100,228	23,470	2,023,557
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	71,426	13,704	1,580	1,848	1,062	-	62,190	265,725
OTHER FINANCING SOURCES (USES):								
Transfers In	-	-	-	-	-	-	-	19,006
Transfers Out	-	-	-	-	-	-	-	(58,087)
Total Other Financing Sources (Uses)	-	-	-	-	-	-	-	(39,081)
NET CHANGE IN FUND BALANCES	71,426	13,704	1,580	1,848	1,062	-	62,190	226,644
Fund Balances, January 1	337,320	30,146	22,908	1,002,041	518,811	-	172,000	3,820,185
FUND BALANCES, DECEMBER 31	\$ 408,746	\$ 43,850	\$ 24,488	\$ 1,003,889	\$ 519,873	\$ -	\$ 234,190	\$ 4,046,829

**WASHBURN COUNTY, WISCONSIN
GENERAL FUND
DETAILED BALANCE SHEET
DECEMBER 31, 2014
(WITH COMPARATIVE AMOUNTS FOR DECEMBER 31, 2013)**

	2014	2013
ASSETS		
Treasurer's Cash and Investments	\$ 5,818,308	\$ 5,895,011
Current Taxes Receivable	7,726,951	7,618,420
Tax Certificates	1,332,128	1,318,547
Accounts Receivable	104,143	203,732
Due from Other Governments	263,103	202,708
Due from Other Funds	274,200	275,355
Inventory	11,177	10,518
Prepaid Items:		
Prepaid Expenses	12,281	12,648
Prepaid Insurance	363,674	45,471
Long-Term Note Receivable	80,000	85,000
	\$ 15,985,965	\$ 15,667,410
 LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE		
Liabilities:		
Vouchers and Accounts Payable	\$ 157,465	\$ 179,680
Payroll Deductions	246,764	392,901
Accrued Liabilities	159,057	114,518
Due to Other Governments	67,520	61,647
Due to Other Funds	-	22,450
Unearned Revenue	36,258	12,097
Total Liabilities	667,064	783,293
 Deferred Inflows of Resources:		
Succeeding Year's Property Taxes	7,726,951	7,616,113
 Fund Balance:		
Nonspendable	1,799,260	1,472,184
Restricted	70,245	70,245
Assigned	1,792,564	1,397,788
Unassigned	3,929,881	4,327,787
Total Fund Balance	7,591,950	7,268,004
 Total Liabilities, Deferred Inflows of Resources and Fund Balance	 \$ 15,985,965	 \$ 15,667,410

**WASHBURN COUNTY, WISCONSIN
GENERAL FUND
DETAILED STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2014
(WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED DECEMBER 31, 2013)**

	2014		Variance With Final Budget Positive (Negative)	2013 Actual
	Final Budget	Actual		
REVENUES:				
Taxes:				
Property:				
General Property Taxes	\$ 7,616,113	\$ 7,616,113	\$ -	\$ 7,558,817
Forest Cropland Taxes From Districts	9,350	19,487	10,137	11,634
Sales and Use:				
County Sales Tax	1,000,000	1,160,527	160,527	1,055,141
Retained Sales Tax Applied	120	70	(50)	123
Real Estate Transfer Fees	40,000	49,764	9,764	46,846
Interest and Penalties on Taxes	298,000	257,147	(40,853)	304,375
Total Taxes	<u>8,963,583</u>	<u>9,103,108</u>	<u>139,525</u>	<u>8,976,936</u>
Intergovernmental:				
Federal Grants:				
Homeland Security Equipment Grant	50,288	-	(50,288)	37,258
Aid in Lieu of Taxes	10,000	11,143	1,143	10,410
Emergency Government	11,665	49,965	38,300	6,786
Federal Aids Secondary	8,037	8,037	-	80,741
Jail Literacy Grant	6,750	13,563	6,813	1,000
State Shared Taxes:				
Shared Revenue	140,004	140,770	766	141,169
Tax Exempt Computer Aids	1,850	16,427	14,577	8,945
State Grants:				
Aid for Courts	52,275	52,275	-	52,275
Victim/Witness Program	31,500	35,855	4,355	32,839
Septic Systems	25,000	9,860	(15,140)	8,382
Veterans Service Officer	15,000	14,681	(319)	15,069
Probation and Parole	20,000	7,826	(12,174)	15,862
Guardian Ad Litem	15,437	17,305	1,868	15,437
Snowmobile and ATV Enforcement	4,000	4,380	380	4,339
Farm Land Preservation Grant	15,500	-	(15,500)	-
County Trunk Highways	857,426	857,426	-	878,039

**WASHBURN COUNTY, WISCONSIN
GENERAL FUND
DETAILED STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL (CONTINUED)
YEAR ENDED DECEMBER 31, 2014
(WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED DECEMBER 31, 2013)**

	2014		Variance With Final Budget Positive (Negative)	2013 Actual
	Final Budget	Actual		
REVENUES: (CONTINUED)				
Intergovernmental: (Continued)				
State Grants: (Continued)				
Soil and Water Resource Management	\$ 163,435	\$ 135,498	\$ (27,937)	\$ 165,110
Law Enforcement Training	11,600	5,939	(5,661)	8,648
Land Information Board Grants	1,000	7,593	6,593	23,019
Forest Crop/Managed Forest Aides	27,500	27,326	(174)	27,642
Severance and Withdrawal Taxes	14,000	24,485	10,485	15,602
Payment in Lieu of Taxes	27,000	29,022	2,022	27,440
Total Intergovernmental	<u>1,509,267</u>	<u>1,469,376</u>	<u>(39,891)</u>	<u>1,576,012</u>
Licenses and Permits:				
Licenses:				
Conservation License Fees	250	201	(49)	181
Marriage License Revenue	5,000	5,390	390	4,865
Permits:				
Zoning Fees	142,545	145,671	3,126	128,409
Total Licenses and Permits	<u>147,795</u>	<u>151,262</u>	<u>3,467</u>	<u>133,455</u>
Fines, Forfeits and Penalties:				
Law and Ordinance Violations:				
County Share of Fines and Forfeitures	87,227	95,584	8,357	115,235
Public Charges for Services:				
General Government:				
Treasurer's Fees	100	79	(21)	229
Register of Deeds Fees	134,903	127,446	(7,457)	136,450
Land Modernization Fees	33,000	25,634	(7,366)	30,438
Surveyor Fees	1,700	-	(1,700)	594
Court Fees and Costs	24,500	28,646	4,146	38,210
Register in Probate Fees	7,000	5,421	(1,579)	12,601
Assessment of Property Fees	1,000	807	(193)	1,460
Land Records	1,500	695	(805)	651

WASHBURN COUNTY, WISCONSIN
GENERAL FUND
DETAILED STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL (CONTINUED)
YEAR ENDED DECEMBER 31, 2014
(WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED DECEMBER 31, 2013)

	2014		Variance With Final Budget Positive (Negative)	2013 Actual
	Final Budget	Actual		
REVENUES: (CONTINUED)				
Public Charges for Services: (Continued)				
General Government: (Continued)				
Family Counseling Fees	\$ 1,500	\$ 1,380	\$ (120)	\$ 1,750
Guardian Ad Litem Reimbursement	40,000	55,153	15,153	63,800
District Attorney Fees	1,200	1,562	362	1,621
Coroner	12,150	11,150	(1,000)	12,400
Public Safety:				
Sheriff Fees	30,000	30,774	774	34,830
Inmate Phone	6,000	3,532	(2,468)	5,839
Electric Monitor Revenue	14,500	12,667	(1,833)	12,244
Board of Prisoners - Huber Law	7,000	2,561	(4,439)	7,580
Drug Enforcement	1,000	-	(1,000)	-
County Numbering System	8,000	3,060	(4,940)	3,600
Patrolling County Fair	1,000	-	(1,000)	-
Prisoner Medical Reimbursements	10,000	14,205	4,205	10,263
Health and Human Services:				
Veteran Service Fees	16,000	26,645	10,645	21,290
Culture, Recreation and Education:				
UWEX Extension Fees	3,000	1,534	(1,466)	1,749
Conservation and Development:				
Soil and Water Revenue	10,773	16,378	5,605	12,696
Total Public Charges for Services	<u>365,826</u>	<u>369,329</u>	<u>3,503</u>	<u>410,295</u>
Intergovernmental Charges for Services:				
Smart Growth Planning	10,000	12,343	2,343	6,210

WASHBURN COUNTY, WISCONSIN
GENERAL FUND
DETAILED STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL (CONTINUED)
YEAR ENDED DECEMBER 31, 2014
(WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED DECEMBER 31, 2013)

	2014		Variance With Final Budget Positive (Negative)	2013 Actual
	Final Budget	Actual		
REVENUES: (CONTINUED)				
Miscellaneous				
Interest:				
Temporary Investments	\$ 90,180	\$ 81,577	\$ (8,603)	\$ 74,239
Rent:				
Buildings	12,204	13,699	1,495	11,402
County Dam Site	5,000	12,799	7,799	-
Property Sales:				
Sale of General Capital Assets	-	-	-	13,175
Sale of Sheriff Department Cars	25,000	20,704	(4,296)	8,829
Sale of Maps and Plats	7,800	3,669	(4,131)	6,376
Sale of CSM's	2,800	3,460	660	3,223
Other:				
County Cars Revenue	29,871	23,734	(6,137)	30,160
Insurance Recoveries	-	-	-	79
Refund of Prior Year Expenditures	-	17,978	17,978	-
Donations	5,414	1,130	(4,284)	2,050
Disposal Fee Payment	-	-	-	19,392
Miscellaneous	25,050	26,225	1,175	6,533
Total Miscellaneous Revenues	<u>203,319</u>	<u>204,975</u>	<u>1,656</u>	<u>175,458</u>
Total Revenues	11,287,017	11,405,977	118,960	11,393,601
EXPENDITURES:				
General Government:				
Legislative:				
Board	82,250	78,918	3,332	64,646
Judicial:				
Judge	92,000	141,142	(49,142)	142,893
Juvenile Court				
Clerk of Courts	298,289	261,162	37,127	285,133
Register in Probate	70,376	67,199	3,177	71,879
Family Court Commissioner	29,537	30,147	(610)	28,158
Coroner	27,146	23,366	3,780	36,405
Legal:				
District Attorney	125,569	136,396	(10,827)	113,509
Family Counseling	3,500	2,707	793	3,905
Criminal Justice Coordinator	94,387	86,688	7,699	71,256
Corporation Counsel	152,221	151,908	313	146,948
Victim/Witness Coordinator	66,867	66,507	360	62,893

WASHBURN COUNTY, WISCONSIN
GENERAL FUND
DETAILED STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL (CONTINUED)
YEAR ENDED DECEMBER 31, 2014
(WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED DECEMBER 31, 2013)

	2014		Variance With Final Budget Positive (Negative)	2013 Actual
	Final Budget	Actual		
EXPENDITURES: (CONTINUED)				
General Government: (Continued)				
General Administration:				
Clerk	\$ 114,349	\$ 110,365	\$ 3,984	\$ 107,295
Administration	259,234	262,725	(3,491)	246,463
Contracted Services	31,749	3,155	28,594	1,020
Elections	34,300	28,779	5,521	14,098
Information Technology	627,269	623,036	4,233	610,822
Information Technology Capital Equipment	89,345	23,906	65,439	139,554
Central Postage	34,750	29,469	5,281	24,397
Financial Administration:				
Accounting and Auditing	225,168	214,564	10,604	207,619
Treasurer	225,240	193,343	31,897	218,841
Assessment of Property	7,180	3,065	4,115	3,255
Purchasing	161,211	156,420	4,791	117,130
General Building and Plant:				
Annex - Spooner	47,434	52,615	(5,181)	41,173
Annex - Shell Lake	77,050	91,901	(14,851)	96,219
Annex - City of Spooner	44,734	40,181	4,553	36,711
Courthouse	319,719	314,410	5,309	325,864
Building Repair	23,395	24,366	(971)	15,579
Wayside	44,093	38,382	5,711	38,833
Memorials	2,500	-	2,500	2,315
Property Records and Control:				
Register of Deeds	179,421	148,231	31,190	148,671
Surveyor	327,085	330,907	(3,822)	321,423
Land Record's Office	72,388	67,859	4,529	69,200
Maps and Plats	10,000	-	10,000	-
Other General Government:				
County Owned Cars Expense	29,871	8,819	21,052	8,919
Property and Liability Insurance	95,781	59,733	36,048	59,397
Contingency:				
Other	245,349	-	245,349	-
Total General Government	<u>4,370,757</u>	<u>3,872,371</u>	<u>498,386</u>	<u>3,882,423</u>

**WASHBURN COUNTY, WISCONSIN
GENERAL FUND
DETAILED STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL (CONTINUED)
YEAR ENDED DECEMBER 31, 2014
(WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED DECEMBER 31, 2013)**

	2014		Variance With Final Budget Positive (Negative)	2013 Actual
	Final Budget	Actual		
EXPENDITURES: (CONTINUED)				
Public Safety:				
Sheriff	\$ 1,835,813	\$ 1,778,148	\$ 57,665	\$ 1,803,754
Fire Suppression	100	-	100	2,736
Jail Expenses	1,548,444	1,574,765	(26,321)	1,596,568
Highway Safety	1,000	-	1,000	-
County Numbering System	7,700	2,385	5,315	3,088
Emergency Government	95,969	89,635	6,334	78,283
Emergency Communications	4,896	3,710	1,186	5,046
Total Public Safety	<u>3,493,922</u>	<u>3,448,643</u>	<u>45,279</u>	<u>3,489,475</u>
Public Works:				
Transportation Facilities:				
Appropriations to Highway Department [1]	2,327,884	2,327,884	-	2,387,438
Other Transportation:				
Transit Commission	500	27	473	359
Airport	5,700	5,700	-	5,700
Total Transportation Facilities	<u>2,334,084</u>	<u>2,333,611</u>	<u>473</u>	<u>2,393,497</u>
Sanitation:				
Wisconsin Fund Grant	25,000	9,860	15,140	8,382
Total Public Works	<u>2,359,084</u>	<u>2,343,471</u>	<u>15,613</u>	<u>2,401,879</u>
Health and Human Services:				
Health:				
Wellness Program	9,900	11,152	(1,252)	5,791
Human Services:				
AODA Program	7,560	7,500	60	7,500
Veterans:				
Veterans Service	144,865	147,156	(2,291)	139,104
Veterans Commission	36,209	36,205	4	34,231
Deceased Veterans Affairs	11,250	9,105	2,145	9,665
Total Health and Human Services	<u>209,784</u>	<u>211,118</u>	<u>(1,334)</u>	<u>196,291</u>

[1] See Schedule C-4

**WASHBURN COUNTY, WISCONSIN
GENERAL FUND
DETAILED STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL (CONTINUED)
YEAR ENDED DECEMBER 31, 2014
(WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED DECEMBER 31, 2013)**

	2014		Variance With Final Budget Positive (Negative)	2013 Actual
	Final Budget	Actual		
EXPENDITURES: (CONTINUED)				
Culture, Recreation and Education:				
Culture:				
Library	\$ 231,757	\$ 231,726	\$ 31	\$ 232,794
Historical Society	13,200	18,200	(5,000)	17,200
Recreation:				
Fairs	43,540	43,540	-	43,760
Education:				
University Extension	197,411	191,004	6,407	179,040
Total Culture, Recreation and Education	<u>485,908</u>	<u>484,470</u>	<u>1,438</u>	<u>472,794</u>
Conservation and Development:				
Resource Conservation:				
Dam Maintenance	52,040	13,233	38,807	36,089
Soil and Water Conservation	215,069	189,515	25,554	207,295
Aquatic Invasive Species	19,545	16,740	2,805	17,076
Farm Land Preservation Grant	15,500	-	15,500	-
Power Line Related Expenditures	300	-	300	-
Planning:				
Regional Planning Commission	23,867	23,867	-	23,867
Zoning:				
Zoning	217,222	220,502	(3,280)	186,674
Economic Development:				
Economic Development Corporation and Tourism	172,046	172,046	-	172,046
ITBEC Contribution	3,000	3,000	-	3,000
Community Action Programs	2,475	258	2,217	1,584
Total Conservation and Development	<u>721,064</u>	<u>639,161</u>	<u>81,903</u>	<u>647,631</u>
Total Expenditures	<u>11,640,519</u>	<u>10,999,234</u>	<u>641,285</u>	<u>11,090,493</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(353,502)	406,743	760,245	303,108

**WASHBURN COUNTY, WISCONSIN
GENERAL FUND
DETAILED STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL (CONTINUED)
YEAR ENDED DECEMBER 31, 2014
(WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED DECEMBER 31, 2013)**

	2014		Variance With Final Budget Positive (Negative)	2013 Actual
	Final Budget	Actual		
OTHER FINANCING SOURCES (USES):				
Transfers In:				
Forestry Fund	\$ 126,036	\$ -	\$ (126,036)	\$ -
Solid Waste Fund	-	-	-	26,027
Highway Department Internal Service Fund	-	-	-	25,000
Total Transfers In	<u>126,036</u>	<u>-</u>	<u>(126,036)</u>	<u>51,027</u>
Transfers Out:				
Human Services Fund	(1,150)	(63,338)	(62,188)	-
Child Support Fund	-	(2,900)	(2,900)	-
Council on Aging Fund	-	(16,106)	(16,106)	(3,650)
Highway Department Fund	-	(453)	(453)	(8,161)
Public Health Fund	-	-	-	(6,616)
Human Services Fund	-	-	-	(17,942)
Capital Improvement Fund	-	-	-	(1,011,443)
Total Transfers Out	<u>(1,150)</u>	<u>(82,797)</u>	<u>(81,647)</u>	<u>(1,047,812)</u>
Total Other Financing Sources (Uses)	<u>124,886</u>	<u>(82,797)</u>	<u>(207,683)</u>	<u>(996,785)</u>
NET CHANGE IN FUND BALANCE	(228,616)	323,946	552,562	(693,677)
Fund Balance, January 1	<u>7,268,004</u>	<u>7,268,004</u>	<u>-</u>	<u>7,961,681</u>
FUND BALANCE, DECEMBER 31	<u>\$ 7,039,388</u>	<u>\$ 7,591,950</u>	<u>\$ 552,562</u>	<u>\$ 7,268,004</u>

**WASHBURN COUNTY, WISCONSIN
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF NET POSITION
DECEMBER 31, 2014
(WITH COMPARATIVE TOTALS AS OF DECEMBER 31, 2013)**

	Highway Department	Copy Machine	Totals	
			2014	2013
ASSETS				
Current Assets:				
Treasurer's Cash and Investments	\$ 2,061,690	\$ 18,430	\$ 2,080,120	\$ 808,083
Accounts Receivable	200,937	-	200,937	4,237
Due from Other Governments	787,621	-	787,621	417,462
Due from Other Funds	1,013,314	-	1,013,314	2,344,256
Prepaid Expenses	1,096	-	1,096	904
Inventories	1,282,035	-	1,282,035	938,533
Total Current Assets	5,346,693	18,430	5,365,123	4,513,475
Noncurrent Assets:				
Capital Assets:				
Not Being Depreciated/Depleted	489,782	-	489,782	489,782
Being Depreciated/Depleted	19,174,733	26,919	19,201,652	18,473,894
Accumulated Depreciation	(8,854,302)	(25,189)	(8,879,491)	(8,994,564)
Total Capital Assets	10,810,213	1,730	10,811,943	9,969,112
Total Assets	\$ 16,156,906	\$ 20,160	\$ 16,177,066	\$ 14,482,587
LIABILITIES				
Current Liabilities:				
Accounts Payable	\$ 543,678	\$ -	\$ 543,678	\$ 136,833
Accrued Liabilities	158,228	-	158,228	111,831
Accrued Interest Payable	23,975	-	23,975	-
Unearned Revenues	294,192	-	294,192	341,223
Accrued Vacation and Sick Leave - Current	96,593	-	96,593	105,436
Capital Leases Payable - Current	171,345	-	171,345	-
Total Current Liabilities	1,288,011	-	1,288,011	695,323
Long-Term Liabilities:				
Advance from Capital Projects Fund	769,275	-	769,275	552,167
Other Postemployment Benefits Payable	260,674	-	260,674	220,914
Accrued Vacation and Sick Leave	193,330	-	193,330	195,053
Capital Leases Payable	1,324,806	-	1,324,806	-
Total Long-Term Liabilities	2,548,085	-	2,548,085	968,134
Total Liabilities	3,836,096	-	3,836,096	1,663,457
NET POSITION				
Net Investment in Capital Assets	9,314,062	1,730	9,315,792	9,969,112
Unrestricted	3,006,748	18,430	3,025,178	2,850,018
Total Net Position	12,320,810	20,160	12,340,970	12,819,130
Total Liabilities and Net Position	\$ 16,156,906	\$ 20,160	\$ 16,177,066	\$ 14,482,587

WASHBURN COUNTY, WISCONSIN
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
YEAR ENDED DECEMBER 31, 2014
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2013)

	Highway Department	Copy Machine	Totals	
			2014	2013
OPERATING REVENUES	\$ 7,548,040	\$ 5,136	\$ 7,553,176	\$ 8,661,269
OPERATING EXPENSES	8,005,007	2,807	8,007,814	9,374,199
OPERATING INCOME (LOSS)	(456,967)	2,329	(454,638)	(712,930)
NONOPERATING REVENUES (EXPENSES):				
Interest Expense	(23,975)	-	(23,975)	-
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS	(480,942)	2,329	(478,613)	(712,930)
CAPITAL CONTRIBUTIONS AND TRANSFERS:				
Transfers from General Fund	453	-	453	8,161
Transfers to General Fund	-	-	-	(25,000)
Contributions from State	-	-	-	21,857
Total Capital Contributions and Transfers	453	-	453	5,018
CHANGE IN NET POSITION	(480,489)	2,329	(478,160)	(707,912)
Net Position, January 1	12,801,299	17,831	12,819,130	13,527,042
NET POSITION, DECEMBER 31	<u>\$ 12,320,810</u>	<u>\$ 20,160</u>	<u>\$ 12,340,970</u>	<u>\$ 12,819,130</u>

WASHBURN COUNTY, WISCONSIN
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF CASH FLOWS
YEAR ENDED DECEMBER 31, 2014
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2013)

	Highway Department	Copy Machine	Totals	
			2014	2013
CASH FLOWS FROM OPERATING ACTIVITIES:				
Cash Received for Services Provided	\$ 8,265,092	\$ 5,136	\$ 8,270,228	\$ 7,109,053
Cash Paid to Suppliers for Goods and Services	(3,902,205)	(2,807)	(3,905,012)	(4,946,467)
Cash Paid for Employee Services	(3,064,116)	-	(3,064,116)	(3,337,789)
Net Cash Provided by (Used for) Operating Activities	1,298,771	2,329	1,301,100	(1,175,203)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:				
Transfer from General Fund	453	-	453	8,161
Transfers to General Fund	-	-	-	(25,000)
Net Cash Provided by (Used for) Noncapital Financing Activities	453	-	453	(16,839)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:				
Cash Paid for Acquisition of Capital Assets	(2,006,805)	-	(2,006,805)	(1,368,175)
Cash Received for Sale of Capital Assets	264,030	-	264,030	136,027
Cash Received on Advance for Capital Projects	217,108	-	217,108	-
Capital Lease Proceeds	1,724,320	-	1,724,320	-
Principal Paid on Capital Leases	(228,169)	-	(228,169)	-
Net Cash Used for Capital and Related Financing Activities	(29,516)	-	(29,516)	(1,232,148)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	1,269,708	2,329	1,272,037	(2,424,190)
CASH AND CASH EQUIVALENTS, JANUARY 1	791,982	16,101	808,083	3,232,273
CASH AND CASH EQUIVALENTS, DECEMBER 31	\$ 2,061,690	\$ 18,430	\$ 2,080,120	\$ 808,083
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES:				
Operating Income (Loss)	\$ (456,967)	\$ 2,329	\$ (454,638)	\$ (712,930)
Depreciation	884,080	-	884,080	783,717
Depletion of Gravel Pits	15,864	-	15,864	28,884
(Increase) Decrease in Assets:				
Accounts Receivable	(196,700)	-	(196,700)	680
Due from Governmental Units	(370,159)	-	(370,159)	396,742
Prepaid Expenses	(192)	-	(192)	(193)
Inventories	(343,502)	-	(343,502)	81,554
Due from Other Funds	1,330,942	-	1,330,942	(1,949,638)
Increase (Decrease) in Liabilities:				
Vouchers Payable	406,845	-	406,845	(107,623)
Unearned Revenue	(47,031)	-	(47,031)	263,616
Due to Other Funds	-	-	-	(11,471)
Accrued Liabilities	35,831	-	35,831	15,877
Other Postemployment Benefits Payable	39,760	-	39,760	35,582
Net Cash Provided by (Used for) Operating Activities	\$ 1,298,771	\$ 2,329	\$ 1,301,100	\$ (1,175,203)

**WASHBURN COUNTY, WISCONSIN
HIGHWAY DEPARTMENT INTERNAL SERVICE FUND
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
YEAR ENDED DECEMBER 31, 2014
(WITH COMPARATIVE AMOUNTS FOR YEAR ENDED DECEMBER 31, 2013)**

	2014	2013
OPERATING REVENUES:		
Charges For Services:		
County Highway [1]	\$ 4,615,391	\$ 4,250,333
State Highway	1,475,061	1,251,166
Other Local Highways	852,653	983,074
County Departments	390,094	1,869,856
Non-Governmental Customers	4,781	5,371
Other Services	204,366	289,148
Sale of Fixed Assets	-	1,067
Miscellaneous Revenue	5,694	5,715
Total Operating Revenues	7,548,040	8,655,730
OPERATING EXPENSES:		
Administration and General:		
Administration	357,346	251,300
Patrol Superintendent	119,042	128,019
Radio Expense	2,333	669
Public Liability Insurance	94,249	19,877
Transportation Cost Pools:		
Machinery Operations	(153,675)	(199,566)
Services Provided:		
County:		
General Maintenance	1,677,476	2,249,078
Reconstruction and Betterments	2,313,997	1,910,568
Winter Maintenance	711,968	727,748
State:		
Highway Maintenance and Construction	1,462,738	1,248,127
Equipment and Salt Storage	124,740	121,467
Local Districts	847,148	985,512
Local Departments	390,094	1,869,856
Non-Governmental Customers	4,781	5,371
Other Postemployment Benefits	39,760	35,582
Amortization of State Contributions Included Above	13,010	11,187
Total Operating Expenses	8,005,007	9,364,795
OPERATING INCOME (LOSS)	(456,967)	(709,065)
NONOPERATING REVENUES (EXPENSES):		
Interest Expense	(23,975)	-
INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS	(480,942)	(709,065)
CAPITAL CONTRIBUTIONS AND TRANSFERS:		
Transfers from General Fund	453	8,161
Contributions from State	-	21,857
Total Capital Contributions and Transfers	453	30,018
CHANGE IN NET POSITION	(480,489)	(679,047)
Net Position, January 1	12,801,299	13,480,346
NET POSITION, DECEMBER 31	\$ 12,320,810	\$ 12,801,299
 [1] Charges to County for Highway Maintenance and Construction Consisted of the Following Payments from the General Fund:		
County Appropriations	\$ 1,462,421	\$ 1,428,658
State Transportation Aids	857,426	878,039
Federal and State Project Revenues	8,037	80,741
Total General Fund	2,327,884	2,387,438
Charges to Capital Projects Fund and Other Funds	2,287,507	1,862,895
Total County Highway Charges for Services	\$ 4,615,391	\$ 4,250,333

**WASHBURN COUNTY, WISCONSIN
AGENCY FUND
COMBINING STATEMENT OF NET POSITION
DECEMBER 31, 2014**

	<u>Tax Agency</u>	<u>Juvenile Restitution</u>	<u>Represen- tative Payee</u>	<u>Clerk of Courts</u>	<u>Sheriff</u>	<u>District Attorney</u>	<u>DNR Licenses</u>	<u>Totals</u>
ASSETS								
Treasurer's Cash and Investments	\$ -	\$ 65	\$ 5,292	\$ 161,621	\$ 5,307	\$ 467	\$ 128	\$ 172,880
Taxes Receivable	<u>400,110</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>400,110</u>
Total Assets	<u>\$ 400,110</u>	<u>\$ 65</u>	<u>\$ 5,292</u>	<u>\$ 161,621</u>	<u>\$ 5,307</u>	<u>\$ 467</u>	<u>\$ 128</u>	<u>\$ 572,990</u>
LIABILITIES								
Vouchers Payable	\$ -	\$ -	\$ 5,292	\$ -	\$ -	\$ -	\$ -	\$ 5,292
Due to Other Governmental Units	<u>400,110</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>400,110</u>
Special Deposits	<u>-</u>	<u>65</u>	<u>-</u>	<u>161,621</u>	<u>5,307</u>	<u>467</u>	<u>128</u>	<u>167,588</u>
Total Liabilities	<u>\$ 400,110</u>	<u>\$ 65</u>	<u>\$ 5,292</u>	<u>\$ 161,621</u>	<u>\$ 5,307</u>	<u>\$ 467</u>	<u>\$ 128</u>	<u>\$ 572,990</u>