

ST. CROIX COUNTY, WISCONSIN

**FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION**

YEAR ENDED DECEMBER 31, 2012

**ST. CROIX COUNTY, WISCONSIN
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INDEPENDENT AUDITORS' REPORT

Honorable Members
of the County Board of Supervisors
St. Croix County
Hudson, 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 St. Croix County, Wisconsin (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 from material misstatement.

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

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

Opinions

In our opinions, 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 St. Croix County, Wisconsin as of December 31, 2012, and the respective changes in the financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, and schedule of funding progress – other postemployment benefit plan on pages 4-14, 55-56, and 58, respectively, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise St. Croix County's basic financial statements. The supplementary information listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. 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.

Other Matters

Supplementary Information (Continued)

We also have previously audited, in accordance with auditing standards generally accepted in the United States of America, St. Croix County's basic financial statements for the year ended December 31, 2011, which are not presented with the accompanying financial statements and we expressed unmodified opinions on the respective financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information. That audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements as a whole. The combining and individual schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2011 basic financial statements. The information has been subjected to the auditing 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 2011 combining and individual schedules are fairly stated in all material respects in relation to the basic financial statements from which they have been derived.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated July 31, 2013, on our consideration of St. Croix County's internal control over financial reporting and on our tests on 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 St. Croix County's internal control over financial reporting and compliance.



CliftonLarsonAllen LLP

Eau Claire, Wisconsin
July 31, 2013

**ST. CROIX COUNTY, WISCONSIN
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED DECEMBER 31, 2012**

As management of St. Croix County (County), we offer readers of the County's financial statements this narrative overview and analysis of the financial activities of St. Croix County for the fiscal year ended December 31, 2012. Readers are encouraged to consider the information presented here in conjunction with additional information that has been furnished in the County's basic financial statements following this section.

FINANCIAL HIGHLIGHTS

- The assets of St. Croix County exceeded its liabilities at the close of the most recent fiscal year by \$123,217,122 (net position). Of this amount, \$96,758,692 represented the County's net investment in capital assets, \$673,709 was held for restricted purposes, and \$25,784,721 was unrestricted. The unrestricted net position may be used to meet the government's ongoing obligations to citizens and creditors.
- During the fiscal year, the County's total net position increased by \$2,238,914. Net position related to the business-type activities of the County decreased \$1,153,102, while net position related to governmental activities increased \$3,392,016.
- At the close of the fiscal year, the County's governmental funds reported combined ending fund balances of \$23,873,825, an increase of \$239,881 over the previous year. This increase was primarily due to savings on general fund and health and human service fund operations of \$2,013,142 offset by Capital Projects spending of \$1,710,253 and other net spending of \$63,008.
- At the end of the current fiscal year, unassigned fund balance for the general fund was \$13,930,123 or 43.4 percent of total general fund expenditures.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to St. Croix 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 financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

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

The *Statement of Net Position* presents information on all of St. Croix County's assets and liabilities, 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 fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

**ST. CROIX COUNTY, WISCONSIN
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED DECEMBER 31, 2012**

Both of the government-wide financial statements distinguish functions of St. Croix 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, transportation, sanitation, health and human services, conservation and development, and culture, recreation, and education. The business-type activities of the County include a nursing home and the highway department.

The government-wide financial statements can be found beginning on page 15 of this report.

Fund Financial Statements. These statements are groupings of related accounts that are used to maintain control over resources that have been segregated for specific activities or objectives. St. Croix 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. These 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 a government's near-term financing requirements.

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

St. Croix County maintains four governmental fund types: 1) General, 2) Special Revenue, 3) Debt Service, and 4) Capital Projects. 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, health and human services special revenue fund, and the debt service fund, which are considered to be major funds. Data from the other ten 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 basic governmental fund financial statements can be found beginning on page 17 of this report.

**ST. CROIX COUNTY, WISCONSIN
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED DECEMBER 31, 2012**

Proprietary Funds – St. Croix County maintains two different types of proprietary funds. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The County uses enterprise funds to account for its Nursing Home and Highway department. *Internal service funds* are an accounting device used to accumulate and allocate costs internally among the County's various functions. St. Croix County uses internal service funds to account for its Self-funded Workers Compensation, Self-Funded Health Insurance, Self-Funded Liability Insurance, Retirement Health Savings Accounts, and Health Retirement Liability Accounts. Because these services benefit both governmental and business-type functions, they have been allocated to both functions in the government-wide financial statements.

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 Nursing Home and Highway department, which are both considered major funds. Conversely, the five internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds is provided in the form of combining statements elsewhere in this report. The basic proprietary fund financial statements can be found beginning on page 21 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 statement 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. Data from fiduciary funds are combined into a single aggregate presentation. Individual fund data for each fiduciary fund is provided in the form of combining statements elsewhere in this report.

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

Notes to the 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 financial statements can be found on page 28 of this report.

Other Information – In addition to the basic financial statements and accompanying notes, this report presents certain required supplementary information on the general fund budget. Required supplementary information can be found beginning on page 55 of this report. The combining statements referred to earlier in connection with nonmajor governmental and internal service funds are presented immediately following the required supplementary information on the general fund budget. Combining fund statements and schedules can be found beginning on page 59 of this report.

**ST. CROIX COUNTY, WISCONSIN
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED DECEMBER 31, 2012**

FINANCIAL ANALYSIS OF THE COUNTY AS A WHOLE

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of St. Croix County, assets exceeded liabilities by \$123,217,122 at the close of the most recent fiscal year. The largest portion of St. Croix County's net position, \$96,758,692, (78.5 percent) reflects its investment in capital assets (e.g., land, buildings, machinery, and equipment); 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.

St. Croix County's Net Position

	Governmental Activities		Business-Type Activities		Total	
	2012	2011	2012	2011	2012	2011
Current and Other Assets	\$ 60,947,692	\$ 59,517,777	\$ 5,691,110	\$ 7,943,755	\$ 66,638,802	\$ 67,461,532
Capital Assets	91,321,297	90,758,555	10,542,849	10,735,510	101,864,146	101,494,065
Total Assets	<u>152,268,989</u>	<u>150,276,332</u>	<u>16,233,959</u>	<u>18,679,265</u>	<u>168,502,948</u>	<u>168,955,597</u>
Long-Term Obligations	8,953,617	10,494,883	1,099,885	1,050,714	10,053,502	11,545,597
Other Liabilities	32,574,116	32,432,209	2,658,208	3,999,583	35,232,324	36,431,792
Total Liabilities	<u>41,527,733</u>	<u>42,927,092</u>	<u>3,758,093</u>	<u>5,050,297</u>	<u>45,285,826</u>	<u>47,977,389</u>
Net Position:						
Net Investment in						
Capital Assets	86,215,843	85,467,511	10,542,849	10,735,510	96,758,692	96,203,021
Restricted	653,988	1,674,990	19,721	16,568	673,709	1,691,558
Unrestricted	23,871,425	20,206,739	1,913,296	2,876,890	25,784,721	23,083,629
Total Net Position	<u>\$ 110,741,256</u>	<u>\$ 107,349,240</u>	<u>\$ 12,475,866</u>	<u>\$ 13,628,968</u>	<u>\$ 123,217,122</u>	<u>\$ 120,978,208</u>

An additional portion of St. Croix County's net position, \$673,709 (0.5 percent) represents resources that are subject to other restrictions on how they may be used. The remaining \$25,784,721 of total net position (21.0 percent) may be used to meet the County's ongoing obligations to citizens and creditors. It is important to note that \$1,913,296 of the unrestricted net position is related to the County's business-type activities. Consequently, they generally may not be available to fund governmental activities.

The County's net position increased \$2,238,914 during the current fiscal year. The increase consisted of a decrease in net position related to business-type activities in the amount of \$1,153,102 which is primarily attributable to a decrease in charges for services and operating grants in the highway and nursing home funds; and an increase in net position related to governmental activities in the amount of \$3,392,016 which is primarily a result of consistent 2012 and 2011 excess of revenues over expenditures. A 2011 transfer from governmental funds to the Highway Fund in the amount of \$1,582,972 was made for capital improvements. No similar transfers were made in 2013.

**ST. CROIX COUNTY, WISCONSIN
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED DECEMBER 31, 2012**

The following is a summary of the changes in the County's net position for the year ending December 31:

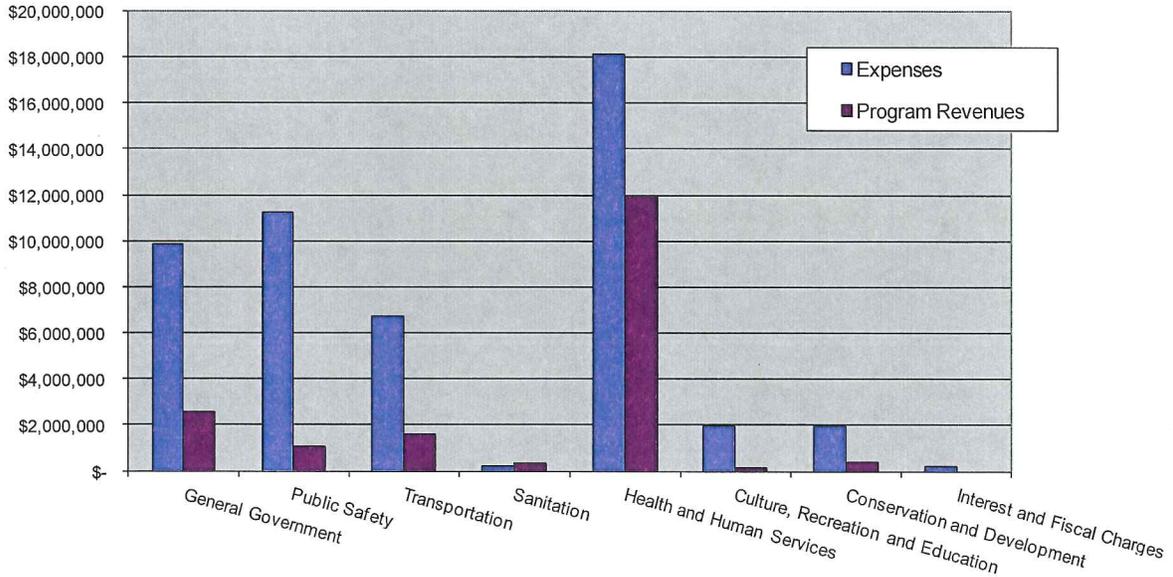
St. Croix County's Changes in Net Position

	Governmental Activities		Business-Type Activities		Totals	
	2012	2011	2012	2011	2012	2011
REVENUES						
Program Revenues:						
Charges for Services	\$ 6,957,818	\$ 7,287,984	\$ 18,467,936	\$ 19,155,827	\$ 25,425,754	\$ 26,443,811
Operating Grants and Contributions	11,165,556	14,724,748	563,408	1,173,242	11,728,964	15,897,990
Capital Grants and Contributions	-	978,402	6,753	-	6,753	978,402
General Revenues:						
Property Taxes	27,717,816	27,068,687	130,109	369,019	27,847,925	27,437,706
Sales and Other Taxes	6,746,678	6,469,560	-	-	6,746,678	6,469,560
State and Federal Aids not Restricted to Specific Programs	623,069	740,047	-	-	623,069	740,047
Other	552,262	717,417	18,712	33,944	570,974	751,361
Total Revenues	53,763,199	57,986,845	19,186,918	20,732,032	72,950,117	78,718,877
EXPENSES						
General Government	9,877,435	10,347,936	-	-	9,877,435	10,347,936
Public Safety	11,223,965	11,731,369	-	-	11,223,965	11,731,369
Transportation	6,756,685	5,479,791	-	-	6,756,685	5,479,791
Sanitation	223,174	303,653	-	-	223,174	303,653
Health and Human Services	18,132,204	21,428,995	-	-	18,132,204	21,428,995
Culture, Recreation and Education	1,960,693	2,031,046	-	-	1,960,693	2,031,046
Conservation and Development	1,956,479	2,942,950	-	-	1,956,479	2,942,950
Interest and Fiscal Charges	240,548	327,178	-	-	240,548	327,178
Nursing Home	-	-	5,336,769	6,481,347	5,336,769	6,481,347
Highway Department	-	-	15,003,251	16,100,845	15,003,251	16,100,845
Total Expenses	50,371,183	54,592,918	20,340,020	22,582,192	70,711,203	77,175,110
Change in Net Position before Transfers	3,392,016	3,393,927	(1,153,102)	(1,850,160)	2,238,914	1,543,767
Transfers	-	(1,582,972)	-	1,582,972	-	-
Change in Net Position	\$ 3,392,016	\$ 1,810,955	\$ (1,153,102)	\$ (267,188)	\$ 2,238,914	\$ 1,543,767

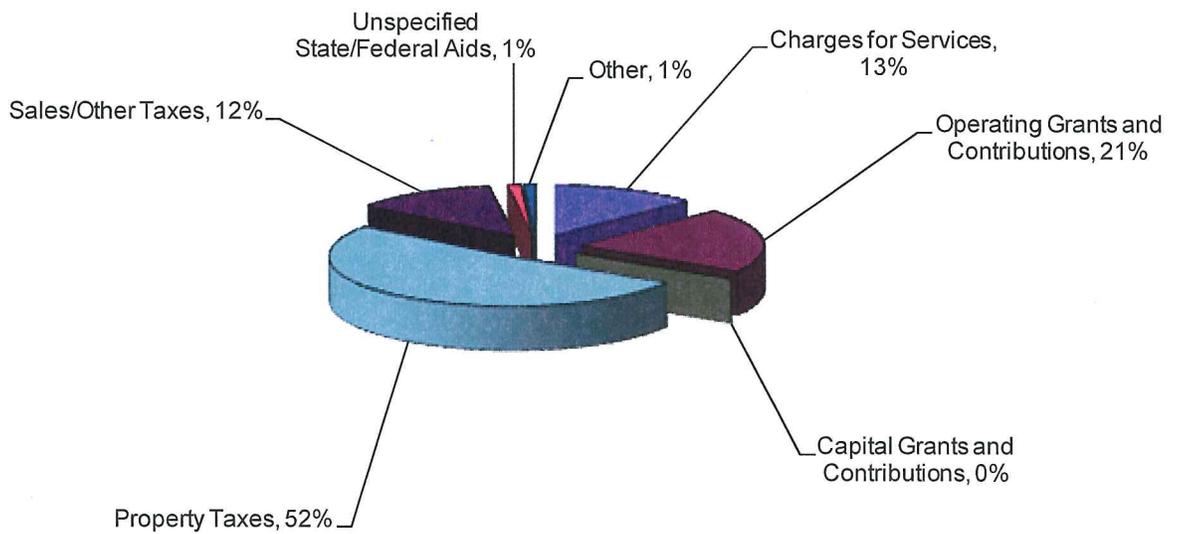
A review of the statement of activities can provide a concise picture of how the various functions/programs of St. Croix County are funded. The following charts draw data from the statement of activities. For governmental services the County is highly dependent on property taxes (52 percent) and operating grants/contributions (21 percent) for funding.

**ST. CROIX COUNTY, WISCONSIN
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED DECEMBER 31, 2012**

2012 Expenses and Program Revenues – Governmental Activities

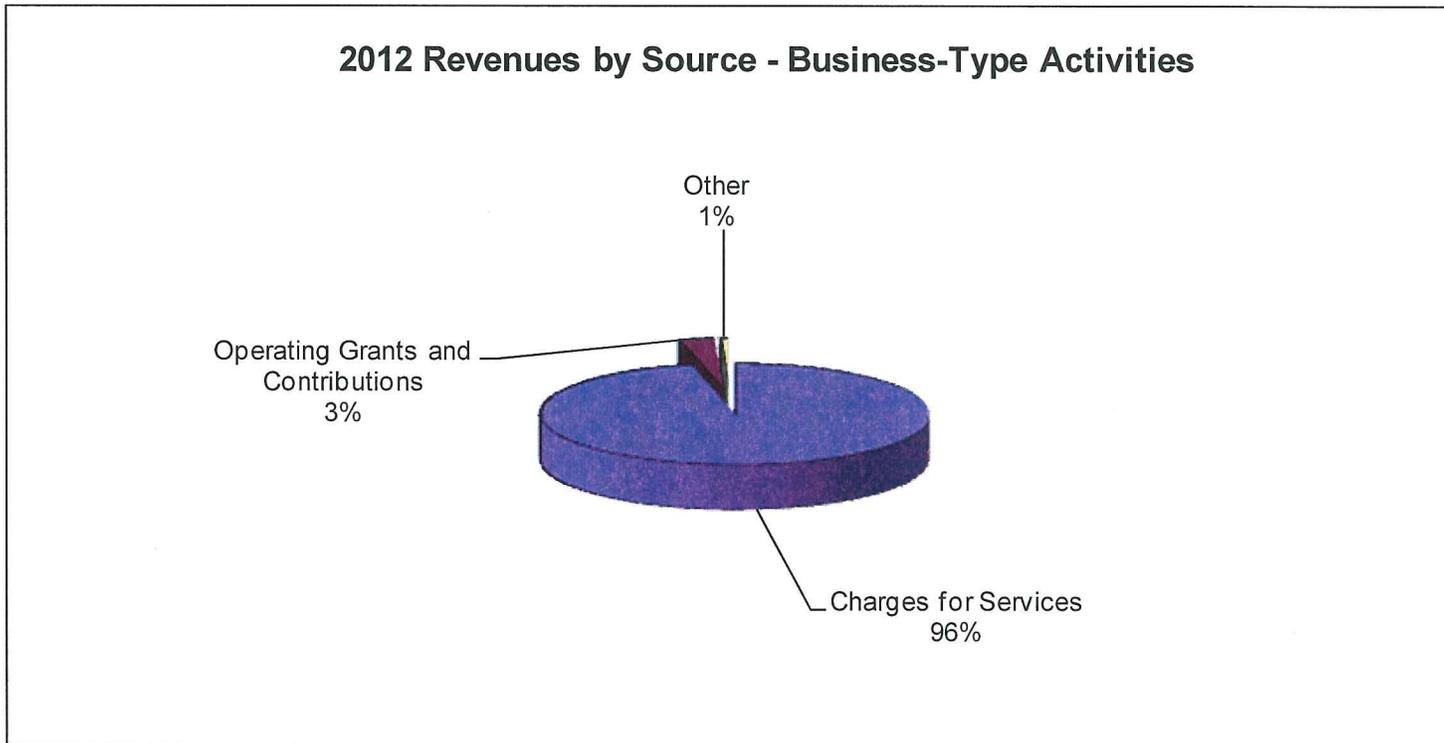
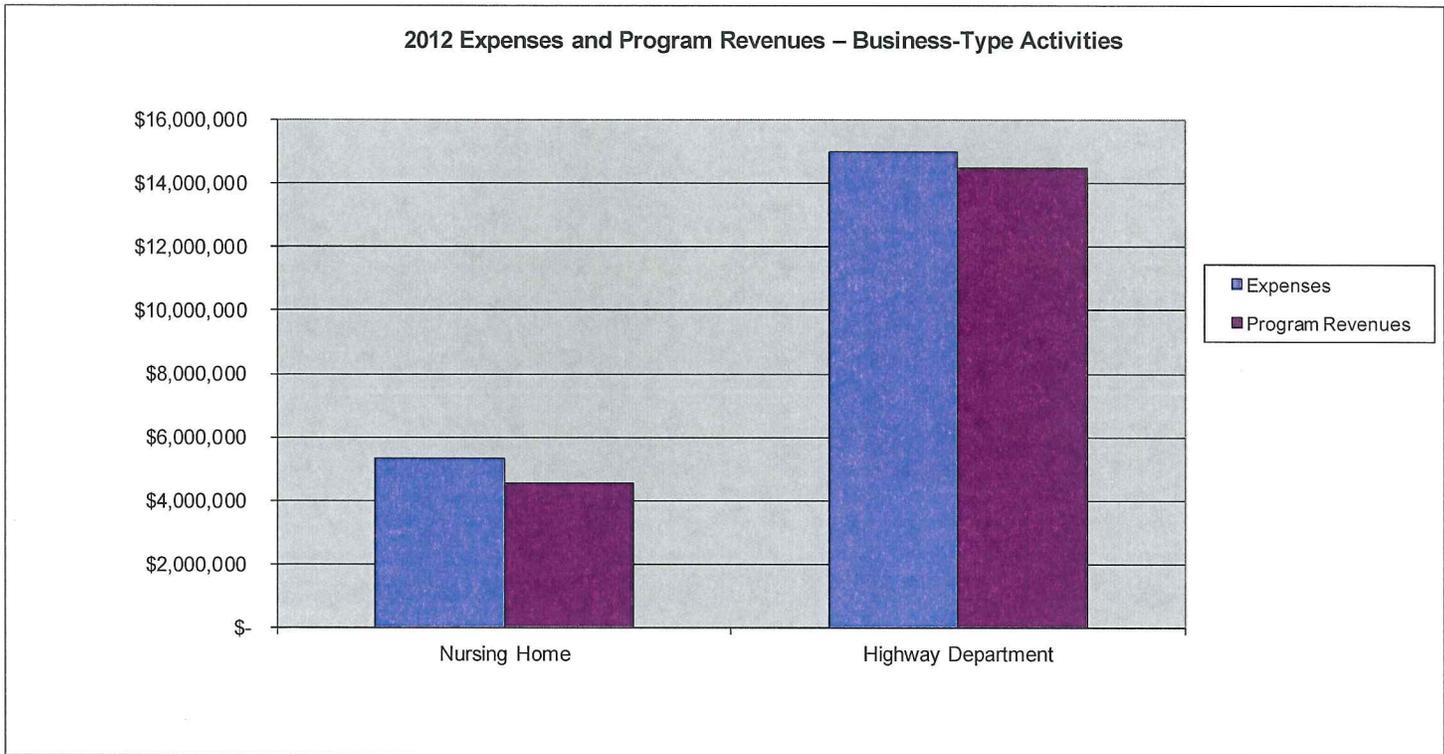


2012 Revenues by Source - Governmental Activities



**ST. CROIX COUNTY, WISCONSIN
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED DECEMBER 31, 2012**

In the case of business-type activities, the data shows a considerably different picture. Charges for services (96 percent) replace property taxes as the primary revenue.



**ST. CROIX COUNTY, WISCONSIN
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED DECEMBER 31, 2012**

FINANCIAL ANALYSIS OF THE COUNTY'S MAJOR FUNDS

As noted earlier, St. Croix 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 regarding near-term inflows, outflows and balances of spendable resources. Such information can be useful in assessing St. Croix County's financing requirements. In particular, the level of unrestricted fund balances may serve as a useful measure of a government'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 \$23,873,825 an increase of \$239,881 over the previous year. Of this total, \$4,685,987 is restricted or nonspendable for specific legal requirements and other outside requirements, leaving total unrestricted governmental fund balances of \$19,187,838 available for spending at the discretion of the County. As the result of past actions and policy decisions and the nature of individual funds comprising the balances, \$5,257,715 of these unrestricted balances have been segregated or otherwise committed and assigned for specific uses, leaving an unassigned fund balance of \$13,930,123.

The general fund is the primary operating fund used to account for the governmental operations of St. Croix County. As a measure of the general fund's liquidity, it may be useful to compare both total fund balance and unassigned fund balance to measures of operating volume such as fund expenditures or fund revenues. The total year-end general fund balance represented 63.2% of total general fund expenditures reported on the statement of revenues, expenditures and changes in fund balances while the unassigned balance represented 43.4% of the same amount.

The general fund's total fund balance increased \$1,476,749 during the year, which is the result of positive budget variances in both revenues and expenditures and sales tax revenues in excess of amounts applied to the 2012 budget.

The health and human services fund's total fund balance increased \$491,807 during the year, which is the result of a positive net budget variance and significant decreases in coordinated family service expenditures.

The debt service funds have a total fund balance of \$67,865, which will be used for future debt repayments.

The aggregated other governmental funds column includes various special revenue funds and the capital projects fund. The accumulated fund balances of these funds decreased \$1,798,706 due to prior year bond proceeds spent in the capital project fund. These funds are individually detailed in the supplementary information section of this report.

Proprietary Funds

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

As of December 31, 2012, the Nursing Home Fund operation reported net position of \$96,764, a decrease of \$784,853 over the previous year. The Highway Fund operation reported net position of \$11,435,255, a decrease of \$790,167 over the previous year. Other factors concerning the finances of these two funds have been addressed in the discussion of the County's business-type activities.

**ST. CROIX COUNTY, WISCONSIN
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED DECEMBER 31, 2012**

GENERAL FUND BUDGETARY HIGHLIGHTS

As shown in the *Budgetary Comparison Schedule* for the general fund (in required supplementary information), the final budget reflects a slight planned decrease in the general fund balance during 2012, however the County ended the year with positive budget variance for both revenues and expenditures resulting in an increase in fund balance. Revenues were \$871,252 more than the budgeted amounts while expenditures were \$696,011 less than budgeted amounts.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

St. Croix County's investment in capital assets for its governmental and business-type activities as of December 31, 2012, amounts to \$101,864,146 (net of accumulated depreciation). This investment in capital assets includes land, buildings, improvements, equipment, vehicles, and highway infrastructure. The net increase in the governmental activities capital assets was \$562,742, which is mainly due to the increase in highway infrastructure. The business-type activities capital assets decreased by \$192,661 (net of accumulated depreciation).

Capital Assets (Net of Depreciation)

	Governmental Activities		Business-Type Activities		Total	
	2012	2011	2012	2011	2012	2011
Land	\$ 1,240,964	\$ 1,241,310	\$ 373,843	\$ 373,843	\$ 1,614,807	\$ 1,615,153
Land Improvements	875,978	723,231	262,713	282,078	1,138,691	1,005,309
Gravel Pits and Quarries	-	-	303,593	336,187	303,593	336,187
Buildings and Improvements	10,804,927	11,065,764	2,049,086	2,252,674	12,854,013	13,318,438
Equipment and Vehicles	2,769,384	2,816,094	7,503,259	7,486,804	10,272,643	10,302,898
Highway Infrastructure	71,128,008	70,392,478	-	-	71,128,008	70,392,478
Other Infrastructure	492,311	517,735	-	-	492,311	517,735
Construction-in-Progress	4,009,725	4,001,943	50,355	3,924	4,060,080	4,005,867
Total	<u>\$ 91,321,297</u>	<u>\$ 90,758,555</u>	<u>\$ 10,542,849</u>	<u>\$ 10,735,510</u>	<u>\$ 101,864,146</u>	<u>\$ 101,494,065</u>

Additional information related to the County's capital assets is reported in Note 3.C following the financial statements.

**ST. CROIX COUNTY, WISCONSIN
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED DECEMBER 31, 2012**

CAPITAL ASSET AND DEBT ADMINISTRATION (CONTINUED)

Long-Term Obligations

At December 31, 2012, St. Croix County had outstanding \$10,053,502 of long-term debt and other long-term obligations. A summary detail of this amount, together with the percent change from the previous year, is shown below:

	St. Croix County						%
	Outstanding Long-Term Obligations						
	Governmental Activities		Business-Type Activities		Total Outstanding		
	2012	2011	2012	2011	2012	2011	Change
General Obligation Debt:							
Bonds	\$ 350,000	\$ 690,000	\$ -	\$ -	\$ 350,000	\$ 690,000	(49.3)%
Notes	5,465,000	6,810,000	-	-	5,465,000	6,810,000	(19.8)
State Trust Fund Loans	-	66,841	-	-	-	66,841	(100.0)
Premium (Discount)	25,211	34,532	-	-	25,211	34,532	(27.0)
Other Long-Term Obligations:							
Employee Leave	2,479,599	2,457,088	922,181	931,735	3,401,780	3,388,823	0.4
Other Postemployment Benefits Payable	633,807	436,422	177,704	118,979	811,511	555,401	46.1
Total Debt	<u>\$ 8,953,617</u>	<u>\$ 10,494,883</u>	<u>\$ 1,099,885</u>	<u>\$ 1,050,714</u>	<u>\$ 10,053,502</u>	<u>\$ 11,545,597</u>	

Under Wisconsin State Statutes, the outstanding general obligation long-term debt of a county may not exceed 5% of the equalized property value of all taxable property within the jurisdiction. The applicable debt of the County outstanding at December 31, 2012 totaled \$5,815,000, approximately 1.68% of the maximum legal limit of \$346,547,470. Additional information on St. Croix County's long-term debt is reported in Note 3.E following the financial statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

The economic condition and outlook of the County is still fairly good. While the County has seen a significant slowing in growth as a result of the current economy, the future outlook is still good based on ample available land and the County's proximity to Minneapolis and St. Paul, Minnesota. According to the U. S. Census Bureau, St. Croix County saw a 33.6% growth in residents during the past ten years.

The construction of a new four-lane bridge to connect expressways on both sides of the St. Croix River began in 2013, with an estimated completion of 2016. It is anticipated that growth will occur on both ends of the new bridge.

For 2012, all Wisconsin Counties were again mandated by state statute, to limit property tax increases to 0% or net new construction growth, whichever was greater. The net new construction growth in St. Croix County was 0.46% for 2012. Equalized value of the County decreased by \$404,720,900 to a new value of \$6,930,949,400.

**ST. CROIX COUNTY, WISCONSIN
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED DECEMBER 31, 2012**

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of St. Croix County's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the St. Croix County, Finance Director, 1101 Carmichael Road, Hudson, Wisconsin 54016.

BASIC FINANCIAL STATEMENTS

GOVERNMENT-WIDE FINANCIAL STATEMENTS

**ST. CROIX COUNTY, WISCONSIN
STATEMENT OF NET POSITION
DECEMBER 31, 2012**

	Governmental Activities	Business-Type Activities	Totals
ASSETS			
Cash and Investments	\$ 24,522,697	\$ 2,999,608	\$ 27,522,305
Investment in Public Entity Risk Pool	720,214	-	720,214
Taxes Receivable	30,596,519	333,002	30,929,521
Accounts Receivable	1,776,596	353,029	2,129,625
Due from Other Governments	2,406,526	1,242,880	3,649,406
Internal Balances	761,827	(761,827)	-
Prepaid Items	48,124	-	48,124
Inventories	15,038	1,495,129	1,510,167
Deferred Charges	55,255	-	55,255
Restricted Assets:			
Cash and Investments	44,896	29,289	74,185
Capital Assets:			
Capital Assets Not Being Depreciated	5,250,689	727,791	5,978,480
Capital Assets Being Depreciated	143,014,612	26,255,809	169,270,421
Accumulated Depreciation	<u>(56,944,004)</u>	<u>(16,440,751)</u>	<u>(73,384,755)</u>
Total Assets	152,268,989	16,233,959	168,502,948
LIABILITIES			
Vouchers and Accounts Payable	1,466,652	472,413	1,939,065
Accrued Payroll	1,672,759	600,716	2,273,475
Accrued Payables	1,116,717	885,422	2,002,139
Payroll Deductions	370,008	-	370,008
Accrued Interest	68,487	-	68,487
Due to Other Governments	377,903	-	377,903
Deferred Revenues	27,421,480	690,789	28,112,269
Special Deposits	80,110	8,868	88,978
Long-Term Liabilities:			
Amount Due Within One Year	1,496,481	111,063	1,607,544
Amounts Due in More than One Year	<u>7,457,136</u>	<u>988,822</u>	<u>8,445,958</u>
Total Liabilities	<u>41,527,733</u>	<u>3,758,093</u>	<u>45,285,826</u>
NET POSITION			
Net Investment in Capital Assets	86,215,843	10,542,849	96,758,692
Restricted for:			
Capital Projects	219,757	-	219,757
Other Purposes	434,231	19,721	453,952
Unrestricted	<u>23,871,425</u>	<u>1,913,296</u>	<u>25,784,721</u>
Total Net Position	<u>\$ 110,741,256</u>	<u>\$ 12,475,866</u>	<u>\$ 123,217,122</u>

See accompanying Notes to Financial Statements.

**ST. CROIX COUNTY, WISCONSIN
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2012**

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Primary Government							
Governmental Activities:							
General Government	\$ 9,877,435	\$ 2,009,265	\$ 534,612	\$ -	\$ (7,333,558)	\$ -	\$ (7,333,558)
Public Safety	11,223,965	730,455	304,579	-	(10,188,931)	-	(10,188,931)
Transportation	6,756,685	-	1,618,925	-	(5,137,760)	-	(5,137,760)
Sanitation	223,174	107,330	228,380	-	112,536	-	112,536
Health and Human Services	18,132,204	3,807,241	8,190,192	-	(6,134,771)	-	(6,134,771)
Culture, Recreation and Education	1,960,693	154,437	24,612	-	(1,781,644)	-	(1,781,644)
Conservation and Development	1,956,479	149,090	264,256	-	(1,543,133)	-	(1,543,133)
Interest and Fiscal Charges	240,548	-	-	-	(240,548)	-	(240,548)
Total Governmental Activities	50,371,183	6,957,818	11,165,556	-	(32,247,809)	-	(32,247,809)
Business-Type Activities:							
Nursing Home	5,336,769	4,030,694	542,926	-	-	(763,149)	(763,149)
Highway Department	15,003,251	14,437,242	20,482	6,753	-	(538,774)	(538,774)
Total Business-Type Activities	20,340,020	18,467,936	563,408	6,753	-	(1,301,923)	(1,301,923)
Total Primary Government	\$ 70,711,203	\$ 25,425,754	\$ 11,728,964	\$ 6,753	(32,247,809)	(1,301,923)	(33,549,732)
General Revenues:							
Taxes:							
Property Taxes					27,717,816	130,109	27,847,925
Sales Taxes					5,583,529	-	5,583,529
Other Taxes					1,163,149	-	1,163,149
State and Federal Aids Not Restricted to Specific Programs					623,069	-	623,069
Interest and Investment Earnings					163,132	18,712	181,844
Miscellaneous					301,186	-	301,186
Gain on Sale of Capital Assets					87,944	-	87,944
Total General Revenues					35,639,825	148,821	35,788,646
Change in Net Position					3,392,016	(1,153,102)	2,238,914
Net Position - Beginning of Year					107,349,240	13,628,968	120,978,208
Net Position - End of Year					\$ 110,741,256	\$ 12,475,866	\$ 123,217,122

See accompanying Notes to Financial Statements.

FUND FINANCIAL STATEMENTS

**ST. CROIX COUNTY, WISCONSIN
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2012**

	General Fund	Health and Human Services Fund	Debt Service Fund	Other Governmental Funds	Totals
ASSETS					
Treasurer's Cash and Investments	\$ 15,564,887	\$ 1,711,334	\$ 69,965	\$ 1,562,929	\$ 18,909,115
Departmental Cash and Investments	61,032	6,816	-	5,099	72,947
Taxes Receivable	23,383,305	4,764,300	1,476,139	972,775	30,596,519
Accounts Receivable	599,068	744,438	-	405,824	1,749,330
Due from Other Governments	1,042,226	684,534	-	679,766	2,406,526
Due from Other Funds	1,230,037	-	-	-	1,230,037
Inventories	13,436	1,602	-	-	15,038
Prepaid Items	24,308	2,460	-	21,356	48,124
Investment in Public-Entity Risk Pool	720,214	-	-	-	720,214
Total Assets	\$ 42,638,513	\$ 7,915,484	\$ 1,546,104	\$ 3,647,749	\$ 55,747,850
LIABILITIES AND FUND BALANCES					
LIABILITIES					
Vouchers and Accounts Payable	\$ 252,841	\$ 361,779	\$ 2,100	\$ 185,764	\$ 802,484
Accrued Payroll	1,072,244	435,266	-	161,521	1,669,031
Payroll Deductions	370,008	-	-	-	370,008
Due to Other Governmental Units	377,903	-	-	-	377,903
Due to Other Funds	-	-	-	468,210	468,210
Deferred Revenues	20,222,810	5,434,555	1,476,139	972,775	28,106,279
Special Deposits	79,880	230	-	-	80,110
Total Liabilities	22,375,686	6,231,830	1,478,239	1,788,270	31,874,025
FUND BALANCES					
Nonspendable	3,960,072	4,062	-	-	3,964,134
Restricted	75,149	60,814	67,865	518,025	721,853
Committed	-	500,000	-	-	500,000
Assigned	2,297,483	1,118,778	-	1,341,454	4,757,715
Unassigned	13,930,123	-	-	-	13,930,123
Total Fund Balances	20,262,827	1,683,654	67,865	1,859,479	23,873,825
Total Liabilities and Fund Balances	\$ 42,638,513	\$ 7,915,484	\$ 1,546,104	\$ 3,647,749	\$ 55,747,850

See accompanying Notes to Financial Statements.

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**ST. CROIX COUNTY, WISCONSIN
RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES
TO GOVERNMENTAL ACTIVITIES
NET POSITION
DECEMBER 31, 2012**

Total Fund Balances - Governmental Funds \$ 23,873,825

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

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. These assets consist of:

Land	\$ 1,240,964	
Land Improvements	2,530,755	
Buildings and Improvements	23,429,429	
Machinery and Equipment	8,664,376	
Infrastructure	108,390,052	
Construction Work-in-Progress	4,009,725	
Accumulated Depreciation	<u>(56,944,004)</u>	91,321,297

Some receivables are reported as deferred revenue in the fund financial statements but are recognized as revenue when earned in the government-wide statements:

Health and Human Services Receivables		684,799
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Some liabilities are not due and payable in the current period and, therefore, are not reported in the funds. These liabilities consist of:

Bonds Payable	350,000	
Notes Payable	5,465,000	
Accrued Interest	68,487	
Other Postemployment Benefit Plan	633,807	
Employee Leave Liability	<u>2,479,599</u>	(8,996,893)

Debt issuance and refinancing costs and discounts and premiums are deferred in the statement of net position and amortized over the lives of the related debt. In the governmental funds these costs are considered expenditures/other financing uses when incurred.

30,044

The internal service funds are used by County management to charge the costs of the self-funded insurance programs to functions. The assets and liabilities of the self-funded insurance programs are allocated between governmental activities and business-type activities.

3,828,184

Net Position of Governmental Activities \$ 110,741,256

**ST. CROIX COUNTY, WISCONSIN
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2012**

	General Fund	Health and Human Services Fund	Debt Service Fund	Other Governmental Funds	Totals
REVENUES					
Taxes	\$ 26,159,166	\$ 4,768,970	\$ 1,941,777	\$ 1,594,581	\$ 34,464,494
Intergovernmental	4,123,143	5,929,727	-	1,270,411	11,323,281
Licenses and Permits	214,973	-	-	26,426	241,399
Fines and Forfeits	297,889	-	-	99,420	397,309
Public Charges for Services	2,108,754	1,707,223	-	2,260,330	6,076,307
Intergovernmental Charges for Services	398,752	110,782	-	-	509,534
Miscellaneous:					
Interest	111,921	-	-	16	111,937
Rent	40,493	-	-	-	40,493
Other	141,333	90,894	42,377	66,834	341,438
Total Revenues	<u>33,596,424</u>	<u>12,607,596</u>	<u>1,984,154</u>	<u>5,318,018</u>	<u>53,506,192</u>
EXPENDITURES					
General Government	9,361,116	-	-	110,063	9,471,179
Public Safety	10,963,629	-	-	61,834	11,025,463
Transportation	7,043,372	-	-	-	7,043,372
Sanitation	216,164	-	-	11,458	227,622
Health and Human Services	834,197	12,115,789	-	5,235,950	18,185,936
Culture, Recreation and Education	1,910,234	-	-	-	1,910,234
Conservation and Development	1,746,377	-	-	17,688	1,764,065
Capital Outlay	-	-	-	1,710,247	1,710,247
Debt Service:					
Principal Retirement	-	-	1,751,842	-	1,751,842
Interest and Fiscal Charges	-	-	246,241	-	246,241
Total Expenditures	<u>32,075,089</u>	<u>12,115,789</u>	<u>1,998,083</u>	<u>7,147,240</u>	<u>53,336,201</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	1,521,335	491,807	(13,929)	(1,829,222)	169,991
OTHER FINANCING SOURCES (USES):					
Proceeds from Sale of Capital Assets	2,774	-	-	85,516	88,290
Transfers In	-	-	83,960	-	83,960
Transfers Out	(47,360)	-	-	(55,000)	(102,360)
Total Other Financing Sources (Uses)	<u>(44,586)</u>	<u>-</u>	<u>83,960</u>	<u>30,516</u>	<u>69,890</u>
NET CHANGE IN FUND BALANCES	1,476,749	491,807	70,031	(1,798,706)	239,881
Fund Balances (Deficit) - Beginning of Year	<u>18,786,078</u>	<u>1,191,847</u>	<u>(2,166)</u>	<u>3,658,185</u>	<u>23,633,944</u>
FUND BALANCES - END OF YEAR	<u>\$ 20,262,827</u>	<u>\$ 1,683,654</u>	<u>\$ 67,865</u>	<u>\$ 1,859,479</u>	<u>\$ 23,873,825</u>

See accompanying Notes to Financial Statements.

**ST. CROIX COUNTY, WISCONSIN
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES OF THE GOVERNMENTAL FUNDS TO
THE GOVERNMENT-WIDE STATEMENT OF ACTIVITIES
GOVERNMENTAL ACTIVITIES
YEAR ENDED DECEMBER 31, 2012**

Net Change in Fund Balances - Total Governmental Funds **\$ 239,881**

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

Capital outlays are reported as expenditures in governmental funds. However, in the statement of activities, the cost of capital assets is allocated over their estimated useful lives as depreciation expense. In the current period, these amounts are:

Capital Outlays Reported in Governmental Fund Statements	\$ 5,001,419	
Depreciation Expense Reported in the Statement of Activities	<u>(4,438,331)</u>	563,088

In the statement of activities, only the gain (loss) on the disposal of capital assets is reported whereas in the governmental funds, the proceeds from sales increase financial resources and trade-ins are not reflected in capital outlays.

Gain (Loss) on Disposal of Capital Assets	87,944	
Proceeds from Sale of Capital Assets and Insurance Proceeds	<u>(88,290)</u>	(346)

Receivables not currently available are reported as deferred revenue in the fund financial statements but are recognized as revenue when earned in the government-wide statements. (18,276)

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

Bond Principal Retirement	340,000	
General Obligation Notes Retirement	1,345,000	
State Trust Fund Loan Retirement	<u>66,841</u>	1,751,841

The internal service fund is used by the County management to charge the costs of the various self-funded insurance program to functions. The change in net position of these internal service funds are allocated to governmental activities and business-type activities. 1,070,030

Some items reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. These activities consist of:

Net Decrease in Accrued Interest at Year-End	20,343	
Net Increase in Employee Leave Liability at Year-End	(22,511)	
Net Increase in Other Postemployment Benefit Plan	(197,385)	
Net Change in Debt Issuance Related Costs	(23,970)	
Net Change in Bond Discounts/Premiums	<u>9,321</u>	<u>(214,202)</u>

Change in Net Position of Governmental Activities **\$ 3,392,016**

**ST. CROIX COUNTY, WISCONSIN
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
DECEMBER 31, 2012**

	Business-Type Activities - Enterprise Funds			Internal Service Funds
	Nursing Home	Highway Department	Totals	
ASSETS				
CURRENT ASSETS				
Cash and Investments	\$ -	\$ 1,033,914	\$ 1,033,914	\$ 7,145,963
Cash and Investments Held by Fiscal Agents	-	-	-	405,262
Taxes Receivable	333,002	-	333,002	-
Accounts Receivable	10,639	-	10,639	37,930
Resident Accounts Receivable	331,725	-	331,725	-
Due from Other Governmental Units	-	1,242,880	1,242,880	-
Inventories	28,825	1,466,304	1,495,129	-
Total Current Assets	<u>704,191</u>	<u>3,743,098</u>	<u>4,447,289</u>	<u>7,589,155</u>
RESTRICTED ASSETS				
Cash and Investments:				
Resident Trust Agreement	9,568	-	9,568	-
Donation Funds	19,721	-	19,721	-
Total Restricted Assets	<u>29,289</u>	<u>-</u>	<u>29,289</u>	<u>-</u>
CAPITAL ASSETS				
Capital Assets	5,391,005	21,542,240	26,933,245	-
Less Accumulated Depreciation	4,458,372	11,982,379	16,440,751	-
Net Capital Assets	<u>932,633</u>	<u>9,559,861</u>	<u>10,492,494</u>	<u>-</u>
Construction Work-in-Progress	-	50,355	50,355	-
Total Capital Assets	<u>932,633</u>	<u>9,610,216</u>	<u>10,542,849</u>	<u>-</u>
Total Assets	<u>1,666,113</u>	<u>13,353,314</u>	<u>15,019,427</u>	<u>7,589,155</u>
LIABILITIES				
CURRENT LIABILITIES				
Accounts Payable	77,735	262,074	339,809	131,355
Accrued Payroll	203,451	382,779	586,230	16,851
Accrued Claims Payable	-	-	-	2,668,918
Accrued Employee Leave	76,855	34,208	111,063	-
Due to Other Funds	761,827	-	761,827	-
Deferred Revenues	333,002	357,787	690,789	-
Resident Trust Funds	8,868	-	8,868	-
Total Current Liabilities	<u>1,461,738</u>	<u>1,036,848</u>	<u>2,498,586</u>	<u>2,817,124</u>
LONG-TERM LIABILITIES, Net of Current Portion				
Accrued Employee Leave/OPEB Obligation	107,611	881,211	988,822	-
Total Liabilities	<u>1,569,349</u>	<u>1,918,059</u>	<u>3,487,408</u>	<u>2,817,124</u>
NET POSITION				
Net Investment in Capital Assets	932,633	9,610,216	10,542,849	-
Restricted for Donation Funds	19,721	-	19,721	-
Unrestricted	(855,590)	1,825,039	969,449	4,772,031
Total Net Position	<u>\$ 96,764</u>	<u>\$ 11,435,255</u>	<u>\$ 11,532,019</u>	<u>\$ 4,772,031</u>

See accompanying Notes to Financial Statements.

**ST. CROIX COUNTY, WISCONSIN
RECONCILIATION OF TOTAL ENTERPRISE FUND NET POSITION
TO NET POSITION OF BUSINESS-TYPE ACTIVITIES
PROPRIETARY FUNDS
DECEMBER 31, 2012**

Total Net Position - Enterprise Funds \$ 11,532,019

Amounts reported for business-type activities in the statement of net position are different because:

The internal service funds are used by County's management to charge the costs of the self-funded insurance programs to functions. The assets and liabilities of the self-funded insurance programs are allocated between governmental activities and business-type activities.

943,847

Net Position of Business-Type Activities \$ 12,475,866

ST. CROIX COUNTY, WISCONSIN
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
YEAR ENDED DECEMBER 31, 2012

	Business-Type Activities - Enterprise Funds			Internal Service Funds
	Nursing Home	Highway Department	Totals	
OPERATING REVENUES				
Charges for Services	\$ 4,028,789	\$ 13,103,417	\$ 17,132,206	\$ 10,634,442
Miscellaneous	1,905	1,361,060	1,362,965	-
Total Operating Revenues	4,030,694	14,464,477	18,495,171	10,634,442
OPERATING EXPENSES:				
Daily Patient Services	2,856,607	-	2,856,607	-
Special Services	559,667	-	559,667	-
Transportation Services	-	13,972,104	13,972,104	-
Premiums and Claims	-	-	-	9,045,041
General and Administrative	1,640,114	1,282,540	2,922,654	185,761
Unassigned:				
Depreciation	149,634	-	149,634	-
Other	270,777	-	270,777	-
Total Operating Expenses	5,476,799	15,254,644	20,731,443	9,230,802
OPERATING INCOME (LOSS)	(1,446,105)	(790,167)	(2,236,272)	1,403,640
NONOPERATING REVENUES (EXPENSES):				
Interest Revenue	-	-	-	69,907
Supplemental Payment Revenue	527,505	-	527,505	-
Restricted Donations Received	15,421	-	15,421	-
Restricted Donations Expended	(11,783)	-	(11,783)	-
Property Taxes	130,109	-	130,109	-
Total Nonoperating Revenues (Expenses)	661,252	-	661,252	69,907
INCOME (LOSS) BEFORE TRANSFERS	(784,853)	(790,167)	(1,575,020)	1,473,547
INTERFUND TRANSFERS:				
Transfer from General Fund	-	-	-	18,400
CHANGE IN NET POSITION	(784,853)	(790,167)	(1,575,020)	1,491,947
Net Position, Beginning of Year	881,617	12,225,422	13,107,039	3,280,084
NET POSITION, END OF YEAR	\$ 96,764	\$ 11,435,255	\$ 11,532,019	\$ 4,772,031

See accompanying Notes to Financial Statements.

**ST. CROIX COUNTY, WISCONSIN
RECONCILIATION OF ENTERPRISE FUND CHANGES IN NET POSITION
TO BUSINESS-TYPE CHANGES IN NET POSITION
PROPRIETARY FUNDS
YEAR ENDED DECEMBER 31, 2012**

Net change in net position for enterprise funds \$ (1,575,020)

Amounts reported for business-type activities in the statement of activities are different because:

The internal service fund is used by the County's management to charge the costs of the various self-funded insurance program to functions. The change in net position of these internal service funds are allocated to governmental activities and business-type activities.

421,918

Change in net position of business-type activities \$ (1,153,102)

**ST. CROIX COUNTY, WISCONSIN
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
YEAR ENDED DECEMBER 31, 2012**

	Business-Type Activities - Enterprise Funds			Internal Service Funds
	Nursing Home	Highway Department	Totals	
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash Received for Services Provided	\$ 4,170,033	\$ 14,076,138	\$ 18,246,171	\$ 10,596,512
Other Cash Received	1,905	-	1,905	-
Cash Paid to Suppliers for Goods and Services	(282,730)	(8,381,124)	(8,663,854)	-
Cash Paid for Employee Services	(4,535,360)	(5,800,340)	(10,335,700)	-
Cash Paid for Claims/Premiums/ Administrative Services	-	-	-	(9,737,211)
Net Cash Provided (Used) by Operating Activities	(646,152)	(105,326)	(751,478)	859,301
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Transfers from County	-	-	-	18,400
Property Taxes	130,109	-	130,109	-
Cash Received from Intermediary for Additional Financing of Prior Year Operations	516,866	-	516,866	-
Net Change in Restricted Funds	1,926	-	1,926	-
Net Cash Provided by Noncapital Financing Activities	648,901	-	648,901	18,400
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Acquisition of Capital Assets	(823)	(1,096,421)	(1,097,244)	-
Salvage Received on Sale of Capital Assets	-	84,777	84,777	-
Net Cash Provided (Used) by Capital and Related Financing Activities	(823)	(1,011,644)	(1,012,467)	-
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest on Investments	-	-	-	69,907
NET CHANGE IN CASH AND CASH EQUIVALENTS	1,926	(1,116,970)	(1,115,044)	947,608
Cash and Cash Equivalents - Beginning of Year	27,363	2,150,884	2,178,247	6,603,617
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ 29,289</u>	<u>\$ 1,033,914</u>	<u>\$ 1,063,203</u>	<u>\$ 7,551,225</u>

See accompanying Notes to Financial Statements.

**ST. CROIX COUNTY, WISCONSIN
STATEMENT OF CASH FLOWS (CONTINUED)
PROPRIETARY FUNDS
YEAR ENDED DECEMBER 31, 2012**

	Business-Type Activities - Enterprise Funds			Internal Service Funds
	Nursing Home	Highway Department	Totals	
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES				
Operating Income (Loss)	\$ (1,446,105)	\$ (790,167)	\$ (2,236,272)	\$ 1,403,640
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:				
Depreciation	149,634	1,055,494	1,205,128	-
Changes in Asset and Liability Accounts:				
Decrease (Increase) in Customer Accounts Receivable	141,244	-	141,244	(37,930)
Decrease in Due from Other Governmental Units	-	(390,414)	(390,414)	-
Increase in Due from Other Funds	528,319	-	528,319	-
Decrease in Inventory	4,912	138,246	143,158	-
Increase (Decrease) in Accounts Payable	(5,067)	(274,460)	(279,527)	(38,085)
Decrease in Accrued Claims/Losses Payable	-	-	-	(468,598)
Increase (Decrease) in Accrued Liabilities	(5,263)	90,903	85,640	274
Increase (Decrease) in Accrued Employee Leave	(13,826)	62,997	49,171	-
Increase in Deferred Revenue	-	2,075	2,075	-
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>\$ (646,152)</u>	<u>\$ (105,326)</u>	<u>\$ (751,478)</u>	<u>\$ 859,301</u>
RECONCILIATION OF CASH AND INVESTMENTS TO CASH AND CASH EQUIVALENTS				
Cash and Investments per Statement of Net Position:				
Cash and Investments	\$ -	\$ 1,033,914	\$ 1,033,914	\$ 7,145,963
Cash Held by Fiscal Agents	-	-	-	405,262
Cash and Investments - Restricted	29,289	-	29,289	-
CASH AND CASH EQUIVALENTS	<u>\$ 29,289</u>	<u>\$ 1,033,914</u>	<u>\$ 1,063,203</u>	<u>\$ 7,551,225</u>

See accompanying Notes to Financial Statements.

**ST. CROIX COUNTY, WISCONSIN
STATEMENT OF FIDUCIARY NET POSITION
AGENCY FUNDS
DECEMBER 31, 2012**

	<u>Agency Funds</u>
ASSETS	
Treasurer's Cash and Investments	\$ 5,512,716
Departmental Cash and Investments	965,035
Taxes Receivable	1,502,719
Accounts Receivable	<u>163</u>
Total Assets	<u>\$ 7,980,633</u>
LIABILITIES	
Due Other Governmental Units	\$ 6,682,418
Accounts Payable	146,053
Special Deposits	826,408
Districts' Equities in Uncollected Taxes	<u>325,754</u>
Total Liabilities	<u>\$ 7,980,633</u>

See accompanying Notes to Financial Statements.

**ST. CROIX COUNTY, WISCONSIN
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2012**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of St. Croix County, Wisconsin, (County) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The significant accounting principles and policies utilized by the County are described below:

A. Financial Reporting Entity

St. Croix County is governed by a board of supervisors consisting of nineteen elected members.

The financial reporting of the County is defined by the GASB to consist of (a) the primary government, (b) organizations for which the Primary Government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the primary government are such that the exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

The basic financial statements of the County consist solely of the primary government. No other organizations were identified for inclusion in the financial reporting entity of the County.

B. Government-Wide and Fund Financial Statements

The County's basic financial statements include both government-wide (reporting the County as a whole) and fund financial statements (reporting the County's major funds) as described below:

Government-wide Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report financial information on all of the non-fiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

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

**ST. CROIX COUNTY, WISCONSIN
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2012**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Government-Wide and Fund Financial Statements (Continued)

Fund Financial Statements

Financial statements of the reporting entity are organized into funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts, which constitute its assets, liabilities, net position, fund equity, revenues, and expenditures/expenses.

Separate financial statements are provided for governmental funds, proprietary funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

The County reports the following major governmental funds:

General Fund – The General Fund is the operating fund of the County. It is used to account for all financial resources of the County, except those required to be accounted for in another fund.

Health and Human Services Fund – The Health and Human Services Fund, a special revenue fund, is used to account for the County's health programs and human services programs. Through the human services programs, the County provides mental health, developmental disabilities and alcoholism and drug abuse rehabilitation services to residents of the County and administers the various social services and income maintenance programs provided by and through the County. These programs are funded primarily by intergovernmental revenues, and property taxes, committed through the Board approved levy.

Debt Service Fund – The Debt Service Fund is used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest and related costs of governmental funds, which are financed by property tax revenues restricted through bond documents.

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

The County reports the following major enterprise funds:

Nursing Home Fund – This fund accounts for the operations of the County's nursing home. This primary source of revenue is from the charges for the services provided.

Highway Department Fund – This fund is used to account for the County's highway department operations, which provides services both to the County and to the State and other local districts. This fund is reported as an enterprise fund because the majority of its operating revenue is derived from charges to the state and local districts.

ST. CROIX COUNTY, WISCONSIN
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2012

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Government-Wide and Fund Financial Statements (Continued)

Fund Financial Statements (Continued)

The County had no other enterprise funds to report as nonmajor funds, but does report the following internal service funds:

- Internal service funds are used to account for the County's various self-funded health, workers compensation, and liability insurance programs and the retiree health savings account. The primary source of revenue is from the premiums paid.

Additionally, the County reports the following fiduciary funds:

- Agency funds are used to account for assets held by the County in a trustee capacity or as an agent for individuals, private organizations and/or other governmental units.

C. Measurement Focus and Basis of Accounting

The government-wide financial statements and the proprietary funds and fiduciary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Nonexchange transactions, in which the County gives or receives value without directly receiving or giving equal value in exchange, include property taxes, grants, entitlements and donations. Property taxes are recognized as revenues in the year for which they are levied. Taxes receivable for the following year are recorded as receivables and deferred revenue. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider are met.

Governmental fund statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized as soon as they are both measurable and available. Revenues are deemed to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the County generally considers revenues reported in the governmental funds to be available if they are collected within sixty days after the end of the current fiscal period. Client billings for the human services programs are recognized when received. State and federal aids under cost reimbursement programs are generally recognized when earned if expected to be collected in the subsequent year. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

ST. CROIX COUNTY, WISCONSIN
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2012

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Measurement Focus and Basic Accounting (Continued)

Property taxes, miscellaneous taxes, cost reimbursement grant programs, public charges for services and interest associated with the current fiscal period are all considered to be susceptible to accrual. All other revenue items are generally considered to be measurable and available only when cash is received by the government.

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

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. An exception to this general rule is the general fund's "payment" for highway services. The County's general fund "pays" the highway department enterprise fund an annual amount for its share of highway operations. This amount consists of the annually approved levy, state general transportation aids and any other intergovernmental aids received for highway purposes. This payment is reflected as an expense in the governmental activities and a charge for services in the business-type activities.

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 nursing home are charges for resident services. The principal operating revenues of the highway department are charges to other units of governments and to the County (as described above) for services provided. Operating expenses for proprietary funds include the cost of sales and services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

**ST. CROIX COUNTY, WISCONSIN
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2012**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Measurement Focus and Basic Accounting (Continued)

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

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

D. Assets, Liabilities, and Net Position or Equity

1. Cash and Investments

The County's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from date of acquisition. Cash and investment balances for individual funds are pooled unless maintained in segregated accounts.

Investment of County funds is restricted by state statutes. Available investments are limited to:

- a) time deposits in any credit union, bank, savings bank or trust company maturing in three years or less;
- b) Bonds or securities issued or guaranteed by the federal government;
- c) Bonds or securities of any County, city, drainage district, technical college district, village, town, or school district of the state. Also, bonds issued by a local exposition district, a local professional baseball park district, a local professional football stadium district, a local cultural arts district, or by the University of Wisconsin Hospitals and Clinics Authority.
- d) Any security maturing in seven years or less and having the highest or second highest rating category of a nationally recognized rating agency;
- e) Securities of an open-end management investment company or investment trust, subject to various conditions and investment options;
- f) Bonds or securities issued under the authority of the municipality;
- g) The local government investment pool;
- h) Repurchase agreements with public depositories, with certain conditions.

Additional restrictions may arise from local charters, ordinances, resolutions and grant resolutions.

ST. CROIX COUNTY, WISCONSIN
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2012

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D.Assets, Liabilities, and Net Position or Equity (Continued)

1. Cash and Investments (Continued)

Investment of most trust funds is regulated by Chapter 881 of the *Wisconsin Statutes*. Those sections give broad authority to use such funds to acquire various kinds of investments including stocks, bonds and debentures.

Investments of the County are stated at fair value.

2. Receivables and Payables

Property Taxes. Property taxes are levied prior to the end of the calendar year and are due and collectible in the following year. Property taxes attach an enforceable lien as of January 1. In addition to property taxes for the County, taxes are also collected for and remitted to the state. Taxes billed for the state are recorded as receivables and due other governmental units in the agency fund statement of fiduciary net position. Since County property taxes are not considered available until January 1 of the year following the levy, they are recorded as deferred revenues in the funds budgeted therefore.

The County is also responsible for the collection of all delinquent and postponed property taxes levied by the local taxing districts within its boundaries, except delinquent personal property taxes which are retained by the local municipal district. Real property taxes are payable in full to the local districts on or before January 31 or, alternatively, if over \$100, can be paid in two equal installments with the first installment payable on or before January 31 and the second installment payable on or before July 31. Personal property taxes and special assessments, special charges (including delinquent utility billings) and special taxes placed on the tax roll are payable in full on or before January 31. All uncollected items on the current tax roll, except delinquent personal property taxes, are turned over to the St. Croix County Treasurer for collection in February. The County subsequently settles in full with the local districts in August of the same year, except for delinquent special assessments and other special charges. All uncollected taxes returned to the County for collection are financed through the general fund, except for delinquent special assessments of the districts. A portion of the general fund's equity balance is nonspendable for the County's investment in delinquent taxes.

Accounts Receivable. Client accounts receivable in the health and human services fund are offset by an allowance for doubtful accounts of approximately \$810,000. All other accounts receivable are considered to be collectible in full.

**ST. CROIX COUNTY, WISCONSIN
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2012**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets, Liabilities, and Net Position or Equity (Continued)

2. Receivables and Payables (Continued)

Interfund Balances. Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds". Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statement as "internal balances". Advances between funds, as reported in the fund financial statements, are offset by nonspendable fund balance in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

3. Inventories and Prepaid Items

Inventories of the County's Highway fund are reflected at average cost. All other inventories of the County are valued at cost using the first-in/first-out (FIFO) method and if material, are recorded as expenditures when consumed rather than when purchased.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

4. Restricted Assets

Mandatory segregations of assets are presented as restricted assets. Such segregations may be required by bond agreements and other external parties. Current liabilities payable from these restricted assets are so classified.

5. Capital Assets

Government-Wide Statements. Capital assets, which include property, plant, equipment and infrastructure assets (e.g., roads, bridges and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the County as assets with initial, individual costs as shown below and an estimated useful life of two years or greater. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. In the case of the initial capitalization of general infrastructure reported in governmental activities, the County chose to include all such items regardless of their acquisition date or amount. The County was able to estimate the historical cost for the initial reporting of these assets through backtrending (estimating the current replacement costs of the infrastructure to be capitalized and using an appropriate price-level index to deflate the costs to the acquisition year or estimated acquisition year).

**ST. CROIX COUNTY, WISCONSIN
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2012**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets, Liabilities, and Net Position or Equity (Continued)

5. Capital Assets (Continued)

Government-Wide Statements (Continued). The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities, if material, is included as part of the capitalized value of the assets constructed.

Capitalization thresholds (the dollar valued above which asset acquisitions are added to the capital asset accounts), depreciation methods, and estimated useful lives of capital assets reported in the government-wide statements are as follows:

	Capitalization Threshold	Depreciation Method	Estimated Useful Life
Land Improvements	\$ 5,000	Straight-Line	5-25 Years
Buildings and Improvements	5,000	Straight-Line	25-40 Years
Machinery and Equipment	5,000	Straight-Line	4-20 Years
Infrastructure	5,000	Straight-Line	25-60 Years

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

6. Other Assets

In governmental funds, debt issuance costs are recognized as expenditures in the current period. For the government-wide and the proprietary fund type financial statements, debt issuance costs are deferred and amortized over the term of the debt issue.

7. Compensated Absences

It is the County's policy to permit employees to accumulate paid leave benefits. Liabilities for accumulated employee leave benefits are not accrued in the County's governmental fund financial statements but are recorded as expenditures when paid. Such liabilities are accrued in the government-wide and proprietary fund financial statements when earned. The County's policies and estimated liabilities at year-end are further discussed in Note 4.B.

ST. CROIX COUNTY, WISCONSIN
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2012

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets, Liabilities, and Net Position or Equity (Continued)

8. Long-Term Obligations

In the government-wide financial statements and proprietary 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 type statement of net position. In the governmental fund financial statements, 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.

9. Fund Equity

In the fund financial statements, governmental funds report nonspendable, restricted, committed, assigned, and unassigned fund balances. Nonspendable portions of fund balance relate to prepaids, inventories, and long term receivables, as applicable. Restricted funds are constrained from outside parties (statute, grantors, bond agreements, etc.). Committed fund balances are established and modified by a resolution approved by the County Board of Supervisors. The County Administrator is delegated to assign fund balances and their intended uses. Unassigned fund balance is the residual classification for the County's general fund and includes all spendable amounts not contained in other classifications.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, it is the County's policy to use restricted first, then unrestricted fund balance. When an expenditure is incurred for purposes for which committed, assigned, and unassigned amounts are available, it is the County's policy to use committed first, then assigned, and finally unassigned amounts.

NOTE 2 RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

Due to the differences in the measurement focus and basis of accounting used in the governmental fund financial statements and the government-wide financial statements, certain financial transactions are treated differently. Reconciliations of the fund equity and changes thereto in the fund financial statements to the net position and revenues/expenses shown in the government-wide financial statements are presented in on pages 18 and 20, respectively, for the governmental funds and pages 22 and 24 respectively, for the enterprise funds.

**ST. CROIX COUNTY, WISCONSIN
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2012**

NOTE 3 DETAILED NOTES ON ALL FUNDS

A. Deposits and Investments

The County's cash and investments balances at December 31, 2012 totaled \$34,074,241 as shown in the financial statements as follows:

Governmental Funds	\$ 18,982,062
Proprietary Funds	8,614,428
Fiduciary Funds	6,477,751
	\$ 34,074,241

The above cash and investments balances consisted of the following:

Treasurer's Cash and Investments		
Deposits at Financial Institutions	\$ 5,695,592	
Deposits in State Local Government		
Pooled-Investment Fund	15,770,096	
Investments in Money Market Funds	4,170,872	
Investments in Federal Obligations	7,168,605	\$ 32,805,165
Departmental Cash and Investments		
Deposits in Financial Institutions:		
Funds Held in Trust	886,440	
Petty Cash	3,347	889,787
Cash and Investments Held by Fiscal Agents		
Deposits with WMMIC		350,000
Restricted Cash and Investments		
Deposits in Financial Institutions:		
County Funds		29,289
Total Cash and Investments at December 31, 2012		\$ 34,074,241

Deposits at Financial Institutions

The County's balances at individual financial institutions were subject to coverage under federal depository insurance and amounts appropriated by Sections 20.144(1)(a) and 34.08 of the *Wisconsin Statutes* (State Guarantee Fund). Federal depository insurance provides for coverage of up to \$250,000 for time and savings deposits and up to \$250,000 for demand deposits at any institution. In addition, funds held for individuals are subject to coverage in the name of the beneficiary in whose name the trust fund is held. Coverage under the State Guarantee Fund may not exceed \$400,000 above the amount of coverage under federal depository insurance at any institution and is limited by the availability of the appropriations authorized therein. (Due to the relatively small size of the State Guarantee Fund in relation to the total coverage, total recovery of losses may not be available.) Also, Section 34.07 of the *Wisconsin Statutes* authorizes the County to collateralize its deposits that exceed the amount of coverage provided by federal depository insurance and the State Guarantee Fund.

Custodial credit risk for deposits is the risk that in the event of bank failure, the County's deposits may not be returned. At December 31, 2012, \$977,376 of the County's deposits were uninsured and uncollateralized, and therefore subjected to custodial credit risk.

**ST. CROIX COUNTY, WISCONSIN
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2012**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

A. Deposits and Investments (Continued)

Investments

The County's investments at December 31, 2012 consisted of deposits in the State of Wisconsin Local Government Investment Pool (an external investment pool), U.S. government agencies and instrumentalities obligations and a money market fund associated with its investments in federal securities.

Deposits in State Local Government Pooled-Investment Fund. The State of Wisconsin offers a Local Government Investment Pool (LGIP) to local government units to enable them to voluntarily invest idle funds in State Investment Fund. Local funds are pooled with state funds and invested by the State Investment Board. There is no minimum or maximum amount that can be invested by a local governmental unit. Interest is earned on a daily basis and withdrawals are generally available on the day of request. Deposits in the LGIP are not covered by federal depository insurance but are subject to coverage under the State Guarantee Fund. Also, the State of Wisconsin Investment Board has obtained a surety bond to protect deposits in the LGIP against defaults in principal payments on the LGIP's investments (subject to certain limitations).

U.S. Government Agencies and Instrumentalities Obligations. The County's investments in these obligations at December 31, 2012 are summarized as follows:

Description	Totals	Investment Maturities (in years)		
		< 1	1 to 5	> 5
Debt Instruments:				
FHLB	\$ 597,251	\$ -	\$ -	\$ 597,251
U.S. Treasuries	6,565,596	2,308,625	4,256,971	-
Loan/Mortgage Pools (GNMA)	5,758	-	5,758	-
Total	<u>\$ 7,168,605</u>	<u>\$ 2,308,625</u>	<u>\$ 4,262,729</u>	<u>\$ 597,251</u>

The above obligations may be subject to call prior to the stated maturity date. It is the County's general policy to hold the obligations until maturity or call. The listed obligations are guaranteed by the issuing agency/instrumentality. The FHLB Securities have a Moody's credit rating of Aaa.

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, the County will not be able to recover the value of investment or collateral securities that are in the possession of an outside party. The County's investment policy further limits its investments by limiting the amount of investments with any one broker to the amount SPIC and excess SPIC coverage available.

**ST. CROIX COUNTY, WISCONSIN
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2012**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

A. Deposits and Investments (Continued)

Investments (Continued)

Credit risk for investments is the risk that an issuer or other counterparty to an investment will not fulfill its obligation to the holder of the investment. The County's policy is to invest its funds in accordance with provisions of the *Wisconsin Statutes* previously discussed in Note 1.D.1.

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Generally, the fair values of investments with maturity dates further into the future are more sensitive to changes in market interest rates. The short weighted average maturity of the investments in the LGIP mitigates this risk to the County. Also, it is the County's policy to invest in securities that mature in seven years or less.

B. Receivables / Deferred Revenues

1. Taxes Receivable

Taxes receivable at December 31, 2012 totaled \$32,432,240 as detailed below:

	Governmental Funds	Enterprise Funds	Agency Funds	Totals
Current Taxes Receivable				
2012 Apportionment:				
State Taxes	\$ -	\$ -	\$ 1,176,965	\$ 1,176,965
County Taxes	27,394,405	333,002	-	27,727,407
Total	27,394,405	333,002	1,176,965	28,904,372
Delinquent Taxes Receivable				
Tax Certificates:				
2012 Sale (2011 Taxes)	1,674,096	-	41,551	1,715,647
2011 Sale	870,623	-	35,805	906,428
2010 Sale	384,890	-	22,739	407,629
2009 Sale and Prior Years	158,725	-	15,715	174,440
Total	3,088,334	-	115,810	3,204,144
Tax Deeds Owned by County	113,780	-	209,944	323,724
Total Taxes Receivable	\$ 30,596,519	\$ 333,002	\$ 1,502,719	\$ 32,432,240

Delinquent taxes receivable in the agency fund consist of delinquent special assessments and other charges due local taxing districts. These amounts are remitted to the districts when collected by the County.

**ST. CROIX COUNTY, WISCONSIN
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2012**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

B. Receivables/Deferred Revenues (Continued)

2. Other Receivables

Other accounts receivable at December 31, 2012 are further detailed as follows:

	General Fund	Other Governmental Funds	Enterprise Funds	Totals
Accounts Receivable:				
General	\$ 599,068	\$ 1,150,262	\$ 10,639	\$ 1,759,969
Customers/Residents:				
Nursing Home	-	-	331,725	331,725
	<u>599,068</u>	<u>1,150,262</u>	<u>342,364</u>	<u>2,091,694</u>
Due From Other Governments	<u>1,042,226</u>	<u>1,364,300</u>	<u>1,242,880</u>	<u>3,649,406</u>
Totals	<u>\$ 1,641,294</u>	<u>\$ 2,514,562</u>	<u>\$ 1,585,244</u>	<u>\$ 5,741,100</u>

3. Deferred Revenues

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

	Unavailable	Unearned	Total
2012 Tax Levy	\$ -	\$ 27,394,405	\$ 27,394,405
General Fund Grant Advances	-	27,075	27,075
Health and Human Services Receivables	670,255	-	670,255
Other	<u>14,544</u>	<u>-</u>	<u>14,544</u>
Total Deferred/Unearned Revenue for Governmental Funds	<u>\$ 684,799</u>	<u>\$ 27,421,480</u>	<u>\$ 28,106,279</u>

**ST. CROIX COUNTY, WISCONSIN
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2012**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

C. Capital Assets

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

Governmental Activities

	Beginning Balance	Increases	Decreases	Ending Balance
Capital Assets Not Being Depreciated:				
Land	\$ 1,241,310	\$ -	\$ 346	\$ 1,240,964
Construction Work-in-Progress	4,001,943	4,866,579	4,858,797	4,009,725
Public Safety Project				
Total Capital Assets Not Being Depreciated	5,243,253	4,866,579	4,859,143	5,250,689
Capital Assets Being Depreciated:				
Land Improvements	2,293,109	237,646	-	2,530,755
Buildings and Improvements	23,094,532	338,972	4,075	23,429,429
Equipment and Vehicles	8,892,558	645,404	873,586	8,664,376
Highway Infrastructure	103,098,772	3,771,615	-	106,870,387
Other Infrastructure	1,519,665	-	-	1,519,665
Total Capital Assets Being Depreciated	138,898,636	4,993,637	877,661	143,014,612
Total Capital Assets	144,141,889	9,860,216	5,736,804	148,265,301
Accumulated Depreciation:				
Land Improvements	1,569,878	84,899	-	1,654,777
Buildings and Improvements	12,028,768	599,809	4,075	12,624,502
Equipment and Vehicles	6,076,464	692,114	873,586	5,894,992
Highway Infrastructure	32,706,294	3,036,085	-	35,742,379
Other Infrastructure	1,001,930	25,424	-	1,027,354
Total Accumulated Depreciation	53,383,334	4,438,331	877,661	56,944,004
Net Capital Assets - Governmental Activities	\$ 90,758,555	\$ 5,421,885	\$ 4,859,143	\$ 91,321,297

Depreciation was charged to governmental functions as follows:

General Government	\$ 625,203
Public Safety	488,284
Transportation	3,036,121
Health and Human Services	154,029
Culture, Recreation and Education	104,183
Conservation and Development	30,511
	<u>\$ 4,438,331</u>

ST. CROIX COUNTY, WISCONSIN
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2012

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

C. Capital Assets (Continued)

Business-Type Activities

	Beginning Balance	Increases	Decreases	Ending Balance
Nursing Home:				
Capital Assets Being Depreciated:				
Land Improvements	\$ 124,700	\$ -	\$ -	\$ 124,700
Buildings	3,023,854	-	-	3,023,854
Equipment	2,118,214	823	-	2,119,037
Transportation Equipment	123,414	-	-	123,414
Total Capital Assets Being Depreciated	<u>5,390,182</u>	<u>823</u>	<u>-</u>	<u>5,391,005</u>
Total Capital Assets	5,390,182	823	-	5,391,005
Accumulated Depreciation:				
Land Improvements	121,935	484	-	122,419
Buildings	2,221,517	102,203	-	2,323,720
Equipment	1,872,758	36,357	-	1,909,115
Transportation Equipment	92,528	10,590	-	103,118
Total Accumulated Depreciation	<u>4,308,738</u>	<u>149,634</u>	<u>-</u>	<u>4,458,372</u>
Net Capital Assets - Nursing Home	1,081,444	(148,811)	-	932,633
Highway Department:				
Capital Assets Not Being Depreciated:				
Land	373,843	-	-	373,843
Gravel Pits and Quarries	336,187	-	32,594	303,593
Construction Work-in-Progress	3,924	46,431	-	50,355
Total Capital Assets Not Being Depreciated	<u>713,954</u>	<u>46,431</u>	<u>32,594</u>	<u>727,791</u>
Capital Assets Being Depreciated:				
Land Improvements	544,066	-	-	544,066
Buildings and Improvements	3,222,582	-	-	3,222,582
Machinery and Equipment	16,383,044	1,058,787	406,534	17,035,297
Other Capital Assets	62,859	-	-	62,859
Total Capital Assets Being Depreciated	<u>20,212,551</u>	<u>1,058,787</u>	<u>406,534</u>	<u>20,864,804</u>
Total Capital Assets	20,926,505	1,105,218	439,128	21,592,595

**ST. CROIX COUNTY, WISCONSIN
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2012**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

C. Capital Assets (Continued)

Business-Type Activities (Continued)

	Beginning Balance	Increases	Decreases	Ending Balance
Highway Department: (Continued)				
Accumulated Depreciation:				
Land Improvements	\$ 264,753	\$ 18,881	\$ -	\$ 283,634
Buildings and Improvements	1,772,245	101,385	-	1,873,630
Machinery and Equipment	9,187,541	934,494	345,554	9,776,481
Other Capital Assets	47,900	734	-	48,634
Total Accumulated Depreciation	<u>11,272,439</u>	<u>1,055,494</u>	<u>345,554</u>	<u>11,982,379</u>
Net Capital Assets - Highway Dept.	<u>9,654,066</u>	<u>49,724</u>	<u>93,574</u>	<u>9,610,216</u>
Total Capital Assets	26,316,687	1,106,041	439,128	26,983,600
Less Accumulated Depreciation	<u>15,581,177</u>	<u>1,205,128</u>	<u>345,554</u>	<u>16,440,751</u>
Net Capital Assets - Business-Type Activities	<u>\$ 10,735,510</u>	<u>\$ (99,087)</u>	<u>\$ 93,574</u>	<u>\$ 10,542,849</u>

Depreciation was charged to the following business-type activities:

Nursing Home	\$ 149,634
Highway Department	1,055,494
Total	<u>\$ 1,205,128</u>

D. Interfund Activity

Interfund Transfers

Fund Transferred To	Fund Transferred From	Amount
Debt Service Fund	Jail Assessment Fund	\$ 55,000
	General Fund	28,960
Internal Service Funds	General Fund	18,400
Total		<u>\$ 102,360</u>

The transfer from the jail assessment fund to the debt service fund is to move fees applied for debt repayment. The transfer from the general fund to the debt service fund is to transfer land sale proceeds. The transfer from the general to the internal service funds is to transfer property tax revenue.

**ST. CROIX COUNTY, WISCONSIN
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2012**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

D. Interfund Activity (Continued)

Interfund Receivables and Payables

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Nursing Home Fund	\$ 761,827
	Aging Resource and Disability Center	468,210
		<u>\$ 1,230,037</u>

The outstanding balances above relate to year-end cash overdrafts in the ADRC and Nursing Home Funds.

E. Long-Term Obligations

Changes in Long-Term Obligations

Changes in long-term obligations of the County for the year ended December 31, 2012 were as follows:

	<u>Balances 1/1/12</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balances 12/31/12</u>	<u>Amounts Due Within One Year</u>
Long-Term Debt					
Governmental Activities					
General Obligation Bonds	\$ 690,000	\$ -	\$ 340,000	\$ 350,000	\$ 350,000
General Obligation Notes	6,810,000	-	1,345,000	5,465,000	990,000
State Trust Fund Loan	66,841	-	66,841	-	-
Net Bond Premium (Discount)	34,532	-	9,321	25,211	-
Total Long-Term Debt	<u>\$ 7,601,373</u>	<u>\$ -</u>	<u>\$ 1,761,162</u>	<u>\$ 5,840,211</u>	<u>\$ 1,340,000</u>
Other Long-Term Obligations					
Governmental Activities					
Employee Leave Liability	\$ 2,457,088	\$ 22,511	\$ -	\$ 2,479,599	\$ 156,481
Other Postemployment Benefit Plan	436,422	245,940	48,555	633,807	-
Total Other Long-Term Obligations	<u>\$ 2,893,510</u>	<u>\$ 268,451</u>	<u>\$ 48,555</u>	<u>\$ 3,113,406</u>	<u>\$ 156,481</u>
Business-Type Activities					
Employee Leave Liability	\$ 931,735	\$ -	\$ 9,554	\$ 922,181	\$ 111,063
Other Postemployment Benefit Plan	118,979	73,171	14,446	177,704	-
Total	<u>\$ 1,050,714</u>	<u>\$ 73,171</u>	<u>\$ 24,000</u>	<u>\$ 1,099,885</u>	<u>\$ 111,063</u>

The County's estimated liability for employee leave and other postemployment benefits are discussed in Note 4.B and Note 5, respectively. The Employee Leave Liability and Other Postemployment Benefits are paid from the General, Health and Human Services, Highway, and Nursing Home Funds.

**ST. CROIX COUNTY, WISCONSIN
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2012**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

E. Long-Term Obligations (Continued)

General Obligation Long-Term Debt

Annual Requirements for Retirement. Long-term general obligation debt issues outstanding at December 31, 2012 and annual requirements for their retirement were as follows:

	<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
General Obligation Bonds				
Corporate Purpose Bonds, Series 2003A, \$9,825,000, Issued 6/17/03, Due 10/1/13, Interest at 1.00%-2.60% (Government Center)	2013	\$ 350,000	\$ 9,100	\$ 359,100
General Obligation Notes				
Taxable General Obligation Promissory Notes, Series 2003B, \$4,330,000, Issued 6/16/03, Due 4/1/13, Interest at 2.00%-4.00% (Retirement Fund Prior Service Liability)	2013	515,000	10,300	525,300
General Obligation Promissory Notes, Series 2008A, \$3,180,000 Dated 11/1/2008, due 4/1/2016 Interest 2.6%-4.5% (Capital Projects)	2013	475,000	77,663	552,663
	2014	485,000	56,959	541,959
	2015	505,000	34,988	539,988
	2016	525,000	11,813	536,813
		<u>1,990,000</u>	<u>181,423</u>	<u>2,171,423</u>
General Obligation Promissory Notes, Series 2010A, \$3,360,000 Dated 4/14/2010, due 4/1/2017 Interest 1.30%-3.63% (Recovery Zone Economic Development)	2013	-	91,570	91,570
	2014	680,000	83,240	763,240
	2015	695,000	64,485	759,485
	2016	715,000	42,799	757,799
	2017	870,000	15,769	885,769
		<u>2,960,000</u>	<u>297,863</u>	<u>2,372,094</u>
Total General Obligation Debt		<u><u>\$ 5,815,000</u></u>	<u><u>\$ 479,286</u></u>	<u><u>\$ 4,543,517</u></u>

**ST. CROIX COUNTY, WISCONSIN
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2012**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

E. Long-Term Obligations (Continued)

General Obligation Long-Term Debt (Continued)

General Obligation Debt Limitation. Section 67.03 of the *Wisconsin Statutes* restricts County general obligation debt to five percent of the equalized value of all property in the County. At December 31, 2012, the County's debt limit amounted to \$346,547,470 and indebtedness subject to the limitation totaled \$5,815,000.

NOTE 4 OTHER INFORMATION

A. Employee Retirement Plan

All eligible St. Croix County employees participate in the Wisconsin Retirement System (WRS), a cost-sharing, multiple-employer, defined benefit, public employee retirement system. All permanent employees expected to work at least 600 hours a year are eligible to participate in the WRS. Covered employees in the General category are required by statute to contribute 6.5 percent of their salary (3.9 percent for Executives and Elected Officials, 5.8 percent for Protective Occupations with Social Security, and 4.8 percent for Protective Occupations without Social Security) to the plan for payrolls prior to June 29, 2011. For payrolls beginning on or after June 29, 2011, covered employees in the General category are required by state statute to contribute 5.8 percent of their salary (6.65 percent for Executives and Elected Officials, 5.8 percent for Protective Occupations with Social Security, and 5.8 percent for Protective Occupations without Social Security) to the plan. Prior to August 1, 2011, employers generally made these contributions to the plan on behalf of employees. After August 1, 2011, employees are required to make at least half of the contribution.

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

**ST. CROIX COUNTY, WISCONSIN
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2012**

NOTE 4 OTHER INFORMATION (CONTINUED)

A. Employee Retiree Plan (Continued)

Contribution rates for 2012 are:

	<u>Employee</u>	<u>Employer</u>
General (Including Teachers)	5.90 %	5.90 %
Executives and Elected Officials	7.05	7.05
Protective with Social Security	5.90	10.90
Protective without Social Security	5.90	13.20

The payroll for County employees covered by the WRS for the year ended December 31, 2012 was \$27,181,415; the employer's total payroll was \$27,687,263. The total required contribution for the year ended December 31, 2012 was \$3,360,615, which consisted of \$1,796,205, or 6.6% of payroll from the employer and \$1,564,410, or 5.8 percent of payroll from employees. Total contributions by the County for the years ending December 31, 2011 and 2010 were \$3,512,253 and \$3,293,393, respectively, equal to the required contributions for each year.

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

B. Employee Leave Liability

All regular employees are granted personal time off (PTO) based on number of regular hours paid in a pay period and length of service. Earned time off is placed in a personal "PTO" account which is subject to current use by the employee. Amounts recorded in the PTO accounts are subject to maximum accumulations. Employees may annually, at December 31, transfer up to 96 hours of their unused earned time off out of their PTO account into a "personal sick bank" account and/or receive a payment for up to 48 hours out of their account.

ST. CROIX COUNTY, WISCONSIN
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2012

NOTE 4 OTHER INFORMATION (CONTINUED)

B. Employee Leave Liability (Continued)

Time placed in the personal sick bank account may be used for sick leave in excess of three days. Accumulated time in the personal sick bank accounts is not subject to payout unless termination is by retirement. Retirement is defined as being eligible to receive immediate pension from the Wisconsin Retirement System. When an employee retires from the County, the personal sick leave bank accrued time will be converted into a cash-equivalent to be deposited into a Retirement Health Savings Plan. The money can be used to pay for qualified medical expenses as defined under Section 213 (d) of the Internal Revenue Code on a tax-free basis. There is no cash-out of the personal sick leave bank available to qualified employees at retirement.

The County's liability for accumulated personal time off, vacation and vested sick leave (sick leave based on retirement eligible conversion values) was \$2,479,599 in the governmental funds, \$184,466 in the nursing home enterprise fund and \$737,715 in the highway department enterprise fund. The County accrues its liability for employee leave in the enterprise funds, but expenses these costs when paid in the governmental funds.

C. Risk Management

The County is exposed to various risks of loss related to torts; thefts of, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The County maintains a combination of commercial insurance coverage and self-insurance programs to cover each of those risks of loss. Management believes such coverage is sufficient to preclude any significant uninsured losses to the County.

Health Insurance Funds. The County has established health insurance program. This program is funded through "premiums" charged monthly to the participants in the plan. The County portion of the monthly premium is charged to various departments based on actual participation by employees. Preferred One currently administers the plan for a monthly fee based on the number of participating individuals. Claims are paid by Preferred One and reimbursed by the County on a weekly basis. Reinsurance for specific and stop-loss covers individual claims in excess of \$75,000 per year (for renewal period ending October 31, 2012) and \$85,000 per year (for renewal period ending October 31, 2013), and aggregate stop-loss is set at 120 percent of anticipated claims.

During 2012, the County offered a high deductible plan with an attachment point for annual aggregate stop-loss coverage set at \$7,823,952. The net position in the fund at December 31, 2012 was \$1,646,992.

**ST. CROIX COUNTY, WISCONSIN
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2012**

NOTE 4 OTHER INFORMATION (CONTINUED)

C. Risk Management (Continued)

Worker's Compensation Fund. The County is self-insured for workers compensation coverage. This program is funded through "premiums" charged to various County departments. Claims are paid by the County, through a TPA, Wisconsin Municipal Insurance. Stop-loss insurance is carried through Safety National and covers individual claims in excess of \$400,000 each to a maximum of \$1,000,000. In addition to in-house administrative staff, the County retains outside legal and medical expertise for assistance in settling claims. The balance in this fund at December 31, 2012 was \$133,147.

Changes in the claims liabilities for 2012 and 2011 for the health insurance fund and worker's compensation fund were as follows:

	Health Insurance		Worker's Compensation	
	2012	2011	2012	2011
Estimated Claims Outstanding January 1	\$ 1,821,367	\$ 786,990	\$ 700,423	\$ 441,593
Current Year Claims and Charges	7,459,014	9,789,305	284,500	585,828
Claim Payments	(7,839,645)	(8,754,928)	(309,232)	(326,998)
Estimated Claims Outstanding December 31	<u>\$ 1,440,736</u>	<u>\$ 1,821,367</u>	<u>\$ 675,691</u>	<u>\$ 700,423</u>

Liability Insurance Fund. The County has established an internal service fund to account for transactions associated with its insurance coverage through WMMIC (see below) and to account for funds set aside for financing other liability insurance claims against the County.

Wisconsin Municipal Mutual Insurance Company (WMMIC) is a mutual company operating solely within the property and liability insurance industry. WMMIC was formed pursuant to an intergovernmental charter-contract in 1987 by municipal members. WMMIC was organized to provide property and liability insurance and risk management services to participant municipalities. As of December 31, 2012, WMMIC was owned by seventeen municipalities (2 cities, 15 counties). Responsibility for the operation and management of WMMIC is vested in its board of directors which is comprised of various municipal officials.

WMMIC issued tax exempt revenue bonds totaling \$13,935,000 in 1987 to provide capital for its operations. Each member, in turn, severally issued general obligation promissory notes at an aggregate amount equal to the revenue bonds and invested the proceeds in WMMIC. The County's initial investment in WMMIC was \$720,214 which is reflected in the balance sheet of the County's general fund. The debt issued by the County to finance this investment was fully retired in 1997. The County's allocated share of WMMIC's member equity at December 31, 2012 and 2011 was \$1,548,836 and \$1,403,245, respectively, and represented 4.05 percent and 3.96 percent, respectively, of the total member equity at those dates.

**ST. CROIX COUNTY, WISCONSIN
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2012**

NOTE 4 OTHER INFORMATION (CONTINUED)

C. Risk Management (Continued)

Liability Insurance Fund (Continued). Liability insurance provided the members through WMMIC are to provide coverage in excess of prescribed self-insured amounts. WMMIC has contracted with a reinsurance company to cover losses (in excess of the self-insured retention of each member) which exceed \$1,000,000 per occurrence up to a maximum loss of \$10,000,000 per occurrence. WMMIC retains the first \$1,000,000 of the excess over the self-insurance retention. The members incur all losses greater than \$10,000,000 per occurrence or greater than \$15,000,000 of aggregate losses in a policy year. Losses paid by WMMIC plus administrative costs are to be recovered through premiums of the participating pool of municipalities. The County's share of such losses was 3.83 percent for 2012. A list of other members and their share of participation is in WMMIC's financial report which is available from: Wisconsin Municipal Mutual Insurance Company, 4785 Hayes Road, Madison, WI 53704-7364.

The County's annual self-insured limit has been established at \$500,000 per occurrence with an annual aggregate self-insured retention (SIR) for all losses of \$1,500,000 for the 2012 policy year. Each member is required to maintain a segregated fund on deposit with WMMIC. This fund is used by WMMIC to pay claims charged to the member and is subject to replenishment by the member on a quarterly basis (or more frequently, if necessary). The amount of the deposit has been currently set at \$350,000 for the County. WMMIC has also set a policy that each member should maintain, in a segregated fund, cash reserves equal to one year's SIR plus incurred but not reported claims (IBNRs) less SIR funds on deposit with WMMIC.

The self-funded liability insurance fund had a balance of \$1,852,852 and \$1,916,205 at December 31, 2012 and 2011, respectively, and consisted of the following components:

	2012	2011
Cash and Investments Held by County	\$ 2,092,316	\$ 2,280,667
Deposits with WMMIC	350,000	350,000
Accounts Receivable	33,497	-
Accounts Payable	(67,449)	(96,555)
Accrued Payroll	(3,021)	(2,181)
Accrued Unpaid Losses	(552,491)	(615,726)
Fund Balance December 31	\$ 1,852,852	\$ 1,916,205

**ST. CROIX COUNTY, WISCONSIN
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2012**

NOTE 4 OTHER INFORMATION (CONTINUED)

C. Risk Management (Continued)

Liability Insurance Fund (Continued). The liability recorded for unpaid losses at December 31, 2012 was determined by WMMIC based on claim adjusters evaluations and other estimates. The liability includes those for incurred but not reported (IBNRs) losses. The liability represents the present value of the expected level of unpaid losses for the years of operations under WMMIC. Changes in claim liabilities for 2012 and 2011 are:

	2012	2011
Estimated Claims Outstanding January 1	\$ 615,726	\$ 805,820
Current Year Claims and Changes	849,145	815,481
Claim Payments	(912,380)	(1,005,575)
Estimated Claims Outstanding December 31	\$ 552,491	\$ 615,726

D. Contingencies

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

**ST. CROIX COUNTY, WISCONSIN
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2012**

NOTE 5 OTHER POSTEMPLOYMENT BENEFIT PLAN

The County provides health insurance benefits for certain retired employees under a single-employer fully-insured plan. The County provides benefits for retirees as required by state statutes. Active employees who retire from the County when eligible to receive a retirement benefit from the Wisconsin Retirement System (WRS) (or similar plan) and do not participate in any other coverage with respect to both themselves and their eligible dependent(s) under the County's health benefits program, are eligible for this plan. Pursuant to the provisions of the plan, retirees are required to pay varying percentages of the total premium cost. As of January 1, 2012 actuarial valuation, there were approximately 23 retirees receiving health benefits from the County's health plan.

A. Annual OPEB Cost and Net OPEB Obligation

The County's annual other post employment benefit (OPEB) cost is calculated based on the annual required contribution (ARC) of the employer, an amount actuarially determined in accordance with the parameters of GASB Statement No. 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 (or funding excess) over a period not to exceed 30 years. The following table shows the components of the County's annual OPEB cost of 2012, the amount actually contributed to the plan, and changes in the County's net OPEB obligation:

Annual Required Contribution (ARC)	\$ 328,215
Interest on Net OPEB Obligation	24,993
Adjustment to ARC	(34,097)
Annual OPEB Cost	<u>319,111</u>
Contributions During the Year	<u>(63,002)</u>
Increase in Net OPEB Obligation	256,109
NET OPEB - Beginning of Year	555,401
NET OPEB - End of the Year	<u><u>\$ 811,510</u></u>
Governmental Activities	\$ 633,806
Business-Type Activities	177,704
Total OPEB OBLIGATION	<u><u>\$ 811,510</u></u>

The County's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan and the net OPEB obligation for 2012, 2011, and 2010 were as follows:

<u>Year Ended December 31,</u>	<u>Annual OPEB Cost</u>	<u>Employer Contribution</u>	<u>Percentage Contributed</u>	<u>Net OPEB Obligation</u>
2010	\$ 238,413	\$ 40,984	17.2 %	\$ 383,829
2011	225,373	53,801	23.9	555,401
2012	319,111	63,002	19.7	811,510

**ST. CROIX COUNTY, WISCONSIN
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2012**

NOTE 5 OTHER POSTEMPLOYMENT BENEFIT PLAN (CONTINUED)

B. Funding Status

The County currently has no assets that have been irrevocably deposited in the trust for future health benefits. Therefore, the actuarial value of assets is zero. The actuarially determined accrued liability of these benefits and the unfunded portion is detailed in the funding progress schedule on page 58.

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (b)	Unfunded Actuarial Accrued Liability (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-1)/c)
1/1/2012	\$ -	\$ 2,758,087	\$ 2,758,087	-	\$ 27,687,263	11.9

C. Actuarial Methods and Assumptions

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of the occurrence of events far into the future. Examples include assumptions about future employment, mortality, and healthcare cost trends. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

Projections of benefits for financial reporting purposes are based on the substantive plan (as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities, consistent with the long-term perspective of the calculations.

In the January 1, 2012 actuarial valuation, the entry age normal actuarial cost method was used. The actuarial assumptions included a 4.5 percent discount rate, which is based on the estimated long-term investment yield on the general assets of the County using an underlying long-term inflation assumption of 3.0 percent. The annual healthcare cost trend rate is 9.0 percent initially, reduced incrementally to an ultimate rate of 5.0 percent over ten years. The unfunded actuarial accrued liability is being amortized as a level dollar amount over an open 30-year period.

**ST. CROIX COUNTY, WISCONSIN
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2012**

NOTE 6 FUND BALANCE CLASSIFICATIONS

The fund balance classifications of the governmental funds as of December 31, 2012, were as follows:

	<u>Total</u>	<u>Nonspendable</u>	<u>Restricted</u>	<u>Committed</u>	<u>Assigned</u>	<u>Unassigned</u>
Major Funds:						
General Fund						
Prepayments	\$ 24,308	\$ 24,308	\$ -	\$ -	\$ -	\$ -
Inventories	13,436	13,436	-	-	-	-
Delinquent Taxes Receivable	3,202,114	3,202,114	-	-	-	-
Investment in WMMIC	720,214	720,214	-	-	-	-
Restricted (See Schedule B-2)	75,149	-	75,149	-	-	-
Assigned (See Schedule B-2)	2,297,483	-	-	-	2,297,483	-
Unassigned	13,930,123	-	-	-	-	13,930,123
Subtotal General Fund	<u>20,262,827</u>	<u>3,960,072</u>	<u>75,149</u>	<u>-</u>	<u>2,297,483</u>	<u>13,930,123</u>
Health and Human Services Fund						
Prepayments	2,460	2,460	-	-	-	-
Inventories	1,602	1,602	-	-	-	-
Donations	50,835	-	50,835	-	-	-
Reproductive Health	9,979	-	9,979	-	-	-
Placement Risk Reserve Fund	500,000	-	-	500,000	-	-
Health and Human Service Programs	1,118,778	-	-	-	1,118,778	-
Subtotal Health and Human Services Fund	<u>1,683,654</u>	<u>4,062</u>	<u>60,814</u>	<u>500,000</u>	<u>1,118,778</u>	<u>-</u>
Debt Service Fund	67,865	-	67,865	-	-	-
Nonmajor Funds:						
Special Revenue Funds						
Office on Aging Problems	336,212	-	-	-	336,212	-
Aging and Disability Resource Center	159,847	-	-	-	159,847	-
Jail Assessment Fee Fund Projects	89,701	-	89,701	-	-	-
Stop Drugs Funded Program	8,727	-	8,727	-	-	-
Land Records Fund	174,154	-	174,154	-	-	-
Dog License Fund Restricted for Animal Control	25,686	-	25,686	-	-	-
St. Croix Industries Programs	277,188	-	-	-	277,188	-
Capital Projects Fund						
Bonded Capital Projects	219,757	-	219,757	-	-	-
Capital Projects	568,207	-	-	-	568,207	-
Subtotal Capital Projects Fund	<u>787,964</u>	<u>-</u>	<u>219,757</u>	<u>-</u>	<u>568,207</u>	<u>-</u>
Total Governmental Fund Balances	<u>\$ 23,873,825</u>	<u>\$ 3,964,134</u>	<u>\$ 721,853</u>	<u>\$ 500,000</u>	<u>\$ 4,757,715</u>	<u>\$ 13,930,123</u>

NOTE 7 SUBSEQUENT EVENT

In February 2013, the County Board authorized an auction of over 500 acres of County-owned land in New Richmond. The proceeds of \$3,336,464 will be used by the County to expand the 911 center and to vacate and deconstruct the Health and Human Services building.

REQUIRED SUPPLEMENTARY INFORMATION

**ST. CROIX COUNTY, WISCONSIN
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
YEAR ENDED DECEMBER 31, 2012**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 25,598,106	\$ 25,598,106	\$ 26,159,166	\$ 561,060
Intergovernmental	4,365,926	4,365,926	4,123,143	(242,783)
Licenses and Permits	168,033	168,033	214,973	46,940
Fines and Forfeits	245,000	245,000	297,889	52,889
Public Charges for Services	1,734,772	1,734,772	2,108,754	373,982
Intergovernmental Charges for Services	342,635	342,635	398,752	56,117
Miscellaneous:				
Interest	158,000	158,000	111,921	(46,079)
Rent	50,000	50,000	40,493	(9,507)
Other	62,700	62,700	141,333	78,633
Total Revenues	<u>32,725,172</u>	<u>32,725,172</u>	<u>33,596,424</u>	<u>871,252</u>
EXPENDITURES				
General Government	9,556,756	9,556,756	9,361,116	195,640
Public Safety	11,187,410	11,187,410	10,963,629	223,781
Transportation	7,043,372	7,043,372	7,043,372	-
Sanitation	243,364	243,364	216,164	27,200
Health and Human Services	896,804	896,804	834,197	62,607
Culture, Recreation and Education	2,017,183	2,017,183	1,910,234	106,949
Conservation and Development	1,826,212	1,826,212	1,746,377	79,835
Total Expenditures	<u>32,771,101</u>	<u>32,771,101</u>	<u>32,075,089</u>	<u>696,012</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(45,929)	(45,929)	1,521,335	1,567,264
OTHER FINANCING SOURCES (USES)				
Transfers Out	(18,400)	(18,400)	(47,360)	(28,960)
Proceeds from the Sale of Capital Assets	-	-	2,774	2,774
Total Other Financing Sources (Uses)	<u>(18,400)</u>	<u>(18,400)</u>	<u>(44,586)</u>	<u>(26,186)</u>
NET CHANGE IN FUND BALANCE	<u>\$ (64,329)</u>	<u>\$ (64,329)</u>	1,476,749	<u>\$ 1,541,078</u>
Fund Balance - Beginning of Year			<u>18,786,078</u>	
FUND BALANCE - END OF YEAR			<u>\$ 20,262,827</u>	

See Accompanying Notes to Required Supplemental Information.

SCHEDULE 2

ST. CROIX COUNTY, WISCONSIN
 BUDGETARY COMPARISON SCHEDULE
 HEALTH AND HUMAN SERVICES SPECIAL REVENUE FUND
 YEAR ENDED DECEMBER 31, 2012

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
PROGRAM REVENUES				
Human Services Administration	\$ 527,500	\$ 527,500	\$ 721,976	\$ 194,476
Alcoholism and Drug Abuse	723,172	723,172	579,632	(143,540)
Mental Health Services	2,728,543	2,728,543	2,539,589	(188,954)
Family and Children's Services	1,343,058	1,343,058	1,263,932	(79,126)
Economic Support	779,715	779,715	859,274	79,559
Coordinated Family Services/SED	2,540,842	2,540,842	977,736	(1,563,106)
Public Health	1,058,884	1,058,884	1,023,344	(35,540)
Total Program Revenues	9,701,714	9,701,714	7,965,483	(1,736,231)
PROGRAM EXPENDITURES				
Human Services Administration	1,524,947	1,524,947	1,416,879	108,068
Alcoholism and Drug Abuse	752,764	752,764	750,345	2,419
Mental Health Services	3,440,023	3,440,023	3,400,319	39,704
Family and Children's Services	2,890,896	2,890,896	2,475,791	415,105
Economic Support	1,049,718	1,049,718	965,581	84,137
Coordinated Family Services/SED	2,858,800	2,858,800	1,414,058	1,444,742
General Relief	1,500	1,500	500	1,000
Public Health	1,952,036	1,952,036	1,824,824	127,212
Total Program Expenditures	14,470,684	14,470,684	12,248,297	2,222,387
EXCESS OF PROGRAM EXPENDITURES OVER PROGRAM REVENUES	(4,768,970)	(4,768,970)	(4,282,814)	486,156
OTHER FUNDING SOURCES (USES)				
County Appropriation	4,768,970	4,768,970	4,768,970	-
EXCESS OF REVENUES AND OTHER FUNDING SOURCES OVER (UNDER) EXPENDITURES - BUDGETARY BASIS	\$ -	\$ -	486,156	\$ 486,156
RECONCILIATION TO GAAP BASIS				
Add Net Donation Funds Received (Expended)			5,651	
NET CHANGE IN FUND BALANCE - GAAP BASIS			\$ 491,807	

Program Revenues and Expenditures include intrafund charges of \$137,334 (removed for GAAP reporting).

**ST. CROIX COUNTY, WISCONSIN
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
YEAR ENDED DECEMBER 31, 2012**

BUDGETARY INFORMATION

GASB 34 requires the presentation of budgetary comparison schedules for the general fund and for each major special revenue fund. Budgetary information for the general fund is derived from the County's annual operating budget. Budgetary information for the health and human services fund is derived from the department's approved budget.

The County's annual operating budget is adopted in accordance with Chapter 65 of the *Wisconsin Statutes* and on a basis consistent with generally accepted accounting principles. Changes to appropriations authorized in the adopted budget generally require a vote of two-thirds of the entire membership of the governing body. The County's legal budget is adopted at the major function level in the general fund (i.e., general government) and at the fund level in all other funds. The County exercises budgetary expenditure control at the department level.

Budget amounts in the financial statements include both original adopted budget and the final budget. Changes to the budget during the year, if any, generally include amendments authorized by the governing body, additions of approved carryover amounts and appropriations of revenues and other sources for specified expenditures/uses. Appropriated budget amounts in the general fund lapse at the end of the year unless specifically carried over for financing subsequent year expenditures.

ST. CROIX COUNTY, WISCONSIN
 SCHEDULE OF FUNDING PROGRESS
 OTHER POSTEMPLOYMENT BENEFIT PLAN
 YEAR ENDED DECEMBER 31, 2012

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (b)	Unfunded Actuarial Accrued Liability (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-1)/c)
1/1/2009	\$ -	\$ 971,977	\$ 971,977	- %	\$ 26,744,288	3.6 %
1/1/2010	-	1,492,718	1,492,718	-	29,324,397	5.1
1/1/2011	-	1,618,068	1,618,068	-	29,877,821	5.4
1/1/2012	\$ -	\$ 2,758,087	\$ 2,758,087	-	\$ 27,687,263	11.9

SUPPLEMENTARY INFORMATION

COMBINING AND INDIVIDUAL FUND STATEMENTS

**ST. CROIX COUNTY, WISCONSIN
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
DECEMBER 31, 2012**

	Special Revenue Funds				
	Office on Aging Programs	Aging and Disability Resource Center	Jail Assessment Fund	Stop Drugs Fund	Land Records Fund
ASSETS					
Treasurer's Cash and Investments	\$ 310,257	\$ -	\$ 110,783	\$ 8,864	\$ 177,034
Departmental Cash	-	-	5,099	-	-
Taxes Receivable	200,022	522,753	-	-	-
Accounts Receivable	78,086	-	-	-	-
Due from Other Governmental Units	-	679,766	-	-	-
Prepaid Items	-	-	-	-	-
Total Assets	<u>\$ 588,365</u>	<u>\$ 1,202,519</u>	<u>\$ 115,882</u>	<u>\$ 8,864</u>	<u>\$ 177,034</u>
LIABILITIES AND FUND BALANCES					
LIABILITIES					
Vouchers Payable	\$ 23,985	\$ 11,745	\$ 26,181	\$ 137	\$ -
Accrued Payroll	28,146	39,964	-	-	2,880
Deferred Revenues	200,022	522,753	-	-	-
Due Other Funds	-	468,210	-	-	-
Total Liabilities	<u>252,153</u>	<u>1,042,672</u>	<u>26,181</u>	<u>137</u>	<u>2,880</u>
FUND BALANCES					
Restricted	-	-	89,701	8,727	174,154
Assigned	336,212	159,847	-	-	-
Total Fund Balance	<u>336,212</u>	<u>159,847</u>	<u>89,701</u>	<u>8,727</u>	<u>174,154</u>
Total Liabilities and Fund Balances	<u>\$ 588,365</u>	<u>\$ 1,202,519</u>	<u>\$ 115,882</u>	<u>\$ 8,864</u>	<u>\$ 177,034</u>

**ST. CROIX COUNTY, WISCONSIN
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET (CONTINUED)
YEAR ENDED DECEMBER 31, 2012**

	<u>Special Revenue Funds</u>		Total Nonmajor Special Revenue Funds	Capital Projects Fund	Total Nonmajor Governmental Funds
	Dog License Fund	St Croix Industries Fund			
ASSETS					
Treasurer's Cash and Investments	\$ 21,933	\$ 78,351	\$ 707,222	\$ 855,707	\$ 1,562,929
Departmental Cash	-	-	5,099	-	5,099
Taxes Receivable	-	-	722,775	250,000	972,775
Accounts Receivable	6,020	321,710	405,816	8	405,824
Due from Other Governmental Units	-	-	679,766	-	679,766
Prepaid Items	-	-	-	21,356	21,356
Total Assets	<u>\$ 27,953</u>	<u>\$ 400,061</u>	<u>\$ 2,520,678</u>	<u>\$ 1,127,071</u>	<u>\$ 3,647,749</u>
LIABILITIES AND FUND BALANCES					
LIABILITIES					
Vouchers Payable	\$ 2,267	\$ 32,342	\$ 96,657	\$ 89,107	\$ 185,764
Accrued Payroll	-	90,531	161,521	-	161,521
Deferred Revenues	-	-	722,775	250,000	972,775
Due Other Funds	-	-	468,210	-	468,210
Total Liabilities	<u>2,267</u>	<u>122,873</u>	<u>1,449,163</u>	<u>339,107</u>	<u>1,788,270</u>
FUND BALANCES					
Restricted	25,686	-	298,268	219,757	518,025
Assigned	-	277,188	773,247	568,207	1,341,454
Total Fund Balance	<u>25,686</u>	<u>277,188</u>	<u>1,071,515</u>	<u>787,964</u>	<u>1,859,479</u>
Total Liabilities and Fund Balances	<u>\$ 27,953</u>	<u>\$ 400,061</u>	<u>\$ 2,520,678</u>	<u>\$ 1,127,071</u>	<u>\$ 3,647,749</u>

**ST. CROIX COUNTY, WISCONSIN
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
YEAR ENDED DECEMBER 31, 2012**

	Special Revenue Funds				
	Office on Aging Programs	Aging and Disability Resource Center	Jail Assessment Fund	Stop Drugs Fund	Land Records Fund
REVENUES					
Taxes	\$ 206,865	\$ 1,387,716	\$ -	\$ -	\$ -
Intergovernmental	451,552	807,101	-	-	300
Licenses and Permits	-	-	-	-	-
Fines, Forfeitures and Penalties	-	-	99,420	-	-
Public Charges for Services	193,455	-	-	-	177,384
Miscellaneous:					
Interest	22	-	-	-	-
Other	41,087	-	-	13,512	-
Total Revenues	<u>892,981</u>	<u>2,194,817</u>	<u>99,420</u>	<u>13,512</u>	<u>177,684</u>
EXPENDITURES					
General Government	-	-	-	-	110,063
Public Safety	-	-	49,434	12,400	-
Sanitation	-	-	-	-	-
Health and Human Services	898,905	2,128,529	-	-	-
Conservation and Development	-	-	-	-	-
Capital Outlay	-	-	-	-	-
Total Expenditures	<u>898,905</u>	<u>2,128,529</u>	<u>49,434</u>	<u>12,400</u>	<u>110,063</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(5,924)	66,288	49,986	1,112	67,621
OTHER FINANCING SOURCES (USES)					
Proceeds from Sale of Capital Assets	-	-	-	-	-
Transfer to Debt Service Fund	-	-	(55,000)	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>(55,000)</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	(5,924)	66,288	(5,014)	1,112	67,621
Fund Balances - Beginning of Year	342,136	93,559	94,715	7,615	106,533
FUND BALANCES - END OF YEAR	<u>\$ 336,212</u>	<u>\$ 159,847</u>	<u>\$ 89,701</u>	<u>\$ 8,727</u>	<u>\$ 174,154</u>

**ST. CROIX COUNTY, WISCONSIN
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES (CONTINUED)
YEAR ENDED DECEMBER 31, 2012**

	Special Revenue Funds				Total Nonmajor Special Revenue Funds	Capital Projects Fund	Total Nonmajor Governmental Funds
	CDBG- Revolving Loan Fund	Dog License Fund	Sanitary Grants Fund	St Croix Industries Fund			
REVENUES							
Taxes	\$ -	\$ -	\$ -	\$ -	\$ 1,594,581	\$ -	\$ 1,594,581
Intergovernmental	-	-	11,458	-	1,270,411	-	1,270,411
Licenses and Permits	-	26,426	-	-	26,426	-	26,426
Fines, Forfeitures and Penalties	-	-	-	-	99,420	-	99,420
Public Charges for Services	-	-	-	1,889,491	2,260,330	-	2,260,330
Miscellaneous:							
Interest	-	-	-	-	22	(6)	16
Other	-	-	-	12,235	66,834	-	66,834
Total Revenues	-	26,426	11,458	1,901,726	5,318,024	(6)	5,318,018
EXPENDITURES							
General Government	-	-	-	-	110,063	-	110,063
Public Safety	-	-	-	-	61,834	-	61,834
Sanitation	-	-	11,458	-	11,458	-	11,458
Health and Human Services	-	9,598	-	2,198,918	5,235,950	-	5,235,950
Conservation and Development	17,688	-	-	-	17,688	-	17,688
Capital Outlay	-	-	-	-	-	1,710,247	1,710,247
Total Expenditures	17,688	9,598	11,458	2,198,918	5,436,993	1,710,247	7,147,240
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(17,688)	16,828	-	(297,192)	(118,969)	(1,710,253)	(1,829,222)
OTHER FINANCING SOURCES (USES)							
Proceeds from Sale of Capital Assets	-	-	-	-	-	85,516	85,516
Transfer to Debt Service Fund	-	-	-	-	(55,000)	-	(55,000)
Total Other Financing Sources (Uses)	-	-	-	-	(55,000)	85,516	30,516
NET CHANGE IN FUND BALANCES	(17,688)	16,828	-	(297,192)	(173,969)	(1,624,737)	(1,798,706)
Fund Balances - Beginning of Year	17,688	8,858	-	574,380	1,245,484	2,412,701	3,658,185
FUND BALANCES - END OF YEAR	\$ -	\$ 25,686	\$ -	\$ 277,188	\$ 1,071,515	\$ 787,964	\$ 1,859,479

**ST. CROIX COUNTY, WISCONSIN
GENERAL FUND
DETAILED BALANCE SHEET
DECEMBER 31, 2012
(WITH COMPARATIVE AMOUNTS FOR DECEMBER 31, 2011)**

	2012	2011
ASSETS		
Treasurer's Cash and Investments	\$ 15,564,887	\$ 13,949,031
Departmental Cash	61,032	217,569
Taxes Receivable:		
Current Taxes Receivable	20,181,191	19,417,093
Delinquent Taxes Receivable	3,088,334	3,582,793
Tax Deeds Owned by County	113,780	4,368
Accounts Receivable	599,068	499,850
Due from Other Governments	82,685	47,302
Sales Tax Receivable	959,541	823,167
Due from Other Funds:		
Cash Overdrafts at Year-End	1,230,037	1,049,802
Inventories	13,436	6,510
Prepayments	24,308	17,563
Investment in Public-Entity Risk Pool	720,214	720,214
	<u>\$ 42,638,513</u>	<u>\$ 40,335,262</u>
LIABILITIES AND FUND BALANCE		
LIABILITIES		
Vouchers and Accounts Payable	\$ 252,841	\$ 436,127
Accrued Salaries and Wages	1,072,244	865,056
Payroll Deductions	370,008	323,029
Due to Other Governmental Units	377,903	440,905
Deferred Revenues:		
General Property Taxes	20,222,810	19,412,488
Special Deposits	79,880	71,579
Total Liabilities	<u>22,375,686</u>	<u>21,549,184</u>
FUND BALANCES		
Nonspendable for:		
Delinquent Taxes	3,202,114	3,587,160
Investment in WMMIC	720,214	720,214
Prepayments	24,308	17,563
Inventories	13,436	6,510
Restricted	75,149	89,068
Assigned	2,297,483	1,585,416
Unassigned	13,930,123	12,780,147
Total Fund Balances	<u>20,262,827</u>	<u>18,786,078</u>
Total Liabilities and Fund Balances	<u>\$ 42,638,513</u>	<u>\$ 40,335,262</u>

**ST. CROIX COUNTY, WISCONSIN
GENERAL FUND
STATEMENT OF CHANGES IN FUND BALANCE
YEAR ENDED DECEMBER 31, 2012**

	County Internal Fund #	Balance (Overdraft) 1/1/12	County Appropriations	Other Revenues	Transfers				Total Available	Expenditures	Balance (Overdraft) 12/31/12
					General Fund		Other Funds				
					In	Out	In	Out			
Nonspendable:											
Delinquent Taxes		\$ 3,587,160	\$ -	\$ -	\$ -	\$ 385,046	\$ -	\$ -	\$ 3,202,114	\$ -	\$ 3,202,114
Investment in WMMIC		720,214	-	-	-	-	-	-	720,214	-	720,214
Prepayments		17,563	-	-	6,745	-	-	-	24,308	-	24,308
Inventories		6,510	-	-	6,926	-	-	-	13,436	-	13,436
Total Nonspendable		4,331,447	-	-	13,671	385,046	-	-	3,960,072	-	3,960,072
Restricted:											
District Attorney's Confiscated Assets	100	12,034	-	973	-	-	-	-	13,007	2,594	10,413
DA Traffic/OWI Prosecutor	100	-	-	41,280	-	-	-	-	41,280	41,280	-
Sheriff Confiscated Property	100	11,648	-	22,639	-	-	-	-	34,287	25,736	8,551
St. Croix/Polk Drug Enforcement	100	62,856	-	14,257	-	-	-	-	77,113	22,840	54,273
Sheriff Counteract	100	2,530	-	2,446	-	-	-	-	4,976	3,064	1,912
Total Restricted		89,068	-	81,595	-	-	-	-	170,663	95,514	75,149
Assigned:											
Continuing Appropriations:											
IT Computer Repairs and Replacement	100	19,033	-	855	-	-	-	-	19,888	-	19,888
REI Recycling Grant	100	12,666	-	202,044	-	-	-	-	214,710	183,775	30,935
Recycling Education Grant	100	2,553	-	1,503	-	-	-	-	4,056	2,978	1,078
UW-Extension - Grants	100	6,137	-	5,442	-	-	-	-	11,579	4,835	6,744
County Farm	111	3,504	-	46,575	-	48,600	-	-	1,479	-	1,479
Parks	121	242,500	439,803	173,862	-	-	-	-	856,165	556,190	299,975
Land and Water Conservation	131	152,425	448,744	243,565	-	-	-	-	844,734	646,809	197,925
Pesticide Training	270	8,096	-	1,415	-	-	-	-	9,511	1,465	8,046
County Sales Tax	201	1,138,502	-	5,583,529	-	4,990,618	-	-	1,731,413	-	1,731,413
Total Assigned Balances		1,585,416	888,547	6,258,790	-	5,039,218	-	-	3,693,535	1,396,052	2,297,483
Unassigned:											
Highway Appropriation and Aids		-	5,424,447	1,618,925	-	-	-	-	7,043,372	7,043,372	-
Internal Service Funds Appropriations		-	18,400	-	-	-	-	18,400	-	-	-
General County		12,780,147	13,081,094	6,227,400	5,424,264	13,671	-	28,960	37,470,274	23,540,151	13,930,123
Total Unassigned		12,780,147	18,523,941	7,846,325	5,424,264	13,671	-	47,360	44,513,646	30,583,523	13,930,123
Total General Fund		\$ 18,786,078	\$ 19,412,488	\$ 14,186,710	\$ 5,437,935	\$ 5,437,935	\$ -	\$ 47,360	\$ 52,337,916	\$ 32,075,089	\$ 20,262,827

**ST. CROIX COUNTY, WISCONSIN
GENERAL FUND
DETAILED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE – BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2012
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2011)**

	2012			Variance - Positive (Negative)	2011 Actual
	Budgeted Amounts		Actual		
	Original	Final			
REVENUES					
Taxes					
General Property Taxes	\$ 19,412,488	\$ 19,412,488	\$ 19,412,488	\$ -	\$ 18,421,411
Forest Crop Taxes	15,000	15,000	4,308	(10,692)	4,812
Retained Sales Tax	-	-	125	125	126
Sales Tax	4,990,618	4,990,618	5,583,529	592,911	5,131,343
Real Estate Transfer Fees	130,000	130,000	191,583	61,583	162,920
Interest on Taxes	650,000	650,000	664,147	14,147	771,063
Penalty on Taxes	400,000	400,000	302,986	(97,014)	399,296
Total Taxes	25,598,106	25,598,106	26,159,166	561,060	24,890,971
Intergovernmental					
Federal Grants and Aids:					
Victim/Witness VOCA Grant	42,581	42,581	41,729	(852)	42,533
State Shared Taxes:					
Shared Taxes from State	520,137	520,137	517,746	(2,391)	633,561
Tax Exempt Computer Aid	36,000	36,000	41,636	5,636	36,559
State Grants and Aids:					
Circuit Court	261,313	261,313	263,759	2,446	275,974
Guardian Ad Litem	60,354	60,354	60,624	270	60,354
Victim/Witness VOCA Grant	124,892	124,892	124,175	(717)	152,369
Law Enforcement	41,500	41,500	73,876	32,376	47,496
Confiscated Property - Sheriff	-	-	13,959	13,959	1,670
DNA Samples	500	500	1,280	780	1,340
CEASE Grants	500	500	-	(500)	-
Vest Grant	4,833	4,833	4,250	(583)	9,253
Recreational Boating Aid	25,000	25,000	26,349	1,349	26,058
Jail	-	-	13,626	13,626	7,433
Emergency Government	56,343	56,343	48,968	(7,375)	69,884
Emergency Planning (SARA)	19,143	19,143	14,469	(4,674)	24,148
Homeland Security Grants	10,200	10,200	30,931	20,731	28,519
Pre-Disaster Mitigation Grants	31,943	31,943	26,865	(5,078)	-
General Transportation Aids	1,618,925	1,618,925	1,618,925	-	1,798,806
Recycling	188,837	188,837	196,822	7,985	176,454
Hazardous Waste	28,000	28,000	20,100	(7,900)	19,500
Child Support	670,704	670,704	621,544	(49,160)	669,500
Veterans Service Officer	17,000	17,000	18,152	1,152	19,175
County Fair Premiums	6,700	6,700	-	(6,700)	12,848
Snowmobile Trail Maintenance	54,150	54,150	23,536	(30,614)	110,669

**ST. CROIX COUNTY, WISCONSIN
GENERAL FUND
DETAILED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE – BUDGET AND ACTUAL (CONTINUED)
YEAR ENDED DECEMBER 31, 2012
(WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED DECEMBER 31, 2011)**

	2012		Actual	Variance - Positive (Negative)	2011 Actual
	Budgeted Amounts				
	Original	Final			
REVENUES (Continued)					
Intergovernmental (Continued)					
State Grants and Aids: (Continued)					
Land and Water Conservation	\$ 210,514	\$ 210,514	\$ 176,226	\$ (34,288)	\$ 240,391
District Attorney - Confiscated Property	20	20	955	935	1,158
DOJ - Drug Prosecutor	95,300	95,300	-	(95,300)	31,388
DOJ - Pierce/Polk/St. Croix Drug Program	10,960	10,960	34,929	23,969	42,937
DA - Traffic OWI Prosecutor	88,100	88,100	41,280	(46,820)	82,304
Other:					
Court Interpreter Fees from State	3,000	3,000	2,745	(255)	4,845
PILT Payments from Districts	138,477	138,477	63,687	(74,790)	69,927
Total Intergovernmental	4,365,926	4,365,926	4,123,143	(242,783)	4,697,053
Licenses and Permits					
Zoning Permits	103,878	103,878	112,428	8,550	106,487
Septic Inspection Fees	64,155	64,155	100,605	36,450	71,885
Wisconsin Fund Sanitary Application Fee	-	-	525	525	175
Pesticide Training	-	-	1,415	1,415	2,315
Total Licenses and Permits	168,033	168,033	214,973	46,940	180,862
Fines, Forfeitures and Penalties					
County Ordinance Forfeitures	245,000	245,000	297,889	52,889	270,163
Public Charges for Services					
Register of Deeds Fees	430,000	430,000	617,483	187,483	605,893
Mediation Fees	8,000	8,000	8,425	425	8,770
Guardian ad Litem Fees	6,500	6,500	8,513	2,013	8,471
Clerk of Court Fees	302,000	302,000	299,704	(2,296)	325,021
NSF Checks - Clerk of Courts	500	500	686	186	585
Miscellaneous Circuit Court Fees	1,500	1,500	1,373	(127)	1,313
Drug Court Fees	7,000	7,000	5,298	(1,702)	5,636
Register of Probate Fees	20,000	20,000	19,396	(604)	20,276
Medical Examiner Fees	44,000	44,000	35,550	(8,450)	23,550
District Attorney Fees	20,000	20,000	24,279	4,279	22,356
Tax Collection Fee	42,500	42,500	38,452	(4,048)	24,186
County Clerk Fees/Game Licenses	84,000	84,000	81,343	(2,657)	90,703
Sheriff Fees	213,200	213,200	214,006	806	225,328
Board of Prisoners	265,930	265,930	377,881	111,951	293,247
Counteract Revenues	-	-	2,446	2,446	6,205
Central Dispatch Fees	8,904	8,904	9,207	303	8,633
Jail Phone System Revenue	15,000	15,000	27,495	12,495	14,107

**ST. CROIX COUNTY, WISCONSIN
GENERAL FUND
DETAILED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE – BUDGET AND ACTUAL (CONTINUED)
YEAR ENDED DECEMBER 31, 2012
(WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED DECEMBER 31, 2011)**

	2012		Actual	Variance - Positive (Negative)	2011 Actual
	Budgeted Amounts				
	Original	Final			
REVENUES (Continued)					
Public Charges for Services (Continued)					
Victim/Witness Fees	\$ -	\$ -	\$ 36	\$ 36	\$ 33
Tire Recycling Program	5,770	5,770	5,222	(548)	5,948
Recycling Education Revenue	300	300	1,503	1,203	136
County Farm	48,600	48,600	46,575	(2,025)	46,576
Child Support Processing Fees	4,010	4,010	5,616	1,606	6,881
County Parks Revenue - Troy	7,000	7,000	10,506	3,506	8,771
County Parks Revenue - Glen Hills	82,500	82,500	103,967	21,467	95,081
County Parks Revenue - Pine Lake	-	-	-	-	108
County Parks Revenue - Perch Lake	23,500	23,500	35,853	12,353	28,198
University Extension Charges	6,778	6,778	5,187	(1,591)	5,504
Land and Water Conservation	80,280	80,280	93,030	12,750	103,964
Ag Use Penalty	1,000	1,000	8,695	7,695	487
Planning Office Revenues	6,000	6,000	21,027	15,027	23,504
Total Public Charges for Services	1,734,772	1,734,772	2,108,754	373,982	2,009,471
Intergovernmental Charges for Services					
Local Governments:					
Elections	30,000	30,000	43,198	13,198	36,280
County Departments:					
Computer Repair and Replacements	1,000	1,000	1,049	49	2,612
Human Services Building Maintenance	311,635	311,635	354,505	42,870	371,333
Total Intergovernmental Charges for Services	342,635	342,635	398,752	56,117	410,225
Miscellaneous					
Interest:					
General Investments	150,000	150,000	100,524	(49,476)	286,105
Sheriff Confiscated Property	-	-	-	-	15
Judgments	8,000	8,000	11,379	3,379	8,738
D.A. Confiscated Property	-	-	18	18	17
Other:					
UW Extension					
Innovation Grant	4,000	4,000	5,442	1,442	2,095
K-9 Fund Raiser Donations	-	-	8,680	8,680	-
Rent of County Buildings	50,000	50,000	40,493	(9,507)	48,384
Department Refund of					
Unemployment Compensation	30,000	30,000	88,616	58,616	67,550
Miscellaneous	28,700	28,700	38,595	9,895	10,162
Total Miscellaneous	270,700	270,700	293,747	23,047	423,066
Total Revenues	32,725,172	32,725,172	33,596,424	871,252	32,881,811

ST. CROIX COUNTY, WISCONSIN
GENERAL FUND
DETAILED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE – BUDGET AND ACTUAL (CONTINUED)
YEAR ENDED DECEMBER 31, 2012
(WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED DECEMBER 31, 2011)

	2012				2011 Actual
	Budgeted Amounts		Actual	Variance - Positive (Negative)	
	Original	Final			
EXPENDITURES					
General Government					
County Board	\$ 70,430	\$ 70,430	\$ 52,010	\$ 18,420	\$ 57,628
Commissions and Committees	61,141	61,141	47,783	13,358	56,031
Legal Notice Publications	1,500	1,500	1,123	377	863
Clerk of Courts	1,344,766	1,344,766	1,365,649	(20,883)	1,345,578
Circuit Court	676,731	676,731	665,512	11,219	644,925
Drug Court	116,023	116,023	113,733	2,290	113,894
Medical Examiner	137,714	137,714	125,829	11,885	125,138
Corporation Counsel	491,044	491,044	443,272	47,772	499,445
Victim/Witness Program	249,784	249,784	259,386	(9,602)	255,805
Victim/Witness - VOCA	64,290	64,290	63,555	735	69,946
District Attorney	621,268	621,268	641,455	(20,187)	615,739
District Attorney's Confiscated Assets	-	-	2,594	(2,594)	1,828
District Attorney Drug Prosecution	95,300	95,300	-	95,300	85,260
District Attorney Traffic/DWI Prosecutor	88,100	88,100	41,280	46,820	82,304
Administrative Coordinator	382,390	382,390	291,358	91,032	174,940
County Clerk	276,819	276,819	289,776	(12,957)	281,414
Elections	118,310	118,310	146,259	(27,949)	88,586
Personnel and Recruitment	376,649	376,649	334,162	42,487	373,690
Information Technology	988,598	988,598	991,181	(2,583)	1,089,233
Computer Services Repair and Replacement	-	-	3,745	(3,745)	4,604
Finance Department	361,653	361,653	390,827	(29,174)	364,285
County Treasurer	201,258	201,258	245,317	(44,059)	225,441
Independent Auditing	56,345	56,345	57,325	(980)	45,051
Special Accounting	-	-	4,145	(4,145)	5,795
General County Buildings	2,165,971	2,165,971	2,122,906	43,065	2,327,711
Register of Deeds	422,090	422,090	405,071	17,019	400,121
Real Property Lister	128,148	128,148	125,086	3,062	126,160
Judgments and Losses	7,434	7,434	7,434	-	7,434
Unemployment Compensation	30,000	30,000	93,652	(63,652)	67,550
Sundry Expenditures	23,000	23,000	29,691	(6,691)	40,435
Total General Government	9,556,756	9,556,756	9,361,116	195,640	9,576,834
Public Safety					
Sheriff	5,657,372	5,657,372	5,677,423	(20,051)	5,779,868
St. Croix/Polk Drug Program	-	-	22,840	(22,840)	28,316
Sheriff Counteract	-	-	3,064	(3,064)	11,961
Sheriff Towing	-	-	5,412	(5,412)	3,961

**ST. CROIX COUNTY, WISCONSIN
GENERAL FUND
DETAILED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE – BUDGET AND ACTUAL (CONTINUED)
YEAR ENDED DECEMBER 31, 2012
(WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED DECEMBER 31, 2011)**

	2012				2011 Actual
	Budgeted Amounts		Actual	Variance - Positive (Negative)	
	Original	Final			
EXPENDITURES (Continued)					
Public Safety (Continued)					
Central Communications Center	\$ 1,620,881	\$ 1,620,881	\$ 1,611,613	\$ 9,268	\$ 1,675,947
County Jail	3,721,860	3,721,860	3,438,585	283,275	3,449,277
Emergency Government	89,287	89,287	92,682	(3,395)	90,617
Emergency Planning (SARA)	66,067	66,067	65,677	390	61,558
Homeland Security Grants	31,943	31,943	46,333	(14,390)	18,811
Total Public Safety	11,187,410	11,187,410	10,963,629	223,781	11,120,316
Public Works					
Transportation:					
Highway Department (see Schedule F-1)	7,043,372	7,043,372	7,043,372	-	6,612,210
Sanitation:					
Hazardous Waste Disposal	-	-	29,411	(29,411)	46,740
Recycling	243,364	243,364	186,753	56,611	247,166
Total Sanitation	243,364	243,364	216,164	27,200	293,906
Total Public Works	7,286,736	7,286,736	7,259,536	27,200	6,906,116
Health and Human Services					
Child Support	644,714	644,714	611,506	33,208	636,698
Veterans Service Officer	243,390	243,390	214,994	28,396	245,438
Veterans Relief	8,700	8,700	7,697	1,003	8,342
Total Health and Human Services	896,804	896,804	834,197	62,607	890,478
Culture, Recreation and Education					
Municipal Library Allocations	1,015,030	1,015,030	1,015,030	-	941,201
Parks Admin	122,887	122,887	117,033	5,854	122,123
Troy Park	1,490	1,490	2,076	(586)	1,628
Glen Hills Park	259,026	259,026	250,044	8,982	265,681
Perch Lake Park	148,250	148,250	125,802	22,448	120,088
Pine Lake Park	11,000	11,000	4,683	6,317	4,421
Bass Lake Park	3,000	3,000	612	2,388	707
County Parks Outlay	1,550	1,550	-	1,550	6,045
Apple River	1,400	1,400	470	930	610
Squaw Lake Boat Landing	2,000	2,000	522	1,478	458
Snowmobile Trail Maintenance	54,150	54,150	49,845	4,305	83,051
Snowmobile Trail - Wildwood	2,200	2,200	5,103	(2,903)	2,441
Fairgrounds Maintenance	47,480	47,480	43,500	3,980	43,500
University Extension	347,720	347,720	290,679	57,041	313,288
University Extension - Innovation	-	-	4,835	(4,835)	516
Total Culture, Recreation and Education	2,017,183	2,017,183	1,910,234	106,949	1,905,758

**ST. CROIX COUNTY, WISCONSIN
GENERAL FUND
DETAILED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE – BUDGET AND ACTUAL (CONTINUED)
YEAR ENDED DECEMBER 31, 2012
(WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED DECEMBER 31, 2011)**

	2012				2011 Actual
	Budgeted Amounts		Actual	Variance - Positive (Negative)	
	Original	Final			
EXPENDITURES (Continued)					
Conservation and Development					
Economic Development Grant	\$ 104,500	\$ 104,500	\$ 102,401	\$ 2,099	\$ 55,225
Regional Planning Commission	-	-	53,103	(53,103)	55,133
County Planning Office	373,137	373,137	327,387	45,750	348,111
Westcap Grant and Contribution	-	-	-	-	4,000
Zoning	458,879	458,879	461,547	(2,668)	463,928
Septic Inspections	150,158	150,158	153,664	(3,506)	150,796
Conservation Programs	7,125	7,125	5,362	1,763	4,886
Land Conservation	654,214	654,214	610,761	43,453	673,011
Resource Management - Targeted	-	-	-	-	11,512
Resource Management - Cost Share	56,599	56,599	13,317	43,282	63,299
Wildlife Damage Claims	21,600	21,600	17,370	4,230	16,361
Pesticide Training	-	-	1,465	(1,465)	2,123
Total Conservation and Development	<u>1,826,212</u>	<u>1,826,212</u>	<u>1,746,377</u>	<u>79,835</u>	<u>1,848,385</u>
Total Expenditures	<u>32,771,101</u>	<u>32,771,101</u>	<u>32,075,089</u>	<u>696,012</u>	<u>32,247,887</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(45,929)	(45,929)	1,521,335	1,567,264	633,924
OTHER FINANCING SOURCES (USES)					
Transfers Out:					
To Debt Service Fund	-	-	(28,960)	(28,960)	-
To Internal Service Funds - Taxes	(18,400)	(18,400)	(18,400)	-	(209,606)
Proceeds from Sale of Capital Assets	-	-	2,774	2,774	29,480
Total Other Financing Sources (Uses)	<u>(18,400)</u>	<u>(18,400)</u>	<u>(44,586)</u>	<u>(26,186)</u>	<u>(180,126)</u>
NET CHANGE IN FUND BALANCE	<u>\$ (64,329)</u>	<u>\$ (64,329)</u>	<u>1,476,749</u>	<u>\$ 1,541,078</u>	<u>453,798</u>
Fund Balance - Beginning of Year			<u>18,786,078</u>		<u>18,332,280</u>
FUND BALANCE - END OF YEAR			<u>\$ 20,262,827</u>		<u>\$ 18,786,078</u>

SCHEDULE C-1

**ST. CROIX COUNTY, WISCONSIN
HEALTH AND HUMAN SERVICES FUND
DETAILED BALANCE SHEET
DECEMBER 31, 2012
(WITH COMPARATIVE ACTUAL AMOUNTS FOR DECEMBER 31, 2011)**

	2012	2011
ASSETS		
Current Assets:		
Cash Held by County Treasurer	\$ 1,666,438	\$ -
Petty Cash	877	877
Taxes Receivable	4,764,300	4,768,970
Workshop Accounts Receivable	74,183	350,744
Other Accounts Receivable, Net	670,255	700,998
Due from Other Governmental Units	684,534	2,769,611
Inventories	1,602	1,602
Prepaid Expenses	2,460	3,871
Total Current Assets	7,864,649	8,596,673
Restricted Assets:		
Donation Fund Cash and Investments	5,939	4,160
Donation Funds Held by County Treasurer	44,896	41,024
Total Restricted Assets	50,835	45,184
 Total Assets	\$ 7,915,484	\$ 8,641,857
LIABILITIES		
Current Liabilities:		
Accounts Payable	\$ 361,779	\$ 359,138
Accrued Payroll	435,266	402,539
Due Other Governmental Units	-	449,077
Due to General Fund for Cash Overdraft	-	769,074
Deferred Revenue	5,434,555	5,469,968
Juvenile Restitution	230	214
Total Liabilities	6,231,830	7,450,010
FUND BALANCE		
Nonspendable for Prepayments	2,460	3,871
Nonspendable for Inventories	1,602	1,602
Restricted for Donations	50,835	45,184
Restricted for Reproductive Health	9,979	-
Committed for Placement Risk Reserve Fund	500,000	-
Assigned for Health and Human Services Programs	1,118,778	1,141,190
Total Fund Balance	1,683,654	1,191,847
 Total Liabilities and Fund Balance	\$ 7,915,484	\$ 8,641,857

**ST. CROIX COUNTY, WISCONSIN
HEALTH AND HUMAN SERVICES FUND
PROGRAM REVENUES DETAILED BY SOURCE
YEAR ENDED DECEMBER 31, 2012**

Program Revenue Classification	Total	Federal and State Grants and Aids			Charges for Services			Miscellaneous	
		Program Funding	Other Aids		Intergovern-mental	Internal Programs	Other	Rents	Other
			BCA	WIMCR					
Human Services Administration	\$ 721,976	\$ -	\$ -	\$ 642,721	\$ -	\$ -	\$ -	\$ -	\$ 79,255
Alcoholism and Drug Abuse	579,632	152,073	-	-	-	-	427,559	-	-
Mental Health Services	2,539,589	590,103	1,166,468	-	66,971	-	716,047	-	-
Family and Children Services	1,263,932	601,952	623,506	-	-	-	38,474	-	-
Economic Support	859,274	800,476	-	-	-	-	58,798	-	-
Coordinated Family Services/SED	977,736	818,252	-	-	-	137,334	22,150	-	-
Public Health Administration	184,644	133,941	-	-	43,811	-	5,730	-	1,162
Other Public Health Programs	838,700	400,235	-	-	-	-	438,465	-	-
Total Program Revenues	7,965,483	\$ 3,497,032	\$ 1,789,974	\$ 642,721	\$ 110,782	\$ 137,334	\$ 1,707,223	\$ -	\$ 80,417
Reconciliation to GAAP Basis:									
Remove Intrafund Charges	(137,334)								
Add Donation Revenues	10,477								
Add County Appropriation (Tax Levy)	4,768,970								
Total Revenues - GAAP Basis	\$ 12,607,596								

ST. CROIX COUNTY, WISCONSIN
HEALTH AND HUMAN SERVICES FUND
DETAIL OF HUMAN SERVICES PROGRAM EXPENDITURES – BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2012
(WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED DECEMBER 31, 2011)

	2012		Variance Positive (Negative)	2011 Actual
	Budget	Actual		
Human Services Administration	\$ 1,524,947	\$ 1,416,879	\$ 108,068	\$ 1,346,433
Alcoholism and Drug Abuse:				
Outpatient	752,764	497,270	255,494	516,495
Detoxification	-	116,680	(116,680)	128,808
Intoxicated Drivers	-	136,395	(136,395)	123,877
Total Alcoholism and Drug Abuse	752,764	750,345	2,419	769,180
Mental Health Services:				
Outpatient	1,730,523	643,479	1,087,044	667,774
Emergency Services	1,700,000	287,986	1,412,014	289,464
Community Support	9,500	804,167	(794,667)	866,403
Institute for Mental Disease Relocation	-	53,773	(53,773)	197,447
Inpatient Purchased Services	-	190,513	(190,513)	221,093
IMD Services	-	125,380	(125,380)	185,685
COP Behavioral Health	-	329,898	(329,898)	456,530
LT Inpatient Purchased Services	-	70,051	(70,051)	47,186
Transitional Living	-	529,123	(529,123)	238,280
Psychiatry/Psychology	-	365,949	(365,949)	377,295
Total Mental Health Services	3,440,023	3,400,319	39,704	3,547,157
Family and Children's Services:				
Child Protection Intake Program	2,843,121	542,109	2,301,012	565,180
Child Protection Ongoing Program	39,275	523,552	(484,277)	541,088
CPS Child Care Institutions	-	101,601	(101,601)	121,951
CPS Group Home	-	-	-	3,193
CPS Foster Care	-	2,101	(2,101)	72,967
CPS Treatment Foster Care	-	76,302	(76,302)	561
CPS Shelter Care	-	12,818	(12,818)	18,773
CPS Respite Care	-	9,281	(9,281)	9,748
F/C Alternate Care Recruitment	5,500	110,439	(104,939)	114,096
Juvenile Supervision Ongoing Program	3,000	566,936	(563,936)	584,920
Juvenile Supervision Intake Program	-	114,529	(114,529)	128,364
YA Child Care Institutions	-	180,257	(180,257)	86,047
YA Group Home	-	45,107	(45,107)	100,284
YA Foster Care	-	79	(79)	19,378
YA Treatment Foster Care	-	51,467	(51,467)	21,575
YA Shelter Care	-	44,164	(44,164)	39,679
YA Respite Care	-	9,109	(9,109)	-
State Facility	-	-	-	88,967
Secured Detention	-	13,125	(13,125)	42,595
Kinship Base	-	72,815	(72,815)	93,508
Total Family and Children's Services	2,890,896	2,475,791	415,105	2,652,874

ST. CROIX COUNTY, WISCONSIN
HEALTH AND HUMAN SERVICES FUND
DETAIL OF HUMAN SERVICES PROGRAM EXPENDITURES – BUDGET AND ACTUAL (CONTINUED)
YEAR ENDED DECEMBER 31, 2012
(WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED DECEMBER 31, 2011)

	2012		Variance Positive (Negative)	2011 Actual
	Budget	Actual		
Economic Support:				
Economic Support Operations	\$ 3,100	\$ 802,564	\$ (799,464)	\$ 807,373
Child Care Administration	1,046,618	69,577	977,041	62,427
MA Transportation	-	-	-	62,435
Non-W-2 Funeral/Cemetery	-	-	-	60,414
WHEAP Administration	-	61,571	(61,571)	70,666
WHEAP Crisis	-	31,869	(31,869)	53,267
Total Economic Support	<u>1,049,718</u>	<u>965,581</u>	<u>84,137</u>	<u>1,116,582</u>
Coordinated Family Services/SED:				
Coordinated Family Services	2,858,800	1,320,030	1,538,770	1,365,452
Emotionally Disturbed Children	-	3,074	(3,074)	1,120,466
Develop. Disabled/Autism (2008 in LTS)	-	90,954	(90,954)	353,200
Total Coordinated Family Services/SED	<u>2,858,800</u>	<u>1,414,058</u>	<u>1,444,742</u>	<u>2,839,118</u>
General Relief	1,500	500	1,000	1,500
Public Health:				
Public Health Operations	1,938,881	792,269	1,146,612	870,861
Environmental Health	13,155	93,090	(79,935)	97,989
Immunization Grant	-	1,156	(1,156)	62,291
PH Agent Status	-	109,342	(109,342)	108,093
Lead Poisoning Prevention	-	-	-	637
Reproductive Health	\$ -	\$ 243,258	\$ (243,258)	\$ 271,521
Early Intervention (in LTS in 2008)	-	390,019	(390,019)	375,287
WIC Administration	-	91,438	(91,438)	93,029
WIC Nutrition Education	-	20,855	(20,855)	21,524
WIC Breastfeeding	-	16,014	(16,014)	17,542
WIC Client Services	-	67,383	(67,383)	71,122
WIC Farmers Market	-	-	-	-
Total Other Public Health Programs	<u>1,952,036</u>	<u>1,824,824</u>	<u>127,212</u>	<u>1,989,896</u>
Total Program Expenditures	<u><u>\$ 14,470,684</u></u>	<u>12,248,297</u>	<u><u>\$ 2,222,387</u></u>	<u><u>\$ 14,262,740</u></u>
Reconciliation to GAAP Basis:				
Remove Intrafund Charges		(137,334)		
Add Donation Expenditures		<u>4,826</u>		
Total Expenditures - GAAP Basis		<u><u>\$ 12,115,789</u></u>		

**ST. CROIX COUNTY, WISCONSIN
HEALTH AND HUMAN SERVICES FUND
DETAILED STATEMENT OF CHANGES IN DONATION FUNDS
YEAR ENDED DECEMBER 31, 2012**

<u>Fund Title</u>	<u>Internal Account #</u>	<u>Balance 1/1/12</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Balance 12/31/12</u>
DD Campership	22901	\$ 450	\$ -	\$ -	\$ 450
Early Intervention	22902	9,485	1,056	504	10,037
Child Protection	22915	652	-	40	612
James Dollahon	22916	45	-	-	45
Employee Fund	22920	4,242	754	118	4,878
Parent Aid	22925	2,460	54	-	2,514
Birkmose Trust	22928	2,421	1,838	-	4,259
M.H. Community	22935	3,738	677	229	4,186
United Way Reproductive Health	22939	577	-	41	536
Prenatal Care	22940	1,034	250	280	1,004
Wee Care	22941	53	-	-	53
Bike Helmet	22942	300	-	-	300
Radon Kits	22944	6,063	1,002	157	6,908
Breast Pumps [Electric]	22946	1,484	541	630	1,395
Public Health Immunization Coalition	22947	1,445	2,100	-	3,545
PH Operations and Preparedness	22948	-	-	1,174	(1,174)
Administrative Donations	22950	548	436	-	984
PH Medical	22952	1,472	1,426	1,251	1,647
CSP Food Service	22956	1,739	343	402	1,680
First Breath Mini-grant	22963	2,929	-	-	2,929
Independent Living	22965	4,047	-	-	4,047
Total		<u>\$ 45,184</u>	<u>\$ 10,477</u>	<u>\$ 4,826</u>	<u>\$ 50,835</u>

**ST. CROIX COUNTY, WISCONSIN
DEBT SERVICE FUND
DETAILED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE
YEAR ENDED DECEMBER 31, 2012
(WITH COMPARATIVE AMOUNTS FOR YEAR ENDED DECEMBER 31, 2011)**

	General Obligation Long-Term Debt Redemption Fund	Prior Service Retirement Loan Redemption Fund	Lawsuit Settlement Loan Redemption Fund	2008A G.O Bonds Debt Service	2010A G.O Bonds Debt Service	Totals	
						2012	2011
REVENUES							
Taxes	\$ 373,758	\$ 520,174	\$ -	\$ 553,050	\$ 494,795	\$ 1,941,777	\$ 1,811,657
Miscellaneous:							
Other	-	-	-	-	42,377	42,377	63,764
Total Revenues	<u>373,758</u>	<u>520,174</u>	<u>-</u>	<u>553,050</u>	<u>537,172</u>	<u>1,984,154</u>	<u>1,875,421</u>
EXPENDITURES:							
Debt Service:							
Principal Retirement	406,841	490,000	-	455,000	400,000	1,751,841	1,693,998
Interest and Fiscal Charges	<u>23,223</u>	<u>30,174</u>	<u>-</u>	<u>98,050</u>	<u>94,795</u>	<u>246,242</u>	<u>346,596</u>
Total Expenditures	<u>430,064</u>	<u>520,174</u>	<u>-</u>	<u>553,050</u>	<u>494,795</u>	<u>1,998,083</u>	<u>2,040,594</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(56,306)	-	-	-	42,377	(13,929)	(165,173)
OTHER FINANCING SOURCES							
Interfund Transfers:							
From General Fund	-	-	-	-	28,960	28,960	-
From Jail Assessment Special Revenue Fund	<u>55,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>55,000</u>	<u>55,000</u>
Total Other Financing Sources	<u>55,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>28,960</u>	<u>83,960</u>	<u>55,000</u>
CHANGE IN FUND BALANCE	(1,306)	-	-	-	71,337	70,031	(110,173)
Fund Balance (Deficits) - Beginning of Year	<u>(1,573)</u>	<u>(260)</u>	<u>370</u>	<u>(260)</u>	<u>(443)</u>	<u>(2,166)</u>	<u>108,007</u>
FUND BALANCE (DEFICITS) - END OF YEAR	<u>\$ (2,879)</u>	<u>\$ (260)</u>	<u>\$ 370</u>	<u>\$ (260)</u>	<u>\$ 70,894</u>	<u>\$ 67,865</u>	<u>\$ (2,166)</u>

**ST. CROIX COUNTY, WISCONSIN
CAPITAL PROJECTS FUND
DETAILED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE
YEAR ENDED DECEMBER 31, 2012
(WITH COMPARATIVE AMOUNTS FOR YEAR ENDED DECEMBER 31, 2011)**

	<u>2012</u>	<u>2011</u>
REVENUES		
Miscellaneous:		
Other	\$ -	\$ 9,000
Interest	(6)	6
Total Revenues	<u>(6)</u>	<u>9,006</u>
 EXPENDITURES		
Capital Projects:		
General Government	487,018	179,216
Public Safety Projects	789,312	28,365
Health and Human Services	310,357	109,967
Conservation and Development	38,930	-
Property Appraisals	84,630	-
Total Expenditures	<u>1,710,247</u>	<u>317,548</u>
 EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	 (1,710,253)	 (308,542)
 OTHER FINANCING SOURCES (USES)		
Proceeds on Sale of Capital Assets	85,516	9,000
Transfer to Highway Department Fund	-	(1,582,972)
Total Other Financing Sources (Uses)	<u>85,516</u>	<u>(1,573,972)</u>
 NET CHANGE IN FUND BALANCE	 (1,624,737)	 (1,882,514)
 Fund Balance - Beginning of Year	 <u>2,412,701</u>	 <u>4,304,215</u>
 FUND BALANCE - END OF YEAR	 <u><u>\$ 787,964</u></u>	 <u><u>\$ 2,421,701</u></u>

ST. CROIX COUNTY, WISCONSIN
HIGHWAY DEPARTMENT ENTERPRISE FUND
DETAILED STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
YEAR ENDED DECEMBER 31, 2012
(WITH COMPARATIVE AMOUNTS FOR YEAR ENDED DECEMBER 31, 2011)

	2012	2011
OPERATING REVENUES		
Charges For Services:		
County Highway Maintenance and Construction [1]	\$ 7,043,372	\$ 6,612,210
State Highway Maintenance and Construction	2,067,047	2,466,842
Local Districts - County Aid Bridge	114,901	300,322
Local Districts - Other	3,878,097	3,726,964
Miscellaneous:		
Other Revenue from State:		
STP/FAS/CHIP Aid/AUP	27,235	692,707
Equipment Storage	86,041	63,058
Other	266,705	265,757
Miscellaneous Highway Revenues	242,085	260,623
Vehicle Registration Fees	738,994	725,902
Total Operating Revenues	14,464,477	15,114,385
OPERATING EXPENSES		
Administration and General:		
Administration	678,651	498,297
Public Liability Insurance	63,134	60,352
LRIP (Local Road Improvement Program)	382	5,520
Surveying	173,024	176,097
Engineering	140,745	363,340
Radio Expense	2,199	44,903
Supervision	224,405	166,124
Transportation Cost Pools:		
Machinery Operations	(180,983)	(213,952)
Gravel Pits and Quarries	(46,233)	111,995
Services Provided:		
County:		
General Maintenance	5,126,657	6,089,778
Reconstruction and Betterments	2,577,223	1,743,909
State:		
Highway Maintenance and Construction	2,135,971	2,511,792
Salt Storage	34,605	31,062
Equipment Storage Allocation	39,126	22,982
County Aid Bridge Construction	229,797	367,959
Local Districts	3,854,316	3,571,127
Other Governmental Units	21,169	26,421
Local Departments	100,340	185,339
Other:		
Net Change in Accrued Leave/OPEB Liabilities	62,997	146,087
Amortization of State Contributions Included Above	17,119	18,124
Total Operating Expenses	15,254,644	15,927,256
INCOME (LOSS) BEFORE TRANSFER	(790,167)	(812,871)
INTERFUND TRANSFER		
Transfer From Capital Projects Fund	-	1,582,972
CHANGE IN NET POSITION	(790,167)	770,101
Net Position - Beginning of Year	12,225,422	11,455,321
NET POSITION - END OF YEAR	\$ 11,435,255	\$ 12,225,422
[1] Charges to County for Highway Maintenance and Construction Consisted of the Following:		
County Appropriations	\$ 5,424,447	\$ 4,813,404
State Transportation Aids	1,618,925	1,798,806
	\$ 7,043,372	\$ 6,612,210

**ST. CROIX COUNTY, WISCONSIN
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF NET POSITION
DECEMBER 31, 2012
(WITH COMPARATIVE AMOUNTS FOR DECEMBER 31, 2011)**

	[Fund 701]	[Fund 702]	[Fund 703]	[Fund 720]	[Fund 710]	Totals	
	Self-Funded Health Insurance	Self-Funded Workers' Compensation Insurance	Self-Funded Liability Insurance	Retirement Health Savings Account	Health Retirement Liability Account	2012	2011
ASSETS							
Treasurer's Cash and Investments	\$ 3,122,581	\$ 768,768	\$ 2,092,316	\$ 446,428	\$ 715,870	\$ 7,145,963	\$ 6,186,883
Cash and Investments Held by Fiscal Agent	-	55,262	350,000	-	-	405,262	416,734
Accounts Receivable	4,433	-	33,497	-	-	37,930	-
Total Assets	3,127,014	824,030	2,475,813	446,428	715,870	7,589,155	6,603,617
LIABILITIES							
Accounts Payable	39,286	1,362	67,449	-	23,258	131,355	169,440
Accrued Payroll	-	13,830	3,021	-	-	16,851	16,577
Accrued Claims/Losses Payable	1,440,736	675,691	552,491	-	-	2,668,918	3,137,516
Total Liabilities	1,480,022	690,883	622,961	-	23,258	2,817,124	3,323,533
NET POSITION - UNRESTRICTED	\$ 1,646,992	\$ 133,147	\$ 1,852,852	\$ 446,428	\$ 692,612	\$ 4,772,031	\$ 3,280,084

**ST. CROIX COUNTY, WISCONSIN
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
YEAR ENDED DECEMBER 31, 2012
(WITH COMPARATIVE AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2011)**

	[Fund 701]	[Fund 702]	[Fund 703]	[Fund 720]	[Fund 710]	Totals	
	Self-Funded Health Insurance	Self-Funded Workers' Compensation Insurance	Self-Funded Liability Insurance	Retirement Health Savings Account	Health Retirement Liability Account	2012	2011
OPERATING REVENUES							
Charges for Services	\$ 8,645,277	\$ 399,340	\$ 725,392	\$ -	\$ 864,433	\$ 10,634,442	\$ 10,944,322
OPERATING EXPENSES							
Premiums and Claims	7,459,014	197,237	788,456	104,432	495,902	9,045,041	11,756,719
Administrative	28,302	87,263	70,196	-	-	185,761	156,695
Total Operating Expenses	<u>7,487,316</u>	<u>284,500</u>	<u>858,652</u>	<u>104,432</u>	<u>495,902</u>	<u>9,230,802</u>	<u>11,913,414</u>
OPERATING INCOME (LOSS)	1,157,961	114,840	(133,260)	(104,432)	368,531	1,403,640	(969,092)
NONOPERATING REVENUES							
Interest Revenue	-	-	69,907	-	-	69,907	71,949
INCOME (LOSS) BEFORE TRANSFERS	1,157,961	114,840	(63,353)	(104,432)	368,531	1,473,547	(897,143)
OTHER FINANCING SOURCES:							
Transfer In from General Fund	18,400	-	-	-	-	18,400	209,606
Transfer In from Health and Human Services	-	-	-	-	-	-	1,000,000
Total Other Financing Sources (Uses)	<u>18,400</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>18,400</u>	<u>1,209,606</u>
CHANGE IN NET POSITION	1,176,361	114,840	(63,353)	(104,432)	368,531	1,491,947	312,463
Net Position - Beginning of Year	<u>470,631</u>	<u>18,307</u>	<u>1,916,205</u>	<u>550,860</u>	<u>324,081</u>	<u>3,280,084</u>	<u>2,967,621</u>
NET POSITION - END OF YEAR	<u>\$ 1,646,992</u>	<u>\$ 133,147</u>	<u>\$ 1,852,852</u>	<u>\$ 446,428</u>	<u>\$ 692,612</u>	<u>\$ 4,772,031</u>	<u>\$ 3,280,084</u>

**ST. CROIX COUNTY, WISCONSIN
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF CASH FLOWS
YEAR ENDED DECEMBER 31, 2012**

	[Fund 701]	[Fund 702]	[Fund 703]	[Fund 720]	[Fund 710]	
	Self-Funded Health Insurance	Self-Funded Workers' Compensation Insurance	Self-Funded Liability Insurance	Retirement Health Savings Account	Health Retirement Liability Account	Totals
CASH FLOWS FROM OPERATING ACTIVITIES						
Cash Received for Goods and Services:						
County/Departments	\$ 8,640,844	\$ 399,340	\$ 691,895	\$ -	\$ 864,433	\$ 10,596,512
Cash Payments for Claims/Premiums/Administration	<u>(7,886,932)</u>	<u>(309,195)</u>	<u>(950,153)</u>	<u>(104,432)</u>	<u>(486,499)</u>	<u>(9,737,211)</u>
Net Cash Provided (Used) by Operating Activities	753,912	90,145	(258,258)	(104,432)	377,934	859,301
CASH FLOWS FROM NONINVESTING ACTIVITIES						
Transfers In from General Fund	18,400	-	-	-	-	18,400
CASH FLOWS FROM INVESTING ACTIVITIES						
Interest on Investments	-	-	69,907	-	-	69,907
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	772,312	90,145	(188,351)	(104,432)	377,934	947,608
Cash and Cash Equivalents - Beginning of Year	<u>2,350,269</u>	<u>733,885</u>	<u>2,630,667</u>	<u>550,860</u>	<u>337,936</u>	<u>6,603,617</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	<u><u>\$ 3,122,581</u></u>	<u><u>\$ 824,030</u></u>	<u><u>\$ 2,442,316</u></u>	<u><u>\$ 446,428</u></u>	<u><u>\$ 715,870</u></u>	<u><u>\$ 7,551,225</u></u>
RECONCILIATION OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES						
Operating Income (Loss)	\$ 1,157,961	\$ 114,840	\$ (133,260)	\$ (104,432)	\$ 368,531	\$ 1,403,640
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by Operating Activities:						
Change in Assets and Liabilities:						
Decrease (Increase) in Accounts Receivable	(4,433)	-	(33,497)	-	-	(37,930)
Increase (Decrease) in Accounts Payable	(18,985)	603	(29,106)	-	9,403	(38,085)
Increase (Decrease) in Accrued Payroll	-	(566)	840	-	-	274
Increase (Decrease) in Accrued Claims/Losses Payable	<u>(380,631)</u>	<u>(24,732)</u>	<u>(63,235)</u>	<u>-</u>	<u>-</u>	<u>(468,598)</u>
Net Cash Provided (Used) by Operating Activities	<u><u>\$ 753,912</u></u>	<u><u>\$ 90,145</u></u>	<u><u>\$ (258,258)</u></u>	<u><u>\$ (104,432)</u></u>	<u><u>\$ 377,934</u></u>	<u><u>\$ 859,301</u></u>
RECONCILIATION OF CASH AND INVESTMENTS TO CASH AND CASH EQUIVALENTS						
Cash and Investments:						
Treasurer's Cash and Investments	\$ 3,122,581	\$ 768,768	\$ 2,092,316	\$ 446,428	\$ 715,870	\$ 7,145,963
Cash and Investments Held by Fiscal Agent	<u>-</u>	<u>55,262</u>	<u>350,000</u>	<u>-</u>	<u>-</u>	<u>405,262</u>
Cash and Cash Equivalents	<u><u>\$ 3,122,581</u></u>	<u><u>\$ 824,030</u></u>	<u><u>\$ 2,442,316</u></u>	<u><u>\$ 446,428</u></u>	<u><u>\$ 715,870</u></u>	<u><u>\$ 7,551,225</u></u>

ST. CROIX COUNTY, WISCONSIN
ALLOCATION OF INTERNAL SERVICE FUNDS FOR GOVERNMENT-WIDE STATEMENTS
YEAR ENDED DECEMBER 31, 2012

	Health Insurance Funds	Workers' Compensation Insurance Fund	Liability Insurance Fund	Health Retirement Savings Fund	Health Retirement Liability Fund	Total Amounts Allocated
Allocation of Operating (Income) Loss:						
Governmental Activities:						
General Government	\$ (215,942)	\$ (10,297)	\$ 10,402	\$ 19,476	\$ (68,726)	\$ (265,087)
Public Safety	(240,557)	(13,545)	50,214	21,695	(76,559)	(258,752)
Sanitation	(3,830)	(148)	403	345	(1,219)	(4,449)
Health and Human Services	(339,192)	(30,989)	18,887	30,590	(107,951)	(428,655)
Culture, Recreation and Education	(9,951)	(839)	6,188	897	(3,167)	(6,872)
Conservation and Development	(37,658)	(1,869)	11,496	3,396	(11,985)	(36,620)
Governmental Activities Allocation	<u>(847,130)</u>	<u>(57,687)</u>	<u>97,590</u>	<u>76,399</u>	<u>(269,607)</u>	<u>(1,000,435)</u>
Business-Type Activities:						
Nursing Home	(113,086)	(27,580)	14,644	10,199	(35,990)	(151,813)
Highway Department	(197,745)	(29,573)	21,026	17,834	(62,934)	(251,392)
Business-Type Activities Allocation	<u>(310,831)</u>	<u>(57,153)</u>	<u>35,670</u>	<u>28,033</u>	<u>(98,924)</u>	<u>(403,205)</u>
Operating (Income) Loss Allocation	<u>\$ (1,157,961)</u>	<u>\$ (114,840)</u>	<u>\$ 133,260</u>	<u>\$ 104,432</u>	<u>\$ (368,531)</u>	<u>\$ (1,403,640)</u>
Allocation of Interest Income:						
Governmental Activities	\$ -	\$ -	\$ 51,195	\$ -	\$ -	\$ 51,195
Business-Type Activities	-	-	18,712	-	-	18,712
Interest Income Allocation	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 69,907</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 69,907</u>
Allocation of Interfund Transfers:						
Governmental Activities	<u>\$ 18,400</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 18,400</u>
Allocation of Year-End Net Position:						
Governmental Activities:						
Treasurer's Cash and Investments	\$ 2,653,187	\$ 81,378	\$ 1,467,781	\$ 610,885	\$ 520,922	\$ 5,334,153
Cash and Investments Held by Fiscal Agent	-	5,850	245,528	-	-	251,378
Accounts Receivable	3,767	-	23,498	-	-	27,265
Accounts Payable	(599,928)	-	(47,316)	-	(16,924)	(664,168)
Accrued Payroll	-	(1,608)	(2,119)	-	-	(3,727)
Accrued Claims/Losses Payable	(657,614)	(71,525)	(387,578)	-	-	(1,116,717)
Fund Balance - Beginning	(533,882)	43,592	(1,346,189)	(687,284)	(234,391)	(2,758,154)
Changes in Net Position (from above)	<u>(865,530)</u>	<u>(57,687)</u>	<u>46,395</u>	<u>76,399</u>	<u>(269,607)</u>	<u>(1,070,030)</u>
Governmental Activities Allocation	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Business-Type Activities:						
Treasurer's Cash and Investments	\$ 469,394	\$ 687,390	\$ 624,535	\$ (164,457)	\$ 194,948	\$ 1,811,810
Cash and Investments Held by Fiscal Agent	-	49,412	104,472	-	-	153,884
Accounts Receivable	666	-	9,999	-	-	10,665
Accounts Payable	(106,137)	-	(20,133)	-	(6,334)	(132,604)
Accrued Payroll	-	(13,584)	(902)	-	-	(14,486)
Accrued Claims/Losses Payable	(116,343)	(604,166)	(164,913)	-	-	(885,422)
Fund Balance - Beginning	63,251	(61,899)	(570,016)	136,424	(89,690)	(521,930)
Changes in Net Position (from above)	<u>(310,831)</u>	<u>(57,153)</u>	<u>16,958</u>	<u>28,033</u>	<u>(98,924)</u>	<u>(421,917)</u>
Business-Type Activities Allocation	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**ST. CROIX COUNTY, WISCONSIN
AGENCY FUNDS
COMBINING STATEMENT OF FIDUCIARY NET POSITION
DECEMBER 31, 2012**

	Tax Agency	Sheriff	Clerk of Court	Totals
ASSETS				
Treasurer's Cash and Investments	\$ 5,512,716	\$ -	\$ -	\$ 5,512,716
Departmental Cash and Investments	-	54,183	910,852	965,035
Taxes Receivable:				
Current Apportionment	1,176,965	-	-	1,176,965
Special Assessment Tax Certificates	115,810	-	-	115,810
Special Assessment Tax Deeds	209,944	-	-	209,944
Accounts Receivable	-	-	163	163
Total Assets	\$ 7,015,435	\$ 54,183	\$ 911,015	\$ 7,980,633
LIABILITIES				
Due Other Governmental Units:				
Current Taxes Due State	\$ 1,176,965	\$ -	\$ -	\$ 1,176,965
Current Tax Roll Collections Due Districts	5,505,453	-	-	5,505,453
Accounts Payable	7,263	-	138,790	146,053
Special Deposits	-	54,183	772,225	826,408
District's Equities in Uncollected Taxes	325,754	-	-	325,754
Total Liabilities	\$ 7,015,435	\$ 54,183	\$ 911,015	\$ 7,980,633