

CHIPPEWA COUNTY, WISCONSIN
FINANCIAL STATEMENTS
AND SUPPLEMENTARY INFORMATION
YEAR ENDED DECEMBER 31, 2009

**CHIPPEWA COUNTY, WISCONSIN
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YEAR ENDED DECEMBER 31, 2009**

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INDEPENDENT AUDITORS' REPORT

The County Board
Chippewa County, Wisconsin

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 Chippewa County, Wisconsin (County) as of and for the year ended December 31, 2009, which collectively comprise the County's basic financial statements as listed in the table of contents. These basic financial statements are the responsibility of the County Board and management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the County's management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Chippewa County, Wisconsin as of December 31, 2009, 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.

In accordance with *Government Auditing Standards*, we have also issued a report dated July 26, 2010 on our consideration of County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The County Board
Chippewa County

The management's discussion and analysis, budgetary comparison information and schedule of funding progress, as referenced in the table of contents, are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The schedules presented as other supplementary information, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly presented, in all material respects, in relation to the basic financial statements taken as a whole. The prior year partial comparative supplementary information has been derived from the County's 2008 financial statements and, our report dated July 21, 2009, on the supplementary information stated such information had been subjected to the auditing procedures applied in the audit of the basic financial statements and was fairly stated in all material respects in relation to the 2008 basic financial statements taken as a whole.

Larson Allen LLP

LarsonAllen LLP

Eau Claire, Wisconsin
July 26, 2010

**CHIPPEWA COUNTY, WISCONSIN
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED DECEMBER 31, 2009**

As management of Chippewa County, we offer readers of the County's financial statements this narrative overview and analysis of the financial activities of Chippewa County for the year ended December 31, 2009. We encourage readers to consider the information presented here in conjunction with the County's financial statements, which begin on page 16 following this narrative.

FINANCIAL HIGHLIGHTS

Key financial highlights for the year ended December 31, 2009 include the following:

- The assets of Chippewa County exceeded its liabilities at the close of the most recent fiscal year by \$139,650,645 (net assets). Of this amount, \$104,841,127 represented the County's investment in capital assets, net of related debt, \$8,120,555 was held for restricted purposes, and \$26,688,963 was unrestricted. The unrestricted net assets may be used to meet the government's ongoing obligations to citizens and creditors.
- During the fiscal year, the County's total net assets increased by \$3,283,080. Net assets related to the governmental activities of the County increased \$3,139,333 and net assets related to business-type activities increased \$143,747.
- At the close of the fiscal year, the County's governmental funds reported combined ending fund balances of \$22,670,639 an increase of \$1,865,465 over the previous year.
- At the end of the current fiscal year, unreserved, undesignated fund balance for the general fund was \$6,734,715 or 25.6% of total general fund expenditures.
- The County's outstanding general obligation debt decreased by \$992,065 during the current fiscal year.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to Chippewa 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

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

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

**CHIPPEWA COUNTY, WISCONSIN
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED DECEMBER 31, 2009**

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

Both of the government-wide financial statements distinguish functions of Chippewa County that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the County include general government, public safety, public works, health and human services, culture, recreation and education, and conservation and development. The business-type activities of the County consist of a land development operation relating to the former County farm.

The government-wide financial statements can be found beginning on page 16 of this report.

Fund Financial Statements

A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Chippewa County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the County can be divided into three categories: *governmental funds*, *proprietary funds*, and *fiduciary funds*.

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

Chippewa County maintains seventeen individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, the human services special revenue fund, the CDBG grant fund, the county sales tax fund, and the debt service fund, all of which are considered to be major funds. Data from the other twelve governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of *combining statements* elsewhere in this report.

**CHIPPEWA COUNTY, WISCONSIN
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED DECEMBER 31, 2009**

Proprietary Funds. Chippewa 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 an enterprise fund to account for transactions relating to the development of its farm property. *Internal service funds* are an accounting device used to accumulate and allocate costs internally among the County's various functions. Chippewa County uses internal service funds to account for its highway department operations, self-funded workers compensation, self-funded health insurance, self-funded liability insurance, and Section 125 flexible benefits plan. Because all of these services predominantly benefit governmental rather than business-type functions, they have been included within *governmental activities* 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 information relating to the farm land development, which is considered a major fund. 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 22 of this report.

Fiduciary Funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial 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 beginning on page 26 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 beginning on page 27 of this report.

Supplementary Information

In addition to the basic financial statements and accompanying notes, this report presents certain required supplementary information on the general fund and major special revenue fund budgets. 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 and individual fund statements and schedules can be found beginning on page 60 of this report.

**CHIPPEWA COUNTY, WISCONSIN
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED DECEMBER 31, 2009**

FINANCIAL ANALYSIS OF THE COUNTY AS A WHOLE

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of Chippewa County, assets exceeded liabilities by \$139,650,645 at the close of the most recent fiscal year. The largest portion of Chippewa County's net assets (75.1%) reflects its investment in capital assets (e.g., land, buildings, machinery and equipment, infrastructure); less any related debt used to acquire those assets that is still outstanding. The County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. The following is a summary of the County's statement of net assets:

**Condensed Statement of Net Assets
December 31, 2009 and 2008**

| | Governmental Activities | | Business-Type Activities | | Totals | |
|-----------------------------|-------------------------|-----------------------|--------------------------|---------------------|-----------------------|-----------------------|
| | 2009 | 2008 | 2009 | 2008 | 2009 | 2008 |
| Current and Other Assets | \$ 56,284,196 | \$ 57,013,232 | \$ 2,441,742 | \$ 522,421 | \$ 58,725,938 | \$ 57,535,653 |
| Capital Assets | 113,838,474 | 111,371,688 | 22,653 | 1,898,227 | 113,861,127 | 113,269,915 |
| Internal Balances | - | 100,000 | - | (100,000) | - | - |
| Total Assets | <u>170,122,670</u> | <u>168,484,920</u> | <u>2,464,395</u> | <u>2,320,648</u> | <u>172,587,065</u> | <u>170,805,568</u> |
| Long-Term Debt | 9,799,764 | 10,791,829 | - | - | 9,799,764 | 10,791,829 |
| Other Long-Term Obligations | 3,643,092 | 2,982,307 | - | - | 3,643,092 | 2,982,307 |
| Other Liabilities | 19,488,975 | 20,659,278 | 4,589 | 4,589 | 19,493,564 | 20,663,867 |
| Total Liabilities | <u>32,931,831</u> | <u>34,433,414</u> | <u>4,589</u> | <u>4,589</u> | <u>32,936,420</u> | <u>34,438,003</u> |
| Net Assets: | | | | | | |
| Invested in Capital Assets, | | | | | | |
| Net of Related Debt | 104,818,474 | 101,471,689 | 22,653 | 22,653 | 104,841,127 | 101,494,342 |
| Restricted | 8,120,555 | 8,601,165 | - | - | 8,120,555 | 8,601,165 |
| Unrestricted | 24,251,810 | 23,978,652 | 2,437,153 | 2,293,406 | 26,688,963 | 26,272,058 |
| Total Net Assets | <u>\$ 137,190,839</u> | <u>\$ 134,051,506</u> | <u>\$ 2,459,806</u> | <u>\$ 2,316,059</u> | <u>\$ 139,650,645</u> | <u>\$ 136,367,565</u> |

An additional portion of Chippewa County's net assets (5.8%) represents resources that are subject to other restrictions on how they may be used. The remaining \$26,688,963 of total net assets (19.1%) may be used to meet the County's ongoing obligations to citizens and creditors. It is important to note that \$2,437,153 of these unrestricted net assets are related to the County's business-type activities. Consequently, they generally may not be used to fund governmental activities.

At the end of 2009, Chippewa County is able to report positive balances in all three categories of net assets, both for the government as a whole, as well as for its separate governmental and business-type activities. The same situation held true for the prior fiscal year.

The County's net assets increased by \$3,283,080 during the current fiscal year. The increase consisted of an increase in net assets related to governmental activities in the amount of \$3,139,333 and an increase in net assets related to business-type activities in the amount of \$143,747.

**CHIPPEWA COUNTY, WISCONSIN
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED DECEMBER 31, 2009**

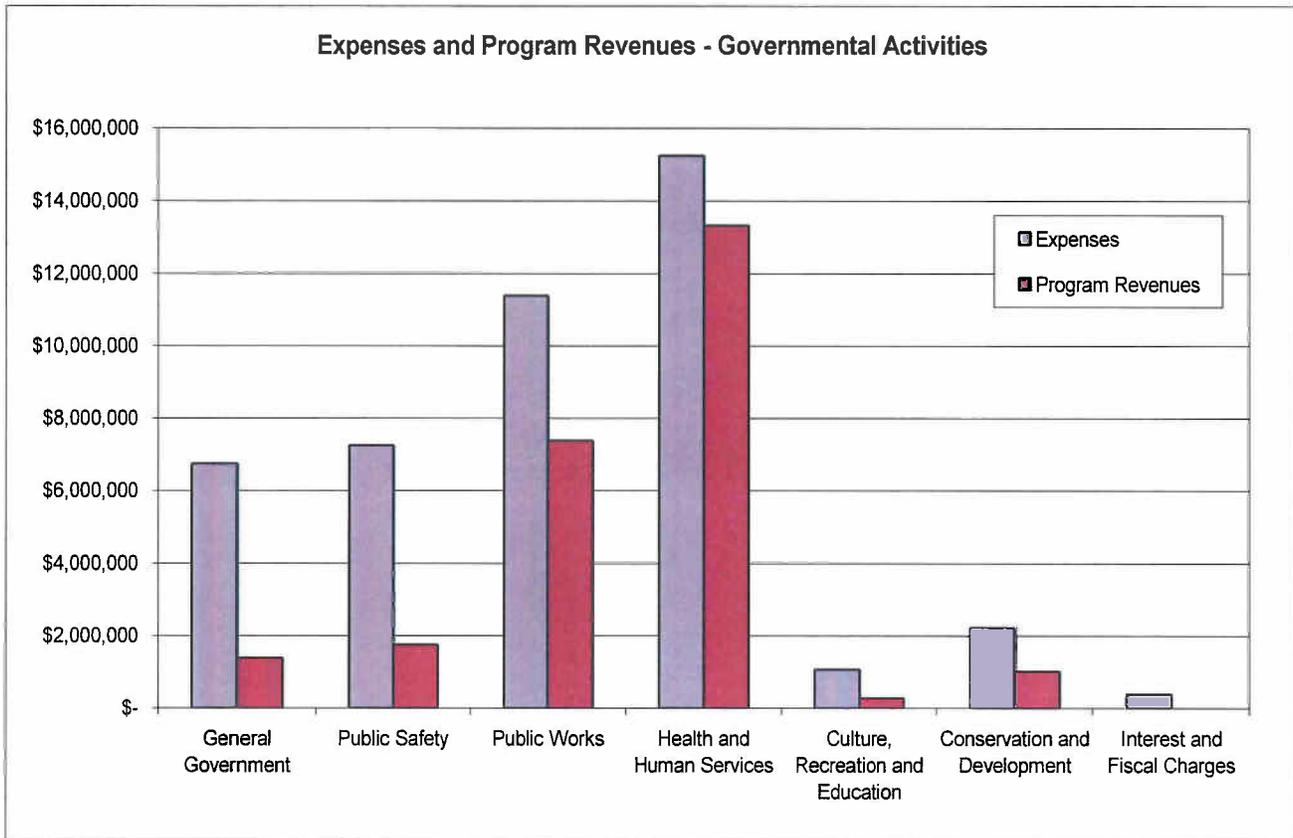
The following is a summary of the changes in the County's net assets for the years ended December 31, 2009 and 2008:

**Condensed Statement of Changes in Net Assets
Years Ended December 31, 2009 and 2008**

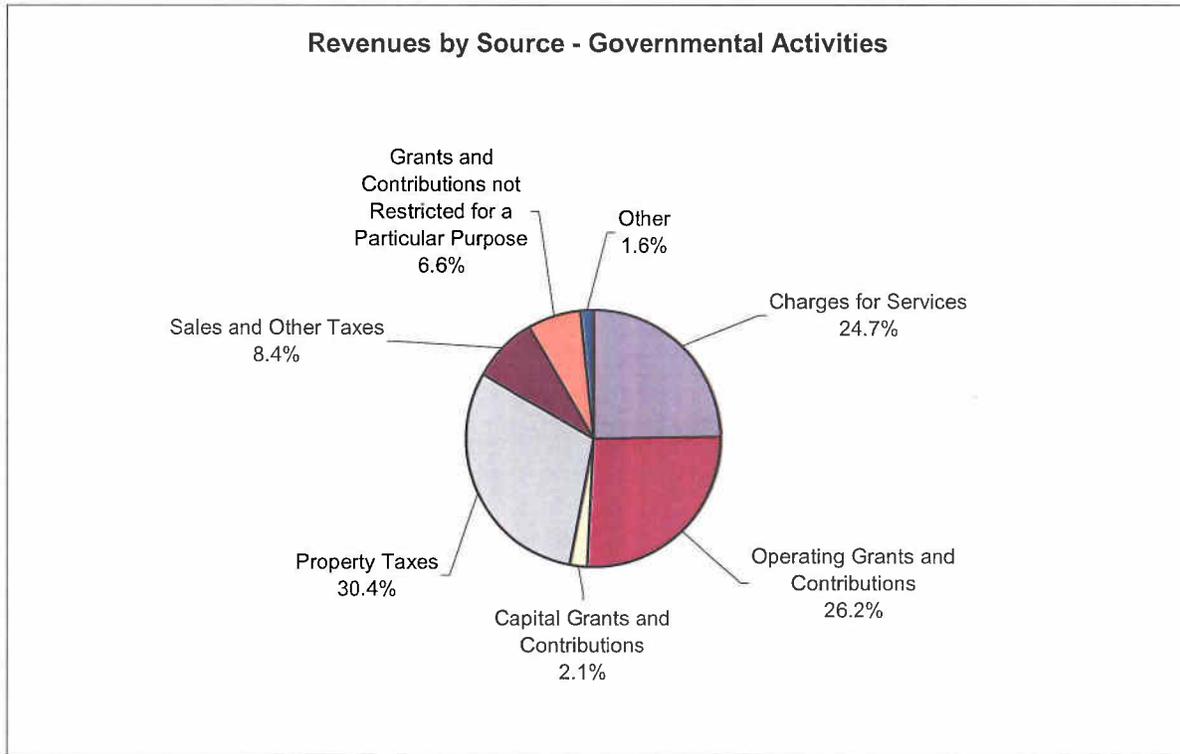
| | Governmental Activities | | Business-Type Activities | | Totals | |
|---|-------------------------|---------------------|--------------------------|-----------------------|---------------------|-----------------------|
| | 2009 | 2008 | 2009 | 2008 | 2009 | 2008 |
| Revenues: | | | | | | |
| Program Revenues: | | | | | | |
| Charges for Services | \$ 11,740,159 | \$ 13,748,782 | \$ 259,915 | \$ 785,668 | \$ 12,000,074 | \$ 14,534,450 |
| Operating Grants and Contributions | 12,431,778 | 16,612,793 | - | 1,145,573 | 12,431,778 | 17,758,366 |
| Capital Grants and Contributions | 976,352 | 1,138,476 | - | - | 976,352 | 1,138,476 |
| General Revenues: | | | | | | |
| Property Taxes | 14,449,058 | 14,000,481 | - | - | 14,449,058 | 14,000,481 |
| Sales/Other Taxes | 3,968,040 | 4,304,362 | - | - | 3,968,040 | 4,304,362 |
| State and Federal Aids Not Restricted to Specific Programs | 3,131,883 | 2,902,083 | - | - | 3,131,883 | 2,902,083 |
| Gains from Property Sales | - | - | - | 366,100 | - | 366,100 |
| Other | 773,967 | 1,100,621 | 1,745 | 26,743 | 775,712 | 1,127,364 |
| Total Revenues | 47,471,237 | 53,807,598 | 261,660 | 2,324,084 | 47,732,897 | 56,131,682 |
| Expenses: | | | | | | |
| General Government | 6,753,262 | 6,667,853 | - | - | 6,753,262 | 6,667,853 |
| Public Safety | 7,255,497 | 8,196,559 | - | - | 7,255,497 | 8,196,559 |
| Public Works | 11,389,719 | 12,482,489 | - | - | 11,389,719 | 12,482,489 |
| Health and Human Services | 15,245,246 | 21,346,392 | - | - | 15,245,246 | 21,346,392 |
| Culture, Recreation and Education | 1,069,012 | 1,068,922 | - | - | 1,069,012 | 1,068,922 |
| Conservation and Development | 2,219,859 | 2,915,253 | - | - | 2,219,859 | 2,915,253 |
| Interest and Fiscal Charges | 399,309 | 384,779 | - | - | 399,309 | 384,779 |
| Chippewa River Industries | - | - | - | 2,563,449 | - | 2,563,449 |
| Farm Land Development | - | - | 117,913 | 1,906,519 | 117,913 | 1,906,519 |
| Total Expenses | 44,331,904 | 53,062,247 | 117,913 | 4,469,968 | 44,449,817 | 57,532,215 |
| Change in Net Assets Before Transfers and Special Items | 3,139,333 | 745,351 | 143,747 | (2,145,884) | 3,283,080 | (1,400,533) |
| Special Item - Closing Chippewa River Industries Enterprise Fund Transfers | - | 184,505 | - | (184,505) | - | - |
| | - | 666,411 | - | (666,411) | - | - |
| Change in Net Assets | \$ 3,139,333 | \$ 1,596,267 | \$ 143,747 | \$ (2,996,800) | \$ 3,283,080 | \$ (1,400,533) |

**CHIPPEWA COUNTY, WISCONSIN
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED DECEMBER 31, 2009**

A review of the statement of activities can provide a concise picture of how the various functions/programs of Chippewa County are funded. The following charts draw data from the statement of activities. For governmental activities the County's main services for funding governmental services are property taxes (30.4%), operating grants/contributions (26.2%), and charges for services (24.7%).



**CHIPPEWA COUNTY, WISCONSIN
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED DECEMBER 31, 2009**



FINANCIAL ANALYSIS OF THE COUNTY'S MAJOR FUNDS

As noted earlier, Chippewa 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 Chippewa County's financing requirements. In particular, the level of unreserved 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, 2009, the County's governmental funds reported combined ending fund balances of \$22,670,639, an increase of \$1,865,465 over the previous year. The governmental funds comprising this balance are shown below:

| | Fund Balances at: December 31, 2009 | | | | Current Year Change |
|-----------------------|-------------------------------------|----------------------|---------------------|----------------------|---------------------|
| | Reserved | Designated | Undesignated | Total | |
| Major Funds: | | | | | |
| General Fund | \$ 2,170,449 | \$ 3,217,606 | \$ 6,734,715 | \$ 12,122,770 | \$ 2,204,242 |
| Human Services Fund | - | 649,991 | - | 649,991 | (284,400) |
| CDBG Grant Fund | - | 264,843 | - | 264,843 | (8,734) |
| County Sales Tax Fund | - | 3,843,786 | - | 3,843,786 | (273,375) |
| Debt Service Fund | 2,479,633 | 1,535,321 | - | 4,014,954 | 287,264 |
| Nonmajor Funds: | | | | | |
| Special Revenue Funds | - | 1,774,295 | - | 1,774,295 | (59,532) |
| | <u>\$ 4,650,082</u> | <u>\$ 11,285,842</u> | <u>\$ 6,734,715</u> | <u>\$ 22,670,639</u> | <u>\$ 1,865,465</u> |

**CHIPPEWA COUNTY, WISCONSIN
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED DECEMBER 31, 2009**

Reservations of fund balances represent amounts that are not subject to appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance generally represent tentative management plans that are subject to change. The balance of the unreserved fund balance not designated for specific purposes is displayed as undesignated.

The general fund is the primary operating fund used to account for the governmental operations of Chippewa County. As a measure of the general fund's liquidity, it may be useful to compare both total fund balance and unreserved, undesignated fund balance to measures of operating volume such as fund expenditures or fund revenues. The total year-end general fund balance represented 46.1% of total general fund expenditures reported on the statement of revenues, expenditures and changes in fund balances while the unreserved, undesignated balance represented 25.6% of the same amount.

The general fund's total fund balance increased \$2,204,242 during the year; while the unreserved, undesignated portion of the fund increased \$2,005,848. The primary factor in the increase in fund balance was the positive variance between the budgeted and actual expenditures in the general fund.

The County's human services fund decreased \$284,400 during the year and had a balance of \$649,991 at year end. This balance was designated by the County for financing future program expenditures.

The CDBG grant fund balance decreased \$8,734 during the year and had a balance of \$264,843 at year end. This balance, together with the outstanding receivables totaling \$3,453,504 at that date, are restricted for financing future housing rehabilitation loans in accordance with the original grant agreements.

The County sales tax fund balance decreased \$273,375 during the year and had a balance of \$3,843,786 at year end. The major factor in the decrease was that sales tax revenues were less than originally budgeted.

The debt service fund balance at December 31, 2009 totaled \$4,014,954. The County had reserved \$2,479,633 of this amount for financing future principal and interest requirements on outstanding debt issues and designated \$1,535,321 for funding liabilities associated with employee leave and related liabilities.

The aggregated other governmental funds include various special revenue funds. The accumulated fund balances of these funds decreased \$59,532 during 2009. These funds are individually detailed in the supplementary information section of this report.

**CHIPPEWA COUNTY, WISCONSIN
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED DECEMBER 31, 2009**

Proprietary Funds

Chippewa County's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. As shown below, the net assets of the enterprise fund type proprietary funds at the end of 2009 totaled \$2,459,806, up \$143,747 from the previous year.

**Condensed Statement of Changes in Net Assets for Enterprise Funds
Years Ended December 31, 2009 and 2008**

| | Farm Land Development | | Developmental Disabilities Programs (CRI) | | Totals | |
|---|-----------------------|-------------|---|--------------|------------|--------------|
| | 2009 | 2008 | 2009 | 2008 | 2009 | 2008 |
| Operating Revenues | \$ 260,415 | \$ 366,106 | \$ - | \$ 1,935,592 | \$ 260,415 | \$ 2,301,698 |
| Operating Expenses: | | | | | | |
| Depreciation | - | - | - | 71,259 | - | 71,259 |
| Other | 115,416 | 132,001 | - | 1,933,355 | 115,416 | 2,065,356 |
| Operating Income (Loss) | 144,999 | 234,105 | - | (69,022) | 144,999 | 165,083 |
| Income (Loss) Before Contributions, Transfers and Special Items | 143,747 | (1,535,622) | - | (610,262) | 143,747 | (2,145,884) |
| Interfund Transfers | - | - | - | (666,411) | - | (666,411) |
| Special Item | - | - | - | (184,505) | - | - |
| Changes in Net Assets | 143,747 | (1,535,622) | - | (1,461,178) | 143,747 | (2,996,800) |
| Net Assets at Year End | 2,459,806 | 2,316,059 | - | - | 2,459,806 | 2,316,059 |

As of December 31, 2009 the County's farm land development fund reported net assets of \$2,459,806, an increase of \$143,747 from the previous year. Of the net assets balance, \$22,653 consisted of the amount invested in capital assets net of related debt (exclusive of capital assets held for resale). During 1995 the County discontinued operations of its county farm and subsequently disposed of all the non-land farm capital assets. Proceeds from the disposition of the assets and the remaining fund equity of the farm enterprise fund were used to establish the farm land development fund.

**CHIPPEWA COUNTY, WISCONSIN
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED DECEMBER 31, 2009**

The County had five internal service funds during 2009. Net assets of the funds at year end and changes thereto during the year were as follows:

| <u>Fund</u> | <u>Net Assets at Year End</u> | | | <u>Change During Year</u> | |
|------------------------------|-------------------------------|---------------------------------------|---------------------|-------------------------------|-----------------------|
| | <u>Total</u> | <u>Invested in Capital Assets</u> | <u>Restricted</u> | | <u>Unrestricted</u> |
| Highway Department | \$ 18,117,981 | \$ 12,420,930 | \$ 1,034,035 | \$ 4,663,016 | \$ (1,453,009) |
| Self-funded Insurance Funds: | | | | | |
| Workers Compensation | 14,597 | - | - | 14,597 | (485,403) |
| Health Insurance | 1,635,189 | - | - | 1,635,189 | 229,829 |
| Liability Insurance | 776,382 | - | 750,327 | 26,055 | (180,577) |
| Flexible Benefits | 48,524 | - | - | 48,524 | 15,186 |
| Totals | <u>\$ 20,592,673</u> | <u>\$ 12,420,930</u> | <u>\$ 1,784,362</u> | <u>\$ 6,387,381</u> | <u>\$ (1,873,974)</u> |

The County uses the highway department fund to account for road maintenance and construction and related services provided to the County and to the State of Wisconsin and local governmental units. Annual appropriations for services for the County and related state and federal aids received are initially recorded in the general fund and paid to the highway fund.

The self-funded insurance funds shown above are further discussed in Note 4.D following the financial statements.

GENERAL FUND BUDGETARY HIGHLIGHTS

As shown in the *Budgetary Comparison Schedule* for the general fund (in required supplementary information), the final 2009 general fund budget was different than the original budget adopted by the County Board, primarily due to the appropriation of unbudgeted grant funds and their inclusion of continuing appropriations from 2008 not included in the original budget. Although the final budget reflects a decrease in the general fund balance during 2009, the County ended the year with a positive budget variance for expenditures primarily due to unexpended continuing appropriations.

**CHIPPEWA COUNTY, WISCONSIN
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED DECEMBER 31, 2009**

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

The County's investment in capital assets for its governmental and business-type activities as of December 31, 2009 and 2008 was \$113,861,127 and \$111,394,341, respectively, (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 \$2,466,786.

**Capital Assets (Net of Accumulated Depreciation)
December 31, 2009 and 2008**

| | Governmental Activities | | Business-Type Activities | | Totals | |
|-------------------------------|-------------------------|-----------------------|--------------------------|------------------|-----------------------|-----------------------|
| | 2009 | 2008 | 2009 | 2008 | 2009 | 2008 |
| Land and Land Rights | \$ 3,538,903 | \$ 3,029,683 | \$ 22,653 | \$ 22,653 | \$ 3,561,556 | \$ 3,052,336 |
| Construction Work in Progress | 248,149 | 160,902 | - | - | 248,149 | 160,902 |
| Gravel Pits and Quarries | 1,897 | 1,897 | - | - | 1,897 | 1,897 |
| Land Improvements | 1,473,807 | 1,506,562 | - | - | 1,473,807 | 1,506,562 |
| Buildings and Improvements | 23,207,388 | 24,063,686 | - | - | 23,207,388 | 24,063,686 |
| Equipment and Vehicles | 8,972,496 | 7,988,177 | - | - | 8,972,496 | 7,988,177 |
| Highway Infrastructure | 76,395,834 | 74,620,781 | - | - | 76,395,834 | 74,620,781 |
| Total | <u>\$ 113,838,474</u> | <u>\$ 111,371,688</u> | <u>\$ 22,653</u> | <u>\$ 22,653</u> | <u>\$ 113,861,127</u> | <u>\$ 111,394,341</u> |

Major capital asset events during the current fiscal year included the following:

- Major infrastructure additions included the completion of the County Highway F and County T construction projects.
- The County completed a HVAC and lighting upgrade project at a cost of \$566,095.

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

**CHIPPEWA COUNTY, WISCONSIN
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED DECEMBER 31, 2009**

Long-Term Obligations

At December 31, 2009, Chippewa County had outstanding \$13,442,856 of long-term debt and other long-term liabilities. A summary detail of this amount, together with the percent change from the previous year, is shown below:

**Outstanding Long-Term Obligations
December 31, 2009 and 2008**

| | Governmental Activities | | Business-Type Activities | | Totals Outstanding | | % Change |
|-------------------------------|-------------------------|---------------|--------------------------|------|--------------------|---------------|----------|
| | 2009 | 2008 | 2009 | 2008 | 2009 | 2008 | |
| General Obligation Debt: | | | | | | | |
| Bonds | \$ 9,020,000 | \$ 9,900,000 | \$ - | \$ - | \$ 9,020,000 | \$ 9,900,000 | -8.9% |
| Notes | 779,764 | 891,829 | - | - | 779,764 | 891,829 | -12.6 |
| Subtotal | 9,799,764 | 10,791,829 | - | - | 9,799,764 | 10,791,829 | -9.2 |
| Other Long-Term Obligations: | | | | | | | |
| Estimated Employee Leave | 2,901,588 | 2,794,416 | - | - | 2,901,588 | 2,794,416 | 3.8 |
| Termination Benefits | 395,728 | - | - | - | 395,728 | - | n/a |
| Other Postemployment Benefits | 345,776 | 187,891 | - | - | 345,776 | 187,891 | 84.0 |
| Total | \$ 13,442,856 | \$ 13,774,136 | \$ - | \$ - | \$ 13,442,856 | \$ 13,774,136 | |

The County did not issue any new general obligation debt in 2009.

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 Chippewa County outstanding at December 31, 2009 totaled \$9,799,764, approximately 4.3% of the maximum legal limit of \$227,073,565. Additional information on Chippewa 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 unemployment rate for Chippewa County at December 31, 2009 was 8.5 percent, which is an increase from a rate of 7.0 percent at December 31, 2008. This compares to the State's 2009 year-end unemployment rate of 8.3%.
- The economic condition of the County decreased somewhat towards the end of 2008 following national and State trends. The recession caused unemployment rates to hike in mid 2009. However, Wisconsin and our region have a shorter recession than the rest of the country. The outlook going forward into the future remains solid based on a relatively healthy mix of manufacturing, tourism, service industry, medical, retail, high technology, and farming activities which support the tax base.
- Inflationary trends in the region compare favorably to national indices.

All of these factors were considered in preparing Chippewa County's budget for the 2010 fiscal year.

**CHIPPEWA COUNTY, WISCONSIN
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED DECEMBER 31, 2009**

Limits have been imposed on the property tax levy rates for Wisconsin counties. There are separate limits for the operating levy and the debt service levy. The baseline for the limits is the actual 1992 tax rate adopted for the 1993 budget. The operating levy rate and the debt levy rate cannot exceed the baseline rates unless the County qualifies for one of the exceptions allowed under the statute. The statute establishes specific penalties for failure to meet the levy rate freeze requirements. Among the penalties for exceeding the limits is the reduction of state shared revenues and transportation aids. The County is also limited to an increase of 3% or the rate of new construction growth, each as adjusted by terminated TIFs (\$.012 for 2010), whichever is greater. Net new construction growth was 1.354%. For the 2010 budget year, Chippewa County utilized an operating levy rate of \$3.17, a debt levy rate of \$.03, and a special purpose levy rate of \$.16 for a total mill rate of \$3.36/\$1,000 of valuation. The limits were \$3.26 (operating), \$.08 (debt), and \$.16 (actual special purpose) for a total of \$3.50 respectively. Essentially, the County was \$.35/\$1,000 under the levy cap.

Chippewa County has implemented and receives the ½ cent county sales tax. Sales tax revenues received in one year are utilized in the following budget year. For the year ended December 31, 2009, the County used this sales tax revenue as follows according to County ordinance:

- The first \$1,186,915 was credited to property tax bills.
- The next \$1,517,116 was used for debt service to make payments on the bonded indebtedness incurred to build the jail and highway buildings.
- The highway department received the \$392,171 for highway road construction projects.
- A total of \$187,000 was transferred for the annual funding for a computer replacement fund.
- A total of \$290,000 was transferred to vehicle fleet pool purchases.
- A total of \$124,696 was transferred for maintenance capital projects.
- A total of \$116,811 was transferred for the airport contract.

Thus, a total of \$3,814,709 was transferred from the sales tax fund in 2009 as enumerated above. The sales tax fund generated \$3,514,334 in sales tax revenues and interest earnings during 2009.

During the current fiscal year, unreserved fund balance in the general fund increased to \$6,734,715.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of Chippewa 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 Chippewa County Finance Director, 711 North Bridge Street, Chippewa Falls, Wisconsin, 54729.

**CHIPPEWA COUNTY, WISCONSIN
STATEMENT OF NET ASSETS
DECEMBER 31, 2009**

| | Governmental Activities | Business-Type Activities | Total |
|---|----------------------------|-----------------------------|-----------------------|
| ASSETS | | | |
| Cash and Investments | \$ 26,258,177 | \$ 501,480 | \$ 26,759,657 |
| Departmental Cash and Investments | 91,033 | - | 91,033 |
| Cash and Investments Held by Fiscal Agent | 149,583 | - | 149,583 |
| Investment in Wisconsin Municipal Insurance Company | 750,327 | - | 750,327 |
| Taxes Receivable | 17,048,871 | - | 17,048,871 |
| Accounts Receivable | 2,172,414 | 109,878 | 2,282,292 |
| Due from Other Governments | 2,655,266 | - | 2,655,266 |
| Due from Fiduciary Funds | 73,393 | - | 73,393 |
| Long-Term Receivables | 5,019,017 | - | 5,019,017 |
| Inventory and Prepaid Items | 2,066,115 | - | 2,066,115 |
| Noncurrent Assets: | | | |
| Property Held for Resale | - | 1,830,384 | 1,830,384 |
| Capital Assets: | | | |
| Capital Assets Not Being Depreciated | 3,787,052 | 22,653 | 3,809,705 |
| Capital Assets Being Depreciated | 180,615,101 | - | 180,615,101 |
| Accumulated Depreciation | (70,563,679) | - | (70,563,679) |
| Total Assets | <u>170,122,670</u> | <u>2,464,395</u> | <u>172,587,065</u> |
| LIABILITIES | | | |
| Vouchers and Accounts Payable | 1,947,105 | - | 1,947,105 |
| Accrued Payables | 1,491,769 | - | 1,491,769 |
| Accrued Interest | 138,505 | - | 138,505 |
| Payroll Taxes and Withholdings | 97,011 | - | 97,011 |
| Due to Other Governments | 703,531 | - | 703,531 |
| Unearned Revenues | 15,031,629 | - | 15,031,629 |
| Special Deposits | 79,425 | 4,589 | 84,014 |
| Long-Term Liabilities: | | | |
| Amounts Due Within One Year | 2,004,552 | - | 2,004,552 |
| Amounts Due in More Than One Year | 11,438,304 | - | 11,438,304 |
| Total Liabilities | <u>32,931,831</u> | <u>4,589</u> | <u>32,936,420</u> |
| NET ASSETS | | | |
| Invested in Capital Assets, Net of Related Debt | 104,818,474 | 22,653 | 104,841,127 |
| Restricted for: | | | |
| Debt Service | 2,479,633 | - | 2,479,633 |
| Housing/Business Loan Programs | 3,718,347 | - | 3,718,347 |
| Highway Reconstruction/Maintenance | 1,034,035 | - | 1,034,035 |
| Other | 888,540 | - | 888,540 |
| Unrestricted | 24,251,810 | 2,437,153 | 26,688,963 |
| Total Net Assets | <u>\$ 137,190,839</u> | <u>\$ 2,459,806</u> | <u>\$ 139,650,645</u> |

See accompanying Notes to the Basic Financial Statements.

**CHIPPEWA COUNTY, WISCONSIN
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2009**

| Functions/Programs | Expenses | Program Revenues | | | Net (Expense) Revenue and Changes in Net Assets | | |
|--|---------------|----------------------------|--|--|--|-----------------------------|-----------------------|
| | | Charges For Services | Operating Grants and Contributions | Capital Grants and Contributions | Governmental Activities | Business-Type Activities | Total |
| Primary Government: | | | | | | | |
| Governmental Activities: | | | | | | | |
| General Government | \$ 6,753,262 | \$ 962,288 | \$ 419,769 | \$ - | \$ (5,371,205) | \$ - | \$ (5,371,205) |
| Public Safety | 7,255,497 | 1,515,604 | 226,099 | 15,376 | (5,498,418) | - | (5,498,418) |
| Public Works | 11,389,719 | 4,803,327 | 1,621,468 | 960,976 | (4,003,948) | - | (4,003,948) |
| Health and Human Services | 15,245,246 | 3,781,786 | 9,543,292 | - | (1,920,168) | - | (1,920,168) |
| Culture, Recreation and Education | 1,069,012 | 158,936 | 118,397 | - | (791,679) | - | (791,679) |
| Conservation and Development | 2,219,859 | 518,218 | 502,753 | - | (1,198,888) | - | (1,198,888) |
| Interest and Fiscal Charges | 399,309 | - | - | - | (399,309) | - | (399,309) |
| Total Governmental Activities | 44,331,904 | 11,740,159 | 12,431,778 | 976,352 | (19,183,615) | - | (19,183,615) |
| Business-Type Activities: | | | | | | | |
| Farm Land Development | 117,913 | 259,915 | - | - | - | 142,002 | 142,002 |
| Total Primary Government | \$ 44,449,817 | \$ 12,000,074 | \$ 12,431,778 | \$ 976,352 | (19,183,615) | 142,002 | (19,041,613) |
| General Revenues: | | | | | | | |
| Taxes: | | | | | | | |
| Property Taxes, Levied for General Purposes | | | | | 14,446,596 | - | 14,446,596 |
| County Sales Taxes | | | | | 3,524,483 | - | 3,524,483 |
| Other Taxes | | | | | 443,557 | - | 443,557 |
| State and Federal Aids not Restricted to Specific Function | | | | | 3,131,883 | - | 3,131,883 |
| Interest and Investment Earnings | | | | | 716,404 | 1,245 | 717,649 |
| Miscellaneous | | | | | 57,563 | 500 | 58,063 |
| Total General Revenues and Transfers | | | | | 22,322,948 | 1,745 | 22,324,693 |
| CHANGE IN NET ASSETS | | | | | 3,139,333 | 143,747 | 3,283,080 |
| Net Assets - Beginning of Year | | | | | 134,051,506 | 2,316,059 | 136,367,565 |
| NET ASSETS - END OF YEAR | | | | | \$ 137,190,839 | \$ 2,459,806 | \$ 139,650,645 |

See accompanying Notes to the Basic Financial Statements.

**CHIPPEWA COUNTY, WISCONSIN
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2009**

| | General Fund | Human Services Fund | CDBG Grant Fund | County Sales Tax Fund | Debt Service Fund | Other Governmental Funds | Totals |
|--------------------------------------|----------------------|---------------------------|-----------------------|-----------------------------|-------------------------|--------------------------------|----------------------|
| ASSETS | | | | | | | |
| Treasurer's Cash and Investments | \$ 10,178,424 | \$ 1,122,552 | \$ 265,643 | \$ 3,331,227 | \$ 4,011,287 | \$ 1,635,708 | \$ 20,544,841 |
| Departmental Cash and Investments | 2,695 | 83,883 | - | - | - | 4,205 | 90,783 |
| Taxes Receivable | 14,611,822 | 2,286,796 | - | - | 150,253 | - | 17,048,871 |
| Accounts Receivable | 1,116,945 | 172,344 | - | 512,559 | 3,667 | 142,552 | 1,948,067 |
| Due from Other Governmental Units | - | 254,799 | - | - | - | 222,898 | 477,697 |
| Due from Fiduciary Funds | 58,218 | 4,543 | - | - | - | 10,632 | 73,393 |
| Deferred Charges | 8,967 | - | - | - | - | - | 8,967 |
| Long-Term Receivables | 1,327,036 | - | 3,453,504 | - | - | 238,477 | 5,019,017 |
| Total Assets | <u>\$ 27,304,107</u> | <u>\$ 3,924,917</u> | <u>\$ 3,719,147</u> | <u>\$ 3,843,786</u> | <u>\$ 4,165,207</u> | <u>\$ 2,254,472</u> | <u>\$ 45,211,636</u> |
| LIABILITIES AND FUND BALANCES | | | | | | | |
| Liabilities: | | | | | | | |
| Vouchers and Accounts Payable | \$ 502,625 | \$ 892,286 | \$ - | \$ - | \$ - | \$ 234,539 | \$ 1,629,450 |
| Payroll Deductions | 97,011 | - | - | - | - | - | 97,011 |
| Due Other Governmental Units | 701,556 | - | 800 | - | - | 1,175 | 703,531 |
| Deferred Revenues | 13,880,145 | 2,303,215 | 3,453,504 | - | 150,253 | 244,463 | 20,031,580 |
| Client and Patient Trust Funds | - | 79,425 | - | - | - | - | 79,425 |
| Total Liabilities | <u>15,181,337</u> | <u>3,274,926</u> | <u>3,454,304</u> | <u>-</u> | <u>150,253</u> | <u>480,177</u> | <u>22,540,997</u> |
| Fund Balances: | | | | | | | |
| Reserved | 2,170,449 | - | - | - | 2,479,633 | - | 4,650,082 |
| Unreserved: | | | | | | | |
| Designated | 3,217,606 | 649,991 | 264,843 | 3,843,786 | 1,535,321 | 1,774,295 | 11,285,842 |
| Undesignated | 6,734,715 | - | - | - | - | - | 6,734,715 |
| Total Fund Balances | <u>12,122,770</u> | <u>649,991</u> | <u>264,843</u> | <u>3,843,786</u> | <u>4,014,954</u> | <u>1,774,295</u> | <u>22,670,639</u> |
| Total Liabilities and Fund Balances | <u>\$ 27,304,107</u> | <u>\$ 3,924,917</u> | <u>\$ 3,719,147</u> | <u>\$ 3,843,786</u> | <u>\$ 4,165,207</u> | <u>\$ 2,254,472</u> | <u>\$ 45,211,636</u> |

See accompanying Notes to the Basic Financial Statements.

**CHIPPEWA COUNTY, WISCONSIN
RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES
TO NET ASSETS OF GOVERNMENTAL ACTIVITIES
DECEMBER 31, 2009**

TOTAL FUND BALANCES - GOVERNMENTAL FUNDS \$ 22,670,639

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

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

| | | |
|-------------------------------|---------------------|-------------|
| Land | \$ 2,617,911 | |
| Land Improvements | 2,765,140 | |
| Buildings | 28,535,359 | |
| Machinery/Equipment | 4,401,911 | |
| Vehicles | 649,216 | |
| Infrastructure | 120,218,331 | |
| Construction Work in Progress | 248,149 | |
| Accumulated Depreciation | <u>(58,018,473)</u> | 101,417,544 |

Some receivables are reported as deferred revenues in the fund financial statements but are recognized as revenue when earned in the government-wide statements. 5,019,018

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 | (9,020,000) | |
| Notes Payable | (779,764) | |
| Accrued Interest on Bonds | (138,505) | |
| Vacation, Compensatory and Sick Leave Liability | (1,996,801) | |
| Early Retirement Termination Benefits Liability | (300,940) | |
| Other Postemployment Benefits Payable | <u>(273,025)</u> | (12,509,035) |

The highway department internal service fund is used by County's management to account for services provided the County and other governmental units. The assets and liabilities of the highway department internal service fund are reported in governmental activities. 18,117,981

Other internal service funds are used by County management to charge the costs of various self-funded insurance programs to departments/expenditure functions. The assets and liabilities of the self-funded insurance programs are also reported in governmental activities. 2,474,692

NET ASSETS OF GOVERNMENTAL ACTIVITIES \$ 137,190,839

CHIPPEWA COUNTY, WISCONSIN
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2009

| | General Fund | Human Services Fund | CDBG Grant Fund | County Sales Tax Fund | Debt Service Fund | Other Governmental Funds | Totals |
|--|----------------------|---------------------------|-----------------------|-----------------------------|-------------------------|--------------------------------|----------------------|
| REVENUES | | | | | | | |
| Taxes | \$ 12,696,087 | \$ 2,194,066 | \$ - | \$ 3,524,483 | \$ 2,462 | \$ - | \$ 18,417,098 |
| Intergovernmental | 7,507,903 | 7,000,953 | - | - | - | 1,943,220 | 16,452,076 |
| Licenses and Permits | 306,084 | - | - | - | - | 33,117 | 339,201 |
| Fines and Forfeits | 225,050 | - | - | - | - | 71,803 | 296,853 |
| Public Charges for Services | 3,625,666 | 1,597,433 | - | - | - | 356,944 | 5,580,043 |
| Intergovernmental Charges for Services | 783,512 | - | - | - | - | - | 783,512 |
| Miscellaneous: | | | | | | | |
| Investment Income | 519,543 | 612 | 2,367 | 16,851 | 32,474 | 6,689 | 578,536 |
| Rent | 6,170 | - | - | - | - | 16,200 | 22,370 |
| Sale of Property | 2,090 | - | - | - | - | - | 2,090 |
| Other | 230,085 | 757,741 | 193,338 | - | - | 253,054 | 1,434,218 |
| Total Revenues | <u>25,902,190</u> | <u>11,550,805</u> | <u>195,705</u> | <u>3,541,334</u> | <u>34,936</u> | <u>2,681,027</u> | <u>43,905,997</u> |
| EXPENDITURES | | | | | | | |
| General Government | 6,613,735 | - | - | - | - | - | 6,613,735 |
| Public Safety | 7,276,276 | - | - | - | - | 34,827 | 7,311,103 |
| Public Works | 6,040,477 | - | - | - | - | - | 6,040,477 |
| Health and Human Services | 3,099,414 | 10,271,465 | - | - | - | 2,386,068 | 15,756,947 |
| Culture, Recreation and Education | 1,111,670 | - | - | - | - | - | 1,111,670 |
| Conservation and Development | 2,151,635 | - | 204,439 | - | - | 406,661 | 2,762,735 |
| Debt Service: | | | | | | | |
| Principal Retirement | - | - | - | - | 992,065 | - | 992,065 |
| Interest and Fiscal Charges | - | - | - | - | 413,021 | - | 413,021 |
| Total Expenditures | <u>26,293,207</u> | <u>10,271,465</u> | <u>204,439</u> | <u>-</u> | <u>1,405,086</u> | <u>2,827,556</u> | <u>41,001,753</u> |
| EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES | (391,017) | 1,279,340 | (8,734) | 3,541,334 | (1,370,150) | (146,529) | 2,904,244 |
| OTHER FINANCING SOURCES (USES) | | | | | | | |
| Transfers In | 3,266,027 | 132,685 | - | - | 1,667,369 | 96,997 | 5,163,078 |
| Transfers Out | (670,768) | (1,696,425) | - | (3,814,709) | (9,955) | (10,000) | (6,201,857) |
| Total Other Financing Sources (Uses) | <u>2,595,259</u> | <u>(1,563,740)</u> | <u>-</u> | <u>(3,814,709)</u> | <u>1,657,414</u> | <u>86,997</u> | <u>(1,038,779)</u> |
| NET CHANGE IN FUND BALANCES | 2,204,242 | (284,400) | (8,734) | (273,375) | 287,264 | (59,532) | 1,865,465 |
| Fund Balances, January 1 | 9,918,528 | 934,391 | 273,577 | 4,117,161 | 3,727,690 | 1,833,827 | 20,805,174 |
| FUND BALANCES, DECEMBER 31 | <u>\$ 12,122,770</u> | <u>\$ 649,991</u> | <u>\$ 264,843</u> | <u>\$ 3,843,786</u> | <u>\$ 4,014,954</u> | <u>\$ 1,774,295</u> | <u>\$ 22,670,639</u> |

See accompanying Notes to the Basic Financial Statements.

**CHIPPEWA COUNTY, WISCONSIN
RECONCILIATION OF STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2009**

NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS **\$ 1,865,465**

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 | \$ 6,757,979 | |
| Depreciation Expense Reported in the Statement of Activities | <u>(4,128,789)</u> | 2,629,190 |

In the statement of activities, the gain and loss on the disposal of capital assets is reported, whereas in the governmental funds, the entire proceeds from the sale increase financial resources. Thus, the change in net assets differs from the change in fund balances by the net cost of the capital assets sold, traded in, or discarded: (1,102)

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. (113,671)

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 assets. In the current year, these amounts consist of:

| | | |
|---------------------------|--|---------|
| Bond Principal Retirement | | 992,065 |
|---------------------------|--|---------|

The internal service funds are used by the County's management to charge the cost of the self-funded insurance program to functions and to account for highway department operations. The change in net assets of the internal service funds are reported in governmental activities.

| | | |
|-------------------------|------------------|-------------|
| Highway Department Fund | (1,453,009) | |
| Insurance Funds | <u>(420,965)</u> | (1,873,974) |

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

| | | |
|---|-----------------|------------------|
| Net Change in Accrued Interest Payable | 13,712 | |
| Net Change in Compensated Absences Liability | 13,722 | |
| Net Change in Early Termination Benefits Liability | (300,940) | |
| Net Change in Other Postemployment Benefits Payable | <u>(85,134)</u> | <u>(358,640)</u> |

CHANGE IN NET ASSETS OF GOVERNMENTAL ACTIVITIES **\$ 3,139,333**

**CHIPPEWA COUNTY, WISCONSIN
BALANCE SHEET
PROPRIETARY FUNDS
DECEMBER 31, 2009**

| | <u>Business-Type Activities - Farm Land Development Enterprise Fund</u> | <u>Governmental Activities - Internal Service Funds</u> |
|--|---|---|
| ASSETS | | |
| Current Assets: | | |
| Treasurer's Cash and Investments | \$ 501,480 | \$ 4,679,301 |
| Restricted Cash and Investments | - | 1,034,035 |
| Departmental Cash and Investments | - | 250 |
| Cash and Investments Held by Fiscal Agent | - | 149,583 |
| Accounts Receivable | 109,878 | 224,347 |
| Due from Other Governmental Units | - | 2,177,569 |
| Inventories | - | 2,026,498 |
| Prepaid Items | - | 30,650 |
| Total Current Assets | 611,358 | 10,322,233 |
| Noncurrent Assets: | | |
| Property Held for Resale: | | |
| Land | 90,871 | - |
| Land Improvements | 1,739,513 | - |
| Capital Assets: | | |
| Land | 22,653 | 92,696 |
| Depreciable Assets | - | 24,873,440 |
| Accumulated Depreciation | - | (12,545,206) |
| Investment in Public Entity Risk Pool | - | 750,327 |
| Total Noncurrent Assets | 1,853,037 | 13,171,257 |
| Total Assets | \$ 2,464,395 | \$ 23,493,490 |
| LIABILITIES | | |
| Current Liabilities: | | |
| Accounts Payable | \$ - | \$ 317,655 |
| Special Deposits | 4,589 | - |
| Present Value of Unpaid Losses | - | 1,491,769 |
| Deferred Revenues | - | 19,067 |
| Current Portion of Long-Term Liabilities: | | |
| Early Retirement Termination Benefits Liability | - | 31,596 |
| Estimated Employee Leave Liability | - | 239,745 |
| Total Current Liabilities | 4,589 | 2,099,832 |
| Long-Term Liabilities (Net of Current Portion): | | |
| Other Postemployment Benefits Payable | - | 72,751 |
| Early Retirement Termination Benefits Liability | - | 63,192 |
| Estimated Employee Leave Liability | - | 665,042 |
| Total Long-Term Liabilities | - | 800,985 |
| Total Liabilities | 4,589 | 2,900,817 |
| NET ASSETS | | |
| Invested in Capital Assets | 22,653 | 12,420,930 |
| Restricted | - | 1,784,362 |
| Unrestricted | 2,437,153 | 6,387,381 |
| Total Net Assets | 2,459,806 | 20,592,673 |
| Total Liabilities and Net Assets | \$ 2,464,395 | \$ 23,493,490 |

See accompanying Notes to the Basic Financial Statements.

**CHIPPEWA COUNTY, WISCONSIN
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
PROPRIETARY FUNDS
YEAR ENDED DECEMBER 31, 2009**

| | <u>Business-Type Activities - Farm Land Development Enterprise Fund</u> | <u>Governmental Activities - Internal Service Funds</u> |
|---|---|---|
| OPERATING REVENUES | \$ 260,415 | \$ 16,785,927 |
| OPERATING EXPENSES | <u>115,416</u> | <u>20,100,873</u> |
| OPERATING INCOME (LOSS) | 144,999 | (3,314,946) |
| NONOPERATING REVENUES (EXPENSES): | | |
| Interest Revenue | 1,245 | 64,292 |
| Dividend Revenue | - | 73,576 |
| Interest Expense | (2,497) | - |
| Loss on Disposal of Property | - | 21,214 |
| Insurance Recoveries | - | 2,113 |
| Revenue from Jurisdictional Transfer | - | 269,973 |
| Nonoperating Depreciation | <u>-</u> | <u>(34,660)</u> |
| Total Nonoperating Revenues (Expenses) | <u>(1,252)</u> | <u>396,508</u> |
| INCOME (LOSS) BEFORE TRANSFERS AND CONTRIBUTIONS | 143,747 | (2,918,438) |
| CONTRIBUTIONS AND INTERFUND TRANSFERS: | | |
| Contributions from County | - | 5,685 |
| Transfers from General Fund | - | 290,833 |
| Transfers from Aging Fund | - | 3,000 |
| Transfers from Sales Tax Fund | - | 682,171 |
| Transfers from Human Services Fund | - | 55,775 |
| Transfers from Land Records Fund | <u>-</u> | <u>7,000</u> |
| Total Contributions and Interfund Transfers | <u>-</u> | <u>1,044,464</u> |
| CHANGE IN NET ASSETS | 143,747 | (1,873,974) |
| Net Assets, January 1 | <u>2,316,059</u> | <u>22,466,647</u> |
| NET ASSETS, DECEMBER 31 | <u>\$ 2,459,806</u> | <u>\$ 20,592,673</u> |

See accompanying Notes to the Basic Financial Statements.

**CHIPPEWA COUNTY, WISCONSIN
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
YEAR ENDED DECEMBER 31, 2009**

| | Business-Type Activities - Farm Land Development Enterprise Fund | Governmental Activities - Internal Service Funds |
|--|--|---|
| CASH FLOWS FROM OPERATING ACTIVITIES: | | |
| Cash Received for Goods and Services: | | |
| County/Departments | \$ - | \$ 10,961,445 |
| Third Parties | - | 4,685,587 |
| Cash Received from Employees | - | 1,261,808 |
| Cash Received from the Sale of Property | 335,043 | - |
| Cash Paid to Suppliers for Goods and Services | (70,226) | (5,723,469) |
| Cash Paid for Employee Services | - | (6,098,674) |
| Cash Paid for Insurance Claims | - | (5,580,399) |
| Cash Paid for Insurance Premiums | - | (750,743) |
| Net Cash Provided (Used) by Operating Activities | <u>264,817</u> | <u>(1,244,445)</u> |
| CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES: | | |
| Transfers from Sales Tax Special Revenue Fund | - | 682,171 |
| Transfer from General Fund | - | 290,833 |
| Transfer from Human Services Fund | - | 55,775 |
| Transfer from Aging Fund | - | 3,000 |
| Transfer from Land Records Fund | - | 7,000 |
| Net Cash Provided by Noncapital Financing Activities | <u>-</u> | <u>1,038,779</u> |
| CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES: | | |
| Cash Received from Salvage of Capital Assets | - | 79,801 |
| Cash Received from Insurance Recoveries | - | 2,113 |
| Cash Payments for Acquisition of Capital Assets | - | (1,265,409) |
| Cash Payments for Principal on Advance from the General Fund | (100,000) | - |
| Cash Payments for Interest on Advance from the General Fund | (2,497) | - |
| Net Cash Used by Capital and Related Financing Activities | <u>(102,497)</u> | <u>(1,183,495)</u> |
| CASH FLOWS FROM INVESTING ACTIVITIES: | | |
| Interest on Investments | 1,245 | 138,456 |
| Redemption of Investments | - | 680,000 |
| Net Cash Provided by Investing Activities | <u>1,245</u> | <u>818,456</u> |
| NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS | 163,565 | (570,705) |
| Cash and Cash Equivalents, January 1 | <u>337,915</u> | <u>6,433,874</u> |
| CASH AND CASH EQUIVALENTS, DECEMBER 31 | <u>\$ 501,480</u> | <u>\$ 5,863,169</u> |

See accompanying Notes to the Basic Financial Statements.

**CHIPPEWA COUNTY, WISCONSIN
STATEMENT OF CASH FLOWS (CONTINUED)
PROPRIETARY FUNDS
YEAR ENDED DECEMBER 31, 2009**

| | Business-Type Activities - Farm Land Development Enterprise Fund | Governmental Activities - Internal Service Funds |
|---|--|---|
| RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES: | | |
| Operating Income (Loss) | \$ 144,999 | \$ (3,314,946) |
| Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities: | | |
| Cost Basis of Property Sold | 45,190 | - |
| Depreciation | - | 1,339,149 |
| Revenue from Jurisdictional Transfer | - | 269,973 |
| (Increase) Decrease in Assets: | | |
| Accounts Receivable | 74,628 | 44,470 |
| Due from Other Governmental Units | - | (130,114) |
| Inventory | - | 4,332 |
| Prepayments | - | (30,650) |
| Increase (Decrease) in Liabilities: | | |
| Accounts Payable | - | (61,362) |
| Accrued Liabilities | - | 568,048 |
| Deferred Revenues | - | (221,778) |
| Early Retirement Benefits | - | 94,788 |
| Other Postemployment Benefits | - | 72,751 |
| Accrued Benefits | - | 120,894 |
| | <u>\$ 264,817</u> | <u>\$ (1,244,445)</u> |
| Net Cash Provided (Used) by Operating Activities | | |
| RECONCILIATION OF CASH AND INVESTMENTS TO CASH AND CASH EQUIVALENTS: | | |
| Cash and Investments per Balance Sheet: | | |
| Treasurer's Cash and Investments | \$ 501,480 | \$ 4,679,301 |
| Restricted Cash and Investments | - | 1,034,035 |
| Departmental Cash and Investments | - | 250 |
| Cash and Investments Held by Fiscal Agents | - | 149,583 |
| Total Cash and Investments | <u>\$ 501,480</u> | <u>\$ 5,863,169</u> |

See accompanying Notes to the Basic Financial Statements.

**CHIPPEWA COUNTY, WISCONSIN
STATEMENT OF FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
DECEMBER 31, 2009**

| | Agency Funds |
|-----------------------------------|-----------------|
| ASSETS | |
| Treasurer's Cash and Investments | \$ 342,408 |
| Departmental Cash and Investments | 514,238 |
| Taxes Receivable | 770,716 |
| Total Assets | \$ 1,627,362 |
| LIABILITIES | |
| Due Other Governmental Units | \$ 1,228,025 |
| Due Other Funds | 73,393 |
| Special Deposits | 325,944 |
| Total Liabilities | \$ 1,627,362 |

See accompanying Notes to the Basic Financial Statements.

**CHIPPEWA COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2009**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Reporting Entity

Chippewa County is governed by a board of supervisors consisting of thirty-one 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 assets 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 are offset by program revenues. Direct expenses are those that are clearly identifiable to a specific function or segment. Program revenues include (a) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function or segment; and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

**CHIPPEWA COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2009**

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 assets, 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.

Human Services Fund – The Human Services Fund, a special revenue fund, is used to account for various County 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.

CDBG Grant Fund – The CDBG Grant Fund, a special revenue fund, is used by the County to account for its housing rehabilitation grants and revolving loan program.

County Sales Tax Fund – The County Sales Tax Fund, a special revenue fund, is used by the County to account for its sales tax collections and County Board approved uses of sales tax monies.

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. For report purposes, the County's individual debt service funds are combined into one fund.

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

**CHIPPEWA COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2009**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Fund Financial Statements (Continued)

The County reports the following major enterprise fund:

Farm Land Development Fund – The County uses the Farm Land Development Fund to account for transactions relating to the development of its farm property. During 1995 the County discontinued operations of its county farm and subsequently disposed of all of the non-land farm capital assets. Proceeds from the disposition of the assets and the remaining fund equity of the farm enterprise fund were used to establish the farm land development fund.

The County had no other enterprise funds, but does include the following internal service funds:

- Internal service funds are used to account for the operations of the County's highway department and transactions of its various self-funded insurance programs.

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. Non-exchange 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.

**CHIPPEWA COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2009**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Measurement Focus and Basis of Accounting (Continued)

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.

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.

Proprietary and fiduciary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as described previously in this note. Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The County has elected not to follow subsequent private-sector guidance.

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

**CHIPPEWA COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2009**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Measurement Focus and Basis of Accounting (Continued)

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

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

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

D. Assets, Liabilities, and Net Assets or Equity

1. Deposits and Investments

The County's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with an 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:

1. Time deposits in any credit union, bank, savings bank or trust company maturing in three years or less.
2. Bonds or securities issued or guaranteed by the federal government.
3. 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.
4. Any security maturing in seven years or less and having the highest or second highest rating category of a nationally recognized rating agency.
5. Securities of an open-end management investment company or investment trust, subject to various conditions and investment options.
6. Bonds or securities issued under the authority of the municipality.
7. The local government investment pool.
8. Repurchase agreements with public depositories, with certain conditions.

**CHIPPEWA COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2009**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

1. Deposits and Investments (Continued)

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

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 balance sheet. 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 County Treasurer for collection in February. The County subsequently settles in full with the local districts in August of the same year. All uncollected taxes returned to the County for collection are financed through the general fund. A portion of the general fund's balance is reserved for the County's investment in delinquent taxes.

Accounts Receivable. Accounts receivable are shown at gross amounts. No allowance for uncollectible accounts has been provided since such allowance would not be material.

**CHIPPEWA COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2009**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

2. Receivables and Payables (Continued)

Loans Receivable. The County has received federal and state grant funds for financing economic development and housing rehabilitation loans to various businesses and individuals. The County records a loan receivable when the loan has been made and funds have been disbursed. The amounts recorded as loans receivable have not been reduced by an allowance for uncollectible accounts. In the fund financial statements it is the County's policy to record deferred revenue for the net amount of the receivable balance. As loans are repaid, revenue is recognized. When new loans are made from the repayments, expenditures are recorded. Interest received from loan repayments is recognized as revenue when received. Any unspent loan repayments at year end are presented as designated fund balance in the fund financial statements.

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 a fund balance reserve account 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

All inventories are valued at cost using the average cost method for the highway department. Inventories of governmental funds, 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.

**CHIPPEWA COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2009**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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. 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. Capital assets, including infrastructure, acquired by the County prior to January 1, 1980, were recorded on the County's financial records at historical costs, or estimated historical costs, on that date.

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

| | Capitalization Threshold | Depreciation Method | Estimated Useful Life |
|----------------------------|-----------------------------|------------------------|--------------------------|
| Land | \$ 5,000 | N/A | N/A |
| Land Improvements | 5,000 | Straight-Line | 15-40 Years |
| Buildings and Improvements | 5,000 | Straight-Line | 10-40 Years |
| Machinery and Equipment | 5,000 | Straight-Line | 4-20 Years |
| Infrastructure | 5,000 | Straight-Line | 25-50 Years |

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

6. 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.

**CHIPPEWA COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2009**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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.A.

8. Other Postemployment Benefits Payable

Under the various employee and union contracts the County allows retired employees to enroll in the County's health insurance plan. The retired employees pay 100% of the premiums. The payable was actuarially determined. GASB 45 was implemented prospectively, meaning that the net OPEB obligation was zero at transition.

9. 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 assets. 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.

10. Equity Classifications

Fund equity, representing the difference between assets and liabilities, is classified as follows in the County's financial statements:

Government-wide Statements. Fund equity is classified as net assets in the government-wide financial statements and is displayed in three components. Net assets invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement for those assets. Net assets are reported as restricted when there are limitations imposed on their use through external restrictions imposed by creditors, grantors or laws or regulations of other governments. All other net assets are displayed as unrestricted.

**CHIPPEWA COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2009**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

10. Equity Classifications (Continued)

Fund Financial Statements. Fund equity of governmental funds is classified as fund balance. Reservations of fund balances represent amounts that are not subject to appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change. The balance of the unreserved fund balance not designated for specific purposes is displayed as undesignated. Fund equity in proprietary funds and fiduciary funds is classified in the same manner as in the government-wide statements.

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 governmental fund balances and changes thereto to the net assets and revenues/expenses shown in the government-wide financial statements are presented in page 19 and page 21, respectively.

NOTE 3 DETAILED NOTES ON ALL FUNDS

A. Deposits and Investments

The County's cash and investments balances at December 31, 2009 totaled \$28,607,246 as shown in the financial statements as follows:

| | |
|--------------------|----------------------|
| Governmental Funds | \$ 20,635,624 |
| Proprietary Funds | 7,114,976 |
| Fiduciary Funds | 856,646 |
| | <u>\$ 28,607,246</u> |

**CHIPPEWA COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2009**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

A. Deposits and Investments (Continued)

The above cash and investments balances totaling \$28,607,246 consisted of the following:

| | | |
|--|------------------|-----------------------------|
| Treasurer's Cash and Investments: | | |
| Deposits at Financial Institutions | \$ 2,452,587 | |
| Deposits in State Local Government | | |
| Pooled-Investment Fund | 19,338,499 | |
| Investments in Federal Agency Securities | <u>5,068,766</u> | \$ 26,859,852 |
| Departmental Cash and Investments: | | |
| Deposits at Financial Institutions | 578,496 | |
| Petty Cash Funds | <u>3,345</u> | 581,841 |
| Cash and Investments Held by Fiscal Agents: | | |
| Funds Held by WMMIC | 899,910 | |
| Funds Held by Chippewa County Housing Authority | <u>265,643</u> | <u>1,165,553</u> |
| Total Cash and Investments at December 31, 2009 | | <u><u>\$ 28,607,246</u></u> |

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 unlimited coverage for all non-interest bearing transaction accounts (including all demand accounts earning less than 0.5% interest as long as the depository institution has not opted out of the FDIC's Temporary Liquidity Guarantee Program). In addition, funds held for others (such as trust funds) are subject to coverage under the name of the party for whom the funds are held. Coverage under the State Guarantee Fund may not exceed \$400,000 above the amount of coverage under federal depository insurance at any institution and is limited by the availability of the appropriations authorized therein. (Due to the relatively small size of the State Guarantee Fund in relation to the total coverage, total recovery of losses may not be available.) Also, Section 34.07 of the Wisconsin Statutes authorizes the County to collateralize its deposits that exceed the amount of coverage provided under federal depository insurance and the State Guarantee Fund.

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, 2009, the County's deposits were exposed to custodial credit risk by the uninsured and uncollateralized amount of \$1,794.

**CHIPPEWA COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2009**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

A. Deposits and Investments (Continued)

Investments

The County's investments at December 31, 2009 consisted of deposits in the State of Wisconsin Local Government Investment Pool (an external investment pool) and U.S. government agencies and instrumentalities obligations.

Deposits in State Local Government Pooled-Investment Fund. The State of Wisconsin offers a Local Government Investment Pool (LGIP) to local government units to enable them to voluntarily invest idle funds in State Investment Fund. Local funds are pooled with state funds and invested by the State Investment Board. There is no minimum or maximum amount that can be invested by a local governmental unit. Interest is earned on a daily basis and withdrawals are generally available on the day of request. Deposits in the LGIP are not covered by federal depository insurance but are subject to coverage under the State Guarantee Fund. Also, the State of Wisconsin Investment Board has obtained a surety bond to protect deposits in the LGIP against defaults in principal payments on the LGIP's investments (subject to certain limitations). The average monthly weighted average maturity of the State Investment Fund's investments for 2009 was 68 days.

U.S. Government Agencies and Instrumentalities Obligations. The County's investments in these obligations at December 31, 2009 are summarized as follows:

| Description | Totals | Investment Maturities | | | |
|-----------------------------|---------------------|-----------------------|--------------------|--------------------|------------------------|
| | | 12 Months or Less | 13 to 24 Months | 25 to 60 Months | More than 60 Months |
| Loan/Mortgage Pools (SBA) | \$ 15,270 | \$ - | \$ - | \$ - | \$ 15,270 |
| Loan/Mortgage Pools (GNMA) | 333,208 | - | - | - | 333,208 |
| Loan/Mortgage Pools (FNMA) | 2,164,249 | - | - | - | 2,164,249 |
| Loan/Mortgage Pools (FHLMC) | 2,259,683 | - | - | - | 2,259,683 |
| Other | 296,356 | 296,356 | - | - | - |
| | <u>\$ 5,068,766</u> | <u>\$ 296,356</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 4,772,410</u> |

Generally, the above obligations are subject to call prior to the stated maturity date. It is the County's general policy to hold the obligations until maturity or call. Obligations of the SBA and GNMA are directly guaranteed by the federal government. The other listed obligations are guaranteed by the issuing agency/instrumentality.

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.

**CHIPPEWA COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2009**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

A. Deposits and Investments (Continued)

Investments (Continued)

U.S. Government Agencies and Instrumentalities Obligations. (Continued) 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 maturities of the investments in the LGIP and mortgage and loan pools mitigate this risk to the County.

B. Receivables

Economic Development Loans. During 1994 the County Board of Supervisors adopted a resolution establishing an economic development revolving loan fund. The County set aside \$500,000 for the purpose of financing loans for economic development. At December 31, 2009 the County had outstanding five installment loans totaling \$238,477. These loans are subject to repayment to the County under terms established by the various loan agreements. Receivables have been recorded in a special revenue fund in the amount of the outstanding balances on these loans and were offset by deferred revenues recorded in that fund. Revenue is recognized as collections are received on these loans.

CDBG Housing Rehabilitation Loans. The County has also received federal grants through the Wisconsin Department of Development for the purpose of financing housing rehabilitation loans. Repayments received by the County on these loans are recorded in a separate special revenue fund and are to be used to finance similar housing rehabilitation loans. The following is a description of the loans outstanding under the program at December 31, 2009:

Installment Loans. At December 31, 2009, the County had outstanding one renter-occupied installment loans under the CDBG program totaling \$1,927. These loans are being repaid to the County under terms established through the program. Receivables have been recorded in the special revenue fund in the amount of the outstanding balances on these loans and were equally offset by deferred revenues recorded therein. Revenue is recognized in the special revenue fund as collections are received on these loans.

Deferred Loans. The County also had three hundred forty-eight (348) deferred mortgage loans outstanding at December 31, 2009 totaling \$3,451,577. These notes become due and payable in full only "in the event that the maker:

- a. No longer continues to occupy the premises securing this note as a full-time residence, or
- b. Transfers any legal or equitable interest in the mortgage premises to anyone for any reason."

**CHIPPEWA COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2009**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

B. Receivables (Continued)

Deferred Loans. (Continued) These loans are being repaid to the County under terms established through the programs. Receivables have been recorded in the special revenue fund in the amount of the outstanding balances on these loans and were equally offset by deferred revenues recorded therein. Revenue is recognized in the special revenue fund as collections are received on these loans.

C. Capital Assets

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

Governmental Activities

| | Beginning Balance | Additions | Transfers | Deletions | Ending Balance |
|---|----------------------|--------------|-----------|-----------|-------------------|
| General County Assets: | | | | | |
| Capital Assets Not Being Depreciated: | | | | | |
| Land | \$ 2,108,691 | \$ 509,220 | \$ - | \$ - | \$ 2,617,911 |
| Highway Right-of-Ways | 828,296 | - | - | - | 828,296 |
| Construction Work in Progress | 160,902 | 222,509 | (135,262) | - | 248,149 |
| Total Capital Assets Not Being Depreciated | 3,097,889 | 731,729 | (135,262) | - | 3,694,356 |
| Capital Assets Being Depreciated: | | | | | |
| Land Improvements | 2,593,959 | 171,181 | - | - | 2,765,140 |
| Buildings and Improvements | 28,518,009 | 17,350 | - | - | 28,535,359 |
| Machinery and Equipment | 3,311,471 | 1,095,527 | - | 5,087 | 4,401,911 |
| Vehicles | 649,216 | - | - | - | 649,216 |
| Highway Infrastructure: | | | | | |
| Roadways | 95,986,728 | 3,133,431 | 135,262 | - | 99,255,421 |
| Bridges | 18,443,553 | 1,608,761 | - | 38,800 | 20,013,514 |
| Structures | 121,100 | - | - | - | 121,100 |
| Total Capital Assets Being Depreciated | 149,624,036 | 6,026,250 | 135,262 | 43,887 | 155,741,661 |
| Total Capital Assets | 152,721,925 | 6,757,979 | - | 43,887 | 159,436,017 |
| Accumulated Depreciation: | | | | | |
| Land Improvements | 1,384,956 | 186,103 | - | - | 1,571,059 |
| Buildings and Improvements | 9,282,144 | 581,091 | - | - | 9,863,235 |
| Equipment and Vehicles | 3,334,769 | 259,194 | - | 3,985 | 3,589,978 |
| Highway Infrastructure | 39,930,600 | 3,102,401 | - | 38,800 | 42,994,201 |
| Total Accumulated Depreciation | 53,932,469 | 4,128,789 | - | 42,785 | 58,018,473 |
| Net Capital Assets - | | | | | |
| General County | \$ 98,789,456 | \$ 2,629,190 | \$ - | \$ 1,102 | \$ 101,417,544 |

**CHIPPEWA COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2009**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

C. Capital Assets (Continued)

Governmental Activities (Continued)

| | Beginning Balance | Additions | Transfers | Deletions | Ending Balance |
|--|-----------------------|---------------------|--------------|-------------------|-----------------------|
| Highway Department: | | | | | |
| Capital Assets Not Being Depreciated: | | | | | |
| Land | \$ 92,696 | \$ - | \$ - | \$ - | \$ 92,696 |
| Capital Assets Being Depreciated: | | | | | |
| Land Improvements | 437,622 | - | - | - | 437,622 |
| Gravel Pits and Quarries* | 1,897 | - | - | - | 1,897 |
| Buildings and Improvements | 7,522,200 | - | - | - | 7,522,200 |
| Vehicles Non Highway Fleet | 1,265,536 | 300,933 | - | 209,361 | 1,357,108 |
| Machinery and Equipment | 15,060,107 | 1,026,950 | - | 532,444 | 15,554,613 |
| Total Capital Assets Being Depreciated | <u>24,287,362</u> | <u>1,327,883</u> | <u>-</u> | <u>741,805</u> | <u>24,873,440</u> |
| Total Capital Assets | 24,380,058 | 1,327,883 | - | 741,805 | 24,966,136 |
| Accumulated Depreciation: | | | | | |
| Land Improvements | 140,063 | 17,833 | - | - | 157,896 |
| Buildings and Improvements | 2,694,379 | 292,557 | - | - | 2,986,936 |
| Vehicles Non Highway Fleet | 754,624 | 201,718 | - | 201,088 | 755,254 |
| Machinery and Equipment | 8,208,760 | 860,995 | - | 424,635 | 8,645,120 |
| Total Accumulated Depreciation | <u>11,797,826</u> | <u>1,373,103</u> | <u>-</u> | <u>625,723</u> | <u>12,545,206</u> |
| Net Capital Assets - Highway Department | <u>\$ 12,582,232</u> | <u>\$ (45,220)</u> | <u>\$ -</u> | <u>\$ 116,082</u> | <u>\$ 12,420,930</u> |
| Capital Assets Not Being Depreciated | \$ 3,190,585 | \$ 731,729 | \$ (135,262) | \$ - | \$ 3,787,052 |
| Capital Assets Being Depreciated | 173,911,398 | 7,354,133 | 135,262 | 785,692 | 180,615,101 |
| Total Capital Assets | <u>177,101,983</u> | <u>8,085,862</u> | <u>-</u> | <u>785,692</u> | <u>184,402,153</u> |
| Accumulated Depreciation | <u>65,730,295</u> | <u>5,501,892</u> | <u>-</u> | <u>668,508</u> | <u>70,563,679</u> |
| Net Capital Assets - Governmental Activities | <u>\$ 111,371,688</u> | <u>\$ 2,583,970</u> | <u>\$ -</u> | <u>\$ 117,184</u> | <u>\$ 113,838,474</u> |

*Highway department gravel pits and quarries are subject to depletion.

**CHIPPEWA COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2009**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

C. Capital Assets (Continued)

Governmental Activities (Continued)

Depreciation was charged to governmental functions as follows:

| | |
|-----------------------------------|---------------------|
| General County: | |
| General Government | \$ 471,252 |
| Public Safety | 319,107 |
| Public Works | 3,102,401 |
| Health and Human Services | 73,462 |
| Culture, Recreation and Education | 156,034 |
| Conservation and Development | 6,533 |
| | <u>4,128,789</u> |
| Highway Department: | |
| Transportation | 1,373,103 |
| | <u>\$ 5,501,892</u> |

Business-Type Activities

| | Beginning Balance | Increases | Decreases | Ending Balance |
|---------------------------------------|----------------------|-----------|-----------|-------------------|
| Farm Land Development Fund: | | | | |
| Capital Assets Not Being Depreciated: | | | | |
| Land | \$ 22,653 | \$ - | \$ - | \$ 22,653 |
| | <u>22,653</u> | <u>-</u> | <u>-</u> | <u>22,653</u> |

**CHIPPEWA COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2009**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

D. Interfund Receivables, Payables and Transfers

The composition of interfund balances as of December 31, 2009 was as follows:

Interfund Transfers

| <u>Fund Transferred To</u> | <u>Fund Transferred From</u> | <u>Amount</u> |
|----------------------------|------------------------------|---------------------|
| General Fund | County Sales Tax Fund | \$ 1,615,422 |
| General Fund | Human Services Fund | 1,640,650 |
| General Fund | Debt Service Fund | 9,955 |
| Debt Service Fund | County Sales Tax Fund | 1,517,116 |
| Debt Service Fund | General Fund | 150,253 |
| Highway Department Fund | Land Management Fund | 7,000 |
| Highway Department Fund | County Sales Tax Fund | 682,171 |
| Highway Department Fund | General Fund | 169,000 |
| Highway Department Fund | Human Services Fund | 55,775 |
| Highway Department Fund | ADRC Fund | 3,000 |
| Health Insurance Fund | General Fund | 105,758 |
| Flexible Benefits Fund | General Fund | 16,075 |
| Nutrition and Aging Fund | General Fund | 96,997 |
| Human Services Fund | General Fund | 132,685 |
| | | <u>\$ 6,201,857</u> |

The transfers from the County sales tax fund consisted of the amount of county sales tax collections applied to the 2009 budget. The transfer from the Human Services fund to the General Fund was per the County's fund balance policy. The remaining items were budgeted transfers for construction and working capital.

**CHIPPEWA COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2009**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

E. Long-Term Obligations

Changes in Long-Term Obligations

Changes in long-term obligations of the County for the year ended December 31, 2009 were as follows:

| | Balances 1/1/09 | Additions | Reductions | Balances 12/31/09 | Amounts Due Within One Year |
|---|----------------------|-------------------|-------------------|----------------------|-----------------------------------|
| Long-Term Debt: | | | | | |
| Governmental Activities: | | | | | |
| General Obligation Bonds | \$ 9,900,000 | \$ - | \$ 880,000 | \$ 9,020,000 | \$ 910,000 |
| General Obligation Notes | 891,829 | - | 112,065 | 779,764 | 117,227 |
| Total Long-Term Debt | <u>\$ 10,791,829</u> | <u>\$ -</u> | <u>\$ 992,065</u> | <u>\$ 9,799,764</u> | <u>\$ 1,027,227</u> |
| Other Long-Term Obligations (Governmental Activities): | | | | | |
| Governmental Funds: | | | | | |
| Employee Leave Liability | \$ 2,010,523 | \$ - | \$ 13,722 | \$ 1,996,801 | \$ 611,654 |
| Early Retirement Termination Benefits Liability | - | 300,940 | - | 300,940 | 94,330 |
| Other Postemployment Benefits Payable | 187,891 | 152,960 | 67,826 | 273,025 | - |
| Highway Internal Service Fund: | | | | | |
| Employee Leave Liability | 783,893 | 120,894 | - | 904,787 | 239,745 |
| Early Retirement Termination Benefits Liability | - | 94,788 | - | 94,788 | 31,596 |
| Other Postemployment Benefits Payable | - | 76,654 | 3,903 | 72,751 | - |
| Total Other Long-Term Obligations | <u>\$ 2,982,307</u> | <u>\$ 746,236</u> | <u>\$ 85,451</u> | <u>\$ 3,643,092</u> | <u>\$ 977,325</u> |

The County's estimated liability for employee leave and other post employment benefits are discussed in Note 4.A. and Note 4.C., respectively.

**CHIPPEWA COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2009**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

E. Long-Term Obligations (Continued)

General Obligation Debt

Annual Requirements for Retirement. Long-term debt issues outstanding at December 31, 2009 and annual requirements for their retirement were as follows:

| | Year | Principal | Interest | Total |
|--|-----------|---------------------|---------------------|----------------------|
| General Obligation Bonds: | | | | |
| General Obligation Refunding Bonds, \$9,900,000, issued 9/15/02, due 2/1/19, interest at 3.50%-4.40% | 2010 | \$ 910,000 | \$ 343,508 | \$ 1,253,508 |
| | 2011 | 945,000 | 310,809 | 1,255,809 |
| | 2012 | 980,000 | 275,415 | 1,255,415 |
| | 2013 | 1,020,000 | 237,160 | 1,257,160 |
| | 2014 | 1,060,000 | 196,325 | 1,256,325 |
| | 2015-2019 | 4,105,000 | 458,868 | 4,563,868 |
| | | <u>9,020,000</u> | <u>1,822,085</u> | <u>10,842,085</u> |
| General Obligation Notes: | | | | |
| Promissory Notes, \$1,200,000, issued 11/8/05, due 11/10/15, interest at 4.25% | 2010 | 117,227 | 33,026 | 150,253 |
| | 2011 | 122,209 | 28,044 | 150,253 |
| | 2012 | 127,341 | 22,912 | 150,253 |
| | 2013 | 132,815 | 17,438 | 150,253 |
| | 2014 | 138,460 | 11,793 | 150,253 |
| | 2015 | 141,712 | 6,023 | 147,735 |
| | | <u>779,764</u> | <u>119,236</u> | <u>899,000</u> |
| Total General Obligation Debt | | <u>\$ 9,799,764</u> | <u>\$ 1,941,321</u> | <u>\$ 11,741,085</u> |

The above annual debt service requirements are summarized as follows:

| Year | Principal | Interest | Total |
|-----------|---------------------|---------------------|----------------------|
| 2010 | \$ 1,027,227 | \$ 376,534 | \$ 1,403,761 |
| 2011 | 1,067,209 | 338,853 | 1,406,062 |
| 2012 | 1,107,341 | 298,327 | 1,405,668 |
| 2013 | 1,152,815 | 254,598 | 1,407,413 |
| 2014 | 1,198,460 | 208,118 | 1,406,578 |
| 2015-2019 | 4,246,712 | 464,891 | 4,711,603 |
| | <u>\$ 9,799,764</u> | <u>\$ 1,941,321</u> | <u>\$ 11,741,085</u> |

General Obligation Debt Limitation. Section 67.03 of the Wisconsin Statutes restricts county general obligation debt to 5% of the equalized value of all property in the County. At December 31, 2009, the County's debt limit amounted to \$227,073,565 and indebtedness subject to the limitation totaled \$9,799,764.

**CHIPPEWA COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2009**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

E. Long-Term Obligations (Continued)

County Forest Loans

Under Section 28.11(8) of the Wisconsin Statutes, counties which have established and maintained a county forest are eligible to receive annual payments from the state as a non-interest bearing loan to be used for the purchase, development, preservation and maintenance of the county forest lands. On timber cut from lands entered as "county forest lands", the county shall pay a severance share of not less than 20% of the actual stumpage sales value of timber. A higher rate of payment may be applied if agreed upon by the state and county. These severance share payments shall be credited against the cumulative payments made by the state to the county. Severance share payments shall not exceed the balance due the state. The county shall also reimburse the state the amount previously paid to the county on any county forest land withdrawn from the program; except that the state may waive all or part of such reimbursement if it finds that the lands are withdrawn for a higher public use or that the amount of such reimbursement is unreasonable when compared to the value of the land.

The County had no outstanding balance under this program at December 31, 2009.

F. Governmental Fund Balances

The governmental fund balances reported on the fund financial statements at December 31, 2009 consisted of the following:

| | Total | Reserved | Designated | Undesignated |
|---|----------------------|---------------------|----------------------|---------------------|
| Major Funds: | | | | |
| General Fund | \$ 12,122,770 | \$ - | \$ - | \$ - |
| Reserved for Delinquent Taxes | - | 2,161,482 | - | - |
| Reserved for Inventories/Prepayments | - | 8,967 | - | - |
| Designated (Supplementary Schedule B-2) | - | - | 3,217,606 | - |
| Undesignated | - | - | - | 6,734,715 |
| Human Services Fund | 649,991 | - | - | - |
| Designated for Fund Purposes | - | - | 649,991 | - |
| CDBG Grant Fund | 264,843 | - | 264,843 | - |
| County Sales Tax Fund | 3,843,786 | - | 3,843,786 | - |
| Debt Service Fund | 4,014,954 | 2,479,633 | 1,535,321 | - |
| Nonmajor Funds: | | | | |
| Special Revenue Funds: | | | | |
| Public Health Fund | 56,191 | - | 56,191 | - |
| Nutrition and Aging Fund | 363,931 | - | 363,931 | - |
| Shelter Care Fund | 21,398 | - | 21,398 | - |
| State Aid Forestry Fund | 36,567 | - | 36,567 | - |
| Dog License Fund | 1,000 | - | 1,000 | - |
| Aging and Disability Resource Center Fund | 88,700 | - | 88,700 | - |
| Land Management Fund | 270,688 | - | 270,688 | - |
| Jail Assessments Fees Fund | 100,646 | - | 100,646 | - |
| Land Conservation Stewardship Fund | 305,402 | - | 305,402 | - |
| Forest and Parks Quality of Life Fund | 178,690 | - | 178,690 | - |
| County Economic Development Loan Fund | 351,082 | - | 351,082 | - |
| Total Governmental Funds Balances at December 31, 2009 | \$ 22,670,639 | \$ 4,650,082 | \$ 11,285,842 | \$ 6,734,715 |

**CHIPPEWA COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2009**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

G. Internal Service Funds Net Assets

The net assets of the County's internal service funds at December 31, 2009 consisted of the following:

| Fund | Net Assets at Year End | | | | Change During Year |
|------------------------------|------------------------|-------------------------------|---------------------|---------------------|-----------------------|
| | Total | Invested in Capital Assets | Restricted | Unrestricted | |
| Highway Department Fund | \$ 18,117,981 | \$ 12,420,930 | \$ 1,034,035 | \$ 4,663,016 | \$ (1,453,009) |
| Self-funded Insurance Funds: | | | | | |
| Workers Compensation | 14,597 | - | - | 14,597 | (485,403) |
| Health Insurance | 1,635,189 | - | - | 1,635,189 | 229,829 |
| Liability Insurance | 776,382 | - | 750,327 | 26,055 | (180,577) |
| Flexible Benefits Fund | 48,524 | - | - | 48,524 | 15,186 |
| Totals | <u>\$ 20,592,673</u> | <u>\$ 12,420,930</u> | <u>\$ 1,784,362</u> | <u>\$ 6,387,381</u> | <u>\$ (1,873,974)</u> |

NOTE 4 OTHER INFORMATION

A. Employee Vacation, Sick Leave and Compensatory Time

Employees earn vacation in varying amounts depending upon length of service and/or bargaining unit. All employees can accrue up to 200 hours of vacation which is paid out upon separation of service. The estimated value of unrecorded vacation leave at December 31, 2009 was \$545,183 in the governmental funds and \$227,330 in the highway department internal service fund.

Employees earn sick leave at varying rates depending upon bargaining unit. Accumulated sick leave is paid at varying rates upon termination or retirement based upon employee length of service and/or bargaining unit. At December 31, 2009, vested sick leave earned and not taken was approximately \$1,385,147 in the governmental funds and \$665,042 in the highway department internal service fund determined on the basis of current wage and salary rates.

Employees can earn compensatory time for hours worked in excess of the normal work week. Compensatory time is paid at a regular rate of pay when used. The estimated value of compensatory time was at December 31, 2009 was \$66,471 in the governmental funds and \$12,415 in the highway department internal service fund.

**CHIPPEWA COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2009**

NOTE 4 OTHER INFORMATION (CONTINUED)

B. Employee Retirement Plan

All eligible Chippewa County employees participate in the Wisconsin Retirement System (WRS), a cost-sharing multiple-employer public employee retirement system (PERS). 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 5.9% of their salary (3.0% for executives and elected officials, 5.0% for protective occupations with social security, and 3.2% for protective occupations without social security) to the plan. Employers may make these contributions to the plan on behalf of the employees. Employers are required to contribute an actuarially determined amount necessary to fund the remaining projected cost of future benefits.

The payroll for County employees covered by the WRS for the year ended December 31, 2009 was \$17,606,562 the employer's total payroll was \$17,969,895. The total required contribution for the year ended December 31, 2009 was \$2,027,724, which consisted of \$1,024,169, or 5.1% of payroll from the employer and \$1,003,555, or 4.9% of payroll from employees. Total contributions for the years ending December 31, 2008 and 2007 were \$2,006,344 and \$2,002,509, respectively, equal to the required contributions for each year.

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

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

**CHIPPEWA COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2009**

NOTE 4 OTHER INFORMATION (CONTINUED)

C. Other Postemployment Benefit Plan

At December 31, 2008, the County adopted Governmental Accounting Standards Board (GASB) Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other than Pensions (OPEB)*. The County engaged an actuary to determine the County's liability for postemployment healthcare benefits other than pensions as of January 1, 2008.

Plan Description

All employees who retire through the Wisconsin Retirement System are eligible to participate in the retiree single employer medical plan if they pay 100% of the retiree premium. As of January 1, 2008 there were approximately 350 active participants and 20 retired participants receiving benefits from the County's health plans. A stand-alone financial report is not issued for this County Board authorized OPEB plan.

Funding Policy

The County funds its OPEB obligation on a pay as you go basis. For fiscal year 2009, the County contributed an estimated \$71,729 to the plan.

The County's annual other postemployment benefit (OPEB) cost (expense) is calculated based on the annual required contribution (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities over a period not to exceed thirty years. The following table shows the components of the County's annual OPEB cost for the year, the amount actually paid from the plan, and changes in the County's net OPEB obligation.

| | |
|--|--------------------------|
| Annual Required Contribution | \$ 229,614 |
| Interest on Net OPEB Obligation | 9,395 |
| Adjustment to Annual Required Contribution | <u>(9,395)</u> |
| Annual OPEB Cost (Expense) | 229,614 |
| Contributions Made | <u>(71,729)</u> |
| Increase in Net OPEB Obligation | 157,885 |
| Net OPEB Obligation- Beginning of Year | <u>187,891</u> |
| Net OPEB Obligation- End of Year | <u><u>\$ 345,776</u></u> |

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

| Fiscal Year Ended | Annual OPEB Cost | Percentage of Annual OPEB Cost Contributed | Net OPEB Obligation |
|-------------------------|------------------------|---|---------------------------|
| 12/31/2009 | \$ 229,614 | 31.2% | \$ 345,776 |
| 12/31/2008 | 235,873 | 20.3% | 187,891 |

**CHIPPEWA COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2009**

NOTE 4 OTHER INFORMATION (CONTINUED)

C. Other Postemployment Benefit Plan (Continued)

Funded Status and Funding Progress

As of January 1, 2008, the most recent actuarial valuation date, the County's unfunded actuarial accrued liability (UAAL) was \$2,040,002 and there were no plan assets. Annual covered payroll for fiscal year 2009 was \$17,363,702 which was 11.8% of UAAL.

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and healthcare cost trends. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Actuarial Methods and Assumptions

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

In the January 1, 2008 actuarial valuation, the projected unit credit actuarial cost method was used. The actuarial assumptions included a 5% interest discount rate of return (net of administrative expenses). The initial healthcare trend rate was 10%, reduced by decrements to an ultimate rate of 6.0% by the year 2016. The UAAL is being amortized as a level percentage of projected payrolls on an open basis. The remaining amortization period at December 31, 2009 was 28 years.

**CHIPPEWA COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2009**

NOTE 4 OTHER INFORMATION (CONTINUED)

D. Early Retirement Incentive Program

The County offered an early retirement incentive program in 2009 to employees who were at least 58 years of age and had attained at least ten years of service. The program offered health insurance coverage in the County's health insurance program for up to three years in exchange for the employee's voluntary agreement to retire from County employment by December 31, 2009. The premiums to be paid by the county are fixed at the rates that were in effect in 2009 and any future increases will be the responsibility of the retired employees. Fourteen employees accepted the voluntary retirement resulting in a liability of approximately \$319,806 in the governmental funds and \$94,788 in the highway department internal service fund.

E. 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 Fund. The County has established a self-funded health insurance program. This program is funded through "premiums" charged monthly to the various County departments based on actual participation by employees. The plan is administered on a contract basis for a monthly fee based on the number of participating employees. Claims are paid by the administrator and are reimbursed by the County on a monthly basis. Reinsurance for both specific and annual aggregate stop-loss coverage is provided. Specific stop-loss covers individual claims in excess of \$100,000. The attachment point for annual aggregate stop-loss coverage for the current coverage period of October 1, 2009 to September 30, 2010 has been set at \$6,527,849. The fund had a net assets balance at December 31, 2009 of \$1,635,189.

Changes in the claims liability for 2009 and 2008 were as follows:

| | 2009 | 2008 |
|--|-------------|-------------|
| Estimated Claims Outstanding January 1 | \$ 273,000 | \$ 273,000 |
| Current Year Claims and Changes in Estimates | 4,569,416 | 4,655,401 |
| Claim Payments | (4,628,416) | (4,655,401) |
| Estimated Claims Outstanding December 31 | \$ 214,000 | \$ 273,000 |

**CHIPPEWA COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2009**

NOTE 4 OTHER INFORMATION (CONTINUED)

E. Risk Management (Continued)

Worker's Compensation Fund. The County is self-insured for workers compensation coverage. This program is funded through "premiums" charged to all County departments based on two percent (2%) of payroll. Claims are paid directly by the County. Stop-loss insurance is carried and covers individual claims in excess of \$400,000 for each accident and each employee for disease to a maximum statutory limit. In addition to in-house legal and administrative staff, the County retains outside legal and medical expertise for assistance in settling claims. The net assets balance of the fund at December 31, 2009 was \$14,597.

Changes in claims liability for 2009 and 2008 were as follows:

| | 2009 | 2008 |
|--|------------|------------|
| Estimated Claims Outstanding January 1 | \$ 401,083 | \$ 478,641 |
| Current Year Claims and Changes in Estimates | 785,810 | 485,753 |
| Claim Payments | (295,664) | (563,311) |
| Estimated Claims Outstanding December 31 | \$ 891,229 | \$ 401,083 |

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, 2009, WMMIC was owned by fourteen municipalities. 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 \$750,327 which is reflected in the internal service fund's statement of net assets. 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, 2009 and 2008 was \$1,113,454 and \$1,134,752, respectively, and represented 3.31% and 3.38%, respectively, of the total member equity at those dates.

**CHIPPEWA COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2009**

NOTE 4 OTHER INFORMATION (CONTINUED)

E. Risk Management (Continued)

Liability Insurance Fund (Continued). Liability insurance provided the members through WMMIC is 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 \$5,000,000 per occurrence. WMMIC retains the first \$1,000,000 of the excess over the self-insurance retention. The members incur all losses greater than \$5,000,000 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 3.47% for 2009. 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 \$100,000 per occurrence with an annual aggregate self-insured retention (SIR) for all losses of \$300,000 for the 2009 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 \$150,000 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 net assets balance of \$776,382 and \$956,959 at December 31, 2009 and 2008, respectively, and consisted of the following components:

| | 2009 | 2008 |
|-------------------------------------|------------|------------|
| Accounts Receivable | \$ 73,576 | \$ 74,164 |
| Investment in WMMIC | 750,327 | 750,327 |
| Cash and Investments Held by County | 189,436 | 249,807 |
| Deposits with WMMIC | 149,583 | 139,338 |
| Accounts Payable | - | (7,039) |
| Accrued Unpaid Losses | (386,540) | (249,638) |
| Net Assets December 31 | \$ 776,382 | \$ 956,959 |

**CHIPPEWA COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2009**

NOTE 4 OTHER INFORMATION (CONTINUED)

E. Risk Management (Continued)

Liability Insurance Fund (Continued). The liability recorded for unpaid losses at December 31, 2009 was determined by actuaries contracted 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. Chippewa County's policy is to set it's liability at the 95% confidence level.

Changes in claims liability for 2009 and 2008 were as follows:

| | 2009 | 2008 |
|--|------------|------------|
| Estimated Claims Outstanding January 1 | \$ 249,638 | \$ 324,995 |
| Current Year Claims and Changes in Estimates | 163,599 | 57,651 |
| Claim Payments | (26,697) | (133,008) |
| Estimated Claims Outstanding December 31 | \$ 386,540 | \$ 249,638 |

F. Contingencies

From time to time, the County is party of 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.



REQUIRED SUPPLEMENTARY INFORMATION

REQUIRED SUPPLEMENTARY INFORMATION

**CHIPPEWA COUNTY, WISCONSIN
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
YEAR ENDED DECEMBER 31, 2009**

| | Budgeted Amounts | | Actual | Variance with Final Budget - Positive (Negative) |
|--|---------------------|---------------------|----------------------|---|
| | Original | Final | | |
| REVENUES | | | | |
| Taxes | \$ 12,480,877 | \$ 12,480,877 | \$ 12,696,087 | \$ 215,210 |
| Intergovernmental | 7,920,803 | 8,123,107 | 7,507,903 | (615,204) |
| Licenses and Permits | 256,000 | 256,000 | 306,084 | 50,084 |
| Fines and Forfeits | 235,482 | 235,482 | 225,050 | (10,432) |
| Public Charges for Services | 3,309,095 | 3,309,095 | 3,625,666 | 316,571 |
| Intergovernmental Charges for Services | 670,000 | 670,000 | 783,512 | 113,512 |
| Miscellaneous: | | | | |
| Investment Income | 825,000 | 825,000 | 519,543 | (305,457) |
| Rent | 7,210 | 7,210 | 6,170 | (1,040) |
| Sale of Property | 3,000 | 3,000 | 2,090 | (910) |
| Profit on Tax Deed Sales | 2,000 | 2,000 | 1,007 | (993) |
| Other | 91,855 | 91,855 | 229,078 | 137,223 |
| Total Revenues | <u>25,801,322</u> | <u>26,003,626</u> | <u>25,902,190</u> | <u>(101,436)</u> |
| EXPENDITURES | | | | |
| General Government | 6,764,907 | 8,397,920 | 6,613,735 | 1,784,185 |
| Public Safety | 7,500,063 | 7,993,227 | 7,276,276 | 716,951 |
| Public Works | 6,130,148 | 6,303,249 | 6,040,477 | 262,772 |
| Health and Human Services | 3,326,896 | 3,346,635 | 3,099,414 | 247,221 |
| Culture, Recreation and Education | 1,380,443 | 1,344,682 | 1,111,670 | 233,012 |
| Conservation and Development | 2,537,658 | 2,878,492 | 2,151,635 | 726,857 |
| Total Expenditures | <u>27,640,115</u> | <u>30,264,205</u> | <u>26,293,207</u> | <u>3,970,998</u> |
| EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES | (1,838,793) | (4,260,579) | (391,017) | 3,869,562 |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers In | 1,787,752 | 3,428,402 | 3,266,027 | (162,375) |
| Transfers Out | (282,072) | (282,072) | (670,768) | 388,696 |
| Total Other Financing Sources (Uses) | <u>1,505,680</u> | <u>3,146,330</u> | <u>2,595,259</u> | <u>226,321</u> |
| NET CHANGE IN FUND BALANCE | (333,113) | (1,114,249) | 2,204,242 | 4,095,883 |
| Fund Balance, January 1 | <u>9,918,528</u> | <u>9,918,528</u> | <u>9,918,528</u> | <u>-</u> |
| FUND BALANCE, DECEMBER 31 | <u>\$ 9,585,415</u> | <u>\$ 8,804,279</u> | <u>\$ 12,122,770</u> | <u>\$ 4,095,883</u> |

SCHEDULE 2

**CHIPPEWA COUNTY, WISCONSIN
BUDGETARY COMPARISON SCHEDULE
HUMAN SERVICES FUND
YEAR ENDED DECEMBER 31, 2009**

| | Budgeted Amounts | | Actual | Variance with Final Budget - Positive (Negative) |
|--|-------------------|-------------------|-------------------|---|
| | Original | Final | | |
| REVENUES | | | | |
| Taxes | \$ 2,194,066 | \$ 2,194,066 | \$ 2,194,066 | \$ - |
| Intergovernmental | 6,077,677 | 6,077,677 | 7,000,953 | 923,276 |
| Public Charges for Services | 2,162,464 | 3,721,855 | 1,597,433 | (2,124,422) |
| Miscellaneous: | | | | |
| Interest | - | - | 612 | 612 |
| Other | 833,650 | 833,650 | 757,741 | (75,909) |
| Total Revenues | 11,267,857 | 12,827,248 | 11,550,805 | (1,276,443) |
| EXPENDITURES | | | | |
| Health and Human Services | 11,363,082 | 12,297,473 | 10,271,465 | 2,026,008 |
| EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES | (95,225) | 529,775 | 1,279,340 | 749,565 |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers In | 151,000 | 151,000 | 132,685 | 18,315 |
| Transfers Out | (55,775) | (680,775) | (1,696,425) | 1,015,650 |
| Total Other Financing Sources (Uses) | 95,225 | (529,775) | (1,563,740) | 1,033,965 |
| NET CHANGE IN FUND BALANCE | - | - | (284,400) | (284,400) |
| Fund Balance, January 1 | 934,391 | 934,391 | 934,391 | - |
| FUND BALANCE, DECEMBER 31 | <u>\$ 934,391</u> | <u>\$ 934,391</u> | <u>\$ 649,991</u> | <u>\$ (284,400)</u> |

CHIPPEWA COUNTY, WISCONSIN
 BUDGETARY COMPARISON SCHEDULE
 COUNTY SALES TAX FUND
 YEAR ENDED DECEMBER 31, 2009

| | Budgeted Amounts | | Actual | Variance with Final Budget - Positive (Negative) |
|---|---------------------|---------------------|---------------------|---|
| | Original | Final | | |
| REVENUES | | | | |
| Taxes | \$ 3,615,538 | \$ 3,615,538 | \$ 3,524,483 | \$ (91,055) |
| Miscellaneous: | | | | |
| Interest | 25,000 | 25,000 | 16,851 | (8,149) |
| Total Revenues | 3,640,538 | 3,640,538 | 3,541,334 | (99,204) |
| EXPENDITURES | - | - | - | - |
| EXCESS OF REVENUES OVER EXPENDITURES | 3,640,538 | 3,640,538 | 3,541,334 | (99,204) |
| OTHER FINANCING USES | | | | |
| Transfers Out | (3,814,709) | (3,814,709) | (3,814,709) | - |
| NET CHANGE IN FUND BALANCE | (174,171) | (174,171) | (273,375) | (99,204) |
| Fund Balance, January 1 | 4,117,161 | 4,117,161 | 4,117,161 | - |
| FUND BALANCE, DECEMBER 31 | <u>\$ 3,942,990</u> | <u>\$ 3,942,990</u> | <u>\$ 3,843,786</u> | <u>\$ (99,204)</u> |

**CHIPPEWA COUNTY, WISCONSIN
SCHEDULE OF FUNDING PROGRESS**

| Fiscal Year Ended | Actuarial Valuation Date | Actuarial Value of Assets (a) | Actuarial Accrued Liability (AAL) (b) | Unfunded AAL (b-a) | Funded Ratio (a/b) | Covered Payroll (c) | UAAL as a Percentage of Covered Payroll ((b-a)/c) |
|-------------------------|--------------------------------|--|---|--------------------------|--------------------------|---------------------------|---|
| 12/31/2008 | 1/1/2008 | \$ - | \$ 2,040,002 | \$ 2,040,002 | - % | \$ 17,324,853 | 11.8 % |

CHIPPEWA COUNTY, WISCONSIN
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
DECEMBER 31, 2009

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, human services fund and county sales tax fund is derived from the County's annual operating budget. The CDBG grant program is administered by the housing authority and is not included in the County's annual budget. Accordingly, a budgetary comparison schedule has not been presented for the CDBG grant fund.

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.

OTHER SUPPLEMENTARY INFORMATION

COMBINING AND INDIVIDUAL FUND STATEMENTS

**CHIPPEWA COUNTY, WISCONSIN
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
DECEMBER 31, 2009**

| | Special Revenue Funds | | | | | | |
|--|--------------------------|--------------------------|-------------------------|-------------------------|-------------------------|----------------------------|--------------------------------------|
| | Public Health | Nutrition and Aging | Shelter Care | State Aid Forestry | Dog Licenses | State Septic System Grants | Aging and Disability Resource Center |
| ASSETS | | | | | | | |
| Treasurer's Cash and Investments | \$ 1,976 | \$ 324,672 | \$ 20,048 | \$ 36,567 | \$ 31,838 | \$ - | \$ 21,546 |
| Departmental Cash and Investments | - | 4,205 | - | - | - | - | - |
| Accounts Receivable | 108,345 | 32,283 | 1,350 | - | 358 | - | - |
| Due from Other Governmental Units | - | 43,555 | - | - | - | - | 178,784 |
| Due from Fiduciary Funds | - | - | - | - | - | - | - |
| Installment Loans Receivable | - | - | - | - | - | - | - |
| Total Assets | <u>\$ 110,321</u> | <u>\$ 404,715</u> | <u>\$ 21,398</u> | <u>\$ 36,567</u> | <u>\$ 32,196</u> | <u>\$ -</u> | <u>\$ 200,330</u> |
| LIABILITIES AND FUND BALANCES | | | | | | | |
| Liabilities: | | | | | | | |
| Vouchers Payable | \$ 48,144 | \$ 40,784 | \$ - | \$ - | \$ 30,021 | \$ - | \$ 111,630 |
| Due Other Governmental Units | - | - | - | - | 1,175 | - | - |
| Deferred Revenues: | | | | | | | |
| Grant and Aid Advances | 5,986 | - | - | - | - | - | - |
| Installment Loans Receivable | - | - | - | - | - | - | - |
| Total Liabilities | <u>54,130</u> | <u>40,784</u> | <u>-</u> | <u>-</u> | <u>31,196</u> | <u>-</u> | <u>111,630</u> |
| Fund Balances: | | | | | | | |
| Designated for Fund Purposes | <u>56,191</u> | <u>363,931</u> | <u>21,398</u> | <u>36,567</u> | <u>1,000</u> | <u>-</u> | <u>88,700</u> |
| Total Liabilities and Fund Balances | <u>\$ 110,321</u> | <u>\$ 404,715</u> | <u>\$ 21,398</u> | <u>\$ 36,567</u> | <u>\$ 32,196</u> | <u>\$ -</u> | <u>\$ 200,330</u> |

**CHIPPEWA COUNTY, WISCONSIN
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET (CONTINUED)
DECEMBER 31, 2009**

| | Special Revenue Funds (Continued) | | | | | Total Nonmajor Governmental Funds |
|--|-----------------------------------|----------------------------|---|--|--------------------------|--|
| | Land Management | Jail Assessment Fees | Land Conservation Stewardship Fund | Forest and Parks Quality of Life Fund | Economic Development | |
| ASSETS | | | | | | |
| Treasurer's Cash and Investments | \$ 269,518 | \$ 94,585 | \$ 305,402 | \$ 178,690 | \$ 350,866 | \$ 1,635,708 |
| Departmental Cash and Investments | - | - | - | - | - | 4,205 |
| Accounts Receivable | - | - | - | - | 216 | 142,552 |
| Due from Other Governmental Units | - | 559 | - | - | - | 222,898 |
| Due from Fiduciary Funds | 5,130 | 5,502 | - | - | - | 10,632 |
| Installment Loans Receivable | - | - | - | - | 238,477 | 238,477 |
| Total Assets | <u>\$ 274,648</u> | <u>\$ 100,646</u> | <u>\$ 305,402</u> | <u>\$ 178,690</u> | <u>\$ 589,559</u> | <u>\$ 2,254,472</u> |
| LIABILITIES AND FUND BALANCES | | | | | | |
| Liabilities: | | | | | | |
| Vouchers Payable | \$ 3,960 | \$ - | \$ - | \$ - | \$ - | \$ 234,539 |
| Due Other Governmental Units | - | - | - | - | - | 1,175 |
| Deferred Revenues: | | | | | | |
| State Aid Advance | - | - | - | - | - | 5,986 |
| Installment Loans Receivable | - | - | - | - | 238,477 | 238,477 |
| Total Liabilities | <u>3,960</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>238,477</u> | <u>480,177</u> |
| Fund Balances: | | | | | | |
| Designated for Fund Purposes | <u>270,688</u> | <u>100,646</u> | <u>305,402</u> | <u>178,690</u> | <u>351,082</u> | <u>1,774,295</u> |
| Total Liabilities and Fund Balances | <u>\$ 274,648</u> | <u>\$ 100,646</u> | <u>\$ 305,402</u> | <u>\$ 178,690</u> | <u>\$ 589,559</u> | <u>\$ 2,254,472</u> |

**CHIPPEWA COUNTY, WISCONSIN
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
YEAR ENDING DECEMBER 31, 2009**

Special Revenue Funds

| | Public Health | Nutrition and Aging | Shelter Care | State Aid Forestry | Dog Licenses | State Septic System Grants | Aging and Disability Resource Center |
|--|------------------|---------------------|------------------|--------------------|-----------------|----------------------------|--------------------------------------|
| REVENUES | | | | | | | |
| Intergovernmental | \$ 799,117 | \$ 383,175 | \$ - | \$ 67,120 | \$ - | \$ 30,495 | \$ 663,013 |
| Licenses and Permits | - | - | - | - | 33,117 | - | - |
| Jail Assessment Fees | - | - | - | - | - | - | - |
| Public Charges for Services | 12,152 | 267,272 | - | - | - | - | - |
| Interest | - | 28 | - | - | - | - | - |
| Other | - | 174,928 | 16,200 | - | - | - | 50,000 |
| Total Revenues | <u>811,269</u> | <u>825,403</u> | <u>16,200</u> | <u>67,120</u> | <u>33,117</u> | <u>30,495</u> | <u>713,013</u> |
| EXPENDITURES | | | | | | | |
| Public Safety | - | - | - | - | - | - | - |
| Health and Human Services | 805,582 | 799,120 | 85,246 | - | 33,117 | - | 663,003 |
| Conservation and Development | - | - | - | 82,261 | - | 30,495 | - |
| Total Expenditures | <u>805,582</u> | <u>799,120</u> | <u>85,246</u> | <u>82,261</u> | <u>33,117</u> | <u>30,495</u> | <u>663,003</u> |
| EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES | 5,687 | 26,283 | (69,046) | (15,141) | - | - | 50,010 |
| OTHER FINANCING SOURCES (USES) | | | | | | | |
| Transfers In: | | | | | | | |
| General Fund | - | 96,997 | - | - | - | - | - |
| Transfers Out: | | | | | | | |
| Highway Department Fund | - | - | - | - | - | - | (3,000) |
| Total Other Financing Sources (Uses) | <u>-</u> | <u>96,997</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>(3,000)</u> |
| NET CHANGE IN FUND BALANCES | 5,687 | 123,280 | (69,046) | (15,141) | - | - | 47,010 |
| Fund Balances, January 1 | <u>50,504</u> | <u>240,651</u> | <u>90,444</u> | <u>51,708</u> | <u>1,000</u> | <u>-</u> | <u>41,690</u> |
| FUND BALANCES, DECEMBER 31 | <u>\$ 56,191</u> | <u>\$ 363,931</u> | <u>\$ 21,398</u> | <u>\$ 36,567</u> | <u>\$ 1,000</u> | <u>\$ -</u> | <u>\$ 88,700</u> |

**CHIPPEWA COUNTY, WISCONSIN
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES (CONTINUED)
YEAR ENDING DECEMBER 31, 2009**

| | Special Revenue Funds (Continued) | | | | | Total Nonmajor Governmental Funds |
|--|-----------------------------------|----------------------------|---|--|-------------------------|--|
| | Land Management | Jail Assessment Fees | Land Conservation Stewardship Fund | Forest and Parks Quality of Life Fund | Economic Development | |
| REVENUES | | | | | | |
| Intergovernmental | \$ 300 | \$ - | \$ - | \$ - | \$ - | \$ 1,943,220 |
| Licenses and Permits | - | - | - | - | - | 33,117 |
| Jail Assessment Fees | - | 71,803 | - | - | - | 71,803 |
| Public Charges for Services | 77,520 | - | - | - | - | 356,944 |
| Interest | - | - | - | - | 6,661 | 6,689 |
| Other | - | - | 5,000 | - | 23,126 | 269,254 |
| Total Revenues | <u>77,820</u> | <u>71,803</u> | <u>5,000</u> | <u>-</u> | <u>29,787</u> | <u>2,681,027</u> |
| EXPENDITURES | | | | | | |
| Public Safety | - | 34,827 | - | - | - | 34,827 |
| Health and Human Services | - | - | - | - | - | 2,386,068 |
| Conservation and Development | 71,685 | - | 58,494 | 163,726 | - | 406,661 |
| Total Expenditures | <u>71,685</u> | <u>34,827</u> | <u>58,494</u> | <u>163,726</u> | <u>-</u> | <u>2,827,556</u> |
| EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES | 6,135 | 36,976 | (53,494) | (163,726) | 29,787 | (146,529) |
| OTHER FINANCING SOURCES (USES) | | | | | | |
| Transfers In: | | | | | | |
| General Fund | - | - | - | - | - | 96,997 |
| Transfers Out: | | | | | | |
| Highway Department Fund | (7,000) | - | - | - | - | (10,000) |
| Total Other Financing Sources (Uses) | <u>(7,000)</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>86,997</u> |
| NET CHANGE IN FUND BALANCES | (865) | 36,976 | (53,494) | (163,726) | 29,787 | (59,532) |
| Fund Balances, January 1 | <u>271,553</u> | <u>63,670</u> | <u>358,896</u> | <u>342,416</u> | <u>321,295</u> | <u>1,833,827</u> |
| FUND BALANCES, DECEMBER 31 | <u>\$ 270,688</u> | <u>\$ 100,646</u> | <u>\$ 305,402</u> | <u>\$ 178,690</u> | <u>\$ 351,082</u> | <u>\$ 1,774,295</u> |

**CHIPPEWA COUNTY, WISCONSIN
GENERAL FUND
DETAILED BALANCE SHEET
DECEMBER 31, 2009
(WITH COMPARATIVE AMOUNTS FOR DECEMBER 31, 2008)**

| | <u>2009</u> | <u>2008</u> |
|--|--------------------------|--------------------------|
| ASSETS | | |
| Treasurer's Cash and Investments | \$ 10,178,424 | \$ 7,796,746 |
| Departmental Cash | 2,695 | 2,895 |
| Taxes Receivable: | | |
| Current Taxes Receivable | 12,450,340 | 12,252,530 |
| Delinquent Taxes Receivable | 2,155,271 | 1,900,675 |
| Tax Deeds Owned by County | 6,211 | 5,705 |
| Accounts Receivable | 1,116,945 | 2,116,717 |
| Due from Other Funds: | | |
| Farm Land Development Fund | - | 100,000 |
| ADRC Fund | - | 69,221 |
| Due from Fiduciary Funds | 58,218 | 59,906 |
| Long-Term Receivables: | | |
| CRI Land Contract Receivable | 1,236,203 | 1,300,000 |
| CRI Note Receivable | 90,833 | 100,000 |
| Prepaid Items | <u>8,967</u> | <u>8,532</u> |
| Total Assets | <u>\$ 27,304,107</u> | <u>\$ 25,712,927</u> |
| LIABILITIES AND FUND BALANCE | | |
| Liabilities: | | |
| Vouchers and Accounts Payable | \$ 502,625 | \$ 1,151,516 |
| Payroll Deductions | 97,011 | 45,550 |
| Due Other Governmental Units | 701,556 | 890,863 |
| Deferred Revenues: | | |
| Current Tax Levy | 12,450,340 | 12,252,530 |
| Long-Term Receivables | 1,327,037 | 1,400,000 |
| Other | <u>102,768</u> | <u>53,940</u> |
| Total Liabilities | 15,181,337 | 15,794,399 |
| Fund Balance: | | |
| Reserved for: | | |
| Delinquent Taxes | 2,161,482 | 1,906,380 |
| Prepaid Items | 8,967 | 8,532 |
| Subsequent Year Budget | - | 150,000 |
| Unreserved, Designated | 3,217,606 | 3,124,749 |
| Unreserved, Undesignated | <u>6,734,715</u> | <u>4,728,867</u> |
| Total Fund Balance | <u>12,122,770</u> | <u>9,918,528</u> |
| Total Liabilities and Fund Balance | <u>\$ 27,304,107</u> | <u>\$ 25,712,927</u> |

**CHIPPEWA COUNTY, WISCONSIN
GENERAL FUND
STATEMENT OF CHANGES IN FUND BALANCE
YEAR ENDED DECEMBER 31, 2009**

| | Balance (Overdraft) 1/1/09 | County Appropriations | Other Revenues | Fund Transfers | | | | Total Available | Expenditures | Balance (Overdraft) 12/31/09 |
|--|----------------------------------|--------------------------|-------------------|----------------|------|-------------|------|--------------------|--------------|------------------------------------|
| | | | | General Fund | | Other Funds | | | | |
| | | | | In | Out | In | Out | | | |
| Designated Balances: | | | | | | | | | | |
| Mediation Program | \$ 98 | \$ 9,415 | \$ 7,320 | \$ - | \$ - | \$ - | \$ - | \$ 16,833 | \$ 17,000 | \$ (167) |
| Youth Court Program | 6,955 | - | 6,458 | - | - | - | - | 13,413 | 6,150 | 7,263 |
| Family Court Counseling Fund | 6,940 | - | 7,860 | - | - | - | - | 14,800 | 7,000 | 7,800 |
| Administrator Implementation | 118,000 | 232,697 | - | - | - | - | - | 350,697 | 192,739 | 157,958 |
| Copy Machine/Offset | 27,752 | - | 37,756 | - | - | - | - | 65,508 | 43,798 | 21,710 |
| Platbook/Roadmap Publishing | 24,691 | - | - | - | - | - | - | 24,691 | - | 24,691 |
| Courthouse | 345,593 | 1,225,472 | 62,966 | 350,915 | - | - | - | 1,984,946 | 1,609,909 | 375,037 |
| Insurance | 183,564 | 121,400 | 18,809 | - | - | - | - | 323,773 | 57,901 | 265,872 |
| Maintenance Well Monitoring | 52,000 | - | - | - | - | - | - | 52,000 | 52,000 | - |
| Computer Equipment Outlay - Sales Tax | 104,404 | - | 642 | 187,000 | - | - | - | 292,046 | 176,711 | 115,335 |
| Computer Equipment Outlay - Property Tax | 13,267 | - | - | - | - | - | - | 13,267 | 13,267 | - |
| Snowmobile Patrol | 45,758 | 9,147 | 8,541 | - | - | - | - | 63,446 | 10,823 | 52,623 |
| Water Safety Patrol | 15,043 | 18,064 | 17,076 | - | - | - | - | 50,183 | 26,370 | 23,813 |
| All Terrain Vehicle Patrol | (5,355) | 2,000 | 18,706 | - | - | - | - | 15,351 | 17,491 | (2,140) |
| Rifle Range | 5,878 | 4,550 | 3,952 | - | - | - | - | 14,380 | 5,837 | 8,543 |
| Project D.A.R.E. | 223 | - | - | - | - | - | - | 223 | - | 223 |
| Special Grants - Emergency Government | - | - | 35,191 | - | - | - | - | 35,191 | 7,430 | 27,761 |
| Wireless 911 Grant | 12,356 | - | - | - | - | - | - | 12,356 | 5,428 | 6,928 |
| Environmental Site Assessment | 121,553 | - | - | - | - | - | - | 121,553 | - | 121,553 |
| Jail Canteen | 18,226 | - | 156,961 | - | - | - | - | 175,187 | 150,270 | 24,917 |
| Recycling | 205,307 | 39,835 | 373,594 | - | - | - | - | 618,736 | 355,964 | 262,772 |
| Health Clinics | 33,257 | - | 50,572 | - | - | - | - | 83,829 | 40,932 | 42,897 |
| Veterans' Relief | 31,529 | 3,310 | 2,600 | - | - | - | - | 37,439 | 6,103 | 31,336 |
| Building Inspection Fund | 8,162 | - | 64,930 | - | - | - | - | 73,092 | 67,180 | 5,912 |
| Snowmobile Trails - State Funded | 13,818 | - | 84,447 | - | - | - | - | 98,265 | 84,447 | 13,818 |
| All Terrain Vehicle Trails | 20,116 | - | 12,533 | - | - | - | - | 32,649 | 2,700 | 29,949 |
| Old Abe Trail | 32,451 | 15,000 | 29,182 | - | - | - | - | 76,633 | 10,122 | 66,511 |
| Targeted Runoff Management | 8,782 | 15,639 | 36,035 | - | - | - | - | 60,456 | 51,070 | 9,386 |
| Extension Education | 82,029 | - | 30,055 | - | - | - | - | 112,084 | 17,740 | 94,344 |
| Conservation Reserve Enhancement | 67,578 | 7,575 | 34,109 | - | - | - | - | 109,262 | 39,558 | 69,704 |

**CHIPPEWA COUNTY, WISCONSIN
GENERAL FUND
STATEMENT OF CHANGES IN FUND BALANCE (CONTINUED)
YEAR ENDED DECEMBER 31, 2009**

| | Balance (Overdraft) 1/1/09 | County Appropriations | Other Revenues | Fund Transfers | | | | Total Available | Expenditures | Balance (Overdraft) 12/31/09 |
|---|----------------------------------|--------------------------|----------------------|-------------------|-------------------|---------------------|-------------------|----------------------|----------------------|------------------------------------|
| | | | | General Fund | | Other Funds | | | | |
| | | | | In | Out | In | Out | | | |
| Designated Balances: (Continued) | | | | | | | | | | |
| County Parks Capital Improvements | \$ 132,328 | \$ - | \$ 3,163 | \$ - | \$ - | \$ - | \$ - | \$ 135,491 | \$ 23,915 | \$ 111,576 |
| Forest Roads | 33,155 | - | 7,206 | - | - | - | - | 40,361 | 40,361 | - |
| Conservancy Trail | 1,500 | - | - | - | - | - | - | 1,500 | - | 1,500 |
| Environmental Impact Fee | 12,878 | - | 8,339 | - | - | - | - | 21,217 | - | 21,217 |
| Comprehensive Planning Project | 126,829 | 70,238 | 22,215 | - | - | - | - | 219,282 | 71,523 | 147,759 |
| SWIRM Grant | - | (250) | 242,545 | - | - | - | - | 242,295 | 242,295 | - |
| Stormwater Planning Grant | - | 5,481 | 4,000 | - | - | - | - | 9,481 | 9,481 | - |
| Special Conservation Projects | 27,561 | - | - | - | - | - | - | 27,561 | - | 27,561 |
| Wildlife Habitat Management | 3,691 | - | 3,311 | - | - | - | - | 7,002 | 2,870 | 4,132 |
| Wildlife Damage and Abatement | - | - | 13,978 | - | - | - | - | 13,978 | 16,849 | (2,871) |
| Gravel Pits | 37,713 | - | 61,910 | - | - | - | - | 99,623 | 39,101 | 60,522 |
| Economic Development | 210,153 | 195,100 | - | - | - | - | - | 405,253 | 213,498 | 191,755 |
| TMDL - Little Lake Wissota | - | 7,575 | 37,000 | - | - | - | - | 44,575 | 32,458 | 12,117 |
| Reserved for Contingencies | 341,555 | 9,383 | - | - | - | - | - | 350,938 | - | 350,938 |
| Carryovers: | | | | | | | | | | |
| County Auditor Carryover | - | 150,000 | - | - | - | - | - | 150,000 | 48,002 | 101,998 |
| Corporation Counsel Carryover | 5,700 | - | - | - | - | - | - | 5,700 | 5,700 | - |
| Register of Deeds | 162,131 | - | - | - | - | - | - | 162,131 | - | 162,131 |
| Maintenance | 11,080 | - | - | - | - | - | - | 11,080 | - | 11,080 |
| Sheriff Training and Equipment | 417,222 | - | 30,163 | - | 198,000 | - | - | 249,385 | 100,821 | 148,564 |
| Sheriff's Department SWAT Vehicle | 1,278 | - | - | - | - | - | - | 1,278 | - | 1,278 |
| Total Designated Balances | 3,124,749 | 2,141,631 | 1,534,125 | 537,915 | 198,000 | - | - | 7,140,420 | 3,922,814 | 3,217,606 |
| Reserved for: | | | | | | | | | | |
| Delinquent Taxes | 1,906,380 | - | - | 255,102 | - | - | - | 2,161,482 | - | 2,161,482 |
| Subsequent Year Budget | 150,000 | - | - | - | 150,000 | - | - | - | - | - |
| Prepayments | 8,532 | - | - | 435 | - | - | - | 8,967 | - | 8,967 |
| Total Reserved Balances | 2,064,912 | - | - | 255,537 | 150,000 | - | - | 2,170,449 | - | 2,170,449 |
| Unreserved, Undesignated: | | | | | | | | | | |
| Highway Funding | - | 3,332,413 | 2,235,289 | - | - | - | - | 5,567,702 | 5,567,702 | - |
| General County | 4,728,867 | 6,778,486 | 9,880,246 | - | 445,452 | 3,266,027 | 670,768 | 23,537,406 | 16,802,691 | 6,734,715 |
| Total General Fund Balance | \$ 9,918,528 | \$ 12,252,530 | \$ 13,649,660 | \$ 793,452 | \$ 793,452 | \$ 3,266,027 | \$ 670,768 | \$ 38,415,977 | \$ 26,293,207 | \$ 12,122,770 |

**CHIPPEWA COUNTY, WISCONSIN
GENERAL FUND
DETAILED STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2009
(WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED DECEMBER 31, 2008)**

| | 2009 | | | 2008 Actual |
|---|-----------------|---------------|--------------------------------------|----------------|
| | Final Budget | Actual | Variance - Positive (Negative) | |
| REVENUES: | | | | |
| Taxes: | | | | |
| General Property Taxes | \$ 12,102,277 | \$ 12,252,530 | \$ 150,253 | \$ 11,828,139 |
| Payment in Lieu of Taxes | 15,000 | 25,421 | 10,421 | 19,991 |
| Forest Crop Taxes | 7,000 | 13,316 | 6,316 | 20,126 |
| Sales Taxes | 100 | 135 | 35 | 136 |
| Real Estate Transfer Fees - County Share | 105,000 | 93,752 | (11,248) | 103,184 |
| Interest on Taxes | 250,000 | 309,944 | 59,944 | 270,954 |
| Agricultural Land Conversion Penalty | 1,500 | 989 | (511) | 1,546 |
| Total Taxes | 12,480,877 | 12,696,087 | 215,210 | 12,244,076 |
| Intergovernmental: | | | | |
| Shared Taxes from State | 3,056,702 | 3,055,687 | (1,015) | 2,826,136 |
| Tax Exempt Computer Aid | 76,196 | 76,196 | - | 75,947 |
| Election Aids | - | 4,500 | 4,500 | - |
| Guardian Ad Litem | 55,429 | 54,657 | (772) | 55,429 |
| Victim/Witness Program | 66,395 | 74,103 | 7,708 | 67,789 |
| Court Grant | 225,540 | 223,572 | (1,968) | 205,607 |
| Drug Abuse Program | 8,000 | 2,360 | (5,640) | 836 |
| Snowmobile Enforcement Patrol | 9,700 | 8,091 | (1,609) | 7,883 |
| Solid Waste Tire Facility Grant | - | - | - | 2,500 |
| Responsible Unit Grant | 212,225 | 212,225 | - | 212,226 |
| Recycling Grant | 118,775 | 117,442 | (1,333) | 152,870 |
| Clean Sweep Grant | 26,800 | 17,488 | (9,312) | - |
| Water Safety Patrol | 15,400 | 18,302 | 2,902 | 21,638 |
| All Terrain Vehicle Patrol | 14,700 | 16,996 | 2,296 | 14,173 |
| SARA Program | 15,000 | 15,602 | 602 | 15,448 |
| Emergency Government - Special Grants | - | 7,430 | 7,430 | 6,265 |
| Wireless 911 Grant | - | - | - | 176,505 |
| Homeland Security Grants | - | 35,754 | 35,754 | 27,261 |
| Sheriff Capital Project Grant | - | 15,376 | 15,376 | 202,304 |
| Targeted Runoff Management Grants | 120,000 | 37,558 | (82,442) | 80,633 |
| Farmers Fund | - | - | - | 62,329 |
| Conservation Reserve Enhancement Program | 176,500 | 32,363 | (144,137) | 56,545 |
| County Parks Improvements Grant | 32,325 | 3,163 | (29,162) | 118,678 |
| Comprehensive Planning Grant | - | 36,508 | 36,508 | 35,530 |
| Planning Aids from Other Local Governments | - | 1,500 | 1,500 | - |
| SARA HAZMAT Equipment Grant | 10,000 | 6,300 | (3,700) | 10,000 |
| Sheriff Department Justice Assistance Grant | 16,700 | 21,739 | 5,039 | 20,707 |
| Police Training | 215,304 | 14,787 | (200,517) | 14,200 |
| Sheriff Department Grants | - | 26,150 | 26,150 | 22,502 |

**CHIPPEWA COUNTY, WISCONSIN
GENERAL FUND
DETAILED STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL (CONTINUED)
YEAR ENDED DECEMBER 31, 2009
(WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED DECEMBER 31, 2008)**

| | 2009 | | Variance - Positive (Negative) | 2008 Actual |
|---|-----------------|--------------|--------------------------------------|----------------|
| | Final Budget | Actual | | |
| REVENUES (CONTINUED) | | | | |
| Intergovernmental: (Continued) | | | | |
| County Trunk Highways | \$ 1,274,313 | \$ 1,274,313 | \$ - | \$ 1,260,314 |
| Federal Aid Secondary Projects | 620,636 | 620,636 | - | 830,000 |
| Local Road Improvement Program | 340,340 | 340,340 | - | 106,172 |
| Child Support | 745,489 | 685,534 | (59,955) | 704,012 |
| Veterans Service Officer | 11,500 | 11,500 | - | 11,500 |
| Snowmobile Trail Advances | 90,400 | 84,447 | (5,953) | 90,844 |
| All Terrain Vehicle Trails | 6,750 | 12,533 | 5,783 | 37,579 |
| Wildlife Habitat Management | 3,310 | 3,311 | 1 | 1,741 |
| Forest Roads | 7,203 | 7,204 | 1 | 7,204 |
| State Aid - SWIRM | 247,336 | 244,545 | (2,791) | 180,971 |
| Conservation Projects | 8,000 | - | (8,000) | 2,692 |
| Farmland Preservation | - | - | - | 5,927 |
| Old Abe Trail Project | 202,500 | 18,254 | (184,246) | - |
| Wildlife Damage Abatement | 25,111 | 16,849 | (8,262) | 39,732 |
| Land Conservation | 6,000 | - | (6,000) | 8,752 |
| Emergency Government | 30,000 | 52,588 | 22,588 | 55,747 |
| Total Intergovernmental | 8,123,107 | 7,507,903 | (615,204) | 7,835,128 |
| Licenses and Permits: | | | | |
| Large Assembly Licenses | 1,000 | 1,000 | - | 1,000 |
| Marriage License Fees | 6,500 | 7,040 | 540 | 6,075 |
| Marriage License Fees for Social Services | 7,000 | 7,860 | 860 | 7,460 |
| Conservation License Fees | 800 | 514 | (286) | 503 |
| Environmental Impact Fees | - | 8,339 | 8,339 | 5,859 |
| Zoning Permits | 140,000 | 154,951 | 14,951 | 176,571 |
| Building Inspection Fees | 55,000 | 64,930 | 9,930 | 64,106 |
| Gravel Pit Permits | 45,440 | 61,290 | 15,850 | 47,395 |
| Occupational Driver's Licenses | 260 | 160 | (100) | 40 |
| Total Licenses and Permits | 256,000 | 306,084 | 50,084 | 309,009 |
| Fines and Forfeits: | | | | |
| County Ordinance Forfeitures | 107,635 | 117,333 | 9,698 | 101,612 |
| County Share of State Fines and Forfeitures | 127,847 | 107,717 | (20,130) | 127,121 |
| Total Fines and Forfeits | 235,482 | 225,050 | (10,432) | 228,733 |

**CHIPPEWA COUNTY, WISCONSIN
GENERAL FUND
DETAILED STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL (CONTINUED)
YEAR ENDED DECEMBER 31, 2009
(WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED DECEMBER 31, 2008)**

| | 2009 | | | 2008 Actual |
|---|-----------------|-----------|--------------------------------------|----------------|
| | Final Budget | Actual | Variance - Positive (Negative) | |
| REVENUES (CONTINUED) | | | | |
| Public Charges for Services: | | | | |
| County Clerk Fees | \$ 12,000 | \$ 11,790 | \$ (210) | \$ 13,887 |
| Anniversary Book Revenues | - | 332 | 332 | 356 |
| Treasurer Fees | 4,250 | 3,437 | (813) | 3,399 |
| Register of Deeds Fees | 253,000 | 270,926 | 17,926 | 238,855 |
| Uniform Address Fees | 3,000 | 4,307 | 1,307 | 4,595 |
| Surveyor Fees | 7,391 | 6,602 | (789) | 7,350 |
| Sign Replacement Revenues | 11,000 | 5,353 | (5,647) | 7,175 |
| Passport Revenues | 30,000 | 32,550 | 2,550 | 30,150 |
| Circuit Court Fees and Costs | 152,927 | 179,535 | 26,608 | 164,206 |
| Mediation Fees | 7,585 | 7,320 | (265) | 6,795 |
| Bond Forfeiture Revenues | 4,367 | 2,350 | (2,017) | 450 |
| Attorney Fee Reimbursements | 23,483 | 30,557 | 7,074 | 30,522 |
| Court Commissioner Reimbursements | 500 | 407 | (93) | 1,165 |
| Juvenile Legal Fees | 1,500 | 1,243 | (257) | 1,280 |
| Register in Probate Fees | 23,200 | 19,707 | (3,493) | 22,425 |
| Guardian Ad Litem Revenue | 41,185 | 39,104 | (2,081) | 40,329 |
| Guardianship Revenue | - | 1,030 | 1,030 | - |
| Probate Attorney Fees | - | 1,217 | 1,217 | 5,575 |
| Youth Court Program Fees | - | 1,475 | 1,475 | 1,305 |
| Restitution Surcharge Fees | 21,000 | 14,608 | (6,392) | 24,658 |
| Victim/Witness Surcharge Fees | - | - | - | 9 |
| Chapter 51/55 Legal Fees | 3,000 | 103 | (2,897) | 43 |
| Prosecution Revenues | 4,000 | 2,360 | (1,640) | 2,360 |
| Sale of Maps and Plats - Forest and Parks | 7,500 | 13,640 | 6,140 | 11,009 |
| Maps and Plats Advertising Revenue | - | - | - | 8,896 |
| Sale of Maps and Plats | - | - | - | 11,009 |
| Sheriff Fees | 75,000 | 73,106 | (1,894) | 66,577 |
| Reserve Officers Revenues | 226,630 | 167,493 | (59,137) | 163,831 |
| Board of Prisoners - Huber | 140,000 | 122,951 | (17,049) | 152,853 |
| Jail Phone Revenues | 35,000 | 32,644 | (2,356) | 35,885 |
| Jail Canteen Fund | 149,000 | 156,961 | 7,961 | 165,006 |
| Electronic Monitoring Revenue | 40,000 | 48,655 | 8,655 | 52,928 |
| Range Usage Fees | 2,600 | 3,952 | 1,352 | 2,642 |
| DNA Testing Fee | 200 | 920 | 720 | 840 |
| Coroner Fees | 20,000 | 19,225 | (775) | 18,250 |
| All Terrain Vehicle Class Fees | 400 | 1,710 | 1,310 | 410 |
| Water Patrol Class Fees | 400 | 510 | 110 | 290 |
| Snowmobile Training Class Fees | 500 | 450 | (50) | 1,320 |
| Finger Printing Fees | - | 665 | 665 | 891 |
| Health Clinic Revenue | 69,999 | 50,572 | (19,427) | 58,520 |
| Home Nursing Revenue | 1,400,053 | 1,801,223 | 401,170 | 1,601,898 |
| Child Support Collections | 25,000 | 18,967 | (6,033) | 24,546 |
| Child Support Enforcement Fees | 700 | 1,050 | 350 | 850 |
| County Parks Revenue | 127,500 | 147,615 | 20,115 | 128,756 |

**CHIPPEWA COUNTY, WISCONSIN
GENERAL FUND
DETAILED STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL (CONTINUED)
YEAR ENDED DECEMBER 31, 2009
(WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED DECEMBER 31, 2008)**

| | 2009 | | | 2008 Actual |
|---|-----------------|------------|--------------------------------------|----------------|
| | Final Budget | Actual | Variance - Positive (Negative) | |
| REVENUES (CONTINUED) | | | | |
| Public Charges for Services: (Continued) | | | | |
| Trail Fee Revenues | \$ 8,000 | \$ 10,928 | \$ 2,928 | \$ 10,452 |
| Tree Planter Rental Fees | 1,000 | 328 | (672) | 988 |
| University Extension Revenue | 18,940 | 29,959 | 11,019 | 27,296 |
| University Extension Revenue - Sponsorships and listings | 9,365 | - | (9,365) | 9,560 |
| CREP Landowner Application Fees | 600 | 585 | (15) | 175 |
| CREP Easement Application Fees | 1,320 | 1,160 | (160) | 870 |
| Land Conservation - Engineering Services | 1,500 | 1,600 | 100 | 1,870 |
| Land Conservation - Technical Services | 15,000 | 16,374 | 1,374 | 21,792 |
| Land Conservation - Municipal Service Fee | 5,500 | 4,000 | (1,500) | 1,300 |
| Plan Review Fees | 2,500 | - | (2,500) | - |
| District Attorney Revenues | 10,000 | 8,632 | (1,368) | 6,117 |
| GET Checking Program Revenues | - | 300 | 300 | 1,065 |
| County Forest Revenues | 245,500 | 208,560 | (36,940) | 282,911 |
| Solid Waste Disposal | - | 269 | 269 | - |
| Solid Waste Tire Facility | 16,000 | 14,338 | (1,662) | 15,202 |
| Appliance Recycling Fees | 18,600 | - | (18,600) | - |
| Gravel Pit Mapping Fees | 4,500 | 620 | (3,880) | 2,348 |
| Community Well Water Fee | 15,000 | 14,959 | (41) | 26,090 |
| Veterans Relief Revenues | - | 2,600 | 2,600 | - |
| Recycling Revenues - Other | 11,900 | 11,832 | (68) | 11,353 |
| Total Public Charges for Services | 3,309,095 | 3,625,666 | 316,571 | 3,533,485 |
| Intergovernmental Charges for Services: | | | | |
| Board of Prisoners from Other Governments | 650,000 | 762,458 | 112,458 | 730,028 |
| Information System Revenues | 20,000 | 20,925 | 925 | 20,657 |
| Transportation of Juveniles | - | 129 | 129 | 142 |
| Total Intergovernmental Charges for Services | 670,000 | 783,512 | 113,512 | 750,827 |
| Miscellaneous: | | | | |
| Investment Income | 825,000 | 519,543 | (305,457) | 553,694 |
| Rent of County Offices and Buildings | 7,210 | 6,170 | (1,040) | 6,609 |
| Copy Machine/Offset Revenue | 33,950 | 37,756 | 3,806 | 38,406 |
| Clerk of Court Copy Machine Revenue | 605 | 435 | (170) | 542 |
| CRI Note Repayment | - | 72,963 | 72,963 | - |
| Sale of County Property | 3,000 | 1,330 | (1,670) | 1,851 |
| Sale of Sheriff Property | - | 760 | 760 | 1,303 |
| Profit on Tax Deed Sales | 2,000 | 1,007 | (993) | 2,250 |
| Insurance Dividends | 30,025 | 18,809 | (11,216) | 29,211 |
| Refund of Prior Years Expenses | - | 1,496 | 1,496 | 1,447 |
| Youth Court Program Donations | 7,000 | 4,982 | (2,018) | 6,010 |
| Land Conservation Private Grants and Donations | 15,000 | 25,000 | 10,000 | - |
| Focus on Energy Grants and Rebates | - | 62,937 | 62,937 | - |
| Rifle Range Donations | - | - | - | 1,103 |
| Sundry Departmental Revenues | 1,000 | 2,359 | 1,359 | 724 |
| Land Conservation Revenue | 700 | 419 | (281) | 4,126 |
| Emergency Government Miscellaneous Revenue | - | 1,500 | 1,500 | 1,750 |
| Forest and Parks Miscellaneous Revenue | - | 393 | 393 | 3,048 |
| Other Miscellaneous Revenues | 1,500 | 29 | (1,471) | 100 |
| Total Miscellaneous | 929,065 | 757,888 | (171,177) | 652,174 |
| Total Revenues | 26,003,626 | 25,902,190 | (101,436) | 25,553,432 |

**CHIPPEWA COUNTY, WISCONSIN
GENERAL FUND
DETAILED STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL (CONTINUED)
YEAR ENDED DECEMBER 31, 2009
(WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED DECEMBER 31, 2008)**

| | 2009 | | | 2008 Actual |
|---------------------------------------|-----------------|------------|--------------------------------------|----------------|
| | Final Budget | Actual | Variance - Positive (Negative) | |
| EXPENDITURES | | | | |
| General Government: | | | | |
| County Board | \$ 139,865 | \$ 134,824 | \$ 5,041 | \$ 195,479 |
| County Board Carryover | - | - | - | 355,000 |
| Circuit Court | 1,198,746 | 1,124,904 | 73,842 | 1,057,630 |
| Mediation Program | 16,833 | 17,000 | (167) * | 16,800 |
| Register in Probate | 99,654 | 87,717 | 11,937 | 91,678 |
| Juvenile Court | 170,067 | 161,669 | 8,398 | 138,524 |
| Youth Court Program | 13,413 | 6,150 | 7,263 * | 7,533 |
| Family Court Commissioner | 26,500 | 24,646 | 1,854 | 24,579 |
| Coroner | 61,430 | 49,779 | 11,651 | 38,571 |
| County Clerk | 221,937 | 216,791 | 5,146 | 216,529 |
| County Administrator | 350,697 | 192,739 | 157,958 * | 194,513 |
| Family Court Counseling Fund | 14,800 | 7,000 | 7,800 * | 7,200 |
| Elections | 39,310 | 33,652 | 5,658 | 54,952 |
| Personnel | 189,050 | 168,449 | 20,601 | 224,894 |
| Information Systems | 479,664 | 510,312 | (30,648) | 448,351 |
| Copy Machine/Offset | 65,508 | 43,798 | 21,710 * | 32,376 |
| County Auditor | 278,332 | 253,110 | 25,222 | 267,529 |
| County Auditor Carryover | 150,000 | 48,002 | 101,998 * | - |
| Personal Property Chargeback Expenses | 4,000 | 2,196 | 1,804 | 2,774 |
| Assessments | 2,200 | 2,181 | 19 | 2,776 |
| County Treasurer | 342,244 | 330,896 | 11,348 | 333,026 |
| Independent Auditing | 26,840 | 26,710 | 130 | 24,110 |
| Special Accounting | 7,611 | 7,611 | - | 7,611 |
| District Attorney | 328,439 | 310,130 | 18,309 | 307,353 |
| Crime Victim/Witness Program | 180,427 | 170,690 | 9,737 | 160,559 |
| Corporate Counsel | 279,949 | 262,993 | 16,956 | 254,039 |
| Corporate Counsel Carryover | 5,700 | 5,700 | - | - |
| Codification of Ordinances | - | - | - | 400 |
| Register of Deeds | 338,904 | 343,470 | (4,566) | 325,749 |
| Register of Deeds Carryover | 162,131 | - | 162,131 * | 3,398 |
| Land Records Program Local | 57,328 | 57,328 | - | 91,382 |
| Surveyor | 78,920 | 85,496 | (6,576) | 78,495 |
| Tax Deed Expense | 1,500 | 362 | 1,138 | 300 |
| Courthouse | 1,984,946 | 1,609,909 | 375,037 * | 1,183,088 |
| Telephone System | 2,000 | 2,796 | (796) | 3,282 |

* Continuing Appropriation Account.

**CHIPPEWA COUNTY, WISCONSIN
GENERAL FUND
DETAILED STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL (CONTINUED)
YEAR ENDED DECEMBER 31, 2009
(WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED DECEMBER 31, 2008)**

| | 2009 | | | 2008 Actual |
|---|-----------------|-----------|--------------------------------------|----------------|
| | Final Budget | Actual | Variance - Positive (Negative) | |
| EXPENDITURES (CONTINUED) | | | | |
| General Government: (Continued) | | | | |
| Property and Liability Insurance | \$ 323,773 | \$ 57,901 | \$ 265,872 * | \$ 58,790 |
| Maintenance Well Monitoring | 52,000 | 52,000 | - | - |
| Maintenance Carryover | 11,080 | - | 11,080 * | 73 |
| Maps and Plat Books | 7,500 | - | 7,500 | 8,632 |
| Platbook/Roadmap Publishing | 24,691 | - | 24,691 * | - |
| Sundry Department Expenses | 3,680 | 5,896 | (2,216) | 1,517 |
| Contingency | 350,938 | - | 350,938 * | - |
| Uncollectible CRI Accounts Receivable | - | 8,950 | (8,950) | - |
| Computer Outlay | 305,313 | 189,978 | 115,335 * | 168,501 |
| Total General Government | 8,397,920 | 6,613,735 | 1,784,185 | 6,387,993 |
| Public Safety: | | | | |
| Sheriff | 411,825 | 390,726 | 21,099 | 472,133 |
| Investigations | 550,366 | 497,868 | 52,498 | 508,655 |
| Patrol | 1,718,068 | 1,647,499 | 70,569 | 1,614,684 |
| Sheriff Carryover - SWAT Vehicle | 1,278 | - | 1,278 * | - |
| Sheriff's Department Training and Equipment | 249,385 | 100,821 | 148,564 * | 385,810 |
| Reserve Officers | 226,630 | 175,833 | 50,797 | 179,689 |
| Snowmobile Patrol | 63,446 | 10,823 | 52,623 * | 10,961 |
| Rifle Range | 14,380 | 5,837 | 8,543 * | 6,509 |
| Water Safety Patrol | 50,183 | 26,370 | 23,813 * | 31,135 |
| Civil Air Patrol | 3,000 | 3,000 | - | 2,875 |
| All Terrain Vehicle Trail Patrol | 15,351 | 17,491 | (2,140) * | 12,193 |
| Police Radio | 59,114 | 54,904 | 4,210 | 34,120 |
| Project D.A.R.E. | 223 | - | 223 * | 621 |
| Fire Suppression | 5,000 | 1,650 | 3,350 | 1,913 |
| Building Inspection Fund | 73,092 | 67,180 | 5,912 * | 107,485 |
| Emergency Government | 106,415 | 109,431 | (3,016) | 105,327 |
| SARA Program (Hazardous Materials) | 48,964 | 34,732 | 14,232 | 38,411 |
| Special Grants - Emergency Government | 35,191 | 7,430 | 27,761 * | 6,265 |
| Homeland Security Grants | - | 36,255 | (36,255) | 27,261 |
| Wireless 911 Grant | 12,356 | 5,428 | 6,928 * | 189,509 |
| Environmental Site Assessment | 121,553 | - | 121,553 * | - |
| County Jail | 3,044,525 | 2,952,283 | 92,242 | 2,899,245 |
| Jail Canteen Fund | 175,187 | 150,270 | 24,917 * | 163,937 |
| Telecommunications | 916,949 | 896,188 | 20,761 | 870,342 |
| Uniform Addressing | 90,746 | 84,257 | 6,489 | 78,841 |
| Total Public Safety | 7,993,227 | 7,276,276 | 716,951 | 7,747,921 |

* Continuing Appropriation Account.

**CHIPPEWA COUNTY, WISCONSIN
GENERAL FUND
DETAILED STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL (CONTINUED)
YEAR ENDED DECEMBER 31, 2009
(WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED DECEMBER 31, 2008)**

| | 2009 | | | 2008 Actual |
|--|-----------------|--------------|--------------------------------------|----------------|
| | Final Budget | Actual | Variance - Positive (Negative) | |
| EXPENDITURES (CONTINUED) | | | | |
| Public Works: | | | | |
| County Trunk Highway System (see Schedule E-4) | \$ 5,567,702 | \$ 5,567,702 | \$ - | \$ 5,528,899 |
| Solid Waste Study | - | - | - | 14,562 |
| Recycling | 618,736 | 355,964 | 262,772 * | 313,809 |
| Solid Waste Tire Facility | - | - | - | 14,949 |
| Household Clean Sweep Program | - | - | - | 23,842 |
| Airport | 116,811 | 116,811 | - | 114,521 |
| Total Public Works | 6,303,249 | 6,040,477 | 262,772 | 6,010,582 |
| Health and Human Services: | | | | |
| Public Health Nurse | 757,830 | 763,967 | (6,137) | 748,619 |
| Home Nursing Program | 1,450,053 | 1,394,125 | 55,928 | 1,358,328 |
| Health Clinics | 83,829 | 40,932 | 42,897 * | 53,535 |
| Child Support | 861,189 | 756,848 | 104,341 | 768,973 |
| Veterans' Service Officer | 154,895 | 136,128 | 18,767 | 142,233 |
| Veterans' Relief | 37,439 | 6,103 | 31,336 * | 3,753 |
| Care of Veterans' Graves | 1,400 | 1,311 | 89 | 2,051 |
| Total Health and Human Services | 3,346,635 | 3,099,414 | 247,221 | 3,077,492 |
| Culture, Recreation and Education: | | | | |
| Grants to Public Libraries | 628,190 | 628,190 | - | 601,284 |
| Snowmobile Trails | 98,265 | 84,447 | 13,818 * | 90,844 |
| All Terrain Vehicle Trails | 32,649 | 2,700 | 29,949 * | 51,229 |
| University Extension | 387,298 | 368,471 | 18,827 | 367,277 |
| Old Abe Trail | 76,633 | 10,122 | 66,511 * | 99,539 |
| Extension Education Programs | 112,084 | 17,740 | 94,344 * | 28,577 |
| Farm Fresh Atlas | 9,563 | - | 9,563 | 9,758 |
| Total Culture, Recreation and Education | 1,344,682 | 1,111,670 | 233,012 | 1,248,508 |
| Conservation and Development: | | | | |
| County Forestry Department | 564,663 | 532,956 | 31,707 | 513,898 |
| Forest and Parks Capital Improvements | 135,491 | 23,915 | 111,576 * | 141,688 |
| Forest Roads | 40,361 | 40,361 | - | - |
| Environmental Impact Fee | 21,217 | - | 21,217 * | - |
| Comprehensive Planning Project | 219,282 | 71,523 | 147,759 * | 104,646 |
| Conservancy Trail Development | 1,500 | - | 1,500 * | - |
| Conservation Committee | 700 | 700 | - | 570 |
| Land Conservation | 392,331 | 370,651 | 21,680 | 409,158 |

* Continuing Appropriation Account.

**CHIPPEWA COUNTY, WISCONSIN
GENERAL FUND
DETAILED STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL (CONTINUED)
YEAR ENDED DECEMBER 31, 2009
(WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED DECEMBER 31, 2008)**

| | 2009 | | | 2008 Actual |
|--|---------------------|----------------------|--------------------------------------|---------------------|
| | Final Budget | Actual | Variance - Positive (Negative) | |
| EXPENDITURES (CONTINUED) | | | | |
| Conservation and Development: (Continued) | | | | |
| Lake Protection Grant | \$ 27,575 | \$ 7,575 | \$ 20,000 | \$ - |
| SWIRM Grant Expenditures | 242,295 | 242,295 | - | * 194,074 |
| Targeted Runoff Management | 60,456 | 51,070 | 9,386 | * 71,851 |
| Stormwater Planning Grant | 9,481 | 9,481 | - | * 1,400 |
| Special Conservation Projects | 27,561 | - | 27,561 | * - |
| Wildlife Habitat Management | 7,002 | 2,870 | 4,132 | * 4,500 |
| Wildlife Damage - Abatement Project | 13,978 | 16,849 | (2,871) | * 32,449 |
| Farmland Preservation | - | - | - | 5,927 |
| TMDL - Little Lake Wissota | 44,575 | 32,458 | 12,117 | * - |
| Gravel Pits | 99,623 | 39,101 | 60,522 | * 52,211 |
| Farmers Fund | - | - | - | 62,330 |
| Conservation Reserve Enhancement Program | 109,262 | 39,558 | 69,704 | * 55,529 |
| Housing Authority | 5,700 | 5,382 | 318 | 5,517 |
| Zoning | 419,886 | 421,092 | (1,206) | 403,065 |
| Zoning Carryover | - | - | - | - |
| Economic Development | 405,253 | 213,498 | 191,755 | * 178,658 |
| Duncan Creek Watershed Project | - | - | - | 22,000 |
| Tourism Development | 30,300 | 30,300 | - | 30,300 |
| Total Conservation and Development | <u>2,878,492</u> | <u>2,151,635</u> | <u>726,857</u> | <u>2,289,771</u> |
| Total Expenditures | <u>30,264,205</u> | <u>26,293,207</u> | <u>3,970,998</u> | <u>26,762,267</u> |
| EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES | (4,260,579) | (391,017) | 3,869,562 | (1,208,835) |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers In: | | | | |
| Sales Tax Fund | 1,615,422 | 1,615,422 | - | 1,427,168 |
| Human Services Fund | 1,640,650 | 1,640,650 | - | - |
| Chippewa River Industries Enterprise Fund | - | - | - | 659,411 |
| Debt Service Fund | 172,330 | 9,955 | (162,375) | - |
| Transfers Out: | | | | |
| Aging Fund | (96,997) | (96,997) | - | (96,997) |
| Human Services Fund | - | (132,685) | 132,685 | - |
| Highway Department Fund | (169,000) | (169,000) | - | (390,620) |
| Debt Service Fund | - | (150,253) | 150,253 | - |
| Forest & Parks Fund | - | - | - | (156,712) |
| Health Insurance Fund | - | (105,758) | 105,758 | - |
| Flexible Benefits Fund | (16,075) | (16,075) | - | (15,920) |
| Total Other Financing Sources (Uses) | <u>3,146,330</u> | <u>2,595,259</u> | <u>226,321</u> | <u>1,426,330</u> |
| SPECIAL ITEM | | | | |
| Dissolution of CRI Industries Enterprise Fund | - | - | - | (323,666) |
| NET CHANGE IN FUND BALANCE | (1,114,249) | 2,204,242 | 4,095,883 | (106,171) |
| Fund Balance, January 1 | 9,918,528 | 9,918,528 | - | 10,024,699 |
| FUND BALANCE, DECEMBER 31 | <u>\$ 8,804,279</u> | <u>\$ 12,122,770</u> | <u>\$ 4,095,883</u> | <u>\$ 9,918,528</u> |

* Continuing Appropriation Account.

**CHIPPEWA COUNTY, WISCONSIN
DEBT SERVICE FUND
DETAILED BALANCE SHEET
DECEMBER 31, 2009
(WITH COMPARATIVE TOTALS FOR DECEMBER 31, 2008)**

| | CRI Debt Issue | Refunding Bond Issue | Unfunded Liabilities | Totals | |
|--|----------------------|----------------------------|-------------------------|---------------------|---------------------|
| | | | | 2009 | 2008 |
| ASSETS | | | | | |
| Treasurer's Cash and Investments | \$ - | \$ 2,475,966 | \$ 1,535,321 | \$ 4,011,287 | \$ 3,727,690 |
| Taxes Receivable | 150,253 | - | - | 150,253 | 2,462 |
| Accounts Receivable | - | 3,667 | - | 3,667 | - |
| | <u>\$ 150,253</u> | <u>\$ 2,479,633</u> | <u>\$ 1,535,321</u> | <u>\$ 4,165,207</u> | <u>\$ 3,730,152</u> |
| LIABILITIES AND FUND BALANCE | | | | | |
| Liabilities: | | | | | |
| Deferred Revenue | \$ 150,253 | \$ - | \$ - | \$ 150,253 | \$ 2,462 |
| Fund Balance: | | | | | |
| Reserved for Debt Retirement | - | 2,479,633 | - | 2,479,633 | 2,191,686 |
| Unreserved, Designated for Debt Retirement | - | - | 1,535,321 | 1,535,321 | 1,536,004 |
| Total Fund Balance | <u>-</u> | <u>2,479,633</u> | <u>1,535,321</u> | <u>4,014,954</u> | <u>3,727,690</u> |
| Total Liabilities and Fund Balance | <u>\$ 150,253</u> | <u>\$ 2,479,633</u> | <u>\$ 1,535,321</u> | <u>\$ 4,165,207</u> | <u>\$ 3,730,152</u> |

**CHIPPEWA COUNTY, WISCONSIN
DEBT SERVICE FUND
DETAILED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
YEAR ENDED DECEMBER 31, 2009
(WITH COMPARATIVE TOTALS FOR YEAR ENDED DECEMBER 31, 2008)**

| | CRI Debt Issue | Refunding Bond Issue | Unfunded Liabilities | Totals | |
|--|----------------------|----------------------------|-------------------------|---------------------|---------------------|
| | | | | 2009 | 2008 |
| REVENUES | | | | | |
| General Property Taxes | \$ - | \$ 2,462 | \$ - | \$ 2,462 | \$ - |
| Investment Income | - | 23,202 | 9,272 | 32,474 | 86,009 |
| Total Revenues | - | 25,664 | 9,272 | 34,936 | 86,009 |
| EXPENDITURES | | | | | |
| Principal Retirement | 112,065 | 880,000 | - | 992,065 | 835,000 |
| Interest Payments | 38,188 | 374,833 | - | 413,021 | 417,371 |
| Total Expenditures | 150,253 | 1,254,833 | - | 1,405,086 | 1,252,371 |
| EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES | (150,253) | (1,229,169) | 9,272 | (1,370,150) | (1,166,362) |
| OTHER FINANCING SOURCES (USES) | | | | | |
| Transfer In from Sales Tax Fund | - | 1,517,116 | - | 1,517,116 | 1,525,429 |
| Transfer In from General Fund | 150,253 | - | - | 150,253 | - |
| Transfer Out to General Fund | - | - | (9,955) | (9,955) | - |
| Total Other Financing Sources (Uses) | 150,253 | 1,517,116 | (9,955) | 1,657,414 | 1,525,429 |
| NET CHANGE IN FUND BALANCE | - | 287,947 | (683) | 287,264 | 359,067 |
| Fund Balance, January 1 | - | 2,191,686 | 1,536,004 | 3,727,690 | 3,368,623 |
| FUND BALANCE, DECEMBER 31 | \$ - | \$ 2,479,633 | \$ 1,535,321 | \$ 4,014,954 | \$ 3,727,690 |

**CHIPPEWA COUNTY, WISCONSIN
FARM LAND DEVELOPMENT ENTERPRISE FUND
BALANCE SHEET
DECEMBER 31, 2009
(WITH COMPARATIVE AMOUNTS FOR DECEMBER 31, 2008)**

| | 2009 | 2008 |
|-----------------------------------|--------------|--------------|
| ASSETS | | |
| Current Assets: | | |
| Treasurer's Cash | \$ 343,742 | \$ 181,421 |
| Investment of Land Sales Proceeds | 157,738 | 156,494 |
| Accounts Receivable | 109,878 | 184,506 |
| Total Current Assets | 611,358 | 522,421 |
| Noncurrent Assets: | | |
| Property Held for Resale: | | |
| Land | 90,871 | 93,131 |
| Land Improvements | 1,739,513 | 1,782,443 |
| Capital Assets: | | |
| Land | 22,653 | 22,653 |
| Total Noncurrent Assets | 1,853,037 | 1,898,227 |
| Total Assets | \$ 2,464,395 | \$ 2,420,648 |
| LIABILITIES | | |
| Current Liabilities: | | |
| Due to Other Funds | \$ - | \$ 100,000 |
| Special Deposits | 4,589 | 4,589 |
| Total Liabilities | 4,589 | 104,589 |
| NET ASSETS | | |
| Invested in Capital Assets | 22,653 | 22,653 |
| Unrestricted | 2,437,153 | 2,293,406 |
| Total Net Assets | 2,459,806 | 2,316,059 |
| Total Liabilities and Net Assets | \$ 2,464,395 | \$ 2,420,648 |

CHIPPEWA COUNTY, WISCONSIN
FARM LAND DEVELOPMENT ENTERPRISE FUND
STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN NET ASSETS
YEAR ENDED DECEMBER 31, 2009
(WITH COMPARATIVE AMOUNTS FOR YEAR ENDED DECEMBER 31, 2008)

| | <u>2009</u> | <u>2008</u> |
|--|---------------------|---------------------|
| OPERATING REVENUES: | | |
| Charges for Services | \$ 259,915 | \$ 366,100 |
| Other Miscellaneous Revenues | 500 | 6 |
| Total Operating Revenues | <u>260,415</u> | <u>366,106</u> |
| OPERATING EXPENSES | <u>115,416</u> | <u>132,001</u> |
| OPERATING INCOME (LOSS) | 144,999 | 234,105 |
| NONOPERATING REVENUES (EXPENSES): | | |
| Interest Revenue | 1,245 | 3,791 |
| Interest Expense | (2,497) | (8,700) |
| Write Off Long-Term Receivable | - | (1,765,818) |
| Lease of County Land | - | 1,000 |
| Total Nonoperating Revenues (Expenses) | <u>(1,252)</u> | <u>(1,769,727)</u> |
| CHANGE IN NET ASSETS | 143,747 | (1,535,622) |
| Net Assets, January 1 | <u>2,316,059</u> | <u>3,851,681</u> |
| NET ASSETS, DECEMBER 31 | <u>\$ 2,459,806</u> | <u>\$ 2,316,059</u> |

CHIPPEWA COUNTY, WISCONSIN
FARM LAND DEVELOPMENT ENTERPRISE FUND
STATEMENT OF CASH FLOWS
YEAR ENDED DECEMBER 31, 2009
(WITH COMPARATIVE AMOUNTS FOR YEAR ENDED DECEMBER 31, 2008)

| | <u>2009</u> | <u>2008</u> |
|---|-------------------|-------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES: | | |
| Cash Received from the Sale of County Property and Deposits | \$ 335,043 | \$ 386,132 |
| Cash Paid for Goods and Services | <u>(70,226)</u> | <u>(94,729)</u> |
| Net Cash Provided by Operating Activities | 264,817 | 291,403 |
| CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES: | | |
| Cash Received from Lease of County Farm Land | - | 1,000 |
| Repayment of Interfund Loan | (100,000) | (132,000) |
| Cash Received (Paid) from Special Deposits | - | (5,000) |
| Cash Paid for Interest on Advance from General Fund | <u>(2,497)</u> | <u>(15,779)</u> |
| Net Cash Used by Capital and Related Financing Activities | (102,497) | (151,779) |
| CASH FLOWS FROM INVESTING ACTIVITIES: | | |
| Interest Received on Investments | <u>1,245</u> | <u>3,791</u> |
| NET INCREASE IN CASH AND CASH EQUIVALENTS | 163,565 | 143,415 |
| CASH AND CASH EQUIVALENTS, JANUARY 1 | <u>337,915</u> | <u>194,500</u> |
| CASH AND CASH EQUIVALENTS, DECEMBER 31 | <u>\$ 501,480</u> | <u>\$ 337,915</u> |
| RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES: | | |
| Operating Income | \$ 144,999 | \$ 234,105 |
| Adjustment to Reconcile Operating Income to Net Cash Provided by Operating Activities: | | |
| Cost Basis of Land and Land Improvements Sold | 45,190 | 20,026 |
| Change in Assets and Liabilities: | | |
| Decrease in Accounts Receivable | 74,628 | 80,272 |
| Decrease in Vouchers Payable | <u>-</u> | <u>(43,000)</u> |
| Net Cash Provided by Operating Activities | <u>\$ 264,817</u> | <u>\$ 291,403</u> |
| RECONCILIATION OF CASH AND INVESTMENTS TO CASH AND CASH EQUIVALENTS: | | |
| Cash and Investments per Schedule D-1: | | |
| Treasurer's Cash | \$ 343,742 | \$ 181,421 |
| Investment of Land Sales Proceeds | <u>157,738</u> | <u>156,494</u> |
| Cash and Cash Equivalents per Schedule D-3 | <u>\$ 501,480</u> | <u>\$ 337,915</u> |

**CHIPPEWA COUNTY, WISCONSIN
INTERNAL SERVICE FUNDS
COMBINING BALANCE SHEET
DECEMBER 31, 2009
(WITH COMPARATIVE TOTALS FOR DECEMBER 31, 2008)**

| | Highway | Self-funded | Self-funded | Self-funded | Flexible | Totals | |
|---|----------------------|-------------------------|---------------------|------------------------|------------------|----------------------|----------------------|
| | Department | Workers Compensation | Health Insurance | Liability Insurance | Benefits Fund | 2009 | 2008 |
| ASSETS | | | | | | | |
| Current Assets: | | | | | | | |
| Treasurer's Cash and Investments | \$ 1,535,409 | \$ 919,487 | \$ 1,969,179 | \$ 189,436 | \$ 65,790 | \$ 4,679,301 | \$ 5,175,653 |
| Restricted Cash and Investments | 1,034,035 | - | - | - | - | 1,034,035 | 1,798,633 |
| Departmental Cash - Petty Cash | 250 | - | - | - | - | 250 | 250 |
| Cash and Investments Held by Fiscal Agent | - | - | - | 149,583 | - | 149,583 | 139,338 |
| Accounts Receivable | 149,872 | 899 | - | 73,576 | - | 224,347 | 269,405 |
| Due from Other Governmental Units | 2,177,569 | - | - | - | - | 2,177,569 | 2,047,455 |
| Inventories | 2,026,498 | - | - | - | - | 2,026,498 | 2,030,830 |
| Prepaid Items | 30,650 | - | - | - | - | 30,650 | - |
| Total Current Assets | <u>6,954,283</u> | <u>920,386</u> | <u>1,969,179</u> | <u>412,595</u> | <u>65,790</u> | <u>10,322,233</u> | <u>11,461,564</u> |
| Noncurrent Assets: | | | | | | | |
| Capital Assets: | | | | | | | |
| Not Being Depreciated | 92,696 | - | - | - | - | 92,696 | 92,696 |
| Being Depreciated | 24,873,440 | - | - | - | - | 24,873,440 | 24,287,362 |
| Accumulated Depreciation | (12,545,206) | - | - | - | - | (12,545,206) | (11,797,826) |
| Investment in Public-entity Risk Pool (WMMIC) | - | - | - | 750,327 | - | 750,327 | 750,327 |
| Total Noncurrent Assets | <u>12,420,930</u> | <u>-</u> | <u>-</u> | <u>750,327</u> | <u>-</u> | <u>13,171,257</u> | <u>13,332,559</u> |
| Total Assets | <u>\$ 19,375,213</u> | <u>\$ 920,386</u> | <u>\$ 1,969,179</u> | <u>\$ 1,162,922</u> | <u>\$ 65,790</u> | <u>\$ 23,493,490</u> | <u>\$ 24,794,123</u> |

**CHIPPEWA COUNTY, WISCONSIN
INTERNAL SERVICE FUNDS
COMBINING BALANCE SHEET (CONTINUED)
DECEMBER 31, 2009
(WITH COMPARATIVE TOTALS FOR DECEMBER 31, 2008)**

| | Highway Department | Self-funded Workers' Compensation | Self-funded Health Insurance | Self-funded Liability Insurance | Flexible Benefits Fund | Totals | |
|---|-----------------------|---|------------------------------------|---------------------------------------|------------------------------|---------------|---------------|
| | | | | | | 2009 | 2008 |
| LIABILITIES: | | | | | | | |
| Current Liabilities: | | | | | | | |
| Accounts Payable | \$ 165,839 | \$ 14,560 | \$ 119,990 | \$ - | \$ 17,266 | \$ 317,655 | \$ 379,017 |
| Present Value of Unpaid Losses | - | 891,229 | 214,000 | 386,540 | - | 1,491,769 | 923,721 |
| Deferred Cost Pool Revenues | 19,067 | - | - | - | - | 19,067 | 240,845 |
| Current Portion of Early Retirement Incentive | 31,596 | - | - | - | - | 31,596 | - |
| Current Portion of Employee Leave Liability | 239,745 | - | - | - | - | 239,745 | 216,348 |
| Total Current Liabilities | 456,247 | 905,789 | 333,990 | 386,540 | 17,266 | 2,099,832 | 1,759,931 |
| Long-Term Liabilities | | | | | | | |
| (Net of Current Portion): | | | | | | | |
| Other Postemployment Benefits Payable | 72,751 | - | - | - | - | 72,751 | - |
| Early Retirement Incentive | 63,192 | - | - | - | - | 63,192 | - |
| Estimated Employee Leave Liability | 665,042 | - | - | - | - | 665,042 | 567,545 |
| Total Long-Term Liabilities | 800,985 | - | - | - | - | 800,985 | 567,545 |
| Total Liabilities | 1,257,232 | 905,789 | 333,990 | 386,540 | 17,266 | 2,900,817 | 2,327,476 |
| NET ASSETS: | | | | | | | |
| Invested in Capital Assets | 12,420,930 | - | - | - | - | 12,420,930 | 12,582,232 |
| Restricted | 1,034,035 | - | - | 750,327 | - | 1,784,362 | 2,548,960 |
| Unrestricted | 4,663,016 | 14,597 | 1,635,189 | 26,055 | 48,524 | 6,387,381 | 7,335,455 |
| Total Net Assets | 18,117,981 | 14,597 | 1,635,189 | 776,382 | 48,524 | 20,592,673 | 22,466,647 |
| Total Liabilities and Net Assets | \$ 19,375,213 | \$ 920,386 | \$ 1,969,179 | \$ 1,162,922 | \$ 65,790 | \$ 23,493,490 | \$ 24,794,123 |

CHIPPEWA COUNTY, WISCONSIN
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
YEAR ENDED DECEMBER 31, 2009
(WITH COMPARATIVE TOTALS FOR YEAR ENDED DECEMBER 31, 2008)

| | Highway | Self-funded | Self-funded | Self-funded | Flexible | Totals | |
|---|---------------|-----------------------|------------------|---------------------|---------------|---------------|---------------|
| | Department | Workers' Compensation | Health Insurance | Liability Insurance | Benefits Fund | 2009 | 2008 |
| OPERATING REVENUES | \$ 10,201,839 | \$ 395,320 | \$ 5,485,566 | \$ 72,898 | \$ 630,304 | \$ 16,785,927 | \$ 18,094,671 |
| OPERATING EXPENSES | 12,873,518 | 888,904 | 5,375,131 | 332,127 | 631,193 | 20,100,873 | 19,049,737 |
| OPERATING INCOME (LOSS) | (2,671,679) | (493,584) | 110,435 | (259,229) | (889) | (3,314,946) | (955,066) |
| NONOPERATING REVENUES (EXPENSES): | | | | | | | |
| Interest Revenue | 37,399 | 8,181 | 13,636 | 5,076 | - | 64,292 | 250,482 |
| Dividend Revenue | - | - | - | 73,576 | - | 73,576 | 74,164 |
| Disposition of Assets | 21,214 | - | - | - | - | 21,214 | (7,973) |
| Insurance Recoveries | 2,113 | - | - | - | - | 2,113 | 19,329 |
| Revenue from Jurisdictional Transfer | 269,973 | - | - | - | - | 269,973 | - |
| Nonoperating Depreciation | (34,660) | - | - | - | - | (34,660) | (34,660) |
| Total Nonoperating Revenues (Expenses) | 296,039 | 8,181 | 13,636 | 78,652 | - | 396,508 | 301,342 |
| INCOME (LOSS) BEFORE CONTRIBUTIONS AND INTERFUND TRANSFERS | (2,375,640) | (485,403) | 124,071 | (180,577) | (889) | (2,918,438) | (653,724) |
| CONTRIBUTIONS AND INTERFUND TRANSFERS: | | | | | | | |
| Contributions from County | 5,685 | - | - | - | - | 5,685 | - |
| Transfers from General Fund | 169,000 | - | 105,758 | - | 16,075 | 290,833 | 406,540 |
| Transfer from Aging Fund | 3,000 | - | - | - | - | 3,000 | 20,560 |
| Transfer from Human Service Fund | 55,775 | - | - | - | - | 55,775 | 93,000 |
| Transfer from Sales Tax Fund | 682,171 | - | - | - | - | 682,171 | 640,000 |
| Transfer from Land Records Fund | 7,000 | - | - | - | - | 7,000 | 7,000 |
| Transfer from CRI Enterprise Fund | - | - | - | - | - | - | 7,000 |
| Total Contributions and Interfund Transfers | 922,631 | - | 105,758 | - | 16,075 | 1,044,464 | 1,174,100 |
| CHANGE IN NET ASSETS | (1,453,009) | (485,403) | 229,829 | (180,577) | 15,186 | (1,873,974) | 520,376 |
| Net Assets, January 1 | 19,570,990 | 500,000 | 1,405,360 | 956,959 | 33,338 | 22,466,647 | 21,946,271 |
| NET ASSETS, DECEMBER 31 | \$ 18,117,981 | \$ 14,597 | \$ 1,635,189 | \$ 776,382 | \$ 48,524 | \$ 20,592,673 | \$ 22,466,647 |

**CHIPPEWA COUNTY, WISCONSIN
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF CASH FLOWS
YEAR ENDED DECEMBER 31, 2009
(WITH COMPARATIVE TOTALS FOR DECEMBER 31, 2008)**

| | Highway Department | Self-funded Workers' Compensation | Self-funded Health Insurance | Self-funded Liability Insurance | Flexible Benefits Fund | Totals | |
|---|-----------------------|---|------------------------------------|---------------------------------------|------------------------------|---------------|---------------|
| | | | | | | 2009 | 2008 |
| CASH FLOWS FROM OPERATING ACTIVITIES: | | | | | | | |
| Cash Received for Goods and Services: | | | | | | | |
| County/Departments | \$ 5,672,046 | \$ 364,943 | \$ 4,853,702 | \$ 70,754 | \$ - | \$ 10,961,445 | \$ 11,339,766 |
| Third Parties | 4,685,227 | - | 360 | - | - | 4,685,587 | 6,337,341 |
| Cash Received from Employees | - | - | 631,504 | - | 630,304 | 1,261,808 | 1,125,348 |
| Cash Payments for Goods and Services | (5,542,663) | (49,492) | (75,518) | (50,307) | (5,489) | (5,723,469) | (5,875,291) |
| Cash Payments for Employee Services | (6,092,446) | (6,228) | - | - | - | (6,098,674) | (6,125,883) |
| Cash Payments for Insurance Claims | - | (295,664) | (4,628,416) | (26,697) | (629,622) | (5,580,399) | (5,923,051) |
| Cash Payments for Insurance Premiums | - | (17,420) | (610,207) | (123,116) | - | (750,743) | (823,924) |
| Net Cash Provided (Used) by Operating Activities | (1,277,836) | (3,861) | 171,425 | (129,366) | (4,807) | (1,244,445) | 54,306 |
| CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES: | | | | | | | |
| Transfer from General Fund | 169,000 | - | 105,758 | - | 16,075 | 290,833 | 406,540 |
| Transfer from Human Services Fund | 55,775 | - | - | - | - | 55,775 | 93,000 |
| Transfer from Aging Fund | 3,000 | - | - | - | - | 3,000 | 20,560 |
| Transfer from Sales Tax Fund | 682,171 | - | - | - | - | 682,171 | 640,000 |
| Transfer from Land Records Fund | 7,000 | - | - | - | - | 7,000 | 7,000 |
| Transfer from CRI Enterprise Fund | - | - | - | - | - | - | 7,000 |
| Transfer to General Fund | - | - | - | - | - | - | (1,059,459) |
| Net Cash Provided by Noncapital Financing Activities | 916,946 | - | 105,758 | - | 16,075 | 1,038,779 | 114,641 |
| CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES: | | | | | | | |
| Cash Received from Salvage of Capital Assets | 79,801 | - | - | - | - | 79,801 | 61,071 |
| Cash Received from Insurance Recoveries | 2,113 | - | - | - | - | 2,113 | 19,329 |
| Cash Payments for Acquisition and Major Repairs of Capital Assets | (1,265,409) | - | - | - | - | (1,265,409) | (1,670,519) |
| Net Cash Used for Capital and Related Financing Activities | (1,183,495) | - | - | - | - | (1,183,495) | (1,590,119) |
| CASH FLOWS FROM INVESTING ACTIVITIES: | | | | | | | |
| Interest and Dividends Received on Investments | 37,399 | 8,181 | 13,636 | 79,240 | - | 138,456 | 323,315 |
| Redemption of Investments | 480,000 | 200,000 | - | - | - | 680,000 | 1,584,440 |
| Net Cash Provided by Investing Activities | 517,399 | 208,181 | 13,636 | 79,240 | - | 818,456 | 1,907,755 |
| NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS | | | | | | | |
| | (1,026,986) | 204,320 | 290,819 | (50,126) | 11,268 | (570,705) | 486,583 |
| CASH AND CASH EQUIVALENTS, JANUARY 1 | | | | | | | |
| | 3,596,680 | 715,167 | 1,678,360 | 389,145 | 54,522 | 6,433,874 | 5,947,291 |
| CASH AND CASH EQUIVALENTS, DECEMBER 31 | | | | | | | |
| | \$ 2,569,694 | \$ 919,487 | \$ 1,969,179 | \$ 339,019 | \$ 65,790 | \$ 5,863,169 | \$ 6,433,874 |

**CHIPPEWA COUNTY, WISCONSIN
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF CASH FLOWS (CONTINUED)
YEAR ENDED DECEMBER 31, 2009
(WITH COMPARATIVE TOTALS FOR DECEMBER 31, 2008)**

| | Highway | Self-funded | Self-funded | Self-funded | Flexible | Totals | |
|---|-----------------------|-------------------------|---------------------|------------------------|-------------------|-----------------------|---------------------|
| | Department | Workers Compensation | Health Insurance | Liability Insurance | Benefits Fund | 2009 | 2008 |
| RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES: | | | | | | | |
| Operating Income (Loss) | \$ (2,671,679) | \$ (493,584) | \$ 110,435 | \$ (259,229) | \$ (889) | \$ (3,314,946) | \$ (955,066) |
| Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities: | | | | | | | |
| Operating Depreciation | 1,339,149 | - | - | - | - | 1,339,149 | 1,300,912 |
| Revenue from Jurisdictional Transfer | 269,973 | - | - | - | - | 269,973 | - |
| (Increase) Decrease in Assets: | | | | | | | |
| Accounts Receivable | 15,576 | 28,894 | - | - | - | 44,470 | 471,477 |
| Due from Other Governments | (130,114) | - | - | - | - | (130,114) | 206,903 |
| Materials and Supplies | 4,332 | - | - | - | - | 4,332 | (717,595) |
| Prepaid Items | (30,650) | - | - | - | - | (30,650) | - |
| Increase (Decrease) in Liabilities: | | | | | | | |
| Accounts Payable | (141,078) | (29,317) | 119,990 | (7,039) | (3,918) | (61,362) | (100,304) |
| Present Value of Unpaid Losses | - | 490,146 | (59,000) | 136,902 | - | 568,048 | (152,915) |
| Deferred Cost Pool Revenues | (221,778) | - | - | - | - | (221,778) | 38,870 |
| Early Retirement Benefits | 94,788 | - | - | - | - | 94,788 | - |
| Other Postemployment Benefits | 72,751 | - | - | - | - | 72,751 | - |
| Unused Vested Employee Benefits | 120,894 | - | - | - | - | 120,894 | (37,976) |
| Net Cash Provided (Used) by Operating Activities | \$ (1,277,836) | \$ (3,861) | \$ 171,425 | \$ (129,366) | \$ (4,807) | \$ (1,244,445) | \$ 54,306 |
| RECONCILIATION OF CASH AND INVESTMENTS TO CASH AND CASH EQUIVALENTS: | | | | | | | |
| Cash and Investments per Schedule E-1: | | | | | | | |
| Cash and Investments - Unrestricted | \$ 1,535,659 | \$ 919,487 | \$ 1,969,179 | \$ 339,019 | \$ 65,790 | \$ 4,829,134 | \$ 5,315,241 |
| Cash and Investments - Restricted | 1,034,035 | - | - | - | - | 1,034,035 | 1,798,633 |
| | 2,569,694 | 919,487 | 1,969,179 | 339,019 | 65,790 | 5,863,169 | 7,113,874 |
| Less: Investments With a Maturity Greater than Three Months | - | - | - | - | - | - | 680,000 |
| Cash and Cash Equivalents per Schedule E-3 | \$ 2,569,694 | \$ 919,487 | \$ 1,969,179 | \$ 339,019 | \$ 65,790 | \$ 5,863,169 | \$ 6,433,874 |

CHIPPEWA COUNTY, WISCONSIN
HIGHWAY DEPARTMENT INTERNAL SERVICE FUND
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
YEAR ENDED DECEMBER 31, 2009
(WITH COMPARATIVE AMOUNTS FOR YEAR ENDED DECEMBER 31, 2008)

| | 2009 | 2008 |
|--|--------------|--------------|
| OPERATING REVENUES: | | |
| Charges for Services: | | |
| County Highway Maintenance and Construction [1] | \$ 5,567,702 | \$ 5,528,899 |
| State Highway Maintenance and Construction | 2,120,727 | 2,486,885 |
| Local Districts | 1,317,466 | 2,237,994 |
| County Departments | 178,983 | 449,576 |
| Non-governmental Customers | 584,495 | 372,027 |
| Non-highway fleet | 27,439 | 33,098 |
| Miscellaneous: | | |
| Other Revenue from State: | | |
| Records, Reports and Supervision | 258,843 | 304,315 |
| Equipment Storage | 126,623 | 143,374 |
| Miscellaneous Highway Revenues | 19,561 | 51,527 |
| Total Operating Revenues | 10,201,839 | 11,607,695 |
| OPERATING EXPENSES: | | |
| Administration and General: | | |
| Administration | 404,660 | 387,358 |
| Patrol Superintendent | 132,672 | 141,113 |
| Engineering Technician | 28,398 | 38,354 |
| Radio Expense | 5,794 | 11,655 |
| Public Liability Insurance | 20,417 | 21,214 |
| Transportation Cost Pools: | | |
| Machinery Operations | 15,618 | (489,830) |
| Gravel Pits and Quarries | 42,987 | (142,278) |
| Bituminous Operations | (121,074) | (403,417) |
| Services Provided: | | |
| County: | | |
| General Maintenance | 1,567,510 | 1,630,668 |
| Reconstruction and Betterments | 3,631,596 | 3,689,637 |
| Winter Maintenance | 1,283,086 | 1,138,420 |
| Bridge Construction | 396,632 | 100,588 |
| East Bridge Project | 16,088 | - |
| State: | | |
| Highway Maintenance and Betterments | 2,120,727 | 2,486,885 |
| Equipment Storage | 126,623 | 143,374 |
| Salt Storage | 6,841 | 6,700 |
| County Aid Bridge Construction | 44,723 | 31,801 |
| Local Districts | 1,317,466 | 2,237,994 |
| Local Departments | 178,983 | 449,576 |
| Non-governmental Customers | 1,060,853 | 372,027 |
| Amortization of State Contributions Included Above | 28,809 | 28,809 |
| Employee Leave | 64,297 | - |
| Other Postemployment Benefits | 72,751 | - |
| Non-highway fleet | 427,061 | 527,112 |
| Total Operating Expenses | 12,873,518 | 12,407,760 |
| OPERATING LOSS | (2,671,679) | (800,065) |

CHIPPEWA COUNTY, WISCONSIN
HIGHWAY DEPARTMENT INTERNAL SERVICE FUND
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS (CONTINUED)
YEAR ENDED DECEMBER 31, 2009
(WITH COMPARATIVE AMOUNTS FOR YEAR ENDED DECEMBER 31, 2008)

| | <u>2009</u> | <u>2008</u> |
|--|--------------------------|--------------------------|
| NONOPERATING REVENUES (EXPENSES): | | |
| Interest Income | \$ 37,399 | \$ 188,641 |
| Revenue from Jurisdictional Transfer #861 | 269,973 | - |
| Gain (Loss) on Disposition of Assets - Non-highway Fleet | 21,214 | (7,973) |
| Insurance Recoveries - Non-highway Fleet | 2,113 | 19,329 |
| Depreciation on Building Space Occupied by Other County Departments | (34,660) | (34,660) |
| Total Nonoperating Revenues (Expenses) | <u>296,039</u> | <u>165,337</u> |
| LOSS BEFORE CONTRIBUTIONS AND INTERFUND TRANSFERS | (2,375,640) | (634,728) |
| CONTRIBUTIONS AND INTERFUND TRANSFERS: | | |
| Contributions from County | 5,685 | - |
| Transfer from General Fund | 169,000 | 390,620 |
| Transfer from Aging Fund | 3,000 | 20,560 |
| Transfer from Human Services Fund | 55,775 | 93,000 |
| Transfer from Sales Tax Fund | 682,171 | 640,000 |
| Transfer from Land Records Fund | 7,000 | 7,000 |
| Transfer from CRI Enterprise Fund | - | 7,000 |
| Total Contributions and Interfund Transfers | <u>922,631</u> | <u>1,158,180</u> |
| CHANGE IN NET ASSETS | (1,453,009) | 523,452 |
| Net Assets, January 1 | <u>19,570,990</u> | <u>19,047,538</u> |
| NET ASSETS, DECEMBER 31 | <u>\$ 18,117,981</u> | <u>\$ 19,570,990</u> |

[1] Charges for County Maintenance and Construction Consists of the Following Payments from the General Fund:

| | | |
|--|---------------------|---------------------|
| County Appropriations | \$ 3,332,413 | \$ 3,332,413 |
| State Transportation Aids | 1,274,313 | 1,260,314 |
| State Local Road Improvement Program Aid | 340,340 | 106,172 |
| Federal Aid Secondary Revenues | 620,636 | 830,000 |
| | <u>\$ 5,567,702</u> | <u>\$ 5,528,899</u> |

CHIPPEWA COUNTY, WISCONSIN
SELF-FUNDED LIABILITY INSURANCE INTERNAL SERVICE FUND
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
YEAR ENDED DECEMBER 31, 2009
(WITH COMPARATIVE AMOUNTS FOR YEAR ENDED DECEMBER 31, 2008)

| | 2009 | 2008 |
|---|------------|------------|
| REVENUES: | | |
| Charges to County | \$ 70,754 | \$ 72,925 |
| Insurance Recoveries | 2,144 | 115 |
| Interest Earnings on Funds Held by WMMIC | 5,076 | 6,303 |
| Dividend from WMMIC | 73,576 | 74,164 |
| Total Revenues | 151,550 | 153,507 |
| EXPENSES: | | |
| Insurance Premiums Paid WMMIC | 123,116 | 115,370 |
| Claims Expenses - WMMIC | 21,802 | 133,008 |
| Net Increase (Decrease) in Year-end Present Value of Unpaid Claims - WMMIC | 136,902 | (75,357) |
| Claims Expenses - Other | 50,307 | 27,446 |
| Total Expenses | 332,127 | 200,467 |
| CHANGE IN NET ASSETS | (180,577) | (46,960) |
| Net Assets, January 1 | 956,959 | 1,003,919 |
| NET ASSETS, DECEMBER 31 | \$ 776,382 | \$ 956,959 |

**CHIPPEWA COUNTY, WISCONSIN
AGENCY FUNDS
COMBINING BALANCE SHEET
DECEMBER 31, 2009
(WITH COMPARATIVE TOTALS FOR DECEMBER 31, 2008)**

| | Tax Agency | Treasurer | Clerk of Courts | Human Services | Sheriff | Register of Deeds | Timber Bond Performance Deposits | Totals | |
|------------------------------------|-------------------|-------------------|-------------------|-----------------|------------------|-------------------|----------------------------------|---------------------|---------------------|
| | | | | | | | | 2009 | 2008 |
| ASSETS | | | | | | | | | |
| Treasurer's Cash and Investments | \$ - | \$ 318,993 | \$ - | \$ - | \$ - | \$ - | \$ 23,415 | \$ 342,408 | \$ 314,215 |
| Departmental Cash and Investments | - | - | 404,969 | 6,165 | 23,730 | 79,374 | - | 514,238 | 631,452 |
| Taxes Receivable: | | | | | | | | | |
| Current Apportionment | 770,716 | - | - | - | - | - | - | 770,716 | 773,338 |
| Due from Departmental Agency Funds | - | 160,738 | - | - | - | - | - | 160,738 | 137,942 |
| Total Assets | \$ 770,716 | \$ 479,731 | \$ 404,969 | \$ 6,165 | \$ 23,730 | \$ 79,374 | \$ 23,415 | \$ 1,788,100 | \$ 1,856,947 |
| LIABILITIES | | | | | | | | | |
| Due Other Governmental Units: | | | | | | | | | |
| State | \$ 770,716 | \$ 430,505 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 1,201,221 | \$ 1,114,179 |
| Districts | - | 26,804 | - | - | - | - | - | 26,804 | 35,071 |
| Due to Other Funds | - | - | 45,501 | - | - | 27,892 | - | 73,393 | 74,182 |
| Due Treasurer's Agency Fund | - | - | 127,591 | - | - | 33,147 | - | 160,738 | 137,942 |
| Special Deposits | - | 22,422 | 231,877 | 6,165 | 23,730 | 18,335 | 23,415 | 325,944 | 495,573 |
| Total Liabilities | \$ 770,716 | \$ 479,731 | \$ 404,969 | \$ 6,165 | \$ 23,730 | \$ 79,374 | \$ 23,415 | \$ 1,788,100 | \$ 1,856,947 |