

Sauk County, Wisconsin  
**Accounting Annual Report**

**2013 Mission:** To facilitate the effective and efficient use of County resources and to provide a record and accountability for those resources, the Sauk County Accounting Department provides financial expertise and leadership, maintains financial records, satisfies the County’s financial obligations, and prepares managerial, financial and agency reports. County Board Supervisors, managers and citizens as well as other governmental units and funding agencies are served through consultation and information dissemination, maintenance of an accounting system according to established accounting principles, and coordination of budget preparation and implementation.

**Departmental Program Summary:**

The Accounting Department provides the day-to-day verification, processing and accumulation of financial transactions for all County departments. This includes issuing accounts payable checks to our vendors, payroll checks to our employees, and maintenance of a general ledger to track these transactions. The Accounting Department also orchestrates the development of the County’s annual budget, assists in planning processes, monitors departments’ compliance with the intent of the budget and takes appropriate actions when deviations are found. In addition, the Department performs audits of County departments as necessary, coordinates the County’s general financial audit and assists in audits of specific programs. Finally, departmental staff provide financial analysis of actions considered by the County Board.

**2013 Goals Review**

OBJECTIVE	WAS THIS OBJECTIVE REACHED IN 2013?
	Yes or No (If no, please provide comment)
Number of new and recurring audit findings is less than three	Yes, zero new findings, but recurring material weakness related to internal accounting controls.
The budget document receives the Government Finance Officers Association (GFOA) Distinguished Budget Presentation Award	Yes, the Award was received for the 2013 budget document.
One or two new or revised financial policies are adopted based on nationally recognized recommended practices	No updates were made to any County financial policies. The credit card policy was reviewed, but no updates made.
Creation of a Comprehensive Annual Financial Report (CAFR) instead of basic financial statements	Yes. Sauk County’s first ever CAFR was completed for the year ended 2012, and it won the GFOA Certificate of Achievement for Excellence in Financial Reporting.
Award of Special Capital Recognition by Government Finance Officers Association for budget document	Special Capital Recognition award not received. Reviewers noted need for more quantifiable operating projected costs and savings.

**Changes / Accomplishments:**

Our most prestigious accomplishments in 2013 were receipt of two Government Finance Officers Association awards. The Distinguished Budget Presentation Award was earned for the eleventh year in a row for the County’s 2013 budget. Also during 2013, the County expanded its basic audited financial statements to include more narrative and statistical data for creation of a Consolidated Annual Financial Report (CAFR). This CAFR received the Certificate of Achievement for Excellence in Financial Reporting. Receipt of these awards acknowledges the County’s commitment to sound financial planning and full disclosure, and is a positive factor in information dissemination and credit rating reviews.

Changing labor relations, payroll and benefits continued to play a large role in 2013. Union decertification(s), the Federal Affordable Care Act, health insurance provider change, and the start of the classification and compensation study were begun in 2013 and will continue into 2014.

The Federal economic development grant project for fiber optics expansion was completed, including financial reporting. Similarly, CDBG grant programs for housing rehabilitation and emergency assistance funds from the 2008 flooding were accomplished, with expenditures completed and program monitoring (audit) nearing completion. Two other CDBG programs, flood recovery for small businesses and the revolving loan fund, continue to involve considerable staff time. Related to grant administration, the trend toward increased emphasis on grant monitoring has continued. Audits stress documentation of and adherence to internal controls, as well as evidence of multiple person review of transactions and filings. More rigorous review of vendor payments includes verifying vendors are not suspended or debarred. For the second year, preparation of the Report on Federal and State awards was completed in-house, instead of by the County’s auditors, enabling the removal of a significant deficiency previously reported in the County’s audit.

Other projects of note included exploration of using County fund balance in productive ways, such as for major capital projects like the UW-Baraboo/Sauk County science facility remodeling and debt prepayment. Also, 2013 marked the biennial Mid-Term Assessment of Sauk County goals, and successful citizen forums to elicit input from the public regarding County priorities for the 2014 budget. These projects will continue into 2014.

**Statistical Summary:**

**OUTPUT MEASURES**

<b>DESCRIPTION</b>	<b>2011 ACTUAL</b>	<b>2012 ACTUAL</b>	<b>2013 ACTUAL</b>
Accounts payable checks issued	10,032	9,291	8,619
Payroll checks issued	4,719, or 26%	4,315, or 24%	3,876, or 21%
Direct deposit advices issued	13,340 or 74%	13,695 or 76%	14,305 or 79%
W2’s issued to employees	847	813	807

## OUTCOME AND EFFICIENCY MEASURES

DESCRIPTION	2011 ACTUAL	2012 ACTUAL	2013 ACTUAL
Government Finance Officers Association Distinguished Budget Award received with “proficient” or “outstanding” ratings	Yes, for 2011 budget (9 <sup>th</sup> year) Proficient 71 of 81, 88% Outstanding 9 of 81, 11%	Yes, for 2012 budget (10 <sup>th</sup> year) Proficient 60 of 81, 74% Outstanding 21 of 81, 26%	Yes, for 2013 budget (11 <sup>th</sup> year) Proficient 43 of 81, 53% Outstanding 35 of 81, 43%
New financial audit findings reported in the management letter prepared by the County’s external auditors (Note: New audit finding for 2009 actual are from 2008’s audit with results received in 2009.)	Zero for 2010 audit, not counting material weaknesses related to SAS 103 to 111	Zero for 2011 audit, not counting material weakness related to internal accounting controls	Zero for 2012 audit, not counting material weakness related to internal accounting controls
Preserve and enhance the County’s bond rating as issued by Moody’s	No debt funding or refunding needed, so no changes	No debt funding or refunding needed, so no changes	No debt funding or refunding needed, so no changes

## STATISTICAL SUMMARY

	2009	2010	2011	2012	2013
Accounts Payable Checks Issued	11,233	10,636	10,032	9,291	8,619
1099’s Issued to Vendors at Yearend	254	258	234	265	232
Payroll Checks Issued	6,234	5,583	4,719	4,315	3,876
Direct Deposit Advices Issued	13,917	14,047	13,340	13,695	14,305
W2’s Issued to Employees at Yearend	900	881	847	813	807
Total County Payroll	\$29,182,357	\$28,822,637	\$27,364,211	\$26,717,458	\$27,176,408
Accounting Staff Full-Time Equivalents	4.0	4.0	4.0	4.0	4.0
Accounting Overtime Hours Paid	25.25	7.75	9.75	0	0
New Audit Findings - Financial Audit	2 Findings in 2009 audit, and material weakness for new auditing standards	0 Findings in 2010 audit, but material weakness for new auditing standards	0 Findings in 2011 audit, but material weakness for internal accounting controls	0 Findings in 2012 audit, but material weakness for internal accounting controls	Not Yet Available
Unresolved Prior Years’ Audit Findings - Financial Audit	0	1	0	0	Not Yet Available
New Audit Findings - Compliance Audits	4	1	5	5	Not Yet Available
Moody’s Credit Rating	Confirmed at Aa3	Confirmed at Aa2 (as recalibrated)	Rating not sought	Rating not sought	Rating not sought
Government Finance Officers Distinguished Budget Award Received?	Yes, for 2009 budget	Yes, for 2010 budget	Yes, for 2011 budget	Yes, for 2012 budget	Yes, for 2013 budget
GFOA Budget Award Ratings Considered Proficient or Outstanding	79 of 81 Or 98%	79 of 81 Or 98%	80 of 81 Or 99%	81 of 81 Or 100%	78 of 81 Or 96%