

**ONEIDA COUNTY, WISCONSIN  
ANNUAL FINANCIAL REPORT  
DECEMBER 31, 2012**

**ONEIDA COUNTY, WISCONSIN**  
December 31, 2012

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## INDEPENDENT AUDITORS' REPORT

To the County Board  
Oneida County, Wisconsin

### Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Oneida County, Wisconsin ("the County") as of and for the year ended December 31, 2012, 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 auditor considers 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, each major fund, and the aggregate remaining fund information of the County as of December 31, 2012, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the general fund and the social services special revenue fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

## **Emphasis of Matter**

As described in Note A.4.h, the County has implemented GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position* and GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*, for the year ended December 31, 2012. Our opinions are not modified with respect to this matter.

As described in Note D.6., the County issued a state trust fund loan of \$950,000 which financed an economic development loan to a local business. Our opinions are not modified with respect to this matter.

## **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 46 through 47 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 is presented for purposes of additional analysis and are not a required part of the basic financial statements.

The supplementary information is 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 is 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 the County's 2011 financial statements, and our report dated July 26, 2012, expressed unmodified opinions on those respective financial statements of the governmental activities, the business-type activities, 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, 2011, is consistent, in all material respects, with the audited financial statements from which it has been derived.

## **Report Issued in Accordance with *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated July 22, 2013, 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  
Stevens Point, Wisconsin  
July 22, 2013

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

## Management's Discussion and Analysis December 31, 2012

As management of the County of Oneida, we offer 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, 2012.

### Financial Highlights

- The assets of the County exceeded its liabilities and deferred inflows of resources as of December 31, 2012 by \$78,420,586 (*net position*). Of this amount, \$18,598,816 (*unrestricted net position*) may be used to meet the County's ongoing obligations to citizens and creditors.
- The County's total net position decreased by \$1,797,000. Several factors contributed to the overall decrease as follows:
  - Social Services expenditures for foster care, group homes and child caring institutions were \$478,000 under budget.
  - Fund balances were reduced by \$740,000 for capital purchases.
  - Sale of stumpage was \$320,000 under budget.
- The property tax rate increased 4.9% per \$1,000 of property value for the year ended December 31, 2012.
- As of December 31, 2012, the County's governmental funds reported combined ending fund balances of \$20,249,831 a decrease of \$362,901 in comparison with the prior year. Approximately 53% of this total amount, \$10,697,677 is *available for spending* at the County's discretion (*unassigned fund balance*).
- As of December 31, 2012, unassigned fund balance for the general fund was \$10,697,677, or approximately 37% of total general fund expenditures.

### Overview of the Basic Financial Statements

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

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

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

The *statement of activities* presents information showing how the County's net position changed during the most recent 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., earned but unused vacation 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, highways and streets, economic development, health and human services, culture and recreation, and conservation and development. The business-type activities of the County include highway construction and maintenance and landfill operations.

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. The County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the County can be divided into three categories: governmental funds, proprietary funds and fiduciary funds.

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

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

The County maintains 16 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 and social services special revenue fund, both of which are considered to be major funds. Data from the other 14 governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of *combining statements* elsewhere in this report.

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 - 19 of this report.

**Proprietary funds.** The County maintains one type of 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 highway construction and maintenance and landfill operations. *Internal service funds* are an accounting device used to accumulate and allocate costs internally among the County's various functions. The County does not use internal service funds.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the highway construction and maintenance and landfill operations, both of which are considered to be major funds of the County.

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

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

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



**Notes to the basic financial statements.** The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the basic financial statements can be found on pages 24 - 45 of this report.

**Required supplementary information.** The required supplementary information section presents schedules detailing the County's funding progress and employee contributions for other post-employment benefits. The required supplementary information can be found on pages 46 - 47 of this report.

**Other information.** The combining statements referred to earlier in connection with nonmajor governmental funds, nonmajor enterprise funds and internal service funds are presented immediately following the required supplementary information. Combining statements and schedules can be found on pages 49 - 52.

**Government-wide Financial Analysis**

**Net position.** As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the County, assets exceeded liabilities and deferred inflows of resources by \$78,420,586 at the close of 2012.

<b>Oneida County, Wisconsin's Net Position</b>						
<b>(in thousands of dollars)</b>						
	Governmental Activities		Business-type Activities		Totals	
	2012	2011	2012	2011	2012	2011
Current and other assets	\$ 43,547	\$ 45,409	\$ 3,671	\$ 3,342	\$ 47,218	\$ 48,751
Capital assets	55,207	56,501	3,433	3,607	58,640	60,108
<b>Total Assets</b>	<b>98,754</b>	<b>101,910</b>	<b>7,104</b>	<b>6,949</b>	<b>105,858</b>	<b>108,859</b>
Long-term liabilities outstanding	6,965	7,012	1,939	1,912	8,904	8,924
Other liabilities	3,286	4,514	296	201	3,582	4,715
<b>Total Liabilities</b>	<b>10,251</b>	<b>11,526</b>	<b>2,235</b>	<b>2,113</b>	<b>12,486</b>	<b>13,639</b>
Deferred Inflows of Resources	14,951	15,003	-	-	14,951	15,003
<b>Net Position</b>						
Net investment in capital assets	54,611	55,681	3,433	3,607	58,044	59,288
Restricted	1,778	2,007	-	-	1,778	2,007
Unrestricted	17,163	17,693	1,436	1,229	18,599	18,922
<b>Total Net Position</b>	<b>\$ 73,552</b>	<b>\$ 75,381</b>	<b>\$ 4,869</b>	<b>\$ 4,836</b>	<b>\$ 78,421</b>	<b>\$ 80,217</b>

By far the largest portion of the County's net assets (74%) reflects its net investment in capital assets (e.g. land, buildings, machinery and equipment, infrastructure, etc.), less any related debt used to acquire those assets that is still outstanding. The County uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although, the County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

The *unrestricted net position* (\$18,598,816) may be used to meet the County's ongoing obligations to citizens and creditors.

**Change in net position.** Governmental activities decreased the County's net position by \$1,797,000 and business-type activities decreased by \$42,744. Key elements of this decrease are as follows:

<b>Oneida County, Wisconsin's Change in Net Position</b>						
<b>(In thousands of dollars)</b>						
	Governmental Activities		Business-type Activities		Totals	
	2012	2011	2012	2011	2012	2011
<b>Revenues</b>						
<b>Program Revenues</b>						
Charges for services	\$ 4,010	\$ 4,946	\$ 6,000	\$ 7,185	\$ 10,010	\$ 12,131
Operating grants and contributions	15,471	15,600	68	99	15,539	15,699
<b>General Revenues</b>						
Property taxes	15,003	15,064	-	-	15,003	15,064
Other taxes	4,451	4,314	-	-	4,451	4,314
Grants and contributions not restricted to specific programs	139	171	-	-	139	171
Other	742	675	20	18	762	693
<b>Total Revenues</b>	<b>39,816</b>	<b>40,770</b>	<b>6,088</b>	<b>7,302</b>	<b>45,904</b>	<b>48,072</b>
<b>Expenses</b>						
General government	6,774	6,079	-	-	6,774	6,079
Public safety	10,715	11,172	-	-	10,715	11,172
Public works	3,559	4,367	-	-	3,559	4,367
Health and human services	17,177	16,456	-	-	17,177	16,456
Culture and recreation	1,407	1,340	-	-	1,407	1,340
Conservation and development	1,877	1,854	-	-	1,877	1,854
Interest on long-term debt	136	140	-	-	136	140
Highway construction and maintenance	-	-	1,484	5,785	1,484	5,785
Landfill operations	-	-	4,571	1,563	4,571	1,563
<b>Total Expenses</b>	<b>41,645</b>	<b>41,408</b>	<b>6,055</b>	<b>7,348</b>	<b>47,700</b>	<b>48,756</b>
<b>Change in Net Position</b>	<b>(1,829)</b>	<b>(638)</b>	<b>33</b>	<b>(46)</b>	<b>(1,796)</b>	<b>(684)</b>
Net Position - January 1	75,381	76,019	4,836	4,882	80,217	80,901
Net Position - December 31	\$ 73,552	\$ 75,381	\$ 4,869	\$ 4,836	\$ 78,421	\$ 80,217

## Financial Analysis of the County's Funds

As noted earlier, the 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, 2012, the County's governmental funds reported combined ending fund balances of \$20,249,831, a decrease of \$362,901 in comparison with the prior year. Approximately 53% of this amount (\$10,697,677) constitutes *unassigned fund balance*, which is available for spending at the County's discretion. The remainder of fund balance is *nonspendable, restricted, committed, or assigned* to indicate that it is not available for new spending because it has already been accounted for. The *nonspendable* amounts include 1) advances to other funds that are not expected to be liquidated in the next year (\$207,328), 2) current year prepayments that benefit periods beyond the end of the current year (\$457,629), and 3) the portion of delinquent taxes purchased from other taxing jurisdictions (\$1,853,352). The *restricted* include 1) amounts restricted for debt service (\$10), 2) amounts restricted for an economic development loan program (\$924,596), 3) amounts restricted for UW-Extension programs (\$2,866), and 4) amounts restricted for capital projects (\$610,064). The *assigned* amounts represent tentative management plans for certain items in the General Fund (\$4,173,702), Human Services special revenue fund (\$81,839), County Highway special revenue fund (\$723,664), Nursing special revenue fund (\$377,917), WIC special revenue fund (\$17,828), Public Health special revenue fund (\$67,110), State Aid Forestry special revenue fund (\$13,672), and the Commission on Aging special revenue fund (\$40,577).

The general fund is the chief operating fund of the County. At the end of the current year, unassigned fund balance of the general fund was \$10,697,677 while total fund balance reached \$17,392,439. As a measure of the general fund's liquidity, it may be useful to compare both unreserved fund balance and total fund balance to total fund expenditures. Unreserved fund balance represents 37% of total general fund expenditures, while total fund balance represents 59% of that same amount.

The fund balance of the County's general fund decreased by \$161,126 during the current year. Key factors in this decrease are as follows:

- Social Services expenditures for foster care, group homes and child caring institutions were \$479,000 under budget.
- Fund balances were reduced by \$535,000 for capital purchases.
- Sale of stumpage was \$319,000 under budget.

The Social Services fund has a total fund balance of \$81,869. Of this fund balance, \$81,839 is assigned for Social Services.

The fund balance of the Social Services fund increased by \$83 during the current year.

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

Unrestricted net position of the Highway fund at the end of the year amounted to \$1,286,584. The total increase in net position was \$67,218.

Unrestricted net position of the Solid Waste fund at the end of the year amounted to \$149,005. The total decrease in net position was \$35,167.

Other factors concerning the finances of these funds have already been addressed in the discussion of the County's business-type activities.

**General Fund Budgetary Highlights**

Differences between the original budget and the final amended budget amount to a \$1,097,202 increase in appropriations and can be briefly summarized as follows:

- \$653,000 for new grant revenues and expenditures
- \$1,867,000 to apply carryforward balances to cover current year expenditures

During the year, budgeted revenues exceeded actual revenues by \$284,075. Actual expenditures were less than budgeted expenditures by \$1,121,556 primarily in designated general government expenditures.

**Capital Asset and Debt Administration**

**Capital assets.** The County's net investment in capital assets for its governmental and business-type activities as of December 31, 2012 amounts to \$58,639,157 (net of accumulated depreciation). This investment in capital assets includes land, land improvements, buildings, machinery and equipment, vehicles, public domain infrastructure (highways and bridges), and construction in progress. The total decrease in the County's investment in capital assets for the current year was \$1,468,739 or 2% over last year.

<b>Oneida County, Wisconsin's Capital Assets</b>						
(net of accumulated depreciation)						
	Governmental Activities		Business-type Activities		Totals	
	2012	2011	2012	2011	2012	2011
Land	\$ 14,388,849	\$ 14,388,849	\$ 59,613	\$ 59,613	\$ 14,448,462	\$ 14,448,462
Construction in progress	40,000	729,778	-	-	40,000	729,778
Buildings	18,961,364	18,658,791	435,480	495,618	19,396,844	19,154,409
Improvements	-	-	460,294	544,401	460,294	544,401
Machinery and equipment	4,229,554	4,474,114	2,477,361	2,507,619	6,706,915	6,981,733
Infrastructure	17,586,642	18,249,113	-	-	17,586,642	18,249,113
<b>Total</b>	<b>\$ 55,206,409</b>	<b>\$ 56,500,645</b>	<b>\$ 3,432,748</b>	<b>\$ 3,607,251</b>	<b>\$ 58,639,157</b>	<b>\$ 60,107,896</b>

**Long-term debt.** At the end of the current fiscal year, the County had total bonded debt outstanding of \$2,704,256.

<b>Oneida County, Wisconsin's Outstanding Debt</b>						
General Obligation Debt						
	Governmental Activities		Business-type Activities		Totals	
	2012	2011	2012	2011	2012	2011
General Obligation Debt						
Bonds	\$ 595,000	\$ 645,000	\$ -	\$ -	\$ 595,000	\$ 645,000
Notes	-	175,000	-	-	-	175,000
State Trust Fund Loans	2,109,256	2,188,219	-	-	2,109,256	2,188,219
<b>Total</b>	<b>\$ 2,704,256</b>	<b>\$ 3,008,219</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 2,704,256</b>	<b>\$ 3,008,219</b>

The County's total debt decrease by \$303,963, (10%) during the current fiscal year.

The County maintains an Aa2 rating from Moody's Investors Service for its general obligation debt.

State statutes limit the amount of general obligation debt the County may issue to 5% of its total equalized valuation. The current debt limitation for the County is \$333,374,394, which is significantly in excess of the county's \$2,704,256 in outstanding general obligation debt.

### **Economic Factors and Next Year's Budgets and Rates**

- The unemployment rate for the County is currently 11.9%. This compares to the State of Wisconsin's average unemployment rate of 8.2 % and the national average of 8.1% as of February 2013.
- During the current year, unassigned fund balance in the general fund decreased to \$10,697,677. The County has appropriated \$640,000 of this amount for spending in the 2013 fiscal year budget.

All of these factors were considered in preparing the County's budget for the 2013 fiscal year.

Limits have been imposed on the gross levy for Wisconsin counties. The statute establishes specific penalties for failure to meet the levy rate freeze requirements. Among the penalties for exceeding the limits is the reduction of state shared revenues and transportation aids.

### **Contacting the County's Financial Management**

This financial report is designed to provide a general overview of the County's finances for all those with an interest in the County's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Finance Director, Oneida County PO Box 400 Rhinelander, WI 54501.

## **BASIC FINANCIAL STATEMENTS**



**ONEIDA COUNTY, WISCONSIN**

Statement of Net Position

December 31, 2012

(With summarized financial information as of December 31, 2011)

	Governmental Activities	Business-type Activities	Totals	
			2012	2011
<b>ASSETS</b>				
Cash and investments	\$ 17,890,333	\$ 1,187,692	\$ 19,078,025	\$ 20,272,014
Restricted cash and investments	985,123	1,522,200	2,507,323	2,676,128
Receivables				
Taxes	17,427,156	-	17,427,156	17,641,306
Accounts	2,429,279	173,841	2,603,120	2,027,335
Loans	3,114,848	-	3,114,848	3,372,656
Other	676,091	-	676,091	637,885
Internal balances	207,328	(207,328)	-	-
Due from other governments	359,435	301,953	661,388	1,011,699
Inventories and prepaid items	457,629	692,462	1,150,091	1,111,791
Capital assets				
Land	14,388,849	59,613	14,448,462	14,448,462
Construction in progress	40,000	-	40,000	729,778
Buildings	33,815,727	1,766,114	35,581,841	33,786,467
Improvements other than buildings	-	1,560,933	1,560,933	1,560,933
Machinery and equipment	12,244,352	7,874,248	20,118,600	19,525,637
Infrastructure	28,802,124	-	28,802,124	29,010,017
Less: Accumulated depreciation	(34,084,643)	(7,828,160)	(41,912,803)	(38,953,398)
<b>TOTAL ASSETS</b>	<b>98,753,631</b>	<b>7,103,568</b>	<b>105,857,199</b>	<b>108,858,710</b>
<b>LIABILITIES</b>				
Accounts payable	1,359,845	142,082	1,501,927	2,944,333
Accrued and other current liabilities	1,248,979	47,323	1,296,302	1,031,108
Accrued interest payable	87,256	-	87,256	101,605
Due to other governments	306,528	-	306,528	339,692
Unearned revenues	29,183	106,463	135,646	199,920
Special deposits	253,969	-	253,969	97,398
Long-term obligations				
Due within one year	821,267	68,478	889,745	1,076,058
Due in more than one year	6,143,266	1,870,885	8,014,151	7,848,321
<b>TOTAL LIABILITIES</b>	<b>10,250,293</b>	<b>2,235,231</b>	<b>12,485,524</b>	<b>13,638,435</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Property Taxes	14,951,089	-	14,951,089	15,002,689
<b>NET POSITION</b>				
Net investment in capital assets	54,611,409	3,432,748	58,044,157	59,287,896
Restricted for				
Capital projects	610,064	-	610,064	873,568
Revolving loan program	1,164,683	-	1,164,683	1,125,465
UW-Extension	2,866	-	2,866	8,494
Unrestricted	17,163,227	1,435,589	18,598,816	18,922,163
<b>TOTAL NET POSITION</b>	<b>\$ 73,552,249</b>	<b>\$ 4,868,337</b>	<b>\$ 78,420,586</b>	<b>\$ 80,217,586</b>

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

**ONEIDA COUNTY, WISCONSIN**

Statement of Activities

For the Year Ended December 31, 2012

(With summarized financial information for the year ended December 31, 2011)

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
<b>Governmental Activities</b>				
General government	\$ 6,774,328	\$ 804,008	\$ 177,924	\$ -
Public safety	10,714,549	908,641	577,469	-
Public works	3,558,466	44,555	901,838	-
Health and human services	17,177,093	872,345	12,731,497	-
Culture and recreation	1,407,431	55,783	497,613	-
Conservation and development	1,876,626	1,324,297	584,880	-
Interest on debt	136,257	-	-	-
<b>Total Governmental Activities</b>	<b>41,644,750</b>	<b>4,009,629</b>	<b>15,471,221</b>	<b>-</b>
<b>Business-type Activities</b>				
Solid waste	1,484,486	1,362,750	68,137	-
Highway	4,570,959	4,636,977	-	-
<b>Total Business-type Activities</b>	<b>6,055,445</b>	<b>5,999,727</b>	<b>68,137</b>	<b>-</b>
<b>Total</b>	<b>\$ 47,700,195</b>	<b>\$ 10,009,356</b>	<b>\$ 15,539,358</b>	<b>\$ -</b>

General revenues

Taxes

Property taxes, levied for general purposes

Property taxes, levied for debt service

Other taxes

Federal and state grants and other contributions  
not restricted to specific functions

Interest and investment earnings

Miscellaneous

Gain on sale of asset

Total general revenues

Change in net position

Net position - January 1

Net position - December 31

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

Net (Expense) Revenue and Changes in Net Position			
Governmental Activities	Business-type Activities	Totals	
		2012	2011

\$ (5,792,396)	\$ -	\$ (5,792,396)	\$ (5,088,955)
(9,228,439)	-	(9,228,439)	(9,076,722)
(2,612,073)	-	(2,612,073)	(3,259,865)
(3,573,251)	-	(3,573,251)	(2,995,837)
(854,035)	-	(854,035)	(633,186)
32,551	-	32,551	331,307
(136,257)	-	(136,257)	(139,607)
<u>(22,163,900)</u>	<u>-</u>	<u>(22,163,900)</u>	<u>(20,862,865)</u>

-	(53,599)	(53,599)	(30,563)
-	66,018	66,018	(33,202)
-	12,419	12,419	(63,765)

<u>(22,163,900)</u>	<u>12,419</u>	<u>(22,151,481)</u>	<u>(20,926,630)</u>
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14,522,550	-	14,522,550	14,681,532
480,139	-	480,139	382,116
4,450,729	-	4,450,729	4,314,368
139,015	-	139,015	171,789
249,525	2,068	251,593	263,336
401,716	17,564	419,280	388,919
91,175	-	91,175	41,024
<u>20,334,849</u>	<u>19,632</u>	<u>20,354,481</u>	<u>20,243,084</u>

(1,829,051)	32,051	(1,797,000)	(683,546)
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<u>75,381,300</u>	<u>4,836,286</u>	<u>80,217,586</u>	<u>80,901,132</u>
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<u>\$ 73,552,249</u>	<u>\$ 4,868,337</u>	<u>\$ 78,420,586</u>	<u>\$ 80,217,586</u>
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**ONEIDA COUNTY, WISCONSIN**

Balance Sheet  
Governmental Funds  
December 31, 2012

(With summarized financial information as of December 31, 2011)

	General	Social Services	Other Governmental Funds	Total Governmental Funds	
				2012	2011
<b>ASSETS</b>					
Cash and investments	\$ 15,540,664	\$ 75,339	\$ 2,274,330	\$ 17,890,333	\$ 19,415,390
Restricted cash and investments	545,525	81,869	357,729	985,123	1,098,145
Receivables					
Taxes	13,238,210	1,840,877	2,348,069	17,427,156	17,641,306
Accounts	2,084,639	138,441	206,199	2,429,279	1,845,598
Loans	2,874,761	-	240,087	3,114,848	3,372,656
Other	676,091	-	-	676,091	637,885
Due from other funds	32,867	-	-	32,867	-
Advance to other funds	207,328	-	-	207,328	272,156
Due from other governments	82,892	174,634	101,909	359,435	746,036
Inventories and prepaid items	457,514	30	85	457,629	380,213
<b>TOTAL ASSETS</b>	<b>\$ 35,740,491</b>	<b>\$ 2,311,190</b>	<b>\$ 5,528,408</b>	<b>\$ 43,580,089</b>	<b>\$ 45,409,385</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>					
<b>Liabilities</b>					
Accounts payable	\$ 959,335	\$ 311,888	\$ 88,622	\$ 1,359,845	\$ 2,859,486
Accrued and other current liabilities	1,831,244	55,823	31,576	1,918,643	1,655,264
Due to other funds	-	-	32,867	32,867	-
Due to other governments	286,129	20,399	-	306,528	339,692
Advanced State Aid	18,631	-	10,552	29,183	161,068
Special deposits	252,523	334	1,112	253,969	97,398
<b>Total Liabilities</b>	<b>3,347,862</b>	<b>388,444</b>	<b>164,729</b>	<b>3,901,035</b>	<b>5,112,908</b>
<b>Deferred Inflows of Resources</b>					
Property taxes	10,762,143	1,840,877	2,348,069	14,951,089	15,002,689
Interest and penalty on delinquent taxes	671,004	-	-	671,004	634,806
Other revenue related to delinquent taxes	388,557	-	-	388,557	406,953
Loans receivable	2,874,761	-	240,087	3,114,848	3,372,656
Fines receivable	303,725	-	-	303,725	266,641
<b>Total Deferred Inflows of Resources</b>	<b>15,000,190</b>	<b>1,840,877</b>	<b>2,588,156</b>	<b>19,429,223</b>	<b>19,683,745</b>
<b>Fund Balances</b>					
<b>Non-spendable</b>					
Inventories and prepaid items	457,514	30	85	457,629	380,213
Delinquent taxes	1,853,352	-	-	1,853,352	1,898,560
Advance to other funds	207,328	-	-	207,328	272,156
<b>Restricted for</b>					
Revolving loan program	-	-	924,596	924,596	787,869
Retirement of long-term debt	-	-	10	10	9
UW-Extension	2,866	-	-	2,866	8,494
Capital projects	-	-	610,064	610,064	873,568
Assigned	4,173,702	81,839	1,240,768	5,496,309	6,257,116
<b>Unassigned, reported in</b>					
General fund	10,697,677	-	-	10,697,677	10,134,747
<b>Total Fund Balances</b>	<b>17,392,439</b>	<b>81,869</b>	<b>2,775,523</b>	<b>20,249,831</b>	<b>20,612,732</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>	<b>\$ 35,740,491</b>	<b>\$ 2,311,190</b>	<b>\$ 5,528,408</b>	<b>\$ 43,580,089</b>	<b>\$ 45,409,385</b>

(Continued)

**ONEIDA COUNTY, WISCONSIN**

Balance Sheet (Continued)

Governmental Funds

December 31, 2012

(With summarized financial information as of December 31, 2011)

<u>Reconciliation to the Statement of Net Position</u>	2012	2011
Total Fund Balances as shown on previous page	\$ 20,249,831	\$ 20,612,732
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not current financial resources and therefore are not reported in the funds.	55,206,409	56,500,645
Other long-term assets are not available to pay current period expenditures and therefore are deferred in the funds.		
Interest and penalty on delinquent taxes	671,004	634,806
Loans receivable	3,114,848	3,372,656
Court fines receivable	303,725	266,641
Deferred revenue related to delinquent taxes	388,557	406,953
Some liabilities are not due and payable in the current period and, therefore, are not reported in the funds.		
Bonds and notes payable	(2,704,256)	(3,008,219)
Compensated absences	(1,347,244)	(1,375,670)
Post-employment benefits	(2,243,369)	(1,927,639)
Accrued interest on long-term obligations	(87,256)	(101,605)
	(6,382,125)	(6,413,133)
Net Position of Governmental Activities as Reported on the Statement of Net Position (see page 11)	\$ 73,552,249	\$ 75,381,300

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

**ONEIDA COUNTY, WISCONSIN**  
Statement of Revenues, Expenditures and Changes in Fund Balances  
Governmental Funds  
For the Year Ended December 31, 2012  
(With summarized financial information for the year ended December 31, 2011)

	General	Social Services	Other Governmental Funds	Total Governmental Funds	
				2012	2011
<b>Revenues</b>					
Taxes	\$ 14,891,744	\$ 1,930,477	\$ 2,649,593	\$ 19,471,814	\$ 19,350,086
Intergovernmental	8,590,848	4,595,724	2,404,821	15,591,393	15,756,571
Licenses and permits	7,625	-	-	7,625	3,745
Fines and forfeits	210,527	-	-	210,527	169,661
Public charges for services	2,340,692	19,017	874,847	3,234,556	3,602,903
Intergovernmental charges for services	1,092,034	60,111	39,645	1,191,790	1,704,752
Miscellaneous	1,135,805	83	150,092	1,285,980	1,518,293
<b>Total Revenues</b>	<b>28,269,275</b>	<b>6,605,412</b>	<b>6,118,998</b>	<b>40,993,685</b>	<b>42,106,011</b>
<b>Expenditures</b>					
<b>Current</b>					
General government	6,930,809	-	-	6,930,809	7,432,780
Public safety	10,428,154	-	-	10,428,154	10,806,972
Public works	155,000	-	2,441,703	2,596,703	3,524,860
Health and human services	8,338,136	6,148,231	2,834,026	17,320,393	17,508,098
Culture and recreation	1,406,198	-	-	1,406,198	1,654,676
Conservation and development	1,854,371	-	-	1,854,371	2,340,485
<b>Debt service</b>					
Principal	-	-	303,963	303,963	283,804
Interest and fiscal charges	-	-	150,606	150,606	98,311
Capital outlay	-	-	560,575	560,575	1,071,792
<b>Total Expenditures</b>	<b>29,112,668</b>	<b>6,148,231</b>	<b>6,290,873</b>	<b>41,551,772</b>	<b>44,721,778</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>(843,393)</b>	<b>457,181</b>	<b>(171,875)</b>	<b>(558,087)</b>	<b>(2,615,767)</b>
<b>Other Financing Sources (Uses)</b>					
Long-term debt issued	-	-	-	-	300,000
Sale of capital assets	74,916	-	120,270	195,186	68,580
Transfers in	744,050	93,305	54,646	892,001	1,557,351
Transfers out	(136,699)	(550,403)	(204,899)	(892,001)	(1,557,351)
<b>Total Other Financing Sources (Uses)</b>	<b>682,267</b>	<b>(457,098)</b>	<b>(29,983)</b>	<b>195,186</b>	<b>368,580</b>
<b>Net Change in Fund Balances</b>	<b>(161,126)</b>	<b>83</b>	<b>(201,858)</b>	<b>(362,901)</b>	<b>(2,247,187)</b>
<b>Fund Balances - January 1</b>	<b>17,553,565</b>	<b>81,786</b>	<b>2,977,381</b>	<b>20,612,732</b>	<b>22,859,919</b>
<b>Fund Balances - December 31</b>	<b>\$ 17,392,439</b>	<b>\$ 81,869</b>	<b>\$ 2,775,523</b>	<b>\$ 20,249,831</b>	<b>\$ 20,612,732</b>

(Continued)



**ONEIDA COUNTY, WISCONSIN**  
Statement of Revenues, Expenditures and Changes in Fund Balances (Continued)  
Governmental Funds  
For the Year Ended December 31, 2012  
(With summarized financial information for the year ended December 31, 2011)

<u>Reconciliation to the Statement of Activities</u>	2012	2011
Net Change in Fund Balances as shown on previous page	\$ (362,901)	\$ (2,247,187)
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 is allocated over their estimated useful lives and reported as depreciation expense.		
Capital assets reported as expenditures in governmental fund statements	3,204,064	4,161,279
Depreciation expense reported in the statement of activities	<u>(4,394,289)</u>	<u>(2,443,471)</u>
Amount by which capital outlays are more than depreciation	<u>(1,190,225)</u>	<u>1,717,808</u>
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	195,186	68,580
Gain (loss) on disposition reported on the statement of activities	91,175	41,024
Book value of assets disposed reported on the statement of activities	<u>(104,011)</u>	<u>(27,556)</u>
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 decreased (increased) by:		
	28,426	30,155
Post-employment benefits are recognized on the pay-as-you-go basis in the governmental funds. The statement of activities reports the Annual Required Contribution as an expense. The underfunded ARC for the year is:		
	(315,730)	(407,458)
Governmental funds do not present revenues that are not available to pay current obligations. In contrast, such revenues are reported in the statement of activities when earned.		
Interest and penalty on taxes	36,198	89,853
Loans receivable	(257,808)	227,436
Court fines receivable	37,084	8,881
Deferred tax revenue	(18,396)	27,930
The amount of the debt is reported in the governmental funds as a source of financing. In the statement of net position, however, debt constitutes a long-term liability. The amount of debt reported in the governmental funds statement is:		
	-	(300,000)
Repayment of principal on long-term debt is reported in the governmental funds as an expenditure, but is reported as a reduction in long-term debt in the statement of net position and does not affect the statement of activities. The amount of long-term debt principal payments is:		
	303,963	283,804
Interest payments on outstanding debt are reported in the governmental funds as an expenditure when paid, in the statement of activities interest is reported as it accrues.		
	<u>14,349</u>	<u>(41,296)</u>
Change in Net Position of Governmental Activities as Reported in the Statement of Activities (see pages 12 - 13)	<u>\$ (1,829,051)</u>	<u>\$ (637,630)</u>

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

**ONEIDA COUNTY, WISCONSIN**

Statement of Revenues, Expenditures and Changes in Fund Balance  
Budget and Actual  
General Fund  
For the Year Ended December 31, 2012

	Budgeted Amounts		Actual Amounts	Variance Final Budget - Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Taxes	\$ 14,787,739	\$ 14,787,739	\$ 14,891,744	\$ 104,005
Intergovernmental	8,022,980	8,675,887	8,590,848	(85,039)
Licenses and permits	4,250	4,250	7,625	3,375
Fines and forfeits	192,600	192,600	210,527	17,927
Public charges for services	2,417,005	2,441,165	2,340,692	(100,473)
Intergovernmental charges for services	968,604	969,699	1,092,034	122,335
Miscellaneous	1,483,175	1,482,010	1,135,805	(346,205)
<b>Total Revenues</b>	<b>27,876,353</b>	<b>28,553,350</b>	<b>28,269,275</b>	<b>(284,075)</b>
<b>Expenditures</b>				
<b>Current</b>				
General government	6,666,615	7,371,268	6,930,809	440,459
Public safety	10,033,735	10,683,854	10,428,154	255,700
Public works	155,000	155,000	155,000	-
Health and human services	8,578,655	8,579,855	8,338,136	241,719
Culture and recreation	1,256,367	1,500,174	1,406,198	93,976
Conservation and development	1,750,820	1,944,073	1,854,371	89,702
<b>Total Expenditures</b>	<b>28,441,192</b>	<b>30,234,224</b>	<b>29,112,668</b>	<b>1,121,556</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>(564,839)</b>	<b>(1,680,874)</b>	<b>(843,393)</b>	<b>837,481</b>
<b>Other Financing Sources (Uses)</b>				
Sale of capital assets	12,500	12,500	74,916	62,416
Transfers in	-	155,532	744,050	588,518
Transfers out	-	(136,699)	(136,699)	-
<b>Total Other Financing Sources (Uses)</b>	<b>12,500</b>	<b>31,333</b>	<b>682,267</b>	<b>650,934</b>
<b>Net Change in Fund Balance</b>	<b>(552,339)</b>	<b>(1,649,541)</b>	<b>(161,126)</b>	<b>1,488,415</b>
<b>Fund Balance - January 1</b>	<b>17,553,565</b>	<b>17,553,565</b>	<b>17,553,565</b>	<b>-</b>
<b>Fund Balance - December 31</b>	<b>\$ 17,001,226</b>	<b>\$ 15,904,024</b>	<b>\$ 17,392,439</b>	<b>\$ 1,488,415</b>

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

**ONEIDA COUNTY, WISCONSIN**

Statement of Revenues, Expenditures and Changes in Fund Balance

Budget and Actual

Social Services Special Revenue Fund  
For the Year Ended December 31, 2012

	Budgeted Amounts		Actual Amounts	Variance Final Budget - Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Taxes	\$ 1,930,477	\$ 1,930,477	\$ 1,930,477	\$ -
Intergovernmental	4,410,322	4,666,113	4,595,724	(70,389)
Public charges for services	13,700	13,700	19,017	5,317
Intergovernmental charges for services	57,000	57,000	60,111	3,111
Miscellaneous	-	-	83	83
<b>Total Revenues</b>	<b>6,411,499</b>	<b>6,667,290</b>	<b>6,605,412</b>	<b>(61,878)</b>
<b>Expenditures</b>				
Current				
Health and human services	6,411,499	6,688,807	6,148,231	540,576
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>-</b>	<b>(21,517)</b>	<b>457,181</b>	<b>478,698</b>
<b>Other Financing Sources (Uses)</b>				
Transfers in	-	93,305	93,305	-
Transfers out	-	(71,788)	(550,403)	(478,615)
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>21,517</b>	<b>(457,098)</b>	<b>(478,615)</b>
<b>Net Change in Fund Balance</b>	<b>-</b>	<b>-</b>	<b>83</b>	<b>83</b>
<b>Fund Balance - January 1</b>	<b>81,786</b>	<b>81,786</b>	<b>81,786</b>	<b>-</b>
<b>Fund Balance - December 31</b>	<b>\$ 81,786</b>	<b>\$ 81,786</b>	<b>\$ 81,869</b>	<b>\$ 83</b>

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

**ONEIDA COUNTY, WISCONSIN**

Statement of Net Position

Proprietary Funds

December 31, 2012

(With summarized financial information as of December 31, 2011)

	Business-type Activities - Enterprise Funds			
	Solid Waste	Highway	Totals	
			2012	2011
<b>ASSETS</b>				
Current assets				
Cash and investments	\$ 338,870	\$ 848,822	\$ 1,187,692	\$ 856,624
Receivables				
Accounts	128,160	45,681	173,841	181,737
Due from other governments	-	301,953	301,953	265,663
Inventories and prepaid expenses	-	692,462	692,462	731,578
Total Current Assets	467,030	1,888,918	2,355,948	2,035,602
Noncurrent assets				
Restricted cash and investments	1,522,200	-	1,522,200	1,577,983
Capital assets				
Land	-	59,613	59,613	59,613
Capital assets, depreciable				
Buildings	359,893	1,406,221	1,766,114	1,766,114
Improvements other than buildings	1,560,933	-	1,560,933	1,560,933
Machinery and equipment	2,299,074	5,575,174	7,874,248	7,804,141
Less: Accumulated depreciation	(3,234,940)	(4,593,220)	(7,828,160)	(7,583,550)
Total Capital Assets, Net of Accumulated Depreciation	984,960	2,447,788	3,432,748	3,607,251
Total Noncurrent Assets	2,507,160	2,447,788	4,954,948	5,185,234
<b>TOTAL ASSETS</b>	<b>2,974,190</b>	<b>4,336,706</b>	<b>7,310,896</b>	<b>7,220,836</b>
<b>LIABILITIES</b>				
Current Liabilities				
Accounts payable	101,993	40,089	142,082	84,847
Accrued and other current liabilities	7,142	40,181	47,323	76,357
Unearned revenue	-	106,463	106,463	38,852
Compensated absences	14,935	53,543	68,478	71,582
Current maturities of advance from other funds	66,315	-	66,315	64,828
Total Current Liabilities	190,385	240,276	430,661	271,638
Noncurrent Liabilities				
Long term care-landfill closure	1,447,405	-	1,447,405	1,468,446
Compensated absences	61,422	151,539	212,961	197,967
Post-employment benefits	-	210,519	210,519	174,343
Advance from other funds	141,013	-	141,013	207,328
Total Noncurrent Liabilities	1,649,840	362,058	2,011,898	2,112,912
<b>TOTAL LIABILITIES</b>	<b>1,840,225</b>	<b>602,334</b>	<b>2,442,559</b>	<b>2,384,550</b>
<b>NET POSITION</b>				
Net investment in capital assets	984,960	2,447,788	3,432,748	3,607,251
Unrestricted (deficit)	149,005	1,286,584	1,435,589	1,229,035
<b>TOTAL NET POSITION</b>	<b>\$ 1,133,965</b>	<b>\$ 3,734,372</b>	<b>\$ 4,868,337</b>	<b>\$ 4,836,286</b>

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

**ONEIDA COUNTY, WISCONSIN**  
Statement of Revenues, Expenses and Changes in Net Position  
Proprietary Funds  
For the Year Ended December 31, 2012  
(With summarized financial information for the year ended December 31, 2011)

	Business-type Activities - Enterprise Funds			
	Solid Waste	Highway	Totals	
			2012	2011
Operating Revenues				
Charges for services	\$ 1,362,750	\$ 4,636,977	\$ 5,999,727	\$ 7,185,044
Intergovernmental	75,137	-	75,137	91,767
Miscellaneous	9,364	1,200	10,564	7,974
Total Operating Revenues	<u>1,447,251</u>	<u>4,638,177</u>	<u>6,085,428</u>	<u>7,284,785</u>
Operating Expenses				
Operation and maintenance	1,309,266	4,267,923	5,577,189	6,858,738
Depreciation	175,220	303,036	478,256	488,838
Total Operating Expenses	<u>1,484,486</u>	<u>4,570,959</u>	<u>6,055,445</u>	<u>7,347,576</u>
Operating Income (Loss)	(37,235)	67,218	29,983	(62,791)
Nonoperating Revenues (Expenses)				
Interest income	2,068	-	2,068	16,875
Change in Net Position	(35,167)	67,218	32,051	(45,916)
Net Position - January 1	<u>1,169,132</u>	<u>3,667,154</u>	<u>4,836,286</u>	<u>4,882,202</u>
Net Position - December 31	<u>\$ 1,133,965</u>	<u>\$ 3,734,372</u>	<u>\$ 4,868,337</u>	<u>\$ 4,836,286</u>

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

**ONEIDA COUNTY, WISCONSIN**

Statement of Cash Flows

Proprietary Funds

For the Year Ended December 31, 2012

(With summarized financial information for the year ended December 31, 2011)

	Business-type Activities - Enterprise Funds			
	Solid Waste	Highway	Totals	
			2012	2011
Cash Flows from Operating Activities				
Cash received from user charges	\$ 1,473,681	\$ 4,650,965	\$ 6,124,646	\$ 7,627,915
Cash payments to suppliers	(1,017,644)	(2,917,400)	(3,935,044)	(4,993,066)
Cash payments to employees	(348,037)	(1,264,595)	(1,612,632)	(1,748,510)
Net Cash Provided by Operating Activities	108,000	468,970	576,970	886,339
Cash Flows from Capital and Related Financing Activities				
Acquisition of capital assets	-	(324,293)	(324,293)	(448,860)
Proceeds from sale of capital assets	-	20,540	20,540	25,750
Net Cash Provided (Used) by Capital and Related Financing Activities	-	(303,753)	(303,753)	(423,110)
Cash Flows from Investing Activities				
Interest income received	2,068	-	2,068	16,875
Change in Cash and Cash Equivalents	110,068	165,217	275,285	480,104
Cash and Cash Equivalents - January 1	1,751,002	683,605	2,434,607	1,954,503
Cash and Cash Equivalents - December 31	<u>\$ 1,861,070</u>	<u>\$ 848,822</u>	<u>\$ 2,709,892</u>	<u>\$ 2,434,607</u>
Reconciliation of Cash and Cash Equivalents to the Statement of Net Position				
Cash and investments	\$ 338,870	\$ 848,822	\$ 1,187,692	\$ 856,624
Restricted cash and investments	1,522,200	-	1,522,200	1,577,983
Total Cash and Investments	<u>\$ 1,861,070</u>	<u>\$ 848,822</u>	<u>\$ 2,709,892</u>	<u>\$ 2,434,607</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided by Operating Activities:				
Operating income (loss)	\$ (37,235)	\$ 67,218	\$ 29,983	\$ (62,791)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation	175,220	303,036	478,256	488,838
Changes in assets and liabilities				
Accounts receivable	26,430	(18,534)	7,896	157,405
Due from other governments	-	(36,290)	(36,290)	146,873
Inventories and prepaid expenses	-	39,115	39,115	35,004
Accounts payable	35,653	21,582	57,235	(61,666)
Accrued expenses	(2,501)	(26,533)	(29,034)	29,213
Advance to other funds	(64,828)	-	(64,828)	58,666
Compensated absences	(3,698)	15,588	11,890	12,443
Post-employment benefits	-	36,176	36,176	40,875
Long-term care landfill closure	(21,041)	-	(21,041)	2,627
Unearned revenues	-	67,612	67,612	38,852
Net Cash Provided by Operating Activities	<u>\$ 108,000</u>	<u>\$ 468,970</u>	<u>\$ 576,970</u>	<u>\$ 886,339</u>
Noncash Investing, Capital and Related Financing Activities				
None				

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



**ONEIDA COUNTY, WISCONSIN**

Statement of Net Position

Fiduciary Funds

December 31, 2012

(With summarized financial information as of December 31, 2011)

	ADRC of the Northwoods	Departmental Cash	Agency Funds	
			2012	2011
<b>ASSETS</b>				
Cash and cash equivalents	\$ -	\$ 482,917	\$ 482,917	\$ 341,286
Due from other governments	215,543	-	215,543	-
Prepaid expense	1,961	-	1,961	-
<b>Total Assets</b>	<b>\$ 217,504</b>	<b>\$ 482,917</b>	<b>\$ 700,421</b>	<b>\$ 341,286</b>
<b>LIABILITIES</b>				
Accounts Payable	\$ 207,655	\$ -	\$ 207,655	\$ -
Due to other governments	-	482,917	482,917	341,286
Accrued payroll liabilities	9,849	-	9,849	-
<b>Total Liabilities</b>	<b>\$ 217,504</b>	<b>\$ 482,917</b>	<b>\$ 700,421</b>	<b>\$ 341,286</b>

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

**ONEIDA COUNTY, WISCONSIN**  
Notes to Basic Financial Statements  
December 31, 2012

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

The basic financial statements of Oneida County, Wisconsin ("the County") 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

Oneida County is a municipal corporation governed by an elected 21-member 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 County has not identified any component units that are required to be included in the basic financial statements in accordance with standards established by GASB Statement Nos. 14 and 39.

2. 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. 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.

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, debt service and capital projects 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.

**SPECIAL REVENUE FUND - SOCIAL SERVICES**

This fund accounts for the resources accumulated and payments made for the social service department. The significant revenues for the fund are property taxes and state and federal grants.

**ONEIDA COUNTY, WISCONSIN**  
Notes to Basic Financial Statements  
December 31, 2012

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

The County reports the following major enterprise funds:

**SOLID WASTE FUND**

This fund accounts for the financial activities related to the operation of the Oneida County Landfill.

**HIGHWAY FUND**

This fund accounts for the financial activities related to the operation of the county highway department, except for the summer and winter maintenance of the county trunk highway system, which is recorded in a Special Revenue Fund.

Additionally, the government reports the following fund types:

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

3. 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, 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 function 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.

**ONEIDA COUNTY, WISCONSIN**  
Notes to Basic Financial Statements  
December 31, 2012

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

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.

4. 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 of \$25,876,075 have been shown net of allowance for uncollectible accounts of \$2,054,860.

c. Interfund Receivables and Payables

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

The amount reported on the statement of net position for internal balances represents the residual balance outstanding between the governmental activities and business-type activities.

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 amounts to indicate that they do not represent spendable available financial resources.

e. Prepaid Items

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

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

**ONEIDA COUNTY, WISCONSIN**  
Notes to Basic Financial Statements  
December 31, 2012

**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 \$200 or higher and an estimated useful life in excess of two 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>		
Buildings	10 - 50	20 - 50
Improvements other than buildings	-	10 - 20
Machinery and equipment	5 - 15	3 - 30
Infrastructure	20 - 50	-

g. Compensated Absences

It is the County's policy to permit employees to accumulate varying amounts of paid time off (PTO) in accordance with various bargaining unit agreements. PTO consolidates all benefits, including vacation, sick leave, holidays, and termination benefit days into a single "bank account". Upon termination, for any reason, the employee is entitled to be paid the total balance in the "bank". All paid time off is accrued when incurred in the government-wide and proprietary fund financial statements.

h. Deferred Outflows/Inflows of Resources

The County implemented GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position* and GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities* for the year ended December 31, 2012. 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 an additional type of item, which arises only under a modified accrual basis of accounting, that 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 various sources, loans receivable, fines receivable, interest and penalty on delinquent property taxes, and other revenue related to delinquent property taxes. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available.



**ONEIDA COUNTY, WISCONSIN**  
Notes to Basic Financial Statements  
December 31, 2012

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

i. Long-term Obligations

In the government-wide financial statements, and proprietary 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 proprietary fund statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed in the current period.

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.

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. The County Board has not authorized any position to assign fund balance. Residual amounts in any governmental fund, other than the General 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.



**ONEIDA COUNTY, WISCONSIN**  
Notes to Basic Financial Statements  
December 31, 2012

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

GOVERNMENT-WIDE AND PROPRIETARY FUND STATEMENTS

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

- Net investment in capital assets - Amount of capital position, net of accumulated depreciation, less outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- Restricted net position - Amount of net position that is 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 asset

5. 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.

6. Summarized Comparative Information

The basic financial statements include certain prior-year summarized comparative information in total, but not at the level of detail 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 County's financial statements for the year ended December 31, 2011, from which the summarized information was derived.

7. Reclassifications

Certain amounts in the prior year financial statements have been reclassified to conform with the presentation in the current year financial statements with no change in previously reported net position, changes in net position, fund balance or changes in fund balance.

**ONEIDA COUNTY, WISCONSIN**  
Notes to Basic Financial Statements  
December 31, 2012

**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 October, County management submits to the County Board a proposed operating budget for the calendar year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them. After submission to the governing body, public hearings are held to obtain taxpayer comments. Following the public hearings, the proposed budget, including authorized additions and deletions, is legally enacted by County Board action.
2. Budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America for the governmental funds. Budget is defined as the originally approved budget plus or minus approved amendments. Individual amendments throughout the year were not material in relation to the original budget. Budget appropriations not expended during the year are closed to fund balance unless authorized by the governing body to be forwarded into the succeeding year's budget.
3. During the year, formal budgetary integration is employed as a management control device for the governmental funds.
4. Expenditures may not exceed appropriations provided in detailed budget accounts maintained for each activity or department of the County. Amendments to the budget during the year require initial approval by management and are subsequently authorized by the County Board.
5. Encumbrance accounting is not used by the County to record commitments related to unperformed contracts for goods or services.

The County did not have any material violation of legal or contractual provisions for the fiscal year ended December 31, 2012.

**ONEIDA COUNTY, WISCONSIN**  
Notes to Basic Financial Statements  
December 31, 2012

**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 \$22,068,265 on December 31, 2012 as summarized below:

Petty cash and cash on hand	\$ 1,850
Deposits with financial institutions	11,871,945
Investments	10,194,470
	\$ 22,068,265

Reconciliation to the basic financial statements:

Government-Wide Statement of Net Position	
Cash and investments	\$ 19,078,025
Restricted cash and investments	2,507,323
Fiduciary fund Statement of Net Position	
Agency funds	482,917
	\$ 22,068,265

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.

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 time and savings deposits and \$250,000 for interest-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 all time accounts, savings accounts and interest-bearing demand deposit accounts per official custodian per depository institution. Deposits with credit unions are insured by the National Credit Union Share Insurance Fund (NCUSIF) in the amount of \$250,000 per credit union member. In addition, the County's non-interest bearing transaction accounts are fully insured through December 31, 2012. As of January 1, 2013 the County's noninterest-bearing transaction accounts are combined with its interest-bearing demand deposits for FDIC insurance coverage. 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.

**ONEIDA COUNTY, WISCONSIN**  
Notes to Basic Financial Statements  
December 31, 2012

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

As of December 31, 2012, \$9,594,382 of the County's deposits with financial institutions were in excess of federal and state depository insurance limits and uncollateralized (or collateralized with securities held by the pledging financial institution or its trust department or agent but not in the County's name).

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	Below AA	Not Rated
U.S. treasury securities	\$ 2,561,121	\$ 2,561,121	\$ -	\$ -	\$ -	\$ -
Federal agency securities	2,081,165	-	2,081,165	-	-	-
Corporate bonds	4,081,964	-	2,219,133	1,691,841	170,990	-
State and municipal bonds	644,742	-	-	644,742	-	-
Canadian bonds	121,071	-	-	121,071	-	-
Money market mutual funds	545,146	-	545,146	-	-	-
Wisconsin local government investment pool	159,261	-	-	-	-	159,261
<b>Totals</b>	<b>\$ 10,194,470</b>	<b>\$ 2,561,121</b>	<b>\$ 4,845,444</b>	<b>\$ 2,457,654</b>	<b>\$ 170,990</b>	<b>\$ 159,261</b>

Concentration of Credit Risk

The investment policy of the County contains no limitations on the amount that can be invested in any one issuer. Investments in any one issuer (other than U.S. Treasury securities, mutual funds, and external investment pools) that represent 5% or more of total County investments are as follows:

Issuer	Investment Type	Reported Amount	Percent of Total
Federal National Mortgage Association	Notes	\$ 1,386,671	14%
Federal Home Loan Mortgage Corporation	Notes	599,457	6%

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.

**ONEIDA COUNTY, WISCONSIN**  
Notes to Basic Financial Statements  
December 31, 2012

**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
U.S. treasury securities	\$ 2,561,121	\$ 433,899	\$ 726,948	\$ 1,400,274	\$ -
Federal agency securities	2,081,165	417,233	610,570	1,053,362	-
Corporate bonds	4,081,964	670,044	1,654,262	1,757,658	-
State and municipal bonds	644,742	110,220	116,178	418,344	-
Canadian bonds	121,071	-	-	121,071	-
Money market mutual funds	545,146	545,146	-	-	-
Wisconsin local government investment pool	159,261	159,261	-	-	-
<b>Totals</b>	<b>\$ 10,194,470</b>	<b>\$ 2,335,803</b>	<b>\$ 3,107,958</b>	<b>\$ 4,750,709</b>	<b>\$ -</b>

Investment in Wisconsin Local Government Investment Pool

The County has investments in the Wisconsin local government investment pool of \$159,261 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, 2012, the fair value of the County's share of the LGIP's assets was substantially equal to the carrying value.

2. Restricted Assets

Restricted assets on December 31, 2012 totaled \$2,507,323 and consisted of cash and investments held for the following purposes:

General Fund	
UW Extension	\$ 2,866
Health Insurance Trust	542,659
Special Revenue Fund	
Human Services COP Risk Reserve	81,869
Capital Project Funds	
Airport Construction	357,729
Enterprise Fund	
Solid waste long-term care	1,522,200
<b>Total Restricted Assets</b>	<b>\$ 2,507,323</b>



**ONEIDA COUNTY, WISCONSIN**  
Notes to Basic Financial Statements  
December 31, 2012

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

3. Receivables

Receivables as of year-end for the County's individual major funds and aggregate nonmajor funds in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

	General	Social Services	Nonmajor Governmental Funds	Solid Solid Waste	Highway	Total
Receivables						
Taxes	\$ 10,762,143	\$ 1,840,877	\$ 2,348,069	\$ -	\$ -	\$ 14,951,089
Delinquent taxes	2,476,067	-	-	-	-	2,476,067
Accounts	3,123,476	138,441	208,085	128,160	45,681	3,643,843
Loans	2,874,761	-	240,087	-	-	3,114,848
Other	1,690,228	-	-	-	-	1,690,228
Gross receivables	20,926,675	1,979,318	2,796,241	128,160	45,681	25,876,075
Less: Allowance for uncollectibles	2,052,974	-	1,886	-	-	2,054,860
Net Total Receivables	<u>\$ 18,873,701</u>	<u>\$ 1,979,318</u>	<u>\$ 2,794,355</u>	<u>\$ 128,160</u>	<u>\$ 45,681</u>	<u>\$ 23,821,215</u>

4. Property Tax Apportionments

Property taxes are apportioned annually in November to local taxing units within the County for financing state charges and the subsequent year's operations of the County. Since the November apportionment is not due from local taxing districts until February of the subsequent year, the County's apportionment is recorded as deferred inflows of resources 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 of \$14,951,089 are recorded on December 31, 2012 for collection in 2013 for the County apportionment.

The County apportionment is for financing 2013 operations and will be transferred in 2013 from deferred inflows of resources to current revenues of the County's governmental funds.

5. 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, 2012, the County's general fund showed an investment of \$2,476,067 in delinquent taxes as follows:

Tax certificates	\$ 2,395,697
Tax deeds	63,174
Miscellaneous taxes	17,196
Total	<u>\$ 2,476,067</u>



**ONEIDA COUNTY, WISCONSIN**  
Notes to Basic Financial Statements  
December 31, 2012

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

An aging of the tax certificates and tax deeds of \$2,458,871 on December 31, 2012 follows:

Year Acquired	Total	Tax Certificates	Tax Deeds
Prior to 2005	\$ 12,919	\$ 1,291	\$ 11,628
2005	336	336	-
2006	3,800	3,800	-
2007	6,242	6,242	-
2008	12,972	9,692	3,280
2009	97,718	97,016	702
2010	381,064	381,064	-
2011	746,474	743,234	3,240
2012	1,197,346	1,153,022	44,324
	<u>\$ 2,458,871</u>	<u>\$ 2,395,697</u>	<u>\$ 63,174</u>

Of the total of \$2,458,871 for delinquent taxes, \$1,853,352 is recorded as nonspendable fund balance for the general fund. In addition, \$388,557 has been determined to be the County levy portion of these delinquent taxes and recorded as deferred inflows of resources.

**6. Capital Assets**

Capital asset activity for the year ended December 31, 2012 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
<b>Governmental activities:</b>				
Capital assets, not being depreciated:				
Land	\$ 14,388,849	\$ -	\$ -	\$ 14,388,849
Construction in progress	729,778	242,004	931,782	40,000
Subtotals	15,118,627	242,004	931,782	14,428,849
Capital assets, being depreciated:				
Buildings and improvements	32,020,353	1,795,374	-	33,815,727
Machinery and equipment	11,721,496	1,296,833	773,977	12,244,352
Infrastructure	29,010,017	801,635	1,009,528	28,802,124
Subtotals	72,751,866	3,893,842	1,783,505	74,862,203
Less accumulated depreciation for:				
Buildings and improvements	13,361,562	1,492,801	-	14,854,363
Machinery and equipment	7,247,382	1,437,382	669,966	8,014,798
Infrastructure	10,760,904	1,464,106	1,009,528	11,215,482
Subtotals	31,369,848	4,394,289	1,679,494	34,084,643
Total capital assets, being depreciated, net	41,382,018	(500,447)	104,011	40,777,560
Governmental activities capital assets, net	<u>\$ 56,500,645</u>	<u>\$ (258,443)</u>	<u>\$ 1,035,793</u>	55,206,409
Less related long-term debt outstanding				<u>595,000</u>
Net investment in capital assets				<u>\$ 54,611,409</u>

**ONEIDA COUNTY, WISCONSIN**  
Notes to Basic Financial Statements  
December 31, 2012

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

	Beginning Balance	Increases	Decreases	Ending Balance
<b>Business-type activities:</b>				
Capital assets, not being depreciated:				
Land	\$ 59,613	\$ -	\$ -	\$ 59,613
Capital assets, being depreciated:				
Buildings	1,766,114	-	-	1,766,114
Improvements	1,560,933	-	-	1,560,933
Machinery and equipment	7,804,141	233,886	163,779	7,874,248
Subtotals	11,131,188	233,886	163,779	11,201,295
Less accumulated depreciation for:				
Buildings	1,270,496	60,138	-	1,330,634
Improvements	1,016,532	84,107	-	1,100,639
Machinery and equipment	5,296,522	334,011	233,646	5,396,887
Subtotals	7,583,550	478,256	233,646	7,828,160
Total capital assets, being depreciated, net	3,547,638	(244,370)	(69,867)	3,373,135
Business-type activities capital assets, net	\$ 3,607,251	\$ (244,370)	\$ (69,867)	3,432,748
Less related long-term debt outstanding				-
Net investment in capital assets				<u>\$ 3,432,748</u>

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

Governmental activities	
General government	\$ 572,304
Public safety	1,449,586
Public works	1,704,750
Health and human services	442,000
Culture and recreation	157,890
Conservation and development	67,759
Total depreciation expense - governmental activities	<u>\$ 4,394,289</u>
Business-type activities	
Highway	\$ 303,036
Solid waste	175,220
Total depreciation expense - business-type activities	<u>\$ 478,256</u>

**ONEIDA COUNTY, WISCONSIN**  
Notes to Basic Financial Statements  
December 31, 2012

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

7. Interfund Receivable, Payables, and Transfers

Interfund receivables and payables between individual funds of the County, as reported in the fund financial statements, as of December 31, 2012 are detailed below:

	Interfund Receivables	Interfund Payables
Temporary Cash Advances to Finance Operating Cash		
Deficits of Other Funds		
General fund	\$ 32,867	\$ -
Special Revenue Fund		
Commission on aging	-	32,867
Advance to Finance Capital Asset Purchase		
General fund	\$ 207,328	\$ -
Enterprise Fund		
Solid waste	-	207,328
Totals	<u>\$ 240,195</u>	<u>\$ 240,195</u>

Annual payments due on the cash advances to finance capital purchases, as of December 31, 2012, are detailed below:

Year Ended December 31	Solid Waste		
	Principal	Interest	Total
2013	\$ 66,315	\$ 4,019	\$ 70,334
2014	67,836	2,498	70,334
2015	59,692	964	60,656
2016	13,485	102	13,587
	<u>\$ 207,328</u>	<u>\$ 7,583</u>	<u>\$ 214,911</u>

Interfund transfers for the year ended December 31, 2012 were as follows:

	Interfund Transfers:	
	In	Out
Governmental Funds		
General fund	\$ 744,050	\$ 136,699
Special revenue - social services	93,305	550,403
Special revenue - county highway	24,299	-
Special revenue - public health	10,439	115,080
Special revenue - commission on aging	8,656	49,206
Capital project fund	-	15,044
Construction fund	11,252	-
Debt service - economic development	-	25,569
Totals	<u>\$ 892,001</u>	<u>\$ 892,001</u>

Transfers are used to: cover fund balance deficits and return excess fund balance; cover contract settlements and health insurance payments; cover principal and interest payments; and to fund equipment additions in the general fund and building additions for Department on Aging.

**ONEIDA COUNTY, WISCONSIN**  
Notes to Basic Financial Statements  
December 31, 2012

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

8. Long-term Obligations

The following is a summary of changes in long-term obligations of the County for the year ended December 31, 2012:

	Outstanding 1/1/12	Issued	Retired	Outstanding 12/31/12	Due Within One Year
<b>Governmental activities:</b>					
General Obligation Debt					
Bonds	\$ 645,000	\$ -	\$ 50,000	\$ 595,000	\$ 55,000
Notes	175,000	-	175,000	-	-
State Trust Fund loan	2,188,219	-	78,963	2,109,256	96,603
Total General Obligation Debt	3,008,219	-	303,963	2,704,256	151,603
Post-employment benefits	1,927,639	761,852	446,122	2,243,369	-
Compensated absences	2,076,183	669,664	728,939	2,016,908	669,664
Governmental activities Long-term obligations	<u>\$ 7,012,041</u>	<u>\$ 1,431,516</u>	<u>\$ 1,479,024</u>	<u>\$ 6,964,533</u>	<u>\$ 821,267</u>
<b>Business-type activities:</b>					
Landfill					
Long-term care	\$ 1,468,446	\$ 58,738	\$ 79,779	\$ 1,447,405	\$ -
Post-employment benefits	174,343	164,495	128,319	210,519	-
Compensated absences	269,549	11,890	-	281,439	68,478
Business-type activities Long-term obligations	<u>\$ 1,912,338</u>	<u>\$ 235,123</u>	<u>\$ 208,098</u>	<u>\$ 1,939,363</u>	<u>\$ 68,478</u>

Total interest paid during the year on long-term debt totaled \$150,606.

General Obligation Debt

General obligation debt currently outstanding is detailed as follows:

Bonds

\$1,245,000 issued 12/30/02; \$55,000 to \$80,000 due annually through 2021;  
interest 4.00% to 4.65% \$ 595,000

State Trust Fund Loans

\$305,225 issued 1/4/06; \$13,795 to \$23,391 due annually through 2025;  
interest at 4.5% 236,653

\$175,000 issued 3/7/06; \$7,852 to \$13,314 due annually through 2025;  
interest at 4.5% 134,699

\$861,000 issued 4/24/06; \$35,587 to \$63,058 due annually through 2026;  
interest at 4.5% 673,544

\$158,775 issued 8/22/06; \$6,976 to \$12,390 due annually through 2026;  
interest at 4.5% 132,025

\$150,000 issued 11/3/10; \$5,137 to \$12,255 due annually through 2030;  
interest 5.25% 147,846

\$500,000 issued 11/24/10; \$17,075 to \$40,736 due annually through 2030;  
interest 5.25% 491,430

\$250,000 issued 1/5/11; \$8,489 to \$20,253 due annually from 2012 through 2030;  
interest 5.25% 244,326

\$50,000 issued 1/25/11; \$1,693 to \$4,040 due annually from 2012 through 2030;  
interest 5.25% 48,733

Total State Trust Fund Loans 2,109,256

Total Outstanding General Obligation Debt \$ 2,704,256

**ONEIDA COUNTY, WISCONSIN**  
Notes to Basic Financial Statements  
December 31, 2012

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

Annual principal and interest maturities of the outstanding general obligation debt of \$2,704,256 on December 31, 2012 are detailed below:

Year Ended December 31	Governmental Activities		
	Principal	Interest	Total
2013	\$ 151,603	\$ 127,353	\$ 278,956
2014	156,193	120,508	276,701
2015	166,002	113,282	279,284
2016	175,802	105,777	281,579
2017	181,310	97,344	278,654
2018-2022	964,821	350,916	1,315,737
2023-2027	688,075	148,955	837,030
2028-2030	220,450	23,575	244,025
	<u>\$ 2,704,256</u>	<u>\$ 1,087,710</u>	<u>\$ 3,791,966</u>

For governmental activities, the other long-term liabilities are generally funded by the general fund. At December 31, 2012, the County's general fund includes a liability of \$669,664, the current portion of the County's compensated absences.

Legal Margin for New Debt

The County's legal margin for creation of additional general obligation debt on December 31, 2012 was \$333,374,394 as follows:

Equalized valuation of the County	\$ 6,721,573,000
Statutory limitation percentage	(x) 5%
General obligation debt limitation, per Section 67.03 of the Wisconsin Statutes	<u>336,078,650</u>
Net outstanding general obligation debt applicable to debt limitation	<u>2,704,256</u>
Legal Margin for New Debt	<u><u>\$ 333,374,394</u></u>

**ONEIDA COUNTY, WISCONSIN**  
Notes to Basic Financial Statements  
December 31, 2012

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

9. Other Post Employment Benefits

*Plan Description and Funding Policy* - The County provides postretirement medical benefits for retired employees and their spouses until they reach the age of 65. For those employees who retire from the County after attaining 55 (age 50 or age 53 for protective employees) and twenty years of service and commence receipt of their pension from the Wisconsin Retirement System, the entire cost of coverage for the retired employee is paid for by the County. For employees who retire from the County after attaining 55 (age 50 or age 53 for protective employees) with less than twenty years of service, the retiree must contribute an amount equal to 100% of the premium cost for coverage. Coverage is available for spouses of retirees, provided the retired employee pays 100% of the premium cost. The County will pay \$75 per month toward the cost of spousal coverage if the employee retired with 25 years of service. There are 253 active and 29 retired employees in the plan. The County funds this cost on a pay-as-you-go or cash basis, recognizing the cost in their fund financial statements when paid.

*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), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any 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	\$ 960,075
Interest on net OPEB	105,099
Adjustment to annual required contribution	<u>(138,827)</u>
Annual OPEB cost (expense)	926,347
Contributions made	<u>574,441</u>
Change in net OPEB obligation	351,906
OPEB obligation - beginning of year	<u>2,101,982</u>
OPEB obligation - end of year	<u><u>\$ 2,453,888</u></u>

The annual required contribution for the current year was determined as part of the January 1, 2011 actuarial valuation using the projected unit credit method.

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 on a closed basis. The remaining amortization period at December 31, 2012 is 28 years, and the remaining amount is \$6,914,107.



**ONEIDA COUNTY, WISCONSIN**  
Notes to Basic Financial Statements  
December 31, 2012

**NOTE C - DETAILED NOTES ON ALL FUNDS (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 2012 is as follows:

Fiscal Year Ended	Annual OPEB Cost	Percentage Of Annual OPEB Cost Contributed	Net OPEB Obligation
12/31/10	\$ 704,250	42.72%	\$ 1,653,649
12/31/11	903,874	50.40%	2,101,982
12/31/12	926,347	62.01%	2,453,888

*Funded Status and Funding Progress* - As of January 1, 2011, the most recent actuarial valuation date, the County's unfunded actuarial accrued liability (UAAL) was \$7,891,983. The annual payroll for active employees covered by the plan for the 2011 fiscal year (year of study) was \$13,054,572 for a ratio of the UAAL to covered payroll of 61%.

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, 2011 actuarial valuation, the projected unit credit method was used. The actuarial assumptions included a rate of 5% to discount expected liabilities to the valuation date. The initial healthcare trend rate was 10% for medical, reduced by decrements to an ultimate rate of 5.5% for medical after fourteen years. The UAAL is being amortized as a level dollar of projected payrolls on a closed basis. The remaining amortization period at December 31, 2012 was 28 years.

**10. Closure and Post-closure Care Costs**

Federal and state laws and regulations require the Oneida County landfill to place covers on landfill increments as they are filled (closure costs) and to perform certain maintenance and monitoring functions (post-closure 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 post-closure care costs will normally only be paid after the entire landfill stops accepting waste. In accordance with GASB Statement No. 18, the Oneida County landfill annually records an estimate of these closure and post-closure 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.

Payments for long-term care and closure of the landfill are deposited in a trust account with Associated Bank. As of December 31, 2012, the County has deposited \$1,522,200 and recorded a closure liability in the amount of \$1,447,405. The final cell of the landfill was closed in February 2002, and from that point forward the landfill has operated as a transfer station only, with all solid waste being transported out of the County on a contract basis. All future costs of the closed landfill are expected to be funded by the payments deposited in the trust account with Associated Bank.

**ONEIDA COUNTY, WISCONSIN**  
Notes to Basic Financial Statements  
December 31, 2012

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

11. Fund Equity

In the fund financial statements, portions of governmental fund balances have been assigned to represent tentative management plans that are subject to change. At December 31, 2012, fund balances assigned was as follows:

Assigned for	
General Fund	
Continuing appropriations	
Elections	\$ 54,663
Information technology	266,313
Land records fee	199,728
Land information project	112,336
Insurance liability deductible	134,168
Sheriff vehicles	43,308
Hospital subsidies	145,142
Ambulance repair and replacement	125,125
Jail assessment	84,542
Forest roads	60,796
Buildings and grounds	53,072
Major renovation	215,755
Accrued compensated absences	847,875
Courthouse remodeling	237,243
Parks project	71,515
Records management	77,483
Register of deeds	378,976
Storage building	14,473
Others	508,530
Health insurance trust	542,659
Total general fund	<u>4,173,702</u>
Special Revenue Funds	
Social services	81,839
County highway	723,664
Nursing	377,917
WIC	17,828
Public health	67,110
State aid forestry	13,672
Commission on aging	40,577
Total special revenue funds	<u>1,322,607</u>
Total assigned fund balance	<u><u>\$ 5,496,309</u></u>

**ONEIDA COUNTY, WISCONSIN**  
Notes to Basic Financial Statements  
December 31, 2012

**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 (440 hours for teachers and school district educational support employees) and expected to be employed for at least one year from employee's date of hire are eligible to participate in the WRS. All employees, initially employed by a participating WRS employer on or after July 1, 2011, and expected to work at least 1200 hours a year (880 hours for teachers and school district educational support employees) and expected to be employed for at least one year from employee's date of hire are eligible to participate in the WRS. Employees hired to work nine or ten months per year, (e.g. teachers contracts), but expected to return year after year are considered to have met the one-year requirement.

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

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 General category employees, including Teachers, and Executives and Elected Officials. Required contributions for protective employees 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 are as follows:

	2012	
	<u>Employee</u>	<u>Employer</u>
General (including Teachers)	5.9%	5.9%
Executives & Elected Officials	7.05%	7.05%
Protective with Social Security	5.9%	9.0%
Protective without Social Security	5.9%	11.3%

The payroll for County employees covered by the WRS for the year ended December 31, 2012 was \$12,623,723; the employer's total payroll was \$12,709,294. The total required contribution for the year ended December 31, 2012 was \$1,614,313, which consisted of \$866,847 or 6.9% of covered payroll from the employer, and \$747,466, or 5.9% of covered payroll from employees. Total contributions for the years ended December 31, 2011 and 2010 were \$1,622,276 and \$1,518,132, respectively, equal to the required contributions for each year.

**ONEIDA COUNTY, WISCONSIN**  
Notes to Basic Financial Statements  
December 31, 2012

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

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

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. Risk Management

The County's risk management activities are recorded in the general fund. The County purchases commercial insurance for life, property, general liability, motor vehicle, monies and securities, and workers' compensation on a cost reimbursement basis.

Significant losses are covered by commercial policies up to individual policy limits reduced by deductible amounts. There have been no significant reductions in insurance coverage. Settlement amounts have not exceeded insurance coverage for the current year or the prior three years.

3. 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.

**ONEIDA COUNTY, WISCONSIN**  
Notes to Basic Financial Statements  
December 31, 2012

**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 2012 and 2013 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 2012 budget was 0.30%. The actual limit for the County for the 2013 budget was 0.49%. 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. Passenger Facility Charge Program

The County participates in the Passenger Facility Charge (PFC) program and received \$39,429 in 2012. The County's annual audit included this program.

6. Subsequent Event

In 2013, the County issued a \$950,000 state trust fund loan which had been previously approved by the County Board in August 2012. The loan financed an economic development loan to a local business.

**REQUIRED SUPPLEMENTARY INFORMATION**



**ONEIDA COUNTY, WISCONSIN**  
 Schedule of Funding Progress  
 Other Post-Employment Benefit Plan  
 For the Year Ended December 31, 2012

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)
1/1/2007	\$ -	\$ 5,337,788	0.00%	\$ 5,337,788	\$ 11,602,553	46.01%
1/1/2009	-	5,493,432	0.00%	5,493,432	13,158,285	41.75%
1/1/2011	-	7,891,983	0.00%	7,891,983	13,054,572	60.45%

See Notes to Required Supplemental Information.

**ONEIDA COUNTY, WISCONSIN**  
 Schedule of Employer Contributions  
 Other Post-Employment Benefit Plan  
 For the Year Ended December 31, 2012

Year Ended December 31,	Employer Contributions	Annual Required Contribution (ARC)	Percentage Contributed
2010	\$ 300,869	\$ 721,100	41.72%
2011	455,541	928,767	49.05%
2012	574,441	960,075	59.83%

See Notes to Required Supplemental Information.

**ONEIDA COUNTY, WISCONSIN**  
Notes to Required Supplemental Information  
For the Year Ended December 31, 2012

**NOTE A - GOVERNMENTAL ACCOUNTING STANDARDS BOARD STATEMENT NO. 45**

The County implemented GASB Statement No. 45, "Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions" for the fiscal year ended December 31, 2007.

**NOTE B - SCHEDULE OF FUNDING PROGRESS**

The January 1, 2011 actuarial valuation differs from the January 1, 2007 and the January 1, 2009 actuarial valuations due to the following factors:

- 1) Slight increase in health insurance trend rates
- 2) Slight decrease in the number of participants.

## **SUPPLEMENTARY INFORMATION**

## NONMAJOR GOVERNMENTAL FUNDS

### SPECIAL REVENUE FUNDS

#### County Highway

To account for the resources accumulated and payments made to maintain the county highway system.

#### Nursing

To account for funds needed to provide health care services to people in need of care.

#### WIC

To account for the operation of a supplemental food program for pregnant and lactating women, infants, and children up to four years of age.

#### Public Health

To account for funds needed to provide health care to County residents.

#### State Aid Forestry

To account for the receipt and disbursement of funds received from the State for the purchase, development, preservation, and maintenance of county forest lands.

#### Commission on Aging

To account for the operation and maintenance of nutrition and other programs for senior citizens.

#### Revolving Loan Fund

To account for receipt and disbursement of funds for the economic development throughout the county.

### DEBT SERVICE FUNDS

#### PSL Highway Construction

To finance the repayment of general obligation notes dated December 30, 2002 for highway construction projects.

#### Human Service Center Refunding

To finance the repayment of general obligation refunding bonds dated December 30, 2002 and the general obligation notes dated December 30, 2002 incurred for refunding the state trust fund loans for the Human Service Center.

#### Economic Development Trust Fund Loan

To finance the repayment of the State Trust Fund loans dated January 4, 2006, March 7, 2006, April 24, 2006 and August 22, 2006 for economic development

#### Economic Development Debt Service After 7-1-05

To finance the repayment of the State Trust Fund loans dated November 3, 2010, November 24, 2010, January 5, 2011, and January 25, 2011 for economic development.

### CAPITAL PROJECTS FUNDS

#### Airport Construction

To account for the financing of remodeling and construction at the Rhinelander-Oneida County Airport.

#### Capital Project Fund

To account for the financing of general capital projects to be accounted for separate from the general fund.

#### Construction Fund

To account for the financing of construction of a Department of Aging facility.

**ONEIDA COUNTY, WISCONSIN**  
 Combining Balance Sheet  
 Nonmajor Governmental Funds  
 December 31, 2012

(With summarized financial information as of December 31, 2011)

	Special Revenue Funds						
	County Highway	Nursing	WIC	Public Health	State Aid Forestry	Commission on Aging	Revolving Loan Fund
<b>ASSETS</b>							
Cash and investments	\$ 723,664	\$ 315,282	\$ 15,974	\$ 28,560	\$ 13,672	\$ -	\$ 924,596
Restricted cash and investments	-	-	-	-	-	-	-
Receivables							
Taxes	1,367,924	-	-	434,667	-	266,521	-
Accounts	-	22,430	1,341	49,671	-	69,592	-
Loans	-	-	-	-	-	-	240,087
Due from other governments	-	49,145	2,733	-	-	50,031	-
Inventories and prepaid items	-	80	-	5	-	-	-
<b>TOTAL ASSETS</b>	<b>\$ 2,091,588</b>	<b>\$ 386,937</b>	<b>\$ 20,048</b>	<b>\$ 512,903</b>	<b>\$ 13,672</b>	<b>\$ 386,144</b>	<b>\$ 1,164,683</b>
<b>LIABILITIES, DEFERRED INFLOW OF RESOURCES, AND FUND BALANCES</b>							
Liabilities							
Accounts payable	\$ -	\$ 1,947	\$ 186	\$ 483	\$ -	\$ 22,604	\$ -
Accrued and other current liabilities	-	6,993	2,034	10,638	-	11,911	-
Deposits	-	-	-	-	-	1,112	-
Due to other funds	-	-	-	-	-	32,867	-
Unearned revenues	-	-	-	-	-	10,552	-
Total Liabilities	-	8,940	2,220	11,121	-	79,046	-
Deferred Inflows of Resources							
Property taxes	1,367,924	-	-	434,667	-	266,521	-
Loans receivable	-	-	-	-	-	-	240,087
Total Deferred Inflows of Resources	1,367,924	-	-	434,667	-	266,521	240,087
Fund Balances							
Non-spendable	-	80	-	5	-	-	-
Inventories and prepaid items	-	-	-	-	-	-	-
Restricted for							
Revolving loan program	-	-	-	-	-	-	924,596
Retirement of long-term debt	-	-	-	-	-	-	-
Capital projects	-	-	-	-	-	-	-
Assigned	723,664	377,917	17,828	67,110	13,672	40,577	-
Total Fund Balances	723,664	377,997	17,828	67,115	13,672	40,577	924,596
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>	<b>\$ 2,091,588</b>	<b>\$ 386,937</b>	<b>\$ 20,048</b>	<b>\$ 512,903</b>	<b>\$ 13,672</b>	<b>\$ 386,144</b>	<b>\$ 1,164,683</b>

(Continued)



ONEIDA COUNTY, WISCONSIN

Combining Balance Sheet  
 Nonmajor Governmental Funds (Continued)  
 December 31, 2012

(With summarized financial information for December 31, 2011)

	Debt Service Funds				Capital Projects Funds			Total Nonmajor Governmental Funds	
	PSL Highway Construction	Human Service Center Refunding	Economic Development Trust Fund Loan	Economic Development Debt Service After 7-1-05	Airport Construction	Capital Project Fund	Construction Fund	2012	2011
<b>ASSETS</b>									
Cash and investments	\$ 3	\$ 3	\$ 4	\$ -	\$ -	\$ 206,176	\$ 46,396	\$ 2,274,330	\$ 2,666,589
Restricted cash and investments	-	-	-	-	357,729	-	-	357,729	416,332
Receivables									
Taxes	-	80,444	117,171	81,342	-	-	-	2,348,069	2,649,593
Accounts	-	-	-	-	-	63,165	-	206,199	70,698
Loans	-	-	-	-	-	-	-	240,087	337,596
Due from other governments	-	-	-	-	-	-	-	101,909	73,553
Inventories and prepaid items	-	-	-	-	-	-	-	85	340
<b>TOTAL ASSETS</b>	<b>\$ 3</b>	<b>\$ 80,447</b>	<b>\$ 117,175</b>	<b>\$ 81,342</b>	<b>\$ 357,729</b>	<b>\$ 269,341</b>	<b>\$ 46,396</b>	<b>\$ 5,528,408</b>	<b>\$ 6,214,701</b>
<b>LIABILITIES, DEFERRED INFLOW OF RESOURCES, AND FUND BALANCES</b>									
<b>Liabilities</b>									
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 63,402	\$ -	\$ 88,622	\$ 176,269
Accrued and other current liabilities	-	-	-	-	-	-	-	31,576	72,097
Deposits	-	-	-	-	-	-	-	1,112	1,765
Due to other funds	-	-	-	-	-	-	-	32,867	-
Unearned revenues	-	-	-	-	-	-	-	10,552	-
<b>Total Liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>63,402</b>	<b>-</b>	<b>164,729</b>	<b>250,131</b>
<b>Deferred Inflows of Resources</b>									
Property taxes	-	80,444	117,171	81,342	-	-	-	2,348,069	2,649,593
Loans receivable	-	-	-	-	-	-	-	240,087	337,596
<b>Total Deferred Inflows of Resources</b>	<b>-</b>	<b>80,444</b>	<b>117,171</b>	<b>81,342</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,588,156</b>	<b>2,987,189</b>
<b>Fund Balances</b>									
Non-spendable	-	-	-	-	-	-	-	85	340
Inventories and prepaid items	-	-	-	-	-	-	-	924,596	787,869
Restricted for									
Revolving loan program	3	3	4	-	-	-	-	10	9
Retirement of long-term debt	-	-	-	-	-	-	-	610,064	873,568
Capital projects	-	-	-	-	357,729	205,939	46,396	1,240,768	1,315,595
Assigned	-	-	-	-	-	-	-	-	-
<b>Total Fund Balances</b>	<b>3</b>	<b>3</b>	<b>4</b>	<b>-</b>	<b>357,729</b>	<b>205,939</b>	<b>46,396</b>	<b>2,775,523</b>	<b>2,977,381</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>	<b>\$ 3</b>	<b>\$ 80,447</b>	<b>\$ 117,175</b>	<b>\$ 81,342</b>	<b>\$ 357,729</b>	<b>\$ 269,341</b>	<b>\$ 46,396</b>	<b>\$ 5,528,408</b>	<b>\$ 6,214,701</b>

**ONEIDA COUNTY, WISCONSIN**  
 Combining Statement of Revenues, Expenditures, and Changes in Fund Balances  
 Nonmajor Governmental Funds  
 For the Year Ended December 31, 2012  
 (With summarized financial information for the year ended December 31, 2011)

	Special Revenue Funds						Revolving Loan Fund
	County Highway	Nursing	WIC	Public Health	State Aid Forestry	Commission on Aging	
<b>Revenues</b>							
Taxes	\$ 1,399,224	\$ -	\$ -	\$ 489,467	\$ -	\$ 280,763	\$ -
Intergovernmental	901,838	618,831	144,852	-	-	603,527	-
Public charges for services	-	501,480	3,621	113,537	-	211,654	-
Intergovernmental charges for services	-	-	-	39,645	-	-	-
Miscellaneous	-	-	-	2,520	-	10,580	136,727
<b>Total Revenues</b>	<b>2,301,062</b>	<b>1,120,311</b>	<b>148,473</b>	<b>645,169</b>	<b>-</b>	<b>1,106,524</b>	<b>136,727</b>
<b>Expenditures</b>							
Public works	2,441,703	-	-	-	-	-	-
Health and human services	-	1,110,306	138,844	515,030	-	1,069,846	-
Conservation and development	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-
Principal	-	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
<b>Total Expenditures</b>	<b>2,441,703</b>	<b>1,110,306</b>	<b>138,844</b>	<b>515,030</b>	<b>-</b>	<b>1,069,846</b>	<b>-</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>(140,641)</b>	<b>10,005</b>	<b>9,629</b>	<b>130,139</b>	<b>-</b>	<b>36,678</b>	<b>136,727</b>
<b>Other Financing Sources (Uses)</b>							
Sale of capital assets	-	-	-	-	-	-	-
Transfers in	24,299	-	-	10,439	-	8,656	-
Transfers out	-	-	-	(115,080)	-	(49,206)	-
<b>Total Other Financing Sources (Uses)</b>	<b>24,299</b>	<b>-</b>	<b>-</b>	<b>(104,641)</b>	<b>-</b>	<b>(40,550)</b>	<b>-</b>
<b>Net Change in Fund Balances</b>	<b>(116,342)</b>	<b>10,005</b>	<b>9,629</b>	<b>25,498</b>	<b>-</b>	<b>(3,872)</b>	<b>136,727</b>
<b>Fund Balances - January 1</b>	<b>840,006</b>	<b>367,992</b>	<b>8,199</b>	<b>41,617</b>	<b>13,672</b>	<b>44,449</b>	<b>787,869</b>
<b>Fund Balances - December 31</b>	<b>\$ 723,664</b>	<b>\$ 377,997</b>	<b>\$ 17,828</b>	<b>\$ 67,115</b>	<b>\$ 13,672</b>	<b>\$ 40,577</b>	<b>\$ 924,596</b>

(Continued)

**ONEIDA COUNTY, WISCONSIN**

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances  
Nonmajor Governmental Funds (Continued)

For the Year Ended December 31, 2012

(With summarized financial information for the year ended December 31, 2011)

	Debt Service Funds				Capital Projects Funds			Total Nonmajor Governmental Funds	
	Human Service Center Refunding	Economic Development Trust Fund Loan	Economic Development Debt Service After 7-1-05	Airport Construction	Capital Project Fund	Construction Fund	2012	2011	
<b>Revenues</b>									
Taxes	\$ 178,500	\$ 77,558	\$ 117,171	\$ 106,910	\$ -	\$ -	\$ 2,649,593	\$ 2,747,326	
Intergovernmental	-	-	-	-	135,773	-	2,404,821	2,136,106	
Public charges for services	-	-	-	-	44,555	-	874,847	935,054	
Intergovernmental charges for services	-	-	-	-	-	-	39,645	22,841	
Miscellaneous	-	-	-	-	265	-	150,092	137,019	
<b>Total Revenues</b>	<b>178,500</b>	<b>77,558</b>	<b>117,171</b>	<b>106,910</b>	<b>44,820</b>	<b>135,773</b>	<b>6,118,998</b>	<b>5,978,346</b>	
<b>Expenditures</b>									
Public works	-	-	-	-	-	-	2,441,703	3,369,860	
Health and human services	-	-	-	-	-	-	2,834,026	2,607,214	
Conservation and development	-	-	-	-	-	-	-	200,000	
Debt service									
Principal	175,000	50,000	61,298	17,665	-	-	303,963	283,804	
Interest and fiscal charges	3,500	27,558	55,872	63,676	-	-	150,606	98,311	
Capital outlay	-	-	-	-	223,693	203,264	560,575	1,071,792	
<b>Total Expenditures</b>	<b>178,500</b>	<b>77,558</b>	<b>117,170</b>	<b>81,341</b>	<b>223,693</b>	<b>203,264</b>	<b>6,290,873</b>	<b>7,630,981</b>	
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>-</b>	<b>-</b>	<b>1</b>	<b>25,569</b>	<b>(178,873)</b>	<b>2,155</b>	<b>(171,875)</b>	<b>(1,652,635)</b>	
<b>Other Financing Sources (Uses)</b>									
Sale of capital assets	-	-	-	-	120,270	-	120,270	43,345	
Transfers in	-	-	-	-	-	11,252	54,646	794,728	
Transfers out	-	-	-	(25,569)	-	(15,044)	(204,899)	(143,981)	
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(25,569)</b>	<b>120,270</b>	<b>(15,044)</b>	<b>(29,983)</b>	<b>694,092</b>	
<b>Net Change in Fund Balances</b>	<b>-</b>	<b>-</b>	<b>1</b>	<b>(58,603)</b>	<b>(12,889)</b>	<b>(192,012)</b>	<b>(201,858)</b>	<b>(958,543)</b>	
<b>Fund Balances - January 1</b>	<b>3</b>	<b>3</b>	<b>3</b>	<b>-</b>	<b>416,332</b>	<b>218,828</b>	<b>2,977,381</b>	<b>3,935,924</b>	
<b>Fund Balances - December 31</b>	<b>3</b>	<b>3</b>	<b>4</b>	<b>\$ -</b>	<b>\$ 357,729</b>	<b>\$ 205,939</b>	<b>\$ 46,396</b>	<b>\$ 2,775,523</b>	
								<b>\$ 2,977,381</b>	

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

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

**Independent Auditors' Report**

To the County Board,  
Oneida 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, each major fund, and the aggregate remaining fund information of Oneida County, Wisconsin, as of and for the year ended December 31, 2012, and the related notes to the financial statements, which collectively comprise Oneida County's basic financial statements, and have issued our report thereon which included an emphasis of matter paragraph as indicated on page 2 dated July 22, 2013.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Oneida 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 Oneida County, Wisconsin's internal control. Accordingly, we do not express an opinion on the effectiveness of Oneida 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 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. 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.

## **Compliance and Other Matters**

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

## **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 results of that testing, and not to provide an opinion on the effectiveness of Oneida 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 Oneida County, Wisconsin's internal control and on compliance. Accordingly, this communication is not suitable for any other purpose.



Certified Public Accountants  
Stevens Point, Wisconsin  
July 22, 2013