

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

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

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## INDEPENDENT AUDITORS' REPORT

Board of County Supervisors  
Dunn County  
Menomonie, Wisconsin

### **Report on the Financial Statements**

We have audited the accompanying 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) 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 Dunn County Housing Authority, which represents 100% percent 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 Dunn County Housing Authority, 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 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 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 business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Dunn 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 basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements.

The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with 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 as a whole.

County Board  
Dunn County, Wisconsin

***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated July 21, 2015 on our consideration of the 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**

Eau Claire, Wisconsin  
July 21, 2015

# COUNTY OF DUNN



Department of Administration

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## **MANAGEMENT'S DISCUSSION AND ANALYSIS OF THE FINANCIAL STATEMENTS PREPARED YEAR ENDED DECEMBER 31, 2014**

As financial managers for Dunn County, the staff of the Department of Administration offers readers of the Dunn County Financial Statements for the fiscal year ended December 31, 2014 this synopsis and analysis of the financial activities of the County of Dunn. We encourage readers to consider this information in conjunction with the more detailed statements, reports, and letters. These additional documents may all be found in the Department of Administration and will be made available for review upon request.

### **FINANCIAL HIGHLIGHTS**

- As of December 31, 2014, the assets and deferred outflows of resources of Dunn County exceeded its liabilities and deferred inflows of resources by \$102,079,434 (total net position). Of this amount \$20,522,827 (unrestricted net position) or 20.1% of the total, may be used to meet the County's ongoing obligations to citizen's and creditors.
- Dunn County's total net position increased \$3,315,003 in 2014.
- At the close of the fiscal year, Dunn County governmental funds reported ending fund balances of \$24,562,684 a decrease of \$2,007,876 from the prior year. Approximately 59.3% of this total amount, or \$14,554,794, is available for spending at the County's discretion (unassigned fund balance).
- At the end of the year the unassigned fund balance for the general fund was \$14,554,794. This is 73.1% of the total general fund expenditures for the fiscal year.
- Dunn County's total outstanding debt for the year ended December 31, 2014 was \$43,210,000. All of the debt is general obligation debt which is 32.3% of the County's overall debt limit of \$133,602,685. This leaves an unused debt limit of \$90,392,685.

**DUNN COUNTY, WISCONSIN  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED DECEMBER 31, 2014**

**OVERVIEW OF THE FINANCIAL STATEMENTS**

This discussion and analysis is intended to serve as an introduction to the Dunn County's basic financial statements. The County's basic financial statements are comprised of three components: 1) government-wide financial statements which provide both long and short term financial information, 2) fund financial statements which focus on individual parts of the County in more detail, and 3) notes to the basic financial statements which provide even greater detail for some of the information in the government-wide and fund statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

**Government-Wide Financial Statements**

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

The **statement of net position** presents information on all of the County's assets, deferred outflows of resources, liabilities and deferred inflows 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 Dunn County is improving or deteriorating.

The **statement of activities** presents information showing how the County's net position changed during the most recent 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 distinguish functions of Dunn 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, education and recreation; and conservation and development. The business-type activities of the County include highway, transit, and The Neighbors of Dunn County ("The Neighbors") facility operations.

The government-wide financial statements include not only Dunn County itself (known as the primary government), but also a legally separate housing authority for which Dunn County is financially accountable. Financial information for this component unit is reported separately from the financial information presented for the primary government itself.

The government-wide financial statements can be found beginning on page 17 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. Dunn 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.

**DUNN COUNTY, WISCONSIN  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED DECEMBER 31, 2014**

**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 the County's near-term financing requirements.

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 County'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.

Dunn County maintains 7 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 and the capital projects fund which are considered to be major funds. Data for the other 3 governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

The County adopts an annual appropriated budget for all its governmental funds. Budgetary comparison statements have been provided as required supplemental information for the general fund and for each individual, major special revenue fund to demonstrate compliance with the budget.

The basic governmental fund financial statements can be found beginning on page 19 of this report.

**Proprietary Funds**

Dunn County maintains three 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. The County uses enterprise funds to account for its highway operations, transit commission operations, and The Neighbors facility. Internal service funds are an accounting device used to accumulate and allocate costs internally among the County's various functions. The County uses internal service funds to account for its various insurance activities. Because insurance activities predominantly benefit governmental functions of the County, they have been included within governmental activities in the government-wide financial statements. Individual fund data for the internal service funds is provided in the form of combining statements elsewhere in this report.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the highway operations, The Neighbors operations and transit commission. The highway department and The Neighbors are considered to be major funds of the County.

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

**DUNN COUNTY, WISCONSIN  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED DECEMBER 31, 2014**

**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 programs of Dunn County. The accounting used for fiduciary funds is much like that used for proprietary funds.

The basic fiduciary fund financial statements can be found beginning on page 27 of this report.

**Notes to Basic 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 basic financial statements can be found beginning on page 28 of this report.

**Other Information**

The combining statements referred to earlier in connection with non-major governmental funds and internal service funds are presented following the required supplementary information found beginning on page 56. Combining and individual fund statements and schedules can be found beginning on page 63.

**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

As previously noted, net position may serve over time as a useful indicator of a government's financial position. In the case of the County, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$102,079,434 as of December 31, 2014.

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

	Governmental Activities		Business-Type Activities		Total	
	2014	2013	2014	2013	2014	2013
Current and Other Assets	\$ 45,449,049	\$46,035,975	\$13,684,930	\$13,975,146	\$ 59,133,979	\$ 60,011,121
Capital Assets	90,951,025	80,324,375	27,856,095	28,395,151	118,807,120	108,719,526
Internal Balances	8,267,678	6,782,136	(8,267,678)	(6,782,136)	-	-
Total Assets	<u>144,667,752</u>	<u>133,142,486</u>	<u>33,273,347</u>	<u>35,588,161</u>	<u>177,941,099</u>	<u>168,730,647</u>
Deferred Outflows of Resources	100,881	140,814	-	-	100,881	140,814
Noncurrent Liabilities Outstanding	22,690,465	17,018,979	22,357,267	23,183,517	45,047,732	40,202,496
Other Liabilities	6,777,000	5,712,301	3,202,478	3,754,280	9,979,478	9,466,581
Total Liabilities	<u>29,467,465</u>	<u>22,731,280</u>	<u>25,559,745</u>	<u>26,937,797</u>	<u>55,027,210</u>	<u>49,669,077</u>
Deferred Inflows of Resources	14,115,018	13,502,122	6,820,318	6,935,831	20,935,336	20,437,953
Net Investment in Capital Assets	75,015,982	73,116,578	5,544,251	5,417,963	80,560,233	78,534,541
Restricted	996,374	1,001,188	-	-	996,374	1,001,188
Unrestricted	25,173,794	22,932,132	(4,650,967)	(3,703,430)	20,522,827	19,228,702
Total Net Position	<u>\$ 101,186,150</u>	<u>\$97,049,898</u>	<u>\$ 893,284</u>	<u>\$ 1,714,533</u>	<u>\$102,079,434</u>	<u>\$ 98,764,431</u>

**DUNN COUNTY, WISCONSIN  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED DECEMBER 31, 2014**

\$80,560,233 (78.9%) of the County's net position reflects its investment in capital assets (e.g. land, buildings, machinery and equipment, infrastructure etc.) less any related debt used to acquire those assets that is still outstanding at December 31, 2014. In 2013 the percentage was 79.5%. 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.

\$20,522,827 (20.1%) of net position was unrestricted and may be used to meet the County's ongoing obligations to citizens and creditors. At December 31, 2013 unrestricted net position was \$19,228,702 (19.5%).

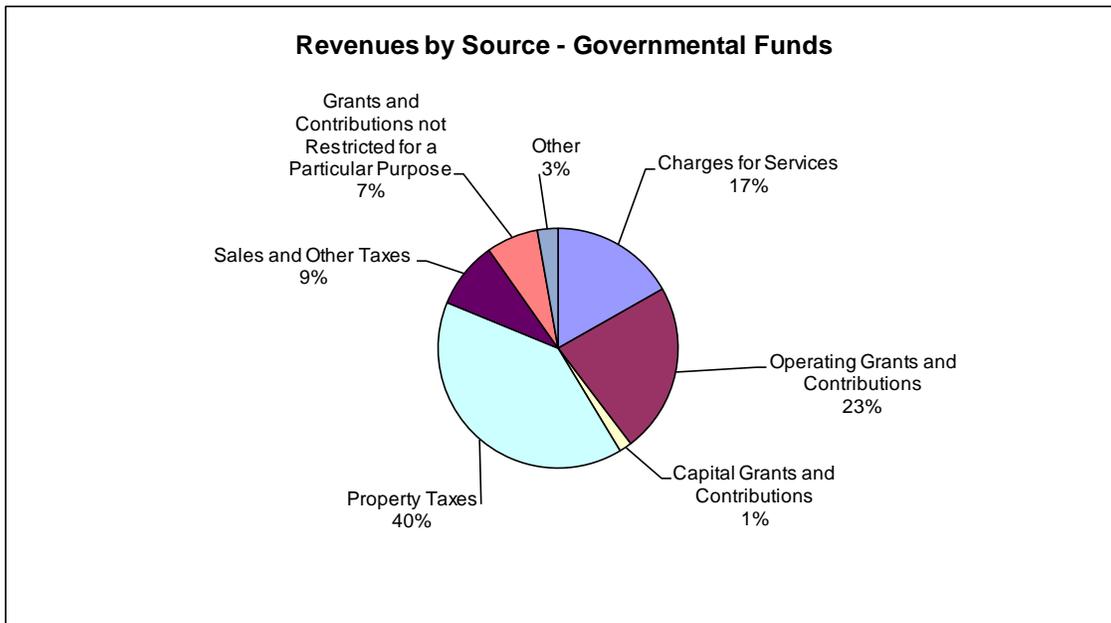
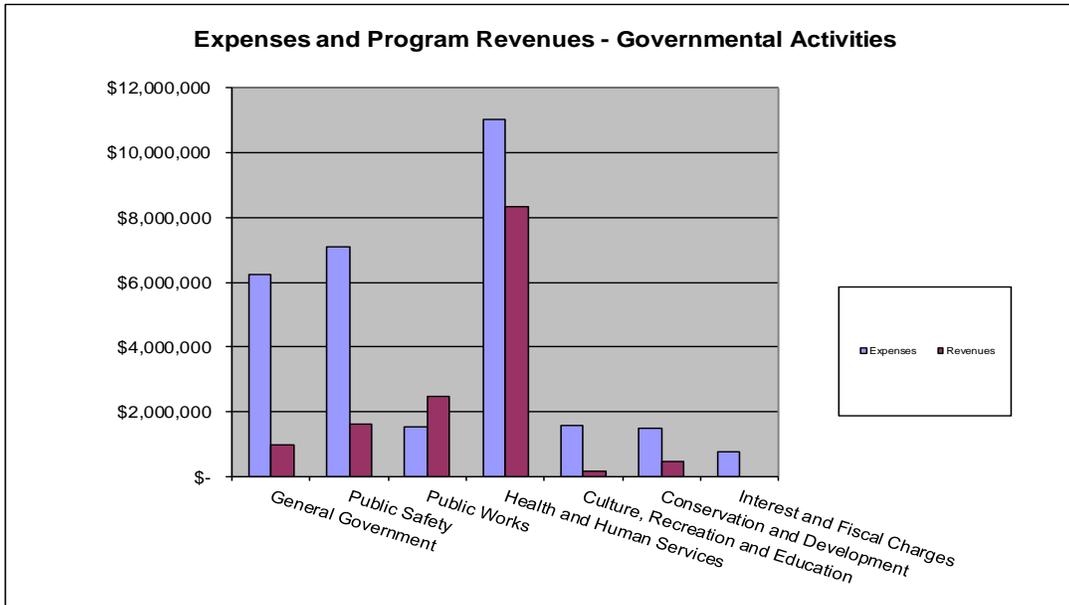
At the end of the current fiscal year, Dunn County is able to report positive balances in all categories of net position except for unrestricted net position of the business-type activities.

**Condensed Statement of Activities  
Year Ended December 31, 2014 and 2013**

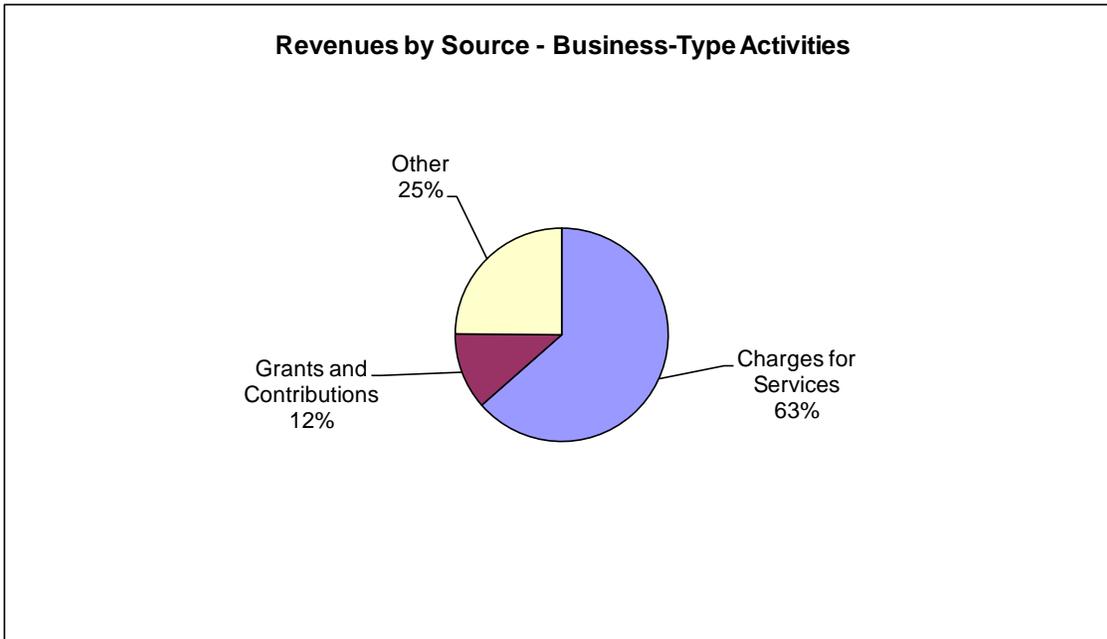
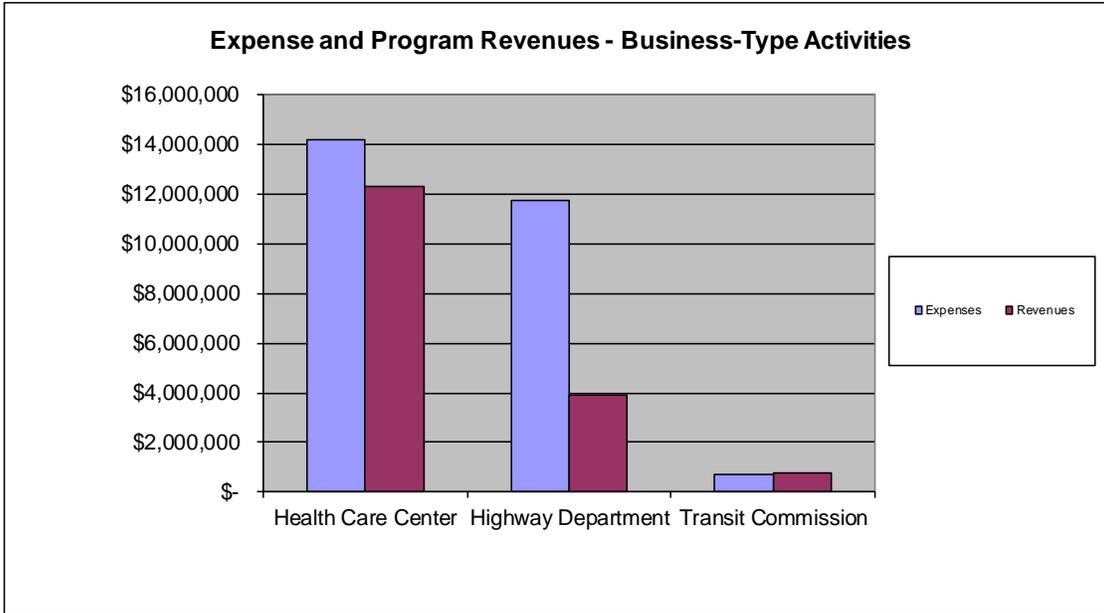
	Governmental Activities		Business-Type Activities		Total	
	2014	2013	2014	2013	2014	2013
Revenues:						
Program Revenues:						
Charges for Services	\$ 5,688,334	\$ 5,459,408	\$ 16,434,717	\$ 14,598,229	\$ 22,123,051	\$ 20,057,637
Operating Grants and Contributions	7,745,349	6,745,427	390,408	376,067	8,135,757	7,121,494
Capital Grants and Contributions	574,500	-	208,527	-	783,027	-
General Revenues:						
Property Taxes	11,478,457	13,082,906	6,941,931	5,464,066	18,420,388	18,546,972
Other Taxes	5,077,646	4,906,451	-	-	5,077,646	4,906,451
State and Federal Aids not Restricted to Specific Programs	2,369,163	2,358,292	2,403,539	2,221,222	4,772,702	4,579,514
Unrestricted Investment Earnings	86,358	31,386	113	1,997	86,471	33,383
Other	958,548	785,474	(613,112)	16,057	345,436	801,531
Total Revenues	<u>33,978,355</u>	<u>33,369,344</u>	<u>25,766,123</u>	<u>22,677,638</u>	<u>59,744,478</u>	<u>56,046,982</u>
Expenses:						
General Government	6,244,034	7,816,565	-	-	6,244,034	7,816,565
Public Safety	7,109,103	7,189,337	-	-	7,109,103	7,189,337
Public Works	1,525,167	4,698,544	-	-	1,525,167	4,698,544
Health and Human Services	11,029,851	10,766,389	-	-	11,029,851	10,766,389
Culture, Recreation and Education	1,580,425	1,519,233	-	-	1,580,425	1,519,233
Conservation and Development	1,505,306	1,282,707	-	-	1,505,306	1,282,707
Interest and Fiscal Charges	744,525	583,024	-	-	744,525	583,024
Health Care Center	-	-	14,226,057	13,444,710	14,226,057	13,444,710
Highway	-	-	11,747,598	8,334,440	11,747,598	8,334,440
Transit Commission	-	-	717,409	710,287	717,409	710,287
Total Expenses	<u>29,738,411</u>	<u>33,855,799</u>	<u>26,691,064</u>	<u>22,489,437</u>	<u>56,429,475</u>	<u>56,345,236</u>
Change in Net Position Before Transfers	4,239,944	(486,455)	(924,941)	188,201	3,315,003	(298,254)
Transfers	(103,692)	2,627,154	103,692	(2,627,154)	-	-
Change in Net Position	<u>4,136,252</u>	<u>2,140,699</u>	<u>(821,249)</u>	<u>(2,438,953)</u>	<u>3,315,003</u>	<u>(298,254)</u>
Net Position - Beginning of Year	97,049,898	94,909,199	1,714,533	4,153,486	98,764,431	99,062,685
Net Position - End of Year	<u>\$ 101,186,150</u>	<u>\$ 97,049,898</u>	<u>\$ 893,284</u>	<u>\$ 1,714,533</u>	<u>\$ 102,079,434</u>	<u>\$ 98,764,431</u>

**DUNN COUNTY, WISCONSIN  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED DECEMBER 31, 2014**

A review of the statement of activities can provide a concise picture of how the various functions/programs of Dunn County are funded. The following charts draw data from the statement of activities. For governmental activities the County's main services for funding governmental services are property taxes (40%) and operating grants/contributions (24%).



**DUNN COUNTY, WISCONSIN  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED DECEMBER 31, 2014**



**DUNN COUNTY, WISCONSIN  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED DECEMBER 31, 2014**

**FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS**

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

The focus of Dunn County's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the County's financing requirements. In particular, unassigned fund balance may serve as a useful measure of the County'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 balance of \$24,562,684 (\$26,570,560 in 2013), a decrease of \$2,007,876 in comparison with the prior year (\$10,190,390 increase in 2013). Of the combined ending fund balances, \$14,554,794 or 59.3% constitutes unassigned fund balance that is available for spending at the County's discretion. The remainder of fund balance, \$10,007,890 is nonspendable, restricted, committed, or assigned to indicate that it is not available for new spending.

The general fund is the chief operating fund of the County. At the end of the current year, unassigned fund balance of the general fund was \$14,554,794, while total fund balance reached \$16,805,765 (\$16,059,184 for 2013).

During the current year, the County's general fund balance increased by \$746,581 (\$809,229 increase in 2013). Key factors in this increase include:

- The County's final budget applied \$1,725,942 of fund balance towards 2014 expenditures.
- Actual general fund expenditures and other financing uses were \$1,946,357 less than planned, while the revenues and other financing sources were \$526,166 more than planned. Fund balance increased by the difference between actual revenue and expenditures. Please refer to the section under budgetary analysis for an explanation of the larger expenditure variances, which resulted in less actual expenditures.

The human services fund expenditures equaled revenues for fiscal year 2014, after a \$130,624 transfer to the general fund and a \$95,463 transfer to the transit commission fund.

The fund balance of the debt service fund decreased by \$2,090 during fiscal year 2014, ending at \$27,200.

A capital projects fund was established during 2013 to account for remodel construction at the County Courthouse and former health care center facility as well as a new ERP system. Debt in the amount of \$9,850,000 was issued during 2013 and \$7,150,000 was issued during 2014 to finance these projects. The fund balance as of December 31, 2014 was \$6,328,936.

The other governmental funds had fund balances of \$1,400,783 which is an increase of \$135,039 from the prior year.

**DUNN COUNTY, WISCONSIN  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED DECEMBER 31, 2014**

**Proprietary Funds**

Dunn County's proprietary funds provide the same type of information found in the government-wide financial statements but in more detail. The net position of the enterprise-type proprietary funds at the end of 2014 totaled \$6,420,231, up \$1,591 from the previous year.

The decrease in the net position of The Neighbors of Dunn County was \$755,155.

The increase in the net position of the highway department was \$619,500.

The increase in the net position of the transit commission was \$137,246.

The County uses the highway department fund to account for road maintenance and construction and related services provided to the County and to the State of Wisconsin and local governmental units.

The County had two internal service funds during 2014. Net position of the funds at year end and changes thereto during the year were as follows:

	Net Position at 12/31/14	Change During Year
Worker's Compensation Fund	\$ 1,884,125	\$ 101,755
Health Insurance Fund	2,111,326	298,683

Revenues of the health insurance fund consist principally of charges to departments and retirees based on rates determined by the County. Any accumulated balance is considered in the rate determination process.

Revenues of the workers compensation fund consist principally of charges to departments based on rates determined by the County's insurance carrier.

**DUNN COUNTY, WISCONSIN  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED DECEMBER 31, 2014**

**BUDGETARY ANALYSIS**

Over the course of the year minor general fund budget amendments were made. The differences between the original budget and the final amended budget for the general fund expenditures amounted to \$1,549,601, which consisted of increases in grants expenses and fund balance applied for projects not completed in 2013.

During the year, actual general fund revenues and other financing sources excluding fund balance applied was over budget by \$526,166 and actual general fund expenditures and other financing uses were \$1,946,357 under budget.

The main revenue budget variances included: sales and use tax \$135,997 over budget, home health care charges for services \$209,415 under budget, property sales \$171,802 over budget, and grants that were in progress in emergency communications \$574,500 over budget.

The main expenditure budget variances included (all less than budget): county manager \$878,945, emergency communication \$228,469, and health and human services \$256,870. Several of these budgets were for projects that were not completed and the budget was carried forward to the 2015 budget.

Some department budgets were over budget. See notes to required supplementary information for specifics of those departments over budget.

**CAPITAL ASSET AND DEBT ADMINISTRATION**

**Capital Assets**

The County's investment in capital assets for its governmental and business-type activities as of December 31, 2014 and 2013 was \$118,807,120 and \$108,719,526, respectively, (net of accumulated depreciation) as shown below:

**Capital Assets at Year-End  
(Net of Accumulated Depreciation)**

	Governmental Activities		Business-Type Activities		Total	
	2014	2013	2014	2013	2014	2013
Land	\$ 2,822,202	\$ 2,730,453	\$ 418,120	\$ 418,120	\$ 3,240,322	\$ 3,148,573
Construction in Progress	13,356,090	1,048,925	83,254	-	13,439,344	1,048,925
Land Improvements	-	-	825,254	876,100	825,254	876,100
Buildings	10,753,171	11,108,692	20,464,792	21,120,755	31,217,963	32,229,447
Machinery and Shop Equipment	2,194,776	1,968,320	6,064,675	5,980,176	8,259,451	7,948,496
Roads	52,022,659	53,442,088	-	-	52,022,659	53,442,088
Bridges	9,802,127	10,025,897	-	-	9,802,127	10,025,897
Capital Assets, Net of Accumulated Depreciation	<u>\$ 90,951,025</u>	<u>\$80,324,375</u>	<u>\$27,856,095</u>	<u>\$28,395,151</u>	<u>\$118,807,120</u>	<u>\$ 108,719,526</u>

**DUNN COUNTY, WISCONSIN  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED DECEMBER 31, 2014**

**Major Capital Asset Events**

**Governmental Activities**

- Fiscal year 2014 road and bridge projects.
- Client Services Building renovation project (remodel of old Health Care Center).
- Emergency communications equipment.

**Business-Type Activities**

- Highway machinery and equipment.
- Transit Commission vehicles.

Additional information on Dunn County's capital assets can be found in Note 2.C.

**Long-Term Obligations**

At December 31, 2014, Dunn County had outstanding \$43,210,000 of long-term debt. A summary detail of this amount is shown below:

	Outstanding Debt at Year-End			Original Indebtedness	Balance 12/31/14
	Date of Issue	Final Maturity	Interest Rates		
<b>General Obligation Debt</b>					
G.O. Refunding Bonds	3/15/2004	10/1/2017	1.20-3.80%	\$ 7,980,000	\$ 2,680,000
G.O. Taxable Refunding Bonds	12/1/2005	10/1/2017	5.10-5.50%	3,840,000	1,310,000
G.O. Health Care Center Bonds	6/25/2012	4/1/2032	2.00-4.00%	22,050,000	21,190,000
G.O. Facility Improvement and Refunding Bonds	8/6/2013	10/1/2026	2.00-3.25%	10,000,000	9,515,000
G.O. Taxable Facility Improvement Bonds	8/6/2013	10/1/2026	2.50-3.80%	1,365,000	1,365,000
G.O. Facility and Management System Improvement Bonds	1/16/2014	10/1/2027	2.00-3.50%	7,150,000	7,150,000
Total General Obligation Debt					<u>\$ 43,210,000</u>

In addition, as of December 31, 2014 the County had a \$3,859,507 liability for vested compensated absences. Of this amount, \$2,176,717 (56%) is for governmental activities and the remaining \$1,682,790 (44%) is for business-type activities. As of December 31, 2013, the County had a \$3,789,907 liability for vested compensated absences. Of this amount, \$2,290,368 (60%) was for governmental activities and the remaining \$1,499,539 (40%) was for business-type activities. The County also had a liability recorded of \$645,021 and \$738,526 at December 31, 2014 and 2013, respectively, for other postemployment benefits.

On December 13, 2013 S & P's Rating Committee reviewed and assigned a rating of AA to Dunn County's general obligation debt. This is an upgrade from the previous rating of AA-.

State statutes limit the amount of general obligation debt the County may issue to 5% of its total equalized valuation. The current debt limit for the County is \$133,602,685, which is significantly in excess of the County's \$43,210,000 in outstanding general obligation debt.

Additional information on Dunn County's long-term debt can be found in Note 2.E.

**DUNN COUNTY, WISCONSIN  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED DECEMBER 31, 2014**

**CURRENTLY KNOWN FACTS**

Dunn County experienced an estimated growth in population of 4,143 residents from 2000 to 2010. Dunn County population increased 10% compared to 5.8% for Wisconsin as reported in the State of Wisconsin, Department of Workforce, Office of Economic Advisors, December 2014 Dunn County Workforce Profile. The trend of increasing population is expected to continue.

The Wisconsin Department of Revenue indicates that Dunn County's total equalized value increased by \$58,313,500 or 2.2% as compared to the State which experienced an overall positive growth of \$11,521,393,200 or 2.5% from 2013 to 2014. The following presents comparables with neighboring counties:

County	2013 Equalized Value	2014 Equalized Value	Percent Change
Barron	\$ 3,579,455,200	\$ 3,731,429,300	4.2%
Chippewa	4,653,303,700	4,776,638,200	2.7%
<b>Dunn</b>	<b>2,613,740,200</b>	<b>2,672,053,700</b>	<b>2.2%</b>
Eau Claire	6,907,862,700	7,173,688,100	3.8%
Pepin	550,723,900	546,022,900	-0.9%
Pierce	2,724,148,700	2,807,114,900	3.0%
St. Croix	7,154,298,100	7,591,908,200	6.1%

Momentum West continues to impact economic growth for the counties of west central Wisconsin in a positive manner. The County's collaboration with four other west central Wisconsin counties in the I-94 Corridor Coalition in promoting development of multimodal transportation options from Eau Claire to the western boundary of Wisconsin and in cooperation with like efforts from within Minnesota.

The County Board is approaching the 2016 budget cautiously and conservatively with a long term goal and service oriented approach. The Board is currently building a long-term strategic plan for the County.

The County will continue the philosophy of being fiscally conservative while mindful of service demands when developing the 2016 budget. The goal adopted early in the process is to create a balanced budget which provides for the implementation of the mandates of the County and the policy expectations of the Board of Supervisors while meeting the requirements of law established by the State of Wisconsin Statutes.

- On November 12, 2014, the Dunn County Board of Supervisors adopted a fiscal year 2015 budget in the amount of \$74,529,933.
- On November 12, 2014, the Dunn County Board of Supervisors adopted an overall county tax levy of \$21,388,800. Included in this amount was an operating levy of \$17,978,864, an increase of \$279,504 (1.58%) over the preceding year.

The County completed the new nursing home facility and, in efforts to continue providing services in a more efficient manner, the County is moving forward with renovations of the vacant building where client service departments will relocate to.

**DUNN COUNTY, WISCONSIN  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED DECEMBER 31, 2014**

**CONTACTING DUNN COUNTY**

This financial report is designed to provide our citizens, taxpayers, other customers, investors and creditors with a general overview of Dunn County's finances. If you have questions about this report or need additional financial information contact the Dunn County Department of Administration, Dunn County Government Center, 800 Wilson Avenue, Menomonie, Wisconsin, 54751.

This document was prepared by and is respectfully submitted for public review by:

Eugene C. Smith  
County Manager

Tonya L. Kusmirek  
Finance Manager

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

	Governmental Activities	Business-Type Activities	Total Primary Government	Component Unit
<b>ASSETS</b>				
Cash and Investments	\$ 26,638,831	\$ 2,322,009	\$ 28,960,840	\$ 69,220
Restricted Cash	-	68,983	68,983	73,123
Accounts Receivable (net)	436,628	1,839,156	2,275,784	16,569
Accrued Interest	31,174	-	31,174	-
Taxes Receivable	14,115,074	6,820,318	20,935,392	-
Delinquent Taxes Receivable	1,257,640	-	1,257,640	-
Loans Receivables	1,095,510	-	1,095,510	-
Internal Balances	8,267,678	(8,267,678)	-	-
Due From Other Governments	1,874,192	961,103	2,835,295	-
Inventory	-	1,662,755	1,662,755	-
Prepaid Items	-	10,606	10,606	-
Capital Assets:				
Land	2,822,202	418,120	3,240,322	-
Construction in Progress	13,356,090	-	13,356,090	-
Other Capital Assets, Net of Depreciation	74,772,733	27,437,975	102,210,708	-
Total Assets	<u>144,667,752</u>	<u>33,273,347</u>	<u>177,941,099</u>	<u>158,912</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Deferred Charge on Refunding	<u>100,881</u>	<u>-</u>	<u>100,881</u>	<u>-</u>
<b>LIABILITIES</b>				
Accounts Payable	1,782,385	613,928	2,396,313	28
Accrued Liabilities	1,690,343	585,929	2,276,272	-
Accrued Interest Payable	162,526	190,825	353,351	-
Due to Other Governments	771,732	-	771,732	-
Unearned Revenue	19,520	-	19,520	-
Deposits	15,863	-	15,863	-
Patient Trust Funds Payable	-	12,927	12,927	-
Noncurrent Liabilities:				
Amounts Due Within One Year	2,334,631	1,798,869	4,133,500	-
Amounts Due in More Than One Year	22,690,465	22,357,267	45,047,732	19,239
Total Liabilities	<u>29,467,465</u>	<u>25,559,745</u>	<u>55,027,210</u>	<u>19,267</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Subsequent Year's Property Taxes	<u>14,115,018</u>	<u>6,820,318</u>	<u>20,935,336</u>	<u>-</u>
<b>NET POSITION</b>				
Net Investment in Capital Assets	75,015,982	5,544,251	80,560,233	-
Restricted				
Revolving Loan Programs	996,374	-	996,374	-
Other	-	-	-	53,884
Unrestricted	<u>25,173,794</u>	<u>(4,650,967)</u>	<u>20,522,827</u>	<u>85,761</u>
Total Net Position	<u>\$ 101,186,150</u>	<u>\$ 893,284</u>	<u>\$102,079,434</u>	<u>\$ 139,645</u>

See accompanying Notes to Basic Financial Statements.

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

FUNCTIONS/PROGRAMS	Program Revenues				Net (Expense) Revenue and Changes in Net Position			
	Expenses	Charges	Operating	Capital	Governmental	Business-Type	Total	
		for	Grants and	Grants and			Primary	Component
	Services	Contributions	Contributions	Activities	Activities	Government	Unit	
<b>Primary Government:</b>								
Governmental Activities:								
General Government	\$ 6,244,034	\$ 623,809	\$ 342,546	\$ -	\$ (5,277,679)	\$ -	\$ (5,277,679)	\$ -
Public Safety	7,109,103	665,057	366,546	574,500	(5,503,000)	-	(5,503,000)	-
Public Works	1,525,167	2,302,171	174,060	-	951,064	-	951,064	-
Health and Human Services	11,029,851	1,874,163	6,456,481	-	(2,699,207)	-	(2,699,207)	-
Culture, Recreation and Education	1,580,425	146,269	5,968	-	(1,428,188)	-	(1,428,188)	-
Conservation and Development	1,505,306	76,865	399,748	-	(1,028,693)	-	(1,028,693)	-
Interest and Fiscal Charges	744,525	-	-	-	(744,525)	-	(744,525)	-
Total Governmental Activities	<u>29,738,411</u>	<u>5,688,334</u>	<u>7,745,349</u>	<u>574,500</u>	<u>(15,730,228)</u>	<u>-</u>	<u>(15,730,228)</u>	<u>-</u>
Business-Type Activities:								
Health Care Center	14,226,057	12,341,492	-	-	-	(1,884,565)	(1,884,565)	-
Highway	11,747,598	3,933,007	-	-	-	(7,814,591)	(7,814,591)	-
Transit Commission	717,409	160,218	390,408	208,527	-	41,744	41,744	-
Total Business-Type Activities	<u>26,691,064</u>	<u>16,434,717</u>	<u>390,408</u>	<u>208,527</u>	<u>-</u>	<u>(9,657,412)</u>	<u>(9,657,412)</u>	<u>-</u>
Total Primary Government	<u>\$ 56,429,475</u>	<u>\$ 22,123,051</u>	<u>\$ 8,135,757</u>	<u>\$ 783,027</u>	<u>(15,730,228)</u>	<u>(9,657,412)</u>	<u>(25,387,640)</u>	<u>-</u>
<b>Component Unit:</b>								
Housing Authority	<u>\$ 439,520</u>	<u>\$ -</u>	<u>\$ 462,825</u>	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>23,305</u>
<b>GENERAL REVENUES</b>								
Taxes:								
Property Taxes, Levied for General Purposes					11,478,457	6,941,931	18,420,388	-
Property Taxes, Levied for Debt Purposes					2,023,666	-	2,023,666	-
Other Taxes					3,053,980	-	3,053,980	-
Intergovernmental Revenues not Restricted to Specific Programs					2,369,163	2,403,539	4,772,702	-
Investment Income					86,358	113	86,471	12
Miscellaneous					958,548	(613,112)	345,436	-
<b>TRANSFERS</b>					(103,692)	103,692	-	-
Total General Revenues and Transfers					<u>19,866,480</u>	<u>8,836,163</u>	<u>28,702,643</u>	<u>12</u>
<b>CHANGE IN NET POSITION</b>								
					4,136,252	(821,249)	3,315,003	23,317
Net Position - Beginning of Year					<u>97,049,898</u>	<u>1,714,533</u>	<u>98,764,431</u>	<u>116,328</u>
<b>NET POSITION - END OF YEAR</b>					<u>\$ 101,186,150</u>	<u>\$ 893,284</u>	<u>\$ 102,079,434</u>	<u>\$ 139,645</u>

See accompanying Notes to Basic Financial Statements.

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

	General Fund	Human Services Fund	Debt Service Fund	Capital Projects Fund	Other Governmental Funds	Totals
<b>ASSETS</b>						
Cash and Investments	\$ 12,944,209	\$ 426,905	\$ 29,700	\$ 7,218,127	\$ 1,381,618	\$ 22,000,559
Receivables						
Taxes Receivable	8,961,978	2,948,151	2,196,945	-	8,000	14,115,074
Delinquent Taxes	1,257,640	-	-	-	-	1,257,640
Accounts	61,035	55,808	-	-	166,526	283,369
Interest	31,174	-	-	-	-	31,174
Loans	207,631	-	-	-	887,879	1,095,510
Due from Other Governments	1,043,097	789,684	-	-	41,411	1,874,192
Due from Other Funds	2,512,474	-	-	-	-	2,512,474
Advance to Other Funds	228,257	-	-	-	-	228,257
	<u>27,247,495</u>	<u>4,220,548</u>	<u>2,226,645</u>	<u>7,218,127</u>	<u>2,485,434</u>	<u>43,398,249</u>
Total Assets	<u>\$ 27,247,495</u>	<u>\$ 4,220,548</u>	<u>\$ 2,226,645</u>	<u>\$ 7,218,127</u>	<u>\$ 2,485,434</u>	<u>\$ 43,398,249</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>						
<b>Liabilities:</b>						
Accounts Payable	\$ 405,539	\$ 311,508	\$ 2,500	\$ 885,537	\$ 177,301	\$ 1,782,385
Accrued Liabilities	682,564	196,574	-	3,654	11,471	894,263
Deposits Payable	15,863	-	-	-	-	15,863
Due to Other Governments	7,503	764,229	-	-	-	771,732
Unearned Revenues	19,434	86	-	-	-	19,520
Total Liabilities	<u>1,130,903</u>	<u>1,272,397</u>	<u>2,500</u>	<u>889,191</u>	<u>188,772</u>	<u>3,483,763</u>
<b>Deferred Inflows of Resources:</b>						
Subsequent Year's Property Taxes	8,961,922	2,948,151	2,196,945	-	8,000	14,115,018
Unavailable Loans Receivable	12,535	-	-	-	887,879	900,414
Unavailable Special Assessments	336,370	-	-	-	-	336,370
Total Deferred Inflows of Resources	<u>9,310,827</u>	<u>2,948,151</u>	<u>2,196,945</u>	<u>-</u>	<u>895,879</u>	<u>15,351,802</u>
<b>Fund Balances:</b>						
Nonspendable	958,247	-	-	-	-	958,247
Restricted	-	-	27,200	6,328,936	108,495	6,464,631
Committed	-	-	-	-	1,292,288	1,292,288
Assigned	1,292,724	-	-	-	-	1,292,724
Unassigned	14,554,794	-	-	-	-	14,554,794
Total Fund Balances	<u>16,805,765</u>	<u>-</u>	<u>27,200</u>	<u>6,328,936</u>	<u>1,400,783</u>	<u>24,562,684</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 27,247,495</u>	<u>\$ 4,220,548</u>	<u>\$ 2,226,645</u>	<u>\$ 7,218,127</u>	<u>\$ 2,485,434</u>	<u>\$ 43,398,249</u>

See accompanying Notes to Basic Financial Statements.

**DUNN COUNTY, WISCONSIN  
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET  
TO THE STATEMENT OF NET POSITION  
DECEMBER 31, 2014**

**Total Fund Balances - Governmental Funds** \$ 24,562,684

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

Capital assets used in governmental funds are not financial resources and, therefore, are not reported in the funds.

These assets consist of:

Capital Assets	\$ 146,866,298	
Accumulated Depreciation	(55,915,273)	90,951,025

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:

Delinquent Taxes Receivable	336,370	
Loans Receivable	900,414	1,236,784

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

Bonds Payable	(22,020,000)	
Accrued Interest Payable	(162,526)	
Compensated Absences	(2,176,717)	
Other Postemployment Benefits	(483,519)	
Bond Premium	(349,167)	
Bond Discount	4,307	
Deferred Charge Resulting from the Refunding of Debt	100,881	(25,086,741)

Internal service funds are used by County management to charge the costs of its self-funded health insurance and workers compensation programs to functions.

The assets and liabilities of the internal service funds are allocated between governmental activities and business-type activities as follows:

Total Net Position of Internal Service Funds	3,995,451	
Less Allocated to Business-Type Activities	5,526,947	9,522,398

**Net Position of Governmental Activities** \$101,186,150

**DUNN 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 Projects Fund	Other Governmental Funds	Totals
<b>REVENUES</b>						
Taxes	\$ 11,552,481	\$ 2,948,151	\$ 2,023,666	\$ -	\$ 8,000	\$ 16,532,298
Intergovernmental Revenues	5,038,204	5,446,803	-	-	174,060	10,659,067
Licenses and Permits	75,870	-	-	-	-	75,870
Fines and Forfeits	231,870	-	-	-	76,297	308,167
Public Charges for Services	2,141,954	842,680	-	-	1,529,171	4,513,805
Intergovernmental Charges for Services	47,437	-	-	-	521,035	568,472
Investment Income	84,119	-	-	2,234	-	86,353
Miscellaneous	1,006,080	-	-	-	277,962	1,284,042
Total Revenues	<u>20,178,015</u>	<u>9,237,634</u>	<u>2,023,666</u>	<u>2,234</u>	<u>2,586,525</u>	<u>34,028,074</u>
<b>EXPENDITURES</b>						
Current:						
General Government	6,103,834	-	-	497,195	-	6,601,029
Public Safety	8,100,204	-	-	-	29,888	8,130,092
Public Works	-	-	-	-	2,370,845	2,370,845
Health and Human Services	2,705,212	9,011,547	-	9,708,511	-	21,425,270
Culture, Recreation and Education	1,476,930	-	-	-	-	1,476,930
Conservation and Development	1,534,474	-	-	-	753	1,535,227
Debt Service:						
Principal Retirement	-	-	1,545,000	-	-	1,545,000
Interest and Fiscal Charges	-	-	672,160	38,855	-	711,015
Total Expenditures	<u>19,920,654</u>	<u>9,011,547</u>	<u>2,217,160</u>	<u>10,244,561</u>	<u>2,401,486</u>	<u>43,795,408</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<u>257,361</u>	<u>226,087</u>	<u>(193,494)</u>	<u>(10,242,327)</u>	<u>185,039</u>	<u>(9,767,334)</u>
<b>OTHER FINANCING SOURCES (USES)</b>						
Long-Term Debt Issued	-	-	-	7,150,000	-	7,150,000
Debt Premium	-	-	-	204,921	-	204,921
Transfers In	630,624	-	191,404	-	-	822,028
Transfers Out	(141,404)	(226,087)	-	-	(50,000)	(417,491)
Total Other Financing Sources (Uses)	<u>489,220</u>	<u>(226,087)</u>	<u>191,404</u>	<u>7,354,921</u>	<u>(50,000)</u>	<u>7,759,458</u>
<b>NET CHANGE IN FUND BALANCES</b>	746,581	-	(2,090)	(2,887,406)	135,039	(2,007,876)
Fund Balances - Beginning of Year	16,059,184	-	29,290	9,216,342	1,265,744	26,570,560
<b>FUND BALANCES - END OF YEAR</b>	<u>\$ 16,805,765</u>	<u>\$ -</u>	<u>\$ 27,200</u>	<u>\$ 6,328,936</u>	<u>\$ 1,400,783</u>	<u>\$ 24,562,684</u>

See accompanying Notes to Basic Financial Statements.

**DUNN COUNTY, WISCONSIN  
RECONCILIATION OF THE 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** **\$ (2,007,876)**

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	\$ 14,231,201	
Depreciation Expense Reported in the Statement of Activities	(3,240,445)	
Contributed Capital from Business-Type Activities Reported as Transfers	(4,443)	
Loss on Disposal of Capital Assets	<u>(359,663)</u>	10,626,650

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. (49,719)

Long-term debt and related obligations incurred in governmental funds are reported as revenues/other financing sources, but are reported as an increase in outstanding long-term obligations in the statement of net position and do not affect the statement of activities. Also governmental funds report the effect of discounts, premiums and similar items when issued, whereas these amounts are amortized in the statement of activities. (7,354,921)

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

Bond Principal Retirement		1,545,000
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Internal service funds are used by County management to charge the costs of its self-funded health insurance and workers compensation programs to functions. The changes in net position of these internal service funds are allocated between governmental activities and business-type activities as follows:

Change in Net Position of Internal Service Funds	400,438	
Loss Allocated to Business-Type Activities	<u>822,840</u>	1,223,278

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:

Net Change in Accrued Interest Payable	(3,591)	
Net Change in Compensated Absences Liability	113,651	
Amortization of Bond Premium	12,476	
Amortization of Bond Discount	(2,462)	
Amortization of Deferred Charges from the Refunding of Debt	(39,933)	
Net Change in Other Post Employment Benefits Payable	<u>73,699</u>	<u>153,840</u>

**Change in Net Position of Governmental Activities** **\$ 4,136,252**

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

	Business-Type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Major Funds		Nonmajor Transit Commission	Totals	
	The Neighbors of Dunn County	Highway Department			
<b>ASSETS</b>					
<b>Current Assets:</b>					
Cash and Investments	\$ -	\$ 2,134,711	\$ 187,298	\$ 2,322,009	\$ 4,638,272
Restricted Assets - Cash	68,983	-	-	68,983	-
Taxes Receivable	-	6,820,318	-	6,820,318	-
Accounts Receivable, Net	1,742,952	95,843	361	1,839,156	153,259
Due from Other Funds	-	28,538	-	28,538	-
Due from Other Governments	-	749,804	211,299	961,103	-
Inventory	56,587	1,606,168	-	1,662,755	-
Prepaid Expenses	5,075	-	5,531	10,606	-
Total Current Assets	<u>1,873,597</u>	<u>11,435,382</u>	<u>404,489</u>	<u>13,713,468</u>	<u>4,791,531</u>
<b>Noncurrent Assets:</b>					
Capital Assets (net)	<u>20,758,214</u>	<u>6,760,397</u>	<u>337,484</u>	<u>27,856,095</u>	<u>-</u>
Total Assets	<u>22,631,811</u>	<u>18,195,779</u>	<u>741,973</u>	<u>41,569,563</u>	<u>4,791,531</u>
<b>LIABILITIES</b>					
<b>Current Liabilities:</b>					
Accounts Payable	313,237	245,601	55,090	613,928	-
Interest Payable	190,825	-	-	190,825	-
Accrued Expenses	336,158	245,338	4,433	585,929	796,080
Vested Benefits	333,802	582,763	2,304	918,869	-
Patient Trust Fund Payable	12,927	-	-	12,927	-
Due to Other Funds	2,541,012	-	-	2,541,012	-
Bonds Payable	880,000	-	-	880,000	-
Total Current Liabilities	<u>4,607,961</u>	<u>1,073,702</u>	<u>61,827</u>	<u>5,743,490</u>	<u>796,080</u>
<b>Noncurrent Liabilities:</b>					
Bonds Payable	21,431,844	-	-	21,431,844	-
Advance from Other Funds	32,500	-	195,757	228,257	-
Vested Benefits	421,676	339,481	2,764	763,921	-
Other Post-Employment Benefits	110,041	51,461	-	161,502	-
Total Non-Current Liabilities	<u>21,996,061</u>	<u>390,942</u>	<u>198,521</u>	<u>22,585,524</u>	<u>-</u>
Total Liabilities	<u>26,604,022</u>	<u>1,464,644</u>	<u>260,348</u>	<u>28,329,014</u>	<u>796,080</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Subsequent Year's Property Taxes	<u>-</u>	<u>6,820,318</u>	<u>-</u>	<u>6,820,318</u>	<u>-</u>
<b>NET POSITION</b>					
Net Investment in Capital Assets	(1,553,630)	6,760,397	337,484	5,544,251	-
Unrestricted	(2,418,581)	3,150,420	144,141	875,980	3,995,451
Total Net Position	<u><u>\$(3,972,211)</u></u>	<u><u>\$ 9,910,817</u></u>	<u><u>\$ 481,625</u></u>	<u><u>6,420,231</u></u>	<u><u>\$ 3,995,451</u></u>
Adjustment to Reflect the Consolidation of Internal Service Fund Activities Related to Enterprise Funds				<u>(5,526,947)</u>	
Net Position - Business-Type Activities				<u><u>\$ 893,284</u></u>	

See accompanying Notes to Basic Financial Statements.

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

	Business-Type Activities - Enterprise Funds			Governmental Activities - Internal Service Funds	
	Major Funds		Nonmajor Transit Commission		
	The Neighbors of Dunn County	Highway Department			Totals
<b>OPERATING REVENUES</b>	<u>\$ 12,341,492</u>	<u>\$ 3,933,007</u>	<u>\$ 160,218</u>	<u>\$ 16,434,717</u>	<u>\$ 8,435,966</u>
<b>OPERATING EXPENSES</b>					
Operation and Maintenance	13,013,318	10,688,231	595,597	24,297,146	206,541
Depreciation	744,125	705,180	121,773	1,571,078	-
Benefit Payments	-	-	-	-	7,339,435
Total Operating Expenses	<u>13,757,443</u>	<u>11,393,411</u>	<u>717,370</u>	<u>25,868,224</u>	<u>7,545,976</u>
<b>OPERATING INCOME (LOSS)</b>	<u>(1,415,951)</u>	<u>(7,460,404)</u>	<u>(557,152)</u>	<u>(9,433,507)</u>	<u>889,990</u>
<b>NONOPERATING REVENUES (EXPENSES)</b>					
General Property Taxes	500,000	6,441,931	-	6,941,931	-
Grant Funding	-	-	390,408	390,408	-
Intergovernmental Grants	807,299	1,596,240	-	2,403,539	-
Rental Income	17,293	-	-	17,293	-
Investment Income	113	-	-	113	10,448
Interest Expense and Amortization of Debt Premium	(660,123)	-	-	(660,123)	-
Other Income (Expense)	-	29,718	-	29,718	-
Total Nonoperating Revenues	<u>664,582</u>	<u>8,067,889</u>	<u>390,408</u>	<u>9,122,879</u>	<u>10,448</u>
<b>INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS</b>	<u>(751,369)</u>	<u>607,485</u>	<u>(166,744)</u>	<u>(310,628)</u>	<u>900,438</u>
<b>CAPITAL CONTRIBUTIONS AND TRANSFERS</b>					
Capital Grants and Contributions	-	63,855	208,527	272,382	-
Capital Contributions to Governmental Activities	(3,786)	(51,840)	-	(55,626)	-
Transfers In	-	-	95,463	95,463	-
Transfers Out	-	-	-	-	(500,000)
Total Capital Contributions and Transfers	<u>(3,786)</u>	<u>12,015</u>	<u>303,990</u>	<u>312,219</u>	<u>(500,000)</u>
<b>CHANGE IN NET POSITION</b>	<u>(755,155)</u>	<u>619,500</u>	<u>137,246</u>	<u>1,591</u>	<u>400,438</u>
Net Position - Beginning of Year	<u>(3,217,056)</u>	<u>9,291,317</u>	<u>344,379</u>		<u>3,595,013</u>
<b>NET POSITION - END OF YEAR</b>	<u>\$ (3,972,211)</u>	<u>\$ 9,910,817</u>	<u>\$ 481,625</u>		<u>\$ 3,995,451</u>
Adjustment to Reflect the Consolidation of Internal Service Fund Activities Related to Enterprise Funds				<u>(822,840)</u>	
Change in Net Position - Business-Type Activities				<u>\$ (821,249)</u>	

See accompanying Notes to Basic Financial Statements.

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

	Business-Type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Major Funds		Nonmajor		
	The Neighbors of Dunn County	Highway Department	Transit Commission	Total	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>					
Cash Received from Customers	\$ -	\$ 4,036,679	\$ 164,733	\$ 4,201,412	\$ 8,496,556
Cash Received from Residents and Third Party Payors	13,392,324	-	-	13,392,324	-
Cash Paid to Suppliers for Goods and Services	(5,101,449)	(3,218,726)	(501,955)	(8,822,130)	-
Cash Paid to Employees for Services	(8,349,682)	(7,256,548)	(73,036)	(15,679,266)	-
Cash Paid for Insurance Claims	-	-	-	-	(604,066)
Cash Paid to Third Party Administrator	-	-	-	-	(7,028,603)
Net Cash Provided by (Used for) Operating Activities	<u>(58,807)</u>	<u>(6,438,595)</u>	<u>(410,258)</u>	<u>(6,907,660)</u>	<u>863,887</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>					
General Property Taxes	500,000	6,057,444	-	6,557,444	-
State Highway Aids	-	1,596,240	-	1,596,240	-
State Transportation Aids	-	-	363,292	363,292	-
Cash Flow Borrowing from (Repayment to) Other Funds	495,483	-	-	495,483	-
Nonoperating Income	-	29,718	-	29,718	-
Transfers from (to) Other Funds	-	-	95,463	95,463	(500,000)
Net Cash Provided by (Used for) Noncapital Financing Activities	<u>995,483</u>	<u>7,683,402</u>	<u>458,755</u>	<u>9,137,640</u>	<u>(500,000)</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>					
Grant Funding	-	-	208,527	208,527	-
Proceeds from Sale of Capital Assets	-	34,268	-	34,268	-
Cash Paid for Capital Contributions to Governmental Activities	-	(51,840)	-	(51,840)	-
Advance Received from (Paid to) Other Funds	-	-	195,757	195,757	-
Acquisition and Construction of Capital Assets	(48,237)	(717,322)	(268,426)	(1,033,985)	-
Payment of Bond Principal	(967,476)	-	-	(967,476)	-
Payment of Bond Interest	(664,423)	-	-	(664,423)	-
Net Cash Provided by (Used for) Capital and Related Financing Activities	<u>(1,680,136)</u>	<u>(734,894)</u>	<u>135,858</u>	<u>(2,279,172)</u>	<u>-</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>					
Noncash Equivalent Certificates of Deposit Matured	-	-	-	-	647,675
Noncash Equivalent Certificates of Deposits Purchased	-	-	-	-	(560,071)
Investment Income	113	-	-	113	10,448
Net Cash Provided by (Used for) Investing Activities	<u>113</u>	<u>-</u>	<u>-</u>	<u>113</u>	<u>98,052</u>
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>	<u>(743,347)</u>	<u>509,913</u>	<u>184,355</u>	<u>(49,079)</u>	<u>461,939</u>
Cash and Cash Equivalents - Beginning of Year	<u>812,330</u>	<u>1,624,798</u>	<u>2,943</u>	<u>2,440,071</u>	<u>3,357,601</u>
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	<u>\$ 68,983</u>	<u>\$ 2,134,711</u>	<u>\$ 187,298</u>	<u>\$ 2,390,992</u>	<u>\$ 3,819,540</u>

See accompanying Notes to Basic Financial Statements.

**DUNN COUNTY, WISCONSIN  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS (CONTINUED)  
YEAR ENDED DECEMBER 31, 2014**

	Business-Type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Major Funds		Nonmajor		
	The Neighbors of Dunn County	Highway Department	Transit Commission	Total	
<b>RECONCILIATION OF CASH AND CASH EQUIVALENTS</b>					
Cash and Investments per Statement of Net Position	\$ -	\$ 2,134,711	\$ 187,298	\$ 2,322,009	\$ 4,638,272
Restricted Cash	68,983	-	-	68,983	-
Less: Noncash Equivalents	-	-	-	-	(818,732)
Cash and Cash Equivalents Per Statement of Cash Flows	<u>\$ 68,983</u>	<u>\$ 2,134,711</u>	<u>\$ 187,298</u>	<u>\$ 2,390,992</u>	<u>\$ 3,819,540</u>
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES</b>					
Operating Income (Loss)	\$ (1,415,951)	\$ (7,460,404)	\$ (557,152)	\$ (9,433,507)	\$ 889,990
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities:					
Rental Income Received	17,293	-	-	17,293	-
Nursing Home Appeals and Intergovernmental Program Transfers Received	807,299	-	-	807,299	-
Noncash Items Included in Income:					
Depreciation	744,125	705,180	121,773	1,571,078	-
(Gain)/Loss on Disposal of Capital Assets	-	27,764	-	27,764	-
(Increase) Decrease in Assets:					
Accounts Receivable	226,240	(94,798)	4,515	135,957	60,590
Inventory	(1,152)	3,133	-	1,981	-
Due from Other Funds	-	(28,538)	-	(28,538)	-
Due from Other Governments	-	8,853	-	8,853	-
Prepaid Expenses	(530)	3,713	2,766	5,949	-
Increase (Decrease) in Liabilities:					
Accounts Payable	(416,283)	(43,658)	17,839	(442,102)	-
Accrued Liabilities	(14,964)	46,916	324	32,276	(86,693)
Unearned Revenue	-	218,155	-	218,155	-
Patient Trust Payable	6,437	-	-	6,437	-
Vested Benefits	33,211	175,089	(323)	207,977	-
Other Post-Employment Benefits	(44,532)	-	-	(44,532)	-
Net Cash Provided by (Used for) Operating Activities	<u>\$ (58,807)</u>	<u>\$ (6,438,595)</u>	<u>\$ (410,258)</u>	<u>\$ (6,907,660)</u>	<u>\$ 863,887</u>
<b>NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES:</b>					
Capital Assets Contributed	\$ -	\$ 63,855	\$ -	\$ 63,855	\$ -

See accompanying Notes to Basic Financial Statements.

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

	Agency Funds
<b>ASSETS</b>	
Cash and Investments	\$ 3,745,073
Taxes Receivable	453,464
Due from Other Governments	<u>130,594</u>
Total Assets	<u><u>\$ 4,329,131</u></u>
<b>LIABILITIES</b>	
Accounts Payable	\$ 149,257
Deposits Payable	211,281
Due to Other Governments	<u>3,968,593</u>
Total Liabilities	<u><u>\$ 4,329,131</u></u>

See accompanying Notes to Basic Financial Statements.

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

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements of Dunn 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**

Dunn County is governed by a board of supervisors consisting of 29 elected members. This report includes all of significant operations under the control of the Dunn County Board of Supervisors and includes all of the funds of Dunn County. The County's major operations include police protection, the jail, highways, health and human services, The Neighbors of Dunn County health care center ("The Neighbors"), and solid waste and recycling.

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. A legally separate organization should be reported as a component unit if the elected officials of the primary government are financially accountable to the organization. The primary government is financially accountable if it appoints a majority of the organization's governing body and (1) it is able to impose its will on that organization or (2) there is a potential for the organization to provide specific financial benefits to or burdens on the primary government. The primary government may be financially accountable if an organization is fiscally dependent on the primary government. A legally separate, tax exempt organization should be reported as a component unit of a reporting entity if all of the following criteria are met: (1) the economic resources received or held by the separate organization are entirely or almost entirely for the direct benefit of the primary government, its component units, or its constituents; (2) the primary government is entitled to, or has the ability to otherwise access, a majority of the economic resources received or held by the separate organization; (3) the economic resources received or held by an individual organization that the specific primary government, or its component units, is entitled to, or has the ability to otherwise access, are significant to that primary government. This report includes the following component unit:

**Discretely Presented Component Unit**

The government-wide financial statements include the Dunn County Housing Authority as a component unit. The housing authority is a legally separate organization. The board of the housing authority is appointed by the County board chairperson. Wisconsin Statutes provide for circumstances whereby the County can impose its will on the housing authority and also create a potential financial benefit to or burden on the County.

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

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**A. Reporting Entity (Continued)**

**Discretely Presented Component Unit (Continued)**

As a component unit, the housing authority's financial statements have been presented as a discrete column in the financial statements. It is reported in a separate column to emphasize that it is legally separate from the County. The housing authority is a separate entity established to administer a housing program for low and moderate income families. It is funded by federal and state grants. The information presented is for the fiscal year ended March 31, 2014. Separately issued financial statements of the Dunn County Housing Authority may be obtained from the housing authority's office at 1421 Stout Road, Menomonie, Wisconsin. See Note 2 G. for additional housing authority disclosures.

**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. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function 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 of resources, net position, fund equity, revenues, and expenditures/expenses.

**DUNN 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)**

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 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. The major revenue sources include taxes and intergovernmental revenues. 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 costs of governmental funds.

**Capital Projects Fund** – The Capital Projects Fund is used to account for the various capital project expenditures and relating financing.

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

The County reports the following major enterprise funds:

**The Neighbors of Dunn County** – This fund accounts for the operations of The Neighbors health care center.

**Highway Department Fund** – This fund accounts for highway maintenance and construction.

The Transit Commission is reported as a nonmajor fund. The County had no other enterprise funds to report as nonmajor funds.

**DUNN 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)**

Additionally, the County reports the following fund types:

**Internal Service Funds** - These funds 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. The County's internal service funds are used to account for transactions of its self-funded health insurance and workers compensation program.

**Agency Fund** – This fund accounts for assets held by the County in a trustee capacity or as an agent for individuals, private organizations and/or other governmental units. The following County departments maintain agency funds: tax agency (advance tax collections for other governments), treasurer (employee trust accounts), clerk of courts (safe-keeping of all funds ordered held in trust), sheriff (inmate cash accounts), UW extension (education accounts), and district attorney (forfeiture funds).

**C. Measurement Focus and Basis of Accounting**

The government-wide financial statements and the proprietary funds financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets 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. Fiduciary funds do not have a measurement focus.

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, except for reimbursement grants from the State of Wisconsin, for which available is defined as 180 days. 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.

**DUNN 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 (Continued)**

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 County reports deferred inflows of resources on its statement of net position and fund balance sheets. Deferred inflows of resources arise when potential revenue does not meet both the “measurable” and “available” criteria for recognition in the current period. Unearned revenues arise when resources are received by the County before it has a legal claim to them as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the County has a legal claim to the resources, the deferred inflow of resources or the liability for unearned revenue is removed from the statement of net position and fund balance sheet and revenue is recognized.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. An exception to this general rule is payments between governmental activities and business-type activities for services provided.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund’s principal ongoing operations. The principal operating revenues of The Neighbors are charges for resident services. The principal operating revenues of the highway fund are charges for the sale of products generated by its operations and routine maintenance. Operating expenses for proprietary funds include the cost of sales and services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

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.

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.

**DUNN 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**

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

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, village, town, or school district of the state. Also, bonds issued by a local exposition district, a local professional baseball park district, a local professional football stadium district, a local cultural arts district, 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.

The County has adopted an investment policy. That policy follows the state statute for allowable investments except that the County's policy limits time deposits to one year or less, while the state statutes allow deposits that mature in three years or less. The policy also limits securities to those that mature in 3 years or less while state statutes limits maturities to seven years or less.

The County's investment policy requires that deposits be collateralized for any amounts in excess of insured amounts. At December 31, 2014, the County had no deposits that were not insured or collateralized. The policy also requires that certificates of deposit and repurchase agreements be collateralized with securities with a market value of 102% or more of the certificates of deposits or repurchase agreements, or 100% if the certificates or repurchase agreements mature in five days or less.

**DUNN 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)**

**1. Deposits and Investments (Continued)**

The policy addresses credit risk by following statutory requirements that limit securities to those have the highest or second highest rating of a nationally recognized rating agency.

The policy addresses interest rate risk by stating that investments shall be managed to maintain liquidity to meet the County's cash needs and to limit market risks as well as limiting deposits and securities to the maturities described above.

The policy does not address concentration of credit risk.

Overall, the County maintains control over its monetary resources through the treasurer's office. A central account is used to track the majority of fund transactions. Interest income on commingled investments of the County's accounting funds is allocated to the general fund. Separate accounts for specific purposes are held by the Clerk of Courts, District Attorney, Land Conservation, Sheriff's Department, The Neighbors, UW Extension, and Office on Aging.

Investments are stated at fair value, which is the amount at which an investment could be exchanged in a current transaction between willing parties. Fair values are based on quoted market prices. No investments are reported at amortized cost. Adjustments necessary to record investments at fair value are recorded in the operating statement as increases or decreases in investment income. The difference between the bank balance and carrying value is due to outstanding checks and/or deposits in transit.

The Wisconsin Local Government Investment Pool (LGIP) is part of the State Investment Fund (SIF), and is managed by the State of Wisconsin Investment Board. The SIF is not registered with the Securities and Exchange Commission, but operates under the statutory authority of Wisconsin Chapter 25. The SIF reports the fair value of its underlying assets annually. Participants in the LGIP have the right to withdraw their funds in total on one day's notice. At December 31, 2014, the fair value of the LGIP's assets was substantially equal to the County's share as reported in these statements.

**DUNN 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 to 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 therefore.

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 Dunn 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 in all funds have been adjusted for known uncollectible amounts. No allowance for uncollectible taxes on delinquent taxes has been provided because of the County's demonstrated ability to recover most losses through the sale of the applicable property. The provision for uncollectible patient accounts in The Neighbors of Dunn County Fund was \$166,036 at December 31, 2014.

**Loans Receivable.** The County has used local funds and grant funds for economic development loan programs. 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. It is the County's policy to record, in the fund financial statements, 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 generally recognized as revenue when accrued. Any unspent loan repayments at year end are presented as restricted fund balance in the fund financial statements.

**DUNN 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)**

**3. Inventories and Prepaid Items**

Governmental fund inventories, if material, are valued at cost based on the first in/first out (FIFO) method using the consumption method of accounting. Year-end inventory was not significant. The inventories of the enterprise funds are valued at the lower of cost, determined on the FIFO method for The Neighbors and on the average cost method for the highway department and are generally used for construction or operation and maintenance work. They are not for resale.

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. Restricted cash consists of unspent debt proceeds as well as funds held in a custodial account for The Neighbors residents. Such balances are maintained in separate bank accounts.

**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 one year 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.

**DUNN 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
Land Improvements	5,000	Straight-line	12-30 Years
Buildings	5,000	Straight-line	4-50 Years
Equipment	5,000	Straight-line	4-20 Years
Vehicles	5,000	Straight-line	5 Years
Roads	25,000	Straight-line	25 Years
Bridges	25,000	Straight-line	50 Years

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

**6. Deferred Outflows/Inflows of Resources**

In addition to assets, the statement of net position and/or balance sheet will sometimes report a separate section for deferred outflows of resources. Deferred outflows of resources represent a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The County reports deferred refunding charges as deferred outflows of resources in the government-wide financial statements.

In addition to liabilities, the statement of net position and/or balance sheet will sometimes report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. Governmental fund financial statements of the County report deferred inflows in connection with receivables that are not considered to be available to liquidate liabilities of the current period, as well as with property taxes received or reported as receivable before the period for which the property taxes are levied. Only property taxes are reported as deferred inflows of resources in the government-wide financial statements.

**DUNN 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)**

**7. Compensated Absences**

Under terms of employment, employees are granted sick leave and vacation in varying amounts. Only benefits considered to be vested are disclosed in these statements.

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

Payments for vacation and sick leave will be made at rates in effect when the benefits are used.

Accumulated vacation and sick leave liabilities at December 31, 2014 are determined on the basis of current salary rates.

**8. Other Postemployment Benefits Payable**

Under the provisions of various employee and union contracts the County provides a retirement program for certain employees which includes certain health insurance benefits. The amount to be incurred is limited as specified by contract. All premiums are funded on a pay as you go basis. This amount was actuarially determined in accordance with GASB 45.

**9. Long-Term Obligations**

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

Long-term obligations for governmental funds are not reported as liabilities in the fund financial statements. The face value of debts (plus any premiums) is reported as other financing sources and payments of principal and interest are reported as expenditures. The accounting in proprietary funds is the same as it is in the government-wide statements.

For the government-wide statements and proprietary fund statements, bond premiums and discounts are amortized over the life of the issue using the straight-line method. Gains or losses on prior refundings are amortized over the remaining life of the old debt, or the life of the new debt, whichever is shorter. The balance at year end for premiums/discounts are shown as an increase or decrease in the liability section and gains/losses are shown as a deferred inflow/outflow in the statement of net position.

**DUNN 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)**

**10. Equity Classifications**

Fund equity, representing the difference between assets and deferred outflows, less liabilities and deferred inflows, 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.

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 Manager 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.

**DUNN 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 is as follows:

Governmental Funds	\$22,000,559
Proprietary Funds	7,029,264
Fiduciary Funds	3,745,073
Total Cash and Investments	\$32,774,896

The above cash and investments balances consisted of the following:

	Carrying Amount
Demand and Time Deposits	\$22,187,572
U.S. Agencies	236,429
Other Government Agencies	1,469,275
Corporate Bonds	734,126
LGIP	8,146,482
Petty Cash	1,012
Total Cash and Investments	\$32,774,896

**Deposits at Financial Institutions**

Custodial credit risk for deposits is the risk that in the event of bank failure, the County's deposits may not be returned. The County's balances at individual financial institutions were subject to coverage under federal depository insurance and amounts appropriated by Sections 20.144(1)(a) and 34.08 of the Wisconsin Statutes (State Guarantee Fund). Federal depository insurance provides for coverage of up to \$250,000 for time and savings deposits and up to an additional \$250,000 for demand accounts. In addition, funds held in trust for individuals are subject to coverage in the name of the beneficiary in whose name the trust fund is held. 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 under federal depository insurance and the State Guarantee Fund.

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

**NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**A. Deposits and Investments (Continued)**

**Investments**

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

**Deposits 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 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.

**Custodial Credit Risk**

Deposits – Custodial credit risk is the risk that in the event of a financial institution failure, the County's deposits may not be returned to the County.

As of December 31, 2014, the County's total bank balances were not exposed to custodial credit risk because they were fully insured and collateralized.

Investments – For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the County will not be able to recover the value of its instruments or collateral securities that are in the possession of an outside party.

The County did not have any investments exposed to custodial credit risk at year-end.

**Credit Risk**

Credit risk is the risk that an investor or other counterparty to an investment will not fulfill its obligations.

As of December 31, 2014, the County's investments were rated as follows:

<u>Type</u>	<u>Credit Quality Rating</u>	<u>Amount</u>
LGIP Pool Investment Fund	Not Rated	\$ 8,146,482
Federal Home Loan Mortgage Corporation	AAA	46,803
Federal National Mortgage Association	AAA	175,489
General Electric Capital Corporation	AA+	734,126
Government Mortgage National Association	AAA	14,137

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

**NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**A. Deposits and Investments (Continued)**

**Concentration of Credit Risk**

Concentration of credit risk is the risk of loss due attributed to the magnitude of a government's investment in a single issuer.

At December 31, 2014, the investment portfolio was concentrated as follows:

<u>Type</u>	<u>Amount</u>	<u>Percentage</u>
Federal Home Loan Mortgage Corporation	\$ 46,803	0.44%
Federal National Mortgage Association	175,489	1.66%
Government National Mortgage Association	14,137	0.13%
General Electric Capital Corporation Bonds	734,126	6.93%
Other Government Agency Bonds and Notes	1,469,275	13.88%
LGIP Pool Investment Fund	8,146,482	76.95%
	<u>\$ 10,586,312</u>	<u>100.00%</u>

**Interest Rate Risk**

Interest rate risk is the risk that changes in interest rates will adversely affect the value of an investment.

As of December 31, 2014, the County's investments were as follows:

<u>Type</u>	<u>Total</u>	<u>12 Months or Less</u>	<u>13 to 24 Months</u>	<u>25 to 60 Months</u>	<u>More than 60 Months</u>
LGIP Pool Investment Fund	\$ 8,146,482	\$ 8,146,482	\$ -	\$ -	\$ -
Domestic Corporate Debt	734,126	734,126	-	-	-
U.S. Government Agencies	236,429	-	-	18,685	217,744
Other Government Agencies	1,469,275	-	-	1,176,033	293,242
Total	<u>\$ 10,586,312</u>	<u>\$ 8,880,608</u>	<u>\$ -</u>	<u>\$ 1,194,718</u>	<u>\$ 510,986</u>

**B. Receivables**

**Snowmobile Association Loan.** Loans receivable include a loan to the Dunn County Snowmobile Association for the purchase of a new trail groomer. The outstanding balance of the loan to the snowmobile club was \$164,000 as of December 31, 2014.

**Housing Rehabilitation Loans.** The County has been awarded federal Community Development Block Grant (CDBG) Program funds for the purpose of financing housing rehabilitation loans. Repayments received on the original loans are to be recorded in a separate housing revolving loan fund and are to be used to finance similar loans eligible under the program. At December 31, 2014, the County had eighty-nine (89) loans outstanding totaling \$887,879.

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

**NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**C. Capital Assets**

**Governmental Activities**

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

	<u>Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance</u>
Capital Assets Not Being Depreciated:				
Land	\$ 2,730,453	\$ 91,749	\$ -	\$ 2,822,202
Construction in Progress:	<u>1,048,925</u>	<u>13,320,369</u>	<u>(1,013,204)</u>	<u>13,356,090</u>
Total Capital Assets Not Being Depreciated	3,779,378	13,412,118	(1,013,204)	16,178,292
Capital Assets Being Depreciated:				
Buildings	19,903,566	-	-	19,903,566
Machinery and Equipment	5,342,149	752,754	(415,753)	5,679,150
Roads	89,883,935	1,013,204	(1,023,250)	89,873,889
Bridges	<u>15,169,515</u>	<u>61,886</u>	<u>-</u>	<u>15,231,401</u>
Total Capital Assets Being Depreciated	<u>130,299,165</u>	<u>1,827,844</u>	<u>(1,439,003)</u>	<u>130,688,006</u>
Total Capital Assets	134,078,543	15,239,962	(2,452,207)	146,866,298
Accumulated Depreciation:				
Buildings	(8,794,874)	(355,521)	-	(9,150,395)
Machinery and Equipment	(3,373,829)	(454,768)	344,223	(3,484,374)
Roads	(36,441,847)	(2,144,500)	735,117	(37,851,230)
Bridges	<u>(5,143,618)</u>	<u>(285,656)</u>	<u>-</u>	<u>(5,429,274)</u>
Total Accumulated Depreciation	<u>(53,754,168)</u>	<u>(3,240,445)</u>	<u>1,079,340</u>	<u>(55,915,273)</u>
Net Capital Assets	<u>\$80,324,375</u>	<u>\$11,999,517</u>	<u>\$ (1,372,867)</u>	<u>\$ 90,951,025</u>

Depreciation expense was charged to governmental functions as follows:

Primary Government:	
General Government	\$ 429,861
Public Safety	176,587
Public Works, which includes the depreciation of roads and bridges	2,430,156
Health and Human Services	10,277
Culture, Recreation and Education	43,966
Conservation and Development	149,598
Total Depreciation Expense, Governmental Activities	<u>\$ 3,240,445</u>

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

**NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**C. Capital Assets (Continued)**

**Business-Type Activities**

	Beginning Balance	Increases	Decreases	Ending Balance
<b>The Neighbors of Dunn County:</b>				
Capital Assets Not Being Depreciated:				
Land	\$ 20,200	\$ -	\$ -	\$ 20,200
Capital Assets Being Depreciated:				
Land Improvements	658,998	-	-	658,998
Buildings	20,246,593	-	-	20,246,593
Fixed Equipment	1,304,519	33,285	-	1,337,804
Major Moveable Equipment	83,930	14,953	(35,974)	62,909
Total Capital Assets Being Depreciated	<u>22,294,040</u>	<u>48,238</u>	<u>(35,974)</u>	<u>22,306,304</u>
Accumulated Depreciation:				
Land Improvements	(32,950)	(32,950)	-	(65,900)
Buildings and Improvements	(578,474)	(578,474)	-	(1,156,948)
Fixed Equipment	(164,782)	(130,833)	-	(295,615)
Major Moveable Equipment	(80,146)	(1,868)	32,187	(49,827)
Total Accumulated Depreciation	<u>(856,352)</u>	<u>(744,125)</u>	<u>32,187</u>	<u>(1,568,290)</u>
Net Capital Assets - The Neighbors	<u>\$21,457,888</u>	<u>\$ (695,887)</u>	<u>\$ (3,787)</u>	<u>\$ 20,758,214</u>
<b>Highway:</b>				
Capital Assets Not Being Depreciated:				
Land	\$ 397,920	\$ -	\$ -	\$ 397,920
Capital Assets Being Depreciated:				
Land Improvements	624,080	-	-	624,080
Buildings and Improvements	3,110,543	-	-	3,110,543
Machinery and Equipment	13,457,024	977,288	(300,398)	14,133,914
Total Capital Assets Being Depreciated	<u>17,191,647</u>	<u>977,288</u>	<u>(300,398)</u>	<u>17,868,537</u>
Accumulated Depreciation:				
Land Improvements	(374,028)	(17,896)	-	(391,924)
Buildings and Improvements	(1,657,907)	(77,489)	-	(1,735,396)
Machinery and Equipment	(8,811,200)	(822,878)	255,338	(9,378,740)
Total Accumulated Depreciation	<u>(10,843,135)</u>	<u>(918,263)</u>	<u>255,338</u>	<u>(11,506,060)</u>
Net Capital Assets - Highway	<u>\$ 6,746,432</u>	<u>\$ 59,025</u>	<u>\$ (45,060)</u>	<u>\$ 6,760,397</u>
<b>Transit Commission:</b>				
Capital Assets Not Being Depreciated:				
Construction Work in Progress	\$ -	\$ 83,254	\$ -	\$ 83,254
Capital Assets Being Depreciated:				
Machinery and Equipment	357,077	185,172	-	542,249
Accumulated Depreciation:				
Machinery and Equipment	(166,246)	(121,773)	-	(288,019)
Net Capital Assets - Transit Commission	<u>\$ 190,831</u>	<u>\$ 146,653</u>	<u>\$ -</u>	<u>\$ 337,484</u>
Capital Assets Not Being Depreciated	\$ 418,120	\$ 83,254	\$ -	\$ 501,374
Capital Assets Being Depreciated	39,842,764	1,210,698	(336,372)	40,717,090
Total Capital Assets	<u>40,260,884</u>	<u>1,293,952</u>	<u>(336,372)</u>	<u>41,218,464</u>
Accumulated Depreciation	<u>(11,865,733)</u>	<u>(1,784,161)</u>	<u>287,525</u>	<u>(13,362,369)</u>
Net Capital Assets - Business-Type Activities	<u>\$28,395,151</u>	<u>\$ (490,209)</u>	<u>\$ (48,847)</u>	<u>\$ 27,856,095</u>

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

**NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**C. Capital Assets (Continued)**

**Business-Type Activities (Continued)**

Depreciation expense was charged to the following business-type activities:

Depreciation expense was charged to the following business-type activities:

The Neighbors	\$ 744,125
Highway	918,263
Transit Commission	121,773
	\$ 1,784,161

**D. Interfund Receivables, Payables and Transfers**

**Advance to/from Other Funds**

Receivable Fund	Payable Fund	Amount
General Fund	The Neighbors of Dunn County	\$ 32,500
General Fund	Transit Commission	195,757
		\$ 228,257

The purpose of the advance to The Neighbors of Dunn County is the purchase of a new phone system in 2009. The purpose of the advance issued to the Transit Commission in 2014 is for the construction of a transit facility. The Transit Commission advance will be repaid within 10 years.

**Due to/from Other Funds**

Receivable Fund	Payable Fund	Amount
General Fund	The Neighbors of Dunn County	\$ 2,512,474
Highway Fund	The Neighbors of Dunn County	28,538
Add: Enterprise Share of Internal Service Fund Net Position		5,526,947
		\$ 8,067,959

The purpose of the interfund payable in The Neighbors of Dunn County and Human Services fund is because of overdrafts in pooled cash in the respective payable funds. For the statement of net position, interfund balances which are owed within the governmental activities are netted and eliminated.

**Transfers**

	Transfer In	Transfer Out
Governmental Activity:		
General Fund	\$ 630,624	\$ (141,404)
Debt Service Fund	191,404	-
Human Services Fund	-	(226,087)
Other Nonmajor Governmental Funds	-	(50,000)
Workers Compensation Internal Service Fund	-	(200,000)
Health Insurance Internal Service Fund	-	(300,000)
Total Governmental Activity	822,028	(917,491)
Business-Type Activity:		
Transit Commission	95,463	-
Subtotal	917,491	(917,491)
Governmental Activity Eliminations	(822,028)	822,028
Transfer of Infrastructure from the Highway Department and The Neighbors	4,443	(4,443)
	\$ 99,906	\$ (99,906)

**DUNN 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)**

**Transfers (Continued)**

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

**E. Long-Term Obligations**

**Changes in Long-Term Obligations**

The following is a summary of long-term obligations transactions for the year ended December 31, 2014:

	Balance 12/31/13	Issued	Retired	Balance 12/31/14	Amounts Due Within One Year
<b>Governmental Activities</b>					
Bonds and Notes Payable:					
General Obligation Debt	\$ 16,415,000	\$ 7,150,000	\$ (1,545,000)	\$ 22,020,000	\$ 1,605,000
Added: Premium	156,722	204,921	(12,476)	349,167	N/A
Less:					
Discounts	(6,769)	-	2,462	(4,307)	N/A
Deferred Charge on Refunding	(140,814)	-	39,933	(100,881)	N/A
Subtotal	<u>16,424,139</u>	<u>7,354,921</u>	<u>(1,515,081)</u>	<u>22,263,979</u>	<u>1,605,000</u>
Other Liabilities:					
Compensated Absences	2,290,368	734,909	(848,560)	2,176,717	729,631
Other Post Employment Benefits Payable	557,218	-	(73,699)	483,519	-
	<u>2,847,586</u>	<u>734,909</u>	<u>(922,259)</u>	<u>2,660,236</u>	<u>729,631</u>
Total Governmental Activities Long-Term Liabilities	<u>\$ 19,271,725</u>	<u>\$ 8,089,830</u>	<u>\$ (2,437,340)</u>	<u>\$ 24,924,215</u>	<u>\$ 2,334,631</u>
<b>Business-Type Activities</b>					
Bonds and Notes Payable:					
General Obligation Health Care Center Debt	\$ 22,050,000	\$ -	\$ (860,000)	\$ 21,190,000	\$ 880,000
Plus: Premium on Debt	1,229,320	-	(107,476)	1,121,844	N/A
Other Liabilities:					
Compensated Absences	1,499,539	1,030,906	(847,655)	1,682,790	918,869
Other Post Employment Benefits Payable	181,308	-	(19,806)	161,502	-
Total Business-Type Activities Long-Term Liabilities	<u>\$ 24,960,167</u>	<u>\$ 1,030,906</u>	<u>\$ (1,834,937)</u>	<u>\$ 24,156,136</u>	<u>\$ 1,798,869</u>

All general obligation notes and bonds are backed by the full faith and credit of the County. Bonds and notes in the governmental funds will be retired by future property tax levies accumulated by the debt service fund.

**DUNN 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 Long-Term Debt**

In accordance with Wisconsin Statutes, total general obligation indebtedness of the County may not exceed five percent of the equalized value of taxable property within the County's jurisdiction. The debt limit as of December 31, 2014, was \$133,602,685. Total general obligation debt outstanding at the year-end was \$43,210,000.

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

	Date of Issue	Final Maturity	Interest Rates	Original Indebtedness	Balance 12/31/14
<b>General Obligation Debt</b>					
G.O. Refunding Bonds	3/15/2004	10/1/2017	1.20-3.80%	\$ 7,980,000	\$ 2,680,000
G.O. Taxable Refunding Bonds	12/1/2005	10/1/2017	5.10-5.50%	3,840,000	1,310,000
G.O. Health Care Center Bonds	6/25/2012	4/1/2032	2.00-4.00%	22,050,000	21,190,000
G.O. Facility Improvement and Refunding Bonds	8/6/2013	10/1/2026	2.00-3.25%	10,000,000	9,515,000
G.O. Taxable Facility Improvement Bonds	8/6/2013	10/1/2026	2.50-3.80%	1,365,000	1,365,000
G.O. Facility and Management System Improvement Bonds	1/16/2014	10/1/2027	2.00-3.50%	7,150,000	7,150,000
Total General Obligation Debt					<u>\$ 43,210,000</u>

Minimum annual principal and interest payments required to retire long-term debt, not including compensated absences payable are as follows.

Years	General Obligation Debt		
	Principal	Interest	Total
2015	\$ 2,485,000	\$ 1,393,318	\$ 3,878,318
2016	2,560,000	1,318,174	3,878,174
2017	2,670,000	1,236,509	3,906,509
2018	2,575,000	1,146,910	3,721,910
2019	2,635,000	1,084,835	3,719,835
2020-2024	14,335,000	4,307,033	18,642,033
2025-2029	11,330,000	1,874,480	13,204,480
2030-2032	4,620,000	282,000	4,902,000
	<u>\$ 43,210,000</u>	<u>\$ 12,643,259</u>	<u>\$ 55,853,259</u>

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

**NOTE 2    DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**E. Long-Term Obligations (Continued)**

**Current Year Borrowing**

On January 16, 2014, the County issued \$7,150,000 G.O. Facility and Management System Improvement Bonds for the purpose of building renovations and ERP system upgrades. The bonds accrue interest at 2.00% to 3.50% and are payable in semi-annual installments due April 1 and October 1, with the final installment due October 1, 2027.

**Other Debt Information**

Estimated payments of compensated absences are not included in the debt service requirement schedules. The compensated absences liability attributed to governmental activities will be liquidated primarily by the general fund.

**Deferred Amount on Refunding**

Deferred amounts on refunding arise from advance refunding of debt. The difference between the cost of the securities placed in trust for future payment of refunded debt and the net carrying value of the debt is deferred and amortized as a component of interest expense over the shorter of the term of the refunding issue or the original term of the refunded debt. The unamortized amount is reported as a deferred outflow in the government-wide statements. Amortization for 2014 was \$39,933.

**DUNN 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:

	<u>Total</u>	<u>Nonspendable</u>	<u>Restricted</u>	<u>Committed</u>	<u>Assigned</u>	<u>Unassigned</u>
<b>Major Funds:</b>						
General Fund:						
Delinquent Taxes	\$ 729,990	\$ 729,990	\$ -	\$ -	\$ -	\$ -
Advances to Other Funds	228,257	228,257	-	-	-	-
Subsequent Years Budget - Administration	415,802	-	-	-	415,802	-
Subsequent Years Budget - Home Health Care	19,000	-	-	-	19,000	-
Carryover Funds:						
Information Technology	216,234	-	-	-	216,234	-
Human Resources	39,000	-	-	-	39,000	-
Finance	104,000	-	-	-	104,000	-
County Manager	62,500	-	-	-	62,500	-
UW-Extension	14,220	-	-	-	14,220	-
Land Conservation	6,783	-	-	-	6,783	-
Circuit Court	1,000	-	-	-	1,000	-
Emergency Communications	149,283	-	-	-	149,283	-
Criminal Justice Collaborative	20,000	-	-	-	20,000	-
Public Health	80,499	-	-	-	80,499	-
Register of Deeds	96,298	-	-	-	96,298	-
Sheriff	66,157	-	-	-	66,157	-
Veteran's Office	1,948	-	-	-	1,948	-
Unassigned	14,554,794	-	-	-	-	14,554,794
Subtotal General Fund	16,805,765	958,247	-	-	1,292,724	14,554,794
Debt Service Fund	27,200	-	27,200	-	-	-
Capital Projects Fund	6,328,936	-	6,328,936	-	-	-
<b>Nonmajor Funds:</b>						
Special Revenue Funds:						
Jail Assessment Fund	91,251	-	-	91,251	-	-
Solid Waste Fund	1,201,037	-	-	1,201,037	-	-
Community Development Block Grant (CDBG) Fund	108,495	-	108,495	-	-	-
	<u>1,400,783</u>	<u>-</u>	<u>108,495</u>	<u>1,292,288</u>	<u>-</u>	<u>-</u>
Total Governmental Funds Balances at December 31, 2014	<u>\$ 24,562,684</u>	<u>\$ 958,247</u>	<u>\$ 6,464,631</u>	<u>\$ 1,292,288</u>	<u>\$ 1,292,724</u>	<u>\$ 14,554,794</u>

**G. Component Unit**

This report contains the Dunn County Housing Authority (Housing Authority), which is included as a component unit. Financial information is presented as a discrete column in the statement of net position and statement of activities.

In addition to the basic financial statements and the preceding notes to financial statements which apply, the following additional disclosures are considered necessary for a fair presentation.

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

**NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**G. Component Unit (Continued)**

**1. Basis of Accounting/Measurement Flows**

The Housing Authority follows the accrual basis of accounting and the flow of economic resources measurement focus.

**2. Deposits and Investments**

The Housing Authority's cash and investments consist of deposit in financial institutions covered by the Federal Deposit Insurance Corporation or similar coverage. None of the housing authority's deposits were exposed to custodial credit risk at March 31, 2014.

**3. Economic Dependency**

The public housing programs are economically dependent on annual contributions and grants from the United States Department of Housing and Urban Development. This revenue is subject to federal government budget appropriations and potential funding reductions.

**NOTE 3 OTHER INFORMATION**

**A. Employees' Retirement System**

All eligible County employees participate in the Wisconsin Retirement System (System), 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 for teachers) 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, expected to work at least 1200 hours a year (880 for teachers) and expected to be employed for at least one year from employee's date of hire are eligible to participate in the WRS.

Prior to June 29, 2011, the employee required contribution to the plan could be made by the employer on behalf of the employee. Employers were required to contribute an actuarially determined amount necessary to fund the remaining projected cost of future benefits. Effective the first day of the pay period on or after June 29, 2011 the employee required contribution was changed to one-half of the actuarially determined contribution rate for General category employees, including Teachers and Executives and Elected Officials. The employer may not pay the employee required contribution unless provided for in an existing collective bargaining agreement.

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

**NOTE 3 OTHER INFORMATION (CONTINUED)**

**A. Employees' Retirement System (Continued)**

Contribution rates for 2014 were as follows:

	<u>Employee</u>	<u>Employer</u>
General	7.00%	7.00%
Executives & Elected Officials	7.75%	7.75%
Protective with Social Security	7.00%	11.81%
Protective without Social Security	7.00%	15.41%

The payroll for County employees covered by the system for the year ended December 31, 2014 was \$19,746,539; the employer's total payroll was \$20,850,907. The total required contribution for the year ended December 31, 2014 was \$2,844,331 or 14.40% of covered payroll. Of this amount, \$1,460,375 or 7.40% was contributed by the employer and \$1,383,956 or 7.01% was contributed by the employee. Total contributions for the years ended December 31, 2013 and 2012 were \$2,845,178 and \$2,575,580, respectively, equal to the required contributions for each year.

Employees who retire at or after age 65 (62 for elected officials and 55 for protective occupation employees) 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. Final average earnings is the average of the employees' three highest years' earnings. Employees terminating covered employment 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.

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

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

**NOTE 3 OTHER INFORMATION (CONTINUED)**

**B. 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 as of January 1, 2014.

**Single-Employer Plan Description**

Previously, 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. As of January 1, 2015, the County no longer provides retiree health benefits for those retiring after January 1, 2015. As of January 1, 2014 there were no active participants and 6 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 an estimated \$35,516 to the plan.

**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	\$ 35,516
Interest on Net OPEB Obligation	29,541
Adjustment to Annual Required Contribution	<u>(123,046)</u>
Annual OPEB Cost (Expense)	(57,989)
Employer Contributions Made	<u>(35,516)</u>
Increase in Net OPEB Obligation	(93,505)
Net OPEB Obligation - Beginning of Year	<u>738,526</u>
Net OPEB Obligation - End of Year	<u><u>\$ 645,021</u></u>

The County's annual OPEB cost, the percentage of the annual OPEB cost contributed to the plan, and the net OPEB obligation for 2014 and the two preceding years are as follows:

Fiscal Year Ended	Annual OPEB Cost	Employer Contributions	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
12/31/2014	\$ (57,989)	\$ 35,516	-61.2%	\$645,021
12/31/2013	228,012	114,289	50.1	738,526
12/31/2012	227,973	80,706	35.4	624,803

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

**NOTE 3 OTHER INFORMATION (CONTINUED)**

**B. Other Postemployment Benefit Plan (Continued)**

**Funded Status and Funding Progress**

As of January 1, 2014, the most recent actuarial valuation date, the County's unfunded actuarial accrued liability (UAAL) was \$150,160, or 0.7% of covered payroll in the amount of \$21,605,222.

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. 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.

In the January 1, 2014 actuarial valuation, the projected unit credit actuarial cost method was used. The actuarial assumptions included a 4% interest discount rate of return (net of administrative expenses), 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 9.0%, reduced by decrements to an ultimate rate of 5.0% by the year 2023. The UAAL is being amortized as a level percentage of projected payrolls on an open basis. The remaining amortization period at December 31, 2014 was 7 years.

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

**NOTE 3 OTHER INFORMATION (CONTINUED)**

**C. Risk Management**

The County is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets; errors and omissions; workers compensation; and health care of its employees. The County purchases insurance from Wisconsin County Municipal Insurance Corporation (WCMIC) to provide coverage for losses for torts and errors and omissions. Summary financial information of WCMIC as of December 31, 2014 can be obtained directly from WCMIC's offices. The County's deductible is \$50,000 per occurrence and \$150,000 in the aggregate. It purchases coverage from the Local Government Property Insurance Fund for theft and property damage. Settled claims have not exceeded the coverage in any of the past three years, nor were there significant reductions in coverage compared to the prior year. The risks related to workers compensation and health insurance are accounted for and financed by the County in the worker compensation and health insurance internal service funds.

**Self Insurance**

For workers compensation claims, the uninsured risk of loss is \$250,000 per incident and \$500,000 in the aggregate for a policy year. The County has purchased coverage from WCMIC for claims in excess of these amounts. Settled claims have not exceeded this coverage in any of the past three years.

For health insurance claims, the uninsured risk of loss is \$9,447,520 in the aggregate for a policy year. The County has purchased commercial coverage for claims in excess of this amount. Settled claims have not exceeded this coverage in any of the past three years.

All funds participate in the risk management program. Amounts payable to the workers compensation fund are based on actuarial estimates of the amounts necessary to pay prior and current year claims and to establish a reserve for catastrophic losses. Amounts payable to the health insurance fund are determined by the County's third party administrator.

A liability for a claim is established if information indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss is reasonably estimable. Liabilities include an amount for claims that have been incurred but not reported.

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

**NOTE 3 OTHER INFORMATION (CONTINUED)**

**C. Risk Management (Continued)**

**Claims Liability**

Changes in the claims liabilities for 2014 and 2013 for the health insurance fund were as follows:

	Workers Compensation		Health Insurance	
	2014	2013	2014	2013
Estimated Claims Outstanding January 1	\$ 189,525	\$ 388,688	\$ 693,248	\$ 453,986
Current Year Claims and Changes	310,832	207,897	7,235,144	8,344,804
Claim Payments	(180,037)	(407,060)	(7,452,632)	(8,105,542)
Estimated Claims Outstanding Dec. 31	<u>\$ 320,320</u>	<u>\$ 189,525</u>	<u>\$ 475,760</u>	<u>\$ 693,248</u>

**D. Commitments and Contingencies**

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

**Grants.** 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.

**Construction Contracts.** At December 31, 2014, the County is committed to a number of contracts for the completion of building renovation projects and the implementation of a new ERP system. The County's remaining commitment under these contracts is \$1,370,325.

**REQUIRED SUPPLEMENTARY INFORMATION**

**DUNN COUNTY, WISCONSIN**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE –**  
**BUDGET AND ACTUAL – GENERAL FUND**  
**YEAR ENDED DECEMBER 31, 2014**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
<b>TAXES</b>				
General Property Taxes	\$ 8,522,792	\$ 8,522,792	\$ 8,498,501	\$ (24,291)
Forest Cropland Taxes	23,300	23,300	24,191	891
Sales and Use Taxes	2,582,000	2,582,000	2,717,997	135,997
Penalty for Land Use Change	2,000	2,000	1,353	(647)
Interest and Penalties on Taxes	470,000	470,000	310,439	(159,561)
Total Taxes	<u>11,600,092</u>	<u>11,600,092</u>	<u>11,552,481</u>	<u>(47,611)</u>
<b>INTERGOVERNMENTAL REVENUES</b>				
Shared Revenue from State	2,298,000	2,298,000	2,302,831	4,831
Tax Exempt Computers	65,000	65,000	66,332	1,332
State Court Grants	181,400	181,400	206,548	25,148
Law Enforcement Grants	176,200	189,960	124,250	(65,710)
Victim Witness Grants	74,826	74,826	83,359	8,533
Emergency Government	68,497	68,497	68,704	207
Emergency Communications	-	-	574,500	574,500
Wisconsin Fund Private Sewage Grant	10,000	10,000	13,374	3,374
Health Grants	320,790	328,775	345,347	16,572
Child Support	531,792	531,792	545,940	14,148
Veterans Service Officer	10,700	10,700	11,044	344
Indirect Cost Reimbursement	46,000	46,000	-	(46,000)
Snowmobile Trails	72,675	124,286	107,347	(16,939)
District Fair Grants	5,500	5,500	5,968	468
Forest Crop	22,500	22,500	22,694	194
Smart Growth	30,000	30,000	-	(30,000)
WI Farmers Fund	100,000	100,000	109,747	9,747
Soil and Water Resource Grants	204,067	211,067	208,600	(2,467)
Wildlife Damage Abatement	40,000	40,000	16,538	(23,462)
Fish and Game Grants	2,325	6,202	5,859	(343)
DNR Lakes Management	-	25,000	-	(25,000)
DNR Payments in Lieu of Taxes	45,000	45,000	45,630	630
Soil Stabilization Grant	-	174,000	173,592	(408)
Total Intergovernmental Revenues	<u>4,305,272</u>	<u>4,588,505</u>	<u>5,038,204</u>	<u>449,699</u>
<b>LICENSES AND PERMITS</b>				
Zoning Permits and Fees	50,000	50,000	55,975	5,975
Fire Number Fees	4,000	4,000	4,450	450
Stormwater Review Fees	600	600	-	(600)
Nonmetallic Mining Fees	16,000	16,000	15,445	(555)
Total Licenses and Permits	<u>70,600</u>	<u>70,600</u>	<u>75,870</u>	<u>5,270</u>

*The Notes to Required Supplementary Information are an integral part of this schedule.*

**DUNN COUNTY, WISCONSIN**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE –**  
**BUDGET AND ACTUAL – GENERAL FUND (CONTINUED)**  
**YEAR ENDED DECEMBER 31, 2014**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>REVENUES (CONTINUED)</b>				
<b>FINES AND FORFEITURES</b>				
County Ordinance Forfeitures	\$ 93,000	\$ 93,000	\$ 92,455	\$ (545)
County Share State Fines and Forfeitures	125,000	125,000	139,415	14,415
Total Fines and Forfeitures	<u>218,000</u>	<u>218,000</u>	<u>231,870</u>	<u>13,870</u>
<b>PUBLIC CHARGES FOR SERVICES</b>				
Probate Fees	12,000	12,000	13,580	1,580
District Attorney Charges	5,500	5,500	5,695	195
County Manager Fees	28,000	28,000	-	(28,000)
Clerk Fees	5,625	5,625	7,497	1,872
Register of Deed Fees	40,000	40,000	29,845	(10,155)
Court Fees and Costs	15,000	15,000	7,605	(7,395)
Guardian Ad Litem Fees	55,000	55,000	60,206	5,206
Family Mediation Fees	8,000	8,000	9,420	1,420
Other Court Fees	190,000	190,000	192,814	2,814
Medical Examiner	18,000	18,000	22,749	4,749
Land Information	62,500	62,500	47,785	(14,715)
Law Enforcement Fees	123,100	123,100	83,386	(39,714)
Board of Prisoners	250,000	250,000	391,150	141,150
Inmate Revenue	89,500	89,500	91,475	1,975
Child Support	5,000	5,000	5,452	452
Public Health	426,591	433,691	418,244	(15,447)
Home Health	814,629	814,629	605,214	(209,415)
Veteran's	1,300	1,300	2,573	1,273
Parks	-	-	2,000	2,000
UW Extension	5,657	5,657	6,049	392
Fair Revenues	88,800	88,800	98,220	9,420
Snowmobile Association Loan Repayment	20,000	20,000	40,000	20,000
In Rem Revenue	15,000	15,000	995	(14,005)
Total Public Charges and Services	<u>2,279,202</u>	<u>2,286,302</u>	<u>2,141,954</u>	<u>(144,348)</u>
<b>INTERGOVERNMENTAL CHARGES FOR SERVICES</b>				
IT Support	46,556	46,556	29,945	(16,611)
Tax Collection Fees	19,896	19,896	15,732	(4,164)
Data Processing Fees	1,200	1,200	1,760	560
Total Intergovernmental Charges for Services	<u>67,652</u>	<u>67,652</u>	<u>47,437</u>	<u>(20,215)</u>

*The Notes to Required Supplementary Information are an integral part of this schedule.*

**DUNN COUNTY, WISCONSIN**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE –**  
**BUDGET AND ACTUAL – GENERAL FUND (CONTINUED)**  
**YEAR ENDED DECEMBER 31, 2014**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>REVENUES (CONTINUED)</b>				
<b>INVESTMENT INCOME</b>				
Interest on Investments	\$ 96,500	\$ 96,500	\$ 84,119	\$ (12,381)
<b>MISCELLANEOUS REVENUES</b>				
Rent	320,132	320,132	323,405	3,273
Property Sales	70,000	70,000	241,802	171,802
Insurance Recoveries	50,000	50,000	54,163	4,163
Donations	30,500	46,613	43,028	(3,585)
Gain/Loss on Sale of Tax Deeds	25,000	25,000	38,942	13,942
Miscellaneous Revenues	341,500	343,077	304,740	(38,337)
Total Miscellaneous Revenues	<u>837,132</u>	<u>854,822</u>	<u>1,006,080</u>	<u>151,258</u>
Total Revenues	<u>19,474,450</u>	<u>19,782,473</u>	<u>20,178,015</u>	<u>395,542</u>
<b>EXPENDITURES</b>				
<b>GENERAL GOVERNMENT</b>				
County Board	55,072	55,072	50,681	4,391
Boards and Commissions	85,555	85,555	61,281	24,274
Circuit Court Judge	459,241	459,241	470,640	(11,399)
Circuit Court Clerk	876,017	886,017	861,100	24,917
Corporation Counsel	359,838	359,838	296,973	62,865
District Attorney	424,884	424,884	391,057	33,827
County Manager	3,812,935	4,145,554	3,266,609	878,945
County Clerk	253,352	253,351	249,525	3,826
Treasurer	192,269	192,269	178,173	14,096
Register of Deeds	277,340	392,976	277,795	115,181
Total General Government	<u>6,796,503</u>	<u>7,254,757</u>	<u>6,103,834</u>	<u>1,150,923</u>
<b>PUBLIC SAFETY</b>				
Sheriff	6,203,620	6,257,583	6,163,277	94,306
Medical Examiner	92,876	92,876	125,421	(32,545)
Emergency Management	140,849	349,849	336,105	13,744
Emergency Communication	1,143,165	1,703,870	1,475,401	228,469
Total Public Safety	<u>7,580,510</u>	<u>8,404,178</u>	<u>8,100,204</u>	<u>303,974</u>

*The Notes to Required Supplementary Information are an integral part of this schedule.*

**DUNN COUNTY, WISCONSIN**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE –**  
**BUDGET AND ACTUAL – GENERAL FUND (CONTINUED)**  
**YEAR ENDED DECEMBER 31, 2014**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>EXPENDITURES (CONTINUED)</b>				
<b>HEALTH AND HUMAN SERVICES</b>				
Health	\$ 1,321,689	\$ 1,374,251	\$ 1,260,986	\$ 113,265
Home Care	811,448	811,448	683,055	128,393
Child Support	584,141	584,144	574,909	9,235
Veteran Service	190,748	192,239	186,262	5,977
Total Health and Human Services	<u>2,908,026</u>	<u>2,962,082</u>	<u>2,705,212</u>	<u>256,870</u>
<b>CULTURE, EDUCATION, AND RECREATION</b>				
Fair Board	179,190	179,190	186,483	(7,293)
U.W. Extensions	283,851	290,643	268,119	22,524
Outside Organization	193,463	293,463	293,617	(154)
Library	714,914	721,255	721,255	-
Auditorium, Convention	7,500	7,500	7,456	44
Total Culture, Education, and Recreation	<u>1,378,918</u>	<u>1,492,051</u>	<u>1,476,930</u>	<u>15,121</u>
<b>CONSERVATION AND DEVELOPMENT</b>				
Planning Resources and Development	<u>1,564,092</u>	<u>1,664,582</u>	<u>1,534,474</u>	<u>130,108</u>
Total Expenditures	<u>20,228,049</u>	<u>21,777,650</u>	<u>19,920,654</u>	<u>1,856,996</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	(753,599)	(1,995,177)	257,361	2,252,538
<b>OTHER FINANCING SOURCES AND USES</b>				
Transfers In	500,000	500,000	630,624	130,624
Transfers Out	-	(230,765)	(141,404)	89,361
Total Other Financing Sources and Uses	<u>500,000</u>	<u>269,235</u>	<u>489,220</u>	<u>219,985</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ (253,599)</u>	<u>\$ (1,725,942)</u>	746,581	<u>\$ 2,472,523</u>
Fund Balance - Beginning of Year			<u>16,059,184</u>	
<b>FUND BALANCE - END OF YEAR</b>			<u>\$ 16,805,765</u>	

The Notes to Required Supplementary Information are an integral part of this schedule.

**DUNN COUNTY, WISCONSIN**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE –**  
**BUDGET AND ACTUAL – HUMAN SERVICES FUND**  
**YEAR ENDED DECEMBER 31, 2014**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Taxes	\$ 2,948,151	\$ 2,948,151	\$ 2,948,151	\$ -
Intergovernmental Revenues	4,923,758	4,923,758	5,446,803	523,045
Public Charges for Services	760,965	760,965	842,680	81,715
Total Revenues	<u>8,632,874</u>	<u>8,632,874</u>	<u>9,237,634</u>	<u>604,760</u>
<b>EXPENDITURES</b>				
Health and Human Services	<u>8,879,275</u>	<u>8,879,275</u>	<u>9,011,547</u>	<u>(132,272)</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	(246,401)	(246,401)	226,087	472,488
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers In	246,401	246,401	-	(246,401)
Transfers Out	-	-	<u>(226,087)</u>	<u>(226,087)</u>
Total Other Financing Sources (Uses)	<u>246,401</u>	<u>246,401</u>	<u>(226,087)</u>	<u>(472,488)</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ -</u>	<u>\$ -</u>	-	<u>\$ -</u>
Fund Balance - Beginning of Year			<u>-</u>	
<b>FUND BALANCE - END OF YEAR</b>			<u>\$ -</u>	

The Notes to Required Supplementary Information are an integral part of this schedule.

**DUNN COUNTY, WISCONSIN**  
**SCHEDULE OF FUNDING PROGRESS FOR OTHER POSTEMPLOYMENT BENEFITS**

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)
1/1/2014**	\$ -	\$ 150,160	\$ 150,160	0.0%	\$21,605,222	0.7%
1/1/2012	-	2,207,376	2,207,376	0.0	21,217,170	10.4
1/1/2011	-	1,693,576	1,693,576	0.0	21,515,681	7.9

\*\*There were significant plan provisions since the last valuation date of 1/1/2012. Beginning January 1, 2015, the County no longer provides retiree health benefits for those retiring on or after January 1, 2015. They will be allowed to continue coverage with the County's plan through COBRA. Current retirees will be allowed to remain on the plan until they reach the age of 65. The County is not providing subsidies to participants impacted by this change.

**DUNN 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 and human services 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 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.

Expenditures exceeded annual final budgets as follows:

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
General Fund:			
General Government			
Circuit Court Judge	\$ 459,241	\$ 470,640	\$ (11,399)
Public Safety			
Medical Examiner	92,876	125,421	(32,545)
Culture, Recreation and Education			
Fair Board	179,190	186,483	(7,293)
Outside Organization	293,463	293,617	(154)
Human Services Fund:			
Health and Human Services	8,879,275	9,011,547	(132,272)

**COMBINING AND INDIVIDUAL FUND STATEMENTS**

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

	Jail Assessment	Solid Waste	CDBG	Total Nonmajor Governmental Funds
<b>ASSETS</b>				
Cash	\$ 89,643	\$ 1,183,480	\$ 108,495	\$ 1,381,618
Taxes Receivable	-	8,000	-	8,000
Accounts Receivable	5,938	160,588	-	166,526
Loans Receivable	-	-	887,879	887,879
Due from Other Governments	10	41,401	-	41,411
	<u>10</u>	<u>41,401</u>	<u>-</u>	<u>41,411</u>
 Total Assets	 <u>\$ 95,591</u>	 <u>\$ 1,393,469</u>	 <u>\$ 996,374</u>	 <u>\$ 2,485,434</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>				
<b>Liabilities:</b>				
Accounts Payable	\$ 4,340	\$ 172,961	\$ -	\$ 177,301
Accrued Liabilities	-	11,471	-	11,471
Total Liabilities	<u>4,340</u>	<u>184,432</u>	<u>-</u>	<u>188,772</u>
<b>Deferred Inflows of Resources:</b>				
Subsequent Year's Property Taxes	-	8,000	-	8,000
Unavailable Loans Receivable	-	-	887,879	887,879
Total Deferred Inflows of Resources	<u>-</u>	<u>8,000</u>	<u>887,879</u>	<u>895,879</u>
<b>Fund Balances:</b>				
Restricted	-	-	108,495	108,495
Committed	91,251	1,201,037	-	1,292,288
Total Fund Balances	<u>91,251</u>	<u>1,201,037</u>	<u>108,495</u>	<u>1,400,783</u>
 Total Liabilities, Deferred Inflows of Resources and Fund Balances	 <u>\$ 95,591</u>	 <u>\$ 1,393,469</u>	 <u>\$ 996,374</u>	 <u>\$ 2,485,434</u>

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

	Jail Assessment	Solid Waste	CDBG	Total Nonmajor Governmental Funds
<b>REVENUES</b>				
Taxes	\$ -	\$ 8,000	\$ -	\$ 8,000
Intergovernmental Revenues	-	174,060	-	174,060
Fines and Forfeits	76,297	-	-	76,297
Public Charges for Services	-	1,529,171	-	1,529,171
Intergovernmental Charges for Services	-	521,035	-	521,035
Miscellaneous:				
Interest Income	-	-	5	5
Loan Repayments	-	-	25,992	25,992
Other Revenues	-	251,965	-	251,965
Total Revenues	<u>76,297</u>	<u>2,484,231</u>	<u>25,997</u>	<u>2,586,525</u>
<b>EXPENDITURES</b>				
Current:				
Public Safety	29,888	-	-	29,888
Public Works	-	2,370,845	-	2,370,845
Conservation and Development	-	-	753	753
Total Expenditures	<u>29,888</u>	<u>2,370,845</u>	<u>753</u>	<u>2,401,486</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	46,409	113,386	25,244	185,039
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers Out	<u>(50,000)</u>	-	-	<u>(50,000)</u>
<b>NET CHANGE IN FUND BALANCES</b>	(3,591)	113,386	25,244	135,039
Fund Balances - Beginning of Year	<u>94,842</u>	<u>1,087,651</u>	<u>83,251</u>	<u>1,265,744</u>
<b>FUND BALANCES - END OF YEAR</b>	<u>\$ 91,251</u>	<u>\$ 1,201,037</u>	<u>\$ 108,495</u>	<u>\$ 1,400,783</u>

**DUNN COUNTY, WISCONSIN  
 COMBINING STATEMENT OF NET POSITION  
 INTERNAL SERVICE FUNDS  
 DECEMBER 31, 2014**

	Workers Compensation Fund	Health Insurance Fund	Totals
	<u>          </u>	<u>          </u>	<u>          </u>
<b>ASSETS</b>			
Cash and Investments	\$ 2,204,445	\$ 2,433,827	\$ 4,638,272
Accounts Receivable	-	153,259	153,259
Total Assets	<u>2,204,445</u>	<u>2,587,086</u>	<u>4,791,531</u>
 <b>LIABILITIES</b>			
Accrued Liabilities	<u>320,320</u>	<u>475,760</u>	<u>796,080</u>
 <b>NET POSITION - UNRESTRICTED</b>	 <u><u>\$ 1,884,125</u></u>	 <u><u>\$ 2,111,326</u></u>	 <u><u>\$ 3,995,451</u></u>

**DUNN COUNTY, WISCONSIN  
 COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES  
 IN NET POSITION – INTERNAL SERVICE FUNDS  
 YEAR ENDED DECEMBER 31, 2014**

	Workers Compensation Fund	Health Insurance Fund	Totals
<b>OPERATING REVENUES</b>			
Charges to County Departments	\$ 610,804	\$ 7,825,162	\$ 8,435,966
<b>OPERATING EXPENSES</b>			
Administration	-	206,541	206,541
Benefit Payments	310,832	7,028,603	7,339,435
Total Operating Expenses	310,832	7,235,144	7,545,976
<b>OPERATING INCOME (LOSS)</b>	299,972	590,018	889,990
<b>NONOPERATING REVENUES</b>			
Investment Income	1,783	8,665	10,448
<b>INCOME (LOSS) BEFORE TRANSFERS</b>	301,755	598,683	900,438
Transfers Out	(200,000)	(300,000)	(500,000)
<b>CHANGE IN NET POSITION</b>	101,755	298,683	400,438
Net Position - Beginning of Year	1,782,370	1,812,643	3,595,013
<b>NET POSITION - END OF YEAR</b>	<u>\$ 1,884,125</u>	<u>\$ 2,111,326</u>	<u>\$ 3,995,451</u>

**DUNN COUNTY, WISCONSIN  
COMBINING STATEMENT OF CASH FLOWS  
INTERNAL SERVICE FUNDS  
YEAR ENDED DECEMBER 31, 2014**

	<u>Workers Compensation</u>	<u>Health Insurance</u>	<u>Totals</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Cash Received from County Departments	\$ 610,804	\$ 7,885,752	\$ 8,496,556
Cash Paid to Employees for Insurance Claims	(180,037)	(424,029)	(604,066)
Cash Paid to Third Party Administrator	<u>-</u>	<u>(7,028,603)</u>	<u>(7,028,603)</u>
Net Cash Provided by (Used for) Operating Activities	<u>430,767</u>	<u>433,120</u>	<u>863,887</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>			
Transfers Out	<u>(200,000)</u>	<u>(300,000)</u>	<u>(500,000)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Noncash Equivalent Certificates of Deposit Matured	-	647,675	647,675
Noncash Equivalent Certificates of Deposits Purchased	-	(560,071)	(560,071)
Investment Income	1,783	8,665	10,448
Net Cash Provided by (Used for) Investing Activities	<u>1,783</u>	<u>96,269</u>	<u>98,052</u>
<b>NET CHANGE IN CASH AND CASH AND CASH EQUIVALENTS</b>	232,550	229,389	461,939
Cash and Cash Equivalents - Beginning of Year	<u>1,971,895</u>	<u>1,385,706</u>	<u>3,357,601</u>
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	<u>\$ 2,204,445</u>	<u>\$ 1,615,095</u>	<u>\$ 3,819,540</u>
Cash and Investments per Statement of Net Position	\$ 2,204,445	\$ 2,433,827	\$ 4,638,272
Noncash Equivalents	-	(818,732)	(818,732)
Cash and Cash Equivalents	<u>\$ 2,204,445</u>	<u>\$ 1,615,095</u>	<u>\$ 3,819,540</u>
<b>RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>			
Operating Income (Loss)	\$ 299,972	\$ 590,018	\$ 889,990
Adjustments to Reconcile Operating Income (Loss) to Cash Provided by Operating Activities:			
(Increase) Decrease in Assets:			
Change in Receivables	-	60,590	60,590
Increase (Decrease) in Liabilities:			
Change in Accrued Liabilities	<u>130,795</u>	<u>(217,488)</u>	<u>(86,693)</u>
Net Cash Provided by (Used for) Operating Activities	<u>\$ 430,767</u>	<u>\$ 433,120</u>	<u>\$ 863,887</u>

**DUNN COUNTY, WISCONSIN  
COMBINING BALANCE SHEET  
AGENCY FUNDS  
DECEMBER 31, 2014**

	Tax Collections	Treasurer	Clerk of Courts	Sheriff	UW Extension	District Attorney	Totals
<b>ASSETS</b>							
Cash and Investments	\$ 3,273,769	\$ 79,634	\$ 341,441	\$ 36,665	\$ 1,264	\$ 12,300	\$ 3,745,073
Taxes Receivable	453,464	-	-	-	-	-	453,464
Due from Other Governments	-	130,594	-	-	-	-	130,594
Total Assets	<u>\$ 3,727,233</u>	<u>\$ 210,228</u>	<u>\$ 341,441</u>	<u>\$ 36,665</u>	<u>\$ 1,264</u>	<u>\$ 12,300</u>	<u>\$ 4,329,131</u>
<b>LIABILITIES</b>							
Accounts Payable	\$ -	\$ 149,257	\$ -	\$ -	\$ -	\$ -	\$ 149,257
Deposits Payable	-	2,705	158,347	36,665	1,264	12,300	211,281
Due to Other Governments	3,727,233	58,266	183,094	-	-	-	3,968,593
Total Liabilities	<u>\$ 3,727,233</u>	<u>\$ 210,228</u>	<u>\$ 341,441</u>	<u>\$ 36,665</u>	<u>\$ 1,264</u>	<u>\$ 12,300</u>	<u>\$ 4,329,131</u>