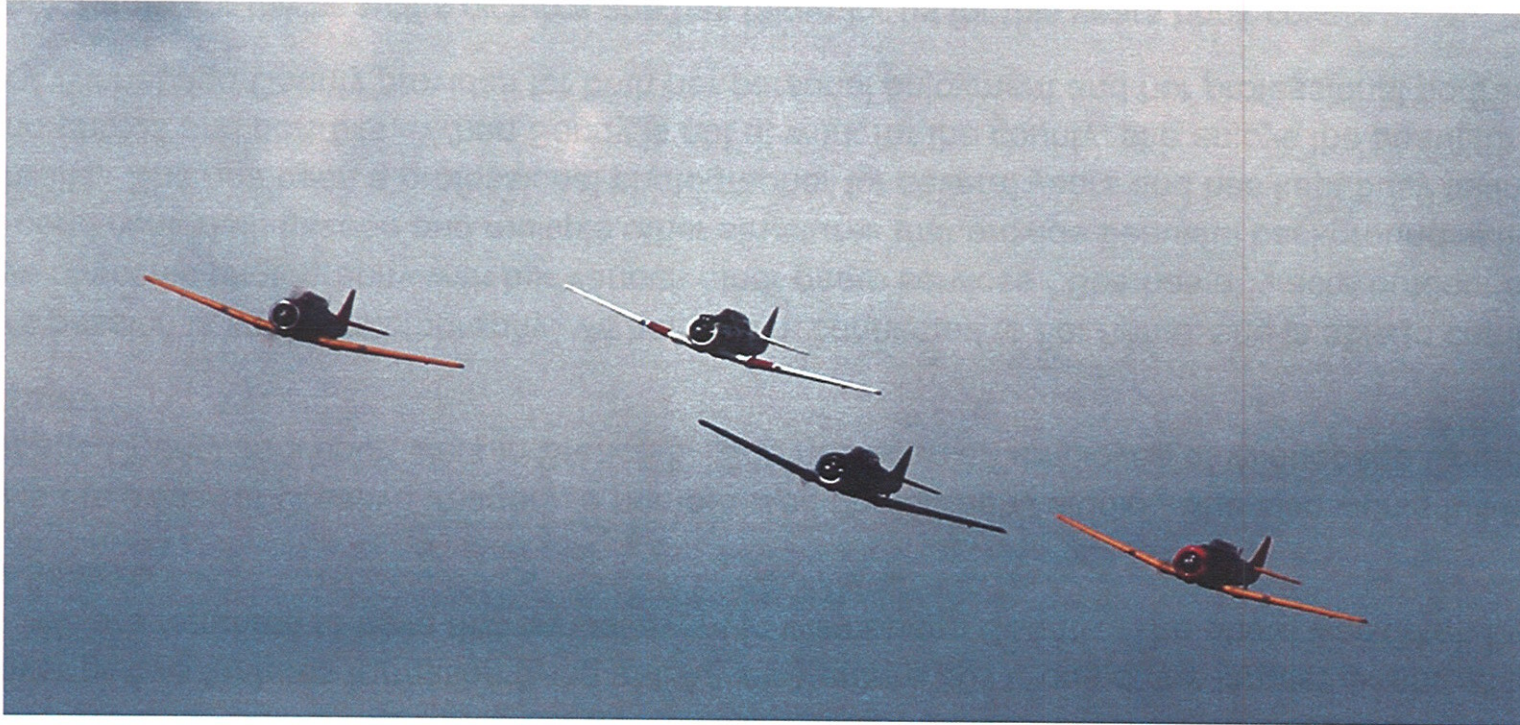


Comprehensive Annual Financial Report

For the Year Ended December 31, 2012



Formation Flying at Air Venture 2011

**Winnebago County
Wisconsin**

The Wave of the Future



About Our Cover.....

Formation Flying at Air Venture 2011

Our cover picture features formation flying at EAA Air Venture 2011, one of the largest air shows in the world. We are fortunate to have this annual event in Winnebago County. The photo was taken by Sandy Staerke.

Sandy is the owner of Creative Imagery, a home-based photography studio. She also works full-time for Winnebago County as a court clerk in Branch 5. She has been an employee of Winnebago County for many years.

Sandy's passion is scenic photography. At her studio, connected to her home, she is able to combine her love of scenic photography with her various other photo services. She has a ½ acre outdoor studio with a pond, waterfall, gazebo and multiple other structures that provide beautiful background settings for portraits. She has been a professional photographer for several years and has kept busy taking wedding photos and portraits. When Sandy is not at work for the county, she enjoys the beautiful scenery Winnebago County provides for both her personal enjoyment and her professional portraits.

We thank Sandy for the beautiful pictures she has taken for us for this years book covers.

**COMPREHENSIVE
ANNUAL
FINANCIAL
REPORT**

Winnebago County, Wisconsin

Year ended December 31, 2012

Department of Finance

**Charles L. Orenstein, C.P.A.
Finance Director**

WINNEBAGO COUNTY, WISCONSIN
COMPREHENSIVE ANNUAL FINANCIAL REPORT
Year ended December 31, 2012

TABLE OF CONTENTS

	<u>Page</u>
I. <u>INTRODUCTORY SECTION</u>	
A. Letter of transmittal	1-4
B. County Board of Supervisors	5
C. List of principal officials	6
D. Organization of Winnebago County Government	7
II. <u>FINANCIAL SECTION</u>	
A. Independent auditor's report	8-10
B. Management's Discussion and Analysis	11-31
C. Basic Financial Statements	
Government-Wide Financial Statements:	
1. Statement of Net Position	32-33
2. Statement of Activities	34
Governmental Fund Financial Statements:	
1. Balance Sheet- Governmental Funds	35-36
2. Reconciliation of the Balance Sheet to the Statement of Net Position – Governmental Funds	36A
3. Statement of Revenues, Expenditures and Changes in Fund Balances- Governmental Funds	37-38
4. Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	38A
Proprietary Fund Financial Statements:	
1. Statement of Net Position- Proprietary Funds	39-40
2. Statement of Revenues, Expenses and Changes in Fund Net Position- Proprietary Funds	41-42
3. Statement of Cash Flows- Proprietary Funds	43-45
Fiduciary Fund Financial Statements:	
Statement of Fiduciary Net Position	46
Notes to the Financial Statements	47-93

D. Required Supplementary Information Other Than MD&A:

Schedule of Revenues, Expenditures and Changes in Fund Balances- Budget and Actual General and Major Special Revenue Funds:	<u>Page</u>
1. Schedule of Revenues, Expenditures and Changes in Fund Balance- Budget and Actual –General Fund	94
2. Schedule of Revenues, Expenditures and Changes in Fund Balance- Budget and Actual –Human Services Fund	95
3. Other Postemployment Benefit Plan- Schedule of Funding Progress	96
4. Other Postemployment Benefit Plan- Schedule of Employer Contributions	97
5. Notes to Required Supplementary Information	98

E. Supplemental Information:

Statements and Schedules - Major Funds:

1. Balance Sheet- General Fund	99-100
2. Schedule of Revenues and Other Financing Sources- Budget and Actual –General Fund	101-105
3. Schedule of Expenditures and Other Financing Uses Budget and Actual –General Fund	106-113
4. Balance Sheet- Human Services Fund	114

Combining Statements of Nonmajor Governmental Funds:

1. Combining Balance Sheet- Nonmajor Governmental Funds	115
2. Combining Statement of Revenues, Expenditures and Changes in Fund Balances- Nonmajor Governmental Funds	116
3. Combined Statement of Revenues, Expenditures and Changes in Fund Balances- Budget and Actual – Nonmajor Governmental Funds	117

Statements of Non-major Governmental Funds:

1. Balance Sheet- Nonmajor Debt Service Fund	118
2. Schedule of Revenues, Expenditures and Changes in Fund Balance- Budget and Actual – Nonmajor Debt Service Fund	119
3. Balance Sheet- Nonmajor Capital Projects Fund	120
4. Statement of Revenues, Expenditures and Changes in Fund Balances- Budget and Actual – Nonmajor Capital Projects Fund	121
5. Combining Statement of Revenues, Expenditures and Changes in Project Balances- Nonmajor Capital Projects Fund	122-123

Enterprise Funds

1. Comparative Statements of Net Position-Airport Fund	124-125
2. Comparative Statements of Revenues, Expenses, and Changes in Net Position- Airport Fund	126
3. Comparative Statements of Cash Flows- Airport Fund	127-128
4. Comparative Statements of Net Position- Solid Waste Management Fund	129-130
5. Comparative Statements of Revenues, Expenses, and Changes in Net Position- Solid Waste Management Fund	131
6. Comparative Statements of Cash Flows- Solid Waste Management Fund	132-133
7. Comparative Statements of Net Position- Park View Health Center Fund	134-135
8. Comparative Statements of Revenues, Expenses, and Changes in Net Position- Park View Health Center Fund	136

Enterprise Funds (cont)	<u>Page</u>
9. Comparative Statements of Cash Flows- Park View Health Center Fund	137-138
10. Comparative Statements of Net Position- Highway Fund	139-140
11. Comparative Statements of Revenues, Expenses, and Changes in Net Position- Highway Fund	141
12. Comparative Statements of Cash Flows- Highway Fund	142-143
Internal Service Funds:	
1. Combining Statement of Net Position- All Internal Service Funds	144-145
2. Combining Statement of Revenues, Expenses and Changes in Net Position- All Internal Service Funds	146
3. Combining Statement of Cash Flow- All Internal Service Funds	147-148
4. Comparative Statements of Net Position- General Services Fund	149
5. Comparative Statements of Revenues, Expenses and Changes in Net Position- General Services Fund	150
6. Comparative Statements of Cash Flows- General Services Fund	151
7. Comparative Statements of Net Position- Self Insurance Fund	152
8. Comparative Statements of Revenues, Expenses and Changes in Net Position- Self Insurance Fund	153
9. Comparative Statements of Cash Flows- Self Insurance Fund	154-155
Agency Funds:	
1. Combining Balance Sheet- Statement of Fiduciary Net Position	156
2. Combining Statement of Changes in Assets and Liabilities- All Agency Funds	157-158
Capital Assets Used in the Operation of Governmental Funds:	
1. Comparative Schedule By Source	159
2. Schedule by Function and Activity	160-161
3. Schedule of Changes by Function and Activity	162-163

III. **STATISTICAL SECTION**

1. Net Position By Component - for the last ten fiscal years	164-165
2. Changes in Net Position - for the last ten fiscal years	166-171
3. Fund Balances Governmental Funds- for the last ten fiscal years	172-173
4. Changes in Fund Balances Governmental Funds - for the last ten fiscal years	174-175
5. Equalized Value of Taxable Property - for the last ten fiscal years	176

III.	<u>STATISTICAL SECTION</u> (cont.)	<u>Page</u>
6.	Direct and Overlapping Property tax rates - for the last ten fiscal years	177-180
7.	Principal Taxpayers – December 31, 2012 and nine years prior	181
8.	Property Tax Levies and Collections- for the last ten fiscal years	182
9.	Ratio of Outstanding Debt to Equalized Valuation and Debt Per Capita - for the last ten fiscal years	183
10.	Legal Debt Margin Information - for the last ten fiscal years	184-185
11.	Computation of Direct and Overlapping Debt - December 31, 2012	186-187
12.	Demographic and Economic Statistics - for the last ten fiscal years	188
13.	Ten Largest Employers – December 31, 2012 and nine years prior	189
14.	Full-Time Budgeted County Positions by Functional Area- for the last ten fiscal years	190
15.	Miscellaneous Operating Indicators - for the last ten fiscal years	191-194
16.	Capital Asset Statistics by Functional Area - for the last ten fiscal years	195-196



Winnebago County
Office of the County Executive

The Wave of the Future

OSHKOSH (920) 236-4896
FOX CITIES (920) 727-2880
FAX (920) 424-7538

April 12, 2013

To the Honorable County Board of Supervisors and Citizens of Winnebago County, Wisconsin:

State law requires that all general-purpose local governments with a population over 25,000 publish within seven months of the close of each fiscal year a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue the comprehensive annual financial report of Winnebago County, Wisconsin for the fiscal year ended December 31, 2012.

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

The Winnebago County, Wisconsin financial statements have been audited by Schenck SC, a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of Winnebago County, Wisconsin for the fiscal year ended December 31, 2012, are free of material misstatements. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in financial statements, assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unqualified opinion that the Winnebago County, Wisconsin financial statements for the fiscal year ended December 31, 2012, are fairly presented as the first component of the financial section of this report.

The independent audit of the financial statements of Winnebago County, Wisconsin was part of a broader, federally mandated "Single Audit" designed to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. These reports are available in the Winnebago County, Wisconsin separately issued Single Audit Report.

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

Profile of the Government

Winnebago County, Wisconsin, established in 1840, is situated in east central Wisconsin, bordered on the east and including parts of Lake Winnebago. Winnebago County, Wisconsin anchors the southern half of the Fox River Valley -- one of the largest metropolitan areas in Wisconsin. Winnebago County, Wisconsin occupies a land area of 286,912 acres and serves a population of 167,782. The County is empowered to levy a property tax on both real and personal property located within its boundaries.

Winnebago County, Wisconsin operates under a County Board - Executive form of government. Policy-making and legislative authority are vested in a governing board consisting of 36 elected supervisors. The County Board of Supervisors is responsible, among other things, for passing resolutions, adopting the budget, and appointing committees. The Executive is responsible for carrying out the policies of the Board, overseeing the day-to-day operations of the County, and for appointment of heads to non-elected departments. The Board is elected on a non-partisan basis, and supervisors are elected to districts to serve two-year terms. The Executive is elected to serve a four-year term.

Winnebago County, Wisconsin provides a full range of services; including law enforcement, recreational and cultural activities; planning and zoning services; health and human services; solid waste disposal; education; airport and health care facilities; maintenance of highways; support for the state's judicial system and general administrative services. In addition, the County has established a housing authority.

The annual budget serves as the foundation for Winnebago County, Wisconsin's financial planning and control. All departments of the County are required to submit requests for appropriation to the County Executive in late July of each year. The County Executive uses these requests as the starting point for developing a proposed budget. The County Executive then presents this proposed budget to the County Board for review and adoption at its late October to early November budget meetings. The County Board is required to hold public hearings on the proposed budget and to adopt a final budget by early November of each year. The adopted budget is prepared by division, department, and category. The categories consist of labor, travel, capital, and other expenditures. Department heads may make transfers of appropriations within categories within their own department. Transfers of appropriations between categories or departments, however, require the special approval of the Personnel & Finance Committee. Transfers exceeding \$3,000 require the approval of the County Board.

Budget-to-actual comparisons are provided in this report for each individual governmental fund for which an annual budget was adopted.

Factors Affecting Financial Condition

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which Winnebago County, Wisconsin operates.

Local economy. Winnebago County, Wisconsin currently has a relative stable economic environment and local indicators point to continued stability. The region is most noted for a stable industrialized base that centers on the paper, packaging and specialty heavy vehicle industries. The County remains the home to one of the nation's largest paper companies. Other national paper companies have significant manufacturing operations here. Paper and allied products, lumber and wood products, printing, publishing and allied products, primary metal industries and transportation equipment are Winnebago County, Wisconsin's specialties.

Tourism also plays a large role in the economic health of Winnebago County. Families vacation here all year round to take advantage of the many outdoor recreational activities that are available. Fishing on the Fox River chain and outdoor music concerts are several of these activities. The County is also known worldwide for the Experimental Aviation Association, which hosts its international fly-in at Oshkosh Wisconsin's Wittman Regional Airport for ten days each summer. People from all over the world descend on Oshkosh during this convention.

Long-term financial planning. Winnebago County, Wisconsin has several road reconstruction and widening projects which will be taking place over the next several years. These projects are necessary partially because of the age of the roads but mostly due to the development of residential property and because of business expansion. These roads are necessary to handle the current and future expected traffic flows.

Winnebago County, Wisconsin will continue to look for cost saving opportunities through the consolidation of services with neighboring governments. We have continued successes with the tri-county solid waste disposal and recycling program and we have completed the implementation of a multi-jurisdictional public safety system including Emergency 911 and Computer Aided Dispatch systems. We have recently consolidated the health departments of several municipalities within the County. Working jointly with neighboring governments helps eliminate the duplication of staff and equipment costs associated with delivering services.

Winnebago County, Wisconsin is also taking steps to move departments from leased office space to County owned property. With the acquisition of the former B'Gosh building in December 2010, the County has moved several departments to this property. We have relocated our District Attorney's office from rented space to County owned property next to our Courthouse to reduce rental expense and to consolidate the court related activities.

Cash management policies and practices. Cash temporarily idle during the year was invested in certificates of deposit, obligations of the U.S. Treasury, agencies and instrumentalities, demand deposits, federally backed adjustable rate mortgage pools, and the State of Wisconsin Local Government Investment Pool. The maturity of the investments range from 30 days to 10 years, with an average maturity of 12 months. The average yield on investments was 0.75% for the year. Investment income includes appreciation in the fair value of investments. Increases in fair value during the current year, however, do not necessarily represent trends that will continue; nor is it always possible to realize such amounts, especially in the case of temporary changes in the fair value of investments that the government intends to hold to maturity.

The County has adopted an investment policy, which establishes guidelines for investments but allows the Finance Director to function properly within the parameters of responsibility and authority. It also establishes a prudent set of basic procedures to insure that investment assets are adequately safeguarded.

Risk Management. The County has property and crime deductibles ranging from \$100 to \$5,000. Most of the County is insured by the Wisconsin County Mutual Insurance Corporation (WCMIC) for general, automobile, and public official's liability. The County has a \$50,000 per occurrence, \$250,000 annual aggregate deductible under the WCMIC policy. Park View Health Center has its own general and medical liability policies, and Wittman Regional Airport has its own airport liability policy. These policies do not have any deductibles. The Solid Waste Department has a pollution liability policy with a \$100,000 retention for each loss and a \$5,000,000 each loss/\$10,000,000 total losses limit of liability. Winnebago County, Wisconsin is self-insured for automobile collision, worker's compensation, dental insurance, and health insurance. Portions of these self-insured programs are covered by stop loss protection or excess insurance policies.

Willis of Wisconsin Insurance Company is our third party administrator for our worker's compensation self-insurance program. The County also has an excess worker's compensation policy with statutory limits of indemnity for worker's compensation and a \$4,246,498 limit of indemnity for employer's liability, with a \$500,000 per occurrence retention for both worker's compensation and employer's liability. Additional information on the County's risk management activity can be found in the notes to the basic financial statements later in this report.

Pension. Winnebago County, Wisconsin employees are covered for retirement purposes under the Wisconsin Retirement Fund, which is administered by the State of Wisconsin's Department of Employee Trust Funds. Employee contributions vary from 0.0% to 7.05% of salary, depending upon the type of position they hold. An overall employer contribution rate is actuarially determined each year, and the County fully funds each year's required contribution. Winnebago County, Wisconsin previously had an unfunded past service pension liability. However, that liability was retired in early 2003.

Acknowledgements

The preparation of this report would not have been possible without the efficient and dedicated services of the entire staff of the Finance Department. We would like to express our appreciation to all members of the department who assisted and contributed to the preparation of this report. Credit must also be given to the Winnebago County, Wisconsin Board of Supervisors and to the Personnel & Finance Committee for their unfailing support for maintaining the highest standards of professionalism in the management of Winnebago County, Wisconsin's finances.

We also want to recognize the Schenck SC management team, for their expertise which contributed significantly to the report quality and adherence to professional accounting standards.

Respectfully submitted,



Mark L. Harris
County Executive



Charles L. Orenstein, CPA
Finance Director

COUNTY BOARD OF SUPERVISORS

WINNEBAGO COUNTY, WISCONSIN

SUPERVISORY DISTRICT

SUPERVISORS

1	Thomas J. Konetzke
2	Nancy L. Barker
3	James Englebert
4	Paul Eisen
5	Shiloh Ramos
6	Donald Miller
7	Bill Roh
8	Lawrence Smith
9	Thomas W. Widener
10	Tim Hamblin
11	David W. Albrecht
12	Maribeth Gabert
13	Chuck Tews
14	Claud Thompson
15	Kenn Olson
16	Marissa Reynolds
17	Ron Hardy
18	Bill Wingren
19	Larry Lautenschlager
20	Michael Norton
21	Robert Warnke
22	Kenneth B. Robl
23	Harold Singstock
24	Kenneth Neubauer
25	Andy Turner
26	Susan Locke
27	Guy Hegg
28	Jerold V. Finch
29	Rachel A. Youngquist
30	Chuck Farrey
31	Joel Rasmussen
32	Patrick J. Brennand
33	Thomas Egan
34	W. Thomas Ellis
35	Tom Snider
36	Lawrence Kriescher

LIST OF PRINCIPAL OFFICIALS
WINNEBAGO COUNTY, WISCONSIN

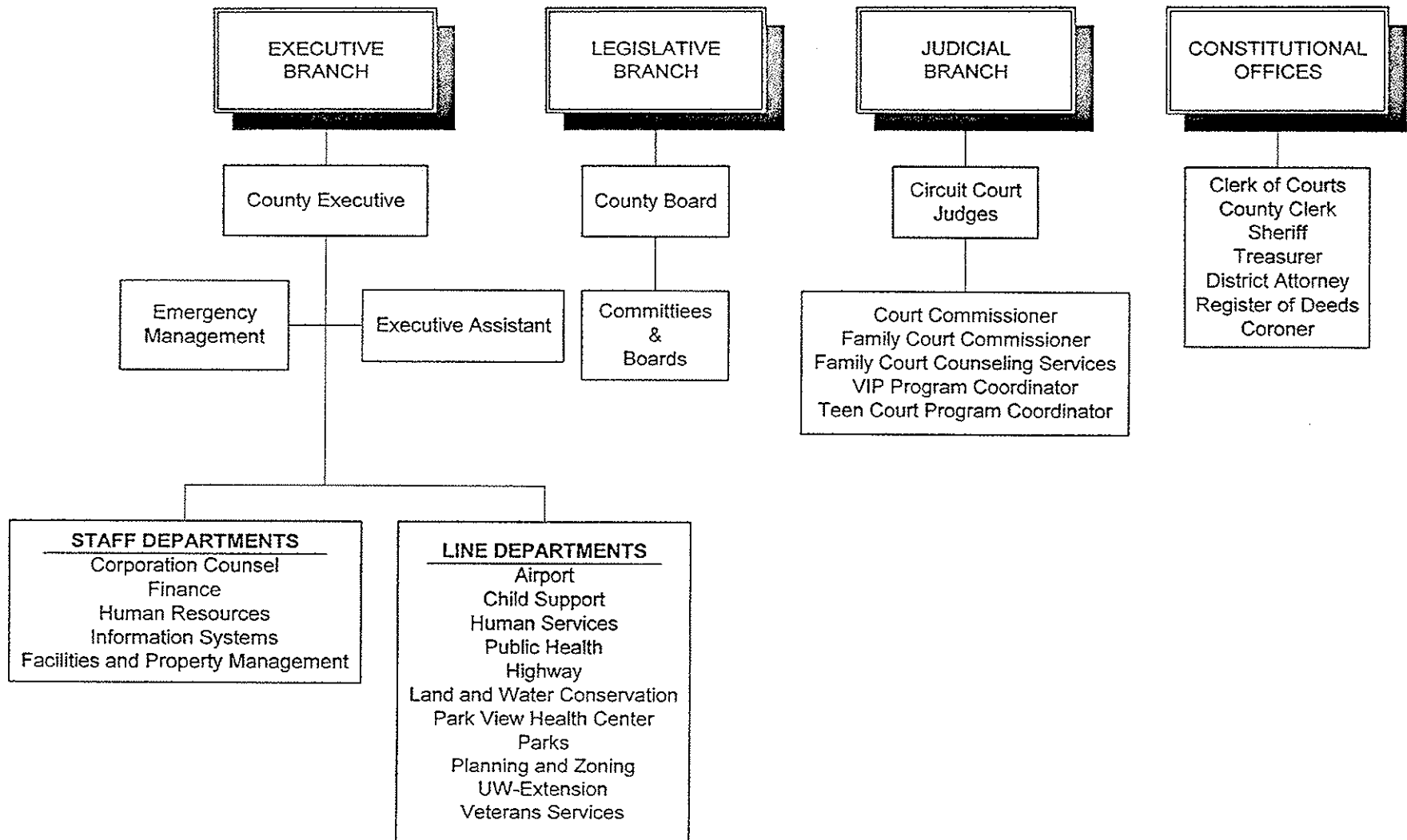
ELECTED OFFICIALS

County Executive	Mark Harris
County Clerk	Susan Ertmer
County Treasurer	Mary Krueger
Clerk of Courts	Melissa Konrad
Coroner	Barry Busby
District Attorney	Christian Gosset
Register of Deeds	Julie Pagel
Sheriff	John Matz
Circuit Court Branch I	Judge Thomas Gritton
Circuit Court Branch II	Judge Scott Woldt
Circuit Court Branch III	Judge Barbara Hart-Key
Circuit Court Branch IV	Judge Karen Seifert
Circuit Court Branch V	Judge John A. Jorgensen
Circuit Court Branch VI	Judge Daniel Bissett

APPOINTED OFFICIALS

Airport Manager	Peter Moll
Building Maintenance Supervisor	Michael Elder
Child Support Agency	Kathleen Diedrich
Community Resource Developmt. Agent	Christine Kniep
Corporation Counsel	John Bodnar
Court Commissioner	John Kuech
Emergency Government Director	Linda Kollman
Family Court Commissioner	David Keck
Family Court Counseling Director	Gail Pierson
Finance Director	Charles Orenstein
Highway Commissioner	Earnest Winter
Human Services	Bill Topel
Information Systems Manager	Patty Francour
Land/Water Conservation Director	Tom Davies
Parks Director	Robert Way
Park View Health Ctr. Administrator	Morgan Hinkley
Personnel Director	Karon Kraft
Planning/Zoning Director	Jerry Bougie
Public Health Director	Douglas Gieryn
Solid Waste Manager	John Rabe
Veterans Services Officer	Robert Stone

WINNEBAGO COUNTY



INDEPENDENT AUDITORS' REPORT

To the Honorable Board of County Supervisors
Winnebago County, Wisconsin

Report on the Financial Statements

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 Winnebago County, Wisconsin ("the County") as of and for the year ended December 31, 2012, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Winnebago County Housing Authority, which represents 100% of the assets and revenues of the County's discretely presented component unit. Those financial statements were audited by other auditors whose report thereon has been furnished to us and our opinion, insofar as it relates to the amounts included for the Winnebago County Housing Authority is based on the report of other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the County'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 County's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the County as of December 31, 2012, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As described in Note I.D.8, the County has implemented GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position* for the year ended December 31, 2012. Our opinions are not modified with respect to this matter.

As described in Note III.J.6, a prior period adjustment was reported for the consolidation of River Cities Redevelopment, LLC as a blended component unit of the Winnebago County Housing Authority discretely presented component unit. The effect of the adjustment is to increase net position of the Authority by \$1,233,656. Our opinions are not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the budgetary comparison schedules and the schedules of funding progress and employer contributions on pages 10 through 30 and 94 through 97 be presented to supplement the basic financial statements. Such information, although not 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 the County's basic financial statements. The financial information listed in the table of contents as supplementary information, and the other information, such as the introductory and statistical section are presented for purposes of additional analysis and are not a required part of the financial statements.

The supplementary information is the responsibility of management and was 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 supplementary information is fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory and statistical sections 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.

Report on Summarized Financial Information

We have previously audited the County's 2011 financial statements, and our report dated July 18, 2012, expressed unmodified opinions on those respective financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund and the aggregate remaining fund information. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2011, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated July 24, 2013, on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.



Certified Public Accountants
Green Bay, Wisconsin
July 24, 2013

WINNEBAGO COUNTY, WISCONSIN

Management's Discussion and Analysis

December 31, 2012

As management of Winnebago County, Wisconsin, we offer readers of the County's financial statements this narrative overview and analysis of the financial statements of Winnebago County, Wisconsin for the fiscal year ended December 31, 2012. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages 1-4 of this report.

Financial Highlights

- The assets of the County exceeded its liabilities at the close of the most recent year by \$ 251,596,837 (*net position*). Of this amount, \$ 59,311,238 (*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 \$ 7,899,711. Several factors contributed to the overall increase as follows:

Description	Amount
Long term debt issued and long term debt paid represent revenues and expenses on the fund financial statements but are not considered revenues or expenses in the statement of activities. Therefore, the amount by which new debt exceeds debt paid would represent a net decrease to net position on the statement of net position.	\$ (9,297,744)
Depreciation of capital assets is an expense in the statement of activities, yet there is no tax or other revenue to offset this expense because it is not a cash outflow. The effect of this is a reduction of net position.	(4,195,502)
Capital asset acquisitions are reported as expenditures in governmental funds however they are not expensed in the statement of activities. In the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount of capital acquisitions recorded in governmental funds during 2012 excluding infrastructure, which is recorded as expense in the fund statements but capitalized and depreciated in the statement of net activities.	14,937,848
Park View Health Center and Airport - proprietary funds: Both funds have depreciation expense in excess of capital outlay purchases. Because both enterprises are tax levy supported, taxes are not levied for depreciation which is a non cash flow item. Tax is levied for capital outlay because it does require cash expenditures, however it is not an expense for accounting purposes. The net effect of total depreciation for these two enterprises exceeding capital expenditures has the effect of reducing net position because there is no offsetting revenue.	(1,429,659)
Revenues that are not available within 60 days after year end are not recorded in the fund statements, however they are in the statement of activities. This amount represents revenue that was recorded in the fund statements this year. It had already been recognized as revenue in the Statement of Activities the year before.	2,285,805
Governmental funds do not recognize expenses that do not require the use of current financial resources. These are generally long-term liabilities. The statement of activities does include these expenses.	817,949
General fund surplus generated during 2012 resulting from revenues exceeding expenses and a smaller amount being transferred to the Human Services Fund because it ran a surplus for the year.	5,301,257
Net deficit generated in proprietary activities during 2012 represent an decrease in net position on the statement of net position.	(605,185)

- As of the close of the current year, the County's governmental activities reported combined ending net position of \$160,577,317. Approximately 14.5% of this total amount, \$23,237,505, is available for spending at the County's discretion (*unrestricted net position*).

WINNEBAGO COUNTY, WISCONSIN

Management's Discussion and Analysis

December 31, 2012

- At the end of the current year, unassigned fund balance for the general fund was \$22,443,306, or approximately 44.2% of total general fund expenditures.
- The County's total general-obligation debt increased by \$ 7,244,444 (13.9%) during the current year. Information related to refinancing and a new borrowing that took place during 2012 follow:

Refinancing: The County issued General Obligation Refunding Notes on March 15, 2012, in the amount of \$8,915,000. These notes refunded the Counties Series 2005B, 2006A and 2003D. The series 2005B was originally issued on 10/1/05 to fund road construction, a public safety system, replacements of roofs and air conditioning equipment for two buildings. The series 2006A notes were originally issued 9/1/06, primarily to fund the cost of a new nursing home. It also included funds for construction of roads and bridges. The series 2003D was originally issued on 4/1/03, to fund part of a public safety system, computer system infrastructure, roads, restroom, and shower expansion at the County's Expos Center grounds.

Refinancing: The County also issued General Obligation Taxable Refunding Notes in the amount of \$3,875,000, on March 15, 2012. These notes refunded the Counties Series 2003B and 2004B issues. Both of the series being refunded were originally issued to refund earlier debt that was incurred to refund the County's past service pension liability.

Both refinancing issues were done to take advantage of lower interest rates. They were not done to extend the repayment period for any of the issues.

New issue: The County issued a new borrowing in the amount of \$17,525,000, on November 6, 2012. These notes were issued to finance the following projects; new radio system for Sheriff Department, this is the largest component of the 2012 issue, with an amount of \$9,213,000. Other projects include; remodeling of a building that we purchased for our UW Fox Valley campus, road construction projects and snow removal equipment for our airport.

Overview of the Financial Statements

This discussion and analysis is designed to be an introduction to the Winnebago County, Wisconsin's basic financial statements. The County's basic financial statements comprise three components: 1) the government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements The government-wide financial statements are designed to provide readers with a broad overview of the County's finances, in a manner similar to a private-sector business. The government-wide statements are made up of the statement of net position and the statement of activities.

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

WINNEBAGO COUNTY, WISCONSIN

Management's Discussion and Analysis

December 31, 2012

The statement of activities presents information showing how the County's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. This means, some 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, earned but unused vacation leave and unused sick leave that is paid out upon termination or retirement).

Both of the government-wide financial statements distinguish functions of the County that are principally supported by taxes and intergovernmental revenues from those functions that are intended to recover all or a significant portion of their costs through user fees and charges. The governmental activities (those supported by taxes and intergovernmental revenues) of the County include general government; public safety; health and human services; culture, education, and recreation; and conservation and development. The business-type activities (those supported by user fees) of the County include an airport, a solid waste facility, a nursing home, and a highway operation.

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

The government-wide financial statements can be found on pages 32-34 of this report.

Fund financial statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The County 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 as governmental activities in the government-wide financial statements; however, the governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

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

The County maintains 9 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 balance for the general fund and human services fund, both of which are considered major funds. Data from the other 7 funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major funds is provided in the combining statements found elsewhere in this report.

WINNEBAGO COUNTY, WISCONSIN

Management's Discussion and Analysis

December 31, 2012

The County adopts annual appropriation budgets for all of its governmental type funds. Budgetary comparison statements have been provided for these funds to demonstrate compliance with these budgets.

The basic governmental fund financial statements can be found on pages 35-38A of this report.

Proprietary funds. The County maintains two different types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The County maintains enterprise funds for its airport, solid waste facility, nursing home, and highway operations. Internal service funds are used to accumulate and allocate costs internally among various functions. The County uses internal service funds to account for its general services operations and its self-funded insurance for worker's compensation, property and liability, and health and dental insurance. Because all of these services predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements. All internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds are provided in the form of combining statements elsewhere in this report.

The basic proprietary fund financial statements can be found on pages 39-45 of this report.

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

The basic fiduciary fund financial statement can be found on page 46 of this report.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 47-93 of this report.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information regarding budget to actual data. Required supplementary information can be found on pages 94-98 of this report.

The combining statements referred to in connection with non-major governmental funds; individual enterprise funds and internal service funds are presented immediately following the required supplementary information. Combining and individual fund statements and schedules can be found on pages 99-163 of this report.

Government-wide Financial Analysis

As discussed earlier, net position may serve over time as a useful indicator of a government's financial position. The assets of the County exceeded liabilities by \$ 251,596,837 at the close of 2012.

WINNEBAGO COUNTY, WISCONSIN

Management's Discussion and Analysis

December 31, 2012

Winnebago County's Net Position				
(Amounts Expressed in \$1,000's)				
	Governmental	Business-Type		
	Activities	Activities	Total	Total
	2012	2012	2012	2011
Current and other assets	\$ 128,027	\$ 68,832	\$ 196,859	\$ 191,771
Capital assets	164,890	66,976	231,866	226,131
Total assets	292,917	135,808	428,725	417,902
Long-term liabilities outstanding	42,172	36,232	78,404	70,954
Other liabilities	90,168	8,556	98,724	103,251
Total liabilities	132,340	44,788	177,128	174,205
Net position:				
Net investment in capital assets	128,164	54,721	182,885	180,029
Restricted	9,176	225	9,401	7,456
Unrestricted	23,237	36,074	59,311	56,212
Total net position	\$ 160,577	\$ 91,020	\$ 251,597	\$ 243,697

By far, the largest portion of the County's net position (72.7%) reflects its investment in capital assets (E.g., land, buildings, improvements, equipment, and infrastructure); less any related debt used to acquire those assets that is still outstanding. The County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the investment in 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 (3.7%) represent resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position (\$59,311,238) may be used to meet the government's ongoing obligations to citizens and creditors.

WINNEBAGO COUNTY, WISCONSIN

Management's Discussion and Analysis

December 31, 2012

Winnebago County's Changes in Net Position

(Amounts Expressed in \$1,000)

	Governmental	Business-type		
	Activities	Activities	Total	Total
	2012	2012	2012	2011
Revenues:				
Program revenues:				
Charges for services	\$ 10,480	\$ 39,135	\$ 49,615	\$ 50,727
Operating grants and contributions	22,173	6	22,179	24,917
Capital grants and contributions	-	-	-	10,370
General revenues:				
Property taxes	69,617	-	69,617	68,445
Other taxes	1,691	-	1,691	1,620
Grants and contributions not restricted to specific programs	12,103	1,810	13,913	14,887
Unrestricted investment earnings	726	584	1,310	1,709
Miscellaneous	322	120	442	273
Total revenues	117,112	41,655	158,767	172,948
Expenses:				
General Government	15,137	-	15,137	13,706
Public Safety	26,489	-	26,489	27,626
Public Works	3,872	-	3,872	3,586
Health and Human Services	48,458	-	48,458	48,346
Culture, Education, and Recreation	3,221	-	3,221	3,311
Conservation and Development	2,866	-	2,866	2,970
Interest on Long Term Debt	879	-	879	862
Airport	-	3,069	3,069	2,828
Solid Waste Management	-	14,301	14,301	17,062
Park View	-	19,632	19,632	17,671
Highway	-	12,163	12,163	11,157
Total expenses	100,922	49,165	150,087	149,125
Increase (decrease) in net position before transfers and special item	16,190	(7,510)	8,680	23,823
Transfers	(6,880)	6,880	-	-
Special item- loss on demolition of building	(780)	-	(780)	-
Increase (decrease) in net position	8,530	(630)	8,680	23,823
Net position - Beginning of Year	152,047	91,650	243,697	219,874
Net position - End of Year	\$ 160,577	\$ 91,020	\$ 252,377	\$ 243,697

WINNEBAGO COUNTY, WISCONSIN

Management's Discussion and Analysis

December 31, 2012

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

Governmental activities. Governmental activities increased the County's net position by \$8,530,045. Key elements of this increase are as follows:

The amount levied for principal payment on governmental activity debt reflected in property tax revenue is reflected in the statement of activities as a revenue. The funds were used for payment of principal on debt which would not appear on the statement of activities. This would have the effect of increasing net position on the statement of activities.	\$ 7,847,000
---	--------------

Depreciation expense for governmental activities is reflected on the statement of activities. This is an expense without a cash outflow so there is not offsetting revenue (tax levy) reflected on the statement of activities. This would have the effect of reducing net position on the statement of activities.	(4,195,502)
---	-------------

Capital outlay in the governmental funds (excluding capital project funds) is funded through tax levy revenue. These purchases are capitalized and depreciated on the statement of activities rather than expensed in the year of purchase. The net effect of this tax levy revenue exceeding the depreciation expense for these capital items has the effect of increasing net position on the statement of activities.	824,384
--	---------

The expenditure for OPEB (other post employment benefits) representing subsidized health insurance for retirees shows up as an expenditure on the statement of activities. Since the expense is not funded currently with tax levy revenue, it has the effect of decreasing net position on the statement of activities.	(165,015)
--	-----------

The expenditure for issuance cost shows up as a expenditure on the fund statements. Since the expense is not funded currently with tax levy revenue, it has the effect of decreasing net position on the statement of activities.	(396,970)
---	-----------

Capital project revenues were received from other governmental units to help pay the cost of road construction projects. This shows up as revenue on the statement of activities. However, the capital outlay does not. It is capitalized and depreciated. The effect of this is to increase net position on the statement of activities.	780,699
---	---------

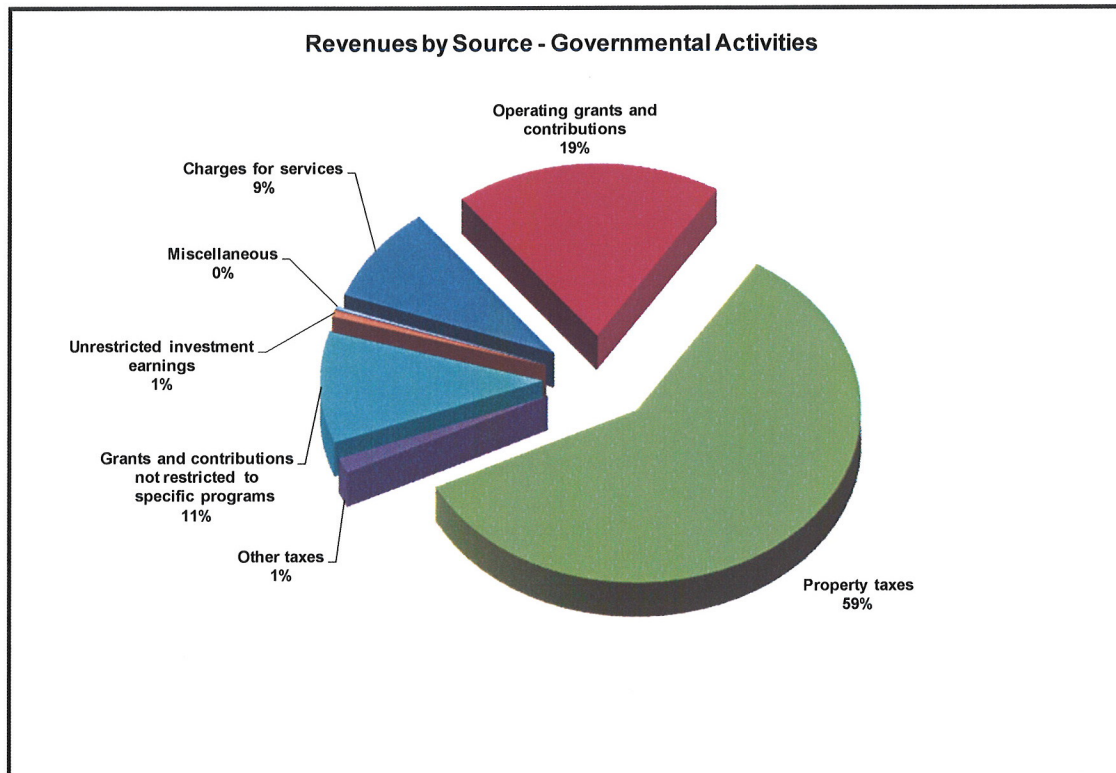
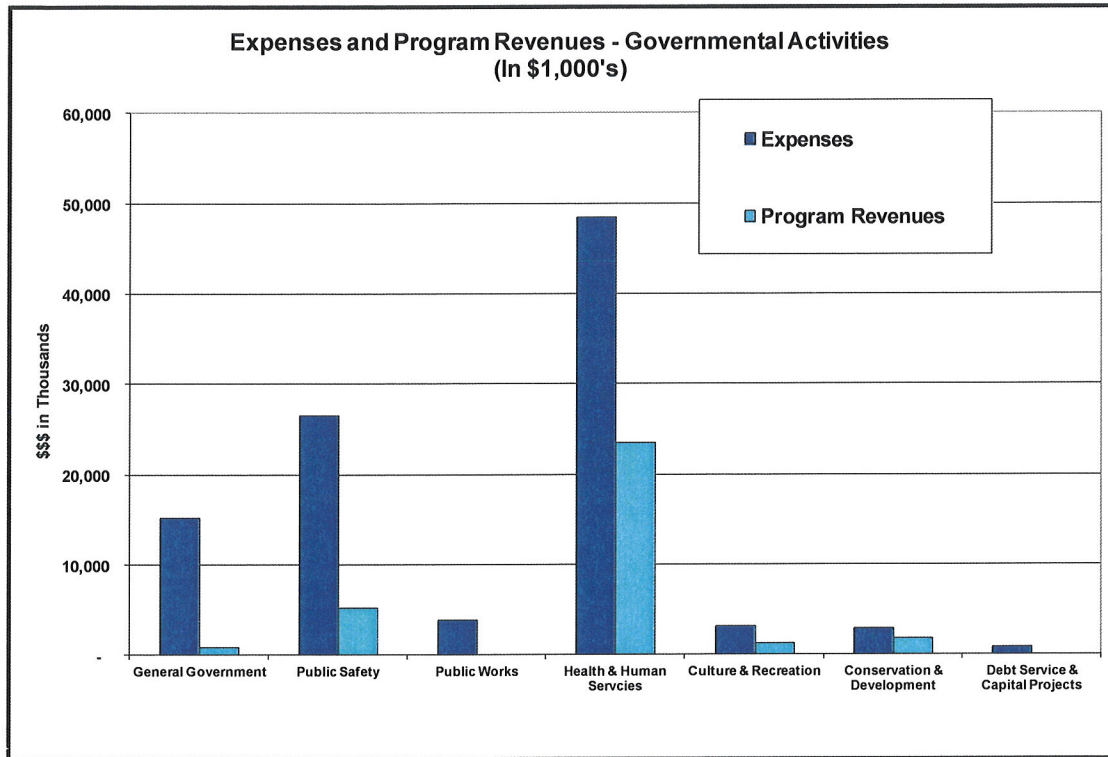
Extraordinary loss on demolition of old nursing home building. This shows up as an expense on the statement of activities but is not reflected in the fund statements. This has the effect of reducing net position.	(780,365)
--	-----------

Net surplus in general fund for 2012, due partly to Human Services return of \$1.1 million of unused tax levy in 2012.	5,301,257
--	-----------

WINNEBAGO COUNTY, WISCONSIN

Management's Discussion and Analysis

December 31, 2012



WINNEBAGO COUNTY, WISCONSIN

Management's Discussion and Analysis

December 31, 2012

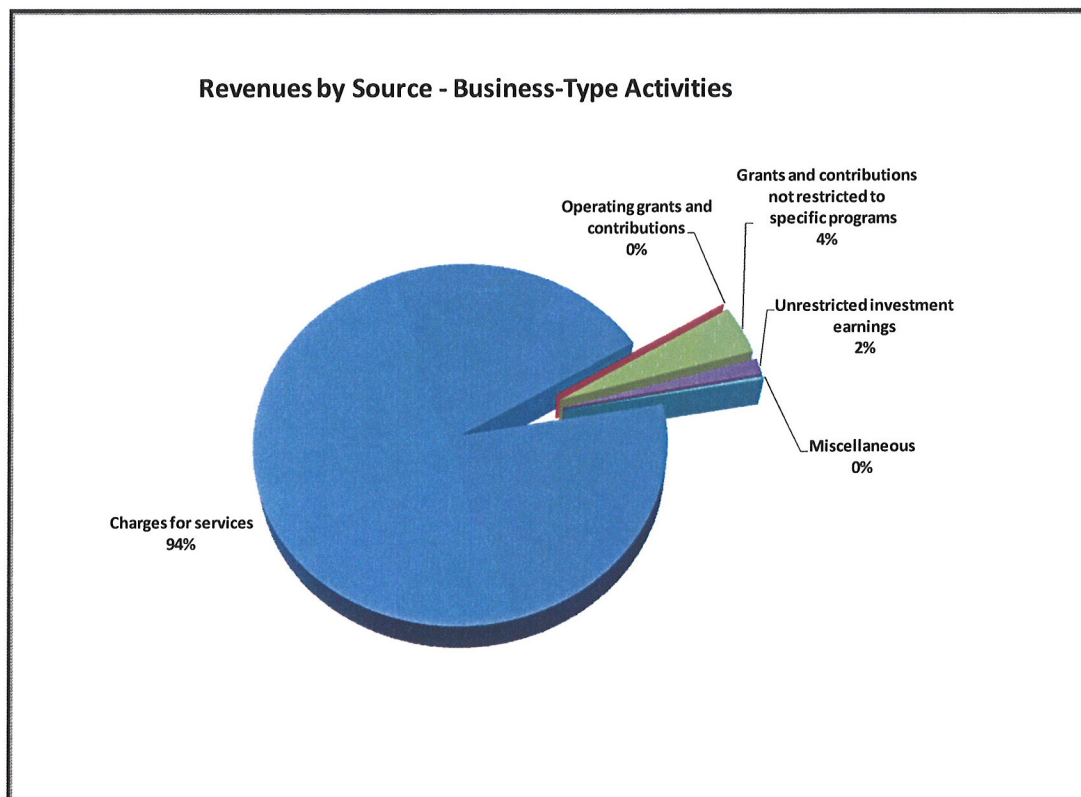
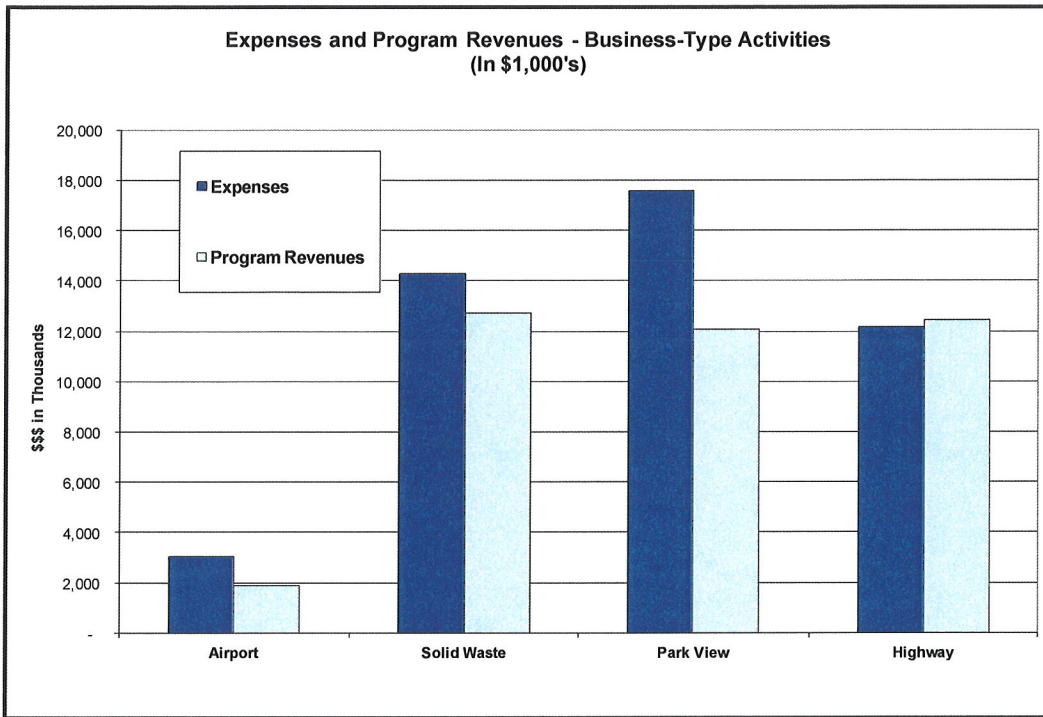
Business-type activities. Business-type activities decreased the County's net position by \$630,334. Key elements of this decrease are as follows:

- The Airport Fund's net position decreased by \$920,804. The County applied \$400,000 of Airport fund balance to support the 2012 budget which explains that amount of the deficit. The airports fund balance had grown significantly and exceeds the target fund balance. The Airport normally requires a tax levy to support the operations. We only fund the cash needs with tax levy so any depreciation expense in excess of capital purchases would not be funded. Depreciation expense exceeded capital expenditures by about \$500,000 during 2012. This explains the rest of the decrease in net position.
- The Solid Waste Fund net position decreased by \$994,514. The decrease is primarily due to a three county solid waste agreement we have been in for several years with Outagamie and Brown Counties. The agreement was set up so that all three counties share landfills, filling up one at a time until all are filled and then citing a new landfill together. Large surpluses are generated when our landfill was being used to accumulate funds for when our waste went to other landfills. This was a planned deficit since our landfill was closed ½ way through 2012 and we started hauling our waste to Outagamie County.
- Park View Health Center's net position increased \$1,463,434. Park View Health Center requires a tax levy subsidy to operate. In addition, Park View has a large amount of debt on its books to pay for the new nursing home that was built a few years ago. A new addition was finished during 2012. Part of the tax levy subsidy includes funds to cover principal and interest on outstanding debt. Because principal payments are not expenses on the income statement, and the tax levy subsidy is, the result is to generate a surplus on the operating statement. This explains most of the increase to net position.
- The Highway Department's net position decreased \$153,301. This was a planned deficit. The Highway Department had excess funds in its net position. During the 2012 budget process, the County decided to use some of the excess funds for county road maintenance. This accounts for most of the decrease to net position.

WINNEBAGO COUNTY, WISCONSIN

Management's Discussion and Analysis

December 31, 2012



WINNEBAGO COUNTY, WISCONSIN

Management's Discussion and Analysis

December 31, 2012

Financial Analysis of the Government's Funds

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

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

As of December 31, 2012, the County's governmental funds reported combined ending fund balances of \$41,857,928, an increase of \$ 8,736,657 in comparison with the prior year. Approximately half of this total (\$22,443,306) constitutes unassigned fund balance, which is available for spending at the government's discretion. The remainder of fund balance is reserved to indicate that it is not available for new spending because it has already been committed as follows:

- 1) Prepayments that benefit periods beyond the end of the current year (\$ 203,352),
- 2) Capital project encumbrances (\$ 104,301),
- 3) Non-liquid delinquent property taxes and special assessments (\$ 5,117,146),
- 4) Non-liquid industrial development loans receivable (\$ 2,936,817),
- 5) To liquidate contracts and purchase orders of the prior period (\$ 1,844,006),
- 6) To pay debt service (\$ 4,182,415),
- 7) For other restricted purposes (\$ 2,356,348),
- 8) Assigned to special projects, economic development subsequent years expenditures and prior years appropriations (\$ 2,670,237).

General Fund:

The general fund is the chief operating fund of the County. At the end of the current fiscal year, unassigned fund balance of the general fund was \$22,443,306, while total fund balance is \$34,108,520. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to expenditures. Unassigned fund balance represents 44.3% of total general fund expenditures, while total fund balance represents 67.2% of that same amount. The fund balance of the county's general fund increased by \$ 5,301,257 during the current fiscal year. This represents an increase of 18.4%. Reasons for the increase in fund balance are as follows:

- The Finance Department was under budget by \$129,000, primarily due to staff turnover. New staff received starting pay at lower rates than those that left. A ½ time position was also left vacant for three months of 2012.
- The Information Systems Department was under budget by \$264,000 during 2012. A large portion of this is related to projects that could not be completed during 2012 and are being carried over to 2013. Staff had less time available to attend training. Staff turnover produced savings in that new people coming into positions start at pay rates much lower than long term staff that has left.

WINNEBAGO COUNTY, WISCONSIN

Management's Discussion and Analysis

December 31, 2012

- The Human Services Department operated at a surplus during 2012. The most significant variances from budget were: court ordered placements for juveniles were down significantly, other intensive community based services for youth were down, the state took over a funeral and cemetery program, and specialty hospital inpatient placements were down significantly. As a result, \$1.1 million of tax levy collected for that purpose was not needed; therefore the funds remain in the general fund. Transfers are only made to Human Services in the amount needed to carry on that departments operations. Unused levy dollars remain in the general fund, thus having a favorable impact on General Fund operations.
- The Facilities Department was under budget by \$561,000 during 2012. Major reasons for this include; salaries and fringe benefits were down because 3 highly paid people left and it took a significant amount of time to refill the positions. The heat utility was significantly under budget due to the very mild winter of 2012. A boiler replacement project was significantly under budget.
- The Sheriff Department was under budget by \$892,000 for 2012. The two largest areas are in labor of roughly \$535,000 and other operating expenses which were \$345,000 under budget. Labor costs were under due to turnover and vacancies in the patrol and dispatch divisions. Fringe benefits were also over estimated. Various expenses such as inmate medical, extraditions, food service, and some contracts were less than anticipated.
- The Court System was under budget by \$193,000 for 2012. Wages and benefits were down due to turnover and new hires receiving lower pay rates than long term employees who left. There were also vacancies during the year resulting in savings. Legal fees were down due to a state change in eligibility requirements for public defenders. More people qualified reducing the county cost.
- County Road Maintenance was under budget by \$315,000 for 2012. Bridge and culvert grants were considerably under budget because one project cost less than expected and two other projects were not done during 2012.
- The Public Health Department was under budget by \$668,000 for 2012. This was the first year of a consolidated health department with the cities of Neenah and Oshkosh. Being the first year it was difficult to prepare a budget. The departments did not all consolidate at the start of the year as originally budgeted due to timing the changeovers.
- Miscellaneous / Unclassified cost center was under budget by \$150,000. There was a large reduction in uncollectible receivables expenses which accounts for most of the budget variance.
- Many other departments came in under budget for 2012 by amounts smaller than \$100,000. These make up the rest of the increase to the general fund balance.

Human Services (Special Revenue) Fund:

The Human Services Fund has a total fund balance of \$133,218. Of this amount, \$105,435 (or 79.1%) represents prepayments that benefit periods beyond the end of the current year. The balance of \$27,783 represents assigned fund balance. Total fund balance of the Human Services Fund increased \$12,387 from the prior year. Assigned fund balance decreased \$5,330. The decrease in fund balance is very minimal.

- Our practice is to maintain a minimal fund balance in the Human Services Fund because of its need for tax levy support. As a result, most of the tax levy that is not needed is left in the General Fund at

WINNEBAGO COUNTY, WISCONSIN

Management's Discussion and Analysis

December 31, 2012

the end of the year. The Human Services Fund had a surplus of about \$1.1 million for the year. Because of this, the tax levy transfer to the fund was reduced by this amount, to keep the fund balance as close to zero as possible. Some reasons for the Human Services surplus include; reduced juvenile corrections costs (\$396,000), reduction in the purchase of intensive community based services for youth (\$384,000), funeral and cemetery program taken over by the state (\$200,000), and reduction in institutional placements for adults (554,000). There are revenues that we did not receive as a result of the cost reductions. There were also cost reductions of \$491,000 due to a combination of employees picking up the employee share of Wisconsin Retirement and changes in the health insurance benefits.

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

Unrestricted net position for these funds can be seen in the following table. Also displayed in this table is the total growth in unrestricted net position for the current year.

	Airport	Solid Waste	Park View	Highway
Unrestricted Net Position - 2011	\$ 3,325,252	\$ 20,754,647	\$ 5,814,362	\$ 1,291,940
Unrestricted Net Position - 2012	3,455,153	21,793,499	7,633,339	1,161,827
Total Growth(Decline) in Unrestricted Net Position	\$ 129,901	\$ 1,038,852	\$ 1,818,977	\$ (130,113)

The Airport Fund's unrestricted net position increased by \$129,901. The surplus in 2012 was mostly the result of the department receiving more rental income than was anticipated. This rental income is generated from storing military vehicles on the Airport grounds for the US Military.

The Solid Waste Fund's unrestricted net position increased by \$1,038,852. It increased even though the Solid Waste Fund operated at a deficit of \$994,514 for the year. The difference is that the "net position" section of the statement of net position also includes certain restricted assets such as open purchase orders at the end of the year and the investment in capital assets. Undepreciated capital assets are part of net position because their costs have not all been charged against income yet. The investment in capital assets decreased roughly \$1 million during the year due to depreciation. The assets restricted for open purchase orders also decreased by \$1 million. That means the unrestricted net position would increase by the total of the two or \$2 million. This after being offset with the current year operating deficit of \$995,000 results in a net increase to unrestricted net position about \$1 million. The deficit for 2012 was planned. We are part of a three county landfill sharing agreement. When our landfill was the primary one receiving waste we built up large surpluses. Now that our landfill is full, we are using one of the other two. The result is operating deficits.

Park View Health Center's unrestricted net position increased \$1,818,977. Parkview Health Center's increase in net position is primarily the result of the facility operating at a surplus of \$1,463,000 for the year. The main reason for the surplus is that the facility requires tax levy support to operate. Part of the levy includes funds to pay principal on the facility's debt. The levy shows up as an income item on the income statement. However debt principal payments do not show up on the income statement. The result is an operating surplus.

The Highway Department's unrestricted net position decreased \$ 130,113. The department operated at a deficit of \$153,301 for 2012. This makes up most of the decrease. A deficit was planned for 2012 as the

WINNEBAGO COUNTY, WISCONSIN

Management's Discussion and Analysis

December 31, 2012

fund had built up excess reserves. Some of that excess was applied to County Road Maintenance, thus reducing the tax levy needed for that purpose.

General Fund Budgetary Highlights

Differences between the original budget and the final amended budget amounted to a net increase in appropriations of \$ 1,361,084 and can be briefly summarized as follows:

- \$647,252 is primarily due to carryovers of appropriations from 2011 to 2012. Departments that had large carryover amounts are: Facilities, County Road Maintenance, Land Records Modernization, Land & Water Conservation Department and Sheriff.
- \$500,000 transfer Industrial Development Board to increase the funds available to lend.
- \$117,440 funds to cover extra election costs associated with extra elections and governor recall election.
- \$132,000 costs to cover Kronos time keeping software upgrade.

Revenues were under budgetary estimates – explanation:

During this year, revenues were under budget by \$167,980. This represents a variance of 0.2% from budget. A few items to note are as follows:

- Intergovernmental revenues were under by \$779,166. The largest area is in operating grant revenue where Land & Water Conservation, Public Health, and Child Support. These revenue shortfalls are offset by less spending on these grant programs. Many of these grants are reimbursement programs. If we don't spend the money, we don't get the reimbursement grant revenue. Many landowner storm water projects were not done which is why the Land & Water grant money was not received.
- Interest on delinquent taxes was over budget by \$434,203. This is because the amount of delinquent taxes that were collected far exceeded our expectations. Property taxes collected exceeded budget by \$182,818.

Expenditures were less than budgetary estimates – explanation:

Actual operating expenditures were less than budget by \$4,712,941. Some of the main reasons include:

- **General Government** – This area was under budget by \$1,316,442. Regular pay was under budget due to vacancies and position turn over where the new employee starts at a lower pay rate than those leaving. This accounted for about \$265,000 of the variance. Another \$134,000 is due to changes to our health insurance coverage which resulted in large County savings. Printing and duplicating, computer software and telephone expenses were under budget by \$201,000 due to less needs and more favorable telephone service contracts. Less bad debt expenses resulted in savings of \$100,000. We had a very mild winter and this resulted in a savings of \$347,000 on heating costs. We budget a contingency balance each year which gets re-allocated to departments as needed. We did not use \$191,000 of the contingency budgeted for 2012. The rest of the variances are relatively small.

WINNEBAGO COUNTY, WISCONSIN

Management's Discussion and Analysis

December 31, 2012

Public Safety - \$1,171,229 under budget

- **Sheriff** - Labor costs were under budget \$535,000 due to vacant positions, new hires starting out at lower rates than retirees, and changes in the health insurance plan which resulted in large County savings. Other operating expenses were under budget \$346,000 due to lower inmate medical costs, fewer extraditions, lower food service costs and general savings in dispatch, jail, electronic monitoring and family services.

Clerk of Courts and Court System – This area was under budget by \$188,000. Wages and fringes were under budget due to retirements and new hires starting at lower rates. Vacancies also contributed to this. The department was short staffed a good portion of the year. These things accounted for \$125,000 of the savings. Legal fees were down because more people qualified for public defenders because of a change in state law. The balance is spread over multiple accounts.

- **Public Works** – This area consists of County Road Maintenance, which was under budget \$317,728. A large portion of this was that we provided fewer bridge and culvert aids to townships. This was \$120,000 under budget. There were fewer requests in 2012 than anticipated. We also originally planned to transfer \$200,000 to a road improvement capital project. This was not done and the project was funded a different way. Repairs and maintenance on streets were \$127,000 lower than budgeted just because less work was done.

Health & Human Services - \$826,124 under budget

- **Public Health** – This is where the largest variance from budget occurred. The health departments from the Cities of Neenah and Oshkosh were merged into Winnebago County's health department during 2012. There was uncertainty as to when the departments would consolidate making it difficult to prepare a budget for 2012. Expenses came in under budget \$667,885. This was primarily due to the departments not merging until part of the way through 2012.
- **Child Support** – Expenses were under budget \$136,847. Wages and benefits were under budget \$143,343 partly due to turnover, new hires being paid at lower rates than retirees and other turnover. The County also had significant savings as a result of changes to our group health insurance plan.

Culture, Education and Recreation - \$491,381 under budget

- Departments that make up this function include UW Extension, Parks, and UW Fox Valley. The largest savings were in the areas of small equipment purchases - \$82,000 under budget, building maintenance - \$67,000 under budget, grounds maintenance - \$92,000 under budget, capital improvements - \$50,000 under budget, and equipment repairs - \$71,000 under budget. The rest of the variance is spread among small variances throughout the rest of the accounts. The Parks Department had budgeted for new bleachers and picnic tables. Total cost of these was \$70,675. They were not delivered until 2013. A large maintenance project to resurface one of the trails came in considerable under budget resulting in savings.

WINNEBAGO COUNTY, WISCONSIN

Management's Discussion and Analysis

December 31, 2012

Conservation and Development - \$590,037 under budget

- Departments that make up this function include Register of Deeds, Land & Water Conservation, Planning, Zoning and Geographical Information Systems (GIS), and the Property Lister. Most of the variance from budget relates to Homeowner Water Runoff Projects. This activity was under budget by \$525,560. However, most of this cost is grant funded so the revenue is down about the same amount. There are no other significant variances in this functional area.

Capital Assets and Debt Administration

Capital assets. The County's investment in capital assets for its governmental and business type activities as of December 31, 2012 amounts to \$231,865,915 (net of accumulated depreciation). This investment in capital assets includes land, buildings, improvements, machinery and equipment, roads, highways, and bridges. The total increase in the government's investment in capital assets for the current fiscal year was \$ 5,736,041 or 2.54% (a 5.8% increase for governmental activities and a 4.8% decrease for business-type activities). Major capital asset events during the current fiscal year included the following:

Governmental Activities:

The total change in capital assets for the governmental activities was an increase of \$9,094,687.

- Construction in Process – there was a net increase of \$6,916,593. A radio system project for the Sheriff Department added \$6,160,103. There was an increase in construction in process for road projects of 3,792,468. A jail chiller project added \$639,015. Large decreases for assets placed in service include: UW Fox Valley Engineering Building - \$511,400, Demolition of old nursing home - \$954,000, Exposition Building HVAC system - \$529,000, roof replacements - \$384,000, financial software - \$666,000. The rest of the change consists of smaller items.
- Land improvements increased for site clearing after our old nursing home was taken down - \$874,959.
- Improvements other than buildings went up \$1,018,967. The largest items making up the balance include; boat landing improvements - \$280,000, Exposition Center HVAC placed in service - \$545,000, and resurfacing of courthouse parking lot - \$224,000.
- Infrastructure went up \$1,507,508. Three road projects were completed and placed in service during 2012 accounting for the entire amount.
- Other classes of capital assets had relatively small changes such as buildings, machinery and vehicles.

Business Type Activities:

The total change in capital assets for the business type activities was a decrease of \$4,609,148. Total disposals of capital assets exceeded new additions as outlined below. Most of the net decrease is attributable to removing the capital assets of our old nursing home buildings.

WINNEBAGO COUNTY, WISCONSIN

Management's Discussion and Analysis

December 31, 2012

Major Additions

- A new satellite shop was placed in service in the Town of Winchester for the Highway Dept at a cost of \$407,000.
- A new runway broom (for snow removal) was purchased for our airport at a cost of \$465,000.
- Airport construction in process increased by \$278,000 for work being done to build a perimeter road around the airport and fence in the airport property.
- A storage / Therapy addition is being built on to our new nursing home facility. Total additional construction in process on the project at the end of 2012 was \$1,339,000.

Major Disposals

- Removal of old air traffic control tower at Wittman Regional Airport was \$422,000.
- Removal of old runway that was reconstructed at the airport; \$707,312.
- We removed the cost of improvements that were made to our old nursing home buildings. The razing of those buildings was completed in 2012. Some of the larger ones included an air conditioning system which had a cost of \$2.5 million, electrical improvements, a nurse call system. Total disposals related to the removal of the old buildings (including the \$2.5 million) was \$3,029,000.
- Equipment disposals at our Solid Waste Department included a Caterpillar and compactor. Total cost of these two assets was \$938,000.
- Equipment disposals from the old nursing home buildings that were torn down totaled \$2,249,000.

WINNEBAGO COUNTY, WISCONSIN

Management's Discussion and Analysis

December 31, 2012

Winnebago County's Capital Assets

(net of accumulated depreciation)

(Amounts Expressed in \$1,000's)

	Governmental		Business-Type		Total	
	Activities		Activities			
	2012	2011	2012	2011	2012	2011
Land	\$ 3,833	\$ 2,958	\$ 8,460	\$ 8,414	\$ 12,293	\$ 11,372
Buildings	54,151	54,355	33,003	33,592	87,154	87,947
Improvements other than buildings	5,612	4,743	13,912	17,640	19,524	22,383
Machinery, equipment and vehicles	7,370	7,619	9,702	10,093	17,072	17,712
Infrastructure	73,369	72,482	-	-	73,369	72,482
Construction in progress	20,554	13,637	1,899	596	22,453	14,233
Total	\$ 164,889	\$ 155,794	\$ 66,976	\$ 70,335	\$ 231,865	\$ 226,129

Additional information on the County's capital assets can be found in the footnotes on pages 71-73 of this report.

Long-term debt. At the end of the current fiscal year, the County had total bonded debt outstanding of \$59,654,000, backed by the full faith and credit of the County.

Winnebago County's Outstanding Debt

General Obligation Debt

(Amounts Expressed in \$1,000's)

	Governmental		Business-Type		Total	
	Activities		Activities			
	2012	2011	2012	2011	2012	2011
General obligation notes	\$ 45,482	\$ 33,453	\$ 13,351	\$ 14,514	\$ 58,833	\$ 47,967
General obligation bonds	572	3,350	249	1,092	821	4,442
Total	\$ 46,054	\$ 36,803	\$ 13,600	\$ 15,606	\$ 59,654	\$ 52,409

WINNEBAGO COUNTY, WISCONSIN

Management's Discussion and Analysis

December 31, 2012

The County's total general-obligation debt increased \$ 7,245,000 (13.8%) during the current year. There were three borrowing transaction that occurred during 2012:

Refinancing: The County issued General Obligation Refunding Notes on March 15, 2012, in the amount of \$8,915,000. These notes refunded the Counties Series 2005B, 2006A and 2003D. The series 2005B was originally issued on 10/1/05 to fund road construction, a public safety system, replacements of roofs and air conditioning equipment for two buildings. The series 2006A notes were originally issued 9/1/06, primarily to fund the cost of a new nursing home. It also included funds for construction of roads and bridges. The series 2003D was originally issued on 4/1/03, to fund part of a public safety system, computer system infrastructure, roads, restroom and shower expansion at the County's Expos Center grounds.

Refinancing: The County also issued General Obligation Taxable Refunding Notes in the amount of \$3,875,000, on March 15, 2012. These notes refunded the Counties Series 2003B and 2004B issues. Both of the series being refunded were originally issued to refund earlier debt that was incurred to refund the County's past service pension liability.

Both refinancing issues were done to take advantage of lower interest rates. They were not done to extend the repayment period for any of the issues.

New issue: The County issued a new borrowing in the amount of 17,525,000, on November 6, 2012. These notes were issued to finance the following projects; new radio system for Sheriff Dept. This is the largest component of the 2012 issue with an amount of \$9,213,000. Other projects include; remodeling of a building that we purchased for our UW Fox Valley campus, road construction projects and snow removal equipment for our airport.

Winnebago County maintains an Aa2 rating from Moody's for general obligation debt.

State statutes limit the amount of general obligation debt a governmental entity may issue to 5 percent of its total equalized valuation. The current debt limitation for the County is \$586,464,000, which is significantly in excess of its outstanding general obligation debt of \$59,654,000. The County has a debt service fund balance of \$4,182,415.

Additional information on the County's long-term debt can be found in the footnotes on pages 75-78 of this report.

Economic Factors and Next Year's Budgets and Rates

- The Wisconsin economy grew very moderately during 2012. Non farm jobs increased by just .1% over the past four quarters (September 2011 to September 2012). The outlook is looking better given the state's strength in a number of sectors. The manufacturing sectors as well as the agriculture industry comprise a large share of Wisconsin's economy.
- Wisconsin's economy is forecast to speed up gradually.
- Layoffs in Wisconsin have been declining back down to pre-recession levels.
- Wisconsin's economy is rebounding, roughly in line with the national economy.
- Relative to Wisconsin's struggling neighbors, who also are more heavily dependent on the manufacturing businesses than the nation as a whole, the state has performed reasonably well.

WINNEBAGO COUNTY, WISCONSIN

Management's Discussion and Analysis

December 31, 2012

- Wisconsin's job markets have suffered a pullback, but are forecast to rebound in the near future.
- Employment is trending upwards and is expected to expand for the next several years.
- Wisconsin's unemployment rate has been declining since 2009 which indicates that the economy is on the rebound.
- Housing prices – Wisconsin has not been plagued as much by the housing excesses that were common elsewhere. Most of Wisconsin's real estate markets have not suffered as much from inflated real estate conditions as seen in other communities throughout the country, though property values had declined for two years.

These factors were considered in preparing the County's budget for the 2013 fiscal year.

As part of Wisconsin's State Budget Bill (1993 Act 16), legislation was passed that limits the County's future tax rates. The budget bill also separated the rates into an operating rate and a debt service rate. Generally, the County is limited to its 1992 tax rates. However, this limitation does not affect debt authorized prior to August 12, 1993, or refunding bonds. During 2011, the State Legislature did put a moratorium on the tax rate limits, allowing Counties to exceed their operating rate limit for budget years 2012 and 2013. The Governors biennial 2014-15 budget document permanently removes the levy rate limit. However it is uncertain whether the legislature will allow that provision to remain in the budget.

The operating tax rate was further restricted during the 2005 State Legislative session; the legislature with the Governor's approval enacted the following:

Section 66.0602 Local Levy Limits:

1. Except as provided in subs. (3), (4), and (5), no political subdivision may increase its levy in any year by a percentage that exceeds the political subdivision's valuation factor. The valuation factor is equal to the percentage change in the political subdivision's January 1 equalized value due to new construction less improvements removed between the previous year and the current year, but not less than 3% (for budget year 2011).
2. Debt service continues to be exempt from the levy limit freeze for all debt issued prior to July 1, 2005. Debt issued after July 1, 2005 will also be exempt if certain conditions are met. One of those is that the governing body can approve the bond issue by a $\frac{3}{4}$ vote. Winnebago County has used this provision to exceed rate limits in the past and will likely continue to do so.
3. Penalties will be imposed upon any governing body that exceeds these levy limits.

The County may also exceed the limitation by holding a referendum (according to state statutes) authorizing the County Board to approve higher rates. The County may also exceed the rates if it increases the services it provides through a transfer of these services from another governmental unit.

The debt service tax rate limit was frozen at \$0.31. The debt service rate that was adopted with the 2012 budget is \$1.01. We have been able to exceed the limit by using the 2nd exception listed below:

Generally, referendum approval is required to issue unlimited tax general obligation debt, with the following exceptions:

WINNEBAGO COUNTY, WISCONSIN

Management's Discussion and Analysis

December 31, 2012

- Refunding debt issues
- Approval by the County Board by a vote of $\frac{3}{4}$ ths of the full board.
- A reasonable expectation that the new debt can be accommodated within the existing tax rate
- Other exceptions as listed in State Statutes Section 67.045

The 2012 tax levy and rate are within the limitations contained in state laws.

Requests for Information

This financial report is designed to provide a general overview of Winnebago County, Wisconsin's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Office of the Finance Director, 112 Otter Avenue, P.O. Box 2808, Oshkosh, WI 54903-2808.

WINNEBAGO COUNTY, WISCONSIN

STATEMENT OF NET POSITION

December 31, 2012

(With summarized financial information as of December 31, 2011)

	Primary Government		Totals		Component Unit
	Governmental Activities	Business-type Activities	December 31, 2012	December 31, 2011	Housing Authority
ASSETS					
Current Assets:					
Cash and investments	\$ 45,063,767	\$ 43,945,550	\$ 89,009,317	\$ 78,597,262	\$ 1,351,380
Receivables (net of allowances for uncollectibles):					
Delinquent property taxes & special assessments	8,049,741	-	8,049,741	8,706,771	-
Property taxes levied for ensuing year's budget	67,288,060	-	67,288,060	67,745,029	-
Taxes levied for other governments	1,958,984	-	1,958,984	1,997,548	-
Accounts receivable	607,459	1,059,545	1,667,004	2,158,576	46,891
Accrued interest	107,065	56,670	163,735	238,604	-
Loans receivable	-	-	-	67,915	-
Due from other governmental agencies	2,637,423	2,369,384	5,006,807	5,989,983	-
Internal balances	(2,029,914)	2,029,914	-	-	-
Inventories	31,869	1,353,504	1,385,373	1,370,647	159,370
Deferred charges- issue cost -current	35,713	11,456	47,169	40,616	-
Prepaid interest on refunded debt -current	11,588	191,304	202,892	-	-
Advance payments - Vendors	656,657	202,972	859,629	801,777	198,655
Restricted assets:					
Cash and investments	-	-	-	1,220,119	961,696
Total Current Assets	124,418,412	51,220,299	175,638,711	168,934,847	2,717,992
Deferred charges - issue costs	179,668	25,773	205,441	133,387	3,462
Prepaid interest on refunded deb - issue costs	22,817	311,916	334,733	-	-
Loans receivable	2,195,112	-	2,195,112	3,600,718	-
Notes receivable	1,135,116	-	1,135,116	1,182,500	332,198
Tax credit fees, net	-	-	-	-	67,202
Investment in Tri-County SSR	-	1,952,237	1,952,237	2,197,234	-
Deposits	75,839	-	75,839	123,643	-
Restricted assets:					
Cash and investments	-	15,272,044	15,272,044	15,535,990	-
Accrued interest	-	50,148	50,148	63,334	-
Property and equipment:					
Land	3,832,861	8,460,472	12,293,333	11,371,690	718,908
Construction in progress	20,554,048	1,899,345	22,453,393	14,233,807	170,995
Buildings	77,393,965	48,127,518	125,521,483	125,193,032	13,227,434
Improvements other than buildings	11,420,267	53,213,997	64,634,264	67,348,916	-
Machinery and equipment	25,666,779	26,326,625	51,993,404	54,279,283	561,717
Infrastructure	80,578,336	-	80,578,336	79,070,828	-
Accumulated depreciation	(54,556,204)	(71,052,094)	(125,608,298)	(125,367,682)	(4,534,245)
Total Assets	\$ 292,917,016	\$ 135,808,280	\$ 428,725,296	\$ 417,901,527	\$ 13,265,663

The accompanying notes are an integral part of the financial statements.

WINNEBAGO COUNTY, WISCONSIN

STATEMENT OF NET POSITION

December 31, 2012

(With summarized financial information as of December 31, 2011)

	Primary Government		Totals		Component Unit
	Governmental Activities	Business-type Activities	December 31, 2012	December 31, 2011	Housing Authority
LIABILITIES AND NET POSITION					
Liabilities:					
Vouchers payable	\$ 2,993,476	\$ 798,065	\$ 3,791,541	\$ 4,641,900	\$ 66,406
Accrued compensation	1,494,268	748,071	2,242,339	2,142,040	-
Claims payable	1,708,106	-	1,708,106	2,425,006	-
Other accrued liabilities	257,476	134,726	392,202	580,996	189,029
Due to other governmental agencies	3,511,283	1,874,802	5,386,085	8,628,988	-
Deposits held in trust	-	-	-	-	41,951
Unearned property tax revenue	67,288,060	-	67,288,060	69,617,123	-
Unearned revenue	-	79,850	79,850	56,997	23,177
Other unearned revenue	-	25,000	25,000	25,000	-
Compensated absences	4,199,194	1,306,711	5,505,905	4,717,698	9,474
Current maturities of long-term debt	8,667,307	3,450,898	12,118,205	10,390,554	93,902
Premium (discount) on long-term debt	48,944	137,595	186,539	25,851	-
Total Current Liabilities	90,168,114	8,555,718	98,723,832	103,252,153	423,939
Compensated absences	2,397,328	735,669	3,132,997	3,313,693	37,897
Landfill closure and long-term care	-	23,006,509	23,006,509	21,355,603	-
OPEB Liability	2,075,737	325,342	2,401,079	2,294,422	-
General obligation debt	37,386,618	10,149,276	47,535,894	42,019,097	2,479,073
Long term due to other governments	-	1,699,621	1,699,621	1,952,237	-
Premium (discount) on long-term debt	311,902	316,625	628,527	17,196	-
Total Liabilities	132,339,699	44,788,760	177,128,459	174,204,401	2,940,909
Net Position					
Net investment in capital assets	128,163,893	54,720,559	182,884,452	180,029,607	8,662,852
Restricted for:					
Externally imposed by creditors	5,232,343	225,228	5,457,571	5,096,272	316,653
Debt service	3,943,576	-	3,943,576	2,359,318	-
Unrestricted	23,237,505	36,073,733	59,311,238	56,211,929	1,345,249
Total Net Position	160,577,317	91,019,520	251,596,837	243,697,126	10,324,754
Total Liabilities and Net Position	\$ 292,917,016	\$ 135,808,280	\$ 428,725,296	\$ 417,901,527	\$ 13,265,663

The accompanying notes are an integral part of the financial statements.

WINNEBAGO COUNTY, WISCONSIN
STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2012

Functions/Programs	Program Revenues				Net (Expenses) Revenues and Changes in Net Position			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			Component Unit
					Governmental Activities	Business-type Activities	Total	Housing Authority
Primary Government								
Governmental activities:								
General Government	\$ 15,137,054	\$ 796,336	\$ 103,742	\$ -	\$ (14,236,976)	\$ -	\$ (14,236,976)	\$ -
Public Safety	26,489,283	4,084,819	1,104,841	-	(21,299,623)	-	(21,299,623)	-
Public Works	3,871,627	-	-	-	(3,871,627)	-	(3,871,627)	-
Health and Human Services	48,458,418	3,066,767	20,331,925	-	(25,059,726)	-	(25,059,726)	-
Culture, Education and Recreation	3,220,910	972,544	317,265	-	(1,931,101)	-	(1,931,101)	-
Conservation and Development	2,865,688	1,559,496	315,025	-	(991,167)	-	(991,167)	-
Interest on Long Term Debt	879,059	-	-	-	(879,059)	-	(879,059)	-
Total governmental activities	100,922,039	10,479,962	22,172,798	-	(68,269,279)	-	(68,269,279)	-
Business-type activities:								
Airport	3,069,171	1,899,082	-	15,705	-	(1,154,384)	(1,154,384)	-
Solid Waste Management	14,300,925	12,722,391	6,242	-	-	(1,572,292)	(1,572,292)	-
Park View	19,632,728	12,064,457	-	-	-	(7,568,271)	(7,568,271)	-
Highway	12,162,500	12,449,313	-	-	-	286,813	286,813	-
Total business-type activities	49,165,324	39,135,243	6,242	15,705	-	(10,008,134)	(10,008,134)	-
Total Primary Government	\$ 150,087,363	\$ 49,615,205	\$ 22,179,040	\$ 15,705	(68,269,279)	(10,008,134)	(78,277,413)	-
Component Unit								
Housing Authority	\$ 3,762,489	\$ 720,126	\$ 80,440	\$ 2,153,513	-	-	-	(808,410)
General Revenues								
Property taxes					69,617,123	-	69,617,123	-
Other taxes					1,690,577	-	1,690,577	-
Grants and contributions not restricted to specific programs					12,103,499	1,793,903	13,897,402	1,881,576
Unrestricted investment earnings					726,167	584,220	1,310,387	13,204
Gain on sale of capital assets					33,368	1,080	34,448	19,474
Miscellaneous					288,550	119,002	407,552	-
Transfers					(6,879,595)	6,879,595	-	-
Special item - loss on demolition of building					(780,365)	-	(780,365)	-
Total general revenues, transfers and special item					76,799,324	9,377,800	86,177,124	1,914,254
Changes in Net Position					8,530,045	(630,334)	7,899,711	1,105,844
Prior Period Adjustment					-	-	-	1,233,656
Net Position as of January 1, 2012					152,047,272	91,649,854	243,697,126	7,985,254
Net Position as of December 31, 2012					\$ 160,577,317	\$ 91,019,520	\$ 251,596,837	\$ 10,324,754

The accompanying notes are an integral part of the financial statements.

**WINNEBAGO COUNTY, WISCONSIN
BALANCE SHEET - GOVERNMENTAL FUNDS**

December 31, 2012
(With summarized financial information as of December 31, 2011)

	Governmental Funds			Totals	
	General	Human Services	Non Major Funds	December 31, 2012	December 31, 2011
<u>ASSETS</u>					
Current Assets:					
Cash and investments	\$ 26,991,079	\$ 1,466,000	\$ 8,496,959	\$ 36,954,038	\$ 25,974,821
Receivables (net of allowances for uncollectibles):					
Delinquent property taxes & special assessments	8,049,741	-	-	8,049,741	8,706,771
Property taxes levied for ensuing year's budget	67,288,060	-	-	67,288,060	67,745,029
Taxes levied for other governments	1,958,984	-	-	1,958,984	1,997,548
Accounts receivable	88,115	162,533	10,790	261,438	915,661
Accrued interest	86,080	-	3,596	89,676	121,368
Notes receivable	-	-	68,745	68,745	47,384
Due from other governmental agencies	1,366,182	1,269,285	-	2,635,467	3,116,615
Due from other funds	10,000	-	-	10,000	10,000
Inventories	249	-	-	249	2,311
Advance payments - Vendors	97,668	105,435	-	203,103	171,168
Total Current Assets	105,936,158	3,003,253	8,580,090	117,519,501	109,943,792
Loans receivable	2,195,112	-	1,066,371	3,261,483	4,803,749
Total Assets	\$ 108,131,270	\$ 3,003,253	\$ 9,646,461	\$ 120,780,984	\$ 113,612,425
<u>LIABILITIES AND FUND BALANCES</u>					
Liabilities:					
Vouchers payable	\$ 681,950	\$ 1,425,715	\$ 878,979	\$ 2,986,644	\$ 3,341,388
Accrued compensation	1,192,569	299,937	-	1,492,506	1,524,501
Other accrued liabilities	-	1,028	16,176	17,204	2,708
Due to other governmental agencies	2,803,313	707,970	-	3,511,283	3,470,823
Due to other funds	-	10,000	-	10,000	10,000
Deferred property tax revenue	68,977,336	-	-	68,977,336	69,617,123
Other deferred revenue	367,582	425,385	1,135,116	1,928,083	2,524,612
Total Current Liabilities	74,022,750	2,870,035	2,030,271	78,923,056	80,491,154
Total Liabilities	74,022,750	2,870,035	2,030,271	78,923,056	80,491,154

The accompanying notes are an integral part of the financial statements.

**WINNEBAGO COUNTY, WISCONSIN
BALANCE SHEET - GOVERNMENTAL FUNDS**

December 31, 2012
(With summarized financial information as of December 31, 2011)

	Governmental Funds			Totals	
	General	Human Services	Non Major Funds	December 31, 2012	December 31, 2011
Fund balances:					
Nonspendable:					
Delinquent property taxes	5,117,146	-	-	5,117,146	5,582,373
Inventories	249	-	-	249	2,311
Advance payments	97,668	105,435	-	203,103	171,168
Restricted for:					
Capital outlay	104,301	-	-	104,301	54,997
Economic Development	2,936,817	-	-	2,936,817	2,668,633
Unspent bond proceeds	-	-	1,904,828	1,904,828	922,344
Public safety	418,725	-	-	418,725	382,956
Scholarship program	32,795	-	-	32,795	30,977
Committed for:					
Prior years commitments	315,059	-	1,528,947	1,844,006	752,997
Debt service	-	-	4,182,415	4,182,415	2,698,103
Assigned for:					
Subsequent years expenditures - Public Health	200,000	-	-	200,000	200,000
Prior years appropriations	113,234	-	-	113,234	120,407
Economic development	692,755	-	-	692,755	206,312
Special projects	1,636,465	-	-	1,636,465	1,539,243
Special revenue	-	27,783	-	27,783	33,113
Unassigned:					
General fund	22,443,306	-	-	22,443,306	17,755,336
Total Fund Balances	34,108,520	133,218	7,616,190	41,857,928	33,121,271
Total Liabilities and Fund Balances	\$ 108,131,270	\$ 3,003,253	\$ 9,646,461	\$ 120,780,984	\$ 113,612,425

The accompanying notes are an integral part of the financial statements.

WINNEBAGO COUNTY, WISCONSINReconciliation of the Balance Sheet
to the Statement of Net Position-
Governmental Funds

December 31, 2012

Fund balances - total governmental funds	\$41,857,928
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	
Land	3,832,861
Construction in progress	20,554,048
Buildings	77,393,965
Improvements other than buildings	11,420,267
Machinery and equipment	25,666,779
Infrastructure	80,578,336
Less: Accumulated depreciation	(54,556,204)
Accounts receivable that do not provide current financial resources are not revenues and, therefore, are not reported in the fund statements.	
Human Services deficit reduction benefit	263,878
Human Services cash receivables	82,143
Internal service funds are used by management to charge the cost of mail service, microfilming, printing, workers compensation insurance, property and liability insurance, self-funded health and dental insurance to individual funds. The assets and liabilities of the internal service funds are included in the governmental activities in the statement of position.	
Net position of internal service funds	6,940,648
Net position of internal service funds allocated to business-type activities	(2,029,914)
Compensated absences recorded in internal service funds	17,476
OPEB liability recorded in internal service funds	13,828
Long-term liabilities, including bonds payable and compensated absences are not due and payable in the current period and, therefore, are not reported in the funds.	
General obligation debt payable	(46,053,923)
Compensated absences	(6,596,523)
OPEB Liability	(2,075,738)
Rounding	2
Premium on long-term debt	(360,846)
Deferred charges - issuance costs	215,381
Deferred charges - prepaid interest	34,405
Accrued interest	(238,839)
Deferred revenues that are unavailable for governmental funds are recognized as revenue in governmental activities	3,617,359
Net position of governmental activities	<u>\$160,577,317</u>

The accompanying notes are an integral part of the financial statements.

WINNEBAGO COUNTY, WISCONSIN
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - GOVERNMENTAL FUNDS

For the year ended December 31, 2012
(With summarized financial information for the year ended December 31, 2011)

	Governmental Fund Types			Totals	
	General	Human Services	Non Major Funds	December 31, 2012	December 31, 2011
Revenues:					
Taxes	\$ 69,618,424	\$ -	\$ -	\$ 69,618,424	\$ 70,065,475
Intergovernmental	9,766,688	24,571,995	780,699	35,119,382	37,911,228
Licenses and permits	235,507	-	-	235,507	229,299
Fines, forfeitures and penalties	808,819	-	-	808,819	725,505
Charges for services provided to:					
Public	4,702,698	2,233,406	-	6,936,104	6,801,066
Other governmental entities	1,488,078	2,511	-	1,490,589	981,396
Other county departments	196,496	-	-	196,496	187,634
Investment Income	653,005	-	10,506	663,511	652,802
Miscellaneous	1,059,456	1,545	12,618	1,073,619	578,739
Total Revenues	88,529,171	26,809,457	803,823	116,142,451	118,133,144
Expenditures:					
Current:					
General government	12,628,187	-	-	12,628,187	12,219,438
Public safety	25,455,732	-	-	25,455,732	26,317,567
Public works	2,995,961	-	-	2,995,961	2,905,812
Health and human services	4,580,286	43,855,378	-	48,435,664	48,363,172
Culture, education and recreation	2,221,469	-	-	2,221,469	2,383,308
Conservation and development	2,850,376	-	-	2,850,376	2,813,455
Capital projects	-	-	14,615,599	14,615,599	10,647,701
Debt service:					
Principal retirement	-	-	7,799,463	7,799,463	7,858,639
Interest and fiscal charges	-	-	1,088,767	1,088,767	916,832
Total Expenditures	50,732,011	43,855,378	23,503,829	118,091,218	114,425,924
Excess of Revenues Over (Under) Expenditures	37,797,160	(17,045,921)	(22,700,006)	(1,948,767)	3,707,220

The accompanying notes are an integral part of the financial statements.

WINNEBAGO COUNTY, WISCONSIN
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - GOVERNMENTAL FUNDS

For the year ended December 31, 2012
(With summarized financial information for the year ended December 31, 2011)

	Governmental Fund Types			Totals	
	General	Human Services	Non Major Funds	December 31, 2012	December 31, 2011
Other Financing Sources (Uses):					
Transfers in	456,933	17,058,308	9,690,018	27,205,259	29,920,468
Transfers out	(32,952,836)	-	(1,132,018)	(34,084,854)	(37,786,894)
Proceeds of current refunding debt	-	-	4,414,262	4,414,262	-
Payment of refunded debt	-	-	(4,254,055)	(4,254,055)	-
Debt issued	-	-	16,937,000	16,937,000	3,267,000
Premium on debt issuance	-	-	467,812	467,812	45,083
Total Other Financing Sources (Uses)	(32,495,903)	17,058,308	26,123,019	10,685,424	(4,554,343)
Change in Fund Balances	5,301,257	12,387	3,423,013	8,736,657	(847,123)
Fund Balances - January 1,	28,807,263	120,831	4,193,177	33,121,271	33,968,394
Fund Balances - December 31	\$ 34,108,520	\$ 133,218	\$ 7,616,190	\$ 41,857,928	\$ 33,121,271

The accompanying notes are an integral part of the financial statements.

WINNEBAGO COUNTY, WISCONSIN
Reconciliation of the Statement of Revenues,
Expenditures, and Changes in Fund Balances of Governmental Funds
to the Statement of Activities
For the Year Ended December 31, 2012

Net changes in fund balances - total governmental funds	\$8,736,657
---	-------------

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

Governmental funds report capital outlays as expenditures. However, in the
statement of activities the cost of those assets is allocated over their estimated
useful lives and reported as depreciation expense. This is the amount by which
capital outlays exceeded depreciation in the current period.

Capital outlay reported in governmental funds is capitalized in governmental activities	14,937,848
Capital assets reported in functional expenditures	(751,161)
Special item - demolition of old Parvkview Health Care facility	(780,365)
Depreciation is reported in governmental activities	(4,195,502)

Human Services revenues in the statement of activities do not provide current financial resources and are not reported as revenues in the fund statement. This is the amount by which revenue at the end of year (\$346,021) was higher than revenue at the beginning of the year (\$349,905).	(3,884)
---	---------

The net revenues for certain activities of internal service funds are reported with governmental activities. This is the amount by which the decrease in net position (\$47,155) exceeds the amount allocated to business-type activities (\$25,149).	(22,006)
---	----------

Revenues that are currently not available are deferred in the fund statements. This is the amount by which deferred revenue at the end of year (\$3,617,359) is lower than deferred revenue at the beginning of the year (\$2,524,612).	1,092,747
---	-----------

The issuance of long-term debt (i.e., bond anticipation notes, leases) provides current
financial resources to governmental funds, while the repayment of the principal of
long-term debt consumes the current financial resources of governmental funds.
Neither transaction, however, has any effect on net assets. Also, governmental funds
report the effect of issuance costs, premiums, discounts, and similar items when
debt is first issued, whereas these amounts are deferred and amortized in the
statement of activities.

Long-term debt issued	(21,351,262)
Long-term debt repaid	12,053,518
Change in compensated absences	(732,484)
Change in OPEB Liability	(165,015)
Change in discounts/premiums on long-term debt	(396,970)
Change in deferred amounts for issuance costs	41,378
Change in deferred amounts for prepaid interest	(34,405)
Change in accrued interest	99,946
Change in internal service fund OPEB liability	1,580
Change in internal service fund compensated absences	(576)

Change in net position of governmental activities	\$8,530,045
---	-------------

The accompanying notes are an integral part of the financial statements.

WINNEBAGO COUNTY, WISCONSIN

**STATEMENT OF NET POSITION-
PROPRIETARY FUNDS**

December 31, 2012

(With summarized financial information for enterprise funds as of December 31, 2011)

	Business-type Activities- Enterprise Funds				Totals		Governmental Activities-
	Airport Fund	Solid Waste Management Fund	Park View Health Center Fund	Highway Fund	December 31, 2012	December 31, 2011	Internal Service Funds
ASSETS							
Current assets:							
Cash and investments	\$ 3,469,791	\$ 29,870,243	\$ 9,706,282	\$ 899,234	\$ 43,945,550	\$ 43,400,035	\$ 8,109,729
Receivables (net of allowances for uncollectibles):							
Accounts receivable	127,030	791,126	127,000	14,389	1,059,545	813,140	-
Accrued interest	-	55,552	-	1,118	56,670	91,003	17,389
Due from other governmental agencies	-	447,786	857,527	1,064,071	2,369,384	2,871,696	1,956
Inventories	75,730	355,481	68,582	853,711	1,353,504	1,323,386	31,620
Advance payments - Vendors	-	39,407	162,806	759	202,972	279,209	453,554
Deferred charges - issue cost	-	-	11,456	-	11,456	-	-
Prepaid Interest on refunded debt	947	2,817	179,397	8,143	191,304	-	-
Restricted assets:							
Cash and investments	-	-	-	-	-	1,220,119	-
Total Current Assets	3,673,498	31,562,412	11,113,050	2,841,425	49,190,385	49,998,588	8,614,248
Noncurrent Assets:							
Restricted assets:							
Cash and investments	-	15,272,044	-	-	15,272,044	15,535,990	-
Accrued interest	-	50,148	-	-	50,148	63,334	-
Other assets:							
Deferred charges - issue cost	-	-	25,773	-	25,773	-	-
Prepaid interest on refunded debt	216	640	309,210	1,850	311,916	-	-
Investments in Tri-County venture	-	1,952,237	-	-	1,952,237	2,197,234	-
Insurance deposits	-	-	-	-	-	-	75,839
Property and equipment:							
Land	5,960,098	1,613,616	147,842	738,916	8,460,472	8,413,788	-
Construction in progress	386,806	81,447	1,431,092	-	1,899,345	596,352	-
Buildings	11,343,908	6,018,726	24,230,032	6,534,852	48,127,518	48,144,976	-
Improvements other than buildings	30,643,890	21,660,630	857,171	52,306	53,213,997	56,947,616	-
Machinery and equipment	3,691,453	8,494,969	1,374,796	12,765,407	26,326,625	28,534,373	-
Total Property and Equipment	52,026,155	37,869,388	28,040,933	20,091,481	138,027,957	142,637,105	-
Less accumulated depreciation	(24,557,582)	(31,136,092)	(4,150,116)	(11,208,304)	(71,052,094)	(72,302,596)	-
Total Property and Equipment - Net	27,468,573	6,733,296	23,890,817	8,883,177	66,975,863	70,334,509	-
Total Noncurrent Assets	27,468,789	24,008,365	24,225,800	8,885,027	84,587,981	88,131,067	75,839
Total Assets	\$ 31,142,287	\$ 55,570,777	\$ 35,338,850	\$ 11,726,452	\$ 133,778,366	\$ 138,129,655	\$ 8,690,087

The accompanying notes are an integral part of the financial statements

WINNEBAGO COUNTY, WISCONSIN

STATEMENT OF NET POSITION- PROPRIETARY FUNDS

December 31, 2012

(With summarized financial information for enterprise funds as of December 31, 2011)

LIABILITIES AND NET POSITION

Current liabilities:

	Business-type Activities- Enterprise Funds				Totals		Governmental Activities-
	Airport Fund	Solid Waste Management Fund	Park View Health Center Fund	Highway Fund	December 31, 2012	December 31, 2011	Internal Service Funds
Vouchers payable	\$ 40,524	\$ 301,634	\$ 336,189	\$ 119,719	\$ 798,066	\$ 895,512	\$ 8,267
Accrued compensation	11,786	40,242	438,269	257,774	748,071	615,537	1,762
Claims payable	-	-	-	-	-	-	1,708,106
Other accrued liabilities	15,539	38,147	76,358	4,682	134,726	239,503	-
Due to other governmental agencies	58,048	1,787,287	1,745	27,722	1,874,802	5,158,165	-
Unearned revenue	-	-	25,000	-	25,000	25,000	-
Other unearned revenue	-	-	-	79,850	79,850	56,997	-
Compensated absences	40,579	74,088	886,854	305,190	1,306,711	1,201,702	9,509
Current maturities of long-term debt	218,328	11,793	3,159,282	61,495	3,450,898	2,543,707	-
Premium on long-term debt	-	-	137,595	-	137,595	18,629	-
Total Current Liabilities	384,804	2,253,191	5,061,292	856,432	8,555,719	10,754,752	1,727,644
Compensated absences	21,645	40,673	285,752	387,599	735,669	965,651	7,967
Landfill closure and long-term care	-	23,006,509	-	-	23,006,509	21,355,603	-
Long-term due to other governments	-	1,699,621	-	-	1,699,621	1,952,237	-
General obligation debt	1,009,213	95,721	8,522,504	521,838	10,149,276	13,062,381	-
Premium on long-term debt	-	-	316,625	-	316,625	60,542	-
OPEB liability (asset)	30,439	(92,195)	345,481	41,617	325,342	383,699	13,828
Total Liabilities	1,446,101	27,003,520	14,531,654	1,807,486	44,788,761	48,534,865	1,749,439
Net Position:							
Net invested in capital assets	26,241,033	6,733,298	13,173,857	8,572,371	54,720,559	57,372,224	-
Restricted Purchase Orders	-	40,460	-	184,768	225,228	1,036,365	-
Unrestricted	3,455,153	21,793,499	7,633,339	1,161,827	34,043,818	31,186,201	6,940,648
Total Net Position	29,696,186	28,567,257	20,807,196	9,918,966	88,989,605	89,594,790	6,940,648
Total Liabilities and Net Position	\$ 31,142,287	\$ 55,570,777	\$ 35,338,850	\$ 11,726,452	\$ 133,778,366	\$ 138,129,655	\$ 8,690,087

Total Net Position at 12/31/2012 \$ 88,989,605
 Internal Services Lookback Balance 2,055,064
 Internal Services Current Year Activity (25,149)
Total Net Position - Business-type Activities \$ 91,019,520

The accompanying notes are an integral part of the financial statements

WINNEBAGO COUNTY, WISCONSIN

**STATEMENT OF REVENUES, EXPENSES AND CHANGES
IN FUND NET POSITION - PROPRIETARY FUNDS**

For the year ended December 31, 2012

(With summarized financial information for enterprise funds for the year ended December 31, 2011)

	Business-type Activities- Enterprise Funds				Totals		Governmental Activities- Internal Service Funds
	Airport Fund	Solid Waste Management Fund	Park View Health Center Fund	Highway Department Fund	December 31, 2012	December 31, 2011	
Operating Revenues:							
Charges for services provided to:							
Public	\$ 1,893,105	\$ 8,227,039	\$ 6,072,412	\$ 48,187	\$ 16,240,743	\$ 14,681,740	\$ 521,970
Other governmental entities	5,000	4,297,359	5,969,560	5,251,306	15,523,225	19,692,074	5,809
Other county departments	-	46,211	-	7,085,281	7,131,492	6,042,113	5,630,190
Miscellaneous	977	151,782	22,485	64,539	239,783	221,887	-
Total Operating Revenues	1,899,082	12,722,391	12,064,457	12,449,313	39,135,243	40,637,814	6,157,969
Operating Expenses:							
Salaries, wages and benefits	621,611	1,219,825	13,530,765	4,947,336	20,319,537	20,656,122	141,935
Materials, suppliers and services	401,584	9,147,298	2,688,877	6,044,354	18,282,113	18,099,118	6,125,844
Heat, light and power	400,149	352,074	322,599	142,150	1,216,972	1,174,198	-
Depreciation	1,631,702	851,377	658,652	998,099	4,139,830	4,920,196	-
Landfill closure & long-term care	-	2,722,281	-	-	2,722,281	3,247,775	-
Total Operating Expenses	3,055,046	14,292,855	17,200,893	12,131,939	46,680,733	48,097,409	6,267,779
Operating Income (Loss)	(1,155,964)	(1,570,464)	(5,136,436)	317,374	(7,545,490)	(7,459,595)	(109,810)
Non-Operating Revenues (Expenses):							
Investment income	-	575,457	-	8,763	584,220	989,056	62,656
Interest expense	(11,881)	(5,749)	(371,796)	(22,505)	(411,931)	(684,283)	-
Premium on bond	-	-	119,002	-	119,002	18,629	-
Grant revenue	-	6,242	1,793,903	-	1,800,145	1,458,620	-
Gain (Loss) on sale of capital assets	(1,080)	-	(2,035,452)	-	(2,036,532)	1,822	-
Issuance costs of long term debt	-	-	(9,899)	-	(9,899)	(3,987)	-
Total Non-Operating Revenues (Expenses)	(12,961)	575,950	(504,242)	(13,742)	45,005	1,779,857	62,656

The accompanying notes are an integral part of the financial statements

WINNEBAGO COUNTY, WISCONSIN

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION - PROPRIETARY FUNDS

For the year ended December 31, 2012

(With summarized financial information for enterprise funds for the year ended December 31, 2011)

	Business-type Activities- Enterprise Funds				Totals		Governmental Activities- Internal Service Funds
	Airport Fund	Solid Waste Management Fund	Park View Health Center Fund	Highway Department Fund	December 31, 2012	December 31, 2011	
Income (Loss) Before Transfers and Contributions	(1,168,925)	(994,514)	(5,640,678)	303,632	(7,500,485)	(5,679,738)	(47,154)
Transfers in	232,416	-	7,104,112	-	7,336,528	8,365,788	-
Transfers out	-	-	-	(456,933)	(456,933)	(499,363)	-
Capital contributions	15,705	-	-	-	15,705	10,370,040	-
Increase (Decrease) in Net Position	(920,804)	(994,514)	1,463,434	(153,301)	(605,185)	12,556,727	(47,154)
Total Beginning Net Position	30,616,990	29,561,771	19,343,762	10,072,267		77,038,063	6,987,802
Total Ending Net Position	<u>\$ 29,696,186</u>	<u>\$ 28,567,257</u>	<u>\$ 20,807,196</u>	<u>\$ 9,918,966</u>		<u>\$ 89,594,790</u>	<u>\$ 6,940,648</u>
Internal Services Fund Current Year Activity					(25,149)		
Change in Net Position - Business-type Activities					<u>\$ (630,334)</u>		

The accompanying notes are an integral part of the financial statements

WINNEBAGO COUNTY, WISCONSIN

**STATEMENT OF CASH FLOWS -
PROPRIETARY FUNDS**

For the year ended December 31, 2012
(With summarized financial information for enterprise funds for the year ended December 31, 2011)

	Business-type Activities- Enterprise Funds				Totals		Governmental Activities-
	Airport Fund	Solid Waste Management Fund	Park View Health Center Fund	Highway fund	December 31, 2012	December 31, 2011	Internal Service Fund
Cash flows from operating activities:							
Cash received from customers	\$ 1,908,073	\$ 13,140,402	\$ 11,862,519	\$ 5,366,517	\$ 32,277,511	\$ 33,573,631	\$ 7,727
Cash received from county	5,000	46,211	-	7,085,281	7,136,492	6,045,863	6,229,828
Cash payments for goods and services	(814,215)	(14,044,048)	(2,852,807)	(6,252,998)	(23,964,068)	(20,447,309)	(7,280,498)
Cash payments to employees	(599,887)	(1,221,522)	(13,565,793)	(4,983,131)	(20,370,333)	(20,739,079)	(141,234)
Net cash provided by (used for) operating activities	498,971	(2,078,957)	(4,556,081)	1,215,669	(4,920,398)	(1,566,894)	(1,184,177)
Cash flows from noncapital financing activities:							
Transfers in	232,416	-	7,104,112	-	7,336,528	8,365,788	-
Transfers out	-	-	-	(456,933)	(456,933)	(499,363)	-
Grants received	-	6,242	1,793,903	-	1,800,145	1,458,620	-
Net cash provided by (used for) noncapital financing activities	232,416	6,242	8,898,015	(456,933)	8,679,740	9,325,045	-
Cash flows from capital and related financing activities:							
Purchases of capital assets	(824,777)	(449,805)	(1,362,642)	(800,673)	(3,437,897)	(1,742,469)	-
Payment of debt	(158,601)	(91,141)	(10,428,683)	(291,228)	(10,969,653)	(3,377,209)	-
Interest paid on debt	(29,685)	(6,548)	(436,521)	(23,049)	(495,803)	(680,051)	-
Proceeds from sale of capital assets	(1,163)	-	-	-	(1,163)	42,322	-
Premium on debt issuance	-	-	494,050	-	494,050	-	-
Proceeds from issuance of debt	401,838	88,737	8,216,639	256,523	8,963,737	448,000	-
Issuance costs of long term debt	-	-	(518,792)	-	(518,792)	-	-
Net cash used in capital and related financing activities	(612,388)	(458,757)	(4,035,949)	(858,427)	(5,965,521)	(5,309,407)	-

The accompanying notes are an integral part of the financial statements.

WINNEBAGO COUNTY, WISCONSIN

**STATEMENT OF CASH FLOWS -
PROPRIETARY FUNDS**

For the year ended December 31, 2012

(With summarized financial information for enterprise funds for the year ended December 31, 2011)

	Business-type Activities- Enterprise Funds				Totals		Governmental Activities-
	Airport Fund	Solid Waste Management Fund	Park View Health Center Fund	Highway fund	December 31, 2012	December 31, 2011	Internal Service Fund
Cash flows from investing activities:							
Purchases of investments	-	(20,110,402)	-	-	(20,110,402)	(3,582,048)	-
Sale of investments	-	21,057,267	-	-	21,057,267	3,378,632	-
Investment income	-	637,728	-	10,009	647,737	1,018,258	71,500
Net cash provided by investing activities	-	1,584,593	-	10,009	1,594,602	814,842	71,500
Net increase in cash and cash equivalents	118,999	(946,879)	305,985	(89,682)	(611,577)	3,263,586	(1,112,677)
Cash and cash equivalents - January 1	3,350,792	30,927,554	9,400,297	988,916	44,667,559	41,403,973	9,222,406
Cash and cash equivalents - December 31	\$ 3,469,791	\$ 29,980,675	\$ 9,706,282	\$ 899,234	\$ 44,055,982	\$ 44,667,559	\$ 8,109,729

The accompanying notes are an integral part of the financial statements.

WINNEBAGO COUNTY, WISCONSIN

STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS

For the year ended December 31, 2012
(With summarized financial information for enterprise funds for the year ended December 31, 2011)

	Business-type Activities- Enterprise Funds				Totals		Governmental Activities-
	Airport Fund	Solid Waste Management Fund	Park View Health Center Fund	Highway fund	December 31, 2012	December 31, 2011	Internal Service Fund
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:							
Operating income (loss)	\$ (1,155,964)	\$ (1,570,464)	\$ (5,136,436)	\$ 317,374	\$ (7,545,490)	\$ (7,459,595)	\$ (109,810)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:							
Depreciation	1,631,702	851,377	658,652	998,099	4,139,830	4,920,196	-
Changes in assets and liabilities							
Receivables	13,991	(161,582)	(92,629)	(6,185)	(246,405)	28,506	79,586
Due from other governments	-	625,804	(109,309)	(14,183)	502,312	(435,624)	-
Investment in Tri-County Single Steam Recycling	-	244,997	-	-	244,997	188,002	-
Inventories	(11,832)	-	(1,646)	(16,640)	(30,118)	101,518	13,330
Advance payments	-	36,047	19,552	(9,755)	45,844	35,945	(54,350)
Vouchers payable	(8,060)	(186,722)	145,548	(48,213)	(97,447)	58,116	(396,734)
OPEB liability	-	-	-	-	-	-	1,580
Due to other governments	7,410	(3,294,102)	(4,785)	8,114	(3,283,363)	470,449	-
Unearned revenue	-	-	-	22,853	22,853	44,970	-
Other liabilities	21,724	(22,602)	(35,028)	(35,795)	(71,701)	(689,968)	(717,779)
Long-term due to other governments	-	(252,616)	-	-	(252,616)	(205,408)	-
Long-term care accrual	-	1,650,906	-	-	1,650,906	1,375,999	-
Total adjustments	1,654,935	(508,493)	580,355	898,295	2,625,092	5,892,701	(1,074,367)
Net cash provided by (used for) operating activities	\$ 498,971	\$ (2,078,957)	\$ (4,556,081)	\$ 1,215,669	\$ (4,920,398)	\$ (1,566,894)	\$ (1,184,177)
Cash and cash equivalents at end of year consist of:							
Unrestricted cash and investments	\$ 3,469,791	\$ 29,870,243	\$ 9,706,282	\$ 899,234	\$ 43,945,550	\$ 43,400,035	\$ 8,109,729
Restricted cash and investments	-	15,272,044	-	-	15,272,044	16,756,109	-
Less noncurrent investments	-	(15,161,612)	-	-	(15,161,612)	(15,488,585)	-
Total cash and cash equivalents	\$ 3,469,791	\$ 29,980,675	\$ 9,706,282	\$ 899,234	\$ 44,055,982	\$ 44,667,559	\$ 8,109,729

NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES

In 2012 there was a noncash transaction from the FAA in the amount of \$15,705 . In 2011 there was a non cash contribution from the FAA in the amount of \$10,281,855 reflected in the Airport Fund and a non cash contribution from the State of Wisconsin in the amount of \$88,185 reflected in the Highway Fund .

The accompanying notes are an integral part of the financial statements.

WINNEBAGO COUNTY, WISCONSIN
STATEMENT OF FIDUCIARY NET POSITION

December 31, 2012
(With summarized financial information as of December 31, 2011)

		Agency Funds	
		Total	
		December 31, 2012	December 31, 2011
<u>ASSETS</u>			
Cash and investments	\$	1,371,758	\$ 1,949,239
Accounts receivable		325	1,754
Accrued grants and aids		111,723	208,342
Equipment		18,069	18,069
<hr/>			
Total Assets	\$	1,501,875	\$ 2,177,404
<hr/>			
<u>LIABILITIES</u>			
Liabilities:			
Other accrued liabilities	\$	1,501,875	\$ 2,177,404
<hr/>			
Total Liabilities	\$	1,501,875	\$ 2,177,404
<hr/>			

WINNEBAGO COUNTY, WISCONSIN

INDEX TO NOTES TO FINANCIAL STATEMENTS December 31, 2012

NOTE	Page
I. Summary of Significant Accounting Policies	
A. Reporting Entity	49
B. Government-Wide and Fund Financial Statements	50-53
C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation	53-55
D. Assets, Liabilities, and Net Position or Equity	
1. Deposits and Investments	55-56
2. Receivables	57-58
3. Inventories and Prepaid Items	58
4. Restricted Assets	58
5. Capital Assets	58-59
6. Other Assets	59
7. Compensated Absences	60
8. Deferred Outflows/Inflows of Resources	60
9. Long-Term Obligations/Conduit Debt	60-61
10. Claims and Judgments	61
11. Equity Classifications	61-62
12. Comparative Data/Reclassifications	63
II. Stewardship, Compliance, and Accountability	
A. Budgetary Information	63-64
B. Excess Expenditures Over Appropriations	64
C. Deficit Balances	64
D. Limitations on the County's Tax Levy Rate and Its Ability to Issue New Debt	65
E. Limitations on the County's Tax Levy	65
III. Detailed Notes on All Funds	
A. Deposits and Investments	66-68
B. Receivables	69-71
C. Restricted Assets	71
D. Capital Assets	71-73
E. Interfund Receivables/Payables and Transfers	73-75
F. Long-Term Obligations	75-78
G. Lease Disclosures	79
H. Closure and Postclosure Care Cost	80
I. Net Position/ Fund Balances	80-82
J. Component Unit	83-86

WINNEBAGO COUNTY, WISCONSIN

INDEX TO NOTES TO FINANCIAL STATEMENTS (cont.) December 31, 2012

NOTE	<u>Page</u>
IV. Other Information	
A. Employees' Retirement System	87
B. Risk Management	88-89
C. Commitments and Contingencies	90
D. Joint Ventures	91
E. Other Postemployment Benefits	91-93
F. Economic Dependency	93

WINNEBAGO COUNTY, WISCONSIN

NOTES TO FINANCIAL STATEMENTS December 31, 2012

NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. REPORTING ENTITY

This report includes all of the funds of Winnebago County. The reporting entity for the County consists of (a) the primary government, (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the primary government are such that their exclusion would cause the reporting entity's financial statements to be misleading or incomplete. A legally separate organization should be reported as a component unit if the elected officials of the primary government are financially accountable to the organization. The primary government is financially 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 regardless of whether the organization has (1) a separately elected governing board, (2) a governing board appointed by a higher level of government, or (3) a jointly appointed board.

A legally separate, tax exempt organization should be reported as a component unit of a reporting entity if all of the following criteria are met: (1) the economic resources received or held by the separate organization are entirely or almost entirely for the direct benefit of the primary government, its component units, or its constituents; (2) the primary government is entitled to, or has the ability to otherwise access, a majority of the economic resources received or held by the separate organization; (3) the economic resources received or held by an individual organization that the specific primary government, or its component units, is entitled to, or has the ability to otherwise access, are significant to that primary government. Each discretely presented component unit is reported in a separate column in the government-wide financial statements (see note below for description) to emphasize that it is legally separate from the government. This report does not contain any blended component units.

DISCRETELY PRESENTED COMPONENT UNIT

Winnebago County Housing Authority

The government-wide financial statements include the Winnebago County Housing Authority ("Housing Authority") as a component unit. The Housing Authority is a legally separate organization. The board of the Housing Authority is appointed by the county board. Wisconsin Statutes provide for circumstances whereby the county can impose its will on the Housing Authority, and also create a potential financial benefit to or burden on the county. See Note III J. As a component unit, the Housing Authority's financial statements have been presented as a discrete column in the financial statements. Separately issued financial statements of the Winnebago County Housing Authority may be obtained from the Housing Authority's office.

WINNEBAGO COUNTY, WISCONSIN

NOTES TO FINANCIAL STATEMENTS

December 31, 2012

NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

Government-Wide Financial Statements

The statement of net position and statement of activities report information on all of the nonfiduciary activities of the County and its component unit. For the most part, the effect of interfund activities has been removed from these statements. The statements distinguish between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

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. The County does not allocate indirect expenses to functions in the statement of activities. Program revenues include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services, or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not included among program revenues are reported as general revenues. Internally dedicated resources are reported as general revenues rather than as program 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, fund equity/net position, revenues, and expenditures/expenses.

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

Funds are organized as major funds or non-major funds within the governmental, proprietary, and fiduciary funds 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, liabilities, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type, and

WINNEBAGO COUNTY, WISCONSIN
NOTES TO FINANCIAL STATEMENTS
December 31, 2012

NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS (cont.)

FUND FINANCIAL STATEMENTS (cont.)

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 enterprise 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:

Major Governmental Funds

General Fund – accounts for the County's primary operating activities. It is used to account for and report all financial resources not accounted and reported in another fund.

Human Services Special Revenue Fund – accounts for and report the proceeds of specific revenue sources that are restricted or committed to expenditures of the Human Services programs.

The County reports the following major enterprise funds:

Major Enterprise Funds

Airport – accounts for operations of the regional airport.

Solid Waste Management – accounts for operations of the landfill and recycling operations.

Park View Health Center – accounts for operations of the County nursing home.

Highway – accounts for highway maintenance operations.

The County reports the following non-major governmental funds:

Non-Major Governmental Funds

Debt Service Fund – accounts for resources accumulated and payments made for principal and interest on long-term debt other than enterprise fund debt.

Capital Projects Fund – accounts for resources accumulated and payments for the following projects:

Communication Arts Center- UWFV

University Ave Building- UWFV

Chiller Upgrade – Jail

Demolition Park View Buildings

HVAC System Expo Center

Roof Replacement Project

Asphalt Replacement Project

Financial Software Replacement

Radio System Upgrade

WINNEBAGO COUNTY, WISCONSIN

NOTES TO FINANCIAL STATEMENTS

December 31, 2012

NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS (cont.)

FUND FINANCIAL STATEMENTS (cont.)

Capital Projects Funds (cont.)

Computer Aided Dispatch

Courthouse Window Replacement

Facility Tuckpointing

Road Construction and Resurfacing:

County Highway A – Indian Point Rd to Neenah

County Highway A – CTH Y to Indian Point Rd

County Highway E – STH 116 – South County Line

County Highway F – CTH D – City of Omro

County Highway FF – CTH K to STH 21

County Highway G Bridge Replacement

County Highway H – CTH AH to West County Line

County Highway I – CTH N to City of Oshkosh

County Highway T – CTH G to STH 45

County Highway Y

County Highway K Bridge– Eureka

County Highway M – CTH II to STH 116

In addition, Winnebago County reports the following fund types:

Internal service funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of Winnebago County, or to other governmental units, on a cost-reimbursement basis.

Self-Insurance – accounts for the risk of loss related to torts; theft of, damage to, or destruction of assets; errors and omissions; workers compensation; and health care of its employees.

General Services - accounts for the central printing, mailroom and microfilming services to all County departments.

Agency funds are used to account for assets held by Winnebago County in a trustee capacity or as an agent for individuals, private organizations, and/or other governmental units.

Litigant's Deposit- accounts for the receipt and disbursement of funds held by the County for individuals who are scheduled for court appearances.

Patient's - accounts for the receipt and disbursement of monies held for the benefit of patients at Park View Health Center.

Burial Trust - accounts for collections and payment of funds deposited with the county treasurer for burial expense.

Other Trust - accounts for the receipt and disbursement of funds for small items such as drainage districts, etc.

WINNEBAGO COUNTY, WISCONSIN
NOTES TO FINANCIAL STATEMENTS
December 31, 2012

NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS (cont.)

FUND FINANCIAL STATEMENTS (cont.)

MEG Unit- accounts for the receipt and disbursement of funds for the Lake Winnebago Area Metropolitan Enforcement Group.

**C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING,
AND FINANCIAL STATEMENT PRESENTATION**

GOVERNMENT-WIDE FINANCIAL STATEMENTS

The government-wide statement of net position and statement of activities are reported using the economic resources measurement focus and the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets, deferred outflows of resources, and liabilities, and deferred inflows of resources resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Property taxes are recognized as revenues in the year for which they are levied. Taxes receivable for the following year are recorded as receivables and deferred revenue. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider are met. Unbilled receivables are recorded as revenues when services are provided.

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 between the Winnebago County's enterprise funds and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

FUND FINANCIAL STATEMENTS

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recorded when they are both measurable and available. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. For this purpose, Winnebago County considers revenues including property taxes to be available if they are collected within 60 days of the end of the current fiscal period, except for the human service fund in which grant revenue is considered available if it is collected within 180 days of the end of the current fiscal period. Expenditures are recorded when the related fund liability is incurred, except for unmatured interest on long-term debt, claims, judgments, compensated absences, and pension expenditures, which are recorded as a fund liability when expected to be paid with expendable available financial resources.

WINNEBAGO COUNTY, WISCONSIN

NOTES TO FINANCIAL STATEMENTS

December 31, 2012

NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION (cont.)

FUND FINANCIAL STATEMENTS (cont.)

Property taxes are recorded in the year levied as receivables and deferred revenues. They are recognized as revenues in the succeeding year when services financed by the levy are being provided.

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

Delinquent special assessments being held for collection by the county are reported as receivables and unspendable fund balance in the general fund.

Revenues susceptible to accrual include property taxes, miscellaneous taxes, public charges for services, special assessments and interest. Other general revenues such as fines and forfeitures, inspection fees, recreation fees, and miscellaneous revenues are recognized when received in cash or when measurable and available under the criteria described above.

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

Proprietary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as described previously in this note. Agency funds follow the accrual basis of accounting and do not have a measurement focus.

The proprietary funds distinguish *operating* revenues and expenses from *non-operating* 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 proprietary funds are charges to customers for sales and services. Operating expenses for proprietary funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

WINNEBAGO COUNTY, WISCONSIN

NOTES TO FINANCIAL STATEMENTS December 31, 2012

NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION (cont.)

FUND FINANCIAL STATEMENTS (cont.)

ALL FINANCIAL STATEMENTS

The preparation of financial statements in conformity with 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. ASSETS, LIABILITIES, AND NET POSITION OR EQUITY

1. DEPOSITS AND INVESTMENTS

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

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

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

WINNEBAGO COUNTY, WISCONSIN
NOTES TO FINANCIAL STATEMENTS
December 31, 2012

NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

D. ASSETS, LIABILITIES, AND NET POSITION OR EQUITY (cont.)

1. DEPOSITS AND INVESTMENTS (cont.)

Winnebago County has adopted an investment policy. That policy contains the following guidelines for allowable investments.

Custodial Credit Risk

The County requires that investments in excess of \$500,000 in any bank as a County depository may be subject to collateralization (i.e., a surety bond or other security being required for the amount of the deposit) unless minimum standards are met. These standards include certain capitalization and deposit ratios, earnings and quality of assets criteria. At December 31, 2012 the County was not in compliance with the custodial credit risk policy.

Credit Risk

The County has no formal credit risk policy.

Concentration of Credit Risk

The County has no formal concentration of credit risk policy.

Interest Rate Risk

The County has no formal interest rate risk policy.

Investments are stated at fair value, which is the amount at which an investment could be exchanged in a current transaction between willing parties. Fair values are based on quoted market prices. No investments are reported at amortized cost. Adjustments necessary to record investments at fair value are recorded in the operating statement as increases or decreases in investment income. Investment income on commingled investments of county accounting funds is allocated based on average cash balance in each fund or program. The difference between the bank balance and carrying value is due to outstanding checks and/or deposits in transit.

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, 2012, the fair value of the Winnebago County's share of the LGIP's assets was substantially equal to the amount as reported in these statements.

See Note III. A. for further information.

WINNEBAGO COUNTY, WISCONSIN

NOTES TO FINANCIAL STATEMENTS December 31, 2012

NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

D. ASSETS, LIABILITIES, AND NET POSITION OR EQUITY (cont.)

2. RECEIVABLES

Property taxes are levied in December on the assessed value as of the prior January 1. In addition to property taxes for Winnebago County, taxes are collected for and remitted to the state as well as the local school district and technical college district. Taxes for all state and local governmental units billed in the current year for the succeeding year are reflected as receivables and due to other taxing units on the accompanying fund balance sheet and in the governmental activities column on the statement of net position.

Property tax calendar – 2012 tax roll:

Lien date and levy date	December 2012
Tax bills mailed	December 2012
Payment in full, or	January 31, 2013
First installment due	January 31, 2013
Second installment due	July 31, 2013
Personal property taxes in full	January 31, 2013
Tax sale – 2012 delinquent real estate taxes	October 2015

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

Accounts receivable have been shown net of an allowance for uncollectible accounts. No allowance for uncollectible delinquent taxes has been provided because of the County's demonstrated ability to recover any losses through the sale of the applicable property.

During the course of operations, transactions occur between individual funds that may result in amounts owed between funds. Short-term interfund loans are reported as "due to and from other funds." Long-term interfund loans (noncurrent portion) are reported as "advances from and to other funds." Interfund receivables and payables between funds within governmental activities are eliminated in the statement of net position. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances".

Winnebago County has received federal and state grant funds for economic development loan programs to various businesses and individuals. Winnebago County records a loan receivable when the loan has been made and funds have been disbursed. The amount recorded as economic development loans receivable has been reduced by an allowance for uncollectible accounts of \$0.

WINNEBAGO COUNTY, WISCONSIN

NOTES TO FINANCIAL STATEMENTS

December 31, 2012

NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

D. ASSETS, LIABILITIES, AND NET POSITION OR EQUITY (cont.)

GOVERNMENT--WIDE STATEMENTS (cont.)

2. RECEIVABLES

It is Winnebago County's policy to record revenue when the initial loan is made from the federal and state grant funds. The net amount of the loan receivable balance is offset by a reserve for economic development. As loans are repaid, the reserve is reduced and the assigned fund balance is increased. When new loans are made from loan repayments, the reserve for economic development is increased and the assigned fund balance is decreased. Interest received from loan repayments is recognized as revenue when received in cash. Any unspent loan repayments at year end are presented as an assigned fund balance in the governmental fund balance sheet.

3. INVENTORIES AND PREPAID ITEMS

Governmental fund inventories, if material, are recorded at cost based on the FIFO method using the consumption method of accounting. Year-end inventory was not significant. Proprietary fund inventories are generally used for construction and for operation and maintenance work. They are not for resale. They are valued at cost based on weighted average, and charged to construction, operation and maintenance expense when used.

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

4. RESTRICTED ASSETS

Mandatory segregations of assets are presented as restricted assets. Such segregations are required by bond agreements and other external parties. Current liabilities that are payable from these restricted assets are so classified. The excess of restricted assets over current liabilities payable from restricted assets will be used first for retirement of related long-term debt. The remainder, if generated from earnings, is shown as restricted net position.

5. CAPITAL ASSETS

GOVERNMENT--WIDE STATEMENTS

Capital assets, which include property, plant, equipment, and infrastructure assets, are reported in the applicable governmental or business-type column in the government-wide financial statements. Capital assets are defined by the government as assets with an initial cost of more than \$5,000 and a useful life of more than one year for general capital assets and \$100,000 for road and \$25,000 for bridge infrastructure assets. All capital assets are valued at historical cost or estimated historical cost if actual amounts are unavailable. Donated capital assets are recorded at their estimated fair value at the date of donation.

WINNEBAGO COUNTY, WISCONSIN

NOTES TO FINANCIAL STATEMENTS

December 31, 2012

NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

D. ASSETS, LIABILITIES, AND NET POSITION OR EQUITY (cont.)

GOVERNMENT-WIDE STATEMENTS (cont.)

5. CAPITAL ASSETS (cont.)

Prior to January 2002, infrastructure assets of governmental funds were not capitalized. Upon implementing GASB 34, governmental units are required to account for all capital assets, including infrastructure, in the government-wide statements prospectively from the date of implementation. Winnebago County has retroactively reported all network infrastructure acquired by its governmental fund types.

Additions to and replacements of capital assets of business-type activities are recorded at original cost, which includes material, labor, overhead, and an allowance for the cost of funds used during construction when significant. For tax-exempt debt, the amount of interest capitalized equals the interest expense incurred during construction netted against any interest revenue from temporary investment of borrowed fund proceeds. \$0 of net interest was capitalized during the current year. The cost of renewals and betterments relating to retirement units is added to plant accounts. The cost of property replaced, retired, or otherwise disposed of, is deducted from plant accounts and, generally, together with removal costs less salvage, is charged to accumulated depreciation.

Depreciation of all exhaustible capital assets is recorded as an allocated expense in the statement of activities, with accumulated depreciation reflected in the statement of net position. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. The range of estimated useful lives by type of asset is as follows:

Buildings	10-60 Years
Land Improvements	3-60 Years
Machinery and Equipment	3-35 Years
Leachate system	20 Years
Infrastructure	40-100 Years

FUND FINANCIAL STATEMENTS

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

6. OTHER ASSETS

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

WINNEBAGO COUNTY, WISCONSIN

NOTES TO FINANCIAL STATEMENTS

December 31, 2012

NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

D. ASSETS, LIABILITIES, AND NET POSITION OR EQUITY (cont.)

7. COMPENSATED ABSENCES

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

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

Payments for vacation and sick leave will be made at rates in effect when the benefits are used. Accumulated vacation and sick leave liabilities at December 31, 2012 are determined on the basis of current salary rates and include salary-related payments, except for non represented employees the liabilities are calculated based on rates of pay and sick leave balances at December 31, 2005.

8. DEFERRED OUTFLOWS/INFLOWS OF RESOURCES

The County implemented GASB Statement No. 63, Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position for the year ended December 31, 2012. In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expenses/expenditure) until then. The County currently has no items that qualify for reporting in this category.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The County currently has no items that qualify for reporting in this category.

The County plans to implement GASB Statement No. 65, Items Previously Reported as Assets and Liabilities for the year ended December 31, 2013. At that time, the County will determine the items that qualify for reporting as deferred outflows or inflows of resources.

9. LONG-TERM OBLIGATIONS / CONDUIT DEBT

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

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

WINNEBAGO COUNTY, WISCONSIN

NOTES TO FINANCIAL STATEMENTS December 31, 2012

NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

D. ASSETS, LIABILITIES, AND NET POSITION OR EQUITY (cont.)

GOVERNMENT-WIDE STATEMENTS

9. LONG-TERM OBLIGATIONS / CONDUIT DEBT (cont.)

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

The County does not engage in conduit debt transactions.

10. CLAIMS AND JUDGMENTS

Claims and judgments are recorded as liabilities if all the conditions of Governmental Accounting Standards Board pronouncements are met. Claims and judgments that would normally be liquidated with expendable available financial resources are recorded during the year as expenditures in the governmental funds. If they are not to be liquidated with expendable available financial resources, no liability is recognized in the governmental fund statements. The related expenditure is recognized when the liability is liquidated. Claims and judgments are recorded in the government-wide statements and proprietary funds as expenses when the related liabilities are incurred. There were no significant claims or judgments at year end.

11. EQUITY CLASSIFICATIONS

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

- a. Net investment in capital assets – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt also should be included in this component of net position. If there are significant unspent related debt proceeds or deferred inflows of resources at the end of the reporting period, the portion of the debt or deferred inflow of resources attributable to the unspent amount should not be included in the calculation of net investment in capital assets. Instead, that portion of the debt or deferred inflow of resources should be included in the same net position as the unspent amount.
- b. Restricted net position – Consists of net position with constraints placed on their use either by 1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments or, 2) law through constitutional provisions or enabling legislation.

WINNEBAGO COUNTY, WISCONSIN

NOTES TO FINANCIAL STATEMENTS December 31, 2012

NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

D. ASSETS, LIABILITIES, AND NET POSITION OR EQUITY (cont.)

GOVERNMENT-WIDE STATEMENTS

11. EQUITY CLASSIFICATIONS (cont.)

- c. Unrestricted net position – All other net positions that do not meet the definition of "restricted" or "net investment in capital assets."

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

FUND STATEMENTS

Fund balances of governmental funds are reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The following classifications describe the relative strength of the spending constraints placed on the purposes for which resources can be used:

FUND STATEMENTS

1. Nonspendable fund balance - Amounts that cannot be spent because they are 1) not in spendable form, or 2) legally or contractually required to be maintained intact. The County reports nonspendable inventories, advance payments and delinquent personal property taxes.
2. Restricted fund balance - Amount constraints requiring use for a specific purpose and are either: 1) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments, or 2) imposed by law through constitutional provisions or enabling legislation. Fund balance restrictions are legally enforceable when a third party can enforce the resources to be used appropriately.
3. Committed fund balance - Amounts used for specific purposes based on constraints imposed by formal action of the County Board. The commitment purposes must be made during the County's fiscal year ended December 31, 2012 and can only be amended by the same formal legal action creating the original commitments such as resolution or ordinance.
4. Assigned fund balance - Funds that are constrained by the county executive as established by county ordinance with the intent for the amount to be used for specific purposes, but it is neither restricted nor committed.
5. Unassigned fund balance - Funds that are amounts in excess (surplus) of the categories described above in the General Fund only. By their nature, other funds are established to account for revenues that are expended for specific purposes, and therefore, do not have unassigned fund balances.

The County has not adopted a fund balance spend-down policy regarding the order in which fund balance will be utilized. When a policy does not specify the spend-down policy, GASB Statement No. 54 indicates that restricted funds would be spent first, followed by committed funds, and then assigned funds. Unassigned funds would be spent last.

WINNEBAGO COUNTY, WISCONSIN

NOTES TO FINANCIAL STATEMENTS

December 31, 2012

NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

D. ASSETS, LIABILITIES, AND NET POSITION OR EQUITY (cont.)

GOVERNMENT-WIDE STATEMENTS

12. COMPARATIVE DATA / RECLASSIFICATIONS

The basic financial statements include certain prior-year summarized comparative information in total but not at the level of detail required for a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the government's financial statements for the year ended December 31, 2011, from which the summarized information was derived.

NOTE II – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. BUDGETARY INFORMATION

Budgetary information is derived from the annual operating budget and is presented using the same basis of accounting for each fund as described in Note I. C.

A budget has been adopted for the general fund, special revenue fund, debt service fund, capital projects funds, enterprise funds (except Solid Waste Fund) and internal service funds. Wisconsin Statute 65.90 requires that an annual budget be adopted for all funds.

The County uses the following procedures when establishing budgetary data reflected in the financial statements:

1. Prior to September 1, the department heads submit to the County Executive a proposed operating budget for the fiscal year which commences the following January. The operating budget includes proposed expenditures and the means of financing them.
2. Public hearings are held concerning the proposed budget.
3. Prior to November 15, the budget is legally enacted through approval by the County Board.

County policy requires that budgeted revenues and appropriations for the ensuing year be established on a modified accrual basis of accounting and approved by the County Board of Supervisors. Budget is defined as the originally approved budget plus or minus approved revisions and/or carryforwards of revenues and expenditures. Individual amendments throughout the year were not material in relation to the original appropriation. A cost center can be a fund, program, department or other activity for which control of expenditures is considered desirable.

WINNEBAGO COUNTY, WISCONSIN

NOTES TO FINANCIAL STATEMENTS

December 31, 2012

NOTE II – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY(cont.)

A. BUDGETARY INFORMATION (cont.)

The governing body has established four broad expenditure categories including labor and fringes, travel and meetings, capital outlay and other operating expenses. Management has the authority to make budget transfers between line items as long as they remain within the same category. All transfers between categories, regardless of the amount, require approval of the governing body.

The Personnel and Finance Committee must approve transfers between categories or transfers of \$3,000 or less from the contingency fund. All other budget transfers require two-thirds approval by the County Board.

Formal budgetary integration is employed as a management control device for the general fund, special revenue funds, debt service fund and capital projects funds. Management control of the budgetary process has been established through the use of cost centers. A cost center is a department listed in the schedule of expenditures and other financing uses in the general fund and an individual fund in the special revenue, debt service, and capital projects funds.

A comparison of budget and actual is included in the accompanying financial statements for the aforementioned governmental fund types with budgets. The budgeted amounts presented include any amendments made. Unexpended appropriations, net of anticipated revenues, carried forward to 2012, aggregating \$120,407 at December 31, 2011, have been classified on the governmental funds balance sheet as fund balance assigned for prior year's appropriations.

B. EXCESS EXPENDITURES OVER APPROPRIATIONS

Winnebago County had no non-major funds with an excess of actual expenditures over appropriations for the year ended December 31, 2012.

Winnebago County controls expenditures at the object level. Some individual departments experienced expenditures which exceeded appropriations. The detail of those items can be found in Winnebago County's year-end budget to actual report.

C. DEFICIT BALANCES

Generally accepted accounting principles require disclosure of individual funds that have deficit balances at year end.

As of December 31, 2012, the following fund held a deficit balance:

Internal Service Fund	
General Services	<u>\$58,697</u>

WINNEBAGO COUNTY, WISCONSIN

NOTES TO FINANCIAL STATEMENTS

December 31, 2012

NOTE II – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (cont.)

D. LIMITATIONS ON THE COUNTY'S TAX LEVY RATE AND ITS ABILITY TO ISSUE NEW DEBT

As part of Wisconsin's State Budget Bill (1993 Act 16), legislation was passed that limits the county's future tax levy rates. Generally, the county is limited to its 1992 tax levy rate based upon current legislation. However, this limitation does not affect debt authorized prior to August 12, 1993 or refunding bonds.

The county may also exceed the limitation by holding a referendum (according to state statutes) authorizing the county board to approve a higher rate. The county may also exceed the rate if it increases the services it provides due to a transfer of these services from another governmental unit.

The State Budget Bill also imposes restrictions on the county's ability to issue new debt. Generally, referendum approval is required to issue unlimited tax general obligation debt, with the following exceptions:

- Refunding debt issues
- 75% approval by the county board
- A reasonable expectation that the new debt can be accommodated within the existing tax rate
- Other exceptions as listed in State Statutes Section 67.045

The county is in compliance with the limitation.

E. LIMITATIONS ON THE COUNTY'S TAX LEVY

As part of Wisconsin's Act 10 (2010-2012 biennium budget), new legislation was passed that limits the county's future tax levies. Generally, the county is limited to its prior tax levy dollar amount (excluding TIF districts), increased by the percentage change in the county's equalized value due to new construction, for the 2012 levy collected in 2013. Act 10 has also suspended the rate limit for 2011 and 2012. Changes in debt service from one year to the next are generally exempt from this limit. The levy limit is set to expire after the 2012 levy.

WINNEBAGO COUNTY, WISCONSIN

NOTES TO FINANCIAL STATEMENTS

December 31, 2012

NOTE III – DETAILED NOTES ON ALL FUNDS

A. DEPOSITS AND INVESTMENTS

Total cash and investments of the County consist of the following:

	Carrying Value	Institution Balance	Associated Risk
Demand deposits and cash on hand	\$ 27,746,104	\$ 29,136,642	Custodial
Money Markets	18,119,486	18,119,486	Custodial
U.S. Government securities	5,707,015	5,670,302	Interest rate, custodial
U.S. Agencies- explicitly guaranteed	29,749,514	29,480,968	Interest rate, custodial
Repurchase agreements	11,908,922	11,908,922	Credit, interest rate, custodial, concentration of credit
LGIP	3,130	3,130	Interest rate, credit
Mutual Funds	251,208	250,938	Interest rate, credit
Municipal General Obligation Pension Promissory Notes	364,539	350,000	Interest rate, custodial, concentration of credit
Municipal General Obligation Bonds	9,793,396	9,768,720	Interest rate, custodial, concentration of credit
Negotiable CD's	2,009,805	2,000,000	Interest rate, custodial, concentration of credit
Total Cash and Investments	<u>\$ 105,653,119</u>	<u>\$ 106,689,108</u>	

Reconciliation to the financial statements

Per statement of net position-	
Unrestricted Cash and Investments	\$ 89,009,317
Restricted Cash and Investments- Noncurrent	15,272,044
Per statement of net position – Fiduciary Funds	<u>1,371,758</u>
Total	<u>\$ 105,653,119</u>

Deposits with financial institutions within the State of Wisconsin are insured by the Federal Deposit Insurance Corporation (FDIC) in the amount of \$250,000 for time and savings deposits and \$250,000 for demand deposits per official custodian per insured depository institution. Deposits with financial institutions located outside the State of Wisconsin are insured by the FDIC in the amount of \$250,000 per official custodian per depository institution. Also, the State of Wisconsin has a State Guarantee Fund which provides a maximum of \$400,000 per public depository above the amount provided by an agency of the U.S. Government. However, due to the relatively small size of the State Guarantee Fund in relation to the Fund's total coverage, total recovery of insured losses may not be available. This coverage has been considered in computing custodial credit risk.

WINNEBAGO COUNTY, WISCONSIN

NOTES TO FINANCIAL STATEMENTS December 31, 2012

NOTE III – DETAILED NOTES ON ALL FUNDS (cont.)

A. DEPOSITS AND INVESTMENTS (cont.)

The Securities Investor Protection Corporation (SIPC), created by the Securities Investor Protection Act of 1970, is an independent government-sponsored corporation (not an agency of the U.S. government).

Custodial Credit Risk

Deposits – Custodial credit risk is the risk that in the event of a financial institution failure, the County's deposits may not be returned to the County.

As of December 31, 2012, the County's bank balance of \$29,136,642 and \$18,119,486 of money market balance was exposed to custodial credit risk as follows:

Uninsured and uncollateralized	<u>\$ 954,250</u>
--------------------------------	-------------------

Investments – For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the County will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party.

As of December 31, 2012, the County's investments were exposed to custodial credit risk as follows:

U. S. Government Treasury Securities

Neither insured nor registered and held by counterparty's trust department or agent not in the County's name	<u>\$ 5,670,302</u>
---	---------------------

U. S. Agency Explicitly Guaranteed Securities

Neither insured nor registered and held by counterparty's trust department or agent not in the County's name	<u>\$ 29,480,968</u>
---	----------------------

Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations.

WINNEBAGO COUNTY, WISCONSIN

NOTES TO FINANCIAL STATEMENTS

December 31, 2012

NOTE III – DETAILED NOTES ON ALL FUNDS (cont.)

As of December 31, 2012, the County's investments were rated as follows:

Investment Type	Standard & Poor's	Moody's Investor Service
U.S. Agencies - Explicitly guaranteed	AAA	AAA
Mutual Funds	AAA	AAA
Repurchase Agreements	AAA	AAA
Negotiable Certificates of Deposit	AAA	AAA

The County also had an investment in the following external pool that was not rated:
Local Government Investment Pool

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment.

As of December 31, 2012, the County's investments were rated as follows:

Investment Type	Fair Value	Investment Maturities (in years)			
		Less than 1	1-5	6-10	More than 10
LGIP	3,130	\$ 3,130	\$ -	\$ -	\$ -
U.S. Government securities	5,707,015	1,431,936	4,014,010	261,069	-
U.S. Agencies - explicitly guaranteed	29,749,514	257,678	16,801,941	6,736,333	5,953,562
Mutual Funds	251,208	251,208	-	-	-
Pension Obligation Bonds	364,539	364,539	-	-	-
Municipal Bonds	9,793,396	650,013	9,143,383	-	-
Repurchase Agreements	11,908,922	11,908,922	-	-	-
Certificates of Deposit - Negotiable	2,009,805	-	2,009,805	-	-
Totals	\$ 59,787,529	\$ 14,867,426	\$ 31,969,139	\$ 6,997,402	\$ 5,953,562

Concentration of Credit Risk

The County places no limit on the amount the County may invest in any one issuer. At December 31, 2012 the County had more than 5 percent of the County's investments in Federal Home Loan Mortgage Association – 6.0%, Federal National Mortgage Association – 14.8%, Municipal Bonds – 9.6%.

WINNEBAGO COUNTY, WISCONSIN

NOTES TO FINANCIAL STATEMENTS December 31, 2012

NOTE III- DETAILED NOTES ON ALL FUNDS (cont.)

B. RECEIVABLES

Receivables as of year end for the government's individual major funds, nonmajor funds, and internal service funds in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

	General	Human Services	Non Major and other Funds	Internal Services Funds	Total
Receivables:					
Property taxes	\$ 67,288,060	\$ -	\$ -	\$ -	\$ 67,288,060
Delinquent taxes	8,049,741	-	-	-	8,049,741
Taxes levied for other governments	1,958,984	-	-	-	1,958,984
Accounts	223,340	211,204	10,790	-	445,334
Interest	86,080	-	-	17,389	103,469
Loan receivable	2,195,112	-	1,135,116	-	3,330,228
Intergovernmental	1,366,182	1,269,285	-	1,956	2,637,423
Total receivables	81,167,499	1,480,489	1,145,906	19,345	83,813,239
Allowance for doubtful accounts	(135,225)	(48,671)	-	-	(183,896)
Govt. activity receivables	<u>\$ 81,032,274</u>	<u>\$ 1,431,818</u>	<u>\$ 1,145,906</u>	<u>\$ 19,345</u>	<u>\$ 83,629,343</u>
Amount not expected to be collected in one year	<u>\$ 10,049,741</u>	<u>\$ -</u>	<u>\$ 1,066,371</u>	<u>\$ -</u>	<u>\$ 11,116,112</u>

Revenues of the enterprise funds are reported net of uncollectible amounts. Total uncollectible amounts related to revenues of the current period are as follows:

Uncollectibles related to Airport Fund	\$ 2,066
Uncollectibles related to Solid Waste Fund	17,848
Uncollectibles related to Park View Health Center	<u>8,589</u>
Total Uncollectibles of the Current Fiscal Year	<u>\$ 28,503</u>

WINNEBAGO COUNTY, WISCONSIN

NOTES TO FINANCIAL STATEMENTS December 31, 2012

NOTE III – DETAILED NOTES ON ALL FUNDS (cont.)

B. RECEIVABLES (cont.)

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

	<u>Unavailable</u>	<u>Unearned</u>
Property taxes receivable	\$ -	\$ 67,288,060
Delinquent property taxes receivable	1,689,276	-
Deferred revenue	1,135,116	-
Grant and other receivables	792,967	-
	<u> </u>	<u> </u>
Total Deferred/Unearned Revenue for Governmental Funds	<u>\$ 3,617,359</u>	<u>\$ 67,288,060</u>

Delinquent property taxes purchased from other taxing authorities are reflected as unspendable fund balance at year-end. Delinquent property taxes collected within sixty days subsequent to year-end are considered to be available for current expenditures and are therefore excluded from the unspendable of fund balances. For the year ended December 31, 2012, such collections aggregated \$1,243,319 of which \$308,025 was levied by the County. Delinquent property taxes levied by the County are reflected as deferred revenue and are excluded from the fund balance until collected. At December 31, 2012, delinquent property taxes by year levied consists of the following:

	<u>Total</u>	<u>County Levied</u>	<u>County Purchased</u>
Tax Certificates			
2011	\$ 4,016,666	\$ 985,288	\$ 3,031,378
2010	2,410,125	600,362	1,809,763
2009	1,067,160	270,739	796,421
2008	330,527	85,342	245,185
2007	21,319	5,513	15,806
2006 and prior	55,384	13,616	41,768
County Special Charges	-	-	-
Tax Deeds	148,559	36,441	112,118
	<u> </u>	<u> </u>	<u> </u>
Total Delinquent Property Taxes Receivable	<u>\$ 8,049,740</u>	<u>\$ 1,997,301</u>	<u>\$ 6,052,439</u>

WINNEBAGO COUNTY, WISCONSIN

NOTES TO FINANCIAL STATEMENTS December 31, 2012

NOTE III – DETAILED NOTES ON ALL FUNDS (cont.)

B. RECEIVABLES (cont.)

For economic development loans, the Wisconsin Department of Commerce limits Winnebago County to the amount of program income from economic development loans that it may retain and loan to other businesses. Program income includes the principal and interest received from economic development loan repayments. Based upon its current population, Winnebago County may retain \$750,000.

At December 31, 2012, Winnebago County has not exceeded its maximum retention cap. When it does, a liability to the state will be recorded.

C. RESTRICTED ASSETS

Restricted assets of the Solid Waste Management fund as of December 31, 2012, were \$15,221,896, including accrued interest of \$50,148, cash and cash equivalents of \$47,405 and noncurrent investments of \$15,224,639 which represent escrow amounts required by the Wisconsin Department of Natural Resources as of December 31, 2012.

D. CAPITAL ASSETS

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

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities				
Capital Assets, Not Being Depreciated:				
Land	\$ 2,957,902	\$ 874,959	\$ -	\$ 3,832,861
Construction in progress	13,637,455	11,419,784	4,503,191	20,554,048
Total Capital Assets, Not Being Depreciated	16,595,357	12,294,743	4,503,191	24,386,909
Capital Assets, Being Depreciated:				
Buildings	77,048,056	1,665,525	1,319,616	77,393,965
Improvements other than buildings	10,401,300	1,347,758	328,791	11,420,267
Machinery and equipment	25,744,910	1,553,292	1,631,423	25,666,779
Infrastructure	79,070,828	1,728,637	221,129	80,578,336
Total Capital Assets Being Depreciated	192,265,094	6,295,212	3,500,959	195,059,347

WINNEBAGO COUNTY, WISCONSIN

NOTES TO FINANCIAL STATEMENTS December 31, 2012

NOTE III – DETAILED NOTES ON ALL FUNDS (cont.)

C. CAPITAL ASSETS (cont.)

	Beginning Balance	Increases	Decreases	Ending Balance
Less: Accumulated Depreciation for:				
Buildings	\$ (22,692,962)	\$ (1,433,436)	\$ (883,334)	\$ (23,243,064)
Improvements other than buildings	(5,657,328)	(432,995)	(282,885)	(5,807,438)
Machinery and equipment	(18,126,046)	(1,656,364)	(1,485,737)	(18,296,673)
Infrastructure	(6,588,750)	(672,707)	(52,428)	(7,209,029)
Total Accumulated Depreciation	(53,065,086)	(4,195,502)	(2,704,384)	(54,556,204)
Net Capital Assets Being Depreciated	139,200,008	2,099,710	796,575	140,503,143
Total Governmental Activities Capital Assets, Net of Depreciation	\$ 155,795,365	\$ 14,394,453	\$ 5,299,766	\$ 164,890,052

Depreciation expense was charged to functions as follows:

Governmental Activities

General government	\$ 626,835
Public safety	1,832,564
Public works, which includes the depreciation of infrastructure	672,707
Health and Human Services	248,110
Culture, education and recreation	788,560
Conservation and development	26,726
Total Governmental Activities Depreciation Expense	<u>\$ 4,195,502</u>

	Beginning Balance	Increases	Decreases	Ending Balance
Business-type activities:				
Capital Assets, Not Being Depreciated:				
Land	\$ 8,413,788	\$ 47,684	\$ -	\$ 8,460,472
Construction in progress	596,352	1,800,787	497,794	1,899,345
Construction in progress				
Total Capital Assets, Not Being Depreciated	9,010,140	1,848,471	497,794	10,359,817
Capital Assets, Being Depreciated:				
Buildings	48,144,976	406,545	424,003	48,127,518
Improvements other than buildings	56,947,616	61,565	3,795,184	53,213,997
Machinery and equipment	28,534,373	1,714,148	3,921,896	26,326,625
Total Capital Assets Being Depreciated	133,626,965	2,182,258	8,141,083	127,668,140

WINNEBAGO COUNTY, WISCONSIN

NOTES TO FINANCIAL STATEMENTS December 31, 2012

NOTE III – DETAILED NOTES ON ALL FUNDS (cont.)

D. CAPITAL ASSETS (cont.)

	Beginning Balance	Increases	Decreases	Ending Balance
Less: Accumulated Depreciation for:				
Buildings	\$ (14,553,086)	\$ (995,909)	\$ (424,003)	\$ (15,124,992)
Improve other than buildings	(39,307,741)	(1,841,907)	(1,847,321)	(39,302,327)
Machinery and equipment	(18,441,769)	(1,302,014)	(3,119,008)	(16,624,775)
Total accumulated depreciation	(72,302,596)	(4,139,830)	(5,390,332)	(71,052,094)
Net Capital Assets, Being Depreciated	61,324,369	(1,957,572)	2,750,751	56,616,046
Total Business-type Activities Capital Assets, Net of Depreciation	\$ 70,334,509	\$ (109,101)	\$ 3,248,545	\$ 66,975,863

Depreciation expense was charged to functions as follows:

Business-Type Activities

Airport	\$ 1,631,702
Solid Waste Management	851,377
Park View Health Care Center	658,652
Highway	998,099
Total Business-Type Activities Depreciation Expense	<u>\$ 4,139,830</u>

E. INTERFUND RECEIVABLES/PAYABLES AND TRANSFERS

The following is a schedule of interfund receivables and payables including any overdrafts on pooled cash and investment accounts:

Receivable Fund	Payable Fund	Amount	Amount Not Due Within One Year
General Fund	Special Revenue Fund		
	Human Services	\$ 10,000	\$ -
	Total	<u>\$ 10,000</u>	<u>\$ -</u>

WINNEBAGO COUNTY, WISCONSIN

NOTES TO FINANCIAL STATEMENTS December 31, 2012

NOTE III – DETAILED NOTES ON ALL FUNDS (cont.)

E. INTERFUND RECEIVABLES/PAYABLES AND TRANSFERS (cont.)

The principal purpose of these interfunds is to fund negative cash balances. All remaining balances resulted from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.

For the statement of net position, interfund balances which are owed within the governmental activities or business-type activities are netted and eliminated. In the current year, all but the \$2,055,064 was eliminated because they were all governmental activities. The internal balance amount of \$67,518 is the amount of internal service funds allocated to the business-type activities.

The following is a schedule of interfund transfers:

<u>Fund Transferred To</u>	<u>Fund Transferred From</u>	<u>Amount</u>	<u>Principal Purpose</u>
General Fund	Highway Fund	\$ 456,933	Operating Transfer
Human Services	General Fund	17,058,308	Tax Levy Allocation
Nonmajor Funds	General Fund	8,558,000	Tax Levy Allocation
	Nonmajor Funds	1,132,018	Operating Transfer
Airport Fund	General Fund	232,416	Tax Levy Allocation
Park View Health Center Fund	General Fund	7,104,112	Tax Levy Allocation
Total Transfers		\$ 34,541,787	
Elimination of interfund governmental activities		(26,748,326)	
Total transfers after eliminations		\$ 7,793,461	
	<u>Transfer In</u>	<u>Transfer Out</u>	<u>Net Transfers – Statement of Activities</u>
Governmental activities	\$ 456,933	\$ (7,336,528)	\$ (6,879,595)
Business-type activities	7,336,528	(456,933)	6,879,595
Totals	\$ 7,793,461	\$ (7,793,461)	\$ -

WINNEBAGO COUNTY, WISCONSIN

NOTES TO FINANCIAL STATEMENTS December 31, 2012

NOTE III – DETAILED NOTES ON ALL FUNDS (cont.)

E. INTERFUND RECEIVABLES/PAYABLES AND TRANSFERS (cont.)

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) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund, and (3) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

F. LONG-TERM OBLIGATIONS

Long-term obligations activity for the year ended December 31, 2012 was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Amounts Due within One Year
Governmental activities:					
Bonds and Notes Payable:					
General obligation debt	\$ 36,803,563	\$ 21,351,262	12,100,900	\$ 46,053,925	\$ 8,667,307
Add (subtract) Deferred amounts for: (Discounts)/Premiums	(36,124)	424,526	27,556	360,846	48,944
Total bonds and notes payable	36,767,439	21,775,788	12,128,456	46,414,771	8,716,251
OPEB Liability	1,910,723	456,622	291,608	2,075,737	-
Vested Compensated absences	5,864,038	4,293,420	3,560,936	6,596,522	4,199,194
Govt. activity long term obligations	\$ 44,542,200	\$ 26,525,830	\$ 15,981,000	\$ 55,087,030	\$ 12,915,445
	Ending Balance	Additions	Reductions	Ending Balance	Amounts Due within One Year
Business-type activities					
Bonds and Notes Payable:					
General obligation debt	\$ 15,606,088	\$ 8,963,738	\$ 10,969,652	\$ 13,600,174	\$ 3,450,898
Add (subtract) Deferred amounts for: (Discounts)/Premiums	79,171	464,332	89,283	454,220	137,595
Total bonds and notes payable	15,685,259	9,428,070	11,058,935	14,054,394	3,588,493
Vested Compensated absences	2,167,353	1,205,887	1,330,960	2,042,280	1,306,711
OPEB Liability	383,699	166,531	224,888	325,342	-
Landfill closure and long-term care	21,355,603	1,650,906	-	23,006,509	-
Business-type activity long term obligations	\$ 39,591,914	\$ 12,451,394	\$ 12,614,783	\$ 39,428,525	\$ 4,895,204

WINNEBAGO COUNTY, WISCONSIN

NOTES TO FINANCIAL STATEMENTS December 31, 2012

NOTE III – DETAILED NOTES ON ALL FUNDS (cont.)

F. LONG-TERM OBLIGATIONS (cont.)

GENERAL OBLIGATION DEBT (cont.)

All general obligation notes and bonds payable are backed by the full faith and credit of Winnebago County. Notes and bonds in the governmental funds will be retired by future property tax levies by the debt service fund. 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.

During 2010 the County has borrowed \$1,057,500 for the Winnebago County Housing Authority and \$125,000 for the East Central Regional Planning Commission. These entities will be making the principal and interest payments to Winnebago County. The County will then make the payments to the State Trust Fund.

In accordance with Wisconsin Statutes, total general obligation indebtedness of Winnebago 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, 2012, was \$586,464,300. Total general obligation debt outstanding at year end was \$59,654,099.

	Date of Issue	Final Maturity	Interest Rates	Original Indebted- ness	Balance 12/31/2012
Governmental Activities					
General Obligation Debt					
Series 2003 B	2003	2013	2.875%- 5.5%	868,637	\$ 59,305
Series 2004 B	2004	2014	3.5%- 5.0%	3,544,316	512,810
Series 2006 A	2006	2013	4.55%- 4.85%	1,721,000	163,638
Series 2007 A	2007	2017	3.75%	4,195,000	2,105,000
Series 2008 A	2008	2018	2.50%- 3.75%	6,375,000	3,702,404
Series 2009 B	2009	2019	1.00%- 4.45%	3,810,000	2,764,118
Series 2009 C	2009	2019	4.50%	1,643,000	1,317,544
Series 2010 B	2010	2020	0.70%- 3.40%	11,575,000	9,974,728
Series 2010 C	2010	2020	5.25%	1,057,500	1,020,104
Series 2010 D	2010	2020	5.00%	125,000	115,012
Series 2011 A	2011	2021	2.00%- 2.50%	3,267,000	2,968,000
Series 2012 A	2012	2020	0.40%- 2.15%	2,703,588	2,703,588
Series 2012 B	2012	2016	2.00%- 3.00%	1,710,674	1,710,674
Series 2012 C	2012	2022	2.00%- 2.00%	16,937,000	16,937,000
Total Governmental Activities -- General Obligation Debt					<u>\$ 46,053,925</u>

WINNEBAGO COUNTY, WISCONSIN

NOTES TO FINANCIAL STATEMENTS December 31, 2012

NOTE III – DETAILED NOTES ON ALL FUNDS (cont.)

F. LONG-TERM OBLIGATIONS (cont.) GENERAL OBLIGATION DEBT (cont.)

	Date of Issue	Final Maturity	Interest Rates	Original Indebted- ness	Balance 12/31/2012
Business-Type Activities General Obligation Debt					
Airport Fund					
2003 Series B Notes	2003	2019	2.875%- 5.5%	9,586	655
Solid Waste Management Fund					
2003 Series B Notes	2003	2019	2.875%- 5.5%	28,510	1,946
Park View Health Center Fund					
2003 Series B Notes	2003	2019	2.875%- 5.5%	255,848	17,468
Highway Fund					
2003 Series B Notes	2003	2019	2.875%- 5.5%	82,419	5,628
Airport Fund					
2004 Series B Notes	2004	2020	3.5%- 5.0%	39,116	5,660
Solid Waste Management Fund					
2004 Series B Notes	2004	2020	3.5%- 5.0%	116,332	16,830
Park View Health Center Fund					
2004 Series B Notes	2004	2020	3.5%- 5.0%	1,043,940	151,043
Highway Fund					
2004 Series B Notes	2004	2020	3.5%- 5.0%	336,296	48,658
Park View Health Center Fund					
2006 Series A Notes	2006	2015	3.0%- 3.4%	22,889,000	2,176,362
Airport Fund					
2008 Series A Notes	2008	2018	3.0% - 4.375%	125,000	72,596
Highway Fund					
2009 Series B Note	2009	2019	1.00%- 4.45%	15,000	10,882
Airport Fund					
2009 Series C Notes	2009	2019	4.50%	750,000	601,435
Park View Health Center Fund					
2010 Series B Notes	2010	2020	0.70%- 3.40%	1,300,000	1,120,274
Airport Fund					
2011 Series A Notes	2011	2021	2.00%- 2.50%	160,000	145,357
Highway Fund					
2011 Series A Note	2011	2021	2.00%- 2.50%	288,000	261,642
Airport Fund					
2012 Series A Notes	2012	2020	0.400%- 2.105%	29,838	29,838
Solid Waste Management Fund					
2012 Series A Notes	2012	2020	0.400%- 2.105%	88,737	88,738
Park View Health Center Fund					
2012 Series A Notes	2012	2020	0.400%- 2.105%	796,313	796,313
Highway Fund					
2012 Series A Notes	2012	2020	0.400%- 2.105%	256,523	256,523
Park View Health Center Fund					
2012 Series B Note	2012	2016	1.00%- 4.45%	7,204,326	7,204,326
Airport Fund					
2012 Series C Notes	2012	2022	2.875%- 5.5%	372,000	372,000
Park View Health Center Fund					
2012 Series C Notes	2012	2022	2.875%- 5.5%	216,000	216,000
Total Business-Type Activities General Obligation Debt					\$ 13,600,174

WINNEBAGO COUNTY, WISCONSIN

NOTES TO FINANCIAL STATEMENTS December 31, 2012

NOTE III – DETAILED NOTES ON ALL FUNDS (cont.)

F. LONG-TERM OBLIGATIONS (cont.)

Debt service requirements to maturity are as follows:

Years	Governmental Activities General Obligation Debt		Business-Type Activities General Obligation Debt	
	Principal	Interest	Principal	Interest
2013	\$ 8,667,307	\$ 740,213	\$ 3,450,898	\$ 283,611
2014	5,215,326	646,115	2,667,755	199,240
2015	5,384,034	547,995	2,749,267	143,040
2016	5,488,356	444,306	2,610,311	78,667
2017	5,147,031	336,779	542,781	38,505
2018-2022	15,853,049	488,955	1,579,162	52,053
2023-2025	298,822	52,346	-	-
Totals	<u>\$ 46,053,925</u>	<u>\$ 3,256,709</u>	<u>\$ 13,600,174</u>	<u>\$ 795,116</u>

OTHER DEBT INFORMATION

Estimated payments of compensated absences, landfill closure and long-term care, and the OPEB liability are not included in the debt service requirement schedules. The compensated absences and OPEB liabilities attributable to governmental activities will be liquidated primarily by the general or special revenue fund. The landfill closure and long-term care cost will be liquidated primarily with the restricted cash and investments in the solid waste management fund.

CURRENT REFUNDING

During 2012, the County currently refunded general obligation bond issues from 2003, 2004, 2005, and 2006. The County issued \$12,790,000 of general obligation refunding bonds to call the refunded debt. This current refunding was undertaken to reduce the total debt service payments of the next six years by \$788,516 to obtain an economic gain (difference between the present value of the debt service payments of the refunded and refunding bonds) of \$35,008.

WINNEBAGO COUNTY, WISCONSIN

NOTES TO FINANCIAL STATEMENTS December 31, 2012

NOTE III – DETAILED NOTES ON ALL FUNDS (cont.)

G. LEASE DISCLOSURES

LESSOR – OPERATING LEASES

The County is the lessor of hangar, parking, office and related building space at its airport under various operating leases for periods ranging from 2013 through 2090. Revenues and related expenses for these leases are recorded in the Airport fund. The cost, accumulated depreciation and book value of leased property are \$14,260,810, \$6,718,426 and \$7,542,384, respectively.

Non-cancelable operating leases at December 31, 2012, provide for the following future minimum lease revenues (excluding any contingent rentals):

2013	\$ 524,642	2043-2047	\$ 137,220
2014	463,292	2048-2052	137,220
2015	447,359	2053-2057	137,220
2016	423,334	2058-2062	137,220
2017	406,519	2063-2067	137,220
2018-2022	1,046,260	2068-2072	137,220
2023-2027	536,266	2073-2077	137,220
2028-2032	245,065	2078-2082	137,220
2033-2037	230,645	2083-2087	137,220
2038-2042	174,870	2088-2090	82,332
		Total	<u>\$ 5,815,564</u>

LESSOR/ LESSEE – CAPITAL LEASES

The County has no material outstanding sales-type or direct financing leases.

LESSEE – OPERATING LEASES

The County leases several group homes under operating agreements with the Wisconsin Housing Authority for periods ranging from 2013 through 2015. Expenditures for these leases are recorded in the human services fund. These expenditures amount to \$159,516. Future minimum lease payments for these leases are as follows:

2013	\$ 159,516	2016	\$ 34,800
2014	157,156	2017	2,900
2015	107,441		
		Total	<u>\$ 461,813</u>

WINNEBAGO COUNTY, WISCONSIN

NOTES TO FINANCIAL STATEMENTS December 31, 2012

NOTE III – DETAILED NOTES ON ALL FUNDS (cont.)

H. CLOSURE AND POSTCLOSURE CARE COST

State and federal laws and regulations require the County to perform certain maintenance and monitoring functions at the Snell Road landfill site and the Sunnyview landfill site for the years after closure. The Snell Road landfill site was closed in 1991 and the Sunnyview landfill site expects to be closed in the year 2020. Although postclosure care costs will be paid only near or after the date that the landfill stops accepting waste, the County reports a portion of these postclosure care costs as an operating expense in each period based on landfill capacity used as of each balance sheet date. The \$23.01 million reported as landfill postclosure care liability at December 31, 2012, represents the cumulative amount reported to date based on the use of 96.14 percent of the estimated capacity of the Sunnyview landfill site and 100 percent of the capacity at the Snell Road landfill site. The County will recognize the remaining estimated cost of postclosure care of \$6.3 million as the remaining estimated capacity is filled. These amounts are based on what it would cost to perform all postclosure care in 2012. Actual costs may be higher due to inflation, changes in technology, or changes in regulations.

The County is required by state and federal laws and regulations to make annual contributions to a trust to finance closure and postclosure care. The County is in compliance with these requirements, and, at December 31, 2012, cash and investments and accrued interest of \$15,272,044 are held for these purposes. These are reported as restricted assets on the statement of net position. The County expects that future inflation costs will be paid from interest earnings on these annual contributions. However, if interest earnings are inadequate or additional postclosure care requirements are determined (due to changes in technology or applicable laws or regulations, for example) these costs may need to be covered by charges to future landfill users or from tax revenue.

I. NET POSITION/FUND BALANCES

Net position reported on the government-wide statement of net position at December 31, 2012 include the following:

GOVERNMENTAL ACTIVITIES

Net investment in capital assets

Land	\$ 3,832,861
Construction in progress	20,554,048
Other capital assets, net of accumulated depreciation	140,503,143
Less: related long-term debt outstanding (excluding unspent capital related debt proceeds)	36,726,159

Total Net Invested in Capital Assets	128,163,893
--------------------------------------	-------------

Restricted

Externally imposed by creditors	5,232,343
Debt service	3,943,576

Unrestricted

Total Governmental Activities Net Position	\$ 160,577,317
--	----------------

WINNEBAGO COUNTY, WISCONSIN

NOTES TO FINANCIAL STATEMENTS December 31, 2012

NOTE III – DETAILED NOTES ON ALL FUNDS (cont.)

I. NET POSITION/FUND BALANCES (cont.)

Governmental fund balances reported on the fund financial statements at December 31, 2012 include the following:

Nonspendable

Major Funds

General Fund

Delinquent property taxes	\$ 5,117,146
Advance payments	97,668
Inventories	249

Special Revenue Fund

Advance payments	105,435
------------------	---------

Total	<u>\$ 5,215,063</u>
-------	---------------------

Restricted for:

Major Funds

General Fund

Capital outlay	\$ 104,301
Economic development	2,936,817
Public safety	418,725
Scholarship program	32,795

Nonmajor Funds

Unspent bond proceeds - capital improvements	1,904,828
--	-----------

Total	<u>\$ 5,397,466</u>
-------	---------------------

Committed for:

Major Funds

General Fund

Prior year commitments- Parks	\$ 144,388
Prior year commitments- UW Fox Valley	62,450
Prior year commitments- Information Systems	101,203
Prior year commitments- Other	7,018

Nonmajor Funds

Debt service	4,182,415
Prior year commitments- Capital Projects Fund	1,528,947

Total	<u>\$ 6,026,421</u>
-------	---------------------

WINNEBAGO COUNTY, WISCONSIN

NOTES TO FINANCIAL STATEMENTS December 31, 2012

NOTE III – DETAILED NOTES ON ALL FUNDS (cont.)

I. NET POSITION/FUND BALANCES (cont.)

Assigned for:

Major Funds

General fund

Prior year appropriations - Facilities	\$	52,000
Prior year appropriations - UW Fox Valley		34,000
Prior year appropriations - Human Resources		10,000
Prior year appropriations - Other		17,234
Subsequent years expenditures - Public Health		200,000
Economic development		692,755
Special projects		1,636,465

Special Revenue Fund

Human services		27,783
----------------	--	--------

Total	\$	<u>2,670,237</u>
-------	----	------------------

Unassigned :

Major Funds

General fund	\$	<u>23,237,505</u>
--------------	----	-------------------

BUSINESS-TYPE ACTIVITIES

Net investment in capital assets

Land	\$	8,460,472
Construction in progress		1,899,345
Other capital assets, net of accumulated depreciation		56,616,046
Less: related long-term debt outstanding (excluding unspent capital related debt proceeds)		12,255,304

Total Net Invested in Capital Assets		<u>54,720,559</u>
--------------------------------------	--	-------------------

Restricted- Purchase orders		225,228
-----------------------------	--	---------

Unrestricted		36,073,733
--------------	--	------------

Total Business-Type Activities Net Position	\$	<u>91,019,520</u>
---	----	-------------------

WINNEBAGO COUNTY, WISCONSIN

NOTES TO FINANCIAL STATEMENTS December 31, 2012

NOTE III – DETAILED NOTES ON ALL FUNDS (cont.)

J. COMPONENT UNIT

This report contains the Winnebago County Housing Authority (Authority), 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.

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

1. BASIS OF ACCOUNTING/MEASUREMENT FOCUS

The housing authority follows the full accrual basis of accounting and the flow of economic resources measurement focus.

2. DEPOSITS AND INVESTMENTS

The Authority's investments are categorized as follows:

Per statement of net position-

Cash and investments - unrestricted	\$ 1,351,380
Cash and investments - restricted	<u>961,696</u>
Total	<u>\$ 2,313,076</u>

3. CASH AND CASH EQUIVALENTS

The Authority considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents.

WINNEBAGO COUNTY, WISCONSIN

NOTES TO FINANCIAL STATEMENTS December 31, 2012

NOTE III – DETAILED NOTES ON ALL FUNDS (cont.)

J. COMPONENT UNIT (cont.)

4. CAPITAL ASSETS

	Beginning Balance	Increases	Adjustment	Decreases	Ending Balance	Useful Lives (Years)
Land	\$ 727,042	\$ -	\$ 7,766	\$ 15,900	\$ 718,908	N/A
Construction in progress	1,368,149	167,420	(1,353,711)	10,863	170,995	N/A
Buildings & equipment	9,690,562	1,084,841	3,724,747	710,999	13,789,151	5-40
Total Capital Assets	11,785,753	1,084,841	3,724,747	737,762	14,679,054	
Less: Accumulated Depreciation	(5,970,926)	(482,051)	1,815,260	103,472	(4,534,245)	
Net Capital Assets	\$ 5,814,827	\$ 602,790	\$ 5,540,007	\$ 634,290	\$ 10,144,809	

Depreciation expense was charged to functions as follows:

Low Rent Public Housing	\$ 305,465
N/C S/R Section 8	152,631
Business Activities	23,955
Total Depreciation Expense	\$ 482,051

5. LONG-TERM OBLIGATIONS

The Housing Authority notes payable are secured by a first pledge of the annual contributions payable to the Housing Authority, pursuant to an Annual Contributions Contract between the Housing Authority and United States and by a lien on all revenues of the Housing Authority's Low Income Housing Program. \$1,020,104 of the Housing Authority notes are general obligations of Winnebago County and they are ultimately guaranteed by Winnebago County.

WINNEBAGO COUNTY, WISCONSIN

NOTES TO FINANCIAL STATEMENTS December 31, 2012

NOTE III – DETAILED NOTES ON ALL FUNDS (cont.)

J. COMPONENT UNIT (cont.)

5. LONG-TERM OBLIGATIONS (cont.)

	Balance 12/31/2011	Adjustment	Increases	Decreases	Balance 12/31/2011
First Mortgage Revenue Bond					
Series 1992A, interest at 5.0 - 7.125% due in installments through 2022.	\$ 410,000	\$ -	\$ -	\$ 25,000	\$ 385,000
Notes Payable					
WHEDA, interest at 4.00% due in installments through 2025.	116,568	-	-	6,921	109,647
Winnebago County, interest at 5.25% due in installments through 2025.	1,057,500	-	-	37,396	1,020,104
Wisconsin Department of Administration under the Home program, interest at 3% due in installments through 2041.	-	348,480	-	-	348,480
WHEDA, tax credit assistance program, annual payments equal to 25% of surplus cash of the River Cities property due 2040.	-	673,968	-	-	673,968
Non-interest bearing payable to the Oshkosh Housing Authority local fund.	35,776	-	-	-	35,776
	<u>\$ 1,619,844</u>	<u>\$ 1,022,448</u>	<u>\$ -</u>	<u>\$ 69,317</u>	<u>\$ 2,572,975</u>

Debt service requirements to maturity are as follows:

	Principal	Interest		Principal	Interest
2013	\$ 93,902	\$ 95,512	2018-2022	\$ 679,249	\$ 266,516
2014	97,172	90,448	2023-2027	321,690	114,239
2015	100,611	85,229	2028-2032	-	94,435
2016	109,105	79,784	2033-2037	-	109,697
2017	113,022	73,751	2038-2041	1,058,224	82,783
				<u>\$ 2,572,975</u>	<u>\$ 1,092,394</u>

WINNEBAGO COUNTY, WISCONSIN

NOTES TO FINANCIAL STATEMENTS December 31, 2012

NOTE III – DETAILED NOTES ON ALL FUNDS (cont.)

J. COMPONENT UNIT (cont.)

6. Prior period adjustment

River Cities Redevelopment, LLC was not consolidated as a blended component unit within the Authority's previously reported financial statements for the year ended December 31, 2011.

The Authority is the sole managing member of River Cities Redevelopment, LLC with .01% ownership. In accordance with U.S. GAAP, the presumption of control was not overcome by the rights of the investor member, and therefore, the Authority is required to present River Cities Redevelopment, LLC as a blended component unit.

In addition, the prior year financial statements of the Authority included fixed assets and deferred revenue related to the capital lease with River Cities Redevelopment, LLC. In accordance with U.S. GAAP, the fixed assets are to be recorded on the books of River Cities Redevelopment, LLC and deferred revenue should not have been recorded by the Authority as there is a capital lease note receivable with River Cities Redevelopment, LLC.

The effects of these prior period adjustments on the Authority's previously reported December 31, 2011, net position balance are summarized below:

Net position balance of the Authority, as previously reported		\$ 7,985,254
Capital lease fixed positions and deferred revenue adjustment	\$ 1,364,630	
Ending net position as of December 31, 2011, for River Cities Redevelopment, LLC	1,801,236	
Journal entries requiring elimination within River Cities Redevelopment, LLC ending net position as of December 31, 2011:		
Total elimination entries required	(1,932,210)	
Total prior period adjustments		1,233,656
Net position balance of the Authority as restated		<u>\$ 9,218,910</u>

WINNEBAGO COUNTY, WISCONSIN

NOTES TO FINANCIAL STATEMENTS December 31, 2012

NOTE IV – OTHER INFORMATION

A. EMPLOYEES' RETIREMENT SYSTEM

All eligible Winnebago County employees participate in the Wisconsin Retirement System (WRS), a cost-sharing multiple-employer defined benefit public employee retirement system (PERS). All permanent employees hired before July 1, 2011 and expected to work over 600 hours a year or hired on or after July 1, 2011 and expected to work over 1200 hours a year and expected to be employed for at least one year from employee's date of hire are eligible to participate in the WRS. Covered employees in the General category are required by statute to contribute 5.9% of their salary (7.05% for Executives and Elected Officials, 5.9% for Protective Occupations with Social Security, and 5.9% for Protective Occupations without Social Security) to the plan. Prior to June 29, 2011 employers generally made these contributions to the plan on behalf of employees. After July 1, 2011, Wisconsin Act 10 requires employees not covered by a bargaining unit contract to fund their portion of the required contribution. Employers are required to contribute an actuarially determined amount necessary to fund the remaining projected cost of future benefits.

	2012	
	Employee	Employer
General (including Teachers)	5.9%	5.9%
Executive & Elected Officials	7.05%	7.05%
Protective with Social Security	5.9%	9.0%

The payroll for Winnebago County employees covered by the system for the year ended December 31, 2012 was \$48,176,193; the employer's total payroll was \$49,302,502. The total required contribution for the year ended December 31, 2012 was \$6,377,859 or 13.2 percent of covered payroll. Of this amount, \$2,846,965 percent was contributed by the employee for the current year. Total contributions for the years ending December 31, 2011 and 2010 were \$6,061,807 and \$5,554,585, 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 are the average of the employee's three highest year's earnings. Employees terminating covered employment and submitting application before becoming eligible for a retirement benefit may withdraw their contributions and, by doing so, forfeit all rights to any subsequent benefit. For employees beginning participation on or after January 1, 1990 and no longer actively employed on or after April 24, 1998, creditable service in each of five years is required for eligibility for a retirement annuity. Participants employed prior to 1990 and on or after April 24, 1998 and prior to July 1, 2011 are immediately vested. Participants who became WRS eligible on or after July 1, 2011 must have five years of creditable service to be vested.

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

WINNEBAGO COUNTY, WISCONSIN

NOTES TO FINANCIAL STATEMENTS

December 31, 2012

NOTE IV – OTHER INFORMATION (cont.)

B. RISK MANAGEMENT

Winnebago County is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets; errors and omissions; workers compensation; and health care of its employees. Winnebago County purchases commercial insurance to provide coverage for losses from: property, equipment, landfill pollution, airport liability and employee healthcare hospital liability.

Winnebago County participates in a public entity risk pool called Wisconsin County Mutual Insurance Company (WCMIC) to provide coverage for losses from liability, bodily and personal injury, and errors and omissions coverage.

However, other risks, such as workers compensation, health care, and dental care of its employees are accounted for and financed by Winnebago County in an internal service fund – the self insurance internal service fund.

SELF INSURANCE

The uninsured risk of loss for worker's compensation is \$400,000 per incident with no aggregate coverage for a policy year. The County has purchased commercial insurance for claims in excess of those amounts. Settled claims have not exceeded the commercial coverage in any of the past three years.

The uninsured risk of loss for health insurance is \$75,000 per covered person or an aggregate of \$4,529,000 or 100% of the first monthly aggregate deductible for a benefit year multiplied by 12. The County has purchased commercial insurance for claims in excess of those amounts.

The uninsured risk of loss for dental insurance is \$1,000 per person per coverage year with no aggregate coverage for a policy year. The County has purchased commercial insurance for claims in excess of those amounts.

All funds of Winnebago County participate in the risk management program. Amounts payable to the self insurance fund is based on budgeted estimates of the amounts necessary to pay prior and current year claims and to establish a reserve for catastrophic losses. The reserve at year end was \$6,999,345, this amount was designated for that reserve at year end, and is included in unrestricted net position of the internal service fund.

A liability for a claim is established if information indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss is reasonably estimable. Liabilities include an amount for claims that have been incurred but not reported. The County does not allocate overhead costs or other nonincremental costs to the claims liability.

WINNEBAGO COUNTY, WISCONSIN

NOTES TO FINANCIAL STATEMENTS December 31, 2012

NOTE IV – OTHER INFORMATION (cont.)

B. RISK MANAGEMENT (cont.)

PUBLIC ENTITY RISK POOL (cont.)

CLAIMS LIABILITY- 12/31/2012

	Workers Compensation	Property & Liability	Health	Dental	Total
Unpaid claims – Beginning of Year	\$ 1,490,080	\$ 230,251	\$ 664,928	\$ 39,747	\$ 2,425,006
Current year claims and changes in estimates	10,551	343,793	3,320,966	670,831	4,346,141
Claim payments	(380,649)	(334,584)	(3,678,567)	(669,241)	(5,063,041)
Unpaid claims – End of Year	<u>\$ 1,119,982</u>	<u>\$ 239,460</u>	<u>\$ 307,327</u>	<u>\$ 41,337</u>	<u>\$ 1,708,106</u>

CLAIMS LIABILITY- 12/31/2011

	Workers Compensation	Property & Liability	Health	Dental	Total
Unpaid claims – Beginning of Year	\$ 1,432,770	\$ 219,287	\$ 633,264	\$ 37,848	\$ 2,323,169
Current year claims and changes in estimates	481,517	187,004	4,528,759	629,549	5,826,829
Claim payments	(424,207)	(176,040)	(4,497,095)	(627,650)	(5,724,992)
Unpaid claims – End of Year	<u>\$ 1,490,080</u>	<u>\$ 230,251</u>	<u>\$ 664,928</u>	<u>\$ 39,747</u>	<u>\$ 2,425,006</u>

WISCONSIN COUNTY MUTUAL INSURANCE COMPANY (WCMIC)

During 1987, the County, together with other counties in the State of Wisconsin, created the Wisconsin County Mutual Insurance Company (WCMIC) to provide liability insurance to its members. WCMIC also provides bodily and personal injury and errors and omissions coverage for the County. WCMIC is governed by one entity-one vote and includes counties of varying size. Only member entities participate in governing WCMIC. The actuary for WCMIC determines the charge per \$1,000 of ratable governmental expenditures acquired to pay the expected losses and loss adjustment expenses on which premiums are based. The County's self-insured retention limit is \$50,000 for each occurrence, \$250,000 aggregate. Estimated claims payable at year-end are \$239,460 and IBNR's are estimated to be immaterial. These amounts are included in the claims liability table in the previous section.

WINNEBAGO COUNTY, WISCONSIN

NOTES TO FINANCIAL STATEMENTS December 31, 2012

NOTE IV – OTHER INFORMATION (cont.)

C. COMMITMENTS AND CONTINGENCIES

From time to time, Winnebago 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 Winnebago County's attorney that the likelihood is remote that any such claims or proceedings will have a material adverse effect on Winnebago County's financial position or results of operations.

Winnebago 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. Management believes such disallowances, if any, would be immaterial.

During 2012, Winnebago County borrowed \$17,525,000 for the purpose of making various capital improvements. These monies, as well as other revenue sources, are reflected in the capital project funds. Work that has been completed but not yet paid for (including contract retainages) is reflected as accounts payable and expenditures. The balance of contract amounts plus open purchase orders is \$1,904,828 at year end and will be paid out of the restricted and committed fund balance in the capital project funds.

During 2012, Winnebago County borrowed \$3,875,000 for the purpose of refunding the 2014 to 2019 principal and interest of the March 1, 2003 issue and refunding the 2015 to 2020 principal and interest of the April 15, 2004 issue.

During 2012, Winnebago County borrowed \$8,915,000 for the purpose of refunding the 2013 maturity of the December 1, 2003 issue and refunding the 2013 to 2015 maturities of the October 15, 2005 issue and refunding the 2014 to 2016 maturities of the September 5, 2006 issue.

During 2010, Winnebago County borrowed \$1,182,500 for the purpose of helping other entities fund expenditures. The borrowing consisted of \$1,057,500 for the Winnebago County Housing Authority and \$125,000 for the East Central Regional Planning Commission. These entities will be making the principal and interest payments to Winnebago County. The County will then make the payments to the State Trust Fund. The current balance of this issue is \$1,135,116.

Funding for the operating budget of Winnebago County comes from many sources, including property taxes, grants and aids from other units of government, user fees, fines and permits, and other miscellaneous revenues. The State of Wisconsin provides a variety of aid and grant programs which benefit Winnebago County. Those aid and grant programs are dependent on continued approval and funding by the Wisconsin governor and legislature, through their budget processes. The State of Wisconsin is currently experiencing budget problems, and is considering numerous alternatives including reducing aid to local governments. Any changes made by the State to funding or eligibility of local aid programs could have a significant impact on the future operating results of Winnebago County.

WINNEBAGO COUNTY, WISCONSIN

NOTES TO FINANCIAL STATEMENTS

December 31, 2012

NOTE IV – OTHER INFORMATION (cont.)

D. JOINT VENTURES

MEG UNIT

The Counties of Calumet, Fond du Lac, Outagamie, and Winnebago, the Town of Menasha, the Cities of Menasha, Appleton, Oshkosh, Neenah, Chilton, and Fond du Lac jointly operate the local drug enforcement unit, which is called the MEG Unit and provides drug enforcement services. The MEG Unit does not issue separate financial statements. The governing body is made up of the Chief of Police, Sheriff, or the designee of the participating agencies. Financial information of the MEG Unit as of year end is available directly from the Task Force Coordinator. The MEG Unit receives its funding from Federal and State Grants and contributions from participating agencies. The County maintains the financial records for the MEG Unit. The amounts are shown as an agency fund. Each of the Counties provides personnel to staff the unit. The participating agencies made payments to the MEG Unit that totaled \$74,056. The County believes that the unit will continue to provide services in the future at similar rates.

SINGLE STREAM RECYCLING FACILITY

The Counties of Brown, Outagamie, and Winnebago have entered into a contract for the joint operation of a single stream recycling facility (SSRF). The SSRF does not issue separate financial statements. The governing body is made up of the members of the three counties.

E. OTHER POSTEMPLOYMENT BENEFITS

The county's group health insurance plan provides coverage to active employees and retirees (or other qualified terminated employees) at blended premium rates. This results in an other postemployment benefit (OPEB) for the retirees, commonly referred to as an implicit rate subsidy.

Contribution requirements are established through collective bargaining agreements and may be amended only through negotiations between the county and the union. The county makes no monthly health insurance contribution on behalf of the retiree. For fiscal year 2012, total retirees contributions were \$443,470. Administrative costs of the plan are financed through investment earnings.

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

WINNEBAGO COUNTY, WISCONSIN

NOTES TO FINANCIAL STATEMENTS December 31, 2012

NOTE IV – OTHER INFORMATION (cont.)

E. OTHER POSTEMPLOYMENT BENEFITS (CONT.)

Annual required contribution	\$ 603,540
Interest on net OPEB obligation	19,614
Annual OPEB cost (expense)	623,154
Contributions made	(516,496)
Increase in net OPEB obligation	106,658
Net OPEB Obligation - Beginning of Year	2,294,422
Net OPEB Obligation - End of Year	<u>\$ 2,401,080</u>

The county's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2012 and prior years are as follow:

Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
12/31/2007	\$ 1,511,000	58.70%	\$ 621,149
12/31/2008	1,593,626	47.31%	1,460,849
12/31/2009	681,836	51.23%	1,700,841
12/31/2010	733,735	62.66%	1,974,808
12/31/2011	763,084	58.12%	2,294,422
12/31/2012	623,154	82.88%	2,401,080

The funded status of the plan as of December 31, 2012, the most recent actuarial valuation date, was as follows:

Actuarial accrued liability (AAL)	\$ 5,953,171
Actuarial value of plan assets	<u>-</u>
Unfunded Actuarial Accrued Liability (UAAL)	<u>\$ 5,953,171</u>
Funded ratio (actuarial value of plan assets/AAL)	0%
Covered payroll (active plan members)	\$49,302,502
UAAL as a percentage of covered payroll	12.1%

WINNEBAGO COUNTY, WISCONSIN

NOTES TO FINANCIAL STATEMENTS December 31, 2012

NOTE IV – OTHER INFORMATION (cont.)

E. OTHER POSTEMPLOYMENT BENEFITS(CONT.)

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

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

In the actuarial valuation, the projected unit credit actuarial cost method was used. The actuarial assumptions include a 3.25 percent investment rate of return and an annual healthcare cost trend rate of 8.1 percent initially, reduced by decrements to a rate of 4.7 percent after 71 years. Both rates include a 3 percent inflation assumption. The actuarial value of Retiree Health Plan assets was determined using techniques that spread the effects of short-term volatility in the market value of investments over a three year period. The plan's unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on an open basis. The remaining amortization period at December 31, 2012, was 30 years.

F. ECONOMIC DEPENDENCY

SOLID WASTE MANAGEMENT FUND

The Solid Waste Management Fund has one significant customer who was responsible for 23% of operating revenues in 2012.

HIGHWAY FUND

The Highway Fund has one significant customer who was responsible for 29% of operating revenues in 2012.

**REQUIRED SUPPLEMENTARY
INFORMATION**

GENERAL FUND

The general fund is the primary operating fund of the County and receives most of the revenue derived by the County from local sources. It is used to account for all financial resources except those required to be accounted for in another fund.

WINNEBAGO COUNTY, WISCONSIN

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND

For the year ended December 31, 2012
(With summarized financial information for the year ended December 31, 2011)

	2012				2011 Actual
	Original Budget	Final Budget	Actual	Variances with Final Budget	
Revenues:					
Taxes	\$ 68,980,179	\$ 68,980,179	\$ 69,618,424	\$ 638,245	\$ 70,065,475
Intergovernmental	9,614,827	10,545,854	9,766,688	(779,166)	10,408,721
Licenses and permits	217,785	217,785	235,507	17,722	229,299
Fines, forfeitures and penalties	756,600	756,600	808,819	52,219	725,505
Charges for services provided to:					
Public	4,537,067	4,568,559	4,702,698	134,139	4,337,523
Other governmental entities	1,604,549	1,627,549	1,488,078	(139,471)	977,865
Other county departments	347,802	347,802	196,496	(151,306)	187,634
Investment Income	566,600	621,600	653,005	31,405	592,122
Miscellaneous	381,223	1,031,223	1,059,456	28,233	523,605
Total Revenues	87,006,632	88,697,151	88,529,171	(167,980)	88,047,749
Expenditures:					
Current:					
General government	12,674,719	13,944,630	12,628,187	1,316,443	12,219,438
Public safety	26,391,594	26,626,961	25,455,732	1,171,229	26,317,567
Public works	2,927,242	3,313,689	2,995,961	317,728	2,905,812
Health and human services	4,915,199	5,406,410	4,580,286	826,124	3,887,602
Culture, education and recreation	2,528,059	2,712,850	2,221,469	491,381	2,383,308
Conservation and development	2,956,537	3,440,413	2,850,376	590,037	2,813,455
Total Expenditures	52,393,350	55,444,953	50,732,011	4,712,942	50,527,182
Excess of Revenues Over Expenditures	34,613,282	33,252,198	37,797,160	4,544,962	37,520,567
Other Financing Sources (Uses):					
Transfers in	572,133	456,933	456,933	-	499,363
Transfers out	(34,087,845)	(34,087,845)	(32,952,836)	1,135,009	(34,485,526)
Total Other Financing Sources (Uses)	(33,515,712)	(33,630,912)	(32,495,903)	1,135,009	(33,986,163)
Change in Fund Balance	\$ 1,097,570	\$ (378,714)	5,301,257	\$ 5,679,971	3,534,404
Fund Balance - January 1			28,807,263		25,272,859
Fund Balance - December 31			\$ 34,108,520		\$ 28,807,263

See accompanying notes to required supplementary information.

SPECIAL REVENUE FUNDS

Special revenue funds are used to account for the proceeds from specific revenue sources (other than expendable trust or major capital projects) that are legally restricted to expenditures for special purposes.

- . Human Services Fund - Accounts for funds needed to provide income maintenance, counseling and other human services to people in need of care, to provide services for mental health, alcohol and drug abuse, developmental disabilities and closely-related programs.

WINNEBAGO COUNTY, WISCONSIN
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL - HUMAN SERVICES FUND

For the year ended December 31, 2012
(With summarized financial information for the year ended December 31, 2011)

	2012				2011 Actual
	Original Budget	Final Budget	Actual	Variances with Final Budget	
Revenues:					
Intergovernmental	\$ 25,108,878	\$ 25,108,878	\$ 24,571,995	\$ (536,883)	\$ 25,028,971
Charges for services provided to:					
Public	2,627,668	2,627,668	2,233,406	(394,262)	2,463,543
Other governmental entities	4,000	4,000	2,511	(1,489)	3,531
Miscellaneous	-	-	1,545	1,545	374
Total Revenues	27,740,546	27,740,546	26,809,457	(931,089)	27,496,419
Expenditures:					
Current:					
Health and human services:					
Salaries, wages and benefits	18,739,525	18,739,525	18,088,334	651,191	18,376,922
Travel & meetings	369,743	369,743	353,421	16,322	343,220
Capital outlay	40,000	41,731	41,141	590	17,700
Other operating expenditures	26,784,591	26,783,215	25,372,482	1,410,733	25,737,728
Total Expenditures	45,933,859	45,934,214	43,855,378	2,078,836	44,475,570
Excess of Revenues Over (Under)					
Expenditures	(18,193,313)	(18,193,668)	(17,045,921)	1,147,747	(16,979,151)
Other Financing Sources :					
Transfers in	18,193,313	18,193,313	17,058,308	(1,135,005)	16,921,732
Change in Fund Balance	\$ -	\$ (355)	12,387	\$ 12,742	(57,419)
Fund Balance - January 1			120,831		178,250
Fund Balance - December 31			<u>\$ 133,218</u>		<u>\$ 120,831</u>

See accompanying notes to required supplementary information

WINNEBAGO COUNTY, WISCONSIN

OTHER POSTEMPLOYMENT BENEFITS PLAN SCHEDULE OF FUNDING PROGRESS For the Year Ended December 31, 2012

Actuarial Valuation Date	Actuarial Value Of Assets	Accrued Liability (AAL) Frozen Entry Age	Unfunded AAL (UAAL)	Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
12/31/2007	\$ -	\$14,478,756	\$14,478,756	0%	\$45,478,388	31.8%
12/31/2007	\$ -	\$14,478,756	\$14,478,756	0%	\$47,250,799	30.6%
12/31/2009	\$ -	\$ 7,246,582	\$ 7,246,582	0%	\$48,147,727	15.1%
12/31/2009	\$ -	\$ 7,246,582	\$ 7,246,582	0%	\$48,213,405	15.0%
12/31/2012	\$ -	\$ 5,953,171	\$ 5,953,171	0%	\$49,302,502	12.1%

See accompanying notes to RSI.

WINNEBAGO COUNTY, WISCONSIN

OTHER POSTEMPLOYMENT BENEFITS PLAN SCHEDULE OF EMPLOYER CONTRIBUTIONS For the Year Ended December 31, 2012

Date	Employer Contributions	Annual Required Contribution (ARC)	Percentage Contributed
12/31/2007	\$ 886,851	\$ 1,511,000	58.7%
12/31/2008	753,926	1,593,626	47.3
12/31/2009	468,488	681,836	68.7
12/31/2010	459,768	705,514	65.2
12/31/2011	443,470	733,735	60.4
12/31/2012	516,496	603,540	85.6

The County implemented GASB Statement No. 45 for the fiscal year ended December 31, 2007. Information for prior years is not available.

See accompanying notes to RSI.

WINNEBAGO COUNTY, WISCONSIN

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION December 31, 2012

Budgetary Information

Budgetary information is derived from the annual operating budget and is presented using generally accepted accounting principles and the modified accrual basis of accounting. There is no difference between GAAP and the budgetary basis of accounting.

Excess expenditures over appropriations are as follows:

County Executive		Parks	
Salary, Wages and Benefits	\$ 287	Salary, Wages and Benefits	\$ 602
County Clerk		University Extension	
Salary, Wages and Benefits	16,040	Travel and Meetings	404
Travel and Meetings	787	Economic Development	
Corporation Council		Other Operating Expenditures	75,602
Other Operating Expenditures	1	Planning	
District Attorney		Travel and Meetings	466
Other Operating Expenditures	36,173	Register of Deeds	
Child Support		Other Operating Expenditures	9,122
Other Operating Expenditures	7,629		

SUPPLEMENTAL INFORMATION

GENERAL FUND

The general fund is the primary operating fund of the County and receives most of the revenue derived by the County from local sources. It is used to account for all financial resources except those required to be accounted for in another fund.

WINNEBAGO COUNTY, WISCONSIN

BALANCE SHEETS-GENERAL FUND

December 31, 2012 and 2011

	2012	2011
<u>ASSETS</u>		
Cash and investments	\$ 26,991,079	\$ 19,836,621
Receivables (Net of allowances for uncollectibles):		
Delinquent property taxes & special assessments	8,049,741	8,706,771
Property taxes levied for ensuing year's budget	67,288,060	67,745,029
Taxes levied for other governments	1,958,984	1,997,548
Accounts receivable	88,115	381,028
Accrued interest	86,080	121,368
Due from other governmental agencies	1,366,182	1,136,306
Due from other funds	10,000	10,000
Inventories	249	2,311
Advance payments - Vendors	97,668	83,450
Total Current Assets	105,936,158	100,020,432
Loans receivable	2,195,112	3,668,633
Total Assets	\$ 108,131,270	\$ 103,689,065
<u>LIABILITIES AND FUND BALANCE</u>		
Liabilities:		
Vouchers payable	\$ 681,950	\$ 848,604
Accrued compensation	1,192,569	1,295,642
Due to other governmental agencies	2,803,313	2,585,596
Deferred property tax revenue	68,977,336	69,617,123
Other deferred revenue	367,582	534,838
Total Liabilities	74,022,750	74,881,802

WINNEBAGO COUNTY, WISCONSIN

BALANCE SHEETS-GENERAL FUND

December 31, 2012 and 2011

	2012	2011
Fund Balance:		
Nonspendable:		
Delinquent property taxes	5,117,146	5,582,373
Inventories	249	2,311
Advance payments	97,668	83,450
Restricted for:		
Capital outlay	104,301	54,997
Economic Development	2,936,817	2,668,633
Public Safety	418,725	382,956
Scholarship Program	32,795	30,977
Committed for:		
Prior years commitments	315,059	180,267
Assigned for:		
Subsequent year's expenditures	200,000	200,000
Prior years appropriations	113,234	120,407
Economic development	692,755	206,312
Special projects	1,636,465	1,539,243
Unassigned	22,443,306	17,755,336
	<hr/>	<hr/>
Total Fund Balance	34,108,520	28,807,263
	<hr/>	<hr/>
Total Liabilities and Fund Balance	\$ 108,131,270	\$ 103,689,065
	<hr/>	<hr/>

WINNEBAGO COUNTY, WISCONSIN

**SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES -
BUDGET AND ACTUAL - GENERAL FUND**

For the year ended December 31, 2012
(With summarized financial information for the year ended December 31, 2011)

	2012				2011 Actual
	Original Budget	Final Budget	Actual	Variances with Final Budget	
Revenues:					
Taxes:					
Property Taxes	\$ 67,750,179	\$ 67,750,179	\$ 67,928,421	\$ 178,242	\$ 68,445,509
Other Taxes	230,000	230,000	255,800	25,800	235,575
Interest on Taxes	1,000,000	1,000,000	1,434,203	434,203	1,384,391
Total Taxes	68,980,179	68,980,179	69,618,424	638,245	70,065,475
Intergovernmental:					
State Shared Taxes	3,286,000	3,176,000	3,324,436	148,436	4,035,701
Indirect Cost Reimbursement	-	110,000	103,692	(6,308)	101,211
County Road Maintenance	2,108,385	2,223,585	2,077,499	(146,086)	2,303,983
Child Support	1,319,565	1,322,061	1,116,695	(205,366)	1,301,767
Public Health	1,159,962	1,646,543	1,513,157	(133,386)	1,061,098
Veterans Service	13,000	13,000	13,000	-	13,000
Scholarship Program	9,000	9,000	9,000	-	9,000
University Extension	14,500	14,500	4,267	(10,233)	3,334
Parks	91,000	91,000	22,039	(68,961)	122,949
Land Records	300	300	18,737	18,437	11,864
Land & Water Conservation	508,000	742,693	299,204	(443,489)	243,873
Zoning	16,000	16,000	7,830	(8,170)	17,491
District Attorney	144,645	144,645	157,611	12,966	136,526
Emergency Management	135,084	135,084	135,476	392	186,804
Sheriff	177,240	181,796	207,056	25,260	198,533
Jail Assessment	4,000	4,000	16,160	12,160	11,255
Court System	628,146	629,047	654,229	25,182	650,332
Economic Development	-	86,600	86,600	-	-
Total Intergovernmental	9,614,827	10,545,854	9,766,688	(779,166)	10,408,721

Continued

WINNEBAGO COUNTY, WISCONSIN

**SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES -
BUDGET AND ACTUAL - GENERAL FUND**

For the year ended December 31, 2012
(With summarized financial information for the year ended December 31, 2011)

	2012				2011 Actual
	Original Budget	Final Budget	Actual	Variances with Final Budget	
Licenses and Permits:					
County Clerk	\$ 56,100	\$ 56,100	\$ 47,406	\$ (8,694)	\$ 46,017
Land & Water Conservation	34,000	15,000	15,175	175	24,015
Planning	90,085	109,085	131,072	21,987	119,887
District Attorney	7,000	7,000	12,474	5,474	9,510
Court System	30,600	30,600	29,380	(1,220)	980
Family Court Counseling	-	-	-	-	28,890
Total Licenses and Permits	217,785	217,785	235,507	17,722	229,299
Fines, Forfeitures and Penalties:					
Land and Water Conservation	300	300	-	(300)	-
Parks	91,000	91,000	141,124	50,124	103,509
Zoning	2,000	2,000	2,138	138	2,443
District Attorney	7,500	7,500	1,907	(5,593)	6,991
Sheriff	8,000	8,000	3,964	(4,036)	8,339
Jail Improvements	177,800	177,800	177,664	(136)	162,886
Court System	470,000	470,000	482,022	12,022	441,337
Total Fines, Forfeitures and Penalties	756,600	756,600	808,819	52,219	725,505
Charges for Services Provided to Public:					
County Clerk	950	950	2,156	1,206	2,180
County Treasurer	16,750	16,750	22,213	5,463	25,892
Corporation Counsel	4,200	4,200	10,344	6,144	3,905
Human Resources	100	100	295	195	148
Information Systems	-	-	-	-	(160)
Unclassified	100	100	120	20	395
Child Support	40,000	40,000	42,845	2,845	3,304
Public Health	413,956	413,956	450,442	36,486	223,099

Continued

WINNEBAGO COUNTY, WISCONSIN

**SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES -
BUDGET AND ACTUAL - GENERAL FUND**

For the year ended December 31, 2012
(With summarized financial information for the year ended December 31, 2011)

	2012				2011 Actual
	Original Budget	Final Budget	Actual	Variances with Final Budget	
Veterans Service	\$ 400	\$ 400	\$ 1,801	\$ 1,401	\$ 2,096
Scholarship Program	150	150	50	(100)	-
University Extension	25,100	25,210	34,892	9,682	24,405
Parks	240,265	271,647	283,424	11,777	257,628
Register of Deeds	820,000	820,000	970,680	150,680	865,298
Land Records	235,000	235,000	269,173	34,173	231,818
Land & Water Conservation	27,025	20,725	18,721	(2,004)	15,964
Planning	87,895	94,195	110,531	16,336	101,950
Tax Lister	1,000	1,000	605	(395)	857
District Attorney	30,000	30,000	33,255	3,255	34,361
Coroner	135,300	135,300	124,182	(11,118)	127,154
Emergency Management	-	-	750	750	-
Sheriff	1,636,876	1,636,876	1,561,821	(75,055)	1,637,976
Court System	822,000	822,000	764,398	(57,602)	779,253
 Total Charges for Services Provided to Public	 4,537,067	 4,568,559	 4,702,698	 134,139	 4,337,523
 Charges for Services Provided to Other Governmental Entities:					
County Board	-	-	-	-	15,000
County Executive	-	3,000	-	(3,000)	15,000
County Clerk	50,000	50,000	46,771	(3,229)	32,800
Facilities	5,000	5,000	5,000	-	10,800
Public Health	711,483	711,483	547,531	(163,952)	-
Parks	2,800	2,800	24	(2,776)	-

Continued

WINNEBAGO COUNTY, WISCONSIN

**SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES -
BUDGET AND ACTUAL - GENERAL FUND**

For the year ended December 31, 2012
(With summarized financial information for the year ended December 31, 2011)

	2012				2011 Actual
	Original Budget	Final Budget	Actual	Variances with Final Budget	
Sheriff	\$ 820,266	\$ 840,266	\$ 876,426	\$ 36,160	\$ 909,046
Court System	15,000	15,000	12,326	(2,674)	10,219
Total Charges for Services Provided to Other Governmental Entities	1,604,549	1,627,549	1,488,078	(139,471)	977,865
Charges for Services Provided to Other County Departments:					
County Executive	7,300	7,300	7,270	(30)	7,200
County Treasurer	6,000	6,000	6,000	-	5,004
Corporation Counsel	14,000	14,000	13,800	(200)	13,596
Human Resources	26,000	26,000	26,000	-	24,996
Finance	35,500	35,500	34,500	(1,000)	32,496
Purchasing	10,000	10,000	9,000	(1,000)	8,004
Information Systems	17,000	17,000	17,000	-	16,008
Facilities Management	-	-	10,200	10,200	-
County Road Maintenance	38,000	38,000	19,487	(18,513)	24,009
Public Health	174,598	174,598	29,635	(144,963)	33,480
Register of Deeds	100	100	-	(100)	358
Land Records	400	400	-	(400)	120
Land & Water Conservation	18,604	18,604	18,604	-	16,308
Planning	300	300	-	(300)	105
District Attorney	-	-	-	-	950
Court System	-	-	5,000	5,000	5,000
Total Charges for Services Provided to Other County Departments	347,802	347,802	196,496	(151,306)	187,634
Investment Income: Investments	566,600	621,600	653,005	31,405	592,122

Continued

WINNEBAGO COUNTY, WISCONSIN

**SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES -
BUDGET AND ACTUAL - GENERAL FUND**

For the year ended December 31, 2012
(With summarized financial information for the year ended December 31, 2011)

	2012				2011 Actual
	Original Budget	Final Budget	Actual	Variances with Final Budget	
Miscellaneous:					
Land, Building and Equipment Rentals	\$ 63,400	\$ 63,400	\$ 63,031	\$ (369)	\$ 43,014
Sale of Property, Equipment and Materials	76,911	76,911	116,074	39,163	79,417
Insurance Recoveries	7,400	7,400	14,367	6,967	16,628
Unclassified	233,512	883,512	865,984	(17,528)	384,546
Total Miscellaneous	381,223	1,031,223	1,059,456	28,233	523,605
Total Revenues	87,006,632	88,697,151	88,529,171	(167,980)	88,047,749
Other Financing Sources:					
Transfers in	572,133	456,933	456,933	-	499,363
Total Revenues and Other Financing Sources	\$ 87,578,765	\$ 89,154,084	\$ 88,986,104	\$ (167,980)	\$ 88,547,112

WINNEBAGO COUNTY, WISCONSIN
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES -
BUDGET AND ACTUAL - GENERAL FUND

For the year ended December 31, 2012
(With summarized financial information for the year ended December 31, 2011)

	2012				2011 Actual
	Original Budget	Final Budget	Actual	Variances with Final Budget	
Expenditures:					
General Government:					
County Board					
Salaries, Wages and Benefits	\$ 178,963	\$ 178,963	\$ 157,470	\$ 21,493	\$ 153,680
Travel and Meetings	73,063	73,063	60,047	13,016	51,490
Other Operating Expenditures	59,287	59,287	40,681	18,606	120,335
Total Expenditures	311,313	311,313	258,198	53,115	325,505
County Executive					
Salaries, Wages and Benefits	210,935	210,935	211,222	(287)	217,068
Travel and Meetings	3,370	3,370	1,692	1,678	2,309
Other Operating Expenditures	4,125	7,125	6,382	743	3,768
Total Expenditures	218,430	221,430	219,296	2,134	223,144
County Clerk					
Salaries, Wages and Benefits	200,824	201,624	217,664	(16,040)	221,612
Travel and Meetings	1,345	2,113	2,900	(787)	4,822
Other Operating Expenditures	206,566	323,269	240,925	82,344	145,687
Total Expenditures	408,735	527,006	461,489	65,517	372,121
County Treasurer					
Salaries, Wages and Benefits	280,668	280,668	269,491	11,177	289,083
Travel and Meetings	1,288	1,351	1,351	-	931
Other Operating Expenditures	127,062	161,999	161,987	12	122,148
Total Expenditures	409,018	444,018	432,829	11,189	412,162

Continued

WINNEBAGO COUNTY, WISCONSIN

**SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES -
BUDGET AND ACTUAL - GENERAL FUND**

For the year ended December 31, 2012

(With summarized financial information for the year ended December 31, 2011)

	2012				2011 Actual
	Original Budget	Final Budget	Actual	Variances with Final Budget	
Corporation Counsel					
Salaries, Wages and Benefits	\$ 374,781	\$ 374,781	\$ 367,725	\$ 7,056	\$ 395,895
Travel and Meetings	1,845	1,845	1,528	317	1,365
Other Operating Expenditures	94,487	102,210	102,211	(1)	86,648
Total Expenditures	471,113	478,836	471,464	7,372	483,907
Human Resources					
Salaries, Wages and Benefits	608,228	608,228	569,994	38,234	613,661
Travel and Meetings	3,630	3,630	2,100	1,530	2,262
Other Operating Expenditures	106,534	135,631	102,506	33,125	85,759
Total Expenditures	718,392	747,489	674,600	72,889	701,683
Finance					
Salaries, Wages and Benefits	617,488	617,488	529,129	88,359	584,964
Travel and Meetings	4,025	4,025	1,289	2,736	1,745
Other Operating Expenditures	182,363	192,766	154,740	38,026	160,289
Total Expenditures	803,876	814,279	685,158	129,121	746,998
Information Systems					
Salaries, Wages and Benefits	1,330,336	1,330,336	1,271,858	58,478	1,309,580
Travel and Meetings	14,500	14,500	6,450	8,050	9,623
Capital Outlay	22,000	113,309	107,960	5,349	83,559
Other Operating Expenditures	497,174	549,924	358,050	191,874	261,416
Total Expenditures	1,864,010	2,008,069	1,744,318	263,751	1,664,178

Continued

WINNEBAGO COUNTY, WISCONSIN
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES -
BUDGET AND ACTUAL - GENERAL FUND

For the year ended December 31, 2012
(With summarized financial information for the year ended December 31, 2011)

	2012				2011 Actual
	Original Budget	Final Budget	Actual	Variances with Final Budget	
Facilities Management					
Salaries, Wages and Benefits	\$ 2,403,596	\$ 2,403,596	\$ 2,325,057	\$ 78,539	\$ 2,406,219
Travel and Meetings	1,000	1,000	-	1,000	1,193
Capital Outlay	265,200	287,030	124,391	162,639	157,231
Other Operating Expenditures	2,211,211	2,219,739	1,900,069	319,670	2,031,829
Total Expenditures	4,881,007	4,911,365	4,349,517	561,848	4,596,472
Miscellaneous					
Salaries, Wages and Benefits	-	277,000	276,388	612	4,226
Other Operating Expenditures	2,588,825	3,203,825	3,054,930	148,895	2,689,042
Total Expenditures	2,588,825	3,480,825	3,331,318	149,507	2,693,268
Total General Government	12,674,719	13,944,630	12,628,187	1,316,443	12,219,438
Public Safety:					
Sheriff					
Salaries, Wages and Benefits	16,258,203	16,439,642	15,904,175	535,467	16,051,977
Travel and Meetings	72,688	72,782	63,664	9,118	75,948
Capital Outlay	322,772	344,029	342,471	1,558	468,758
Other Operating Expenditures	3,631,831	3,662,212	3,316,698	345,514	3,434,694
Total Expenditures	20,285,494	20,518,665	19,627,008	891,657	20,031,377
Jail Improvements					
Capital Outlay	-	-	-	-	7,300
Other Operating Expenditures	181,800	181,800	158,055	23,745	151,210
Total Expenditures	181,800	181,800	158,055	23,745	158,510

Continued

WINNEBAGO COUNTY, WISCONSIN

**SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES -
BUDGET AND ACTUAL - GENERAL FUND**

For the year ended December 31, 2012

(With summarized financial information for the year ended December 31, 2011)

	2012				2011 Actual
	Original Budget	Final Budget	Actual	Variances with Final Budget	
Emergency Management					
Salaries, Wages and Benefits	\$ 185,419	\$ 185,419	\$ 179,446	\$ 5,973	\$ 179,312
Travel and Meetings	6,380	6,380	3,516	2,864	5,119
Capital Outlay	40,500	40,500	39,550	950	45,000
Other Operating Expenditures	93,597	93,597	76,613	16,984	97,076
Total Expenditures	325,896	325,896	299,125	26,771	326,507
Courts					
Salaries, Wages and Benefits	3,169,522	3,019,572	2,894,490	125,082	3,103,544
Travel and Meetings	13,644	13,644	8,794	4,850	6,644
Other Operating Expenditures	881,239	1,032,303	968,856	63,447	1,067,768
Total Expenditures	4,064,405	4,065,519	3,872,140	193,379	4,177,956
Coroner					
Salaries, Wages and Benefits	188,370	188,370	183,166	5,204	184,818
Travel and Meetings	18,100	18,100	17,173	927	17,200
Other Operating Expenditures	150,759	151,841	144,215	7,626	163,434
Total Expenditures	357,229	358,311	344,554	13,757	365,452
District Attorney					
Salaries, Wages and Benefits	1,025,548	1,015,548	958,197	57,351	959,174
Travel and Meetings	5,500	5,500	4,758	742	4,533
Capital Outlay	-	-	-	-	17,771
Other Operating Expenditures	145,722	155,722	191,895	(36,173)	276,287
Total Expenditures	1,176,770	1,176,770	1,154,850	21,920	1,257,765
Total Public Safety	26,391,594	26,626,961	25,455,732	1,171,229	26,317,567

Continued

WINNEBAGO COUNTY, WISCONSIN
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES -
BUDGET AND ACTUAL - GENERAL FUND

For the year ended December 31, 2012
(With summarized financial information for the year ended December 31, 2011)

	2012				2011 Actual
	Original Budget	Final Budget	Actual	Variances with Final Budget	
Public Works:					
County Road Maintenance					
Other Operating Expenditures	\$ 2,924,242	\$ 3,310,689	\$ 2,995,961	\$ 314,728	\$ 2,905,812
Total Expenditures	2,924,242	3,310,689	2,995,961	314,728	2,905,812
Underground Storage Tanks					
Other Operating Expenditures	3,000	3,000	-	3,000	-
Total Expenditures	3,000	3,000	-	3,000	-
Total Public Works	2,927,242	3,313,689	2,995,961	317,728	2,905,812
Health and Human Services:					
Public Health					
Salaries, Wages and Benefits	2,751,280	2,975,497	2,356,932	618,565	1,776,763
Travel and Meetings	55,750	65,668	42,995	22,673	34,772
Capital Outlay	-	-	-	-	9,331
Other Operating Expenditures	376,918	631,498	604,850	26,648	393,248
Total Expenditures	3,183,948	3,672,663	3,004,777	667,886	2,214,114
Veterans Service					
Salaries, Wages and Benefits	289,796	289,796	272,712	17,084	300,001
Travel and Meetings	10,670	10,670	10,127	543	6,851
Other Operating Expenditures	78,338	78,338	74,214	4,124	71,078
Total Expenditures	378,804	378,804	357,053	21,751	377,930

Continued

WINNEBAGO COUNTY, WISCONSIN
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES -
BUDGET AND ACTUAL - GENERAL FUND

For the year ended December 31, 2012
(With summarized financial information for the year ended December 31, 2011)

	2012				2011 Actual
	Original Budget	Final Budget	Actual	Variances with Final Budget	
Child Support					
Salaries, Wages and Benefits	\$ 1,252,589	\$ 1,252,589	\$ 1,109,246	\$ 143,343	\$ 1,172,535
Travel and Meetings	3,469	3,469	2,696	773	2,447
Other Operating Expenditures	96,389	98,885	106,514	(7,629)	120,576
Total Expenditures	1,352,447	1,354,943	1,218,456	136,487	1,295,558
Total Health and Human Services	4,915,199	5,406,410	4,580,286	826,124	3,887,602
Culture, Education and Recreation:					
Parks					
Salaries, Wages and Benefits	622,608	622,608	623,210	(602)	617,568
Travel and Meetings	2,468	2,468	2,228	240	1,936
Capital Outlay	207,400	199,572	146,096	53,476	189,324
Other Operating Expenditures	856,086	992,468	727,920	264,548	754,536
Total Expenditures	1,688,562	1,817,116	1,499,454	317,662	1,563,364
Scholarship Program					
Other Operating Expenditures	9,000	9,000	7,500	1,500	7,500
Total Expenditures	9,000	9,000	7,500	1,500	7,500
U.W. - Fox Valley					
Capital Outlay	48,240	54,473	6,233	48,240	80,618
Other Operating Expenditures	255,784	305,788	258,966	46,822	215,600
Total Expenditures	304,024	360,261	265,199	95,062	296,218

Continued

WINNEBAGO COUNTY, WISCONSIN
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES -
BUDGET AND ACTUAL - GENERAL FUND

For the year ended December 31, 2012
(With summarized financial information for the year ended December 31, 2011)

	2012				2011 Actual
	Original Budget	Final Budget	Actual	Variances with Final Budget	
University Extension					
Salaries, Wages and Benefits	\$ 292,647	\$ 292,647	\$ 240,333	\$ 52,314	\$ 300,802
Travel and Meetings	12,485	12,485	12,889	(404)	10,384
Other Operating Expenditures	221,341	221,341	196,094	25,247	205,040
Total Expenditures	526,473	526,473	449,316	77,157	516,226
Total Culture, Education and Recreation	2,528,059	2,712,850	2,221,469	491,381	2,383,308
Conservation and Development:					
Economic Development					
Travel and Meetings	-	200	139	61	-
Other Operating Expenditures	-	110,501	186,103	(75,602)	116,308
Total Expenditures	-	110,701	186,242	(75,541)	116,308
Planning					
Salaries, Wages and Benefits	940,473	972,093	948,129	23,964	953,000
Travel and Meetings	4,880	4,880	5,346	(466)	3,352
Other Operating Expenditures	87,657	127,658	110,734	16,924	77,688
Total Expenditures	1,033,010	1,104,631	1,064,209	40,422	1,034,040
Land Records					
Travel and Meetings	9,686	9,686	6,349	3,337	69
Capital Outlay	-	-	-	-	8,033
Other Operating Expenditures	227,264	232,614	212,823	19,791	254,690
Total Expenditures	236,950	242,300	219,172	23,128	262,792

Continued

WINNEBAGO COUNTY, WISCONSIN
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES -
BUDGET AND ACTUAL - GENERAL FUND

For the year ended December 31, 2012
(With summarized financial information for the year ended December 31, 2011)

	2012				2011 Actual
	Original Budget	Final Budget	Actual	Variances with Final Budget	
Land & Water Conservation					
Salaries, Wages and Benefits	\$ 549,524	\$ 517,904	\$ 449,225	\$ 68,679	\$ 538,219
Travel and Meetings	6,192	6,192	3,957	2,235	3,394
Capital Outlay	20,000	20,000	19,659	341	-
Other Operating Expenditures	483,099	807,840	273,032	534,808	153,111
Total Expenditures	1,058,815	1,351,936	745,873	606,063	694,724
Register of Deeds					
Salaries, Wages and Benefits	428,520	428,520	424,355	4,165	431,523
Travel and Meetings	2,935	2,935	2,013	922	2,112
Other Operating Expenditures	196,307	199,390	208,512	(9,122)	271,956
Total Expenditures	627,762	630,845	634,880	(4,035)	705,591
Total Conservation and Development	2,956,537	3,440,413	2,850,376	590,037	2,813,455
Total Expenditures	52,393,350	55,444,953	50,732,011	4,712,942	50,527,182
Other Financing Uses:					
Transfers Out	34,087,845	34,087,845	32,952,836	1,135,009	34,485,526
Total Other Financing Uses	34,087,845	34,087,845	32,952,836	1,135,009	34,485,526
Total Expenditures and Other Financing Uses	\$ 86,481,195	\$ 89,532,798	\$ 83,684,847	\$ 5,847,951	\$ 85,012,708

SPECIAL REVENUE FUNDS

Special revenue funds are used to account for the proceeds from specific revenue sources (other than expendable trust or major capital projects) that are legally restricted to expenditures for special purposes.

- . Human Services Fund - Accounts for funds needed to provide income maintenance, counseling and other human services to people in need of care, to provide services for mental health, alcohol and drug abuse, developmental disabilities and closely-related programs.

WINNEBAGO COUNTY, WISCONSIN

BALANCE SHEETS- HUMAN SERVICES FUND

December 31, 2012 and 2011

	2012	2011
<u>ASSETS</u>		
Current Assets:		
Cash and investments	\$ 1,466,000	\$ 1,370,781
Accounts receivable (net of allowances)	162,533	103,389
Due from other governmental agencies	1,269,285	1,980,309
Advance payments - Vendors	105,435	87,718
	<hr/>	
Total Assets	\$ 3,003,253	\$ 3,542,197
	<hr/>	
<u>LIABILITIES AND FUND BALANCE</u>		
Liabilities:		
Vouchers payable	\$ 1,425,715	\$ 1,488,248
Accrued compensation	299,937	228,859
Other accrued liabilities	1,028	1,758
Due to other governmental agencies	707,970	885,227
Due to other funds	10,000	10,000
Other deferred revenue	425,385	807,274
	<hr/>	
Total Liabilities	2,870,035	3,421,366
	<hr/>	
Fund Balance:		
Nonspendable:		
Advance payments	105,435	87,718
Assigned	27,783	33,113
	<hr/>	
Total Fund Balance	133,218	120,831
	<hr/>	
Total Liabilities and Fund Balance	\$ 3,003,253	\$ 3,542,197
	<hr/>	

NONMAJOR GOVERNMENTAL FUNDS

- . Debt Service Fund - The debt service fund is used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest and related costs.
- . Capital Projects Fund - Capital projects fund is used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than general fund capital outlays and construction related to the proprietary funds) which are financed primarily through general obligation debt.

WINNEBAGO COUNTY, WISCONSIN

COMBINING BALANCE SHEET- NONMAJOR GOVERNMENTAL FUNDS

December 31, 2012

(With summarized financial information as of December 31, 2011)

	Debt		Capital		Totals			
	Service Fund		Projects Fund		December 31, 2012	December 31, 2011		
<u>ASSETS</u>								
Cash and investments	\$	4,180,252	\$	4,316,707	\$	8,496,959	\$	4,767,419
Receivables (net of allowances for uncollectibles):								
Accounts receivable		-		10,790		10,790		431,244
Accrued interest		3,596		-		3,596		-
Notes receivable		1,135,116		-		1,135,116		1,182,500
Total Assets	\$	5,318,964	\$	4,327,497	\$	9,646,461	\$	6,381,163
<u>LIABILITIES AND FUND BALANCES</u>								
Liabilities:								
Vouchers payable	\$	1,433	\$	877,546	\$	878,979	\$	1,004,536
Other accrued liabilities		-		16,176		16,176		950
Deferred revenue		1,135,116		-		1,135,116		1,182,500
Total Liabilities		1,136,549		893,722		2,030,271		2,187,986
Fund Balances:								
Restricted for:								
Unspent bond proceeds - Capital improvements		-		1,904,828		1,904,828		922,344
Committed for:								
Debt service		4,182,415		-		4,182,415		2,698,103
Construction of capital assets		-		1,528,947		1,528,947		572,730
Total Fund Balances		4,182,415		3,433,775		7,616,190		4,193,177
Total Liabilities and Fund Balances	\$	5,318,964	\$	4,327,497	\$	9,646,461	\$	6,381,163

WINNEBAGO COUNTY, WISCONSIN

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS**

For the year ended December 31, 2012
(With summarized financial information for the year ended December 31, 2011)

	Debt Service Fund	Capital Projects Fund	Totals	
			December 31, 2012	December 31, 2011
Revenues:				
Intergovernmental	\$ -	\$ 780,699	\$ 780,699	\$ 2,473,536
Investment income	10,506	-	10,506	60,680
Miscellaneous	-	12,618	12,618	54,760
Total Revenue	10,506	793,317	803,823	2,588,976
Expenditures:				
Capital projects	-	14,615,599	14,615,599	10,647,701
Debt service:				
Principal retirement	7,799,463	-	7,799,463	7,858,639
Interest and fiscal charges	1,088,767	-	1,088,767	916,832
Total Expenditures	8,888,230	14,615,599	23,503,829	19,423,172
Excess of Revenues Under Expenditures	(8,877,724)	(13,822,282)	(22,700,006)	(16,834,196)
Other Financing Sources (Uses):				
Transfers in	9,680,017	10,001	9,690,018	12,499,373
Transfers out	-	(1,132,018)	(1,132,018)	(3,301,368)
Proceeds of refunding debt	4,414,262	-	4,414,262	-
Payment of refunded debt	(4,254,055)	-	(4,254,055)	-
Debt issued	54,000	16,883,000	16,937,000	3,267,000
Premium on debt issuance	467,812	-	467,812	45,083
Total Other Financing Sources (Uses)	10,362,036	15,760,983	26,123,019	12,510,088
Change in Fund Balances	1,484,312	1,938,701	3,423,013	(4,324,108)
Fund Balances - January 1	2,698,103	1,495,074	4,193,177	8,517,285
Fund Balances - December 31	\$ 4,182,415	\$ 3,433,775	\$ 7,616,190	\$ 4,193,177

WINNEBAGO COUNTY, WISCONSIN

**COMBINED STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES -BUDGET AND ACTUAL-
NON MAJOR GOVERNMENTAL FUNDS**

For the year ended December 31, 2012
(With summarized financial information for the year ended December 31, 2011)

	2012				2011 Actuals
	Non Major Funds				
	Original Budget	Final Budget	Actual	Variance with Final Budget	
Revenues:					
Intergovernmental	\$ 2,008,352	\$ 2,008,352	\$ 780,699	\$ (1,227,653)	\$ 2,473,536
Investment income	-	-	10,506	10,506	60,680
Miscellaneous	-	-	12,618	12,618	54,760
Total Revenue	2,008,352	2,008,352	803,823	(1,204,529)	2,588,976
Expenditures:					
Current:					
Capital projects	20,203,827	20,648,827	14,615,599	6,033,228	10,647,701
Debt service:					
Principal retirement	7,798,000	7,798,000	7,799,463	(1,463)	7,858,639
Interest and fiscal charges	960,000	960,000	1,088,767	(128,767)	916,832
Total Expenditures	28,961,827	29,406,827	23,503,829	5,902,998	19,423,172
Excess of Revenues Over (Under) Expenditures	(26,953,475)	(27,398,475)	(22,700,006)	4,698,469	(16,834,196)
Other Financing Sources (Uses):					
Transfers in	8,563,362	8,563,362	9,690,018	1,126,656	12,499,373
Transfers out	-	-	(1,132,018)	(1,132,018)	(3,301,368)
Proceeds of refunding debt	-	4,414,262	4,414,262	-	-
Payment to refunded bond	-	(4,254,055)	(4,254,055)	-	-
Debt issued	17,055,012	17,554,012	16,937,000	(617,012)	3,267,000
Premium on debt issuance	-	467,812	467,812	-	45,083
Total Other Financing Sources (Uses)	25,618,374	26,745,393	26,123,019	(622,374)	12,510,088
Change in Fund Balances	\$ (1,335,101)	\$ (653,082)	3,423,013	\$ 4,076,095	(4,324,108)
Fund Balances - January 1			4,193,177		8,517,285
Fund Balances - December 31			\$ 7,616,190		\$ 4,193,177

DEBT SERVICE FUND

The debt service fund is used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest and related costs, of the following issues.

- . General Obligation Notes Series 2003 – To accumulate monies for payment of \$868,637 of notes issued for the purpose of paying off the unfunded pension liability of the County.
- . General Obligation Notes Series 2004 Refunding – To accumulate monies for payment of \$3,544,316 of State Trust Fund Loan refunded for the purpose of paying off the unfunded pension liability of the County.
- . General Obligation Notes Series 2006 – To accumulate monies for payment of \$1,721,000 of notes issued for the purpose of constructing CTH AP, P, FF and A, bridges on CTH M, repair of courthouse wheelchair ramp, equipment for the radio safety system, court video conference system, roof replacement plan for Human Services building, and asphalt replacement program.
- . General Obligation Notes Series 2007 – To accumulate monies for payment of \$4,195,000 of notes issued for the purpose of constructing CTH AP, A, E and T, upgrade of telephone system, noise barrier for racetrack, and auditorium/communication arts center for UWFV.
- . General Obligation Notes Series 2008 – To accumulate monies for payment of \$6,375,000 of notes issued for the purpose of constructing CTH E, G, M and Y, University Ave building improvements for UWFV, and arts center for UWFV.

- . General Obligation Notes Series 2009 – To accumulate monies for payment of \$3,810,000 of notes issued for the purpose of constructing CTH E, G, M and Y, University Ave building improvements for UWFV, and arts center for UWFV.
- . General Obligation Notes Series 2009 – To accumulate monies for payment of \$1,643,000 of notes issued for the purpose of constructing CTH E, G, M and Y, University Ave building improvements for UWFV, and arts center for UWFV.
- . General Obligation Notes Series 2010 – To accumulate monies for payment of \$11,575,000 of notes issued for the purpose of Oshkosh B'Gosh building purchase and remodeling; financial software replacement; the replacement of the central dictation system; Jail chiller replacement; HVAC replacement at the expo center; Fairview tower fiber installation; relocate IS fiber hub; parking lot resurfacing; Parkview building demolition; constructing CTH D, E and T.
- . General Obligation Notes Series 2010 – To accumulate monies for payment of \$1,057,500 of notes issued for the purpose of passing through a loan to Winnebago County Housing Authority to remodeling low income housing.
- . General Obligation Notes Series 2010 – To accumulate monies for payment of \$125,000 of notes issued for the purpose of passing through a loan to East Central Regional Planning Commission to refinance prior service pension liability.
- . General Obligation Notes Series 2011 – To accumulate monies for payment of \$3,267,000 of notes issued for the purpose of; parking lot resurfacing, computer aided dispatch, radio system upgrade, UWFV 1655 building engineering, constructing CTH MM, FF and P.
- . General Obligation Notes Series 2012 Refunding – To accumulate monies for payment of \$2,703,588 of 2003 Series B and 2004 Series B notes.

- . General Obligation Notes Series 2012 Refunding – To accumulate monies for payment of \$1,710,674 of 2003 Series D and 2005 Series notes and 2006 Series notes.
- . General Obligation Notes Series 2012 – To accumulate monies for payment of \$16,937,000 of notes issued for the purpose of the radio system upgrade; financial software replacement; Jail chiller replacement; Parkview building demolition; UWFV 1655 University Building; courthouse window replacement; facility building masonry repairs; constructing CTH H, M,T and G bridge.

WINNEBAGO COUNTY, WISCONSIN

**BALANCE SHEETS-
NONMAJOR DEBT SERVICE FUND**

December 31, 2012 and 2011

	Totals	
	December 31, 2012	December 31, 2011
<u>ASSETS</u>		
Cash and investments	\$ 4,180,252	\$ 2,698,103
Accrued interest	3,596	-
Notes receivable	1,135,116	1,182,500
	<hr/>	
Total Assets	\$ 5,318,964	\$ 3,880,603
	<hr/>	
<u>LIABILITIES</u>		
Liabilities:		
Vouchers payable	\$ 1,433	\$ -
Deferred revenue	1,135,116	1,182,500
	<hr/>	
Total Liabilities	1,136,549	1,182,500
	<hr/>	
<u>FUND BALANCE</u>		
Fund balance:		
Committed for:		
Debt service	4,182,415	2,698,103
	<hr/>	
Total Liabilities and Fund Balance	\$ 5,318,964	\$ 3,880,603
	<hr/>	

WINNEBAGO COUNTY, WISCONSIN

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

For the year ended December 31, 2012
(With summarized financial information for the year ended December 31, 2011)

	2012				2011 Actual
	Original Budget	Final Budget	Actual	Variances with Final Budget	
Revenues:					
Investment income	\$ -	\$ -	\$ 10,506	\$ 10,506	\$ 60,680
Total Revenues	-	-	10,506	10,506	60,680
Expenditures:					
Debt Service:					
Principal retirement	7,798,000	7,798,000	7,799,463	(1,463)	7,858,639
Interest and fiscal charges	960,000	960,000	1,088,767	(128,767)	916,832
Total Expenditures	8,758,000	8,758,000	8,888,230	(130,230)	8,775,471
Excess of Revenues Over (Under) Expenditures	(8,758,000)	(8,758,000)	(8,877,724)	(119,724)	(8,714,791)
Other Financing Sources (Uses):					
Transfers in	8,558,000	8,558,000	9,680,017	1,122,017	10,406,194
Proceeds of refunding debt	-	4,414,262	4,414,262	-	-
Payment to refunded bond	-	(4,254,055)	(4,254,055)	-	-
Debt issued	-	-	54,000	54,000	32,000
Premium on debt issuance	-	-	467,812	467,812	45,083
Total Other Financing Sources (Uses)	8,558,000	8,718,207	10,362,036	1,643,829	10,483,277
Change in Fund Balance	\$ (200,000)	\$ (39,793)	1,484,312	\$ 1,524,105	1,768,486
Fund Balance - January 1			2,698,103		929,617
Fund Balance - December 31			\$ 4,182,415		\$ 2,698,103

CAPITAL PROJECTS FUND

Capital projects fund is used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than general fund capital outlays and construction related to the proprietary funds) which are financed primarily through general obligation debt. Following is a list of projects accounted for in the capital projects fund.

- Communication Arts Center – UW Fox Valley – To account for the costs of building a new communication arts center with theater at the UW Fox Valley campus.
- University Ave Building – UW Fox Valley – To account for the costs of adding an elevator and classrooms in the new building at the UW Fox Valley campus.
- Chiller Upgrade-Jail – To account for the costs of updating the chiller at the Jail.
- Demolition Old Park View Buildings – To account for the costs of razing two buildings at the Park View campus.
- HVAC System Expo Center – To account for the costs of updating the HVAC system.
- Roof Replacement Project – To account for the cost of the replacement of roofs on various County owned buildings.

- Asphalt Replacement Program – To account for the cost of the replacement of parking lots at various County owned buildings.
- Financial Software Replacement – To account for the costs of replacing the County financial software.
- Radio System Upgrade - Sheriff – To account for the cost of the replacement of radio equipment used by the sheriff department.
- Computer Aided Dispatch – To account for the cost of the upgrading computer aided dispatch system.
- Courthouse Window Replacement – To account for the costs of replacing all of the windows in the County Courthouse with new energy efficient windows.
- Facility Tuck Pointing – To account for the costs of major tuck pointing repairs to various County buildings.
- Road Construction &Resurfacing – To account for the costs for engineering, construction and resurfacing the county road system.

WINNEBAGO COUNTY, WISCONSIN

BALANCE SHEET- NONMAJOR CAPITAL PROJECTS FUND

December 31, 2012
(With summarized financial information as of December 31, 2011)

<u>ASSETS</u>	<u>2012</u>	<u>2011</u>
Cash and investments	\$ 4,316,707	\$ 2,069,316
Receivables (net of allowances for uncollectibles):		
Accounts receivable	10,790	431,244
Total Assets	\$ 4,327,497	\$ 2,500,560
 <u>LIABILITIES AND FUND BALANCE</u>		
Liabilities:		
Vouchers payable	\$ 877,546	\$ 1,004,536
Other accrued liabilities	16,176	950
Total Liabilities	893,722	1,005,486
Fund Balances:		
Restricted for:		
Unspent bond proceeds - capital improvements	1,904,828	922,344
Committed for:		
Construction of capital assets	1,528,947	572,730
Total Fund Balance	3,433,775	1,495,074
Total Liabilities and Fund Balance	\$ 4,327,497	\$ 2,500,560

WINNEBAGO COUNTY, WISCONSIN
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL-
NONMAJOR CAPITAL PROJECTS FUND

For the year ended December 31, 2012
(With summarized financial information for the year ended December 31, 2011)

	2012				
	Original Budget	Final Budget	Actual	Variance with Final Budget	2011 Actual
Revenues:					
Intergovernmental	\$ 2,008,352	\$ 2,008,352	\$ 780,699	\$ (1,227,653)	\$ 2,473,536
Miscellaneous	-	-	12,618	12,618	54,760
Total Revenue	2,008,352	2,008,352	793,317	(1,215,035)	2,528,296
Expenditures:					
Capital projects	20,203,827	20,648,827	14,615,599	6,033,228	10,647,701
Total Expenditures	20,203,827	20,648,827	14,615,599	6,033,228	10,647,701
Excess of Revenues Over (Under) Expenditures	(18,195,475)	(18,640,475)	(13,822,282)	4,818,193	(8,119,405)
Other Financing Sources (Uses):					
Transfers in	5,362	5,362	10,001	4,639	2,093,179
Transfers out	-	-	(1,132,018)	(1,132,018)	(3,301,368)
Debt Issued	17,055,012	17,500,012	16,883,000	(617,012)	3,235,000
Total Other Financing Sources (Uses)	17,060,374	17,505,374	15,760,983	(1,744,391)	2,026,811
Change in Fund Balance	<u>\$ (1,135,101)</u>	<u>\$ (1,135,101)</u>	1,938,701	<u>\$ 3,073,802</u>	(6,092,594)
Fund Balance - January 1			1,495,074		7,587,668
Fund Balance - December 31			<u>\$ 3,433,775</u>		<u>\$ 1,495,074</u>

WINNEBAGO COUNTY, WISCONSIN

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN PROJECT BALANCES - NON MAJOR CAPITAL PROJECT FUND**

For the year ended December 31, 2012
(With summarized financial information for the year ended December 31, 2011)

	Communication Arts Center - UW FV	University Ave Building - UW Fox Valley	Chiller Upgrade - Jail	Demolition Park View Buildings	HVAC System Expo Center	Roof Replacement Project	Asphalt Replacement Project	Financial Software Replacement
Revenues:								
Intergovernmental	\$ -	\$ 515,699	\$ 265,000	\$ -	\$ -	\$ -	\$ -	\$ -
Miscellaneous	12,618	-	-	-	-	-	-	-
Total Revenues	12,618	515,699	265,000	-	-	-	-	-
Expenditures:								
Capital projects	-	1,004,271	639,015	701,377	15,853	-	-	111,351
Total Expenditures	-	1,004,271	639,015	701,377	15,853	-	-	111,351
Excess of Revenues Over (Under) Expenditures	12,618	(488,572)	(374,015)	(701,377)	(15,853)	-	-	(111,351)
Other Financing Sources (Uses):								
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	(554,643)	-	(89,575)	(129,695)	(82,553)	(265,546)	-
Debt issued	-	1,189,000	100,000	345,000	-	-	-	50,000
Total Other Financing Sources (Uses)	-	634,357	100,000	255,425	(129,695)	(82,553)	(265,546)	50,000
Changes in Fund Balances	12,618	145,785	(274,015)	(445,952)	(145,548)	(82,553)	(265,546)	(61,351)
Project Balances - January 1	(12,618)	(145,785)	307,969	445,952	145,548	82,553	265,546	83,830
Project Balances - December 31	\$ -	\$ -	\$ 33,954	\$ -	\$ -	\$ -	\$ -	\$ 22,479

WINNEBAGO COUNTY, WISCONSIN

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN PROJECT BALANCES - NON MAJOR CAPITAL PROJECT FUND

For the year ended December 31, 2012
(With summarized financial information for the year ended December 31, 2011)

	Radio System Upgrade	Computer Aided Dispatch	Courthouse Window Replacement	Facility Tuckpointing	Road Construction & Resurfacing	Totals	
						December 31, 2012	December 31, 2011
Revenues:							
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 780,699	\$ 2,473,536
Miscellaneous	-	-	-	-	-	12,618	54,760
Total Revenues	-	-	-	-	-	793,317	2,528,296
Expenditures:							
Capital projects	6,160,103	387,679	-	3,375	5,592,575	14,615,599	10,647,701
Total Expenditures	6,160,103	387,679	-	3,375	5,592,575	14,615,599	10,647,701
Excess of Revenues Over (Under) Expenditures	(6,160,103)	(387,679)	-	(3,375)	(5,592,575)	(13,822,282)	(8,119,405)
Other Financing Sources (Uses):							
Transfers in	-	-	-	-	10,001	10,001	2,093,179
Transfers out	-	-	-	-	(10,006)	(1,132,018)	(3,301,368)
Debt issued	9,213,000	-	60,000	185,000	5,741,000	16,883,000	3,235,000
Total Other Financing Sources (Uses)	9,213,000	-	60,000	185,000	5,740,995	15,760,983	2,026,811
Changes in Fund Balances	3,052,897	(387,679)	60,000	181,625	148,420	1,938,701	(6,092,594)
Project Balances - January 1	(1,105,459)	557,395	-	-	870,143	1,495,074	7,587,668
Project Balances (Deficit) - December 31	\$ 1,947,438	\$ 169,716	\$ 60,000	\$ 181,625	\$ 1,018,563	\$ 3,433,775	\$ 1,495,074

ENTERPRISE FUNDS

Enterprise funds are used to account for operations that are financed and operated in a manner similar to a private business enterprise - where the intent of the County Board of Supervisors is that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges. Debt service on County debt issued to construct facilities relating to the operations is accounted for through the enterprise funds.

- . Airport Fund - Provides for the maintenance and development of physical facilities and equipment of the County airport and for the safety and security of tenants and the traveling public. Wittman Field is the home of the Experimental Aircraft Association.
- . Solid Waste Management Fund - Provides for the operation and maintenance of a County-wide sanitary landfill and materials recycling facility.
- . Parkview Health Center Fund - Accounts for a full range of treatment and care of older adults with late life disabilities as well as care and treatment for individuals suffering from chronic mental illness and development disabilities in a specialized nursing home facility.
- . Highway Department Fund - Provides full maintenance of all County trunk highway and designated federal, state and municipal highways and roads including construction of various non-highway facilities.

WINNEBAGO COUNTY, WISCONSIN

**COMPARATIVE STATEMENTS OF NET POSITION -
AIRPORT FUND**

December 31, 2012 and 2011

	2012	2011
<u>ASSETS</u>		
Current Assets:		
Cash and investments	\$ 3,469,791	\$ 3,345,225
Accounts receivable (net of allowances)	127,030	141,021
Inventories	75,730	63,898
Prepaid interest on refunded debt	1,163	-
Restricted assets		
Cash and investments	-	5,567
	<hr/>	<hr/>
Total Current Assets	3,673,714	3,555,711
	<hr/>	<hr/>
Noncurrent Assets:		
Property and equipment:		
Land	5,960,098	5,960,098
Construction in progress	386,806	75,643
Buildings	11,343,908	11,765,931
Improvements other than buildings	30,643,890	31,389,007
Machinery and equipment	3,691,453	3,344,540
	<hr/>	<hr/>
Total Property and Equipment	52,026,155	52,535,219
Less accumulated depreciation	<hr/> (24,557,582)	<hr/> (24,274,346)
	<hr/>	<hr/>
Total Property and Equipment - Net	27,468,573	28,260,873
	<hr/>	<hr/>
Total Noncurrent Assets	27,468,573	28,260,873
	<hr/>	<hr/>
Total Assets	\$ 31,142,287	\$ 31,816,584
	<hr/>	<hr/>

WINNEBAGO COUNTY, WISCONSIN
COMPARATIVE STATEMENTS OF NET POSITION -
AIRPORT FUND

December 31, 2012 and 2011

	2012	2011
<u>LIABILITIES AND NET POSITION</u>		
Current Liabilities:		
Vouchers payable	\$ 40,524	\$ 48,584
Accrued compensation	11,786	7,822
Other accrued liabilities	15,539	33,343
Due to other governmental agencies	58,048	50,638
Compensated absences	40,579	25,970
Current maturities of long-term debt	218,328	130,881
	<hr/>	<hr/>
Total Current Liabilities	384,804	297,238
	<hr/>	<hr/>
Compensated absences	21,645	18,139
General obligation debt	1,009,213	853,423
OPEB liability	30,439	30,794
	<hr/>	<hr/>
Total Liabilities	1,446,101	1,199,594
	<hr/>	<hr/>
Net Position:		
Net investment in capital assets	26,241,033	27,291,738
Unrestricted	3,455,153	3,325,252
	<hr/>	<hr/>
Total Net Position	29,696,186	30,616,990
	<hr/>	<hr/>
Total Liabilities and Net Position	<u>\$ 31,142,287</u>	<u>\$ 31,816,584</u>

WINNEBAGO COUNTY, WISCONSIN
COMPARATIVE STATEMENTS OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION -
AIRPORT FUND

For the years ended December 31, 2012 and 2011

	2012	2011
Operating Revenues:		
Charges for services provided to:		
Public	\$ 1,893,105	\$ 1,997,339
Other governmental entities	5,000	3,750
Miscellaneous	977	3,071
	<hr/>	<hr/>
Total Operating Revenues	1,899,082	2,004,160
Operating Expenses:		
Salaries, wages and benefits	621,611	589,071
Materials, supplies and services	401,584	450,055
Heat, light and power	400,149	393,419
Depreciation	1,631,702	1,328,240
	<hr/>	<hr/>
Total Operating Expenses	3,055,046	2,760,785
Operating Income (loss)	<hr/> (1,155,964)	<hr/> (756,625)
Non-Operating Revenues (Expenses):		
Investment income	-	2,460
Interest expense	(11,881)	(73,435)
Gain (loss) on sale of capital assets	(1,080)	-
	<hr/>	<hr/>
Total Non-Operating Revenues (Expenses)	(12,961)	(70,975)
Loss Before Transfers	<hr/> (1,168,925)	<hr/> (827,600)
Transfers in	232,416	96,804
	<hr/>	<hr/>
Net Transfers	232,416	96,804
Loss before Capital Contributions	(936,509)	(730,796)
Capital Contributions	15,705	10,281,855
	<hr/>	<hr/>
Increase (Decrease) in Net Position	(920,804)	9,551,059
Net Position - January 1	30,616,990	21,065,931
	<hr/>	<hr/>
Net Position - December 31	\$ 29,696,186	\$ 30,616,990

WINNEBAGO COUNTY, WISCONSIN
COMPARATIVE STATEMENTS OF CASH FLOWS
AIRPORT FUND

For the years ended December 31, 2012 and 2011

	2012	2011
Cash flows from operating activities:		
Cash received from customers	\$ 1,908,073	\$ 2,006,234
Cash received from other governmental entities	5,000	3,750
Cash payments for goods and services	(814,215)	(890,118)
Cash payments to employees	(599,887)	(606,725)
	<hr/>	<hr/>
Net cash provided by operating activities	498,971	513,141
	<hr/>	<hr/>
Cash flows from noncapital financing activities		
Transfers in	232,416	96,804
	<hr/>	<hr/>
Cash flows from capital and related financing activities:		
Purchases of capital assets	(824,777)	(188,691)
Payment of debt	(158,601)	(118,814)
Interest paid on debt	(29,685)	(43,406)
Interest prepaid on debt refunding	(1,163)	-
Proceeds from issuance of debt	401,838	160,000
	<hr/>	<hr/>
Net cash used in capital and related financing activities	(612,388)	(190,911)
	<hr/>	<hr/>
Cash flows from investing activities:		
Investment income	-	4,229
	<hr/>	<hr/>
Net increase in cash and cash equivalents	118,999	423,263
Cash and cash equivalents - January 1	3,350,792	2,927,529
	<hr/>	<hr/>
Cash and cash equivalents - December 31	<u>\$ 3,469,791</u>	<u>\$ 3,350,792</u>

WINNEBAGO COUNTY, WISCONSIN
COMPARATIVE STATEMENTS OF CASH FLOWS
AIRPORT FUND

For the years ended December 31, 2012 and 2011

	2012	2011
Reconciliation of operating loss to net cash provided by operating activities:		
Operating loss	\$ (1,155,964)	\$ (756,625)
Adjustments to reconcile operating loss to net cash provided by operating activities:		
Depreciation	1,631,702	1,328,240
Changes in assets and liabilities		
Receivables	13,991	5,824
Inventories	(11,832)	587
Vouchers payable	(8,060)	(18,724)
Due to other governments	7,410	(28,507)
Other liabilities	21,724	(17,654)
Total adjustments	1,654,935	1,269,766
Net cash provided by operating activities	<u>\$ 498,971</u>	<u>\$ 513,141</u>
Cash and cash equivalents at end of year consist of:		
Unrestricted cash and investments	\$ 3,469,791	\$ 3,345,225
Restricted cash and investments	-	5,567
	<u>\$ 3,469,791</u>	<u>\$ 3,350,792</u>

NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES

In 2012 there were non cash transactions from the FAA in the amount of \$15,705 . In 2011 there was a non cash contribution from the FAA in the amount of \$10,281,855.

WINNEBAGO COUNTY, WISCONSIN
COMPARATIVE STATEMENTS OF NET POSITION -
SOLID WASTE MANAGEMENT FUND

December 31, 2012 and 2011

	2012	2011
<u>ASSETS</u>		
Current Assets:		
Cash and investments	\$ 29,870,243	\$ 30,880,149
Receivables (net of allowances for uncollectibles):		
Accounts receivable	791,126	629,544
Accrued interest	55,552	88,639
Due from other governmental agencies	447,786	1,073,590
Inventories	355,481	355,481
Advance payments - Vendors	39,407	78,911
Prepaid interest on refunded debt	3,457	-
	<u>31,563,052</u>	<u>33,106,314</u>
Total Current Assets		
Noncurrent Assets:		
Restricted assets:		
Cash and investments	15,272,044	15,535,990
Accrued interest	50,148	63,334
Other Assets:		
Investment in Tri-County Venture	1,952,237	2,197,234
Property and equipment:		
Land	1,613,616	1,613,616
Construction in progress	81,447	81,447
Buildings	6,018,726	6,018,726
Improvements other than buildings	21,660,630	21,660,630
Machinery and equipment	8,494,969	9,062,469
	<u>37,869,388</u>	<u>38,436,888</u>
Total Property and Equipment		
Less accumulated depreciation	<u>(31,136,092)</u>	<u>(30,666,130)</u>
Total Property and Equipment - Net	<u>6,733,296</u>	<u>7,770,758</u>
Total Noncurrent Assets	<u>24,007,725</u>	<u>25,567,316</u>
Total Assets	<u>\$ 55,570,777</u>	<u>\$ 58,673,630</u>

WINNEBAGO COUNTY, WISCONSIN
COMPARATIVE STATEMENTS OF NET POSITION -
SOLID WASTE MANAGEMENT FUND

December 31, 2012 and 2011

<u>LIABILITIES AND NET POSITION</u>	<u>2012</u>	<u>2011</u>
Current Liabilities:		
Vouchers payable	\$ 301,634	\$ 488,356
Accrued compensation	40,242	22,710
Other accrued liabilities	38,147	59,851
Due to other governmental agencies	1,787,287	5,081,389
Compensated absences	74,088	72,831
Current maturities of long-term debt	11,793	8,702
Total Current Liabilities	<u>2,253,191</u>	<u>5,733,839</u>
Compensated absences	40,673	48,185
Landfill closure and long-term care	23,006,509	21,355,603
Long-term due to other governments	1,699,621	1,952,237
General obligation debt	95,721	101,216
OPEB liability (asset)	(92,195)	(79,221)
Total Liabilities	<u>27,003,520</u>	<u>29,111,859</u>
Net Position:		
Net Investment in capital assets	6,733,298	7,770,759
Restricted for Purchase orders	40,460	1,036,365
Unrestricted	21,793,499	20,754,647
Total Net Position	<u>28,567,257</u>	<u>29,561,771</u>
Total Liabilities and Net Position	<u>\$ 55,570,777</u>	<u>\$ 58,673,630</u>

WINNEBAGO COUNTY, WISCONSIN

COMPARATIVE STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION - SOLID WASTE MANAGEMENT FUND

For the years ended December 31, 2012 and 2011

	2012	2011
Operating Revenues:		
Charges for services provided to:		
Public	\$ 8,227,039	\$ 7,361,526
Other governmental entities	4,297,359	8,644,696
Other county departments	46,211	24,287
Miscellaneous	151,782	134,392
Total Operating Revenues	<u>12,722,391</u>	<u>16,164,901</u>
Operating Expenses:		
Salaries, wages and benefits	1,219,825	1,436,875
Materials, supplies and services	9,147,298	10,270,881
Heat, light and power	352,074	295,253
Depreciation	851,377	1,812,454
Landfill closure and long-term care	2,722,281	3,247,775
Total Operating Expenses	<u>14,292,855</u>	<u>17,063,238</u>
Operating income (loss)	<u>(1,570,464)</u>	<u>(898,337)</u>
Non-Operating Revenues (Expenses):		
Investment income	575,457	978,167
Interest expense	(5,749)	(5,293)
Grant revenue	6,242	-
Gain (loss) on sale of capital assets	-	1,822
Total Non-Operating Revenues (Expenses)	<u>575,950</u>	<u>974,696</u>
Increase (Decrease) in Net Position	<u>(994,514)</u>	<u>76,359</u>
Net Position - January 1	<u>29,561,771</u>	<u>29,485,412</u>
Net Position - December 31	<u>\$ 28,567,257</u>	<u>\$ 29,561,771</u>

WINNEBAGO COUNTY, WISCONSIN
COMPARATIVE STATEMENTS OF CASH FLOWS
SOLID WASTE MANAGEMENT FUND

For the years ended December 31, 2012 and 2011

	2012	2011
Cash flows from operating activities:		
Cash received from customers	\$ 13,140,402	\$ 16,088,291
Cash received from county	46,211	24,287
Cash payments for goods and services	(14,044,048)	(11,569,428)
Cash payments to employees	(1,221,522)	(1,440,652)
	<hr/>	<hr/>
Net cash provided by (used for) operating activities	(2,078,957)	3,102,498
Cash flows from noncapital financing activities		
Grants received	6,242	-
	<hr/>	<hr/>
Net cash provided by noncapital financing activities	6,242	-
Cash flows from capital and related financing activities:		
Purchases of capital assets	(449,805)	(139,253)
Payment of debt	(91,141)	(7,671)
Interest paid on debt	(6,548)	(5,375)
Proceeds from refunding of debt	88,737	-
	<hr/>	<hr/>
Net cash used in capital and related financing activities	(458,757)	(152,299)
Cash flows from investing activities:		
Purchases of investments	(20,110,402)	(3,582,048)
Sale of investments	21,057,267	3,378,632
Investment income	637,728	1,004,382
	<hr/>	<hr/>
Net cash provided by investing activities	1,584,593	800,966
Net increase (decrease) in cash and cash equivalents	(946,879)	3,751,165
Cash and cash equivalents - January 1	30,927,554	27,176,389
	<hr/>	<hr/>
Cash and cash equivalents - December 31	\$ 29,980,675	\$ 30,927,554
	<hr/>	<hr/>

WINNEBAGO COUNTY, WISCONSIN
COMPARATIVE STATEMENTS OF CASH FLOWS
SOLID WASTE MANAGEMENT FUND

For the years ended December 31, 2012 and 2011

	2012	2011
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:		
Operating income (loss)	\$ (1,570,464)	\$ (898,337)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:		
Depreciation	851,377	1,812,454
Changes in assets and liabilities		
Receivables	(161,582)	(54,075)
Due from other governments	625,804	1,752
Investment in Tri-County Single Stream Recycling	244,997	188,002
Inventories	-	207,662
Advance payments	36,047	39,086
Vouchers payable	(186,722)	103,958
Due to other governments	(3,294,102)	486,021
Other liabilities	(22,602)	45,384
Long-term due to other governments	(252,616)	(205,408)
Long-term care accrual	1,650,906	1,375,999
Total adjustments	(508,493)	4,000,835
Net cash provided by (used for) operating activities	<u>\$ (2,078,957)</u>	<u>\$ 3,102,498</u>
Cash and cash equivalents at end of year consist of:		
Unrestricted cash and investments	\$ 29,870,243	\$ 30,880,149
Restricted cash and investments	15,272,044	15,535,990
Less noncurrent investments	(15,161,612)	(15,488,585)
	<u>\$ 29,980,675</u>	<u>\$ 30,927,554</u>

NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES

In 2012 or 2011, there were no noncash contributions of capital assets to Solid Waste or no noncash transactions relating to noncurrent investments.

WINNEBAGO COUNTY, WISCONSIN
COMPARATIVE STATEMENTS OF NET POSITION -
PARK VIEW HEALTH CENTER FUND

December 31, 2012 and 2011

	2012	2011
<u>ASSETS</u>		
Current Assets:		
Cash and investments	\$ 9,706,282	\$ 8,185,745
Accounts receivable (net of allowances for uncollectibles)	127,000	34,371
Due from other governmental agencies	857,527	748,218
Inventories	68,582	66,936
Advance payments - Vendors	162,806	199,301
Prepaid Interest on refunded debt	202,760	-
Restricted assets:		
Cash and investments	-	1,214,552
Total Current Assets	<u>11,124,957</u>	<u>10,449,123</u>
Noncurrent Assets:		
Prepaid issuance cost	323,076	-
Property and Equipment:		
Land	147,842	147,842
Construction in progress	1,431,092	85,448
Buildings	24,230,032	24,232,012
Improvements other than buildings	857,171	3,868,917
Machinery and equipment	1,374,796	3,623,921
Total Property and Equipment	28,040,933	31,958,140
Less accumulated depreciation	<u>(4,150,116)</u>	<u>(6,735,863)</u>
Total Property and Equipment - Net	<u>23,890,817</u>	<u>25,222,277</u>
Total Noncurrent Assets	<u>24,213,893</u>	<u>25,222,277</u>
Total Assets	<u>\$ 35,338,850</u>	<u>\$ 35,671,400</u>

WINNEBAGO COUNTY, WISCONSIN
COMPARATIVE STATEMENTS OF NET POSITION -
PARK VIEW HEALTH CENTER FUND

December 31, 2012 and 2011

	2012	2011
<u>LIABILITIES AND NET POSITION</u>		
Current Liabilities:		
Vouchers payable	\$ 336,189	\$ 190,640
Accrued compensation	438,269	375,660
Other accrued liabilities	76,358	141,083
Due to other governmental agencies	1,745	6,530
Unearned revenue	25,000	25,000
Compensated absences	886,854	858,278
Current maturities of long-term debt	3,159,282	2,351,218
Premium on bond issue	137,595	18,629
	<hr/>	<hr/>
Total Current Liabilities	5,061,292	3,967,038
	<hr/>	<hr/>
Compensated absences	285,752	396,464
Premium on bond issue	316,625	60,542
General obligation debt	8,522,504	11,542,612
OPEB liability	345,481	360,982
	<hr/>	<hr/>
Total Liabilities	14,531,654	16,327,638
	<hr/>	<hr/>
Net Position:		
Net investment in capital assets	13,173,857	13,529,400
Unrestricted	7,633,339	5,814,362
	<hr/>	<hr/>
Total Net Position	20,807,196	19,343,762
	<hr/>	<hr/>
Total Liabilities and Net Position	\$ 35,338,850	\$ 35,671,400
	<hr/>	<hr/>

WINNEBAGO COUNTY, WISCONSIN

COMPARATIVE STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION - PARK VIEW HEALTH CENTER FUND

For the years ended December 31, 2012 and 2011

	2012	2011
Operating Revenues:		
Charges for services provided to:		
Public	\$ 6,072,412	\$ 5,303,951
Other governmental entities	5,969,560	6,031,120
Other county departments	-	120
Miscellaneous	22,485	278
Total Operating Revenues	<u>12,064,457</u>	<u>11,335,469</u>
Operating Expenses:		
Salaries, wages and benefits	13,530,765	13,465,935
Materials, supplies and services	2,688,877	2,579,719
Heat, light and power	322,599	341,760
Depreciation	658,652	722,462
Total Operating Expenses	<u>17,200,893</u>	<u>17,109,876</u>
Operating Loss	<u>(5,136,436)</u>	<u>(5,774,407)</u>
Non-Operating Revenues (Expenses):		
Interest expense	(371,796)	(588,564)
Premium on bond	119,002	18,629
Grant revenue	1,793,903	1,458,620
Gain (loss) on sale of capital assets	(2,035,452)	-
Issuance costs of long term debt	(9,899)	(3,987)
Total Non-Operating Revenues (Expenses)	<u>(504,242)</u>	<u>884,698</u>
Loss Before Transfers	<u>(5,640,678)</u>	<u>(4,889,709)</u>
Transfers in	<u>7,104,112</u>	<u>8,268,984</u>
Increase in Net Position	1,463,434	3,379,275
Net Position - January 1	<u>19,343,762</u>	<u>15,964,487</u>
Net Position - December 31	<u>\$ 20,807,196</u>	<u>\$ 19,343,762</u>

WINNEBAGO COUNTY, WISCONSIN

COMPARATIVE STATEMENTS OF CASH FLOWS PARK VIEW HEALTH CENTER FUND

For the years ended December 31, 2012 and 2011

	2012	2011
Cash flows from operating activities:		
Cash received from customers	\$ 11,862,519	\$ 10,504,396
Cash received from county	-	120
Cash payments for goods and services	(2,852,807)	(2,943,634)
Cash payments to employees	(13,565,793)	(13,536,689)
Net cash used for operating activities	(4,556,081)	(5,975,807)
Cash flows from noncapital financing activities:		
Transfers in	7,104,112	8,268,984
Grants received	1,793,903	1,458,620
Net cash provided by noncapital financing activities	8,898,015	9,727,604
Cash flows from capital and related financing activities:		
Purchases of capital assets	(1,362,642)	(110,149)
Payment of debt	(10,428,683)	(3,228,390)
Interest paid on debt	(436,521)	(615,306)
Proceeds from issuance of debt	8,216,639	-
Issuance costs of long term debt	(518,792)	-
Premium on debt issuance	494,050	-
Net cash used for capital and related financing activities	(4,035,949)	(3,953,845)
Net increase (decrease) in cash and cash equivalents	305,985	(202,048)
Cash and cash equivalents - January 1	9,400,297	9,602,345
Cash and cash equivalents - December 31	\$ 9,706,282	\$ 9,400,297
Reconciliation of operating loss to net cash used for operating activities:		

WINNEBAGO COUNTY, WISCONSIN

COMPARATIVE STATEMENTS OF CASH FLOWS PARK VIEW HEALTH CENTER FUND

For the years ended December 31, 2012 and 2011

	2012	2011
Operating loss	\$ (5,136,436)	\$ (5,774,407)
Adjustments to reconcile operating loss to net cash used for operating activities:		
Depreciation	658,652	722,462
Changes in assets and liabilities		
Receivables	(92,629)	61,527
Due from other governments	(109,309)	(236,308)
Inventories	(1,646)	6,991
Advance payments	19,552	(4,259)
Vouchers payable	145,548	(26,467)
Due to other governments	(4,785)	1,580
Other liabilities	(35,028)	(726,926)
Total adjustments	580,355	(201,400)
Net cash used for operating activities	\$ (4,556,081)	\$ (5,975,807)
Cash and cash equivalents at end of year consist of:		
Unrestricted cash and investments	\$ 9,706,282	\$ 8,185,745
Restricted cash and investments	-	1,214,552
	\$ 9,706,282	\$ 9,400,297

NONCASH INVESTING ACTIVITIES, CAPITAL AND FINANCING ACTIVITIES

In 2012 and 2011, there were no non cash transactions.

WINNEBAGO COUNTY, WISCONSIN
COMPARATIVE STATEMENTS OF NET POSITION -
HIGHWAY DEPARTMENT FUND

December 31, 2012 and 2011

<u>ASSETS</u>	<u>2012</u>	<u>2011</u>
Current Assets:		
Cash and investments	\$ 899,234	\$ 988,916
Receivable (net of allowances for uncollectibles):		
Accounts Receivable	14,389	8,204
Interest receivable	1,118	2,364
Due from other governmental agencies	1,064,071	1,049,888
Inventories	853,711	837,071
Advance payments - Vendors	759	997
Prepaid interest on refunded debt	9,993	-
	<hr/>	<hr/>
Total Current Assets	2,843,275	2,887,440
Noncurrent Assets:		
Property and Equipment:		
Land	738,916	692,232
Construction in progress	-	353,814
Buildings	6,534,852	6,128,307
Improvements other than buildings	52,306	29,062
Machinery and equipment	12,765,407	12,503,443
	<hr/>	<hr/>
Total Property and Equipment	20,091,481	19,706,858
Less accumulated depreciation	<hr/> (11,208,304)	<hr/> (10,626,257)
Total Property and Equipment - Net	8,883,177	9,080,601
Total Noncurrent Assets	<hr/> 8,883,177	<hr/> 9,080,601
Total Assets	<hr/> \$ 11,726,452	<hr/> \$ 11,968,041

WINNEBAGO COUNTY, WISCONSIN
COMPARATIVE STATEMENTS OF NET POSITION -
HIGHWAY DEPARTMENT FUND

December 31, 2012 and 2011

	2012	2011
<u>LIABILITIES AND NET POSITION</u>		
Current Liabilities:		
Vouchers payable	\$ 119,719	\$ 167,932
Accrued compensation	257,774	209,345
Other accrued liabilities	4,682	5,226
Due to other governmental agencies	27,722	19,608
Unearned revenue	79,850	56,997
Compensated absences	305,190	244,623
Current maturities of long-term debt	61,495	52,906
	<hr/>	<hr/>
Total Current Liabilities	856,432	756,637
	<hr/>	<hr/>
Compensated absences	387,599	502,863
General obligation debt	521,838	565,130
OPEB liability	41,617	71,144
	<hr/>	<hr/>
Total Liabilities	1,807,486	1,895,774
	<hr/>	<hr/>
Net Position:		
Net Investment in capital assets	8,572,371	8,780,327
Reserved for Purchase orders	184,768	-
Unrestricted	1,161,827	1,291,940
	<hr/>	<hr/>
Total Net Position	9,918,966	10,072,267
	<hr/>	<hr/>
Total Liabilities and Net Position	\$ 11,726,452	\$ 11,968,041
	<hr/>	<hr/>

WINNEBAGO COUNTY, WISCONSIN
COMPARATIVE STATEMENTS OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION -
HIGHWAY DEPARTMENT FUND

For the years ended December 31, 2012 and 2011

	2012	2011
Operating Revenues:		
Charges for services provided to:		
Public	\$ 48,187	\$ 18,924
Other governmental entities	5,251,306	5,012,508
Other county departments	7,085,281	6,017,706
Miscellaneous	64,539	84,146
Total Operating Revenues	<u>12,449,313</u>	<u>11,133,284</u>
Operating Expenses:		
Salaries, wages and benefits	4,947,336	5,164,241
Materials, supplies and services	6,044,354	4,798,463
Heat, light and power	142,150	143,766
Depreciation	998,099	1,057,040
Total Operating Expenses	<u>12,131,939</u>	<u>11,163,510</u>
Operating income (loss)	<u>317,374</u>	<u>(30,226)</u>
Non-Operating Revenues (Expenses):		
Investment income	8,763	8,429
Interest expense	(22,505)	(16,991)
Total Non-Operating Revenues (Expenses)	<u>(13,742)</u>	<u>(8,562)</u>
Income (Loss) Before Transfers	<u>303,632</u>	<u>(38,788)</u>
Transfers out	<u>(456,933)</u>	<u>(499,363)</u>
Net Transfers	<u>(456,933)</u>	<u>(499,363)</u>
Loss before contributions	(153,301)	(538,151)
Capital Contributions	<u>-</u>	<u>88,185</u>
Decrease in Net Position	(153,301)	(449,966)
Net Position - January 1	<u>10,072,267</u>	<u>10,522,233</u>
Net Position - December 31	<u><u>\$ 9,918,966</u></u>	<u><u>\$ 10,072,267</u></u>

WINNEBAGO COUNTY, WISCONSIN
COMPARATIVE STATEMENTS OF CASH FLOWS
HIGHWAY DEPARTMENT FUND

For the years ended December 31, 2012 and 2011

	2012	2011
Cash flows from operating activities:		
Cash received from customers	\$ 5,366,517	\$ 4,974,710
Cash received from county	7,085,281	6,017,706
Cash payments for goods and services	(6,252,998)	(5,044,129)
Cash payments to employees	(4,983,131)	(5,155,013)
	<u>1,215,669</u>	<u>793,274</u>
Cash flows from noncapital financing activities		
Transfers out	(456,933)	(499,363)
	<u>(456,933)</u>	<u>(499,363)</u>
Net cash used by noncapital financing activities	<u>(456,933)</u>	<u>(499,363)</u>
Cash flows from capital and related financing activities:		
Purchases of capital assets	(800,673)	(1,304,376)
Payment of debt	(291,228)	(22,334)
Interest paid on debt	(23,049)	(15,964)
Proceeds from sale of capital assets	-	42,322
Proceeds from issuance of debt	256,523	288,000
	<u>(858,427)</u>	<u>(1,012,352)</u>
Net cash used in capital and related financing activities	<u>(858,427)</u>	<u>(1,012,352)</u>
Cash flows from investing activities:		
Investment income	10,009	9,647
	<u>10,009</u>	<u>9,647</u>
Net cash provided by investing activities	<u>10,009</u>	<u>9,647</u>
Net increase(decrease) in cash and cash equivalents	(89,682)	(708,794)
Cash and cash equivalents - January 1	988,916	1,697,710
Cash and cash equivalents - December 31	<u>\$ 899,234</u>	<u>\$ 988,916</u>

WINNEBAGO COUNTY, WISCONSIN
COMPARATIVE STATEMENTS OF CASH FLOWS
HIGHWAY DEPARTMENT FUND

For the years ended December 31, 2012 and 2011

	2012	2011
Reconciliation of operating income (loss) to net cash provided by operating activities:		
Operating Income (loss)	\$ 317,374	\$ (30,226)
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation	998,099	1,057,040
Changes in assets and liabilities		
Receivables	(6,185)	15,230
Due from other governments	(14,183)	(201,068)
Inventories	(16,640)	(113,722)
Advance payments	(9,755)	1,118
Vouchers payable	(48,213)	(651)
Due to other governments	8,114	11,355
Unearned revenue	22,853	44,970
Other liabilities	(35,795)	9,228
Total adjustments	898,295	823,500
Net cash provided by operating activities	<u>\$ 1,215,669</u>	<u>\$ 793,274</u>
Cash and cash equivalents at end of year consist of:		
Unrestricted cash and investments	\$ 899,234	\$ 988,916
	<u>\$ 899,234</u>	<u>\$ 988,916</u>

NON CASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES

In 2012 the County had no non-cash transactions. In 2011 the County received capital assets from the State of Wisconsin in the amount of \$88,185.

INTERNAL SERVICE FUNDS

Internal service funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the County, or to other governments, on a cost-reimbursement basis.

- . General Services Fund - Provides central printing, mailroom and microfilming services to all County departments.
- . Self-Insurance Fund - Provides the County with the necessary funding source to pay for those risks which are funded internally including worker's compensation, limited property and liability, health insurance, and dental insurance.

WINNEBAGO COUNTY, WISCONSIN
COMBINING STATEMENT OF NET POSITION -
ALL INTERNAL SERVICE FUNDS

December 31, 2012
(With summarized financial information as of December 31, 2011)

	General Services Fund	Self- Insurance Fund	Totals	
			December 31, 2012	December 31, 2011
<u>ASSETS</u>				
Current Assets:				
Cash and investments	\$ (54,451)	\$ 8,164,180	\$ 8,109,729	\$ 9,222,406
Receivables (net of allowances for uncollectibles):				
Accounts receivable	-	-	-	79,870
Accrued interest	-	17,389	17,389	26,233
Due from other governmental agencies	1,956	-	1,956	1,672
Inventories	31,620	-	31,620	44,950
Advance payments - Vendors	-	453,554	453,554	351,400
Total Current Assets	(20,875)	8,635,123	8,614,248	9,726,531
Noncurrent Assets:				
Insurance deposit	-	75,839	75,839	123,643
Total Noncurrent Assets	-	75,839	75,839	123,643
Total Assets	\$ (20,875)	\$ 8,710,962	\$ 8,690,087	\$ 9,850,174

WINNEBAGO COUNTY, WISCONSIN

COMBINING STATEMENT OF NET POSITION - ALL INTERNAL SERVICE FUNDS

December 31, 2012

(With summarized financial information as of December 31, 2011)

	General Services Fund	Self- Insurance Fund	Totals	
			December 31, 2012	December 31, 2011
<u>LIABILITIES AND NET POSITION</u>				
Current Liabilities				
Vouchers payable	\$ 4,756	\$ 3,511	\$ 8,267	\$ 405,001
Accrued compensation	1,762	-	1,762	2,002
Claims payable	-	1,708,106	1,708,106	2,425,006
Compensated absenses	9,509	-	9,509	8,098
Total Current Liabilities	16,027	1,711,617	1,727,644	2,840,107
Compensated absences	7,967	-	7,967	10,017
OPEB liability	13,828	-	13,828	12,248
Total Liabilities	37,822	1,711,617	1,749,439	2,862,372
Net Position:				
Unrestricted (deficit)	(58,697)	6,999,345	6,940,648	6,987,802
Total Net Position	(58,697)	6,999,345	6,940,648	6,987,802
Total Liabilities and Net Position	\$ (20,875)	\$ 8,710,962	\$ 8,690,087	\$ 9,850,174

WINNEBAGO COUNTY, WISCONSIN

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION - ALL INTERNAL SERVICE FUNDS

For the year ended December 31, 2012
(With summarized financial information for the year ended December 31, 2011)

	General Services Fund	Self- Insurance Fund	Totals	
			December 31, 2012	December 31, 2011
Operating Revenues:				
Charges for services provided to:				
Public	\$ 2,202	\$ 519,768	\$ 521,970	\$ 1,053,727
Other governmental entities	5,809	-	5,809	6,349
Other county departments	476,137	5,154,053	5,630,190	7,141,599
Total Operating Revenues	484,148	5,673,821	6,157,969	8,201,675
Operating Expenses:				
Salaries, wages and benefits	94,504	47,431	141,935	146,688
Materials, supplies and services	414,064	5,711,780	6,125,844	7,770,805
Total Operating Expenses	508,568	5,759,211	6,267,779	7,917,493
Operating Income (Loss)	(24,420)	(85,390)	(109,810)	284,182
Non-Operating Revenues:				
Investment income	-	62,656	62,656	69,216
Total Non-Operating Revenues	-	62,656	62,656	69,216
Increase (Decrease) in Net Position	(24,420)	(22,734)	(47,154)	353,398
Total Net Position (Deficit)- January 1	(34,277)	7,022,079	6,987,802	6,634,404
Total Net Position (Deficit)- December 31	\$ (58,697)	\$ 6,999,345	\$ 6,940,648	\$ 6,987,802

WINNEBAGO COUNTY, WISCONSIN
COMBINING STATEMENT OF CASH FLOWS -
ALL INTERNAL SERVICE FUNDS

For the year ended December 31, 2012
(With summarized financial information for the year ended December 31, 2011)

	General Services Fund	Self- Insurance Fund	Totals	
			December 31, 2012	December 31, 2011
Cash flows from operating activities:				
Cash received from customers	\$ 7,727	\$ -	\$ 7,727	\$ 10,824
Cash received from county	476,137	5,753,691	6,229,828	8,113,364
Cash payments for goods and services	(419,766)	(6,860,732)	(7,280,498)	(7,272,573)
Cash payments to employees	(93,803)	(47,431)	(141,234)	(144,071)
Net cash provided by (used for) operating activities	(29,705)	(1,154,472)	(1,184,177)	707,544
Cash flows from investing activities:				
Investment income	-	71,500	71,500	76,165
Net cash provided by investing activities	-	71,500	71,500	76,165
Net increase (decrease) in cash and cash equivalents	(29,705)	(1,082,972)	(1,112,677)	783,709
Cash and cash equivalents - January 1	(24,746)	9,247,152	9,222,406	8,438,697
Cash and cash equivalents - December 31	\$ (54,451)	\$ 8,164,180	\$ 8,109,729	\$ 9,222,406

WINNEBAGO COUNTY, WISCONSIN
COMBINING STATEMENT OF CASH FLOWS -
ALL INTERNAL SERVICE FUNDS

For the year ended December 31, 2012
(With summarized financial information for the year ended December 31, 2011)

	General Services Fund	Self- Insurance Fund	Totals	
			December 31, 2012	December 31, 2011
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:				
Operating income (loss)	\$ (24,420)	\$ (85,390)	\$ (109,810)	\$ 284,182
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:				
Changes in assets and liabilities				
Receivables	(284)	79,870	79,586	(77,487)
Inventories	13,330	-	13,330	(14,776)
Advance payments	56	(54,406)	(54,350)	14,075
Vouchers payable	(19,088)	(377,646)	(396,734)	397,096
OPEB liability	1,580		1,580	2,100
Other liabilities	(879)	(716,900)	(717,779)	102,354
Total adjustments	(5,285)	(1,069,082)	(1,074,367)	423,362
Net cash provided by (used for) operating activities	\$ (29,705)	\$ (1,154,472)	\$ (1,184,177)	\$ 707,544

NON CASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES

In 2012 and 2011, there were no noncash transactions.

WINNEBAGO COUNTY, WISCONSIN

**COMPARATIVE STATEMENTS OF NET POSITION -
GENERAL SERVICES FUND**

December 31, 2012 and 2011

	2012	2011
<u>ASSETS</u>		
Current Assets:		
Cash and investments	\$ (54,451)	\$ (24,746)
Due from other governmental agencies	1,956	1,672
Inventories	31,620	44,950
Advance payments - Vendors	-	56
Total Assets	<u>\$ (20,875)</u>	<u>\$ 21,932</u>
 <u>LIABILITIES AND NET POSITION</u>		
Current Liabilities:		
Vouchers payable	\$ 4,756	\$ 23,844
Accrued compensation	1,762	2,002
Compensated absences	9,509	8,098
Total Current Liabilities	<u>16,027</u>	<u>33,944</u>
Compensated absences	7,967	10,017
OPEB liability	13,828	12,248
Total Liabilities	<u>37,822</u>	<u>56,209</u>
Net Position:		
Unrestricted (deficit)	<u>(58,697)</u>	<u>(34,277)</u>
Total Net Position	<u>(58,697)</u>	<u>(34,277)</u>
Total Liabilities and Net Position	<u>\$ (20,875)</u>	<u>\$ 21,932</u>

WINNEBAGO COUNTY, WISCONSIN

**COMPARATIVE STATEMENTS OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION -
GENERAL SERVICES FUND**

For the years ended December 31, 2012 and 2011

	2012	2011
Operating Revenues:		
Charges for services provided to:		
Public	\$ 2,202	\$ 4,521
Other governmental entities	5,809	6,349
Other county departments	476,137	499,875
	<hr/>	<hr/>
Total Operating Revenues	484,148	510,745
	<hr/>	<hr/>
Operating Expenses:		
Salaries, wages and benefits	94,504	99,079
Materials, supplies and services	414,064	423,128
	<hr/>	<hr/>
Total Operating Expenses	508,568	522,207
	<hr/>	<hr/>
Increase (decrease) in Net Position	(24,420)	(11,462)
	<hr/>	<hr/>
Net Position (Deficit)- January 1	(34,277)	(22,815)
	<hr/>	<hr/>
Net Position (Deficit) - December 31	<u>\$ (58,697)</u>	<u>\$ (34,277)</u>

WINNEBAGO COUNTY, WISCONSIN
COMPARATIVE STATEMENTS OF CASH FLOWS
GENERAL SERVICES FUND

For the years ended December 31, 2012 and 2011

	2012	2011
Cash flows from operating activities:		
Cash received from customers	\$ 7,727	\$ 10,824
Cash received from county	476,137	499,875
Cash payments for goods and services	(419,766)	(421,660)
Cash payments to employees	(93,803)	(96,462)
Net cash provided by (used for) operating activities	(29,705)	(7,423)
Net increase (decrease) in cash and cash equivalents	(29,705)	(7,423)
Cash and cash equivalents - January 1	(24,746)	(17,323)
Cash and cash equivalents - December 31	\$ (54,451)	\$ (24,746)
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:		
Operating income (loss)	\$ (24,420)	\$ (11,462)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:		
Changes in assets and liabilities		
Receivables	(284)	(46)
Inventories	13,330	(14,776)
Advance payments	56	(56)
Vouchers payable	(19,088)	16,300
OPEB liability	1,580	2,100
Other liabilities	(879)	517
Total adjustments	(5,285)	4,039
Net cash provided by (used for) operating activities	\$ (29,705)	\$ (7,423)

NON CASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES

In 2012 and 2011, there were no noncash transactions.

WINNEBAGO COUNTY, WISCONSIN
COMPARATIVE STATEMENTS OF NET POSITION -
SELF INSURANCE FUND

December 31, 2012 and 2011

	2012	2011
<u>ASSETS</u>		
Current Assets:		
Cash and investments	\$ 8,164,180	\$ 9,247,152
Receivables (net of allowances for uncollectibles):		
Accounts receivable	-	79,870
Accrued interest	17,389	26,233
Advance payments - Vendors	453,554	351,344
	<hr/>	<hr/>
Total Current Assets	8,635,123	9,704,599
	<hr/>	<hr/>
Noncurrent Assets:		
Insurance deposit	75,839	123,643
	<hr/>	<hr/>
Total Noncurrent Assets	75,839	123,643
	<hr/>	<hr/>
Total Assets	<u>\$ 8,710,962</u>	<u>\$ 9,828,242</u>
<u>LIABILITIES AND NET POSITION</u>		
Current Liabilities:		
Vouchers payable	\$ 3,511	\$ 381,157
Claims payable	1,708,106	2,425,006
	<hr/>	<hr/>
Total Liabilities	1,711,617	2,806,163
	<hr/>	<hr/>
Net Position:		
Unrestricted	6,999,345	7,022,079
	<hr/>	<hr/>
Total Net Position	6,999,345	7,022,079
	<hr/>	<hr/>
Total Liabilities and Net Position	<u>\$ 8,710,962</u>	<u>\$ 9,828,242</u>

WINNEBAGO COUNTY, WISCONSIN

COMPARATIVE STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION - SELF INSURANCE FUND

For the years ended December 31, 2012 and 2011

	2012	2011
Operating Revenues:		
Charges for services provided to:		
Public	\$ 519,768	\$ 1,049,206
Other county departments	5,154,053	6,641,724
	<hr/>	<hr/>
Total Operating Revenues	5,673,821	7,690,930
	<hr/>	<hr/>
Operating Expenses:		
Salaries, wages and benefits	47,431	47,609
Materials, supplies and services	5,711,780	7,347,677
	<hr/>	<hr/>
Total Operating Expenses	5,759,211	7,395,286
	<hr/>	<hr/>
Operating Income (Loss)	(85,390)	295,644
	<hr/>	<hr/>
Non-Operating Revenues:		
Investment income	62,656	69,216
	<hr/>	<hr/>
Total Non-Operating Revenues	62,656	69,216
	<hr/>	<hr/>
Increase (Decrease) in Net Position	(22,734)	364,860
	<hr/>	<hr/>
Net Position - January 1	7,022,079	6,657,219
	<hr/>	<hr/>
Net Position - December 31	\$ 6,999,345	\$ 7,022,079
	<hr/>	<hr/>

WINNEBAGO COUNTY, WISCONSIN

**COMPARATIVE STATEMENTS OF CASH FLOWS -
SELF INSURANCE FUND**

For the years ended December 31, 2012 and 2011

	2012	2011
Cash flows from operating activities:		
Cash received from county	\$ 5,753,691	\$ 7,613,489
Cash payments for goods and services	(6,860,732)	(6,850,913)
Cash payments to employees	(47,431)	(47,609)
	<hr/>	<hr/>
Net cash provided by (used for) operating activities	(1,154,472)	714,967
	<hr/>	<hr/>
Cash flows from investing activities:		
Investment income	71,500	76,165
	<hr/>	<hr/>
Net cash provided by investing activities	71,500	76,165
	<hr/>	<hr/>
Net increase (decrease) in cash and cash equivalents	(1,082,972)	791,132
Cash and cash equivalents - January 1	9,247,152	8,456,020
	<hr/>	<hr/>
Cash and cash equivalents - December 31	\$ 8,164,180	\$ 9,247,152
	<hr/>	<hr/>

WINNEBAGO COUNTY, WISCONSIN

**COMPARATIVE STATEMENTS OF CASH FLOWS -
SELF INSURANCE FUND**

For the years ended December 31, 2012 and 2011

	2012	2011
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:		
Operating income	\$ (85,390)	\$ 295,644
Adjustments to reconcile operating income to net cash provided by operating activities:		
Changes in assets and liabilities:		
Receivables	79,870	(77,441)
Advance payments	(54,406)	14,131
Vouchers payable	(377,646)	380,796
Other liabilities	(716,900)	101,837
Total adjustments	<u>(1,069,082)</u>	<u>419,323</u>
Net cash provided by (used for) operating activities	<u>\$ (1,154,472)</u>	<u>\$ 714,967</u>

NON CASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES

In 2012 and 2011, there were no noncash transactions.

AGENCY FUNDS

Agency Funds are used to account for assets held by the County as an agent. Agency Funds are funds received by the County on behalf of various individuals and governmental agencies.

- . Litigant's Deposit Fund - To account for the receipt and disbursement of funds held by the County for individuals who are scheduled for court appearances.
- . Patient's Fund - To account for the receipt and disbursement of monies held for the benefit of patients at Park View Health Center.
- . Burial Trust Fund - To account for collections and payment of funds deposited with the County Treasurer for burial expense.
- . Other Trust Funds - To account for the receipt and disbursement of funds for small items such as drainage districts, etc.
- . MEG Unit - To account for the receipt and disbursement of funds for the Lake Winnebago Area Metropolitan Enforcement Group.

WINNEBAGO COUNTY, WISCONSIN
COMBINING STATEMENT OF FIDUCIARY NET POSITION-
ALL AGENCY FUNDS

December 31, 2012
(With summarized financial information for December 31, 2011)

ASSETS	Litigant's Deposit Funds	Patient's Funds	Burial Trust Fund	Other Trust Funds	Meg Unit	Totals	
						December 31, 2012	December 31, 2011
Cash and investments	\$ 792,693	\$ 67,678	\$ -	\$ 186,693	\$ 324,694	\$ 1,371,758	\$ 1,949,239
Accounts receivable	-	-	-	-	325	325	1,754
Accrued grants and aid	-	-	-	-	111,723	111,723	208,342
Equipment	-	-	-	-	18,069	18,069	18,069
Total Assets	\$ 792,693	\$ 67,678	\$ -	\$ 186,693	\$ 454,811	\$ 1,501,875	\$ 2,177,404
LIABILITIES							
Liabilities:							
Other accrued liabilities	\$ 792,693	\$ 67,678	\$ -	\$ 186,693	\$ 454,811	\$ 1,501,875	\$ 2,177,404
Total Liabilities	\$ 792,693	\$ 67,678	\$ -	\$ 186,693	\$ 454,811	\$ 1,501,875	\$ 2,177,404

WINNEBAGO COUNTY, WISCONSIN

**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES-
ALL AGENCY FUNDS**

For the year ended December 31, 2012

	Balance December 31, 2011	Additions	Deductions	Balance December 31, 2012
<u>LITIGANT'S DEPOSIT FUNDS</u>				
Assets:				
Cash and investments	\$ 1,595,804	\$ 9,024,872	\$ 9,827,983	\$ 792,693
Total Assets	\$ 1,595,804	\$ 9,024,872	\$ 9,827,983	\$ 792,693
Liabilities:				
Other accrued liabilities	\$ 1,595,804	\$ 9,024,872	\$ 9,827,983	\$ 792,693
Total Liabilities	\$ 1,595,804	\$ 9,024,872	\$ 9,827,983	\$ 792,693
<u>PATIENT'S FUNDS</u>				
Assets:				
Cash and investments	\$ 69,802	\$ 795,318	\$ 797,442	\$ 67,678
Total Assets	\$ 69,802	\$ 795,318	\$ 797,442	\$ 67,678
Liabilities:				
Other accrued liabilities	\$ 69,802	\$ 795,318	\$ 797,442	\$ 67,678
Total Liabilities	\$ 69,802	\$ 795,318	\$ 797,442	\$ 67,678
<u>BURIAL TRUST FUND</u>				
Assets:				
Cash and investments	\$ 14,363	\$ -	\$ 14,363	\$ -
Total Assets	\$ 14,363	\$ -	\$ 14,363	\$ -
Liabilities:				
Other accrued liabilities	\$ 14,363	\$ -	\$ 14,363	\$ -
Total Liabilities	\$ 14,363	\$ -	\$ 14,363	\$ -

Continued

WINNEBAGO COUNTY, WISCONSIN

**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES-
ALL AGENCY FUNDS**

For the year ended December 31, 2012

	Balance December 31, 2011	Additions	Deductions	Balance December 31, 2012
<u>OTHER TRUST FUNDS</u>				
Assets:				
Cash and investments	\$ 202,307	\$ 27,123	\$ 42,737	\$ 186,693
Total Assets	<u>\$ 202,307</u>	<u>\$ 27,123</u>	<u>\$ 42,737</u>	<u>\$ 186,693</u>
Liabilities:				
Other accrued liabilities	\$ 202,307	\$ 27,123	\$ 42,737	\$ 186,693
Total Liabilities	<u>\$ 202,307</u>	<u>\$ 27,123</u>	<u>\$ 42,737</u>	<u>\$ 186,693</u>
<u>MEG UNIT</u>				
Assets:				
Cash and investments	\$ 66,963	\$ 1,271,873	\$ 1,014,142	\$ 324,694
Accounts receivable	1,754	325	1,754	325
Accrued grants and aid	208,342	166,221	262,840	111,723
Equipment	18,069	-	-	18,069
Total Assets	<u>\$ 295,128</u>	<u>\$ 1,438,419</u>	<u>\$ 1,278,736</u>	<u>\$ 454,811</u>
Liabilities:				
Other accrued liabilities	\$ 295,128	\$ 1,438,419	\$ 1,278,736	\$ 454,811
Total Liabilities	<u>\$ 295,128</u>	<u>\$ 1,438,419</u>	<u>\$ 1,278,736</u>	<u>\$ 454,811</u>
<u>TOTALS - ALL AGENCY FUNDS</u>				
Assets:				
Cash and investments	\$ 1,949,239	\$ 11,119,186	\$ 11,696,667	\$ 1,371,758
Accounts receivable	1,754	325	1,754	325
Accrued grants and aid	208,342	166,221	262,840	111,723
Equipment	18,069	-	-	18,069
Total Assets	<u>\$ 2,177,404</u>	<u>\$ 11,285,732</u>	<u>\$ 11,961,261</u>	<u>\$ 1,501,875</u>
Liabilities:				
Other accrued liabilities	\$ 2,177,404	\$ 11,285,732	\$ 11,961,261	\$ 1,501,875
Total Liabilities	<u>\$ 2,177,404</u>	<u>\$ 11,285,732</u>	<u>\$ 11,961,261</u>	<u>\$ 1,501,875</u>

(concluded)

CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS

Governmental capital assets are capital assets of the County which are not accounted for in an enterprise funds. The County includes infrastructure, such as roads, roadbeds, bridges and street lights in its governmental capital assets.

WINNEBAGO COUNTY, WISCONSIN

**CAPITAL ASSETS USED IN THE OPERATION OF
GOVERNMENTAL FUNDS COMPARATIVE SCHEDULE BY
SOURCE**

December 31, 2012 and 2011

	2012	2011
<u>General Capital Assets:</u>		
Land	\$ 3,832,861	\$ 2,957,902
Buildings	77,393,965	77,048,056
Improvements other than buildings	11,420,267	10,401,300
Machinery and equipment	25,666,779	25,744,910
Infrastructure	80,578,336	79,070,828
Construction in progress	20,554,048	13,637,455
	219,446,256	208,860,451
Less accumulated depreciation	(54,556,204)	(53,065,086)
Total General Capital Assets - Net	\$ 164,890,052	\$ 155,795,365
 <u>Investment in General Capital Assets From:</u>		
General revenues	\$ 164,772,073	\$ 155,643,122
Special revenues	117,979	152,243
	\$ 164,890,052	\$ 155,795,365
Assets	\$ 164,890,052	\$ 155,795,365

WINNEBAGO COUNTY, WISCONSIN

**CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS
SCHEDULE BY FUNCTION AND ACTIVITY**

December 31, 2012

	Land	Buildings	Improvements Other Than Buildings	Equipment	Infra- structure	Less Accumulated Depreciation	General Capital Assets Net
General Government:							
County Board	\$ -	\$ -	\$ -	\$ 72,077	\$ -	\$ 72,077	\$ -
County Clerk	-	-	-	44,439	-	36,816	7,623
Finance	-	-	-	5,515	-	5,515	-
Information Systems	-	-	74,371	7,758,292	-	4,995,229	2,837,434
Facilities Management	2,972,493	52,419,228	2,197,616	1,213,289	-	14,914,031	43,888,595
Total General Government	2,972,493	52,419,228	2,271,987	9,093,612	-	20,023,668	46,733,652
Public Safety:							
District Attorney	-	-	-	95,612	-	64,941	30,671
Emergency Management	-	-	-	1,006,294	-	731,727	274,567
Sheriff / Jail	-	11,584	163,872	9,646,782	-	6,398,819	3,423,419
Courts	-	-	-	200,998	-	163,708	37,290
Total Public Safety	-	11,584	163,872	10,949,686	-	7,359,195	3,765,947
Health and Human Services:							
Child Support	-	-	-	69,508	-	52,910	16,598
Public Health	-	-	9,331	29,394	-	19,595	19,130
Human Services	-	-	186,794	521,505	-	481,602	226,697
Total Health and Human Services	-	-	196,125	620,407	-	554,107	262,425

WINNEBAGO COUNTY, WISCONSIN

CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS SCHEDULE BY FUNCTION AND ACTIVITY

December 31, 2012

	Land	Buildings	Improvements Other Than Buildings	Equipment	Infra- structure	Less Accumulated Depreciation	General Capital Assets Net
Culture, Education and Recreation:							
U.W. - Fox Valley	196,210	18,474,128	430,625	83,351	-	7,634,860	11,549,454
University Extension	-	-	-	89,810	-	66,639	23,171
Parks	594,141	6,269,459	8,357,658	1,791,695	-	8,559,583	8,453,370
Ice Arena	70,017	219,566	-	45,750	-	213,644	121,689
Total Culture, Education and Recreation	860,368	24,963,153	8,788,283	2,010,606	-	16,474,726	20,147,684
Conservation and Development:							
Register of Deeds	-	-	-	402,075	-	391,938	10,137
Land & Water Conservation	-	-	-	168,697	-	125,554	43,143
Planning / Zoning	-	-	-	2,421,696	-	2,417,987	3,709
Total Conservation and Development:	-	-	-	2,992,468	-	2,935,479	56,989
Infrastructure							
Highway Systems	-	-	-	-	80,578,336	7,209,029	73,369,307
Allocated to Functions	\$ 3,832,861	\$ 77,393,965	\$ 11,420,267	\$ 25,666,779	\$ 80,578,336	\$ 54,556,204	\$ 144,336,004
Construction in Progress							20,554,048
Total General Capital Assets - Net							\$ 164,890,052

WINNEBAGO COUNTY, WISCONSIN

**CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS
SCHEDULE OF CHANGES BY FUNCTION AND ACTIVITY**

For the year ended December 31, 2012

	General Capital Assets January 1, 2012	Additions	Deductions	General Capital Assets December 31, 2012
General Government:				
County Board	\$ 72,077	\$ -	\$ -	\$ 72,077
County Clerk	44,439	-	-	44,439
County Treasurer	5,062	-	5,062	-
Human Resources	5,141	-	5,141	-
Finance	5,515	-	-	5,515
Information Systems	6,877,737	959,596	4,670	7,832,663
Facilities Management	58,653,518	1,680,984	1,531,876	58,802,626
Total General Government	65,663,489	2,640,580	1,546,749	66,757,320
Public Safety:				
District Attorney	110,350	-	14,738	95,612
Emergency Management	1,249,715	39,550	282,971	1,006,294
Sheriff / Jail	10,641,086	342,471	1,161,318	9,822,239
Courts	200,998	-	-	200,998
Total Public Safety	12,202,149	382,021	1,459,027	11,125,143
Health and Human Services:				
Child Support	69,508	-	-	69,508
Public Health	49,359	-	10,634	38,725
Human Services	599,582	143,290	34,573	708,299
Total Health and Human Services	718,449	143,290	45,207	816,532

WINNEBAGO COUNTY, WISCONSIN

**CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS
SCHEDULE OF CHANGES BY FUNCTION AND ACTIVITY**

For the year ended December 31, 2012

	General Capital Assets January 1, 2012	Additions	Deductions	General Capital Assets December 31, 2012
Culture, Education and Recreation:				
U.W. - Fox Valley	18,011,620	1,281,105	108,411	19,184,314
University Extension	89,810	-	-	89,810
Parks	16,053,408	974,879	15,336	17,012,951
Ice Arena	399,144	-	63,810	335,334
Total Culture, Education and Recreation	34,553,982	2,255,984	187,557	36,622,409
Conservation and Development:				
Register of Deeds	402,074	-	-	402,074
Land and Water Conservation	190,329	19,659	41,290	168,698
Planning / Zoning	2,421,696	-	-	2,421,696
Total Conservation and Development	3,014,099	19,659	41,290	2,992,468
Total General Capital Assets Allocated to Functions	116,152,168	5,441,534	3,279,830	118,313,872
Infrastructure	79,070,828	1,728,637	221,129	80,578,336
Construction in Progress	13,637,455	11,419,784	4,503,191	20,554,048
Total General Capital Assets	208,860,451	18,589,955	8,004,150	219,446,256
Accumulated Depreciation	(53,065,086)	(4,195,502)	(2,704,384)	(54,556,204)
Total General Capital Assets - Net	\$ 155,795,365	\$ 14,394,453	\$ 5,299,766	\$ 164,890,052

STATISTICAL SECTION

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

FINANCIAL TRENDS - TABLES 1- 4

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

REVENUE CAPACITY - TABLES 5- 8

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

DEBT CAPACITY - TABLES 9-11

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

DEMOGRAPHIC AND ECONOMIC INFORMATION - TABLES 12-13

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

OPERATING INFORMATION - TABLES 14-16

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

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year. The County implemented GASB Statement 34 in 2002; schedules presenting government-wide information include information beginning in that year. The County implemented GASB Statement 54 in 2011; schedules presenting government-wide information include information beginning in that year. The County implemented GASB Statement 63 in 2012; schedules presenting government-wide information include information beginning in that year.

Table 1

WINNEBAGO COUNTY, WISCONSIN

NET POSITION BY COMPONENT

Last Ten Fiscal Years
(Accrual Basis of Accounting)

	2003	2004	2005	2006	2007
Governmental activities					
Net investment in capital assets	\$ 71,599,769 a	\$ 77,994,284	\$ 84,839,887	\$ 89,526,009	\$ 98,236,080
Restricted	2,029,295	1,773,567	1,876,532	2,942,804	2,729,875
Unrestricted	16,491,415	14,386,907	13,418,370	15,140,504	15,305,154
Total governmental activities net position	<u>90,120,479</u>	<u>94,154,758</u>	<u>100,134,789</u>	<u>107,609,317</u>	<u>116,271,109</u>
Business-type activities					
Net investment in capital assets	\$ 40,939,845	\$ 40,462,317	\$ 38,947,264	\$ 40,922,951	\$ 39,254,669
Restricted	-	-	-	-	-
Unrestricted	20,154,129	17,459,506	18,782,249	15,502,847	19,219,285
Total business-type activities net position	<u>61,093,974</u>	<u>57,921,823</u>	<u>57,729,513</u>	<u>56,425,798</u>	<u>58,473,954</u>
Primary government					
Net investment in capital assets	\$ 112,539,614	\$ 118,456,601	\$ 123,787,151	\$ 130,448,960	\$ 137,490,749
Restricted	2,029,295	1,773,567	1,876,532	2,942,804	2,729,875
Unrestricted	36,645,544	31,846,413	32,200,619	30,643,351	34,524,439
Total primary government activities net position	<u>151,214,453</u>	<u>152,076,581</u>	<u>157,864,302</u>	<u>164,035,115</u>	<u>174,745,063</u>

Note: Prior to 2012 net position was considered net assets.

Table 1

WINNEBAGO COUNTY, WISCONSIN

NET POSITION BY COMPONENT

Last Ten Fiscal Years
(Accrual Basis of Accounting)

	2008	2009	2010	2011	2012
Governmental activities					
Net investment in capital assets	\$ 106,079,524	\$ 112,827,319	\$ 113,781,205	\$ 122,657,383	\$ 128,163,893
Restricted	2,973,440	3,644,220	2,897,908	6,419,225	9,175,919
Unrestricted	13,310,672	13,530,063	24,169,292	22,970,664	23,237,505
Total governmental activities net position	<u>122,363,636</u>	<u>130,001,602</u>	<u>140,848,405</u>	<u>152,047,272</u>	<u>160,577,317</u>
Business-type activities					
Net investment in capital assets	\$ 37,395,930	\$ 39,429,575	\$ 48,356,677	\$ 57,372,224	\$ 54,720,559
Restricted	-	-	-	1,036,365	225,228
Unrestricted	23,806,110	27,004,052	30,668,933	33,241,265	36,073,733
Total business-type activities net position	<u>61,202,040</u>	<u>66,433,627</u>	<u>79,025,610</u>	<u>91,649,854</u>	<u>91,019,520</u>
Primary government					
Net investment in capital assets	\$ 143,475,454	\$ 152,256,894	\$ 162,137,882	\$ 180,029,607	\$ 182,884,452
Restricted	2,973,440	3,644,220	2,897,908	7,455,590	9,401,147
Unrestricted	37,116,782	40,534,115	54,838,225	56,211,929	59,311,238
Total primary government activities net position	<u>183,565,676</u>	<u>196,435,229</u>	<u>219,874,015</u>	<u>243,697,126</u>	<u>251,596,837</u>

Note: Prior to 2012 net position was considered net assets.

Table 2

WINNEBAGO COUNTY, WISCONSIN

CHANGES IN NET POSITION

Last Ten Fiscal Years
(Accrual Basis of Accounting)

	2003	2004	2005	2006	2007
Expenses					
Governmental Activities:					
General Government	\$ 13,501,788	\$ 11,012,434	\$ 11,799,817	\$ 11,749,295	\$ 11,967,928
Public Safety	20,803,161	23,362,285	23,478,216	23,794,610	26,017,225
Public Works	4,788,880	3,706,272	3,558,942	4,622,406	3,579,606
Health and Human Services	56,009,267	56,495,602	59,807,251	64,376,240	70,326,806
Culture, Education and Recreation	3,122,899	3,172,602	3,202,363	2,928,622	3,047,186
Conservation and Development	3,251,686	2,728,560	3,008,256	2,797,039	2,830,100
Interest on Long Term Debt	2,901,289	2,369,126	2,013,391	1,845,033	1,470,222
Total governmental activities expenses	104,378,970	102,846,881	106,868,236	112,113,245	119,239,073
Business-type Activities:					
Airport	2,192,955	1,981,124	2,251,151	2,157,293	2,189,384
Solid Waste Management	7,993,088	7,918,365	7,798,502	10,011,841	10,925,471
Park View Health Center	18,717,096	18,132,887	17,970,150	17,972,596	18,504,159
Highway	8,460,794	8,860,654	10,257,165	10,013,073	11,152,469
Total business-type activities expenses	37,363,933	36,893,030	38,276,968	40,154,803	42,771,483
Total primary government expenses	\$ 141,742,903	\$ 139,739,911	\$ 145,145,204	\$ 152,268,048	\$ 162,010,556
Program Revenues					
Governmental Activities:					
Charges for Service					
General Government	\$ 669,958	\$ 1,637,765	\$ 829,002	\$ 601,975	\$ 886,290
Public Safety	2,522,385	3,729,164	4,079,618	4,860,261	4,414,647
Public Works	2,618	1,042	-	9	33,917
Health and Human Services	3,144,223	2,844,353	3,553,784	3,255,344	3,788,364
Culture, Education and Recreation	388,487	419,455	366,640	278,605	293,783
Conservation and Development	1,634,325	1,318,043	1,290,178	1,174,955	1,130,402
Operating grants and contributions					
General Government	296,112	95,673	124,325	65,801	84,747
Public Safety	1,180,125	1,771,569	1,236,193	1,138,415	1,433,015
Public Works	4,687,123	1,491,205	1,121,785	872,841	1,793,691
Health and Human Services	27,774,162	31,497,748	32,416,402	38,942,506	39,908,732
Culture, Education and Recreation	48,766	60,894	67,287	377,373	63,337
Conservation and Development	1,361,446	455,314	644,312	772,193	402,200
Capital grants and contributions					
Public Works	-	-	-	-	3,406,818
Total governmental activities program revenues	43,709,730	45,322,225	45,729,526	52,340,278	57,639,943

(Continued)

Table 2

WINNEBAGO COUNTY, WISCONSIN

CHANGES IN NET POSITION

Last Ten Fiscal Years

(Accrual Basis of Accounting)

	2003	2004	2005	2006	2007
Business-type Activities:					
Charges for services					
Airport	640,800	705,735	740,535	739,033	847,241
Solid Waste Management	4,583,428	4,598,122	7,331,729	8,470,229	9,887,520
Park View Health Center	11,947,011	12,487,433	12,327,047	11,344,823	9,786,337
Highway	8,057,109	8,887,437	10,126,689	9,714,368	11,188,069
Operating grants and contributions					
Airport	-	200,000	-	-	-
Solid Waste Management	97,631	117,500	97,500	47,560	21,012
Park View Health Center	36,997	33,221	35,077	36,673	268,168
Highway	-	-	-	-	250
Capital grants and contributions					
Airport	-	-	8,334	-	-
Highway	-	-	-	-	-
Total business-type activities program revenue	25,362,976	27,029,448	30,666,911	30,352,686	31,998,597
Total primary government program revenue	\$ 69,072,706	\$ 72,351,673	\$ 76,396,437	\$ 82,692,964	\$ 89,638,540
Net (Expense) Revenue					
Governmental Activities	\$ (60,669,240)	\$ (57,524,656)	\$ (61,138,710)	\$ (59,772,967)	\$ (61,599,130)
Business-type activities	(12,000,957)	(9,863,582)	(7,610,057)	(9,802,117)	(10,772,886)
Total primary government net expenses	<u>(72,670,197)</u>	<u>(67,388,238)</u>	<u>(68,748,767)</u>	<u>\$ (69,575,084)</u>	<u>\$ (72,372,016)</u>

(Continued)

Table 2

WINNEBAGO COUNTY, WISCONSIN

CHANGES IN NET POSITION

Last Ten Fiscal Years
(Accrual Basis of Accounting)

	2003	2004	2005	2006	2007
General Revenue and Other Changes in Net Position					
Governmental Activities:					
Property taxes	\$ 48,719,934	\$ 50,419,513	\$ 54,394,093	\$ 56,404,950	\$ 60,510,679
Other Taxes	1,061,362	1,232,262	1,278,115	1,250,162	1,267,368
Grants and contributions not restricted to a specific programs	15,156,792	13,250,805	14,374,042	11,911,145	14,068,335
Unrestricted investment earnings	938,957	920,402	1,382,585	2,453,324	2,716,380
Gain on disposal of capital assets	-	-	87,676	5,626	3,373
Miscellaneous	490,439	464,638	281,394	302,372	194,459
Transfers	(2,563,291)	(3,148,795)	(4,678,164)	(5,080,084)	(8,499,672)
Special Item -	-	(1,125,815)	-	-	-
Total governmental activities	63,804,193	62,013,010	67,119,741	67,247,495	70,260,922
Business-type Activities:					
Grants and contributions not restricted to a specific programs	\$ 2,559,427	\$ 1,981,518	\$ 1,843,436	\$ 1,459,833	\$ 1,441,222
Unrestricted investment earnings	711,490	651,456	734,106	1,636,692	2,786,223
Gain on disposal of capital assets	9,370	59,276	133,176	62,296	6,164
Miscellaneous	672,553	396,311	28,865	259,497	87,761
Transfers	2,563,291	3,148,795	4,678,164	5,080,084	8,499,672
Total business-type activities	6,516,131	6,237,356	7,417,747	8,498,402	12,821,042
Change in Net Position					
Governmental Activities	\$ 3,134,953	\$ 4,488,354	\$ 5,981,031	\$ 7,474,528	\$ 8,661,792
Business-type activities	(5,484,826)	(3,626,226)	(192,310)	(1,303,715)	2,048,156
Total primary government	<u>(2,349,873)</u>	<u>862,128</u>	<u>5,788,721</u>	<u>\$ 6,170,813</u>	<u>\$ 10,709,948</u>

(Concluded)

Table 2

WINNEBAGO COUNTY, WISCONSIN

CHANGES IN NET POSITION

Last Ten Fiscal Years

(Accrual Basis of Accounting)

	2008	2009	2010	2011	2012
Expenses					
Governmental Activities:					
General Government	\$ 9,119,751	\$ 12,537,069	\$ 12,905,548	\$ 13,705,953	\$ 15,137,054
Public Safety	26,808,432	26,953,674	26,900,043	27,626,250	26,489,283
Public Works	3,826,038	3,317,269	3,361,655	3,586,221	3,871,627
Health and Human Services	75,087,765	74,821,709	61,382,320	48,346,193	48,458,418
Culture, Education and Recreation	3,633,882	2,852,365	2,878,811	3,310,386	3,220,910
Conservation and Development	2,964,670	3,165,664	2,793,401	2,969,406	2,865,688
Interest on Long Term Debt	1,582,487	2,382,138	966,388	862,313	879,059
Total governmental activities expenses	123,023,025	126,029,888	111,188,166	100,406,722	100,922,039
Business-type Activities:					
Airport	2,200,422	2,312,237	2,324,770	2,827,609	3,069,171
Solid Waste Management	14,304,848	13,624,249	14,120,272	17,062,457	14,300,925
Park View Health Center	19,373,123	18,055,764	17,963,589	17,671,410	19,632,728
Highway	10,448,293	10,961,067	11,054,771	11,156,686	12,162,500
Total business-type activities expenses	46,326,686	44,953,317	45,463,402	48,718,162	49,165,324
Total primary government expenses	\$ 169,349,711	\$ 170,983,205	\$ 156,651,568	\$ 149,124,884	\$ 150,087,363
Program Revenues					
Governmental Activities:					
Charges for Service					
General Government	\$ 548,246	\$ 492,426	\$ 609,343	\$ 1,305,461	\$ 796,336
Public Safety	3,922,471	4,202,363	3,834,929	4,167,991	4,084,819
Public Works	-	22,431	-	-	-
Health and Human Services	3,199,510	3,259,752	3,164,572	3,013,621	3,066,767
Culture, Education and Recreation	332,522	378,124	409,490	378,271	972,544
Conservation and Development	1,062,218	1,201,245	1,288,540	1,389,983	1,559,496
Operating grants and contributions					
General Government	1,369,027	109,814	52,564	110,211	103,742
Public Safety	1,441,940	1,317,320	1,308,346	1,210,579	1,104,841
Public Works	1,485,818	1,877,421	471,085	1,773,031	-
Health and Human Services	43,438,362	46,368,333	34,813,803	20,389,547	20,331,925
Culture, Education and Recreation	304,724	991,399	129,109	896,694	317,265
Conservation and Development	369,446	502,798	369,916	370,573	315,025
Capital grants and contributions					
Public Works	-	-	-	-	-
Total governmental activities program revenues	57,474,284	60,723,426	46,451,697	35,005,962	32,652,760

(Continued)

Table 2

WINNEBAGO COUNTY, WISCONSIN

CHANGES IN NET POSITION

Last Ten Fiscal Years

(Accrual Basis of Accounting)

	2008	2009	2010	2011	2012
Business-type Activities:					
Charges for services					
Airport	1,150,338	2,305,686	2,073,511	2,004,160	1,899,082
Solid Waste Management	12,767,716	13,991,363	16,253,979	16,179,885	12,722,391
Park View Health Center	10,361,468	11,186,468	11,477,521	11,169,795	12,064,457
Highway	10,924,568	10,875,360	10,848,201	11,132,692	12,449,313
Operating grants and contributions					
Airport	-	-	-	-	-
Solid Waste Management	55	13	15,011	16	6,242
Park View Health Center	73,847	43,741	109,290	165,674	-
Highway	-	-	-	592	-
Capital grants and contributions					
Airport	-	-	6,862,523	10,281,855	15,705
Highway	-	-	-	88,185	-
Total business-type activities program revenue	35,277,992	38,402,631	47,640,036	51,022,854	39,157,190
Total primary government program revenue	\$ 92,752,276	\$ 99,126,057	\$ 94,091,733	\$ 86,028,816	\$ 71,809,950
Net (Expense) Revenue					
Governmental Activities	\$ (65,548,741)	\$ (65,306,462)	\$ (64,736,469)	\$ (65,400,760)	\$ (68,269,279)
Business-type activities	(11,048,694)	(6,550,686)	2,176,634	2,289,692	(10,008,134)
Total primary government net expenses	<u>\$ (76,597,435)</u>	<u>\$ (71,857,148)</u>	<u>\$ (62,559,835)</u>	<u>\$ (63,111,068)</u>	<u>\$ (78,277,413)</u>

(Continued)

Table 2

WINNEBAGO COUNTY, WISCONSIN

CHANGES IN NET POSITION

Last Ten Fiscal Years
(Accrual Basis of Accounting)

	2008	2009	2010	2011	2012
General Revenue and Other Changes in Net Position					
Governmental Activities:					
Property taxes	\$ 63,844,912	\$ 65,670,441	\$ 67,719,923	\$ 68,445,063	\$ 69,617,123
Other Taxes	1,268,271	1,267,420	1,502,813	1,620,412	1,690,577
Grants and contributions not restricted to a specific programs	13,017,229	13,497,463	12,894,992	13,427,701	12,103,499
Unrestricted investment earnings	1,975,063	1,260,787	866,132	719,560	726,167
Gain on disposal of capital assets	29,974	-	17,210	22,733	33,368
Miscellaneous	289,384	296,349	292,616	230,583	288,550
Transfers	(8,783,565)	(9,048,032)	(7,710,414)	(7,866,425)	(6,879,595)
of safety building	-	-	-	-	(780,365)
Total governmental activities	71,641,268	72,944,428	75,583,272	76,599,627	76,799,324
Business-type Activities:					
Grants and contributions not restricted to a specific programs	\$ 2,214,750	\$ 1,866,766	\$ 1,449,000	\$ 1,458,620	\$ 1,793,903
Unrestricted investment earnings	2,238,616	739,938	1,071,861	989,056	584,220
Gain on disposal of capital assets	2,358	-	8,933	1,822	1,080
Miscellaneous	537,491	127,537	175,141	18,629	119,002
Transfers	8,783,565	9,048,032	7,710,414	7,866,425	6,879,595
Total business-type activities	13,776,780	11,782,273	10,415,349	10,334,552	9,377,800
Change in Net Position					
Governmental Activities	\$ 6,092,527	\$ 7,637,966	\$ 10,846,803	\$ 11,198,867	\$ 8,530,045
Business-type activities	2,728,086	5,231,587	12,591,983	12,624,244	(630,334)
Total primary government	\$ 8,820,613	\$ 12,869,553	\$ 23,438,786	\$ 23,823,111	\$ 7,899,711

(Concluded)

Table 3

WINNEBAGO COUNTY, WISCONSIN
FUND BALANCES GOVERNMENTAL FUNDS
 Last Ten Fiscal Years
 (Accrual Basis of Accounting)

	2003	2004	2005	2006	2007
General fund					
Reserved	\$ 5,286,684	\$ 5,295,344	\$ 5,131,541	\$ 5,684,208	\$ 6,274,774
Unreserved					
Designated for Subsequent Year's Expenditures	2,490,697	3,060,268	2,043,227	2,480,057	1,780,999
Undesignated	10,182,671	8,270,322	10,343,671	13,493,206	13,375,963
Total General Fund	<u>\$ 17,960,052</u>	<u>\$ 16,625,934</u>	<u>\$ 17,518,439</u>	<u>\$ 21,657,471</u>	<u>\$ 21,431,736</u>
All Other Governmental Funds					
Reserved	\$ 7,697,763	\$ 4,862,184	\$ 4,051,877	\$ 4,094,211	\$ 4,409,694
Unreserved					
Designated for Subsequent Year's Expenditures					
Special Revenue Fund	17,082	17,171	-	-	-
Undesignated					
Special Revenue Fund	4,804	74,910	323,203	55,466	645,981
Capital Projects (deficit)	(31,978)	(101,078)	(101,139)	(479)	(199,207)
Total All Other Governmental Funds	<u>\$ 7,687,671</u>	<u>\$ 4,853,187</u>	<u>\$ 4,273,941</u>	<u>\$ 4,149,198</u>	<u>\$ 4,856,468</u>

Table 3

WINNEBAGO COUNTY, WISCONSIN
FUND BALANCES GOVERNMENTAL FUNDS
 Last Ten Fiscal Years
 (Accrual Basis of Accounting)

	2008	2009	2010	2011	2012
General fund					
Reserved	\$ 6,752,826	\$ 7,742,529	\$ 8,298,526		
Unreserved					
Designated for Subsequent Year's Expenditures	1,885,561	2,362,643	2,199,221		
Undesignated	11,710,777	11,426,531	14,775,112		
Total General Fund	<u>\$ 20,349,164</u>	<u>\$ 21,531,703</u>	<u>\$ 25,272,859</u>		
All Other Governmental Funds					
Reserved	\$ 4,605,269	\$ 5,356,071	\$ 8,613,258		
Unreserved					
Designated for Subsequent Year's Expenditures					
Special Revenue Fund	-	-	-		
Undesignated					
Special Revenue Fund	16,488	59,178	82,277		
Capital Projects (deficit)	(242,169)	(1,648,344)	-		
Total All Other Governmental Funds	<u>\$ 4,379,588</u>	<u>\$ 3,766,905</u>	<u>\$ 8,695,535</u>		
Starting January 1, 2011, the County implemented GASB 54					
General fund					
Nonspendable					
Delinquent property taxes				\$ 5,582,373	\$ 5,117,146
Inventories				2,311	249
Advanced payments				83,450	97,668
Restricted				3,137,563	3,492,638
Committed				180,267	315,059
Assigned				2,065,962	2,642,454
Unassigned				17,755,336	22,443,306
Total General Fund				<u>28,807,262</u>	<u>34,108,520</u>
All Other Governmental Funds					
Nonspendable					
Prepays				87,718	105,435
Restricted					
Unspent bond proceeds				922,344	1,904,828
Committed					
Prior year commitments				572,730	1,528,947
Debt service				2,698,103	4,182,415
Assigned					
Special Revenue				33,113	27,783
Total All Other Governmental Funds				<u>4,314,008</u>	<u>7,749,408</u>
Total Governmental Funds				<u>\$ 33,121,270</u>	<u>\$ 41,857,928</u>

Table 4

WINNEBAGO COUNTY, WISCONSIN
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS

Last Ten Fiscal Years

(Modified Accrual basis of Accounting)

	2003	2004	2005	2006	2007
Revenues					
Taxes	\$ 49,781,300	\$ 51,651,775	\$ 55,672,208	\$ 57,655,112	\$ 61,778,048
Intergovernmental	48,454,775	48,034,330	50,958,403	54,187,855	58,079,379
Licenses and permits	250,295	283,506	307,506	323,510	311,934
Fines, forfeitures and penalties	746,476	966,152	786,569	798,238	782,226
Charges for services	8,032,576	7,364,573	8,152,865	9,049,080	9,335,599
Investment income	875,516	831,445	1,246,936	2,234,848	2,486,555
Miscellaneous	304,662	1,472,482	503,436	368,094	322,099
Total Revenues	108,445,600	110,604,263	117,627,923	124,616,737	133,095,840
Expenditures					
Current					
General government	12,696,998	10,023,520	10,517,823	10,263,128	10,939,011
Public safety	20,161,182	22,657,521	22,422,678	22,483,606	23,505,530
Public works	3,319,042	3,401,772	3,351,403	3,012,577	3,019,571
Health and human services	55,813,607	56,321,762	59,264,039	63,857,229	69,936,964
Culture, education and recreation	2,251,058	2,590,400	2,605,638	2,217,992	2,350,319
Conservation and development	3,007,770	2,552,845	2,851,959	2,573,059	2,592,338
Capital projects	8,920,780	4,274,769	3,806,907	2,959,257	5,813,717
Debt service					
Principal retirement	5,401,901	7,072,131	7,550,819	8,134,811	8,462,407
Interest and fiscal charges	2,964,080	2,610,089	2,158,970	1,901,869	1,680,984
Total Expenditures	114,536,418	111,504,809	114,530,236	117,403,528	128,300,841
Excess of Revenues Over (Under) Expenditures	(6,090,818)	(900,546)	3,097,687	7,213,209	4,794,999
Other Financing Sources (Uses)					
Operating transfers in	26,991,675	27,384,575	25,323,941	26,139,421	29,867,758
Operating transfers out	(31,554,966)	(30,737,336)	(30,045,137)	(31,113,390)	(38,364,794)
Face value of long term debt	9,583,764	9,050,476	6,730,000	1,762,000	4,195,000
Payment of refunded debt	(3,430,000)	(8,984,033)	(4,840,000)	-	-
Sale of property and equipment	-	-	728	-	-
Loan disbursements to other entities	-	-	-	-	-
Premium (discount) on debt issuance	(9,739)	18,262	46,037	13,049	8,572
Total other financing sources(uses)	3,589,734	(3,268,056)	(2,784,431)	(3,198,920)	(4,313,464)
Net Change in fund balances	(2,510,084)	(4,168,602)	313,256	4,014,289	481,535
 Debt service as a percentage of noncapital expenditures	 7.92%	 9.11%	 8.85%	 8.80%	 8.32%

Table 4

WINNEBAGO COUNTY, WISCONSIN
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS

Last Ten Fiscal Years

(Modified Accrual basis of Accounting)

	2008	2009	2010	2011	2012
Revenues					
Taxes	\$ 65,113,184	\$ 66,937,861	\$ 68,222,736	\$ 70,065,475	\$ 69,618,424
Intergovernmental	65,273,054	63,167,178	50,040,483	37,911,228	35,119,382
Licenses and permits	298,055	274,161	277,920	229,299	235,507
Fines, forfeitures and penalties	765,755	809,585	759,889	725,505	808,819
Charges for services	7,999,205	8,336,491	7,836,892	7,970,096	8,623,189
Investment income	1,782,744	1,098,224	761,333	652,802	663,511
Miscellaneous	884,871	2,181,012	444,259	578,739	1,073,619
Total Revenues	142,116,868	142,804,512	129,343,512	118,133,144	116,142,451
Expenditures					
Current					
General government	11,468,691	11,760,416	12,509,644	12,219,438	12,628,187
Public safety	24,683,137	25,385,793	26,074,073	26,317,567	25,455,732
Public works	3,252,286	2,756,922	2,853,938	2,905,812	2,995,961
Health and human services	72,339,507	74,595,266	61,917,567	48,363,172	48,435,664
Culture, education and recreation	3,418,297	2,291,162	2,559,366	2,383,308	2,221,469
Conservation and development	2,732,767	2,948,632	2,683,977	2,813,455	2,850,376
Capital projects	13,181,706	9,958,424	6,000,580	10,647,701	14,615,599
Debt service					
Principal retirement	8,567,296	7,531,574	8,774,100	7,858,639	7,799,463
Interest and fiscal charges	1,527,319	1,443,186	1,119,512	916,832	1,088,767
Total Expenditures	141,171,006	138,671,375	124,492,757	114,425,924	118,091,218
Excess of Revenues Over (Under) Expenditures	945,862	4,133,137	4,850,755	3,707,220	(1,948,767)
Other Financing Sources (Uses)					
Operating transfers in	28,835,149	28,188,951	26,082,987	29,920,468	27,205,259
Operating transfers out	(37,689,138)	(37,246,462)	(33,797,589)	(37,786,894)	(34,084,854)
Face value of long term debt	6,375,000	8,742,196	20,602,303	3,267,000	21,351,262
Payment of refunded debt	-	(3,257,319)	(7,914,359)	-	(4,254,055)
Sale of property and equipment	-	-	-	-	-
Loan disbursements to other entities	-	-	(1,182,500)	-	-
Premium (discount) on debt issuance	(26,325)	9,373	28,189	45,083	467,812
Total other financing sources(uses)	(2,505,314)	(3,563,281)	3,819,031	(4,554,343)	10,685,424
Net Change in fund balances	(1,559,452)	569,856	8,669,786	(847,123)	8,736,657
Debt service as a percentage of noncapital expenditures	7.96%	7.02%	8.43%	8.55%	8.66%

Table 5

WINNEBAGO COUNTY, WISCONSIN
EQUALIZED VALUE OF TAXABLE PROPERTY (a)

Last Ten Fiscal Years

Fiscal Year	Residential	Commercial	Manufacturing	Other	Personal Property	Less: Tax Incremental Districts (TID)	Total (b)	General County Tax Rate (c)
2003	6,275,681,100	1,750,249,000	639,369,400	198,120,500	361,821,400	264,188,050	8,961,053,350	5.78
2004	6,761,916,700	1,893,875,600	641,953,800	183,129,000	407,632,800	306,812,450	9,581,695,450	5.62
2005	7,247,100,100	2,000,660,200	661,385,200	199,189,900	344,368,800	329,118,350	10,123,585,850	5.68
2006	7,711,186,700	2,192,645,800	662,036,800	208,793,700	381,712,400	383,823,250	10,772,552,150	5.59
2007	8,008,387,500	2,326,507,900	692,172,600	211,090,800	362,945,700	437,989,550	11,163,114,950	5.64
2008	8,223,248,200	2,480,592,300	715,594,300	209,793,400	393,871,700	476,235,050	11,546,864,850	5.72
2009	8,389,719,800	2,392,323,100	696,174,300	211,179,700	417,353,100	489,060,650	11,617,689,350	5.84
2010	8,214,009,300	2,407,065,900	677,638,100	216,822,400	401,428,200	489,862,850	11,427,101,050	6.00
2011	8,256,758,900	2,420,783,500	692,674,200	219,479,000	379,645,400	517,289,100	11,452,051,900	5.92
2012	8,042,005,700	2,417,851,400	681,044,600	213,461,500	374,923,300	561,858,300	11,167,428,200	6.03

Source: Wisconsin Department of Revenue, Bureau of Property Tax.

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

Table 6

WINNEBAGO COUNTY, WISCONSIN
DIRECT AND OVERLAPPING PROPERTY TAX RATES

Last Ten Fiscal Years

Tax District	2003	2004	2005	2006	2007
County direct rates (a) (per \$1000 of assessed value)(b)					
Operating	\$ 4.60	\$ 4.52	\$ 4.59	\$ 4.51	\$ 4.42
Debt Service	1.10	1.04	1.00	1.01	1.15
Overlapping rates (per \$1000 of assessed value)					
Towns					
Algoma	14.42-16.17	16.45-18.48	14.40-16.51	16.65-17.83	16.94-18.96
Black Wolf	19.63	21.54	15.28	15.69	15.70
Clayton	18.93-19.67	21.03-24.73	19.55-21.85	19.96-21.33	20.57-23.51
Menasha	24.11-25.12	19.86-20.33	19.41-20.48	18.31-19.77	19.29-19.73
Neenah	17.24-18.49	17.92-19.11	19.13-20.31	17.90-18.53	19.35-19.92
Nekimi	19.64-23.07	19.97-23.52	20.09-24.78	20.28-23.07	14.59-15.76
Nepeuskun	24.11-25.75	25.55-27.14	15.57-16.61	18.48-19.91	18.28-19.05
Omro	20.89-21.98	22.94-23.24	22.80-23.34	22.76-22.90	16.58-18.06
Oshkosh	17.16-19.31	18.15-21.51	18.24-20.46	18.47-20.33	19.01-21.53
Poygan	19.28-20.18	19.93-20.45	17.99-18.66	18.72-19.07	19.42-19.66
Rushford	20.72-21.35	23.70-23.90	16.87-17.92	17.32-17.68	17.63-18.39
Utica	21.75-25.63	15.17-19.02	17.07-19.35	16.02-18.40	16.08-17.82
Vinland	18.68-20.36	19.03-21.79	15.40-16.33	16.09-17.14	17.02-18.65
Winchester	18.20-20.48	17.71-21.08	18.44-21.18	18.30-21.16	19.23-22.71
Winneconne	24.24-27.12	26.09-27.69	24.26-25.81	15.08-16.08	16.39-17.57
Wolf River	17.08-18.03	18.50-20.63	19.37-20.04	21.24-22.36	22.92-24.45

Table 6

WINNEBAGO COUNTY, WISCONSIN
DIRECT AND OVERLAPPING PROPERTY TAX RATES

Last Ten Fiscal Years

<u>Tax District</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
Villages					
Winneconne	24.37	26.37	24.52	25.83	27.26
Cities					
Appleton	24.20-25.10	23.96-25.04	23.58-24.00	22.40-23.25	22.58-22.97
Menasha	31.54	30.80	23.99	25.34	23.36
Neenah	27.20	28.52	27.26	21.07	22.56
Omro	31.57	24.29	23.77	25.04	26.39
Oshkosh	27.55-30.60	29.41-32.46	20.91-22.14	21.55-22.53	22.08-23.59

- (a) Rate is subject to limitations as described in Note 3 (D) of the Notes to Financial Statements.
- (b) Due to varying assessment ratios to full market value used in municipalities, all underlying tax district such as counties are required to use equalized value for levying property taxes. Equalized value, defined by State Statute, is the legal market value determined by Wisconsin Department of Revenue Bureau of Property Tax.

Table 6

WINNEBAGO COUNTY, WISCONSIN
DIRECT AND OVERLAPPING PROPERTY TAX RATES

Last Ten Fiscal Years

<u>Tax District</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
County direct rates (a) (per \$1000 of assessed value)(b)					
Operating	\$ 4.50	\$ 4.58	\$ 4.73	\$ 4.85	\$ 5.02
Debt Service	1.14	1.07	1.04	1.07	1.01
Overlapping rates (per \$1000 of assessed value)					
Towns					
Algoma	17.52-18.47	18.02-19.02	18.24-19.35	18.04-19.51	18.40-20.05
Black Wolf	16.16	15.63	17.01	17.06	17.88
Clayton	16.19-18.90	17.61-20.56	17.65-21.56	17.59-21.68	17.74-19.96
Menasha	19.33-19.96	19.61-20.60	20.52-21.23	20.55-21.82	20.18-21.04
Neenah	19.09	20.38	16.73	16.66	16.94
Nekimi	15.19-17.08	16.73-18.59	16.42-18.31	16.74-17.86	17.17-18.48
Nepeuskun	18.20-18.82	19.14-20.70	20.10-21.19	19.73-21.29	20.39-21.37
Omro	16.48-17.68	17.63-19.10	17.77-18.56	17.47-18.16	17.36-18.37
Oshkosh	19.24-21.50	21.08-23.18	15.53-17.49	15.46-17.41	15.69-16.67
Poygan	16.39-19.42	17.73-18.35	18.87-19.89	19.85-20.49	19.78-20.16
Rushford	17.79-17.92	18.37-19.11	19.23-19.30	18.78-19.06	18.63-19.02
Utica	17.94-19.50	18.41-20.80	19.22-21.13	20.53-23.15	20.62-22.84
Vinland	17.60-19.05	18.55-19.82	18.93-20.73	16.84-18.44	16.56-17.58
Winchester	19.06-21.85	20.89-24.02	21.20-24.64	16.46-20.00	17.11-18.84
Winneconne	16.13-17.03	17.11-18.02	17.87-19.33	17.93-18.99	17.47-18.04
Wolf River	22.11-23.87	25.31-26.75	17.13-19.94	17.20-19.77	17.24-18.37

Table 6

WINNEBAGO COUNTY, WISCONSIN
DIRECT AND OVERLAPPING PROPERTY TAX RATES

Last Ten Fiscal Years

<u>Tax District</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
Villages					
Winneconne	27.23	27.81	29.98	25.50	24.50
Cities					
Appleton	21.96-22.61	22.23-23.19	24.50-24.79	23.43-24.04	24.14-24.67
Menasha	24.28	25.42	25.85	26.34	26.20
Neenah	22.86	23.76	23.58	24.32	24.44
Omro	25.54	26.25	27.20	27.52	26.78
Oshkosh	22.38-23.65	23.13-24.12	23.95-25.58	23.91-26.08	24.62-25.28

- (a) Rate is subject to limitations as described in Note 3 (D) of the Notes to Financial Statements.
- (b) Due to varying assessment ratios to full market value used in municipalities, all underlying tax district such as counties are required to use equalized value for levying property taxes. Equalized value, defined by State Statute, is the legal market value determined by Wisconsin Department of Revenue Bureau of Property Tax.

Table 7

WINNEBAGO COUNTY, WISCONSIN

PRINCIPAL TAXPAYERS

December 31, 2012 and Nine Years Prior

Taxpayer	2012 Assessed Value	2012 Rank	2012 Percentage of Total Assessed Valuation	2003 Assessed Value	2003 Rank	2003 Percentage of Total Assessed Valuation
Kimberly Clark	\$ 69,828,239	1	0.61%	\$ 132,048,000	1	1.44%
Midwest Realty formerly Security Homes Inc.	55,263,000	2	0.48%	32,866,500	3	0.37%
Dumke & Associates	55,093,700	3	0.48%			
Oshkosh Truck Corporation	49,460,200	4	0.43%			
Curwood, Inc	46,985,748	5	0.41%	41,996,600	2	0.47%
Thomas Rusch Etal	45,143,100	6	0.39%	24,556,700	6	0.28%
Bergstrom	39,934,114	7	0.35%			
Badger I & II LLC	37,490,400	8	0.33%			
Thomas Wright	33,995,658	9	0.30%			
Health Care Reit	32,740,549	10	0.29%			
SCA Tissue North America				32,457,100	4	0.36%
Appleton Papers Inc				25,191,400	5	0.28%
Warehouse Specialist				22,195,741	7	0.25%
Penchiney Plastic Pkg				21,122,500	8	0.24%
Thrivent				21,016,544	9	0.24%
Winter Properties				20,060,831	10	0.23%
Total Assessed Valuation	<u>\$ 465,934,708</u>		3.98%	<u>\$ 373,511,916</u>		4.06%
Total County Equalized Value	<u>\$ 11,729,286,500</u>			<u>\$ 9,225,241,400</u>		

Source: Winnebago County Tax System

Table 8

WINNEBAGO COUNTY, WISCONSIN
PROPERTY TAX LEVIES AND COLLECTIONS (1)

Last Ten Fiscal Years

Settlement Year(A)	Total Tax Roll	As of December 31 of Settlement Year		Cumulative as of December 31, 2012	
		Amount Collected	Percent Collected	Amount Collected	Percent Collected
2003	199,210,140	196,328,320	98.55%	199,202,023	99.99%
2004	206,248,690	203,408,702	98.62%	206,241,090	99.99%
2005	219,324,593	216,318,195	98.63%	219,316,501	99.99%
2006	222,648,251	219,587,985	98.63%	222,641,646	100.00%
2007	232,661,228	229,311,048	98.56%	232,649,179	99.98%
2008	246,986,013	243,213,149	98.47%	246,964,694	99.74%
2009	255,660,117	251,035,475	98.19%	255,329,590	99.05%
2010	267,204,960	262,806,277	98.35%	266,137,800	98.35%
2011	275,356,718	270,282,692	98.16%	272,946,593	99.12%
2012	276,147,105	272,130,439	98.55%	272,130,439	98.55%

Source : Winnebago County Treasurer's Tax Settlement Reports

Note: (A) The County levy is settled (collected) by the County Treasurer in the year following the year it is levied.

Table 9

WINNEBAGO COUNTY, WISCONSIN
RATIO OF OUTSTANDING DEBT TO EQUALIZED VALUATION
AND DEBT PER CAPITA

Last Ten Fiscal Years

Year Ending December 31	Estimated Population (A)	Equalized Valuation(B)	Outstanding Debt (C)	Percent of Debt to Equalized Valuation	Debt Per Capita
2003	160,177	9,225,241,400	70,590,003	0.83%	440.70
2004	161,863	9,888,507,900	63,009,996	0.69%	389.28
2005	163,244	10,452,704,200	57,055,000	0.53%	349.51
2006	163,867	11,156,375,400	72,550,000	0.65%	442.74
2007	164,703	11,601,104,500	66,474,998	0.57%	403.61
2008	165,358	12,023,099,900	61,915,000	0.51%	374.43
2009	165,864	12,106,750,000	57,258,000	0.47%	345.21
2010	166,308	11,916,963,900	59,930,500	0.50%	360.36
2011	167,245	11,452,051,900	52,409,650	0.46%	313.37
2012	167,782	11,167,428,200	59,654,095	0.53%	355.55

(A) Source for population statistics is the State of Wisconsin Department of Administration - Bureau of Program Management Demographic Services Center.

(B) Value as reduced by tax incremental financing districts.

(C) Includes general obligation debt of the governmental activities(formerly the general long-term debt account group) and the enterprise funds.

Table 10

WINNEBAGO COUNTY, WISCONSIN

LEGAL DEBT MARGIN INFORMATION

	Last Ten Fiscal Years (Dollars in thousand)				
	2003	2004	2005	2006	2007
Equalized value of real and personal property (1)	<u>\$ 9,225,241</u>	<u>\$ 9,888,508</u>	<u>\$ 10,452,704</u>	<u>\$ 11,156,375</u>	<u>\$ 11,601,104</u>
Debt limit, 5% of equalized valuation (Wisconsin Statutory Limitation)	461,262	494,425	522,635	557,819	580,055
Amount of debt applicable to debt limitation					
General obligation promissory notes (2)	70,590	63,010	57,055	72,550	66,475
Less: Debt service funds	<u>195</u>	<u>310</u>	<u>383</u>	<u>1,027</u>	<u>1,200</u>
Total amount of debt applicable to debt margin	70,395	62,700	56,672	71,523	65,275
Legal debt margin (Debt capacity)	<u>390,867</u>	<u>431,725</u>	<u>465,963</u>	<u>486,296</u>	<u>514,780</u>
Percent of debt capacity used	15.3%	12.7%	10.8%	12.8%	11.3%

(1) Equalized value is estimated actual value.

(2) Includes general obligation debt of the general government funds ,
the enterprise funds, and general obligation debt passed
through to other governmental entities.

Table 10

WINNEBAGO COUNTY, WISCONSIN

LEGAL DEBT MARGIN INFORMATION

Last Ten Fiscal Years

	2008	2009	2010	2011	2012
Equalized value of real and personal property (1)	\$ 12,023,100	\$ 12,106,750	\$ 11,916,964	\$ 11,969,341	\$ 11,729,286
Debt limit, 5% of equalized valuation (Wisconsin Statutory Limitation)	601,155	605,338	595,848	598,467.050	586,464.300
Amount of debt applicable to debt limitation					
General obligation promissory notes (2)	61,915	57,258	59,930	52,410	59,654
Less: Debt service funds	1,300	1,747	930	2,698	4,182
Total amount of debt applicable to debt margin	60,615	55,511	59,000	49,712	55,472
Legal debt margin (Debt capacity)	540,540	549,827	536,848	548,755	530,992
Percent of debt capacity used	10.1%	9.2%	9.9%	8.3%	9.5%

(1) Equalized value is estimated actual value.

(2) Includes general obligation debt of the general government funds ,
the enterprise funds, and general obligation debt passed
through to other governmental entities.

Table 11

WINNEBAGO COUNTY, WISCONSIN
COMPUTATION OF DIRECT AND OVERLAPPING DEBT

December 31, 2012			
<u>Jurisdiction</u>	<u>Net General Obligation Debt Outstanding (2)</u>	<u>Percentage Applicable to Winnebago County (2)</u>	<u>Amount Applicable to Winnebago County</u>
Direct			
Winnebago County (1)	\$ 46,053,925	100.0	\$ 46,053,925
Overlapping:			
Towns:			
Clayton	1,200,000	100.0	1,200,000
Menasha	17,669,584	100.0	17,669,584
Neenah	524,121	100.0	524,121
Nekimi	80,057	100.0	80,057
Omro	123,701	100.0	123,701
Oshkosh	40,000	100.0	40,000
Rushford	45,000	100.0	45,000
Utica	12,056	100.0	12,056
Vinland	238,529	100.0	238,529
Winchester	150,000	100.0	150,000
Winneconne	115,309	100.0	115,309
Wolf River	78,103	100.0	78,103
Village:			
Winneconne	5,366,144	100.0	5,366,144
Cities:			
Appleton	33,305,000	1.54	512,897
Menasha	41,646,499	100.0	41,646,499
Neenah	47,454,944	100.0	47,454,944
Omro	3,683,983	100.0	3,683,983
Oshkosh	137,859,256	100.0	137,859,256

(Continued)

Table 11

WINNEBAGO COUNTY, WISCONSIN
COMPUTATION OF DIRECT AND OVERLAPPING DEBT

December 31, 2012			
<u>Jurisdiction</u>	<u>Net General Obligation Debt Outstanding (2)</u>	<u>Percentage Applicable to Winnebago County (2)</u>	<u>Amount Applicable to Winnebago County</u>
School Districts:			
Menasha	14,286,598	96.0	13,720,849
Neenah	1,475,032	100.0	1,475,032
Omro	8,177,046	99.9	8,165,598
Oshkosh	43,958,945	100.0	43,958,945
Winneconne	5,557,983	100.0	5,556,871
Fox Valley VTAE	<u>97,055,000</u>	33.8	<u>32,756,063</u>
Total Overlapping	<u>460,102,890</u>		<u>362,433,541</u>
Total Direct and Overlapping	<u>\$ 506,156,815</u>		<u>\$ 408,487,466</u>

(1) Excluding general obligation debt in enterprise funds.

(2) Information received from municipalities.

Table 12

WINNEBAGO COUNTY, WISCONSIN
DEMOGRAPHIC AND ECONOMIC STATISTICS

Last Ten Fiscal Years

Fiscal Year	Population (1)	Per Capita Income (2)	Median Age (3)	Public School Enrollment (4)	Unemployment Rate (5)
2003	160,177	30,359	36.6 yrs.	23,366	4.0%
2004	161,863	32,275	36.9 yrs.	22,831	4.2%
2005	163,244	32,572	36.9 yrs.	22,888	3.9%
2006	163,867	33,874	37.1 yrs.	22,810	4.3%
2007	164,703	36,600	37.3 yrs.	22,809	4.0%
2008	165,358	37,139	37.6yrs.	23,223	8.4%
2009	165,864	35,300	37.9yrs.	22,584	7.6%
2010	166,308	36,034	38.4yrs.	23,037	7.0%
2011	167,245	38,444	(6)	23,014	6.6%
2012	167,782	(6)	(6)	22,764	6.4%

(1) Source: State of Wisconsin, Department of Administration - Bureau of Program Management, Demographic Services Center.

(2) Source: U.S. Department of Commerce (provided by State of Wisconsin, Department of Development - Bureau of Research, Business Information Services.) 2005 to current are from Wisconsin Department of Workforce Development.

(3) Source: State of Wisconsin, Department of Development - Bureau of Research, Information Services. Also, State of Wisconsin, Department of Health and Social Services, and State of Wisconsin Center for Public Health Statistics. 2005 to current are from Wisconsin Department of Workforce Development.

(4) Source: Local School Districts.

(5) Source: State of Wisconsin, Job Service, Labor Market Information Services.

(6) Per capita income and median age statistics are not yet available from the U.S. Department of Commerce and the State of Wisconsin, Department of Development.

Table 13

WINNEBAGO COUNTY, WISCONSIN

TEN LARGEST EMPLOYERS

2012 AND NINE YEARS PRIOR

Taxpayer	Type of Business	2012		2003	
		Approximate Employment	Rank	Approximate Employment	Rank
ThedaCare	Health Care Services	5,000	1	4,500	2
Affinity Health System	Health Care Services	4,300	2		
Plexus Corporation & Affiliates	Electronic Design, Manufacturing,	3,731	3	2,013	3
Kimberly Clark	Paper products manufacturer	3,400	4	5,730	1
Banta Corporation	Printing and Digital Imaging	2,541	5	1,500	6
Oshkosh Truck Corporation	Large Vehicle manufacturer	2,099	6	1,708	4
Pierce Manufacturing	Fire Truck Manufacturing and Testing	1,800	7	1,500	8
Curwood, Inc	Plastic container manufacturer	1,730	8	1,455	9
University of Wisconsin - Oshkosh	Education	1,676	9	1,610	5
Oshkosh Area School District	Education	1,184	10	1,500	7
Mercy Medical	Medical facility			1,600	5
SCA Tissue	Paper products manufacturer			1,290	10
Total		27,461		24,406	

Source: Robert W. Barid & Co. Bond Statements from 2012 and 2003.

Table 14

WINNEBAGO COUNTY, WISCONSIN
FULL-TIME BUDGETED COUNTY POSITIONS BY FUNCTIONAL AREA

Last Ten Fiscal Years

Fiscal Year	General Government	Public Safety	Public Works	Health and Human Services	Culture, Recreation and Education	Conservation and Development	Total
2003 *	93	257	90	559	18	33	1,050
2004	93	271	90	550	18	33	1,055
2005	93	269	90	548	18	33	1,051
2006	89	250	90	527	18	31	1,005
2007	89	242	85	524	18	31	989
2008	87	249	85	492	18	31	962
2009	89	249	85	501	15	29	968
2010	86	252	86	502	12	29	967
2011	84	254	85	501	11	29	964
2012	83	254	85	513	11	27	973

Source: Winnebago County Budget Document

* Starting in 2003 the budget document does not include the employees for the Solid Waste Fund.

Table 15

WINNEBAGO COUNTY, WISCONSIN
MISCELLANEOUS OPERATING INDICATORS

Last Ten Fiscal Years

	2003	2004	2005	2006	2007
JUSTICE AND PUBLIC SAFETY					
Jail Bookings	5,992	6,073	6,462	7,354	7,211
Average Daily Population - Jail	181	220	236	274	347
Average Daily Population - Inmates Housed Out of County	23	2	3	2	2
Average Daily Population - Huber Facility	110	82	91	-	-
Average Daily Population - Electronic Monitoring	11	21	38	110	71
HEALTH AND HUMAN SERVICES					
Nursing Home Resident Days of Care	83,820	83,987	81,628	72,754	62,149
Average Census	229	230	224	200	170
Licensed Beds	239	239	222	194	178
PARKS AND LAND USE					
Daily Boat Launch Stickers (A)	16,057	20,267	13,483	15,009	14,277
Annual Boat Launch Stickers (A)					
Resident	744	772	592	534	489
Non-Resident	219	361	349	275	253
Senior	77	96	98	82	72
Three Year Boat Launch Stickers (A)					
Resident	188	155	111	167	134
Non-Resident	57	37	21	54	53
Senior	65	16	11	34	24
Exposition Site					
Paid days of use	114	115	107	108	129
Unpaid days of use	83	46	50	51	48

Table 15

WINNEBAGO COUNTY, WISCONSIN
MISCELLANEOUS OPERATING INDICATORS

Last Ten Fiscal Years

	2003	2004	2005	2006	2007
PUBLIC WORKS					
Building Operations:					
Water Consumption (Gallons)	35,985,206	46,174,661	39,073,311	37,807,726	40,657,425
Transportation:					
Centerline Miles of Roads Maintained					
County	214	214	216	216	218
State	156	158	158	149	144
Airport:					
Annual Operations (Takeoffs and Landings)	110,870	100,588	96,600	92,478	84,120
Passenger traffic (B)					
Enplanements	144	-	-	-	-
Deplanements	161	-	-	-	-

(A) Boat launch fees did not go into effect until 2003.

(B) Passenger service ended in 2003.

* Information is unavailable

Source: Information provided by each department.

Table 15

WINNEBAGO COUNTY, WISCONSIN

MISCELLANEOUS OPERATING INDICATORS

Last Ten Fiscal Years

	2008	2009	2010	2011	2012
JUSTICE AND PUBLIC SAFETY					
Jail Bookings	6,771	6,792	6,220	6,304	6,348
Average Daily Population - Jail	319	324	317	290	307
Average Daily Population - Imates Housed Out of County	2	2	1	1	2
Average Daily Population - Huber Facility	-	-	-	-	-
Average Daily Population - Electronic Monitoring	66	63	42	40	39
HEALTH AND HUMAN SERVICES					
Nursing Home Resident Days of Care	60,204	60,356	59,896	59,726	59,646
Average Census	164	165	164	164	163
Licensed Beds	168	168	168	168	168
PARKS AND LAND USE					
Daily Boat Launch Stickers (A)	15,347	15,275	13,130	14,778	16,968
Annual Boat Launch Stickers (A)					
Resident	479	472	455	398	439
Non-Resident	213	312	326	273	369
Senior	76	177	187	186	221
Three Year Boat Launch Stickers (A)					
Resident	103	134	125	100	122
Non-Resident	28	64	64	57	86
Senior	18	95	86	70	122
Exposition Site					
Paid days of use	238	167	138	135	119
Unpaid days of use	100	64	74	68	61

Table 15

WINNEBAGO COUNTY, WISCONSIN

MISCELLANEOUS OPERATING INDICATORS

Last Ten Fiscal Years

	2008	2009	2010	2011	2012
PUBLIC WORKS					
Building Operations:					
Water Consumption (Gallons)	33,724,456	29,479,030	25,726,043	*	*
Transportation:					
Centerline Miles of Roads Maintained					
County	218	220	220	220	220
State	144	169	149	149	149
Airport:					
Annual Operations (Takeoffs and Landings)	81,006	90,971	75,918	70,809	69,174
Passenger traffic (B)					
Enplanements	-	-	-	-	-
Deplanements	-	-	-	-	-

(A) Boat launch fees did not go into effect until 2003.

(B) Passenger service ended in 2003.

* Information is unavailable

Source: Information provided by each department.

Table 16

WINNEBAGO COUNTY, WISCONSIN
CAPITAL ASSET STATISTICS BY FUNCTIONAL AREA

Last Ten Fiscal Years

	2003	2004	2005	2006	2007
JUSTICE AND PUBLIC SAFETY					
Correction Facility Capacities					
County Jail	347	347	347	347	347
Huber Facility	144	144	144	144	144
PARKS AND LAND USE					
Number of County Parks	13	12	12	12	12
Acres of Parks	1,428	1,415	1,415	1,415	1,415
Miles of Owned Trails					
Snowmobile	19	19	19	19	19
Hiking	27	27	27	27	27
Ice Arenas	1	1	1	1	1
Exposition Center	1	1	1	1	1
PUBLIC WORKS					
Transportation:					
Centerline Miles of Roads Maintained	214	214	216	216	218
Traffic Signals	14	14	14	14	14
Bridges	5	5	5	5	5
Airport:					
Number of Runways	4	4	4	4	4

* Information is unavailable

Source: Information provided by each department.

Table 16

WINNEBAGO COUNTY, WISCONSIN
CAPITAL ASSET STATISTICS BY FUNCTIONAL AREA
Last Ten Fiscal Years

	2008	2009	2010	2011	2012
JUSTICE AND PUBLIC SAFETY					
Correction Facility Capacities					
County Jail	347	347	347	347	347
Huber Facility	144	144	144	144	144
PARKS AND LAND USE					
Number of County Parks	12	12	12	12	12
Acres of Parks	1,415	1,415	1,415	1,415	1,415
Miles of Owned Trails					
Snowmobile	19	19	19	19	19
Hiking	27	27	27	27	27
Ice Arenas	1	1	1	1	1
Exposition Center	1	1	1	1	1
PUBLIC WORKS					
Transportation:					
Centerline Miles of Roads Maintained	218	220	220	220	220
Traffic Signals	14	14	14	14	14
Bridges	5	5	5	5	5
Airport:					
Number of Runways	4	4	4	4	4

* Information is unavailable

Source: Information provided by each department.