MARATHON COUNTY

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED DECEMBER 31, 1998

COMPREHENSIVE ANNUAL FINANCIAL REPORT

MARATHON COUNTY, WISCONSIN

FOR THE YEAR ENDED

DECEMBER 31,1998

DEPARTMENT OF FINANCE
Bryon A. Karow, Finance Director

MARATHON COUNTY, WISCONSIN
Comprehensive Annual Financial Report
For the Year Ended December 31, 1998

TABLE OF CONTENTS

Page Number

PART I - INTRODUCTORY SECTION

Letter of Transmittal from County Administrator and Finance Director I
GFOA Certificate of Achievement XX
Map XXI
History of Marathon County XXII
Marathon County Board of Supervisors - April 21, 1998 to April 18, 2000 XXIII
Standing and Statutory Committees for 1998-1999 XXIV
Discretely Presented Component Unit Committees for 1998 -1999 XXVII
Marathon County and Discretely Presented Component Units Department Heads XXVIII
Marathon County Organizational Chart 1998 XXIX

PART II - FINANCIAL SECTION

Independent Auditors' Report 2

GENERAL PURPOSE FINANCIAL STATEMENTS

Combined Balance Sheet - All Fund Types, Account Groups and Discretely Presented Component Units 4
Combined Statement of Revenues, Expenditures and Changes in Fund Balances - All Governmental Fund Types and Expendable Trust Fund 6
Combined Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual All Governmental Fund Types 8

Page Number

Combined Statement of Revenues, Expenses and Changes in Retained Earnings - All Proprietary Fund Types and Discretely Presented Component Units 10
Combined Statement of Cash Flows - All Proprietary Fund Types and Discretely Presented Component Units 12
Combining Balance Sheet - Discretely Presented Component Units 14
Combining Statement of Revenues, Expenses and Changes in Retained Earnings - Discretely Presented Component Units 16
Combining Statement of Cash Flows - Discretely Presented Component Units 18
Notes to General Purpose Financial Statements 21
Required Supplementary Information 52

COMBINING AND INDIVIDUAL FUND AND ACCOUNT GROUP FINANCIAL STATEMENTS AND SCHEDULES

GENERAL FUND 53

Comparative Balance Sheets 54
Comparative Statements of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual 56
Comparative Schedules of Revenues - Budget and Actual 58
Comparative Schedules of Expenditures - Budget and Actual 62

(Continued)

Table of Contents (Continued)

	Page Number
SPECIAL REVENUE FUNDS	69
Combining Balance Sheet	71
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	72
Comparative Balance Sheets - Social Services Fund	75
Comparative Statements of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual - Social Services Fund	76
Comparative Balance Sheets - Grants Fund	79
Comparative Statements of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual - Grants Fund	80
Comparative Balance Sheets - Employment and Training Fund	82
Comparative Statements of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual - Employment and Training Fund	83
Comparative Balance Sheets - Commission on Aging Fund	85
Comparative Statements of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual - Commission on Aging Fund	86
Comparative Balance Sheets - Special Education Fund	88
Comparative Statements of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual - Special Education Fund	89
DEBT SERVICE FUND	91
Comparative Balance Sheets	92
Comparative Statements of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual	93
CAPITAL PROJECT FUNDS	95
Combining Balance Sheet	97
Combining Statement of Revenues, Expenditures and Changes in Fund Balances (Deficits)	98
Comparative Balance Sheets - Capital Improvements Fund	101
Comparative Statements of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual - Capital Improvements Fund	102
Comparative Balance Sheets - Library Building Project Fund	104
Comparative Statements of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual - Library Building Project Fund	105
Comparative Balance Sheets - University Capital Improvement Fund	106
Comparative Statements of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual - University Capital Improvement Fund	107
Comparative Balance Sheets - Huber Facility Expansion Fund	108
Comparative Statements of Revenues, Expenditures and Changes in Fund Balances (Deficits) - Budget and Actual - Huber Facility Expansion Fund	109
ENTERPRISE FUND	111
Comparative Balance Sheets - Landfill Fund	112
Comparative Statements of Revenues, Expenses and Changes in Retained Earnings - Landfill Fund	115
Comparative Statements of Cash Flows - Landfill Fund	116

Page Number

INTERNAL SERVICE FUNDS 119

Combining Balance Sheet 120
Combining Statement of Revenues, Expenses and Changes in Retained Earnings 122
Combining Statement of Cash Flows 124
Comparative Balance Sheets - County Highway Fund 126
Comparative Statements of Revenues, Expenses and Changes in Retained Earnings - County Highway Fund 128
Comparative Statements of Cash Flows - County Highway Fund 130
Comparative Balance Sheets - Property Casualty Insurance Fund 132
Comparative Statements of Revenues, Expenses and Changes in Retained Earnings - Property Casualty Insurance Fund 133
Comparative Statements of Cash Flows - Property Casualty Insurance Fund 134
Comparative Balance Sheets - Employee Benefit Insurance Fund 135
Comparative Statements of Revenues, Expenses and Changes in Retained Earnings - Employee Benefit Insurance Fund 136
Comparative Statements of Cash Flows - Employee Benefit Insurance Fund 137

EXPENDABLE TRUST FUND 139

Comparative Balance Sheets - Deferred Compensation Fund 140
Comparative Statements of Revenues, Expenditures and Changes in Fund Balances - Deferred Compensation Fund 141

Page Number

GENERAL FIXED ASSETS ACCOUNT GROUP 143

Comparative Schedules of General Fixed Assets by Source 144
Schedule of General Fixed Assets by Function and Activity 145
Schedule of Changes in General Fixed Assets by Function and Activity 146

GENERAL LONG-TERM DEBT ACCOUNT GROUP 147

Comparative Schedules of General Long-term Debt 148

DISCRETELY PRESENTED COMPONENT UNITS 149

Comparative Balance Sheets - Central Wisconsin Airport 150
Comparative Statements of Revenues, Expenses and Changes in Retained Earnings - Central Wisconsin Airport 152
Comparative Statements of Cash Flows - Central Wisconsin Airport 154
Comparative Balance Sheets - City-County Data Center Commission 156
Comparative Statements of Revenues, Expenses and Changes in Retained Earnings - City-County Data Center Commission 157
Comparative Statements of Cash Flows - City-County Data Center Commission 158
Comparative Balance Sheets - North Central Community Services 160
Comparative Statements of Revenues, Expenses and Changes in Retained Earnings - North Central Community Services 163

(Continued)

Table of Contents (Continued)

Page Number

Comparative Statements of Cash Flows - North Central Community Services 164

PART III - STATISTICAL SECTION

Table I - Expenditures/Expenses by Function - All Funds - Last Ten Fiscal Years 168
Table II - Revenues by Source - All Funds - Last Ten Fiscal Years 169
Table III - Property Tax Levies and Collections - Last Eleven Fiscal Years 170
Table IV - Equalized Value of Taxable Property - Last Ten Fiscal Years 171
Table V - Current Equalized Value and Net Direct and Overlapping Tax Rate by Municipality - Last Ten Fiscal Years 172
Table VI - Twenty Principal Taxpayers - December 31, 1998 174
Table VII - Computation of Legal Debt Margin - December 31, 1998 175
Table VIII - Ratio of Outstanding Debt to Equalized Value and Debt per Capita - Last Ten Fiscal Years 176
Table IX - Ratio of Annual Debt Service Expenditures for General Bonded Debt to Total General Expenditures - Last Ten Fiscal Years 177
Table X - Net Direct and Overlapping General Obligation Debt - All Governmental Units - December 31, 1998 178
Table XI - Demographic Statistics and Bank Deposits - Last Ten Fiscal Years 180
Table XII - Property Values - Last Ten Fiscal Years 181
Table XIII - Number and Value of Construction Permits Last Ten Fiscal Years 182

Page Number

Table XIV - Miscellaneous Statistics - December 31, 1998 183
Table XV - Schedule of Insurance - Fiscal Year Ended December 31, 1998 184

COUNTY OF MARATHON

COURTHOUSE 500 FOREST STREET WAUSAU, WISCONSIN 54403-5568

May 20, 1999

Members of the Marathon County Board of Supervisors
and the Finance and Property Committee
Marathon County, Wisconsin

Supervisors:

Submitted herewith is the Comprehensive Annual Financial Report (CAFR) of Marathon County, Wisconsin (the County) for the year ended December 31, 1998. This report was prepared by the County's Finance Department with assistance from the County Treasurer's Office. For purposes of this CAFR the reference to County typically includes the Central Wisconsin Airport (CWA) (shown as a discretely presented component unit) unless otherwise noted. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all financial statements, footnote disclosures, supporting schedules and statistical tables rests with the County. We believe the data, as presented, is accurate in all material respects; that it is presented in a manner designed to fairly set forth the financial position, results of operations and cash flows of the proprietary funds of the County, as measured by the financial activity of its various funds and account groups; and that all disclosures necessary to enable the reader to gain the maximum understanding of the County's financial affairs have been included.

All financial information and footnotes related to the County's discretely presented component units (excluding the CWA) are a result of financial statements prepared separately from this CAFR. Except for the CWA the County Finance Department has relied upon the respective discretely presented component units' independently audited financial statements to compile the enclosed notes and statements and does not take responsibility for their accuracy. Copies of the discretely presented component units audited financial statements are available upon request from their respective finance departments.

Distribution of the CAFR is of major importance to its usefulness as a communication tool. Paper copies of this report will be sent to elected officials, County management, bond rating agencies, financial institutions and federal, state and local governmental agencies which have expressed an interest in Marathon County's financial well being. A copy of the 1997 and 1998 CAFR are also available on the Internet at www.co.marathon.wi.us.

This report has been prepared following the guidelines recommended by the Government Finance Officers Association of the United States and Canada (GFOA). These guidelines conform substantially with high standards of public financial reporting, including Generally Accepted Accounting Principles (GAAP) promulgated by the Governmental Accounting Standards Board (GASB).

The report consists of three (3) sections as follows:

Section 1 *- The introductory section contains the Letter of Transmittal from the County Administrator and Finance Director, the Certificate of Achievement for Excellence in Financial Reporting for the 1997 CAFR, map and short history of the County, a list of County Board Supervisors, Department Heads for the reporting entity, Committee Listings for 1997-1998 and an Organizational Chart.*

Section 2 *- The financial section contains the independent auditors' report, combined financial statements including the notes to the financial statements ,required supplementary information, combining and individual fund and account group financial statements and schedules as well as discretely presented component unit financial statements.*

Section 3 *- The statistical section contains selected financial and demographic information pertinent to the County and is generally presented on a multiyear basis.*

The County is required to undergo an annual single audit in conformity with the Single Audit Act Amendments of 1996, the U.S. Office of Management and Budget Circular A-133, Audits of State, Local Governments and Non-Profit Organizations and the State Single Audit Guidelines issued by the Wisconsin Department of Administration. Information related to this single audit, including the schedule of expenditures of federal and state awards, findings and recommendations, the independent auditors' reports on internal control over financial reporting and compliance with applicable laws and regulations, is available as a separate document through the Finance Department.

REPORTING ENTITY AND ITS SERVICES

The County was incorporated in 1850 and operates under a County Board-Administrator form of government. The Board of Supervisors is comprised of thirty-eight (38) members, elected by districts to serve concurrent two year terms. The terms of the current Board expire on April 18, 2000.

The County is located in central Wisconsin, approximately 185 miles northwest of Milwaukee and 175 miles east of Minneapolis/St Paul. With a total area of 1,013,760 acres (1,584 square miles), the County is the largest land county of Wisconsin's 72 counties. The City of Wausau is the County seat.

This CAFR includes all funds, account groups and discretely presented component units of the County. They include the operations of all departments shown in the organizational chart on page XXIX of this section.

The County provides a full range of services. This includes judiciary services and legal counsel, general and financial administration, including tax collections; property records and register of deeds; county planning and zoning; public safety with sheriff, emergency government and correction facilities; parks; health and social services; assistance to veterans and older Americans; library; forest conservation; coroner and surveyor; special education; industrial park board, employment and training services; agricultural extension services; and the administration of federal, state and county elections. The County has proprietary fund operations for the maintenance and construction of the landfill, highways and insurance programs. This CAFR includes

the CWA, City-County Data Center Commission (CCDCC), and the North Central Community Services (NCCS) as discretely presented component units, since the County is financially accountable for their activities. Included in this CAFR are services for commercial airlines services for Marathon and Portage Counties, centralized data processing needs for the County and the City of Wausau and nursing home and mental health services for citizens of Marathon, Lincoln and Langlade Counties. The Wisconsin Municipal Mutual Insurance Corporation (WMMIC) and any of the school districts or special districts listed in Table X "Net Direct and Overlapping General Obligation Debt - All Governmental Units" in the Statistical Section of this CAFR are not included in the CAFR because they have not met the established criteria for inclusion in the reporting entity.

ECONOMIC CONDITIONS AND OUTLOOK

Marathon County's economy is currently strong and very diverse, ranging from a preponderance of strong manufacturing, to tourism and recreation, to health services, to transportation and shipping, to government and to agriculture and dairy products. Marathon County is the business center of central and northern Wisconsin. All indications are that the area's economy will continue to grow due to increases in population, labor force and employment. An increase in employment and modest rise in labor force should produce a fairly low unemployment rate, currently 3.4 %, and should stay constant in the next few years.

Wausau area and Marathon County employment figures are at record levels. Over 70,766 people are employed in Marathon County. For a snapshot of employment growth consider that in September of 1985 only 50,000 people were employed in Marathon County. A 40% growth in jobs since 1985! The Marathon County manufacturing sector has grown by 8,050 jobs for a total of nearly 19,100 employed. The national manufacturing job market, however, has declined since 1985. Marathon County's economy generated 800 new manufacturing jobs over the course of the year ended December 1998. Job growth in Marathon County continues to outpace the Central Wisconsin region counties. The Marathon County job growth is up one percent from a year ago. Unemployment levels in the Marathon County Standard Metropolitan Statistical Area (SMSA) are at or below the State of Wisconsin unemployment rate.

Building construction in Marathon County totaled $170,934,424 as compared to the 1997 figure of $172,452,672. Overall permit values were down less than 1% in 1998. A breakdown of the figure shows $4.6 million in schools and public facilities were added to the infrastructure. New residential construction and remodeling totaled over $86.2 million. Residential alterations topped $10 million in 1998. Commercial and industrial facilities added $27.5 million to the tax base.

Inquires from commercial, retail and industrial businesses considering expansion into the Wausau marketplace continue to outpace previous record years. Projections for 1999 estimate an additional 1.2 million square feet of commercial/retail property will be constructed in Wausau and the surrounding area. Manufacturing construction will continue to remain strong with a forecast of 800,000 square feet of space added in 1999. Employment and population numbers will continue to grow at a modest rate.

Marathon County leads the state in agricultural receipts with over $200 million annually from dairy, livestock, crops and ginseng sales. The County ranks first in number of farms, total dairy herds, number of milk cows and total milk produced. Marathon County is the source of 90% of U.S. ginseng production, $34 million

annually in export trade and double that amount in labor and service industries.

Currently, agriculture accounts for approximately 20% of total employment in the County, extending from farm through transportation, processing, retail and support services.

Large business employers in the County continue to stabilize the economy. The cornerstone to a list that continues to grow would include:

	Company	***# Employees***
1.	*Wausau Insurance Companies*	*2,793*
2.	*Wausau Hospital*	*1,600*
3.	*SNE Enterprise*	*1,500*
4.	*Kolbe & Kolbe Millworks, Inc.*	*1,340*
5.	*Wausau - Mosinee Paper*	*1,275*
6.	*Wausau School District*	*1,267*
7.	*Greenheck Fan*	*1,400*
8.	*Marathon Cheese Corp.*	*1,125*
9	*Fiskars*	*1,119*
10.	*Eastbay*	*995*

MAJOR INITIATIVES

The year 1998 brought about some interesting projects for the County. As can be seen in the detail below, we have a major interest in the maintenance of our infrastructure, government joint ventures, and cooperative recreation projects.

As the County continues to grow, the demands placed by citizens on their government becomes more intense. As all counties in the State of Wisconsin operate under a state imposed tax rate freeze, these demands are continually more difficult to finance. Governmental participation in expected growth can no longer be coincidental. We must be a willing planned participant in that growth to make the process successful. In order for us to remain strong, our positive community attitude must reveal itself through these projects.

Maintenance and expansion of the County's infrastructure (such as highways and bridges) remains a major concern of the County Board. To address one of these concerns, the Highway Commission has developed a five-year capital project plan that provides a framework for the development and maintenance of infrastructure to meet current and future needs. The Highway Commission has undertaken an aggressive program to repair and replace its highways and bridges. During the next five years, the Highway Commission plans to repair twenty-five bridges. A major repaving project consisting of resurfacing a minimum of 20 miles per year is included in this plan. By the end of the five-year period, 16% of the County's highways are expected to have been repaved.

To better handle the ongoing questions and concerns regarding general infrastructure, a special Capital Improvement Committee (staff committee) has assembled a five year plan to review and upgrade all facilities that have a need. Each year the plan is updated and a new list of projects approved and a new funding source established. Work began this year for the plan that was budgeted for 1998. Several reconstruction projects were started during the year. The largest and maybe the most important project is the long awaited parks operation shop. This is a joint project between Wausau and the County, each paying half the cost. This will give the parks a great facility within which to upgrade and modernize their operations. Another multi jurisdictional project that was started during 1998 was the Youth Building at Marathon

Park. This is being financed by three entities; the County, the Agricultural Society and the Farm Progress Days Committee. When finished this project will allow for greater flexibility in providing youth programs.

As the County continues to grow and services continue to expand, the Planning Department has been given the assignment of reviewing space needs. This assignment covers all sectors of county operations but has begun to focus on the courthouse itself. A multi year plan has been apaproved that will begin moving the developmentally disabled program out of their existing facility and move them closer to a sheltered workshop. This will enable them to provide employment opportunities to the disabled. Having the existing facility empty will allow the County to move the existing Commission on Aging program into the vacated space. Once that happens, the County will have some much needed breathing room for moving some departments out of the Courthouse. The County Board, in approving the capital improvement budget, has provided funds to study the needs of the departments that will remain in the Courthouse and develop plans for moving other departments whose purpose does not require being located in the Courthouse to other facilities.

Other important projects that received funding in the past have finally been closed out. The County can proudly say that all of our buildings now comply with the Americans with Disabilities Act (ADA) as it relates to accessibility. We have completed the underground storage tank project by removing and replacing the last of the tanks. From here on the project will consist of monitoring tanks for leaks. All sites where tanks where removed have also been tested for contaminants, cleaned and closed.

The County has completed the construction of a 20 bed juvenile detention facility and a 20 bed shelter home. Both facilities are now operational and are a great benefit to the overall juvenile justice system. We no longer are required to transport those juveniles that require secure lockup out of the county. The 110 bed medium security jail expansion is also under construction with completion estimated to be in June of 1999. This facility will help reduce jail overcrowding issues that have plagued the County for several years. With the expected addition of a 5th judge during 1999, the larger facility is greatly needed. The County sold a $5 million bond issue to pay for this $8 million project, the remainder being paid for with cash reserves.

Final plans were approved for a $6.5 million airport concourse, runway and taxiway project. This is a joint venture with Marathon and Portage Counties. Marathon County sold the entire bond issue for the project of $5.1 million with the remaining amount being paid for with existing passenger facility charge collections. Though it is not expected to occur, if there is a shortage of funds to make payment on the bonds, Portage County has pledged their full faith and credit for their respective share of the issue.

The Library Board completed plans for the final library branch facilities update by approving a new branch library in Rothschild. The old Rothschild branch will be closed along with the existing Schofield branch in order to provide personnel and operating funds to open the new facility. This brings the total of functional branches to seven down from the previous twelve. These have been beneficial changes over the years that have made library services more efficient.

FUTURE PLANS

One of the few County structures that has not received its fair share of attention from past CIP plans is the grand stand at Marathon Park. In order to provide some much needed

renovations, this project has received funding in the 1999 CIP and work will begin during next year. The funds are being used to fix structural problems of the facility, eliminate electrical equipment with PCB's and make general upgrades and improvements to the often used facility. As previously mentioned, the County has a fifth judge coming in 1999. This will cause a series of changes in the Courthouse the largest of which will be the addition of a 6th courtroom. This courtroom will be equipped with video teleconferencing for connection to the jail and the juvenile detention facility. Once this is accomplished, the other courtrooms will be equipped. The connection will eventually extend to the health care center. All of this will help reduce the cost and make the court hearings process more effective, timely and efficient.

Several other large scale projects are on the horizon for other Marathon County facilities. One popular project would benefit the University of Wisconsin at Marathon Campus. They are investigating into the possibility of remodeling their field house which includes an indoor swimming pool and other recreational facilities. The art shop is also in need of updating and expanded space. Another project that would assist the summer recreational facilities in the area is the possible addition of electricity at Big Eau Pleine park. This highly used park facility is also looking to the future when shower facilities will be available.

FINANCIAL INFORMATION

Accounting System and Budgetary Control

County management is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the government are protected from loss, theft or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with GAAP. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the costs of control should not exceed the benefits likely to be derived; and (2) the evaluation of costs and benefits requires estimates and judgements by management.

The Finance Department, along with the CCDCC, have reviewed all hardware and software relating to the finance function and have thoroughly tested and validated specific computers and other peripherals for year 2000 compliance. The CCDCC has created an inventory and documented all testing procedures. Major customers and vendors that provide goods and services for the County, or for which we provide services, have been communicated with to verify the status of their year 2000 compliance issues. Based on this communication the County will determine its need for a contingency plan. Year 2000 is not expected to have any adverse effects on the County.

The County's accounting records for general governmental operations are maintained on a modified accrual basis. Revenues are recorded when measurable and available, and expenditures are recorded when commodities or services are received and the liabilities are incurred. Accounting records for the County's proprietary activities and the CWA, as a discretely presented component unit, are maintained on an accrual basis with revenues recorded when earned and expenses when incurred.

Budgetary control is maintained by a formal appropriation and encumbrance system. The budget approved by the Board of Supervisors is at the cost center level. A cost center can be a fund, major program, department, or other activity for which control of expenditures is considered desirable. Encumbrances are made against appropriations prior to the release of a purchase order to a vendor, or prior to the issuance of a check when a liability is

incurred without a purchase order. Purchase orders which result in an overrun of the cost center balances are not released until additional appropriations are made available.

While appropriations lapse at the end of the fiscal year, the budget ordinance specifically provides for the appropriation of year-end encumbrances to the succeeding year's budget. Open encumbrances are reported as reservations of fund balance at year end. Expenditures associated with these encumbrances are recorded when the services or materials are received.

The budget process encompasses the activities of all funds of the governing body. In accordance with our system of internal accounting and budgeting control, no expenditure/expense can be allowed, nor check processed, until an appropriation is approved. Project length financial plans are adopted for the capital project funds. For multiyear plans, the budgets are broken out into calendar year segments to accommodate financial reporting. Budgetary control is exercised on an appropriation unit basis. An appropriation unit is normally a series of related accounts such as personal services, contractual services, supplies and expenses, building materials, fixed charges, debt service and capital outlay. If greater control is desired, an appropriation unit can be made a smaller unit within any of the above categories.

General Government Functions

General government functions include the General Fund, special revenue funds, and Debt Service Fund. Capital project funds have varied so widely over the last several years that the inclusion of those figures in this analysis would render the comparison meaningless. Revenues for the general government function totaled $68,260,321 in 1998, an increase of 7.58% over 1997. Taxes are again the largest source of revenue and intergovernmental grants and aids are second. Together these revenue sources make up 84.32% of total general government revenues. Taxes and intergovernmental grants and aids have increased 5.65% and 8.64% over 1997 respectively. The increase in taxes is a result of the increased value of equalized values in the county and the tax rate freeze formula. The County continues to keep its tax rate at the maximum allowed by formula. Intergovernmental grants and aids has increased due to economic development efforts described below.

For 1997 and 1998 the percentage of taxes and intergovernmental grants and aids to total general government revenues has remained fairly constant because of two factors. First, the County has been experiencing a stable growth in equalized value and has taken full advantage of this growth in the setting of each years tax levy. Second, the State has begun their shift of funds towards the school districts, as they have promised, to fund 2/3 of local taxpayers' cost of school levies. Tax revenues are a combination of two distinct sources; property taxes including the penalty and interest on delinquent taxes and the local option of a ½% on the State's 5% sales tax. Detail on the sales tax collections are listed below. Property taxes will continue to be an extremely important source of revenue as the state shifts its funding interests to the schools and other state related major interests. As can be seen on Table V, "Current Equalized Value and Net Direct and Overlapping Tax Rate by Municipality - Last Ten Fiscal Years", the County has intentionally held its tax rate constant since 1994.

Other than taxes, miscellaneous revenue is the fastest growing source of revenue. This is based on an increase in interest earnings and a change in accounting principles for the recognition of increase in fair value of investments. This could fluctuate considerably over time. Overall interest earnings have increased $439,835 over 1997 to $4,093,963. The increase is due to the benefits derived from the County's investing in a certificate of deposit pool that is operated on a statewide basis, the interest rates increasing slightly and the increased cash balances from the sale of bonds for the Huber Facility Expansion Project.

Sales tax collection began in April, 1987. Each year, prior to 1998, there has been a general increase in the sales tax collections. Increases are expected to be modest but continue into the future based on the expected growth in the economy. 1998 is the second year that there was not an increase, collections were virtually the same as the previous year. It is expected that small increases will be the norm beginning again in 1999. A history of sales tax collection is as follows:

1987 April - December	*$1,869,747*
1988 - 14 months	*4,695,863*
1989	*4,213,098*
1990	*4,687,766*
1991	*4,560,217*
1992	*4,953,854*
1993	*5,620,469*
1994	*6,390,945*
1995	*6,436,891*
1996	*6,821,078*
1997	*7,716,436*
1998	*7,656,334*

The remaining smaller revenue categories have not shown a significant change and those sources of revenue are not expected to have any great impact on future County operations. These sources are always reviewed at budget time to assure reasonable rates, fees and charges are being absorbed by the users of governmental services, however no big changes are expected in future years. Interest rates have decreased slightly during 1998 with an average of 5.15% earned at the State of Wisconsin Local Government Investment Pool versus an average rate in 1997 of 5.22%.

The amount of revenues from various sources, their percentage to the total and the increase over last year are shown in the following table: (000's omitted)

Revenue Source	1998 Amount	% of Total	1997 Amount	% of Total	Inc (Dec) over 1997
Taxes*	$32,054	46.96	$30,341	47.82	$1,713
Intergovernmental grants and aids	25,500	37.36	23,472	36.99	2,028
Licenses and permits	220	.32	203	0.32	17
Fines and forfeitures	686	1.00	600	0.94	86
Public charges for services	3,486	5.11	3,206	5.05	280
Intergovernmental charges for service	2,921	4.28	2,676	4.22	245
Miscellaneous revenues	3,393	4.97	2,952	4.66	441
Total revenues	**$68,260**	**100.00**	**$63,450**	**100.00**	**4,810**

*Including interest and penalty on delinquent taxes

Expenditures for the general government functions, including the same fund categories as mentioned above totaled approximately $62,378,434 in 1998, an increase of only 5.05% over 1997. As is the situation in most years, Social Services has seen a sizable increase in expenditures over previous years. The increase is due to several important policy changes and changes in state law shifting the emphasis for programs away from welfare checks towards child and family living conditions. The County is experiencing an ever increasing amount of juvenile crime. The number of children receiving various program benefits is continuing to show a steady increase. These programs, some very costly, include regular, treatment and group foster care, and institutional and correctional juvenile institutions. The County still has not seen a decrease in the cost of institutional care. During 1998 the County paid $3,835,207.

The largest growing expenditure in 1998 is related to conservation and economic development. During 1998 the County created an Economic Development Committee. This allows the County to receive grants directly from the state and pass the money onto qualified industries through an arm of the Chamber of Commerce known as the Marathon County Development Corporation in the form of revolving loans. The County processed $1,305,505 of these types of direct loans to area businesses.

The Health Department has been active in the pursuit of grant funds. Most of the funds received are for various forms of AIDS recognition, lead screening/abatement, early intervention/start right type activities, tobacco related health problems and refugee programs. Marathon County has a large population of immigrants from Southeast Asia and the transition from their culture to ours is slowly taking shape. This transition is greatly enhanced through the use of the above mentioned grants as it relates to education and employment training. Analysis of juvenile problems very convincingly indicate that early intervention into the family produces successful results and thereby is worth the expenditure.

The debt service costs are expected to remain fairly constant over the next several years as the County places continued emphasis on the prepayment of debt. If the current pace of debt prepayment is maintained the County could potentially be debt free by the year 2005. This would include the payment of the Huber Facility Expansion bond sold in 1998. The assumption included with this statement is that no more debt would be issued which is a good possibility. The County has no plans for other big projects in the foreseeable future.

The tax rate freeze formula does not automatically allow the County to increase its tax levy for bond issues just because the debt is sold. If the bond resolution is not approved by a 75% (29 members) vote of the County Board of Supervisors, the need for a levy to pay the debt would come from the existing tax levy. This, of course, forces the County to more clearly define its future debt service requirements and make sure the future debt issues are in accordance with the wishes of the majority of the Board.

The amount of the expenditures by function, their percentage to the total and the change over the last year are shown in the following table: (000's omitted)

Expenditure Activity	1998 Amount	% of Total	1997 Amount	% of Total	Inc (Dec) over 1997
General Government	$14,422	23.12	$13,551	22.82	$871
Public Safety	10,468	16.78	10,093	17.00	375
Health	2,335	3.74	2,277	3.83	58
Social Services	15,748	25.25	14,714	24.78	1,034
Leisure activities and education	9,220	14.78	9,365	15.77	(145)
Conservation and economic development	5,184	8.31	3,748	6.31	1,436
Capital Outlay	195	0.31	598	1.01	(403)
Debt Service	4,806	7.71	5,034	8.48	(228)
Total expenditure	**$62,378**	**100.00**	**$59,380**	**100.00**	**$2,998**

Working Capital Policy

In 1988 the County Board of Supervisors established a fund balance policy. This policy sets forth the amount of funds that are to be reserved as a designation for working capital. The funds over and above this designation are to be used to pay for

nondepartmental capital purchases within the succeeding budget process. Working capital is never to go below a set minimum level of four weeks of operating expenditures or 8.3%. The County Board has approved a slightly higher working capital figure of 10% for the Highway Fund based on its potential for uncontrollable, unexpected operating needs . The low points for the County's cash flow are the end of February and the middle of November.

According to Wisconsin Statutes, the County must roll forward any amounts of unreserved undesignated fund equity/balance into the succeeding year's budget. With the change in the Highway working capital policy its unreserved undesignated funds are moved into the same capital improvement process. Funds not included in this process would include those funds not using tax levy as a basis for operations such as the Landfill Fund, the insurance funds, the capital improvement funds and any special revenue funds that use grants for operating capital. Marathon County uses this undesignated amount to fund future years capital improvement programs. It is not used to off set following years operating needs. This philosophy assures that current operating needs are funded with current collections. Any amounts required for future years' activities or amounts required for sound business operations must be reserved or designated. Highway is allowed to provide for multiyear funding options for specifically identified future high cost projects.

General Fund Balance

The unreserved undesignated fund balance of the General Fund decreased by $881,308 during 1998. The unreserved undesignated fund balance will be used in the 2000 budget process to help fund some much needed capital improvements. The County has been fairly successful over the years keeping its tax rate stable, selling bonds for large projects only and using fund balance to pay for nondepartmental capital projects. The trend of using fund balance and not raising taxes is expected to continue for years to come. If the trend were not to continue, a lower fund balance would be acceptable because all amounts necessary for sound financial position and good business practice are either reserved or designated.

Proprietary Fund Operations

Proprietary fund operations include the landfill, highway and two insurance funds. These funds are used to finance and account for the acquisition, operation and maintenance of County facilities and services which are intended to be entirely or predominately self-supporting from user charges. Operations are accounted for in such a manner as to show a profit or loss on a basis comparable with industries in the private sector.

The Landfill Fund accounts for all activities that are associated with the long-term operation of the County's solid waste disposal system. Revenues are generated through a tipping fee and are sufficient to cover all expenses, capital projects, and debt service. A separate investment account (shown on the balance sheet as a restricted asset and landfill closure and long-term care payable) is being funded through current tipping fees to allow provisions for long-term care of cell A (closed 1993) and the closure and long-term care of the new Cell B after its closure expected to be in the year 2006. The Landfill Department continues to participate in a project to reduce solid waste by turning waste paper into a fuel pellet. The pellet can be used as an alternate source of fuel and burned along with coal or other natural fuels. The plant that makes the pellets, was previously owned by the County and was sold during 1997 to a private company for operating purposes.

The Highway Fund is designated as an internal service fund by the State of Wisconsin Department of Transportation rules. The fund accounts for the costs associated with operations and maintenance of the County's Highway Department facilities including all machinery and the County trunk highway system. Costs of the system are billed to other County departments, the Wisconsin Department of Transportation, or local municipalities on a formula basis. Machinery and equipment are charged on an hourly basis including costs of operation, depreciation, and overhead using rates established by the Wisconsin Department of Transportation on a statewide basis for each class of machinery. General property tax revenues are used to meet costs associated with maintaining the operation of the fund.

The Property Casualty Insurance Fund accounts for the types of insurance coverage purchased by the County (excluding employee benefits insurance) and finances the operations of the Risk Management Program. Revenues are generated using actual insurance premiums calculated by an actuary with a small administration fee included.

The Employee Benefits Insurance Fund accounts for all costs associated with employee benefits including self -insured health, dental and self-insured workers' compensation. Revenues are generated using actual insurance premiums calculated by an actuary with administrative fees included.

More detail on the County's insurance programs is detailed in the Risk Management section of this letter. A list of insurance coverages is included in Table XV "Schedule of Insurance - Fiscal Year Ended December 31, 1998" in the Statistical Section of this CAFR.

Discretely Presented Component Unit Operations

Discretely presented component unit operations include three joint venture operations with neighboring counties and the City of Wausau. Services include an airport, centralized full service data processing and nursing home and mental health needs.

The CWA is jointly owned by Marathon and Portage Counties. The ownership percentage is approximately 64% and 36% respectively. Ownership interest is recalculated every five years using the assessed valuation of the two counties. The operations of the CWA and local share of capital projects currently on the agenda are financed completely with CWA revenues.

The CCDCC provides all the data processing needs of the City of Wausau, Marathon County and several smaller jurisdictions within Marathon County. The data center maintains several fairly large computers to support a full law enforcement system including E911 and Computer Aided Dispatch (CAD). There is also a Geographic Information Processing System (GIS), a Land Records System (LRS) (including tax collection) and a full range of financial systems. CCDCC is responsible for a series of seventeen (17) interconnected file servers and over 788 personal computers. The operation of the CCDCC is paid for on a 70/30 County/City split with all capital being split 50/50. Both of these charges are net of any outside sources of revenue.

NCCS is close to one of the top ten largest employers in the County with over 950 employees. The services provided are nursing home, developmental disabilities training, mental health programs and drug and alcohol treatment. The operation provides similar services for a tri-county area. Marathon, Lincoln and Langlade share in the cost of operation in relation to the services provided for each member county. Most costs are easily

determined as each county provides its own capital facilities at its own location.

WISCONSIN RETIREMENT SYSTEM

County employees are covered for retirement purposes under the Wisconsin Retirement System which is administered by the State of Wisconsin's Department of Employee Trust Funds. Employee contributions vary from 4.7% to 6.2% of salary depending upon the classification of the position. The County has traditionally reimbursed the total employee's required contribution. In 1997 the County put a cap on the contribution having the employee pay the remaining portion. Having the employer pay the employee's requirement is specifically permitted by state statute An overall employer contribution rate is actuarially determined each year. For 1998 a contribution rate of 16% of salary for protective occupation participants with Social Security and 19.4% without Social Security, 11.1% for elected officials, and 6.2% for general employees and teachers has been established.

The above-mentioned rates include an amount to liquidate, over a 40-year period, the participants' respective portion of the fund's unfunded accrued liability. Prior year service costs are charged to the employer as a percentage of salaries for the three distinct employee groups. Note 9 in the Financial Section of this CAFR presents more detailed information about the retirement plan.

General contribution rates by class of employee for Marathon County's discretely presented component units are the same as the primary government. Also, employer and employee contribution payments are the same.

The County employee and employer contributions including CWA as a discretely presented component unit for a ten-year period is tabulated below:

Year	Employee Contributions*	Employer Contributions **	Employee Paid Contributions
1989	$ 946,696	1,111,248	-
1990	1,017,719	1,221,140	-
1991	1,102,044	1,332,339	-
1992	1,185,242	1,430,457	-
1993	1,246,226	1,501,349	-
1994	1,292,285	1,566,839	-
1995	1,378,368	1,657,947	-
1996	1,416,331	1,763,519	-
1997	1,463,837	1,808,988	45,679
1998	1,567,975	1,910,704	7,590

*Includes amounts contributed by the County on behalf of employees
**Includes payment on the pension benefit obligation.
Similar information for the CCDCC and NCCS was not available in this format.

DEBT ADMINISTRATION

A typical county in Wisconsin is not debt laden. The County's current outstanding debt is $25,766,145 of which $1,195,000, $5,769,258, $364,259 and $1,887 are expected to be paid from solid waste tipping fees, CWA revenues, NCCS revenues, and CCDCC revenues respectively. In addition an estimated $1,270891 will be received directly from the City of Wausau for payment on the Library debt. The County does not routinely issue debt for ongoing purchase and replacement of capital needs; the

creation of debt is normally reserved for large building needs. As can be seen in the financial section and as is described in this letter, the County Board of Supervisors will use fund balances to finance most smaller capital needs.

Under Wisconsin Statute 67.03(1)(a), county debt is limited to 5% of total assessed valuation of real and personal property. The ratio of bonded debt to equalized value and the net bonded debt per capita are useful indicators of the County's debt position to County management, citizens and investors TableVII "Computation of Legal Debt Margin - December 31, 1998" in the Statistical Section of this CAFR illustrates these indicators, limitations and verifies low indebtedness.

CASH MANAGEMENT

Wisconsin State Statutes allow the County Treasurer to invest cash which is temporarily idle in instruments which include demand deposits, certificates of deposit, U. S. Treasury and/or Agency obligations, local government bonds, repurchase agreements, commercial paper, the State of Wisconsin Local Government Investment Pool (LGIP) and other qualifying investment pools. The County does not invest in any derivatives nor does it leverage any of its funds for investment purposes.

The State of Wisconsin has established the LGIP under the direction of the State of Wisconsin Investment Board (SWIB) . This fund can be accessed by all units of local government on a day to day basis. The average yield on the investment pool for 1998 was 5.15%. Because of the County's fiduciary responsibility for investments, the County constantly monitors the County's ownership portion of the LGIP. The County's investments represented an average .16% of the total deposits during 1998.

In addition to the LGIP sponsored by the State Treasurer's Office, the County also invests in the Wisconsin Cooperative Liquid Asset Security System (Wisconsin CLASS) operated by MBIA Municipal Investors Service Corporation; the Wisconsin CLASS program is a privately administered pool with participation limited to governmental and public entities. Offering an average yield of 5.39% for 1998, the County's investments represented an average 4.26% of the total Wisconsin CLASS pool.

The County continues to use the advice of its investment advisor seeking alternate sources of short term investments beyond the LGIP and the Wisconsin CLASS pool. Short term treasuries and agencies are currently providing returns which are about the same as the investment pools. To diversify its investment portfolio, the County holds a portion of its funds in medium-term (2-4 year) government securities, as recommended by the County's investment advisor. This allows additional interest earnings without undue risk.

Further diversification of the County's investment portfolio is accomplished with participation in a fully collateralized Certificate of Deposit program. The County began investing in a fully collateralized Certificate of Deposit pool in 1996. This program allows the County to invest excess idle funds for up to 360 days with banks throughout the State of Wisconsin. Investments in this program had an average 1998 return of 5.70%.

The following breakdown shows the year end detail for cash and investments.

Government Investment Pools	*$2,823,881*
Cash in bank and other investments	*67,010,089*
Subtotal Primary Government	*69,833,970*
Discretely Presented Component Units (including the Central Wisconsin Airport as a discretely presented component unit)	*8,955,394*
Total Reporting Entity	*$78,789,364*

The County's investment policy is to minimize credit and market risks while maintaining a competitive yield on its portfolio. Accordingly, deposits were insured by the Federal Depository Insurance Corporation (FDIC) with an additional $400,000 coverage provided by the State of Wisconsin, or collateralized, or insured through the investment pool. All collateral on deposits was held either by the County, its custodian or the State of Wisconsin. All securities held by the County during the year and at December 31, 1998 were classified in the category of lowest credit risk as defined by the GASB.

The amount of interest earned in 1998 for all Primary Government operations (including the CWA as a discretely presented component unit) was $4,093,963, an increase over 1997 of 10.74%. The increase was a result of having funds on hand during construction and investing $5,000,000 in Huber Facility Expansion bond proceeds and $5,100,000 in Airport bond proceeds. In addition to the earnings of the primary government unit,(including the CWA as a discretely presented unit) another $370,217 of interest was earned by the County's (other) discretely presented component units. The following chart illustrates investment earnings for the primary government (including CWA as a discretely presented component unit) all fund types for the last ten years.

Year	Earnings	Increase (Decrease)	%(Decrease) Change
1989	$2,135,789	575,316	26.94
1990	2,238,337	102,548	4.58
1991	2,116,803	(121,534)	(5.74)
1992	1,555,546	(561,257)	(36.08)
1993(a)	1,627,912	72,366	4.45
1994(a)	1,962,625	334,713	17.05
1995(a)	*3,265,431	1,302,806	39.90
1996(a)	3,403,114	137,683	4.05
1997(a)	3,654,128	251,014	6.87
1998(a)	**4,093,963	439,835	10.74

*Bond sale for University of Wisconsin-Marathon Campus
**Bond sales for the Public Safety Facilities and Airport
(a) Primary Government (including CWA as a discretely presented component unit)

RISK MANAGEMENT

The County is exposed to various risks of loss related to torts, theft of, damage to, or destruction of assets, errors and omissions, and injury to employees. For the fiscal year ended December 31,1998 the County was self-funded for the following risks: health, dental, automobile collision and workers' compensation.

A fund was established in 1984 for self-funded health and dental coverage. Converted into an internal service fund in 1987, it was

expanded to include workers' compensation coverage for the Highway Department. In 1992 the County went self-funded for all workers' compensation and in 1993 went self administered. Costs for this fund are billed to each County department using a premium calculation based on a claims experience/exposure basis.

This fund covers losses to varying degrees with commercial insurance purchased for claims in excess of the established amounts. The maximum for any individual specific health claim was $75,000 with a total group aggregate stop-loss of $3,831,240 There is a $250,000 self insured maximum for any workers' compensation claim.

At the beginning of 1995 the County joined the WMMIC. The County was required to fund a capital contribution of its respective portion of the company at the time of entry. The WMMIC consisted of ten (10) counties and two (2) cities prior to our joining. The County's contribution was $1,519,000. The WMMIC provides $5,000,000 per occurrence excess coverage with a $10,000,000 aggregate.

An internal service fund was established in 1988 to account for the County's property and casualty insurance exposures. Costs for this fund are billed to user departments using a premium calculation based on valuations of property in combination with claims experience/exposure. Beginning in 1988 the County selected a $100,000 per occurrence/$400,000 aggregate deductible, in 1995 the County selected a $100,000 per occurrence/$500,000 aggregate deductible and in 1998 changed back to a $100,000 per occurrence/$400,000 aggregate deductible for automobile liability, general liability and errors and omission coverage.

Since 1992 the County has conducted an annual actuarial review of all insurance programs. The result was an actuarially determined liability for claims reported but not yet paid and claims incurred but not yet reported. As will be seen in the financial statements for these funds, the reserves continue to provide financial assurance at the 95th percentile.

Since 1987 the County has purchased property insurance from the Local Government Property Insurance Fund. This insurance coverage provides protection on a replacement cost basis for approximately $163 million of physical assets. Claims on buildings, contents and contractors equipment have a deductible of $1,000 and automobile comprehensive has a $100 deductible.

COMPENSATED ABSENCES

Effective with the 1994 budget process the County Board decided to begin funding the general government portion of the calculated liability. The original amount was funded by the end of 1997 with the increased portion being funded by the end of 1999. The County board reserved $2,550,007 of the General Fund fund balance for this purpose. The compensated absences liability for the reporting entity shows a balance of $4,907,098 for December 31, 1998.

MUNICIPAL SECURITIES DISCLOSURE REQUIREMENTS

The Securities and Exchange Commission (SEC) has issued its rules regarding secondary market disclosure for issuers of municipal securities which is SEC Rule 15c2-12. The rule, among other requirements, (referred to as the Annual Undertaking) has set up the requirement for the submission of annual audited financial statements to all Nationally Recognized Municipal Securities Information Repositories (NRMSIR). Wisconsin has not designated nor established a State Information Repository (SIR). Following are nine (9) specific requirements of the rule and the necessary information to satisfy each.

(1) *As a municipal security issuer, the County makes the following disclosure regarding material events. These are referred to as the eleven deadly sins.*

(a) *Principal and interest payment delinquencies; - None*

(b) *Non-payment related defaults; - None*

(c) *Unscheduled draws on debt service reserves reflecting financial difficulties; - None*

(d) *Unscheduled draws on credit enhancements reflecting financial difficulties; - None*

(e) *Substitution of credit or liquidity providers, or their failure to perform; - None*

(f) *Adverse tax opinions or events affecting the tax-exempt status of the security; - None*

(g) *Modifications to rights of security holders; - None*

(h) *Bond calls; - the County currently has five debt issues with eligible call dates as follows:*

1996A G. O. Refunding issue - 11/01/00
1994A G. O. Group Home issue - 04/01/01
1992A G. O. Library issue - 11/01/02
1995A G. O. University issue - 11/01/02
1998A G. O. Airport issue - 10/01/05

(i) *Defeasances; - the County currently has four debt issues that qualify as legal defeasances as follows:*

1985 G.O. Building bonds		
total defeasance of		*$7,075,000*
1985A G.O. Refunding bonds		
total defeasance of		*6,965,000*
1987A G.O. Refunding bonds		
total defeasance of		*6,710,000*
1982A G.O. Library issue partial defeasance as follows:		
Maturity date of 11/01/12		
total defeasance of	*$450,000*	
Maturity date of 11/01/11		
total defeasance of	*420,000*	
Maturity date of 11/1/10		
total defeasance of	*395,000*	
Maturity date of 11/01/09		
total defeasance of	*375,000*	
Maturity date of 11/01/08		
total defeasance of	*350,000*	
Maturity date of 11/01/07		
partial defeasance of	*320,000*	*2,310,000*
$10,000 of the 11/01/07 maturity remains unpaid		
For a total amount defeased		
as of 12/31/98 of		*$23,060,000*

(j) *Release, substitution, or sale of property securing repayment of the securities; - None*

(k) *Rating changes;- Moody's Investors Services, Inc. has changed their method of rating governmental agencies. The change breaks out grades by several additional levels. Previously the County rating was Aa and now the rating is Aa2. Also, the County sold two bond issues in 1998. At this time the County sought its first double rating by requesting a rating from Fitch IBCA, Inc. This rating was confirmed at AA.*

(2) *The County property values are listed (in various forms) in Table IV , Table V , Table VIII and Table XII in the Statistical Section of this CAFR.*

(3) *Information on the County's legal debt margin can be found in Table VII "Computation of Legal Debt Margin - December 31, 1998" in the Statistical Section of this CAFR.*

(4) *The detail of outstanding notes and bonds can be found in Table VIII "Ratio of Outstanding Debt to Equalized Value and Debt Per Capita - Last Ten Fiscal Years" in the Statistical Section of this CAFR.*

Additional information as it relates to specific bonded debt issues but excluding other long term debt of the County is as follows:

Date of Issue	Original Amount	Purpose	Final Maturity	Principal Outstanding 12-31-98
05/01/86	$565,000	CWA Portage Co.	05/01/04	242,115(f)
05/01/87	13,455,000	Refunding	11/01/04	0 (b)
05/25/94	282,680	State Trust Fund Loan	03/15/04	222,623(f)
04/10/95	89,633	State Trust Fund Loan	03/15/04	66,789 (f)
12/01/92	4,900,000	Library	11/01/12	2,090,000 (c) (g)
08/01/93	2,040,000	Landfill	11/01/03	1,130,000 (d)
04/01/94	700,000	NCCS	04/01/04	460,000 (e)
02/01/95	7,500,000	University	11/01/04	7,500,000
08/01/96	8,615,000	Refunding 1996A	11/01/04	3,750,000 (a)
07/27/94	209,048	State Trust Fund Loan/Portage County	03/15/04	137,731(f)
04/01/98	5,100,000	Central Wisconsin Airport	10/01/17	5,100,000(h)
04/01/98	5,000,000	Huber Facility	10/01/04	5,000,000
09/01/98	78,000	Clay Contract - Landfill	09/01/04	65,000(d)
Subtotal				25,764,258
Less Debt Service Funds on Hand				160,011
Total Net Direct Debt				$ 25,604,247

(a) A portion of this issue is being paid by Northcentral Health Care Facility from nursing home revenues.
(b) The 1998 through 2004 maturities are being funded by the 1996A Refunding bonds.
(c) A portion of this issue is paid from revenues received from the City of Wausau.
(d) Debt service payments are fully supported by tipping fees.
(e) Debt service payments are partially supported by NCHCF from group home revenues.
(f) Debt service payments are fully paid by CWA
(g) Defeased $960,000 in 1998 for a total thus far of $2,310,000
(h) Debt service payments are expected to be fully supported by passenger facility charges at CWA

(5) *The detail for the County's tax rates, levies and collections can be found in Table III "Property Tax Levies and Collections - Last Eleven Fiscal Years" in the statistical section of this CAFR. An example of the tax rate in the City of Wausau is as follows:*

Tax Rates*	97/98	98/99
City of Wausau	$8.94	9.01
State of Wisconsin	0.20	0.20
Marathon County	6.23	6.22
Wausau School District	12.31	11.67
Northcentral Technical College	1.83	1.81
Gross Tax Rate	29.51	28.91
Less State Credit	(2.19)	(2.03)
Net Tax Rate	$27.32	$26.88
Ratio of assessed value to equalized value	0.99%	0.98%

*Tax rates per $1,000 of equalized value

(6) *The information on major employers was previously mentioned in this Transmittal Letter on Page IV.*

(7) *The summary budget information is as follows:*

1998 REVENUE		1998 EXPENDITURES	
Taxes	$29,068,916	General Government	$22,383,855
Sales and misc. taxes	5,909,150	Public Safety	11,581,140
Intergovernmental grants/aid	28,008,444	Transportation	29,160,828
Licenses, Fines and Forfeitures	779,700	Health	6,200,529
Charges for services:		Social Services	13,677,326
Public	8,224,757	Leisure and Education	5,432,131
Intergovernmental	12,995,454	Conservation & Economic Development	8,000,927
Miscellaneous Revenue	9,950,458	Debt Service	4,909,694
Transfers	27,513,141	Capital Outlay	15,490,637
		Transfers	5,612,953
TOTAL	**$122,450,020**		**$122,450,020**

(8) *All of the required financial statements are included in the Financial Section of this CAFR.*

(9) *The debt ratios for direct and overlapping debt as it relates to equalized value, per capita and per acre is as follows:*

		General Obligation Direct Debt	General Obligation Underlying Debt	Total Applicable General Obligation Debt
Debt Values		$18,800,000	143,344,940	162,144,940
Equalized Value (less TID)	$4,967,829,640	0.38%	2.89	3.26
Per capita	125,491	$ 149.81	1,142.27	1,292.08
Per acre	1,013,760	18.54	141.40	159.94

The County feels that this CAFR meets the municipal securities disclosure requirements.

INDEPENDENT AUDIT

County policy, in accordance with state and federal requirements, is to provide for an annual audit by an independent certified public accountant. In addition to meeting the requirements set forth above, the audit was also designed to meet the requirements of the Single Audit Act Amendments of 1996 and related U. S. Office of Management and Budget Circular A-133. Further, the audit meets the requirements of the State Single Audit Guidelines issued by the Wisconsin Department of Administration. The independent auditors' report on the general purpose financial statements is included in the financial section of this report. The independent auditors' reports related specifically to the federal and state single audit are included in a separately issued single audit report which is available from the Finance Department.

CERTIFICATE OF ACHIEVEMENT

The GFOA awards a Certificate of Achievement for Excellence in Financial Reporting to governmental units that publish an easily readable and efficiently organized CAFR whose contents conform to program standards. Such reports must also satisfy both GAAP and applicable legal requirements.

Our first submission of the review process was for the fiscal year ended December 31, 1988 and we were successful in receiving the award. The County has decided to make a long-term commitment to the program and has also received the Award for each of the successive years. A Certificate of Achievement is only valid for a one-year period of time. We believe our current report continues to fulfill the requirements of the Certificate of Achievement Program and, accordingly, we will submit this report to the GFOA to determine its eligibility for the certificate.

INVITATION AND ACKNOWLEDGMENTS

We would like to invite the reader to continue into the remainder of the CAFR. The County is an ever-changing and growing operation. The complex nature of our affairs can be grasped by reviewing and understanding this report. Our goal in presenting this report as a communication tool is to keep the interested public informed about the growth and changes we are currently experiencing. Questions and comments relating to this report should be presented to the Finance Department.

The preparation of the CAFR on a timely basis could not be accomplished without the efficient and dedicated services of the entire staff of the Finance and Treasury Departments. We would like to express our appreciation to all members of the Departments who assisted and contributed to its preparation. We would like to extend a special thanks to Tom Schlief, who was the Director of the Marathon County Historical Society, for his contribution on Page XXII, giving a brief history on the development of Marathon County. We would offer this special thank you to Roger Luce, the Executive Director of McDevco, Inc., for his contributions to the Economic Conditions and Outlook section of this transmittal letter and to County Board Supervisor Leo Martin for his input on the dairy and agriculture sector of our economy. We would also like to thank the Marathon County Board of Supervisors and the Finance and Property Committee for their interest and support in planning and conducting the financial operations of the County in a responsible manner. The County's excellent financial condition and reasonable tax rate are acknowledgments of their dedication.

Respectfully submitted,

MARATHON COUNTY	*MARATHON COUNTY*
Mort McBain	*Bryon A. Karow*
Mort McBain	*Bryon A. Karow*
County Administrator	*Finance Director*

MM/BAK:nk

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Marathon County, Wisconsin

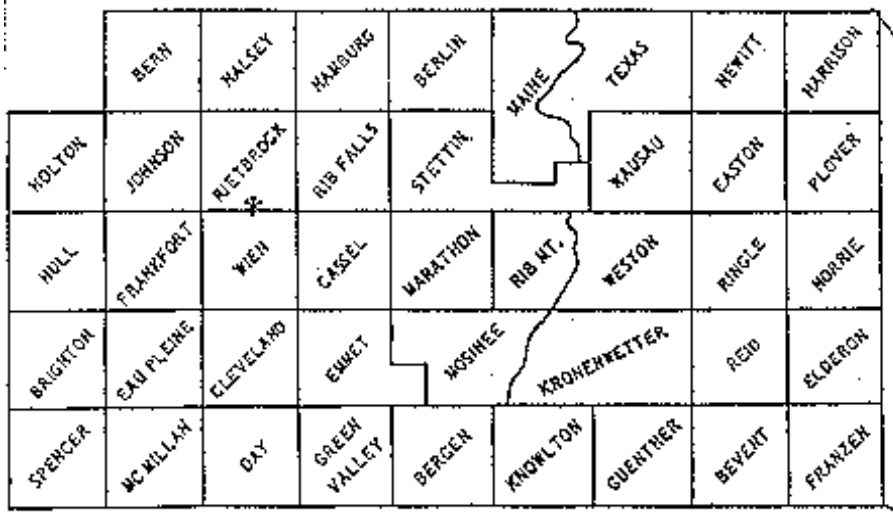
For its Comprehensive Annual Financial Report for the Fiscal Year Ended December 31, 1997

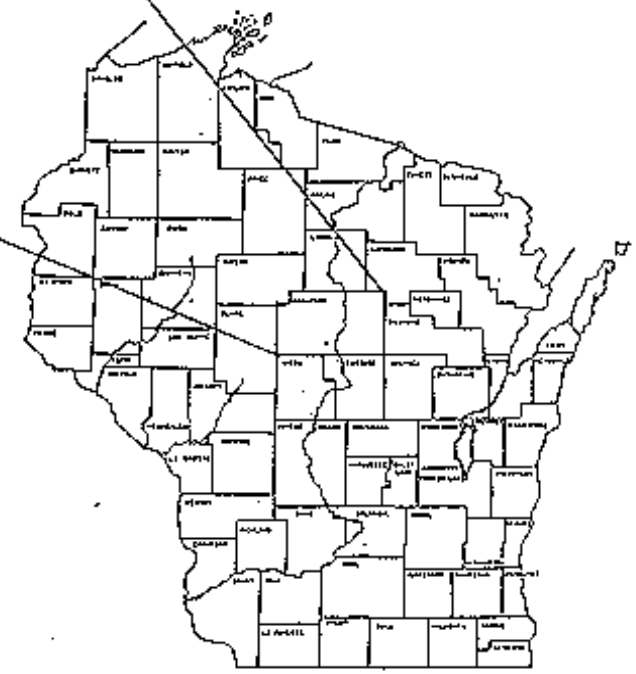
A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.

President

Executive Director

MARATHON COUNTY
MAP OF MARATHON COUNTY
MAP OF STATE OF WISCONSIN





MARATHON COUNTY - WISCONSIN

Established:	1850
County Seat:	Wausau
Population:	125,491
Area:	1,584 sq. mi.
	Wisconsin's Largest

*In Marathon County, the Rietbrock Geographical Marker locates the exact center of the northern half of the Western Hemisphere. It is here that the 90th Meridian of Longitude bisects the 45th Parallel of Latitude, meaning it is exactly halfway between the North Pole and the Equator, and is a quarter of the way around the earth from Greenwich, England.

HISTORY OF MARATHON COUNTY

A long time ago, Wausau and the area surrounding it was known as The Pinery. In 1989, Wausau celebrated the 150th anniversary of its founding. An 1836 treaty with the Menominee Indians transferred a strip of land--three miles on either side of the Wisconsin River--to the federal government. George Stevens arrived in 1838 to investigate the area for a suitable site to build a saw mill, to turn the century old white pine into lumber.

Stevens wrote that it was decidedly the best mill site in the Union. Known then as Big Bull Falls, it was named either by the early fur traders or the Indians. A 20 foot drop in the river caused a terrible roar, similar to the roaring of a bull. By 1840, Stevens had built a saw mill and was cutting pine. When he left the area in the mid-1840's, 28 men and two women were living on two of the islands in the river. The camp at Big Bull Falls was considered a temporary settlement.

Walter McIndoe arrived in the Pinery in 1848 and changed the temporary to permanent. Due to his efforts, Big Bull Falls became Wausau, a Chippewa word meaning "a place you can see far away from". Thanks to McIndoe, Marathon County was founded and Wausau became the County seat. The original County went all the way up to Lake Superior.

During the 1840's, 1850, and 1860's, the County existed primarily on the logging industry. Heavy German immigration beginning in the 1850's helped to develop the area. At one time, 75 percent of the County's population was of German descent. Large tracts of land were cleared of the stumps left by the loggers, rocks were picked, and the first farms were developed. Wild ginseng was found growing in the woods by the pioneer settlers. The Indians dug the root for medicinal purposes. By 1900, experimentation in growing domestic ginseng gardens was started by J. H. Koehler in Hamburg. The Fromm brothers became famous for ginseng, as well as silver fox fur farming. Marathon County "Ruby Red" granite has always been recognized internationally as one of the finest granites in the world. Tobacco also became a profitable crop in the area many years ago. The large dairy industry in the County didn't really thrive until the 20th Century.

The railroad came into the County in 1874 and this made some dramatic changes in the economy of the city of Wausau. Because goods could be transported by rail, companies sprang up that produced wood products, such as sash and door manufacturers. The railroad also helped the dairy industry, supplying a way to ship fresh dairy products to larger markets. With the death of the logging industry, wealthy local lumbermen formed paper mills, utility companies, and insurance companies. These industries, along with the dairying, have made the County what it is today.

Tom Schleif, Director
Marathon County Historical Museum

MARATHON COUNTY BOARD OF SUPERVISORS

April 21, 1998 to April 18, 2000

District No. 1	James R. Seefeldt
District No. 2	Judith A. Paetzold
District No. 3	Donna Knapp
District No. 4	Sharon McSweeney
District No. 5	Martin Welles
District No. 6	Richard Anklam
District No. 7	David Reynolds
District No. 8	Gene Sellung
District No. 9	Jim K. Schaefer
District No. 10	Richard Sturm
District No. 11	Aaron Baumgardt
District No. 12	Elroy W. Sellin
District No. 13	Elmer Bootz
District No. 14	Edward F. Fenhaus
District No. 15	Gary Wyman
District No. 16	Sarah L. Kamke
District No. 17	Elroy Zemke
District No. 18	Vilas Machmueller
District No. 19	Robert J. VanLanen
District No. 20	Barbara Ermeling
District No. 21	Elaine A. Duginske
District No. 22	Elroy P. Koskey
District No. 23	Martin J. Glatczak
District No. 24	Sandra Morris
District No. 25	Frank Zebro
District No. 26	Robert A. Feit
District No. 27	Richard J. Scheuer
District No. 28	Bettye J. Nall
District No. 29	Robert J. Wiesman
District No. 30	Joseph H. Boettcher
District No. 31	Graydon Peterson
District No. 32	Hugo Seubert, Jr.
District No. 33	Leo J. Martin
District No. 34	Dale A. Barkow
District No. 35	Keith Langenhahn
District No. 36	William J. Volm
District No. 37	Ginger Alden
District No. 38	Wallace R. Emmerich

Chairperson	Keith Langenhahn
Vice Chairperson	David Reynolds

STANDING AND STATUTORY COMMITTEES FOR 1998 - 1999

HIGHWAY COMMITTEE

Elmer Bootz, Chairman
Robert Wiesman, Vice Chair
Dale Barkow, Secretary
Richard Anklam
Gary Wyman

EXTENSION EDUCATION COMMITTEE

Hugo Seubert, Chairman
Elaine Duginske, Vice Chair
Wallace Emmerich, Secretary
Barbara Ermeling
Bettye Nall
William Volm
Frank Zebro

FINANCE AND PROPERTY COMMITTEE

Gary Wyman, Chairman
Frank Zebro, Vice Chair
Elmer Bootz, Secretary
Richard Anklam
Aaron Baumgardt
Wallace Emmerich
Edward Fenhaus
Leo Martin
David Reynolds

FORESTRY, RECREATION, ZONING AND COMMITTEE

Elroy Zenke, Chairman
Martin Glatczak, Vice Chair
Ginger Alden, Secretary
Elroy Koskey
Richard Sturm

LAND CONSERVATION COMMITTEE

Richard Scheuer, Chairman
Frank Zebro, Vice Chair
Wallace Emmerich
James Seefeldt
Robert VanLanen
Mark Kaiser, FSA Representative

LAW ENFORCEMENT COMMITTEE

Graydon Peterson, Chairman
Robert Feit, Vice Chair
Joseph Boettcher
Judith Paetzold
Gene Sellung

VETERANS SERVICE COMMISSION

Roger Sydow, Chairman
Bernie Gauerke
Joseph Voight

PERSONNEL COMMITTEE

Ginger Alden, Chairperson
Donna Knapp, Vice Chair
Sarah Kamke
Bettye Nall
Graydon Peterson
Jim Schaefer
Hugo Seubert

PLANNING COMMITTEE

Keith Langenhahn, Chairman
David Reynolds, Vice Chair
Ginger Alden
Aaron Baumgardt
Elmer Bootz
Graydon Peterson
Richard Scheuer
Hugo Seubert
Martin Welles
Gary Wyman
Elroy Zemke

SOCIAL SERVICES BOARD

Martin Welles, Chairperson
Judith Paetzold, Vice Chair
Sandy Morris, Secretary
Vilas Machmueller
Sharon McSweeney
Louis Plaisance - Citizen Member
Ted Tellekson - Citizen Member

HEALTH BOARD

LeRoy Jonas, Jr., Chairman
Dr. Robert Pope, Vice Chair
Jan Wieman, Secretary
Dr. Lori Sheperd
Dr. Kevin O'Connell
Bettye Nall
Jim Schaefer
Dr. David Wanserski
Dr. Gerald Schroeder, Medical Advisor

SOLID WASTE MANAGEMENT BOARD

Edward Fenhaus, Chairman
Marvin Knuth, Vice Chair
Elroy Sellin, Secretary
Elroy Koskey
Graydon Peterson
Tom Helbach
Sharron Morgan-Geweniger
Richard Mayer
Elaine Duginske

COMMISSION ON AGING

Larry Thompson, Chairman
Arnold Ahlmann, Vice Chair
Sarah Kamke, Secretary
Robert Feit
Adrienne Weisbrod
Orten Enstad
John Tobakos
Martin Welles
YengNeng Her

HANDICAPPED CHILDRENS' EDUCATION BOARD

John Resech, Chairman
Kenneth Breit, Vice Chair
Ron Reiche, Secretary
Claude Baumann
Carol Schulz
Lisa Bergmann
Scott Johnson

LIBRARY BOARD

Brad Zweck, President
Larry Stordahl, Vice President
Barbara Fliss
Dorothy Scott
Louann Fenhaus
Ginger Alden
Aaron Baumgardt

PARK COMMISSION

Don Christianson, President
Keith Langenhahn, Vice President
Kathleen Anderson
Gary Siewert
Gary Wyman
Robert Wiesman
Richard Anklam

PRIVATE INDUSTRY COUNCIL

Cheryl Davis, Chairman
William Tolly, Vice Chair
Richard Wirkus
Walter Cosman
Tom Oelhafen
Richard Clark
Tom Lonsdorf
Roger Luce
Charmaine Prewitt
Joanne Kelly
Ron Schnyder
Dennis Huntimer
Jean Huebsch
Joseph Hegge
Peter Yang
Michael Rayome
Steve Agnoli
Richard Allen

INDUSTRIAL DEVELOPMENT AGENCY BOARD

Keith Langenhahn
Mort McBain
Lorraine Beyersdorff
Thomas Finley
Bryon Karow
Gary Wyman
Mike Morrisey
Hugh Jones
Dale Smith

DISCRETELY PRESENTED COMPONENT UNIT COMMITTEES FOR 1998 - 1999

CENTRAL WISCONSIN AIRPORT BOARD

Edward Fenhaus, Chairman
James Krems, Vice Chair
Joseph Boettcher
Aaron Baumgardt
LeRoy Jonas
Ralph Drake
Gordon Hanson

CITY-COUNTY DATA CENTER COMMISSION

Mort McBain, Chairperson
Linda Lawrence, Vice Chair
Bryon A. Karow, Secretary
Keith Langenhahn
Maryanne Groat

NORTH CENTRAL COMMUNITY SERVICES

Gerald Hoffman, Chairman
J. Ken Peters , Vice Chair
Ken Moberg, Secretary
Sarah Kamke
LeRoy Jonas
Beverly Abbot
Thom Williams
Lenore Barnett
Joanne Kelly
Dr. Michele Montgomery
Kathleen Jensen
Merle Wendt
Berthold Strasman
Ken Oldenberg

MARATHON COUNTY AND DISCRETELY PRESENTED COMPONENT UNITS DEPARTMENT HEADS

Primary Government

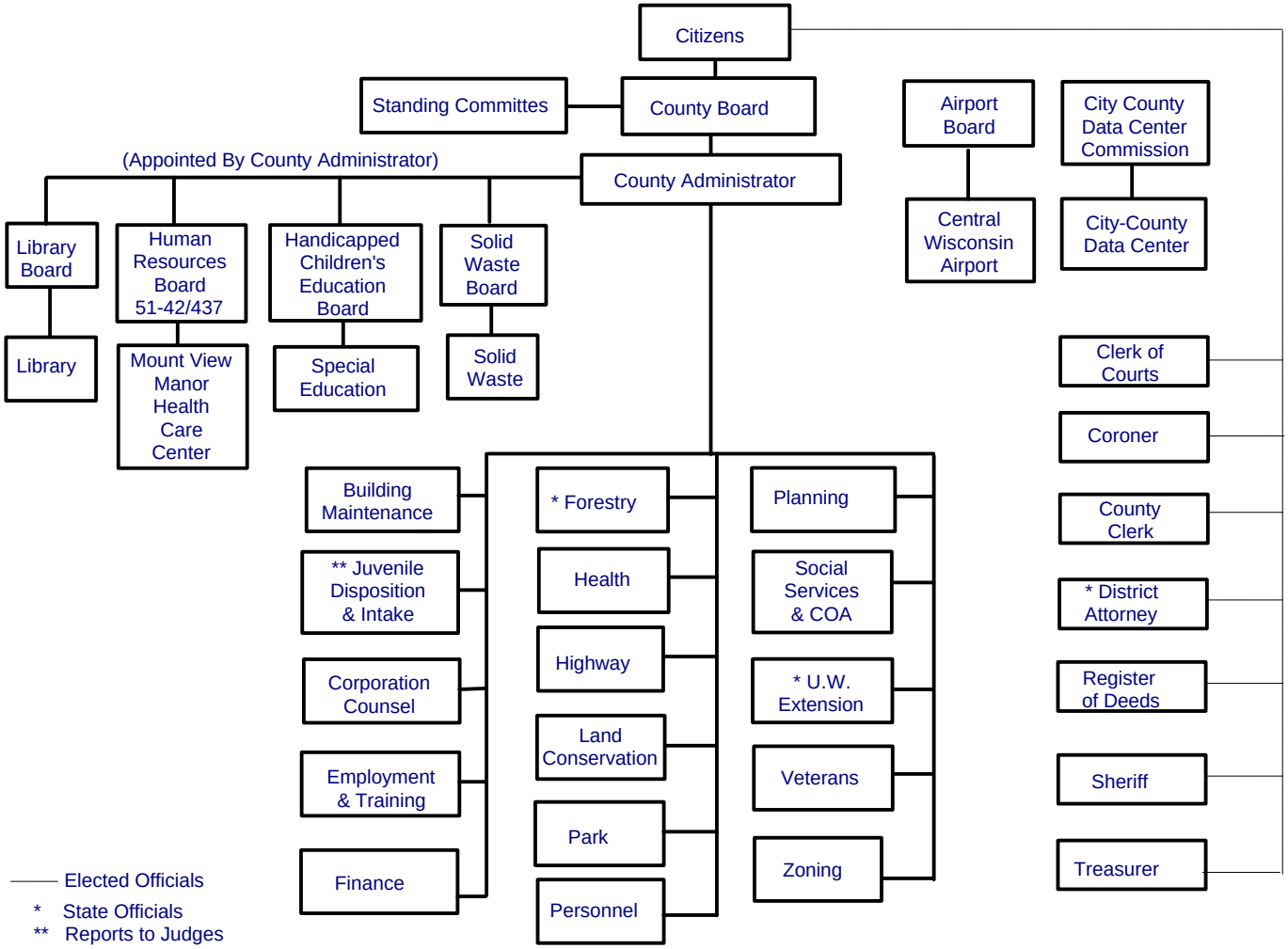
	Mort McBain	County Administrator
	Kenneth Mesenberg	Building Maintenance
	Lynn Patton	Childrens Court Services
*	Donna J. Seidel	Clerk of Courts
*	John Larson	Coroner
	Thomas Finley	Corporation Counsel
*	Nan Kottke	County Clerk
* !	Jill Falstad	District Attorney
	Phyllis Bermingham	Employment & Training
	Bryon A. Karow	Finance
!	Mark Heyde	Forestry
	George Million	Health
	Glenn Speich, Jr.	Highway
	Dean Kaatz	Land Conservation
	Mary Bethke	Library
	William Duncanson	Park
	Brad Karger	Personnel
	James Edward Hammer	Planning
*	Michael Sydow	Register of Deeds
*	Gary Marten	Sheriff
	Larry Hagar	Social Services
	Jim Pellitteri	Solid Waste
	Eric Hartwig	Special Education
*	Lorraine I. Beyersdorff	Treasurer
	Rita Straub	UW Extension
	Scott Berger	Veterans Service
	James Burgener	Zoning

Discretely Presented Component Units

James Hansford	Central Wisconsin Airport
Dave Kluever	City-County Data Commission
Tim Stellar	North Central Community Services

* Elected **!** State Employee

MARATHON COUNTY ORGANIZATIONAL CHART
1998



THIS PAGE LEFT BLANK INTENTIONALLY

THIS PAGE LEFT BLANK INTENTIONALLY

KPMG Peat Marwick LLP

4200 Norwest Center
90 South Seventh Street
Minneapolis, MN 55402

Independent Auditors' Report

To the Members of the Marathon County
Board of Supervisors and the Finance
and Property Committee
Marathon County, Wisconsin

We have audited this general-purpose financial statements of Marathon County, Wisconsin, (the County), as of and for the year ended December 31, 1998, as listed in the accompanying table of contents. These general-purpose financial statements are the responsibility of the County's management. Our responsibility is to express an opinion on these general-purpose financial statements based on our audit. We did not audit the financial statements of the City-County Data Center Commission and North Central Community Services, which represent 51% of the assets and 94% of the operating revenues of the discretely presented component units. Those financial statements were audited by other auditors whose reports thereon have been furnished to us, and our opinion, insofar as it relates to the amounts included for these discretely presented component units, is based solely on the reports of the other auditors.

We conducted our audit in accordance with generally accepted auditing standards and *Government Auditing Standards* issued by the Comptroller General of t he United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the general-purpose financial statements are free of material misstatement. The financial statements of the City-County Data Center Commission were not audited in accordance with *Government Auditing Standards*, and accordingly, our reports on internal control and compliance referred to below do not extend to that discretely presented component unit. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general-purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation . We believe that our audit and the reports of other auditors provides a reasonable basis for our opinion.

In our opinion, based upon our audit and the reports of other auditors, the general-purpose financial statements referred to above present fairly, in all material respects, the financial position of Marathon County, Wisconsin as of December 31, 1998, and the results of its operations and cash flows of its proprietary fund types and discretely presented component units for the year then ended in conformity with generally accepted accounting principles.

The year 2000 supplementary information on page 52 is not a required part of the general-purpose financial statements, but is supplementary information required by the Governmental Accounting Standards Board, and we did not audit and do not express an opinion on such information. Further, we were unable to apply to the information certain procedures prescribed by professional standards because of the nature of the subject matter underlying the disclosure requirements and because sufficiently specific criteria regarding the matters to be disclosed have not been established. In addition, we do not provide assurance that the County is or will become year 2000 compliant, that

KPMG Peat Marwick LLP

the County's year 2000 remediation efforts will be successful in whole or in part, or that parties with which the County does business are or will become year 2000 compliant.

In accordance with *Governmental Auditing Standards*, we have also issued our report dated May 20, 1999, 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 grants.

Our audit was made for the purpose of forming an opinion on the general-purpose financial statements taken as a whole. The combining and individual fund and account group financial statements and schedules listed in the accompanying table of contents are presented for purposes of additional analysis and are not a required part of the general-purpose financial statements of the County. Such information has been subjected to the auditing procedures applied in the audit of the general-purpose financial statements and, in our opinion, based on our audit and the reports of other auditors, is fairly stated in all material respects in relation to the general-purpose financial statements taken as a whole.

KPMG Peat Marwick LLP

May 20, 1999

MARATHON COUNTY, WISCONSIN

Combined Balance Sheet
All Fund Types, Account Groups and Discretely Presented Component Units

December 31, 1998

(With comparative totals for December 31, 1997)

		Governmental Fund Types			
		General	Special Revenue	Debt Service	Capital Projects
Assets and Other Debits					
Assets:					
Cash and investments (note 2)	$	17,766,913	3,351,498	180,546	9,478,043
Taxes receivable (note 3)		20,343,136	3,581,665	4,406,267	-
Accounts receivable		493,243	53,651	-	89
Contracts receivable		-	-	-	-
Accrued interest receivable		400,264	6,480	-	-
Penalties and interest receivable		112,175	-	-	-
Due from other governments (note 8)		1,775,152	2,795,500	-	78,240
Due from other funds		-	-	-	-
Prepaid items		-	22,683	-	-
Inventories		10,000	-	-	-
Restricted assets:					
Cash and investments (note 2)		6,174,710	22,419	-	-
Accrued interest receivable		-	-	-	-
Due from other governments		-	-	-	-
Deferred charges		-	-	-	-
Deposit in Wisconsin Mutual Insurance Companies (note 14)		-	-	-	-
Property, plant and equipment, net (note 4)		-	-	-	-
Other Debits:					
Amount available in Debt Service Fund		-	-	-	-
Amount available in General Fund		-	-	-	-
Amount to be provided for debt service (note 20)		-	-	-	-
Total assets and other debits	$	47,075,593	9,833,896	4,586,813	9,556,372
Liabilities, Fund Equity and Other Credits					
Liabilities:					
Accounts payable	$	594,372	1,176,757	4,805	540,556
Accrued items		289,253	249,173	-	-
Special deposits		1,179,658	13,289	-	-
Interest payable		-	-	-	-
Due to other governments		2,523,731	654,737	-	-
Due to other funds		-	-	-	-
Deferred revenues		18,467,627	4,740,449	4,406,267	-
Accounts payable from restricted assets		-	-	-	-
Current portion - purchase contracts (note 10)		-	-	-	-
Contracts payable		-	-	-	295,687
Contracts payable from restricted assets		-	-	-	-
Non-current portion - purchase contracts (note 10)		-	-	-	-
General obligation bonds payable (note 11)		-	-	-	-
General obligation notes payable (note 11)		-	-	-	-
Forest crop loan payable (note 11)		-	-	-	-
Land contracts (note 11)		-	-	-	-
Claims and judgements		-	-	-	-
Landfill closure & long-term care payable (note 21)		-	-	-	-
Accrued liability - claims payable		-	-	-	-
Compensated absences (note 11)		53,096	-	-	-
Total liabilities		23,107,737	6,834,405	4,411,072	836,243
Fund Equity and Other Credits:					
Contributed capital (note 7)		-	-	-	-
Investment in general fixed assets		-	-	-	-
Fund Equity:					
Retained earnings:					
Reserved (note 19)		-	-	-	-
Unreserved (note 19)		-	-	-	-
Fund balances:					
Reserved:					
Reserved (note 19)		12,679,140	104,163	175,741	8,674,741
Unreserved:					
Designated (note 19)		9,125,461	2,086,572	-	-
Undesignated (note 19)		2,163,255	808,756	-	45,388
Total fund equity and other credits		23,967,856	2,999,491	175,741	8,720,129
Total liabilities, fund equity and other credits	$	47,075,593	9,833,896	4,586,813	9,556,372

See accompanying notes to general purpose financial statements

MARATHON COUNTY, WISCONSIN

Combined Balance Sheet
All Fund Types, Account Groups and Discretely Presented Component Units

December 31, 1998

(With comparative totals for December 31, 1997)

		Proprietary Fund Types		Fiduciary Fund Types
		Enterprise	Internal Service	Expendable Trust
Assets and Other Debits				
Assets:				
Cash and investments (note 2)	$	3,640,776	9,470,276	9,575,961
Taxes receivable (note 3)		-	5,291,672	-
Accounts receivable		308,968	331,900	-
Contracts receivable		976,515	-	-
Accrued interest receivable		-	-	-
Penalties and interest receivable		-	-	-
Due from other governments (note 8)		-	494,281	-
Due from other funds		-	-	-
Prepaid items		-	26,529	-
Inventories		100,597	499,075	-
Restricted assets:				
Cash and investments (note 2)		10,172,828	-	-
Accrued interest receivable		29,853	-	-
Due from other governments		-	-	-
Deferred charges		4,209	-	-
Deposit in Wisconsin Mutual Insurance Companies (note 14)		-	1,519,000	-
Property, plant and equipment, net (note 4)		3,754,878	8,686,531	-
Other Debits:				
Amount available in Debt Service Fund		-	-	-
Amount available in General Fund		-	-	-
Amount to be provided for debt service (note 20)		-	-	-
Total assets and other debits	$	18,988,624	26,319,264	9,575,961
Liabilities, Fund Equity and Other Credits				
Liabilities:				
Accounts payable	$	130,436	930,055	-
Accrued items		2,070	75,790	-
Special deposits		-	-	-
Interest payable		8,203	-	-
Due to other governments		803,631	-	-
Due to other funds		-	-	-
Deferred revenues		-	5,374,295	-
Accounts payable from restricted assets		2,191	-	-
Current portion - purchase contracts (note 10)		13,000	-	-
Contracts payable		-	-	-
Contracts payable from restricted assets		-	-	-
Non-current portion - purchase contracts (note 10)		65,000	-	-
General obligation bonds payable (note 11)		1,130,000	-	-
General obligation notes payable (note 11)		-	-	-
Forest crop loan payable (note 11)		-	-	-
Land contracts (note 11)		-	-	-
Claims and judgements		-	-	-
Landfill closure & long-term care payable (note 21)		7,769,650	-	-
Accrued liability - claims payable		-	4,829,912	-
Compensated absences (note 11)		25,562	515,503	-
Total liabilities		9,949,743	11,725,555	-
Fund Equity and Other Credits:				
Contributed capital (note 7)		-	1,869,665	-
Investment in general fixed assets		-	-	-
Fund Equity:				
Retained earnings:				
Reserved (note 19)		4,767,114	4,962,620	-
Unreserved (note 19)		4,271,767	7,761,424	-
Fund balances:				
Reserved:				
Reserved (note 19)		-	-	9,575,961
Unreserved:				
Designated (note 19)		-	-	-
Undesignated (note 19)		-	-	-
Total fund equity and other credits		9,038,881	14,593,709	9,575,961
Total liabilities, fund equity and other credits	$	18,988,624	26,319,264	9,575,961

See accompanying notes to general purpose financial statements

MARATHON COUNTY, WISCONSIN

Combined Balance Sheet
All Fund Types, Account Groups and Discretely Presented Component Units

December 31, 1998

(With comparative totals for December 31, 1997)

	Account Groups		Totals (Memorandum Only) Primary Government	
	General Fixed Assets	General Long-term Debt	1998	1997
Assets and Other Debits				
Assets:				
Cash and investments (note 2)	$ -	-	53,464,013	45,813,000
Taxes receivable (note 3)	-	-	33,622,740	31,824,642
Accounts receivable	-	-	1,187,851	1,132,781
Contracts receivable	-	-	976,515	983,361
Accrued interest receivable	-	-	406,744	555,301
Penalties and interest receivable	-	-	112,175	134,145
Due from other governments (note 8)	-	-	5,143,173	6,020,603
Due from other funds	-	-	-	246,447
Prepaid items	-	-	49,212	21,757
Inventories	-	-	609,672	430,176
Restricted assets:				
Cash and investments (note 2)	-	-	16,369,957	15,371,163
Accrued interest receivable	-	-	29,853	37,194
Due from other governments	-	-	-	-
Deferred charges	-	-	4,209	5,079
Deposit in Wisconsin Mutual Insurance Companies (note 14)	-	-	1,519,000	1,519,000
Property, plant and equipment, net (note 4)	70,875,283	-	83,316,692	74,984,200
Other Debits:				
Amount available in Debt Service Fund	-	175,741	175,741	173,781
Amount available in General Fund	-	2,550,007	2,550,007	2,038,783
Amount to be provided for debt service (note 20)	-	19,295,199	19,295,199	18,170,292
Total assets and other debits	$ 70,875,283	22,020,947	218,832,753	199,461,705
Liabilities, Fund Equity and Other Credits				
Liabilities:				
Accounts payable	$ -	-	3,376,981	4,378,988
Accrued items	-	-	616,286	1,515,382
Special deposits	-	-	1,192,947	1,048,071
Interest payable	-	-	8,203	9,470
Due to other governments	-	-	3,982,099	2,529,056
Due to other funds	-	-	-	246,447
Deferred revenues	-	-	32,988,638	31,069,378
Accounts payable from restricted assets	-	-	2,191	1,569
Current portion - purchase contracts (note 10)	-	-	13,000	-
Contracts payable	-	-	295,687	215,390
Contracts payable from restricted assets	-	-	-	-
Non-current portion - purchase contracts (note 10)	-	-	65,000	-
General obligation bonds payable (note 11)	-	5,840,000	6,970,000	10,840,000
General obligation notes payable (note 11)	-	12,960,000	12,960,000	8,025,000
Forest crop loan payable (note 11)	-	591,828	591,828	477,412
Land contracts (note 11)	-	-	-	45,000
Claims and judgements	-	27,427	27,427	-
Landfill closure & long-term care payable (note 21)	-	-	7,769,650	6,882,674
Accrued liability - claims payable	-	-	4,829,912	4,162,806
Compensated absences (note 11)	-	2,601,692	3,195,853	2,837,099
Total liabilities	-	22,020,947	78,885,702	74,283,742
Fund Equity and Other Credits:				
Contributed capital (note 7)	-	-	1,869,665	1,942,609
Investment in general fixed assets	70,875,283	-	70,875,283	63,141,879
Fund Equity:				
Retained earnings:				
Reserved (note 19)	-	-	9,729,734	10,042,277
Unreserved (note 19)	-	-	12,033,191	10,721,525
Fund balances:				
Reserved:				
Reserved (note 19)	-	-	31,209,746	29,582,553
Unreserved:				
Designated (note 19)	-	-	11,212,033	11,208,167
Undesignated (note 19)	-	-	3,017,399	(1,461,047)
Total fund equity and other credits	70,875,283	-	139,947,051	125,177,963
Total liabilities, fund equity and other credits	$ 70,875,283	22,020,947	218,832,753	199,461,705

See accompanying notes to general purpose financial statements

MARATHON COUNTY, WISCONSIN

Combined Balance Sheet
All Fund Types, Account Groups and Discretely Presented Component Units

December 31, 1998

(With comparative totals for December 31, 1997)

		Discretely Presented Component Units	Totals (Memorandum Only) Reporting Entity 1998	1997
Assets and Other Debits				
Assets:				
Cash and investments (note 2)	$	5,513,860	58,977,873	51,860,205
Taxes receivable (note 3)		-	33,622,740	31,824,642
Accounts receivable		4,191,726	5,379,577	5,608,060
Contracts receivable		-	976,515	983,361
Accrued interest receivable		-	406,744	555,301
Penalties and interest receivable		-	112,175	134,145
Due from other governments (note 8)		860,360	6,003,533	7,458,455
Due from other funds		-	-	246,447
Prepaid items		60,166	109,378	294,715
Inventories		180,171	789,843	600,529
Restricted assets:				
Cash and investments (note 2)		3,441,534	19,811,491	16,667,523
Accrued interest receivable		-	29,853	37,194
Due from other governments		-	-	45,514
Deferred charges		120,141	124,350	68,555
Deposit in Wisconsin Mutual Insurance Companies (note 14)		-	1,519,000	1,519,000
Property, plant and equipment, net (note 4)		37,984,010	121,300,702	106,980,208
Other Debits:				
Amount available in Debt Service Fund		-	175,741	173,781
Amount available in General Fund		-	2,550,007	2,038,783
Amount to be provided for debt service (note 20)		-	19,295,199	18,170,292
Total assets and other debits	$	52,351,968	271,184,721	245,266,710
Liabilities, Fund Equity and Other Credits				
Liabilities:				
Accounts payable	$	1,733,084	5,110,065	6,421,533
Accrued items		964,621	1,580,907	3,144,816
Special deposits		403,862	1,596,809	1,274,268
Interest payable		79,218	87,421	27,295
Due to other governments		944,724	4,926,823	2,957,975
Due to other funds		-	-	246,447
Deferred revenues		447,754	33,436,392	31,373,434
Accounts payable from restricted assets		-	2,191	1,569
Current portion - purchase contracts (note 10)		183,575	196,575	19,644
Contracts payable		-	295,687	215,390
Contracts payable from restricted assets		1,250,745	1,250,745	45,514
Non-current portion - purchase contracts (note 10)		1,887	66,887	18,404
General obligation bonds payable (note 11)		5,342,115	12,312,115	11,122,467
General obligation notes payable (note 11)		427,143	13,387,143	8,492,681
Forest crop loan payable (note 11)		-	591,828	477,412
Land contracts (note 11)		-	-	45,000
Claims and judgements		-	27,427	-
Landfill closure & long-term care payable (note 21)		-	7,769,650	6,882,674
Accrued liability - claims payable		-	4,829,912	4,162,806
Compensated absences (note 11)		1,711,245	4,907,098	4,462,137
Total liabilities	$	13,489,973	92,375,675	81,391,466
Fund Equity and Other Credits:				
Contributed capital (note 7)	$	15,663,169	17,532,834	17,266,895
Investment in general fixed assets		-	70,875,283	63,141,879
Fund Equity:				
Retained earnings:				
Reserved (note 19)		2,520,530	12,250,264	11,544,259
Unreserved (note 19)		20,678,296	32,711,487	32,592,538
Fund balances:				
Reserved:				
Reserved (note 19)		-	31,209,746	29,582,553
Unreserved:				
Designated (note 19)		-	11,212,033	11,208,167
Undesignated (note 19)		-	3,017,399	(1,461,047)
Total fund equity and other credits	$	38,861,995	178,809,046	163,875,244
Total liabilities, fund equity and other credits	$	52,351,968	271,184,721	245,266,710

See accompanying notes to general purpose financial statements

nt

MARATHON COUNTY, WISCONSIN

Combined Statement of Revenues, Expenditures and Changes in Fund Balances -
All Governmental Fund Types and Expendable Trust Fund

Year ended December 31, 1998

(With comparative totals for December 31, 1997)

	Governmental Fund Types				Fiduciary Fund Type	Totals (Memorandum Only)	
	General	Special Revenue	Debt Service	Capital Projects	Expendable Trust	1998	1997
Revenues:							
Taxes	$ 24,380,787	3,530,103	4,144,342	400,000	-	32,455,232	30,785,959
Intergovernmental grants and aids	8,176,736	17,323,296	-	-	-	25,500,032	23,471,562
Licenses and permits	219,501	-	-	-	-	219,501	202,856
Fines and forfeitures	514,848	-	171,641	-	-	686,489	599,579
Public charges for services	2,839,858	630,816	15,012	4,006	-	3,489,692	3,216,931
Intergovernmental charges for services	391,963	2,528,866	-	164,763	-	3,085,592	2,692,095
Miscellaneous revenues	2,064,299	904,392	423,861	1,218,961	2,233,345	6,844,858	6,097,482
Total revenues	$ 38,587,992	24,917,473	4,754,856	1,787,730	2,233,345	72,281,396	67,066,464
Expenditures:							
Current:							
General government	$ 14,094,331	327,684	-	-	-	14,422,015	13,551,152
Public safety	10,353,932	113,934	-	-	-	10,467,866	10,092,579
Health	1,953,927	381,342	-	-	-	2,335,269	2,276,501
Social services	560,772	15,186,182	-	-	-	15,746,954	14,714,079
Leisure activities and education	4,837,574	4,382,530	-	-	-	9,220,104	9,365,182
Conservation and economic development	485,145	4,699,260	-	-	-	5,184,405	3,748,079
Distributions to plan participants	-	-	-	-	301,019	301,019	192,456
Capital outlay	195,325	-	-	8,836,375	-	9,031,700	5,257,585
Debt service:							
Principal	-	-	3,744,484	-	-	3,744,484	3,844,359
Interest and paying agent fees	-	-	1,062,012	-	-	1,062,012	1,189,650
Total expenditures	$ 32,481,006	25,090,932	4,806,496	8,836,375	301,019	71,515,828	64,231,622
Excess (deficiency) of revenues over expenditures	$ 6,106,986	(173,459)	(51,640)	(7,048,645)	1,932,326	765,568	2,834,842

Other financing sources (uses):							
Operating transfers in:							
General Fund	$ -	312,466	-	4,445,330	-	4,757,796	2,397,757
Social Services Fund	-	-	-	1,203,070	-	1,203,070	318,795
Grants Fund	-	-	-	-	-	-	54,209
Commission on Aging Fund	477	-	-	-	-	477	3,125
Capital Improvement Fund	-	-	-	2,030,000	-	2,030,000	25,000
County Highway Fund	872	-	-	-	-	872	2,367
Sale of fixed assets	69,175	695	-	-	-	69,870	45,298
Component unit transfer in	-	-	-	95,696	-	95,696	95,696
Proceeds from state loan program	28,000	95,899	-	-	-	123,899	138,371
General obligation proceeds	-	-	53,600	5,000,000	-	5,053,600	-
Operating transfers out:							
General Fund	-	(477)	-	-	-	(477)	(57,334)
Social Services Fund	(306,545)	-	-	-	-	(306,545)	(159,592)
Grants Fund	(5,921)	-	-	-	-	(5,921)	(25,000)
Capital Improvement Fund	(4,309,578)	(1,203,070)	-	-	-	(5,512,648)	(2,556,960)
Huber Facility Expansion Fund	-	-	-	(2,000,000)	-	(2,000,000)	-
Library Building Project Fund	(135,752)	-	-	(30,000)	-	(165,752)	-
Total other financing sources (uses)	$ (4,659,272)	(794,487)	53,600	10,744,096	-	5,343,937	281,732
Excess (deficiency) of revenues and other financing sources over expenditures and other financing (uses)	$ 1,447,714	(967,946)	1,960	3,695,451	1,932,326	6,109,505	3,116,574
Fund balances, January 1 as previously reported	$ 22,166,605	3,969,344	173,781	5,376,308	7,643,635	39,329,673	30,338,684
Cumulative effect of change in accounting principles	-	-	-	-	-	-	5,874,415
Fund balances, January 1 as restated	$ 22,166,605	3,969,344	173,781	5,376,308	7,643,635	39,329,673	36,213,099
Residual equity transfers in (out)	353,537	(1,907)	-	(351,630)	-	-	-
Fund balances, December 31	$ 23,967,856	2,999,491	175,741	8,720,129	9,575,961	45,439,178	39,329,673

See accompanying notes to combined financial statements.

MARATHON COUNTY, WISCONSIN

Combined Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual - All Governmental Fund Types

Year ended December 31, 1998

(With comparative totals for December 31, 1997)

		General Fund		
		Budget	Actual	Variance-favorable (unfavorable)
Revenues:				
Taxes	$	21,813,084	24,380,787	2,567,703
Intergovernmental grants and aids		8,040,922	8,176,736	135,814
Licenses and permits		154,000	219,501	65,501
Fines and forfeitures		483,700	514,848	31,148
Public charges for services		2,427,259	2,839,858	412,599
Intergovernmental charges for services		813,065	391,963	(421,102)
Miscellaneous revenues		1,277,647	2,064,299	786,652
Total revenues	$	35,009,677	38,587,992	3,578,315
Expenditures:				
Current:				
General government	$	15,540,572	14,094,331	1,446,241
Public safety		11,191,832	10,353,932	837,900
Health		2,065,912	1,953,927	111,985
Social services		654,857	560,772	94,085
Leisure activities and education		5,225,655	4,837,574	388,081
Conservation and economic development		607,576	485,145	122,431
Capital outlay		1,511,127	195,325	1,315,802
Debt service:				
Principal		-	-	-
Interest and paying agent fees		-	-	-
Total expenditures	$	36,797,531	32,481,006	4,316,525
Excess (deficiency) of revenues over expenditures	$	(1,787,854)	6,106,986	7,894,840
Other financing sources (uses):				
Operating transfers in:				
General Fund	$	-	-	-
Social Services Fund		-	-	-
Grants Fund		-	-	-
Commission on Aging Fund		-	477	477
Capital Improvement Fund		-	-	-
County Highway Fund		-	872	872
Sale of fixed assets		12,300	69,175	56,875
Component unit transfer in		-	-	-
Proceeds from state loan program		-	28,000	28,000
General obligation proceeds		-	-	-
Operating transfers out:				
General Fund		-	-	-
Social Services Fund		(307,500)	(306,545)	955
Grants Fund		(5,921)	(5,921)	-
Capital Improvement Fund		(4,309,578)	(4,309,578)	-
Huber Facility Expansion Fund		-	-	-
Library Building Project Fund		(135,752)	(135,752)	-
Total other financing sources (uses)	$	(4,746,451)	(4,659,272)	87,179
Excess (deficiency) of revenues and other financing sources over expenditures and other financing (uses)	$	(6,534,305)	1,447,714	7,982,019
Fund balances, January 1 as previously reported	$	22,166,605	22,166,605	-
Cumulative effect of change in accounting principles		-	-	-
Fund balances, January 1 as restated	$	22,166,605	22,166,605	-
Residual equity transfers in (out)		-	353,537	353,537
Fund balances, December 31	$	15,632,300	23,967,856	8,335,556

See accompanying notes to general purpose financial statements.

MARATHON COUNTY, WISCONSIN

Combined Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual - All Governmental Fund Types

Year ended December 31, 1998

(With comparative totals for December 31, 1997)

		Special Revenue Funds		
		Budget	Actual	Variance-favorable (unfavorable)
Revenues:				
Taxes	$	3,530,103	3,530,103	-
Intergovernmental grants and aids		22,443,594	17,323,296	(5,120,298)
Licenses and permits		-	-	-
Fines and forfeitures		-	-	-
Public charges for services		700,815	630,816	(69,999)
Intergovernmental charges for services		2,587,484	2,528,866	(58,618)
Miscellaneous revenues		718,189	904,392	186,203
Total revenues	$	29,980,185	24,917,473	(5,062,712)
Expenditures:				
Current:				
General government	$	378,933	327,684	51,249
Public safety		119,558	113,934	5,624
Health		655,261	381,342	273,919
Social services		15,793,930	15,186,182	607,748
Leisure activities and education		4,773,698	4,382,530	391,168
Conservation and economic development		9,316,616	4,699,260	4,617,356
Capital outlay		-	-	-
Debt service:				
Principal		-	-	-
Interest and paying agent fees		-	-	-
Total expenditures	$	31,037,996	25,090,932	5,947,064
Excess (deficiency) of revenues over expenditures	$	(1,057,811)	(173,459)	884,352
Other financing sources (uses):				
Operating transfers in:				
General Fund	$	313,421	312,466	(955)
Social Services Fund		-	-	-
Grants Fund		-	-	-
Commission on Aging Fund		-	-	-
Capital Improvement Fund		-	-	-
County Highway Fund		-	-	-
Sale of fixed assets		-	695	695
Component unit transfer in		-	-	-
Proceeds from state loan program		123,398	95,899	(27,499)
General obligation proceeds		-	-	-
Operating transfers out:				
General Fund		-	(477)	(477)
Social Services Fund		-	-	-
Grants Fund		-	-	-
Capital Improvement Fund		(1,203,070)	(1,203,070)	-
Huber Facility Expansion Fund		-	-	-
Library Building Project Fund		-	-	-
Total other financing sources (uses)	$	(766,251)	(794,487)	(28,236)
Excess (deficiency) of revenues and other financing sources over expenditures and other financing (uses)	$	(1,824,062)	(967,946)	856,116
Fund balances, January 1 as previously reported	$	3,969,344	3,969,344	-
Cumulative effect of change in accounting principles		-	-	-
Fund balances, January 1 as restated	$	3,969,344	3,969,344	-
Residual equity transfers in (out)		-	(1,907)	(1,907)
Fund balances, December 31	$	2,145,282	2,999,491	854,209

See accompanying notes to general purpose financial statements.

MARATHON COUNTY, WISCONSIN

Combined Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual - All Governmental Fund Types

Year ended December 31, 1998

(With comparative totals for December 31, 1997)

		Debt Service Fund		
		Budget	Actual	Variance-favorable (unfavorable)
Revenues:				
Taxes	$	4,144,342	4,144,342	-
Intergovernmental grants and aids		-	-	-
Licenses and permits		-	-	-
Fines and forfeitures		157,000	171,641	14,641
Public charges for services		23,000	15,012	(7,988)
Intergovernmental charges for services		-	-	-
Miscellaneous revenues		482,144	423,861	(58,283)
Total revenues	$	4,806,486	4,754,856	(51,630)
Expenditures:				
Current:				
General government	$	-	-	-
Public safety		-	-	-
Health		-	-	-
Social services		-	-	-
Leisure activities and education		-	-	-
Conservation and economic development		-	-	-
Capital outlay		-	-	-
Debt service:				
Principal		3,768,203	3,744,484	23,719
Interest and paying agent fees		1,086,486	1,062,012	24,474
Total expenditures	$	4,854,689	4,806,496	48,193
Excess (deficiency) of revenues over expenditures	$	(48,203)	(51,640)	(3,437)
Other financing sources (uses):				
Operating transfers in:				
General Fund	$	-	-	-
Social Services Fund		-	-	-
Grants Fund		-	-	-
Commission on Aging Fund		-	-	-
Capital Improvement Fund		-	-	-
County Highway Fund		-	-	-
Sale of fixed assets		-	-	-
Component unit transfer in		-	-	-
Proceeds from state loan program		-	-	-
General obligation proceeds		-	53,600	53,600
Operating transfers out:				
General Fund		-	-	-
Social Services Fund		-	-	-
Grants Fund		-	-	-
Capital Improvement Fund		-	-	-
Huber Facility Expansion Fund		-	-	-
Library Building Project Fund		-	-	-
Total other financing sources (uses)	$	-	53,600	53,600
Excess (deficiency) of revenues and other financing sources over expenditures and other financing (uses)	$	(48,203)	1,960	50,163
Fund balances, January 1 as previously reported	$	173,781	173,781	-
Cumulative effect of change in accounting principles		-	-	-
Fund balances, January 1 as restated	$	173,781	173,781	-
Residual equity transfers in (out)		-	-	-
Fund balances, December 31	$	125,578	175,741	50,163

See accompanying notes to general purpose financial statements.

MARATHON COUNTY, WISCONSIN

Combined Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual - All Governmental Fund Types

Year ended December 31, 1998

(With comparative totals for December 31, 1997)

		Capital Project Funds		
		Budget	Actual	Variance-favorable (unfavorable)
Revenues:				
Taxes	$	400,000	400,000	-
Intergovernmental grants and aids		-	-	-
Licenses and permits		-	-	-
Fines and forfeitures		-	-	-
Public charges for services		-	4,006	4,006
Intergovernmental charges for services		750,000	164,763	(585,237)
Miscellaneous revenues		1,251,467	1,218,961	(32,506)
Total revenues	$	2,401,467	1,787,730	(613,737)
Expenditures:				
Current:				
General government	$	-	-	-
Public safety		-	-	-
Health		-	-	-
Social services		-	-	-
Leisure activities and education		-	-	-
Conservation and economic development		-	-	-
Capital outlay		18,939,682	8,836,375	10,103,307
Debt service:				
Principal		-	-	-
Interest and paying agent fees		-	-	-
Total expenditures	$	18,939,682	8,836,375	10,103,307
Excess (deficiency) of revenues over expenditures	$	(16,538,215)	(7,048,645)	9,489,570
Other financing sources (uses):				
Operating transfers in:				
General Fund	$	4,445,330	4,445,330	-
Social Services Fund		1,203,070	1,203,070	-
Grants Fund		-	-	-
Commission on Aging Fund		-	-	-
Capital Improvement Fund		2,030,000	2,030,000	-
County Highway Fund		-	-	-
Sale of fixed assets		-	-	-
Component unit transfer in		95,696	95,696	-
Proceeds from state loan program		-	-	-
General obligation proceeds		5,814,929	5,000,000	(814,929)
Operating transfers out:				
General Fund		-	-	-
Social Services Fund		-	-	-
Grants Fund		-	-	-
Capital Improvement Fund		-	-	-
Huber Facility Expansion Fund		(2,000,000)	(2,000,000)	-
Library Building Project Fund		(30,000)	(30,000)	-
Total other financing sources (uses)	$	11,559,025	10,744,096	(814,929)
Excess (deficiency) of revenues and other financing sources over expenditures and other financing (uses)	$	(4,979,190)	3,695,451	8,674,641
Fund balances, January 1 as previously reported	$	5,376,308	5,376,308	-
Cumulative effect of change in accounting principles		-	-	-
Fund balances, January 1 as restated	$	5,376,308	5,376,308	-
Residual equity transfers in (out)		-	(351,630)	(351,630)
Fund balances, December 31	$	397,118	8,720,129	8,323,011

See accompanying notes to general purpose financial statements.

MARATHON COUNTY, WISCONSIN

Combined Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual - All Governmental Fund Types

Year ended December 31, 1998

(With comparative totals for December 31, 1997)

		Totals (Memorandum Only)			
		1998			1997
		Budget	Actual	Variance-favorable (unfavorable)	Actual
Revenues:					
Taxes	$	29,887,529	32,455,232	2,567,703	30,785,959
Intergovernmental grants and aids		30,484,516	25,500,032	(4,984,484)	23,471,562
Licenses and permits		154,000	219,501	65,501	202,856
Fines and forfeitures		640,700	686,489	45,789	599,579
Public charges for services		3,151,074	3,489,692	338,618	3,216,931
Intergovernmental charges for services		4,150,549	3,085,592	(1,064,957)	2,692,095
Miscellaneous revenues		3,729,447	4,611,513	882,066	4,205,724
Total revenues	$	72,197,815	70,048,051	(2,149,764)	65,174,706
Expenditures:					
Current:					
General government	$	15,919,505	14,422,015	1,497,490	13,551,152
Public safety		11,311,390	10,467,866	843,524	10,092,579
Health		2,721,173	2,335,269	385,904	2,276,501
Social services		16,448,787	15,746,954	701,833	14,714,079
Leisure activities and education		9,999,353	9,220,104	779,249	9,365,182
Conservation and economic development		9,924,192	5,184,405	4,739,787	3,748,079
Capital outlay		20,450,809	9,031,700	11,419,109	5,257,585
Debt service:					
Principal		3,768,203	3,744,484	23,719	3,844,359
Interest and paying agent fees		1,086,486	1,062,012	24,474	1,189,650
Total expenditures	$	91,629,898	71,214,809	20,415,089	64,039,166
Excess (deficiency) of revenues over expenditures	$	(19,432,083)	(1,166,758)	18,265,325	1,135,540
Other financing sources (uses):					
Operating transfers in:					
General Fund	$	4,758,751	4,757,796	(955)	2,397,757
Social Services Fund		1,203,070	1,203,070	-	318,795
Grants Fund		-	-	-	54,209
Commission on Aging Fund		-	477	477	3,125
Capital Improvement Fund		2,030,000	2,030,000	-	25,000
County Highway Fund		-	872	872	2,367
Sale of fixed assets		12,300	69,870	57,570	45,298
Component unit transfer in		95,696	95,696	-	95,696
Proceeds from state loan program		123,398	123,899	501	138,371
General obligation proceeds		5,814,929	5,053,600	(761,329)	-
Operating transfers out:					
General Fund		-	(477)	(477)	(57,334)
Social Services Fund		(307,500)	(306,545)	955	(159,592)
Grants Fund		(5,921)	(5,921)	-	(25,000)
Capital Improvement Fund		(5,512,648)	(5,512,648)	-	(2,556,960)
Huber Facility Expansion Fund		(2,000,000)	(2,000,000)	-	-
Library Building Project Fund		(165,752)	(165,752)	-	-
Total other financing sources (uses)	$	6,046,323	5,343,937	(702,386)	281,732
Excess (deficiency) of revenues and other financing sources over expenditures and other financing (uses)	$	(13,385,760)	4,177,179	17,562,939	1,417,272
Fund balances, January 1 as previously reported	$	31,686,038	31,686,038	-	30,338,684
Cumulative effect of change in accounting principles		-	-	-	(69,918)
Fund balances, January 1 as restated	$	31,686,038	31,686,038	-	30,268,766
Residual equity transfers in (out)		-	-	-	-
Fund balances, December 31	$	18,300,278	35,863,217	17,562,939	31,686,038

See accompanying notes to general purpose financial statements.

MARATHON COUNTY, WISCONSIN

Combined Statement of Revenues, Expenses and Changes in
Retained Earnings - All Proprietary Fund Types and Discretely Presented Component Units

Year ended December 31, 1998

(With comparative totals for December 31, 1997)

	Enterprise	Internal Service	Totals (Memorandum Only) Primary Government 1998	Totals (Memorandum Only) Primary Government 1997	Discretely Presented Component Units	Totals (Memorandum Only) Reporting Entity 1998	Totals (Memorandum Only) Reporting Entity 1997
Operating revenues:							
Licenses and permits	$ -	13,850	13,850	6,295	-	13,850	6,295
Public charges for services	3,529,346	-	3,529,346	3,826,775	24,388,498	27,917,844	30,020,792
Intergovernmental charges for services	-	8,765,614	8,765,614	7,904,634	16,646,982	25,412,596	21,818,460
Total operating revenues	$ 3,529,346	8,779,464	12,308,810	11,737,704	41,035,480	53,344,290	51,845,547
Operating expenses:							
Salaries and benefits	$ 158,277	4,617,817	4,776,094	3,982,597	31,724,238	36,500,332	34,517,830
Contractual services	1,096,907	303,436	1,400,343	1,423,026	6,092,087	7,492,430	7,249,935
Materials and supplies	21,078	590,985	612,063	698,266	8,034,618	8,646,681	8,197,034
Construction and maintenance	-	5,347,047	5,347,047	3,014,864	-	5,347,047	3,014,864
Landfill closure & long-term care	947,431	-	947,431	925,691	-	947,431	925,691
Building and equipment rent	-	1,894,463	1,894,463	1,680,088	60,640	1,955,103	1,737,662
Insurance and claims	4,012	4,342,816	4,346,828	4,258,844	30,298	4,377,126	4,289,907
Loss and loss adjustment expense	-	667,106	667,106	(43,599)	-	667,106	(43,599)
Insurance and administration costs	-	182,786	182,786	349,390	-	182,786	349,390
Depreciation	379,684	843,515	1,223,199	1,604,442	2,629,853	3,853,052	4,060,868
Other operating expenses	23,060	-	23,060	1,500	6,061	29,121	6,689
Total operating expenses	$ 2,630,449	18,789,971	21,420,420	17,895,109	48,577,795	69,998,215	64,306,271
Operating income (loss)	$ 898,897	(10,010,507)	(9,111,610)	(6,157,405)	(7,542,315)	(16,653,925)	(12,460,724)

Nonoperating revenues and (expenses):							
General property taxes	$ -	5,090,537	5,090,537	4,936,933	5,924,132	11,014,669	10,141,277
Intergovernmental grants and aids	5,420	2,943,882	2,949,302	2,435,552	-	2,949,302	2,435,552
Interest income	788,487	879,669	1,668,156	1,500,298	631,870	2,300,026	2,004,358
Net increase in the fair value of investments	252,262	-	252,262	180,838	-	252,262	180,838
Gain on sale of fixed assets	80	-	80	144,725	10,745	10,825	167,319
Loss on sale of fixed assets	-	-	-	-	(34,424)	(34,424)	-
Insurance recoveries	-	(77,665)	(77,665)	(169,923)	-	(77,665)	(169,923)
Other income	8,837	233,967	242,804	377,364	142	242,946	377,725
Interest expense	(56,998)	-	(56,998)	(64,453)	(243,321)	(300,319)	(108,842)
Other expenses	(24,087)	-	(24,087)	(89,243)	-	(24,087)	(89,243)
Total nonoperating revenues and (expenses), net	$ 974,001	9,070,390	10,044,391	9,252,091	6,289,144	16,333,535	14,939,061
Income (loss) before operating transfers	$ 1,872,898	(940,117)	932,781	3,094,686	(1,253,171)	(320,390)	2,478,337
Other financing uses:							
Operating transfers out:							
General Fund	$ -	(872)	(872)	(2,367)	-	(872)	(2,367)
Primary government transfer out	-	-	-	-	(95,696)	(95,696)	(95,696)
Total other financing uses	$ -	(872)	(872)	(2,367)	(95,696)	(96,568)	(98,063)
Net income (loss)	$ 1,872,898	(940,989)	931,909	3,092,319	(1,348,867)	(416,958)	2,380,274
Credit arising from transfer of depreciation to contributed capital	-	67,214	67,214	67,214	1,174,698	1,241,912	1,231,877
Increase (decrease) in retained earnings	$ 1,872,898	(873,775)	999,123	3,159,533	(174,169)	824,954	3,612,151
Retained earnings, January 1 as previously reported	$ 7,165,983	13,597,819	20,763,802	17,471,802	23,372,995	44,136,797	40,392,179
Cumulative effect of change in accounting principles	-	-	-	132,467	-	-	132,467
Retained earnings, January 1 as restated	$ 7,165,983	13,597,819	20,763,802	17,604,269	23,372,995	44,136,797	40,524,646
Retained earnings, December 31	$ 9,038,881	12,724,044	21,762,925	20,763,802	23,198,826	44,961,751	44,136,797

See accompanying notes to general purpose financial statements

MARATHON COUNTY, WISCONSIN

Combined Statement of Cash Flows -
All Proprietary Fund Types and Discretely Presented Component Units

Year ended December 31, 1998

(With comparative totals for December 31, 1997)

	Enterprise	Internal Service	Totals (Memorandum Only) Primary Government 1998	Totals (Memorandum Only) Primary Government 1997	Discretely Presented Component Units	Totals (Memorandum Only) Reporting Entity 1998	Totals (Memorandum Only) Reporting Entity 1997
Cash flows from operating activities:							
Operating income (loss)	$ 898,897	(10,010,507)	(9,111,610)	(6,157,405)	(7,542,315)	(16,653,925)	(12,460,724)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:							
Depreciation expense	379,684	843,515	1,223,199	1,604,442	2,629,853	3,853,052	4,060,868
Net increase in the fair value of investments	252,262	-	252,262	180,838	-	252,262	180,838
Insurance recoveries	-	(77,665)	(77,665)	(169,923)	-	(77,665)	(169,923)
Other income	8,837	233,967	242,804	377,364	142	242,946	377,725
Other expenses	(24,087)	-	(24,087)	(89,243)	-	(24,087)	(89,243)
Cumulative effect of change in accounting principles	-	-	-	132,467	-	-	(748,829)
(Increase) decrease in assets and increase (decrease) in liabilities:							
Taxes receivable	-	(201,135)	(201,135)	(153,604)	-	(201,135)	(153,604)
Accounts receivable	42,254	306,064	348,318	(244,343)	283,553	631,871	(1,559,396)
Contracts receivable	6,846	-	6,846	(983,361)	-	6,846	(983,361)
Due from other governments	-	(41,398)	(41,398)	81,686	596,325	554,927	(134,317)
Due from other funds	-	38,448	38,448	3,821	-	38,448	3,821
Prepaid items	-	(26,529)	(26,529)	123,275	212,792	186,263	105,833
Inventory	(100,597)	(78,899)	(179,496)	(84,145)	(9,818)	(189,314)	(84,145)
Accounts receivable - restricted assets	-	-	-	-	(18,833)	(18,833)	-
Accrued interest receivable - restricted assets	7,341	-	7,341	(2,487)	-	7,341	(2,487)
Due from other govt - restricted assets	-	-	-	-	45,514	45,514	(45,514)
Deferred charges	870	-	870	871	(56,665)	(55,795)	17,873
Deposit in Wisconsin Mutual Insurance Companies	-	-	-	166,801	-	-	166,801
Accounts payable	(19,213)	116,457	97,244	(480,197)	(309,461)	(212,217)	(124,385)
Accrued items	(4,593)	(99,517)	(104,110)	(32,466)	(664,813)	(768,923)	96,045
Special deposits	-	-	-	-	177,665	177,665	35,144
Interest payable	(1,267)	-	(1,267)	(1,186)	61,393	60,126	(2,289)
Due to other governments	(14,079)	-	(14,079)	375,615	515,805	501,726	578,804
Due to other funds	(198,598)	-	(198,598)	98,598	-	(198,598)	98,598
Accounts payable from restricted assets	622	-	622	(338)	-	622	(338)
Deferred revenue	-	205,482	205,482	159,225	143,698	349,180	217,086

Accrued liability - claims payable	-	667,106	667,106	(43,599)	-	667,106	(43,599)
Contracts payable from restricted assets	-	-	-	-	1,205,231	1,205,231	45,514
Landfill closure & long-term care payable	886,976	-	886,976	925,691	-	886,976	925,691
Compensated absences	189	76,679	76,868	(44,281)	86,207	163,075	36,140
Total adjustments	$ 1,223,447	1,962,575	3,186,022	1,901,521	4,898,588	8,084,610	2,805,351
Net cash provided (used) by operating activities	$ 2,122,344	(8,047,932)	(5,925,588)	(4,255,884)	(2,643,727)	(8,569,315)	(9,655,373)
Cash flows from noncapital financing activities:							
General property taxes	$ -	5,090,537	5,090,537	4,936,933	5,924,132	11,014,669	10,141,277
Intergovernmental grants and aids	5,420	2,943,882	2,949,302	2,435,552	-	2,949,302	2,435,552
Decrease in advance from other funds	-	-	-	(198,598)	-	-	(198,598)
Operating transfer to other funds/ primary government	-	(872)	(872)	(2,367)	(95,696)	(96,568)	(98,063)
Net cash provided by noncapital financing activities	$ 5,420	8,033,547	8,038,967	7,171,520	5,828,436	13,867,403	12,280,168
Cash flows from capital financing activities:							
Acquisitions of property, plant and equipment, net of retirements	$ (607,643)	(1,214,644)	(1,822,287)	136,691	(8,617,855)	(10,440,142)	(2,557,838)
Increase (decrease) in current portion - purchase contract	13,000	-	13,000	(3,734)	163,931	176,931	(62,831)
Increase (decrease) in non-current portion - purchase contract	65,000	-	65,000	(11,717)	(16,517)	48,483	(472,611)
Proceeds from general obligation bonds	-	-	-	-	5,100,000	5,100,000	-
Principal payments on bonded debt	(200,000)	-	(200,000)	(195,000)	(40,352)	(240,352)	(235,353)
Principal payments on notes	-	-	-	-	(40,538)	(40,538)	(38,791)
Decrease in contributed capital	-	(5,730)	(5,730)	(5,729)	-	(5,730)	(5,729)
Increase in contributed capital	-	-	-	-	1,513,581	1,513,581	1,316,814
Gain from sale of fixed assets	80	-	80	144,725	10,745	10,825	167,319
Loss from sale of fixed assets	-	-	-	-	(34,424)	(34,424)	-
Interest paid on bonded debt	(56,998)	-	(56,998)	(64,021)	(217,048)	(274,046)	(94,660)
Interest paid on purchase contracts	-	-	-	(432)	(26,273)	(26,273)	(14,182)
Net cash provided (used) by capital financing activities	$ (786,561)	(1,220,374)	(2,006,935)	783	(2,204,750)	(4,211,685)	(1,997,862)
Cash flows from investing activities:							
Interest received on investments	$ 788,487	879,669	1,668,156	1,500,298	631,870	2,300,026	2,004,358
Net cash provided by investing activities	$ 788,487	879,669	1,668,156	1,500,298	631,870	2,300,026	2,004,358
Net increase (decrease) in cash and cash equivalents	$ 2,129,690	(355,090)	1,774,600	4,416,717	1,611,829	3,386,429	2,631,291
Cash and cash equivalents, January 1	11,683,914	9,825,366	21,509,280	17,092,563	7,343,565	28,852,845	26,221,554
Cash and cash equivalents, December 31	$ 13,813,604	9,470,276	23,283,880	21,509,280	8,955,394	32,239,274	28,852,845

See accompanying notes to general purpose financial statements

MARATHON COUNTY, WISCONSIN

DISCRETELY PRESENTED COMPONENT UNITS

Combining Balance Sheet

December 31, 1998

(With comparative totals for December 31, 1997)

	Central Wisconsin Airport	City-County Data Center Commission	North Central Community Services	Totals 1998	Totals 1997
Assets					
Current assets:					
Cash and investments	$ 383,077	446,219	4,684,564	5,513,860	6,047,205
Accounts receivable	152,461	271,693	3,767,572	4,191,726	4,475,279
Due from other governments	18,833	-	841,527	860,360	1,437,852
Prepaid items	-	-	60,166	60,166	272,958
Inventories	-	-	180,171	180,171	170,353
Total current assets	554,371	717,912	9,534,000	10,806,283	12,403,647
Restricted assets:					
Cash and investments	3,037,672	-	403,862	3,441,534	1,296,360
Due from other governments	-	-	-	-	45,514
Total restricted assets	3,037,672	-	403,862	3,441,534	1,341,874
Deferred charges	65,733	-	54,408	120,141	63,476
Property, plant and equipment:					
Land	614,983	-	739,646	1,354,629	1,146,704
Buildings	5,708,828	-	18,025,014	23,733,842	22,700,988
Improvements	19,154,610	-	-	19,154,610	19,039,015
Equipment	2,418,957	3,655,694	9,179,759	15,254,410	13,865,734
Construction in process	8,596,056	-	102,427	8,698,483	3,109,881
Total property, plant and equipment	36,493,434	3,655,694	28,046,846	68,195,974	59,862,322
Less: accumulated depreciation and depletion	(14,273,589)	(3,089,570)	(12,848,805)	(30,211,964)	(27,866,314)
Net property, plant and equipment	22,219,845	566,124	15,198,041	37,984,010	31,996,008
Total assets	$ 25,877,621	1,284,036	25,190,311	52,351,968	45,805,005

Liabilities and Fund Equity					
Current liabilities:					
Accounts payable	$ 37,587	82,100	1,613,397	1,733,084	2,042,545
Accrued expenses	13,352	40,144	911,125	964,621	1,629,434
Special deposits	-	-	403,862	403,862	226,197
Interest payable	79,218	-	-	79,218	17,825
Due to other governments	41,339	390,712	512,673	944,724	428,919
Deferred revenue	475	115,279	332,000	447,754	304,056
Current portion - purchase contracts	-	16,517	167,058	183,575	19,644
Contracts payable from restricted assets	1,250,745	-	-	1,250,745	45,514
Total current liabilities	1,422,716	644,752	3,940,115	6,007,583	4,714,134
Long-term liabilities:					
Non-current portion - purchase contracts	-	1,887	-	1,887	18,404
General obligation bonds payable	5,342,115	-	-	5,342,115	282,467
General obligation notes payable	427,143	-	-	427,143	467,681
Compensated absences	90,103	64,753	1,556,389	1,711,245	1,625,038
Total long-term liabilities	5,859,361	66,640	1,556,389	7,482,390	2,393,590
Total liabilities	7,282,077	711,392	5,496,504	13,489,973	7,107,724
Fund equity:					
Contributed capital:					
Federal Aviation Administration	11,265,473	-	-	11,265,473	10,883,823
State of Wisconsin	1,836,897	-	-	1,836,897	1,738,481
Portage County	620,694	-	-	620,694	678,794
City of Wausau	-	276,559	-	276,559	250,829
Marathon County	1,367,461	296,085	-	1,663,546	1,772,359
Total contributed capital	15,090,525	572,644	-	15,663,169	15,324,286
Retained earnings:					
Langlade County:					
Unreserved	-	-	971,564	971,564	1,001,945
Lincoln County:					
Unreserved	-	-	561,120	561,120	484,188
Portage County:					
Reserved for Bureau of Aeronautics projects	47,721	-	-	47,721	46,886
Reserved for passenger facility charge	722,006	-	-	722,006	322,667
Reserved for capital improvements	137,665	-	-	137,665	171,161
Unreserved	68,626	-	-	68,626	224,480
Marathon County:					
Reserved for Bureau of Aeronautics projects	84,836	-	-	84,836	83,352
Reserved for passenger facility charge	1,283,566	-	-	1,283,566	573,630
Reserved for capital improvements	244,736	-	-	244,736	304,286
Unreserved	915,863	-	18,161,123	19,076,986	20,160,400
Total retained earnings	3,505,019	-	19,693,807	23,198,826	23,372,995
Total fund equity	18,595,544	572,644	19,693,807	38,861,995	38,697,281
Total liabilities and fund equity	$ 25,877,621	1,284,036	25,190,311	52,351,968	45,805,005

See accompanying notes to general purpose financial statements

MARATHON COUNTY, WISCONSIN

DISCRETELY PRESENTED COMPONENT UNITS

Combining Statement of Revenues, Expenses and
Changes in Retained Earnings

Year ended December 31, 1998

(With comparative totals for December 31, 1997)

	Central Wisconsin Airport	City-County Data Center Commission	North Central Community Services	Totals 1998	Totals 1997
Operating revenues:					
Public charges for services	$ 2,070,988	-	22,317,510	24,388,498	26,194,017
Intergovernmental charges for services	228,984	1,396,982	15,021,016	16,646,982	13,913,826
Total operating revenues	2,299,972	1,396,982	37,338,526	41,035,480	40,107,843
Operating expenses:					
Salaries and benefits	936,578	1,134,437	29,653,223	31,724,238	30,535,233
Contractual services	373,571	7,389	5,711,127	6,092,087	5,826,909
Materials and supplies	181,363	204,141	7,649,114	8,034,618	7,498,768
Building and equipment rent	-	60,640	-	60,640	57,574
Insurance	30,298	-	-	30,298	31,063
Depreciation	989,004	331,874	1,308,975	2,629,853	2,456,426
Other operating expenses	6,061	-	-	6,061	5,189
Total operating expenses	2,516,875	1,738,481	44,322,439	48,577,795	46,411,162
Operating loss	(216,903)	(341,499)	(6,983,913)	(7,542,315)	(6,303,319)

Nonoperating revenues (expenses):					
General property taxes	-	-	5,924,132	5,924,132	5,204,344
Interest income	261,653	10,370	359,847	631,870	504,060
Gain on sale of fixed assets	10,645	100	-	10,745	22,594
Loss on sale of fixed assets	-	-	(34,424)	(34,424)	-
Other income	142	-	-	142	361
Interest expense	(217,048)	(845)	(25,428)	(243,321)	(44,389)
Total nonoperating revenues (expenses), net	55,392	9,625	6,224,127	6,289,144	5,686,970
Loss before operating transfers	(161,511)	(331,874)	(759,786)	(1,253,171)	(616,349)
Operating transfers out to primary government:					
Capital Improvement Fund	(95,696)	-	-	(95,696)	(95,696)
Net loss	(257,207)	(331,874)	(759,786)	(1,348,867)	(712,045)
Credit arising from transfer of depreciation to contributed capital	842,824	331,874	-	1,174,698	1,164,663
Increase (decrease) in retained earnings	585,617	-	(759,786)	(174,169)	452,618
Retained earnings, January 1	2,919,402	-	20,453,593	23,372,995	22,920,377
Retained earnings, December 31	$ 3,505,019	-	19,693,807	23,198,826	23,372,995

See accompanying notes to general purpose financial statements

MARATHON COUNTY, WISCONSIN

DISCRETELY PRESENTED COMPONENT UNITS

Combining Statement of Cash Flows

Year ended December 31, 1998

(With comparative totals for December 31, 1997)

	Central Wisconsin Airport	City-County Data Center Commission	North Central Community Services	Totals 1998	Totals 1997
Cash flows from operating activities:					
Operating loss	$ (216,903)	(341,499)	(6,983,913)	(7,542,315)	(6,303,319)
Adjustments to reconcile operating loss to net cash provided (used) by operating activities:					
Depreciation expense	989,004	331,874	1,308,975	2,629,853	2,456,426
Other income	142	-	-	142	361
(Increase) decrease in assets and increase (decrease) in liabilities:					
Accounts receivable	(3,544)	252,053	35,044	283,553	(1,068,122)
Due from other governments	-	-	596,325	596,325	(1,128,227)
Prepaid items	-	-	212,792	212,792	(216,003)
Inventories	-	-	(9,818)	(9,818)	(17,442)
Accounts receivable - retricted assets	(18,833)	-	-	(18,833)	-
Due from other governments - restricted assets	45,514	-	-	45,514	(45,514)
Deferred charges	(65,733)	-	9,068	(56,665)	17,002
Accounts payable	12,400	(89,311)	(232,550)	(309,461)	355,812
Accrued expenses	(23,939)	(11,453)	(629,421)	(664,813)	128,511
Special deposits	-	-	177,665	177,665	35,144
Interest payable	61,393	-	-	61,393	(1,103)
Due to other governments	(83)	203,886	312,002	515,805	203,189
Deferred revenue	(3,122)	61,820	85,000	143,698	57,861
Contracts payable from restricted assets	1,205,231	-	-	1,205,231	45,514
Compensated absences	31,543	15,964	38,700	86,207	80,421
Total adjustments	2,229,973	764,833	1,903,782	4,898,588	903,830
Net cash provided (used) by operating activities	2,013,070	423,334	(5,080,131)	(2,643,727)	(5,399,489)

Cash flows from noncapital financing activities:					
General property taxes	-	-	5,924,132	5,924,132	5,204,344
Operating transfers out to primary government	(95,696)	-	-	(95,696)	(95,696)
Net cash provided (used) by noncapital financing activities	(95,696)	-	5,924,132	5,828,436	5,108,648
Cash flows from capital and related financing activities:					
Acquisitions of property, plant and equipment net of retirements	(6,223,246)	(362,845)	(2,031,764)	(8,617,855)	(2,694,529)
Increase (decrease) in current portion - purchase contract	-	(3,127)	167,058	163,931	(59,097)
Decrease in non-current portion - purchase contract	-	(16,517)	-	(16,517)	(460,894)
Proceeds from the sale of general obligation bonds	5,100,000	-	-	5,100,000	-
Principal payments on general obligation bonds	(40,352)	-	-	(40,352)	(40,353)
Principal payments on general obligation notes	(40,538)	-	-	(40,538)	(38,791)
Increase in contributed capital	1,130,247	383,334	-	1,513,581	1,316,814
Gain from sale of fixed assets	10,645	100	-	10,745	22,594
Loss from sale of fixed assets	-	-	(34,424)	(34,424)	-
Interest paid on bonded debt	(217,048)	-	-	(217,048)	(30,639)
Interest paid on purchase contracts	-	(845)	(25,428)	(26,273)	(13,750)
Net cash provided (used) by capital and related financing activities	(280,292)	100	(1,924,558)	(2,204,750)	(1,998,645)
Cash flows from investing activities:					
Interest received on investments	261,653	10,370	359,847	631,870	504,060
Net cash provided by investing activities	261,653	10,370	359,847	631,870	504,060
Net increase (decrease) in cash and cash equivalents	1,898,735	433,804	(720,710)	1,611,829	(1,785,426)
Cash and cash equivalents, January 1	1,522,014	12,415	5,809,136	7,343,565	9,128,991
Cash and cash equivalents, December 31	$ 3,420,749	446,219	5,088,426	8,955,394	7,343,565

See accompanying notes to general purpose financial statements

THIS PAGE LEFT BLANK INTENTIONALLY

(1) Summary of Significant Accounting Policies

Marathon County (the County) was incorporated in 1850 and operates under the provisions of the Wisconsin State Statutes, Chapter 59. The County operates under a County Board form of government, with an appointed County Administrator. The powers and duties of the County Administrator are to coordinate and direct all administrative and management functions of the County government not otherwise vested by law in boards or commissions or in other elected officials. The County provides the following services as authorized by its charter: public safety, highways, solid waste, health and social services, culture-recreation, education, judiciary services, planning and zoning, and general administrative services.

The financial statements of 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 following is a summary of the more significant policies as promulgated by various statements and interpretations of the GASB:

A. The Financial Reporting Entity:

The County adopted GASBS No. 14, *The Financial Reporting Entity*, which provides standards for defining the financial reporting entity and identifying entities to be included in its General Purpose Financial Statements (GPFS). GASBS No. 14 requirements for inclusion have been more specifically defined based upon financial accountability. The County's financial reporting entity consists of Marathon County (the primary government) and its discretely presented component units which, when added together, represent the financial reporting entity.

Discretely Presented Component Units:

The discretely presented component units column in the GPFS includes the financial data of the County's discretely presented component units. They are reported in a separate column to emphasize that they are legally separate from the County.

Certain financial data pertaining to the CWA, contained in the notes hereafter, is not separable from the aggregated County data. In those occurrences the specific note will mention "the County (including the CWA as a discretely presented component unit)" so as to inform the reader where the data is not for the primary government alone. All financial data contained in the notes hereafter for the other discretely presented component units is listed separately.

The County has entered into three multigovernmental arrangements classified as discretely presented component units that create organizations that are owned, operated, or governed by two or more participants as separate and specific activities subject to joint control, in which the County retains an ongoing financial interest or an ongoing financial responsibility, as follows:

(Continued)

Central Wisconsin Airport (CWA)

The CWA was created by Wisconsin Statute 114 which allows for the creation of multigovernmental agreements and is a joint venture between Marathon and Portage counties. The CWA Board is made up of seven members whose appointments are based on the respective equalized value of each county. The ratio for 1995 (which is revised once every five (5) years) is Marathon County 64% and Portage County 36%. Therefore, the current CWA Board is made up of four members from Marathon County and three members from Portage County. The Board is responsible for fiscal matters of the operations once the budget is approved by the respective county boards. The CWA Board can make changes in its budget up to $50,000 without prior approval of the Counties. The CWA Board is responsible for the CWA management. The CWA is a fiscally dependent joint venture reported as a discretely presented component unit of Marathon County because:

1. The budget for the operations and capital improvements must be approved by the respective County Boards.
2. The CWA has no tax levy authority.
3. The respective County's share of bonded debt for any capital project must be separately issued and authorized by each county.

City-County Data Center Commission (CCDCC)

The CCDCC is a joint venture between Marathon County and the City of Wausau to provide for the implementation and operation of a data and management information service. The CCDCC is governed by a six-member Board of Commissioners consisting of the City of Wausau Mayor and Finance Director, Marathon County Chairman of the Board of Supervisors, County Administrator and Finance Director. To ensure a balance of influence on the Board of Commissioners, one member is appointed at large from within the County. This member must have a professional background in data processing services. The Board of Commissioners has the authority to fix cost sharing charges for members in an amount sufficient to provide the funds required by the budget. Funding for services is recovered through three sources. The City and County split the operating costs not recovered through outside user fees 30/70 respectively. Capital is paid for on a 50/50 basis unless otherwise shown to benefit only one owner. The CCDCC is a fiscally dependent joint venture reported as a discretely presented component unit of Marathon County because:

1. The budget must be approved by the City of Wausau Common Council and the Marathon County Board of Supervisors.
2. The CCDCC has no tax levy authority.
3. The CCDCC can not issue debt.

North Central Community Services (NCCS)

The NCCS is a joint venture between Marathon, Lincoln and Langlade counties providing medical and nursing care, including mental health care under contractual arrangements with the counties. It is also organized as a 51.42/437 Mental Health Board under Wisconsin Statutes giving the Board separate legal status. The County Board of Supervisors from the three counties appoint members to the Community

Services Board. The fourteen member board is made up of ten members from Marathon County and two members each from Lincoln and Langlade Counties. Annually the three counties fund an amount equal to expenses in excess of federal and state grants and patient fees as it relates to the respective counties proportionate share of operating costs. Capital facilities are the direct responsibility of each county. Nursing care is funded primarily by patient revenues and tax levy support. The NCCS is a fiscally dependent joint venture reported as a discretely presented component unit of Marathon County because:

1. The budget must be approved by the three separate County Boards.
2. The NCCS has no tax levy authority.
3. The NCCS can not issue debt.

Condensed financial statements for CWA, CCDCC and NCCS as of their most recent fiscal year ended December 31,1998 are included in the GPFS. Significant footnote disclosures relating to the discretely presented component units are included within the respective notes to the GPFS. Complete financial statements of the individual discretely presented component units can be obtained from their respective administrative offices as follows:

Central Wisconsin Airport
823-1 Highway 153
Mosinee, WI 54455-9601

City-County Data Center Commission
Wausau City Hall
407 Grant Street
Wausau, WI 54403-4737

North Central Community Services
1100 Lakeview Drive
Wausau, WI 54403-6799

B. Fund and Discretely Presented Component Unit Accounting

The accounts of the County are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled. The various funds and discretely presented component units in the GPFS are grouped into three broad fund types including eight generic fund categories, two account groups and one discretely presented component unit column as follows:

<u>Governmental Fund Types</u>

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

Special Revenue Funds - Special revenue funds are used to account for the proceeds of specific revenue sources (other than major capital projects) that are legally restricted to expenditures for specified purposes.

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

(Continued)

and related costs, but excludes debt serviced by proprietary funds and discretely presented component units.

Capital Project Funds - Capital project funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities but excludes those projects financed by proprietary funds and discretely presented component units.

Proprietary Fund Types

Enterprise Fund - The Enterprise Fund is used to account for operations: (a) that are financed and operated in a manner similar to private business enterprise where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges, or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

Internal Service Funds - The internal service funds are 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 governments, on a cost-reimbursement basis.

Fiduciary Fund Types

Expendable Trust Fund - The Expendable Trust Fund is used to account for assets held by the County in a fiduciary capacity. Both principal and earnings on that principal may be spent in accordance with the trust agreement.

Account Groups

Account groups are used to establish accounting control and accountability for the County's general fixed assets and general long-term debt as follows:

General Fixed Assets Account Group - This account group is established to account for all fixed assets of the County, other than those accounted for in the proprietary funds or by discretely presented component units.

General Long-term Debt Account Group - This account group is established to account for unmatured long-term debt backed by the full faith and credit of the County and other long-term obligations.

Discretely Presented Component Units

The CWA, CCDCC and NCCS are included as discretely presented component units of the County. These discretely presented component units are accounted for similar to enterprise funds.

C. Basis of Accounting

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

All governmental and expendable trust fund types are accounted for using the modified accrual basis of accounting. Their revenues are recognized when they become susceptible to accrual or when measurable and available as net current assets.

Those revenues susceptible to modified accrual are as follows:

1. Property tax collections including penalty and interest received within sixty days after year end;

2. Sales tax collected and held by the State of Wisconsin at year end on behalf of the County;

3. Other revenues that are receivable at year end if actually received in cash during the first sixty days after year end.

All other forms of revenue are considered measurable only when received in cash, with the exception of intergovernmental grants and aids that are recorded as revenue when the qualifying expenditures are incurred under the terms of the grants.

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. Exceptions to this general rule include:

1. Principal and interest on general long-term debt which is recognized when due; and

2. Amounts in excess of the estimated 2% (the current portion) of accumulated compensated absence liabilities.

All proprietary funds and discretely presented component units are accounted for using the accrual basis of accounting. Their revenues are recognized when they are earned, and their expenses are recognized when they are incurred.

All proprietary funds and discretely presented component units are accounted for using the cost of services or capital maintenance measurement focus. This means that all assets and all liabilities (whether current or noncurrent) associated with their activity are included on their balance sheets. Their reported fund equity (net total assets) is segregated into contributed capital and retained earnings components. Proprietary fund and discretely presented component unit type operating statements present revenues/gains as increases and expenses/losses as decreases in net total assets.

The County's proprietary funds and discretely presented component units comply with all applicable pronouncements of the GASB. The County also applies all Financial Accounting Standards Board (FASB) Statements and Interpretations, Accounting Principles Board (APB) Opinions and Accounting Research Bulletins (ARB) issued on or before November 30, 1989, to the extent they do not conflict with GASB pronouncements. In accordance with GASBS No. 20, *Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities That Use Proprietary Fund Accounting*, the County has elected not to follow guidance of FASB Statements and Interpretations issued after November 30, 1989.

D. Fixed Assets, Depreciation and Long-term Liabilities

The accounting and reporting treatment applied to the fixed assets and long-term liabilities associated with a fund are determined by its measurement focus. All governmental

(Continued)

fund types are accounted for on a flow of current financial resources measurement focus. This means that only current assets and current liabilities are generally included on their balance sheets. The reported fund balance (net current assets) is considered a measure of available spendable resources. Governmental fund type operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Accordingly, such statements present a summary of sources and uses of available spendable resources during a period.

Fixed assets used in governmental fund type operations (general fixed assets) are accounted for in the General Fixed Assets Account Group (GFAAG), rather than in the governmental funds whose resources were used for purchase. Public domain (infrastructure) general fixed assets consisting of certain improvements other than buildings, including highways, bridges, curbs and gutters, streets and sidewalks, drainage systems, and lighting systems, are not capitalized. Depreciation is not recorded on general fixed assets.

Fixed assets purchased since 1983 are recorded at cost. All other fixed assets are valued at either historical cost or estimated historical cost. Prior to 1982, the County did not maintain a record of its general fixed assets. Donated fixed assets are valued at their estimated fair value on the date donated.

Depreciation of all exhaustible fixed assets used by proprietary fund types and discretely presented component units are charged as an expense against operations. Accumulated depreciation is reported on the balance sheets. Depreciation on fixed assets acquired with contributed capital is recorded gross in the depreciation expense account. The amount is charged against the contributed capital account and shown as a credit arising from transfer of depreciation to contributed capital in the statement of revenues, expenses and changes in retained earnings. Depreciation has been charged over the estimated useful lives using the straight-line method. The estimated useful lives are as follows:

Building	20 - 50 years
Improvements	2 - 20 years
Equipment	3 - 10 years

Long-term general obligation debt expected to be financed from governmental fund types and other governmental entities on a cooperative basis are accounted for in the General Long-term Debt Account Group (GLTDAG) , not in the governmental fund types.

The two account groups GFAAG and GLTDAG, are not funds. They are concerned only with the measurement of financial position. They are not involved with measurement of results of operations.

Special reporting treatment is also applied to governmental inventories to indicate that they do not represent available spendable resources even though they are a component of net current assets. Such amounts are offset by fund balance reserve accounts.

Because of their spending measurement focus, expenditures recognized for governmental fund types exclude amounts represented by noncurrent liabilities. Since they do not affect net current assets, such long-term amounts are not recognized as governmental fund type

expenditures or fund liabilities. They are instead reported as liabilities in the GLTDAG.

E. Budgets and Budgetary Accounting

The County uses the following procedures when establishing budgetary data reflected in the financial statements:

1. In July, the department heads submit budget requests to the County Administrator.

2. In August and September, the Finance Committee reviews the County Administrator's proposed budget.

3. In October, the County Administrator submits to the County Board of Supervisors a proposed operating budget for the fiscal year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them.

4. A public hearing is conducted on the second Tuesday in November to obtain taxpayer comments. The budget is then legally enacted through passage of an ordinance on the following Thursday.

5. The Finance Committee is authorized to transfer budget amounts between and within departments; however, any revisions that alter total expenditures at the agency level or authorize funds to be spent out of the Contingent Fund must be approved by the County Board of Supervisors.

6. The budgets for the General, special revenue, Debt Service and capital project funds are legally adopted on a basis consistent with GAAP.

7. The County Board of supervisors adopts a budget for all funds classified as governmental fund types including those with zero budgets.

In instances where budget appropriations and estimated revenues have been revised during the year, budget data presented in the financial statements and schedules represent the final authorized amounts or the modified budget.

County policy requires that budgeted revenues and appropriations for the ensuing year be established on a modified accrual basis of accounting controlled by appropriation unit within an agency within a fund and approved by the County Board. Budget is defined as the originally approved budget, plus or minus approved revisions and modifications. Expenditures cannot legally exceed appropriations at the agency level. An agency is an organizational unit and is defined as follows:

- Departments within the general government function of the General Fund;
- Public safety;
- Health;
- Social Services;
- Leisure activities and education;
- Conservation and economic development;
- Each special revenue fund;
- Each capital project fund;
- Debt Service Fund;

(Continued)

All unexpended appropriations lapse at year end. Exceptions to this exist for capital projects near completion, special revenue funds, grants operating on other than a calendar year basis, encumbrances and selected accounts within the General Fund which are reappropriated in the following year's budget. The County Board, by resolution, gave the Finance and Property Committee the authorization for the carry forward of prior year's unexpended appropriations to the ensuing year.

Supplemental appropriations during the year totaled $16,805,126 due to differences between estimated grant revenues and actual grant revenues received. All budgets originally adopted and supplemental changes for all governmental fund types are established on a calendar year basis.

F. Encumbrances

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary integration in the General Fund, special revenue funds and capital project funds. Encumbrances outstanding at year end, if any, are reported as reservations of fund balances since they do not constitute expenditures or liabilities of the current period. Only those encumbrances that will be honored are reappropriated in the following year's budget and are recorded as expenditures when purchased in the following year. All remaining encumbrances lapse at year end.

G. Cash and Investments

Cash includes amounts in petty cash, demand deposits, certificates of deposit and other short-term interest-bearing deposits.

Investments are stated at fair value or amortized cost in accordance with GASBS No. 31, *Accounting and Financial Reporting for Certain Investments and External Investment Pools.* They consist primarily of funds held in several legally acceptable government investment pools, a local certificate of deposit program and treasury securities.

Investments in the Deferred Compensation Expendable Trust Fund are stated at fair value.

H. Accounts Receivable

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

I. Short-term Interfund Receivables/Payables

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. Also at certain times during the year the various grant programs can be waiting for reimbursement causing the cash to be negative using the County's pooled cash for operations. These receivables and payables are classified as "due from other funds" or "due to other funds" on the balance sheet.

J. Prepaid Items

Prepayments are payments made by the County for which benefit extends beyond December 31 or applies to the subsequent budget year. Prepaid items in governmental funds are offset by a reservation of the fund balance.

K. Inventory

Inventory for the General Fund is stated at cost with value being determined on the first in, first out basis of calculation. Inventories are recorded as expenditures when used rather than when purchased using the consumption method.

Inventory for the internal service funds and discretely presented component units are stated at the lower of cost or market with the value being determined on the first in, first out basis of valuation. Inventory which is accounted for using the consumption method consists of expendable supplies held for future use.

L. Restricted Assets

Restricted assets consist of cash and investments or receivables and are typically shown separately because they are used for specific purposes pursuant to court order, grant provisions, state or federal regulations or debt indentures. Such amounts are offset by certain liabilities or reservations and designations of fund balance.

M. Deferred Charges

Deferred charges represent unamortized bond issue costs in proprietary funds and discretely presented component units. Amortization is recorded as an expense annually using the straight-line method over the life of the bonds.

N. Forest Crop Loan

The County participates in a program whereby counties which have established and maintained a county forest are eligible to receive from the state, out of the appropriation under Section 20.370(4)(ar) of the Wisconsin Statutes, an annual payment such as a noninterest-bearing no scheduled payment loan to be used for the purchase, development, preservation and maintenance of the county forest lands.

On timber cut from lands entered as county forest lands, the County pays a severance share of not less than 20 percent of the actual stumpage sales value of timber. Such severance share payments are credited against the cumulative loan made by the state to the County repayment of which is driven by timber cutting activity not predetermined calendar time periods. Severance share payments will not exceed the balance due.

For forest lands withdrawn from the program, the County reimburses the state for the amount previously paid to the County; except that the state may waive all or part of such reimbursement if it finds the lands are withdrawn for a higher public use or that the amount of such reimbursement is unreasonable when compared to the value of the land.

O. Compensated Absences Liability

The County records compensated absences pursuant to GASBS No. 16 *Accounting for Compensated Absences*. The current portion of compensated absences incurred by governmental fund types are recorded in the General Fund. The noncurrent portion is accounted for in the GLTDAG.

(Continued)

Compensated absences are recorded as expenses when incurred in proprietary fund types and discretely presented component units.

The County's sick pay policy allows employees to earn varying numbers of sick days for each month worked. One-half of the unused accumulated amount vests upon completion of 20 years of service and is convertible into health insurance upon retirement.

The County's paid leave balance credit policy allows employees to vest any unused paid leave balance credits. The amount of unused vested paid leave balance credits estimated to be utilized in the current year and paid for with available spendable resources in the governmental fund types is approximately 2% and is recorded as an expenditure in the General Fund. The remaining accumulation is recorded as a long-term item in the individual proprietary funds and discretely presented component units or in the GLTDAG for governmental funds.

P. Nature and Purpose of Reserves and Designations of Fund Equity

Under the provision of GASBS No. 1 *Authoritative Status of NCGA Pronouncements and AICPA Industry Audit Guide* , a county may establish reserves of fund balance and/or retained earnings to segregate that portion of fund equity which is not appropriable for expenditure in future periods, or which is legally segregated for a specific future use. Fund equity designations may also be established to indicate tentative plans for financial resource utilization in a future period.

The nature and purpose for each of the County's reserves and designations are explained as follows:

1. Reserved for Bureau of Aeronautics projects - represents the amount of restricted assets related to capital projects not currently obligated for payment to the Bureau of Aeronautics.

2. Reserved for passenger facility charge - represents the amount of restricted assets set aside for future qualifying construction needs at the CWA.

3. Reserved for capital improvements - represents amounts restricted to fund future capital additions.

4. Reserved for workers' compensation liability - represents excess premiums collected in prior years that will be used to offset future rate increases.

5. Reserved for self-insurance - represents excess (deficiency) of premiums collected in prior years that will be used to offset future rate increases or need to be added to future premiums to assure proper funding levels or used as a financing mechanism to substitute traditional insurance coverage.

6. Reserved for debt service - in the Debt Service Fund the amount represents funds available for future payment of principal and interest or obligations of the County. In the Landfill Fund it represents amounts currently included in the tipping fee of the landfill to be used to service future debt service costs.

7. Reserved for working capital - represents the amount of funds set aside to cover cash flow for the general operations of the enterprise/internal service funds. The policy approved by the County board for most funds restricts the amount from being used to offset future years' tax levies or delaying needed increases in rates.

8. Reserved for delinquent taxes other governmental entities - represents delinquent property taxes that are uncollected by other taxing jurisdictions that have been purchased by the County. The amounts are shown in the tax certificate and tax deed accounts and do not constitute available spendable resources and are a reduction of the receivable when collected.

9. Reserved for prepaid items - represents amounts equal to prepaid items of governmental fund types as these amounts do not constitute available spendable resources.

10. Reserved for inventories - represents amounts equal to inventories of governmental fund types as these amounts do not constitute available spendable resources.

11. Reserved for long-term receivables - represents amounts equal to advances to governmental entities of Marathon County as these amounts do not constitute available spendable resources.

12. Reserved for financial surety - represents the amount of funds set aside in the General Fund as a surety bond for the Department of Natural Resources.

13. Reserved for encumbrances - represents the amount of fund equity to be used in the 1999 operating year to purchase items or continue projects originally appropriated in previous years as determined by the County Board budget ordinance

14. Reserved for compensated absences - represents action by the County Board to begin setting aside current resources to fund future requirements.

15. Reserved for deferred compensation plan participants - represents the fair value of investments set aside by employees for their IRS 457 Deferred Compensation Plan.

16. Designated for capital improvements - represents cash collected in previous years designated for specific projects.

17. Designated for subsequent years budget - represents the amount of fund balance to be used for the 1999 operating budget to continue programs and contracts.

18. Designated for working capital - represents the amount of funds set aside to cover cash flow for the general operations of governmental funds. The policy approved by the County Board for most funds restricts the amount from being used to offset future years' tax levies.

19. Designated for the increase in the fair value of investments - represents the cumulative difference between the fair value of investments held and the amortized cost. This represents an amount that is not available for cash flow unless the security is sold for that value.

Q. Statement of Cash Flows

For purposes of the statement of cash flows, the County's enterprise, internal service funds and discretely

(Continued)

presented component units consider all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

R. Memorandum Only - Total Column

The total columns on the combined statements are captioned "memorandum only" to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position, results of operations, or changes in cash flows in conformity with GAAP, neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

S. Comparative Data

Comparative total data for the prior year have been presented in the accompanying financial statements in order to provide an understanding of changes in the County's cash flows and operations. However, comparative data have not been presented in all statements because their inclusion would make certain statements unduly complex and difficult to understand.

T. Reclassifications

Certain 1997 amounts have been reclassified to conform to the 1998 presentation.

(2) Cash and Investments

The County (including the CWA as a discretely presented component unit) maintains separate and distinct bank accounts for the following activities; the Special Education Fund; the Deferred Compensation Fund; the Clerk of Courts Account; the Landfill Escrows; bond issue escrows; and various small restitution accounts. All other funds share common bank and investment accounts. Other discretely presented component units maintain their own bank and investments accounts.

The cash and temporary cash investment balances of the reporting entity at December 31, 1998 are as follows:

Primary Government:	
General Fund:	
Cash and investments	$17,766,913
Restricted cash deposits	6,174,710
Special revenue funds:	
Cash and investments	3,351,498
Restricted cash deposits	22,419
Debt Service Fund:	
Cash and investments	180,546
Capital project funds:	
Cash and investments	9,478,043
Enterprise Fund:	
Cash and investments	3,640,776
Restricted cash deposits	10,172,828
Internal service funds:	
Cash and investments	9,470,276
Expendable Trust Fund:	
Cash and investments	9,575,961
Subtotal Primary Government	69,833,970
Discretely Presented Component Units: (including CWA as a discretely presented component unit):	
Cash and investments	5,513,860
Restricted Cash	3,441,534
Total Reporting Entity	$78,789,364

Deposits

At year end, the Primary Government (including the Central Wisconsin Airport as a discretely presented component unit), had a carrying value of $15,553,811 with financial institutions and a bank balance of $14,895,196

At year end, the remaining discretely presented component units had a carrying value of $5,534,645 with financial institutions and a bank balance of $6,460,961.

The bank balance for the Primary Government (including the Central Wisconsin Airport as a discretely presented component unit) is categorized as:

Amount insured by the FDIC and State of Wisconsin Insurance Fund	$11,362,661
Uncollateralized	3,532,535
Total bank balance	$14,895,196

The bank balance for the remaining discretely presented component units was categorized as:

Amount insured by the FDIC and State of Wisconsin Insurance Fund	$2,750,254
Uncollateralized	3,710,707
Total bank balance	$6,460,961

The Primary Government (including the Central Wisconsin Airport as a discretely presented component unit) bank balance which is categorized as uncollateralized represents checking deposits held for the benefit of the County.

The remaining discretely presented component unit's bank balance categorized as uncollateralized represents a money market account and certificates of deposit held for the benefit of North Central Community Services.

Investments

State Statutes 66.04(2) and 67.11(2) authorize the County to invest in obligations of the U. S. Treasury, Agencies and Instrumentalities, obligations of Wisconsin governmental units, time deposits with maturities of less than one year in any financial institution in Wisconsin and the State of Wisconsin Local Government Investment Pool and other qualifying investment pools.

The County only deposits and invests its monies in investments allowed by State Statutes. All investments in financial institutions are insured to $100,000 by federal depository insurance and are guaranteed an additional $400,000 by the State for each depository for losses incurred subject to the availability of funds in the State's Deposit Guarantee Fund. Most investments are pooled for cash management and investment purposes. Investment earnings, except for unrealized gains and losses, are allocated to funds on the basis of average cash balances. Other funds have been invested in free-standing investment accounts, and those investment earnings are not allocated. Unrealized gains and losses are recognized in the funds for which the investments are held for specific legal reasons, and are shown as restricted assets. The amount of unrealized gains and losses from pooled investments are shown as a designated fund balance in the General Fund as amounts that do not represent expendable available resources.

GASBS No. 3 *Deposits with Financial Institutions Investments (including Repurchase Agreements), and Reverse Repurchase Agreements* defines three categories of investments to give an indication of the level of risk assumed by the County.

(Continued)

The reporting entity's investments are categorized in the following manner:

Category 1 - Includes investments that are insured or registered for which the securities are held by the County or its agent in the County's name.

Category 2 - Includes investments that are uninsured and unregistered for which the securities are held by the counterparty's trust department (if a bank) or agent in the County's name.

Category 3 - Includes investments that are uninsured and unregistered for which the securities are held by the counterparty in the entity's name or its trust department (if a bank) or agent, but not in the County's name.

Throughout 1998, the County invested solely in Category 1 securities. At year end, the Primary Government (including the Central Wisconsin Airport as a discretely presented component unit), had year-end securities with an amortized carrying value of $44,928,723 and a fair value of $46,078,518. Additionally, the Primary Government (including the Central Wisconsin Airport as a discretely presented component unit), had year-end investments with government investment pools carried at $2,823,881 which approximated fair value, and deferred compensation plan investments carried at $9,575,961 which approximated fair value.

Throughout 1998, the remaining discretely presented component units held no securities and did not invest with any government pools.

The investment in the Wisconsin Local Government Investment Pool (LGIP) is carried at fair value. This investment is guaranteed by Financial Security Assurance, Inc. (FSA), a Triple-A-rated financial guaranty insurance company. FSA insures against losses arising from principal defaults on any permitted investments which are not covered by:

1. $400,000 of deposit insurance per account provided by the State of Wisconsin

2. Any deposit insurance associated with particular investments in the portfolio (such as FDIC insurance)` on bank CD's, and

3. Application of interest received from nondefaulted investments for the quarter the principal loss occurred.

The County's investment in the Wisconsin CLASS program is valued at amortized cost because it is a 2a7-like pool.

The County's investments include the CWA as a discretely presented component unit. There were no investments held by other discretely presented component units.

(3) Property Taxes

The County's property taxes are levied on or before December 31 on the equalized valuation as of the prior January 1 for all general property located in the County. Such taxes become a lien on January 1 and are due and payable in the following year. Pursuant to GASBS No. 1, *Authoritative Status of NCGA Pronouncements and AICPA Industry Audit Guide*, such amounts are recorded as property taxes receivable and deferred revenues in the accompanying financial

statements. The aggregate levy of $30,856,382 will be recognized as revenue during 1999.

Property taxes are recognized in the appropriate fund as revenues in the succeeding year when they are collected and available to finance services. If not collected at year end, the delinquent property taxes are recorded as receivables and deferred revenues in the General Fund. Delinquent property taxes are recognized as revenue when received or available for payment of current expenditures.

The County purchases property taxes from other taxing authorities at the unpaid amount as a cash flow transaction to facilitate the collection of the taxes. The purchases are a financing arrangement per Wisconsin Statute 74.29 and are not included in property tax revenues when collected.

Property taxes as levied are collected by local treasurers typically through the last day of January in each year. At this time, a settlement process between the County Treasurer and local treasurers determines the amount due to the various taxing districts. Tax collection becomes the responsibility of the County and taxes receivable represent unpaid taxes levied for all taxing entities within the County. Real property taxes are payable by taxpayers in full by the last day of January or in two installments due by January 31 and July 31. Personal property taxes are due in full by the last day in January. The municipal treasurer retains collection of personal property taxes and settles with all taxing jurisdictions as if paid in full. If uncollected during the following year, the municipal treasurer may charge back to each taxing jurisdiction its proportionate share of the personal property tax still unpaid as per Wisconsin Statute 74.42. The County share of these uncollected taxes are written off as uncollectible; few if any will ever be collected. Most are defunct corporations or bankrupt companies. The City of Wausau has adopted an ordinance for three installments per Wisconsin Statute 74.12. The City Treasurer collects January 31, April 30 and July 31 installments and settles with the County and other jurisdictions by the 15th of the month following due dates.

On August 30, all unpaid property taxes are reflected as tax certificates. No allowance for losses on delinquent taxes has been provided because of the County's ability to recover any losses through the sale of the property.

Special assessments and charges on the tax rolls are settled in full if an agreement between the county and local municipality has been signed. The local municipality reimburses the County for losses on special assessments and charges if the tax deed process occurs.

Delinquent property taxes purchased from other taxing authorities are reflected as reservations of fund balance at year end. Delinquent property taxes collected within sixty days subsequent to year end are considered to be available to replenish cash flow and are therefore excluded from the reservation of fund balances. Delinquent property taxes levied by the County are reflected as deferred revenue and are excluded from the fund balance to the extent they are not collected within sixty days subsequent to year end and thus, are not available for payment of current expenditures.

Taxes receivable represent current taxes and unpaid taxes for 1998 and prior years as follows:

(Continued)

Year of Settlement	County Levied	County Purchased	Balance December 31, 1998
1988	$6,646	16,247	22,893
1989	5,793	15,803	21,596
1990	9,363	25,906	35,269
1991	9,778	29,647	39,425
1992	7,645	34,521	42,166
1993	11,571	48,037	59,608
1994	11,649	51,155	62,804
1995	24,438	100,336	124,774
1996	57,539	220,539	278,078
1997	131,576	414,369	545,945
1998	273,064	872,957	1,146,021
TOTAL TAX CERTIFICATES	549,062	1,829,517	2,378,579
TAX DEEDS			387,779
CURRENT TAXES			30,856,382
TOTAL TAXES RECEIVABLE			**$33,622,740**

Delinquent taxes collected within the sixty day period subsequent to year end aggregated $274,561 and $82,846 for delinquent taxes purchased and levied by the County, respectively.

(4) Changes in Property, Plant and Equipment

A summary of changes in general fixed assets is as follows:

	Balance January 1, 1998	Additions	Deletions	Balance December 31, 1998
Land	$6,517,211	9,000	4,200	6,522,011
Buildings	40,114,845	3,706,263	-	43,821,108
Improvements	2,786,808	72,779	-	2,859,587
Equipment	10,680,240	1,415,971	233,064	11,863,147
Construction in process	3,042,775	4,903,933	2,137,278	5,809,430
TOTAL	**$63,141,879**	**10,107,946**	**2,374,542**	**70,875,283**

Construction in process consists of the following:

General Fund:	
UW Dorm & ADA	$291,246
Capital Projects Fund:	
Parks Operations	468,480
Youth Building	53,662
Huber Facility Expansion Fund:	
Jail Addition	4,996,042
Total	$5,809,430

A summary of the proprietary fund type and discretely presented component unit property, plant and equipment at December 31, 1998 is as follows:

	Total Enterprise	Highway	Property Casualty	Employee Benefits Insurance	Total Internal Service	CWA	CCDCC	NCCS	Total Discretely Presented Component Unit
Land	$ 259,034	195,950	-	-	195,950	614,983	-	739,646	1,354,629
Buildings	1,095,877	4,404,419	-	-	4,404,419	5,708,828	-	18,025,014	23,733,842
Improvements	11,313,218	-	-	-	-	19,154,610	-	-	19,154,610
Equipment	144,463	10,045,514	53,868	2,295	10,101,677	2,418,957	3,655,694	9,179,759	15,254,410
Construction in Process	-	-	-	-	-	8,557,263	-	102,427	8,659,690
Subtotal	12,812,592	14,645,883	53,868	2,295	14,702,046	36,454,641	3,655,694	28,046,846	68,157,181
Less accumulated depreciation	9,057,714	5,963,244	51,557	714	6,015,515	14,273,589	3,089,570	12,848,805	30,211,964
TOTAL	**$3,754,878**	**8,682,639**	**2,311**	**1,581**	**8,686,531**	**22,181,052**	**566,124**	**15,198,041**	**37,945,217**

Construction in process consists of the following:

CWA	
AIP 16	$249,347
AIP 17	569,174
AIP 18	735,109
AIP 72	36,179
AIP 19	44,364
AIP 20	198,980
AIP 21	131,066
AIP 22	151,526
AIP 23	45,567
AIP 24	528,851
AIP 54	5,867,100
TOTAL	$8,557,263

NCCS	
Nursing Home	
Bedside stand project	$8,250
Chairs	1,089
Total Nursing Home	9,339
Mental Health	
Time and attendance	83,828
Mental Health Outpatient Remodel	2,477
EACH Relocation	6,783
Total Mental Health	93,088
Total NCCS	$102,427

(Continued)

(5) Commitments and Contingencies

The County has received federal and state grants for specific purposes that are subject to review and audit by the grantor agencies. Such audits could lead to requests for reimbursements to the grantor agency for expenditures disallowed under terms of the grant. County management believes such disallowances, if any, would be immaterial.

The County had the following construction commitments shown as encumbrances at December 31, 1998:

PROJECT	ENCUMBRANCE
Dorm Improvements	$14,929
Building Forestry	2,775
Juvenile Detention	77,138
Huber Facility	2,450,278
Park Operations Remodel	848,473
Park Dept - Fair Buildings	86,500
Road/Parking Lot Repairs	150,000
Upgrade Youth Building Park	234,617
Data Processing	4,730
Marathon County Courthouse-Remodel	12,761
TOTAL	**$3,882,201**

(6) Operating Leases

The Forestry Department leases (as lessor) land for farmland, municipal well sites and a state wildlife area. In addition, the CWA, as a discretely presented component unit, leases farmland, terminal space, hangar space and parking space. All of the leases are operating leases. The following is a schedule by years of future minimum lease receipts for noncancelable operating leases as of December 31, 1998.

Year ended December 31:

	Forestry Department	Discretely Presented Component Units	Total
1999	$1,234	1,349,214	1,350,448
2000	1,234	686,801	688,035
2001	897	361,975	362,872
2002	897	141,223	142,120
2003	897	132,476	133,373
Later years	55,624	956,732	1,012,356
Total minimum lease receipts	**$60,783**	**3,628,421**	**3,689,204**

Commitments under operating lease agreements for equipment provide for minimum annual payments as follows:

Year ended December 31:

	Health Department	Discretely Presented Component Units	TOTAL
1999	$134,970	153,910	288,880
2000	134,970	148,735	283,705
2001	134,970	116,436	251,406
2002	134,970	116,436	251,406
2003	134,970	116,436	251,406
Later years	224,950	99,879	324,829
Total minimum lease payments	**$899,800**	**751,832**	**1,651,632**

(7) Changes in Contributed Capital

A summary of changes in contributed capital are as follows:

PRIMARY GOVERNMENT:				
	Balance January 1, 1998	**Additions**	**Deletions**	**Balance December 31, 1998**
Internal service fund County Highway:				
State of Wisconsin	$ 587,644	-	30,626	557,018
Local Government	18,614	-	-	18,614
Marathon County	1,336,351	-	42,318	1,294,033
Total primary government	1,942,609	-	72,944	1,869,665
DISCRETELY PRESENTED COMPONENT UNITS				
Central Wisconsin Airport:				
Federal Aviation	10,883,823	960,223	578,573	11,265,473
State of Wisconsin	1,738,481	170,024	71,608	1,836,897
Portage County	678,794	-	58,100	620,694
Marathon County	1,502,004	-	134,543	1,367,461
Total Central Wisconsin Airport	14,803,102	1,130,247	842,824	15,090,525
City County Data Center Commission:				
City of Wausau	250,829	191,667	165,937	276,559
Marathon County	270,355	191,667	165,937	296,085
Total City County Data Center Commission	521,184	383,334	331,874	572,644
Total Discretely Presented Component Units	15,324,286	1,513,581	1,174,698	15,663,169
TOTAL REPORTING ENTITY	**$17,266,895**	**1,513,581**	**1,247,642**	**17,532,834**

(Continued)

(8) Due from Other Governments

Amounts due from other governments are for various services provided by the County and its discretely presented component units in advance of payments.

The City of Wausau owes $2,133.31 for park services performed.

The State of Wisconsin has a two month lag for the remittance of sales tax in the amount of $1,292,428. The State of Wisconsin and other local districts also owe the County various amounts for the completion of road projects.

Amounts due from other governments at December 31, 1998 were as follows:

Fund Type	Local District	City of Wausau	State of Wisconsin	U.S. Government	TOTAL
General	$ 109,515	243,528	1,422,109	-	**1,775,152**
Special revenue	418,638	-	2,319,160	57,702	**2,795,500**
Capital projects	-	65,871	12,369	-	**78,240**
Internal service	62,964	-	431,317	-	**494,281**
Subtotal primary government	591,117	309,399	4,184,955	57,702	**5,143,173**
Discretely presented component units	-	-	135,811	724,549	**860,360**
Total reporting entity	**$ 591,117**	**309,399**	**4,320,766**	**782,251**	**6,003,533**

(9) Pension Plan

All covered employees of the reporting entity participate in the Wisconsin Retirement System (System), a cost-sharing multiple-employer public employee retirement system (PERS). All permanent employees expected to work over 600 hours a year (440 hours for teachers) are eligible to participate in the System. Covered employees in the General/Teacher category are required by statute to contribute 6.2% of their salary (4.7% for Executives and Elected Officials, 5.4% for Protective Occupations with Social Security, and 5.8% for Protective Occupations without Social Security) to the plan. Employers may make these contributions to the plan on behalf of employees. Employers are required to contribute an actuarially determined amount necessary to fund the remaining projected cost of future benefits.

The payroll for the County employees (including CWA as a discretely presented component unit) covered by the system for the year ended December 31, 1998 was $25,870,032; the employer's total payroll was $27,171,704. The total required contribution for the year ended December 31, 1998 was $3,486,269, which consisted of $1,910,704 which represents the employer share and $1,575,565 which represents the employee share. Total contributions for the years ended December 31, 1997 and 1996 were $3,318,504 and $3,240,351, respectively, equal to the required contributions for each year. The payroll for the CCDCC employees covered by the system for the year ended December 31, 1998 was $792,139; the employer's total payroll was $797,540. The total required contribution for the year ended December 31, 1998 was $96,641, which consists of $45,944 or 5.8% of payroll from the employer and $50,697 or 6.4% of payroll from employees. The contribution for 1997 was $104,606 and was the required amount. The payroll for the NCCS employees covered by the system for the year ended December 31, 1998 was $21,295,661; the employer's total payroll was $22,924,000. The total contribution for the years ended December 31, 1998 and 1997 were $2,442,667 and $2,450,196 respectively and were equal to the required contribution. Contribution rates based on salary for the various category of employees is as follows:

	Employer	Employee	Benefit Adjuster
General Employees	6.2	5.0	1.2
Elected Officials and Executives	11.1	4.7	0.0
Protective Class (with Social Security)	16.0	5.4	0.0
Protective Class (without Social Security)	19.4	5.8	0.0

Employees who retire at or after age 65 (62 for elected officials and 55 for protective occupation employees) are entitled to receive full retirement benefits. Employees and elected officials may retire at age 55 (50 for protective occupation employees) and receive actuarially reduced benefits. Retirement benefits are calculated as 1.6% (2.0% for Executives, Elected Officials, and Protective Occupations with Social Security and 2.5% for Protective Occupations without Social Security) of final average earnings for each year of creditable service. Final average earnings is the average of the employee's three highest years earnings. Employees terminating covered employment before becoming eligible for retirement benefits may withdraw their contributions and, by doing so, forfeit all rights to any subsequent benefits. For employees beginning participation after 1/1/90, creditable service in each of five years is required for eligibility for a retirement annuity.

The System also provides death and disability benefits for employees. Eligibility for and the amount of all benefits is determined under Chapter 40 of the Wisconsin Statutes. The

(Continued)

System issues an annual financial report which may be obtained by writing to the Department of Employe Trust Funds, P. O. Box 7931, Madison, WI 53707-7931.

The System uses the "Entry Age Normal with Frozen Initial Liability" actuarial method in establishing employer contribution rates. Under this method, the unfunded actuarial accrued liability is affected only by the monthly amortization payments, compound interest, the added liability created by new employer units, and any liabilities caused by changes in benefit provisions. All actuarial gains or losses arising from the difference between actual and assumed experience are reflected in the determination of the normal cost. The unfunded liability is being amortized over a 40 year period beginning January 1, 1990. Historical trend information showing the System's progress in accumulating sufficient assets to pay benefits is presented in the System's annual financial report. The unfunded liability for the County as of December 31, 1998 was $6,704,701, or .3% of the total System unfunded liability of $2.19 billion. The unfunded liability for CCDCC for the same time period was $62,214 or .003% of the total. The NCCS has paid in full its unfunded pension liability. This liability was determined in accordance with GASBS No. 27 *Accounting for Pensions by State and Local Governmental Employers.*

(10) Capital Leases - Discretely Presented Component Units

CCDCC leases computer equipment under an agreement with the financial arm of the computer supplier effective in 1993 . The highest interest rate charged in 1998 was 6.43%.

NCCS leases computer equipment under a purchase contract with a financial institution effective in 1997. The highest interest rate charged in 1998 was 7.75%.

The terms of these lease agreements provide for options to purchase the equipment at any time during the multiyear lease term. These leases meet the criteria of a capital lease as defined by the FASBS No. 13. *Accounting for Leases*, which defines a capital lease generally as one which transfers benefits and risk of ownership to the lessee and as such $80,760 and $611,408 have previously been capitalized by the CCDCC land NCCS respectively.

	CCDCC	NCCS
1999	$16,820	180,005
2000	1,897	-
Total Minimum lease payments	18,717	180,005
Less: amount representing interest	313	12,947
Payment value of minimum lease payments	**$18,404**	**167,058**

(11) Long-term Debt

General obligation bonds and notes are direct obligations and pledge the full faith and credit of the County. The debt issued in serial form is generally issued for terms of up to 10 years. General obligation debt at December 31, 1998 are as follows:

Purpose	Interest rates	Amount
General government	3.8% - 6.15%	$18,800,000
Enterprise funds	2.9% - 4.625%	1,195,000
Subtotal primary government		19,995,000
Discretely Presented Component Units	3.8% -7.25%	5,771,145
Total reporting entity		**$25,766,145**

Annual debt service requirements to maturity for general obligation bonds and notes, including interest of $5,021,011 for the primary government and $3,321,791 for discretely presented component units are as follows at December 31, 1998:

Year	Enterprise Fund	General Long-term Debt Account Group	Discretely Presented Component Units	Reporting Entity Total
1999	$259,219	3,226,020	471,069	3,956,308
2000	255,714	3,127,008	476,889	3,859,611
2001	256,577	3,078,770	487,029	3,822,376
2002	256,789	3,055,572	496,427	3,808,788
2003	256,332	5,506,015	505,052	6,267,399
Thereafter	0	5,827,626	6,654,582	12,482,208
TOTAL	**$1,284,631**	**23,821,011**	**9,091,048**	**34,196,690**

Changes in General Long-term Debt Account Group

Compensated absence liability - It is the County's policy to permit employees to accumulate a limited amount of earned but unused paid leave balances and sick leave benefits which will be paid to employees upon leaving County service. For governmental fund types, a portion of the costs of paid leave balances and sick leave benefits are recognized as expenditures in the General Fund. A long-term liability of $2,601,692 in accrued paid leave balance and sick leave benefits as of December 31, 1998 has been recorded in the General Long-term Debt Account Group. Beginning with the 1994 budget process the County board made the determination to fund the total amount in five (5) to six (6) years depending upon the balance fluctuation. For 1998 the County Board funded $353,000.

General obligation bonds and notes - The County issues general obligation bonds and notes to provide funds for the acquisition and construction of major capital facilities. General obligation debt has been issued for both general government, proprietary and discretely presented component unit activities. Bonds expected to be repaid from the associated revenues are reported in the respective funds. The CCDCC and NCCS cannot issue debt.

There are no significant limitations or restrictions contained in the County's various bond indentures and loan agreements.

Forest crop loan - The State of Wisconsin has provided for a noninterest-bearing loan fund to be used for the acquisition and construction of forest land and other forest related facilities. The non-interest bearing loan has no specific payment schedule and is repaid from the proceeds of the sale of forest crops.

Land contracts - in 1996 the County purchased a piece of land using a multiyear land contract. The interest rate on the purchase is 5.5% and was paid in full in 1998.

(Continued)

Claims and judgements - Annually the County has an arbitrage calculation performed. The amount of arbitrage owed over and above the amount of interest earnings in the Capital Improvement Fund for 1998 is shown in the GLTDAG.

During the year ended December 31, 1998, the following changes occurred in liabilities reported in the General Long-term Debt Account Group:

	Balance January 1, 1998	Additions	Reductions	Balance December 31, 1998
Compensated Absences	$2,325,444	2,541,561	2,265,313	2,601,692
General Obligation bonds and notes	17,535,000	5,000,000	3,735,000	18,800,000
Forest crop loan	477,412	123,900	9,484	591,828
Land-contract	45,000	0	45,000	0
Claims and Judgements	0	27,427	0	27,427
TOTAL	**$20,382,856**	**7,692,888**	**6,054,797**	**22,020,947**

Changes in Proprietary Fund and Discretely Presented Component Unit Long-term Liabilities

Proprietary fund types and discretely presented component units accrue paid leave balances and sick leave benefits in the period they are earned. A liability of $25,562, $515,503 and $1,711,245 has been established for the purpose of future payments to be made for the enterprise fund, internal service funds and discretely component units, respectively.

General obligation debt in the Landfill Fund will be paid for through user tipping fees. Revenue sources used to repay the long-term debt in the CWA discretely presented component unit include various public charges for services.

During the year ended December 31,1998 the following changes occurred in long-term liabilities reported:

	Balance January 1, 1998	Additions	Reductions	Balance December 31, 1998
General Obligation debt:				
Primary Government				
Landfill	$1,330,000	65,000	200,000	1,195,000
Discretely Present Component Units				
CWA				
Marathon County	310,325	5,100,000	20,912	5,389,413
Portage County	439,823	-	59,978	379,845
CCDCC	18,404	-	16,517	1,887
Total Discretely Presented Component Units	768,552	5,100,000	97,407	5,771,145
TOTAL	**$2,098,552**	**5,165,000**	**297,407**	**6,966,145**

(12) Prior Years Defeasance of Debt

At December 31, 1998 a total of $23,060,000 of bonds outstanding are considered defeased. Included in this total is the 1998 defeasance of $960,000 for the County Library Bonds Series 1992A.

(13) Risk Management

The County is exposed to various risks of loss related to torts; theft, damage or destruction of assets; errors or omissions; employee health and accident claims; or acts of

God. The County has chosen to retain a portion of the risks through self-insurance programs and has also purchased insurance to transfer other risks to outside parties. There is a schedule of all the County's insurance coverages included as a part of the Statistical Section of this CAFR in Table XV "Schedule of Insurance - Fiscal Year Ended December 31, 1998" . The majority of the coverage is on a per occurrence basis, however, several claims made policies exist for which tail coverage does exist. At no time in the last three (3) years has any settlement exceeded the limits of coverage. A description of the County's risk management program is presented below:

A. Property Casualty Insurance Fund

Beginning January 1, 1995 the County joined a municipal mutual insurance provider, WMMIC. The WMMIC was established in 1987 with an original group of ten (10) members. With the inclusion of Marathon County they now have thirteen (13) members. The WMMIC provides members with $5,000,000 per occurrence, $10,000,000 aggregate coverage including errors and omissions coverage. The WMMIC also reinsures at these levels. The County, being the medium sized member, currently has a $100,000 per occurrence deductible with an annual aggregated deductible of $400,000. By December 31, 1996 the County had contributed its total required contribution of $1,519,000 to the capital of WMMIC which is a non-assessable insurance company and is generally viewed as an excess carrier.

WMMIC provides its participating members with the broadest protection possible for general liability, automobile liability, police professional liability, public officials liability, and errors and omission coverage. An annual premium is charged to cover expected losses and minor administrative costs.

The County maintains funds in the Property Casualty Insurance Fund to pay for any settlements under the self insured retention. A separate financial report is issued annually by WMMIC and is available from the administrative offices of:

Wisconsin Municipal Mutual Insurance Company
4785 Hayes Road
Madison, WI 53704

The State of Wisconsin provides a Local Government Property Insurance Fund to which the County belongs. The full line of coverage provides the needed protection for the County with a $1,000 per occurrence deductible and a $100 per occurrence deductible on its fleet comprehensive. Also, the County is self funded for its fleet collision coverage. The annual actuarial evaluation conducted includes the same assurances for these coverages and is reflected in the liabilities of the Property Casualty Insurance Fund.

At December 31, 1998, $544,635 of fund equity has been designated for payment of future catastrophic losses. The claims liability of $1,736,204 reported in the fund at December 31, 1998 is based on the requirements of GASBS No. 10 *Accounting and Financial Reporting for Risk Financing and Related Insurance Issues,* which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. Changes in the fund's claim liability amount for 1998 and 1997 is as follows:

	Liability January 1	Current Year Claims and Changes in Estimates	Claim Payments	Liability December 31
1997	$1,255,647	835,971	(722,951)	1,368,667
1998	1,368,667	1,412,172	(1,044,635)	1,736,204

(Continued)

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

B. Employee Benefit Insurance Plan

Primary Government

The County (including the CWA as a discretely presented component unit) maintains a self-funded group health insurance program, which is administered by Humana/Employers Health Insurance and operated as a PPO type plan. The number of employees covered is approximately 698. The aggregate stop-loss per policy year is based in a flat fee per employee. The aggregate stop-loss for 1998 is $3,831,240. Employees are offered a choice of 3 dental plans, a capitated HMO program, a self-funded PPO program and a self funded program. The claims liability of $1,184,198 reported in the fund at December 31, 1998, is based on the requirements of GASBS No. 10, which are stated above.

Changes in the fund's claim liability amount for 1998 and 1997 are as follows:

	Liability January 1	Current Year Claims and Changes in Estimates	Claim Payments	Liability December 31
1997	$1,432,910	2,982,611	(3,442,841)	972,680
1998	972,680	3,539,602	(3,328,084)	1,184,198

On January 1, 1992 the County combined its workers' compensation fund with the previously self-funded highway workers' compensation fund to create a single self-funded plan. All county employees (except volunteers) are covered to the statutory limits of coverage as set by the State of Wisconsin. The program is supplemented by stop loss protection, which limits the County's exposure to $250,000 per claim/occurrence. The claims liability of $1,889,758 reported in the fund at December 31, 1998 is also based on the requirements of GASBS No. 10.

Changes in the fund's claim liability amount for 1998 and 1997 are as follows:

	Liability January 1	Current Year Claims and Changes in Estimates	Claim Payments	Liability December 31
1997	$1,517,848	583,949	(280,338)	1,821,459
1998	1,821,459	296,783	(228,484)	1,889,758

Starting in 1992 the County conducts an annual actuarial evaluation of the individual employee benefit programs. The Loss Triangulation method was used for the calculations of the liability recorded by the Internal Service/Employee Benefits Insurance Fund including estimated settlements for claims reported but not settled as of December 31, 1998 as well as an estimate of claims incurred but not reported. A determination of the appropriate reserves was calculated and funding is assured at the 95th percentile and includes an estimate of catastrophic loss.

Discretely Presented Component Units

During 1998 the discretely presented component units (excluding CWA) belonged to a fully insured HMO to provide medical care for its employees and dependents. Both units provided self funded dental coverage.

C. Self Funded Pollution Liability

During 1996 the County Board of Supervisors created an agreement with the Solid Waste Management Board to create a self funded pollution liability account. In the past the Landfill Fund carried $2 million of pollution insurance coverage. The general financing plan created, which is included in the tipping fee, sets aside an annual amount of $100,000. In addition to this amount and as a substitute to paying traditional insurance premiums, an amount of $53,045 and $51,500 were set aside for the years 1998 and 1997 respectively. This amount is adjusted by an estimated cost of living increase added for all subsequent years. until the balance approximates $2 million. All interest earned on these funds are accumulated for this purpose and recorded in the fund. The County Board has pledged its full faith and credit to the financing plan during the years the account is not fully funded. The financing plan is estimated to be fully funded by the year 2005.

(14) Jointly Governed Organizations

Beginning in 1995 Marathon County joined twelve other Wisconsin Municipalities and now participate with the Wisconsin Municipal Mutual Insurance Company (WMMIC). The County currently has one member on the seven (7) member board. The operation of WMMIC, which is more of a reinsurance carrier, is funded through insurance premiums, however, the members are all required to carry larger self insured retentions. Premiums are actuarially determined on an annual basis. As a new member the County was required to make a deposit to WMMIC's capital. As of December 31, 1998 and 1997 the County's deposit was $1,519,000 which is our required deposit.

Summary financial information for WMMIC presented on a GAAP basis as of and for the year ended December 31, 1998 is as follows:

	1998
Assets	$36,744,437
Liabilities	9,617,481
Policyholders' surplus	27,126,956
Gross margin	1,869,421
Revenues	4,138,975
Expenses	587,803
Net increase in Policyholders' surplus	1,412,392
Outstanding debt at year end	-0-
Marathon County's share of:	
Assets	N/D
Liabilities	N/D
Members equity	1,665,823
Net increase in retained earnings	N/D
	N/D Not determinable

(15) Other Post-Employment Health Care Benefits

In addition to pension benefits being provided through the Wisconsin Retirement System described in Note 9, the County provides certain health care and life insurance benefits as provided for by union contracts or management ordinance. Retired employees who qualify are allowed to convert a maximum of 50% of their accumulated sick leave balance at the time of retirement into monetary value and draw down on

(Continued)

the amount to pay the costs of health care and life insurance premiums. The expenditure/expense associated with these benefits is recognized during the period benefits are provided. For 1998 funding was estimated in the annual budget at $57,978 with an actual cost of $59,063 There were sixteen employees eligible for benefits as of year end.

(16) Deficit Fund Balance

Employee Benefits Insurance Fund

The Employee Benefits Insurance Fund had a fund equity of $801,473 with a total unreserved fund equity of $764,619. The unreserved portion of the fund equity represents amounts available by the separate lines of insurance coverage (except for health and dental insurance) to offset rates in years beyond 2000. The amounts that have been set aside to offset 1999 and 2000 rates are included in the reserved for workers' compensation. Amounts needed to be recovered by increasing future rates for health and dental coverages are included in the ($644,790) reserved for self- insurance and are disclosed in this manner to provide proper detail to the elected officials and respective rate payers.

(17) Litigation

From time to time the County is party to various pending claims and legal proceedings. Although the outcome of such matters cannot be forecast with certainty, it is the opinion of management and Corporation Counsel that in each case the possibility of material loss, net of amounts reserved, is remote.

(18) Deferred Compensation

During 1997 the County implemented GASBS No. 32, *Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans*, which requires deferred compensation plans that meet the criteria of Internal Revenue Service (IRS) Code Section (g)(1) and are held in a trustee capacity by the County to be reported as an expendable trust fund.

In 1997, the County amended its deferred compensation plan and transferred all assets and income of the plan to a trust established for the exclusive benefit of eligible employees and their beneficiaries in accordance with IRS Code Section 457 (g)(1). No part of the principal or income of the trust shall revert to the County or be used for or diverted to purposes other than the exclusive benefit of participants and their beneficiaries.

The County (including the CWA as a discretely presented component unit) offers its employees two deferred compensation plans created in accordance with IRS Code Section 457. The plans, available to all County employees, permit them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency. The plans are administered by private entities, the Public Employee Benefit Services Corporation (PEBSCO) and the International City Managers Association-Retirement Corporation (ICMA-RC).

Participants' rights under the plan are equal to the fair value of the deferred account of each participant. The related assets (recorded at fair value) and fund balance are recorded in the Deferred Compensation Expendable Trust Fund. Plan assets were $9,575,961 at December 31, 1998.

(19) Reserves and Designations of Fund Equity

At December 31, 1998 the County had reserved and designated portions of its various fund equity through legal restriction and County Board authorization. Major fund equity appropriations at December 31, 1998 are shown on the various balance sheets as segregations of the fund equity. A summary of such activity is present on the following page:

Fund Equity	General	Special Revenue	Debt Service	Capital Projects	Enterprise	Internal Service	Fiduciary	Primary Government Balance Dec 31, 1998	Discretely Presented Component Units	Reporting Entity Balance Dec. 31, 1998
Langlade County:										
Unreserved	-	-	-	-	-	-	-	-	971,564	971,564
Lincoln County:										
Unreserved	-	-	-	-	-	-	-	-	561,120	561,120
Portage County										
Reserved for Bureau of Aeronautics projects	-	-	-	-	-	-	-	-	47,721	47,721
Reserved for passenger facility charge	-	-	-	-	-	-	-	-	722,006	722,006
Reserved for capital improvements	-	-	-	-	-	-	-	-	137,665	137,665
Unreserved	-	-	-	-	-	-	-	-	54,661	54,661
Marathon County										
Reserved for Bureau of Aeronautics projects	-	-	-	-	-	-	-	-	84,836	84,836
Reserved for passenger facility charge	-	-	-	-	-	-	-	-	1,283,566	1,283,566
Reserved for capital improvements	-	-	-	-	3,612,797	1,105,000	-	4,717,797	244,736	4,962,533
Reserved for workers' compensation liability	-	-	-	-	-	681,644	-	681,644	-	681,644
Reserved for self insurance	-	-	-	-	512,134	1,491,414	-	2,003,548	-	2,003,548
Reserved for debt service	-	-	-	-	642,183	-	-	642,183	-	642,183
Reserved for working capital	-	-	-	-	-	1,684,562	-	1,684,562	-	1,684,562
Unreserved	-	-	-	-	4,271,767	7,761,424	-	12,033,191	19,052,158	31,085,349
Fund balances:										
Reserved:							-			
Reserved for delinquent taxes other governmental entities	$1,554,955	-	-	-	-	-	-	1,554,955	-	1,554,955
Reserved for prepaid items	-	22,683	-	-	-	-	-	22,683	-	22,683
Reserved for inventories	10,000	-	-	-	-	-	-	10,000	-	10,000
Reserved for long-term receivables	203,000	-	-	-	-	-	-	203,000	-	203,000
Reserved for financial surety	618,428	-	-	-	-	-	-	618,428	-	618,428
Reserved for capital improvements	7,725,046	-	-	4,810,244	-	-	-	12,535,290	-	12,535,290
Reserved for encumbrances	17,704	-	-	3,864,497	-	-	-	3,882,201	-	3,882,201
Reserved for debt service	-	-	175,741	-	-	-	-	175,741	-	175,741
Reserved for compensated absences	2,550,007	81,480	-	-	-	-	-	2,631,487	-	2,631,487
Reserved for deferred compensation plan participants	-	-	-	-	-	-	9,575,961	9,575,961	-	9,575,961
Unreserved:							-			
Designated for capital improvements	241,450	-	-	-	-	-	-	241,450	-	241,450
Designated for subsequent years budget	-	932,627	-	-	-	-	-	932,627	-	932,627
Designated for working capital	8,299,732	1,153,945	-	-	-	-	-	9,453,677	-	9,453,677
Designated for the increase in the fair value of investments	584,279	-	-	-	-	-	-	584,279	-	584,279
Undesignated	2,163,255	808,756	-	45,388	-	-	-	3,017,399	-	3,017,399
TOTAL FUND EQUITY	**$23,967,856**	**2,999,491**	**175,741**	**8,720,129**	**9,038,881**	**12,724,044**	**9,575,961**	**67,202,103**	**23,160,033**	**90,362,136**

(Continued)

(20) Amount To Be Provided For Debt Service

At December 31, 1998 the County recognized that it will need to make future payments on various debt currently held in the General Long-term Debt Account Group. A summary of such needs is as follows:

Amount to be provided for payment of long-term debt	$19,216,087
Amount to be provided for payment of claims adjustments	27,427
Amount to be provided for payment of compensated absences	51,685
TOTAL	**$19,295,199**

(21) Landfill Closure and Long-term Care Costs

State and federal laws and regulations required Marathon County Landfill to place a final cover on its Cell A site when it stopped accepting waste in 1993. They also require the landfill to perform certain maintenance and monitoring functions at the site for forty (40) years thereafter, until 2033. Although closure costs have been paid on this cell already, long-term care costs and potential costs for corrective action of known releases could occur annually during the forty (40) year period. The funds associated with the continuing costs were collected during the period Cell A accepted solid waste and had been set up on the financial records prior to GASBS No.18 *Accounting for Municipal Solid Waste Landfill Closure and Post Closure Care Costs* as a restricted asset and a reservation to retained earnings. When GASBS No. 18 was implemented in 1994, money set aside for the long term care and corrective action of known releases of the cell was restated as a long-term care payable within the fund. The cumulative amount continues to grow as interest earnings are credited directly to the account. The amortized cost of this investment at $4.0 million is managed with the other investment program of the County and is reviewed annually by the State of Wisconsin DNR. These earnings are expected to offset the rate of inflation and no additional funds are expected to be contributed to the account. If such earnings are insufficient to cover the ongoing costs, the amount would need to be added to future tipping fees. These amounts represent 100% closure of Cell A. In 1998 the Landfill used and the DNR approved $60,455 of costs for long-term care or corrective action for known releases.

Similar state and federal laws and regulations require the landfill to place a final cover on its Cell B site when it stops accepting solid waste, estimated to be in the year 2006. They will also require the Landfill to perform certain maintenance and monitoring functions at the site for forty (40) years thereafter, until approximately 2046. Although these costs will not actually be paid until needed in future years, a prorata share is included in current tipping fees and charged directly to the customers currently using the disposal site. The calculations and estimates follow DNR rules and are being charged as a current operating expense to the fund and set up as a liability and a restricted asset in accordance with GASBS No. 18.

The $7.8 million reported as Landfill closure and long term care payable at the December 31, 1998 reporting date represents the following:

	Balance January 1, 1998	Additions	Deletions	Balance December 31, 1998
Call A long-term care	$3,795,798	239,965	60,455	3,975,308
Cell B Closure	1,636,182	367,178	0	2,003,360
Cell B long-term care	1,450,694	340,288	0	1,790,982
Totals	**$6,882,674**	**947,431**	**60,455**	**7,769,650**

The $2.0 million amount also represent 35% of estimated closure costs for Cell B with an estimated remaining useful life of eight (8) years and $3.7 million remaining to collect. Total Cell B capacity is estimated at 2,508,000 cubic yards with 1,022,700 cubic yards used as of 12-31-98, or 40% of the capacity . These amounts are based on current 1998 costs and could change due to inflation, changes in technology or regulations. As with Cell A, the accounts for cell B are managed within the realm of the County's overall investment program with annual review by the DNR. Earnings are credited directly to the account and are expected to fund future inflationary increases in closure, long-term care and corrective action for known release costs. If earnings are insufficient to fund these increases, amounts will be added to future tipping fees.

(22) University of Wisconsin-Marathon Campus

State Statute 59.56(4) places the responsibility for the construction and maintenance of capital facilities for the two year campuses on the local tax base, in this case Marathon County. In some areas the local tax base could be shared among several local units of government. The four year campuses are the responsibility of the State. The operating costs for all campuses remains the responsibility of the State.

Required Supplementaryl Information
Year 2000 Compliance
(Unaudited)

(1) Year 2000 Compliance

The year 2000 issue, (also known as the Millennium Bug or Y2K) is a problem brought about by the inability of computers and other electronic devices with embedded chips to properly recognize a two digit date. In the past most computer programs used only two digits for the year whereby 1998 was recorded as 98, the 19 was taken for granted. When the calendar changes to 2000 those computers that are not Y2K compliant will only show the 00 and all date sensitive calculations will be ineffective. In more recent years computers have been programed to recognize a four digit date and therefore are not expected to have additional problems. The County has been involved in a process of reviewing all of its computer systems and all other equipment that has date sensitive chips for year 2000 compliance. This review includes hardware, software, and equipment whose operations is known to be affected by any type of computer chip. This is an entity-wide review.

The Finance Department along with the CCDCC have reviewed all hardware and software relating to the finance function and have thoroughly tested and validated specific computers and other peripherals for year 2000 compliance. The CCDCC has created an inventory and documented all testing procedures.

For all other computer equipment and equipment with embedded chips, all mission critical systems have been inventoried and remediation begun. Testing and validation of most systems is complete with all remaining systems expected to be complete before mid year 1999.

The County has been in contact with its discretely presented component units and has been assured that similar steps have taken place as it relates to their computer equipment and equipment with embedded chips. It is assumed that no additional risk to the County exists because of exposure to systems at any of the discretely presented component units.

The County has sent correspondence to all outside vendors to retrieve information and request their time frame for remediation and testing/validation.

At this time the County believes the impact of year 2000 compliance issues will not have a material effect on the GPFS, the financial position of the County, the results of its operations nor the cash flows of the proprietary funds and discretely presented component units. The County does not have any committed contracts with outside vendors for bring the County into compliance and does not expect to have a need for contracts in the future.

Because of the unprecedented nature of the Y2K issue, its effects and the success of related remediation efforts will not be fully determinable until the year 2000 and thereafter. Management cannot assure that the County is or will be Y2K ready, that our remediation efforts will be successful in whole or in part, or that parties with whom we conduct business with will be Y2K ready but the County has taken all the steps necessary to address the issue.

GENERAL FUND

The General Fund is the primary operating fund of the County. It is used to account for resources traditionally associated with governments, except those required to be accounted for in another fund.

MARATHON COUNTY, WISCONSIN

GENERAL FUND

Comparative Balance Sheets

December 31, 1998 and 1997

	1998	1997
Assets		
Cash and investments	$ 17,766,913	13,550,212
Taxes receivable:		
Current year real estate taxes	17,576,778	16,303,934
Tax certificates	2,378,579	2,368,665
Tax deeds	387,779	387,061
Total taxes receivable	20,343,136	19,059,660
Accounts receivable	493,243	114,884
Accrued interest receivable	400,264	539,561
Penalties and interest receivable	112,175	134,145
Due from other governments	1,775,152	2,100,891
Due from other funds	-	207,999
Inventories	10,000	10,000
Restricted assets - cash and investments	6,174,710	7,143,689
Total assets	$ 47,075,593	42,861,041

Liabilities and Fund Balances		
Liabilities:		
Accounts payable	$ 594,372	1,031,650
Accrued expenditures	289,253	866,650
Special deposits	1,179,658	1,034,192
Due to other governments	2,523,731	520,941
Due to other funds	-	38,448
Deferred revenues	18,467,627	17,155,097
Compensated absences	53,096	47,458
Total liabilities	23,107,737	20,694,436
Fund balances:		
Reserved:		
Reserved for delinquent taxes - other government entities	1,554,955	1,525,586
Reserved for inventories	10,000	10,000
Reserved for long term receivable	203,000	-
Reserved for financial surety	618,428	820,882
Reserved for encumbrances	17,704	-
Reserved for capital improvements	7,725,046	6,676,326
Reserved for compensated absences	2,550,007	2,038,783
Unreserved:		
Designated:		
Designated for capital improvements	241,450	375,480
Designated for working capital	8,299,732	7,488,872
Designated for the increase in the fair value of investments	584,279	186,113
Undesignated	2,163,255	3,044,563
Total fund balances	23,967,856	22,166,605
Total liabilities and fund balances	$ 47,075,593	42,861,041

MARATHON COUNTY, WISCONSIN

GENERAL FUND

Comparative Statements of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual

Years ended December 31, 1998 and 1997

	1998			1997		
	Budget	Actual	Variance-favorable (unfavorable)	Budget	Actual	Variance-favorable (unfavorable)
Revenues:						
Taxes	$ 21,813,084	24,380,787	2,567,703	20,251,371	22,608,299	2,356,928
Intergovernmental grants and aids	8,040,922	8,176,736	135,814	7,945,031	7,812,489	(132,542)
Licenses and permits	154,000	219,501	65,501	153,210	202,856	49,646
Fines and forfeitures	483,700	514,848	31,148	412,500	435,762	23,262
Public charges for services	2,427,259	2,839,858	412,599	2,328,463	2,636,371	307,908
Intergovernmental charges for services	813,065	391,963	(421,102)	778,687	334,537	(444,150)
Miscellaneous revenues	1,277,647	2,064,299	786,652	1,176,547	1,626,482	449,935
Total revenues	35,009,677	38,587,992	3,578,315	33,045,809	35,656,796	2,610,987
Expenditures:						
Current:						
General government	15,540,572	14,094,331	1,446,241	14,618,186	13,105,082	1,513,104
Public safety	11,191,832	10,353,932	837,900	10,440,756	9,633,987	806,769
Health	2,065,912	1,953,927	111,985	1,844,718	1,766,235	78,483
Social services	654,857	560,772	94,085	603,555	506,392	97,163
Leisure activities and education	5,225,655	4,837,574	388,081	5,336,498	4,961,177	375,321
Conservation and economic development	607,576	485,145	122,431	667,178	462,612	204,566
Capital outlay	1,511,127	195,325	1,315,802	1,093,981	598,297	495,684
Total expenditures	36,797,531	32,481,006	4,316,525	34,604,872	31,033,782	3,571,090
Excess (deficiency) of revenues over expenditures	(1,787,854)	6,106,986	7,894,840	(1,559,063)	4,623,014	6,182,077

Other financing sources (uses):						
Operating transfers in:						
Grants Fund	-	-	-	54,209	54,209	-
Commission on Aging Fund	-	477	477	-	3,125	3,125
County Highway Fund	-	872	872	-	2,367	2,367
Sales of fixed assets	12,300	69,175	56,875	15,200	39,548	24,348
Proceeds from state loan program	-	28,000	28,000	108,500	-	(108,500)
Operating transfers out:						
Social Services Fund	(307,500)	(306,545)	955	(159,592)	(159,592)	-
Grants Fund	(5,921)	(5,921)	-	-	-	-
Capital Improvement Fund	(4,309,578)	(4,309,578)	-	(2,238,165)	(2,238,165)	-
Library Building Project Fund	(135,752)	(135,752)	-	-	-	-
Total other financing sources (uses)	(4,746,451)	(4,659,272)	87,179	(2,219,848)	(2,298,508)	(78,660)
Excess (deficiency) of revenues and other financing sources over expenditures and other financing (uses)	(6,534,305)	1,447,714	7,982,019	(3,778,911)	2,324,506	6,103,417
Fund balances, January 1 as previously reported	22,166,605	22,166,605	-	19,556,898	19,556,898	-
Cumulative effect of change in accounting principles	-	-	-	-	(69,918)	(69,918)
Fund balances, January 1 as restated	22,166,605	22,166,605	-	19,556,898	19,486,980	(69,918)
Residual equity transfers in	-	353,537	353,537	-	355,119	355,119
Fund balances, December 31	$ 15,632,300	23,967,856	8,335,556	15,777,987	22,166,605	6,388,618

MARATHON COUNTY, WISCONSIN

GENERAL FUND

Comparative Schedules of Revenues - Budget and Actual

Years ended December 31, 1998 and 1997

	1998			1997		
Revenues:	Budget	Actual	Variance-favorable (unfavorable)	Budget	Actual	Variance-favorable (unfavorable)
Taxes:						
General property taxes	$ 16,305,934	16,279,483	(26,451)	14,681,598	14,515,726	(165,872)
Forest crop taxes	12,000	37,409	25,409	10,000	22,860	12,860
Transfer tax	150,000	202,713	52,713	154,860	161,527	6,667
Sales tax	4,700,150	7,256,350	2,556,200	4,654,913	7,271,216	2,616,303
Interest on delinquent taxes	430,000	403,652	(26,348)	500,000	425,607	(74,393)
Penalties on delinquent taxes	215,000	201,180	(13,820)	250,000	211,363	(38,637)
Total taxes	21,813,084	24,380,787	2,567,703	20,251,371	22,608,299	2,356,928
Intergovernmental grants and aids:						
Wisconsin shared revenue	7,284,119	7,127,330	(156,789)	7,049,428	7,055,486	6,058
Federal grants	107,342	353,590	246,248	180,280	110,273	(70,007)
State grants	559,742	607,419	47,677	560,770	501,830	(58,940)
Local government grants	89,719	88,397	(1,322)	154,553	144,900	(9,653)
Total intergovernmental grants and aids	8,040,922	8,176,736	135,814	7,945,031	7,812,489	(132,542)
Licenses and permits:						
Licenses	27,000	30,978	3,978	26,710	28,630	1,920
Permits	127,000	188,523	61,523	126,500	174,226	47,726
Total licenses and permits	154,000	219,501	65,501	153,210	202,856	49,646
Fines and forfeitures:						
County ordinance fines and forfeitures	266,700	244,418	(22,282)	200,500	223,782	23,282
County share of federal fines and forfeitures	7,000	64,945	57,945	7,000	16,203	9,203
County share of state fines and forfeitures	210,000	205,485	(4,515)	205,000	195,777	(9,223)
Total fines and forfeitures	483,700	514,848	31,148	412,500	435,762	23,262

Public charges for services:						
General government:						
Recording fees	165,000	262,237	97,237	160,000	185,782	25,782
Filing fees	22,000	19,032	(2,968)	22,000	21,510	(490)
Certified copies	45,000	44,844	(156)	45,000	44,145	(855)
Land record fee	80,000	151,276	71,276	80,000	112,524	32,524
Court fees and costs	446,000	487,795	41,795	407,044	474,647	67,603
Other charges	135,792	137,563	1,771	134,903	156,208	21,305
Total general government	893,792	1,102,747	208,955	848,947	994,816	145,869
Public safety:						
Board of prisoners	172,750	278,388	105,638	125,000	197,286	72,286
Processing fees	124,500	108,117	(16,383)	122,234	115,949	(6,285)
Other charges	168,200	239,926	71,726	233,799	238,862	5,063
Total public safety	465,450	626,431	160,981	481,033	552,097	71,064
Health:						
General health	24,000	44,599	20,599	21,000	38,183	17,183
Lab contract work	32,000	48,068	16,068	31,100	44,464	13,364
Environmental permits	131,000	155,307	24,307	119,703	133,257	13,554
Other charges	24,800	35,503	10,703	25,760	35,268	9,508
Total health	211,800	283,477	71,677	197,563	251,172	53,609
Library	77,347	84,157	6,810	16,050	113,243	97,193
Recreation:						
Camping fees	45,000	44,205	(795)	41,000	47,579	6,579
Other charges	15,000	10,122	(4,878)	15,000	10,231	(4,769)
Total recreation	60,000	54,327	(5,673)	56,000	57,810	1,810
Public areas:						
Park concessions	20,750	14,382	(6,368)	17,600	18,787	1,187
Shelter rental and forfeitures	30,000	47,370	17,370	32,000	51,119	19,119
Fairgrounds building rents	90,000	98,308	8,308	106,000	84,682	(21,318)
Organized hockey rents	207,297	189,512	(17,785)	203,500	232,128	28,628
Cross country fees	72,150	38,488	(33,662)	83,982	54,541	(29,441)
Other charges	123,151	90,936	(32,215)	104,215	88,744	(15,471)
Total public areas	543,348	478,996	(64,352)	547,297	530,001	(17,296)

(Continued)

MARATHON COUNTY, WISCONSIN

GENERAL FUND

Comparative Schedules of Revenues - Budget and Actual

Years ended December 31, 1998 and 1997

	1998			1997		
Revenues:	Budget	Actual	Variance-favorable (unfavorable)	Budget	Actual	Variance-favorable (unfavorable)
Public charges for services:						
Education	12,100	18,473	6,373	12,873	20,286	7,413
Conservation:						
Forest resources	119,222	190,141	70,919	113,000	113,730	730
Agriculture resources	44,200	1,109	(43,091)	55,700	3,216	(52,484)
Total conservation	163,422	191,250	27,828	168,700	116,946	(51,754)
Total public charges for services	2,427,259	2,839,858	412,599	2,328,463	2,636,371	307,908
Intergovernmental charges for services:						
State and federal	105,000	95,723	(9,277)	100,154	105,031	4,877
Local districts:						
General government	6,000	1,788	(4,212)	5,000	8,190	3,190
Register of Deeds services	40,000	44,732	4,732	38,000	43,659	5,659
Postage	65,000	66,883	1,883	65,000	67,012	2,012
Telephone	19,000	14,294	(4,706)	19,000	26,846	7,846
Sheriff's gasoline	550	625	75	1,300	665	(635)
Shelter home	54,000	48,700	(5,300)	60,750	55,080	(5,670)
Health	10,000	10,700	700	13,121	13,121	-
Library charges	33,348	13,406	(19,942)	33,332	17,425	(15,907)
Other charges	38,850	95,112	56,262	24,200	(2,492)	(26,692)
Local departments	441,317	-	(441,317)	418,830	-	(418,830)
Total intergovernmental charges for services	813,065	391,963	(421,102)	778,687	334,537	(444,150)

Miscellaneous revenues:						
Interest income	707,472	1,112,794	405,322	490,550	913,178	422,628
Increase in the fair value of investments	-	398,166	398,166	-	256,031	256,031
Donations	102,827	180,295	77,468	86,835	78,589	(8,246)
Rental income	410,348	318,470	(91,878)	553,628	324,654	(228,974)
Other revenues	57,000	54,574	(2,426)	45,534	54,030	8,496
Total miscellaneous revenues	1,277,647	2,064,299	786,652	1,176,547	1,626,482	449,935
Total revenues	$ 35,009,677	38,587,992	3,578,315	33,045,809	35,656,796	2,610,987

MARATHON COUNTY, WISCONSIN

GENERAL FUND

Comparative Schedules of Expenditures - Budget and Actual

Years ended December 31, 1998 and 1997

	1998			1997		
Expenditures:	Budget	Actual	Variance-favorable (unfavorable)	Budget	Actual	Variance-favorable (unfavorable)
General government:						
Legislative:						
Personal services	$ 192,300	183,490	8,810	191,870	184,606	7,264
Contractual services	9,100	3,820	5,280	8,125	8,101	24
Materials and supplies	79,248	59,722	19,526	78,182	61,206	16,976
Total legislative	280,648	247,032	33,616	278,177	253,913	24,264
Judicial:						
Personal services	1,298,641	1,228,903	69,738	1,254,473	1,169,894	84,579
Contractual services	500,479	473,551	26,928	463,900	446,599	17,301
Materials and supplies	66,010	74,886	(8,876)	64,165	65,948	(1,783)
Fixed charges	4,310	4,833	(523)	4,308	2,835	1,473
Grants and contributions	1,000	1,240	(240)	1,000	1,515	(515)
Total judicial	1,870,440	1,783,413	87,027	1,787,846	1,686,791	101,055
Executive:						
Personal services	151,429	149,178	2,251	145,501	144,047	1,454
Contractual services	1,350	734	616	1,075	959	116
Materials and supplies	13,950	11,691	2,259	15,375	15,279	96
Fixed charges	310	282	28	308	308	-
Grants and contributions	1,200	964	236	1,200	1,193	7
Total executive	168,239	162,849	5,390	163,459	161,786	1,673
General administration:						
Personal services	825,280	403,518	421,762	802,524	415,154	387,370
Contractual services	470,639	502,907	(32,268)	433,426	416,542	16,884
Materials and supplies	350,738	318,775	31,963	334,413	287,832	46,581
Fixed charges	1,000	-	1,000	7,500	413	7,087
Capital outlay	2,900	-	2,900	400	-	400
Total general administration	1,650,557	1,225,200	425,357	1,578,263	1,119,941	458,322

Financial administration:						
Personal services	647,392	596,389	51,003	493,018	463,738	29,280
Contractual services	164,217	183,120	(18,903)	157,842	134,529	23,313
Materials and supplies	58,355	40,530	17,825	42,153	24,966	17,187
Fixed charges	549,750	532,616	17,134	547,832	531,778	16,054
Grants and contributions	5,817,304	5,748,497	68,807	5,558,512	5,410,218	148,294
Total financial administration	7,237,018	7,101,152	135,866	6,799,357	6,565,229	234,128
Legal:						
Personal services	655,006	466,727	188,279	608,649	424,219	184,430
Contractual services	80,430	58,453	21,977	72,353	55,210	17,143
Materials and supplies	57,598	46,449	11,149	69,233	39,001	30,232
Fixed charges	2,000	235	1,765	2,000	161	1,839
Capital outlay	1,000	652	348	5,200	3,485	1,715
Total legal	796,034	572,516	223,518	757,435	522,076	235,359
Property records and control:						
Personal services	368,250	393,782	(25,532)	488,748	527,017	(38,269)
Contractual services	9,900	14,482	(4,582)	17,400	17,073	327
Materials and supplies	23,904	19,967	3,937	36,666	36,225	441
Fixed charges	900	-	900	900	561	339
Grants and contributions	79,288	-	79,288	78,000	-	78,000
Capital outlay	40,000	49,400	(9,400)	1,800	1,746	54
Total property records and control	522,242	477,631	44,611	623,514	582,622	40,892
County planning:						
Personal services	336,554	312,445	24,109	319,694	299,797	19,897
Contractual services	294,093	291,783	2,310	258,138	247,878	10,260
Materials and supplies	21,944	18,529	3,415	22,512	19,612	2,900
Fixed charges	310	282	28	308	308	-
Total county planning	652,901	623,039	29,862	600,652	567,595	33,057
Zoning:						
Personal services	452,234	449,811	2,423	439,228	432,965	6,263
Contractual services	19,584	15,687	3,897	18,402	18,404	(2)
Materials and supplies	22,900	26,342	(3,442)	23,196	22,051	1,145
Fixed charges	1,226	1,130	96	1,233	1,233	-
Total county zoning	495,944	492,970	2,974	482,059	474,653	7,406

(Continued)

MARATHON COUNTY, WISCONSIN

GENERAL FUND

Comparative Schedules of Expenditures - Budget and Actual

Years ended December 31, 1998 and 1997

	1998			1997		
Expenditures:	Budget	Actual	Variance-favorable (unfavorable)	Budget	Actual	Variance-favorable (unfavorable)
General government:						
Building maintenance						
Personal services	910,982	684,526	226,456	861,029	567,686	293,343
Contractual services	623,437	462,049	161,388	559,691	483,580	76,111
Materials and supplies	106,500	87,911	18,589	99,990	76,739	23,251
Fixed charges	3,080	2,790	290	3,714	3,361	353
Capital outlay	222,550	171,253	51,297	23,000	39,110	(16,110)
Total other general government	1,866,549	1,408,529	458,020	1,547,424	1,170,476	376,948
Total general government	15,540,572	14,094,331	1,446,241	14,618,186	13,105,082	1,513,104
Public safety:						
Sheriff:						
Personal services	6,003,856	5,724,696	279,160	5,756,080	5,286,727	469,353
Contractual services	237,026	236,161	865	221,851	192,346	29,505
Materials and supplies	482,091	297,643	184,448	417,067	316,794	100,273
Fixed charges	21,617	19,167	2,450	19,077	17,877	1,200
Grants and contributions	400	26,259	(25,859)	400	559	(159)
Capital outlay	347,510	345,875	1,635	363,456	361,860	1,596
Total sheriff	7,092,500	6,649,801	442,699	6,777,931	6,176,163	601,768
Emergency services:						
Personal services	90,966	86,150	4,816	85,597	83,050	2,547
Contractual services	9,390	6,701	2,689	13,558	12,384	1,174
Materials and supplies	37,828	35,274	2,554	21,319	15,239	6,080
Fixed charges	850	850	-	-	-	-
Grants and contributions	18,500	18,124	376	28,000	16,006	11,994
Capital outlay	600	600	-	23,884	22,933	951
Total emergency services	158,134	147,699	10,435	172,358	149,612	22,746

Adult corrections:						
Personal services	1,704,034	1,612,548	91,486	1,655,165	1,558,697	96,468
Contractual services	768,843	697,653	71,190	684,465	673,100	11,365
Materials and supplies	100,688	64,291	36,397	74,361	55,801	18,560
Fixed charges	366	360	6	15,795	15,164	631
Capital outlay	-	-	-	659	659	-
Total adult corrections	2,573,931	2,374,852	199,079	2,430,445	2,303,421	127,024
Juvenile corrections:						
Personal services	358,533	318,466	40,067	-	-	-
Contractual services	116,100	39,868	76,232	-	-	-
Materials and supplies	66,158	37,918	28,240	-	-	-
Fixed charges	300	300	-	-	-	-
Total juvenile corrections	541,091	396,552	144,539	-	-	-
Shelter home:						
Personal services	532,442	531,843	599	509,519	513,597	(4,078)
Contractual services	258,975	231,081	27,894	526,250	476,708	49,542
Materials and supplies	34,409	21,719	12,690	24,253	14,486	9,767
Fixed charges	350	385	(35)	-	-	-
Total shelter home	826,176	785,028	41,148	1,060,022	1,004,791	55,231
Total public safety	11,191,832	10,353,932	837,900	10,440,756	9,633,987	806,769
Health:						
Personal services	1,617,494	1,542,787	74,707	1,517,438	1,463,313	54,125
Contractual services	290,305	285,691	4,614	183,888	173,147	10,741
Materials and supplies	150,113	123,917	26,196	-	-	-
Grants and contributions	3,000	1,532	1,468	-	-	-
Capital outlay	5,000	-	5,000	143,392	129,775	13,617
Total health	2,065,912	1,953,927	111,985	1,844,718	1,766,235	78,483
Social services:						
Children's court						
Personal services	434,474	376,430	58,044	413,502	342,951	70,551
Contractual services	38,815	34,547	4,268	6,600	6,694	(94)
Materials and supplies	13,258	14,841	(1,583)	13,033	9,862	3,171
Total children's court	486,547	425,818	60,729	433,135	359,507	73,628

(Continued)

MARATHON COUNTY, WISCONSIN

GENERAL FUND

Comparative Schedules of Expenditures - Budget and Actual

Years ended December 31, 1998 and 1997

	1998			1997		
Expenditures:	Budget	Actual	Variance-favorable (unfavorable)	Budget	Actual	Variance-favorable (unfavorable)
Veterans:						
Personal services	136,206	110,521	25,685	144,605	130,236	14,369
Contractual services	2,800	2,138	662	2,450	2,083	367
Materials and supplies	13,709	12,146	1,563	9,730	7,914	1,816
Fixed charges	200	-	200	155	-	155
Grants and contributions	12,395	7,149	5,246	-	-	-
Capital outlay	3,000	3,000	-	13,480	6,652	6,828
Total veterans	168,310	134,954	33,356	170,420	146,885	23,535
Total social services	654,857	560,772	94,085	603,555	506,392	97,163
Leisure activites and education:						
Library:						
Personal services	2,166,722	2,099,801	66,921	2,076,191	1,986,445	89,746
Contractual services	137,294	127,973	9,321	151,901	124,619	27,282
Materials and supplies	578,017	531,223	46,794	529,369	494,829	34,540
Fixed charges	30,143	29,702	441	37,791	32,476	5,315
Capital outlay	8,750	4,952	3,798	32,841	32,841	-
Total library	2,920,926	2,793,651	127,275	2,828,093	2,671,210	156,883
Public areas:						
Personal services	1,397,502	1,363,531	33,971	1,367,551	1,361,768	5,783
Contractual services	187,447	141,741	45,706	183,322	152,331	30,991
Materials and supplies	213,615	147,131	66,484	234,203	198,765	35,438
Fixed charges	48,178	11,623	36,555	34,743	10,543	24,200
Capital outlay	128,375	76,850	51,525	366,070	263,038	103,032
Total public areas	1,975,117	1,740,876	234,241	2,185,889	1,986,445	199,444

University extension program:						
Personal services	142,601	132,287	10,314	137,857	133,756	4,101
Contractual services	142,863	125,344	17,519	141,481	125,870	15,611
Materials and supplies	35,798	34,675	1,123	42,778	43,706	(928)
Fixed charges	200	3,341	(3,141)	400	190	210
Capital outlay	8,150	7,400	750	-	-	-
Total university extension program	329,612	303,047	26,565	322,516	303,522	18,994
Total leisure activities and education	5,225,655	4,837,574	388,081	5,336,498	4,961,177	375,321
Conservation and economic development:						
Forest resources:						
Personal services	97,803	94,944	2,859	87,618	82,753	4,865
Contractual services	30,392	29,186	1,206	33,430	33,036	394
Materials and supplies	21,037	18,606	2,431	22,037	19,059	2,978
Fixed charges	2,156	4,546	(2,390)	2,078	2,771	(693)
Capital outlay	174,610	57,784	116,826	241,740	49,950	191,790
Total forest resources	325,998	205,066	120,932	386,903	187,569	199,334
Agriculture resources:						
Personal services	124,512	124,409	103	123,157	118,650	4,507
Contractual services	4,400	3,736	664	4,400	4,218	182
Materials and supplies	7,316	6,780	536	7,376	6,988	388
Fixed charges	1,700	1,535	165	1,692	1,607	85
Grants and contributions	300	269	31	300	230	70
Total agriculture resources	138,228	136,729	1,499	136,925	131,693	5,232
Economic development:						
Grants and contributions	143,350	143,350	-	143,350	143,350	-
Total economic development	143,350	143,350	-	143,350	143,350	-
Total conservation and economic development	607,576	485,145	122,431	667,178	462,612	204,566
Capital outlay:						
Capital projects:						
Capital outlay	1,511,127	195,325	1,315,802	1,093,981	598,297	495,684
Total capital outlay	1,511,127	195,325	1,315,802	1,093,981	598,297	495,684
Total expenditures	$ 36,797,531	32,481,006	4,316,525	34,604,872	31,033,782	3,571,090

THIS PAGE LEFT BLANK INTENTIONALLY

SPECIAL REVENUE FUNDS

Special revenue funds are used to account for the proceeds from specific revenue sources (other than expendable trust or major capital projects) that are legally restricted to expenditures for specific purposes. During 1998 the County had the following special revenue funds:

Social Services Fund - to account for the provisions of services to County residents in the areas of social and child welfare, income maintenance and various youth aid projects. Screening procedures are also performed for the State of Wisconsin. Funding is provided through federal and state grants and property taxes.

Grants Fund - to account for expenditures related to various grant programs which include library, health, public safety, recreation and conservation grants. Funding is provided through federal and state grants and property taxes.

Employment and Training Fund - to account for the costs related to determining eligibility for certain assistance available to low income individuals and families and for providing employment and training services to adults in such families, as well as to dislocated workers. Funding is provided through state and federal grants administered by the Wisconsin Department of Workforce Development.

Commission on Aging Fund - to account for nutrition, outreach, referral and transportation services for the elderly residents of the County. Funding is provided through federal and state grants, donations and property taxes.

Special Education Fund - to account for the costs related to providing specialized education to handicapped children within the County. Funding is provided through user charges to participating school districts and federal and state aids and grants.

THIS PAGE LEFT BLANK INTENTIONALLY

MARATHON COUNTY, WISCONSIN

SPECIAL REVENUE FUNDS

Combining Balance Sheet

December 31, 1998

(With comparative totals for December 31, 1997)

		Social Services	Grants	Employment and Training	Commission on Aging	Special Education	Totals 1998	Totals 1997
Assets								
Cash and investments	$	1,556,003	32,341	993,783	152,880	616,491	3,351,498	4,687,714
Taxes receivable		3,322,266	29,297	26,712	203,390	-	3,581,665	3,530,103
Accounts receivable		3,339	6,500	18,354	25,458	-	53,651	12,811
Accrued interest receivable		-	-	-	-	6,480	6,480	-
Due from other governments		547,702	369,907	381,600	18,150	1,478,141	2,795,500	3,466,829
Prepaid items		22,683	-	-	-	-	22,683	21,757
Restricted assets - cash and investments		13,289	-	-	9,130	-	22,419	28,005
Total assets	$	5,465,282	438,045	1,420,449	409,008	2,101,112	9,833,896	11,747,219
Liabilities and Fund Balances								
Liabilities:								
Accounts payable	$	756,264	92,780	193,252	75,255	59,206	1,176,757	1,505,703
Accrued expenditures		67,109	10,493	13,648	16,438	141,485	249,173	466,762
Special deposits		13,289	-	-	-	-	13,289	13,879
Due to other governments		137	-	654,600	-	-	654,737	1,190,405
Deferred revenues		3,429,158	55,223	26,712	203,390	1,025,966	4,740,449	4,601,126
Total liabilities		4,265,957	158,496	888,212	295,083	1,226,657	6,834,405	7,777,875
Fund balances:								
Reserved:								
Reserved for prepaid items		22,683	-	-	-	-	22,683	21,757
Reserved for compensated absences		-	-	-	-	81,480	81,480	-
Unreserved:								
Designated for subsequent years budgets		6,916	279,549	532,237	113,925	-	932,627	2,070,531
Designated for working capital		1,153,945	-	-	-	-	1,153,945	1,087,171
Undesignated		15,781	-	-	-	792,975	808,756	789,885
Total fund balances		1,199,325	279,549	532,237	113,925	874,455	2,999,491	3,969,344
Total liabilities and fund balances	$	5,465,282	438,045	1,420,449	409,008	2,101,112	9,833,896	11,747,219

MARATHON COUNTY, WISCONSIN

SPECIAL REVENUE FUNDS

Combining Statement of Revenues, Expenditures and
Changes in Fund Balances

Year ended December 31, 1998

(With comparative totals for December 31, 1997)

	Social Services	Grants	Employment and Training	Commission on Aging	Special Education	Totals 1998	Totals 1997
Revenues:							
General property taxes	$ 3,271,914	28,087	26,712	203,390	-	3,530,103	3,516,708
Intergovernmental grants and aids	9,007,773	2,872,508	2,806,382	1,199,552	1,437,081	17,323,296	15,659,073
Public charges for services	580,680	18,182	2,964	28,990	-	630,816	548,270
Intergovernmental charges for services	-	70,502	1,180	-	2,457,184	2,528,866	2,341,658
Miscellaneous revenues	264,129	59,288	69,092	393,302	118,581	904,392	903,222
Total revenues	13,124,496	3,048,567	2,906,330	1,825,234	4,012,846	24,917,473	22,968,931
Expenditures:							
Current:							
General government	-	327,684	-	-	-	327,684	446,070
Public safety	-	113,934	-	-	-	113,934	99,085
Health	-	381,342	-	-	-	381,342	510,266
Social services	13,347,560	-	-	1,838,622	-	15,186,182	14,567,194
Leisure activities and education	-	454,254	-	-	3,928,276	4,382,530	4,404,005
Conservation and economic development	-	2,123,448	2,575,812	-	-	4,699,260	3,285,467
Total expenditures	13,347,560	3,400,662	2,575,812	1,838,622	3,928,276	25,090,932	23,312,087
Excess (deficiency) of of revenues over expenditures	(223,064)	(352,095)	330,518	(13,388)	84,570	(173,459)	(343,156)

Other financing sources (uses):							
Operating transfers in:							
General Fund	306,545	5,921	-	-	-	312,466	159,592
Capital Improvement Fund	-	-	-	-	-	-	25,000
Sales of fixed assets	-	695	-	-	-	695	-
Proceeds from state loan program	-	95,899	-	-	-	95,899	138,371
Operating transfers out:							
General Fund	-	-	-	(477)	-	(477)	(57,334)
Capital Improvement Fund	(1,203,070)	-	-	-	-	(1,203,070)	(318,795)
Total other financing sources (uses)	(896,525)	102,515	-	(477)	-	(794,487)	(53,166)
Excess (deficiency) of revenues and other financing sources over expenditures and other financing (uses)	(1,119,589)	(249,580)	330,518	(13,865)	84,570	(967,946)	(396,322)
Fund balances, January 1	2,318,914	531,036	201,719	127,790	789,885	3,969,344	4,378,122
Residual equity transfers out	-	(1,907)	-	-	-	(1,907)	(12,456)
Fund balances, December 31	$ 1,199,325	279,549	532,237	113,925	874,455	2,999,491	3,969,344

THIS PAGE LEFT BLANK INTENTIONALLY

MARATHON COUNTY, WISCONSIN

SOCIAL SERVICES FUND

Comparative Balance Sheets

December 31, 1998 and 1997

		1998	1997
Assets			
Cash and investments	$	1,556,003	2,459,214
Taxes receivable		3,322,266	3,271,914
Accounts receivable		3,339	1,261
Due from other governments		547,702	1,258,112
Prepaid items		22,683	21,757
Restricted assets - cash and investments		13,289	13,879
Total assets	$	5,465,282	7,026,137
Liabilities and Fund Balances			
Liabilities:			
Accounts payable	$	756,264	1,153,833
Accrued expenditures		67,109	188,469
Special deposits		13,289	13,879
Due to other governments		137	-
Deferred revenues		3,429,158	3,351,042
Total liabilities		4,265,957	4,707,223
Fund balances:			
Reserved:			
Reserved for prepaid items		22,683	21,757
Unreserved:			
Designated for subsequent years budgets		6,916	1,209,986
Designated for working capital		1,153,945	1,087,171
Undesignated		15,781	-
Total fund balances		1,199,325	2,318,914
Total liabilities and fund balances	$	5,465,282	7,026,137

MARATHON COUNTY, WISCONSIN

SOCIAL SERVICES FUND

Comparative Statements of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual

Years ended December 31, 1998 and 1997

	1998			1997		
	Budget	Actual	Variance-favorable (unfavorable)	Budget	Actual	Variance-favorable (unfavorable)
Revenues:						
General property taxes	$ 3,271,914	3,271,914	-	3,251,541	3,251,541	-
Intergovernmental grants and aids:						
Federal grants	551,427	665,161	113,734	549,617	371,037	(178,580)
State grants:						
Provided services and administration	3,513,194	3,827,599	314,405	3,599,316	3,629,893	30,577
Special services	5,029,398	4,428,521	(600,877)	5,463,674	4,598,701	(864,973)
Other revenues	248,605	86,492	(162,113)	234,850	230,285	(4,565)
Total intergovernmental grants and aids	9,342,624	9,007,773	(334,851)	9,847,457	8,829,916	(1,017,541)
Public charges for services:						
General government	16,000	24,550	8,550	13,000	17,469	4,469
Social services	627,098	556,130	(70,968)	456,929	481,290	24,361
Total public charges for services	643,098	580,680	(62,418)	469,929	498,759	28,830
Miscellaneous revenues:						
Interest income	264,128	264,129	1	315,000	308,261	(6,739)
Total miscellaneous revenues	264,128	264,129	1	315,000	308,261	(6,739)
Total revenues	13,521,764	13,124,496	(397,268)	13,883,927	12,888,477	(995,450)
Expenditures:						
Social services:						
Personal services	4,213,690	4,086,970	126,720	4,498,911	4,283,333	215,578
Contractual services	458,906	348,169	110,737	537,485	357,211	180,274
Materials and supplies	223,033	215,334	7,699	275,105	251,143	23,962
Fixed charges	218,339	215,238	3,101	221,608	224,863	(3,255)
Grants and contributions	8,715,296	8,481,849	233,447	8,534,789	7,838,666	696,123
Total expenditures	13,829,264	13,347,560	481,704	14,067,898	12,955,216	1,112,682

Deficiency of revenues over expenditures	(307,500)	(223,064)	84,436	(183,971)	(66,739)	117,232
Other financing sources (uses):						
Operating transfers in:						
General Fund	307,500	306,545	(955)	159,592	159,592	-
Operating transfers out:						
General Fund	-	-	-	(54,209)	(54,209)	-
Capital Improvement Fund	(1,203,070)	(1,203,070)	-	(318,795)	(318,795)	-
Total other financing sources (uses)	(895,570)	(896,525)	(955)	(213,412)	(213,412)	-
Deficiency of revenues and other financing sources over expenditures and other financing (uses)	(1,203,070)	(1,119,589)	83,481	(397,383)	(280,151)	117,232
Fund balances, January 1	2,318,914	2,318,914	-	2,599,065	2,599,065	-
Fund balances, December 31	$ 1,115,844	1,199,325	83,481	2,201,682	2,318,914	117,232

THIS PAGE LEFT BLANK INTENTIONALLY

MARATHON COUNTY, WISCONSIN

GRANTS FUND

Comparative Balance Sheets

December 31, 1998 and 1997

		1998	1997
Assets			
Cash and investments	$	32,341	410,368
Taxes receivable		29,297	28,087
Accounts receivable		6,500	124
Due from other governments		369,907	227,020
Total assets	$	438,045	665,599
Liabilities and Fund Balances			
Liabilities:			
Accounts payable	$	92,780	29,387
Accrued expenditures		10,493	32,264
Deferred revenues		55,223	72,912
Total liabilities		158,496	134,563
Fund balances:			
Unreserved:			
Designated for subsequent years budgets		279,549	531,036
Total fund balances		279,549	531,036
Total liabilities and fund balances	$	438,045	665,599

MARATHON COUNTY, WISCONSIN

GRANTS FUND

Comparative Statements of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual

Years ended December 31, 1998 and 1997

	1998			1997		
	Budget	Actual	Variance-favorable (unfavorable)	Budget	Actual	Variance-favorable (unfavorable)
Revenues:						
General property taxes	$ 28,087	28,087	-	35,065	35,065	-
Intergovernmental grants and aids:						
Federal grants	116,954	117,021	67	85,956	82,221	(3,735)
State grants	3,599,647	2,677,917	(921,730)	2,498,081	1,868,271	(629,810)
Local governments	62,500	77,570	15,070	79,313	79,312	(1)
Public charges for services	29,289	18,182	(11,107)	23,133	20,808	(2,325)
Intergovernmental charges for services	73,977	70,502	(3,475)	69,026	63,879	(5,147)
Miscellaneous revenues:						
Donations	19,921	40,223	20,302	-	36,140	36,140
Interest income	4,100	19,065	14,965	4,693	24,190	19,497
Total revenues	3,934,475	3,048,567	(885,908)	2,795,267	2,209,886	(585,381)
Expenditures:						
General government:						
Personal services	196,564	190,212	6,352	150,453	144,947	5,506
Contractual services	65,719	28,389	37,330	27,035	25,815	1,220
Materials and supplies	15,613	8,046	7,567	11,147	3,585	7,562
Grants and contributions	101,037	101,037	-	281,995	266,923	15,072
Capital outlay	-	-	-	4,800	4,800	-
Total general government	378,933	327,684	51,249	475,430	446,070	29,360
Public safety:						
Personal services	59,698	60,005	(307)	-	38,946	(38,946)
Materials and supplies	4,000	3,990	10	-	-	-
Grants and contributions	49,939	49,939	-	77,891	38,946	38,945
Capital outlay	5,921	-	5,921	21,193	21,193	-
Total public safety	119,558	113,934	5,624	99,084	99,085	(1)

Health:						
Personal services	377,817	191,277	186,540	472,347	295,991	176,356
Contractual services	240,157	169,958	70,199	238,858	153,676	85,182
Materials and supplies	37,287	20,107	17,180	65,515	46,639	18,876
Grants and contributions	-	-	-	15,997	13,960	2,037
Capital outlay	-	-	-	155	-	155
Total health	655,261	381,342	273,919	792,872	510,266	282,606
Leisure activities and education:						
Personal services	5,557	3,396	2,161	11,013	1,217	9,796
Contractual services	472,305	314,414	157,891	377,610	222,283	155,327
Materials and supplies	166,726	120,454	46,272	163,340	85,550	77,790
Fixed charges	16,400	6,908	9,492	16,600	8,226	8,374
Capital outlay	32,419	9,082	23,337	171,808	139,517	32,291
Total leisure activities and education	693,407	454,254	239,153	740,371	456,793	283,578
Conservation and economic development:						
Personal services	355,121	282,704	72,417	313,546	264,643	48,903
Contractual services	141,808	74,588	67,220	194,433	51,599	142,834
Materials and supplies	48,312	40,190	8,122	49,456	19,794	29,662
Fixed charges	-	-	-	12,405	12,402	3
Grants and contributions	2,069,051	1,606,127	462,924	481,225	162,859	318,366
Capital outlay	133,217	119,839	13,378	135,000	131,293	3,707
Total conservation and economic development	2,747,509	2,123,448	624,061	1,186,065	642,590	543,475
Total expenditures	4,594,668	3,400,662	1,194,006	3,293,822	2,154,804	1,139,018
Excess (deficiency) of revenues over expenditures	(660,193)	(352,095)	308,098	(498,555)	55,082	553,637
Other financing sources:						
Operating transfers in:						
General Fund	5,921	5,921	-	-	-	-
Capital Improvement Fund	-	-	-	25,000	25,000	-
Sales of fixed assets	-	695	695	-	-	-
Proceeds from state loan program	123,398	95,899	(27,499)	138,371	138,371	-
Total other financing sources	129,319	102,515	(26,804)	163,371	163,371	-
Excess (deficiency) of revenues and other financing sources over expenditures	(530,874)	(249,580)	281,294	(335,184)	218,453	553,637
Fund balances, January 1	531,036	531,036	-	325,039	325,039	-
Residual equity transfer out	-	(1,907)	(1,907)	-	(12,456)	(12,456)
Fund balances, December 31	$ 162	279,549	279,387	(10,145)	531,036	541,181

MARATHON COUNTY, WISCONSIN

EMPLOYMENT AND TRAINING FUND

Comparative Balance Sheets

December 31, 1998 and 1997

		1998	1997
Assets			
Cash and investments	$	993,783	1,051,451
Taxes receivable		26,712	26,712
Accounts receivable		18,354	3,619
Due from other governments		381,600	613,970
Total assets	$	1,420,449	1,695,752
Liabilities and Fund Balances			
Liabilities:			
Accounts payable	$	193,252	233,695
Accrued expenditures		13,648	43,221
Due to other governments		654,600	1,190,405
Deferred revenue		26,712	26,712
Total liabilities		888,212	1,494,033
Fund balances:			
Unreserved:			
Designated for subsequent years budgets		532,237	201,719
Total fund balances		532,237	201,719
Total liabilities and fund balances	$	1,420,449	1,695,752

MARATHON COUNTY, WISCONSIN

EMPLOYMENT AND TRAINING FUND

Comparative Statements of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual

Years ended December 31, 1998 and 1997

	1998			1997		
	Budget	Actual	Variance-favorable (unfavorable)	Budget	Actual	Variance-favorable (unfavorable)
Revenues:						
General property taxes	$ 26,712	26,712	-	26,712	26,712	-
Intergovernmental grants and aids:						
Federal grants	6,568,177	2,776,799	(3,791,378)	3,582,788	2,365,043	(1,217,745)
Local governments	-	29,583	29,583	-	-	-
Public charges for services	-	2,964	2,964	1,800	2,193	393
Intergovernmental charges for services	-	1,180	1,180	200	480	280
Miscellaneous revenues:						
Interest income	5,300	62,362	57,062	4,000	37,902	33,902
Other revenues	-	6,730	6,730	-	51,435	51,435
Total revenues	6,600,189	2,906,330	(3,693,859)	3,615,500	2,483,765	(1,131,735)
Expenditures:						
Conservation and economic development:						
Personal services	1,142,508	979,671	162,837	975,202	677,864	297,338
Contractual services	1,838,771	1,052,891	785,880	1,318,585	1,107,384	211,201
Materials and supplies	45,804	147,547	(101,743)	193,954	113,377	80,577
Fixed charges	123,986	119,781	4,205	114,200	85,737	28,463
Grants and contributions	3,353,038	210,922	3,142,116	903,559	563,096	340,463
Capital outlay	65,000	65,000	-	110,000	95,419	14,581
Total expenditures	6,569,107	2,575,812	3,993,295	3,615,500	2,642,877	972,623
Excess (deficiency) of revenues over expenditures	31,082	330,518	299,436	-	(159,112)	(159,112)
Fund balances, January 1	201,719	201,719	-	360,831	360,831	-
Fund balances, December 31	$ 232,801	532,237	299,436	360,831	201,719	(159,112)

THIS PAGE LEFT BLANK INTENTIONALLY

MARATHON COUNTY, WISCONSIN

COMMISSION ON AGING FUND

Comparative Balance Sheets

December 31, 1998 and 1997

		1998	1997
Assets			
Cash and investments	$	152,880	167,530
Taxes receivable		203,390	203,390
Accounts receivable		25,458	7,807
Due from other governments		18,150	24,687
Restricted assets - cash and investments		9,130	14,126
Total assets	$	409,008	417,540
Liabilities and Fund Balances			
Liabilities:			
Accounts payable	$	75,255	38,260
Accrued expenditures		16,438	48,100
Deferred revenue		203,390	203,390
Total liabilities		295,083	289,750
Fund balances:			
Unreserved:			
Designated for subsequent years budgets		113,925	127,790
Total fund balances		113,925	127,790
Total liabilities and fund balances	$	409,008	417,540

MARATHON COUNTY, WISCONSIN

COMMISSION ON AGING FUND

Comparative Statements of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual

Years ended December 31, 1998 and 1997

	1998			1997		
	Budget	Actual	Variance-favorable (unfavorable)	Budget	Actual	Variance-favorable (unfavorable)
Revenues:						
General property taxes	$ 203,390	203,390	-	203,390	203,390	-
Intergovernmental grants and aids:						
Federal grants	535,317	530,435	(4,882)	507,499	507,276	(223)
State grants	708,561	669,117	(39,444)	535,000	492,382	(42,618)
Public charges for services	28,428	28,990	562	25,500	26,510	1,010
Miscellaneous revenues:						
Donations	351,474	375,971	24,497	314,698	336,420	21,722
Interest income	16,296	17,331	1,035	16,310	16,468	158
Total revenues	1,843,466	1,825,234	(18,232)	1,602,397	1,582,446	(19,951)
Expenditures:						
Social services:						
Personal services	1,187,912	1,138,131	49,781	1,065,678	1,016,675	49,003
Contractual services	590,244	504,887	85,357	552,114	457,959	94,155
Materials and supplies	113,920	131,977	(18,057)	86,503	99,141	(12,638)
Fixed charges	11,696	10,112	1,584	12,270	12,433	(163)
Grants and contributions	14,270	11,468	2,802	5,335	3,364	1,971
Capital outlay	46,624	42,047	4,577	24,805	22,406	2,399
Total expenditures	1,964,666	1,838,622	126,044	1,746,705	1,611,978	134,727
Deficiency of revenues over expenditures	(121,200)	(13,388)	107,812	(144,308)	(29,532)	114,776

Other financing uses:						
Operating transfers out:						
General Fund	-	(477)	(477)	-	(3,125)	(3,125)
Total other financing uses	-	(477)	(477)	-	(3,125)	(3,125)
Deficiency of revenues over expenditures and other financing uses	(121,200)	(13,865)	107,335	(144,308)	(32,657)	111,651
Fund balances, January 1	127,790	127,790	-	160,447	160,447	-
Fund balances, December 31	$ 6,590	113,925	107,335	16,139	127,790	111,651

MARATHON COUNTY, WISCONSIN

SPECIAL EDUCATION FUND

Comparative Balance Sheets

December 31, 1998 and 1997

		1998	1997
Assets			
Cash and investments	$	616,491	599,151
Accrued interest receivable		6,480	-
Due from other governments		1,478,141	1,343,040
Total assets	$	2,101,112	1,942,191
Liabilities and Fund Balances			
Liabilities:			
Accounts payable	$	59,206	50,528
Accrued expenditures		141,485	154,708
Deferred revenue		1,025,966	947,070
Total liabilities		1,226,657	1,152,306
Fund balances:			
Reserved:			
Reserved for compensated absences		81,480	-
Unreserved:			
Undesignated		792,975	789,885
Total fund balances		874,455	789,885
Total liabilities and fund balances	$	2,101,112	1,942,191

MARATHON COUNTY, WISCONSIN

SPECIAL EDUCATION FUND

Comparative Statements of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual

December 31, 1998 and 1997

	1998			1997		
	Budget	Actual	Variance-favorable (unfavorable)	Budget	Actual	Variance-favorable (unfavorable)
Revenues:						
Intergovernmental grants and aids:						
Federal education grants	$ 428,954	373,129	(55,825)	371,634	305,694	(65,940)
State education grants	1,080,860	1,063,952	(16,908)	1,134,500	1,128,958	(5,542)
Intergovernmental charges for services:						
Local districts	2,459,153	2,403,605	(55,548)	2,354,343	2,222,280	(132,063)
Schools for handicapped	54,354	53,579	(775)	55,338	55,019	(319)
Miscellaneous revenues	56,970	118,581	61,611	55,928	92,406	36,478
Total revenues	4,080,291	4,012,846	(67,445)	3,971,743	3,804,357	(167,386)
Expenditures:						
Leisure activities and education:						
Personal services	3,647,881	3,479,103	168,778	3,562,411	3,558,672	3,739
Contractual services	321,393	295,398	25,995	314,919	313,570	1,349
Materials and supplies	39,675	37,741	1,934	38,565	37,942	623
Capital outlay	71,342	116,034	(44,692)	55,848	37,028	18,820
Total expenditures	4,080,291	3,928,276	152,015	3,971,743	3,947,212	24,531
Excess (deficiency) of revenues over expenditures	-	84,570	84,570	-	(142,855)	(142,855)
Fund balances, January 1	789,885	789,885	-	932,740	932,740	-
Fund balances, December 31	$ 789,885	874,455	84,570	932,740	789,885	(142,855)

THIS PAGE LEFT BLANK INTENTIONALLY

DEBT SERVICE FUND

The Debt Service Fund is used to account for the accumulation and use of financial resources to pay principal, interest and related costs on general long-term debt.

MARATHON COUNTY, WISCONSIN

DEBT SERVICE FUND

Comparative Balance Sheets

December 31, 1998 and 1997

		1998	1997
Assets			
Cash and investments	$	180,546	174,031
Taxes receivable		4,406,267	4,144,342
Total assets	$	4,586,813	4,318,373
Liabilities and Fund Balances			
Liabilities:			
Accounts payable	$	4,805	250
Deferred revenues		4,406,267	4,144,342
Total liabilities		4,411,072	4,144,592
Fund balances:			
Reserved:			
Reserved for debt service		175,741	173,781
Total fund balances		175,741	173,781
Total liabilities and fund balances	$	4,586,813	4,318,373

MARATHON COUNTY, WISCONSIN

DEBT SERVICE FUND

Comparative Statements of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual

Years ended December 31, 1998 and 1997

	1998			1997		
	Budget	Actual	Variance-favorable (unfavorable)	Budget	Actual	Variance-favorable (unfavorable)
Revenues:						
General property taxes	$ 4,144,342	4,144,342	-	4,215,715	4,215,715	-
Fines and forfeitures	157,000	171,641	14,641	140,000	163,817	23,817
Public charges for services	23,000	15,012	(7,988)	23,000	21,093	(1,907)
Miscellaneous revenues:						
Interest income	274,869	230,687	(44,182)	141,069	230,992	89,923
Rental income	207,275	193,174	(14,101)	192,789	192,791	2
Total revenues	4,806,486	4,754,856	(51,630)	4,712,573	4,824,408	111,835
Expenditures:						
Debt service:						
Principal retirement	3,768,203	3,744,484	23,719	3,894,834	3,844,359	50,475
Interest charges	1,079,486	1,053,807	25,679	1,159,190	1,179,037	(19,847)
Paying agent fees	7,000	8,205	(1,205)	7,000	10,613	(3,613)
Total expenditures	4,854,689	4,806,496	48,193	5,061,024	5,034,009	27,015
Deficiency of revenues over expenditures	(48,203)	(51,640)	(3,437)	(348,451)	(209,601)	138,850
Other financing sources:						
Operating transfers in:						
Library Building Project Fund	-	-	-	12,000	-	(12,000)
General obligation proceeds	-	53,600	53,600	-	-	-
Total other financing sources	-	53,600	53,600	12,000	-	(12,000)
Excess (deficiency) of revenues and other financing sources over expenditures	(48,203)	1,960	50,163	(336,451)	(209,601)	126,850
Fund balances, January 1	173,781	173,781	-	383,382	383,382	-
Fund balances, December 31	$ 125,578	175,741	50,163	46,931	173,781	126,850

THIS PAGE LEFT BLANK INTENTIONALLY

CAPITAL PROJECT FUNDS

Capital project funds are created to account for financial resources used for the acquisition or construction of major capital facilities other than those financed by proprietary funds. During 1998 the County had the following capital project funds:

Capital Improvement Fund - to account for the financing, construction and remodeling of major existing infrastructure needs for the County. The fund finances the 1996 through 1998 Capital Improvement Plans.

Library Building Project Fund - to account for the financing, construction and remodeling of the library headquarters and several branch facilities in a joint financing arrangement with the City of Wausau and other rural communities.

University Capital Improvement Fund - to account for financing, construction and remodeling of the existing two year University of Wisconsin-Marathon Campus located in Wausau.

Huber Facility Expansion Fund - to account for financing, construction and expansion of the existing jail facility to include medium security and Huber facility.

THIS PAGE LEFT BLANK INTENTIONALLY

MARATHON COUNTY, WISCONSIN

CAPITAL PROJECT FUNDS

Combining Balance Sheet

December 31, 1998

(With comparative totals for December 31, 1997)

	Capital Improvements	Library Building Project	University Capital Improvement	Huber Facility Expansion	Totals 1998	Totals 1997
Assets						
Cash and investments	$ 5,219,961	210,385	1,204,912	2,842,785	9,478,043	6,447,597
Accounts receivable	89	-	-	-	89	15,900
Due from other governments	78,240	-	-	-	78,240	15,740
Total assets	$ 5,298,290	210,385	1,204,912	2,842,785	9,556,372	6,479,237
Liabilities and Fund Balances (Deficits)						
Liabilities:						
Accounts payable	$ 354,225	1,235	76,961	108,135	540,556	878,138
Due to other funds	-	-	-	-	-	9,401
Contracts payable	44,203	-	-	251,484	295,687	215,390
Total liabilities	398,428	1,235	76,961	359,619	836,243	1,102,929
Fund balances (deficits):						
Reserved:						
Reserved for capital improvements	3,473,143	209,150	1,127,951	-	4,810,244	4,281,019
Reserved for encumbrances	1,426,719	-	-	2,437,778	3,864,497	6,390,784
Unreserved:						
Undesignated	-	-	-	45,388	45,388	**********
Total fund balances (deficits)	4,899,862	209,150	1,127,951	2,483,166	8,720,129	5,376,308
Total liabilities and fund balances (deficits)	$ 5,298,290	210,385	1,204,912	2,842,785	9,556,372	6,479,237

MARATHON COUNTY, WISCONSIN

CAPITAL PROJECT FUNDS

Combining Statement of Revenues, Expenditures and
Changes in Fund Balances (Deficits)

Year ended December 31, 1998

(With comparative totals for December 31, 1997)

	Capital Improvements	Library Building Project	University Capital Improvement	Huber Facility Expansion	Totals 1998	Totals 1997
Revenues:						
Taxes:						
Sales tax	$ 400,000	-	-	-	400,000	445,237
Public charges for services:						
General government	4,006	-	-	-	4,006	11,197
Intergovernmental charges for services:						
Local districts	164,763	-	-	-	164,763	15,900
Miscellaneous revenues:						
Donations	-	7,572	-	-	7,572	-
Interest income	433,082	13,229	-	15,078	461,389	502,237
Other revenues	750,000	-	-	-	750,000	750,000
Total revenues	1,751,851	20,801	-	15,078	1,787,730	1,724,571
Expenditures:						
Contractual services	-	-	2,402	34,131	36,533	3,284
Capital outlay	4,446,292	6,097	34,801	4,312,652	8,799,842	4,656,004
Total expenditures	4,446,292	6,097	37,203	4,346,783	8,836,375	4,659,288
Excess (deficiency) of revenues over expenditures	(2,694,441)	14,704	(37,203)	(4,331,705)	(7,048,645)	(2,934,717)

Other financing sources (uses):						
Operating transfers in:						
General Fund	4,309,578	135,752	-	-	4,445,330	2,238,165
Social Services Fund	1,203,070	-	-	-	1,203,070	318,795
Capital Improvment Fund	-	30,000	-	2,000,000	2,030,000	-
Sales of fixed assets	-	-	-	-	-	5,750
Component unit transfer in	95,696	-	-	-	95,696	95,696
General obligation proceeds	-	-	-	5,000,000	5,000,000	-
Operating transfers out:						
Grants Fund	-	-	-	-	-	(25,000)
Huber Facility Expansion Fund	(2,000,000)	-	-	-	(2,000,000)	-
Library Building Project Fund	(30,000)	-	-	-	(30,000)	-
Total other financing sources (uses)	3,578,344	165,752	-	7,000,000	10,744,096	2,633,406
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	883,903	180,456	(37,203)	2,668,295	3,695,451	(301,311)
Fund balances (deficits), January 1	4,367,589	28,694	1,165,154	(185,129)	5,376,308	6,020,282
Residual equity transfers out	(351,630)	-	-	-	(351,630)	(342,663)
Fund balances (deficits), December 31	$ 4,899,862	209,150	1,127,951	2,483,166	8,720,129	5,376,308

THIS PAGE LEFT BLANK INTENTIONALLY

MARATHON COUNTY, WISCONSIN

CAPITAL IMPROVEMENTS FUND

Comparative Balance Sheets

December 31, 1998 and 1997

		1998	1997
Assets			
Cash and investments	$	5,219,961	5,201,068
Accounts receivable		89	15,900
Due from other governments		78,240	-
Total assets	$	5,298,290	5,216,968
Liabilities and Fund Balances			
Liabilities:			
Accounts payable	$	354,225	704,757
Contracts payable		44,203	144,622
Total liabilities		398,428	849,379
Fund balances:			
Reserved:			
Reserved for capital improvements		3,473,143	3,098,813
Reserved for encumbrances		1,426,719	1,268,776
Total fund balances		4,899,862	4,367,589
Total liabilities and fund balances	$	5,298,290	5,216,968

MARATHON COUNTY, WISCONSIN

CAPITAL IMPROVEMENTS FUND

Comparative Statements of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual

Years ended December 31, 1998 and 1997

	1998			1997		
	Budget	Actual	Variance favorable (unfavorable)	Budget	Actual	Variance favorable (unfavorable)
Revenues:						
Taxes:						
Sales tax	$ 400,000	400,000	-	445,237	445,237	-
Intergovernmental grants and aids:						
State grants	-	-	-	23,135	-	(23,135)
Public charges for services:						
General government	-	4,006	4,006	-	11,197	11,197
Intergovernmental charges for services:						
Local districts	750,000	164,763	(585,237)	15,900	15,900	-
Miscellaneous revenues:						
Donations	95,000	-	(95,000)	-	-	-
Interest income	398,895	433,082	34,187	164,111	415,988	251,877
Other revenues	750,000	750,000	-	750,000	750,000	-
Total revenues	2,393,895	1,751,851	(642,044)	1,398,383	1,638,322	239,939
Expenditures:						
Capital outlay	10,107,919	4,446,292	5,661,627	8,353,540	4,092,171	4,261,369
Total expenditures	10,107,919	4,446,292	5,661,627	8,353,540	4,092,171	4,261,369
Deficiency of revenues over expenditures	(7,714,024)	(2,694,441)	5,019,583	(6,955,157)	(2,453,849)	4,501,308

Other financing sources (uses):						
Operating transfers in:						
General Fund	4,309,578	4,309,578	-	2,238,165	2,238,165	-
Social Services Fund	1,203,070	1,203,070	-	318,795	318,795	-
Sale of fixed assets	-	-	-	4,000	5,750	1,750
Component unit transfer in	95,696	95,696	-	95,696	95,696	-
Operating transfers out:						
Grants Fund	-	-	-	(25,000)	(25,000)	-
Huber Facility Expansion Fund	(2,000,000)	(2,000,000)	-	-	-	-
Library Building Project Fund	(30,000)	(30,000)	-	-	-	-
Total other financing sources (uses)	3,578,344	3,578,344	-	2,631,656	2,633,406	1,750
Excess (deficiency) of revenues and other financing sources over expenditures and other financing (uses)	(4,135,680)	883,903	5,019,583	(4,323,501)	179,557	4,503,058
Fund balances, January 1	4,367,589	4,367,589	-	4,530,695	4,530,695	-
Residual equity transfers out	-	(351,630)	(351,630)	-	(342,663)	(342,663)
Fund balances, December 31	$ 231,909	4,899,862	4,667,953	207,194	4,367,589	4,160,395

MARATHON COUNTY, WISCONSIN

LIBRARY BUILDING PROJECT FUND

Comparative Balance Sheets

December 31, 1998 and 1997

		1998	1997
Assets			
Cash and investments	$	210,385	28,694
Total assets	$	210,385	28,694
Liabilities and Fund Balances			
Liabilities:			
Accounts payable	$	1,235	-
Total liabilities		1,235	-
Fund balances:			
Reserved:			
Reserved for capital improvements		209,150	28,694
Total fund balances		209,150	28,694
Total liabilities and fund balances	$	210,385	28,694

MARATHON COUNTY, WISCONSIN

LIBRARY BUILDING PROJECT FUND

Comparative Statements of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual

Years ended December 31, 1998 and 1997

	1998			1997		
	Budget	Actual	Variance favorable (unfavorable)	Budget	Actual	Variance favorable (unfavorable)
Revenues:						
Miscellaneous revenues:						
Donations	$ 7,572	7,572	-	-	-	-
Interest income	-	13,229	13,229	-	7,915	7,915
Total revenues	7,572	20,801	13,229	-	7,915	7,915
Expenditures:						
Capital outlay	201,338	6,097	195,241	220,897	202,758	18,139
Total expenditures	201,338	6,097	195,241	220,897	202,758	18,139
Excess (deficiency) of revenues over expenditures	(193,766)	14,704	208,470	(220,897)	(194,843)	26,054
Other financing sources:						
Operating transfers in:						
General Fund	135,752	135,752	-	-	-	-
Capital Improvement Fund	30,000	30,000	-	-	-	-
Total other financing sources	165,752	165,752	-	-	-	-
Excess (deficiency) of revenues and other financing sources over expenditures	(28,014)	180,456	208,470	(220,897)	(194,843)	26,054
Fund balances, January 1	28,694	28,694	-	223,537	223,537	-
Fund balances, December 31	$ 680	209,150	208,470	2,640	28,694	26,054

MARATHON COUNTY, WISCONSIN

UNIVERSITY CAPITAL IMPROVEMENT FUND

Comparative Balance Sheets

December 31, 1998 and 1997

		1998	1997
Assets			
Cash and investments	$	1,204,912	1,217,835
Accrued interest receivable		-	15,740
Total assets	$	1,204,912	1,233,575
Liabilities and Fund Balances			
Liabilities:			
Accounts payable	$	76,961	15,226
Contracts payable		-	53,195
Total liabilities		76,961	68,421
Fund balances:			
Reserved:			
Reserved for capital improvements		1,127,951	1,153,512
Reserved for encumbrances		-	11,642
Total fund balances		1,127,951	1,165,154
Total liabilities and fund balances	$	1,204,912	1,233,575

MARATHON COUNTY, WISCONSIN

UNIVERSITY CAPITAL IMPROVEMENT FUND

Comparative Statements of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual

Years ended December 31, 1998 and 1997

	1998			1997		
	Budget	Actual	Variance favorable (unfavorable)	Budget	Actual	Variance favorable (unfavorable)
Revenues:						
Interest income	$ -	-	-	-	78,334	78,334
Total revenues	-	-	-	-	78,334	78,334
Expenditures:						
Contractual services	-	2,402	(2,402)	-	3,284	(3,284)
Capital outlay	815,496	34,801	780,695	994,700	175,946	818,754
Total expenditures	815,496	37,203	778,293	994,700	179,230	815,470
Excess (deficiency) of revenues over expenditures	(815,496)	(37,203)	778,293	(994,700)	(100,896)	893,804
Fund balances, January 1	1,165,154	1,165,154	-	1,266,050	1,266,050	-
Fund balances, December 31	$ 349,658	1,127,951	778,293	271,350	1,165,154	893,804

MARATHON COUNTY, WISCONSIN

HUBER FACILITY EXPANSION FUND

Comparative Balance Sheets

December 31, 1998 and 1997

		1998	1997
Assets			
Cash and investments	$	2,842,785	-
Total assets	$	2,842,785	-
Liabilities and Fund Balances (Deficits)			
Liabilities:			
Accounts payable	$	108,135	158,155
Due to other funds		-	9,401
Contracts payable		251,484	17,573
Total liabilities		359,619	185,129
Fund balances (deficits):			
Reserved:			
Reserved for encumbrances		2,437,778	5,110,366
Unreserved:			
Undesignated		45,388	(5,295,495)
Total fund balances (deficits)		2,483,166	(185,129)
Total liabilities and fund balances (deficits)	$	2,842,785	-

MARATHON COUNTY, WISCONSIN

HUBER FACILITY EXPANSION FUND

Comparative Statements of Revenues, Expenditures and
Changes in Fund Balances (Deficits) - Budget and Actual

Years ended December 31, 1998 and 1997

	1998			1997		
	Budget	Actual	Variance favorable (unfavorable)	Budget	Actual	Variance favorable (unfavorable)
Revenues:						
Miscellaneous revenues:						
Interest income	$ -	15,078	15,078	-	-	-
Total revenues	-	15,078	15,078	-	-	-
Expenditures:						
Contractual services	-	34,131	(34,131)	-	-	-
Capital outlay	7,814,929	4,312,652	3,502,277	7,000,000	185,129	6,814,871
Total expenditures	7,814,929	4,346,783	3,468,146	7,000,000	185,129	6,814,871
Deficiency of revenues over expenditures	(7,814,929)	(4,331,705)	3,483,224	(7,000,000)	(185,129)	6,814,871
Other financing sources:						
Operating transfers in:						
Capital Improvement Fund	2,000,000	2,000,000	-	-	-	-
General obligation proceeds	5,814,929	5,000,000	(814,929)	7,000,000	-	(7,000,000)
Total other financing sources	7,814,929	7,000,000	(814,929)	7,000,000	-	(7,000,000)
Excess (deficiency) of revenues and other financing sources over expenditures	-	2,668,295	2,668,295	-	(185,129)	(185,129)
Fund balances (deficits), January 1	(185,129)	(185,129)	-	-	-	-
Fund balances (deficits), December 31	$ (185,129)	2,483,166	2,668,295	-	(185,129)	(185,129)

THIS PAGE LEFT BLANK INTENTIONALLY

ENTERPRISE FUND

An enterprise fund is used to account for operations (a) that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes. During 1998 the County had one enterprise fund:

Landfill Fund - to account for the operations of the solid waste disposal site and operation of the refuse derived fuel pellet plant serving the County. Revenues are provided through tipping fees and sale of product.

MARATHON COUNTY, WISCONSIN

LANDFILL FUND

Comparative Balance Sheets

December 31, 1998 and 1997

Assets		1998	1997
Current assets:			
Cash and investments	$	3,640,776	3,484,445
Accounts receivable		308,968	351,222
Contracts receivable		976,515	983,361
Inventory		100,597	-
Total current assets		5,026,856	4,819,028
Restricted assets:			
Cash and investments		10,172,828	8,199,469
Accrued interest receivable		29,853	37,194
Total restricted assets		10,202,681	8,236,663
Deferred charges		4,209	5,079
Property, plant and equipment:			
Land		259,034	259,034
Building		1,095,877	1,098,877
Improvements		11,313,218	10,705,280
Equipment		144,463	144,463
Total property, plant and equipment		12,812,592	12,207,654
Less: accumulated depreciation and depletion		(9,057,714)	(8,680,735)
Net property, plant and equipment		3,754,878	3,526,919
Total assets	$	18,988,624	16,587,689

Liabilities and Fund Equity		
Current liabilities:		
Accounts payable	$ 130,436	149,649
Accrued expenses	2,070	6,663
Interest payable	8,203	9,470
Due to other governments	803,631	817,710
Due to other funds	-	198,598
Accounts payable from restricted assets	2,191	1,569
Current portion - purchase contracts	13,000	-
Total current liabilities	959,531	1,183,659
Long-term liabilities:		
Non-current portion - purchase contracts	65,000	-
General obligations bonds payable	1,130,000	1,330,000
Landfill closure & long-term care payable	7,769,650	6,882,674
Compensated absences	25,562	25,373
Total long-term liabilities	8,990,212	8,238,047
Total liabilities	9,949,743	9,421,706
Fund equity:		
Retained earnings:		
Reserved for capital improvements	3,612,797	2,628,205
Reserved for self-insurance	512,134	327,312
Reserved for debt service	642,183	711,802
Unreserved	4,271,767	3,498,664
Total fund equity	9,038,881	7,165,983
Total liabilities and fund equity	$ 18,988,624	16,587,689

THIS PAGE LEFT BLANK INTENTIONALLY

MARATHON COUNTY, WISCONSIN

LANDFILL FUND

Comparative Statements of Revenues, Expenses and
Changes in Retained Earnings

Years ended December 31, 1998 and 1997

	1998	1997
Operating revenues:		
Public charges for services	$ 3,529,346	3,826,775
Total operating revenues	3,529,346	3,826,775
Operating expenses:		
Salaries and benefits	158,277	209,844
Contractual services	1,096,907	1,213,278
Materials and supplies	21,078	20,294
Landfill closure & long-term care	947,431	925,691
Insurance	4,012	11,111
Depreciation	379,684	929,388
Other operating expenses	23,060	1,500
Total operating expenses	2,630,449	3,311,106
Operating income	898,897	515,669
Nonoperating revenues and (expenses):		
Intergovernmental grants and aids	5,420	-
Interest income	788,487	610,977
Net increase in the fair value of investments	252,262	180,838
Gain on sale of fixed assets	80	144,725
Other income	8,837	900
Interest expense	(56,998)	(64,453)
Other expenses	(24,087)	(26,104)
Total nonoperating revenues and (expenses), net	974,001	846,883
Increase in retained earnings	1,872,898	1,362,552
Retained earnings, January 1 as previously reported	7,165,983	5,670,964
Cumulative effect of change in accounting principles	-	132,467
Retained earnings, January 1 as restated	7,165,983	5,803,431
Retained earnings, December 31	$ 9,038,881	7,165,983

MARATHON COUNTY, WISCONSIN

LANDFILL FUND

Comparative Statements of Cash Flows

Years ended December 31, 1998 and 1997

	1998	1997
Cash flows from operating activities:		
Operating income	$ 898,897	515,669
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation expense	379,684	929,388
Net increase in the fair value of investments	252,262	180,838
Other income	8,837	900
Other expenses	(24,087)	(26,104)
Cumulative effect of change in accounting principles	-	132,467
(Increase) decrease in assets and increase (decrease) in liabilities:		
Acccounts receivable	42,254	5,752
Contracts receivable	6,846	(983,361)
Inventory	(100,597)	-
Accrued interest receivable - restricted assets	7,341	(2,487)
Deferred charges	870	871
Accounts payable	(19,213)	(21,124)
Accrued expenses	(4,593)	(5,647)
Interest payable	(1,267)	(1,186)
Due to other governments	(14,079)	408,646
Due to other funds	(198,598)	98,598
Accounts payable from restricted assets	622	(338)
Landfill closure & long-term care payable	886,976	925,691
Compensated absences	189	1,882
Total adjustments	1,223,447	1,644,786
Net cash provided by operating activities	2,122,344	2,160,455
Cash flows from noncapital financing activities:		
Intergovernmental grants and aids	5,420	-
Decrease in advance from other funds	-	(198,598)
Net cash provided (used) by noncapital financing activities	5,420	(198,598)

Cash flows from capital and related financing activities:		
Acquisitions of property, plant and equipment, net of retirements	(607,643)	779,025
Increase (decrease) in current portion purchase contract	13,000	(3,734)
Increase (decrease) in non-current portion purchased contract	65,000	(11,717)
Principal payments on general obligation bonds	(200,000)	(195,000)
Proceeds from sale of fixed assets	80	144,725
Interest paid on general obligation debt	(56,998)	(64,021)
Interest paid on purchase contracts	-	(432)
Net cash provided (used) by capital and related financing activities	(786,561)	648,846
Cash flows from investing activities:		
Interest received on investments	788,487	610,977
Net cash provided by investing activities	788,487	610,977
Net increase in cash and cash equivalents	2,129,690	3,221,680
Cash and cash equivalents, January 1	11,683,914	8,462,234
Cash and cash equivalents, December 31	$ 13,813,604	11,683,914

THIS PAGE LEFT BLANK INTENTIONALLY

INTERNAL SERVICE FUNDS

Internal service funds are used to account for the financing and 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. During 1998 the County had the following internal service funds:

County Highway Fund - to account for the costs associated with the operation and maintenance of the County's Highway Department facilities, which consist primarily of the maintenance of the County trunk highway system, maintenance and construction of state highways within the County, and provision of highway services to other local governments. Revenues are provided by state transportation aids, property taxes and user charges.

Property Casualty Insurance Fund - to account for the accumulation of resources and payment of insurance costs and claims made against the County. Revenues are provided by fees charged to user departments at rates based on prior experience.

Employee Benefits Insurance Fund - to account for the cost of the County employees' self-insured health, dental, and worker's compensation funds. Revenues are provided by fees charged to user departments based on actuarial evaluations.

MARATHON COUNTY, WISCONSIN

INTERNAL SERVICE FUNDS

Combining Balance Sheet

DECEMBER 31, 1998

(With comparative totals for December 31, 1997)

Assets	County Highway	Property Casualty Insurance	Employee Benefits Insurance	Totals 1998	Totals 1997
Current assets:					
Cash and investments	$ 3,082,437	1,823,392	4,564,447	9,470,276	9,825,366
Taxes receivable	5,291,672	-	-	5,291,672	5,090,537
Accounts receivable	5,873	224,456	101,571	331,900	637,964
Due from other governments	494,281	-	-	494,281	452,883
Due from other funds	-	-	-	-	38,448
Prepaid items	-	-	26,529	26,529	-
Inventories	499,075	-	-	499,075	420,176
Total current assets	9,373,338	2,047,848	4,692,547	16,113,733	16,465,374
Noncurrent assets:					
Deposit in Wisconsin Mutual Insurance Companies	-	1,519,000	-	1,519,000	1,519,000
Total noncurrent assets	-	1,519,000	-	1,519,000	1,519,000
Property, plant and equipment:					
Land	195,950	-	-	195,950	195,950
Buildings	4,404,419	-	-	4,404,419	4,033,649
Equipment	10,045,514	53,868	2,295	10,101,677	9,618,165
Total property, plant and equipment	14,645,883	53,868	2,295	14,702,046	13,847,764
Less: accumulated depreciation and depletion	(5,963,244)	(51,557)	(714)	(6,015,515)	(5,532,362)
Net property, plant and equipment	8,682,639	2,311	1,581	8,686,531	8,315,402
Total assets	$ 18,055,977	3,569,159	4,694,128	26,319,264	26,299,776

Liabilities and Fund Equity					
Current liabilities:					
Accounts payable	$ 142,353	1,767	785,935	930,055	813,598
Accrued expenses	73,978	697	1,115	75,790	175,307
Deferred revenues	5,374,295	-	-	5,374,295	5,168,813
Total current liabilities	5,590,626	2,464	787,050	6,380,140	6,157,718
Long-term liabilities:					
Accrued liability - claims payable	-	1,736,204	3,093,708	4,829,912	4,162,806
Compensated absences	494,075	9,531	11,897	515,503	438,824
Total long-term liabilities	494,075	1,745,735	3,105,605	5,345,415	4,601,630
Total liabilities	6,084,701	1,748,199	3,892,655	11,725,555	10,759,348
Fund equity:					
Contributed capital:					
State of Wisconsin	557,018	-	-	557,018	587,644
Local government	18,614	-	-	18,614	18,614
Marathon County	1,294,033	-	-	1,294,033	1,336,351
Total contributed capital	1,869,665	-	-	1,869,665	1,942,609
Retained earnings:					
Reserved for capital improvements	1,105,000	-	-	1,105,000	2,800,000
Reserved for worker's compensation	-	-	681,644	681,644	862,133
Reserved for self-insurance	-	2,136,204	(644,790)	1,491,414	1,315,704
Reserved for working capital	1,684,562	-	-	1,684,562	1,397,121
Unreserved	7,312,049	(315,244)	764,619	7,761,424	7,222,861
Total retained earnings	10,101,611	1,820,960	801,473	12,724,044	13,597,819
Total fund equity	11,971,276	1,820,960	801,473	14,593,709	15,540,428
Total liabilities and fund equity	$ 18,055,977	3,569,159	4,694,128	26,319,264	26,299,776

MARATHON COUNTY, WISCONSIN

INTERNAL SERVICE FUNDS

Combining Statement of Revenues, Expenses and
Changes in Retained Earnings

Year ended December 31, 1998

(With comparative totals for December 31, 1997)

	County Highway	Property Casualty Insurance	Employee Benefits Insurance	Totals 1998	Totals 1997
Operating revenues:					
Licenses and permits	$ 13,850	-	-	13,850	6,295
Intergovernmental charges for services	3,560,875	619,907	4,584,832	8,765,614	7,904,634
Total operating revenues	3,574,725	619,907	4,584,832	8,779,464	7,910,929
Operating expenses:					
Salaries and benefits	4,480,543	52,639	84,635	4,617,817	3,772,753
Contractual services	110,617	26,614	166,205	303,436	209,748
Materials and supplies	562,079	9,046	19,860	590,985	677,972
Construction and maintenance	5,347,047	-	-	5,347,047	3,014,864
Building and equipment rent	1,894,463	-	-	1,894,463	1,680,088
Insurance and claims	103,861	397,828	3,841,127	4,342,816	4,247,733
Loss and loss adjustment expense	-	367,537	299,569	667,106	(43,599)
Insurance administrative costs	-	-	182,786	182,786	349,390
Depreciation	839,177	3,879	459	843,515	675,054
Total operating expenses	13,337,787	857,543	4,594,641	18,789,971	14,584,003
Operating loss	(9,763,062)	(237,636)	(9,809)	(10,010,507)	(6,673,074)

Nonoperating revenues and (expenses):					
General property taxes	5,090,537	-	-	5,090,537	4,936,933
Intergovernmental grants and aids	2,943,882	-	-	2,943,882	2,435,552
Interest income	387,456	210,899	281,314	879,669	889,321
Insurance recoveries	-	-	(77,665)	(77,665)	(169,923)
Other income	143,503	58,799	31,665	233,967	376,464
Other expenses	-	-	-	-	(63,139)
Total nonoperating revenues and (expenses), net	8,565,378	269,698	235,314	9,070,390	8,405,208
Income (loss) before operating transfers	(1,197,684)	32,062	225,505	(940,117)	1,732,134
Other financing uses:					
Operating transfers out:					
General Fund	(872)	-	-	(872)	(2,367)
Total other financing uses	(872)	-	-	(872)	(2,367)
Net income (loss)	(1,198,556)	32,062	225,505	(940,989)	1,729,767
Credit arising from transfer of depreciation to contributed capital	67,214	-	-	67,214	67,214
Increase (decrease) in retained earnings	(1,131,342)	32,062	225,505	(873,775)	1,796,981
Retained earnings, January 1	10,982,953	1,788,898	825,968	13,597,819	11,800,838
Residual equity transfer in (out)	250,000	-	(250,000)	-	-
Retained earnings, December 31	$ 10,101,611	1,820,960	801,473	12,724,044	13,597,819

MARATHON COUNTY, WISCONSIN

INTERNAL SERVICE FUNDS

Combining Statement of Cash Flows

Year ended December 31, 1998

(With comparative totals for December 31, 1997)

	County Highway	Property Casualty Insurance	Employee Benefits Insurance	Totals 1998	Totals 1997
Cash flows from operating activities:					
Operating loss	$ (9,763,062)	(237,636)	(9,809)	(10,010,507)	(6,673,074)
Adjustments to reconcile operating loss to net cash provided (used) by operating activities:					
Depreciation expense	839,177	3,879	459	843,515	675,054
Insurance recoveries	-	-	(77,665)	(77,665)	(169,923)
Other income	143,503	58,799	31,665	233,967	376,464
Other expenses	-	-	-	-	(63,139)
(Increase) decrease in assets and increase (decrease) in liabilities:					
Taxes receivable	(201,135)	-	-	(201,135)	(153,604)
Accounts receivable	220,649	(11,387)	96,802	306,064	(250,095)
Due from other governments	(41,398)	-	-	(41,398)	81,686
Due from other funds	-	-	38,448	38,448	3,821
Prepaid items	-	-	(26,529)	(26,529)	123,275
Inventories	(78,899)	-	-	(78,899)	(84,145)
Deposit in Wisconsin Mutual Insurance Companies	-	-	-	-	166,801
Accounts payable	119,352	(63,065)	60,170	116,457	(459,073)
Accrued expenses	(96,124)	(1,525)	(1,868)	(99,517)	(26,819)
Due to other governments	-	-	-	-	(33,031)
Deferred revenue	205,482	-	-	205,482	159,225
Accrued liability - claims payable	-	367,537	299,569	667,106	(43,599)
Compensated absences	67,227	3,186	6,266	76,679	(46,163)
Total adjustments	1,177,834	357,424	427,317	1,962,575	256,735
Net cash provided (used) by operating activities	(8,585,228)	119,788	417,508	(8,047,932)	(6,416,339)

Cash flows from noncapital financing activities:					
General property taxes	5,090,537	-	-	5,090,537	4,936,933
Intergovernmental grants and aids	2,943,882	-	-	2,943,882	2,435,552
Transfer to other funds	(872)	-	-	(872)	-
Residual equity transfer in (out)	250,000	-	(250,000)	-	(2,367)
Net cash provided (used) by noncapital financing activities	8,283,547	-	(250,000)	8,033,547	7,370,118
Cash flows from capital and related financing activities:					
Acquisitions of property, plant and equipment net of retirements	(1,214,644)	-	-	(1,214,644)	(642,334)
Decrease in contributed capital	(5,730)	-	-	(5,730)	(5,729)
Net cash used by capital and related financing activities	(1,220,374)	-	-	(1,220,374)	(648,063)
Cash flows from investing activities:					
Interest received on investments	387,456	210,899	281,314	879,669	889,321
Net cash provided by investing activities	387,456	210,899	281,314	879,669	889,321
Net increase (decrease) in cash and cash equivalents	(1,134,599)	330,687	448,822	(355,090)	1,195,037
Cash and cash equivalents, January 1	4,217,036	1,492,705	4,115,625	9,825,366	8,630,329
Cash and cash equivalents, December 31	$ 3,082,437	1,823,392	4,564,447	9,470,276	9,825,366

MARATHON COUNTY, WISCONSIN

COUNTY HIGHWAY FUND

Comparative Balance Sheets

December 31, 1998 and 1997

Assets		1998	1997
Current assets:			
Cash and investments	$	3,082,437	4,217,036
Taxes receivable		5,291,672	5,090,537
Accounts receivable		5,873	226,522
Due from other governments		494,281	452,883
Inventories		499,075	420,176
Total current assets		9,373,338	10,407,154
Property, plant and equipment:			
Land		195,950	195,950
Building		4,404,419	4,033,649
Equipment		10,045,514	9,562,002
Total property, plant and equipment		14,645,883	13,791,601
Less: accumulated depreciation		(5,963,244)	(5,484,429)
Net property, plant and equipment		8,682,639	8,307,172
Total assets	$	18,055,977	18,714,326

Liabilities and Fund Equity		
Current liabilities:		
Accounts payable	$ 142,353	23,001
Accrued expenses	73,978	170,102
Deferred revenues	5,374,295	5,168,813
Total current liabilities	5,590,626	5,361,916
Long-term liabilities:		
Compensated absences	494,075	426,848
Total liabilities	6,084,701	5,788,764
Fund equity:		
Contributed capital:		
State of Wisconsin	557,018	587,644
Local governments	18,614	18,614
Marathon County	1,294,033	1,336,351
Total contributed capital	1,869,665	1,942,609
Retained earnings:		
Reserved for capital improvements	1,105,000	2,800,000
Reserved for working capital	1,684,562	1,397,121
Unreserved	7,312,049	6,785,832
Total retained earnings	10,101,611	10,982,953
Total fund equity	11,971,276	12,925,562
Total liabilities and fund equity	$ 18,055,977	18,714,326

MARATHON COUNTY, WISCONSIN

COUNTY HIGHWAY FUND

Comparative Statements of Revenues, Expenses and
Changes in Retained Earnings

Years ended December 31, 1998 and 1997

	1998	1997
Operating revenues:		
Licenses and permits	$ 13,850	6,295
Intergovernmental charges for services	3,560,875	3,163,093
Total operating revenues	3,574,725	3,169,388
Operating expenses:		
Salaries and benefits	4,480,543	3,650,668
Contractual services	110,617	113,877
Materials and supplies	562,079	660,407
Construction and maintenance	5,347,047	3,014,864
Building and equipment rent	1,894,463	1,680,088
Insurance	103,861	104,434
Depreciation	839,177	664,950
Total operating expenses	13,337,787	9,889,288
Operating loss	(9,763,062)	(6,719,900)
Nonoperating revenues and (expenses):		
General property taxes	5,090,537	4,936,933
Intergovernmental grants and aids	2,943,882	2,435,552
Interest income	387,456	412,895
Other income	143,503	140,377
Other expenses	-	(63,139)
Total nonoperating revenues and (expenses), net	8,565,378	7,862,618
Income (loss) before operating transfers	(1,197,684)	1,142,718

Operating transfers out:		
General Fund	(872)	(2,367)
Total operating transfers out	(872)	(2,367)
Net income (loss)	(1,198,556)	1,140,351
Credit arising from transfer of depreciation to contributed capital	67,214	67,214
Increase (decrease) in retained earnings	(1,131,342)	1,207,565
Retained earnings, January 1	10,982,953	9,775,388
Residual equity transfer in	250,000	-
Retained earnings, December 31	$ 10,101,611	10,982,953

MARATHON COUNTY, WISCONSIN

COUNTY HIGHWAY FUND

Comparative Statements of Cash Flows

Years ended December 31, 1998 and 1997

	1998	1997
Cash flows from operating activities:		
Operating loss	$ (9,763,062)	(6,719,900)
Adjustments to reconcile operating loss to net cash used by operating activities:		
Depreciation expense	839,177	664,950
Other income	143,503	140,377
Other expenses	-	(63,139)
(Increase) decrease in assets and increase (decrease) in liabilities:		
Taxes receivable	(201,135)	(153,604)
Acccounts receivable	220,649	(224,754)
Due from other governments	(41,398)	81,686
Inventories	(78,899)	(84,145)
Accounts payable	119,352	(529,419)
Accrued expenses	(96,124)	(27,291)
Due to other governments	-	(33,031)
Deferred revenues	205,482	159,225
Compensated absences	67,227	(48,190)
Total adjustments	1,177,834	(117,335)
Net cash used by operating activities	(8,585,228)	(6,837,235)
Cash flows from noncapital financing activities:		
General property taxes	5,090,537	4,936,933
Intergovernmental grants and aids	2,943,882	2,435,552
Operating transfers to other funds	(872)	(2,367)
Residual equity transfers in	250,000	-
Net cash provided by noncapital financing activities	8,283,547	7,370,118

Cash flows from capital and related financing activities:		
Acquisitions of property, plant and equipment net of retirements	(1,214,644)	(640,039)
Decrease in contributed capital	(5,730)	(5,729)
Net cash used by capital and related financing activities	(1,220,374)	(645,768)
Cash flows from investing activities:		
Interest received on investments	387,456	412,895
Net cash provided by investing activities	387,456	412,895
Net increase (decrease) in cash and cash equivalents	(1,134,599)	300,010
Cash and cash equivalents, January 1	4,217,036	3,917,026
Cash and cash equivalents, December 31	$ 3,082,437	4,217,036

MARATHON COUNTY, WISCONSIN

PROPERTY CASUALTY INSURANCE FUND

Comparative Balance Sheets

December 31, 1998 and 1997

		1998	1997
Assets			
Current assets:			
Cash and investments	$	1,823,392	1,492,705
Accounts receivable		224,456	213,069
Total current assets		2,047,848	1,705,774
Noncurrent assets:			
Deposit in Wisconsin Mutual Insurance Companies		1,519,000	1,519,000
Total noncurrent assets		1,519,000	1,519,000
Property, plant and equipment:			
Equipment		53,868	53,868
Less: accumulated depreciation		(51,557)	(47,678)
Net property, plant and equipment		2,311	6,190
Total assets	$	3,569,159	3,230,964
Liabilities and Fund Equity			
Current liabilities:			
Accounts payable	$	1,767	64,832
Accrued expenses		697	2,222
Total current liabilities		2,464	67,054
Long-term liabilities:			
Accrued liability - claims payable		1,736,204	1,368,667
Compensated absences		9,531	6,345
Total long-term liabilities		1,745,735	1,375,012
Total liabilities		1,748,199	1,442,066
Fund equity:			
Retained earnings:			
Reserved for self-insurance		2,136,204	1,821,093
Unreserved		(315,244)	(32,195)
Total fund equity		1,820,960	1,788,898
Total liabilities and fund equity	$	3,569,159	3,230,964

MARATHON COUNTY, WISCONSIN

PROPERTY CASUALTY INSURANCE FUND

Comparative Statements of Revenues, Expenses and
Changes in Retained Earnings

Years ended December 31, 1998 and 1997

	1998	1997
Operating revenues:		
Intergovernmental charges for services	$ 619,907	579,758
Total operating revenues	619,907	579,758
Operating expenses:		
Salaries and benefits	52,639	47,111
Contractual services	26,614	13,194
Materials and supplies	9,046	5,187
Insurance and claims	397,828	402,678
Loss and loss adjustment expense	367,537	113,020
Depreciation	3,879	9,849
Total operating expenses	857,543	591,039
Operating loss	(237,636)	(11,281)
Nonoperating revenues:		
Interest income	210,899	232,586
Other income	58,799	200,493
Total nonoperating revenues	269,698	433,079
Increase in retained earnings	32,062	421,798
Retained earnings, January 1	1,788,898	1,367,100
Retained earnings, December 31	$ 1,820,960	1,788,898

MARATHON COUNTY, WISCONSIN

PROPERTY CASUALTY INSURANCE FUND

Comparative Statements of Cash Flows

Years ended December 31, 1998 and 1997

	1998	1997
Cash flows from operating activities:		
Operating loss	$ (237,636)	(11,281)
Adjustments to reconcile operating loss to net cash provided by operating activities:		
Depreciation expense	3,879	9,849
Other income	58,799	200,493
(Increase) decrease in assets and increase (decrease) in liabilities:		
Accounts receivable	(11,387)	(213,069)
Prepaid items	-	123,275
Deposit in Wisconsin Mutual Insurance Companies	-	166,801
Accounts payable	(63,065)	44,651
Accrued expenses	(1,525)	253
Accrued liabilities - claims payable	367,537	113,020
Compensated absences	3,186	(577)
Total adjustments	357,424	444,696
Net cash provided by operating activities	119,788	433,415
Cash flows from investing activities:		
Interest received on investments	210,899	232,586
Net cash provided by investing activities	210,899	232,586
Net increase in cash and cash equivalents	330,687	666,001
Cash and cash equivalents, January 1	1,492,705	826,704
Cash and cash equivalents, December 31	$ 1,823,392	1,492,705

MARATHON COUNTY, WISCONSIN

EMPLOYEE BENEFITS INSURANCE FUND

Comparative Balance Sheets

December 31, 1998 and 1997

		1998	1997
Assets			
Current assets:			
Cash and investments	$	4,564,447	4,115,625
Accounts receivable		101,571	198,373
Due from other funds		-	38,448
Prepaid items		26,529	-
Total current assets		4,692,547	4,352,446
Property, plant and equipment:			
Equipment		2,295	2,295
Less: accumulated depreciation		(714)	(255)
Net property, plant and equipment		1,581	2,040
Total assets	$	4,694,128	4,354,486
Liabilities and Fund Equity			
Current liabilities:			
Accounts payable	$	785,935	725,765
Accrued expenses		1,115	2,983
Total current liabilities		787,050	728,748
Long-term liabilities:			
Accrued liability - claims payable		3,093,708	2,794,139
Compensated absences		11,897	5,631
Total long-term liabilities		3,105,605	2,799,770
Total liabilities		3,892,655	3,528,518
Fund equity:			
Retained earnings:			
Reserved for workers' compensation		681,644	862,133
Reserved for self-insurance		(644,790)	(505,389)
Unreserved		764,619	469,224
Total fund equity		801,473	825,968
Total liabilities and fund equity	$	4,694,128	4,354,486

MARATHON COUNTY, WISCONSIN

EMPLOYEE BENEFITS INSURANCE FUND

Comparative Statements of Revenues, Expenses and Changes
in Retained Earnings

Years ended December 31, 1998 and 1997

	1998	1997
Operating revenues:		
Intergovernmental charges for services	$ 4,584,832	4,161,783
Total operating revenues	4,584,832	4,161,783
Operating expenses:		
Salaries and benefits	84,635	74,974
Contractual services	166,205	82,677
Materials and supplies	19,860	12,378
Insurance and claims	3,841,127	3,740,621
Loss and loss adjustment expense	299,569	(156,619)
Insurance administrative costs	182,786	349,390
Depreciation	459	255
Total operating expenses	4,594,641	4,103,676
Operating income (loss)	(9,809)	58,107
Nonoperating revenues:		
Interest income	281,314	243,840
Insurance recoveries	(77,665)	(169,923)
Other income	31,665	35,594
Total nonoperating revenues	235,314	109,511
Increase in retained earnings	225,505	167,618
Retained earnings, January 1	825,968	658,350
Residual equity transfer out	(250,000)	-
Retained earnings, December 31	$ 801,473	825,968

MARATHON COUNTY, WISCONSIN

EMPLOYEE BENEFITS INSURANCE FUND

Comparative Statements of Cash Flows

Years ended December 31, 1998 and 1997

	1998	1997
Cash flows from operating activities:		
Operating income (loss)	$ (9,809)	58,107
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:		
Depreciation expense	459	255
Insurance recoveries	(77,665)	(169,923)
Other income	31,665	35,594
(Increase) decrease in assets and increase (decrease) in liabilities:		
Accounts receivable	96,802	187,728
Due from other funds	38,448	3,821
Prepaid items	(26,529)	-
Accounts payable	60,170	25,695
Accrued expenses	(1,868)	219
Accrued liabilities - claims payable	299,569	(156,619)
Compensated absences	6,266	2,604
Total adjustments	427,317	(70,626)
Net cash provided (used) by operating activities	417,508	(12,519)
Cash flows from capital and related financing activities:		
Acquisitions of property, plant and equipment net of retirements	-	(2,295)
Residual equity transfer out	(250,000)	-
Net cash used by capital and related financing activities	(250,000)	(2,295)
Cash flows from investing activities:		
Interest received on investments	281,314	243,840
Net cash provided by investing activities	281,314	243,840
Net increase in cash and cash equivalents	448,822	229,026
Cash and cash equivalents, January 1	4,115,625	3,886,599
Cash and cash equivalents, December 31	$ 4,564,447	4,115,625

THIS PAGE LEFT BLANK INTENTIONALLY

EXPENDABLE TRUST FUND

Trust Funds account for assets held by a governmental unit in a trustee capacity for individuals, private organizations, other governmental units, and other funds. Trust funds function much like governmental funds. The County has one expendable trust fund:

Deferred Compensation Fund - the County sponsors a deferred compensation program under the Internal Revenue Code (IRC) Section 457 and it is a qualified plan. The assets are held in trust as described in the IRC Section 457 subsection (g)(1). These assets are in the custody of various third parties for investment purposes.

MARATHON COUNTY, WISCONSIN

DEFERRED COMPENSATION FUND

Comparative Balance Sheets

December 31, 1998 and 1997

		1998	1997
Assets			
Cash and investments	$	9,575,961	7,643,635
Total assets	$	9,575,961	7,643,635
Fund balances			
Reserved:			
Reserved for deferred compensation plan participants	$	9,575,961	7,643,635
Total fund balances	$	9,575,961	7,643,635

MARATHON COUNTY, WISCONSIN

DEFERRED COMPENSATION FUND

Comparative Statements of Revenues, Expenditures and
Changes in Fund Balances

Years ended December 31, 1998 and 1997

		1998	1997
Revenues:			
Employee contributions	$	810,593	744,748
Interest income		1,422,752	1,147,010
Total revenues		2,233,345	1,891,758
Expenditures:			
Distributions to plan participants		301,019	192,456
Total expenditures		301,019	192,456
Excess of revenues over expenditures		1,932,326	1,699,302
Fund balances, January 1 as previously reported		7,643,635	-
Cumulative effect of change in accounting principles		-	5,944,333
Fund balances, January 1 as restated		7,643,635	5,944,333
Fund balances, December 31	$	9,575,961	7,643,635

THIS PAGE LEFT BLANK INTENTIONALLY

GENERAL FIXED ASSETS ACCOUNT GROUP

The General Fixed Assets Account Group provides for the accounting of fixed assets other than those used in proprietary fund operations.

MARATHON COUNTY, WISCONSIN

GENERAL FIXED ASSETS ACCOUNT GROUP

Comparative Schedules of General Fixed Assets by Source

December 31, 1998 and 1997

		1998	1997
General fixed assets:			
Land	$	6,522,011	6,517,211
Buildings		43,821,108	40,114,845
Improvements		2,859,587	2,786,808
Equipment		11,863,147	10,680,240
Construction in process		5,809,430	3,042,775
Total general fixed assets	$	70,875,283	63,141,879
Investment in general fixed assets:			
General Fund	$	15,826,598	14,864,071
Special revenue funds		2,484,118	2,267,940
Capital project funds		52,564,567	46,009,868
Total investment in general fixed assets	$	70,875,283	63,141,879

MARATHON COUNTY, WISCONSIN

GENERAL FIXED ASSETS ACCOUNT GROUP

Schedule of General Fixed Assets by Function and Activity

December 31, 1998

(With comparative totals for December 31, 1997)

Function and Activity		Land	Buildings	Improvements	Equipment	Construction in Process	1998	1997
General Government:								
Legislative	$	561,883	-	3,800	-	-	565,683	565,683
Judicial		-	-	-	275,113	-	275,113	275,113
Executive		-	-	-	30,686	-	30,686	28,411
General Administration		428,096	-	-	1,113,088	-	1,541,184	1,097,482
Financial Administration		-	-	-	194,743	-	194,743	186,663
Legal		-	-	-	103,595	-	103,595	98,012
Property Records		-	-	-	168,693	-	168,693	168,693
Planning		-	-	547,353	221,987	-	769,340	769,340
Zoning		-	-	-	161,968	-	161,968	108,547
Building Maintenance		848,400	35,281,394	585,817	775,980	4,996,042	42,487,633	36,890,319
	$	1,838,379	35,281,394	1,136,970	3,045,853	4,996,042	46,298,638	40,188,263
Public Safety:								
Sheriff	$	-	-	30,000	3,426,250	-	3,456,250	3,182,831
Emergency Government		-	-	6,810	162,326	-	169,136	169,136
Juvenile Services		-	-	-	75,470	-	75,470	75,470
	$	-	-	36,810	3,664,046	-	3,700,856	3,427,437
Health/Social Services:								
Health	$	-	-	-	233,692	-	233,692	234,531
Social Services		-	-	-	464,832	-	464,832	423,875
Commission on Aging		-	-	3,750	363,104	-	366,854	304,313
Veterans Services		-	-	-	9,020	-	9,020	6,298
Employment and Training		-	-	-	323,885	-	323,885	211,205
	$	-	-	3,750	1,394,533	-	1,398,283	1,180,222
Education and Recreation:								
Parks	$	744,169	1,847,301	1,608,740	1,049,202	522,142	5,771,554	5,138,394
University of Wisconsin Extension		-	-	-	71,992	-	71,992	65,497
Library		-	5,530,392	-	2,237,800	-	7,768,192	7,720,518
Special Education		-	97,887	-	70,062	-	167,949	167,949
Dormitory		-	580,231	-	39,778	291,246	911,255	620,009
	$	744,169	8,055,811	1,608,740	3,468,834	813,388	14,690,942	13,712,367
Conservation and Economic Development:								
Forestry	$	3,844,508	483,903	57,498	157,379	-	4,543,288	4,421,074
Land Conservation		-	-	-	132,502	-	132,502	101,742
Industrial Park		94,955	-	15,819	-	-	110,774	110,774
	$	3,939,463	483,903	73,317	289,881	-	4,786,564	4,633,590
Total	$	6,522,011	43,821,108	2,859,587	11,863,147	5,809,430	70,875,283	63,141,879

MARATHON COUNTY, WISCONSIN

GENERAL FIXED ASSETS ACCOUNT GROUP

Schedule of Changes in General Fixed Assets
by Function and Activity

Year ended December 31, 1998

Function and Activity		Balance 1-1-98	Additions	Deductions	Balance 12-31-98
General Government:					
Legislative	$	565,683	-	-	565,683
Judicial		275,113	-	-	275,113
Executive		28,411	2,275	-	30,686
General Administration		1,097,482	447,902	4,200	1,541,184
Financial Administration		186,663	8,080	-	194,743
Legal		98,012	5,583	-	103,595
Property Records		168,693	-	-	168,693
Planning		769,340	-	-	769,340
Zoning		108,547	53,421	-	161,968
Building Maintenance		36,890,319	7,734,591	2,137,277	42,487,633
	$	40,188,263	8,251,852	2,141,477	46,298,638
Public Safety:					
Sheriff	$	3,182,831	413,877	140,458	3,456,250
Emergency Government		169,136	-	-	169,136
Juvenile Services		75,470	-	-	75,470
	$	3,427,437	413,877	140,458	3,700,856
Health/Social Services:					
Health	$	234,531	7,236	8,075	233,692
Social Services		423,875	40,957	-	464,832
Commission on Aging		304,313	75,743	13,202	366,854
Veterans Services		6,298	2,722	-	9,020
Employment and Training		211,205	112,680	-	323,885
	$	1,180,222	239,338	21,277	1,398,283
Education and Recreation:					
Parks	$	5,138,394	684,069	50,909	5,771,554
University of Wisconsin Extension		65,497	6,495	-	71,992
Library		7,720,518	47,674	-	7,768,192
Special Education		167,949	-	-	167,949
Dormitory		620,009	291,246	-	911,255
	$	13,712,367	1,029,484	50,909	14,690,942
Conservation and Economic Development:					
Forestry	$	4,421,074	142,635	20,421	4,543,288
Land Conservation		101,742	30,760	-	132,502
Industrial Park		110,774	-	-	110,774
	$	4,633,590	173,395	20,421	4,786,564
Total	$	63,141,879	10,107,946	2,374,542	70,875,283

GENERAL LONG-TERM DEBT ACCOUNT GROUP

To account for all general long-term obligations and indebtedness of the County. Payments on such general obligation indebtedness are made from the Debt Service Fund.

MARATHON COUNTY, WISCONSIN

GENERAL LONG-TERM DEBT ACCOUNT GROUP

Comparative Schedules of General Long-Term Debt

December 31, 1998 and 1997

		1998	1997
Amount available and to be provided for the payment of long-term debt			
Amount available in the Debt Service Fund for payment of general long-term bonded debt	$	160,011	163,579
Amount available in the Debt Service Fund for payment of forest crop land loans		15,730	10,202
Amount available in the General Fund for payment of compensated absences		2,550,007	2,038,783
Amount to be provided for payment of general long-term bonded debt		18,639,989	17,371,421
Amount to be provided for payment of forest crop land loans		576,098	467,210
Amount to be provided for payment of land contract		-	45,000
Amount to be provided for payment of claims and judgements		27,427	-
Amount to be provided for payment of compensated absences		51,685	286,661
Total amount available and to be provided for the payment of general long-term debt	$	22,020,947	20,382,856
General long-term debt payable			
General obligations payable:			
1992 general obligation bonds	$	2,090,000	3,255,000
1994 general obligation notes		460,000	525,000
1995 general obligation notes		7,500,000	7,500,000
1996 general obligation bonds		3,750,000	6,255,000
1998 general obligation notes		5,000,000	-
Total general obligations payable		18,800,000	17,535,000
Other general obligations payable:			
Forest crop land loans payable from the proceeds of forest crop sales		591,828	477,412
Land contract payable		-	45,000
Claims and judgements		27,427	-
Compensated absences		2,601,692	2,325,444
Total other general obligations payable		3,220,947	2,847,856
Total general long-term debt payable	$	22,020,947	20,382,856

DISCRETELY PRESENTED COMPONENT UNITS

Discretely presented component units are legally separate organizations (other than the primary government) for which the elected officials of the primary government may be able to exercise varying degrees of legal, financial and administrative authority. Inclusion of these discretely presented component units in the financial report along with all of the other funds and account groups comprise the financial reporting entity. During 1998 the County had the following discretely presented component units:

Central Wisconsin Airport - this is a joint venture with Portage County created for the provision of air travel to Marathon County, Portage County and the surrounding area. Revenues are provided through user charges, lease rentals and fees.

City-County Data Center Commission - this is a joint venture with the City of Wausau created for the provision of data processing and communication needs primarily for the two governments. Revenues are provided through direct operating subsidies and user fees.

North Central Community Services - this is a joint venture between Marathon, Lincoln and Langlade Counties created for the provision of services for the elderly and disabled in the tri-county area. Revenues are provided by federal and state dollars, property tax levy, user fees and donations.

MARATHON COUNTY, WISCONSIN

CENTRAL WISCONSIN AIRPORT

Comparative Balance Sheets

December 31, 1998 and 1997

Assets		1998	1997
Current assets:			
Cash and investments	$	383,077	451,851
Accounts receivable		152,461	148,917
Due from other governments		18,833	-
Total current assets		554,371	600,768
Restricted assets:			
Cash and investments		3,037,672	1,070,163
Due from other governments		-	45,514
Total restricted assets		3,037,672	1,115,677
Deferred charges		65,733	-
Property, plant and equipment:			
Land		614,983	614,983
Buildings		5,708,828	5,708,828
Improvements		19,154,610	19,039,015
Equipment		2,418,957	2,394,839
Construction in process		8,596,056	2,538,049
Total property, plant and equipment		36,493,434	30,295,714
Less: accumulated depreciation and depletion		(14,273,589)	(13,310,111)
Net property, plant and equipment		22,219,845	16,985,603
Total assets	$	25,877,621	18,702,048

Liabilities and Fund Equity		
Current liabilities:		
Accounts payable	$ 37,587	25,187
Accrued expenses	13,352	37,291
Interest payable	79,218	17,825
Due to other governments	41,339	41,422
Deferred revenue	475	3,597
Contracts payable from restricted assets	1,250,745	45,514
Total current liabilities	1,422,716	170,836
Long-term liabilities:		
General obligations bonds payable	5,342,115	282,467
General obligations notes payable	427,143	467,681
Compensated absences	90,103	58,560
Total long-term liabilities	5,859,361	808,708
Total liabilities	7,282,077	979,544
Fund equity:		
Contributed capital:		
Federal Aviation Administration	11,265,473	10,883,823
State of Wisconsin	1,836,897	1,738,481
Portage County	620,694	678,794
Marathon County	1,367,461	1,502,004
Total contributed capital	15,090,525	14,803,102
Retained earnings:		
Portage County:		
Reserved for Bureau of Aeronautics projects	47,721	46,886
Reserved for passenger facility charge	722,006	322,667
Reserved for capital improvements	137,665	171,161
Unreserved	68,626	224,480
Marathon County:		
Reserved for Bureau of Aeronautics projects	84,836	83,352
Reserved for passenger facility charge	1,283,566	573,630
Reserved for capital improvements	244,736	304,286
Unreserved	915,863	1,192,940
Total retained earnings	3,505,019	2,919,402
Total fund equity	18,595,544	17,722,504
Total liabilities and fund equity	$ 25,877,621	18,702,048

MARATHON COUNTY, WISCONSIN

CENTRAL WISCONSIN AIRPORT

Comparative Statements of Revenues, Expenses and
Changes in Retained Earnings

Years ended December 31, 1998 and 1997

	1998	1997
Operating revenues:		
Public charges for services	$ 2,070,988	1,990,797
Intergovernmental charges for services	228,984	272,775
Total operating revenues	2,299,972	2,263,572
Operating expenses:		
Salaries and benefits	936,578	827,367
Contractual services	373,571	379,931
Materials and supplies	181,363	215,371
Insurance	30,298	31,063
Depreciation	989,004	978,993
Other operating expenses	6,061	5,189
Total operating expenses	2,516,875	2,437,914
Operating loss	(216,903)	(174,342)
Nonoperating revenues and (expenses):		
Interest income	261,653	94,380
Gain on the sale of fixed assets	10,645	24,750
Other income	142	361
Interest expense	(217,048)	(30,639)
Total nonoperating revenues and (expenses), net	55,392	88,852

Loss before operating transfers	(161,511)	(85,490)
Operating transfers out to primary government:		
Capital Improvement Fund	(95,696)	(95,696)
Net loss	(257,207)	(181,186)
Credit arising from transfer of depreciation to contributed capital	842,824	843,644
Increase in retained earnings	585,617	662,458
Retained earnings, January 1	2,919,402	2,256,944
Retained earnings, December 31	$ 3,505,019	2,919,402

MARATHON COUNTY, WISCONSIN

CENTRAL WISCONSIN AIRPORT

Comparative Statements of Cash Flows

Years ended December 31, 1998 and 1997

	1998	1997
Cash flows from operating activities:		
Operating loss	$ (216,903)	(174,342)
Adjustments to reconcile operating loss to net cash provided by operating activities:		
Depreciation expense	989,004	978,993
Other income	142	361
(Increase) decrease in assets and increase (decrease) in liabilities:		
Acccounts receivable	(3,544)	9,558
Due from other governments	(18,833)	-
Due from other governments - restricted assets	45,514	(45,514)
Deferred charges	(65,733)	-
Accounts payable	12,400	(4,943)
Accrued expenses	(23,939)	(3,376)
Interest payable	61,393	(1,103)
Due to other governments	(83)	829
Deferred revenues	(3,122)	3,402
Contracts payable from restricted assets	1,205,231	45,514
Compensated absences	31,543	(10,326)
Total adjustments	2,229,973	973,395
Net cash provided by operating activities	2,013,070	799,053
Cash flows from noncapital financing activities:		
Operating transfers out to the primary government	(95,696)	(95,696)
Net cash used by noncapital financing activities	(95,696)	(95,696)

Cash flows from capital and related financing activities:		
Acquisitions of property, plant and equipment net of retirements	(6,223,246)	(1,705,724)
Decrease in current portion of purchase contracts	-	(5,000)
Proceeds from the sale of general obligation bonds	5,100,000	-
Principal payments on general obligation bonds	(40,352)	(40,353)
Principal payments on general obligation notes	(40,538)	(38,791)
Increase in contributed capital	1,130,247	1,059,424
Gain on the sale of fixed assets	10,645	24,750
Interest paid on bonded debt	(217,048)	(30,639)
Net cash used by capital and related financing activities	(280,292)	(736,333)
Cash flows from investing activities:		
Interest received on investments	261,653	94,380
Net cash provided by investing activities	261,653	94,380
Net increase in cash and cash equivalents	1,898,735	61,404
Cash and cash equivalents, January 1	1,522,014	1,460,610
Cash and cash equivalents, December 31	$ 3,420,749	1,522,014

MARATHON COUNTY, WISCONSIN

CITY-COUNTY DATA CENTER COMMISSION

Comparative Balance Sheets

December 31, 1998 and 1997

		1998	1997
Assets			
Current assets:			
Cash and investments	$	446,219	12,415
Accounts receivable		271,693	523,746
Total current assets		717,912	536,161
Property, plant and equipment:			
Equipment		3,655,694	3,313,625
Less: accumulated depreciation and depletion		(3,089,570)	(2,778,472)
Net property, plant and equipment		566,124	535,153
Total assets	$	1,284,036	1,071,314
Liabilities and Fund Equity			
Current liabilities:			
Accounts payable	$	82,100	171,411
Accrued expenses		40,144	51,597
Due to other governments		390,712	186,826
Deferred revenue		115,279	53,459
Current portion - purchase contracts		16,517	19,644
Total current liabilities		644,752	482,937
Long-term liabilities:			
Non-current portion - purchase contracts		1,887	18,404
Compensated absences		64,753	48,789
Total long-term liabilities		66,640	67,193
Total liabilities		711,392	550,130
Fund equity:			
Contributed capital:			
City of Wausau		276,559	250,829
Marathon County		296,085	270,355
Total fund equity		572,644	521,184
Total liabilities and fund equity	$	1,284,036	1,071,314

The comparative totals for 1997 were changed by CCDCC auditors.

MARATHON COUNTY, WISCONSIN

CITY-COUNTY DATA CENTER COMMISSION

Comparative Statements of Revenues, Expenses and
Changes in Retained Earnings

Years ended December 31, 1998 and 1997

	1998	1997
Operating revenues:		
Intergovernmental charges for services	$ 1,396,982	1,287,686
Total operating revenues	1,396,982	1,287,686
Operating expenses:		
Salaries and benefits	1,134,437	1,079,424
Contractual services	7,389	4,070
Materials and supplies	204,141	157,238
Building and equipment rent	60,640	57,574
Depreciation	331,874	321,019
Total operating expenses	1,738,481	1,619,325
Operating loss	(341,499)	(331,639)
Nonoperating revenues and (expenses):		
Interest income	10,370	11,999
Gain on sale of fixed assets	100	-
Interest expense	(845)	(1,379)
Total nonoperating revenues and (expenses), net	9,625	10,620
Net loss	(331,874)	(321,019)
Credit arising from transfer of depreciation to contributed capital	331,874	321,019
Increase in retained earnings	-	-
Retained earnings, January 1	-	-
Retained earnings, December 31	$ -	-

MARATHON COUNTY, WISCONSIN

CITY-COUNTY DATA CENTER COMMISSION

Comparative Statements of Cash Flows

Years ended December 31, 1998 and 1997

	1998	1997
Cash flows from operating activities:		
Operating loss	$ (341,499)	(331,639)
Adjustments to reconcile operating loss to net cash provided by operating activities:		
Depreciation expense	331,874	321,019
(Increase) decrease in assets and increase (decrease) in liabilities:		
Acccounts receivable	252,053	(392,815)
Accounts payable	(89,311)	(17,097)
Accrued expenses	(11,453)	3,282
Due to other governments	203,886	186,826
Deferred revenue	61,820	53,459
Compensated absences	15,964	1,351
Total adjustments	764,833	156,025
Net cash provided by operating activities	423,334	(175,614)
Cash flows from capital and related financing activities:		
Acquisitions of property, plant and equipment net of retirements	(362,845)	(237,348)
Increase (decrease) in current portion - purchase contracts	(3,127)	534
Decrease in non-current portion - purchased contracts	(16,517)	(19,644)
Increase in contributed capital	383,334	257,390
Proceeds from sale of fixed assets	100	-
Interest paid on purchase contracts	(845)	(1,379)
Net cash provided (used) by capital and related financing activities	100	(447)
Cash flows from investing activities:		
Interest received on investments	10,370	11,999
Net cash provided by investing activities	10,370	11,999
Net increase (decrease) in cash and cash equivalents	433,804	(164,062)
Cash and cash equivalents, January 1	12,415	176,477
Cash and cash equivalents, December 31	$ 446,219	12,415

THIS PAGE LEFT BLANK INTENTIONALLY

MARATHON COUNTY, WISCONSIN

NORTH CENTRAL COMMUNITY SERVICES

Comparative Balance Sheets

December 31, 1998 and 1997

Assets		1998	1997
Current assets:			
Cash and investments	$	4,684,564	5,582,939
Accounts receivable		3,767,572	3,802,616
Due from other governments		841,527	1,437,852
Prepaid items		60,166	272,958
Inventories		180,171	170,353
Total current assets		9,534,000	11,266,718
Restricted assets:			
Cash and investments		403,862	226,197
Total restricted assets		403,862	226,197
Deferred charges		54,408	63,476
Property, plant and equipment:			
Land		739,646	531,721
Building		18,025,014	16,992,160
Equipment		9,179,759	8,157,270
Construction in process		102,427	571,832
Total property, plant and equipment		28,046,846	26,252,983
Less: accumulated depreciation and depletion		(12,848,805)	(11,777,731)
Net property, plant and equipment		15,198,041	14,475,252
Total assets	$	25,190,311	26,031,643

Liabilities and Fund Equity		
Current liabilities:		
Accounts payable	$ 1,613,397	1,845,947
Accrued expenses	911,125	1,540,546
Special deposits	403,862	226,197
Due to other governments	512,673	200,671
Deferred revenues	332,000	247,000
Current portion - purchase contracts	167,058	-
Total current liabilities	3,940,115	4,060,361
Long-term liabilities:		
Compensated absences	1,556,389	1,517,689
Total long-term liabilities	1,556,389	1,517,689
Total liabilities	5,496,504	5,578,050
Fund equity:		
Retained earnings:		
Langlade County:		
Unreserved	971,564	1,001,945
Lincoln County:		
Unreserved	561,120	484,188
Marathon County:		
Unreserved	18,161,123	18,967,460
Total fund equity	19,693,807	20,453,593
Total liabilities and fund equity	$ 25,190,311	26,031,643

THIS PAGE LEFT BLANK INTENTIONALLY

MARATHON COUNTY, WISCONSIN

NORTH CENTRAL COMMUNITY SERVICES

Comparative Statements of Revenues, Expenses and
Changes in Retained Earnings

Years ended December 31, 1998 and 1997

	1998	1997
Operating revenues:		
Public charges for services	$ 22,317,510	24,203,220
Intergovernmental charges for services	15,021,016	12,353,365
Total operating revenues	37,338,526	36,556,585
Operating expenses:		
Salaries and benefits	29,653,223	28,628,442
Contractual services	5,711,127	5,442,908
Materials and supplies	7,649,114	7,126,159
Depreciation	1,308,975	1,156,414
Total operating expenses	44,322,439	42,353,923
Operating loss	(6,983,913)	(5,797,338)
Nonoperating revenues and (expenses):		
General property taxes	5,924,132	5,204,344
Interest income	359,847	397,681
Loss on sale of fixed assets	(34,424)	(2,156)
Interest expense	(25,428)	(12,371)
Total nonoperating revenues and (expenses), net	6,224,127	5,587,498
Decrease in retained earnings	(759,786)	(209,840)
Retained earnings, January 1	20,453,593	20,663,433
Retained earnings, December 31	$ 19,693,807	20,453,593

MARATHON COUNTY, WISCONSIN

NORTH CENTRAL COMMUNITY SERVICES

Comparative Statements of Cash Flows

Years ended December 31, 1998 and 1997

	1998	1997
Cash flows from operating activities:		
Operating loss	$ (6,983,913)	(5,797,338)
Adjustments to reconcile operating loss to net cash used by operating activities:		
Depreciation expense	1,308,975	1,156,414
(Increase) decrease in assets and increase (decrease) in liabilities:		
Acccounts receivable	35,044	(684,865)
Due from other governments	596,325	(1,128,227)
Prepaid items	212,792	(216,003)
Inventories	(9,818)	(17,442)
Deferred charges	9,068	17,002
Accounts payable	(232,550)	377,852
Accrued expenses	(629,421)	128,605
Special deposits	177,665	35,144
Due to other governments	312,002	15,534
Deferred revenue	85,000	1,000
Compensated absences	38,700	89,396
Total adjustments	1,903,782	(225,590)
Net cash used by operating activities	(5,080,131)	(6,022,928)
Cash flows from noncapital financing activities:		
General property taxes	5,924,132	5,204,344
Net cash provided by noncapital financing activities	5,924,132	5,204,344

Cash flows from capital and related financing activities:		
Acquisitions of property, plant and equipment net of retirements	(2,031,764)	(751,457)
Increase (decrease) in current portion - purchase contracts	167,058	(54,631)
Decrease in non-current portion - purchased contracts	-	(441,250)
Loss from sale of fixed assets	(34,424)	(2,156)
Interest paid on purchase contracts	(25,428)	(12,371)
Net cash used by capital and related financing activities	(1,924,558)	(1,261,865)
Cash flows from investing activities:		
Interest received on investments	359,847	397,681
Net cash provided by investing activities	359,847	397,681
Net decrease in cash and cash equivalents	(720,710)	(1,682,768)
Cash and cash equivalents, January 1	5,809,136	7,491,904
Cash and cash equivalents, December 31	$ 5,088,426	5,809,136

THIS PAGE LEFT BLANK INTENTIONALLY

THIS PAGE LEFT BLANK INTENTIONALLY

MARATHON COUNTY, WISCONSIN

TABLE I

EXPENDITURES/EXPENSES BY FUNCTION-ALL FUNDS (A)
LAST TEN FISCAL YEARS
(UNAUDITED)

FISCAL YEAR	GENERAL GOVERNMENT	PUBLIC SAFETY	TRANSPORTATION	HEALTH AND SOCIAL SERVICES	LEISURE ACTIVITIES AND EDUCATION	CONSERVATION AND ECONOMIC DEVELOPMENT	DEBT SERVICE	CAPITAL OUTLAY	TOTAL
1989	$ 12,476,348	5,771,706	8,581,309	9,746,720	6,065,269	3,299,274	3,779,159	1,254,483	50,974,268
1990	12,893,143	6,354,620	9,633,773	10,424,144	6,683,991	3,140,540	3,231,990	2,313,025	54,675,226
1991	14,015,023	6,729,550	11,878,868	11,161,204	6,915,981	4,340,492	3,221,644	1,798,052	60,060,814
1992	14,411,942	7,374,912	11,250,703	12,022,448	7,483,055	5,221,938	3,204,645	5,188,907	66,158,550
1993	14,915,222	8,045,278	8,685,024	13,125,069	7,423,255	6,161,228	3,419,090	4,899,971	66,674,137
1994	15,969,939	8,497,506	8,679,271	14,256,699	8,123,158	6,810,447	3,774,998	6,772,714	72,884,732
1995	17,463,777	8,966,165	8,755,541	15,870,257	8,410,651	7,207,107	4,229,670	4,673,130	75,576,298
1996	18,268,216	9,559,300	10,536,063	15,672,929	8,620,751	9,250,143	4,064,390	9,004,364	84,976,156
1997	18,608,246	10,092,579	9,952,427	16,990,580	9,365,182	7,149,742	5,034,009	5,257,585	82,450,350
1998	20,252,883	10,467,866	13,337,787	18,082,223	9,220,104	7,895,939	4,806,496	9,031,700	93,094,998

SOURCE: Annual audited financial statements for Marathon County

NOTE: (A) This summary includes the General Fund, special revenue funds, Debt Service Fund, capital project funds, enterprise fund(s), internal service funds and the expendable trust fund. This table excludes interfund transfers, depreciation added back on contributed capital and all information pertaining to any of the discretely presented component units.

TABLE II

MARATHON COUNTY, WISCONSIN
REVENUES BY SOURCE-ALL FUNDS (A)
LAST TEN FISCAL YEARS
(UNAUDITED)

FISCAL YEAR	TAXES	INTERGOVERNMENTAL GRANTS AND AIDS	LICENSES, PERMITS, FINES AND FORFEITURES	PUBLIC AND INTERGOVERNMENTAL CHARGES FOR SERVICES	DEBT PROCEEDS	MISCELLANEOUS	TOTAL
1989	$ 20,970,974	16,833,252	514,499	11,337,040	337,931	4,153,955	54,147,651
1990	21,768,891	18,590,181	563,701	13,043,361	81,725	4,152,203	58,200,062
1991	22,245,032	20,689,452	612,830	14,972,648	17,073	4,160,198	62,697,233
1992	23,840,926	22,216,517	774,406	16,580,610	4,863,480	3,543,005	71,818,944
1993	25,690,517	22,458,383	846,460	14,834,608	5,126,428	3,819,224	72,775,620
1994	27,821,939	24,098,797	791,391	15,939,324	1,088,374	4,886,103	74,625,928
1995	30,096,019	26,558,254	782,829	16,250,688	7,456,616	5,212,337	86,356,743
1996	32,871,364	27,195,765	833,352	17,230,241	8,728,254	5,991,936	92,850,912
1997	35,722,892	25,907,114	808,730	17,640,435	138,371	8,346,005	88,563,547
1998	37,545,769	28,449,334	919,840	18,870,244	5,177,499	9,078,030	100,040,716

SOURCE: Annual audited financial statements for Marathon County

NOTE: (A) This summary table includes the General Fund, special revenue funds, Debt Service Fund, capital project funds, enterprise fund(s), internal service funds and the expendable trust fund. This table excludes interfund transfers and all information pertaining to any of the discretely presented component units.

MARATHON COUNTY, WISCONSIN

TABLE III

PROPERTY TAX LEVIES AND COLLECTIONS
LAST ELEVEN FISCAL YEARS (A)
(UNAUDITED)

			AS OF DECEMBER 31 OF SETTLEMENT YEAR			CUMULATIVE AS OF DECEMBER 31, 1998 (C)		
LEVY YEAR	SETTLEMENT YEAR	TOTAL TAX LEVY	AMOUNT COLLECTED	AMOUNT DELINQUENT	PERCENT DELINQUENT	AMOUNT COLLECTED	AMOUNT DELINQUENT (D)	PERCENT DELINQUENT
1987	1988	$ 16,058,235	15,732,409	325,826	2.0290 %	$ 16,051,589	6,646	0.0414 %
1988	1989	16,128,236	15,819,080	309,156	1.9169	16,122,443	5,793	0.0359
1989	1990	16,151,809	15,773,102	378,707	2.3447	16,142,446	9,363	0.0580
1990	1991	16,743,623	16,409,810	333,813	1.9937	16,733,845	9,778	0.0584
1991	1992	17,913,223	17,467,055	446,168	2.4907	17,905,578	7,645	0.0427
1992	1993	19,456,563	19,222,166	234,397	1.2047	19,444,992	11,571	0.0595
1993	1994	21,006,795	20,788,779	218,016	1.0378	20,995,146	11,649	0.0555
1994	1995	22,893,158	22,663,145	230,013	1.0047	22,868,720	24,438	0.1067
1995	1996	25,111,275	24,864,864	246,411	0.9813	25,053,736	57,539	0.2291
1996	1997	27,349,954	27,077,312	272,642	0.9969	27,218,378	131,576	0.4811
1997 (B)	1998	29,068,916	28,795,852	273,064	0.9394	28,795,852	273,064	0.9394

SOURCE: Annual audited financial statements and adopted budgets for Marathon County

NOTES:

(A) Wisconsin Statute 75.20 allows tax certificates to be carried for eleven years.

(B) The tax for levy year 1999 is $30,856,382.

(C) Totals do not include uncollected amounts due on tax deed parcels of $387,779

(D) This represents the County's portion only and does not include taxes purchased from other governmental entities.

TABLE IV

MARATHON COUNTY, WISCONSIN
EQUALIZED VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS
(UNAUDITED)

LEVY YEAR	SETTLEMENT YEAR	TOTAL EQUALIZED VALUE (A)	PERCENT CHANGE	INCREMENT VALUE OF TAX INCREMENT DISTRICTS (TID)	TOTAL EQUALIZED VALUE MINUS TIDS (B)	PERCENT CHANGE
1989	1990	$ 2,775,939,600	4.96 %	$ 37,496,860	2,738,442,740	4.97 %
1990	1991	2,894,470,100	4.27	40,556,910	2,853,913,190	4.22
1991	1992	3,037,402,500	4.94	56,703,960	2,980,698,540	4.44
1992	1993	3,214,374,900	5.83	60,273,560	3,154,101,340	5.82
1993	1994	3,475,064,100	8.11	64,411,760	3,410,652,340	8.13
1994	1995	3,759,816,500	8.19	74,750,860	3,685,065,640	8.05
1995	1996	4,137,114,900	10.04	95,004,060	4,042,110,840	9.69
1996	1997	4,508,550,900	8.98	103,171,460	4,405,379,440	8.99
1997	1998	4,810,137,600	6.69	129,710,660	4,680,426,940	6.24
1998	1999	5,124,230,900	6.53	156,401,260	4,967,829,640	6.14

SOURCE: Wisconsin Department of Revenue, Bureau of Property Tax, Statistical Report of Property Valuations

NOTES: (A) Due to varying assessment policies in the municipalities, the County uses equalized value of taxable property for tax levy purposes. The equalized value ratios are determined by the Wisconsin Department of Revenue, Bureau of Property Tax.

(B) Equalized values are reduced by the increment value of tax increment districts (TID) for apportioning the County tax levy.

MARATHON COUNTY, WISCONSIN

CURRENT EQUALIZED VALUE AND NET DIRECT AND OVERLAPPING
TAX RATE BY MUNICIPALITY LAST TEN FISCAL YEARS
(UNAUDITED)

TABLE V

DISTRICT	1998 TOTAL EQUALIZED VALUE (1) (A)	NET TAX RATE - YEAR LEVIED (2) (B) (C) (D)									
		1989	1990	1991	1992	1993 (G)	1994	1995	1996	1997	1998
TOWN											
BERGEN	$ 24,850,800	26.22	28.31	27.15	28.01	33.65	25.55	28.88	24.40	21.51	21.27
BERLIN	37,208,800	28.35	29.06	29.24	30.85	33.63	27.15	26.93	25.52	21.39	19.89
BERN	15,811,600	28.76	30.39	31.45	30.79	30.17	31.18	29.53	26.01	22.34	21.45
BEVENT	45,483,300	23.89	25.29	24.73	26.75	28.92	30.67	29.72	18.99	20.44	20.62
BRIGHTON	21,488,700	30.36	30.09	30.20	32.67	33.12	33.10	31.73	27.33	23.06	22.30
CASSEL	30,211,300	23.73	25.52	25.83	26.45	27.36	26.53	26.12	23.17	17.46	16.73
CLEVELAND	35,692,000	25.44	23.32	23.76	24.69	29.36	25.78	28.91	28.51	18.65	18.52
DAY	31,398,800	24.96	24.31	26.87	27.84	25.33	25.05	26.43	25.59	19.45	18.78
EASTON	38,298,700	25.99	29.41	27.29	27.71	29.93	30.89	24.33	20.96	19.88	19.02
EAU PLEINE	26,669,100	25.37	22.00	25.71	27.29	28.13	25.99	27.31	27.19	18.43	16.69
ELDERON	24,796,200	25.13	27.06	26.74	28.27	29.89	28.77	28.70	17.79	19.50	18.00
EMMET	30,177,300	24.69	25.89	27.04	28.05	28.75	27.39	29.70	26.65	20.80	22.76
FRANKFORT	20,472,700	26.91	26.04	28.23	28.42	27.80	26.65	26.26	25.12	17.26	19.11
FRANZEN	24,857,900	22.18	23.73	25.54	26.95	28.41	27.27	26.54	23.43	16.15	17.56
GREEN VALLEY	26,288,600	25.64	26.56	26.81	27.80	31.23	30.90	34.48	30.45	20.58	20.75
GUENTHER	14,494,000	26.44	28.38	26.73	27.72	32.04	30.05	30.03	24.73	21.95	21.52
HALSEY	15,853,400	28.24	31.51	31.32	30.58	31.80	31.47	30.38	26.13	20.74	19.70
HAMBURG	26,384,100	29.82	31.21	30.00	27.82	31.64	27.61	28.79	25.90	22.24	20.94
HARRISON	13,688,000	23.41	25.95	26.52	27.89	29.12	28.79	27.78	26.49	19.58	19.19
HEWITT	21,173,700	25.05	28.43	28.79	30.92	31.90	32.01	32.17	28.59	22.94	23.99
HOLTON	27,413,200	28.49	27.49	28.90	28.80	28.93	27.46	27.10	26.92	17.45	18.26
HULL	24,820,500	27.16	28.23	27.93	28.90	31.83	30.48	30.43	28.42	30.23	20.91
JOHNSON	26,460,100	26.29	27.52	30.00	29.28	29.00	27.68	27.20	23.37	19.68	18.70
KNOWLTON	84,396,900	28.34	30.36	26.80	27.85	26.73	24.93	27.65	29.14	21.00	21.06
KRONENWETTER	174,459,400	28.20	29.02	28.32	29.32	35.68	29.23	29.45	25.77	22.74	22.93
MAINE	110,069,700	26.02	26.21	26.11	28.03	32.41	31.54	33.02	19.85	21.40	20.56
MARATHON	46,937,800	26.19	27.43	24.75	25.23	27.90	26.58	26.53	23.45	18.55	17.98
MCMILLIAN	85,050,600	27.42	30.40	26.64	27.07	35.25	33.59	35.59	24.36	22.48	21.48
MOSINEE	75,244,100	26.59	27.23	26.44	27.30	34.93	34.34	25.05	22.81	21.82	21.95
NORRIE	32,170,700	25.18	27.74	27.60	27.90	29.98	27.65	26.93	22.40	19.09	16.97
PLOVER	20,724,000	21.35	23.89	24.85	26.58	26.36	28.14	27.23	29.80	21.23	23.16
REID	46,421,200	25.85	26.97	26.43	27.39	34.41	26.62	29.41	26.33	21.67	21.74
RIB FALLS	32,178,800	26.59	29.96	30.41	29.88	30.24	29.77	28.62	25.10	20.75	20.25
RIB MOUNTAIN	414,566,200	25.25	28.38	31.74	32.48	32.56	33.07	30.87	27.87	22.70	21.99
RIETBROCK	25,428,800	28.44	29.88	30.11	29.84	31.65	31.56	31.52	27.72	21.76	20.76
RINGLE	54,961,500	24.78	26.76	25.57	25.98	28.76	22.44	24.97	21.43	16.96	16.36
SPENCER	38,350,700	24.20	24.41	25.43	25.67	30.86	28.39	22.82	20.45	20.57	19.30
STETTIN	135,100,100	23.48	23.74	24.69	27.26	27.06	26.90	25.50	19.04	18.89	18.66
TEXAS	63,908,100	27.63	27.62	27.44	29.50	33.71	35.06	33.68	20.96	20.80	20.19
WAUSAU	91,088,100	23.99	25.75	25.62	27.99	32.25	32.46	31.73	19.87	20.63	20.11
WESTON	20,772,500	27.47	26.71	27.89	29.30	31.33	31.51	32.78	25.45	17.44	18.05
WIEN	22,863,300	28.22	31.44	31.21	30.59	31.63	31.78	30.59	27.06	21.45	22.62
TOWN TOTAL	2,178,685,300										

VILLAGE											
ATHENS	28,573,700	30.67	34.31	35.38	34.22	37.14	37.06	37.01	34.35	28.87	27.66
BIRNAMWOOD	199,100	24.02	27.13	24.88	25.56	25.36	23.97	22.78	17.86	18.54	18.37
BROKAW	33,903,800	32.76	31.99	31.37	33.61	38.72	36.70	37.15	33.33	21.50	21.10
DORCHESTER (E)	106,500	N/A	N/A	N/A	N/A	N/A	N/A	31.14	28.88	23.55	23.77
EDGAR	42,026,600	29.04	29.03	29.46	31.41	33.91	35.48	25.45	21.13	20.72	20.56
ELDERON	4,226,700	24.38	25.01	25.10	26.73	23.88	26.16	27.96	24.52	20.19	18.69
FENWOOD	3,161,600	24.75	24.65	25.67	28.35	27.22	26.35	28.85	24.44	19.10	16.75
HATLEY	14,821,600	25.78	26.26	25.20	26.31	26.94	26.95	29.93	17.69	17.49	16.78
MARATHON	75,316,400	29.91	31.97	29.82	30.36	30.68	29.19	29.96	25.70	22.36	21.87
ROTHSCHILD	232,604,800	29.20	32.14	30.01	29.63	29.71	29.63	31.05	19.99	20.88	20.99
SPENCER	55,322,500	29.71	29.38	29.90	29.29	32.33	33.08	29.76	28.16	28.06	26.49
STRATFORD	42,365,400	29.28	26.99	31.80	32.22	32.66	29.69	30.64	30.59	22.71	21.78
UNITY	5,192,800	26.66	26.51	27.79	30.68	30.00	31.94	30.97	28.93	21.78	22.41
WESTON (F)	425,575,100	N/A	N/A	N/A	N/A	N/A	N/A	N/A	28.54	21.53	20.79
VILLAGE TOTAL	963,396,600										
CITY											
ABBOTSFORD	17,791,090	32.67	34.03	30.26	32.30	34.11	30.82	30.02	29.05	26.77	25.15
COLBY	11,523,400	31.77	31.79	30.95	31.17	31.27	31.54	32.94	26.11	25.80	26.46
MARSHFIELD	22,582,800	30.13	31.41	33.58	34.80	35.10	36.04	36.25	30.40	25.20	26.11
MOSINEE	140,405,500	31.48	32.98	31.76	32.79	38.15	29.54	32.24	26.66	26.73	26.50
SCHOFIELD	135,346,000	27.45	29.50	30.89	32.07	27.91	29.48	32.33	28.51	24.83	23.21
WAUSAU	1,498,098,950	32.92	33.99	34.47	36.32	39.85	40.57	40.82	26.09	27.22	26.90
CITY TOTAL	1,825,747,740										
COUNTY TOTAL	$ 4,967,829,640	5.90	5.87	6.01	6.17	6.16	6.21	6.21	6.21	6.21	6.21

SOURCES:

(1) Wisconsin Department of Revenue, Bureau of Property Tax 1998 Statistical Report of Property Valuations

(2) Marathon County Treasurer's Office Division of Property Description

NOTES:

(A) Equalized values are reduced by the increment value of tax increment districts (TID).

(B) Tax rate per $1,000 of equalized value.

(C) Reduced by state credit.

(D) When a municipality has more than one taxing district, the highest tax rate is the one listed on this table.

(E) Dorchester was created in 1995 as a new village, therefore previous history does not exist.

(F) The Village of Weston was created in 1996 as a new village when the town split, therefore previous history does not exist.

(G) The year the state implemented the tax rate freeze formula based off the prior year.

MARATHON COUNTY, WISCONSIN
TWENTY PRINCIPAL TAXPAYERS
December 31, 1998
(UNAUDITED)

TABLE VI

COMPANY NAME	1998 EQUALIZED VALUE	PERCENTAGE OF TOTAL EQUALIZED VALUE (A)
1. EMPLOYERS INSURANCE OF WAUSAU	$ 83,195,000	1.6236 %
2. MOSINEE PAPER CORPORATION	46,058,300	0.8988
3. MARSHFIELD CLINIC	20,166,300	0.3935
4. GREENHECK FAN CORPORATION	19,660,300	0.3837
5. MARATHON CHEESE COMPANY	18,901,500	0.3689
6. SNE/DEMATTEO CORPORATION	16,653,200	0.3250
7. WAUSAU JOINT VENTURE	15,875,100	0.3098
8. WEYERHAEUSER COMPANY	13,735,200	0.2680
9. CRESKE CORPORATION	11,746,100	0.2292
10. M & I FIRST AMERICAN NATIONAL BANK	9,995,700	0.1951
11. GHIDORZI	9,814,800	0.1915
12. P J INVESTMENTS, INCORPORATED	8,745,700	0.1707
13. KOLBE & KOLBE MILLWORK COMPANY	8,687,700	0.1695
14. ARDEN EMMERICH	8,548,100	0.1668
15. WAUSAU HOMES, INC.	8,522,000	0.1663
16. APOGEE WAUSAU GROUP INC	8,055,000	0.1572
17. DDB LIMITED PARTNERSHIP	7,919,300	0.1545
18. WAL-MART	7,539,200	0.1471
19. LONG GREEN LLC	6,345,700	0.1238
20. RICHARD MILANOWSKI	6,178,300	0.1206
TOTAL	$ 336,342,500	6.5638 %

SOURCE: City County Data Communication Center

NOTE: (A) Total equalized value of $5,124,230,900 includes the increment value of tax increment districts (TID).

TABLE VII

MARATHON COUNTY, WISCONSIN
COMPUTATION OF LEGAL DEBT MARGIN
December 31, 1998
(UNAUDITED)

Equalized value of real and personal property levied in 1998 (A)		$ 5,124,230,900
Debt limit, 5% of equalized value (Wisconsin statutory limitation)		$ 256,211,545
Amount of debt applicable to debt limitation:		
General obligation promissory notes (B)	$ 25,319,412	
Less: Amount available for debt service	160,011	
Total amount of debt applicable to debt margin		25,159,401
Legal debt margin-(debt capacity)		$ 231,052,144
Percent of debt capacity used		9.82 %
Ratio of net bonded debt to equalized value		0.005
Net bonded debt per capita		$ 200.49
Net bonded debt per capita - expected to be paid from general property taxes		$ 149.81

NOTES: (A) Equalized values include the increment value of tax increment districts (TID).

(B) Amount includes Marathon County's portion of the debt for CWA, solid waste and group home debt as general obligation debt, even though payments are expected to be paid from the respective revenue sources. Amount excludes Portage County's portion of debt for CWA of $137,731 and $242,115.

TABLE VIII

MARATHON COUNTY, WISCONSIN
RATIO OF OUTSTANDING DEBT TO EQUALIZED VALUE
AND DEBT PER CAPITA
LAST TEN FISCAL YEARS
(UNAUDITED)

YEAR ENDING DECEMBER 31	POPULATION (1)	EQUALIZED VALUE (A)	OUTSTANDING DEBT	PERCENT OF DEBT TO EQUALIZED VALUE	DEBT PER CAPITA
1989	114,171	$ 2,738,442,740	21,112,785	0.7710 %	$ 184.92
1990	115,400	2,853,913,190	19,874,336	0.6964	172.22
1991	116,380	2,980,698,540	18,437,022	0.6185	158.42
1992	117,523	3,154,101,340	21,593,746	0.6846	183.74
1993	119,315	3,410,652,340	20,133,702	0.5903	168.74
1994	120,713	3,685,065,640	19,555,000	0.5307	162.00
1995	122,095	4,042,110,840	24,350,000	0.6024	199.43
1996	123,258	4,405,379,440	21,350,000	0.4846	173.21
1997	124,309	4,680,426,940	17,535,000	0.3746	141.06
1998	125,491	4,967,829,640	18,800,000	0.3784	149.81

SOURCE: (1) Wisconsin Department of Administration, Demographic Service Center

NOTE: (A) Equalized values are reduced by the increment value of the tax increment districts (TID).

MARATHON COUNTY, WISCONSIN
RATIO OF ANNUAL DEBT SERVICE EXPENDITURES
FOR GENERAL BONDED DEBT (A) TO TOTAL GENERAL EXPENDITURES
LAST TEN FISCAL YEARS
(UNAUDITED)

TABLE IX

FISCAL YEAR	PRINCIPAL	INTEREST AND PAYING AGENT FEES	TOTAL DEBT SERVICE EXPENDITURES	TOTAL GENERAL EXPENDITURES (B)	RATIO OF DEBT SERVICE TO TOTAL GENERAL EXPENDITURES
1989	$ 1,780,000	1,988,386	3,768,386	50,974,268	7.39 %
1990	1,405,489	1,807,097	3,212,586	54,675,226	5.88
1991	1,517,605	1,686,781	3,204,386	60,060,814	5.34
1992	1,637,895	1,557,041	3,194,936	66,158,550	4.83
1993	1,737,895	1,666,637	3,404,532	66,674,137	5.11
1994	2,078,184	1,553,800	3,631,984	72,884,732	4.98
1995	2,705,000	1,504,316	4,209,316	75,576,298	5.57
1996	2,570,000	1,485,964	4,055,964	84,976,156	4.77
1997	3,815,000	1,189,650	5,004,650	82,450,350	6.07
1998	3,670,000	926,125	4,596,125	93,094,998	4.94

NOTES: (A) For purposes of this schedule, general bonded debt does not include those portions of the debt expected to be paid from airport, solid waste or group home revenues.

(B) Total general expenditures include the General Fund, special revenue funds and Debt Service Fund, capital project funds,enterprise fund(s), internal service funds and the expendable trust fund. This table excludes interfund transfers and all information pertaining to any of the discretely presented component units.

MARATHON COUNTY, WISCONSIN

TABLE X

NET DIRECT AND OVERLAPPING GENERAL OBLIGATION DEBT
ALL GOVERNMENTAL UNITS
DECEMBER 31, 1998
(UNAUDITED)

UNDERLYING DEBT	NET GENERAL OBLIGATION DEBT DECEMBER 31, 1998	PERCENTAGE APPLICABLE to MARATHON COUNTY	NET GENERAL OBLIGATION DEBT APPLICABLE TO MARATHON COUNTY
DISTRICT:			
TOWN:			
BEVENT	$ 67,631	100.00 %	$ 67,631
BRIGHTON	7,893	100.00	7,893
CLEVELAND	80,000	100.00	80,000
EASTON	138,331	100.00	138,331
GREEN VALLEY	40,000	100.00	40,000
HEWITT	139,265	100.00	139,265
KRONENWETTER	7,670,000	100.00	7,670,000
MAINE	87,747	100.00	87,747
MCMILLIAN	266,644	100.00	266,644
PLOVER	31,337	100.00	31,337
REID	56,428	100.00	56,428
RIB FALLS	47,500	100.00	47,500
RIB MOUNTAIN	3,115,000	100.00	3,115,000
RINGLE	143,443	100.00	143,443
WAUSAU	89,125	100.00	89,125
WIEN	34,176	100.00	34,176
TOWN TOTAL	12,014,520		12,014,520
VILLAGE:			
ATHENS	637,909	100.00	637,909
BROKAW	157,588	100.00	157,588
EDGAR	210,078	100.00	210,078
FENWOOD	63,000	100.00	63,000
HATLEY	24,546	100.00	24,546
MARATHON	1,265,846	100.00	1,265,846
ROTHSCHILD	7,890,000	100.00	7,890,000
SPENCER	1,672,696	100.00	1,672,696
STRATFORD	1,234,954	100.00	1,234,954
UNITY	20,000	63.00	12,600
WESTON	10,938,000	100.00	10,938,000
VILLAGE TOTAL	24,114,617		24,107,217

CITY:			
COLBY	997,554	32.79	327,098
MARSHFIELD	14,531,301	3.27	475,174
MOSINEE	6,083,625	100.00	6,083,625
SCHOFIELD	6,359,453	100.00	6,359,453
WAUSAU	26,538,286	100.00	26,538,286
CITY TOTAL	54,510,219		39,783,635
SCHOOL:			
ABBOTSFORD	1,162,252	45.83	532,660
ANTIGO	5,200,000	3.79	197,080
ATHENS	343,686	100.00	343,686
AUBURNDALE	6,811,008	2.41	164,077
COLBY	5,465,000	40.38	2,206,767
D.C. EVEREST	5,920,000	100.00	5,920,000
EDGAR	2,242,480	100.00	2,242,480
MARATHON	3,525,000	100.00	3,525,000
MARSHFIELD	2,375,000	11.53	273,838
MEDFORD	4,380,000	0.44	19,272
MERRILL	30,849,493	2.98	919,315
MOSINEE	6,000,000	100.00	6,000,000
ROSHOLT	6,965,000	23.99	1,670,904
SPENCER	835,100	87.86	733,719
STRATFORD	4,200,000	100.00	4,200,000
WAUSAU	28,495,000	100.00	28,495,000
WITTENBERG-BIRNAMWOOD	2,836,992	60.98	1,729,998
MID-STATE TECHNICAL COLLEGE	7,239,662	1.81	131,038
NORTHCENTRAL TECHNICAL	7,355,000	58.52	4,304,145
SCHOOL TOTAL	132,200,673		63,608,979
SPECIAL DISTRICTS:			
KRONENWETTER SANITARY	925,000	100.00	925,000
RIB MOUNTAIN METRO SANITARY	1,046,534	100.00	1,046,534
RIB MOUNTAIN SANITARY	1,845,000	100.00	1,845,000
ROZELLVILLE SANITARY	14,055	100.00	14,055
SPECIAL DISCTRICTS TOTAL	3,830,589		3,830,589
TOTAL APPLICABLE UNDERLYING DEBT	226,670,618		143,344,940
DIRECT DEBT			
MARATHON COUNTY	18,800,000	100.00	18,800,000
TOTAL DEBT APPLICABLE TO MARATHON COUNTY	$ 245,470,618		$ 162,144,940

SOURCE: Survey of governmental units conducted by the Finance Department.

TABLE XI

MARATHON COUNTY, WISCONSIN
DEMOGRAPHIC STATISTICS AND BANK DEPOSITS
LAST TEN FISCAL YEARS
(UNAUDITED)

FISCAL YEAR	POPULATION (1)	PER CAPITA INCOME (2)	UNEMPLOYMENT RATE (3)	MEDIAN AGE (4)	BANK DEPOSITS (5)	SCHOOL YEAR	SCHOOL ENROLLMENTS K-12 (6) PUBLIC	SCHOOL ENROLLMENTS K-12 (6) PRIVATE
1989	114,171	$ 11,225	4.4 %	31.6	$ 861,141,000	1989-90	17,936	3,223
1990	115,400	11,819	4.4	31.9	943,568,000	1990-91	18,315	3,212
1991	116,380	12,056	5.7	32.7	971,400,000	1991-92	18,510	3,158
1992	117,523	12,718	5.8	32.7	1,047,923,000	1992-93	18,976	3,290
1993	119,315	14,621	5.1	33.3	1,080,168,000	1993-94	18,740	3,139
1994	120,713	14,782	5.6	33.6	1,399,188,000	1994-95	19,355	3,563
1995	122,095	17,735	4.5	33.9	1,513,158,000	1995-96	19,564	3,451
1996	123,258	18,358	3.8	34.4	1,513,574,000	1996-97	19,933	3,285
1997	124,309	20,902	3.6	34.7	1,707,196,000	1997-98	20,030	3,231
1998	125,491	20,902	3.4	34.9	2,461,706,000	1998-99	19,845	3,354

SOURCES:
(1) Wisconsin Department of Administration, Demographic Service Center
(2) Wisconsin Department of Revenue
(3) U.S. Department of Labor, Bureau of Labor Statistics/Wisconsin Department of Workforce Develpment
(4) Demographics, USA
(5) State of Wisconsin, Office of Commissioner of Banking
(6) Wisconsin Department of Public Instruction

TABLE XII

MARATHON COUNTY, WISCONSIN
PROPERTY VALUES
LAST TEN FISCAL YEARS
(UNAUDITED)

PROPERTY VALUE (A)	1989		1990		1991		1992		1993	
	VALUE	PERCENT	VALUE	PERCENT	VALUE	PERCENT	VALUE	PERCENT	VALUE	PERCENT
REAL ESTATE:										
RESIDENTIAL	$1,561,203,800	57.01 %	$1,650,839,800	57.84 %	$1,789,350,000	60.03 %	$1,921,131,400	60.91 %	$2,116,237,000	62.05 %
COMMERCIAL	456,610,200	16.67	465,765,300	16.32	461,774,700	15.49	478,303,500	15.16	517,934,900	15.19
MANUFACTURING	133,484,000	4.87	137,154,400	4.81	141,693,800	4.75	144,948,000	4.60	159,866,700	4.69
AGRICULTURAL	345,127,400	12.60	350,402,400	12.28	341,786,800	11.47	355,046,000	11.26	366,297,300	10.74
SWAMP & WASTE	2,289,000	0.08	2,424,700	0.08	2,591,500	0.09	2,634,600	0.08	2,773,200	0.08
FOREST	87,561,000	3.20	84,095,800	2.95	81,804,700	2.74	82,782,900	2.62	66,311,300	1.94
	2,586,275,400	94.44	2,690,682,400	94.28	2,819,001,500	94.58	2,984,846,400	94.63	3,229,420,400	94.69
PERSONAL PROPERTY	152,167,340	5.56	163,230,790	5.72	161,697,040	5.42	169,254,940	5.37	181,231,940	5.31
TOTAL PROPERTY VALUE	$2,738,442,740	100.00 %	$2,853,913,190	100.00 %	$2,980,698,540	100.00 %	$3,154,101,340	100.00 %	$3,410,652,340	100.00 %

PROPERTY VALUE (A)	1994		1995		1996		1997		1998	
	VALUE	PERCENT	VALUE	PERCENT	VALUE	PERCENT	VALUE	PERCENT	VALUE	PERCENT
REAL ESTATE:										
RESIDENTIAL	$2,345,782,700	63.66 %	$2,555,424,600	63.22 %	$2,820,528,600	64.02 %	$3,025,369,600	64.64 %	$3,200,112,900	64.42 %
COMMERCIAL	534,005,000	14.49	623,075,400	15.41	711,681,500	16.15	729,300,800	15.58	781,707,500	15.74
MANUFACTURING	165,212,000	4.48	168,186,600	4.16	172,994,900	3.93	178,805,600	3.82	192,995,700	3.88
AGRICULTURAL	354,058,100	9.61	380,498,900	9.41	379,438,500	8.61	390,483,000	8.34	392,860,900	7.91
SWAMP & WASTE	2,941,800	0.08	2,957,000	0.07	3,040,200	0.07	3,966,100	0.08	10,164,400	0.20
FOREST	90,866,900	2.47	102,977,300	2.55	114,354,600	2.60	141,179,600	3.02	158,084,200	3.18
	3,492,866,500	94.78	3,833,119,800	94.83	4,202,038,300	95.38	4,469,104,700	95.48	4,735,925,600	95.33
PERSONAL PROPERTY	192,199,140	5.22	208,991,040	5.17	203,341,140	4.62	211,322,240	4.52	231,904,040	4.67
TOTAL PROPERTY VALUE	$3,685,065,640	100.00 %	$4,042,110,840	100.00 %	$4,405,379,440	100.00 %	$4,680,426,940	100.00 %	$4,967,829,640	100.00 %

SOURCE: Wisconsin Department of Revenue, Bureau of Property Tax

NOTES: (A) Property values are reduced by the value of the tax increment districts (TID).

MARATHON COUNTY, WISCONSIN
NUMBER AND VALUE OF CONSTRUCTION PERMITS
LAST TEN FISCAL YEARS
(UNAUDITED)

TABLE XIII

FISCAL YEAR	NEW RESIDENTIAL & REMODELING		COMMERCIAL & MANUFACTURING		AGRICULTURAL		NON-RESIDENTIAL REMODEL, MOVING & OTHER (A)	
	VALUE	# PERMITS	VALUE	# PERMITS	VALUE	# PERMITS	VALUE	# PERMITS
1989	$ 43,012,099	1,984	$ 11,318,571	106	$ 2,011,388	223	$ 15,268,967	295
1990	46,238,911	1,948	27,020,865	77	2,285,844	188	31,764,872	345
1991	49,234,260	2,010	14,395,752	94	1,906,118	224	15,748,778	291
1992	64,640,729	2,244	21,810,150	92	2,165,569	215	28,124,729	258
1993	69,036,353	2,199	30,059,691	104	3,415,550	250	29,977,023	292
1994	78,690,979	2,295	13,138,873	94	3,552,429	282	14,841,509	275
1995	71,463,561	2,218	25,709,302	107	3,770,536	296	35,614,644	297
1996	76,214,059	2,317	34,155,133	92	4,748,127	293	40,713,329	427
1997	85,753,443	2,330	37,233,935	127	5,136,202	305	44,329,092	401
1998	106,642,057	2,584	27,464,900	108	4,863,883	395	31,963,584	358

SOURCE: Wausau Area Chamber of Commerce, Construction Reports

NOTE: (A) Non-residential/other includes schools, public buildings, etc.

TABLE XIV

MARATHON COUNTY, WISCONSIN
MISCELLANEOUS STATISTICS
DECEMBER 31, 1998
(UNAUDITED)

Date of Incorporation	1850
Form of Government	Board/Administrator
Area in Square Miles	1,584
AGRICULTURE	
Number of farm acres	567,000
Number of farms	3,350
Major products	Dairy, Crops
ELDERLY SERVICES	
Number of people age 60 and over	19,403
Nutrition centers	7
Number served at nutrition centers	1,144
Number of volunteers	215
Volunteer hours	15,718
FORESTS	
Number of county forest units	9
Number of acres	27,650
Wood removed (cord equivalent)	6,343
HEALTH	
Number of client contacts	103,000
Laboratory tests	19,351
Licensed Public Facilities	900
AIDS (cumulative reported cases)	37
LEGAL	
Court cases filed	19,147
Traffic citations processed	8,913
Marriages	843
Divorces granted	344
Child support money collected and disbursed	$17,000,750
Traffic and criminal fines collected	$2,302,079
LIBRARIES	
Headquarters	1
Branches	8
Bookmobiles	2
Circulation	749,367
Volumes Books & Audio-Visual Materials	296,159
Cardholder	62,758
MARATHON COUNTY GOVERNMENT EMPLOYEES	
FTE organized	585
FTE non-organized	123
Elected	44
TOTAL	752

VITAL STATISTICS	
Population	125,491
Births	1,718
Suicides	10
Drowning	1
Homicides	1
Motor vehicle accident deaths	19
Total Coroner cases	394
Total deaths	1,033
PUBLIC SAFETY	
Hazardous materials incidents investigated	22
RECREATION	
Number of county parks	19
Number of acres	3,905
Public lake and river access beaches	7
Miles of Bicycle Trail	18
Number of Public Campgrounds	5
Number of State Parks	1
Number of Shooting Ranges	1
Number of Softball Complexes	1
Number of Lakes and Rivers with Public Boat Launches	14
Indoor ice arenas	3
Miles of snowmobile trails	641
Miles of ATV trails - winter	531
Miles of ATV trails - summer	14
Miles of cross-country ski trails	31
SOCIAL SERVICES	
General relief cases	12
General relief medical	1
Economic support cases	1,594
TRANSPORTATION	
HIGHWAYS	
Miles of road and streets	
State	293
County	620
Local	2,315
Other	43
AIRPORTS	
Number of airports	2
Number of runways	4
Number of airlines	4
Airfreight operators	7
Based aircraft	100
Annual enplanements	151,333

TABLE XV

MARATHON COUNTY, WISCONSIN
SCHEDULE OF INSURANCE
FISCAL YEAR ENDED DECEMBER 31, 1998
(UNAUDITED)

Insurer Policy Numbers Effective Dates	Policy Coverage Limits of Liability Deductibles/Retention (1)
Wisconsin Municipal Mutual Insurance Company **WI98CSI3A** **1/1/98 to 12/31/98**	**General Liability/Automobile Liability/Police Professional Liability** Owned, non-owned and hired auto $5,000,000 Limit of liability per occurrence $10,000,000 Aggregate $100,000 Per occurrence deductible $400,000 Annual aggregate deductible **Uninsured Motorist** $25,000 - 50,000 Limit of liability **Errors and Omission** **Public Officials Liability** **Claims Made** $5,000,000 Limit of liability per occurrence $10,000,000 Aggregate $100,000 Per occurrence deductible $400,000 Annual aggregate deductible **Employee Benefit Liability** $5,000,000 Limit of liability per occurrence $10,000,000 Aggregate $100,000 Per occurrence deductible $400,000 Annual aggregate deductible All premiums adjusted annually excludes coverage for pollution liability, nursing homes, health centers, medical facilities and airport
Self-Funded & Administered **1/1/98 to 12/31/98**	**Workers Compensation** Employer Liability State Statutes First $250,000 per claim/occurrence
Safety National Casualty Company **SP-3894-WI** **1/1/98 to 12/31/98**	**Specific Excess Workers Compensation** $250,000 Specific retention Limits of Liability $5,000,000 Workers Comp $1,000,000 Employers Liability $5,000,000 Workers Comp/Emp. Liability Combined

Insurer Policy Numbers Effective Dates	Policy Coverage Limits of Liability Deductibles/Retention (1)
Local Government Property Insurance Fund **120038** **1/1/98 to 12/31/98**	**Building & Structures** list on statement of values Limit $125,702,665 Deductible $1,000 **Contractors Equipment** Limit $11,532,153 Deductible $1,000 **Automobile Comprehensive** Limit $6,396,308 Deductible $100 **Personal Property** within 100 feet of listed buildings **Property in the open** within 100 feet of listed property Limited to $1,000 any one item up to $10,000 maximum **Leased Property Improvements** destroyed by covered peril are covered if replaced or repaired within a reasonable time; if not repaired or replaced, original cost new less specified fraction **Cost of Debris Removal**: excluding contamination, pollution or seepage **Lawn, Trees & Shrubs** within 100 feet of insured buildings limited to $500 per tree or shrub and $1,000 for lawn up to a maximum of $5,000 per occurrence **Personal Property in Transit** up to $2,500 limit

Local Government Property Insurance Fund **120038** **1/1/98 to 12/31/98**	**Valuable Papers** automatically covers cost of transcribing research and recreation No dollar limit **Personal Property of Others** while on our property per occurrence, limit of $10,000 **Employees Personal Property** $500 any one employee up to $10,000 per occurrence maximum **Extra Expenses** automatically covered to maintain normal operations No dollar limit **Acquired Property or Being Constructed** if over $250,000 value is reported within 90 days **Monies and Securities** within our premises with $100 deductible: Coverage A: $500,000 Coverage B: $6,100,000 **Additional Coverage:** **Builders Risk $10,300,000**
Old Republic Surety Company **MSA-1049631** **1/1/98 to 12/30/98**	**Faithful Performance Blanket Position** **Position Bond** $500,000 Limit of liability per employee No deductible Coverage acts as excess over any individual bonds written for public officials
Kemper National P & L Companies 3XN 022 861-04 **1/1/97 to 12/31/97**	**Boiler & Machinery** $25,000,000 Limit of liability $1,000 Deductible
Self Funded	**Pollution Legal Liability** Marathon County Landfill $2,000,000 Limit of liability per claim and in aggregate Claims-made Policy
Associated Aviation Underwriters **ALI156158** **12/31/97 to 12/31/98**	**Airport Liability** $20,000,000 Per occurrence/aggregate **Contractual Liability** **Personal Injury** **Limit Bodily Injury &** **Property Damage** **Hangerkeeper Liability** $20,000,000 Per occurrence $20,000,000 Per aircraft $0 Deductible $0 Annual aggregate deductible
Self-Funded & Administered **1/1/98 to 12/31/98**	**Automobile Collision**
Self-Funded Health/ Administered by HUMANA/Employers Health **1/1/98 to 12/31/98**	**Health Benefit Program PPO** $2,000,000 Per person life time benefit 100% Of most covered medical expense in plan,90% out of plan 80% Of medical supplies and equipment in plan, 70% out of plan Deductibles $200 Single $600 Family $75,000 Specific stop loss 1.20% Aggregate stop-loss on an incurred basis
Dental Insurance **Blue Cross Blue Shield** **7/1/98 to 6/30/99**	**Blue Cross Blue Shield Dentacare Program** HMO Unlimited No deductible No precertification 100% Coverage usual and customary most procedures
Self-Funded Dental/ Administered by Delta Dental of Wisconsin **7/1/98 to 6/30/99**	**Delta Dental of Wisconsin** $25 Deductible per calendar year $75 Deductible maximum per family 100% Diagnostic and preventive* 80% Ancillary, direct filling restorations, oral surgery, endodontics, and periodontics 50% Indirect filling restorations $500 Maximum payment amount - per person, per calendar year
Self-Funded Dental/ Administered by Blue Cross Blue Shield **7/1/98 to 6/30/99**	Preferred Provider Organization In plan no deductible Out of plan deductible $25 per person No precertification $1,200 Annual benefit maximum Excluding $1,000 Orthodontic benefits *Benefits are not subject to the deductible

(1) This information represents details contained in our insurance policy and is not to be used to determine coverage.

(2) All coverage questions should be directed to the Risk Manager.