

OCONTO COUNTY, WISCONSIN
ANNUAL FINANCIAL REPORT
DECEMBER 31, 2009

OCONTO COUNTY, WISCONSIN
December 31, 2009

Table of Contents

	<u>Page No.</u>
INDEPENDENT AUDITORS' REPORT ON BASIC FINANCIAL STATEMENTS AND SUPPLEMENTARY SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND SCHEDULE OF STATE FINANCIAL ASSISTANCE	1 - 2
MANAGEMENT DISCUSSION & ANALYSIS	3 - 9
BASIC FINANCIAL STATEMENTS	
Government-wide Financial Statements	
Statement of Net Assets	10
Statement of Activities	11 - 12
Fund Financial Statements	
Balance Sheet - Governmental Funds	13 - 14
Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	15 - 16
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - General Fund	17
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Human Services	18
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - County Roads and Bridges	19
Statement of Net Assets - Proprietary Funds	20
Statement of Revenues, Expenses and Changes in Net Assets - Proprietary Funds	21
Statement of Cash Flows - Proprietary Funds	22
Statement of Net Assets - Fiduciary Funds	23
Notes to Basic Financial Statements	24 - 42
REQUIRED SUPPLEMENTAL INFORMATION	
Schedule of Funding Progress - Other Post- Employment Benefit Plan	43
Schedule of Employer Contributions - Other Post-Employment Benefit Plan	44

OCONTO COUNTY, WISCONSIN
December 31, 2009

Table of Contents

	<u>Page No.</u>
SUPPLEMENTAL INFORMATION	
Schedule of Revenues, Expenditures and Other Financing Sources and Uses - Budget and Actual - General Fund	45 - 52
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - County Roads and Bridges	53
Combining Balance Sheet - Nonmajor Governmental Funds	54 - 55
Combining Statement of Revenues, Expenditures and Changes in Fund Balance - Nonmajor Governmental Funds	56 - 57
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Nonmajor Governmental Funds	58 - 64
Schedule of Revenues, Expenses and Changes in Net Assets - Budget and Actual - Highway Enterprise Fund	65 - 66
Schedule of Revenues, Expenses and Changes in Net Assets - Budget and Actual - Recycling Enterprise Fund	67
Combining Statement of Net Assets - Agency Funds	68
ADDITIONAL INDEPENDENT AUDITORS' REPORT FOR BASIC FINANCIAL STATEMENTS	
Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards	69 - 70
FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE	
Report on Compliance with Requirements Applicable to Each Major Federal and State Program and on Internal Control Over Compliance in Accordance with OMB Circular A-133 and the State Single Audit Guidelines	71 - 72
Schedule of Federal Awards	73 - 76
Schedule of State Financial Assistance	77 - 80
Notes to the Schedule of Federal Awards and the Schedule of State Financial Assistance	81 - 82
Schedule of Findings and Questioned Costs	83 - 86
Schedule of Prior Year Audit Findings and Corrective Action Plan	88
STATE FINANCIAL REPORT FORM	
Independent Auditors' Report on State Financial Report Form	89
Schedule of Revisions to 2009 State Financial Report Form	90



**INDEPENDENT AUDITORS' REPORT ON BASIC FINANCIAL STATEMENTS
AND SUPPLEMENTARY SCHEDULE OF EXPENDITURES OF FEDERAL
AWARDS AND SCHEDULE OF STATE FINANCIAL ASSISTANCE**

To the County Board
Oconto County, Wisconsin

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 Oconto County, Wisconsin ("the County") as of and for the year ended December 31, 2009, which collectively comprise the County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of Oconto County's management. Our responsibility is to express opinions on these basic financial statements based on our audit. The prior year summarized comparative information has been derived from the County's 2008 financial statements and, in our report dated June 25, 2009, we expressed unqualified opinions on the respective financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information.

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 includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall basic financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the County as of December 31, 2009, and the respective changes in financial position and cash flows, where applicable, thereof and the respective budgetary comparison for the general fund and human services and county roads and bridges special revenue funds for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As described in Note D.2, the County has implemented GASB Statement No. 45, Accounting and Financial Reporting by Employers and Post-employment Benefits Other than Pensions, for the fiscal year ended December 31, 2009.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 17, 2010 on our consideration of the County's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and 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.

The Management's Discussion and Analysis and required supplemental information are not a required part of the basic financial statements but is supplemental information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplemental information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The financial information listed in the table of contents as supplemental information, and the accompanying schedule of federal awards and schedule of state financial assistance, as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and the *State Single Audit Guidelines* issued by the Wisconsin Department of Administration, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.



Certified Public Accountants
Green Bay, Wisconsin
June 17, 2010

MANAGEMENT'S DISCUSSION AND ANALYSIS

Oconto County, Wisconsin
Management's Discussion and Analysis
December 31, 2009

As management of Oconto County, we offer the readers of the County's basic financial statements this narrative overview and analysis of the financial activities of the County for the fiscal year ended December 31, 2009.

Financial Highlights

- The assets of the County exceeded its liabilities as of December 31, 2009 by \$122,764,016 (*net assets*). Of this amount, \$20,944,647 (*unrestricted net assets*) may be used to meet the County's ongoing obligations to citizens and creditors. The remainder of \$101,819,369 is invested in capital assets, net of depreciation and related debt.
- The County's total net assets decreased by \$571,067 from 2008, a decrease of less than one-half percent. Of that decrease \$254,643 and \$316,424 was attributable to governmental activities and business-type activities respectively.
- As of December 31, 2009, the County's governmental funds reported combined ending fund balances of \$16,139,621, an increase of \$101,457 from the prior year. Approximately 24% of the combined fund balances, or \$3,756,215, is available to meet the County's current and future needs.
- As of December 31, 2009, the County's general fund unreserved fund balance (designated and undesignated) was \$10,553,283, or approximately 68% of the total 2009 general fund expenditures of \$15,577,952.
- The County's total outstanding general obligation debt decreased by \$1,125,000, and no new debt was issued. The total outstanding debt of the county at the end of 2009 was \$1,725,000. Of that amount, \$400,000 will be retired in 2010. There is no anticipated new debt borrowing for 2010.
- Delinquent property taxes (tax certificates & tax deeds) increased by \$414,712, or 18%, to \$2,674,138. That is a two year total increase of \$814,987.
- The county's equalized value decreased by 1.1% from the previous year. This is the first decrease in the county's equalized value since at least 1990.
- The property tax mill rate decreased 11 cents for the year 2009 to \$4.70, compared to \$4.81 in 2008. The property tax levy increased to \$17,172,457 in 2009 from \$16,797,446, an increase of \$375,011, or 2.2%. The increase was within the state imposed tax levy limit.

Overview of the Basic Financial Statements

This discussion and analysis is intended to serve as an introduction to the County's basic financial statements. The County's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the basic financial statements. The 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 County's finances, in a manner similar to a private-sector business and consist of the two following statements:

The *statement of net assets* presents information on all of the County's assets and liabilities, with the difference between the two reported as *net assets*. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the County is improving or deteriorating in conjunction with other indicators such as infrastructure systems, changes in property tax base and general economic conditions of the County.

The *statement of activities* presents information showing how the County's net assets changed during the most recent fiscal year. All changes in net assets 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 and sick leave).

Both of the government-wide financial statements distinguish functions of the 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 and recreation, and conservation and development. The business-type activities of the County include the highway, recycling, and landfill operations.

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

The government-wide financial statements can be found on pages 10-12 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. Oconto 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: government funds, proprietary funds and fiduciary funds.

Governmental funds: *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in 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.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the 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*.

Oconto County maintains fifteen 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, human services fund and county roads and bridges fund, all of which are considered to be major funds. Data from the other twelve 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 in the supplementary section of this report.

The County adopts an annual appropriated budget for all its governmental funds. As part of the basic governmental fund financial statements, budgetary comparison statements have been provided 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 on pages 13-19 of this report.

Proprietary funds: Oconto County maintains a single type proprietary fund. *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 recycling, highway and landfill operations.

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 MAR-OCO landfill and highway operations, both of which are considered to be major funds of the County, additionally, the recycling fund (a non-major fund) information is presented.

The basic proprietary fund financial statements can be found on pages 20-22 of this report.

Fiduciary funds: Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are *not* reflected in the government-wide financial statements because the resources of those funds are *not* available to support Oconto County's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

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

Notes to the 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 24 of this report.

Other information: The combining statements referred to earlier in connection with nonmajor governmental funds are presented immediately following the notes to the basic financial statements. Combining and individual fund statements and schedules can be found beginning on page 43 of this report.

Government-wide Financial Analysis

Net assets: As noted earlier, net assets may serve over time as a useful indicator of the County’s financial position. In the case of the County, assets exceeded liabilities by \$122,764,016 at the close of the year.

	GOVERNMENTAL ACTIVITIES		BUSINESS-TYPE ACTIVITIES		TOTALS	
	2009	2008	2009	2008	2009	2008
OCONTO COUNTY NET ASSETS:						
Current and other assets	\$ 37,881,389	\$ 37,551,195	\$ 5,778,856	\$ 6,305,285	\$ 43,660,245	\$ 43,856,480
Capital assets	94,655,998	96,287,285	8,888,371	8,648,606	\$ 103,544,369	\$ 104,935,891
Total assets	132,537,387	133,838,480	14,667,227	14,953,891	147,204,614	148,792,371
Long-term liabilities outstanding	2,385,835	3,370,628	1,385,401	1,303,528	\$ 3,771,236	\$ 4,674,156
Other liabilities	20,129,806	20,191,463	539,556	591,669	\$ 20,669,362	\$ 20,783,132
Total liabilities	22,515,641	23,562,091	1,924,957	1,895,197	24,440,598	25,457,288
Net assets:						
Invested in capital assets, net of debt ...	92,930,998	93,612,285	8,888,371	8,648,606	\$ 101,819,369	\$ 102,260,891
Restricted	-	15,627	-	-	-	15,627
Unrestricted	17,090,748	16,648,477	3,853,899	4,410,088	20,944,647	21,058,565
Total net assets	\$ 110,021,746	\$ 110,276,389	\$ 12,742,270	\$ 13,058,694	\$ 122,764,016	\$ 123,335,083

By far the largest portion of the County’s total net assets (82 percent) reflects its investment in capital assets (e.g. land, buildings, machinery and equipment, infrastructure, etc.) less any related outstanding debt used to acquire those assets. The County uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although the County’s investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be used to liquidate these liabilities.

The remaining balance of *unrestricted net assets* (\$20,944,647) may be used to meet the County’s ongoing obligations to citizens and creditors.

At the end of the current fiscal year, Oconto County is able to report positive balances in all three categories of net assets, both for the government as a whole, as well as for its separate governmental and business-type activities.

Change in net assets. Governmental activities decreased the County's net assets by \$254,643 and business-type activities decreased the County's net assets by \$316,424 during the year, thus resulting in a net decrease of \$571,067 of the total net assets of the County.

OCONTO COUNTY CHANGE IN NET ASSETS PRIMARY GOVERNMENT	Governmental Activities		Business-type Activities		TOTALS	
	2009	2008	2009	2008	2009	2008
	Revenues:					
Program revenues:						
Charges for services, fees, fines, costs ...	\$ 4,806,941	\$ 4,788,972	\$ 8,857,209	\$ 10,956,652	\$ 13,664,150	\$ 15,745,624
Operating grants and contributions	13,824,648	14,163,729	293,778	347,568	14,118,426	14,511,297
General revenues:						
Property taxes	17,172,457	16,797,446	-	-	17,172,457	16,797,446
Other taxes	1,894,270	1,948,556	-	-	1,894,270	1,948,556
Grants and contributions not restricted to specific programs	807,222	793,619	-	-	807,222	793,619
Interest and investment earnings	300,643	722,584	14,607	38,214	315,250	760,798
Other	5,285	229,092	-	-	5,285	229,092
Total revenues	38,811,466	39,443,998	9,165,594	11,342,434	47,977,060	50,786,432
Expenses:						
General government	5,019,557	5,440,604	-	-	5,019,557	5,440,604
Public safety	6,977,122	7,291,996	-	-	6,977,122	7,291,996
Public works	6,028,448	6,104,330	-	-	6,028,448	6,104,330
Health and human services	17,395,024	17,143,037	-	-	17,395,024	17,143,037
Culture and recreation	1,895,217	1,737,115	-	-	1,895,217	1,737,115
Development	1,657,181	1,730,899	-	-	1,657,181	1,730,899
Interest on long-term debt	93,560	150,783	-	-	93,560	150,783
Highway	-	-	8,437,533	9,862,073	8,437,533	9,862,073
MAR-OCO landfill	-	-	452,973	418,788	452,973	418,788
Recycling	-	-	591,512	653,163	591,512	653,163
Total expenses	39,066,109	39,598,764	9,482,018	10,934,024	48,548,127	50,532,788
Increase in net assets before transfers	(254,643)	(154,766)	(316,424)	408,410	(571,067)	253,644
Transfers	-	100,000	-	(100,000)	-	-
Increase in net assets	(254,643)	(54,766)	(316,424)	308,410	(571,067)	253,644
Net assets - January 1	110,276,389	110,331,155	13,058,694	12,750,284	123,335,083	123,081,439
Net assets - December 31	\$110,021,746	\$110,276,389	\$12,742,270	\$13,058,694	\$122,764,016	\$123,335,083

Governmental activities. Elements contributing to the \$254,643 decrease in governmental net assets include:

- Total revenues decreased by \$632,532 from 2009. Of that decrease, \$421,941 was due to a decrease in interest on investments income, reflecting a major decline in interest rates.
- Total expenditures decreased by \$532,655 from 2009.
- There was a one-time transfer from the recycling fund to the general fund in 2008 of \$100,000 which did not occur in 2009.

Business-type activities. Elements contributing to the \$316,424 decrease in business-type net assets include:

- Highway business-type operations resulted in a net loss of \$128,233.
- Recycling operations resulted in a net loss of \$99,978.
- MAR-OCO Landfill operations resulted in a net loss of \$88,213.

Financial Analysis of the Government Funds

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

Governmental funds: The focus of the County's *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing the County's financing requirements. In particular, *unreserved 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, 2009, the County's governmental funds reported a combined ending fund balance of \$16,139,621, an increase of \$101,457 from the prior year. Of that combined ending fund balance, \$13,818,811 (85%) constitutes *unreserved fund balance* that is available for spending at the County's discretion. The remainder of fund balance is *reserved* to indicate that it is not available for new spending because it has already been committed for the following: non-liquid delinquent taxes, long-term advances, and purchases of inventory and prepayments that benefit periods beyond the current year.

The General fund is the main operating fund of the County. At the end of the year, the unreserved undesignated fund balance of the general fund was \$3,756,215, while the total fund balance was \$12,872,619. As a measure of the general fund's liquidity, it may be useful to compare both unreserved undesignated fund balance and total fund balance to total fund expenditures. Unreserved undesignated fund balance represents 24% of total general fund expenditures, while the total fund balance represents 82% of general fund expenditures. In relation to general fund revenues, unreserved undesignated fund balance represents 26% of total general fund revenues.

The fund balance of the County's general fund decreased \$615,567, from \$13,488,186 to \$12,872,619 during the year. Key factors in this decrease include:

- Interest on investments was \$205,728 less than budgeted.
- County forest timber sales were \$149,150 less than budgeted.
- Licenses, permits, fines and forfeitures were \$113,633 less than budgeted.
- State/County recreational expenditures exceeded budget by \$138,136.

The Human Services fund had a balance of \$1,916,653 at the end of the year. This fund balance increased by \$1,102,491 during the year. This increase was due to revenues exceeding original budget by \$1,872,509 and expenditures exceeding original budget by \$701,516. The tax levy for Human Services increased in 2009 from \$4,956,165 to \$5,014,991. Of the fund balance, \$400,000 was applied to reduce the fund's 2010 property tax levy.

The County Roads and Bridges fund had a balance of \$604,289 at the end of the year. This fund balance increased by \$83,957 during the year. The fund was budgeted to decrease by \$250,249 in 2009 but instead increased by \$334,206, thus a net change of \$83,957. The tax levy for the roads and bridge fund increased in 2009 from \$2,983,118 to \$3,286,473. Of the fund balance, \$64,990 was applied to reduce the fund's 2010 property tax levy.

Proprietary funds: The County's proprietary funds provide the same type of information found in the County's government-wide financial statements. Those funds are the highway operating fund, the Mar-OCO landfill fund and the recycling fund.

The unrestricted net assets of the County's proprietary funds are listed below:

Highway	\$2,974,836
MAR-OCO Landfill	308,625
Recycling	570,438

The three funds had net losses for the year of \$128,233, \$88,213 and \$99,978 respectively. In all cases the losses were due to operating expenses exceeding revenues.

General Fund Budgetary Highlights

The difference between the original budget and the final amended budget amounted to a \$1,577,690 increase in appropriations and can be briefly summarized as follows:

- \$100,000 increase in land records fund expenditures,
- \$750,000 additional expenditures for state funded recreation projects,
- \$254,000 for national forest federal payments,
- \$186,825 additional expenditures for land conservation and comprehensive planning projects,
- \$286,865 in various other programs.

The increases were funded with additional state grants and reimbursements and unanticipated increases in program specific revenues.

For the year, actual expenditures exceeded revenues and other financing sources by \$615,567, thus reducing the general fund balance at the end of 2009 to \$12,872,619.

Capital Asset and Debt Administration

Capital Assets: The County's investment in capital assets for its governmental and business-type activities at the end of the year amounted to \$103,544,369 (net of accumulated depreciation), a decrease of \$1,391,522 from 2008. This investment in capital assets includes land, land improvements, buildings, machinery and equipment, vehicles, public domain infrastructure (highways and bridges), and construction in progress.

OCONTO COUNTY CAPITAL ASSETS (net of depreciation)						
Asset	Government activities		Business-type activities		Totals	
	2009	2008	2009	2008	2009	2008
Land	\$ 11,539,468	\$ 11,539,468	\$ 123,716	\$ 123,716	\$ 11,663,184	\$ 11,663,184
Buildings	8,499,089	8,488,889	2,646,662	2,731,732	11,145,751	11,220,621
Improvements other than buildings	866,161	930,495	1,038,631	726,775	1,904,792	1,657,270
Machinery and equipment	1,853,900	2,341,892	4,967,492	4,953,198	6,821,392	7,295,090
Infrastructure	71,897,380	72,986,541	-	-	71,897,380	72,986,541
Construction in progress			98,574	98,574	98,574	98,574
Other	-	-	13,296	14,611	13,296	14,611
Total	\$ 94,655,998	\$ 96,287,285	\$ 8,888,371	\$ 8,648,606	\$ 103,544,369	\$ 104,935,891

Additional information on the County's capital assets can be found in Note C (5) on pages 34-35 of this report.

Long-term Debt: At the end of the year, Oconto County had total debt outstanding of \$1,725,000. All of this debt is backed by the full faith and credit of the County.

OCONTO COUNTY Outstanding General Obligation Debt						
Item	Governmental activities		Business-type activities		Totals	
	2009	2008	2009	2008	2009	2008
General obligation debt:						
Bonds	\$ -	\$ 550,000	\$ -	\$ -	\$ -	\$ 550,000
Notes	1,725,000	2,300,000	-	-	1,725,000	2,300,000
Total general obligation debt	\$ 1,725,000	\$ 2,850,000	\$ -	\$ -	\$ 1,725,000	\$ 2,850,000

The County's total general obligation debt decreased \$1,125,000 during the year.

State statutes limit the amount of general obligation debt the County may issue to 5% of its total equalized value. The current debt limitation for the County is calculated at \$182,833,415. With the actual County debt outstanding amount of \$1,725,000, the County is well under its general obligation debt limitation.

Additional information on Oconto County's long-term debt can be found in Note C (8) on pages 37 - 38 of this report.

Economic Factors and Next Year's Budgets and Rates

- The economic condition and outlook of the County is based on a mix of manufacturing, tourism, service industry, and farming activities which support our tax base.
- The unemployment rate (not seasonally adjusted) for Oconto County as of December 2009 was 10.5% (Dec 2008 was 8.2%), ranked 17th in the state, and compares with the statewide rate of 8.3%. By April 2010, the county unemployment rate has decreased slightly to 10.0%, compared to 8.2% statewide. Figures are provided by the Wisconsin Dept of Workforce Development.

Limits have been imposed on the property tax levy rates for Wisconsin counties. There are separate limits for the operating levy and the debt service levy. The baseline for the limits is the actual 1992 tax rate adopted for the 1993 budget. The operating levy rate and the debt levy rate cannot exceed the baseline rates unless the County qualifies for one of the exceptions allowed under the statute. The statute established specific penalties for failure to meet the levy rate freeze requirements. Among the penalties for exceeding the limits is the reduction of state shared revenues and transportation aids.

An additional, and more restrictive, limit was placed on county budgets by the state for budgets beginning in 2007. That is a limit on the tax levy, rather than the mill rate. The limit is the percentage increase of net new construction, or a percentage designated by the state, whichever is greater. In 2009, the County's increase in net new construction was 1.821%. The state allowed minimum percentage was 2.0%, which resulted in the availability of an additional \$330,106 of tax levy funds. In 2010, the state allowed minimum percentage was raised to 3%.

In 2009, the tax levy limit regulations changed to allow exemption of special purpose levies (local bridge and culvert aids and county library aid) from the calculated levy limit. For Oconto County, that exemption of special purpose levies amounted to \$337,051. The County adopted a 2009 levy (less special purpose) of \$17,752,511 and used \$917,105 of general fund reserves to bring the levy down to the state imposed calculated limit of \$16,835,406.

Contacting the County's Financial Management

This financial report is designed to provide a general overview of Oconto County's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to Finance Director, Oconto County Finance Dept, 301 Washington St., Oconto, WI 54153 or via the County's website at www.co.oconto.wi.us.

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BASIC FINANCIAL STATEMENTS

Government-wide Financial Statements

OCONTO COUNTY, WISCONSIN
Statement of Net Assets
December 31, 2009
(With summarized financial information for December 31, 2008)

	Primary Government				Component Unit
	Governmental Activities	Business-type Activities	Total		Commission on Aging
			2009	2008	
ASSETS					
Cash and investments	\$ 14,419,422	\$ 3,452,265	\$ 17,871,687	\$ 18,622,280	\$ 25,537
Receivables					
Taxes	21,007,977	-	21,007,977	20,107,504	-
Accounts	978,160	37,327	1,015,487	1,368,019	66,261
Loans	674,440	-	674,440	433,988	-
Due from other governments	794,839	537,563	1,332,402	1,603,848	-
Inventories and prepaid items	6,551	993,848	1,000,399	1,041,150	-
Restricted cash and investments	-	688,832	688,832	674,840	-
Deferred charges	-	69,021	69,021	4,851	-
Capital assets					
Land	11,539,468	123,716	11,663,184	11,663,184	-
Improvements other than buildings	1,476,319	2,914,567	4,390,886	4,007,451	-
Buildings	16,107,128	5,035,521	21,142,649	20,612,936	-
Machinery and equipment	5,731,251	13,978,569	19,709,820	19,525,093	-
Other capital assets	-	41,801	41,801	41,801	-
Construction in progress	-	98,574	98,574	98,574	-
Infrastructure	127,103,838	-	127,103,838	124,576,881	-
Less: Accumulated depreciation	(67,302,006)	(13,304,377)	(80,606,383)	(75,590,029)	-
TOTAL ASSETS	132,537,387	14,667,227	147,204,614	148,792,371	91,798
LIABILITIES					
Accounts payable	1,781,529	395,965	2,177,494	2,213,885	56,733
Accrued payroll liabilities	625,064	143,591	768,655	1,021,311	-
Accrued interest payable	20,333	-	20,333	28,105	-
Due to other governments	211,765	-	211,765	288,714	-
Unearned revenues	17,491,115	-	17,491,115	17,231,117	-
Long-term obligations					
Due within one year	400,000	-	400,000	1,125,000	-
Due in more than one year	1,985,835	130,888	2,116,723	2,359,800	-
Closure and post-closure care costs	-	1,254,513	1,254,513	1,189,356	-
TOTAL LIABILITIES	22,515,641	1,924,957	24,440,598	25,457,288	56,733
NET ASSETS					
Invested in capital assets, net of related debt	92,930,998	8,888,371	101,819,369	102,260,891	-
Restricted for					
Debt service	-	-	-	15,627	-
Unrestricted	17,090,748	3,853,899	20,944,647	21,058,565	35,065
TOTAL NET ASSETS	\$ 110,021,746	\$ 12,742,270	\$ 122,764,016	\$ 123,335,083	\$ 35,065

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

OCONTO COUNTY, WISCONSIN

Statement of Activities

Year Ended December 31, 2009

(With summarized financial information for the year ended December 31, 2008)

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary government				
Governmental Activities				
General government	\$ 5,019,557	\$ 839,894	\$ 205,918	\$ -
Public safety	6,977,122	659,607	263,715	-
Public works	6,028,448	5,451	1,548,754	-
Health and human services	17,395,024	2,587,347	10,538,602	-
Culture and recreation	1,895,217	311,478	360,842	-
Development	1,657,181	403,164	906,817	-
Interest on debt	93,560	-	-	-
Total Governmental Activities	39,066,109	4,806,941	13,824,648	-
Business-type Activities				
Highway	8,437,533	8,309,300	-	-
MAR-OCO Landfill	452,973	346,553	3,600	-
Recycling	591,512	201,356	290,178	-
Total Business-type Activities	9,482,018	8,857,209	293,778	-
Total primary government	\$ 48,548,127	\$ 13,664,150	\$ 14,118,426	\$ -
Component unit				
Commission on aging	\$ 657,934	\$ 131,262	\$ 527,191	\$ -

General revenues

- Property taxes, levied for general purposes
- Other taxes
- State and federal aids not restricted to specific functions
- Interest and investment earnings
- Gain on sale of capital assets
- Miscellaneous
- Total general revenues

Change in net assets

Net assets - January 1

Net assets - December 31

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

Net (Expense) Revenue and Changes in Net Assets				
Primary Government			2008	Component Unit
Governmental Activities	Business-type Activities	Total		Commission on Aging

\$	(3,973,745)	\$	-	\$	(3,973,745)	\$	(4,158,568)	\$	-
	(6,053,800)		-		(6,053,800)		(6,102,670)		-
	(4,474,243)		-		(4,474,243)		(4,345,100)		-
	(4,269,075)		-		(4,269,075)		(4,485,739)		-
	(1,222,897)		-		(1,222,897)		(562,880)		-
	(347,200)		-		(347,200)		(840,323)		-
	(93,560)		-		(93,560)		(150,783)		-
	(20,434,520)		-		(20,434,520)		(20,646,063)		-

	-	(128,233)	(128,233)	482,771	-
	-	(102,820)	(102,820)	(92,711)	-
	-	(99,978)	(99,978)	(19,864)	-
	-	(331,031)	(331,031)	370,196	-
	(20,434,520)	(331,031)	(20,765,551)	(20,275,867)	-

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17,172,457	-	17,172,457	16,797,446	-
1,894,270	-	1,894,270	1,948,556	-
807,222	-	807,222	793,619	-
300,643	14,607	315,250	760,798	3,476
-	-	-	339	-
5,285	-	5,285	228,753	1,328
20,179,877	14,607	20,194,484	20,529,511	4,804

(254,643) (316,424) (571,067) 253,644 5,323

110,276,389 13,058,694 123,335,083 123,081,439 29,742

\$ 110,021,746 \$ 12,742,270 \$ 122,764,016 \$ 123,335,083 \$ 35,065

Fund Financial Statements

OCONTO COUNTY, WISCONSIN

Balance Sheet

Governmental Funds

December 31, 2009

(With summarized financial information for December 31, 2008)

	General	Human Services	County Roads and Bridges	Other Governmental Funds	Total Governmental Funds	
					2009	2008
ASSETS						
Cash and investments	\$ 10,307,856	\$ 2,310,931	\$ 604,289	\$ 1,196,346	\$ 14,419,422	\$ 14,562,069
Receivables						
Taxes	11,694,233	4,988,184	3,443,894	145,460	20,271,771	19,512,718
Accounts	700,528	189,874	-	-	890,402	1,258,604
Notes	-	-	-	674,440	674,440	433,988
Advance to other funds	10,000	-	-	-	10,000	10,000
Due from other governments	31,954	728,138	-	-	760,092	954,998
Inventories and prepaid items	5,077	1,474	-	-	6,551	42,073
TOTAL ASSETS	\$ 22,749,648	\$ 8,218,601	\$ 4,048,183	\$ 2,016,246	\$ 37,032,678	\$ 36,774,450
LIABILITIES AND FUND BALANCES						
Liabilities						
Accounts payable	\$ 318,960	\$ 1,024,168	\$ -	\$ 438,401	\$ 1,781,529	\$ 1,971,118
Accrued payroll liabilities	481,764	142,328	-	972	625,064	863,567
Advance from other funds	-	-	-	10,000	10,000	10,000
Due to other governments	127,975	82,877	-	913	211,765	156,216
Deferred revenues	8,948,330	5,052,575	3,443,894	819,900	18,264,699	17,735,385
Total Liabilities	9,877,029	6,301,948	3,443,894	1,270,186	20,893,057	20,736,286
Fund Balances						
Reserved for						
Delinquent property taxes	2,304,259	-	-	-	2,304,259	1,992,514
Long-term advances	10,000	-	-	-	10,000	10,000
Inventories and prepaid items	5,077	1,474	-	-	6,551	42,073
Retirement of long-term debt	-	-	-	-	-	15,627
Unreserved						
Designated						
General fund	6,797,068	-	-	-	6,797,068	7,683,030
Special revenue funds	-	1,915,179	604,289	746,060	3,265,528	2,495,611
Undesignated, reported in						
General fund	3,756,215	-	-	-	3,756,215	3,799,309
Total Fund Balances	12,872,619	1,916,653	604,289	746,060	16,139,621	16,038,164
TOTAL LIABILITIES AND FUND BALANCES	\$ 22,749,648	\$ 8,218,601	\$ 4,048,183	\$ 2,016,246	\$ 37,032,678	\$ 36,774,450

(Continued)

OCONTO COUNTY, WISCONSIN
 Balance Sheet (Continued)
 Governmental Funds
 December 31, 2009
 (With summarized financial information for December 31, 2008)

<u>Reconciliation to the Statement of Net Assets</u>	2009	2008
Total Fund Balances from previous page	\$ 16,139,621	\$ 16,038,164
Amounts reported for governmental activities in the statement of net assets are different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	94,655,998	96,287,285
Some liabilities, including bonds and notes payable, are not due and payable in the current period and therefore are not reported in the funds.		
Bonds and notes payable	\$ (1,725,000)	
Other post-employment benefit (OPEB) liability	(97,697)	
Compensated absences	(563,138)	
Accrued interest on long-term obligations	<u>(20,333)</u>	<u>(3,398,733)</u>
Some revenues will be collected after year-end but are not available soon enough to pay for the current period's expenditures and therefore are deferred in the funds or recorded only on government-wide financial statements.	<u>1,632,295</u>	<u>1,349,673</u>
Net Assets of Governmental Activities as Reported on the Statement of Net Assets (see page 10)	<u>\$ 110,021,746</u>	<u>\$ 110,276,389</u>

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

OCONTO COUNTY, WISCONSIN
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
Year Ended December 31, 2009
(With summarized financial information for year ended December 31, 2008)

	General	Human Services	County Roads and Bridges	Other Governmental Funds	Total Governmental Funds	
					2009	2008
Revenues						
Taxes	\$ 9,195,322	\$ 5,014,991	\$ 3,286,473	\$ 1,478,589	\$ 18,975,375	\$ 18,695,860
Intergovernmental	2,858,854	10,200,338	1,548,754	152,000	14,759,946	14,976,497
Licenses and permits	192,917	-	-	19,706	212,623	291,901
Fines and forfeits	207,245	-	-	45,357	252,602	212,575
Public charges for services	1,224,124	2,445,843	-	69,450	3,739,417	3,797,413
Intergovernmental charges for services	376,565	-	-	865	377,430	381,205
Miscellaneous	427,787	738	-	95,964	524,489	933,266
Total Revenues	14,482,814	17,661,910	4,835,227	1,861,931	38,841,882	39,288,717
Expenditures						
Current						
General government	4,699,086	-	-	-	4,699,086	5,102,144
Public safety	6,245,645	-	-	33,644	6,279,289	6,632,429
Public works	188,017	-	4,751,270	-	4,939,287	5,155,733
Health and human services	717,477	16,591,438	-	55,852	17,364,767	17,114,886
Culture and recreation	1,627,327	-	-	177,682	1,805,009	1,691,896
Development	1,598,381	-	-	335,827	1,934,208	1,678,592
Debt service						
Principal	-	-	-	1,125,000	1,125,000	1,280,000
Interest and fiscal charges	-	-	-	101,332	101,332	161,214
Capital outlay	502,019	-	-	-	502,019	364,807
Total Expenditures	15,577,952	16,591,438	4,751,270	1,829,337	38,749,997	39,181,701
Excess of Revenues Over (Under) Expenditures	(1,095,138)	1,070,472	83,957	32,594	91,885	107,016
Other Financing Sources (Uses)						
Sale of capital assets	9,572	-	-	-	9,572	10,080
Transfers in	502,018	32,019	-	1,210,705	1,744,742	1,669,509
Transfers out	(32,019)	-	-	(1,712,723)	(1,744,742)	(1,569,509)
Total Other Financing Sources (Uses)	479,571	32,019	-	(502,018)	9,572	110,080
Net Change in Fund Balances	(615,567)	1,102,491	83,957	(469,424)	101,457	217,096
Fund Balances - January 1	13,488,186	814,162	520,332	1,215,484	16,038,164	15,821,068
Fund Balances - December 31	\$ 12,872,619	\$ 1,916,653	\$ 604,289	\$ 746,060	\$ 16,139,621	\$ 16,038,164

(Continued)

OCONTO COUNTY, WISCONSIN
Statement of Revenues, Expenditures and Changes in Fund Balances (Continued)
Governmental Funds
Year Ended December 31, 2009
(With summarized financial information for year ended December 31, 2008)

	2009	2008
<u>Reconciliation to the Statement of Activities</u>		
Net Change in Fund Balances from previous page	\$ 101,457	\$ 217,096
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets which meet capitalization criteria is allocated over their estimated useful lives and reported as depreciation expense.		
Capital assets reported as expenditures in governmental fund statements	\$ 3,435,774	
Depreciation expense reported in the statement of activities	<u>(4,839,888)</u>	
Amount by which capital outlays are less than depreciation		(1,404,114) (1,708,082)
In governmental funds the entire proceeds, if any, from the disposal of capital assets is reported as an other financing source. In the statement of activities only the gain (or loss) on the disposal is reported.		
Proceeds from the disposition of capital assets as reported on the governmental funds operating statement	\$ (9,572)	
Loss on disposition reported on the statement of activities	<u>(217,601)</u>	
Cost of assets disposed of		(227,173) (9,741)
Because some revenues will not be collected for several months after the County's fiscal year end, they are not considered "available" revenues and are deferred in the governmental funds. Deferred revenues increased by:		
		282,622 154,942
Certain employee benefits are reported in the governmental funds when amounts are paid. The statement of activities reports the value of benefits earned during the year. The accrual of these benefits (increased) decreased by:		
		(140,207) 588
Repayment of principal on long-term debt is reported in the governmental funds as an expenditure, but is reported as a reduction in long-term debt in the statement of net assets and does not affect the statement of activities. The amount of long-term debt principal payments is:		
		1,125,000 1,280,000
Interest payments on outstanding debt are reported in the governmental funds as an expenditure when paid; in the statement of activities interest is reported as it accrues.		
	<u>7,772</u>	<u>10,431</u>
Change in Net Assets of Governmental Activities as Reported in the Statement of Activities (see pages 11 and 12)	<u>\$ (254,643)</u>	<u>\$ (54,766)</u>

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

OCONTO COUNTY, WISCONSIN
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
General Fund
Year Ended December 31, 2009

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues				
Taxes	\$ 9,171,752	\$ 9,171,752	\$ 9,195,322	\$ 23,570
Intergovernmental	1,979,876	2,677,555	2,858,854	181,299
Licenses and permits	259,795	259,795	192,917	(66,878)
Fines and forfeits	254,000	254,000	207,245	(46,755)
Public charges for services	1,339,667	1,420,091	1,224,124	(195,967)
Intergovernmental charges for services	227,637	296,862	376,565	79,703
Miscellaneous	637,767	674,616	427,787	(246,829)
Total Revenues	13,870,494	14,754,671	14,482,814	(271,857)
Expenditures				
Current				
General government	5,184,422	5,401,383	4,699,086	702,297
Public safety	6,390,538	6,471,765	6,245,645	226,120
Public works	192,890	192,770	188,017	4,753
Health and human services	709,433	712,505	717,477	(4,972)
Culture and recreation	992,399	1,742,417	1,627,327	115,090
Development	1,339,317	1,870,849	1,598,381	272,468
Capital outlay	545,850	540,850	502,019	38,831
Total Expenditures	15,354,849	16,932,539	15,577,952	1,354,587
Excess of Revenues Over (Under) Expenditures	(1,484,355)	(2,177,868)	(1,095,138)	1,082,730
Other Financing Sources (Uses):				
Sale of capital assets	18,000	18,000	9,572	(8,428)
Transfers in	545,850	540,850	502,018	(38,832)
Transfers out	-	(32,019)	(32,019)	-
Total Other Financing Sources (Uses)	563,850	526,831	479,571	(47,260)
Net Change in Fund Balance	(920,505)	(1,651,037)	(615,567)	1,035,470
Fund Balance - January 1	13,488,186	13,488,186	13,488,186	-
Fund Balance - December 31	\$ 12,567,681	\$ 11,837,149	\$ 12,872,619	\$ 1,035,470

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

OCONTO COUNTY, WISCONSIN
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
Human Services
Year Ended December 31, 2009

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues				
Taxes	\$ 5,014,991	\$ 5,014,991	\$ 5,014,991	\$ -
Intergovernmental	9,475,960	10,027,047	10,200,338	173,291
Public charges for services	1,297,200	2,350,311	2,445,843	95,532
Miscellaneous	1,250	738	738	-
Total Revenues	<u>15,789,401</u>	<u>17,393,087</u>	<u>17,661,910</u>	<u>268,823</u>
Expenditures				
Current				
Health and human services	15,889,922	17,712,818	16,591,438	1,121,380
Excess of Revenues Over (Under) Expenditures	<u>(100,521)</u>	<u>(319,731)</u>	<u>1,070,472</u>	<u>1,390,203</u>
Other Financing Sources				
Transfers in	-	32,019	32,019	-
Net Change in Fund Balance	<u>(100,521)</u>	<u>(287,712)</u>	<u>1,102,491</u>	<u>1,390,203</u>
Fund Balance - January 1	<u>814,162</u>	<u>814,162</u>	<u>814,162</u>	<u>-</u>
Fund Balance - December 31	<u>\$ 713,641</u>	<u>\$ 526,450</u>	<u>\$ 1,916,653</u>	<u>\$ 1,390,203</u>

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

OCONTO COUNTY, WISCONSIN
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
County Roads and Bridges
Year Ended December 31, 2009

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues				
Taxes	\$ 3,286,473	\$ 3,286,473	\$ 3,286,473	\$ -
Intergovernmental	1,643,454	1,643,454	1,548,754	(94,700)
Total Revenues	<u>4,929,927</u>	<u>4,929,927</u>	<u>4,835,227</u>	<u>(94,700)</u>
Expenditures				
Current				
Public works	<u>5,180,176</u>	<u>5,180,176</u>	<u>4,751,270</u>	<u>428,906</u>
Net Change in Fund Balance	(250,249)	(250,249)	83,957	334,206
Fund Balance - January 1	<u>520,332</u>	<u>520,332</u>	<u>520,332</u>	<u>-</u>
Fund Balance - December 31	<u>\$ 270,083</u>	<u>\$ 270,083</u>	<u>\$ 604,289</u>	<u>\$ 334,206</u>

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

OCONTO COUNTY, WISCONSIN

Statement of Net Assets

Proprietary Funds

December 31, 2009

(With summarized financial information for December 31, 2008)

	Major Funds		Nonmajor Fund	Total	
	Highway	MAR-OCO Landfill	Recycling	2009	2008
ASSETS					
Current Assets					
Cash and investments	\$ 1,907,454	\$ 910,109	\$ 634,702	\$ 3,452,265	\$ 4,060,211
Accounts receivable	586	36,741	-	37,327	42,780
Due from other governments	537,563	-	-	537,563	524,726
Inventories and prepaid items	993,848	-	-	993,848	999,077
Deferred charges	69,021	-	-	69,021	4,851
Total Current Assets	<u>3,508,472</u>	<u>946,850</u>	<u>634,702</u>	<u>5,090,024</u>	<u>5,631,645</u>
Noncurrent Assets					
Restricted cash and investments	-	688,832	-	688,832	674,840
Land	52,202	62,514	9,000	123,716	123,716
Improvements other than buildings	307,424	2,577,711	29,432	2,914,567	2,531,132
Buildings	4,468,281	17,468	549,772	5,035,521	4,921,008
Machinery and equipment	12,824,323	307,286	846,960	13,978,569	13,822,311
Other capital assets	41,801	-	-	41,801	41,801
Construction in progress	-	98,574	-	98,574	98,574
Less accumulated depreciation	(10,419,275)	(1,881,679)	(1,003,423)	(13,304,377)	(12,889,936)
Total Noncurrent Assets	<u>7,274,756</u>	<u>1,870,706</u>	<u>431,741</u>	<u>9,577,203</u>	<u>9,323,446</u>
TOTAL ASSETS	<u>10,783,228</u>	<u>2,817,556</u>	<u>1,066,443</u>	<u>14,667,227</u>	<u>14,955,091</u>
LIABILITIES					
Current Liabilities					
Accounts payable	286,229	50,814	58,922	395,965	376,465
Accrued payroll liabilities	137,674	575	5,342	143,591	157,744
Unearned revenue	-	-	-	-	58,660
Total Current Liabilities	<u>423,903</u>	<u>51,389</u>	<u>64,264</u>	<u>539,556</u>	<u>592,869</u>
Noncurrent Liabilities					
Compensated absences payable	109,733	21,155	-	130,888	114,172
Landfill closure care costs	-	134,033	-	134,033	116,430
Landfill post closure care costs	-	1,120,480	-	1,120,480	1,072,926
Total Noncurrent Liabilities	<u>109,733</u>	<u>1,275,668</u>	<u>-</u>	<u>1,385,401</u>	<u>1,303,528</u>
TOTAL LIABILITIES	<u>533,636</u>	<u>1,327,057</u>	<u>64,264</u>	<u>1,924,957</u>	<u>1,896,397</u>
NET ASSETS					
Invested in capital assets, net of related debt	7,274,756	1,181,874	431,741	8,888,371	8,648,606
Unrestricted	<u>2,974,836</u>	<u>308,625</u>	<u>570,438</u>	<u>3,853,899</u>	<u>4,410,088</u>
TOTAL NET ASSETS	<u>\$ 10,249,592</u>	<u>\$ 1,490,499</u>	<u>\$ 1,002,179</u>	<u>\$ 12,742,270</u>	<u>\$ 13,058,694</u>

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

OCONTO COUNTY, WISCONSIN
Statement of Revenues, Expenses and Changes in Net Assets
Proprietary Funds
Year Ended December 31, 2009
(With summarized financial information for year ended December 31, 2008)

	Major Funds		Nonmajor Fund	Total	
	Highway	MAR-OCO Landfill	Recycling	2009	2008
Operating Revenues					
Intergovernmental charges for services	\$ 8,305,958	\$ 122,426	\$ 43,941	\$ 8,472,325	\$ 10,474,123
Public charges for services	3,342	224,127	16,055	243,524	218,180
Sale of recyclable materials	-	-	141,360	141,360	264,349
Total Operating Revenues	<u>8,309,300</u>	<u>346,553</u>	<u>201,356</u>	<u>8,857,209</u>	<u>10,956,652</u>
Operating Expenses					
Operation and maintenance	7,626,092	353,269	499,913	8,479,274	9,970,690
Depreciation	811,441	99,704	91,599	1,002,744	963,334
Total Operating Expenses	<u>8,437,533</u>	<u>452,973</u>	<u>591,512</u>	<u>9,482,018</u>	<u>10,934,024</u>
Operating Income (Loss)	<u>(128,233)</u>	<u>(106,420)</u>	<u>(390,156)</u>	<u>(624,809)</u>	<u>22,628</u>
Nonoperating Revenues					
State aid	-	3,600	290,178	293,778	347,568
Interest income	-	14,607	-	14,607	38,214
Total Nonoperating Revenues	<u>-</u>	<u>18,207</u>	<u>290,178</u>	<u>308,385</u>	<u>385,782</u>
Net Income (Loss) Before Transfers	<u>(128,233)</u>	<u>(88,213)</u>	<u>(99,978)</u>	<u>(316,424)</u>	<u>408,410</u>
Transfers	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(100,000)</u>
Change in Net Assets	<u>(128,233)</u>	<u>(88,213)</u>	<u>(99,978)</u>	<u>(316,424)</u>	<u>308,410</u>
Net Assets - January 1	<u>10,377,825</u>	<u>1,578,712</u>	<u>1,102,157</u>	<u>13,058,694</u>	<u>12,750,284</u>
Net Assets - December 31	<u>\$ 10,249,592</u>	<u>\$ 1,490,499</u>	<u>\$ 1,002,179</u>	<u>\$ 12,742,270</u>	<u>\$ 13,058,694</u>

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

OCONTO COUNTY, WISCONSIN

Statement of Cash Flows

Proprietary Funds

Year Ended December 31, 2009

(With summarized financial information for year ended December 31, 2008)

	Major Funds		Nonmajor Fund	Total	
	Highway	MAR-OCO Landfill	Recycling	2009	2008
Cash Flows from Operating Activities					
Cash received from user charges	\$ 2,927	\$ 229,995	\$ 157,415	\$ 390,337	\$ 473,396
Cash received from other government payments	8,170,291	122,426	43,941	8,336,658	10,422,007
Cash payments to employees	(3,165,752)	(107,756)	(196,045)	(3,469,553)	(4,363,834)
Cash payments to suppliers	(4,380,558)	(127,793)	(408,921)	(4,917,272)	(5,231,168)
Net Cash Provided (Used) by Operating Activities	626,908	116,872	(403,610)	340,170	1,300,401
Cash Flows from Noncapital Financing Activities					
Transfers	-	-	-	-	(100,000)
State aid	-	3,600	290,178	293,778	347,568
Net Cash Provided by Noncapital Financing Activities	-	3,600	290,178	293,778	247,568
Cash Flows from Capital and Related Financing Activities					
Acquisition of capital assets	(636,977)	(338,590)	(266,942)	(1,242,509)	(758,470)
Payment of long-term advance	-	-	-	-	(11,222)
Net Cash Used in Capital and Related Financing Activities	(636,977)	(338,590)	(266,942)	(1,242,509)	(769,692)
Cash Flows from Investing Activities					
Interest income	-	14,607	-	14,607	38,214
Net Increase (Decrease) in Cash and Cash Equivalents	(10,069)	(203,511)	(380,374)	(593,954)	816,491
Cash and Cash Equivalents - January 1	1,917,523	1,802,452	1,015,076	4,735,051	3,918,560
Cash and Cash Equivalents - December 31	\$ 1,907,454	\$ 1,598,941	\$ 634,702	\$ 4,141,097	\$ 4,735,051
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:					
Operating income (loss)	\$ (128,233)	\$ (106,420)	\$ (390,156)	\$ (624,809)	\$ 22,628
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities					
Depreciation	811,441	99,704	91,599	1,002,744	963,334
Changes in assets and liabilities					
Accounts receivable	(415)	5,868	-	5,453	(9,133)
Due from other governments	(12,837)	-	-	(12,837)	(133,810)
Inventories and prepaid items	5,229	-	-	5,229	137,004
Deferred charges	(64,170)	-	-	(64,170)	26,670
Accounts payable	91,848	33,456	(105,804)	19,500	97,305
Accrued payroll liabilities	(12,856)	(2,048)	751	(14,153)	59,361
Unearned revenues	(58,660)	-	-	(58,660)	55,024
Landfill closure care	-	65,157	-	65,157	67,315
Compensated absences payable	(4,439)	21,155	-	16,716	14,703
Net Cash Provided (Used) by Operating Activities	\$ 626,908	\$ 116,872	\$ (403,610)	\$ 340,170	\$ 1,300,401
Noncash Investing, Capital and Financing Activities	\$ -				

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

OCONTO COUNTY, WISCONSIN
 Statement of Net Assets
 Fiduciary Funds
 December 31, 2009
 (With summarized financial information for December 31, 2008)

	Agency Funds	
	2009	2008
ASSETS		
Cash and cash equivalents	\$ 287,053	\$ 381,866
Receivables and inventory	2,527	-
Total Assets	289,580	381,866
 LIABILITIES		
Due to county departments	\$ 289,580	\$ 381,866

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

OCONTO COUNTY, WISCONSIN
Notes to Basic Financial Statements
December 31, 2009

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The basic financial statements of Oconto County ("the County"), Oconto, Wisconsin, have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government 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:

1. Reporting Entity

Oconto County is a municipal corporation governed by 31 supervisors elected every two years in April from each of the 31 supervisory districts in the County. Included in the County's operations (the primary government) is the MAR-OCO Joint Landfill and discretely presented (not included in primary government) is the Oconto County Commission on Aging, each managed by a separate committee and board, respectively, appointed by the County Board. In accordance with GAAP, the basic financial statements are required to include the County (the primary government) and any separate component units that have a significant operational or financial relationship with the County. The component units discussed below are included in the County's reporting entity because of the significance of its operational and/or financial relationship with the County.

2. Individual Component Unit Disclosures

BLENDDED COMPONENT UNIT

The MAR-OCO Joint Landfill is operated in equal ownership shares by Oconto and Marinette counties. MAR-OCO is managed by a separate committee of six members consisting of three members of each County's Board of Supervisors. Accordingly, 50% of MAR-OCO's financial activity is reported by each County to reflect the landfill activities of the primary government.

DISCRETELY PRESENTED COMPONENT UNIT

The Oconto County Commission on Aging is governed by an 11-member board, including one County Board Supervisor. The Board is recommended by the County Board Chairman and approved by the County Board. It is reported in a separate column to emphasize that the entity is legally separate from the County. The Oconto County Commission on Aging is a not-for-profit corporation that provides services primarily in connection with the "Older Americans Program" for the elderly of Oconto County. The County annually provides operating subsidies to the Oconto County Commission on Aging. Audited financial statements for the Oconto County Commission on Aging can be obtained from their administration office in Oconto, Wisconsin.

3. Related Organization

The County's officials are also responsible for appointing the members of the board of the Oconto County Library Services Board, but the County's accountability for this organization does not extend beyond making the appointments. Therefore this organization is not included in the County's reporting entity.

4. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all of the nonfiduciary activities of the County and its component units. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities*, which are primarily supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for services. Likewise, the *primary government* is reported separately from the legally separate *component unit* for which the primary government is financially accountable.

OCONTO COUNTY, WISCONSIN
Notes to Basic Financial Statements
December 31, 2009

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

The County reports the following major governmental funds:

GENERAL FUND

This is the County's main operating fund. It accounts for all financial resources of the general government, except those accounted for in another fund.

HUMAN SERVICES FUND

This fund accounts for the County's many comprehensive and integrated programs which deal with the physical, social, mental, emotional, economic, vocational and nutritional needs of individuals and families. Many of the services are funded with state and federal money.

COUNTY ROADS AND BRIDGES FUND

This fund accounts for the County's use of tax dollars and state aid to construct, maintain and provide snow and ice removal on the County's highway and bridge system, and provide township bridge aids per state statute.

The County reports the following major enterprise funds:

HIGHWAY FUND

This fund accounts for the costs and maintenance of the County's highway facilities including all machinery and the County highway system, as well as state highways, local roads and other County department services. The costs are billed to the state, local governments, and other departments at actual cost plus an administrative overhead factor.

MAR-OCO LANDFILL FUND

This fund accounts for the County's share of the financial resources and operations of the landfill located in, and operated by, Marinette County.

Additionally, the government reports the following fund types:

The County accounts for assets held for individuals by various departments and funds held for other governmental agencies in an *agency fund*.

OCONTO COUNTY, WISCONSIN
Notes to Basic Financial Statements
December 31, 2009

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

5. Measurement Focus and Basis of Accounting

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

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

Revenues susceptible to accrual include intergovernmental grants, intergovernmental charges for services, county ordinance forfeitures, public charges for services and interest. Other revenues such as licenses and permits, other fines and forfeits and miscellaneous revenues are recognized when received in cash or when measurable and available.

Certain private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and enterprise fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the *option* of following certain subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The County has elected not to follow subsequent private-sector guidance.

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

Amounts reported as *program revenues* include 1) charges to customers or applicants for goods, services, or privileges provided, and fees and fines, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenues include all taxes.

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

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

OCONTO COUNTY, WISCONSIN
Notes to Basic Financial Statements
December 31, 2009

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

6. Assets, Liabilities and Net Assets or Equity

a. Cash and Investments

Cash and investments are combined in the financial statements. Cash deposits consist of demand and time deposits with financial institutions and are carried at cost. Investments are stated at fair value. Fair value is the amount at which a financial instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. For purposes of the statement of cash flows, all cash deposits and highly liquid investments (including restricted assets) with a maturity of three months or less from date of acquisition are considered to be cash equivalents.

b. Accounts Receivable

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

c. Interfund Receivables and Payables

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as "due from other funds" and "due to other funds" in the fund financial statements. Noncurrent portions of the interfund receivables for the governmental funds are reported as "advances to other funds" and are offset by a reservation of fund balance since they do not constitute expendable available financial resources and therefore are not available for appropriation.

d. Inventories

Inventories are recorded at cost, which approximates market, using the first-in, first-out method. Inventories consist of expendable supplies held for consumption. The cost is recorded as an expenditure at the time individual inventory items are consumed rather than when purchased.

Inventories of governmental funds in the fund financial statements are offset by fund balance reserve amounts to indicate that they do not represent spendable available financial resources.

e. Prepaid Items

Payments made to vendors that will benefit periods beyond the end of the current fiscal year are recorded as prepaid items.

Prepaid items of governmental funds in the fund financial statements are offset by fund balance reserve amounts to indicate that they do not represent spendable available financial resources.

OCONTO COUNTY, WISCONSIN
Notes to Basic Financial Statements
December 31, 2009

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

f. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets, 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 an initial, individual cost of \$5,000 or higher and an estimated useful life in excess of 2 years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair value at the date of donation.

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

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

<u>Assets</u>	Governmental Activities	Business-type Activities
	Years	
Improvements other than buildings	25 - 40	3 - 25
Buildings	25 - 40	25 - 50
Machinery and equipment	3 - 5	3 - 5
Infrastructure	30 - 50	-

g. Compensated Absences

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

h. Deferred Revenue

Governmental funds report deferred revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period or for resources that have been received, but not yet recognizable.

i. Long-term Obligations

In the government-wide financial statements, and enterprise funds in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or enterprise fund statement of net assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

In the fund financial statements, governmental funds recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

OCONTO COUNTY, WISCONSIN
Notes to Basic Financial Statements
December 31, 2009

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

j. Fund Equity

GOVERNMENTAL FUND FINANCIAL STATEMENTS

Governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change.

GOVERNMENT-WIDE AND PROPRIETARY STATEMENTS

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

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

7. Use of Estimates

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

8. Summarized Comparative Information

The basic financial statements include certain prior-year summarized comparative information in total, but not at the level of detail required for a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the government's financial statements for the year ended December 31, 2008, from which the summarized information was derived.

OCONTO COUNTY, WISCONSIN
Notes to Basic Financial Statements
December 31, 2009

NOTE B - STEWARDSHIP AND COMPLIANCE

Budgets and Budgetary Accounting

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

1. During July and August, departments and agencies develop their budget requests for the next year, have the requests approved by their governing committee or board and submit them to the County Finance Department in early September. The Finance Committee holds hearings to review each request for appropriation and subsequently forwards a Finance Committee recommended budget to the County Board for final approval. The operating budget includes proposed expenditures and the means of financing them. A notice of public hearing is published at least 15 days prior to a scheduled public hearing on the recommended budget. Following the public hearing, which is the last Thursday of October, the proposed budget, including authorized additions and deletions, is legally enacted by County Board action.
2. Budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America for the governmental funds. Budget is defined as the originally approved budget plus or minus approved amendments. Individual amendments throughout the year were not material in relation to the original budget. Budget appropriations not expended during the year are closed to fund balance unless authorized by the governing body to be forwarded into the succeeding year's budget.
3. During the year, formal budgetary integration is employed as a management control device for the governmental funds.
4. Expenditures may not exceed appropriations provided in detailed budget accounts maintained for each functional area of the County. Amendments to the budget during the year require initial approval by management and are subsequently authorized by the County Board.
5. Encumbrance accounting is not used by the County to record commitments related to unperformed contracts for goods or services.

The County did not have any material violation of legal or contractual provisions for the fiscal year ended December 31, 2009.

OCONTO COUNTY, WISCONSIN
Notes to Basic Financial Statements
December 31, 2009

NOTE C - DETAILED NOTES ON ALL FUNDS

1. Cash and Investments

The County maintains various cash and investment accounts, including pooled funds that are available for use by all funds. Each fund's portion of these accounts is displayed in the financial statements as "Cash and investments."

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

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

The carrying amount of the County's cash and investments totaled \$18,873,109 on December 31, 2009 as summarized below:

Petty cash funds	\$ 1,175
Deposits with financial institutions	16,854,618
Deposit with Marinette County for landfill	1,598,941
Investments	
Wisconsin local government investment pool	418,375
	<u>\$ 18,873,109</u>

Reconciliation to the basic financial statements:

Basic financial statements	
Primary government	
Cash and investments	\$ 17,871,687
Restricted cash and investments	688,832
Component unit	
Cash and investments	25,537
Fiduciary funds	
Agency fund	287,053
	<u>\$ 18,873,109</u>

Deposits and investments of the County are subject to various risks. Presented below is a discussion of the County's deposits and investments and the related risks.

OCONTO COUNTY, WISCONSIN
Notes to Basic Financial Statements
December 31, 2009

NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)

Deposits with Financial Institutions

Custodial credit risk for *deposits* is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The County does not have an additional custodial credit risk policy.

Deposits with financial institutions are insured by the Federal Deposit Insurance Corporation (FDIC) in the amount of \$250,000 per official custodian through December 31, 2013. In addition, the County's non-interest bearing transaction accounts are fully insured under the Temporary Liquidity Guarantee Program through December 31, 2010. On January 1, 2014, the coverage limit for all accounts will return to \$100,000 for interest bearing accounts and \$100,000 for non-interest bearing accounts. In addition, the State of Wisconsin has a State Guarantee Fund which provides a maximum of \$400,000 per public depository above the amount provided by an agency of the U.S. Government. However, due to the relatively small size of the State Guarantee Fund in relation to the Fund's total coverage, total recovery of insured losses may not be available.

As of December 31, 2009, \$3,445,480 of the County's deposits with financial institutions were in excess of federal and state depository insurance limits and uncollateralized (or collateralized with securities held by the pledging financial institution or its trust department or agent but not in the County's name).

Investments

The County has investments in the Wisconsin local government investment pool of \$418,375 at year-end. The Wisconsin local government investment pool (LGIP) is part of the State Investment Fund (SIF), and is managed by the State of Wisconsin Investment Board. The SIF is not registered with the Securities and Exchange Commission, but operates under the statutory authority of Wisconsin Chapter 25. The SIF reports the fair value of its underlying assets annually. Participants in the LGIP have the right to withdraw their funds in total on one day's notice. At December 31, 2009, the fair value of the County's share of the LGIP's assets was substantially equal to the carrying value.

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Wisconsin statutes limit investments in securities to the top two ratings assigned by nationally recognized statistical rating organizations. The County does not have an additional credit risk policy. The County's investment in the Wisconsin local government investment pool is not rated.

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The County does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. The investments held by the Wisconsin local government investment pool mature in 12 months or less.

Discretely Presented Component Unit

On December 31, 2009, all deposits of the Oconto County Commission on Aging were insured.

OCONTO COUNTY, WISCONSIN
Notes to Basic Financial Statements
December 31, 2009

NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)

2. Property Tax Apportionments

Property taxes are apportioned annually in November to local taxing units within the County for financing state charges and the subsequent year's operations of the County. Since the November apportionment is not due from local taxing districts until February of the subsequent year, the County's apportionment is recorded as deferred revenue at year-end. Property tax payments from individual property owners are due in two installments by January 31 and July 31. During the month of February, each local taxing district settles with the County for both collected and unpaid property taxes. At the February settlement, the County becomes responsible for the collection of unpaid property taxes, including unpaid property taxes returned by local taxing districts for financing their individual operations. Property taxes subsequently not paid by property owners by September 1 of the same year are considered delinquent. The delinquent taxes are then acquired by the County's general fund in accordance with state statutes in order to provide the County with a statutory lien.

Property taxes recorded on December 31, 2009 for collection in 2009 are for the following:

County apportionment	<u>\$ 17,491,115</u>
----------------------	----------------------

The above County apportionment of \$17,491,115 is for financing 2010 operations and will be transferred in 2010 from deferred revenue to current revenues of the County's governmental funds.

3. Delinquent Property Taxes - General Fund

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

On December 31, 2009, the County's general fund showed an investment of \$2,674,138 in delinquent taxes as follows:

Tax certificates	\$ 2,641,623
Tax deeds	32,515
Total	<u>\$ 2,674,138</u>

An aging of the total delinquent taxes of \$2,674,138 on December 31, 2009 follows:

<u>Year Acquired</u>	<u>Tax Certificates</u>
Prior to 2005	\$ 4,738
2005	108,758
2006	298,940
2007	719,481
2008	1,509,706
	2,641,623
Tax Deeds	32,515
Total	<u>\$ 2,674,138</u>

Of the total of \$2,674,138 for delinquent taxes, \$369,879 was collected by the County within 60 days after December 31, 2009. The remaining unpaid balance of \$2,304,259 is recorded as reserved fund balance for the general fund.

OCONTO COUNTY, WISCONSIN
Notes to Basic Financial Statements
December 31, 2009

NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)

4. Restricted Assets

Restricted assets on December 31, 2009 totaled \$688,832 consisting of cash and investments held for the following purposes:

Enterprise Funds	
MAR-OCO Joint Landfill	
Long-term care deposits	\$ 688,832

5. Capital Assets

Capital asset activity for the year ended December 31, 2009 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$ 11,539,468	\$ -	\$ -	\$ 11,539,468
Capital assets, being depreciated:				
Improvements other than buildings	1,476,319	-	-	1,476,319
Buildings	15,691,928	415,200	-	16,107,128
Machinery and equipment	5,702,782	493,617	465,148	5,731,251
Infrastructure	124,576,881	2,526,957	-	127,103,838
Subtotals	147,447,910	3,435,774	465,148	150,418,536
Less accumulated depreciation for:				
Improvements other than buildings	545,824	64,334	-	610,158
Buildings	7,203,039	405,000	-	7,608,039
Machinery and equipment	3,360,890	754,436	237,975	3,877,351
Infrastructure	51,590,340	3,616,118	-	55,206,458
Subtotals	62,700,093	4,839,888	237,975	67,302,006
Total capital assets, being depreciated, net	84,747,817	(1,404,114)	227,173	83,116,530
Governmental activities capital assets, net	\$ 96,287,285	\$ (1,404,114)	\$ 227,173	94,655,998
Less related long-term debt outstanding				1,725,000
Invested in capital assets, net of related debt				\$ 92,930,998

OCONTO COUNTY, WISCONSIN
Notes to Basic Financial Statements
December 31, 2009

NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)

	Beginning Balance	Increases	Decreases	Ending Balance
Business-type activities:				
Capital assets, not being depreciated:				
Land	\$ 123,716	\$ -	\$ -	\$ 123,716
Construction in progress	98,574	-	-	98,574
Total capital assets, not being depreciated	<u>222,290</u>	-	-	<u>222,290</u>
Capital assets, being depreciated:				
Improvements other than buildings	2,531,132	383,435	-	2,914,567
Buildings	4,921,008	114,513	-	5,035,521
Machinery and equipment	13,822,311	871,071	714,813	13,978,569
Other capital assets	41,801	-	-	41,801
Subtotals	<u>21,316,252</u>	<u>1,369,019</u>	<u>714,813</u>	<u>21,970,458</u>
Less accumulated depreciation for:				
Improvements other than buildings	1,804,357	71,579	-	1,875,936
Buildings	2,189,276	199,583	-	2,388,859
Machinery and equipment	8,869,113	729,354	587,390	9,011,077
Other capital assets	27,190	2,228	913	28,505
Subtotals	<u>12,889,936</u>	<u>1,002,744</u>	<u>588,303</u>	<u>13,304,377</u>
Total capital assets, being depreciated, net	<u>8,426,316</u>	<u>366,275</u>	<u>126,510</u>	<u>8,666,081</u>
Business-type activities capital assets, net	<u>\$ 8,648,606</u>	<u>\$ 366,275</u>	<u>\$ 126,510</u>	8,888,371
Less related long-term debt outstanding				-
Invested in capital assets, net of related debt				<u>\$ 8,888,371</u>
Depreciation expense was charged to functions of the County as follows:				
Governmental activities				
General government				\$ 374,473
Public safety				693,483
Public works				3,616,118
Health and human services				35,347
Culture and recreation				71,702
Development				48,765
Total depreciation expense - governmental activities				<u>\$ 4,839,888</u>
Business-type activities				
Highway				\$ 811,441
MAR-OCO landfill				99,704
Recycling				91,599
Total depreciation expense - business-type activities				<u>\$ 1,002,744</u>

OCONTO COUNTY, WISCONSIN
Notes to Basic Financial Statements
December 31, 2009

NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)

6. Interfund Receivable, Payables, and Transfers

Interfund receivables and payables between individual funds of the County, as reported in the fund financial statements, as of December 31, 2009 are detailed below:

	Interfund Receivables	Interfund Payables
Long-term Advances		
General Fund	\$ 10,000	\$ -
Special Revenue Funds		
Section 125 and HRA Plans	-	10,000
Totals	<u>\$ 10,000</u>	<u>\$ 10,000</u>

Interfund transfers for the year ended December 31, 2009 were as follows:

	2001 Notes	2001 Bonds	2006 Notes	General Fund	Human Services
Transfers from:					
General Fund	\$ -	\$ -	\$ -	\$ -	\$ 32,019
County sales tax	161,517	572,688	476,500	502,018	-
	<u>\$ 161,517</u>	<u>\$ 572,688</u>	<u>\$ 476,500</u>	<u>\$ 502,018</u>	<u>\$ 32,019</u>

Transfers are used to: 1) move revenues from the fund that is required to collect them to the fund that is required or allowed to expend them; and 2) move receipts restricted to or allowed for debt service from the funds collecting the receipts to the debt service funds as debt service payments become due.

7. Deferred Revenues

Governmental activities and governmental funds defer revenue recognition in connection with resources that have been received, but not yet earned. Governmental funds also report deferred revenue in connection with receivables for resources that are not considered to be available to liquidate liabilities of the current period. At the end of the current fiscal year, the various components of deferred revenue and unearned revenue were as follows:

	Unavailable	Unearned
Subsequent year tax levy receivable		
General fund	\$ -	\$ 8,913,577
Special revenue funds		
County roads and bridges	-	3,443,894
Human services	-	4,988,184
Family mediation	-	16,200
Tourism	-	129,260
Advance from state		
General fund	34,753	-
Special revenue funds		
Human services	64,391	-
Development loans receivable		
Special revenue funds		
State grant loan	10,539	-
Tri-County loan	53,003	-
County revolving loan	610,898	-
Totals	<u>\$ 773,584</u>	<u>\$ 17,491,115</u>

OCONTO COUNTY, WISCONSIN
Notes to Basic Financial Statements
December 31, 2009

NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)

The sum of the development loans receivable of \$674,440 represents various loans to local industries that were originally financed from the County and economic development grants received by the County from other governmental units. Repayment of principal and interest on the loans is recorded as revenue in the grant loan special revenue funds and is used to finance additional development loans.

The County has also recorded various long-term accounts receivable, the sum of which total \$858,711 to its government-wide statements, only.

8. Long-term Obligations

The following is a summary of changes in long-term obligations of the County for the year ended December 31, 2009:

	Outstanding 1/1/09	Issued	Retired	Outstanding 12/31/09	Due Within One Year
Governmental activities:					
General Obligation Debt					
Bonds	\$ 550,000	\$ -	\$ 550,000	\$ -	\$ -
Notes	2,300,000	-	575,000	1,725,000	400,000
Total General Obligation Debt	2,850,000	-	1,125,000	1,725,000	400,000
OPEB liability	-	97,697	-	97,697	-
Compensated absences	520,628	42,510	-	563,138	-
Governmental activities Long-term obligations	<u>\$ 3,370,628</u>	<u>\$ 140,207</u>	<u>\$ 1,125,000</u>	<u>\$ 2,385,835</u>	<u>\$ 400,000</u>
Business-type activities:					
Compensated absences	<u>\$ 114,172</u>	<u>\$ 21,155</u>	<u>\$ 4,439</u>	<u>\$ 130,888</u>	<u>\$ -</u>

Total interest paid during the year on long-term debt totaled \$101,332.

General Obligation Debt

General obligation debt currently outstanding is detailed as follows:

Notes

\$2,875,000 issued 3/1/06; \$400,000 to \$450,000 due annually through 2013;
interest 3.75% to 4.00%

\$ 1,725,000

Annual principal and interest maturities of the outstanding general obligation debt of \$1,725,000 on December 31, 2009 are detailed below:

Year Ended December 31	Governmental Activities		
	Principal	Interest	Total
2010	\$ 400,000	\$ 61,000	\$ 461,000
2011	425,000	44,500	469,500
2012	450,000	27,000	477,000
2013	450,000	9,000	459,000
	<u>\$ 1,725,000</u>	<u>\$ 141,500</u>	<u>\$ 1,866,500</u>

For governmental activities, the other long-term liabilities are generally funded by the general fund.

OCONTO COUNTY, WISCONSIN
Notes to Basic Financial Statements
December 31, 2009

NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)

Legal Margin for New Debt

The County's legal margin for creation of additional general obligation debt on December 31, 2009 was \$181,108,415 as follows:

Equalized valuation of the County		\$3,656,668,300	
Statutory limitation percentage		(x) 5%	
General obligation debt limitation, per Section 67.03 of the Wisconsin Statutes		182,833,415	
Total outstanding general obligation debt applicable to debt limitation	\$ 1,725,000		
Less: Amounts available for financing general obligation debt			
Debt service fund	-		
Net outstanding general obligation debt applicable to debt limitation		1,725,000	
Legal Margin for New Debt		\$ 181,108,415	

9. Closure and Postclosure Care Costs

The Marinette-Oconto (MAR-OCO) Joint Landfill is a solid waste landfill operation owned 50% by Oconto County and 50% by Marinette County. Oconto County records its 50% share of MAR-OCO's financial transactions in an enterprise fund on its financial statements. Federal and state laws and regulations require MAR-OCO to place covers on landfill increments as they are filled (closure costs) and to perform certain maintenance and monitoring functions (postclosure care) of the landfill site for forty years after the landfill stops accepting waste. Most closure costs are paid when individual landfill increments reach capacity for accepting waste and postclosure care costs will normally only be paid after the entire landfill stops accepting waste. In accordance with GASB Statement No. 18, MAR-OCO annually records an estimate of these closure and postclosure care costs as an operating expense during the life of the landfill based on landfill capacity used compared to total estimated capacity available. The resultant liabilities for these estimated operating expenses is reduced each year for actual payments made. An analysis of Oconto County's share of the estimated liabilities for closure and postclosure care costs on December 31, 2009 follows:

	Landfill Closure Care	Landfill Postclosure Care
Total estimated costs	\$ 563,813	\$ 2,451,280
Percentage of liability incurred as of December 31, 2009	94.809804%	45.71%
Total estimated liability for costs as of December 31, 2009	534,550	1,120,480
Less closure costs paid	400,517	-
Liabilities as of December 31, 2009	\$ 134,033	\$ 1,120,480

The above total costs of \$134,033 and \$1,120,480 for closure and postclosure care are estimates and subject to changes resulting from inflation/deflation, technology, or changes in applicable laws or regulations.

A portion of the post-closure care costs of \$1,120,480 are being met through annual deposits into a separate cash and investment account for the enterprise fund. The balance in the account on December 31, 2009 was \$688,832.

OCONTO COUNTY, WISCONSIN
Notes to Basic Financial Statements
December 31, 2009

NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)

10. Fund Equity

In the fund financial statements, portions of governmental fund balances are reserved and not available for appropriation or are legally restricted for use for a specific purpose. At December 31, 2009, fund balance was reserved as follows:

General Fund	
Reserved for delinquent property taxes	\$ 2,304,259
Reserved for long-term advances	10,000
Reserved for inventories and prepaid items	5,077
	<u>\$ 2,319,336</u>
Special Revenue Fund	
Reserved for inventories and prepaid items	\$ 1,474

Also in the fund financial statements, portions of governmental fund balances have been designated to represent tentative management plans that are subject to change. At December 31, 2009, fund balance was designated as follows:

General Fund	
Designated for working capital	\$ 4,000,000
Designated for subsequent year's expenditures	2,472,068
Designated for subsequent year's budget	325,000
	<u>\$ 6,797,068</u>
Special Revenue Funds	
Designated for subsequent year's expenditures	\$ 3,265,528

NOTE D - OTHER INFORMATION

1. Retirement Commitments

All eligible County employees participate in the Wisconsin Retirement System (WRS), a cost-sharing, multiple-employer, defined benefit, public employee retirement system. All permanent employees expected to work over 600 hours a year are eligible to participate in the WRS. Covered employees in the General category are required by statute to contribute 5.9% of their salary (3.0% for Executives and Elected Officials, 5.0% for Protective Occupations with Social Security, and 3.2% for Protective Occupations without Social Security) to the plan. Employers may make these contributions to the plan on behalf of employees. Employers are required to contribute an actuarially determined amount necessary to fund the remaining projected cost of future benefits.

The payroll for County employees covered by the WRS for the year ended December 31, 2009 was \$12,179,456; the employer's total payroll was \$12,908,158. The total required contribution for the year ended December 31, 2009 was \$1,313,945, which consisted of \$616,390, or 5.1% of covered payroll from the employer and \$697,555, or 5.7% of covered payroll from employees. The required contribution for employees for the year ended December 31, 2009 was financed by the County. Total contributions for the years ending December 31, 2008 and 2007 were \$1,314,313 and \$1,259,765 respectively, equal to the required contributions for each year.

OCONTO COUNTY, WISCONSIN
Notes to Basic Financial Statements
December 31, 2009

NOTE D - OTHER INFORMATION (Continued)

Employees who retire at or after age 65 (62 for elected officials and 54 for protective occupation employees with less than 25 years of service, 53 for protective occupation employees with more than 25 years of service) are entitled to receive a retirement benefit. Employees may retire at age 55 (50 for protective occupation employees) and receive actuarially reduced benefits. The factors influencing the benefit are: (1) final average earnings, (2) years of creditable service, and (3) a formula factor. Final average earnings is the average of the employee's three highest year's earnings. Employees terminating covered employment and submitting application before becoming eligible for a retirement benefit may withdraw their contributions and, by doing so, forfeit all rights to any subsequent benefit. For employees beginning participation on or after January 1, 1990 and no longer actively employed on or after April 24, 1998, creditable service in each of five years is required for eligibility for a retirement annuity. Participants employed prior to 1990 or after April 24, 1998 are immediately vested.

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

2. Other Postemployment Benefits

Plan Description - The County provides health care insurance coverage for any employee who is eligible for a WRS annuity. The health care insurance coverage continues until the retiree is Medicare eligible. The retired employee contributes 100% of the premium. There are 212 active and 11 retired employees in the plan.

Funding Policy - The County currently does not have a formal funding policy. Payments under the plan are being made on a pay-as-you-go basis. Payments are expended in the general fund and the revenue is recorded in the general fund.

Annual OPEB Cost and Net OPEB Obligation - The County's annual other post-employment benefit (OPEB) cost (expense) is calculated based on the annual required contribution (ARC), and the 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 unfunded 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 contributed to the plan, and changes in the District's net OPEB obligation.

Component	Amount
Annual required contribution	\$ 222,924
Interest on net OPEB	-
Adjustment to annual required contribution	-
Annual OPEB cost (expense)	222,924
Contributions made	125,227
Change in net OPEB obligation	97,697
OPEB obligation - beginning of year	-
OPEB obligation - end of year	\$ 97,697

The annual required contribution for the current year was determined as part of the January 1, 2010 actuarial valuation using the unit credit method. The actuarial assumptions included a 4% discount rate.

OCONTO COUNTY, WISCONSIN
Notes to Basic Financial Statements
December 31, 2009

NOTE D - OTHER INFORMATION (Continued)

The actuarial methods and assumptions used include techniques that are designed to reduce the effect of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with a long-term perspective of the calculations. The unfunded actuarial accrued liability is being amortized as a level dollar amount of projected payroll. The remaining amortization period at December 31, 2009 is 29 years, and the remaining amount is \$2,272,134.

Trend Information - The County's annual OPEB cost, the percentage of the annual OPEB cost contributed to the plan, and the net OPEB obligation for 2009 is as follows:

Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
12/31/2009	<u>\$ 222,924</u>	56.17%	<u>\$ 97,697</u>

Funded Status and Funding Progress - The funded status of the plan as of January 1, 2010, the most recent actuarial valuation date, was as follows:

Actuarial accrued liability (AAL)	\$ 2,272,134
Value of plan assets	-
Unfunded actuarial accrued liability (UAAL)	<u>\$ 2,272,134</u>
Funded ratio (actuarial value of plan assets/AAL)	<u>0%</u>

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, such as assumptions about future terminations, mortality, and healthcare cost trends. Actuarially determined amounts are subject to continual revision as actuarial results are compared with past experience and new estimates are made about the future.

Actuarial Methods and Assumptions - Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effect 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, 2010 actuarial valuation, the unit credit method was used. The actuarial assumptions included a rate of 4% to discount expected liabilities to the valuation date. The initial healthcare trend rate was 8.9% for medical and 5.0% for dental, reduced by decrements to an ultimate rate of 4.4% for medical and dental after 54 years. The UAAL is being amortized as a level dollar amount of projected payrolls. The remaining amortization period at December 31, 2009 was 29 years.

OCONTO COUNTY, WISCONSIN
Notes to Basic Financial Statements
December 31, 2009

NOTE D - OTHER INFORMATION (Continued)

3. Risk Management

The County is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the government carries commercial insurance. The County completes an annual review of its insurance coverage to ensure adequate coverage. Payments of premiums for these policies are recorded as expenditures or expenses in various funds of the County.

4. Property Tax Levy Limit

Wisconsin Act 25 imposed a limit on the property tax levies for all Wisconsin cities, villages, towns and counties for a two-year period effective July 27, 2005. Subsequent legislation extended the levy limit through 2010. The current law limits the increase in the maximum allowable tax levy to the greater of the percentage change in the County's January 1 equalized value as a result of net new construction or 3.0% per year in both the 2009 and 2010 budget years. The actual limit for the County for the 2010 budget was 3.0%. Debt service for debt authorized after July 1, 2005 is exempt from the levy limit. In addition, the Act allows the limit to be adjusted for the increase in debt service authorized prior to July 1, 2005 and in certain other situations.

5. Contingencies

- a. The County participates in a number of federal and state assisted grant programs. These programs are subject to program compliance audits by the grantors or their representatives. An audit under OMB Circular A-133 has been conducted but final acceptance is still pending. Accordingly, the County's compliance with applicable grant requirements will be established at some future date. The amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time although the County expects such amounts, if any, to be immaterial.
- b. From time to time, the County is party to other various pending claims and legal proceedings. Although the outcome of such matters cannot be forecast with certainty, it is the opinion of management and Corporate Counsel that the likelihood is remote that any such claims or proceedings will have a material adverse effect on the County's financial position or results of operations.

REQUIRED SUPPLEMENTAL INFORMATION

OCONTO COUNTY, WISCONSIN
SCHEDULE OF FUNDING PROGRESS
OTHER POST-EMPLOYMENT BENEFIT PLAN
 December 31, 2009

Actuarial Valuation Date	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL) Entry Age Normal	(3) Funded Ratio (1) / (2)	(4) Unfunded Actuarial Accrued Liability (UAAL) (2) - (1)	(5) Covered Payroll	UAAL as a Percentage of Covered Payroll (4) / (5)
January 1, 2010	\$ -	\$ 2,272,134	0.00%	\$ 2,272,134	N/A	N/A

The County implemented GASB Statement No. 45 for the fiscal year ended December 31, 2009. Information for prior years is not available.

OCONTO COUNTY, WISCONSIN
SCHEDULE OF EMPLOYER CONTRIBUTIONS
OTHER POST-EMPLOYMENT BENEFIT PLAN
December 31, 2009

Year Ended December 31,	Employer Contributions	Annual Required Contribution (ARC)	Percentage Contributed
2009	\$ 125,227	\$ 222,924	56.17%

The County implemented GASB Statement No. 45 for the fiscal year ended December 31, 2009. Information for prior years is not available.

SUPPLEMENTAL INFORMATION

OCONTO COUNTY, WISCONSIN

General Fund

Schedule of Revenues, Expenditures and Other Financing Sources and Uses - Budget and Actual

Year Ended December 31, 2009

(with comparative actual amounts for year ended December 31, 2008)

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)	2008 Actual
	Original	Final			
Revenues					
Taxes					
Property tax	\$ 8,722,132	\$ 8,722,132	\$ 8,722,132	\$ -	\$ 8,715,078
Forest crop tax (county share)	500	500	1,020	520	3,275
Managed forest lands	14,000	14,000	20,383	6,383	22,084
Interest on delinquent taxes	325,000	325,000	374,102	49,102	361,642
Payments in lieu of taxes	25,000	25,000	27,491	2,491	23,625
Real estate transfer fees (county share)	85,000	85,000	50,068	(34,932)	61,109
State sales tax retained	120	120	126	6	121
Total Taxes	9,171,752	9,171,752	9,195,322	23,570	9,186,934
Intergovernmental Grants and Aids					
State shared revenue	779,911	779,911	797,848	17,937	783,177
Exempted business computers	9,000	9,000	9,374	374	10,442
Wireless E911	-	-	8,866	8,866	173,387
Circuit court support	146,977	146,977	145,834	(1,143)	147,889
Guardian ad litem support	34,929	34,929	32,110	(2,819)	34,929
Victim witness program	31,575	31,575	30,607	(968)	30,752
Voting equipment-county clerk	-	2,900	2,900	-	25,634
Forest crop & MFL	18,000	18,000	22,890	4,890	22,735
IV-D child support program	215,005	216,126	382,801	166,675	361,030
Commission on aging	97,002	97,002	97,002	-	94,964
Veterans service officer grant	10,000	10,000	12,388	2,388	12,048
UW-X family nutrition	-	-	-	-	5,000
Land records	300	300	2,184	1,884	300
Land conservation	197,610	287,691	274,816	(12,875)	154,487
Wildlife damage	16,832	19,482	12,133	(7,349)	24,100
Coastal management project	-	12,237	12,237	-	-
Private sewage systems-Wisconsin fund	-	28,492	28,492	-	32,089
Comprehensive planning	-	65,750	65,750	-	44,565
Snowmobile trails	105,250	278,267	278,267	-	395,032
ATV trails	31,050	82,575	82,575	-	482,382
Conservation	-	22,482	22,482	-	55,450
Wildlife habitat management	4,356	4,356	4,356	-	4,356
Forest roads	12,126	14,876	14,876	-	12,126
Forestry sustainable grant	20,000	-	-	-	2,655
Forestry administration grant	47,727	47,727	47,727	-	45,362
ED grant	1,089	1,089	2,517	1,428	-
Gypsy moth suppression	11,000	-	-	-	-
National forest Title III	35,133	14,968	14,968	-	35,133
National forest income	-	254,462	254,463	1	199,087
ATV patrol	25,000	25,000	26,008	1,008	36,129
Snowmobile patrol	13,000	13,000	14,538	1,538	15,374
Water patrol	4,000	4,000	2,952	(1,048)	7,625
Police training	9,800	9,800	10,000	200	9,800
Tribal law enforcement	30,000	33,558	33,558	-	37,032
Cease program	-	4,923	4,923	-	-

(Continued)

OCONTO COUNTY, WISCONSIN

General Fund

Schedule of Revenues, Expenditures and Other Financing Sources and Uses - Budget and Actual (Continued)

Year Ended December 31, 2009

(with comparative actual amounts for year ended December 31, 2008)

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)	2008 Actual
	Original	Final			
Revenues (continued)					
Intergovernmental Grants and Aids (Continued)					
911 communications	1,200	1,200	1,200	-	4,671
Federal asset forfeiture program	-	3,654	3,654	-	-
Federal park patrol	13,000	13,000	13,000	-	13,000
Highway safety projects	10,000	10,000	-	(10,000)	27,141
Sheriff-DNA sample reimbursement	480	480	620	140	500
DOC sanctions program	-	-	8,902	8,902	9,263
Emergency government-SARA grant	10,613	12,413	12,413	-	10,520
Emergency government (EMPG)	37,911	37,911	39,181	1,270	37,711
Homeland security	-	27,442	27,442	-	38,040
Total Intergovernmental Grants and Aids	1,979,876	2,677,555	2,858,854	181,299	3,435,917
Licenses and Permits					
County clerk-marriage licenses	3,000	3,000	2,507	(493)	2,962
Conservation licenses-County share	150	150	130	(20)	145
County clerk-domestic partner fees	-	-	257	257	-
LWR-LIS permits and fees	9,000	9,000	5,525	(3,475)	8,063
Zoning Fees and Permits					
Land use permits	80,000	80,000	70,256	(9,744)	77,228
Land divisions-zoning share	10,000	10,000	5,690	(4,310)	7,948
Rezone hearings	26,000	26,000	16,200	(9,800)	23,650
Board of adjust hearings	30,000	30,000	19,600	(10,400)	30,500
Private sewage permits	95,000	95,000	69,319	(25,681)	81,980
Ag waste	1,850	1,850	650	(1,200)	850
County forest permits	4,795	4,795	2,783	(2,012)	2,357
Total Licenses and Permits	259,795	259,795	192,917	(66,878)	235,683
Fines and Forfeits					
County ordinance fines and forfeits	120,000	120,000	103,360	(16,640)	111,444
County share-state fines and forfeits	120,000	120,000	96,121	(23,879)	99,961
Ag use value penalties	12,000	12,000	6,319	(5,681)	7,060
County recreation ordinance violation	2,000	2,000	1,445	(555)	1,210
Total Fines and Forfeits	254,000	254,000	207,245	(46,755)	219,675
Public Charges For Services					
Clerk of court fees	202,000	202,000	176,576	(25,424)	189,073
Family court commissioner charges	400	400	739	339	518
Register in probate fees	14,000	14,000	13,748	(252)	13,734
District attorney-photocopy sales and service fees	3,822	3,822	4,577	755	3,905
County clerk-copies/directories charges	825	825	132	(693)	160
Treasurer- sales to public	2,000	2,000	869	(1,131)	1,912
CSA fees	500	500	3,829	3,329	3,834
Register of deeds fees	190,000	190,000	180,355	(9,645)	164,180
Data processing miscellaneous sales	-	-	50	50	-
UW extension sales	1,100	1,100	1,166	66	1,135

(Continued)

OCONTO COUNTY, WISCONSIN

General Fund

Schedule of Revenues, Expenditures and Other Financing Sources and Uses - Budget and Actual (Continued)

Year Ended December 31, 2009

(with comparative actual amounts for year ended December 31, 2008)

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)	2008 Actual
	Original	Final			
Revenues (continued)					
Public Charges For Services (continued)					
District resource management	-	8,711	8,711	-	8,139
Parenting/toddler newsletter	-	2,850	2,850	-	1,500
Youth futures	-	2,008	2,008	-	2,286
Teen court	-	350	350	-	300
4-H youth camp	-	8,235	8,235	-	11,596
Agriculture newsletter	-	3,265	3,265	-	2,238
Family resources center	-	2,903	2,903	-	1,289
WiFund application fees	1,000	1,000	800	(200)	1,000
Non-metallic mining fees	30,000	30,000	26,120	(3,880)	25,835
Non-metallic reclaim review fees	3,000	3,000	800	(2,200)	500
LWR- physical address fees	10,200	10,200	9,266	(934)	10,596
Sale of platbooks	-	9,331	9,331	-	12,816
Sale of real estate listings	5,025	5,025	8,461	3,436	9,262
Land records modernization	48,000	48,000	42,808	(5,192)	42,196
Public access fees (land records)	12,000	12,000	11,510	(490)	11,697
Sale of GIS maps	6,000	6,000	5,875	(125)	5,052
SOLO fees	8,100	8,100	8,050	(50)	8,975
County parks-Chute Pond	98,600	98,600	100,662	2,062	89,037
County parks-North Shore	57,500	57,500	59,281	1,781	46,583
Boat landing fees	-	33,289	33,289	-	24,791
Shooting range fees	-	9,482	9,482	-	12,325
County forest (including timber sales)	408,500	408,500	259,350	(149,150)	415,991
Sheriff Fees					
Impound vehicles	1,800	1,800	2,297	497	2,420
Paper service	75,000	75,000	102,235	27,235	86,189
Restitution	100	100	125	25	362
SSA incentives	1,600	1,600	1,800	200	1,000
Moving and escort fees	1,000	1,000	-	(1,000)	-
Sale of accident reports	4,000	4,000	2,408	(1,592)	3,321
Law enforcement fees-special deputy	5,000	5,000	3,284	(1,716)	3,906
Inmate telephone commission	12,000	12,000	13,479	1,479	12,571
Board of prisoners-Huber	75,750	75,750	50,739	(25,011)	74,775
Board of Prisoners Charges					
Booking fees	6,265	6,265	5,190	(1,075)	5,536
Medical and miscellaneous	2,000	2,000	1,503	(497)	2,089
Prescription medical	1,000	1,000	1,033	33	429
Pay to stay	11,000	11,000	499	(10,501)	-
GPS bracelet	26,020	26,020	36,599	10,579	-
Juvenile housing-charges to parents	14,560	14,560	7,485	(7,075)	-
Total Public Charges For Services	1,339,667	1,420,091	1,224,124	(195,967)	1,315,053

(Continued)

OCONTO COUNTY, WISCONSIN

General Fund

Schedule of Revenues, Expenditures and Other Financing Sources and Uses - Budget and Actual (Continued)

Year Ended December 31, 2009

(with comparative actual amounts for year ended December 31, 2008)

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)	2008 Actual
	Original	Final			
Revenues (continued)					
Intergovernmental Charges For Services					
Charges to Other Local Governments					
Election supplies to local governments	6,000	6,000	13,727	7,727	21,330
LIS charges to municipalities-postage	-	24,558	24,558	-	-
Comprehensive plan-charges to municipals	-	44,667	44,667	-	44,667
Juvenile detention-other governments	79,675	79,675	92,655	12,980	100,740
Board of prisoners-other governments	40,000	40,000	40,267	267	51,940
Board of prisoners-municipal bookings	1,760	1,760	1,276	(484)	-
Surveyor charges	6,000	6,000	12,014	6,014	9,756
Charges To County Departments					
Clerk of courts charge to CSA	24,856	24,856	24,837	(19)	25,864
Corporation counsel charge to CSA	11,546	11,546	10,628	(918)	8,660
Technical service charges to departments	26,000	26,000	25,920	(80)	26,400
Recreational officer charges to forestry	21,400	21,400	21,400	-	19,400
Sheriff microwave rent to highway	2,400	2,400	2,400	-	2,400
Indirect costs allocation to CSA	8,000	8,000	62,216	54,216	54,635
Total Intergovernmental Charges	227,637	296,862	376,565	79,703	365,792
Miscellaneous					
Interest					
General investments	501,500	501,500	295,772	(205,728)	707,230
HRA/S125 interest allocation	2,375	2,375	2,375	-	2,375
Property Sales					
Tax deeded property proceeds	74,300	74,300	43,749	(30,551)	13,674
Insurance premium refunds/dividends	56,592	58,439	43,341	(15,098)	42,774
Insurance recoveries-law enforcement	-	8,459	8,459	-	6,611
Miscellaneous					
Safety/risk management	-	17,505	17,505	-	-
Other and finance	-	-	5,341	5,341	22,013
Donations					
Veterans service drivers mileage	-	-	1,957	1,957	608
K-9	-	9,038	9,038	-	24,005
Recreation enforcement	3,000	3,000	250	(2,750)	2,100
Total Miscellaneous	637,767	674,616	427,787	(246,829)	821,390
Total Revenues	13,870,494	14,754,671	14,482,814	(271,857)	15,580,444
Other Financing Sources					
Transfers In					
County sales tax	545,850	540,850	502,018	(38,832)	351,915
Recycling	-	-	-	-	100,000
Law enforcement sales-squads	18,000	18,000	9,572	(8,428)	10,080
Total Revenues and Other Financing Sources	\$ 14,434,344	\$ 15,313,521	\$ 14,994,404	\$ (319,117)	\$ 16,042,439

OCONTO COUNTY, WISCONSIN

General Fund

Schedule of Revenues, Expenditures and Other Financing Sources and Uses - Budget and Actual (Continued)

Year Ended December 31, 2009

(with comparative actual amounts for year ended December 31, 2008)

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)	2008 Actual
	Original	Final			
Expenditures					
General Government					
Legislative					
County board & committees	\$ 222,185	\$ 222,185	\$ 193,521	\$ 28,664	\$ 194,716
Judicial					
Clerk of courts	509,424	509,424	562,440	(53,016)	539,657
Circuit court branch I & II	158,477	158,477	155,223	3,254	153,801
Register in probate	169,807	169,807	141,372	28,435	130,423
Family court commissioner	139,775	139,775	135,749	4,026	131,552
Law library	4,500	4,500	5,179	(679)	4,600
Medical examiner	91,663	91,663	93,923	(2,260)	79,812
Legal					
District attorney	221,292	221,292	203,129	18,163	193,752
Victim witness program	60,722	60,722	55,999	4,723	55,343
Corporation counsel	94,199	94,199	91,131	3,068	88,284
General Administration					
Administrative-coordinator	157,290	157,290	153,493	3,797	152,469
County clerk	177,037	177,867	187,019	(9,152)	168,711
Elections	40,784	42,854	30,565	12,289	99,581
Labor negotiations	17,800	17,800	17,975	(175)	5,250
Employee assistance program	7,500	7,500	7,860	(360)	7,320
HRA administration	12,550	12,550	12,635	(85)	12,440
S125 administration	500	500	791	(291)	641
Technology information services	682,804	707,803	674,450	33,353	683,277
T/S-county van	-	-	(6,907)	6,907	-
T/S VOIP	-	(5,882)	(13,331)	7,449	5,882
Platbooks	-	64,863	2,178	62,685	5,899
Financial Administration					
Accounting					
Finance department	185,497	185,497	183,441	2,056	179,587
Independent auditing	45,835	45,835	45,835	-	44,160
Special accounting & reporting	6,410	6,410	6,410	-	6,410
Charges to depts for audit	(15,775)	(15,775)	(16,452)	677	(15,942)
Treasury					
County treasurer	179,609	179,609	174,501	5,108	170,438
Assessment of Property					
Property tax listing	173,245	187,523	184,263	3,260	189,600
Assessor of incomes	480	480	498	(18)	370
Tax deeds	12,150	14,538	11,187	3,351	13,595
Risk and Property Management					
Safety/risk manager	45,889	98,533	56,610	41,923	29,538
General Buildings and Plant					
Courthouse property & maintenance	767,471	735,452	710,469	24,983	800,322
Property Records and Control					
Register of deeds	260,571	260,571	232,558	28,013	252,292
County surveyor	238,851	242,526	188,611	53,915	235,638
Physical address program	39,880	39,880	31,362	8,518	33,014
Land records modernization	77,800	177,283	54,564	122,719	80,371

(Continued)

OCONTO COUNTY, WISCONSIN

General Fund

Schedule of Revenues, Expenditures and Other Financing Sources and Uses - Budget and Actual (Continued)

Year Ended December 31, 2009

(with comparative actual amounts for year ended December 31, 2008)

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)	2008 Actual
	Original	Final			
Expenditures (continued)					
Uncollectable Taxes and Assessments					
Uncollectable personal property taxes	13,000	13,000	3,244	9,756	11,220
Non-Departmental Insurance					
Property and liability insurance	380,200	371,782	292,521	79,261	349,076
Workers compensation insurance	290,000	290,000	284,923	5,077	259,263
Charges to departments-P&L insurance	(245,000)	(245,000)	(241,549)	(3,451)	(237,621)
Charges to departments-workers compensation	(290,000)	(290,000)	(259,015)	(30,985)	(265,433)
Other General Government					
Contingent fund	250,000	207,887	-	207,887	-
WRS	-	-	8,133	(8,133)	-
Other general	-	40,163	42,578	(2,415)	-
Total General Government	5,184,422	5,401,383	4,699,086	702,297	4,849,308
Public Safety					
Law Enforcement					
Sheriff	2,921,938	2,940,671	2,864,800	75,871	2,933,712
K-9 program	-	29,624	11,782	17,842	19,123
Cease program	-	4,923	379	4,544	-
Federal asset forfeiture program	-	3,654	2,396	1,258	-
Tribal enforcement	30,000	34,241	34,241	-	37,287
Watercraft patrol enforcement	1,000	1,000	2,150	(1,150)	44
ATV patrol enforcement	2,500	2,500	1,949	551	2,037
Snowmobile patrol enforcement	2,000	2,000	2,304	(304)	2,745
Highway safety project grants	10,000	10,000	-	10,000	12,377
Recreation enforcement	112,717	112,717	121,581	(8,864)	114,526
Telecommunications/911 dispatch	832,284	837,284	811,766	25,518	990,478
Highway safety commission	900	900	596	304	736
Correction and Detentions					
County jail	1,966,598	1,966,598	1,864,060	102,538	1,904,650
Juvenile detention	416,793	416,793	410,033	6,760	386,818
Other Public Safety					
EMS council	1,000	1,000	1,000	-	259
Emergency government	73,254	75,029	76,918	(1,889)	55,068
Emergency government-SARA	19,554	19,579	18,857	722	18,601
Emergency government-Homeland Security	-	13,252	20,833	(7,581)	48,554
Total Public Safety	6,390,538	6,471,765	6,245,645	226,120	6,527,015
Public Works					
Transportation					
Airport	17,621	17,621	17,621	-	17,621
Sanitation					
Private sewage system regulation	175,269	175,149	170,396	4,753	163,216
Total Public Works	192,890	192,770	188,017	4,753	180,837

(Continued)

OCONTO COUNTY, WISCONSIN

General Fund

Schedule of Revenues, Expenditures and Other Financing Sources and Uses - Budget and Actual (Continued)

Year Ended December 31, 2009

(with comparative actual amounts for year ended December 31, 2008)

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)	2008 Actual
	Original	Final			
Expenditures (continued)					
Health and Human Services					
Aging					
Commission on aging	129,492	129,492	129,492	-	127,047
Senior citizens center	3,275	3,275	3,275	-	3,275
Veterans					
Veterans service officer	123,320	123,320	118,581	4,739	117,864
Veterans relief	3,000	3,000	2,255	745	1,840
Care of veterans graves	360	2,310	2,160	150	2,520
Other					
Child support agency	449,986	449,986	443,758	6,228	433,235
Child support ARRA	-	1,122	17,956	(16,834)	-
Total Health and Human Services	709,433	712,505	717,477	(4,972)	685,781
Culture and Recreation					
Culture					
Libraries	272,251	272,251	272,251	-	272,251
Historical society	9,991	9,991	9,991	-	9,991
Recreation					
County parks	271,421	271,421	260,803	10,618	278,129
Local park aid-state	-	1,023	-	1,023	6,366
Machickanee shooting range	-	24,934	8,475	16,459	6,591
County boat landings	-	141,986	16,053	125,933	27,726
County snowmobile trails	105,250	291,953	232,137	59,816	414,673
County ATV trails	31,050	376,560	465,637	(89,077)	208,518
Recreational trails RTA352	-	-	49,059	(49,059)	108,900
County fair	9,500	9,500	9,500	-	9,500
Education					
UW-extension program	291,536	291,536	278,525	13,011	284,796
Extension homemakers	800	800	800	-	800
Oconto county partnership	600	600	600	-	600
UW-X nutrition program	-	2,185	903	1,282	930
Parenting newsletter	-	(1,270)	1,994	(3,264)	11,084
UW-X youth futures	-	1,434	1,547	(113)	2,228
UW-X family resource center	-	11,837	2,254	9,583	5,114
UW-X teen court	-	121	121	-	805
UW-X district resource management	-	16,341	5,857	10,484	14,885
4-H youth camp	-	13,955	7,886	6,069	10,977
UW-X AG newsletter	-	5,259	2,934	2,325	2,488
Total Culture and Recreation	992,399	1,742,417	1,627,327	115,090	1,677,352
Development					
Resource Conservation					
County forestry	300,558	300,558	276,944	23,614	281,321
Forest roads	12,126	25,193	11,530	13,663	29,474
National forest pass-through payments	-	254,462	254,462	-	199,087
Conservation projects	-	3,171	5,927	(2,756)	19,753

(Continued)

OCONTO COUNTY, WISCONSIN

General Fund

Schedule of Revenues, Expenditures and Other Financing Sources and Uses - Budget and Actual (Continued)

Year Ended December 31, 2009

(with comparative actual amounts for year ended December 31, 2008)

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)	2008 Actual
	Original	Final			
Expenditures (continued)					
Development (continued)					
Resource Conservation (continued)					
Wildlife habitat management	4,356	16,989	1,661	15,328	736
County forest land acquisition	2,500	20,292	500	19,792	2,374
County dams	1,620	12,288	11,690	598	193,367
Title III	35,133	71,425	-	71,425	3,007
S/A county forestry	20,000	-	-	-	2,655
Gypsy moth suppression program	11,000	-	-	-	-
State recreational aid projects	-	-	4,750	(4,750)	-
Land conservation	369,059	469,896	447,103	22,793	346,141
Wildlife damage program	16,832	23,570	10,587	12,983	20,012
LWR coastal management	-	12,236	12,236	-	-
LWR administration	24,527	32,227	20,554	11,673	36,678
Planning and Zoning					
Bay Lake Regional Planning Commission	17,163	17,163	17,163	-	17,451
Zoning	314,494	314,614	280,400	34,214	293,943
Board of adjustments	19,288	19,288	14,270	5,018	20,118
Land use planning	66,979	66,979	65,178	1,801	66,177
Private sewage systems-Wisconsin fund	-	28,492	28,492	-	32,089
Salvage yard cleanup	1,150	1,150	(150)	1,300	256
Comprehensive planning project	-	58,324	12,552	45,772	104,495
Economic Development					
Oconto County Economic Development Corporation	122,532	122,532	122,532	-	122,532
Total Development	<u>1,339,317</u>	<u>1,870,849</u>	<u>1,598,381</u>	<u>272,468</u>	<u>1,791,666</u>
Capital Outlay					
General Public Buildings and Other General Government					
Courthouse	55,000	55,000	33,542	21,458	-
Courtroom video conference	31,000	31,000	31,000	-	-
Computer hardware, software and maintenance	109,850	109,850	109,850	-	139,833
Law Enforcement					
Law enforcement software	50,000	50,000	50,000	-	-
Radio & radio system upgrades	80,000	75,000	72,925	2,075	30,000
Vehicles and squads	140,000	140,000	138,188	1,812	108,238
Other					
Vehicles, land, conservation and forestry	50,000	50,000	36,514	13,486	50,852
Oconto county youth fair building	30,000	30,000	30,000	-	30,000
Total Capital Outlay	<u>545,850</u>	<u>540,850</u>	<u>502,019</u>	<u>38,831</u>	<u>358,923</u>
Other Financing Uses					
Transfer to New View	-	32,019	32,019	-	-
Total Expenditures and Other Financing Uses	<u>\$ 15,354,849</u>	<u>\$ 16,964,558</u>	<u>\$ 15,609,971</u>	<u>\$ 1,354,587</u>	<u>\$ 16,070,882</u>

OCONTO COUNTY, WISCONSIN

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

Highway Road and Bridge Special Revenue Fund

Year Ended December 31, 2009

(With comparative amounts for year ended December 31, 2008)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)	2008 Actual
	Original	Final			
Revenues					
Taxes-property tax levy	\$ 3,221,673	\$ 3,221,673	\$ 3,221,673	\$ -	\$ 2,963,223
Special purpose levy-local bridge	64,800	64,800	64,800	-	19,895
	<u>3,286,473</u>	<u>3,286,473</u>	<u>3,286,473</u>	<u>-</u>	<u>2,983,118</u>
Intergovernmental					
State transportation aids	1,010,766	1,010,766	1,049,558	38,792	1,009,014
State STP projects	560,120	560,120	422,488	(137,632)	661,923
State LRIP	-	-	6,180	6,180	12,898
State local bridge	-	-	3,028	3,028	-
State CHIP	72,568	72,568	67,500	(5,068)	71,400
Total Intergovernmental	<u>1,643,454</u>	<u>1,643,454</u>	<u>1,548,754</u>	<u>(94,700)</u>	<u>1,755,235</u>
Total Revenues	<u>4,929,927</u>	<u>4,929,927</u>	<u>4,835,227</u>	<u>(94,700)</u>	<u>4,738,353</u>
Expenditures					
Public Works					
CTHS admin	371,604	371,604	328,944	42,660	318,987
Maintenance	1,104,359	1,104,359	1,046,851	57,508	948,439
Snow removal	790,166	790,166	653,108	137,058	1,036,198
Hot mix maintenance	1,230,477	1,230,477	1,198,562	31,915	1,031,678
Gravel maintenance	159,120	159,120	145,731	13,389	118,397
STP road improvement	700,150	700,150	525,896	174,254	892,927
STP before/after (county)	392,000	392,000	361,054	30,946	356,174
CHIP program	178,550	178,550	176,980	1,570	221,931
Safer bridge program	253,750	253,750	252,338	1,412	30,270
Co aid bridges	-	-	61,806	(61,806)	19,894
Total Expenditures	<u>5,180,176</u>	<u>5,180,176</u>	<u>4,751,270</u>	<u>428,906</u>	<u>4,974,896</u>
Net Change in Fund Balance	<u>(250,249)</u>	<u>(250,249)</u>	<u>83,957</u>	<u>334,206</u>	<u>(236,543)</u>
Fund Balance - January 1	<u>520,332</u>	<u>520,332</u>	<u>520,332</u>	<u>-</u>	<u>756,875</u>
Fund Balance - December 31	<u>\$ 270,083</u>	<u>\$ 270,083</u>	<u>\$ 604,289</u>	<u>\$ 334,206</u>	<u>\$ 520,332</u>

OCONTO COUNTY, WISCONSIN

Combining Balance Sheet
 Nonmajor Governmental Funds
 December 31, 2009

(With summarized financial information for December 31, 2008)

	Jail Assessment	Family Mediation	County Sales Tax	Tourism	State Grant Loan Fund
ASSETS					
Cash and investments	\$ 142,796	\$ 2,040	\$ 80,970	\$ 24,245	\$ 340,299
Receivables					
Taxes	-	16,200	-	129,260	-
Notes	-	-	-	-	10,539
TOTAL ASSETS	\$ 142,796	\$ 18,240	\$ 80,970	\$ 153,505	\$ 350,838
LIABILITIES AND FUND BALANCES					
Liabilities					
Accounts payable	\$ -	\$ -	\$ -	\$ 585	\$ -
Accrued payroll liabilities	-	972	-	-	-
Advance from other funds	-	-	-	-	-
Due to other governments	-	-	-	-	-
Deferred revenues	-	16,200	-	129,260	10,539
Total Liabilities	-	17,172	-	129,845	10,539
Fund Balances					
Reserved for					
Retirement of long-term debt	-	-	-	-	-
Unreserved					
Designated					
Special revenue funds	142,796	1,068	80,970	23,660	340,299
Total Fund Balances	142,796	1,068	80,970	23,660	340,299
TOTAL LIABILITIES AND FUND BALANCES	\$ 142,796	\$ 18,240	\$ 80,970	\$ 153,505	\$ 350,838

Tri-County Loan Fund	County Revolving Loan Fund	Section 125 & HRA Plans	Dog Licenses	Commission on Aging Transportation	Total Nonmajor Governmental Funds	
					2009	2008
\$ 16,635	\$ 100,491	\$ 465,234	\$ 18,759	\$ 4,877	\$ 1,196,346	\$ 1,603,280
-	-	-	-	-	145,460	148,861
53,003	610,898	-	-	-	674,440	433,988
<u>\$ 69,638</u>	<u>\$ 711,389</u>	<u>\$ 465,234</u>	<u>\$ 18,759</u>	<u>\$ 4,877</u>	<u>\$ 2,016,246</u>	<u>\$ 2,186,129</u>
\$ -	\$ -	\$ 437,816	\$ -	\$ -	\$ 438,401	\$ 375,962
-	-	-	-	-	972	816
-	-	10,000	-	-	10,000	10,000
-	-	-	913	-	913	1,018
53,003	610,898	-	-	-	819,900	582,849
<u>53,003</u>	<u>610,898</u>	<u>447,816</u>	<u>913</u>	<u>-</u>	<u>1,270,186</u>	<u>970,645</u>
-	-	-	-	-	-	15,627
16,635	100,491	17,418	17,846	4,877	746,060	1,199,857
<u>16,635</u>	<u>100,491</u>	<u>17,418</u>	<u>17,846</u>	<u>4,877</u>	<u>746,060</u>	<u>1,215,484</u>
<u>\$ 69,638</u>	<u>\$ 711,389</u>	<u>\$ 465,234</u>	<u>\$ 18,759</u>	<u>\$ 4,877</u>	<u>\$ 2,016,246</u>	<u>\$ 2,186,129</u>

OCONTO COUNTY, WISCONSIN

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Nonmajor Governmental Funds

Year Ended December 31, 2009

(With summarized financial information for year ended December 31, 2008)

	Jail Assessment	Family Mediation	County Sales Tax	Tourism	State Grant Loan Fund	Tri-County Loan Fund
Revenues						
Taxes	\$ -	\$ 17,102	\$ 1,329,728	\$ 131,759	\$ -	\$ -
Intergovernmental	-	-	-	-	-	-
Licenses and permits	-	3,320	-	-	-	-
Fines and forfeits	45,357	-	-	-	-	-
Public charges for services	-	16,095	-	53,355	-	-
Intergovernmental charges for services	-	-	-	865	-	-
Miscellaneous	-	-	-	-	15,221	6,978
Total Revenues	45,357	36,517	1,329,728	185,979	15,221	6,978
Expenditures						
Current						
Public safety	33,644	-	-	-	-	-
Health and human services	-	37,744	-	-	-	-
Culture and recreation	-	-	-	177,682	-	-
Development	-	-	-	-	3,758	3,390
Debt service						
Principal	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-
Total Expenditures	33,644	37,744	-	177,682	3,758	3,390
Excess of Revenues Over (Under) Expenditures	11,713	(1,227)	1,329,728	8,297	11,463	3,588
Other Financing Sources (Uses)						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	(1,712,723)	-	-	-
Total Other Financing Sources (Uses)	-	-	(1,712,723)	-	-	-
Net Change in Fund Balances	11,713	(1,227)	(382,995)	8,297	11,463	3,588
Fund Balances - January 1	131,083	2,295	463,965	15,363	328,836	13,047
Fund Balances - December 31	\$ 142,796	\$ 1,068	\$ 80,970	\$ 23,660	\$ 340,299	\$ 16,635

County Revolving Loan Fund	Section 125 & HRA Plans	Dog Licenses	Commission on Aging Transportation	2001 Notes	2001 Bonds	2006 Notes	Total Nonmajor Governmental Funds	
							2009	2008
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,478,589	\$ 1,630,752
152,000	-	-	-	-	-	-	152,000	240,563
-	-	16,386	-	-	-	-	19,706	18,286
-	-	-	-	-	-	-	45,357	-
-	-	-	-	-	-	-	69,450	126,148
-	-	-	-	-	-	-	865	6,149
67,323	2,422	-	4,020	-	-	-	95,964	93,090
219,323	2,422	16,386	4,020	-	-	-	1,861,931	2,114,988
-	-	-	-	-	-	-	33,644	50,064
-	-	18,108	-	-	-	-	55,852	34,208
-	-	-	-	-	-	-	177,682	171,958
328,679	-	-	-	-	-	-	335,827	63,738
-	-	-	-	175,000	550,000	400,000	1,125,000	1,280,000
-	-	-	-	2,144	22,688	76,500	101,332	161,214
328,679	-	18,108	-	177,144	572,688	476,500	1,829,337	1,761,182
(109,356)	2,422	(1,722)	4,020	(177,144)	(572,688)	(476,500)	32,594	353,806
-	-	-	-	161,517	572,688	476,500	1,210,705	1,217,594
-	-	-	-	-	-	-	(1,712,723)	(1,569,509)
-	-	-	-	161,517	572,688	476,500	(502,018)	(351,915)
(109,356)	2,422	(1,722)	4,020	(15,627)	-	-	(469,424)	1,891
209,847	14,996	19,568	857	15,627	-	-	1,215,484	1,213,593
\$ 100,491	\$ 17,418	\$ 17,846	\$ 4,877	\$ -	\$ -	\$ -	\$ 746,060	\$ 1,215,484

OCONTO COUNTY, WISCONSIN

Jail Assessment Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Year Ended December 31, 2009

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Fines and forfeits				
Jail assessment surcharge	\$ -	\$ 40,000	\$ 45,357	\$ 5,357
Total Revenues	-	40,000	45,357	5,357
Expenditures				
Public safety				
Jail maintenance and improvements	-	40,000	10,424	29,576
Software support	-	-	23,220	(23,220)
Total Expenditures	-	40,000	33,644	6,356
Net Change in Fund Balance	\$ -	\$ -	11,713	\$ 11,713
Fund Balance - January 1			131,083	
Fund Balance - December 31			\$ 142,796	

OCONTO COUNTY, WISCONSIN

Family Mediation Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Year Ended December 31, 2009

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Taxes				
Property tax levy	\$ 17,102	\$ 17,102	\$ 17,102	\$ -
Licenses and permits				
Marriage license fees	4,500	4,500	3,320	(1,180)
Public charges for services				
Mediation fees	13,500	13,500	12,370	(1,130)
Mediation court surcharge	-	-	3,725	3,725
Total Public charges for services	18,000	18,000	19,415	1,415
Total Revenues	35,102	35,102	36,517	1,415
Expenditures				
Health and human services				
Family mediation	35,102	35,102	37,744	(2,642)
Total Expenditures	35,102	35,102	37,744	(2,642)
Net Change in Fund Balance	\$ -	\$ -	(1,227)	\$ (1,227)
Fund Balance - January 1			2,295	
Fund Balance - December 31			\$ 1,068	

OCONTO COUNTY, WISCONSIN

County Sales Tax Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Year Ended December 31, 2009

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Taxes				
County sales tax collections	\$ 1,502,514	\$ 1,502,514	\$ 1,329,728	\$ (172,786)
Total Revenues	<u>1,502,514</u>	<u>1,502,514</u>	<u>1,329,728</u>	<u>(172,786)</u>
Other Financing Sources (Uses)				
Transfers to debt service fund	(1,232,763)	(1,232,763)	(1,210,705)	22,058
Transfers to general fund	(545,850)	(545,850)	(502,018)	43,832
Total Other Financing Sources (Uses)	<u>(1,778,613)</u>	<u>(1,778,613)</u>	<u>(1,712,723)</u>	<u>65,890</u>
Net Change in Fund Balance	<u>\$ (276,099)</u>	<u>\$ (276,099)</u>	<u>(382,995)</u>	<u>\$ (106,896)</u>
Fund Balance - January 1			<u>463,965</u>	
Fund Balance - December 31			<u>\$ 80,970</u>	

OCONTO COUNTY, WISCONSIN

Tourism Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Year Ended December 31, 2009

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Taxes				
County tax levy	\$ 131,759	\$ 131,759	\$ 131,759	\$ -
Public Charges for Services				
Sales of county recreation maps	-	-	58	58
Sales of Discovery Guide ads	-	-	52,790	52,790
Web business directory	-	-	132	132
Sales of Loggin history books	-	-	375	375
Miscellaneous				
Promotion charges	-	-	865	865
Total Revenues	<u>131,759</u>	<u>131,759</u>	<u>185,979</u>	<u>54,220</u>
Expenditures				
Development				
Discovery guide	-	-	30,025	(30,025)
Administrative services	131,759	131,759	147,657	(15,898)
Total Expenditures	<u>131,759</u>	<u>131,759</u>	<u>177,682</u>	<u>(45,923)</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>8,297</u>	<u>\$ 8,297</u>
Fund Balance - January 1			<u>15,363</u>	
Fund Balance - December 31			<u>\$ 23,660</u>	

OCONTO COUNTY, WISCONSIN

Revolving Loan Funds

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Year Ended December 31, 2009

	Budgeted Amounts		Actual				Variance with Final Budget Positive (Negative)
	Original	Final	State	Tri-County	County	Total	
			Grant Loan Fund	Loan Fund	Revolving Loan Fund		
Revenues							
Intergovernmental							
State grant	\$ -	\$ -	\$ -	\$ -	\$ 152,000	\$ 152,000	\$ 152,000
Miscellaneous							
Loan repayments							
Principal	-	-	10,574	3,112	56,059	69,745	69,745
Interest	-	-	1,281	3,798	11,177	16,256	16,256
Service fees and interest	-	-	3,366	68	87	3,521	3,521
Total Revenues	-	-	15,221	6,978	219,323	241,522	241,522
Expenditures							
Development							
Disbursement of development loans	-	-	-	-	313,038	313,038	(313,038)
Administration	-	-	3,758	3,390	15,641	22,789	(22,789)
Total Expenditures	-	-	3,758	3,390	328,679	335,827	(335,827)
Net Change in Fund Balances	\$ -	\$ -	11,463	3,588	(109,356)	(94,305)	\$ (94,305)
Fund Balances - January 1			328,836	13,047	209,847	551,730	
Fund Balances - December 31			<u>\$ 340,299</u>	<u>\$ 16,635</u>	<u>\$ 100,491</u>	<u>\$ 457,425</u>	

OCONTO COUNTY, WISCONSIN

Dog License Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Year Ended December 31, 2009

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Licenses and permits				
Dog licenses	\$ -	\$ 15,000	\$ 16,386	\$ 1,386
Total Revenues	-	15,000	16,386	1,386
Expenditures				
Health and human services				
Dog license	-	15,000	18,108	(3,108)
Total Expenditures	-	15,000	18,108	(3,108)
Net Change in Fund Balance	\$ -	\$ -	(1,722)	\$ (1,722)
Fund Balance - January 1			19,568	
Fund Balance - December 31			\$ 17,846	

OCONTO COUNTY, WISCONSIN

Debt Service Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Year Ended December 31, 2009

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Expenditures				
Debt Service				
Principal				
2001 Notes	\$175,000	\$175,000	\$175,000	\$ -
2001 Bonds	550,000	550,000	550,000	-
2006 Notes	400,000	400,000	400,000	-
Total Principal	<u>1,125,000</u>	<u>1,125,000</u>	<u>1,125,000</u>	<u>-</u>
Interest				
2001 Notes	8,575	8,575	2,144	6,431
2001 Bonds	22,688	22,688	22,688	-
2006 Notes	76,500	76,500	76,500	-
Total Interest	<u>107,763</u>	<u>107,763</u>	<u>101,332</u>	<u>6,431</u>
Total Expenditures	<u>1,232,763</u>	<u>1,232,763</u>	<u>1,226,332</u>	<u>6,431</u>
Other Funding Sources				
Transfers in from county sales tax fund	<u>1,232,763</u>	<u>1,232,763</u>	<u>1,210,705</u>	<u>22,058</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>(15,627)</u>	<u>\$ (15,627)</u>
Fund Balance - January 1			<u>15,627</u>	
Fund Balance - December 31			<u>\$ -</u>	

OCONTO COUNTY, WISCONSIN

Schedule of Revenues, Expenses and Changes in Net Assets - Budget and Actual

Highway Enterprise Fund

Year Ended December 31, 2009

(With comparative amounts for year ended December 31, 2008)

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)	2008 Actual
	Original	Final			
Revenues					
Intergovernmental Charges for Services					
State					
Administration	\$ 110,400	\$ 110,400	\$ 182,661	\$ 72,261	\$ 199,403
Maintenance	591,400	591,400	721,469	130,069	764,070
Snow/ice control	334,500	334,500	477,462	142,962	686,035
State unclassified maintenance	4,800	4,800	48,204	43,404	95,066
State roadside special maintenance	125,600	125,600	161,660	36,060	45,180
State other	19,200	19,200	77,693	58,493	81,545
State insurance claims	-	-	30,055	30,055	23,069
State records and reports	-	-	83,588	83,588	142,462
State 1% small tools	-	-	6,853	6,853	8,346
Total State	1,185,900	1,185,900	1,789,645	603,745	2,045,176
Other local governments	1,856,835	1,856,835	1,803,967	(52,868)	3,297,483
Local (county) departments	167,037	167,037	22,883	(144,154)	42,421
Local CTHS transportation payments	5,278,395	5,278,395	4,689,463	(588,932)	4,955,002
Total Other Local Governments	7,302,267	7,302,267	6,516,313	(785,954)	8,294,906
Total Intergovernmental Charges for Services	8,488,167	8,488,167	8,305,958	(182,209)	10,340,082
Miscellaneous Revenues					
Licenses and permits	-	-	3,255	3,255	4,702
Administration fees	-	-	87	87	59
Total Miscellaneous Revenues	-	-	3,342	3,342	4,761
Total Operating Revenues	8,488,167	8,488,167	8,309,300	(178,867)	10,344,843

(Continued)

OCONTO COUNTY, WISCONSIN

Schedule of Revenues, Expenses and Changes in Net Assets - Budget and Actual

Highway Enterprise Fund (Continued)

Year Ended December 31, 2009

(With comparative amounts for year ended December 31, 2008)

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)	2008 Actual
	Original	Final			
Expenses					
Highway Administration					
Highway administration	371,604	371,604	334,242	37,362	333,788
Supervision	136,284	136,284	124,859	11,425	160,977
Radio expense	8,700	8,700	9,829	(1,129)	10,090
General public liability	26,500	26,500	21,807	4,693	26,453
Alcohol and drug testing	2,135	2,135	1,210	925	1,755
Safety meeting	20,000	20,000	29,870	(9,870)	17,370
State administration	15,000	15,000	8,080	6,920	13,602
Total Highway Administration	580,223	580,223	529,897	50,326	564,035
Highway Maintenance and Construction					
County Trunk Highway System					
Transportation cost pool	-	-	108,895	(108,895)	(484,620)
Routine maintenance	1,104,359	1,104,359	1,256,824	(152,465)	1,167,163
Snow/ice control	790,166	790,166	651,638	138,528	1,036,198
Hot mix and seal coating	1,230,477	1,230,477	1,198,562	31,915	1,031,678
Gravel maintenance	159,120	159,120	111,862	47,258	118,397
STP road construction	700,150	700,150	525,896	174,254	892,927
STP other	392,000	392,000	361,054	30,946	356,174
CHIP	178,550	178,550	176,980	1,570	221,931
Safer bridge program	253,750	253,750	252,338	1,412	30,270
Total Highway Maintenance and Construction	4,808,572	4,808,572	4,644,049	164,523	4,370,118
State Trunk Highway System					
Maintenance	591,400	591,400	656,808	(65,408)	567,860
Snow and ice control	334,500	334,500	479,927	(145,427)	688,548
State miscellaneous charges	-	-	52,546	(52,546)	226,554
State bridge maintenance	4,800	4,800	21,565	(16,765)	5,882
STHS roadside maintenance	125,600	125,600	162,654	(37,054)	69,010
State signage and traffic control	19,200	19,200	39,887	(20,687)	40,185
State insurance accident reports	-	-	30,063	(30,063)	23,203
Total State Trunk Highway System	1,075,500	1,075,500	1,443,450	(367,950)	1,621,242
Local government-road maintenance	1,556,193	1,556,193	1,207,585	348,608	2,027,133
Local government-snow and ice control	300,642	300,642	410,306	(109,664)	687,318
Local government-bridge maintenance	-	-	139,267	(139,267)	370,386
Total Local Governments	1,856,835	1,856,835	1,757,158	99,677	3,084,837
Local Departments	167,037	167,037	62,979	104,058	221,842
Total Local Governments and Departments	2,023,872	2,023,872	1,820,137	203,735	3,306,679
Total Operating Expenses	8,488,167	8,488,167	8,437,533	50,634	9,862,074
Change in Net Assets	\$ -	\$ -	\$ (128,233)	\$ (128,233)	\$ 482,769

OCONTO COUNTY, WISCONSIN

Schedule of Revenues, Expenses and Changes in Net Assets - Budget and Actual

Recycling Enterprise Fund

Year Ended December 31, 2009

(With comparative amounts for year ended December 31, 2008)

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)	2008 Actual
	Original	Final			
Operating Revenues					
Intergovernmental Charges for Services					
Waste tires disposal	\$ 800	\$ 800	\$ 26,875	\$ 26,075	\$ 18,885
Freon disposal	-	-	15,860	15,860	1,020
Materials buy-back	-	-	1,206	1,206	977
Total Intergovernmental Charges	800	800	43,941	43,141	20,882
Public Charges for Services					
Tipping fees	600	600	235	(365)	210
Electronics disposal	-	-	15,820	15,820	290
Total Public Charges for Services	600	600	16,055	15,455	500
Miscellaneous					
Sales of recyclable materials	276,500	276,500	139,498	(137,002)	262,649
Total Revenues	277,900	277,900	199,494	(78,406)	284,031
Operating Expenses					
Public Works					
Personnel	205,743	205,743	196,796	8,947	192,027
Consulting and professional svcs	73,100	73,100	59,765	13,335	49,180
Utility services	29,600	29,600	14,482	15,118	21,506
Purchased repairs and maintenance	22,500	22,500	15,906	6,594	17,399
Purchased services-other	195,000	195,000	154,408	40,592	166,547
Office supplies	2,400	2,400	5,235	(2,835)	5,878
Subscriptions and dues	2,700	2,700	2,687	13	3,306
Employee travel and training	7,700	7,700	5,040	2,660	4,845
Operating supplies and expenses	18,300	18,300	11,559	6,741	19,578
Repair and maintenance supplies	11,360	11,360	4,360	7,000	9,069
Insurance	6,000	6,000	5,418	582	5,787
Depreciation	88,000	88,000	91,599	(3,599)	75,653
Depreciation-sites	5,000	5,000	-	5,000	4,762
Cost allocations	8,000	8,000	7,140	860	6,260
Other	108,000	108,000	17,117	90,883	71,366
Total Operating Expenses	783,403	783,403	591,512	191,891	653,163
Operating Income (Loss)	(505,503)	(505,503)	(392,018)	113,485	(369,132)
Nonoperating Revenues (Expenses)					
State aid recycling program	325,000	325,000	290,178	(34,822)	347,568
Sale of equipment	-	-	1,862	1,862	1,700
Capital	(201,500)	(201,500)	-	201,500	-
Total Nonoperating Revenues (Expenses)	123,500	123,500	292,040	168,540	349,268
Net Income (Loss) Before Transfers	(382,003)	(382,003)	(99,978)	282,025	(19,864)
Transfers out	-	-	-	-	(100,000)
Change in Net Assets	\$ (382,003)	\$ (382,003)	\$ (99,978)	\$ 282,025	\$ (119,864)

OCONTO COUNTY, WISCONSIN
 Agency Funds
 Combining Statement of Net Assets
 December 31, 2009

	Clerk of Courts	Canteen & Jail Inmate	Total 2009
Assets			
Cash	\$ 268,449	\$ 18,604	\$ 287,053
Receivables and inventory	-	2,527	2,527
Total Assets	\$ 268,449	\$ 21,131	\$ 289,580
Liabilities			
Due to others	-	1,500	1,500
Deposits	268,449	1,673	270,122
Other liabilities	-	17,958	17,958
Total Liabilities	\$ 268,449	\$ 21,131	\$ 289,580

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



Schenck

CPAs AND SO MUCH MORE.

**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON
COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

To the County Board
Oconto County, Wisconsin

We have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Oconto County, Wisconsin, as of and for the year ended December 31, 2009, which collectively comprise Oconto County, Wisconsin's basic financial statements and have issued our report thereon dated June 17, 2010. 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.

Internal Control Over Financial Reporting

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

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above. However, we identified a certain deficiency in internal control over financial reporting, described in the accompanying schedule of findings and questioned costs that we consider to be a significant deficiency in internal control over financial reporting. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Oconto County, Wisconsin's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of basic financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

We noted certain matters that we reported to management of Oconto County, Wisconsin in a separate letter dated June 17, 2010.

Oconto County, Wisconsin's responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. We did not audit Oconto County, Wisconsin's responses and, accordingly, we express no opinion on them.

This report is intended solely for the information and use of the County Board, management, and federal and state awarding agencies, and is not intended to be and should not be used by anyone other than these specified parties.



Certified Public Accountants
Green Bay, Wisconsin
June 17, 2010

FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE



**REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR
FEDERAL AND STATE PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN
ACCORDANCE WITH OMB CIRCULAR A-133 AND THE STATE SINGLE AUDIT GUIDELINES**

To the County Board
Oconto County, Wisconsin

Compliance

We have audited the compliance of Oconto County, Wisconsin, with the types of compliance requirements described in the *U. S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* and the *State Single Audit Guidelines* issued by the Wisconsin Department of Administration that are applicable to its major federal and state programs for the year ended December 31, 2009. Oconto County, Wisconsin's major federal and state programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal and state programs is the responsibility of Oconto County, Wisconsin's management. Our responsibility is to express an opinion on Oconto County, Wisconsin's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations*, and the *State Single Audit Guidelines* issued by the Wisconsin Department of Administration. Those standards, OMB Circular A-133 and the *State Single Audit Guidelines* require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal or state program occurred. An audit includes examining, on a test basis, evidence about Oconto County, Wisconsin's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on Oconto County, Wisconsin's compliance with those requirements.

In our opinion, Oconto County, Wisconsin, complied, in all material respects, with the requirements referred to above that are applicable to its major federal and state programs for the year ended December 31, 2009. However, the results of our auditing procedures disclosed an instance of noncompliance with those requirements, required to be reported in accordance with OMB Circular A-133 and the *State Single Audit Guidelines* and which is described in the accompanying schedule of findings and questioned costs as item 2009-03.

Internal Control Over Compliance

The management of Oconto County, Wisconsin, is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal and state programs. In planning and performing our audit, we considered Oconto County, Wisconsin's internal control over compliance with requirements that could have a direct and material effect on a major federal or state program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133 and the *State Single Audit Guidelines*, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Oconto County, Wisconsin's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal or state program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal or state program will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the County's internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, we identified a certain deficiency in internal control over compliance that we consider to be a significant deficiency as described in the accompanying schedule of findings and questioned costs as item 2009-02. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal or state program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Oconto County, Wisconsin's response to the finding identified in our audit is described in the accompanying schedule of findings and questioned costs. We did not audit Oconto County, Wisconsin's response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of, management, the County Board, others within the County, and federal and state awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.



Certified Public Accountants
Green Bay, Wisconsin
June 17, 2010

OCONTO COUNTY, WISCONSIN

Schedule of Federal Awards
Year Ended December 31, 2009

Grantor Agency/Federal Program Title	Pass-through Agency	Federal CFDA Number	Revenues				Total Expenditures
			(Accrued) Deferred Revenue 1/1/09	Cash Received (Refunded)	Accrued (Deferred) Revenue 12/31/09	Total Revenues	
U.S. DEPARTMENT OF AGRICULTURE							
Special Supplement Food Program for Women, Infants and Children	WI Department of Health Services	10.557	\$ (13,707)	\$ 138,136	\$ 6,146	\$ 130,575	\$ 130,575
State Administrative Matching Grants for Food Stamp Program	WI Department of Children and Families	10.561	(15,492)	15,492	-	-	-
State Administrative Matching Grants for Food Stamp Program	WI Department of Health Services	10.561	(25,869)	139,403	85,739	199,273	199,273
ARRA - State Administrative Matching Grants for Food Stamp Program	WI Department of Health Services	10.561	-	17,791	-	17,791	17,791
Total State Administrative Matching Grants for Food Stamp Program			(55,068)	310,822	91,885	347,639	347,639
WIC Farmers' Market Nutrition Program (FMNP)	WI Department of Health Services	10.572	-	-	91	91	91
Schools & Road Grants to States - National Forest Income	WI Department of Natural Resources	10.665	-	269,469	-	269,469	269,469
Environmental Quality Incentives Program	Direct Program	10.912	-	-	825	825	825
Total U.S. Department of Agriculture			(55,068)	580,291	92,801	618,024	618,024
U.S. DEPARTMENT OF COMMERCE							
Economic Adjustment Assistance	Direct Program	11.307	-	73,028	-	73,028	73,028
Coastal Zone Management Program	WI Department of Administration	11.419	-	7,237	5,000	12,237	12,237
Total U.S. Department of Commerce			-	80,265	5,000	85,265	85,265
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT							
Community Development Block Grant	WI Department of Commerce	14.228	-	152,000	-	152,000	152,000
U.S. DEPARTMENT OF JUSTICE							
CEASE	WI Department of Justice	N/A	-	4,923	-	4,923	4,923
U.S. DEPARTMENT OF TRANSPORTATION							
State and Community Highway Safety Child Passenger Safety Car Seat Grant	WI Department of Transportation	20.600	-	5,600	-	5,600	5,600

(Continued)

OCONTO COUNTY, WISCONSIN
Schedule of Federal Awards (Continued)
Year Ended December 31, 2009

Grantor Agency/Federal Program Title	Pass-through Agency	Federal CFDA Number	Revenues				Total Expenditures
			(Accrued) Deferred Revenue 1/1/09	Cash Received (Refunded)	Accrued (Deferred) Revenue 12/31/09	Total Revenues	
U.S. DEPARTMENT OF EDUCATION							
Grants for Infants and Toddlers with Disabilities	WI Department of Health Services	84.181	-	26,056	-	26,056	26,056
ARRA - State Fiscal Stabilization Fund - Government Services Fund	WI Department of Revenue	84.397	-	337,213	-	337,213	337,213
ARRA - State Fiscal Stabilization Fund - Government Services Fund	WI Department of Corrections	84.397	-	47,123	-	47,123	47,123
Total ARRA - State Fiscal Stabilization Fund - Government Services Fund			-	384,336	-	384,336	384,336
Total U.S. Department of Education			-	410,392	-	410,392	410,392
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES							
Preventive Health (Title III-D) Aging Cluster	Greater Wisconsin Agency on Aging	93.043	-	3,451	-	3,451	3,451
Grants for Supportive Services and Senior Centers (Title III-B)	Greater Wisconsin Agency on Aging	93.044	-	38,621	5,841	44,462	44,462
Nutrition Services (Title III-C)		93.045					
Congregate Meal Program (Title III-C-1)	Greater Wisconsin Agency on Aging		-	58,197	-	58,197	58,197
Home Delivered Meals (Title III-C-2)	Greater Wisconsin Agency on Aging		-	25,038	1,585	26,623	26,623
Subtotal - Nutrition Services (Title III-C)			-	83,235	1,585	84,820	84,820
Nutrition Services Incentive Program (NSIP)		93.053					
Congregate Meal Program (Title III-C-1)	Greater Wisconsin Agency on Aging		-	4,193	11,262	15,455	15,455
Home Delivered Meals (Title III-C-2)	Greater Wisconsin Agency on Aging		-	16,032	-	16,032	16,032
Subtotal - Nutrition Services Incentive Program (NSIP)			-	20,225	11,262	31,487	31,487
ARRA - Aging Home-Delivered Nutrition for States	Greater Wisconsin Agency on Aging	93.705	-	4,299	-	4,299	4,299
ARRA - Aging Congregate Nutrition Services for States	Greater Wisconsin Agency on Aging	93.707	-	10,938	-	10,938	10,938
Total Aging Cluster			-	157,318	18,688	176,006	176,006

(Continued)

OCONTO COUNTY, WISCONSIN
Schedule of Federal Awards (Continued)
Year Ended December 31, 2009

Grantor Agency/Federal Program Title	Pass-through Agency	Federal CFDA Number	Revenues				Total Expenditures
			(Accrued) Deferred Revenue 1/1/09	Cash Received (Refunded)	Accrued (Deferred) Revenue 12/31/09	Total Revenues	
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (Continued)							
National Family Caregiver Support (Title III-E)	Greater Wisconsin Agency on Aging	93.052	(4,154)	16,945	6,428	19,219	19,219
Public Health Emergency Preparedness Coordination and Development of Primary Care Offices	WI Department of Health Services	93.069	-	67,376	56,827	124,203	124,203
Immunization Grants	WI Department of Health Services	93.130	(224)	224	-	-	-
CDC Investigations and Technical Assistance	WI Department of Health Services	93.268	(2)	10,197	-	10,195	10,195
Family Preservation and Support Services	WI Department of Health Services	93.283	(1,939)	10,731	386	9,178	9,178
	WI Department of Children and Families	93.556	(4,759)	51,109	-	46,350	46,350
Temporary Assistance for Needy Families (TANF)	WI Department of Health Services	93.558	-	31,938	-	31,938	31,938
Temporary Assistance for Needy Families (TANF)	WI Department of Children and Families	93.558	(5,605)	144,283	12,599	151,277	151,277
Total Temporary Assistance for Needy Families (TANF)			(5,605)	176,221	12,599	183,215	183,215
Child Support Enforcement (Title IV-D)	WI Department of Children and Families	93.563	(29,596)	182,415	31,492	184,311	184,311
ARRA - Child Support Enforcement (Title IV-D)	WI Department of Children and Families	93.563	-	172,810	17,596	190,406	190,406
Total Child Support Enforcement (Title IV-D)			(29,596)	355,225	49,088	374,717	374,717
Low Income Home Energy Assistance	WI Department of Administration	93.568	(9,531)	66,947	23,306	80,722	80,722
Child Care Development Fund	WI Department of Children and Families	93.596	-	50,245	1,672	51,917	51,917
Chafee Education and Training Vouchers	WI Department of Children and Families	93.599	(1,348)	1,608	(73)	187	187
Child Welfare Services	WI Department of Children and Families	93.645	-	19,778	-	19,778	19,778
Child Welfare Services	WI Department of Corrections	93.645	-	2,829	873	3,702	3,702
Total Child Welfare Services			-	22,607	873	23,480	23,480
Foster Care (Title IV-E)	WI Department of Children and Families	93.658	(9,646)	188,559	152	179,065	179,065
Foster Care (Title IV-E)	WI Department of Corrections	93.658	-	4,243	1,309	5,552	5,552
Total Foster Care (Title IV-E)			(9,646)	192,802	1,461	184,617	184,617

(Continued)

OCONTO COUNTY, WISCONSIN
Schedule of Federal Awards (Continued)
Year Ended December 31, 2009

Grantor Agency/Federal Program Title	Pass-through Agency	Federal CFDA Number	Revenues				Total Expenditures	
			(Accrued) Deferred Revenue 1/1/09	Cash Received (Refunded)	Accrued (Deferred) Revenue 12/31/09	Total Revenues		
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (Continued)								
Social Services Block Grant	WI Department of Health Services	93.667	-	131,539	-	131,539	131,539	
Social Services Block Grant	WI Department of Children and Families	93.667	-	27,185	-	27,185	27,185	
Total Social Services Block Grant			-	158,724	-	158,724	158,724	
Youth Independent Living	WI Department of Children and Families	93.674	(1,312)	13,770	(1,052)	11,406	11,406	
State Children's Insurance Program	WI Department of Health Services	93.767	(7,149)	18,070	2,550	13,471	13,471	
Medical Assistance Program	WI Department of Health Services	93.778	(580,835)	5,421,011	267,368	5,107,544	5,107,544	
Centers for Medicare and Medicaid Services Research, Demonstrations & Evaluations	WI Department of Health Services	93.779	(41,053)	62,578	8,348	29,873	29,873	
Block Grants for Community Mental Health Services	WI Department of Health Services	93.958	(1,592)	11,520	3,425	13,353	13,353	
Block Grants for Prevention and Treatment of Substance Abuse	WI Department of Health Services	93.959	-	48,966	-	48,966	48,966	
Preventive Health and Social Services Block Grant	WI Department of Health Services	93.991	-	6,503	-	6,503	6,503	
Maternal and Child Health Services Block Grant	WI Department of Health Services	93.994	(2)	2	14,140	14,140	14,140	
Total U.S. Department of Health and Human Services			(698,747)	6,924,150	466,034	6,691,437	6,691,437	
U.S. DEPARTMENT OF HOMELAND SECURITY								
Pre-Disaster Mitigation Planning Grant	WI Department of Military Affairs	97.017	-	6,777	-	6,777	6,777	
Emergency Management Performance Grant	WI Department of Military Affairs	97.042	-	39,181	-	39,181	39,181	
Pre-Disaster Mitigation Planning Grant	WI Department of Military Affairs	97.047	-	18,495	-	18,495	18,495	
Homeland Security Grant Program	WI Department of Administration	97.067	(6,365)	7,626	910	2,171	2,171	
Total U.S. Department of Homeland Security			(6,365)	72,079	910	66,624	66,624	
TOTAL EXPENDITURES OF FEDERAL AWARDS				\$ (760,180)	\$ 8,229,700	\$ 564,745	\$ 8,034,265	\$ 8,034,265

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

OCONTO COUNTY, WISCONSIN
Schedule of State Financial Assistance
Year Ended December 31, 2009

Grantor Agency/State Program Title	Pass-through Agency	State I.D. Number	Revenues				Total Expenditures
			(Accrued) Deferred Revenue 1/1/09	Cash Received (Refunded)	Accrued (Deferred) Revenue 12/31/09	Total Revenues	
<u>DEPARTMENT OF AGRICULTURE, TRADE AND CONSUMER PROTECTION</u>							
Soil and Water Resource Management Program							
Basic Annual Staffing Grants	Direct Program	115.15	\$ (13,669)	\$ 106,916	\$ 50,898	\$ 144,145	\$ 144,145
LWRM Plan Implementation	Direct Program	115.40	-	39,765	-	39,765	39,765
Wisconsin Clean Sweep	Direct Program	115.04	(3,815)	3,815	6,375	6,375	6,375
Total Department of Agriculture, Trade and Consumer Protection			(17,484)	150,496	57,273	190,285	190,285
<u>DEPARTMENT OF COMMERCE</u>							
Private Sewage System Replacement and Rehabilitation Program	Direct Program	143.110	-	28,492	-	28,492	28,492
<u>DEPARTMENT OF NATURAL RESOURCES</u>							
Boating Enforcement Aids	Direct Program	370.55	-	2,952	-	2,952	2,952
All-Terrain Vehicle Enforcement Aids	Direct Program	370.551	-	26,008	-	26,008	26,008
Snowmobile Enforcement Aids	Direct Program	370.552	-	14,538	-	14,538	14,538
Wildlife Damage Abatement and Claims	Direct Program	370.553	(11,181)	20,767	2,546	12,132	12,132
Resource Aids - County Conservation Aids	Direct Program	370.563	-	22,482	-	22,482	22,482
Recreation Aids - Fish, Wildlife & Forestry	Direct Program	370.564	-	4,356	-	4,356	4,356
Forest Croplands & Managed Forest Land Aids	Direct Program	370.566	-	22,890	-	22,890	22,890
Urban & Community Forestry	Direct Program	370.572	-	50,244	-	50,244	50,244
Recreational Aids - Snowmobile Trail and Area Aid		370.574 &					
S - 3549	Direct Program	370.575	-	40,462	-	40,462	40,462
S - 3827	Direct Program		-	22,500	-	22,500	22,500
S - 3462	Direct Program		-	23,723	-	23,723	23,723
S - 3593	Direct Program		-	138,957	-	138,957	138,957
S - 3735	Direct Program		-	52,625	-	52,625	52,625
All-Terrain Vehicle (ATV) Program		370.576 &					
ATV 1578	Direct Program	370.577	-	7,150	-	7,150	7,150
ATV 1707	Direct Program		-	7,500	-	7,500	7,500
ATV 1719	Direct Program		-	29,050	-	29,050	29,050
ATV 1784	Direct Program		-	15,975	-	15,975	15,975
ATV 1915	Direct Program		-	15,975	-	15,975	15,975
Non-Point Source Pollution	Direct Program	370.662	-	90,081	-	90,081	90,081
Environmental Aids - Municipal & County Recycling	Direct Program	370.665	-	290,178	-	290,178	290,178
Total Department of Natural Resources			(11,181)	898,413	2,546	889,778	889,778

(Continued)

OCONTO COUNTY, WISCONSIN
Schedule of State Financial Assistance (Continued)
Year Ended December 31, 2009

Grantor Agency/State Program Title	Pass-through Agency	State I.D. Number	Revenues				Total Expenditures
			(Accrued) Deferred Revenue 1/1/09	Cash Received (Refunded)	Accrued (Deferred) Revenue 12/31/09	Total Revenues	
DEPARTMENT OF TRANSPORTATION							
Elderly and Handicapped Transportation Aids	Direct Program	395.101	-	97,002	-	97,002	97,002
DEPARTMENT OF CORRECTIONS							
Community Intervention Program	Direct Program	410.302	(2,511)	10,694	1,537	9,720	9,720
Community Youth and Family Aids	Direct Program	410.313	-	275,802	85,115	360,917	360,917
Total Department of Corrections			(2,511)	286,496	86,652	370,637	370,637
DEPARTMENT OF HEALTH SERVICES							
Fraud	Direct Program	435.95	(960)	3,882	-	2,922	2,922
Funeral/Cemetery W-2 and Non W-2	Direct Program	435.105	(12,530)	42,962	6,298	36,730	36,730
Medicaid Transportation	Direct Program	435.131	(1,336)	26,648	6,207	31,519	31,519
Medicaid Transportation Administration	Direct Program	435.132	(704)	2,100	1,156	2,552	2,552
FSET Admin GPR/Fed Base	Direct Program	435.231	-	18,719	(1,272)	17,447	17,447
FSET Retent GPR/Fed Base	Direct Program	435.235	-	416	(386)	30	30
IM Available Allocation-State	Direct Program	435.283	(410)	152,743	-	152,333	152,333
IM Available Allocation-Federal	Direct Program	435.284	(1,237)	6,491	1,227	6,481	6,481
Medicaid Subrogation Collections	Direct Program	435.291	-	(11,536)	(5,886)	(17,422)	(17,422)
Community Options Program	Direct Program	435.367	(1,780)	363,194	3,875	365,289	365,289
State Funded-Kinship Care Base Benefit	Direct Program	435.377	(8,622)	8,622	-	-	-
State Funded-Kinship Care Assessments	Direct Program	435.380	(2,780)	2,780	-	-	-
Medical Assistance Program Benefits							
COP W Program	Direct Program	435.338	(73,495)	185,585	25,625	137,715	137,715
CIP II Program	Direct Program	435.348	(81,953)	175,861	17,173	111,081	111,081
CIP II Community Relocation	Direct Program	435.369	8,077	121,790	2,309	132,176	132,176
CIP II Diversions	Direct Program	435.375	(5,804)	57,303	(3,605)	47,894	47,894
ICFMR	Direct Program	435.407	(28,711)	65,012	6,219	42,520	42,520
FC Transition CIP 1B	Direct Program	435.410	(11,551)	11,729	23,218	23,396	23,396
CLTS	Direct Program	435.450	19,075	130,490	(19,234)	130,331	130,331
CLTS MH	Direct Program	435.451	3,421	40,298	(1,128)	42,591	42,591
CLTS DD	Direct Program	435.460	12,520	(3,551)	2,521	11,490	11,490
CLTS MH Other	Direct Program	435.461	(4,040)	8,524	7,600	12,084	12,084
CLTS PD Other	Direct Program	435.462	(12,842)	17,326	4,497	8,981	8,981
CIP II MFP	Direct Program	435.478	(10,463)	14,169	1,436	5,142	5,142
Brain Injury Waiver Program	Direct Program	435.506	(15,426)	121,018	-	105,592	105,592
CIP 1B Program	Direct Program	435.564	-	152,730	-	152,730	152,730
CIP 1A Program	Direct Program	435.580	-	263,639	-	263,639	263,639

(Continued)

OCONTO COUNTY, WISCONSIN
Schedule of State Financial Assistance (Continued)
Year Ended December 31, 2009

Grantor Agency/State Program Title	Pass-through Agency	State I.D. Number	Revenues				Total Expenditures
			(Accrued) Deferred Revenue 1/1/09	Cash Received (Refunded)	Accrued (Deferred) Revenue 12/31/09	Total Revenues	
DEPARTMENT OF HEALTH SERVICES (Continued)							
Grants for Infants and Toddlers with Disabilities	Direct Program	435.550	-	31,121	-	31,121	31,121
State Funded-Basic County Allocation	Direct Program	435.561	-	697,380	-	697,380	697,380
Family Support Program	Direct Program	435.577	(8,037)	40,857	8,906	41,726	41,726
WISACWIS Financial Interface	Direct Program	435.607	(17,943)	17,943	-	-	-
State Funded-State/County Match	Direct Program	435.681	-	97,387	-	97,387	194,774
Program Integrity	Direct Program	435.750	(1,192)	1,883	-	691	691
CST Counties 2012	Direct Program	435.81085	-	17,066	20,410	37,476	37,476
WIC Farmers' Market Nutrition Program	Direct Program	435.154720	(1,061)	1,061	970	970	970
Conc Cntrct-WWWP CDC B & C		435.155056	-	-	-	-	-
WWWP - GPR	Direct Program	435.157000	-	4,473	13,420	17,893	17,893
Lead Poisoning	Direct Program	435.157720	-	3,671	-	3,671	3,671
TPCP-WI WINS Enforcement	Direct Program	435.158116	(1)	713	-	712	712
TPCP-Community Interventions-LHD	Direct Program	435.158125	(2,739)	17,739	-	15,000	15,000
TPCP-WI Wins	Direct Program	435.158127	-	5,600	-	5,600	5,600
TPCP-Youth Consortium	Direct Program	435.158129	(1)	1	-	-	-
Maternal & Child Health Svc. Block Grant	Direct Program	435.159320	-	-	1,031	1,031	1,031
Elderly Benefit Specialist Program	Greater Wisconsin Agency on Aging	435.560320	(2,354)	23,514	7,055	28,215	28,215
State Pharmaceutical Assistance Program	Greater Wisconsin Agency on Aging	435.560327	-	-	5,707	5,707	5,707
State Senior Community Services	Greater Wisconsin Agency on Aging	435.560330	(675)	6,741	2,023	8,089	8,089
Home Delivered Meals (Title III-C-1)	Greater Wisconsin Agency on Aging	435.560350	-	55,004	-	55,004	55,004
Home Delivered Meals (Title III-C-2)	Greater Wisconsin Agency on Aging	435.560360	-	3,270	207	3,477	3,477
Alzheimers'	Greater Wisconsin Agency on Aging	435.560381	(1,279)	7,500	6,856	13,077	13,077
Elder Abuse	Greater Wisconsin Agency on Aging	435.560490	(1,810)	7,645	13,956	19,791	19,791
Total Department of Health Services			(268,643)	3,019,513	158,391	2,909,261	3,006,648
DEPARTMENT OF CHILDREN AND FAMILIES							
Wisconsin Works (W-2) Agencies	Direct Program	437.215	(5,605)	38,454	2,594	35,443	35,443
Child Support Activities	Direct Program	437.334	10	(111)	(11)	(112)	(112)
Food Stamp Program	Direct Program	445.367	(15,492)	15,492	-	-	-
AW DOJ Fingerprint Background	Direct Program	437.3324	(250)	332	-	82	82
Children and Families Incentive	Direct Program	437.3342	(2,591)	82,568	-	79,977	79,977
CQI Review Expenses	Direct Program	437.3346	(6,869)	6,869	540	540	540
State Funded-Basic County Allocation	Direct Program	437.3561	-	133,910	-	133,910	133,910
State Funded-State/County Match	Direct Program	437.3681	-	42,094	-	42,094	84,188
Total Department of Children and Families			(30,797)	319,608	3,123	291,934	334,028

(Continued)

OCONTO COUNTY, WISCONSIN
Schedule of State Financial Assistance (Continued)
Year Ended December 31, 2009

Grantor Agency/State Program Title	Pass-through Agency	State I.D. Number	Revenues				Total Expenditures
			(Accrued) Deferred Revenue 1/1/09	Cash Received (Refunded)	Accrued (Deferred) Revenue 12/31/09	Total Revenues	
DEPARTMENT OF JUSTICE							
County Law Enforcement Services	Direct Program	455.226	-	66,511	(32,953)	33,558	33,558
Victim and Witness Assistance Program		455.503, 455.532					
Program Cluster	Direct Program	& 455.539	-	30,607	-	30,607	30,607
Total Department of Justice			-	97,118	(32,953)	64,165	64,165
DEPARTMENT OF MILITARY AFFAIRS							
Emergency Planning Grant Program		465.337					
FFY09	Direct Program		(5,260)	10,567	5,306	10,613	10,613
EPCRA Computer & Hazmat Equipment Grant	Direct Program	465.367	-	1,800	-	1,800	1,800
Total Department of Military Affairs			(5,260)	12,367	5,306	12,413	12,413
DEPARTMENT OF ADMINISTRATION							
Land - Comprehensive Planning Grant	Direct Program	505.110	-	65,750	-	65,750	65,750
Land Information Grants		505.118					
2009	Direct Program		-	2,184	-	2,184	2,184
Public Benefits		505.371					
2008-09	Direct Program		(1,402)	22,163	-	20,761	20,761
2009-10	Direct Program		-	2,022	6,516	8,538	8,538
Total Department of Administration			(1,402)	92,119	6,516	97,233	97,233
WISCONSIN PUBLIC SERVICE COMMISSION							
Wireless E911 Grant	Direct Program	N/A	-	10,066	-	10,066	10,066
TOTAL STATE PROGRAMS			\$ (337,278)	\$ 5,011,690	\$ 286,854	\$ 4,961,266	\$ 5,100,747

The notes to the schedule of state financial assistance are an integral part of this schedule.

OCONTO COUNTY, WISCONSIN

Notes to the Schedule of Federal Awards and the Schedule of State Financial Assistance
December 31, 2009

NOTE A - BASIS OF PRESENTATION

The accompanying Schedule of Federal Awards and Schedule of State Financial Assistance for Oconto County, Wisconsin are presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* and the *State Single Audit Guidelines* issued by the Wisconsin Department of Administration.

NOTE B - SIGNIFICANT ACCOUNTING POLICIES

Revenues and expenditures in the schedules are presented in accordance with the modified accrual basis of accounting and are generally in agreement with revenues and expenditures reported in the County's 2009 basic financial statements. Accrued revenue at year-end consists of program expenditures scheduled for reimbursement to the County in the succeeding year while deferred revenue represents advances for programs that exceed recorded County expenditures.

Major federal and state financial assistance programs are identified in the Schedule of Findings and Questioned Costs are determined as follows:

Federal Programs: Oconto County qualifies as a low risk auditee in accordance with paragraph 530 of OMB Circular A-133. Therefore major programs represent those with combined expenditures exceeding 25% of total federal awards that also were deemed major programs based on the auditors' risk assessment. All other federal programs are considered non-major programs.

State Programs: Oconto County, Wisconsin, qualified as a low risk auditee in accordance with the *State Single Audit Guidelines*. Therefore major programs represent those with combined expenditures exceeding 25% of total state financial assistance that also were deemed major programs based on the auditors' risk assessment. In addition, certain state financial assistance programs were designated state major by the state granting agency and therefore considered state major. All other state financial assistance programs are considered non-major programs.

NOTE C - OVERSIGHT AGENCIES

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

Federal - U.S. Department of Commerce
State - Wisconsin Department of Health Services

OCONTO COUNTY, WISCONSIN

Notes to the Schedule of Federal Awards and the Schedule of State Financial Assistance
December 31, 2009

NOTE D - DEPARTMENT OF COMMERCE

The County reports the Tri-County loan fund lending activity related to E.D.A. Project No. 06-19-02137, which was originally received in 1985. The amount shown in the schedule of federal awards is calculated as follows:

Balance of loans outstanding at December 31, 2009	\$	53,003
Cash balance at December 31, 2009		16,635
Administrative expenditures for year ended December 31, 2009		3,390
Federal Awards Expenditures	\$	<u>73,028</u>

NOTE E - TITLE 19 MEDICAL ASSISTANCE PAYMENTS

The Schedule of Federal Awards and Schedule of State Financial Assistance does not include repayments received by the County's Human Service Department for various Title 19 Medical Assistance programs. The payments are considered a contract for services between the State and the County and therefore are not reported as federal awards or state financial assistance. Payments received under the Wisconsin Medicaid Cost Reporting (WIMCR) and Case Management Agency Providers are included in the amount received from the Title 19 Medical Assistance program.

NOTE F - STATE DIRECT PAYMENTS

Payments made directly to recipients and vendors by the State of Wisconsin under the food stamp program on behalf of the County are not included in the Schedule of Federal Awards and Schedule of State Financial Assistance.

NOTE G - STATE OF WISCONSIN REPORTING SYSTEM

The Wisconsin Department of Children and Families (DCF), Health Services (DHS) and Workforce Development (DWD) utilize the Community Aids Reporting System (CARS) and the Central Office Reporting System (CRe) for reimbursing the County for various federal and state program expenditures. The expenditures reported on the Schedule of Federal Awards and the Schedule of State Financial Assistance for various DHS, DCF and DWD programs agree with the expenditures reported on the May 17, 2010 CARS for the Human Services Department and the December 2009 CRe for Child Support and W2 programs, with adjustments for accrued revenue at year-end.

OCONTO COUNTY, WISCONSIN
 Schedule of Findings and Questioned Costs
 Year Ended December 31, 2009

Section I - Summary of Auditors' Results

Basic Financial Statements

Type of auditors' report issued: Unqualified

Internal control over financial reporting:

- Material weakness(es) identified? No
- Significant deficiency(ies) identified that is not considered to be a material weakness? Yes

Noncompliance material to basic financial statements noted? No

Federal Awards and State Financial Assistance

Internal control over major program:

- Material weakness(es) identified No
- Significant deficiency(ies) identified that are not considered to be material weakness(es)? Yes

Type of auditors' report issued on compliance for major programs Unqualified

Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of Circular A-133? Yes

Any audit findings disclosed that are required to be reported in accordance with the *State Single Audit Guidelines*? Yes

Identification of major federal and state programs:

CFDA Number	Name of Federal Program
84.397	ARRA - State Fiscal Stabilization Fund - Government Services Fund
93.563	Child Support Enforcement (Title IV-D)
93.563	ARRA - Child Support Enforcement (Title IV-D)
93.778	Medical Assistance Program

State ID Number	Name of State Program
115.15	Basic Annual Staffing Grants
115.40	LWRM Plan Implementation
370.574 & 370.575	Recreational Aids - Snowmobile Trail and Area Aid
395.101	Elderly and Handicapped Transportation Aids
410.313	Community Youth and Family Aids
435.367	Community Options Program
	<i>Medical Assistance Programs</i>
435.338	COP W Program
435.348	CIP II Program
435.369	CIP II Community Relocation
435.375	CIP II Diversions
435.407	ICFMR
435.410	FC Transition CIP 1B
435.450	CLTS
435.451	CLTS MH
435.460	CLTS DD
435.461	CLTS MH Other
435.462	CLTS PD Other
435.478	CIP II MFP
435.506	Brain Injury Waiver Program
435.564	CIP 1B Program
435.580	CIP 1A Program
437.334	Child Support Activities

Audit threshold used to determine between Type A and Type B programs: \$300,000

Auditee qualified as low-risk auditee Yes

OCONTO COUNTY, WISCONSIN
 Schedule of Findings and Questioned Costs (Continued)
 Year Ended December 31, 2009

Section II - Basic Financial Statement Findings

Finding No.	Control Deficiencies
2009-01	Year End Closing and Financial Reporting
Condition:	While the current staff of the County maintain financial records which accurately report revenues and expenditures throughout the year, preparing year end GASB 34 conversion entries necessary to prepare financial statements, including related notes require additional expertise that would entail additional training and staff time to develop. The County contracts with Schenck and their knowledge of current accounting principles to prepare required journal entries and financial reports for the County in an efficient manner.
Criteria:	The review of financial statements by staff with expertise in financial reporting is an internal control intended to prevent, detect and correct a potential misstatement in the financial statements or notes.
Cause:	The additional costs associated with hiring staff experienced in preparing year end GASB 34 conversion entries and financial reports, including additional training time outweigh the derived benefits.
Effect:	The financial statements of the County could be misstated and not detected and corrected in a timely manner without our review and posting of GASB 34 conversion entries.
Recommendation:	We recommend the County continue reviewing GASB 34 conversion entries along with the financial reports prepared by Schenck. While it may not be cost beneficial to hire additional staff to prepare these items, a thorough review of this information by appropriate staff of the County is necessary to obtain an adequate understanding of the County's financial report.
Management Response:	Management believes the cost for additional staff time and training to prepare year end closing entries and reports outweigh the benefits to be received.

OCONTO COUNTY, WISCONSIN
Schedule of Findings and Questioned Costs (Continued)
Year Ended December 31, 2009

Section III - Federal Award Findings and Questioned Costs

Finding No.	Internal Control Deficiency
2009-02	Financial Reporting for Federal and State Financial Assistance
Condition:	OMB Circular A-133 and the <i>State Single Audit Guidelines</i> requires the County to prepare appropriate financial statements, including the schedules of expenditures of federal awards and state financial assistance. While the current staff of the County maintains financial records supporting amounts reported in the schedules of expenditures of federal awards and state financial assistance, the County contracts with Schenck to compile the data from these records and prepare the single audit report for the County.
Criteria:	Having staff with expertise in federal and state financial reporting prepare the County's single audit report is an internal control intended to prevent, detect and correct a potential misstatement in the schedules of expenditures of federal awards and state financial assistance, or accompanying notes to the schedule.
Effect:	The County could receive federal or state grant awards which are not included in the accompanying Schedules of Expenditures of Federal Awards and State Financial Assistance.
Cause:	The additional costs associated with hiring staff sufficiently experienced to prepare the County's single audit report, including the additional training time, outweigh the derived benefits.
Recommendation:	We recommend County personnel continue reviewing the County's single audit report prepared by Schenck. While it may not be cost beneficial to hire additional staff to prepare these items, a thorough review of this information by appropriate staff of the County is necessary to ensure all federal and state financial assistance programs are properly reported in the County's single audit report.
Management Response:	The County will have the finance department staff continue to perform a thorough review of the single audit report prepared by Schenck.

OCONTO COUNTY, WISCONSIN
 Schedule of Findings and Questioned Costs (Continued)
 Year Ended December 31, 2009

Section III - Federal Award Findings and Questioned Costs (Continued)

Finding No.	State Single Audit Guidelines Findings	Questioned Costs
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2009-03 General Requirements - Purchase of Service Contracts

Condition: The County is responsible for monitoring the receipt of the audit and subsequent review of the provider audit reports to ensure they contain all applicable report elements required by the contract. Any audit findings should be resolved within six months after receipt of the provider's audit reports.

Criteria: Providers receiving more than \$25,000 in funds from the County must have an audit that meets department standards, unless alternative monitoring is performed and the audit requirement waived by the County. Providers generally need to submit audit reports to the County six months after the end of their fiscal period.

Effect: The County could pass-through federal and state grant awards to provider agencies and be unable to determine if the sub recipient properly administered the awards.

Questioned Costs: At the end of the audit fieldwork, the County had not received a 2008 audit from three providers as detailed below. Total payments of \$597,110, as summarized below by CARS line, are reported as questioned costs. \$ 597,110

Recommendation: Our review of the County's procedures indicated that adequate monitoring procedures existed and that appropriate follow-up procedures were performed. We recommend the County continue its current efforts to obtain audits from all providers required by contract to provide audits to the County.

Vendor	CARS Line	Amount
<i>Bayshore Pines</i>		
COP waiver	337	\$ 31,488
CIP II	347	4,972
CIP II - Community Relocation	368	40,896
CIP II - NH Diversion	374	10,938
<i>Professional Family Resources</i>		
CLTS/Autism	427/450	90,665
Basic County Allocation	561	328,797
CIP 1B	557	263
Community Intervention Program	N/A	22,461
County Funds	N/A	24,295
<i>Bellin Health</i>		
Basic County Allocation	561	42,335
		<u>\$ 597,110</u>

Management Response: The County will continue its current efforts to obtain audits from all providers required by contract to provide audits to the County.

OCONTO COUNTY, WISCONSIN
 Schedule of Findings and Questioned Costs (Continued)
 Year Ended December 31, 2009

Section IV - Other Issues

- | | |
|--|---|
| 1. Does the auditor have substantial doubt as to the auditee's ability to continue as a going concern? | No |
| 2. Does the audit report show audit issues (i.e. material non-compliance, non-material non-compliance, questioned cost, material weakness, significant deficiencies, management letter comment, excess revenue or excess reserve) related to grant/contracts with funding agencies that require audits to be in accordance with the <i>State Single Audit Guidelines</i> : | |
| Department of Agriculture, Trade and Consumer Protection | Yes |
| Department of Commerce | Yes |
| Department of Natural Resources | Yes |
| Department of Transportation | Yes |
| Department of Corrections | Yes |
| Department of Health Services | Yes |
| Department of Children and Families | Yes |
| Department of Justice | Yes |
| Department of Military Affairs | Yes |
| Department of Administration | Yes |
| Public Service Commission | Yes |
| 3. Was a Management Letter or other document conveying audit comments issued as a result of this audit? | Yes |
| 4. Name and signature of partner | 
Paul G. Denis, CPA |
| 5. Date of report | June 17, 2010 |

OCONTO COUNTY, WISCONSIN
Schedule of Prior Year Audit Findings and Corrective Action Plan
Year Ended December 31, 2009

Prior Year Audit Findings

The findings noted in the 2008 Schedule of Findings and Questioned Costs have been reported to the proper federal and state agencies. Management continues to believe the cost to hire additional staff to eliminate the control deficiency identified as 2008-01 outweigh the benefits to be received. Management reviews the financial report and the single audit report prepared by Schenck.

Corrective Action Plan

2009-01	Year End Closing and Financial Reporting
	The County will continue to review the entire annual financial report for accuracy prior to issuance.
2009-02	Financial Reporting for Federal and State Financial Assistance
	The County will have the finance department staff continue to perform a thorough review of the single audit report prepared by Schenck.
2009-03	General Requirements - Purchase of Service Contracts
	The County will continue its current efforts to obtain audits from all providers required by contract to provide audits to the County.

STATE FINANCIAL REPORT FORM



INDEPENDENT AUDITORS' REPORT ON STATE FINANCIAL REPORT FORM

To the County Board
Oconto County, Wisconsin

State of Wisconsin - Department of Revenue
Division of State and Local Finance
Bureau of Local Financial Assistance
2135 Rimrock Road #6-97
P.O. Box 8971
Madison, Wisconsin 53708-8933

In connection with our audit of the basic financial statements of Oconto County, Wisconsin for the year ended December 31, 2009, we have also examined the 2009 Financial Report Form A required to be submitted to the Wisconsin Department of Revenue (WDR) by Wisconsin Administration Rule, Tax 16. The 2009 Financial Report Form A has been subjected to the auditing procedures applied in the audit of the basic financial statements. In our opinion the 2009 Financial Report Form A, with the attached revisions, is fairly stated in all material respects in relation to the basic financial statements taken as a whole. Since the 2009 Financial Report Form A has already been filed with the WDR, the County anticipates the WDR will adjust the filed copy to agree with the attached account revisions.

Certified Public Accountants
Green Bay, Wisconsin
June 17, 2010

OCONTO COUNTY, WISCONSIN
 Schedule of Revisions to 2009 State Financial Report Form
 Submitted to Wisconsin Department of Revenue

Seq./Acct. Number	Per State Financial Report	Increase (Decrease)	Per Audit
Governmental Funds:			
Revenues			
109-46600	\$ 2,403,284	\$ 5,000	\$ 2,408,284
111-47400	320,933	(161,517)	159,416
113-48900	75,993	(1,397)	74,596
115-49200	1,583,225	161,517	1,744,742
Total Revenues	<u>\$ 4,383,435</u>	<u>\$ 3,603</u>	<u>\$ 2,642,296</u>
Governmental Fund Balance		\$ 3,603	
Per Filed Report			
151-34000		<u>16,136,018</u>	
Per Audit Report - Page 15		<u>\$ 16,139,621</u>	
Proprietary Funds:			
Expenditures			
209-53635	\$ 629,062	\$ (37,552)	\$ 591,510
210-53311	3,327,781	(5,993)	3,321,788
Total Expenditures	<u>\$ 3,956,843</u>	<u>\$ (43,545)</u>	<u>\$ 3,913,298</u>
Net Proprietary Fund Change		\$ 43,545	
Per Filed Report			
225-62000		<u>(359,969)</u>	
Per Audit Report - Page 21		<u>\$ (316,424)</u>	