

**POLK COUNTY, WISCONSIN**  
**COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
**YEAR ENDED DECEMBER 31, 2011**

**POLK COUNTY, WISCONSIN**  
**COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
**YEAR ENDED DECEMBER 31, 2011**

**PREPARED BY THE DEPARTMENT OF ADMINISTRATION POLK COUNTY, WISCONSIN**

**POLK COUNTY, WISCONSIN  
TABLE OF CONTENTS  
YEAR ENDED DECEMBER 31, 2011**

**INTRODUCTORY SECTION**

LETTER OF TRANSMITTAL	1
GFOA CERTIFICATE OF ACHIEVEMENT	6
ORGANIZATIONAL CHART	7
LIST OF PRINCIPALS	8

**FINANCIAL SECTION**

INDEPENDENT AUDITORS' REPORT	9
REQUIRED SUPPLEMENTARY INFORMATION	
MANAGEMENT'S DISCUSSION AND ANALYSIS	11

**BASIC FINANCIAL STATEMENTS**

**GOVERNMENT-WIDE FINANCIAL STATEMENTS**

STATEMENT OF NET ASSETS	23
STATEMENT OF ACTIVITIES	24

**FUND FINANCIAL STATEMENTS**

BALANCE SHEET – GOVERNMENTAL FUNDS	25
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET ASSETS – GOVERNMENTAL ACTIVITIES	26
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS	27
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES OF THE GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES – GOVERNMENTAL ACTIVITIES	28
STATEMENT OF NET ASSETS – PROPRIETARY FUNDS	29
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS – PROPRIETARY FUNDS	30
STATEMENT OF CASH FLOWS – PROPRIETARY FUNDS	31
STATEMENT OF FIDUCIARY NET ASSETS – FIDUCIARY FUNDS	33

NOTES TO THE BASIC FINANCIAL STATEMENTS	34
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**REQUIRED SUPPLEMENTARY INFORMATION OTHER THAN MD&A**

BUDGETARY COMPARISON SCHEDULE – GENERAL FUND	64
BUDGETARY COMPARISON SCHEDULE – HUMAN SERVICES FUND	66
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION	67
SCHEDULE OF FUNDING PROGRESS – OTHER POSTEMPLOYMENT HEALTH CARE BENEFITS	68

**POLK COUNTY, WISCONSIN  
TABLE OF CONTENTS (CONTINUED)  
YEAR ENDED DECEMBER 31, 2011**

**SUPPLEMENTARY INFORMATION**

**COMBINING AND INDIVIDUAL FUND STATEMENTS**

COMBINING BALANCE SHEET – NONMAJOR GOVERNMENTAL FUNDS	69
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES – NONMAJOR GOVERNMENTAL FUNDS	72
BALANCE SHEET – PUBLIC HEALTH SPECIAL REVENUE FUND	75
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE – PUBLIC HEALTH SPECIAL REVENUE FUND	76
COMBINING BALANCE SHEET – INTERNAL SERVICE FUNDS	77
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS – INTERNAL SERVICE FUNDS	78
COMBINING STATEMENT OF CASH FLOWS – INTERNAL SERVICE FUNDS	79
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES – ALL AGENCY FUNDS	80

**STATISTICAL SECTION (UNAUDITED)**

NET ASSETS BY COMPONENT	82
CHANGE IN NET ASSETS	83
FUND BALANCES OF GOVERNMENTAL FUNDS	85
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS	86
EQUALIZED VALUE OF ALL PROPERTY BY ASSESSMENT CLASS	88
PROPERTY TAX RATES – DIRECT AND OVERLAPPING GOVERNMENTS	89
PRINCIPAL PROPERTY TAXPAYERS	91
PROPERTY TAX LEVIES AND COLLECTIONS	92
RATIOS OF OUTSTANDING DEBT BY TYPE	93
RATIOS OF GENERAL BONDED DEBT OUTSTANDING	94
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT	95
COMPUTATION OF LEGAL DEBT LIMITATION	97
DEMOGRAPHIC AND ECONOMIC STATISTICS	98
PRINCIPAL EMPLOYERS	99
EMPLOYEES BY FUNCTION	100
OPERATING INDICATORS BY FUNCTION	101
CAPITAL ASSET STATISTICS BY FUNCTION	102



## INTRODUCTORY SECTION

**Barb Leach**  
*Payroll Specialist*

**Sue Reed**  
*Payroll & Benefits  
Data Specialist*

**Polk County  
Department of Administration**

100 Polk County Plaza, Suite 220  
Balsam Lake, WI 54810  
Tel - (715) 485-9212 Fax - (715) 485-9119

**Jamie Carlson**  
*Staff Accountant*

**Tammy Peterson**  
*Accounts Payable*

**Dana Frey**  
County Administrator

**Maggie Wickre**  
Finance Manager

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June 30, 2012

Polk County Board of Supervisors  
100 Polk County Plaza  
Balsam Lake, Wisconsin, 54810

Honorable Chair Johnson and Board of Supervisors:

The Comprehensive Annual Financial Report (CAFR) for Polk County, Wisconsin (the County) is hereby submitted for the fiscal year ended December 31, 2011 as prepared by the County's Department of Administration. We have prepared this report in conformity with Generally Accepted Accounting Principles (GAAP), and adopting Governmental Accounting Standards Board Statement 34 (GASB34).

The responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with County management. To the best of our knowledge and belief, the enclosed data are accurate in all material respects and are reported in a manner designed to fairly present the financial position and results of operations of the various funds of the County. All disclosures necessary to allow the reader to understand the County's financial activities have been included.

The County is required to undergo an annual Single Audit in conformity with the provisions of the Single Audit Act of 1984, the Single Audit Act Amendments of 1996 and the United States Office of Management and Budget Circular A-133, Audits of States, Local Governments and Non-Profit Organizations. The County has complied with the Single Audit requirements. This report will be available to elected officials, County management, bond rating agencies, and other financial institutions that have expressed an interest in Polk County's financial affairs and to the public through the County website.

Generally Accepted Accounting Principles require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. Polk County's MD&A can be found immediately following the report of the independent auditors.

## **Polk County Government**

Polk County was incorporated in 1858 and operates with a County Board/Administrator form of government under Wisconsin statutes. There are 23 members of the Board of Supervisors, elected to two year terms beginning in April, 2012. The County is located in northwestern Wisconsin, and provides a full range of services that include health and human services; tax assessment and collection; judicial, law enforcement and jail services; the construction and maintenance of highways and infrastructure; recreational facilities; cultural events; and general administrative services.

In 2010, the County hired its first county administrator and at the same time began a major program of strengthening fiscal controls enabled by that form of government. A concentrated review of current expenditures and vacant positions continued, with a realization of substantial savings. In this past year, two new reserves were established, one to fund health care liabilities for retirees and the second to establish a revolving loan fund for capital improvements and investments in internal efficiencies. Further, the County's contingency fund was substantially increased and the unassigned fund balance was set at 25 percent of General Fund expenditures. All together, this has greatly contributed to an improvement in the County's fiscal position and outlook.

## **Economic Condition and Outlook**

Polk County is located along the historic and scenic St. Croix River Valley in the northwestern part of Wisconsin. The County has a diverse economy with a mix of agriculture, tourism, manufacturing, and services. Its proximity to the Minneapolis/St. Paul metropolitan area has served to provide a ready market for goods produced here as well as a demand for recreational activities centered around our 400 lakes and rivers, 100 mile trail network, and small town and rural charm. Despite the lingering effect of the greatest recession in 75 years, the economic condition and outlook for the County continues to be positive. The County is enjoying moderate growth from new commercial and residential/recreational development and tourism; this growth is expected to continue and expand on into the future.

The County continues to be one of the faster growing counties in Wisconsin, although that growth rate has recently slowed with the economy. The County's population increased by 7 percent over the past decade according to the 2010 Federal census, a full percentage point above the State average, to 44,205 in April, 2010. According to State of Wisconsin estimates, that population growth continued in 2011. As with the balance of the State (and much of the U.S.), our population is also aging, with 16.0 percent of the population over age 65, up from 15.1 percent a decade ago.

Unemployment has recovered from the depths of the past recession, with the unemployment rate falling from 8.8 percent in April 2011 to 8.1 percent in April 2012. Improved retail activity is also evident in the ongoing improvement in sales tax collections since the past recession. Under Wisconsin law, counties may levy a one-half cent local sales tax on the same base as the State sales tax for sales within the county. In 2011, Polk County collected \$2,365,172 in sales taxes, an increase over 2010 and surpassing the previous peak in collections reached in 2007, before the past recession.

Despite ongoing turmoil in the residential real estate market, Polk County's tax base remains strong. Overall, the total equalized property value fell from \$4,432,825,200 in 2010 to \$4,120,482,500 in 2011 according to the Wisconsin Department of Revenue, but the County remains in the top one-third of Wisconsin counties in per capita equalized value and the

County's tax rate remains moderate, 35<sup>th</sup> highest among the 72 Wisconsin counties. Net new construction from 2010 to 2011 was estimated to be \$14.8 million.

The County is rapidly recovering from the partial loss of a major manufacturer, and the number of employed residents continues to grow. Kapco, a Grafton, Wisconsin based metal manufacturer has taken over part of that manufacturer's premises and has added or announced plans to add 210 jobs, and it is expected that more development will occur in that sector. Our health industry also continues to expand, with St. Croix Regional Medical Center constructing a new, 20,000 square foot clinic in the central part of the County and a new long-term care facility opening in Osceola late in 2011. Finally, the County's agricultural economy continues to do well, with the number of acres of corn planted increasing by 14 percent last year and increased soybean planting as well.

### **Other Operational Highlights**

In addition to the financial management improvements mentioned above, other County departments also reached operational goals in 2011.

- ◆ The management of two departments, Human Services and Aging, was reorganized to provide for far more efficient operations and substantial savings beginning in 2012.
- ◆ The Polk County Child Support Agency received the County of the Year award from the Wisconsin Child Support Enforcement Association recognizing the quality of their work in this area.
- ◆ The Polk County Lime Quarry sold a total of 90,676 tons of lime products in 2011 to farmers, contractors and the general public, a 33 percent increase over 2010.
- ◆ Polk County's Citizens' Guide to the Budget received an award of excellence from the Association of Government Accountants for its clarity and presentation of financial information to the general public.
- ◆ The County's Public Health director was honored with the Wisconsin Public Health Association's Presidential Citation Award for her leadership and professionalism.
- ◆ Most major County policies were redrafted in 2011, in part in response to labor relations changes at the State level and a need for comprehensive, clear budget preparation and execution policy and improved expenditure reporting and control.

### **Other Financial Information**

#### **Single Audit**

As a recipient of federal, state, and local financial assistance, the County must have adequate internal controls and procedures to ensure financial integrity and to be in compliance with the applicable laws and regulations related to those programs. Our internal controls are evaluated periodically by management and the internal audit staff. In addition, our internal controls are subject to review annually by our Auditors.

As part of the County's Single Audit, described on page one, tests are made to determine the adequacy of the internal controls surrounding the federal financial assistance programs. For the

fiscal year ended December 31, 2011, our auditors found no instances of material weaknesses in the internal controls or significant violations of applicable laws and regulations pertaining to the Single Audit.

The Office of Management and Budget's (OMB) Circular A-133 sets forth the audit requirements for state and local governments receiving federal assistance. It provides for a single independent audit of the financial operations, including the compliance with certain provisions of federal law and regulations. The requirements have been established to ensure that audits are made on an organizational-wide basis rather than a grant-by-grant basis. The grants for which these requirements apply are reported in the County's Schedule of Expenditures of Federal Awards.

### **Internal Controls**

The County's system of internal controls is supported by written policies and procedures and is continually reviewed, evaluated, and modified to meet current needs as noted above. The internal auditor administers a broad scope auditing program to review and evaluate the adequacy and effectiveness of the County's internal controls.

The Finance Committee consisted of four County Supervisors and the Chair of the County Board in 2011. The Finance Committee reviews the annual audit report with the external auditors. The internal auditor, other County personnel, and representatives from our auditors meet periodically with the Finance Committee to discuss audit concerns.

In developing and evaluating the County's financial management system, consideration is given to the adequacy of the internal accounting controls. These controls provide reasonable, but not absolute, assurance in the following areas: (1) the safeguarding of assets against loss from unauthorized use or disposition, and (2) the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived and (2) the evaluation of costs and benefits requires estimates and judgments by management.

All internal control evaluations occur within the above framework. We believe that the County's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

### **Budgeting Controls**

Budgetary control is maintained at the fund level, and it is subject to periodic review by the County's administrator, finance manager and Finance Committee. Open encumbrances are reported as reservations of fund balance as of December 31, 2011. In addition, the County maintains budgetary controls at fund and department levels, the objective of which is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the County's governing body. Activities of the General and Human Services Special Revenue Funds are included in the annual appropriated budget. The County maintains an encumbrance tracking system to help in budgetary control. Encumbered amounts lapse at a year-end. However, encumbrances generally are re-appropriated as part of the following year's budget.

As demonstrated by the statements and schedules included in the financial section of this report, the County continues to meet its responsibility for sound financial management.

Wisconsin State Statutes require an audit to be made of the financial statements of the County by an independent auditor team. In addition to meeting the requirements in the state statutes, the audit must also meet the requirements of the federal Single Audit Act of 1984 and the Single Audit Amendment of 1996 and related OMB Circular A-133. These requirements have been met and the Auditor's opinion has been included in this report. The Auditor will also issue a management and compliance letter covering the testing of the County's system of internal controls and compliance with applicable legal provisions. The management and compliance letter will not modify or affect this report on the financial statements.

### **Awards**

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Polk County for the year ended December 31, 2010. This is the third year the County has received this prestigious award. In order to be awarded a Certificate of Achievement, the County had to publish an easily readable and efficiently organized CAFR that satisfied both generally accepted accounting principles and applicable legal requirements.

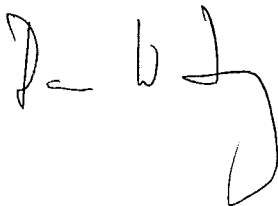
A Certificate of Achievement is valid for a period of one year only. We believe that our current CAFR continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

### **Invitation and Acknowledgments**

I invite you to read the remainder of this Comprehensive Annual Financial Report. Polk County provides a variety of services financed with various funds. It must follow specific rules and policies in the administration of these resources. If you have questions regarding any of the materials presented, please contact the department of administration. Our goal is to keep you well informed about your County's government.

I would like to recognize the professional contributions made by the staff of County departments, the finance manager and finance team, and the department of administration. This report would not have been completed without the efficient and dedicated services of the entire staff. I especially want to thank the Finance Committee, department heads, and the County Board of Supervisors for their interest and support in planning and conducting the financial activities in a responsible and progressive manner. The County's excellent financial status is a tribute to that involvement and commitment.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Dana Frey', with a stylized flourish at the end.

Dana Frey  
Polk County Administrator

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# Certificate of Achievement for Excellence in Financial Reporting

Presented to

Polk County  
Wisconsin

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
December 31, 2010

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



*Linda C. Sandson*

President

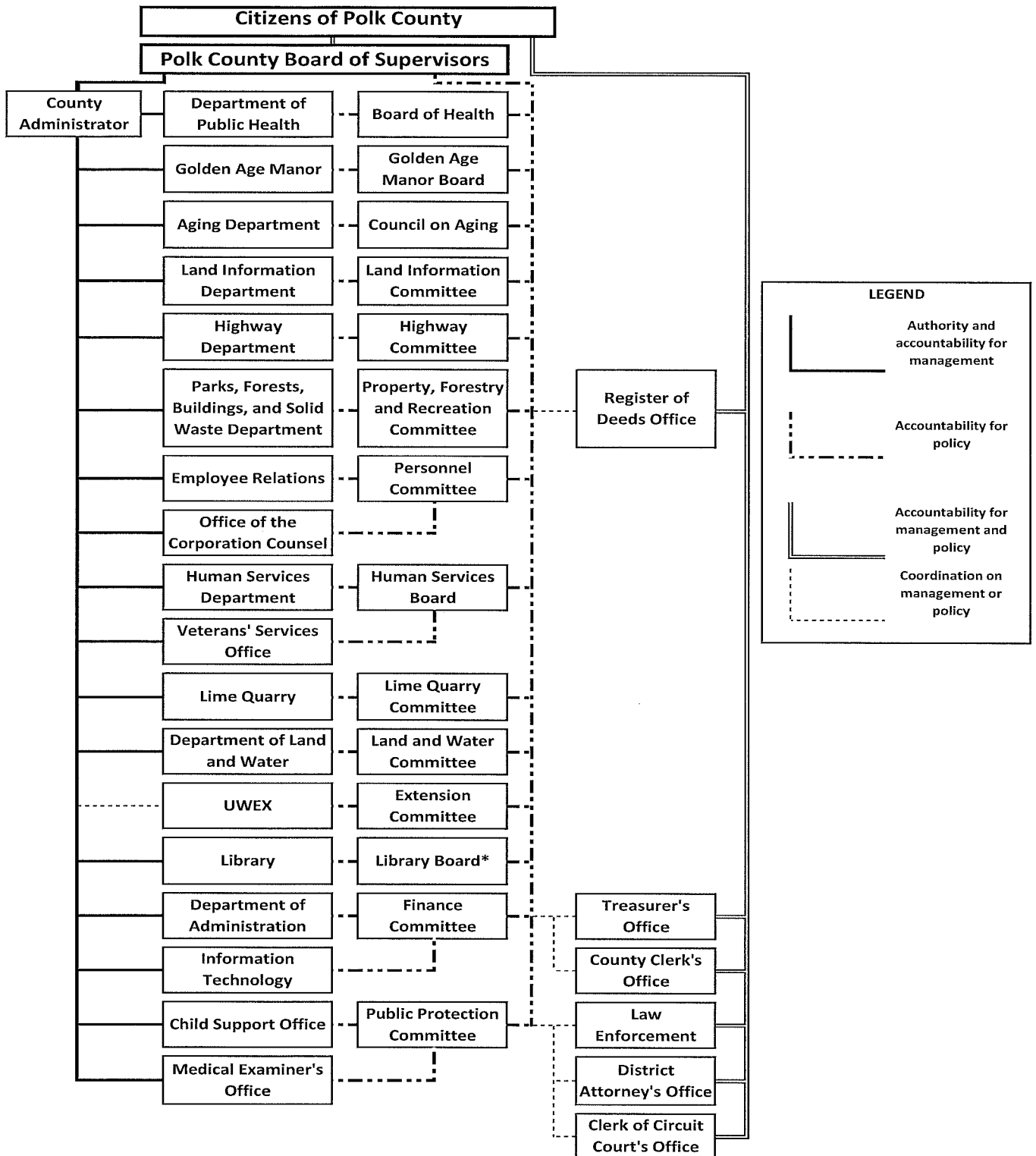
*Jeffrey R. Emen*

Executive Director



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**POLK COUNTY, WISCONSIN  
ORGANIZATIONAL CHART  
DECEMBER 31, 2011**



\* Not considered a standing committee

**POLK COUNTY, WISCONSIN  
LIST OF PRINCIPALS  
DECEMBER 31, 2011**

<b>Office</b>	<b>Name</b>	<b>Term Expires</b>
<b>Supervisors:</b>		
1st District	Harry Johansen	April 2012
2nd District	William F. Johnson IV	April 2012
3rd District	Dean K. Johanson	April 2012
4th District	Patricia Schmidt	April 2012
5th District	Hershel Brown	April 2012
6th District	Kathryn Kleinholz	April 2012
7th District	Marvin Caspersen	April 2012
8th District	Randall Korb	April 2012
9th District	James Edgell	April 2012
10th District	Brian R. Masters	April 2012
11th District	Ken Sample	April 2012
12th District	Craig Moriak	April 2012
13th District	Russell Arcand	April 2012
14th District	Warren Nelson	April 2012
15th District	Jay Luke	April 2012
16th District	George Stoeberl	April 2012
17th District	Kristine Kremer-Hartung	April 2012
18th District	Larry Jepsen	April 2012
19th District	Kim O'Connell	April 2012
20th District	Gary Bergstrom	April 2012
21st District	Neil L. Johnson	April 2012
22nd District	Larry Voelker	April 2012
23rd District	Gerianne Christensen	April 2012
<b>Officers:</b>		
<b>Elected:</b>		
Circuit Judge, Branch 1	Molly E. GaleWyrick	July 2014
Circuit Judge, Branch 2	Jeff Anderson	July 2017
Clerk of Circuit Court	Lois Hoff	December 2014
County Clerk	Carole Wondra	December 2012
County Treasurer	Amanda Nissen	December 2012
District Attorney	Daniel P. Steffen	December 2012
Register of Deeds	Laurie Anderson	December 2012
Sheriff	Peter Johnson	December 2014

## **FINANCIAL SECTION**

## INDEPENDENT AUDITORS' REPORT

County Board of Supervisors  
Polk County, Wisconsin

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Polk County, Wisconsin (the County) as of and for the year ended December 31, 2011, which collectively comprise the County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the County Board and management. Our responsibility is to express opinions on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Polk County, Wisconsin as of December 31, 2011, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 21, 2012 on our consideration of Polk County's internal control over financial reporting and on our tests of 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.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison schedules, and schedule of funding progress on pages 11 through 22 and 64 through 66 and 68, respectively be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

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

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Polk County's basic financial statements. The introductory and statistical sections are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.



**CliftonLarsonAllen LLP**

Eau Claire, Wisconsin  
June 21, 2012

## **REQUIRED SUPPLEMENTARY INFORMATION**

**POLK COUNTY, WISCONSIN  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED DECEMBER 31, 2011**

As management of Polk County, Wisconsin (the County), we offer readers of the County's financial statements this narrative overview and analysis of the financial activities of Polk County for the year ended December 31, 2011. We encourage readers to consider the information presented here in conjunction with the County's financial statements, which begin on page 23 following this narrative.

**FINANCIAL HIGHLIGHTS**

- The assets of Polk County's governmental activities exceeded its liabilities at the close of the most recent fiscal year by \$71,366,965 (net assets). Of this amount, \$55,031,898 represented the County's investment in capital assets, net of related debt, \$4,639,715 was held for restricted purposes, and \$11,695,352 was unrestricted. The unrestricted net assets may be used to meet the government's ongoing obligations to citizens and creditors.
- During the fiscal year, the County's total net assets increased by \$2,102,023. Net assets related to the governmental activities of the County increased \$2,669,742. The increase in net assets related to governmental activities is primarily the result of an investment in capital assets.
- At the close of the fiscal year, the County's governmental funds reported combined ending fund balances of \$14,818,601, an increase of \$751,820 from the previous year. The primary component of the increase was due to budget savings in the General Fund.
- At the end of the current fiscal year, unassigned fund balance for the general fund was \$7,254,080 or 31.2% of total general fund expenditures.
- Golden Age Manor Nursing Home finished 2011 with a decrease in net assets of \$456,633, including depreciation, prior to any transfers to the General Fund.
- The Lime Quarry finished 2011 with net assets decreasing \$58,535. This is due to operating expenses, including depletion and depreciation, exceeding operating revenues.

**OVERVIEW OF THE FINANCIAL STATEMENTS**

This discussion and analysis is intended to serve as an introduction to Polk 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 Polk County's finances, in a manner similar to a private-sector business.

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

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



**POLK COUNTY, WISCONSIN  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED DECEMBER 31, 2011**

**OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)**

**Government-Wide Financial Statements (Continued)**

Both of the government-wide financial statements distinguish functions of Polk County that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the County include general government, public safety, transportation, sanitation, health and human services, culture, recreation and education, and conservation and development. The business-type activities of the County consist of a nursing home and lime quarry operations.

The government-wide financial statements can be found beginning on page 23 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. Polk 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.

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

The fund level financial statements can be found beginning on page 25 of this report.

**Proprietary Funds** – Polk County maintains two different types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The County uses enterprise funds to account for its nursing home and its lime quarry operations. Internal service funds are an accounting device used to accumulate and allocate costs internally among the County's various functions. Polk County uses internal service funds to account for its highway department operations and self-funded health insurance program.

**POLK COUNTY, WISCONSIN  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED DECEMBER 31, 2011**

**OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)**

**Fund Financial Statements (Continued)**

**Proprietary Funds (Continued)** – 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 for the nursing home and the lime quarry operations, both considered major funds. Conversely, the two 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 29 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 statement can be found on page 33 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 34 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 64 of this report.

Following the basic government-wide and fund financial statements, accompanying notes, and required supplementary information, supplementary information has been provided as part of this report. The supplementary information includes combining statements for the nonmajor governmental funds and internal service funds, and individual fund statements for selected funds. This other supplementary information section begins on page 69.

**POLK COUNTY, WISCONSIN  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED DECEMBER 31, 2011**

**FINANCIAL ANALYSIS OF THE COUNTY AS A WHOLE**

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of Polk County, assets exceeded liabilities by \$72,863,072 at the close of the most recent fiscal year. The largest portion of Polk County's net assets (79%) reflects its investment in capital assets (e.g., land, buildings, machinery and equipment, infrastructure) less any related debt used to acquire those assets that is still outstanding. The County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. The following is a summary of the County's statement of net assets:

**Condensed Statement of Net Assets  
December 31, 2011 and 2010**

	Governmental Activities		Business-Type Activities		Total	
	2011	2010	2011	2010	2011	2010
Current and Other Assets	\$42,192,996	\$43,755,328	\$ 1,685,727	\$ 1,932,112	\$43,878,723	\$45,687,440
Capital Assets	81,494,185	81,098,879	2,517,803	2,659,956	84,011,988	83,758,835
Internal Balances	1,625,483	1,003,753	(1,625,483)	(1,003,753)	-	-
Total Assets	125,312,664	125,857,960	2,578,047	3,588,315	127,890,711	129,446,275
Noncurrent Liabilities Outstanding	25,304,996	28,184,508	296,899	236,661	25,601,895	28,421,169
Other Liabilities	28,640,703	28,976,229	785,041	1,287,828	29,425,744	30,264,057
Total Liabilities	53,945,699	57,160,737	1,081,940	1,524,489	55,027,639	58,685,226
Net Assets:						
Invested in Capital Assets, Net of Related Debt	55,031,898	51,858,738	2,445,058	2,577,897	57,476,956	54,436,635
Restricted	4,639,715	4,343,713	9,334	9,416	4,649,049	4,353,129
Unrestricted	11,695,352	12,494,772	(958,285)	(523,487)	10,737,067	11,971,285
Total Net Assets	\$71,366,965	\$68,697,223	\$ 1,496,107	\$ 2,063,826	\$72,863,072	\$70,761,049

An additional portion of Polk County's net assets (6%) represents resources that are subject to other restrictions on how they may be used. The remaining \$10,737,067 of total net assets (15%) may be used to meet the County's ongoing obligations to citizens and creditors.

At the end of 2011, Polk County is able to report positive balances in all three categories of net assets, for the government as a whole and for the governmental activities. The business-type activities report negative unrestricted net assets.

The condensed statement of changes in net assets shown on the following page shows that the County's total net assets increased by \$2,102,023 during the current fiscal year. The increase consisted of an increase in net assets related to governmental activities in the amount of \$2,669,742 and a decrease in net assets related to business-type activities in the amount of \$567,719. The increase in net assets related to governmental activities is primarily the result of an investment in capital assets.

**POLK COUNTY, WISCONSIN  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED DECEMBER 31, 2011**

**FINANCIAL ANALYSIS OF THE COUNTY AS A WHOLE (CONTINUED)**

The following is a summary of the changes in the County's net assets:

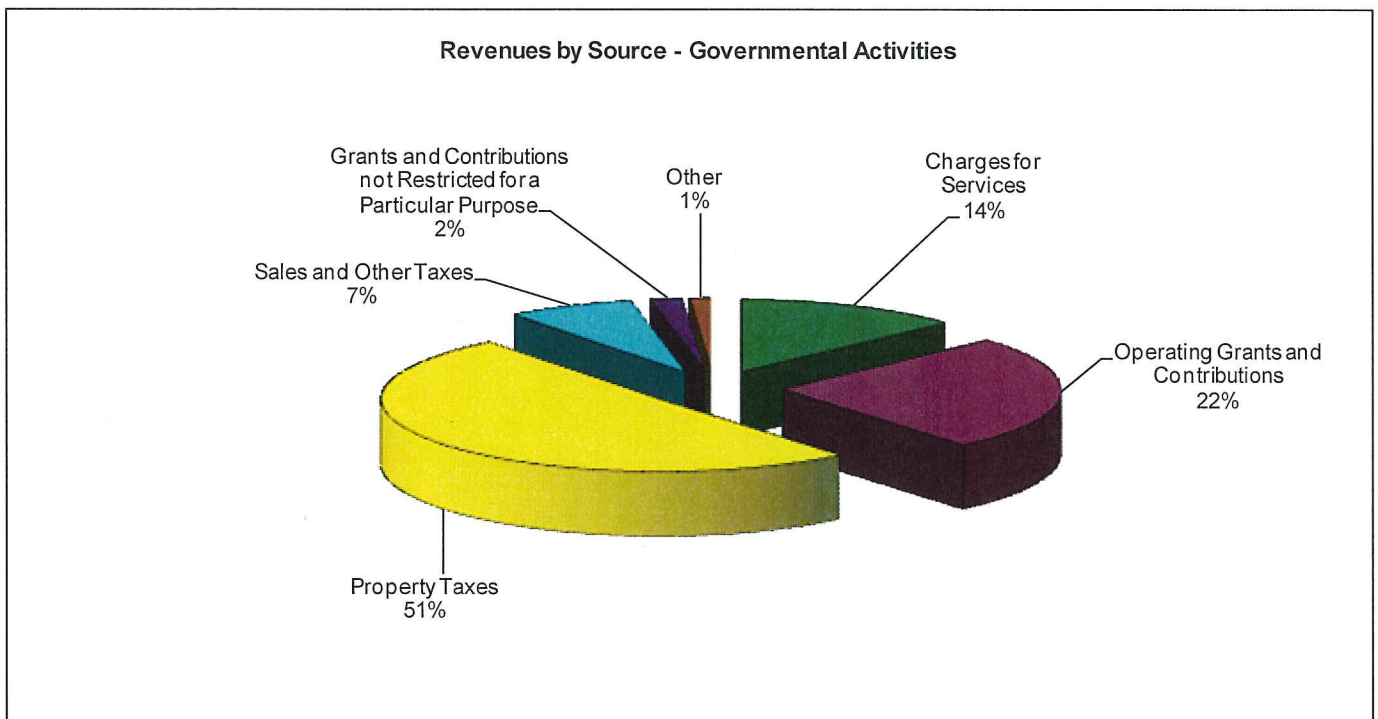
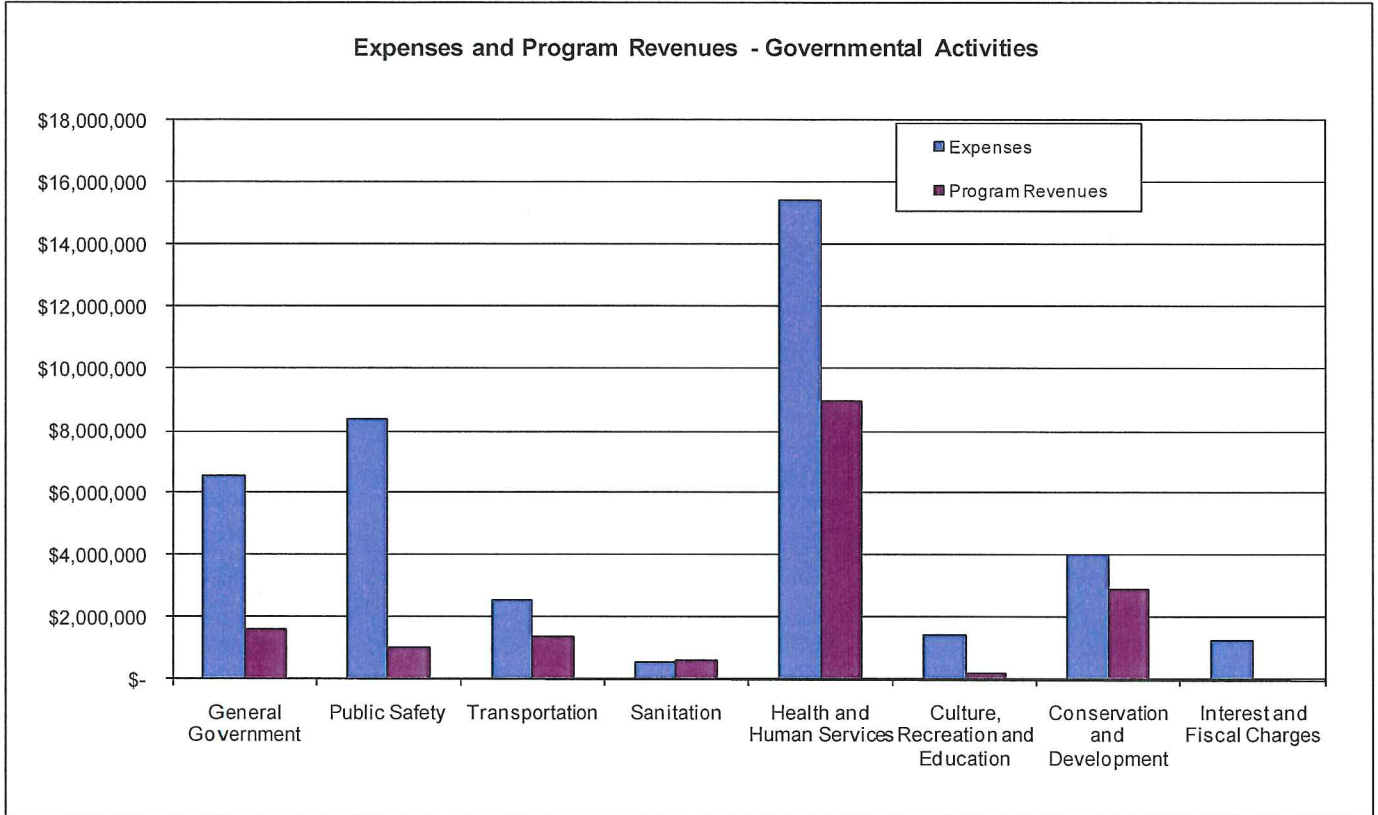
**Condensed Statement of Changes in Net Assets  
Years Ended December 31, 2011 and 2010**

	Governmental Activities		Business-Type Activities		Total	
	2011	2010	2011	2010	2011	2010
Revenues:						
Program Revenues:						
Charges for Services	\$ 5,591,398	\$ 5,871,215	\$ 7,370,194	\$ 7,180,482	\$12,961,592	\$13,051,697
Operating Grants and Contributions	11,059,492	10,520,776	902,005	782,927	11,961,497	11,303,703
Capital Grants and Contributions	46,133	-	-	123,548	46,133	123,548
General Revenues:						
Property Taxes	21,664,675	21,171,147	-	-	21,664,675	21,171,147
Other Taxes	3,181,876	3,271,556	-	-	3,181,876	3,271,556
State and Federal Aids not Restricted to Specific Programs	793,767	926,775	-	-	793,767	926,775
Unrestricted Investment Earnings	122,413	184,439	115	112	122,528	184,551
Other	409,280	802,493	24,156	22,428	433,436	824,921
Total Revenues	42,869,034	42,748,401	8,296,470	8,109,497	51,165,504	50,857,898
Expenses:						
General Government	6,538,580	5,507,320	-	-	6,538,580	5,507,320
Public Safety	8,408,712	8,780,818	-	-	8,408,712	8,780,818
Transportation	2,571,780	3,019,534	-	-	2,571,780	3,019,534
Sanitation	548,441	666,128	-	-	548,441	666,128
Health and Human Services	15,464,511	16,319,148	-	-	15,464,511	16,319,148
Culture, Recreation and Education	1,457,225	1,334,688	-	-	1,457,225	1,334,688
Conservation and Development	4,000,359	1,857,848	-	-	4,000,359	1,857,848
Interest and Fiscal Charges	1,262,235	1,369,263	-	-	1,262,235	1,369,263
Nursing Home	-	-	8,035,922	7,849,407	8,035,922	7,849,407
Lime Quarry	-	-	775,716	446,771	775,716	446,771
Total Expenses	40,251,843	38,854,747	8,811,638	8,296,178	49,063,481	47,150,925
Change in Net Assets Before Transfers	2,617,191	3,893,654	(515,168)	(186,681)	2,102,023	3,706,973
Transfers	52,551	200,000	(52,551)	(200,000)	-	-
Change in Net Assets	2,669,742	4,093,654	(567,719)	(386,681)	2,102,023	3,706,973
Net Assets - Beginning of Year	68,697,223	64,603,569	2,063,826	2,450,507	70,761,049	67,054,076
Net Assets - End of Year	\$71,366,965	\$68,697,223	\$ 1,496,107	\$ 2,063,826	\$72,863,072	\$70,761,049

A review of the statement of activities can provide a concise picture of how the various functions/programs of Polk County are funded. The following charts draw data from the statement of activities. For governmental activities the County's main sources for funding governmental services are property taxes (51%) and operating grants/contributions (26%).

**POLK COUNTY, WISCONSIN  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED DECEMBER 31, 2011**

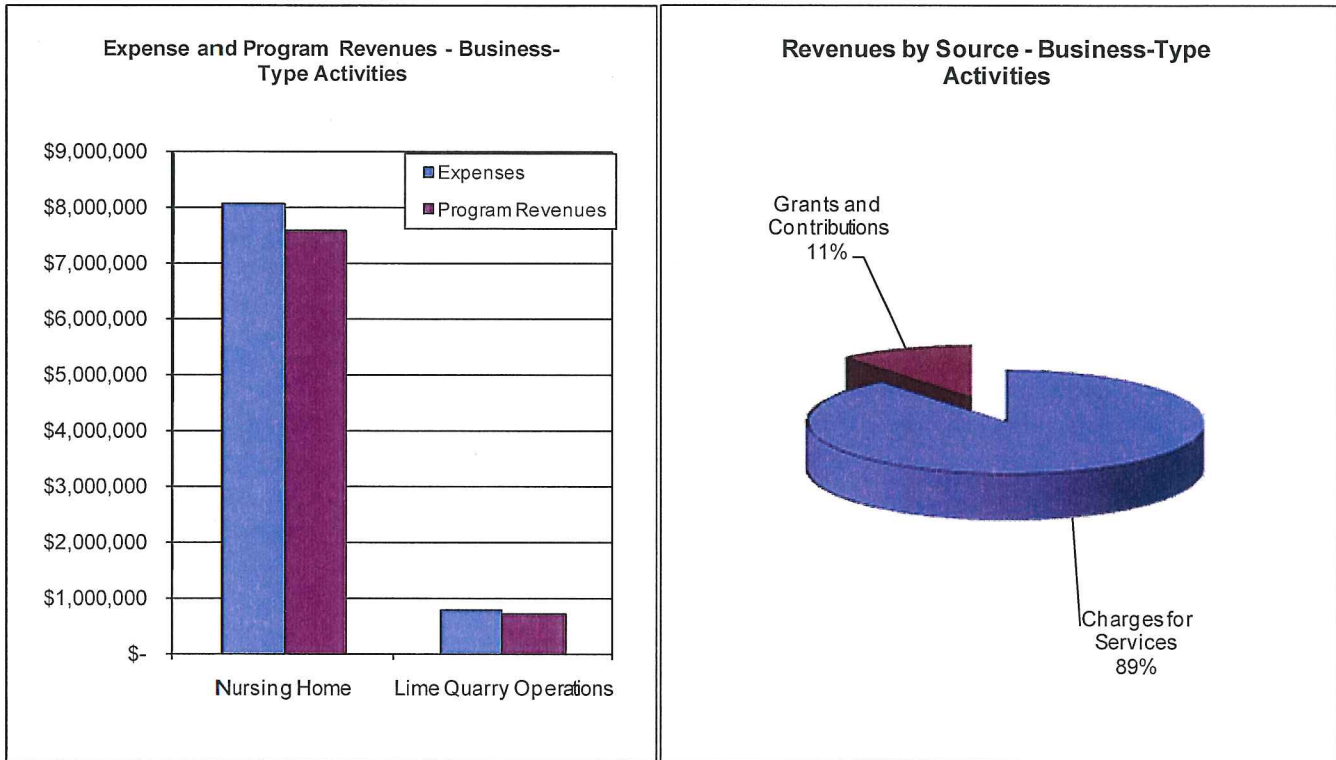
**FINANCIAL ANALYSIS OF THE COUNTY AS A WHOLE (CONTINUED)**



**POLK COUNTY, WISCONSIN  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED DECEMBER 31, 2011**

**FINANCIAL ANALYSIS OF THE COUNTY AS A WHOLE (CONTINUED)**

In the case of business-type activities, the data shows a considerably different picture. Charges for services (89%) replace property taxes as the primary revenue.



**FINANCIAL ANALYSIS OF THE COUNTY'S MAJOR FUNDS**

As noted earlier, Polk 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 Polk 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.

**POLK COUNTY, WISCONSIN  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED DECEMBER 31, 2011**

**FINANCIAL ANALYSIS OF THE COUNTY'S MAJOR FUNDS**

**Governmental Funds**

At December 31, 2011, the County's governmental funds reported combined ending fund balances of \$14,818,601, an increase of \$751,820 from the previous year. The governmental funds comprising this balance are shown below:

	Fund Balances at 12/31/2011					Total	Current Year Change
	Nonspendable	Restricted	Committed	Assigned	Unassigned		
Major Funds:							
General Fund	\$ 5,524,416	\$ 186,340	\$ 174,157	\$ 147,509	\$ 7,254,080	\$13,286,502	\$ 689,085
Debt Service Fund	-	172,383	-	-	-	172,383	(37,855)
Nonmajor Funds:							
Special Revenue Funds	17,528	601,693	-	592,271	(103,544)	1,107,948	98,707
Capital Projects Funds	-	251,768	-	-	-	251,768	1,883
Total Fund Balances	<u>\$ 5,541,944</u>	<u>\$ 1,212,184</u>	<u>\$ 174,157</u>	<u>\$ 739,780</u>	<u>\$ 7,150,536</u>	<u>\$14,818,601</u>	<u>\$ 751,820</u>

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.

The general fund is the primary operating fund used to account for the governmental operations of Polk 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 57% of total general fund expenditures reported on the statement of revenues, expenditures and changes in fund balances while the unassigned balance represented 31% of the same amount.

The general fund's total fund balance increased \$689,085 during the year; while the unassigned portion of the fund increased \$618,755. The primary factor in the increase in total fund balance was due to transfers in from the Human Services Fund and proprietary funds, as well as an effort from County management to increase unassigned fund balance.

The County's human services fund had a \$-0- balance at year-end. This ending fund balance is due to a County Board resolution requiring all fund balance be closed to the general fund for 2011.

The debt service fund balance at December 31, 2011 totaled \$172,383. This balance is expected to be used to finance future debt service requirements.

The aggregated other governmental funds column includes various special revenue and capital project funds. The accumulated fund balances of these funds increased \$100,590 during 2011, primarily due to increased revenues in the County Sales tax fund. These funds are individually detailed in the supplementary information section of this report.

**POLK COUNTY, WISCONSIN  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED DECEMBER 31, 2011**

**FINANCIAL ANALYSIS OF THE COUNTY'S MAJOR FUNDS**

**Proprietary Funds**

Polk County's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. As shown below, the net assets of the enterprise-type proprietary funds at the end of 2011 totaled \$1,496,107, down \$567,719 from the previous year.

**Condensed Statement of Changes in Net Assets for Enterprise Funds  
Years Ended December 31, 2011 and 2010**

	Nursing Home		Lime Quarry		Totals	
	2011	2010	2011	2010	2011	2010
Operating Revenues	\$ 6,677,169	\$ 6,736,046	\$ 717,181	\$ 466,864	\$ 7,394,350	\$ 7,202,910
Operating Expenses:						
Depreciation	157,229	140,352	106,874	116,155	264,103	256,507
Other	7,835,179	7,663,918	668,842	330,616	8,504,021	7,994,534
Nonoperating Income (Expense)	858,606	737,902	-	-	858,606	737,902
Income (Loss) Before Transfers	(456,633)	(330,322)	(58,535)	20,093	(515,168)	(310,229)
Transfers and Capital Contributions	(52,551)	23,548	-	(100,000)	(52,551)	(76,452)
Change in Net Assets	(509,184)	(306,774)	(58,535)	(79,907)	(567,719)	(386,681)
Net Assets - Beginning of Year	628,211	934,985	1,435,615	1,515,522	2,063,826	2,450,507
Net Assets - End of Year	<u>\$ 119,027</u>	<u>\$ 628,211</u>	<u>\$ 1,377,080</u>	<u>\$ 1,435,615</u>	<u>\$ 1,496,107</u>	<u>\$ 2,063,826</u>

The decrease in the net assets of the nursing home was \$509,184. This decrease is primarily due to an increase in operating expenses related to daily patient services. As shown above, the change in net assets was a decrease of \$509,184 compared to a decrease of \$306,774 in the previous year.

Reported net assets of the lime quarry fund at December 31, 2011 totaled \$1,377,080, a decrease of \$58,535 from the previous year. This is due to expenses in excess of revenues in 2011.

The County had two internal service funds during 2011. Net assets of the funds at year-end and changes thereto during the year were as follows:

	Net Assets at 12/31/11	Change During Year
Highway Department	\$ 6,376,396	\$ (645,436)
Self-Funded Health Insurance	606,565	224,077

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

Revenues of the health insurance fund consist principally of charges to departments and retirees based on rates determined by the County. Any accumulated balance is considered in the rate determination process.



**POLK COUNTY, WISCONSIN  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED DECEMBER 31, 2011**

**GENERAL FUND BUDGETARY HIGHLIGHTS**

As shown in the budgetary comparison schedule for the general fund (in required supplementary information), the final 2011 general fund budgeted revenues were different than the original budget adopted by the County Board, primarily due to the increase in budgeted revenues for new funding sources that were not in the original budget. The final actual revenues were \$21,562,770 which is \$131,275 more than the final budget revenues while the final actual expenditures were \$23,232,636 which is \$971,823 less than the final budget.

**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, 2011 and 2010 was \$84,011,988 and \$83,758,835, respectively, (net of accumulated depreciation) as shown below:

**Capital Assets (Net of Depreciation)  
December 31, 2011 and 2010**

	Governmental Activities		Business-Type Activities		Totals	
	2011	2010	2011	2010	2011	2010
Not Subject to Depreciation:						
Land and Land Rights	\$ 1,751,799	\$ 1,751,799	\$ 187,584	\$ 194,480	\$ 1,939,383	\$ 1,946,279
Construction Work in Process	267,836	110,134	-	-	267,836	110,134
Subject to Depreciation:						
Land Improvements	216,659	259,368	20,111	24,380	236,770	283,748
Buildings and Improvements	23,077,451	23,971,677	1,173,201	1,238,094	24,250,652	25,209,771
Equipment and Vehicles	10,383,430	10,844,545	1,136,907	1,203,002	11,520,337	12,047,547
Highway Infrastructure	44,701,020	43,038,324	-	-	44,701,020	43,038,324
Other Infrastructure	1,095,990	1,123,032	-	-	1,095,990	1,123,032
Total	<u>\$81,494,185</u>	<u>\$81,098,879</u>	<u>\$ 2,517,803</u>	<u>\$ 2,659,956</u>	<u>\$84,011,988</u>	<u>\$83,758,835</u>

The County capitalized approximately \$4.0 million of highway infrastructure costs during the year.

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

**POLK COUNTY, WISCONSIN  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED DECEMBER 31, 2011**

**CAPITAL ASSET AND DEBT ADMINISTRATION (CONTINUED)**

**Long-Term Obligations**

At December 31, 2011, Polk County had outstanding \$29,332,469 of long-term debt and other long-term obligations. A summary detail of this amount, together with the net change from the previous year, is shown below:

**Outstanding Long-Term Obligations  
December 31, 2011 and 2010**

	Governmental Activities		Business-Type Activities		Total Outstanding		%
	2011	2010	2011	2010	2011	2010	Change
General Obligation Debt:							
Bonds	\$19,305,000	\$20,795,000	\$ -	\$ -	\$19,305,000	\$20,795,000	(7.2)%
Notes	5,970,000	6,975,000	60,172	65,534	6,030,172	7,040,534	(14.4)
State Trust Fund Loan	261,230	385,722	-	-	261,230	385,722	(32.3)
Subtotal	25,536,230	28,155,722	60,172	65,534	25,596,402	28,221,256	(9.3)
Other Long-Term Obligations:							
Capital Leases Payable	316,238	373,403	12,573	16,525	328,811	389,928	(15.7)
Forest Crop Loans Payable	318,417	350,468	-	-	318,417	350,468	(9.1)
Estimated Employee Leave	1,673,526	1,663,784	266,077	230,959	1,939,603	1,894,743	2.4
Other Postemployment Health Care Benefits	919,079	655,872	230,157	163,968	1,149,236	819,840	40.2
Total	<u>\$28,763,490</u>	<u>\$31,199,249</u>	<u>\$ 568,979</u>	<u>\$ 476,986</u>	<u>\$29,332,469</u>	<u>\$31,676,235</u>	

Under Wisconsin State Statutes, the outstanding general obligation long-term debt of a County may not exceed 5 percent of the equalized property value of all taxable property within the jurisdiction. The applicable debt of Polk County outstanding at December 31, 2011 totaled \$25,596,402, approximately 11 percent of the maximum legal limit of \$227,247,330. Additional information on Polk County's long-term debt is reported in Note 3.E following the financial statements.

**POLK COUNTY, WISCONSIN  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED DECEMBER 31, 2011**

**CURRENTLY KNOWN FACTS**

Limits have been imposed on the property tax levy rates for Wisconsin counties. There are separate limits for the operating levy and the debt service levy. The baseline for the limits is the actual 1992 tax rate adopted for the 1993 budget. The operating levy rate and the debt levy rate cannot exceed the baseline rates unless the County qualifies for one of the exceptions allowed under the statute. The statute establishes specific penalties for failure to meet the levy rate freeze requirements. Among the penalties for exceeding the limits is the reduction of state shared revenues and transportation aids. For the 2011 budget year, Polk County utilized an operating levy rate of \$3.84, a debt levy rate of \$.86, and a special purpose levy rate of \$.17 for a total mill rate of \$4.87/\$1,000 of valuation. The operating levy limit under this restriction was \$4.81. The County's actual operating levy was \$.97/\$1,000 under this levy limit.

The State of Wisconsin has imposed further limits on the County's property tax levy beginning with the 2008 budget year levy. Essentially, the legislation restricts the growth in the County's property taxes (except for debt service, libraries, road and bridge aid, and tax increments) to the greater of the percentage increase in the County's equalized value due to new construction or 2% (0% or net new construction only in 2012). The County approved a levy of \$20,920,325 for its 2011 budget, a decrease of \$370,504 (1.8%) from the 2010 budget levy of \$21,637,297.

**REQUESTS FOR INFORMATION**

This financial report is designed to provide a general overview of Polk County's finances for all those with an interest in the County's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Polk County Administration Office, 100 Polk County Plaza, Suite 220, Balsam Lake, Wisconsin, 54810.

## **BASIC FINANCIAL STATEMENTS**

## **GOVERNMENT-WIDE FINANCIAL STATEMENTS**

**POLK COUNTY, WISCONSIN  
STATEMENT OF NET ASSETS  
DECEMBER 31, 2011**

	Primary Government		
	Governmental	Business-Type	
	Activities	Activities	Total
<b>ASSETS</b>			
Treasurer's Cash and Investments	\$ 4,286,893	\$ 406,654	\$ 4,693,547
Departmental Cash and Investments	6,703,863	200	6,704,063
Cash and Investments with Fiscal Agents	67,045	-	67,045
Taxes Receivable	26,336,674	-	26,336,674
Accounts Receivable	1,525,685	640,556	2,166,241
Estimated Third-Party Payer Settlements	-	454,200	454,200
Due from Other Governments	581,079	-	581,079
Long-Term Receivables	911,688	-	911,688
Prepaid Items	281,962	30,267	312,229
Inventories	480,409	122,966	603,375
Unamortized Debt Issuance Costs	1,017,698	-	1,017,698
Internal Balances	1,625,483	(1,625,483)	-
Restricted Assets:			
Cash and Investments	-	30,884	30,884
Capital Assets:			
Capital Assets Not Being Depreciated	2,019,635	187,584	2,207,219
Capital Assets Being Depreciated	128,744,650	6,660,539	135,405,189
Accumulated Depreciation	(49,270,100)	(4,330,320)	(53,600,420)
Total Assets	125,312,664	2,578,047	127,890,711
<b>LIABILITIES</b>			
Vouchers and Accounts Payable	1,186,400	120,471	1,306,871
Accrued Payables	1,172,868	329,922	1,502,790
Accrued Interest	101,490	41,018	142,508
Incurred but not Reported	214,939	-	214,939
Unearned Revenues	21,603,803	-	21,603,803
Special Deposits	41,122	21,550	62,672
Long-Term Liabilities:			
Amounts Due Within One Year	4,320,081	272,080	4,592,161
Amounts Due in More Than One Year	25,304,996	296,899	25,601,895
Total Liabilities	53,945,699	1,081,940	55,027,639
<b>NET ASSETS</b>			
Invested in Capital Assets, Net of Related Debt	55,031,898	2,445,058	57,476,956
Restricted for:			
Debt Service	4,165,035	-	4,165,035
Capital Projects	251,768	-	251,768
Economic and Housing Loan Programs	36,572	-	36,572
Other Purposes	186,340	9,334	195,674
Unrestricted	11,695,352	(958,285)	10,737,067
Total Net Assets	\$ 71,366,965	\$ 1,496,107	\$ 72,863,072

See accompanying Notes to the Basic Financial Statements.

**POLK COUNTY, WISCONSIN  
STATEMENT OF ACTIVITIES  
YEAR ENDED DECEMBER 31, 2011**

	Program Revenues			Net (Expense) Revenue and Changes in Net Assets		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government	
					Governmental Activities	Business-Type Activities
<b>FUNCTIONS/PROGRAMS</b>						
<b>Primary Government:</b>						
Governmental Activities:						
General Government	\$ 6,538,580	\$ 1,066,665	\$ 480,679	\$ 46,133	\$ (4,945,103)	\$ -
Public Safety	8,408,712	488,409	512,821	-	(7,407,482)	-
Transportation	2,571,780	-	1,356,204	-	(1,215,576)	-
Sanitation	548,441	498,089	148,000	-	97,648	-
Health and Human Services	15,464,511	3,177,372	5,820,492	-	(6,466,647)	-
Culture, Recreation and Education	1,457,225	20,169	160,231	-	(1,276,825)	-
Conservation and Development	4,000,359	340,694	2,581,065	-	(1,078,600)	-
Interest and Fiscal Charges	1,262,235	-	-	-	(1,262,235)	-
Total Governmental Activities	40,251,843	5,591,398	11,059,492	46,133	(23,554,820)	-
Business-Type Activities:						
Nursing Home	8,035,922	6,653,013	902,005	-	-	(480,904)
Lime Quarry	775,716	717,181	-	-	-	(58,535)
Total Business-Type Activities	8,811,638	7,370,194	902,005	-	(539,439)	(539,439)
Total Primary Government	\$ 49,063,481	\$ 12,961,592	\$ 11,961,497	\$ 46,133	(23,554,820)	(24,094,259)
<b>GENERAL REVENUES</b>						
Taxes:						
Property Taxes					21,664,675	-
Sales Taxes					2,365,174	-
Other Taxes					816,702	-
State and Federal Aids Not Restricted to Specific Programs					793,767	-
Interest and Investment Earnings					122,413	115
Other					409,280	24,156
<b>TRANSFERS</b>					52,551	(52,551)
Total General Revenues and Transfers					26,224,562	(28,280)
<b>CHANGE IN NET ASSETS</b>					2,669,742	(567,719)
Net Assets - Beginning of Year					68,697,223	2,063,826
<b>NET ASSETS - END OF YEAR</b>					\$ 71,366,965	\$ 1,496,107

See accompanying Notes to the Basic Financial Statements.

## **FUND FINANCIAL STATEMENTS**



**POLK COUNTY, WISCONSIN  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
DECEMBER 31, 2011**

**ASSETS**

	General Fund	Human Services Fund	Debt Service Fund	Other Governmental Funds	Totals
Treasurer's Cash and Investments	\$ 6,839,835	\$ 286,493	\$ 172,383	\$ 1,224,919	\$ 8,523,630
Departmental Cash and Investments	6,285	31,497	-	36,632	74,414
Cash Held by Fiscal Agents	67,045	-	-	-	67,045
Taxes Receivable	18,359,704	3,666,574	4,094,142	216,254	26,336,674
Accounts Receivable	661,845	308,267	-	327,465	1,297,577
Due from Other Governments	21,207	-	-	213,180	234,387
Due from Other Funds	887,087	-	-	-	887,087
Prepaid Items	96,580	-	-	17,528	114,108
Long-Term Accounts Receivable	-	-	-	911,688	911,688
Advances to Other Funds	940,820	-	-	-	940,820
Total Assets	<u>\$ 27,880,408</u>	<u>\$ 4,292,831</u>	<u>\$ 4,266,525</u>	<u>\$ 2,947,666</u>	<u>\$ 39,387,430</u>

**LIABILITIES AND FUND BALANCES**

**LIABILITIES**

Vouchers and Accounts Payable	\$ 288,191	\$ 377,407	\$ -	\$ 108,943	\$ 774,541
Accrued Payables	704,351	211,288	-	91,715	1,007,354
Due to Other Funds	-	-	-	202,424	202,424
Deferred Revenues	13,591,539	3,672,839	4,094,142	1,184,868	22,543,388
Special Deposits	9,825	31,297	-	-	41,122
Total Liabilities	<u>14,593,906</u>	<u>4,292,831</u>	<u>4,094,142</u>	<u>1,587,950</u>	<u>24,568,829</u>

**FUND BALANCES**

Nonspendable	5,524,416	-	-	17,528	5,541,944
Restricted	186,340	-	172,383	853,461	1,212,184
Committed	174,157	-	-	-	174,157
Assigned	147,509	-	-	592,271	739,780
Unassigned	7,254,080	-	-	(103,544)	7,150,536
Total Fund Balances	<u>13,286,502</u>	<u>-</u>	<u>172,383</u>	<u>1,359,716</u>	<u>14,818,601</u>
Total Liabilities and Fund Balances	<u>\$ 27,880,408</u>	<u>\$ 4,292,831</u>	<u>\$ 4,266,525</u>	<u>\$ 2,947,666</u>	<u>\$ 39,387,430</u>

See accompanying Notes to the Basic Financial Statements.

**POLK COUNTY, WISCONSIN  
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO  
THE STATEMENT OF NET ASSETS  
GOVERNMENTAL ACTIVITIES  
DECEMBER 31, 2011**

**Total Fund Balances - Governmental Funds** **\$14,818,601**

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

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

Land	\$ 1,734,080	
Land Improvements	575,040	
Buildings and Improvements	33,766,848	
Machinery and Equipment	11,251,702	
Infrastructure	74,130,954	
Construction Work-in-Progress	267,836	
Accumulated Depreciation	<u>(44,709,572)</u>	77,016,888

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

958,151

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

Bonds Payable	19,305,000	
Notes Payable	5,970,000	
State Trust Fund Loan	261,230	
Accrued Interest Payable	100,699	
Forest Crop Loans	318,417	
Capital Lease	283,241	
Unamortized Bond Premiums	861,587	
Other Postemployment Health Care Benefits	919,079	
Estimated Employee Leave Liability	<u>1,408,081</u>	(29,427,334)

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

1,017,698

Internal service funds are used by County management to account for highway department operations and to charge the costs of its self-funded health insurance program to functions. The assets and liabilities of the internal service funds are reported in governmental activities.

6,982,961

**Net Assets of Governmental Activities**

\$71,366,965

*See accompanying Notes to the Basic Financial Statements.*

**POLK COUNTY, WISCONSIN**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
**YEAR ENDED DECEMBER 31, 2011**

	General Fund	Human Services Fund	Debt Service Fund	Other Governmental Funds	Totals
<b>REVENUES</b>					
Taxes	\$ 14,532,581	\$ 3,846,063	\$ 3,829,514	\$ 2,678,667	\$ 24,886,825
Intergovernmental	3,339,468	4,186,046	-	4,538,401	12,063,915
Licenses and Permits	252,155	-	-	64,791	316,946
Fines and Forfeits	140,073	-	-	50,651	190,724
Public Charges for Services	2,437,038	1,645,206	-	658,985	4,741,229
Intergovernmental Charges for Services	315,457	-	-	-	315,457
Miscellaneous:					
Interest	113,870	-	-	1,883	115,753
Rent	276,473	-	-	-	276,473
Other	155,655	-	-	37,823	193,478
Total Revenues	<u>21,562,770</u>	<u>9,677,315</u>	<u>3,829,514</u>	<u>8,031,201</u>	<u>43,100,800</u>
<b>EXPENDITURES</b>					
<b>CURRENT</b>					
General Government	5,612,029	-	-	11,909	5,623,938
Public Safety	7,239,222	-	-	297,391	7,536,613
Transportation	4,197,022	-	-	-	4,197,022
Sanitation	711,023	-	-	-	711,023
Health and Human Services	2,612,388	9,711,693	-	2,763,738	15,087,819
Culture, Recreation and Education	1,129,882	-	-	256,016	1,385,898
Conservation and Development	1,731,070	-	-	2,288,729	4,019,799
<b>DEBT SERVICE</b>					
Principal Retirement	-	-	2,645,188	40,274	2,685,462
Interest and Fiscal Charges	-	-	1,262,181	-	1,262,181
Total Expenditures	<u>23,232,636</u>	<u>9,711,693</u>	<u>3,907,369</u>	<u>5,658,057</u>	<u>42,509,755</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	(1,669,866)	(34,378)	(77,855)	2,373,144	591,045
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers In	2,358,951	40,778	40,000	-	2,439,729
Transfers Out	-	(6,400)	-	(2,280,778)	(2,287,178)
Loans Issued	-	-	-	8,224	8,224
Total Other Financing Sources (Uses)	<u>2,358,951</u>	<u>34,378</u>	<u>40,000</u>	<u>(2,272,554)</u>	<u>160,775</u>
<b>NET CHANGE IN FUND BALANCES</b>	689,085	-	(37,855)	100,590	751,820
Fund Balances - Beginning of Year	<u>12,597,417</u>	<u>-</u>	<u>210,238</u>	<u>1,259,126</u>	<u>14,066,781</u>
<b>FUND BALANCES - END OF YEAR</b>	<u>\$ 13,286,502</u>	<u>\$ -</u>	<u>\$ 172,383</u>	<u>\$ 1,359,716</u>	<u>\$ 14,818,601</u>

See accompanying Notes to the Basic Financial Statements.

**POLK COUNTY, WISCONSIN**  
**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES**  
**IN FUND BALANCES OF THE GOVERNMENTAL FUNDS TO STATEMENT OF ACTIVITIES**  
**GOVERNMENTAL ACTIVITIES**  
**YEAR ENDED DECEMBER 31, 2011**

**Net Change in Fund Balances - Total Governmental Funds** **\$ 751,820**

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	\$ 4,681,887	
Depreciation Expense Reported in the Statement of Activities	(3,494,687)	

In the statement of activities, only the gain or loss on the disposal of capital assets is reported whereas in the governmental funds, the proceeds from sales increase financial resources and trade-ins are not reflected in capital outlays. Thus, the change in net assets differs from the change in fund balances by the book value of capital assets disposed of during the year.

Net Book Value of Assets Disposed	(613,921)	573,279
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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.

(660,220)

Long-term debt and related obligations incurred in governmental funds are reported as revenues/other financing sources, but are reported as an increase in outstanding long-term obligations in the statement of net assets and do not affect the statement of activities. Also, governmental funds report the effect of issuance costs, discounts, premiums and similar items when issued, whereas these amounts are deferred and amortized in the statement of activities. Such items are:

Forest Crop Loan	(8,223)	
Amortization of Premiums on Bonds Issued	99,314	91,091

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

Bond Principal Retirement	1,490,000	
Long-Term Notes Principal Retirement	1,005,000	
State Trust Fund Loan Repayment	124,492	
Capital Lease Principal Repayment	25,696	
Forest Crop Loan Paid	40,274	2,685,462

Internal service funds are used by County management to account for highway department operations and to charge the costs of its self-funded health insurance program to functions. The changes in net assets of these internal service funds are allocated to governmental activities.

(421,359)

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	15,031	
Net Change in Compensated Absences Liability	12,244	
Net Change in Other Postemployment Benefits	(263,207)	
Amortization of Debt Issuance Related Costs	(114,399)	(350,331)

<b>Change in Net Assets of Governmental Activities</b>		<b>\$ 2,669,742</b>
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**POLK COUNTY, WISCONSIN  
STATEMENT OF NET ASSETS  
PROPRIETARY FUNDS  
DECEMBER 31, 2011**

	Business-Type Activities - Enterprise Funds			Governmental Activities - Internal Service Funds
	Nursing Home	Lime Fund	Totals	
<b>ASSETS</b>				
<b>CURRENT ASSETS</b>				
Cash and Investments	\$ -	\$ 406,654	\$ 406,654	\$ 2,392,512
Departmental Cash and Investments	-	200	200	200
Restricted Cash and Investments	9,334	-	9,334	-
Accounts Receivable	559,624	80,932	640,556	14,928
Due from Other Governmental Units	-	-	-	559,872
Estimated Third-Party Payer Settlements	454,200	-	454,200	-
Inventories	46,093	76,873	122,966	480,409
Prepaid Items	28,795	1,472	30,267	167,854
Total Current Assets	1,098,046	566,131	1,664,177	3,615,775
<b>NONCURRENT ASSETS</b>				
Restricted Cash and Investments	21,550	-	21,550	-
Capital Assets Not Being Depreciated	6,605	180,979	187,584	17,719
Capital Assets Being Depreciated	5,079,854	1,580,685	6,660,539	9,020,106
Less: Accumulated Depreciation	3,448,527	881,793	4,330,320	4,560,528
Net Capital Assets	1,637,932	879,871	2,517,803	4,477,297
Total Assets	2,757,528	1,446,002	4,203,530	8,093,072
<b>LIABILITIES</b>				
<b>CURRENT LIABILITIES</b>				
Accounts Payable	106,208	14,263	120,471	444,333
Accrued Wages Payable	313,782	16,140	329,922	133,040
Resident Trust Funds	21,550	-	21,550	-
Accrued Interest Payable	41,018	-	41,018	791
Due to Other Funds	684,663	-	684,663	-
Incurred but not Reported	-	-	-	214,939
Unearned Revenues	-	-	-	18,566
Current Portion of Long-Term Liabilities:				
Accrued Employee Leave	239,046	23,181	262,227	211,450
Long-Term Notes	5,657	-	5,657	-
Capital Lease	4,196	-	4,196	32,997
Total Current Liabilities	1,416,120	53,584	1,469,704	1,056,116
<b>LONG-TERM LIABILITIES, (Net of Current Portion)</b>				
Accrued Employee Leave	-	3,850	3,850	53,995
Advances from General Fund	940,820	-	940,820	-
Long-Term Notes	54,515	-	54,515	-
Other Postemployment Health Care Benefits	218,669	11,488	230,157	-
Capital Lease	8,377	-	8,377	-
Total Long-Term Liabilities	1,222,381	15,338	1,237,719	53,995
Total Liabilities	2,638,501	68,922	2,707,423	1,110,111
<b>NET ASSETS</b>				
Invested in Capital Assets, Net of Related Debt	1,565,187	879,871	2,445,058	4,444,300
Restricted for Donation Funds	9,334	-	9,334	-
Unrestricted	(1,455,494)	497,209	(958,285)	2,538,661
Total Net Assets	\$ 119,027	\$ 1,377,080	\$ 1,496,107	\$ 6,982,961

See accompanying Notes to the Basic Financial Statements.

**POLK COUNTY, WISCONSIN**  
**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS**  
**PROPRIETARY FUNDS**  
**YEAR ENDED DECEMBER 31, 2011**

	Business-Type Activities - Enterprise Funds			Governmental Activities - Internal Service Funds
	Nursing Home	Lime Fund	Totals	
<b>OPERATING REVENUES</b>				
Charges for Services	\$6,653,013	\$ 717,181	\$7,370,194	\$11,797,424
Miscellaneous	24,156	-	24,156	362,455
Total Operating Revenues	6,677,169	717,181	7,394,350	12,159,879
<b>OPERATING EXPENSES</b>				
Daily Patient Services	4,540,723	-	4,540,723	-
Special Services	768,676	-	768,676	-
General Services	1,450,839	-	1,450,839	-
Other Cost Centers	1,423	-	1,423	-
Administrative Services	1,073,518	-	1,073,518	379,379
Lime Quarry Expenses	-	668,842	668,842	-
Transportation Services	-	-	-	6,157,165
Premiums and Claims	-	-	-	5,403,896
Unassigned:				
Depreciation and Depletion	157,229	106,874	264,103	515,758
Change for Accrued Employee Leave	-	-	-	21,986
Total Operating Expenses	7,992,408	775,716	8,768,124	12,478,184
<b>OPERATING INCOME (LOSS)</b>	(1,315,239)	(58,535)	(1,373,774)	(318,305)
<b>NONOPERATING REVENUES (EXPENSES)</b>				
Intergovernmental Transfer Program	902,005	-	902,005	-
Interest Revenue	115	-	115	-
Interest on Long-Term Debt	(43,514)	-	(43,514)	(3,054)
Total Nonoperating Revenues (Expenses)	858,606	-	858,606	(3,054)
<b>INCOME (LOSS) BEFORE TRANSFERS AND CAPITAL CONTRIBUTIONS</b>	(456,633)	(58,535)	(515,168)	(321,359)
<b>TRANSFERS AND CAPITAL CONTRIBUTIONS</b>				
Transfers Out	(52,551)	-	(52,551)	(100,000)
<b>CHANGE IN NET ASSETS</b>	(509,184)	(58,535)	(567,719)	(421,359)
Net Assets - Beginning of Year	628,211	1,435,615	2,063,826	7,404,320
<b>NET ASSETS - END OF YEAR</b>	<u>\$ 119,027</u>	<u>\$1,377,080</u>	<u>\$1,496,107</u>	<u>\$ 6,982,961</u>

See accompanying Notes to the Basic Financial Statements.

**POLK COUNTY, WISCONSIN  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
YEAR ENDED DECEMBER 31, 2011**

	Business-Type Activities - Enterprise Funds			Governmental Activities - Internal Service Funds
	Nursing Home	Lime Fund	Total	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Cash Received for Services Provided	\$ 6,287,196	\$ 654,384	\$ 6,941,580	\$ 6,572,888
Other Cash Received	24,156	-	24,156	-
Cash Received from Departments/Employees/Third-Parties	-	-	-	5,672,280
Cash Paid to Suppliers for Goods and Services	(4,172,041)	(238,270)	(4,410,311)	(8,767,814)
Cash Paid for Employee Services	(3,714,830)	(160,150)	(3,874,980)	(3,613,573)
Net Cash Provided (Used) by Operating Activities	(1,575,519)	255,964	(1,319,555)	(136,219)
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>				
Net Residents' Trust Funds Received (Paid)	4,344	-	4,344	-
Transfer In (Out)	(52,551)	-	(52,551)	(100,000)
Cash Received from Intermediary for Additional Financing of Prior Year Operations	447,805	-	447,805	-
Change in Cash Overdraft Funded by General County at Year-End	684,663	-	684,663	-
Net Cash Provided (Used) by Noncapital Financing Activities	1,084,261	-	1,084,261	(100,000)
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>				
Acquisition of Capital Assets	(99,896)	(22,054)	(121,950)	(356,785)
Cash Received from Sale of Capital Assets	-	-	-	19,000
Principal Paid on Advance from General Fund	(62,933)	-	(62,933)	-
Interest Paid on Advances from County	(39,784)	-	(39,784)	-
Principal Paid on Long-Term Notes	(9,314)	-	(9,314)	-
Principal Paid on Capital Leases	-	-	-	(31,469)
Interest on Long-Term Notes and Capital Leases	(3,780)	-	(3,780)	(3,808)
Net Cash Used by Capital and Related Financing Activities	(215,707)	(22,054)	(237,761)	(373,062)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Interest on Investments	115	-	115	-
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	(706,850)	233,910	(472,940)	(609,281)
Cash and Cash Equivalents - Beginning of Year	737,734	172,944	910,678	3,001,993
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	<u>\$ 30,884</u>	<u>\$ 406,854</u>	<u>\$ 437,738</u>	<u>\$ 2,392,712</u>

See accompanying Notes to the Basic Financial Statements.

**POLK COUNTY, WISCONSIN  
STATEMENT OF CASH FLOWS (CONTINUED)  
PROPRIETARY FUNDS  
YEAR ENDED DECEMBER 31, 2011**

	Business-Type Activities - Enterprise Funds			Governmental Activities - Internal Service Funds
	Nursing Home	Lime Fund	Total	
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES</b>				
Operating Income (Loss)	\$(1,315,239)	\$ (58,535)	\$ (1,373,774)	\$ (318,305)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities:				
Depreciation and Depletion	157,229	106,874	264,103	515,758
Changes in Asset and Liability Accounts:				
Decrease (Increase) in Resident Accounts Receivable	36,388	-	36,388	-
Decrease (Increase) in Other Accounts Receivable	-	(62,797)	(62,797)	(4,285)
Decrease (Increase) in Due from Other Governmental Units	-	-	-	92,425
Decrease (Increase) in Inventories	(212)	243,144	242,932	15,281
Decrease (Increase) in Prepaid Items	9,802	1,320	11,122	(167,854)
Increase (Decrease) in Unearned Revenues	(402,205)	-	(402,205)	(2,851)
Increase (Decrease) in Accounts Payable	(131,194)	6,990	(124,204)	(469,268)
Increase (Decrease) in Incurred but not Reported	-	-	-	214,939
Increase (Decrease) in Accrued Wages Payable	(18,663)	6,236	(12,427)	(34,045)
Increase (Decrease) in Accrued Employee Leave	25,676	9,442	35,118	21,986
Increase (Decrease) in Other Postemployment Health Care Benefits	62,899	3,290	66,189	-
Net Cash Provided (Used) by Operating Activities	<u>\$(1,575,519)</u>	<u>\$ 255,964</u>	<u>\$ (1,319,555)</u>	<u>\$ (136,219)</u>
<b>RECONCILIATION OF CASH AND INVESTMENTS TO CASH AND CASH EQUIVALENTS</b>				
Cash and Investments per Statement of Net Assets:				
Cash and Investments	\$ -	\$ 406,654	\$ 406,654	\$ 2,392,512
Departmental Cash and Investments	-	200	200	200
Restricted Cash and Investments - Noncurrent	21,550	-	21,550	-
Restricted Cash and Investments	9,334	-	9,334	-
Cash and Cash Equivalents	<u>\$ 30,884</u>	<u>\$ 406,854</u>	<u>\$ 437,738</u>	<u>\$ 2,392,712</u>



**POLK COUNTY, WISCONSIN  
STATEMENT OF FIDUCIARY NET ASSETS  
FIDUCIARY FUNDS  
DECEMBER 31, 2011**

	Agency Funds
<b>ASSETS</b>	
Cash and Pooled Investments	\$1,099,511
Taxes Receivable	723,545
Special Charges Receivable	86,252
Special Assessments	<u>331</u>
Total Assets	<u><u>\$1,909,639</u></u>
<b>LIABILITIES</b>	
Due to Other Governments	\$1,184,351
Special Deposits	638,705
Districts/State Equities Uncollected Taxes	<u>86,583</u>
Total Liabilities	<u><u>\$1,909,639</u></u>

*See accompanying Notes to the Basic Financial Statements.*

**POLK COUNTY, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2011**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements of Polk County, Wisconsin (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. Governments are also required to follow the pronouncements of the Financial Accounting Standards Board (FASB) issued through November 30, 1989, (when applicable) that do not conflict with or contradict GASB Pronouncements. Although the County has the option to apply FASB pronouncements issued after that date to its business-type activities and enterprise funds, the County has chosen not to do so. The significant accounting principles and policies utilized by the County are described below:

**A. Financial Reporting Entity**

Polk County is governed by a board of supervisors consisting of twenty-three elected members.

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

As required by accounting principles generally accepted in the United States of America, these financial statements present Polk County (Primary Government) and its component units for which the County is financially accountable. There is financial accountability if the Primary Government appoints a voting majority of an organization's governing body and had the ability to impose its will on that governing body; or there is the potential for the organization to provide specific financial benefits or to impose specific financial burden on the Primary Government. Based on the criteria for determining component units, the County is not required to include any component units.

**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 on the following page.

**POLK COUNTY, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2011**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

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

**Government-Wide Statements**

The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report financial information on all of the non-fiduciary activities of the Primary Government. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

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

**Fund Financial Statements**

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

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

The County reports the following major governmental funds:

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

**Human Services Fund** – The Human Services Special Revenue Fund is used to account for economic assistance and community social services programs. These programs are funded primarily by property taxes, committed through the Board approved levy, and restricted intergovernmental revenues.

**Debt Service Fund** – The Debt Service Fund is used to account for the payment of principal and interest payments on long-term debt, which are financed by property tax revenue restricted through bond documents.

**POLK COUNTY, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2011**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

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

**Fund Financial Statements (Continued)**

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

The County reports the following major enterprise funds:

**Nursing Home Fund** – This fund accounts for the operations of the County's nursing home.

**Lime Fund** – This fund is used to account for the County's lime quarry operations.

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

Additionally, the County reports the following fund types:

- Internal service funds are used to account for the operations of the County's highway department and transactions of its self-funded health insurance program.
- Agency funds are used to account for assets held by the County in a trustee capacity or as an agent for individuals, private organizations and/or other governmental units.

**C. Measurement Focus and Basis of Accounting**

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

**POLK COUNTY, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2011**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**C. Measurement Focus and Basis of Accounting (Continued)**

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

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

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

Proprietary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as described previously in this note. Fiduciary fund financial statements have no measurement focus.

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

**POLK COUNTY, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2011**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**C. Measurement Focus and Basis of Accounting (Continued)**

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

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

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

**D. Assets, Liabilities, and Net Assets or Equity**

**1. Cash and Investments**

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

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

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

**POLK COUNTY, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2011**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

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

**1. Cash and Investments (Continued)**

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

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

Investments of the County are stated at fair value.

**2. Receivables and Payables**

**Property Taxes** – Property taxes are levied prior to the end of the calendar year and are due and collectible in the following year. Property taxes attach an enforceable lien as of January 1. In addition to property taxes for the County, taxes are also collected for and remitted to the state. Taxes billed for the state are recorded as receivables and due other governmental units in the agency fund statement of net assets. 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 Polk 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 equity balance is nonspendable for the County's investment in delinquent taxes.

**Accounts Receivable** – Accounts receivable are shown at gross amounts. No allowance for uncollectible accounts has been provided since such allowance would not be material, except for the Golden Age Manor Nursing Home Enterprise Fund which reports \$75,000 of allowances for uncollectible accounts.

**POLK COUNTY, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2011**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

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

**2. Receivables and Payables (Continued)**

**Loans Receivable** – The County has received federal and state grant funds for financing economic development and housing rehabilitation loans to various businesses and individuals. The County records a loan receivable when the loan has been made and funds have been disbursed. No allowance for uncollectible accounts is necessary. It is the County's policy in the fund financial statements, to record deferred revenue for the net amount of the receivable balance. As loans are repaid, revenue is recognized. When new loans are made from the repayments, expenditures are recorded. Interest received from loan repayments is recognized as revenue when received. Any unspent loan repayments at year-end are presented as restricted fund balance in the fund financial statements.

**Interfund Balances** – Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the noncurrent 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**

All inventories are valued at cost using the average cost method for the highway department and first-in/first-out (FIFO) for its nursing home enterprise fund. Inventories of governmental funds, if material, are recorded as expenditures when consumed rather than when purchased.

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

**4. Restricted Assets**

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



**POLK COUNTY, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2011**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

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

**5. Capital Assets**

**Government-Wide Statements** – Capital assets, which include property, plant, equipment and infrastructure assets (e.g., roads, bridges and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. In the case of initial capitalization of infrastructure, the County retroactively implemented the reporting of this item when GASB Statement No. 34 was implemented. Capital assets are defined by the County as assets with initial, individual costs as shown below and an estimated useful life of two years or greater. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

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

Capital assets not being depreciated are land and construction in progress. 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	Not Applicable	Not Applicable
Land Improvements	5,000	Straight-Line	15-25 Years
Buildings and Improvements	5,000	Straight-Line	10-35 Years
Machinery and Equipment	5,000	Straight-Line	4-20 Years
Infrastructure	5,000	Straight-Line	25-50 Years

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

**6. Other Assets**

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

**POLK COUNTY, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2011**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

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

**7. Compensated Absences**

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

**8. Long-Term Obligations**

In the government-wide financial statements and proprietary fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities or proprietary fund type statement of net assets. In the governmental fund financial statements, the face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

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

**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

**POLK COUNTY, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2011**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

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

**9. Equity Classifications (Continued)**

**Fund Financial Statements (Continued)** – 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, the County will maintain unassigned portion of fund balance for cash flow in a range equal to 20 – 35 percent of the General Fund operating expenditure budget.

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 Administrator has the authority to establish or modify assigned fund balance. When restricted and unrestricted fund balance is available for an expenditure, it is the County's policy to first use restricted fund balance. When committed, assigned, and unassigned fund balance is available of an expenditure, it is the County's policy to use committed, assigned and finally unassigned fund balance.

**NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

**A. Deficit Fund Balance**

At December 31, 2011, the Aging Programs, Family Court Counseling, and Snowmobile/ATV Trails nonmajor special revenue funds had deficit fund balances of \$23,388, \$8,655, and \$71,501, respectively. The County plans to eliminate these deficits through future tax levies.

**B. Expenditures in Excess of Budget**

At December 31, 2011, the County had the following fund with expenditures in excess of the approved budget:

Fund	Budget	Actual	Difference
Human Services	\$ 8,464,251	\$ 9,711,693	\$(1,247,442)

The excess of expenditures over budget was financed with current year revenue budget excess and existing fund balance.

**POLK COUNTY, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2011**

**NOTE 3 DETAILED NOTES ON ALL FUNDS**

**A. Deposits and Investments**

The County's cash and investments balances at December 31, 2011, totaled \$12,595,050 as shown in the financial statements as follows:

Governmental Funds	\$ 8,665,089
Proprietary Funds	2,830,450
Fiduciary Funds	1,099,511
Total Cash and Investments	<u>\$ 12,595,050</u>

The above cash and investments balances totaling \$12,595,050 consisted of the following:

**Treasurer's Cash and Investments**

Deposits at Financial Institutions	
County Funds	\$ 11,848,030

**Departmental Cash and Investments**

Deposits at Financial Institutions	
Funds Held in Trust	\$ 638,706
Petty Cash	<u>6,885</u> 645,591

**Cash and Investments Held by Fiscal Agents**

Cafeteria Plan	3,500
Cash Held by Mutual Insurance Corporation	<u>67,045</u> 70,545

**Restricted Cash and Investments**

Deposits in Financial Institutions	
Funds Held in Trust	<u>30,884</u>
Total Cash and Investments at December 31, 2011	<u>\$ 12,595,050</u>

**POLK COUNTY, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2011**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**A. Deposits and Investments (Continued)**

**Deposits at Financial Institutions**

Custodial credit risk for deposits is the risk that in the event of bank failure, the County's deposits may not be returned. 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 or savings deposits and up to \$250,000 for demand deposits at any institution. In addition, funds held in trust for individuals are subject to coverage in the name of the beneficiary in whose name the trust fund is held. Coverage under the State Guarantee Fund may not exceed \$400,000 above the amount of coverage under federal depository insurance at any institution and is limited by the availability of the appropriations authorized therein. (Due to the relatively small size of the State Guarantee Fund in relation to the total coverage, total recovery of losses may not be available.) Also, Section 34.07 of the *Wisconsin Statutes* authorizes the County to collateralize its deposits that exceed the amount of coverage provided 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, 2011, the County's deposits were not exposed to custodial credit risk.

**Investments**

Interest rate risk for investments is that changes in interest rates will adversely affect the fair value of an investment. The County's policy is to invest its funds in accordance with provisions of the *Wisconsin Statutes* previously discussed in Note 1.D.1.

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

**B. Receivables/Deferred Revenues**

**1. Taxes Receivable**

Taxes receivable at December 31, 2011 totaled \$27,146,471. The taxes receivable amount is broken out between \$26,336,674 (\$21,816,516 current and \$4,520,158 delinquent) for governmental funds and \$809,797 for Agency Funds.

Delinquent taxes receivable in the agency fund includes prior year delinquent special assessments and other charges due local taxing districts. These amounts will be remitted to the districts when collected by the County.

**POLK COUNTY, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2011**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**B. Receivables/Deferred Revenues (Continued)**

**2. Long-Term Receivables**

Long-term receivables in the governmental funds at December 31, 2011 are further detailed as follows:

**Housing Rehabilitation Loans** – The County was awarded federal Community Development Block Grant (CDBG) Program grants through the State of Wisconsin for the purpose of financing housing rehabilitation loans. Repayments received on the original loans have been recorded in a separate housing revolving loan fund and are being used to finance similar loans eligible under the program. At December 31, 2011 the County had eighty-four (84) loans outstanding under this program with an outstanding balance of \$911,688 at that date. These loans are deferred until such time as the property is transferred or sold, at which time collections are recorded back into the revolving loan fund.

**3. Deferred Revenues**

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

	Unavailable	Unearned	Total as of 12/31/11
2011 Tax Levy	\$ -	\$ 21,548,147	\$ 21,548,147
Grants			
General Fund	21,632	-	21,632
Human Services Fund	6,265	-	6,265
Bioterrorism	-	14,001	14,001
Highway Fund	18,566	-	18,566
Snowmobile/ATV Trails Fund	-	42,925	42,925
Long-Term Receivables			
Housing Rehabilitation Loans	911,688	-	911,688
Total	<u>\$ 958,151</u>	<u>\$ 21,605,073</u>	<u>\$ 22,563,224</u>

**POLK COUNTY, WISCONSIN**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2011**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**C. Capital Assets**

Capital assets activity for the year ended December 31, 2011 was as follows:

**Governmental Activities**

	Beginning Balance	Increases	Decreases	Ending Balance
<b>General County Assets:</b>				
Capital Assets Not Being Depreciated:				
Land	\$ 1,734,080	\$ -	\$ -	\$ 1,734,080
Construction Work in Progress:				
Roadways	110,134	1,262,194	1,104,492	267,836
Total Capital Assets Not Being Depreciated	1,844,214	1,262,194	1,104,492	2,001,916
Capital Assets Being Depreciated:				
Land Improvements	558,081	16,959	-	575,040
Buildings and Improvements	33,737,251	29,597	-	33,766,848
Equipment and Vehicles	10,991,968	484,978	225,244	11,251,702
Highway Infrastructure	70,419,693	3,992,651	1,635,300	72,777,044
Other Infrastructure	1,353,910	-	-	1,353,910
Total Capital Assets Being Depreciated	117,060,903	4,524,185	1,860,544	119,724,544
Total Capital Assets	118,905,117	5,786,379	2,965,036	121,726,460
Accumulated Depreciation:				
Land Improvements	370,651	52,809	-	423,460
Buildings and Improvements	10,464,284	970,588	-	11,434,872
Equipment and Vehicles	4,014,326	721,593	218,623	4,517,296
Highway Infrastructure	27,381,369	1,722,655	1,028,000	28,076,024
Other Infrastructure	230,878	27,042	-	257,920
Total Accumulated Depreciation	42,461,508	3,494,687	1,246,623	44,709,572
Net Capital Assets - General County	\$ 76,443,609	\$ 2,291,692	\$ 1,718,413	\$ 77,016,888

**POLK COUNTY, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2011**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**C. Capital Assets (Continued)**

**Governmental Activities (Continued)**

	Beginning Balance	Increases	Decreases	Ending Balance
<b>Highway Department:</b>				
Capital Assets Not Being Depreciated:				
Land	\$ 17,719	\$ -	\$ -	\$ 17,719
Capital Assets Being Depreciated:				
Land Improvements	153,100	-	-	153,100
Buildings and Improvements	1,155,636	84,200	-	1,239,836
Machinery and Equipment	7,536,247	326,519	269,009	7,593,757
Other Capital Assets	33,413	-	-	33,413
Total Capital Assets Being Depreciated	8,878,396	410,719	269,009	9,020,106
Total Capital Assets	8,896,115	410,719	269,009	9,037,825
Accumulated Depreciation:				
Land Improvements	81,162	6,859	-	88,021
Buildings and Improvements	456,926	37,435	-	494,361
Machinery and Equipment	3,676,163	470,707	196,074	3,950,796
Other Capital Assets	26,594	756	-	27,350
Total Accumulated Depreciation	4,240,845	515,757	196,074	4,560,528
Net Capital Assets - Highway Department	<u>\$ 4,655,270</u>	<u>\$ (105,038)</u>	<u>\$ 72,935</u>	<u>\$ 4,477,297</u>
<b>Governmental Activities</b>				
Capital Assets Not Being Depreciated	\$ 1,861,933	\$ 1,262,194	\$ 1,104,492	\$ 2,019,635
Capital Assets Being Depreciated	125,939,299	4,934,904	2,129,553	128,744,650
Total Capital Assets	127,801,232	6,197,098	3,234,045	130,764,285
Less: Accumulated Depreciation	46,702,353	4,010,444	1,442,697	49,270,100
Net Capital Assets - Governmental Activities	<u>\$ 81,098,879</u>	<u>\$ 2,186,654</u>	<u>\$ 1,791,348</u>	<u>\$ 81,494,185</u>

Depreciation expense was charged to governmental functions as follows:

General County:

General Government	\$ 284,921
Public Safety	1,068,641
Transportation	1,722,655
Sanitation	26,092
Health and Human Services	306,137
Culture, Recreation and Education	70,725
Conservation and Development	15,516
Subtotal General County	<u>3,494,687</u>

Highway Department:

Transportation	515,757
Total	<u>\$ 4,010,444</u>



**POLK COUNTY, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2011**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**C. Capital Assets (Continued)**

**Business-Type Activities**

	Beginning Balance	Increases	Decreases	Ending Balance
<b>Nursing Home:</b>				
Capital Assets Not Being Depreciated:				
Land	\$ 6,605	\$ -	\$ -	\$ 6,605
Capital Assets Being Depreciated:				
Land Improvements	103,386	-	-	103,386
Buildings and Improvements	3,161,009	14,398	-	3,175,407
Fixed Equipment	831,193	3,993	-	835,186
Equipment and Vehicles	895,123	81,505	10,753	965,875
Total Capital Assets Being Depreciated	4,990,711	99,896	10,753	5,079,854
Total Capital Assets	4,997,316	99,896	10,753	5,086,459
Accumulated Depreciation:				
Land Improvements	95,299	1,871	-	97,170
Buildings and Improvements	1,924,708	77,724	-	2,002,432
Fixed Equipment	571,043	37,765	-	608,808
Equipment and Vehicles	711,001	39,869	10,753	740,117
Total Accumulated Depreciation	3,302,051	157,229	10,753	3,448,527
Net Capital Assets - Nursing Home	\$ 1,695,265	\$ (57,333)	\$ -	\$ 1,637,932
<b>Lime Fund:</b>				
Capital Assets Not Being Depreciated:				
Land	\$ 187,875	\$ -	\$ 6,896	\$ 180,979
Capital Assets Being Depreciated:				
Land Improvements	47,953	-	-	47,953
Buildings and Improvements	21,666	-	-	21,666
Machinery and Equipment	1,489,012	22,054	-	1,511,066
Total Capital Assets Being Depreciated	1,558,631	22,054	-	1,580,685
Total Capital Assets	1,746,506	22,054	6,896	1,761,664
Accumulated Depreciation:				
Land Improvements	31,660	2,398	-	34,058
Buildings and Improvements	19,873	1,567	-	21,440
Machinery and Equipment	730,282	96,013	-	826,295
Total Accumulated Depreciation	781,815	99,978	-	881,793
Net Capital Assets - Lime Fund	\$ 964,691	\$ (77,924)	\$ 6,896	\$ 879,871
<b>Business-Type Activities</b>				
Capital Assets Not Being Depreciated	\$ 194,480	\$ -	\$ 6,896	\$ 187,584
Capital Assets Being Depreciated	6,549,342	121,950	10,753	6,660,539
Total Capital Assets	6,743,822	121,950	17,649	6,848,123
Less: Accumulated Depreciation	4,083,866	257,207	10,753	4,330,320
Net Capital Assets - Business-Type Activities	\$ 2,659,956	\$ (135,257)	\$ 6,896	\$ 2,517,803

**POLK COUNTY, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2011**

**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:

Nursing Home	\$ 157,229
Lime Operations	99,978
Total	<u>\$ 257,207</u>

**D. Interfund Receivables, Payables and Transfers**

The composition of interfund balances as of December 31, 2011 was as follows:

Due to/from Other Funds

Receivable Fund	Payable Fund	Amount
General Fund	Immunization	\$ 41,187
General Fund	Family court	7,605
General Fund	Aging	24,399
General Fund	WIC	1,270
General Fund	ADRC	93,513
General Fund	MCH Carseat	9,398
General Fund	Golden Age Manor	684,663
General Fund	Snowmobile/ATV Trails	25,052
	Total	<u>\$ 887,087</u>

The above interfund balances represent the general funds' temporary financing of the cash overdrafts in the related funds at year-end.

**POLK COUNTY, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2011**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**D. Interfund Receivables, Payables and Transfers (Continued)**

**Advances from/to Other Funds**

**Advances from/to Other Funds**

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Nursing Home Fund	\$ 940,820

Long-term advances due the general fund from the Polk County Home Enterprise Fund at December 31, 2011 totaled \$940,820 (\$95,987 current and \$844,833 noncurrent). Proceeds of a general obligation bond issue (retired in 1989) were advanced to the enterprise fund in 1979 to finance a construction project. The Enterprise Fund is to repay the principal balance to the General Fund at the rate of \$11,500 per year with the final payment of \$9,000 due March 1, 2015. The balance at December 31, 2011 was \$43,500. On April 10, 1997 the General Fund advanced \$180,000 to the enterprise fund. The loan is to be paid off over 20 years with an interest rate of 6.75 percent, with annual principal installments of \$9,000. The balance at December 31, 2011 was \$36,000. A State Trust Fund loan dated September 27, 1995 issued for nursing home purposes was assumed by the County and treated as an advance to the Home. The advance is to be paid off over 20 years with interest at five percent, with annual installments of \$11,922. The balance at December 31, 2011 was \$47,688. On April 1, 2008, the General Fund advanced \$889,910 to the enterprise fund. The loan is to be paid-off over nine years with an interest rate of four percent and principal payments varying from \$20,341 to \$213,578. The balance at December 31, 2011 was \$813,632.

**POLK COUNTY, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2011**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**D. Interfund Receivables, Payables and Transfers (Continued)**

**Interfund Transfers**

<u>Fund Transferred To</u>	<u>Fund Transferred From</u>	<u>Amount</u>
General Fund	Sales Tax Fund (NM)	\$ 2,200,000
General Fund	Highway Fund	100,000
General Fund	Human Services Fund	6,400
General Fund	Golden Age Manor	52,551
Human Services Fund	Drivers Improvement Fund (NM)	40,778
Debt Service Fund	Jail Assessment Fund (NM)	40,000
	Total	<u>\$ 2,439,729</u>

The transfer from the Golden Age Manor Fund to the General Fund was to support General Fund operation. The transfer from the Nonmajor Governmental Funds to the General Fund consisted of the amount of County sales tax collections applied to the 2011 budget. The Transfer from the Human Services Fund to the General Fund was to move the 2011 Human Services Fund balance to the General Fund. The transfer to the Human Services Fund represented the application of driver improvement fees to that fund and reimbursement of capital outlay costs from the General Fund.

Transfers to the Debt Service Fund were to repay debt from the Nonmajor Governmental Funds. Transfers to the General Fund from the Highway Fund were to support General Fund operation.

**POLK COUNTY, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2011**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**E. Long-Term Obligations**

**Changes in Long-Term Obligations**

The following is a summary of long-term obligations transactions for the year ended December 31, 2011:

	Balance 1/1/11	Issued	Retired	Balance 12/31/11	Amounts Due Within One Year
<b>Long-Term Debt</b>					
<b>Governmental Activities</b>					
General Obligation Bonds	\$ 20,795,000	\$ -	\$ 1,490,000	\$ 19,305,000	\$ 1,670,000
General Obligation Notes	6,975,000	-	1,005,000	5,970,000	1,155,000
State Trust Fund Loan	385,722	-	124,492	261,230	128,515
Add: Unamortized Bond Premiums	960,901	-	99,314	861,587	-
<b>Business-Type Activities</b>					
General Obligation Notes	65,534	-	5,362	60,172	5,657
Capital Lease	16,525	-	3,952	12,573	4,196
<b>Total Long-Term Debt</b>	<u>\$ 29,198,682</u>	<u>\$ -</u>	<u>\$ 2,728,120</u>	<u>\$ 26,470,562</u>	<u>\$ 2,963,368</u>
<b>Other Long-Term Obligations</b>					
<b>Governmental Activities</b>					
<b>Governmental Funds</b>					
Forest Loans Payable	\$ 350,468	\$ 8,223	\$ 40,274	\$ 318,417	\$ -
Capital Leases	308,937	-	25,696	283,241	26,731
Employee Leave Liability	1,420,325	1,228,364	1,240,608	1,408,081	1,095,388
Other Postemployment Health Care Benefits	655,872	457,490	194,283	919,079	-
<b>Highway Internal Service Fund</b>					
Capital Leases	64,466	-	31,469	32,997	32,997
Employee Leave Liability	243,459	189,714	167,728	265,445	211,450
<b>Total Other Long-Term Obligations</b>					
Governmental Activities	<u>\$ 3,043,527</u>	<u>\$ 1,883,791</u>	<u>\$ 1,700,058</u>	<u>\$ 3,227,260</u>	<u>\$ 1,366,566</u>
<b>Business-Type Activities</b>					
<b>Nursing Home Enterprise Fund</b>					
Employee Leave Liability	\$ 213,370	\$ 329,235	\$ 303,559	\$ 239,046	\$ 239,046
Other Postemployment Benefits	155,770	108,653	45,754	218,669	-
<b>Lime Enterprise Fund</b>					
Employee Leave Liability	17,589	21,192	11,750	27,031	23,181
Other Postemployment Health Care Benefits	8,198	5,718	2,428	11,488	-
<b>Total Other Long-Term Obligations</b>					
Business-Type Activities	<u>\$ 394,927</u>	<u>\$ 464,798</u>	<u>\$ 363,491</u>	<u>\$ 496,234</u>	<u>\$ 262,227</u>

Other long-term obligations for governmental activities are normally liquidated within the general fund and state aid forestry funds.

**POLK COUNTY, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2011**

**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, 2011 and annual requirements for their retirement were as follows:

	Year	Principal	Interest	Total
<b>Governmental Activities:</b>				
<b>General Obligation Bonds:</b>				
General Obligation Refunding Bonds,	2012	\$ 1,085,000	\$ 836,180	\$ 1,921,180
\$18,500,000, Issued 3/15/05, Due 12/1/21,	2013	1,290,000	803,630	2,093,630
Interest at 3.00%-5.00%.	2014	2,090,000	748,805	2,838,805
	2015	2,345,000	644,305	2,989,305
	2016	2,620,000	527,055	3,147,055
	2017-2021	8,710,000	1,103,330	9,813,330
Subtotal		18,140,000	4,663,305	22,803,305
General Obligation Bonds, \$12,105,000,	2012	585,000	56,788	641,788
Issued 4/1/02, Due 12/1/13,	2013	580,000	29,000	609,000
Interest at 3.00%-5.00%				
(2014-2021 Maturities Defeased in 2005).				
Subtotal		1,165,000	85,788	1,250,788
<b>General Obligation Notes:</b>				
General Obligation Promissory Notes,	2012	905,000	110,800	1,015,800
\$5,600,000, Issued 9/1/05, Due 12/1/14,	2013	905,000	74,600	979,600
Interest at 3.50% to 4.00%.	2014	960,000	38,400	998,400
Subtotal		2,770,000	223,800	2,993,800
General Obligation Promissory Notes,	2012	250,000	128,000	378,000
\$3,500,000, Issued 12/15/07,	2013	270,000	118,000	388,000
Due 12/1/17, Interest at 4.00%.	2014	255,000	107,200	362,200
	2015	775,000	97,000	872,000
	2016	810,000	66,000	876,000
	2017	840,000	33,600	873,600
Subtotal		3,200,000	549,800	3,749,800

**POLK COUNTY, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2011**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**E. Long-Term Obligations (Continued)**

**General Obligation Long-Term Debt (Continued)**

**Annual Requirements for Retirement (Continued)**

	Year	Principal	Interest	Total
<b>Governmental Activities (Continued):</b>				
<b>State Trust Fund Loan:</b>				
State Trust Fund Loan,	2012	\$ 128,515	\$ 8,513	\$ 137,028
\$500,000, Issued 10/20/08,	2013	132,715	4,313	137,028
Due 10/20/13, Interest at 3.25%.				
Subtotal		<u>261,230</u>	<u>12,826</u>	<u>274,056</u>
Total Governmental Activities		25,536,230	5,535,519	31,071,749
<b>Business-Type Activities (Nursing Home):</b>				
<b>General Obligation Notes:</b>				
Bank Note, \$90,000, dated 12/31/05,	2012	5,657	2,605	8,262
semiannual payments of \$4,131	2013	5,912	2,351	8,263
on 4/1 and 10/1, final payment 10/1/15.	2014	6,178	2,805	8,983
	2015	42,425	1,807	44,232
Total Business-Type Activities		<u>60,172</u>	<u>9,568</u>	<u>69,740</u>
Total General Obligation Debt		<u>\$ 25,596,402</u>	<u>\$ 5,545,087</u>	<u>\$ 31,141,489</u>

**General Obligation Debt Limitation.** Section 67.03 of the *Wisconsin Statutes* restricts County general obligation debt to 5 percent of the equalized value of all property in the County. At December 31, 2011, the County's debt limit amounted to \$227,247,330 and indebtedness subject to the limitation totaled \$25,596,402.

**Operating Leases.** The County has entered into a number of leases for the use of equipment and vehicles. The 2011 expenditures for these leases was \$83,734. Minimum lease payments over the term of these leases are as follows:

Year	Total
2012	\$ 77,087
2013	31,214
2014	13,983
2015	6,477
Total	<u>\$ 128,761</u>

**POLK COUNTY, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2011**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED),**

**E. Long-Term Obligations (Continued)**

**General Obligation Long-Term Debt (Continued)**

**Capital Leases.** The County has entered into a lease for the use of a Caterpillar in the Highway Fund. The County also entered into a lease for the purchase of energy conservation equipment. Golden Age Manor also entered into a capital lease for equipment. The assets acquired through capital leases are as follows:

	Governmental Funds	Highway Internal Service Fund	Governmental Activities	Business-Type Activities
Equipment	\$ 441,048	\$ 162,243	\$ 603,291	\$ 20,846
Less: Accumulated Depreciation	(39,284)	(63,511)	(102,795)	(8,338)
Total	<u>\$ 401,764</u>	<u>\$ 98,732</u>	<u>\$ 500,496</u>	<u>\$ 12,508</u>

Minimum lease payments over the term of the lease are as follows:

Year	Governmental Funds	Highway Internal Service Fund	Governmental Activities Total	Business- Type Activities
2012	\$ 38,146	\$ 34,488	\$ 72,634	\$ 4,836
2013	38,146	-	38,146	4,836
2014	38,146	-	38,146	4,031
2015	38,146	-	38,146	-
2016	38,146	-	38,146	-
2017-2020	152,584	-	152,584	-
Subtotal	343,314	34,488	377,802	13,703
Less: Interest	(60,073)	(1,491)	(61,564)	(1,130)
Total	<u>\$ 283,241</u>	<u>\$ 32,997</u>	<u>\$ 316,238</u>	<u>\$ 12,573</u>



**POLK COUNTY, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2011**

**NOTE 3    DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**E. Long-Term Obligations (Continued)**

**General Obligation Long-Term Debt (Continued)**

**County Forest Loans**

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

The cumulative loan balance due the state by the County under this program was \$318,417 at December 31, 2011.

**F. Conduit Debt**

The County was a party to a "joint powers and parity agreement" in 2006 among Polk County, the Town of St. Croix Falls, the Town of Milltown, and the Village of Milltown (collectively referred to as the Municipalities), St. Croix Regional Medical Center, Inc. (the Obligor) and U.S. Bank National Association, a national banking association (the Lender) for the purpose of the issuance of \$13 million of health care facilities revenue bonds by the Municipalities to the Lender in May 2006 with the proceeds therefore to be used by the Obligor for capital improvements and debt refinancing. Bonds issued by the County totaled \$5.0 million (Series 2006A). The bonds are subject to repayment solely from payments received by the Lender from the Obligor in accordance with underlying mortgage assignments and related agreements. The bonds are special limited obligations of the Municipalities and do not constitute a moral or general obligation of the Municipalities. In addition, the County issued \$4.3 million of health care facilities revenues bonds Series 2006B in December 2006. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements. The outstanding balance of the collective debt was \$8,779,850 at June 30, 2011 per audited financial statements of the Obligor.

**POLK COUNTY, WISCONSIN**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2011**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**G. Governmental Fund Balances**

The governmental fund balances reported on the fund financial statements at December 31, 2011 consisted of the following:

	Total	Nonspendable	Restricted	Committed	Assigned	Unassigned
<b>Major Funds:</b>						
General Fund						
Delinquent Taxes	\$ 4,583,596	\$ 4,583,596	\$ -	\$ -	\$ -	\$ -
Interfund Advances	940,820	940,820	-	-	-	-
Redactions	52,645	-	52,645	-	-	-
Federal Forfeiture	42,809	-	42,809	-	-	-
Veterans Services Grant	2,331	-	2,331	-	-	-
Veterans Relief Grant	2,205	-	2,205	-	-	-
Library Operations	28,504	-	28,504	-	-	-
Donations	4,043	-	4,043	-	-	-
Other Grants	20,261	-	20,261	-	-	-
Internet Services	20,921	-	20,921	-	-	-
Maintenance of Forest Roads	12,621	-	12,621	-	-	-
Recycling	153,256	-	-	153,256	-	-
Conservation Projects	10,554	-	-	10,554	-	-
Meth Donations	1,083	-	-	1,083	-	-
Wellness	9,264	-	-	9,264	-	-
Vending Machines	12,608	-	-	-	12,608	-
Trans Corp	10,342	-	-	-	10,342	-
Employee Relations	20,000	-	-	-	20,000	-
Administration	18,249	-	-	-	18,249	-
Law Enforcement	77,310	-	-	-	77,310	-
Buildings	9,000	-	-	-	9,000	-
Unassigned	7,254,080	-	-	-	-	7,254,080
Subtotal General Fund	13,286,502	5,524,416	186,340	174,157	147,509	7,254,080
Debt Service Fund	172,383	-	172,383	-	-	-
<b>Nonmajor Funds:</b>						
Special Revenue Funds:						
Public Health Programs	255,469	8,764	246,705	-	-	-
Aging Programs	(23,388)	-	-	-	-	(23,388)
Family Court Counseling Program	(8,655)	-	-	-	-	(8,655)
Jail Assessment Fees Program	118,632	-	118,632	-	-	-
Bioterrorism Consortium Program	41,888	8,764	33,124	-	-	-
Drivers Improvement Program	1,401	-	1,401	-	-	-
Park Dedication Program	32,273	-	32,273	-	-	-
Snowmobile/ATV Trails	(71,501)	-	-	-	-	(71,501)
State Aid Forestry Program	20,422	-	20,422	-	-	-
Lake Improvement Program	90,187	-	90,187	-	-	-
Community Development Block Grant Program	36,572	-	36,572	-	-	-
County Sales Tax Program	592,271	-	-	-	592,271	-
ADRC Fund	9,051	-	9,051	-	-	-
Criminal Justice Collaborative Program	13,326	-	13,326	-	-	-
Capital Projects Fund:						
G.O. Bond 2007	251,768	-	251,768	-	-	-
Subtotal Nonmajor Funds	1,359,716	17,528	853,461	-	592,271	(103,544)
Total Governmental Funds Balances at December 31, 2011	\$ 14,818,601	\$ 5,541,944	\$ 1,212,184	\$ 174,157	\$ 739,780	\$ 7,150,536

**POLK COUNTY, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2011**

**NOTE 4 OTHER INFORMATION**

**A. Employee Leave Liability**

Employees earn one day of sick leave per month with a maximum accumulation of one hundred twenty (120) days, except for law enforcement employees who are not subject to the maximum accumulation. Employees eligible for retirement as defined by the Wisconsin Retirement System have the option, upon retirement, of receiving payment for one-half of their accumulated sick leave up to a maximum of forty-five days or electing to bank the equivalent of 67 percent of their accrued sick leave for payment of health insurance premiums. For members of the law enforcement bargaining unit, the County is to transfer the total value of the accrued sick leave to the retiree's VEBA account. At December 31, 2011, sick leave earned and not taken was approximately \$92,315 in the nursing home enterprise fund, \$7,698 in the lime quarry enterprise fund, \$107,990 in the highway department internal service fund and \$625,388 in the governmental funds determined on the basis of current salary rates. The County has used the 67 percent maximum liability for employees eligible for retirement to determine its estimated liability.

Vacation is granted to employees in varying amounts based on length of service. Vacation for part-time employees is prorated. Employees are allowed to carry over to the following year one-half of their current year vacation. The estimated value of unrecorded vacation leave at December 31, 2011, was \$146,731 in the nursing home enterprise fund, \$19,333 in the lime quarry enterprise fund, \$157,455 in the highway department internal service fund, and \$782,694 in the governmental funds.

**B. Employee Retirement Plan**

All eligible Polk County employees participate in the Wisconsin Retirement System (WRS), a cost-sharing multiple-employer defined benefit public employee retirement system (PERS). All permanent employees expected to work at least 600 hours a year (440 for teachers) are eligible to participate in the WRS. Covered employees in the general/teacher category are required by statute to contribute 5.0 percent of their salary from January 1, 2011 through June 29, 2011 and 5.8 percent of their salary from June 30, 2011 through December 31, 2011 (3.9 percent and 6.55 percent respectively for executives and elected officials, 5.8 percent the entire year for protective occupations with social security, and 4.8 percent and 5.8 percent respectively for protective occupations without social security) to the plan. Employers may make these contributions to the plan on behalf of the employees. Employers are required to contribute an actuarially determined amount necessary to fund the remaining projected cost of future benefits.

The payroll for County employees covered by the WRS for the year ended December 31, 2011 was \$20,369,498; the employer's total payroll was \$20,925,499. The total required contribution for the year ended December 31, 2011 was \$2,547,956, which consisted of \$1,239,273, or 6.1 percent of payroll from the employer and \$1,308,683, or 6.4 percent of payroll from employees. Total contributions for the years ending December 31, 2010 and 2009 were \$2,386,659 and \$2,180,094, respectively, equal to the required contributions for each year.

**POLK COUNTY, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2011**

**NOTE 4 OTHER INFORMATION (CONTINUED)**

**B. Employee Retirement Plan (Continued)**

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

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

**C. OPEB Disclosure**

The County provides health insurance benefits for certain retired employees under a single-employer fully-insured plan. The County provides benefits for retirees as required by state statutes. Active employees who retire from the County when eligible to receive a retirement benefit from the Wisconsin Retirement System (WRS) (or similar plan) and do not participate in any other coverage with respect to both themselves and their eligible dependent(s) under the County's health benefits program. Pursuant to the provisions of the plan, retirees are required to pay varying percentages of the total premium cost. As of January 1, 2011, there were approximately 31 retirees receiving health benefits from the County's health plan.

**POLK COUNTY, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2011**

**NOTE 4 OTHER INFORMATION (CONTINUED)**

**C. OPEB Disclosure (Continued)**

**1. Annual OPEB Cost and Net OPEB Obligation**

The County's annual other postemployment benefit (OPEB) cost is calculated based on the annual required contribution (ARC) of the employer, an amount actuarially determined in accordance with the parameters of GASB Statement No. 45. The ARC represents a level of fund that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed 30 years. The following table shows the components of the County's annual OPEB cost of 2011, the amount actually contributed to the plan, and changes in the County's net OPEB obligation:

Annual Required Contribution (ARC):	\$ 584,875
Interest on Net OPEB Obligation	36,893
Adjustment to ARC	(49,906)
Annual OPEB Cost	<u>571,862</u>
Contributions During the Year	<u>(242,853)</u>
Increase in Net OPEB Obligation	329,009
Net OPEB - Beginning of the Year	819,840
Net OPEB - End of the Year	<u><u>\$ 1,148,849</u></u>
Governmental Activities	\$ 919,079
Business-Type Activities	229,770
Total OPEB Payable	<u><u>\$ 1,148,849</u></u>

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

Year Ended	Annual OPEB Cost	Employer Contribution	Percentage Contributed	Net OPEB Obligation
December 31, 2011	\$ 571,862	\$ 242,853	42.5 %	\$ 1,148,849
December 31, 2010	564,850	183,217	32.4	819,840
December 31, 2009	427,352	217,387	50.9	438,207

**2. Funding Status**

The County currently has no assets that have been irrevocably deposited in the trust for future health benefits. Therefore, the actuarial value of assets is zero.

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (b)	Unfunded Actuarial Accrued Liability (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-1)/c)
1/1/10	\$ -	\$ 3,792,052	\$ 3,792,052	- %	\$ 19,599,006	19.3 %

**POLK COUNTY, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2011**

**NOTE 4 OTHER INFORMATION (CONTINUED)**

**C. OPEB Disclosure (Continued)**

**3. Actuarial Methods and Assumptions**

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

The schedule of funding progress presented as required supplementary information following the notes to the financial statements, present multi-year trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

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

In the January 1, 2010 actuarial valuation, the entry age normal actuarial cost method was used. The actuarial assumptions included a 4.5 percent discount rate, which is based on the estimated long-term investment yield on the general assets of the County using an underlying long-term inflation assumption of 3.0 percent. The annual healthcare cost trend rate is 8.5 percent initially, reduced incrementally to an ultimate rate of 5.0 percent over seven years. The unfunded actuarial accrued liability is being amortized as a level dollar amount over an open 30-year period.

**D. Risk Management**

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

**POLK COUNTY, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2011**

**NOTE 4 OTHER INFORMATION (CONTINUED)**

**D. Risk Management (Continued)**

The County's liability insurance and auto physical damage coverage is provided by Wisconsin County Mutual Insurance Corporation (Corporation). The Corporation is a nonprofit corporation established by the Wisconsin Counties Association to provide general, auto and other liability insurance, substantially at cost and up to stated amounts, for its member counties. Wisconsin counties in good standing with the Wisconsin Counties Association are eligible to be members of the Corporation. Polk County, together with fifty-four other counties, is a member of the Corporation. This policy is assessable; therefore, to the extent actual losses and loss adjustment expenses vary from recorded amounts, policyholders may be required to make additional premium payments at such times as any excess of deficiency of losses and loss adjustment expenses is known. To date, no additional assessments have been made. All contributions by the Counties to provide initial support for the Corporation have been returned to the Counties. There were no significant reductions in insurance from the previous year or settlements in excess of insurance coverage in any of the past three fiscal years.

The County has established a self-funded health insurance program. This program is funded by "premiums" charged monthly to the various County departments based on actual participation by employees and by payments from current and retired employees for their share of the cost. The plan is administered on a contract basis by an outside party. Claims are paid by the administrator and are reimbursed by the County. Reinsurance for both specific and annual aggregate stop-loss coverage is provided. Specific stop-loss covers individual claims in excess of \$75,000. The current attachment point for annual aggregate stop-loss coverage has been set at \$6,187,588. The fund had a balance at December 31, 2011 of \$606,565.

Changes in the claims liabilities for 2011 and 2010 for the health insurance fund were as follows:

	2011	2010
Estimated Claims Outstanding - January 1	\$ 524,755	\$ 547,866
Current Year Claims and Changes	5,332,688	6,170,678
Claim Payments	(5,403,896)	(6,193,789)
Estimated Claims Outstanding - December 31	<u>\$ 453,547</u>	<u>\$ 524,755</u>

**E. Contingencies**

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

**REQUIRED SUPPLEMENTARY INFORMATION OTHER THAN MD&A**



**POLK COUNTY, WISCONSIN**  
**BUDGETARY COMPARISON SCHEDULE**  
**GENERAL FUND**  
**YEAR ENDED DECEMBER 31, 2011**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Taxes	\$ 14,252,079	\$ 14,252,079	\$ 14,532,581	\$ 280,502
Intergovernmental	3,399,418	3,399,418	3,339,468	(59,950)
Licenses and Permits	256,510	256,510	252,155	(4,355)
Fines and Forfeits	140,200	140,200	140,073	(127)
Public Charges for Services	2,593,000	2,593,000	2,437,038	(155,962)
Intergovernmental Charges for Services	257,328	257,328	315,457	58,129
Miscellaneous:				
Interest	156,866	156,866	113,870	(42,996)
Rent	271,782	271,782	276,473	4,691
Other	104,312	104,312	155,655	51,343
Total Revenues	21,431,495	21,431,495	21,562,770	131,275
<b>EXPENDITURES</b>				
General Government				
Legislative	83,000	83,000	73,274	9,726
Judicial	1,062,625	1,062,625	1,069,328	(6,703)
Legal	668,807	668,807	621,416	47,391
General Administration	2,221,987	2,286,348	2,141,895	144,453
Financial Administration	212,166	212,166	215,614	(3,448)
General Buildings and Plant	1,235,882	1,243,382	1,121,697	121,685
Property Records and Control	360,430	411,231	368,805	42,426
Total General Government	5,844,897	5,967,559	5,612,029	355,530
Public Safety				
Sheriff and Traffic	4,577,513	4,631,405	4,437,057	194,348
Emergency Service and Disaster Control	122,381	122,381	143,415	(21,034)
Corrections and Detention	2,740,803	2,740,803	2,658,750	82,053
Total Public Safety	7,440,697	7,494,589	7,239,222	255,367
Transportation Facilities				
Appropriations to Highway Department	4,197,022	4,197,022	4,197,022	-
Sanitation				
Recycling	548,553	548,553	600,403	(51,850)
Solid Waste Management	44,238	44,238	34,011	10,227
Clean Sweep	15,500	15,500	15,261	239
Recycling Equipment Replacement	60,600	60,600	61,348	(748)
Total Sanitation	668,891	668,891	711,023	(42,132)

The Notes to the Required Supplementary Information are an Integral Part of this Schedule.

**POLK COUNTY, WISCONSIN**  
**BUDGETARY COMPARISON SCHEDULE (CONTINUED)**  
**GENERAL FUND**  
**YEAR ENDED DECEMBER 31, 2011**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>EXPENDITURES (CONTINUED)</b>				
Health and Human Services				
General Health	\$ 2,064,928	\$ 2,064,928	\$ 1,950,471	\$ 114,457
Social Services	511,432	511,432	499,101	12,331
Aging Programs	11,697	21,865	11,119	10,746
Veterans	149,986	153,206	151,697	1,509
Total Health and Human Services	2,738,043	2,751,431	2,612,388	139,043
Culture, Recreation and Education				
Culture	759,493	802,763	731,805	70,958
Public Areas	119,979	119,979	129,781	(9,802)
Recreation Facilities	22,750	22,750	22,361	389
Education	271,161	271,161	245,935	25,226
Total Culture, Recreation, and Education	1,173,383	1,216,653	1,129,882	86,771
Conservation and Development				
Resource Conservation	870,587	919,637	835,189	84,448
Planning	32,473	32,473	32,473	-
Zoning	766,828	766,828	674,162	92,666
Economic Development	189,376	189,376	189,246	130
Total Conservation and Development	1,859,264	1,908,314	1,731,070	177,244
Total Expenditures	23,922,197	24,204,459	23,232,636	971,823
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	(2,490,702)	(2,772,964)	(1,669,866)	1,103,098
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	2,352,551	2,417,781	2,358,951	(58,830)
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ (138,151)</u>	<u>\$ (355,183)</u>	689,085	<u>\$ 1,044,268</u>
Fund Balance - Beginning of Year			12,597,417	
<b>FUND BALANCE - END OF YEAR</b>			<u>\$ 13,286,502</u>	

*The Notes to the Required Supplementary Information are an Integral Part of this Schedule.*

**POLK COUNTY, WISCONSIN  
BUDGETARY COMPARISON SCHEDULE  
HUMAN SERVICES FUND  
YEAR ENDED DECEMBER 31, 2011**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Taxes	\$ 3,846,063	\$ 3,846,063	\$ 3,846,063	\$ -
Intergovernmental	3,838,574	3,838,574	4,186,046	347,472
Public Charges for Services	736,914	736,914	1,645,206	908,292
Total Revenues	8,421,551	8,421,551	9,677,315	1,255,764
<b>EXPENDITURES</b>				
Health and Human Services	8,464,251	8,464,251	9,711,693	(1,247,442)
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	(42,700)	(42,700)	(34,378)	8,322
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers In	42,700	42,700	40,778	(1,922)
Transfers Out	-	-	(6,400)	(6,400)
Total Other Financing Sources (Uses)	42,700	42,700	34,378	(8,322)
<b>NET CHANGE IN FUND BALANCE</b>	\$ -	\$ -	-	\$ -
Fund Balance - Beginning of Year			-	
<b>FUND BALANCE - END OF YEAR</b>			\$ -	

*The Notes to the Required Supplementary Information are an Integral Part of this Schedule.*

**POLK COUNTY, WISCONSIN  
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION  
YEAR ENDED DECEMBER 31, 2011**

**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 and human services 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 fund level.

Budget amounts in the financial statements include both the 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.

<u>Fund</u>	<u>Budget</u>	<u>Actual</u>	<u>Difference</u>
Human Services	\$ 8,464,251	\$ 9,711,693	\$ (1,247,442)

The above overage was financed by department revenues in excess of budgeted amounts.

**POLK COUNTY, WISCONSIN  
SCHEDULE OF FUNDING PROGRESS  
OTHER POSTEMPLOYMENT HEALTH CARE BENEFITS  
YEAR ENDED DECEMBER 31, 2011**

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (b)	Unfunded Actuarial Accrued Liability (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-1)/c)
1/1/10	\$ -	\$ 3,792,052	\$ 3,792,052	- %	\$ 19,599,006	19.3 %
1/1/08	-	3,244,954	3,244,954	-	21,215,099	15.3

## **SUPPLEMENTARY INFORMATION**

## **COMBINING AND INDIVIDUAL FUND STATEMENTS**

**POLK COUNTY, WISCONSIN  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
DECEMBER 31, 2011**

	Special Revenue Funds									
	Public Health	Aging Programs	Family Court Counseling	Jail Assessment Fees	Bioterrorism Consortium	Dog License	Drivers Improvement	Park Dedication	Snowmobile/ ATV Trails	
<b>ASSETS</b>										
Treasurer's Cash and Investments	\$224,840	\$ -	\$ -	\$ 116,035	\$ 56,901	\$ 24,797	\$ -	\$ 32,273	\$ -	
Departmental Cash and Investments	-	-	-	-	-	-	-	-	-	
Taxes Receivable	108,302	107,952	-	-	-	-	-	-	-	
Accounts Receivable	121,654	42,914	-	2,597	1,170	-	1,401	-	-	
Due from Other Governmental Units	15,279	-	-	-	-	-	-	-	-	
Prepaid Assets	8,764	-	-	-	8,764	-	-	-	-	
Long-Term Receivables	-	-	-	-	-	-	-	-	-	
Total Assets	<u>\$478,839</u>	<u>\$150,866</u>	<u>\$ -</u>	<u>\$ 118,632</u>	<u>\$ 66,835</u>	<u>\$ 24,797</u>	<u>\$ 1,401</u>	<u>\$ 32,273</u>	<u>\$ -</u>	
<b>LIABILITIES AND FUND BALANCES</b>										
<b>LIABILITIES</b>										
Vouchers Payable	\$ 16,238	\$ 26,437	\$ 1,050	\$ -	\$ 4,363	\$ 24,797	\$ -	\$ -	\$ 3,524	
Accrued Wages Payable	46,975	15,466	-	-	6,583	-	-	-	-	
Due to Other Funds	51,855	24,399	7,605	-	-	-	-	-	25,052	
Deferred Revenues:										
Tax Levy	108,302	107,952	-	-	-	-	-	-	-	
Long-Term Receivables	-	-	-	-	-	-	-	-	-	
Other	-	-	-	-	14,001	-	-	-	42,925	
Total Liabilities	<u>223,370</u>	<u>174,254</u>	<u>8,655</u>	<u>-</u>	<u>24,947</u>	<u>24,797</u>	<u>-</u>	<u>-</u>	<u>71,501</u>	
<b>FUND BALANCES</b>										
Nonspendable	8,764	-	-	-	8,764	-	-	-	-	
Restricted	246,705	-	-	118,632	33,124	-	1,401	32,273	-	
Assigned	-	-	-	-	-	-	-	-	-	
Unassigned	-	(23,388)	(8,655)	-	-	-	-	-	(71,501)	
Total Fund Balances	<u>255,469</u>	<u>(23,388)</u>	<u>(8,655)</u>	<u>118,632</u>	<u>41,888</u>	<u>-</u>	<u>1,401</u>	<u>32,273</u>	<u>(71,501)</u>	
Total Liabilities and Fund Balances	<u>\$478,839</u>	<u>\$150,866</u>	<u>\$ -</u>	<u>\$ 118,632</u>	<u>\$ 66,835</u>	<u>\$ 24,797</u>	<u>\$ 1,401</u>	<u>\$ 32,273</u>	<u>\$ -</u>	



**POLK COUNTY, WISCONSIN  
COMBINING BALANCE SHEET (CONTINUED)  
NONMAJOR GOVERNMENTAL FUNDS  
DECEMBER 31, 2011**

	Special Revenue Funds (Continued)						
	State Aided Forestry Fund	Lake Improvement	Community Development Block Grant	County Sales Tax Fund	ADRC Fund	Criminal Justice Collaborative Fund	Total Special Revenue Funds
ASSETS							
Treasurer's Cash and Investments	\$ 20,422	\$ 90,187	\$ -	\$394,370	\$ -	\$ 13,326	\$ 973,151
Departmental Cash and Investments	-	-	36,632	-	-	-	36,632
Taxes Receivable	-	-	-	-	-	-	216,254
Accounts Receivable	-	-	-	-	157,729	-	327,465
Due from Other Governmental Units	-	-	-	197,901	-	-	213,180
Prepaid Assets	-	-	-	-	-	-	17,528
Long-Term Receivables	-	-	911,688	-	-	-	911,688
Total Assets	\$ 20,422	\$ 90,187	\$ 948,320	\$592,271	\$ 157,729	\$ 13,326	\$ 2,695,898
LIABILITIES AND FUND BALANCES							
LIABILITIES							
Vouchers Payable	\$ -	\$ -	\$ 60	\$ -	\$ 32,474	\$ -	\$ 108,943
Accrued Wages Payable	-	-	-	-	22,691	-	91,715
Due to Other Funds	-	-	-	-	93,513	-	202,424
Deferred Revenues:							
Tax Levy	-	-	-	-	-	-	216,254
Long-Term Receivables	-	-	911,688	-	-	-	911,688
Other	-	-	-	-	-	-	56,926
Total Liabilities	-	-	911,748	-	148,678	-	1,587,950
FUND BALANCES							
Nonspendable	-	-	-	-	-	-	17,528
Restricted	20,422	90,187	36,572	-	9,051	13,326	601,693
Assigned	-	-	-	592,271	-	-	592,271
Unassigned	-	-	-	-	-	-	(103,544)
Total Fund Balances	20,422	90,187	36,572	592,271	9,051	13,326	1,107,948
Total Liabilities and Fund Balances	\$ 20,422	\$ 90,187	\$ 948,320	\$592,271	\$ 157,729	\$ 13,326	\$ 2,695,898

**POLK COUNTY, WISCONSIN  
COMBINING BALANCE SHEET (CONTINUED)  
NONMAJOR GOVERNMENTAL FUNDS  
DECEMBER 31, 2011**

	Capital Project Fund		Total
	2007	Nonmajor	
	General	Governmental	
	Obligation	Funds	
	Bonds		
<b>ASSETS</b>			
Treasurer's Cash and Investments	\$ 251,768	\$ 1,224,919	
Departmental Cash and Investments	-	36,632	
Taxes Receivable	-	216,254	
Accounts Receivable	-	327,465	
Due from Other Governmental Units	-	213,180	
Prepaid Assets	-	17,528	
Long-Term Receivables	-	911,688	
Total Assets	<u>\$ 251,768</u>	<u>\$ 2,947,666</u>	
<b>LIABILITIES AND FUND BALANCES</b>			
<b>LIABILITIES</b>			
Vouchers Payable	\$ -	\$ 108,943	
Accrued Wages Payable	-	91,715	
Due to Other Funds	-	202,424	
Deferred Revenues:			
Tax Levy	-	216,254	
Long-Term Receivables	-	911,688	
Other	-	56,926	
Total Liabilities	-	1,587,950	
<b>FUND BALANCES</b>			
Nonspendable	-	17,528	
Restricted	251,768	853,461	
Assigned	-	592,271	
Unassigned	-	(103,544)	
Total Fund Balances	<u>251,768</u>	<u>1,359,716</u>	
Total Liabilities and Fund Balances	<u>\$ 251,768</u>	<u>\$ 2,947,666</u>	

**POLK COUNTY, WISCONSIN**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**YEAR ENDED DECEMBER 31, 2011**

	Special Revenue Funds									
	Public Health	Aging Programs	Family Court Counseling	Jail Assessment Fees	Bi terrorism Consortium	Dog License	Drivers Improvement	Park Dedication	Snowmobile/ ATV Trails	
<b>REVENUES</b>										
Taxes	\$ 110,041	\$ 163,178	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
Intergovernmental	655,498	455,241	-	-	317,918	-	-	-	-	137,603
Licenses and Permits	-	-	-	-	-	22,831	41,960	-	-	-
Fines, Forfeits and Penalties	-	-	-	50,651	-	-	-	-	-	-
Public Charges for Services	485,327	163,808	9,850	-	-	-	-	-	-	-
Miscellaneous:										
Interest	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-
Total Revenues	1,250,866	782,227	9,850	50,651	317,918	22,831	41,960	-	-	137,603
<b>EXPENDITURES</b>										
General Government	-	-	11,909	-	-	-	-	-	-	-
Public Safety	-	-	-	-	258,574	-	-	-	-	-
Health and Human Services	1,326,551	729,567	-	-	-	25,723	-	-	-	-
Culture, Recreation and Education	-	-	-	-	-	-	-	13,728	242,288	-
Conservation and Development	-	-	-	-	-	-	-	-	-	-
Debt Service	-	-	-	-	-	-	-	-	-	-
Principal Retirement	-	-	-	-	-	-	-	-	-	-
Total Expenditures	1,326,551	729,567	11,909	-	258,574	25,723	-	13,728	242,288	-
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	(75,685)	52,660	(2,059)	50,651	59,344	(2,892)	41,960	(13,728)	(104,685)	
<b>OTHER FINANCING SOURCES (USES)</b>										
Transfer Out	-	-	-	(40,000)	-	-	(40,778)	-	-	-
Loan Proceeds	-	-	-	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	(40,000)	-	-	(40,778)	-	-	-
<b>NET CHANGE IN FUND BALANCES</b>	(75,685)	52,660	(2,059)	10,651	59,344	(2,892)	1,182	(13,728)	(104,685)	
Fund Balances (Deficits) - Beginning of Year	331,154	(76,048)	(6,596)	107,981	(17,456)	2,892	219	46,001	33,184	
<b>FUND BALANCES (DEFICITS) - END OF YEAR</b>	\$ 255,469	\$ (23,388)	\$ (8,655)	\$ 118,632	\$ 41,888	\$ -	\$ 1,401	\$ 32,273	\$ (71,501)	

**POLK COUNTY, WISCONSIN**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES (CONTINUED)**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**YEAR ENDED DECEMBER 31, 2011**

	Special Revenue Funds (Continued)							Total
	State Aided Forestry Fund	Lake Improvement	Sanitary Systems Grants	Community Development Block Grant	County Sales Tax Fund	ADRC Fund	Criminal Justice Collaborative Fund	Special Revenue Funds
<b>REVENUES</b>								
Taxes	\$ 40,274	\$ -	\$ -	\$ -	\$ 2,365,174	\$ -	\$ -	\$ 2,678,667
Intergovernmental	-	-	15,235	2,266,000	-	690,906	-	4,538,401
Licenses and Permits	-	-	-	-	-	-	-	64,791
Fines, Forfeits and Penalties	-	-	-	-	-	-	-	50,651
Public Charges for Services	-	-	-	-	-	-	-	658,985
Miscellaneous:								
Interest	-	-	-	-	-	-	-	-
Other	-	-	-	28,492	-	-	9,331	37,823
Total Revenues	40,274	-	15,235	2,294,492	2,365,174	690,906	9,331	8,029,318
<b>EXPENDITURES</b>								
General Government	-	-	-	-	-	-	-	11,909
Public Safety	-	-	-	-	-	-	38,817	297,391
Health and Human Services	-	-	-	-	-	681,897	-	2,763,738
Culture, Recreation and Education	-	-	-	-	-	-	-	256,016
Conservation and Development	952	1,177	15,235	2,271,365	-	-	-	2,288,729
Debt Service								
Principal Retirement	40,274	-	-	-	-	-	-	40,274
Total Expenditures	41,226	1,177	15,235	2,271,365	-	681,897	38,817	5,658,057
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	(952)	(1,177)	-	23,127	2,365,174	9,009	(29,486)	2,371,261
<b>OTHER FINANCING SOURCES (USES)</b>								
Transfer Out	-	-	-	-	(2,200,000)	-	-	(2,280,778)
Loan Proceeds	8,224	-	-	-	-	-	-	8,224
Total Other Financing Sources (Uses)	8,224	-	-	-	(2,200,000)	-	-	(2,272,554)
<b>NET CHANGE IN FUND BALANCES</b>	7,272	(1,177)	-	23,127	165,174	9,009	(29,486)	98,707
Fund Balances (Deficits) - Beginning of Year	13,150	91,364	-	13,445	427,097	42	42,812	1,009,241
<b>FUND BALANCES (DEFICITS) - END OF YEAR</b>	<b>\$ 20,422</b>	<b>\$ 90,187</b>	<b>\$ -</b>	<b>\$ 36,572</b>	<b>\$ 592,271</b>	<b>\$ 9,051</b>	<b>\$ 13,326</b>	<b>\$ 1,107,948</b>

(Continued)

**POLK COUNTY, WISCONSIN**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES (CONTINUED)**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**YEAR ENDED DECEMBER 31, 2011**

	Capital Project Funds		
	2007	Total	Total
	General	Capital	Nonmajor
	Obligation	Projects	Governmental
	Bonds	Funds	Funds
<b>REVENUES</b>			
Taxes	\$ -	\$ -	\$ 2,678,667
Intergovernmental	-	-	4,538,401
Licenses and Permits	-	-	64,791
Fines, Forfeits and Penalties	-	-	50,651
Public Charges for Services	-	-	658,985
Miscellaneous:			
Interest	1,883	1,883	1,883
Other	-	-	37,823
Total Revenues	1,883	1,883	8,031,201
<b>EXPENDITURES</b>			
General Government	-	-	11,909
Public Safety	-	-	297,391
Health and Human Services	-	-	2,763,738
Culture, Recreation and Education	-	-	256,016
Conservation and Development	-	-	2,288,729
Debt Service	-	-	-
Principal Retirement	-	-	40,274
Total Expenditures	-	-	5,658,057
<b>EXCESS (DEFICIENCY) OF REVENUES</b>	1,883	1,883	2,373,144
<b>OVER (UNDER) EXPENDITURES</b>			
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfer Out	-	-	(2,280,778)
Loan Proceeds	-	-	8,224
Total Other Financing Sources (Uses)	-	-	(2,272,554)
<b>NET CHANGE IN FUND BALANCES</b>	1,883	1,883	100,590
Fund Balances (Deficits) - Beginning of Year	249,885	249,885	1,259,126
<b>FUND BALANCES (DEFICITS) - END OF YEAR</b>	<b>\$ 251,768</b>	<b>\$ 251,768</b>	<b>\$ 1,359,716</b>

**POLK COUNTY, WISCONSIN  
BALANCE SHEET  
PUBLIC HEALTH SPECIAL REVENUE FUND  
YEAR ENDED DECEMBER 31, 2011**

	Birth To Three	PolkADOT	WIC	Health Screening	Tobacco Coalition	Family Planning	MCH Car Seat	Immunization	Consolidated Grant Fund	Radon Grant Fund	Environmental Health Fund	Total
<b>ASSETS</b>												
Treasurer's Cash and Investments	\$ 39,386	\$ 22,352	\$ -	\$ 24,613	\$ 554	\$ 59,811	\$ -	\$ -	\$ 14,217	\$ 38	\$ 63,869	\$224,840
Taxes Receivable	108,302	-	-	-	-	-	-	-	-	-	-	108,302
Accounts Receivable	14,889	-	9,795	4,221	35,286	4,948	-	43,025	-	-	9,490	121,654
Due from Other Governmental Units	-	-	-	-	-	-	15,279	-	-	-	-	15,279
Prepaid Assets	-	-	-	-	8,764	-	-	-	-	-	-	8,764
Total Assets	<u>\$162,577</u>	<u>\$ 22,352</u>	<u>\$ 9,795</u>	<u>\$ 28,834</u>	<u>\$ 44,604</u>	<u>\$ 64,759</u>	<u>\$ 15,279</u>	<u>\$ 43,025</u>	<u>\$ 14,217</u>	<u>\$ 38</u>	<u>\$ 73,359</u>	<u>\$478,839</u>

**LIABILITIES AND FUND BALANCES**

<b>LIABILITIES</b>												
Vouchers Payable	\$ 4,411	\$ -	\$ 2,481	\$ -	\$ 6,850	\$ 611	\$ -	\$ -	\$ 860	\$ -	\$ 1,025	\$ 16,238
Accrued Wages Payable	9,470	-	8,874	3,166	6,792	7,890	553	1,027	2,693	-	6,510	46,975
Due to Other Fund	-	-	1,270	-	-	-	9,398	41,187	-	-	-	51,855
Deferred Revenue - Tax Levy	108,302	-	-	-	-	-	-	-	-	-	-	108,302
Total Liabilities	<u>122,183</u>	<u>-</u>	<u>12,625</u>	<u>3,166</u>	<u>13,642</u>	<u>8,501</u>	<u>9,951</u>	<u>42,214</u>	<u>3,553</u>	<u>-</u>	<u>7,535</u>	<u>223,370</u>
<b>FUND BALANCES (DEFICITS)</b>												
Nonspendable for Prepaid Items	-	-	-	-	8,764	-	-	-	-	-	-	8,764
Restricted for Fund Purposes	40,394	22,352	(2,830)	25,668	22,198	56,258	5,328	811	10,664	38	65,824	246,705
Total Fund Balances (Deficits)	<u>40,394</u>	<u>22,352</u>	<u>(2,830)</u>	<u>25,668</u>	<u>30,962</u>	<u>56,258</u>	<u>5,328</u>	<u>811</u>	<u>10,664</u>	<u>38</u>	<u>65,824</u>	<u>255,469</u>
Total Liabilities and Fund Balance (Deficit)	<u>\$162,577</u>	<u>\$ 22,352</u>	<u>\$ 9,795</u>	<u>\$ 28,834</u>	<u>\$ 35,840</u>	<u>\$ 64,759</u>	<u>\$ 15,279</u>	<u>\$ 43,025</u>	<u>\$ 14,217</u>	<u>\$ 38</u>	<u>\$ 73,359</u>	<u>\$478,839</u>

**POLK COUNTY, WISCONSIN**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**PUBLIC HEALTH SPECIAL REVENUE FUND**  
**YEAR ENDED DECEMBER 31, 2011**

	Birth To Three	PolkADOT	WIC	Health Screening	Tobacco Coalition	Family Planning	MCH Car Seat	Immunization	Consolidated Grant Fund	Radon Grant Fund	Environmental Health Fund	Total
<b>REVENUES</b>												
Taxes	\$108,336	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,705	\$ -	\$ -	\$ -	\$ 110,041
Intergovernmental	113,987	-	222,145	1,862	166,656	45,536	25,300	10,615	61,763	7,634	-	655,498
Public Charges for Services	12,788	-	-	54,655	-	183,160	-	52,120	-	-	182,604	485,327
Total Revenues	235,111	-	222,145	56,517	166,656	228,696	25,300	64,440	61,763	7,634	182,604	1,250,866
<b>EXPENDITURES</b>												
Health and Human Services	246,036	-	219,316	89,166	169,112	267,465	25,655	48,057	67,306	7,635	186,803	1,326,551
<b>NET CHANGE IN FUND BALANCE</b>	(10,925)	-	2,829	(32,649)	(2,456)	(38,769)	(355)	16,383	(5,543)	(1)	(4,199)	(75,685)
Fund Balance (Deficit) - Beginning of Year	51,319	22,352	(5,659)	58,317	33,418	95,027	5,683	(15,572)	16,207	39	70,023	331,154
<b>FUND BALANCE (DEFICIT) - END OF YEAR</b>	\$ 40,394	\$ 22,352	\$ (2,830)	\$25,668	\$30,962	\$56,258	\$ 5,328	\$ 811	\$ 10,664	\$ 38	\$ 65,824	\$ 255,469

**POLK COUNTY, WISCONSIN  
COMBINING BALANCE SHEET  
INTERNAL SERVICE FUNDS  
DECEMBER 31, 2011**

	Highway Department	Health Insurance Fund	Totals
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Treasurer's Cash and Investments	\$ 1,332,400	\$ 1,060,112	\$ 2,392,512
Petty Cash Funds	200	-	200
Accounts Receivable	14,928	-	14,928
Due from Other Governmental Units	559,872	-	559,872
Inventory	480,409	-	480,409
Prepaid Items	167,854	-	167,854
Total Current Assets	<u>2,555,663</u>	<u>1,060,112</u>	<u>3,615,775</u>
<b>NONCURRENT ASSETS</b>			
Capital Assets Not Being Depreciated	17,719	-	17,719
Capital Assets Being Depreciated	9,020,106	-	9,020,106
Less: Accumulated Depreciation	4,560,528	-	4,560,528
Net Capital Assets	<u>4,477,297</u>	<u>-</u>	<u>4,477,297</u>
Total Assets	7,032,960	1,060,112	8,093,072
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Vouchers and Accounts Payable	205,725	238,608	444,333
Incurred but not Reported	-	214,939	214,939
Deferred Revenue	18,566	-	18,566
Accrued Wages Payable	133,040	-	133,040
Accrued Interest Payable	791	-	791
Capital Lease Payable	32,997	-	32,997
Accrued Employee Leave	211,450	-	211,450
Total Current Liabilities	<u>602,569</u>	<u>453,547</u>	<u>1,056,116</u>
<b>LONG-TERM LIABILITIES, (Net of Current Portion)</b>			
Accrued Employee Leave	53,995	-	53,995
Total Long-Term Liabilities	<u>53,995</u>	<u>-</u>	<u>53,995</u>
Total Liabilities	656,564	453,547	1,110,111
<b>NET ASSETS</b>			
Invested in Capital Assets, Net of Related Debt	4,444,300	-	4,444,300
Unrestricted	1,932,096	606,565	2,538,661
Total Net Assets	<u>\$ 6,376,396</u>	<u>\$ 606,565</u>	<u>\$ 6,982,961</u>



**POLK COUNTY, WISCONSIN  
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS  
INTERNAL SERVICE FUNDS  
YEAR ENDED DECEMBER 31, 2011**

	Highway Department	Self-Funded Health Insurance	Totals
<b>OPERATING REVENUES</b>			
Charges for Services	\$ 6,477,205	\$ 5,320,219	\$ 11,797,424
Other	54,701	307,754	362,455
Total Operating Revenues	<u>6,531,906</u>	<u>5,627,973</u>	<u>12,159,879</u>
<b>OPERATING EXPENSES</b>			
Transportation	6,694,909	-	6,694,909
Premiums and Claims	-	5,403,896	5,403,896
Administrative and General Expenses	379,379	-	379,379
Total Operating Expenses	<u>7,074,288</u>	<u>5,403,896</u>	<u>12,478,184</u>
<b>OPERATING INCOME (LOSS)</b>	(542,382)	224,077	(318,305)
<b>NONOPERATING REVENUES (EXPENSES)</b>			
Interest Expense	<u>(3,054)</u>	-	<u>(3,054)</u>
<b>INCOME (LOSS) BEFORE TRANSFERS</b>	(545,436)	224,077	(321,359)
Transfers Out	<u>(100,000)</u>	-	<u>(100,000)</u>
<b>CHANGE IN NET ASSETS</b>	(645,436)	224,077	(421,359)
Net Assets - Beginning of Year	<u>7,021,832</u>	<u>382,488</u>	<u>7,404,320</u>
<b>NET ASSETS - END OF YEAR</b>	<u><u>\$ 6,376,396</u></u>	<u><u>\$ 606,565</u></u>	<u><u>\$ 6,982,961</u></u>

**POLK COUNTY, WISCONSIN  
COMBINING STATEMENT OF CASH FLOWS  
INTERNAL SERVICE FUNDS  
YEAR ENDED DECEMBER 31, 2011**

	Highway Department	Health Insurance Fund	Totals
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Cash Received for Services Provided	\$ 6,572,888	\$ 5,672,280	\$ 12,245,168
Cash Paid to Suppliers for Goods and Services	(3,248,296)	(5,519,518)	(8,767,814)
Cash Paid for Employee Services	(3,613,573)	-	(3,613,573)
Net Cash Provided (Used) by Operating Activities	(288,981)	152,762	(136,219)
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>			
Transfers out	(100,000)	-	(100,000)
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>			
Principal Paid on Capital Leases	(31,469)	-	(31,469)
Interest Paid on Capital Leases	(3,808)	-	(3,808)
Cash Received from Sale of Capital Assets	19,000	-	19,000
Cash Paid for Acquisition of Capital Assets	(356,785)	-	(356,785)
Net Cash Used for Capital and Related Financing Activities	(373,062)	-	(373,062)
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	(762,043)	152,762	(609,281)
Cash and Cash Equivalents - Beginning of Year	2,094,643	907,350	3,001,993
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	<u>\$ 1,332,600</u>	<u>\$ 1,060,112</u>	<u>\$ 2,392,712</u>
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>			
Operating Income (Loss)	\$ (542,382)	\$ 224,077	\$ (318,305)
Adjustments to Reconcile Net Income to Net Cash			
Provided (Used) by Operating Activities:			
Depreciation	515,758	-	515,758
Change in Assets and Liabilities:			
Decrease (Increase) in Accounts Receivable	(4,285)	-	(4,285)
Decrease (Increase) in Due from Other Governmental Units	92,425	-	92,425
Decrease (Increase) in Inventory	15,281	-	15,281
Decrease (Increase) in Prepaid Items	(167,854)	-	(167,854)
Increase (Decrease) in Accounts Payable	(138,707)	(330,561)	(469,268)
Increase (Decrease) in Incurred but not Reported	-	214,939	214,939
Increase (Decrease) in Deferred Revenue	(47,158)	44,307	(2,851)
Increase (Decrease) in Wages Payable	(34,045)	-	(34,045)
Increase (Decrease) in Accrued Employee Leave	21,986	-	21,986
Net Cash Provided (Used) by Operating Activities	<u>\$ (288,981)</u>	<u>\$ 152,762</u>	<u>\$ (136,219)</u>

**POLK COUNTY, WISCONSIN  
COMBINING STATEMENT OF CHANGES IN ASSETS  
AND LIABILITIES – ALL AGENCY FUNDS  
YEAR ENDED DECEMBER 31, 2011**

	Balance January 1, 2011	Additions	Deductions	Balance December 31, 2011
<b>District Attorney</b>				
<u>Assets</u>				
Cash and Pooled Investments	\$ 14,942	\$ 106,791	\$ 117,538	\$ 4,195
<u>Liabilities</u>				
Special Deposits	\$ 14,942	\$ 106,791	\$ 117,538	\$ 4,195
<b>Treasurer</b>				
<u>Assets</u>				
Cash and Pooled Investments	\$ 221,658	\$ 16,735,812	\$ 16,514,690	\$ 442,780
<u>Liabilities</u>				
Due to Other Governments	\$ 221,658	\$ 16,735,812	\$ 16,514,690	\$ 442,780
<b>Circuit Court</b>				
<u>Assets</u>				
Cash and Pooled Investments	\$ 580,445	\$ 2,061,993	\$ 2,052,348	\$ 590,090
<u>Liabilities</u>				
Special Deposits	\$ 580,445	\$ 2,061,993	\$ 2,052,348	\$ 590,090
<b>Tax Agency</b>				
<u>Assets</u>				
Cash and Pooled Investments	\$ 11,980	\$ 85,875,522	\$ 85,869,476	\$ 18,026
Taxes Receivable	771,306	22,270,422	22,318,183	723,545
Tax Certificates	86,252	-	86,252	-
Special Assessments	331	-	-	331
Special Charges Receivable	-	86,252	-	86,252
<b>Total Assets</b>	<b>\$ 869,869</b>	<b>\$ 108,232,196</b>	<b>\$ 108,273,911</b>	<b>\$ 828,154</b>
<u>Liabilities</u>				
Due to Other Funds	\$ -	\$ 723,545	\$ 723,545	\$ -
Due to Other Governments	783,286	107,422,399	107,464,114	741,571
District/State Equities & Uncollected Taxes	86,583	86,252	86,252	86,583
<b>Total Liabilities</b>	<b>\$ 869,869</b>	<b>\$ 108,232,196</b>	<b>\$ 108,273,911</b>	<b>\$ 828,154</b>

**POLK COUNTY, WISCONSIN  
COMBINING STATEMENT OF CHANGES IN ASSETS  
AND LIABILITIES – ALL AGENCY FUNDS (CONTINUED)  
YEAR ENDED DECEMBER 31, 2011**

	Balance January 1, 2011	Additions	Deductions	Balance December 31, 2011
<b>Sheriff</b>				
<u>Assets</u>				
Cash and Pooled Investments	\$ 8,996	\$ 277,921	\$ 242,497	\$ 44,420
<u>Liabilities</u>				
Special Deposits	\$ 8,996	\$ 277,921	\$ 242,497	\$ 44,420
<b>Total Agency Funds</b>				
<u>Assets</u>				
Cash and Pooled Investments	\$ 838,021	\$ 105,058,039	\$ 104,796,549	\$ 1,099,511
Taxes Receivable	771,306	22,270,422	22,318,183	723,545
Tax Certificates	86,252	-	86,252	-
Special Charges Receivable	-	86,252	-	86,252
Special Assessments	331	-	-	331
<b>Total Assets</b>	<b>\$ 1,695,910</b>	<b>\$ 127,414,713</b>	<b>\$ 127,200,984</b>	<b>\$ 1,909,639</b>
<u>Liabilities</u>				
Due to Other Funds	\$ -	\$ 723,545	\$ 723,545	\$ -
Due to Other Governments	1,004,944	124,158,211	123,978,804	1,184,351
Special Deposits	604,383	2,446,705	2,412,383	638,705
District/State Equities & Uncollected Taxes	86,583	86,252	86,252	86,583
<b>Total Liabilities</b>	<b>\$ 1,695,910</b>	<b>\$ 127,414,713</b>	<b>\$ 127,200,984</b>	<b>\$ 1,909,639</b>

## **STATISTICAL SECTION (UNAUDITED)**

## **STATISTICAL INFORMATION SECTION (UNAUDITED)**

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

### **CONTENTS**

#### **Financial Trends**

These schedules contain trend information to help the reader understand how the County's financial performance and well-being have changed over time.

#### **Revenue Capacity**

These schedules contain information to help the reader assess the County's most significant local revenue source, property tax.

#### **Debt Capacity**

These schedules present information to help the reader assess the affordability of the County's current levels of outstanding debt and the County's ability to issue additional debt in the future.

#### **Demographic and Economic Information**

These schedules offer demographic and economic indicators to help the reader understand the environment within which the County's financial activities take place.

#### **Operating Information**

These schedules contain service and infrastructure data to help the reader understand how the information in the County's financial report relates to the services the County provides and the activities it performs.

**Source:** Unless otherwise noted, the information in these schedules is derived from the comprehensive financial reports for the relevant year.

**POLK COUNTY, WISCONSIN**  
**NET ASSETS BY COMPONENT**  
**LAST NINE FISCAL YEARS**  
**(ACCRUAL BASIS OF ACCOUNTING)**

	2003	2004	2005	2006	2007	2008	2009	2010	2011
<b>Governmental Activities</b>									
Invested in Capital Assets, Net of Related Debt	\$ 45,092,711	\$ 45,999,384	\$ 41,455,678	\$ 46,730,441	\$ 41,266,442	\$ 46,207,346	\$ 48,488,858	\$ 51,858,738	\$ 55,031,898
Restricted	841,588	2,790,913	7,068,909	3,996,100	4,665,633	6,081,467	5,505,652	4,343,713	4,639,715
Unrestricted	7,613,950	6,361,295	9,214,409	9,284,786	13,167,400	10,452,228	10,609,059	12,494,772	11,695,352
<b>Total Governmental Activities Net Assets</b>	<b>\$ 53,548,219</b>	<b>\$ 55,151,592</b>	<b>\$ 57,738,996</b>	<b>\$ 60,011,327</b>	<b>\$ 59,099,475</b>	<b>\$ 62,741,041</b>	<b>\$ 64,603,569</b>	<b>\$ 68,697,223</b>	<b>\$ 71,366,965</b>
<b>Business-Type Activities</b>									
Invested in Capital Assets, Net of Related Debt	\$ 1,728,051	\$ 1,790,920	\$ 1,703,099	\$ 1,972,013	\$ 1,827,263	\$ 2,484,395	\$ 2,613,636	\$ 2,577,897	\$ 2,445,058
Restricted	52,290	156,786	246,481	7,278	9,334	8,554	8,363	9,416	9,334
Unrestricted	(90,245)	(368,440)	338,486	(190,217)	516,188	464,555	(171,492)	(523,487)	(958,285)
<b>Total Business-Type Activities Net Assets</b>	<b>\$ 1,690,096</b>	<b>\$ 1,579,266</b>	<b>\$ 2,288,066</b>	<b>\$ 1,789,074</b>	<b>\$ 2,352,785</b>	<b>\$ 2,957,504</b>	<b>\$ 2,450,507</b>	<b>\$ 2,063,828</b>	<b>\$ 1,486,107</b>
<b>Primary Government</b>									
Invested in Capital Assets, Net of Related Debt	\$ 46,820,762	\$ 47,790,304	\$ 43,158,777	\$ 48,702,454	\$ 43,093,705	\$ 48,691,741	\$ 51,102,494	\$ 54,436,635	\$ 57,476,956
Restricted	893,848	2,947,699	7,315,390	4,003,378	4,674,967	6,090,021	5,514,015	4,353,129	4,649,049
Unrestricted	7,523,705	5,982,855	9,552,895	9,094,569	13,683,588	10,916,783	10,437,567	11,971,285	10,737,067
<b>Total Primary Government Net Assets</b>	<b>\$ 55,238,315</b>	<b>\$ 56,730,858</b>	<b>\$ 60,027,062</b>	<b>\$ 61,800,401</b>	<b>\$ 61,452,260</b>	<b>\$ 65,698,545</b>	<b>\$ 67,054,076</b>	<b>\$ 70,761,049</b>	<b>\$ 72,863,072</b>

**Source:** Polk County, Wisconsin Department of Administration.

**Note:** Accrual-basis financial information for the County government as a whole is available back to 2003 only, the year GASB 34 was implemented.

**POLK COUNTY, WISCONSIN  
CHANGE IN NET ASSETS  
LAST NINE FISCAL YEARS  
(ACCRUAL BASIS OF ACCOUNTING)**

	2003	2004	2005	2006	2007	2008	2009	2010	2011
<b>Expenses</b>									
Governmental Activities:									
General Government	\$ 4,904,177	\$ 4,636,856	\$ 4,834,543	\$ 5,352,721	\$ 5,470,041	\$ 6,426,286	\$ 5,733,530	\$ 5,507,320	\$ 6,538,580
Public Safety	5,919,474	6,928,040	7,237,714	7,776,461	8,180,089	8,167,662	8,631,257	8,780,818	8,408,712
Highways and Streets (Transportation)	6,654,820	6,278,093	6,008,417	6,557,830	3,841,920	2,310,324	3,798,082	3,019,534	2,571,780
Sanitation	449,897	554,590	526,447	640,739	540,487	637,182	549,887	686,128	548,441
Health and Human Services	15,080,360	15,803,056	16,665,564	16,707,944	18,144,081	19,363,901	16,876,948	16,319,148	15,464,511
Culture, Recreation, and Education	1,009,779	1,038,349	1,213,937	1,290,621	1,173,784	1,125,183	1,254,068	1,334,688	1,457,225
Conservation and Development	1,943,118	1,561,319	1,983,740	1,855,069	3,307,960	2,101,770	2,468,742	1,857,848	4,000,359
Interest and Fiscal Charges	1,370,754	1,371,862	1,145,864	1,495,782	1,425,633	1,532,154	1,456,759	1,369,263	1,262,235
Total Governmental Activities Expenses	37,332,379	38,172,165	39,616,226	41,677,167	42,083,995	41,664,462	40,769,273	38,854,747	40,251,843
Business-Type Activities:									
Nursing Home	6,454,996	6,699,173	6,766,674	6,684,569	6,834,530	6,928,868	7,284,381	7,849,407	8,035,922
Lime Fund	519,578	581,512	546,184	570,237	523,753	604,804	422,303	446,771	775,716
Total Business-Type Activities Expenses	6,974,574	7,280,685	7,312,858	7,254,806	7,358,283	7,533,672	7,706,684	8,296,178	8,811,638
Total Primary Government Expenses	\$ 44,306,953	\$ 45,452,850	\$ 46,929,084	\$ 48,931,973	\$ 49,442,278	\$ 49,198,134	\$ 48,475,957	\$ 47,150,925	\$ 49,063,481
<b>Program Revenues</b>									
Governmental Activities:									
Charges for Services	\$ 1,000,960	\$ 915,851	\$ 948,377	\$ 1,420,293	\$ 884,035	\$ 990,568	\$ 955,304	\$ 922,565	\$ 1,066,665
General Government	569,608	706,047	963,255	660,882	761,165	577,491	532,307	480,346	488,409
Public Safety	1,898,519	1,700,971	2,236,294	2,264,197	-	-	-	-	-
Highways and Streets (Transportation)	334,253	460,554	493,888	436,322	456,805	442,283	324,405	429,287	498,089
Sanitation	2,507,788	2,900,307	2,893,139	2,520,216	3,933,413	4,265,691	3,816,849	3,415,937	3,177,372
Health and Human Services	40,817	53,770	138,766	49,630	7,875	9,228	13,956	14,085	20,169
Culture, Recreation, and Education	511,741	624,490	480,002	643,445	649,037	564,543	425,047	598,995	340,694
Conservation and Development	12,028,624	12,921,815	13,040,076	13,053,621	11,779,062	12,295,347	10,260,542	10,520,776	11,059,492
Operating Grants and Contributions	-	571,135	773,249	476,977	144,889	432,327	206,698	-	46,133
Capital Grants and Contributions	-	-	-	-	-	-	-	-	-
Total Governmental Activities Program Revenues	18,892,310	20,854,940	21,967,046	21,525,583	18,616,281	19,577,478	16,535,108	16,391,991	16,687,023



**POLK COUNTY, WISCONSIN**  
**CHANGE IN NET ASSETS (CONTINUED)**  
**LAST NINE FISCAL YEARS**  
**(ACCRUAL BASIS OF ACCOUNTING)**

	2003	2004	2005	2006	2007	2008	2009	2010	2011
<b>Program Revenues (Continued)</b>									
Business-Type Activities:									
Charges for Services:									
Nursing Home	\$ 5,326,364	\$ 5,526,423	\$ 5,723,068	\$ 5,862,082	\$ 6,030,222	\$ 6,436,210	\$ 6,665,519	\$ 6,713,618	\$ 6,653,013
Lime Operations	799,322	908,691	738,718	593,509	595,678	645,209	439,408	466,864	717,181
Operating Grants and Contributions	1,041,192	887,157	724,036	426,488	626,132	1,062,323	782,927	782,927	902,005
Capital Grants and Contributions	-	-	-	-	-	-	121,782	123,548	-
Total Business-Type Activities Program Revenues	<u>7,166,878</u>	<u>7,322,271</u>	<u>7,185,822</u>	<u>6,882,079</u>	<u>7,252,032</u>	<u>8,143,742</u>	<u>7,909,303</u>	<u>8,086,957</u>	<u>8,272,199</u>
Total Primary Government Program Revenues	<u>\$ 26,059,188</u>	<u>\$ 28,177,211</u>	<u>\$ 29,152,868</u>	<u>\$ 28,407,662</u>	<u>\$ 25,868,313</u>	<u>\$ 27,721,220</u>	<u>\$ 24,444,411</u>	<u>\$ 24,478,948</u>	<u>\$ 24,969,222</u>
Governmental Activities	\$ (18,440,069)	\$ (17,317,225)	\$ (17,649,180)	\$ (20,151,594)	\$ (23,467,714)	\$ (22,086,984)	\$ (24,234,165)	\$ (22,462,756)	\$ (23,554,820)
Business-Type Activities	192,304	41,586	(127,036)	(372,727)	(106,251)	610,070	202,619	(209,221)	(539,439)
Total Primary Government Net Expense	<u>\$ (18,247,765)</u>	<u>\$ (17,275,639)</u>	<u>\$ (17,776,216)</u>	<u>\$ (20,524,311)</u>	<u>\$ (23,573,965)</u>	<u>\$ (21,476,914)</u>	<u>\$ (24,031,546)</u>	<u>\$ (22,671,977)</u>	<u>\$ (24,094,259)</u>
<b>General Revenues and Other Changes in Net Assets</b>									
Governmental Activities:									
Property Taxes	\$ 13,167,025	\$ 14,154,472	\$ 15,835,840	\$ 16,588,575	\$ 17,371,757	\$ 19,782,472	\$ 20,149,085	\$ 21,171,147	\$ 21,664,675
Sales Tax	1,978,234	2,305,554	2,404,386	2,325,915	2,364,052	2,349,149	2,178,514	2,353,827	2,365,174
Other Taxes	476,651	553,605	613,468	581,223	566,036	552,252	635,737	917,729	816,702
State and Federal Aids not Restricted to Specific Programs	871,131	720,855	733,277	731,873	943,732	1,034,960	1,006,885	926,775	793,767
Interest and Investment Earnings	247,283	199,621	512,636	1,080,779	970,661	746,581	446,870	184,439	122,413
Miscellaneous (Other)	739,804	794,020	843,547	965,550	934,937	1,211,305	879,602	802,493	409,280
Transfers	50,000	150,000	(706,570)	150,000	(593,482)	50,000	800,000	200,000	52,551
Total Governmental Activities	<u>16,623,937</u>	<u>18,878,127</u>	<u>20,236,584</u>	<u>22,423,915</u>	<u>22,557,693</u>	<u>25,726,719</u>	<u>26,086,693</u>	<u>26,556,410</u>	<u>26,224,562</u>
Business-Type Activities:									
Interest & Investment earnings	-	-	-	277	151	54	56	112	115
Miscellaneous (Other)	38,898	40,055	129,266	23,458	74,580	46,344	90,328	22,428	24,156
Transfers	(50,000)	(150,000)	706,570	(150,000)	593,482	(50,000)	(800,000)	(200,000)	(52,551)
Total Business-Type Activities	<u>(11,102)</u>	<u>(109,945)</u>	<u>835,836</u>	<u>(126,265)</u>	<u>668,213</u>	<u>(3,602)</u>	<u>(709,616)</u>	<u>(177,460)</u>	<u>(28,280)</u>
Total Primary Government	<u>\$ 16,612,835</u>	<u>\$ 18,768,182</u>	<u>\$ 21,072,420</u>	<u>\$ 22,297,650</u>	<u>\$ 23,225,906</u>	<u>\$ 25,723,117</u>	<u>\$ 25,387,077</u>	<u>\$ 26,378,950</u>	<u>\$ 26,196,282</u>
Change in Net Assets									
Governmental Activities	\$ (1,816,132)	\$ 1,560,902	\$ 2,587,404	\$ 2,272,331	\$ (910,021)	\$ 3,639,735	\$ 1,862,528	\$ 4,093,654	\$ 2,669,742
Business-Type Activities	181,202	(68,359)	708,800	(498,992)	561,962	606,468	(506,997)	(386,681)	(567,719)
Total Primary Government	<u>\$ (1,634,930)</u>	<u>\$ 1,492,543</u>	<u>\$ 3,296,204</u>	<u>\$ 1,773,339</u>	<u>\$ (348,059)</u>	<u>\$ 4,246,203</u>	<u>\$ 1,355,531</u>	<u>\$ 3,706,973</u>	<u>\$ 2,102,023</u>

**Source:** Polk County, Wisconsin Department of Administration.

**Note:** Accrual-basis financial information for the County government as a whole is available back to 2003 only, the year GASB 34 was implemented.

**POLK COUNTY, WISCONSIN**  
**FUND BALANCES OF GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS**  
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
<b>General Fund</b>										
Nonspendable										
Restricted (Reserved 2001 - 2009)	\$ 2,958,144	\$ 2,516,520	\$ 3,086,988	\$ 2,333,609	\$ 2,466,608	\$ 2,864,044	\$ 4,887,963	\$ 6,297,290	\$ 5,557,869	\$ 5,524,416
Committed	-	-	-	-	-	-	-	-	157,907	186,340
Assigned (Designated (2001 - 2009))	773,989	637,061	650,559	1,208,708	1,686,316	-	-	854,379	227,429	174,157
Unassigned (Undesignated (2001 - 2009))	3,477,976	3,571,218	3,273,754	3,721,002	4,484,426	5,358,447	4,118,693	2,878,036	18,887	147,509
Total General Fund	\$ 7,210,109	\$ 6,724,799	\$ 7,011,301	\$ 7,263,319	\$ 8,637,350	\$ 8,222,491	\$ 9,006,656	\$ 10,029,705	\$ 12,597,417	\$ 13,286,502
<b>All Other Government Funds</b>										
Nonspendable										
Special Revenue Funds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 17,528
Restricted (Reserved 2001 - 2009)	718,619	346,853	302,407	641,793	427,097	427,097	427,097	484,715	1,109,341	601,693
Special Revenue Funds	-	-	-	-	-	-	-	208,954	210,238	172,383
Debt Service Fund	-	-	-	-	-	-	-	-	249,885	251,768
Capital Projects Fund	-	-	-	-	-	-	-	-	-	-
Assigned (Designated 2001 - 2009)										
Special Revenue Funds	496,113	566,503	739,708	1,303,457	1,208,386	938,135	1,365,634	564,847	-	592,271
Debt Service Funds	-	8,048	50,209	59,321	27,327	127,745	120,625	-	-	-
Capital Projects Funds	6,240,950	308,036	-	4,374,343	1,458,206	4,509,533	2,682,383	2,002,742	-	-
Unassigned (Undesignated 2001 - 2009)										
Special Revenue Funds	-	-	-	-	-	(57,579)	(4,917)	(64,764)	(100,100)	(103,544)
Capital Project Funds	-	-	-	-	-	-	(91,478)	26,322	-	-
Total All Other Government Funds	\$ 7,455,682	\$ 1,229,440	\$ 1,092,324	\$ 6,378,914	\$ 3,121,016	\$ 5,944,931	\$ 4,499,344	\$ 3,222,816	\$ 1,469,364	\$ 1,532,099

**Source** Polk County, Wisconsin Department of Administration.

NOTE: The County implemented GASB 54 in fiscal year 2010, resulting in significant reclassification of the components of fund balance. Years prior to 2010 have not been restated.

Unaudited

**POLK COUNTY, WISCONSIN**  
**CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS**  
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
<b>Revenues</b>										
Taxes	\$15,096,051	\$15,621,910	\$17,013,631	\$18,853,694	\$19,495,713	\$20,401,122	\$22,793,100	\$23,017,227	\$24,448,405	\$24,886,825
Intergovernmental	11,491,184	12,829,519	14,333,722	14,621,779	14,154,843	12,853,361	14,228,871	11,424,333	10,843,688	12,063,915
Licenses and Permits	305,054	418,787	489,378	610,678	556,246	400,730	352,188	345,693	346,787	316,946
Fines and Forfeits	290,040	294,773	315,400	303,903	271,497	296,075	304,443	200,019	174,802	190,724
Public Charges for Services	3,729,709	3,980,813	4,602,921	4,739,049	4,467,305	5,822,600	5,905,314	5,214,784	4,936,560	4,741,229
Intergovernmental Charges for Services	154,152	197,180	175,148	220,625	671,850	163,879	222,013	262,856	244,316	315,457
Miscellaneous	-	-	-	-	-	-	-	-	-	-
Interest	-	243,287	195,341	500,561	1,014,265	962,241	734,245	440,389	180,040	115,753
Rent	-	194,649	298,472	319,860	347,769	311,078	315,473	256,725	249,065	276,473
Donations	-	-	51,154	49,574	-	-	-	-	-	-
Other	1,112,441	909,838	911,295	832,875	768,053	554,566	623,548	657,984	639,666	193,478
<b>Total Revenues</b>	<b>32,178,631</b>	<b>34,690,756</b>	<b>38,386,462</b>	<b>41,052,598</b>	<b>41,747,541</b>	<b>41,765,652</b>	<b>45,479,195</b>	<b>41,819,990</b>	<b>42,063,329</b>	<b>43,100,800</b>
<b>Expenditures</b>										
General Government	10,085,665	8,537,518	4,831,418	4,783,903	5,413,330	5,415,332	5,939,748	5,564,733	5,465,416	5,623,938
Public Safety	11,990,016	7,880,417	6,608,180	8,067,462	10,651,816	7,173,053	7,283,881	7,295,803	7,318,040	7,536,613
Highways and Streets (Transportation)	3,914,373	4,364,648	3,530,766	4,631,400	4,623,548	3,808,917	5,279,370	4,388,483	4,114,719	4,197,022
Sanitation	429,761	409,725	494,450	508,080	556,242	521,563	586,046	540,805	566,838	711,023
Health and Human Services	14,302,771	15,155,921	16,102,189	16,806,591	16,845,492	17,676,026	18,939,148	16,259,546	15,611,398	15,087,819
Culture and Recreation	990,608	1,001,764	1,018,383	1,092,279	1,223,930	1,195,621	1,338,301	1,342,130	1,330,898	1,385,898
Conservation and Development	1,907,961	2,221,761	3,515,599	2,112,990	1,901,047	2,464,990	2,043,575	2,418,535	1,735,431	4,019,799
Capital Outlay	-	-	-	-	-	748,278	999,107	385,107	122,276	-
Debt Service:										
Principal	125,546	531,748	918,006	1,275,000	1,240,000	1,726,274	2,014,946	2,335,335	2,696,627	2,685,462
Retirement of Pension Related Debt	-	2,112,767	-	-	-	-	-	-	-	-
Interest	1,144,549	1,352,383	1,368,085	1,056,207	1,524,189	1,425,193	1,498,780	1,432,637	1,373,060	1,262,181
Other Charges	-	33,656	-	189,516	1,814	58,387	2,172	-	-	-
<b>Total Expenditures</b>	<b>44,891,250</b>	<b>43,602,308</b>	<b>38,387,076</b>	<b>40,523,428</b>	<b>43,781,408</b>	<b>42,213,634</b>	<b>45,925,074</b>	<b>41,963,114</b>	<b>40,334,703</b>	<b>42,509,755</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>(12,712,619)</b>	<b>(8,911,552)</b>	<b>(614)</b>	<b>529,170</b>	<b>(2,033,867)</b>	<b>(447,982)</b>	<b>(445,879)</b>	<b>(143,124)</b>	<b>1,728,626</b>	<b>591,045</b>

Unaudited

(86)

(Continued)

**POLK COUNTY, WISCONSIN**  
**CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS (CONTINUED)**  
**LAST TEN FISCAL YEARS**  
**(MODIFIED ACCRUAL BASIS OF ACCOUNTING)**

	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
<b>Other Financing Sources (Uses)</b>										
Transfers In	\$ 2,556,871	\$ 2,657,114	\$ 2,681,451	\$ 2,628,768	\$ 3,409,025	\$ 2,680,012	\$ 4,608,714	\$ 6,011,988	\$ 3,471,302	\$ 2,439,729
Transfers Out	(2,506,871)	(2,607,114)	(2,531,451)	(3,335,338)	(3,259,025)	(3,418,219)	(5,432,480)	(6,395,566)	(4,393,891)	(2,287,178)
Long-Term Debt Issued	12,155,000	2,150,000	-	24,100,000	-	3,500,000	608,223	273,223	8,223	8,224
Premium on Issuance of Debt	-	-	-	1,391,809	-	95,245	-	-	-	-
Payment to Escrow Agent	-	-	-	(19,775,801)	-	-	-	-	-	-
Total Other Financing Sources (Uses)	<u>12,205,000</u>	<u>2,200,000</u>	<u>150,000</u>	<u>5,009,438</u>	<u>150,000</u>	<u>2,857,038</u>	<u>(215,543)</u>	<u>(110,355)</u>	<u>(914,366)</u>	<u>160,775</u>
Net Change in Fund Balances	<u>\$ (507,619)</u>	<u>\$ (6,711,552)</u>	<u>\$ 149,386</u>	<u>\$ 5,538,608</u>	<u>\$ (1,883,867)</u>	<u>\$ 2,409,056</u>	<u>\$ (661,422)</u>	<u>\$ (253,479)</u>	<u>\$ 814,260</u>	<u>\$ 751,820</u>
Debt Service as a Percentage of Noncapital Expenditures	2.83%	4.40%	5.96%	6.22%	6.32%	7.74%	7.83%	9.06%	10.12%	10.44%

**Source** Polk County, Wisconsin Department of Administration.

**POLK COUNTY, WISCONSIN**  
**EQUALIZED VALUE OF ALL PROPERTY BY ASSESSMENT CLASS**  
**LAST TEN FISCAL YEARS**

Fiscal Year	Residential Equalized Value	Commercial Equalized Value	Manufacturing Equalized Value	Agricultural Equalized Value	Undeveloped Equalized Value	Forest Equalized Value	Other Equalized Value	Personal Property Equalized Value	Total Equalized Value	Total Equalized Value Excl. TID	Total Direct Tax Rate
2002	2,043,807,900	190,440,500	58,746,700	72,910,400	37,575,100	203,116,800	110,968,700	35,808,500	2,753,374,600	2,679,781,950	4.64
2003	2,357,076,700	219,361,300	66,213,300	41,137,800	49,152,000	233,061,600	107,771,800	36,720,000	3,110,494,500	3,029,463,950	4.35
2004	2,628,010,700	235,251,800	71,021,900	32,024,400	58,299,100	267,904,400	105,407,800	40,599,700	3,438,519,800	3,353,180,100	4.22
2005	2,984,740,300	249,738,400	75,581,400	31,827,900	39,116,700	301,590,900	112,893,600	42,068,000	3,837,557,200	3,753,151,400	4.22
2006	3,373,148,900	274,874,700	77,766,500	31,204,800	36,800,800	315,492,800	118,668,100	46,070,100	4,274,026,700	4,176,942,500	3.97
2007	3,744,121,400	304,359,000	78,688,700	33,258,100	48,290,600	345,389,700	119,978,700	50,498,900	4,724,585,100	4,614,309,200	3.77
2008	3,939,230,800	324,504,200	84,940,200	35,610,400	52,148,300	373,222,400	123,657,500	55,721,700	4,989,035,500	4,872,444,200	4.06
2009	3,982,446,200	342,068,500	87,383,800	36,981,100	52,049,500	376,293,900	123,048,500	61,609,600	5,061,381,100	4,942,198,400	4.08
2010	3,784,739,800	338,732,100	92,266,300	37,874,800	49,880,300	356,456,500	128,697,800	63,872,300	4,852,519,900	4,733,746,500	4.47
2011	3,508,281,300	336,740,200	90,077,900	37,440,900	48,400,800	338,065,300	127,082,200	58,858,000	4,544,946,600	4,432,825,200	4.87

**Source:** Polk County Treasurers' Office and the State of Wisconsin.

**Notes:** Total Equalized Value based on County's debt limit WI Statutes restricts to 5%.  
The equalized value is prepared by the Wisconsin Department of Revenue, Bureau of Property Tax. These values include Tax Increment Districts (TID) which are not included in the taxable property upon which County taxes are levied.

**POLK COUNTY, WISCONSIN  
PROPERTY TAX RATES  
DIRECT AND OVERLAPPING GOVERNMENTS  
LAST TEN FISCAL YEARS**

	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
<b>DIRECT PROPERTY TAX RATES</b>										
Operating Levy	\$ 4.15	\$ 3.68	\$ 3.49	\$ 3.53	\$ 3.25	\$ 3.04	\$ 3.32	\$ 3.29	\$ 3.58	\$ 3.84
Debt Levy	0.32	0.52	0.58	0.55	0.57	0.60	0.60	0.68	0.78	0.86
Special Purpose Levy	0.17	0.15	0.15	0.14	0.15	0.13	0.14	0.11	0.11	0.17
<b>Total Direct County Tax Rate</b>	<b>\$ 4.64</b>	<b>\$ 4.35</b>	<b>\$ 4.22</b>	<b>\$ 4.22</b>	<b>\$ 3.97</b>	<b>\$ 3.77</b>	<b>\$ 4.06</b>	<b>\$ 4.08</b>	<b>\$ 4.47</b>	<b>\$ 4.87</b>

**INDIRECT PROPERTY TAX RATES <sup>1</sup>**

**Cities of:**

Amery	\$ 24.60	\$ 24.44	\$ 23.55	\$ 22.31	\$ 21.33	\$ 20.99	\$ 22.13	\$ 22.52	\$ 24.93	\$ 26.46
St Croix Falls	22.07	21.40	20.05	19.54	18.73	18.06	18.47	18.88	20.21	21.74

**Villages of:**

Balsam Lake	20.08	19.96	19.47	18.73	17.09	16.60	17.68	18.00	19.54	21.45
Centuria	19.52	18.94	18.72	18.07	17.58	17.54	18.12	19.02	20.83	22.25
Clayton	26.06	23.89	23.38	23.13	22.61	21.03	22.05	22.55	23.97	23.69
Clear Lake	21.46	20.84	19.89	20.05	18.11	17.14	18.61	19.03	20.48	21.97
Dresser	22.62	21.66	20.33	20.42	20.52	19.65	20.18	20.73	22.54	23.54
Frederic	25.73	24.81	22.70	20.04	21.94	21.57	20.72	20.76	23.09	24.25
Luck	21.31	19.44	19.76	20.54	19.99	18.99	19.96	20.74	22.57	22.57
Milltown	23.89	22.43	22.10	21.28	19.89	19.50	20.35	21.55	23.92	25.45
Osceola	21.87	21.15	19.17	18.99	18.52	17.33	17.58	17.89	18.67	20.42
Turtle Lake	26.30	26.84	26.34	27.26	26.69	25.04	21.47	21.27	22.71	23.43

**POLK COUNTY, WISCONSIN  
PROPERTY TAX RATES  
DIRECT AND OVERLAPPING GOVERNMENTS (CONTINUED)  
LAST TEN FISCAL YEARS**

	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
<b>Towns of:</b>										
Alden	\$ 18.00	\$ 17.22	\$ 16.50	\$ 16.59	\$ 15.94	\$ 15.19	\$ 15.74	\$ 15.94	\$ 16.94	\$ 18.33
Apple River	16.63	16.57	15.92	15.68	14.38	14.21	15.19	15.58	17.22	18.58
Balsam Lake	15.55	15.11	14.79	14.65	13.91	13.61	14.23	14.76	16.12	17.58
Beaver	16.82	16.87	16.69	16.88	15.64	14.79	14.73	15.46	16.43	17.79
Black Brook	19.01	18.38	17.59	17.67	16.18	15.77	17.10	17.25	18.99	20.13
Bone Lake	16.25	15.19	15.40	15.77	15.25	14.41	15.07	15.25	16.82	16.91
Clam Falls	19.75	21.25	19.27	18.98	19.00	19.24	18.07	17.78	20.05	21.50
Clayton	20.00	20.42	20.04	19.53	18.11	17.02	17.76	17.99	19.75	19.63
Clear Lake	18.89	18.42	17.51	17.25	14.95	15.08	17.83	18.11	19.92	21.20
Eureka	17.22	16.66	15.75	16.24	15.58	15.06	15.42	16.02	17.60	19.23
Farmington	18.10	17.41	16.59	16.69	16.09	15.12	15.11	15.32	15.85	17.67
Garfield	17.57	17.52	16.45	16.39	15.49	15.28	16.38	16.66	18.42	19.37
Georgetown	15.15	14.95	14.78	14.49	13.35	13.28	13.89	14.50	15.87	17.58
Johnstown	16.81	16.47	16.39	16.48	15.20	14.33	14.24	14.86	15.87	17.27
Laketown	17.29	16.38	16.75	17.26	16.59	15.65	16.31	16.81	18.22	18.49
Lincoln	17.02	16.81	16.37	16.29	15.36	15.17	16.55	16.84	18.86	19.73
Lorain	19.05	18.91	17.33	16.52	16.34	16.55	15.73	15.58	17.56	18.42
Luck	17.00	15.87	15.84	16.03	15.50	14.79	15.38	15.61	17.13	17.38
McKinley	18.21	17.50	17.83	18.37	16.87	15.91	16.58	16.84	18.37	19.18
Milltown	16.59	16.12	15.98	15.45	14.23	14.19	14.67	15.25	16.70	18.55
Osceola	17.18	16.48	15.66	15.83	15.37	14.54	14.71	14.99	15.79	17.26
St Croix Falls	18.22	17.21	16.22	15.94	15.27	14.81	15.50	16.11	17.49	18.91
Sterling	16.74	16.19	16.10	15.85	15.44	14.94	15.27	15.77	17.12	18.22
West Sweden	21.21	20.33	18.68	17.68	17.41	17.67	16.73	16.51	18.54	19.39

**Note:** The taxes shown for overlapping governments are the Full Value Rates - Gross. This rate is the total property tax divided by the full value of all taxable general property in the municipality, including tax increment financing districts. The total property tax includes state taxes and special charges, special purpose district taxes and school taxes (elementary, secondary, and technical college). It reflects the amount of surplus funds applied (if any) by a district to reduce any of the above mentioned apportionments or charges. It does not include special assessments and charges to individuals, delinquent taxes, omitted taxes, forest crop taxes, managed forest land or occupational taxes.

<sup>1</sup> Source: Town, Village, and City Taxes, Wisconsin Department of Revenue, Division of State and Local Finance, Bureau of Local Government Services.

**Source:** Polk County, Wisconsin Treasurer and Department of Administration.

**POLK COUNTY, WISCONSIN  
PRINCIPAL PROPERTY TAXPAYERS  
TAXES PAYABLE IN 2011 AND NINE YEARS AGO**

		2011				2002			
Taxpayer	Property Classification	Rank	Net Tax	Equalized Assessed Value	% of Total Equalized Assessed Values	Rank	Net Tax	Equalized Assessed Value	% of County Total Tax Capacity
Menards, Inc.	Commercial	1	\$ 232,720	\$ 10,713,900	0.3 %	-	\$ -	-	- %
Wal-Mart Real Estate Business Trust	Commercial	2	222,910	10,257,400	0.2	6	75,744	3,738,800	0.1
Cardinal Glass Industries	Commercial	3	192,378	7,599,200	0.2	5	78,016	3,344,900	0.1
Horst Rechebacher	Residential	4	120,823	5,598,200	0.1	2	116,429	5,818,100	0.2
Turtle Lake Properties, LLC	Manufacturing	5	103,865	4,818,900	0.1	-	-	-	-
Osceola Rentals LLC	Commercial	6	98,043	4,609,400	0.1	1	149,396	7,448,100	0.2
Polaris Industries, Inc.	Manufacturing	7	94,456	4,434,800	0.1	7	72,477	4,122,800	0.1
The RiverBank	Commercial	8	86,566	4,071,200	0.1	-	-	-	-
Dresser Trap Rock Inc.	Manufacturing	9	82,143	3,452,700	0.1	-	-	-	-
Amery Regional Medical Center	Commercial	10	77,324	3,116,200	0.1	-	-	-	-
Bamfam Family Limited Partnership	Commercial	-	-	-	-	3	102,502	5,059,500	0.2
Plastech Corporations	Manufacturing	-	-	-	-	4	86,754	3,719,500	0.1
Ronald L Anderson	Commercial	-	-	-	-	8	70,932	1,397,700	0.0
Northwire Inc	Manufacturing	-	-	-	-	9	61,532	3,067,700	0.1
Advanced Food Products	Manufacturing	-	-	-	-	10	60,777	3,138,200	0.1
<b>Totals</b>			<b>\$ 1,311,228</b>	<b>\$ 58,671,900</b>	<b>1.4 %</b>		<b>\$ 874,559</b>	<b>\$ 40,855,300</b>	<b>1.3 %</b>
Total Equalized Assessed Valuation				\$4,120,482,500				\$ 3,029,463,950	

**Source:** Polk County Treasurer's Office.

**Note:** Menards, Inc., Turtle Lake Properties, LLC, The RiverBank, Dresser Trap Rock Inc., and Amery Regional Medical Center were not in the top ten tax payers in 2002.



**POLK COUNTY, WISCONSIN  
PROPERTY TAX LEVIES AND COLLECTIONS  
LAST TEN FISCAL YEARS**

Fiscal Year Ended December 31	Tax Year Ended December 31	Total Tax Levy for Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections as of 12/31/2011	
			Amount	Percentage of Levy		Amount	Percentage of Levy
2002	2001	\$ 47,217,952	\$ 46,298,115	98.1 %	\$ 919,837	\$ 47,217,952	100.0 %
2003	2002	51,922,620	50,905,299	98.0	1,017,321	51,922,620	100.0
2004	2003	55,286,603	54,236,543	98.1	1,050,060	55,286,603	100.0
2005	2004	61,171,244	60,022,786	98.1	1,145,311	61,168,097	100.0
2006	2005	64,721,871	63,405,297	98.0	1,313,582	64,718,879	100.0
2007	2006	68,254,221	66,663,429	97.7	1,576,154	68,239,583	100.0
2008	2007	74,199,719	72,213,730	97.3	1,643,982	73,857,712	99.5
2009	2008	75,568,798	73,202,535	96.9	1,397,837	74,600,372	98.7
2010	2009	77,932,085	75,689,018	97.1	1,169,234	76,858,252	98.6
2011	2010	78,226,788	76,199,360	97.4	-	76,199,360	97.4

**Source:** Polk County, Wisconsin Treasurer's Office.

**Notes:** Since 2011 taxes are based on 2010 values, the collections in subsequent years will be zero due to the way the collection dates fall.

**POLK COUNTY, WISCONSIN**  
**RATIOS OF OUTSTANDING DEBT BY TYPE**  
**LAST TEN FISCAL YEARS**

Fiscal Year	Governmental Activities				Business-Type Activities				Total Primary Government	Personal Income	Percent of Personal Income	Population (a)
	General Obligation Bonds	General Obligation Notes	Capital Leases	Loans	General Obligation Notes	Capital Leases						
2002	\$28,520,000	\$ 54,754	\$ 43,551	\$ 365,844	\$ 1,162,211	\$ -		\$30,146,360	\$ 1,009,969,000	3.0 %	42,761	
2003	28,155,000	2,038,006	54,574	397,115	1,120,731	-		31,765,426	1,063,233,000	3.0	43,282	
2004	27,490,000	1,785,000	63,684	529,241	1,060,702	-		30,928,627	1,156,556,000	2.7	43,886	
2005	26,690,000	7,140,000	32,608	600,191	1,088,319	-		35,551,118	1,203,109,000	3.0	44,613	
2006	25,710,000	6,880,000	12,569	588,430	1,019,501	-		34,210,500	1,211,378,000	2.8	44,784	
2007	24,585,000	9,890,000	149,658	-	950,988	-		35,575,646	1,267,634,000	2.8	44,265	
2008	23,290,000	9,280,000	223,106	895,643	75,566	-		33,764,315	1,350,159,000	2.5	44,270	
2009	22,120,000	8,205,000	423,036	849,975	70,662	16,525		31,685,198	1,370,940,000	2.3	44,275	
2010	20,795,000	6,975,000	373,403	736,190	65,534	16,525		28,961,652	1,360,549,500	2.1	44,205	
2011	19,305,000	5,970,000	316,238	579,647	60,172	12,573		26,243,630	1,365,744,750 *	1.9	44,252	

**Source:** Polk County, Wisconsin Department of Administration.

**Note:** \* Indicates estimate based on the two previous years or percent change from prior year.

**POLK COUNTY, WISCONSIN**  
**RATIOS OF GENERAL BONDED DEBT OUTSTANDING**  
**LAST TEN FISCAL YEARS**

Fiscal Year	Outstanding Debt			Percentage of Estimated Actual Taxable Value (1) of Property	Personal Income	Percent of Personal Income	Population (a)	Debt Per Capita
	General Obligation Bonds	Less: Amounts Restricted to Repaying Principal	Total					
2002	\$ 28,520,000	\$ 211,000	\$28,309,000	1.0 %	\$1,009,969,000	2.8 %	42,309	\$ 669
2003	28,155,000	-	28,155,000	0.9	1,063,233,000	2.6	42,761	658
2004	27,490,000	8,048	27,481,952	0.8	1,156,556,000	2.4	43,282	635
2005	26,690,000	50,209	26,639,791	0.7	1,203,109,000	2.2	43,886	607
2006	25,710,000	59,321	25,650,679	0.6	1,211,378,000	2.1	44,613	575
2007	24,585,000	27,327	24,557,673	0.5	1,267,634,000	1.9	44,784	548
2008	23,290,000	128,144	23,161,856	0.5	1,350,159,000	1.7	44,265	523
2009	22,120,000	210,238	21,909,762	0.4	1,370,940,000	1.6	44,270	495
2010	20,795,000	210,238	20,584,762	0.4	1,360,549,500	1.5	44,205	466
2011	19,305,000	172,383	19,132,617	0.4	1,365,744,750 *	1.4	44,229	433

**Source:** Polk County, Wisconsin Department of Administration.

**Note:** (1) See the Schedule of Equalized Value of All Property by Assessment Class on page 88 for property value data.

\* Indicates estimate based on the two previous years or percent changes from prior year.

**POLK COUNTY, WISCONSIN  
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT  
DECEMBER 31, 2011**

Jurisdiction	Total	Applicable to	
	GO. Bonds	Polk County	
	Outstanding (1)	Percent (2)	Amount
Underlying Debt:			
Cities of:			
Amery	\$ 4,400,167	100.0 %	\$ 4,400,167
St. Croix Falls	5,668,957	100.0	5,668,957
Total Cities	10,069,124		10,069,124
Villages of:			
Balsam Lake	2,530,204	100.0	2,530,204
Centuria	1,015,849	100.0	1,015,849
Clayton	593,154	100.0	593,154
Clear Lake	704,908	100.0	704,908
Dresser	1,178,202	100.0	1,178,202
Frederic	1,438,371	100.0	1,438,371
Luck	399,282	100.0	399,282
Milltown	710,301	100.0	710,301
Osceola	4,531,491	100.0	4,531,491
Total Villages	13,101,762		13,101,762
Townships of:			
Balsam Lake	31,242	100.0	31,242
Clayton	17,382	100.0	17,382
Garfield	396,021	100.0	396,021
Georgetown	18,452	100.0	18,452
Luck	38,234	100.0	38,234
Milltown	244,550	100.0	244,550
Osceola	522,051	100.0	522,051
St. Croix Falls	173,573	100.0	173,573
Sterling	130,369	100.0	130,369
West Sweden	122,602	100.0	122,602
Total Townships	1,694,476		1,694,476

**POLK COUNTY, WISCONSIN  
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT (CONTINUED)  
DECEMBER 31, 2011**

Jurisdiction	Total GO. Bonds Outstanding (1)	Applicable to Polk County	
		Percent (2)	Amount
Underlying Debt:			
School Districts of:			
Amery	\$ 14,720,000	97.0 %	\$ 14,278,400
Clayton	1,490,000	71.0	1,057,900
Clear Lake	3,340,000	70.0	2,338,000
Cumberland	5,574,000	4.0	222,960
Frederic	3,940,000	72.0	2,836,800
Grantsburg	5,535,000	4.0	221,400
Luck	880,000	100.0	880,000
Osceola	13,590,000	94.0	12,774,600
St. Croix Falls	10,480,000	100.0	10,480,000
Turtle Lake	2,957,612	47.0	1,390,078
Unity	4,040,000	100.0	4,040,000
Total School Districts	66,546,612		50,520,138
Underlying Debt Subtotal:	91,411,974		75,385,500
Overlapping Debt:			
Direct Debt:			
Polk County	19,305,000	100.0	19,305,000
Overlapping Debt Subtotal:	19,305,000		19,305,000
Total	\$ 110,716,974		\$ 94,690,500

**Notes:** (1) Does not include Revenue Debt, Special Assessment Debt, Tax Increment Debt, or State Aid and Tax Anticipation Certificates.

(2) Determined by the portion of property subject to taxation in Polk County.

**Source:** Polk County, Wisconsin Department of Administration.

**POLK COUNTY, WISCONSIN  
COMPUTATION OF LEGAL DEBT LIMITATION  
DECEMBER 31, 2011**

	<u>Amount</u>	<u>Percent</u>
Total Taxable Market Value	\$ 4,544,946,600	
Debt limit- 5% of Total Market Value	227,247,330	100.0%
Amount of Debt Applicable to 5% Debt Limit: Total Bonded Debt	<u>\$ 25,596,402 *</u>	
Total Amount of Debt Applicable to Debt Limit	<u>25,596,402</u>	<u>11.26%</u>
<b>Legal Debt Margin</b>	<b><u>\$ 201,650,928</u></b>	<b><u>88.74%</u></b>

**Source:** Polk County, Wisconsin Department of Administration.

**Note:** \* For the purposes of this table the total bonded debt excludes the previously issued capital leases.

**POLK COUNTY, WISCONSIN  
DEMOGRAPHIC AND ECONOMIC STATISTICS  
LAST TEN FISCAL YEARS**

Fiscal Year	Population (a)	Per Capita		Area (Sq. Mi.) (d)	Density (Person/ Sq. Mi.)	Number of Households (a)	Unemployment Rate (c)
		Personal Income (b)	Personal Income (b)				
2002	42,761	\$ 1,009,969,000	\$ 23,619	960	45	22,049	6.4 %
2003	43,282	1,063,233,000	24,565	960	45	22,555	6.0
2004	43,886	1,156,556,000	26,354	960	46	23,056	5.1
2005	44,613	1,203,109,000	26,968	960	46	23,522	5.6
2006	44,784	1,211,378,000	27,049	960	47	23,980	5.7
2007	44,265	1,267,634,000	28,637	960	46	24,334	5.9
2008	44,270	1,350,159,000	30,498	960	46	24,298	7.3
2009	44,275	1,370,940,000	30,964	960	46	24,642	10.2
2010	44,205	1,360,549,500	30,778	960	46	24,248	7.9
2011	44,135 *	1,350,237,751 *	30,593 *	960	46	24,642	7.8

**Sources:** (a) Polk County, Wisconsin Department of Administration.

(b) U.S. Census.

(c) Bureau of Economic Analysis.

(d) U.S. Department of Labor - Bureau of Labor Statistics.

\* Indicates estimates based on the two previous years or percent change from prior year.

**POLK COUNTY, WISCONSIN  
PRINCIPAL EMPLOYERS  
CURRENT YEAR AND NINE YEARS AGO**

<b>Employer</b>	<b>Fiscal Year 2011 (a)(b)</b>		<b>Fiscal Year 2002 (a) (b)</b>	
	<b>Employees</b>	<b>% of Total County Employment</b>	<b>Employees</b>	<b>% of Total County Employment</b>
Amery Regional Medical Center	500	3.4 %	237	1.6 %
St. Croix Regional Medical Center	495	3.4	402	2.8
Wal-Mart	366	2.5	200	1.4
Trollhaugen Inc.	356	2.4	-	-
Osceola Medical Center	341	2.3	-	-
Northwire Inc.	175	1.2	-	-
Tenere Inc.	150	1.0	100	0.7
Polaris Industries Mfg	140	1.0	718	5.0
Menards	134	0.9	-	-
Durex Products	123	0.8	128	0.9
Bishop Fixture & Millwork Inc.	103	0.7	-	-
	<b>2,883</b>	<b>19.7 %</b>	<b>1,785</b>	<b>12.4 %</b>

**Source: (a)** Department of Administration.

**(b)** Wisconsin Department of Employment and Economic Development.



**POLK COUNTY, WISCONSIN  
EMPLOYEES BY FUNCTION  
LAST TEN FISCAL YEARS**

<b>Fiscal Year</b>	<b>General Government</b>	<b>Public Safety</b>	<b>Highways and Streets</b>	<b>Health and Welfare</b>	<b>Culture and Recreation</b>	<b>Total</b>
2002	-	-	-	-	-	-
2003	-	-	-	-	-	-
2004	58	74	39	142	25	338
2005	60	79	39	139	22	339
2006	64	84	39	138	21	346
2007	64	81	39	132	26	342
2008	67	77	38	135	26	343
2009	66	80	38	132	28	345
2010	65	77	37	128	27	334
2011	67	76	36	119	28	326

**Source:** Polk County, Wisconsin Department of Administration; Adopted Budget.

**Note:** Employee count is based on authorized Full-Time Equivalent (FTE) positions.  
Information for 2002-2003 is not available due to County switch to ABRA payroll system.

**POLK COUNTY, WISCONSIN  
OPERATING INDICATORS BY FUNCTION  
LAST TEN FISCAL YEARS**

	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
<b>General Government</b>										
Number of Cities	2	2	2	2	2	2	2	2	2	2
Number of Towns	24	24	24	24	24	24	24	24	24	24
Number of Villages	10	10	10	10	10	10	10	10	10	10
<b>Public Safety</b>										
Number of Stations	1	1	1	1	1	1	1	1	1	1
Number of Licensed Deputies	26	26	26	26	26	27	27	27	27	27
<b>Highways and Streets</b>										
Miles of County Roads:										
Bituminous	330.85	330.85	330.85	330.85	330.85	330.85	329.77	329.77	329.77	329.77
<b>Culture and Recreation</b>										
Number of County Parks	5	5	5	5	5	5	5	5	5	5
Number of State Parks	1	1	1	1	1	2	2	2	2	2
Number of Branch Libraries	10	10	10	10	10	10	10	10	10	10
Number of Items Available to Citizens	192,690	195,305	199,344	203,169	204,880	206,218	224,496	226,116	236,289	236,289

**Source:** Polk County, Wisconsin Government Center.

**POLK COUNTY, WISCONSIN  
CAPITAL ASSET STATISTICS BY FUNCTION  
LAST TEN FISCAL YEARS**

	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
<b>Public Safety</b>										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol Units	15	18	18	18	18	18	18	18	18	18
<b>Highways and Streets</b>										
Streets (Miles)	330.85	330.85	330.85	330.85	330.85	330.85	329.77	329.77	329.77	329.77
<b>Culture and Recreation</b>										
Parks Acreage	220	220	220	220	220	220	220	220	220	220
County Parks	5	5	5	5	5	5	5	5	5	5

**Source:** Polk County, Wisconsin Government Center.