

PORTAGE COUNTY, WISCONSIN

ANNUAL FINANCIAL REPORT

DECEMBER 31, 2010

PORTAGE COUNTY, WISCONSIN
December 31, 2010

Table of Contents

	<u>Page No.</u>
INDEPENDENT AUDITORS' REPORT ON BASIC FINANCIAL STATEMENTS	1 - 2
MANAGEMENT'S DISCUSSION AND ANALYSIS	3 - 9
BASIC FINANCIAL STATEMENTS	
Government-wide Financial Statements	
Statement of Net Assets	10
Statement of Activities	11 - 12
Fund Financial Statements	
Balance Sheet - Governmental Funds	13 - 15
Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	16 - 18
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - General Fund	19
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Social Improvement	20
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - County Roads and Bridges	21
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Sales Tax	22
Statement of Net Assets - Proprietary Funds	23 - 24
Statement of Revenues, Expenses and Changes in Net Assets - Proprietary Funds	25 - 26
Statement of Cash Flows - Proprietary Funds	27 - 28
Statement of Net Assets - Fiduciary Funds - Agency Funds	29
Notes to Basic Financial Statements	30 - 54
SUPPLEMENTAL INFORMATION	
Combining Balance Sheet - Nonmajor Governmental Funds	55 - 56
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Governmental Funds	57 - 58
Combining Statement of Net Assets - Internal Service Funds	59
Combining Statement of Revenues, Expenses and Changes in Net Assets - Internal Service Funds	60
Combining Statement of Cash Flows - Internal Service Funds	61



INDEPENDENT AUDITORS' REPORT ON BASIC FINANCIAL STATEMENTS

To the County Board
Portage County, Wisconsin

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, the discretely presented component unit, and the aggregate remaining fund information of Portage County, Wisconsin ("the County") as of and for the year ended December 31, 2010, which collectively comprise the County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of Portage County's management. Our responsibility is to express opinions on these financial statements based on our audit. The prior year summarized comparative information has been derived from the County's 2009 financial statements and, in our report dated July 26, 2010, we expressed unqualified opinions on the respective financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information.

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 includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall basic financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, the discretely presented component unit, and the aggregate remaining fund information of the County as of December 31, 2010, and the respective changes in financial position and cash flows, where applicable, thereof and the respective budgetary comparison for the general fund and the social improvement, county roads and bridges and sales tax special revenue funds for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated July 20, 2011 on our consideration of the County's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

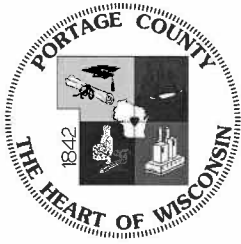
Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 3 through 9 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental 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.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Portage County, Wisconsin's financial statements as a whole. The combining fund financial statements are presented for purposes of additional analysis and are not a required part of the financial statements. The combining fund financial statements are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.



Certified Public Accountants
Stevens Point, Wisconsin
July 20, 2011

MANAGEMENT'S DISCUSSION AND ANALYSIS



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Management's Discussion and Analysis
December 31, 2010

As management of Portage County, we offer the readers of Portage County's financial statements this narrative overview and analysis of the financial activities of Portage County for the fiscal year ended December 31, 2010. We encourage readers to consider the information presented here in conjunction with the notes to the financial statements.

Financial Highlights

- The assets of the County exceeded its liabilities as of December 31, 2010 by \$155,243,533 (*net assets*). Of this amount, \$50,892,197 (*unrestricted net assets*) may be used to meet the County's ongoing obligations to citizens and creditors.
- The County's property tax rate increased to \$4.99 which was an increase of \$0.19 per \$1,000 of property value for from the previous year which was \$4.80.
- As of December 31, 2010, the County's governmental funds reported combined ending fund balances of \$55,680,806 a decrease of \$2,775,774 in comparison with the prior year. Approximately 68% (\$37,669,460) of this total amount is *available for spending* at the County's discretion (*unreserved fund balance*).

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to Portage County's basic financial statements. Portage 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 *government-wide financial statements* are designed to provide readers with a broad overview of Portage County's finances, in a manner similar to a private-sector business.

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

The *statement of activities* presents information showing how the County's net assets changed during the most recent year. All changes in net assets 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., earned but unused vacation leave.)

Both of the government-wide financial statements distinguish functions of the County that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the County include general government, public safety, public works, health and human services, culture and recreation, and conservation and development. The business-type activities of the County include highway operations, health care center, long term care services, and solid waste services.

The government-wide financial statements can be found on pages 10 - 12 of this report.

Fund financial statements. A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The County, 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 two 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*.

Portage County maintains thirteen (13) individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the general fund, social improvement, county roads and bridges, sales tax and debt service funds all of which are considered to be major funds. Data from the other eight (8) 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.

Portage County adopts an annual appropriated budget for all its governmental funds. As part of the basic governmental fund financial statements, budgetary comparison statements have been provided for the general fund, social improvement fund, county roads and bridges fund and sales tax fund to demonstrate compliance with the budget.

The basic governmental fund financial statements can be found on pages 13 - 22 of this report.

Proprietary funds. The County maintains different types of proprietary funds. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The County uses enterprise funds to account for the Health Care Center, Solid Waste, County Highway, and Long-term Care. *Internal service funds* are an accounting device used to accumulate and allocate costs internally among the County's various functions. The County uses internal service funds to account for its self funded health insurance, data processing, phone system, and self funded workers compensation. Because these services predominantly benefit governmental rather than business-type functions, they have been included within *governmental activities* in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Health Care Center, Solid Waste, County Highway, and Long-term Care funds. All of the proprietary funds are considered to be major funds of the County. 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 on pages 23 - 28 of this report.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of 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. The basic fiduciary fund financial statements can be found on page 29 of this report.

Notes to the basic financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 30 - 54 of this report.

Other information. The combining statements referred to earlier in connection with nonmajor governmental funds, nonmajor enterprise funds and internal service funds are presented immediately following the required supplementary information.

Government-wide Financial Analysis

Net assets. As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of the County, assets exceeded liabilities by \$155,243,533 at the close of 2010.

Portage County's Net Assets (in thousands of dollars)						
	Governmental Activities		Business-type Activities		Totals	
	2010	2009	2010	2009	2010	2009
Current and other assets	\$ 93,167,981	\$ 95,530,595	\$ 5,876,782	\$ 5,789,946	\$ 99,044,763	\$ 101,320,541
Capital assets	85,829,549	83,824,105	11,060,109	11,342,070	96,889,658	95,166,175
Total Assets	178,997,530	179,354,700	16,936,891	17,132,016	195,934,421	196,486,716
Long-term liabilities						
outstanding	7,115,239	10,017,634	3,450,089	3,362,400	10,565,328	13,380,034
Other liabilities	27,316,858	27,782,993	2,808,702	3,039,897	30,125,560	30,822,890
Total Liabilities	34,432,097	37,800,627	6,258,791	6,402,297	40,690,888	44,202,924
Net Assets						
Invested in capital assets, net of related debt	81,354,549	76,369,105	9,465,103	9,500,442	90,819,652	85,869,547
Restricted	13,519,037	12,922,986	12,647	586,221	13,531,684	13,509,207
Unrestricted	49,691,847	52,261,982	1,200,350	643,056	50,892,197	52,905,038
Total Net Assets	\$ 144,565,433	\$ 141,554,073	\$ 10,678,100	\$ 10,729,719	\$ 155,243,533	\$ 152,283,792

By far the largest portion of the County's net assets (59%) reflects its investment in capital assets (e.g. land, buildings, machinery and equipment, infrastructure, etc.), less any related debt used to acquire those assets that are still outstanding. The County uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although, the County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the County's net assets (9%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of *unrestricted net assets* (\$50,892,197) may be used to meet the County's ongoing obligations to citizens and creditors.

Change in net assets. Governmental activities increased the County's net assets by \$3,068,943 thereby accounting for the total growth in net assets of the County. Key elements of this increase are as follows:

Portage County's Change in Net Assets						
(In thousands of dollars)						
	Governmental Activities		Business-type Activities		Totals	
	2010	2009	2010	2009	2010	2009
Revenues						
Program Revenues						
Charges for services	\$ 11,102,989	\$ 10,256,235	\$ 19,200,742	\$ 18,793,120	\$ 30,303,731	\$ 29,049,355
Operating grants and contributions	11,073,237	11,598,697	889,346	1,190,486	11,962,583	12,789,183
Capital grants and contributions	662,000	5,680,288	13,537	274,477	675,537	5,954,765
General Revenues						
Property taxes	23,619,414	22,578,126	1,530,448	1,498,547	25,149,862	24,076,673
Other taxes	5,004,539	5,071,480	-	-	5,004,539	5,071,480
Grants and contributions not restricted to specific programs	2,713,083	2,815,682	-	-	2,713,083	2,815,682
Other	2,500,489	2,034,943	157,472	146,257	2,657,961	2,181,200
Total Revenues	56,675,751	60,035,451	21,791,545	21,902,887	78,467,296	81,938,338
Expenses						
General government	9,097,695	10,151,012	-	-	9,097,695	10,151,012
Public safety	12,964,125	12,515,082	-	-	12,964,125	12,515,082
Public works	7,597,035	1,501,159	-	-	7,597,035	1,501,159
Health and human services	17,375,773	16,927,727	-	-	17,375,773	16,927,727
Culture and recreation	3,244,412	3,551,984	-	-	3,244,412	3,551,984
Conservation and development	3,014,077	2,289,266	-	-	3,014,077	2,289,266
Interest on long-term debt	313,691	430,777	-	-	313,691	430,777
Health care center	-	-	9,276,206	9,086,911	9,276,206	9,086,911
Solid waste	-	-	2,210,066	2,777,980	2,210,066	2,777,980
County highway	-	-	10,356,892	10,684,095	10,356,892	10,684,095
Total Expenses	53,606,808	47,367,007	21,843,164	22,548,986	75,449,972	69,915,993
Increase in Net Assets						
before Transfers	3,068,943	12,668,444	(51,619)	(646,099)	3,017,324	12,022,345
Transfers	-	(25,620)	-	25,620	-	-
Change in Net Assets	3,068,943	12,642,824	(51,619)	(620,479)	3,017,324	12,022,345
Prior year adjustment	(57,583)	2,261,353	-	-	(57,583)	2,261,353
Net Assets - January 1	141,554,073	126,649,896	10,729,719	11,350,198	152,283,792	138,000,094
Net Assets - December 31	\$ 144,565,433	\$ 141,554,073	\$ 10,678,100	\$ 10,729,719	\$ 155,243,533	\$ 152,283,792

Financial Analysis of the County's Funds

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

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

As of year end, the County's governmental funds reported combined ending fund balances of \$55,680,806, a decrease of \$2,775,774 from the prior year. Approximately 68% of this amount \$37,669,460 constitutes *unreserved fund balance*, which is available for spending at the County's discretion. The remainder of fund balance is *reserved* to indicate that it is not available for new spending because it has already been committed 1) for current year purchases of inventory and prepayments that benefit periods beyond the end of the current year (\$74,743), 2) for non-liquid delinquent taxes (\$3,127,967), and 3) for a variety of other restricted purposes (\$14,808,636).

The general fund is the chief operating fund of the County. At the end of the current year, unreserved fund balance of the general fund was \$16,669,355, while total fund balance reached \$32,601,311. As a measure of the general fund's liquidity, it may be useful to compare both unreserved fund balance and total fund balance to total fund expenditures. Unreserved fund balance represents 58% of total general fund expenditures, while total fund balance represents 113% of that same amount.

The fund balance of the County's general fund increased by \$1,202,891 during the current year. Key factors in this increase were growth in the Central WI Airport and decreased departmental spending.

The social improvement fund has a total fund balance of \$873,804. The fund balance total includes donor restricted contributions and donor unrestricted contributions that are carried forward for future uses. The increase in the social improvement fund is due to a decrease in high cost placements for juveniles.

The county roads and bridges fund has a total fund balance of \$1,500,362 of which all of it is unreserved but designated for future expenditures. This unreserved fund balance represents 19% of total county road and bridge expenditures. The fund balance of the county road and bridges fund decreased by \$2,310,134 during the current year.

The sales tax fund has a total fund balance of \$1,081,985 of which all of it is unreserved but designated for future expenditures. This unreserved fund balance represents 22% of total sales tax transfers. The fund balance of the sales tax fund decreased by \$105,796 during the current year. The fund balance decrease is due to an unexpected loss resulting from the retail environment during 2010.

The debt service fund has a total fund balance of \$1,836,784, of which \$1,595,006 is reserved and the remaining \$241,778 is unreserved but designated for future expenditures. This reserved fund balance represents 56% of total debt service expenditures.

The fund balance of the debt service fund decreased by \$246,621 during the current year. The fund balance decrease results from repayment of advances to the health care center and solid waste fund.

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

Unrestricted net assets of the Health Care Center at the end of the year amounted to \$738,062. The total decrease in net assets was \$572,945.

Unrestricted net assets of the Solid Waste fund at the end of the year amounted to \$8,393. The total increase in net assets was \$134,606. The Solid Waste fund suffered significant losses due to recycling sales in 2009 as the commodities market declined.

Unrestricted net assets of the county highway fund at the end of the year amounted to \$(47,899). The total increase in net assets was \$114,981.

Other factors concerning the finances of the proprietary funds have already been addressed in the discussion of the County's business-type activities.

General Fund Budgetary Highlights

Generally the original budget is rarely modified. The County made modifications to its original budget in 2010 for additional grants received during the year, early budget deficit projections or changes requiring a budget modification.

During the year, actual revenues were greater than budgeted revenues by \$1,327,744. Actual expenditures were less than budgeted expenditures by \$908,550 with positive variances across all categories except for public works.

Capital Asset and Debt Administration

Capital assets. The County's investment in capital assets for its governmental and business-type activities as of yearend amounts to \$96,889,658 (net of accumulated depreciation). This investment in capital assets includes land, land improvements, buildings, machinery and equipment, vehicles, public domain infrastructure (highways and bridges), and construction in progress.

Major capital assets acquired or constructed during the year include:

- The continuation of various Parks capital improvement projects.
- The continuation of a multi-year plan for county-wide building security systems.
- Various information technology related infrastructure projects were completed during the year.

Portage County's Capital Assets (net of accumulated depreciation)						
	Governmental Activities		Business-type Activities		Totals	
	2010	2009	2010	2009	2010	2009
Land and improvements	\$ 12,324,705	\$ 11,583,877	\$ 8,040,356	\$ 7,919,239	\$ 20,365,061	\$ 19,503,116
Buildings	19,831,817	19,721,482	9,651,182	9,750,663	29,482,999	29,472,145
Machinery and equipment	8,247,238	7,517,753	14,957,122	15,088,461	23,204,360	22,606,214
Infrastructure	114,069,566	112,530,882	-	-	114,069,566	112,530,882
Construction in progress	2,195,634	784,674	-	-	2,195,634	784,674
Total	156,668,960	152,138,668	32,648,660	32,758,363	189,317,620	184,897,031
Less: Accumulated depreciation	70,839,411	68,314,563	21,588,551	21,416,293	92,427,962	89,730,856
Assets Net of Accumulated Depreciation	\$ 85,829,549	\$ 83,824,105	\$ 11,060,109	\$ 11,342,070	\$ 96,889,658	\$ 95,166,175

Long-term debt. At the end of the current fiscal year, the County had total bonded debt outstanding of \$4,475,000.

Portage County's Outstanding Debt						
General Obligation Debt and Revenue Bonds						
	Governmental Activities		Business-type Activities		Totals	
	2010	2009	2010	2009	2010	2009
General Obligation Debt	\$ 4,475,000	\$ 7,455,000	\$ -	\$ -	\$ 4,475,000	\$ 7,455,000

The County's total debt decreased by \$2,980,000 (40%) during the current fiscal year. The primary factor in this decrease was that no new debt was issued in 2010, and only normal payments were made during the year.

Economic Factors and Next Year's Budgets and Rates

- The annual average unemployment rate for the County was 7.2% in 2010, an increase from 7% in 2009. The statewide annual average unemployment rate was 8.3% in 2010, an increase from 8.5% in 2009. The County's unemployment rate remains slightly below the statewide rate.
- The County remains under a statutory rate freeze along with other declining revenue sources such as grants, user fees, sales tax income, and investment income.
- The County will continue to evaluate the proper use of reserves for capital projects and other expenditures.
- The County experienced a decline in retail sales in 2010. This trend is continuing in 2011 as a result of the economic downturn.
- The County kept the tax levy fees for the 2011 budget.

All of these factors were considered in preparing the County's budget for the 2011 fiscal year.

Contacting the County's Financial Management

This financial report is designed to provide a general overview of Portage 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 County Finance Director, Portage County Finance Department, 1462 Strongs Avenue, Stevens Point, WI 54481.

BASIC FINANCIAL STATEMENTS

PORTAGE COUNTY, WISCONSIN

Statement of Net Assets

December 31, 2010

(With summarized financial information for December 31, 2009)

	Governmental Activities	Business-type Activities	Totals		Component Unit
			2010	2009	
ASSETS					
Cash and investments	\$ 46,812,721	\$ 222,006	\$ 47,034,727	\$ 50,013,848	\$ 188,676
Receivables					
Taxes	23,418,625	1,528,765	24,947,390	24,947,608	-
Delinquent taxes	5,321,390	-	5,321,390	4,368,777	-
Accounts	1,244,724	1,643,168	2,887,892	3,312,425	-
Loans	305,407	-	305,407	484,827	-
Internal balances	1,903,992	(1,903,992)	-	-	-
Due from other governments	1,364,675	821,102	2,185,777	2,816,353	-
Inventories and prepaid items	202,075	1,116,808	1,318,883	1,389,437	17,716
Deferred charges	-	4,064	4,064	5,691	-
Restricted assets					
Cash and investments	-	2,444,861	2,444,861	2,310,404	400,715
Investment in Central Wisconsin Airport	12,594,372	-	12,594,372	11,671,171	-
Capital assets, nondepreciable					
Land	11,655,937	961,260	12,617,197	12,294,481	92,300
Construction in progress	2,195,634	-	2,195,634	784,674	-
Capital assets, depreciable					
Land improvements	668,768	7,079,096	7,747,864	7,208,635	127,104
Buildings and improvements	19,831,817	9,651,182	29,482,999	29,472,145	2,534,838
Machinery and equipment	8,247,238	14,957,122	23,204,360	22,606,214	209,795
Infrastructure	114,069,566	-	114,069,566	112,530,882	-
Less: Accumulated depreciation	(70,839,411)	(21,588,551)	(92,427,962)	(89,730,856)	(1,632,427)
TOTAL ASSETS	178,997,530	16,936,891	195,934,421	196,486,716	1,938,717
LIABILITIES					
Accounts payable	2,299,958	833,279	3,133,237	3,729,419	93,238
Accrued and other current liabilities	1,063,427	188,309	1,251,736	1,457,610	-
Accrued interest payable	19,731	11,637	31,368	44,943	-
Due to other governments	301,844	-	301,844	428,820	-
Unearned revenues	23,631,898	1,775,477	25,407,375	25,162,098	3,640
Landfill post closure care	-	2,630,851	2,630,851	2,868,266	-
Long-term obligations					
Due within one year	4,105,249	233,456	4,338,705	3,760,000	15,000
Due in more than one year	3,009,990	585,782	3,595,772	6,751,768	282,325
TOTAL LIABILITIES	34,432,097	6,258,791	40,690,888	44,202,924	394,203
NET ASSETS					
Invested in capital assets, net of related debt	81,354,549	9,465,103	90,819,652	85,869,547	1,088,168
Restricted for					
Debt service	241,778	-	241,778	241,777	-
Community development	342,295	12,647	354,942	658,621	378,604
Investment in Central Wisconsin Airport	12,594,372	-	12,594,372	11,671,171	-
Endowments and other restrictions	340,592	-	340,592	351,417	-
Post closure	-	-	-	586,221	-
Unrestricted	49,691,847	1,200,350	50,892,197	52,905,038	77,742
TOTAL NET ASSETS	\$ 144,565,433	\$ 10,678,100	\$ 155,243,533	\$ 152,283,792	\$ 1,544,514

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

PORTAGE COUNTY, WISCONSIN

Statement of Activities

For the Year Ended December 31, 2010

(With summarized financial information for the Year Ended December 31, 2009)

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary Government				
Governmental Activities				
General government	\$ 9,097,695	\$ 1,486,800	\$ 472,326	\$ -
Public safety	12,964,125	2,050,211	563,823	-
Public works	7,597,035	1,863,510	2,139,371	-
Health and human services	17,375,773	5,025,568	7,280,363	-
Culture and recreation	3,244,412	410,526	130,349	-
Conservation and development	3,014,077	266,374	487,005	662,000
Interest and fiscal charges	313,691	-	-	-
Total Governmental Activities	53,606,808	11,102,989	11,073,237	662,000
Business-type Activities				
Health care center	9,276,206	6,719,160	573,555	13,537
Solid waste	2,210,066	1,883,300	315,791	-
County highway	10,356,892	10,598,282	-	-
Total Business-type Activities	21,843,164	19,200,742	889,346	13,537
Total Primary Government	\$ 75,449,972	\$ 30,303,731	\$ 11,962,583	\$ 675,537
Component Unit				
Housing Authority of Portage County	\$ 1,323,605	\$ 207,505	\$ 1,163,786	\$ -

General revenues

Taxes

Property taxes, levied for general purposes

Sales tax

Other taxes

Federal and state grants and other contributions

not restricted to specific functions

Interest and investment earnings

Miscellaneous

Total general revenues

Change in net assets

Net assets - January 1

Prior period adjustment

Net assets - January 1 (as restated)

Net assets - December 31

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

Net (Expense) Revenue and Changes in Net Assets				
Governmental Activities	Business-type Activities	Totals		Component Unit
		2010	2009	
\$ (7,138,569)	\$ -	\$ (7,138,569)	\$ (8,187,804)	\$ -
(10,350,091)	-	(10,350,091)	(9,888,689)	-
(3,594,154)	-	(3,594,154)	7,638,516	-
(5,069,842)	-	(5,069,842)	(4,566,152)	-
(2,703,537)	-	(2,703,537)	(3,005,945)	-
(1,598,698)	-	(1,598,698)	(1,390,936)	-
(313,691)	-	(313,691)	(430,777)	-
<u>(30,768,582)</u>	<u>-</u>	<u>(30,768,582)</u>	<u>(19,831,787)</u>	<u>-</u>
-	(1,969,954)	(1,969,954)	(1,539,858)	-
-	(10,975)	(10,975)	(741,052)	-
-	241,390	241,390	(9,993)	-
<u>-</u>	<u>(1,739,539)</u>	<u>(1,739,539)</u>	<u>(2,290,903)</u>	<u>-</u>
<u>(30,768,582)</u>	<u>(1,739,539)</u>	<u>(32,508,121)</u>	<u>(22,122,690)</u>	<u>-</u>
-	-	-	-	47,686
23,619,414	1,530,448	25,149,862	24,076,673	-
4,794,204	-	4,794,204	4,866,422	-
210,335	-	210,335	205,058	-
2,713,083	-	2,713,083	2,815,682	-
1,384,591	150,465	1,535,056	1,528,268	1,475
1,115,898	7,007	1,122,905	652,932	8,947
<u>33,837,525</u>	<u>1,687,920</u>	<u>35,525,445</u>	<u>34,145,035</u>	<u>10,422</u>
<u>3,068,943</u>	<u>(51,619)</u>	<u>3,017,324</u>	<u>12,022,345</u>	<u>58,108</u>
141,554,073	10,729,719	152,283,792	138,000,094	1,486,406
<u>(57,583)</u>	<u>-</u>	<u>(57,583)</u>	<u>2,261,353</u>	<u>-</u>
<u>141,496,490</u>	<u>10,729,719</u>	<u>152,226,209</u>	<u>140,261,447</u>	<u>1,486,406</u>
<u>\$ 144,565,433</u>	<u>\$ 10,678,100</u>	<u>\$ 155,243,533</u>	<u>\$ 152,283,792</u>	<u>\$ 1,544,514</u>

PORTAGE COUNTY, WISCONSIN

Balance Sheet

Governmental Funds

December 31, 2010

(With summarized financial information for December 31, 2009)

	General	Social Improvement	County Roads and Bridges	Sales Tax
ASSETS				
Cash and investments	\$ 15,588,281	\$ 1,245,809	\$ 1,371,937	\$ 1,081,985
Receivables				
Taxes	11,590,041	4,762,351	3,287,408	-
Delinquent taxes	5,321,390	-	-	-
Accounts	852,430	307,312	-	-
Loans	-	-	-	-
Due from other funds	836,706	-	-	-
Advance to other funds	-	-	-	-
Due from other governments	814,240	150,814	135,016	-
Inventories	40,964	-	-	-
Prepaid items	15,044	7,025	-	-
Investment in Central Wisconsin Airport	12,594,372	-	-	-
TOTAL ASSETS	\$ 47,653,468	\$ 6,473,311	\$ 4,794,361	\$ 1,081,985
LIABILITIES AND FUND BALANCES				
Liabilities				
Accounts payable	\$ 763,417	\$ 434,726	\$ 6,591	\$ -
Due to other funds	-	-	-	-
Accrued and other current liabilities	841,678	106,326	-	-
Due to other governments	60,480	241,364	-	-
Deferred revenues	13,386,582	4,817,091	3,287,408	-
Total Liabilities	15,052,157	5,599,507	3,293,999	-
Fund Balances				
Reserved for				
Inventories and prepaid items	56,008	7,025	-	-
Advance to other funds	-	-	-	-
Investment in Central Wisconsin Airport	12,594,372	-	-	-
Delinquent property taxes	3,127,967	-	-	-
Sheriff forfeitures	153,609	-	-	-
Endowments	-	-	-	-
Community development	-	-	-	-
Retirement of long-term debt	-	-	-	-
Unreserved, designated				
Designated for				
General fund	3,075,966	-	-	-
Special revenue funds	-	866,779	1,500,362	1,081,985
Capital projects funds	-	-	-	-
Undesignated, reported in				
General fund	13,593,389	-	-	-
Capital projects funds	-	-	-	-
Total Fund Balances	32,601,311	873,804	1,500,362	1,081,985
TOTAL LIABILITIES AND FUND BALANCES	\$ 47,653,468	\$ 6,473,311	\$ 4,794,361	\$ 1,081,985

(Continued)

Debt Service	Capital Improvements	Nonmajor Governmental Funds	Total Governmental Funds	
			2010	2009
\$ 241,778	\$ 10,716,544	\$ 7,117,488	\$ 37,363,822	\$ 40,767,525
2,786,745	300,000	692,080	23,418,625	23,417,160
-	-	-	5,321,390	4,368,777
-	1,275	6,720	1,167,737	1,229,858
-	-	305,407	305,407	484,827
-	-	-	836,706	742,430
1,595,006	-	-	1,595,006	1,841,628
-	-	254,513	1,354,583	2,196,951
-	8,965	-	49,929	50,948
-	-	2,745	24,814	26,248
-	-	-	12,594,372	11,671,171
\$ 4,623,529	\$ 11,026,784	\$ 8,378,953	\$ 84,032,391	\$ 86,797,523

\$ -	\$ 172,038	\$ 62,182	\$ 1,438,954	\$ 1,589,792
-	-	486	486	-
-	349	41,015	989,368	905,733
-	-	-	301,844	428,820
2,786,745	300,000	1,043,107	25,620,933	25,416,598
2,786,745	472,387	1,146,790	28,351,585	28,340,943

-	8,965	2,745	74,743	77,196
1,595,006	-	-	1,595,006	1,841,628
-	-	-	12,594,372	11,671,171
-	-	-	3,127,967	2,583,317
-	-	-	153,609	167,978
-	-	186,983	186,983	183,439
-	-	36,888	36,888	173,794
241,778	-	-	241,778	241,777
-	-	-	3,075,966	3,079,825
-	-	7,005,547	10,454,673	13,174,346
-	3,219,651	-	3,219,651	3,830,180
-	-	-	13,593,389	13,827,223
-	7,325,781	-	7,325,781	7,604,706
1,836,784	10,554,397	7,232,163	55,680,806	58,456,580
\$ 4,623,529	\$ 11,026,784	\$ 8,378,953	\$ 84,032,391	\$ 86,797,523

PORTAGE COUNTY, WISCONSIN

Balance Sheet (Continued)

Governmental Funds

December 31, 2010

(With summarized financial information for December 31, 2009)

<u>Reconciliation to the Statement of Net Assets</u>	2010	2009
Total Fund Balances as shown on previous page	\$ 55,680,806	\$ 58,456,580
Amounts reported for governmental activities in the statement of net assets are different because:		
Capital assets used in governmental activities are not current financial resources and therefore are not reported in the funds.	85,829,549	83,824,105
Other long-term assets are not available to pay current period expenditures and therefore are deferred in the funds.		
Delinquent taxes, including accrued interest	1,683,628	1,352,898
Loans receivable	305,407	484,827
Internal service funds are used by management to charge costs of various services to individual funds. Internal service funds are included in the governmental activities on the statement of net assets.	8,201,013	7,485,212
Some liabilities are not due and payable in the current period and, therefore, are not reported in the funds.		
Bonds and notes payable	\$ (4,475,000)	(7,455,000)
Compensated absences	(2,640,239)	(2,562,634)
Accrued interest on long-term obligations	(19,731)	(31,915)
	<u>(7,134,970)</u>	<u>(31,915)</u>
Net Assets of Governmental Activities as Reported on the Statement of Net Assets (see page 10)	<u>\$ 144,565,433</u>	<u>\$ 141,554,073</u>

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

