

**POLK COUNTY, WISCONSIN**  
**COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
**YEAR ENDED DECEMBER 31, 2017**

**POLK COUNTY, WISCONSIN  
COMPREHENSIVE ANNUAL FINANCIAL REPORT  
YEAR ENDED DECEMBER 31, 2017**

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

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## **INTRODUCTORY SECTION**

Dean Johansen, Chair  
Polk County Board of Supervisors  
100 Polk Plaza, Suite 170  
Balsam Lake, WI 54810  
Phone (715) 485-9237



Jeffrey B. Fuge  
Interim County Administrator  
100 Polk Plaza, Suite 220  
Balsam Lake, WI 54810  
Phone (715) 485-9212

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June 30, 2018

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

Honorable Chair Johansen and Supervisors:

The Comprehensive Annual Financial Report (CAFR) for Polk County, Wisconsin (the County) is hereby submitted for the fiscal year ended December 31, 2017 as prepared by the County's Department of Administration. We have prepared this report in conformity with Generally Accepted Accounting Principles (GAAP), and adopting Governmental Accounting Standards Board Statement 34 (GASB34).

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

The County is required to undergo an annual Single Audit in conformity with the provisions of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). The County has complied with the Single Audit requirements. This report will be available to elected officials, County management, bond rating agencies, and other financial institutions that have expressed an interest in Polk County's financial affairs and to the public through the County website.

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

### **Polk County Government**

Polk County was incorporated in 1858 and operates with a County Board/Administrator form of government under Wisconsin Statutes. There are 15 members of the Board of Supervisors, elected to two year terms beginning in April 2016 (reduced from 23 members beginning in 2014). Polk County had five standing committees comprised of County Board and citizen members to provide policy advice to the full Board. Structurally, Polk County is organized into 21 departments, five of which are headed by an elected official.

Polk County is located in northwestern Wisconsin on the border with Minnesota, and is largely rural in character despite a population of about 44,000, with no city or village having a population greater than 3,000. The County provides a full range of services that include health and human services; tax assessment and collection; judicial, law enforcement and jail services; the construction and maintenance of highways and infrastructure; recreational facilities; cultural events; and general administrative services.

In 2010, the County hired its first county administrator and at the same time began a major program of strengthening fiscal controls enabled by that form of government. A concentrated review of programs, current expenditures and vacant positions continued with a realization of substantial savings including the elimination of any structural deficit. Polk County's budget currently contains projections for two additional years, projections that show a balanced budget with reasonable revenue and expenditure estimates. All of the County's financial policies were rewritten and codified as part of the General Code. The County's unassigned fund balance was set at as least 20 percent of General Fund expenditures and separate reserves established to offset retirement liability and fund innovative projects. All together, these changes have greatly contributed to an improvement in the County's fiscal position and outlook.

### **Economic Condition and Outlook**

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

Polk County has been one of the faster growing counties in Wisconsin, although that growth rate has recently slowed due to the past recession. The County's population increased by 7 percent over the past decade according to the 2010 Federal census, a full percentage point above the State average, to 44,205 in April, 2010. According to State of Wisconsin estimates, that population growth continued from 2010 to 2017, although by a negligible amount due to a small net outmigration offset by a natural increase in population (births over deaths).

The County's employment picture has greatly improved, with the overall employment now well above the pre-recession level. The unemployment rate has plummeted, from 5.0 percent in April 2016 to 3.6 percent in April 2017 despite a 1.6 percent growth in labor force. Improved retail activity also continues, with collections hitting record levels several times during the past year. Under Wisconsin law, counties may levy a one-half cent local sales tax on the same base as the State sales tax for sales within the county. In 2017 Polk County collected \$3,081,233 on a cash basis in sales taxes, a 6.5 percent increase over 2016 and an all-time record.

Polk County's tax base is stabilizing following the disruption in the real estate market and despite a preponderance of residential real estate. Overall, the total equalized property value continued to increase according to the Wisconsin Department of Revenue. As indications are that the residential real estate market has recovered and new construction is increasing, we anticipate that the County's equalized value will show significant growth in next year and beyond. Despite past declines, the County remains in the top one-third of Wisconsin counties in per capita

equalized value and the County's tax rate remains moderate, 37<sup>th</sup> highest among the 72 Wisconsin counties.

Tourism, a major component of the County's economic base, is showing strong growth, outperforming the state average on every indicator. Overall spending by visitors increased by two percent from 2016 to 2017, to \$83.6 million, and tourism-related employment increased as well according to the Wisconsin Department of Tourism. The County's agricultural sector also continues to prosper: the USDA estimates that Polk County farmers harvested over 9.2 million bushels of corn in 2017 and manage nearly 43,000 head of cattle. Manufacturing accounts for a large share of the county's economy and appears to have largely recovered from the recession with employment stabilizing at around pre-recession levels. This is especially significant because manufacturing payroll accounts for the largest share of total payroll in Polk County. Finally, the County's health industry also continues to expand, with St. Croix Regional Medical Center, the County's largest employer, starting construction on another clinic in neighboring Burnett County this past year.

Polk County has taken steps to respond to this changing economic outlook and ensure stable finances into the future. The General Fund unassigned fund balance has been decreased to 35 percent of expenditures, down from 39 percent in 2016. The decrease was directly attributable to the structured financing for the construction of the new Highway Facility.

All assigned or committed funds are reviewed at least annually, and two funds serve to cover future liabilities from employee sick leave payouts on retirement and to provide funding for internal investments that result in future savings such investments in lighting to improve energy efficiency. Polk County refinanced a general obligation bond through a ten-year promissory note, reducing associated debt service.

### **Other Operational Highlights**

In addition to the financial management improvements mentioned above, other County departments also achieved operational goals in 2017.

- ◆ The County continued to show prudent fiscal management, with no significant levy increase for the sixth year in a row and a stable and substantial fund balance.
- ◆ Polk County partnered with the Village of Balsam Lake and a local manufacturer commonly known as Bishop to acquire lands for the construction of a new Polk County Highway Facility.
- ◆ Polk County financed the construction of the new Polk County Highway Facility with long term promissory notes through a local financial institution. Polk County included in this financing the refinancing of a long term obligation bond for significant long term savings in debt service.
- ◆ Polk County revised the Human Services Department budget affording greater transparency and accountability.
- ◆ Expanded use of county facilities through leasing partnerships with Polk County Economic Development Corporation and renewal of the Salvation Army Serenity House lease.
- ◆ Solidified long term relationship with Wisconsin Indianhead Technical College bringing

education opportunities to the Balsam Lake area at the WITC-Polk County Outreach Center at the Library/School Building.

- ◆ Reaffirmed partnership with Wisconsin Department of Natural Resources in the management of the Stower Seven Lakes State Trail.
- ◆ Implemented a long term initiative to upgrade the audio-video technology of the Circuit Court rooms.

## **Other Financial Information**

### **Single Audit**

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

As part of the County's Single Audit, described on page one, tests are made to determine the adequacy of the internal controls surrounding the federal financial assistance programs. For the fiscal year ended December 31, 2017, our auditors found no instances of material weaknesses in the internal controls or significant violations of applicable laws and regulations pertaining to the Single Audit.

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

### **Internal Controls**

The County's system of internal controls is supported by written policies and procedures and is continually reviewed, evaluated, and modified to meet current needs as noted above. Polk County has adopted an organic budget code, i.e. one which comprehensively governs the preparation, submission, and execution of the annual budget. The internal auditor administers a broad scope auditing program to review and evaluate the adequacy and effectiveness of the County's internal controls.

The General Government Committee consisted of five County Supervisors in 2017. The Committee serves as the finance committee and reviews the annual audit report with the external auditors. The internal auditor, other County personnel, and representatives from our auditors meet periodically with the General Government Committee to discuss audit concerns.

In developing and evaluating the County's financial management system, consideration is given to the adequacy of the internal accounting controls. These controls provide reasonable, but not absolute, assurance in the following areas: (1) the safeguarding of assets against loss from unauthorized use or disposition, and (2) the reliability of financial records for preparing financial

statements and maintaining accountability for assets. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived and (2) the evaluation of costs and benefits requires estimates and judgments by management.

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

### **Budgeting Controls**

Budgetary control is maintained at the fund level, and it is subject to periodic review by the County's administrator, finance director and General Government Committee. Open encumbrances are reported as assignments of fund balance as of December 31, 2017. In addition, the County maintains budgetary controls at fund and department levels, the objective of which is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the County's governing body. Activities of the General, Special Revenue, Debt Service, and Capital Projects Funds are included in the annual appropriated budget. The County maintains a tracking system for all assigned and committed balances to help in budgetary control. All assigned and committed balances lapse unless the County Board acts to continue this assignment or commitment as part of the annual budget process.

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

### **Long Term Financial Planning**

Polk County policies require that the County undertake long term financial planning in conjunction with the annual budget process and as part of an annual review of the County's current and pending debt service obligations. The budget policy requires that the county administrator submit a budget with at least one forward year (the year following the budget year) estimate; current practice is to project revenues and expenditures for two additional years and for these expenditure amounts to serve as ceilings for the following years' budget preparation. The debt management policy requires that the finance manager annually prepare a debt affordability study that considers the ongoing ability of the County to meet all debt service obligations, necessitating an estimate of revenues and expenditures for the period for which such obligations are outstanding. In addition, the County also prepares a five-year plus capital improvement plan that considers the resources needed to meet these potential costs and demand for other expenditures.

These reviews have not identified any major gap between revenues and expenditures, and actions taken to fully fund the future retirement liability for sick leave payouts as well as capping that liability by shifting to a PTO policy improve the County's long term fiscal outlook. The County has taken steps to increase the unassigned General Fund balance to improve financial stability and to offset some of the need for future debt issuance for capital improvements, including Highway Department renovation or building construction. An increase in the sales tax reserve also serves a similar function. Finally, the decision to establish an asset protection and internal investment revolving loan fund will allow for funding projects with a demonstrable payback in terms of savings in operating costs such as energy efficiency projects.

### **Independent Audit**

Wisconsin State Statutes require an audit to be made of the financial statements of the County by an independent auditor team. In addition to meeting the requirements in the state statutes, the

audit must also meet the requirements of the Uniform Guidance. These requirements have been met and the Auditor's opinion has been included in this report. The Auditor will also issue a management and compliance letter covering the testing of the County's system of internal controls and compliance with applicable legal provisions. The management and compliance letter will not modify or affect this report on the financial statements.

### **Awards**

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Polk County for the year ended December 31, 2016. This is the eighth year the County has received this prestigious award. In order to be awarded a Certificate of Achievement, the County had to publish an easily readable and efficiently organized CAFR that satisfied both generally accepted accounting principles and applicable legal requirements.

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

### **Invitation and Acknowledgments**

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

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

Respectfully submitted,



Jeffrey B. Fuge

Polk County Interim Administrator



Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**Polk County**  
**Wisconsin**

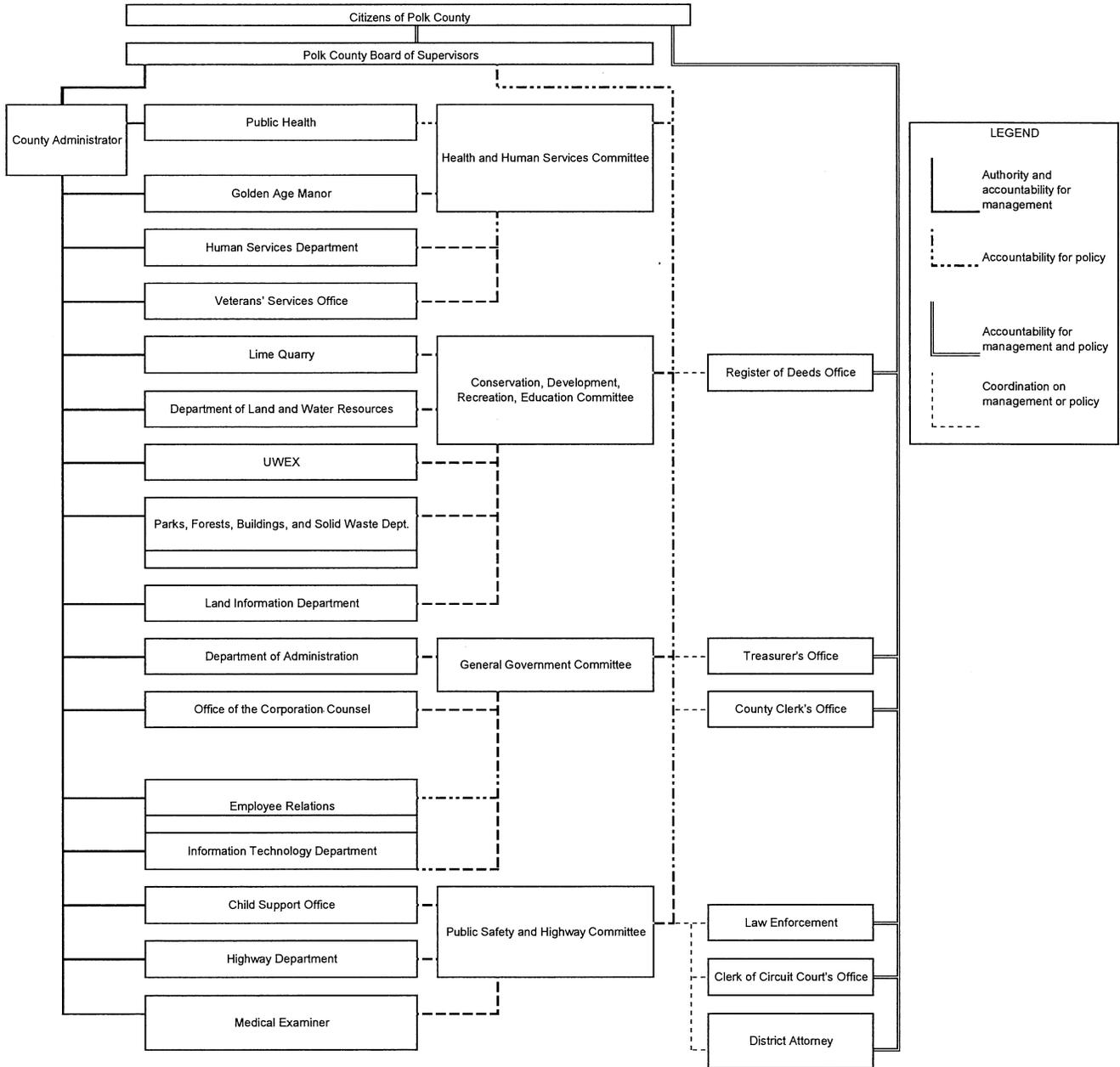
For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**December 31, 2016**

*Christopher P. Morrill*

Executive Director/CEO

**POLK COUNTY, WISCONSIN  
ORGANIZATIONAL CHART  
DECEMBER 31, 2017**



**POLK COUNTY, WISCONSIN  
LIST OF PRINCIPALS  
DECEMBER 31, 2017**

<u>Office</u>	<u>Name</u>	<u>Term Expires</u>
<b>Supervisors:</b>		
1st District	Brad Olson	April 2020
2nd District	Doug Route	April 2020
3rd District	Dean K. Johansen	April 2020
4th District	Chris Nelson	April 2020
5th District	Tracy LaBlanc	April 2020
6th District	Brian Masters	April 2020
7th District	Michael Prichard	April 2020
8th District	James S. Edgell	April 2020
9th District	Kim O'Connell	April 2020
10th District	Larry Jepsen	April 2020
11th District	Jay Luke	April 2020
12th District	Mick Larsen	April 2020
13th District	Russell Arcand	April 2020
14th District	John Bonneprise	April 2020
15th District	Joseph Demulling	April 2020

**Officers:**

**Elected:**

Circuit Judge, Branch 1	Daniel Tolan	August 2023
Circuit Judge, Branch 2	Jeff Anderson	August 2023
Clerk of Circuit Court	Joan Ritten	December 2018
County Clerk	Sharon Jorgenson	December 2020
County Treasurer	Amanda Nissen	December 2020
District Attorney	Jeffrey Kemp	December 2020
Register of Deeds	Sally Spanel	December 2020
Sheriff	Peter Johnson	December 2018

**FINANCIAL SECTION**



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CLAconnect.com

## INDEPENDENT AUDITORS' REPORT

County Board of Supervisors  
Polk County, Wisconsin, Wisconsin

### **Report on 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 Polk County, Wisconsin (the County) as of and for the year ended December 31, 2017, which collectively comprise the County's basic financial statements as listed in the table of contents.

### ***Management's Responsibility for the Financial Statements***

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

### ***Auditor's Responsibility***

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

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

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

***Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Polk County, Wisconsin as of December 31, 2017, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

**Other Matters**

***Required Supplementary Information***

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

***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Polk County, Wisconsin's basic financial statements. The introductory section, combining and individual fund financial statements and schedules and statistical section, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

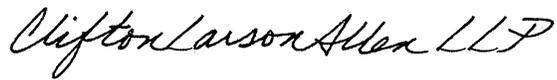
The combining and individual fund statements and schedules are the responsibility of management and were derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied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

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

County Board of Supervisors  
Polk County, Wisconsin

***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated June 22, 2018 on our consideration of Polk County, Wisconsin's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is solely 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 effectiveness of Polk County's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.



**CliftonLarsonAllen LLP**

Eau Claire, Wisconsin  
June 22, 2018

**REQUIRED SUPPLEMENTARY INFORMATION**

**POLK COUNTY, WISCONSIN  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED DECEMBER 31, 2017**

As management of Polk County, Wisconsin (the County), we offer readers of the County's financial statements this narrative overview and analysis of the financial activities of Polk County for the year ended December 31, 2017. We encourage readers to consider the information presented here in conjunction with the County's financial statements, which begin on page 27 following this narrative.

**FINANCIAL HIGHLIGHTS**

- The assets and deferred outflows of resources of the County's governmental activities exceeded its liabilities and deferred inflows at the close of the most recent fiscal year by \$96,789,867 (net position). Of this amount, \$69,331,029 represented the County's net investment in capital assets, \$1,283,453 was held for restricted purposes, and \$26,175,385 was unrestricted. The unrestricted net position may be used to meet the government's ongoing obligations to citizens and creditors.
- During the fiscal year, the County's total net position increased by \$4,012,120. Net position related to the governmental activities and business-type activities of the County increased \$4,273,693 and decreased \$261,573, respectively.
- At the close of the fiscal year, the County's governmental funds reported combined ending fund balances of \$25,206,209, an increase of \$7,653,540 from the previous year. The primary component of the increase was the operational results of the general, county sales tax, and snowmobile/ATV Trails special revenue funds.
- At the end of the current fiscal year, unassigned fund balance for the general fund was \$9,962,047 or 40.47% of total general fund expenditures.
- Golden Age Manor Nursing Home finished 2017 with a decrease in net position of \$221,242, including depreciation.
- The lime quarry fund finished 2017 with net position decreasing \$40,331 including depreciation.

**OVERVIEW OF THE 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 financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

**Government-Wide Financial Statements**

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

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

**POLK COUNTY, WISCONSIN  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED DECEMBER 31, 2017**

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

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

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

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

The government-wide financial statements can be found beginning on page 29 of this report.

**Fund Financial Statements**

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Polk County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the County can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

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

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

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

The fund level financial statements can be found beginning on page 32 of this report.

**POLK COUNTY, WISCONSIN  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED DECEMBER 31, 2017**

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

**Fund Financial Statements (Continued)**

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

Because all of these services predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide information for the nursing home and the lime quarry operations, both considered major funds. Conversely, the two internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds is provided in the form of combining statements elsewhere in this report. The basic proprietary fund financial statements can be found beginning on page 36 of this report.

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

The basic fiduciary fund financial statement can be found on page 41 of this report.

**Notes to the Financial Statements**

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found beginning on page 42 of this report.

**Supplementary Information**

In addition to the basic financial statements and accompanying notes, this report presents certain required supplementary information on the general fund and major special revenue fund budgets, pension schedules and a schedule of OPEB funding progress. Required supplementary information can be found beginning on page 80 of this report.

Following the basic government-wide and fund financial statements, accompanying notes, and required supplementary information, supplementary information has been provided as part of this report. The supplementary information includes combining statements for the nonmajor governmental funds and internal service funds, and individual fund statements for selected funds. This other supplementary information section begins on page 89.

**POLK COUNTY, WISCONSIN  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED DECEMBER 31, 2017**

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

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of Polk County, assets exceeded liabilities and deferred inflows of resources by \$99,745,649 at the close of the most recent fiscal year. The largest portion of Polk County's net position (65%) reflects its investment in capital assets (e.g., land, buildings, machinery and equipment, infrastructure) less any related debt used to acquire those assets that is still outstanding. The County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. The following is a summary of the County's statement of net position:

**Condensed Statement of Net Position  
December 31, 2017 and 2016**

	Governmental Activities		Business-Type Activities		Total	
	2017	2016	2017	2016	2017	2016
Current and Other Assets	\$ 61,007,494	\$ 50,107,917	\$ 1,342,621	\$ 1,280,557	\$ 62,350,115	\$ 51,388,474
Capital Assets	80,862,885	75,916,826	2,340,425	2,507,628	83,203,310	78,424,454
Internal Balances	298,364	575,188	(298,364)	(575,188)	-	-
Total Assets	<u>142,168,743</u>	<u>126,599,931</u>	<u>3,384,682</u>	<u>3,212,997</u>	<u>145,553,425</u>	<u>129,812,928</u>
Deferred Outflows of Resources	7,895,876	11,286,266	1,558,432	2,466,024	9,454,308	13,752,290
Noncurrent Liabilities Outstanding	18,621,697	12,076,835	815,605	949,266	19,437,302	13,026,101
Other Liabilities	12,451,794	6,720,265	543,346	599,372	12,995,140	7,319,637
Total Liabilities	<u>31,073,491</u>	<u>18,797,100</u>	<u>1,358,951</u>	<u>1,548,638</u>	<u>32,432,442</u>	<u>20,345,738</u>
Deferred Inflows of Resources	<u>22,201,261</u>	<u>26,572,923</u>	<u>628,381</u>	<u>913,028</u>	<u>22,829,642</u>	<u>27,485,951</u>
Net Position:						
Net Investment in Capital						
Assets	69,331,029	66,825,764	2,340,425	2,507,628	71,671,454	69,333,392
Restricted	1,283,453	2,143,187	6,626	7,845	1,290,079	2,151,032
Unrestricted	26,175,385	23,547,223	608,731	701,882	26,784,116	24,249,105
Total Net Position	<u>\$ 96,789,867</u>	<u>\$ 92,516,174</u>	<u>\$ 2,955,782</u>	<u>\$ 3,217,355</u>	<u>\$ 99,745,649</u>	<u>\$ 95,733,529</u>

An additional portion of the County's net position (1.3%) represents resources that are subject to other restrictions on how they may be used. The remaining \$26,784,116 of total net position (27%) may be used to meet the County's ongoing obligations to citizens and creditors.

At the end of 2017, the County is able to report positive balances in all three categories of net position, for the government as a whole and for the governmental activities and business-type activities.

The condensed statement of changes in net position shown on the following page shows that the County's total net position increased by \$4,012,120 during the current fiscal year. The increase consisted of an increase in net position related to governmental activities in the amount of \$4,273,693 and a decrease in net position related to business-type activities in the amount of \$261,573.

**POLK COUNTY, WISCONSIN  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED DECEMBER 31, 2017**

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

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

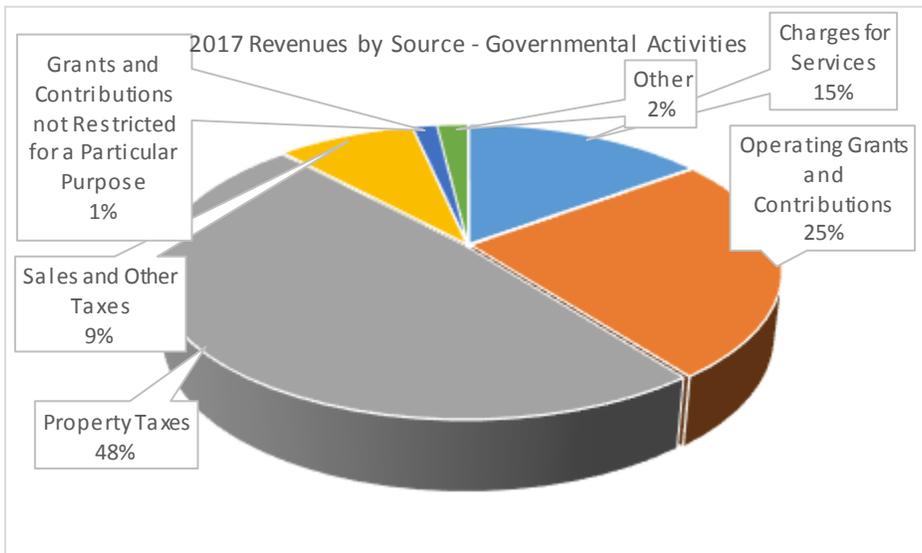
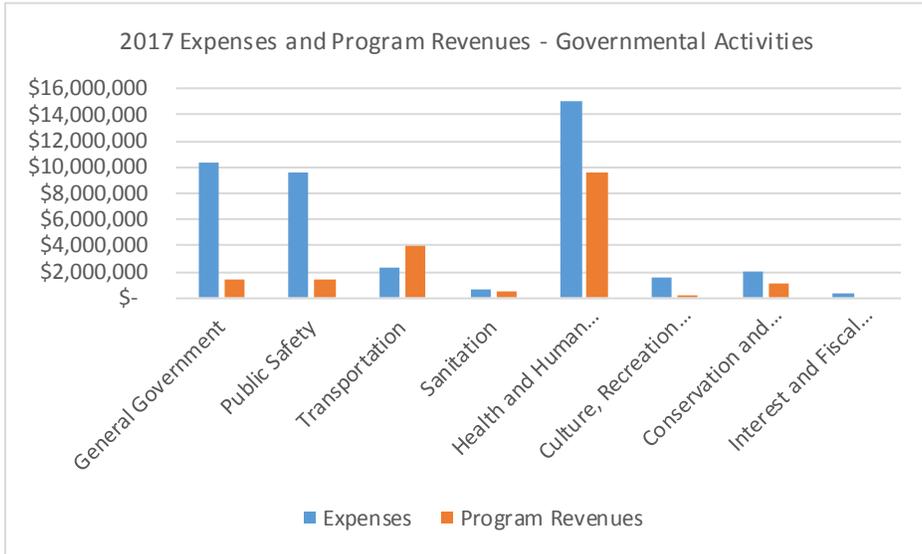
**Condensed Statement of Changes in Net Position  
Years Ended December 31, 2017 and 2016**

	Governmental Activities		Business-Type Activities		Total	
	2017	2016	2017	2016	2017	2016
<b>Revenues:</b>						
Program Revenues:						
Charges for Services	\$ 6,860,993	\$ 6,691,032	\$ 7,357,004	\$ 7,409,874	\$ 14,217,997	\$ 14,100,906
Operating Grants and Contributions	11,372,826	10,626,373	1,159,700	1,153,030	12,532,526	11,779,403
General Revenues:						
Property Taxes	22,333,420	22,156,242	-	-	22,333,420	22,156,242
Other Taxes	3,925,679	3,822,177	-	-	3,925,679	3,822,177
State and Federal Aids not Restricted to Specific Programs	695,122	692,990	-	-	695,122	692,990
Unrestricted Investment Earnings	159,948	90,073	19	94	159,967	90,167
Other	720,576	559,799	61,535	31,895	782,111	591,694
<b>Total Revenues</b>	<b>46,068,564</b>	<b>44,638,686</b>	<b>8,578,258</b>	<b>8,594,893</b>	<b>54,646,822</b>	<b>53,233,579</b>
<b>Expenses:</b>						
General Government	10,424,220	6,728,101	-	-	10,424,220	6,728,101
Public Safety	9,591,055	9,192,660	-	-	9,591,055	9,192,660
Transportation	2,261,153	7,278,730	-	-	2,261,153	7,278,730
Sanitation	652,749	742,726	-	-	652,749	742,726
Health and Human Services	15,064,398	14,142,507	-	-	15,064,398	14,142,507
Culture, Recreation and Education	1,494,408	1,248,921	-	-	1,494,408	1,248,921
Conservation and Development	1,986,208	1,859,812	-	-	1,986,208	1,859,812
Interest and Fiscal Charges	374,557	442,405	-	-	374,557	442,405
Nursing Home	-	-	8,077,874	8,155,131	8,077,874	8,155,131
Lime Quarry	-	-	708,080	723,902	708,080	723,902
<b>Total Expenses</b>	<b>41,848,748</b>	<b>41,635,862</b>	<b>8,785,954</b>	<b>8,879,033</b>	<b>50,634,702</b>	<b>50,514,895</b>
<b>Change in Net Position Before Transfers</b>	<b>4,219,816</b>	<b>3,002,824</b>	<b>(207,696)</b>	<b>(284,140)</b>	<b>4,012,120</b>	<b>2,718,684</b>
<b>Transfers</b>	<b>53,877</b>	<b>121,677</b>	<b>(53,877)</b>	<b>(121,677)</b>	<b>-</b>	<b>-</b>
<b>Change in Net Position</b>	<b>4,273,693</b>	<b>3,124,501</b>	<b>(261,573)</b>	<b>(405,817)</b>	<b>4,012,120</b>	<b>2,718,684</b>
<b>Net Position - Beginning of Year</b>	<b>92,516,174</b>	<b>89,391,673</b>	<b>3,217,355</b>	<b>3,623,172</b>	<b>95,733,529</b>	<b>93,014,845</b>
<b>Net Position - End of Year</b>	<b>\$ 96,789,867</b>	<b>\$ 92,516,174</b>	<b>\$ 2,955,782</b>	<b>\$ 3,217,355</b>	<b>\$ 99,745,649</b>	<b>\$ 95,733,529</b>

A review of the statement of activities can provide a concise picture of how the various functions/programs of the County are funded. The following charts draw data from the statement of activities. For governmental activities the County's main sources for funding governmental services are property taxes (48%), charges for services (15%), and operating grants/contributions (25%).

**POLK COUNTY, WISCONSIN  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED DECEMBER 31, 2017**

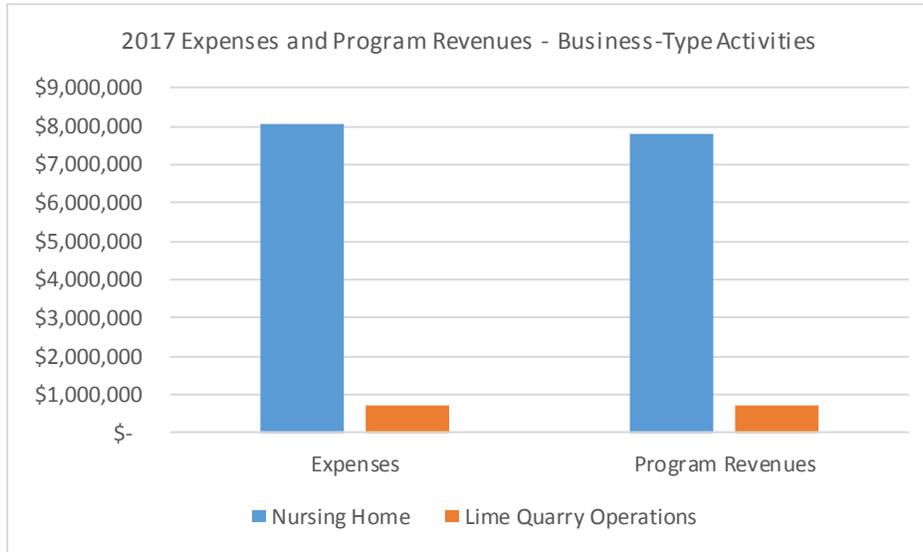
**FINANCIAL ANALYSIS OF THE COUNTY AS A WHOLE (CONTINUED)**



**POLK COUNTY, WISCONSIN  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED DECEMBER 31, 2017**

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

In the case of business-type activities, the data shows a considerably different picture. Charges for services (86%) replace property taxes as the primary revenue.



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

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

**Governmental Funds**

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

**POLK COUNTY, WISCONSIN  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED DECEMBER 31, 2017**

**FINANCIAL ANALYSIS OF THE COUNTY'S MAJOR FUNDS (CONTINUED)**  
**Governmental Funds (Continued)**

At December 31, 2017, the County's governmental funds reported combined ending fund balances of \$25,206,209, an increase of \$7,653,540 from the previous year. The governmental funds comprising this balance are shown below:

	Fund Balances at 12/31/2017					Total	Current Year Change
	Nonspendable	Restricted	Committed	Assigned	Unassigned		
Major Funds:							
General Fund	\$ 4,542,694	\$ 58,583	\$ 17,849	\$ 1,563,334	\$ 9,962,047	\$ 16,144,507	\$ 703,760
Debt Service Fund	-	102,441	-	-	-	102,441	(80,045)
Highway Facility Building Fund				7,838,751		7,838,751	7,838,751
Nonmajor Funds:							
Special Revenue Funds	-	1,122,429	-	-	(1,919)	1,120,510	(808,926)
Total Fund Balances	<u>\$ 4,542,694</u>	<u>\$ 1,283,453</u>	<u>\$ 17,849</u>	<u>\$ 9,402,085</u>	<u>\$ 9,960,128</u>	<u>\$ 25,206,209</u>	<u>\$ 7,653,540</u>

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

The general fund is the primary operating fund used to account for the governmental operations of the County. As a measure of the general fund's liquidity, it may be useful to compare both total fund balance and unassigned fund balance to measures of operating volume such as fund expenditures or fund revenues. The total year-end general fund balance represented 65.58% of total general fund expenditures reported on the statement of revenues, expenditures, and changes in fund balances while the unassigned balance represented 42.20% of the same amount.

The general fund's total fund balance increased \$703,760 during the year; while the unassigned portion of the fund increased \$327,464. The increase in the unassigned balance was due to the positive variances in the general fund budget.

The County's children and families fund and health services fund both had a \$-0- balance at year-end. This ending fund balances are due to a County board resolution requiring the fund balances to be closed to the general fund at year end. A transfer from the general fund to the children and families fund in the amount of \$799,773 was required in 2017 to cover the deficit in the children and families fund resulting from 2017 operations. A transfer to the general fund from the health services fund in the amount of \$862,522 was required in 2017 to transfer the surplus in the health services fund resulting from 2017 operations.

The debt service fund balance at December 31, 2017 totaled \$102,441. This balance is expected to be used to finance future debt service requirements.

**POLK COUNTY, WISCONSIN  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED DECEMBER 31, 2017**

**FINANCIAL ANALYSIS OF THE COUNTY'S MAJOR FUNDS (CONTINUED)**  
**Governmental Funds (Continued)**

The highway facilities fund balance at December 31, 2017 totaled \$7,838,751. This balance is expected to be used to finance the remaining costs of the highway facility building project.

The aggregated other governmental funds column includes various special revenue and capital project funds. The accumulated fund balances of these funds decreased \$808,926 during 2017, primarily due to the excess of expenditures and other financing uses in the ATV/snowmobile trails fund and county sales tax fund over amounts applied by the County to reduce its levy. These funds are individually detailed in the supplementary information section of this report.

**Proprietary Funds**

The County's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. As shown below, the net position of the enterprise-type proprietary funds at the end of 2017 totaled \$2,955,782, a decrease of \$261,573 from the previous year's adjusted balance.

**Condensed Statement of Changes in Net Position for Enterprise Funds  
Years Ended December 31, 2017 and 2016**

	Nursing Home		Lime Quarry		Totals	
	2017	2016	2017	2016	2017	2016
Operating Revenues	\$ 6,718,590	\$ 6,787,715	\$ 699,949	\$ 654,054	\$ 7,418,539	\$ 7,441,769
Operating Expenses:						
Depreciation	166,824	179,808	99,897	108,596	266,721	288,404
Other	7,909,831	7,952,247	608,183	615,306	8,518,014	8,567,553
Nonoperating Income (Expense)	1,158,500	1,130,048	-	-	1,158,500	1,130,048
Income (Loss) Before Transfers	(199,565)	(214,292)	(8,131)	(69,848)	(207,696)	(284,140)
Transfers and Capital						
Contributions	(21,677)	(21,677)	(32,200)	(100,000)	(53,877)	(121,677)
Change in Net Position	(221,242)	(235,969)	(40,331)	(169,848)	(261,573)	(405,817)
Net Position - Beginning of Year	1,650,598	1,886,567	1,566,757	1,736,605	3,217,355	3,623,172
Net Position - End of Year	<u>\$ 1,429,356</u>	<u>\$ 1,650,598</u>	<u>\$ 1,526,426</u>	<u>\$ 1,566,757</u>	<u>\$ 2,955,782</u>	<u>\$ 3,217,355</u>

The overall decrease in the net position of the nursing home was \$221,242. This decrease is primarily due to the change in pension related items. As shown above, the change in net position was a decrease of \$221,242 compared to a decrease of \$235,969 in the previous year.

The net position of the lime quarry fund at December 31, 2017 totaled \$1,526,426, reflecting a decrease of \$40,331 from the previous year.

**POLK COUNTY, WISCONSIN  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED DECEMBER 31, 2017**

**FINANCIAL ANALYSIS OF THE COUNTY'S MAJOR FUNDS (CONTINUED)**

**Proprietary Funds (Continued)**

The County had two internal service funds during 2017. Net position of the funds at year-end and changes thereto during the year were as follows:

	Net Position at 12/31/17	Change During Year
Highway Department	\$ 9,390,487	\$ 1,087,288
Self-Funded Health Insurance	4,421,274	681,271

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

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

**GENERAL FUND BUDGETARY HIGHLIGHTS**

As shown in the budgetary comparison schedule for the general fund (in required supplementary information), the final 2017 general fund budget was amended for additional expenditures not originally included in adopted budget. The final actual revenues were \$23,306,933 which were \$871,690 greater than the final budgeted revenues while the final actual expenditures were \$24,616,486 which were \$800,957 less than the final budgeted expenditures. The more significant items contributing to revenues being more than budget include: \$40,576 for federal traffic aid which wasn't budgeted, \$19,327 more in Water Patrol aid than budgeted, and \$23,975 more in recycling aid than budgeted. The more significant items contributing to expenditures being less than budget include: \$106,504 unused budget for a general government other professional services for outside consulting, \$108,015 unspent budget for general government buildings/maintenance projects, and \$147,389 savings on property and liability insurance costs.

**POLK COUNTY, WISCONSIN  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED DECEMBER 31, 2017**

**CAPITAL ASSETS AND DEBT ADMINISTRATION**

**Capital Assets**

The County's net investment in capital assets for its governmental and business-type activities as of December 31, 2017 were \$80,862,885 and \$2,340,425, respectively, as shown below:

**Capital Assets (Net of Depreciation)  
December 31, 2017 and 2016**

	Governmental Activities		Business-Type Activities		Totals	
	2017	2016	2017	2016	2017	2016
Not Subject to Depreciation:						
Land and Land Rights	\$ 2,361,476	\$ 2,365,729	\$ 158,534	\$ 162,810	\$ 2,520,010	\$ 2,528,539
Construction Work in Process	4,852,844	59,226	-	-	4,852,844	59,226
Gravel Pits	185,565	185,565	-	-	185,565	185,565
Subject to Depreciation:						
Land Improvements	1,004,136	56,876	25,057	16,313	1,029,193	73,189
Buildings and Improvements	17,913,840	18,857,933	1,133,638	1,215,042	19,047,478	20,072,975
Equipment and Vehicles	8,790,672	8,647,831	1,023,196	1,113,463	9,813,868	9,761,294
Highway Infrastructure	44,820,899	44,783,114	-	-	44,820,899	44,783,114
Other Infrastructure	933,453	960,552	-	-	933,453	960,552
Total	<u>\$ 80,862,885</u>	<u>\$ 75,916,826</u>	<u>\$ 2,340,425</u>	<u>\$ 2,507,628</u>	<u>\$ 83,203,310</u>	<u>\$ 78,424,454</u>

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

**Long-Term Obligations**

At December 31, 2017, the County had outstanding \$22,826,347 of long-term debt and other long-term obligations. A summary detail of this amount, together with the net change from the previous year, is shown below:

**Outstanding Long-Term Obligations  
December 31, 2017 and 2016**

	Governmental Activities		Business-Type Activities		Total Outstanding	
	2017	2016	2017	2016	2017	2016
General Obligation Debt:						
Bonds	\$ -	\$ 8,710,000	\$ -	\$ -	\$ -	\$ 8,710,000
Notes	17,162,520	-	-	-	17,162,520	-
Subtotal	17,162,520	8,710,000	-	-	17,162,520	8,710,000
Other Long-Term Obligations:						
Capital Leases Payable	8,087	10,629	-	-	8,087	10,629
Forest Crop Loans Payable	64,108	87,683	-	-	64,108	87,683
Estimated Employee Leave	3,000,684	3,091,192	309,973	332,699	3,310,657	3,423,891
Other Postemployment Health Care Benefits	1,804,328	1,694,266	476,647	446,847	2,280,975	2,141,113
Total	<u>\$ 22,039,727</u>	<u>\$ 13,593,770</u>	<u>\$ 786,620</u>	<u>\$ 779,546</u>	<u>\$ 22,826,347</u>	<u>\$ 14,373,316</u>

Under Wisconsin State Statutes, the outstanding general obligation long-term debt of a County may not exceed 5% of the equalized property value of all taxable property within the jurisdiction. The applicable debt of Polk County outstanding at December 31, 2017 totaled \$17,162,520, approximately 7.58% of the maximum legal limit of \$226,533,075. Additional information on the County's long-term debt is reported in Note 3.E following the financial statements.

**POLK COUNTY, WISCONSIN  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED DECEMBER 31, 2017**

**CURRENTLY KNOWN FACTS**

Limits have been imposed on the property tax levy rates for Wisconsin counties. There are separate limits for the operating levy and the debt service levy. The baseline for the limits is the actual 1992 tax rate adopted for the 1993 budget. The operating levy rate and the debt levy rate cannot exceed the baseline rates unless the County qualifies for one of the exceptions allowed under the statute. The statute establishes specific penalties for failure to meet the levy rate freeze requirements. Among the penalties for exceeding the limits is the reduction of state shared revenues and transportation aids. For the 2017 budget year, the County utilized an operating levy rate of \$4.46, a debt levy rate of \$0.81, and a special purpose levy rate of \$0.17 for a total mill rate of \$5.44/\$1,000 of valuation.

The state of Wisconsin has imposed further limits on the County's property tax levy beginning with the 2008 budget year levy. Essentially, the legislation restricts the growth in the County's property taxes (except for debt service, libraries, road and bridge aid, and tax increments) to the percentage increase in the County's equalized value due to new construction. The County approved a levy of \$21,611,424 for its 2017 budget, an increase of \$441,302 (2.08%) from the 2016 budget levy of \$21,170,122.

**REQUESTS FOR INFORMATION**

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

## **BASIC FINANCIAL STATEMENTS**

**GOVERNMENT-WIDE FINANCIAL STATEMENTS**

**POLK COUNTY, WISCONSIN  
STATEMENT OF NET POSITION  
DECEMBER 31, 2017**

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
<b>ASSETS</b>			
Treasurer's Cash and Investments	\$ 28,309,436	\$ 582,874	\$ 28,892,310
Departmental Cash and Investments	7,685	200	7,885
Cash and Investments with Fiscal Agents	62,591	-	62,591
Taxes Receivable	26,863,996	-	26,863,996
Accounts Receivable	3,346,272	570,501	3,916,773
Due from Other Governments	810,155	-	810,155
Long-Term Receivables	787,653	-	787,653
Prepaid Items	251,813	35,858	287,671
Inventories	567,893	125,887	693,780
Internal Balances	298,364	(298,364)	-
Restricted Assets:			
Cash and Investments	-	27,301	27,301
Capital Assets:			
Capital Assets Not Being Depreciated	7,399,885	158,534	7,558,419
Capital Assets Being Depreciated	141,933,371	7,220,419	149,153,790
Accumulated Depreciation	(68,470,371)	(5,038,528)	(73,508,899)
Total Assets	<u>142,168,743</u>	<u>3,384,682</u>	<u>145,553,425</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Wisconsin Retirement System Pension Related	7,895,876	1,558,432	9,454,308
<b>LIABILITIES</b>			
Vouchers and Accounts Payable	3,002,250	122,671	3,124,921
Accrued Payables	802,087	229,177	1,031,264
Accrued Interest Payable	35,488	-	35,488
Claims Incurred but not Reported	179,338	-	179,338
Unearned Revenue	3,974,908	-	3,974,908
Special Deposits	27,352	20,675	48,027
Long-Term Liabilities:			
Amounts Due Within One Year	4,430,371	170,823	4,601,194
Amounts Due in More Than One Year	17,609,356	615,797	18,225,153
Wisconsin Retirement System Pension Related	1,012,341	199,808	1,212,149
Total Liabilities	<u>31,073,491</u>	<u>1,358,951</u>	<u>32,432,442</u>
<b>DEFERRED INFLOWS OF RESOURCES:</b>			
Property Taxes for Subsequent Year	18,723,258	-	18,723,258
Deferred Charge on Refunding	294,274	-	294,274
Wisconsin Retirement System Pension Related	3,183,729	628,381	3,812,110
Total Deferred Inflows of Resources	<u>22,201,261</u>	<u>628,381</u>	<u>22,829,642</u>
<b>NET POSITION</b>			
Net Investment in Capital Assets	69,331,029	2,340,425	71,671,454
Restricted for:			
Debt Service	66,953	-	66,953
Economic and Housing Loan Programs	817,908	-	817,908
Other Purposes	398,592	6,626	405,218
Unrestricted	26,175,385	608,731	26,784,116
Total Net Position	<u>\$ 96,789,867</u>	<u>\$ 2,955,782</u>	<u>\$ 99,745,649</u>

See accompanying Notes to Basic Financial Statements.

**POLK COUNTY, WISCONSIN  
STATEMENT OF ACTIVITIES  
YEAR ENDED DECEMBER 31, 2017**

Functions/Programs	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Position - Primary Government		
		Charges for Services	Operating Grants and Contributions	Governmental Activities	Business-Type Activities	Total
<b>Primary Government:</b>						
Governmental Activities:						
General Government	\$ 10,424,220	\$ 891,157	\$ 576,542	\$ (8,956,521)	\$ -	\$ (8,956,521)
Public Safety	9,591,055	854,396	604,689	(8,131,970)	-	(8,131,970)
Transportation	2,261,153	2,378,957	1,596,831	1,714,635	-	1,714,635
Sanitation	652,749	331,529	159,126	(162,094)	-	(162,094)
Health and Human Services	15,064,398	1,676,795	7,869,728	(5,517,875)	-	(5,517,875)
Culture, Recreation, and Education	1,494,408	18,690	146,077	(1,329,641)	-	(1,329,641)
Conservation and Development	1,986,208	709,469	419,833	(856,906)	-	(856,906)
Interest and Fiscal Charges	374,557	-	-	(374,557)	-	(374,557)
Total Governmental Activities	41,848,748	6,860,993	11,372,826	(23,614,929)	-	(23,614,929)
Business-Type Activities:						
Nursing Home	8,077,874	6,657,055	1,159,700	-	(261,119)	(261,119)
Lime Quarry	708,080	699,949	-	-	(8,131)	(8,131)
Total Business-Type Activities	8,785,954	7,357,004	1,159,700	-	(269,250)	(269,250)
Total Primary Government	\$ 50,634,702	\$ 14,217,997	\$ 12,532,526	(23,614,929)	(269,250)	(23,884,179)
<b>GENERAL REVENUES</b>						
Taxes:						
Property Taxes				22,333,420	-	22,333,420
Sales Taxes				3,248,801	-	3,248,801
Other Taxes				676,878	-	676,878
State and Federal Aids Not Restricted to Specific Programs				695,122	-	695,122
Interest and Investment Earnings				159,948	19	159,967
Other				720,576	61,535	782,111
TRANSFERS				53,877	(53,877)	-
Total General Revenues and Transfers				27,888,622	7,677	27,896,299
<b>CHANGE IN NET POSITION</b>						
Net Position - Beginning of Year				92,516,174	3,217,355	95,733,529
<b>NET POSITION - END OF YEAR</b>						
				\$ 96,789,867	\$ 2,955,782	\$ 99,745,649

See accompanying Notes to Basic Financial Statements.

**FUND FINANCIAL STATEMENTS**

**POLK COUNTY, WISCONSIN  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
DECEMBER 31, 2017**

	General Fund	Children and Families Fund	Health Services Fund	Debt Service Fund	Highway Facility Building Fund	Other Governmental Funds	Totals
<b>ASSETS</b>							
Treasurer's Cash and Investments	\$ 10,431,906	\$ -	\$ -	\$ 102,441	\$ 9,750,624	\$ 752,566	\$ 21,037,537
Departmental Cash and Investments	7,485	-	-	-	-	-	7,485
Cash Held by Fiscal Agents	62,591	-	-	-	-	-	62,591
Taxes Receivable	19,904,268	2,401,923	1,506,332	2,808,126	-	243,347	26,863,996
Accounts Receivable	577,006	499,478	824,926	-	-	1,329,482	3,230,892
Due from Other Funds	1,374,179	-	-	-	-	-	1,374,179
Prepaid Items	14,249	-	-	-	-	-	14,249
Long-Term Accounts Receivable	-	-	-	-	-	787,653	787,653
Advances to Other Funds	298,364	-	-	-	-	-	298,364
Total Assets	<u>\$ 32,670,048</u>	<u>\$ 2,901,401</u>	<u>\$ 2,331,258</u>	<u>\$ 2,910,567</u>	<u>\$ 9,750,624</u>	<u>\$ 3,113,048</u>	<u>\$ 53,676,946</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>							
<b>LIABILITIES</b>							
Vouchers and Accounts Payable	\$ 346,993	\$ 256,199	\$ 125,317	\$ -	\$ 1,911,873	\$ 238,555	\$ 2,878,937
Accrued Payables	490,978	102,959	59,830	-	-	51,656	705,423
Due to Other Funds	-	134,239	634,293	-	-	605,647	1,374,179
Unearned Revenues	-	2,401,923	1,506,332	-	-	65,680	3,973,935
Special Deposits	15,785	6,081	5,486	-	-	-	27,352
Total Liabilities	<u>853,756</u>	<u>2,901,401</u>	<u>2,331,258</u>	<u>-</u>	<u>1,911,873</u>	<u>961,538</u>	<u>8,959,826</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>							
Succeeding Year's Property Taxes	15,671,785	-	-	2,808,126	-	243,347	18,723,258
Unavailable Revenue - Long-Term Receivable	-	-	-	-	-	787,653	787,653
Total Deferred Inflows of Resources	<u>15,671,785</u>	<u>-</u>	<u>-</u>	<u>2,808,126</u>	<u>-</u>	<u>1,031,000</u>	<u>19,510,911</u>
<b>FUND BALANCES</b>							
Nonspendable	4,542,694	-	-	-	-	-	4,542,694
Restricted	58,583	-	-	102,441	-	1,122,429	1,283,453
Committed	17,849	-	-	-	-	-	17,849
Assigned	1,563,334	-	-	-	7,838,751	-	9,402,085
Unassigned	9,962,047	-	-	-	-	(1,919)	9,960,128
Total Fund Balances	<u>16,144,507</u>	<u>-</u>	<u>-</u>	<u>102,441</u>	<u>7,838,751</u>	<u>1,120,510</u>	<u>25,206,209</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 32,670,048</u>	<u>\$ 2,901,401</u>	<u>\$ 2,331,258</u>	<u>\$ 2,910,567</u>	<u>\$ 9,750,624</u>	<u>\$ 3,113,048</u>	<u>\$ 53,676,946</u>

See accompanying Notes to Basic Financial Statements.

**POLK COUNTY, WISCONSIN  
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO  
THE STATEMENT OF NET POSITION  
GOVERNMENTAL ACTIVITIES  
DECEMBER 31, 2017**

Total Fund Balances - Governmental Funds \$ 25,206,209

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

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

Land	\$	2,348,010	
Land Improvements		575,040	
Buildings and Improvements		33,854,017	
Machinery and Equipment		13,137,670	
Infrastructure		82,660,949	
Other Infrastructure		1,353,910	
Construction Work-in-Progress		4,852,844	
Accumulated Depreciation		<u>(63,178,559)</u>	75,603,881

Some receivables are reported as deferred inflows of resources in the fund financial statements but are recognized as revenue when earned in the government-wide statements. 787,653

Net Wisconsin Retirement System pension liability and related deferred outflows and inflows are recorded only on the statement of net position. Balances at year-end are:

Deferred Outflows of Resources			7,108,372
Net Pension Liability			(911,374)
Deferred Inflows of Resources			(2,866,197)

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

These liabilities consist of:

Notes Payable		17,162,520	
Accrued Interest Payable		35,488	
Forest Crop Loans		64,108	
Capital Lease		8,087	
Deferred Charge on Refunding		294,274	
Other Postemployment Health Care Benefits		1,804,328	
Estimated Employee Leave Liability		<u>2,581,633</u>	(21,950,438)

Internal service funds are used by County management to account for highway department operations and to charge the costs of its self-funded health insurance program to functions. The assets and liabilities of the internal service funds are reported in governmental activities. 13,811,761

**Net Position of Governmental Activities \$ 96,789,867**

**POLK COUNTY, WISCONSIN**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL ACTIVITIES**  
**YEAR ENDED DECEMBER 31, 2017**

	General Fund	Children and Families Fund	Health Services Fund	Debt Service Fund	Highway Facility Building Fund	Other Governmental Funds	Totals
<b>REVENUES</b>							
Taxes	\$ 15,784,070	\$ 2,202,652	\$ 1,417,888	\$ 3,160,000	\$ -	\$ 3,694,489	\$ 26,259,099
Intergovernmental	3,917,644	2,890,927	2,327,757	-	-	2,931,620	12,067,948
Licenses and Permits	399,007	-	-	-	-	47,349	446,356
Fines and Forfeits	128,283	-	-	-	-	43,748	172,031
Public Charges for Services	1,692,740	267,321	834,069	-	-	444,132	3,238,262
Intergovernmental Charges for Services	625,387	-	-	-	-	-	625,387
Miscellaneous:							
Interest	159,892	-	-	-	-	56	159,948
Rent	303,354	-	-	-	-	-	303,354
Other	296,556	-	-	-	-	116,080	412,636
Total Revenues	23,306,933	5,360,900	4,579,714	3,160,000	-	7,277,474	43,685,021
<b>EXPENDITURES</b>							
Current:							
General Government	6,666,044	-	-	-	4,701,294	12,623	11,379,961
Public Safety	7,978,816	-	-	-	-	133,640	8,112,456
Transportation	4,796,981	-	-	-	-	-	4,796,981
Sanitation	585,867	-	-	-	-	-	585,867
Health and Human Services	1,608,202	6,160,673	3,744,486	-	-	3,177,526	14,690,887
Culture, Recreation and Education	1,171,472	-	-	-	-	272,544	1,444,016
Conservation and Development	1,809,104	-	-	-	-	130,057	1,939,161
Capital Outlay:							
Public Safety	-	-	-	-	-	1,134,199	1,134,199
Debt Service							
Principal Retirement	-	-	-	8,712,542	-	23,575	8,736,117
Interest and Fiscal Charges	-	-	-	397,153	-	-	397,153
Debt Issuance Costs	-	-	-	28,605	22,475	-	51,080
Total Expenditures	24,616,486	6,160,673	3,744,486	9,138,300	4,723,769	4,884,164	53,267,878
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	(1,309,553)	(799,773)	835,228	(5,978,300)	(4,723,769)	2,393,310	(9,582,857)
<b>OTHER FINANCING SOURCES (USES)</b>							
Issuance of Debt	-	-	-	6,800,000	10,362,520	-	17,162,520
Transfers In	5,056,214	799,773	27,294	15,000	2,200,000	975,908	9,074,189
Transfers Out	(3,042,901)	-	(862,522)	(916,745)	-	(4,178,144)	(9,000,312)
Total Other Financing Sources (Uses)	2,013,313	799,773	(835,228)	5,898,255	12,562,520	(3,202,236)	17,236,397
<b>NET CHANGE IN FUND BALANCES</b>	703,760	-	-	(80,045)	7,838,751	(808,926)	7,653,540
Fund Balances - Beginning of Year	15,440,747	-	-	182,486	-	1,929,436	17,552,669
<b>FUND BALANCES - END OF YEAR</b>	<u>\$ 16,144,507</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 102,441</u>	<u>\$ 7,838,751</u>	<u>\$ 1,120,510</u>	<u>\$ 25,206,209</u>

See accompanying Notes to Basic Financial Statements.

**POLK COUNTY, WISCONSIN  
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES OF THE GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES  
GOVERNMENTAL ACTIVITIES  
YEAR ENDED DECEMBER 31, 2017**

**Net Change in Fund Balances - Total Governmental Funds** \$ 7,653,540

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

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

Capital Outlays Reported in Governmental Fund Statements	\$	8,189,300
Depreciation Expense Reported in the Statement of Activities		(3,662,234)

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

Net Book Value of Assets Disposed		<u>(13,976)</u>	4,513,090
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Receivables not currently available are reported as deferred inflows of resources in the fund financial statements but are recognized as revenue when earned in the government-wide statements.			(47,673)
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Pension expenditures in the governmental funds are measured by current year employee contributions. Pension expenses on statement of activities are measured by the change in pension liability and related deferred outflows and inflows of resources.			(1,168,960)
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Long-term debt and related obligations incurred in governmental funds are reported as revenues/other financing sources, but are reported as an increase in outstanding long-term obligations in the statement of net position and do not affect the statement of activities. Also, governmental funds report the effect of discounts, premiums and similar items when issued, whereas these amounts are deferred and amortized in the statement of activities. Such items are:

General Obligation Notes		(17,162,520)	
Deferred Charge on Refunding		(294,274)	
Net Change in Bond Premium		<u>370,433</u>	(17,086,361)

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

Bond Principal Retirement		8,710,000	
Capital Lease Principal Repayment		2,542	
Forest Crop Loan Paid		<u>23,575</u>	8,736,117

Internal service funds are used by County management to account for highway department operations and to charge the costs of its self-funded health insurance program to functions. The changes in net position of these internal service funds are allocated to governmental activities.			1,768,559
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Some items reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. These activities consist of:

Net Change in Accrued Interest Payable		(2,483)	
Net Change in Compensated Absences Liability		17,926	
Net Change in Other Postemployment Benefits		<u>(110,062)</u>	<u>(94,619)</u>

<b>Change in Net Position of Governmental Activities</b>			<u><u>\$ 4,273,693</u></u>
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See accompanying Notes to Basic Financial Statements.

**POLK COUNTY, WISCONSIN  
STATEMENT OF NET POSITION  
PROPRIETARY FUNDS  
DECEMBER 31, 2017**

	Business-Type Activities - Enterprise Funds			Governmental
	Nursing	Lime	Totals	Activities -
	Home	Fund		Internal
				Service Funds
<b>ASSETS</b>				
<b>CURRENT ASSETS</b>				
Cash and Investments	\$ 71,023	\$ 511,851	\$ 582,874	7,271,899
Departmental Cash and Investments	-	200	200	200
Accounts Receivable	538,179	32,322	570,501	115,380
Due from Other Governmental Units	-	-	-	810,155
Inventories	16,378	109,509	125,887	567,893
Prepaid Items	35,761	97	35,858	237,564
Total Current Assets	661,341	653,979	1,315,320	9,003,091
<b>NONCURRENT ASSETS</b>				
Restricted Cash and Investments	27,301	-	27,301	-
Capital Assets Not Being Depreciated	6,605	151,929	158,534	199,031
Capital Assets Being Depreciated	5,432,845	1,787,574	7,220,419	10,351,785
Less: Accumulated Depreciation	4,048,617	989,911	5,038,528	5,291,812
Net Capital Assets	1,390,833	949,592	2,340,425	5,259,004
Total Assets	2,079,475	1,603,571	3,683,046	14,262,095
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Wisconsin Retirement System Pension Related	1,469,779	88,653	1,558,432	787,504

See accompanying Notes to Basic Financial Statements.

**POLK COUNTY, WISCONSIN  
STATEMENT OF NET POSITION (CONTINUED)  
PROPRIETARY FUNDS  
DECEMBER 31, 2017**

	Business-Type Activities - Enterprise Funds			Governmental
	Nursing Home	Lime Fund	Totals	Activities - Internal Service Funds
<b>LIABILITIES</b>				
<b>CURRENT LIABILITIES</b>				
Accounts Payable	\$ 110,836	\$ 11,835	\$ 122,671	\$ 123,313
Accrued Wages Payable	219,636	9,541	229,177	96,664
Resident Trust Funds	20,675	-	20,675	-
Claims Incurred but not Reported	-	-	-	179,338
Unearned Revenues	-	-	-	973
Current Portion of Long-Term Liabilities:				
Accrued Employee Leave	117,737	53,086	170,823	297,320
Advances from General Fund	134,000	-	134,000	-
Total Current Liabilities	<u>602,884</u>	<u>74,462</u>	<u>677,346</u>	<u>697,608</u>
<b>LONG-TERM LIABILITIES, Net of Current Portion</b>				
Accrued Employee Leave	117,736	21,414	139,150	121,731
Advances from General Fund	164,364	-	164,364	-
Wisconsin Retirement System Pension Liability	188,442	11,366	199,808	100,967
Other Postemployment Health Care Benefits	453,837	22,810	476,647	-
Total Long-Term Liabilities	<u>924,379</u>	<u>55,590</u>	<u>979,969</u>	<u>222,698</u>
Total Liabilities	1,527,263	130,052	1,657,315	920,306
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Wisconsin Retirement System Pension Related	592,635	35,746	628,381	317,532
<b>NET POSITION</b>				
Net Investment in Capital Assets	1,390,833	949,592	2,340,425	5,259,004
Restricted for Donation Funds	6,626	-	6,626	-
Unrestricted	31,897	576,834	608,731	8,552,757
Total Net Position	<u>\$ 1,429,356</u>	<u>\$ 1,526,426</u>	<u>\$ 2,955,782</u>	<u>\$ 13,811,761</u>

See accompanying Notes to Basic Financial Statements.

**POLK COUNTY, WISCONSIN**  
**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION**  
**PROPRIETARY FUNDS**  
**YEAR ENDED DECEMBER 31, 2017**

	Business-Type Activities - Enterprise Funds			Governmental
	Nursing Home	Lime Fund	Totals	Activities - Internal Service Funds
<b>OPERATING REVENUES</b>				
Charges for Services	\$ 6,657,055	\$ 699,949	\$ 7,357,004	\$ 13,330,254
Miscellaneous	61,535	-	61,535	370,893
Total Operating Revenues	<u>6,718,590</u>	<u>699,949</u>	<u>7,418,539</u>	<u>13,701,147</u>
<b>OPERATING EXPENSES</b>				
Daily Patient Services	4,279,193	-	4,279,193	-
Special Services	697,099	-	697,099	-
General Services	1,300,523	-	1,300,523	-
Other Cost Centers	3,240	-	3,240	-
Administrative Services	1,629,776	-	1,629,776	308,778
Lime Quarry Expenses	-	608,183	608,183	-
Transportation Services	-	-	-	6,074,853
Premiums and Claims	-	-	-	5,791,679
Depreciation and Depletion	166,824	99,897	266,721	839,245
Total Operating Expenses	<u>8,076,655</u>	<u>708,080</u>	<u>8,784,735</u>	<u>13,014,555</u>
<b>OPERATING INCOME (LOSS)</b>	(1,358,065)	(8,131)	(1,366,196)	686,592
<b>NONOPERATING REVENUES (EXPENSES)</b>				
Intergovernmental Transfer Program	1,159,700	-	1,159,700	-
Interest Revenue	19	-	19	-
Restricted Donation Expenditures	(1,219)	-	(1,219)	-
Loss on Disposal of Capital Assets	-	-	-	(4,253)
Total Nonoperating Revenues (Expenses)	<u>1,158,500</u>	<u>-</u>	<u>1,158,500</u>	<u>(4,253)</u>
<b>INCOME BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS</b>	(199,565)	(8,131)	(207,696)	682,339
<b>CAPITAL CONTRIBUTIONS AND TRANSFERS</b>				
Capital Grants and Contribution - County	-	-	-	1,106,220
Transfers Out	(21,677)	(32,200)	(53,877)	(20,000)
Total Capital Contributions and Transfers	<u>(21,677)</u>	<u>(32,200)</u>	<u>(53,877)</u>	<u>1,086,220</u>
<b>CHANGE IN NET POSITION</b>	(221,242)	(40,331)	(261,573)	1,768,559
Net Position - Beginning of Year	<u>1,650,598</u>	<u>1,566,757</u>	<u>3,217,355</u>	<u>12,043,202</u>
<b>NET POSITION - END OF YEAR</b>	<u>\$ 1,429,356</u>	<u>\$ 1,526,426</u>	<u>\$ 2,955,782</u>	<u>\$ 13,811,761</u>

See accompanying Notes to Basic Financial Statements.

**POLK COUNTY, WISCONSIN  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
YEAR ENDED DECEMBER 31, 2017**

	Business-Type Activities - Enterprise Funds			Governmental
	Nursing Home	Lime Fund	Total	Activities - Internal Service Funds
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Cash Received for Services Provided	\$ 6,704,183	\$ 717,471	\$ 7,421,654	\$ 6,613,644
Cash Received from Interfund Charges	-	-	-	6,472,950
Other Cash Received	61,535	-	61,535	-
Cash Paid to Suppliers for Goods and Services	(4,226,525)	(338,028)	(4,564,553)	(9,127,897)
Cash Paid for Employee Services	(3,195,158)	(209,543)	(3,404,701)	(3,413,998)
Net Cash Provided (Used) by Operating Activities	(655,965)	169,900	(486,065)	544,699
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>				
Net Residents' Trust Funds Disbursed	(8,500)	-	(8,500)	-
Transfer Out	(21,677)	(32,200)	(53,877)	(20,000)
Intergovernmental Transfer Program	1,159,700	-	1,159,700	-
Change in Cash Overdraft Funded by General County at Year-End	(142,824)	-	(142,824)	-
Net Cash Provided (Used) by Noncapital Financing Activities	986,699	(32,200)	954,499	(20,000)
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>				
Acquisition of Capital Assets	(99,518)	-	(99,518)	(1,278,401)
Capital Contributions from Governmental Funds	-	-	-	1,106,220
Cash Received from Sale of Capital Assets	-	-	-	11,242
Principal Paid on Advance from General Fund	(134,000)	-	(134,000)	-
Interest on Long-Term Notes and Capital Leases	(35,712)	-	(35,712)	-
Net Cash Provided (Used) by Capital and Related Financing Activities	(269,230)	-	(269,230)	(160,939)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Interest on Investments	19	-	19	-
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	61,523	137,700	199,223	363,760
Cash and Cash Equivalents - Beginning of Year	36,801	374,351	411,152	6,908,339
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	<u>\$ 98,324</u>	<u>\$ 512,051</u>	<u>\$ 610,375</u>	<u>\$ 7,272,099</u>

See accompanying Notes to Basic Financial Statements.

**POLK COUNTY, WISCONSIN  
STATEMENT OF CASH FLOWS (CONTINUED)  
PROPRIETARY FUNDS  
YEAR ENDED DECEMBER 31, 2017**

	Business-Type Activities - Enterprise Funds			Governmental
	Nursing Home	Lime Fund	Total	Activities - Internal Service Funds
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>				
Operating Income (Loss)	\$ (1,358,065)	\$ (8,131)	\$ (1,366,196)	\$ 686,592
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:				
Depreciation and Depletion	166,824	99,897	266,721	839,245
Net Change in WRS Pension Items	407,468	9,665	417,133	135,258
(Gain) Loss on Disposal of Capital Assets	-	-	-	(9,308)
(Increase) Decrease in Asset Accounts:				
Resident Accounts Receivable	47,324	-	47,324	-
Other Accounts Receivable	(196)	17,522	17,326	(112,722)
Due from Other Governmental Units	-	-	-	(30,799)
Inventories	29,303	39,810	69,113	31,404
Prepaid Items	3,493	(97)	3,396	(237,564)
Increase (Decrease) in Liability Accounts:				
Unearned Revenues	-	-	-	(471,032)
Accounts Payable	28,872	5,428	34,300	(124,505)
Claims Incurred but not Reported	-	-	-	(71,173)
Accrued Wages Payable	17,026	718	17,744	(18,115)
Accrued Employee Leave	(26,415)	3,689	(22,726)	(72,582)
Other Postemployment Health Care Benefits	28,401	1,399	29,800	-
Net Cash Provided (Used) by Operating Activities	<u>\$ (655,965)</u>	<u>\$ 169,900</u>	<u>\$ (486,065)</u>	<u>\$ 544,699</u>
<b>RECONCILIATION OF CASH AND INVESTMENTS TO CASH AND CASH EQUIVALENTS</b>				
Cash and Investments per Statement of Net Position:				
Cash and Investments	\$ 70,023	\$ 511,851	\$ 581,874	\$ 7,271,899
Departmental Cash and Investments	1,000	200	1,200	200
Restricted Cash and Investments	27,301	-	27,301	-
Cash and Cash Equivalents	<u>\$ 98,324</u>	<u>\$ 512,051</u>	<u>\$ 610,375</u>	<u>\$ 7,272,099</u>

See accompanying Notes to Basic Financial Statements.

**POLK COUNTY, WISCONSIN  
STATEMENT OF NET POSITION  
FIDUCIARY FUNDS  
DECEMBER 31, 2017**

	Agency Funds
<b>ASSETS</b>	
Cash and Pooled Investments	\$ 916,894
Special Assessments	331
Total Assets	\$ 917,225
<b>LIABILITIES</b>	
Due to Other Governments	\$ 474,603
Special Deposits	442,291
Districts/State Equities Uncollected Taxes	331
Total Liabilities	\$ 917,225

See accompanying Notes to Basic Financial Statements.

**POLK COUNTY, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2017**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

**A. Financial Reporting Entity**

Polk County is governed by a board of supervisors consisting of fifteen elected members.

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

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

**B. Government-Wide and Fund Financial Statements**

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

Government-Wide Statements

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

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

**POLK COUNTY, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2017**

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

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

Fund Financial Statements

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

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

The County reports the following major governmental funds:

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

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

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

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

**Highway Facility Building Fund** – The Highway Facility Building Fund is used to account for the highway facility construction project financed in part with the proceeds of general obligation notes.

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

The County reports the following major enterprise funds:

**Nursing Home Fund** – This fund accounts for the operations of the County's nursing home. The Nursing home fund separately issues financial statements.

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

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

**POLK COUNTY, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2017**

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

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

Fund Financial Statements (Continued)

Additionally, the County reports the following fund types:

**Internal Service Fund** – This fund is used to account for the operations of the County's highway department and transactions of its self-funded health insurance program.

**Agency Fund** – This fund is used to account for assets held by the County in a trustee capacity or as an agent for individuals, private organizations, and/or other governmental units. The following County departments maintain agency funds: district attorney (forfeiture funds), treasurer (employee trust accounts), circuit court (safe-keeping of all funds ordered held in trust by the circuit court) tax agency (advance tax collections for other governments) and sheriff (inmate cash accounts).

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

The government-wide and the proprietary funds financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets, deferred outflows of resources, liabilities and deferred inflows of resources resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Nonexchange transactions, in which the County gives or receives value without directly receiving or giving equal value in exchange, include property taxes, grants, entitlements and donations. Property taxes are recognized as revenues in the year for which they are levied. Taxes receivable for the following year are recorded as receivables and deferred inflows of resources. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider are met. Agency fund financial statements have no measurement focus.

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

**POLK COUNTY, WISCONSIN**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2017**

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

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

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

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

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

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

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

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

**POLK COUNTY, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2017**

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

**D. Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position or Fund Balance (Continued)**

**1. Cash and Investments**

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

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

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

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

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

Investments of the County are stated at fair value.

**POLK COUNTY, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2017**

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

**D. Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position or Fund Balance (Continued)**

**2. Receivables and Payables**

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

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

**Accounts Receivable** – Accounts receivable are shown at gross amounts. No allowance for uncollectible accounts has been provided since such allowance would not be material, except for the Golden Age Manor Nursing Home Enterprise Fund which reports \$140,000 of allowances for uncollectible accounts.

**Third-Party Reimbursement Agreements**

**Medicaid** – The Golden Home Manor Nursing Home (the Home) participates in the Medicaid program that is administrated by the Wisconsin Department of Health Services (DHS). Revenues for provided services are recognized by the Home as services are provided. Rates for services provided to residents under the Title XIX Wisconsin Medical Assistance Program are based on cost reports submitted by the Home and a formula determined by the Wisconsin Department of Health Services. Average Title XIX rates cannot exceed private pay rates. Title XIX rates are subject to retroactive adjustment. The State of Wisconsin Department of Human Services also provides additional reimbursement to county nursing facilities through the intergovernmental transfer program based on the shortfall between a facility's Medicaid reimbursement and the cost of providing the related care. These additional settlement amounts are reflected as nonoperating gains. Amounts recognized were \$1,154,914 and \$1,095,842 during the years ended December 31, 2017 and 2016, respectively.

**POLK COUNTY, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2017**

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

**D. Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position or Fund Balance (Continued)**

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

**Third-Party Reimbursement Agreements (Continued)**

Medicare – By state statute, a nursing facility which participates in the Medicaid program must also participate in the Medicare program. This program is administered by the Centers for Medicare and Medicaid Services.

The Home is paid under the Medicare prospective payment system (PPS) for residents who are Medicare eligible. The PPS is a per diem price-based system.

Laws and regulations governing the Medicare and Medicaid programs are extremely complex and subject to interpretation. As a result, there is at least a reasonable possibility that recorded estimates will change by a material amount in the near term.

A summary of resident service revenues and contractual adjustments is as follows:

	2017	2016
Total Resident Service Revenue	\$ 7,210,257	\$ 7,390,632
Less Contractual Adjustments:		
Medicare	1,100,743	942,494
Provision for Bad Debts	22,264	9,468
Other	(569,805)	(317,150)
Total Contractual Adjustments	553,202	634,812
Net Resident Service Revenue	\$ 6,657,055	\$ 6,755,820

During the years ended December 31, 2017 and 2016, the occupancy percentages and the percentages of residents covered under the Medicare and Medicaid programs were as follows:

	2017	2016
Total Occupancy	83.2%	89.4%
Medicaid	71.7%	72.7%
Medicare	6.7%	5.4%

Contributions – From time to time the Home receives contributions from individuals and private organizations. Revenue contributions (including contributions of capital assets) are recognized when all eligibility requirements, including time requirements, are met. Contributions may be restricted for either specific operating purposes or for capital purposes. Amounts that are unrestricted or that are restricted to a specific operating purpose are reported as nonoperating revenues. Amounts restricted to capital acquisitions are reported after nonoperating revenues and expenses.

**POLK COUNTY, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2017**

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

**D. Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position or Fund Balance (Continued)**

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

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

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

**3. Inventories and Prepaid Items**

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

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

**4. Restricted Assets**

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

**POLK COUNTY, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2017**

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

**D. Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position or Fund Balance (Continued)**

**5. Capital Assets**

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

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

Capital assets not being depreciated are land and construction in progress. Capitalization thresholds (the dollar valued above which asset acquisitions are added to the capital asset accounts), depreciation methods, and estimated useful lives of capital assets reported in the government-wide statements are as follows:

	Capitalization Threshold	Depreciation Method	Estimated Useful Life
Land	\$ 5,000	Not Applicable	Not Applicable
Land Improvements	5,000	Straight-Line	15-25 Years
Buildings and Improvements	5,000	Straight-Line	10-35 Years
Machinery and Equipment	5,000	Straight-Line	4-20 Years
Infrastructure	5,000	Straight-Line	25-50 Years

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

**POLK COUNTY, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2017**

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

**D. Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position or Fund Balance (Continued)**

**6. Deferred Outflows/Inflows of Resources**

In addition to assets, the statement of net position and/or balance sheet will sometimes report a separate section for deferred outflows of resources. Deferred outflows of resources represent 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 reports pension related items as deferred outflows of resources.

In addition to liabilities, the statement of net position and/or balance sheet will sometimes report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. Governmental fund financial statements of the County report deferred inflows in connection with receivables that are not considered to be available to liquidate liabilities of the current period, as well as with property taxes received or reported as receivable before the period for which the property taxes are levied. The County reports pension related items and property taxes as deferred inflows of resources in the government-wide financial statements.

**7. Compensated Absences**

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

**8. Other Postemployment Benefits Payable**

Under the provisions of various employee and union contracts the County provides a retirement program for certain employees which includes certain health insurance benefits. The amount to be incurred is limited as specified by contract. All premiums are funded on a pay as you go basis further discussed in Note 4.C.

**9. Wisconsin Retirement System Pension Plan Benefits**

For purposes of measuring the net pension liability (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 further discussed in Note 4.B.

POLK COUNTY, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2017

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

**D. Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position or Fund Balance (Continued)**

**10. Long-Term Obligations**

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

**11. Equity Classifications**

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

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

**Fund Financial Statements** – In the fund financial statements, governmental funds report components of fund balance to provide information about fund balance availability for appropriation. Nonspendable fund balance represents amounts that are inherently nonspendable or assets that are legally or contractually required to be maintained intact. Restricted fund balance represents amounts available for appropriation but intended for a specific use and is legally restricted by outside parties. Committed fund balance represents constraints on spending that the government imposes upon itself by high-level formal action prior to the close of the fiscal period. Assigned fund balance represents resources intended for spending for a purpose set by the government body itself or by some person or body delegated to exercise such authority in accordance with policy established by the board. Unassigned fund balance is the residual classification for the County's general fund and includes all spendable amounts not contained in the other classifications. It is the County's policy that at the end of each fiscal, the County will maintain unassigned portion of fund balance for cash flow of at least 20% of the General Fund expenditures.

**POLK COUNTY, WISCONSIN  
 NOTES TO BASIC FINANCIAL STATEMENTS  
 DECEMBER 31, 2017**

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

**D. Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position or Fund Balance (Continued)**

**11. Equity Classifications (Continued)**

Committed fund balance is required to be established, modified, or rescinded by resolution of the County board prior to each year-end. Fund balance policy #910 dated May 20, 2008 was adopted by the County board in order to establish a framework for fund balance in the general fund. The County board retains the authority to assign fund balance and does so annually at the May Board of Commissioner meeting for the previous year-end. When restricted and unrestricted fund balance is available for expenditure, it is the County's policy to first use restricted fund balance. When committed, assigned, and unassigned fund balance is available of expenditure, it is the County's policy to use committed, assigned, and finally unassigned fund balance.

**NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

**A. Deficit Fund Balance**

At December 31, 2017, the Jail Assessment Fees, nonmajor special revenue fund, had deficit fund balances of \$1,919. The County plans to eliminate this deficit through future public charges for services.

**NOTE 3 DETAILED NOTES ON ALL FUNDS**

**A. Deposits and Investments**

The County's cash and investment balances at December 31, 2017, as shown in the financial statements, are as follows:

Governmental Funds	\$ 21,107,613
Proprietary Funds	7,882,474
Fiduciary Funds	916,894
Total Cash and Investments	<u>\$ 29,906,981</u>

**POLK COUNTY, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2017**

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

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

The above cash and investment balances consisted of the following:

**Treasurer's Cash and Investments**

Deposits at Financial Institutions:

County Funds \$ 24,179,909

Deposits in State Local Governments:

Pooled-Investment Fund 5,182,224 \$ 29,362,133

**Departmental Cash and Investments**

Deposits at Financial Institutions:

Funds Held in Trust 441,171

Petty Cash 10,285 451,456

**Cash and Investments Held by Fiscal Agents**

Cafeteria Plan 3,500

Cash Held by Mutual Insurance Corporation 62,591 66,091

**Restricted Cash and Investments**

Deposits at Financial Institutions:

Funds Held in Trust 27,301

Total Cash and Investments at December 31, 2017 \$ 29,906,981

Deposits at Financial Institutions

The insurance coverage of public unit accounts depends upon the type of deposit and the location of the insured depository institution. All time and savings deposits owned by a public unit and held by the public unit's official custodian in an insured depository institution within the state in which the public unit is located are added together and insured up to \$250,000. Separately, all demand deposits owned by a public unit and held by the public unit's official custodian in an insured depository institution within the state in which the public unit is located are added together and insured up to \$250,000. For the purpose of these rules, the term "time and savings deposits" includes negotiable order of withdrawal accounts and money market deposit accounts but does not include interest-bearing demand deposit accounts (which were permitted after July 21, 2011). The term "demand deposits" means both interest-bearing and noninterest-bearing deposits that are payable on demand and for which the depository institution does not reserve the right to require advance notice of an intended withdrawal. The insurance coverage of accounts held by government depositors is different if the depository institution is located outside the state in which the public unit is located. In that case, all deposits, both time and savings deposits and demand deposits, owned by the public unit and held by the public unit's official custodian are added together and insured up to \$250,000. Time and savings deposits are not insured separately from demand deposits. Coverage under the state guarantee fund may not exceed \$400,000 above the amount of coverage under federal depository insurance at any institution and is limited by the availability of the appropriations authorized therein. (Due to the relatively small size of the state guarantee fund in relation to the total coverage, total recovery of losses may not be available.) Also, Section 34.07 of the *Wisconsin Statutes* authorizes the County to collateralize its deposits that exceed the amount of coverage provided by federal depository insurance and the state guarantee fund.

**POLK COUNTY, WISCONSIN  
 NOTES TO BASIC FINANCIAL STATEMENTS  
 DECEMBER 31, 2017**

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

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

Deposits at Financial Institutions (Continued)

Custodial credit risk for deposits is the risk that, in the event of bank failure, the County's deposits may not be returned. At December 31, 2017, the County's deposits were not exposed to custodial credit risk.

Investments

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

*Deposits in State Local Government Pooled-Investment Fund* – The state of Wisconsin offers a Local Government Investment Pool (LGIP) to local government units to enable them to voluntarily invest idle funds in State Investment Fund. Local funds are pooled with state funds and invested by the State Investment Board. There is no minimum or maximum amount that can be invested by a local governmental unit. Interest is earned on a daily basis and withdrawals are generally available on the day of request. Deposits in the LGIP are not covered by federal depository insurance but are subject to coverage under the State Guarantee Fund. Also, the State of Wisconsin Investment Board has obtained a surety bond to protect deposits in the LGIP against defaults in principal payments on the LGIP's investments (subject to certain limitations). The average monthly weighted average maturity of the State Investment Fund's investments for 2017 was 43 days.

Credit Risk

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

As of December 31, 2017, the County's investments were rated as follows:

<u>Type</u>	<u>Credit Rating</u>	<u>Amount</u>
Local Government Investment Pool	Not Rated	\$ 5,182,224
Total		<u>\$ 5,182,224</u>

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the value of an investment. As of December 31, 2017, the County's investment maturities were all within one year.

**POLK COUNTY, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2017**

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

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

Fair Value Measurements

The County uses fair value measurements to record fair value adjustments to certain assets and liabilities and to determine fair value disclosures.

The County follows an accounting standard that defines fair value, establishes a framework for measuring fair value, establishes a fair value hierarchy based on the quality of inputs used to measure fair value, and requires expanded disclosures about fair value measurements. In accordance with this standard, the County has categorized its investments, based on the priority of the inputs to the valuation technique, into a three-level fair value hierarchy. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). If the inputs used to measure the financial instruments fall within different levels of the hierarchy, the categorization is based on the lowest level input that is significant to the fair value measurement of the instrument.

Financial assets and liabilities recorded on the combined statements of financial position are categorized based on the inputs to the valuation techniques as follows:

*Level 1* – Financial assets and liabilities are valued using inputs that are unadjusted quoted prices in active markets accessible at the measurement date of identical financial assets and liabilities.

*Level 2* – Financial assets and liabilities are valued based on quoted prices for similar assets, or inputs that are observable, either directly or indirectly for substantially the full term through corroboration with observable market data.

*Level 3* – Financial assets and liabilities are valued using pricing inputs which are unobservable for the asset, inputs that reflect the reporting entity's own assumptions about the assumptions market participants and would use in pricing the asset.

The County's assets in the State Investment Fund (LGIP) are measured at amortized cost.

**B. Receivables/Deferred Inflows of Resources**

**1. Taxes Receivable**

Taxes receivable at December 31, 2017 totaled \$26,863,996. The taxes receivable amount is broken out between \$26,863,996 (\$22,633,915 current and \$4,230,081 delinquent) for governmental funds.

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

**POLK COUNTY, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2017**

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

**B. Receivables/Deferred Inflows of Resources (Continued)**

**2. Resident Receivables**

Resident receivables reported as current assets by the County at December 31, 2017 and 2016 consisted of the following:

	2017	2016
Receivable from Residents and Their Insurance Carriers	\$ 309,247	\$ 394,882
Receivable from Medicare	138,363	65,286
Receivable from Medicaid	230,373	265,139
Total Resident Receivables	677,983	725,307
Less: Allowance for Doubtful Accounts	(140,000)	(140,000)
Resident Receivables, Net	\$ 537,983	\$ 585,307

**3. Long-Term Receivables**

Long-term receivables in the governmental funds at December 31, 2017 are further detailed as follows:

**Housing Rehabilitation Loans** – The County was awarded federal Community Development Block Grant (CDBG) Program grants through the state of Wisconsin for the purpose of financing housing rehabilitation loans. Repayments received on the original loans have been recorded in a separate housing revolving loan fund and are being used to finance similar loans eligible under the program. At December 31, 2017, the County had 71 loans outstanding under this program with an outstanding balance of \$787,653 at that date. These loans are deferred until such time as the property is transferred or sold, at which time collections are recorded back into the revolving loan fund.

**POLK COUNTY, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2017**

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

**B. Receivables/Deferred Inflows of Resources (Continued)**

**4. Deferred Inflows of Resources and Unearned Revenue**

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

	<u>Unavailable</u>	<u>Unearned</u>	<u>Total as of 12/31/17</u>
2017 Tax Levy	\$ -	\$ 18,723,258	\$ 18,723,258
Grants:			
Children and Families Fund	-	2,401,923	2,401,923
Health Services Fund	-	1,506,332	1,506,332
Highway Fund	-	973	973
Snowmobile/ATV Trails Fund	-	65,680	65,680
Long-Term Receivables:			
Housing Rehabilitation Loans	<u>787,653</u>	<u>-</u>	<u>787,653</u>
 Total	 <u>\$ 787,653</u>	 <u>\$ 22,698,166</u>	 <u>\$ 23,485,819</u>

**POLK COUNTY, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2017**

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

**C. Capital Assets**

Capital assets activity for the year ended December 31, 2017 was as follows:

Governmental Activities

	Beginning Balance	Increases	Decreases	Ending Balance
<b>General County Assets:</b>				
Capital Assets Not Being Depreciated:				
Land	\$ 2,348,010	\$ -	\$ -	\$ 2,348,010
Construction Work in Progress:				
Highway Facility Building	-	4,758,119	-	\$ 4,758,119
Roadways	59,226	35,499	-	94,725
Total Capital Assets Not Being Depreciated	2,407,236	4,793,618	-	7,200,854
Capital Assets Being Depreciated:				
Land Improvements	575,040	-	-	575,040
Buildings and Improvements	33,854,017	-	-	33,854,017
Equipment and Vehicles	11,887,663	1,425,877	175,870	13,137,670
Highway Infrastructure	80,781,144	1,969,805	90,000	82,660,949
Other Infrastructure	1,353,910	-	-	1,353,910
Total Capital Assets Being Depreciated	128,451,774	3,395,682	265,870	131,581,586
Total Capital Assets	130,859,010	8,189,300	265,870	138,782,440
Accumulated Depreciation:				
Land Improvements	551,787	5,739	-	557,526
Buildings and Improvements	15,656,336	853,853	-	16,510,189
Equipment and Vehicles	7,168,708	856,623	174,994	7,850,337
Highway Infrastructure	35,998,030	1,918,920	76,900	37,840,050
Other Infrastructure	393,358	27,099	-	420,457
Total Accumulated Depreciation	59,768,219	3,662,234	251,894	63,178,559
Net Capital Assets - General County	\$ 71,090,791	\$ 4,527,066	\$ 13,976	\$ 75,603,881

**POLK COUNTY, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2017**

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

**C. Capital Assets (Continued)**

Governmental Activities (Continued)

	Beginning Balance	Increases	Decreases	Ending Balance
<b>Highway Department:</b>				
Capital Assets Not Being Depreciated:				
Land	\$ 17,719	\$ -	\$ 4,253	\$ 13,466
Gravel Pit	185,565	-	-	185,565
	<u>203,284</u>	<u>-</u>	<u>4,253</u>	<u>199,031</u>
Capital Assets Being Depreciated:				
Land Improvements	153,100	957,520	30,745	1,079,875
Buildings and Improvements	1,367,448	148,700	469,365	1,046,783
Machinery and Equipment	8,253,720	198,873	241,503	8,211,090
Other Capital Assets	14,037	-	-	14,037
Total Capital Assets Being Depreciated	<u>9,788,305</u>	<u>1,305,093</u>	<u>741,613</u>	<u>10,351,785</u>
Total Capital Assets	<u>9,991,589</u>	<u>1,305,093</u>	<u>745,866</u>	<u>10,550,816</u>
Accumulated Depreciation:				
Land Improvements	119,477	4,521	30,745	93,253
Buildings and Improvements	707,196	238,940	469,365	476,771
Machinery and Equipment	4,326,950	595,784	212,877	4,709,857
Other Capital Assets	11,931	-	-	11,931
Total Accumulated Depreciation	<u>5,165,554</u>	<u>839,245</u>	<u>712,987</u>	<u>5,291,812</u>
Net Capital Assets - Highway Department	<u>\$ 4,826,035</u>	<u>\$ 465,848</u>	<u>\$ 32,879</u>	<u>\$ 5,259,004</u>
<b>Governmental Activities:</b>				
Capital Assets Not Being Depreciated	\$ 2,610,520	\$ 4,793,618	\$ 4,253	\$ 7,399,885
Capital Assets Being Depreciated	<u>138,240,079</u>	<u>4,700,775</u>	<u>1,007,483</u>	<u>141,933,371</u>
Total Capital Assets	140,850,599	9,494,393	1,011,736	149,333,256
Less: Accumulated Depreciation	<u>64,933,773</u>	<u>4,501,479</u>	<u>964,881</u>	<u>68,470,371</u>
Net Capital Assets - Governmental Activities	<u>\$ 75,916,826</u>	<u>\$ 4,992,914</u>	<u>\$ 46,855</u>	<u>\$ 80,862,885</u>

**POLK COUNTY, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2017**

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

**C. Capital Assets (Continued)**

Governmental Activities (Continued)

Depreciation expense was charged to governmental functions as follows:

General County:

General Government	\$ 213,331
Public Safety	1,135,333
Transportation	1,918,920
Sanitation	48,005
Health and Human Services	284,402
Culture, Recreation, and Education	57,762
Conservation and Development	4,481
Subtotal General County	<u>3,662,234</u>

Highway Department:

Transportation	<u>839,245</u>
Total	<u><u>\$ 4,501,479</u></u>

**POLK COUNTY, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2017**

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

**C. Capital Assets (Continued)**

Business-Type Activities

	Beginning Balance	Increases	Decreases	Ending Balance
<b>Nursing Home:</b>				
Capital Assets Not Being Depreciated:				
Land	\$ 6,605	\$ -	\$ -	\$ 6,605
Capital Assets Being Depreciated:				
Land Improvements	114,662	9,794	50,431	74,025
Buildings and Improvements	3,672,514	55,500	134,520	3,593,494
Fixed Equipment	921,664	17,853	-	939,517
Equipment and Vehicles	998,370	16,371	188,932	825,809
Total Capital Assets Being Depreciated	<u>5,707,210</u>	<u>99,518</u>	<u>373,883</u>	<u>5,432,845</u>
Total Capital Assets	5,713,815	99,518	373,883	5,439,450
Accumulated Depreciation:				
Land Improvements	105,005	1,042	50,423	55,624
Buildings and Improvements	2,457,472	113,517	111,133	2,459,856
Fixed Equipment	784,582	24,054	13,207	795,429
Equipment and Vehicles	908,617	28,211	199,120	737,708
Total Accumulated Depreciation	<u>4,255,676</u>	<u>166,824</u>	<u>373,883</u>	<u>4,048,617</u>
Net Capital Assets - Nursing Home	<u>\$ 1,458,139</u>	<u>\$ (67,306)</u>	<u>\$ -</u>	<u>\$ 1,390,833</u>
<b>Lime Fund:</b>				
Capital Assets Not Being Depreciated:				
Land	\$ 156,205	\$ -	\$ 4,276	\$ 151,929
Capital Assets Being Depreciated:				
Land Improvements	47,953	-	-	47,953
Buildings and Improvements	24,671	-	-	24,671
Machinery and Equipment	1,714,950	-	-	1,714,950
Total Capital Assets Being Depreciated	<u>1,787,574</u>	<u>-</u>	<u>-</u>	<u>1,787,574</u>
Total Capital Assets	1,943,779	-	4,276	1,939,503
Accumulated Depreciation:				
Land Improvements	41,297	-	-	41,297
Buildings and Improvements	24,671	-	-	24,671
Machinery and Equipment	828,322	95,621	-	923,943
Total Accumulated Depreciation	<u>894,290</u>	<u>95,621</u>	<u>-</u>	<u>989,911</u>
Net Capital Assets - Lime Fund	<u>\$ 1,049,489</u>	<u>\$ (95,621)</u>	<u>\$ 4,276</u>	<u>\$ 949,592</u>
<b>Business-Type Activities:</b>				
Capital Assets Not Being Depreciated	\$ 162,810	\$ -	\$ 4,276	\$ 158,534
Capital Assets Being Depreciated	<u>7,494,784</u>	<u>99,518</u>	<u>373,883</u>	<u>7,220,419</u>
Total Capital Assets	7,657,594	99,518	378,159	7,378,953
Less: Accumulated Depreciation	<u>5,149,966</u>	<u>262,445</u>	<u>373,883</u>	<u>5,038,528</u>
Net Capital Assets - Business-Type Activities	<u>\$ 2,507,628</u>	<u>\$ (162,927)</u>	<u>\$ 4,276</u>	<u>\$ 2,340,425</u>

**POLK COUNTY, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2017**

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

**C. Capital Assets (Continued)**

Business-Type Activities (Continued)

Depreciation expense was charged to the following business-type activities:

Nursing Home	\$ 166,824
Lime Operations	95,621
Total	\$ 262,445

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

The composition of interfund balances as of December 31, 2017 was as follows:

Due to/from Other Funds

Receivable Fund	Payable Fund	Amount
General Fund	Jail Assessment Fees	\$ 3,676
General Fund	County Sales Tax	522,175
General Fund	Children and Families	134,239
General Fund	Health Services Fund	634,293
General Fund	Public Health Funds	79,796
	Total	\$ 1,374,179

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

Advances from/to Other Funds

Receivable Fund	Payable Fund	Amount
General Fund	Nursing Home Fund	\$ 298,364

Long-term advances due the general fund from the Polk County Nursing Home Enterprise Fund at December 31, 2017 totaled \$298,364. On April 1, 2008, the General Fund advanced \$889,910 to the enterprise fund for the purpose of financing capital additions. The loan is to be repaid over nine years with an interest rate of 4% and principal payments varying from \$20,341 to \$213,578.

**POLK COUNTY, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2017**

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

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

<u>Interfund Transfers</u>		
<u>Fund Transferred To</u>	<u>Fund Transferred From</u>	<u>Amount</u>
General Fund	Sales Tax Fund (NM)	\$ 4,094,815
General Fund	Health Services Fund	862,522
General Fund	Golden Age Manor	21,677
General Fund	Jail Assessment Fund (NM)	25,000
General Fund	Lime Fund	32,200
General Fund	Highway Fund	20,000
Children and Families Fund	General Fund	799,773
Health Services Fund	Drivers Improvement Fund (NM)	27,294
Debt Service Fund	Jail Assessment Fund (NM)	15,000
Highway Facility Building Fund	General Fund	2,200,000
991 Upgrade Fund (NM)	General Fund	34,199
991 Upgrade Fund (NM)	Debt Service Fund	916,745
Tobacco Coalition (NM)	Environmental Health Fund (NM)	5,154
Immunization (NM)	Bioterrorism Consortium Fund (NM)	10,865
Family Court Counseling (NM)	General Fund	8,929
WHEAP Grant (NM)	Bioterrorism Consortium Fund (NM)	16
	Total	<u>\$ 9,074,189</u>

The transfer from the Nonmajor Governmental Funds to the General Fund consisted of the amounts applied to the 2017 budget. The transfer from the Children and Families Fund from the General Fund was to cover the deficit fund balance in accordance with County policy. The transfer from the Health Services Fund to the General Fund was to transfer the surplus fund balance in accordance with County policy. The additional transfer to the health service fund represented the application of driver improvement fees.

Transfers to the Debt Service Fund were to repay debt from the Nonmajor Governmental Funds.

**POLK COUNTY, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2017**

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

**E. Long-Term Obligations**

Changes in Long-Term Obligations

The following is a summary of long-term obligations transactions for the year ended December 31, 2017:

	Balance 1/1/17	Issued	Retired	Balance 12/31/17	Amounts Due Within One Year
<b>Long-Term Debt</b>					
<b>Governmental Activities:</b>					
General Obligation Bonds	\$ 8,710,000	\$ -	\$ 8,710,000	\$ -	\$ -
General Obligation Notes	-	17,162,520	-	17,162,520	2,398,126
Add: Unamortized Bond Premiums	370,433	-	370,433	-	-
	<u>370,433</u>	<u>-</u>	<u>370,433</u>	<u>-</u>	<u>-</u>
Total Long-Term Debt	<u>\$ 9,080,433</u>	<u>\$ 17,162,520</u>	<u>\$ 9,080,433</u>	<u>\$ 17,162,520</u>	<u>\$ 2,398,126</u>
<b>Other Long-Term Obligations</b>					
<b>Governmental Activities:</b>					
<b>Governmental Funds</b>					
Forest Loans Payable	87,683	-	23,575	64,108	-
Capital Leases	10,629	-	2,542	8,087	2,651
Employee Leave Liability	2,599,559	2,581,633	2,599,559	2,581,633	1,732,274
Other Postemployment Health Care Benefits	1,694,266	221,681	111,619	1,804,328	-
	<u>1,694,266</u>	<u>221,681</u>	<u>111,619</u>	<u>1,804,328</u>	<u>-</u>
<b>Highway Internal Service</b>					
Employee Leave Liability	491,633	419,051	491,633	419,051	297,320
Total Other Long-Term Obligations, Governmental Activities	<u>\$ 4,883,770</u>	<u>\$ 3,222,365</u>	<u>\$ 3,228,928</u>	<u>\$ 4,877,207</u>	<u>\$ 2,032,245</u>
<b>Business-Type Activities:</b>					
<b>Nursing Home Enterprise</b>					
Employee Leave Liability	\$ 261,888	\$ 235,473	\$ 261,888	\$ 235,473	\$ 117,737
Other Postemployment Health Care Benefits	425,436	55,667	27,266	453,837	-
	<u>425,436</u>	<u>55,667</u>	<u>27,266</u>	<u>453,837</u>	<u>-</u>
<b>Lime Enterprise Fund</b>					
Employee Leave Liability	70,811	74,500	70,811	74,500	53,086
Other Postemployment Health Care Benefits	21,411	2,802	1,403	22,810	-
	<u>21,411</u>	<u>2,802</u>	<u>1,403</u>	<u>22,810</u>	<u>-</u>
Total Other Long-Term Obligations, Business- Type Activities	<u>\$ 779,546</u>	<u>\$ 368,442</u>	<u>\$ 361,368</u>	<u>\$ 786,620</u>	<u>\$ 170,823</u>

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

**POLK COUNTY, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2017**

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

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

General Obligation Long-Term Debt

**Annual Requirements for Retirement** – Long-term general obligation debt issues outstanding at December 31, 2017 and annual requirements for their retirement were as follows:

	<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
<b>Governmental Activities:</b>				
<b>General Obligation Notes:</b>				
General Obligation Promissory Notes, \$16,700,000, Issued 12/1/17, Due 12/1/27, Interest at 2.55%	2018	\$ 2,375,000	\$ 425,850	\$ 2,800,850
	2019	2,435,000	365,288	2,800,288
	2020	2,500,000	303,195	2,803,195
	2021	2,190,000	239,445	2,429,445
	2022	1,125,000	183,600	1,308,600
	2023-2027	6,075,000	472,388	6,547,388
Subtotal		<u>16,700,000</u>	<u>1,989,766</u>	<u>18,689,766</u>
General Obligation Promissory Notes, \$462,520, Issued 5/19/17, Due 05/1/37,	2018	23,126	-	23,126
	2019	23,126	-	23,126
	2020	23,126	-	23,126
	2021	23,126	-	23,126
	2022	23,126	-	23,126
	2023-2027	115,630	-	115,630
	2028-2032	115,630	-	115,630
	2033-2037	115,630	-	115,630
Subtotal		<u>462,520</u>	<u>-</u>	<u>346,890</u>
Total General Obligation Debt		<u>\$ 17,162,520</u>	<u>\$ 1,989,766</u>	<u>\$ 19,036,656</u>

During 2017, the County issued \$16,700,000 promissory notes. The proceeds were used to refund existing general obligation bonds and to finance a new highway facility building. The notes, dated December 1, 2017 accrue interest at 2.55% and are payable semiannually through December 1, 2027. The resulting economic gross savings and present value savings amount to \$328,525 and \$303,291 respectively.

The County also issued \$462,520 noninterest bearing promissory notes. The proceeds were used to finance the purchase of the land which is the site for the new highway facility building. The notes, dated May 19, 2017 are payable annually through May 1, 2037.

**General Obligation Debt Limitation** – Section 67.03 of the *Wisconsin Statutes* restricts County general obligation debt to 5% of the equalized value of all property in the County. At December 31, 2017, the County's debt limit amounted to \$226,533,075 and indebtedness subject to the limitation totaled \$17,162,520.

**POLK COUNTY, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2017**

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

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

General Obligation Long-Term Debt (Continued)

**Operating Leases** – The County has entered into a number of leases for the use of equipment and vehicles. The 2017 expenditures for these leases was \$60,390. Minimum lease payments over the term of these leases are as follows:

<u>Year Ending December 31,</u>	<u>Amount</u>
2018	\$ 96,933
2019	87,433
2020	60,089
2021	49,021
2022	29,886
Total	<u>\$ 323,362</u>

**Capital Leases** – The County has entered into a lease for the use of a Polaris Utility Task Vehicle in the General Fund. The asset acquired through capital lease is as follows:

	<u>Governmental Funds</u>
Equipment	\$ 18,405
Less: Accumulated Depreciation	(5,522)
Total	<u>\$ 12,883</u>

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

<u>Year Ending December 31,</u>	<u>Governmental Funds</u>
2018	\$ 2,881
2019	2,881
2020	2,881
Subtotal	8643
Less: Interest	(556)
Total	<u>\$ 8,087</u>

**POLK COUNTY, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2017**

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

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

General Obligation Long-Term Debt (Continued)

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

The cumulative loan balance due the state by the County under this program was \$64,108 at December 31, 2017.

**F. Conduit Debt**

The County was a party to a “joint powers and parity agreement” in 2006 among Polk County, the Town of St. Croix Falls, the Town of Milltown, and the Village of Milltown (collectively referred to as the Municipalities), St. Croix Regional Medical Center, Inc. (the Obligor) and U.S. Bank National Association, a national banking association (the Lender) for the purpose of the issuance of \$13 million of health care facilities revenue bonds by the Municipalities to the Lender in May 2006 with the proceeds therefore to be used by the Obligor for capital improvements and debt refinancing. Bonds issued by the County totaled \$5.0 million (Series 2006A). The bonds are subject to repayment solely from payments received by the Lender from the Obligor in accordance with underlying mortgage assignments and related agreements. The bonds are special limited obligations of the Municipalities and do not constitute a moral or general obligation of the Municipalities. In addition, the County issued \$4.3 million of health care facilities revenues bonds Series 2006B in December 2006. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements. The outstanding balance of the collective debt was \$2,732,374 at June 30, 2017 per audited financial statements of the Obligor.

**POLK COUNTY, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2017**

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

**G. Governmental Fund Balances**

The governmental fund balances reported on the fund financial statements at December 31, 2017 consisted of the following:

	Total	Nonspendable	Restricted	Committed	Assigned	Unassigned
<b>Major Funds</b>						
General Fund:						
Delinquent Taxes	\$ 4,230,081	\$ 4,230,081	\$ -	\$ -	\$ -	\$ -
Interfund Advances	298,364	298,364	-	-	-	-
Prepaid Items	14,249	14,249	-	-	-	-
Federal Forfeiture	9,756	-	9,756	-	-	-
Veterans Services Grant	9,363	-	9,363	-	-	-
Veterans Relief Grant	26,504	-	26,504	-	-	-
Maintenance of Forest Roads	11,038	-	11,038	-	-	-
Wildlife Damage	1,922	-	1,922	-	-	-
Conservation Projects	17,849	-	-	17,849	-	-
Asset Protection and Internal Investment	1,079,164	-	-	-	1,079,164	-
Employee Retirement	333,129	-	-	-	333,129	-
Vehicle Fleet	106,192	-	-	-	106,192	-
Vending Machines	12,849	-	-	-	12,849	-
County Building Improvement	32,000	-	-	-	32,000	-
Unassigned	9,962,047	-	-	-	-	9,962,047
Subtotal General Fund	16,144,507	4,542,694	58,583	17,849	1,563,334	9,962,047
Children and Families Fund	-	-	-	-	-	-
Health Services Fund	-	-	-	-	-	-
Debt Service Fund	102,441	-	102,441	-	-	-
Highway Facility Building Fund	7,838,751	-	-	-	7,838,751	-
<b>Nonmajor Funds</b>						
Special Revenue Funds:						
Public Health Programs	282,316	-	282,316	-	-	-
Jail Assessment Fees Program	(1,919)	-	-	-	-	(1,919)
Bioterrorism Consortium Program	53,106	-	53,106	-	-	-
Drivers Improvement Program	1,704	-	1,704	-	-	-
Park Dedication Program	2,983	-	2,983	-	-	-
Snowmobile/ATV Trails	139,256	-	139,256	-	-	-
State Aid Forestry Program	29,064	-	29,064	-	-	-
Lake Improvement Program	67,522	-	67,522	-	-	-
Community Development Block Grant Program	30,255	-	30,255	-	-	-
ADRC Fund	476,334	-	476,334	-	-	-
Ahlgren Wildlife Preservation and Recreation Stewardship Fund	39,889	-	39,889	-	-	-
Subtotal Nonmajor Funds	1,120,510	-	1,122,429	-	-	(1,919)
Total Governmental Funds						
Balances at December 31, 2017	\$ 25,206,209	\$ 4,542,694	\$ 1,283,453	\$ 17,849	\$ 9,402,085	\$ 9,960,128

**POLK COUNTY, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2017**

**NOTE 4 OTHER INFORMATION**

**A. Employee Leave Liability**

Employees earn one day of sick leave per month with a maximum accumulation of one hundred twenty (120) days, except for law enforcement employees who are not subject to the maximum accumulation. Employees eligible for retirement as defined by the Wisconsin Retirement System have the option, upon retirement, of receiving payment for one-half of their accumulated sick leave up to a maximum of forty-five days or electing to bank the equivalent of 67% of their accrued sick leave for payment of health insurance premiums. For members of the law enforcement bargaining unit, the County is to transfer the total value of the accrued sick leave to the retiree's VEBA account. At December 31, 2017, sick leave earned and not taken was approximately \$60,419 in the nursing home enterprise fund, \$42,828 in the lime quarry enterprise fund, \$243,462 in the highway department internal service fund and \$1,698,717 in the governmental funds determined on the basis of current salary rates. The County has used the 67% maximum liability for employees eligible for retirement to determine its estimated liability.

Vacation is granted to employees in varying amounts based on length of service. Vacation for part-time employees is prorated. Employees are allowed to carry over to the following year one-half of their current year vacation. The estimated value of unrecorded vacation leave at December 31, 2017, was \$175,054 in the nursing home enterprise fund, \$31,672 in the lime quarry enterprise fund, \$175,589 in the highway department internal service fund, and \$882,916 in the governmental funds.

**B. Wisconsin Retirement System (WRS) Pension Plan Benefits**

General Information about the Pension Plan

**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 and expected to be employed for at least one year from employee's date of hire are eligible to participate in the WRS. The WRS issues an annual financial report which may be obtained by writing to the Department of Employee Trust Funds, P.O. Box 7931, Madison, WI 53707-7931.

**Vesting** – 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.

**POLK COUNTY, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2017**

**NOTE 4 OTHER INFORMATION (CONTINUED)**

**B. Wisconsin Retirement System Pension Plan Benefits**

General Information about the Pension Plan (Continued)

**Plan Description (Continued)**

*Benefits Provided* – 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.

*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 fiscal reporting period January 1, 2017 through December 31, 2017, the WRS recognized \$1,369,334 in contributions from the employer.

Contribution rates as of December 31, 2017 are:

	<u>Employee</u>	<u>Employer</u>
General (Including Teachers)	6.60%	6.60%
Executives and Elected Officials	6.60%	6.60%
Protective with Social Security	6.60%	9.49%
Protective without Social Security	6.60%	13.29%

**POLK COUNTY, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2017**

**NOTE 4 OTHER INFORMATION (CONTINUED)**

**B. Wisconsin Retirement System Pension Plan Benefits**

General Information about the Pension Plan (Continued)

**Plan Description (Continued)**

*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
2007	3.00 %	10.00 %
2008	6.60	-
2009	(2.10)	(42.00)
2010	(1.30)	11.00
2011	(1.20)	(7.00)
2012	(7.00)	9.00
2013	(9.60)	25.00
2014	4.70	2.00
2015	2.90	2.00
2016	0.50	(5.00)

Pension Assets, Liability, Expense, Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At December 31, 2017, the County reported a liability of \$1,212,149 for its proportionate share of the net pension liability. The total pension asset used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2015 rolled forward to December 31, 2016. The County’s proportion of the net pension liability was based on a projection of the County’s long-term share of contributions to the pension plan relative to the projected contributions of all participating employers. At December 31, 2016, the County’s proportion was 0.14706284 percent, which was a decrease of 0.00360723 from its proportion measured as of December 31, 2015.

**POLK COUNTY, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2017**

**NOTE 4 OTHER INFORMATION (CONTINUED)**

**B. Wisconsin Retirement System Pension Plan Benefits**

Pension Assets, Liability, Expense, Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

For the year ended December 31, 2017, the County recognized pension expense of \$1,481,528. At December 31, 2017, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ 462,193	\$ (3,812,098)
Changes of Assumptions	1,267,349	-
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	6,033,693	-
Difference Between Actual and Proportionate Share of Actual Employer Contributions	229,927	-
County Contributions Subsequent to the Measurement Date	1,461,143	-
Total	<u>\$ 9,454,305</u>	<u>\$ 3,812,098</u>

\$1,461,143 reported as deferred outflows of resources related to pensions resulting from County contributions subsequent to the measurement date will be recognized as an addition to the net pension asset in the year ended December 31, 2017. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ended December 31,</u>	Pension Expense Amount
2018	\$ 1,682,592
2019	1,682,592
2020	1,156,218
2021	(343,155)
2022	2,808
Thereafter	-

**Actuarial assumptions** – The total pension liability in the December 31, 2016 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

**POLK COUNTY, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
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**NOTE 4 OTHER INFORMATION (CONTINUED)**

**B. Wisconsin Retirement System Pension Plan Benefits**

Pension Assets, Liability, Expense, Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

**Actuarial assumptions (Continued)**

Actuarial Valuation Date:	December 31, 2015
Measurement Date of Net Pension Liability (Asset):	December 31, 2016
Actuarial Cost Method:	Frozen Entry Age
Amortization Period:	30-Year Closed
Asset Valuation Method:	5-Year Smoothed Value
Long-Term Expected Rate of Return:	7.20%
Discount Rate:	7.20%
Inflation:	2.0% to 2.7% - approximate
Salary Increases:	3.2% to 8.8% including inflation
Investment Rate of Return - Retired	5.0%
Investment Rate of Return - Active Post-Retirement	5.0%
Investment Rate of Return - Active Pre-Retirement	7.2%
Mortality:	WRS experience projected to 2017 with scale BB

Actuarial assumptions are based upon an experience study conducted in 2013 using experience from 2010 – 2012. The total pension liability for December 31, 2015 is based upon a roll-forward of the liability calculated from the December 31, 2014 actuarial valuation.

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:

Asset Class	Core Asset Allocation		Variable Asset Allocation	
	Target Allocation	Long-Term Expected Real Rate of Return	Target Allocation	Long-Term Expected Real Rate of Return
Domestic Equity	21.0%	5.3%	70.0%	5.3%
International Equity	23.0%	5.7%	30.0%	5.7%
Fixed Income	36.0%	1.7%	N/A	N/A
Inflation Sensitive Assets	20.0%	2.3%	N/A	N/A
Real Estate	7.0%	4.2%	N/A	N/A
Private Equity/Debt	7.0%	6.9%	N/A	N/A
Multi-Asset	6.0%	3.9%	N/A	N/A
Cash	-20.0%	0.9%	N/A	N/A
Totals	100%		100%	

**POLK COUNTY, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
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**NOTE 4 OTHER INFORMATION (CONTINUED)**

**B. Wisconsin Retirement System Pension Plan Benefits**

Pension Assets, Liability, Expense, Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

**Discount rate** – A single discount rate of 7.20% was used to measure the total pension asset. 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 asset.

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

	1% Decrease (6.20%)	Current Discount Rate (7.20%)	1% Increase (8.20%)
County's Proportionate Share of the Net Pension Liability (Asset)	\$ 15,946,596	\$ 1,212,149	\$ (10,134,043)

**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 17-16.

**POLK COUNTY, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2017**

**NOTE 4 OTHER INFORMATION (CONTINUED)**

**C. OPEB Disclosure**

The County provides health insurance benefits for certain retired employees under a single-employer fully-insured plan. The County provides benefits for retirees as required by state statutes. Active employees who retire from the County when eligible to receive a retirement benefit from the Wisconsin Retirement System (WRS) (or similar plan) and do not participate in any other coverage with respect to both themselves and their eligible dependent(s) under the County's health benefits program. Pursuant to the provisions of the plan, retirees are required to pay varying percentages of the total premium cost. As of January 1, 2016, there were approximately 23 retirees receiving health benefits from the County's health plan.

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

The County's annual other postemployment benefit (OPEB) cost is calculated based on the annual required contribution (ARC) of the employer, an amount actuarially determined in accordance with the parameters of GASB Statement No. 45. The ARC represents a level of fund that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed 30 years. The following table shows the components of the County's annual OPEB cost of 2017, the amount actually contributed to the plan, and changes in the County's net OPEB obligation:

Annual Required Contribution (ARC):	\$ 319,639
Interest on Net OPEB Obligation	74,939
Adjustment to ARC	<u>(114,430)</u>
Annual OPEB Cost	280,148
Contributions During the Year	<u>(140,286)</u>
Change in Net OPEB Obligation	139,862
Net OPEB - Beginning of the Year	<u>2,141,113</u>
Net OPEB - End of the Year	<u><u>\$ 2,280,975</u></u>
Governmental Activities	\$ 1,804,328
Business-Type Activities	<u>476,647</u>
Total OPEB Payable	<u><u>\$ 2,280,975</u></u>

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

Year Ended	Annual OPEB Cost	Employer Contribution	Percentage Contributed	Net OPEB Obligation
12/31/2017	\$ 280,148	\$ 140,286	50.1 %	\$ 2,280,975
12/30/2016	282,918	132,750	46.9	2,141,113
12/31/2015	362,239	163,367	45.1	1,990,945

**POLK COUNTY, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
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**NOTE 4 OTHER INFORMATION (CONTINUED)**

**C. OPEB Disclosure**

**2. Funding Status**

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

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (b)	Unfunded Actuarial Accrued Liability (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-1)/c)
1/1/16	\$ -	\$ 2,298,105	\$ 2,298,105	- %	\$ 20,998,936	10.9 %

**3. Actuarial Methods and Assumptions**

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

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

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

In the January 1, 2016 actuarial valuation, the projected unit credit actuarial cost method was used. The actuarial assumptions included a 3.5% discount rate, which is based on the estimated long-term investment yield on the general assets of the County using an underlying long-term inflation assumption of 2.5%. The annual healthcare cost trend rate is 6.75% initially, reduced incrementally to an ultimate rate of 5.0% over seven years. The unfunded actuarial accrued liability is being amortized as a level dollar amount on a closed basis.

**POLK COUNTY, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2017**

**NOTE 4 OTHER INFORMATION (CONTINUED)**

**D. Risk Management**

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

The County's liability insurance is provided by Wisconsin County Mutual Insurance Corporation (Corporation). The Corporation is a nonprofit corporation established by the Wisconsin Counties Association to provide general, auto and other liability insurance, substantially at cost and up to stated amounts, for its member counties. Wisconsin counties in good standing with the Wisconsin Counties Association are eligible to be members of the Corporation. Polk County, together with 54 other counties, is a member of the Corporation. This policy is assessable; therefore, to the extent actual losses and loss adjustment expenses vary from recorded amounts, policyholders may be required to make additional premium payments at such times as any excess of deficiency of losses and loss adjustment expenses is known. To date, no additional assessments have been made. All contributions by the Counties to provide initial support for the Corporation have been returned to the Counties. There were no significant reductions in insurance from the previous year or settlements in excess of insurance coverage in any of the past three fiscal years.

The County has established a self-funded health insurance program. This program is funded by "premiums" charged monthly to the various County departments based on actual participation by employees and by payments from current and retired employees for their share of the cost. The plan is administered on a contract basis by an outside party. Claims are paid by the administrator and are reimbursed by the County. Reinsurance for both specific and annual aggregate stop-loss coverage is provided. Specific stop-loss covers individual claims in excess of \$95,000. The current attachment point for annual aggregate stop-loss coverage has been set at \$5,328,997. The fund had a balance at December 31, 2017 of \$4,421,274.

Changes in the claims liabilities for 2017 and 2016 for the health insurance fund were as follows:

	<u>2017</u>	<u>2016</u>
Estimated Claims Outstanding - January 1	\$ 250,511	\$ 356,231
Current Year Claims and Changes	4,839,497	4,451,406
Claim Payments	(4,910,670)	(4,557,126)
Estimated Claims Outstanding - December 31	<u>\$ 179,338</u>	<u>\$ 250,511</u>

**POLK COUNTY, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2017**

**NOTE 4 OTHER INFORMATION (CONTINUED)**

**E. Contingencies**

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

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

**POLK COUNTY, WISCONSIN  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
YEAR ENDED DECEMBER 31, 2017  
(SEE INDEPENDENT AUDITORS' REPORT)**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Taxes	\$ 15,666,912	\$ 15,666,912	\$ 15,784,070	\$ 117,158
Intergovernmental	3,744,362	3,744,362	3,917,644	173,282
Licenses and Permits	298,759	298,759	399,007	100,248
Fines and Forfeits	139,050	139,050	128,283	(10,767)
Public Charges for Services	1,564,046	1,564,046	1,692,740	128,694
Intergovernmental Charges for Services	552,129	552,129	625,387	73,258
Miscellaneous:				
Interest	18,700	18,700	159,892	141,192
Rent	299,285	299,285	303,354	4,069
Other	152,000	152,000	296,556	144,556
Total Revenues	<u>22,435,243</u>	<u>22,435,243</u>	<u>23,306,933</u>	<u>871,690</u>
<b>EXPENDITURES</b>				
General Government:				
Legislative	157,029	157,029	132,546	24,483
Judicial	1,264,193	1,264,193	1,302,555	(38,362)
Legal	759,107	759,107	716,014	43,093
General Administration	2,396,992	2,396,992	2,200,484	196,508
Financial Administration	264,874	264,874	244,763	20,111
General Buildings and Plant	1,408,513	1,450,513	1,268,492	182,021
Property Records and Control	379,835	379,835	393,622	(13,787)
Tax Deed Expense and Refunds	21,158	21,158	7,060	14,098
Property and Liability Insurance	557,641	557,641	230,610	327,031
Asset Protection Fund Expenditures	90,000	90,000	143,496	(53,496)
Fleet Expenditures	57,725	57,725	22,118	35,607
Other General Government	14,000	16,433	4,284	12,149
Total General Government	<u>7,371,067</u>	<u>7,415,500</u>	<u>6,666,044</u>	<u>749,456</u>
Public Safety:				
Sheriff and Traffic	4,909,607	4,932,056	5,128,148	(196,092)
Emergency Service and Disaster Control	134,488	134,488	110,946	23,542
Corrections and Detention	2,686,080	2,686,080	2,739,722	(53,642)
Total Public Safety	<u>7,730,175</u>	<u>7,752,624</u>	<u>7,978,816</u>	<u>(226,192)</u>
Transportation Facilities:				
Appropriations to Highway Department	4,796,981	4,796,981	4,796,981	-
Sanitation:				
Recycling	592,622	598,622	499,557	99,065
Solid Waste Management	43,140	43,140	48,998	(5,858)
Clean Sweep	14,819	14,819	15,406	(587)
Recycling Equipment Replacement	30,000	30,000	21,906	8,094
Total Sanitation	<u>680,581</u>	<u>686,581</u>	<u>585,867</u>	<u>100,714</u>

See accompanying Notes to the Required Supplementary Information.

**POLK COUNTY, WISCONSIN**  
**BUDGETARY COMPARISON SCHEDULE (CONTINUED)**  
**GENERAL FUND**  
**YEAR ENDED DECEMBER 31, 2017**  
**(SEE INDEPENDENT AUDITORS' REPORT)**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>EXPENDITURES (CONTINUED)</b>				
Health and Human Services:				
General Health	\$ 907,758	\$ 907,758	\$ 837,897	\$ 69,861
Social Services	591,441	591,441	612,287	(20,846)
Veterans	177,266	203,069	158,018	45,051
Total Health and Human Services	<u>1,676,465</u>	<u>1,702,268</u>	<u>1,608,202</u>	<u>94,066</u>
Culture, Recreation, and Education:				
Culture	720,112	720,112	718,137	1,975
Public Areas	130,240	130,240	124,810	5,430
Recreation Facilities	97,924	109,824	101,177	8,647
Education	291,066	291,066	227,348	63,718
Total Culture, Recreation, and Education	<u>1,239,342</u>	<u>1,251,242</u>	<u>1,171,472</u>	<u>79,770</u>
Conservation and Development:				
Resource Conservation	838,374	857,035	837,933	19,102
Planning	31,274	31,274	31,878	(604)
Zoning	804,938	804,938	820,293	(15,355)
Economic Development	119,000	119,000	119,000	-
Total Conservation and Development	<u>1,793,586</u>	<u>1,812,247</u>	<u>1,809,104</u>	<u>3,143</u>
Total Expenditures	<u>25,288,197</u>	<u>25,417,443</u>	<u>24,616,486</u>	<u>800,957</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	(2,852,954)	(2,982,200)	(1,309,553)	1,672,647
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	3,349,903	3,349,903	5,056,214	1,706,311
Transfers Out	(82,026)	(82,026)	(3,042,901)	(2,960,875)
Total Other Financing Sources (Uses)	<u>3,267,877</u>	<u>3,267,877</u>	<u>2,013,313</u>	<u>(1,254,564)</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ 414,923</u>	<u>\$ 285,677</u>	703,760	<u>\$ 418,083</u>
Fund Balance - Beginning of Year			<u>15,440,747</u>	
<b>FUND BALANCE - END OF YEAR</b>			<u>\$ 16,144,507</u>	

See accompanying Notes to the Required Supplementary Information.

**POLK COUNTY, WISCONSIN  
BUDGETARY COMPARISON SCHEDULE  
CHILDREN AND FAMILIES FUND  
YEAR ENDED DECEMBER 31, 2017  
(SEE INDEPENDENT AUDITORS' REPORT)**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Taxes	\$ 2,202,652	\$ 2,202,652	\$ 2,202,652	\$ -
Intergovernmental	2,983,235	2,983,235	2,890,927	(92,308)
Public Charges for Services	212,695	212,695	267,321	54,626
Total Revenues	<u>5,398,582</u>	<u>5,398,582</u>	<u>5,360,900</u>	<u>(37,682)</u>
<b>EXPENDITURES</b>				
Health and Human Services	<u>5,398,582</u>	<u>5,398,582</u>	<u>6,160,673</u>	<u>(762,091)</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	-	-	(799,773)	(799,773)
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	<u>-</u>	<u>-</u>	<u>799,773</u>	<u>799,773</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ -</u>	<u>\$ -</u>	-	<u>\$ -</u>
Fund Balance - Beginning of Year			<u>-</u>	
<b>FUND BALANCE - END OF YEAR</b>			<u>\$ -</u>	

See accompanying Notes to the Required Supplementary Information.

**POLK COUNTY, WISCONSIN  
BUDGETARY COMPARISON SCHEDULE  
HEALTH SERVICES FUND  
YEAR ENDED DECEMBER 31, 2017  
(SEE INDEPENDENT AUDITORS' REPORT)**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Taxes	\$ 1,417,888	\$ 1,417,888	\$ 1,417,888	\$ -
Intergovernmental	1,752,631	1,752,631	2,327,757	575,126
Public Charges for Services	697,254	697,254	834,069	136,815
Total Revenues	<u>3,867,773</u>	<u>3,867,773</u>	<u>4,579,714</u>	<u>711,941</u>
<b>EXPENDITURES</b>				
Health and Human Services	<u>3,897,773</u>	<u>3,897,773</u>	<u>3,744,486</u>	<u>153,287</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	(30,000)	(30,000)	835,228	865,228
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	30,000	30,000	27,294	(2,706)
Transfers Out	-	-	(862,522)	(862,522)
Total Other Financing Sources (Uses)	<u>30,000</u>	<u>30,000</u>	<u>(835,228)</u>	<u>(865,228)</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ -</u>	<u>\$ -</u>	-	<u>\$ -</u>
Fund Balance - Beginning of Year			-	
<b>FUND BALANCE - END OF YEAR</b>			<u>\$ -</u>	

See accompanying Notes to the Required Supplementary Information.

**POLK COUNTY, WISCONSIN**  
**SCHEDULE OF PROPORTIONATE SHARE OF WISCONSIN RETIREMENT SYSTEM**  
**NET PENSION PLAN LIABILITY (ASSET)**  
**LAST TEN FISCAL YEARS\***  
(SEE INDEPENDENT AUDITORS' REPORT)

	2015	2016	2017
County's Proportion of the Net Pension Liability (Asset)	0.15590987%	0.15067007%	0.14706284%
County's Proportionate Share of the Net Pension Liability (Asset)	\$ (3,829,573)	\$ 2,448,359	\$ 1,212,149
County's Covered Payroll	\$ 20,067,237	\$ 20,138,336	\$ 19,861,318
County's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	-19.08%	12.16%	6.10%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability (Asset)	102.74%	98.20%	99.12%

\*The amounts presented for each fiscal year were determined as of December 31 that occurred within the fiscal year.

\* Shown prospectively from year of implementation.

**POLK COUNTY, WISCONSIN  
SCHEDULE OF CONTRIBUTIONS TO  
WISCONSIN RETIREMENT SYSTEM PENSION PLAN  
LAST TEN FISCAL YEARS\*  
(SEE INDEPENDENT AUDITORS' REPORT)**

	<u>2015</u>	<u>2016</u>	<u>2017</u>
Contractually Required Contribution	\$ 1,429,056	\$ 1,369,334	\$ 1,461,143
Contributions in Relation to the Contractually Required Contributions	<u>(1,429,056)</u>	<u>(1,369,334)</u>	<u>(1,461,143)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
County's Covered Payroll	\$ 20,138,336	\$ 19,861,318	\$ 21,244,363
Contributions as a Percentage of Covered Payroll	7.10%	6.89%	6.88%

*Changes of Benefit Terms.* There were no changes of benefit terms for any participating employer in WRS.

*Changes of Assumptions.* There were no changes in the assumptions.

\* Shown prospectively from year of implementation.

**POLK COUNTY, WISCONSIN  
SCHEDULE OF FUNDING PROGRESS  
OTHER POSTEMPLOYMENT HEALTH CARE BENEFITS  
CURRENT AND TWO PRECEDING VALUATIONS  
(SEE INDEPENDENT AUDITORS' REPORT)**

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (b)	Actuarial Accrued Liability (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	Percentage of Covered Payroll ((b-1)/c)
1/1/16	\$ -	\$ 2,298,105	\$ 2,298,105	- %	\$ 20,998,936	10.9 %
1/1/14	-	2,664,659	2,664,659	-	18,839,690	14.1
1/1/12	-	3,190,150	3,190,150	-	19,212,443	16.6

*See accompanying Notes to the Required Supplementary Information.*

**POLK COUNTY, WISCONSIN**  
**NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION**  
**YEAR ENDED DECEMBER 31, 2017**  
**(SEE INDEPENDENT AUDITORS' REPORT)**

**BUDGETARY INFORMATION**

GASB Statement No. 34 requires the presentation of budgetary comparison schedules for the general fund and for each major special revenue fund. Budgetary information for the general fund and human services fund is derived from the County's annual operating budget.

The County's annual operating budget is adopted in accordance with Chapter 65 of the *Wisconsin Statutes* and on a basis consistent with generally accepted accounting principles. Changes to appropriations authorized in the adopted budget generally require a vote of two-thirds of the entire membership of the governing body. The County's legal budget is adopted at the major function level in the general fund (i.e., general government) and at the fund level in all other funds. Governmental funds incorporated in the annual budget include: general fund, debt service fund and certain special revenue funds (children and families, health services, public health, family court counseling, jail assessment fees, WHEAP, bioterrorism, dog license, drivers improvement, park dedication, snowmobiles/ATV trails, state aided forestry, lake improvement, sanitary systems grants, community development block grant, County sales tax fund and the ADRC fund). Also, any capital project fund with a balance will be incorporated into the annual budget. The County exercises budgetary expenditure control at the fund level.

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

**SUPPLEMENTARY INFORMATION**

**COMBINING AND INDIVIDUAL FUND STATEMENTS**

**POLK COUNTY, WISCONSIN  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
DECEMBER 31, 2017  
(SEE INDEPENDENT AUDITORS' REPORT)**

Special Revenue Funds

	Public Health	Aging Programs	Family Court Counseling	Jail Assessment Fees	WHEAP Grant	Bioterrorism Consortium	Dog License	Drivers Improvement	Park Dedication	Snowmobile/ ATV Trails
<b>ASSETS</b>										
Treasurer's Cash and Investments	\$ 277,794	\$ -	\$ 190	\$ -	\$ -	\$ 40,866	\$ 4,415	\$ -	\$ 2,983	\$ 126,824
Taxes Receivable	132,562	-	-	-	-	-	-	-	-	-
Accounts Receivable	129,794	-	410	1,757	-	13,187	-	1,704	-	78,472
Long-Term Receivables	-	-	-	-	-	-	-	-	-	-
Total Assets	<u>\$ 540,150</u>	<u>\$ -</u>	<u>\$ 600</u>	<u>\$ 1,757</u>	<u>\$ -</u>	<u>\$ 54,053</u>	<u>\$ 4,415</u>	<u>\$ 1,704</u>	<u>\$ 2,983</u>	<u>\$ 205,296</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>										
<b>LIABILITIES</b>										
Vouchers Payable	\$ 21,520	\$ -	\$ 600	\$ -	\$ -	\$ 15	\$ 4,415	\$ -	\$ -	\$ 360
Accrued Wages Payable	23,956	-	-	-	-	932	-	-	-	-
Due to Other Funds	79,796	-	-	3,676	-	-	-	-	-	-
Unearned Revenue	-	-	-	-	-	-	-	-	-	65,680
Total Liabilities	<u>125,272</u>	<u>-</u>	<u>600</u>	<u>3,676</u>	<u>-</u>	<u>947</u>	<u>4,415</u>	<u>-</u>	<u>-</u>	<u>66,040</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>										
Property Taxes for Subsequent Year	132,562	-	-	-	-	-	-	-	-	-
Unavailable Revenue - Long-Term Receivables	-	-	-	-	-	-	-	-	-	-
Total Deferred Inflows of Resources	<u>132,562</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES</b>										
Restricted	282,316	-	-	-	-	53,106	-	1,704	2,983	139,256
Unassigned	-	-	-	(1,919)	-	-	-	-	-	-
Total Fund Balances	<u>282,316</u>	<u>-</u>	<u>-</u>	<u>(1,919)</u>	<u>-</u>	<u>53,106</u>	<u>-</u>	<u>1,704</u>	<u>2,983</u>	<u>139,256</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 540,150</u>	<u>\$ -</u>	<u>\$ 600</u>	<u>\$ 1,757</u>	<u>\$ -</u>	<u>\$ 54,053</u>	<u>\$ 4,415</u>	<u>\$ 1,704</u>	<u>\$ 2,983</u>	<u>\$ 205,296</u>

**POLK COUNTY, WISCONSIN  
COMBINING BALANCE SHEET (CONTINUED)  
NONMAJOR GOVERNMENTAL FUNDS  
DECEMBER 31, 2017  
(SEE INDEPENDENT AUDITORS' REPORT)**

	Special Revenue Funds (Continued)						Capital Projects Funds		Total Nonmajor Governmental Funds		
	State Aided Forestry Fund	Lake Improvement	Sanitary Systems Grants	Community Development Block Grant	County Sales Tax Fund	ADRC Fund	Ahlgren Wildlife Preservation and Recreation Stewardship Fund	Total Special Revenue Funds		911 Upgrade Fund	Total Capital Projects Funds
<b>ASSETS</b>											
Treasurer's Cash and Investments	\$ 29,064	\$ 67,715	\$ -	\$ 33,335	\$ -	\$ 121,002	\$ 39,889	\$ 744,077	\$ 8,489	\$ 8,489	\$ 752,566
Taxes Receivable	-	-	-	-	-	110,785	-	243,347	-	-	243,347
Accounts Receivable	-	-	-	-	522,175	581,983	-	1,329,482	-	-	1,329,482
Long-Term Receivables	-	-	-	787,653	-	-	-	787,653	-	-	787,653
Total Assets	<u>\$ 29,064</u>	<u>\$ 67,715</u>	<u>\$ -</u>	<u>\$ 820,988</u>	<u>\$ 522,175</u>	<u>\$ 813,770</u>	<u>\$ 39,889</u>	<u>\$ 3,104,559</u>	<u>\$ 8,489</u>	<u>\$ 8,489</u>	<u>\$ 3,113,048</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>											
<b>LIABILITIES</b>											
Vouchers Payable	\$ -	\$ 193	\$ -	\$ 3,080	\$ -	\$ 199,883	\$ -	\$ 230,066	\$ 8,489	\$ 8,489	\$ 238,555
Accrued Wages Payable	-	-	-	-	-	26,768	-	51,656	-	-	51,656
Due to Other Funds	-	-	-	-	522,175	-	-	605,647	-	-	605,647
Unearned Revenue	-	-	-	-	-	-	-	65,680	-	-	65,680
Total Liabilities	-	193	-	3,080	522,175	226,651	-	953,049	8,489	8,489	961,538
<b>DEFERRED INFLOWS OF RESOURCES</b>											
Property Taxes for Subsequent Year	-	-	-	-	-	110,785	-	243,347	-	-	243,347
Unavailable Revenue - Long-Term Receivables	-	-	-	787,653	-	-	-	787,653	-	-	787,653
Total Deferred Inflows of Resources	-	-	-	787,653	-	110,785	-	1,031,000	-	-	1,031,000
<b>FUND BALANCES</b>											
Restricted	29,064	67,522	-	30,255	-	476,334	39,889	1,122,429	-	-	1,122,429
Unassigned	-	-	-	-	-	-	-	(1,919)	-	-	(1,919)
Total Fund Balances	<u>29,064</u>	<u>67,522</u>	<u>-</u>	<u>30,255</u>	<u>-</u>	<u>476,334</u>	<u>39,889</u>	<u>1,120,510</u>	<u>-</u>	<u>-</u>	<u>1,120,510</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 29,064</u>	<u>\$ 67,715</u>	<u>\$ -</u>	<u>\$ 820,988</u>	<u>\$ 522,175</u>	<u>\$ 813,770</u>	<u>\$ 39,889</u>	<u>\$ 3,104,559</u>	<u>\$ 8,489</u>	<u>\$ 8,489</u>	<u>\$ 3,113,048</u>

**POLK COUNTY, WISCONSIN**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**YEARS ENDED DECEMBER 31, 2017**  
(SEE INDEPENDENT AUDITORS' REPORT)

Special Revenue Funds

	Public Health	Aging Programs	Family Court Counseling	Jail Assessment Fees	WHEAP Grant	Bioterrorism Consortium	Dog License	Drivers Improvement	Park Dedication	Snowmobile/ATV Trails
<b>REVENUES</b>										
Taxes	\$ 128,073	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	603,909	-	-	-	242,193	137,559	-	-	-	146,077
Licenses and Permits	-	-	-	-	-	-	18,351	28,998	-	-
Fines, Forfeits and Penalties	-	-	-	43,748	-	-	-	-	-	-
Public Charges for Services	429,878	-	10,972	-	3,282	-	-	-	-	-
Miscellaneous:										
Interest	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-
Total Revenues	1,161,860	-	10,972	43,748	245,475	137,559	18,351	28,998	-	146,077
<b>EXPENDITURES</b>										
General Government	-	-	12,623	-	-	-	-	-	-	-
Public Safety	-	-	-	-	-	133,640	-	-	-	-
Health and Human Services	1,128,225	-	-	-	255,490	-	18,351	-	-	-
Culture, Recreation and Education	-	-	-	-	-	-	-	-	1,918	260,515
Conservation and Development	-	-	-	-	-	-	-	-	-	-
Capital Outlay:										
Public Safety	-	-	-	-	-	-	-	-	-	-
Debt Service										
Principal Retirement	-	-	-	-	-	-	-	-	-	-
Total Expenditures	1,128,225	-	12,623	-	255,490	133,640	18,351	-	1,918	260,515
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	33,635	-	(1,651)	43,748	(10,015)	3,919	-	28,998	(1,918)	(114,438)
<b>OTHER FINANCING SOURCES (USES)</b>										
Transfer In	16,019	-	8,929	-	16	-	-	-	-	-
Transfer Out	(5,154)	-	-	(40,000)	-	(10,881)	-	(27,294)	-	-
Total Other Financing Sources (Uses)	10,865	-	8,929	(40,000)	16	(10,881)	-	(27,294)	-	-
<b>NET CHANGE IN FUND BALANCES</b>	44,500	-	7,278	3,748	(9,999)	(6,962)	-	1,704	(1,918)	(114,438)
Fund Balances (Deficits) - Beginning of Year	237,816	-	(7,278)	(5,667)	9,999	60,068	-	-	4,901	253,694
<b>FUND BALANCES (DEFICITS) - END OF YEAR</b>	<u>\$ 282,316</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (1,919)</u>	<u>\$ -</u>	<u>\$ 53,106</u>	<u>\$ -</u>	<u>\$ 1,704</u>	<u>\$ 2,983</u>	<u>\$ 139,256</u>

**POLK COUNTY, WISCONSIN**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (CONTINUED)**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**YEARS ENDED DECEMBER 31, 2017**  
**(SEE INDEPENDENT AUDITORS' REPORT)**

	Special Revenue Funds (Continued)							Capital Projects Funds		Total Nonmajor Governmental Funds	
	State Aided Forestry Fund	Lake Improvement	Sanitary Systems Grants	Community Development Block Grant	County Sales Tax Fund	ADRC Fund	Ahlgren Wildlife Preservation and Recreation Stewardship Fund	Total Special Revenue Funds	911 Communication Upgrade Fund		Total Capital Projects Funds
<b>REVENUES</b>											
Taxes	\$ 23,575	\$ -	\$ -	\$ -	\$ 3,248,801	\$ 110,785	\$ -	\$ 3,511,234	\$ 183,255	\$ 183,255	\$ 3,694,489
Intergovernmental	-	-	19,921	-	-	1,781,961	-	2,931,620	-	-	2,931,620
Licenses and Permits	-	-	-	-	-	-	-	47,349	-	-	47,349
Fines, Forfeits and Penalties	-	-	-	-	-	-	-	43,748	-	-	43,748
Public Charges for Services	-	-	-	-	-	-	-	444,132	-	-	444,132
Miscellaneous:											
Interest	-	-	-	56	-	-	-	56	-	-	56
Other	-	-	-	63,355	-	2,725	50,000	116,080	-	-	116,080
<b>Total Revenues</b>	<b>23,575</b>	<b>-</b>	<b>19,921</b>	<b>63,411</b>	<b>3,248,801</b>	<b>1,895,471</b>	<b>50,000</b>	<b>7,094,219</b>	<b>183,255</b>	<b>183,255</b>	<b>7,277,474</b>
<b>EXPENDITURES</b>											
General Government	-	-	-	-	-	-	-	12,623	-	-	12,623
Public Safety	-	-	-	-	-	-	-	133,640	-	-	133,640
Health and Human Services	-	-	-	-	-	1,775,460	-	3,177,526	-	-	3,177,526
Culture, Recreation and Education	-	-	-	-	-	-	10,111	272,544	-	-	272,544
Conservation and Development	365	3,004	19,921	106,767	-	-	-	130,057	-	-	130,057
Capital Outlay:											
Public Safety	-	-	-	-	-	-	-	-	1,134,199	1,134,199	1,134,199
Debt Service											
Principal Retirement	23,575	-	-	-	-	-	-	23,575	-	-	23,575
<b>Total Expenditures</b>	<b>23,940</b>	<b>3,004</b>	<b>19,921</b>	<b>106,767</b>	<b>-</b>	<b>1,775,460</b>	<b>10,111</b>	<b>3,749,965</b>	<b>1,134,199</b>	<b>1,134,199</b>	<b>4,884,164</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(365)</b>	<b>(3,004)</b>	<b>-</b>	<b>(43,356)</b>	<b>3,248,801</b>	<b>120,011</b>	<b>39,889</b>	<b>3,344,254</b>	<b>(950,944)</b>	<b>(950,944)</b>	<b>2,393,310</b>
<b>OTHER FINANCING SOURCES (USES)</b>											
Transfer In	-	-	-	-	-	-	-	24,964	950,944	950,944	975,908
Transfer Out	-	-	-	-	(4,094,815)	-	-	(4,178,144)	-	-	(4,178,144)
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(4,094,815)</b>	<b>-</b>	<b>-</b>	<b>(4,153,180)</b>	<b>950,944</b>	<b>950,944</b>	<b>(3,202,236)</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>(365)</b>	<b>(3,004)</b>	<b>-</b>	<b>(43,356)</b>	<b>(846,014)</b>	<b>120,011</b>	<b>39,889</b>	<b>(808,926)</b>	<b>-</b>	<b>-</b>	<b>(808,926)</b>
Fund Balances (Deficits) - Beginning of Year	29,429	70,526	-	73,611	846,014	356,323	-	1,929,436	-	-	1,929,436
<b>FUND BALANCES (DEFICITS) - END OF YEAR</b>	<b>\$ 29,064</b>	<b>\$ 67,522</b>	<b>\$ -</b>	<b>\$ 30,255</b>	<b>\$ -</b>	<b>\$ 476,334</b>	<b>\$ 39,889</b>	<b>\$ 1,120,510</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,120,510</b>

**POLK COUNTY, WISCONSIN  
COMBINING BALANCE SHEET  
PUBLIC HEALTH SPECIAL REVENUE FUND  
DECEMBER 31, 2017  
(SEE INDEPENDENT AUDITORS' REPORT)**

	Birth To Three	Suicide Prevention	WIC	Health Screening	Tobacco Coalition	Family Planning	MCH Car Seat	Immunization	Consolidated Grant Fund	Radon Grant Fund	Environmental Health Fund	Total
<b>ASSETS</b>												
Treasurer's Cash and Investments	\$ 92,166	\$ 22,413	\$ -	\$ 70,308	\$ -	\$ 17,352	\$ 12,693	\$ 194	\$ 1,298	\$ -	\$ 61,370	\$ 277,794
Taxes Receivable	132,562	-	-	-	-	-	-	-	-	-	-	132,562
Accounts Receivable	680	-	47,989	2,146	42,138	2,409	-	388	30,386	3,528	130	129,794
Total Assets	<u>\$ 225,408</u>	<u>\$ 22,413</u>	<u>\$ 47,989</u>	<u>\$ 72,454</u>	<u>\$ 42,138</u>	<u>\$ 19,761</u>	<u>\$ 12,693</u>	<u>\$ 582</u>	<u>\$ 31,684</u>	<u>\$ 3,528</u>	<u>\$ 61,500</u>	<u>\$ 540,150</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>												
<b>LIABILITIES</b>												
Vouchers Payable	\$ 13,732	\$ -	\$ 1,579	\$ -	\$ 2,237	\$ 984	\$ -	\$ -	\$ -	\$ -	\$ 2,988	\$ 21,520
Accrued Wages Payable	4,673	-	5,692	1,495	1,394	2,518	-	582	2,592	204	4,806	23,956
Due to Other Fund	-	-	37,992	-	38,507	-	-	-	-	3,297	-	79,796
Total Liabilities	18,405	-	45,263	1,495	42,138	3,502	-	582	2,592	3,501	7,794	125,272
<b>DEFERRED INFLOWS OF RESOURCES</b>												
Property Taxes for Subsequent Year	132,562	-	-	-	-	-	-	-	-	-	-	132,562
<b>FUND BALANCE (DEFICIT)</b>												
Restricted	74,441	22,413	2,726	70,959	-	16,259	12,693	-	29,092	27	53,706	282,316
Total Liabilities, Deferred Inflows of Resources and Fund Balance (Deficit)	<u>\$ 225,408</u>	<u>\$ 22,413</u>	<u>\$ 47,989</u>	<u>\$ 72,454</u>	<u>\$ 42,138</u>	<u>\$ 19,761</u>	<u>\$ 12,693</u>	<u>\$ 582</u>	<u>\$ 31,684</u>	<u>\$ 3,528</u>	<u>\$ 61,500</u>	<u>\$ 540,150</u>

**POLK COUNTY, WISCONSIN**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**PUBLIC HEALTH SPECIAL REVENUE FUND**  
**YEAR ENDED DECEMBER 31, 2017**  
**(SEE INDEPENDENT AUDITORS' REPORT)**

	Birth To Three	Suicide Prevention	WIC	Health Screening	Tobacco Coalition	Family Planning	MCH Car Seat	Immunization	Consolidated Grant Fund	Radon Grant Fund	Environmental Health Fund	Total
<b>REVENUES</b>												
Taxes	\$ 128,073	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 128,073
Intergovernmental	88,837	-	210,465	-	141,050	45,537	7,817	-	99,773	10,430	-	603,909
Public Charges for Services	56,241	-	-	39,597	-	75,797	-	38,787	-	-	219,456	429,878
Total Revenues	273,151	-	210,465	39,597	141,050	121,334	7,817	38,787	99,773	10,430	219,456	1,161,860
<b>EXPENDITURES</b>												
Health and Human Services	254,360	43	210,117	40,215	139,034	118,156	1,953	34,838	91,005	10,430	228,074	1,128,225
<b>NET CHANGE IN FUND BALANCE</b>	18,791	(43)	348	(618)	2,016	3,178	5,864	3,949	8,768	-	(8,618)	33,635
<b>OTHER FINANCING SOURCES (USES)</b>												
Transfers In	-	-	-	-	5,154	-	-	10,865	-	-	-	16,019
Transfers Out	-	-	-	-	-	-	-	-	-	-	(5,154)	(5,154)
Total Other Financing Sources (Uses)	-	-	-	-	5,154	-	-	10,865	-	-	(5,154)	10,865
<b>NET CHANGE IN FUND BALANCES</b>	18,791	(43)	348	(618)	7,170	3,178	5,864	14,814	8,768	-	(13,772)	44,500
Fund Balance (Deficit) - Beginning of Year	55,650	22,456	2,378	71,577	(7,170)	13,081	6,829	(14,814)	20,324	27	67,478	237,816
<b>FUND BALANCE (DEFICIT) - END OF YEAR</b>	\$ 74,441	\$ 22,413	\$ 2,726	\$ 70,959	\$ -	\$ 16,259	\$ 12,693	\$ -	\$ 29,092	\$ 27	\$ 53,706	\$ 282,316

**POLK COUNTY, WISCONSIN  
BUDGETARY COMPARISON SCHEDULE  
PUBLIC HEALTH FUND  
YEAR ENDED DECEMBER 31, 2017  
(SEE INDEPENDENT AUDITORS' REPORT)**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Taxes	\$ 640,430	\$ 128,073	\$ 128,073	\$ -
Intergovernmental	601,194	601,194	603,909	2,715
Public Charges for Services	564,380	447,154	429,878	(17,276)
Total Revenues	<u>1,806,004</u>	<u>1,176,421</u>	<u>1,161,860</u>	<u>(14,561)</u>
<b>EXPENDITURES</b>				
Health and Human Services	<u>781,290</u>	<u>1,176,421</u>	<u>1,128,225</u>	<u>48,196</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	1,024,714	-	33,635	33,635
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	512,357	-	16,019	16,019
Transfers Out	-	-	(5,154)	(5,154)
Total Other Financing Sources (Uses)	<u>512,357</u>	<u>-</u>	<u>10,865</u>	<u>10,865</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ 1,537,071</u>	<u>\$ -</u>	44,500	<u>\$ 44,500</u>
Fund Balance - Beginning of Year			<u>237,816</u>	
<b>FUND BALANCE - END OF YEAR</b>			<u>\$ 282,316</u>	

**POLK COUNTY, WISCONSIN  
 BUDGETARY COMPARISON SCHEDULE  
 FAMILY COURT COUNSELING FUND  
 YEAR ENDED DECEMBER 31, 2017  
 (SEE INDEPENDENT AUDITORS' REPORT)**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Public Charges for Services	\$ 9,135	\$ 9,135	\$ 10,972	\$ 1,837
<b>EXPENDITURES</b>				
General Government	9,135	9,135	12,623	(3,488)
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	-	-	(1,651)	(1,651)
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	-	-	8,929	8,929
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ -</u>	<u>\$ -</u>	7,278	<u>\$ 7,278</u>
Fund Balance - Beginning of Year			<u>(7,278)</u>	
<b>FUND BALANCE - END OF YEAR</b>			<u>\$ -</u>	

**POLK COUNTY, WISCONSIN  
BUDGETARY COMPARISON SCHEDULE  
JAIL ASSESSMENT FUND  
YEAR ENDED DECEMBER 31, 2017  
(SEE INDEPENDENT AUDITORS' REPORT)**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Fines, Forfeits and Penalties	\$ 40,000	\$ 40,000	\$ 43,748	\$ 40,000
<b>EXPENDITURES</b>				
Health and Human Services	-	-	-	-
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	40,000	40,000	43,748	40,000
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers Out	(40,000)	(40,000)	(40,000)	-
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ -</u>	<u>\$ -</u>	3,748	<u>\$ 40,000</u>
Fund Balance - Beginning of Year			(5,667)	
<b>FUND BALANCE - END OF YEAR</b>			<u>\$ (1,919)</u>	

**POLK COUNTY, WISCONSIN  
 BUDGETARY COMPARISON SCHEDULE  
 WHEAP FUND  
 YEAR ENDED DECEMBER 31, 2017  
 (SEE INDEPENDENT AUDITORS' REPORT)**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Intergovernmental	\$ 206,815	\$ 206,815	\$ 242,193	\$ 35,378
Public Charges for Services	-	-	3,282	3,282
Total Revenues	<u>206,815</u>	<u>206,815</u>	<u>245,475</u>	<u>38,660</u>
<b>EXPENDITURES</b>				
Health and Human Services	<u>206,815</u>	<u>206,815</u>	<u>255,490</u>	<u>(48,675)</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	-	-	(10,015)	(10,015)
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	<u>-</u>	<u>-</u>	<u>16</u>	<u>16</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ -</u>	<u>\$ -</u>	(9,999)	<u>\$ (9,999)</u>
Fund Balance - Beginning of Year			<u>9,999</u>	
<b>FUND BALANCE - END OF YEAR</b>			<u>\$ -</u>	

**POLK COUNTY, WISCONSIN  
 BUDGETARY COMPARISON SCHEDULE  
 BIOTERRORISM FUND  
 YEAR ENDED DECEMBER 31, 2017  
 (SEE INDEPENDENT AUDITORS' REPORT)**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Intergovernmental	\$ 145,686	\$ 145,686	\$ 137,559	\$ (8,127)
<b>EXPENDITURES</b>				
Public Safety	145,686	145,686	133,640	(12,046)
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	145,686	145,686	3,919	(8,127)
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers Out	-	-	(10,881)	(10,881)
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ 145,686</u>	<u>\$ 145,686</u>	(6,962)	<u>\$ (19,008)</u>
Fund Balance - Beginning of Year			<u>60,068</u>	
<b>FUND BALANCE - END OF YEAR</b>			<u>\$ 53,106</u>	

**POLK COUNTY, WISCONSIN  
 BUDGETARY COMPARISON SCHEDULE  
 DOG LICENSE FUND  
 YEAR ENDED DECEMBER 31, 2017  
 (SEE INDEPENDENT AUDITORS' REPORT)**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Licenses and Permits	\$ 23,894	\$ 23,894	\$ 18,351	\$ (5,543)
<b>EXPENDITURES</b>				
Health and Human Services	23,894	23,894	18,351	5,543
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ -</u>	<u>\$ -</u>	-	<u>\$ -</u>
Fund Balance - Beginning of Year			-	
<b>FUND BALANCE - END OF YEAR</b>			<u>\$ -</u>	

**POLK COUNTY, WISCONSIN  
 BUDGETARY COMPARISON SCHEDULE  
 DRIVER'S IMPROVEMENT FUND  
 YEAR ENDED DECEMBER 31, 2017  
 (SEE INDEPENDENT AUDITORS' REPORT)**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Licenses and Permits	\$ 40,000	\$ 40,000	\$ 28,998	\$ (11,002)
<b>EXPENDITURES</b>				
Health and Human Services	-	-	-	-
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	40,000	40,000	28,998	(11,002)
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers Out	(40,000)	(40,000)	(27,294)	12,706
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ -</u>	<u>\$ -</u>	1,704	<u>\$ 1,704</u>
Fund Balance - Beginning of Year			-	
<b>FUND BALANCE - END OF YEAR</b>			<u>\$ 1,704</u>	

**POLK COUNTY, WISCONSIN  
 BUDGETARY COMPARISON SCHEDULE  
 PARK DEDICATION FUND  
 YEAR ENDED DECEMBER 31, 2017  
 (SEE INDEPENDENT AUDITORS' REPORT)**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Taxes	\$ -	\$ -	\$ -	\$ -
<b>EXPENDITURES</b>				
Culture, Recreation and Education	38,000	38,000	1,918	36,082
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ (38,000)</u>	<u>\$ (38,000)</u>	(1,918)	<u>\$ 36,082</u>
Fund Balance - Beginning of Year			<u>4,901</u>	
<b>FUND BALANCE - END OF YEAR</b>			<u>\$ 2,983</u>	

**POLK COUNTY, WISCONSIN  
BUDGETARY COMPARISON SCHEDULE  
SNOWMOBILE AND ATV FUND  
YEAR ENDED DECEMBER 31, 2017  
(SEE INDEPENDENT AUDITORS' REPORT)**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Intergovernmental	\$ 241,616	\$ 241,616	\$ 146,077	\$ (95,539)
<b>EXPENDITURES</b>				
Culture, Recreation and Education	241,616	241,616	260,515	(18,899)
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ -</u>	<u>\$ -</u>	(114,438)	<u>\$ (114,438)</u>
Fund Balance - Beginning of Year			<u>253,694</u>	
<b>FUND BALANCE - END OF YEAR</b>			<u>\$ 139,256</u>	

**POLK COUNTY, WISCONSIN  
 BUDGETARY COMPARISON SCHEDULE  
 STATE AIDED FORESTRY FUND  
 YEAR ENDED DECEMBER 31, 2017  
 (SEE INDEPENDENT AUDITORS' REPORT)**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Taxes	\$ -	\$ -	\$ 23,575	\$ 23,575
<b>EXPENDITURES</b>				
Conservation and Development	8,350	8,350	365	7,985
Principal Retirement	-	-	23,575	(23,575)
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ -</u>	<u>\$ -</u>	(365)	<u>\$ -</u>
Fund Balance - Beginning of Year			<u>29,429</u>	
<b>FUND BALANCE - END OF YEAR</b>			<u>\$ 29,064</u>	

**POLK COUNTY, WISCONSIN  
 BUDGETARY COMPARISON SCHEDULE  
 LAKE IMPROVEMENT FUND  
 YEAR ENDED DECEMBER 31, 2017  
 (SEE INDEPENDENT AUDITORS' REPORT)**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Taxes	\$ -	\$ -	\$ -	\$ -
<b>EXPENDITURES</b>				
Conservation and Development	15,000	15,000	3,004	11,996
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ (15,000)</u>	<u>\$ (15,000)</u>	(3,004)	<u>\$ 11,996</u>
Fund Balance - Beginning of Year			<u>70,526</u>	
<b>FUND BALANCE - END OF YEAR</b>			<u>\$ 67,522</u>	

**POLK COUNTY, WISCONSIN  
 BUDGETARY COMPARISON SCHEDULE  
 SANITARY SYSTEMS GRANT FUND  
 YEAR ENDED DECEMBER 31, 2017  
 (SEE INDEPENDENT AUDITORS' REPORT)**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Intergovernmental	\$ 10,000	\$ 10,000	\$ 19,921	\$ 9,921
<b>EXPENDITURES</b>				
Conservation and Development	10,000	10,000	19,921	(9,921)
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ -</u>	<u>\$ -</u>	-	<u>\$ -</u>
Fund Balance - Beginning of Year			-	
<b>FUND BALANCE - END OF YEAR</b>			<u>\$ -</u>	

**POLK COUNTY, WISCONSIN  
 BUDGETARY COMPARISON SCHEDULE  
 COMMUNITY DEVELOPMENT BLOCK GRANT FUND  
 YEAR ENDED DECEMBER 31, 2017  
 (SEE INDEPENDENT AUDITORS' REPORT)**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Miscellaneous:				
Interest	\$ -	\$ -	\$ 56	\$ 56
Other	5,038	5,038	63,355	58,317
Total Revenues	<u>5,038</u>	<u>5,038</u>	<u>63,411</u>	<u>58,373</u>
<b>EXPENDITURES</b>				
Conservation and Development	<u>5,038</u>	<u>5,038</u>	<u>106,767</u>	<u>(101,729)</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ -</u>	<u>\$ -</u>	<u>(43,356)</u>	<u>\$ (43,356)</u>
Fund Balance - Beginning of Year			<u>73,611</u>	
<b>FUND BALANCE - END OF YEAR</b>			<u>\$ 30,255</u>	

**POLK COUNTY, WISCONSIN  
 BUDGETARY COMPARISON SCHEDULE  
 COUNTY SALES TAX FUND  
 YEAR ENDED DECEMBER 31, 2017  
 (SEE INDEPENDENT AUDITORS' REPORT)**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Taxes	\$ 2,975,000	\$ 2,975,000	\$ 3,248,801	\$ 273,801
<b>EXPENDITURES</b>				
Health and Human Services	-	-	-	-
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	2,975,000	2,975,000	3,248,801	273,801
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers Out	(2,975,000)	(2,975,000)	(4,094,815)	(1,119,815)
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ -</u>	<u>\$ -</u>	(846,014)	<u>\$ (846,014)</u>
Fund Balance - Beginning of Year			<u>846,014</u>	
<b>FUND BALANCE - END OF YEAR</b>			<u>\$ -</u>	

**POLK COUNTY, WISCONSIN  
BUDGETARY COMPARISON SCHEDULE  
ADRC FUND  
YEAR ENDED DECEMBER 31, 2017  
(SEE INDEPENDENT AUDITORS' REPORT)**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Taxes	\$ 110,785	\$ 110,785	\$ 110,785	\$ -
Intergovernmental	1,475,557	1,475,557	1,781,961	306,404
Miscellaneous:				
Other	600	152,487	2,725	(149,762)
Total Revenues	<u>1,586,942</u>	<u>1,738,829</u>	<u>1,895,471</u>	<u>156,642</u>
<b>EXPENDITURES</b>				
Health and Human Services	<u>1,577,927</u>	<u>1,729,814</u>	<u>1,775,460</u>	<u>(45,646)</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ 9,015</u>	<u>\$ 9,015</u>	120,011	<u>\$ 110,996</u>
Fund Balance - Beginning of Year			<u>356,323</u>	
<b>FUND BALANCE - END OF YEAR</b>			<u>\$ 476,334</u>	

**POLK COUNTY, WISCONSIN  
 BUDGETARY COMPARISON SCHEDULE  
 911 UPGRADE FUND  
 YEAR ENDED DECEMBER 31, 2017  
 (SEE INDEPENDENT AUDITORS' REPORT)**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Taxes	\$ 183,255	\$ 183,255	\$ 183,255	\$ -
<b>EXPENDITURES</b>				
Public Safety	1,100,000	1,100,000	1,134,199	(34,199)
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	(916,745)	(916,745)	(950,944)	(34,199)
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	916,745	916,745	950,944	34,199
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ -</u>	<u>\$ -</u>	-	<u>\$ -</u>
Fund Balance - Beginning of Year			-	
<b>FUND BALANCE - END OF YEAR</b>			<u>\$ -</u>	

**POLK COUNTY, WISCONSIN  
 BUDGETARY COMPARISON SCHEDULE  
 HIGHWAY FACILITY FUND  
 YEAR ENDED DECEMBER 31, 2017  
 (SEE INDEPENDENT AUDITORS' REPORT)**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>EXPENDITURES</b>				
General Government	\$ -	\$ -	\$ 4,701,294	\$ (4,701,294)
Debt Issue Costs	-	-	22,475	(22,475)
	-	-	4,723,769	(4,723,769)
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	-	-	(4,723,769)	(4,701,294)
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	-	3,300,000	2,200,000	(1,100,000)
Transfers Out	-	-	-	-
Loan Proceeds	-	-	10,362,520	10,362,520
Total Other Financing Sources (Uses)	-	3,300,000	12,562,520	9,262,520
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ -</u>	<u>\$ 3,300,000</u>	7,838,751	<u>\$ 4,561,226</u>
Fund Balance - Beginning of Year			-	
<b>FUND BALANCE - END OF YEAR</b>			<u>\$ 7,838,751</u>	

**POLK COUNTY, WISCONSIN  
COMBINING STATEMENT OF NET POSITION  
INTERNAL SERVICE FUNDS  
DECEMBER 31, 2017  
(SEE INDEPENDENT AUDITORS' REPORT)**

ASSETS	Highway Department	Health Insurance Fund	Totals
<b>CURRENT ASSETS</b>			
Treasurer's Cash and Investments	\$ 2,671,287	\$ 4,600,612	\$ 7,271,899
Petty Cash Funds	200	-	200
Accounts Receivable	115,380	-	115,380
Due from Other Governmental Units	810,155	-	810,155
Inventory	567,893	-	567,893
Prepaid Items	237,564	-	237,564
Total Current Assets	<u>4,402,479</u>	<u>4,600,612</u>	<u>9,003,091</u>
<b>NONCURRENT ASSETS</b>			
Capital Assets Not Being Depreciated	199,031	-	199,031
Capital Assets Being Depreciated	10,351,785	-	10,351,785
Less: Accumulated Depreciation	5,291,812	-	5,291,812
Net Capital Assets	<u>5,259,004</u>	<u>-</u>	<u>5,259,004</u>
Total Assets	9,661,483	4,600,612	14,262,095
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Wisconsin Retirement System Pension Related	787,504	-	787,504
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Vouchers and Accounts Payable	123,313	-	123,313
Claims Incurred but not Reported	-	179,338	179,338
Unearned Revenue	973	-	973
Accrued Wages Payable	96,664	-	96,664
Accrued Employee Leave	297,320	-	297,320
Total Current Liabilities	<u>518,270</u>	<u>179,338</u>	<u>697,608</u>
<b>LONG-TERM LIABILITIES, (Net of Current Portion)</b>			
Wisconsin Retirement Pension Related Liability	100,967	-	100,967
Accrued Employee Leave	121,731	-	121,731
Total Long-Term Liabilities	<u>222,698</u>	<u>-</u>	<u>222,698</u>
Total Liabilities	<u>740,968</u>	<u>179,338</u>	<u>920,306</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Wisconsin Retirement System Pension Related	317,532	-	317,532
<b>NET POSITION</b>			
Net Investment in Capital Assets	5,259,004	-	5,259,004
Unrestricted	4,131,483	4,421,274	8,552,757
Total Net Position	<u>\$ 9,390,487</u>	<u>\$ 4,421,274</u>	<u>\$ 13,811,761</u>

**POLK COUNTY, WISCONSIN**  
**COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION**  
**INTERNAL SERVICE FUNDS**  
**YEAR ENDED DECEMBER 31, 2017**  
**(SEE INDEPENDENT AUDITORS' REPORT)**

	Highway Department	Self-Funded Health Insurance	Totals
<b>OPERATING REVENUES</b>			
Charges for Services	\$ 7,175,938	\$ 6,154,316	\$ 13,330,254
Other	52,259	318,634	370,893
Total Operating Revenues	<u>7,228,197</u>	<u>6,472,950</u>	<u>13,701,147</u>
<b>OPERATING EXPENSES</b>			
Transportation	6,841,516	-	6,841,516
Premiums and Claims	-	5,791,679	5,791,679
Administrative and General Expenses	308,778	-	308,778
Change in Accrued Employee Leave Liabilities	72,582	-	72,582
Total Operating Expenses	<u>7,222,876</u>	<u>5,791,679</u>	<u>13,014,555</u>
<b>OPERATING INCOME</b>	5,321	681,271	686,592
<b>NONOPERATING REVENUES</b>			
(Loss) on Disposal of Capital Assets	<u>(4,253)</u>	-	<u>(4,253)</u>
<b>INCOME BEFORE TRANSFERS AND CAPITAL CONTRIBUTIO</b>	1,068	681,271	682,339
Capital Contributions	1,106,220	-	1,106,220
Transfers Out	<u>(20,000)</u>	-	<u>(20,000)</u>
Total Capital Contributions and Transfers	1,086,220	-	1,086,220
<b>CHANGE IN NET POSITION</b>	1,087,288	681,271	1,768,559
Net Position - Beginning of Year	<u>8,303,199</u>	<u>3,740,003</u>	<u>12,043,202</u>
<b>NET POSITION - END OF YEAR</b>	<u>\$ 9,390,487</u>	<u>\$ 4,421,274</u>	<u>\$ 13,811,761</u>

**POLK COUNTY, WISCONSIN  
COMBINING STATEMENT OF CASH FLOWS  
INTERNAL SERVICE FUNDS  
YEAR ENDED DECEMBER 31, 2017  
(SEE INDEPENDENT AUDITORS' REPORT)**

	Highway Department	Health Insurance Fund	Totals
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Cash Received for Services Provided	\$ 6,613,644	\$ -	\$ 6,613,644
Cash Received from Interfund Charges	-	6,472,950	6,472,950
Cash Paid to Suppliers for Goods and Services	(3,265,045)	(5,862,852)	(9,127,897)
Cash Paid for Employee Services	(3,413,998)	-	(3,413,998)
Net Cash Provided (Used) by Operating Activities	(65,399)	610,098	544,699
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>			
Transfers out	(20,000)	-	(20,000)
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>			
Capital Contributions Received from Governmental Funds	1,106,220	-	1,106,220
Cash Received from Sale of Capital Assets	11,242	-	11,242
Cash Paid for Acquisition of Capital Assets	(1,278,401)	-	(1,278,401)
Net Cash Used for Capital and Related Financing Activities	(160,939)	-	(160,939)
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	(246,338)	610,098	363,760
Cash and Cash Equivalents - Beginning of Year	2,917,825	3,990,514	6,908,339
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	<u>\$ 2,671,487</u>	<u>\$ 4,600,612</u>	<u>\$ 7,272,099</u>
<b>RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>			
Operating Income	\$ 5,321	\$ 681,271	\$ 686,592
Adjustments to Reconcile Net Income to Net Cash Provided (Used) by Operating Activities:			
Depreciation	839,245	-	839,245
Net Change in Wisconsin Pension System Related Items	135,258	-	135,258
Loss (Gain) on Disposal of Capital Assets	(9,308)	-	(9,308)
(Increase) Decrease in Asset Accounts:			
Accounts Receivable	(112,722)	-	(112,722)
Due from Other Governmental Units	(30,799)	-	(30,799)
Inventories	31,404	-	31,404
Prepaid Items	(237,564)	-	(237,564)
Increase (Decrease) in Liability Accounts:			
Accounts Payable	(124,505)	-	(124,505)
Claims Incurred but not Reported	-	(71,173)	(71,173)
Unearned Revenue	(471,032)	-	(471,032)
Wages Payable	(18,115)	-	(18,115)
Accrued Employee Leave	(72,582)	-	(72,582)
Net Cash Provided (Used) by Operating Activities	<u>\$ (65,399)</u>	<u>\$ 610,098</u>	<u>\$ 544,699</u>

**POLK COUNTY, WISCONSIN  
COMBINING STATEMENT OF CHANGES IN ASSETS  
AND LIABILITIES – ALL AGENCY FUNDS  
YEAR ENDED DECEMBER 31, 2017  
(SEE INDEPENDENT AUDITORS' REPORT)**

	Balance January 1, 2017	Additions	Deductions	Balance December 31, 2017
<b>District Attorney</b>				
<b>Assets</b>				
Cash and Pooled Investments	\$ 8,218	\$ 206,515	\$ 76,799	\$ 137,934
<b>Liabilities</b>				
Accounts Payable				
Special Deposits	\$ 8,218	\$ 206,515	\$ 76,799	\$ 137,934
<b>Treasurer</b>				
<b>Assets</b>				
Cash and Pooled Investments	\$ 383,176	\$ 5,927,550	\$ 5,836,123	\$ 474,603
<b>Liabilities</b>				
Due to Other Governments	\$ 383,176	\$ 5,927,550	\$ 5,836,123	\$ 474,603
<b>Circuit Court</b>				
<b>Assets</b>				
Cash and Pooled Investments	\$ 372,085	\$ 1,830,584	\$ 1,903,662	\$ 299,007
<b>Liabilities</b>				
Special Deposits	\$ 372,085	\$ 1,830,584	\$ 1,903,662	\$ 299,007
<b>Tax Agency</b>				
<b>Assets</b>				
Cash and Pooled Investments	\$ -	\$ 50,339,923	\$ 50,339,923	\$ -
Taxes Receivable	739,564	22,639,166	23,378,730	-
Special Assessments	331	-	-	331
Total Assets	<u>\$ 739,895</u>	<u>\$ 72,979,089</u>	<u>\$ 73,718,653</u>	<u>\$ 331</u>
<b>Liabilities</b>				
Due to Other Governments	739,564	22,639,166	23,378,730	-
Uncollected Taxes	331	-	-	331
Total Liabilities	<u>\$ 739,895</u>	<u>\$ 22,639,166</u>	<u>\$ 23,378,730</u>	<u>\$ 331</u>

**POLK COUNTY, WISCONSIN  
 COMBINING STATEMENT OF CHANGES IN ASSETS  
 AND LIABILITIES – ALL AGENCY FUNDS (CONTINUED)  
 YEAR ENDED DECEMBER 31, 2017  
 (SEE INDEPENDENT AUDITORS' REPORT)**

**Sheriff**

**Assets**

Cash and Pooled Investments	<u>\$ 17,349</u>	<u>\$ 62,741</u>	<u>\$ 74,740</u>	<u>\$ 5,350</u>
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**Liabilities**

Special Deposits	<u>\$ 17,349</u>	<u>\$ 62,741</u>	<u>\$ 74,740</u>	<u>\$ 5,350</u>
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**Total Agency Funds**

**Assets**

Cash and Pooled Investments	\$ 780,828	\$ 58,367,313	\$ 58,231,247	\$ 916,894
Taxes Receivable	739,564	22,639,166	23,378,730	-
Special Assessments	331	-	-	331
Total Assets	<u>\$ 1,520,723</u>	<u>\$ 81,006,479</u>	<u>\$ 81,609,977</u>	<u>\$ 917,225</u>

**Liabilities**

Due to Other Governments	\$ 1,122,740	\$ 28,566,716	\$ 29,214,853	\$ 474,603
Special Deposits	397,652	2,099,840	2,055,201	442,291
District/State Equities and Uncollected Taxes	331	-	-	331
Total Liabilities	<u>\$ 1,520,723</u>	<u>\$ 30,666,556</u>	<u>\$ 31,270,054</u>	<u>\$ 917,225</u>

**STATISTICAL SECTION (UNAUDITED)**

## STATISTICAL INFORMATION SECTION (UNAUDITED)

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

### CONTENTS

#### **Financial Trends**

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

#### **Revenue Capacity**

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

#### **Debt Capacity**

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

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

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

#### **Operating Information**

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

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

**POLK COUNTY, WISCONSIN  
NET POSITION BY COMPONENT  
LAST TEN FISCAL YEARS  
UNAUDITED  
(ACCRUAL BASIS OF ACCOUNTING)**

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<b>Governmental Activities</b>										
Net Investment in Capital Assets	\$ 46,207,346	\$ 48,488,858	\$ 51,858,738	\$ 55,031,898	\$ 56,816,037	\$ 58,646,307	\$ 60,423,376	\$ 64,691,551	\$ 66,825,764	\$ 69,331,029
Restricted	6,081,467	5,505,652	4,343,713	1,836,833	1,895,118	2,035,978	2,142,700	5,217,794	2,143,187	1,283,453
Unrestricted	10,452,228	10,609,059	12,494,772	14,498,234	14,315,819	13,953,305	15,790,722	19,482,328	23,547,223	26,175,385
Total Governmental Activities Net Position	<u>\$ 62,741,041</u>	<u>\$ 64,603,569</u>	<u>\$ 68,697,223</u>	<u>\$ 71,366,965</u>	<u>\$ 73,026,974</u>	<u>\$ 74,635,590</u>	<u>\$ 78,356,798</u>	<u>\$ 89,391,673</u>	<u>\$ 92,516,174</u>	<u>\$ 96,789,867</u>
<b>Business-Type Activities</b>										
Net Investment in Capital Assets	\$ 2,484,395	\$ 2,613,636	\$ 2,577,897	\$ 2,445,058	\$ 2,225,795	\$ 2,414,352	\$ 2,370,801	\$ 2,564,170	\$ 2,507,628	\$ 2,340,425
Restricted	8,554	8,363	9,416	9,334	8,179	16,575	10,288	716,559	7,845	6,626
Unrestricted	464,555	(171,492)	(523,487)	(958,285)	(578,608)	(418,064)	(325,566)	342,443	701,882	608,731
Total Business-Type Activities Net Position	<u>\$ 2,957,504</u>	<u>\$ 2,450,507</u>	<u>\$ 2,063,826</u>	<u>\$ 1,496,107</u>	<u>\$ 1,655,366</u>	<u>\$ 2,012,863</u>	<u>\$ 2,055,523</u>	<u>\$ 3,623,172</u>	<u>\$ 3,217,355</u>	<u>\$ 2,955,782</u>
<b>Primary Government</b>										
Net Investment in Capital Assets	\$ 48,691,741	\$ 51,102,494	\$ 54,436,635	\$ 57,476,956	\$ 59,041,832	\$ 61,060,659	\$ 62,794,177	\$ 67,255,721	\$ 69,333,392	\$ 71,671,454
Restricted	6,090,021	5,514,015	4,353,129	1,846,167	1,903,297	2,052,553	2,152,988	5,934,353	2,151,032	1,290,079
Unrestricted	10,916,783	10,437,567	11,971,285	13,539,949	13,737,211	13,535,241	15,465,156	19,824,771	24,249,105	26,784,116
Total Primary Government Net Position	<u>\$ 65,698,545</u>	<u>\$ 67,054,076</u>	<u>\$ 70,761,049</u>	<u>\$ 72,863,072</u>	<u>\$ 74,682,340</u>	<u>\$ 76,648,453</u>	<u>\$ 80,412,321</u>	<u>\$ 93,014,845</u>	<u>\$ 95,733,529</u>	<u>\$ 99,745,649</u>

Source: Polk County, Wisconsin Department of Administration

**POLK COUNTY, WISCONSIN  
CHANGE IN NET POSITION  
LAST TEN FISCAL YEARS  
UNAUDITED  
(ACCRUAL BASIS OF ACCOUNTING)**

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<b>Expenses</b>										
Governmental Activities:										
General Government	\$ 6,424,455	\$ 5,733,530	\$ 5,507,320	\$ 6,314,503	\$ 5,992,133	\$ 6,461,023	\$ 6,254,818	\$ 5,564,085	\$ 6,728,101	10,424,220
Public Safety	8,167,662	8,631,257	8,780,818	8,408,712	8,973,030	8,435,003	8,601,409	8,975,910	9,192,660	9,591,055
Highways and Streets (Transportation)	2,310,324	3,798,082	3,019,534	4,702,288	6,691,594	7,077,304	7,000,360	6,764,947	7,278,730	2,261,153
Sanitation	637,182	549,887	666,128	548,441	704,064	596,617	600,663	612,218	742,726	652,749
Health and Human Services	19,363,901	16,876,948	16,319,148	15,464,511	14,384,772	14,660,528	14,208,850	13,553,401	14,142,507	15,064,398
Culture, Recreation, and Education	1,125,183	1,254,068	1,334,688	1,457,225	1,124,100	1,276,871	1,232,492	1,317,871	1,248,921	1,494,408
Conservation and Development	2,101,770	2,468,742	1,857,848	4,000,359	2,121,849	1,793,764	1,608,648	1,930,890	1,859,812	1,986,208
Interest and Fiscal Charges	1,532,154	1,456,759	1,369,263	1,262,235	1,156,058	869,951	754,538	623,463	442,405	374,557
Total Governmental Activities Expenses	<u>41,662,631</u>	<u>40,769,273</u>	<u>38,854,747</u>	<u>42,158,274</u>	<u>41,147,600</u>	<u>41,171,061</u>	<u>40,261,778</u>	<u>39,342,785</u>	<u>41,635,862</u>	<u>41,848,748</u>
Business-Type Activities:										
Nursing Home	6,928,868	7,284,381	7,849,407	8,035,922	7,638,206	7,557,747	7,856,133	7,823,584	8,155,131	8,077,874
Lime Fund	604,804	422,303	446,771	775,716	677,335	417,114	548,844	485,757	723,902	708,080
Total Business-Type Activities Expenses	<u>7,533,672</u>	<u>7,706,684</u>	<u>8,296,178</u>	<u>8,811,638</u>	<u>8,315,541</u>	<u>7,974,861</u>	<u>8,404,977</u>	<u>8,309,341</u>	<u>8,879,033</u>	<u>8,785,954</u>
Total Primary Government Expenses	<u>\$ 49,196,303</u>	<u>\$ 48,475,957</u>	<u>\$ 47,150,925</u>	<u>\$ 50,969,912</u>	<u>\$ 49,463,141</u>	<u>\$ 49,145,922</u>	<u>\$ 48,666,755</u>	<u>\$ 47,652,126</u>	<u>\$ 50,514,895</u>	<u>\$ 50,634,702</u>
<b>Program Revenues</b>										
Governmental Activities:										
Charges for Services:										
General Government	\$ 990,568	\$ 955,304	\$ 922,565	\$ 1,066,665	\$ 1,379,892	\$ 1,578,062	\$ 1,795,934	\$ 869,535	\$ 898,259	\$ 891,157
Public Safety	577,491	532,307	490,346	488,409	445,090	629,752	685,028	780,527	731,278	854,396
Highways and Streets (Transportation)	-	-	-	2,169,805	2,127,520	2,630,831	2,684,195	2,619,623	2,464,716	2,378,957
Sanitation	442,283	324,405	429,287	498,089	381,967	342,539	392,288	235,762	278,026	331,529
Health and Human Services	4,265,691	3,816,849	3,415,937	3,177,372	3,677,788	4,027,798	3,147,622	1,505,185	1,696,538	1,676,795
Culture, Recreation, and Education	9,228	13,956	14,085	20,169	29,570	18,863	23,705	18,231	22,030	18,690
Conservation and Development	564,543	425,047	598,995	340,694	355,258	277,965	364,140	557,936	600,185	709,469
Operating Grants and Contributions	12,295,347	10,260,542	10,520,776	11,059,492	8,681,802	8,133,807	8,703,610	10,673,073	10,626,373	11,372,826
Capital Grants and Contributions	432,327	206,698	-	46,133	-	-	-	-	-	-
Total Governmental Activities	<u>19,577,478</u>	<u>16,535,108</u>	<u>16,391,991</u>	<u>18,866,828</u>	<u>17,078,887</u>	<u>17,639,617</u>	<u>17,796,522</u>	<u>17,259,872</u>	<u>17,317,405</u>	<u>18,233,819</u>
Program Revenues										

**POLK COUNTY, WISCONSIN**  
**CHANGE IN NET POSITION (CONTINUED)**  
**LAST TEN FISCAL YEARS**  
**UNAUDITED**  
**(ACCRUAL BASIS OF ACCOUNTING)**

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<b>Program Revenues (Continued)</b>										
Business-Type Activities:										
Charges for Services:										
Nursing Home	\$ 6,436,210	\$ 6,665,519	\$ 6,713,618	\$ 6,653,013	\$ 6,699,236	\$ 6,754,396	\$ 6,975,603	\$ 6,686,014	\$ 6,755,820	6,657,055
Lime Operations	645,209	439,408	466,864	717,181	775,679	527,050	560,099	579,693	654,054	699,949
Operating Grants and Contributions	1,062,323	682,594	782,927	902,005	1,102,005	1,009,352	998,419	1,095,283	1,153,030	1,159,700
Capital Grants and Contributions	-	121,782	123,548	-	-	27,000	-	-	-	-
Total Business-Type Activities										
Program Revenues	<u>8,143,742</u>	<u>7,909,303</u>	<u>8,086,957</u>	<u>8,272,199</u>	<u>8,576,920</u>	<u>8,317,798</u>	<u>8,534,121</u>	<u>8,360,990</u>	<u>8,562,904</u>	<u>8,516,704</u>
Total Primary Government										
Program Revenues	<u>\$ 27,721,220</u>	<u>\$ 24,444,411</u>	<u>\$ 24,478,948</u>	<u>\$ 27,139,027</u>	<u>\$ 25,655,807</u>	<u>\$ 25,957,415</u>	<u>\$ 26,330,643</u>	<u>\$ 25,620,862</u>	<u>\$ 25,880,309</u>	<u>\$ 26,750,523</u>
Governmental Activities	\$ (22,085,153)	\$ (24,234,165)	\$ (22,462,756)	\$ (23,291,446)	\$ (24,068,713)	\$ (23,531,444)	\$ (22,465,256)	\$ (22,082,913)	\$ (24,318,457)	\$ (23,614,929)
Business-Type Activities	610,070	202,619	(209,221)	(539,439)	261,379	342,937	129,144	51,649	(316,129)	(269,250)
Total Primary Government Net Expense	<u>\$ (21,475,083)</u>	<u>\$ (24,031,546)</u>	<u>\$ (22,671,977)</u>	<u>\$ (23,830,885)</u>	<u>\$ (23,807,334)</u>	<u>\$ (23,188,507)</u>	<u>\$ (22,336,112)</u>	<u>\$ (22,031,264)</u>	<u>\$ (24,634,586)</u>	<u>\$ (23,884,179)</u>
<b>General Revenues and Other Changes</b>										
<b>in Net Position</b>										
Governmental Activities:										
Property Taxes	\$ 19,782,472	\$ 20,149,085	\$ 21,171,147	\$ 21,664,675	\$ 21,546,877	\$ 21,654,312	\$ 21,543,913	\$ 21,823,948	\$ 22,156,242	22,333,420
Sales Tax	2,349,149	2,178,514	2,353,827	2,365,174	2,461,037	2,491,207	2,843,982	2,912,227	3,095,290	3,248,801
Other Taxes	552,252	635,737	917,729	816,702	817,480	802,149	819,159	688,441	726,887	676,878
State and Federal Aids not Restricted to										
Specific Programs	1,034,960	1,006,885	926,775	793,767	703,168	719,836	710,289	694,718	692,990	695,122
Interest and Investment Earnings	746,581	446,870	184,439	122,413	182,131	91,447	47,064	56,399	90,073	159,948
Miscellaneous (Other)	1,211,305	879,602	802,493	145,906	102,618	305,541	100,380	634,865	559,799	720,576
Transfers	50,000	800,000	200,000	52,551	-	8,677	121,677	(47,523)	121,677	53,877
Total Governmental Activities	<u>25,726,719</u>	<u>26,096,693</u>	<u>26,556,410</u>	<u>25,961,188</u>	<u>25,813,311</u>	<u>26,073,169</u>	<u>26,186,464</u>	<u>26,763,075</u>	<u>27,442,958</u>	<u>27,888,622</u>
Business-Type Activities:										
Interest and Investment earnings	54	56	112	115	1,083	743	9	394	94	19
Miscellaneous (Other)	46,344	90,328	22,428	24,156	20,345	22,494	35,184	29,699	31,895	61,535
Transfers	(50,000)	(800,000)	(200,000)	(52,551)	-	(8,677)	(121,677)	47,523	(121,677)	(53,877)
Total Business-Type Activities	<u>(3,602)</u>	<u>(709,616)</u>	<u>(177,460)</u>	<u>(28,280)</u>	<u>21,428</u>	<u>14,560</u>	<u>(86,484)</u>	<u>77,616</u>	<u>(89,688)</u>	<u>7,677</u>
Total Primary Government	<u>\$ 25,723,117</u>	<u>\$ 25,387,077</u>	<u>\$ 26,378,950</u>	<u>\$ 25,932,908</u>	<u>\$ 25,834,739</u>	<u>\$ 26,087,729</u>	<u>\$ 26,099,980</u>	<u>\$ 26,840,691</u>	<u>\$ 27,353,270</u>	<u>\$ 27,896,299</u>
Change in Net Position:										
Governmental Activities	\$ 3,641,566	\$ 1,862,528	\$ 4,093,654	\$ 2,669,742	\$ 1,744,598	\$ 2,541,725	\$ 3,721,208	\$ 4,680,162	\$ 3,124,501	\$ 4,273,693
Business-Type Activities	606,468	(506,997)	(386,681)	(567,719)	282,807	357,497	42,660	129,265	(405,817)	(261,573)
Total Primary Government	<u>\$ 4,248,034</u>	<u>\$ 1,355,531</u>	<u>\$ 3,706,973</u>	<u>\$ 2,102,023</u>	<u>\$ 2,027,405</u>	<u>\$ 2,899,222</u>	<u>\$ 3,763,868</u>	<u>\$ 4,809,427</u>	<u>\$ 2,718,684</u>	<u>\$ 4,012,120</u>

Source: Polk County, Wisconsin Department of Administration

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

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<b>General Fund</b>										
Nonspendable	\$ -	\$ -	\$ 5,557,869	\$ 5,524,416	\$ 5,208,013	\$ 5,165,065	\$ 4,499,302	\$ 4,358,907	\$ 4,575,103	\$ 4,542,694
Restricted (Reserved 2005 - 2009)	4,887,963	6,297,290	157,907	186,340	249,386	229,141	201,127	156,985	62,013	58,583
Committed	-	-	227,429	174,157	106,487	16,693	16,693	10,463	15,363	17,849
Assigned (Designated (2005 - 2009)	-	854,379	18,887	147,509	1,301,536	629,537	966,109	778,549	1,153,685	1,563,334
Unassigned (Undesignated (2005 - 2009)	4,118,693	2,878,036	6,635,325	7,254,080	6,739,432	7,304,853	8,443,384	8,698,838	9,634,583	9,962,047
<b>Total General Fund</b>	<b>\$ 9,006,656</b>	<b>\$ 10,029,705</b>	<b>\$ 12,597,417</b>	<b>\$ 13,286,502</b>	<b>\$ 13,604,854</b>	<b>\$ 13,345,289</b>	<b>\$ 14,126,615</b>	<b>\$ 14,003,742</b>	<b>\$ 15,440,747</b>	<b>\$ 16,144,507</b>
<b>All Other Government Funds</b>										
Restricted (Reserved 2005 - 2009):										
Special Revenue Funds	\$ 427,097	\$ 484,715	\$ 1,109,341	\$ 601,693	\$ 662,157	\$ 860,649	\$ 947,193	\$ 995,345	\$ 1,096,367	\$ 1,122,429
Debt Service Fund	-	208,954	210,238	172,383	177,871	178,710	180,184	183,530	182,486	102,441
Capital Projects Fund	-	-	249,885	251,768	34	-	-	-	-	-
Assigned (Designated 2005 - 2009):										
Special Revenue Funds	1,365,634	564,847	-	592,271	803,308	944,515	1,288,497	650,724	846,014	-
Debt Service Funds	120,625	-	-	-	-	-	-	-	-	-
Capital Project Funds	2,682,383	2,002,742	-	-	-	-	-	3,061	-	7,838,751
Unassigned (Undesignated 2005 - 2009):										
Special Revenue Funds	(4,917)	(64,764)	(100,100)	(103,544)	(35,645)	(11,092)	(11,192)	(8,410)	(12,945)	(1,919)
Capital Project Funds	(91,478)	26,322	-	-	-	-	-	-	-	-
<b>Total All Other Government Funds</b>	<b>\$ 4,499,344</b>	<b>\$ 3,222,816</b>	<b>\$ 1,469,364</b>	<b>\$ 1,532,099</b>	<b>\$ 1,607,725</b>	<b>\$ 1,972,782</b>	<b>\$ 2,404,682</b>	<b>\$ 1,824,250</b>	<b>\$ 2,111,922</b>	<b>\$ 9,061,702</b>

Source: Polk County, Wisconsin Department of Administration

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

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

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<b>Revenues</b>										
Taxes	\$ 22,793,100	\$ 23,017,227	\$ 24,448,405	\$ 24,886,825	\$ 24,927,433	\$ 24,970,655	\$ 25,187,054	\$ 25,424,616	\$ 25,978,419	\$ 26,259,099
Intergovernmental	14,228,871	11,424,333	10,843,688	12,063,915	9,275,868	8,987,560	9,546,860	11,367,791	11,319,363	12,067,948
Licenses and Permits	352,188	345,693	346,787	316,946	319,409	330,106	344,378	378,651	408,879	446,356
Fines and Forfeits	304,443	200,019	174,802	190,724	174,897	170,883	162,144	134,019	150,239	172,031
Public Charges for Services	5,905,314	5,214,784	4,936,560	4,741,229	5,241,578	5,407,973	4,585,838	2,904,207	3,065,511	3,238,262
Intergovernmental Charges for Services	222,013	262,856	244,316	315,457	246,274	299,629	514,769	550,299	601,687	625,387
Miscellaneous:										
Interest	734,245	440,389	180,040	115,753	94,242	87,947	44,484	56,399	90,073	159,948
Rent	315,473	256,725	249,065	276,473	285,891	289,903	301,728	299,688	300,906	303,354
Other	623,548	657,964	639,666	493,478	133,978	340,294	458,868	355,060	163,258	412,636
Total Revenues	<u>45,479,195</u>	<u>41,819,990</u>	<u>42,083,329</u>	<u>43,100,800</u>	<u>40,699,370</u>	<u>40,884,950</u>	<u>41,146,123</u>	<u>41,470,730</u>	<u>42,078,335</u>	<u>43,685,021</u>
<b>Expenditures</b>										
General Government	5,939,748	5,564,733	5,465,416	5,623,938	5,782,212	6,444,674	6,105,005	6,334,246	6,669,921	11,379,961
Public Safety	7,283,881	7,295,803	7,318,040	7,536,613	7,391,208	7,620,602	7,653,952	7,932,360	7,919,826	8,112,456
Highways and Streets (Transportation)	5,279,370	4,388,483	4,114,719	4,197,022	4,294,698	4,593,952	4,726,090	4,811,387	5,093,483	4,796,981
Sanitation	586,046	540,805	566,838	711,023	566,663	607,817	606,452	598,049	681,131	585,867
Health and Human Services	18,939,148	16,259,546	15,611,398	15,087,819	14,536,614	14,301,854	13,829,814	13,634,291	13,745,353	14,690,887
Culture and Recreation	1,338,301	1,342,130	1,330,898	1,385,898	1,174,919	1,219,646	1,174,606	1,260,081	1,196,181	1,444,016
Conservation and Development	2,043,575	2,418,535	1,735,431	4,019,799	2,094,840	1,769,182	1,700,855	1,895,316	1,812,420	1,939,161
Capital Outlay	999,107	385,107	122,276	-	-	-	-	-	-	1,134,199
Debt Service:										
Principal	2,014,946	2,335,335	2,696,627	2,685,462	4,947,284	3,230,334	3,375,227	4,816,796	2,872,114	8,736,117
Interest	1,498,780	1,432,637	1,373,060	1,262,181	1,153,148	1,000,074	882,573	752,209	535,639	397,153
Other Charges	2,172	-	-	-	29,810	-	-	-	-	51,080
Total Expenditures	<u>45,925,074</u>	<u>41,963,114</u>	<u>40,334,703</u>	<u>42,509,755</u>	<u>41,961,396</u>	<u>40,788,135</u>	<u>40,054,574</u>	<u>42,034,735</u>	<u>40,526,068</u>	<u>53,267,878</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	(445,879)	(143,124)	1,728,626	591,045	(1,262,026)	96,815	1,091,549	(564,005)	1,552,267	(9,582,857)
<b>Other Financing Sources (Uses)</b>										
Transfers In	4,608,714	6,011,988	3,471,302	2,439,729	2,721,306	2,625,320	3,175,356	4,497,200	3,460,695	9,074,189
Transfers Out	(5,432,480)	(6,395,566)	(4,393,891)	(2,287,178)	(2,971,306)	(2,616,643)	(3,053,679)	(4,644,723)	(3,319,018)	(9,000,312)
Long-Term Debt Issued	608,223	273,223	8,223	8,224	1,873,223	-	-	8,223	30,733	17,162,520
Premium on Issuance of Debt	-	-	-	-	32,781	-	-	-	-	-
Total Other Financing Sources (Uses)	<u>(215,543)</u>	<u>(110,355)</u>	<u>(914,366)</u>	<u>160,775</u>	<u>1,656,004</u>	<u>8,677</u>	<u>121,677</u>	<u>(139,300)</u>	<u>172,410</u>	<u>17,236,397</u>
Net Change in Fund Balances	<u>\$ (661,422)</u>	<u>\$ (253,479)</u>	<u>\$ 814,260</u>	<u>\$ 751,820</u>	<u>\$ 393,978</u>	<u>\$ 105,492</u>	<u>\$ 1,213,226</u>	<u>\$ (703,305)</u>	<u>\$ 1,724,677</u>	<u>\$ 7,653,540</u>
Debt Service as a Percentage of Noncapital Expenditures	7.83%	9.06%	10.12%	10.44%	15.42%	10.94%	11.21%	14.44%	8.96%	20.37%

Source: Polk County, Wisconsin Department of Administration

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

Fiscal Year	Residential Equalized Value	Commercial Equalized Value	Manufacturing Equalized Value	Agricultural Equalized Value	Undeveloped Equalized Value	Forest Equalized Value	Other Equalized Value	Personal Property Equalized Value	Total Equalized Value	Total Equalized Value Excl. TID	Total Direct Tax Rate
2008	\$ 3,939,230,800	\$ 324,504,200	\$ 84,940,200	\$ 35,610,400	\$ 52,148,300	\$ 373,222,400	\$ 123,657,500	\$ 55,721,700	\$ 4,989,035,500	\$ 4,872,444,200	4.06
2009	3,982,446,200	342,068,500	87,383,800	36,981,100	52,049,500	376,293,900	123,048,500	61,609,600	5,061,881,100	4,942,198,400	4.08
2010	3,784,739,800	338,732,100	92,266,300	37,874,800	49,880,300	356,456,500	128,697,800	63,872,300	4,852,519,900	4,733,746,500	4.47
2011	3,508,281,300	336,740,200	90,077,900	37,440,900	48,400,800	338,065,300	127,082,200	58,858,000	4,544,946,600	4,432,825,200	4.87
2012	3,204,965,300	325,935,700	87,431,500	35,914,100	39,471,600	277,517,300	124,091,500	55,811,000	4,151,138,000	4,031,492,000	5.37
2013	3,143,570,000	337,778,500	88,500,500	34,138,900	39,576,800	261,737,200	122,458,400	57,145,500	4,084,905,800	3,970,704,700	5.37
2014	3,170,059,200	354,837,500	101,938,300	33,919,200	37,749,700	262,851,500	119,331,200	63,595,600	4,144,282,200	4,009,247,500	5.44
2015	3,296,441,200	337,355,400	85,016,700	34,378,800	36,797,900	252,321,200	123,297,000	64,110,500	4,229,718,700	4,073,722,200	5.44
2016	3,412,664,900	343,396,200	91,635,100	34,799,600	36,047,000	248,311,300	123,028,100	64,082,400	4,353,964,600	4,216,878,900	6.21
2017	3,566,718,700	359,617,500	94,254,400	35,229,400	36,088,600	243,730,550	127,418,500	67,603,900	4,530,661,500	4,376,021,300	6.01

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

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

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

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<b>DIRECT PROPERTY TAX RATES</b>										
Operating Levy	\$ 3.32	\$ 3.29	\$ 3.58	\$ 3.84	\$ 4.19	\$ 4.17	\$ 4.32	\$ 4.46	\$ 5.30	\$ 5.18
Debt Levy	0.60	0.68	0.78	0.86	1.02	1.04	0.96	0.81	0.75	0.65
Special Purpose Levy	0.14	0.11	0.11	0.17	0.16	0.16	0.16	0.17	0.16	0.18
<b>Total Direct County Tax Rate</b>	<b>\$ 4.06</b>	<b>\$ 4.08</b>	<b>\$ 4.47</b>	<b>\$ 4.87</b>	<b>\$ 5.37</b>	<b>\$ 5.37</b>	<b>\$ 5.44</b>	<b>\$ 5.44</b>	<b>\$ 6.21</b>	<b>\$ 6.01</b>

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

<b>Cities of:</b>										
Amery	\$ 22.13	\$ 22.52	\$ 24.93	\$ 26.46	\$ 27.34	\$ 27.92	\$ 28.83	\$ 28.04	\$ 27.65	\$ 27.59
St Croix Falls	18.47	18.88	20.21	21.74	23.13	23.34	23.69	21.09	22.92	21.93
<b>Villages of:</b>										
Balsam Lake	17.68	18.00	19.54	21.45	22.42	22.78	23.34	22.52	22.58	21.64
Centuria	18.12	19.02	20.83	22.25	23.48	24.33	25.35	24.59	24.54	23.71
Clayton	22.05	22.55	23.97	23.69	24.79	26.78	27.66	24.55	24.73	25.07
Clear Lake	18.61	19.03	20.48	21.97	22.81	23.99	25.40	21.54	28.13	23.55
Dresser	20.18	20.73	22.54	23.54	25.24	25.92	27.54	24.96	25.68	24.89
Frederic	20.72	20.76	23.09	24.25	23.87	21.93	23.49	23.37	23.43	23.24
Luck	19.96	20.74	22.57	22.57	23.66	24.67	24.31	25.64	25.49	24.97
Milltown	20.35	21.55	23.92	25.45	26.96	28.32	29.11	29.05	28.99	28.58
Osceola	17.58	17.89	18.67	20.42	23.00	23.70	24.06	22.97	22.71	22.35
Turtle Lake	21.47	21.27	22.71	23.43	24.94	26.34	29.90	23.75	27.10	24.38

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

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<b>Towns of:</b>										
Alden	\$ 15.74	\$ 15.94	\$ 16.94	\$ 18.33	\$ 19.38	\$ 20.09	\$ 20.46	\$ 19.40	\$ 18.95	18.64
Apple River	15.19	15.58	17.22	18.58	19.11	19.23	20.09	19.18	18.90	18.43
Balsam Lake	14.23	14.76	16.12	17.58	18.52	18.75	19.25	17.80	18.11	17.46
Beaver	14.73	15.46	16.43	17.79	18.26	19.00	19.64	18.22	18.18	18.03
Black Brook	17.10	17.25	18.99	20.13	20.56	20.83	21.60	20.69	20.01	19.87
Bone Lake	15.07	15.25	16.82	16.91	17.52	18.31	18.60	18.67	18.28	17.72
Clam Falls	18.07	17.78	20.05	21.50	21.32	21.71	21.31	20.67	20.52	20.45
Clayton	17.76	17.99	19.75	19.63	20.53	21.82	22.56	21.13	21.19	21.32
Clear Lake	17.83	18.11	19.92	21.20	21.93	22.65	24.25	23.50	23.37	23.21
Eureka	15.42	16.02	17.60	19.23	20.39	20.61	21.29	19.30	19.77	18.99
Farmington	15.11	15.32	15.85	17.67	19.46	19.99	20.09	19.35	18.92	19.40
Garfield	16.38	16.66	18.42	19.37	20.05	20.13	21.11	20.11	19.61	19.37
Georgetown	13.89	14.50	15.87	17.58	18.38	18.86	19.54	18.57	18.92	18.37
Johnstown	14.24	14.86	15.87	17.27	17.79	18.62	19.23	17.81	17.84	17.66
Laketown	16.31	16.81	18.22	18.49	19.40	20.02	20.32	19.93	19.69	18.95
Lincoln	16.55	16.84	18.86	19.73	20.06	19.92	20.92	20.17	19.43	19.12
Lorain	15.73	15.58	17.56	18.42	18.15	19.04	18.70	17.95	18.26	18.29
Luck	15.38	15.61	17.13	17.38	17.98	18.74	19.03	19.60	18.75	18.07
McKinley	16.58	16.84	18.37	19.18	19.45	20.43	20.59	20.41	19.30	18.60
Milltown	14.67	15.25	16.70	18.55	19.45	19.90	20.67	19.50	19.54	19.01
Osceola	14.71	14.99	15.79	17.26	18.94	19.31	19.37	17.95	17.84	17.53
St Croix Falls	15.50	16.11	17.49	18.91	20.28	20.30	20.65	18.49	19.11	18.32
Sterling	15.27	15.77	17.12	18.22	19.42	19.64	19.87	17.90	18.19	17.10
West Sweden	16.73	16.51	18.54	19.39	19.23	20.27	19.96	19.18	19.08	19.12

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

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

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

**POLK COUNTY, WISCONSIN  
PRINCIPAL PROPERTY TAXPAYERS  
TAXES PAYABLE IN 2017 AND NINE YEARS AGO  
UNAUDITED**

Taxpayer	Property Classification	2017				2008			
		Rank	Net Tax	Equalized Assessed Value	% of Total Equalized Assessed Values	Rank	Net Tax	Equalized Assessed Value	% of County Total Tax Capacity
Greenwhey Energy	Commercial	1	\$ 329,182	\$ 13,961,500	0.3 %	-	\$ -	\$ -	- %
Wal-Mart Real Estate Business Trust	Commercial	2	231,711	11,771,800	0.3	2	207,378	11,839,600	0.2
Menards, Inc.	Commercial	3	178,645	9,076,600	0.2	1	215,363	12,295,500	0.2
Cardinal Glass Industries	Manufacturing	4	134,821	5,442,700	0.1	-	-	-	-
Amery Assisted Living Partners LLC	Commercial	5	131,134	5,294,100	0.1	3	169,984	8,282,100	0.2
Osceola Rentals LLC	Commercial	6	121,411	6,008,600	0.1	5	105,298	6,401,000	0.1
Turtle Lake Properties, LLC	Manufacturing	7	116,447	5,757,000	0.1	7	71,782	4,363,500	0.1
Polaris Industries	Manufacturing	8	116,347	4,936,500	0.1	-	-	-	-
A & K Realty	Manufacturing	9	101,678	4,105,500	0.1	-	-	-	-
Schaffer Rentals LLC	Commercial	10	98,017	3,898,100	0.1	-	-	-	-
Horst M Rechelbacher	Commercial		-	-	-	4	121,011	7,383,000	0.1
Mikbrico	Commercial		-	-	-	6	74,627	4,318,900	0.1
R & D Properties of Savage LLP	Commercial		-	-	-	8	69,501	3,386,300	0.1
Plastech Corporation	Manufacturing		-	-	-	9	67,166	1,471,200	0.0
Bishop Millwork	Manufacturing		-	-	-	10	67,079	3,425,300	0.1
<b>Totals</b>			<b>\$ 1,559,393</b>	<b>\$ 70,252,400</b>	<b>1.6 %</b>		<b>\$ 1,169,189</b>	<b>\$ 63,166,400</b>	<b>1.3 %</b>
Total Equalized Assessed Valuation			\$ 4,530,661,500			\$ 4,989,035,500			

Source: Polk County Treasurer's Office and Wisconsin Department of Revenue (Total Equalized Assessed Valuation)

Note: Greenwhey Energy, Menards, Inc., Turtle Lake Properties, LLC, and A & K Realty were not in the top ten taxpayers in 2008.

The above starred (\*) properties have at least one parcel that has agricultural assessments. Per state law, no fair market value is calculated on any parcel with agricultural assessments. This may skew the Equalized Assessed Values lower.

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

Fiscal Year Ended December 31	Tax Year Ended December 31	Total Tax Levy for Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections as of 12/31/2017	
			Amount	Percentage of Levy		Amount	Percentage of Levy
2008	2007	\$ 74,199,719	\$ 72,213,730	97.3	\$ 1,979,358	\$ 74,193,088	100.0
2009	2008	75,568,798	73,202,535	96.9	2,387,625	75,590,160	100.0
2010	2009	77,932,085	75,689,018	97.1	2,228,964	77,917,982	100.0
2011	2010	78,226,788	76,199,360	97.4	2,013,969	78,213,329	100.0
2012	2011	76,470,563	74,690,540	97.7	1,748,575	76,439,115	100.0
2013	2012	76,829,929	75,171,532	97.8	1,623,593	76,795,125	100.0
2014	2013	78,076,145	76,607,653	98.1	1,174,047	77,781,700	99.6
2015	2104	74,670,786	73,162,784	98.0	550,205	73,162,784	98.0
2016	2015	75,715,161	74,163,951	98.0	-	74,163,951	98.0
2017	2016	76,257,080	74,900,207	98.2	-	74,900,207	98.2

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

**Notes:** Because 2017 taxes are based on 2016 values, the collections in subsequent years will be zero due to the way the collection dates fall.

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

Fiscal Year	Governmental Activities					Business-Type Activities		Total Primary Government	Personal Income *	Percent of Personal Income	Population (a)	Debt Per Capita
	General Obligation Bonds	General Obligation Notes	Capital Leases	Loans	Unamortized Bond Premiums	General Obligation Notes	Capital Leases					
2008	\$ 23,290,000	\$ 9,280,000	\$ 223,106	\$ 895,643	\$ 1,159,530	\$ 75,566	\$ -	\$ 34,923,845	\$ 1,350,159,000	2.6	44,265	\$ 789
2009	22,120,000	8,205,000	423,036	849,975	1,060,215	70,662	12,573	32,741,461	1,370,940,000	2.4	44,270	740
2010	20,795,000	6,975,000	373,403	736,190	960,901	65,534	16,525	29,922,553	1,394,775,000	2.1	44,275	676
2011	20,166,587	5,970,000	283,241	579,647	861,587	60,172	12,573	27,933,807	1,459,689,000	1.9	44,205	632
2012	20,295,054	2,950,000	256,510	357,317	795,054	54,575	8,376	24,716,886	1,427,232,000	1.7	44,040	561
2013	16,715,000	2,680,000	228,701	209,792	679,348	48,713	3,921	20,565,475	1,443,460,500	1.4	43,610	472
2014	13,675,000	2,425,000	199,772	158,494	563,643	42,535	3,558	17,068,002	1,435,346,250	1.2	43,476	393
2015	11,330,000	-	169,677	150,017	452,751	-	1,779	12,104,224	1,439,403,375	0.8	43,437	279
2016	8,710,000	-	10,629	87,683	370,433	-	-	9,178,745	1,437,374,813	0.6	43,441	211
2017	-	17,162,520	8,087	64,108	-	-	-	17,234,715	1,438,389,094	1.2	43,450	397

Source: Polk County, Wisconsin Department of Administration.

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

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

Fiscal Year	Outstanding Debt					Percentage of Estimated Actual Taxable Value (1) of Property	Personal Income	Percent of Personal Income	Population (a)	Debt Per Capita
	General Obligation Bonds	General Obligation Notes	Capital Leases	Less: Amounts Restricted to Repaying Principal	Total					
2008	\$ 23,290,000	\$ -	\$ 423,036	\$ 128,144	\$ 23,161,856	0.5	\$ 1,370,940,000	1.7	44,265	\$ 523
2009	22,120,000	-	373,403	172,383	21,947,617	0.4	1,394,775,000	1.6	44,270	496
2010	20,795,000	-	-	210,238	20,584,762	0.4	1,459,689,000	1.4	44,205	466
2011	20,166,587	-	256,510	172,383	19,994,204	0.4	1,365,744,750	1.5	44,229	452
2012	20,295,054	-	-	177,871	20,117,183	0.5	1,427,232,000	1.4	43,610	461
2013	16,715,000	-	-	178,711	16,536,289	0.4	1,435,346,250	1.2	43,476	380
2014	13,675,000	-	-	180,184	13,494,816	0.3	1,439,403,375	0.9	43,437	311
2015	11,330,000	-	13,171	183,530	11,146,470	0.3	1,439,403,375	0.8	43,441	257
2016	8,710,000	-	10,629	185,367	8,524,633	0.2	1,437,374,813	0.6	43,481	196
2017	-	17,162,520	8,087	133,926	16,566,074	0.4	1,438,389,094 *	1.2	43,450	381

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

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

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

**POLK COUNTY, WISCONSIN  
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT  
DECEMBER 31, 2017  
UNAUDITED**

<u>Jurisdiction</u>	<u>Total GO. Bonds Outstanding (1)</u>	<u>Applicable to Polk County</u>	
		<u>Percent (2)</u>	<u>Amount</u>
<b>Underlying Debt:</b>			
<b>Cities of:</b>			
Amery	\$ 3,641,746	100.0 %	\$ 3,641,746
St. Croix Falls	3,806,105	100.0	3,806,105
<b>Total Cities</b>	<b>7,447,851</b>		<b>7,447,851</b>
<b>Villages of:</b>			
Balsam Lake	1,829,192	100.0	1,829,192
Centuria	515,768	100.0	515,768
Clayton	199,501	100.0	199,501
Clear Lake	1,042,427	100.0	1,042,427
Dresser	715,868	100.0	715,868
Frederic	1,226,350	100.0	1,226,350
Luck	629,024	100.0	629,024
Milltown	485,983	100.0	485,983
Osceola	3,793,647	100.0	3,793,647
<b>Total Villages</b>	<b>10,437,760</b>		<b>10,437,760</b>
<b>Townships of:</b>			
Alden	443,293	100.0	443,293
Clear Lake	89,220	100.0	89,220
Farmington	703,610	100.0	703,610
Garfield	789,079	100.0	789,079
Georgetown	68,256	100.0	68,256
Luck	27,036	100.0	27,036
Milltown	148,294	100.0	148,294
Osceola	326,706	100.0	326,706
West Sweden	452,950	100.0	452,950
<b>Total Townships</b>	<b>3,048,444</b>		<b>3,048,444</b>

**POLK COUNTY, WISCONSIN**  
**DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT (CONTINUED)**  
**DECEMBER 31, 2017**  
**UNAUDITED**

<u>Jurisdiction</u>	<u>Total GO. Bonds Outstanding (1)</u>	<u>Applicable to Polk County</u>	
		<u>Percent (2)</u>	<u>Amount</u>
<b>School Districts of:</b>			
Amery	\$ 4,865,000	97.0 %	\$ 471,905,000
Clayton	125,000	71.0	8,875,000
Clear Lake	12,665,000	70.0	886,550,000
Cumberland	579,000	4.0	2,316,000
Frederic	2,658,781	72.0	191,432,232
Grantsburg	793,432	4.0	3,173,728
Luck	2,882,059	100.0	288,205,900
Osceola	10,250,000	94.0	963,500,000
St. Croix Falls	6,985,000	100.0	698,500,000
Turtle Lake	1,335,010	47.0	62,745,470
Unity	16,215,834	100.0	1,621,583,400
<b>Total School Districts</b>	<b><u>59,354,116</u></b>		<b><u>5,198,786,730</u></b>
<b>Underlying Debt Subtotal:</b>	<b>80,288,171</b>		<b>5,219,720,785</b>
<b>Direct Debt:</b>			
Polk County			
General Obligation Notes	17,162,520	100.0	17,162,520
Forest Loans Payable	64,108	100.0	64,108
Capital Leases	8,087	100.0	8,087
<b>Overlapping Debt Subtotal:</b>	<b><u>17,234,715</u></b>		<b><u>17,234,715</u></b>
<b>Total</b>	<b><u>\$ 97,522,886</u></b>		<b><u>\$ 5,236,955,500</u></b>

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

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

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

**POLK COUNTY, WISCONSIN  
COMPUTATION OF LEGAL DEBT LIMITATION  
DECEMBER 31, 2017  
UNAUDITED**

	<b>Amount</b>	<b>Percent</b>
Total Taxable Market Value	\$ 4,530,661,500	
Debt limit- 5% of Total Market Value	226,533,075	100.0%
Amount of Debt Applicable to 5% Debt Limit: Total Bonded Debt	\$ 17,162,520 *	
Total Amount of Debt Applicable to Debt Limit	17,162,520	7.58%
<b>Legal Debt Margin</b>	<b>\$ 209,370,555</b>	<b>92.42%</b>

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

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

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

<u>Fiscal Year</u>	<u>Population (a)</u>	<u>Personal Income (b)</u>	<u>Per Capita Personal Income (b)</u>	<u>Area (Sq. Mi.) (d)</u>	<u>Density (Person/ Sq. Mi.)</u>	<u>Number of Households (a)</u>	<u>Unemployment Rate (c)</u>
2008	44,270	\$ 1,350,159,000	\$ 30,498	960	46	24,298	7.3
2009	44,275	1,394,775,000	31,503	960	46	24,642	10.2
2010	44,205	1,459,689,000	33,021	960	46	24,248	7.9
2011	44,040	1,365,744,750	31,011	960	46	24,218	7.8
2012	43,610	1,427,232,000	32,727	960	45	24,233	8.0
2013	43,476	1,435,346,250	33,015	960	45	24,278	6.9
2014	43,437	1,439,403,375	33,138	960	45	24,179	5.9
2015	43,441	1,439,403,375	33,135	960	45	24,279	5.2
2016	43,481	1,437,374,813	33,058	960	45	24,307	5.0
2017	43,450	1,438,389,094 *	33,104	960	45	24,352	3.2

**Sources:**

- (a) Polk County, Wisconsin Department of Administration.
- (b) U.S. Census.
- (c) Bureau of Economic Analysis.
- (d) U.S. Department of Labor - Bureau of Labor Statistics.

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

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

<u>Type of Business</u>	<u>Fiscal Year 2017 (a) (b)</u>		<u>Fiscal Year 2008 (a) (b) (d)</u>	
	<u>Employees</u>	<u>% of Total County Employment</u>	<u>Employees</u>	<u>% of Total County Employment</u>
Accommodation and food services	1,195	9.0 %	1,376	10.3 %
Administrative and support and waste management and remediation services	563	4.3	419	3.1
Agriculture, forestry, fishing and hunting	20	0.2	19	0.1
Arts, entertainment, and recreation	398	3.0	257	1.9
Construction	394	3.0	556	4.2
Finance and insurance	318	2.4	349	2.6
Health care and social assistance	2,539	19.2	2,175	16.3
Information	145	1.1	261	2.0
Manufacturing	4,101	31.0	4,155	31.1
Mining	69	0.5	61	0.5
Other services (except public administration)	481	3.6	527	3.9
Professional, scientific, and technical services	307	2.3	316	2.4
Real estate and rental and leasing	65	0.5	86	0.6
Retail trade	1,951	14.7	2,200	16.5
Transportation and warehousing	173	1.3	159	1.2
Utilities	87	0.7	99	0.7
Wholesale trade	395	3.0	354	2.6
Educational Services	28	0.2	-	-
	<u>13,229</u>	<u>100.0 %</u>	<u>13,369</u>	<u>100.0 %</u>

**Source:** (a) Department of Administration.  
(b) Wisconsin Department of Employment and Economic Development.  
(d) 2008 total county employment amount is estimated as data was unavailable.

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

<u>Fiscal Year</u>	<u>General Government</u>	<u>Public Safety</u>	<u>Highways and Streets</u>	<u>Health and Welfare</u>	<u>Culture and Recreation</u>	<u>Total</u>
2008	67	77	38	135	26	343
2009	66	80	38	132	28	345
2010	65	77	37	128	27	334
2011	67	76	36	119	28	326
2012	67	76	37	118	29	327
2013	61	77	37	117	32	324
2014	61	78	37	108	30	314
2015	60	78	37	102	36	313
2016	58	78	37	102	36	312
2017	58	79	37	102	36	313

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

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

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
<b>General Government</b>										
Number of Cities	2	2	2	2	2	2	2	2	2	2
Number of Towns	24	24	24	24	24	24	24	24	24	24
Number of Villages	10	10	10	10	10	10	10	10	10	10
<b>Public Safety</b>										
Number of Stations	1	1	1	1	1	1	1	1	1	1
Number of Licensed Deputies	27	27	27	27	27	27	27	23	34	31
<b>Highways and Streets</b>										
Miles of County Roads:										
Bituminous	330.85	329.77	329.77	329.77	329.77	329.77	329.77	329.77	330	330
<b>Culture and Recreation</b>										
Number of County Parks	5	5	5	5	5	5	5	5	5	5
Number of State Parks	2	2	2	2	2	2	2	2	2	2
Number of Branch Libraries	10	10	10	10	10	10	10	10	10	10
Number of Items Available to Citizens	206,218	224,496	226,116	236,289	256,387	253,869	228,831	219,608	220,314	206,405

Source: Polk County, Wisconsin Government Center

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

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
<b>Public Safety</b>										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol Units	18	18	18	18	18	18	18	18	24	23
<b>Highways and Streets</b>										
Streets (Miles)	329.77	329.77	329.77	329.77	329.77	329.77	329.77	329.77	329.77	327.77
<b>Culture and Recreation</b>										
Parks Acreage	220	220	220	220	220	220	260	279	279	279
County Parks	5	5	5	5	5	5	5	5	5	5

Source: Polk County, Wisconsin Government Center