

DUNN COUNTY, WISCONSIN
EXECUTIVE AUDIT SUMMARY (EAS)
DECEMBER 31, 2015

**DUNN COUNTY, WISCONSIN
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AUDIT FINDINGS AND RESULTS

Audit Report Summary

We prepared this Executive Audit Summary and Management Report in conjunction with our audit of the County's financial records for the year ended December 31, 2015. The following is a summary of reports we have issued:

Audit Opinion

The financial statements are fairly stated. We issued what is known as an "unmodified" opinion.

Internal Controls

Our report on internal controls includes the following deficiencies in internal controls over financial reporting. Please refer to the schedule of findings and questioned costs included in the *Federal and State Single Audit Report* for full details regarding these control deficiencies.

Material Weaknesses:

- 2015-001 Annual Financial Reporting Under Generally Accepted Accounting Principles (GAAP)
- 2015-002 Material Audit Adjustments

Significant Deficiency:

- 2015-003 Limited Segregation of Duties

Compliance

No items of noncompliance were reported in the report on compliance.

APPENDIX A

FORMAL REQUIRED COMMUNICATIONS

Board of Supervisors
Dunn County
Menomonie, Wisconsin

We have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Dunn County, Wisconsin (the County) for the year ended December 31, 2015, and have issued our report thereon dated July 11, 2016. We did not audit the financial statements of the Dunn County Housing Authority, which is presented in the component unit column. Those statements were audited by other auditors whose report thereon has been furnished to us, in our opinion, insofar as it relates to the amounts included for the Housing Authority, is based solely on the report of the other auditors. We have previously communicated to you information about our responsibilities under auditing standards generally accepted in the United States of America, *Government Auditing Standards*, and Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), as well as certain information related to the planned scope and timing of our audit. Professional standards also require that we communicate to you the following information related to our audit.

Significant audit findings

Qualitative aspects of accounting practices

Accounting policies

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by Dunn County are described in Note 1 to the financial statements. For the year ended December 31, 2015, the financial statements include the impact of adoption of Governmental Accounting Standards Board (GASB) Statements No. 68 and No. 71.

GASB Statement No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27*, and the related GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment of GASB Statement No. 68*, impacted the County by recognizing its net pension asset related to its participation in the Wisconsin Retirement System pension plan. Accordingly, the cumulative effect of the accounting change is recorded at the beginning of the year in the financial statements of the governmental activities, business-type activities, and proprietary funds.

We noted no transactions entered into by the entity during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the financial statements were:

Estimated Useful Lives of Depreciable Capital Assets – Management's estimate of depreciation and the useful lives of capital assets is based on authoritative guidance and past experience.

Estimated Current Portion of Compensated Absences Payable – Management's estimate of the amount of the year-end compensated absences payable balance to be taken by employees within one year of December 31, 2015 is based on historical trends and anticipated leave time activity.

Estimated Claims Payable – Management's estimate of claims payable accrued in the insurance internal service funds at December 31, 2015 is based on outside authoritative guidance.

Estimated Allowance for Doubtful Accounts – Management's estimate of allowance for doubtful accounts is based on known and expected uncollectible amounts.

Actuarial Assumptions – The actuarial assumptions used for other postemployment benefits payable and the Wisconsin Retirement System pension plan asset and related deferred outflows of resources are outlined in the notes to the basic financial statements.

We evaluated the key factors and assumptions used to develop the above estimates in determining that they are reasonable in relation to the financial statements taken as a whole.

Financial statement disclosures

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. There were no particularly sensitive financial statement disclosures.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties encountered in performing the audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Uncorrected misstatements

Professional standards require us to accumulate all misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management did not identify and we did not notify them of any unrecorded financial statement misstatements.

Corrected misstatements

The following material misstatements detected as a result of audit procedures were corrected by management: coding reclassifications, accrual adjustments, accounts payable adjustments, accounts receivable adjustments, and fund activity reclassifications.

Disagreements with management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditors' report. No such disagreements arose during our audit.

Management representations

We have requested certain representations from management that are included in the management representation letter dated July 11, 2016.

Management consultations with other independent accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the entity's financial statements or a determination of the type of auditors' opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Significant issues discussed with management prior to engagement

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year. The following summarizes the significant findings or issues arising from the audit that were discussed, or the subject of correspondence, with management:

- CliftonLarsonAllen LLP prepared financial statements, material audit adjustments, and lack of segregation of duties.

Other audit findings or issues

We have provided a separate letter to you dated July 11, 2016, communicating internal control related matters identified during the audit.

Other information in documents containing audited financial statements

With respect to the required supplementary information (RSI) accompanying the financial statements, we made certain inquiries of management about the methods of preparing the RSI, including whether the RSI has been measured and presented in accordance with prescribed guidelines, whether the methods of measurement and preparation have been changed from the prior period and the reasons for any such changes, and whether there were any significant assumptions or interpretations underlying the measurement or presentation of the RSI. We compared the RSI for consistency with management's responses to the foregoing inquiries, the basic financial statements, and other knowledge obtained during the audit of the basic financial statements. Because these limited procedures do not provide sufficient evidence, we did not express an opinion or provide any assurance on the RSI.

With respect to the schedule of expenditures of federal awards (SEFA) accompanying the financial statements, on which we were engaged to report in relation to the financial statements as a whole, we made certain inquiries of management and evaluated the form, content, and methods of preparing the SEFA to determine that the SEFA complies with the requirements of the Uniform Guidance, the method of preparing it has not changed from the prior period or the reasons for such changes, and the SEFA is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the SEFA to the underlying accounting records used to prepare the financial statements or to the financial statements themselves. We have issued our report thereon dated July 11, 2016.

Board of Supervisors
Dunn County

With respect to the combining and individual fund statements and schedules (collectively, the supplementary information) accompanying the financial statements, on which we were engaged to report in relation to the financial statements as a whole, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period or the reasons for such changes, and the information is appropriate and complete in relation to our audit of the financial statements.

We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves. We have issued our report thereon dated July 11, 2016.

Our auditors' opinion, the audited financial statements, and the notes to financial statements should only be used in their entirety. Inclusion of the audited financial statements in a document you prepare, such as an annual report, should be done only with our prior approval and review of the document.

* * *

This communication is intended solely for the information and use of the Board of Supervisors and management of Dunn County and is not intended to be, and should not be, used by anyone other than these specified parties.



CliftonLarsonAllen LLP

Eau Claire, Wisconsin
July 11, 2016



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APPENDIX B

NEW ACCOUNTING AND REPORTING STANDARDS

The Governmental Accounting Standards Board (GASB) has issued new accounting standards that may restate portions of these financial statements in future periods. Listed below are the statements and a short summary of the standard's objective.

New accounting standards effective for the December 31, 2016 financial statements include:

GASB Statement No. 72, *Fair Value Measurement and Application*, issued February 2015. This statement addresses accounting and financial reporting issues related to fair value measurements.

New accounting standards effective for the December 31, 2017 financial statements include:

GASB Statement No. 80, *Blending Requirements for Certain Component Units – an Amendment of GASB Statement No. 14*. This statement sets forth requirements for blending a component unit incorporated as a not-for-profit corporation in which the primary government is the sole corporate member.

New accounting standards effective for the December 31, 2018 financial statements include:

GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefit Plans Other Than Pensions*. This statement replaces the requirements of GASB 45 and establishes new standards for recognizing and measuring OPEB liabilities, along with deferred outflows of resources, deferred inflows of resources, and expense/expenditures related to OPEB plans.



APPENDIX C

Audit Report Notations

Item #

- 1 **General Fund:** The General fund is the general operating fund of the County. It is used to account for all financial resources which are not required to be accounted for in another fund.

	12/31/15	12/31/14	12/31/13	12/31/12
General Fund Balance Sheet Summary:				
Cash and Investments	\$ 11,887,555	\$ 12,944,209	\$ 12,878,318	\$ 13,319,310
Taxes Receivable:				
Current	8,978,546	8,961,978	8,522,305	10,118,484
Delinquent	1,166,703	1,257,640	1,204,063	1,532,773
Loans Receivable	114,444	207,631	92,956	60,000
Due from Other Funds	3,768,311	2,740,731	2,282,361	1,079,122
Other Receivables	1,162,719	1,135,306	1,007,077	1,002,782
Total Assets	<u>\$ 27,078,278</u>	<u>\$ 27,247,495</u>	<u>\$ 25,987,080</u>	<u>\$ 27,112,471</u>
Current Payables	\$ 784,721	\$ 1,111,469	\$ 1,003,489	\$ 1,303,980
Unearned Revenue/Deferred Inflows	9,170,019	9,330,261	8,924,407	10,558,536
Total Liabilities & Deferred Inflows	<u>9,954,740</u>	<u>10,441,730</u>	<u>9,927,896</u>	<u>11,862,516</u>
Fund Balance:				
Nonspendable	659,417	958,247	763,327	954,583
Restricted	-	-	-	60,735
Assignments	1,718,957	1,292,724	2,766,127	1,725,151
Unassigned	14,745,164	14,554,794	12,529,730	12,509,486
Total Fund Balance	<u>17,123,538</u>	<u>16,805,765</u>	<u>16,059,184</u>	<u>15,249,955</u>
	<u>\$ 27,078,278</u>	<u>\$ 27,247,495</u>	<u>\$ 25,987,080</u>	<u>\$ 27,112,471</u>
Revenues	\$ 20,222,271	\$ 20,178,015	\$ 20,653,474	\$ 20,645,832
Expenditures	(19,509,415)	(19,920,654)	(20,532,544)	(20,655,523)
Net Transfers In	500,000	630,624	688,299	654,012
Net Transfers Out	(895,083)	(141,404)	-	-
Change in Fund Balance	<u>\$ 317,773</u>	<u>\$ 746,581</u>	<u>\$ 809,229</u>	<u>\$ 644,321</u>
% of Unassigned Fund Balance to General Fund Expenditures	75.6%	73.1%	61.0%	60.6%

- 2 **Special Revenue Funds:** Special Revenue funds are used to account for the proceeds of specific revenue sources that are restricted to expenditures for specified purposes.

	12/31/15	12/31/14	12/31/13	12/31/12
Special Revenue Fund Balances:				
Human Services	\$ -	\$ -	\$ -	\$ -
Jail Assessment Fees	78,173	91,251	94,842	98,023
Solid Waste	1,174,231	1,201,037	1,087,651	1,001,825
CDBG Revolving Loan	71,819	108,495	83,251	-
	<u>\$ 1,324,223</u>	<u>\$ 1,400,783</u>	<u>\$ 1,265,744</u>	<u>\$ 1,099,848</u>

Audit Report Notations

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- 3 **Debt Service Funds:** Debt Service Funds are used to account for the accumulation of resources for, and the payment of certain general long-term debt principal, interest and related charges.

	12/31/15	12/31/14	12/31/13	12/31/12
Debt Service Fund Balances:				
G.O. Debt	\$ -	\$ 27,200	\$ 29,290	\$ 30,367

- 4 **Capital Project Funds:** Capital Project funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities other than those financed from proprietary funds.

	12/31/15	12/31/14	12/31/13	12/31/12
Capital Project Fund Balance:				
	\$ 3,208,783	\$ 6,328,936	\$ 9,216,342	\$ -

- 5 **Enterprise Funds:** Enterprise Funds are used to account for operations that are financed and operated in a manner similar to private business enterprise--where the intent of the governing body is that the costs of providing the services is to be recovered from those using the services.

	Highway Department			
	12/31/15	12/31/14	12/31/13	12/31/12
Balance Sheet Summary:				
Cash and Investments	\$ 2,337,150	\$ 2,134,711	\$ 1,624,798	\$ 872,457
Taxes Receivable	6,820,318	6,820,318	6,435,831	4,964,066
Accounts Receivable	583,753	874,185	759,702	685,462
Inventory	1,820,128	1,606,168	1,609,301	1,557,378
Prepays	-	-	3,713	7,425
Other Assets & Deferred Outflows	1,135,776	-	-	-
Capital Assets (net)	6,801,207	6,760,397	6,746,432	6,898,613
	<u>\$ 19,498,332</u>	<u>\$ 18,195,779</u>	<u>\$ 17,179,777</u>	<u>\$ 14,985,401</u>
Current Liabilities	\$ 367,155	\$ 490,939	\$ 487,681	\$ 465,722
Unearned Revenues/Deferred Inflows	6,820,318	6,820,318	6,602,163	5,104,134
Vested Benefits	606,938	582,763	501,723	508,560
Noncurrent Vested Benefits	326,813	339,481	270,158	273,840
Other Post-Employment Benefits	44,690	51,461	26,735	22,550
Net Position:				
Net Investment in Capital Assets	6,801,207	6,760,397	6,746,432	6,898,613
Restricted	549,098	-	-	-
Unrestricted	3,982,113	3,150,420	2,544,885	1,711,982
	<u>\$ 19,498,332</u>	<u>\$ 18,195,779</u>	<u>\$ 17,179,777</u>	<u>\$ 14,985,401</u>
Income (Loss) Before Other Items	\$ 1,279,502	\$ 611,271	\$ 2,748,483	\$ 3,060,257
Capital Contributions	(982,328)	8,229	(2,067,761)	(3,581,143)
Change in Net Position	<u>\$ 297,174</u>	<u>\$ 619,500</u>	<u>\$ 680,722</u>	<u>\$ (520,886)</u>
Current Ratio* (1+ desired)	7.96	6.13	4.89	3.35

*Current ratio calculation includes cash and investments, accounts receivable, current liabilities and due to other funds balances.

Audit Report Notations

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5 Enterprise Funds (cont'd.)

The Neighbors of Dunn County

	<u>12/31/15</u>	<u>12/31/14</u>	<u>12/31/13</u>	<u>12/31/12</u>
Balance Sheet Summary:				
Operating Cash and Investments	\$ -	\$ -	\$ -	\$ -
Restricted Cash - Construction	56,056	56,056	805,840	14,526,031
Restricted Cash - Patient Trust Cash	12,894	12,927	6,490	7,366
Taxes Receivable	-	-	500,000	500,000
Accounts Receivable	911,708	1,742,952	1,969,192	974,951
Inventory	51,304	56,587	55,435	51,810
Prepaid Expenses	5,792	5,075	4,545	4,359
Other Assets & Deferred Outflows	1,718,780	-	-	-
Capital Assets (net)	20,014,089	20,758,214	21,457,888	10,193,317
	<u>\$ 22,770,623</u>	<u>\$ 22,631,811</u>	<u>\$ 24,799,390</u>	<u>\$ 26,257,834</u>
Current Liabilities	\$ 285,975	\$ 649,395	\$ 683,677	\$ 495,256
Construction Contracts Payable	-	-	396,965	938,323
Interest Payable	186,425	190,825	195,125	403,909
Due to Other Funds	3,330,498	2,541,012	2,045,529	1,079,122
Unearned Revenues/Deferred Inflows	-	-	500,000	500,000
Vested Benefits	287,175	333,802	411,692	370,359
Patients Trust Funds Payable	12,894	12,927	6,490	7,366
Advance from Other Funds	32,500	32,500	32,500	32,500
Bonds Payable	21,326,817	22,311,844	23,279,320	23,388,512
Noncurrent Vested Benefits	532,197	421,676	310,575	279,393
Other Post-Employment Benefits	95,564	110,041	154,573	130,808
Net Position:				
Net Investment in Capital Assets	(1,312,728)	(1,553,630)	(1,519,300)	1,330,836
Restricted	887,012	-	-	-
Unrestricted	(2,893,706)	(2,418,581)	(1,697,756)	(2,698,550)
	<u>\$ 22,770,623</u>	<u>\$ 22,631,811</u>	<u>\$ 24,799,390</u>	<u>\$ 26,257,834</u>
Income (Loss) Before Transfers	\$ (1,048,817)	\$ (751,369)	\$ (1,188,174)	\$ (362,708)
Transfer Out	-	(3,786)	(661,168)	-
Change in Net Position	<u>\$ (1,048,817)</u>	<u>\$ (755,155)</u>	<u>\$ (1,849,342)</u>	<u>\$ (362,708)</u>
Current Ratio* (1+ desired)	0.25	0.55	0.77	0.71

Transit Commission

	<u>12/31/15</u>	<u>12/31/14</u>	<u>12/31/13</u>	<u>12/31/12</u>
Balance Sheet Summary:				
Cash and Investments	\$ -	\$ 187,298	\$ 2,943	\$ 42,997
Accounts Receivable	614,892	211,660	189,059	151,522
Prepays	2,765	5,531	8,297	11,063
Other Assets & Deferred Outflows	21,276	-	-	-
Capital Assets (net)	858,346	337,484	190,831	267,832
	<u>\$ 1,497,279</u>	<u>\$ 741,973</u>	<u>\$ 391,130</u>	<u>\$ 473,414</u>
Current Liabilities	\$ 140,831	\$ 59,523	\$ 41,360	\$ 49,995
Due to Other Funds	119,069	-	-	-
Advances from Other Funds	254,000	195,757	-	-
Vested Benefits	3,320	2,304	3,235	3,227
Noncurrent Vested Benefits	3,725	2,764	2,156	2,151
Net Position:				
Net Investment in Capital Assets	858,346	337,484	190,831	267,832
Restricted	10,286	-	-	-
Unrestricted	107,702	144,141	153,548	150,209
	<u>\$ 1,497,279</u>	<u>\$ 741,973</u>	<u>\$ 391,130</u>	<u>\$ 473,414</u>
Income (Loss) Before Other Items	\$ (102,554)	\$ (166,744)	\$ (175,437)	\$ (66,077)
Transfer In / Capital Contributions	576,200	303,990	101,775	98,008
Change in Net Position	<u>\$ 473,646</u>	<u>\$ 137,246</u>	<u>\$ (73,662)</u>	<u>\$ 31,931</u>
Current Ratio* (1+ desired)	2.38	6.80	4.84	4.11

Audit Report Notations

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

	Workers' Compensation			
	<u>12/31/15</u>	<u>12/31/14</u>	<u>12/31/13</u>	<u>12/31/12</u>
Summary Balance Sheets:				
Cash and Investments	\$ 2,237,952	\$ 2,204,445	\$ 1,971,895	\$ 2,019,367
Accrued Liabilities	<u>307,957</u>	<u>320,320</u>	<u>189,525</u>	<u>388,688</u>
Net Position	<u>\$ 1,929,995</u>	<u>\$ 1,884,125</u>	<u>\$ 1,782,370</u>	<u>\$ 1,630,679</u>
Income Before Transfers	\$ 245,870	\$ 301,755	\$ 351,691	\$ (140,973)
Transfers to General Fund	<u>(200,000)</u>	<u>(200,000)</u>	<u>(200,000)</u>	<u>(200,000)</u>
Change in Net Position	<u>\$ 45,870</u>	<u>\$ 101,755</u>	<u>\$ 151,691</u>	<u>\$ (340,973)</u>

	Health Insurance			
	<u>12/31/15</u>	<u>12/31/14</u>	<u>12/31/13</u>	<u>12/31/12</u>
Summary Balance Sheets:				
Cash and Investments	\$ 3,180,347	\$ 2,433,827	\$ 2,292,042	\$ 2,881,321
Accounts Receivable	<u>120,330</u>	<u>153,259</u>	<u>213,849</u>	<u>346,865</u>
	3,300,677	2,587,086	2,505,891	3,228,186
Accrued Liabilities	<u>456,039</u>	<u>475,760</u>	<u>693,248</u>	<u>453,986</u>
Net Position	<u>\$ 2,844,638</u>	<u>\$ 2,111,326</u>	<u>\$ 1,812,643</u>	<u>\$ 2,774,200</u>
Income Before Transfers	\$ 1,033,312	\$ 598,683	\$ (661,557)	\$ (226,964)
Transfers to General Fund	<u>(300,000)</u>	<u>(300,000)</u>	<u>(300,000)</u>	<u>(300,000)</u>
Change in Net Position	<u>\$ 733,312</u>	<u>\$ 298,683</u>	<u>\$ (961,557)</u>	<u>\$ (526,964)</u>

7 Long-Term Obligations	<u>12/31/15</u>	<u>12/31/14</u>	<u>12/31/13</u>	<u>12/31/12</u>
General Obligation Bonds	\$ 40,725,000	\$ 43,210,000	\$ 38,465,000	\$ 30,125,000
Vested Compensated Absences and OPEB Liability:				
Governmental Activities	2,693,122	2,660,236	2,847,586	2,907,507
Business Type Activities	<u>1,900,422</u>	<u>1,844,292</u>	<u>1,680,847</u>	<u>1,590,888</u>
	<u>\$ 45,318,544</u>	<u>\$ 47,714,528</u>	<u>\$ 42,993,433</u>	<u>\$ 34,623,395</u>
Equalized Valuation	\$ 2,802,596,500	\$ 2,672,053,700	\$ 2,613,740,200	\$ 2,579,828,400
General Obligation Debt Limit	\$ 140,129,825	\$ 133,602,685	\$ 130,687,010	\$ 128,991,420
General Obligation Debt as Percent of Debt Limitation	29.1%	32.3%	29.4%	23.4%



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APPENDIX D

INDEPENDENT AUDITORS' REPORT ON CONDENSED FINANCIAL STATEMENTS

Board of Supervisors
Dunn County
Menomonie, Wisconsin

We have audited the accompanying condensed financial statements, as presented on pages 7 through 10, of Dunn County, Wisconsin as of and for the years ended December 31, 2015, 2014, 2013 and 2012.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

Basis for Adverse Opinion

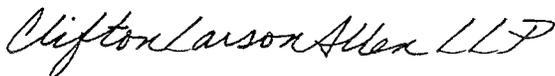
The accompanying condensed financial statements, as presented on pages 7 through 10, of Dunn County, Wisconsin as of and for the years ended December 31, 2015, 2014, 2013 and 2012, do not present the financial position of Dunn County, Wisconsin and the results of its operations and its cash flows in accordance with accounting principles generally accepted in the United States of America and do not include all the disclosures required by accounting principles generally accepted in the United States of America. The condensed financial statements referenced above are not intended to provide full disclosure financial statements. Rather, the intention is to provide summary multi-year trend information for the purposes of highlighting changes in activity.

Adverse Opinion

In our opinion, because of the significance of the matter discussed in the Basis for Adverse Opinion paragraph, the condensed financial statements referred to above do not present fairly, the financial statements of Dunn County, Wisconsin as of and for the years ended December 31, 2015, 2014, 2013 and 2012 in accordance with accounting principles generally accepted in the United States of America.

Other Matter

We have audited, in accordance with auditing standards generally accepted in the United States of America, the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Dunn County, Wisconsin, as of and for the years ended December 31, 2015, 2014, 2013 and 2012, and the related notes to the financial statements (not presented herein) which collectively comprise the County's basic financial statements, and our reports thereon, dated July 11, 2016, July 21, 2015, July 22, 2014, and July 11, 2013, respectively, expressed unmodified opinions on those financial statements. Therefore, our opinions on the financial statements referred to in this paragraph are not modified as a result of the adverse opinion expressed on the condensed financial information presented on pages 7 through 10.



CliftonLarsonAllen LLP

Eau Claire, Wisconsin
July 11, 2016