

RUSK COUNTY, WISCONSIN
FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION
YEAR ENDED DECEMBER 31, 2019

**RUSK COUNTY, WISCONSIN
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YEAR ENDED DECEMBER 31, 2019**

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INDEPENDENT AUDITORS' REPORT

The County Board
Rusk County, Wisconsin

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Rusk County, (the County) as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the 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, each major fund, and the aggregate remaining fund information of Rusk County, Wisconsin, as of December 31, 2019, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Emphasis of a Matter

The beginning net position of the governmental activities and the highway department internal service fund were restated to correct the recording of capital assets and accumulated depreciation in prior years (see Note 3.E).

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 information, and pension plan schedules, 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 the County's basic financial statements. The individual and combining fund statements are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

The County Board
Rusk County, Wisconsin

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated September 23, 2020 on our consideration of County's internal control over financial reporting and on our tests on 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 the 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* in considering the County's internal control over financial reporting and compliance.



CliftonLarsonAllen LLP

Eau Claire, Wisconsin
September 23, 2020

**RUSK COUNTY, WISCONSIN
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED DECEMBER 31, 2019**

As management of Rusk County, we offer readers of the County's financial statements this narrative overview and analysis of the financial activities of Rusk County for the year ended December 31, 2019. We encourage readers to consider the information presented here in conjunction with the County's financial statements, which begin on page 14 following this narrative.

FINANCIAL HIGHLIGHTS

Key financial highlights for the year ended December 31, 2019 include the following:

- The assets and deferred outflows of resources of Rusk County exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$69,181,179 (net position). Of this amount, \$49,747,090 represented the County's net investment in capital assets, \$3,726,636 was held for restricted purposes, and \$15,707,453 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 decreased by \$252,942.
- At the close of the fiscal year, the County's governmental funds reported combined ending fund balances of \$15,431,095, an increase of \$2,484,973 from the previous year.
- At the end of the current fiscal year, unassigned fund balance for the general fund was \$7,110,354 or 52.6% of total general fund expenditures.
- At the end of the year, total outstanding general obligation debt was \$9,504,067, approximately 14.9% of the County's legal debt limit of \$63,948,460.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

The *Statement of Net Position* presents information on all of Rusk County's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, 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.

**RUSK COUNTY, WISCONSIN
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED DECEMBER 31, 2019**

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 are designed to distinguish functions of Rusk 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, public works, health and human services, culture, recreation and education, and conservation and development. The County had no programs that were accounted for as business-type activities.

The government-wide financial statements can be found beginning on page 14 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. Rusk 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.

Rusk County maintains seventeen 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 health and human services fund, the housing fund, the debt service fund, and the capital projects fund, all of which are considered to be major funds. Data from the other twelve 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.

**RUSK COUNTY, WISCONSIN
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED DECEMBER 31, 2019**

Fund Financial Statements (Continued)

Proprietary Funds. There are 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. *Internal service funds* are an accounting device used to accumulate and allocate costs internally among the County's various functions. The County had no activities accounted for in enterprise funds during the year. Rusk County uses internal service funds to account for its highway department operations, its fleet of vehicles, its central duplication and postage use, and health reimbursement account employee benefit plan. 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 four 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 20 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 statements can be found on page 24 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 25 of this report.

Supplementary Information

In addition to the basic financial statements and accompanying notes, this report presents certain required supplementary information on the general fund and major special revenue fund budgets. Required supplementary information can be found beginning on page 52 of this report. The combining statements referred to earlier in connection with nonmajor governmental and internal service funds are presented immediately following the required supplementary information on the general fund budget. Combining and individual fund statements and schedules can be found beginning on page 64 of this report.

**RUSK COUNTY, WISCONSIN
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED DECEMBER 31, 2019**

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 Rusk County, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$69,181,179 at the close of the most recent fiscal year. The largest portion of Rusk County's net position (71.9%) 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, 2019 and 2018**

	Governmental Activities	
	2019	2018
Current and Other Assets	\$ 34,076,932	\$ 36,429,930
Capital Assets	58,516,917	57,709,901
Total Assets	92,593,849	94,139,831
Deferred Outflows of Resources	10,447,946	6,325,622
Long-Term Debt	9,662,932	10,385,763
Other Long-Term Obligations	483,572	516,571
Other Liabilities	9,146,636	5,063,669
Total Liabilities	19,293,140	15,966,003
Deferred Inflows of Resources	14,567,476	15,293,732
Net Position:		
Net Investment in		
Capital Assets	49,747,090	48,127,250
Restricted	3,726,636	7,041,699
Unrestricted	15,707,453	14,036,769
Total Net Position	\$ 69,181,179	\$ 69,205,718

An additional portion of Rusk County's net position (5.4%) represents resources that are subject to other restrictions on how they may be used. The remaining \$15,707,453 of total net position (22.7%) may be used to meet the County's ongoing obligations to citizens and creditors.

At the end of 2019, Rusk County is able to report positive balances in all three categories of net position. The same situation held true for the prior fiscal year.

The condensed statement of changes in net position shown on the following page shows that the County's total net position decreased by \$252,942 during the current fiscal year.

**RUSK COUNTY, WISCONSIN
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED DECEMBER 31, 2019**

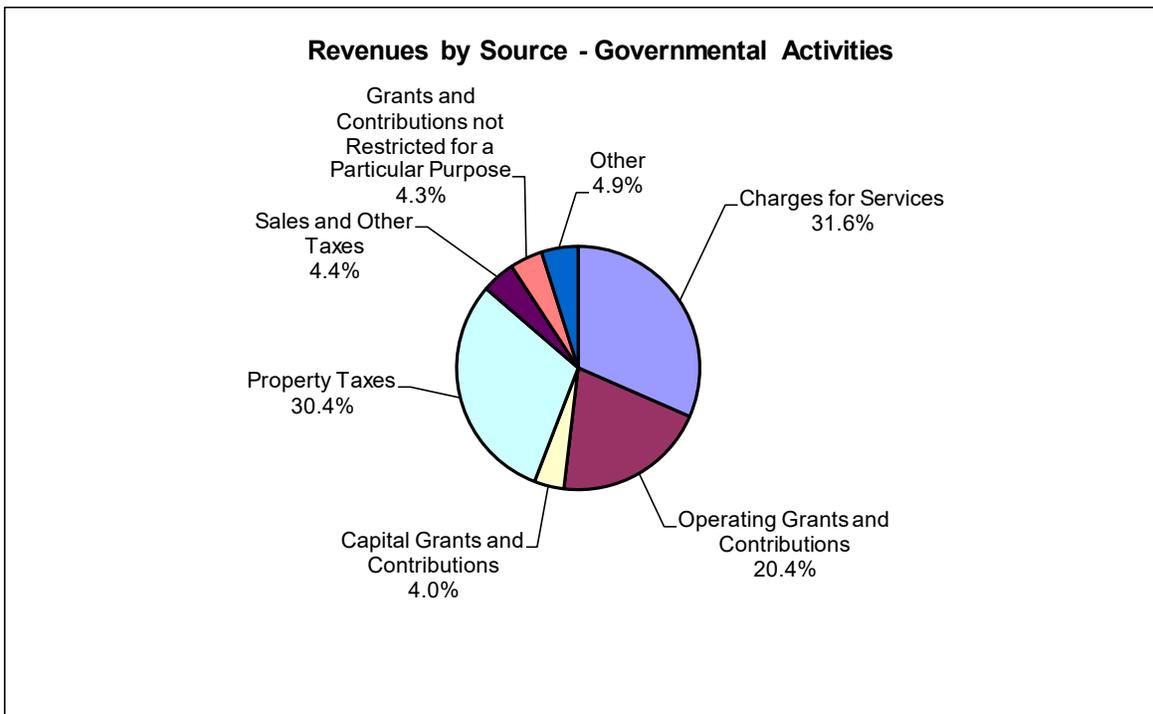
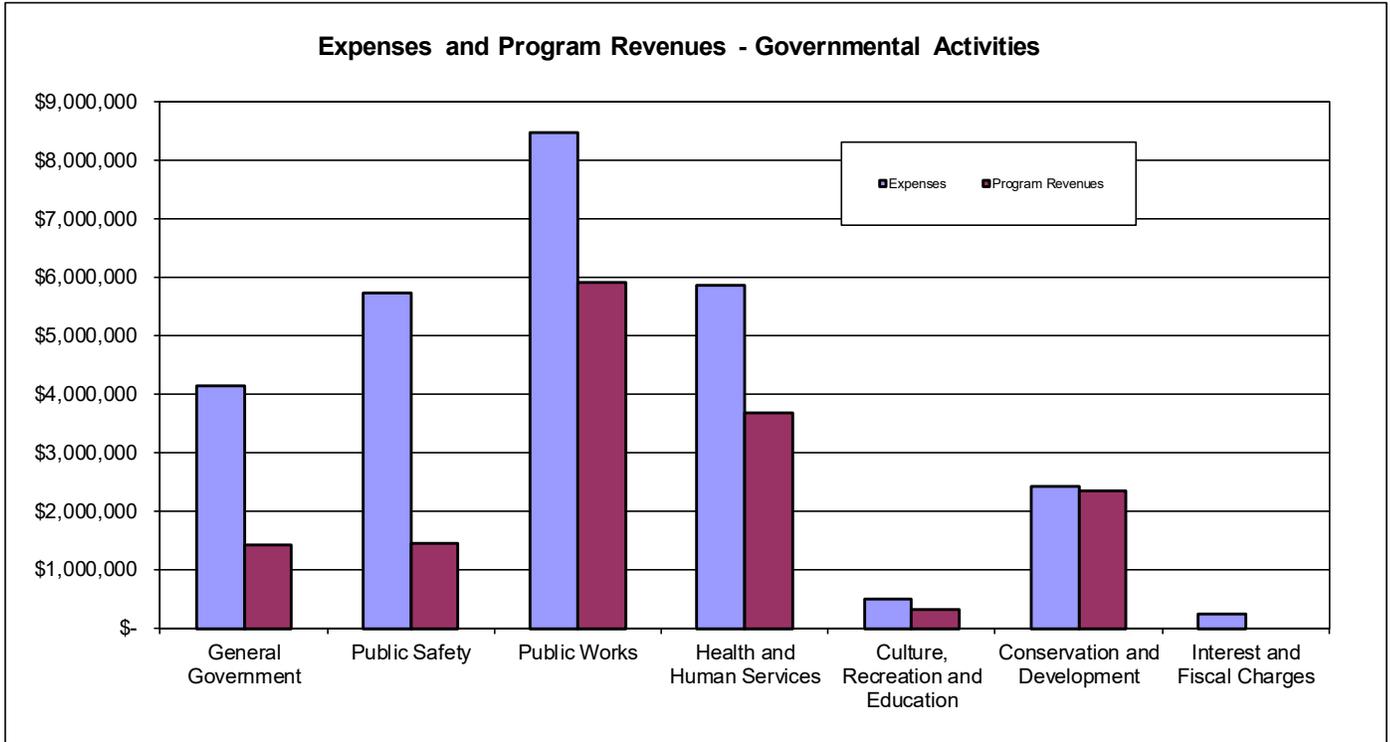
The following is a summary of the changes in the County's net position for the years ended December 31, 2019 and 2018:

**Condensed Statement of Changes in Net Position
Years Ended December 31, 2019 and 2018**

	Governmental Activities	
	2019	2018
Revenues:		
Program Revenues:		
Charges for Services	\$ 8,565,895	\$ 8,355,694
Operating Grants and Contributions	5,525,375	5,166,846
Capital Grants and Contributions	1,075,685	838,207
General Revenues:		
Property Taxes	8,262,560	7,578,562
Sales/Other Taxes	1,208,071	1,157,044
State and Federal Aids Not Restricted to Specific Programs	1,180,898	1,137,764
Other	1,316,507	1,207,904
Total Revenues	27,134,991	25,442,021
Expenses:		
General Government	4,148,445	3,855,107
Public Safety	5,730,385	4,793,145
Public Works	8,473,846	10,297,779
Health and Human Services	5,861,160	4,114,426
Culture, Recreation and Education	497,482	853,112
Conservation and Development	2,438,868	2,428,425
Interest and Fiscal Charges	237,747	243,751
Total Expenses	27,387,933	26,585,745
Change in Net Position Before Special Item and Transfer	(252,942)	(1,143,724)
Special Item - Sale of Hospital Operations		
Closing of Hospital Enterprise Fund	-	1,924,964
Transfer from Hospital Enterprise Fund	-	68,270
Change in Net Position	\$ (252,942)	\$ 849,510

**RUSK COUNTY, WISCONSIN
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED DECEMBER 31, 2019**

A review of the statement of activities can provide a concise picture of how the various functions/programs of Rusk 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 (30.4), operating grants/contributions (20.4%), and charges for services (31.6%).



**RUSK COUNTY, WISCONSIN
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED DECEMBER 31, 2019**

FINANCIAL ANALYSIS OF THE COUNTY'S MAJOR FUNDS

As noted earlier, Rusk 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 Rusk 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.

As of December 31, 2019, the County's governmental funds reported combined ending fund balances of \$15,431,095, an increase of \$2,484,973 from the previous year. The governmental funds comprising this balance are shown below:

	Fund Balances at: December 31, 2019					Total	Current Year Change
	Nonspendable	Restricted	Committed	Assigned	Unassigned		
Major Funds:							
General Fund	\$ 1,385,241	\$ 37,385	\$ -	\$ 4,585,282	\$ 7,110,354	\$ 13,118,262	\$ 2,086,240
Health and Human Services Fund	-	-	-	419,781	-	419,781	33,566
Housing Fund	287,860	12,627	-	-	-	300,487	(34,919)
Debt Service Fund	-	-	-	170,628	-	170,628	86,088
Capital Projects Fund	-	692,240	-	-	-	692,240	232,269
Nonmajor Funds:							
Special Revenue Funds	34,731	46,854	570,720	82,909	(5,517)	729,697	81,729
	<u>\$ 1,707,832</u>	<u>\$ 789,106</u>	<u>\$ 570,720</u>	<u>\$ 5,258,600</u>	<u>\$ 7,104,837</u>	<u>\$ 15,431,095</u>	<u>\$ 2,484,973</u>

Restricted fund balance represents amounts available for appropriation but intended for a specific purpose, and legally restricted by outside parties. Committed fund balance represents constraints on spending that the governmental imposes upon itself by high-level 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 included 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 Rusk 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 97.1% of total general fund expenditures reported on the statement of revenues, expenditures and changes in fund balances while the unassigned balance represented 52.6% of the same amount.

The general fund's total fund balance increased \$2,086,240 during the year; while the unassigned portion of the fund increased \$1,217,658. The primary factor in the increase in fund balance was the positive variance between the budgeted and actual revenues in the current year.

The County's health and human services fund increased \$33,566 during the year and had a balance of \$419,781 at year-end, which was assigned by the County for financing future human services program expenditures.

**RUSK COUNTY, WISCONSIN
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED DECEMBER 31, 2019**

The housing fund balance decreased \$34,919 during the year and had a balance of \$300,487 at year end. This balance, together with the outstanding unavailable receivables totaling \$2,696,524 at that date, are restricted for financing future housing rehabilitation loans in accordance with the original grant agreements.

The debt service fund balance at December 31, 2019 totaled \$170,628 which is assigned for financing future principal and interest requirements on outstanding debt issues.

The capital projects fund consists of funds held for purchase or construction of capital assets. The County issued debt during 2019 to fund various projects and the balance in this fund consists of unspent debt proceeds that are restricted for this purpose.

The aggregated other governmental funds include various special revenue funds. The accumulated fund balances of these funds increased \$81,729 during 2019. These funds are individually detailed in the supplementary information section of this report.

Proprietary Funds

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

The County had no activities accounted for in enterprise funds during the year.

The County had four internal service funds during 2019. Net position of the funds at year-end and changes thereto during the year were as follows:

<u>Fund</u>	<u>Net Position at Year End</u>			<u>Change During Year</u>
	<u>Total</u>	<u>Invested in Capital Assets</u>	<u>Unrestricted</u>	
Highway Department	\$ 4,922,487	\$ 4,757,188	\$ 165,299	\$ (793,745)
Central Duplication Fund	78,014	109,130	(31,116)	3,434
Car Pool Fund	56,977	33,187	23,790	(11,646)
HRA Fund	1,537,123	-	1,537,123	2,429
Totals	<u>\$ 6,594,601</u>	<u>\$ 4,899,505</u>	<u>\$ 1,695,096</u>	<u>\$ (799,528)</u>

The County uses the highway department fund to account for road maintenance and construction and related services provided to the County and to the State of Wisconsin and local governmental units. The car pool and central duplication funds are used to account for its fleet of vehicles, and its central duplication and postage use. The HRA fund is used to account for the County's health reimbursement account employee benefit plan.

**RUSK COUNTY, WISCONSIN
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED DECEMBER 31, 2019**

GENERAL FUND BUDGETARY HIGHLIGHTS

As shown in the *Budgetary Comparison Schedule* for the general fund (in required supplementary information), the final 2019 general fund budget was different than the original budget adopted by the County Board, primarily due to the appropriation of unbudgeted grant funds and their inclusion of continuing appropriations from 2018 not included in the original budget. The County ended the year with a positive budget variance for revenues and a positive budget variance for expenditures, mainly due to better than expected county forest stumpage and unexpended continuing appropriations.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

The County's investment in capital assets for its governmental activities as of December 31, 2019 and 2018 was \$58,516,917 and \$57,938,304, respectively, (net of accumulated depreciation). This investment in capital assets includes land, buildings, improvements, equipment, vehicles, and highway infrastructure. The net increase in capital assets was \$578,613.

**Capital Assets (Net of Accumulated Depreciation)
December 31, 2019 and 2018**

	Governmental Activities	
	2019	2018
Land and Land Rights	\$ 3,732,494	\$ 3,732,494
Construction Work in Progress	1,426,041	673,730
Gravel Pits and Quarries	61,074	61,378
Land Improvements	4,803,984	4,713,629
Buildings and Improvements	10,447,394	10,991,776
Equipment and Vehicles	4,688,690	4,032,082
Highway Infrastructure	33,357,240	33,733,215
Total	\$ 58,516,917	\$ 57,938,304

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

- Implemented Spillman System in the Sheriff's Department.
- Software replacements.
- Purchased vehicles and other equipment during the year.

Additional information related to the County's capital assets is reported in Note 2.C following the financial statements.

**RUSK COUNTY, WISCONSIN
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED DECEMBER 31, 2019**

Long-Term Obligations

At December 31, 2019, Rusk County had outstanding \$10,146,504 of long-term debt and other long-term liabilities. A summary detail of this amount, together with the percent change from the previous year, is shown below:

**Outstanding Long-Term Obligations
December 31, 2019 and 2018**

	Governmental Activities		Percent Change
	2019	2018	
General Obligation Debt:			
Bonds	\$ 1,760,000	\$ 1,915,000	-8.1%
Notes	7,744,067	8,254,937	-6.2
Unamortized Debt Premium	158,865	215,826	-26.4
Subtotal	9,662,932	10,385,763	
Other Long-Term Obligations:			
Capital Leases	-	28,029	-100.0
Estimated Employee Leave	483,572	488,542	-1.0
Total	<u>\$ 10,146,504</u>	<u>\$ 10,902,334</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 Rusk County outstanding at December 31, 2019 totaled \$9,504,067, approximately 14.9% of the maximum legal limit of \$63,948,460. Additional information on Rusk County's long-term debt is reported in Note 2.E following the financial statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

- The annual unemployment rate for the County of Rusk for 2019 was 4.9%, which is higher than the annual rate of 4.0% in 2018. The annual state rate for 2019 was 3.3%, which is higher than the annual rate of 3.0% in 2018.
- An estimated 1.5 million square feet of manufacturing space still exists in the County with an approximate occupancy rate of 80%.
- New commercial construction was valued at \$809,000 in 2019, a decrease of \$1,859,500 from the previous year. New residential construction in 2019 was \$8,253,200 which was an increase of \$1,779,300 from 2018. Manufacturing construction was \$261,100 in 2018 versus \$946,100 in 2018. Other construction not listed was \$798,100 in 2019 and \$209,600 in 2018.
- The County Board approved a tax levy of \$8,835,124 for the 2020 budget compared to \$8,248,345 for 2019. The 2020 budget includes tax levies of \$358,666 for library purposes, \$1,791,002 for highway, \$1,605,944 for debt service and \$715,718 for ambulance.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of Rusk County's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Rusk County Finance Department, 311 East Miner Avenue, Suite L330, Ladysmith, Wisconsin, 54848.

**RUSK COUNTY, WISCONSIN
STATEMENT OF NET POSITION
DECEMBER 31, 2019**

	Governmental Activities
ASSETS	
Cash and Investments	\$ 14,452,486
Taxes Receivable	9,632,655
Accounts Receivable	859,448
Due from Other Governments	2,221,383
Due from Fiduciary Funds	11,467
Long-Term Receivables	3,212,706
Inventory	762,187
Prepaid Expenses	875,185
Restricted Assets:	
Cash and Investments	2,049,415
Capital Assets:	
Capital Assets Not Being Depreciated	5,158,535
Capital Assets Being Depreciated	113,390,035
Accumulated Depreciation	<u>(60,031,653)</u>
Total Assets	92,593,849
DEFERRED OUTFLOWS OF RESOURCES	
Wisconsin Retirement System Pension Related	10,447,946
LIABILITIES	
Accounts Payable	1,328,813
Accrued Liabilities	734,276
Accrued Interest Payable	136,479
Due to Other Governments	290,548
Unearned Revenues	311,664
Special Deposits	2,254,535
Long-Term Liabilities:	
Wisconsin Retirement System Net Pension Liability	4,090,321
Amounts Due Within One Year	1,666,081
Amounts Due in More Than One Year	<u>8,480,423</u>
Total Liabilities	19,293,140
DEFERRED INFLOWS OF RESOURCES	
Subsequent Year's Property Taxes	8,835,124
Wisconsin Retirement System Pension Related	<u>5,732,352</u>
Total Deferred Inflows of Resources	<u>14,567,476</u>
NET POSITION	
Net Investment in Capital Assets	49,747,090
Restricted for:	
Housing/Business Loan Programs	2,997,011
Capital Projects	692,240
Other	37,385
Unrestricted	<u>15,707,453</u>
Total Net Position	<u><u>\$ 69,181,179</u></u>

See accompanying Notes to Basic Financial Statements.

**RUSK COUNTY, WISCONSIN
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2019**

<u>Functions/Programs</u>	Program Revenues			Net (Expense) Revenue and Changes in Net Position Governmental Activities	
	Expenses	Charges For Services	Operating Grants and Contributions		Capital Grants and Contributions
Primary Government:					
Governmental Activities:					
General Government	\$ 4,148,445	\$ 1,137,669	\$ 290,762	\$ -	\$ (2,720,014)
Public Safety	5,730,385	1,290,796	120,526	55,214	(4,263,849)
Public Works	8,473,846	3,943,914	944,604	1,020,471	(2,564,857)
Health and Human Services	5,861,160	469,206	3,225,350	-	(2,166,604)
Culture, Recreation and Education	497,482	138,109	178,974	-	(180,399)
Conservation and Development	2,438,868	1,586,201	765,159	-	(87,508)
Interest and Fiscal Charges	237,747	-	-	-	(237,747)
	\$ 27,387,933	\$ 8,565,895	\$ 5,525,375	\$ 1,075,685	(12,220,978)
General Revenues:					
Taxes:					
Property Taxes, Levied for General Purposes					6,649,825
Property Taxes, Levied for Debt Service					1,612,735
Other Taxes					1,208,071
State and Federal Aids not Restricted to Specific Function					1,180,898
Interest and Investment Earnings					400,488
Miscellaneous					916,019
Total General Revenues					11,968,036
CHANGE IN NET POSITION					(252,942)
Net Position - Beginning of Year - as Previously Stated					69,205,718
Prior Period Adjustment					228,403
Net Position - Beginning of Year - Restated					69,434,121
NET POSITION - END OF YEAR					\$ 69,181,179

See accompanying Notes to Basic Financial Statements.

**RUSK COUNTY, WISCONSIN
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2019**

	General Fund	Health and Human Services Fund	Housing Fund	Debt Service Fund	Capital Projects Fund	Other Governmental Funds	Totals
ASSETS							
Cash and Investments	\$ 10,773,678	\$ -	\$ 12,597	\$ 255,328	\$ 692,240	\$ 931,949	\$ 12,665,792
Restricted Cash and Investments	2,049,415	-	-	-	-	-	2,049,415
Taxes Receivable	6,312,691	860,226	-	1,605,944	-	56,263	8,835,124
Delinquent Taxes Receivable	797,531	-	-	-	-	-	797,531
Accounts Receivable	645,779	4,875	30	-	-	2,160	652,844
Due from Other Governmental Units	658,351	918,510	-	-	-	295,301	1,872,162
Due from Other Funds	1,457,015	-	-	-	-	-	1,457,015
Due from Fiduciary Funds	10,222	698	-	-	-	547	11,467
Prepaid Expense	795,738	8,521	-	-	-	34,731	838,990
Inventories	11,779	16,380	-	-	-	-	28,159
Long-Term Receivables	-	-	2,984,384	-	-	228,322	3,212,706
Total Assets	\$ 23,512,199	\$ 1,809,210	\$ 2,997,011	\$ 1,861,272	\$ 692,240	\$ 1,549,273	\$ 32,421,205
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES							
Liabilities:							
Accounts Payable	\$ 514,234	\$ 171,528	\$ -	\$ 1,500	\$ -	\$ 278,740	\$ 966,002
Accrued Liabilities	734,276	-	-	-	-	-	734,276
Due to Other Governmental Units	290,548	-	-	-	-	-	290,548
Due to Other Funds	-	353,530	-	-	-	99,751	453,281
Unearned Revenues	154,630	4,145	-	-	-	148,688	307,463
Special Deposits	2,163,523	-	-	83,200	-	7,812	2,254,535
Total Liabilities	3,857,211	529,203	-	84,700	-	534,991	5,006,105
Deferred Inflows of Resources:							
Subsequent Year's Property Taxes	6,312,691	860,226	-	1,605,944	-	56,263	8,835,124
Unavailable Revenue - Long-Term Receivables	-	-	2,696,524	-	-	228,322	2,924,846
Unavailable Revenue - Other	224,035	-	-	-	-	-	224,035
Total Deferred Inflows of Resources	6,536,726	860,226	2,696,524	1,605,944	-	284,585	11,984,005
Fund Balances:							
Nonspendable:	1,385,241	-	287,860	-	-	34,731	1,707,832
Restricted	37,385	-	12,627	-	692,240	46,854	789,106
Committed	-	-	-	-	-	570,720	570,720
Assigned	4,585,282	419,781	-	170,628	-	82,909	5,258,600
Unassigned	7,110,354	-	-	-	-	(5,517)	7,104,837
Total Fund Balances	13,118,262	419,781	300,487	170,628	692,240	729,697	15,431,095
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 23,512,199	\$ 1,809,210	\$ 2,997,011	\$ 1,861,272	\$ 692,240	\$ 1,549,273	\$ 32,421,205

See accompanying Notes to Basic Financial Statements.

**RUSK COUNTY, WISCONSIN
RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES
TO NET POSITION OF GOVERNMENTAL ACTIVITIES
DECEMBER 31, 2019**

TOTAL FUND BALANCES - GOVERNMENTAL FUNDS		\$ 15,431,095
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. These assets consist of:		
Land	\$ 3,715,638	
Land Improvements	9,305,446	
Buildings and Improvements	23,826,903	
Equipment and Vehicles	4,927,896	
Infrastructure	65,684,769	
Construction Work in Progress	328,036	
Accumulated Depreciation	<u>(54,171,276)</u>	53,617,412
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.		
		3,148,881
Wisconsin Retirement System net pension asset (liability) and related deferred outflows and inflows are recorded only on the Statement of Net Position. Balances at year-end are:		
Net Pension Asset (Liability)	(3,711,979)	
Deferred Outflows of Resources	9,481,543	
Deferred Inflows of Resources	<u>(5,202,127)</u>	567,437
Some liabilities are not due and payable in the current period and therefore are not reported in the funds. These liabilities consist of:		
General Obligation Debt	(9,504,067)	
Accrued Interest Payable	(136,479)	
Vacation, Compensatory and Sick Leave Liability	<u>(378,836)</u>	(10,019,382)
Debt discounts and premiums are deferred in the statement of net position and amortized over the lives of the related debt. In the governmental funds these costs are considered expenditures/other financing uses when incurred.		
Unamortized Debt Premiums		(158,865)
The highway department internal service fund is used by County's management to account for services provided the County and other governmental units. The assets and liabilities of the highway department internal service fund are reported in governmental activities.		
		4,922,487
Other internal service funds are used by County management to charge the costs of central duplication, car pool operations and HRA to departments/expenditure functions. The assets and liabilities of the central duplication, car pool and HRA internal service funds are also reported in governmental activities.		
		<u>1,672,114</u>
NET POSITION OF GOVERNMENTAL ACTIVITIES		<u><u>\$ 69,181,179</u></u>

See accompanying Notes to Basic Financial Statements.

RUSK COUNTY, WISCONSIN
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2019

	General Fund	Health and Human Services Fund	Housing Fund	Debt Service Fund	Capital Projects Fund	Other Governmental Funds	Totals
REVENUES							
Taxes	\$ 6,707,086	\$ 974,933	\$ -	\$ 1,612,735	\$ -	\$ 167,738	\$ 9,462,492
Intergovernmental	3,443,177	3,225,350	-	-	-	913,640	7,582,167
Licenses and Permits	88,900	-	-	-	-	31,412	120,312
Fines and Forfeits	52,783	-	-	-	-	16,359	69,142
Public Charges for Services	3,138,146	155,660	-	-	-	7,428	3,301,234
Intergovernmental Charges for Services	272,538	221,035	-	-	-	-	493,573
Investment Income	359,079	309	696	1,781	16,754	20,401	399,020
Miscellaneous	1,312,753	158,937	18,107	83,600	-	243,564	1,816,961
Total Revenues	15,374,462	4,736,224	18,803	1,698,116	16,754	1,400,542	23,244,901
EXPENDITURES							
Current:							
General Government	3,555,649	-	-	-	-	-	3,555,649
Public Safety	5,061,878	-	-	-	-	140,221	5,202,099
Public Works	2,741,521	-	-	-	-	95,535	2,837,056
Health and Human Services	141,921	4,259,218	-	-	-	4,786	4,405,925
Culture, Recreation and Education	659,537	-	-	-	-	175,328	834,865
Conservation and Development	879,480	-	53,722	-	-	834,958	1,768,160
Capital Outlay	468,725	-	-	-	390,579	-	859,304
Debt Service:							
Principal Retirement	-	-	-	1,331,247	-	-	1,331,247
Interest and Fiscal Charges	-	-	-	280,781	-	-	280,781
Total Expenditures	13,508,711	4,259,218	53,722	1,612,028	390,579	1,250,828	21,075,086
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	1,865,751	477,006	(34,919)	86,088	(373,825)	149,714	2,169,815
OTHER FINANCING SOURCES (USES)							
Long-Term Debt Issued	-	-	-	-	665,377	-	665,377
Transfers In	542,673	-	-	-	290,936	303,513	1,137,122
Transfers Out	(322,184)	(443,440)	-	-	(350,219)	(371,498)	(1,487,341)
Total Other Financing Sources (Uses)	220,489	(443,440)	-	-	606,094	(67,985)	315,158
NET CHANGE IN FUND BALANCES	2,086,240	33,566	(34,919)	86,088	232,269	81,729	2,484,973
Fund Balances, January 1	11,032,022	386,215	335,406	84,540	459,971	647,968	12,946,122
FUND BALANCES, DECEMBER 31	\$ 13,118,262	\$ 419,781	\$ 300,487	\$ 170,628	\$ 692,240	\$ 729,697	\$ 15,431,095

See accompanying Notes to Basic Financial Statements.

RUSK COUNTY, WISCONSIN
RECONCILIATION OF STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2019

NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS		\$ 2,484,973
Amounts reported for governmental activities in the statement of activities are different because:		
Capital outlays are reported as expenditures in governmental funds. However, in the statement of activities, the cost of capital assets is allocated over their estimated useful lives as depreciation expense. In the current period, these amounts are:		
Capital Additions Reported as Expenditures in Governmental Funds	\$ 2,094,122	
Depreciation Expense Reported in the Statement of Activities	<u>(2,601,960)</u>	(507,838)
In the statement of activities, the gain and loss on the disposal of capital assets is reported, whereas in the governmental funds, the entire proceeds from the sale increase financial resources. Thus, the change in net position differs from the change in fund balances by the net cost of the capital assets sold, traded in, or discarded:		
		(119,717)
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.		
		39,055
Pension expenditures in the governmental funds are measured by current year employee contributions. Pension expenses on the statement of activities are measured by the change in net pension asset/liability and related deferred outflows and inflows of resources.		
		(2,046,461)
Long-term debt incurred in governmental funds is reported as an other financing source, but is reported as an increase in outstanding long-term debt in the statement of net position and does not affect the statement of activities. Long-term debt incurred in the current year is:		
General Obligation Debt		(665,377)
Repayment of long-term debt is 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:		
General Obligation Debt Principal Retirement		1,331,247
The internal service funds are used by the County's management to charge the cost of the central duplication and car pool activities to functions and to account for highway department operations. The change in net position of the internal service funds are reported in governmental activities.		
Highway Department Fund	(793,745)	
Central Duplication Fund	3,434	
Car Pool Fund	(11,646)	
HRA Fund	<u>2,429</u>	(799,528)
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	(12,889)	
Amortization of Debt Premiums	56,961	
Net Change in Compensated Absences Liability	<u>(13,368)</u>	<u>30,704</u>
CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES		<u><u>\$ (252,942)</u></u>

See accompanying Notes to Basic Financial Statements.

**RUSK COUNTY, WISCONSIN
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
DECEMBER 31, 2019**

	<u>Governmental Activities - Internal Service Funds</u>
ASSETS	
Current Assets:	
Cash and Investments	\$ 1,786,694
Accounts Receivable	206,604
Due from Other Governmental Units	349,221
Inventories	734,028
Prepaid Expenses	36,195
Total Current Assets	<u>3,112,742</u>
Noncurrent Assets:	
Capital Assets:	
Land and Land Improvements	209,327
Construction Work in Progress	1,098,005
Buildings and Improvements	651,139
Machinery and Equipment	8,801,411
Accumulated Depreciation	<u>(5,860,377)</u>
Total Noncurrent Assets	<u>4,899,505</u>
Total Assets	8,012,247
DEFERRED OUTFLOWS OF RESOURCES	
Wisconsin Retirement System Pension Related	966,403
LIABILITIES	
Current Liabilities:	
Accounts Payable	362,811
Due to Other Funds	1,003,734
Unearned Revenue	4,201
Current Portion of Employee Leave Liability	48,846
Total Current Liabilities	<u>1,419,592</u>
Long-Term Liabilities (Net of Current Portion):	
Accrued Employee Leave	55,890
Wisconsin Retirement System Pension Liability	<u>378,342</u>
Total Long-Term Liabilities	<u>434,232</u>
Total Liabilities	1,853,824
DEFERRED INFLOWS OF RESOURCES	
Wisconsin Retirement System Pension Related	<u>530,225</u>
NET POSITION	
Net Investment in Capital Assets	4,899,505
Unrestricted	<u>1,695,096</u>
Total Net Position	<u><u>\$ 6,594,601</u></u>

See accompanying Notes to Basic Financial Statements.

RUSK COUNTY, WISCONSIN
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
YEAR ENDED DECEMBER 31, 2019

	<u>Governmental Activities - Internal Service Funds</u>
OPERATING REVENUES	
Charges for Services	\$ 3,840,544
Other Revenue	96,489
Total Operating Revenues	<u>3,937,033</u>
OPERATING EXPENSES	<u>5,240,087</u>
OPERATING LOSS	(1,303,054)
NONOPERATING REVENUES (EXPENSES):	
Interest Revenue	1,468
Interest Expense	(1,038)
Intergovernmental Grants and Aids	152,877
Total Nonoperating Revenues (Expenses)	<u>153,307</u>
LOSS BEFORE TRANSFERS	(1,149,747)
TRANSFERS:	
Transfers In	<u>350,219</u>
CHANGE IN NET POSITION	(799,528)
Net Position - Beginning of Year - as Previously Stated	7,165,726
Prior Period Adjustment	228,403
Net Position - Beginning of Year - Restated	<u>7,394,129</u>
Net Position - End of Year	<u><u>\$ 6,594,601</u></u>

See accompanying Notes to Basic Financial Statements.

**RUSK COUNTY, WISCONSIN
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
YEAR ENDED DECEMBER 31, 2019**

	<u>Governmental Activities - Internal Service Funds</u>
CASH FLOWS FROM OPERATING ACTIVITIES:	
Cash Received from Customers and Users	\$ 4,034,693
Cash Paid to Suppliers for Goods and Services	(2,752,331)
Cash Paid for Employee Services	(2,169,071)
Cash Paid for Insurance Claims	(73,913)
Net Cash Used for Operating Activities	<u>(960,622)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:	
Cash Received from State Aid	152,877
Transfers from Capital Projects Fund	350,219
Cash Received from General Fund for Cash Deficit	1,003,734
Net Cash Provided by Noncapital Financing Activities	<u>1,506,830</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:	
Cash Payments for Acquisition of Capital Assets	(1,619,445)
Cash Paid for Principal on Capital Lease	(28,029)
Cash Paid for Interest on Capital Lease	(1,038)
Net Cash Used for Capital and Related Financing Activities	<u>(1,648,512)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:	
Interest on Investments	<u>1,468</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS	(1,100,836)
Cash and Cash Equivalents, January 1	<u>2,887,530</u>
CASH AND CASH EQUIVALENTS, DECEMBER 31	<u><u>\$ 1,786,694</u></u>

See accompanying Notes to Basic Financial Statements.

**RUSK COUNTY, WISCONSIN
STATEMENT OF CASH FLOWS (CONTINUED)
PROPRIETARY FUNDS
YEAR ENDED DECEMBER 31, 2019**

	<u>Governmental Activities - Internal Service Funds</u>
RECONCILIATION OF OPERATING LOSS TO NET	
CASH USED FOR OPERATING ACTIVITIES:	
Operating Loss	\$ (1,303,054)
Adjustments to Reconcile Operating Loss to	
Net Cash Provided by (Used for) Operating Activities:	
Depreciation	413,277
Net Change in Wisconsin Retirement System Related Items:	
Asset / Liability	651,351
Deferred Outflows of Resources	(480,121)
Deferred Inflows of Resources	(11,389)
(Increase) Decrease in Assets:	
Accounts Receivable	104,248
Due from Other Governmental Units	(9,321)
Inventory	(18,979)
Prepaid Expenses	(32,549)
Increase (Decrease) in Liabilities:	
Accounts Payable	(258,480)
Unearned Revenues	2,733
Accrued Employee Leave	<u>(18,338)</u>
Net Cash Used for Operating Activities	<u>\$ (960,622)</u>

See accompanying Notes to Basic Financial Statements.

**RUSK COUNTY, WISCONSIN
STATEMENT OF NET POSITION
FIDUCIARY FUNDS
DECEMBER 31, 2019**

	Agency Funds
ASSETS	
Cash and Investments	\$ 224,644
Taxes Receivable	37
Total Assets	\$ 224,681
LIABILITIES	
Due to Other Governmental Units	\$ 20,670
Due to Other Funds	11,467
Special Deposits	192,544
Total Liabilities	\$ 224,681

See accompanying Notes to Basic Financial Statements.

RUSK COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of Rusk County (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. Reporting Entity

Rusk County is governed by a board of supervisors consisting of 19 elected members. This report includes all significant operations under the control of the Rusk County Board of Supervisors and includes all of the funds of Rusk County. The County's major operations include general government, public safety, highways, health and human services, and hospital.

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.

The basic financial statements of the County consist solely of the primary government. No other organizations were identified for inclusion in the financial reporting entity of the County.

Joint Operations

The County participates jointly with the City of Ladysmith (the City) in the operation of the City-County Library. A joint library board has three representatives from the City and four from the County. The County board appoints the County's representatives. The Joint Library agreement specifies that the City will function as the fiscal agent. The City and County share operating costs based upon a five-year average usage ratio. For 2019, the County provided \$220,682 towards these costs.

The County also participates jointly with the City in the operation of the Animal Shelter. A board is made up of two representatives of the City and three representatives of the County. The City-County Animal Shelter Agreement specifies that the County will function as the fiscal agent. The City and the County pay a proportional share of the operational costs of the animal shelter based on data collected regarding origin of animals handled by the facility. For 2019, the County levied \$52,353 towards these costs. In addition, the County participates jointly with the City in the operation of the Visitors Center in a similar agreement. For 2019, the County levied \$32,500 to contribute to the Visitors Center. Other joint operations with the City of Ladysmith include the ADF Building, the Enterprise Center, the Fritz Avenue Building, and the Forest Industry Park and Warehouse.

**RUSK COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

A. Reporting Entity (Continued)

Jointly Governed Organization

The County, in conjunction with Ashland, Bayfield, Burnett, Douglas, Iron, Price, Sawyer, Taylor, and Washburn counties, and major cities within these counties, has created the Northwest Regional Planning Commission (NWRPC). NWRPC's governing body is comprised of two members from each of the ten counties and a representative from each major city. The County's representatives are appointed by the County Board Chairperson and approved by the County board. Rusk County's 2019 appropriation for NWRPC was \$12,409.

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. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

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

Fund Financial Statements

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

**RUSK COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Fund Financial Statements (Continued)

The County reports the following major governmental funds:

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

Health and Human Services Fund – The Health and Human Services Fund, a special revenue fund, is used to account for various County health and human services programs. The major revenue sources include taxes and intergovernmental revenues. Through the health and human services programs, the County provides mental health, developmental disabilities and alcoholism and drug abuse rehabilitation services to residents of the County and administers the various social services and income maintenance programs provided by and through the County.

Housing Fund – The Housing Fund provides and administers housing rehabilitation loans provided under various federal, state, and local programs that serve the County's citizens. Repayments received on these loans are a restricted revenue source which is used to finance similar housing rehabilitation loans.

Debt Service Fund – The Debt Service Fund is used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest and related costs of governmental funds.

Capital Projects Fund – The Capital Projects Fund is used to account for transactions related to the construction or acquisition of assets of governmental funds in the capital improvement plan.

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

The County does not report any enterprise funds.

Additionally, the County reports the following fund types:

Internal Service Funds – Used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the County, or to other governmental units, on a cost reimbursement basis.

Agency Funds – 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.

**RUSK COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Measurement Focus and Basis of Accounting

The government-wide financial statements, as are the proprietary and fiduciary fund 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.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the government's business-type activity functions and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

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

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

Agency funds have no measurement focus but utilize the accrual basis of accounting for reporting assets and liabilities.

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.

**RUSK COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

1. Deposits and Investments

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

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

- a. Time deposits in any credit union, bank, savings bank, or trust company maturing in three years or less.
- b. Bonds or securities issued or guaranteed by the federal government.
- c. Bonds or securities of any county, city, drainage district, technical college district, village, town, or school district of the state. Also, bonds issued by a local exposition district, a local professional baseball park district, a local professional football stadium district, a local cultural arts district, the University of Wisconsin Hospitals and Clinics Authority, or by the Wisconsin Aerospace 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 amortized cost.

RUSK COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

**D. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/
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 balance sheet. Since County property taxes are not considered revenue 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 County Treasurer for collection in February. The County subsequently settles in full with the local districts in August of the same year, except for delinquent special assessments and other special charges. All uncollected taxes returned to the County for collection are financed through the general fund, except for delinquent special assessments of the districts. A portion of the general fund's equity balance is classified as nonspendable for the County's investment in delinquent taxes.

Accounts Receivable. Accounts receivable in all funds have been adjusted for known uncollectible amounts. Ambulance accounts receivable of \$369,367 in the general fund are net of an allowance for uncollectible in the amount of \$290,274 at December 31, 2019. No allowance for uncollectible taxes on delinquent taxes has been provided because of the County's demonstrated ability to recover most losses through the sale of the applicable property.

Loans Receivable. The County has received federal and state grant funds for economic development loan programs to various businesses and individuals. The County records a loan receivable when the loan has been made and funds have been disbursed. The amounts recorded as economic development loans receivable have not been reduced by an allowance for uncollectible accounts. It is the County's policy to record, in the fund financial statements, deferred inflows 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 generally recognized as revenue when accrued. Any unspent loan repayments at year end are presented as restricted fund balance in the fund financial statements.

**RUSK COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

2. Receivables and Payables (Continued)

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

3. Inventories and Prepaid Items

Governmental fund-type inventories are recorded at cost based on the first-in, first-out method using the consumption method of accounting. Proprietary fund-type inventories are accounted for at the lower of cost (first-in, first-out) or market.

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

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. Capital assets are defined by the County as assets with initial, individual costs as shown below and an estimated useful life of two years or greater. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

**RUSK COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

5. Capital Assets (Continued)

Government-Wide Statements (Continued). Major outlays for capital assets and improvements are capitalized as projects are constructed. Capital assets, including infrastructure, acquired by the County prior to January 1, 1980, were recorded on the County's financial records at historical costs, or estimated historical costs, on that date.

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	N/A	N/A
Land Improvements	5,000	Straight-Line	20-30 Years
Buildings and Improvements	5,000	Straight-Line	20-40 Years
Equipment and Vehicles	5,000	Straight-Line	4-20 Years
Infrastructure	5,000	Straight-Line	25-50 Years

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

6. Deferred Outflows of Resources

The County reports decreases in net position or fund equity that relate to future periods as deferred outflows of resources in a separate section of its government-wide and proprietary funds statements of net position or governmental fund balance sheet. Deferred outflows of resources are reported in these financial statements for pension related items.

7. Deferred Inflows of Resources

The County's governmental activities and governmental fund financial statements report a separate section for deferred inflows of resources. This separate financial statement element reflects an increase in net position or fund equity that applies to a future period. The County will not recognize the related revenue until a future event occurs. The County has two types of items which occur related to revenue recognition. The first occurs because property tax receivables are recorded in the current year, but the revenue will be recorded in the subsequent year. The second type of deferred inflow of resources occurs because governmental fund revenues are not recognized until available (collected not later than 60 days after the end of the County's year) under the modified accrual basis of accounting. Deferred inflows of resources are reported in these financial statements for pension related items.

**RUSK COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

8. Compensated Absences

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

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

Payments for vacation and sick leave will be made at rates in effect when the benefits are used. Accumulated vacation and sick leave liabilities at December 31, 2019 are determined based on current salary rates.

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. Investments are reported at fair value.

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.

**RUSK COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

11. Equity Classifications

Fund equity, representing the difference between assets and deferred outflows of resources, less liabilities and deferred inflows of resources, 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. Net position is reported as restricted when there are limitations imposed on their use through external restrictions imposed by creditors, grantors or laws or regulations of other governments. All other net position is displayed as unrestricted. When both restricted and unrestricted net position are available for use, it is the County's policy to use restricted resources first and unrestricted resources next to the extent they are needed.

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. Any negative fund balances of funds other than the general fund is also classified as unassigned. It is the County's policy that at the end of each fiscal year, the County will maintain a minimum unassigned fund balance equal to no less than 90 days of general fund expenditures.

Committed fund balance is required to be established, modified, or rescinded by resolution of the County Board prior to each year end. Based on resolution of the County Board, the County Finance Director has the authority to establish or modify assigned fund balance. When restricted and unrestricted fund balance is available for expenditure, it is the County's practice to first use restricted fund balance. When committed, assigned, and unassigned fund balance is available for expenditure, it is the County's practice to use committed, assigned and finally unassigned fund balance.

**RUSK COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019**

NOTE 2 DETAILED NOTES ON ALL FUNDS

A. Deposits and Investments

The County's cash and investments balances at December 31, 2019 as shown in the financial statements are as follows:

Governmental Funds	\$ 14,715,207
Proprietary Funds	1,786,694
Fiduciary Funds	224,644
Total	<u>\$ 16,726,545</u>

The above cash and investments balances consisted of the following:

General County:	
Deposits at Financial Institutions	\$ 11,834,276
Deposits in State Local Government	
Pooled-Investment Fund	4,841,855
Insurance Deposits	45,655
Petty Cash Funds and Cash on Hand	<u>4,759</u>
Total	<u>\$ 16,726,545</u>

Deposits at Financial Institutions

The County's balances at individual financial institutions were subject to coverage under federal depository insurance and amounts appropriated by Sections 20.144(1)(a) and 34.08 of the Wisconsin Statutes (State Guarantee Fund). Federal depository insurance provides for coverage of up to \$250,000 for time and savings deposits and up to \$250,000 for demand deposits at any institution. In addition, funds held in trust for individuals are subject to coverage in the name of the beneficiary in whose name the trust fund is held. Coverage under the State Guarantee Fund may not exceed \$400,000 above the amount of coverage under federal depository insurance at any institution and is limited by the availability of the appropriations authorized therein. (Due to the relatively small size of the State Guarantee Fund in relation to the total coverage, total recovery of losses may not be available.) Also, Section 34.07 of the Wisconsin Statutes authorizes the County to collateralize its deposits that exceed the amount of coverage provided by federal depository insurance and the State Guarantee Fund.

Custodial credit risk for deposits is the risk that in the event of bank failure, the County's deposits may not be returned. At December 31, 2019, the County's deposits were not exposed to custodial credit risk.

**RUSK COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019**

NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)

A. Deposits and Investments (Continued)

Investments

The County's investments at December 31, 2019 consisted of deposits in the State of Wisconsin Local Government Investment Pool (an external investment pool) as described below.

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 2019 was 22 days.

The County's investments in the Local Government Investment Pool are measured at amortized cost.

Credit risk for investments is the risk that an issuer or 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.

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Generally, the fair values of investments with maturity dates further into the future are more sensitive to changes in market interest rates. The short weighted-average maturities of the investments in the LGIP mitigate this risk to the County.

B. Receivables

CDBG Housing Rehabilitation Loans. The County has received federal grant funds through the state of Wisconsin for the purpose of financing housing rehabilitation loans. Repayments received by the County on these loans are recorded in a separate special revenue fund to be used to finance similar housing rehabilitation loans. The following is a description of the loans outstanding under the program at December 31, 2019:

Installment Loans. At December 31, 2019, the County had outstanding one renter-occupied installment loan under the CDBG program totaling \$5,108. The loan is being repaid to the County under terms established through the program. Receivables have been recorded in the housing fund in the amount of the outstanding balance on this loan and were equally offset by deferred inflows of resources recorded therein. Revenue is recognized in the special revenue fund as collections are received.

**RUSK COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019**

NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)

B. Receivables (Continued)

Deferred Loans. The County also had two hundred forty-three (243) deferred mortgage loans outstanding at December 31, 2019 totaling \$2,691,416. These notes become due and payable in full only “in the event that the maker:

- a. No longer continues to occupy the premises securing this note as a full-time residence, or
- b. Transfers any legal or equitable interest in the mortgage premises to anyone for any reason.”

These loans are being repaid to the County under terms established through the programs. Receivables have been recorded in the housing fund in the amount of the outstanding balances on these loans and were equally offset by deferred inflows of resources recorded therein. Revenue is recognized in the housing fund as collections are received on these loans.

Mortgages Receivable. The County received Neighborhood Stabilization Program (NSP) CDBG federal grant funds through the State of Wisconsin for the purpose of purchasing and rehabilitating foreclosed homes and reselling them to qualified individuals under the program. To facilitate the sale of certain homes the County is financing part of the sale and holding second mortgages on these properties. At December 31, 2019 the County had six mortgage loans outstanding totaling \$287,861. These loans are subject to repayment to the County under terms established by the various loan agreements. Receivables have been recorded in the housing fund in the amount of the outstanding balances on these loans.

Note Receivable. During 2012, the County sold an industrial building in the Village of Weyerhaeuser and financed the sale on a 20 year term at 4% interest. The note receivable has been recorded as a long-term receivable in the joint management/economic development fund in the amount of the outstanding balance at December 31, 2019 of \$222,098 and is offset by a deferred inflow of resources recorded in that fund. Revenue is recognized as collections are received.

Economic Development Loans. The County has established two economic development revolving loan funds for the purpose of financing loans to businesses for economic development. At December 31, 2019 the County had one installment loan outstanding totaling \$6,224 in the Bruce revolving loan fund and no loans outstanding in the Mining Impact Fund. These loans are subject to repayment to the County under terms established by the various loan agreements. A receivables has been recorded in the special revenue fund in the amount of the outstanding balance and is offset by deferred inflows of resources recorded in that fund. Revenue is recognized as collections are received.

**RUSK COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019**

NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)

B. Receivables (Continued)

Operating Lease. The County entered into a lease with MCHS Hospitals, Inc., beginning September 1, 2018, for the former Rusk County Memorial Hospital building and property located at 900 College Ave West in Ladysmith. The lease calls for annual payments of \$400,000 payable monthly through August 31, 2023. MCHS Hospitals has the right to terminate the lease upon completion of a replacement facility within Rusk County. The lease may be extended for one three-year extension in the event construction of a replacement facility is not substantially completed at the expiration of the term. During 2019 the County received \$400,000 from this lease. A summary of the leased assets at December 31, 2019 is as follows:

Land	\$ 12,300
Land Improvements	274,590
Buildings and Improvements	<u>2,905,837</u>
Total	<u>3,192,727</u>
Less Accumulated Depreciation	<u>3,134,149</u>
Net	<u><u>\$ 58,578</u></u>

C. Capital Assets

Capital asset activity for the year ended December 31, 2019 was as follows:

Governmental Activities

	Beginning Balance	Additions	Transfers	Deletions	Ending Balance
General County Assets:					
Capital Assets Not Being Depreciated:					
Land	\$ 3,715,638	\$ -	\$ -	\$ -	\$ 3,715,638
Construction Work in Progress	544,714	523,117	(739,795)	-	328,036
Total Capital Assets Not Being Depreciated	<u>4,260,352</u>	<u>523,117</u>	<u>(739,795)</u>	<u>-</u>	<u>4,043,674</u>
Capital Assets Being Depreciated:					
Land Improvements	8,887,917	255,871	161,658	-	9,305,446
Buildings and Improvements	23,870,417	68,865	30,545	142,924	23,826,903
Equipment and Vehicles	4,528,150	393,425	334,381	328,060	4,927,896
Highway Infrastructure:					
Roadways	55,363,660	-	-	-	55,363,660
Bridges	9,317,628	852,844	213,211	62,574	10,321,109
Total Capital Assets Being Depreciated	<u>101,967,772</u>	<u>1,571,005</u>	<u>739,795</u>	<u>533,558</u>	<u>103,745,014</u>
Total Capital Assets	<u>106,228,124</u>	<u>2,094,122</u>	<u>-</u>	<u>533,558</u>	<u>107,788,688</u>
Accumulated Depreciation:					
Land Improvements	4,234,124	324,248	-	-	4,558,372
Buildings and Improvements	13,032,391	519,345	-	40,067	13,511,669
Equipment and Vehicles	3,768,569	319,795	-	314,658	3,773,706
Highway Infrastructure	30,948,073	1,438,572	-	59,116	32,327,529
Total Accumulated Depreciation	<u>51,983,157</u>	<u>2,601,960</u>	<u>-</u>	<u>413,841</u>	<u>54,171,276</u>
Net Capital Assets - General County	<u><u>\$ 54,244,967</u></u>	<u><u>\$ (507,838)</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 119,717</u></u>	<u><u>\$ 53,617,412</u></u>

RUSK COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019

NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)

C. Capital Assets (Continued)

Governmental Activities (Continued)

	Beginning Balance *	Additions	Transfers	Deletions	Ending Balance
Highway Department:					
Capital Assets Not Being Depreciated:					
Land	\$ 16,856	\$ -	\$ -	\$ -	\$ 16,856
Construction Work in Progress	129,016	1,098,005	(129,016)	-	1,098,005
Total Capital Assets Not Being Depreciated	145,872	1,098,005	(129,016)	-	1,114,861
Capital Assets Being Depreciated:					
Land Improvements	131,397	-	-	-	131,397
Gravel Pits and Quarries	61,378	-	-	304	61,074
Buildings and Improvements	651,139	-	-	-	651,139
Equipment and Vehicles	8,140,671	407,851	129,016	221,839	8,455,699
Total Capital Assets Being Depreciated	8,984,585	407,851	129,016	222,143	9,299,309
Total Capital Assets	9,130,457	1,505,856	-	222,143	10,414,170
Accumulated Depreciation:					
Land Improvements	71,561	2,926	-	-	74,487
Buildings and Improvements	497,389	21,590	-	-	518,979
Equipment and Vehicles	4,904,166	347,762	-	188,412	5,063,516
Total Accumulated Depreciation	5,473,116	372,278	-	188,412	5,656,982
Net Capital Assets - Highway Department	\$ 3,657,341	\$ 1,133,578	\$ -	\$ 33,731	\$ 4,757,188
Central Duplication					
Capital Assets Being Depreciated:					
Equipment and Vehicles	\$ 155,888	\$ 116,925	\$ -	\$ 133,590	\$ 139,223
Accumulated Depreciation:					
Equipment and Vehicles	132,424	31,259	-	133,590	30,093
Net Capital Assets - Central Duplication	\$ 23,464	\$ 85,666	\$ -	\$ -	\$ 109,130
Car Pool					
Capital Assets Being Depreciated:					
Equipment and Vehicles	\$ 176,398	\$ 30,091	\$ -	\$ -	\$ 206,489
Accumulated Depreciation:					
Equipment and Vehicles	163,866	9,436	-	-	173,302
Net Capital Assets - Car Pool	\$ 12,532	\$ 20,655	\$ -	\$ -	\$ 33,187
Capital Assets Not Being Depreciated	\$ 4,406,224	\$ 1,621,122	\$ (868,811)	\$ -	\$ 5,158,535
Capital Assets Being Depreciated	111,284,643	2,125,872	868,811	889,291	113,390,035
Total Capital Assets	115,690,867	3,746,994	-	889,291	118,548,570
Accumulated Depreciation	57,752,563	3,014,933	-	735,843	60,031,653
Net Capital Assets - Governmental Activities	\$ 57,938,304	\$ 732,061	\$ -	\$ 153,448	\$ 58,516,917

* Highway department beginning balances were restated, see Note 3.E.

**RUSK COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019**

NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)

C. Capital Assets (Continued)

Governmental Activities (Continued)

Depreciation expense was charged to the functions as follows:

General County:	
General Government	\$ 259,278
Public Safety	189,575
Public Works	1,654,112
Health and Human Services	22,499
Culture, Recreation and Education	193,025
Conservation and Development	283,471
Total General County	<u>2,601,960</u>
Highway Department:	
Transportation	372,278
Central Duplication:	
General Government	31,259
Car Pool:	
Transportation	9,436
Total Depreciation	<u><u>\$ 3,014,933</u></u>

D. Interfund Receivables, Payables and Transfers

The composition of interfund balances as of December 31, 2019 was as follows:

Due to/from Other Funds

	Receivable from Other Funds	Payable to Other Funds
General Fund	\$ 1,457,015	\$ -
Health and Human Services Fund	-	353,530
Jail Assessment Fund	-	796
Wildlife Damage Abatement Fund	-	49,497
Watershed Fund	-	49,458
Highway Internal Service Fund	-	931,666
Central Duplication Internal Service Fund	-	72,068
Total	<u><u>\$ 1,457,015</u></u>	<u><u>\$ 1,457,015</u></u>

The above interfund receivables and payables are made to help certain funds with temporary cash flow shortages because of the timing of some activities such as tax collections and grant activities. The balances are expected to be repaid in 2020. Interfund balances owed within the governmental activities are eliminated in the statement of net position.

**RUSK COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019**

NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)

D. Interfund Receivables, Payables and Transfers (Continued)

Interfund Transfers

Interfund transfers during the year consisted of the following:

	<u>Transfers In</u>	<u>Transfers Out</u>	<u>Net Transfers</u>
General Fund	\$ 542,673	\$ 322,184	\$ 220,489
Human Services Fund	-	443,440	(443,440)
Mining Impact Fund	162,391	153,747	8,644
Jail Assessment Fund	-	12,000	(12,000)
Wildlife Damage Abatement Fund	-	370	(370)
Law Enforcement Grants Fund	30,136	6,013	24,123
Watershed Fund	1,870	-	1,870
Joint Management/Economic Development Fund	109,116	177,736	(68,620)
Dog License Fund	-	20,132	(20,132)
Bruce Revolving Loan Fund	-	1,500	(1,500)
Capital Projects Fund	290,936	350,219	(59,283)
Highway Fund	350,219	-	350,219
Total	<u>\$ 1,487,341</u>	<u>\$ 1,487,341</u>	<u>\$ -</u>

The transfer from the joint management/economic development fund and the mining impact fund to the debt service fund consists of those funds respective share of current year debt maturities. Other transfers are made to transfer revenues collected in one fund to finance programs accounted for in other funds in accordance with budgetary constraints.

**RUSK COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019**

NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)

E. Long-Term Obligations

Changes in Long-Term Obligations

Changes in long-term obligations of the County for the year ended December 31, 2019 were as follows:

	Balances 1/1/19	Additions	Reductions	Balances 12/31/19	Amounts Due Within One Year
Long-Term Debt					
Governmental Activities:					
2015 General Obligation Notes	\$ 6,025,000	\$ -	\$ 755,000	\$ 5,270,000	\$ 765,000
2013 General Obligation Notes	510,000	-	135,000	375,000	135,000
2013 Refunding Bonds	1,915,000	-	155,000	1,760,000	160,000
2019 State Trust Fund Loan	-	665,377	-	665,377	57,927
2017 State Trust Fund Loan	1,143,698	-	126,370	1,017,328	130,696
2010 State Trust Fund Loan	341,239	-	44,877	296,362	46,088
2011 General Obligation Notes	235,000	-	115,000	120,000	120,000
Subtotal	10,169,937	665,377	1,331,247	9,504,067	1,414,711
Unamortized Debt Premium	215,826	-	56,961	158,865	49,540
Total Long-Term Debt	<u>\$ 10,385,763</u>	<u>\$ 665,377</u>	<u>\$ 1,388,208</u>	<u>\$ 9,662,932</u>	<u>\$ 1,464,251</u>
Other Long-Term Obligations					
Governmental Activities:					
Governmental Funds:					
Employee Leave Liability	\$ 365,468	\$ 13,368	\$ -	\$ 378,836	\$ 152,984
Internal Service Funds:					
Capital Lease	28,029	-	28,029	-	-
Employee Leave Liability	123,074	-	18,338	104,736	48,846
Total Other Long-Term Obligations	<u>\$ 516,571</u>	<u>\$ 13,368</u>	<u>\$ 46,367</u>	<u>\$ 483,572</u>	<u>\$ 201,830</u>

The County's estimated liability for employee leave is discussed in Note 3.A.

The County's long-term debt will be liquidated by the debt service fund. Compensated absences are generally liquidated by the general fund and highway department internal service fund.

**RUSK COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019**

NOTE 2 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, 2019 and annual requirements for their retirement were as follows:

	Year	Principal	Interest	Total
General Obligation Bonds:				
General Obligation Refunding Bonds, \$3,020,000, issued 3/15/13, due 3/1/29, interest at 0.6%-4.0%	2020	\$ 160,000	\$ 54,888	\$ 214,888
	2021	165,000	50,944	215,944
	2022	170,000	46,545	216,545
	2023	170,000	41,785	211,785
	2024	180,000	36,485	216,485
	2025-2029	915,000	84,077	999,077
		<u>1,760,000</u>	<u>314,724</u>	<u>2,074,724</u>
General Obligation Notes:				
General Obligation Promissory Notes, \$8,000,000 issued 3/3/2015, due 3/1/25, interest at 2.0%-3.0%	2020	765,000	134,600	899,600
	2021	820,000	118,750	938,750
	2022	840,000	97,950	937,950
	2023	865,000	72,375	937,375
	2024	975,000	44,775	1,019,775
	2025	1,005,000	15,075	1,020,075
		<u>5,270,000</u>	<u>483,525</u>	<u>5,753,525</u>
General Obligation Promissory Notes, \$1,000,000 issued 2/22/2011, due 10/1/20, interest at 2.0%-4.0%	2020	120,000	4,800	124,800
State Trust Fund Loan, \$1,263,571, issued 2/24/17, due 3/15/26, interest at 3.5%	2020	130,696	35,704	166,400
	2021	135,368	31,032	166,400
	2022	140,106	26,294	166,400
	2023	145,009	21,391	166,400
	2024	150,040	16,360	166,400
	2025-2026	316,109	16,691	332,800
		<u>1,017,328</u>	<u>147,472</u>	<u>1,164,800</u>
General Obligation Promissory Notes, \$1,490,000 issued 3/15/2013, due 3/1/23, interest at 2.0%-2.25%	2020	135,000	6,319	141,319
	2021	80,000	4,000	84,000
	2022	80,000	2,400	82,400
	2023	80,000	800	80,800
		<u>375,000</u>	<u>13,519</u>	<u>388,519</u>
State Trust Fund Loan, \$620,000, issued 12/30/10, due 3/15/25, interest at 5.0%	2020	46,088	14,859	60,947
	2021	47,378	12,514	59,892
	2022	48,681	10,145	58,826
	2023	50,020	7,711	57,731
	2024	51,387	5,224	56,611
	2025	52,808	2,639	55,447
		<u>296,362</u>	<u>53,092</u>	<u>349,454</u>
State Trust Fund Loan, \$665,377, issued 1/11/19, due 3/15/28, interest at 4.25%	2020	57,927	33,237	91,164
	2021	65,347	25,817	91,164
	2022	68,125	23,039	91,164
	2023	71,020	20,144	91,164
	2024	73,991	17,173	91,164
	2025-2028	328,967	35,689	364,656
		<u>665,377</u>	<u>155,099</u>	<u>820,476</u>
Total General Obligation Debt		<u>\$ 9,504,067</u>	<u>\$ 1,172,231</u>	<u>\$ 10,676,298</u>

**RUSK COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019**

NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)

E. Long-Term Obligations (Continued)

**General Obligation Long-Term Debt (Continued)
Annual Requirements for Retirement (Continued).**

The above annual debt service requirements are summarized as follows:

<u>Year Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2020	\$ 1,414,711	\$ 284,407	\$ 1,699,118
2021	1,313,093	243,057	1,556,150
2022	1,346,912	206,373	1,553,285
2023	1,381,049	164,206	1,545,255
2024	1,430,418	120,017	1,550,435
2025-2029	2,617,884	154,171	2,772,055
Total	<u>\$ 9,504,067</u>	<u>\$ 1,172,231</u>	<u>\$ 10,676,298</u>

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, 2019, the County's debt limit amounted to \$63,948,460 and indebtedness subject to the limitation totaled \$9,504,067.

Current Year Borrowing. The County obtained a State Trust Fund loan in the amount of \$772,147 to provide funds for software purchase, heating system upgrades and new building construction. \$665,377 was drawn on this loan on January 11, 2019. No further draws were made through the four month period during which draws are allowed. The loan bears interest at 4.25% with annual maturities from March 2020 through March 2028. As noted below the outstanding balance remaining after the March 2020 payment was refunded using proceeds from new debt issued on March 4, 2020.

Subsequent Borrowing. On March 4, 2020 the County issued general obligation promissory notes in the amount of \$3,950,000 to provide funds for capital projects and for current refunding of the outstanding balances of the State Trust Fund loans dated December 30, 2010 and January 11, 2019. The notes bear interest at 2.0% to 3.0% with annual maturities from March 2021 through March 2030. A portion of the new debt in the amount of \$3,115,000 was deposited to the capital projects fund and highway internal service fund to provide funds for projects in the County capital improvements plan. The remaining proceeds of the new debt were used to refund the outstanding balances of the 2010 and 2019 State Trust Fund loans. The refunding resulted in an economic gain of \$66,029 and a reduction of \$67,832 in future debt service payments.

On March 9, 2020 the County obtained a State Trust Fund loan in the amount of \$157,187 for the purpose of financing fairground improvements. The loan is payable in annual maturities from March 2021 through March 2029 with interest at 3.25%

**RUSK COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019**

NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)

F. Governmental Fund Balances

The governmental fund balances reported on the fund financial statements at December 31, 2019 consisted of the following:

	Total	Nonspendable	Restricted	Committed	Assigned	Unassigned
Major Funds						
General Fund:						
Delinquent Taxes and Tax Deeds	\$ 504,156	\$ 504,156	\$ -	\$ -	\$ -	\$ -
Insurance Deductible Escrow	45,655	45,655	-	-	-	-
Inventory and Prepaid Items	807,517	807,517	-	-	-	-
Tax Deed Special Assessment	27,913	27,913	-	-	-	-
85.21 Trust (Personal Escort)	37,385	-	37,385	-	-	-
Rusk Restorative Youth Program	49,840	-	-	-	49,840	-
Platbooks/Maps	16,687	-	-	-	16,687	-
Sheriff - K-9	37,302	-	-	-	37,302	-
Section 18 - Indianhead Transit	960	-	-	-	960	-
Land Information - Public Access	62,692	-	-	-	62,692	-
Junior Fair	33,833	-	-	-	33,833	-
Veterans Service Commission	12,700	-	-	-	12,700	-
Library Repairs	81,567	-	-	-	81,567	-
Park Development	48,350	-	-	-	48,350	-
Trails End	928	-	-	-	928	-
Park & Trail Development	95,516	-	-	-	95,516	-
County Conservation	5,436	-	-	-	5,436	-
Land Acquisition	51,148	-	-	-	51,148	-
Visitor Center Operations/JEM	52,564	-	-	-	52,564	-
LCD Trees	5,674	-	-	-	5,674	-
Courthouse Equipment	50,413	-	-	-	50,413	-
Gustafson Road Building	151,227	-	-	-	151,227	-
Tactical Team	26,995	-	-	-	26,995	-
Gravel Crushing	21,794	-	-	-	21,794	-
Road Aid Funded Programs	114,879	-	-	-	114,879	-
Sales Tax Funded Programs	256,085	-	-	-	256,085	-
Animal Shelter Program	25,919	-	-	-	25,919	-
Spay/Neuter	26,452	-	-	-	26,452	-
RCMH Property	1,621,443	-	-	-	1,621,443	-
Subsequent Year's Budget	735,116	-	-	-	735,116	-
Extended Leave	193,399	-	-	-	193,399	-
Power Line Funds Projects	370,253	-	-	-	370,253	-
Highway Bridge Projects	433,878	-	-	-	433,878	-
Murphy Dam Repair/Replace	2,232	-	-	-	2,232	-
Unassigned	7,110,354	-	-	-	-	7,110,354
Subtotal General Fund	13,118,262	1,385,241	37,385	-	4,585,282	7,110,354
Health and Human Services Fund	419,781	-	-	-	419,781	-
Housing Revolving Loan Program Fund	300,487	287,860	12,627	-	-	-
Debt Service Fund	170,628	-	-	-	170,628	-
Capital Projects Fund	692,240	-	692,240	-	-	-
Nonmajor Funds						
Special Revenue Funds:						
Forestry State Aid Funded Projects	46,439	-	46,439	-	-	-
Snowmobile Trails and Areas	415	-	415	-	-	-
Jail Assessments Fees						
Funded Projects	(149)	-	-	-	-	(149)
Mediation Fees Funded Program	10,872	-	-	10,872	-	-
Law Enforcement Grants	66,820	34,731	-	-	32,089	-
Watershed Programs	48,859	-	-	-	48,859	-
Joint Management/Economic						
Development Fund	(5,368)	-	-	-	-	(5,368)
Recycling Programs	1,961	-	-	-	1,961	-
Dog License Fund Committed for						
Animal Control	1,633	-	-	1,633	-	-
Mining Impact Fund	464,978	-	-	464,978	-	-
Bruce Revolving Loan Program	93,237	-	-	93,237	-	-
Total Governmental Funds Balances at December 31, 2019	<u>\$ 15,431,095</u>	<u>\$ 1,707,832</u>	<u>\$ 789,106</u>	<u>\$ 570,720</u>	<u>\$ 5,258,600</u>	<u>\$ 7,104,837</u>

**RUSK COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019**

NOTE 3 OTHER INFORMATION

A. Employee Vacation, Sick Leave and Compensatory Time

It is the County's policy to permit employees to accumulate earned but unused vacation, compensatory time, and sick pay benefits. Employees may accumulate 85 days of sick leave. Employees who retire at age 55 or older (50 for protected occupations) and take a retirement annuity from the Wisconsin Retirement System may use 75% of their accumulated sick leave for payment of group health insurance premiums. The estimated liability for vacation, compensatory time, and sick leave at December 31, 2019 was \$378,836 in the governmental funds and \$104,736 in the highway department internal service fund.

B. Wisconsin Retirement System 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, expected to work at least 1200 hours a year (880 hours for teachers and school district educational support employees) and expected to be employed for at least one year from employee's date of hire are eligible to participate in the WRS. ETF issues a standalone Comprehensive Annual Financial Report (CAFR), which can be found at <http://etf.wi.gov/publications/cafr.htm>.

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.

Benefits Provided. Employees who retire at or after age 65 (54 for protective occupations and 62 for elected officials and executive service retirement plan participants, if hired on or before 12/31/2016) are entitled to a retirement benefit based on a formula factor, their final average earnings, and creditable service.

Final average earnings is the average of the participant's three highest annual earnings periods. Creditable service includes current service and prior service for which a participant received earnings and made contributions as required. Creditable service also includes creditable military service. The retirement benefit will be calculated as a money purchase benefit based on the employee's contributions plus matching employer's contributions, with interest, if that benefit is higher than the formula benefit.

Vested participants may retire at or after age 55 (50 for protective occupations) and receive an actuarially-reduced benefit. Participants terminating covered employment prior to eligibility for an annuity may either receive employee-required contributions plus interest as a separation benefit or leave contributions on deposit and defer application until eligible to receive a retirement benefit.

**RUSK COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019**

NOTE 3 OTHER INFORMATION (CONTINUED)

B. Wisconsin Retirement System Pension Plan Benefits (Continued)

General Information about the Pension Plan (Continued)

Benefits Provided (Continued). 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, 2019 through December 31, 2019, the WRS recognized \$566,847 in contributions from the employer.

Contribution rates as of December 31, 2019 are:

	<u>Employee</u>	<u>Employer</u>
General (Including Teachers)	6.55%	6.55%
Executives and Elected Officials	6.55%	6.55%
Protective with Social Security	6.55%	10.55%
Protective without Social Security	6.55%	14.95%

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:

<u>Year</u>	<u>Core Fund Adjustment</u>	<u>Variable Fund Adjustment</u>
2009	(2.1)	(42.0)
2010	(1.3)	22.0
2011	(1.2)	11.0
2012	(7.0)	(7.0)
2013	(9.6)	9.0
2014	4.7	25.0
2015	2.9	2.0
2016	0.5	(5.0)
2017	2.0	4.0
2018	2.4	17.0

**RUSK COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019**

NOTE 3 OTHER INFORMATION (CONTINUED)

B. Wisconsin Retirement System Pension Plan Benefits (Continued)

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

At December 31, 2019, the County reported a liability of \$4,090,321 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2017 rolled forward to December 31, 2018. The County's proportion of the net pension liability was based on the County's share of contributions to the pension plan relative to the contributions of all participating employers. At December 31, 2018, the County's proportion was 0.11497138 percent, which was a decrease of 0.00463785 from its proportion measured as of December 31, 2017.

For the year ended December 31, 2019, the County recognized pension expense of \$2,775,873. At December 31, 2019, 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	\$ 3,185,742	\$ 5,631,246
Changes of Assumptions	689,479	-
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	5,973,634	-
Changes in Proportion and Differences Between County Contributions and Proportionate Share of Contributions	32,244	101,106
County Contributions Subsequent to the Measurement Date	566,847	-
Total	<u>\$ 10,447,946</u>	<u>\$ (5,732,352)</u>

\$566,847 reported as deferred outflows of resources related to pensions resulting from County contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2020. 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
2020	\$ 1,525,791
2021	358,459
2022	642,254
2023	1,622,243

**RUSK COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019**

NOTE 3 OTHER INFORMATION (CONTINUED)

B. Wisconsin Retirement System Pension Plan Benefits (Continued)

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

Actuarial Assumptions. The total pension liability in the December 31, 2017 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Valuation Date:	December 31, 2017
Measurement Date of Net Pension Liability (Asset):	December 31, 2018
Actuarial Cost Method:	Entry Age
Asset Valuation Method:	Fair Value
Long-Term Expected Rate of Return:	7.0%
Discount Rate:	7.0%
Inflation:	3.0%
Salary Increases:	3.1% to 8.6% including inflation
Inflation	3.0%
Seniority/Merit	0.1% - 5.6%
Mortality:	Wisconsin 2018 mortality table
Post-retirement Adjustments*:	1.9%

*No post-retirement adjustment is guaranteed. Actual adjustments are based on recognized investment return, actuarial experience and other factors. 1.9% is the assumed annual adjustment based on the investment return assumption and the post-retirement discount rate.

Actuarial assumptions are based upon an experience study conducted in 2018 that covered a three-year period from January 1, 2015 to December 31, 2017. Based on this experience study, actuarial assumptions used to measure the Total Pension Liability changed from prior year, including the discount rate, long-term expected rate of return, post-retirement adjustment, wage inflation rate, mortality and separation rates. The total pension liability for December 31, 2018 is based upon a roll-forward of the liability calculated from the December 31, 2017 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 Equities	N/A	N/A	70 %	5.0 %
International Equities	N/A	N/A	30	5.9
Global Equities	49.0 %	5.5 %	N/A	N/A
Fixed Income	24.5	1.5	N/A	N/A
Inflation Sensitive Assets	15.5	1.3	N/A	N/A
Real Estate	9.0	3.9	N/A	N/A
Private Equity/Debt	8.0	6.7	N/A	N/A
Multi-Asset	4.0	4.1	N/A	N/A
Cash	(10.0)	0.9	N/A	N/A
Total	<u>100.0 %</u>		<u>100 %</u>	

**RUSK COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019**

NOTE 3 OTHER INFORMATION (CONTINUED)

B. Wisconsin Retirement System Pension Plan Benefits (Continued)

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

Discount Rate. A single discount rate of 7.00% was used to measure the total pension liability, as opposed to a discount rate of 7.20% for the prior year. This single discount rate was based on the expected rate of return on pension plan investments of 7.00% and a municipal bond rate of 3.71%. Because of the unique structure of WRS, the 7.00% expected rate of return implies that a dividend of approximately 1.9% 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 municipal bond rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the County's Proportionate Share of the Net Pension 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 7.00 percent, 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 (6.00 percent) or 1-percentage-point higher (8.00 percent) than the current rate:

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
County's Proportionate Share of the Net Pension Liability (Asset)	\$ 16,255,365	\$ 4,090,321	\$ (4,955,332)

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://etf.wi.gov/publications/cafr.htm>.

**RUSK COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019**

NOTE 3 OTHER INFORMATION (CONTINUED)

C. Risk Management

The County is exposed to various risks of losses related to torts; theft of, damage to, or destruction of assets; errors or omissions; injuries to employees; natural disasters; and employee health claims. The County has purchased commercial insurance for all risks, with minimal deductibles, and participation in Wisconsin County Mutual Insurance Corporation (WCMIC). Settled claims have not exceeded the County's coverage in any of the past three years. There were no significant reductions in coverage compared to the prior year. Summary financial information of WCMIC as of December 31, 2019, can be obtained directly from WCMIC's offices.

D. Contingencies

As a result of an embezzlement by a former employee of funds received from grants through the State of Wisconsin Department of Health Services (DHS), it is anticipated that the County will have to reimburse DHS the amount not covered by insurance of approximately \$202,000.

From time to time, the County is party of 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.

E. Prior Period Adjustment

The beginning net position of the governmental activities and the highway department internal service fund were restated to correct the recording of capital assets and accumulated depreciation in prior years. The adjustment resulted in an increase to beginning net position of \$228,403.

REQUIRED SUPPLEMENTARY INFORMATION

**RUSK COUNTY, WISCONSIN
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
YEAR ENDED DECEMBER 31, 2019**

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
REVENUES:				
Taxes:				
General Property Taxes	\$ 5,507,154	\$ 5,507,154	\$ 5,499,015	\$ (8,139)
County Sales Taxes	838,040	838,040	981,702	143,662
Forest Crop Taxes	33,000	33,000	74,843	41,843
Redemption Fees	7,500	7,500	7,614	114
Ag Land Penalties	100	100	210	110
Payments in Lieu of Taxes	1,000	1,000	1,366	366
Interest on Taxes	180,000	180,000	142,336	(37,664)
Total Taxes	6,566,794	6,566,794	6,707,086	140,292
Intergovernmental:				
Shared Taxes from State	1,125,617	1,125,617	1,145,002	19,385
Tax Exempt Computer Aid	8,576	8,576	8,784	208
Personal Property Aid	-	-	27,112	27,112
Guardian Ad Litem	14,000	14,000	25,012	11,012
Victim/Witness Program	16,816	16,816	19,664	2,848
Judicial Assistance	52,274	52,274	52,275	1
Drug Court Grant	124,279	124,279	123,144	(1,135)
Land Information Grant	124,136	124,136	70,667	(53,469)
County Forest Aids	37,000	37,000	38,112	1,112
Law Enforcement Training	4,500	4,500	2,240	(2,260)
Sheriff Vests Grant	295	295	870	575
Jail Inmate Housing	30,000	30,000	50,713	20,713
Jail Social Security Admin Incentives	2,000	2,000	800	(1,200)
Jail SCAAP Grant	-	-	1,941	1,941
Jail Training Grant	-	-	1,760	1,760
County Conservation Aids	2,477	2,477	2,399	(78)
Emergency Government	31,498	31,498	34,070	2,572
State Aid LEPC	6,565	6,565	6,531	(34)
LEPC Equipment	2,000	2,000	1,064	(936)
Transit Service - Sec 18	834,534	834,534	803,480	(31,054)
Transit Equipment Grant	-	-	123,877	123,877
Transit New Freedom Grant	46,200	46,200	46,200	-
Personal Escort	72,389	72,389	72,389	-
Highway Aid	661,235	661,235	709,705	48,470
Forest Roads	7,036	7,036	7,207	171
Forestry	6,598	6,598	7,500	902
Forestry Salary	47,367	47,367	47,394	27
Wisconsin Fund	-	-	6,840	6,840
Ambulance State Aid	5,950	5,950	658	(5,292)
UW Extension State Aid	1,216	1,216	1,449	233
Tourism Grants	-	-	1,001	1,001
Junior Fair State Aid	3,220	3,220	3,317	97
Airport Expansion Grant	142,500	142,500	-	(142,500)
Total Intergovernmental	3,410,278	3,410,278	3,443,177	32,899

See accompanying Notes to Required Supplementary Information.

**RUSK COUNTY, WISCONSIN
BUDGETARY COMPARISON SCHEDULE (CONTINUED)
GENERAL FUND
YEAR ENDED DECEMBER 31, 2019**

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
REVENUES (CONTINUED)				
Licenses and Permits:				
County Clerk Licenses	\$ 2,400	\$ 2,400	\$ 3,320	\$ 920
Animal Shelter Kennel Permits	200	200	300	100
Sanitary Fees and Permits	23,000	23,000	30,595	7,595
Agent Status Review	60	60	-	(60)
Public Hearing Fees	3,200	3,200	2,600	(600)
Land Use Permits	45,400	45,400	52,085	6,685
Total Licenses and Permits	<u>74,260</u>	<u>74,260</u>	<u>88,900</u>	<u>14,640</u>
Fines and Forfeits:				
County Ordinance Forfeitures	44,000	44,000	31,001	(12,999)
Circuit Court Bond Forfeitures	1,000	1,000	5,400	4,400
County Share of State Fines and Forfeitures	17,000	17,000	16,382	(618)
Total Fines and Forfeits	<u>62,000</u>	<u>62,000</u>	<u>52,783</u>	<u>(9,217)</u>
Public Charges for Services:				
Circuit Court Fees and Costs	29,400	29,400	26,819	(2,581)
Restorative Youth Program	3,500	3,500	3,160	(340)
Drug Court Fees and Costs	-	-	2,257	2,257
Probate Fees	4,000	4,000	5,752	1,752
Jury Fees	500	500	1,194	694
Medical Examiner Fees	4,000	4,000	7,400	3,400
District Attorney Fees	-	-	82	82
Sale of Copies	5,300	5,300	4,072	(1,228)
Courthouse Rentals	1,500	1,500	1,500	-
Real Estate Transfer Fees	35,000	35,000	34,154	(846)
Register of Deeds Fees	75,000	75,000	97,999	22,999
Sale of Maps and Plats	6,000	6,000	3,555	(2,445)
Sheriff Fees	24,150	24,150	13,800	(10,350)
Sheriff Copier Charges	250	250	709	459
Huber Fees	7,000	7,000	3,485	(3,515)
Jail Inmate Medical	7,000	7,000	8,656	1,656
Jail Inmate Charges	20,300	20,300	24,935	4,635
Jail Juvenile Reimbursement	5,000	5,000	6,937	1,937
Jail - Other	900	900	3,050	2,150
Ambulance Revenue	749,572	749,572	1,076,792	327,220
Gravel Revenue	-	-	79,384	79,384
Airport Fuel	35,000	35,000	35,842	842
Airport Revenue	5,412	5,412	2,700	(2,712)
Rabies Clinic	20	20	-	(20)
Other Animal Shelter	12,000	12,000	14,295	2,295
County Parks Campground Fees	35,000	35,000	43,582	8,582
Fairground Rentals	2,350	2,350	1,483	(867)

See accompanying Notes to Required Supplementary Information.

**RUSK COUNTY, WISCONSIN
BUDGETARY COMPARISON SCHEDULE (CONTINUED)
GENERAL FUND
YEAR ENDED DECEMBER 31, 2019**

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
REVENUES (CONTINUED)				
Public Charges for Services (Continued):				
Junior Fair Revenue	\$ 43,380	\$ 43,380	\$ 48,175	\$ 4,795
Trail's End Revenue	8,500	8,500	13,007	4,507
Extension Revenue	2,284	2,284	3,140	856
County Forest Stumpage	450,459	450,459	1,503,502	1,053,043
Other Forestry	500	500	980	480
Trees-LCD	8,000	8,000	8,227	227
Information Center Fees	1,400	1,400	19,329	17,929
Zoning Fees	-	-	624	624
Zoning Office Revenue	2,000	2,000	2,250	250
Land Information Access Fees	28,500	28,500	29,757	1,257
Veterans Commission	1,000	1,000	1,061	61
Other Public Charges	-	-	4,500	4,500
Total Public Charges for Services	1,614,177	1,614,177	3,138,146	1,523,969
Intergovernmental Charges for Services:				
Sheriff - City Reception	7,000	7,000	7,000	-
Elections Reimbursement	8,500	8,500	10,168	1,668
Real Estate Property Listing Fee	900	900	1,546	646
Other Counties Prisoner Housing	15,000	15,000	8,494	(6,506)
Animal Shelter Charges	42,848	42,848	46,251	3,403
Indirect Costs	75,055	75,055	169,903	94,848
Tourism Reimbursement - City	28,722	28,722	28,722	-
Other Intergovernmental Charges	200	200	454	254
Total Intergovernmental Charges for Services	178,225	178,225	272,538	94,313

See accompanying Notes to Required Supplementary Information.

**RUSK COUNTY, WISCONSIN
BUDGETARY COMPARISON SCHEDULE (CONTINUED)
GENERAL FUND
YEAR ENDED DECEMBER 31, 2019**

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
REVENUES (CONTINUED)				
Miscellaneous:				
Investment Income:				
Circuit Court Deposit	\$ 4,450	\$ 4,450	\$ 4,433	\$ (17)
General Fund Investments	150,000	150,000	335,799	185,799
Insurance Escrow	100	100	1,163	1,063
Park Development Fund	-	-	536	536
Trail's End Fund	-	-	109	109
Personal Escort Trust	-	-	556	556
Powerline	5,000	5,000	15,490	10,490
Ambulance	-	-	2	2
Tactical Team	(600)	(600)	933	1,533
K-9	-	-	1	1
Disaster Fund	-	-	57	57
Indigent Fees/Guardian Ad Litem	33,000	33,000	77,300	44,300
County Clerk Materials/Supplies	865	865	107	(758)
Insurance Claims:				
Sheriff	-	-	12,822	12,822
Ambulance	-	-	2,113	2,113
Other	-	-	12,261	12,261
Insurance Dividends	10,000	10,000	41,309	31,309
Treasurer Reimbursements	13,000	13,000	14,003	1,003
Tax Deed Property	(5,000)	(5,000)	5,832	10,832
Sale of Property and Equipment:				
Sheriff	12,000	12,000	18,430	6,430
Courthouse and General Government	-	-	151,550	151,550
Sheriff Reimbursements	1,000	1,000	1,828	828
Sheriff Court Ordered Restitution	500	500	2,794	2,294
Telephone Reimbursements - Jail	3,500	3,500	3,486	(14)
Law Enforcement Center Rent	13,360	13,360	13,360	-
Rental of Farmland - Airport	9,528	9,528	9,187	(341)
Hospital/Nursing Home Property Rent	503,668	503,668	505,668	2,000
Gustafson Road Building Rent	-	-	36,000	36,000
Tourism Reimbursement	1,222	1,222	1,614	392
Powerline	46,914	46,914	46,914	-
Distribution from Tax Increment Districts	27,112	27,112	99,748	72,636
3rd Party Program Revenues from RCMH Sale	-	-	28,882	28,882
Personal Escort Trust Fund Deposit	-	-	59,105	59,105
Donations and Gifts:				
Animal Shelter	3,100	3,100	35,254	32,154
Sheriff	-	-	6,353	6,353
K-9	5,000	5,000	47,622	42,622
Tactical Team	-	-	29	29
Disaster	-	-	9,490	9,490
Ambulance	300	300	3,398	3,098
Junior Fair	20,000	20,000	25,107	5,107
Other	-	-	5,525	5,525

See accompanying Notes to Required Supplementary Information.

**RUSK COUNTY, WISCONSIN
BUDGETARY COMPARISON SCHEDULE (CONTINUED)
GENERAL FUND
YEAR ENDED DECEMBER 31, 2019**

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
REVENUES (CONTINUED)				
Miscellaneous:				
Miscellaneous:				
County Board	\$ -	\$ -	\$ 49	\$ 49
Animal Shelter	50	50	9	(41)
Jail	-	-	454	454
Ambulance	-	-	700	700
Airport	-	-	495	495
Other	175	175	33,955	33,780
Total Miscellaneous	<u>858,244</u>	<u>858,244</u>	<u>1,671,832</u>	<u>813,588</u>
Total Revenues	12,763,978	12,763,978	15,374,462	2,610,484
EXPENDITURES				
General Government:				
County Board	87,121	87,121	76,079	11,042
Board of Adjustment	3,179	3,179	472	2,707
Circuit Court	412,161	412,161	337,806	74,355
Drug Court	124,279	124,286	125,408	(1,122)
Rusk Restorative Youth Program	65,603	65,603	42,748	22,855
Guardian Ad Litem/Indigents	90,000	90,000	98,656	(8,656)
Medical Examiner	79,581	85,623	89,038	(3,415)
District Attorney	192,109	192,109	190,046	2,063
Crime Victim Witness	42,459	42,459	41,423	1,036
Corporate Counsel	78,000	78,260	78,260	-
County Clerk	198,302	198,302	194,326	3,976
Administrative Coordinator/Human Resources	125,899	125,899	145,148	(19,249)
Section 125 Administration	-	-	750	(750)
Elections	28,000	28,000	15,723	12,277
Finance	336,792	336,792	356,919	(20,127)
Cost Allocation	4,750	4,750	4,600	150
Independent Auditing	27,500	27,500	24,000	3,500
County Treasurer	286,407	286,407	283,544	2,863
Assessment of Property	4,500	4,500	4,142	358
Tax Deed Property	6,125	6,125	989	5,136
Courthouse	563,171	587,586	610,676	(23,090)
County Owned Building Maintenance	12,500	15,859	14,535	1,324
RCMH Building Expenditures	75,001	75,001	-	75,001
Register of Deeds	175,659	175,659	177,454	(1,795)
Land Information Program	280,386	293,323	218,258	75,065
Information Technology	287,910	287,910	301,986	(14,076)
Uncollectible Taxes	300	300	36	264
Insurance	128,746	128,746	117,886	10,860
Public Access	3,250	3,250	4,650	(1,400)
Board of Canvass	300	300	91	209
Contingency	150,000	40,448	-	40,448
Total General Government	<u>3,869,990</u>	<u>3,807,458</u>	<u>3,555,649</u>	<u>251,809</u>

See accompanying Notes to Required Supplementary Information.

**RUSK COUNTY, WISCONSIN
BUDGETARY COMPARISON SCHEDULE (CONTINUED)
GENERAL FUND
YEAR ENDED DECEMBER 31, 2019**

EXPENDITURES (CONTINUED)	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
Public Safety:				
Jail	\$ 1,663,507	\$ 1,663,507	\$ 1,665,672	\$ (2,165)
Jail Maintenance	20,970	33,121	53,968	(20,847)
Sheriff	1,967,299	2,005,571	1,996,693	8,878
Tactical Team	33,398	33,398	60,334	(26,936)
Ambulance	1,130,822	1,130,822	1,202,577	(71,755)
Dam Maintenance	1,000	2,494	1,478	1,016
Emergency Government	80,114	80,114	79,592	522
L.E.P.C.	4,000	4,000	1,564	2,436
Total Public Safety	4,901,110	4,953,027	5,061,878	(108,851)
Public Works:				
Airport	94,788	94,788	74,267	20,521
Indianhead Transit	899,234	899,234	868,180	31,054
ICAA Personal Escort	86,867	86,867	86,867	-
Highway Administration	165,380	165,380	189,518	(24,138)
Highway Maintenance	1,678,499	1,678,499	1,259,423	419,076
Bridge Construction	785,852	785,852	198,166	587,686
Bituminous Operations	1,500,000	1,500,000	-	1,500,000
Gravel	-	-	65,100	(65,100)
Total Public Works	5,210,620	5,210,620	2,741,521	2,469,099
Health and Human Services:				
Animal Shelter	123,191	127,951	140,297	(12,346)
Veteran's Commission	1,500	1,500	509	991
Care of Veterans' Graves	1,700	1,700	1,115	585
Total Health and Human Services	126,391	131,151	141,921	(10,770)
Culture, Recreation and Education:				
City/County Library	250,571	250,571	220,682	29,889
Other Library	90,957	90,957	79,110	11,847
Historical Museum	1,000	1,000	1,000	-
Senior/Youth Operations	24,605	24,605	23,936	669
Parks and Recreation	211,474	211,474	191,131	20,343
WNEP	500	500	-	500
Fairgrounds Upkeep	32,000	32,000	22,904	9,096
Junior Fair	61,744	61,744	64,419	(2,675)
Trail's End Youth Camp	13,975	13,975	9,989	3,986
Extension	57,666	57,666	46,366	11,300
Total Culture, Recreation and Education	744,492	744,492	659,537	84,955

See accompanying Notes to Required Supplementary Information.

**RUSK COUNTY, WISCONSIN
BUDGETARY COMPARISON SCHEDULE (CONTINUED)
GENERAL FUND
YEAR ENDED DECEMBER 31, 2019**

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
EXPENDITURES (CONTINUED)				
Conservation and Development:				
Forestry	\$ 509,912	\$ 509,912	\$ 518,835	\$ (8,923)
Conservation	46,787	52,642	52,642	-
Conservation Aids	4,954	4,954	4,798	156
Habitat Development	2,271	2,271	-	2,271
LCD Tree Program	7,341	7,341	7,332	9
Zoning Administration	178,808	178,808	152,885	25,923
Economic Development Programs	47,743	47,743	50,632	(2,889)
Gustafson Road Building	53,250	53,250	31,939	21,311
Visitors' Center	67,500	67,500	60,417	7,083
Total Conservation and Development	<u>918,566</u>	<u>924,421</u>	<u>879,480</u>	<u>44,941</u>
Capital Outlay:				
Land Information Equipment	3,000	3,000	-	3,000
Courthouse Equipment	203,105	203,105	86,190	116,915
County Owned Dams	-	-	16	(16)
Parks and Recreation Equipment	119,193	119,193	64,520	54,673
Forestry	45,336	45,336	-	45,336
Trail's End Youth Camp	-	-	6,790	(6,790)
Sheriff	112,450	112,450	118,099	(5,649)
Register of Deeds	7,968	7,968	-	7,968
Personal Escort Vehicles and Equipment	-	-	185,610	(185,610)
Airport Equipment	150,000	150,000	7,500	142,500
Total Capital Outlay	<u>641,052</u>	<u>641,052</u>	<u>468,725</u>	<u>172,327</u>
Total Expenditures	<u>16,412,221</u>	<u>16,412,221</u>	<u>13,508,711</u>	<u>2,903,510</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(3,648,243)	(3,648,243)	1,865,751	5,513,994
OTHER FINANCING SOURCES (USES)				
Transfers In	2,213,748	2,213,748	542,673	(1,671,075)
Transfers Out	(145,836)	(145,836)	(322,184)	(176,348)
Total Other Financing Sources (Uses)	<u>2,067,912</u>	<u>2,067,912</u>	<u>220,489</u>	<u>(1,847,423)</u>
NET CHANGE IN FUND BALANCE	(1,580,331)	(1,580,331)	2,086,240	3,666,571
Fund Balance, January 1	<u>11,032,022</u>	<u>11,032,022</u>	<u>11,032,022</u>	<u>-</u>
FUND BALANCE, DECEMBER 31	<u>\$ 9,451,691</u>	<u>\$ 9,451,691</u>	<u>\$ 13,118,262</u>	<u>\$ 3,666,571</u>

See accompanying Notes to Required Supplementary Information.

**RUSK COUNTY, WISCONSIN
BUDGETARY COMPARISON SCHEDULE
HEALTH AND HUMAN SERVICES FUND
YEAR ENDED DECEMBER 31, 2019**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 974,933	\$ 974,933	\$ 974,933	\$ -
Intergovernmental	3,078,823	3,078,823	3,225,350	146,527
Public Charges for Services	129,960	129,960	155,660	25,700
Intergovernmental Charges for Services	183,272	183,272	221,035	37,763
Miscellaneous:				
Interest	80	80	309	229
Other	184,167	184,167	158,937	(25,230)
Total Revenues	<u>4,551,235</u>	<u>4,551,235</u>	<u>4,736,224</u>	<u>184,989</u>
EXPENDITURES				
Health and Human Services	<u>4,402,129</u>	<u>4,402,129</u>	<u>4,259,218</u>	<u>142,911</u>
EXCESS OF REVENUES OVER EXPENDITURES	149,106	149,106	477,006	327,900
OTHER FINANCING USES				
Transfers Out	<u>(157,268)</u>	<u>(157,268)</u>	<u>(443,440)</u>	<u>(286,172)</u>
NET CHANGE IN FUND BALANCE	(8,162)	(8,162)	33,566	41,728
Fund Balance, January 1	<u>386,215</u>	<u>386,215</u>	<u>386,215</u>	<u>-</u>
FUND BALANCE, DECEMBER 31	<u><u>\$ 378,053</u></u>	<u><u>\$ 378,053</u></u>	<u><u>\$ 419,781</u></u>	<u><u>\$ 41,728</u></u>

See accompanying Notes to Required Supplementary Information.

**RUSK COUNTY, WISCONSIN
BUDGETARY COMPARISON SCHEDULE
HOUSING FUND
YEAR ENDED DECEMBER 31, 2019**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Miscellaneous:				
Interest	\$ 75	\$ 75	\$ 696	\$ 621
Other	30,000	30,000	18,107	(11,893)
Total Revenues	<u>30,075</u>	<u>30,075</u>	<u>18,803</u>	<u>(11,272)</u>
EXPENDITURES				
Conservation and Development	<u>57,000</u>	<u>57,000</u>	<u>53,722</u>	<u>3,278</u>
CHANGE IN FUND BALANCE	(26,925)	(26,925)	(34,919)	(7,994)
Fund Balance, January 1	<u>335,406</u>	<u>335,406</u>	<u>335,406</u>	<u>-</u>
FUND BALANCE, DECEMBER 31	<u><u>\$ 308,481</u></u>	<u><u>\$ 308,481</u></u>	<u><u>\$ 300,487</u></u>	<u><u>\$ (7,994)</u></u>

See accompanying Notes to Required Supplementary Information.

**RUSK COUNTY, WISCONSIN
SCHEDULE OF PROPORTIONATE SHARE OF
WISCONSIN RETIREMENT SYSTEM NET PENSION PLAN ASSET/LIABILITY
LAST TEN FISCAL YEARS
(PRESENTED PROSPECTIVELY FROM IMPLEMENTATION)**

Measurement Date:	12/31/2014	12/31/2015	12/31/2016	12/31/2017	12/31/2018
County's Proportion of the net Pension Liability (Asset)	0.11345254%	0.11131533%	0.11340427%	0.11960923%	0.11497138%
County's Proportionate Share of the Net Pension Liability (Asset)	\$ (2,786,705)	\$ 1,808,853	\$ 934,722	\$ (3,551,340)	\$ 4,090,321
County's Covered Payroll	\$ 14,268,666	\$ 15,444,085	\$ 16,445,616	\$ 17,607,783	\$ 14,422,242
County's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	-19.53%	11.71%	5.68%	-20.17%	28.36%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability (Asset)	102.74%	98.20%	99.12%	102.93%	96.45%

See accompanying Notes to Required Supplementary Information.

**RUSK COUNTY, WISCONSIN
SCHEDULE OF CONTRIBUTIONS TO
WISCONSIN RETIREMENT SYSTEM PENSION PLAN
LAST TEN FISCAL YEARS
(PRESENTED PROSPECTIVELY FROM IMPLEMENTATION)**

Fiscal Year Ended: December 31,	2015	2016	2017	2018	2019
Contractually Required Contribution	\$ 1,097,104	\$ 1,136,646	\$ 1,268,709	\$ 1,036,622	\$ 566,847
Contributions in Relation to the Contractually Required Contributions	(1,097,104)	(1,136,646)	(1,268,709)	(1,036,622)	(566,847)
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
County's Covered Payroll	\$ 15,412,443	\$ 16,445,616	\$ 17,607,783	\$ 14,422,242	\$ 7,557,658
Contributions as a Percentage of Covered Payroll	7.12%	6.91%	7.21%	7.19%	7.50%

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

Changes of Assumptions. Actuarial assumptions are based upon an experience study conducted in 2018 using experience from 2015 – 2017. Based on the experience study conducted in 2018, actuarial assumptions used to develop Total Pension Liability changed, including the discount rate, long-term expected rate of return, post-retirement adjustment, wage inflation rate, mortality and separation rates.

See accompanying Notes to Required Supplementary Information.

RUSK COUNTY, WISCONSIN
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
DECEMBER 31, 2019

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, health and human services fund, housing fund, mining fund and joint management/economic development fund is derived from the County's annual operating budget.

The County's annual operating budget is adopted in accordance with Chapter 65 of the Wisconsin Statutes and on a basis consistent with generally accepted accounting principles. Changes to appropriations authorized in the adopted budget generally require a vote of two-thirds of the entire membership of the governing body. The County's legal budget is adopted at the major function level in the general fund (i.e., general government) and at the fund level in all other funds. The County exercises budgetary expenditure control at the department level.

Budget amounts in the financial statements include both 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

**RUSK COUNTY, WISCONSIN
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
DECEMBER 31, 2019**

	Special Revenue Funds						
	State Aid Forestry	Snowmobile Trails	Jail Assessment Fees	Mediation Fees	Wildlife Damage Abatement	Law Enforcement Grants	Watershed
ASSETS							
Cash and Investments	\$ 142,269	\$ 162,424	\$ -	\$ 11,045	\$ -	\$ 27,255	\$ -
Taxes Receivable	500	1,535	-	3,600	-	40,317	1,074
Accounts Receivable	-	119	-	-	-	-	-
Due from Other Governmental Units	50,567	12,334	240	-	59,238	17,021	155,781
Due from Fiduciary Funds	-	-	407	140	-	-	-
Prepaid Items	-	-	-	-	-	34,731	-
Long-Term Receivables	-	-	-	-	-	-	-
Total Assets	<u>\$ 193,336</u>	<u>\$ 176,412</u>	<u>\$ 647</u>	<u>\$ 14,785</u>	<u>\$ 59,238</u>	<u>\$ 119,324</u>	<u>\$ 156,855</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES							
Liabilities:							
Accounts Payable	\$ 142,781	\$ 31,572	\$ -	\$ 313	\$ 9,741	\$ 12,187	\$ 57,464
Due to Other Funds	-	-	796	-	49,497	-	49,458
Unearned Revenues	3,616	142,890	-	-	-	-	-
Deposits	-	-	-	-	-	-	-
Total Liabilities	<u>146,397</u>	<u>174,462</u>	<u>796</u>	<u>313</u>	<u>59,238</u>	<u>12,187</u>	<u>106,922</u>
Deferred Inflows of Resources:							
Subsequent Year's Property Taxes	500	1,535	-	3,600	-	40,317	1,074
Unavailable Revenue - Long-Term Receivables	-	-	-	-	-	-	-
Total Deferred Inflows of Resources	<u>500</u>	<u>1,535</u>	<u>-</u>	<u>3,600</u>	<u>-</u>	<u>40,317</u>	<u>1,074</u>
Fund Balances:							
Nonspendable	-	-	-	-	-	34,731	-
Restricted	46,439	415	-	-	-	-	-
Committed	-	-	-	10,872	-	-	-
Assigned	-	-	-	-	-	32,089	48,859
Unassigned	-	-	(149)	-	-	-	-
Total Fund Balances	<u>46,439</u>	<u>415</u>	<u>(149)</u>	<u>10,872</u>	<u>-</u>	<u>66,820</u>	<u>48,859</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 193,336</u>	<u>\$ 176,412</u>	<u>\$ 647</u>	<u>\$ 14,785</u>	<u>\$ 59,238</u>	<u>\$ 119,324</u>	<u>\$ 156,855</u>

**RUSK COUNTY, WISCONSIN
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET (CONTINUED)
DECEMBER 31, 2019**

	Special Revenue Funds (Continued)					
	Recycling	Dog License	Mining Impact Fund	Bruce Revolving Loan Fund	Joint Management/ Economic Development Fund	Total Nonmajor Governmental Funds
ASSETS						
Cash and Investments	\$ 13,968	\$ 1,633	\$ 464,858	\$ 93,237	\$ 15,260	\$ 931,949
Taxes Receivable	9,237	-	-	-	-	56,263
Accounts Receivable	41	-	-	-	2,000	2,160
Due from Other Governmental Units	-	-	120	-	-	295,301
Due from Fiduciary Funds	-	-	-	-	-	547
Prepaid Items	-	-	-	-	-	34,731
Long-Term Receivables	-	-	-	6,224	222,098	228,322
Total Assets	<u>\$ 23,246</u>	<u>\$ 1,633</u>	<u>\$ 464,978</u>	<u>\$ 99,461</u>	<u>\$ 239,358</u>	<u>\$ 1,549,273</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES						
Liabilities:						
Accounts Payable	\$ 10,625	\$ -	\$ -	\$ -	\$ 14,057	\$ 278,740
Due to Other Funds	-	-	-	-	-	99,751
Unearned Revenues	-	-	-	-	2,182	148,688
Deposits	1,423	-	-	-	6,389	7,812
Total Liabilities	<u>12,048</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>22,628</u>	<u>534,991</u>
Deferred Inflows of Resources:						
Subsequent Year's Property Taxes	9,237	-	-	-	-	56,263
Unavailable Revenue - Long-Term Receivables	-	-	-	6,224	222,098	228,322
Total Deferred Inflows of Resources	<u>9,237</u>	<u>-</u>	<u>-</u>	<u>6,224</u>	<u>222,098</u>	<u>284,585</u>
Fund Balances:						
Nonspendable	-	-	-	-	-	34,731
Restricted	-	-	-	-	-	46,854
Committed	-	1,633	464,978	93,237	-	570,720
Assigned	1,961	-	-	-	-	82,909
Unassigned	-	-	-	-	(5,368)	(5,517)
Total Fund Balances	<u>1,961</u>	<u>1,633</u>	<u>464,978</u>	<u>93,237</u>	<u>(5,368)</u>	<u>729,697</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 23,246</u>	<u>\$ 1,633</u>	<u>\$ 464,978</u>	<u>\$ 99,461</u>	<u>\$ 239,358</u>	<u>\$ 1,549,273</u>

**RUSK COUNTY, WISCONSIN
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
YEAR ENDED DECEMBER 31, 2019**

Special Revenue Funds

	State Aid Forestry	Snowmobile Trails	Jail Assessment Fees	Mediation Fees	Wildlife Damage Abatement	Law Enforcement Grants	Watershed
REVENUES							
Taxes:							
General Property Taxes	\$ -	\$ 1,535	\$ -	\$ -	\$ -	\$ 25,987	\$ 116,764
Payments in Lieu of Taxes	-	-	-	-	-	-	-
Intergovernmental	368,299	174,208	-	-	59,238	74,092	155,781
Licenses and Permits	-	-	-	-	-	-	13,675
Fines and Forfeits	-	-	10,412	-	-	1,248	-
Public Charges for Services	-	-	-	3,220	-	-	-
Interest	-	-	-	-	-	-	-
Other	-	-	-	-	-	17,659	504
Total Revenues	<u>368,299</u>	<u>175,743</u>	<u>10,412</u>	<u>3,220</u>	<u>59,238</u>	<u>118,986</u>	<u>286,724</u>
EXPENDITURES							
Public Safety	-	-	-	-	-	140,221	-
Public Works	-	-	-	-	-	-	-
Health and Human Services	-	-	-	3,415	-	-	-
Culture, Recreation and Education	-	175,328	-	-	-	-	-
Conservation and Development	<u>347,633</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>58,868</u>	<u>-</u>	<u>256,006</u>
Total Expenditures	<u>347,633</u>	<u>175,328</u>	<u>-</u>	<u>3,415</u>	<u>58,868</u>	<u>140,221</u>	<u>256,006</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	20,666	415	10,412	(195)	370	(21,235)	30,718
OTHER FINANCING SOURCES (USES)							
Transfers In	-	-	-	-	-	30,136	1,870
Transfers Out	-	-	(12,000)	-	(370)	(6,013)	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>(12,000)</u>	<u>-</u>	<u>(370)</u>	<u>24,123</u>	<u>1,870</u>
NET CHANGE IN FUND BALANCES	20,666	415	(1,588)	(195)	-	2,888	32,588
Fund Balances, January 1	<u>25,773</u>	<u>-</u>	<u>1,439</u>	<u>11,067</u>	<u>-</u>	<u>63,932</u>	<u>16,271</u>
FUND BALANCES, DECEMBER 31	<u>\$ 46,439</u>	<u>\$ 415</u>	<u>\$ (149)</u>	<u>\$ 10,872</u>	<u>\$ -</u>	<u>\$ 66,820</u>	<u>\$ 48,859</u>

**RUSK COUNTY, WISCONSIN
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (CONTINUED)
YEAR ENDED DECEMBER 31, 2019**

	Special Revenue Funds (Continued)					Total Nonmajor Governmental Funds
	Recycling	Dog License	Mining Impact Fund	Bruce Revolving Loan Fund	Joint Management/ Economic Development Fund	
REVENUES						
Taxes:						
General Property Taxes	\$ 9,237	\$ -	\$ -	\$ -	\$ -	\$ 153,523
Payments in Lieu of Taxes	-	-	-	-	14,215	14,215
Intergovernmental	82,022	-	-	-	-	913,640
Licenses and Permits	300	17,437	-	-	-	31,412
Fines and Forfeits	-	4,699	-	-	-	16,359
Public Charges for Services	4,208	-	-	-	-	7,428
Interest	-	-	9,164	2,338	8,899	20,401
Other	83	-	7,500	761	217,057	243,564
Total Revenues	<u>95,850</u>	<u>22,136</u>	<u>16,664</u>	<u>3,099</u>	<u>240,171</u>	<u>1,400,542</u>
EXPENDITURES						
Public Safety	-	-	-	-	-	140,221
Public Works	95,535	-	-	-	-	95,535
Health and Human Services	-	1,371	-	-	-	4,786
Culture, Recreation and Education	-	-	-	-	-	175,328
Conservation and Development	-	-	-	-	172,451	834,958
Total Expenditures	<u>95,535</u>	<u>1,371</u>	<u>-</u>	<u>-</u>	<u>172,451</u>	<u>1,250,828</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	315	20,765	16,664	3,099	67,720	149,714
OTHER FINANCING SOURCES (USES)						
Transfers In	-	-	162,391	-	109,116	303,513
Transfers Out	-	(20,132)	(153,747)	(1,500)	(177,736)	(371,498)
Total Other Financing Sources (Uses)	<u>-</u>	<u>(20,132)</u>	<u>8,644</u>	<u>(1,500)</u>	<u>(68,620)</u>	<u>(67,985)</u>
NET CHANGE IN FUND BALANCES	315	633	25,308	1,599	(900)	81,729
Fund Balances, January 1	<u>1,646</u>	<u>1,000</u>	<u>439,670</u>	<u>91,638</u>	<u>(4,468)</u>	<u>647,968</u>
FUND BALANCES, DECEMBER 31	<u>\$ 1,961</u>	<u>\$ 1,633</u>	<u>\$ 464,978</u>	<u>\$ 93,237</u>	<u>\$ (5,368)</u>	<u>\$ 729,697</u>

RUSK COUNTY, WISCONSIN
DEBT SERVICE FUND
DETAILED STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2019

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 1,612,735	\$ 1,612,735	\$ 1,612,735	\$ -
Miscellaneous:				
Interest	-	-	1,781	1,781
Other	91,222	91,222	83,600	(7,622)
Total Revenues	<u>1,703,957</u>	<u>1,703,957</u>	1,698,116	(5,841)
EXPENDITURES				
Principal Retirement	1,394,843	1,394,843	1,331,247	63,596
Interest and Fiscal Charges	314,134	314,134	280,781	33,353
Total Expenditures	<u>1,708,977</u>	<u>1,708,977</u>	<u>1,612,028</u>	<u>96,949</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(5,020)	(5,020)	86,088	91,108
OTHER FINANCING SOURCES				
Transfers In	<u>5,020</u>	<u>5,020</u>	-	<u>(5,020)</u>
NET CHANGE IN FUND BALANCE	-	-	86,088	86,088
Fund Balance, January 1	<u>84,540</u>	<u>84,540</u>	<u>84,540</u>	<u>-</u>
FUND BALANCE, DECEMBER 31	<u><u>\$ 84,540</u></u>	<u><u>\$ 84,540</u></u>	<u><u>\$ 170,628</u></u>	<u><u>\$ 86,088</u></u>

**RUSK COUNTY, WISCONSIN
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF NET POSITION
DECEMBER 31, 2019**

	Highway	Central Duplication	Car Pool	HRA Fund	Totals
ASSETS					
Current Assets:					
Treasurer's Cash and Investments	\$ -	\$ -	\$ 24,291	\$ 1,762,403	\$ 1,786,694
Accounts Receivable	204,011	2,593	-	-	206,604
Due from Other Governmental Units	349,221	-	-	-	349,221
Inventories	718,459	15,569	-	-	734,028
Prepaid Items	9,827	26,368	-	-	36,195
Total Current Assets	<u>1,281,518</u>	<u>44,530</u>	<u>24,291</u>	<u>1,762,403</u>	<u>3,112,742</u>
Noncurrent Assets:					
Capital Assets:					
Land and Land Improvements	209,327	-	-	-	209,327
Construction in Progress	1,098,005	-	-	-	1,098,005
Buildings and Improvements	651,139	-	-	-	651,139
Machinery and Equipment	8,455,699	139,223	206,489	-	8,801,411
Less Accumulated Depreciation	<u>(5,656,982)</u>	<u>(30,093)</u>	<u>(173,302)</u>	<u>-</u>	<u>(5,860,377)</u>
Total Noncurrent Assets	<u>4,757,188</u>	<u>109,130</u>	<u>33,187</u>	<u>-</u>	<u>4,899,505</u>
Total Assets	6,038,706	153,660	57,478	1,762,403	8,012,247
DEFERRED OUTFLOWS OF RESOURCES					
Wisconsin Retirement System Pension Related	966,403	-	-	-	966,403
LIABILITIES					
Current Liabilities:					
Accounts Payable	133,452	3,578	501	225,280	362,811
Due to Other Funds	931,666	72,068	-	-	1,003,734
Unearned Revenue	4,201	-	-	-	4,201
Current Portion of Employee Leave Liability	48,846	-	-	-	48,846
Total Current Liabilities	<u>1,118,165</u>	<u>75,646</u>	<u>501</u>	<u>225,280</u>	<u>1,419,592</u>
Long-Term Liabilities:					
Accrued Employee Leave Liability	55,890	-	-	-	55,890
Wisconsin Retirement System Net Pension Liability	378,342	-	-	-	378,342
Total Long-Term Liabilities	<u>434,232</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>434,232</u>
Total Liabilities	1,552,397	75,646	501	225,280	1,853,824
DEFERRED INFLOWS OF RESOURCES					
Wisconsin Retirement System Pension Related	530,225	-	-	-	530,225
NET POSITION					
Net Investment in Capital Assets	4,757,188	109,130	33,187	-	4,899,505
Unrestricted	<u>165,299</u>	<u>(31,116)</u>	<u>23,790</u>	<u>1,537,123</u>	<u>1,695,096</u>
Total Net Position	<u>\$ 4,922,487</u>	<u>\$ 78,014</u>	<u>\$ 56,977</u>	<u>\$ 1,537,123</u>	<u>\$ 6,594,601</u>

**RUSK COUNTY, WISCONSIN
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
YEAR ENDED DECEMBER 31, 2019**

	Highway	Central Duplication	Car Pool	HRA Fund	Totals
OPERATING REVENUES					
Charges for Services	\$ 3,690,348	\$ 116,785	\$ 33,411	\$ -	\$ 3,840,544
Other Operating Revenues	<u>80,906</u>	<u>-</u>	<u>7,133</u>	<u>8,450</u>	<u>96,489</u>
Total Operating Revenues	3,771,254	116,785	40,544	8,450	3,937,033
OPERATING EXPENSES	<u>5,069,563</u>	<u>112,313</u>	<u>52,190</u>	<u>6,021</u>	<u>5,240,087</u>
OPERATING INCOME (LOSS)	(1,298,309)	4,472	(11,646)	2,429	(1,303,054)
NONOPERATING REVENUES (EXPENSES):					
Interest Revenue	1,468	-	-	-	1,468
Interest Expense	-	(1,038)	-	-	(1,038)
Intergovernmental Grants and Aids	<u>152,877</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>152,877</u>
Total Nonoperating Revenues (Expenses)	<u>154,345</u>	<u>(1,038)</u>	<u>-</u>	<u>-</u>	<u>153,307</u>
INCOME (LOSS) BEFORE TRANSFERS	(1,143,964)	3,434	(11,646)	2,429	(1,149,747)
TRANSFERS:					
Transfer from Capital Projects Fund	<u>350,219</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>350,219</u>
CHANGE IN NET POSITION	(793,745)	3,434	(11,646)	2,429	(799,528)
Net Position - Beginning of Year - as Previously Stated	5,487,829	74,580	68,623	1,534,694	7,165,726
Prior Period Adjustment	<u>228,403</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>228,403</u>
Net Position - Beginning of Year - Restated	<u>5,716,232</u>	<u>74,580</u>	<u>68,623</u>	<u>1,534,694</u>	<u>7,394,129</u>
NET POSITION - END OF YEAR	<u>\$ 4,922,487</u>	<u>\$ 78,014</u>	<u>\$ 56,977</u>	<u>\$ 1,537,123</u>	<u>\$ 6,594,601</u>

**RUSK COUNTY, WISCONSIN
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF CASH FLOWS
YEAR ENDED DECEMBER 31, 2019**

	Highway	Central Duplication	Car Pool	HRA Fund	Totals
CASH FLOWS FROM OPERATING ACTIVITIES					
Cash Received from Customers and Users	\$ 3,869,117	\$ 116,582	\$ 40,544	\$ 8,450	\$ 4,034,693
Cash Payments for Goods and Services	(2,591,963)	(117,009)	(42,559)	(800)	(2,752,331)
Cash Payments for Employee Services	(2,169,071)	-	-	-	(2,169,071)
Cash Payments for Insurance Claims	-	-	-	(73,913)	(73,913)
Net Cash Used for Operating Activities	<u>(891,917)</u>	<u>(427)</u>	<u>(2,015)</u>	<u>(66,263)</u>	<u>(960,622)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Cash Received from State Aid	152,877	-	-	-	152,877
Transfer from Capital Projects Fund	350,219	-	-	-	350,219
Cash Received from General Fund for Cash Deficit	931,666	72,068	-	-	1,003,734
Net Cash Provided by Noncapital Financing Activities	<u>1,434,762</u>	<u>72,068</u>	<u>-</u>	<u>-</u>	<u>1,506,830</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:					
Cash Paid for Acquisition and Major Repairs of Capital Assets	(1,472,429)	(116,925)	(30,091)	-	(1,619,445)
Cash Paid for Principal on Capital Lease	-	(28,029)	-	-	(28,029)
Cash Paid for Interest on Capital Lease	-	(1,038)	-	-	(1,038)
Net Cash Used for Capital and Related Financing Activities	<u>(1,472,429)</u>	<u>(145,992)</u>	<u>(30,091)</u>	<u>-</u>	<u>(1,648,512)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:					
Interest Received	1,468	-	-	-	1,468
NET CHANGE IN CASH AND CASH EQUIVALENTS	<u>(928,116)</u>	<u>(74,351)</u>	<u>(32,106)</u>	<u>(66,263)</u>	<u>(1,100,836)</u>
Cash and Cash Equivalents - January 1	928,116	74,351	56,397	1,828,666	2,887,530
CASH AND CASH EQUIVALENTS - DECEMBER 31	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 24,291</u>	<u>\$ 1,762,403</u>	<u>\$ 1,786,694</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH USED FOR OPERATING ACTIVITIES					
Operating Income (Loss)	\$ (1,298,309)	\$ 4,472	\$ (11,646)	\$ 2,429	\$ (1,303,054)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Used for Operating Activities:					
Depreciation	372,582	31,259	9,436	-	413,277
Net Change in Wisconsin Pension System Related Items:					
Asset / Liability	651,351	-	-	-	651,351
Deferred Outflows of Resources	(480,121)	-	-	-	(480,121)
Deferred Inflows of Resources	(11,389)	-	-	-	(11,389)
(Increase) Decrease in Assets:					
Accounts Receivable	104,451	(203)	-	-	104,248
Due from Other Governments	(9,321)	-	-	-	(9,321)
Inventory	(6,694)	(12,285)	-	-	(18,979)
Prepaid Items	(6,181)	(26,368)	-	-	(32,549)
Increase (Decrease) in Liabilities:					
Accounts Payable	(192,681)	2,698	195	(68,692)	(258,480)
Unearned Revenues	2,733	-	-	-	2,733
Accrued Employee Leave	(18,338)	-	-	-	(18,338)
Net Cash Used for Operating Activities	<u>\$ (891,917)</u>	<u>\$ (427)</u>	<u>\$ (2,015)</u>	<u>\$ (66,263)</u>	<u>\$ (960,622)</u>

**RUSK COUNTY, WISCONSIN
AGENCY FUNDS
COMBINING BALANCE SHEET
DECEMBER 31, 2019**

	Tax Agency	Clerk of Courts	District Attorney	Human Services	Sheriff	Triad	Jail Inmate	Totals
ASSETS								
Cash and Investments	\$ -	\$ 177,065	\$ 1,064	\$ 810	\$ 1,855	\$ 352	\$ 43,498	\$ 224,644
Taxes Receivable:								
Current Apportionment	37	-	-	-	-	-	-	37
Total Assets	<u>\$ 37</u>	<u>\$ 177,065</u>	<u>\$ 1,064</u>	<u>\$ 810</u>	<u>\$ 1,855</u>	<u>\$ 352</u>	<u>\$ 43,498</u>	<u>\$ 224,681</u>
LIABILITIES								
Due Other Governmental Units:								
State	\$ 37	\$ 20,633	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 20,670
Due to Governmental Funds	-	11,467	-	-	-	-	-	11,467
Special Deposits	-	144,965	1,064	810	1,855	352	43,498	192,544
Total Liabilities	<u>\$ 37</u>	<u>\$ 177,065</u>	<u>\$ 1,064</u>	<u>\$ 810</u>	<u>\$ 1,855</u>	<u>\$ 352</u>	<u>\$ 43,498</u>	<u>\$ 224,681</u>

**RUSK COUNTY, WISCONSIN
GENERAL FUND
STATEMENT OF CHANGES IN FUND BALANCE
YEAR ENDED DECEMBER 31, 2019**

	Balance 1/1/19	County Appropriations	Other Revenues	Fund Transfers				Total Available	Expenditures	Balance 12/31/19
				General Fund		Other Funds				
				In	Out	In	Out			
Nonspendable										
Delinquent Taxes and Tax Deeds	\$ 538,082	\$ -	\$ -	\$ -	\$ 33,926	\$ -	\$ -	\$ 504,156	\$ -	\$ 504,156
Insurance Deductible Escrow	59,952	-	-	-	14,297	-	-	45,655	-	45,655
Inventory and Prepaid Items	826,462	-	-	-	18,945	-	-	807,517	-	807,517
Tax Deed Special Assessment	37,077	-	-	-	9,164	-	-	27,913	-	27,913
Total Nonspendable Balances	1,461,573	-	-	-	76,332	-	-	1,385,241	-	1,385,241
Restricted										
85.21 Trust (Personal Escort)	39,457	14,478	196,822	59,105	-	-	-	309,862	272,477	37,385
Assigned										
Continuing Appropriations:										
Rusk Restorative Youth Program	51,004	-	42,105	-	-	-	-	93,109	43,269	49,840
Platbooks/Maps	13,132	-	3,555	-	-	-	-	16,687	-	16,687
Sheriff - K-9	4,735	-	47,623	-	-	-	-	52,358	15,056	37,302
Section 18 - Indianhead Transit	960	18,500	849,680	-	-	-	-	869,140	868,180	960
Land Information - Public Access	35,160	24,808	99,179	-	-	-	-	159,147	96,455	62,692
Junior Fair	24,970	-	73,282	-	-	-	-	98,252	64,419	33,833
Veterans Service Commission	11,623	500	1,086	-	-	-	-	13,209	509	12,700
Library Repairs	51,678	250,571	-	-	-	-	-	302,249	220,682	81,567
Park Development	31,154	-	30,536	-	-	-	-	61,690	13,340	48,350
Trails End	819	-	109	-	-	-	-	928	-	928
Trail & Park Development	40,519	-	75,000	-	-	-	-	115,519	20,003	95,516

**RUSK COUNTY, WISCONSIN
GENERAL FUND
STATEMENT OF CHANGES IN FUND BALANCE (CONTINUED)
YEAR ENDED DECEMBER 31, 2019**

	Balance 1/1/19	County Appropriations	Other Revenues	Fund Transfers				Total Available	Expenditures	Balance 12/31/19
				General Fund		Other Funds				
				In	Out	In	Out			
Assigned (Continued)										
Continuing Appropriations: (Continued)										
County Conservation	\$ 5,358	\$ 2,477	\$ 2,399	\$ -	\$ -	\$ -	\$ -	\$ 10,234	\$ 4,798	\$ 5,436
Land Acquisition	36,998	-	14,150	-	-	-	-	51,148	-	51,148
Visitor Center Operations/JEM	29,814	32,500	50,667	-	-	-	-	112,981	60,417	52,564
LCD Trees	4,779	-	8,227	-	-	-	-	13,006	7,332	5,674
Courthouse Equipment	57,039	11,469	429	-	-	-	-	68,937	18,524	50,413
Gustafson Road Building	138,773	-	45,506	-	1,113	-	-	183,166	31,939	151,227
Tactical Team	52,968	33,398	963	-	-	-	-	87,329	60,334	26,995
Gravel Crushing	7,510	-	79,384	-	-	-	-	86,894	65,100	21,794
Road Aid Funded Programs	119,470	-	37,207	-	-	-	-	156,677	41,798	114,879
Ambulance	-	375,000	1,083,005	-	-	-	-	1,458,005	1,201,920	256,085
Animal Shelter Program	5,314	-	23,668	-	-	-	-	28,982	3,063	25,919
Spay/Neuter	21,412	-	11,400	-	-	-	-	32,812	6,360	26,452
RCMH Property	689,310	-	-	932,133	-	-	-	1,621,443	-	1,621,443
Subtotal - Continuing Appropriations	1,434,499	749,223	2,579,160	932,133	1,113	-	-	5,693,902	2,843,498	2,850,404
Subsequent Year's Budget	1,227,578	-	-	-	492,462	-	-	735,116	-	735,116
Extended Leave	188,064	-	-	5,335	-	-	-	193,399	-	193,399
Power Line Funds Projects	414,763	-	62,404	-	46,914	-	-	430,253	60,000	370,253
Highway Bridge Projects	369,666	262,378	-	-	-	-	-	632,044	198,166	433,878
Murphy Dam Repair/Replace	3,726	-	-	-	-	-	-	3,726	1,494	2,232
Total Assigned Balances	3,638,296	1,011,601	2,641,564	937,468	540,489	-	-	7,688,440	3,103,158	4,585,282
Unassigned	5,892,696	4,472,936	7,037,061	616,821	996,573	542,673	322,184	17,243,430	10,133,076	7,110,354
Total General Fund Balance	<u>\$ 11,032,022</u>	<u>\$ 5,499,015</u>	<u>\$ 9,875,447</u>	<u>\$ 1,613,394</u>	<u>\$ 1,613,394</u>	<u>\$ 542,673</u>	<u>\$ 322,184</u>	<u>\$ 26,626,973</u>	<u>\$ 13,508,711</u>	<u>\$ 13,118,262</u>