

Walworth County, Wisconsin



Lakeland Health Care Center - 2006
(Photo courtesy of David Nevala)



Judicial Center - 2005



Lakeland School - 2008

Comprehensive Annual Financial Report

Including Auditor's Report
for the fiscal year ended December 31, 2009

Walworth County is nearing the end of an extraordinary time period of infrastructure building & renovation of county facilities. Beginning with the expansion of the Huber Dorm at the Law Enforcement Center, the County has renovated the Health & Human Services facility and the Government Center. New buildings include the Judicial Center, the Lakeland Health Care Center and the Lakeland School. The construction of these facilities and demolition of several outdated buildings has not only created a new skyline, but also provides a modern and efficient county infrastructure for the future.



This is the new Lakeland Health Care Center. Residents occupied the new facility on July 19, 2006. Built with a neighborhood concept in mind, groundbreaking was June 8, 2005. J.P. Cullen was the contractor and the grand opening ceremony was held on July 9, 2006. The facility is a state-of-the-art 120 bed health care facility.

Fully occupied on May 15th, 2005, the new Judicial Center is the new home for the Clerk of Courts, District Attorney, Corporation Counsel and Information Systems offices. Construction by J.P. Cullen began after a groundbreaking ceremony on June 10, 2003.



This is an architect's drawing of the new Lakeland School, scheduled to open in the fall of 2008. Groundbreaking for the special education facility was June 1, 2007. Exceeding the construction timeline, J.P. Cullen is responsible for this project.

**WALWORTH COUNTY, WISCONSIN
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2009**

Prepared by:
Walworth County Finance Department



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INTRODUCTORY SECTION



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May 20, 2010

To The Honorable Chairperson of the County Board,
Members of the County Board of Supervisors and
Citizens of Walworth County, Wisconsin

Finance
Employee Benefits

Ladies and Gentlemen:

Nicole Andersen
Deputy County
Administrator-Finance

We are pleased to present the Comprehensive Annual Financial Report (CAFR) of the County of Walworth for the fiscal year ended December 31, 2009. To satisfy requirements of State law and Walworth County Ordinance, this report was prepared by the Finance Department in conformity with accounting principles generally accepted in the United States of America (GAAP) as set forth by the Governmental Accounting Standards Board (GASB) and other authoritative accounting standard setting bodies. All disclosures necessary to enable the reader to gain an understanding of the County's financial activities have been included.

This report consists of management's representations concerning the finances of Walworth County. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in the report. To provide a reasonable basis for making these representations, management of Walworth County has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the County's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, Walworth County's comprehensive framework of internal controls has been designed to provide reasonable assurance rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of the operation of the various funds of the County.

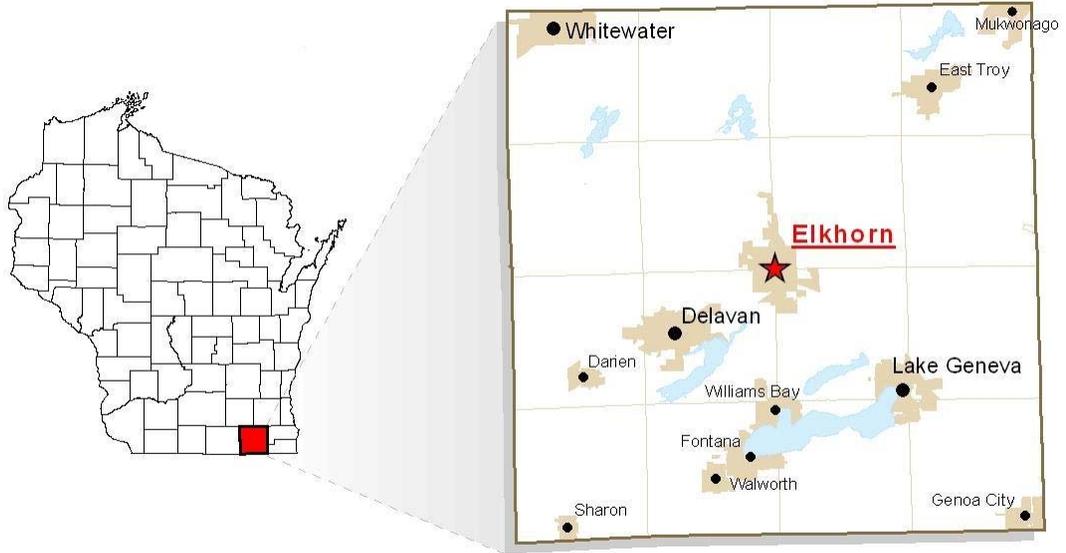
County policy, in accordance with state and federal requirements, is to provide for an annual audit of the financial records of the government. In addition to meeting the requirements set forth above, the audit was also designed to meet the requirements of the Federal Single Audit Act of 1984 as amended, the related U.S. Office of Management and Budget Circular A-133 and the State Single Audit Act. An independent firm of licensed certified public accountants, Clifton Gunderson LLP, has audited Walworth County's financial statements. The goal of the independent audit was to provide reasonable assurance that the financial statements of the County for the fiscal year ended December 31, 2009, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor has issued an unqualified ("clean") opinion that Walworth County's financial statements for the fiscal year ended December 31, 2009 are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

Management's discussion and analysis (MD&A) is included in the financial section and immediately follows the independent auditor's report. It provides supplementary information which complements this letter of transmittal and should be read in conjunction with it.

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THE REPORTING ENTITY

Walworth County was created in 1838, pursuant to the laws of the territory of Wisconsin, with the City of Elkhorn established as the County Seat. The County was part of Racine County until its organization as a separate unit of county government was authorized by an act of the Territorial Legislature in 1839. Within the County's 576 square miles, there are all or portions of 4 cities, 8 villages, 16 towns and 15 school districts.



Policy-making and legislative authority are vested in an 11-member Board of Supervisors. Supervisors serve two-year terms and are elected in April of the even numbered calendar years. The Board of Supervisors appoints the County Administrator. The financial reporting entity includes all of the funds of Walworth County. The government provides a full range of services to meet the needs of its citizens. These services include: general and financial administration, including tax collections; judiciary services and legal counsel; property records; county planning and zoning; public safety, including sheriff, emergency government and correctional facilities; health and human services; public works, including transportation and facilities maintenance; veteran's assistance; coroner; nursing home; election administration; cultural and recreational activities, including parks; special education; University of Wisconsin extension services; and the conservation of natural resources.

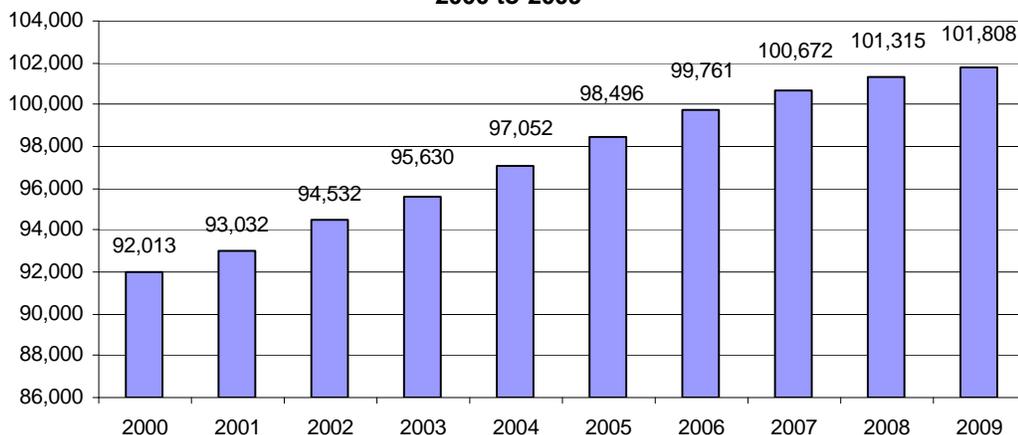
The County maintains budget controls, the objective of which is to ensure compliance with legal provisions of the annual budget adopted by the Walworth County Board of Supervisors. All County departments are required to submit their annual budget requests for the ensuing year to the County Administrator in August. The County Administrator evaluates departmental requests and submits his proposed Administrator's budget to the County Board of Supervisors in September. The County Board is required to hold public hearings on the proposed budget and finalize budget adoption on or before November 15. The level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is at the department level. Budget-to-actual comparisons are provided in the other supplemental information section of this report for the General Fund.

ECONOMIC CONDITIONS AND OUTLOOK

LOCAL ECONOMY

Walworth County added approximately 9,800 new residents since 2000, which represents a growth rate of 10.6%. This growth rate well surpasses the state rate of 5.4% during that same period. The estimated population at December 31, 2009 is 101,808, an increase of 493 from 2008. The graph below demonstrates the steady increase in census for the past 10 years.

Walworth County Population 2000 to 2009



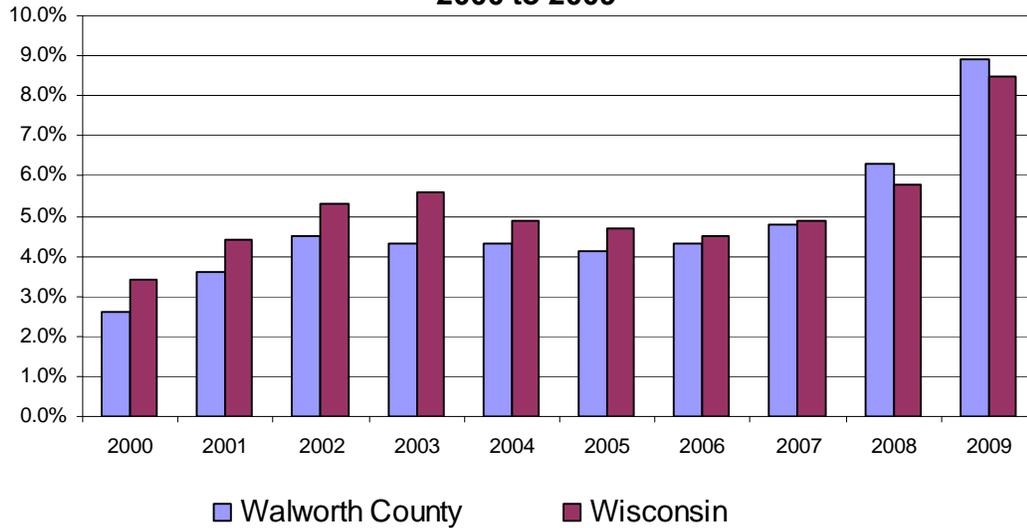
Source: Wisconsin Department of Administration, Demographic Services Center and US Census Bureau

Walworth County is strategically located in southeastern Wisconsin, approximately 100 miles northwest of the City of Chicago, 50 miles southwest of the City of Milwaukee and 65 miles southeast of the City of Madison. The County is home to the University of Wisconsin - Whitewater, a four-year institution founded in 1868 with an enrollment of 10,700 students. Gateway Technical College maintains a campus in the City of Elkhorn and offers associate degree and vocational education programs to serve the technical training needs of the area. George Williams College of Aurora University is located in Williams Bay, Wisconsin, on the shores of Lake Geneva. Aurora University is a private, independent university offering undergraduate and post-graduate degrees to approximately 4,000 combined students on their Aurora, Illinois, and Williams Bay, Wisconsin campuses.

Recreation is an integral part of the Walworth County economy. Golfing, boating, fishing, and hiking are popular activities. The County is home to Geneva Lake, a well-known mid-west vacation destination. The Kettle Moraine State Forest is renowned for its hiking, biking, and skiing trails. An abundant number of public and private courses are available for the golf enthusiast.

Historically, Walworth County has had an economy marked by steady growth, diversity and stability. As of December, 2009, the unemployment rate for the County was 9.0% compared to the statewide rate of 8.7%. Historically, average unemployment levels within the County are lower than that of the State as indicated in the following chart, however, the 2009 rates were impacted by the closing of the General Motors plant in 2008 in nearby Rock County. The rise in unemployment levels is reflective of the overall economic conditions nationwide.

Unemployment Rates 2000 to 2009



*Source: Wisconsin Department of Workforce Development
and US Department of Labor, Bureau of Labor Statistics*

In addition to the public sector entities of the University of Wisconsin-Whitewater and Walworth County Government, the leisure and hospitality industry is vital to the economic well-being of the County. Two of the County's top ten principal property taxpayers and two of its top ten principal employers are from the hospitality industry. Without a stadium, regional mall or convention center, Walworth County currently ranks seventh in the state in terms of spending for tourists, according to the Wisconsin Department of Tourism's 2009 report. Tourism is a clean industry. It provides employment as well as sales and property tax revenue. For a listing of the County's top ten principal employers, please see the Statistical Section of this report. The table below outlines the County's top employing industries.

Top 10 Industries in Walworth County 2008 Annual Average

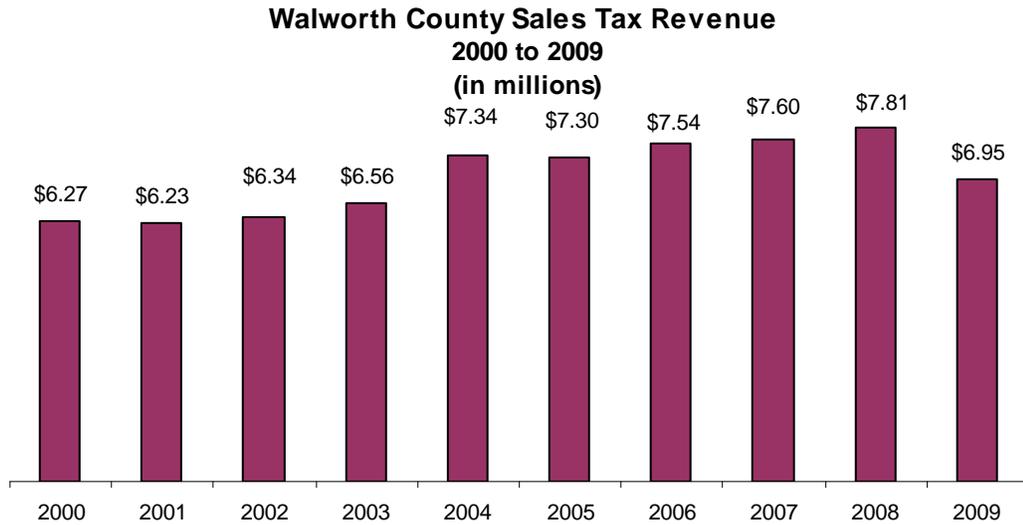
<u>Industry</u>	<u>Employees</u>
Educational Services	4,142
Food Services & Drinking Places	3,388
Accommodation	2,019
Machinery Manufacturing	1,951
Executive, Legislative & General Government	1,806
Administrative & Support Services	1,714
Plastics & Rubber Products Manufacturing	1,413
Fabricated Metal Product Manufacturing	1,337
Nursing & Residential Care Facilities	1,164
General Merchandise Stores	1,106

Source: Wisconsin Department of Workforce Development

Growth in retail is also a factor in the economic stability of Walworth County. The County imposes a .5% sales tax on retail purchases, providing additional revenues to fund County programs. In 2009, like many other regions, Walworth County experienced a downturn in the economy that was reflected in reduced retail sales. Actual sales tax collection of \$6.95 mil-

lion was approximately \$750,000 below the adopted budget of \$7.7 million. Actual collections in 2009 were \$855,000 less than the amount collected in 2008.

In response to the reduced revenue stream, the County held some less vital vacant positions open for longer periods of time and reduced budgets for various operating expenses. The shortfall in both retail sales tax and investment income was monitored continuously throughout the year and adjustments were made as necessary. General operations closed with a positive revised budget to actual variance and resulted in approximately \$1.24 million being closed to the General Fund.



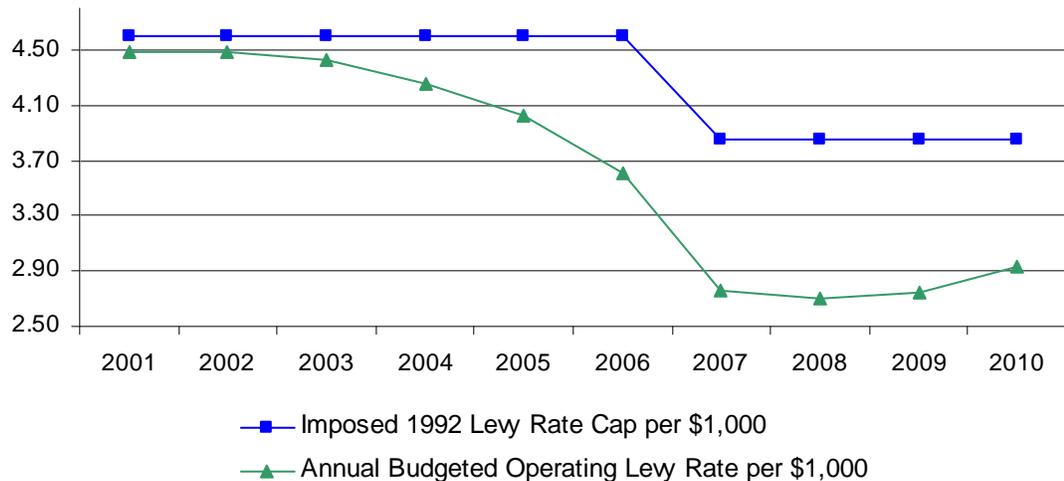
LONG-TERM FINANCIAL PLANNING

Flexibility under State Levy Caps

1992 Cap: Operating Mill Rate

A fundamental step in keeping the County in a sound financial position is to maintain flexibility under the state-imposed operating levy rate cap. In 1993, State Legislature imposed an operating mill rate limit on Wisconsin counties. Counties are required to limit the mill rate attributable to operating expenses at or below the rate they imposed in 1992. As a result of 1993 legislation, Walworth County's operating mill rate was capped at \$4.60 per \$1,000 of equalized value. In 2006, the County established a segregated Children with Disabilities Education Board (CDEB) levy as allowed by state statute. The segregation of the CDEB levy resulted in an adjustment of the operating mill rate cap from \$4.60 per \$1,000 equalized value to \$3.846 per \$1,000 valuation. The illustration below graphically demonstrates the County operating mill rate against the imposed cap over the past 10 years. Debt service, library, and CDEB tax rates are statutorily excluded from the cap. The 2008 operating mill rate for 2009 operations was \$2.75 per \$1,000 of equalized value, equating to \$16.3 million under the levy cap. The 2009 levy for the 2010 budget resulted in an operating mill rate of \$2.93 per \$1,000 of equalized value, reducing the room under this cap to \$13.7 million. Less room under the cap, was the result of a 2.89% increase in the tax levy rate offset by only a 1.22% increase in the tax base.

**Operating Mill Rates
Fiscal Years 2001 to 2010**

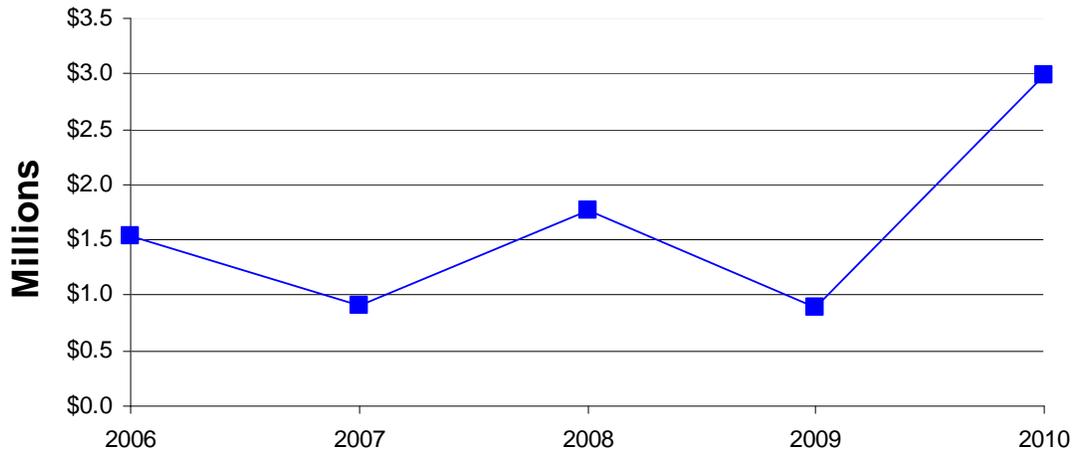


Note: The 1992 Operating Mill Rate Cap was adjusted to reflect the creation of a segregated CDEB district effective for fiscal year 2007.

2005 Cap, As Extended and Modified

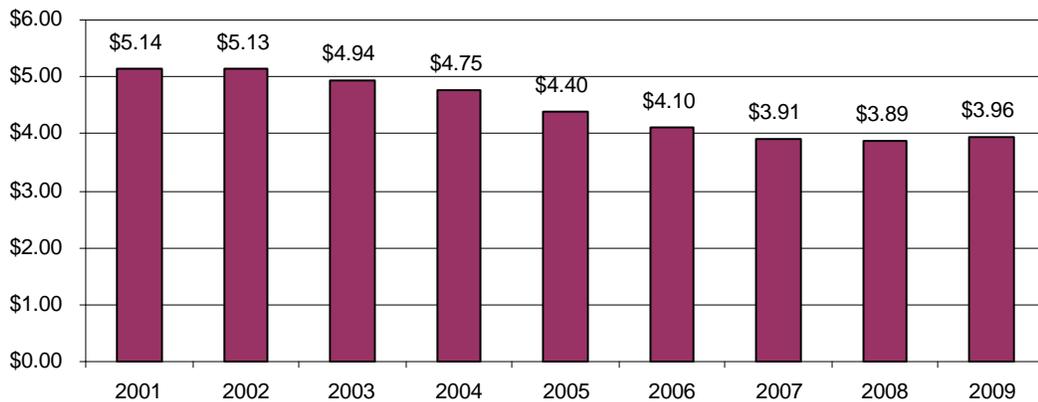
Effective for the 2008 and 2009 fiscal year budgets, the State Legislature imposed a secondary levy limit. The sunset date for this legislation, as modified, was extended to include all levies adopted prior to January 1, 2011, therefore, the 2009 levy for 2010 and the 2010 levy for 2011 continue to be additionally regulated. Unless specific exemptions apply, no political subdivision may increase its levy in any year by a percentage that exceeds the political subdivision's valuation factor. The valuation factor is defined as a percentage equal to the percentage change in the political subdivision's January 1 equalized value due to new construction less improvements removed between the previous year and the current year, but not less than 2%. Children with Disabilities Education Board, library, bridge/culvert aid and increases in certain debt service costs for 2009 are excluded from the levy limit cap. Effective for the 2009 levy for 2010 and the 2010 levy for 2011, some relief was provided. In prior years, any portion of the allowable limit that was unused was "lost" and a new base established for the following year. The modified limit allows any unused levy amount in the 2009 levy for 2010 to be available for the 2010 levy for 2011. The Walworth County allowable 2009 levy limit for 2010 was 52,117,679. The adopted levy, governed by this limit, was \$49,126,859, resulting in the County being under the mill rate limit by 5.7% or \$2,990,820. The 2010 levy for 2011 allows these dollars, plus any increases allowed by the formula. The County anticipates the budget limits for the 2011 budget to be manageable. It is anticipated that the State of Wisconsin will continue to debate levy limits in upcoming sessions.

**Levy Limit - Amount Under the 2005 Cap
Fiscal Years 2006 to 2010**



Although the tax levy increase was within its limits, the tax levy rate went up for the first time in eight years. The county experienced less tax base growth at only 1.22% compared to the 2.89% increase in the total tax levy needed to balance the budget.

**Levy Rates
2001 to 2009 Levy Years**



Transition of CDEB Service to Local Districts

Walworth County operates a Children’s with Disabilities Education Board (CDEB). The program has two distinct components. The first component includes services that are provided in the local school districts. The County currently provides staff in the local school districts necessary to provide integrated special education services. The second component is the county-run school for special education students. The existing County facility was evaluated and options provided to the County Board. The Board authorized the issuance of \$22 million (amended to \$17.1 million in May 2007) in debt for the purpose of constructing a new special education facility on a new site with stipulations. The major stipulation was the development of an implementation plan for transfer of county-sponsored CDEB services offered in the local school districts from county oversight to individual school district oversight over a 10-year period ending in 2016. The plan was adopted by the County Board in August 2006 and ratified by all participating school districts. Construction of the new school was completed in mid-2008. The County sold the existing school facility and its adjoining 8 acres to a private developer.

As of the end of the 2008-09 school year, the County has transferred a total of 53.03 FTEs to district responsibility. Of those, 35.96 were teaching positions, 16.07 were aide positions, with one educational programmer position. As part of the Transfer of Service agreement with

the individual school districts, all remaining special education aide positions (11.82 FTEs) are to transfer to the local districts responsibility at the end of the 2009-10 school year. This will leave 32 teaching positions (or 31.50 FTEs) left to transfer before the agreement's termination deadline of 2016.

A summary of transitioned FTEs is shown below.

Transition of FTEs to District Responsibility			
Year	Teachers	Aides	Programmer
2006	6.50	4.71	
2007	7.00	4.18	1.00
2008	12.46	3.79	
2009	10.00	3.39	
2010*		11.82	

*Data regarding any teaching positions that may transition in 2010 is unknown at this time.

Capital Projects

The 2013 capital plan includes an estimated \$9.6 million borrowing plan for the expansion of the County jail. The County's intention is to research jail issues and complete a needs assessment regarding additional space in the jail. The County has initiated an internal study of other comparable county jails. The County's Criminal Justice Coordinating Committee, Sheriff's Office, Health and Human Services Department, Circuit Court, County Board, Public Defender, Probation and Parole, Walworth County Chief of Police Association and a representative from higher education are also currently working together to research and discuss other changes or programs to better utilize current jail space. A more defined jail plan shall be completed based upon the information gathered over the next two years.

Technology

The County continues to upgrade its technology. In addition to a recent upgrade to its financial and timekeeping software, the County "went live" with a new human resources/payroll system on January 1, 2009. An advanced timekeeping system was implemented for the county's nursing home in 2010 and resulted in increased flexibility and oversight of employee scheduling. The advanced timekeeping module is scheduled to be completed in the Sheriff's Office in 2010. This project will significantly enhance reporting systems and eliminate an old, outdated, standalone reporting system.

A new human services health care records management system went live on January 1, 2010. The system allows direct entry of client information, including appointments, activities, diagnoses, clinical notes, etc, to be stored in the system allowing staff to retrieve information quickly and easily from their desk. In terms of billing, the Echo system streamlines the process of billing Medicaid, Medicare, private insurance and clients. Electronic transfer of billing information to payors, and subsequent electronic receipt of payments, decreases time spent by County staff to prepare and receipt bills.

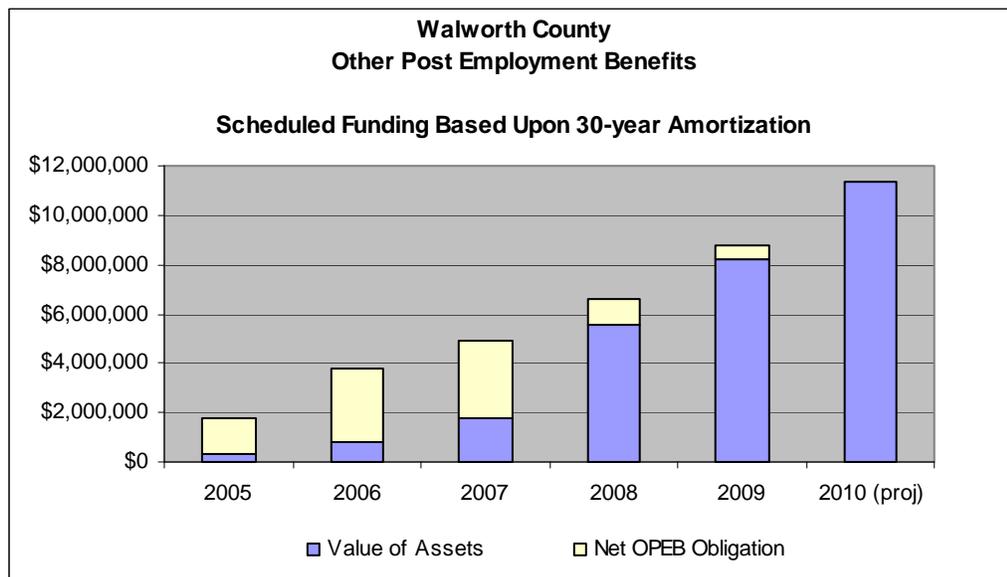
The new Records Management System (RMS), Computer Aided Dispatch (CAD), and Wireless Dispatch Assistant (WDA) are all anticipated to be operational on September 1, 2010. The RMS allows for the Sheriff's Office to combine all record keeping needs into one software package. This includes Arrest data, Incident Reports, Warrants, Property, Case Management, Traffic citations, and more. The RMS tracks all information that deputies gather and makes it available for the Sheriff's Office in total. The RMS also contains a module that the Jail will use for tracking inmates and associated charges, sentences, work Release and property. The CAD system is used by Dispatch for the purposes of tracking calls and officer assignments. Data put in to the CAD are also automatically stored in the RMS as well. The WDA software is installed on the laptops in the squad cars. This software allows deputies to receive calls from Dispatch. The calls are then projected on to a map on the laptop and the information associated with that call is also displayed. Deputies can access State and Fed-

eral databases to check people for warrants and driving status. Additionally, there are built-in interfaces that allow the deputy to issue traffic and ordinance citations. As in CAD, information that the deputy enters in to WDA is also stored in the RMS.

Additional capital resources will be used to repair and maintain other County buildings and for the replacement or repair of County roads. For additional capital asset activity information, refer to pages 61-62 in the notes to the financial statements.

Other Long Term Planning

The County has taken, and continues to take, proactive steps in regards to its Other Post Employment Benefits (OPEB). Historically, health-care costs paid to retirees were accounted for on a pay-as-you-go basis, which has been common among governments. In November 2004, the County Board established a 30-year timeframe to fully fund retiree health benefits. Per the adopted policy, OPEB will be fully funded no later than 2034. The January 1, 2010 actuarial valuation for the County's retiree medical liability is estimated at \$35.1 million. In 2007, the County established a formal, segregated OPEB Trust Fund to pay out future liabilities. As of December 31, 2009, the County has funded \$8,212,850 of the liability. In addition, an additional \$3.1 million was included in the 2010 budget.



An investment advisor was selected to advise the County in the long-term investment of its OPEB Trust Funds, with the expectation of increasing investment income and reducing the County's contribution requirements.

To reduce the long-term OPEB liability, the County negotiated with its 7 labor unions in 2005 and 2006 to eliminate retiree health care insurance for all new hires. In lieu of retiree insurance, represented employees receive a one-time payment, upon satisfactory completion of probation, to a Post Employment Health Plan (PEHP) as permitted under IRS Code, Section 501(c)(9) VEBA. Non-represented staff hired after December 1, 2005 are ineligible for retiree insurance, nor do they receive a PEHP contribution. The elimination of this benefit will allow the County to ultimately eliminate its OPEB liability. The County has utilized a combination of County reserves and current tax levy to prefund the OPEB Trust. Prefunding the Trust will reduce the operating levy impact in outlying years.

In Fall, 2009, the County's Health and Human Services department, in partnership with Community Care, Inc., implemented a new model of long term family care to better meet the demand for long-term care services. State-funded, county-based community services have been in place since 1974 to empower the elderly and people with disabilities to remain independent as long as possible, expand the flexibility of care choices and improve their quality of life. This new program expands consumer choices and simplifies access to long-term care

services, thereby enabling individuals to live in the most integrated setting suited to their needs. With more flexibility available to care managers and consumers, reliance on institutional and residential care is reduced and both County and statewide cost growth for long-term care is better contained.

RELEVANT FINANCIAL POLICIES

Fund Balance Terminology and Policies

Walworth County Ordinance chapter 30 sections 170-182 defines the new terminology related to fund balance and fund types and the County's definitions which are reflected in the 2009 financial statements as an early implementation of GASB Statement No. 54 Fund Balance Reporting and Governmental Fund Type Definitions. The ordinance also defines minimum available fund balance/net assets for the General fund, Children with Disabilities Education Board fund, Public Works, Lakeland Health Care Center, and the internal service funds. Use of the available funds is limited to one-time expenditures, including but not limited to: capital expenditures, prepayment of outstanding debt, start-up costs for new programs, termination costs of ineffective or inefficient programs, advance payment of multi-year obligation to achieve a discount, or other nonrecurring expenditures.

Only the General fund unassigned fund balance may be utilized throughout the County within the above restrictions, all other available fund balance/net assets must remain within the general purpose of the fund. The appropriate unassigned General Fund balance is defined to be 15 to 20% of the General Fund revenues plus the property tax revenue allocated to each fund. As of December 31, 2009, the unassigned fund balance is 24%, providing excess available funds in the amount of approximately \$3.2 million to be appropriated as authorized by the County Board of Supervisors. The table below depicts the definition of minimum fund balance/net assets, the calculated minimum, the actual, and the amount available at December 31, 2009 for all other funds with minimums defined in the county ordinance.

<u>Fund</u>	<u>Definition of Minimums</u>	<u>2009 Top of Min. Range</u>	<u>Actual</u>	<u>Available</u>
Children with Disabilities Ed Bd	15 -20% revenues less property tax & transfers	\$1,559,879	\$2,066,169	\$3,518,511
Public Works	15 -20% revenues less property tax & transfers	\$1,213,634	\$1,667,486	\$ 453,852
Lakeland Health Care Center	15 -20% revenues less property tax & transfers	\$1,984,391	\$5,502,902	\$ 506,290
Health Insurance	Average 3 – 4 months of claims	\$4,458,155	\$6,634,236	\$2,176,081
Dental Insurance	Average 3 – 4 months of claims	\$ 239,010	\$ 252,101	\$ 13,091
Workers Compensation	Average 3 – 4 months of claims	\$ 75,003	\$ 648,085	\$ 573,082
Risk Management	\$4,000,000	\$4,000,000	\$4,482,988	\$ 482,988

Cash Management

Cash temporarily idle during the year was invested in U.S. Treasury obligations and government securities, certificates of deposit, government obligation bonds or securities, State of Wisconsin Local Government Investment Pool, mutual funds and collateralized repurchase agreements. On December 31, 2009, the County had \$69.5 million of cash and investments. For additional information, refer to 55-58 in the notes to the financial statements.

The primary objectives of the Walworth County investment policy are to preserve capital in the overall portfolio, to remain sufficiently liquid to meet disbursement requirements, and to realize the maximum return consistent with portfolio safety and liquidity needs.

Responsibility for investment of County funds was transferred from the County Treasurer to the Deputy County Administrator-Finance effective December 15, 2008. During 2009, ordinances related to investment of County funds have received significant revisions that resulted

in increased diversity of investments, increased reporting requirements and an overall increase in financial oversight of County cash and investments. An investment advisor was contracted to advise the County related to long-term investment of monies in its OPEB Trust.

Risk Management

County policy established a guideline for Health Fund reserves of 3-4 months of claims. At the end of 2008, the Fund had the equivalent of 2 months in reserve. In 2009, the County negotiated an employee premium contribution of 7-12% depending on employee participation in the County's wellness program, thereby reducing reliance on the levy. Tying the premium contribution to the wellness program resulted in 94% participation. It is anticipated that increased involvement in overall wellness activities will result in slowing the escalation of health care costs.

In addition, the County contracted with a firm in the 4th quarter of 2009 that offers additional discounts on health care costs conditioned on an agreement which requires "quick pay" of all health claims. This health payment program was implemented November 1, 2009, resulting in savings of \$87,723 for 2009. The County anticipates this agreement to generate \$1.5 million in 2010. The new program also offered enhanced coordination of benefit statements for participations. As a result of management initiatives and member usage, the Fund ended 2009 with a significant increase in reserves, equivalent to 6 months of claims. The improved status of the Health Fund will result in a leveling of premiums for 2011.

MAJOR INITIATIVES

Significant departmental consolidations have occurred in recent years. These consolidations have resulted in the elimination of several positions, thereby providing significant cost savings, yet maintaining or improving services. Since fiscal year 2000, budgeted full-time equivalent (FTE) positions have been reduced from 1,067.53 to 846.77, effective with the 2010 budget. This is a net reduction of 220.76 FTE's.

The adoption of the Walworth County Children with Disabilities Education Board plan will allow the County to focus on the operation of its county owned special education school. Special education programs existing in the local district, and currently funded with county tax dollars, will be transitioned to local school districts no later than 2016. All of the fifteen local school districts have signed the transition agreement. The transition period was initiated with the 2006-2007 school year. Progress continues to be incremental.

In an effort to create good jobs and diversify the tax base, the County introduced an economic development initiative in 2003. That year, a strategic planning process began that involved representatives from each town, city and village in the county, together with representatives of business, higher education and county government.

The process resulted in a recommendation that economic development be pursued through a non-profit corporation funded by both government and the private sector. In late 2005, the Walworth County Economic Development Alliance, Inc. (WCEDA) was formed. In 2009, the County expanded its economic development strategy to include the creation of a professional position in the University of Wisconsin-Extension Office. By leveraging State dollars, in addition to a \$20,000 County appropriation, the extensive resources of the University of Wisconsin can be accessed to assist WCEDA's economic development efforts.

Walworth County supports the efforts of the Walworth County Visitors Bureau. The County currently ranks seventh statewide in terms of expenditures by tourists. The total estimated economic impact of tourism in 2009 was \$370.5 million based upon a May, 2010 report by the Wisconsin Department of Tourism.

AWARDS/RECOGNITION

Financial Reporting

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the County for its comprehensive annual financial report for the fiscal year ended December 31, 2008. This was the seventh consecutive year that the County received this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and are submitting it to the GFOA to determine its eligibility for another certificate.

Budget

The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to County of Walworth, Wisconsin for its annual budget for the fiscal year beginning January 1, 2009. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communications device. This is the fifth consecutive year that the County was awarded this noteworthy award.

The award is valid for a period of one year only. We believe our current budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award.

American Red Cross Brave Hearts 2009 Health Care Award

The Walworth County Health and Human Services department earned the American Red Cross Brave Hearts 2009 Health Care Award for providing the best possible services and quality care to individuals in the community. The Community Support Program pioneered a model program that provides cost effective, high quality care in the community and drastically reduced the number of traumatic life events.

Wisconsin "Caring for Kids" Award

The Wisconsin Department of Children and Families presented the Wisconsin "Caring for Kids" Award to Leslie Mollett, Human Services Specialist I, for her outstanding accomplishments in child welfare services. Ms. Mollett's accomplishments are indicative of the Department of Health and Human Services' ongoing efforts to provide quality services to its clientele.

Community Support Program Certification

The Wisconsin Bureau of Quality Assurance announced that the Community Support Program, administered by the Department of Health and Human Services, has received recertification of their Program. Initially certified in 2006, this is the fourth consecutive year that the County has met the necessary requirements.

ACKNOWLEDGMENTS

The preparation of this report on a timely basis could not be accomplished without the cooperation, dedication and extensive involvement of the entire staff of the Finance Department. We would like to express our appreciation to all County staff who assisted and contributed to the preparation of this report through their ongoing dedication to strong financial management.

Appreciation is also expressed for the assistance received from our independent auditors, Clifton Gunderson LLP. We thank the County Board and Finance Committee Chairpersons, the County Board of Supervisors, and members of the Finance Committee for their interest and support in planning and conducting the financial operations of the County in a responsible and progressive manner.

Respectfully submitted,



David A. Bretl
County Administrator



Nicole J. Andersen
Deputy County Administrator-Finance

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Walworth County
Wisconsin

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
December 31, 2008

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



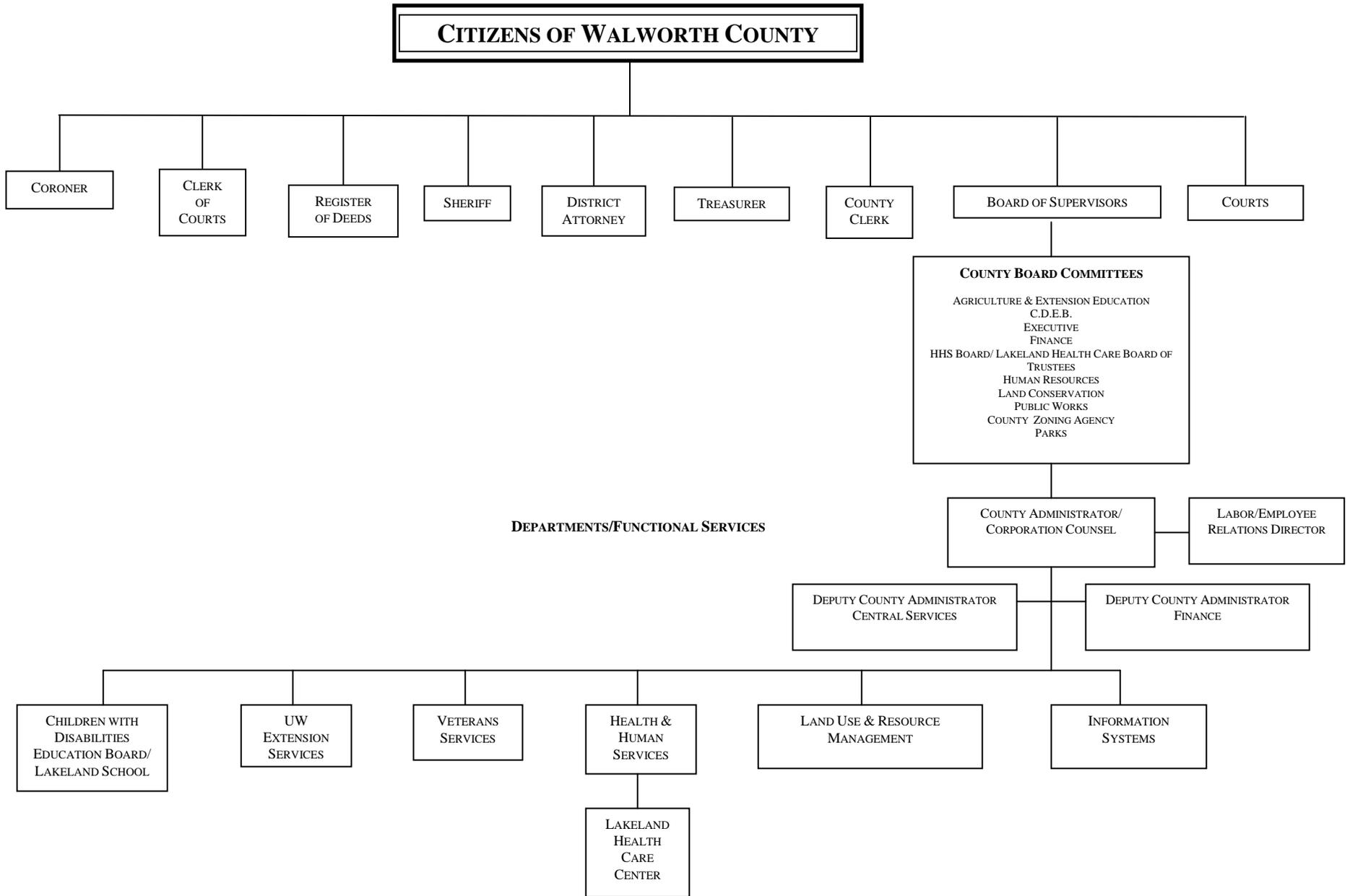
A stylized, handwritten signature in black ink, appearing to be "J.R. Emerson".

President

A handwritten signature in black ink, appearing to be "Jeffrey R. Emerson".

Executive Director

WALWORTH COUNTY ORGANIZATION STRUCTURE



WALWORTH COUNTY, WISCONSIN
LIST OF PRINCIPAL OFFICIALS
As of December 31, 2009

ELECTED OFFICIALS

County Clerk	Kimberly Bushey
Clerk of Courts	Sheila Reiff
Coroner	John Griebel
District Attorney	Phillip Koss
Register of Deeds	Connie Woolever
Sheriff	David Graves
Treasurer	Kathy Du Bois

COUNTY BOARD SUPERVISORS

Supervisory District	Name
1	Rick Stacey
2	Joe Schaefer
3	F. Mark Bromley
4	Jerry Grant
5	Claudia J. Holst
6	Kathy Ingersoll
7	David A. Weber
8	Daniel G. Kilkenny
9	Jim Van Dreser
10	Randy A. Hawkins
11	Nancy Russell

NONELECTED OFFICIALS

<u>Activity</u>	<u>Name</u>
County Administrator	David Bretl
Corporation Counsel.....	David Bretl
Deputy County Administrator - Finance	Nicole Andersen
Comptroller	Jessica Lanser
Deputy County Administrator – Central Services	Shane Crawford
Health and Human Services Director	Linda Seemeyer
Information Systems Director	John Orr
Lakeland Health Care Center Administrator.....	Bernadette Janiszewski
Special Education Director	Tracy Moate
Land Use and Resource Management Director.....	Michael Cotter
University of Wisconsin Extension Department Head.....	Jennifer Wehmeier
Veterans Service Officer.....	Christine Jordan

**FINANCIAL
SECTION**



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Independent Auditor's Report

Board of County Supervisors
Walworth County, Wisconsin
Elkhorn, Wisconsin

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, the aggregate remaining fund information and the budgetary comparison information for the General Fund, Health and Human Services Fund and Children with Disabilities Education Board Fund of Walworth County, Wisconsin as of and for the year ended December 31, 2009 which collectively comprise Walworth County, Wisconsin's basic financial statements as listed in the table of contents. These financial statements are the responsibility of Walworth County, Wisconsin's 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 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 Walworth County, Wisconsin as of December 31, 2009, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison information for the General Fund, Health and Human Services Fund and Children with Disabilities Education Board Fund 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 our report dated May 20, 2010 on our consideration of Walworth County, Wisconsin'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 management's discussion and analysis on pages 19 through 29 and the required supplementary information on page 75 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 required 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 Walworth County, Wisconsin's basic financial statements. The other supplemental 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 stated, in all material respects, in relation to the basic financial statements taken as a whole.

The introductory section and statistical tables as listed in the table of contents have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

Clifton Gunderson LLP

Milwaukee, Wisconsin
May 20, 2010

**MANAGEMENT
DISCUSSION
AND
ANALYSIS**



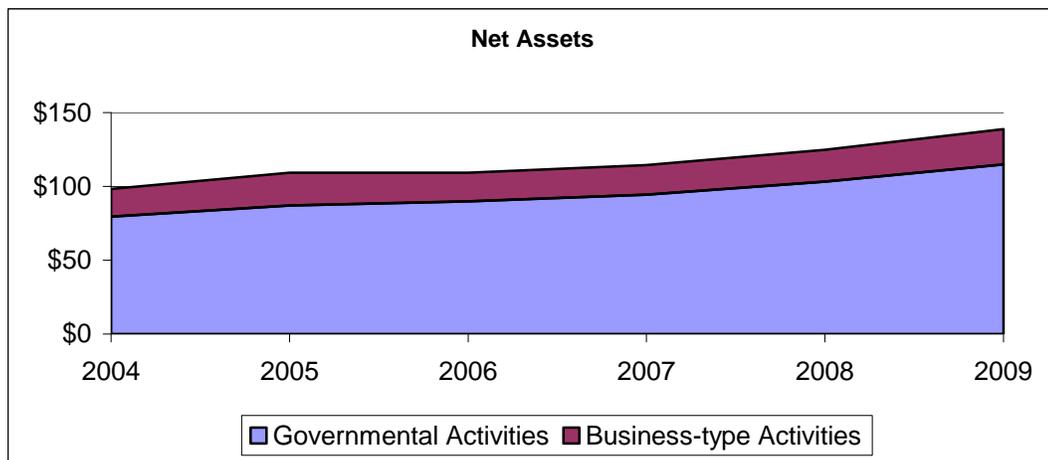
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WALWORTH COUNTY, WISCONSIN
 Management's Discussion and Analysis
 December 31, 2009

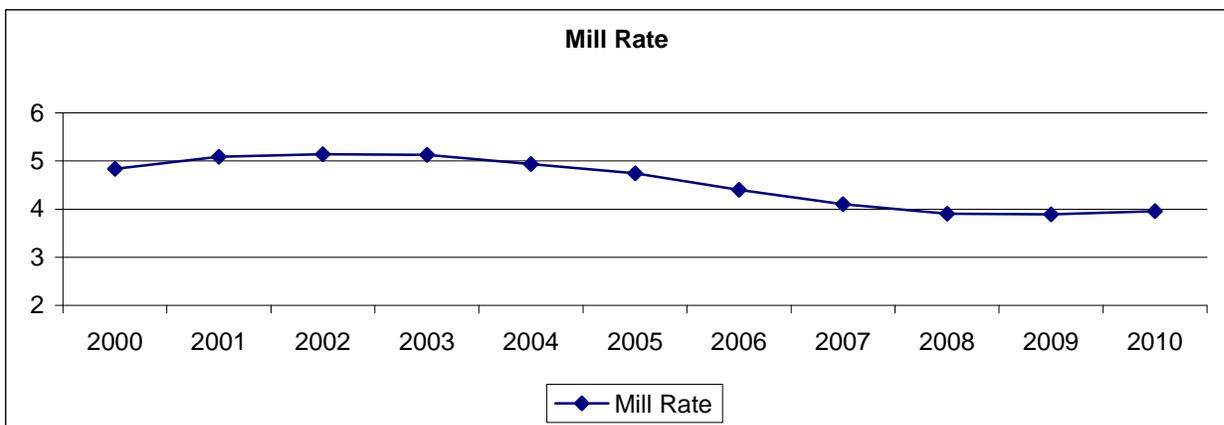
As management of Walworth County, we offer readers of the County's basic financial statements this narrative overview and analysis of the financial activities of the County for the fiscal year ended December 31, 2009. Efforts have been made to provide comparison to prior year data when such data is available.

Financial Highlights

- The assets of the County exceeded its liabilities as of December 31, 2009 by \$138.9 million (*net assets*), \$115.1 million in governmental activities and \$23.8 million in business-type activities. Of this amount, \$60.5 million (*unrestricted net assets*) may be used to meet the County's ongoing obligations to citizens and creditors.
- The County's total net assets increased \$14.1 million. Governmental activities increased net assets by \$11.8 million; business-type activities increased net assets by \$2.3 million. This chart shows the history of net assets increasing over the last 6 years.



- As of December 31, 2009, the County's governmental funds reported combined ending fund balances of \$39.4 million. Approximately 48% of this total amount, \$18.9 million, is available for spending at the County's discretion (*unassigned fund balance*).
- The mill rate increased 2.9% to 3.957 per \$1,000 of property value for the year ended December 31, 2009. The following graph depicts the history of the mill rate over the last 10 years.



WALWORTH COUNTY, WISCONSIN
Management's Discussion and Analysis
December 31, 2009

Overview of the Basic Financial Statements

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

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

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

The *statement of activities* presents information showing how the County's net assets changed during the most recent 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., earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the County that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the County include general government, public safety, health and human services, culture, education and recreation, public works, and conservation and development. The business-type activities of the County include Lakeland Health Care Center and the Public Works highway and facility administration.

The government-wide financial statements can be found on pages 30-31 of this report.

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

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

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

The County maintains seven 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, Health and Human Services, Children with Disabilities Education Board, and Debt Service funds, all of which are considered to be major funds. Data from the other three

WALWORTH COUNTY, WISCONSIN
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governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of *combining statements* elsewhere in this report.

The County adopts an annual appropriated budget for all its governmental funds, except for the Sheriff Trusts special revenue fund. As part of the basic governmental fund financial statements, budgetary comparison statements have been provided for the General fund and for each individual, major special revenue fund to demonstrate compliance with the budget.

The basic governmental fund financial statements can be found on pages 32-40 of this report.

Proprietary funds. The County maintains two different types of proprietary funds. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The County uses enterprise funds to account for its Lakeland Health Care Center nursing home and its Public Works highway and facility administration services. *Internal service funds* are an accounting device used to accumulate and allocate costs internally among the County's various functions. The County uses internal service funds to account for its employee benefits and risk management. Because 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 business-type activities financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Lakeland Health Care Center and the Public Works fund, both of which are considered to be major funds of the County. The 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 on pages 41-45 of this report.

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

The basic fiduciary fund financial statements can be found on pages 46-47 of this report.

Notes to the basic financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the basic financial statements can be found on pages 48-74 of this report.

Required supplementary information. The required supplemental information provides information on the funding progress of the County's other postemployment benefit plan. This information can be found on page 75 of this report.

Other information. The combining statements referred to earlier in connection with nonmajor governmental funds and internal service funds are presented immediately following the required supplementary information. Combining and individual fund statements and schedules can be found on pages 76-90. Detailed schedules of capital assets used in operation of governmental funds can be found on pages 91-93.

Government-wide Financial Analysis

Net assets. As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of the County, assets exceeded liabilities by \$138,961,279 at the close of 2009.

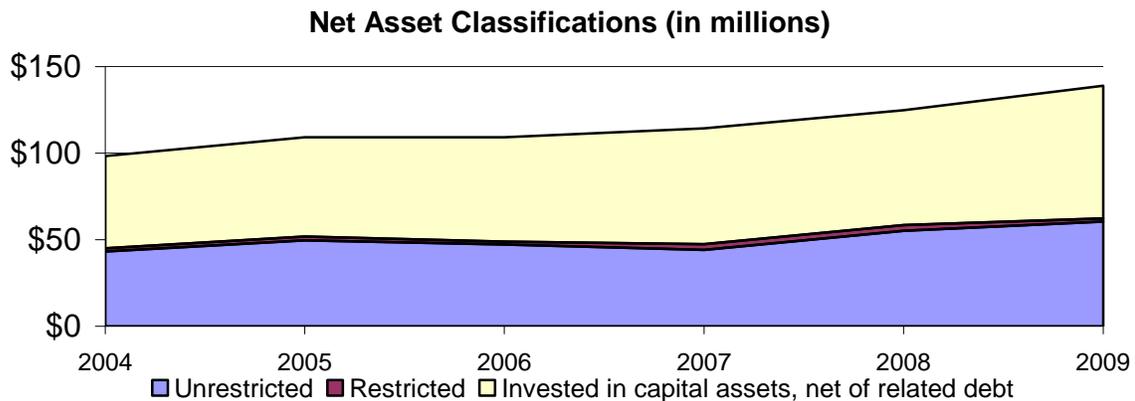
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Walworth County's Net Assets
 (In Thousands)

	Governmental Activities		Business-type Activities		Total	
	2009	2008	2009	2008	2009	2008
Current assets	\$ 119,540	\$ 113,451	\$ 20,720	\$ 21,995	\$ 140,260	\$ 135,446
Capital assets	100,895	98,841	21,972	20,158	122,867	118,999
Other noncurrent assets	1,964	1,939	146	87	2,110	2,026
Total assets	222,399	214,231	42,838	42,240	265,237	256,471
Current liabilities	65,510	65,540	7,871	8,292	73,381	73,832
Noncurrent liabilities	41,756	45,375	11,139	12,420	52,895	57,795
Total liabilities	107,266	110,915	19,010	20,712	126,276	131,627
Net assets:						
Invested in capital assets, net of related debt	64,609	57,402	12,061	8,910	76,670	66,312
Restricted	1,345	3,320	433	144	1,778	3,464
Unrestricted	49,179	42,594	11,334	12,474	60,513	55,068
Total net assets	\$ 115,133	\$ 103,316	\$ 23,828	\$ 21,528	\$ 138,961	\$ 124,844

The largest portion of the County's net assets (55.2%) reflects its investment in capital assets (e.g., land, buildings, machinery and equipment, infrastructure, etc.), less any related debt used to acquire those assets that is still outstanding. The County uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although, the County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the County's net assets (1.3%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of *unrestricted net assets* (\$60,512,764) may be used to meet the County's ongoing obligations to citizens and creditors. Below is a graph of the net asset classifications over the last 5 years.



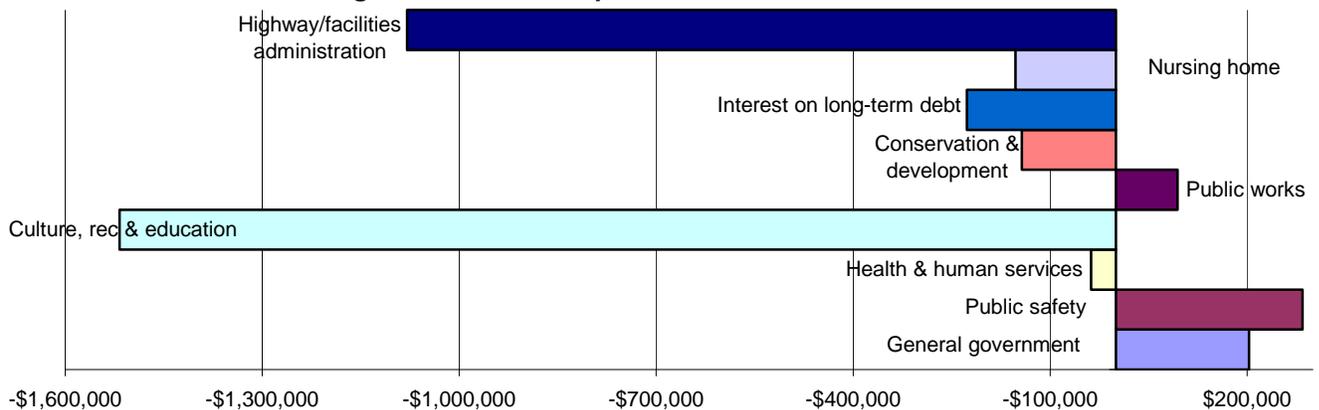
Change in net assets. At the end of the fiscal year, the County reported total revenues of \$123,168,734 and total expenses of \$109,051,594, resulting in an increase in net assets of \$14,117,140 (after considering transfers). The table below and the narrative that follows consider the key elements of this increase broken down by governmental activities and business-type activities. The graph focuses on the change in expenses.

WALWORTH COUNTY, WISCONSIN
 Management's Discussion and Analysis
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Walworth County's Change in Net Assets
 (In thousands)

	Governmental Activities		Business-type Activities		Total	
	2009	2008	2009	2008	2009	2008
Revenues:						
Program revenues:						
Charges for services	\$ 10,075	\$ 10,137	\$ 12,388	\$ 12,699	\$ 22,463	\$ 22,836
Operating grants and contributions	28,605	28,226	3,423	3,632	32,028	31,858
Capital grants and contributions	500	357	108	123	608	480
General revenues:						
Property taxes	51,522	48,725	6,970	6,720	58,492	55,445
Other taxes	7,017	7,884	-	-	7,017	7,884
Grants and contributions not restricted to specific programs	347	332	-	-	347	332
Other	2,165	3,039	48	208	2,213	3,247
Total revenues	100,231	98,700	22,937	23,382	123,168	122,082
Expenses:						
General government	14,016	13,813	-	-	14,016	13,813
Public safety	24,088	23,804	-	-	24,088	23,804
Health and human services	29,938	29,975	-	-	29,938	29,975
Culture, recreation and education	14,495	16,012	-	-	14,495	16,012
Public works	2,269	2,176	-	-	2,269	2,176
Conservation and development	2,296	2,440	-	-	2,296	2,440
Interest on long-term debt	1,343	1,570	-	-	1,343	1,570
Nursing home	-	-	11,992	12,145	11,992	12,145
Highway/facilities administration	-	-	8,614	9,693	8,614	9,693
Total expenses	88,445	89,790	20,606	21,838	109,051	111,628
Increase (decrease) in net assets before transfers	11,786	8,910	2,331	1,544	14,117	10,454
Transfers	31	50	(31)	(50)	-	-
Increase in net assets	11,817	8,960	2,300	1,494	14,117	10,454
Net assets - January 1	103,316	94,356	21,528	20,034	124,844	114,390
Net assets - December 31	\$ 115,133	\$ 103,316	\$ 23,828	\$ 21,528	\$ 138,961	\$ 124,844

Dollar Change in Functional Expenses between 2008 and 2009



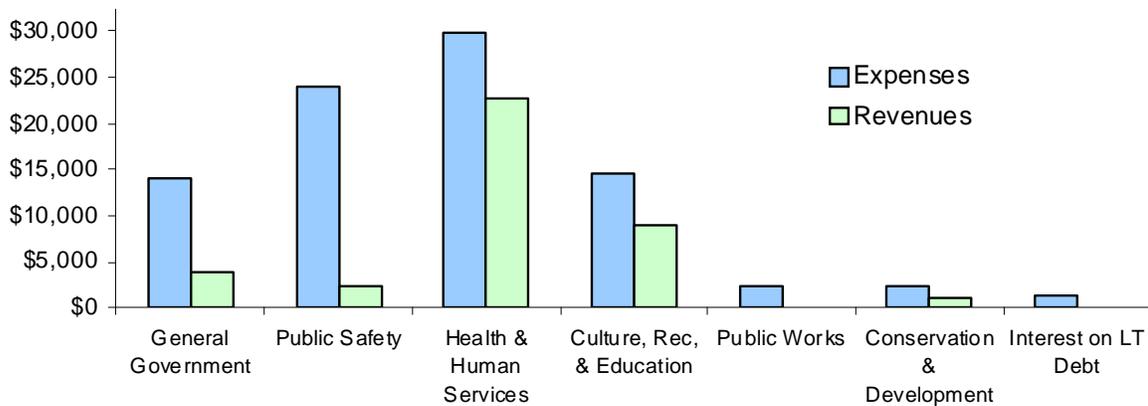
WALWORTH COUNTY, WISCONSIN
 Management's Discussion and Analysis
 December 31, 2009

Governmental Activities. Governmental activities increased the County's net assets by \$11,816,413, thereby accounting for 84% of the total growth in net assets of the County. This growth is due to increased revenues and decreased expenses. Revenues for the County's governmental activities total \$100,261,819, with property taxes accounting for 51.4% of the total revenue, followed by operating grants and contributions at 28.5%. Expenses cover a range of services, with the majority in four areas: 33.8% for health and human services, 27.2% for public safety, 16.4% for culture, recreation and education, and 15.8% for general government.

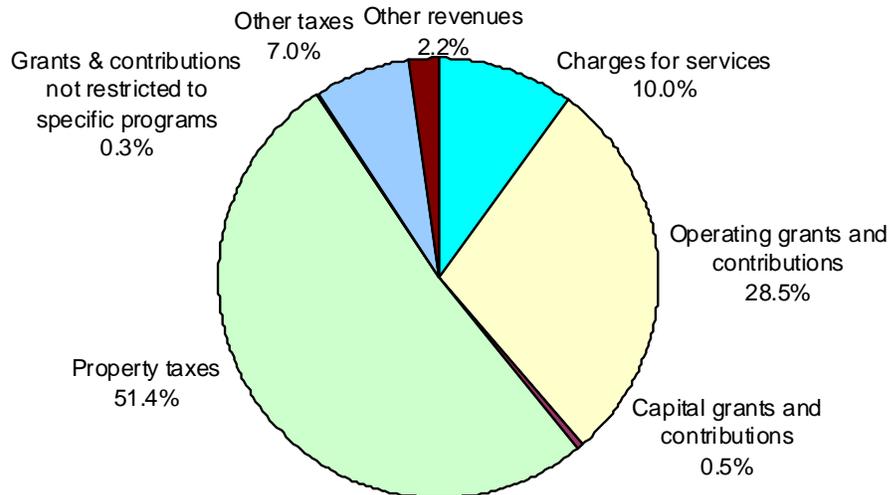
Debt service principal remaining decreased and capital assets increased for a total change of \$7 million in net assets invested in capital assets, net of debt. The internal service funds resulted in a \$4.2 million increase in net assets due primarily to health insurance plan changes, increased discounts from health providers, and less claims than historical averages. Several deferred revenues, most notably CDEB grants not received by yearend accounted for an \$800,000 increase in the governmental activities.

The graphs below compare (1) total governmental activity expenses to program revenue, which does not include general revenues of property and other taxes, or grants and contributions not related to specific programs, and (2) all revenue sources for governmental activities.

**Governmental Activities
 (1) Expenses and Program Revenues
 (In thousands)**



**Governmental Activities
 (2) Revenues by Source**

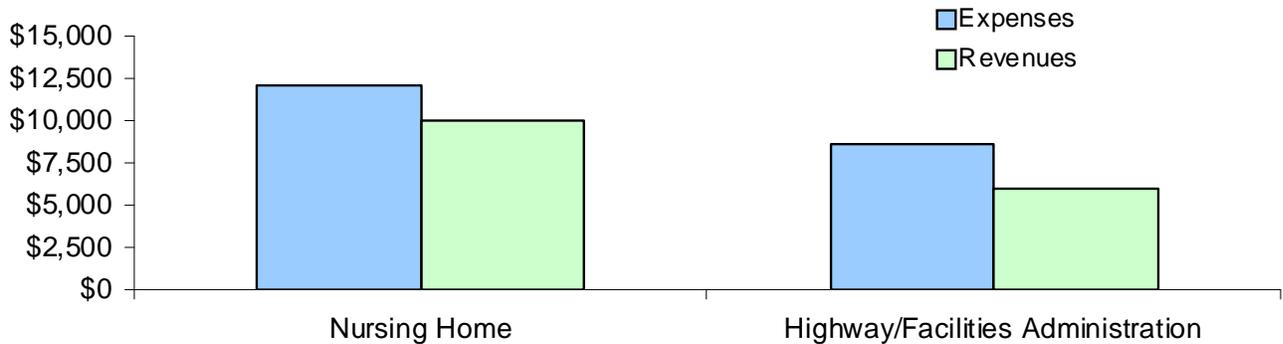


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 December 31, 2009

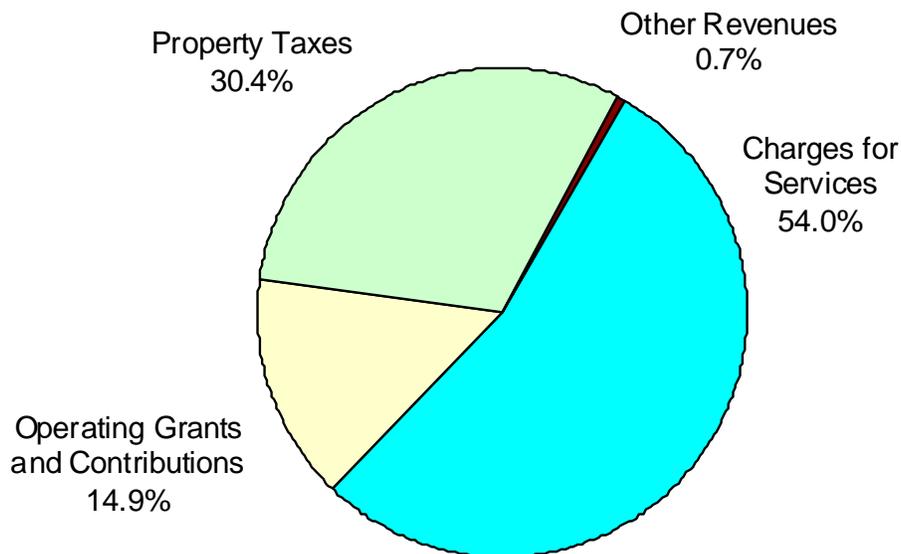
Business-type Activities. Business-type activities increased net assets by \$2,300,727, thereby accounting for 16.5% of the total growth in net assets of the County. This growth is due primarily to increased revenues. Lakeland Health Care Center has shifted its primary revenue sources by working with more residents in private pay areas allowing for better collection results in revenue. Public Works department attained cost savings in costs such as fuel, road salt, and other road maintenance. \$1.1 million of the net assets increase is due to health insurance savings discussed above in the governmental activities.

The graphs below compare (1) total business-type activity expenses to program revenue, which does not include general revenues of property and other taxes, or grants and contributions not related to specific programs and (2) all revenue sources for business-type activities.

**Business-type Activities
 (1) Expenses and Program Revenues
 (In thousands)**



**Business-type Activities
 (2) Revenues by Source**



WALWORTH COUNTY, WISCONSIN
Management's Discussion and Analysis
December 31, 2009

Financial Analysis of the County's Funds

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

Governmental funds. The focus of the County's *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing the County's financing requirements. In particular, *unassigned fund balance* may serve as a useful measure of the County's net resources available for spending at the end of the fiscal year.

As of December 31, 2009, the County's governmental funds reported combined ending fund balances of \$39,414,260, an increase of \$2,088,776 from the prior year. Approximately 48% of this amount (\$18,883,279) constitutes *unassigned fund balance*, which is available for spending at the County's discretion. The following fund balance amounts have been assigned by County Board or management: \$3,075,012 to fund subsequent year budget items, \$1,552,255 for open projects carried forward into the next year, and \$5,680,452 for non-specific special revenue, debt service and capital project fund purposes limited to the scope of each corresponding fund. Committed fund balance indicates that it is not available for new spending because it has already been committed by the County Board. Commitments include funds set aside for parks, \$75,276 and open encumbrances, \$1,149,733. Restricted fund balance accounts for funds with a funding source specifically restricted by a third party. Restricted amounts include carryforward projects (\$23,884), encumbrances (\$739,514), Sheriff Trusts (\$587,600), land information projects (\$542,531), donations for school, sheriff and parks (\$185,200), unspent bond proceeds (\$1,895,724), Alpine Valley (\$4,973), and non-metallic mining fees collected and held by statute (\$23,246). Nonspendable fund balance are portions of fund balance that cannot be spent because of their non-cash form including inventory that benefits periods beyond the end of the current year (\$18,400), and delinquent taxes, not yet collected (\$4,977,181).

The General fund is the chief operating fund of the County. At the end of the current year, unassigned fund balance of the General fund was \$18,883,279, while total fund balance reached \$28,169,146. As a measure of the General fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures and transfers. Unassigned fund balance represents 42% of total General fund expenditures and transfers, while total fund balance represents 63% of that same amount.

The fund balance of the County's General fund increased by \$295,550. The fund was budgeted to decrease by \$2,170,814. Many of the capital outlay expenditures and related grants have been carried forward into 2010. Lapsing individual General fund department savings of \$1,236,869 existed at yearend. The largest excess revenue contribution was due to interest and penalties on delinquent taxes of \$304,000.

Per County resolution, the assigned fund balance for non-specific purposes remaining in a governmental special revenue fund balance at year-end is transferred to/from the General fund during the subsequent year. The exception is Children with Disabilities Education Board, which maintains its fund balance for future years.

The Health and Human Services special revenue fund has a total fund balance of \$3,331,111. Of this total, \$151,951 is committed to encumbrances, and \$163,872 is assigned to fund projects carried forward to future years. The fund balance decreased by \$601,269, which is \$3,331,111 better than budgeted net change in fund balance due primarily to improved service and programs allowing for a decrease in professional services. Health and Human Services net change in fund balance will result in a 2010 transfer to the General fund in the amount of \$3,015,288.

The Children with Disabilities Education Board special revenue fund has a total fund balance of \$2,976,378. Of this fund balance, \$550,102 is committed/restricted for encumbrances, \$247,000 is assigned for subsequent year budgets, and \$113,107 is restricted for donations. The fund balance increased by \$916,679 over budgeted expectations, primarily due to the early implementation of school district transfers of teachers and student aides to the local districts, resulting in savings of payroll costs.

WALWORTH COUNTY, WISCONSIN
 Management's Discussion and Analysis
 December 31, 2009

The Debt Service fund has a total fund balance of \$638,844, which is assigned to future debt service payments. The fund balance increase of \$43,862 was due to calling 2 years of debt principal realizing a savings in debt service interest payments.

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

Unrestricted net assets of Lakeland Health Care Center at the end of the year amounted to \$6,789,335. The total growth in net assets was \$924,761.

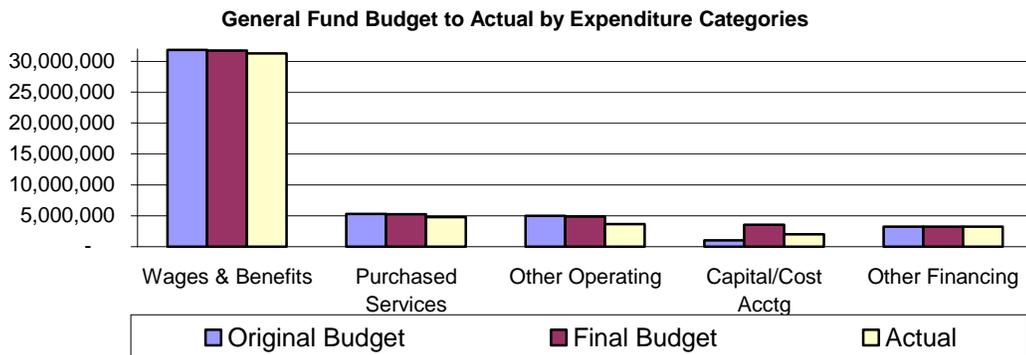
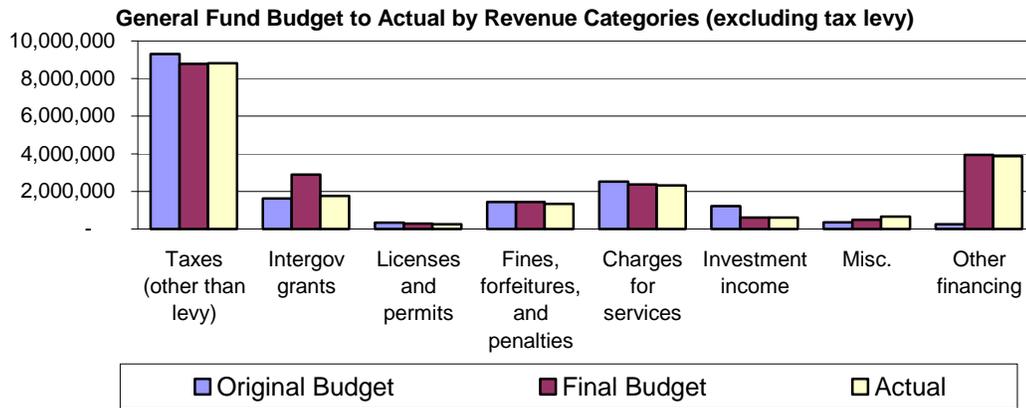
Unrestricted net assets of the Public Works fund at the end of the year amounted to \$3,424,105. The total growth in net assets was \$398,317.

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

General Fund Budgetary Highlights

Differences between the original budget and the final amended budget resulted in an increase of \$1,979,186 in appropriations; the majority consists of a transfer from health and human services 2008 net income.

During the year, actual revenues exceeded budgeted revenues by \$1,169,760 due primarily to many uncollected grant revenues which have been carried forward into 2010. Actual expenditures were less than budgeted expenditures by \$3,513,162, primarily due to operational efficiencies from each department, and capital outlay projects carried forward and open encumbrances for expenditures not completed at yearend. The public safety area accounts for \$1.4 million of this savings of which \$1 million in outlay projects expense budgets will be carried forward to 2010. The following graph depicts actual revenue and expenditure categories compared to original and final budget.



WALWORTH COUNTY, WISCONSIN
Management's Discussion and Analysis
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 amounts to \$124,977,102 (net of accumulated depreciation). This investment in capital assets includes land, land improvements, buildings, machinery and equipment, vehicles, public domain infrastructure (highways and bridges), and construction in progress. The total increase in the County's investment in capital assets for the current fiscal year was 16%.

The County has taken a new approach to road construction and will be completing road construction every other year. 2009 is considered a construction year, and is the primary reason for the increase in capital asset value.

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

- Completed road and bridge construction of \$3,591,964
- Replacement of various police vehicles, at a cost of \$264,339
- Replacement of 6 plow trucks, at a cost of \$1,146,500
- Replacement of 3 patrol trucks at a cost of \$622,410
- Salt dome, at a cost of \$691,633

The County's infrastructure assets are recorded at historical cost in the government-wide financial statements, using the depreciation method of reporting capital assets.

Further details of the County's capital assets can be found in the notes to the financial statements on pages 61-62.

Long-term debt. At the end of the current fiscal year, the County had total general obligation debt outstanding of \$48,120,000. The County has been upgraded under the new standardized rating system from Moody's Investors Service for its general obligation debt to an Aa1. Under current state statutes, the County's general obligation debt is subject to a legal limitation, based on 5% of the total equalized value of taxable property in the County. The current debt limitation for the County is \$733,047,999, which is significantly in excess of the County's \$48,120,000 in authorized general obligation debt.

The County's total general obligation debt decreased by \$4,760,000 (9%) during the current fiscal year. The key factors in this decrease were the issuance of notes in the amount of \$5,435,000 for road construction, and the retirement of \$10,105,000 of prior issuances including the \$2,605,000 of called debt.

Further details of the County's long-term debt activity can be found in the notes to the financial statements on pages 63-66.

Economic Factors and Next Year's Budget and Rates

- The economic condition of the nation has taken a downturn affecting many aspects of the County's economy including employment and revenue declines. The County is based on a relatively healthy mix of manufacturing, tourism, service industry, retail, and farming activities that support our tax base, and therefore expects to come out of this recession and return to a stable environment.
- Inflationary trends in our region compare favorably to national indices.

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

Limits have been imposed on the property tax levy rates for Wisconsin counties. The limit excludes the Children with Disabilities Education Board tax levy, bridge aid, libraries, and certain increases in debt service. 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

WALWORTH COUNTY, WISCONSIN
Management's Discussion and Analysis
December 31, 2009

meet the levy rate freeze requirements. Among the penalties for exceeding the limits is the reduction of state shared revenues and transportation aids.

Upon the adoption of the budget for 2010, the County made significant budget reductions to keep spending within statutory limits.

Contacting the County's Financial Management

This financial report is designed to provide a general overview of the County's finances for all those with an interest in the County's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Walworth County Finance Department, 100 West Walworth, P.O. Box 1001, Elkhorn, WI 53121.



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BASIC FINANCIAL STATEMENTS



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WALWORTH COUNTY, WISCONSIN

STATEMENT OF NET ASSETS
December 31, 2009

	Governmental Activities	Business-type Activities	Total
ASSETS			
Current assets:			
Cash and investments	\$ 51,618,646	\$ 9,377,103	\$ 60,995,749
Restricted cash and investments	1,091,723	31,595	1,123,318
Receivables (net of allowance for uncollectibles):			
Taxes	52,171,011	6,916,856	59,087,867
Delinquent taxes	9,444,460	-	9,444,460
Accounts	2,158,489	1,302,948	3,461,437
Internal balances	(1,112,718)	1,112,718	-
Due from other governments	4,146,738	795,511	4,942,249
Inventories	18,400	1,176,740	1,195,140
Prepaid items	2,809	1,606	4,415
Unamortized debt issuance costs	-	5,371	5,371
Total current assets	<u>119,539,558</u>	<u>20,720,448</u>	<u>140,260,006</u>
Noncurrent assets:			
Long-term receivable	282,771	-	282,771
Restricted investments			
Deposit held with Wisconsin Municipal Mutual Insurance Company (WMMIC)	1,563,000	-	1,563,000
Other post employment benefits	-	118,693	118,693
Unamortized debt issuance costs	118,740	26,847	145,587
Capital assets:			
Land and construction in progress	4,401,086	1,287,247	5,688,333
Other capital assets (net of accumulated depreciation)	96,494,101	20,684,617	117,178,718
Total capital assets	<u>100,895,187</u>	<u>21,971,864</u>	<u>122,867,051</u>
Total noncurrent assets	<u>102,859,698</u>	<u>22,117,404</u>	<u>124,977,102</u>
Total assets	<u>222,399,256</u>	<u>42,837,852</u>	<u>265,237,108</u>
LIABILITIES			
Current liabilities:			
Accounts payable	2,692,133	542,872	3,235,005
Accrued interest payable	215,380	88,946	304,326
Accrued liabilities	1,495,387	283,759	1,779,146
Claims payable	4,955,916	-	4,955,916
Deposits	2,160,538	31,595	2,192,133
Due to other governments	1,575,427	-	1,575,427
Unearned revenue	52,415,785	6,923,569	59,339,354
Total current liabilities	<u>65,510,566</u>	<u>7,870,741</u>	<u>73,381,307</u>
Noncurrent liabilities:			
Due within one year	8,988,565	2,285,956	11,274,521
Due in more than one year	32,767,380	8,852,621	41,620,001
Total noncurrent liabilities	<u>41,755,945</u>	<u>11,138,577</u>	<u>52,894,522</u>
Total liabilities	<u>107,266,511</u>	<u>19,009,318</u>	<u>126,275,829</u>
NET ASSETS			
Invested in capital assets, net of related debt	64,608,829	12,061,594	76,670,423
Restricted for:			
Public safety	662,966	-	662,966
Culture, recreation and education	116,105	-	116,105
Conservation and development	565,777	-	565,777
Nursing home	-	184,633	184,633
Solid Waste	-	248,611	248,611
Unrestricted	49,179,068	11,333,696	60,512,764
Total net assets	<u>\$ 115,132,745</u>	<u>\$ 23,828,534</u>	<u>\$ 138,961,279</u>

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

WALWORTH COUNTY, WISCONSIN

STATEMENT OF ACTIVITIES
For the 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
Governmental activities:							
General government	\$ 14,016,099	\$ 3,107,475	\$ 831,676	\$ -	\$ (10,076,948)	\$ -	\$ (10,076,948)
Public safety	24,087,943	1,467,768	793,455	207,118	(21,619,602)	-	(21,619,602)
Health and human services	29,937,903	4,642,061	18,016,188	-	(7,279,654)	-	(7,279,654)
Culture, recreation and education	14,494,732	203,711	8,618,768	72,298	(5,599,955)	-	(5,599,955)
Public works	2,269,576	-	-	220,491	(2,049,085)	-	(2,049,085)
Conservation and development	2,296,442	653,502	345,300	-	(1,297,640)	-	(1,297,640)
Interest on long-term debt	1,342,711	-	-	-	(1,342,711)	-	(1,342,711)
Total governmental activities	<u>88,445,406</u>	<u>10,074,517</u>	<u>28,605,387</u>	<u>499,907</u>	<u>(49,265,595)</u>	<u>-</u>	<u>(49,265,595)</u>
Business-type activities:							
Nursing home	11,992,288	8,601,097	1,315,580	-	-	(2,075,611)	(2,075,611)
Highway/facilities administration	8,613,900	3,787,233	2,107,417	107,750	-	(2,611,500)	(2,611,500)
Total business-type activities	<u>20,606,188</u>	<u>12,388,330</u>	<u>3,422,997</u>	<u>107,750</u>	<u>-</u>	<u>(4,687,111)</u>	<u>(4,687,111)</u>
Total primary government	<u>\$ 109,051,594</u>	<u>\$ 22,462,847</u>	<u>\$ 32,028,384</u>	<u>\$ 607,657</u>	<u>(49,265,595)</u>	<u>(4,687,111)</u>	<u>(53,952,706)</u>
General revenues:							
General property taxes					44,880,244	6,970,537	51,850,781
Property taxes for debt service					6,642,168	-	6,642,168
County share of sales taxes					6,951,954	-	6,951,954
Other taxes					64,719	-	64,719
Grants and contributions not restricted to specific programs					347,144	-	347,144
Unrestricted investment earnings					2,056,156	11,997	2,068,153
Miscellaneous					108,223	36,704	144,927
Transfers					31,400	(31,400)	-
Total general revenues and transfers					<u>61,082,008</u>	<u>6,987,838</u>	<u>68,069,846</u>
Change in net assets					11,816,413	2,300,727	14,117,140
Net assets - beginning					<u>103,316,332</u>	<u>21,527,807</u>	<u>124,844,139</u>
Net assets - ending					<u>\$ 115,132,745</u>	<u>\$ 23,828,534</u>	<u>\$ 138,961,279</u>

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

WALWORTH COUNTY, WISCONSIN

BALANCE SHEET
GOVERNMENTAL FUNDS
December 31, 2009

	Special Revenue Funds					Total Governmental Funds
	General	Health & Human Services	Children With Disabilities Education Board	Debt Service	Nonmajor Governmental Funds	
ASSETS						
Cash and investments	\$ 22,192,249	\$ 5,408,115	\$ 2,481,627	\$ 639,169	\$ 4,304,663	\$ 35,025,823
Receivables (net of allowance for uncollectibles):						
Taxes	27,001,452	11,255,863	8,557,432	5,190,603	165,661	52,171,011
Delinquent taxes	7,724,538	-	-	-	-	7,724,538
Accounts	694,392	1,011,330	619	-	2,998	1,709,339
Due from other governments	1,375,088	690,771	1,828,254	-	252,625	4,146,738
Inventories	18,400	-	-	-	-	18,400
Long-term receivables	282,771	-	-	-	-	282,771
Restricted cash and investments						
Patient and school deposits	-	332,965	57,329	-	-	390,294
Total assets	\$ 59,288,890	\$ 18,699,044	\$ 12,925,261	\$ 5,829,772	\$ 4,725,947	\$ 101,468,914
LIABILITIES AND FUND BALANCES						
Liabilities:						
Accounts payable	\$ 574,466	\$ 1,606,890	\$ 224,012	\$ 325	\$ 259,507	\$ 2,665,200
Accrued liabilities	1,069,382	326,292	98,760	-	953	1,495,387
Due to other funds	4,636	2,389	646	-	1	7,672
Due to other governments	158,881	1,416,402	-	-	144	1,575,427
Deposits	15,391	234,862	-	-	-	250,253
Deferred tax revenues	28,394,903	11,255,863	8,557,432	5,190,603	165,661	53,564,462
Other deferred revenues	902,085	192,270	1,004,008	-	900	2,099,263
Liabilities payable from restricted assets						
Patient and school deposits	-	332,965	57,329	-	-	390,294
Other liabilities	-	-	6,696	-	-	6,696
Total liabilities	31,119,744	15,367,933	9,948,883	5,190,928	427,166	62,054,654

(Continued)

WALWORTH COUNTY, WISCONSIN

BALANCE SHEET (concluded)
GOVERNMENTAL FUNDS
December 31, 2009

	Special Revenue Funds					Total Governmental Funds
	General	Health & Human Services	Children With Disabilities Education Board	Debt Service	Nonmajor Governmental Funds	
Fund balances:						
Nonspendable:						
Delinquent personal property taxes	\$ 4,977,181	\$ -	\$ -	\$ -	\$ -	\$ 4,977,181
Inventory	18,400	-	-	-	-	18,400
Restricted for:						
Alpine Valley	4,973	-	-	-	-	4,973
Carryforward projects	23,884	-	-	-	-	23,884
Donations	72,093	-	113,107	-	-	185,200
Encumbrances	177,599	-	549,653	-	12,262	739,514
Modernization fees	-	-	-	-	335,661	335,661
Public access fees	-	-	-	-	206,870	206,870
Non-metallic mining fees	23,246	-	-	-	-	23,246
Sheriff trusts	-	-	-	-	587,600	587,600
Unspent bond proceeds	-	-	-	-	1,895,724	1,895,724
Committed for:						
Encumbrances	566,978	151,951	449	-	430,355	1,149,733
Parks	75,276	-	-	-	-	75,276
Assigned for:						
Subsequent year budget items	2,785,000	-	247,000	43,012	-	3,075,012
Carryforward projects	561,237	163,872	-	-	827,146	1,552,255
Health and human services	-	3,015,288	-	-	-	3,015,288
Children with Disabilities Education Board	-	-	2,066,169	-	-	2,066,169
Debt service	-	-	-	595,832	-	595,832
Nonmajor governmental - Special revenue	-	-	-	-	3,163	3,163
Unassigned	18,883,279	-	-	-	-	18,883,279
Total fund balances	<u>28,169,146</u>	<u>3,331,111</u>	<u>2,976,378</u>	<u>638,844</u>	<u>4,298,781</u>	<u>39,414,260</u>
Total liabilities and fund balances	<u>\$ 59,288,890</u>	<u>\$ 18,699,044</u>	<u>\$ 12,925,261</u>	<u>\$ 5,829,772</u>	<u>\$ 4,725,947</u>	<u>\$ 101,468,914</u>

WALWORTH COUNTY, WISCONSIN

RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET ASSETS
December 31, 2009

Total fund balances-governmental funds (page 33)	\$ 39,414,260
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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. In the statement of net assets, the cost of these assets are capitalized and expensed over their estimated lives.

Land	\$ 1,092,194	
Construction in progress	3,308,892	
Buildings	65,160,919	
Improvements other than buildings	4,494,019	
Machinery and equipment	20,460,184	
Infrastructure	47,406,598	
Less: Accumulated depreciation	<u>(41,027,619)</u>	
		100,895,187

Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds.

Interest and penalties for delinquent taxes	1,719,922	
Court assessments	476,880	
Delinquent real estate taxes - county share	1,393,451	
Long term receivable	282,771	
Grant revenues not yet received	<u>1,094,838</u>	
		4,967,862

Internal service funds are used by management to charge the costs of health insurance, dental insurance, workers compensation, and risk management to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net assets. 12,017,410

Due from business-type activities related to internal service funds (1,120,256)

Long-term liabilities, including bonds payable and notes payable, are not due and payable in the current period and therefore are not reported in the funds.

Bonds and notes payable	(38,198,912)	
Debt discount/(premium)	16,830	
Compensated absences	(2,881,646)	
Other post employment benefits	(685,521)	
Health insurance retiree sick leave credits	804,171	
Issuance costs	118,740	
Accrued interest on long-term obligations	<u>(215,380)</u>	
		<u>(41,041,718)</u>

Net assets of governmental activities as reported on the statement of net assets (see page 30)	<u>\$ 115,132,745</u>
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The notes to the financial statements are an integral part of this schedule.

WALWORTH COUNTY, WISCONSIN

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES GOVERNMENTAL FUNDS For the Year Ended December 31, 2009

	General	Special Revenue Funds	
		Health & Human Services	Children With Disabilities Education Board
REVENUES			
Taxes	\$ 32,957,365	\$ 10,694,027	\$ 8,821,321
Intergovernmental	1,753,548	17,878,866	7,545,098
Licenses and permits	258,150	-	-
Fines, forfeitures and penalties	1,337,605	-	-
Public charges for services	2,317,924	4,578,007	31,712
Intergovernmental charges for services	1,532,489	59,197	108,682
Investment income	610,725	-	35,219
Miscellaneous	668,041	129,179	78,684
Total revenues	41,435,847	33,339,276	16,620,716
EXPENDITURES			
Current:			
General government	13,452,827	-	-
Public safety	23,726,219	-	-
Health and human services	180,045	30,312,411	-
Culture, recreation, and education	506,143	-	14,914,153
Conservation and development	1,975,782	-	-
Capital outlay	1,915,780	426,627	15,400
Debt service:			
Principal retirement	-	-	-
Interest and fiscal charges	-	-	-
Total expenditures	41,756,796	30,739,038	14,929,553
Excess (deficiency) of revenues over expenditures	(320,949)	2,600,238	1,691,163
OTHER FINANCING SOURCES (USES)			
Proceeds from sale of assets	111,194	-	-
Proceeds from long-term debt issued	-	-	-
Discount on long-term debt	-	-	-
Transfers in	3,760,578	96,700	-
Transfers out	(3,255,273)	(3,298,207)	(967,889)
Total other financing sources (uses)	616,499	(3,201,507)	(967,889)
Net change in fund balances	295,550	(601,269)	723,274
Fund balances - beginning	27,873,596	3,932,380	2,253,104
Fund balances - ending	\$ 28,169,146	\$ 3,331,111	\$ 2,976,378

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

WALWORTH COUNTY, WISCONSIN

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES (concluded) GOVERNMENTAL FUNDS For the Year Ended December 31, 2009

	Debt Service	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES			
Taxes	\$ 6,642,168	\$ 162,450	\$ 59,277,331
Intergovernmental	-	375,236	27,552,748
Licenses and permits	-	-	258,150
Fines, forfeitures and penalties	-	-	1,337,605
Public charges for services	-	-	6,927,643
Intergovernmental charges for services	-	1,303,942	3,004,310
Investment income	4,478	2,656	653,078
Miscellaneous	-	249,446	1,125,350
Total revenues	<u>6,646,646</u>	<u>2,093,730</u>	<u>100,136,215</u>
EXPENDITURES			
Current:			
General government	-	-	13,452,827
Public safety	-	65,417	23,791,636
Health and human services	-	-	30,492,456
Culture, recreation, and education	-	-	15,420,296
Conservation and development	-	198,012	2,173,794
Capital outlay	-	5,549,144	7,906,951
Debt service:			
Principal retirement	8,769,898	-	8,769,898
Interest and fiscal charges	1,470,670	-	1,470,670
Total expenditures	<u>10,240,568</u>	<u>5,812,573</u>	<u>103,478,528</u>
Excess (deficiency) of revenues over expenditures	<u>(3,593,922)</u>	<u>(3,718,843)</u>	<u>(3,342,313)</u>
OTHER FINANCING SOURCES (USES)			
Proceeds from sale of assets	-	-	111,194
Proceeds from long-term debt issued	45,000	5,300,000	5,345,000
Discount on long-term debt	(25,105)	-	(25,105)
Transfers in	3,617,889	508,573	7,983,740
Transfers out	-	(462,371)	(7,983,740)
Total other financing sources (uses)	<u>3,637,784</u>	<u>5,346,202</u>	<u>5,431,089</u>
Net change in fund balances	43,862	1,627,359	2,088,776
Fund balances - beginning	<u>594,982</u>	<u>2,671,422</u>	<u>37,325,484</u>
Fund balances - ending	<u>\$ 638,844</u>	<u>\$ 4,298,781</u>	<u>\$ 39,414,260</u>

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

WALWORTH COUNTY, WISCONSIN

RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2009

Net change in fund balances-total governmental funds (page 36)		\$ 2,088,776
Amounts reported for governmental activities in the statement of activities (page 31) are different because:		
Governmental funds report capital outlays as expenditures. In the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation. This is the amount by which capital outlays exceeded depreciation in the current period.		
Depreciation expense	\$ (4,000,375)	
Capital outlay	<u>7,906,951</u>	3,906,576
The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) is to decrease net assets.		
Disposal of assets	(558,699)	
Proceeds from the sale of assets/insurance recoveries	(77,057)	
Repair and maintenance projects not capitalized	(1,302,328)	
Transfer of asset from enterprise fund	31,400	
Donation of assets	<u>54,410</u>	(1,852,274)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. The change in revenue from the prior year is reported here.		
Court assessments	(1,493,017)	
Interest and penalties for delinquent taxes	456,621	
Delinquent real estate taxes-county share	336,597	
Grant revenues not yet received	20,088	
Long term receivables	<u>460,489</u>	795,402
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, has any effect on net assets.		
Issuance of general obligation debt	(5,345,000)	
Repayment of general obligation debt	<u>8,769,898</u>	3,424,898
Governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.		
Net issuance costs	25,349	
Net premiums/discounts	<u>38,091</u>	63,440
Some expenses 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.		
Accrued interest expense	89,624	
Compensated absences	(248,848)	
Other post employment benefits	<u>397,949</u>	238,725
The net effect of certain activities of internal service funds is reported with governmental activities.		<u>3,150,870</u>
Change in net assets of governmental activities as reported on the statement of activities (page 31)		<u><u>\$ 11,816,413</u></u>

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

WALWORTH COUNTY, WISCONSIN

STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
GENERAL FUND

For the Year Ended December 31, 2009

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 33,113,753	\$ 32,918,405	\$ 32,957,365	\$ 38,960
Intergovernmental	1,630,657	2,896,460	1,753,548	(1,142,912)
Licenses and permits	340,910	286,785	258,150	(28,635)
Fines, forfeitures and penalties	1,445,526	1,439,697	1,337,605	(102,092)
Public charges for services	2,518,875	2,361,834	2,317,924	(43,910)
Intergovernmental charges for services	1,430,410	1,603,180	1,532,489	(70,691)
Investment income	1,220,600	605,010	610,725	5,715
Miscellaneous	363,705	494,236	668,041	173,805
Total revenues	<u>42,064,436</u>	<u>42,605,607</u>	<u>41,435,847</u>	<u>(1,169,760)</u>
EXPENDITURES				
Current:				
General government	14,516,821	14,248,115	13,452,827	795,288
Public safety	24,043,479	24,498,887	23,726,219	772,668
Health and human services	179,590	183,367	180,045	3,322
Culture, recreation, and education	491,723	558,399	506,143	52,256
Conservation and development	2,241,665	2,302,043	1,975,782	326,261
Capital outlay:				
General government	308,020	1,442,241	589,179	853,062
Public safety	596,524	1,880,807	1,214,434	666,373
Culture, recreation, and education	56,250	127,587	84,424	43,163
Conservation and development	22,270	28,512	27,743	769
Total expenditures	<u>42,456,342</u>	<u>45,269,958</u>	<u>41,756,796</u>	<u>3,513,162</u>
Excess (deficiency) of revenues over expenditures	<u>(391,906)</u>	<u>(2,664,351)</u>	<u>(320,949)</u>	<u>2,343,402</u>
OTHER FINANCING SOURCES (USES)				
Proceeds from sale of assets	82,500	102,756	111,194	8,438
Transfers in	171,106	3,841,660	3,760,578	(81,082)
Transfers out	(4,011,700)	(3,450,879)	(3,255,273)	195,606
Total other financing sources (uses)	<u>(3,758,094)</u>	<u>493,537</u>	<u>616,499</u>	<u>122,962</u>
Net change in fund balances	(4,150,000)	(2,170,814)	295,550	2,466,364
Fund balances - beginning	<u>27,873,596</u>	<u>27,873,596</u>	<u>27,873,596</u>	<u>-</u>
Fund balances - ending	<u>\$ 23,723,596</u>	<u>\$ 25,702,782</u>	<u>\$ 28,169,146</u>	<u>\$ 2,466,364</u>

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

WALWORTH COUNTY, WISCONSIN

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL HEALTH AND HUMAN SERVICES SPECIAL REVENUE FUND For the Year Ended December 31, 2009

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget - Positive (Negative)
REVENUES				
Taxes	\$ 11,001,334	\$ 10,694,027	\$10,694,027	\$ -
Intergovernmental	16,576,278	17,345,933	17,878,866	532,933
Public charges for services	4,436,385	5,108,279	4,578,007	(530,272)
Intergovernmental charges for services	80,323	80,413	59,197	(21,216)
Miscellaneous	129,638	128,728	129,179	451
Total revenues	<u>32,223,958</u>	<u>33,357,380</u>	<u>33,339,276</u>	<u>(18,104)</u>
EXPENDITURES				
Current:				
Health and human services	32,203,958	33,384,351	30,312,411	3,071,940
Capital outlay:				
Health and human services	116,700	703,902	426,627	277,275
Total expenditures	<u>32,320,658</u>	<u>34,088,253</u>	<u>30,739,038</u>	<u>3,349,215</u>
Excess (deficiency) of revenues over expenditures	<u>(96,700)</u>	<u>(730,873)</u>	<u>2,600,238</u>	<u>3,331,111</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	96,700	96,700	96,700	-
Transfers out	-	(3,298,207)	(3,298,207)	-
Total other financing sources (uses)	<u>96,700</u>	<u>(3,201,507)</u>	<u>(3,201,507)</u>	<u>-</u>
Net change in fund balances	-	(3,932,380)	(601,269)	3,331,111
Fund balances - beginning	3,932,380	3,932,380	3,932,380	-
Fund balances - ending	<u>\$ 3,932,380</u>	<u>\$ -</u>	<u>\$ 3,331,111</u>	<u>\$ 3,331,111</u>

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

WALWORTH COUNTY, WISCONSIN

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL CHILDREN WITH DISABILITIES EDUCATION BOARD SPECIAL REVENUE FUND For the Year Ended December 31, 2009

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 8,821,321	\$ 8,821,321	\$ 8,821,321	\$ -
Intergovernmental	7,921,603	8,364,501	7,545,098	(819,403)
Public charges for services	25,050	25,050	31,712	6,662
Intergovernmental charges for services	47,500	47,500	108,682	61,182
Investment income	-	13,304	35,219	21,915
Miscellaneous	61,400	81,787	78,684	(3,103)
Total revenues	<u>16,876,874</u>	<u>17,353,463</u>	<u>16,620,716</u>	<u>(732,747)</u>
EXPENDITURES				
Current:				
Culture, recreation, and education	15,908,985	16,562,979	14,914,153	1,648,826
Capital outlay:				
Culture, recreation, and education	-	16,000	15,400	600
Total expenditures	<u>15,908,985</u>	<u>16,578,979</u>	<u>14,929,553</u>	<u>1,649,426</u>
Excess of revenues over expenditures	<u>967,889</u>	<u>774,484</u>	<u>1,691,163</u>	<u>916,679</u>
OTHER FINANCING USES				
Transfers out	(967,889)	(967,889)	(967,889)	-
Total other financing uses	<u>(967,889)</u>	<u>(967,889)</u>	<u>(967,889)</u>	<u>-</u>
Net change in fund balances	-	(193,405)	723,274	916,679
Fund balances - beginning	2,253,104	2,253,104	2,253,104	-
Fund balances - ending	<u>\$ 2,253,104</u>	<u>\$ 2,059,699</u>	<u>\$ 2,976,378</u>	<u>\$ 916,679</u>

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

WALWORTH COUNTY, WISCONSIN

STATEMENT OF NET ASSETS PROPRIETARY FUNDS December 31, 2009

	Business-type Activities - Enterprise Funds			Governmental Activities - Internal Service Funds
	Lakeland Health Care Center	Public Works	Total Enterprise Funds	
		\$	\$	
ASSETS				
Current assets:				
Cash and investments	6,912,601	2,464,502	9,377,103	16,592,823
Restricted cash and investments:				
Patient deposits	31,595	-	31,595	-
Deposits held with fiscal agents	-	-	-	701,429
Taxes receivable	3,626,361	3,290,495	6,916,856	-
Accounts receivable	1,261,726	41,222	1,302,948	449,150
Due from other funds	-	-	-	15,210
Due from other governments	360	795,151	795,511	-
Inventories	21,569	1,155,171	1,176,740	-
Prepaid items	-	1,606	1,606	2,809
Unamortized debt issuance costs	5,371	-	5,371	-
Total current assets	<u>11,859,583</u>	<u>7,748,147</u>	<u>19,607,730</u>	<u>17,761,421</u>
Noncurrent assets:				
Restricted cash and investments:				
Deposit held with Wisconsin Municipal Mutual Insurance Company (WMMIC)	-	-	-	1,563,000
Other post employment benefits	-	300,139	300,139	-
Unamortized debt issuance costs	26,847	-	26,847	-
Capital assets:				
Land	36,260	62,226	98,486	-
Construction in progress	-	1,188,761	1,188,761	-
Other capital assets	15,359,157	14,073,762	29,432,919	-
Less: Accumulated depreciation	<u>(1,400,267)</u>	<u>(7,348,035)</u>	<u>(8,748,302)</u>	<u>-</u>
Net capital assets	<u>13,995,150</u>	<u>7,976,714</u>	<u>21,971,864</u>	<u>-</u>
Total noncurrent assets	<u>14,021,997</u>	<u>8,276,853</u>	<u>22,298,850</u>	<u>1,563,000</u>
Total assets	<u>25,881,580</u>	<u>16,025,000</u>	<u>41,906,580</u>	<u>19,324,421</u>
LIABILITIES				
Current liabilities:				
Accounts payable	215,747	327,125	542,872	26,933
Accrued interest payable	88,946	-	88,946	-
Accrued liabilities	132,998	150,761	283,759	-
Claims payable	-	-	-	4,955,916
Due to other funds	2,255	5,283	7,538	-
Deposits	31,595	-	31,595	1,519,991
Deferred tax revenues	3,626,361	3,290,495	6,916,856	-
Other deferred revenues	306	6,407	6,713	-
Compensated absences - current	447,293	456,746	904,039	-
General obligation notes payable - current	1,378,317	-	1,378,317	-
Other post employment benefits - current	94,407	-	94,407	-
Retiree health credits - current	-	3,600	3,600	127,137
Total current liabilities	<u>6,018,225</u>	<u>4,240,417</u>	<u>10,258,642</u>	<u>6,629,977</u>

(Continued)

WALWORTH COUNTY, WISCONSIN

STATEMENT OF NET ASSETS (concluded) PROPRIETARY FUNDS December 31, 2009

	Business-type Activities - Enterprise Funds			Governmental Activities - Internal Service Funds
	Lakeland Health Care Center	Public Works	Total Enterprise Funds	
		\$	\$	
LIABILITIES (concluded)				
Noncurrent liabilities:				
Compensated absences	185,515	135,153	320,668	-
General obligation notes payable (net of unamortized discounts)	8,531,953	-	8,531,953	-
Other post employment benefits	87,039	-	87,039	-
Retiree health credits	-	-	-	677,034
Total noncurrent liabilities	<u>8,804,507</u>	<u>135,153</u>	<u>8,939,660</u>	<u>677,034</u>
Total liabilities	<u>14,822,732</u>	<u>4,375,570</u>	<u>19,198,302</u>	<u>7,307,011</u>
NET ASSETS				
Invested in capital assets, net of related debt	4,084,880	7,976,714	12,061,594	-
Restricted for donations	184,633	-	184,633	-
Restricted for solid waste	-	248,611	248,611	-
Unrestricted	<u>6,789,335</u>	<u>3,424,105</u>	<u>10,213,440</u>	<u>12,017,410</u>
Total net assets	<u>\$ 11,058,848</u>	<u>\$ 11,649,430</u>	<u>\$ 22,708,278</u>	<u>\$ 12,017,410</u>

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

Internal service funds are used by management to charge the costs of employee benefits and risk management to individual funds. The assets and liabilities of the internal service funds are primarily included in the governmental activities in the statement of net assets. Some assets, however, are reported as business-type activities.

1,120,256

Net assets of business-type activities as reported on the statement of net assets (see page 30)

\$ 23,828,534

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

WALWORTH COUNTY, WISCONSIN

STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET ASSETS
PROPRIETARY FUNDS
For the Year Ended December 31, 2009

	Business-type Activities - Enterprise Funds			Governmental Activities - Internal Service Funds
	Lakeland Health Care Center	Public Works	Total Enterprise Funds	
Operating revenues:				
Charges for services	\$ 8,601,097	\$ 3,787,233	\$ 12,388,330	\$ 19,863,579
Operating expenses:				
Operation and maintenance	11,870,536	8,351,343	20,221,879	-
Insurance services	-	-	-	15,864,285
Depreciation	306,265	595,674	901,939	-
Total operating expenses	12,176,801	8,947,017	21,123,818	15,864,285
Operating income (loss)	(3,575,704)	(5,159,784)	(8,735,488)	3,999,294
Nonoperating revenues (expenses):				
Property taxes	3,554,420	3,416,117	6,970,537	-
Intergovernmental grants	1,261,667	2,215,168	3,476,835	-
Investment income	2,686	9,311	11,997	83,939
Interest expense	(367,624)	-	(367,624)	-
Debt issuance costs and discounts	(7,190)	-	(7,190)	-
Gain (loss) on disposal of assets	359	(85,205)	(84,846)	-
Insurance recovery	-	30,956	30,956	72,098
Legal claim settlement	-	-	-	10,661
Rent, rebates, and donations	56,147	3,154	59,301	631
Total nonoperating revenues (expenses)	4,500,465	5,589,501	10,089,966	167,329
Income before transfers	924,761	429,717	1,354,478	4,166,623
Transfers out	-	(31,400)	(31,400)	-
Change in net assets	924,761	398,317	1,323,078	4,166,623
Total net assets - beginning	10,134,087	11,251,113	21,385,200	7,850,787
Total net assets - ending	\$ 11,058,848	\$ 11,649,430	22,708,278	\$ 12,017,410

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

Net change in net assets-total enterprise funds	1,323,078
The net revenue of certain activities of internal service funds is reported within business-type activities.	977,649
Net change in net assets of business-type activities as reported on the statement of activities (see page 31)	\$ 2,300,727

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

WALWORTH COUNTY, WISCONSIN

STATEMENT OF CASH FLOWS
 PROPRIETARY FUNDS
 For the Year Ended December 31, 2009

	Business-type Activities - Enterprise Funds			Governmental Activities - Internal Service Funds
	Lakeland Health Care Center	Public Works	Total Enterprise Funds	
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from customers	\$ 8,645,829	\$ 3,720,032	\$ 12,365,861	\$ 1,688,606
Receipts from interfund services provided	1,185	451,048	452,233	17,903,348
Payments to suppliers	(2,274,430)	(3,086,821)	(5,361,251)	(16,593,095)
Payments to employees	(9,803,024)	(5,635,226)	(15,438,250)	-
Payments for interfund services used	(21,206)	(180,635)	(201,841)	-
Payments of patient trust deposits	(20,839)	-	(20,839)	-
Net cash provided by (used in) operating activities	<u>(3,472,485)</u>	<u>(4,731,602)</u>	<u>(8,204,087)</u>	<u>2,998,859</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES				
General property taxes	3,554,420	3,416,117	6,970,537	-
Intergovernmental grants	1,261,667	2,215,168	3,476,835	-
Insurance recovery	-	-	-	72,098
Rent, rebates, and donations	56,147	3,154	59,301	631
Net cash provided by non-capital financing activities	<u>4,872,234</u>	<u>5,634,439</u>	<u>10,506,673</u>	<u>72,729</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Acquisition and construction of capital assets	(86,113)	(2,630,139)	(2,716,252)	-
Transfer of capital asset	-	(31,400)	(31,400)	-
Capital asset insurance recovery	-	30,956	30,956	-
Gain (loss) on sale of capital asset	359	(85,205)	(84,846)	-
Principal paid on capital debt	(1,335,102)	-	(1,335,102)	-
Interest paid on capital debt	(379,465)	-	(379,465)	-
Net cash used in capital and related financing activities	<u>(1,800,321)</u>	<u>(2,715,788)</u>	<u>(4,516,109)</u>	<u>-</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Investment income	2,686	9,311	11,997	83,939
Net cash provided by investing activities	<u>2,686</u>	<u>9,311</u>	<u>11,997</u>	<u>83,939</u>
Net increase (decrease) in cash and investments	(397,886)	(1,803,640)	(2,201,526)	3,155,527
Cash and investments - beginning	7,342,082	4,268,142	11,610,224	14,138,725
Cash and investments - ending	<u>\$ 6,944,196</u>	<u>\$ 2,464,502</u>	<u>\$ 9,408,698</u>	<u>\$ 17,294,252</u>

Cash and investments on December 31 are reconciled from the Statement of Net Assets as follows:

Cash and investments	\$ 6,912,601	\$ 2,464,502	\$ 9,377,103	\$ 16,592,823
Restricted cash and investments	31,595	-	31,595	701,429
	<u>\$ 6,944,196</u>	<u>\$ 2,464,502</u>	<u>\$ 9,408,698</u>	<u>\$ 17,294,252</u>

(Continued)

WALWORTH COUNTY, WISCONSIN

STATEMENT OF CASH FLOWS (concluded)
 PROPRIETARY FUNDS
 For the Year Ended December 31, 2009

	Business-type Activities Enterprise Funds			Governmental Activities - Internal Service Funds
	Lakeland Health Care Center	Public Works	Total Enterprise Funds	
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:				
Operating income (loss)	\$ (3,575,704)	\$ (5,159,784)	\$ (8,735,488)	\$ 3,999,294
Adjustments to reconcile operating income (loss) to net cash provided by (used in) from operating activities				
Noncash items included in operating income (loss)				
Depreciation	306,265	595,674	901,939	-
Change in assets and liabilities:				
Accounts receivable	70,524	51,937	122,461	(244,353)
Due from other funds	-	-	-	13,668
Due from other governments	270	379,907	380,177	-
Inventories	(3,160)	(524,212)	(527,372)	-
Prepaid items	-	17,982	17,982	1,547
Accounts payable	19,916	(60,057)	(40,141)	21,982
Accrued liabilities	(209,545)	(28,947)	(238,492)	-
Due to other funds	(5,560)	(3,605)	(9,165)	-
Deferred revenues	125	(38,507)	(38,382)	-
Claims payable	-	-	-	(752,341)
Compensated absences	11,920	49,660	61,580	-
Retiree health credits	-	(9,490)	(9,490)	(38,104)
Deposits	(20,839)	-	(20,839)	(2,834)
Other post employment benefits	(66,697)	(2,160)	(68,857)	-
Net cash provided by (used in) operating activities	<u>\$ (3,472,485)</u>	<u>\$ (4,731,602)</u>	<u>\$ (8,204,087)</u>	<u>\$ 2,998,859</u>
Noncash investing, capital, and financing activities:				
Capital asset trade-ins	<u>\$ -</u>	<u>25,880</u>	<u>25,880</u>	<u>\$ -</u>

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

WALWORTH COUNTY, WISCONSIN

STATEMENT OF FIDUCIARY NET ASSETS FIDUCIARY FUNDS December 31, 2009

	<u>Other Post Employment Benefits Trust Fund</u>	<u>Private Purpose Trusts</u>	<u>Agency Funds</u>
ASSETS			
Cash and investments	\$ 8,212,850	\$ 40,606	\$ 1,469,019
Total assets	8,212,850	40,606	1,469,019
LIABILITIES			
Accounts payable	-	-	286,689
Due to other governments	-	-	19,536
Deposits	-	-	1,162,794
Total liabilities	-	-	1,469,019
NET ASSETS			
Held in trust for post employment benefits:			
Children with Disabilities Education Board	3,418,524	-	-
Public Works	718,682	-	-
Lakeland Health Care Center	582,405	-	-
Sworn	1,340,321	-	-
Other	2,152,918	-	-
Held in trust for private purposes	-	40,606	-
Total net assets	\$ 8,212,850	\$ 40,606	\$ -

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

WALWORTH COUNTY, WISCONSIN

STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS FIDUCIARY FUNDS

For the Year Ended December 31, 2009

	Other Post Employment Benefits Trust Fund	Private Purpose Trust Funds
ADDITIONS		
Contributions:		
Employer	\$ 2,644,759	\$ -
Investment earnings:		
Investment income	<u>2,547</u>	<u>192</u>
Total additions	<u>2,647,306</u>	<u>192</u>
DEDUCTIONS		
Benefits	267,732	-
Administrative expenses	<u>2,500</u>	<u>-</u>
Total deductions	<u>270,232</u>	<u>-</u>
Change in net assets	2,377,074	192
Net assets - beginning	<u>5,835,776</u>	<u>40,414</u>
Net assets - ending	<u>\$ 8,212,850</u>	<u>\$ 40,606</u>

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

WALWORTH COUNTY, WISCONSIN
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2009

NOTE A - REPORTING ENTITY

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

Reporting Entity

The County board is governed by 11 supervisors elected every two years from each of 11 supervisory districts. In accordance with GAAP, the basic financial statements are required to include the County (the primary government) and any separate component units that have a significant operational or financial relationship with the County. The County has not identified any component units that are required to be included in the basic financial statements in accordance with standards established by GASB Statements No. 14 and No. 39.

Related Organization

The Walworth County Housing Authority is a related organization of Walworth County. Walworth County is responsible for appointing the Board of the Housing Authority but the Housing Authority is not financially accountable to Walworth County nor is the County able to impose its will on the organization.

Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all of the nonfiduciary activities of the County. 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 are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Governmental funds include general, special revenue, debt service and capital projects funds. Proprietary funds include enterprise and internal service funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

Funds are organized as major funds or non-major funds within the governmental and proprietary statements. An emphasis is placed on major funds within the governmental and proprietary categories. A fund is considered major if it is the primary operating fund of the County or meets the following criteria:

1. Total assets, liabilities, revenues or expenditures/expenses of that individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type, and
2. The same element of the individual governmental fund or enterprise fund that met the 10 percent test is at least 5 percent of the corresponding total for all governmental and enterprise funds combined.
3. In addition, any other governmental or enterprise fund that the County believes is particularly important to financial statement users may be reported as a major fund.

WALWORTH COUNTY, WISCONSIN
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2009

NOTE A - REPORTING ENTITY (continued)

The County reports the following major governmental funds:

GENERAL FUND

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

HEALTH AND HUMAN SERVICES SPECIAL REVENUE FUND

This fund accounts for the financial activity of the Health and Human Services department. Many of its services are funded with state and federal money used to provide the County's taxpayers with health information and assistance.

CHILDREN WITH DISABILITIES EDUCATION BOARD SPECIAL REVENUE FUND

This fund accounts for the financial activity of the Children with Disabilities Education Board. Many of its services are funded with state and federal money used to provide the County's disabled children with public and special education.

DEBT SERVICE FUND

This fund is used to accumulate monies for the payment of long-term debt obligations of the governmental funds (general, special revenue, and capital projects funds). Financing for debt service is generally provided by property taxes and transfers from other funds.

The County reports the following major enterprise funds:

LAKELAND HEALTH CARE CENTER FUND

This fund accounts for the provision of health delivery services to its elderly residents. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, nursing, rehabilitation, dental, medical, related services, and administration. Most of the funding comes from Federal Medicare and Medicaid Programs as well as private billing of the residents.

PUBLIC WORKS FUND

This fund accounts for the maintenance and construction of state highways and local roads, as well as services provided to other County departments. The costs are billed to the state, towns and cities, and other departments at actual cost plus an overhead factor. This fund also accounts for the administration costs in maintaining County property and buildings and the administration of the solid waste program.

Additionally, the County reports the following:

Nonmajor governmental funds consist of Land Information special revenue fund, Sheriff Trusts special revenue fund, and Capital Projects fund.

Internal service funds account for the employee benefits of Health Insurance, Dental Insurance, and Workers Compensation. Risk Management is also provided to other departments of the County on a cost reimbursement basis.

Other post employment benefits fund is used to account for resources legally held in trust for health insurance benefits for retirees of the County.

The *private-purpose trust funds* are used to account for resources legally held in trust for educational betterment of the nursing staff of the Lakeland Health Care Center in the G. Charter Harrison Trust and for the tricentennial celebration to be held in 2076 in the Tricentennial Trust.

WALWORTH COUNTY, WISCONSIN
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2009

NOTE A - REPORTING ENTITY (continued)

The County accounts for assets held as an agent for receipt of forfeitures, fines and court costs paid in advance for pending court cases, holding of Huber prisoners' funds, and various fees collected due to the state in an *agency fund*.

Measurement Focus and Basis of Accounting

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

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

Property taxes, sales taxes and interest associated with the current fiscal period are considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the government.

Certain 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 certain subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The County has elected not to follow subsequent private-sector guidance.

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

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

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

WALWORTH COUNTY, WISCONSIN
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2009

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Cash and Investments

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

Receivables

Accounts receivable have been shown net of allowance for uncollectible accounts of \$428,074 for the Health and Human Services fund and \$168,156 for the Lakeland Health Care Center fund. All other accounts receivables are recorded at gross amount with uncollectible amounts recognized under the direct write-off method. No allowance for uncollectible accounts has been provided for funds, except for those listed above, since it is believed that the amount of such allowance would not be material to the basic financial statements.

Property taxes are due, in the year subsequent to the levy, on the last day of January, and collected by local treasurers through that date, at which time unpaid taxes are assigned to the County and appropriate receivables and payables are recorded. Tax collections become the responsibility the County and taxes receivable include unpaid taxes levied for all taxing entities within the County. The County makes restitution to local districts in August for payables recorded at the settlement date without regard to collected funds. A lien is placed on all properties for which a portion of the current tax levy remains unpaid as of September 1. The interest and penalties on taxes not paid within 60 days of the end of the current fiscal period is shown as deferred revenue until it is received in cash.

Restricted assets/Deposits

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

Interfund Receivables and Payables

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

The amount reported on the statement of net assets for internal balances represents the residual balance outstanding between the governmental activities and business-type activities. Balances existing between governmental funds and between proprietary funds have been eliminated for the government-wide statement of net assets.

Inventories

Inventories are recorded at cost, which approximates market, using the first-in, first-out method. Inventories consist of expendable supplies held for consumption. The cost is recorded as an expenditure at the time individual inventory items are consumed rather than when purchased. Inventory quantities are confirmed by physical counts once annually, on December 31, 2009 for Lakeland Health Care Center and October for Public Works.

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

WALWORTH COUNTY, WISCONSIN
NOTES TO THE FINANCIAL STATEMENTS
 December 31, 2009

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Prepaid Items

Payments made to vendors that will benefit periods beyond the end of the current fiscal year are recorded as prepaid items. Prepaid items of governmental funds are recorded as expenditures when paid in the fund statements.

Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Governmental fund capital assets are defined by the County as assets with an initial, individual cost of \$5,000 or higher and an estimated useful life in excess of one year. In addition, the Lakeland Health Care Center will follow Medicare guidelines and include capital assets with a value greater than \$1,000. The Public Works fund will follow the governmental funds threshold but will also include all state-classified equipment regardless of the value. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Donated capital assets are recorded at estimated fair value at the date of donation.

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

Assets	Governmental Activities	Business-Type Activities
	Years	
Buildings	7-60	7-60
Improvements other than buildings	25	25
Machinery and equipment	2-60	2-60
Infrastructure – roads	20-60	N/A
Infrastructure – bridges	50	N/A

Compensated Absences

It is the County's policy to permit employees to accumulate earned but unused vacation, compensatory time and holiday banked benefits in accordance with bargaining unit agreements. Unused sick leave is accumulated and reported in the governmental and proprietary fund financial statements for those employees who will not convert their banks to other post employment benefits. A liability for the sick leave amount is reported in the fiduciary other post employment benefits fund in the fund financial statements only if the sick leave banks have matured and converted to health credits, for example, as a result of employee resignations and retirements. Vacation, sick, compensatory and holiday banks are accrued when incurred in the government-wide and proprietary fund financial statements.

Compensated absences are paid from the governmental fund that incurs the associated payroll expense. This would include the General fund, Health and Human Services fund, Children with Disabilities Education Board fund, and the Nonmajor governmental fund of Land Information.

Deferred Revenue

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

Long-term Obligations

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

WALWORTH COUNTY, WISCONSIN
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2009

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

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

Fund Equity

In February 2009, the GASB issued Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions. The objective of this Statement is to enhance the usefulness of fund balance information by providing clearer fund balance classifications that can be more consistently applied and by clarifying the existing governmental fund type definitions. The County has opted to early-implement this Statement, beginning in the year December 31, 2009. The impact of the Statement is described below.

In the government-wide statements, equity is classified as net assets and displayed in three components.

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

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 needed.

In the fund statements, governmental fund equity is classified as fund balance and displayed in five components.

1. Nonspendable fund balance – Amounts that cannot be spent because they are 1) not in spendable form, or 2) legally or contractually required to be maintained intact. The County reports nonspendable inventories and delinquent personal property taxes.
2. Restricted fund balance – Amount constraints requiring use for a specific purpose and are either: 1) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments, or 2) imposed by law through constitutional provisions or enabling legislation. Fund balance restrictions are legally enforceable when a third party can enforce the resources to be used appropriately.
3. Committed fund balance – Amounts used for specific purposes based on constraints imposed by formal action of the County board. Commitments must be made during the County's fiscal year ended December 31, 2009 and can only be amended by the same formal legal action creating the original commitments such as resolution or ordinance.
4. Assigned fund balance - Funds that are constrained by the County management's intent to be used for specific purposes, but it is neither restricted nor committed.
5. Unassigned fund balance – The balance of General fund's fund balance available for appropriation.

It is the County's policy to use fund balance resources in the following manner, first, restricted, then committed, assigned and finally unassigned.

Fiduciary fund equity is classified as restricted on the statement of fiduciary net assets. Various donor restrictions apply, and the County believes it is in compliance with all significant restrictions.

WALWORTH COUNTY, WISCONSIN
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2009

NOTE C - STEWARDSHIP AND COMPLIANCE

Use of Estimates

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

Budgets and Budgetary Accounting

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

1. During November, County management submits to the County Board a proposed operating budget for the calendar year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them. After submission to the governing body, public hearings are held to obtain taxpayer comments. Following the public hearings, the proposed budget, including authorized additions and deletions, is legally enacted by County Board action.
2. Budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America for the general, special revenue and debt service funds, with the exception of the Sheriff Trusts special revenue fund. Budget is defined as the originally approved budget plus or minus approved amendments. Budget appropriations not expended during the year are closed to fund balance unless authorized by the governing body to be forwarded into the succeeding year's budget.

The Capital Projects fund is considered a multi-year fund. The original budget accounts for current year budgeted projects only. Revised budget reflects remaining budget on all open projects while actual amounts appropriately reflect only 2009 related activity.

3. During the year, formal budgetary integration is employed as a management control device for the general, special revenue, and debt service funds, with the exception of the Sheriff Trusts special revenue fund.
4. Expenditures may not exceed appropriations provided to each department of the County. Amendments to the budget during the year require initial approval by management. Transfers require submission of a resolution to the County Board. Transfers are defined as:
 - a. Transfers exceeding 10% in the aggregate of the funds originally provided for such office or department.
 - b. Transfers exceeding the amount adopted in the contingency funds budget.
 - c. Transfers from the contingency funds.
 - d. Transfers from the undesignated General fund balance.

Supplemental Appropriations

Supplemental appropriations for expenditures that were necessary for 2009 are as follows:

Department/Fund	Adopted Budget	Modified Budget	Increase/ (Decrease)
County board	\$ 235,618	\$ 213,358	\$ (22,260)
County clerk	362,364	371,864	9,500
Elections	86,597	86,787	190
Administration	1,539,550	1,641,373	101,823
Finance	1,547,771	1,579,811	32,040
Treasurer	428,262	446,713	18,451
Coroner	368,993	373,827	4,834
Clerk of courts	3,046,300	3,079,901	33,601

WALWORTH COUNTY, WISCONSIN
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2009

NOTE C - STEWARDSHIP AND COMPLIANCE (continued)

Department/Fund	Adopted Budget	Modified Budget	Increase/ (Decrease)
District attorney	952,441	977,155	24,714
Register of deeds	632,606	645,523	12,917
Information systems	1,650,575	1,734,544	83,969
Central services	1,290,970	2,414,883	1,123,913
Non-departmental	6,694,494	5,575,496	(1,118,998)
Sheriff	24,640,003	26,379,694	1,739,691
Veterans services	179,590	183,367	3,777
UW extension	409,828	465,569	55,741
Parks	138,145	220,417	82,272
Land use & resource management	2,263,935	2,330,555	66,620
Total General fund	46,468,042	48,720,837	2,252,795
Health and Human Services fund	32,320,658	37,386,460	5,065,802
Children with Disabilities Education Board fund	16,876,874	17,546,868	669,994
Debt Service fund	10,260,057	10,325,782	65,725
Land Information fund	417,085	556,444	139,359

Encumbrances

Encumbrance accounting is employed in the governmental fund statements. Encumbrances (e.g., purchase orders, contracts) outstanding at year end are reported as restrictions of fund balance when encumbrances are budgeted to be paid from restricted resources, as commitments of fund balance when encumbrances are budgeted to be paid from committed funds, and reported as assigned fund balance for all other encumbrances. Encumbrances do not constitute expenditures or liabilities because the commitments will be reappropriated and honored during the subsequent year.

Excess of Expenditures Over Budget Appropriations

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

The County maintains the expenditure budget at a department level for budgeted accounts of the general, debt service, and special revenue funds with the exception of the Sheriff Trusts fund. At December 31, 2009, no department total actual expenditures exceeded total budgeted appropriations.

NOTE D – CASH AND INVESTMENTS

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

Invested cash consists of deposits and investments that are restricted by Wisconsin Statute 66.0603. County ordinance further restricts investments to the following:

Time deposits; repurchase agreements; securities issued by federal, government and federally supported agency entities; government general obligation bonds or securities; collateralized money markets; US Treasury Separate trading of registered interest and principal securities (STRIPS); and the Wisconsin Local Government Investment Pool.

The other post employment benefit (OPEB) trust investments may be invested pursuant to the Uniform Investor Act as set forth in Wisconsin statute 88.01, as these shall be considered long-term investments that do not need to be liquidated for current operations.

WALWORTH COUNTY, WISCONSIN
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2009

NOTE D – CASH AND INVESTMENTS (continued)

The carrying amount of the County's cash and investments totaled \$73,404,542 on December 31, 2009 as summarized below:

Petty cash	\$ 5,660
Demand deposits	1,185,800
Certificate of deposits	10,250,000
Deposits with fiscal agents	701,429
Wisconsin Municipal Mutual Insurance Company (WMMIC) Deposit	1,563,000
Investments	59,698,653
	73,404,542

Reconciliation to the basic financial statements:

Basic financial statements	
Cash and investments	\$ 60,995,749
Restricted cash and investments	2,686,318
Fiduciary funds	
Other post employment benefits trust fund	8,212,850
Private purpose trust funds	40,606
Agency funds	1,469,019
	\$ 73,404,542

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

Custodial Credit Risk

Custodial credit risk for *deposits* is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for *investments* is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. Wisconsin statutes require repurchase agreements to be fully collateralized by bonds or securities issued or guaranteed by the federal government or its instrumentalities. The County's investment policy addresses custodial credit risk by requiring all Financial Institutions acting as a depository for the County to enter a depository agreement, requiring the depository to pledge collateral to secure amounts over and above those guaranteed through a combination of the FDIC and state deposit guarantee fund. The depository agreement requires all securities serving as collateral shall be specifically pledged to the County and placed in a custodial account at a Federal Reserve bank, a trust department of a commercial bank, or through another financial institution.

Deposits in each local and area bank are insured by the FDIC in the amount of \$250,000. The County's deposits had additional FDIC coverage due to the FDIC's Transaction Account Guarantee Program. This program provides full coverage for all non-interest bearing accounts and some other interest bearing accounts with interest rates of .5 percent or less. This coverage has been considered for custodial credit risk.

Bank accounts are also insured by the State Deposit Guarantee Fund in the amount of \$400,000. However, due to the relatively small size of the Guarantee Fund in relationship to total deposits covered and other legal implications, recovery of material principal losses may not be significant to individual municipalities. This coverage has been considered for custodial credit risk.

On December 31, 2009, the County's deposit with Mid America Money Market was in excess of federal depository insurance limits and was under-collateralized in the County's name. The County's policy requires collateral of at least 102% of investments, which was not met for this account due to a maturing collateral security which was replaced on the next business day. Steps have been taken with this institution to ensure better monitoring of the collateral levels on a daily basis.

WALWORTH COUNTY, WISCONSIN
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2009

NOTE D – CASH AND INVESTMENTS (continued)

Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Wisconsin statutes limit investments in securities to the top two ratings assigned by nationally recognized statistical rating organizations. The County's investment policy specifically addresses credit risk by limiting the types of allowable investments, pre-qualifying financial institutions and investment advisors and by diversifying the investment portfolio so that the impact of potential losses from any one type of security or from any one individual will be minimized. Presented below is the actual rating as of year end for each investment type.

Investment Type	Amount	Exempt From Disclosure	Rating as of Year End	
			AAA	Not Rated
Federal agency securities	\$ 8,384,023	\$ 2,605	\$ 8,381,418	\$ -
Wisconsin Local Government Investment Pool	10,064,217	-	-	10,064,217
Dreyfus Treasury Cash Management	8,212,850	-	8,212,850	-
JP Morgan Repurchase Agreement	3,686,838	-	-	3,686,838
M&I Bank Money Market	16,136,908	-	-	16,136,908
M&I Trust Money Market	118,765	-	-	118,765
Mid America Bank Money Market	13,095,052	-	-	13,095,052
	<u>\$ 59,698,653</u>	<u>\$ 2,605</u>	<u>\$ 16,594,268</u>	<u>\$ 43,101,780</u>

Concentration of Credit Risk

Concentration of credit risk is the risk associated with a lack of diversification of having significant funds invested in a few individual issuers, thereby exposing the County to greater risks resulting from adverse economic, political, regulatory, geographic or credit developments.

The County's investment policy does not specifically limit the amount that can be invested in any one issuer, the governing body is provided a report on a quarterly basis, detailing the County's investments and their respective percentage of total investments. At year end, the only major issuer (over five percent of total investments) in the County's portfolio (other than U.S. Treasury securities, money markets, and external investment pools) was the Federal Home Loan Bank security securities of \$4,618,038, representing 7.7% of the total investment portfolio.

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The County's investment policy limits security purchases to securities that mature or may be tendered for purchase at the option of the holder for a term not to exceed five years from the date the security is acquired. Individual investments in certificates of deposit are restricted to maturities of 3 years or less. Additionally, total investments with a maturity between 3 and 12 months shall not exceed 95% of total cash and investment portfolio. Total investments with a maturity of greater than 12 months and less than 60 months shall not exceed 50% of total cash and investment portfolio.

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

WALWORTH COUNTY, WISCONSIN
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2009

NOTE D – CASH AND INVESTMENTS (continued)

Investment Type	Amount	Remaining Maturity (in Months)			
		3 Months Or Less	3 to 12 Months	13 to 60 Months	More Than 60 Months
Federal agency securities	\$ 8,384,023	\$ -	\$ 615,125	\$ 7,766,473	\$ 2,425
Wisconsin Local Government Investment Pool	10,064,217	10,064,217	-	-	-
Dreyfus Treasury Cash Management	8,212,850	8,212,850	-	-	-
JP Morgan Repurchase Agreement	3,686,838	3,686,838	-	-	-
M&I Bank Money Market	16,136,908	16,136,908	-	-	-
M&I Trust Money Market	118,765	118,765	-	-	-
Mid America Bank Money Market	13,095,052	13,095,052	-	-	-
Totals	\$ 59,698,653	\$ 51,929,755	\$ 2,762,158	\$ 5,004,315	\$ 2,425
Percent of total investments	100.0%	87.0%	4.6%	8.4%	0.0%

Various certificates of deposit for a total of \$10,250,000 are held at December 31, 2009 with maturities as shown in the following table:

Investment Type	Amount	Remaining Maturity (in Months)		
		12 Months Or Less	13 to 24 Months	25 to 36 Months
Certificates of Deposits	\$ 10,250,000	\$ 8,025,000	\$ 1,225,000	\$ 1,000,000
Totals	\$ 10,250,000	\$ 8,025,000	\$ 1,225,000	\$ 1,000,000

Investments with Fair Values Highly Sensitive to Interest Rate Fluctuations

The County's investments include US government and agency securities that are highly sensitive to interest rate fluctuations (to a greater degree than already indicated in the information provided above). These securities are subject to early payment in a period of declining interest rates. The resultant reduction in expected total cash flows affects the fair value of these securities and makes the fair values of these securities highly sensitive to changes in interest rates. The fair value at December 31, 2009 is \$8,384,023.

Investment in Wisconsin Local Government Investment Pool

The County has investments in the Wisconsin Local Government Investment Pool of \$10,064,217 at year end. The Wisconsin Local Government Investment Pool (LGIP) is part of the State Investment Fund (SIF), and is managed by the State of Wisconsin Investment Board. The SIF is not registered with the Securities and Exchange Commission, but operates under the statutory authority of Wisconsin Chapter 25. The SIF reports the fair value of its underlying assets annually. Participants in the LGIP have the right to withdraw their funds in total on one day's notice. At December 31, 2009, the fair value of the District's share of the LGIP's assets was substantially equal to the amount as reported in these statements.

The investments in the LGIP are covered up to \$400,000 by the State Guarantee Fund. Certificates of deposit held in the LGIP are covered by FDIC insurance, which applies to the proportionate public unit share of accounts.

NOTE E – PROPERTY TAXES

Property Tax Apportionments

Property taxes are apportioned annually in November to local taxing units within the County for financing state charges and the subsequent year's operations of the County. Since the November apportionment is not due from local taxing districts until February of the subsequent year, the County's apportionment is recorded as deferred revenue at year end. Property tax payments from individual property owners are due in two installments by January 31 and July 31. During the month of February, each local taxing district settles with

WALWORTH COUNTY, WISCONSIN
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2009

NOTE E – PROPERTY TAXES (continued)

the County for both collected and unpaid property taxes. At the February settlement, the County becomes responsible for the collection of unpaid property taxes, including unpaid property taxes returned by local taxing districts for financing their individual operations. Property taxes subsequently not paid by property owners by September 1 of the same year are considered delinquent. The delinquent taxes are then acquired by the County's General fund in accordance with state statutes in order to provide the County with a statutory lien.

The County apportionment of \$59,087,867 is for financing 2010 operations and will be transferred in 2010 from deferred revenue to current revenues of the County's governmental and proprietary funds.

Delinquent Property Taxes - General Fund

Delinquent property taxes of the General fund represent unpaid property taxes on real estate and unpaid taxes on commercial personal property, including state and local government equities therein. In regards to real estate taxes, under state statutes, the County annually reimburses the state and local governments for their equities in property taxes not collected from the property owner. Unless redeemed by the property owner, the County will eventually obtain tax deed ownership of the properties comprising delinquent taxes. In the past, the County has generally been able to recover its investment in delinquent taxes by sale of the tax-deeded properties. In regards to personal property taxes, delinquent taxes remain recorded for one year. If collection efforts remain unsuccessful, the amounts are then submitted to the County Board for write-off approval.

On December 31, 2009, the General fund showed an investment of \$7,724,538 in delinquent taxes as follows:

Tax certificates	\$ 7,713,036
Tax deeds	7,122
Personal property taxes	4,380
Total	\$ 7,724,538

An aging of the total delinquent taxes of \$7,724,538 on December 31, 2009 follows:

Year Acquired	Total	Tax Certificates	Tax Deeds	Personal Property Taxes
Prior to 2001	\$ 2,441	\$ -	\$ 2,441	\$ -
2005	19,871	19,871	-	-
2006	318,149	318,149	-	-
2007	1,793,310	1,788,930	-	4,380
2008	5,588,277	5,586,086	2,191	-
2009	2,490	-	2,490	-
	\$ 7,724,538	\$ 7,713,036	\$ 7,122	\$ 4,380

Of the total of \$7,713,036 for delinquent real estate taxes, the County collected \$1,342,404 within 60 days after December 31, 2009. The remaining unpaid balance of \$6,370,632 is reported as nonspendable fund balance for the General fund for the County purchased portion of \$4,977,181 and reported as deferred revenue for the County levied portion of \$1,393,451.

NOTE F – RESTRICTED ASSETS/DEPOSITS

Mandatory segregation of assets is presented on the statement of net assets as restricted assets. External parties require such segregations. Restricted assets, consisting of patient and student deposits held by various County funds, are offset by a related payable. Internal service fund deposits are restricted as amounts are held by a third party on behalf of the County.

WALWORTH COUNTY, WISCONSIN
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2009

NOTE F – RESTRICTED ASSETS/DEPOSITS (continued)

<u>Fund</u>	<u>Purpose</u>	<u>Amount</u>
Health and Human Services	Patient Deposits	\$ 332,965
Children with Disabilities Education Board	School/Student Deposits	57,329
Lakeland Health Care Center	Patient Deposits	31,595
Health Insurance	Held by Fiscal Agent	126,548
Workers Compensation	Held by Fiscal Agent	35,000
Risk Management	Held by Fiscal Agent	539,881
Risk Management	Held with WMMIC	1,563,000
Total Restricted Assets		<u>\$ 2,686,318</u>

NOTE G – INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

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

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
Internal service funds	General fund	\$ 4,636
	Health and Human Services	2,389
	Children with Disabilities Education Board	646
	Nonmajor Governmental funds	1
	Lakeland Health Care Center	2,255
	Public Works	5,283
Subtotal – Fund financial statements		<u>15,210</u>
Less: Fund eliminations		(7,672)
Less: interfund receivables created with internal service fund eliminations		(1,120,256)
Total Internal balances – government-wide statement of net assets		<u>\$ 1,112,718</u>
 <u>Receivable Fund</u>	 <u>Payable Fund</u>	
Business-type Activities	Governmental Activities	<u>\$ 1,112,718</u>

The Workers Compensation internal service fund interfund is for the December premium due from each fund. All fund financial statement amounts are to be paid within one year.

In the government-wide statements, the interfund is created due to the under/over collection of health, dental, and Workers Compensation internal service funds.

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

<u>Transfers To</u>	<u>Transfers From</u>	<u>Amount</u>
General fund	Health and Human Services fund	\$ 3,298,207
	Nonmajor Governmental funds	462,371
	Public Works	31,400
Health and Human Services	General fund	96,700
Nonmajor Governmental funds	General fund	508,573
Debt Service	General fund	2,650,000
	Children with Disabilities Education Board	967,889
Subtotal transfers in– Fund financial statements		<u>\$ 8,015,140</u>
Less: Fund eliminations		(7,983,740)
Total transfers – Government-wide statement of activities		<u>\$ 31,400</u>
 <u>Transfers To</u>	 <u>Transfers From</u>	
Governmental Activities	Business-type Activities	<u>\$ 31,400</u>

WALWORTH COUNTY, WISCONSIN
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2009

NOTE G – INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS (continued)

County transfers are used to 1) move revenues from the fund that collects them to the fund that the budget requires to expend them, 2) use unrestricted revenues collected in the General fund to finance various programs accounted for in other funds in accordance with budgetary authorizations, 3) to close out completed projects and 4) move excess/shortage prior year undesignated fund balance between General fund and lapsing funds. In the fund financial statements, operating purposes account for \$3,758,525, and capital-related and one-time use of equity projects account for \$923,316. Closing projects and lapsing funds account for \$3,301,899 returned to the General fund.

Transfers in do not balance to transfers out in the fund statements. During the year a capital asset of \$31,400 was transferred to the Central Services department from the Public Works fund. No amounts were reported in the governmental funds as the amount did not involve the transfer of financial resources. However, the Public Works fund did report a transfer out for the capital resources returned. The government-wide statements reflect this transfer in amount for the governmental activities.

NOTE H – CAPITAL ASSETS

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

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$ 1,092,194	\$ -	\$ -	\$ 1,092,194
Construction in progress	1,765,602	2,409,124	865,834	3,308,892
Total capital assets, not being depreciated	<u>2,857,796</u>	<u>2,409,124</u>	<u>865,834</u>	<u>4,401,086</u>
Capital assets, being depreciated:				
Buildings	65,137,524	23,395	-	65,160,919
Improvements other than buildings	4,494,019	-	-	4,494,019
Machinery and equipment	19,633,615	1,485,697	659,128	20,460,184
Infrastructure – roads	40,694,426	3,591,964	1,004,225	43,282,165
Infrastructure – bridges	4,124,433	-	-	4,124,433
Subtotals	<u>134,084,017</u>	<u>5,101,056</u>	<u>1,663,353</u>	<u>137,521,720</u>
Less accumulated depreciation for:				
Buildings	9,090,000	1,275,141	-	10,365,141
Improvements other than buildings	1,701,570	157,913	-	1,859,483
Machinery and equipment	8,216,073	1,433,534	378,969	9,270,638
Infrastructure – roads	17,608,496	1,069,179	694,715	17,982,960
Infrastructure – bridges	1,484,789	64,608	-	1,549,397
Subtotals	<u>38,100,928</u>	<u>4,000,375</u>	<u>1,073,684</u>	<u>41,027,619</u>
Total capital assets, being depreciated, net	<u>95,983,089</u>	<u>1,100,681</u>	<u>589,669</u>	<u>96,494,101</u>
Governmental activities capital assets, net	<u>\$ 98,840,885</u>	<u>\$ 3,509,805</u>	<u>\$ 1,455,503</u>	<u>\$ 100,895,187</u>

WALWORTH COUNTY, WISCONSIN
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2009

NOTE H – CAPITAL ASSETS (continued)

	Beginning Balance	Increases	Decreases	Ending Balance
Business-type activities:				
Capital assets, not being depreciated:				
Land	\$ 98,486	\$ -	\$ -	\$ 98,486
Construction in progress	35,929	1,188,761	35,929	1,188,761
Total capital assets, not being depreciated	<u>134,415</u>	<u>1,188,761</u>	<u>35,929</u>	<u>1,287,247</u>
Capital assets, being depreciated:				
Buildings	17,543,371	843,360	-	18,386,731
Improvements other than buildings	239,321	-	-	239,321
Machinery and equipment	11,006,852	931,998	1,131,983	10,806,867
Subtotals	<u>28,789,544</u>	<u>1,775,358</u>	<u>1,131,983</u>	<u>29,432,919</u>
Less accumulated depreciation for:				
Buildings	2,176,597	323,711	-	2,500,308
Improvements other than buildings	113,014	7,354	-	120,368
Machinery and equipment	6,476,799	570,874	920,047	6,127,626
Subtotals	<u>8,766,410</u>	<u>901,939</u>	<u>920,047</u>	<u>8,748,302</u>
Total capital assets, being depreciated, net	<u>20,023,134</u>	<u>873,419</u>	<u>211,936</u>	<u>20,684,617</u>
Business-type activities capital assets, net	<u>\$ 20,157,549</u>	<u>\$ 2,062,180</u>	<u>\$ 247,865</u>	<u>\$ 21,971,864</u>

In 2009, \$1,302,328 of the capital outlay recorded in the governmental activities was expensed as repair and maintenance projects or amounts under the threshold and therefore not recorded as capital assets. The construction in progress deletions totaled \$865,834 with \$599,533 of this amount resulting in 2009 capitalized additions and donated assets totaled \$54,410.

The governmental funds report internal reclassifications of capital assets in the amount of \$220,216, due to transfers between governmental departments. One construction in progress transfer from the business type activities to the governmental activities occurred in the amount of \$31,400.

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

Governmental activities

General government	\$ 1,053,939
Public safety	1,151,744
Health and human services	149,480
Culture, recreation and education	311,774
Public works	1,133,786
Conservation and development	199,652
Total depreciation expense – governmental activities	<u>\$ 4,000,375</u>

Business-type activities

Nursing home	\$ 306,265
Highway/facilities administration	595,674
Total depreciation expense – business-type activities	<u>\$ 901,939</u>

NOTE I – DEFERRED REVENUE

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

WALWORTH COUNTY, WISCONSIN
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2009

NOTE I – DEFERRED REVENUE (continued)

At the end of the current fiscal year, the various components of deferred revenue and unearned revenue reported in the governmental funds were as follows:

	<u>Unavailable</u>	<u>Unearned</u>
Subsequent year tax levy receivable		
General fund	\$ -	\$ 27,001,452
Health and Human Services	-	11,255,863
Children with Disabilities Education Board	-	8,557,432
Debt Service	-	5,190,603
Nonmajor Governmental funds	-	165,661
Delinquent real estate taxes – County share	1,393,451	-
Long-term receivable	282,771	-
Grant funds not received meeting all eligibility requirements	1,094,838	-
Clerk of Courts fines and penalties	476,880	-
Grant funds received prior to meeting all eligibility requirements	-	52,504
Donations received prior to meeting all eligibility requirements	-	192,270
Totals	\$ 3,247,940	\$ 52,415,785

NOTE J – LEASES AND LONG-TERM OBLIGATIONS

Capital Leases

There are no material capital leases as of December 31, 2009.

Operating Leases

Lessor

The County entered into an operating lease with Aurora Healthcare Southern Lakes, Inc. effective April 1, 2006 for the use of the County's steam plant. The length of the lease is 5 years with an option to exercise a 5-year extension. Rent payments to the County are \$850/month.

Remaining annual required future lease payments are as follows:

<u>Year Ended</u>	<u>Amount</u>
2010	\$ 10,200
2011	2,550
Total	\$ 12,750

Long-term Obligations

On April 1, 2009 the County called general obligation promissory notes issued February 1, 2001 of \$2,650,000 for 2010 and 2011 payments. General fund unassigned fund balance was used to retire these notes. This resulted in interest expense savings of \$222,200 for remaining 2009, 2010 and 2011 interest payments.

Total interest paid during the year on long-term debt totaled \$1,805,985.

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

WALWORTH COUNTY, WISCONSIN
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2009

NOTE J – LEASES AND LONG-TERM OBLIGATIONS (continued)

	Outstanding 1/1/09	Issued	Retired	Outstanding 12/31/09	Due Within One Year
Governmental activities:					
<u>By Type:</u>					
General obligation debt					
Bonds	\$ 21,885,000	\$ -	\$ 2,655,000	\$ 19,230,000	\$ 3,070,000
Notes	19,738,810	5,345,000	6,114,898	18,968,912	3,734,865
Unamortized debt premium (discount)	21,261	(25,105)	12,986	(16,830)	11,735
Total general obligation debt	41,645,071	5,319,895	8,782,884	38,182,082	6,816,600
Termination benefits	13,900	6,696	13,900	6,696	6,696
Other post employment benefits	1,083,470	1,716,470	2,114,419	685,521	27,421
Compensated absences	2,632,798	4,447,570	4,198,722	2,881,646	2,137,848
	<u>\$ 45,375,239</u>	<u>\$ 11,490,631</u>	<u>\$ 15,109,925</u>	<u>\$ 41,755,945</u>	<u>\$ 8,988,565</u>

<u>By Purpose:</u>					
General government	\$ 9,960,936	\$ 1,316,622	\$ 3,549,901	\$ 7,727,657	\$ 2,637,842
Public safety	5,566,057	2,276,458	4,109,931	3,732,584	1,274,362
Health and human services	3,690,975	973,968	2,876,758	1,788,185	1,783,015
Culture, recreation and education	15,666,102	1,317,978	1,108,777	15,875,303	935,941
Public works	8,894,889	5,319,895	2,584,114	11,630,670	1,646,925
Conservation and development	1,596,280	285,710	880,444	1,001,546	710,480
	<u>\$ 45,375,239</u>	<u>\$ 11,490,631</u>	<u>\$ 15,109,925</u>	<u>\$ 41,755,945</u>	<u>\$ 8,988,565</u>

	Outstanding 1/1/09	Issued	Retired	Outstanding 12/31/09	Due Within One Year
Business-type activities:					
<u>By Type:</u>					
General obligation notes	\$ 11,256,190	\$ -	\$ 1,335,102	\$ 9,921,088	\$ 1,380,136
Unamortized debt discount	(12,637)	-	(1,819)	(10,818)	(1,819)
Total general obligation debt	11,243,553	-	1,333,283	9,910,270	1,378,317
Compensated absences	1,163,127	1,428,449	1,366,869	1,224,707	904,039
Termination benefits	13,090	-	9,490	3,600	3,600
	<u>\$ 12,419,770</u>	<u>\$ 1,428,449</u>	<u>\$ 2,709,642</u>	<u>\$ 11,138,577</u>	<u>\$ 2,285,956</u>

<u>By Purpose:</u>					
Nursing home	\$ 11,864,441	\$ 766,251	\$ 2,087,614	\$ 10,543,078	\$ 1,825,610
Highway/facilities administration	555,329	662,198	622,028	595,499	460,346
	<u>\$ 12,419,770</u>	<u>\$ 1,428,449</u>	<u>\$ 2,709,642</u>	<u>\$ 11,138,577</u>	<u>\$ 2,285,956</u>

General obligation debt has been obtained for the purpose of funding capital purchases and construction of capital assets. General obligation debt currently outstanding is detailed as follows:

Bonds:

\$6,995,000; due in various annual installments of \$365,000 to \$735,000 through 2010; Issued: July 15, 2001 Interest: 3.50% to 4.35% Purpose: Refunding of general obligation building bonds dated May 15, 1995 and general obligation building improvement bonds dated February 15, 1993	\$ 735,000
\$8,500,000; due in various annual installments of \$315,000 to \$675,000 through 2027; Issued: August 1, 2008 Interest: 4.00% to 4.20% Purpose: Children with Disabilities Education Board new school building construction	8,500,000

WALWORTH COUNTY, WISCONSIN
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2009

NOTE J – LEASES AND LONG-TERM OBLIGATIONS (continued)

<p>\$3,305,000; due in various annual installments of \$1,605,000 to \$1,700,000 through 2010; Issued: January 4, 2008 Interest: 3.50% Purpose: Refunding of general obligation promissory notes issued July 15, 2000 for land information mapping, road construction, health and human service building renovations, law enforcement communications tower, and other various capital projects</p>	1,700,000
<p>\$8,600,000; due in various annual installments of \$305,000 to \$645,000 through 2027; Issued: January 18, 2008 Interest: 3.50% to 4.00% Purpose: Children with Disabilities Education Board new school building construction</p>	8,295,000
<u>Notes:</u>	
<p>\$7,320,000; due in various annual installments of \$155,000 to \$1,085,000 through 2012; Issued: July 1, 2002 Interest: 3.00% to 4.10% Purpose: Road construction, new judicial center building construction and various other capital projects</p>	3,115,000
<p>\$9,205,000; due in various annual installments of \$570,000 to \$1,250,000 through 2012; Issued: November 1, 2003 Interest: 1.00% to 3.40% Purpose: Road construction and new judicial center building construction</p>	3,635,000
<p>\$6,070,000; due in various annual installments of \$500,000 to \$725,000 through 2014; Issued: September 1, 2004 Interest: 3.00% to 3.55% Purpose: Road construction, government center improvements, and new judicial center building construction</p>	3,340,000
<p>\$9,800,000; due in various annual installments of \$785,000 to \$1,155,000 through 2015; Issued: August 1, 2005 Interest: 3.38% to 3.50% Purpose: Road construction and new Lakeland Health Care Center building construction</p>	6,320,000
<p>\$7,350,000; due in various annual installments of \$200,000 to \$925,000 through 2016; Issued: April 1, 2006 Interest: 3.75% to 3.80% Purpose: Road construction and new Lakeland Health Care Center building construction</p>	5,765,000
<p>\$1,400,000; due in various annual installments of \$30,000 to \$200,000 through 2017; Issued: August 1, 2008 Interest: 4.00% to 4.15% Purpose: Road construction</p>	1,370,000
<p>\$5,345,000; due in various annual installments of \$570,000 to \$990,000 through 2019; Issued: August 4, 2009 Interest: 2.00% to 4.75% Purpose: Road construction</p>	5,345,000
<p>Total Outstanding General Obligation Debt</p>	<p><u>\$ 48,120,000</u></p>

Annual principal and interest maturities of the outstanding general obligation debt of \$48,120,000 on December 31, 2009 are detailed in the following table.

WALWORTH COUNTY, WISCONSIN
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2009

NOTE J – LEASES AND LONG-TERM OBLIGATIONS (continued)

Year Ended December 31	Governmental Activities		Business-Type Activities	
	Principal	Interest	Principal	Interest
2010	\$ 6,804,865	\$ 1,269,596	1,380,136	331,302
2011	4,416,597	1,037,972	1,433,401	281,391
2012	3,033,333	916,093	1,486,667	229,585
2013	3,746,190	802,822	1,543,810	175,817
2014	2,594,695	699,583	1,605,305	119,833
2015-2019	8,528,232	2,540,063	2,471,769	76,227
2020-2024	5,290,000	1,328,436	-	-
2025-2029	3,785,000	237,625	-	-
	<u>\$ 38,198,912</u>	<u>\$ 8,832,190</u>	<u>\$ 9,921,088</u>	<u>\$ 1,214,155</u>

Legal Margin for New Debt

The County's legal margin for creation of additional general obligation debt on December 31, 2009 was \$733,047,999 as follows:

Equalized valuation of the County	\$ 15,610,583,100
Statutory limitation percentage	(x) 5%
General obligation debt limitation, per Section 67.03 of the Wisconsin Statutes	<u>780,529,155</u>
Total outstanding general obligation debt applicable to debt limitation	\$ 48,120,000
Less: Amounts available for financing general obligation debt Debt Service fund	<u>(638,844)</u>
Net outstanding general obligation debt applicable to debt limitation	<u>47,481,156</u>
Legal Margin for New Debt	<u><u>\$ 733,047,999</u></u>

NOTE K – EQUITY CLASSIFICATIONS

Net assets of the governmental activities reported on the government-wide statement of net assets at December 31, 2009 include the following:

Invested in capital assets, net of related debt	
Land	\$ 1,092,194
Construction in progress	3,308,892
Buildings, net of accumulated depreciation	54,795,778
Improvements other than buildings, net of accumulated depreciation	2,634,536
Machinery and equipment, net of accumulated depreciation	11,189,546
Infrastructure, net of accumulated depreciation	<u>27,874,241</u>
Subtotal	100,895,187
Less: related long-term debt outstanding (net of unspent capital related debt proceeds of \$1,895,724 and debt discount \$16,830)	<u>(36,286,358)</u>
Total Invested in capital assets, net of related debt	<u>64,608,829</u>
Restricted	
Alpine Valley surplus	4,973
Barn quilt donations	1,298
Land modernization fees	335,661
Non-metallic mining fees	23,246
Park donations	1,700

WALWORTH COUNTY, WISCONSIN
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2009

NOTE K – EQUITY CLASSIFICATIONS (continued)

Restricted (continued)	
Public access fees	206,870
School donations	113,107
Sheriff donations	70,393
Sheriff trusts	587,600
Total Restricted	1,344,848
 Unrestricted	 49,179,068
Total governmental activities net assets	\$ 115,132,745

The detail of the fund balance restrictions, commitments, assigned, and unassigned balances can be found in the fund statements.

NOTE L – OTHER POST EMPLOYMENT BENEFITS

The Governmental Accounting Standards Board (GASB) issued Statement No. 43 – *Financial Reporting for Post Employment Benefit Plans Other Than Pension Plans* and the GASB issued Statement No. 45 – *Accounting and Financial Reporting by Employers for Post Employment Benefits Other Than Pensions*. The County made the decision to implement effective January 1, 2008.

County-wide Plan Description

Walworth County provides post employment health care benefits in accordance with collective bargaining agreements and the County's ordinance code as amended by the County board. The County provides other post employment benefits (OPEB) by offering health insurance to retired employees. This liability encompasses the County's share of the costs associated with the Sheriff Deputies Sworn personnel and the Lakeland Education Association personnel who receive unique OPEB benefits as described below in addition to the benefits offered to all County employees. The County offers employees retiring with the County to continue to purchase health insurance through the County's self-insured Employee Benefits and Insurance fund. The retirees pay monthly premiums for this service equal to employee premiums for single or family coverage and at a reduced rate once reaching Medicare eligible age. The County incurs a liability for these benefits offered as the cost of claims is greater than the cost of monthly premiums received. This benefit is only available to those employees hired before the contract dates listed below.

<u>Contract/Bargaining Unit</u>	<u>Hired Before</u>
Deputy Sheriffs' Association	01/01/2005
Association of Human Services Professionals	11/12/2005
Non-represented Employees	12/01/2005
AFSCME Local 1925C – Health and Human Services Employees	12/03/2005
AFSCME Local 1925 – Highway Employees	12/21/2005
AFSCME Local 1925A – Nonclerical Lakeland Health Care Center Employees	12/23/2005
AFSCME Local 1925B – Courthouse Employees	12/23/2005
Lakeland Education Association	12/01/2006

Sick Leave/Health Credit Benefit

In addition to the County benefit to purchase health insurance at the full cost, employees hired prior to the dates above who at termination apply for an immediate retirement annuity from the Wisconsin Retirement System, or have reached the age of 50 or older and have a minimum of 20 years of service with Walworth County, to have their sick leave balance converted at 60% of their basic pay rate at the time of retirement to pay for county health insurance until the credits are exhausted. Currently, 40 retirees meet the eligibility requirements for this benefit. During 2009, approximately \$154,308 of expenditures were recognized for post employment health care benefits from these sick leave insurance credits. The OPEB calculation includes these benefits.

WALWORTH COUNTY, WISCONSIN
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2009

NOTE L – OTHER POST EMPLOYMENT BENEFITS (continued)

Lakeland Education Association Retirement Benefits

In addition to the above retirement benefits, the County offers an early retirement program for teachers who are at least age 57 and have completed at least 20 years of service. Under the program, eligible teachers are entitled to receive employer-paid single health insurance coverage under the group plan for 5 years. At December 31, 2009, 11 retirees were eligible to receive future benefits. This benefit was terminated with the 2005 contract for all employees hired after ratification on December 1, 2006. The 2008-2009 letter of agreement includes early retirement health insurance incentives in effect for that contract year for employees at the end of the 2016 school year age 55 or older with at least 15 continuous years of service. The OPEB calculation includes these benefits. For 2009, \$91,002 was expensed for retirees currently receiving benefit.

Deputies Sworn Retirement Benefits

The County also has an early retirement policy for protective occupation employees who retire on a Wisconsin Retirement System (WRS) retirement or disability annuity at age 54 or older, at age 53 with a minimum of 25 years of WRS service, or have a minimum of 20 years of continuous County service upon becoming an annuitant at age 50 to 53. This policy will also apply to an employee receiving a duty disability annuity prior to age 50, who has 20 years of continuous County service and is considered "permanently and totally" disabled. The employees are entitled to a County payment of 50% of their premium for health insurance until the retiree is eligible for Medicare coverage. The insurance coverage shall be the same as provided to active employees. At December 31, 2009, 18 retirees were eligible to receive future benefits. This benefit was terminated with the 2005 contract for all employees hired after January 1, 2005. The OPEB calculation includes these benefits. For 2009, \$176,730 was expended for retirees currently receiving benefit.

Funding Policy

On September 7, 2006, the County elected to amortize their postemployment health benefits over a 30-year period such that this benefit will be fully amortized by December 31, 2034. On December 26, 2008, the County obtained an outside investment trust company to hold the funds on behalf of the County. Withdrawals may only be made to the County for the purpose of funding current retirees retirement OPEB related health insurance costs. As of December 31, 2009, the County's investment held in trust was \$8,212,850 of which \$79,485 was due to interest earned since inception of the trust.

Annual OPEB Cost

The County's annual OPEB cost is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement No. 45. The ARC represents a level of funding that if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The remaining amortization period at December 31, 2009 is twenty-five years.

The following table shows the components of the County's annual OPEB costs for the year, the amount actually contributed to the plan, and changes in the County's net OPEB obligation to the Trust.

Annual required contribution	\$ 1,794,013
Interest on annual required contribution	46,512
Adjustment to annual required contribution	69,745
Annual OPEB Cost	1,910,270
Contributions made	(2,377,076)
Decrease in net OPEB obligation	(466,806)
Net OPEB obligation – beginning of year	1,033,634
Net OPEB obligation – end of year	\$ 566,828
Governmental Activities Net OPEB obligation	\$ 685,521
Business-type Activities Net OPEB obligation (asset)	(118,693)
	\$ 566,828

WALWORTH COUNTY, WISCONSIN
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2009

NOTE L – OTHER POST EMPLOYMENT BENEFITS (continued)

The County reports its OPEB cost under one plan which is monitored in 5 separate reserves accounts; Children with Disabilities Education Board (CDEB) reserve, public works reserve (PW), Lakeland Health Care Center (LHCC) reserve, sworn deputies reserve, and all other county departments reserve. The government's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2009 and the two preceding years were as follows for each individual reserve account.

<u>Reserve Account</u>	<u>Year Ended</u>	<u>Annual OPEB Cost</u>	<u>Percentage of Annual OPEB Cost Contributed</u>	<u>Net OPEB Obligation (Asset)</u>
CDEB	2007	\$ 363,785	141%	408,408
	2008	376,738	724%	(1,943,081)
	2009	404,849	44%	(1,715,702)
Public Works	2007	92,560	115%	128,843
	2008	95,788	562%	(314,086)
	2009	71,240	104%	(317,260)
LHCC	2007	179,881	145%	195,617
	2008	185,767	72%	248,143
	2009	122,560	154%	181,446
Sworn Deputies	2007	832,523	30%	1,860,722
	2008	856,968	22%	2,527,919
	2009	931,262	97%	2,556,158
Other Departments	2007	458,281	147%	487,629
	2008	474,212	94%	514,739
	2009	380,359	272%	(137,814)
Total County	2007	1,927,030	93%	3,081,219
	2008	1,989,473	203%	1,033,634
	2009	1,910,270	124%	566,828

Funded Status and Funding Progress

The funded status of the plan as of December 31, 2009 was as follows:

	<u>CDEB</u>	<u>PW</u>	<u>LHCC</u>	<u>Sworn</u>	<u>Other</u>	<u>Total</u>
Actuarial accrued liability (AAL)	4,608,335	978,910	1,599,533	10,179,055	4,204,554	21,570,387
Actuarial value of plan assets	3,418,524	718,682	582,405	1,340,321	2,152,918	8,212,850
Unfunded actuarial accrued liability (UAAL)	1,189,811	260,228	1,017,128	8,838,735	2,051,635	13,357,537
Funded ratio (actuarial value of plan assets/AAL)	74%	73%	36%	13%	51%	38%
Covered payroll	6,345,909	3,563,240	\$5,808,770	5,725,159	20,706,739	42,149,817
UAAL as a percentage of covered payroll	19%	7%	18%	154%	10%	32%

WALWORTH COUNTY, WISCONSIN
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2009

NOTE L – OTHER POST EMPLOYMENT BENEFITS (continued)

Actuarial Methods and Assumptions

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 the healthcare cost trend. 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 that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce 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, 2009 actuarial valuation the projected unit credit actuarial cost method is used as the basis to establish the December 31, 2009 liability. The County uses the projected unit credit actuarial cost method to determine the December 31, 2009 liability. Under this method, the actuarial cost gain (losses), as they occur, generally reduce (increase) the unfunded actuarial accrued liability. The actuarial assumptions used in the original valuation include a 4.5 percent investment rate of return based on the rate of return on A rated municipal bonds with maturities of 30 years, as little history yet exists to determine an actual historical rate of return. A 4.5% rate is used for the December 31, 2009 liability calculation. An annual healthcare cost trend rate of 6.0 percent initially, increased at various increments each year thereafter between 5% and 11.5% over 10 years. A three percent salary inflation assumption is also used. The “*Wisconsin Retirement System 2006 – 2008 Experience Study*” was used to determine mortality, disability and turnover rates. Retirement rates, benefit selections, and participation of employees and spousal coverage have been developed based on County experience. 2009 monthly premiums were used and converted to age-specific charges using Actuarial & Health Care Solutions, LLC rating model factors to create the annual benefit costs for retirees. Administrative costs were included in benefit costs. The unfunded actuarial accrued liability is being amortized using a level percent of payroll method.

NOTE M - TERMINATION BENEFITS

One children with disabilities education board (CDEB) employee accepted an early retirement benefit to retire during 2009. The health insurance liability was recorded in the children with disabilities education board (CDEB) fund. At December 31, 2009, the liability is \$6,696. The benefit will continue until August, 2010.

One public works employee accepted an early retirement benefit to retire during 2009. The health insurance liability was recorded in the Public Works fund. At December 31, 2009, the liability is \$3,600. The benefit will continue until April, 2010.

The Deputy Sheriff Association and Lakeland Education Association contracts include early retirement incentives which are accounted for under the other post employment benefits liability.

NOTE N – WISCONSIN RETIREMENT SYSTEM

All eligible County employees participate in the Wisconsin Retirement System (WRS), a cost-sharing, multiple-employer, defined benefit, public employee retirement system. All permanent employees expected to work over 600 hours a year (440 hours for teachers and 440 hours for Educational Support staff effective July 1, 2009) are eligible to participate in the WRS. Covered employees in the General/Teacher/Educational

WALWORTH COUNTY, WISCONSIN
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2009

NOTE N – WISCONSIN RETIREMENT SYSTEM (continued)

Support personnel category are required by statute to contribute 5.9% of their salary (3.0% for Executives and Elected Officials, 5.0% for Protective Occupations with Social Security, and 3.2% for Protective Occupations without Social Security) to the plan. Employers may make these contributions to the plan on behalf of employees. Employers are required to contribute an actuarially determined amount necessary to fund the remaining projected cost of future benefits.

The payroll for County employees covered by WRS for the year ended December 31, 2009 was \$41,193,043; the employer's total payroll was \$42,643,658. The total required contribution for the year ended December 31, 2009 was \$4,440,372 or 10.8% of covered payroll financed by the County. Total contributions for the years ending December 31, 2008 and 2007 were \$4,377,723 and \$4,313,715 respectively, equal to the required contributions for each year.

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

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

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

NOTE O – RISK MANAGEMENT

Risk Entity

The County is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees and natural disasters. It is the policy of the County to purchase commercial insurance for the risks of losses to which it is exposed. The County established a risk management program for liability, health, dental, and workers compensation insurance utilizing third-party claims administrator. The County completes an annual review of its insurance coverage to ensure an adequate coverage.

Self Insurance of Employee Benefits

Premiums are paid into the internal service funds by all other funds and are available to pay claims, administrative costs of the program and establish a claims reserve for health insurance, dental insurance and workers compensation. A liability for claims is reported when it is probable that a loss has been incurred and it can be reasonably estimated.

Interfund premiums are based primarily on claims experience and are reported as quasi-external interfund transactions. An excess coverage insurance policy covers individual workers compensation claims up to \$1,000,000. An excess coverage insurance covers health insurance claims in excess of \$125,000 up to \$2,000,000. Settled claims for workers compensation and dental insurance have not exceeded reinsurance coverage in any of the last three years. Individual health insurance claims exceeding \$200,000 in 2007 and \$125,000 in 2008 and 2009 resulted in reinsurance amounts received in each of the last 3 years in the following amounts:

WALWORTH COUNTY, WISCONSIN
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2009

NOTE O – RISK MANAGEMENT (continued)

<u>Year</u> <u>Ended</u>	<u>Reinsurance</u> <u>Amount</u>
2007	\$ 468,958
2008	2,389,301
2009	979,811
Total	\$ 3,838,070

The County has recognized a total of \$3,379,340 in claims liabilities in the Health, Dental and Workers Compensation internal service funds at December 31, 2009. This liability amount was determined from reviewing the 2009 claim settlements recorded during the first three months of 2009 and extrapolating forward. The calculation of the claims liability is below:

	<u>Health</u>	<u>Dental</u>	<u>Workers</u> <u>Compensation</u>	<u>Total</u>
January 1, 2008 claims liabilities	\$ 2,147,000	\$ 47,000	\$ 1,545,425	\$ 3,739,425
2008 claims incurred during the period	17,565,428	768,942	1,083,210	19,417,580
2008 discounts, rebates, and refunds	(2,448,554)	-	-	(2,448,554)
2008 claims payments	(15,052,874)	(753,942)	(849,376)	(16,656,192)
January 1, 2009 claims liabilities	2,211,000	62,000	1,779,259	4,052,259
2009 claims incurred during the period	13,089,229	741,030	(58,828)	13,771,431
2009 discounts, rebates, and refunds	(1,000,765)	-	-	(1,000,765)
2009 claims payments	(12,627,464)	(733,030)	(83,091)	(13,443,585)
Unpaid claims – end of year	\$ 1,672,000	\$ 70,000	\$ 1,637,340	\$ 3,379,340

Investment in Wisconsin Municipal Mutual Insurance Company

In 2007 the County became a member with certain other units of government within the State of Wisconsin, of the Wisconsin Municipal Mutual Insurance Company (WMMIC), a non-assessable mutual company which provides liability insurance and risk management services to its members. The County's coverage began as of January 1, 2008. The scope of insurance protection provided by WMMIC is broad, covering automobile liability, general liability, law enforcement liability, public official's errors and omissions, civil rights, incidental medical malpractice, personal injury, equal rights, and Americans with Disabilities Act at policy limits of \$5,000,000 per occurrence with a \$10,000,000 aggregate for general and automobile liability claims and a \$15,000,000 aggregate for errors or omissions claims. At this time, settled claims have not exceeded the commercial coverage in any of the past three years. WMMIC's exposure in its layer of insurance is limited to \$1,000,000 per occurrence in that the company purchases \$4,000,000 per occurrence in reinsurance for losses in excess of its retained layer of coverage.

WMMIC is governed by one entity-one vote. Member entities include Walworth County, and the counties of Brown, Chippewa, Dane, Dodge, Eau Claire, Jefferson, Kenosha, LaCrosse, Manitowoc, Marathon, Outagamie, Rock, St Croix, Waukesha, and the cities of Eau Claire and Madison. All member entities participate in the governing of the company. Its Board of Directors is made up of at least five representatives of the participating entities and the company's Charter allows for the appointment of two at large members to the Board of Directors. The participants elect the board members at the annual meeting. The Board has the authority to adopt its own budget, set policy matters and control the financial affairs of the company.

The County's investment in WMMIC is reported on the Risk Management fund balance sheet as a deposit. The amount reported is the original capitalization of \$1,563,000. According to its bylaws, WMMIC allocates equity to members based on the percentage of participation. As of December 31, 2009 this amount is valued at \$1,569,188. A list of other members and their share of participation is in the WMMIC report. Separate financial statements can be obtained from WMMIC at their address of 4785 Hayes Road, Madison, Wisconsin, 53704.

WALWORTH COUNTY, WISCONSIN
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2009

NOTE O – RISK MANAGEMENT (continued)

Liability claims are paid out of the Risk Management internal service fund and are reimbursed by the appropriate County department in the following year for all damage claims. The County maintains a reserve that will then be replenished in the following year. The known claims liability of \$1,576,576 reported in the fund at December 31, 2009 is based on the requirements of GASB Statement No. 10. This statement requires that a liability for claims be reported if information prior to the issuance of the basic financial statements indicates that it is probable that a liability has been incurred at the date of the basic financial statements and the amount of the loss can be reasonably estimated. Beginning with 2008, the total liability includes the actuarial determined incurred but not reported (IBNR) claims. The County's objective is to provide a reserve confidence level between 75% and 95% for liability claims as a reflection of the County's risk tolerance. At December 31, 2009, the County's liability claims reserve is recorded at a 95% confidence level. Changes in the fund's claim liability amount for 2009 and 2008 follow:

January 1, 2008 claims liabilities	\$ 1,716,093
2008 claims incurred during the period	16,152
2008 change in estimates of prior years	103,959
2008 claims payments	(180,206)
Unpaid claims – December 31, 2008	1,655,998
2009 claims incurred during the period	14,014
2009 change in estimates of prior years	10,356
2009 claims payments	(103,792)
Unpaid claims – December 31, 2009	\$ 1,576,576

Commercial Insurance

Surety bonds are purchased for key officials in accordance with statutory requirement chapter 59.21. The County also purchases commercial insurance to provide coverage from losses from theft of, damages to or destruction of assets.

NOTE P – CONTINGENCIES AND COMMITMENTS

Single Audit Pending

The County participates in a number of federal and state assisted grant programs. These programs are subject to program compliance audits by the grantors or their representatives. An audit under OMB Circular A-133 has been conducted but final acceptance is still pending. Accordingly, the County's compliance with applicable grant requirements will be established at some future date. The amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time although the County expects such amounts, if any, to be immaterial.

Legal Proceedings

From time to time, the County becomes party to claims and legal proceedings. Although the outcome of such matters cannot be forecasted with certainty, it is the opinion of management and legal counsel that the likelihood is remote that any such claims or proceedings will have a material adverse effect on the County's financial position. Any proceedings considered probable have been recorded as liabilities where applicable.

Bonded Capital Projects

The County has approved several capital projects to be completed over the next couple years that will be funded by borrowed funds. These projects have started or will be started in the near future. The table below summarizes the estimated costs of the remaining bonded projects, and accumulated costs. Current bond funds reserved in the Capital Projects fund will be utilized for these projects as well as additional future borrowings, tax levy, grants and other funds designated by the Board.

Total Projects Estimated Costs	\$7,876,001
Expended thru December 31, 2009	\$5,320,324

WALWORTH COUNTY, WISCONSIN
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2009

NOTE P – CONTINGENCIES AND COMMITMENTS (continued)

Outstanding Encumbrances

At December 31, 2009, the County's governmental funds had encumbered commitments under various goods and service agreements which provide for payments in the amount of \$1,889,247. The service agreement payments are subject to adjustment resulting from changes in cost of living and other factors.

Children with Disabilities Education Board Transfer Agreement

The County has entered an agreement with the school districts to transfer teaching and student aide duties provided at the school district sites previously provided by County personnel to the individual school districts. This agreement will transfer these duties over a 10-year period ending in 2016. The Lakeland Education Association teachers union contract includes a letter of agreement for early retirement health insurance incentives and involuntary layoff termination benefits for eligible employees at the time of termination. At this time, the County does not have any liabilities associated with this transfer of duties. The early health insurance incentives expected are accounted for within the other post employment benefits described in Note L.

Property Tax Levy Limit

Wisconsin Act 25, imposes a limit on the property tax levies for all Wisconsin cities, villages, towns and counties for a two-year period. The Act limits the increase for 2009 tax levy collected in 2010 to the greater of 3.0% plus terminated TID applied to the 2008 levy (0.154%) or the percentage of change in equalized value due to net new construction (1.24%) plus terminated TID applied to the 2008 levy (0.154%). If the allowable levy in 2007 was greater than the actual levy in 2007, the levy limit is increased by the difference between these two amounts, as determined by the Department of Revenue. The limit for the County for the 2009 budget was 3.154%. The levy limit is applied to both operations and debt service. However, the Act allows the limit to exclude increases in debt service, the Children with Disabilities Education Board (CDEB) tax levy, bridge & culvert repair under s. 82.08(2), library payments under s. 43.12, and countywide EMS.

NOTE Q – SUBSEQUENT EVENTS

General Obligation Notes Called

On April 1, 2010, the County called the 2012 principal payment of the 2002 general obligation promissory notes in the amount of \$1,065,000. Savings on interest payments for 2010 and 2011 total \$87,330.

Management Monitoring of Subsequent Events

Management evaluated subsequent events through May 20, 2010, the date the financial statements were available to be issued. Events or transactions occurring after December 31, 2009, but prior to May 20, 2010 that provided additional evidence about conditions that existed at December 31, 2009, have been recognized in the financial statements for the year ended December 31, 2009. Events or transactions that provided evidence about conditions that did not exist at December 31, 2009, but arose before the financial statements were available to be issued have not been recognized in the financial statements for the year ended December 31, 2009.



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**REQUIRED
SUPPLEMENTARY
INFORMATION**



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WALWORTH COUNTY, WISCONSIN

REQUIRED SUPPLEMENTAL INFORMATION SCHEDULE OF FUNDING PROGRESS

<u>Reserve</u>	<u>Actuarial Valuation Date</u>	<u>Actuarial Value of Assets (a)</u>	<u>Actuarial Accrued Liability (AAL) ** (b)</u>	<u>Unfunded AAL (UAAL) (b-a)</u>	<u>Funded Ratio (a/b)</u>	<u>Covered Payroll (c)</u>	<u>UAAL as a Percentage of Covered Payroll [(b-a)/c]</u>
Children with Disabilities							
Education Board	12/31/2007	512,828	3,707,065	3,194,237	14%	6,869,562	46%
	12/31/2008	3,241,055	3,965,011	723,956	82%	6,562,805	11%
	12/31/2009*	3,418,524	4,608,335	1,189,811	74%	6,345,909	19%
Public Works							
	12/31/2007	105,551	841,224	735,673	13%	3,469,130	21%
	12/31/2008	644,268	931,493	287,225	69%	3,719,384	8%
	12/31/2009*	718,682	978,910	260,228	73%	3,563,240	7%
Lakeland Health Care Center							
	12/31/2007	259,907	2,102,687	1,842,780	12%	5,580,657	33%
	12/31/2008	393,148	2,272,166	1,879,018	17%	5,495,118	34%
	12/31/2009*	582,405	1,599,533	1,017,128	36%	5,808,770	18%
Deputies-Sworn							
	12/31/2007	247,527	8,422,219	8,174,692	3%	5,295,725	154%
	12/31/2008	437,298	9,072,732	8,635,434	5%	5,284,944	163%
	12/31/2009*	1,340,321	10,179,055	8,838,734	13%	5,725,159	154%
Other County Departments							
	12/31/2007	672,905	4,314,478	3,641,573	16%	18,035,203	20%
	12/31/2008	1,120,007	4,757,754	3,637,747	24%	18,427,124	20%
	12/31/2009*	2,152,918	4,204,554	2,051,635	51%	20,706,739	10%
Total County							
	12/31/2007	1,798,718	19,387,673	17,588,955	9%	39,250,277	45%
	12/31/2008	5,835,776	20,999,156	15,163,380	28%	39,489,375	38%
	12/31/2009*	8,212,850	21,570,387	13,357,536	38%	42,149,817	32%

Valuations based on reports as of 1/1/2008.

*Amounts based on 2010 valuation report.

**Projected unit credit actuarial method used.



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**OTHER
SUPPLEMENTAL
INFORMATION**



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GENERAL FUND

The general fund is used to account for resources traditionally associated with government, which are not required legally or by sound financial management to be accounted for in another fund.



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WALWORTH COUNTY, WISCONSIN

DETAILED SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES -
BUDGET AND ACTUAL - GENERAL FUND
For the Year Ended December 31, 2009

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
TAXES				
Real and personal property taxes	\$ 25,088,628	\$ 25,777,073	\$ 25,749,160	\$ (27,913)
Retail sales and use taxes	7,700,125	6,891,332	6,951,954	60,622
Other taxes	325,000	250,000	256,251	6,251
TOTAL	33,113,753	32,918,405	32,957,365	38,960
INTERGOVERNMENTAL				
State shared taxes	318,758	328,758	347,144	18,386
Federal grants	91,490	1,181,759	355,567	(826,192)
State grants	1,220,409	1,385,943	1,050,837	(335,106)
TOTAL	1,630,657	2,896,460	1,753,548	(1,142,912)
LICENSES AND PERMITS				
Licenses	87,305	85,005	66,536	(18,469)
Permits	253,605	201,780	191,614	(10,166)
TOTAL	340,910	286,785	258,150	(28,635)
FINES, FORFEITURES AND PENALTIES				
Law and ordinance violations	701,350	701,350	709,707	8,357
Court fees and costs	744,176	738,347	627,898	(110,449)
TOTAL	1,445,526	1,439,697	1,337,605	(102,092)
PUBLIC CHARGES FOR SERVICES				
Public charges for services	2,508,875	2,346,244	2,302,333	(43,911)
Patient/client revenue	10,000	15,590	15,591	1
TOTAL	2,518,875	2,361,834	2,317,924	(43,910)
INTERGOVERNMENTAL CHARGES FOR SERVICES				
State and federal	263,850	394,096	371,382	(22,714)
Local districts	35,900	79,371	70,975	(8,396)
Interdepartmental revenues	1,130,660	1,129,713	1,090,132	(39,581)
TOTAL	1,430,410	1,603,180	1,532,489	(70,691)

(Continued)

WALWORTH COUNTY, WISCONSIN

DETAILED SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES -
 BUDGET AND ACTUAL - GENERAL FUND (concluded)
 For the Year Ended December 31, 2009

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
INVESTMENT INCOME				
Investment income	\$ 1,220,600	\$ 605,010	\$ 610,725	\$ 5,715
MISCELLANEOUS				
Rental revenue	207,580	211,695	211,057	(638)
Property sales and loss compensation	130,600	239,153	288,736	49,583
Donations and contributions	1,025	32,698	156,460	123,762
Other	24,500	10,690	11,788	1,098
TOTAL	363,705	494,236	668,041	173,805
TOTAL REVENUES	42,064,436	42,605,607	41,435,847	(1,169,760)
OTHER FINANCING SOURCES				
Proceeds from sale of assets	82,500	102,756	111,194	8,438
Transfers in	171,106	3,841,660	3,760,578	(81,082)
TOTAL	253,606	3,944,416	3,871,772	(72,644)
TOTAL REVENUES AND OTHER FINANCING SOURCES	\$ 42,318,042	\$ 46,550,023	\$ 45,307,619	\$ (1,242,404)

WALWORTH COUNTY, WISCONSIN

DETAILED SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES - BUDGET AND ACTUAL - GENERAL FUND For the Year Ended December 31, 2009

	Budgeted Amounts		Actual	Variance with Final Budget - Positive
	Original	Final		(Negative)
CURRENT:				
GENERAL GOVERNMENT				
County board	\$ 235,618	\$ 213,358	\$ 193,857	\$ 19,501
County clerk	362,364	371,864	356,218	15,646
Elections	86,597	82,187	45,634	36,553
Administration	1,527,550	1,633,373	1,582,420	50,953
Finance	1,547,771	1,568,912	1,445,695	123,217
Treasurer	428,262	446,713	398,429	48,284
Coroner	368,993	373,827	340,398	33,429
Clerk of courts	3,046,300	3,079,901	2,897,404	182,497
District attorney	952,441	977,155	962,528	14,627
Register of deeds	632,606	645,523	633,384	12,139
Information technology	1,510,555	1,581,366	1,524,552	56,814
Central services	1,134,970	1,149,319	978,431	170,888
Non-departmental	2,682,794	2,124,617	2,093,877	30,740
TOTAL	<u>14,516,821</u>	<u>14,248,115</u>	<u>13,452,827</u>	<u>795,288</u>
PUBLIC SAFETY				
Sheriff	24,043,479	24,498,887	23,726,219	772,668
HEALTH AND HUMAN SERVICES				
Veterans services	179,590	183,367	180,045	3,322
CULTURE, RECREATION, AND EDUCATION				
UW extension	409,828	465,569	432,370	33,199
Parks	81,895	92,830	73,773	19,057
TOTAL	<u>491,723</u>	<u>558,399</u>	<u>506,143</u>	<u>52,256</u>
CONSERVATION AND DEVELOPMENT				
Land use and resource management	2,241,665	2,302,043	1,975,782	326,261
TOTAL CURRENT EXPENDITURES	<u>41,473,278</u>	<u>41,790,811</u>	<u>39,841,016</u>	<u>1,949,795</u> (Continued)

WALWORTH COUNTY, WISCONSIN

DETAILED SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES -
 BUDGET AND ACTUAL - GENERAL FUND (concluded)
 For the Year Ended December 31, 2009

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget - Positive (Negative)
CAPITAL OUTLAY:				
GENERAL GOVERNMENT				
Elections	\$ -	\$ 4,600	\$ -	\$ 4,600
Administration	12,000	8,000	-	8,000
Finance	-	10,899	2,306	8,593
Information technology	140,020	153,178	105,881	47,297
Central services	156,000	1,265,564	480,992	784,572
TOTAL	<u>308,020</u>	<u>1,442,241</u>	<u>589,179</u>	<u>853,062</u>
PUBLIC SAFETY				
Sheriff	596,524	1,880,807	1,214,434	666,373
CULTURE, RECREATION, AND EDUCATION				
Parks	56,250	127,587	84,424	43,163
CONSERVATION AND DEVELOPMENT				
Land use and resource management	22,270	28,512	27,743	769
TOTAL CAPITAL OUTLAY	<u>983,064</u>	<u>3,479,147</u>	<u>1,915,780</u>	<u>1,563,367</u>
TOTAL EXPENDITURES	<u>42,456,342</u>	<u>45,269,958</u>	<u>41,756,796</u>	<u>3,513,162</u>
OTHER FINANCING USES:				
Transfers out	4,011,700	3,450,879	3,255,273	195,606
TOTAL EXPENDITURES AND OTHER FINANCING USES	<u>\$ 46,468,042</u>	<u>\$ 48,720,837</u>	<u>\$ 45,012,069</u>	<u>\$ 3,708,768</u>

DEBT SERVICE FUND

The debt service fund is used to accumulate monies for the payment of long-term debt obligations of the governmental funds (general, special revenue, and capital projects funds). Financing is generally provided by property taxes and interfund transfers.



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WALWORTH COUNTY, WISCONSIN

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL DEBT SERVICE FUND

For the Year Ended December 31, 2009

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 6,642,168	\$ 6,642,168	\$ 6,642,168	\$ -
Investment income	-	-	4,478	4,478
Total revenues	<u>6,642,168</u>	<u>6,642,168</u>	<u>6,646,646</u>	<u>4,478</u>
EXPENDITURES				
Debt service:				
Principal retirement	8,769,898	8,769,898	8,769,898	-
Interest and fiscal charges	1,490,159	1,530,779	1,470,670	60,109
Total expenditures	<u>10,260,057</u>	<u>10,300,677</u>	<u>10,240,568</u>	<u>60,109</u>
Excess (deficiency) of revenues over expenditures	<u>(3,617,889)</u>	<u>(3,658,509)</u>	<u>(3,593,922)</u>	<u>64,587</u>
OTHER FINANCING SOURCES (USES)				
Proceeds from long-term debt issued	-	45,000	45,000	-
Discount on long-term debt	-	(25,105)	(25,105)	-
Transfers in	3,617,889	3,617,889	3,617,889	-
Total other financing sources (uses)	<u>3,617,889</u>	<u>3,637,784</u>	<u>3,637,784</u>	<u>-</u>
Net change in fund balances	-	(20,725)	43,862	64,587
Fund balances - beginning	<u>594,982</u>	<u>594,982</u>	<u>594,982</u>	<u>-</u>
Fund balances - ending	<u>\$ 594,982</u>	<u>\$ 574,257</u>	<u>\$ 638,844</u>	<u>\$ 64,587</u>



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NONMAJOR GOVERNMENTAL FUNDS

- ◆ **Land Information Fund** – to account for the financial activity of the Wisconsin Land Information Board. Its services are funded with retained filing fees and debt proceeds to coordinate land records modernization activities.
- ◆ **Sheriff Trusts Fund** – to account for several sheriff trust funds for use by the County:
 - ◆ **County Jail Trust** – to account for the accumulation of jail assessments awarded by the courts. Funds are held within the Sheriff’s Department and used for building remodeling and construction.
 - ◆ **Federal Confiscated** – to account for the accumulation of money confiscated from federal crimes. Funds have been used to purchase drug-sniffing dogs and drug equipment.
 - ◆ **State Confiscated** – to account for the accumulation of money confiscated from state crimes.
- ◆ **Capital Projects Fund** – to account for the financing and construction of general capital projects. Financing for these projects is provided by general obligation debt proceeds, intergovernmental revenues, and donations.



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WALWORTH COUNTY, WISCONSIN

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS

December 31, 2009

	Special Revenue Funds			
	Land Information	Sheriff Trusts	Capital Projects	Totals
ASSETS				
Cash and investments	\$ 557,763	\$ 577,194	\$ 3,169,706	\$ 4,304,663
Taxes receivable	165,661	-	-	165,661
Accounts receivable	-	1,998	1,000	2,998
Due from other governments	434	8,695	243,496	252,625
Total assets	\$ 723,858	\$ 587,887	\$ 3,414,202	\$ 4,725,947
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ 10,505	\$ 287	\$ 248,715	\$ 259,507
Accrued liabilities	953	-	-	953
Due to other governments	144	-	-	144
Due to other funds	1	-	-	1
Deferred tax revenues	165,661	-	-	165,661
Other deferred revenues	900	-	-	900
Total liabilities	178,164	287	248,715	427,166
Fund balances:				
Restricted for:				
Encumbrances	-	-	12,262	12,262
Modernization fees	335,661	-	-	335,661
Public access fees	206,870	-	-	206,870
Sheriff trusts	-	587,600	-	587,600
Unspent bond proceeds	-	-	1,895,724	1,895,724
Committed for:				
Encumbrances	-	-	430,355	430,355
Assigned for:				
Carryforward projects	-	-	827,146	827,146
Land information	3,163	-	-	3,163
Total fund balance	545,694	587,600	3,165,487	4,298,781
Total liabilities and fund balances	\$ 723,858	\$ 587,887	\$ 3,414,202	\$ 4,725,947

WALWORTH COUNTY, WISCONSIN

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES NONMAJOR GOVERNMENTAL FUNDS For the Year Ended December 31, 2009

	Special Revenue Funds			Total Nonmajor Governmental Funds
	Land Information	Sheriff Trusts	Capital Projects	
REVENUES				
Taxes	\$ 162,450	\$ -	\$ -	\$ 162,450
Intergovernmental	-	-	375,236	375,236
Intergovernmental charges for services	141,490	-	1,162,452	1,303,942
Investment income	2,656	-	-	2,656
Miscellaneous	-	249,446	-	249,446
Total revenues	306,596	249,446	1,537,688	2,093,730
EXPENDITURES				
Current:				
Public safety	-	65,417	-	65,417
Conservation and development	198,012	-	-	198,012
Capital outlay:				
General government	-	-	92,436	92,436
Culture, recreation, and education	-	-	12,875	12,875
Conservation and development	123,509	-	-	123,509
Public works	-	-	5,320,324	5,320,324
Total expenditures	321,521	65,417	5,425,635	5,812,573
Excess (deficiency) of revenues over expenditures	(14,925)	184,029	(3,887,947)	(3,718,843)
OTHER FINANCING SOURCES (USES)				
Long-term debt issued	-	-	5,300,000	5,300,000
Transfers in	-	-	508,573	508,573
Transfers out	(3,692)	(238,156)	(220,523)	(462,371)
Total other financing sources (uses)	(3,692)	(238,156)	5,588,050	5,346,202
Net change in fund balances	(18,617)	(54,127)	1,700,103	1,627,359
Fund balances - beginning	564,311	641,727	1,465,384	2,671,422
Fund balances - ending	\$ 545,694	\$ 587,600	\$ 3,165,487	\$ 4,298,781

WALWORTH COUNTY, WISCONSIN

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
LAND INFORMATION SPECIAL REVENUE FUND
For the Year Ended December 31, 2009

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 159,125	\$ 162,450	\$ 162,450	\$ -
Intergovernmental	300	300	-	(300)
Public charges for services	136,000	132,675	141,490	8,815
Investment income	17,000	2,600	2,656	56
Total revenues	<u>312,425</u>	<u>298,025</u>	<u>306,596</u>	<u>8,571</u>
EXPENDITURES				
Current:				
Conservation and development	274,495	272,235	198,012	74,223
Capital outlay:				
Conservation and development	<u>142,590</u>	<u>280,517</u>	<u>123,509</u>	<u>157,008</u>
Total expenditures	<u>417,085</u>	<u>552,752</u>	<u>321,521</u>	<u>231,231</u>
Excess (deficiency) of revenues over expenditures	<u>(104,660)</u>	<u>(254,727)</u>	<u>(14,925)</u>	<u>239,802</u>
OTHER FINANCING USES				
Transfers out	-	(3,692)	(3,692)	-
Net change in fund balances	(104,660)	(258,419)	(18,617)	239,802
Fund balances - beginning	<u>564,311</u>	<u>564,311</u>	<u>564,311</u>	<u>-</u>
Fund balances - ending	<u>\$ 459,651</u>	<u>\$ 305,892</u>	<u>\$ 545,694</u>	<u>\$ 239,802</u>

WALWORTH COUNTY, WISCONSIN

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL CAPITAL PROJECTS FUND

For the Year Ended December 31, 2009

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ 350,000	\$ 526,783	\$ 375,236	\$ (151,547)
Intergovernmental charges for services	-	1,211,063	1,162,452	(48,611)
Total revenues	<u>350,000</u>	<u>1,737,846</u>	<u>1,537,688</u>	<u>(200,158)</u>
EXPENDITURES				
Capital outlay:				
General government	-	723,731	92,436	631,295
Culture, recreation, and education	-	13,292	12,875	417
Public works	<u>6,150,000</u>	<u>7,876,001</u>	<u>5,320,324</u>	<u>2,555,677</u>
Total expenditures	<u>6,150,000</u>	<u>8,613,024</u>	<u>5,425,635</u>	<u>3,187,389</u>
Excess (deficiency) of revenues over expenditures	<u>(5,800,000)</u>	<u>(6,875,178)</u>	<u>(3,887,947)</u>	<u>2,987,231</u>
OTHER FINANCING SOURCES (USES)				
Long-term debt issued	5,300,000	5,300,000	5,300,000	-
Transfers in	500,000	508,573	508,573	-
Transfers out	-	<u>(220,523)</u>	<u>(220,523)</u>	-
Total other financing sources (uses)	<u>5,800,000</u>	<u>5,588,050</u>	<u>5,588,050</u>	-
Net change in fund balances	-	(1,287,128)	1,700,103	2,987,231
Fund balances - beginning	<u>1,465,384</u>	<u>1,465,384</u>	<u>1,465,384</u>	-
Fund balances - ending	<u>\$ 1,465,384</u>	<u>\$ 178,256</u>	<u>\$ 3,165,487</u>	<u>\$ 2,987,231</u>

INTERNAL SERVICE FUNDS

- ◆ **Health Insurance** – to account for the accumulation of costs associated with the provision of health insurance benefits to the County’s employees. Such costs are billed to County departments and employees at a rate expected to recover all costs associated with these benefits.
- ◆ **Dental Insurance** – to account for the accumulation of costs associated with the provision of dental insurance benefits to the County’s employees. Such costs are billed to County departments and employees at a rate expected to recover all costs associated with these benefits.
- ◆ **Workers Compensation** – to account for the accumulation of costs associated with the provision of workers compensation benefits to the County’s employees. Such costs are billed to County departments and employees at a rate expected to recover all costs associated with these benefits.
- ◆ **Risk Management** – to account for the accumulation of liability claims relating to bodily and personal injury, property damage, natural disasters, and errors or omissions. Such costs are billed to County departments based on the prior year’s actual claims.



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WALWORTH COUNTY, WISCONSIN

COMBINING STATEMENT OF NET ASSETS INTERNAL SERVICE FUNDS December 31, 2009

	Health Insurance	Dental Insurance	Workers Compensation	Risk Management	Totals
ASSETS					
Current assets:					
Cash and investments	\$ 10,006,086	\$ 388,807	\$ 2,244,056	\$ 3,953,874	\$ 16,592,823
Restricted cash and investments:					
Deposits held with fiscal agents	126,548	-	35,000	539,881	701,429
Accounts receivable	438,489	-	10,661	-	449,150
Due from other funds	-	-	15,210	-	15,210
Prepaid items	-	-	-	2,809	2,809
Total current assets	<u>10,571,123</u>	<u>388,807</u>	<u>2,304,927</u>	<u>4,496,564</u>	<u>17,761,421</u>
Noncurrent assets:					
Restricted cash and investments:					
Deposit held with WMMIC	-	-	-	1,563,000	1,563,000
Total assets	<u>10,571,123</u>	<u>388,807</u>	<u>2,304,927</u>	<u>6,059,564</u>	<u>19,324,421</u>
LIABILITIES					
Current liabilities:					
Accounts payable	7,428	3	19,502	-	26,933
Claims payable	1,672,000	70,000	1,637,340	1,576,576	4,955,916
Deposits	1,453,288	66,703	-	-	1,519,991
Retiree health credits - current	127,137	-	-	-	127,137
Total current liabilities	<u>3,259,853</u>	<u>136,706</u>	<u>1,656,842</u>	<u>1,576,576</u>	<u>6,629,977</u>
Noncurrent liabilities:					
Retiree health credits - long term	677,034	-	-	-	677,034
Total liabilities	<u>3,936,887</u>	<u>136,706</u>	<u>1,656,842</u>	<u>1,576,576</u>	<u>7,307,011</u>
NET ASSETS					
Unrestricted	<u>6,634,236</u>	<u>252,101</u>	<u>648,085</u>	<u>4,482,988</u>	<u>12,017,410</u>
Total net assets	<u>\$ 6,634,236</u>	<u>\$ 252,101</u>	<u>\$ 648,085</u>	<u>\$ 4,482,988</u>	<u>\$ 12,017,410</u>

WALWORTH COUNTY, WISCONSIN

COMBINING STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN NET ASSETS
INTERNAL SERVICE FUNDS
For the Year Ended December 31, 2009

	<u>Health Insurance</u>	<u>Dental Insurance</u>	<u>Workers Compensation</u>	<u>Risk Management</u>	<u>Totals</u>
Operating revenues:					
Charges for services	\$ 18,220,269	\$ 733,761	\$ 604,503	\$ 305,046	\$ 19,863,579
Operating expenses:					
Insurance services	14,550,136	745,081	354,847	214,221	15,864,285
Total operating expenses	<u>14,550,136</u>	<u>745,081</u>	<u>354,847</u>	<u>214,221</u>	<u>15,864,285</u>
Operating income (loss)	<u>3,670,133</u>	<u>(11,320)</u>	<u>249,656</u>	<u>90,825</u>	<u>3,999,294</u>
Nonoperating revenues:					
Investment income	37,888	1,795	10,448	33,808	83,939
Insurance recovery	-	-	-	72,098	72,098
Legal claim settlement	-	-	10,661	-	10,661
Rent, rebates, and donations	-	-	631	-	631
Total nonoperating revenues	<u>37,888</u>	<u>1,795</u>	<u>21,740</u>	<u>105,906</u>	<u>167,329</u>
Change in net assets	3,708,021	(9,525)	271,396	196,731	4,166,623
Total net assets - beginning	<u>2,926,215</u>	<u>261,626</u>	<u>376,689</u>	<u>4,286,257</u>	<u>7,850,787</u>
Total net assets - ending	<u>\$ 6,634,236</u>	<u>\$ 252,101</u>	<u>\$ 648,085</u>	<u>\$ 4,482,988</u>	<u>\$ 12,017,410</u>

WALWORTH COUNTY, WISCONSIN

COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
For the Year Ended December 31, 2009

	<u>Health Insurance</u>	<u>Dental Insurance</u>	<u>Workers Compensation</u>	<u>Risk Management</u>	<u>Totals</u>
CASH FLOWS FROM OPERATING ACTIVITIES					
Receipts from customers	\$ 1,660,596	\$ 28,010	\$ -	\$ -	\$ 1,688,606
Receipts from interfund services provided	16,268,043	712,088	618,171	305,046	17,903,348
Payments to suppliers	<u>(15,084,364)</u>	<u>(737,080)</u>	<u>(479,555)</u>	<u>(292,096)</u>	<u>(16,593,095)</u>
Net cash provided by operating activities	<u>2,844,275</u>	<u>3,018</u>	<u>138,616</u>	<u>12,950</u>	<u>2,998,859</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES					
Insurance recovery	-	-	-	72,098	72,098
Rent, rebates, and donations	-	-	631	-	631
Net cash provided by non-capital financing activities	<u>-</u>	<u>-</u>	<u>631</u>	<u>72,098</u>	<u>72,729</u>
CASH FLOWS FROM INVESTING ACTIVITIES					
Investment income	<u>37,888</u>	<u>1,795</u>	<u>10,448</u>	<u>33,808</u>	<u>83,939</u>
Net cash provided by investing activities	<u>37,888</u>	<u>1,795</u>	<u>10,448</u>	<u>33,808</u>	<u>83,939</u>
Net increase in cash and investments	2,882,163	4,813	149,695	118,856	3,155,527
Cash and investments - beginning	<u>7,250,471</u>	<u>383,994</u>	<u>2,129,361</u>	<u>4,374,899</u>	<u>14,138,725</u>
Cash and investments - ending	<u>\$ 10,132,634</u>	<u>\$ 388,807</u>	<u>\$ 2,279,056</u>	<u>\$ 4,493,755</u>	<u>\$ 17,294,252</u>

Cash and investments on December 31 are reconciled from the Statement of Net Assets as follows:

Cash and investments	\$ 10,006,086	\$ 388,807	\$ 2,244,056	\$ 3,953,874	\$ 16,592,823
Restricted cash and investments	126,548	-	35,000	539,881	701,429
	<u>\$ 10,132,634</u>	<u>\$ 388,807</u>	<u>\$ 2,279,056</u>	<u>\$ 4,493,755</u>	<u>\$ 17,294,252</u>

**Reconciliation of operating income (loss) to net cash
provided by (used in) operating activities:**

Operating income (loss)	\$ 3,670,133	\$ (11,320)	\$ 249,656	\$ 90,825	\$ 3,999,294
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities					
Change in assets and liabilities:					
Accounts receivable	(244,353)	-	-	-	(244,353)
Due from other funds	-	-	13,668	-	13,668
Prepaid items	-	-	-	1,547	1,547
Accounts payable	4,771	-	17,211	-	21,982
Claims payable	(539,000)	8,000	(141,919)	(79,422)	(752,341)
Retiree health credits	(38,104)	-	-	-	(38,104)
Deposits	(9,172)	6,338	-	-	(2,834)
Net cash provided by operating activities	<u>\$ 2,844,275</u>	<u>\$ 3,018</u>	<u>\$ 138,616</u>	<u>\$ 12,950</u>	<u>\$ 2,998,859</u>



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FIDUCIARY FUNDS

Private Purpose Trust Fund

- ◆ **G. Charter Harrison Trust** – to account for the accumulation of resources to be used for the educational betterment of the nursing staff of the Lakeland Health Care Center. The principal amount of the monies received is maintained intact and invested. Investment earnings are used to reimburse nurses for additional education leading to Registered Nurse status.
- ◆ **Tricentennial Trust Fund** – to account for the accumulation of resources for use at the Tricentennial celebration in 2076. The funds are held in a savings account at JP Morgan Chase. The account is titled “Walworth County American Revolution”. Currently, interest is the only revenue activity.

Agency Funds

- ◆ **Pending Court Cases** – to account for the receipt of forfeitures, fines, and court costs in advance of a trial; held for the court until the disposition of such funds can be determined.
- ◆ **Other Agency Funds:**
 - ◆ **Dog License Fund** – to account for the accumulation of proceeds from the sale of dog licenses. Payments are made to the State, Lakeland Animal Welfare Society, Inc. for various administrative and claims expenses.
 - ◆ **Marriage License Trust** – to account for the accumulation of marriage license fees; payments are made to the State Treasurer, the County, and the Clerk of Courts who provide counseling services.
 - ◆ **Probate Court Trust** – to account for the accumulation of estate filing fees due the County and the State of Wisconsin. Prior to September, 2001 the fee was .1% of the estate; after September, 2001 the fee was raised to .2%.
 - ◆ **Real Estate Transfer Fees** – to account for the accumulation of real estate transfer revenues charged at the rate of \$3.00 per \$1,000 of valuation, 80% of which are turned over to the State of Wisconsin.
 - ◆ **Other Register of Deed Deposits** – to account for the accumulation of recording and copying fees which are subsequently divided between the County and the State.
 - ◆ **Huber/Inmate Trust** – to account for the holding of funds for Huber prisoners and jail inmates.
 - ◆ **Gang Intelligence Deposits** – to account for gang related activity deposits and payments to be used by the county and local governments.
 - ◆ **Sheriff Bond Collections** – to account for the accumulation of bond, writ, or warrant fees turned over to local governments or court ordered services.



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WALWORTH COUNTY, WISCONSIN

COMBINING STATEMENT OF FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
December 31, 2009

	<u>Private Purpose Trusts</u>		
	<u>G. Charter Harrison Trust</u>	<u>Tricentennial Trust</u>	<u>Fiduciary Funds Total</u>
ASSETS			
Cash and investments	<u>\$ 39,973</u>	<u>\$ 633</u>	<u>\$ 40,606</u>
NET ASSETS			
Held in trust for private purposes	<u>\$ 39,973</u>	<u>\$ 633</u>	<u>\$ 40,606</u>

WALWORTH COUNTY, WISCONSIN

COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS FIDUCIARY FUNDS

For the Year Ended December 31, 2009

	Private Purpose Trusts		
	G. Charter Harrison Trust	Tricentennial Trust	Fiduciary Funds Total
ADDITIONS			
Investment income	\$ 192	\$ -	\$ 192
Change in net assets	192	-	192
Net assets - beginning	39,781	633	40,414
Net assets - ending	<u>\$ 39,973</u>	<u>\$ 633</u>	<u>\$ 40,606</u>

WALWORTH COUNTY, WISCONSIN

COMBINING STATEMENT OF CHANGES IN ASSETS
AND LIABILITIES - AGENCY FUNDS
For the Year Ended December 31, 2009

	Balance January 1, 2009	Additions	Deductions	Balance December 31, 2009
<u>PENDING COURT CASES</u>				
ASSETS				
Cash and investments	\$ 1,137,831	\$ 2,814,615	\$ 2,666,233	\$ 1,286,213
Total assets	<u>\$ 1,137,831</u>	<u>\$ 2,814,615</u>	<u>\$ 2,666,233</u>	<u>\$ 1,286,213</u>
LIABILITIES				
Accounts payable	\$ 155,685	\$ 2,313,057	\$ 2,318,700	\$ 150,042
Deposits	<u>982,146</u>	<u>501,419</u>	<u>347,394</u>	<u>1,136,171</u>
Total liabilities	<u>\$ 1,137,831</u>	<u>\$ 2,814,476</u>	<u>\$ 2,666,094</u>	<u>\$ 1,286,213</u>
<u>OTHER</u>				
ASSETS				
Cash and investments	\$ 170,116	\$ 2,435,973	\$ 2,423,283	\$ 182,806
Accounts receivable	<u>3,224</u>	<u>-</u>	<u>3,224</u>	<u>-</u>
Total assets	<u>\$ 173,340</u>	<u>\$ 2,435,973</u>	<u>\$ 2,426,507</u>	<u>\$ 182,806</u>
LIABILITIES				
Accounts payable	\$ 111,891	\$ 1,098,810	\$ 1,074,054	\$ 136,647
Due to other governments	20,585	1,055,255	1,056,304	19,536
Deposits	<u>40,864</u>	<u>282,047</u>	<u>296,288</u>	<u>26,623</u>
Total liabilities	<u>\$ 173,340</u>	<u>\$ 2,436,112</u>	<u>\$ 2,426,646</u>	<u>\$ 182,806</u>
<u>TOTALS - ALL AGENCY FUNDS</u>				
ASSETS				
Cash and investments	\$ 1,307,947	\$ 5,250,588	\$ 5,089,516	\$ 1,469,019
Accounts receivable	<u>3,224</u>	<u>-</u>	<u>3,224</u>	<u>-</u>
Total assets	<u>\$ 1,311,171</u>	<u>\$ 5,250,588</u>	<u>\$ 5,092,740</u>	<u>\$ 1,469,019</u>
LIABILITIES				
Accounts payable	\$ 267,576	\$ 3,411,867	\$ 3,392,754	\$ 286,689
Due to other governments	20,585	1,055,255	1,056,304	19,536
Deposits	<u>1,023,010</u>	<u>783,466</u>	<u>643,682</u>	<u>1,162,794</u>
Total liabilities	<u>\$ 1,311,171</u>	<u>\$ 5,250,588</u>	<u>\$ 5,092,740</u>	<u>\$ 1,469,019</u>



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**CAPITAL ASSETS
USED IN THE
OPERATION OF
GOVERNMENTAL
FUNDS**



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WALWORTH COUNTY, WISCONSIN

CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS SCHEDULE OF CAPITAL ASSETS BY SOURCE DECEMBER 31, 2009 AND 2008

	2009	2008
Capital assets:		
Land	\$ 1,092,194	\$ 1,092,194
Buildings	65,160,919	65,137,524
Improvements other than buildings	4,494,019	4,494,019
Infrastructure	47,406,598	44,818,859
Machinery and equipment	20,460,184	19,633,615
Construction in progress	3,308,892	1,765,602
TOTAL CAPITAL ASSETS	\$ 141,922,806	\$ 136,941,813
Investment in capital assets by source:		
Bonds	\$ 75,319,748	\$ 71,919,904
Donations	1,606,051	1,551,641
Grants	1,358,041	959,007
Tax levy	25,435,827	23,310,819
Capital projects **	38,203,139	39,200,442
TOTAL INVESTMENT IN CAPITAL ASSETS	\$ 141,922,806	\$ 136,941,813

This schedule presents only the capital asset balances related to governmental funds. Accordingly, the capital assets reported in internal service funds are excluded from the above amounts. Generally, capital assets of internal service funds are included as governmental activities in the statement of net assets.

** Capital Projects is the total of infrastructure assets not previously recorded. Due to the implementation of GASB 34, these assets are estimated and actual funding consists of various sources.

WALWORTH COUNTY, WISCONSIN

CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS
SCHEDULE OF CAPITAL ASSETS BY FUNCTION AND ACTIVITY
December 31, 2009

<u>FUNCTION AND ACTIVITY</u>	<u>LAND</u>	<u>BUILDINGS</u>	<u>IMPROVEMENTS OTHER THAN BUILDINGS</u>	<u>INFRASTRUCTURE</u>	<u>MACHINERY AND EQUIPMENT</u>	<u>CONSTRUCTION IN PROGRESS</u>	<u>TOTAL</u>
General Government							
County clerk	\$ -	\$ -	\$ -	\$ -	\$ 11,886	\$ -	\$ 11,886
Elections	-	-	-	-	18,750	-	18,750
Finance	-	-	-	-	670,395	-	670,395
Clerk of courts	-	-	-	-	513,509	-	513,509
District attorney	-	-	-	-	54,812	-	54,812
Register of deeds	-	-	-	-	44,389	55,000	99,389
Information technology	-	-	-	-	3,168,070	-	3,168,070
Central services	-	20,558,350	2,235,954	-	2,347,449	255,579	25,397,332
Non-departmental	708,930	90,530	405,278	-	27,500	-	1,232,238
TOTAL GENERAL GOVERNMENT	708,930	20,648,880	2,641,232	-	6,856,760	310,579	31,166,381
Public Safety							
Sheriff	-	21,857,887	1,321,345	-	7,564,854	614,141	31,358,227
TOTAL PUBLIC SAFETY	-	21,857,887	1,321,345	-	7,564,854	614,141	31,358,227
Health and Human Services							
Veterans	-	-	-	-	13,117	-	13,117
Human services	-	5,528,231	30,285	-	211,085	445,564	6,215,165
TOTAL HEALTH AND HUMAN SERVICES	-	5,528,231	30,285	-	224,202	445,564	6,228,282
Culture, Recreation, and Education							
Children with Disabilities Education Board	-	16,717,373	-	-	89,373	-	16,806,746
UW extension	-	-	-	-	-	-	-
Parks	383,264	408,548	501,157	-	-	57,904	1,350,873
TOTAL CULTURE, RECREATION AND EDUCATION	383,264	17,125,921	501,157	-	89,373	57,904	18,157,619
Public Works							
Capital projects	-	-	-	-	-	1,880,704	1,880,704
Infrastructure	-	-	-	47,406,598	-	-	47,406,598
TOTAL PUBLIC WORKS	-	-	-	47,406,598	-	1,880,704	49,287,302
Conservation and Development							
Land use and resource management	-	-	-	-	113,764	-	113,764
County land information	-	-	-	-	5,611,231	-	5,611,231
TOTAL CONSERVATION AND DEVELOPMENT	-	-	-	-	5,724,995	-	5,724,995
TOTAL CAPITAL ASSETS	\$ 1,092,194	\$ 65,160,919	\$ 4,494,019	\$ 47,406,598	\$ 20,460,184	\$ 3,308,892	\$ 141,922,806

This schedule presents only the capital asset balances related to governmental funds. Accordingly, the capital assets reported in internal service funds are excluded from the above amounts.

WALWORTH COUNTY, WISCONSIN

CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS
SCHEDULE OF CHANGES IN CAPITAL ASSETS BY FUNCTION AND ACTIVITY
December 31, 2009

<u>FUNCTION AND ACTIVITY</u>	CAPITAL ASSETS			CAPITAL ASSETS
	JANUARY 1, 2009	ADDITIONS	DEDUCTIONS	DECEMBER 31, 2009
General Government				
County clerk	\$ 11,886	\$ -	\$ -	\$ 11,886
Elections	18,750	-	-	18,750
Finance	670,395	-	-	670,395
Clerk of courts	513,509	-	-	513,509
District attorney	54,812	-	-	54,812
Register of deeds	23,389	76,000	-	99,389
Information technology	3,306,369	186,349	324,648	3,168,070
Central services	24,775,044	629,698	7,410	25,397,332
Non-departmental	1,232,238	-	-	1,232,238
TOTAL GENERAL GOVERNMENT	30,606,392	892,047	332,058	31,166,381
Public Safety				
Sheriff	30,518,005	1,424,338	584,116	31,358,227
TOTAL PUBLIC SAFETY	30,518,005	1,424,338	584,116	31,358,227
Health and Human Services				
Veterans	13,117	-	-	13,117
Human services	5,960,683	254,482	-	6,215,165
TOTAL HEALTH AND HUMAN SERVICES	5,973,800	254,482	-	6,228,282
Culture, Recreation, and Education				
Children with Disabilities Education Board	16,752,335	54,411	-	16,806,746
UW extension	5,118	-	5,118	-
Parks	1,292,969	57,904	-	1,350,873
TOTAL CULTURE, RECREATION AND EDUCATION	18,050,422	112,315	5,118	18,157,619
Public Works				
Capital projects	1,165,426	1,219,442	504,164	1,880,704
Infrastructure	44,818,859	3,591,964	1,004,225	47,406,598
TOTAL PUBLIC WORKS	45,984,285	4,811,406	1,508,389	49,287,302
Conservation and Development				
Land use and resource management	105,988	25,953	18,177	113,764
County land information	5,702,921	-	91,690	5,611,231
TOTAL CONSERVATION AND DEVELOPMENT	5,808,909	25,953	109,867	5,724,995
TOTAL CAPITAL ASSETS	\$ 136,941,813	\$ 7,520,541	\$ 2,539,548	\$ 141,922,806

This schedule presents only the capital asset balances related to governmental funds. Accordingly, the capital assets reported in internal service funds are excluded from the above amounts.

The additions and deductions include amounts transferred between funds. For 2009, these transfers total \$31,400.



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**STATISTICAL
SECTION**



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Statistical Section (Unaudited)

This part of the County's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the County's overall financial health.

	<u>Page</u>
FINANCIAL TRENDS	94 – 101
These schedules contain trend information to help the reader understand how the County's financial performance and well being have changed over time.	
REVENUE CAPACITY	102 – 105
These schedules contain information to help the reader assess the County's most significant local revenue source, the property tax.	
DEBT CAPACITY	106 – 109
These schedules present information to help the reader assess the affordability of the County's current levels of outstanding debt and the County's ability to issue additional debt in the future.	
DEMOGRAPHIC AND ECONOMIC INFORMATION	110 – 111
These schedules offer demographic and economic indicators to help the reader understand the environment within which the County's financial activities take place.	
OPERATING INFORMATION	112 – 116
These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs.	

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual reports for the relevant year. The County implemented GASB 34 in 2003; schedules presenting government-wide information include information beginning in that year.



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TABLE 1
WALWORTH COUNTY, WISCONSIN
 Net Assets by Component
 Last Seven Fiscal Years

	Fiscal Year 2003	Fiscal Year 2004	Fiscal Year 2005	Fiscal Year 2006	Fiscal Year 2007	Fiscal Year 2008	Fiscal Year 2009
Governmental activities							
Invested in capital assets, net of related debt	\$ 39,965,835	\$ 45,152,949	\$ 49,641,480	\$ 40,139,193	\$ 59,418,254	\$ 57,401,851	\$ 64,608,829
Restricted	2,717,020	1,772,359	1,913,155	1,510,947	3,102,544	3,320,060	1,344,848
Unrestricted	31,516,690	32,626,923	35,583,545	35,535,211	31,835,196	42,594,421	49,179,068
Subtotal governmental activities net assets	<u>\$ 74,199,545</u>	<u>\$ 79,552,231</u>	<u>\$ 87,138,180</u>	<u>\$ 77,185,351</u>	<u>\$ 94,355,994</u>	<u>\$ 103,316,332</u>	<u>\$ 115,132,745</u>
Business-type activities							
Invested in capital assets, net of related debt	8,439,267	8,214,914	7,674,254	20,108,504	7,582,462	8,910,256	12,061,594
Restricted	-	-	250,998	121,838	128,927	144,269	433,244
Unrestricted	8,650,148	10,583,255	14,129,494	13,066,408	12,322,506	12,473,282	11,333,696
Subtotal business-type activities net assets	<u>\$ 17,089,415</u>	<u>\$ 18,798,169</u>	<u>\$ 22,054,746</u>	<u>\$ 33,296,750</u>	<u>\$ 20,033,895</u>	<u>\$ 21,527,807</u>	<u>\$ 23,828,534</u>
Primary government							
Invested in capital assets, net of related debt	\$ 48,405,102	\$ 53,367,863	\$ 57,315,734	\$ 60,247,697	\$ 67,000,716	\$ 66,312,107	\$ 76,670,423
Restricted	2,717,020	1,772,359	2,164,153	1,632,785	3,231,471	3,464,329	1,778,092
Unrestricted	40,166,838	43,210,178	49,713,039	48,601,619	44,157,702	55,067,703	60,512,764
Total primary government net assets	<u>\$ 91,288,960</u>	<u>\$ 98,350,400</u>	<u>\$ 109,192,926</u>	<u>\$ 110,482,101</u>	<u>\$ 114,389,889</u>	<u>\$ 124,844,139</u>	<u>\$ 138,961,279</u>

TABLE 2
WALWORTH COUNTY, WISCONSIN
 Changes in Net Assets
 Last Seven Fiscal Years

	Fiscal Year 2003	Fiscal Year 2004	Fiscal Year 2005	Fiscal Year 2006	Fiscal Year 2007	Fiscal Year 2008	Fiscal Year 2009
Expenses							
Governmental activities:							
General government	\$ 11,680,604	\$ 13,384,447	\$ 13,034,915	\$ 15,159,984	\$ 15,308,444	\$ 13,813,464	\$ 14,016,099
Public safety	18,706,689	19,747,239	20,694,984	21,841,262	23,062,787	23,803,711	24,087,943
Health and human services	29,577,094	29,940,303	29,228,166	29,316,500	30,870,763	29,975,541	29,937,903
Culture, recreation and education	11,181,802	11,602,673	12,511,033	14,182,158	14,193,460	16,011,838	14,494,732
Public works	1,322,027	1,286,584	1,612,019	3,616,627	3,726,158	2,175,607	2,269,576
Conservation and development	2,433,761	2,292,313	2,345,557	2,409,888	2,479,686	2,439,853	2,296,442
Interest on long-term debt	1,448,636	1,648,922	1,750,429	1,914,265	1,412,336	1,569,796	1,342,711
Subtotal governmental activities expenses	<u>76,350,613</u>	<u>79,902,481</u>	<u>81,177,103</u>	<u>88,440,684</u>	<u>91,053,634</u>	<u>89,789,810</u>	<u>88,445,406</u>
Business-type activities:							
Nursing home	16,177,451	13,587,405	12,210,404	14,022,169	11,914,949	12,145,036	11,992,288
Highway/facilities administration	5,989,487	5,079,508	7,369,426	6,950,699	8,809,086	9,693,282	8,613,900
Subtotal business-type activities expenses	<u>22,166,938</u>	<u>18,666,913</u>	<u>19,579,830</u>	<u>20,972,868</u>	<u>20,724,035</u>	<u>21,838,318</u>	<u>20,606,188</u>
Total primary government expenses	<u>\$ 98,517,551</u>	<u>\$ 98,569,394</u>	<u>\$ 100,756,933</u>	<u>\$ 109,413,552</u>	<u>\$ 111,777,669</u>	<u>\$ 111,628,128</u>	<u>\$ 109,051,594</u>
Program Revenues							
Governmental activities:							
Charges for services							
General government	\$ 2,508,176	\$ 2,928,960	\$ 2,654,039	\$ 3,509,042	\$ 2,788,985	\$ 3,455,029	\$ 3,107,475
Public safety	1,399,600	1,377,735	1,389,687	1,537,802	1,630,593	1,708,157	1,467,768
Health and human services	3,510,181	3,614,429	3,602,941	3,702,426	4,224,649	4,075,661	4,642,061
Culture, recreation and education	381,141	314,965	173,618	154,992	160,090	174,430	203,711
Public works	-	-	26,180	137,782	-	-	-
Conservation and development	1,097,225	1,055,950	1,029,192	988,825	856,256	724,190	653,502
Operating grants and contributions							
General government	512,487	603,549	542,107	557,570	652,215	574,195	831,676
Public safety	743,317	815,674	803,228	953,121	851,120	852,400	793,455
Health and human services	15,773,806	16,077,659	16,640,899	16,590,140	17,498,245	18,129,418	18,016,188
Culture, recreation and education	6,117,502	6,031,338	6,201,662	6,693,544	7,071,866	8,346,676	8,618,768
Conservation and development	338,588	426,495	363,915	290,133	293,649	323,639	345,300
Capital grants and contributions							
General government	-	-	-	640,305	6,979	-	-
Public safety	152,553	317,136	542,469	86,275	93,555	70,674	207,118
Health and human services	-	-	-	-	-	3,732	-
Culture, recreation and education	-	14,395	-	14,702	421,773	282,352	72,298
Public works	390,427	5,084	922,761	756,813	150,712	-	220,491
Conservation and development	93,050	52,218	226,109	-	-	-	-
Subtotal governmental activities program revenues	<u>33,018,053</u>	<u>33,635,587</u>	<u>35,118,807</u>	<u>36,613,472</u>	<u>36,700,687</u>	<u>38,720,553</u>	<u>39,179,811</u>

(continued)

TABLE 2
WALWORTH COUNTY, WISCONSIN
 Changes in Net Assets (continued)
 Last Seven Fiscal Years

	Fiscal Year 2003	Fiscal Year 2004	Fiscal Year 2005	Fiscal Year 2006	Fiscal Year 2007	Fiscal Year 2008	Fiscal Year 2009
Program Revenues (continued)							
Business-type activities							
Charges for services							
Nursing home	\$ 11,233,355	\$ 9,447,784	\$ 10,452,940	\$ 6,159,046	\$ 7,362,680	\$ 7,690,184	\$ 8,601,097
Highway/facilities administration	3,113,119	2,877,118	3,407,112	2,718,861	4,236,620	5,009,372	3,787,233
Operating grants and contributions							
Nursing home	4,145,900	1,933,348	16,196	1,017,463	919,389	1,520,883	1,315,580
Highway/facilities administration	2,106,245	2,081,204	67,891	2,024,358	2,000,835	2,110,893	2,107,417
Capital grants and contributions							
Highway/facilities administration	-	-	2,740	-	37,738	123,040	107,750
Subtotal business-type activities program revenues	<u>20,598,619</u>	<u>16,339,454</u>	<u>13,946,879</u>	<u>11,919,728</u>	<u>14,557,262</u>	<u>16,454,372</u>	<u>15,919,077</u>
Total primary government program revenues	<u>\$ 53,616,672</u>	<u>\$ 49,975,041</u>	<u>\$ 49,065,686</u>	<u>\$ 48,533,200</u>	<u>\$ 51,257,949</u>	<u>\$ 55,174,925</u>	<u>\$ 55,098,888</u>
Net (Expense) Revenue by Function:							
Governmental activities:							
General government	\$ (8,659,941)	\$ (9,851,938)	\$ (9,838,769)	\$ (10,453,067)	\$ (11,860,265)	\$ (9,784,240)	\$ (10,076,948)
Public safety	(16,411,219)	(17,236,694)	(17,959,600)	(19,264,064)	(20,487,519)	(21,172,480)	(21,619,602)
Health and human services	(10,293,107)	(10,248,215)	(8,984,326)	(9,023,934)	(9,147,869)	(7,766,730)	(7,279,654)
Culture, recreation and education	(4,683,159)	(5,241,975)	(6,135,753)	(7,318,920)	(6,539,731)	(7,208,380)	(5,599,955)
Public works	(931,600)	(1,281,500)	(663,078)	(2,722,032)	(3,575,446)	(2,175,607)	(2,049,085)
Conservation and development	(904,898)	(757,650)	(726,341)	(1,130,930)	(1,329,781)	(1,392,024)	(1,297,640)
Interest on long-term debt	(1,448,636)	(1,648,922)	(1,750,429)	(1,914,265)	(1,412,336)	(1,569,796)	(1,342,711)
Subtotal governmental activities expenses	<u>(43,332,560)</u>	<u>(46,266,894)</u>	<u>(46,058,296)</u>	<u>(51,827,212)</u>	<u>(54,352,947)</u>	<u>(51,069,257)</u>	<u>(49,265,595)</u>
Business-type activities:							
Nursing home	(798,196)	(2,206,273)	(1,741,268)	(6,845,660)	(3,632,880)	(2,933,969)	(2,075,611)
Highway/facilities administration	(770,123)	(121,186)	(3,891,683)	(2,207,480)	(2,533,893)	(2,449,977)	(2,611,500)
Subtotal business-type activities expenses	<u>(1,568,319)</u>	<u>(2,327,459)</u>	<u>(5,632,951)</u>	<u>(9,053,140)</u>	<u>(6,166,773)</u>	<u>(5,383,946)</u>	<u>(4,687,111)</u>
Total primary government net (expense)/revenue	<u>\$ (44,900,879)</u>	<u>\$ (48,594,353)</u>	<u>\$ (51,691,247)</u>	<u>\$ (60,880,352)</u>	<u>\$ (60,519,720)</u>	<u>\$ (56,453,203)</u>	<u>\$ (53,952,706)</u> (continued)

TABLE 2
WALWORTH COUNTY, WISCONSIN
 Changes in Net Assets (concluded)
 Last Seven Fiscal Years

	Fiscal Year 2003	Fiscal Year 2004	Fiscal Year 2005	Fiscal Year 2006	Fiscal Year 2007	Fiscal Year 2008	Fiscal Year 2009
General Revenues and Other Changes in Net Assets							
Governmental activities:							
Taxes							
General property taxes	\$ 35,453,371	\$ 37,150,309	\$ 38,031,659	\$ 36,352,921	\$ 39,470,341	\$ 42,011,107	\$ 44,880,244
Property taxes for debt service	4,690,152	5,242,764	6,051,593	7,716,392	7,875,781	6,714,271	6,642,168
County share of sales taxes	6,556,865	7,336,138	7,303,638	7,535,343	7,597,303	7,807,117	6,951,954
Real estate transfer fees	455,045	573,046	648,518	-	-	-	-
Other taxes	89,923	81,920	90,475	77,710	82,751	76,789	64,719
Grants and contributions not restricted to specific programs	776,327	367,357	325,169	341,622	341,038	331,464	347,144
Unrestricted investment earnings	853,927	839,240	2,873,982	4,480,264	4,642,076	2,992,572	2,056,156
Miscellaneous	190,113	30,360	7,225	13,925	124,731	46,561	108,223
Transfers	23,528	(1,554)	(1,688,014)	(14,643,794)	(1,290,254)	49,714	31,400
Subtotal governmental activities general revenues	<u>49,089,251</u>	<u>51,619,580</u>	<u>53,644,245</u>	<u>41,874,383</u>	<u>58,843,767</u>	<u>60,029,595</u>	<u>61,082,008</u>
Business-type activities:							
Property taxes	3,890,008	3,989,468	3,349,396	5,517,249	5,424,014	6,719,641	6,970,537
Grants and contributions not restricted to specific programs	-	-	3,750,920	-	-	-	-
Unrestricted investment earnings	4,768	31,223	75,608	134,101	129,806	63,731	11,997
Gain/(Loss) on sale of capital assets	6,109	-	-	-	-	98,145	-
Miscellaneous	47,135	13,968	25,590	-	36,247	46,055	36,704
Transfers	380,895	1,554	1,688,014	14,643,794	1,290,254	(49,714)	(31,400)
Subtotal business-type activities general revenues	<u>4,328,915</u>	<u>4,036,213</u>	<u>8,889,528</u>	<u>20,295,144</u>	<u>6,880,321</u>	<u>6,877,858</u>	<u>6,987,838</u>
Total primary government general revenues	<u>\$ 53,418,166</u>	<u>\$ 55,655,793</u>	<u>\$ 62,533,773</u>	<u>\$ 62,169,527</u>	<u>\$ 65,724,088</u>	<u>\$ 66,907,453</u>	<u>\$ 68,069,846</u>
Change in Net Assets							
Governmental activities	\$ 5,756,691	\$ 5,352,686	\$ 7,585,949	\$ (9,952,829)	\$ 4,490,820	\$ 8,960,338	\$ 11,816,413
Business-type activities	2,760,596	1,708,754	3,256,577	11,242,004	713,548	1,493,912	2,300,727
Total primary government change in net assets	<u>\$ 8,517,287</u>	<u>\$ 7,061,440</u>	<u>\$ 10,842,526</u>	<u>\$ 1,289,175</u>	<u>\$ 5,204,368</u>	<u>\$ 10,454,250</u>	<u>\$ 14,117,140</u>

TABLE 3
WALWORTH COUNTY, WISCONSIN
Fund Balances - Governmental Funds
Last Ten Fiscal Years

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
General fund										
Reserved	\$ 4,913,451	\$ 4,957,073	\$ 5,048,481	\$ 3,180,879	\$ 2,506,336	\$ 2,995,254	\$ 3,649,929	\$ 8,898,910	\$ -	\$ -
Unreserved	15,793,662	17,559,634	21,570,984	25,410,679	21,241,187	23,849,264	22,798,437	19,260,283	-	-
Nonspendable									3,755,334	4,995,581
Restricted	-	-	-	-	-	-	-	-	194,371	301,795
Committed	-	-	-	-	-	-	-	-	269,797	642,254
Assigned	-	-	-	-	-	-	-	-	5,182,772	3,346,237
Unassigned	-	-	-	-	-	-	-	-	18,471,322	18,883,279
Total general fund	<u>\$ 20,707,113</u>	<u>\$ 22,516,707</u>	<u>\$ 26,619,465</u>	<u>\$ 28,591,558</u>	<u>\$ 23,747,523</u>	<u>\$ 26,844,518</u>	<u>\$ 26,448,366</u>	<u>\$ 28,159,193</u>	<u>\$ 27,873,596</u>	<u>\$ 28,169,146</u>
All other governmental funds										
Reserved	\$ 5,039,716	\$ 5,465,055	\$ 3,686,966	\$ 5,627,188	\$ 7,526,442	\$ 7,418,986	\$ 3,389,038	\$ 4,896,463	\$ -	\$ -
Unreserved										
Special revenue funds	1,120,727	1,706,707	3,430,833	1,558,663	524,073	199,376	1,901,176	2,562,710	-	-
Capital projects fund	-	-	-	1,599,101	2,107,355	2,659,242	1,923,875	(3,838,378)	-	-
Restricted	-	-	-	-	-	-	-	-	1,480,527	3,700,877
Committed	-	-	-	-	-	-	-	-	421,560	582,755
Assigned, specifically*	-	-	-	-	-	-	-	-	1,493,221	1,281,030
Assigned, non-specific**	-	-	-	-	-	-	-	-	6,056,580	5,680,452
Total all other governmental funds	<u>\$ 6,160,443</u>	<u>\$ 7,171,762</u>	<u>\$ 7,117,799</u>	<u>\$ 8,784,952</u>	<u>\$ 10,157,870</u>	<u>\$ 10,277,604</u>	<u>\$ 7,214,089</u>	<u>\$ 3,620,795</u>	<u>\$ 9,451,888</u>	<u>\$ 11,245,114</u>
Total governmental funds, fund balances	<u>\$ 26,867,556</u>	<u>\$ 29,688,469</u>	<u>\$ 33,737,264</u>	<u>\$ 37,376,510</u>	<u>\$ 33,905,393</u>	<u>\$ 37,122,122</u>	<u>\$ 33,662,455</u>	<u>\$ 31,779,988</u>	<u>\$ 37,325,484</u>	<u>\$ 39,414,260</u>

Note: With the conversion of GASB 34 the following changes occurred:
- the 2002 fund balance is restated in 2003 financial statements,
- special revenue funds for the years beginning 2002 include Sheriff Trusts Special Revenue Funds,
- beginning in 2003, capital projects fund balance is separated between reserved for unspent debt proceeds and unreserved but designated for subsequent year projects.
-1999 to 2007 have not been converted to the new GASB 54 Fund Balance Terminology

* Specifically assigned fund balance refers to those assets assigned to specific purposes

** Non-specific assigned fund balance refers to remaining amounts that are limited to the general category of the the fund's purpose

TABLE 4
WALWORTH COUNTY, WISCONSIN
 Changes in Funds Balances - Governmental Funds
 Last Ten Fiscal Years

	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
Revenues										
Taxes	\$38,053,570	\$40,584,929	\$45,010,223	\$47,333,317	\$50,615,811	\$53,048,694	\$53,109,631	\$56,064,682	\$ 57,300,471	\$59,277,331
Intergovernmental	18,656,032	21,017,279	24,352,928	24,290,647	24,092,046	24,962,700	25,579,590	26,146,651	27,748,565	27,552,748
Licenses and permits	242,590	375,293	324,951	387,352	399,561	359,380	351,552	376,192	309,766	258,150
Fines, forfeitures and penalties	1,063,562	1,043,360	1,111,757	1,437,647	1,357,723	1,233,647	1,379,320	1,315,006	1,425,845	1,337,605
Charges for services	6,466,598	6,281,891	7,503,810	6,410,038	6,712,146	6,738,175	7,509,204	8,191,723	8,034,880	9,931,953
Miscellaneous	3,132,991	2,803,535	1,790,189	2,159,660	2,290,721	2,971,299	4,085,271	4,690,726	2,827,721	1,778,428
Total revenues	67,615,343	72,106,287	80,093,858	82,018,661	85,468,008	89,313,895	92,014,568	96,784,980	97,647,248	100,136,215
Expenditures										
General government	8,877,903	9,688,190	10,066,733	9,710,912	12,410,128	11,594,328	11,780,358	12,590,192	12,914,743	13,452,827
Public safety	16,159,278	16,606,214	17,333,121	18,384,651	19,030,720	19,740,148	20,137,931	22,015,542	22,495,773	23,791,636
Health and human services	24,711,698	26,208,884	27,646,305	29,434,868	29,992,775	28,981,077	28,903,629	30,961,410	30,096,850	30,492,456
Culture, recreation and education	9,136,350	10,430,412	10,886,520	11,264,203	11,726,546	12,261,159	13,333,312	15,345,841	19,063,558	15,420,296
Conservation and development	3,188,084	3,126,138	4,131,680	2,365,568	2,254,858	2,148,494	2,059,547	2,178,892	2,216,851	2,173,794
Capital outlay	2,867,096	7,810,957	10,989,667	11,051,109	9,659,829	13,155,446	18,525,611	16,537,505	6,535,211	7,906,951
Debt service										
Interest and fiscal charges	856,781	1,593,279	1,373,926	1,522,521	1,589,718	1,715,428	1,851,914	1,378,174	1,815,130	1,470,670
Principal	1,300,000	1,885,159	2,572,415	3,619,483	3,695,000	4,625,000	6,145,000	6,126,156	9,403,810	8,769,898
Total expenditures	67,097,190	77,349,233	85,000,367	87,353,315	90,359,574	94,221,080	102,737,302	107,133,712	104,541,926	103,478,528
Excess (deficiency) of revenues over expenditures	518,153	(5,242,946)	(4,906,509)	(5,334,654)	(4,891,566)	(4,907,185)	(10,722,734)	(10,348,732)	(6,894,678)	(3,342,313)
Other financing sources (uses)										
Proceeds from borrowing, net	6,952,011	7,912,951	7,538,749	9,318,413	6,122,999	9,787,053	7,340,642	9,857,652	8,596,300	5,319,895
Proceeds from refunding, net	-	7,035,670	3,875,000	-	-	-	-	-	3,319,441	-
Payments to escrow agent	-	(7,035,670)	(3,850,000)	-	-	-	-	-	-	-
Sale of assets	-	-	-	-	-	-	-	-	474,719	111,194
Transfers in	2,295,805	1,310,101	3,478,027	3,443,750	3,734,982	5,131,859	5,102,390	5,335,664	7,032,104	7,983,740
Transfers out	(3,337,062)	(1,159,193)	(2,086,472)	(3,788,263)	(8,437,532)	(6,794,998)	(5,179,965)	(6,727,051)	(6,982,390)	(7,983,740)
Total other financing sources (uses)	5,910,754	8,063,859	8,955,304	8,973,900	1,420,449	8,123,914	7,263,067	8,466,265	12,440,174	5,431,089
Net change in fund balances^(a)	\$ 6,428,907	\$ 2,820,913	\$ 4,048,795	\$ 3,639,246	\$ (3,471,117)	\$ 3,216,729	\$ (3,459,667)	\$ (1,882,467)	\$ 5,545,496	\$ 2,088,776
Debt service as a percentage of non-capital expenditures	3.36%	5.00%	5.33%	6.74%	6.55%	7.82%	9.50%	8.28%	11.45%	10.72%

Note:

(a) In 2004, the risk management fund was transferred from the general fund to an internal service fund, resulting in a \$5 million reduction of fund balance in the governmental funds.

TABLE 5
WALWORTH COUNTY, WISCONSIN
 Governmental Expenditures by Function
 Last Ten Fiscal Years

Fiscal Year	General Government	Public Safety	Health & Human Services	Culture, Recreation & Education	Conservation and Development	Capital Outlay	Debt Service		Total
							Principal	Interest & Fiscal Charges	
2000	\$ 8,877,903	\$16,159,278	\$ 24,711,698	\$ 9,136,350	\$ 3,188,084	\$ 2,867,096	\$ 1,300,000	\$ 856,781	\$ 67,097,190
% of Total	13.2%	24.1%	36.8%	13.6%	4.8%	4.3%	1.9%	1.3%	100.0%
2001	\$ 9,688,190	\$16,606,214	\$ 26,208,884	\$ 10,430,412	\$ 3,126,138	\$ 7,810,957	\$ 1,885,159	\$ 1,593,279	\$ 77,349,233
% of Total	12.5%	21.5%	33.9%	13.5%	4.0%	10.1%	2.4%	2.1%	100.0%
2002	\$ 10,066,733	\$17,333,121	\$ 27,646,305	\$ 10,886,520	\$ 4,131,680	\$ 10,989,667	\$ 2,572,415	\$ 1,373,926	\$ 85,000,367
% of Total	11.8%	20.4%	32.5%	12.8%	4.9%	12.9%	3.0%	1.7%	100.0%
2003	\$ 9,710,912	\$18,384,651	\$ 29,434,868	\$ 11,264,203	\$ 2,365,568	\$ 11,051,109	\$ 3,619,483	\$ 1,522,521	\$ 87,353,315
% of Total	11.1%	21.0%	33.7%	12.9%	2.7%	12.7%	4.1%	1.8%	100.0%
2004	\$ 12,410,128	\$19,030,720	\$ 29,992,775	\$ 11,726,546	\$ 2,254,858	\$ 9,659,829	\$ 3,695,000	\$ 1,589,718	\$ 90,359,574
% of Total	13.7%	21.1%	33.2%	13.0%	2.5%	10.7%	4.1%	1.7%	100.0%
2005	\$ 11,594,328	\$19,740,148	\$ 28,981,077	\$ 12,261,159	\$ 2,148,494	\$ 13,155,446	\$ 4,625,000	\$ 1,715,428	\$ 94,221,080
% of Total	12.3%	21.0%	30.8%	13.0%	2.3%	14.0%	4.9%	1.7%	100.0%
2006	\$ 11,780,358	\$20,137,931	\$ 28,903,629	\$ 13,333,312	\$ 2,059,547	\$ 18,525,611	\$ 6,145,000	\$ 1,851,914	\$ 102,737,302
% of Total	11.5%	19.6%	28.1%	13.0%	2.0%	18.0%	6.0%	1.8%	100.0%
2007	\$ 12,590,192	\$22,015,542	\$ 30,961,410	\$ 15,345,841	\$ 2,178,892	\$ 16,537,505	\$ 6,126,156	\$ 1,378,174	\$ 107,133,712
% of Total	11.8%	20.5%	29.0%	14.3%	2.0%	15.4%	5.7%	1.3%	100.0%
2008	\$ 12,914,743	\$22,495,773	\$ 30,096,850	\$ 19,063,558	\$ 2,216,851	\$ 6,535,211	\$ 9,403,810	\$ 1,815,130	\$ 104,541,926
% of Total	12.4%	21.5%	28.8%	18.2%	2.1%	6.3%	9.0%	1.7%	100.0%
2009	\$ 13,452,827	\$23,791,636	\$ 30,492,456	\$ 15,420,296	\$ 2,173,794	\$ 7,906,951	\$ 8,769,898	\$ 1,470,670	\$ 103,478,528
% of Total	13.0%	23.0%	29.5%	14.9%	2.1%	7.6%	8.5%	1.4%	100.0%

Note: This summary includes the general fund, special revenue funds, debt service fund, and capital projects fund

TABLE 6
WALWORTH COUNTY, WISCONSIN
 Governmental Revenues by Source
 Last Ten Fiscal Years

Fiscal Year	Taxes	Inter- governmental	Licenses and Permits	Fines Forfeits & Penalties	Charges for Services	Miscellaneous	Total
2000	\$ 38,053,570	\$ 18,656,032	\$ 242,590	\$ 1,063,562	\$ 6,466,598	\$ 3,132,991	\$ 67,615,343
% of Total	56.3%	27.6%	0.4%	1.6%	9.6%	4.5%	100.0%
2001	\$ 40,584,929	\$ 21,017,279	\$ 375,293	\$ 1,043,360	\$ 6,281,891	\$ 2,803,535	\$ 72,106,287
% of Total	56.3%	29.1%	0.5%	1.4%	8.7%	4.0%	100.0%
2002	\$ 45,010,223	\$ 24,352,928	\$ 324,951	\$ 1,111,757	\$ 7,503,810	\$ 1,790,189	\$ 80,093,858
% of Total	56.2%	30.4%	0.4%	1.4%	9.4%	2.2%	100.0%
2003	\$ 47,333,317	\$ 24,290,647	\$ 387,352	\$ 1,437,647	\$ 6,410,038	\$ 2,159,660	\$ 82,018,661
% of Total	57.7%	29.6%	0.5%	1.8%	7.8%	2.6%	100.0%
2004	\$ 50,615,811	\$ 24,092,046	\$ 399,561	\$ 1,357,723	\$ 6,712,146	\$ 2,290,721	\$ 85,468,008
% of Total	59.2%	28.2%	0.5%	1.6%	7.9%	2.6%	100.0%
2005	\$ 53,048,694	\$ 24,962,700	\$ 359,380	\$ 1,233,647	\$ 6,738,175	\$ 2,971,299	\$ 89,313,895
% of Total	59.4%	27.9%	0.4%	1.4%	7.5%	3.4%	100.0%
2006	\$ 53,109,631	\$ 25,579,590	\$ 351,552	\$ 1,379,320	\$ 7,509,204	\$ 4,085,271	\$ 92,014,568
% of Total	57.7%	27.8%	0.4%	1.5%	8.2%	4.4%	100.0%
2007	\$ 56,064,682	\$ 26,146,651	\$ 376,192	\$ 1,315,006	\$ 8,191,723	\$ 4,690,726	\$ 96,784,980
% of Total	57.9%	27.0%	0.4%	1.4%	8.5%	4.8%	100.0%
2008	\$ 57,300,471	\$ 27,748,565	\$ 309,766	\$ 1,425,845	\$ 8,034,880	\$ 2,827,721	\$ 97,647,248
% of Total	58.7%	28.4%	0.3%	1.5%	8.2%	2.9%	100.0%
2009	\$ 59,277,331	\$ 27,552,748	\$ 258,150	\$ 1,337,605	\$ 9,931,953	\$ 1,778,428	\$ 100,136,215
% of Total	59.2%	27.5%	0.3%	1.3%	9.9%	1.8%	100.0%

Note: This summary includes general fund, special revenue funds, debt service fund, and capital projects fund

TABLE 7
WALWORTH COUNTY, WISCONSIN
 Equalized Value of Taxable Property (a)
 Last Ten Fiscal Years

Fiscal Year	Real Estate							Personal Property	Less: Tax Incremental Districts (TIDS)	Total (b)	General County Tax Rate (c)
	Residential	Commercial	Manufacturing	Agricultural	Undeveloped	Forest	Other				
2000	5,707,930,900	892,691,300	184,361,400	126,162,500	14,571,500	25,876,800	199,535,000	142,549,600	218,354,400	7,075,324,600	5.08
2001	6,236,427,300	966,748,100	193,128,100	125,756,000	17,604,300	27,440,100	200,020,300	172,340,200	239,997,000	7,699,467,400	5.14
2002	6,846,525,500	1,075,947,900	198,207,800	68,350,300	15,572,300	30,066,600	219,682,300	135,392,100	285,286,400	8,304,458,400	5.13
2003	7,599,633,300	1,187,818,000	208,183,200	49,116,700	24,570,700	34,224,700	233,630,300	141,438,500	361,453,600	9,117,161,800	4.94
2004	8,305,937,100	1,248,126,600	212,165,300	46,189,900	15,549,300	39,419,600	232,883,100	142,097,000	320,461,800	9,921,906,100	4.75
2005	9,480,500,500	1,367,627,300	214,360,100	46,558,900	24,472,300	32,698,800	250,878,100	148,136,700	380,372,500	11,184,860,200	4.40
2006	10,924,604,900	1,499,826,200	220,408,600	49,448,200	40,240,300	45,803,900	267,720,300	159,372,700	481,058,500	12,726,366,600	4.10
2007	12,300,327,100	1,531,444,300	237,648,000	52,961,200	23,023,300	29,669,900	268,943,600	155,854,800	583,552,100	14,016,320,100	3.91
2008	13,008,079,500	1,662,831,300	239,045,700	55,092,900	23,182,800	32,439,800	288,645,400	156,881,900	658,530,300	14,807,669,000	3.88
2009	13,034,746,700	1,740,859,600	238,351,500	55,485,100	24,063,600	57,812,200	299,124,100	160,140,300	621,911,300	14,988,671,800	3.88

Source: Wisconsin Department of Revenue, Bureau of Property Tax

Notes:

- (a) Due to varying assessment ratios to full market value used in municipalities, all underlying tax districts such as counties are required to use equalized value for levying property taxes. Equalized value, defined by State Statute, is the legal market value determined by the Wisconsin Department of Revenue, Bureau of Property Tax.
- (b) Equalized values are reduced by Tax Increment District value increments for apportioning the County levy.
- (c) Per \$1,000 of equalized value.

TABLE 8
WALWORTH COUNTY, WISCONSIN
 Property Tax Rates
 Last Ten Fiscal Years
 (Amounts shown are per \$1,000 of Equalized Valuation)

District	2009 TOTAL EQUALIZED VALUE	NET TAX RATE - YEAR LEVIED									
		2009	2008	2007	2006	2005	2004	2003	2002	2001	2000
County Direct Rates (per \$1,000 of equalized value)											
Children with Disabilities Education Board		0.59	0.61	0.64	0.63	n/a	n/a	n/a	n/a	n/a	n/a
County (All Other)		3.37	3.28	3.27	3.47	4.40	4.75	4.94	5.13	5.14	5.08
Total County Direct Rates		3.96	3.89	3.91	4.10	4.40	4.75	4.94	5.13	5.14	5.08
CITY											
Burlington	\$ 565,000	\$ 20.63	\$ 19.95	\$ 16.51	\$ 19.43	\$ 20.28	\$ 21.36	\$ 22.36	\$ 22.99	\$ 23.62	\$ 23.49
Delavan	752,851,600	20.20	19.28	19.90	19.43	20.28	21.36	22.36	22.99	23.62	23.49
Elkhorn	731,931,100	18.75	17.83	16.72	16.96	18.15	20.43	21.38	21.70	21.09	21.44
Lake Geneva	1,371,364,300	17.20	17.17	17.35	18.00	19.60	21.62	21.43	22.79	23.91	23.53
Whitewater	571,274,300	18.29	17.49	17.39	17.24	19.16	20.06	20.57	20.81	21.84	22.26
CITY TOTAL	\$ 3,427,986,300										
TOWN											
Bloomfield	\$ 513,859,600	\$ 15.76	\$ 15.48	\$ 15.21	\$ 15.28	\$ 17.26	\$ 19.30	\$ 18.84	\$ 19.91	\$ 22.68	\$ 23.17
Darien	187,310,500	12.66	11.91	11.64	11.55	12.46	12.92	13.23	13.50	14.09	14.42
Delavan	1,133,725,800	13.53	12.89	13.04	13.66	15.14	16.47	16.79	18.17	18.85	18.80
East Troy	766,218,600	13.99	13.14	13.16	12.69	13.84	15.23	15.77	16.45	21.98	19.11
Geneva	1,049,951,400	13.59	13.35	13.39	13.88	15.32	16.93	17.06	19.06	19.53	18.49
La Fayette	258,414,500	14.77	13.66	13.76	13.43	14.46	16.11	16.04	18.10	19.12	18.28
La Grange	850,510,600	13.63	12.65	12.44	13.17	13.81	15.12	15.70	16.26	17.21	17.47
Linn	1,979,172,400	12.76	12.54	12.88	13.37	14.99	16.38	17.10	19.12	19.08	19.68
Lyons	492,888,200	13.49	13.05	13.08	13.01	13.70	15.16	16.51	16.87	18.40	17.27
Richmond	265,146,700	14.08	13.20	13.03	12.84	13.98	14.93	15.25	16.77	17.44	18.14
Sharon	76,780,800	16.27	15.72	16.30	16.80	18.12	19.31	19.80	22.09	22.09	22.29
Spring Prairie	254,718,500	15.30	14.68	14.74	14.89	15.87	17.66	17.87	20.64	20.98	22.91
Sugar Creek	396,187,600	13.85	13.13	12.73	12.64	13.79	15.15	15.45	16.70	17.40	18.54
Troy	272,222,500	14.99	14.17	13.76	13.86	15.09	16.73	16.51	17.23	16.82	17.09
Walworth	245,600,800	12.50	12.07	12.28	13.22	14.68	15.32	15.77	18.15	18.73	18.32
Whitewater	325,744,000	14.44	13.44	13.14	12.93	14.45	15.61	15.80	16.13	16.90	17.54
TOWN TOTAL	\$ 9,068,452,500										
VILLAGE											
Darien	\$ 113,418,400	\$ 24.33	\$ 22.95	\$ 22.89	\$ 22.37	\$ 23.87	\$ 24.87	\$ 25.71	\$ 25.50	\$ 25.81	\$ 26.42
East Troy	364,188,000	19.05	17.46	17.30	16.84	18.21	19.82	20.13	20.53	20.78	20.44
Fontana	1,326,316,400	12.94	12.52	12.57	13.71	15.35	16.58	17.54	19.52	19.29	19.65
Genoa City	196,313,200	24.11	22.75	20.31	21.69	22.44	27.57	23.62	25.51	27.52	27.29
Mukwonago	13,929,700	19.37	17.83	17.54	18.41	18.73	20.16	21.59	18.59	22.58	26.20
Sharon	85,821,400	21.44	20.87	21.98	22.43	25.36	26.47	27.24	27.90	27.36	29.36
Walworth	216,050,900	18.13	16.68	16.55	17.67	18.79	20.32	21.24	21.79	21.94	22.07
Williams Bay	798,106,300	12.61	12.70	12.97	14.07	15.43	16.77	18.02	18.23	23.62	20.10
VILLAGE TOTAL	\$ 3,114,144,300										
COUNTY TOTAL	\$ 15,610,583,100										

Source: Walworth County Treasurer's Office

Note: The above tax rates are shown by year of levy. Collection generally occurs the year following the year of levy. If there is more than one school tax district, the rates are averaged for the total municipality.

n/a - The Children with Disabilities Education Board began to levy separately in 2006.

TABLE 9
WALWORTH COUNTY, WISCONSIN
Principal Property Tax Payers
For December 31, 2009 and Nine Years Prior

Taxpayer	2009			2000*		
	Equalized Value	Rank	Percentage of Total County Equalized Value	Equalized Value	Rank	Percentage of Total County Equalized Value
Delavan Resort Holdings, LLC (Lake Lawn Lodge - 2000)	\$ 28,665,745	1	0.18%	\$ 15,144,185	4	0.21%
Grand Geneva, LLC (Marcus Geneva Inc - 2000)	34,737,495	2	0.22%	23,003,199	2	0.32%
DLK Enterprises, Inc.	49,878,853	4	0.32%	23,542,366	1	0.32%
Kikkoman Foods, Inc.	23,894,804	3	0.15%	14,757,366	5	0.20%
Wal-Mart Real Estate Business	34,071,411	5	0.22%			
Lake Geneva Investors, LLC	14,813,129	6	0.09%			
Lake Geneva Shopping center	14,788,481	7	0.09%			
Lowe's Home Centers	12,048,854	8	0.08%			
Edwin L. Kowalski	12,748,604	9	0.08%			
Paloma Geneva National, LLC	15,855,625	10	0.10%	16,845,808	3	0.23%
Abbey/ABKA				13,131,349	6	0.18%
Geneva Lakes Cold Storage				11,466,348	7	0.16%
Midwest Track Associates				9,559,756	8	0.13%
William Wrigley				7,697,454	9	0.11%
Geneva Project				6,245,031	10	0.09%
Total	<u>\$ 241,503,001</u>		<u>1.14%</u>	<u>\$ 141,392,862</u>		<u>1.09%</u>

*Rankings are based on equalized values rather than actual taxes paid.

Source: Walworth County Treasurer's Office

TABLE 10
WALWORTH COUNTY, WISCONSIN
 Property Tax Levies and Collections
 Last Ten Fiscal Years

Levy Year	Collection Year	Total Tax Levy	Collections in Fiscal Year		Collections in Subsequent Years	Total Collections to Date		Delinquent Taxes to Date	
			Amount	Percentage of Levy		Amount	Percentage of Levy	Amount	Percentage of Levy
1999	2000	\$ 33,022,473	\$32,600,353	98.7%	\$ 422,120	\$ 33,017,981	99.99%	\$ -	0.00%
2000	2001	\$ 35,913,644	\$35,275,498	98.2%	\$ 638,146	\$ 35,908,456	99.99%	\$ -	0.00%
2001	2002	\$ 39,588,237	\$38,987,517	98.5%	\$ 600,720	\$ 39,577,768	99.97%	\$ -	0.00%
2002	2003	\$ 42,594,222	\$40,035,888	94.0%	\$ 2,558,334	\$ 42,578,181	99.96%	\$ -	0.00%
2003	2004	\$ 45,014,093	\$43,342,996	96.3%	\$ 1,671,097	\$ 45,009,661	99.99%	\$ -	0.00%
2004	2005	\$ 47,082,255	\$45,216,101	96.0%	\$ 1,866,154	\$ 47,077,892	99.99%	\$ -	0.00%
2005	2006	\$ 49,199,366	\$47,210,455	96.0%	\$ 1,988,911	\$ 49,195,070	99.99%	\$ -	0.00%
2006	2007	\$ 52,238,866	\$49,481,298	94.7%	\$ 2,439,419	\$ 51,917,370	99.38%	\$ 318,149	0.61%
2007	2008	\$ 54,753,860	\$50,648,952	92.5%	\$ 2,315,978	\$ 52,964,930	96.73%	\$ 1,788,930	3.27%
2008	2009	\$ 57,426,336	\$51,840,251	90.3%	\$ -	\$ 51,840,251	90.27%	\$ 5,586,085	9.73%

Source: Walworth County Treasurer's Office

TABLE 11
WALWORTH COUNTY, WISCONSIN
 Computation of Legal Debt Margin
 Last Ten Fiscal Years

Total equalized value for year ending December 31, 2009		<u>\$ 15,610,583,100</u>
Legal debt margin:		
Debt limitation, 5% of total equalized value (Wisconsin Statutory Limitation)		780,529,155
Debt applicable to limitation:		
General obligation bonds	19,230,000	
General obligation notes	28,890,000	
Authorized general obligation debt, not yet issued	<u>0</u>	
Total debt applicable to limitation at December 31, 2009	48,120,000	
Less amount available in debt service fund	<u>(638,844)</u>	<u>(47,481,156)</u>
Legal debt margin for year ending December 31, 2009		<u>\$ 733,047,999</u>

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	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Total equalized value - 12/31	\$7,293,679,000	\$7,939,464,400	\$8,589,744,800	\$9,478,615,400	\$10,242,367,900	\$11,417,096,000	\$13,207,425,100	\$14,599,872,200	\$15,466,199,300	\$15,610,583,100
Legal debt margin (5% of equalized value)	364,683,950	396,973,220	429,487,240	473,930,770	512,118,395	570,854,800	660,371,255	729,993,610	773,309,965	780,529,155
Debt applicable to limitation										
State Trust Funds	650,000	609,980	879,601	-	-	-	-	-	-	-
General Obligation Bonds	15,205,000	13,950,000	11,660,000	8,940,000	6,070,000	3,720,000	2,970,000	10,725,000	21,885,000	19,230,000
General Obligation Notes	7,291,000	14,825,000	22,045,000	31,045,000	36,290,000	43,815,000	45,770,000	40,940,000	30,995,000	28,890,000
Authorized debt, not yet issued	-	-	-	-	-	-	-	-	5,300,000	-
Total debt applicable to limitation - 12/31	<u>23,146,000</u>	<u>29,384,980</u>	<u>34,584,601</u>	<u>39,985,000</u>	<u>42,360,000</u>	<u>47,535,000</u>	<u>48,740,000</u>	<u>51,665,000</u>	<u>58,180,000</u>	<u>48,120,000</u>
Less amount available in debt service fund	<u>(342,962)</u>	<u>(361,866)</u>	<u>(474,729)</u>	<u>(468,389)</u>	<u>(503,487)</u>	<u>(453,929)</u>	<u>(413,600)</u>	<u>(420,897)</u>	<u>(594,982)</u>	<u>(638,844)</u>
Total debt applicable to limitation - 12/31	<u>22,803,038</u>	<u>29,023,114</u>	<u>34,109,872</u>	<u>39,516,611</u>	<u>41,856,513</u>	<u>47,081,071</u>	<u>48,326,400</u>	<u>51,244,103</u>	<u>57,585,018</u>	<u>47,481,156</u>
Legal debt margin - 12/31	<u>\$ 341,880,912</u>	<u>\$ 367,950,106</u>	<u>\$ 395,377,368</u>	<u>\$ 434,414,159</u>	<u>\$ 470,261,882</u>	<u>\$ 523,773,729</u>	<u>\$ 612,044,855</u>	<u>\$ 678,749,507</u>	<u>\$ 715,724,947</u>	<u>\$ 733,047,999</u>
Total net debt applicable to the limit as a percentage of debt limit	6%	7%	8%	8%	8%	8%	7%	7%	7%	6%

TABLE 12
WALWORTH COUNTY, WISCONSIN
Ratio of General Obligation Bonded Debt
To Equalized Value and Net General Obligation Bonded Debt per Capita
Last Ten Fiscal Years

Fiscal Year	Population ^(a)	Equalized Value ^(b)	Governmental Gross Bonded Debt	Business-Type Gross Bonded Debt	Total Gross Bonded Debt	Less Debt Service Fund ^(c)	Net Bonded Debt	Ratio of Net Bonded Debt to Equalized Value	Percentage of Personal Income ^(a)	Net Bonded Debt per Capita
2000	91,996	\$ 7,293,679,000	\$ 23,146,000	\$ -	\$ 23,146,000	\$ 342,962	\$ 22,803,038	0.31%	0.90%	\$ 248
2001	93,032	\$ 7,939,464,400	\$ 29,384,980	\$ -	\$ 29,384,980	\$ 361,866	\$ 29,023,114	0.37%	1.14%	\$ 312
2002	94,532	\$ 8,589,744,800	\$ 34,584,602	\$ -	\$ 34,584,602	\$ 474,729	\$ 34,109,873	0.40%	1.32%	\$ 361
2003	95,630	\$ 9,478,615,400	\$ 39,985,000	\$ -	\$ 39,985,000	\$ 468,389	\$ 39,516,612	0.42%	1.48%	\$ 413
2004	97,052	\$ 10,242,367,900	\$ 42,360,000	\$ -	\$ 42,360,000	\$ 503,487	\$ 41,856,513	0.41%	1.48%	\$ 431
2005	98,496	\$ 11,565,232,700	\$ 39,935,000	\$ 7,600,000	\$ 47,535,000	\$ 453,929	\$ 47,081,071	0.41%	1.60%	\$ 478
2006	99,761	\$ 13,207,425,100	\$ 34,740,000	\$ 14,000,000	\$ 48,740,000	\$ 413,600	\$ 48,326,400	0.37%	1.57%	\$ 484
2007	100,672	\$ 14,599,872,200	\$ 38,373,776	\$ 13,391,224	\$ 51,765,000	\$ 420,897	\$ 51,344,103	0.35%	1.59%	\$ 510
2008	101,315	\$ 15,466,199,300	\$ 40,337,620	\$ 12,542,380	\$ 52,880,000	\$ 594,892	\$ 52,285,108	0.34%	n/a	\$ 516
2009	101,808	\$ 15,610,583,100	\$ 38,198,912	\$ 9,921,088	\$ 48,120,000	\$ 638,844	\$ 47,481,156	0.30%	n/a	\$ 466

Note: Details regarding the County's outstanding debt can be found in the notes to the financial statements.

(a) From Table 15

(b) From Table 7

(c) Amount available for repayment of general obligation debt

n/a - information not yet available

TABLE 13
WALWORTH COUNTY, WISCONSIN
Ratio of Annual Debt Service Expenditures
For General Obligation Debt
To Total General Governmental Expenditures
Last Ten Fiscal Years

Fiscal Year	Principal	Interest and Fiscal Charges ^(a)	Total Debt Service ^(a)	Total Governmental Expenditures ^(b)	Ratio of Debt Service to Governmental Expenditures
2000	\$ 1,300,000	\$ 856,781	\$ 2,156,781	\$ 67,097,190	3.2%
2001	\$ 1,885,159	\$ 1,539,692	\$ 3,424,851	\$ 77,349,233	4.4%
2002	\$ 2,572,415	\$ 1,320,731	\$ 3,893,146	\$ 85,000,367	4.6%
2003	\$ 3,619,483	\$ 1,522,521	\$ 5,142,004	\$ 87,353,315	5.9%
2004	\$ 3,695,000	\$ 1,559,157	\$ 5,254,157	\$ 90,359,574	5.8%
2005	\$ 4,625,000	\$ 1,674,092	\$ 6,299,092	\$ 94,221,080	6.7%
2006	\$ 5,536,224	\$ 1,561,380	\$ 7,097,604	\$ 102,737,302	6.9%
2007	\$ 6,126,156	\$ 1,378,174	\$ 7,504,330	\$ 107,133,712	7.0%
2008	\$ 9,403,810	\$ 1,757,296	\$ 11,161,106	\$ 104,541,926	10.7%
2009	\$ 8,769,898	\$ 1,426,520	\$ 10,196,418	\$ 103,478,528	9.9%

Note: This schedule excludes general obligation debt of proprietary funds.

(a) Excludes bond issuance and other costs

(b) Includes general fund, special revenue funds, debt service fund, and capital projects fund.

TABLE 14
WALWORTH COUNTY, WISCONSIN
 Computation of Direct and Overlapping General Obligation Bonded Debt
 December 31, 2009

Jurisdiction	Net General Obligation Bonded Debt Outstanding	Percentage Applicable to Walworth County	Amount Applicable to Government
Direct:			
Walworth County	\$ 48,120,000	100.00%	\$ 48,120,000
Overlapping:			
City:			
Delavan	22,666,290	100.00%	22,666,290
Elkhorn	19,814,860	100.00%	19,814,860
Lake Geneva	5,795,000	100.00%	5,795,000
Whitewater	16,179,953	89.40%	14,464,878
CITY TOTAL	64,456,103		62,741,028
Town:			
Delavan	1,895,000	100.00%	1,895,000
East Troy	302,000	100.00%	302,000
Linn	356,313	100.00%	356,313
Lyons	71,428	100.00%	71,428
Spring Prairie	3,095,000	100.00%	3,095,000
Troy	340,000	100.00%	340,000
TOWN TOTAL	6,059,741		6,059,741
Village:			
Darien	3,930,000	100.00%	3,930,000
East Troy	2,165,000	100.00%	2,165,000
Fontana-on-Geneva Lake	14,618,141	100.00%	14,618,141
Genoa City	2,925,000	100.00%	2,925,000
Mukwonago	23,471,971	1.80%	422,495
Sharon	689,202	100.00%	689,202
Walworth	200,986	100.00%	200,986
Williams Bay	3,324,452	100.00%	3,324,452
VILLAGE TOTAL	51,324,752		28,275,276
School Districts:			
Big Foot	6,585,805	100.00%	6,585,805
Clinton	14,070,000	0.37%	51,908
Delavan-Darien	10,405,000	99.73%	10,376,664
East Troy	8,107,020	99.46%	8,063,044
Elkhorn	28,735,000	100.00%	28,735,000
Fontana	1,840,000	100.00%	1,840,000
Lake Geneva Jt 4	1,670,000	100.00%	1,670,000
Genoa City Jt 2	10,345,000	100.00%	10,345,000
Lake Geneva Jt 1	16,485,000	100.00%	16,485,000
Lake Geneva-Genoa City Unified High School	21,690,000	100.00%	21,690,000
Linn Jt 4	1,885,000	100.00%	1,885,000
Linn Jt 6	193,876	100.00%	193,876
Mukwonago	11,510,000	0.03%	3,395
Palmyra-Eagle	14,733,006	3.72%	547,909
Walworth	530,000	100.00%	530,000
Whitewater	15,204,626	84.66%	12,872,898
Williams Bay	4,143,986	100.00%	4,143,986
SCHOOL DISTRICT TOTAL	168,133,319		126,019,485
Technical College:			
Gateway	36,150,000	34.00%	12,291,000
Special Districts:			
Country Estates	243,279	100.00%	243,279
Delavan Lake Sanitary	360,000	100.00%	360,000
East Troy	35,000	100.00%	35,000
Lake Beulah	170,000	100.00%	170,000
Lake Como Sanitary	2,880,000	100.00%	2,880,000
Lauderdale Lakes Lake Management	877,764	100.00%	877,764
Troy Sanitary District	2,342	100.00%	2,342
WALCOMET	15,451,028	100.00%	15,451,028
SPECIAL DISTRICT TOTAL	20,019,413		20,019,413
TOTAL DEBT APPLICABLE TO WALWORTH COUNTY	\$ 394,263,328		\$ 303,525,943

The percentage of applicable net general obligation bonded debt outstanding is based on the portion of equalized values of the jurisdiction located within Walworth County.

Source: Robert W. Baird & Company

TABLE 15
WALWORTH COUNTY, WISCONSIN
 Demographic and Economic Statistics
 Last Ten Fiscal Years

Fiscal Year	Population ^(a)	Personal Income ^(b) <i>thousands of dollars</i>	Per Capita Personal Income ^(b)	School Enrollment ^(c)	Annual Unemployment Rate ^(d)	Total Residential Housing Units ^(a)
2000	92,013	2,522,363	27,293	16,561	2.9%	43,766
2001	93,032	2,539,118	27,144	16,727	3.9%	44,727
2002	94,532	2,589,936	27,202	17,290	4.8%	45,565
2003	95,630	2,676,919	27,626	17,483	4.8%	46,535
2004	97,052	2,821,971	28,787	17,010	4.4%	47,479
2005	98,496	2,941,270	29,485	17,699	4.2%	48,575
2006	99,761	3,081,015	30,688	17,710	4.3%	49,560
2007	100,672	3,233,555	32,239	17,868	4.4%	50,174
2008	101,315	n/a	n/a	17,819	4.6%	50,666
2009	101,808	n/a	n/a	17,736	8.8%	50,958

Source:

- (a) Wisconsin Department of Administration, Demographic Services Center
- (b) Wisconsin Department of Workforce Development
- (c) Wisconsin Department of Public Instruction - public and private enrollment
- (d) US Department of Labor, Bureau of Labor Statistics

n/a - information not yet available

TABLE 16
WALWORTH COUNTY, WISCONSIN
 Principal Employers
 For December 31, 2009 and Nine Years Prior

Employer	Type of Business	2009			2000		
		Employees	Rank	Percentage of Total County Labor Force	Employees	Rank	Percentage of Total County Labor Force
University of Wisconsin - Whitewater	College	1000+	1	1.76%	1000+	2	1.85%
County of Walworth	Governmental Agency	500-999	2	1.75%	1000+	1	1.85%
Grand Geneva LLC (Pfister Corp - 2000)	Resort	500-999	3	1.75%	500-999	4	1.84%
Wal-Mart Associates	Discount Department Store	500-999	4	1.75%			
Pentair Water Group Inc (Sta-Rite Industries - 2000)	Manufacturer - Pumps	500-999	5	1.75%	500-999	3	1.84%
Aurora Health Care of Southern Lakes	Medical/Surgical Hospital	500-999	6	1.75%	500-999	5	1.84%
Miniature Precision Components Inc.	Manufacturer - Plastics	250-499	7	0.88%	250-499	6	0.92%
Elkhorn Area School District	Elementary/Secondary School	250-499	8	0.88%	250-499	10	0.92%
School District of Delavan-Darien	Elementary/Secondary School	250-499	9	0.88%			
Whitewater Unified School District	Elementary/Secondary School	250-499	10	0.88%			
Southern Wisconsin Foods LLC	Eating & Drinking Places				250-499	7	0.92%
Abbey Management Corp	Hotels and Motels				250-499	8	0.92%
United Dominion Industries Inc	Fluid Power Valves and Hose Fittings				250-499	9	0.92%
Total				14.04%			13.83%

Source: Wisconsin Department of Workforce Development, Bureau of Workforce Training - April, 2009

Note: Exact employee count was not available, the percentage of total employment was calculated using the top of each range.

TABLE 17
WALWORTH COUNTY, WISCONSIN
 Full-time Equivalent County Government Employees by Function/Department
 Last Ten Fiscal Years

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
General government										
County board	-	-	-	-	-	0.50	0.50	0.50	0.75	0.75
County clerk	4.00	4.00	4.16	4.16	4.00	4.00	4.20	4.20	4.20	4.00
Administration	2.00	8.50	8.50	7.50	18.50	15.00	15.00	10.50	10.50	12.50
Corp counsel	6.00	-	-	-	-	-	-	-	-	-
Human resources	9.00	11.00	11.00	10.00	-	-	-	-	-	-
Finance	13.00	13.00	13.00	12.00	12.00	16.00	16.00	14.00	14.00	14.50
Treasurer	5.16	5.30	5.30	4.98	4.99	4.99	4.99	5.99	5.88	4.88
Coroner	1.24	1.30	1.34	1.34	1.32	1.32	1.44	1.44	1.44	0.77
Clerk of courts	30.05	30.05	30.05	30.05	29.49	30.30	30.30	29.86	29.61	29.61
District attorney	11.15	11.15	11.05	11.05	11.55	11.55	11.55	11.55	11.50	11.50
Register of deeds	6.58	6.08	6.08	6.50	6.50	6.50	8.00	8.00	8.00	8.00
Information systems	13.00	13.00	13.00	11.00	17.00	17.00	14.00	13.00	13.00	13.00
Land information	-	5.00	5.00	4.00	-	-	-	-	-	-
Surveyor	4.00	-	-	-	-	-	-	-	-	-
	<u>105.18</u>	<u>108.38</u>	<u>108.48</u>	<u>102.58</u>	<u>105.35</u>	<u>107.16</u>	<u>105.98</u>	<u>99.04</u>	<u>98.88</u>	<u>99.51</u>
Public safety										
Sheriff	219.27	219.27	222.69	222.69	225.93	224.92	221.40	220.40	213.90	214.90
	<u>219.27</u>	<u>219.27</u>	<u>222.69</u>	<u>222.69</u>	<u>225.93</u>	<u>224.92</u>	<u>221.40</u>	<u>220.40</u>	<u>213.90</u>	<u>214.90</u>
Health and human services										
Health and human services	158.04	156.09	156.09	156.59	158.21	158.34	156.32	162.12	162.62	166.12
Veterans	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
	<u>160.04</u>	<u>158.09</u>	<u>158.09</u>	<u>158.59</u>	<u>160.21</u>	<u>160.34</u>	<u>158.32</u>	<u>164.12</u>	<u>164.62</u>	<u>168.12</u>
Culture, recreation, and education										
UW extension	5.00	5.00	5.00	3.00	3.00	3.00	3.00	3.00	2.75	2.75
Lakeland school	164.88	177.29	182.85	182.81	183.16	188.89	196.90	180.72	167.51	149.05
	<u>169.88</u>	<u>182.29</u>	<u>187.85</u>	<u>185.81</u>	<u>186.16</u>	<u>191.89</u>	<u>199.90</u>	<u>183.72</u>	<u>170.26</u>	<u>151.80</u>

TABLE 17
WALWORTH COUNTY, WISCONSIN
 Full-time Equivalent County Government Employees by Function/Department (concluded)
 Last Ten Fiscal Years

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Conservation and development										
Planning/zoning/sanitation/solid waste	19.00	-	-	-	-	-	-	-	-	-
Land conservation	7.50	-	-	-	-	-	-	-	-	-
Land use and resource management	-	26.50	26.50	27.00	23.00	23.00	22.00	21.00	21.00	20.00
	<u>26.50</u>	<u>26.50</u>	<u>26.50</u>	<u>27.00</u>	<u>23.00</u>	<u>23.00</u>	<u>22.00</u>	<u>21.00</u>	<u>21.00</u>	<u>20.00</u>
Lakeland health care center										
Lakeland health care center	303.15	268.11	267.61	260.66	251.10	197.76	163.77	146.69	142.29	139.54
	<u>303.15</u>	<u>268.11</u>	<u>267.61</u>	<u>260.66</u>	<u>251.10</u>	<u>197.76</u>	<u>163.77</u>	<u>146.69</u>	<u>142.29</u>	<u>139.54</u>
Highway/facilities administration										
Public works	-	83.67	83.68	75.48	68.49	66.49	65.49	73.25	77.25	74.25
Highway	54.35	-	-	-	-	-	-	-	-	-
Facilities	29.28	-	-	-	-	-	-	-	-	-
Lakeland agricultural complex	2.00	1.00	-	-	-	-	-	-	-	-
	<u>85.63</u>	<u>84.67</u>	<u>83.68</u>	<u>75.48</u>	<u>68.49</u>	<u>66.49</u>	<u>65.49</u>	<u>73.25</u>	<u>77.25</u>	<u>74.25</u>
Total Full-time Equivalents	<u>1,069.65</u>	<u>1,047.31</u>	<u>1,054.90</u>	<u>1,032.81</u>	<u>1,020.24</u>	<u>971.56</u>	<u>936.86</u>	<u>908.22</u>	<u>888.20</u>	<u>868.12</u>

Notes:

- *Reorganization of Administration, Finance & Public Works in 2007
- *Administration and Human Resources were consolidated in 2003
- *Information Systems and Land Information were consolidated in 2003
- *Solid Waste was transferred to Public Works in 2003
- *Administration and Corp Counsel were consolidated in 2001
- *Facilities and Highway Dept were consolidated into Public Works in 2001
- *Zoning and Land Conservation were consolidated into Land Use and Resource Management in 2001
- *Surveyor was outsourced in 2001

TABLE 18
WALWORTH COUNTY, WISCONSIN
 Operating Indicators by Function/Department
 Last Ten Fiscal Years

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
General government										
Register of deeds										
Real estate documents processed	24,512	35,693	43,061	51,110	38,136	36,987	32,937	29,225	25,513	28,078
Birth records processed	1,324	1,397	1,423	1,496	1,447	1,548	1,646	1,649	1,668	1,613
Death records processed	880	861	901	838	911	925	897	851	860	892
Marriage records processed	799	772	794	798	793	825	841	811	809	745
Domestic partnership declarations recorded	n/a	11								
County clerk										
Marriage licenses issued	783	765	768	761	714	788	755	739	745	693
Domestic partnership declarations issued	n/a	12								
Single dog tags issued	4,733	4,776	4,798	4,711	4,917	4,962	5,085	5,065	5,038	4,803
Kennel tags (12 each) issued	13	12	13	12	10	8	6	6	12	7
Single kennel tags issued	17	21	27	25	33	17	19	13	13	11
Clerk of courts										
Case filings	21,621	22,265	24,008	21,814	24,758	22,492	22,458	17,971	19,058	21,742
District Attorney										
Felony cases	561	542	578	629	593	691	642	551	566	515
Misdemeanor cases	800	770	693	744	653	764	820	777	756	701
Juvenile delinquency cases	207	168	121	126	134	120	157	94	124	85
Criminal traffic cases	695	664	835	1,047	1,067	1,080	1,131	1,028	1,124	1,011
Victim/witness contacts	1,007	1,066	1,087	1,107	1,185	1,270	1,698	1,505	1,097	1,575
Coroner										
Death investigations	604	590	619	573	644	868	887	891	879	1,014
Autopsies performed	65	73	84	94	76	106	75	88	86	101
Cremation permit issues	258	262	282	256	303	333	345	318	337	386
Treasurer										
Tax parcels	n/a	n/a	59,331	59,745	60,545	61,250	62,312	63,764	64,945	68,760
Information Technology										
Help desk requests received	n/a	n/a	n/a	n/a	3,265	6,985	6,969	5,488	6,243	6,447
Public safety										
Traffic citations	4,870	6,662	7,613	6,964	4,545	3,649	5,035	3,605	3,370	3,697
Ordinance citations	1,802	1,380	1,959	1,846	1,862	1,029	1,322	1,093	1,025	1,461
Traffic accidents reported	682	585	725	811	811	833	704	783	801	506
Jail admissions	3,944	4,007	4,136	4,018	4,067	4,325	4,332	4,168	4,244	3,950
Huber admissions	1,342	1,484	1,446	1,387	1,252	1,434	1,330	1,410	1,475	1,346
Average daily population - Jail	131	145	152	162	146	163	163	170	176	188
Average daily population - Huber	142	146	164	162	160	178	181	181	208	204
Electronic monitoring participants	n/a	n/a	n/a	n/a	n/a	n/a	5	11	19	120

TABLE 18
WALWORTH COUNTY, WISCONSIN
 Operating Indicators by Function/Department
 Last Ten Fiscal Years

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Health and human services										
Veterans office										
Phone calls received	6,027	6,577	6,909	7,134	8,175	8,369	9,205	9,311	10,293	11,354
Office visits	3,122	3,433	3,775	3,820	3,940	4,020	4,438	4,824	5,116	5,322
New clients	n/a	139	150							
VA compensation/pension claims filed	n/a	n/a	n/a	n/a	n/a	237	262	243	246	240
VA health care applications filed	n/a	n/a	n/a	n/a	n/a	90	101	93	94	129
Culture, recreation, and education										
School										
Students (onsite)	226	239	241	239	240	258	270	251	231	219
Students (outlying districts)	1,485	1,561	1,616	1,651	1,714	1,785	1,786	943	779	679
Parks										
Trail: yearly passes sold	n/a	n/a	n/a	502	559	703	750	754	619	684
Trail: daily passes sold	n/a	n/a	n/a	33	545	1,187	1,614	1,344	1,732	1,581
Conservation and development										
Land use and resource management										
Zoning permits issued	1,220	1,258	1,340	1,359	1,471	1,352	1,141	1,016	804	706
Sanitation permits issued	413	446	469	501	536	458	348	292	203	195
Certified survey maps reviewed	87	90	97	104	103	107	83	45	48	28
Separation of farm structures from farmland	22	16	22	23	19	14	20	15	9	9
Lot line/parcel split reviews	67	79	82	89	59	75	78	70	65	52
Highway/facilities administration										
Hazardous waste collected-agricultural (lbs)	n/a	n/a	28,435	n/a	n/a	14,812	n/a	3,411	n/a	n/a
Hazardous waste collected-household (lbs)	23,345	n/a	23,253	27,512	35,151	26,513	28,531	25,927	28,153	34,877
Hazardous waste collected-computer equip (lbs)	n/a	28,258	n/a	23,474	29,178	38,346	55,727	62,304	80,286	57,711
State lane miles maintained	n/a	n/a	n/a	n/a	n/a	656	689	689	689	694
County lane miles maintained	200	200	200	200	199	200	199	192	199	193
Nursing Home										
Licensed beds	295	245	245	235	235	235	120	120	120	120
Payor mix:										
Medicaid	81.55%	82.73%	82.73%	83.38%	87.94%	89.69%	87.91%	83.37%	76.75%	71.85%
Private pay	12.17%	11.35%	12.17%	12.56%	10.10%	8.35%	7.92%	10.90%	16.15%	19.93%
Medicare	5.65%	5.80%	5.07%	3.96%	1.38%	1.57%	4.17%	5.73%	7.10%	8.22%
Hospice	0.63%	0.12%	0.03%	0.10%	0.58%	0.39%	0.02%	n/a	n/a	n/a

n/a = not readily available

TABLE 19
WALWORTH COUNTY, WISCONSIN
 Capital Asset Statistics by Function
 Last Ten Fiscal Years

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
General Government										
Information Technology										
Desktop systems	n/a	n/a	n/a	n/a	n/a	n/a	720	755	769	801
Computer servers	n/a	n/a	n/a	n/a	n/a	n/a	23	27	36	40
Multi-user applications	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	95	99
Public safety										
Vehicles insured	61	64	69	64	74	61	57	51	54	54
Boats/trailers/ATV/snowmobiles	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	12	12
Culture, recreation, and education										
Acreage (park)	237	237	237	237	237	237	237	237	237	237
Highway/facilities administration										
County lane miles	200	200	200	200	199	200	199	192	199	193
County bridges	26	26	26	26	26	26	26	26	26	26
Vehicles insured	87	95	99	82	85	86	94	125	124	123
County facility buildings (sq ft)	686,658	686,658	686,658	686,658	686,658	1,033,450	861,450	861,450	867,780	881,882

n/a - information not available



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