

**OCONTO COUNTY, WISCONSIN**  
**ANNUAL FINANCIAL REPORT**  
**DECEMBER 31, 2014**

**OCONTO COUNTY, WISCONSIN**  
December 31, 2014

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## INDEPENDENT AUDITORS' REPORT

To the County Board  
Oconto County, Wisconsin

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

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

### ***Management's Responsibility for the Financial Statements***

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

### ***Auditors' Responsibility***

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

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

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

## **Opinions**

In our opinion, 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, 2014, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the General Fund, the Human Services and County Roads and Bridges Special Revenue Funds for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Other Matters**

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the schedule of funding progress and the schedule of employer contributions on pages 4 through 10 and 45 through 46 be presented to supplement the basic financial statements. Such information, although not part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The financial information listed in the table of contents as supplementary information and the schedule of expenditures 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 State of Wisconsin and the other information, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The supplementary information and schedules of expenditures of federal awards and state financial assistance are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information, the schedules of expenditures of federal awards and the schedule of state financial assistance are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

## **Report on Summarized Financial Information**

We have previously audited Oconto County's 2013 financial statements, and our report dated June 23, 2014, expressed unmodified opinions on those 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. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2013, is consistent, in all material respects, with the audited financial statements from which it has been derived.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated June 30, 2015, on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is 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* in considering the County's internal control over financial reporting and compliance.



Certified Public Accountants  
Green Bay, Wisconsin  
June 30, 2015

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

**Oconto County, Wisconsin**  
**Management's Discussion and Analysis**  
**December 31, 2014**

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, 2014.

**Financial Highlights**

- The assets of the County exceeded its liabilities and deferred inflows of resources as of December 31, 2014 by \$117,249,654 (*net position*). Of this amount, \$21,879,361 (*unrestricted*) may be used to meet the County's ongoing obligations to citizens and creditors. Of the remainder, \$95,135,496 is net investment in capital assets, and \$234,797 is restricted for unspent grant awards and advances.
- The County's total net position decreased by \$2,038,378 from 2013. The decrease consisted of a decrease in governmental activities of \$1,629,155 and a decrease in business-type activities of \$409,223.
- As of December 31, 2014, the County's governmental funds reported combined ending fund balances of \$19,710,942, a decrease of \$1,219,889 from the prior year.
- As of December 31, 2014, the County's general fund unassigned fund balance was \$8,299,176, approximately 50% of the total 2014 general fund expenditures of \$16,737,397.
- There is no outstanding external debt of the county at the end of 2014. There is anticipated new debt borrowing in the amount of \$10,000,000 in General Obligation Promissory Notes in 2015.
- Delinquent property taxes (tax certificates & tax deeds) decreased by \$87,217, or 3.6% (compared to a 15% decrease last year), to \$2,351,521.
- The county's 2014 equalized value increased from the previous year by 1%, to \$3,555,500,100. This is the first increase after five years of consecutive decreases.
- The property tax mill rate increased 8 cents per \$1,000 of equalized value for the year 2014 to \$5.227, compared to \$5.149 in 2013. The property tax levy increased to \$18,168,492 in 2014 from \$17,987,812, an increase of \$180,680, or 1%. The increase was within the state imposed tax levy and tax rate limits.

**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, 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 position* reports all assets, deferred outflow of resources, liabilities, deferred inflows of resources, and net position. The statement of net position reports the residual amount as net position, rather than net assets.

The *statement of activities* presents information showing how the County's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation 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 11-13 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: governmental funds, proprietary funds and fiduciary funds.

**Governmental funds:** *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in 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 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, county roads and bridges fund and capital projects fund, all of which are considered to be major funds. Data from the other 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 14-20 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 21-23 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 24 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 25 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 47 of this report.

**Government-wide Financial Analysis**

**Net position:** 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 and deferred inflows of resources by \$117,249,654 at the close of the year.

	GOVERNMENTAL ACTIVITIES		BUSINESS-TYPE ACTIVITIES		TOTALS	
	2014	2013	2014	2013	2014	2013
<b>OCONTO COUNTY NET POSITION</b>						
Current and other assets .....	\$ 43,583,901	\$ 43,784,753	\$ 4,877,989	\$ 4,954,675	\$ 48,461,890	\$ 48,739,428
Capital assets .....	86,783,981	86,880,647	8,351,515	8,596,844	\$ 95,135,496	\$ 95,477,491
Total assets .....	130,367,882	130,665,400	13,229,504	13,551,519	143,597,386	144,216,919
Long-term liabilities outstanding .....	1,493,124	1,307,874	1,789,427	1,632,018	\$ 3,282,551	\$ 2,939,892
Other liabilities .....	4,240,178	3,202,470	547,832	618,033	\$ 4,788,010	\$ 3,820,503
Total liabilities .....	5,733,302	4,510,344	2,337,259	2,250,051	8,070,561	6,760,395
Deferred inflows .....	18,277,171	18,168,492	-	-	\$ 18,277,171	\$ 18,168,492
Net position:						
Net investment in capital assets .....	86,783,981	86,880,647	8,351,515	8,596,844	\$ 95,135,496	\$ 95,477,491
Restricted .....	234,797	215,968	-	-	234,797	215,968
Unrestricted .....	19,338,631	20,889,949	2,540,730	2,704,624	21,879,361	23,594,573
	<b>\$ 106,357,409</b>	<b>\$ 107,986,564</b>	<b>\$ 10,892,245</b>	<b>\$ 11,301,468</b>	<b>\$ 117,249,654</b>	<b>\$ 119,288,032</b>

By far the largest portion of the County’s total net assets 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, if any, must be provided from other sources since the capital assets themselves cannot be used to liquidate these liabilities.

The remaining balance of *unrestricted net position* of \$21,879,361 may be used to meet the County’s ongoing obligations to its citizens and creditors.

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

**Change in net position.** Governmental activities decreased the County's net position by \$1,629,155 and business-type activities decreased the County's net position by \$409,223 during the year, thus resulting in a net decrease of \$2,038,378 of the total net position of the County.

OCONTO COUNTY CHANGE IN NET POSITION PRIMARY GOVERNMENT	Governmental Activities		Business-type Activities		TOTALS	
	2014	2013	2014	2013	2014	2013
Revenues:						
Program revenues:						
Charges for services, fees, fines, costs ...	\$ 5,097,339	\$ 5,146,857	\$ 10,355,782	\$ 10,163,758	\$ 15,453,121	\$ 15,310,615
Operating grants and contributions .....	13,896,758	13,422,256	207,650	207,720	14,104,408	13,629,976
General revenues:						
Property taxes .....	18,168,492	17,987,812	-	-	18,168,492	17,987,812
Other taxes .....	2,319,305	2,169,085	-	-	2,319,305	2,169,085
Grants and contributions not restricted to specific programs .....	622,790	608,379	-	-	622,790	608,379
Interest and investment earnings .....	90,624	92,508	6,206	7,031	96,830	99,539
Other .....	6,174	6,359	-	2,245	6,174	8,604
Total revenues .....	40,201,482	39,433,256	10,569,638	10,380,754	50,771,120	49,814,010
Expenses:						
General government .....	5,752,760	5,602,408	-	-	5,752,760	5,602,408
Public safety .....	7,270,822	6,999,037	-	-	7,270,822	6,999,037
Public works .....	6,649,559	6,468,772	-	-	6,649,559	6,468,772
Health and human services .....	19,162,301	18,661,408	-	-	19,162,301	18,661,408
Culture and recreation .....	1,508,425	1,548,309	-	-	1,508,425	1,548,309
Development .....	1,982,327	1,838,865	-	-	1,982,327	1,838,865
Highway .....	-	-	9,285,564	8,909,429	9,285,564	8,909,429
MAR-OCO landfill .....	-	-	576,657	568,830	576,657	568,830
Recycling .....	-	-	621,083	653,480	621,083	653,480
Total expenses .....	42,326,194	41,118,799	10,483,304	10,131,739	52,809,498	51,250,538
Increase in net position before transfers ...	(2,124,712)	(1,685,543)	86,334	249,015	(2,038,378)	(1,436,528)
Transfers .....	495,557	530,400	(495,557)	(530,400)	-	-
Change in net position	(1,629,155)	(1,155,143)	(409,223)	(281,385)	(2,038,378)	(1,436,528)
Net position January 1	107,986,564	109,141,707	11,301,468	11,582,853	119,288,032	120,724,560
Net position December 31	\$106,357,409	\$107,986,564	\$10,892,245	\$11,301,468	\$117,249,654	\$119,288,032

**Governmental activities.** Elements contributing to the \$1,629,155 decrease in governmental net position are mainly due to expenditures for the jail project accounted for in the capital projects fund.

**Business-type activities.** Elements contributing to the \$409,223 decrease in business-type net position include:

- Highway business-type fund transferred \$495,557 to the general fund, otherwise had net income of \$255,815 before transfer.
- Recycling operations resulted in a net loss of \$110,293.
- MAR-OCO Landfill operations resulted in a net loss of \$59,188.

## 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, *unassigned fund balance* may serve as a useful measure of the County's net resources available for spending at the end of the fiscal year.

As of December 31, 2014, the County's governmental funds reported a combined ending fund balance of \$19,710,942, a decrease of \$1,219,889 from the prior year. Of that combined ending fund balance, \$8,299,176 (42%) constitutes *unassigned fund balance* that is available for spending at the County's discretion. The remainder of fund balance is *assigned, restricted, committed and non-spendable* to indicate that it is not available for new spending because it has already been set aside for the following, such as, non-liquid delinquent taxes, long-term advances, a reserve for new jail facility project 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 unassigned fund balance of the general fund was \$8,299,176, while the total fund balance was \$11,361,891. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 50% of total general fund expenditures, while the total fund balance represents 68% of general fund expenditures. In relation to general fund revenues, unassigned fund balance also represents 53% of total general fund revenues.

The fund balance of the County's general fund decreased \$1,710,745, from \$13,072,636 to \$11,361,891 during the year. Key factors in this decrease include:

- Actual expenditures exceeded actual revenues by \$1,029,182.
- Net transfers out of \$681,563 included a \$2,000,000 transfer to the capital projects fund for the proposed law enforcement center.

The Human Services fund had a balance of \$1,071,200 at the end of the year. This fund balance decreased \$103,556 during the year. This decrease was due to a transfer from the general fund of \$63,962 and expenditures exceeding revenues by \$167,518. The tax levy for Human Services remained the same as 2013, amounting to \$5,000,000. Of the \$1,071,200 fund balance, \$413,567 is being applied to reduce the human service fund's 2015 property tax levy.

The County Roads and Bridges fund had a balance of \$1,164,492 at the end of the year. This fund balance decreased \$395,691 during the year. The tax levy for the roads and bridge increased to \$3,476,944 in 2014 from \$3,250,754 in 2013, excluding the local bridge aid levies. Of the county road and bridge \$1,164,492 fund balance, \$333,648 will be applied to reduce the fund's 2014 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 position of the County's proprietary funds is listed below:

	<u>12/31/2014</u>	<u>12/31/2013</u>
Highway	\$2,364,937	\$2,506,554
MAR-OCO Landfill	(59,455)	(99,538)
Recycling	235,248	297,608

The results of operations for the aforementioned funds have been noted in the Change in net position section on page 6.

**General Fund Budgetary Highlights**

The difference between the original budget and the final amended budget amounted to a \$306,628 increase in appropriations and can be briefly summarized in part as follows:

- \$355,144 additional expenditures for land records and deeds redaction project
- \$514,422 additional expenditures for state aided recreation projects,
- \$272,675 additional expenditures for conservation and development programs
- \$896,532 less in capital outlay and projects

Most of the increases were funded with additional state grants and reimbursements and unanticipated increases in program specific revenues. In addition, the general fund has funded the jail improvement project through 2014.

For the year, actual expenditures and other financing uses exceeded revenues and other financing sources by \$1,710,745 thus decreasing the general fund balance at the end of 2014 to \$11,361,891 as previously explained.

**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 \$95,135,496 (net of accumulated depreciation), a decrease of \$341,995 from 2013. This investment in capital assets includes land, land improvements, buildings, machinery and equipment, vehicles, public domain infrastructure (highways and bridges), and construction in progress.

<b>OCONTO COUNTY CAPITAL ASSETS (net of depreciation)</b>						
<b>Asset</b>	<b>Government activities</b>		<b>Business-type activities</b>		<b>Totals</b>	
	<b>2014</b>	<b>2013</b>	<b>2014</b>	<b>2013</b>	<b>2014</b>	<b>2013</b>
Land	\$ 11,806,968	\$ 11,806,968	\$ 123,716	\$ 123,716	\$ 11,930,684	\$ 11,930,684
Buildings	6,419,299	6,832,837	1,866,130	2,013,656	8,285,429	8,846,493
Improvements other than buildings	578,651	636,153	736,832	824,048	1,315,483	1,460,201
Machinery and equipment	1,203,490	1,309,374	5,582,034	5,588,010	6,785,524	6,897,384
Infrastructure	64,905,877	66,295,315	-	-	64,905,877	66,295,315
Construction in progress	1,869,696	-	30,250	33,927	1,899,946	33,927
Other	-	-	12,553	13,487	12,553	13,487
<b>Total</b>	<b>\$ 86,783,981</b>	<b>\$ 86,880,647</b>	<b>\$ 8,351,515</b>	<b>\$ 8,596,844</b>	<b>\$ 95,135,496</b>	<b>\$ 95,477,491</b>

Additional information on the County’s capital assets can be found in Note C (5) on pages 37-38 of this report.

**Long-term Debt:** At the end of 2014, Oconto County had no outstanding general obligation debt.

**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 April 2015 was 5.1%, and compares with the statewide rate of 5.4% and a federal rate of 5.6%. Figures are provided by the Wisconsin Dept of Workforce Development.
- In 2015 there is anticipated new debt borrowing in the amount of \$10,000,000 in General Obligation Promissory Notes. The proceeds will be used for constructing a new Law Enforcement Center. In 2016 it is also anticipated that an additional \$15,000,000 will also be borrowed for the Law Enforcement Center.

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. Note, however, that the mill rate limit has been repealed by the state legislature in 2013. The (following) tax levy limit is still in place for 2014-2015.

An additional, and more restrictive, limit was placed on county budgets by the State for budgets beginning in 2007. That limit is the actual tax levy, rather than the mill rate. The limit is the percentage increase of net new construction (NNC), or a percentage designated by the state, whichever is greater. For the 2013 levy (collection in 2014) the County's increase in NNC was .79%. The state allowed minimum percentage was 0%. For the 2014 levy (collect in 2015) the county's increase is 1.234% and the state percentage is again 0%, and is based only on NNC. Additionally, the percentage increase allowed is based on prior year actual levy, rather than the previously allowable levy. The County has consistently budgeted at the maximum allowable levy amount since 2009.

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.

**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](http://www.co.oconto.wi.us).

\* \* \* \* \*

# **FINANCIAL STATEMENTS**

***Government-wide Financial Statements***

**OCONTO COUNTY, WISCONSIN**

Statement of Net Position

December 31, 2014

(With summarized financial information as of December 31, 2013)

	Primary Government				Component Unit
	Governmental Activities	Business-type Activities	Total		Commission on Aging
			2014	2013	
<b>ASSETS</b>					
Cash and investments	\$ 18,726,741	\$ 1,682,106	\$ 20,408,847	\$ 21,171,872	\$ 86,985
Receivables					
Taxes	21,457,205	-	21,457,205	21,476,472	-
Accounts	1,257,330	81,076	1,338,406	1,414,154	31,142
Loans	482,770	-	482,770	566,277	-
Due from other governments	1,592,999	602,716	2,195,715	1,988,129	-
Inventories and prepaid items	66,856	1,769,428	1,836,284	1,384,682	-
Other assets					
Restricted cash and investments	-	742,663	742,663	737,842	-
Capital assets					
Land	11,806,968	123,716	11,930,684	11,930,684	-
Improvements other than buildings	1,476,319	3,008,777	4,485,096	4,485,096	-
Buildings	16,107,128	5,175,119	21,282,247	21,282,247	-
Machinery and equipment	6,145,940	15,597,004	21,742,944	21,531,741	20,250
Other capital assets	-	52,792	52,792	52,792	-
Construction in progress	1,869,696	30,250	1,899,946	33,927	-
Infrastructure	138,222,026	-	138,222,026	135,959,860	-
Less: Accumulated depreciation	(88,844,096)	(15,636,143)	(104,480,239)	(99,798,856)	-
<b>TOTAL ASSETS</b>	<b>130,367,882</b>	<b>13,229,504</b>	<b>143,597,386</b>	<b>144,216,919</b>	<b>138,377</b>
<b>LIABILITIES</b>					
Accounts payable	2,146,807	316,965	2,463,772	2,326,445	37,181
Accrued payroll liabilities	1,364,452	230,867	1,595,319	1,239,063	44,355
Due to other governments	728,919	-	728,919	162,728	-
Unearned revenues	-	-	-	92,267	-
Long-term obligations					
Due within one year	-	-	-	-	20,250
Due in more than one year	1,493,124	270,900	1,764,024	1,522,525	-
Closure and post-closure care costs	-	1,518,527	1,518,527	1,417,367	-
<b>TOTAL LIABILITIES</b>	<b>5,733,302</b>	<b>2,337,259</b>	<b>8,070,561</b>	<b>6,760,395</b>	<b>101,786</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Property taxes	18,277,171	-	18,277,171	18,168,492	-
<b>NET POSITION</b>					
Net investment in capital assets	86,783,981	8,351,515	95,135,496	95,477,491	-
Restricted for					
Unspent grant awards and advances	234,797	-	234,797	215,968	-
Unrestricted	19,338,631	2,540,730	21,879,361	23,594,573	36,591
<b>TOTAL NET POSITION</b>	<b>\$ 106,357,409</b>	<b>\$ 10,892,245</b>	<b>\$ 117,249,654</b>	<b>\$ 119,288,032</b>	<b>\$ 36,591</b>

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

**OCONTO COUNTY, WISCONSIN**

Statement of Activities

For the Year Ended December 31, 2014

(With summarized financial information for the year ended December 31, 2013)

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
<b>Primary government</b>				
Governmental Activities				
General government	\$ 5,752,760	\$ 1,145,866	\$ 199,881	\$ -
Public safety	7,270,822	444,702	171,608	-
Public works	6,649,559	5,085	1,177,731	-
Health and human services	19,162,301	2,594,742	11,170,371	-
Culture and recreation	1,508,425	224,334	347,452	-
Development	1,982,327	682,610	829,715	-
Total Governmental Activities	<u>42,326,194</u>	<u>5,097,339</u>	<u>13,896,758</u>	<u>-</u>
Business-type Activities				
Highway	9,285,564	9,541,379	-	-
MAR-OCO Landfill	576,657	511,263	-	-
Recycling	621,083	303,140	207,650	-
Total Business-type Activities	<u>10,483,304</u>	<u>10,355,782</u>	<u>207,650</u>	<u>-</u>
Total primary government	<u>\$ 52,809,498</u>	<u>\$ 15,453,121</u>	<u>\$ 14,104,408</u>	<u>\$ -</u>
<b>Component unit</b>				
Commission on aging	<u>\$ 671,602</u>	<u>\$ 154,757</u>	<u>\$ 516,336</u>	<u>\$ -</u>

General revenues

Property taxes, levied for general purposes

Other taxes

State and federal aids not restricted to specific functions

Interest and investment earnings

Miscellaneous

Transfers

Total general revenues and transfers

Change in net position

Net position - January 1

Net position - December 31

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

Net (Expense) Revenue and Changes in Net Position				
Primary Government			2013	Component Unit
Governmental Activities	Business-type Activities	Total		Commission on Aging
\$ (4,407,013)	\$ -	\$ (4,407,013)	\$ (4,268,981)	\$ -
(6,654,512)	-	(6,654,512)	(6,122,899)	-
(5,466,743)	-	(5,466,743)	(5,303,382)	-
(5,397,188)	-	(5,397,188)	(5,283,503)	-
(936,639)	-	(936,639)	(1,062,769)	-
(470,002)	-	(470,002)	(508,152)	-
<u>(23,332,097)</u>	<u>-</u>	<u>(23,332,097)</u>	<u>(22,549,686)</u>	<u>-</u>
-	255,815	255,815	473,055	-
-	(65,394)	(65,394)	(84,245)	-
-	(110,293)	(110,293)	(149,071)	-
<u>-</u>	<u>80,128</u>	<u>80,128</u>	<u>239,739</u>	<u>-</u>
<u>(23,332,097)</u>	<u>80,128</u>	<u>(23,251,969)</u>	<u>(22,309,947)</u>	<u>-</u>
-	-	-	-	(509)
18,168,492	-	18,168,492	17,987,812	-
2,319,305	-	2,319,305	2,169,085	-
622,790	-	622,790	608,379	-
90,624	6,206	96,830	99,539	3,375
6,174	-	6,174	8,604	2,445
495,557	(495,557)	-	-	-
<u>21,702,942</u>	<u>(489,351)</u>	<u>21,213,591</u>	<u>20,873,419</u>	<u>5,820</u>
(1,629,155)	(409,223)	(2,038,378)	(1,436,528)	5,311
<u>107,986,564</u>	<u>11,301,468</u>	<u>119,288,032</u>	<u>120,724,560</u>	<u>31,280</u>
<u>\$ 106,357,409</u>	<u>\$ 10,892,245</u>	<u>\$ 117,249,654</u>	<u>\$ 119,288,032</u>	<u>\$ 36,591</u>

***Fund Financial Statements***

**OCONTO COUNTY, WISCONSIN**  
**Balance Sheet**  
**Governmental Funds**  
**December 31, 2014**  
(With summarized financial information as of December 31, 2013)

	General	Human Services	County Roads and Bridges	Capital Projects	Other Governmental Funds	Total Governmental Funds	
						2014	2013
<b>ASSETS</b>							
Cash and investments	\$ 9,430,774	\$ 1,246,187	\$ 1,164,492	\$ 3,240,114	\$ 3,645,174	\$ 18,726,741	\$ 18,906,982
Receivables							
Taxes	12,328,006	5,000,000	3,465,491	-	-	20,793,497	20,736,714
Accounts	959,120	229,268	-	-	1,500	1,189,888	1,309,814
Notes	-	-	-	-	482,770	482,770	566,277
Due from other governments	-	1,550,682	-	-	-	1,550,682	1,395,247
Inventories and prepaid items	66,439	417	-	-	-	66,856	19,639
<b>TOTAL ASSETS</b>	<b>\$ 22,784,339</b>	<b>\$ 8,026,554</b>	<b>\$ 4,629,983</b>	<b>\$ 3,240,114</b>	<b>\$ 4,129,444</b>	<b>\$ 42,810,434</b>	<b>\$ 42,934,673</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>							
<b>Liabilities</b>							
Accounts payable	\$ 363,433	\$ 1,010,609	\$ -	\$ 103,350	\$ 669,415	\$ 2,146,807	\$ 2,056,815
Accrued payroll liabilities	1,094,286	270,166	-	-	-	1,364,452	982,927
Due to other governments	153,049	575,206	-	-	664	728,919	162,728
<b>Total Liabilities</b>	<b>1,610,768</b>	<b>1,855,981</b>	<b>-</b>	<b>103,350</b>	<b>670,079</b>	<b>4,240,178</b>	<b>3,202,470</b>
<b>Deferred Inflows of Resources</b>							
Property taxes	9,811,680	5,000,000	3,465,491	-	-	18,277,171	18,168,492
Loans receivable	-	-	-	-	482,770	482,770	566,277
Advance from state	-	99,373	-	-	-	99,373	66,603
<b>Total Deferred Inflows of Resources</b>	<b>9,811,680</b>	<b>5,099,373</b>	<b>3,465,491</b>	<b>-</b>	<b>482,770</b>	<b>18,859,314</b>	<b>18,801,372</b>
<b>Fund Balances</b>							
<b>Nonspendable for</b>							
Delinquent property taxes	2,039,837	-	-	-	-	2,039,837	2,214,809
Inventories and prepaid items	66,439	417	-	-	-	66,856	19,639
<b>Restricted for</b>							
Unspent grant awards and advances	234,797	-	-	-	-	234,797	215,968
<b>Committed for</b>							
New jail facility	-	-	-	3,136,764	-	3,136,764	3,000,000
<b>Assigned for</b>							
Continuing appropriations	721,642	-	-	-	-	721,642	665,198
Special revenue funds	-	1,070,783	1,164,492	-	2,976,595	5,211,870	4,845,161
<b>Unassigned, reported in</b>							
General fund	8,299,176	-	-	-	-	8,299,176	9,970,056
<b>Total Fund Balances</b>	<b>11,361,891</b>	<b>1,071,200</b>	<b>1,164,492</b>	<b>3,136,764</b>	<b>2,976,595</b>	<b>19,710,942</b>	<b>20,930,831</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>	<b>\$ 22,784,339</b>	<b>\$ 8,026,554</b>	<b>\$ 4,629,983</b>	<b>\$ 3,240,114</b>	<b>\$ 4,129,444</b>	<b>\$ 42,810,434</b>	<b>\$ 42,934,673</b>

(Continued)

**OCONTO COUNTY, WISCONSIN**  
 Balance Sheet (Continued)  
 Governmental Funds  
 December 31, 2014  
 (With summarized financial information as of December 31, 2013)

	2014	2013
<b><u>Reconciliation to the Statement of Net Position</u></b>		
Total Fund Balances from previous page	\$ 19,710,942	\$ 20,930,831
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	86,783,981	86,880,647
Some liabilities are not due and payable in the current period and therefore are not reported in the funds.		
Other post-employment benefit (OPEB) liability	\$ (822,432)	
Compensated absences	<u>(670,692)</u>	<u>(1,307,874)</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>1,355,610</u>	<u>1,482,960</u>
Net Position of Governmental Activities as Reported on the Statement of Net Position (see page 11)	<u>\$ 106,357,409</u>	<u>\$ 107,986,564</u>

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

**OCONTO COUNTY, WISCONSIN**  
**Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Governmental Funds**  
**For the Year Ended December 31, 2014**  
(With summarized financial information for the year ended December 31, 2013)

	General	Human Services	County Roads and Bridges	Capital Projects	Other Governmental Funds	Total Governmental Funds	
						2014	2013
<b>Revenues</b>							
Taxes	\$ 10,526,302	\$ 5,000,000	\$ 3,476,944	\$ -	\$ 1,642,856	\$ 20,646,102	\$ 20,379,272
Intergovernmental	2,704,061	10,623,286	1,177,731	-	-	14,505,078	14,099,036
Licenses and permits	221,307	-	-	-	11,877	233,184	225,867
Fines and forfeits	141,431	-	-	-	32,700	174,131	209,100
Public charges for services	1,477,718	1,926,174	-	-	-	3,403,892	3,559,193
Intergovernmental charges for services	183,261	-	-	-	-	183,261	255,106
Miscellaneous	454,135	623,661	-	8,402	159,167	1,245,365	1,029,748
<b>Total Revenues</b>	<b>15,708,215</b>	<b>18,173,121</b>	<b>4,654,675</b>	<b>8,402</b>	<b>1,846,600</b>	<b>40,391,013</b>	<b>39,757,322</b>
<b>Expenditures</b>							
<b>Current</b>							
General government	5,021,486	-	-	-	66	5,021,552	4,957,046
Public safety	6,713,967	-	-	-	52,163	6,766,130	6,752,649
Public works	209,755	-	5,050,366	-	-	5,260,121	4,612,145
Health and human services	706,186	18,340,639	-	-	12,641	19,059,466	18,588,462
Culture and recreation	1,421,631	-	-	-	-	1,421,631	1,449,222
Development	1,812,405	-	-	-	41,549	1,853,954	1,777,095
Capital outlay	851,967	-	-	1,871,638	-	2,723,605	874,603
<b>Total Expenditures</b>	<b>16,737,397</b>	<b>18,340,639</b>	<b>5,050,366</b>	<b>1,871,638</b>	<b>106,419</b>	<b>42,106,459</b>	<b>39,011,222</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>(1,029,182)</b>	<b>(167,518)</b>	<b>(395,691)</b>	<b>(1,863,236)</b>	<b>1,740,181</b>	<b>(1,715,446)</b>	<b>746,100</b>
<b>Other Financing Sources (Uses)</b>							
Transfers in	1,417,242	63,962	-	2,000,000	-	3,481,204	5,264,002
Transfers out	(2,098,805)	-	-	-	(886,842)	(2,985,647)	(4,733,602)
<b>Total Other Financing Sources (Uses)</b>	<b>(681,563)</b>	<b>63,962</b>	<b>-</b>	<b>2,000,000</b>	<b>(886,842)</b>	<b>495,557</b>	<b>530,400</b>
<b>Net Change in Fund Balances</b>	<b>(1,710,745)</b>	<b>(103,556)</b>	<b>(395,691)</b>	<b>136,764</b>	<b>853,339</b>	<b>(1,219,889)</b>	<b>1,276,500</b>
<b>Fund Balances - January 1</b>	<b>13,072,636</b>	<b>1,174,756</b>	<b>1,560,183</b>	<b>3,000,000</b>	<b>2,123,256</b>	<b>20,930,831</b>	<b>19,654,331</b>
<b>Fund Balances - December 31</b>	<b>\$ 11,361,891</b>	<b>\$ 1,071,200</b>	<b>\$ 1,164,492</b>	<b>\$ 3,136,764</b>	<b>\$ 2,976,595</b>	<b>\$ 19,710,942</b>	<b>\$ 20,930,831</b>

(Continued)

**OCONTO COUNTY, WISCONSIN**  
**Statement of Revenues, Expenditures and Changes in Fund Balances (Continued)**  
**Governmental Funds**  
**For the Year Ended December 31, 2014**  
(With summarized financial information for the year ended December 31, 2013)

	2014	2013
<u>Reconciliation to the Statement of Activities</u>		
Net Change in Fund Balances from previous page	\$ (1,219,889)	\$ 1,276,500
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	\$ 4,282,345	
Depreciation expense reported in the statement of activities	<u>(4,374,244)</u>	
Amount by which capital outlays are less than depreciation		(91,899) (2,166,608)
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	\$ (27,331)	
Loss on disposition reported on the statement of activities	<u>22,564</u>	
Net book value of assets disposed of		(4,767) (9,276)
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. The amount receivable decreased by:		
		(127,350) (174,502)
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 by:		
		<u>(185,250) (81,257)</u>
Change in Net Position of Governmental Activities as Reported in the Statement of Activities (see pages 12 and 13)		<u>\$ (1,629,155) \$ (1,155,143)</u>

The notes to the 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**  
**For the Year Ended December 31, 2014**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Taxes	\$ 10,599,768	\$ 10,599,768	\$ 10,526,302	\$ (73,466)
Intergovernmental	2,181,118	2,498,822	2,704,061	205,239
Licenses and permits	200,150	200,150	221,307	21,157
Fines and forfeits	187,500	187,500	141,431	(46,069)
Public charges for services	1,389,240	1,455,567	1,477,718	22,151
Intergovernmental charges for services	221,631	221,631	183,261	(38,370)
Miscellaneous	281,505	322,172	454,135	131,963
<b>Total Revenues</b>	<b>15,060,912</b>	<b>15,485,610</b>	<b>15,708,215</b>	<b>222,605</b>
<b>Expenditures</b>				
<b>Current</b>				
General government	5,655,053	5,924,289	5,021,486	902,803
Public safety	6,766,112	6,904,128	6,713,967	190,161
Public works	208,035	208,944	209,755	(811)
Health and human services	708,044	715,946	706,186	9,760
Culture and recreation	1,320,342	1,834,764	1,421,631	413,133
Development	1,751,287	2,023,962	1,812,405	211,557
Capital outlay	3,965,000	969,663	851,967	117,696
<b>Total Expenditures</b>	<b>20,373,873</b>	<b>18,581,696</b>	<b>16,737,397</b>	<b>1,844,299</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>(5,312,961)</b>	<b>(3,096,086)</b>	<b>(1,029,182)</b>	<b>2,066,904</b>
<b>Other Financing Sources (Uses)</b>				
Transfers in	4,540,400	1,490,400	1,417,242	(73,158)
Transfers out	-	(2,098,805)	(2,098,805)	-
<b>Total Other Financing Sources (Uses)</b>	<b>4,540,400</b>	<b>(608,405)</b>	<b>(681,563)</b>	<b>(73,158)</b>
<b>Net Change in Fund Balance</b>	<b>(772,561)</b>	<b>(3,704,491)</b>	<b>(1,710,745)</b>	<b>1,993,746</b>
<b>Fund Balance - January 1</b>	<b>13,072,636</b>	<b>13,072,636</b>	<b>13,072,636</b>	<b>-</b>
<b>Fund Balance - December 31</b>	<b>\$ 12,300,075</b>	<b>\$ 9,368,145</b>	<b>\$ 11,361,891</b>	<b>\$ 1,993,746</b>

The notes to the 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 Fund**  
**For the Year Ended December 31, 2014**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Taxes	\$ 5,000,000	\$ 5,000,000	\$ 5,000,000	\$ -
Intergovernmental	10,495,865	10,446,203	10,623,286	177,083
Public charges for services	1,789,162	1,926,172	1,926,174	2
Miscellaneous	-	623,661	623,661	-
<b>Total Revenues</b>	<b>17,285,027</b>	<b>17,996,036</b>	<b>18,173,121</b>	<b>177,085</b>
<b>Expenditures</b>				
<b>Current</b>				
Health and human services	17,903,895	18,675,527	18,340,639	334,888
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>(618,868)</b>	<b>(679,491)</b>	<b>(167,518)</b>	<b>511,973</b>
<b>Other Financing Sources</b>				
Transfers in	-	63,962	63,962	-
<b>Net Change in Fund Balance</b>	<b>(618,868)</b>	<b>(615,529)</b>	<b>(103,556)</b>	<b>511,973</b>
<b>Fund Balance - January 1</b>	<b>1,174,756</b>	<b>1,174,756</b>	<b>1,174,756</b>	<b>-</b>
<b>Fund Balance - December 31</b>	<b>\$ 555,888</b>	<b>\$ 559,227</b>	<b>\$ 1,071,200</b>	<b>\$ 511,973</b>

The notes to the 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 Fund**  
**For the Year Ended December 31, 2014**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues				
Taxes	\$ 3,476,944	\$ 3,476,944	\$ 3,476,944	\$ -
Intergovernmental	1,181,900	1,181,900	1,177,731	(4,169)
Total Revenues	<u>4,658,844</u>	<u>4,658,844</u>	<u>4,654,675</u>	<u>(4,169)</u>
Expenditures				
Current				
Public works	<u>4,838,960</u>	<u>4,838,960</u>	<u>5,050,366</u>	<u>(211,406)</u>
Net Change in Fund Balance	(180,116)	(180,116)	(395,691)	(215,575)
Fund Balance - January 1	<u>1,560,183</u>	<u>1,560,183</u>	<u>1,560,183</u>	-
Fund Balance - December 31	<u>\$ 1,380,067</u>	<u>\$ 1,380,067</u>	<u>\$ 1,164,492</u>	<u>\$ (215,575)</u>

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

**OCONTO COUNTY, WISCONSIN**

Statement of Net Position

Proprietary Funds

December 31, 2014

(With summarized financial information as of December 31, 2013)

	Major Funds		Nonmajor Fund	Total	
	Highway	MAR-OCO Landfill	Recycling	2014	2013
<b>ASSETS</b>					
Current Assets					
Cash and investments	\$ 663,355	\$ 734,317	\$ 284,434	\$ 1,682,106	\$ 2,264,890
Accounts receivable	41,332	39,744	-	81,076	36,460
Due from other governments	602,716	-	-	602,716	550,440
Inventories and prepaid items	1,769,428	-	-	1,769,428	1,365,043
<b>Total Current Assets</b>	<b>3,076,831</b>	<b>774,061</b>	<b>284,434</b>	<b>4,135,326</b>	<b>4,216,833</b>
Noncurrent Assets					
Restricted cash and investments	-	742,663	-	742,663	737,842
Land	52,202	62,514	9,000	123,716	123,716
Improvements other than buildings	355,077	2,624,268	29,432	3,008,777	3,008,777
Buildings	4,482,879	142,468	549,772	5,175,119	5,175,119
Machinery and equipment	14,352,012	396,157	848,835	15,597,004	15,409,041
Other capital assets	52,792	-	-	52,792	52,792
Construction in progress	-	30,250	-	30,250	33,927
Less accumulated depreciation	(12,244,995)	(2,260,347)	(1,130,801)	(15,636,143)	(15,206,528)
<b>Total Noncurrent Assets</b>	<b>7,049,967</b>	<b>1,737,973</b>	<b>306,238</b>	<b>9,094,178</b>	<b>9,334,686</b>
<b>TOTAL ASSETS</b>	<b>10,126,798</b>	<b>2,512,034</b>	<b>590,672</b>	<b>13,229,504</b>	<b>13,551,519</b>
<b>LIABILITIES</b>					
Current Liabilities					
Accounts payable	260,428	20,026	36,511	316,965	269,630
Accrued payroll liabilities	216,617	1,575	12,675	230,867	256,136
Unearned revenue	-	-	-	-	92,267
<b>Total Current Liabilities</b>	<b>477,045</b>	<b>21,601</b>	<b>49,186</b>	<b>547,832</b>	<b>618,033</b>
Noncurrent Liabilities					
Compensated absences payable	234,849	36,051	-	270,900	214,651
Landfill closure care costs	-	146,301	-	146,301	99,804
Landfill post closure care costs	-	1,372,226	-	1,372,226	1,317,563
<b>Total Noncurrent Liabilities</b>	<b>234,849</b>	<b>1,554,578</b>	<b>-</b>	<b>1,789,427</b>	<b>1,632,018</b>
<b>TOTAL LIABILITIES</b>	<b>711,894</b>	<b>1,576,179</b>	<b>49,186</b>	<b>2,337,259</b>	<b>2,250,051</b>
<b>NET POSITION</b>					
Net investment in capital assets	7,049,967	995,310	306,238	8,351,515	8,596,844
Unrestricted (deficit)	2,364,937	(59,455)	235,248	2,540,730	2,704,624
<b>TOTAL NET POSITION</b>	<b>\$ 9,414,904</b>	<b>\$ 935,855</b>	<b>\$ 541,486</b>	<b>\$ 10,892,245</b>	<b>\$ 11,301,468</b>

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

**OCONTO COUNTY, WISCONSIN**  
**Statement of Revenues, Expenses and Changes in Net Position**  
**Proprietary Funds**  
**For the Year Ended December 31, 2014**  
(With summarized financial information for the year ended December 31, 2013)

	Major Funds		Nonmajor Fund	Total	
	Highway	MAR-OCO Landfill	Recycling	2014	2013
<b>Operating Revenues</b>					
Intergovernmental charges for services	\$ 9,534,348	\$ 173,928	\$ 22,809	\$ 9,731,085	\$ 9,547,739
Public charges for services	7,031	337,335	22,840	367,206	349,712
Sale of recyclable materials	-	-	256,211	256,211	253,466
<b>Total Operating Revenues</b>	<b>9,541,379</b>	<b>511,263</b>	<b>301,860</b>	<b>10,354,502</b>	<b>10,150,917</b>
<b>Operating Expenses</b>					
Operation and maintenance	8,548,571	476,012	573,150	9,597,733	9,279,178
Depreciation	736,993	100,645	47,933	885,571	852,561
<b>Total Operating Expenses</b>	<b>9,285,564</b>	<b>576,657</b>	<b>621,083</b>	<b>10,483,304</b>	<b>10,131,739</b>
<b>Operating Income (Loss)</b>	<b>255,815</b>	<b>(65,394)</b>	<b>(319,223)</b>	<b>(128,802)</b>	<b>19,178</b>
<b>Nonoperating Revenues</b>					
State aid	-	-	207,650	207,650	207,720
Insurance recoveries	-	-	-	-	2,245
Interest income	-	6,206	-	6,206	7,031
Gain on sale of equipment	-	-	1,280	1,280	12,841
<b>Total Nonoperating Revenues</b>	<b>-</b>	<b>6,206</b>	<b>208,930</b>	<b>215,136</b>	<b>229,837</b>
<b>Net Income (Loss) Before Transfers</b>	<b>255,815</b>	<b>(59,188)</b>	<b>(110,293)</b>	<b>86,334</b>	<b>249,015</b>
Transfers in	34,843	-	-	34,843	-
Transfers out	(530,400)	-	-	(530,400)	(530,400)
	<b>(495,557)</b>	<b>-</b>	<b>-</b>	<b>(495,557)</b>	<b>(530,400)</b>
<b>Change in Net Position</b>	<b>(239,742)</b>	<b>(59,188)</b>	<b>(110,293)</b>	<b>(409,223)</b>	<b>(281,385)</b>
<b>Net Position - January 1</b>	<b>9,654,646</b>	<b>995,043</b>	<b>651,779</b>	<b>11,301,468</b>	<b>11,582,853</b>
<b>Net Position - December 31</b>	<b>\$ 9,414,904</b>	<b>\$ 935,855</b>	<b>\$ 541,486</b>	<b>\$ 10,892,245</b>	<b>\$ 11,301,468</b>

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

**OCONTO COUNTY, WISCONSIN**

Statement of Cash Flows

Proprietary Funds

For the Year Ended December 31, 2014

(With summarized financial information for the year ended December 31, 2013)

	Major Funds		Nonmajor Fund	Total	
	Highway	MAR-OCO Landfill	Recycling	2014	2013
<b>Cash Flows from Operating Activities</b>					
Cash received from user charges	\$ 5,233	\$ 327,076	\$ 279,051	\$ 611,360	\$ 601,830
Cash received from other government payments	9,357,152	173,928	22,809	9,553,889	9,534,566
Cash payments to employees	(2,944,173)	(109,994)	(240,295)	(3,294,462)	(3,176,362)
Cash payments to suppliers	(5,917,951)	(280,585)	(329,644)	(6,528,180)	(6,089,828)
<b>Net Cash Provided (Used) by Operating Activities</b>	<b>500,261</b>	<b>110,425</b>	<b>(268,079)</b>	<b>342,607</b>	<b>870,206</b>
<b>Cash Flows from Noncapital Financing Activities</b>					
Transfer from general fund	34,843	-	-	34,843	-
Transfer to general fund	(530,400)	-	-	(530,400)	(530,400)
State aid	-	-	207,650	207,650	207,720
<b>Net Cash Provided (Used) by Noncapital Financing Activities</b>	<b>(495,557)</b>	<b>-</b>	<b>207,650</b>	<b>(287,907)</b>	<b>(322,680)</b>
<b>Cash Flows from Capital and Related Financing Activities</b>					
Acquisition of capital assets	(638,868)	(1,375)	-	(640,243)	(1,022,828)
Insurance recoveries	-	-	-	-	2,245
Sale of equipment	-	-	1,280	1,280	12,841
<b>Net Cash Provided (Used) by Capital and Related Financing Activities</b>	<b>(638,868)</b>	<b>(1,375)</b>	<b>1,280</b>	<b>(638,963)</b>	<b>(1,007,742)</b>
<b>Cash Flows from Investing Activities</b>					
Interest income	-	6,300	-	6,300	7,031
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<b>(634,164)</b>	<b>115,350</b>	<b>(59,149)</b>	<b>(577,963)</b>	<b>(453,185)</b>
Cash and Cash Equivalents - January 1	1,297,519	1,361,630	343,583	3,002,732	3,455,917
<b>Cash and Cash Equivalents - December 31</b>	<b>\$ 663,355</b>	<b>\$ 1,476,980</b>	<b>\$ 284,434</b>	<b>\$ 2,424,769</b>	<b>\$ 3,002,732</b>
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:</b>					
Operating income (loss)	\$ 255,815	\$ (65,394)	\$ (319,223)	\$ (128,802)	\$ 19,178
Adjustments to reconcile operating loss to net cash provided (used) by operating activities					
Depreciation	736,993	100,645	47,933	885,571	852,561
Changes in assets and liabilities					
Accounts receivable	(1,798)	(10,260)	-	(12,058)	(1,348)
Due from other governments	(52,276)	-	-	(52,276)	(76,413)
Inventories and prepaid items	(404,385)	-	-	(404,385)	(161,909)
Accounts payable	59,214	(14,050)	2,171	47,335	(12,526)
Accrued payroll liabilities	(26,721)	412	1,040	(25,269)	60,136
Unearned revenues	(124,920)	-	-	(124,920)	63,240
Landfill closure care	-	101,161	-	101,161	88,074
Compensated absences payable	58,339	(2,089)	-	56,250	39,213
<b>Net Cash Provided (Used) by Operating Activities</b>	<b>\$ 500,261</b>	<b>\$ 110,425</b>	<b>\$ (268,079)</b>	<b>\$ 342,607</b>	<b>\$ 870,206</b>
<b>Noncash Investing, Capital and Financing Activities</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

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

**OCONTO COUNTY, WISCONSIN**

**Statement of Net Position**

**Fiduciary Funds**

**December 31, 2014**

(With summarized financial information as of December 31, 2013)

	Agency Funds	
	2014	2013
<b>ASSETS</b>		
Cash and cash equivalents	<u>\$ 508,342</u>	<u>\$ 344,326</u>
<b>LIABILITIES</b>		
Due to county departments	<u>\$ 508,342</u>	<u>\$ 344,326</u>

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

**OCONTO COUNTY, WISCONSIN**  
Notes to Financial Statements  
December 31, 2014

**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The 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

**BLENDED 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. The County provides a nominal annual appropriation to the Library Services Board for operating costs. 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 position 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 Financial Statements  
December 31, 2014

**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, capital projects 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.

**CAPITAL PROJECTS FUND**

This fund accounts for the new jail facility project.

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, Wisconsin.

**OCONTO COUNTY, WISCONSIN**  
Notes to Financial Statements  
December 31, 2014

**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

Additionally, the government reports the following fund type:

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

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.

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 Financial Statements  
December 31, 2014

**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

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

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 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.

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 nonspendable fund balance 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 nonspendable fund balance to indicate that they do not represent spendable available financial resources.

**OCONTO COUNTY, WISCONSIN**  
Notes to Financial Statements  
December 31, 2014

**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:

	Governmental Activities	Business-type Activities
	Years	
<u>Assets</u>		
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 and employee benefit policies. All vacation and sick leave is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in the governmental funds in the fund financial statements only if they have matured, for example, as a result of employee resignations and retirements.

h. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The County currently does not have any items that qualify for reporting in this category.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The County has one type of item that qualifies for reporting in this category, property taxes. This amount will be recognized as an inflow of resources in the subsequent year for which it was levied. The County also has additional type of item, which arises only under a modified accrual basis of accounting, which qualifies for reporting in this category. Accordingly, the item, unavailable revenue, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from two sources, loans receivable and advance from state. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available.

**OCONTO COUNTY, WISCONSIN**  
Notes to Financial Statements  
December 31, 2014

**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

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 position. Bond premiums and discounts are deferred and amortized over the life of the bonds. Bond issuance costs are reported as expense when incurred.

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 when incurred.

j. Fund Equity

GOVERNMENTAL FUND FINANCIAL STATEMENTS

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The following classifications describe the relative strength of the spending constraints placed on the purposes for which resources can be used:

- Nonspendable fund balance - Amounts that are not in spendable form (such as inventory, prepaid items, or long-term receivables) or are legally or contractually required to remain intact.
- Restricted fund balance - Amounts that are constrained for specific purposes by external parties (such as grantor or bondholders), through constitutional provisions, or by enabling legislation.
- Committed fund balance - Amounts that are constrained for specific purposes by action of the County Board. These constraints can only be removed or changed by the County Board using the same action that was used to create them.
- Assigned fund balance - Amounts that are constrained for specific purposes by action of County management. Residual amounts in any special revenue fund are also reported as assigned.
- Unassigned fund balance - Amounts that are available for any purpose. Positive unassigned amounts are only reported in the General Fund.

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

**OCONTO COUNTY, WISCONSIN**  
Notes to Financial Statements  
December 31, 2014

**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

GOVERNMENT-WIDE AND PROPRIETARY STATEMENTS

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

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

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, 2013, from which the summarized information was derived.

**OCONTO COUNTY, WISCONSIN**  
Notes to Financial Statements  
December 31, 2014

**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 except for approved transfers of resources between funds. 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. The legal level of budgetary control is the department level. The County's department heads may make transfers of appropriations within a department that do not change the budgeted net cost of that department. Supplemental appropriations 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, 2014.

**OCONTO COUNTY, WISCONSIN**  
**Notes to Financial Statements**  
**December 31, 2014**

**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 \$21,746,837 on December 31, 2014 as summarized below:

Petty cash and cash on hand	\$ 2,175
Deposits with financial institutions	14,119,911
Deposit with Marinette County for landfill	1,476,980
Investments	
Wisconsin local government investment pool	401,952
Repurchase agreement	5,745,819
	\$ 21,746,837

Reconciliation to the basic financial statements:

Government-wide Statement of Net Position	
Primary government	
Cash and investments	\$ 20,408,847
Restricted cash and investments	742,663
Component unit	
Cash and investments	86,985
Fiduciary Fund Statement of Net Position	
Agency funds	508,342
	\$ 21,746,837

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

Custodial Credit Risk

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

**OCONTO COUNTY, WISCONSIN**  
Notes to Financial Statements  
December 31, 2014

**NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)**

Deposits with financial institutions within the State of Wisconsin are insured by the Federal Deposit Insurance Corporation (FDIC) in the amount of \$250,000 for the combined amount of all time and savings deposits and \$250,000 for interest-bearing and noninterest-bearing demand deposits per official custodian per insured depository institution. Deposits with financial institutions located outside the State of Wisconsin are insured by the FDIC in the amount of \$250,000 for the combined amount of all deposit accounts per official custodian per depository institution. Also, the State of Wisconsin has a State Guarantee Fund which provides a maximum of \$400,000 per public depository above the amount provided by an agency of the U.S. Government. However, due to the relatively small size of the State Guarantee Fund in relation to the Fund's total coverage, total recovery of insured losses may not be available.

As of December 31, 2014, \$12,210,574 of the County's deposits with financial institutions were in excess of federal and state depository insurance limits of which all were collateralized with securities held by the pledging financial institution or its trust department or agent but not in the County's name.

On December 31, 2014, the County held repurchase agreement investments of \$5,745,819 of which the underlying securities are held by the investment's counterparty, not in the name of the County.

**Credit Risk**

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

Investment Type	Amount	Exempt From Disclosure	AAA	Aa	Not Rated
Wisconsin local government investment pool	\$ 401,952	\$ -	\$ -	\$ -	\$ 401,952

**Interest Rate Risk**

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

**OCONTO COUNTY, WISCONSIN**  
Notes to Financial Statements  
December 31, 2014

**NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)**

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

Investment Type	Amount	Remaining Maturity (in Months)			
		12 Months or Less	13 to 24 Months	25 to 60 Months	More Than 60 Months
Wisconsin local government investment pool	\$ 401,952	\$ 401,952	\$ -	\$ -	\$ -
Repurchase agreement	5,745,819	5,745,819	-	-	-
<b>Totals</b>	<b>\$ 6,147,771</b>	<b>\$ 6,147,771</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

Investment in Wisconsin Local Government Investment Pool

The County has investments in the Wisconsin local government investment pool of \$401,952 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, 2014, the fair value of the County's share of the LGIP's assets was substantially equal to the carrying value.

Discretely Presented Component Unit

On December 31, 2014, all deposits of the Oconto County Commission on Aging were insured.

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 a deferred inflow 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, 2014 for collection in 2015 are for the following:

County apportionment	<u>\$ 18,277,171</u>
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The above County apportionment of \$18,277,171 is for financing 2015 operations and will be transferred in 2015 from deferred inflows of resources to current revenues of the County's governmental funds.

**OCONTO COUNTY, WISCONSIN**  
Notes to Financial Statements  
December 31, 2014

**NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)**

**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, 2014, the County's general fund showed an investment of \$2,351,521 in delinquent taxes as follows:

Tax certificates	\$ 2,111,939
Tax deeds	<u>239,582</u>
Total	<u><u>\$ 2,351,521</u></u>

An aging of the total delinquent taxes of \$2,351,521 on December 31, 2014 follows:

Year Acquired	Tax Certificates
Prior to 2010	\$ 10,939
2010	169,579
2011	328,592
2012	527,638
2013	<u>1,075,191</u>
	2,111,939
Tax Deeds	<u>239,582</u>
	<u><u>\$ 2,351,521</u></u>

Of the total of \$2,351,521 for delinquent taxes, \$311,684 was collected by the County within 60 days after December 31, 2014. The remaining unpaid balance of \$2,039,837 is recorded as nonspendable fund balance for the general fund.

**4. Restricted Assets**

Restricted assets on December 31, 2014 totaled \$742,663 consisting of cash and investments held for the following purposes:

Enterprise Fund	
MAR-OCO Joint Landfill	
Long-term care deposits	<u><u>\$ 742,663</u></u>

**OCONTO COUNTY, WISCONSIN**  
Notes to Financial Statements  
December 31, 2014

**NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)**

5. Capital Assets

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

	Beginning Balance	Increases	Decreases	Ending Balance
<b>Governmental activities:</b>				
Capital assets, not being depreciated:				
Land	\$ 11,806,968	\$ -	\$ -	\$ 11,806,968
Construction in progress	-	1,869,696	-	1,869,696
Total capital assets, not being depreciated	11,806,968	1,869,696	-	13,676,664
Capital assets, being depreciated:				
Improvements other than buildings	1,476,319	-	-	1,476,319
Buildings	16,107,128	-	-	16,107,128
Machinery and equipment	6,122,700	150,483	127,243	6,145,940
Infrastructure	135,959,860	2,262,166	-	138,222,026
Subtotals	159,666,007	2,412,649	127,243	161,951,413
Less accumulated depreciation for:				
Improvements other than buildings	840,166	57,502	-	897,668
Buildings	9,274,291	413,538	-	9,687,829
Machinery and equipment	4,813,326	251,600	122,476	4,942,450
Infrastructure	69,664,545	3,651,604	-	73,316,149
Subtotals	84,592,328	4,374,244	122,476	88,844,096
Total capital assets, being depreciated, net	75,073,679	(1,961,595)	4,767	73,107,317
Governmental activities capital assets, net	<u>\$ 86,880,647</u>	<u>\$ (91,899)</u>	<u>\$ 4,767</u>	86,783,981
Less related long-term debt outstanding				-
Net investment in capital assets				<u>\$ 86,783,981</u>
<b>Business-type activities:</b>				
Capital assets, not being depreciated:				
Land	\$ 123,716	\$ -	\$ -	\$ 123,716
Construction in progress	33,927	-	3,677	30,250
Total capital assets, not being depreciated	157,643	-	3,677	153,966
Capital assets, being depreciated:				
Improvements other than buildings	3,008,777	-	-	3,008,777
Buildings	5,175,119	-	-	5,175,119
Machinery and equipment	15,409,041	716,057	528,094	15,597,004
Other capital assets	52,792	-	-	52,792
Subtotals	23,645,729	716,057	528,094	23,833,692
Less accumulated depreciation for:				
Improvements other than buildings	2,184,729	87,216	-	2,271,945
Buildings	3,161,463	147,526	-	3,308,989
Machinery and equipment	9,821,031	649,895	455,956	10,014,970
Other capital assets	39,305	934	-	40,239
Subtotals	15,206,528	885,571	455,956	15,636,143
Total capital assets, being depreciated, net	8,439,201	(169,514)	72,138	8,197,549
Business-type activities capital assets, net	<u>\$ 8,596,844</u>	<u>\$ (169,514)</u>	<u>\$ 75,815</u>	8,351,515
Less related long-term debt outstanding				-
Net investment in capital assets				<u>\$ 8,351,515</u>

**OCONTO COUNTY, WISCONSIN**  
Notes to Financial Statements  
December 31, 2014

**NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)**

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

<b>Governmental activities</b>		
General government		\$ 363,503
Public safety		225,129
Public works		3,651,604
Health and human services		41,254
Culture and recreation		92,754
Total depreciation expense - governmental activities		<u>\$ 4,374,244</u>
<b>Business-type activities</b>		
Highway		\$ 736,993
Mar-Oco landfill		100,645
Recycling		47,933
Total depreciation expense - business-type activities		<u>\$ 885,571</u>

6. Interfund Transfers

Interfund transfers for the year ended December 31, 2014 were as follows:

	Transfer to:				Totals
	General Fund	Human Services	Capital Projects	Highway	
Transfers from:					
General fund	\$ -	\$ 63,962	\$ 2,000,000	\$ 34,843	\$ 2,098,805
County sales tax	886,842	-	-	-	886,842
Highway	530,400	-	-	-	530,400
Totals	<u>\$ 1,417,242</u>	<u>\$ 63,962</u>	<u>\$ 2,000,000</u>	<u>\$ 34,843</u>	<u>\$ 3,516,047</u>

Transfers are used to move revenues from the fund that is required to collect them to the fund that is required or allowed to expend them.

7. Long-term Obligations

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

	Outstanding 1/1/14	Issued	Retired	Outstanding 12/31/14	Due Within One Year
<b>Governmental activities:</b>					
Post-employment health benefits payable	\$ 692,859	\$ 187,573	\$ 58,000	\$ 822,432	\$ -
Compensated absences	615,015	55,677	-	670,692	-
Governmental activities Long-term obligations	<u>\$ 1,307,874</u>	<u>\$ 243,250</u>	<u>\$ 58,000</u>	<u>\$ 1,493,124</u>	<u>\$ -</u>
<b>Business-type activities:</b>					
Compensated absences	<u>\$ 214,651</u>	<u>\$ 56,249</u>	<u>\$ -</u>	<u>\$ 270,900</u>	<u>\$ -</u>

**OCONTO COUNTY, WISCONSIN**  
Notes to Financial Statements  
December 31, 2014

**NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)**

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

Legal Margin for New Debt

The County's legal margin for creation of additional general obligation debt on December 31, 2014 was \$177,775,005 as follows:

Equalized valuation of the County	\$ 3,555,500,100
Statutory limitation percentage	<u>(x) 5%</u>
General obligation debt limitation, per Section 67.03 of the Wisconsin Statutes	177,775,005
Net outstanding general obligation debt applicable to debt limitation	-
Legal Margin for New Debt	<u><u>\$ 177,775,005</u></u>

8. 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, 2014 follows:

	Landfill Closure Care	Landfill Postclosure Care
Total estimated costs	\$ 986,856	\$ 2,451,280
Percentage of storage capacity used as of December 31, 2014	83.60145%	55.98%
Total estimated liability for costs as of December 31, 2014	825,026	1,372,226
Less closure costs paid	678,725	-
Liabilities as of December 31, 2014	<u><u>\$ 146,301</u></u>	<u><u>\$ 1,372,226</u></u>

The above net liabilities of \$146,301 and \$1,372,226 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 \$1,372,226 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, 2014 was \$742,663.

**OCONTO COUNTY, WISCONSIN**  
**Notes to Financial Statements**  
**December 31, 2014**

**NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)**

9. Fund Equity

In the fund financial statements, portions of governmental fund balances are nonspendable and not available for appropriation or are legally restricted for use for a specific purpose. At December 31, 2014, fund balance was nonspendable as follows:

General Fund	
Nonspendable for delinquent property taxes	\$ 2,039,837
Nonspendable for inventories and prepaid items	66,439
	<u>\$ 2,106,276</u>
Special Revenue Fund	
Nonspendable for inventories and prepaid items	\$ 417

Also in the fund financial statements, portions of governmental fund balances have been committed or assigned to represent tentative management plans that are subject to change. At December 31, 2014, fund balance assigned was as follows:

Capital Projects Fund	
Committed for:	
New jail facility	\$ 3,136,764
General Fund	
Assigned for:	
Land conservation	\$ 11,198
Forestry/parks	221,306
LWR/LIS	254,040
UW-Extension	44,321
Law enforcement	44,021
Safety/risk management	4,308
Register of deeds ssn redaction project	104,723
Information services	34,137
Property maintenance	3,588
	<u>\$ 721,642</u>
Special Revenue Funds	
Assigned for subsequent year's expenditures	\$ 5,211,870

Minimum General Fund Balance Policy

The County Board has adopted a policy that general fund balance be maintained for cash flow, working capital and contingency purposes. The minimum fund balance amount is as follows:

Working capital	\$ 4,000,000
Contingencies	2,000,000
Minimum Fund Balance Amount	<u>\$ 6,000,000</u>

The County's unassigned general fund balance of \$8,299,176 is in compliance with the above minimum fund balance amount.

**OCONTO COUNTY, WISCONSIN**  
**Notes to Financial Statements**  
**December 31, 2014**

**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 employees initially employed by a participating WRS employer prior to July 1, 2011, expected to work at least 600 hours a year and expected to be employed for at least one year from employee's date of hire, are eligible to participate in the WRS. All employees initially employed by a participating WRS employer on or after July 1, 2011, and expected to work at least 1200 hours a year and expected to be employed for at least one year from employee's date of hire, are eligible to participate in the WRS.

Effective the first day of the first pay period on or after June 29, 2011, the employee required contribution was changed to one-half of the actuarially determined contribution rate for employees in the General Employment category, Executives and Elected Officials. Required contributions for protective contributions are the same rate as general employees. Employers are required to contribute the remainder of the actuarially determined contribution rate. The employer may not pay the employee required contribution unless provided for by an existing collective bargaining agreement.

Contribution rates for 2014 were:

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

The payroll for County employees covered by the WRS for the year ended December 31, 2014 was \$13,033,210; the employer's total payroll was \$14,318,169. The total required contribution for the year ended December 31, 2014 was \$1,888,442, which consisted of \$1,102,030, or 8.46% of covered payroll from the employer and \$786,412, or 6.03% of covered payroll from employees. Total contributions for the years ended December 31, 2013 and 2012 were \$1,775,034 and \$1,536,027, respectively, equal to the required contributions for each year.

Employees who retire at or after age 65 (62 for elected officials and 54 for protective occupation employees with less than 25 years of service, 53 for protective occupation employees with more than 25 years of service) are entitled to receive a retirement benefit. Employees may retire at age 55 (50 for protective occupation employees) and receive actuarially reduced benefits. The factors influencing the benefit are: (1) final average earnings, (2) years of creditable service and (3) a formula factor. A final average earnings is the average of the employee's three highest years' earnings. Employees terminating covered employment and submitting application before becoming eligible for a retirement benefit may withdraw their contributions and, by doing so, forfeit all rights to any subsequent benefit. For employees beginning participation on or after January 1, 1990 and no longer actively employed on or after April 24, 1998, creditable service in each of five years is required for eligibility for a retirement annuity. Participants employed prior to 1990 and on or after April 24, 1998 and prior to July 1, 2011 are immediately vested. Participants who initially became WRS eligible on or after July 1, 2011 must have five years of creditable service to be vested.

**OCONTO COUNTY, WISCONSIN**  
Notes to Financial Statements  
December 31, 2014

**NOTE D - OTHER INFORMATION (Continued)**

The WRS also provides death and disability benefits for employees. Eligibility and the amount of all benefits are determined under Chapter 40 of Wisconsin Statutes.

The WRS issues an annual financial report that may be obtained by writing to the Department of Employee Trust Funds, P.O. Box 7931, Madison, WI 53707-7931.

**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 terminates coverage. The retired employee contributes 100% of the premium. There are 205 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. Retiree payments are made directly to the insurance company by the retirees.

*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 County's net OPEB obligation.

Component	Amount
Annual required contribution	\$ 201,106
Interest on net OPEB	20,786
Adjustment to annual required contribution	<u>(34,319)</u>
Annual OPEB cost (expense)	187,573
Contributions made	<u>58,000</u>
Change in net OPEB obligation	129,573
OPEB obligation - beginning of year	<u>692,859</u>
OPEB obligation - end of year	<u><u>\$ 822,432</u></u>

The annual required contribution for the current year was determined as part of the January 1, 2013 actuarial valuation using the unit credit method. The actuarial assumptions included a 3% discount rate.

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, 2014 is 30 years, and the remaining amount is \$2,020,520.

**OCONTO COUNTY, WISCONSIN**  
**Notes to Financial Statements**  
**December 31, 2014**

**NOTE D - OTHER INFORMATION (Continued)**

*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 2014 and prior years is as follows:

Fiscal Year Ended	Annual OPEB Cost	Percentage Of Annual OPEB Cost Contributed	Net OPEB Obligation
12/31/2011	\$ 233,989	33.33%	\$ 420,169
12/31/2012	\$ 235,824	33.08%	\$ 577,993
12/31/2013	\$ 182,866	37.19%	\$ 692,859
12/31/2014	\$ 187,573	30.92%	\$ 822,432

*Funded Status and Funding Progress* - The funded status of the plan as of January 1, 2013, the most recent actuarial valuation date, was as follows:

Actuarial accrued liability (AAL)	\$ 2,020,520
Value of plan assets	-
Unfunded actuarial accrued liability (UAAL)	<u>\$ 2,020,520</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, 2013 actuarial valuation, the unit credit method was used. The actuarial assumptions included a rate of 3.0% to discount expected liabilities to the valuation date. The initial healthcare trend rate was 9.6% for medical and 5.0% for dental, reduced by decrements to an ultimate rate of 4.4% for medical and dental after 5 years. The UAAL is being amortized as a level dollar amount of projected payrolls on an open basis. The remaining amortization period at December 31, 2014 was 30 years.

**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.

**OCONTO COUNTY, WISCONSIN**  
Notes to Financial Statements  
December 31, 2014

**NOTE D - OTHER INFORMATION (Continued)**

4. Property Tax Levy Limit

Wisconsin state statutes provide for a limit on the property tax levies for all Wisconsin cities, villages, towns and counties. For the 2014 and 2015 budget years, the increase in the maximum allowable tax levy is limited to the percentage change in the County's January 1 equalized value as a result of net new construction. The actual limit for the County for the 2014 budget was .79%. The actual limit for the County for the 2015 budget was .76%. Debt service for debt authorized after July 1, 2005 is exempt from the levy limit. In addition, Wisconsin statutes allow the limit to be adjusted for the increase in debt service authorized prior to July 1, 2005 and in certain 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 Corporation Counsel that the likelihood is remote that any such claims or proceedings will have a material adverse effect on the County's financial position or results of operations.

6. Upcoming Accounting Pronouncements

In June 2012, the GASB issued GASB Statement No. 68, Accounting and Financial Reporting for Pensions. Statement No. 68 requires governments providing defined benefit pensions to recognize their unfunded pension benefit obligation as a liability, and to more comprehensively and comparably measure the annual costs of pension benefits. This net pension liability that will be recorded on the government-wide, proprietary and discretely presented component unit statements will be computed differently than the current unfunded actuarial accrued liability, using specific parameters set forth by the GASB. The Statement also enhances accountability and transparency through revised note disclosures and required supplemental information (RSI). The County is currently evaluating the impact this standard will have on the financial statements when adopted. The provisions of this Statement are effective for financial statements for the year ending December 31, 2015.

## **REQUIRED SUPPLEMENTARY INFORMATION**

**OCONTO COUNTY, WISCONSIN**  
**Schedule of Funding Progress**  
**Other Post-Employment Benefit Plan**  
**For the Year Ended December 31, 2014**

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
January 1, 2013	-	2,020,520	0.00%	2,020,520	N/A	N/A

**OCONTO COUNTY, WISCONSIN**  
**Schedule of Employer Contributions**  
**Other Post-Employment Benefit Plan**  
**For the Year Ended December 31, 2014**

Year Ended December 31,	Employer Contributions	Annual Required Contribution (ARC)	Percentage Contributed
2011	\$ 78,000	\$ 233,989	33.33%
2012	78,000	242,381	32.18%
2013	68,000	194,156	35.02%
2014	58,000	201,106	28.84%

## **SUPPLEMENTARY INFORMATION**

**OCONTO COUNTY, WISCONSIN**

General Fund

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

For the Year Ended December 31, 2014

(With summarized financial information for the year ended December 31, 2013)

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)	2013 Actual
	Original	Final			
<b>Revenues</b>					
<b>Taxes</b>					
Property tax	\$ 9,691,548	\$ 9,691,548	\$ 9,691,548	\$ -	\$ 9,737,058
Forest crop tax (county share)	100	100	63	(37)	55
Managed forest lands	20,000	20,000	31,567	11,567	21,952
Interest on delinquent taxes	800,000	800,000	690,043	(109,957)	685,627
Payments in lieu of taxes	28,000	28,000	30,700	2,700	30,494
Real estate transfer fees (county share)	60,000	60,000	82,255	22,255	77,208
State sales tax retained	120	120	126	6	131
<b>Total Taxes</b>	<b>10,599,768</b>	<b>10,599,768</b>	<b>10,526,302</b>	<b>(73,466)</b>	<b>10,552,525</b>
<b>Intergovernmental Grants and Aids</b>					
Federal park patrol	5,500	7,021	7,021	-	8,853
US Marshall ICAC	-	1,327	1,327	-	-
Federal Reimbursement	-	-	2,198	2,198	-
Federal EPA conservation project	60,000	153,026	153,026	-	87,314
State shared revenue	595,437	595,437	614,130	18,693	600,075
Exempted business computers	8,000	8,000	8,660	660	8,304
Circuit court support	127,946	127,946	127,930	(16)	127,922
Guardian ad litem support	28,337	28,337	28,505	168	28,337
Interpreter fees	3,500	3,500	998	(2,502)	1,530
Victim witness program	32,373	32,373	32,910	537	27,050
Forest crop & MFL	18,000	18,000	23,608	5,608	23,403
IV-D child support program	223,998	223,998	390,982	166,984	419,779
Commission on aging	104,587	106,135	106,135	-	104,587
Veterans service officer grant	10,000	10,000	10,000	-	12,491
UW extension family nutrition	4,599	4,599	2,719	(1,880)	-
Land records	5,000	5,000	-	(5,000)	46,195
Land conservation	402,000	202,000	192,529	(9,471)	133,355
Wildlife damage	25,563	1,459	1,459	-	12,277
Lake protection grant	50,000	43,189	43,189	-	56,006
Farmland Preservation	22,433	15,000	15,000	-	-
Private sewage systems-Wisconsin fund	-	21,103	21,103	-	30,847
Snowmobile trails	105,250	254,774	254,774	-	179,183
ATV trails	50,400	89,959	89,959	-	60,653
Recreation trail aids	-	-	-	-	9,200
Conservation	2,600	2,600	78,282	75,682	122,750
Wildlife habitat management	2,168	2,066	2,066	-	2,168
Forest roads	11,539	11,559	11,559	-	11,539
Forestry sustainable grant	-	11,000	11,000	-	-
Forestry administration grant	51,003	51,003	50,348	(655)	48,729
ED grant	1,142	1,142	1,143	1	1,142
National forest Title III	-	8,007	8,007	-	8,634
National forest income	-	231,004	231,004	-	146,774
ATV patrol	32,000	32,000	29,317	(2,683)	29,462
Snowmobile patrol	15,000	15,000	12,073	(2,927)	12,537
Water patrol	4,000	4,000	-	(4,000)	5,941
Police training	8,470	8,470	6,880	(1,590)	7,520

(Continued)

**OCONTO COUNTY, WISCONSIN**

General Fund

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

For the Year Ended December 31, 2014

(With summarized financial information for the year ended December 31, 2013)

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)	2013 Actual
	Original	Final			
<b>Revenues (Continued)</b>					
<b>Intergovernmental Grants and Aids (Continued)</b>					
OJA grant	-	134	134	-	105,000
Tribal law enforcement	26,000	24,381	24,381	-	25,851
Cease program	-	-	-	-	1,617
Sheriff-DNA sample reimbursement	600	600	460	(140)	143
DOC sanctions program	45,000	45,000	46,269	1,269	65,148
Emergency government-SARA grant	11,704	11,704	11,704	-	11,025
Emergency government (EMPG)	41,442	41,442	43,203	1,761	41,442
Homeland security	44,527	44,527	-	(44,527)	-
Land records-local grant	1,000	1,000	8,069	7,069	300
<b>Total Intergovernmental Grants and Aids</b>	<b>2,181,118</b>	<b>2,498,822</b>	<b>2,704,061</b>	<b>205,239</b>	<b>2,625,083</b>
<b>Licenses and Permits</b>					
County clerk-marriage licenses	2,500	2,500	2,972	472	2,635
County Clerk Domestic partner fees	-	-	35	35	-
Conservation licenses-County share	300	300	251	(49)	304
LWR-LIS permits and fees	6,000	6,000	7,188	1,188	5,703
<b>Zoning Fees and Permits</b>					
Land use permits	70,000	70,000	68,608	(1,392)	73,635
Land divisions-zoning share	6,000	6,000	7,188	1,188	5,703
Rezone hearings	17,000	17,000	16,275	(725)	12,755
Board of adjust hearings	22,000	22,000	27,150	5,150	25,775
Private sewage permits	71,500	71,500	87,445	15,945	81,404
Ag waste	1,850	1,850	1,500	(350)	1,200
County forest permits	3,000	3,000	2,695	(305)	3,450
<b>Total Licenses and Permits</b>	<b>200,150</b>	<b>200,150</b>	<b>221,307</b>	<b>21,157</b>	<b>212,564</b>
<b>Fines and Forfeits</b>					
County ordinance fines and forfeits	95,000	95,000	63,721	(31,279)	76,323
County share-state fines and forfeits	90,000	90,000	75,773	(14,227)	96,701
Ag use value penalties	2,500	2,500	1,937	(563)	634
<b>Total Fines and Forfeits</b>	<b>187,500</b>	<b>187,500</b>	<b>141,431</b>	<b>(46,069)</b>	<b>173,658</b>
<b>Public Charges For Services</b>					
Clerk of court fees	180,000	180,000	197,829	17,829	241,102
Family court commissioner charges	700	700	397	(303)	349
Volunteers in probation	-	-	75	75	-
Family mediation fees	7,500	7,500	8,105	605	6,905
Register in probate fees	16,000	16,000	22,327	6,327	12,993
District attorney-copier and service fees	5,500	5,500	6,242	742	8,745
County clerk-copies/directories charges	15	15	29	14	40
Treasurer-sales to public	400	400	652	252	397
Child support agency fees	3,100	3,100	2,689	(411)	4,770
Register of deeds fees	230,000	230,000	187,738	(42,262)	228,124
ROD-redaction project	-	41,025	41,025	-	52,365
Data processing miscellaneous sales	-	-	1,800	1,800	-
UW extension sales	800	800	1,585	785	1,592

(Continued)

**OCONTO COUNTY, WISCONSIN**

General Fund

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

For the Year Ended December 31, 2014

(With summarized financial information for the year ended December 31, 2013)

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)	2013 Actual
	Original	Final			
Revenues (Continued)					
Public Charges For Services (Continued)					
District resource management	-	-	-	-	259
Parenting newsletter	-	500	500	-	560
4-H outreach	-	10,044	10,044	-	13,222
Agriculture program	-	15,800	15,800	-	6,120
Family resources center	-	730	730	-	467
WiFund application fees	1,000	1,000	700	(300)	500
Non-metallic mining fees	26,000	26,000	26,155	155	29,675
Non-metallic reclaim review fees	500	500	500	-	650
LWR-physical address fees	6,600	6,600	5,717	(883)	5,883
Sale of platbooks	-	10,798	10,798	-	24,214
Sale of real estate listings	5,150	5,150	8,742	3,592	7,872
Land records modernization	63,000	63,000	47,748	(15,252)	61,650
Public access fees (land records)	23,000	23,000	16,218	(6,782)	20,550
LIS credit card charges	1,700	1,700	1,757	57	2,587
Sale of GIS maps	800	800	872	72	1,224
SOLO fees	9,000	9,000	25	(8,975)	8,100
County parks-Chute Pond	114,000	114,000	110,457	(3,543)	101,443
County parks-North Shore	68,225	68,225	65,862	(2,363)	67,735
Boat landing fees	36,500	39,748	39,748	-	41,770
Shooting range fees	22,500	6,682	6,682	-	23,706
County forest (including timber sales)	360,750	360,750	504,082	143,332	489,269
Sheriff Fees					
Impound vehicles	1,000	1,000	355	(645)	950
Paper service	70,000	70,000	40,675	(29,325)	53,623
Restitution	500	500	1,171	671	4,738
SSA incentives	5,000	5,000	6,817	1,817	6,600
Moving and escort fees	500	500	-	(500)	-
Sale of accident reports	1,200	1,200	1,241	41	1,128
Law enforcement fees-special deputy	2,800	2,800	3,634	834	2,342
Inmate telephone commission	5,000	5,000	8,091	3,091	6,640
Board of prisoners-Huber	35,000	35,000	29,937	(5,063)	33,565
Board of Prisoners Charges					
Booking fees	6,000	6,000	4,178	(1,822)	4,726
Medical and miscellaneous	1,500	1,500	282	(1,218)	1,129
Prescription medical	1,000	1,000	175	(825)	731
Pay to stay	25,000	25,000	17,982	(7,018)	17,219
GPS bracelet	46,000	46,000	16,555	(29,445)	41,862
Juvenile housing-charges to parents	6,000	6,000	2,995	(3,005)	4,162
<b>Total Public Charges For Services</b>	<b>1,389,240</b>	<b>1,455,567</b>	<b>1,477,718</b>	<b>22,151</b>	<b>1,644,253</b>

(Continued)

**OCONTO COUNTY, WISCONSIN**

General Fund

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

For the Year Ended December 31, 2014

(With summarized financial information for the year ended December 31, 2013)

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)	2013 Actual
	Original	Final			
<b>Revenues (Continued)</b>					
<b>Intergovernmental Charges For Services</b>					
<b>Charges to Other Local Governments</b>					
Election supplies to local governments	21,000	21,000	17,746	(3,254)	21,090
Technology svcs charges to local govt's	3,000	3,000	4,584	1,584	10,875
LIS charges to municipalities-postage	16,004	16,004	17,060	1,056	17,203
LWR-LCC NRDA project	20,000	20,000	14,610	(5,390)	12,001
Juvenile detention-other governments	-	-	-	-	56,850
Board of prisoners-other governments	45,000	45,000	22,660	(22,340)	27,342
Board of prisoners-municipal bookings	1,000	1,000	1,408	408	1,771
Surveyor charges	6,000	6,000	1,397	(4,603)	3,749
<b>Charges To County Departments</b>					
Clerk of courts charge-child support	27,836	27,836	27,159	(677)	27,831
Corporation counsel charge-child support	15,991	15,991	12,157	(3,834)	13,974
Technical service charges to depts	40,000	40,000	40,680	680	41,020
Recreational officer charges to forestry	23,400	23,400	21,400	(2,000)	21,400
Sheriff microwave rent to highway	2,400	2,400	2,400	-	-
<b>Total Intergovernmental Charges</b>	<b>221,631</b>	<b>221,631</b>	<b>183,261</b>	<b>(38,370)</b>	<b>255,106</b>
<b>Miscellaneous</b>					
<b>Interest</b>					
General investments	140,000	140,000	89,765	(50,235)	91,392
HRA/S125 interest allocation	2,375	2,375	-	(2,375)	-
<b>Property Sales</b>					
Sale of law enforcement squads	22,000	22,000	23,431	1,431	24,346
Sale of law enforcement items	-	-	3,900	3,900	5,219
Tax deeded property proceeds	69,000	69,000	216,993	147,993	71,267
Insurance premium refunds/dividends	47,630	47,630	61,253	13,623	71,482
Insurance recoveries-law enforcement	-	7,581	7,581	-	-
<b>Miscellaneous</b>					
Safety/risk management	-	10,771	10,771	-	10,025
Other	-	13,100	29,274	16,174	6,359
<b>Donations</b>					
Veterans service drivers mileage	-	-	1,952	1,952	5,187
K-9	-	9,215	9,215	-	19,549
Recreation enforcement	500	500	-	(500)	3,200
<b>Total Miscellaneous</b>	<b>281,505</b>	<b>322,172</b>	<b>454,135</b>	<b>131,963</b>	<b>308,026</b>
<b>Total Revenues</b>	<b>15,060,912</b>	<b>15,485,610</b>	<b>15,708,215</b>	<b>222,605</b>	<b>15,771,215</b>
<b>Other Financing Sources</b>					
<b>Transfers In</b>					
County sales tax	4,010,000	960,000	886,842	(73,158)	1,333,602
Highway	530,400	530,400	530,400	-	530,400
Human services	-	-	-	-	400,000
<b>Total Financing Services</b>	<b>4,540,400</b>	<b>1,490,400</b>	<b>1,417,242</b>	<b>(73,158)</b>	<b>2,264,002</b>
<b>Total Revenues and Other Financing Sources</b>	<b>\$ 19,601,312</b>	<b>\$ 16,976,010</b>	<b>\$ 17,125,457</b>	<b>\$ 149,447</b>	<b>\$ 18,035,217</b>

**OCONTO COUNTY, WISCONSIN**

General Fund

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

For the Year Ended December 31, 2014

(With summarized financial information for the year ended December 31, 2013)

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)	2013 Actual
	Original	Final			
<b>Expenditures</b>					
<b>General Government</b>					
<b>Legislative</b>					
County board & committees	\$ 190,094	\$ 190,094	\$ 173,477	\$ 16,617	\$ 169,575
<b>Judicial</b>					
Clerk of courts	538,686	605,943	584,619	21,324	620,866
Circuit court branch I & II	163,778	164,054	155,250	8,804	160,334
Register In probate	144,716	145,496	148,914	(3,418)	152,980
Family court commissioner	135,209	144,171	143,113	1,058	138,583
Mediation	26,571	26,571	26,995	(424)	26,493
Law library	4,150	4,150	2,970	1,180	4,040
Medical examiner	94,730	94,730	89,994	4,736	88,784
<b>Legal</b>					
District attorney	199,061	201,275	187,235	14,040	194,695
Victim witness program	56,751	60,451	60,979	(528)	58,141
Corporation counsel	175,128	177,047	162,232	14,815	140,674
<b>General Administration</b>					
Administrative-coordinator	186,194	188,393	180,032	8,361	225,893
County clerk	205,104	206,182	193,641	12,541	193,659
Elections	84,680	84,680	66,115	18,565	31,564
Labor negotiations	2,500	2,500	2,761	(261)	11,209
HRA administration	13,000	13,000	13,781	(781)	12,883
S125 administration	1,300	1,300	618	682	652
County wellness program	-	15,231	10,924	4,307	8,991
Technology information services	675,351	681,330	662,399	18,931	662,073
T/S-county van	-	5,993	(2,323)	8,316	2,115
T/S VOIP	-	23,535	5,491	18,044	(4,475)
Platbooks	-	46,002	3,373	42,629	20,903
<b>Financial Administration</b>					
<b>Accounting</b>					
Finance department	212,458	214,924	212,860	2,064	210,342
Independent auditing	48,640	48,640	49,610	(970)	48,640
Special accounting & reporting	6,410	6,410	6,410	-	15,910
Charges to depts for audit	(16,790)	(16,790)	(17,090)	300	(16,790)
<b>Treasury</b>					
County treasurer	181,373	181,956	175,167	6,789	174,586
<b>Assessment of Property</b>					
Property tax listing	175,190	179,336	181,699	(2,363)	174,977
Assessor of incomes	480	480	95	385	169
Tax deeds	17,900	17,900	21,221	(3,321)	20,651
<b>Risk and Property Management</b>					
Safety/risk manager	33,878	34,258	31,650	2,608	35,558
<b>General Buildings and Plant</b>					
Courthouse property & maintenance	720,434	725,603	686,673	38,930	642,551

(Continued)

**OCONTO COUNTY, WISCONSIN**

General Fund

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

For the Year Ended December 31, 2014

(With summarized financial information for the year ended December 31, 2013)

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)	2013 Actual
	Original	Final			
<b>Expenditures (Continued)</b>					
<b>General Government (Continued)</b>					
<b>Property Records and Control</b>					
Register of deeds	229,323	230,816	227,147	3,669	234,682
Register of deeds-redaction project	-	143,075	39,405	103,670	23,823
County surveyor	199,361	208,202	191,021	17,181	205,068
Physical address program	32,630	32,762	29,475	3,287	29,642
Land records modernization	160,962	373,031	119,118	253,913	139,486
<b>Uncollectable Taxes and Assessments</b>					
Uncollectable personal property taxes	10,000	10,000	129	9,871	937
<b>Non-Departmental Insurance</b>					
Property and liability insurance	360,400	301,900	295,745	6,155	320,943
Workers compensation insurance	360,000	388,500	391,552	(3,052)	328,669
Charges to departments-P&L insurance	(250,000)	(250,000)	(243,205)	(6,795)	(240,635)
Charges to departments-workers comp	(330,000)	(330,000)	(395,244)	65,244	(320,896)
Unemployment compensation	5,000	9,576	9,576	-	7,848
Retirement payouts	100,000	135,639	135,638	1	-
<b>Other General Government</b>					
Contingent fund	500,000	195,542	-	195,542	-
State special charges	401	401	-	401	-
Other general	-	-	244	(244)	219
<b>Total General Government</b>	<b>5,655,053</b>	<b>5,924,289</b>	<b>5,021,486</b>	<b>902,803</b>	<b>4,957,012</b>
<b>Public Safety</b>					
<b>Law Enforcement</b>					
Sheriff	3,092,074	3,136,592	3,174,190	(37,598)	3,119,011
K-9 program	-	49,798	5,778	44,020	20,888
Cease program	-	9,090	-	9,090	437
Federal asset forfeiture program	-	2,734	-	2,734	-
Tribal enforcement	26,000	24,381	24,415	(34)	21,196
Watercraft patrol enforcement	1,000	1,000	741	259	2,195
ATV patrol enforcement	2,500	2,500	98	2,402	2,009
Snowmobile patrol enforcement	2,000	2,000	518	1,482	3,679
Nicolet forest patrol	5,500	7,021	7,893	(872)	5,557
Recreation enforcement	136,410	137,551	137,945	(394)	136,127
Telecommunications/911 dispatch	871,822	880,907	856,758	24,149	864,659
OJA grant project	-	-	-	-	105,000
Highway safety commission	900	900	1,406	(506)	-
<b>Correction and Detentions</b>					
County jail	2,505,759	2,527,507	2,399,541	127,966	2,137,046
Juvenile detention	-	-	-	-	168,860
<b>Other Public Safety</b>					
EMS council	1,000	1,000	125	875	1,000
Emergency government	55,541	55,541	53,069	2,472	79,192
Emergency government-SARA	21,079	21,079	21,259	(180)	20,806
Emergency government-Homeland	-	-	30,231	(30,231)	-
Security	44,527	44,527	-	44,527	-
<b>Total Public Safety</b>	<b>6,766,112</b>	<b>6,904,128</b>	<b>6,713,967</b>	<b>190,161</b>	<b>6,687,662</b>

(Continued)

**OCONTO COUNTY, WISCONSIN**

General Fund

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

For the Year Ended December 31, 2014

(With summarized financial information for the year ended December 31, 2013)

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)	2013 Actual
	Original	Final			
<b>Expenditures (Continued)</b>					
<b>Public Works</b>					
Transportation					
Airport	25,431	25,431	25,431	-	20,966
Sanitation					
Private sewage system regulation	182,604	183,513	184,324	(811)	187,063
<b>Total Public Works</b>	<b>208,035</b>	<b>208,944</b>	<b>209,755</b>	<b>(811)</b>	<b>208,029</b>
<b>Health and Human Services</b>					
Aging					
Commission on aging	140,594	142,142	142,452	(310)	139,594
Senior citizens center	3,275	3,275	3,275	-	3,275
Veterans					
Veterans service officer	130,241	131,228	121,273	9,955	123,365
Veterans relief	3,700	3,700	881	2,819	3,205
Care of veterans graves	1,560	1,560	1,560	-	1,560
Other					
Child support agency	428,674	434,041	436,745	(2,704)	405,112
<b>Total Health and Human Services</b>	<b>708,044</b>	<b>715,946</b>	<b>706,186</b>	<b>9,760</b>	<b>676,111</b>
<b>Culture and Recreation</b>					
Culture					
Libraries	499,683	499,683	495,939	3,744	501,028
Historical society	10,000	10,000	10,000	-	9,991
Recreation					
County parks	295,128	296,179	279,805	16,374	285,351
Machickanee shooting range	22,500	83,344	6,531	76,813	6,036
County boat landings	36,500	156,675	15,641	141,034	13,724
County snowmobile trails	105,250	294,383	221,503	72,880	240,193
County ATV trails	50,400	121,947	80,290	41,657	83,397
State Recreational Aid Projects	-	9,200	9,200	-	-
County fair	10,400	10,400	10,400	-	10,400
Education					
UW-extension program	289,881	290,420	273,961	16,459	275,434
Extension homemakers	600	600	600	-	600
Parenting newsletter	-	4,302	2,137	2,165	1,619
UW-X family resource center	-	5,598	888	4,710	872
UW-X district resource management	-	14,023	1,310	12,713	736
4-H outreach	-	18,480	9,352	9,128	13,894
UW-X AG newsletter	-	19,530	4,074	15,456	5,947
<b>Total Culture and Recreation</b>	<b>1,320,342</b>	<b>1,834,764</b>	<b>1,421,631</b>	<b>413,133</b>	<b>1,449,222</b>

(Continued)

**OCONTO COUNTY, WISCONSIN**

General Fund

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

For the Year Ended December 31, 2014

(With summarized financial information for the year ended December 31, 2013)

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)	2013 Actual
	Original	Final			
<b>Expenditures (Continued)</b>					
<b>Development</b>					
<b>Resource Conservation</b>					
County forestry	314,665	356,966	337,133	19,833	333,057
Forest roads	11,539	48,293	8,559	39,734	12,230
National forest pass-through payments	-	231,004	231,004	-	146,774
Conservation projects	2,600	2,600	30	2,570	9,200
Wildlife habitat management	2,168	7,177	2,211	4,966	260
County forest land acquisition	-	4,209	750	3,459	180
County dams	1,620	1,620	2,563	(943)	51,952
Title III	-	16,641	-	16,641	-
S/A county forestry	-	11,000	11,000	-	-
Land conservation	619,005	423,868	379,152	44,716	318,761
Wildlife damage program	25,563	1,459	9,379	(7,920)	7,528
LWR coastal management	60,000	194,733	132,640	62,093	60,705
LWR AIS project	50,000	43,189	40,603	2,586	49,030
LWR administration	19,160	19,160	18,099	1,061	14,962
<b>Planning and Zoning</b>					
Bay Lake Regional Planning Commission	17,727	17,727	17,727	-	17,468
Zoning	242,941	244,345	239,458	4,887	237,696
Board of adjustments	17,583	17,583	14,023	3,560	12,409
Land use planning	66,761	68,763	54,802	13,961	66,667
Private sewage systems-Wisconsin fund	-	21,103	21,103	-	30,847
Salvage yard cleanup	500	500	147	353	-
Farmland preservation project	22,433	15,000	15,000	-	3,406
<b>Economic Development</b>					
Oconto County EDC	277,022	277,022	277,022	-	277,022
<b>Total Development</b>	<b>1,751,287</b>	<b>2,023,962</b>	<b>1,812,405</b>	<b>211,557</b>	<b>1,650,154</b>
<b>Capital Outlay</b>					
<b>General Public Buildings and Other</b>					
<b>General Government</b>					
Courthouse	190,000	203,100	186,695	16,405	210,535
Computer hardware and software	160,000	201,563	167,167	34,396	284,255
<b>Law Enforcement</b>					
Radio & communication system	205,000	205,000	200,461	4,539	13,356
Vehicles and squads	160,000	160,000	160,960	(960)	161,083
Jail	3,000,000	-	-	-	-
<b>Other</b>					
Forestry projects and outlay	250,000	200,000	136,684	63,316	174,007
County board	-	-	-	-	31,367
<b>Total Capital Outlay</b>	<b>3,965,000</b>	<b>969,663</b>	<b>851,967</b>	<b>117,696</b>	<b>874,603</b>
<b>Other Financing Uses</b>					
<b>Transfers out</b>					
Capital Projects	-	2,098,805	2,098,805	-	3,000,000
<b>Total Expenditures and Other Financing Uses</b>	<b>\$ 20,373,873</b>	<b>\$ 20,680,501</b>	<b>\$ 18,836,202</b>	<b>\$ 1,844,299</b>	<b>\$ 19,502,793</b>

**OCONTO COUNTY, WISCONSIN**

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
County Roads and Bridges  
For the Year Ended December 31, 2014

(With summarized financial information for the year ended December 31, 2013)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)	2013 Actual
	Original	Final			
<b>Revenues</b>					
<b>Taxes</b>					
Taxes - property tax levy	\$ 3,402,688	\$ 3,402,688	\$ 3,402,688	\$ -	\$ 3,222,541
Special purpose levy - local bridge	74,256	74,256	74,256	-	28,213
<b>Total Taxes</b>	<b>3,476,944</b>	<b>3,476,944</b>	<b>3,476,944</b>	<b>-</b>	<b>3,250,754</b>
<b>Intergovernmental</b>					
State transportation aids	1,018,410	1,018,410	958,866	(59,544)	1,014,629
State STP projects	-	-	3,199	3,199	53,057
State LRIP	6,149	6,149	12,594	6,445	300
State local bridge	85,260	85,260	58,911	(26,349)	19,259
State CHIP	72,081	72,081	144,161	72,080	72,759
<b>Total Intergovernmental</b>	<b>1,181,900</b>	<b>1,181,900</b>	<b>1,177,731</b>	<b>(4,169)</b>	<b>1,160,004</b>
<b>Total Revenues</b>	<b>4,658,844</b>	<b>4,658,844</b>	<b>4,654,675</b>	<b>(4,169)</b>	<b>4,410,758</b>
<b>Expenditures</b>					
<b>Public Works</b>					
CTHS admin	440,465	440,465	411,992	28,473	385,793
Maintenance	1,449,575	1,449,575	1,705,483	(255,908)	1,426,843
Snow removal	752,806	752,806	1,100,995	(348,189)	1,080,975
Hot mix maintenance	1,389,749	1,389,749	1,262,532	127,217	1,265,536
Gravel maintenance	101,588	101,588	62,845	38,743	51,163
STP before/after (county)	5,000	5,000	-	5,000	4,155
CHIP program	355,000	355,000	265,043	89,957	102,874
Safer bridge program	270,521	270,521	195,263	75,258	51,164
Co aid bridges	74,256	74,256	46,213	28,043	35,613
<b>Total Expenditures</b>	<b>4,838,960</b>	<b>4,838,960</b>	<b>5,050,366</b>	<b>(211,406)</b>	<b>4,404,116</b>
<b>Net Change in Fund Balance</b>	<b>(180,116)</b>	<b>(180,116)</b>	<b>(395,691)</b>	<b>(215,575)</b>	<b>6,642</b>
<b>Fund Balance - January 1</b>	<b>1,560,183</b>	<b>1,560,183</b>	<b>1,560,183</b>	<b>-</b>	<b>1,553,541</b>
<b>Fund Balance - December 31</b>	<b>\$ 1,380,067</b>	<b>\$ 1,380,067</b>	<b>\$ 1,164,492</b>	<b>\$ (215,575)</b>	<b>\$ 1,560,183</b>

**OCONTO COUNTY, WISCONSIN**

Combining Balance Sheet

Nonmajor Governmental Funds

December 31, 2014

(With summarized financial information as of December 31, 2013)

	Jail Assessment	County Sales Tax	State Grant Loan Fund	Tri-County Loan Fund
<b>ASSETS</b>				
Cash and investments	\$ 85,434	\$ 2,010,869	\$ 191,307	\$ 34,027
Receivables				
Accounts	-	-	-	-
Notes	-	-	77,857	31,950
	<hr/>			
<b>TOTAL ASSETS</b>	<b>\$ 85,434</b>	<b>\$ 2,010,869</b>	<b>\$ 269,164</b>	<b>\$ 65,977</b>
<hr/>				
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>				
Liabilities				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Due to other governments	-	-	-	-
Total Liabilities	-	-	-	-
	<hr/>			
Deferred Inflow of Resources				
Loans receivable	-	-	77,857	31,950
	<hr/>			
Fund Balances				
Assigned for				
Special revenue funds	85,434	2,010,869	191,307	34,027
	<hr/>			
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>	<b>\$ 85,434</b>	<b>\$ 2,010,869</b>	<b>\$ 269,164</b>	<b>\$ 65,977</b>
	<hr/>			

County Revolving Loan Fund	Section 125 & HRA Plans	Dog Licenses	Commission on Aging Transportation	Jail Canteen	Total Nonmajor Governmental Funds	
					2014	2013
\$ 591,321	\$ 687,805	\$ 19,090	\$ 13,843	\$ 11,478	\$ 3,645,174	\$ 2,788,534
-	-	-	-	1,500	1,500	1,789
372,963	-	-	-	-	482,770	566,277
<u>\$ 964,284</u>	<u>\$ 687,805</u>	<u>\$ 19,090</u>	<u>\$ 13,843</u>	<u>\$ 12,978</u>	<u>\$ 4,129,444</u>	<u>\$ 3,356,600</u>
\$ -	\$ 669,415	\$ -	\$ -	\$ -	\$ 669,415	\$ 667,067
-	-	664	-	-	664	-
-	669,415	664	-	-	670,079	667,067
372,963	-	-	-	-	482,770	566,277
591,321	18,390	18,426	13,843	12,978	2,976,595	2,123,256
<u>\$ 964,284</u>	<u>\$ 687,805</u>	<u>\$ 19,090</u>	<u>\$ 13,843</u>	<u>\$ 12,978</u>	<u>\$ 4,129,444</u>	<u>\$ 3,356,600</u>

**OCONTO COUNTY, WISCONSIN**  
Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
Nonmajor Governmental Funds  
For the Year Ended December 31, 2014  
(With summarized financial information for the year ended December 31, 2013)

	Jail Assessment	County Sales Tax	State Grant Loan Fund	Tri-County Loan Fund
<b>Revenues</b>				
Taxes	\$ -	\$ 1,642,856	\$ -	\$ -
Licenses and permits	-	-	-	-
Fines and forfeits	32,700	-	-	-
Miscellaneous	-	-	19,930	6,377
<b>Total Revenues</b>	<u>32,700</u>	<u>1,642,856</u>	<u>19,930</u>	<u>6,377</u>
<b>Expenditures</b>				
<b>Current</b>				
General government	-	-	-	-
Public safety	33,636	-	-	-
Health and human services	-	-	-	-
Development	-	-	2,350	2,000
<b>Total Expenditures</b>	<u>33,636</u>	<u>-</u>	<u>2,350</u>	<u>2,000</u>
<b>Excess of Revenues Over (Under)</b>				
<b>Expenditures</b>	<u>(936)</u>	<u>1,642,856</u>	<u>17,580</u>	<u>4,377</u>
<b>Other Financing Uses</b>				
<b>Transfers out</b>	<u>-</u>	<u>(886,842)</u>	<u>-</u>	<u>-</u>
<b>Net Change in Fund Balances</b>	<u>(936)</u>	<u>756,014</u>	<u>17,580</u>	<u>4,377</u>
<b>Fund Balances - January 1</b>	<u>86,370</u>	<u>1,254,855</u>	<u>173,727</u>	<u>29,650</u>
<b>Fund Balances - December 31</b>	<u>\$ 85,434</u>	<u>\$ 2,010,869</u>	<u>\$ 191,307</u>	<u>\$ 34,027</u>

County Revolving Loan Fund	Section 125 & HRA Plans	Dog Licenses	Commission on Aging Transportation	Jail Canteen	Total Nonmajor Governmental Funds	
					2014	2013
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,642,856	\$ 1,575,993
-	-	11,877	-	-	11,877	13,303
-	-	-	-	-	32,700	35,442
106,096	349	-	7,329	19,086	159,167	148,403
106,096	349	11,877	7,329	19,086	1,846,600	1,773,141
-	66	-	-	-	66	34
-	-	-	-	18,527	52,163	64,987
-	-	12,641	-	-	12,641	19,111
37,199	-	-	-	-	41,549	126,941
37,199	66	12,641	-	18,527	106,419	211,073
68,897	283	(764)	7,329	559	1,740,181	1,562,068
-	-	-	-	-	(886,842)	(1,333,602)
68,897	283	(764)	7,329	559	853,339	228,466
522,424	18,107	19,190	6,514	12,419	2,123,256	1,894,790
\$ 591,321	\$ 18,390	\$ 18,426	\$ 13,843	\$ 12,978	\$ 2,976,595	\$ 2,123,256

**OCONTO COUNTY, WISCONSIN**

Jail Assessment Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
For the Year Ended December 31, 2014

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Fines and forfeits				
Jail assessment surcharge	\$ -	\$ -	\$ 32,700	\$ 32,700
<b>Expenditures</b>				
Public safety				
Jail maintenance and improvements	-	-	33,636	(33,636)
<b>Net Change in Fund Balance</b>	<u>\$ -</u>	<u>\$ -</u>	(936)	<u>\$ (936)</u>
<b>Fund Balance - January 1</b>			<u>86,370</u>	
<b>Fund Balance - December 31</b>			<u>\$ 85,434</u>	

**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, 2014

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Taxes				
County sales tax collections	\$ 1,500,000	\$ 1,500,000	\$ 1,642,856	\$ 142,856
Other Financing Sources (Uses)				
Transfers to general fund	(965,000)	(965,000)	(886,842)	78,158
Net Change in Fund Balance	<u>\$ 535,000</u>	<u>\$ 535,000</u>	756,014	<u>\$ 221,014</u>
Fund Balance - January 1			<u>1,254,855</u>	
Fund Balance - December 31			<u>\$ 2,010,869</u>	

**OCONTO COUNTY, WISCONSIN**

Revolving Loan Funds

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

For the Year Ended December 31, 2014

	Budgeted Amounts		Actual				Variance with Final Budget Positive (Negative)
			State Grant Loan Fund	Tri-County Loan Fund	County Revolving Loan Fund	Total 2014	
	Original	Final					
<b>Revenues</b>							
Miscellaneous							
Loan repayments							
Principal	\$ -	\$ -	\$ 17,447	\$ 5,337	\$ 95,714	\$ 118,498	\$ 118,498
Interest	-	-	2,242	1,019	10,016	13,277	13,277
Service fees and interest	-	-	241	21	366	628	628
<b>Total Revenues</b>	<b>-</b>	<b>-</b>	<b>19,930</b>	<b>6,377</b>	<b>106,096</b>	<b>132,403</b>	<b>132,403</b>
<b>Expenditures</b>							
Development							
Disbursement of development loans	-	-	-	-	34,850	34,850	(34,850)
Administration	-	-	2,350	2,000	2,349	6,699	(6,699)
<b>Total Expenditures</b>	<b>-</b>	<b>-</b>	<b>2,350</b>	<b>2,000</b>	<b>37,199</b>	<b>41,549</b>	<b>(41,549)</b>
<b>Net Change in Fund Balances</b>	<b>\$ -</b>	<b>\$ -</b>	<b>17,580</b>	<b>4,377</b>	<b>68,897</b>	<b>90,854</b>	<b>\$ 90,854</b>
Fund Balances - January 1			173,727	29,650	522,424	725,801	
Fund Balances - December 31			\$ 191,307	\$ 34,027	\$ 591,321	\$ 816,655	

**OCONTO COUNTY, WISCONSIN**

Dog License Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
For the Year Ended December 31, 2014

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Licenses and permits				
Dog licenses	\$ -	\$ -	\$ 11,877	\$ 11,877
Expenditures				
Health and human services				
Dog licensing costs	-	-	12,641	(12,641)
Net Change in Fund Balance	\$ -	\$ -	(764)	\$ (764)
Fund Balance - January 1			19,190	
Fund Balance - December 31			\$ 18,426	

**OCONTO COUNTY, WISCONSIN**  
**Commission on Aging Transportation 85.21 Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual**  
**For the Year Ended December 31, 2014**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Miscellaneous				
Other	\$ -	\$ -	\$ 7,325	\$ 7,325
Interest	-	-	4	4
<b>Total Revenues</b>	<b>-</b>	<b>-</b>	<b>7,329</b>	<b>7,329</b>
<b>Expenditures</b>				
<b>Total Expenditures</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Change in Fund Balance</b>	<b>\$ -</b>	<b>\$ -</b>	<b>7,329</b>	<b>\$ 7,329</b>
<b>Fund Balance - January 1</b>			<b>6,514</b>	
<b>Fund Balance - December 31</b>			<b>\$ 13,843</b>	

**OCONTO COUNTY, WISCONSIN**

Jail Canteen Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
For the Year Ended December 31, 2014

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Miscellaneous				
Jail canteen sales	\$ -	\$ -	\$ 19,086	\$ 19,086
<b>Expenditures</b>				
Public safety				
Jail canteen purchases	-	-	18,527	(18,527)
<b>Net Change in Fund Balance</b>	<u>\$ -</u>	<u>\$ -</u>	559	<u>\$ 559</u>
<b>Fund Balance - January 1</b>			<u>12,419</u>	
<b>Fund Balance - December 31</b>			<u>\$ 12,978</u>	

**OCONTO COUNTY, WISCONSIN**

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

Highway Enterprise Fund

For the Year Ended December 31, 2014

(With summarized financial information for the year ended December 31, 2013)

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)	2013 Actual
	Original	Final			
<b>Revenues</b>					
<b>Intergovernmental Charges for Services</b>					
<b>State</b>					
Administration	\$ 196,960	\$ 196,960	\$ 169,305	\$ (27,655)	\$ 203,479
Maintenance	848,400	848,400	571,061	(277,339)	799,895
Snow/ice control	483,900	483,900	785,152	301,252	789,722
State unclassified maintenance	8,800	8,800	12,194	3,394	31,679
State roadside special maintenance	73,500	73,500	130,342	56,842	110,718
State other	35,900	35,900	80,998	45,098	89,759
State insurance claims	-	-	69,918	69,918	35,876
State records and reports	-	-	110,440	110,440	132,366
State 1% small tools	-	-	4,848	4,848	1,626
<b>Total State</b>	<b>1,647,460</b>	<b>1,647,460</b>	<b>1,934,258</b>	<b>286,798</b>	<b>2,195,120</b>
Other local governments	1,863,947	1,863,947	2,501,855	637,908	2,757,732
Local (county) departments	168,510	168,510	94,081	(74,429)	57,790
Local CTHS transportation payments	4,838,960	4,838,960	5,004,154	165,194	4,368,502
<b>Total Other Local Governments</b>	<b>6,871,417</b>	<b>6,871,417</b>	<b>7,600,090</b>	<b>728,673</b>	<b>7,184,024</b>
<b>Total Intergovernmental Charges for Services</b>	<b>8,518,877</b>	<b>8,518,877</b>	<b>9,534,348</b>	<b>1,015,471</b>	<b>9,379,144</b>
<b>Public Charges for Services</b>					
Licenses and permits	6,900	6,900	7,031	131	3,340
<b>Total Operating Revenues</b>	<b>8,525,777</b>	<b>8,525,777</b>	<b>9,541,379</b>	<b>1,015,602</b>	<b>9,382,484</b>

(Continued)

**OCONTO COUNTY, WISCONSIN**

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

Highway Enterprise Fund (Continued)

For the Year Ended December 31, 2014

(With summarized financial information for the year ended December 31, 2013)

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)	2013 Actual
	Original	Final			
<b>Expenses</b>					
<b>Highway Administration</b>					
Highway administration	440,465	440,465	422,107	18,358	395,805
Supervision	177,107	177,107	125,700	51,407	147,632
Radio expense	15,400	15,400	13,758	1,642	10,687
General public liability	22,000	22,000	20,034	1,966	21,880
Alcohol and drug testing	2,203	2,203	2,308	(105)	2,105
Safety meeting	39,142	39,142	35,074	4,068	39,779
State administration	15,361	15,361	14,171	1,190	15,068
<b>Total Highway Administration</b>	<b>711,678</b>	<b>711,678</b>	<b>633,152</b>	<b>78,526</b>	<b>632,956</b>
<b>Highway Maintenance and Construction</b>					
<b>County Trunk Highway System</b>					
Transportation cost pool	-	-	(51)	51	(121,345)
Routine maintenance	1,449,575	1,449,575	1,922,884	(473,309)	1,612,244
Snow/ice control	752,806	752,806	1,100,996	(348,190)	1,080,975
Hot mix and seal coating	1,389,749	1,389,749	1,262,532	127,217	1,265,536
Gravel maintenance	101,588	101,588	62,845	38,743	51,163
STP other	5,000	5,000	-	5,000	4,155
CHIP	355,000	355,000	264,954	90,046	102,874
Safer bridge program	270,524	270,524	195,263	75,261	51,164
<b>Total Highway Maintenance and Construction</b>	<b>4,324,242</b>	<b>4,324,242</b>	<b>4,809,423</b>	<b>(485,181)</b>	<b>4,046,766</b>
<b>State Trunk Highway System</b>					
Maintenance	848,400	848,400	530,544	317,856	786,199
Snow and ice control	483,900	483,900	795,457	(311,557)	767,067
State miscellaneous charges	-	-	41,663	(41,663)	31,227
State bridge maintenance	8,800	8,800	14,528	(5,728)	-
STHS roadside maintenance	73,500	73,500	85,220	(11,720)	111,078
State signage and traffic control	35,900	35,900	26,791	9,109	15,174
State insurance accident reports	-	-	70,301	(70,301)	35,832
<b>Total State Trunk Highway System</b>	<b>1,450,500</b>	<b>1,450,500</b>	<b>1,564,504</b>	<b>(114,004)</b>	<b>1,746,577</b>
Local government-road maintenance	1,560,679	1,560,679	1,260,499	300,180	1,520,476
Local government-snow and ice control	303,268	303,268	684,129	(380,861)	745,125
Local government-bridge maintenance	-	-	126,217	(126,217)	84,163
<b>Total Local Governments</b>	<b>1,863,947</b>	<b>1,863,947</b>	<b>2,070,845</b>	<b>(206,898)</b>	<b>2,349,764</b>
Local Departments	168,510	168,510	207,640	(39,130)	133,366
<b>Total Local Governments and Departments</b>	<b>2,032,457</b>	<b>2,032,457</b>	<b>2,278,485</b>	<b>(246,028)</b>	<b>2,483,130</b>
<b>Total Operating Expenses</b>	<b>8,518,877</b>	<b>8,518,877</b>	<b>9,285,564</b>	<b>(766,687)</b>	<b>8,909,429</b>
<b>Operating Income</b>	<b>\$ 6,900</b>	<b>\$ 6,900</b>	<b>\$ 255,815</b>	<b>\$ 248,915</b>	<b>\$ 473,055</b>

**OCONTO COUNTY, WISCONSIN**

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

Recycling Enterprise Fund

For the Year Ended December 31, 2014

(With comparative amounts for the year ended December 31, 2013)

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)	2013 Actual
	Original	Final			
<b>Operating Revenues</b>					
<b>Intergovernmental Charges for Services</b>					
Waste tires disposal	\$ 20,000	\$ 20,000	\$ 16,047	\$ (3,953)	\$ 14,922
Freon disposal	6,000	6,000	6,762	762	1,635
Materials buy-back	500	500	-	(500)	226
<b>Total Intergovernmental Charges</b>	<b>26,500</b>	<b>26,500</b>	<b>22,809</b>	<b>(3,691)</b>	<b>16,783</b>
<b>Public Charges for Services</b>					
Tipping fees	200	200	-	(200)	-
Custom bailing	1,500	1,500	3,629	2,129	-
Electronics disposal	12,000	12,000	19,211	7,211	13,599
<b>Total Public Charges for Services</b>	<b>13,700</b>	<b>13,700</b>	<b>22,840</b>	<b>9,140</b>	<b>13,599</b>
<b>Miscellaneous</b>					
Sales of recyclable materials	256,200	256,200	256,211	11	253,466
<b>Total Revenues</b>	<b>296,400</b>	<b>296,400</b>	<b>301,860</b>	<b>5,460</b>	<b>283,848</b>
<b>Operating Expenses</b>					
<b>Public Works</b>					
Personnel	248,020	248,020	241,335	6,685	246,068
Consulting and professional svcs	14,500	14,500	12,513	1,987	21,390
Utility services	14,900	14,900	17,035	(2,135)	14,989
Purchased repairs and maintenance	17,000	17,000	21,019	(4,019)	31,650
Purchased services-other	180,000	180,000	195,751	(15,751)	201,173
Electronics disposal	10,000	10,000	22,152	(12,152)	11,050
Office supplies	7,180	7,180	5,283	1,897	4,811
Subscriptions and dues	2,600	2,600	1,450	1,150	1,250
Employee travel and training	6,500	6,500	3,044	3,456	3,311
Operating supplies and expenses	10,450	10,450	11,301	(851)	17,058
Repair and maintenance supplies	7,000	7,000	9,199	(2,199)	8,942
Insurance	6,200	6,200	5,887	313	5,793
Depreciation	103,000	103,000	47,933	55,067	67,143
Capital	-	-	-	-	969
Other	47,000	47,000	27,181	19,819	17,883
<b>Total Operating Expenses</b>	<b>674,350</b>	<b>674,350</b>	<b>621,083</b>	<b>53,267</b>	<b>653,480</b>
<b>Operating Income (Loss)</b>	<b>(377,950)</b>	<b>(377,950)</b>	<b>(319,223)</b>	<b>58,727</b>	<b>(369,632)</b>
<b>Nonoperating Revenues (Expenses)</b>					
State aid recycling program	208,000	208,000	207,650	(350)	207,720
Insurance recoveries	-	-	-	-	2,245
Sale of equipment	200	200	1,280	1,080	12,841
<b>Total Nonoperating Revenues (Expenses)</b>	<b>208,200</b>	<b>208,200</b>	<b>208,930</b>	<b>730</b>	<b>222,806</b>
<b>Change in Net Position</b>	<b>\$ (169,750)</b>	<b>\$ (169,750)</b>	<b>\$ (110,293)</b>	<b>\$ 59,457</b>	<b>\$ (146,826)</b>

**OCONTO COUNTY, WISCONSIN**  
**Agency Funds**  
**Combining Statement of Net Position**  
**December 31, 2014**

	Clerk of Courts	Jail Inmate	Total 2014
<b>Assets</b>			
Cash	\$ 495,201	\$ 13,141	\$ 508,342
<b>Liabilities</b>			
Due to others			
Deposits	\$ 495,201	\$ 11,641	\$ 506,842
Other liabilities	-	1,500	1,500
<b>Total Liabilities</b>	<b>\$ 495,201</b>	<b>\$ 13,141</b>	<b>\$ 508,342</b>

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

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

To the County Board  
Oconto County, Wisconsin

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, 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, 2014, and the related notes to the financial statements, which collectively comprise Oconto County's basic financial statements, and have issued our report thereon dated June 30, 2015.

**Internal Control Over Financial Reporting**

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified. We did identify a certain deficiency in internal control, described in the accompanying schedule of findings and questioned costs as item 2014-001 that we consider to be a significant deficiency.

## **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Oconto County, Wisconsin's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of 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*.

## **Oconto County, Wisconsin's Response to Findings**

Oconto County, Wisconsin's response to the finding identified in our audit is described in the accompanying schedule of prior year audit findings and corrective action plan. Oconto County, Wisconsin's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

## **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the result of that testing, and not to provide an opinion on the effectiveness of Oconto County, Wisconsin's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Oconto County, Wisconsin's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Certified Public Accountants  
Green Bay, Wisconsin  
June 30, 2015

# **FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE**

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL  
AND STATE PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE  
REQUIRED BY OMB CIRCULAR A-133 AND THE STATE SINGLE AUDIT GUIDELINES**

To the County Board  
Oconto County, Wisconsin

**Report on Compliance for Each Major Federal and State Program**

We have audited Oconto County, Wisconsin's compliance 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 State of Wisconsin that could have a direct and material effect on each of Oconto County, Wisconsin's major federal and state programs for the year ended December 31, 2014. 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.

***Management's Responsibility***

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal and state programs.

***Auditors' Responsibility***

Our responsibility is to express an opinion on compliance for each of Oconto County, Wisconsin's major federal and state programs based on our audit of the types of compliance requirements referred to above. 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; OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and the *State Single Audit Guidelines* issued by the State of Wisconsin. 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 on compliance for each major federal and state program. However, our audit does not provide a legal determination of Oconto County, Wisconsin's compliance.

***Opinion on Each Major Federal and State Program***

In our opinion, Oconto County, Wisconsin complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the year ended December 31, 2014.

## Report on Internal Control Over Compliance

Management of Oconto County, Wisconsin is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Oconto County, Wisconsin's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal or state program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal and state program 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 the 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. 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.

Our consideration of internal control over compliance 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 compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, we identified a certain deficiency in internal control over compliance, as described in the accompanying schedule of findings and questioned costs as item 2014-002 that we consider to be a significant deficiency.

Oconto County, Wisconsin's response to the internal control over compliance finding identified in our audit is described in the accompanying schedule of prior year audit findings and corrective action plan. Oconto County, Wisconsin's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and the *State Single Audit Guidelines*. Accordingly, this report is not suitable for any other purpose.



Certified Public Accountants  
Green Bay, Wisconsin  
June 30, 2015

**OCONTO COUNTY, WISCONSIN**  
Schedule of Federal Awards  
For the Year Ended December 31, 2014

Grantor Agency/Federal Program Title	Pass-through Agency	Federal CFDA Number	Revenues				Total Expenditures
			(Accrued) Deferred Revenue 1/1/14	Cash Received (Refunded)	Accrued (Deferred) Revenue 12/31/14	Total Revenues	
<b><u>U.S. DEPARTMENT OF AGRICULTURE</u></b>							
Special Supplement Food Program for Women, Infants and Children	WI Department of Health Services	10.557	\$ (941)	\$ 132,210	\$ 15,285	\$ 146,554	\$ 146,554
State Administrative Matching Grants for Food Stamp Program	WI Department of Health Services	10.561	(16,954)	91,388	24,303	98,737	98,737
State Administrative Matching Grants for Food Stamp Program	Brown County, Wisconsin	10.561	(52,864)	140,807	44,966	132,909	132,909
Total State Administrative Matching Grants for Food Stamp Program			(69,818)	232,195	69,269	231,646	231,646
Schools & Road Grants to States - National Forest Income	WI Department of Natural Resources	10.665	-	239,011	-	239,011	239,011
Total U.S. Department of Agriculture			(70,759)	603,416	84,554	617,211	617,211
<b><u>U.S. DEPARTMENT OF COMMERCE</u></b>							
Economic Adjustment Assistance	Direct Program	11.307	-	67,977	-	67,977	67,977
<b><u>U.S. DEPARTMENT OF JUSTICE</u></b>							
Bulletproof Vest Grant Program	Direct Program	16.607	-	2,198	-	2,198	2,198
CEASE	WI Department of Justice	N/A	-	813	-	813	813
Total U.S. Department of Justice			-	3,011	-	3,011	3,011
<b><u>U.S. DEPARTMENT OF TRANSPORTATION</u></b>							
ARRA - Highway Planning and Construction State and Community Highway Safety	WI Department of Transportation	20.205	(1,368)	8,408	5,845	12,885	12,885
Child Passenger Safety Car Seat Grant	WI Department of Transportation	20.600	-	4,000	-	4,000	4,000
Total U.S. Department of Transportation			(1,368)	12,408	5,845	16,885	16,885
<b><u>ENVIRONMENTAL PROTECTION AGENCY</u></b>							
Great Lakes Restoration Initiative	WI Department of Natural Resources	66.469	(31,803)	74,992	-	43,189	43,189
Great Lakes Restoration Initiative	Direct Program	66.469	(5,956)	158,982	-	153,026	153,026
Total Environmental Protection Agency			(37,759)	233,974	-	196,215	196,215
<b><u>U.S. DEPARTMENT OF EDUCATION</u></b>							
Early Intervention Services (IDEA) Cluster Grants for Infants and Toddlers with Disabilities	WI Department of Health Services	84.181	-	26,277	-	26,277	26,277

(Continued)

**OCONTO COUNTY, WISCONSIN**  
Schedule of Federal Awards (Continued)  
For the Year Ended December 31, 2014

Grantor Agency/Federal Program Title	Pass-through Agency	Federal CFDA Number	Revenues				Total Expenditures
			(Accrued) Deferred Revenue 1/1/14	Cash Received (Refunded)	Accrued (Deferred) Revenue 12/31/14	Total Revenues	
<b>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>							
Preventive Health (Title III-D)	GWAAR*	93.043	(1,100)	4,273	418	3,591	3,591
<b>Aging Cluster</b>							
Grants for Supportive Services and Senior Centers (Title III-B)	GWAAR*	93.044	(3,558)	40,830	7,287	44,559	44,559
<b>Nutrition Services (Title III-C)</b>							
Congregate Meal Program (Title III-C-1)	GWAAR*	93.045	(3,820)	66,927	-	63,107	63,107
Home Delivered Meals (Title III-C-2)	GWAAR*		(2,531)	29,797	-	27,266	27,266
Subtotal - Nutrition Services (Title III-C)			(6,351)	96,724	-	90,373	90,373
<b>Nutrition Services Incentive Program (NSIP)</b>							
Congregate Meal Program (Title III-C-1)	GWAAR*	93.053	-	8,629	-	8,629	8,629
Home Delivered Meals (Title III-C-2)	GWAAR*		-	19,947	-	19,947	19,947
Subtotal - Nutrition Services Incentive Program (NSIP)			-	28,576	-	28,576	28,576
<b>Total Aging Cluster</b>			<b>(9,909)</b>	<b>166,130</b>	<b>7,287</b>	<b>163,508</b>	<b>163,508</b>
National Family Caregiver Support (Title III-E)	GWAAR*	93.052	(4,815)	21,459	1,686	18,330	18,330
<b>Public Health Emergency Preparedness (PHEP)</b>							
Aligned Cooperative Agreements	WI Department of Health Services	93.074	2,473	47,679	-	50,152	50,152
<b>Immunization Cluster</b>							
Immunization Grants	WI Department of Health Services	93.268	-	10,057	-	10,057	10,057
Family Preservation and Support Services	WI Department of Children and Families	93.556	-	42,827	-	42,827	42,827
National Public Health Improvement Initiative	WI Department of Health Services	93.507	-	2,640	2,360	5,000	5,000
Affordable Care Act-Medicare Improvements for Patients and Providers	GWAAR*	93.518	-	3,010	-	3,010	3,010
Temporary Assistance for Needy Families (TANF)	WI Department of Health Services	93.558	-	60,299	-	60,299	60,299
Temporary Assistance for Needy Families (TANF)	WI Department of Children and Families	93.558	(28,187)	152,741	34,729	159,283	159,283
Temporary Assistance for Needy Families (TANF)	Brown County, Wisconsin	93.558	(1,466)	3,542	1,197	3,273	3,273
<b>Total Temporary Assistance for Needy Families (TANF)</b>			<b>(29,653)</b>	<b>216,582</b>	<b>35,926</b>	<b>222,855</b>	<b>222,855</b>

\* Greater Wisconsin Agency on Aging Resources

(Continued)

**OCONTO COUNTY, WISCONSIN**  
Schedule of Federal Awards (Continued)  
For the Year Ended December 31, 2014

Grantor Agency/Federal Program Title	Pass-through Agency	Federal CFDA Number	Revenues				Total Expenditures
			(Accrued) Deferred Revenue 1/1/14	Cash Received (Refunded)	Accrued (Deferred) Revenue 12/31/14	Total Revenues	
<b>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (Continued)</b>							
Child Support Enforcement (Title IV-D)	WI Department of Children and Families	93.563	(89,292)	337,722	93,984	342,414	342,414
Low Income Home Energy Assistance	WI Department of Administration	93.568	(17,079)	75,783	9,150	67,854	67,854
Child Care Development Fund	WI Department of Children and Families	93.596	(10,173)	66,348	14,873	71,048	71,048
Chafee Education and Training Vouchers	WI Department of Children and Families	93.599	(594)	1,018	320	744	744
Child Welfare Services	WI Department of Children and Families	93.645	-	18,096	-	18,096	18,096
Child Welfare Services	WI Department of Corrections	93.645	(815)	5,127	(918)	3,394	3,394
Total Child Welfare Services			(815)	23,223	(918)	21,490	21,490
Foster Care (Title IV-E)	WI Department of Children and Families	93.658	(19)	112,249	28	112,258	112,258
Foster Care (Title IV-E)	WI Department of Corrections	93.658	(1,222)	7,259	(1,286)	4,751	4,751
Total Foster Care (Title IV-E)			(1,241)	119,508	(1,258)	117,009	117,009
Social Services Block Grant	WI Department of Health Services	93.667	-	109,080	-	109,080	109,080
Social Services Block Grant	WI Department of Children and Families	93.667	-	49,527	-	49,527	49,527
Social Services Block Grant	GWAAR*	93.667	(225)	225	-	-	-
Social Services Block Grant	Shawano County, Wisconsin	93.667	(32)	127	-	95	95
Total Social Services Block Grant			(257)	158,959	-	158,702	158,702
Youth Independent Living	WI Department of Children and Families	93.674	(8,827)	20,479	6,009	17,661	17,661
State Children's Insurance Program	Brown County, Wisconsin	93.767	(9,485)	24,523	7,984	23,022	23,022
Medical Assistance Program	WI Department of Health Services	93.778	(1,061,277)	5,288,372	681,734	4,908,829	4,908,829
Medical Assistance Program	Brown County, Wisconsin	93.778	(70,896)	181,084	63,673	173,861	173,861
Total Medical Assistance Program			(1,132,173)	5,469,456	745,407	5,082,690	5,082,690
Centers for Medicare and Medicaid Services Research, Demonstrations & Evaluations	WI Department of Health Services	93.779	(65,334)	69,637	(736)	3,567	3,567
Centers for Medicare and Medicaid Services Research, Demonstrations & Evaluations	GWAAR*	93.779	(1,750)	2,750	1,500	2,500	2,500
Total Centers for Medicare and Medicaid Services Research, Demonstrations & Evaluations			(67,084)	72,387	764	6,067	6,067

\* Greater Wisconsin Agency on Aging Resources

(Continued)

**OCONTO COUNTY, WISCONSIN**  
Schedule of Federal Awards (Continued)  
For the Year Ended December 31, 2014

Grantor Agency/Federal Program Title	Pass-through Agency	Federal CFDA Number	Revenues				Total Expenditures
			(Accrued) Deferred Revenue 1/1/14	Cash Received (Refunded)	Accrued (Deferred) Revenue 12/31/14	Total Revenues	
<b>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (Continued)</b>							
Money Follows the Person Rebalancing Demonstration	WI Department of Health Services	93.791	-	92,062	(22,305)	69,757	69,757
Block Grants for Community Mental Health Services	WI Department of Health Services	93.958	-	40,667	(4,097)	36,570	36,570
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	-	2,505	-	2,505	2,505
Maternal and Child Health Services Block Grant	WI Department of Health Services	93.994	(708)	10,391	4,265	13,948	13,948
<b>Total U.S. Department of Health and Human Services</b>			<b>(1,380,732)</b>	<b>7,078,654</b>	<b>901,855</b>	<b>6,599,777</b>	<b>6,599,777</b>
<b>U.S. DEPARTMENT OF HOMELAND SECURITY</b>							
Emergency Management Performance Grant	WI Department of Military Affairs	97.042	(20,721)	42,322	21,602	43,203	43,203
<b>TOTAL EXPENDITURES OF FEDERAL AWARDS</b>			<b>\$ (1,511,339)</b>	<b>\$ 8,068,039</b>	<b>\$ 1,013,856</b>	<b>\$ 7,570,556</b>	<b>\$ 7,570,556</b>

\* Greater Wisconsin Agency on Aging Resources

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

**OCONTO COUNTY, WISCONSIN**  
Schedule of State Financial Assistance  
For the Year Ended December 31, 2014

Grantor Agency/State Program Title	Pass-through Agency	State I.D. Number	Revenues				Total Expenditures
			(Accrued) Deferred Revenue 1/1/14	Cash Received (Refunded)	Accrued (Deferred) Revenue 12/31/14	Total Revenues	
<b><u>DEPARTMENT OF AGRICULTURE, TRADE AND CONSUMER PROTECTION</u></b>							
Soil and Water Resource Management Program							
Basic Annual Staffing Grants	Direct Program	115.15	\$ (16,812)	\$ 122,572	\$ 25,100	\$ 130,860	\$ 130,860
LWRM Plan Implementation	Direct Program	115.40	(6,248)	67,917	-	61,669	61,669
Total Department of Agriculture, Trade and Consumer Protection			<u>(23,060)</u>	<u>190,489</u>	<u>25,100</u>	<u>192,529</u>	<u>192,529</u>
<b><u>DEPARTMENT OF SAFETY AND PROFESSIONAL SERVICES</u></b>							
Private Sewage System Replacement and Rehabilitation Program							
	Direct Program	165.202	-	21,103	-	21,103	21,103
<b><u>DEPARTMENT OF NATURAL RESOURCES</u></b>							
Municipal Dam Grant	Direct Program	370.532	-	78,282	-	78,282	78,282
All-Terrain Vehicle Enforcement Aids	Direct Program	370.551	-	29,317	-	29,317	29,317
Snowmobile Enforcement Aids	Direct Program	370.552	-	12,073	-	12,073	12,073
Wildlife Damage Abatement and Claims	Direct Program	370.553	(5,690)	7,149	-	1,459	1,459
Recreation Aids - Fish, Wildlife & Forestry	Direct Program	370.564	-	2,066	-	2,066	2,066
Forest Croplands & Managed Forest Land Aids	Direct Program	370.566	-	23,608	-	23,608	23,608
Urban & Community Forestry	Direct Program	370.572	-	62,490	-	62,490	62,490
Recreational Aids - Snowmobile Trail and Area Aid		370.574 &					
S - 4119	Direct Program	370.575	-	40,836	-	40,836	40,836
S - 4239	Direct Program		-	135,175	26,138	161,313	161,313
S - 4312	Direct Program		-	52,625	-	52,625	52,625
All-Terrain Vehicle (ATV) Program		370.576 &					
ATV 1979	Direct Program	370.577	-	20,565	-	20,565	20,565
ATV 3071	Direct Program		-	25,200	-	25,200	25,200
ATV 3037	Direct Program		-	1,455	-	1,455	1,455
ATV 3211	Direct Program		-	-	5,992	5,992	5,992
ATV 3043	Direct Program		-	3,397	-	3,397	3,397
ATV 3142	Direct Program		-	25,200	-	25,200	25,200
UTV 14001	Direct Program		-	4,025	-	4,025	4,025
UTV 15016	Direct Program		-	4,125	-	4,125	4,125
Environmental Aids - Municipal & County Recycling	Direct Program	370.665	-	207,648	-	207,648	207,648
Total Department of Natural Resources			<u>(5,690)</u>	<u>735,236</u>	<u>32,130</u>	<u>761,676</u>	<u>761,676</u>
<b><u>DEPARTMENT OF TRANSPORTATION</u></b>							
Elderly and Handicapped Transportation Aids							
	Direct Program	395.101	-	106,135	-	106,135	106,135

(Continued)

**OCONTO COUNTY, WISCONSIN**  
Schedule of State Financial Assistance (Continued)  
For the Year Ended December 31, 2014

Grantor Agency/State Program Title	Pass-through Agency	State I.D. Number	Revenues				Total Expenditures
			(Accrued) Deferred Revenue 1/1/2014	Cash Received (Refunded)	Accrued (Deferred) Revenue 12/31/14	Total Revenues	
<b><u>DEPARTMENT OF CORRECTIONS</u></b>							
Community Intervention Program	Direct Program	410.302	(5,630)	10,500	-	4,870	4,870
Community Youth and Family Aids	Direct Program	410.313	(79,418)	500,254	(89,626)	331,210	331,210
<b>Total Department of Corrections</b>			<b>(85,048)</b>	<b>510,754</b>	<b>(89,626)</b>	<b>336,080</b>	<b>336,080</b>
<b><u>DEPARTMENT OF HEALTH SERVICES</u></b>							
Fraud	Brown County, Wisconsin	435.60	-	1,960	-	1,960	1,960
FSET Admin GPR/Fed Base	Direct Program	435.231	-	19,598	-	19,598	19,598
IM Available Allocation-State	Brown County, Wisconsin	435.283	-	214,228	-	214,228	214,228
IM Available Allocation-State Supplemental	Brown County, Wisconsin	435.292	(395)	10,395	-	10,000	10,000
IM Available Allocation-Federal Supplemental	Brown County, Wisconsin	435.293	(3)	87	-	84	84
IM Available Allocation-State ACA	Brown County, Wisconsin	435.297	(16,172)	56,388	17,500	57,716	57,716
IM Available Allocation-Federal ACA	Brown County, Wisconsin	435.298	(136)	474	147	485	485
Community Options Program	Direct Program	435.367	(42,489)	266,092	213,679	437,282	437,282
Medical Assistance Program Benefits							
COP W Program	Direct Program	435.338	13,441	122,615	11,579	147,635	147,635
CIP II Program	Direct Program	435.348	8,412	460,853	79,700	548,965	548,965
CIP II Community Relocation	Direct Program	435.369	(7,607)	103,076	911	96,380	96,380
CIP II Diversions	Direct Program	435.375	51,462	76,193	(47,123)	80,532	80,532
ICFMR	Direct Program	435.407	-	36,461	97,501	133,962	133,962
FC Transition CIP 1B	Direct Program	435.410	6,046	(857)	13,178	18,367	18,367
CIP 1B MFP	Direct Program	435.475	(16,684)	16,684	14,405	14,405	14,405
CIP II MFP	Direct Program	435.478	(132)	1,419	2,393	3,680	3,680
Brain Injury Waiver Program	Direct Program	435.506	-	35,321	-	35,321	35,321
CIP 1B Program	Direct Program	435.564	(55,314)	311,698	109,544	365,928	365,928
CIP 1A Program	Direct Program	435.580	-	268,432	-	268,432	268,432
CLTS Other GPR	Direct Program	435.871	-	44,946	-	44,946	44,946
CLTS Autism GPR	Direct Program	435.874	-	27,512	-	27,512	27,512
Other CWA Admin GPR	Direct Program	435.877	-	6,478	-	6,478	6,478
Autism CWA Admin GPR	Direct Program	435.880	-	11,023	-	11,023	11,023

(Continued)

**OCONTO COUNTY, WISCONSIN**  
Schedule of State Financial Assistance (Continued)  
For the Year Ended December 31, 2014

Grantor Agency/State Program Title	Pass-through Agency	State I.D. Number	Revenues				Total Expenditures
			(Accrued) Deferred Revenue 1/1/14	Cash Received (Refunded)	Accrued (Deferred) Revenue 12/31/14	Total Revenues	
<b>DEPARTMENT OF HEALTH SERVICES (Continued)</b>							
Certified Mental Health Program	Direct Program	435.517	(19,544)	39,098	-	19,554	19,554
Non-Resident - 997	Direct Program	435.531	-	-	1,249	1,249	1,249
Grants for Infants and Toddlers with Disabilities	Direct Program	435.550	-	25,737	-	25,737	25,737
State Funded-Basic County Allocation	Direct Program	435.561	-	677,514	-	677,514	677,514
Family Support Program	Direct Program	435.577	(5,765)	44,952	(473)	38,714	38,714
State Funded-State/County Match	Direct Program	435.681	-	92,950	-	92,950	92,950
MA COP LTS Expansion	Direct Program	435.1425	-	18,371	3,801	22,172	22,172
CST Counties 2014	Direct Program	435.81099	-	48,469	(24,710)	23,759	23,759
WIC Farmers' Market Nutrition Program	Direct Program	435.154720	(1,061)	1,061	1,061	1,061	1,061
WWWP - GPR	Direct Program	435.157000	(7,605)	12,244	13,773	18,412	18,412
Lead Poisoning	Direct Program	435.157720	-	3,568	-	3,568	3,568
Maternal & Child Health Svc. Block Grant	Direct Program	435.159320	(43)	632	259	848	848
Aging and Disability Resource Center	Shawano County, Wisconsin	435.560100	(5,246)	32,323	-	27,077	27,077
Elderly Benefit Specialist Program	GWAAR*	435.560320	(2,354)	28,215	2,354	28,215	28,215
State Pharmaceutical Assistance Program	GWAAR*	435.560327	(1,950)	4,479	1,000	3,529	3,529
State Senior Community Services	GWAAR*	435.560330	(1,848)	9,542	-	7,694	7,694
Home Delivered Meals (Title III-C-1)	GWAAR*	435.560350	(4,005)	63,317	-	59,312	59,312
Home Delivered Meals (Title III-C-2)	GWAAR*	435.560360	(369)	3,622	-	3,253	3,253
Alzheimer's	GWAAR*	435.560381	(1,300)	10,468	3,909	13,077	13,077
Elder Abuse	GWAAR*	435.560490	(2,501)	19,492	2,602	19,593	19,593
<b>Total Department of Health Services</b>			<b>(113,162)</b>	<b>3,227,130</b>	<b>518,239</b>	<b>3,632,207</b>	<b>3,632,207</b>
<b>DEPARTMENT OF CHILDREN AND FAMILIES</b>							
AW DOJ Fingerprint Background	Direct Program	437.3324	(50)	363	76	389	389
State Funded-Basic County Allocation	Direct Program	437.3561	-	179,028	-	179,028	179,028
State Funded-State/County Match	Direct Program	437.3681	-	31,525	-	31,525	63,050
Child Support	Direct Program	437.7502	-	39,771	-	39,771	39,771
<b>Total Department of Children and Families</b>			<b>(50)</b>	<b>250,687</b>	<b>76</b>	<b>250,713</b>	<b>282,238</b>
<b>DEPARTMENT OF JUSTICE</b>							
County Law Enforcement Services	Direct Program	455.226	-	24,381	-	24,381	24,381
Law Enforcement Training Fund	Direct Program	455.231	-	6,880	-	6,880	6,880
Victim and Witness Assistance Program		455.503, 455.532					
Program Cluster	Direct Program	& 455.539	-	32,910	-	32,910	32,910
<b>Total Department of Justice</b>			<b>-</b>	<b>64,171</b>	<b>-</b>	<b>64,171</b>	<b>64,171</b>

\* Greater Wisconsin Agency on Aging Resources

(Continued)

**OCONTO COUNTY, WISCONSIN**  
Schedule of State Financial Assistance (Continued)  
For the Year Ended December 31, 2014

Grantor Agency/State Program Title	Pass-through Agency	State I.D. Number	Revenues				Total Expenditures
			(Accrued) Deferred Revenue 1/1/14	Cash Received (Refunded)	Accrued (Deferred) Revenue 12/31/14	Total Revenues	
<b><u>DEPARTMENT OF MILITARY AFFAIRS</u></b>							
Emergency Planning Grant Program FFY13	Direct Program	465.337	(5,512)	11,364	5,852	11,704	11,704
<b><u>DEPARTMENT OF ADMINISTRATION</u></b>							
Land Information Grants 2014	Direct Program	505.166	-	8,069	-	8,069	8,069
Public Benefits 2013-14	Direct Program	505.371	(9,963)	24,111	-	14,148	14,148
2014-15	Direct Program		-	6,341	3,656	9,997	9,997
Total Department of Administration			(9,963)	38,521	3,656	32,214	32,214
<b>TOTAL STATE PROGRAMS</b>			<b>\$ (242,485)</b>	<b>\$ 5,155,590</b>	<b>\$ 495,427</b>	<b>\$ 5,408,532</b>	<b>\$ 5,440,057</b>

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 For the Year Ended December 31, 2014

#### 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 State of Wisconsin.

#### 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 2014 financial statements. Accrued revenue at year-end consists of program expenditures scheduled for reimbursement to the County in the succeeding year while deferred inflows represents advances for federal and state 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.

Certain programs administered by the Wisconsin Department of Natural Resources may have been included in the Schedule of State Financial Assistance for presentation purposes only and are not subject to audit as major programs by the *State Single Audit Guidelines*.

#### NOTE C - OVERSIGHT AGENCIES

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

Federal - Environmental Protection Agency  
State - Wisconsin Department of Health Services

**OCONTO COUNTY, WISCONSIN**

Notes to the Schedule of Federal Awards and the Schedule of State Financial Assistance (Continued)  
For the Year Ended December 31, 2014

**NOTE D - U.S. 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, 2014	\$	31,950
Cash balance at December 31, 2014		34,027
Administrative expenditures for year ended December 31, 2014		2,000
Total Expenditures for CFDA #11.307	\$	<u>67,977</u>

**NOTE E - TITLE 19 MEDICAL ASSISTANCE PAYMENTS**

The Schedule of Federal Awards and Schedule of State Financial Assistance does not include payments 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 FoodShare 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 (CORG) 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 DCF, DHS and DWD programs agree with the expenditures reported on the April 1, 2015 CARS for the Human Services Department and the December 2014 CORG for Child Support and Human Service departments, with adjustments for accrued revenue at year-end.

**OCONTO COUNTY, WISCONSIN**  
 Schedule of Findings and Questioned Costs  
 For the Year Ended December 31, 2014

**Section I - Summary of Auditors' Results**

**Basic Financial Statements**

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

**Federal Awards and State Financial Assistance**

Internal control over major programs:	
• Material weakness(es) identified?	No
• Significant deficiency(ies) identified?	Yes
Type of auditors' report issued on compliance for major programs	Unmodified
Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of Circular A-133?	Yes
Any audit findings disclosed that are required to be reported in accordance with the <i>State Single Audit Guidelines</i> ?	Yes
Identification of major federal and state programs:	

CFDA Number	Name of Federal Program
93.778	Medical Assistance Program

State ID Number	Name of State Program
435.283	IM Available Allocation-State
435.292	IM Available Allocation-State Supplemental
435.293	IM Available Allocation-Federal Supplemental
435.297	IM Available Allocation-State ACA
435.298	IM Available Allocation-Federal ACA
	<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
435.475	CIP 1B MFP
435.478	CIP II MFP
435.506	Brain Injury Waiver Program
435.564	CIP 1B Program
435.580	CIP 1A Program
435.871	CLTS Other GPR
435.874	CLTS Autism GPR
435.877	Other CWA Admin GPR
435.880	Autism CWA Admin GPR
435.561	State Funded-Basic County Allocation
437.3561	State Funded-Basic County Allocation

Audit threshold used to determine between Type A and Type B programs:	
Federal	\$300,000
State	\$100,000
Auditee qualified as low-risk auditee	Yes

**OCONTO COUNTY, WISCONSIN**  
**Schedule of Findings and Questioned Costs (Continued)**  
**For the Year Ended December 31, 2014**

**Section II - Basic Financial Statement Findings**

Finding No.	Control Deficiencies
-------------	----------------------

**2014-001      Preparation of Annual Financial Report**

**Condition:** Current County staff maintains accounting records which reflect the County's financial transactions; however, preparing the County's annual financial report, including note disclosures, involves the selection and application of specific accounting principles which would require additional experience and knowledge. The County contracts with us and our knowledge of applicable accounting principles, financial statement formats, and note disclosures to assist in the preparation of the annual financial report in an efficient manner.

**Criteria:** The preparation and review of the annual financial report by staff with expertise in financial reporting is an internal control intended to prevent, detect and correct a potential omission or misstatement in the financial statements or notes.

**Cause:** County management has determined that the additional costs associated with training staff to become experienced in applicable accounting principles and note disclosures outweigh the derived benefits.

**Effect:** Without our involvement, the County may not be able to completely prepare an annual financial report in accordance with accounting principles generally accepted in the United States of America.

**Recommendation:** We recommend the County continue reviewing GASB 34 conversion entries along with the financial reports. While it may not be cost beneficial to train additional staff to completely 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 annual financial report.

**OCONTO COUNTY, WISCONSIN**  
 Schedule of Findings and Questioned Costs (Continued)  
 For the Year Ended December 31, 2014

**Section III - Federal Award Findings and Questioned Costs**

Finding No.	Internal Control Deficiency
-------------	-----------------------------

**2014-002      Financial Reporting for Federal and State Financial Assistance**

*Federal CFDA – All  
 State IDs - All*

**Condition:** OMB Circular A-133 and the *State Single Audit Guidelines* 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 assist in the preparation of 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.

**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.

**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.

**Recommendation:** We recommend County personnel continue reviewing the County's single audit report. 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.

**OCONTO COUNTY, WISCONSIN**  
**Schedule of Findings and Questioned Costs (Continued)**  
**For the Year Ended December 31, 2014**

**Section IV - Other Issues**

Does the auditors' report or the notes to the financial statement include disclosure with regard to substantial doubt as to the auditee's ability to continue as a going concern? \_\_\_\_\_ Yes        X   No

Does the audit report show audit issues (i.e., material non-compliance, non-material non-compliance, questioned costs, material weakness, significant deficiency, management letter comment, excess revenue or excess reserve) related to grants/contracts with funding agencies that require audits to be in accordance with the *State Single Audit Guidelines*:

Department of Agriculture, Trade and Consumer Protection	<u>  X  </u>	Yes	_____	No
Department of Safety and Professional Services	<u>  X  </u>	Yes	_____	No
Department of Natural Resources	<u>  X  </u>	Yes	_____	No
Department of Transportation	<u>  X  </u>	Yes	_____	No
Department of Corrections	<u>  X  </u>	Yes	_____	No
Department of Health Services	<u>  X  </u>	Yes	_____	No
Department of Children and Families	<u>  X  </u>	Yes	_____	No
Department of Justice	<u>  X  </u>	Yes	_____	No
Department of Military Affairs	<u>  X  </u>	Yes	_____	No
Department of Administration	<u>  X  </u>	Yes	_____	No

Was a Management Letter or other document conveying audit comments issued as a result of this audit? \_\_\_\_\_ X Yes      \_\_\_\_\_ No

Name and signature of shareholder   
\_\_\_\_\_ Paul G. Denis, CPA

Date of report June 30, 2015

**OCONTO COUNTY, WISCONSIN**  
Schedule of Prior Year Audit Findings and Corrective Action Plan  
For the Year Ended December 31, 2014

**Prior Year Audit Findings**

The findings noted in the 2013 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 deficiencies identified as 2013-001 and 2013-002 outweigh the benefits to be received. Management reviews the financial report and the single audit report.

**Corrective Action Plan**

2014-001      Preparation of Annual Financial Report

The County will continue to review the entire annual financial report for accuracy prior to issuance.

2014-002      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.

**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, 2014, we have also examined the 2014 Financial Report Form A required to be submitted to the Wisconsin Department of Revenue (WDR) by Wisconsin Administration Rule, Tax 16. The 2014 Financial Report Form A has been subjected to the auditing procedures applied in the audit of the basic financial statements. In our opinion the 2014 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 2014 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 30, 2015



**OCONTO COUNTY, WISCONSIN**  
 Schedule of Revisions to 2014 State Financial Report Form  
 Submitted to Wisconsin Department of Revenue

Seq./Acct. Number	Per State Financial Report	Increase (Decrease)	Per Audit
<b>Governmental Funds:</b>			
Revenues			
115-49200	\$ 3,481,203	\$ (2,985,646)	\$ 495,557
Expenditures			
134-59200	\$ 2,985,646	\$ (2,985,646)	\$ -
Net Governmental Fund Changes		\$ -	
<b>Governmental Fund Balance</b>			
Per Filed Report			
151-34000		19,710,932	
Per Audit Report - Page 16		<u>\$ 19,710,932</u>	
<b>Proprietary Funds:</b>			
Revenues			
217-48613	\$ 41,874	\$ (34,843)	\$ 7,031
Expenditures			
224-59200	\$ 530,400	\$ (34,843)	\$ 495,557
Net Proprietary Fund Changes		\$ -	
Per Filed Report			
230-33000	-	11,301,468	11,301,468
Per Audit Report - Page 22	<u>\$ -</u>	<u>\$ 10,892,245</u>	<u>\$ 10,892,245</u>