

IOWA COUNTY, WISCONSIN

FINANCIAL STATEMENTS

Including Independent Auditor's Report

As of and for the year ended December 31, 2014

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IOWA COUNTY, WISCONSIN
DECEMBER 31, 2014
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INDEPENDENT AUDITOR'S REPORT

To the County Board
County of Iowa, Wisconsin

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund and the aggregate remaining fund information of Iowa County, Wisconsin ("County"), as of and for the year ended December 31, 2014, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the County, as of December 31, 2014, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 4 through 17 and 59 through 60 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.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Iowa County, Wisconsin's basic financial statements. The combining and individual nonmajor 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 nonmajor 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 basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The per capita costs and daily rate schedules for Bloomfield Healthcare and Rehabilitation Center have 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 them.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we will also issue a report on our consideration of Iowa County, Wisconsin's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of the testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering Iowa County, Wisconsin's internal control over financial reporting and compliance.

Johnson Block and Company, Inc.

Johnson Block & Company, Inc.

Mineral Point, WI
September 30, 2015

IOWA COUNTY, WISCONSIN
Management Discussion and Analysis
December 31, 2014

As management of Iowa County, we offer readers of the County's basic financial statements this narrative overview and analysis of the financial activities of the County for the fiscal year ended December 31, 2014. This section should be read in conjunction with the financial statements and the accompanying notes that follow. It should also be noted that the information contained herein will provide information on both the governmental operations and the business-type activities of the County. Comparison to prior year data has been provided for all key financial information.

Financial Highlights

- The assets of the County exceeded its liabilities as of December 31, 2013 by \$73,525,109 (net position). Of this amount, \$10,731,566 (unrestricted net position) may be used to meet the County's ongoing obligations to citizens and creditors.
- The County's total net position increased by \$3,617,059. The following factors contributed to the overall increase:
 - Increase in Current Assets by \$1,870,675.
 - Increase in capital assets by \$4,105,898 and an increase in accumulated depreciation of 3,041,879 for an overall increase in noncurrent assets of \$1,064,019.
 - Increase in current liabilities for payables, deferred revenue and current portion of long term debt by \$671,913 and a decrease in long-term liabilities of \$1,296,675.
 - The County return on investments held steady between 2014 and 2013 with an average interest rate of one quarter of a percent for the year.
 - Cash was used to purchase additional capital assets. The County replaced three vehicles in the sheriff's department, purchased three computers for sheriff's department squad vehicles, replaced the auxiliary power source at the Sheriff's Department, replaced windows at the courthouse location, and completed building additional hangars at the Iowa County Airport.
- The property tax rate increased .94% for the year ended December 31, 2014 compared to the property tax rate for the year ended December 31, 2013. The 2014 property tax rate was \$5.635431 per \$1,000 of equalized valuation compared to the 2013 property tax rate of \$5.582822 per \$1,000 of equalized valuation. The actual levy increased \$52,664 or .5% over the prior year's levy. The actual operating levy increased \$49,573 and the debt payments increased \$3,091. The County's equalized value decreased \$7,426,200 or -.4134% from 2013. The combinations of these factors resulted in an increase to the property tax rate.
- As of December 31, 2014, the County's governmental funds reported combined ending fund balances of \$12,831,558, an increase of \$ 163,335 from the prior year.
- As of December 31, 2014, unassigned fund balance for the general fund was \$5,751,730, or approximately 70.0% of total general fund expenditures.

IOWA COUNTY, WISCONSIN
Management Discussion and Analysis
December 31, 2014

Overview of the Basic Financial Statements

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

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

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

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

Both of the government-wide financial statements distinguish functions of Iowa 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 facilities; public works, health and human services; education and leisure; and conservation and development. The business-type activities of the County include the Highway operations and Bloomfield Healthcare and Rehabilitation Center.

The government-wide financial statements include not only Iowa County itself (known as the *primary government*), but also Cobb-Highland Recreation Commission a component unit of the County which the County is financially accountable. Financial information for the *component unit* is reported separately from the financial information presented for the primary government itself.

The government-wide financial statements can be found on pages 18-20 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. Iowa County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the County can be divided into three categories: governmental funds, proprietary funds and fiduciary funds.

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

It is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better

IOWA COUNTY, WISCONSIN
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understand the long-term impact of the County's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

Iowa County maintains 12 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, social services fund, and real estate reduction fund, all of which are considered to be major funds. The special revenue fund including aging and disability resource center, child support, CDBG revolving loan, Drug Task Force, Iowa County airport, Tri-County airport, Unified Community Services, dog license, and Wisconsin River Rail Transit are considered non-major governmental funds and are reported together in other governmental funds column in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances.

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

The basic governmental fund financial statements can be found on pages 21-24 of this report.

Proprietary funds. Iowa County maintains one type 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 Bloomfield Healthcare and Rehabilitation Center, and Highway Department operations.

Proprietary funds provide the same type of information as the government-wide financial statements but in greater detail. The proprietary fund financial statements provide separate information for Bloomfield Healthcare and Rehabilitation Center, and Highway Department operations; all of which are considered to be major funds of the County.

The basic proprietary fund financial statements can be found on pages 25-29 of this report.

Notes to the basic financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the basic financial statements can be found on pages 31-58 of this report.

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Government-wide Financial Analysis

Net Position. As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the County, assets exceeded liabilities by \$73,525,109 at the close of 2014.

| | Governmental Activities | | Business-Type Activities | | Total | |
|---|-------------------------|------------|--------------------------|------------|------------|------------|
| | 2014 | 2013 | 2014 | 2013 | 2014 | 2013 |
| Current assets | 21,832,922 | 22,081,499 | 6,160,724 | 4,041,472 | 27,993,646 | 26,122,971 |
| Restricted Assets | | | 689,322 | 693,369 | 689,322 | 693,369 |
| Unamortized Bond Issues Costs | | | | | | |
| Loan due from other governmental units | 5,396 | 6,744 | | | 5,396 | 6,744 |
| Capital assets net of Accumulated Depreciation | 57,321,181 | 56,021,404 | 5,133,949 | 5,369,707 | 62,455,130 | 61,391,111 |
| Total assets | 79,159,499 | 78,109,647 | 11,983,995 | 10,104,548 | 91,143,494 | 88,214,195 |
| Current Liabilities | 1,828,826 | 1,612,299 | 1,149,542 | 694,156 | 2,978,368 | 2,306,455 |
| Long-term Liabilities outstanding | 3,701,861 | 4,610,648 | 426,513 | 814,401 | 4,128,374 | 5,425,049 |
| Total Liabilities | 5,530,687 | 6,222,947 | 1,576,055 | 1,508,557 | 7,106,742 | 7,731,504 |
| Deferred Inflows of Resources | 7,880,714 | 8,017,439 | 2,630,929 | 2,557,202 | 10,511,643 | 10,574,641 |
| Net Position: | | | | | | |
| Invested in capital assets, net of related debt | 53,560,206 | 51,660,246 | 5,133,949 | 5,369,707 | 58,694,155 | 57,029,953 |
| Restricted | 3,417,051 | 3,254,433 | 689,322 | 693,369 | 4,106,373 | 3,947,802 |
| Unrestricted | 8,770,841 | 8,954,582 | 1,953,740 | (24,287) | 10,724,581 | 8,930,295 |
| Total Net Position | 65,748,098 | 63,869,261 | 7,777,011 | 6,038,789 | 73,525,109 | 69,908,050 |
| Total Liabilities, Deferred Inflows of Resources and Net Position | 79,159,499 | 78,109,647 | 11,983,995 | 10,104,548 | 91,143,494 | 88,214,195 |

By far the largest portion of the County's net position (79.8%) reflects its investment in capital assets (e.g. land, buildings, machinery and equipment, infrastructure, etc.); less any related debt used to acquire those assets that is still outstanding. The County uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although the County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the County's net position (5.6%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of *unrestricted net position* in the amount of \$10,724,581 may be used to meet the County's ongoing obligations to citizens and creditors.

At the end of the current fiscal year, Iowa County is able to report positive balances in all three categories of net assets, both for the government as a whole, as well as for its separate governmental and business-type activities.

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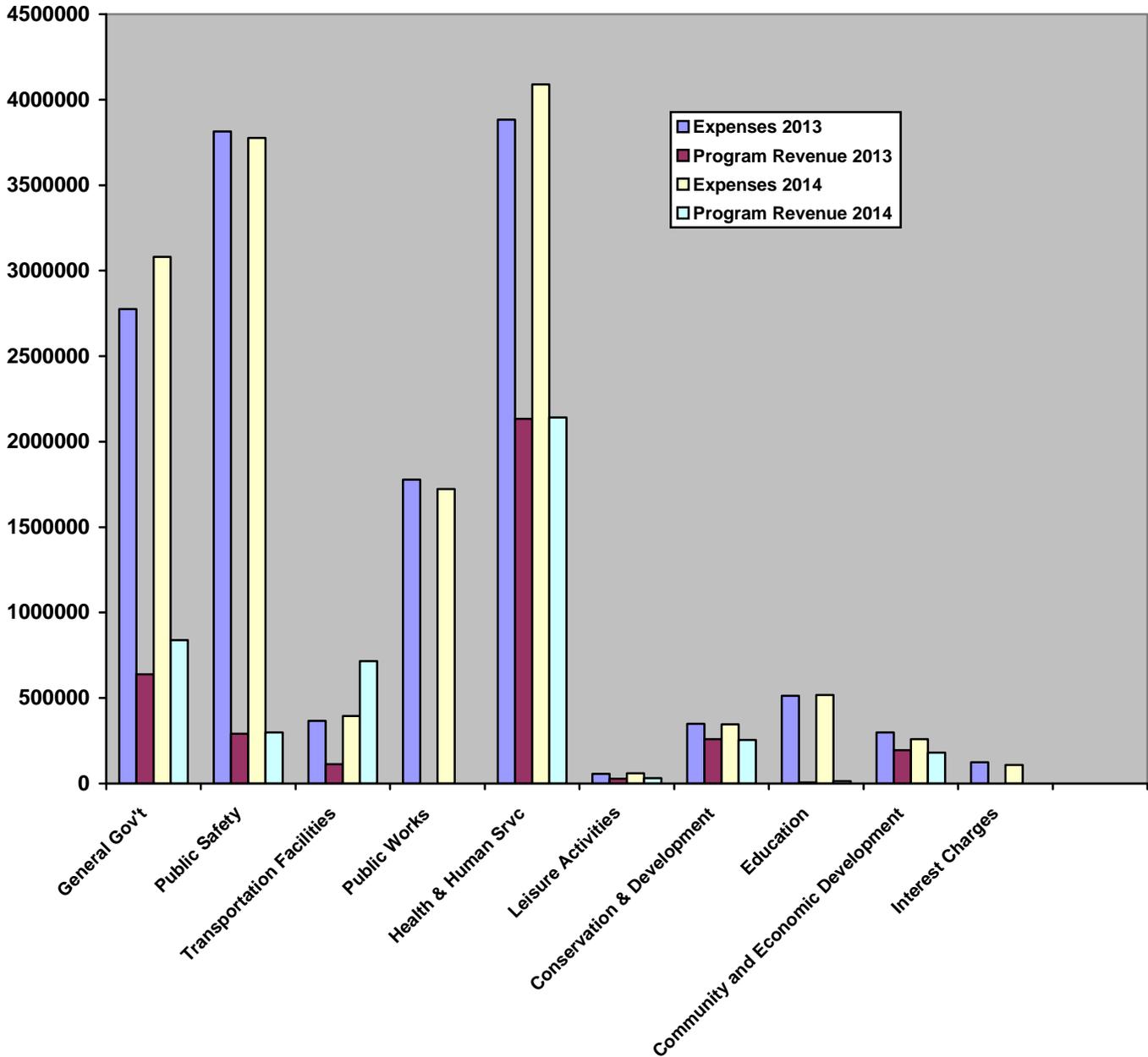
| Iowa County's Change in Net Assets | | | | | | |
|---|----------------------------|-------------------|-----------------------------|-------------------|-------------------|-------------------|
| | Governmental Activities | | Business-type Activities | | Total | |
| | 2014 | 2013 | 2014 | 2013 | 2014 | 2013 |
| Revenues: | | | | | | |
| Program revenues: | | | | | | |
| Charges for services and fees, fines and costs | 1,081,911 | 1,123,575 | 8,113,823 | 7,712,983 | 9,195,734 | 8,836,558 |
| Operating grants and contributions | 2,765,756 | 2,539,050 | 1,742,474 | 1,924,679 | 4,508,230 | 4,463,729 |
| Capital Grants and contributions | 2,906,537 | 7,205 | | | 2,906,537 | 7,205 |
| General revenues: | | | | | | |
| Property taxes | 7,809,409 | 7,774,012 | 2,557,202 | 2,536,467 | 10,366,611 | 10,310,479 |
| Other Taxes | 2,025,910 | 1,919,107 | | | 2,025,910 | 1,919,107 |
| Grants and contributions not restricted to specific programs | 382,840 | 369,011 | | | 382,840 | 369,011 |
| Unrestricted Interest & Investment | 41,208 | 41,617 | | | 41,208 | 41,617 |
| Other | 1,400,285 | 723,881 | (521) | (18,787) | 1,399,764 | 705,094 |
| Total revenues | 18,413,856 | 14,497,458 | 12,412,978 | 12,155,342 | 30,826,834 | 26,652,800 |
| Expenses: | | | | | | |
| General Government | 3,079,991 | 2,775,284 | | | 3,079,991 | 2,775,284 |
| Public Safety | 3,776,428 | 3,814,500 | | | 3,776,428 | 3,814,500 |
| Transportation facilities | 394,215 | 366,341 | | | 394,215 | 366,341 |
| Public Works | 1,861,914 | 1,777,390 | | | 1,861,914 | 1,777,390 |
| Health & Human services | 4,089,623 | 3,883,025 | 5,876,584 | 6,314,805 | 9,966,207 | 10,197,830 |
| Leisure activities | 59,033 | 55,974 | | | 59,033 | 55,974 |
| Conservation and development | 346,583 | 350,004 | | | 346,583 | 350,004 |
| Education | 517,206 | 512,172 | | | 517,206 | 512,172 |
| Community and economic dev. | 259,888 | 298,565 | | | 259,888 | 298,565 |
| Interest on long-term debt | 108,442 | 123,604 | | | 108,442 | 123,604 |
| Highway | | | 6,839,868 | 6,814,462 | 6,839,868 | 6,814,462 |
| Total Expenses | 14,493,323 | 13,956,859 | 12,716,452 | 13,129,267 | 27,209,775 | 27,086,126 |
| Increase (Decrease) in net position before transfers | 3,920,533 | 540,599 | (303,474) | (973,925) | 3,617,059 | (433,326) |
| Transfers | (2,041,696) | (428,250) | 2,041,696 | 428,250 | | |
| Increase (Decrease) in net position | 1,878,837 | 112,349 | 1,738,222 | (545,675) | 3,617,059 | (433,326) |
| Net position – January 1 | 63,869,261 | 63,756,912 | 6,038,789 | 6,584,464 | 69,908,050 | 70,341,376 |
| Net position – December 31 | 65,748,098 | 63,869,261 | 7,777,011 | 6,038,789 | 73,525,109 | 69,908,050 |

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Governmental Activities: Governmental activities increased the County’s net position by \$1,878,837 and the business type activities increased the County’s net position by \$1,738,222. Key elements of this increase/decrease are as follows:

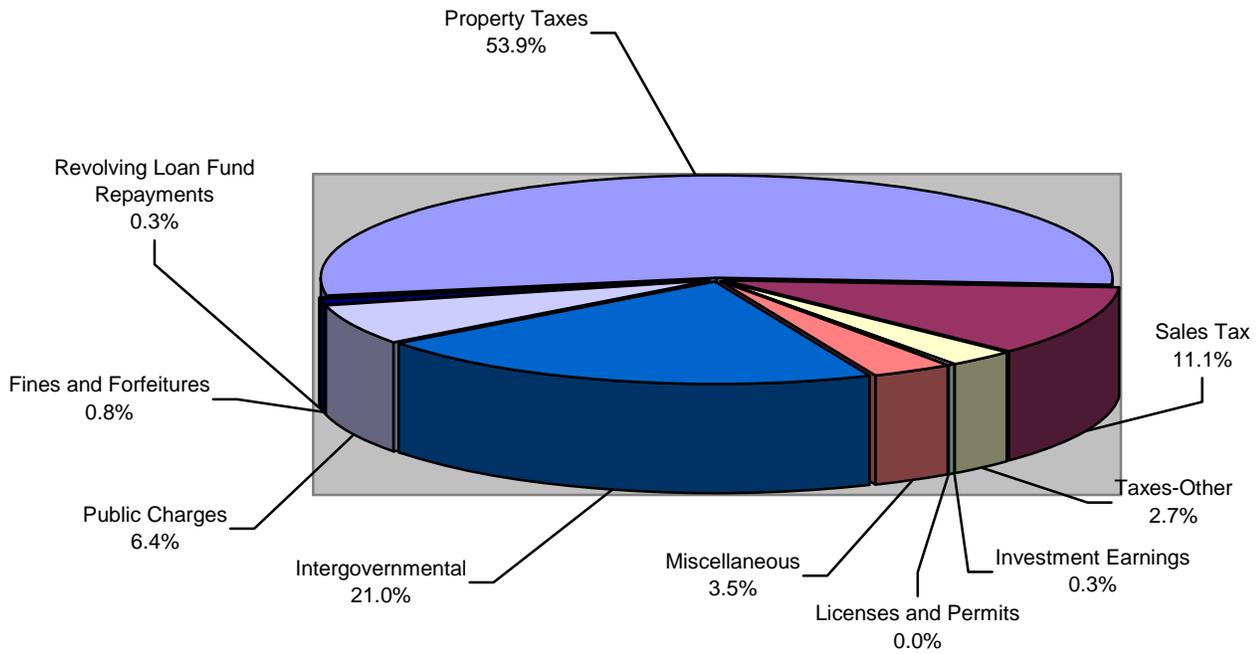
- Transfer of Funds between the governmental activities and business type activities
- Decrease in cost in business type activities.
- Increase in Health and Human Services program areas in the governmental activities.

Expenses and Program Revenues – Governmental Funds



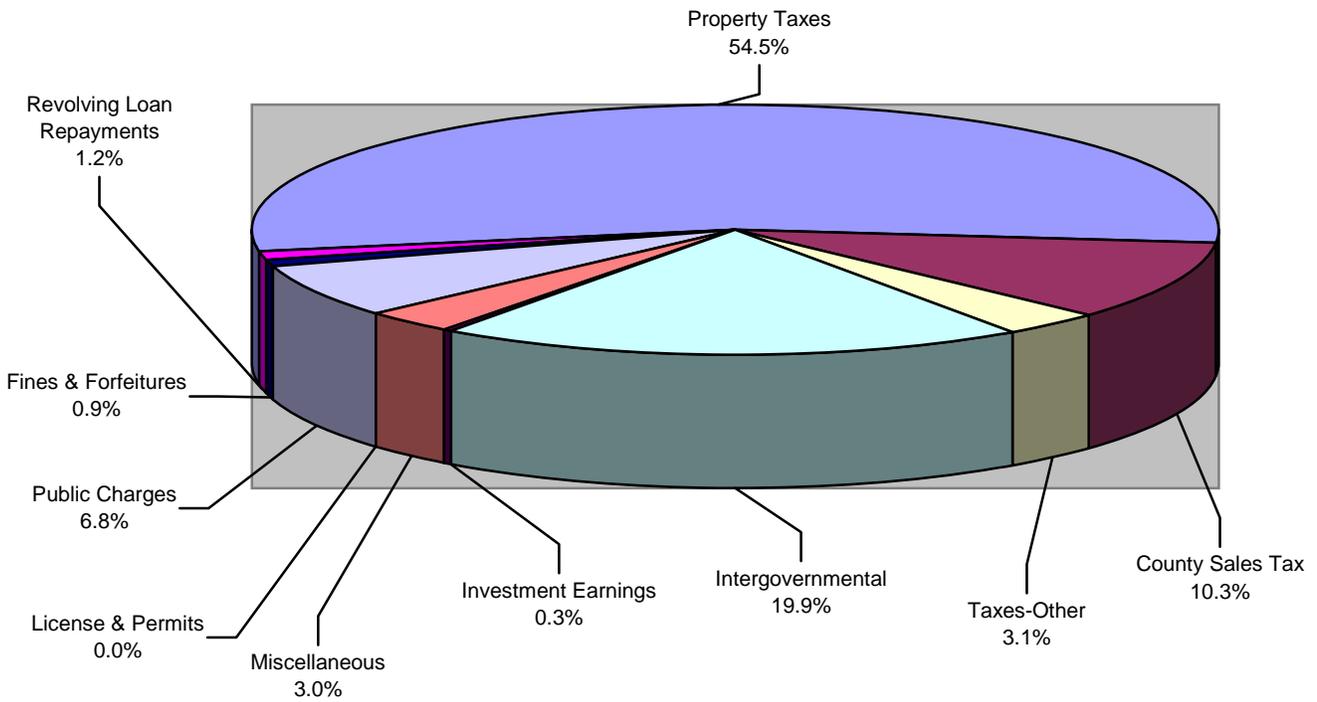
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2014 Revenues by Source-Governmental Funds



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2013 Revenues by Source-Governmental Funds

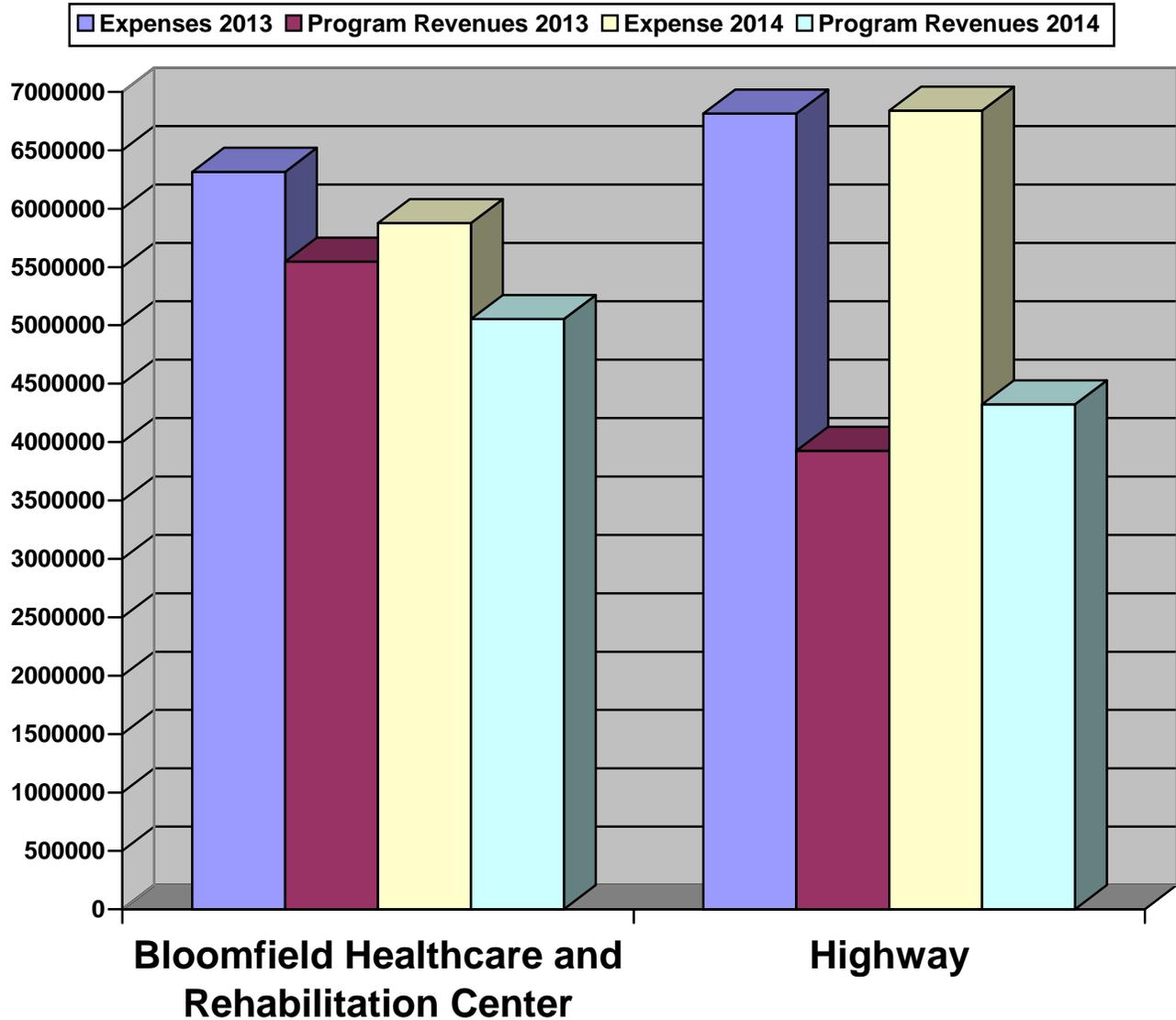


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Business-type activities: Business-type activities increased Iowa County’s net position by \$1,738,222. Key elements of this increase are as follows:

- Operating expenditures for the Highway Department increased \$25,406.
- Operating expenditures for Bloomfield Healthcare and Rehabilitation Center decreased \$438,221.
- Operating revenues for the Highway Department increased \$539,422.
- Operating revenues for Bloomfield Healthcare and Rehabilitation Center increased \$27,114.
- Property tax revenue for the business type activities increased \$20,735.

Expenses and Program Revenues – Business-type Activities

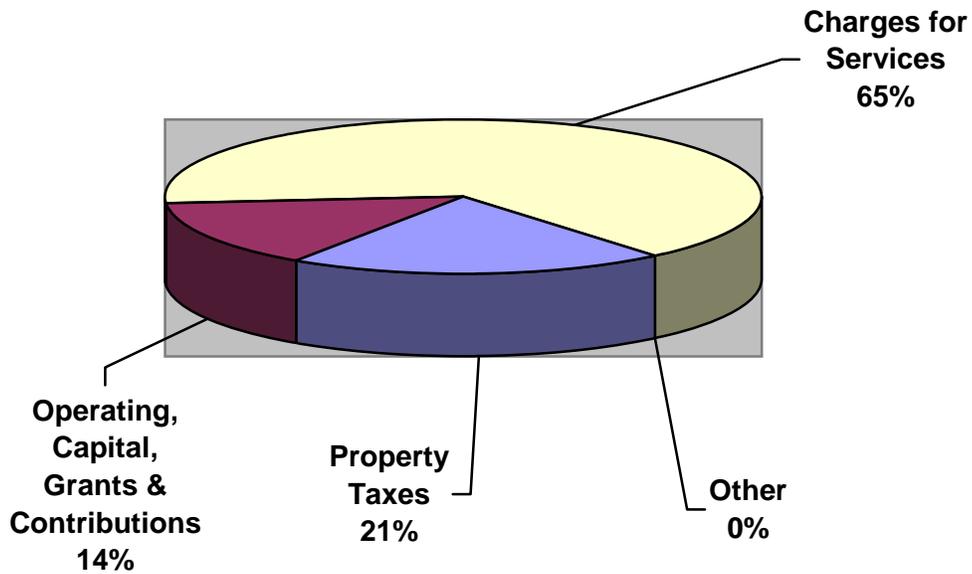


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**2013 Revenues by Source-
Business type Activites**



**2014 Revenues by Source-
Business type Activites**



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Financial Analysis of the Iowa County's Funds

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

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

As of December 31, 2014, the County's governmental funds reported combined ending fund balances of \$12,831,558, an increase of \$163,335 from the prior year. Of the combined ending fund balance, \$5,751,730 or 45% constitutes *unassigned fund balance* that is available for spending at the County's discretion and \$2,032,037 or 16% constitutes *assigned fund balance* that reflects the government's intended use of resources. Of the combined ending fund balance, \$1,162,995 or 9% constitutes total *nonspendable* fund balance that is not available for new spending as it is set aside for delinquent taxes, prepaid items, and Iowa County Airport inventories. The remainder of fund balance \$3,884,796 or 30% is *restricted* to indicate that it is not available for new spending because it has already been committed for the following purposes: 1) County Clerk election grant \$2,875; 2) Register of Deeds – redaction project \$40,568; 3) Land Records retained fees \$75,358; 4) Land Records public access fees \$82,608; 5) Donations – Dare program \$2,264; 6) Bio-Terrorism grant \$21,315; 7) Medication Roundup Donations \$180; 8) Farm Safety Days \$670; 9) UW Extension pesticide program \$6,222; 10) UW Extension clean sweep grant \$628; 11) UW Extension corporate grant \$13,389; 12) Veterans Donations \$3,750; 13) Rezoning Conversion Fees \$9,700; 14) Land Conservation Donations \$2,235; 15) Land Conservation CRP/CREP \$7,396; 16) Social Services Fund \$358,814, 17) Social Services donor restricted \$9,742, 18) Capital Projects Fund for Jail Assessment \$66,411, 19) Aging Disability Resource Center \$103,073, 20) Child Support Fund \$56,217, 21) CDBG revolving loan funds \$415,549, 22) Real Estate Reduction Funds \$2,184,508, 23) Drug Task Force \$327,266, 24) Iowa County Airport \$3,779, 25) Unified Community Services \$89,279, and 26) dog license fees collected for the purpose of future related expenses in this area \$1,000. This information can be found on page 49 of the audit report.

The general fund is the chief operating fund of the County. At the end of the current year, unassigned fund balance of the general fund was \$5,751,730 while total fund balance reached \$8,112,705. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 70% of total general fund expenditures (an decrease of 10% from 2013), while total fund balance represents 97% of that same amount (an decrease of 10% from 2013).

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

Unrestricted net position for Bloomfield Healthcare and Rehabilitation Center and Highway Department operations were \$648,299 and \$1,305,441 respectively. Total decrease in unrestricted net position for Bloomfield Healthcare and Rehabilitation Center was \$139,766 and total increase in unrestricted net position for Highway operations was \$2,117,793.

Bloomfield Healthcare and Rehabilitation Center's operating revenues increased \$27,114 from 2013, or 1%. There was a decrease of 695 resident days for the year, and the daily average census for 2014 decreased to 59 from 61 in 2013. Per capita cost per day for 2014 was \$254.18 and for 2013 was \$268.66 which is a decrease of \$14.48 per day or 5%.

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Operating expenses decreased by \$438,221 or 7%.

Intergovernmental Transfer Program decreased 8% or \$39,900 to \$480,500 in 2014 from \$520,400 in 2013.

Highway net position increased \$2,024,377 to \$4,881,814.

General Fund Budgetary Highlights

Differences between the original General Fund budget and the final amended General Fund budget amounted to a \$1,197,340 increase in appropriations or 14.2% increase over the original budget. Differences can be briefly summarized as follows:

- Carryovers from 2014 to use for 2015 expenditures listed as restricted in the amount of \$269,158. This amount consists of revenues generated for a specific purpose and have not yet been spent and were carried forward to 2015.
- Some of the significant restricted carryovers are Land Records grants and fees \$157,966, Register of Deeds redaction project \$40,568, bio-terrorism grant \$21,315 and UW Extension grants \$20,239.
- There was \$675,270 in assigned funds that were carryovers from 2014 to 2015. Some of the significant assigned fund carryovers were Contingency \$605,318, Sheriff's Department – out of county prisoner fund \$33,350, Information System funds \$40,162, and Public Property maintenance \$203,203.
- Transfer from the general fund departments to other funds in the amount of \$2,072,934 and this includes a transfer to the Highway Department in the amount of \$2,041,695.

Please note that many of the carryovers continue for many years and are not fully expended the next year.

During the year, actual revenues exceeded revised budgeted revenues by \$539,090. The primary reasons for these variances are as follows:

- Intergovernmental exceeded budget by \$14,727
- Investment Earnings exceeded budget by \$4,300
- Property Taxes exceeded budget by \$113,513
- Other Taxes exceeded budget by \$83,854
- Charges for services exceeded budget by \$93,565
- Fines and forfeitures did not meet budget by \$2,605
- Miscellaneous revenue exceeded budget by \$226,526

Actual expenditures were less than the revised budgeted expenditures by \$1,386,636. As mentioned earlier, carryovers from 2013 to 2014 were not completely expended in 2014.

Capital Asset and Debt Administration

Capital Assets. Iowa County's investment in capital assets for its governmental and business-type activities as of December 31, 2014 amounts to \$62,455,130 (net of accumulated depreciation). This investment in capital assets including land, buildings, improvements, machinery and equipment, public domain infrastructure (highway and bridges), and construction in progress. The net decrease in the County's investment in capital assets for the current year was \$1,064,019 or 1.7% over last year.

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

Governmental activities:

- Replace windows in a portion of the historic courthouse building for a total cost of \$37,138.

IOWA COUNTY, WISCONSIN
Management Discussion and Analysis
December 31, 2014

- Replace computer equipment at the Sheriff’s Department for a total cost of \$12,954.
- Replace a server at the Courthouse for a total cost of \$20,549.
- Install auxiliary power supply at the Health and Human Services building for a total cost of \$5,250.
- Install auxiliary power supply at the Sheriff’s Department for a total cost of \$10,935.
- Purchased three vehicles for the Sheriff’s Department \$84,675.
- Complete the building of additional hangars at the Iowa County Airport for a total cost of \$623,841 which includes the federal and state funding for this project.

Business-type activities:

- The Highway Department and Bloomfield Healthcare and Rehabilitation Center purchased equipment and machinery in the amount of \$218,981.

| Iowa County’s Capital Assets (net of accumulated depreciation) | | | | | | |
|--|-------------------------|-------------------|--------------------------|------------------|-------------------|-------------------|
| | Governmental activities | | Business-type activities | | Totals | |
| | 2014 | 2013 | 2014 | 2013 | 2014 | 2013 |
| Land | 1,317,888 | 1,322,732 | 46,557 | 46,557 | 1,364,445 | 1,369,289 |
| Buildings & Improvements | 11,476,020 | 11,304,923 | 1,691,738 | 1,840,824 | 13,167,758 | 13,145,747 |
| Land Improvements | | | 265,688 | 278,339 | 265,688 | 278,339 |
| Machinery and Equipment | 944,721 | 978,478 | 3,129,966 | 3,203,987 | 4,074,687 | 4,182,465 |
| Infrastructure | 43,565,060 | 42,376,544 | | | 43,565,060 | 42,376,544 |
| Construction in progress | 17,492 | | | | 17,492 | 38,727 |
| Total | 57,321,181 | 56,021,404 | 5,133,949 | 5,369,707 | 62,455,130 | 61,391,111 |

Additional information on Iowa County’s capital assets can be found in Note (5) on pages 46-47 of this report.

Long-term debt: At the end of the current fiscal year, Iowa County had total general obligation debt outstanding of \$3,760,975 all of which was backed by the full faith of the County.

| Iowa County’s Outstanding Debt General Obligation Debt | | | | | | |
|--|-------------------------|--------------------|--------------------------|---------------|--------------------|--------------------|
| | Governmental activities | | Business-type activities | | Total | |
| | 2014 | 2013 | 2014 | 2012 | 2014 | 2013 |
| General obligation debt: | | | | | | |
| State Trust Fund Loan | 350,975 | 441,158 | | | 350,975 | 441,158 |
| General Obligation Bond Issue | 3,410,000 | 3,920,000 | | | 3,410,000 | 3,920,000 |
| Total | \$3,760,975 | \$4,361,158 | \$0.00 | \$0.00 | \$3,760,975 | \$4,361,158 |

IOWA COUNTY, WISCONSIN
Management Discussion and Analysis
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During the fiscal year, Iowa County's general obligation debt decreased by \$600,183. The decrease was due to scheduled loan payments that were made during 2014.

The County did receive a rating of A3 by Moody's Investors Service in January 2010. In April 2015 Moody's performed a rate review and upgraded the County's rating to Aa3 from the A1. In 2013 Moody's rating Counties Rating Summary prepared by Public Financial Management, Milwaukee, Wisconsin list Iowa County's Moody's Rating as A1.

Additional information on Iowa County's long-term debt can be found in Note 4 on pages 44-45 of this report.

Economic Factors and Next Year's Budgets and Rates

- Iowa County's unemployment rate is 4.3% for August 2015 and 4.6% as of the end of 2014. This compares to the State of Wisconsin's average unemployment rate not seasonally adjusted of 4.5% for August 2015 and 4.7% as of the end of 2014. The State of Wisconsin's seasonally adjusted rate was 4.5% for August as compared to the national average of 5.1%. Iowa County's rate variations are due mainly to the seasonal nature of agriculture and Lands End. Lands End, continues to be the largest employer in Iowa County. Lands End, employs people from Iowa County and the surrounding counties.
- Iowa County saw a slight decrease in the 2013 equalized valuation and overall there has been a decline in the growth of equalized valuation of property beginning in 2008.

All of these factors were considered in preparing the County's budget for the 2015 fiscal year.

Previously limits had been imposed on 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 revenue and transportation aids. This limit was lifted by the State of Wisconsin for all municipalities beginning for 2012 and going forward. The State of Wisconsin also imposed a levy limit on all Counties and the increase to the levy is based on the net new construction growth percentage or 0.00% growth whichever is higher.

With the adoption of the budget for 2015, the County's operating rate of \$5.33 and the debt service levy was \$0.41. The County's operating and debt amount and rates for 2015 were at allowable amounts that could be levied.

Contacting the County's Financial Management

This financial report is designed to provide a general overview of the Iowa County's finances. Questions, concerning any of the information provided in this report or requests for additional information should be addressed to the Iowa County Finance Director, 222 North Iowa Street, Dodgeville, WI 53533.

A separate audit report is issued for the Cobb-Highland Recreation Commission (Blackhawk Lake Recreational Area) (component unit) and is available through the Iowa County Finance Department, 222 North Iowa Street, Dodgeville, WI 53533 and on the Iowa County, Wisconsin website: IowaCounty.org.

BASIC FINANCIAL STATEMENTS

Exhibit A-1
Iowa County, Wisconsin
Statement of Net Position
December 31, 2014

| | Governmental Activities | Business-Type Activities | Total | Component Unit |
|--|----------------------------|-----------------------------|----------------------|-------------------|
| ASSETS | | | | |
| Current assets: | | | | |
| Cash and cash equivalents | \$ 11,374,493 | \$ 601,323 | \$ 11,975,816 | \$ 233,039 |
| Receivables: | | | | |
| Taxes receivable | 9,059,489 | 2,630,929 | 11,690,418 | |
| Accounts receivable | 244,614 | 891,679 | 1,136,293 | 1,119 |
| Due from other governmental units | 643,001 | 959,695 | 1,602,696 | |
| Economic development loans | 143,417 | | 143,417 | |
| Unbilled revenue | | 64,862 | 64,862 | |
| Materials and supplies | 40,458 | 1,002,644 | 1,043,102 | |
| Prepaid expenses | 327,450 | 9,592 | 337,042 | |
| Total current assets | <u>21,832,922</u> | <u>6,160,724</u> | <u>27,993,646</u> | <u>234,158</u> |
| Restricted assets: | | | | |
| Cash and Investments | | 689,322 | 689,322 | |
| Noncurrent assets: | | | | |
| Capital assets | 130,667,021 | 17,485,679 | 148,152,700 | 1,038,136 |
| Less: accumulated depreciation | (73,345,840) | (12,351,730) | (85,697,570) | (531,684) |
| Total noncurrent assets | <u>57,321,181</u> | <u>5,133,949</u> | <u>62,455,130</u> | <u>506,452</u> |
| Other assets: | | | | |
| Loan due from other governmental units | 5,396 | | 5,396 | |
| Total other assets | <u>5,396</u> | | <u>5,396</u> | |
| Total assets | <u>\$ 79,159,499</u> | <u>\$ 11,983,995</u> | <u>\$ 91,143,494</u> | <u>\$ 740,610</u> |

Exhibit A-1 (Continued)
Iowa County, Wisconsin
Statement of Net Position
December 31, 2014

| | Governmental Activities | Business-Type Activities | Total | Component Unit |
|--|----------------------------|-----------------------------|---------------|-------------------|
| LIABILITIES | | | | |
| Current liabilities: | | | | |
| Accounts payable | \$ 200,523 | \$ 460,491 | \$ 661,014 | \$ 2,378 |
| Accrued payroll | 293,178 | 239,790 | 532,968 | 988 |
| Accrued interest payable | 56,046 | | 56,046 | |
| Due to other governments | 285,404 | 94,793 | 380,197 | 2,436 |
| Deposits | 257 | | 257 | |
| Payroll liabilities | | | | 3,820 |
| Unearned revenue | 16,705 | | 16,705 | 9,799 |
| Current portion of compensated absences | 359,203 | 354,468 | 713,671 | |
| Current portion of long-term debt | 617,510 | | 617,510 | |
| Total current liabilities | 1,828,826 | 1,149,542 | 2,978,368 | 19,421 |
| Noncurrent liabilities: | | | | |
| Compensated absences | 917,599 | 780,981 | 1,698,580 | |
| General obligation debt | 3,760,975 | | 3,760,975 | |
| Less: current portion | (976,713) | (354,468) | (1,331,181) | |
| Total noncurrent liabilities | 3,701,861 | 426,513 | 4,128,374 | |
| Total liabilities | 5,530,687 | 1,576,055 | 7,106,742 | 19,421 |
| DEFERRED INFLOWS OF RESOURCES | | | | |
| Deferred revenue | 7,880,714 | 2,630,929 | 10,511,643 | |
| Total deferred inflows of resources | 7,880,714 | 2,630,929 | 10,511,643 | |
| NET POSITION | | | | |
| Net investment in capital assets | 53,560,206 | 5,133,949 | 58,694,155 | 506,452 |
| Restricted | 3,417,051 | 689,322 | 4,106,373 | |
| Unrestricted | 8,770,841 | 1,953,740 | 10,724,581 | 214,737 |
| Total net position | 65,748,098 | 7,777,011 | 73,525,109 | 721,189 |
| Total liabilities, deferred inflows of resources and net position | \$ 79,159,499 | \$ 11,983,995 | \$ 91,143,494 | \$ 740,610 |

Exhibit A-2
Iowa County, Wisconsin
Statement of Activities
For the Year Ended December 31, 2014

| Functions/Programs | Program Revenues | | | | Net (Expenses) Revenue and Changes in Net Position | | | Component Unit Cobb-Highland Recreation Commission |
|--|------------------|-------------------------|--|--|---|--------------------------------|----------------|---|
| | Expenses | Charges for Services | Operating Grants and Contributions | Capital Grants and Contributions | Governmental Activities | Business Type Activities | Total | |
| Governmental activities: | | | | | | | | |
| General government | \$ 3,079,991 | \$ 509,262 | \$ 329,885 | \$ | \$ (2,240,844) | | \$ (2,240,844) | |
| Public safety | 3,776,428 | 199,516 | 92,709 | 7,454 | (3,476,749) | | (3,476,749) | |
| Transportation facilities | 394,215 | 91,902 | | 2,899,083 | 2,596,770 | | 2,596,770 | |
| Public works | 1,861,914 | | | | (1,861,914) | | (1,861,914) | |
| Health and human services | 4,089,623 | 91,126 | 2,051,016 | | (1,947,481) | | (1,947,481) | |
| Leisure activities | 59,033 | | 32,127 | | (26,906) | | (26,906) | |
| Conservation of natural resources | 346,583 | 288 | 254,925 | | (91,370) | | (91,370) | |
| Education | 517,206 | 8,969 | 5,094 | | (503,143) | | (503,143) | |
| Community and economic development | 259,888 | 180,848 | | | (79,040) | | (79,040) | |
| Interest and fiscal charges | 108,442 | | | | (108,442) | | (108,442) | |
| Total governmental activities | \$ 14,493,323 | \$ 1,081,911 | \$ 2,765,756 | \$ 2,906,537 | \$ (7,739,119) | | \$ (7,739,119) | |
| Business-type activities: | | | | | | | | |
| Bloomfield Health Care and Rehabilitation Center | 5,876,584 | 5,052,803 | 480,500 | | | (343,281) | (343,281) | |
| Highway | 6,839,868 | 3,061,020 | 1,261,974 | | | (2,516,874) | (2,516,874) | |
| Total business-type activities | 12,716,452 | 8,113,823 | 1,742,474 | | | (2,860,155) | (2,860,155) | |
| Total primary government | \$ 27,209,775 | \$ 9,195,734 | \$ 4,508,230 | \$ 2,906,537 | (7,739,119) | (2,860,155) | (10,599,274) | |
| Component Unit: | | | | | | | | |
| Cobb-Highland Recreation Commission | 377,778 | 399,769 | | | | | | 21,991 |
| Total component unit | 377,778 | 399,769 | | | | | | 21,991 |
| General revenues: | | | | | | | | |
| Property taxes | | | | | 7,809,409 | 2,557,202 | 10,366,611 | |
| Sales taxes | | | | | 1,626,416 | | 1,626,416 | |
| Other taxes | | | | | 399,494 | | 399,494 | |
| State aid not restricted for specific purposes | | | | | 382,840 | | 382,840 | |
| Interest and investment earnings | | | | | 41,208 | 3,051 | 44,259 | 448 |
| Gain (loss) on sale of capital assets | | | | | 201,730 | (9,573) | 192,157 | 1,886 |
| Grant proceeds | | | | | | | | 3,522 |
| Other revenue | | | | | 423,367 | 6,001 | 429,368 | 18,210 |
| Capitalized infrastructure costs | | | | | 775,188 | | 775,188 | |
| Transfers | | | | | (2,041,696) | 2,041,696 | | |
| Total general revenues | | | | | 9,617,956 | 4,598,377 | 14,216,333 | 24,066 |
| Changes in net position | | | | | 1,878,837 | 1,738,222 | 3,617,059 | 46,057 |
| Net position-beginning of year | | | | | 63,869,261 | 6,038,789 | 69,908,050 | 675,132 |
| Net position-end of year | | | | | \$ 65,748,098 | \$ 7,777,011 | \$ 73,525,109 | \$ 721,189 |

Exhibit A-3
Iowa County, Wisconsin
Balance Sheet
Governmental Funds
December 31, 2014

| | General | Social Services | Real Estate Tax Reduction | Capital Projects | Other Governmental Funds | Total Governmental Funds |
|--|----------------------|---------------------|---------------------------------|---------------------|--------------------------------|--------------------------------|
| ASSETS | | | | | | |
| Cash and cash equivalents | \$ 6,967,732 | \$ 337,049 | \$ 1,936,085 | \$ 1,151,251 | \$ 982,376 | \$ 11,374,493 |
| Receivables (net of allowances) | | | | | | |
| Current property taxes | 4,830,582 | 1,679,035 | | 912,024 | 532,516 | 7,954,157 |
| Accounts | 70,293 | 171,163 | | | 3,158 | 244,614 |
| Due from other governmental units | 311,376 | | 248,423 | | 83,202 | 643,001 |
| Delinquent property taxes | 1,030,486 | | | | | 1,030,486 |
| Tax deed | 74,846 | | | | | 74,846 |
| Economic development loans | | | | | 143,417 | 143,417 |
| Prepaid items | 327,450 | | | | | 327,450 |
| Inventories | | | | | 40,458 | 40,458 |
| Due from other funds | | | | | | |
| Loan due from other governmental units | 5,396 | | | | | 5,396 |
| Total assets | \$ 13,618,161 | \$ 2,187,247 | \$ 2,184,508 | \$ 2,063,275 | \$ 1,785,127 | \$ 21,838,318 |
| LIABILITIES | | | | | | |
| Accounts payable | \$ 99,311 | \$ 60,257 | | \$ 6,203 | \$ 34,752 | \$ 200,523 |
| Accrued payroll | 217,646 | 51,994 | | | 23,538 | 293,178 |
| Due to other governments | 253,879 | 20,745 | | | 10,780 | 285,404 |
| Due to other funds | | | | | | |
| Deposits | 257 | | | | | 257 |
| Unearned revenue | | 6,660 | | | 10,045 | 16,705 |
| Total liabilities | 571,093 | 139,656 | | 6,203 | 79,115 | 796,067 |
| DEFERRED INFLOWS OF RESOURCES | | | | | | |
| Deferred property tax revenue-current | 4,747,801 | 1,679,035 | | 912,024 | 532,516 | 7,871,376 |
| Deferred property tax revenue-delinquent | 186,562 | | | | | 186,562 |
| Deferred revenue-other | | | | | 152,755 | 152,755 |
| Total deferred inflows of resources | 4,934,363 | 1,679,035 | | 912,024 | 685,271 | 8,210,693 |
| FUND BALANCES | | | | | | |
| Nonspendable | 1,138,417 | | | | 24,578 | 1,162,995 |
| Restricted | 269,158 | 368,556 | 2,184,508 | 66,411 | 996,163 | 3,884,796 |
| Assigned | 953,400 | | | 1,078,637 | | 2,032,037 |
| Unassigned | 5,751,730 | | | | | 5,751,730 |
| Total fund balances | 8,112,705 | 368,556 | 2,184,508 | 1,145,048 | 1,020,741 | 12,831,558 |
| Total liabilities, deferred inflows of resources and net position | \$ 13,618,161 | \$ 2,187,247 | \$ 2,184,508 | \$ 2,063,275 | \$ 1,785,127 | \$ 21,838,318 |

Exhibit A-4
Iowa County, Wisconsin
Reconciliation of the Governmental Funds Balance Sheet
with the Statement of Net Position
December 31, 2014

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

| | | | |
|---|--|----|--------------|
| Total fund balances - governmental funds: | | \$ | 12,831,558 |
| Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in governmental funds: | | | |
| Infrastructure & Right of way assets | | | 109,789,683 |
| Accumulated depreciation | | | (65,376,668) |
| Other governmental capital assets | | | 20,877,338 |
| Accumulated depreciation | | | (7,969,172) |
| | | | 12,908,166 |
| Other long-term assets are not available to pay for current period expenditures and therefore are deferred in the funds: | | | |
| Delinquent property taxes | | | 186,562 |
| Long term development loans | | | 143,417 |
| | | | 329,979 |
| Long term liabilities, including bonds and notes payable, are not due in the current period and therefore are not reported in the fund statements: | | | |
| General obligation bonds and notes | | | 3,760,975 |
| Accrued interest | | | 56,046 |
| Compensated absences | | | 917,599 |
| | | | (4,734,620) |
| Total net position - governmental activities | | \$ | 65,748,098 |

Exhibit A-5
Iowa County, Wisconsin
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2014

| | General | Social Services | Real Estate Tax Reduction | Capital Projects | Other Governmental Funds | Total Governmental Funds |
|--|---------------------|--------------------|---------------------------------|---------------------|--------------------------------|--------------------------------|
| REVENUES | | | | | | |
| Taxes | | | | | | |
| Property | \$ 4,863,617 | \$ 1,622,307 | | \$ 904,428 | \$ 534,292 | \$ 7,924,644 |
| Sales | | | 1,625,616 | | | 1,625,616 |
| Other | 399,494 | | | | | 399,494 |
| Intergovernmental | 1,159,466 | 1,232,165 | | | 700,736 | 3,092,367 |
| Charges for services | 757,293 | 46,869 | | | 132,928 | 937,090 |
| Fines and forfeitures | 123,105 | | | | | 123,105 |
| Investment earnings | 34,300 | | | | 6,865 | 41,165 |
| Revolving loan repayments | | | | | 5,094 | 5,094 |
| Miscellaneous | 420,724 | 2,421 | | | 90,681 | 513,826 |
| Total revenues | 7,757,999 | 2,903,762 | 1,625,616 | 904,428 | 1,470,596 | 14,662,401 |
| EXPENDITURES | | | | | | |
| Current: | | | | | | |
| General government | 3,011,359 | | | | | 3,011,359 |
| Public safety | 3,417,616 | | | | 62,019 | 3,479,635 |
| Transportation facilities | | | | | 182,813 | 182,813 |
| Health and human services | 669,649 | 2,159,376 | | | 1,034,569 | 3,863,594 |
| Leisure activities | 59,033 | | | | | 59,033 |
| Conservation of natural resources | 349,200 | | | | | 349,200 |
| Education | 518,107 | | | | | 518,107 |
| Community and Economic development | 220,693 | | | | 28,054 | 248,747 |
| Capital outlay | 4,200 | | | 255,042 | | 259,242 |
| Debt service: | | | | | | |
| Principal | | | | 600,183 | | 600,183 |
| Interest | | | | 114,887 | | 114,887 |
| Total expenditures | 8,249,857 | 2,159,376 | | 970,112 | 1,307,455 | 12,686,800 |
| Excess (deficiency) of revenues over expenditures | (491,858) | 744,386 | 1,625,616 | (65,684) | 163,141 | 1,975,601 |
| OTHER FINANCING SOURCES (USES) | | | | | | |
| Proceeds from sale of capital assets | | | | 212,550 | | 212,550 |
| Transfers in | 2,335,014 | | | 31,239 | | 2,366,253 |
| Transfers (out) | (2,072,934) | (744,968) | (1,452,000) | | (121,167) | (4,391,069) |
| Net change in fund balances | (229,778) | (582) | 173,616 | 178,105 | 41,974 | 163,335 |
| Fund balance-beginning of year | 8,342,483 | 369,138 | 2,010,892 | 966,943 | 978,767 | 12,668,223 |
| Fund balance-end of year | \$ 8,112,705 | \$ 368,556 | \$ 2,184,508 | \$ 1,145,048 | \$ 1,020,741 | \$ 12,831,558 |

Exhibit A-6
Iowa County, Wisconsin
Reconciliation of Statement of Revenues, Expenditures and Changes
in Fund Balance of Governmental Funds to the Statement of Activities
For the Year Ended December 31, 2014

| | | |
|---|--------------------|-------------------------|
| Net change in fund balances-total governmental funds | \$ | 163,335 |
| Amounts reported for governmental activities in the statement of activities are different because: | | |
| The acquisition of capital assets are reported in the governmental funds as expenditures. However, for governmental activities those costs are shown in the statement of net position and allocated over their estimated useful lives as annual depreciation expenses in the statement of activities. | | |
| Capital outlay reported in governmental fund statements | 858,366 | |
| Capitalized infrastructure costs | 3,233,358 | |
| Depreciation expenses reported in the statement of activities | <u>(2,743,987)</u> | |
| Amount by which capital outlays are greater (less) than depreciation in the current period. | | 1,347,737 |
| The county sold property resulting in a reduction of capital assets and recapture of prior year depreciation expense and has no affect on the governmental funds balance sheet. | | |
| The value of capital assets disposed of during the year was: | (136,437) | |
| The amount of depreciation recapture for the year was: | <u>88,477</u> | |
| The difference in the value of assets net of recaptured depreciation | | (47,960) |
| Internal service fund gain (loss) | | (24,669) |
| Repayment of principal on long-term debt is reported in the governmental funds as an expenditure, but is reported as a reduction in long-term debt in the statement of net position and does not affect the statement of activities | | 600,183 |
| Compensated absences are reported in the governmental funds when amounts are paid. The statement of activities reports the amount earned during the year. The difference between the amount paid and earned was: | | (47,628) |
| Repayment of CDBG economic development loans is reflected as revenues in governmental funds, but is reported as a reduction of CDBG economic development loans receivable in the statement of net position and does not affect the statement of activities | | (5,094) |
| In governmental funds, interest payments on outstanding debt are reported as an expenditure when paid. In the statement of activities, interest is reported as incurred. | | |
| The amount of interest paid during the current period | 123,177 | |
| The amount of interest accrued during the current period | <u>(116,732)</u> | |
| Interest paid is greater (less) than interest accrued by | | 6,445 |
| Revenues that provided current financial resources in the statement of activities in prior years but are reported as revenues in the governmental funds when available | | <u>(113,512)</u> |
| Change in net position-governmental activities | \$ | <u><u>1,878,837</u></u> |

Exhibit A-7
Iowa County, Wisconsin
Statement of Net Position
Proprietary Funds
December 31, 2014

| | Enterprise Funds | | |
|--------------------------------|--|--------------|---------------|
| | Bloomfield | | |
| | Health Care and Rehabilitation Center | Highway | Total |
| ASSETS | | | |
| Current assets: | | | |
| Cash | \$ 301,897 | \$ 299,426 | \$ 601,323 |
| Receivables (net of allowance) | | | |
| Taxes-current | 48,482 | 2,582,447 | 2,630,929 |
| Accounts | 808,301 | 83,378 | 891,679 |
| Due from other governments | 240,079 | 719,616 | 959,695 |
| Unbilled revenue | | 64,862 | 64,862 |
| Materials and supplies | 51,317 | 951,327 | 1,002,644 |
| Prepaid expenses | | 9,592 | 9,592 |
| | | | |
| Total current assets | 1,450,076 | 4,710,648 | 6,160,724 |
| | | | |
| Restricted cash: | | | |
| Cash and investments | 689,322 | | 689,322 |
| | | | |
| Total restricted cash | 689,322 | | 689,322 |
| | | | |
| Noncurrent assets: | | | |
| Capital assets: | | | |
| Property and plant | 5,538,717 | 11,946,962 | 17,485,679 |
| Less: accumulated depreciation | (3,981,141) | (8,370,589) | (12,351,730) |
| Net capital assets | 1,557,576 | 3,576,373 | 5,133,949 |
| | | | |
| Total assets | \$ 3,696,974 | \$ 8,287,021 | \$ 11,983,995 |
| | | | |

Exhibit A-7 (Continued)
Iowa County, Wisconsin
Statement of Net Position
Proprietary Funds
December 31, 2014

| | Enterprise Funds | | |
|--|--|--------------|---------------|
| | Bloomfield | | |
| | Health Care and Rehabilitation Center | Highway | Total |
| LIABILITIES | | | |
| Current liabilities: | | | |
| Accounts payable | \$ 164,455 | \$ 296,036 | \$ 460,491 |
| Due to other governments | 55,617 | 39,176 | 94,793 |
| Accrued payroll | 149,468 | 90,322 | 239,790 |
| Due to other funds | | | |
| Current portion of compensated absences | 184,768 | 169,700 | 354,468 |
| | | | |
| Total current liabilities | 554,308 | 595,234 | 1,149,542 |
| Noncurrent liabilities: | | | |
| Compensated absences | 383,755 | 397,226 | 780,981 |
| Less: current portion of compensated absences | (184,768) | (169,700) | (354,468) |
| | | | |
| Total noncurrent liabilities | 198,987 | 227,526 | 426,513 |
| | | | |
| Total liabilities | 753,295 | 822,760 | 1,576,055 |
| DEFERRED INFLOWS OF RESOURCES | | | |
| Deferred revenue | 48,482 | 2,582,447 | 2,630,929 |
| NET POSITION | | | |
| Net investment in capital assets | 1,557,576 | 3,576,373 | 5,133,949 |
| Restricted | 689,322 | | 689,322 |
| Unrestricted | 648,299 | 1,305,441 | 1,953,740 |
| | | | |
| Total net position | 2,895,197 | 4,881,814 | 7,777,011 |
| | | | |
| Total liabilities, deferred inflows of resources and net position | \$ 3,696,974 | \$ 8,287,021 | \$ 11,983,995 |
| | | | |

Exhibit A-8
Iowa County, Wisconsin
Statement of Revenues, Expenses and Changes in Net Position
Proprietary Funds
For the Year Ended December 31, 2014

| | Enterprise Funds | | | Governmental Activities- Internal Service Fund |
|--|--|--------------|--------------|---|
| | Bloomfield Health Care and Rehabilitation Center | Highway | Total | |
| OPERATING REVENUES | | | | |
| Charges for services | \$ 4,677,922 | \$ 2,963,687 | \$ 7,641,609 | \$ |
| Other | 374,881 | 97,333 | 472,214 | |
| Total operating revenues | 5,052,803 | 3,061,020 | 8,113,823 | |
| OPERATING EXPENSES | | | | |
| Health care | 5,696,596 | | 5,696,596 | |
| Insurance payments and claims | | | | 7,832 |
| Highway | | 6,452,246 | 6,452,246 | |
| Depreciation | 179,988 | 387,622 | 567,610 | |
| Total operating expenses | 5,876,584 | 6,839,868 | 12,716,452 | 7,832 |
| Operating (loss) | (823,781) | (3,778,848) | (4,602,629) | (7,832) |
| NONOPERATING REVENUES (EXPENSES) | | | | |
| Property tax revenue | 47,805 | 2,509,397 | 2,557,202 | |
| Intergovernmental grants | 480,500 | 1,261,974 | 1,742,474 | |
| Investment earnings | 3,051 | | 3,051 | 42 |
| Gain (loss) on sale of fixed assets | 269 | (9,842) | (9,573) | |
| Contributions | 6,001 | | 6,001 | |
| Total nonoperating revenues (expenses) | 537,626 | 3,761,529 | 4,299,155 | 42 |
| Income (loss) before contributions and transfers | (286,155) | (17,319) | (303,474) | (7,790) |
| Transfer in | | 2,041,696 | 2,041,696 | |
| Transfer (out) | | | | (16,879) |
| Changes in net position | (286,155) | 2,024,377 | 1,738,222 | (24,669) |
| Total net position-beginning of year | 3,181,352 | 2,857,437 | 6,038,789 | 24,669 |
| Total net position-end of year | \$ 2,895,197 | \$ 4,881,814 | \$ 7,777,011 | \$ |

Exhibit A-9
Iowa County, Wisconsin
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2014

| | Enterprise Funds | | | Governmental Activities- Internal Service Fund |
|---|--|--------------|--------------|---|
| | Bloomfield Health Care and Rehabilitation Center | Highway | Totals | |
| CASH FLOWS FROM (USED BY) OPERATING ACTIVITIES | | | | |
| Receipts from customers | \$ 4,775,407 | \$ 2,989,005 | \$ 7,764,412 | \$ |
| Payments to employees | (2,808,819) | (1,999,679) | (4,808,498) | |
| Payment for employee benefits | (1,328,144) | (920,215) | (2,248,359) | |
| Payments to suppliers and contractors | (1,591,969) | (5,278,729) | (6,870,698) | |
| Cash payments for other operating expenses | | | | (10,244) |
| Net cash from (used by) operating activities | (953,525) | (5,209,618) | (6,163,143) | (10,244) |
| CASH FLOWS FROM (USED BY) NON-CAPITAL FINANCING ACTIVITIES | | | | |
| Property tax levy | 47,805 | 2,509,397 | 2,557,202 | |
| Transfer from other funds | | 2,041,696 | 2,041,696 | |
| Transfer to other funds | | | | (16,879) |
| Grants | 480,500 | 1,261,974 | 1,742,474 | |
| Net cash from non-capital financing activities | 528,305 | 5,813,067 | 6,341,372 | (16,879) |
| CASH FLOWS FROM (USED BY) CAPITAL AND RELATED FINANCING ACTIVITIES | | | | |
| Purchases of capital assets | (37,646) | (183,084) | (220,730) | |
| Receipts from sale of fixed assets | 269 | | 269 | |
| Contributions | 6,649 | | 6,649 | |
| Payment for major repairs | | (120,964) | (120,964) | |
| Net cash (used by) capital and related financing | (30,728) | (304,048) | (334,776) | |
| CASH FLOWS FROM (USED BY) INVESTING ACTIVITIES | | | | |
| Receipt of interest | 3,051 | | 3,051 | 42 |
| Purchase of investments | (675,000) | | (675,000) | |
| Receipt of investments maturing | 675,000 | | 675,000 | |
| Net cash from investing activities | 3,051 | | 3,051 | 42 |
| Net (decrease) in cash and cash equivalents | (452,897) | 299,401 | (153,496) | (27,081) |
| Cash and cash equivalents-Beginning of year | 769,116 | 25 | 769,141 | 27,081 |
| Cash and cash equivalents-End of year | \$ 316,219 | \$ 299,426 | \$ 615,645 | \$ |
| Reconciliation of Cash and Cash Equivalents to Balance Sheet: | | | | |
| Cash | \$ 301,897 | \$ 299,426 | \$ 601,323 | \$ |
| Cash and investments (restricted) | 689,322 | | 689,322 | |
| Total | 991,219 | 299,426 | 1,290,645 | |
| Less: long-term investments(restricted) | (675,000) | | (675,000) | |
| Total | \$ 316,219 | \$ 299,426 | \$ 615,645 | \$ |

Exhibit A-9 (Continued)
Iowa County, Wisconsin
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2014

| | Enterprise Funds | | | Governmental Activities- Internal Service Fund |
|---|--|----------------|----------------|---|
| | Bloomfield Health Care and Rehabilitation Center | Highway | Total | |
| Reconciliation of operating (loss) to net cash provided (used) by operating activities: | | | | |
| Operating (loss) | \$ (823,781) | \$ (3,778,848) | \$ (4,602,629) | \$ (7,832) |
| Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities: | | | | |
| Depreciation | 179,988 | 387,622 | 567,610 | |
| Changes in assets and liabilities: | | | | |
| Receivables | (40,412) | (72,015) | (112,427) | |
| Due from other governments | (236,984) | 149,351 | (87,633) | |
| Unbilled revenue | | 1,186 | 1,186 | |
| Inventories | (9,187) | 63,727 | 54,540 | |
| Prepaid expenses | | (9,592) | (9,592) | |
| Accounts payable | 19,447 | 196,101 | 215,548 | (2,412) |
| Accrued liabilities | 3,736 | (54,420) | (50,684) | |
| Due to other governments | (3,831) | (10,115) | (13,946) | |
| Due to other funds | | (2,041,696) | (2,041,696) | |
| Vested fringe benefits | (42,501) | (40,919) | (83,420) | |
| Net cash (used by) operating activities | \$ (953,525) | \$ (5,209,618) | \$ (6,163,143) | \$ (10,244) |

Exhibit A-10
Iowa County, Wisconsin
Statement of Net Position
Fiduciary Funds
December 31, 2014

| | Agency Fund |
|--------------------------|----------------|
| ASSETS | |
| Cash: | |
| Manor resident cash | \$ 7,461 |
| Burial trust | 1,400 |
| Sheriff | 83,855 |
| Clerk of courts | 110,425 |
| County Treasurer | 87,345 |
| District attorney | 222 |
| Total cash | 290,708 |
| Receivables: | |
| Current property taxes | 310,954 |
| Total assets | \$601,662 |
| LIABILITIES | |
| Due to other governments | 398,299 |
| Funds held for others | 203,363 |
| Total liabilities | \$ 601,662 |

NOTES TO THE BASIC FINANCIAL STATEMENTS

Iowa County, Wisconsin
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December 31, 2014

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Iowa County, Wisconsin
Notes to the Financial Statements
December 31, 2014

NOTE 1

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Iowa County is governed by a twenty-one member county board of supervisors. The County provides many functions and services to citizens including law enforcement, administration of the courts, circuit court, health and human services, recreation and cultural activities, planning and zoning, education and general administrative services. Other activities include the operations of a highway department, a nursing home, and a senior citizens program.

Financial statements presented in this report conform to requirements of U.S. generally accepted accounting principles.

Significant accounting policies of Iowa County are summarized below:

A. Reporting Entity

This report includes all of the funds and account groups of Iowa County, Wisconsin. The reporting entity for the County consists of the (a) 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 their exclusion would cause the reporting entity's financial statements to be misleading or incomplete. Component units are legally separate organizations for which the elected officials of the primary government are financially accountable. The primary government is financial accountable if it appoints a voting majority of the organization's governing body and (1) it is able to impose its will on that organization or (2) there is a potential for the organization to provide specific financial benefits to or burdens on the primary government. The primary government may be financially accountable if an organization is fiscally dependent on the primary government.

Included in the Reporting Entity

The County has determined that the Blackhawk Lake Recreation Facility is a component unit of the County. The State of Wisconsin acquired approximately 380 acres of park land from the Cobb-Highland Recreation Commission in 1977 in exchange for payment of FHA revenue bond indebtedness of \$450,000. Under this agreement, Iowa County agreed to assume full operational responsibility and control of the Blackhawk Lake Recreation Area. Should the County ever fail to continue to operate the facility, the County would have to repay all State and Federal monies expended for land acquisition and development of the facility. The County also assumed responsibility for maintenance of the dam.

Through an operations agreement, the day-to-day operation and management of the facility is being performed by the Cobb-Highland Recreation Commission who is required to file an annual report with the County indicating the status of operations at the facility. The Commission charges user fees to the general public and expends these as necessary and appropriate for maintaining the facility. The Commission requires County approval for any expenditure in excess of \$5,000.

Financial statements for the Blackhawk Lake Recreation Facility can be obtained at the office of the Cobb-Highland Recreation Commission.

Iowa County, Wisconsin
Notes to the Financial Statements
December 31, 2014

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Excluded From the Reporting Entity

Iowa County is a participating member of the Grant/Iowa Unified Board (Unified Community Services). The board provides services to citizens of the two counties in the areas of mental health, developmental disabilities, alcoholism and drug abuse under the provisions of Statute 51.42/.437. The board operates outpatient clinics in various locations in the two county area and contracts with various agencies for other client services.

The board is composed of eleven members who are appointed by the County board chairmen of Grant and Iowa Counties. Six members are appointed by the Grant County board chairman and five members by the Iowa County board chairman. The Board is funded through state grant-in-aid, federal grants, fees for services rendered and County appropriations. County appropriations are based on population. The amount and percentage share of each County's appropriations for 2014 follows:

| | |
|--------------|-----|
| Grant County | 70% |
| Iowa County | 30% |

Grant County acts as host county for the recording of financial transactions and for the deposit of receipts and payment of disbursements. For this reason, and because Grant County appoints a majority of the Board, this entity is not considered a component unit of Iowa County.

B. Government-Wide and Fund Financial Statements

Government-Wide Financial Statements

The government-wide financial statements (Exhibits A-1 and A-2) report information on all of the nonfiduciary activities of the County. The effect of most interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers for services provided by a given function or segment and 2) grants and contributions that are restricted to meeting the requirements of a particular function. Taxes and other items not included in program revenues are reported as general revenues.

Fund Financial Statements

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

Iowa County, Wisconsin
Notes to the Financial Statements
December 31, 2014

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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

The County reports the following major governmental funds:

General Fund - The general fund is used to account for all revenues and expenditures which are not required to be accounted for in other funds.

Social Services Special Revenue Fund – Accounts for programs of the County’s Department of Social Services. Substantial financing for this fund is provided by federal and state grants.

Real Estate Reduction Fund – Accounts for the county-wide sales tax which, by statute, must be used to reduce property taxes.

Capital Improvements Capital Projects Fund – accounts for proceeds from long-term borrowing and other resources to be used for capital improvement projects.

The County reports the following major proprietary funds:

Enterprise Funds – Bloomfield Healthcare and Rehabilitation Center Fund accounts for the operation of a long-term health care facility. The Highway fund accounts for activities of the County’s Highway Department which include maintenance of county, state and local roads.

The County reports the following non-major governmental funds:

Non-Major Governmental Funds

Special Revenue Funds – accounts for the proceeds of specific revenue sources (other than major capital projects) that are legally restricted to expenditures for specified purposes.

- Aging Disability Resource Center
- Child Support
- Iowa County Airport
- Drug Task Force
- CDBG Revolving Loan
- Tri-County Airport
- Unified Community Services
- Dog License
- Wisconsin River Rail Transit

Iowa County, Wisconsin
Notes to the Financial Statements
December 31, 2014

NOTE 1

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Internal Service Fund – Accounts for the financing of goods or services provided by one department to other departments of the County on a cost reimbursement basis. Activity of the County’s self-insurance plan are accounted for in the internal service fund.

The County also reports the following fiduciary funds:

Agency Funds – The County accounts for assets held as an agent for burial funds, manor residents trust, clerk of courts, sheriff, district attorney, unclaimed funds and other governmental units.

C. Measurement Focus and Basis of Accounting

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

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

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges by the highway department and health department to other functions of the County. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

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

Intergovernmental aids and grants are recognized as revenues in the period the County is entitled the resources and the amounts are available. Amounts owed to the County which are not available are recorded as receivables and deferred inflows of resources. Amounts received prior to the entitlement period are also recorded as deferred inflows of resources.

Iowa County, Wisconsin
Notes to the Financial Statements
December 31, 2014

NOTE 1

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The County reports deferred inflows of resources on its governmental funds balance sheet. Deferred inflows of resources arise from taxes levied in the current year, which are for subsequent year's operations. For governmental fund financial statements, deferred inflows of resources arise when a potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period. Deferred inflows of resources also arise when resources are received before the County 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 deferred inflows of resources is removed from the balance sheet and revenue is recognized.

Proprietary and fiduciary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as described previously in this note.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the County's enterprise funds are patient charges for the nursing home and charges to the state and local governments for roadwork by the highway department. Operating expenses for enterprise funds include the cost of services, administrative expenses, and depreciation. 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.

Revenues and expenditures arising from non-exchange transactions, such as property and sales taxes, fines, and grants are recorded according to the Governmental Accounting Standards.

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

D. Budgets

The County budget is adopted in accordance with state law. Budget amounts include appropriations authorized in the original budget resolution, subsequent revisions authorized by the County board of supervisors, and appropriations of prior year designated funds to expenditure accounts.

Such revisions are required by a statutory provision which states that no expenditure can be made from an expired appropriation. This requirement applies at the department level for the County. The statutes also require publication of these budget revisions. Revisions require a two-thirds majority of the County Board. Material amendments in 2014 included the following additional appropriations in the general fund:

| | |
|---------------------|--------------|
| Transfer to highway | \$ 2,041,696 |
|---------------------|--------------|

The County does not utilize encumbrances in its budget process but does take into consideration certain appropriations, which do not lapse on an annual basis.

Iowa County, Wisconsin
Notes to the Financial Statements
December 31, 2014

NOTE 1

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. Taxes Receivable

Property taxes are recorded in the year levied as a receivable and deferred inflows of resources. They are recognized as revenues in the succeeding year when services financed by the levy are provided. The tax calendar is as follows:

| | |
|--|------------------|
| Lien date and levy date | December, 2014 |
| Tax bills mailed | December, 2014 |
| Payment in full, or first installment due | January 31, 2015 |
| Second installment due | July 31, 2015 |
| Personal property taxes in full | January 31, 2015 |
| Tax sale – 2014 delinquent real estate taxes | August, 2017 |

Under Wisconsin Statutes the County treasurer is responsible for the collection of all delinquent property taxes except delinquent personal property taxes which may be retained for collection by the local municipal district as is the case in Iowa County. On December 31, 2014 delinquent property taxes totaling \$1,030,486 were due Iowa County. The above amounts include not only the delinquent taxes for levies by Iowa County, but also the delinquent taxes for levies by state and other local governmental units (cities, villages, towns, school districts, special districts) within the County. As provided in the Statutes, Iowa County has paid the state and local governmental units for their equities in delinquent property taxes. Delinquent property taxes are aged as follow at December 31, 2014:

| | |
|--|--------------------------|
| Tax Certificates | |
| 2014 Sale | \$ 609,726 |
| 2013 Sale | 275,035 |
| 2012 Sale | 80,906 |
| 2011 Sale | 36,568 |
| 2010 Sale | 17,407 |
| 2009 Sale | 6,653 |
| 2008 Sale | 1,271 |
| 2007 Sale | 938 |
| 2006 Sale | 672 |
| 2005 Sale | 633 |
| 2004 Sale | 677 |
| Total delinquent taxes | <u>1,030,486</u> |
| County purchased - nonspendable fund balance | <u>(810,967)</u> |
| County levied | <u><u>\$ 219,519</u></u> |

Iowa County, Wisconsin
Notes to the Financial Statements
December 31, 2014

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Deferred inflows of resources at December 31, 2014 include tax certificates and tax deeds not "available" at that date as follows:

| | |
|---|-------------------|
| County portion of tax certificates and deeds 12/31/14 | \$ 219,519 |
| Less: tax certificates/deeds collected January and February 2015 | (32,957) |
| Deferred inflows of resources 12/31/14 - tax certificates and deeds | <u>\$ 186,562</u> |

F. Compensated Absences

Managed time off, vacation and sick leave are accrued when incurred in the government-wide and proprietary fund financial statements. The liability for sick leave is the estimated amount that will be paid as a result of employee illness or retirement. The County does not accrue accumulated managed time off, vacation or sick leave in governmental fund financial statements unless they have matured due to employee resignations or retirements.

G. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are generally defined by the County as assets with an initial, individual cost of \$5,000 or higher and a useful life of 2 years or more. Infrastructure assets have a cost of \$25,000 or higher for culverts and \$100,000 or higher for roads and bridges. 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. Net interest costs during construction are capitalized.

Depreciation on all capital assets is charged to operations over the estimated service life of assets using the straight-line method as shown below:

| | |
|--------------------------------------|--------------|
| <u>Governmental Activities:</u> | <u>Years</u> |
| Buildings | 10-40 |
| Equipment and improvements | 3-10 |
| Infrastructure | 25-50 |
| <u>Business-Type Activities:</u> | |
| <u>Bloomfield Manor</u> | |
| Land improvements | 5-30 |
| Buildings | 15-40 |
| Equipment | 5-25 |
| Vehicles | 4 |
| <u>Highway</u> | |
| Land improvements | 25 |
| Buildings | 25 |
| Machinery and equipment | 5-30 |
| Other fixed assets | 10 |

Iowa County, Wisconsin
Notes to the Financial Statements
December 31, 2014

NOTE 1

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Interest is charged to expense as incurred except for interest expense from borrowings used for construction projects, which is capitalized to the extent that proceeds are used for construction purposes.

Assets acquired or constructed for general governmental services are reported as expenditures in the government fund financial statements.

H. Fund Equity

Government-wide financial statements

Equity is classified as net position and displayed in three components:

- a. Net investment in capital assets - amount of capital assets less accumulated depreciation and outstanding debt related to purchase, construction or improvement of assets.
- b. Restricted net position - amount of net position subject to restrictions that are imposed by external groups or law.
- c. Unrestricted net position - net position that is neither classified as restricted or net investment in capital assets.

Fund financial statements

The following classifications describe the relative strength of the spending constraints placed on the purposes for which resources can be used:

- Non-Spendable – includes amounts that are not in a spendable form (such as inventory) or are required to be maintained intact.
- Restricted – includes amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government) through constitutional provisions, or by enabling legislation.
- Committed – includes amounts constrained to specific purposes by the County Board, using its highest level of decision-making authority; to be reported as committed, amounts cannot be used for any other purpose unless the County Board takes the same highest level action to remove or change the constraint.
- Assigned – includes amounts the County Board intends to use for a specific purpose; intent can be expressed by the County Board or by an official or body to which the County Board delegates the authority.
- Unassigned – includes residual positive fund balance within the general fund which has not been classified within the other above mentioned categories. Unassigned fund balance may also include negative balances for any governmental fund if expenditures exceed amounts restricted, committed or assigned for those purposes.

The Board may, from time to time, commit additional amounts of fund balance to a specific purpose. Such action shall be taken in open meeting and require the approval of the Board. Commitments of fund balance, once made, can only be modified by the Board.

The County has established a minimum fund balance policy of between 20.0 and 25.0 percent of total budgeted expenditures. In the event that the balance drops below the established minimum level, the Board will develop a plan in the next fiscal year to replenish the fund balance to the established minimum level.

Iowa County, Wisconsin
Notes to the Financial Statements
December 31, 2014

NOTE 1

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

When an expenditure is incurred for purposes for which both restricted and unrestricted (committed, assigned, or unassigned) amounts are available, it shall be the policy of the County to consider restricted amounts to have been reduced first. When an expenditure is incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used, it shall be the policy of the County that committed amounts would be reduced first, followed by assigned amounts and then unassigned amounts.

I. Client Revenues

The major portion of the Bloomfield Healthcare and Rehabilitation Center's revenues for patient care are funded pursuant to federal and state medical assistance programs. The continuation of these revenues is dependent upon governmental policies. Revenues received under these programs are based upon cost reimbursement principles which are subject to audits. It is not known what effect, if any, audit adjustments may have on the recorded revenue and receivables arising from services rendered under the Medicare and Medicaid programs.

Medicare is billed at actual rates established by the Federal Government. Any adjustments or write-offs are recorded using the direct write-off method.

J. Allowance for Bad Debts

Bloomfield resident receivables are reported net of the allowance for bad debts of \$16,660 for 2014 and \$15,734 for 2013.

K. Inventories

Inventories of proprietary fund types are valued at the lower of cost or market using the first-in, first-out method and are charged as expenses or are capitalized when used.

L. Cash and Cash Equivalents/Investments

For purposes of the statement of cash flows, the County considers all short-term investments that are highly liquid to be cash equivalents. Cash equivalents are readily convertible to known amounts of cash, and at the day of purchase, they have a maturity date no longer than three months.

The County has pooled the cash resources of some funds in order to maximize investment opportunities. Each fund's portion of total cash and investments is reported as cash and cash equivalents/investments by the County's individual major funds, and in the aggregate for non-major and agency funds.

Investments with remaining maturities at the time of purchase of one year or less are stated at amortized cost which approximates fair value. Investments with a maturity of more than one year at acquisition and nonmoney market investments are carried at fair value as determined by quoted market prices.

M. Restricted Assets

Restricted assets of Bloomfield Healthcare and Rehabilitation Center are as follows:

Cash and Investments

Represents money donated to Bloomfield Healthcare and Rehabilitation Center to be used for client entertainment.

Iowa County, Wisconsin
Notes to the Financial Statements
December 31, 2014

NOTE 2 EXPLANATION OF CERTAIN DIFFERENCES BETWEEN GOVERNMENTAL FUND STATEMENTS
AND GOVERNMENT-WIDE STATEMENTS

Due to the differences in the measurement focus and basis of accounting used on the government fund statements and government-wide statements certain financial transactions are treated differently. The basic financial statements contain a full reconciliation of these items.

Explanation of Differences between Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances and the Statement of Activities

Differences between the governmental funds statement of revenues, expenditures and changes in fund balance and the statement of activities fall into one of three broad categories.

- a. Long-term revenue differences arise because governmental funds report revenues only when they are considered "available", whereas the statement of activities reports revenues when earned. Differences in long-term expenses arise because governmental funds report on a modified accrual basis whereas the accrual basis of accounting is used on the statement of activities.
- b. Capital related differences include (1) the difference between proceeds for the sale of capital assets reported on governmental fund statements and the gain or loss on the sale of assets as reported on the statement of activities, and (2) the difference between recording an expenditure for the purchase of capital items in the governmental fund statements, and capitalization and recording depreciation expense on those items as recorded in the statement of activities.
- c. Long-term debt transaction differences occur because long-term debt proceeds are recorded as revenue and both interest and principal payments are recorded as expenditures in the governmental fund statements. In the statement of activities, long-term debt proceeds are recorded as a liability, interest expense is recorded as incurred, and principal payments are recorded as a reduction of liabilities.

NOTE 3 CASH AND INVESTMENTS

At December 31, 2014, cash and investments included the following:

| | | |
|--|----|-------------------|
| Petty cash/cash on hand | \$ | 1,222 |
| Wisconsin Local Government Investment Pool | | 617,255 |
| Deposits with financial institutions | | 12,337,369 |
| Total cash | \$ | <u>12,955,846</u> |

Cash and investments as of December 31, 2014 are classified in the accompanying financial statements as follows:

| | | |
|---------------------------------|----|-------------------|
| Exhibit A-1: | | |
| Cash and investments | \$ | 11,975,816 |
| Restricted cash and investments | | 689,322 |
| Exhibit A-10: | | |
| Cash and investments | | 290,708 |
| Total cash and investments | \$ | <u>12,955,846</u> |

Iowa County, Wisconsin
Notes to the Financial Statements
December 31, 2014

NOTE 3

CASH AND INVESTMENTS (CONTINUED)

Investments Authorized by Wisconsin State Statutes

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

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

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates.

The County's investment policy is to match investments with anticipated cash flow requirements. Unless matched to a specific cash flow, the County will not directly invest in securities maturing more than three years from the date of purchase.

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

| Investment Type | Remaining Maturity (in months) | | |
|----------------------------------|-----------------------------------|--------------|--------------|
| | Amount | 12 months | 13 months |
| | | or less | to 24 months |
| Certificate of deposit | \$ 938,617 | \$ 675,000 | \$ 263,617 |
| Local Government Investment Pool | 617,255 | 617,255 | |
| Total | \$ 1,555,872 | \$ 1,292,255 | \$ 263,617 |

Iowa County, Wisconsin
Notes to the Financial Statements
December 31, 2014

NOTE 3

CASH AND INVESTMENTS (CONTINUED)

Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. State law limits investments in commercial paper, corporate bonds and mutual bond funds to the top two ratings issued by nationally recognized statistical rating organizations. As of December 31, 2014, the County's investments were rated as follows:

| | <u>Amount</u> | <u>Rating</u> |
|--|---------------|---------------|
| Wisconsin Local Government Investment Pool | \$ 617,255 | Not Rated |

Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the County would not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial risk for investments is the risk that, in the event of failure of the counterparty (e.g. broker-dealer) to a transaction, the County would not be able to recover the value of its investment of collateral securities that are in possession of another party.

FDIC Insurance

The insurance coverage of public unit accounts depends upon the type of deposit and the location of the insured depository institution. All time and savings deposits owned by a public unit and held by the public unit's official custodian in an insured depository institution within the State in which the public unit is located are added together and insured up to \$250,000. Separately, all demand deposits owned by a public unit and held by the public unit's official custodian in an insured depository institution within the State in which the public unit is located are added together and insured up to \$250,000. For the purpose of these rules, the term 'time and savings deposits' includes NOW accounts and money market deposit accounts but does not include interest bearing demand deposit accounts. The term 'demand deposits' means both interest-bearing and noninterest-bearing deposits that are payable on demand and for which the depository institution does not reserve the right to require advance notice of an intended withdrawal.

Collateralization of Public Unit Deposits

Depending on applicable state or federal law, public unit deposits may be secured by collateral or assets of the bank. In the event of the failure of the bank, the FDIC will honor the collateralization agreement if the agreement is valid and enforceable under applicable law. The FDIC does not guarantee, however, that the collateral will be sufficient to cover the amount of the uninsured funds. As such, although it does not increase the insurance coverage of the public unit deposits, collateralization provides an avenue of recovery in the unlikely event of the failure of an insured bank.

Bank accounts and the local government investment pool are also insured by the State Deposit Guarantee Fund in the amount of \$400,000. However, due to the relatively small size of the Guarantee Fund in relationship to the total deposits covered and other legal implications, recovery of material principal losses may be significant to individual organizations.

Iowa County, Wisconsin
Notes to the Financial Statements
December 31, 2014

NOTE 3

CASH AND INVESTMENTS (CONTINUED)

The Wisconsin Local Government Investment Pool (LGIP) is part of the State Investment Fund (SIF), and is managed by the State of Wisconsin Investment Board. The SIF is not registered with the Securities and Exchange Commission, but operates under the statutory authority of Wisconsin Chapter 25. The SIF reports the fair value of its underlying assets annually. Participants in the LGIP have the right to withdraw their funds in total on one day's notice. At December 31, 2014, the fair value of the County's share of the LGIP's assets was substantially equal to the amount reported above. Information on derivatives was not available to the County.

SWIB may invest in obligations of the U.S. Treasury and its agencies, Commercial Paper, Bank Time Deposits/Certificates of Deposit, Bankers' Acceptances, Asset Backed Securities and Repurchase Agreements secured by the U.S. Government or its agencies and other instruments authorized under State Investment Fund Investment guidelines.

Investment allocation in the local government investment pool as of December 31, 2014 was: 99.03% in U.S. Government Securities, .62% in Bankers' Acceptances and .35% in commercial papers and corporate notes. The Wisconsin State Treasurer updates the investment allocations on a monthly basis.

The County's investment policy is to maintain all cash and investments, which includes authorized investment vehicles that are insured or registered or which are collateralized by or evidenced by securities held by the County, in the County's name. Mortgage backed securities, derivatives and mutual funds are not permitted. Collateralization shall cover those deposits in excess of \$500,000. Deposits and investments shall be secured by pledging as collateral, U.S. Treasury bills, notes, bonds, U.S. Government agencies or State of Wisconsin general obligation bonds. A bank deposit guaranty bond would also be considered.

As of December 31, 2014, \$875,408 was insured by FDIC insurance, \$7,781,211 was insured by collateral and \$3,920,427 of the County's deposits with financial instructions in excess of federal depository insurance limits were exposed to custodial credit risk as follows:

| | |
|--------------------------------|---------------------|
| Uninsured and uncollateralized | <u>\$ 3,920,427</u> |
|--------------------------------|---------------------|

\$413,617 of this amount would be insured by the State of Wisconsin Guarantee Fund, providing funds are available at the time of any potential loss.

Fluctuating cash flows during the year due to tax collections, receipt of state aids and proceeds from borrowing may have resulted in temporary balances during the year significantly exceeding uninsured amounts at the balance sheet date.

Concentration of Credit Risk

The County places no limit on the amount the County may invest in any one issuer.

Iowa County, Wisconsin
Notes to the Financial Statements
December 31, 2014

NOTE 4

LONG-TERM OBLIGATIONS

Long-term obligations activity for the year ended December 31, 2014 was as follows:

| | Beginning Balance | Increases | Decreases | Ending Balance | Amounts Due within One Year |
|---|----------------------|------------------|---------------------|---------------------|-----------------------------------|
| <u>Governmental Activities</u> | | | | | |
| Bonds and notes payable: | | | | | |
| General obligation debt | \$ 4,361,158 | \$ | \$ (600,183) | \$ 3,760,975 | \$ 617,510 |
| Other liabilities: | | | | | |
| Compensated absences | <u>869,971</u> | <u>47,628</u> | <u></u> | <u>917,599</u> | <u>359,203</u> |
| Total governmental activities long-term liabilities | <u>\$ 5,231,129</u> | <u>\$ 47,628</u> | <u>\$ (600,183)</u> | <u>\$ 4,678,574</u> | <u>\$ 976,713</u> |
| <u>Business-Type Activities</u> | | | | | |
| Other liabilities: | | | | | |
| Compensated absences | <u>\$ 864,401</u> | <u>\$</u> | <u>\$ (83,420)</u> | <u>\$ 780,981</u> | <u>\$ 354,468</u> |
| Total business-type activities long-term liabilities | <u>\$ 864,401</u> | <u>\$</u> | <u>\$ (83,420)</u> | <u>\$ 780,981</u> | <u>\$ 354,468</u> |

All general obligation notes and bonds payable are backed by the full faith and credit of the County. Notes and bonds in the governmental funds will be retired by future property tax levies. Business-type activities debt is payable by revenues from user fees of those funds or, if the revenues are not sufficient, by future tax levies.

In accordance with Wisconsin Statutes, total general obligation indebtedness of the County may not exceed five percent of the equalized value of taxable property within the County's jurisdiction. The debt limit as of December 31, 2014 was \$91,615,380. Total general obligation debt outstanding at year-end was \$3,760,975.

| | Date of Issue | Final Maturity | Interest Rates | Original Amount | Balance 12/31/2014 |
|---|------------------|-------------------|-------------------|--------------------|-----------------------|
| <u>Governmental Activities</u> | | | | | |
| General obligation debt | | | | | |
| State trust note | 3/19/10 | 3/15/19 | 4.50% | 789,000 | \$ 350,975 |
| Bonds | 4/1/10 | 8/1/20 | 2.00 - 3.30% | 5,310,000 | 3,410,000 |
| Total government activities - general obligation debt | | | | | <u>\$ 3,760,975</u> |

Iowa County, Wisconsin
Notes to the Financial Statements
December 31, 2014

NOTE 4

LONG-TERM OBLIGATIONS (CONTINUED)

Debt service requirements to maturity are as follows:

| Years | General Obligation Debt | | |
|--------|-------------------------|------------|--------------|
| | Governmental Activities | | |
| | Principal | Interest | Total |
| 2015 | \$ 617,510 | \$ 104,370 | \$ 721,880 |
| 2016 | 634,888 | 91,463 | 726,351 |
| 2017 | 657,353 | 75,995 | 733,348 |
| 2018 | 641,224 | 58,322 | 699,546 |
| 2019 | 595,000 | 39,335 | 634,335 |
| 2020 | 615,000 | 20,295 | 635,295 |
| Totals | \$ 3,760,975 | \$ 389,780 | \$ 4,150,755 |

Other Debt Information

Estimated payments of compensated absences are not included in the debt service requirement schedules. The compensated absences liability attributable to governmental activities will be liquidated primarily by the general fund.

Iowa County, Wisconsin
Notes to the Financial Statements
December 31, 2014

NOTE 5

CAPITAL ASSETS

Total cost and accumulated depreciation of fixed assets at December 31, 2014 are as follows:

| | Beginning Balance | Additions | Deletions | Ending Balance |
|---|----------------------|--------------|-------------|-------------------|
| <u>Governmental Activities:</u> | | | | |
| Capital assets not being depreciated: | | | | |
| Land | \$ 474,777 | \$ 11,956 | \$ (16,800) | \$ 469,933 |
| Right of way | 847,955 | | | 847,955 |
| Construction work in progress: | | | | |
| Buildings | 38,727 | 9,925 | (31,160) | 17,492 |
| Bridges | | 1,297,993 | | 1,297,993 |
| Total capital assets not being depreciated: | 1,361,459 | 1,319,874 | (47,960) | 2,633,373 |
| Capital assets, being depreciated | | | | |
| Infrastructure | 105,710,184 | 1,935,365 | (1,814) | 107,643,735 |
| Buildings and improvements | 15,605,675 | 661,849 | | 16,267,524 |
| Machinery and equipment | 4,036,229 | 174,636 | (88,476) | 4,122,389 |
| Total | 125,352,088 | 2,771,850 | (90,290) | 128,033,648 |
| Less accumulated depreciation for: | | | | |
| Infrastructure | 63,333,640 | 2,044,842 | (1,814) | 65,376,668 |
| Buildings and improvements | 4,351,718 | 439,786 | | 4,791,504 |
| Machinery and equipment | 3,006,785 | 259,359 | (88,476) | 3,177,668 |
| Total accumulated depreciation | 70,692,143 | 2,743,987 | (90,290) | 73,345,840 |
| Net other capital assets | 54,659,945 | 27,863 | | 54,687,808 |
| Total net capital assets | \$ 56,021,404 | \$ 1,347,737 | \$ (47,960) | \$ 57,321,181 |

Depreciation expense was charged to functions as follows:

Governmental Activities

| | |
|---|--------------|
| General government | \$ 92,859 |
| Public safety | 214,093 |
| Public works, which includes the depreciation of infrastructure | 2,216,961 |
| Health and social services | 220,074 |
| Total governmental activities depreciation expense | \$ 2,743,987 |

Iowa County, Wisconsin
Notes to the Financial Statements
December 31, 2014

NOTE 5

CAPITAL ASSETS (CONTINUED)

| | <u>Beginning Balance</u> | <u>Additions</u> | <u>Removals</u> | <u>Ending Balance</u> |
|--|------------------------------|-------------------------|-----------------------|---------------------------|
| <u>Business-Type Activities:</u> | | | | |
| Capital assets not being depreciated: | | | | |
| Land | \$ 46,557 | \$ | \$ | \$ 46,557 |
| Total capital assets not being depreciated | <u>46,557</u> | | | <u>46,557</u> |
| Capital assets being depreciated: | | | | |
| Land improvements | 681,946 | | | 681,946 |
| Buildings | 5,430,727 | 1,749 | | 5,432,476 |
| Machinery and equipment | 11,174,025 | 218,981 | (68,306) | 11,324,700 |
| Total capital assets being depreciated | <u>17,286,698</u> | <u>220,730</u> | <u>(68,306)</u> | <u>17,439,122</u> |
| Less: accumulated depreciation for: | | | | |
| Land improvements | 403,607 | 12,651 | | 416,258 |
| Buildings | 3,589,903 | 150,835 | | 3,740,738 |
| Machinery and equipment | 7,970,038 | 404,124 | (179,428) | 8,194,734 |
| Total accumulated depreciation | <u>11,963,548</u> | <u>567,610</u> | <u>(179,428)</u> | <u>12,351,730</u> |
| Net capital assets being depreciated | <u>5,323,150</u> | <u>(346,880)</u> | <u>111,122</u> | <u>5,087,392</u> |
| Total net capital assets | <u>\$ 5,369,707</u> | <u>\$ (346,880)</u> | <u>\$ 111,122</u> | <u>\$ 5,133,949</u> |

Depreciation expense was charged to the following function:

| | |
|---|-------------------|
| <u>Business-Type Activities:</u> | |
| Bloomfield Healthcare and Rehabilitation Center | \$ 179,988 |
| Highway | <u>387,622</u> |
| Total business-type activities (exhibit A-8) | <u>\$ 567,610</u> |

Iowa County, Wisconsin
Notes to the Financial Statements
December 31, 2014

NOTE 6

GOVERNMENTAL ACTIVITIES NET POSITION/FUND BALANCES

Governmental activities net position reported on the government wide statement of net position at December 31, 2014 includes the following:

GOVERNMENTAL ACTIVITIES

| | |
|---|-----------------------------|
| Net Investment in Capital Assets | |
| Land and right-of-ways | \$ 1,317,888 |
| Construction work-in-progress | 1,315,485 |
| Other capital assets, net of accumulated depreciation | 54,687,808 |
| Less: related long-term debt outstanding | <u>(3,760,975)</u> |
| Total net investment in capital assets | <u>53,560,206</u> |
| | |
| Restricted: | |
| Real estate reduction | 2,184,508 |
| Donor restricted | 32,230 |
| CDBG revolving loan | 558,966 |
| Grant restricted | 32,214 |
| Restricted by statute | <u>609,133</u> |
| Total restricted | <u>3,417,051</u> |
| | |
| Unrestricted | <u>8,770,841</u> |
| Total governmental activities net position | <u><u>\$ 65,748,098</u></u> |

GOVERNMENTAL FUND BALANCES

Governmental fund balances reported on the fund financial statements at December 31, 2014 includes the following:

Nonspendable fund balance as of December 31, 2014 includes the following items:

| | |
|----------------------|----------------------------|
| Major Funds | |
| General Fund: | |
| Delinquent taxes | \$ 810,967 |
| Prepaid items | 327,450 |
| | |
| Non-Major Funds: | |
| Iowa County Airport: | |
| Inventories | <u>24,578</u> |
| Total nonspendable | <u><u>\$ 1,162,995</u></u> |

Iowa County, Wisconsin
Notes to the Financial Statements
December 31, 2014

NOTE 6 GOVERNMENTAL ACTIVITIES NET POSITION/FUND BALANCES (CONTINUED)

Restricted fund balances as of December 31, 2014 includes the following items:

| | |
|-------------------------------------|---------------------|
| Restricted | |
| Major Funds: | |
| General Fund: | |
| County Clerk election grant | \$ 2,875 |
| Register of deeds-Redaction Project | 40,568 |
| Land records-retained fees | 75,358 |
| Land records-public access fees | 82,608 |
| Donations – D.A.R.E program | 2,264 |
| Bio-Terrorism grant | 21,315 |
| Medication Roundup donations | 180 |
| Farm Safety Days donations | 670 |
| UW Extension Pesticide program | 6,222 |
| UW Extension Clean Sweep grant | 628 |
| UW Extension Corporate grant | 13,389 |
| Veterans donations | 3,750 |
| Rezoning conversion fees | 9,700 |
| Land conservation donations | 2,235 |
| Land conservation CRP/CREP | 7,396 |
| Total – General Fund | <u>269,158</u> |
| Special Revenue: | |
| Social services | 358,814 |
| Donor restricted | 9,742 |
| Total – Special Revenue Fund | <u>368,556</u> |
| Real-Estate Tax Reduction | <u>2,184,508</u> |
| Capital Projects: | |
| Jail assessment | <u>66,411</u> |
| Non-Major Funds: | |
| Aging Disability Resource Center | 103,073 |
| Child support | 56,217 |
| CDGB revolving loan | 415,549 |
| Drug task force | 327,266 |
| Iowa county airport | 3,779 |
| Unified community services | 89,279 |
| Dog license | 1,000 |
| Total restricted | <u>\$ 3,884,796</u> |

Iowa County, Wisconsin
Notes to the Financial Statements
December 31, 2014

NOTE 6 GOVERNMENTAL ACTIVITIES NET POSITION/FUND BALANCES (CONTINUED)

Assigned fund balance as of December 31, 2014 includes the following items:

| Major Funds | Amount |
|-----------------------------------|---------------|
| General Fund: | |
| Assigned for: | |
| Contingency | \$ 605,318 |
| Veterans relief | 13,597 |
| Land conservation – forestry | 11,884 |
| Sheriff – out of county prisoners | 33,350 |
| UW Extension computer | 7,000 |
| Finance department | 14,691 |
| Supervision program | 2,986 |
| Information systems | 40,162 |
| Emergency management department | 2,368 |
| Register of deeds-record storage | 18,841 |
| Public property maintenance | 203,203 |
| Capital Projects Fund | 1,078,637 |
| Total assigned | \$ 2,032,037 |

NOTE 7 BUSINESS-TYPE ACTIVITIES NET POSITION

Net position of the Bloomfield Healthcare and Rehabilitation Center (enterprise fund) have been restricted for the following uses:

| | |
|----------------------------------|------------|
| Bequest for client entertainment | \$ 689,322 |
|----------------------------------|------------|

The following calculation supports the proprietary net position net investment in capital assets:

| | |
|---|---------------|
| Plant in service | \$ 17,485,679 |
| Accumulated depreciation | (12,351,730) |
| Total net position net investment in capital assets | \$ 5,133,949 |

Iowa County, Wisconsin
Notes to the Financial Statements
December 31, 2014

NOTE 8

DEFINED BENEFIT PENSION PLAN

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

Effective the first day of the first pay period on or after June 29, 2011 the employee required contribution was changed to one-half of the actuarially determined contribution rate for General category employees, including Teachers, and Executive and Elected Officials. Required contributions for protective contributions are the same rate as general employees. Employers are required to contribute the remainder of the actuarially determined contribution rate. The employer may not pay the employee required contribution unless provided for by an existing collective bargaining agreement. Contribution rates for 2014 are:

| | <u>Employee</u> | <u>Employer</u> |
|------------------------------------|-----------------|-----------------|
| General (including Teachers) | 7.0% | 7.0% |
| Executive & Elected Officials | 7.75% | 7.75% |
| Protective with Social Security | 7.0% | 10.10% |
| Protective without Social Security | 7.0% | 13.70% |

The payroll for Iowa County employees covered by the WRS for the year ended December 31, 2014 was \$9,310,865; the employer's total payroll was \$9,972,184. The total required contribution for the year ended December 31, 2014 was \$1,359,993, which consisted of \$706,680 or 7.6 percent of the covered payroll from the employer and \$653,313 or 7.0 percent of the covered payroll from employees. Total contributions for the years ending December 31, 2013 and 2012 were \$1,278,593 and \$1,130,602, respectively, equal to the required contributions for each year.

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

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

Iowa County, Wisconsin
Notes to the Financial Statements
December 31, 2014

NOTE 9

JOINT VENTURE

Iowa County has entered into an agreement with the Village of Muscoda, Richland County and Iowa County to establish and utilize an incinerator for the recovery of resources from solid waste. The Muscoda Waste to Energy Facility ("the Facility") is a facility constructed for the purpose of disposal of solid waste by incineration and capture of the energy there from in the form of steam. A separate recycling center was also constructed.

The Facility was operated by the Muscoda Solid Waste Commission. The commission was established pursuant to the Agreement on Solid Waste Disposal and Section 66.30 of the Wisconsin Statutes, and includes members from Grant, Richland, and Iowa Counties and the Village of Muscoda. The purpose of the commission was to direct, supervise, control, operate, maintain and otherwise manage the Facility.

A study of the Facility by independent consultants raised doubts as to the safety and ability of the Facility to operate as an incinerator. The study indicated improvements in excess of \$8 million would be needed to allow the Facility to operate as intended. On November 1, 1995, the Facility ceased operations.

In prior years, Iowa County expended funds to finance its portion of the additional working capital needed by the Facility. The funds were put into an escrow account to be disbursed to the Facility as needed, with approval of the Counties involved. At December 31, 2014, the balance in the escrow account was \$3,781.

NOTE 10

DEFERRED INFLOWS OF RESOURCES

Governmental funds report deferred inflows of resources in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. The County also defers inflow recognition in connection with taxes levied for future periods. The various components of deferred inflow reported at December 31, 2014 were as follows:

| | <u>Governmental</u> | <u>Business-Type</u> |
|----------------------------|---------------------|----------------------|
| Taxes levied for 2014 | \$ 7,880,714 | \$ 2,630,929 |
| Delinquent property taxes | 186,562 | |
| Economic development loans | 143,417 | |
| Total | <u>\$ 8,210,693</u> | <u>\$ 2,630,929</u> |

The economic development loans receivable of \$143,417 consist of loans made to business entities from the proceeds of Community Development Block grants. These are to be repaid, together with interest, to the County out of the revenue of the entities. These repayments are then being reloaned to entities based on pre-established criteria. Repayment of principal and interest on the loans is recorded as revenue when received in the funds statements.

NOTE 11

RISK MANAGEMENT

The County is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; employee health and accident insurance coverage; and natural disasters. These risks (except for collision coverage on vehicles) are covered by commercial insurance purchased from independent third parties. Settled claims for these risks have not exceeded commercial insurance coverage for the past three years.

The County maintains a self-funded dental plan for its employees with a maximum payment of \$300 per employee. The plan administrators, Medical Benefits Administration are responsible for the approval, processing and payment of claims, after which they bill the County for reimbursement. The County is also responsible for a monthly administrative fee.

Iowa County, Wisconsin
Notes to the Financial Statements
December 31, 2014

NOTE 12

COMPENSATED ABSENCES

Compensated absences consists an accrual for time earned under the County's managed (paid) time off (MTO) plan, which became effective January 1, 2013, an accrual for sick leave accumulated prior to the implementation of the MTO plan, and an accrual for sick leave accumulated by employees covered under the union contract with the sheriff's department.

Under the Teamsters Union Local No. 695 contract covering sheriff department employees, full-time employees earn eight hours of sick leave per month with a maximum accumulation of 960 hours. All employees covered under the contract who retire and are eligible for the Wisconsin Retirement Fund annuity and/or social security benefits, or who die while in employ of the County (in case of death, their estates shall be entitled) shall be allowed to convert their accumulated sick leave to purchase continuing group health insurance and dental insurance under the County employees' insurance plan, or shall receive a cash payment for their accumulated sick leave based on their final base wage rate.

MTO accrual commences on an employee's initial date of employment on a prorated basis. The maximum amount of annual MTO that an employee can accumulate is calculated from the employee's anniversary date of initial employment. The maximum annual MTO accrual is as follows:

| Accrual Periods | Maximum Annual Accrual for Employees Working 40 Hours per Week |
|------------------|--|
| 0-1.99 year | 136 hours |
| 2-5 years | 176 hours |
| 6-10 years | 208 hours |
| 11-15 years | 248 hours |
| 16-20 years | 288 hours |
| 21 or more years | 312 hours |

On an employee's anniversary date, if the employee's accrued MTO hours exceed the maximum set forth in the accrual schedule, the excess hours are transferred to the employee's medical leave bank in the subsequent pay period. If the employee's medical leave bank accrual balance is at the maximum level at the time excess MTO hours are to be transferred, the excess MTO hours are deemed forfeited. MTO hours transferred to an employee's medical leave bank cannot be returned to the employee's MTO account. The medical leave bank is to provide additional medical leave to employees that have reached the maximum MTO accrual. Upon termination of employment, the employee's accrued MTO is paid out at the employee's current wage rate. The medical leave bank is not paid to an employee upon retirement or termination.

Any accumulated sick leave accrued prior to January 1, 2013 is locked in a personal sick leave bank and used for qualifying events due to illness and medical appointments or qualified State or Federal FMLA leave. Sick leave is not earned after January 1, 2013. Any remaining balance in the personal sick leave bank at the time of termination of employment is paid out at the employee's current wage rate.

Compensated absences as of December 31, 2014 consist of the following:

| | Sick Leave | MTO | Total |
|---|------------|------------|--------------|
| General county employees | \$ 558,396 | \$ 359,203 | \$ 917,599 |
| Bloomfield Healthcare and Rehabilitation Center employees | 198,987 | 184,768 | 383,755 |
| Highway department employees | 227,526 | 169,700 | 397,226 |
| Total | \$ 984,909 | \$ 713,671 | \$ 1,698,580 |

Iowa County, Wisconsin
Notes to the Financial Statements
December 31, 2014

NOTE 13

CONTINGENCIES

In connection with the Muscoda Waste to Energy Facility joint venture (See Note 10), the Wisconsin Department of Industry, Labor, and Human Relations issued a decision on May 3, 1996 finding the Muscoda Solid Waste Commission liable for unemployment compensation. On May 12, 1997, a judgment of approximately \$53,000 was entered against the Muscoda Solid Waste Commission for reimbursement of unemployment compensation. Since the Commission cannot impose a levy on the member counties, Iowa County's portion of any liability cannot be determined.

An action was filed against the City of Dodgeville, Wisconsin by a taxpayer requesting a refund of property taxes based on an incorrect assessment value. The taxpayer is seeking refunds of \$738,319 for 2007 and 2009, approximately \$1,175,000 for 2008, \$1,229,601 for 2011, \$988,008 for 2012 and approximately \$990,000 for 2013. The City is contesting the claims. The County's portion of any potential refund is not determinable.

The County has received federal and state grants for specific purposes that are subject to review and audit by the grantor agencies. Such audits could lead to requests for reimbursements to the grantor agency for expenditures disallowed under terms of the grants.

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 counsel 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.

NOTE 14

TRANSFERS

For the statement of net position, interfund balances which are owned within the governmental activities or business-type activities are netted and eliminated.

The following is a schedule of interfund transfers:

| <u>Fund Transfer to</u> | <u>Fund Transfer From</u> | <u>Amount</u> |
|-------------------------|----------------------------------|---------------------|
| Government Funds: | | |
| General | Social services | \$ 744,968 |
| Capital projects | General | 31,239 |
| General | Real estate tax reduction | 1,452,000 |
| General | Aging Disability Resource Center | 121,167 |
| General | Internal Service | 16,879 |
| | Total | <u>\$ 2,366,253</u> |
| Proprietary | | |
| Highway | General | <u>\$ 2,041,696</u> |

Generally, transfers are used to (1) move revenues from the fund that collects them to the fund that the budget requires to expend them, (2) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations and (3) move fund balances whose designated purpose has been removed.

Iowa County, Wisconsin
Notes to the Financial Statements
December 31, 2014

NOTE 15

ECONOMIC DEPENDENCY

Bloomfield Healthcare and Rehabilitation Center receives reimbursement of its costs for the care of certain patients from different agencies of the federal government. During 2014, these reimbursements amounted to \$3,870,823 or 77% of total operating revenue.

NOTE 16

BLOOMFIELD RESIDENT ACCOUNTS RECEIVABLE

Bloomfield accounts receivable at December 31 consisted of the following amounts:

| | 2014 | 2013 |
|---------------------------------|------------|------------|
| Private | \$ 156,680 | \$ 188,479 |
| Medical Assistance | 152,762 | 185,592 |
| Medicare | 250,350 | 189,782 |
| Veterans Affair | 339 | 338 |
| Insurance | 186,238 | 168,728 |
| Family Care | 78,592 | 50,704 |
| Allowance for Doubtful Accounts | (16,660) | (15,734) |
| Total | \$ 808,301 | \$ 767,889 |

NOTE 17

WISCONSIN COUNTY MUTUAL INSURANCE CORPORATION

Iowa County participates with other counties in the Wisconsin County Mutual Insurance Corporation. This joint venture began operation January 1, 1988 and provides liability insurance coverage to the counties. The creation of the mutual insurance corporation required the establishment of capital reserves. Each participating county deposited a portion of the required reserves. Iowa County's share of the capital reserves have been reported in the financial statements as an expenditure in the year of payment.

The governing body of the mutual insurance corporation is made up of twelve directors elected by the participating counties. The governing body has authority to adopt its own budget and control the financial affairs of the corporation.

Summary financial information as of, and for the year ended December 31, 2014 are available at the Corporation's offices in Madison, Wisconsin.

NOTE 18

TRI-COUNTY AIRPORT

Iowa County, Wisconsin is a participating member of the Tri-County Airport. Other members are Richland and Sauk Counties. The airport is operated under the supervision of a three member commission composed of one member from each county. Funding for the airport is provided by rentals and county appropriations which are shared equally by the three counties.

Financial transactions of the Tri-County Airport fund are handled as a separate fund by Sauk County.

Iowa County, Wisconsin
Notes to the Financial Statements
December 31, 2014

NOTE 19 EFFECT OF NEW ACCOUNTING STANDARD ON CURRENT PERIOD FINANCIAL STATEMENTS

The Government Accounting Standards Board (GASB) has approved GASB Statement No. 68, Accounting and Financial reporting for Pensions – an amendment of GASB Statement No. 27; and Statement No. 71, Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment of GASB Statement No. 68. Application of this standard may restate portions of these financial statements.

NOTE 20 OPERATING LEASE

The County entered into an operating lease for copiers on February 6, 2012. The lease requires 60 monthly payments of \$3,529. During the year ending December 31, 2014, the County paid \$42,348 in lease payments. Future payments are as follows:

| | |
|------|----------|
| 2015 | \$42,348 |
| 2016 | \$42,348 |
| 2017 | \$ 7,058 |

Iowa County, Wisconsin
Notes to the Financial Statements
December 31, 2014

NOTE 22

COMPONENT UNIT

This report contains the Cobb-Highland Recreation Commission, which is included as a component unit. Financial information is presented as a discrete column in the statement of net position and statement of activities. Audited financial statements of the Commission are available at the Commission's office.

In addition to the basic financial statements and the preceding notes to the financial statements which apply, the following additional disclosures are considered necessary for a fair presentation.

A. Summary of Significant Accounting Policies

1. Fixed Assets

Fixed assets are capitalized at cost (or fair market value at date of contribution). Depreciation is recorded using the straight-line method over the estimated lives (3-25 years).

Total cost and accumulated depreciation of fixed assets on December 31 is as follows:

| | Balance 1/1/2014 | Additions | Deletions | Reclassification | Balance 12/31/2014 |
|---------------------------------|---------------------|-----------|------------|------------------|-----------------------|
| Capital assets: | | | | | |
| Buildings | \$ 668,147 | \$ 6,749 | \$ | \$ (67,846) | \$ 607,050 |
| Equipment & furnishings | 224,825 | 48,404 | (18,720) | (68,616) | 185,893 |
| Land improvements | 102,470 | 15,272 | (9,011) | 136,462 | 245,193 |
| Total capital assets | 995,442 | 70,425 | (27,731) | | 1,038,136 |
| Less: accumulated depreciation: | | | | | |
| Buildings | 329,178 | 20,355 | | (12,478) | 337,055 |
| Equipment & furnishings | 141,284 | 17,778 | (10,608) | (46,009) | 102,445 |
| Land improvements | 27,461 | 13,745 | (7,509) | 58,487 | 92,184 |
| Total accumulated depreciation | 497,923 | 51,878 | (18,117) | | 531,684 |
| Total net capital assets | \$ 497,519 | \$ 18,547 | \$ (9,614) | \$ | \$ 506,452 |

2. Income Tax

The Commission is exempt from income taxes and therefore no income tax liability is recorded.

3. Cash

The cash accounts of the Cobb-Highland Recreation Commission (Blackhawk Lake Recreation Area) are deposited in banks and are fully insured by FDIC insurance.

4. Compensated Absences

Payments for vacation will be made at rates in effect when benefits are used. Vacation does not vest and employees do not earn any sick leave.

Iowa County, Wisconsin
Notes to the Financial Statements
December 31, 2014

NOTE 22

COMPONENT UNIT (CONTINUED)

B. Net Position

The following calculation supports the Commission's net position net investment in capital assets at December 31, 2014:

| | |
|---|-------------------|
| Plant in service | \$ 1,038,136 |
| Accumulated depreciation | <u>(531,684)</u> |
| Total net position net investment in capital assets | <u>\$ 506,452</u> |

C. Employee Retirement Plan

The Commission currently contributes to individual retirement accounts for two full-time employees. Contributions are 10% of the Park Manager's current salary and 4% of the Assistant Manager's current salary. Contributions made for the year ended December 31, 2014 were \$6,940.

D. Subsequent Events

The commission approved construction of a new shower house/bathroom for approximately \$20,000.

Required Supplementary Information

Schedule 1
Required Supplementary Information
Iowa County, Wisconsin
Budgetary Comparison Schedule for the General Fund
For the Year Ended December 31, 2014

| | Budgeted Amounts | | Actual | Variance | Variance |
|---|------------------|--------------|--------------|-------------------------|----------------------|
| | Original | Final | | With Original Budget | With Final Budget |
| REVENUES | | | | | |
| Taxes: | | | | | |
| Property | \$ 4,750,104 | \$ 4,750,104 | \$ 4,863,617 | \$ 113,513 | \$ 113,513 |
| Other | 315,640 | 315,640 | 399,494 | 83,854 | 83,854 |
| Intergovernmental | 916,410 | 1,144,739 | 1,159,466 | 243,056 | 14,727 |
| Charges for services | 660,398 | 663,728 | 757,293 | 96,895 | 93,565 |
| Fines and forfeitures | 120,500 | 120,500 | 123,105 | 2,605 | 2,605 |
| Investment earnings | 30,000 | 30,000 | 34,300 | 4,300 | 4,300 |
| Miscellaneous | 194,102 | 194,198 | 420,724 | 226,622 | 226,526 |
| Total revenues | 6,987,154 | 7,218,909 | 7,757,999 | 770,845 | 539,090 |
| EXPENDITURES | | | | | |
| Current: | | | | | |
| General government | 3,360,735 | 4,195,699 | 3,011,359 | 349,376 | 1,184,340 |
| Public safety | 3,473,759 | 3,524,524 | 3,417,616 | 56,143 | 106,908 |
| Health and human services | 434,572 | 681,639 | 669,649 | (235,077) | 11,990 |
| Leisure activities | 59,782 | 64,033 | 59,033 | 749 | 5,000 |
| Conservation of natural resources | 347,845 | 366,620 | 349,200 | (1,355) | 17,420 |
| Education | 518,936 | 538,362 | 518,107 | 829 | 20,255 |
| Community and economic development | 239,325 | 249,025 | 220,693 | 18,632 | 28,332 |
| Capital outlay | 4,200 | 16,591 | 4,200 | | 12,391 |
| Total expenditures | 8,439,154 | 9,636,493 | 8,249,857 | 189,297 | 1,386,636 |
| Excess (deficiency) of revenues over expenditures | (1,452,000) | (2,417,584) | (491,858) | 960,142 | 1,925,726 |
| OTHER FINANCING SOURCES (USES) | | | | | |
| Transfers in | 1,452,000 | 1,452,000 | 2,335,014 | 883,014 | 883,014 |
| Transfers out | | (2,072,934) | (2,072,934) | (2,072,934) | |
| Total other financing sources (uses) | 1,452,000 | (620,934) | 262,080 | (1,189,920) | 883,014 |
| Net change in fund balances | | (3,038,518) | (229,778) | (229,778) | 2,808,740 |
| Fund balance-beginning of year | 8,342,483 | 8,342,483 | 8,342,483 | | |
| Fund balance-end of year | \$ 8,342,483 | \$ 5,303,965 | \$ 8,112,705 | \$ (229,778) | \$ 2,808,740 |

Schedule 2
 Required Supplementary Information
 Iowa County, Wisconsin
 Budgetary Comparison Schedule for the Social Services Fund
 For the Year Ended December 31, 2014

| | Budgeted Amounts | | Actual | Variance | Variance |
|---|------------------|--------------|--------------|-------------------------|----------------------|
| | Original | Final | | With Original Budget | With Final Budget |
| Revenues: | | | | | |
| Property taxes | \$ 1,622,307 | \$ 1,622,307 | \$ 1,622,307 | | |
| Intergovernmental | 1,192,948 | 1,192,948 | 1,232,165 | 39,217 | 39,217 |
| Charges for services | 87,068 | 87,068 | 46,869 | (40,199) | (40,199) |
| Miscellaneous | | | 2,421 | 2,421 | 2,421 |
| Total revenues | 2,902,323 | 2,902,323 | 2,903,762 | 1,439 | 1,439 |
| Expenditures: | | | | | |
| Current: | | | | | |
| Health and human services | 2,902,323 | 2,912,847 | 2,159,376 | 742,947 | 753,471 |
| Total expenditures | 2,902,323 | 2,912,847 | 2,159,376 | 742,947 | 753,471 |
| Excess (deficiency) of revenues over expenditures | | (10,524) | 744,386 | 744,386 | 754,910 |
| Other Financing Sources (Uses): | | | | | |
| Transfers (out) | | | (744,968) | (744,968) | (744,968) |
| Net change in fund balance | | (10,524) | (582) | (582) | 9,942 |
| Fund balance-beginning of year | 369,138 | 369,138 | 369,138 | | |
| Fund balance-end of year | \$ 369,138 | \$ 358,614 | \$ 368,556 | \$ (582) | \$ 9,942 |

Supplementary Information

Exhibit B-1
Iowa County, Wisconsin
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2014

| | Special Revenue Funds | | | | | | | | | Total Nonmajor Governmental Funds |
|---|-------------------------------------|------------------|---------------------------|--------------------|---------------------------|-----------------------|----------------------------------|------------------|------------------------------------|--|
| | Aging Disability Resource Center | Child Support | C.D.B.G Revolving Loan | Drug Task Force | Iowa County Airport | Tri-County Airport | Unified Community Services | Dog License | Wisconsin River Rail Transit | |
| ASSETS | | | | | | | | | | |
| Cash and investments | \$ 83,494 | \$ 31,970 | \$ 415,549 | \$ 333,300 | \$ 1,625 | \$ | \$ 105,483 | \$ 10,955 | \$ | \$ 982,376 |
| Receivables: | | | | | | | | | | |
| Current property taxes | 220,604 | 3,731 | | | 69,751 | 16,805 | 193,625 | | 28,000 | 532,516 |
| Other | | 133 | | | 3,025 | | | | | 3,158 |
| Economic development loans | | | 143,417 | | | | | | | 143,417 |
| Due from other governments | 47,112 | 31,177 | | 4,913 | | | | | | 83,202 |
| Inventories | | | | | 40,458 | | | | | 40,458 |
| Total assets | \$ 351,210 | \$ 67,011 | \$ 558,966 | \$ 338,213 | \$ 114,859 | \$ 16,805 | \$ 299,108 | \$ 10,955 | \$ 28,000 | \$ 1,785,127 |
| LIABILITIES | | | | | | | | | | |
| Accounts payable | \$ 3,946 | \$ 1,310 | \$ | \$ 529 | \$ 3,439 | \$ | \$ 16,204 | \$ 9,324 | \$ | \$ 34,752 |
| Accrued payroll | 17,312 | 4,068 | | | 2,158 | | | | | 23,538 |
| Due to other governments | 6,275 | 1,685 | | 1,080 | 1,109 | | | 631 | | 10,780 |
| Unearned revenue | | | | | 10,045 | | | | | 10,045 |
| Total liabilities | 27,533 | 7,063 | | 1,609 | 16,751 | | 16,204 | 9,955 | | 79,115 |
| DEFERRED INFLOWS OF RESOURCES | | | | | | | | | | |
| Deferred property tax revenue-current | 220,604 | 3,731 | | | 69,751 | 16,805 | 193,625 | | 28,000 | 532,516 |
| Deferred revenue-other | | | 143,417 | 9,338 | | | | | | 152,755 |
| Total deferred inflows of resources | 220,604 | 3,731 | 143,417 | 9,338 | 69,751 | 16,805 | 193,625 | | 28,000 | 685,271 |
| FUND BALANCES | | | | | | | | | | |
| Nonspendable | | | | | 24,578 | | | | | 24,578 |
| Restricted | 103,073 | 56,217 | 415,549 | 327,266 | 3,779 | | 89,279 | 1,000 | | 996,163 |
| Total fund balances | 103,073 | 56,217 | 415,549 | 327,266 | 28,357 | | 89,279 | 1,000 | | 1,020,741 |
| Total liabilities, deferred inflows of resources and fund balances | \$ 351,210 | \$ 67,011 | \$ 558,966 | \$ 338,213 | \$ 114,859 | \$ 16,805 | \$ 299,108 | \$ 10,955 | \$ 28,000 | \$ 1,785,127 |

Exhibit B-2
Iowa County, Wisconsin
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended December 31, 2014

| | Special Revenue Funds | | | | | | | | | Total Nonmajor Governmental Funds |
|---|-------------------------------------|------------------|---------------------------|--------------------|---------------------------|-----------------------|----------------------------------|----------------|------------------------------------|--|
| | Aging Disability Resource Center | Child Support | C.D.B.G Revolving Loan | Drug Task Force | Iowa County Airport | Tri-County Airport | Unified Community Services | Dog License | Wisconsin River Rail Transit | |
| REVENUES | | | | | | | | | | |
| Taxes: | | | | | | | | | | |
| Property taxes | \$ 223,085 | \$ 1,723 | \$ | \$ | \$ 66,523 | \$ 21,336 | \$ 193,625 | \$ | \$ 28,000 | \$ 534,292 |
| Intergovernmental | 512,848 | 169,973 | | 17,915 | | | | | | 700,736 |
| Public charges for services | | | | 28,397 | 91,902 | | 12,629 | | | 132,928 |
| Interest income | 192 | | 6,330 | 343 | | | | | | 6,865 |
| Revolving loan repayments | | | 5,094 | | | | | | | 5,094 |
| Miscellaneous income | 74,616 | | | 9,234 | 6,831 | | | | | 90,681 |
| Total revenues | 810,741 | 171,696 | 11,424 | 55,889 | 165,256 | 21,336 | 193,625 | 12,629 | 28,000 | 1,470,596 |
| EXPENDITURES | | | | | | | | | | |
| Current: | | | | | | | | | | |
| Transportation facilities | | | | | 161,477 | 21,336 | | | | 182,813 |
| Public safety | | | | 49,390 | | | 12,629 | | | 62,019 |
| Health and human services | 684,272 | 140,468 | | | | 209,829 | | | | 1,034,569 |
| Community and Economic development | | | 54 | | | | | 28,000 | | 28,054 |
| Total expenditures | 684,272 | 140,468 | 54 | 49,390 | 161,477 | 21,336 | 209,829 | 12,629 | 28,000 | 1,307,455 |
| Excess (deficiency) of revenues over expenditures | 126,469 | 31,228 | 11,370 | 6,499 | 3,779 | | (16,204) | | | 163,141 |
| OTHER FINANCING SOURCES (USES) | | | | | | | | | | |
| Transfers (out) | (121,167) | | | | | | | | | (121,167) |
| Net change in fund balances | 5,302 | 31,228 | 11,370 | 6,499 | 3,779 | | (16,204) | | | 41,974 |
| Fund balances-beginning of year | 97,771 | 24,989 | 404,179 | 320,767 | 24,578 | | 105,483 | 1,000 | | 978,767 |
| Fund balances-end of year | \$ 103,073 | \$ 56,217 | \$ 415,549 | \$ 327,266 | \$ 28,357 | \$ | \$ 89,279 | \$ 1,000 | \$ | \$ 1,020,741 |

Bloomfield Healthcare and Rehabilitation Center
Per Capita Costs
For the year then ended December 31, 2014

Per Capita Cost

The daily average per capita cost of maintaining residents at Bloomfield Healthcare and Rehabilitation Center for the period January 1, 2014 to December 31, 2014 is computed below:

| | |
|-----------------------------------|---------------------|
| Expenses (Exhibit A-8) | \$ 5,876,584 |
| <u>Other (Income) Expenses</u> | |
| Other Operating Revenue | <u>(374,881)</u> |
| Net Cost of Maintaining Residents | <u>\$ 5,501,703</u> |
| Resident Days | <u>21,645</u> |
| Per Capita Cost Per Day | <u>\$ 254.18</u> |

Bloomfield Healthcare and Rehabilitation Center
Daily Rates
For the year then ended December 31, 2014

Amounts charged for daily care during 2014 are given below:

| | Residential | Personal | Intermediate | Skilled | ISN | DD-1A | DD-1B | DD2 | DD3 |
|--|-------------|----------|--------------|---------|--------|--------|--------|--------|--------|
| <u>Private:</u> 01/1/14-12/31/14 | | | 221.00 | 230.00 | 237.00 | | | | |
| <u>Medical Assistance:</u> 01/1/14-03/31/14 | 142.42 | 142.42 | 142.42 | 142.42 | 142.42 | 248.34 | 248.34 | 207.38 | 165.48 |
| 04/1/14-06/30/14 | 145.75 | 145.75 | 145.75 | 145.75 | 145.75 | 248.34 | 248.34 | 207.38 | 165.48 |
| 07/1/14-09/30/14 | 148.64 | 148.64 | 148.64 | 148.64 | 148.64 | 251.86 | 251.86 | 210.30 | 167.77 |
| 10/1/14-12/31/14 | 151.08 | 151.08 | 151.08 | 151.08 | 151.08 | 251.86 | 251.86 | 210.30 | 167.77 |
| <u>VA:</u> 01/1/14-09/30/14 | | | | 176.16 | | | | | |
| 10/1/14-12/31/14 | | | | 176.16 | | | | | |
| <u>Medicare:</u> 01/1/14-12/31/14 | | | 221.00 | 230.00 | 237.00 | | | | |

The amount actually reimbursed by Medicare varied depending on various categories which patients were placed.



Certified Public Accountants

2500 Business Park Road ▲ Mineral Point, Wisconsin 53565 ▲ TEL 608-987-2206 ▲ FAX 608-987-3391

Communication of Significant Deficiencies and Material Weaknesses

The County Board of Supervisors
Iowa County, Wisconsin
Dodgeville, Wisconsin

In planning and performing our audit of the financial statements of governmental activities, the business-type activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of Iowa County, Wisconsin as of and for the year ended December 31, 2014, in accordance with auditing standards generally accepted in the United States of America, we considered Iowa County, Wisconsin's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Governmental Unit's internal control. Accordingly, we do not express an opinion on the effectiveness of the Governmental Unit's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be significant deficiencies or material weaknesses and, therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we identified certain deficiencies in internal control that we consider to be significant deficiencies.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We did not identify any deficiencies in internal control that we consider to be material weaknesses.

A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the following deficiency in Iowa County's internal control to be a significant deficiency:

Preparation of Financial Statements

County staff does not prepare the financial statements and accompanying notes. The County has designated an individual responsible for reviewing and accepting the financial statements and related notes.

This communication is intended solely for the information and use of the audit committee, management, and others within the administration, the County Board and federal and state awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Johnson Block and Company, Inc.

Johnson Block & Company, Inc.

September 30, 2015
Mineral Point, Wisconsin



Certified Public Accountants

2500 Business Park Road ▲ Mineral Point, Wisconsin 53565 ▲ TEL 608-987-2206 ▲ FAX 608-987-3391

To the Administrative Services Committee
Iowa County
Dodgeville, Wisconsin

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component unit, each major fund and the aggregate remaining fund information of Iowa County, Wisconsin for the year ended December 31, 2014. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards and government auditing standards and OMB Circular A-133, as well as certain information related to the planned scope and timing of our audit. We have communicated such information to you.

Our Responsibility Under U.S. Generally Accepted Auditing Standards OMB Circular A-133, and the State Single Audit Guidelines

As stated in our engagement letter, our responsibility, as described by professional standards, is to express opinions about whether the financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles. Our audit of the financial statements does not relieve you or management of your responsibilities.

In planning and performing our audit, we considered Iowa County's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinions on the financial statements and not to provide assurance on the internal control over financial reporting. We also considered internal control over compliance with requirements that could have a direct or material effect on a major federal or state program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133 and the State Single Audit Guidelines.

As part of obtaining reasonable assurance about whether Iowa County's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, noncompliance with which could have a direct or material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit. Also in accordance with OMB Circular A-133 and the State Single Audit Guidelines, we examined, on a test basis, evidence about Grant County's compliance with the types of compliance requirements described in the "U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement and the State Single Audit Guidelines" applicable to each of its major federal and state programs for the purpose of expressing an opinion on Grant County's compliance with those requirements. While our audit provides a reasonable basis for our opinion, it does not provide a legal determination on Grant County's compliance with those requirements.

Plan Scope and Timing of the Audit

We performed the audit according to the planned scope and timing previously communicated to you.

Significant Audit Findings

Qualitative Aspects of Accounting

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by Iowa County are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during 2014. We noted no transactions entered into by the County during the year for which there is a lack of authoritative guidance or consensus. There are no significant transactions that have been recognized in the financial statements in a different period than when the transaction occurred.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimate affecting the financial statements was:

Management's estimate of the allowance for doubtful accounts is based on an analysis of the collectability of individual accounts. We evaluated the key factors and assumptions used to develop the allowance for doubtful accounts in determining that it is reasonable in relation to the financial statements taken as a whole.

The County's accrued liability for vested sick leave and managed time off was based on the age of the person and the probability that they would be working for the County until retirement. We are not aware of any other particularly sensitive accounting estimate utilized by management.

The financial statement disclosures are neutral, consistent and clear.

Difficulties Encountered in Performing the Audit

The schedules of expenditures of federal and state awards were not received until late September, 2015. In addition, the initial infrastructure fixed asset schedules were inaccurate and final schedules were not provided until late September, 2015. This delayed the completion of the financial audit and the completion and submission of the Single Audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. The attached schedule summarizes uncorrected misstatements of the financial statements. Management has determined that their effects are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

The following material misstatements detected as a result of audit procedures were corrected by management:

- Reclassify taxpayer refund payment.
- Adjust patient accounts receivable for uncollectible accounts.
- Write off uncollectible revolving loans.
- Record highway unearned revenue

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a matter, a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated September 30, 2015.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the County's financial statement or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the County's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

We applied certain limited procedures to the budgetary comparison schedule, which is required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding 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 did not audit the RSI and do not express or provide any assurance on the RSI.

We were engaged to report on the combining statements, and the daily room rates for Bloomfield Healthcare and Rehabilitation Center, which accompany the financial statements but are not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying records used to prepare the financial statements and to the financial statements themselves.

Attached are recommendations and informational points to management that are not material weaknesses or significant deficiencies.

Restriction on Use

This information is intended solely for the use of the Administrative Services Committee and management of the County of Iowa, Wisconsin and is not intended to be, and should not be, used by anyone other than those specified parties.

Very truly yours,

Johnson Block & Company, Inc.

Johnson Block and Company, Inc.

September 30, 2015
Mineral Point, WI

RECOMMENDATIONS AND INFORMATIONAL POINTS TO MANAGEMENT
THAT ARE NOT MATERIAL WEAKNESSES OR SIGNIFICANT DEFICIENCIES

Prior Year Items

A. Use of Federal I.D. Number

There is one employee group that is using the County's federal I.D. number on its bank accounts. The use of the County's federal I.D. number should be limited to County operations only. Any funds not belonging to the County should be reported under their own federal I.D. number.

2014 Update

This still applies and relates to account maintained by the Iowa County Law Enforcement Association.

B. Grant Procedures

Each department in the County files its own grant applications and subsequent grant reports. As such, there is no way for management to control the grants being applied for, nor to know the status of grants.

We recommend that the County consider a grant administration policy to address this issue. Part of this policy may be designating one individual responsibility for monitoring the status of grants within the County to include the initial application, approval, reporting, reimbursement and completion of grants.

2014 Update

This still applies.

C. Sheriff Cash

- 1) At December 31, 2013, the bank reconciliation for the sheriff's canteen account included several outstanding checks from 2001 through 2012 totaling \$3,133. These items should be turned over to the County Treasurer as unclaimed funds. By State Statute, this is to be done every other year.

2014 Update

This still applies. As of December 31, 2014, outstanding checks from 2001-2013 totaled \$3,290.

- 2) The canteen account is being used to hold inmate deposits (Huber accounts) and to deposit receipts from various sheriff department activities such as the vending machines. Purchases for the sheriff's department are also being made from this account. The balance of this account at December 31, 2013 was approximately \$83,711.

We recommend that this account only be used for inmate accounts and reconciled to individual inmate balances on a monthly basis. Other sheriff revenues and expenditures should follow existing County procedures for cash receipts and disbursements. If the account is maintained as is, the activity should be recorded on the County general ledger monthly and a reconciliation performed between inmate balances and County funds. Purchases from the account representing County funds should still follow regular County procedures for cash disbursements.

2014 Update

This still applies and the balance at December 31, 2014 was \$83,752.

D. Fund Balance Policy

The County has an adopted policy on the establishment and maintenance of a designation for working capital. The policy was adopted before the issuance of GASB Statement No. 54. As such, the terminology does not correspond to current financial statement standards. We recommend the County revise their policy to incorporate current terms and definitions as described in GASB Statement No. 54.

2014 Update

This still applies.

E. Bank Collateral

At December 31, 2013, the County had uninsured and uncollateralized deposits of \$2,157,414. \$411,269 of this amount would be insured by the State of Wisconsin Guarantee Fund, provided funds are available at the time of any potential loss. In order to minimize this risk, the County should investigate either obtaining additional collateral or other form of insurance from banks.

2014 Update

At December 31, 2014, \$8,656,619 of County deposits were insured or collateralized, uninsured and uncollateralized deposits were \$3,920,427. The State of Wisconsin Guarantee Fund would provide additional insurance for \$413,617 of the uninsured and uncollateralized deposits.

F. Highway Inventory

Physical inventory count was not completed until the end of March 2014. Count should have been done shortly after year end to ensure accuracy of count as of December 31, 2013.

2014 Update

Inventory was counted at year end for 2014.

2014 Items

G. Review and Approval of Journal Entries

During our audit, it was noted that journal entries made by departments within the County are not reviewed or approved by another responsible individual. We recommend that the Finance department review and approve journal entries posted by the Highway Department, Bloomfield Healthcare & Rehabilitation Center, and Human Services. Journal entries posted by the Finance department should be reviewed and approved by Administration.

H. Infrastructure Capital Asset Schedule

The Infrastructure capital asset schedule maintained by the Hwy Department has had several errors in tracking asset cost and accumulated depreciation. This has delayed the issuance of the audit report. We recommend that the Hwy Department look into procedures to make sure that the assets are tracked correctly from year to year and the information is available in a timely manner for review by the county finance director. The county may want to consider purchasing a fixed asset program or hiring an outside service to maintain the depreciation schedule.

Client: **IOWACTY - Iowa County, Wisconsin**
 Engagement: **2014 Audit**
 Period Ending: **12/31/2014**
 Trial Balance: **TB**
 Workpaper: **PJE**

| Account | Description | Debit | Credit |
|--|-------------------------------|------------------|------------------|
| Proposed JE # 6001 | | | |
| Entry to adjust inventory to actual. | | | |
| 10-70-53328-00000-3 | MATERIALS | 19,842.00 | |
| 10-00-16111-00000-0 | CONST & MAINT MATERIALS & SUP | | 19,842.00 |
| | Total | 19,842.00 | 19,842.00 |
| Proposed JE # 6002 | | | |
| Entry to adjust to actual FEMA grant money received from the Department of Military Affairs. | | | |
| 10-70-43532-00000-0 | FEMA GRANTS | 9,809.69 | |
| 10-00-14200-00000-0 | DUE FROM STATE OF WISCONSIN | | 9,809.69 |
| | Total | 9,809.69 | 9,809.69 |
| Proposed JE # 6003 | | | |
| Writeoff remaining balance from 2013. | | | |
| 10-15-48600-00000-0 | MISCELLANEOUS REVENUE | 1,100.00 | |
| 10-00-13110-00000-0 | SUNDRY ACCOUNTS REC. GENERAL | | 1,100.00 |
| | Total | 1,100.00 | 1,100.00 |

Client: **IOWACTY - Iowa County, Wisconsin**
Engagement: **2014 Audit**
Period Ending: **12/31/2014**
Trial Balance: **TB**
Workpaper: **Blackhawk Lake 2014 PJE's**

| Account | Description | Debit | Credit |
|---------------------------------|----------------------------------|------------------|------------------|
| Proposed JE # 6001 | | | |
| Record revenue received in | | | |
| December 2014 for 2015 services | | | |
| 6100.00 | Boat Mooring | 9,625.00 | |
| 6200.00 | Boat Rentals | 380.00 | |
| 6300.00 | Cabin Rental | 6,770.00 | |
| 6410.00 | Camping: Regular Campsite Rental | 13,154.18 | |
| 6420.00 | Camping: Group Site Rental | 800.00 | |
| 6430.00 | Camping: Electricity Charges | 6,209.10 | |
| 6800.00 | Shelter Rental | 90.00 | |
| 2316.00 | Deferred Revenue - camping | | 37,028.28 |
| Total | | 37,028.28 | 37,028.28 |

| | | | |
|---------------------------------|----------------------------------|------------------|------------------|
| Proposed JE # 6002 | | | |
| Record revenue received in | | | |
| December 2013 for 2014 services | | | |
| 3110.00 | Retained Earnings | 33,575.00 | |
| 6100.00 | Boat Mooring | | 9,625.00 |
| 6200.00 | Boat Rentals | | 160.00 |
| 6300.00 | Cabin Rental | | 4,000.00 |
| 6410.00 | Camping: Regular Campsite Rental | | 12,508.00 |
| 6420.00 | Camping: Group Site Rental | | 1,240.00 |
| 6430.00 | Camping: Electricity Charges | | 5,997.00 |
| 6800.00 | Shelter Rental | | 45.00 |
| Total | | 33,575.00 | 33,575.00 |