

LANGLADE COUNTY, WISCONSIN
ANNUAL FINANCIAL REPORT
DECEMBER 31, 2015

LANGLADE COUNTY, WISCONSIN

December 31, 2015

Table of Contents

	<u>Page No.</u>
INDEPENDENT AUDITORS' REPORT	1 - 3
MANAGEMENT'S DISCUSSION AND ANALYSIS	4 - 12
BASIC FINANCIAL STATEMENTS	
Government-wide Financial Statements	
Statement of Net Position	13
Statement of Activities	14 - 15
Fund Financial Statements	
Balance Sheet - Governmental Funds	16 - 18
Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	19 - 21
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - General Fund	22
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - County Roads and Bridges	23
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Social Services	24
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Northwoods CDBG	25
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Housing Rehabilitation	26
Statement of Net Position - Proprietary Funds	27
Statement of Revenues, Expenses and Changes in Fund Net Position - Proprietary Funds	28
Statement of Cash Flows - Proprietary Funds	29
Statement of Net Position - Fiduciary Fund	30
Notes to Basic Financial Statements	31 - 52
REQUIRED SUPPLEMENTARY INFORMATION	
Schedule of Funding Progress - Other Post-employment Benefit Plan	53
Schedule of Employer Contributions - Other Post-employment Benefit Plan	54
Schedule of Proportionate Share of Net Pension Asset - Wisconsin Retirement System	55
Schedule of Contributions - Wisconsin Retirement System	56
Notes to Required Supplementary Information	57

LANGLADE COUNTY, WISCONSIN
December 31, 2015

Table of Contents

	<u>Page No.</u>
SUPPLEMENTARY INFORMATION	
Detailed Comparison of Budgeted and Actual Revenues - General Fund	58 - 59
Detailed Comparison of Budgeted and Actual Expenditures - General Fund	60 - 61
Combining Balance Sheet - Nonmajor Governmental Funds	62 - 63
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Governmental Funds	64 - 65
ADDITIONAL INDEPENDENT AUDITORS' REPORT FOR BASIC FINANCIAL STATEMENTS	
Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	66 - 67
FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE	
Independent Auditors' Report on Compliance for Each Major Federal and State Program and Report on Internal Control Over Compliance as Required by the Uniform Guidance and the <i>State Single Audit Guidelines</i>	68 - 69
Schedule of Expenditures of Federal Awards	70 - 73
Schedule of State Financial Assistance	74 - 77
Notes to the Schedule of Expenditures of Federal Awards and the Schedule of State Financial Assistance	78 - 80
Schedule of Findings and Questioned Costs	81 - 83
Schedule of Prior Year Audit Findings and Corrective Action Plan	84



INDEPENDENT AUDITORS' REPORT

To the County Board
Langlade County
Antigo, Wisconsin

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Langlade County, Wisconsin ("the County") as of and for the year ended December 31, 2015, 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 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 auditors consider 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, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the County as of December 31, 2015, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the General Fund, County Roads and Bridges, Social Services, Northwoods CDBG, and Housing Rehabilitation special revenue funds for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note D.7, the County implemented GASB Statement No. 68, Accounting and Financial Reporting for Pensions - An Amendment of GASB Statement No. 27 and Statement No. 71, Pension Transition for Contributions Made Subsequent to the Measurement Date – An Amendment of GASB Statement No. 68. 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 on pages 4 through 12 and the schedules relating to pensions and other post-employment benefits on pages 53 through 56 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 is presented for purposes of additional analysis and is not a required part of the basic financial statements. The schedule of expenditures of federal awards and schedule of state financial assistance are presented for purposes of additional analysis, as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and the *State Single Audit Guidelines* issued by the Wisconsin Department of Administration are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The supplementary information and schedules of expenditures of federal awards and state financial assistance are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information, the schedules of expenditures of federal awards and the schedule of state financial assistance are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Report on Summarized Financial Information

We have previously audited the Langlade County, Wisconsin's 2014 financial statements, and our report dated June 16, 2015, expressed unmodified opinions on those respective financial statements of the governmental activities, the business-type activities, 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, 2014, 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 7, 2016, 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 7, 2016

MANAGEMENT'S DISCUSSION AND ANALYSIS

Langlade County
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Management's Discussion and Analysis

The discussion and analysis of Langlade County's financial performance provides an overall review of the County's financial activities for the fiscal year ended December 31, 2015. The purpose of this discussion and analysis is to look at the County's financial performance as a whole; readers could also review the notes to the basic financial statements to enhance their understanding of the County's financial performance.

Financial Highlights

Key financial highlights for 2015 are as follows:

- The County's assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$69.2 million at the close of the most recent fiscal year, an increase of \$5.5 million over the prior year. The increase in net position related primarily to the change in accounting principles related to pension reporting.
- The property tax rate increased .61% per \$1,000 of property value for the year ended 2015. The increase was attributed to the ability to increase taxes based on .391% of new construction for the County. Property taxes increased by .38% and the amount levied totaled \$9.2 million.
- As of December 31, 2015, unassigned fund balance for the general fund was \$5.1 million, or approximately 41.38% of total general fund expenditures. Included in the County's fund balance for the general fund was nonspendable fund balance totaling \$1.2 million, committed fund balance totaling \$9.9 million, and assigned fund balance totaling \$1.5 million.
- The County's internal service fund for health insurance reported a net income of \$348 thousand, due to the County implementing a high deductible health plan that is HSA eligible. The ending net position balance totaled \$.9 million or 35.38% of the 2015 fund expenses. The internal service fund is reported with governmental activities.
- General fund departmental expenditures ended the year 7.3% below budget. General fund balances of \$.8 million have been assigned for subsequent year expenditures.

Overview of the Basic Financial Statements

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

Government-wide Financial Statements

The government-wide financial statements consist of the following two financial statements: the Statement of Net Position and the Statement of Activities. Both of these statements were prepared using accounting methods similar to those used by private-sector companies, the economic resources measurement focus and the accrual basis of accounting.

The **Statement of Net Position** provides information regarding all of the County's assets, liabilities and deferred outflows/inflows of resources, with the difference reported as net position.

The **Statement of Activities**, on the other hand, provides information on how the government's net position changed during the fiscal year regardless of the period when the related cash or cash equivalent is received or paid. Therefore, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (for example, uncollected taxes and earned but unused vacation leave). The Statement of Net Position and the Statement of Activities distinguish functions of the County that are principally supported by taxes (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the County include (1) general government, (2) public safety, (3) public works, (4) health and human services, (5) culture and recreation, and (6) conservation and development. The business-type activities of the County include the highway department.

The government-wide financial statements can be found on pages 13 - 15 of this report.

Fund Financial Statements

The fund financial statements provide information regarding the three major categories of all County funds: governmental, proprietary, and fiduciary. The focus of governmental and proprietary fund financial statements is on major funds. Major funds are determined based on minimum criteria set forth in GASB Statement No. 34. Like other state and local governments, the County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. Fund accounting is also used to aid financial management by segregating transactions related to certain government functions or activities. A fund is a separate accounting entity with a self-balancing set of accounts.

Governmental funds - Governmental funds include most of the County's basic services and are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental funds financial statements are prepared using the **current financial resources measurement focus and modified accrual basis of accounting**.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Reconciliations are prepared for both the governmental funds' Balance Sheet and the governmental funds' Statement of Revenues, Expenditures, and Changes in Fund Balances to facilitate comparisons between governmental funds and governmental activities.

The County maintains several individual governmental funds organized according to their type (General Fund, Special Revenue, Debt Service and Capital Projects). Information is presented separately in the governmental funds Balance Sheet and in the Statement of Revenues, Expenditures, and Changes in Fund Balances for the General Fund, which is always a required major fund, and all other major funds. Information for nonmajor funds is presented in the aggregate in these statements. Individual fund data for each of the nonmajor governmental funds is presented in the Supplemental Information section.

Also included in the fund financial statements are the budgetary comparison statements, which present the County's annual appropriated budget for the General Fund and the major Special Revenue Funds. The budgetary comparison statements have been provided to demonstrate compliance with the budget for the other major funds.

The basic governmental fund financial statements can be found on pages 16 - 26 of this report.

Proprietary funds - The County maintains two different types of proprietary funds: Enterprise Funds and Internal Service Funds. **Enterprise Funds** are used to report the same functions presented as business-type activities in the government-wide financial statements. The County uses enterprise funds to account for its highway department operations and its coordinated transportation program. **Internal Service Funds** are used to accumulate and allocate costs internally among the County's various functions. The County uses an internal service fund to account for costs associated with its employee benefits plan. Because these services predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

Proprietary fund financial statements provide the same type of information as the government-wide financial statements, only in more detail, and include the County's internal service fund. Generally, amounts reported in the proprietary fund financial statements for the highway department agree with the government-wide financial statements, except for an allocation of the operating surplus of the County's internal service fund based on charges to the fund.

The basic proprietary fund financial statements can be found on pages 27 - 29 of this report.

Fiduciary funds - Fiduciary funds includes an **Agency** fund used to account for assets held on behalf of outside parties, including other governments. Financial information for fiduciary funds is not reported in the government-wide financial statements because the resources of these funds are not available to support the County's programs.

The basic fiduciary fund financial statements can be found on page 30 of this report.

Notes to the Basic Financial Statements

The Notes to the Basic Financial Statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

The notes to the basic financial statements can be found on pages 31 - 52 of this report.

Government-wide Financial Analysis

Net position. As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the County, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources (net position) by \$69.2 million at the close of 2015 as summarized below.

Langlade County's Net Position						
	Governmental Activities		Business-type Activities		Totals	
	2015	2014	2015	2014	2015	2014
Current and other assets	\$30,374,430	\$28,783,545	\$2,991,257	\$2,485,144	\$31,963,377	\$31,268,689
Capital assets	45,893,799	45,212,034	3,523,452	3,508,931	50,819,561	48,720,965
Total assets	76,268,229	73,995,579	6,514,709	5,994,075	82,782,938	79,989,654
Deferred outflows of resources	1,115,486	40,591	296,205	-	1,411,691	40,591
Long-term liabilities outstanding	2,806,763	3,713,495	329,948	491,263	3,136,711	4,204,758
Other liabilities	2,562,827	2,880,747	131,070	181,086	2,693,897	3,061,833
Total liabilities	5,369,590	6,594,242	461,018	672,349	5,830,608	7,266,591
Deferred inflows of resources	9,192,331	9,113,650	-	-	9,192,331	9,113,650
Net position:						
Investment in capital assets	43,983,174	42,706,483	3,523,452	3,508,931	47,506,626	46,215,414
Restricted	8,010,242	5,556,568	-	-	8,010,242	5,556,568
Unrestricted	10,828,378	10,065,227	2,826,444	1,812,795	13,654,822	11,878,022
Total net position	\$62,821,794	\$58,328,278	\$6,349,896	\$5,321,726	69,171,690	\$63,650,004

Change in net position. Governmental activities increased the County's net position by \$2,318,414 during the current year while business-type activities increased by \$424,955 as summarized below.

Langlade County's Change in Net Position						
	Governmental Activities		Business-type Activities		Total	
	2015	2014	2015	2014	2015	2014
Revenues:						
Program revenues:						
Charges for services	\$ 1,465,672	\$ 1,429,500	\$ 5,071,200	\$ 5,601,093	\$ 6,536,872	\$ 7,030,593
Operating grants and contributions	4,419,595	4,669,932	-	-	4,419,595	4,669,932
Capital grants and contributions	829,685	3,005,965	-	-	829,685	3,005,965
General revenues:						
Property taxes	9,113,650	9,079,218	-	-	9,113,650	9,079,218
Sales taxes	1,561,144	1,481,501	-	-	1,561,144	1,481,501
Other taxes	108,296	108,545	-	-	108,296	108,545
Grants and contributions not restricted to specific programs	728,961	730,050	-	-	728,961	730,050
Forest timber sales	2,002,358	2,284,975	-	-	2,002,358	2,284,975
Other	410,501	433,162	15,658	-	410,501	433,162
Total revenues	20,639,862	23,222,848	5,086,858	5,601,093	25,711,062	28,823,941
Expenses:						
General government	3,086,976	3,310,211	-	-	3,086,976	3,310,211
Public safety	4,501,772	5,010,158	-	-	4,501,772	5,010,158
Public works	2,614,141	2,312,867	-	-	2,614,141	2,312,867
Health and human services	1,435,004	4,348,525	-	-	1,435,004	4,348,525
Culture and recreation	4,088,666	1,470,282	-	-	4,088,666	1,470,282
Conservation and development	2,216,097	1,758,379	-	-	2,216,097	1,758,379
Interest on long-term debt	107,288	107,751	-	-	107,288	107,751
Highway	-	-	4,933,407	5,518,642	4,917,749	5,518,642
Total expenses	18,049,944	18,318,173	4,933,407	5,518,642	22,967,693	23,836,815
Increase (Decrease) in net position before transfers	2,589,918	4,904,675	153,451	82,451	2,743,369	4,987,126
Transfers	(271,504)	(370,823)	271,504	370,823	-	-
Change in net position	2,318,414	4,533,852	424,955	453,274	2,743,369	4,987,126
Net position – January 1, as originally reported	58,328,278	53,794,426	5,321,726	4,868,452	63,650,004	58,662,878
Cumulative Effect of Change in Accounting Principle	2,175,102	-	603,215	-	2,778,317	-
Net position - December 31	\$62,821,794	\$58,328,278	\$ 6,349,896	\$5,321,726	\$69,171,690	\$63,650,004

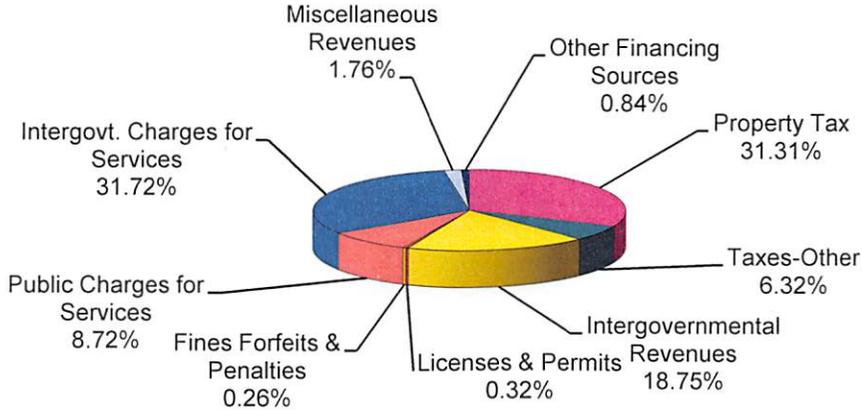
The narrative that follows considers the operations of governmental and business-type activities separately.

Governmental activities. The key elements of the increase of the County's net position for the year ended December 31, 2015 are as follows:

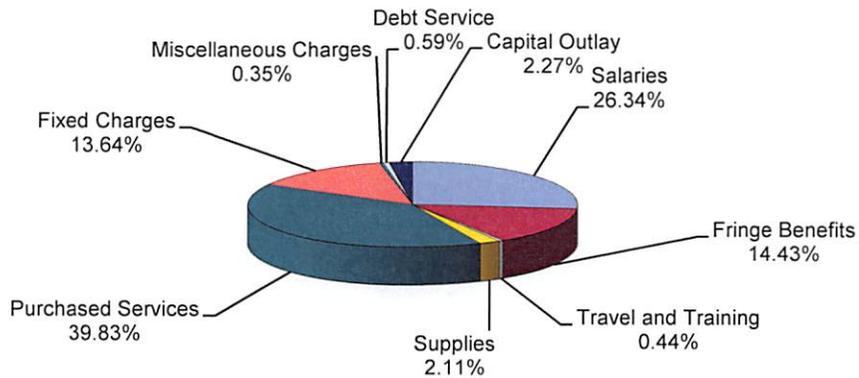
- Total revenues decreased by \$2,582,986, along with expenditures decreasing by \$268,229 from 2014 to 2015. The County's net position showed an increase due primarily to departments being under budget and changes in accounting principles for pension reporting by approximately \$4.5 million in 2015.
- Local property taxes increased by \$34,432 (.4%) from 2014 to 2015. The increase was due primarily to the COLA amount given to employees.

On the following page, revenues by source and expenditures by object are presented in graph form to illustrate the major revenues and expenditures of the County's governmental activities.

REVENUE BY SOURCE 2015 BUDGET



EXPENDITURES BY OBJECT 2015 BUDGET



Business-type activities. The County's highway department operations reported an increase in net position of \$347,082. The increase in net position as reported in the statement of activities was due primarily to the decrease in operation and maintenance costs as of December 31, 2015. The County transferred \$271,504 from its County roads and bridges special revenue fund to finance some administrative expenses of the highway department. The highway department generally recovers its costs from charges to the County (maintenance on County roads and bridges), the State of Wisconsin (maintenance on State highways), other governmental entities and other departments of the County.

Financial Analysis of the County's Funds

The County uses fund accounting to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

Governmental Funds

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

At December 31, 2015, the County's governmental funds reported total fund balances of \$11,162,946, with a net increase in fund balances of \$12,348. Of the total fund balances for the governmental funds, \$5,017,632 (44.95%) constitutes *unassigned fund balances*. This amount is available for spending at the discretion of the County's Board of Supervisors in order to achieve the established function of the respective funds. Other than the General Fund, all other County funds are restricted for the particular purpose that each fund was established for. For example, special revenue funds have either legal or operational requirements to restrict expenditures for specified purposes and debt service funds are restricted for payment of principal and interest on general long-term debt. Commitments by the County related to executory contracts for goods or services are recorded and established as reservations of fund balances in the governmental funds.

The remainder of fund balance is *nonspendable* to indicate that it is not available for new spending because it has already been committed 1) for current year purchases of inventory and prepayments that benefit periods beyond the end of the current year (\$416,117), and 2) for delinquent property taxes (\$830,522); *restricted* for community development (\$347,858), scholarships (\$2,848), and debt retirement (\$212,634); *committed* for capital improvements (\$907,683), county roads and bridges (\$1,576,631) and social services (\$244,394); and *assigned* for specific programs (\$1,606,627).

The general fund is the chief operating fund of the County. At the end of the current year, unassigned fund balance of the general fund was \$5,056,997, while total fund balance reached \$8,691,023. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 41.38% of total general fund expenditures, while total fund balance represents 71.12% of that same amount.

The unassigned fund balance of the County's general fund increased by \$57,976 during the current year due primarily to timber sales revenue exceeding budget and other County departments being under budget for the year. The overall general fund balance decreased by (\$43).

The County roads and bridge fund reports a fund balance of \$1,576,631 at the end of the year. Total expenditures were (\$13,201) over budget while revenues were (\$35,956) greater than what was budgeted. A transfer of \$245,274 was made to the County's highway department operations.

The social services special revenue fund had a deficit of expenditures over revenues (\$108,479) due primarily to additional Juvenile out of home placement costs. Generally, the County transfers all operating surpluses, less budget appropriations carried forward to the subsequent year, to the general fund.

The Northwoods CDBG special revenue fund recorded a deficit of (\$12,981) with expenditures exceeding revenues due to a decrease in development revenues. The Northwoods CDBG special revenue fund had a fund balance of (\$39,356) as of December 31, 2015.

The housing rehabilitation special revenue fund recorded a deficit of (\$21,670) with expenditures exceeding revenues due to a decrease in development revenues. The housing rehabilitation special revenue fund had a fund balance of \$47,309 as of December 31, 2015.

Proprietary Funds

The County's proprietary funds provide the same type of information found in the County's government-wide financial statements, but in more detail. Unrestricted net position of the highway department at the end of the year amounted to \$2,055,116, an increase of \$335,108 from the prior year. Other factors concerning the finances of this fund have already been addressed in the discussion of the County's business-type activities.

Unrestricted net position of the self-funded health insurance account at the end of the year amounted to \$878,624, an increase of \$348,122 from the prior year. The primary reason for the increase was due to the county implementing a high deductible health plan that is eligible for HSA contributions.

General Fund Budgetary Highlights

This section provides a summary of the primary factors involved in the variances between: 1) the Original Budget and the Final Amended Budget; and 2) the Final Amended Budget and the Actual Amounts for the General Fund. Refer to the Budgetary Comparison Statement for details on this budgetary comparison.

For the most part, the revenue variances noted in the Final Amended Budget vs. Actual Amounts section of this analysis will not significantly affect future services or liquidity in and of themselves in the near future (one to two years).

Revenue Variances

The general fund final amended budget revenues increased \$161,887 due primarily to changes or additions in grant amounts after the County's budget was adopted. Overall, the County's general fund reported a positive budget variance of \$230,608 due primarily to the profits on tax deed sales.

Expenditure Appropriation Variances

The general fund final amended budget expenditures increased by \$1,275,883 due primarily to additional grant awards received after the County's 2015 budget was adopted and transfers from the general fund balance representing prior year budget carry forwards or new expenditures approved by the County Board of Supervisors. The County Board of Supervisors has approved the carrying forward of a number of 2015 appropriations into the County's 2016 budget.

Capital Asset and Debt Administration

Capital assets

At December 31, 2015, the County's capital assets for both the governmental and business-type activities amounted to \$49,417,251 (net of accumulated depreciation). The investment in capital assets includes land, buildings, improvements other than buildings, machinery and equipment, and infrastructure (roads and bridges). The following lists the significant capital assets additions for the current year:

A comparative summary of the County's capital assets for governmental and business-type activities is presented on the next page. Additional information on the changes in capital assets can be found in the notes to the basic financial statements.

Langlade County's Capital Assets (net of accumulated depreciation)						
	Governmental activities		Business-type activities		Total	
	2015	2014	2015	2014	2015	2014
Land	\$ 7,464,913	\$ 7,464,913	\$ 10,509	\$ 10,509	\$ 7,475,422	\$ 7,475,422
Buildings	9,932,971	10,193,063	84,146	111,116	10,017,117	10,304,179
Improvements other than buildings	1,335,328	1,430,041	67,931	60,302	1,403,259	1,490,343
Machinery and equipment	1,627,063	1,642,723	3,309,592	3,275,023	4,936,655	4,917,746
Other assets	-	-	51,274	51,981	51,274	51,981
Infrastructure	25,316,321	24,155,909	-	-	25,316,321	24,155,909
Construction in progress	217,203	325,385	-	-	217,203	325,385
Total	\$45,893,799	\$45,212,034	\$3,523,452	\$3,508,931	\$49,417,251	\$48,720,965

Long-term debt

The amount of general obligation bonded indebtedness the County can incur is limited by law to 5 percent of the last equalized property tax roll. This limitation does not affect the financing of any of the County's planned facilities or services. At the end of the current fiscal year, the County had total bonded debt outstanding of \$1,842,526.

Langlade County's Outstanding Debt General Obligation		
	Total	
	2015	2014
General obligation debt:		
Bonds	\$1,070,000	\$1,385,000
Notes	772,526	1,015,204
Total general obligation debt	\$1,842,526	\$2,400,204

Of the County's outstanding debt, \$1,070,000 related to the construction of the Jail, \$617,949 is related to the Wood Technology Building, and \$154,577 is related to the HVAC project for the Health Care Center and Resource Center. The County's outstanding debt decreased (\$557,678) or 23.23% during the current fiscal year.

Economic Factors and Next Year's Budgets and Rates

In 2006 the County implemented a multi-year budgeting process. This process has allowed the Finance Department, and the Finance Committee, the ability to monitor and project budgeting difficulties in advance. With the State imposed property tax levy limits, the County was able to rely on the 2016 budget plans that were submitted by departments. From these budget plans, the County was able to forecast the budgets, and meet the levy limits.

The cost-of-living adjustment that was negotiated with the Deputies Law Enforcement Union was for 1.5%. The rest of the County employees also received the same cost-of-living adjustment for 2016.

Health insurance increases are not as much of a concern for the County budget because the County capped the amount they would contribute towards health insurance for the employees. In 2015, the County capped the amount they would pay annually for health insurance plans at \$20,738 for a family plan and \$8,221 for a single plan, with the employees paying anything above those amounts. The County also introduced a High Deductible Health Plan (HDHP) that was HSA eligible. The HDHP plan was designed to cost the maximum amounts of \$20,738 for a family plan and \$8,221 for a single plan and these premiums did not require any adjustments for 2016. Because the employees would not need to contribute towards the premium of the HDHP, they were encouraged to utilize the savings to fund their HSA accounts. The County will continue to look at ways to keep the cost of health insurance down for the employees, even though the amount the County contributes is capped for budgetary purposes.

With the adoption of the 2011/2012 State budget, new levy limits have been imposed on all municipalities. This new levy limit overrides the one imposed in 1993. The baseline for the new levy limit is the increase of new construction (as it pertains to equalized value) for all communities per year. The operating levy rate and the debt levy rate cannot exceed the baseline rates unless the County qualifies for one of the exceptions allowed under the law. The law establishes specific penalties for failure to meet the levy rate freeze requirements. Among the penalties for exceeding the limits is the reduction of state shared revenues and transportation aids.

Langlade County's increase in new construction was .89% for 2016. For the 2016 budget process, the County was only able to increase the levy \$78,681 for new construction.

Langlade County will be debt free after 2018. The amount of the jail debt payments has always been included in the operating budget of the County. Because the County has never increased the tax levy amount for the jail debt payments, this amount will be available to be utilized for operations effective with the 2019 budget. This will give the County approximately \$375,977 in additional operating funds. The County has already earmarked \$260,000 of these funds for the following positions: Human Resources Director, dispatcher, and Courthouse Deputy.

The County is also considering borrowing funds in 2017 for the remodeling of the Highway Shop. The plan has been to borrow the funds in 2017 so the first payment will be due in 2018. This borrowing will then take the place of the current debt payments for the Woodtech Building and the HVAC projects that will be paid off in 2018.

Contacting the County's Financial Management

This financial report is designed to provide a general overview of the County's finances for all those with an interest in the County's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Gary D. Olsen, Finance Director, 800 Clermont Street, Antigo WI, 54409. Email: golsen@co.langlade.wi.us.

BASIC FINANCIAL STATEMENTS

LANGLADE COUNTY, WISCONSIN

Statement of Net Position

December 31, 2015

(With summarized financial information as of December 31, 2014)

	Governmental Activities	Business-type Activities	Totals	
			2015	2014
ASSETS				
Cash and investments	\$ 12,312,780	\$ 1,522,286	\$ 13,835,066	\$ 13,672,855
Receivables				
Property taxes	9,192,331	-	9,192,331	9,113,650
Delinquent property taxes	1,006,874	-	1,006,874	1,043,937
Accounts	415,885	613	416,498	263,770
Loans	5,268,104	-	5,268,104	4,979,713
Interest	175,879	-	175,879	187,639
Internal balances	(174,968)	174,968	-	-
Due from other governments	662,859	296,584	959,443	956,479
Inventories and prepaid items	416,839	692,343	1,109,182	1,050,646
Net pension asset	1,097,847	304,463	1,402,310	-
Capital assets, nondepreciable				
Land	7,464,913	10,509	7,475,422	7,475,422
Construction in progress	217,203	-	217,203	325,385
Capital assets, depreciable				
Land improvements	3,230,956	95,359	3,326,315	3,326,315
Buildings and improvements	28,967,480	1,215,462	30,182,942	29,802,388
Machinery and equipment	4,408,050	9,271,352	13,679,402	13,599,660
Other assets	-	102,216	102,216	102,216
Infrastructure	44,718,888	-	44,718,888	42,869,733
Less: Accumulated depreciation	(43,113,691)	(7,171,446)	(50,285,137)	(48,780,154)
TOTAL ASSETS	76,268,229	6,514,709	82,782,938	79,989,654
DEFERRED OUTFLOWS OF RESOURCES				
Deferred outflows related to pensions	1,085,718	296,205	1,381,923	-
Loss on advance refunding	29,768	-	29,768	40,591
TOTAL DEFERRED OUTFLOWS OF RESOURCES	1,115,486	296,205	1,411,691	40,591
LIABILITIES				
Accounts payable	943,392	65,576	1,008,968	1,348,998
Accrued and other current liabilities	1,036,637	65,494	1,102,131	1,042,350
Accrued interest payable	28,282	-	28,282	37,961
Due to other governments	236,399	-	236,399	289,235
Unearned revenues	318,117	-	318,117	343,289
Long-term obligations				
Due within one year	948,505	-	948,505	911,926
Due in more than one year	1,858,258	329,948	2,188,206	3,292,832
TOTAL LIABILITIES	5,369,590	461,018	5,830,608	7,266,591
DEFERRED INFLOWS OF RESOURCES				
Property taxes	9,192,331	-	9,192,331	9,113,650
NET POSITION				
Net investment in capital assets	43,983,174	3,523,452	47,506,626	46,215,414
Restricted for				
Debt service	212,634	-	212,634	207,690
Community development	5,615,962	-	5,615,962	5,346,030
Scholarships	2,848	-	2,848	2,848
Pension benefits	2,183,565	600,668	2,784,233	-
Unrestricted	10,823,611	2,225,776	13,049,387	11,878,022
TOTAL NET POSITION	\$ 62,821,794	\$ 6,349,896	\$ 69,171,690	\$ 63,650,004

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

LANGLADE COUNTY, WISCONSIN
Statement of Activities
For the Year Ended December 31, 2015
(With summarized financial information for the year ended December 31, 2014)

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental Activities				
General government	\$ 3,086,976	\$ 727,040	\$ 78,636	\$ -
Public safety	4,501,772	275,730	93,653	-
Public works	2,614,141	31,265	658,025	819,685
Culture and recreation	1,435,004	202,123	43,598	10,000
Health and human services	4,088,666	121,591	1,990,886	-
Conservation and development	2,216,097	107,923	1,554,797	-
Interest on debt	107,288	-	-	-
Total Governmental Activities	18,049,944	1,465,672	4,419,595	829,685
Business-type Activities				
Highway	4,933,407	5,071,200	-	-
Total	\$ 22,983,351	\$ 6,536,872	\$ 4,419,595	\$ 829,685

General revenues
Taxes
Property taxes
Sales tax
Other taxes
Federal and state grants and other contributions
not restricted to specific functions
Forest timber sales
Interest and investment earnings
Miscellaneous
Gain on sale of capital assets
Transfers
Total general revenues and transfers

Change in net position

Net position - January 1, as originally reported

Cumulative effect of change in accounting principle

Net position - January 1, as restated

Net position - December 31

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

Net (Expense) Revenue and Changes in Net Position			
Governmental Activities	Business-type Activities	Totals	
		2015	2014

\$ (2,281,300)	\$ -	\$ (2,281,300)	\$ (2,487,859)
(4,132,389)	-	(4,132,389)	(4,614,681)
(1,105,166)	-	(1,105,166)	(602,461)
(1,179,283)	-	(1,179,283)	(1,286,659)
(1,976,189)	-	(1,976,189)	(2,296,607)
(553,377)	-	(553,377)	2,183,242
(107,288)	-	(107,288)	(107,751)
<u>(11,334,992)</u>	-	<u>(11,334,992)</u>	<u>(9,212,776)</u>

-	137,793	137,793	82,451
<u>(11,334,992)</u>	<u>137,793</u>	<u>(11,197,199)</u>	<u>(9,130,325)</u>

9,113,650	-	9,113,650	9,079,218
1,561,144	-	1,561,144	1,481,501
108,296	-	108,296	108,545
728,961	-	728,961	730,050
2,002,358	-	2,002,358	2,284,975
309,049	-	309,049	321,908
101,452	-	101,452	111,254
-	15,658	15,658	-
(271,504)	271,504	-	-
<u>13,653,406</u>	<u>287,162</u>	<u>13,940,568</u>	<u>14,117,451</u>

<u>2,318,414</u>	<u>424,955</u>	<u>2,743,369</u>	<u>4,987,126</u>
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58,328,278	5,321,726	63,650,004	58,662,878
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<u>2,175,102</u>	<u>603,215</u>	<u>2,778,317</u>	-
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<u>60,503,380</u>	<u>5,924,941</u>	<u>66,428,321</u>	<u>58,662,878</u>
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<u>\$ 62,821,794</u>	<u>\$ 6,349,896</u>	<u>\$ 69,171,690</u>	<u>\$ 63,650,004</u>
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LANGLADE COUNTY, WISCONSIN

Balance Sheet

Governmental Funds

December 31, 2015

(With summarized financial information as of December 31, 2014)

	General	County Roads and Bridges	Social Services
ASSETS			
Cash and investments	\$ 8,268,247	\$ 1,576,631	\$ 201,051
Receivables			
Property taxes	4,963,243	2,238,392	916,749
Delinquent property taxes	1,006,874	-	-
Accounts	392,911	-	7,016
Loans	-	-	-
Interest	175,879	-	-
Due from other funds	222,215	-	-
Due from other governments	301,771	-	252,963
Inventories and prepaid items	416,081	-	36
TOTAL ASSETS	\$ 15,747,221	\$ 3,815,023	\$ 1,377,815
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES			
Liabilities			
Accounts payable	\$ 154,093	\$ -	\$ 180,063
Due to other funds	3,615	-	513
Accrued and other current liabilities	994,161	-	31,562
Due to other governments	236,399	-	-
Unearned revenues	293,994	-	4,498
Total Liabilities	1,682,262	-	216,636
Deferred Inflows of Resources			
Property taxes	4,963,243	2,238,392	916,749
Interest on taxes	122,584	-	-
Long-term receivables	288,109	-	-
Loans receivable	-	-	-
Total Deferred Inflows of Resources	5,373,936	2,238,392	916,749
Fund Balances			
Nonspendable			
Inventories and prepaid items	416,081	-	36
Delinquent property taxes	830,522	-	-
Restricted for			
Community development	-	-	-
Scholarships	-	-	-
Retirement of long-term debt	-	-	-
Committed for			
Capital improvements	907,683	-	-
County roads and bridges	-	1,576,631	-
Social service programs	-	-	244,394
Assigned for			
Forestry preservation	135,674	-	-
Forestry land purchase	175,000	-	-
Forestry recreation	100,000	-	-
Equipment and computer replacement	162,424	-	-
Sick leave	150,000	-	-
Subsequent year's budget	756,642	-	-
Public safety	-	-	-
Fairgrounds	-	-	-
Unassigned	5,056,997	-	-
Total Fund Balances	8,691,023	1,576,631	244,430
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 15,747,221	\$ 3,815,023	\$ 1,377,815

(Continued)

Northwoods CDBG	Housing Rehabilitation	Other Governmental Funds	Total Governmental Funds	
			2015	2014
\$ 129,604	\$ 47,878	\$ 650,341	\$ 10,873,752	\$ 10,723,684
-	-	1,073,947	9,192,331	9,113,650
-	-	-	1,006,874	1,043,937
-	-	15,958	415,885	263,074
1,575,871	2,341,239	1,650,994	5,568,104	5,279,713
-	-	-	175,879	187,639
-	-	-	222,215	213,825
85,732	-	22,393	662,859	658,255
-	-	722	416,839	413,989
<u>\$ 1,791,207</u>	<u>\$ 2,389,117</u>	<u>\$ 3,414,355</u>	<u>\$ 28,534,738</u>	<u>\$ 27,897,766</u>

\$ 39,690	\$ 556	\$ 14,076	\$ 388,478	\$ 250,478
215,011	13	1,881	221,033	228,099
-	-	11,111	1,036,834	984,196
-	-	-	236,399	289,235
-	-	19,428	317,920	342,714
<u>254,701</u>	<u>569</u>	<u>46,496</u>	<u>2,200,664</u>	<u>2,094,722</u>

-	-	1,073,947	9,192,331	9,113,650
-	-	-	122,584	118,956
-	-	-	288,109	140,127
1,575,871	2,341,239	1,650,994	5,568,104	5,279,713
<u>1,575,871</u>	<u>2,341,239</u>	<u>2,724,941</u>	<u>15,171,128</u>	<u>14,652,446</u>

-	-	722	416,839	413,520
-	-	-	830,522	848,442
-	47,309	300,549	347,858	366,317
-	-	2,848	2,848	2,848
-	-	212,634	212,634	207,867
-	-	-	907,683	939,849
-	-	-	1,576,631	1,553,876
-	-	-	244,394	244,230
-	-	-	135,674	169,532
-	-	-	175,000	175,000
-	-	-	100,000	100,000
-	-	-	162,424	193,686
-	-	-	150,000	150,000
-	-	-	756,642	702,216
-	-	126,887	126,887	110,578
(39,365)	-	(722)	5,016,910	4,972,637
<u>(39,365)</u>	<u>47,309</u>	<u>642,918</u>	<u>11,162,946</u>	<u>11,150,598</u>

<u>\$ 1,791,207</u>	<u>\$ 2,389,117</u>	<u>\$ 3,414,355</u>	<u>\$ 28,534,738</u>	<u>\$ 27,897,766</u>
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LANGLADE COUNTY, WISCONSIN
Balance Sheet (Continued)
Governmental Funds
December 31, 2015
(With summarized financial information as of December 31, 2014)

<u>Reconciliation to the Statement of Net Position</u>	2015	2014
Total Fund Balances as shown on previous page	\$ 11,162,946	\$ 11,150,598
Amounts reported for governmental activities in the statement of net assets are different because:		
Capital assets used in governmental activities are not current financial resources and therefore are not reported in the funds.	45,893,799	45,212,034
Other long-term assets are not available to pay current period expenditures and therefore are deferred in the funds.		
Interest receivable on delinquent property taxes	122,584	118,956
Accounts receivable	288,109	140,127
Loans receivable (net of allowance of \$300,000)	5,268,104	4,979,713
The County's proportionate share of the Wisconsin Retirement System pension plan is not an available financial resource; therefore, it is not reported in the fund financial statements:		
Net pension asset	\$ 1,097,847	
Deferred outflows of resources	<u>1,085,718</u>	2,183,565
		-
The deferred outflow of resources for the loss on advance refunding is not a current financial resource and therefore is not reported in the funds.	29,768	40,591
Internal service funds are used by management to allocate the costs of health and dental claims of employees to individual funds. The assets of the internal and dental claims of employees to individual funds. The assets of the internal service fund are included in governmental activities in the statement of net position.	707,964	437,715
Some liabilities are not due and payable in the current period and, therefore, are not reported in the funds.		
Bonds and notes payable	(1,842,526)	(2,400,204)
Premium on debt	(14,520)	-
Capital lease payable	(68,099)	(105,347)
Post employment benefits	(90,157)	(340,671)
Compensated absences	(791,461)	(867,273)
Accrued interest on long-term obligations	<u>(28,282)</u>	<u>(37,961)</u>
Net Position of Governmental Activities as Reported on the Statement of Net Position (see page 13)	<u>\$ 62,821,794</u>	<u>\$ 58,328,278</u>

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

LANGLADE COUNTY, WISCONSIN
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2015
(With summarized financial information for the year ended December 31, 2014)

	General	County Roads and Bridges	Social Services
Revenues			
Taxes	\$ 6,797,684	\$ 2,238,392	\$ 863,887
Intergovernmental	2,037,531	1,476,830	1,470,655
Licenses and permits	92,596	-	-
Fines and forfeits	85,169	-	-
Public charges for services	2,488,884	-	69,295
Intergovernmental charges for services	68,330	-	-
Interdepartmental charges for services	512,882	-	-
Miscellaneous	329,014	880	-
Total Revenues	12,412,090	3,716,102	2,403,837
Expenditures			
Current			
General government	3,202,966	-	-
Public safety	4,290,364	-	-
Public works	151,793	2,291,110	-
Health and human services	1,460,139	-	2,512,316
Culture and recreation	1,057,567	-	-
Conservation and development	1,401,621	-	-
Debt service			
Principal	-	-	-
Interest and fiscal charges	-	-	-
Capital outlay	655,208	1,156,963	-
Total Expenditures	12,219,658	3,448,073	2,512,316
Excess of Revenues Over (Under) Expenditures	192,432	268,029	(108,479)
Other Financing Sources (Uses)			
Long-term debt issued	-	-	-
Current refunding of long-term debt	-	-	-
Premium on debt issued	-	-	-
Transfers in	47,630	-	108,479
Transfers out	(240,105)	(245,274)	-
Total Other Financing Sources (Uses)	(192,475)	(245,274)	108,479
Net Change in Fund Balances	(43)	22,755	-
Fund Balances - January 1	8,691,066	1,553,876	244,430
Fund Balances - December 31	\$ 8,691,023	\$ 1,576,631	\$ 244,430

(Continued)

Northwoods CDBG	Housing Rehabilitation	Other Governmental Funds	Total Governmental Funds	
			2015	2014
\$ -	\$ -	\$ 1,084,600	\$ 10,984,563	\$ 10,914,547
864,520	-	91,172	5,940,708	8,415,707
-	-	5,131	97,727	118,917
-	-	-	85,169	78,082
-	-	146,809	2,704,988	3,239,843
-	-	246	68,576	82,270
-	-	-	512,882	505,891
22,428	123,249	225,181	700,752	706,550
<u>886,948</u>	<u>123,249</u>	<u>1,553,139</u>	<u>21,095,365</u>	<u>24,061,807</u>
-	-	5,131	3,208,097	3,157,547
-	-	66,813	4,357,177	4,480,847
-	-	-	2,442,903	2,092,789
-	-	498,003	4,470,458	4,495,576
-	-	159,246	1,216,813	1,314,378
899,929	144,919	201,978	2,648,447	3,340,340
-	-	567,678	567,678	555,609
-	-	108,585	108,585	105,724
-	-	6,145	1,818,316	5,848,720
<u>899,929</u>	<u>144,919</u>	<u>1,613,579</u>	<u>20,838,474</u>	<u>25,391,530</u>
<u>(12,981)</u>	<u>(21,670)</u>	<u>(60,440)</u>	<u>256,891</u>	<u>(1,329,723)</u>
-	-	1,070,000	1,070,000	-
-	-	(1,060,000)	(1,060,000)	-
-	-	16,961	16,961	-
-	-	105,396	261,505	80,698
-	-	(47,630)	(533,009)	(451,521)
-	-	84,727	(244,543)	(370,823)
<u>(12,981)</u>	<u>(21,670)</u>	<u>24,287</u>	<u>12,348</u>	<u>(1,700,546)</u>
<u>(26,384)</u>	<u>68,979</u>	<u>618,631</u>	<u>11,150,598</u>	<u>12,851,144</u>
<u>\$ (39,365)</u>	<u>\$ 47,309</u>	<u>\$ 642,918</u>	<u>\$ 11,162,946</u>	<u>\$ 11,150,598</u>

LANGLADE COUNTY, WISCONSIN
Statement of Revenues, Expenditures and Changes in Fund Balances (Continued)
Governmental Funds
For the Year Ended December 31, 2015
(With summarized financial information for the year ended December 31, 2014)

<u>Reconciliation to the Statement of Activities</u>		
	2015	2014
Net Change in Fund Balances - Total Governmental Funds from previous page	\$ 12,348	\$(1,700,546)
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.		
Capital outlay reported in governmental fund statements	\$2,792,820	
Depreciation expense reported in the statement of activities	<u>(2,097,645)</u>	
Amount by which capital outlays is more than depreciation in current period	695,175	4,568,406
The statement of activities reports the cost of capital assets disposed of during the year as an expense.	(13,410)	(11,446)
Certain employee benefits are reported in the governmental funds when amounts are paid. The statement of activities reports the value of benefits earned during the year. This year the accrual of these benefits increased by:	326,326	(39,893)
Change in the net pension asset and related deferred inflows and outflows of resources as a result of employer contributions, changes in assumptions and proportionate share and the difference between the expected and actual experience of the pension plan	8,463	-
Repayment of principal on long-term obligation is reported in the governmental funds as an expenditure, but is reported as a reduction in long-term debt in the statement of net position and does not affect the statement of activities.		
The amount of long-term obligation principal payments in the current year is:	1,627,678	555,609
The amount of capital lease payments in the current year is:	37,248	33,342
Interest payments on outstanding debt are reported in the governmental funds as an expenditure when paid; in the statement of activities interest is reported as it accrues.	9,679	8,796
Debt premiums received are reported in the governmental funds as a revenue. In the statement of activities, these premiums are capitalized and amortized over the life of the bonds.	(14,520)	-
A loss on refunding long-term debt is reported in the governmental funds as an expenditure. In the statement of activities, the loss is amortized over the life of the refunded debt	(10,823)	(10,823)
The net revenue of certain activities of internal service funds is reported with governmental activities.	270,249	(122,602)
The amount of the debt is reported in the governmental funds as a source of financing. In the statement of net assets, however, debt constitutes a long-term liability. The amount of debt reported in the governmental funds statement is:		
General obligation debt	(1,070,000)	-
The County administers two loan programs. Loans issued are recorded as expenditure when made; in the statement of activities, loans issued are not expensed but recorded as an asset. Accordingly, loan repayments are not recorded as revenue in the statement of activities but reduce the receivable balance.		
Loans issued	\$ 968,581	
Loan repayments	(306,943)	
Loan adjustments and change in allowance for uncollectible accounts	<u>(373,247)</u>	
Amount by which loans issued is greater (less) than loan repayments and adjustments	288,391	1,395,100
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	151,610	(142,091)
Change in Net Position of Governmental Activities as Reported on the Statement of Activities (pages 14 - 15)	<u>\$2,318,414</u>	<u>\$ 4,533,852</u>

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

LANGLADE COUNTY, WISCONSIN
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
General Fund
For the Year Ended December 31, 2015
(With summarized financial information for the year ended December 31, 2014)

	Budgeted Amounts		Actual Amounts	Variance Final Budget - Positive (Negative)	2014 Actual Amounts
	Original	Final			
Revenues					
Taxes	\$ 6,781,771	\$ 6,781,771	\$ 6,797,684	\$ 15,913	\$ 6,676,646
Intergovernmental	2,015,079	2,057,058	2,037,531	(19,527)	4,100,126
Licenses and permits	87,160	87,160	92,596	5,436	113,694
Fines and forfeits	75,500	75,500	85,169	9,669	78,082
Public charges for services	2,398,981	2,421,336	2,488,884	67,548	3,032,935
Intergovernmental charges for services	58,834	71,834	68,330	(3,504)	78,887
Interdepartmental charges for services	443,863	483,066	512,882	29,816	505,891
Miscellaneous	158,407	203,757	329,014	125,257	289,503
Total Revenues	12,019,595	12,181,482	12,412,090	230,608	14,875,764
Expenditures					
Current					
General government	3,375,441	3,381,982	3,202,966	179,016	3,152,324
Public safety	4,324,241	4,413,810	4,290,364	123,446	4,368,210
Public works	153,620	167,768	151,793	15,975	145,845
Health and human services	1,498,526	1,539,837	1,460,139	79,698	1,585,463
Culture and recreation	962,371	1,081,940	1,057,567	24,373	1,188,881
Conservation and development	1,422,751	1,429,880	1,401,621	28,259	1,358,771
Capital outlay	171,440	1,169,056	655,208	513,848	4,364,580
Total Expenditures	11,908,390	13,184,273	12,219,658	964,615	16,164,074
Excess of Revenues Over (Under) Expenditures	111,205	(1,002,791)	192,432	1,195,223	(1,288,310)
Other Financing Sources (Uses)					
Transfers in	-	47,630	47,630	-	19,111
Transfers out	-	(240,106)	(240,105)	1	(71,425)
Total Other Financing Sources (Uses)	-	(192,476)	(192,475)	1	(52,314)
Net Change in Fund Balance	111,205	(1,195,267)	(43)	1,195,224	(1,340,624)
Fund Balance - January 1	8,691,066	8,691,066	8,691,066	-	10,031,690
Fund Balance - December 31	\$ 8,802,271	\$ 7,495,799	\$ 8,691,023	\$ 1,195,224	\$ 8,691,066

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

LANGLADE COUNTY, WISCONSIN
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
County Roads and Bridges
For the Year Ended December 31, 2015
(With summarized financial information for the year ended December 31, 2014)

	Budgeted Amounts		Actual Amounts	Variance Final Budget - Positive (Negative)	2014 Actual Amounts
	Original	Final			
Revenues					
Taxes	\$ 2,238,392	\$ 2,238,392	\$ 2,238,392	\$ -	\$ 2,238,392
Intergovernmental	1,441,754	1,441,754	1,476,830	35,076	1,676,425
Miscellaneous	-	-	880	880	3,000
Total Revenues	3,680,146	3,680,146	3,716,102	35,956	3,917,817
Expenditures					
Current					
Public works	2,186,582	2,186,582	2,291,110	(104,528)	1,946,944
Capital outlay	1,248,290	1,248,290	1,156,963	91,327	1,465,135
Total Expenditures	3,434,872	3,434,872	3,448,073	(13,201)	3,412,079
Excess of Revenues Over (Under) Expenditures	245,274	245,274	268,029	22,755	505,738
Other Financing Sources (Uses)					
Transfers out	(245,274)	(245,274)	(245,274)	-	(360,985)
Net Change in Fund Balance	-	-	22,755	22,755	144,753
Fund Balance - January 1	1,553,876	1,553,876	1,553,876	-	1,409,123
Fund Balance - December 31	\$ 1,553,876	\$ 1,553,876	\$ 1,576,631	\$ 22,755	\$ 1,553,876

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

LANGLADE COUNTY, WISCONSIN
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
Social Services
For the Year Ended December 31, 2015
(With summarized financial information for the year ended December 31, 2014)

	Budgeted Amounts		Actual Amounts	Variance Final Budget - Positive (Negative)	2014 Actual Amounts
	Original	Final			
Revenues					
Taxes	\$ 863,887	\$ 863,887	\$ 863,887	\$ -	\$ 924,086
Intergovernmental	1,304,280	1,478,185	1,470,655	(7,530)	1,407,030
Public charges for services	39,800	62,569	69,295	6,726	76,123
Total Revenues	2,207,967	2,404,641	2,403,837	(804)	2,407,239
Expenditures					
Current					
Health and human services	2,207,967	2,513,120	2,512,316	804	2,421,200
Excess of Revenues Over (Under) Expenditures	-	(108,479)	(108,479)	-	(13,961)
Other Financing Sources					
Transfers in	-	108,479	108,479	-	-
Net Change in Fund Balance	-	-	-	-	(13,961)
Fund Balance - January 1	244,430	244,430	244,430	-	258,391
Fund Balance - December 31	\$ 244,430	\$ 244,430	\$ 244,430	\$ -	\$ 244,430

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

LANGLADE COUNTY, WISCONSIN
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
Northwoods CDBG
For the Year Ended December 31, 2015
(With summarized financial information for the year ended December 31, 2014)

	Budgeted Amounts		Actual Amounts	Variance Final Budget - Positive (Negative)	2014 Actual Amounts
	Original	Final			
Revenues					
Intergovernmental	\$ 575,000	\$ 575,000	\$ 864,520	\$ 289,520	\$ 915,041
Miscellaneous	-	-	22,428	22,428	-
Total Revenues	575,000	575,000	886,948	311,948	915,041
Expenditures					
Current					
Conservation and development	575,000	575,000	899,929	(324,929)	941,425
Net Change in Fund Balance	-	-	(12,981)	(12,981)	(26,384)
Fund Balance (Deficit) - January 1	(26,384)	(26,384)	(26,384)	-	-
Fund Balance (Deficit) - December 31	\$ (26,384)	\$ (26,384)	\$ (39,365)	\$ (12,981)	\$ (26,384)

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

LANGLADE COUNTY, WISCONSIN
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
Housing Rehabilitation
For the Year Ended December 31, 2015
(With summarized financial information for the year ended December 31, 2014)

	Budgeted Amounts		Actual Amounts	Variance Final Budget - Positive (Negative)	2014 Actual Amounts
	Original	Final			
Revenues					
Intergovernmental	\$ 23,000	\$ 23,000	\$ -	\$ (23,000)	\$ 222,345
Miscellaneous	-	-	123,249	123,249	106,161
Total Revenues	23,000	23,000	123,249	100,249	328,506
Expenditures					
Current					
Conservation and development	23,000	23,000	144,919	(121,919)	264,864
Net Change in Fund Balance	-	-	(21,670)	(21,670)	63,642
Fund Balance - January 1	68,979	68,979	68,979	-	5,337
Fund Balance - December 31	\$ 68,979	\$ 68,979	\$ 47,309	\$ (21,670)	\$ 68,979

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

LANGLADE COUNTY, WISCONSIN

Statement of Net Position

Proprietary Funds

December 31, 2015

(With summarized financial information as of December 31, 2014)

	Business-type Activities		Governmental Activities	
	Enterprise Fund - Highway		Internal Service Fund - Insurance	
	2015	2014	2015	2014
ASSETS				
Current assets				
Cash and investments	\$ 1,522,286	\$ 1,442,056	\$ 1,439,028	\$ 1,507,115
Receivables				
Accounts	613	696	-	-
Due from other funds	4,308	14,724	-	-
Due from other governments	296,584	298,224	-	-
Inventories and prepaid expenses	692,343	636,657	-	-
Total Current Assets	2,516,134	2,392,357	1,439,028	1,507,115
Noncurrent assets				
Net pension asset	304,463	-	-	-
Capital assets, nondepreciable				
Land	10,509	10,509	-	-
Capital assets, depreciable				
Land improvements	95,359	95,359	-	-
Buildings and improvements	1,215,462	1,208,012	-	-
Machinery and equipment	9,271,352	9,252,093	-	-
Other assets	102,216	102,216	-	-
Less: Accumulated depreciation	(7,171,446)	(7,159,258)	-	-
Total Capital Assets, Net of Accumulated Depreciation	3,523,452	3,508,931	-	-
Total Noncurrent Assets	3,827,915	3,508,931	-	-
TOTAL ASSETS	6,344,049	5,901,288	1,439,028	1,507,115
DEFERRED OUTFLOWS OF RESOURCES				
Deferred outflows related to pensions	296,205	-	-	-
LIABILITIES				
Current Liabilities				
Accounts and claims payable	65,576	122,357	554,914	976,163
Accrued and other current liabilities	65,494	58,154	-	-
Due to other funds	-	-	5,490	450
Unearned revenues	-	575	-	-
Total Current Liabilities	131,070	181,086	560,404	976,613
Noncurrent Liabilities				
Compensated absences	308,883	398,932	-	-
Post employment benefits	21,065	92,331	-	-
Total Noncurrent Liabilities	329,948	491,263	-	-
TOTAL LIABILITIES	461,018	672,349	560,404	976,613
NET POSITION				
Net investment in capital assets	3,523,452	3,508,931	-	-
Restricted for				
Pension benefits	600,668	-	-	-
Unrestricted	2,055,116	1,720,008	878,624	530,502
TOTAL NET POSITION	6,179,236	5,228,939	\$ 878,624	\$ 530,502
Adjustment to reflect internal service fund activities related to enterprise fund	170,660	92,787		
Net Position of Business-type Activities as Reported on the Statement of Net Position (see page 13)	\$ 6,349,896	\$ 5,321,726		

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

LANGLADE COUNTY, WISCONSIN
Statement of Revenues, Expenses and Changes in Fund Net Position
Proprietary Funds
For the Year Ended December 31, 2015
(With summarized financial information for the year ended December 31, 2014)

	Business-type Activities		Governmental Activities	
	Enterprise Fund - Highway		Internal Service Fund - Insurance	
	2015	2014	2015	2014
Operating Revenues				
Charges for services	\$ 4,968,156	\$ 5,592,441	\$ 2,490,626	\$ 2,932,669
Other	103,044	8,652	340,395	302,255
Total Operating Revenues	<u>5,071,200</u>	<u>5,601,093</u>	<u>2,831,021</u>	<u>3,234,924</u>
Operating Expenses				
Operation and maintenance	4,498,137	5,027,358	2,483,167	3,393,246
Depreciation	513,143	455,907	-	-
Total Operating Expenses	<u>5,011,280</u>	<u>5,483,265</u>	<u>2,483,167</u>	<u>3,393,246</u>
Operating Income (Loss)	<u>59,920</u>	<u>117,828</u>	<u>347,854</u>	<u>(158,322)</u>
Nonoperating Revenues				
Gain (loss) on sale of capital assets	15,658	-	-	-
Interest income	-	-	268	343
Total Nonoperating Revenues	<u>15,658</u>	<u>-</u>	<u>268</u>	<u>343</u>
Income (Loss) before Transfers	<u>75,578</u>	<u>117,828</u>	<u>348,122</u>	<u>(157,979)</u>
Other Financing Sources				
Transfers in	<u>271,504</u>	<u>370,823</u>	<u>-</u>	<u>-</u>
Change in Net Position	<u>347,082</u>	<u>488,651</u>	<u>348,122</u>	<u>(157,979)</u>
Net Position - January 1, as originally reported	5,228,939	4,740,288	530,502	688,481
Cumulative Effect of Change in Accounting Principle	<u>603,215</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Position - January 1, as restated	<u>5,832,154</u>	<u>4,740,288</u>	<u>530,502</u>	<u>688,481</u>
Net Position - December 31	<u>\$ 6,179,236</u>	<u>\$ 5,228,939</u>	<u>\$ 878,624</u>	<u>\$ 530,502</u>
Change in Net Position per above	<u>\$ 347,082</u>	<u>\$ 488,651</u>		
Adjustment to reflect the consolidation of the internal service fund activities related to enterprise fund	<u>77,873</u>	<u>(35,377)</u>		
Change in Net Position of Business-type Activities as Reported on the Statement of Activities (see pages 14 - 15)	<u>\$ 424,955</u>	<u>\$ 453,274</u>		

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

LANGLADE COUNTY, WISCONSIN
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2015
(With summarized financial information for the year ended December 31, 2014)

	Business-type Activities		Governmental Activities	
	Enterprise Fund - Highway		Internal Service Fund - Insurance	
	2015	2014	2015	2014
Cash Flows from Operating Activities				
Cash received from customers	\$ 4,980,295	\$ 5,568,221	\$ 2,495,666	\$ 2,933,119
Cash received from other revenues	103,044	8,652	340,395	302,255
Cash payments to suppliers	(2,542,616)	(2,729,110)	(2,904,416)	(3,116,438)
Cash payments to employees	(2,219,991)	(2,322,390)	-	-
Net Cash Provided by (Used in) Operating Activities	<u>320,732</u>	<u>525,373</u>	<u>(68,355)</u>	<u>118,936</u>
Cash Flows from Noncapital Financing Activities				
Transfer in	<u>271,504</u>	<u>370,823</u>	-	-
Cash Flows from Capital and Related Financing Activities				
Proceeds from sale of capital assets	40,950	5,000	-	-
Acquisition of capital assets	(552,956)	(401,845)	-	-
Net Cash Used in Capital and Related Financing Activities	<u>(512,006)</u>	<u>(396,845)</u>	-	-
Cash Flows from Investing Activities				
Interest income received	-	-	268	343
Change in Cash and Cash Equivalents	80,230	499,351	(68,087)	119,279
Cash and Cash Equivalents - January 1	<u>1,442,056</u>	<u>942,705</u>	<u>1,507,115</u>	<u>1,387,836</u>
Cash and Cash Equivalents - December 31	<u>\$ 1,522,286</u>	<u>\$ 1,442,056</u>	<u>\$ 1,439,028</u>	<u>\$ 1,507,115</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities:				
Operating income (loss)	\$ 59,920	\$ 117,828	\$ 347,854	\$ (158,322)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:				
Depreciation	513,143	455,907	-	-
Change in pension related assets, deferred outflows, and deferred inflows	2,547	-	-	-
Changes in assets and liabilities				
Accounts receivable	83	970	-	-
Inventories and prepaid expenses	(55,686)	(61,771)	-	-
Due from/to other funds	10,416	12,597	5,040	450
Due from other governments	1,640	(37,787)	-	-
Accounts and claims payable	(56,781)	78,505	(421,249)	276,808
Accrued and other current liabilities	7,340	8,342	-	-
Unearned revenues	(575)	(52,118)	-	-
Compensated absences	(90,049)	8,801	-	-
Post employment benefits	(71,266)	(5,901)	-	-
Net Cash Provided by (Used in) Operating Activities	<u>\$ 320,732</u>	<u>\$ 525,373</u>	<u>\$ (68,355)</u>	<u>\$ 118,936</u>
Noncash Investing, Capital and Financing Activities				
Trade-in value of capital assets	<u>\$ 13,169</u>	<u>\$ 207,873</u>	-	-

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

LANGLADE COUNTY, WISCONSIN
Statement of Net Position - Fiduciary Fund
Department Bank Accounts Agency Fund
December 31, 2015

(With summarized financial information as of December 31, 2014)

	2015	2014
ASSETS		
Cash and cash equivalents	\$ 209,745	\$ 200,678
 LIABILITIES		
Deposits payable	\$ 209,745	\$ 200,678

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

LANGLADE COUNTY, WISCONSIN
Notes to Basic Financial Statements
December 31, 2015

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

1. Reporting Entity

Langlade County is a municipal corporation governed by an elected 21 member board. In accordance with GAAP, the basic financial statements are required to include the County (the primary government) and any separate component units that have a significant operational or financial relationship with the County.

The County has not identified any component units that are required to be included in the basic financial statements in accordance with standards established by GASB Statement No. 61.

2. Related Organization

The County's officials are responsible for appointing the members of the board for the Langlade County Housing Authority but, the County's accountability for this organization does not extend beyond making the appointments. Therefore this organization is not included in the County's reporting entity.

3. Joint Venture

Langlade County is a participant with Marathon and Lincoln Counties in a joint venture to provide services to the mentally ill and developmentally disabled residents of the County. The North Central Health Care Facility was created for that purpose. The North Central Health Care Facility is governed by a six-member board composed of two representatives from each County. The Counties are obligated by agreement to fund an amount equal to expenditures in excess of federal and state grants and patient fees. During 2015, Langlade County remitted an operating appropriation of \$298,483 to the North Central Health Care Facility. Complete financial statements for the North Central Health Care Facility can be obtained from the Facility's office.

4. Government-Wide and Fund Financial Statements

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

The statement of activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

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

LANGLADE COUNTY, WISCONSIN
Notes to Basic Financial Statements
December 31, 2015

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The County reports the following major governmental funds:

GENERAL FUND

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

COUNTY ROADS AND BRIDGES FUND

This fund is used to account for the construction and maintenance of County roads and bridges. Financing is provided by state aids and property taxes.

SOCIAL SERVICES FUND

This fund accounts for programs operated by the County's Department of Social Services with financing provided by federal and state grants and property taxes.

NORTHWOODS CDBG FUND

This fund accounts for loans made to individuals that are within the Northwoods CDBG consortium.

HOUSING REHABILITATION FUND

This fund accounts for loans made to residents of the County to improve existing homes with financing provided by federal and state grants and loan repayments.

The County reports the following major enterprise fund:

HIGHWAY FUND

The highway department is used to support the maintenance of State and County roads and bridges on a cost reimbursement basis.

Additionally, the government reports the following fund types:

Internal service funds account for health insurance provided to employees of the County on a cost reimbursement basis.

The County accounts for assets held for individuals by various departments and funds held for other governmental agencies in an *agency fund*.

5. Measurement Focus and Basis of Accounting

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

LANGLADE COUNTY, WISCONSIN
Notes to Basic Financial Statements
December 31, 2015

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Revenues susceptible to accrual include intergovernmental grants, intergovernmental charges for services, public charges for services and interest. Other revenues such as licenses and permits, fines and forfeits and miscellaneous revenues are recognized when received in cash or when measurable and available.

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 County's highway department and the County roads and bridges special revenue fund. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

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

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

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

6. Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position or Fund Balance

a. Cash and Investments

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

b. Accounts and Loans Receivable

Accounts receivable are recorded at gross amount with uncollectible amounts recognized under the direct write-off method. No allowance for uncollectible accounts has been provided since it is believed that the amount of such allowance would not be material to the basic financial statements.

Loans receivable have been shown net of allowance for uncollectible accounts of \$300,000.

LANGLADE COUNTY, WISCONSIN
Notes to Basic Financial Statements
December 31, 2015

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

c. Interfund Receivables and Payables

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as "due from other funds" and "due to other funds" in the fund financial statements.

The amount reported on the statement of net position for internal balances represents the residual balance outstanding between the governmental and business-type activities.

d. Inventories

Inventories are recorded at cost, which approximates market, using the first-in, first-out method. Inventories consist of expendable supplies held for consumption. The cost is recorded as an expenditure at the time individual inventory items are consumed rather than when purchased.

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

e. Prepaid Items

Payments made to vendors that will benefit periods beyond the end of the current fiscal year are recorded as prepaid items.

Prepaid items of governmental funds in the fund financial statements are offset by nonspendable fund balance to indicate that they do not represent spendable available financial resources.

f. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the County as assets with an initial, individual cost of \$5,000 or higher and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

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

	Governmental	Business-type
	Activities	Activities
	Years	
<u>Assets</u>		
Land improvements	10 - 20	10 - 20
Buildings	10 - 50	25 - 50
Improvement other than buildings	10 - 100	25 - 100
Machinery and equipment	3 - 10	3 - 10
Infrastructure	15 - 70	-

LANGLADE COUNTY, WISCONSIN
Notes to Basic Financial Statements
December 31, 2015

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

g. Compensated Absences

It is the County's policy to permit employees to accumulate earned but unused paid time off (PTO), vacation and sick leave benefits in accordance with bargaining unit agreements. The County Deputies who are covered under the Law Enforcement union contract still accumulate vacation and sick time. All PTO, vacation and sick leave is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in the governmental funds in the fund financial statements only if they have matured, for example, as a result of employee resignations and retirements.

Extended leave banks were created for purpose of retirement, at the end of the year any unused PTO hours will be added to the extended leave bank at the employee's current hourly rate of pay for the year. Retired employees will be paid out 50% up to 960 hours of the extended leave bank. If an employee leaves for reasons other than retirement, all unused extended leave is forfeited.

Law enforcement employees who retire from the County are paid 50% of their accumulated sick leave at their current rate of pay. If an employee leaves for reasons other than retirement, all unused sick leave is forfeited.

h. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net 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 (expense/expenditure) until then. The County has two items that qualifies for reporting in this category in the government-wide statement of net position, and on the proprietary fund statement of net position. The first item is related to the County's proportionate share of the Wisconsin Retirement System pension plan and is deferred and amortized over the expected remaining service lives of the pension plan participants. The second item is the deferred charge on refunding reported in the government-wide and proprietary funds statement of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

In addition to liabilities, the statement of net 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 a future period and so will not be recognized as an inflow of resources (revenue) until that time. The County has one item that qualifies for reporting in this category in the government-wide statement of net position. It is property taxes, which will be recognized as an inflow of resources in the subsequent year for which it was levied. The County also has an additional type of item, which arises only under a modified accrual basis of accounting, which qualifies for reporting in this category. Accordingly, the item, unavailable revenue, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from interest on taxes and long-term and loans receivable. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available.

i. Long-term Obligations

In the government-wide financial statements, and proprietary funds in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund statement of net position. Debt premiums and discounts are deferred and amortized over the life of the bonds. Bonds and notes payable are reported net of the applicable bond premium or discount. Debt issuance costs, whether or not withheld from the actual debt proceeds received, are reported as expenses.

LANGLADE COUNTY, WISCONSIN
Notes to Basic Financial Statements
December 31, 2015

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

j. Pensions

For purposes of measuring the net pension asset, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Wisconsin Retirement System (WRS) and additions to/deductions from WRS' fiduciary net position have been determined on the same basis as they are reported by WRS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

k. Fund Equity

Fund balance of governmental funds is 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:

- Nonspendable fund balance - Amounts that are not in spendable form (such as inventory, prepaid items, or long-term receivables) or are legally or contractually required to remain intact.
- Restricted fund balance - Amounts that are constrained for specific purposes by external parties (such as grantor or bondholders), through constitutional provisions, or by enabling legislation.
- Committed fund balance - Amounts that are constrained for specific purposes by action of the County Board. These constraints can only be removed or changed by the County Board using the same action that was used to create them.
- Assigned fund balance - Amounts that are constrained for specific purposes by action of County management. The County Board has authorized the Finance Committee to assign fund balance. Residual amounts in any governmental fund, other than the General Fund, are also reported as Assigned.
- Unassigned fund balance - Amounts that are available for any purpose. Positive unassigned amounts are only reported in the General Fund.

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.

GOVERNMENT-WIDE AND PROPRIETARY FUND STATEMENTS

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

- Net investment in capital assets - Amount of capital assets, net of accumulated depreciation, and capital related deferred outflows of resources less outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets and any capital related deferred inflows of resources.

LANGLADE COUNTY, WISCONSIN
Notes to Basic Financial Statements
December 31, 2015

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

- Restricted net position - Amount of net position that is subject to restrictions that are imposed by 1) external groups, such as creditors, grantors, contributors or laws or regulations of other governments or 2) law through constitutional provisions or enabling legislation.
 - Unrestricted net position - Net position that is neither classified as restricted nor as net investment in capital assets.
7. Use of Estimates
The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.
8. Summarized Comparative Information
The basic financial statements include certain prior-year summarized comparative information in total but not at the level necessary for a preparation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the County's financial statements for the year ended December 31, 2014 from which the summarized information was derived.

NOTE B - STEWARDSHIP AND COMPLIANCE

1. Budgets and Budgetary Accounting
The County follows these procedures in establishing the budgetary data reflected in the basic financial statements:
- a. During November, County management submits to the County Board a proposed operating budget for the calendar year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them. After submission to the governing body, public hearings are held to obtain taxpayer comments. Following the public hearings, the proposed budget, including authorized additions and deletions, is legally enacted by County Board action.
 - b. Budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America for the general, certain special revenue, debt service and capital projects funds. Budget is defined as the originally approved budget plus or minus approved amendments. Individual amendments throughout the year were not material in relation to the original budget. Budget appropriations not expended during the year are closed to fund balance unless authorized by the governing body to be forwarded into the succeeding year's budget.
 - c. During the year, formal budgetary integration is employed as a management control device for the general, certain special revenue, debt service and capital projects funds. Management control of the community development loan special revenue fund is achieved through grant contracts and available balances.
 - d. Expenditures may not exceed appropriations provided in detailed budget accounts maintained for each activity or department of the County. Amendments to the budget during the year require initial approval by management and are subsequently authorized by the County Board.
 - e. Encumbrance accounting is not used by the County to record commitments related to unperformed contracts for goods or services.

The County did not have any material violation of legal or contractual provisions for the fiscal year ended December 31, 2015.

LANGLADE COUNTY, WISCONSIN
Notes to Basic Financial Statements
December 31, 2015

NOTE B - STEWARDSHIP AND COMPLIANCE (Continued)

2. Excess of Expenditures Over Budget Appropriations

The following expenditure accounts of the County's governmental funds had actual expenditures in excess of budget appropriations for the year ended December 31, 2015 as follows:

Funds	Function	Excess Expenditures
General Fund	General Government	
	Workers' Compensation Insurance	\$ 5,054
	Culture and Recreation	
	Parks	3,236
	Capital Outlay	
	General public buildings	611
County Roads and Bridges	Sheriff department	31,300
	Public Works	104,528
	Northwoods CDBG	324,929
Housing Rehabilitation	Conservation and Development	121,919

The above excess expenditures were funded using favorable revenue variances and available fund balance.

3. Deficit Fund Balance

The Northwoods CDBG fund had a deficit fund balance of \$39,365 as of December 31, 2015. The deficit will be financed with future revenues of the fund.

NOTE C - DETAILED NOTES ON ALL FUNDS

1. Cash and Investments

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

Invested cash consists of deposits and investments that are restricted by Wisconsin Statutes to the following:

Time deposits; repurchase agreements; securities issued by federal, state and local governmental entities; statutorily authorized commercial paper and corporate securities; and the Wisconsin local government investment pool.

The carrying amount of the County's cash and investments totaled \$14,044,810 on December 31, 2015 as summarized below:

Petty cash funds	\$ 1,435
Deposits with financial institutions	13,544,033
Investments	499,342
	<u>\$ 14,044,810</u>

LANGLADE COUNTY, WISCONSIN
Notes to Basic Financial Statements
December 31, 2015

NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)

Reconciliation to the basic financial statements:

Government-wide statement of net position	
Cash and investments	\$ 13,835,065
Fiduciary fund statement of net position	
Agency fund	209,745
	<u>\$ 14,044,810</u>

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

Custodial Credit Risk

Custodial credit risk for *deposits* is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for *investments* is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. Wisconsin statutes require repurchase agreements to be fully collateralized by bonds or securities issued or guaranteed by the federal government or its instrumentalities.

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 the combined amount of all time and savings deposits and \$250,000 for interest-bearing and noninterest-bearing 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 for the combined amount of all deposit accounts per official custodian per depository institution. Deposits with credit unions are insured by the National Credit Union Share Insurance Fund (NCUSIF) in the amount of \$250,000 per credit union member. 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.

As of December 31, 2015, \$572,493 of the County's deposits with financial institutions were in excess of federal and state depository insurance limits and uncollateralized.

Investments

The County has investments in the Wisconsin local government investment pool of \$499,342 at year-end. The Wisconsin local government investment pool (LGIP) is part of the State Investment Fund (SIF), and is managed by the State of Wisconsin Investment Board. The SIF is not registered with the Securities and Exchange Commission, but operates under the statutory authority of Wisconsin Chapter 25. The SIF reports the fair value of its underlying assets annually. Participants in the LGIP have the right to withdraw their funds in total on one day's notice. At December 31, 2015, the fair value of the County's share of the LGIP's assets was substantially equal to the carrying value.

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Wisconsin statutes limit investments in securities to the top two ratings assigned by nationally recognized statistical rating organizations. The County does not have an additional credit risk policy. The County's investment in the Wisconsin local government investment pool is not rated.

LANGLADE COUNTY, WISCONSIN
Notes to Basic Financial Statements
December 31, 2015

NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The County does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. The investments held by the Wisconsin local government investment pool mature in 12 months or less.

2. Property Tax Apportionments

Property taxes are apportioned annually in November to local taxing units within the County for financing state charges and the subsequent year's operations of the County. Since the November apportionment is not due from local taxing districts until February of the subsequent year, the County's apportionment is recorded as deferred inflows of resources at year-end. Property tax payments from individual property owners are due in two installments by January 31 and July 31. During the month of February, each local taxing district settles with the County for both collected and unpaid property taxes. At the February settlement, the County becomes responsible for the collection of unpaid property taxes, including unpaid property taxes returned by local taxing districts for financing their individual operations. Property taxes subsequently not paid by property owners by September 1 of the same year are considered delinquent. The delinquent taxes are then acquired by the County's general fund in accordance with state statutes in order to provide the County with a statutory lien.

Property taxes recorded on December 31, 2015 for collection in 2016 consist of the County apportionment of \$9,192,331 for financing 2016 operations and will be transferred in 2016 from deferred inflows of resources to current revenues of the County's governmental funds.

3. Delinquent Property Taxes - General Fund

Delinquent property taxes of the general fund represent unpaid property taxes on real estate, including state and local government equities therein. Under state statutes, the County annually reimburses the state and local governments for their equities in property taxes not collected from the property owner. Unless redeemed by the property owner, the County will eventually obtain tax deed ownership of the properties comprising delinquent taxes. In the past, the County has generally been able to recover its investment in delinquent taxes by sale of the tax deeded properties.

On December 31, 2015, the County's general fund showed an investment of \$1,006,874 in delinquent property taxes consisting of \$1,006,874 of tax certificates. An aging of the total delinquent property tax certificates of \$1,006,874 follows:

Year Acquired	Balance
2011	\$ 1,132
2012	98,240
2013	278,705
2014	628,797
	\$ 1,006,874

Of the total of \$1,006,874 for delinquent taxes, \$176,352 was collected by the County within 60 days after December 31, 2015. The remaining unpaid balance of \$830,522 is recorded as nonspendable fund balance in the general fund.

LANGLADE COUNTY, WISCONSIN
Notes to Basic Financial Statements
December 31, 2015

NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)

4. Capital Assets

Capital asset activity for the year ended December 31, 2015 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$ 7,464,913	\$ -	\$ -	\$ 7,464,913
Construction work in progress	325,385	1,065,441	1,173,623	217,203
Total capital assets, not being depreciated	<u>7,790,298</u>	<u>1,065,441</u>	<u>1,173,623</u>	<u>7,682,116</u>
Capital assets, being depreciated:				
Land improvements	3,230,956	-	-	3,230,956
Buildings	28,594,376	373,104	-	28,967,480
Machinery and equipment	4,347,567	221,512	161,029	4,408,050
Infrastructure	42,869,733	2,306,386	457,231	44,718,888
Subtotals	<u>79,042,632</u>	<u>2,901,002</u>	<u>618,260</u>	<u>81,325,374</u>
Less accumulated depreciation for:				
Land improvements	1,800,915	94,713	-	1,895,628
Buildings	18,401,313	633,196	-	19,034,509
Machinery and equipment	2,704,844	223,762	147,619	2,780,987
Infrastructure	18,713,824	1,145,974	457,231	19,402,567
Subtotals	<u>41,620,896</u>	<u>2,097,645</u>	<u>604,850</u>	<u>43,113,691</u>
Total capital assets, being depreciated, net	<u>37,421,736</u>	<u>803,357</u>	<u>13,410</u>	<u>38,211,683</u>
Governmental activities capital assets, net	<u>\$ 45,212,034</u>	<u>\$ 1,868,798</u>	<u>\$ 1,187,033</u>	<u>45,893,799</u>
Less related long-term debt outstanding				<u>1,910,625</u>
Net investment in capital assets				<u>\$ 43,983,174</u>
Business-type activities:				
Capital assets, not being depreciated:				
Land	\$ 10,509	\$ -	\$ -	\$ 10,509
Capital assets, being depreciated:				
Land improvements	95,359	-	-	95,359
Buildings	1,208,012	7,450	-	1,215,462
Machinery and equipment	9,252,093	558,675	539,416	9,271,352
Other assets	102,216	-	-	102,216
Subtotals	<u>10,657,680</u>	<u>566,125</u>	<u>539,416</u>	<u>10,684,389</u>
Less accumulated depreciation for:				
Land improvements	23,482	3,946	-	27,428
Buildings	1,108,471	22,845	-	1,131,316
Machinery and equipment	5,977,070	485,645	500,955	5,961,760
Other assets	50,235	707	-	50,942
Subtotals	<u>7,159,258</u>	<u>513,143</u>	<u>500,955</u>	<u>7,171,446</u>
Total capital assets, being depreciated, net	<u>3,498,422</u>	<u>52,982</u>	<u>38,461</u>	<u>3,512,943</u>
Business-type activities capital assets, net	<u>\$ 3,508,931</u>	<u>\$ 52,982</u>	<u>\$ 38,461</u>	<u>\$ 3,523,452</u>

LANGLADE COUNTY, WISCONSIN
Notes to Basic Financial Statements
December 31, 2015

NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)

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

Governmental activities	
General government	\$ 138,295
Public safety	322,878
Public works	1,229,889
Health and human services	49,731
Culture and recreation	225,414
Conservation and development	131,438
Total depreciation expense - governmental activities	<u>\$ 2,097,645</u>
Business-type activities	
Highway	<u>\$ 513,143</u>

5. Interfund Receivables, Payables, and Transfers

Interfund receivables and payables at December 31, 2015 were as follows:

	Interfund Receivables	Interfund Payables
Operating Accounts Between Funds		
General Fund	\$ 222,215	\$ 3,615
Special Revenue Funds		
Social Services	-	513
Fairgrounds	-	180
Public Health	-	1,701
Housing Rehabilitation	-	13
Northwoods CDBG	-	215,011
Enterprise Fund		
Highway	4,308	-
Internal Service Fund		
Insurance	-	5,490
Totals	<u>\$ 226,523</u>	<u>\$ 226,523</u>

Interfund transfers for the year ended December 31, 2015 were as follows:

Special revenue fund surpluses returned to general fund	\$ 47,630
County roads and bridges appropriations transferred to highway enterprise fund	245,274
Transfer from general fund to other funds for:	
Fairgrounds fund outlay and related projects	95,418
Wage increases in highway enterprise fund	26,230
Wage increases in public health	9,978
Social services fund overbudget	108,479
	<u>\$ 533,009</u>

LANGLADE COUNTY, WISCONSIN
Notes to Basic Financial Statements
December 31, 2015

NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)

6. Long-term Obligations

The following is a summary of changes in long-term obligations of the County for the year ended December 31, 2015:

	Outstanding 1/1/15	Issued	Retired	Outstanding 12/31/15	Due Within One Year
Governmental activities:					
General Obligation Debt					
Bonds	\$ 1,385,000	\$ 1,070,000	\$ 1,385,000	\$ 1,070,000	\$ 350,000
Notes	1,015,204	-	242,678	772,526	249,894
Total General Obligation Debt	2,400,204	1,070,000	1,627,678	1,842,526	599,894
Capital lease	105,347	-	37,248	68,099	41,611
Premium on debt	-	16,961	2,441	14,520	-
Compensated absences	867,273	-	75,812	791,461	307,000
Post employment benefits	340,671	-	250,514	90,157	-
Governmental activities Long-term obligations	<u>\$ 3,713,495</u>	<u>\$ 1,086,961</u>	<u>\$ 1,993,693</u>	<u>\$ 2,806,763</u>	<u>\$ 948,505</u>
Business-type activities:					
Compensated absences	\$ 398,932	\$ -	\$ 90,049	\$ 308,883	\$ -
Post employment benefits	92,331	-	71,266	21,065	-
Business-type activities Long-term obligations	<u>\$ 491,263</u>	<u>\$ -</u>	<u>\$ 161,315</u>	<u>\$ 329,948</u>	<u>\$ -</u>

Total interest paid during the year on long-term debt totaled \$85,855.

For governmental activities, the other long-term liabilities are generally funded by the general fund.

The capital lease payments are included with general government expenditures – information systems in the County’s budget and financial statements.

General Obligation Debt

The County has issued general obligation debt to provide funds for the acquisition and construction of major capital facilities. General obligation debt service requirements are direct obligations and pledge the full faith and credit of the County. General obligation debt outstanding on December 31, 2015 totaled \$1,842,526 and consisted of the following issues:

Bonds

\$1,070,000 issued 7/14/2015; \$350,000 to \$365,000 due through 2018;
interest 2.00% \$ 1,070,000

Notes

\$1,199,301 issued 8/27/12; \$199,892 to \$212,118 due through 2018;
interest at 3.00% 617,949

\$300,000 issued 8/27/12; \$50,002 to \$53,060 due through 2018;
interest at 3.00% 154,577

Total Outstanding General Obligation Debt \$ 1,842,526

LANGLADE COUNTY, WISCONSIN
Notes to Basic Financial Statements
December 31, 2015

NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)

Annual principal and interest maturities of the outstanding general obligation debt of \$1,842,526 on December 31, 2015 are detailed below:

Year Ended December 31,	Governmental Activities		
	Principal	Interest	Total
2016	\$ 599,894	\$ 49,217	\$ 649,111
2017	622,454	30,079	652,533
2018	620,178	15,055	635,233
	<u>\$ 1,842,526</u>	<u>\$ 94,351</u>	<u>\$ 1,936,877</u>

Legal Margin for New Debt

The County's legal margin for creation of additional general obligation debt on December 31, 2015 was \$82,236,053 as follows:

Equalized valuation of the County	\$ 1,677,318,900
Statutory limitation percentage	<u>(x) 5%</u>
General obligation debt limitation, per Section 67.03 of the Wisconsin Statutes	83,865,945
Total outstanding general obligation debt applicable to debt limitation	\$ 1,842,526
Less: Amounts available for financing general obligation debt Debt service fund	<u>212,634</u>
Net outstanding general obligation debt applicable to debt limitation	1,629,892
Legal Margin for New Debt	<u><u>\$ 82,236,053</u></u>

Capital Leases

The County has capital assets of \$180,028 under capital leases. Capital leases outstanding on December 31, 2015 totaled \$68,099 and the minimum lease payments due are summarized below:

Year Ending	Principal	Interest	Total
2016	\$ 41,611	\$ 5,498	\$ 47,109
2017	26,488	992	27,480
Total Minimum Lease Payments	<u>\$ 68,099</u>	<u>\$ 6,490</u>	<u>\$ 74,589</u>

8. Pension Plan

a. Plan Description

The WRS is a cost-sharing multiple-employer defined benefit pension plan. WRS benefits and other plan provisions are established by Chapter 40 of the Wisconsin Statutes. Benefit terms may only be modified by the legislature. The retirement system is administered by the Wisconsin Department of Employee Trust Funds (ETF). The system provides coverage to all eligible State of Wisconsin, local government and other public employees. All employees, initially employed by a participating WRS employer on or after July 1, 2011, and expected to work at least 1200 hours a year (880 hours for teachers and school district educational support employees) and expected to be employed for at least one year from employee's date of hire are eligible to participate in the WRS.

LANGLADE COUNTY, WISCONSIN
Notes to Basic Financial Statements
December 31, 2015

NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)

For employees beginning participation on or after January 1, 1990, and no longer actively employed on or after April 24, 1998, creditable service in each of five years is required for eligibility for a retirement annuity. Participants employed prior to 1990 and on or after April 24, 1998, and prior to July 1, 2011, are immediately vested. Participants who initially became WRS eligible on or after July 1, 2011, must have five years of creditable service to be vested.

Employees who retire at or after age 65 (54 for protective occupation employees, 62 for elected officials and State executive participants) are entitled to receive an unreduced retirement benefit. The factors influencing the benefit are: (1) final average earnings, (2) years of creditable service, and (3) a formula factor.

Final average earnings is the average of the participant's three highest years' earnings. Creditable service is the creditable current and prior service expressed in years or decimal equivalents of partial years for which a participant receives earnings and makes contributions as required. The formula factor is a standard percentage based on employment category.

Employees may retire at age 55 (50 for protective occupation employees) and receive reduced benefits. Employees terminating covered employment before becoming eligible for a retirement benefit may withdraw their contributions and forfeit all rights to any subsequent benefits.

The WRS also provides death and disability benefits for employees.

b. Post-Retirement Adjustments

The Employee Trust Funds Board may periodically adjust annuity payments from the retirement system based on annual investment performance in accordance with s. 40.27, Wis. Stat. An increase (or decrease) in annuity payments may result when investment gains (losses), together with other actuarial experience factors, create a surplus (shortfall) in the reserves, as determined by the system's consulting actuary. Annuity increases are not based on cost of living or other similar factors. For Core annuities, decreases may be applied only to previously granted increases. By law, Core annuities cannot be reduced to an amount below the original, guaranteed amount (the "floor") set at retirement. The Core and Variable annuity adjustments granted during recent years are as follows:

Year	Core Fund Adjustment	Variable Fund Adjustment
2005	2.6%	7%
2006	0.8%	3%
2007	3.0%	10%
2008	6.6%	0%
2009	(2.1)%	(42)%
2010	(1.3)%	22%
2011	(1.2)%	11%
2012	(7.0)%	(7)%
2013	(9.6)%	9%
2014	4.7%	25%

LANGLADE COUNTY, WISCONSIN
Notes to Basic Financial Statements
December 31, 2015

NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)

c. Contributions

Required contributions are determined by an annual actuarial valuation in accordance with Chapter 40 of the Wisconsin Statutes. The employee required contribution is one-half of the actuarially determined contribution rate for general category employees, including teachers, and Executives and Elected Officials. Required contributions for protective employees are the same rate as general employees. Employers are required to contribute the remainder of the actuarially determined contribution rate. The employer may not pay the employee required contribution unless provided for by an existing collective bargaining agreement.

During the reporting period, the WRS recognized \$549,463 in contributions from the County.

Contribution rates as of December 31, 2015 are:

Employee Category	Employee	Employer
General (including teachers)	6.8%	6.8%
Executives & Elected Officials	7.7%	7.7%
Protective with Social Security	6.8%	9.5%
Protective without Social Security	6.8%	13.1%

d. Pension Liabilities, Pension Expense, and Deferred Outflows of Resources Related to Pensions.

At December 31, 2015, the County reported an asset of \$1,402,310 for its proportionate share of the net pension asset. The net pension asset was measured as of December 31, 2014, and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of December 31, 2013 rolled forward to December 31, 2014. No material changes in assumptions or benefit terms occurred between the actuarial valuation date and the measurement date. The County's proportion of the net pension asset was based on the County's share of contributions to the pension plan relative to the contributions of all participating employers. At December 31, 2014, the County's proportion was 0.05709097%, which was an increase of 0.000397491% from its proportion measured as of December 31, 2013.

For the year ended December 31, 2015, the County recognized pension expense of \$551,653.

At December 31, 2015, the County reported deferred outflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources
Differences between expected and actual experience	\$ 203,291
Changes in assumptions	
Net differences between projected and actual earnings on pension plan investments	679,066
Changes in proportion and differences between employer contributions and proportionate share of contributions	5,956
Employer contributions subsequent to the measurement date	493,610
Total	\$ 1,381,923

LANGLADE COUNTY, WISCONSIN
Notes to Basic Financial Statements
December 31, 2015

NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)

\$493,610 reported as deferred outflows related to pension resulting from the County's contributions subsequent to the measurement date will be recognized as a reduction of the net pension asset in the year ended December 31, 2016. Other amounts reported as deferred outflows of resources related to pension will be recognized in pension expense as follows:

Year ended December 31,	Deferred Outflow of Resources
2015	\$ 202,525
2016	202,525
2017	202,525
2018	202,525
2019	78,213
Total	<u>\$ 888,313</u>

e. Actuarial Assumption

The total pension liability in the December 31, 2014, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Valuation Date:	December 31, 2013
Measurement Date of Net Pension Asset:	December 31, 2014
Actuarial Cost Method:	Entry Age
Asset Valuation Method:	Fair Market Value
Long-Term Expected Rate of Return:	7.2%
Discount Rate:	7.2%
Salary Increases:	
Inflation	3.2%
Seniority/Merit	0.2% - 5.8%
Mortality:	Wisconsin 2012 Mortality Table
Post-retirement Adjustments*	2.1%

* *No post-retirement adjustment is guaranteed. Actual adjustments are based on recognized investment return, actuarial experience and other factors. 2.1% is the assumed annual adjustment based on the investment return assumption and the post-retirement discount rate.*

Actuarial assumptions are based upon an experience study conducted in 2012 using experience from 2009 – 2011. The total pension liability for December 31, 2014 is based upon a roll-forward of the liability calculated from the December 31, 2013 actuarial valuation.

Long-term Expected Return on Plan Assets. The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

LANGLADE COUNTY, WISCONSIN
Notes to Basic Financial Statements
December 31, 2015

NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)

Asset Class	Long-Term Real Rate of Return	Target Allocation
US Equities	5.3%	21%
International Equities	5.7%	23%
Fixed Income	1.7%	36%
Inflation Sensitive Assets	2.3%	20%
Real Estate	4.2%	7%
Private Equity/Debt	6.9%	7%
Multi-Asset	3.9%	6%
Cash	0.9%	-20%

Single Discount Rate. A single discount rate of 7.20% was used to measure the total pension liability. This single discount rate was based on the expected rate of return on pension plan investments of 7.20% and a long-term bond rate of 3.56%. Because of the unique structure of WRS, the 7.20% expected rate of return implies that a dividend of approximately 2.1% will always be paid. For purposes of the single discount rate, it was assumed that the dividend would always be paid. The projection of cash flows used to determine this single discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments (including expected dividends) of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the County's proportionate share of the net pension asset to changes in the discount rate. The following presents the County's proportionate share of the net pension asset calculated using the discount rate of 7.20 percent, as well as what the County's proportionate share of the net pension asset would be if it were calculated using a discount rate that is 1-percentage-point lower (6.20 percent) or 1-percentage-point higher (8.20 percent) than the current rate:

	1% Decrease to Discount Rate (6.2%)	Current Discount Rate (7.2%)	1% Increase to Discount Rate (8.2%)
County's proportionate share of the net pension asset (liability)	\$ (3,956,159)	\$ 1,402,310	\$ 5,634,213

Pension plan fiduciary net position. Detailed information about the pension plan's fiduciary net position is available in separately issued financial statements available at <http://legis.wisconsin.gov/lab/> and reference report number 15-11.

f. Payable to the WRS

At December 31, 2015 the County reported a payable of \$127,972 for the outstanding amount of contributions to the pension plan for the year ended December 31, 2015.

LANGLADE COUNTY, WISCONSIN
Notes to Basic Financial Statements
December 31, 2015

NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)

9. Minimum Fund Balance Policy

The County has also adopted a minimum fund balance policy of 20% to 25% of budgeted appropriations for the general and social services and health fund special revenue funds to be maintained for cash flow and working capital purposes. The minimum fund balance amount is calculated as follows:

2016 Budget Appropriations	\$15,157,616	
Minimum Fund Balance %	(x) 20%	(x) 25%
Minimum Fund Balance Amount	\$ 3,031,523	\$ 3,789,404

The County's unassigned general fund balance totaled \$5,056,997 on December 31, 2015, of that the County has internally segregated \$1,215,514 for working capital and \$151,940 for contingencies.

NOTE D - OTHER INFORMATION

1. Risk Management

The County is exposed to various risks of loss related to torts; theft, damage or destruction of assets; errors or omissions; employee health and accident claims; or acts of God. The County has chosen to retain a portion of the risks through self-insurance programs and has also purchased insurance to transfer other risks to outside parties. A description of the County's risk management programs is presented below:

2. Property and Liability Insurance

The County purchases commercial insurance policies for various property and other liability risks. Payments of premiums for these policies are recorded as expenditures or expenses in various funds of the County.

3. Health Self-Insurance

County employees, retirees and employee dependents are eligible for medical benefits from a health self-insurance fund. Funding is provided by charges to County departments, employees and retirees. The program is supplemented by stop loss protection, which limits the County's annual liability. Fund expenses consist of payments to a third-party administrator for medical claims, stop loss insurance premiums and administrative fees. On December 31, 2015, the fund has net position of \$878,624. The claims liability of \$554,914 reported in the fund at December 31, 2015 is based on the requirements of GASB Statement No. 10, which requires that a liability for claims be reported if information prior to the issuance of the basic financial statements indicates that it is probable that a liability has been incurred at the date of the basic financial statements and the amount of the loss can be reasonably estimated. Changes in the fund's claims liability amount for 2014 and 2015 follows:

	Liability January 1	Current Year Claims and Changes in Estimates	Claim Payments	Liability December 31
2014	\$ 699,355	\$ 2,824,245	\$ 2,566,149	\$ 957,451
2015	957,451	1,933,742	2,336,279	554,914

LANGLADE COUNTY, WISCONSIN
Notes to Basic Financial Statements
December 31, 2015

NOTE D - OTHER INFORMATION (Continued)

4. Other Post-Employment Benefits

Plan Description - The County currently offers health care insurance coverage for all employee groups. All employee groups, except for law enforcement, must retire before December 31, 2012 to receive this benefit while there is no limit currently on the retirement date for law enforcement employees. Benefits terminate upon the earlier of Medicare eligibility or the death of the employee. The retired employee contributes 100% of the premium for family or single coverage. There are 11 active and 3 retired employees in the plan.

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

Component	Amount
Annual required contribution	\$ 47,598
Interest on net OPEB	16,878
Adjustment to annual required contribution	<u>(24,761)</u>
Annual OPEB cost (expense)	39,715
Claims paid for retirees net of premiums collected	<u>(361,495)</u>
Change in net OPEB obligation	(321,780)
OPEB obligation - beginning of year	<u>433,002</u>
OPEB obligation - end of year	<u>\$ 111,222</u>

The annual required contribution for the current year was determined as part of the January 1, 2013 actuarial valuation using the projected unit credit method. The actuarial assumptions included 4.5% discount rate.

The actuarial methods and assumptions used include techniques that are designed to reduce the effect of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with a long-term perspective of the calculations.

Trend Information - The County's annual OPEB cost, the percentage of the annual OPEB cost contributed to the plan, and the net OPEB obligation for 2015 and prior years is as follows:

Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
12/31/13	\$ 54,403	135%	\$ 375,075
12/31/14	39,715	0%	433,002
12/31/15	39,715	910%	111,222

LANGLADE COUNTY, WISCONSIN
Notes to Basic Financial Statements
December 31, 2015

NOTE D - OTHER INFORMATION (Continued)

Funded Status and Funding Progress - As of January 1, 2013, the most recent actuarial valuation date, the County's unfunded actuarial accrued liability (UAAL) was \$387,835. The annual payroll for active employees covered by the plan for the 2013 fiscal year was \$671,308 for a ratio of the UAAL to covered payroll of 57.77%.

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future, such as assumptions about future terminations, mortality, and healthcare cost trends. Actuarially determined amounts are subject to continual revision as actuarial results are compared with past experience and new estimates are made about the future.

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

In the January 1, 2013 actuarial valuation, the projected unit credit method was used. The actuarial assumptions included a rate of 4.5% to discount expected liabilities to the valuation date. The initial healthcare trend rate was 7.5% for health care costs, reduced by decrements to an ultimate rate of 4.5% for health care costs after five years. The UAAL is being amortized as a level dollar on a closed amortization basis. The remaining amortization period at December 31, 2014 was 24 years.

5. Property Tax Levy Limit

Wisconsin state statutes provide for a limit on the property tax levies for all Wisconsin cities, villages, towns and counties. For the 2015 and 2016 budget years, the increase in the maximum allowable tax levy is limited to the percentage change in the County's January 1 equalized value as a result of net new construction. The actual limit for the County for the 2015 budget was 0.39%. The actual limit for the County for the 2016 budget was 0.86%. Debt service for debt authorized after July 1, 2005 is exempt from the levy limit. In addition, Wisconsin statutes allow the limit to be adjusted for the increase in debt service authorized prior to July 1, 2005 and in certain other situations.

6. Contingencies

- a. The County participates in a number of federal and state assisted grant programs. These programs are subject to program compliance audits by the grantors or their representatives. An audit under Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, has been conducted but final acceptance is still pending. Accordingly, the County's compliance with applicable grant requirements will be established at some future date. The amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time although the County expects such amounts, if any, to be immaterial.
- b. From time to time, the County is party to other various pending claims and legal proceedings. Although the outcome of such matters cannot be forecast with certainty, it is the opinion of management and legal counsel that the likelihood is remote that any such claims or proceedings will have a material adverse effect on the County's financial position or results of operations.

LANGLADE COUNTY, WISCONSIN
Notes to Basic Financial Statements
December 31, 2015

NOTE D - OTHER INFORMATION (Continued)

7. Cumulative Effect of Change in Accounting Principles

The County has adopted GASB Statement No. 68, *Accounting and Financial Reporting for Pensions – An Amendment of GASB Statement No. 27* and Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – An Amendment of GASB Statement No. 68*, which revised and established new financial reporting requirements for governments that provide their employees with pension benefits. The new standards recognize pension costs as employment services are provided, rather than when the pensions are funded. The cumulative effect of this change is summarized below:

	Governmental	Business-type	Total
	Activities	Highway Fund	
Net Pension Asset	\$ 1,774,394	\$ 492,088	\$ 2,266,482
Deferred Outflows of Resources	400,708	111,127	511,835
Total Cumulative Effect of Change In Accounting Principle	<u>\$ 2,175,102</u>	<u>\$ 603,215</u>	<u>\$ 2,778,317</u>

8. Upcoming Accounting Pronouncements

In February 2015, the Governmental Accounting Standards Board (GASB) issued Statement No. 72, *Fair Value Measurement and Application*. Statement No. 72 requires measurement of certain assets and liabilities at fair value using a consistent and more detailed definition of fair value and acceptable valuation techniques. This Statement also requires disclosures about the impact of fair value measurements on a government's financial position. GASB Statement No. 72 is required to be adopted for years beginning after June 15, 2015. The County is currently evaluating the impact this standard will have on the financial statements when adopted.

In June 2015, the GASB issued two new standards addressing accounting and financial reporting for post-employment benefits other than pensions (OPEB). GASB Statement No. 74, *Financial Reporting for Post-employment Benefit Plans Other Than Pension Plans*, addresses reporting by OPEB plans whereas GASB Statement No. 75, *Accounting and Financial Reporting for Post-employment Benefits Other Than Pensions*, addresses accounting and reporting by employer governments that provide OPEB benefits to their employees. The County will, after adoption of GASB No. 75, recognize on the face of the financial statements its net OPEB liability. GASB No. 74 is effective for fiscal years beginning after June 15, 2016 whereas GASB No. 75 is effective one year later. The County is currently evaluating the impact these standards will have on the financial statements when adopted.

REQUIRED SUPPLEMENTARY INFORMATION

LANGLADE COUNTY, WISCONSIN
Schedule of Funding Progress
Other Post-Employment Benefit Plan
For the Year Ended December 31, 2015

Actuarial Valuation Date	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL) - Entry Age Normal	(3) Funded Ratio (1) / (2)	(4) Unfunded Actuarial Accrued Liability (UAAL) (2) - (1)	(5) Covered Payroll	UAAL as a Percentage of Covered Payroll (4) / (5)
1/1/2013	\$ -	\$ 387,835	0.00%	\$ 387,835	\$ 671,308	57.77%
1/1/2011	-	649,409	0.00%	649,409	6,393,832	10.16%

See Notes to Required Supplementary Information.

LANGLADE COUNTY, WISCONSIN
Schedule of Employer Contributions
Other Post-Employment Benefit Plan
For the Year Ended December 31, 2015

Year Ended December 31,	Employer Contributions	Annual Required Contribution (ARC)	Percentage Contributed
2015	\$ 361,495	\$ 47,598	759.48%
2014	-	47,598	0.00%
2013	73,615	63,656	115.65%
2012	111,370	63,656	174.96%

See Notes to Required Supplementary Information.

LANGLADE COUNTY, WISCONSIN
Schedule of Proportionate Share of the Net Pension Asset
Wisconsin Retirement System
Last 10 Fiscal Years*

	2015
Proportion of the net pension asset	0.05709097%
Proportionate share of the net pension asset	\$ 1,402,310
Covered-employee payroll	\$ 7,367,284
Plan fiduciary net position as a percentage of the total pension asset	102.74%

* The amounts presented for each fiscal year were determined as of the calendar year-end of the prior year.

See Notes to Required Supplementary Information.

LANGLADE COUNTY, WISCONSIN
Schedule of Contributions
Wisconsin Retirement System
Last 10 Fiscal Years*

	2015
Contractually required contributions	\$ 549,463
Contributions in relation to the contractually required contributions	\$ 549,463
Contribution deficiency (excess)	\$ -
Covered-employee payroll	\$ 7,367,284
Contributions as a percentage of covered-employee payroll	7.46%

* The amounts presented for each fiscal year were determined as of the calendar year-end of the prior year.

See Notes to Required Supplementary Information.

LANGLADE COUNTY, WISCONSIN
Notes to Required Supplementary Information
December 31, 2015

NOTE A - GOVERNMENTAL ACCOUNTING STANDARDS BOARD STATEMENT NOS. 68 AND 71

The County implemented GASB Statement No. 68, Accounting and Financial Reporting for Pensions – *An Amendment of GASB Statement No. 27 and Statement No. 71, Pension Transition for Contributions Made Subsequent to the Measurement Date – An Amendment of GASB Statement No. 68* for the fiscal year ended December 31, 2015. Information for prior years is not available.

NOTE B - WISCONSIN RETIREMENT SYSTEM

There were no changes of benefit terms or assumptions for any participating employer in WRS.

NOTE C - GOVERNMENTAL ACCOUNTING STANDARDS BOARD STATEMENT NO. 45

The County implemented GASB Statement No. 45, Accounting and Financial Reporting by *Employers for Post-employment Benefits Other Than Pensions* for the calendar year ended December 31, 2008.

NOTE D - SCHEDULE OF FUNDING PROGRESS

The reduction in the actuarial accrued liability from the 2008 valuation to the 2009 valuation was the result of a plan change which required all employee groups, except law enforcement, to retire before December 31, 2012 to be able to purchase health insurance coverage through the County's plan.

SUPPLEMENTARY INFORMATION

LANGLADE COUNTY, WISCONSIN
Detailed Comparison of Budgeted and Actual Revenues
General Fund
For the Year Ended December 31, 2015
(With comparative actual amounts for the year ended December 31, 2014)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)	2014 Actual
	Original	Final			
Taxes					
General property	\$ 4,926,771	\$ 4,926,771	\$ 4,926,771	\$ -	\$ 4,841,317
Forest crop	52,000	52,000	70,502	18,502	63,725
Payment in lieu of taxes	18,000	18,000	18,681	681	18,184
County sales tax	1,470,000	1,470,000	1,561,144	91,144	1,481,501
Interest on taxes	315,000	315,000	220,586	(94,414)	271,919
Total Taxes	6,781,771	6,781,771	6,797,684	15,913	6,676,646
Intergovernmental					
State shared taxes	726,222	726,222	723,352	(2,870)	723,222
Tax exempt computer aid	6,000	6,000	5,609	(391)	6,828
Severance/yield/withdrawal	20,000	20,000	19,113	(887)	26,636
Circuit court	52,275	52,275	52,275	-	52,275
Other state payments	-	550	550	-	1,960,404
Guardian ad litem	21,200	23,486	23,693	207	23,592
Interpreter fees	550	550	565	15	532
Victim witness program	12,200	12,200	13,741	1,541	13,226
Land information	53,620	33,844	33,844	-	18,883
Sheriff department	19,060	19,060	23,231	4,171	23,974
Tribal enforcement grant	18,800	18,800	8,475	(10,325)	15,404
Emergency government	42,104	45,639	49,641	4,002	62,383
Child support	351,285	351,285	343,655	(7,630)	352,667
Transportation	67,740	67,740	68,117	377	68,117
Veterans service	8,500	11,454	14,577	3,123	12,190
Snowmobile/ATV trail maintenance	269,248	331,051	331,051	-	485,675
Lake protection	36,717	27,437	27,437	-	16,897
Extension	6,249	6,249	4,749	(1,500)	7,753
Wisconsin fund	10,000	7,201	7,201	-	4,925
Forestry	108,148	110,854	113,072	2,218	99,720
Land conservation	185,161	185,161	173,583	(11,578)	124,823
Total Intergovernmental	2,015,079	2,057,058	2,037,531	(19,527)	4,100,126
Licenses and Permits					
Marriage license	1,800	1,800	2,280	480	2,100
Occupational drivers license	40	40	100	60	-
Zoning fees	70,320	70,320	74,356	4,036	72,244
Non-metallic mine permit	12,500	12,500	12,960	460	12,725
Farmland preservation	-	-	-	-	24,125
Land record fees	2,500	2,500	2,900	400	2,500
Total Licenses and Permits	87,160	87,160	92,596	5,436	113,694
Fines and Forfeits					
County ordinance forfeitures	64,500	64,500	53,482	(11,018)	57,124
State fines and forfeitures	11,000	11,000	31,687	20,687	20,958
Total Fines and Forfeits	75,500	75,500	85,169	9,669	78,082

(Continued)

LANGLADE COUNTY, WISCONSIN
Detailed Comparison of Budgeted and Actual Revenues (Continued)
General Fund
For the Year Ended December 31, 2015
(With comparative actual amounts for the year ended December 31, 2014)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)	2014 Actual
	Original	Final			
Public Charges for Services					
Register of deeds fees	114,000	114,000	107,052	(6,948)	140,272
Real estate transfer fee	26,800	26,800	43,347	16,547	34,812
Register of deeds land modernization fees	25,000	25,000	21,295	(3,705)	26,900
Circuit court fees and costs	77,100	77,100	75,050	(2,050)	78,576
Guardian ad litem fees	1,000	1,000	247	(753)	533
Mediation fees	2,200	2,200	2,090	(110)	2,110
Register in probate fees	5,000	5,000	4,304	(696)	5,151
Conservation fees	200	200	142	(58)	4,167
County clerk	600	600	854	254	737
Plat book sales	-	10,417	11,888	1,471	4,636
District attorney	1,000	1,000	250	(750)	520
Sale of maps	500	500	563	63	(5,933)
Coroner	7,000	7,000	8,454	1,454	11,585
Information services	2,500	2,500	3,616	1,116	3,128
Sheriff fees	94,600	100,600	113,562	12,962	110,599
Airport	29,000	29,000	31,265	2,265	30,981
Child support	4,600	4,600	5,284	684	5,552
Forest crop stumpage	1,830,000	1,830,000	1,851,502	21,502	2,379,408
Miscellaneous forestry	19,006	19,006	19,414	408	40,783
Park fees	103,000	108,938	127,213	18,275	104,560
Photocopies	53,875	53,875	59,024	5,149	51,157
Agriculture	2,000	2,000	2,468	468	2,701
Total Public Charges for Services	2,398,981	2,421,336	2,488,884	67,548	3,032,935
Intergovernmental Charges for Services					
Probation and parole holds	15,500	15,500	11,615	(3,885)	20,919
Housing of prisoners	43,334	56,334	56,715	381	57,968
Total Intergovernmental Charges for Services	58,834	71,834	68,330	(3,504)	78,887
Interdepartmental Charges for Services					
Indirect charges	278,613	317,816	325,147	7,331	328,637
Insurance premiums	163,000	163,000	184,923	21,923	174,340
CSA revenue	2,250	2,250	2,812	562	2,914
Total Interdepartmental Charges for Services	443,863	483,066	512,882	29,816	505,891
Miscellaneous					
Interest on investments	38,250	38,250	44,525	6,275	65,074
Agriculture research station	12,000	12,000	45,408	33,408	37,576
Sale of County property	3,000	3,210	17,198	13,988	35,019
Profit of tax deed sales	15,000	15,000	79,632	64,632	60,294
Rent of County offices and buildings	88,657	97,557	94,043	(3,514)	85,720
Donations	1,500	37,570	39,025	1,455	5,628
Other	-	170	9,183	9,013	192
Total Miscellaneous	158,407	203,757	329,014	125,257	289,503
Total Revenues	\$ 12,019,595	\$ 12,181,482	\$ 12,412,090	\$ 230,608	\$ 14,875,764

LANGLADE COUNTY, WISCONSIN
Detailed Comparison of Budgeted and Actual Expenditures
General Fund
For the Year Ended December 31, 2015
(With comparative actual amounts for the year ended December 31, 2014)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)	2014 Actual
	Original	Final			
General Government					
County board	\$ 110,977	\$ 111,036	\$ 105,954	\$ 5,082	\$ 115,074
County clerk	159,161	177,113	149,515	27,598	166,715
County treasurer	154,701	156,970	156,914	56	155,207
Coroner	59,590	70,600	59,255	11,345	57,712
Register of deeds	188,924	192,565	190,727	1,838	187,443
Human resources	-	22,917	22,924	(7)	-
Insurance					
Property and liability	80,650	80,650	55,671	24,979	61,635
Workers' compensation	185,000	185,000	190,054	(5,054)	185,630
Circuit court	622,995	638,842	635,857	2,985	628,926
District attorney	147,390	153,573	147,854	5,719	144,982
Corporation counsel	204,300	208,574	206,974	1,600	201,712
Finance department	459,580	441,394	436,539	4,855	456,594
Information systems	221,931	284,887	263,725	21,162	252,702
Maintenance					
Courthouse	123,603	133,570	132,732	838	135,769
Resource Center	105,043	116,665	101,347	15,318	109,648
Shop	228,012	205,594	190,540	15,054	192,633
Architectural fees	1,000	1,000	-	1,000	82
Other general government	111,598	181,581	156,384	25,197	99,860
Contingency	210,986	19,451	-	19,451	-
Total General Government	3,375,441	3,381,982	3,202,966	179,016	3,152,324
Public Safety					
Sheriff department	2,459,018	2,498,342	2,412,662	85,680	2,455,334
Jail	1,541,432	1,545,937	1,545,784	153	1,575,683
Maintenance					
Correction and detention	239,660	270,244	239,526	30,718	235,972
Emergency government	84,131	99,287	92,392	6,895	101,221
Total Public Safety	4,324,241	4,413,810	4,290,364	123,446	4,368,210
Public Works					
Airport	153,620	167,768	151,793	15,975	145,845
Health and Human Services					
North Central Health Care	298,483	298,483	298,483	-	298,483
Family care	259,523	259,523	259,523	-	356,144
Maintenance					
Health center	171,116	190,919	156,852	34,067	164,846
Child support	432,072	442,539	412,520	30,019	426,126
ADRC	115,070	115,070	115,070	-	115,070
Transportation	81,740	81,740	81,740	-	81,740
Veteran's service officer	125,522	136,563	120,951	15,612	129,554
Avail	15,000	15,000	15,000	-	13,500
Total Health and Human Services	1,498,526	1,539,837	1,460,139	79,698	1,585,463

(Continued)

LANGLADE COUNTY, WISCONSIN
Detailed Comparison of Budgeted and Actual Expenditures (Continued)
General Fund
For the Year Ended December 31, 2015
(With comparative actual amounts for the year ended December 31, 2014)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)	2014 Actual
	Original	Final			
Culture and Recreation					
Parks	440,877	520,577	523,813	(3,236)	657,967
Library	314,069	314,069	314,056	13	309,427
Agriculture agents	207,425	247,294	219,698	27,596	221,487
Total Culture and Recreation	962,371	1,081,940	1,057,567	24,373	1,188,881
Conservation and Development					
Land records and regulations	579,228	549,173	536,752	12,421	484,786
Land conservation	214,326	229,819	218,215	11,604	176,891
Forestry department	538,981	560,672	556,438	4,234	606,289
Economic development	75,000	75,000	75,000	-	75,000
Regional planning commission	15,216	15,216	15,216	-	15,805
Total Conservation and Development	1,422,751	1,429,880	1,401,621	28,259	1,358,771
Capital Outlay					
Information services	-	-	-	-	12,450
General public buildings	-	87,996	88,607	(611)	140,200
Health center	-	1,136	1,136	-	35,747
Capital improvements	-	365,595	361,518	4,077	3,984,455
Sheriff department	-	79,671	110,971	(31,300)	98,386
Jail	-	-	-	-	36,910
Airport	-	-	-	-	13,435
Other	171,440	634,658	92,976	541,682	42,997
Total Capital Outlay	171,440	1,169,056	655,208	513,848	4,364,580
Total Expenditures	\$ 11,908,390	\$ 13,184,273	\$ 12,219,658	\$ 964,615	\$ 16,164,074

LANGLADE COUNTY, WISCONSIN
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2015
(With summarized financial information as of December 31, 2014)

	Special Revenue				
	Public Health	Jail Assessment	Dog License	Jail Commissary	Community Development Loan
ASSETS					
Cash and investments	\$ -	\$ 42,255	\$ 5,541	\$ 77,451	\$ 78,261
Receivables					
Taxes	388,531	-	-	-	-
Accounts	7,750	901	-	7,307	-
Loans	-	-	-	-	99,971
Due from other governments	22,393	-	-	-	-
Inventories and prepaid items	722	-	-	-	-
TOTAL ASSETS	\$ 419,396	\$ 43,156	\$ 5,541	\$ 84,758	\$ 178,232
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
Liabilities					
Accounts payable	\$ 5,375	\$ 1,492	\$ 4,541	\$ 535	\$ -
Accrued and other current liabilities	11,111	-	-	-	-
Due to other funds	1,701	-	-	-	-
Unearned revenues	12,678	-	-	-	-
Total Liabilities	30,865	1,492	4,541	535	-
Deferred Inflows of Resources					
Property taxes	388,531	-	-	-	-
Loans receivable	-	-	-	-	99,971
Total Deferred Inflows of Resources	388,531	-	-	-	99,971
Fund Balances					
Nonspendable					
Inventories and prepaid items	722	-	-	-	-
Restricted for					
Community development	-	-	-	-	78,261
Scholarships	-	-	-	-	-
Retirement of long-term debt	-	-	-	-	-
Assigned for					
Public safety	-	41,664	1,000	84,223	-
Unassigned	(722)	-	-	-	-
Total Fund Balances (Deficit)	-	41,664	1,000	84,223	78,261
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 419,396	\$ 43,156	\$ 5,541	\$ 84,758	\$ 178,232

Special Revenue (Continued)				Debt Service	Total Nonmajor Governmental Funds	2014 Actual Amounts
Economic Development	Fairgrounds	Lenzner Trust	Total			
\$ 210,092	\$ 21,259	\$ 2,848	\$ 437,707	\$ 212,634	\$ 650,341	\$ 603,773
-	36,305	-	424,836	649,111	1,073,947	1,084,600
-	-	-	15,958	-	15,958	15,897
1,551,023	-	-	1,650,994	-	1,650,994	859,514
-	-	-	22,393	-	22,393	117,340
-	-	-	722	-	722	469
<hr/>						
\$ 1,761,115	\$ 57,564	\$ 2,848	\$ 2,552,610	\$ 861,745	\$ 3,414,355	\$ 2,681,593
<hr/>						
\$ -	\$ 2,133	\$ -	\$ 14,076	\$ -	\$ 14,076	\$ 39,024
-	-	-	11,111	-	11,111	9,078
-	180	-	1,881	-	1,881	213,575
-	6,750	-	19,428	-	19,428	8,993
-	9,063	-	46,496	-	46,496	270,670
<hr/>						
-	36,305	-	424,836	649,111	1,073,947	1,084,600
1,551,023	-	-	1,650,994	-	1,650,994	859,514
1,551,023	36,305	-	2,075,830	649,111	2,724,941	1,944,114
<hr/>						
-	-	-	722	-	722	469
210,092	12,196	-	300,549	-	300,549	171,900
-	-	2,848	2,848	-	2,848	2,848
-	-	-	-	212,634	212,634	207,867
-	-	-	126,887	-	126,887	110,578
-	-	-	(722)	-	(722)	(26,853)
210,092	12,196	2,848	430,284	212,634	642,918	466,809
<hr/>						
\$ 1,761,115	\$ 57,564	\$ 2,848	\$ 2,552,610	\$ 861,745	\$ 3,414,355	\$ 2,681,593

LANGLADE COUNTY, WISCONSIN
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended December 31, 2015
(With summarized financial information for the year ended December 31, 2014)

	Special Revenue				
	Public Health	Jail Assessment	Dog License	Jail Commissary	Community Development Loan
Revenues					
Taxes	\$ 394,761	\$ -	\$ -	\$ -	\$ -
Intergovernmental	91,172	-	-	-	-
Licenses and permits	-	-	5,131	-	-
Public charges for services	47,206	10,971	-	65,990	-
Intergovernmental charges for services	246	-	-	-	-
Miscellaneous	2,270	-	-	12,306	1,904
Total Revenues	535,655	10,971	5,131	78,296	1,904
Expenditures					
Current					
General government	-	-	5,131	-	-
Public safety	-	10,798	-	56,015	-
Culture and recreation	-	-	-	-	-
Health and human services	498,003	-	-	-	-
Conservation and development	-	-	-	-	82,858
Debt service					
Principal	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-
Capital outlay	-	6,145	-	-	-
Total Expenditures	498,003	16,943	5,131	56,015	82,858
Excess of Revenues Over (Under) Expenditures	37,652	(5,972)	-	22,281	(80,954)
Other Financing Sources (Uses)					
Long-term debt issued	-	-	-	-	-
Current refunding of long-term debt	-	-	-	-	-
Premium on debt issued	-	-	-	-	-
Transfers in	9,978	-	-	-	-
Transfers out	(47,630)	-	-	-	-
Total Other Financing Sources (Uses)	(37,652)	-	-	-	-
Net Change in Fund Balances	-	(5,972)	-	22,281	(80,954)
Fund Balances - January 1	-	47,636	1,000	61,942	159,215
Fund Balances - December 31	\$ -	\$ 41,664	\$ 1,000	\$ 84,223	\$ 78,261

Special Revenue (Continued)				Debt Service	Total Nonmajor Governmental Funds	2014 Actual Amounts
Economic Development	Fairgrounds	Lenzner Trust	Total			
\$ -	\$ 36,305	\$ -	\$ 431,066	\$ 653,534	\$ 1,084,600	\$ 1,075,423
-	-	-	91,172	-	91,172	1,009,781
-	-	-	5,131	-	5,131	5,223
-	22,642	-	146,809	-	146,809	130,785
-	-	-	246	-	246	3,383
203,774	4,392	-	224,646	535	225,181	14,070
203,774	63,339	-	899,070	654,069	1,553,139	2,238,665
-	-	-	5,131	-	5,131	5,223
-	-	-	66,813	-	66,813	112,637
-	159,246	-	159,246	-	159,246	125,497
-	-	-	498,003	-	498,003	488,913
119,120	-	-	201,978	-	201,978	983,596
-	-	-	-	567,678	567,678	555,609
-	-	-	-	108,585	108,585	105,724
-	-	-	6,145	-	6,145	19,005
119,120	159,246	-	937,316	676,263	1,613,579	2,396,204
84,654	(95,907)	-	(38,246)	(22,194)	(60,440)	(157,539)
-	-	-	-	1,070,000	1,070,000	-
-	-	-	-	(1,060,000)	(1,060,000)	-
-	-	-	-	16,961	16,961	-
-	95,418	-	105,396	-	105,396	61,587
-	-	-	(47,630)	-	(47,630)	(19,111)
-	95,418	-	57,766	26,961	84,727	42,476
84,654	(489)	-	19,520	4,767	24,287	(115,063)
125,438	12,685	2,848	410,764	207,867	618,631	581,872
\$ 210,092	\$ 12,196	\$ 2,848	\$ 430,284	\$ 212,634	\$ 642,918	\$ 466,809

**ADDITIONAL INDEPENDENT AUDITORS' REPORT
FOR BASIC FINANCIAL STATEMENTS**

**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND
ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

To the County Board
Langlade County, Wisconsin

We have audited, in accordance with the 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, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Langlade County, Wisconsin, as of and for the year ended December 31, 2015, and the related notes to the financial statements, which collectively comprise Langlade County, Wisconsin's basic financial statements, and have issued our report which included an emphasis of matter paragraph as indicated on page 2 dated July 7, 2015.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Langlade County, Wisconsin's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Langlade County, Wisconsin's internal control. Accordingly, we do not express an opinion on the effectiveness of Langlade County, Wisconsin's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the County's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Langlade County, Wisconsin's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Langlade County, Wisconsin's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Langlade County, Wisconsin's internal control and on compliance. Accordingly, this communication is not suitable for any other purpose.



Certified Public Accountants
Green Bay, Wisconsin
July 7, 2016

FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL AND STATE PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE AND THE STATE SINGLE AUDIT GUIDELINES

To the County Board
Langlade County, Wisconsin

Report on Compliance for Each Major Federal and State Program

We have audited Langlade County, Wisconsin's compliance with the types of compliance requirements described in the *U. S. Office of Management and Budget (OMB) Compliance Supplement* and the *State Single Audit Guidelines* issued by the Wisconsin Department of Administration that could have a direct and material effect on each of Langlade County, Wisconsin's major federal and state programs for the year ended December 31, 2015. Langlade County, Wisconsin's major federal and state programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal and state programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of Langlade County, Wisconsin's major federal and state programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and the *State Single Audit Guidelines* issued by the Wisconsin Department of Administration. Those standards, Uniform Guidance and the *State Single Audit Guidelines* require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal or state program occurred. An audit includes examining, on a test basis, evidence about Langlade County, Wisconsin's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal and state program. However, our audit does not provide a legal determination of Langlade County, Wisconsin's compliance.

Opinion on Each Major Federal and State Program

In our opinion, Langlade County, Wisconsin complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the year ended December 31, 2015.

Report on Internal Control Over Compliance

Management of Langlade County, Wisconsin is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Langlade County, Wisconsin's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal or state program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal or state program and to test and report on internal control over compliance in accordance with the Uniform Guidance and the *State Single Audit Guidelines*, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Langlade County, Wisconsin's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal or state program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal or state program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal or state program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, we identified a certain deficiency in internal control over compliance, as described in the accompanying schedule of findings and questioned costs as item 2015-001, that we consider to be a significant deficiency.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance and the *State Single Audit Guidelines*. Accordingly, this report is not suitable for any other purpose.



Certified Public Accountants
Green Bay, Wisconsin
July 7, 2016

LANGLADE COUNTY, WISCONSIN
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2015

Grantor Agency/Federal Program Title	Pass-through Agency	CFDA Number
<u>U.S. DEPARTMENT OF AGRICULTURE</u>		
State Administrative Matching Grants for Food Stamp Program	WI Department of Children and Families	10.561
<u>U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</u>		
Community Development Block Grant Program Income Economic redevelopment loan program Housing rehabilitation loan program Northwoods CDBG Total Community Development Block Grant and U.S Department of Housing and Urban Development	WI Department of Administration	14.228
<u>U.S. DEPARTMENT OF INTERIOR</u>		
Wildlife Restoration and Basic Hunter Education RPBL-508-13	WI Department of Natural Resources	15.611
<u>U.S. DEPARTMENT OF TRANSPORTATION</u>		
National Recreation Trails RTA - 593-14 RTA - 594-14 RTA - 595-14 RTA - 565-12 RTA - 606-14 Total U.S. Department of Transportation	WI Department of Natural Resources WI Department of Natural Resources WI Department of Natural Resources WI Department of Natural Resources WI Department of Natural Resources	20.219 20.219 20.219 20.219 20.219
<u>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</u>		
PHEP Ebola 2 Hospital Preparedness Immunization Grants Family Preservation and Support Services Temporary Assistance for Needy Families (TANF) Temporary Assistance for Needy Families (TANF) Total Temporary Assistance for Needy Families (TANF) Child Support Enforcement (Title IV-D) Low Income Energy Assistance Child Care and Development Fund	WI Department of Health Services WI Department of Health Services WI Department of Health Services WI Department of Children and Families WI Department of Health Services WI Department of Children and Families WI Department of Children and Families WI Department of Administration WI Department of Children and Families	93.070 93.074 93.268 93.556 93.558 93.558 93.563 93.568 93.596

(Continued)

Revenues				2015 Total Expenditures
(Accrued) Deferred Revenue 1/1/15	Cash Received (Refunded)	Accrued (Deferred) Revenue 12/31/15	Total Revenues	
\$ (28,738)	\$ 131,699	\$ 21,510	\$ 124,471	\$ 124,471
(90,357)	869,145	85,732	864,520	864,520
125,438	203,774	(210,092)	119,120	119,120
68,979	123,249	(47,309)	144,919	144,919
-	22,428	-	22,428	22,428
104,060	1,218,596	(171,669)	1,150,987	1,150,987
-	7,071	-	7,071	7,071
-	2,051	-	2,051	2,051
-	248	-	248	248
-	802	-	802	802
(90,701)	-	92,114	1,413	1,413
(45,000)	45,000	-	-	-
(135,701)	48,101	92,114	4,514	4,514
-	4,439	3,714	8,153	8,153
(19,536)	57,650	5,110	43,224	43,224
(323)	6,903	1,054	7,634	7,634
-	38,069	-	38,069	38,069
(262)	262	-	-	-
(8,639)	80,381	11,894	83,636	83,636
(8,901)	80,643	11,894	83,636	83,636
(81,563)	307,487	78,026	303,950	303,950
(16,355)	43,663	9,823	37,131	37,131
(9,596)	44,415	9,447	44,266	44,266

LANGLADE COUNTY, WISCONSIN
Schedule of Expenditures of Federal Awards (Continued)
For the Year Ended December 31, 2015

Grantor Agency/Federal Program Title	Pass-through Agency	CFDA Number
<u>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (Continued)</u>		
Child Welfare Services - State Grants	WI Department of Children and Families	93.645
Child Welfare Services - State Grants	WI Department of Corrections	93.645
Total Child Welfare Services - State Grants		
Foster Care (Title IV-E)	WI Department of Children and Families	93.658
Foster Care (Title IV-E)	WI Department of Corrections	93.658
Total Foster Care (Title IV-E)		
Social Services Block Grant	WI Department of Health Services	93.667
Chafee Foster Care Independent Living	WI Department of Children and Families	93.674
Cons Contracts PHS	WI Department of Health Services	93.758
State Children's Insurance Program	WI Department of Children and Families	93.767
Medical Assistance Program		
Social Services	WI Department of Health Services	93.778
Affordable Care Act	WI Department of Health Services	93.778
Public Health	WI Department of Health Services	93.778
Total Medical Assistance		
Maternal and Child Health Services Block Grant to the States	WI Department of Health Services	93.994
Total U.S. Department of Health and Human Services		
<u>U.S. DEPARTMENT OF HOMELAND SECURITY</u>		
Emergency Management Performance Grants	WI Department of Military Affairs	97.042
TOTAL EXPENDITURES OF FEDERAL AWARDS		

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

Revenues				2015 Total Expenditures
(Accrued) Deferred Revenue 1/1/15	Cash Received (Refunded)	Accrued (Deferred) Revenue 12/31/15	Total Revenues	
-	15,201	-	15,201	15,201
(669)	3,126	1,387	3,844	3,844
(669)	18,327	1,387	19,045	19,045
(2,621)	96,802	-	94,181	94,181
(936)	5,031	2,312	6,407	6,407
(3,557)	101,833	2,312	100,588	100,588
-	41,605	-	41,605	41,605
(3,215)	6,973	28	3,786	3,786
-	3,938	953	4,891	4,891
(3,758)	16,486	2,659	15,387	15,387
(19,639)	140,977	25,350	146,688	146,688
(9,704)	9,704	-	-	-
(820)	1,271	9	460	460
(30,163)	151,952	25,359	147,148	147,148
(1,624)	7,939	154	6,469	6,469
(179,260)	932,322	151,920	904,982	904,982
(16,786)	33,583	16,798	33,595	33,595
<u>\$ (256,425)</u>	<u>\$ 2,371,372</u>	<u>\$ 110,673</u>	<u>\$ 2,225,620</u>	<u>\$ 2,225,620</u>

LANGLADE COUNTY, WISCONSIN
Schedule of State Financial Assistance
For the Year Ended December 31, 2015

Grantor Agency/State Program Title	Pass-through Agency	State I.D. Number
<u>DEPARTMENT OF AGRICULTURE, TRADE AND CONSUMER PROTECTION</u>		
Farmland Preservation Grant	Direct Program	115.708
Soil and Water Resource Management Grant Program		
County Staff and Support	Direct Program	115.15
LWRM Plan Implementation Projects	Direct Program	115.40
Total Department of Agriculture, Trade and Consumer Protection		
<u>DEPARTMENT OF SAFETY AND PROFESSIONAL SERVICES</u>		
Private Sewage System Replacement and Rehabilitation Program	Direct Program	143.110
<u>DEPARTMENT OF NATURAL RESOURCES</u>		
Local Park Aids Stewardship	Direct Program	370.TA2
Stewardship County Forest Grant# SCF3-1008	Direct Program	370.TA1
Recreation Aids - UTV		370.547
UTV - 16014	Direct Program	
UTV - 15013	Direct Program	
Snowmobile Enforcement	Direct Program	370.552
Wildlife Damage Abatement and Claims	Direct Program	370.553
County Conservation Aids	Direct Program	370.563
County Forest Administrator Grants	Direct Program	370.572
Recreational Aids - Snowmobile Trail and Area Aid		370.574 & 370.575
S - 4434	Direct Program	
S - 4267	Direct Program	
S - 4340	Direct Program	
All-Terrain Vehicle (ATV) Program		370.576 & 370.577
ATV 3138	Direct Program	
ATV 3177	Direct Program	
ATV 3235	Direct Program	
ATV 3242	Direct Program	
ATV 3273	Direct Program	
ATV 3314	Direct Program	
ATV 3339T	Direct Program	
Lake Protection	Direct Program	370.663
Total Department of Natural Resources		
<u>DEPARTMENT OF TRANSPORTATION</u>		
Elderly and Handicapped Transportation Aids	Direct Program	395.101
County Forest Roads Aid	Direct Program	NA
Total Department of Transportation		

(Continued)

Revenues				2015 Total Expenditures
(Accrued) Deferred Revenue 1/1/15	Cash Received (Refunded)	Accrued (Deferred) Revenue 12/31/15	Total Revenues	
\$ (20,186)	\$ 20,186	\$ -	\$ -	\$ -
(27,394)	106,073	10,696	89,375	89,375
(2,823)	62,215	-	59,392	59,392
<u>(50,403)</u>	<u>188,474</u>	<u>10,696</u>	<u>148,767</u>	<u>148,767</u>
-	9,766	(2,564)	7,202	7,202
20,221	6,131	(25,313)	1,039	1,039
-	48,636	-	48,636	48,636
-	4,585	(4,585)	-	-
4,585	4,585	-	9,170	9,170
-	10,331	-	10,331	10,331
(4,374)	14,653	14,537	24,816	24,816
-	2,065	(500)	1,565	1,565
-	48,636	-	48,636	48,636
-	68,963	(68,963)	-	-
(17,714)	17,714	-	-	-
66,354	99,926	30,959	197,239	197,239
(8,244)	27,510	-	19,266	19,266
(8,035)	26,465	-	18,430	18,430
-	450	-	450	450
-	23,250	(15,565)	7,685	7,685
-	27,510	17,578	45,088	45,088
-	26,465	2,532	28,997	28,997
-	225	(225)	-	-
<u>(16,897)</u>	<u>16,768</u>	<u>27,566</u>	<u>27,437</u>	<u>27,437</u>
<u>35,896</u>	<u>474,868</u>	<u>(21,979)</u>	<u>488,785</u>	<u>488,785</u>
-	68,117	-	68,117	68,117
2,706	2,407	-	5,113	5,113
<u>2,706</u>	<u>70,524</u>	<u>-</u>	<u>73,230</u>	<u>73,230</u>

LANGLADE COUNTY, WISCONSIN
Schedule of State Financial Assistance (Continued)
For the Year Ended December 31, 2015

Grantor Agency/State Program Title	Pass-through Agency	State I.D. Number
<u>DEPARTMENT OF CORRECTIONS</u>		
Community Intervention Program	Direct Program	410.302
Community Youth and Family Aids	Direct Program	410.313
Total Department of Corrections		
<u>DEPARTMENT OF HEALTH SERVICES</u>		
IMAA State Share ACA	Marathon County	435.276
IMAA Federal Share ACA	Marathon County	435.277
IMAA State Share	Marathon County	435.283
IMAA Federal Share	Marathon County	435.284
IMAA State Share	Marathon County	435.297
IMAA (Affordable Care Act)	Marathon County	435.298
Fluoride Supplement	Direct Program	435.151734
Fluoride Mouth Rinse	Direct Program	435.151735
WWWP - GPR	Direct Program	435.157000
WWWP GPR CC	Direct Program	435.157010
Cons Contracts CHHD LD	Direct Program	435.157720
Maternal & Child Health Svc. Block Grant	Direct Program	435.159320
Total Department of Health Services		
<u>DEPARTMENT OF CHILDREN AND FAMILIES</u>		
Basic County Allocation	Direct Program	437.3561
State County Match	Direct Program	437.3681
Child Support Activities	Direct Program	437.7502
Total Department of Children and Families		
<u>DEPARTMENT OF JUSTICE</u>		
DNA Reimbursement for Felons	Direct Program	455.221
County Tribal Local Assistance	Direct Program	455.263
Victim Witness Cluster	Direct Program	455. (1)
Total Department of Justice		
<u>DEPARTMENT OF MILITARY AFFAIRS</u>		
Emergency Training Grant Program	Direct Program	465.337
Computer and Hazmat Equipment Grant	Direct Program	465.367
Total Department of Military Affairs		
<u>DEPARTMENT OF ADMINISTRATION</u>		
Public Benefits - Low Income Energy Assistance Program	Direct Program	505.371
Land Information Grants	Direct Program	505.438
Total Department of Administration		

TOTAL STATE PROGRAMS

(1) Victim Witness is a cluster program funded by the following State ID Numbers: 455.503, 455.532, 455.536, 455.537 and 455.539

The notes to the schedule of state financial assistance are an integral part of this schedule.

Revenues				2015 Total Expenditures
(Accrued) Deferred Revenue 1/1/15	Cash Received (Refunded)	Accrued (Deferred) Revenue 12/31/15	Total Revenues	
(2,148)	7,407	3,498	8,757	8,757
(65,269)	331,695	150,428	416,854	416,854
(67,417)	339,102	153,926	425,611	425,611
-	25,155	4,109	29,264	29,264
-	138	23	161	161
-	133,945	-	133,945	133,945
-	1,173	251	1,424	1,424
(20,851)	20,851	-	-	-
(128)	128	-	-	-
(313)	556	677	920	920
(1,465)	1,953	1,311	1,799	1,799
(1,913)	1,913	-	-	-
-	6,252	-	6,252	6,252
(706)	4,113	-	3,407	3,407
(98)	450	9	361	361
(25,474)	196,627	6,380	177,533	177,533
-	150,393	-	150,393	150,393
-	26,392	-	26,392	26,392
-	38,674	-	38,674	38,674
-	215,459	-	215,459	215,459
-	450	-	450	450
16,035	20,724	(28,284)	8,475	8,475
(6,094)	12,813	7,022	13,741	13,741
9,941	33,987	(21,262)	22,666	22,666
(3,939)	7,882	3,943	7,886	7,886
-	8,160	-	8,160	8,160
(3,939)	16,042	3,943	16,046	16,046
(632)	31,187	8,863	39,418	39,418
69,376	65,528	(101,060)	33,844	33,844
68,744	96,715	(92,197)	73,262	73,262
\$ (29,946)	\$ 1,641,564	\$ 36,943	\$ 1,648,561	\$ 1,648,561

LANGLADE COUNTY, WISCONSIN
Notes to the Schedule of Expenditures of Federal Awards and
the Schedule of State Financial Assistance
For the Year Ended December 31, 2015

NOTE A - BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards and the Schedule of State Financial Assistance for Langlade County, Wisconsin, are presented in accordance with the requirements of the Uniform Guidance and the *State Single Audit Guidelines* issued by the Wisconsin Department of Administration.

NOTE B - SIGNIFICANT ACCOUNTING POLICIES

Revenues and expenditures in the schedules are presented in accordance with the modified accrual basis of accounting and are generally in agreement with revenues and expenditures reported in the County's 2015 basic financial statements. Accrued revenue at year-end consists of federal and state program expenditures scheduled for reimbursement to the County in the succeeding year while deferred revenue represents advances for federal and state programs that exceed recorded County expenditures.

Major federal and state financial assistance programs are identified in the Schedule of Findings and Questioned Costs and are determined as follows:

Federal Programs: Langlade County, Wisconsin, qualifies as a low risk auditee in accordance with the Uniform Guidance. Therefore major programs represent those with combined expenditures exceeding 25% of total federal awards that also were deemed major programs based on the auditors' risk assessment. All other federal programs are considered non-major programs.

State Programs: Langlade County, Wisconsin, qualifies as a low risk auditee in accordance with the *State Single Audit Guidelines*. Therefore major programs represent those with combined expenditures exceeding 25% of total state financial assistance that also were deemed major programs based on the auditors' risk assessment. In addition, certain state financial assistance programs were designated state major by the state granting agency and therefore considered state major. All other state financial assistance programs are considered non-major programs.

NOTE C - OVERSIGHT AGENCIES

The federal and state oversight agencies for the County are as follows:

Federal - U.S. Department of Health and Human Services
State - Wisconsin Department of Health Services

NOTE D - TITLE 19 MEDICAL ASSISTANCE PAYMENTS

The Schedule of Expenditures of Federal Awards and Schedule of State Financial Assistance do not include amounts received by the County for Title 19 Medical Assistance. The payments are considered a contract for services between the State and the County and therefore are not reported as federal awards or state financial assistance.

NOTE E - STATE DIRECT PAYMENTS

Payments made under the FoodShare Wisconsin program directly to recipients and vendors by the State of Wisconsin are not included in the Schedule of Expenditures of Federal Awards and Schedule of State Financial Assistance.

LANGLADE COUNTY, WISCONSIN
Notes to the Schedule of Expenditures of Federal Awards and
the Schedule of State Financial Assistance (Continued)
For the Year Ended December 31, 2015

NOTE F - STATE OF WISCONSIN REPORTING SYSTEMS

The Wisconsin Department of Health Services (DHS) and Department of Children and Families (DCF) utilize the Community Aids Reporting System (CARS) and the Central Office Reporting System (COfE) for reimbursing the County for various federal and state program expenditures. The expenditures reported on the Schedule of Expenditures of Federal Awards and the Schedule of State Financial Assistance for various DHFS and DWD programs agree with the expenditures reported on the May 2015 CARS for the Human Services Department and the December 2014 COfE for Child Support and Child Daycare programs.

NOTE G - REVOLVING LOAN FUND FOR ECONOMIC DEVELOPMENT

In prior years, the County received community development block grants to finance economic development loans made to local businesses. The County may retain program income of up to \$500,000 to finance additional economic development loans. Program income in excess of \$500,000 is returned to the State of Wisconsin.

During 2015, the County received program income of \$203,774 and expended \$119,120 from their economic development loan fund as detailed below:

Economic development loans	\$ 10,000
Administrative expenses	109,120
Total Expenditures	<u>\$ 119,120</u>

At December 31, 2015 outstanding notes receivable totaled \$1,551,023. In addition, the County has available \$210,092 for future economic development expenditures.

NOTE H - REVOLVING LOAN FUND FOR HOUSING REHABILITATION

In the prior years, the County received community development block grants to finance housing rehabilitation loans made to local homeowners. Program income received by the County is obligated for additional housing rehabilitation loans.

During 2015, the County received program income of \$123,249 and expended \$144,919 from their housing rehabilitation loan fund as detailed below:

Housing rehabilitation loans	\$ 124,317
Administrative expenses	20,602
Total Expenditures	<u>\$ 144,919</u>

At December 31, 2015 outstanding mortgages receivable totaled \$2,341,239.

LANGLADE COUNTY, WISCONSIN
Notes to the Schedule of Expenditures of Federal Awards and
the Schedule of State Financial Assistance (Continued)
For the Year Ended December 31, 2015

NOTE I - REVOLVING LOAN FUND FOR NORTHWOODS CONSORTIUM

In the prior years, the County received community development block grants to finance housing rehabilitation loans made to homeowners in the Northwoods Consortium Revolving Loan Program. Program income received by the County is obligated for additional housing rehabilitation loans.

During 2015, the County received intergovernmental grant income of \$864,520, program income of \$22,428 and expended \$899,929 from their housing rehabilitation loan fund as detailed below:

Housing rehabilitation loans	\$ 776,406
Administrative expenses	<u>123,523</u>
Total Expenditures	<u><u>\$ 899,929</u></u>

At December 31, 2015 outstanding mortgages receivable totaled \$1,575,871.

LANGLADE COUNTY, WISCONSIN
 Schedule of Findings and Questioned Costs
 For the Year Ended December 31, 2015

Section I - Summary of Auditors' Results

Basic Financial Statements

Type of auditors' report issued: Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? No
- Significant deficiencies identified? None Reported

Noncompliance material to basic financial statements noted? No

Federal and State Awards Programs

Internal control over major program:

- Material weakness(es) identified? No
- Significant deficiencies identified? None reported

Type of auditors' report issued on compliance for major programs Unmodified

Any audit findings disclosed that are required to be reported in accordance with the Uniform Guidance? No

Any audit findings disclosed that are required to be reported in accordance with the *State Single Audit Guidelines*? No

Identification of major federal and state programs:

CFDA Number	Name of Federal Program
14.228	Community Development Block Grants

State ID Number	Name of State Programs
370.574 & 370.575	Snowmobile Trail Aids
370.576 & 370.577	All-Terrain Vehicle Trails
395.101	Elderly and Handicapped Transportation Aids
435.276	IMMA State Share (ACA)
435.277	IMMA Federal Share (ACA)
435.283	IMAA State Share
435.284	IMMA Federal Share
437.3561	Basic County Allocation
437.3681	State/County Match
445.347	Child Day Care

Audit threshold used to determine between Type A and Type B programs:

Federal Awards	\$750,000
State Awards	\$250,000

Auditee qualified as low-risk auditee Yes

Section II - Financial Statement Findings

There are no findings related to the basic financial statements required to be reported under governmental auditing standards generally accepted in the United States of America for the year ended December 31, 2015.

LANGLADE COUNTY, WISCONSIN
 Schedule of Findings and Questioned Costs
 For the Year Ended December 31, 2015

Section III – Federal and State Award Findings and Questioned Costs

Finding No.	Uniform Guidance Finding
2015-001	<p>Uniform Grant Guidance Implementation</p> <p><i>Federal CFDA – All</i></p> <p>Condition: The County has various policies and procedures in place to safeguard its assets and establish related controls over receipts, disbursements, payroll transactions and general ledger maintenance. Federal awards received and disbursed by the County are managed through these county-wide policies and procedures; however, the policies and procedures have not been evaluated to ensure compliance with the requirements of Uniform Guidance.</p> <p>Criteria: Uniform Guidance requires the County to maintain certain polices related to cash management, cost allowability, procurement, and conflict of interest provisions, along with appropriate financial management systems and internal controls over federal awards to safeguard federal funds.</p> <p>Cause: The County has not finalized an assessment of its financial management system and related internal controls over federal awards, along with an evaluation of existing policies for compliance with Uniform Guidance by year end.</p> <p>Effect: The County could become noncompliant with requirements of Uniform Guidance, resulting in future findings and questioned costs related to federal awards administered by the County. The County's 2015 audit in accordance with the requirements of Uniform Guidance did not identify any instances of noncompliance with respect to direct and material compliance requirements of its major federal award program.</p> <p>Recommendation: We recommend the County finalize the assessment of its financial management system and related internal controls over federal awards during the 2016 fiscal year. This assessment should include evaluate existing policies and procedures to determine where additional enhancements should be made or new policies created, a plan to communicate these policies to County employees, and procedures to periodically review and update, as considered necessary.</p>

LANGLADE COUNTY, WISCONSIN
 Schedule of Findings and Questioned Costs (Continued)
 For the Year Ended December 31, 2015

Section IV - Other Issues

- | | |
|--|-----|
| 1. Does the auditor have substantial doubt as to the auditee's ability to continue as a going concern? | No |
| 2. Does the audit report show audit issues (i.e. material non-compliance, non-material non-compliance, questioned cost, material weakness, significant deficiencies, management letter comment, excess revenue or excess reserve) related to grant/contracts with funding agencies that require audits to be in accordance with the <i>State Single Audit Guidelines</i> : | |
| Department of Agriculture, Trade and Consumer Protection | No |
| Department of Safety and Professional Services | No |
| Department of Natural Resources | Yes |
| Department of Transportation | No |
| Department of Corrections | Yes |
| Department of Health Services | Yes |
| Department of Children and Families | Yes |
| Department of Justice | No |
| Department of Military Affairs | Yes |
| Department of Administration | Yes |
| 3. Was a Management Letter or other document conveying audit comments issued as a result of this audit? | Yes |

4. Name and signature of partner



David L. Maccoux, CPA

5. Date of report

July 7, 2016

LANGLADE COUNTY, WISCONSIN
Schedule of Prior Year Audit Findings and Corrective Action Plan
For the Year Ended December 31, 2015

Prior Year Audit Findings

There were no findings for the year ended December 31, 2014.

Corrective Action Plan

Finding No.	Management Response
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2015-001 Uniform Grant Guidance Implementation

The County worked on centralizing all financial policies, including grant management policies, during 2015 and has created a Financial Policy Manual in 2016. This Manual will incorporate specific policies related to Uniform Guidance and will be finalized during 2016.