

RUSK COUNTY, WISCONSIN
FINANCIAL STATEMENTS
AND SUPPLEMENTARY INFORMATION
YEAR ENDED DECEMBER 31, 2012

**RUSK COUNTY, WISCONSIN
TABLE OF CONTENTS
YEAR ENDED DECEMBER 31, 2012**

INDEPENDENT AUDITORS' REPORT	1
MANAGEMENT'S DISCUSSION AND ANALYSIS	4
BASIC FINANCIAL STATEMENTS	
STATEMENT OF NET POSITION	15
STATEMENT OF ACTIVITIES	16
BALANCE SHEET – GOVERNMENTAL FUNDS	17
RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES TO NET POSITION OF GOVERNMENTAL ACTIVITIES	18
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS	19
RECONCILIATION OF STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES	20
STATEMENT OF NET POSITION – PROPRIETARY FUNDS	21
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION – PROPRIETARY FUNDS	22
STATEMENT OF CASH FLOWS – PROPRIETARY FUNDS	23
STATEMENT OF FIDUCIARY NET POSITION – FIDUCIARY FUNDS	25
NOTES TO BASIC FINANCIAL STATEMENTS	26
REQUIRED SUPPLEMENTARY INFORMATION	
SCHEDULES	
1 – BUDGETARY COMPARISON SCHEDULE – GENERAL FUND	55
2 – BUDGETARY COMPARISON SCHEDULE – HEALTH AND HUMAN SERVICES FUND	60
3 – BUDGETARY COMPARISON SCHEDULE – HOUSING FUND	61
4 – BUDGETARY COMPARISON SCHEDULE – MINING IMPACT FUND	62
SCHEDULE OF FUNDING PROGRESS – OTHER POSTEMPLOYMENT BENEFITS	63
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION	64

**RUSK COUNTY, WISCONSIN
TABLE OF CONTENTS (CONTINUED)
YEAR ENDED DECEMBER 31, 2012**

SUPPLEMENTARY INFORMATION

COMBINING AND INDIVIDUAL FUND STATEMENTS

SCHEDULES

NONMAJOR GOVERNMENTAL FUNDS

A-1 – COMBINING BALANCE SHEET 65

A-2 – COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES 67

DEBT SERVICE FUND

B-1 – DETAILED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE 69

INTERNAL SERVICE FUNDS

C-1 – COMBINING STATEMENT OF NET POSITION 70

C-2 – COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN
NET POSITION 71

C-3 – COMBINING STATEMENT OF CASH FLOWS 72

AGENCY FUNDS

D-1 – COMBINING BALANCE SHEET 73

GENERAL FUND

E-1 – STATEMENT OF CHANGES IN FUND BALANCE 74

INDEPENDENT AUDITORS' REPORT

The County Board
Rusk County, Wisconsin

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Rusk County, (the County) as of and for the year ended December 31, 2012, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Rusk County Memorial Hospital and Nursing Home, an enterprise fund of the County, which represents 100% of assets, net position and revenues of the business-type activities. Those statements were audited by other auditors whose report thereon, has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Rusk County Memorial Hospital and Nursing Home, is based solely on the report of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

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

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

Opinions

In our opinion, based on our audit and the report of other auditors, 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 Rusk County, Wisconsin, as of December 31, 2012, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The individual and combining fund statements are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The individual and combining fund statements have been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America by us and other auditors. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole.

The County Board
Rusk County

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated September 26, 2013 on our consideration of County's internal control over financial reporting and on our tests on its compliance with certain provisions of laws, regulations, contracts, 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.



CliftonLarsonAllen LLP

Eau Claire, Wisconsin
September 26, 2013

**RUSK COUNTY, WISCONSIN
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED DECEMBER 31, 2012**

As management of Rusk County, we offer readers of the County's financial statements this narrative overview and analysis of the financial activities of Rusk County for the year ended December 31, 2012. We encourage readers to consider the information presented here in conjunction with the County's financial statements, which begin on page 15 following this narrative.

FINANCIAL HIGHLIGHTS

Key financial highlights for the year ended December 31, 2012 include the following:

- The assets of Rusk County exceeded its liabilities at the close of the most recent fiscal year by \$75,492,886 (net position). Of this amount, \$52,773,289 represented the County's net investment in capital assets, \$2,483,724 was held for restricted purposes, and \$20,235,873 was unrestricted. The unrestricted net position may be used to meet the government's ongoing obligations to citizens and creditors.
- During the fiscal year, the County's total net position decreased by \$183,181. Net position related to the governmental activities of the County decreased \$761,083 and net position related to business-type activities increased \$577,902.
- At the close of the fiscal year, the County's governmental funds reported combined ending fund balances of \$10,932,019 a decrease of \$378,097 from the previous year.
- At the end of the current fiscal year, unassigned fund balance for the general fund was \$4,666,668 or 40.9% of total general fund expenditures.
- At the end of the year total outstanding general obligation debt was \$6,679,639, approximately 11.8% of the County's legal debt limit of \$56,405,065.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

Government-wide Financial Statements

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

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

**RUSK COUNTY, WISCONSIN
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED DECEMBER 31, 2012**

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

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

The government-wide financial statements include not only Rusk County itself (known as the primary government), but also a legally separate housing authority for which Rusk County is financially accountable. Financial information for this component unit is reported separately from the financial information presented for the primary government itself.

The government-wide financial statements can be found beginning on page 15 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. Rusk County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the County can be divided into three categories: *governmental funds, proprietary funds, and fiduciary funds.*

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

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

**RUSK COUNTY, WISCONSIN
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED DECEMBER 31, 2012**

Rusk County maintains eighteen individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, the health and human services fund, the housing fund, the mining impact fund, and the debt service fund, all of which are considered to be major funds. Data from the other thirteen 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.

Proprietary Funds. Rusk 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 transactions relating to its hospital and nursing home facility. *Internal service funds* are an accounting device used to accumulate and allocate costs internally among the County's various functions. Rusk County uses internal service funds to account for its highway department operations, its fleet of vehicles, and its central duplication and postage use. Because all of these services predominantly benefit governmental rather than business-type functions, they have been included within *governmental activities* in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide information relating to the hospital and nursing home, which is considered a major fund. Conversely, the three internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds is provided in the form of combining statements elsewhere in this report. The basic proprietary fund financial statements can be found beginning on page 21 of this report.

Fiduciary Funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the County's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. Data from fiduciary funds are combined into a single aggregate presentation. Individual fund data for each fiduciary fund is provided in the form of combining statements elsewhere in this report.

The basic fiduciary fund financial statements can be found on page 25 of this report.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found beginning on page 26 of this report.

Supplementary Information

In addition to the basic financial statements and accompanying notes, this report presents certain required supplementary information on the general fund and major special revenue fund budgets. Required supplementary information can be found beginning on page 55 of this report. The combining statements referred to earlier in connection with nonmajor governmental and internal service funds are presented immediately following the required supplementary information on the general fund budget. Combining and individual fund statements and schedules can be found beginning on page 65 of this report.

**RUSK COUNTY, WISCONSIN
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED DECEMBER 31, 2012**

FINANCIAL ANALYSIS OF THE COUNTY AS A WHOLE

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of Rusk County, assets exceeded liabilities by \$75,492,886 at the close of the most recent fiscal year. The largest portion of Rusk County's net position (69.9%) reflects its investment in capital assets (e.g., land, buildings, machinery and equipment, infrastructure); less any related debt used to acquire those assets that is still outstanding. The County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. The following is a summary of the County's statement of net position:

**Condensed Statement of Net Position
December 31, 2012 and 2011**

	Governmental Activities		Business-Type Activities		Totals	
	2012	2011	2012	2011	2012	2011
Current and Other Assets	\$ 24,310,401	\$ 23,928,708	\$ 11,223,726	\$ 9,580,975	\$ 35,534,127	\$ 33,509,683
Capital Assets	55,061,657	56,523,331	3,527,351	3,974,989	58,589,008	60,498,320
Internal Balances	362,500	462,500	(362,500)	(462,500)	-	-
Total Assets	<u>79,734,558</u>	<u>80,914,539</u>	<u>14,388,577</u>	<u>13,093,464</u>	<u>94,123,135</u>	<u>94,008,003</u>
Long-Term Debt	6,712,985	7,441,136	-	-	6,712,985	7,441,136
Other Long-Term Obligations	1,002,560	760,551	173,529	56,240	1,176,089	816,791
Other Liabilities	8,776,225	8,708,981	1,964,950	1,365,028	10,741,175	10,074,009
Total Liabilities	<u>16,491,770</u>	<u>16,910,668</u>	<u>2,138,479</u>	<u>1,421,268</u>	<u>18,630,249</u>	<u>18,331,936</u>
Net Position:						
Net Investment in						
Capital Assets	49,419,467	50,576,338	3,353,822	3,918,749	52,773,289	54,495,087
Restricted	2,483,724	2,521,856	-	-	2,483,724	2,521,856
Unrestricted	11,339,597	10,905,677	8,896,276	7,753,447	20,235,873	18,659,124
Total Net Position	<u>\$ 63,242,788</u>	<u>\$ 64,003,871</u>	<u>\$ 12,250,098</u>	<u>\$ 11,672,196</u>	<u>\$ 75,492,886</u>	<u>\$ 75,676,067</u>

An additional portion of Rusk County's net position (3.3%) represents resources that are subject to other restrictions on how they may be used. The remaining \$20,235,873 of total net position (26.8%) may be used to meet the County's ongoing obligations to citizens and creditors. It is important to note that \$8,896,276 of these unrestricted net position are related to the County's business-type activities. Consequently, they generally may not be used to fund governmental activities.

At the end of 2012, Rusk County is able to report positive balances in all three categories of net position, both for the government as a whole, as well as for its separate governmental and business-type activities. The same situation held true for the prior fiscal year.

The County's net position decreased by \$183,181 during the current fiscal year. The decrease consisted of a decrease in net position related to governmental activities in the amount of \$761,083 and an increase in net position related to business-type activities in the amount of \$577,902.

**RUSK COUNTY, WISCONSIN
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED DECEMBER 31, 2012**

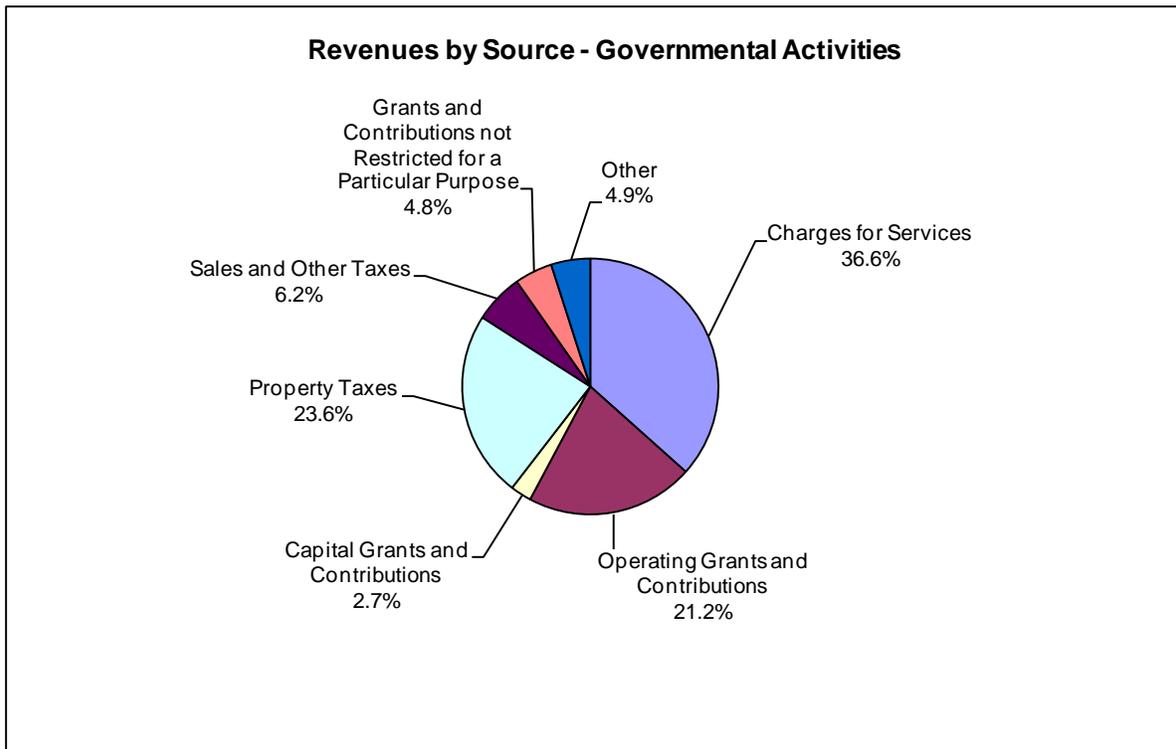
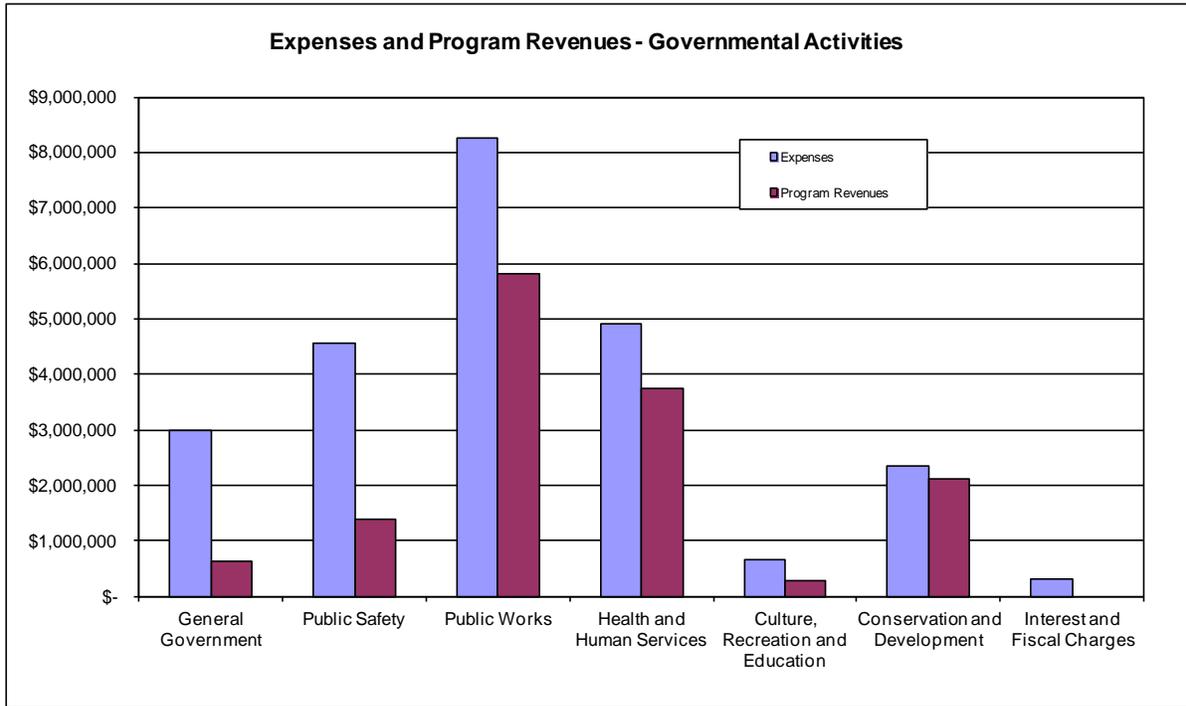
The following is a summary of the changes in the County's net position for the years ended December 31, 2012 and 2011:

**Condensed Statement of Changes in Net Position
Years Ended December 31, 2012 and 2011**

	Governmental Activities		Business-Type Activities		Totals	
	2012	2011	2012	2011	2012	2011
Revenues:						
Program Revenues:						
Charges for Services	\$ 8,474,356	\$ 8,440,983	\$ 22,387,151	\$ 23,550,062	\$ 30,861,507	\$ 31,991,045
Operating Grants and Contributions	4,899,087	6,107,932	32,040	21,701	4,931,127	6,129,633
Capital Grants and Contributions	616,075	1,364,161	-	-	616,075	1,364,161
General Revenues:						
Property Taxes	5,852,685	5,844,497	-	-	5,852,685	5,844,497
Sales/Other Taxes	1,051,180	936,527	-	-	1,051,180	936,527
State and Federal Aids Not Restricted to Specific Programs	1,106,007	1,233,246	-	-	1,106,007	1,233,246
Other	1,143,051	751,836	56,252	43,474	1,199,303	795,310
Total Revenues	23,142,441	24,679,182	22,475,443	23,615,237	45,617,884	48,294,419
Expenses:						
General Government	2,982,448	3,226,827	-	-	2,982,448	3,226,827
Public Safety	4,558,591	4,857,505	-	-	4,558,591	4,857,505
Public Works	8,245,082	8,757,893	-	-	8,245,082	8,757,893
Health and Human Services	4,907,928	5,500,640	-	-	4,907,928	5,500,640
Culture, Recreation and Education	661,883	938,018	-	-	661,883	938,018
Conservation and Development	2,359,775	1,962,805	-	-	2,359,775	1,962,805
Interest and Fiscal Charges	310,826	370,399	-	-	310,826	370,399
Hospital and Nursing Home	-	-	21,774,532	22,722,250	21,774,532	22,722,250
Total Expenses	24,026,533	25,614,087	21,774,532	22,722,250	45,801,065	48,336,337
Change in Net Position	\$ (761,083)	\$ (934,905)	\$ 577,902	\$ 892,987	\$ (183,181)	\$ (41,918)

**RUSK COUNTY, WISCONSIN
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED DECEMBER 31, 2012**

A review of the statement of activities can provide a concise picture of how the various functions/programs of Rusk County are funded. The following charts draw data from the statement of activities. For governmental activities the County's main services for funding governmental services are property taxes (23.6%), operating grants/contributions (21.2%), and charges for services (36.6%).



**RUSK COUNTY, WISCONSIN
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED DECEMBER 31, 2012**

FINANCIAL ANALYSIS OF THE COUNTY'S MAJOR FUNDS

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

Governmental Funds

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

As of December 31, 2012, the County's governmental funds reported combined ending fund balances of \$10,932,019, a decrease of \$378,097 over the previous year. The governmental funds comprising this balance are shown below:

	Fund Balances at: December 31, 2012					Total	Current Year Change
	Nonspendable	Restricted	Committed	Assigned	Unassigned		
Major Funds:							
General Fund	\$ 1,682,150	\$ 946	\$ -	\$ 2,593,644	\$ 4,666,668	\$ 8,943,408	\$ 958,765
Health and Human Services Fund	-	-	-	259,611	-	259,611	(50,394)
Housing Fund	-	265,492	-	-	-	265,492	(149,808)
Mining Impact Fund	-	-	872,696	-	-	872,696	(219,696)
Debt Service Fund	-	-	-	705,746	-	705,746	(193,227)
Nonmajor Funds:							
Special Revenue Funds	241	1,988	87,922	75,407	(166,701)	(1,143)	(609,946)
Capital Projects Fund	-	-	-	-	(113,791)	(113,791)	(113,791)
	<u>\$ 1,682,391</u>	<u>\$ 268,426</u>	<u>\$ 960,618</u>	<u>\$ 3,634,408</u>	<u>\$ 4,386,176</u>	<u>\$ 10,932,019</u>	<u>\$ (378,097)</u>

Restricted fund balance represents amounts available for appropriation but intended for a specific purpose, and legally restricted by outside parties. Committed fund balance represents constraints on spending that the governmental imposes upon itself by high-level action prior to the close of the fiscal period. Assigned fund balance represents resources intended for spending for a purpose set by the government body itself or by some person or body delegated to exercise such authority in accordance with policy established by the board. Unassigned fund balance is the residual classification for the County's general fund and included all spendable amounts not contained in the other classifications.

The general fund is the primary operating fund used to account for the governmental operations of Rusk County. As a measure of the general fund's liquidity, it may be useful to compare both total fund balance and unassigned fund balance to measures of operating volume such as fund expenditures or fund revenues. The total year-end general fund balance represented 78.4% of total general fund expenditures reported on the statement of revenues, expenditures and changes in fund balances while the unassigned balance represented 40.9% of the same amount.

The general fund's total fund balance increased \$958,765 during the year; while the unassigned portion of the fund increased \$818,101. The primary factor in the increase in fund balance was the positive variance between the budgeted and actual revenues in the general fund.

The County's health and human services fund decreased \$50,394 during the year and had a balance of \$259,611 at year end, which was assigned by the County for financing future human services program expenditures.

**RUSK COUNTY, WISCONSIN
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED DECEMBER 31, 2012**

The housing fund balance decreased \$149,808 during the year and had a balance of \$265,492 at year end. This balance, together with the outstanding receivables totaling \$2,503,159 at that date, are restricted for financing future housing rehabilitation loans in accordance with the original grant agreements.

The mining impact fund balance decreased \$219,696 during the year, ending the year with a balance of \$872,696.

The debt service fund balance at December 31, 2012 totaled \$705,746 which is assigned for financing future principal and interest requirements on outstanding debt issues.

The aggregated other governmental funds include various special revenue and capital projects funds. The accumulated fund balances of these funds decreased \$723,737 during 2012. These funds are individually detailed in the supplementary information section of this report.

Proprietary Funds

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

As of December 31, 2012 the County's hospital and nursing home fund reported net position of \$12,250,098, an increase of \$577,902 from the previous year. Of this balance, \$3,353,822 consisted of the net investment in capital assets, leaving a balance of \$8,896,276 in unrestricted net assts. The County had an interfund advance from its debt service fund to the hospital and nursing home fund of \$362,500 outstanding at December 31, 2012 related to the hospital and nursing home fund's share of general obligation debt issued by the County.

The County had four internal service funds during 2012. Net position of the funds at year end and changes thereto during the year were as follows:

<u>Fund</u>	<u>Net Position at Year End</u>			<u>Change During Year</u>
	<u>Total</u>	<u>Invested in Capital Assets</u>	<u>Unrestricted</u>	
Highway Department	\$ 3,003,406	\$ 2,002,852	\$ 1,000,554	\$ (163,467)
Central Duplication Fund	63,375	(3,589)	66,964	2,799
Car Pool Fund	77,916	25,047	52,869	(6,198)
HRA Fund	-	-	-	-
Totals	<u>\$ 3,144,697</u>	<u>\$ 2,024,310</u>	<u>\$ 1,120,387</u>	<u>\$ (166,866)</u>

The County uses the highway department fund to account for road maintenance and construction and related services provided to the County and to the State of Wisconsin and local governmental units. The car pool and central duplication funds are used to account for its fleet of vehicles, and its central duplication and postage use. The HRA fund is used to account for the County's health reimbursement account employee benefit plan.

**RUSK COUNTY, WISCONSIN
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED DECEMBER 31, 2012**

GENERAL FUND BUDGETARY HIGHLIGHTS

As shown in the *Budgetary Comparison Schedule* for the general fund (in required supplementary information), the final 2012 general fund budget was different than the original budget adopted by the County Board, primarily due to the appropriation of unbudgeted grant funds and their inclusion of continuing appropriations from 2011 not included in the original budget. Although the final budget reflects a decrease in the general fund balance during 2012, the County ended the year with a positive budget variance for revenues and a positive budget variance for expenditures, mainly due to better than expected county forest stumpage and unexpended continuing appropriations.

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, 2012 and 2011 was \$58,589,008 and \$60,498,320, respectively, (net of accumulated depreciation). This investment in capital assets includes land, buildings, improvements, equipment, vehicles, and highway infrastructure. The net decrease in the governmental activities capital assets was \$1,461,674. The net decrease in the business-type activities capital assets was \$447,638.

**Capital Assets (Net of Accumulated Depreciation)
December 31, 2012 and 2011**

	Governmental Activities		Business-Type Activities		Totals	
	2012	2011	2012	2011	2012	2011
Land and Land Rights	\$ 2,207,481	\$ 2,207,856	\$ 12,300	\$ 12,300	\$ 2,219,781	\$ 2,220,156
Construction Work in Progress	157,538	1,357,359	23,381	-	180,919	1,357,359
Gravel Pits and Quarries	65,452	65,457	-	-	65,452	65,457
Land Improvements	5,274,587	4,701,093	21,936	16,000	5,296,523	4,717,093
Buildings and Improvements	11,379,570	11,632,957	181,967	242,071	11,561,537	11,875,028
Equipment and Vehicles	3,286,046	3,350,515	3,287,767	3,704,618	6,573,813	7,055,133
Highway Infrastructure	32,690,983	33,208,094	-	-	32,690,983	33,208,094
Total	<u>\$ 55,061,657</u>	<u>\$ 56,523,331</u>	<u>\$ 3,527,351</u>	<u>\$ 3,974,989</u>	<u>\$ 58,589,008</u>	<u>\$ 60,498,320</u>

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

- Remodeled offices on the third floor of the Law Enforcement Center portion of the Government Center building to relocate the Finance department.
- Replaced Government Center chiller.
- Upgraded Government Center phone system.
- Replaced dispatch consoles.
- Installed new video conferencing equipment in the Courtroom.
- Continued work on County M Relocation project.
- Repaired Skinner Creek Road.
- Continued work on ATV trail development.
- Continued work on snowmobile trail development.
- Completed Middle Fork Main Creek and Crooked Creek snowmobile bridges.
- Completed the LiDAR County mapping project.
- Purchased SIRE document management software.
- Purchased other software during the year.
- Purchased vehicles and other equipment during the year.

**RUSK COUNTY, WISCONSIN
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED DECEMBER 31, 2012**

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

Long-Term Obligations

At December 31, 2012, Rusk County had outstanding \$7,889,074 of long-term debt and other long-term liabilities. A summary detail of this amount, together with the percent change from the previous year, is shown below:

**Outstanding Long-Term Obligations
December 31, 2012 and 2011**

	Governmental Activities		Business-Type Activities		Totals Outstanding		% Change
	2012	2011	2012	2011	2012	2011	
General Obligation Debt:							
Bonds	\$ 2,325,000	\$ 2,780,000	\$ -	\$ -	\$ 2,325,000	\$ 2,780,000	-16.4%
Notes	4,354,639	4,622,410	-	-	4,354,639	4,622,410	-5.8
Unamortized Debt Premium	33,346	38,726	-	-	33,346	38,726	-13.9
Subtotal	6,712,985	7,441,136	-	-	6,712,985	7,441,136	-9.8
Other Long-Term Obligations:							
Capital Leases	249,096	107,931	173,529	56,240	422,625	164,171	157.4
Estimated Employee Leave	619,819	520,044	-	-	619,819	520,044	19.2
Other Postemployment Benefits	133,645	132,576	-	-	133,645	132,576	0.8
Total	\$ 7,715,545	\$ 8,201,687	\$ 173,529	\$ 56,240	\$ 7,889,074	\$ 8,257,927	

Under Wisconsin State Statutes, the outstanding general obligation long-term debt of a county may not exceed 5% of the equalized property value of all taxable property within the jurisdiction. The applicable debt of Rusk County outstanding at December 31, 2012 totaled \$6,679,639, approximately 11.8% of the maximum legal limit of \$56,405,065. Additional information on Rusk County's long-term debt is reported in Note 3.E following the financial statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

- The annual unemployment rate for the County of Rusk for 2012 was 9.1%, which is lower than the annual rate of 10.9% in 2011. The annual state rate for 2012 was 6.9%, which is lower than the annual rate of 7.5% in 2011. The annual national rate decreased to 8.1% in 2012 as compared to 8.9% in 2011.
- An estimated 1.5 million square feet of manufacturing space exists in the County with an approximate occupancy rate of 90%.
- New commercial construction was valued at \$972,300 in 2012, a decrease of \$296,400 from the previous year. New commercial construction in 2011 was \$1,268,700. New residential construction in 2012 totaled \$5,049,500. This was more than the new residential construction in 2011 (\$4,109,100).
- The County Board approved a tax levy of \$5,871,863 for the 2013 budget compared to \$5,802,617 for 2012. The 2013 budget includes tax levies of \$248,711 for library purposes, \$1,386,036 for highway, \$394,224 for debt service.

**RUSK COUNTY, WISCONSIN
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED DECEMBER 31, 2012**

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of Rusk County's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Rusk County Finance Department, 311 East Miner Avenue, Suite L330, Ladysmith, Wisconsin, 54848.

**RUSK COUNTY, WISCONSIN
STATEMENT OF NET POSITION
DECEMBER 31, 2012**

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and Investments	\$ 8,721,457	\$ 7,779,944	\$ 16,501,401
Taxes Receivable	7,049,181	-	7,049,181
Accounts Receivable	861,190	2,744,464	3,605,654
Due from Other Governments	2,511,995	-	2,511,995
Long-Term Receivables	4,121,590	-	4,121,590
Inventory	564,136	338,335	902,471
Prepaid Expenses	407,411	360,983	768,394
Unamortized Debt Issuance Costs	73,441	-	73,441
Internal Balances	362,500	(362,500)	-
Capital Assets:			
Capital Assets Not Being Depreciated	2,365,019	35,681	2,400,700
Capital Assets Being Depreciated	95,134,567	15,791,466	110,926,033
Accumulated Depreciation	(42,437,929)	(12,299,796)	(54,737,725)
Total Assets	<u>79,734,558</u>	<u>14,388,577</u>	<u>94,123,135</u>
LIABILITIES			
Vouchers and Accounts Payable	1,022,138	858,471	1,880,609
Accrued Liabilities	651,599	1,106,315	1,757,914
Accrued Interest Payable	168,794	-	168,794
Due to Other Governments	321,290	-	321,290
Unearned Revenues	6,426,568	164	6,426,732
Special Deposits	185,836	-	185,836
Long-Term Liabilities:			
Amounts Due Within One Year	1,110,267	41,675	1,151,942
Amounts Due in More Than One Year	6,605,278	131,854	6,737,132
Total Liabilities	<u>16,491,770</u>	<u>2,138,479</u>	<u>18,630,249</u>
NET POSITION			
Net Investment in Capital Assets	49,419,467	3,353,822	52,773,289
Restricted for:			
Housing/Business Loan Programs	2,480,790	-	2,480,790
Other	2,934	-	2,934
Unrestricted	11,339,597	8,896,276	20,235,873
Total Net Position	<u>\$ 63,242,788</u>	<u>\$ 12,250,098</u>	<u>\$ 75,492,886</u>

See accompanying Notes to Basic Financial Statements.

**RUSK COUNTY, WISCONSIN
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2012**

<u>Functions/Programs</u>	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges For Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Primary Government:							
Governmental Activities:							
General Government	\$ 2,982,448	\$ 550,375	\$ 77,994	\$ -	\$ (2,354,079)	\$ -	\$ (2,354,079)
Public Safety	4,558,591	1,207,748	124,041	49,628	(3,177,174)	-	(3,177,174)
Public Works	8,245,082	4,392,639	861,872	566,447	(2,424,124)	-	(2,424,124)
Health and Human Services	4,907,928	796,054	2,960,042	-	(1,151,832)	-	(1,151,832)
Culture, Recreation and Education	661,883	100,690	172,487	-	(388,706)	-	(388,706)
Conservation and Development	2,359,775	1,426,850	702,651	-	(230,274)	-	(230,274)
Interest and Fiscal Charges	310,826	-	-	-	(310,826)	-	(310,826)
Total Governmental Activities	<u>24,026,533</u>	<u>8,474,356</u>	<u>4,899,087</u>	<u>616,075</u>	<u>(10,037,015)</u>	<u>-</u>	<u>(10,037,015)</u>
Business-Type Activities:							
Memorial Hospital and Nursing Home	<u>21,774,532</u>	<u>22,387,151</u>	<u>32,040</u>	<u>-</u>	<u>-</u>	<u>644,659</u>	<u>644,659</u>
Total Primary Government	<u>\$ 45,801,065</u>	<u>\$ 30,861,507</u>	<u>\$ 4,931,127</u>	<u>\$ 616,075</u>	<u>(10,037,015)</u>	<u>644,659</u>	<u>(9,392,356)</u>
General Revenues:							
Taxes:							
Property Taxes, Levied for General Purposes					5,464,496	-	5,464,496
Property Taxes, Levied for Debt Service					388,189	-	388,189
Other Taxes					1,051,180	-	1,051,180
State and Federal Aids not Restricted to Specific Function					1,106,007	-	1,106,007
Interest and Investment Earnings					221,060	56,252	277,312
Miscellaneous					921,991	-	921,991
Transfers					123,009	(123,009)	-
Total General Revenues					<u>9,275,932</u>	<u>(66,757)</u>	<u>9,209,175</u>
CHANGE IN NET POSITION					(761,083)	577,902	(183,181)
Net Position - Beginning of Year					<u>64,003,871</u>	<u>11,672,196</u>	<u>75,676,067</u>
NET POSITION - END OF YEAR					<u>\$ 63,242,788</u>	<u>\$ 12,250,098</u>	<u>\$ 75,492,886</u>

See accompanying Notes to Basic Financial Statements.

**RUSK COUNTY, WISCONSIN
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2012**

	General Fund	Health and Human Services Fund	Housing Fund	Mining Impact Fund	Debt Service Fund	Other Governmental Funds	Totals
ASSETS							
Cash and Investments	\$ 6,287,851	\$ -	\$ 11,922	\$ 1,464,428	\$ -	\$ 237,610	\$ 8,001,811
Taxes Receivable	4,445,953	878,938	-	-	394,224	155,091	5,874,206
Delinquent Taxes Receivable	1,174,975	-	-	-	-	-	1,174,975
Accounts Receivable	498,271	118,658	-	13,000	-	16,353	646,282
Due from Other Governmental Units	463,531	499,530	-	-	260,756	976,199	2,200,016
Due from Other Funds	1,477,369	-	-	90,720	499,965	116,237	2,184,291
Due from Fiduciary Funds	5,096	448	-	-	-	473	6,017
Advances to Other Funds	377,894	-	-	-	362,500	-	740,394
Prepaid Expense	397,892	5,754	-	-	-	2,378	406,024
Inventories	12,893	-	-	-	-	-	12,893
Long-Term Receivables	-	-	2,503,159	1,053,524	-	564,907	4,121,590
Total Assets	<u>\$ 15,141,725</u>	<u>\$ 1,503,328</u>	<u>\$ 2,515,081</u>	<u>\$ 2,621,672</u>	<u>\$ 1,517,445</u>	<u>\$ 2,069,248</u>	<u>\$ 25,368,499</u>
LIABILITIES AND FUND BALANCES							
Liabilities:							
Vouchers and Accounts Payable	\$ 305,559	\$ 144,223	\$ 34,291	\$ -	\$ 507	\$ 133,616	\$ 618,196
Accrued Liabilities	651,599	-	-	-	-	-	651,599
Due to Other Governmental Units	266,803	54,487	-	-	-	-	321,290
Due to Other Funds	40,539	150,163	-	695,452	416,968	881,169	2,184,291
Advances from Other Funds	-	-	-	-	-	377,894	377,894
Deferred Revenues	4,751,404	894,844	2,215,298	1,053,524	394,224	788,080	10,097,374
Special Deposits	182,413	-	-	-	-	3,423	185,836
Total Liabilities	<u>6,198,317</u>	<u>1,243,717</u>	<u>2,249,589</u>	<u>1,748,976</u>	<u>811,699</u>	<u>2,184,182</u>	<u>14,436,480</u>
Fund Balances:							
Nonspendable:	1,682,150	-	-	-	-	241	1,682,391
Restricted	946	-	265,492	-	-	1,988	268,426
Committed	-	-	-	872,696	-	87,922	960,618
Assigned	2,593,644	259,611	-	-	705,746	75,407	3,634,408
Unassigned	4,666,668	-	-	-	-	(280,492)	4,386,176
Total Fund Balances	<u>8,943,408</u>	<u>259,611</u>	<u>265,492</u>	<u>872,696</u>	<u>705,746</u>	<u>(114,934)</u>	<u>10,932,019</u>
Total Liabilities and Fund Balances	<u>\$ 15,141,725</u>	<u>\$ 1,503,328</u>	<u>\$ 2,515,081</u>	<u>\$ 2,621,672</u>	<u>\$ 1,517,445</u>	<u>\$ 2,069,248</u>	<u>\$ 25,368,499</u>

See accompanying Notes to Basic Financial Statements.

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

TOTAL FUND BALANCES - GOVERNMENTAL FUNDS \$ 10,932,019

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

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

Land	\$ 2,190,625	
Land Improvements	7,531,963	
Buildings and Improvements	18,432,337	
Equipment and Vehicles	4,480,233	
Infrastructure	56,572,838	
Construction Work in Progress	157,538	
Accumulated Depreciation	<u>(36,397,283)</u>	52,968,251

Some receivables are reported as deferred revenues in the fund financial statements but are recognized as revenue when earned in the government-wide statements. 3,833,729

Some liabilities are not due and payable in the current period and therefore are not reported in the funds. These liabilities consist of:

General Obligation Debt	(6,679,639)	
Capital Lease	(180,000)	
Accrued Interest Payable	(168,794)	
Vacation, Compensatory and Sick Leave Liability	(543,040)	
Other Postemployment Benefits Payable	<u>(104,530)</u>	(7,676,003)

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

Unamortized Issuance Costs	73,441	
Unamortized Debt Premiums	<u>(33,346)</u>	40,095

The highway department internal service fund is used by County's management to account for services provided the County and other governmental units. The assets and liabilities of the highway department internal service fund are reported in governmental activities. 3,003,406

Other internal service funds are used by County management to charge the costs of central duplication and car pool operations to departments/expenditure functions. The assets and liabilities of the central duplication and car pool internal service funds are also reported in governmental activities. 141,291

NET POSITION OF GOVERNMENTAL ACTIVITIES \$ 63,242,788

RUSK COUNTY, WISCONSIN
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2012

	General Fund	Health and Human Services Fund	Housing Fund	Mining Impact Fund	Debt Service Fund	Other Governmental Funds	Totals
REVENUES							
Taxes	\$ 5,161,569	\$ 1,161,628	\$ -	\$ 13,000	\$ 388,189	\$ 179,479	\$ 6,903,865
Intergovernmental	2,723,496	2,960,042	100,000	-	-	609,778	6,393,316
Licenses and Permits	59,760	-	-	-	-	20,742	80,502
Fines and Forfeits	62,975	-	-	-	-	21,138	84,113
Public Charges for Services	2,734,236	664,080	-	-	-	5,663	3,403,979
Intergovernmental Charges for Services	291,781	58,653	-	-	-	-	350,434
Investment Income	138,234	41	-	79,603	147	3,035	221,060
Miscellaneous	353,632	234,174	43,413	56,386	120,601	244,638	1,052,844
Total Revenues	<u>11,525,683</u>	<u>5,078,618</u>	<u>143,413</u>	<u>148,989</u>	<u>508,937</u>	<u>1,084,473</u>	<u>18,490,113</u>
EXPENDITURES							
Current:							
General Government	2,733,201	-	-	-	-	-	2,733,201
Public Safety	4,498,054	-	-	-	-	112,246	4,610,300
Public Works	2,343,980	-	-	-	-	92,118	2,436,098
Health and Human Services	105,627	4,994,153	-	-	-	11,256	5,111,036
Culture, Recreation and Education	622,536	-	-	-	-	166,593	789,129
Conservation and Development	814,534	-	293,221	740	-	435,990	1,544,485
Capital Outlay	296,411	-	-	-	-	914,284	1,210,695
Debt Service:							
Principal Retirement	-	-	-	-	692,771	30,000	722,771
Interest and Fiscal Charges	-	-	-	-	303,461	11,700	315,161
Total Expenditures	<u>11,414,343</u>	<u>4,994,153</u>	<u>293,221</u>	<u>740</u>	<u>996,232</u>	<u>1,774,187</u>	<u>19,472,876</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	111,340	84,465	(149,808)	148,249	(487,295)	(689,714)	(982,763)
OTHER FINANCING SOURCES (USES)							
Proceeds of Capital Lease	-	-	-	-	-	180,000	180,000
Transfers In	851,363	-	-	1,875	358,641	26,928	1,238,807
Transfers Out	(3,938)	(134,859)	-	(369,820)	(64,573)	(240,951)	(814,141)
Total Other Financing Sources (Uses)	<u>847,425</u>	<u>(134,859)</u>	<u>-</u>	<u>(367,945)</u>	<u>294,068</u>	<u>(34,023)</u>	<u>604,666</u>
NET CHANGE IN FUND BALANCES	958,765	(50,394)	(149,808)	(219,696)	(193,227)	(723,737)	(378,097)
Fund Balances, January 1	<u>7,984,643</u>	<u>310,005</u>	<u>415,300</u>	<u>1,092,392</u>	<u>898,973</u>	<u>608,803</u>	<u>11,310,116</u>
FUND BALANCES, DECEMBER 31	<u>\$ 8,943,408</u>	<u>\$ 259,611</u>	<u>\$ 265,492</u>	<u>\$ 872,696</u>	<u>\$ 705,746</u>	<u>\$ (114,934)</u>	<u>\$ 10,932,019</u>

See accompanying Notes to Basic Financial Statements.

RUSK COUNTY, WISCONSIN
RECONCILIATION OF STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2012

NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS \$ (378,097)

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

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

Capital Outlays Reported in Governmental Fund Statements	\$ 1,817,890	
Depreciation Expense Reported in the Statement of Activities	<u>(2,796,020)</u>	(978,130)

In the statement of activities, the gain and loss on the disposal of capital assets is reported, whereas in the governmental funds, the entire proceeds from the sale increase financial resources. Thus, the change in net position differs from the change in fund balances by the net cost of the capital assets sold, traded in, or discarded: (307,106)

Receivables not currently available are reported as deferred revenue in the fund financial statements but are recognized as revenue when earned in the government-wide statements. 610,178

Long-term debt incurred in governmental funds is reported as an other financing source, but is reported as an increase in outstanding long-term debt in the statement of net position and does not affect the statement of activities. Long-term debt incurred in the current year is:

Capital Lease		(180,000)
---------------	--	-----------

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

Principal Paid on Bonds and Notes		722,771
-----------------------------------	--	---------

The internal service funds are used by the County's management to charge the cost of the central duplication and car pool activities to functions and to account for highway department operations. The change in net position of the internal service funds are reported in governmental activities.

Highway Department Fund	(163,467)	
Central Duplication Fund	2,799	
Car Pool Fund	<u>(6,198)</u>	(166,866)

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

Net Change in Accrued Interest Payable	17,386	
Amortization of Bond Issue Costs	(14,278)	
Amortization of Bond Premiums	5,380	
Net Change in Compensated Absences Liability	(91,389)	
Net Change in Other Postemployment Benefits Payable	<u>(932)</u>	<u>(83,833)</u>

CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES **\$ (761,083)**

**RUSK COUNTY, WISCONSIN
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
DECEMBER 31, 2012**

	<u>Business-Type Activities - Enterprise Fund Rusk County Memorial Hospital and Nursing Home</u>	<u>Governmental Activities - Internal Service Funds</u>
ASSETS		
Current Assets:		
Treasurer's Cash and Investments	\$ 7,779,944	\$ 719,646
Accounts Receivable	2,744,464	208,891
Due from Other Governmental Units	-	311,979
Inventories	338,335	551,243
Prepaid Expenses	360,983	1,387
Total Current Assets	11,223,726	1,793,146
Noncurrent Assets:		
Capital Assets:		
Land and Land Improvements	209,589	213,705
Construction Work in Progress	23,381	-
Buildings and Improvements	2,908,913	651,139
Machinery and Equipment	12,685,264	7,269,208
Accumulated Depreciation	(12,299,796)	(6,040,646)
Total Noncurrent Assets	3,527,351	2,093,406
Total Assets	\$ 14,751,077	\$ 3,886,552
LIABILITIES		
Current Liabilities:		
Accounts Payable	\$ 858,471	\$ 403,942
Accrued Liabilities	1,106,315	-
Unearned Revenue	164	162,923
Current Portion of Long-Term Liabilities:		
Long-Term Notes and Capital Lease Payable	41,675	38,789
Advance from Other Funds	110,000	-
Accrued Employee Leave	-	31,244
Total Current Liabilities	2,116,625	636,898
Long-Term Liabilities (Net of Current Portion):		
Notes Payable	-	30,307
Capital Lease Payable	131,854	-
Advance from Other Funds	252,500	-
Accrued Employee Leave	-	45,535
Other Postemployment Benefits Payable	-	29,115
Total Long-Term Liabilities	384,354	104,957
Total Liabilities	2,500,979	741,855
NET POSITION		
Net Investment in Capital Assets	3,353,822	2,024,310
Unrestricted	8,896,276	1,120,387
Total Net Position	12,250,098	3,144,697
Total Liabilities and Net Position	\$ 14,751,077	\$ 3,886,552

See accompanying Notes to Basic Financial Statements.

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

	Business-Type Activities - <u>Enterprise Fund</u> Rusk County Memorial Hospital and Nursing Home	Governmental Activities - Internal <u>Service Funds</u>
OPERATING REVENUES		
Charges for Services	\$ 21,633,730	\$ 4,404,553
Other Revenue	753,421	1,188,694
Total Operating Revenues	<u>22,387,151</u>	<u>5,593,247</u>
OPERATING EXPENSES	<u>21,765,512</u>	<u>5,623,513</u>
OPERATING INCOME (LOSS)	621,639	(30,266)
NONOPERATING REVENUES (EXPENSES):		
Interest Revenue	56,252	-
Interest Expense	(26,260)	(4,153)
Intergovernmental Grants and Aids	-	169,210
Contributions	32,040	-
Gain (Loss) on Disposal of Capital Assets	17,240	-
Total Nonoperating Revenues (Expenses)	<u>79,272</u>	<u>165,057</u>
INCOME (LOSS) BEFORE TRANSFERS	700,911	134,791
Transfer to General Fund	<u>(123,009)</u>	<u>(301,657)</u>
CHANGE IN NET POSITION	577,902	(166,866)
Net Position, January 1	<u>11,672,196</u>	<u>3,311,563</u>
NET POSITION, DECEMBER 31	<u><u>\$ 12,250,098</u></u>	<u><u>\$ 3,144,697</u></u>

See accompanying Notes to Basic Financial Statements.

**RUSK COUNTY, WISCONSIN
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
YEAR ENDED DECEMBER 31, 2012**

	Business-Type Activities - <u>Enterprise Fund</u> Rusk County Memorial Hospital and Nursing Home	Governmental Activities - Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash Received from Customers and Users	\$ 21,912,009	\$ 5,740,350
Cash Paid to Suppliers for Goods and Services	(5,886,984)	(4,041,688)
Cash Paid for Employee Services	(13,887,102)	(397,542)
Cash Paid for Insurance Claims	-	(546,180)
Net Cash Provided by (Used for) Operating Activities	<u>2,137,923</u>	<u>754,940</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:		
Cash Received from Contributions	32,040	-
Cash Received from State Aid	-	169,210
Transfers to General Fund	(123,009)	(301,657)
Net Cash Provided by (Used for) Noncapital Financing Activities	<u>(90,969)</u>	<u>(132,447)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:		
Cash Received from Salvage of Capital Assets	2,150	29,500
Cash Payments for Acquisition of Capital Assets	(370,155)	(153,099)
Cash Paid for Principal on Capital Lease	(56,240)	(38,835)
Cash Paid for Interest on Capital Lease	(5,612)	(4,153)
Cash Paid for Principal on Advance from the Debt Service Fund	(100,000)	-
Cash Paid for Interest on Advance from the Debt Service Fund	(21,863)	-
Net Cash (Used) by Capital and Related Financing Activities	<u>(551,720)</u>	<u>(166,587)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Interest on Investments	56,252	737
Purchase of Investments	(33,290)	-
Net Cash Provided by Investing Activities	<u>22,962</u>	<u>737</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS	1,518,196	456,643
Cash and Cash Equivalents, January 1	<u>4,194,854</u>	<u>263,003</u>
CASH AND CASH EQUIVALENTS, DECEMBER 31	<u>\$ 5,713,050</u>	<u>\$ 719,646</u>

See accompanying Notes to Basic Financial Statements.

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

	Business-Type Activities - <u>Enterprise Fund</u> Rusk County Memorial Hospital and Nursing Home	Governmental Activities - Internal Service Funds
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES:		
Operating Income (Loss)	\$ 621,639	\$ (30,266)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:		
Depreciation	1,211,482	300,037
Provision for Bad Debts	450,850	-
(Increase) Decrease in Assets:		
Accounts Receivable	(497,538)	132,310
Due from Other Governmental Units	-	14,793
Prepaid Expenses	(31,504)	21,253
Inventory	(13,073)	12,351
Increase (Decrease) in Liabilities:		
Accounts Payable	331,595	295,939
Accrued Liabilities	72,145	-
Unearned Revenues	(3,849)	-
Accrued Employee Leave	(6,826)	8,386
Accrued Pension Payable	3,002	-
Other Postemployment Benefits Payable	-	137
	<u>\$ 2,137,923</u>	<u>\$ 754,940</u>
RECONCILIATION OF CASH AND INVESTMENTS TO CASH AND CASH EQUIVALENTS:		
Cash and Investments per Statement of Net Position:		
Cash and Investments	\$ 7,779,944	\$ 719,646
Less: Investments with a Maturity Greater than Three Months	<u>2,066,894</u>	<u>-</u>
Cash and Cash Equivalents	<u>\$ 5,713,050</u>	<u>\$ 719,646</u>
NONCASH INVESTING, CAPITAL AND RELATED FINANCING ACTIVITIES:		
Capital Assets Acquired under Capital Lease Obligations	\$ 173,529	\$ -
Capital Assets Included in Accounts Payable	213,029	-

See accompanying Notes to Basic Financial Statements.

**RUSK COUNTY, WISCONSIN
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
DECEMBER 31, 2012**

	Agency Funds
ASSETS	
Cash and Investments	\$ 244,283
Taxes Receivable	191,446
Total Assets	\$ 435,729
LIABILITIES	
Due to Other Governmental Units	\$ 206,794
Due to Other Funds	6,017
Special Deposits	222,918
Total Liabilities	\$ 435,729

See accompanying Notes to Basic Financial Statements.

**RUSK COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2012**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Reporting Entity

Rusk County is governed by a board of supervisors consisting of 19 elected members. This report includes all significant operations under the control of the Rusk County Board of Supervisors and includes all of the funds of Rusk County. The County's major operations include general government, public safety, highways, health and human services, hospital and nursing home.

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

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

Joint Operations

The County participates jointly with the City of Ladysmith (the City) in the operation of the City-County Library. A joint library board has three representatives from the City and four from the County. The County board appoints the County's representatives. The Joint Library agreement specifies that the City will function as the fiscal agent. The City and County share operating costs based upon a five-year average usage ratio. For 2012, the County provided \$243,531 towards these costs.

The County also participates jointly with the City in the operation of the Animal Shelter. A board is made up of two representatives of the City and three representatives of the County. The City-County Animal Shelter Agreement specifies that the County will function as the fiscal agent. The City and the County pay a proportional share of the operational costs of the animal shelter based on data collected regarding origin of animals handled by the facility. For 2012, the County levied \$33,817 towards these costs. In addition, the County participates jointly with the City in the operation of the Visitors Center in a similar agreement. For 2012, the County levied \$30,000 to contribute to the Visitors Center. Other joint operations with the City of Ladysmith include the ADF Building, the Enterprise Center, the Fritz Avenue Building, and the Forest Industry Park and Warehouse.

**RUSK COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2012**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

A. Reporting Entity (Continued)

Jointly Governed Organization

The County, in conjunction with Ashland, Bayfield, Burnett, Douglas, Iron, Price, Sawyer, Taylor, and Washburn counties, and major cities within these counties, has created the Northwest Regional Planning Commission (NWRPC). NWRPC's governing body is comprised of two members from each of the ten counties and a representative from each major city. The County's representatives are appointed by the County Board Chairperson and approved by the County board. Rusk County's 2012 appropriation for NWRPC was \$12,773.

B. Government-Wide and Fund Financial Statements

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

Government-Wide Statements

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

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

Fund Financial Statements

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

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

**RUSK COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2012**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Fund Financial Statements (Continued)

The County reports the following major governmental funds:

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

Health and Human Services Fund – The Health and Human Services Fund, a special revenue fund, is used to account for various County health and human services programs. The major revenue sources include taxes and intergovernmental revenues. Through the health and human services programs, the County provides mental health, developmental disabilities and alcoholism and drug abuse rehabilitation services to residents of the County and administers the various social services and income maintenance programs provided by and through the County.

Housing Fund – The Housing Fund provides and administers housing rehabilitation loans provided under various federal, state, and local programs that serve the County's citizens. Repayments received on these loans are a restricted revenue source which is used to finance similar housing rehabilitation loans.

Mining Impact Fund – The Mining Impact Fund is used to record activities funded by mining fees which the County has committed for economic development in an attempt to attract and help business development.

Debt Service Fund – The Debt Service Fund is used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest and related costs of governmental funds.

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

The County reports the following major enterprise fund:

Rusk County Memorial Hospital and Nursing Home Fund – The hospital provides for short-term inpatient and outpatient health care and the nursing home provides skilled nursing care for aged and disabled residents.

The County had no other enterprise funds to report as nonmajor funds.

**RUSK COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2012**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Fund Financial Statements (Continued)

Additionally, the County reports the following fund types:

Internal Service Funds - Used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the County, or to other governmental units, on a cost reimbursement basis.

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

C. Measurement Focus and Basis of Accounting

The government-wide and the proprietary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Nonexchange transactions, in which the County gives or receives value without directly receiving or giving equal value in exchange, include property taxes, grants, entitlements and donations. Property taxes are recognized as revenues in the year for which they are levied. Taxes receivable for the following year are recorded as receivables and deferred revenue. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider are met. Fiduciary funds do not have a measurement focus.

Governmental fund statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized as soon as they are both measurable and available. Revenues are deemed to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period, except for reimbursement grants from the State of Wisconsin, for which available is defined as 60 days. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

RUSK COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2012

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Measurement Focus and Basis of Accounting (Continued)

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

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

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

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 health care center are charges for resident services. The principal operating revenues of the highway fund are charges for the sale of products generated by its operations and routine maintenance. Operating expenses for proprietary funds include the cost of sales and services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

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

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

**RUSK COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2012**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Reclassifications

Certain amounts presented in the prior year data has been reclassified to conform to current year presentation.

E. Assets, Liabilities, and Net Position or Equity

1. Deposits and Investments

For purposes of the statement of cash flows, the County considers all highly liquid investments with an initial maturity of three months or less when acquired to be cash equivalents.

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

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

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

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

Investments of the County are stated at fair value.

RUSK COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2012

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

2. Receivables and Payables

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

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

Accounts Receivable. Accounts receivable in all funds have been adjusted for known uncollectible amounts. Ambulance accounts receivable of \$397,483 in the general fund are net of an allowance for uncollectible in the amount of \$220,371 at December 31, 2012. No allowance for uncollectible taxes on delinquent taxes has been provided because of the County's demonstrated ability to recover most losses through the sale of the applicable property.

Loans Receivable. The County has received federal and state grant funds for financing economic development and housing rehabilitation loans to various businesses and individuals. The County records a loan receivable when the loan has been made and funds have been disbursed. It is the policy to record deferred revenue for the receivable balance. As loans are repaid, revenue is recognized. When new loans are made from the repayments, expenditures are recorded. Interest received from loan repayments is recognized as revenue when received in cash. Any unspent loan repayments at year end are presented as restricted fund balance in the fund statements.

**RUSK COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2012**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

2. Receivables and Payables (Continued)

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

3. Inventories and Prepaid Items

Governmental fund-type inventories are recorded at cost based on the first-in, first-out method using the consumption method of accounting. Proprietary fund-type inventories are accounted for at the lower of cost (first-in, first-out) or market.

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

4. Restricted Assets

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

5. Capital Assets

Government-Wide Statements. Capital assets, which include property, plant, equipment and infrastructure assets (e.g., roads, bridges and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the County as assets with initial, individual costs as shown below and an estimated useful life of two years or greater. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

**RUSK COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2012**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

5. Capital Assets (Continued)

Government-Wide Statements (Continued). Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities, if material, is included as part of the capitalized value of the assets constructed. Capital assets, including infrastructure, acquired by the County prior to January 1, 1980, were recorded on the County's financial records at historical costs, or estimated historical costs, on that date.

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

	Capitalization Threshold	Depreciation Method	Estimated Useful Life
Land	\$ 5,000	N/A	N/A
Land Improvements	5,000	Straight-Line	20-30 Years
Buildings and Improvements	5,000	Straight-Line	20-40 Years
Equipment and Vehicles	5,000	Straight-Line	4-20 Years
Infrastructure	5,000	Straight-Line	25-50 Years

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

6. Other Assets

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

7. Compensated Absences

Under terms of employment, employees are granted sick leave and vacation in varying amounts. Only benefits considered to be vested are disclosed in these statements.

All vested vacation and sick leave pay is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements, and are payable with expendable available resources.

RUSK COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2012

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

7. Compensated Absences (Continued)

Payments for vacation and sick leave will be made at rates in effect when the benefits are used.

Accumulated vacation and sick leave liabilities at December 31, 2012 are determined based on current salary rates.

8. Long-Term Obligations

All long-term obligations to be repaid from governmental and business-type resources are reported as liabilities in the government-wide statements. The long-term obligations consist primarily of notes and bonds payable, and accrued compensated absences.

Long-term obligations for governmental funds are not reported as liabilities in the fund financial statements. The face value of debts (plus any premiums) is reported as other financing sources and payments of principal and interest are reported as expenditures. The accounting in proprietary funds is the same as it is in the government-wide statements.

For the government-wide statements and proprietary fund statements, bond premiums and discounts are deferred and amortized over the life of the issue using the straight-line method. Gains or losses on prior refunding are amortized over the remaining life of the old debt, or the life of the new debt, whichever is shorter. The balance at year end for both premiums/discounts and gains/losses, as applicable, is shown as an increase or decrease in the liability section of the statement of net position.

9. Equity Classifications

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

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

**RUSK COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2012**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

9. Equity Classifications (Continued)

Fund Financial Statements. In the fund financial statements, governmental funds report components of fund balance to provide information about fund balance availability for appropriation. Nonspendable fund balance represents amounts that are inherently nonspendable or assets that will never be converted to cash or will not be converted to cash soon enough to affect the current period. Restricted fund balance represents amounts available for appropriation but intended for a specific use and is legally restricted by outside parties. Committed fund balance represents constraints on spending that the government imposes upon itself by high-level formal action prior to the close of the fiscal period. Assigned fund balance represents resources intended for spending for a purpose set by the government body itself or by some person or body delegated to exercise such authority in accordance with policy established by the Board. Unassigned fund balance is the residual classification for the County's general fund and includes all spendable amounts not contained in the other classifications. It is the County's policy that at the end of each fiscal year, the County will maintain a minimum unassigned fund balance equal to no less than 90 days of general fund expenditures.

Committed fund balance is required to be established, modified, or rescinded by resolution of the County Board prior to each year end. Based on resolution of the County Board, the County Finance Director has the authority to establish or modify assigned fund balance. When restricted and unrestricted fund balance is available for expenditure, it is the County's practice to first use restricted fund balance. When committed, assigned, and unassigned fund balance is available for expenditure, it is the County's practice to use committed, assigned and finally unassigned fund balance.

NOTE 2 STEWARDSHIP AND ACCOUNTABILITY

Actual expenditures exceeded budgeted amounts in the Housing Fund by \$223,913. These overages were determined to be necessary and were authorized by the Board. The Joint Management/Economic Development and Capital Projects funds had a deficit fund balance in the amount of \$166,460 and \$113,791, respectively, at December 31, 2012. These deficits are expected to be recovered in the future through operations.

NOTE 3 DETAILED NOTES ON ALL FUNDS

A. Deposits and Investments

The County's cash and investments balances at December 31, 2012 as shown in the financial statements are as follows:

Governmental Funds	\$ 8,001,811
Proprietary Funds	8,499,590
Fiduciary Funds	244,283
	<u>\$ 16,745,684</u>

**RUSK COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2012**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

A. Deposits and Investments

The above cash and investments balances consisted of the following:

Deposits at Financial Institutions	\$ 10,170,866
Deposits in State Local Government	
Pooled-Investment Fund	6,407,636
Insurance Deposits	74,522
Petty Cash Funds and Cash on Hand	92,660
Total Cash and Investments	\$ 16,745,684

Deposits at Financial Institutions

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

Custodial credit risk for deposits is the risk that in the event of bank failure, the County's deposits may not be returned. At December 31, 2012, the County's deposits were not exposed to custodial credit risk.

Investments

The County's investments at December 31, 2012 consisted of deposits in the State of Wisconsin Local Government Investment Pool (an external investment pool).

Deposits in State Local Government Pooled-Investment Fund. The State of Wisconsin offers a Local Government Investment Pool (LGIP) to local government units to enable them to voluntarily invest idle funds in State Investment Fund. Local funds are pooled with state funds and invested by the State Investment Board. There is no minimum or maximum amount that can be invested by a local governmental unit. Interest is earned on a daily basis and withdrawals are generally available on the day of request. Deposits in the LGIP are not covered by federal depository insurance but are subject to coverage under the State Guarantee Fund. Also, the State of Wisconsin Investment Board has obtained a surety bond to protect deposits in the LGIP against defaults in principal payments on the LGIP's investments (subject to certain limitations). The average monthly weighted average maturity of the State Investment Fund's investments for 2012 was 77 days.

**RUSK COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2012**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

A. Deposits and Investments (Continued)

Investments (Continued)

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

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Generally, the fair values of investments with maturity dates further into the future are more sensitive to changes in market interest rates. The short weighted-average maturities of the investments in the LGIP mitigate this risk to the County.

B. Receivables

CDBG Housing Rehabilitation Loans. The County has received federal grant funds through the State of Wisconsin for the purpose of financing housing rehabilitation loans. Repayments received by the County on these loans are recorded in a separate special revenue fund and are to be used to finance similar housing rehabilitation loans. The following is a description of the loans outstanding under the program at December 31, 2012:

Installment Loans. At December 31, 2012, the County had outstanding two renter-occupied installment loans under the CDBG program totaling \$11,156. These loans are being repaid to the County under terms established through the program. Receivables have been recorded in the special revenue fund in the amount of the outstanding balances on these loans and were equally offset by deferred revenues recorded therein. Revenue is recognized in the special revenue fund as collections are received on these loans.

Deferred Loans. The County also had two hundred thirty-four (234) deferred mortgage loans outstanding at December 31, 2012 totaling \$2,204,142. These notes become due and payable in full only "in the event that the maker:

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

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

RUSK COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2012

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

B. Receivables (Continued)

Mortgages Receivable. The County received Neighborhood Stabilization Program (NSP) CDBG federal grant funds through the State of Wisconsin for the purpose of purchasing and rehabilitating foreclosed homes and reselling them to qualified individuals under the program. To facilitate the sale of certain homes the County is financing part of the sale and holding second mortgages on these properties. At December 31, 2012 the County had six mortgage loans outstanding totaling \$287,861. These loans are subject to repayment to the County under terms established by the various loan agreements. Receivables have been recorded in the housing fund in the amount of the outstanding balances on these loans.

Note Receivable. During 2012 the County sold an industrial building in the Village of Weyerhaeuser and financed the sale on a 20 year term at 4% interest. The note receivable has been recorded as a long-term receivable in the joint management/economic development fund in the amount of the outstanding balance at December 31, 2012 of \$280,831 and is offset by a deferred revenue recorded in that fund. Revenue is recognized as collections are received.

Economic Development Loans. The County has established two economic development revolving loan funds for the purpose of financing loans to businesses for economic development. At December 31, 2012 the County had three installment loans outstanding totaling \$794,044 in the mining impact fund and five installment loans outstanding totaling \$284,076 in the Bruce revolving loan fund. These loans are subject to repayment to the County under terms established by the various loan agreements. Receivables have been recorded in these special revenue funds in the amount of the outstanding balances on these loans and were offset by deferred revenues recorded in these funds. Revenue is recognized as collections are received on these loans.

Lease Receivable. The County has an outstanding lease agreement with an area business to finance the construction of a manufacturing facility. The original lease-purchase agreement was for five years with the option to renew for four consecutive five-year periods. The business exercised the option to renew. The business has the option to purchase the facility at the end of the first five-year lease period and at any time thereafter for the balance of the unamortized value of the remainder of the lease plus one dollar. The total principal amount is \$612,531 if all optional renewal periods are used. Future minimum lease obligations and the present value on these minimum lease payments as of December 31, 2012, shown in the mining impact fund are as follows:

**RUSK COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2012**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

B. Receivables (Continued)

Lease Receivable (Continued)

Year	Amount
2013	\$ 80,110
2014	80,110
2015	80,110
2016	80,110
2017	53,405
	373,845
Less Amounts Representing Interest	114,365
Total Minimum Lease Payments	\$ 259,480

C. Capital Assets

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

Governmental Activities

	Beginning Balance	Additions	Transfers	Deletions	Ending Balance
General County Assets:					
Capital Assets Not Being Depreciated:					
Land	\$ 2,191,000	\$ -	\$ -	\$ 375	\$ 2,190,625
Construction Work in Progress	1,350,375	276,773	(1,469,610)	-	157,538
Total Capital Assets Not Being Depreciated	3,541,375	276,773	(1,469,610)	375	2,348,163
Capital Assets Being Depreciated:					
Land Improvements	6,698,217	13,125	851,543	30,922	7,531,963
Buildings and Improvements	18,345,404	506,113	18,364	437,544	18,432,337
Equipment and Vehicles	4,086,396	507,898	56,400	170,461	4,480,233
Highway Infrastructure:					
Roadways	48,508,002	513,981	543,303	-	49,565,286
Bridges	7,007,552	-	-	-	7,007,552
Total Capital Assets Being Depreciated	84,645,571	1,541,117	1,469,610	638,927	87,017,371
Total Capital Assets	88,186,946	1,817,890	-	639,302	89,365,534
Accumulated Depreciation:					
Land Improvements	2,054,085	260,579	-	7,446	2,307,218
Buildings and Improvements	6,949,821	497,054	-	169,212	7,277,663
Equipment and Vehicles	2,622,093	463,992	-	155,538	2,930,547
Highway Infrastructure	22,307,460	1,574,395	-	-	23,881,855
Total Accumulated Depreciation	33,933,459	2,796,020	-	332,196	36,397,283
Net Capital Assets - General County	\$ 54,253,487	\$ (978,130)	\$ -	\$ 307,106	\$ 52,968,251

**RUSK COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2012**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

C. Capital Assets (Continued)

Governmental Activities (Continued)

	Beginning Balance	Additions	Transfers	Deletions	Ending Balance
Highway Department:					
Capital Assets Not Being Depreciated:					
Land	\$ 16,856	\$ -	\$ -	\$ -	\$ 16,856
Construction Work in Progress	6,984	-	(6,984)	-	-
Total Capital Assets Not Being Depreciated	23,840	-	(6,984)	-	16,856
Capital Assets Being Depreciated:					
Land Improvements	131,397	-	-	-	131,397
Gravel Pits and Quarries	65,457	-	-	5	65,452
Buildings and Improvements	642,407	1,748	6,984	-	651,139
Equipment and Vehicles	6,784,914	151,351	-	93,734	6,842,531
Total Capital Assets Being Depreciated	7,624,175	153,099	6,984	93,739	7,690,519
Total Capital Assets	7,648,015	153,099	-	93,739	7,707,375
Accumulated Depreciation:					
Land Improvements	74,436	7,119	-	-	81,555
Buildings and Improvements	405,033	21,210	-	-	426,243
Equipment and Vehicles	5,048,591	227,808	-	79,674	5,196,725
Total Accumulated Depreciation	5,528,060	256,137	-	79,674	5,704,523
Net Capital Assets - Highway Department	<u>\$ 2,119,955</u>	<u>\$ (103,038)</u>	<u>\$ -</u>	<u>\$ 14,065</u>	<u>\$ 2,002,852</u>
Central Duplication					
Capital Assets Being Depreciated:					
Equipment and Vehicles	\$ 299,402	\$ -	\$ -	\$ -	\$ 299,402
Accumulated Depreciation:					
Equipment and Vehicles	190,418	43,477	-	-	233,895
Net Capital Assets - Central Duplication	<u>\$ 108,984</u>	<u>\$ (43,477)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 65,507</u>
Car Pool					
Capital Assets Being Depreciated:					
Equipment and Vehicles	\$ 127,275	\$ -	\$ -	\$ -	\$ 127,275
Accumulated Depreciation:					
Equipment and Vehicles	86,370	15,858	-	-	102,228
Net Capital Assets - Central Duplication	<u>\$ 40,905</u>	<u>\$ (15,858)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 25,047</u>
Capital Assets Not Being Depreciated	\$ 3,565,215	\$ 276,773	\$ (1,476,594)	\$ 375	\$ 2,365,019
Capital Assets Being Depreciated	92,696,423	1,694,216	1,476,594	732,666	95,134,567
Total Capital Assets	96,261,638	1,970,989	-	733,041	97,499,586
Accumulated Depreciation	39,738,307	3,111,492	-	411,870	42,437,929
Net Capital Assets - Governmental Activities	<u>\$ 56,523,331</u>	<u>\$ (1,140,503)</u>	<u>\$ -</u>	<u>\$ 321,171</u>	<u>\$ 55,061,657</u>

**RUSK COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2012**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

C. Capital Assets (Continued)

Governmental Activities (Continued)

Depreciation expense was charged to the functions as follows:

General County:	
General Government	\$ 262,575
Public Safety	220,895
Public Works	1,877,067
Health and Human Services	4,272
Culture, Recreation and Education	124,971
Conservation and Development	<u>306,240</u>
	2,796,020
Highway Department:	
Transportation	256,137
Central Duplication:	
General Government	43,477
Car Pool:	
Transportation	15,858
	<u><u>\$ 3,111,492</u></u>

Business-Type Activities

	Beginning Balance	Increases	Decreases	Ending Balance
Rusk County Memorial Hospital and Nursing Home				
Capital Assets Not Being Depreciated:				
Land	\$ 12,300	\$ -	\$ -	\$ 12,300
Construction Work in Progress	-	23,381	-	23,381
Total Capital Assets Not Being Depreciated	<u>12,300</u>	<u>23,381</u>	<u>-</u>	<u>35,681</u>
Capital Assets Being Depreciated:				
Land Improvements	202,441	8,634	13,786	197,289
Buildings and Improvements	2,908,913	-	-	2,908,913
Equipment and Vehicles	12,757,217	746,919	818,872	12,685,264
Total Capital Assets Being Depreciated	<u>15,868,571</u>	<u>755,553</u>	<u>832,658</u>	<u>15,791,466</u>
Total Capital Assets	15,880,871	778,934	832,658	15,827,147
Accumulated Depreciation:				
Land Improvements	186,441	2,698	13,786	175,353
Buildings and Improvements	2,666,842	60,104	-	2,726,946
Equipment and Vehicles	9,052,599	1,148,680	803,782	9,397,497
Total	<u>11,905,882</u>	<u>1,211,482</u>	<u>817,568</u>	<u>12,299,796</u>
Net Capital Assets - Business-Type Activities	<u><u>\$ 3,974,989</u></u>	<u><u>\$ (432,548)</u></u>	<u><u>\$ 15,090</u></u>	<u><u>\$ 3,527,351</u></u>

**RUSK COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2012**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

C. Capital Assets (Continued)

Business-Type Activities (Continued)

Depreciation was charged to business-type activities as follows:

Memorial Hospital and Nursing Home	\$1,211,482
------------------------------------	-------------

D. Interfund Receivables, Payables and Transfers

The composition of interfund balances as of December 31, 2012 was as follows:

Due to/from Other Funds

	Receivable from Other Funds	Payable to Other Funds
General Fund	\$ 1,477,369	\$ 40,539
Health and Human Services Fund	-	150,163
Mining Impact Fund	90,720	695,452
Mediation Fees Fund	215	-
Wildlife Damage Abatement Fund	-	16,348
Watershed Fund	-	109,162
Joint Management/Economic Development Fund	98,202	635,250
Economic Development Revolving Loan Fund	17,820	1,336
Bruce Revolving Loan Fund	-	6,000
Debt Service Fund	499,965	416,968
Capital Projects Fund	-	113,073
	\$ 2,184,291	\$ 2,184,291

The above interfund receivables and payables are made to help certain funds with temporary cash flow shortages because of the timing of some activities such as tax collections and grant activities. The balances are expected to be repaid in 2013. Interfund balances owed within the governmental activities are eliminated in the statement of net position.

Advances to/from Other Funds

	Advances to Other Funds	Advances from Other Funds
General Fund	\$ 377,894	\$ -
Debt Service Fund	362,500	-
Joint Management/Economic Development Fund	-	377,894
Rusk County Memorial Hospital and Nursing Home	-	362,500
	\$ 740,394	\$ 740,394

**RUSK COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2012**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

D. Interfund Receivables, Payables and Transfers (Continued)

Advances to/from Other Funds (Continued)

The advance to the Rusk County Memorial Hospital and Nursing Home from the debt service fund is for the Hospital's share of County debt. This amount is repaid to the debt service fund based on the County's debt schedule on its 2005 refunding bonds. The advance to the joint management/economic development fund from the general fund is for multiple projects funding. A repayment schedule has not been established for this advance.

Interfund Transfers

Interfund transfers during the year consisted of the following:

	<u>Transfers In</u>	<u>Transfers Out</u>	<u>Net Transfers</u>
General Fund	\$ 851,363	\$ 3,938	\$ 847,425
Human Services Fund	-	134,859	(134,859)
Mining Impact Fund	1,875	369,820	(367,945)
Jail Assessment Fund	-	12,000	(12,000)
Wildlife Damage Abatement Fund	-	453	(453)
Law Enforcement Grants Fund	3,217	-	3,217
Watershed Fund	453	24,123	(23,670)
Joint Management/Economic Development Fund	23,258	175,903	(152,645)
Dog License Fund	-	25,472	(25,472)
Bruce Revolving Loan Fund	-	3,000	(3,000)
Debt Service Fund	358,641	64,573	294,068
Rusk County Memorial Hospital and Nursing Home	-	123,009	(123,009)
HRA Fund	-	301,657	(301,657)
	<u>\$ 1,238,807</u>	<u>\$ 1,238,807</u>	<u>\$ -</u>

The transfer from the joint management/economic development fund to the debt service fund consists of unspent debt proceeds. Other transfers are made to transfer revenues collected in one fund to finance programs accounted for in other funds in accordance with budgetary constraints.

**RUSK COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2012**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

E. Long-Term Obligations

Changes in Long-Term Obligations

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

	Balances 1/1/12	Additions	Reductions	Balances 12/31/12	Amounts Due Within One Year
Long-Term Debt:					
Governmental Activities:					
2010 State Trust Fund Loan	\$ 620,000	\$ -	\$ 33,660	\$ 586,340	\$ 38,136
2009 State Trust Fund Loan	1,844,612	-	66,921	1,777,691	70,340
2008 State Trust Fund Loan	942,798	-	37,190	905,608	39,079
2011 General Obligation Notes	955,000	-	100,000	855,000	100,000
2007 Refunding Bonds	1,855,000	-	255,000	1,600,000	265,000
2005 Refunding Bonds	925,000	-	200,000	725,000	220,000
2008 Land Promissory Note	260,000	-	30,000	230,000	30,000
Subtotal	<u>7,402,410</u>	<u>-</u>	<u>722,771</u>	<u>6,679,639</u>	<u>762,555</u>
Unamortized Debt Premium	38,726	-	5,380	33,346	5,199
Total Long-Term Debt	<u>\$ 7,441,136</u>	<u>\$ -</u>	<u>\$ 728,151</u>	<u>\$ 6,712,985</u>	<u>\$ 767,754</u>
Other Long-Term Obligations:					
Governmental Activities:					
Governmental Funds:					
Capital Lease	\$ -	\$ 180,000	\$ -	\$ 180,000	\$ 22,908
Employee Leave Liability	451,651	91,389	-	543,040	249,572
Other Postemployment Benefits Payable	103,598	16,198	15,266	104,530	-
Internal Service Funds:					
Capital Lease	107,931	-	38,835	69,096	38,789
Employee Leave Liability	68,393	8,386	-	76,779	31,244
Other Postemployment Benefits Payable	28,978	2,392	2,255	29,115	-
Subtotal	<u>760,551</u>	<u>298,365</u>	<u>56,356</u>	<u>1,002,560</u>	<u>342,513</u>
Business-Type Activities:					
Rusk County Memorial Hospital and Nursing Home:					
Capital Lease	56,240	159,798	42,509	173,529	41,675
Total Other Long-Term Obligations	<u>\$ 816,791</u>	<u>\$ 458,163</u>	<u>\$ 98,865</u>	<u>\$ 1,176,089</u>	<u>\$ 384,188</u>

The County's estimated liability for employee leave and other postemployment benefits payable is discussed in Note 4.A and Note 4.C, respectively.

**RUSK COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2012**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

E. Long-Term Obligations (Continued)

General Obligation Long-Term Debt

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

	Year	Principal	Interest	Total
General Obligation Bonds:				
General Obligation Refunding Bonds, \$1,815,000, issued 12/1/05, due 10/1/15, interest at 4.6%-5.3%	2013	\$ 220,000	\$ 32,595	\$ 252,595
	2014	235,000	20,538	255,538
	2015	270,000	7,155	277,155
		<u>725,000</u>	<u>60,288</u>	<u>785,288</u>
General Obligation Refunding Bonds, \$3,355,000, issued 10/15/07, due 10/1/20, interest at 4.0%	2013	265,000	64,000	329,000
	2014	270,000	53,400	323,400
	2015	285,000	42,600	327,600
	2016	295,000	31,200	326,200
	2017	310,000	19,400	329,400
	2018-2020	<u>175,000</u>	<u>14,200</u>	<u>189,200</u>
		1,600,000	224,800	1,824,800
General Obligation Notes:				
General Obligation Promissory Notes, \$1,000,000 issued 2/22/2011, due 10/1/20, interest at 2.0%-4.0%	2013	100,000	28,575	128,575
	2014	100,000	26,075	126,075
	2015	100,000	23,075	123,075
	2016	105,000	20,075	125,075
	2017	105,000	16,925	121,925
	2018-2020	<u>345,000</u>	<u>27,450</u>	<u>372,450</u>
		855,000	142,175	997,175
Promissory Note, \$350,000, issued 7/8/08, due 1/5/17, interest at 4.25%	2013	30,000	10,350	40,350
	2014	50,000	9,000	59,000
	2015	50,000	6,750	56,750
	2016	50,000	4,500	54,500
	2017	<u>50,000</u>	<u>2,250</u>	<u>52,250</u>
		230,000	32,850	262,850

**RUSK COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2012**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

E. Long-Term Obligations (Continued)

General Obligation Long-Term Debt (Continued)

Annual Requirements for Retirement (Continued)

	<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
General Obligation Notes (continued):				
State Trust Fund Loan, \$1,000,000, issued 12/5/08, due 3/15/28, interest at 4.75%	2013	\$ 39,079	\$ 43,016	\$ 82,095
	2014	40,935	41,160	82,095
	2015	42,880	39,216	82,096
	2016	44,815	37,281	82,096
	2017	47,045	35,050	82,095
	2018-2022	270,860	139,617	410,477
	2023-2027	341,630	68,842	410,472
	2028	78,364	3,735	82,099
		<u>905,608</u>	<u>407,917</u>	<u>1,313,525</u>
State Trust Fund Loan, \$2,000,000, issued 7/14/09, due 3/15/29, interest at 4.75%	2013	70,340	84,440	154,780
	2014	73,681	81,099	154,780
	2015	77,181	77,599	154,780
	2016	80,644	74,136	154,780
	2017	84,677	70,103	154,780
	2018-2022	487,506	286,393	773,899
	2023-2027	614,877	159,023	773,900
	2028-2029	288,785	20,774	309,559
		<u>1,777,691</u>	<u>853,567</u>	<u>2,631,258</u>
State Trust Fund Loan, \$620,000, issued 12/30/10, due 3/15/25, interest at 5.00%	2013	38,136	29,317	67,453
	2014	39,185	27,410	66,595
	2015	40,263	25,451	65,714
	2016	41,335	23,502	64,837
	2017	42,507	21,371	63,878
	2018-2022	230,699	73,825	304,524
	2023-2025	154,215	15,575	169,790
		<u>586,340</u>	<u>216,451</u>	<u>802,791</u>
Total General Obligation Debt		<u>\$ 6,679,639</u>	<u>\$ 1,938,048</u>	<u>\$ 8,617,687</u>

**RUSK COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2012**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

E. Long-Term Obligations (Continued)

General Obligation Long-Term Debt (Continued)

Annual Requirements for Retirement (Continued)

The above annual debt service requirements are summarized as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2013	\$ 762,555	\$ 292,293	\$ 1,054,848
2014	808,801	258,682	1,067,483
2015	865,324	221,846	1,087,170
2016	616,794	190,694	807,488
2017	639,229	165,099	804,328
2018-2022	1,509,065	541,485	2,102,800
2023-2027	1,110,722	243,440	1,354,162
2028-2029	367,149	24,509	391,658
	<u>\$ 6,679,639</u>	<u>\$ 1,938,048</u>	<u>\$ 8,617,687</u>

Subsequent Year Borrowing. On March 15, 2013 the County issued general obligation promissory notes in the amount of \$1,490,000 and general obligation refunding bonds in the amount of \$3,020,000 to provide financing for capital improvement projects, to advance refund the outstanding balance of the 2007 general obligation refunding bonds, and to current refund the outstanding balances of the 2008 and 2009 state trust fund loan. The refunding resulted in an economic gain of \$317,229.

General Obligation Debt Limitation. Section 67.03 of the Wisconsin Statutes restricts county general obligation debt to 5% of the equalized value of all property in the County. At December 31, 2012, the County's debt limit amounted to \$56,405,065 and indebtedness subject to the limitation totaled \$6,679,639.

Capital Leases - Lessee

The County has entered into lease agreements as lessee for financing the acquisition of health care equipment, copy machines and radio equipment. These lease agreements qualify as capital leases for accounting purposes and, therefore, have been recorded at the present value of their future minimum lease payments as of the inception date. The cost of the equipment under capital leases at December 31, 2012 is as follows:

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
Equipment Cost	\$ 298,974	\$ 214,139	\$ 513,113
Less: Accumulated Depreciation	(119,319)	(49,889)	(169,208)
Total	<u>\$ 179,656</u>	<u>\$ 164,250</u>	<u>\$ 343,906</u>

**RUSK COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2012**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

E. Long-Term Obligations (Continued)

Capital Leases – Lessee (Continued)

The future minimum lease obligations and the net present value of these minimum lease payments as of December 31, 2012, were as follows:

	Governmental Activities	Business-Type Activities	Total
2013	\$ 70,967	\$ 46,620	\$ 117,587
2014	60,675	46,620	107,295
2015	29,802	41,715	71,517
2016	29,802	40,080	69,882
2017	29,802	10,020	39,822
2018-2019	59,603	-	59,603
	<u>280,651</u>	<u>185,055</u>	<u>465,706</u>
Less Amounts Representing Interest	<u>31,555</u>	<u>11,526</u>	<u>43,081</u>
	<u>\$ 249,096</u>	<u>\$ 173,529</u>	<u>\$ 422,625</u>

RUSK COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2012

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

F. Governmental Fund Balances

The governmental fund balances reported on the fund financial statements at December 31, 2012 consisted of the following:

	Total	Nonspendable	Restricted	Committed	Assigned	Unassigned
Major Funds:						
General Fund						
Delinquent Taxes and Tax Deeds	\$ 834,603	\$ 834,603	\$ -	\$ -	\$ -	\$ -
Insurance Deductible Escrow	74,522	74,522	-	-	-	-
Inventory and Prepaid Items	410,784	410,784	-	-	-	-
Tax Deed Special Assessment	13,062	13,062	-	-	-	-
Economic Development Advances	349,179	349,179	-	-	-	-
85.21 Trust (Personal Escort)	946	-	946	-	-	-
Teen Court	42,182	-	-	-	42,182	-
Platbooks/Maps	51,466	-	-	-	51,466	-
Surveyor - Remonumentation	2,000	-	-	-	2,000	-
Register of Deeds Redaction	15,492	-	-	-	15,492	-
Sheriff - K-9	20,082	-	-	-	20,082	-
Ambulance Transfer	16,148	-	-	-	16,148	-
Hazmat	9,267	-	-	-	9,267	-
Wellness Section 125	985	-	-	-	985	-
Section 18 - Indianhead Transit	1,025	-	-	-	1,025	-
Land Information - Public Access	18,066	-	-	-	18,066	-
Junior Fair	6,826	-	-	-	6,826	-
Veterans Service Committee	8,505	-	-	-	8,505	-
Park Development	26,159	-	-	-	26,159	-
Trails End	3,641	-	-	-	3,641	-
Extension Lamination	1,046	-	-	-	1,046	-
4H	995	-	-	-	995	-
AG	2,452	-	-	-	2,452	-
Pesticide	1,131	-	-	-	1,131	-
Agriculture Development	396	-	-	-	396	-
WNEP	210	-	-	-	210	-
County Conservation	2,534	-	-	-	2,534	-
Land Acquisition	16,110	-	-	-	16,110	-
Meter	11,100	-	-	-	11,100	-
Visitor Center Operations/JEM	2,411	-	-	-	2,411	-
LCD Trees	1,648	-	-	-	1,648	-
Courthouse Equipment	44,263	-	-	-	44,263	-
Vending Machines Expense	184	-	-	-	184	-
Other County Property - Sheriff Building	3,979	-	-	-	3,979	-
IT Internet Site	2,004	-	-	-	2,004	-
Boat Landings	666	-	-	-	666	-
Sales Tax Funded Programs	215,380	-	-	-	215,380	-
Animal Shelter Program	30,406	-	-	-	30,406	-
Animal Shelter Building	26,770	-	-	-	26,770	-
Spay/Neuter	3,224	-	-	-	3,224	-
Gift Purposes	1,130	-	-	-	1,130	-
Subsequent Year's Budget	984,673	-	-	-	984,673	-
Unfunded Pension Liability	127,769	-	-	-	127,769	-
OPEB Liability	132,576	-	-	-	132,576	-
Power Line Funds Projects	734,706	-	-	-	734,706	-
Murphy Dam Repair/Replace	24,037	-	-	-	24,037	-
Unassigned	4,666,668	-	-	-	-	4,666,668
Subtotal general Fund	8,943,408	1,682,150	946	-	2,593,644	4,666,668
Health and Human Services Fund						
Assigned for Human Services Programs	259,611	-	-	-	259,611	-
Housing Revolving Loan Program Fund:						
Restricted for Housing Revolving Loan Program	265,492	-	265,492	-	-	-
Mining Impact Fund:						
Committed for Economic Development	872,696	-	-	872,696	-	-
Debt Service Fund:						
Assigned for Debt Service	705,746	-	-	-	705,746	-
Nonmajor Funds:						
Special Revenue Funds:						
Forestry State Aid Funded Projects	-	241	-	-	-	(241)
Jail Assessments Fees Funded Projects	1,988	-	1,988	-	-	-
Mediation Fees Funded Program	1,499	-	-	1,499	-	-
Law Enforcement Grants	67,948	-	-	-	67,948	-
Watershed Programs	1,663	-	-	-	1,663	-
Joint Management/Economic Development Fund	(166,460)	-	-	-	-	(166,460)
Recycling Programs	5,796	-	-	-	5,796	-
Dog License Fund Committed for Animal Control	1,000	-	-	1,000	-	-
Bruce Revolving Loan Program	85,423	-	-	85,423	-	-
Capital Projects Fund	(113,791)	-	-	-	-	(113,791)
Total Governmental Funds Balances at December 31, 2012	\$ 10,932,019	\$ 1,682,391	\$ 268,426	\$ 960,618	\$ 3,634,408	\$ 4,386,176

**RUSK COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2012**

NOTE 4 OTHER INFORMATION

A. Employee Vacation, Sick Leave and Compensatory Time

It is the County's policy to permit employees to accumulate earned but unused vacation, compensatory time, and sick pay benefits. Employees may accumulate 84 days of sick leave. Employees who retire at age 55 or older (50 for protected occupations) and take a retirement annuity from the Wisconsin Retirement System may use 75% of their accumulated sick leave for payment of group health insurance premiums. The estimated liability for vacation, compensatory time, and sick leave at December 31, 2012 was \$543,040 in the governmental funds and \$76,779 in the highway department internal service fund. The Rusk County Memorial Hospital and Nursing Home had a liability of \$629,385 for unused vacation at December 31, 2012.

B. Employee Retirement Plan

All eligible Rusk County employees participate in the Wisconsin Retirement System (WRS), a cost-sharing, multiple-employer, defined benefit, public employee retirement system. All employees, initially employed by a participating WRS employer prior to July 1, 2011, expected to work at least 600 hours a year (440 hours for teachers and school district educational support employees) and expected to be employed for at least one year from employee's date of hire are eligible to participate in the WRS. All employees, initially employed by a participating WRS employer on or after July 1, 2011, and expected to work at least 1200 hours a year (880 hours for teachers and school district educational support employees) and expected to be employed for at least one year from employee's date of hire are eligible to participate in the WRS. Note: Employees hired to work nine or ten months per year, (e.g. teachers contracts), but expected to return year after year are considered to have met the one-year requirement.

Effective the first day of the first pay period on or after June 29, 2011 the employee required contribution was changed to one-half of the actuarially determined contribution rate for General category employees, including Teachers, and Executives and Elected Officials. Required contributions for protective contributions are the same rate as general employees. Employers are required to contribute the remainder of the actuarially determined contribution rate. The employer may not pay the employee required contribution unless provided for by an existing collective bargaining agreement. Contribution rates for 2012 are:

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

The payroll for County employees covered by the WRS for the year ended December 31, 2012 was \$15,375,602; the employer's total payroll was \$15,678,572. The total required contribution for the year ended December 31, 2012 was \$1,902,879, which consisted of \$993,257, or 6.5% of payroll from the employer and \$909,622, or 5.9% of payroll from employees. Total contributions for the years ending December 31, 2011 and 2010 were \$1,861,789 and \$1,754,722, respectively, equal to the required contributions for each year.

**RUSK COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2012**

NOTE 4 OTHER INFORMATION (CONTINUED)

B. Employee Retirement Plan (Continued)

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

The WRS also provides death and disability benefits for employees. Eligibility for 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.

C. Other Postemployment Benefit Plan

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

Single-Employer Plan Description

The County provides a single-employer defined benefit healthcare plan administered by Security Health Plan. The County Board authorized plan provides that eligible retirees may choose to remain within the County's group medical plan with the retiree paying the full cost. Participation in the plan is limited to the duration of COBRA. Eligible retirees with unused sick leave may elect to receive a credit of 75% of their unused sick leave to be applied towards the retiree's medical premiums.

Funding Policy

The contribution of plan members and the employer are established and may be amended by the County board. The required contribution is based on pay-as-you-go financing. For 2012, the County contributed an estimated \$17,521 to the plan.

**RUSK COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2012**

NOTE 4 OTHER INFORMATION (CONTINUED)

C. Other Postemployment Benefit Plan (Continued)

Annual OPEB Cost and Net OPEB Obligation

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

Annual Required Contribution	\$ 20,763
Interest on Net OPEB Obligation	5,966
Adjustment to Annual Required Contribution	<u>(8,139)</u>
Annual OPEB Cost	18,590
Contributions Made	<u>(17,521)</u>
Decrease in Net OPEB Obligation	1,069
Net OPEB Obligation- Beginning of Year	<u>132,576</u>
Net OPEB Obligation- End of Year	<u><u>\$ 133,645</u></u>

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

Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
12/31/2012	\$ 18,590	94.2%	\$ 133,645
12/31/2011	47,790	76.6%	132,576
12/31/2010	48,075	60.7%	121,392

Funded Status and Funding Progress

As of January 1, 2012, the most recent actuarial valuation date, the County's unfunded actuarial accrued liability (UAAL) was \$263,320 or 3.9% of \$6,704,506 covered payroll.

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

**RUSK COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2012**

NOTE 4 OTHER INFORMATION (CONTINUED)

C. Other Postemployment Benefit Plan (Continued)

Actuarial Methods and Assumptions

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

In the January 1, 2012 actuarial valuation, the projected unit credit actuarial cost method was used. The actuarial assumptions included a 4.5% interest discount rate of return (net of administrative expenses), which is the County's projected short-term investment rate of return. The initial healthcare trend rate was 10.0% for the 2012 calendar year, then 9% reduced by 1.0% per year decrements to an ultimate rate of 5.0%. The UAAL is being amortized using the level dollar method over the amortization period. The remaining amortization period at December 31, 2012 was 29 years.

D. Risk Management

The County is exposed to various risks of losses related to torts; theft of, damage to, or destruction of assets; errors or omissions; injuries to employees; natural disasters; and employee health claims. The County has purchased commercial insurance for all risks, with minimal deductibles, and participation in Wisconsin County Mutual Insurance Corporation (WCMIC). Settled claims have not exceeded the County's coverage in any of the past three years. There were no significant reductions in coverage compared to the prior year. Summary financial information of WCMIC as of December 31, 2012, can be obtained directly from WCMIC's offices.

E. Contingencies

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

F. Subsequent Event

On July 1, 2013, the County sold the operations of the nursing home to an unrelated buyer, Senior Management, Inc. The County retained ownership the building occupied by the nursing home operations and has executed a lease agreement with Senior Management, Inc. for the use of nursing home related areas of the building. The initial term of the lease is for five years with automatic two-year renewals thereafter.

REQUIRED SUPPLEMENTARY INFORMATION

**RUSK COUNTY, WISCONSIN
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
YEAR ENDED DECEMBER 31, 2012**

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
REVENUES:				
Taxes:				
General Property Taxes	\$ 4,096,114	\$ 4,089,773	\$ 4,110,389	\$ 20,616
County Sales Taxes	650,220	650,220	790,609	140,389
Forest Crop Taxes	25,000	25,000	53,186	28,186
Redemption Fees	2,000	2,000	8,807	6,807
Payments in Lieu of Taxes	1,600	1,600	1,633	33
Interest on Taxes	150,000	150,000	196,945	46,945
Total Taxes	4,924,934	4,918,593	5,161,569	242,976
Intergovernmental:				
Shared Taxes from State	1,106,873	1,106,873	1,099,864	(7,009)
Tax Exempt Computer Aid	6,144	6,144	6,143	(1)
Guardian Ad Litem	14,500	14,500	12,901	(1,599)
Victim/Witness Program	14,132	14,132	12,818	(1,314)
Judicial Assistance	52,275	52,275	52,275	-
County Forest Aids	35,000	35,000	37,645	2,645
Law Enforcement Training	6,000	2,230	4,460	2,230
Sheriff Vests Grant	3,000	703	1,596	893
Jail Inmate Housing	20,000	46,828	46,828	-
Jail Social Security Admin Incentives	1,200	2,800	2,800	-
Boat Landing	10,000	10,000	9,334	(666)
County Park Grant	5,000	5,000	-	(5,000)
County Conservation Aids	2,477	2,477	2,452	(25)
Emergency Government	31,696	31,696	30,673	(1,023)
State Aid LEPC	5,500	5,500	5,424	(76)
LEPC Equipment	8,000	8,000	-	(8,000)
Transit Service - Sec 18	477,120	477,120	453,302	(23,818)
Transit Equipment Grant	51,382	51,382	-	(51,382)
Transit New Freedom Grant	-	-	50,238	50,238
Personal Escort	68,117	68,117	68,117	-
Highway Aid	611,640	611,640	611,640	-
PECFA	-	29,964	29,964	-
Forest Roads	6,989	88,954	84,516	(4,438)
Forestry	6,292	6,292	3,452	(2,840)
Forestry Salary	41,000	41,000	41,329	329
Conservation Fund	14,300	14,300	11,645	(2,655)
WNEP - Revenue from State	3,020	2,336	2,336	-
Wisconsin Fund	32,000	19,453	19,453	-
Ambulance State Aid	5,658	5,658	5,658	-
UW Extension State Aid	3,063	3,350	3,350	-
Tourism Grants	-	-	11,350	11,350
Junior Fair State Aid	4,000	1,933	1,933	-
Total Intergovernmental	2,646,378	2,765,657	2,723,496	(42,161)
Licenses and Permits:				
County Clerk Licenses	2,550	2,734	2,734	-
Animal Shelter Kennel Permits	200	100	100	-
Sanitary Fees and Permits	25,000	25,036	24,936	(100)
Agent Status Review	120	60	60	-
Non-Metallic Mining Fees	12,000	12,255	12,255	-
Public Hearing Fees	1,400	1,800	1,400	(400)
Land Use Permits	18,400	18,675	18,275	(400)
Total Licenses and Permits	59,670	60,660	59,760	(900)

See accompanying Notes to Required Supplementary Information.

RUSK COUNTY, WISCONSIN
BUDGETARY COMPARISON SCHEDULE (CONTINUED)
GENERAL FUND
YEAR ENDED DECEMBER 31, 2012

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
REVENUES (CONTINUED)				
Fines and Forfeits:				
County Ordinance Forfeitures	\$ 36,000	\$ 36,000	\$ 39,741	\$ 3,741
County Share of State Fines and Forfeitures	21,000	21,000	23,234	2,234
Total Fines and Forfeits	57,000	57,000	62,975	5,975
Public Charges for Services:				
Circuit Court Fees and Costs	40,000	40,000	34,417	(5,583)
Teen Court Fees and Costs	500	1,229	1,799	570
Probate Fees	4,000	4,000	2,342	(1,658)
Jury Fees	900	900	972	72
Coroner Fees	6,000	450	450	-
District Attorney Fees	250	250	244	(6)
Sale of Copies	2,408	2,418	3,546	1,128
Courthouse Rentals	2,820	2,820	2,820	-
Real Estate Transfer Fees	25,000	22,954	22,954	-
Register of Deeds Fees	90,000	97,345	102,148	4,803
Sale of Maps and Plats	10,000	10,000	9,788	(212)
Sheriff Fees	23,600	28,432	28,532	100
Sheriff Copier Charges	250	549	549	-
Huber Fees	20,200	13,710	13,710	-
Drug Test Reimbursement	-	25	25	-
Jail Inmate Medical	5,000	4,258	4,258	-
Jail Inmate Charges	16,050	12,090	12,090	-
Jail Juvenile Reimbursement	6,000	8,787	8,787	-
Ambulance Revenue	896,500	906,833	906,833	-
Airport Fuel	22,000	34,461	34,461	-
Airport Revenue	5,525	3,600	3,600	-
Rabies Clinic	40	40	-	(40)
Other Animal Shelter	14,500	14,356	14,356	-
County Parks Campground Fees	27,000	27,000	38,573	11,573
Fairground Rentals	1,013	1,243	1,243	-
Junior Fair Revenue	12,715	15,704	20,729	5,025
Trail's End Revenue	8,000	3,915	3,915	-
Extension Revenue	6,000	2,785	2,785	-
Extension Meeting Fund Revenue	2,600	6,069	5,945	(124)
County Forest Stumpage	450,599	459,706	1,409,111	949,405
Other Forestry	700	700	1,040	340
Trees-LCD	4,000	4,000	2,961	(1,039)
Information Center Fees	900	900	1,673	773
Zoning Fees	3,200	1,738	1,738	-
Zoning Office Revenue	2,500	2,459	2,459	-
WLWCA - Student Registration	3,500	3,500	-	(3,500)
Land Information Access Fees	26,050	33,383	33,383	-
Total Public Charges for Services	1,740,320	1,772,609	2,734,236	961,627
Intergovernmental Charges for Services:				
Sheriff - City Reception	7,000	7,000	7,000	-
Elections Reimbursement	2,400	9,416	10,473	1,057
Real Estate Property Listing Fee	800	800	1,771	971
Other Counties Prisoner Housing	25,000	62,040	62,040	-
Animal Shelter Charges	33,635	33,635	33,708	73
Indirect Costs	133,302	133,302	148,757	15,455
Tourism Reimbursement - City	27,500	27,500	27,500	-
Land Information Charges	6,000	-	-	-
Other Intergovernmental Charges	50	136	532	396
Total Intergovernmental Charges for Services	235,687	273,829	291,781	17,952

See accompanying Notes to Required Supplementary Information.

**RUSK COUNTY, WISCONSIN
BUDGETARY COMPARISON SCHEDULE (CONTINUED)
GENERAL FUND
YEAR ENDED DECEMBER 31, 2012**

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
REVENUES (CONTINUED)				
Miscellaneous:				
Investment Income:				
Circuit Court Deposit	\$ 867	\$ 867	\$ 5,394	\$ 4,527
General Fund Investments	120,300	120,300	126,897	6,597
Insurance Escrow	500	500	73	(427)
Park Development Fund	-	-	21	21
Trail's End Fund	25	25	6	(19)
Personal Escort Trust	-	-	18	18
Powerline	3,700	3,700	3,769	69
Animal Shelter	100	100	59	(41)
Jail	500	45	45	-
Ambulance	-	1,952	1,952	-
Indigent Fees/Guardian Ad Litem	10,000	10,000	34,559	24,559
County Clerk Materials/Supplies	2,760	1,526	1,549	23
Section 125 Rebate	1,000	392	392	-
Insurance Claims:				
Ambulance	-	-	60	60
Insurance Dividends	25,000	25,000	8,787	(16,213)
Treasurer Reimbursements	27,500	23,893	23,545	(348)
Tax Deed Property	30,000	13,140	14,079	939
Sale of Property and Equipment:				
Sheriff	12,000	16,794	16,794	-
Forestry	-	-	1,620	1,620
Courthouse	1,000	5,480	5,480	-
Sheriff Reimbursements	1,000	3,862	3,862	-
Sheriff Court Ordered Restitution	200	290	290	-
Telephone Reimbursements - Jail	6,000	9,392	10,298	906
Law Enforcement Center Rent	13,360	13,360	13,360	-
Rental of Farmland - Airport	3,763	8,402	8,402	-
Senior/Youth Rent	-	-	25	25
Centennial	5,000	5,000	4,960	(40)
Tourism Reimbursement	-	-	2,908	2,908
WALCE Contributions	600	600	-	(600)
Powerline	58,643	58,643	58,643	-
Refund of Prior Year Expense - Northern Pines	-	-	7,939	7,939
Donations and Gifts:				
Animal Shelter	5,250	5,250	10,575	5,325
K-9	200	200	5,038	4,838
Ambulance	-	7,712	7,712	-
Personal Escort	-	-	31,028	31,028
Teen Court	4,000	4,450	36,450	32,000
Junior Fair	-	2,783	2,783	-
Other	650	9,177	11,794	2,617
Miscellaneous:				
County Board	100	90	90	-
Courthouse	-	8,635	8,635	-
Animal Shelter	166	161	161	-
Jail	100	347	149	(198)
Ambulance	2,500	15,717	15,717	-
Airport	-	-	116	116
Other	4,525	4,966	5,832	866
Total Miscellaneous	<u>341,309</u>	<u>382,751</u>	<u>491,866</u>	<u>109,115</u>
Total Revenues	10,005,298	10,231,099	11,525,683	1,294,584

See accompanying Notes to Required Supplementary Information.

RUSK COUNTY, WISCONSIN
BUDGETARY COMPARISON SCHEDULE (CONTINUED)
GENERAL FUND
YEAR ENDED DECEMBER 31, 2012

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
EXPENDITURES				
General Government:				
County Board	\$ 83,455	\$ 94,876	\$ 94,876	\$ -
Board of Adjustment	2,871	9,501	7,029	2,472
Circuit Court	317,568	317,568	308,708	8,860
Teen Court	21,386	31,350	21,738	9,612
Family Court Commissioner	16,358	16,358	15,955	403
Guardian Ad Litem/Indigents	72,825	91,793	91,793	-
Coroner	29,047	38,630	38,630	-
District Attorney	148,182	148,182	146,980	1,202
Crime Victim Witness	29,163	29,163	28,655	508
Corporate Counsel	64,610	64,610	61,290	3,320
County Clerk	207,282	211,383	211,383	-
Legal Fees	31,310	31,311	40,165	(8,854)
Section 125 Administration	850	1,098	1,098	-
Elections	40,000	60,568	60,568	-
Finance	249,269	252,380	251,772	608
Cost Allocation	4,122	4,122	4,122	-
Independent Auditing	27,700	24,450	24,450	-
County Treasurer	282,435	289,935	266,614	23,321
Assessment of Property	2,500	3,857	6,668	(2,811)
Tax Deed Property	12,550	33,342	33,392	(50)
Courthouse	489,814	533,172	540,008	(6,836)
County Owned Building Maintenance	17,493	21,725	18,572	3,153
Register of Deeds	160,235	165,534	161,257	4,277
Land Information Program	195,752	196,325	185,979	10,346
Uncollectible Taxes	10,000	10,000	860	9,140
Insurance	144,371	144,371	95,296	49,075
Public Access	4,250	14,301	14,301	-
Board of Canvass	565	1,042	1,042	-
Contingency	218,762	8,938	-	8,938
Total General Government	2,884,725	2,849,885	2,733,201	116,684
Public Safety:				
Jail	1,460,603	1,535,889	1,532,891	2,998
Jail Maintenance	14,925	24,652	24,839	(187)
Sheriff	1,879,432	1,961,253	1,954,944	6,309
Ambulance	808,270	920,251	914,375	5,876
Emergency Government	72,392	72,392	70,944	1,448
L.E.P.C.	3,000	3,000	61	2,939
Total Public Safety	4,238,622	4,517,437	4,498,054	19,383
Public Works:				
Airport	62,070	107,766	102,199	5,567
Indianhead Transit	495,620	495,620	522,115	(26,495)
ICAA Personal Escort	81,740	81,740	81,740	-
Highway Administration	98,120	98,120	80,025	18,095
Highway Maintenance	991,027	1,167,246	1,167,246	-
Highway Construction	612,257	436,038	349,258	86,780
Bridge Construction	127,300	127,300	41,397	85,903
Total Public Works	2,468,134	2,513,830	2,343,980	169,850

See accompanying Notes to Required Supplementary Information.

RUSK COUNTY, WISCONSIN
BUDGETARY COMPARISON SCHEDULE (CONTINUED)
GENERAL FUND
YEAR ENDED DECEMBER 31, 2012

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
EXPENDITURES (CONTINUED)				
Health and Human Services:				
Animal Shelter	\$ 103,742	\$ 103,742	\$ 102,456	\$ 1,286
Veteran's Commission	1,670	1,670	1,497	173
Care of Veterans' Graves	1,500	1,674	1,674	-
Total Health and Human Services	<u>106,912</u>	<u>107,086</u>	<u>105,627</u>	<u>1,459</u>
Culture, Recreation and Education:				
City/County Library	243,529	243,529	243,531	(2)
Library Contract	35,495	36,189	34,726	1,463
Historical Museum	1,000	1,000	1,000	-
Senior/Youth Operations	26,940	26,940	29,359	(2,419)
Parks and Recreation	129,547	138,468	107,829	30,639
WNEP	3,670	2,672	2,672	-
Fairgrounds Upkeep	15,600	49,638	49,638	-
Junior Fair	20,715	18,902	23,927	(5,025)
Trail's End Youth Camp	6,525	7,214	7,214	-
Boat Landing	20,000	20,000	18,668	1,332
Extension	109,565	106,481	99,979	6,502
Extension Meeting Fund	2,600	3,993	3,993	-
Total Culture, Recreation and Education	<u>615,186</u>	<u>655,026</u>	<u>622,536</u>	<u>32,490</u>
Conservation and Development:				
Forestry	402,880	402,880	399,829	3,051
Conservation	41,248	41,248	33,025	8,223
Conservation Aids	4,954	4,954	4,992	(38)
Habitat Development	1,953	1,953	952	1,001
LCD Tree Program	4,000	4,000	2,998	1,002
WLWCA	4,100	4,100	2,662	1,438
Zoning Administration	193,177	182,320	182,311	9
Economic Development Programs	105,296	105,296	99,545	5,751
Economic Development Internet Site	1,000	1,000	2,289	(1,289)
Industrial Development	5,222	5,222	-	5,222
Visitors' Center	60,475	60,475	85,931	(25,456)
Total Conservation and Development	<u>824,305</u>	<u>813,448</u>	<u>814,534</u>	<u>(1,086)</u>
Capital Outlay:				
LEPC Equipment	10,500	10,500	-	10,500
Courthouse Equipment	30,000	134,808	109,748	25,060
Parks and Recreation Equipment	36,137	36,137	-	36,137
Forest Roads	-	91,072	87,093	3,979
Zoning Equipment	-	56,400	57,040	(640)
Emergency Government Equipment	-	8,910	8,910	-
Transit Vehicles and Equipment	51,382	51,382	-	51,382
Personal Escort Vehicles and Equipment	-	-	31,895	(31,895)
Airport Equipment	-	-	1,725	(1,725)
Total Capital Outlay	<u>128,019</u>	<u>389,209</u>	<u>296,411</u>	<u>92,798</u>
Total Expenditures	<u>11,265,903</u>	<u>11,845,921</u>	<u>11,414,343</u>	<u>431,578</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(1,260,605)	(1,614,822)	111,340	1,726,162
OTHER FINANCING SOURCES (USES)				
Transfers In	401,308	476,904	851,363	374,459
Transfers Out	(5,000)	(3,600)	(3,938)	(338)
Total Other Financing Sources (Uses)	<u>396,308</u>	<u>473,304</u>	<u>847,425</u>	<u>374,121</u>
NET CHANGE IN FUND BALANCE	(864,297)	(1,141,518)	958,765	2,100,283
Fund Balance, January 1	<u>7,984,643</u>	<u>7,984,643</u>	<u>7,984,643</u>	<u>-</u>
FUND BALANCE, DECEMBER 31	<u>\$ 7,120,346</u>	<u>\$ 6,843,125</u>	<u>\$ 8,943,408</u>	<u>\$ 2,100,283</u>

See accompanying Notes to Required Supplementary Information.

**RUSK COUNTY, WISCONSIN
BUDGETARY COMPARISON SCHEDULE
HEALTH AND HUMAN SERVICES FUND
YEAR ENDED DECEMBER 31, 2012**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 1,161,628	\$ 1,161,628	\$ 1,161,628	\$ -
Intergovernmental	2,987,058	3,063,427	2,960,042	(103,385)
Public Charges for Services	707,774	707,774	664,080	(43,694)
Intergovernmental Charges for Services	55,887	55,887	58,653	2,766
Miscellaneous:				
Interest	24	24	41	17
Other	244,909	199,909	234,174	34,265
Total Revenues	<u>5,157,280</u>	<u>5,188,649</u>	<u>5,078,618</u>	<u>(110,031)</u>
EXPENDITURES				
Health and Human Services	<u>5,087,330</u>	<u>5,121,014</u>	<u>4,994,153</u>	<u>126,861</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	69,950	67,635	84,465	16,830
OTHER FINANCING USES				
Transfers Out	<u>(7,024)</u>	<u>(7,024)</u>	<u>(134,859)</u>	<u>(127,835)</u>
NET CHANGE IN FUND BALANCE	62,926	60,611	(50,394)	(111,005)
Fund Balance, January 1	<u>310,005</u>	<u>310,005</u>	<u>310,005</u>	<u>-</u>
FUND BALANCE, DECEMBER 31	<u><u>\$ 372,931</u></u>	<u><u>\$ 370,616</u></u>	<u><u>\$ 259,611</u></u>	<u><u>\$ (111,005)</u></u>

See accompanying Notes to Required Supplementary Information.

**RUSK COUNTY, WISCONSIN
BUDGETARY COMPARISON SCHEDULE
HOUSING FUND
YEAR ENDED DECEMBER 31, 2012**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ -	\$ -	\$ 100,000	\$ 100,000
Miscellaneous:				
Other	65,050	65,050	43,413	(21,637)
Total Revenues	<u>65,050</u>	<u>65,050</u>	<u>143,413</u>	<u>78,363</u>
EXPENDITURES				
Conservation and Development	<u>69,308</u>	<u>69,308</u>	<u>293,221</u>	<u>(223,913)</u>
CHANGE IN FUND BALANCE	(4,258)	(4,258)	(149,808)	(145,550)
Fund Balance, January 1	<u>415,300</u>	<u>415,300</u>	<u>415,300</u>	<u>-</u>
FUND BALANCE, DECEMBER 31	<u><u>\$ 411,042</u></u>	<u><u>\$ 411,042</u></u>	<u><u>\$ 265,492</u></u>	<u><u>\$ (145,550)</u></u>

**RUSK COUNTY, WISCONSIN
BUDGETARY COMPARISON SCHEDULE
MINING IMPACT FUND
YEAR ENDED DECEMBER 31, 2012**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 13,000	\$ 13,000	\$ 13,000	\$ -
Miscellaneous:				
Interest	84,000	84,000	79,603	(4,397)
Other	67,018	67,018	56,386	(10,632)
Total Revenues	<u>164,018</u>	<u>164,018</u>	<u>148,989</u>	<u>(15,029)</u>
EXPENDITURES				
Conservation and Development	<u>3,500</u>	<u>3,500</u>	<u>740</u>	<u>2,760</u>
EXCESS OF REVENUES OVER EXPENDITURES	160,518	160,518	148,249	(12,269)
OTHER FINANCING SOURCES (USES)				
Transfers In	156,765	156,765	1,875	(154,890)
Transfers Out	(317,283)	(317,283)	(369,820)	(52,537)
Total Other Financing Sources (Uses)	<u>(160,518)</u>	<u>(160,518)</u>	<u>(367,945)</u>	<u>(207,427)</u>
NET CHANGE IN FUND BALANCE	-	-	(219,696)	(219,696)
Fund Balance, January 1	<u>1,092,392</u>	<u>1,092,392</u>	<u>1,092,392</u>	-
FUND BALANCE, DECEMBER 31	<u><u>\$ 1,092,392</u></u>	<u><u>\$ 1,092,392</u></u>	<u><u>\$ 872,696</u></u>	<u><u>\$ (219,696)</u></u>

RUSK COUNTY, WISCONSIN
SCHEDULE OF FUNDING PROGRESS – OTHER POSTEMPLOYMENT BENEFITS
DECEMBER 31, 2012

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
1/1/2012	\$ -	\$ 263,320	\$ 263,320	0%	\$ 6,704,506	3.9%
1/1/2010	-	436,164	436,164	0%	6,562,112	6.6%
1/1/2008	-	552,951	552,951	0%	5,364,790	10.3%

See accompanying Notes to Required Supplementary Information.

RUSK COUNTY, WISCONSIN
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
DECEMBER 31, 2012

BUDGETARY INFORMATION

GASB 34 requires the presentation of budgetary comparison schedules for the general fund and for each major special revenue fund. Budgetary information for the general fund, health and human services fund, housing fund, mining fund and joint management/economic development fund is derived from the County's annual operating budget.

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

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

OTHER POSTEMPLOYMENT BENEFITS

The January 1, 2012 actuarial valuation of the postemployment benefits liability reflects a change in the County's policy which resulted in a significantly lower liability. The prior valuation calculated a liability for retirees until they became Medicare eligible, the current valuation has been updated to reflect participation in the plan limited to the duration of COBRA.

SUPPLEMENTARY INFORMATION

COMBINING AND INDIVIDUAL FUND STATEMENTS

**RUSK COUNTY, WISCONSIN
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
DECEMBER 31, 2012**

	Special Revenue Funds						
	State Aid Forestry	Snowmobile Trails	Jail Assessment Fees	Mediation Fees	Wildlife Damage Abatement	Law Enforcement Grants	Watershed
ASSETS							
Cash and Investments	\$ 25,958	\$ 965	\$ 1,336	\$ 2,474	\$ -	\$ 66,093	\$ -
Taxes Receivable	-	1,778	-	2,500	-	18,846	122,730
Accounts Receivable	-	-	-	-	-	-	16,068
Due from Other Governmental Units	-	43,436	249	-	26,464	10,234	99,971
Due from Other Funds	-	-	-	215	-	-	-
Due from Fiduciary Funds	-	-	403	70	-	-	-
Installment Loans Receivable	-	-	-	-	-	-	-
Prepaid Items	241	-	-	-	-	-	1,948
	<u>26,199</u>	<u>46,179</u>	<u>1,988</u>	<u>5,259</u>	<u>26,464</u>	<u>95,173</u>	<u>240,717</u>
Total Assets	<u>\$ 26,199</u>	<u>\$ 46,179</u>	<u>\$ 1,988</u>	<u>\$ 5,259</u>	<u>\$ 26,464</u>	<u>\$ 95,173</u>	<u>\$ 240,717</u>
LIABILITIES AND FUND BALANCES							
Liabilities:							
Vouchers Payable	\$ 85	\$ 5,215	\$ -	\$ 1,260	\$ 10,116	\$ 8,379	\$ 4,380
Due to Other Funds	-	-	-	-	16,348	-	109,162
Advances from Other Funds	-	-	-	-	-	-	-
Deferred Revenues:							
General Property Taxes	-	1,778	-	2,500	-	18,846	122,730
Grant and Aid Advances	26,114	39,186	-	-	-	-	2,782
Installment Loans Receivable	-	-	-	-	-	-	-
Deposits	-	-	-	-	-	-	-
Total Liabilities	<u>26,199</u>	<u>46,179</u>	<u>-</u>	<u>3,760</u>	<u>26,464</u>	<u>27,225</u>	<u>239,054</u>
Fund Balances:							
Nonspendable	241	-	-	-	-	-	-
Restricted	-	-	1,988	-	-	-	-
Committed	-	-	-	1,499	-	-	-
Assigned	-	-	-	-	-	67,948	1,663
Unassigned	(241)	-	-	-	-	-	-
Total Fund Balances	<u>-</u>	<u>-</u>	<u>1,988</u>	<u>1,499</u>	<u>-</u>	<u>67,948</u>	<u>1,663</u>
Total Liabilities and Fund Balances	<u>\$ 26,199</u>	<u>\$ 46,179</u>	<u>\$ 1,988</u>	<u>\$ 5,259</u>	<u>\$ 26,464</u>	<u>\$ 95,173</u>	<u>\$ 240,717</u>

**RUSK COUNTY, WISCONSIN
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET (CONTINUED)
DECEMBER 31, 2012**

	Special Revenue Funds (Continued)							
	Recycling	Dog License	Economic Development Revolving Loan Fund	Bruce Revolving Loan Fund	Joint Management/Economic Development Fund	Total Special Revenue Funds	Capital Projects Fund	Total Nonmajor Governmental Funds
ASSETS								
Cash and Investments	\$ 9,771	\$ 1,000	\$ 38,590	\$ 91,423	\$ -	\$ 237,610	\$ -	\$ 237,610
Taxes Receivable	9,237	-	-	-	-	155,091	-	155,091
Accounts Receivable	-	-	-	-	285	16,353	-	16,353
Due from Other Governmental Units	-	-	-	-	795,845	976,199	-	976,199
Due from Other Funds	-	-	17,820	-	98,202	116,237	-	116,237
Due from Fiduciary Funds	-	-	-	-	-	473	-	473
Installment Loans Receivable	-	-	-	284,076	280,831	564,907	-	564,907
Prepaid Items	189	-	-	-	-	2,378	-	2,378
	<u>\$ 19,197</u>	<u>\$ 1,000</u>	<u>\$ 56,410</u>	<u>\$ 375,499</u>	<u>\$ 1,175,163</u>	<u>\$ 2,069,248</u>	<u>\$ -</u>	<u>\$ 2,069,248</u>
LIABILITIES AND FUND BALANCES								
Liabilities:								
Vouchers Payable	\$ 2,741	\$ -	\$ 55,074	\$ -	\$ 45,648	\$ 132,898	\$ 718	\$ 133,616
Due to Other Funds	-	-	1,336	6,000	635,250	768,096	113,073	881,169
Advances from Other Funds	-	-	-	-	377,894	377,894	-	377,894
Deferred Revenues:								
General Property Taxes	9,237	-	-	-	-	155,091	-	155,091
State Aid Advance	-	-	-	-	-	68,082	-	68,082
Installment Loans Receivable	-	-	-	284,076	280,831	564,907	-	564,907
Deposits	1,423	-	-	-	2,000	3,423	-	3,423
Total Liabilities	<u>13,401</u>	<u>-</u>	<u>56,410</u>	<u>290,076</u>	<u>1,341,623</u>	<u>2,070,391</u>	<u>113,791</u>	<u>2,184,182</u>
Fund Balances:								
Nonspendable	-	-	-	-	-	241	-	241
Restricted	-	-	-	-	-	1,988	-	1,988
Committed	-	1,000	-	85,423	-	87,922	-	87,922
Assigned	5,796	-	-	-	-	75,407	-	75,407
Unassigned	-	-	-	-	(166,460)	(166,701)	(113,791)	(280,492)
Total Fund Balances	<u>5,796</u>	<u>1,000</u>	<u>-</u>	<u>85,423</u>	<u>(166,460)</u>	<u>(166,701)</u>	<u>(113,791)</u>	<u>(114,934)</u>
Total Liabilities and Fund Balances	<u>\$ 19,197</u>	<u>\$ 1,000</u>	<u>\$ 56,410</u>	<u>\$ 375,499</u>	<u>\$ 1,175,163</u>	<u>\$ 2,069,248</u>	<u>\$ -</u>	<u>\$ 2,069,248</u>

**RUSK COUNTY, WISCONSIN
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
YEAR ENDING DECEMBER 31, 2012**

	Special Revenue Funds						
	State Aid Forestry	Snowmobile Trails	Jail Assessment Fees	Mediation Fees	Wildlife Damage Abatement	Law Enforcement Grants	Watershed
REVENUES							
Taxes:							
General Property Taxes	\$ -	\$ 1,725	\$ -	\$ 2,500	\$ -	\$ 19,703	\$ 129,863
Payments in Lieu of Taxes	-	-	-	-	-	-	-
Intergovernmental	69,065	164,868	-	-	26,464	64,880	199,215
Licenses and Permits	-	-	-	-	-	-	-
Fines and Forfeits	-	-	14,524	-	-	-	-
Public Charges for Services	-	-	-	3,585	-	-	-
Interest	-	-	-	10	-	-	-
Other	-	-	-	-	-	23,817	5,430
Total Revenues	<u>69,065</u>	<u>166,593</u>	<u>14,524</u>	<u>6,095</u>	<u>26,464</u>	<u>108,400</u>	<u>334,508</u>
EXPENDITURES							
Public Safety	-	-	-	-	-	112,246	-
Public Works	-	-	-	-	-	-	-
Health and Human Services	-	-	-	9,372	-	-	-
Culture, Recreation and Education	-	166,593	-	-	-	-	-
Conservation and Development	69,065	-	-	-	26,011	-	323,033
Capital Outlay	-	-	-	-	-	-	-
Debt Service:							
Principal Retirement	-	-	-	-	-	-	-
Interest and Fiscal Charges	-	-	-	-	-	-	-
Total Expenditures	<u>69,065</u>	<u>166,593</u>	<u>-</u>	<u>9,372</u>	<u>26,011</u>	<u>112,246</u>	<u>323,033</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	-	14,524	(3,277)	453	(3,846)	11,475
OTHER FINANCING SOURCES (USES)							
Proceeds of Capital Lease	-	-	-	-	-	-	-
Transfers In	-	-	-	-	-	3,217	453
Transfers Out	-	-	(12,000)	-	(453)	-	(24,123)
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>(12,000)</u>	<u>-</u>	<u>(453)</u>	<u>3,217</u>	<u>(23,670)</u>
NET CHANGE IN FUND BALANCES	-	-	2,524	(3,277)	-	(629)	(12,195)
Fund Balances, January 1	<u>-</u>	<u>-</u>	<u>(536)</u>	<u>4,776</u>	<u>-</u>	<u>68,577</u>	<u>13,858</u>
FUND BALANCES, DECEMBER 31	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,988</u>	<u>\$ 1,499</u>	<u>\$ -</u>	<u>\$ 67,948</u>	<u>\$ 1,663</u>

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

	Special Revenue Funds (Continued)							Total Nonmajor Governmental Funds
	Recycling	Dog License	Economic Development Revolving Loan Fund	Bruce Revolving Loan Fund	Joint Management/ Economic Development Fund	Total Special Revenue Funds	Capital Projects Fund	
REVENUES								
Taxes:								
General Property Taxes	\$ 9,237	\$ -	\$ -	\$ -	\$ -	\$ 163,028	\$ -	\$ 163,028
Payments in Lieu of Taxes	-	-	-	-	16,451	16,451	-	16,451
Intergovernmental	81,022	-	-	-	4,264	609,778	-	609,778
Licenses and Permits	-	20,742	-	-	-	20,742	-	20,742
Fines and Forfeits	-	6,614	-	-	-	21,138	-	21,138
Public Charges for Services	2,078	-	-	-	-	5,663	-	5,663
Interest	-	-	61	2,964	-	3,035	-	3,035
Other	200	-	17,820	1,224	196,147	244,638	-	244,638
Total Revenues	<u>92,537</u>	<u>27,356</u>	<u>17,881</u>	<u>4,188</u>	<u>216,862</u>	<u>1,084,473</u>	<u>-</u>	<u>1,084,473</u>
EXPENDITURES								
Public Safety	-	-	-	-	-	112,246	-	112,246
Public Works	92,118	-	-	-	-	92,118	-	92,118
Health and Human Services	-	1,884	-	-	-	11,256	-	11,256
Culture, Recreation and Education	-	-	-	-	-	166,593	-	166,593
Conservation and Development	-	-	17,881	-	-	435,990	-	435,990
Capital Outlay	-	-	-	-	620,493	620,493	293,791	914,284
Debt Service:								
Principal Retirement	-	-	-	-	30,000	30,000	-	30,000
Interest and Fiscal Charges	-	-	-	-	11,700	11,700	-	11,700
Total Expenditures	<u>92,118</u>	<u>1,884</u>	<u>17,881</u>	<u>-</u>	<u>662,193</u>	<u>1,480,396</u>	<u>293,791</u>	<u>1,774,187</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	419	25,472	-	4,188	(445,331)	(395,923)	(293,791)	(689,714)
OTHER FINANCING SOURCES (USES)								
Proceeds of Capital Lease	-	-	-	-	-	-	180,000	180,000
Transfers In	-	-	-	-	23,258	26,928	-	26,928
Transfers Out	-	(25,472)	-	(3,000)	(175,903)	(240,951)	-	(240,951)
Total Other Financing Sources (Uses)	<u>-</u>	<u>(25,472)</u>	<u>-</u>	<u>(3,000)</u>	<u>(152,645)</u>	<u>(214,023)</u>	<u>180,000</u>	<u>(34,023)</u>
NET CHANGE IN FUND BALANCES	419	-	-	1,188	(597,976)	(609,946)	(113,791)	(723,737)
Fund Balances, January 1	<u>5,377</u>	<u>1,000</u>	<u>-</u>	<u>84,235</u>	<u>431,516</u>	<u>608,803</u>	<u>-</u>	<u>608,803</u>
FUND BALANCES, DECEMBER 31	<u>\$ 5,796</u>	<u>\$ 1,000</u>	<u>\$ -</u>	<u>\$ 85,423</u>	<u>\$ (166,460)</u>	<u>\$ (1,143)</u>	<u>\$ (113,791)</u>	<u>\$ (114,934)</u>

**RUSK COUNTY, WISCONSIN
DEBT SERVICE FUND
DETAILED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
YEAR ENDED DECEMBER 31, 2012**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 388,189	\$ 388,189	\$ 388,189	\$ -
Miscellaneous:				
Interest	-	-	147	147
Other	98,525	98,525	120,601	22,076
Total Revenues	<u>486,714</u>	<u>486,714</u>	<u>508,937</u>	<u>22,223</u>
EXPENDITURES				
Principal Retirement	692,771	692,771	692,771	-
Interest and Fiscal Charges	319,446	319,446	303,461	15,985
Total Expenditures	<u>1,012,217</u>	<u>1,012,217</u>	<u>996,232</u>	<u>15,985</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(525,503)	(525,503)	(487,295)	38,208
OTHER FINANCING SOURCES (USES)				
Transfers In	525,503	596,076	358,641	(237,435)
Transfers Out	-	(70,573)	(64,573)	6,000
Total Other Financing Sources (Uses)	<u>525,503</u>	<u>525,503</u>	<u>294,068</u>	<u>(231,435)</u>
NET CHANGE IN FUND BALANCE	-	-	(193,227)	(193,227)
Fund Balance, January 1	<u>898,973</u>	<u>898,973</u>	<u>898,973</u>	<u>-</u>
FUND BALANCE, DECEMBER 31	<u>\$ 898,973</u>	<u>\$ 898,973</u>	<u>\$ 705,746</u>	<u>\$ (193,227)</u>

**RUSK COUNTY, WISCONSIN
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF NET POSITION
DECEMBER 31, 2012**

	Highway	Central Duplication	Car Pool	HRA Fund	Totals
ASSETS					
Current Assets:					
Treasurer's Cash and Investments	\$ 329,322	\$ 42,218	\$ 52,943	\$ 295,163	\$ 719,646
Accounts Receivable	206,587	2,304	-	-	208,891
Due from Other Governmental Units	311,979	-	-	-	311,979
Inventories	526,377	24,866	-	-	551,243
Prepaid Items	865	522	-	-	1,387
Total Current Assets	<u>1,375,130</u>	<u>69,910</u>	<u>52,943</u>	<u>295,163</u>	<u>1,793,146</u>
Noncurrent Assets:					
Capital Assets:					
Land and Land Improvements	213,705	-	-	-	213,705
Buildings and Improvements	651,139	-	-	-	651,139
Machinery and Equipment	6,842,531	299,402	127,275	-	7,269,208
Less Accumulated Depreciation	(5,704,523)	(233,895)	(102,228)	-	(6,040,646)
Total Noncurrent Assets	<u>2,002,852</u>	<u>65,507</u>	<u>25,047</u>	<u>-</u>	<u>2,093,406</u>
Total Assets	<u>\$ 3,377,982</u>	<u>\$ 135,417</u>	<u>\$ 77,990</u>	<u>\$ 295,163</u>	<u>\$ 3,886,552</u>
LIABILITIES:					
Current Liabilities:					
Accounts Payable	\$ 105,759	\$ 2,946	\$ 74	\$ 295,163	\$ 403,942
Unearned Revenue	162,923	-	-	-	162,923
Current Portion of Employee Leave Liability	31,244	-	-	-	31,244
Current Portion of Note Payable	-	38,789	-	-	38,789
Total Current Liabilities	<u>299,926</u>	<u>41,735</u>	<u>74</u>	<u>295,163</u>	<u>636,898</u>
Long-Term Liabilities					
(Net of Current Portion):					
Other Postemployment Benefits Payable	29,115	-	-	-	29,115
Accrued Employee Leave Liability	45,535	-	-	-	45,535
Note Payable	-	30,307	-	-	30,307
Total Long-Term Liabilities	<u>74,650</u>	<u>30,307</u>	<u>-</u>	<u>-</u>	<u>104,957</u>
Total Liabilities	374,576	72,042	74	295,163	741,855
NET POSITION:					
Net Investment in Capital Assets	2,002,852	(3,589)	25,047	-	2,024,310
Unrestricted	1,000,554	66,964	52,869	-	1,120,387
Total Net Position	<u>3,003,406</u>	<u>63,375</u>	<u>77,916</u>	<u>-</u>	<u>3,144,697</u>
Total Liabilities and Net Position	<u>\$ 3,377,982</u>	<u>\$ 135,417</u>	<u>\$ 77,990</u>	<u>\$ 295,163</u>	<u>\$ 3,886,552</u>

**RUSK COUNTY, WISCONSIN
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
YEAR ENDED DECEMBER 31, 2012**

	Highway	Central Duplication	Car Pool	HRA Fund	Totals
OPERATING REVENUES					
Charges for Services	\$ 4,253,864	\$ 118,520	\$ 32,169	\$ -	\$ 4,404,553
Other Operating Revenues	44,939	-	755	1,143,000	1,188,694
Total Operating Revenues	<u>4,298,803</u>	<u>118,520</u>	<u>32,924</u>	<u>1,143,000</u>	<u>5,593,247</u>
OPERATING EXPENSES					
Car Pool Cost of Services	-	-	39,122	-	39,122
Central Duplication Cost of Services	-	111,568	-	-	111,568
HRA Expenses	-	-	-	841,343	841,343
Highway Construction, Maintenance, and Administration	4,631,480	-	-	-	4,631,480
Total Operating Expenses	<u>4,631,480</u>	<u>111,568</u>	<u>39,122</u>	<u>841,343</u>	<u>5,623,513</u>
OPERATING INCOME (LOSS)	(332,677)	6,952	(6,198)	301,657	(30,266)
NONOPERATING REVENUES (EXPENSES):					
Interest Expense	-	(4,153)	-	-	(4,153)
Intergovernmental Grants and Aids	169,210	-	-	-	169,210
Total Nonoperating Revenues (Expenses)	<u>169,210</u>	<u>(4,153)</u>	<u>-</u>	<u>-</u>	<u>165,057</u>
INCOME (LOSS) BEFORE TRANSFERS	(163,467)	2,799	(6,198)	301,657	134,791
INTERFUND TRANSFERS:					
Transfer to General Fund	-	-	-	(301,657)	(301,657)
CHANGE IN NET POSITION	(163,467)	2,799	(6,198)	-	(166,866)
Net Position, January 1	3,166,873	60,576	84,114	-	3,311,563
NET POSITION, DECEMBER 31	<u>\$ 3,003,406</u>	<u>\$ 63,375</u>	<u>\$ 77,916</u>	<u>\$ -</u>	<u>\$ 3,144,697</u>

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

	Highway	Central Duplication	Car Pool	HRA Fund	Totals
CASH FLOWS FROM OPERATING ACTIVITIES:					
Cash Received from Customers and Users	\$ 4,445,804	\$ 118,622	\$ 32,924	\$ 1,143,000	\$ 5,740,350
Cash Payments for Goods and Services	(3,949,271)	(69,206)	(23,211)	-	(4,041,688)
Cash Payments for Employee Services	(397,542)	-	-	-	(397,542)
Cash Payments for Insurance Claims	-	-	-	(546,180)	(546,180)
Net Cash Provided by (Used for) Operating Activities	<u>98,991</u>	<u>49,416</u>	<u>9,713</u>	<u>596,820</u>	<u>754,940</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:					
Cash Received from State Aid	169,210	-	-	-	169,210
Transfer to General Fund	-	-	-	(301,657)	(301,657)
Net Cash Provided (Used) by Noncapital Financing Activities	<u>169,210</u>	<u>-</u>	<u>-</u>	<u>(301,657)</u>	<u>(132,447)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:					
Cash Received from Salvage of Capital Assets	29,500	-	-	-	29,500
Cash Paid for Acquisition and Major Repairs of Capital Assets	(153,099)	-	-	-	(153,099)
Cash Paid for Principal on Capital Lease	-	(38,835)	-	-	(38,835)
Cash Paid for Interest on Capital Lease	-	(4,153)	-	-	(4,153)
Net Cash Provided by (Used for) Capital and Related Financing Activities	<u>(123,599)</u>	<u>(42,988)</u>	<u>-</u>	<u>-</u>	<u>(166,587)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:					
Interest Received	<u>737</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>737</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS	<u>145,339</u>	<u>6,428</u>	<u>9,713</u>	<u>295,163</u>	<u>456,643</u>
CASH AND CASH EQUIVALENTS, JANUARY 1	<u>183,983</u>	<u>35,790</u>	<u>43,230</u>	<u>-</u>	<u>263,003</u>
CASH AND CASH EQUIVALENTS, DECEMBER 31	<u>\$ 329,322</u>	<u>\$ 42,218</u>	<u>\$ 52,943</u>	<u>\$ 295,163</u>	<u>\$ 719,646</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED FOR) BY OPERATING ACTIVITIES:					
Operating Income (Loss)	\$ (332,677)	\$ 6,952	\$ (6,198)	\$ 301,657	\$ (30,266)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities					
Depreciation	240,702	43,477	15,858	-	300,037
(Increase) Decrease in Assets:					
Accounts Receivable	132,208	102	-	-	132,310
Due from Other Governments	14,793	-	-	-	14,793
Inventory	13,402	(1,051)	-	-	12,351
Prepaid Items	21,775	(522)	-	-	21,253
Increase (Decrease) in Liabilities:					
Accounts Payable	265	458	53	295,163	295,939
Accrued Employee Leave	8,386	-	-	-	8,386
Other Postemployment Benefits Payable	137	-	-	-	137
Net Cash Provided (Used) by Operating Activities	<u>\$ 98,991</u>	<u>\$ 49,416</u>	<u>\$ 9,713</u>	<u>\$ 596,820</u>	<u>\$ 754,940</u>

**RUSK COUNTY, WISCONSIN
AGENCY FUNDS
COMBINING BALANCE SHEET
DECEMBER 31, 2012**

	Tax Agency	Clerk of Courts	District Attorney	Human Services	Sheriff	Triad	Jail Inmate	Nursing Home Residents	Totals
ASSETS									
Cash and Investments	\$ -	\$ 199,265	\$ 225	\$ 1,908	\$ 1,832	\$ 738	\$ 18,596	\$ 21,719	\$ 244,283
Taxes Receivable:									
Current Apportionment	191,446	-	-	-	-	-	-	-	191,446
Total Assets	<u>\$ 191,446</u>	<u>\$ 199,265</u>	<u>\$ 225</u>	<u>\$ 1,908</u>	<u>\$ 1,832</u>	<u>\$ 738</u>	<u>\$ 18,596</u>	<u>\$ 21,719</u>	<u>\$ 435,729</u>
LIABILITIES									
Due Other Governmental Units:									
State	\$ 191,446	\$ 15,348	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 206,794
Due to Governmental Funds	-	6,017	-	-	-	-	-	-	6,017
Special Deposits	-	177,900	225	1,908	1,832	738	18,596	21,719	222,918
Total Liabilities	<u>\$ 191,446</u>	<u>\$ 199,265</u>	<u>\$ 225</u>	<u>\$ 1,908</u>	<u>\$ 1,832</u>	<u>\$ 738</u>	<u>\$ 18,596</u>	<u>\$ 21,719</u>	<u>\$ 435,729</u>

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

	Balance (Overdraft) 1/1/12	County Appropriations	Other Revenues	Fund Transfers				Total Available	Expenditures	Balance (Overdraft) 12/31/12
				General Fund		Other Funds				
				In	Out	In	Out			
Nonspendable:										
Delinquent Taxes and Tax Deeds	\$ 906,838	\$ -	\$ -	\$ -	\$ 72,235	\$ -	\$ -	\$ 834,603	\$ -	\$ 834,603
Insurance Deductible Escrow	67,706	-	-	6,816	-	-	-	74,522	-	74,522
Inventory and Prepaid Items	433,935	-	-	-	23,151	-	-	410,784	-	410,784
Tax Deed Special Assessment	50,316	-	-	-	37,254	-	-	13,062	-	13,062
Economic Development Advances	358,641	-	-	-	9,462	-	-	349,179	-	349,179
Total Nonspendable Balances	1,817,436	-	-	6,816	142,102	-	-	1,682,150	-	1,682,150
Restricted:										
85.21 Trust (Personal Escort)	1,794	13,623	99,164	-	-	-	-	114,581	113,635	946
Assigned:										
Continuing Appropriations:										
Teen Court	25,671	-	38,249	-	-	-	-	63,920	21,738	42,182
Platbooks/Maps	41,678	-	9,788	-	-	-	-	51,466	-	51,466
Surveyor - Remonumentation	2,000	-	-	-	-	-	-	2,000	-	2,000
Register of Deeds Redaction	7,851	-	18,600	-	-	-	-	26,451	10,959	15,492
Sheriff	22,363	1,731,817	64,794	-	13,897	-	-	1,805,077	1,805,077	-
Sheriff - K-9	12,390	4,700	5,155	-	-	-	-	22,245	2,163	20,082
Ambulance Transfer	25,167	-	932,274	-	27,827	-	-	929,614	913,466	16,148
Hazmat	17,112	4,017	-	-	-	-	-	21,129	11,862	9,267
Wellness Section 125	1,691	-	392	-	-	-	-	2,083	1,098	985
Section 18 - Indianhead Transit	1,100	18,500	489,605	-	-	-	-	509,205	508,180	1,025
Land Information - Public Access	25,097	-	7,270	-	-	-	-	32,367	14,301	18,066
Junior Fair	4,351	958	25,444	-	-	-	-	30,753	23,927	6,826
Veterans Service Committee	7,858	500	1,643	-	-	-	-	10,001	1,496	8,505
Economic Development - Internet Site	4,293	-	-	-	2,004	-	-	2,289	2,289	-
Park Development	13,138	-	13,021	-	-	-	-	26,159	-	26,159
Fairgrounds Overnight Parking	2,450	-	445	-	-	-	-	2,895	2,895	-
Trails End	3,638	1,475	970	4,774	-	-	-	10,857	7,216	3,641
Extension Lamination	796	-	250	-	-	-	-	1,046	-	1,046

**RUSK COUNTY, WISCONSIN
GENERAL FUND
STATEMENT OF CHANGES IN FUND BALANCE (CONTINUED)
YEAR ENDED DECEMBER 31, 2012**

	Balance (Overdraft) 1/1/12	County Appropriations	Other Revenues	Fund Transfers				Total Available	Expenditures	Balance (Overdraft) 12/31/12
				General Fund		Other Funds				
				In	Out	In	Out			
Assigned: (Continued)										
Continuing Appropriations: (Continued)										
4H	\$ 995	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 995	\$ -	\$ 995
AG	650	-	5,645	-	-	-	-	6,295	3,843	2,452
Pesticide	981	-	300	-	-	-	-	1,281	150	1,131
Agriculture Development	396	-	-	-	-	-	-	396	-	396
WNEP	403	-	-	-	-	-	-	403	193	210
County Conservation	2,598	2,477	2,452	-	-	-	-	7,527	4,993	2,534
Land Acquisition	-	-	-	16,110	-	-	-	16,110	-	16,110
LCD Camp	2,662	-	-	-	-	-	-	2,662	2,662	-
Meter	16,436	-	-	-	-	-	-	16,436	5,336	11,100
Visitor Center Operations/JEM	14,910	30,000	53,431	-	-	-	-	98,341	95,930	2,411
LCD Trees	1,685	-	2,961	-	-	-	-	4,646	2,998	1,648
Courthouse Equipment	20,109	55,060	64,573	-	-	-	-	139,742	95,479	44,263
Vending Machines Expense	(413)	-	4,957	-	-	-	-	4,544	4,360	184
Other County Property - Sheriff Building	7,500	-	-	-	-	-	-	7,500	3,521	3,979
IT Internet Site	-	-	-	2,004	-	-	-	2,004	-	2,004
Boat Landings	-	-	9,334	10,000	-	-	-	19,334	18,668	666
Sales Tax Funded Programs	74,934	-	790,446	-	-	-	-	865,380	650,000	215,380
Animal Shelter Program	29,090	-	186	1,130	-	-	-	30,406	-	30,406
Animal Shelter Building	21,040	-	5,795	-	-	-	-	26,835	65	26,770
Spay/Neuter	3,183	-	3,545	-	-	-	-	6,728	3,504	3,224
Gift Purposes	1,717	-	1,293	-	1,130	-	-	1,880	750	1,130
Subtotal - Continuing Appropriations	417,520	1,849,504	2,552,818	34,018	44,858	-	-	4,809,002	4,219,119	589,883
Subsequent Year's Budget	814,069	-	-	170,604	-	-	-	984,673	-	984,673
Unfunded Pension Liability	121,862	-	-	5,907	-	-	-	127,769	-	127,769
OPEB Liability	121,392	-	-	11,184	-	-	-	132,576	-	132,576
Power Line Funds Projects	769,544	-	62,412	-	67,261	-	-	764,695	29,989	734,706
Power Line Funds - LiDAR Project	48,422	-	-	8,618	-	-	-	57,040	57,040	-
Murphy Dam Repair/Replace	24,037	-	-	-	-	-	-	24,037	-	24,037
Total Assigned Balances	2,316,846	1,849,504	2,615,230	230,331	112,119	-	-	6,899,792	4,306,148	2,593,644
Unassigned	3,848,567	2,247,262	4,700,900	254,221	237,147	851,363	3,938	11,661,228	6,994,560	4,666,668
Total General Fund Balance	\$ 7,984,643	\$ 4,110,389	\$ 7,415,294	\$ 491,368	\$ 491,368	\$ 851,363	\$ 3,938	\$ 20,357,751	\$ 11,414,343	\$ 8,943,408