

**COMPREHENSIVE
ANNUAL
FINANCIAL
REPORT**

•
**ST. LOUIS
COUNTY
MINNESOTA**

•
for the
Year Ended
December 31, 1991

•
**Russell Petersen,
County Auditor**



**COMPREHENSIVE
ANNUAL
FINANCIAL
REPORT**



**ST. LOUIS
COUNTY
MINNESOTA**



for the
Year Ended
December 31, 1991



Office
of the
County Auditor



**Russell Petersen,
County Auditor**

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Saint Louis County

County Auditor • 100 N. 5th Ave. W., Room 214, Duluth, MN 55802-1293, (218) 726-2380

June 9, 1992

Russell Petersen
County Auditor

Honorable Chairperson and Commissioners
St. Louis County Board of Commissioners
100 North 5th Avenue West
Duluth, Minnesota 55802

Commissioners:

The Comprehensive Annual Financial Report of St. Louis County is hereby submitted for the fiscal year ended December 31, 1991. This report was prepared by the County Auditor's Accounting Office. Responsibility for both the accuracy of the presented data and completeness and fairness of the presentation, including all disclosures, rests with the County. This report conforms with the Governmental Accounting Standards Board (GASB) Statement 1 and subsequent statements and interpretations. The report consists of three sections:

1. Introductory Section - including this transmittal letter from the County Auditor, the government's organizational chart and a list of principal officials.
2. Financial Section - including the combined financial statements by major fund category, combining financial statements by fund type, and individual fund and account group financial statements. Also included in this Section are the Notes to the Financial Statements and supplementary financial information, as well as the State Auditor's opinion.
3. Statistical Section - includes data that depicts the financial history of the government, generally presented for the past ten years, along with information on overlapping governments, demographics and miscellaneous information.

We believe the data presented is accurate in all material respects, that its presentation fairly sets forth the County's financial position and results of operations as measured by the financial activity of its various funds. We believe further that all disclosures necessary for the reader to gain maximum understanding of the County's financial affairs have been included.

All of the funds and account groups of the County are included in the financial report. The Regional Railroad Authority, created by the Lake County and St. Louis County Boards pursuant to State statute, is included. A St. Louis County commissioner is the Chair of the Railroad Authority.

The St. Louis County Housing and Redevelopment Authority is also included in the report. The HRA Board is composed of the County Board members. The financial transactions of both the Railroad Authority and the HRA flow through the County's accounting system.

The County provides a full range of services, which includes social services, such as administration of State of Minnesota and federally aided public assistance programs; public safety and judiciary services, such as criminal prosecution, legal counsel for the indigent, administration of civil and criminal court systems; health care services, such as community health care; maintenance and construction of highways, roads and bridges; operation of solid waste disposal facilities; administration of elections; maintenance of property records; issuance of various licenses; and administration of property tax assessment, collection and distribution for local governments within the County.

ECONOMIC CONDITION AND OUTLOOK

The future looks bright for both urban and rural areas of St. Louis County. Already in operation, or on the drawing board, are these ambitious projects:

- Airbus maintenance facility in Duluth. Northwest Airlines, Inc. has scheduled the \$250 million project to begin in late 1992. Projections for employment include 500 construction jobs, which are expected to have a local economic impact of \$12-18 million. Scheduled to open in 1993, the facility will employ 250 people by 1997; projections are for 1,000 on the payroll eventually.
- Engine repair facility in Hibbing. Northwest Airlines, Inc. plans to break ground in 1993 for the \$100 million project, which is expected to provide 500 construction jobs. Upon completion, it is estimated that the facility will employ 200-250 full-time technical people, and ultimately, another 250.
- Creative Garments, Inc. of Chisholm. This manufacturer of outdoor winter clothing and life jackets began operations in 1991 with a staff of seventy.
- Fingerhut Company. In 1991, this national retail concern opened its telemarketing arm in Eveleth at a cost of \$2.5 million. 180 full-time employees were hired.
- Mesabi Regional Medical Center. In 1991, an extension to the emergency room was completed and the hemodialysis and radiology units were enlarged.
- Downtown renovations in Hibbing, Eveleth, and Virginia are scheduled for 1992.

- Superior Recycled Fiber Industry. In 1991, Pentair, Inc. of St. Paul began a joint venture with Minnesota Power of Duluth for the purpose of constructing and operating a \$70 million 135,000 square-foot facility in Duluth for making pulp for printing and writing paper from office waste paper. The company has signed contracts with five paper mills, which account for 75% of the plant's 250 tons per-day capacity. The operation is scheduled to begin in 1993, employing 200 construction workers and eventually, 25 full-time people.
- Western Pacific Pulp and Paper Company. This San Francisco-based company hopes to construct in Duluth a \$35 million recycling plant, Minnesota Pacific Pulp and Paper Company, with ground breaking to begin very soon. Waste paper will be recycled to pulp. The Company anticipates a late spring 1993 opening.
- Aircraft fire and rescue training center. This Duluth facility will be the first of its kind in the nation and when completed, it will have the capacity to train up to 12,000 fire fighters a year.
- GPM, Inc. of Duluth has invented a new type of submersible pump, which is set for national distribution in 1992. Costing \$10,000 each, the pumps should prove affordable to mining, utility and bulk paper concerns. Sales are concentrated in the Upper Midwest at present, but reception to the pumps is so enthusiastic that GPM believes demand may soon come from many other areas.
- Burlington Northern's plan for an intermodal freight hub. This is designed to connect the Northland with major American markets and is scheduled to become a reality in 1992. It will be operated as a meeting place where trains and trucks can exchange containerized loads and will cut transportation costs as well as encourage local businesses to export their products.
- Tourism. Duluth had a record influx of tourists in 1991 with approximately three million people contributing an estimated \$100 million to the economy. Projections for 1992 are for a 6% growth in tourism stimulated by, among other things, the 1992 scheduled completion of a \$190 million extension of the I-35 freeway; the completion of Lake Place, a \$9 million downtown park; a \$9 million renovation of Canal Park and the scheduling of major conventions at the Duluth Entertainment and Convention Center.

Employment in 1991 in the City of Duluth was a record 49,800. 50,900 is the projected figure for 1992. Lake cargo is projected at a 70% increase for 1992 and grain shipments are expected to rise 10%. These projections, combined with the projects outlined above, indicate a prosperous 1992 for Duluth and the Iron Range.

MAJOR INITIATIVES

During 1991, St. Louis County continued to develop most of the major programs begun in 1990 to meet citizens' needs for services and to safeguard the environment, as well as to conform with applicable federal and state standards. New projects were also begun. A synopsis of both the continuing and the new programs is as follows:

- St. Louis County manages solid waste activities county-wide, except for the Western Lake Superior Sanitary District area which encompasses the City of Duluth and very closely adjoining areas. The County closed most of its landfills in 1990 and makes annual contributions to trust funds for the two remaining landfills. The trust funds provide for closure, post-closure and contingency action that may possibly arise in the future.
- The County is considering building a composting facility which should be functioning by the end of 1993. A program is planned to educate the public in waste reduction. Recycling programs have taken hold throughout the County with community recycling, rural drop-offs and institutional recycling.
- A regional sanitary landfill will soon be on the drawing board and possibilities have arisen for the regional management of solid waste. The region would include counties other than St. Louis; however because of its geographical size, St. Louis would be a major partner in the formation of any regional management entity.
- The County has selected a site for a new jail and preliminary work has begun. The Board of Commissioners will be making decisions regarding the possible construction of law enforcement centers and remodeling of regional corrections facilities.
- New computer systems have been purchased and the County's Management Informations Systems Department has plans for networking among various County offices.
- The Purchasing and Public Works Departments have purchased an AS 400 computer, as well as an automated purchasing system and a fleet management system. Public Works has also expanded the use of personal computers in engineering design work for construction plans.
- The Public Works Department initiated the Adopt-A-Highway program and because it has been so successful, it will be expanded.
- The St. Louis County Auditor's office published its first "popular report" in 1991. It was designed to appeal to the non-technical reader who wishes to understand the broad picture of the County's financial condition.
- The Social Services Department participated in a conversion of its income maintenance files to the State's MAXIS system. The State will pay income maintenance clients directly, rather than reimbursing the County; however, the data in the MAXIS system is maintained by Social Services personnel.

FINANCIAL INFORMATION

Financial management of St. Louis County is based on an accounting and financial reporting system that must provide accurate, timely and relevant information. The assets of St. Louis County are protected from fraud, errors or misuse by use of internal controls. Internal controls are designed to safeguard assets, to insure that accounting data is accurate for the preparation of financial statements in conformity with generally accepted accounting principles, and to carry out the County's policies.

Single Audit - as a recipient of federal and state financial assistance, the County has established internal controls to ensure compliance with the regulations applicable to such assistance.

Budget Controls - St. Louis County incorporates budgetary controls to ensure compliance with the annual budget adopted by the Board of County Commissioners appropriating departmental budgets and estimated means of financing. The annual budget resolution includes general, special revenue and debt service funds. The budget control is at the department head level which relates very closely to function. Each department head (sheriff, attorney, etc.) has complete control over the individual department, but no public aid assistance budget authority may be used for operations, and the budgeted number of personnel for each department may not be exceeded at any time. Encumbrance accounting is used to determine availability of funds prior to incurring a specific obligation. Encumbrance accounting helps to insure proper policies and regulations have been followed. The capital projects fund is appropriated by project and the appropriation continues year-to-year until the projects are closed into fund balance by the Administrator or until the appropriations are totally expended. All other appropriations which are not expended or encumbered lapse at year-end. Encumbrances outstanding at year end are reported as reservations of fund balances.

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

General Government Functions - General and Special Revenue Funds total fund balances increased slightly as did undesignated fund balances during 1991. This indicates that the county is able to maintain services even though the tax increase for 1991 was minimal.

The following schedule presents a summary of General and Special Revenue Fund revenues for the fiscal year ended December 31, 1991 and the amount percentage of increases and decreases in relation to the prior year's revenues.

| | <u>1991 Amount</u> | <u>% of Increase (Decrease)</u> |
|-------------------------|----------------------|---|
| Revenues: | | |
| Taxes | \$ 54,654,950 | 8.08 |
| Licenses and permits | 120,665 | 6.05 |
| Intergovernmental | 82,440,099 | (11.83) |
| Charges for service | 5,778,140 | 4.42 |
| Fines and forfeitures | 689,530 | (10.49) |
| Interest on investments | 1,922,075 | (11.72) |
| Gifts and contributions | 8,707 | (92.04) |
| Miscellaneous | <u>4,791,720</u> | (15.84) |
| | <u>\$150,405,886</u> | |

Although the other categories of revenue show larger percentages of increase or decrease over 1990, the most significant dollar changes in revenue are the increase in the taxes and the decrease in the intergovernmental categories. The reasons for the changes are:

1. Increase in taxes - the local property tax levy, after subtracting all aids, was increased in 1991 and that increase accounts for nearly 100% of the increase in the taxes category. The General Fund and all Special Revenue Funds are affected by this increase.
2. Decrease in intergovernmental revenue - The state aid portion of the local property tax levy was decreased significantly, accounting for 67% of the decrease in this category. The General Fund and all Special Revenue Funds were affected by this decrease, although the Social Services Special Revenue Fund received the largest reduction. This was due to the fact that the State of Minnesota took over the income maintenance payments to clients that the Social Services Special Revenue Fund previously paid to clients. The rest of the decrease was due to a decrease in project dollars earned by the Road and Bridge Special Revenue Fund.

The largest source of revenue is the intergovernmental category. The Social Services Special Revenue Fund is the largest recipient of intergovernmental revenue, having received \$58.7 million from state and federal sources; this amount is nearly 71% of the total revenue for the fund. Another significant recipient is the Road and Bridge Special Revenue Fund, which received state and federal aid for highway maintenance and construction. All funds for which a property tax is levied by the County receive a substantial portion of the levy from state aids.

The second largest source of revenue is taxes. These consist of property taxes, taconite production taxes, federal and state in-lieu of tax, and miscellaneous taxes. Local property assessments are the largest tax source.

Interest on investments decreased in 1991 because of a decrease in the rate of return.

The following schedule presents a summary of General and Special Revenue Fund expenditures for the fiscal year ended December 31, 1991 and the percentages of increases and decreases in relation to prior year amounts.

| <u>Expenditures</u> | <u>1991 Amount</u> | <u>% of Increase (Decrease)</u> |
|-----------------------------------|----------------------|---------------------------------|
| General government | \$ 17,906,525 | 1.82 |
| Public safety | 15,258,855 | 9.31 |
| Highways and streets | 26,345,646 | (8.95) |
| Health | 5,406,517 | 15.40 |
| Welfare | 80,598,582 | (9.73) |
| Sanitation | - | (100.00) |
| Culture and recreation | 416,506 | 23.25 |
| Conservation of natural resources | 585,825 | (68.04) |
| Economic development | <u>995,006</u> | (41.01) |
| | <u>\$147,513,462</u> | |

The public safety category showed a large increase over 1990, due primarily to a 2-year contract settlement for deputies, retroactive to 1990.

The health category shows a large percentage increase due to salary increases and an increase in rent, as well as an increase in the Community Alternative Children's Program (pass-through money that is distributed to other agencies for the nursing and rehabilitation services).

Welfare decreases reflect the transference of income maintenance to the State.

Sanitation decreased to zero because of the reclassification of the Solid Waste Authorities Special Revenue Fund to the Solid Waste Management Enterprise Fund.

Culture and recreation increased in 1991 because of a reclassification of tourism promotion, which was classified as economic development in 1990.

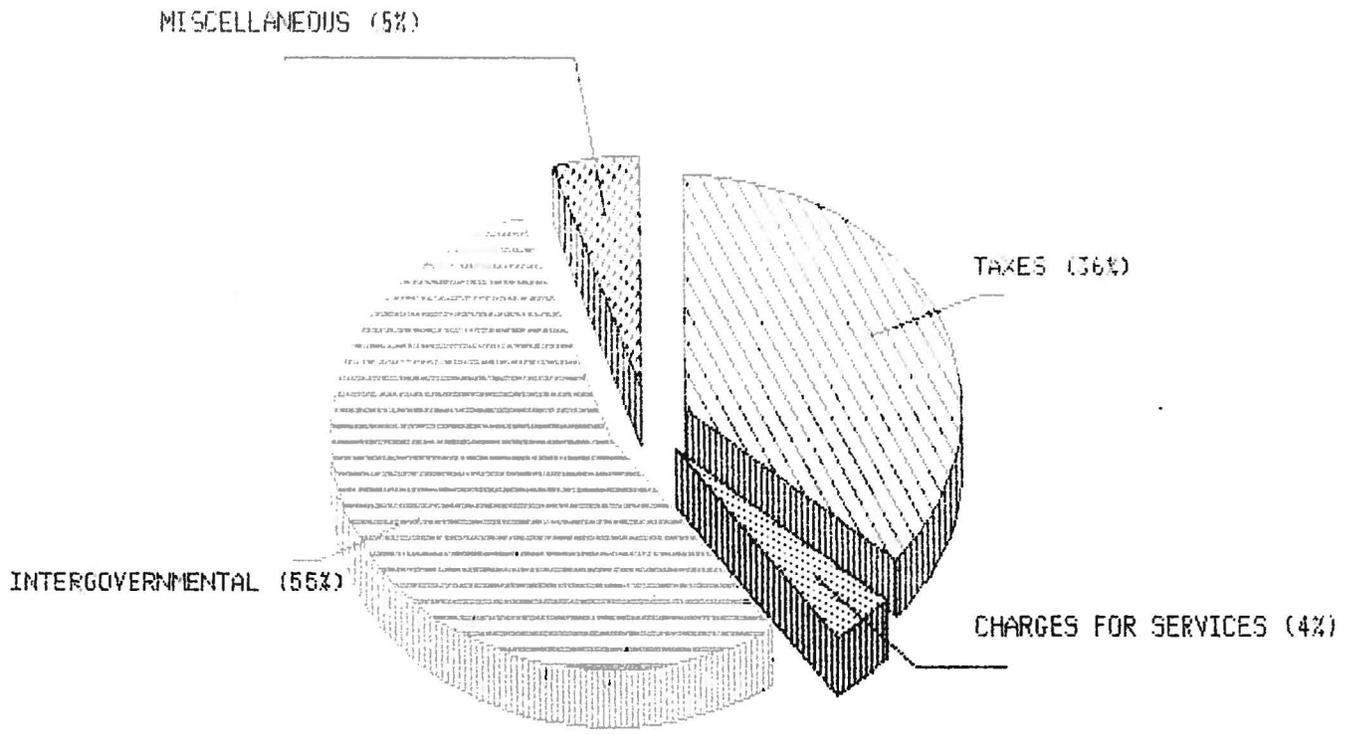
Conservation of natural resources expenditures decreased significantly because the Land Investment Fund no longer had much activity.

Economic development in 1990 reflected several loans to the County from the State of Minnesota which were then passed through as economic development loans to businesses. This activity was less in 1991. Also affecting this activity is the reclassification of tourism promotion from economic development to culture and recreation.

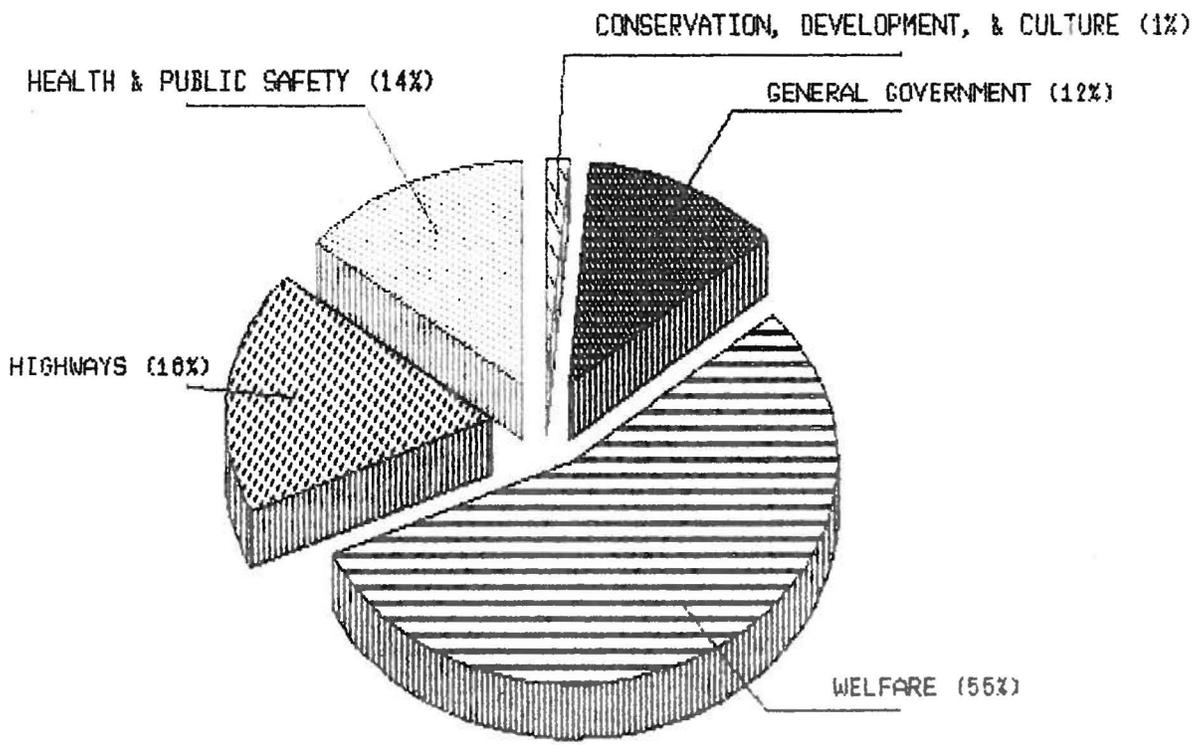
Salary costs for 1991 increased approximately three percent.

Graphics for revenue and expenditures are on the following page.

1991 COUNTY REVENUES BY SOURCE
INCLUDES GENERAL & SPECIAL REVENUE FUNDS



1991 COUNTY SPENDING BY FUNCTION
INCLUDES GENERAL & SPECIAL REVENUE FUNDS



Cash Management - In 1991, the average investment yield was 6.31%. Demand deposits averaged no more than 5% of the total cash, while 95% of all funds were invested in U.S. Government securities, Government agency securities and certificates of deposit in Minnesota banks.

Enterprise Operations - St. Louis County has three enterprise operations. Chris Jensen and Nopeming are nursing home facilities for the public. Solid Waste Management provides for the construction, operation and monitoring of solid waste activities outside of the Western Lake Superior Sanitary District. The Chris Jensen Fund operations resulted in net income of \$1,072,248 for 1991, while the Nopeming Fund had a net income of \$124,825. Solid Waste Management lost \$2,367,029; this loss was due to the expenditure of funds for landfill closure.

Internal Service Funds - The County has eight Internal Service Funds. The Community Food Fund, the Printing Fund, the County Insurance Fund, the Management Information Systems Fund and the Telecommunications Fund had net incomes of \$65,872; \$1,919; \$412,540; \$150,572 and \$151,527, respectively. The Laundry Fund, Supervised Living Fund, and the County Garage Fund had losses of \$36,198; \$72,858; and \$115,876; respectively. All of the Internal Service Funds have positive retained earnings balances, except the Supervised Living Facilities. Increased charges to others in 1993 should effect a positive balance for that fund.

Fiduciary Operations - The County collects and distributes all property taxes for all the taxing authorities within the County, including cities, townships and school districts. It is also responsible for collecting numerous fines and payroll deductions and disbursing those funds to third parties. The County participates in Public Employees' Retirement Association, a statewide pension plan, which is administered by the State of Minnesota. Contributions from both the employee and the County are forwarded to the State Office. All payments to retired employees are made by that Office.

Debt Administration - As of December 31, 1991, St. Louis County had eleven debt issues outstanding: \$4,400,000; \$4,070,000 and \$2,035,000 General Obligation Capital Notes; \$3,174,125 and \$1,182,978 and \$1,237,535 General Obligation Solid Waste Bonds; \$2,000,000 General Obligation Bond for interim financing for a County jail; \$474,105 and \$2,577,642 General Obligation Revenue Bonds for Chris Jensen Nursing Home Construction; \$975,000 General Obligation Refunding Bond for the Babbitt Facility; and \$257,169 General Obligation Revenue Bond for renovation of the Nopeming Nursing Home.

St. Louis County has an "A" rating from Moody's Investor's Service. Under current State law, the County's general obligation bonded debt issuances are limited to two percent of the market value of taxable property in the municipality. This does not include any bonds for which special bonding authority exists, as in the case of bonds for solid waste activities. Market value for 1991 was \$3,597,878,700. The amount of general obligation debt applicable to the debt limit is \$16,143,280 leaving \$55,814,294 as the legal debt margin. The \$16,143,280 applicable to the debt limit is without consideration of \$10,505,000 in designated fund balance in the Road and Bridge Special Revenue Fund.

Risk Management - The County is self-insured for vehicles, for unemployment compensation and is self-insured for workers' compensation up to \$410,000 per single loss occurrence. The Workers' Compensation Reinsurance Association, to which the County pays a premium, provides full indemnity in excess of this limit.

Capital Improvements - The Capital Projects Funds were established as a means of controlling and accounting for capital improvements for the General and Special Revenue Funds. Capital projects for 1991 consisted of improvements to courthouses, and the preliminary work on new County jail correctional facilities.

REPORTING ACHIEVEMENT

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to St. Louis County for its comprehensive annual financial report for the fiscal year ended December 31, 1990. The Certificate must satisfy both generally accepted accounting principles and applicable legal requirements.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report, whose contents conform to program standards. Such comprehensive annual financial report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. St. Louis County has received a Certificate of Achievement for the last three consecutive years. We believe our current report continues to conform to the Certificate of Achievement Program requirements, and we are submitting it to GFOA.

OTHER INFORMATION

Independent Audit - St. Louis County is audited annually by the State of Minnesota according to state statutes. This requirement has been complied with and the Auditor's Report has been included in this report.

The Single Audit Act of 1984 established audit requirements for state and local governments that receive federal aid as set forth in Circular A-128.

The State Auditor will issue management and compliance letters covering the review made as part of the examination of St. Louis County's system of internal control and compliance with applicable legal provisions.

Also reflected in these letters are the results of the County's single audit under provisions of the U.S. Office of Management and Budget Circular A-128.

Acknowledgements - We would like to express our appreciation to the Auditor's Accounting Section and the Social Services Department for their dedication and cooperation in a timely manner during the preparation of this report. We are grateful to the County Board of Commissioners and to the County Administrator's Office for their leadership and support in formulating the financial activities of the County, without which the preparation of this report would not have been possible. We appreciate also the cooperation other County departments have shown us.

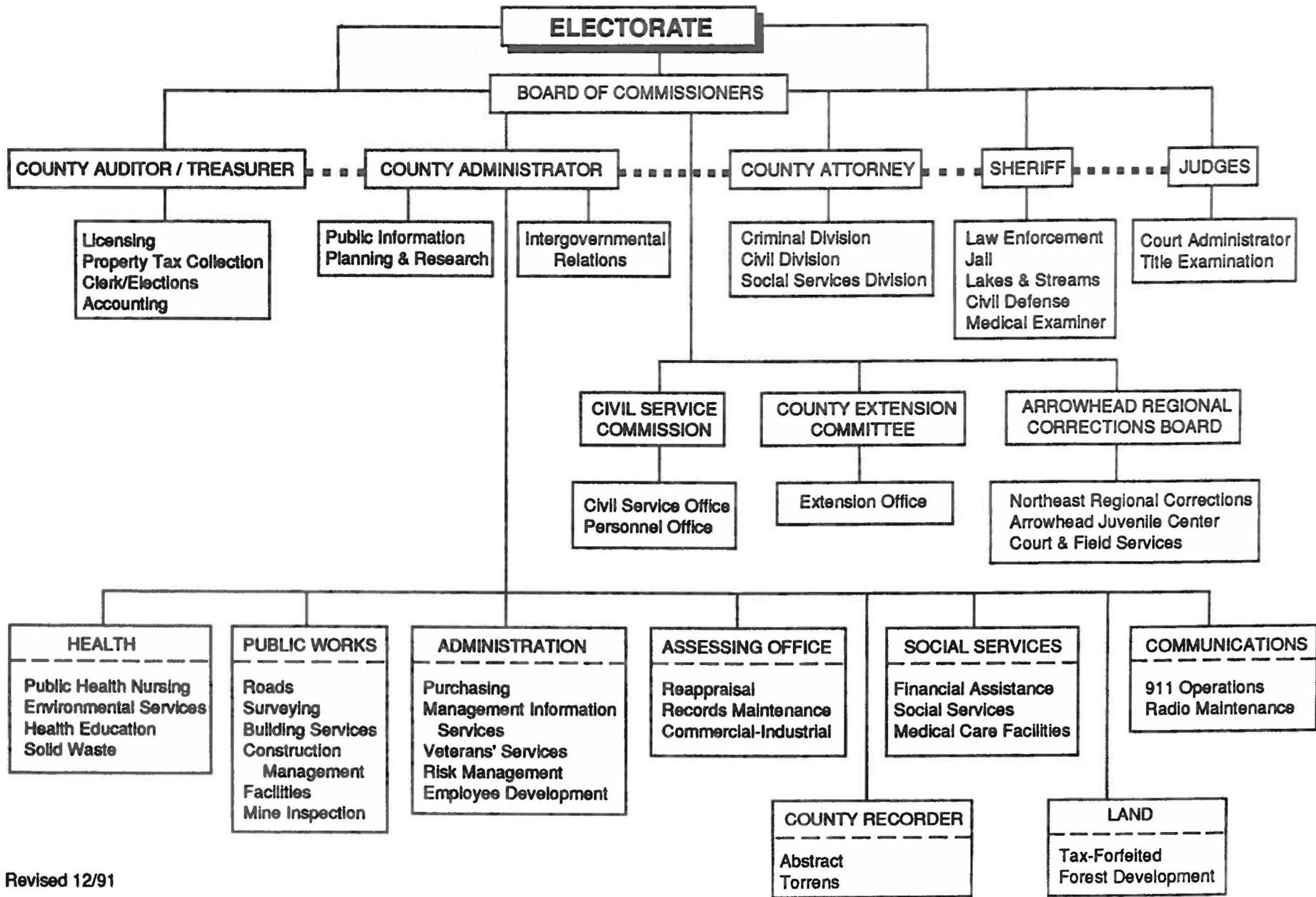
Special thanks to the State Auditor's staff for their technical assistance during the year. We acknowledge too, the thorough and professional manner in which they conducted the audit.

Sincerely,



RUSSELL PETERSEN
COUNTY AUDITOR

1992 Organizational Summary



Revised 12/91

ST. LOUIS COUNTY
ELECTED AND APPOINTED OFFICIALS
As of December 31, 1991

| OFFICE | NAME | TERM | |
|----------------------------|----------------------|-----------|-----------|
| Commissioners: | | | |
| 1st District | Gary L. Doty | Jan. 1989 | Jan. 1993 |
| 2nd District | Marilyn Krueger | Jan. 1991 | Jan. 1995 |
| 3rd District | William Kron | Jan. 1989 | Jan. 1993 |
| 4th District | Herbert R. Lamppa | Jan. 1991 | Jan. 1995 |
| 5th District | Martin Lepak | Jan. 1989 | Jan. 1993 |
| 6th District | Liz Prebich | Jan. 1991 | Jan. 1995 |
| 7th District | Steve Raukar | Jan. 1989 | Jan. 1993 |
| Elected Officers: | | | |
| Attorney | Alan L. Mitchell | Jan. 1991 | Jan. 1995 |
| Auditor-Treasurer | Russell Petersen | Jan. 1991 | Jan. 1995 |
| Sheriff | Gary Waller | Jan. 1991 | Jan. 1995 |
| Judges: | | | |
| District Court | David E. Ackerson | Jan. 1991 | Jan. 1997 |
| District Court | Charles T. Barnes | Jan. 1987 | Jan. 1993 |
| District Court | Robert F. Berger | Jan. 1991 | Jan. 1997 |
| District Court | David S. Bouschor | Jan. 1987 | Jan. 1993 |
| District Court | Robert V. Campbell | Jan. 1989 | Jan. 1995 |
| District Court | Donovan W. Frank | Jan. 1987 | Jan. 1993 |
| District Court | Jack J. Litman | Jan. 1991 | Jan. 1997 |
| District Court | Gerald C. Martin | Jan. 1987 | Jan. 1993 |
| District Court | John T. Oswald | Jan. 1987 | Jan. 1993 |
| District Court | Gary J. Pagliaccetti | Jun. 1991 | Jan. 1997 |
| District Court | Jeffry S. Rantala | Jan. 1992 | Jan. 1998 |
| District Court | Galen C. Wilson | Jan. 1987 | Jan. 1993 |
| Appointed Officers: | | | |
| Administrator | Karl Nollenberger | | |
| Assessor | Scott Lindquist | Jan. 1989 | Dec. 1992 |
| Civil Service | | | |
| Director | Anthony Bruno, Jr. | | |
| Court Administrator | Joseph M. Lasky | | |
| Emergency Communica- | | | |
| tions Director | Nancy Pollock | | |
| Examiner of Titles | Robert C. Brown | | |
| Health Director | Dr. Harold Leppink | | |
| Highway Engineer | Richard Hansen | | |
| Land Commissioner | John J. Vogel | | |
| Public Defender | Fred T. Friedman | | |
| Purchasing Agent | Chester Johnson | | |
| Social Services | | | |
| Director | Robert C. Zeleznikar | | |

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Certificate of Achievement for Excellence in Financial Reporting

Presented to

St. Louis County,
Minnesota

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
December 31, 1990

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 (CAFR's) achieve the highest standards in government accounting and financial reporting.



[Signature]

President

[Signature]

Executive Director

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MARK B. DAYTON
STATE AUDITOR

STATE OF MINNESOTA

OFFICE OF THE STATE AUDITOR

SUITE 400
525 PARK STREET
SAINT PAUL 55103

(612) 296-2551

INDEPENDENT AUDITOR'S REPORT

Board of County Commissioners
St. Louis County

We have audited the accompanying general purpose financial statements and the combining and individual fund and account group financial statements of St. Louis County, Minnesota as of December 31, 1991, and for the year then ended, as listed in the table of contents. These financial statements are the responsibility of the County's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards and Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of St. Louis County as of December 31, 1991, and the results of its operations and the cash flows of its proprietary fund types for the year then ended in conformity with generally accepted accounting principles. Also, in our opinion, the combining and individual fund and account group financial statements referred to above present fairly, in all material respects, the financial position of each of the individual funds and the fixed asset account group of St. Louis County as of December 31, 1991, and the results of operations of such funds and the cash flow of its individual proprietary funds for the year then ended in conformity with generally accepted accounting principles.



Our audit was made for the purpose of forming an opinion on the general purpose financial statements taken as a whole and on the combining and individual fund and account group financial statements. The accompanying financial information listed as supplementary schedules in the table of contents is presented for purposes of additional analysis and is not a required part of the financial statements of St. Louis County. The supplementary information has been subjected to the auditing procedures applied in the audit of the general purpose, combining and individual fund and account group financial statements and, in our opinion, is fairly presented in all material respects in relation to the financial statements of each of the respective individual funds and account groups taken as a whole.



MARK B. DAYTON
STATE AUDITOR

June 9, 1992

**GENERAL
PURPOSE
FINANCIAL
STATEMENTS**

ST. LOUIS COUNTY, MINNESOTA
 COMBINED BALANCE SHEET
 ALL FUND TYPES AND ACCOUNT GROUPS
 DECEMBER 31, 1991

| | Governmental | | Fund Types | |
|---|----------------------|----------------------|-------------------|---------------------|
| | General | Special Revenue | Debt Service | Capital Projects |
| <u>Assets and Other Debits</u> | | | | |
| Cash and cash equivalents | \$ 5,674,540 | \$ 15,714,120 | \$ 214,076 | \$ 1,096,423 |
| Investments | - | - | - | 1,518,807 |
| Change funds | 18,844 | 25,025 | - | - |
| Invested employee contribution | - | - | - | - |
| Receivables | | | | |
| Taxes | | | | |
| Unapportioned | 435,480 | 455,029 | 18,402 | 5,121 |
| Delinquent | 1,264,044 | 2,585,876 | 65,310 | 31,552 |
| Accounts | 152,352 | 539,417 | - | - |
| Accrued interest | 1,074,897 | - | - | - |
| Loans | 1,680,545 | - | - | - |
| Due from other funds | 146,604 | - | - | - |
| Interfund receivable | 2,078,150 | - | - | - |
| Due from other governments | 606,103 | 8,172,216 | - | - |
| Inventories | - | 1,397,120 | - | - |
| Advance to other government | - | 51,990 | - | - |
| Prepaid items | - | 348,989 | - | - |
| Restricted assets | | | | |
| Improvement account | | | | |
| Cash and cash equivalents | - | - | - | - |
| Investments | - | - | - | - |
| Accrued interest receivable | - | - | - | - |
| Debt service | | | | |
| Cash and cash equivalents | - | - | - | - |
| Investments | - | - | - | - |
| Taxes | | | | |
| Unapportioned | - | - | - | - |
| Delinquent | - | - | - | - |
| Fixed assets (net) | - | - | - | - |
| Advances to other funds | 14,621 | - | - | - |
| Amount available in debt service funds | - | - | - | - |
| Amount to be provided for retire- ment of long-term debt | - | - | - | - |
| Amount to be provided for compensated absences | - | - | - | - |
| Total Assets and Other Debits | \$ 13,146,180 | \$ 29,289,782 | \$ 297,788 | \$ 2,651,903 |

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

EXHIBIT I

| <u>Proprietary</u> | <u>Fund Types</u> | <u>Fiduciary Fund Type</u> | <u>Account</u> | <u>Groups</u> | <u>Total</u> |
|----------------------|-----------------------------|--------------------------------|---------------------------------|---------------------------------------|------------------------------|
| <u>Enterprise</u> | <u>Internal Service</u> | <u>Trust and Agency</u> | <u>General Fixed Assets</u> | <u>General Long-Term Debt</u> | <u>(Memorandum Only)</u> |
| \$ 1,459,262 | \$ 3,774,786 | \$ 9,745,241 | \$ - | \$ - | \$ 37,678,448 |
| - | 2,356,403 | 7,312,588 | - | - | 11,187,798 |
| 1,000 | 3,125 | - | - | - | 47,994 |
| - | - | 21,153,495 | - | - | 21,153,495 |
| 69,004 | 627 | - | - | - | 983,663 |
| 207,995 | - | - | - | - | 4,154,777 |
| 3,855,566 | 53,463 | 4,145,556 | - | - | 8,746,354 |
| - | 13,055 | 10,726 | - | - | 1,098,678 |
| - | - | - | - | - | 1,680,545 |
| - | - | - | - | - | 146,604 |
| - | - | - | - | - | 2,078,150 |
| 420,320 | 202,360 | 207,164 | - | - | 9,608,163 |
| 170,489 | 298,691 | - | - | - | 1,866,300 |
| - | - | - | - | - | 51,990 |
| - | 53,030 | - | - | - | 402,019 |
| 797,447 | 76,646 | - | - | - | 874,093 |
| 423,908 | - | - | - | - | 423,908 |
| 140 | - | - | - | - | 140 |
| 121,055 | - | - | - | - | 121,055 |
| 640,000 | - | - | - | - | 640,000 |
| 5,617 | - | - | - | - | 5,617 |
| 20,684 | - | - | - | - | 20,684 |
| 10,714,326 | 3,581,879 | - | 71,336,820 | - | 85,633,025 |
| - | - | - | - | - | 14,621 |
| - | - | - | - | 233,461 | 233,461 |
| - | - | - | - | 18,944,337 | 18,944,337 |
| - | - | - | - | 4,634,905 | 4,634,905 |
| <u>\$ 18,906,813</u> | <u>\$ 10,414,065</u> | <u>\$ 42,574,770</u> | <u>\$ 71,336,820</u> | <u>\$ 23,812,703</u> | <u>\$ 212,430,824</u> |

ST. LOUIS COUNTY, MINNESOTA
 COMBINED BALANCE SHEET
 ALL FUND TYPES AND ACCOUNT GROUPS
 DECEMBER 31, 1991

| | Governmental | | Fund Types | |
|---|---------------------|----------------------|------------------|------------------|
| | General | Special Revenue | Debt Service | Capital Projects |
| <u>Liabilities, Equity and Other Credits</u> | | | | |
| Liabilities | | | | |
| Accounts payable | \$ 791,545 | \$ 3,438,776 | \$ 3,592 | \$ 24,462 |
| Salaries payable | 1,376,758 | 1,656,887 | - | - |
| Compensated absences payable | 192,418 | 274,321 | - | - |
| Contracts payable | - | - | - | - |
| Deferred compensation payable | - | - | - | - |
| Claims payable | - | - | - | - |
| Unapportioned taxes payable | - | - | - | - |
| Due to other funds | - | 134,106 | - | 12,498 |
| Interfund payable | - | 4,425 | - | - |
| Due to other governments | 53,618 | 855,137 | - | - |
| Accrued interest payable | - | - | 1,956 | - |
| Deferred revenue | 2,692,930 | 4,628,179 | 58,779 | 28,397 |
| Advances from other funds | - | 14,621 | - | - |
| Payable from restricted assets | | | | |
| Accounts payable | - | - | - | - |
| Interfund payable | - | - | - | - |
| Contracts payable | - | - | - | - |
| Accrued interest payable | - | - | - | - |
| Deferred revenue | - | - | - | - |
| Bonds payable | - | - | - | - |
| General obligation revenue bonds payable | - | - | - | - |
| General obligation capital notes payable | - | - | - | - |
| Loans payable | - | - | - | - |
| Capital leases payable | - | - | - | - |
| General obligation bonds | - | - | - | - |
| Bond anticipation notes | - | - | - | - |
| Total Liabilities | \$ 5,107,269 | \$ 11,006,452 | \$ 64,327 | \$ 65,357 |

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

EXHIBIT I
(Continued)

| <u>Proprietary</u> | <u>Fund Types</u> | <u>Fiduciary Fund Type</u> | <u>Account</u> | <u>Groups</u> | <u>Total</u> |
|----------------------|-----------------------------|--------------------------------|---------------------------------|---------------------------------------|------------------------------|
| <u>Enterprise</u> | <u>Internal Service</u> | <u>Trust and Agency</u> | <u>General Fixed Assets</u> | <u>General Long-Term Debt</u> | <u>(Memorandum Only)</u> |
| \$ 478,613 | \$ 291,441 | \$ 3,266,802 | \$ - | \$ - | \$ 8,295,231 |
| 743,482 | 176,462 | 459,437 | - | - | 4,413,026 |
| 820,639 | 298,549 | 15,476 | - | 4,634,905 | 6,236,308 |
| 146,866 | - | - | - | - | 146,866 |
| - | - | 21,153,495 | - | - | 21,153,495 |
| 1,200,000 | 3,876,700 | - | - | - | 5,076,700 |
| - | - | 989,280 | - | - | 989,280 |
| - | - | - | - | - | 146,604 |
| 1,852,299 | 198,135 | - | - | - | 2,054,859 |
| 74,556 | 22,847 | 9,217,173 | - | 150,000 | 10,373,331 |
| - | - | - | - | - | 1,956 |
| 567,852 | - | 4,330,008 | - | - | 12,306,145 |
| - | - | - | - | - | 14,621 |
| 2,707 | - | - | - | - | 2,707 |
| 23,291 | - | - | - | - | 23,291 |
| 150,777 | - | - | - | - | 150,777 |
| 63,901 | - | - | - | - | 63,901 |
| 18,616 | - | - | - | - | 18,616 |
| 1,370,000 | - | - | - | - | 1,370,000 |
| 7,533,554 | - | - | - | - | 7,533,554 |
| - | - | - | - | 10,505,000 | 10,505,000 |
| - | - | - | - | 913,494 | 913,494 |
| - | 44,345 | - | - | 4,634,304 | 4,678,649 |
| - | - | - | - | 975,000 | 975,000 |
| - | - | - | - | 2,000,000 | 2,000,000 |
| <u>\$ 15,047,153</u> | <u>\$ 4,908,479</u> | <u>\$ 39,431,671</u> | <u>\$ -</u> | <u>\$ 23,812,703</u> | <u>\$ 99,443,411</u> |

ST. LOUIS COUNTY, MINNESOTA
 COMBINED BALANCE SHEET
 ALL FUND TYPES AND ACCOUNT GROUPS
 DECEMBER 31, 1991

| | Governmental | | Fund Types | |
|---|----------------------|----------------------|-------------------|---------------------|
| | General | Special Revenue | Debt Service | Capital Projects |
| Liabilities, Equity and Other Credits | | | | |
| (continued) | | | | |
| Equity and Other Credits | | | | |
| Contributed capital | \$ - | \$ - | \$ - | \$ - |
| Investment in general fixed assets | - | - | - | - |
| Retained earnings | | | | |
| Reserved for improvements | - | - | - | - |
| Reserved for landfill closure | - | - | - | - |
| Unreserved | - | - | - | - |
| Fund Balance | | | | |
| Reserved for change funds | 18,844 | 25,025 | - | - |
| Reserved for noncurrent loans | 620,862 | - | - | - |
| Reserved for economic development | 219,715 | - | - | - |
| Reserved for advances to other funds | 14,621 | - | - | - |
| Reserved for inventories | - | 1,397,120 | - | - |
| Reserved for encumbrances | 275,361 | 549,559 | - | - |
| Reserved for prepaid items | - | 348,989 | - | - |
| Reserved for health and welfare | 559,746 | 792,327 | - | - |
| Reserved for law library | 72,587 | - | - | - |
| Reserved for foster care insurance | - | 6,000 | - | - |
| Reserved for senior citizens transportation | - | 19,572 | - | - |
| Reserved for unorganized town roads | - | 229,273 | - | - |
| Reserved for veterans credit | - | - | - | - |
| Unreserved | | | | |
| Designated for debt service | - | 10,505,000 | - | - |
| Designated for capital outlay | - | 1,774,430 | - | - |
| Undesignated | 6,257,175 | 2,636,035 | 233,461 | 2,586,546 |
| Total Equity and Other Credits | \$ 8,038,911 | \$ 18,283,330 | \$ 233,461 | \$ 2,586,546 |
| Total Liabilities, Equity, and Other Credits | \$ 13,146,180 | \$ 29,289,782 | \$ 297,788 | \$ 2,651,903 |

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

EXHIBIT I
(Continued)

| <u>Proprietary</u> | <u>Fund Types</u> | <u>Fiduciary Fund Type</u> | <u>Account</u> | <u>Groups</u> | <u>Total</u> |
|----------------------|-----------------------------|--------------------------------|---------------------------------|---------------------------------------|------------------------------|
| <u>Enterprise</u> | <u>Internal Service</u> | <u>Trust and Agency</u> | <u>General Fixed Assets</u> | <u>General Long-Term Debt</u> | <u>(Memorandum Only)</u> |
| \$ 1,657,038 | \$ 4,151,785 | \$ - | \$ - | \$ - | \$ 5,808,823 |
| - | - | - | 71,336,820 | - | 71,336,820 |
| 67,895 | 129,676 | - | - | - | 197,571 |
| 585,114 | - | - | - | - | 585,114 |
| 1,549,613 | 1,224,125 | - | - | - | 2,773,738 |
| - | - | - | - | - | 43,869 |
| - | - | - | - | - | 620,862 |
| - | - | - | - | - | 219,715 |
| - | - | - | - | - | 14,621 |
| - | - | - | - | - | 1,397,120 |
| - | - | 25,378 | - | - | 850,298 |
| - | - | - | - | - | 348,989 |
| - | - | 88,798 | - | - | 1,440,871 |
| - | - | - | - | - | 72,587 |
| - | - | - | - | - | 6,000 |
| - | - | - | - | - | 19,572 |
| - | - | - | - | - | 229,273 |
| - | - | 15,000 | - | - | 15,000 |
| - | - | - | - | - | 10,505,000 |
| - | - | - | - | - | 1,774,430 |
| - | - | 3,013,923 | - | - | 14,727,140 |
| <u>\$ 3,859,660</u> | <u>\$ 5,505,586</u> | <u>\$ 3,143,099</u> | <u>\$ 71,336,820</u> | <u>\$ -</u> | <u>\$ 112,987,413</u> |
| <u>\$ 18,906,813</u> | <u>\$ 10,414,065</u> | <u>\$ 42,574,770</u> | <u>\$ 71,336,820</u> | <u>\$ 23,812,703</u> | <u>\$ 212,430,824</u> |

ST. LOUIS COUNTY, MINNESOTA
**COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND
 CHANGES IN FUND BALANCES**
ALL GOVERNMENTAL FUND TYPES AND EXPENDABLE TRUST FUNDS
 FOR YEAR ENDED DECEMBER 31, 1991

| | Governmental Fund Types | | |
|--|-------------------------|-----------------------|-----------------------|
| | General | Special Revenue | Debt Service |
| Revenues | | | |
| Taxes | \$ 22,502,361 | \$ 32,152,589 | \$ 1,347,064 |
| Licenses and permits | 108,611 | 12,054 | - |
| Intergovernmental | 10,268,508 | 72,171,591 | 556,085 |
| Charges for services | 4,457,681 | 1,320,459 | - |
| Fines and forfeits | 689,530 | - | - |
| Interest on investments | 1,922,075 | - | - |
| Gifts and contributions | 8,707 | - | - |
| Miscellaneous | 646,632 | 4,145,088 | - |
| Total Revenues | \$ 40,604,105 | \$ 109,801,781 | \$ 1,903,149 |
| Expenditures | | | |
| Current: | | | |
| General government | \$ 17,828,002 | - | - |
| Public safety | 10,918,026 | - | - |
| Highways and streets | - | 24,262,960 | - |
| Health | 5,365,500 | - | - |
| Welfare | 15,000 | 79,855,949 | - |
| Sanitation | - | - | - |
| Culture and recreation | 416,506 | - | - |
| Conservation of natural resources | 480,940 | 94,666 | - |
| Economic development | 385,000 | 589,622 | - |
| Capital Outlay: | | | |
| General government | 78,523 | - | - |
| Public safety | 70,981 | - | - |
| Highways and streets | - | 2,082,686 | - |
| Health | 41,017 | - | - |
| Welfare | - | 135,626 | - |
| Conservation of natural resources | 10,219 | - | - |
| Debt Service: | | | |
| Principal | - | - | 2,970,000 |
| Interest and fiscal charges | - | - | 902,288 |
| Welfare | - | 592,007 | - |
| Economic development | - | 20,384 | - |
| Intergovernmental: | | | |
| Public safety | 4,269,648 | - | - |
| Total Expenditures | \$ 39,879,562 | \$ 107,633,000 | \$ 3,872,288 |
| Excess of Revenues Over (Under) Expenditures | \$ 724,543 | \$ 2,167,881 | \$ (1,969,139) |
| Other Financing Sources (Uses) | | | |
| Operating transfers in | \$ 30,000 | \$ 109,654 | \$ - |
| Operating transfers out | (94,800) | (161,244) | - |
| General obligation bond proceeds | - | 750,000 | - |
| Proceeds of refunding bonds | - | - | 1,991,000 |
| Total Other Financing Sources (Uses) | \$ (64,800) | \$ 698,410 | \$ 1,991,000 |
| Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses | \$ 659,743 | \$ 2,866,291 | \$ 21,861 |
| Fund Balance - January 1 - Restated | 7,584,168 | 17,968,796 | 262,592 |
| Increase (decrease) in reserve for inventories | - | (299,100) | - |
| Equity transfer out | (205,200) | (2,252,657) | (50,992) |
| Fund Balance - December 31 | \$ 8,039,911 | \$ 18,263,330 | \$ 233,461 |

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

EXHIBIT II

| <u>Capital Projects</u> | <u>Fiduciary Fund Type Expendable Trust</u> | <u>Total (Memorandum Only)</u> |
|-----------------------------|---|--|
| \$ 277,029 | \$ 340,170 | \$ 56,619,213 |
| - | - | 120,685 |
| 130,486 | 493,295 | 83,619,965 |
| - | 15,455 | 5,793,595 |
| - | - | 689,530 |
| 121,939 | 60,237 | 2,104,251 |
| - | - | 8,707 |
| - | 2,577,385 | 7,369,105 |
| <u>\$ 529,454</u> | <u>\$ 3,486,542</u> | <u>\$ 156,325,031</u> |
| | | |
| \$ 329,404 | \$ 289,841 | \$ 18,447,247 |
| 287,048 | 55,678 | 11,260,752 |
| 249,279 | - | 24,512,239 |
| - | - | 5,365,500 |
| - | - | 79,870,949 |
| - | 44,932 | 44,932 |
| - | - | 416,506 |
| - | 2,979,936 | 3,555,542 |
| - | - | 974,622 |
| - | - | 78,523 |
| - | - | 70,981 |
| - | - | 2,082,686 |
| - | - | 41,017 |
| - | - | 135,626 |
| - | - | 10,219 |
| - | - | 2,970,000 |
| - | - | 902,288 |
| - | - | 592,007 |
| - | - | 20,384 |
| - | - | 4,269,848 |
| <u>\$ 865,731</u> | <u>\$ 3,370,367</u> | <u>\$ 155,621,868</u> |
| | | |
| \$ (336,277) | \$ 116,155 | \$ 703,163 |
| | | |
| \$ 131,244 | \$ 951,444 | \$ 1,222,342 |
| - | (277,401) | (533,245) |
| - | - | 750,000 |
| - | - | 1,991,000 |
| <u>\$ 131,244</u> | <u>\$ 674,043</u> | <u>\$ 3,430,097</u> |
| | | |
| \$ (205,033) | \$ 790,198 | \$ 4,133,260 |
| 3,722,179 | 2,352,901 | 31,890,636 |
| - | - | (299,100) |
| (930,800) | - | (3,439,449) |
| <u>\$ 2,586,546</u> | <u>\$ 3,143,099</u> | <u>\$ 32,295,347</u> |

**ST. LOUIS COUNTY, MINNESOTA
COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
GENERAL, SPECIAL REVENUE, AND DEBT SERVICE FUND TYPE
FOR THE YEAR ENDED DECEMBER 31, 1991**

| | General Fund | | |
|--|----------------------|----------------------|---|
| | <u>Budget</u> | <u>Actual</u> | <u>Variance Favorable (Unfavorable)</u> |
| Revenues | | | |
| Taxes | \$ 22,523,198 | \$ 22,502,361 | \$ (20,837) |
| Licenses and permits | 100,530 | 108,611 | 8,081 |
| Intergovernmental | 10,137,632 | 10,268,508 | 130,876 |
| Charges for services | 4,388,863 | 4,457,681 | 68,818 |
| Fines and forfeits | 757,200 | 689,530 | (67,670) |
| Interest on investments | 1,806,000 | 1,922,075 | 116,075 |
| Gifts and contributions | 100 | 8,707 | 8,607 |
| Miscellaneous | 317,223 | 646,632 | 329,409 |
| Total Revenues | \$ 40,030,746 | \$ 40,604,105 | \$ 573,359 |
| Expenditures | | | |
| Current: | | | |
| General government | \$ 18,630,242 | \$ 18,043,736 | \$ 586,506 |
| Public safety | 10,974,698 | 10,763,648 | 211,050 |
| Highways and streets | - | - | - |
| Health | 5,589,582 | 5,398,505 | 191,077 |
| Welfare | 15,000 | 15,000 | - |
| Culture and recreation | 416,941 | 416,506 | 435 |
| Conservation of natural resources | 517,640 | 484,074 | 33,566 |
| Economic development | 385,000 | 385,000 | - |
| Capital outlay: | | | |
| General government | 39,231 | 91,765 | (52,534) |
| Public safety | 58,125 | 70,981 | (12,856) |
| Highway and streets | - | - | - |
| Health | 36,753 | 21,178 | 15,575 |
| Welfare | - | - | - |
| Conservation of natural resources | 6,000 | 11,785 | (5,785) |
| Debt service: | | | |
| Principal | - | - | - |
| Interest and fiscal charges | - | - | - |
| Welfare | - | - | - |
| Economic development | - | - | - |
| Intergovernmental: | | | |
| Public safety | 4,269,848 | 4,269,848 | - |
| Total Expenditures | \$ 40,939,060 | \$ 39,972,026 | \$ 967,034 |
| Excess of Revenues Over (Under) Expenditures | \$ (908,314) | \$ 632,079 | \$ 1,540,393 |
| Other Financing Sources (Uses) | | | |
| Operating transfers in | \$ - | \$ 30,000 | \$ 30,000 |
| Operating transfers out | (50,000) | (94,600) | (44,600) |
| General obligation bond proceeds | - | - | - |
| Proceeds of refunding bonds | - | - | - |
| Total Other Financing Sources (Uses) | \$ (50,000) | \$ (64,600) | \$ (14,600) |
| Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses | \$ (958,314) | \$ 567,479 | \$ 1,525,793 |
| Adjustments— Note 1 | - | 92,464 | 92,464 |
| Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses as Adjusted | \$ (958,314) | \$ 659,943 | \$ 1,618,257 |
| Fund Balance – January 1 – Restated | 7,584,166 | 7,584,166 | - |
| Increase (decrease) in reserved for inventories | - | - | - |
| Equity transfer out | (205,200) | (205,200) | - |
| Fund Balance – December 31 | \$ 6,420,654 | \$ 8,038,911 | \$ 1,618,257 |

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

| Special Revenue Funds | | | Debt Service Funds | | |
|-----------------------|-----------------------|----------------------------------|-----------------------|-----------------------|----------------------------------|
| Budget | Actual | Variance Favorable (Unfavorable) | Budget | Actual | Variance Favorable (Unfavorable) |
| \$ 32,613,263 | \$ 32,152,589 | \$ (460,674) | \$ 1,364,912 | \$ 1,347,064 | \$ (17,848) |
| 10,000 | 12,054 | 2,054 | - | - | - |
| 78,605,356 | 72,171,591 | (6,433,765) | 554,984 | 556,085 | 1,101 |
| 1,353,263 | 1,320,459 | (32,804) | - | - | - |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| 2,197,688 | 4,145,088 | 1,947,400 | - | - | - |
| <u>\$ 114,779,570</u> | <u>\$ 109,801,781</u> | <u>\$ (4,977,789)</u> | <u>\$ 1,919,896</u> | <u>\$ 1,903,149</u> | <u>\$ (16,747)</u> |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| - | - | - | - | - | - |
| 31,385,382 | 24,456,440 | 6,928,942 | - | - | - |
| - | - | - | - | - | - |
| 80,983,182 | 79,873,324 | 1,109,858 | - | - | - |
| - | - | - | - | - | - |
| 69,315 | 64,514 | 4,801 | - | - | - |
| 666,361 | 595,007 | 71,354 | - | - | - |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| 2,053,978 | 2,082,686 | (28,708) | - | - | - |
| - | - | - | - | - | - |
| 151,020 | 135,626 | 15,394 | - | - | - |
| - | - | - | - | - | - |
| - | - | - | 2,970,000 | 2,970,000 | - |
| - | - | - | 913,603 | 902,288 | 11,315 |
| 566,905 | 592,007 | (25,102) | - | - | - |
| 21,000 | 20,384 | 616 | - | - | - |
| - | - | - | - | - | - |
| <u>\$ 115,897,143</u> | <u>\$ 107,819,988</u> | <u>\$ 8,077,155</u> | <u>\$ 3,883,603</u> | <u>\$ 3,872,288</u> | <u>\$ 11,315</u> |
| <u>\$ (1,117,573)</u> | <u>\$ 1,981,793</u> | <u>\$ 3,099,366</u> | <u>\$ (1,963,707)</u> | <u>\$ (1,969,139)</u> | <u>\$ (5,432)</u> |
| \$ 119,315 | \$ 109,654 | \$ (9,661) | \$ - | \$ - | \$ - |
| (30,000) | (161,244) | (131,244) | - | - | - |
| - | 750,000 | 750,000 | - | - | - |
| - | - | - | 1,991,000 | 1,991,000 | - |
| <u>\$ 89,315</u> | <u>\$ 698,410</u> | <u>\$ 609,095</u> | <u>\$ 1,991,000</u> | <u>\$ 1,991,000</u> | <u>\$ -</u> |
| \$ (1,028,256) | \$ 2,680,203 | \$ 3,708,461 | \$ 27,293 | \$ 21,861 | \$ (5,432) |
| - | 186,088 | 186,088 | - | - | - |
| \$ (1,028,256) | \$ 2,866,291 | \$ 3,894,549 | \$ 27,293 | \$ 21,861 | \$ (5,432) |
| 17,968,796 | 17,968,796 | - | 262,592 | 262,592 | - |
| - | (299,100) | (299,100) | - | - | - |
| (2,252,657) | (2,252,657) | - | (50,992) | (50,992) | - |
| <u>\$ 14,687,881</u> | <u>\$ 18,283,330</u> | <u>\$ 3,595,449</u> | <u>\$ 238,693</u> | <u>\$ 233,461</u> | <u>\$ (5,432)</u> |

ST. LOUIS COUNTY, MINNESOTA
 COMBINED STATEMENT OF REVENUES, EXPENSES, AND
 CHANGES IN RETAINED EARNINGS
 ALL PROPRIETARY FUND TYPES
 YEAR ENDED DECEMBER 31, 1991

| | <u>Enterprise</u> | <u>Internal Service</u> | <u>Total (Memorandum Only)</u> |
|---|-----------------------|-----------------------------|--|
| Operating Revenues | | | |
| Charges for services | \$ 19,706,710 | \$ 9,699,289 | \$ 29,405,999 |
| Other | <u>212,740</u> | <u>376,985</u> | <u>589,725</u> |
| Total Operating Revenues | \$ 19,919,450 | \$ 10,076,274 | \$ 29,995,724 |
| Operating Expenses | | | |
| Personal services | \$ 13,424,688 | \$ 5,443,883 | \$ 18,868,571 |
| Contractual services | 6,887,829 | 3,336,982 | 10,224,811 |
| Materials | 1,824,242 | 1,409,111 | 3,233,353 |
| Depreciation | <u>174,104</u> | <u>760,685</u> | <u>934,789</u> |
| Total Operating Expenses | \$ 22,310,863 | \$ 10,950,661 | \$ 33,261,524 |
| Operating income (loss) | \$ (2,391,413) | \$ (874,387) | \$ (3,265,800) |
| Nonoperating Revenues (Expenses) | | | |
| Taxes | \$ 2,868,926 | \$ 1,241 | \$ 2,870,167 |
| Grants | 547,219 | - | 547,219 |
| Interest on investments | 174,414 | 180,609 | 355,023 |
| Other revenue | 173,669 | - | 173,669 |
| Interest expense | (574,584) | - | (574,584) |
| Amortization of bond discount | (31,670) | - | (31,670) |
| Other expense | (2,820) | - | (2,820) |
| Disposition of fixed assets | <u>-</u> | <u>5,435</u> | <u>5,435</u> |
| Total Nonoperating Revenues (Expenses) | \$ 3,155,154 | \$ 187,285 | \$ 3,342,439 |
| Net Income (Loss) Before Operating Transfers | 763,741 | (687,102) | 76,639 |
| Operating transfers in | - | 1,244,600 | 1,244,600 |
| Operating transfers out | <u>(1,933,697)</u> | <u>-</u> | <u>(1,933,697)</u> |
| Net Income (Loss) | \$ (1,169,956) | \$ 557,498 | \$ (612,458) |
| Retained earnings - January 1 - Restated | 3,344,415 | 796,303 | 4,140,718 |
| Equity transfer in | <u>28,163</u> | <u>-</u> | <u>28,163</u> |
| Retained earnings - December 31 | \$ 2,202,622 | \$ 1,353,801 | \$ 3,556,423 |

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

ST. LOUIS COUNTY, MINNESOTA
COMBINED STATEMENT OF CASH FLOWS
ALL PROPRIETARY FUND TYPES
 YEAR ENDED DECEMBER 31, 1991

EXHIBIT V

| | Enterprise | Internal Service | Total (Memorandum Only) |
|---|-----------------------|---------------------|-------------------------------|
| Cash Flows From Operating Activities | | | |
| Net Operating Income (Loss) | \$ (2,391,413) | \$ (874,387) | \$ (3,265,800) |
| Adjustments to Reconcile Net Operating Income to Net Cash Provided by Operating Activities | | | |
| Depreciation | \$ 174,104 | \$ 760,685 | \$ 934,789 |
| Changes in Assets and Liabilities | | | |
| (Increase) Decrease in accounts receivable | (942,528) | (16,298) | (958,826) |
| (Increase) Decrease in due from other governments | (314,349) | (139,719) | (454,068) |
| (Increase) Decrease in inventories | 12,676 | (8,643) | 4,033 |
| (Increase) Decrease in prepaid items | - | 20,707 | 20,707 |
| Increase (Decrease) in accounts payable | 502,102 | (83,397) | 418,705 |
| Increase (Decrease) in salaries payable | 98,803 | 33,873 | 132,676 |
| Increase (Decrease) in compensated absences payable | 132,470 | 98,323 | 228,793 |
| Increase (Decrease) in claims payable | - | (500,267) | (500,267) |
| Increase (Decrease) in due to other governments | 60,399 | 22,731 | 83,130 |
| Increase (Decrease) in deferred revenue | (4,110) | (9,680) | (13,790) |
| Net Cash Provided by Operating Activities | <u>\$ (2,671,848)</u> | <u>\$ (698,072)</u> | <u>\$ (3,369,918)</u> |
| Cash Flows From Noncapital Financing Activities | | | |
| Proceeds from taxes | \$ 2,810,117 | \$ 13,615 | \$ 2,823,732 |
| Proceeds from grant | 551,143 | - | 551,143 |
| Proceeds from other revenue | 173,669 | - | 173,669 |
| Operating transfer in | - | 1,244,600 | 1,244,600 |
| Operating transfer out | (733,697) | - | (733,697) |
| Payments of interfund loan | (404,128) | (259,398) | (663,526) |
| Proceeds from interfund loan | 356,648 | 121,907 | 478,555 |
| Net Cash Provided by Noncapital Financing Activities | <u>\$ 2,753,752</u> | <u>\$ 1,120,724</u> | <u>\$ 3,874,476</u> |
| Cash Flows From Capital and Related Financing Activities | | | |
| Acquisition of capital assets | \$ (936,107) | \$ (654,971) | \$ (1,591,078) |
| Debt service investment purchases | (40,000) | - | (40,000) |
| Debt service interest received | 5,590 | - | 5,590 |
| Principal paid on bonds | (705,000) | - | (705,000) |
| Interest paid on bonds | (559,706) | - | (559,706) |
| Restricted liability payments | (729) | - | (729) |
| Proceeds from contributions | 3,207,091 | 205,200 | 3,412,291 |
| Proceeds from sale of equipment | - | 15,254 | 15,254 |
| Proceeds from sale of bond | 1,237,430 | - | 1,237,430 |
| Proceeds from restricted payables | 150,777 | - | 150,777 |
| Net Cash Provided by Capital and Related Financing Activities | <u>\$ 2,359,346</u> | <u>\$ (434,517)</u> | <u>\$ 1,924,829</u> |
| Cash Flows From Investing Activities | | | |
| Purchase of investments | \$ (1,660,682) | \$ (24,662,919) | \$ (26,323,601) |
| Sale of investments | 1,236,774 | 25,233,424 | 26,470,198 |
| Interest on investments | 169,726 | 190,729 | 360,455 |
| Net Cash Provided by Investing Activities | <u>\$ (254,182)</u> | <u>\$ 761,234</u> | <u>\$ 507,052</u> |
| Net Increase (Decrease) in Cash and Cash Equivalents | <u>\$ 2,167,070</u> | <u>\$ 749,369</u> | <u>\$ 2,936,439</u> |
| Cash and cash equivalents - January 1 | 190,694 | 3,102,063 | 3,292,757 |
| Cash and cash equivalents - December 31 | <u>\$ 2,377,764</u> | <u>\$ 3,851,432</u> | <u>\$ 6,229,196</u> |

Non Cash Activity, Noncapital Financing Activity

\$1,200,000 of claims payable was transferred in to the Solid Waste Management Enterprise Fund from the County Insurance Internal Service Fund.

Non Cash Activity, Capital and Related Financing Activities

\$3,005,567 of fixed assets were acquired in the Solid Waste Management Enterprise Fund through contributions from the General Fixed Assets Account Group.

\$4,557,620 of bonded debt was acquired in the Solid Waste Management Enterprise Fund through a transfer from the General Long-Term Debt Account Group.

Fixed assets valued at \$33,103 were contributed to the County Garage Internal Service Fund by the General Fixed Assets Account Group.

Fixed assets valued at \$176,254 were contributed to the Management Information Systems Internal Service Fund by the General Fixed Assets Account Group.

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

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**NOTES TO FINANCIAL
STATEMENTS**

ST. LOUIS COUNTY, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 1991

I. Summary of Significant Accounting Policies

St. Louis County was established March 1, 1856 as an organized county having powers, duties, and privileges granted counties by Minn. Stat. ch. 373 (1990). The County is governed by a seven-member Board of Commissioners elected from districts within the County. A County Administrator is appointed by the County Board. The board is organized with a chair and vice-chair elected at the annual meeting in January of each year. The County Auditor, elected on a county-wide basis, serves as the Clerk of the Board of Commissioners but has no voting privileges.

The financial reporting policies of St. Louis County conform to generally accepted accounting principles. The following is a summary of significant policies.

A. Financial Reporting Entity

In accordance with generally accepted accounting principles, for financial reporting purposes, the County's financial statements include all funds, account groups, departments, agencies, boards, commissions, and other organizations over which St. Louis County exercises oversight responsibilities.

Oversight responsibility includes such duties as appointment of governing body members, budget review, approval of property tax levies, outstanding debt secured by St. Louis County's full faith and credit or revenues, responsibility for funding deficits, and other oversight responsibilities.

As a result of applying the criteria for determining the reporting entity, certain organizations have been included or excluded from the County's financial statements:

Included

St. Louis and Lake Counties Regional Railroad Authority

The St. Louis and Lake Counties Regional Railroad Authority is headed by a Board comprised of three members from the St. Louis County Board of Commissioners and two members from the Lake County Board of Commissioners. It was established for the purpose of operating a scenic tourist excursion railway throughout Northern Minnesota. The Authority contracts with the St. Louis County Administrator's office for Executive Director and administrative services. Taxes are levied to help support the activities of the Authority.

St. Louis County Housing and Redevelopment Authority

The St. Louis County Housing and Redevelopment Authority is headed by a Board comprised of the members of the St. Louis County Board of Commissioners. It was established for the purpose of conducting housing and economic development services for St. Louis County. The County Administrator is the Executive Director of the Authority. A tax is levied on certain areas within the County to help support the activities of the Authority.

ST. LOUIS COUNTY, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 1991

I. Summary of Significant Accounting Policies

A. Financial Reporting Entity (continued)

Excluded

North and South St. Louis County Fairs (Proctor and Hibbing)

The North and South St. Louis County Fairs operate independently of St. Louis County. Each organization is headed by a fair board whose directors are elected by the fair association membership. The majority of revenue is generated from gate and entry fees. The County does, however, appropriate funds for maintenance since both fairs operate on County land. St. Louis County is a source of funding.

Arrowhead Library System

Headed by a Library Board of Directors, the Arrowhead Library System is a regional agency covering seven Northeastern Minnesota Counties. St. Louis County appoints three of the 23 directors and another seven directors are elected by the various library boards within St. Louis County. None of the participating counties or library boards can individually control expenses nor can they affect hiring practices. The Library owns all of its properties and facilities. St. Louis County is a source of funding.

St. Louis County Historical Society

The St. Louis County Historical Society is headed by a board of directors who are recommended by a nominating committee and elected by board members. The St. Louis County Heritage and Arts Center, including the land upon which it is located, is owned by St. Louis County. The County does not control expenditures, personnel, or operations. St. Louis County is a source of funding.

North and South St. Louis County Soil and Water Conservation Districts

The North and South Soil and Water Conservation Districts are each governed by a five-member board elected by voters within the district. The authority to operate is granted by the State Soil and Water Conservation Board. Each district is able to enter into its own contracts and agreements with designated authorities and may acquire any assets necessary for land and water improvements. St. Louis County has no power to affect hiring practices nor can it control the disbursement of funds. St. Louis County is a source of funding.

ST. LOUIS COUNTY, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 1991

I. Summary of Significant Accounting Policies

A. Financial Reporting Entity

Excluded (continued)

Arrowhead Regional Development Commission

The Arrowhead Regional Development Commission (ARDC) is made up of 46 commission members, two of whom are also County Board members. In addition, there is a 13-member Board of Directors chosen by the commission. Full authority to enter contracts, hire employees, and disburse funds rests with the ARDC. St. Louis County is a source of funding.

The following joint ventures are not included in the financial statements of St. Louis County:

Arrowhead Regional Corrections

Arrowhead Regional Corrections (ARC) is a separate legal entity governed by a ten-member board of which two members are appointed by St. Louis County. The ARC Board is responsible for setting and approving budgets, hiring personnel, collecting and disbursing funds and controlling operations. ARC is financed through State grants and contributions from participating counties. St. Louis County's share of contributions and summary financial information is disclosed in Note V of the financial statements. The County's share of funding is paid from the General Fund.

Community Health Services Board

The Community Health Services Board (CHS) is governed by a nine-member board, of which three members are appointed by St. Louis County. Funding is provided through State and Federal grants. There is no County financing of this venture. The CHS Board is responsible for setting and approving budgets, hiring personnel and controlling operations. Summary financial information for CHS is disclosed in Note V of the financial statements.

North Shore Management Board

The North Shore Management Board is governed by a nine-member board, of which one member is appointed by St. Louis County. Funding is provided through State grants. There is no County financing of this venture. Summary financial information for the North Shore Management Board is disclosed in Note V to the financial statements.

ST. LOUIS COUNTY, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 1991

I. Summary of Significant Accounting Policies

A. Financial Reporting Entity

Excluded (continued)

Northeast Minnesota Office of Job Training

The Northeast Minnesota Office of Job Training is governed by a seven-member board, of which one member is appointed by St. Louis County. Funding is provided through State and Federal Grants. There is no County financing of this venture. Summary financial information for the Northeast Minnesota Office of Job Training is disclosed in Note V to the financial statements.

B. Basis of Presentation - Fund Accounting

The accounts of St. Louis County are organized on the basis of funds and account groups, each of which is considered a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures or expenses, as appropriate.

The various funds are grouped, in the financial statements in this report, into seven generic fund types, three broad fund categories, and two account groups. A description of the fund types and account groups used by the County is:

Governmental Funds

General Fund - The General Fund is the County's general operating fund. 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 expendable trusts or major capital projects) that are legally restricted to expenditures for specified purposes.

Debt Service Funds - The Debt Service Funds are used to account for the accumulation of resources for, and the payment of long-term debt principal, interest, and related costs.

Capital Projects Funds - The Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities other than those financed by proprietary funds and trust funds.

ST. LOUIS COUNTY, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 1991

I. Summary of Significant Accounting Policies

B. Basis of Presentation - Fund Accounting (continued)

Proprietary Funds

Enterprise Funds - Enterprise Funds are 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.

Internal Service Funds - 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 Funds

Trust and Agency Funds - Trust and Agency Funds are used to account for assets held by the County in a trustee capacity or as an agent for individuals, private organizations, other governments, and/or other funds. These include Expendable Trust and Agency Funds. Expendable Trust Funds are accounted for in essentially the same manner as governmental funds. Agency Funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

Account Groups

General Fixed Assets Account Group - The General Fixed Assets Account Group is used to account for the County's fixed assets, other than those accounted for in the proprietary fund. General fixed assets of a public domain or an "infrastructure" nature are not capitalized.

General Long-Term Debt Account Group - The General Long-Term Debt Account Group is used to account for the County's long-term debt that is backed by the County's full faith and credit, other than that accounted for in the proprietary funds.

C. Measurement Focus

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 funds and Expendable Trust Funds are accounted for on a spending or "current financial resources flow" measurement focus. This means that only current assets and current liabilities are generally included on their balance sheets. Their

ST. LOUIS COUNTY, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 1991

I. Summary of Significant Accounting Policies

C. Measurement Focus (continued)

reported fund balance (net current assets) is considered a measure of "available spendable resources". Governmental fund operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Accordingly, they are said to present a summary of sources and uses of "available spendable resources".

Fixed assets used in governmental fund type operations (general fixed assets) are accounted for in the General Fixed Assets Account Group, rather than in governmental funds. Public domain (infrastructure) general fixed assets consisting of certain improvements other than buildings, including roads, bridges, curbs and gutters, streets and sidewalks, drainage systems, and lighting systems, are not capitalized along with other general fixed assets. No depreciation has been provided on general fixed assets.

Purchased fixed assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated fixed assets are valued at their estimated fair market value on the date donated.

Long-term liabilities expected to be financed from governmental funds are accounted for in the General Long-Term Debt Account Group, not in the governmental funds.

Noncurrent portions of long-term receivables due to governmental funds are reported on their balance sheets, in spite of their spending measurement focus. Special reporting treatments are used, however, to indicate that they should not be considered "available spendable resources" since they do not represent net current assets. Recognition of governmental fund revenues represented by noncurrent receivables is deferred until they become current receivables.

Special reporting treatments are also applied to governmental fund 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, expenditure recognition for governmental fund types is limited to exclude amounts represented by noncurrent liabilities. Since they do not affect net current assets, such long-term amounts are not recognized as governmental fund expenditures or fund liabilities. They are instead reported as liabilities in the General Long-Term Debt Account Group.

All proprietary funds are accounted for on a capital maintenance, cost of services 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

ST. LOUIS COUNTY, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 1991

I. Summary of Significant Accounting Policies

C. Measurement Focus (continued)

equity (net total assets) is segregated into contributed capital and retained earnings components. Proprietary fund operating statements present increases (revenues) and decreases (expenses) in net total assets.

Depreciation of all exhaustible fixed assets used by proprietary funds is charged as an expense against their operations. Accumulated depreciation is reported on proprietary fund balance sheets. Depreciation has been provided over the estimated useful life using the straight-line method. The estimated useful lives are:

| | |
|-----------------------------------|---------------|
| Building and structures | 50 years |
| Improvements other than buildings | 10 - 20 years |
| Machinery and equipment | 5 - 20 years |
| Vehicles | 5 years |

D. Basis of Accounting

Basis of accounting refers to the time at which 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.

Governmental and expendable trust and agency funds are accounted for using the modified accrual basis of accounting. Revenues are recognized when they become measurable and available, "susceptible to accrual." Available means collectible within the current period or soon enough thereafter to pay current liabilities.

Ad valorem property tax revenue is recognized in compliance with the National Council on Governmental Accounting (NCGA) Interpretation 3, Revenue Recognition-Property Taxes, adopted by the Government Accounting Standards Board (GASB). This interpretation states that "property tax revenue is recorded when it becomes available. Available means when due, or past due and receivable within the current period and collected within the current period, or expected to be collected soon enough thereafter to be used to pay liabilities of the current period. Such time thereafter shall not exceed sixty days."

In applying the "susceptible to accrual" concept to intergovernmental revenues (grants, subsidies, and shared revenues), the legal and contractual requirements of the numerous individual programs are used as guidance. There are, however, essentially two types of these revenues. In one, the monies must be expended for the specific purpose or project before any amounts will be paid to the County; therefore, revenues are recognized based upon the expenditures/expenses recorded. In the other, monies are virtually unrestricted as to purpose of expenditure/expense and nearly irrevocable; i.e., revocable only for

ST. LOUIS COUNTY, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 1991

I. Summary of Significant Accounting Policies

D. Basis of Accounting (continued)

failure to comply with prescribed compliance requirements. These resources are reflected as revenues at the time of receipt or earlier if they meet the criterion of availability. Intergovernmental revenues received but not earned are recorded as deferred revenue. Other revenues susceptible to accrual are investment earnings and charges for services.

Licenses, fines, penalties, and miscellaneous revenues are recorded as revenues when received in cash because they are generally not measurable until actually received.

Expenditures are recognized in the accounting period in which the fund liability is incurred, if measurable, except expenditures for debt service, prepaid items, and other long-term obligations which are recognized when paid. The current portion of compensated absences are recognized as fund liabilities. Non-current earned but unpaid vacation and vested sick leave are shown in the General Long-Term Debt Account Group. Unvested sick leave is not reported in the financial statements.

Proprietary funds are accounted for using the accrual basis of accounting. Their revenues are recognized when they are earned, and their expenses, including compensated absences, are recognized when they are incurred.

E. Budgetary Data

General Budget Policies

The County is required by Minn. Stat. §383C, to adopt a budget for all governmental funds. The General and Special Revenue and Debt Service Fund budgets are prepared on the modified accrual basis of accounting plus encumbrances.

Capital Projects Funds have budgets which are approved at the time the project is authorized and overlap fiscal years. These budget periods are not consistent with the method of financial reporting; therefore, comparisons between the results of operations and budgets in these funds are not relevant and are not presented.

Procedure for Preparing the Annual Budget

1. In April of each year, the County Administrator meets with his budget staff to discuss preparations for next year's budget. A basic budget strategy is developed at that time, based on guidelines and policies established by the County Board.

2. On or near the end of April, budget request forms are sent out to each department. Included is a memo from the County Administrator highlighting basic guidelines for preparing budget requests.

ST. LOUIS COUNTY, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 1991

I. Summary of Significant Accounting Policies

E. Budgetary Data

Procedure for Preparing the Annual Budget (continued)

3. All departments submit preliminary estimates of their requested appropriations and revenues by the end of May. These figures are used to determine what proper tax level would be necessary to meet departmental requests, and to determine the amount of levy adjustments that the County Administrator will need to make at the preliminary budget hearings in order to meet goals established by the County Board.

4. Preliminary budget hearings are held by the County Administrator with each department. These hearings begin about mid-June and last until about mid-July.

5. The County Administrator's recommended budget is given to the County Board by the first Tuesday in October.

6. The County Board holds formal public hearings on the proposed budget, and adopts the final budget on or before December 8.

Budgets can be amended during the year by the County Board. Supplemental appropriations are reviewed by the County Administrator's office and submitted to the County Board for their review and approval. If approved, they are implemented by the Auditor's Office by budget revision. Supplemental appropriations could be required because of several factors. These include the awarding of state and federal grants during the year and to provide funding for unanticipated program requirements. Supplemental appropriations were necessary during the year. The effect of these amendments was a decrease in budgeted County funds of \$12,328,745. The amendments include a reduction of approximately eleven million dollars in the Social Services Special Revenue Fund which was possible because the State of Minnesota took over the income maintenance program costs. Each department head has control over the individual department, but no public aid assistance may be used for operations, and the budgeted number of personnel for each department may not be exceeded at any time. All appropriations, except those in Capital Projects Funds, which are not expended, encumbered, or reserved, lapse at year-end.

Encumbrances

Encumbrance accounting, under which purchase orders, contracts, capital reserves, 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 governmental funds. Encumbrances outstanding at year-end are reported as reservations of fund balances and provide authority for the carryover of appropriations to the subsequent year in order to complete these transactions.

ST. LOUIS COUNTY, MINNESOTA
 NOTES TO FINANCIAL STATEMENTS
 DECEMBER 31, 1991

I. Summary of Significant Accounting Policies

E. Budgetary Data (continued)

Budget Basis of Accounting

Budgets for the General, Special Revenue and Debt Service Funds are adopted on a basis consistent with generally accepted accounting principles (GAAP), except that encumbrances are treated as budgeted expenditures in the year in which the commitment to purchase is incurred. Budget to actual comparisons in this report are on this budgetary basis.

Adjustments necessary to convert actual expenditures reported on the budgetary basis on Exhibit III to the GAAP basis as reported on Exhibit II are:

| | <u>Exhibit III</u> <u>Expenditures</u> | <u>Reserved for</u> <u>Encumbrances</u> <u>12-31-91</u> | <u>Expenditures</u> <u>in 1991</u> <u>from 1990</u> <u>Encumbrances</u> | <u>Exhibit III</u> <u>Adjustment</u> | <u>Exhibit II</u> <u>Expenditures</u> |
|-----------------------------|---|---|--|---|--|
| General Fund | \$ 39,972,026 | \$ (275,361) | \$ 182,897 | \$ (92,464) | \$ 39,879,562 |
| Special Revenue | | | | | |
| Babbitt Facility | \$ 185,000 | \$ (5,385) | \$ - | \$ (5,385) | \$ 179,615 |
| County Housing Authority | 73,406 | - | - | - | 73,406 |
| Land Investment | 64,514 | - | 30,152 | 30,152 | 94,666 |
| Railroad Authority | 356,985 | - | - | - | 356,985 |
| Road and Bridge | 26,539,126 | (497,498) | 304,018 | (193,480) | 26,345,646 |
| Social Services | 80,600,957 | (46,676) | 29,301 | (17,375) | 80,583,582 |
| Total Special Revenue Funds | <u>\$107,819,988</u> | <u>\$ (549,559)</u> | <u>\$ 363,471</u> | <u>\$ (186,088)</u> | <u>\$107,633,900</u> |

F. Accounting Changes

Fund Restatements and Closures

As of January 1, 1991, St. Louis County determined that revenues for the year ended December 31, 1990 were overstated in the Social Services Special Revenue Fund. The fund balance as of January 1, 1991 was restated to reflect this change.

As of January 1, 1991, St. Louis County determined that the retained earnings in the Residential Treatment Center Enterprise Fund was understated by the contributed capital eliminated in prior years but not written off. The retained earnings as of January 1, 1991 was restated to reflect this change.

As of January 1, 1991, St. Louis County determined that a portion of an advance between the Management Information Systems and the Telecommunications Internal Service Funds was previously repaid. The retained earnings as of January 1, 1991 were restated to reflect this change.

ST. LOUIS COUNTY, MINNESOTA
 NOTES TO FINANCIAL STATEMENTS
 DECEMBER 31, 1991

I. Summary of Significant Accounting Policies

F. Accounting Changes

Fund Restatements and Closures (continued)

| | Fund Balance/ Retained Earnings January 1, 1991 As Previously Reported | Understated Retained Earnings | Repayment of Interfund Advance | Overstated Revenue | Fund Balance/ Retained Earning January 1, 1991 As Restated |
|--|--|-------------------------------------|---|-----------------------|---|
| Special Revenue Funds | | | | | |
| Babbitt Facility | \$ 167,477 | \$ - | \$ - | \$ - | \$ 167,477 |
| County Housing Authority | 11 | - | - | - | 11 |
| Land Investment | - | - | - | - | - |
| Railroad Authority | 111,188 | - | - | - | 111,188 |
| Road and Bridge | 14,416,917 | - | - | - | 14,416,917 |
| Social Services | 1,160,359 | - | - | (112,655) | 1,047,704 |
| Solid Waste Authorities | 2,225,499 | - | - | - | 2,225,499 |
| Total Special Revenue Funds | \$ 18,081,451 | \$ - | \$ - | \$ (112,655) | \$ 17,968,796 |
| Enterprise Funds | | | | | |
| Chris Jensen | \$ 1,597,486 | \$ - | \$ - | \$ - | \$ 1,597,486 |
| Nopeming | 1,775,092 | - | - | - | 1,775,092 |
| Residential Treatment Center | (195,835) | 167,672 | - | - | (28,163) |
| Total Enterprise Funds | \$ 3,176,743 | \$ 167,672 | \$ - | \$ - | \$ 3,344,415 |
| Internal Service Funds | | | | | |
| Community Food | \$ 293,304 | \$ - | \$ - | \$ - | \$ 293,304 |
| Laundry | 113,615 | - | - | - | 113,615 |
| Printing | 236,947 | - | - | - | 236,947 |
| County Garage | (726,441) | - | - | - | (726,441) |
| County Insurance Management Information Systems | (22,989) | - | - | - | (22,989) |
| Telecommunications | 588,370 | - | (10,330) | - | 578,040 |
| | 313,497 | - | 10,330 | - | 323,827 |
| Total Internal Service Funds | \$ 796,303 | \$ - | \$ - | \$ - | \$ 796,303 |

As of January 1, 1991, St. Louis County closed several funds into a new Solid Waste Management Enterprise Fund. This action was taken because the solid waste management activities of the County are now being funded through user charges, rather than through a property tax levy as was previously done. The following funds were closed into the new enterprise fund:

- Solid Waste Authorities Special Revenue Fund
- Solid Waste Series A Debt Service Fund
- Solid Waste Series E Debt Service Fund
- Landfill Closures Capital Projects Fund
- Solid Waste Transfer Stations Capital Projects Fund

Appropriate general fixed assets were transferred to the new enterprise fund, as were the appropriate general long-term debt account balances.

ST. LOUIS COUNTY, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 1991

I. Summary of Significant Accounting Policies

F. Accounting Changes

Fund Restatements and Closures (continued)

As of January 1, 1991, St. Louis County closed the Residential Treatment Center Enterprise Fund into the Social Services Special Revenue Fund and the General Long Term Debt Account Group. This action was taken because the facility was closed and sold.

Account Reclassifications

Several account balances were reclassified as of and for the year ended December 31, 1990, as previously reported. These reclassifications which did not require a restatement of fund balance and retained earnings, were required for comparability to the financial statements as of and for the year ended December 31, 1991. Although comparative statements for 1990 are not presented here, these reclassifications must be considered when comparing the financial statements of this report with those of prior reports.

G. Assets, Liabilities, and Equity Accounts

1. Assets

Investments

Fund and pooled (in lieu of cash) investments are stated at cost except for the Deferred Compensation Agency Fund investments, which are stated at market value.

Property Taxes

In September of each year the County Board certifies a proposed property tax levy to the County Auditor. Notices of proposed taxes are mailed to taxpayers notifying them of the proposed tax on their property and of the time and location of a meeting at which the final property tax levy will be established by the Board of County Commissioners. Subsequent to that meeting but within five business days of December 20 the Board certifies to the County Auditor, the final property tax levy, which generally cannot exceed the proposed levy.

The tax levy is spread on all taxable property based on the value of the property on the assessment date (January 2 of the levy year). At the time the taxes are spread they become a lien on the property as of the assessment date, although they do not become due and payable until the subsequent January 1. For the most part taxpayers are allowed to pay the taxes in two equal installments on or before May 15 and October 15 without penalty. Revenues are accrued and recognized in the year collectable, net of delinquencies.

ST. LOUIS COUNTY, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 1991

I. Summary of Significant Accounting Policies

G. Assets, Liabilities, and Equity Accounts

1. Assets

Property Taxes (continued)

Taxes which remain unpaid at December 31 are delinquent. Collections within sixty days after year-end are recognized as revenue and the balance offset by deferred revenue.

Inventories

Road and Bridge Special Revenue Fund inventories consist of expendable supplies held for consumption and are valued at cost using the first-in, first-out method. Inventoried items are recorded as expenditures at the time that they are purchased. The reported inventories are offset by a reserve of fund balance to indicate that they do not constitute available spendable resources.

The Enterprise Funds' inventory consist of expendable supplies held for consumption and are recorded as an expense when used. Internal Service Funds' inventory consist of items for resale and consumption and are recorded as an expense when used or sold. Inventories are priced at the lower of cost or market on a first-in, first-out basis.

2. Liabilities

Long-term liabilities expected to be financed from governmental funds are accounted for in the General Long-Term Debt Account Group, not in the governmental funds. Long-term liabilities of all proprietary funds are accounted for in the respective funds.

Under the County's personnel policies and union contracts, County employees are granted vacation and sick leave in varying amounts based on length of service. Vacation leave accrual varies from 3.75 to 10.25 hours per biweekly pay period. Sick leave accrual is from 3.5 to 5.75 hours per biweekly pay period.

Unused accumulated vacation and vested sick leave are paid to employees at retirement, or are used for the payment of employees' health insurance coverage during their retirement. Vacation and vested sick leave are recognized as liabilities in the proprietary funds. The current portion of unused vacation is recognized as a fund liability in the governmental funds. The non-current unused vacation and vested sick leave is recognized in the General Long-Term Debt Account Group. The sick leave amounts which are necessary for insurance coverage for those employees who have retired to-date are reported as reservations of fund balance; i.e., reserve for health and welfare, in the appropriate funds.

ST. LOUIS COUNTY, MINNESOTA
 NOTES TO FINANCIAL STATEMENTS
 DECEMBER 31, 1991

I. Summary of Significant Accounting Policies

G. Assets, Liabilities, and Equity Accounts

2. Liabilities (continued)

Unvested sick leave of \$23,008,331 at December 31, 1991, is available to employees in the event of illness-related absences and is not reported in the financial statements.

3. Equity

Equity is divided into sections:

The contributed capital account indicates permanent fund capital contributed to the Enterprise and Internal Service Funds.

The account "Investment in general fixed assets" represents the County's equity in general fixed assets.

Retained earnings and fund balance are subdivided as follows:

| | <u>Legal</u> | <u>Legal and Not Available for Approp.</u> | <u>Not Available for Approp.</u> | <u>Available for Approp.</u> |
|--|--------------|--|--|----------------------------------|
| Retained Earnings: | | | | |
| Reserved for improvements | X | | | |
| Reserved for landfill closure | | X | | |
| Unreserved | | | | X |
| Fund Balance | | | | |
| Reserved for change funds | | | X | |
| Reserved for noncurrent loans | | | X | |
| Reserved for economic development | X | | | |
| Reserved for advances to other funds | | | X | |
| Reserved for inventories | | | X | |
| Reserved for encumbrances | | X | | |
| Reserved for prepaid items | | | X | |
| Reserved for health and welfare | X | | | |
| Reserved for assurance fund | X | | | |
| Reserved for law library | X | | | |
| Reserved for foster care insurance | | | X | |
| Reserved for senior citizens transportation | | | X | |
| Reserved for unorganized town roads | | | X | |
| Reserved for veterans credit | X | | | |
| Unreserved | | | | |
| Designated for debt service | | | X | |
| Designated for capital outlay | | | X | |
| Undesignated | | | | X |

H. Total Columns on Combined Statements

Total columns on 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 or results of operations, or changes in financial position, in conformity with generally accepted accounting principles. Neither are such data comparable to a consolidation, because interfund eliminations have not been made in the aggregation of the data.

ST. LOUIS COUNTY, MINNESOTA
 NOTES TO FINANCIAL STATEMENTS
 DECEMBER 31, 1991

I. Summary of Significant Accounting Policies (continued)

I. Federal Audit Requirements

The Single Audit Act of 1984 requires the County to have a single, independent audit of its financial operations, including compliance with certain provisions of federal law and regulations. This audit requirement was complied with for fiscal year ended December 31, 1991; an auditor's report on compliance and internal accounting control will be issued at a later date.

II. Stewardship, Compliance and Accountability

A. The following General Fund departments and Special Revenue Fund had expenditures in excess of budget for the year ended December 31, 1991.

The General Fund departments and the Special Revenue Funds each show a budgeted amount for current expenditures and a budgeted amount for capital outlay. However, they are not restricted to expending the current budget on current items, nor the capital budget on capital items. Thus, departments and funds are mentioned here only if the total expenditures, current and capital, exceed the total current and capital budget for a department or fund.

| | <u>Expenditures</u> | <u>Budget</u> | <u>Excess</u> |
|-----------------------|---------------------|---------------|---------------|
| General Fund | | | |
| Ambulance service | \$ 42,884 | \$ 38,000 | \$ 4,884 |
| Safety council | 780 | 750 | 30 |
| Special Revenue Funds | | | |
| Railroad Authority | 356,985 | 351,500 | 5,485 |

B. Deficit Retained Earnings

The following funds had a deficit retained earnings at December 31, 1991:

| | |
|---|-------------|
| Solid Waste Management Enterprise Fund | \$2,367,029 |
| Supervised Living Internal Service Fund | 72,858 |
| County Garage Internal Service Fund | 842,317 |

In the Solid Waste Management Enterprise Fund, the long-term liability net bonds payable of \$5,314,638 will be paid from service fees collected in the respective debt service years. The retained earnings will likely remain at a deficit until the bonds are retired.

The deficit retained earnings in the Supervised Living Internal Service Fund will be eliminated through a transfer of revenues from the Social Services Special Revenue Fund.

The County expects that enhanced fleet management and appropriate fee schedules will decrease the deficit retained earnings in the County Garage Internal Service Fund in future years.

ST. LOUIS COUNTY, MINNESOTA
 NOTES TO FINANCIAL STATEMENTS
 DECEMBER 31, 1991

III. Detailed Notes on All Funds and Account Groups

A. Assets

Deposits and Investments

Deposits

Minn. Stat. §118.005 (1990) authorizes the County to deposit its cash and to invest in certificates of deposit in financial institutions designated by the County Board. At December 31, 1991, County deposits totaled \$32,378,477, of which \$632,640 were cash deposits and \$31,745,837 was invested in certificates of deposit. All County deposits are covered by insurance or collateral as required by Minnesota Statutes.

Following is a summary of the deposits covered by insurance or collateral and classified by risk category at December 31, 1991:

| | <u>Bank Balances</u> | <u>Carrying Amounts</u> |
|---|--------------------------|-----------------------------|
| Covered Deposits | | |
| Insured deposits | \$ 645,262 | \$ 647,539 |
| Uninsured deposits | | |
| Collateralized with securities held by the pledging financial institution's safe-keeping department or agent in the County's name | <u>34,764,964</u> | <u>31,730,938</u> |
| Total Deposits | <u>\$35,410,226</u> | <u>\$32,378,477</u> |

Investments

Minn. Stat. §475.66 (1990) authorizes the following:

Safekeeping Options and Requirements:
 Investments may be held in safekeeping with:

1. any federal reserve bank;

ST. LOUIS COUNTY, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 1991

III. Detailed Notes on All Funds and Account Groups

A. Assets

Deposits and Investments

Investments (continued)

2. any bank authorized under the laws of the United States or any state to exercise corporate trust powers, including but not limited to the bank from which the investment is purchased;
3. a primary reporting dealer in United States government securities to the Federal Reserve Bank of New York; or
4. a securities broker-dealer as described in Mn. Stat. §475.66, Subd. 1, provided that the municipality's ownership of all securities in which the fund is invested is evidenced by written acknowledgements identifying the securities by the names of issuers, maturity dates, interest rates, and serial numbers or other distinguishing marks.

Type of Securities Available to County for investment:

1. governmental bonds, notes, bills, mortgages, and other securities which are direct obligations or are guaranteed or insured issues of the United States, its agencies, its instrumentalities, or organizations created by an act of Congress.
2. shares of an investment company (a) registered under the Federal Investment Company Act of 1940, whose shares are registered under the Federal Securities Act of 1933; and (b) whose only investments are in securities described as shown in 1. above, general obligation tax-exempt securities rated A or better by a national bond rating service, and repurchase agreements or reverse repurchase agreements fully collateralized by those securities, if the repurchase agreements or reverse repurchase agreements are entered into only with those primary reporting dealers that report to the Federal Reserve Bank of New York and with the 100 largest United States commercial banks;
3. in any security which is (1) a general obligation of the State of Minnesota or any of its municipalities or in general obligations of other state and local governments with taxing powers which are rated A or better by a national bond rating service, or (2) a general obligation of the Minnesota housing finance agency, or (3) a general obligation of a housing finance agency of any state if it includes a moral obligation of the state, provided that investments under clauses (2) and (3) must be in obligations that are rated A or better by a national bond rating service.
4. bankers' acceptances of United States banks eligible for purchase by the Federal Reserve System;

ST. LOUIS COUNTY, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 1991

III. Detailed Notes on All Funds and Account Groups

A. Assets

Deposits and Investments

Investments (continued)

5. commercial paper issued by United States corporations or their Canadian subsidiaries that is the highest quality and matures in 270 days or less.
6. in guaranteed investment contracts issued or guaranteed by United States commercial banks or domestic branches of foreign banks or United States insurance companies or their Canadian or United States subsidiaries; provided that the investment contracts rank on a parity with senior unsecured debt obligations of the issuer or guarantor and, (1), in the case of long-term investment contracts, either (i) the long-term senior unsecured debt of the issuer or guarantor is rated, or obligations backed by letters of credit of the issuer or guarantor if forming the primary basis of a rating of such obligations would be rated, in the highest or next highest rating category of Standard & Poor's Corporation, Moody's Investors Service, Inc., or a similar nationally recognized rating agency, or (ii) if the issuer is a bank with headquarters in Minnesota, the long-term senior unsecured debt of the issuer is rated, or obligations backed by letters of credit of the issuer if forming the primary basis of a rating of such obligations would be rated in one of the three highest rating categories of Standard & Poor's Corporation, Moody's Investors Service, Inc., or similar nationally recognized rating agency, or (2) in the case of short-term investment contracts, the short-term unsecured debt of the issuer or guarantor is rated, or obligations backed by letters of credit of the issuer or guarantor if forming the primary basis or a rating of such obligations would be rated, in the highest two rating categories of Standard and Poor's Corporation, Moody's Investors Service, Inc., or similar nationally recognized rating agency.

Three levels of credit risk for securities are defined by generally accepted accounting principles.

- (1) securities that are insured or registered, or for which the securities are held by the County or its agent in the County's name;

ST. LOUIS COUNTY, MINNESOTA
 NOTES TO FINANCIAL STATEMENTS
 DECEMBER 31, 1991

III. Detailed Notes on All Funds and Account Groups

A. Assets

Deposits and Investments

Investments (continued)

- (2) securities that are uninsured and unregistered and are held by the counter party's trust department or agent in the County's name; and
- (3) securities that are uninsured and unregistered and are held by the counter party, or by its trust department or agent, but not in the County's name.

Following is a summary of the carrying values of the County's securities, categorized into the aforementioned levels of risk, along with the market values of the securities, at December 31, 1991.

| | (1) | Category (2) | (3) | Carrying Amount | Market Value |
|--|-----------|-----------------|--------------|---------------------|---------------------|
| Investments | | | | | |
| U.S. Government securities | \$146,826 | \$ - | \$16,942,700 | \$17,089,526 | \$17,619,659 |
| Add: | | | | | |
| Investments held by Trustees for deferred compensation | | | | 21,153,495 | 21,153,495 |
| Deposits | | | | 32,378,477 | 32,378,477 |
| Cash on hand | | | | <u>1,457,299</u> | <u>1,457,299</u> |
| Total | | | | <u>\$72,078,797</u> | <u>\$72,608,930</u> |

Detail as shown on Combined Balance Sheet:

| | |
|---------------------------------|---------------------|
| Current Assets: | |
| Cash and cash equivalents | \$37,678,448 |
| Investments | 11,187,798 |
| Invested employee contributions | 21,153,495 |
| Restricted assets: | |
| Improvements | |
| Cash and cash equivalents | 874,093 |
| Investments | 423,908 |
| Debt Service: | |
| Cash and cash equivalents | 121,055 |
| Investments | <u>640,000</u> |
| Total | <u>\$72,078,797</u> |

ST. LOUIS COUNTY, MINNESOTA
 NOTES TO FINANCIAL STATEMENTS
 DECEMBER 31, 1991

III. Detailed Notes on All Funds and Account Groups

A. Assets

Deposits and Investments

Investments (continued)

The following is a reconciliation of the carrying amount of the cash and cash equivalents account and the equity in the pool by fund.

| | <u>Equity in Pool</u> | <u>Advances</u> |
|-----------------------------------|---------------------------|-----------------|
| General Fund | \$ 7,752,690 | |
| Special Revenue Funds | | |
| Babbitt Facility | 47,537 | |
| County Housing Authority | 55,594 | |
| Railroad Authority | 119,140 | |
| Road and Bridge | 14,161,782 | |
| Social Services | 1,330,067 | |
| Land Investment | | (4,425) |
| Debt Service Funds | 214,076 | |
| Capital Projects Funds | 1,096,423 | |
| Enterprise Funds | | |
| Chris Jensen | | (511,879) |
| Nopeming | | (1,363,711) |
| Solid Waste Management | 1,459,262 | |
| Internal Service Funds | | |
| Community Food | 257,967 | |
| Laundry | 87,567 | |
| Supervised Living Facilities | | (92,110) |
| Printing | 95,809 | |
| County Garage | | (106,025) |
| County Insurance | 2,102,298 | |
| Management Information Systems | 926,771 | |
| Telecommunications | 304,374 | |
| Trust and Agency Funds | <u>9,745,241</u> | |
| Total Equity | \$39,756,598 | |
| Less: Advances | <u>(2,078,150)</u> | |
| Total | <u>\$37,678,448</u> | |

ST. LOUIS COUNTY, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 1991

III. Detailed Notes on All Funds and Account Groups

A. Assets (continued)

Title IV-D Accounts Receivable

Estimated accounts receivable from individuals for child support payments that relate to recovery of payment made under the Aid to Families with Dependent Children (AFDC) Program, are approximately \$12,802,441. The amount of unrecorded revenues due the County at December 31, 1991, is not significant because the amount would be offset by a significant allowance for uncollectibles and a percentage of actual collections would be payable to State and Federal agencies and others. This is not shown in the financial statements.

Under the law, funds received are payable to State and Federal agencies and others (based on specific reimbursement percentages), with the remainder (approximately seven percent for 1991) due to the Social Services Special Revenue Fund.

Accounts Receivable

The noncurrent portion of a receivable from the Directors of Trusts of Miller Memorial Hospital, now Miller-Dwan Medical Center, is equally offset by deferred revenue and is accounted for in the General Fund. The repayment schedule calls for \$70,000 annual payments for six years, beginning in 1987. The asset is carried at the present value of \$64,516 and assumes an 8.5 percent discount rate.

Loans Receivable

The noncurrent portion of a loan receivable from the St. Louis County Heritage and Arts Center is \$600,084 and is equally offset by a fund balance reserved for noncurrent loans account to indicate that it should not be considered "available spendable resources," since it does not represent current assets. The loan is accounted for in the General Fund. The repayment schedule calls for \$15,000 annual payments and is interest-free.

The noncurrent portion of a loan receivable from the Duluth Lighthouse for the Blind is \$179,813 and is equally offset by deferred revenue. The repayment schedule calls for monthly payments of \$3,773.16 for seven years commencing in September of 1989 with interest at seven percent. The receivable is accounted for in the General Fund and is valued at its discounted amount. The receivable arises from a State of Minnesota grant and loan to St. Louis County. The funds are passed on to the Duluth Lighthouse for the Blind as a loan from the County. The first \$100,000 plus interest which the County recovers from the Lighthouse does not require repayment to the State; the County must instead use the money for economic development. After \$100,000 plus interest has been recovered by the County, all subsequent payments by the Lighthouse must be repaid to the State.

ST. LOUIS COUNTY, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 1991

III. Detailed Notes on All Funds and Account Groups

A. Assets (continued)

Loans Receivable (continued)

The noncurrent portion of a second loan receivable from the Duluth Lighthouse for the Blind is \$185,013 and is equally offset by deferred revenue. The repayment schedule calls for fifty-nine monthly payments of \$1,041.67 beginning March 1, 1991, with a balloon payment of \$188,541.47 due February 1, 1996. The loan is interest free and is accounted for in the General Fund. It is carried at its present value, discounted at 7.2%. The receivable arises from a State of Minnesota grant to St. Louis County. The funds are passed on to the Duluth Lighthouse for the Blind as a loan from the County. The first \$100,000 which the County recovers from the Lighthouse does not require repayment to the State; the County must instead use the money for economic development. After \$100,000 has been recovered by the County, all subsequent payments by the Lighthouse must be repaid to the State.

The noncurrent portion of a loan receivable from Luigino's, Inc. is \$337,510 and is equally offset by deferred revenue. The repayment schedule calls for monthly payments of \$5,952.38 beginning October 3, 1990. The loan is interest free and is accounted for in the General Fund. It is carried at its present value, discounted at 7.2%. The receivable arises from a State of Minnesota grant to St. Louis County. The first \$100,000 which the County recovers from Luigino's, Inc. does not require repayment to the State; the County must instead use the money for economic development. After \$100,000 has been recovered by the County, all subsequent payments by Luigino's must be repaid to the State.

The noncurrent portion of a second loan receivable from Luigino's, Inc. is \$378,125 and is offset by deferred revenue, except for the current amount of \$11,239. The loan bears interest at five percent and is valued at its discounted amount. The receivable arises from a State of Minnesota grant to St. Louis County. The first \$100,000 plus interest which the County recovers from Luigino's, Inc. does not require repayment to the State; the County must instead use the money for economic development. After \$100,000 plus interest has been recovered by the County, all subsequent payments by Luigino's must be repaid to the State.

ST. LOUIS COUNTY, MINNESOTA
 NOTES TO FINANCIAL STATEMENTS
 DECEMBER 31, 1991

III. Detailed Notes on All Funds and Account Groups

A. Assets (continued)

Due From Other Governments

The following amounts were due from other governments at December 31, 1991:

| | <u>Federal</u> | <u>State</u> | <u>Local - Other</u> | <u>Total</u> |
|---|--------------------|--------------------|--------------------------|--------------------|
| General Fund | \$ 320,447 | \$ 144,930 | \$ 140,726 | \$ 606,103 |
| Special Revenue Funds | | | | |
| Railroad Authority | \$ - | \$ 50,363 | \$ 316 | \$ 50,679 |
| Road and Bridge | - | 2,824,523 | 56,060 | 2,880,583 |
| Social Services | <u>3,546,343</u> | <u>1,693,579</u> | <u>1,032</u> | <u>5,240,954</u> |
| Total Special Revenue Funds | <u>\$3,546,343</u> | <u>\$4,568,465</u> | <u>\$ 57,408</u> | <u>\$8,172,216</u> |
| Enterprise Funds | | | | |
| Solid Waste Management | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 420,320</u> | <u>\$ 420,320</u> |
| Internal Service Fund | | | | |
| Community Food Supervised Living Facilities | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 111,017</u> | <u>\$ 111,017</u> |
| Facilities | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 91,343</u> | <u>\$ 91,343</u> |
| Total Internal Service Funds | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 202,360</u> | <u>\$ 202,360</u> |
| Agency Funds | | | | |
| Arrowhead Regional Corrections | \$ - | \$ - | \$ 200,776 | \$ 200,776 |
| Community Health Services | <u>-</u> | <u>-</u> | <u>6,388</u> | <u>6,388</u> |
| Total Agency Funds | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 207,164</u> | <u>\$ 207,164</u> |
| Total | <u>\$3,866,790</u> | <u>\$4,713,395</u> | <u>\$1,027,978</u> | <u>\$9,608,163</u> |

ST. LOUIS COUNTY, MINNESOTA
 NOTES TO FINANCIAL STATEMENTS
 DECEMBER 31, 1991

III. Detailed Notes on All Funds and Account Groups

A. Assets (continued)

Proprietary Fund Fixed Assets

A summary of proprietary fund fixed assets at December 31, 1991, is:

| | <u>Enterprise</u> | <u>Internal Service</u> |
|-----------------------------------|---------------------|-----------------------------|
| Land | \$ 268,826 | \$ 25,500 |
| Building and structures | 8,867,928 | 1,708,441 |
| Improvements other than buildings | 60,788 | - |
| Machinery and equipment | 928,036 | 3,373,860 |
| Vehicles | - | 2,209,249 |
| Construction-in-progress | <u>3,418,201</u> | <u>-</u> |
| Total | \$13,543,779 | \$ 7,317,050 |
| Less accumulated depreciation | <u>(2,829,453)</u> | <u>(3,735,171)</u> |
| Net Fixed Assets | <u>\$10,714,326</u> | <u>\$ 3,581,879</u> |

Summary of Changes in General Fixed Assets

| | <u>Balance 1-1-91</u> | <u>Additions</u> | <u>Retirements</u> | <u>Assets Reclass- ified</u> | <u>Balance 12-31-91</u> |
|--------------------------|---------------------------|---------------------|----------------------|--------------------------------------|-----------------------------|
| Land | \$ 2,642,394 | \$ 30,900 | \$ - | \$ - | \$ 2,673,294 |
| Buildings and structures | 28,652,859 | 4,791,704 | (31,824) | 356,978 | 33,769,717 |
| Machinery and equipment | 8,700,837 | 372,058 | (1,859,805) | - | 7,213,090 |
| Vehicles | 24,802,865 | 891,699 | (1,024,102) | - | 24,670,462 |
| Construction in progress | <u>5,676,120</u> | <u>672,868</u> | <u>(2,981,753)</u> | <u>(356,978)</u> | <u>3,010,257</u> |
| Total | <u>\$70,475,075</u> | <u>\$ 6,759,229</u> | <u>\$(5,897,484)</u> | <u>\$ -</u> | <u>\$71,336,820</u> |

ST. LOUIS COUNTY, MINNESOTA
 NOTES TO FINANCIAL STATEMENTS
 DECEMBER 31, 1991

III. Detailed Notes on All Funds and Account Groups (continued)

B. Liabilities

Deferred Revenue

Deferred revenue consists of taxes that are not collected soon enough after year-end to pay liabilities of the current year, state and federal grants received but not yet earned, credit accounts, receivable balances, and long-term receivables.

| | <u>Taxes</u> | <u>Grants</u> | <u>Accounts Receivable</u> | <u>Long-Term Receivables</u> | <u>Total</u> |
|-----------------------------|--------------------|--------------------|--------------------------------|----------------------------------|---------------------|
| General Fund | \$1,137,640 | \$ 424,678 | \$ - | \$ 1,130,612 | \$ 2,692,930 |
| Special Revenue Funds | | | | | |
| County Housing Authority | \$ 4,073 | \$ - | \$ - | \$ - | \$ 4,073 |
| Land Investment | 16,662 | - | - | - | 16,662 |
| Railroad Authority | 11,296 | - | - | - | 11,296 |
| Road and Bridge | 561,685 | 1,348,561 | - | 43,780 | 1,954,026 |
| Social Services | <u>1,733,571</u> | <u>908,551</u> | <u>-</u> | <u>-</u> | <u>2,642,122</u> |
| Total Special Revenue Funds | <u>\$2,327,287</u> | <u>\$2,257,112</u> | <u>\$ -</u> | <u>\$ 43,780</u> | <u>\$ 4,628,179</u> |
| Debt Service Funds | | | | | |
| Babbitt Facility | | | | | |
| Refunding | \$ 4,152 | \$ - | \$ - | \$ - | \$ 4,152 |
| Capital Equipment Notes | 49,885 | - | - | - | 49,885 |
| Correctional Facilities | <u>4,742</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>4,742</u> |
| Total Debt Service Funds | <u>\$ 58,779</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 58,779</u> |
| Capital Projects Fund | | | | | |
| Court Houses | <u>\$ 28,397</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 28,397</u> |
| Enterprise Funds | | | | | |
| Chris Jensen | 75,925 | - | 207,169 | - | 283,094 |
| Nopeming | 51,324 | - | 41,286 | - | 92,610 |
| Solid Waste | <u>78,563</u> | <u>3,924</u> | <u>-</u> | <u>128,277</u> | <u>210,764</u> |
| Total Enterprise Funds | <u>\$ 205,812</u> | <u>\$ 3,924</u> | <u>\$ 248,455</u> | <u>\$ 128,277</u> | <u>\$ 586,468</u> |
| Trust Funds | | | | | |
| Forfeited Tax | \$ - | \$ - | \$ - | \$ 4,127,550 | \$ 4,127,550 |
| Forest Resources | <u>-</u> | <u>202,458</u> | <u>-</u> | <u>-</u> | <u>202,458</u> |
| Total Trust Funds | <u>\$ -</u> | <u>\$ 202,458</u> | <u>\$ -</u> | <u>\$ 4,127,550</u> | <u>\$ 4,330,008</u> |
| Total All Funds | <u>\$3,757,915</u> | <u>\$2,888,172</u> | <u>\$ 248,455</u> | <u>\$ 5,430,219</u> | <u>\$12,324,761</u> |

ST. LOUIS COUNTY, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 1991

III. Detailed Notes on All Funds and Account Groups

B. Liabilities (continued)

Deferred Compensation

The County has made available to all of its employees and officers, deferred compensation plans from seven companies or agencies.

Great West Life Assurance Company
IDS Life Insurance Company
International City Management Association
Lincoln National Life Insurance Company
Lutheran Brotherhood
Minnesota Mutual Life - Northwestern National Life
Minnesota State Retirement System

Created in accordance with Internal Revenue Code Section 457, these plans permit the employees 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.

All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property, or rights are (until paid or made available to the employee or other beneficiary) solely the property and rights of the County (without being restricted to the provisions of benefits under the plan), subject only to the claims of the County's general creditors. Participants' rights under the plan are equal to those of general creditors of the County in an amount equal to the fair market value of the deferred account for each participant.

It is the opinion of the County's legal counsel that the County has no liability for losses under the plan but does have the duty of due care that would be required of an ordinary prudent investor. The County believes that it is unlikely that it will use the assets to satisfy the claims of general creditors in the future.

ST. LOUIS COUNTY, MINNESOTA
 NOTES TO FINANCIAL STATEMENTS
 DECEMBER 31, 1991

III. Detailed Notes on All Funds and Account Groups

B. Liabilities (continued)

Fund Long-Term Debt

The following is a schedule of the fund long-term debt transactions of the County for the year ended December 31, 1991:

| | <u>Bonds Payable</u> | | | <u>Total</u> |
|--|---|---|---|--------------------|
| | <u>Chris Jensen Enterprise Fund</u> | <u>Nopeming Enterprise Fund</u> | <u>Solid Waste Management Enterprise Fund</u> | |
| Payable, January 1 | \$3,500,023 | \$ 281,811 | - | \$3,781,834 |
| Issued (net of discount) | - | - | \$1,237,430 | 1,237,430 |
| Transferred from General Long Term Debt Account Group (net of discount) | - | - | 4,557,620 | 4,557,620 |
| Payment on Principal Amortization of discount and costs | (475,000) | (25,000) | (205,000) | (705,000) |
| | <u>26,724</u> | <u>358</u> | <u>4,588</u> | <u>31,670</u> |
| Payable, December 31 | <u>\$3,051,747</u> | <u>\$ 257,169</u> | <u>\$5,594,638</u> | <u>\$8,903,554</u> |

Bonds payable at December 31, 1991, consist of the following issues:

\$4,800,000 1984 General Obligation County Nursing Home Revenue Bonds due in annual installments of \$325,000 to \$700,000 on February 1, 1987, through 1996; interest at 7.5 to 9.5 percent. During 1989, \$2,425,000 of this issue was refunded (at December 31, 1991, the bond issue is net of the unamortized bond discount and issue costs of \$895).

\$ 474,105

\$2,665,000 1989 General Obligation Nursing Home Revenue Refunding Bonds due in annual installments of \$25,000 to \$740,000 on December 1, 1991 through 1995; interest at 6.2 to 6.5 percent (at December 31, 1991 the bond issue is net of the unamortized bond discount and issue costs of \$62,358).

\$2,577,642

ST. LOUIS COUNTY, MINNESOTA
 NOTES TO FINANCIAL STATEMENTS
 DECEMBER 31, 1991

III. Detailed Notes on All funds and Account Groups

B. Liabilities

Fund Long-Term Debt (continued)

\$305,000 1989 General Obligation New Money Issue bonds due in annual installments of \$20,000 to \$40,000 on December 1, 1990 through 1999; interest at 6.4 to 6.8 percent (at December 31, 1991, the bond issue is net of unamortized bond discount and issue costs of \$2,831). \$ 257,169

\$3,510,000 1989 General Obligation Solid Waste bonds due in annual installments of \$145,000 on December 1, 1990, through 2004; interest at 6.4 to 7.1 percent (at December 31, 1991 the bond issue is net of the unamortized bond discount of \$40,875). \$3,174,125

\$1,310,000 1989 General Obligation Solid Waste bonds due in annual installments of \$55,000 to \$135,000 on December 1, 1990, through 2004; interest at 5.9 to 6.9 percent (at December 31, 1991 the bond issue is net of the unamortized bond discount of \$17,022). \$1,182,978

\$1,255,000 1991 General Obligation Solid Waste bonds due in annual installments of \$60,000 to \$130,000 on December 1, 1992 through 2005; interest at 4.0 to 6.25 percent (at December 31, 1991 the bond issue is net of the unamortized bond discount of \$17,465). \$1,237,535

The annual requirements to service the debt outstanding as of December 31, 1991, including interest of \$3,557,960 and unamortized discounts of \$141,446 on the bonds, are as follows:

| <u>Year Ended</u> <u>December 31</u> | <u>Bonds Payable</u> |
|---|----------------------|
| 1992 | \$ 1,943,719 |
| 1993 | 1,457,743 |
| 1994 | 1,462,920 |
| 1995 | 1,483,372 |
| 1996 | 697,485 |
| 1997 - 2005 | <u>5,557,721</u> |
| | <u>\$ 12,602,960</u> |

ST. LOUIS COUNTY, MINNESOTA
 NOTES TO FINANCIAL STATEMENTS
 DECEMBER 31, 1991

III. Detailed Notes on All Funds and Account Groups

B. Liabilities (continued)

General Long-Term Debt

The following is a summary of changes in the County's General Long-Term Debt Account Group for the year ended December 31, 1991. All of these obligations except compensated absences and capital leases will be repaid through tax levies in the debt service funds. Compensated absences and capital leases will be paid from levies and other revenue generated by the benefiting funds.

| | <u>Balance</u> 1-1-91 | <u>Additions</u> | <u>Deletions</u> | <u>Balance</u> 12-31-91 |
|--------------------------------------|--------------------------|------------------------|------------------------|----------------------------|
| General Obligation Capital Notes | \$10,705,000 | \$ 750,000 | \$ 950,000 | \$10,505,000 |
| General Obligation Bond | 5,615,000 | - | 4,640,000 | 975,000 |
| Bond Anticipation Notes | <u>2,000,000</u> | <u>2,000,000</u> | <u>2,000,000</u> | <u>2,000,000</u> |
| Total Bonded Debt | \$18,320,000 | \$2,750,000 | \$7,590,000 | \$13,480,000 |
| Due to Other | | | | |
| Governments | 180,000 | - | 30,000 | 150,000 |
| Loans Payable | 863,975 | 81,845 | 32,326 | 913,494 |
| Compensated Absences | 4,084,059 | 550,846 | - | 4,634,905 |
| Capital Leases | <u>67,295</u> | <u>4,889,049</u> | <u>322,040</u> | <u>4,634,304</u> |
| Total General Long- Term Debt | <u>\$23,515,329</u> | <u>\$8,271,740</u> | <u>\$7,974,366</u> | <u>\$23,812,703</u> |

Capital notes payable at December 31, 1991, consist of the following issues:

| | |
|---|--------------|
| \$5,000,000 1988 General Obligation Capital Notes due in annual installments of \$200,000 to \$3,800,000 on January 15, 1989, through 1993; interest at 5.5 to 6.2 percent. | \$ 4,400,000 |
| \$4,070,000 1989 General Obligation Capital Equipment Notes due in total on December 1, 1994; interest at 6.2 percent. | \$ 4,070,000 |
| \$2,035,000 1990 General Obligation Capital Equipment Notes due in total on December 1, 1995; interest at 5.9 percent. | \$ 2,035,000 |

ST. LOUIS COUNTY, MINNESOTA
 NOTES TO FINANCIAL STATEMENTS
 DECEMBER 31, 1991

III. Detailed Notes on All Funds and Account Groups

B. Liabilities

General Long-Term Debt (continued)

General obligation bonds payable at December 31, 1991, consist of the following issue:

\$1,015,000 1989 General Obligation Recycling Facility Refunding Bonds due in annual installments of \$20,000 to \$110,000 on December 1, 1990, through 2009; interest at 8.5 to 9.5 percent. \$ 975,000

Bond anticipation notes payable at December 31, 1990, consist of the following issue:

\$2,000,000 1991 Correctional Facilities Refunding Bond Anticipation Notes due in total on December 1, 1994; interest at 5.25 percent. \$ 2,000,000

The annual requirements to service the bonded debt outstanding as of December 31, 1991, including interest of \$2,971,415 are as follows:

| <u>Year Ended December 31</u> | <u>Capital Notes</u> | <u>Bonds</u> | <u>Bond Anticipation Notes</u> | <u>Total Bonded Debt</u> |
|-----------------------------------|--------------------------|--------------------|--|------------------------------|
| 1992 | \$ 1,226,005 | \$ 110,738 | \$ 88,000 | \$ 1,424,743 |
| 1993 | 4,290,205 | 114,017 | 88,000 | 4,492,222 |
| 1994 | 4,442,405 | 111,855 | 2,088,000 | 6,642,260 |
| 1995 | 2,155,065 | 114,680 | - | 2,269,745 |
| 1996 | - | 112,055 | - | 112,055 |
| 1997 - 2009 | - | 1,510,390 | - | 1,510,390 |
| | <u>\$12,113,680</u> | <u>\$2,073,735</u> | <u>\$ 2,264,000</u> | <u>\$16,451,415</u> |

ST. LOUIS COUNTY, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 1991

III. Detailed Notes on All Funds and Account Groups

B. Liabilities

General Long-Term Debt (continued)

Due to other governments at December 31, 1991, consist of the following:

\$240,000 payable to the City of Duluth for Civic Center improvements due in annual installments of \$30,000 on January 15, 1989, through 1996; the obligation bears no interest. \$ 150,000

Loans payable at December 31, 1991 consist of the following:

\$500,000 1986 Minnesota Energy and Economic Development Authority (MEEDA) loan payable due in monthly installments of \$7,067 through March 1, 1994; interest at five percent. \$ 356,980

\$250,000 1986 Iron Range Resources and Rehabilitation Board (IRRRB) loan payable due in annual installments of \$25,000 through April 1, 1996; the obligation bears no interest. \$ 200,000

\$110,000 1988 Minnesota Waste Management Board (WMB) loan payable in annual installments through November 1, 2000; interest at 6.42 percent. \$ 110,000

The MEEDA, IRRRB, and WMB loans constitute general obligation revenue liabilities of the County as provided for in Minn. Stat. §400.101 (1988). Payments on the above described loans have been suspended by the State until June 30, 1993.

\$34,960 1990 State of Minnesota loan payable in annual installments of \$3,496 through April 1, 1999; the obligation bears no interest. \$ 27,968

\$165,531 1990 State of Minnesota loan payable in annual installments of \$16,553 through July, 2000; the obligation bears no interest. \$ 148,978

\$81,845 1990 State of Minnesota loan payable in annual installments of \$12,277 through August, 2000; the obligation bears interest on \$40,923 at 7.25 percent to 8.00 percent; and bears no interest on \$40,922. \$ 69,568

ST. LOUIS COUNTY, MINNESOTA
 NOTES TO FINANCIAL STATEMENTS
 DECEMBER 31, 1991

III. Detailed Notes on All Funds and Account Groups

B. Liabilities

General Long-Term Debt (continued)

The County's proportionate shares of general obligation debt at December 31, 1991, of all governmental units which provide services within the County's boundaries, and which must be borne by properties in the County, is summarized below:

| | <u>Outstanding</u> | <u>Percentage Applicable to the County</u> | <u>County Share of Debt</u> |
|-------------------------|---------------------------|--|-------------------------------------|
| <u>Direct Debt</u> | | | |
| St. Louis County | \$ 22,383,554 | 100.00 | \$ 22,383,554 |
| <u>Overlapping Debt</u> | | | |
| School Districts | 9,965,000 | 54.50 | 5,431,268 |
| <u>Underlying Debt</u> | | | |
| Cities | 61,876,814 | 100.00 | 61,876,814 |
| School Districts | 57,448,263 | 100.00 | 57,448,263 |
| Towns | 335,878 | 100.00 | 335,878 |
| Seaway Port | <u>950,000</u> | | <u>950,000</u> |
| Total | <u>\$ 152,959,509</u> | | <u>\$ 148,425,777</u> |

Defeased Debt

Nursing Home Bonds

On November 15, 1989, the County issued \$2,665,000 in General Obligation Nursing Home Revenue Refunding Bonds with an average interest rate of 6.41 percent to advance refund \$2,425,000 of outstanding General Obligation Nursing Home Revenue Bonds dated August 1, 1984, with an average interest rate of 9.3 percent. The refunded bonds mature from February 1, 1993, through February 1, 1996, and are callable on February 1, 1992.

The U.S. government securities purchased were deposited in an irrevocable trust with an escrow agent to provide debt service payments until the refunded bonds are called on February 1, 1992. The advance refunding met the requirements of an in-substance debt defeasance and the refunded bonds were removed from the liabilities of the Chris Jensen Nursing Home financial statements.

ST. LOUIS COUNTY, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 1991

III. Detailed Notes on All Funds and Account Groups

B. Liabilities

Defeased Debt (continued)

Tirecycle Bonds

On November 15, 1989, the County issued \$1,015,000 in General Obligation Taxable Revenue Refunding Bonds with an average interest rate of 9.39% to advance refund \$1,015,000 of outstanding General Obligation Revenue Bonds dated May 1, 1986 with an average interest rate of 10%. The original bonds were issued to provide funds for constructing and equipping the Tirecycle Facility. The project was leased to a private company which subsequently defaulted on the lease. Under the terms of the original bonds the County exercised it's right to redeem and prepay the bonds in the event of a default. The original bonds were called on November 15, 1989, and the refunding bonds were issued in order to extend and adjust the maturities in relation to the resources available for the payment of the County's obligations.

Correctional Facility Bond Anticipation Notes

On December 1, 1991 the County issued \$2,000,000 in General Obligation Correctional Facilities Refunding Bond Anticipation Notes with an average interest rate of 4.40% to advance refund \$2,000,000 of outstanding General Obligation Correctional Facilities Bond Anticipation Notes dated December 1, 1989 with an average interest rate of 6%. The original bonds were issued to provide funds for the preliminary expenditures essential to a new jail facility. The original notes were scheduled to be extinguished in 1992 and the costs incurred refinanced with a debt sale for the entire cost of construction. The jail construction was to begin in 1992; however, the project was delayed, necessitating the refunding issue. The original notes will be called on July 1, 1992.

ST. LOUIS COUNTY, MINNESOTA
 NOTES TO FINANCIAL STATEMENTS
 DECEMBER 31, 1991

III. Detailed Notes on All Funds and Account Groups

B. Liabilities (continued)

Lease Obligations

Operating Leases

The County is committed under various operating leases for office space, parking facilities, data processing software, office equipment, and vehicles. Most of these leases are expected to continue indefinitely or be replaced by similar leases.

The following is a summary of the operating lease expense for 1991:

| <u>Type of Property</u> | <u>Amount</u> |
|---|---------------------|
| Rental of office space and parking facilities | \$ 1,074,010 |
| Data processing software | 224,386 |
| Office equipment | 28,296 |
| Vehicles | <u>6,060</u> |
| Total rental expense | <u>\$ 1,332,752</u> |

Future minimum payments under operating leases, which are not reflected in these financial statements, consist of the following at December 31, 1991:

| <u>Year Ended</u> | <u>Amount</u> |
|-------------------------------------|---------------------|
| 1992 | \$ 1,315,350 |
| 1993 | 1,315,253 |
| 1994 | 1,315,253 |
| 1995 | 1,305,821 |
| 1996 | <u>1,286,957</u> |
| Total future minimum lease payments | <u>\$ 6,538,634</u> |

ST. LOUIS COUNTY, MINNESOTA
 NOTES TO FINANCIAL STATEMENTS
 DECEMBER 31, 1991

III. Detailed Notes on All Funds and Account Groups

B. Liabilities

Lease Obligations (continued)

Capital Leases

Capitalized leases of the County at December 31, 1991, consist of copiers and office space as shown below:

| <u>Type of Property</u> | <u>General Fixed Assets</u> | <u>Printing Internal Service Fund</u> | <u>Total</u> |
|-----------------------------------|-------------------------------------|---|--------------------|
| Copiers | \$ 116,880 | \$ 70,019 | \$ 186,899 |
| Office space | 4,583,304 | - | 4,583,304 |
| Less: Accumulated depreciation | <u>-</u> | <u>(23,107)</u> | <u>(23,107)</u> |
| Carrying value | <u>\$4,700,184</u> | <u>\$ 46,912</u> | <u>\$4,747,096</u> |

The following is a schedule of the future minimum lease payments under these capital leases, and the present value of the net minimum lease payments at December 31, 1991:

| <u>December 31</u> | <u>General Long-Term Debt</u> | <u>Printing Internal Service Fund</u> | <u>Total</u> |
|--|---------------------------------------|---|--------------------|
| 1992 | \$ 322,040 | \$ 14,004 | \$ 336,044 |
| 1993 | 322,040 | 14,004 | 336,044 |
| 1994 | 302,944 | 14,004 | 316,948 |
| 1995 | 297,840 | 2,334 | 300,174 |
| 1996 | 297,840 | - | 297,840 |
| 1997-2012 | <u>4,690,980</u> | <u>-</u> | <u>4,690,980</u> |
| Total minimum lease payments | \$6,233,684 | \$ 44,346 | \$6,278,030 |
| Less: Amount repre- senting interest | <u>1,599,380</u> | <u>-</u> | <u>1,599,380</u> |
| Present value of future minimum lease payments | <u>\$4,634,304</u> | <u>\$ 44,346</u> | <u>\$4,678,650</u> |

ST. LOUIS COUNTY, MINNESOTA
 NOTES TO FINANCIAL STATEMENTS
 DECEMBER 31, 1991

III. Detailed Notes on All Funds and Account Groups

B. Liabilities (continued)

Construction Commitments

At December 31, 1991, the County had construction commitments as follows:

| | <u>Authorized Projects</u> | <u>Expended To Date</u> | <u>Commitment</u> | <u>Required Further Financing</u> |
|----------------------------|--------------------------------|-----------------------------|-------------------|---|
| Road and Bridge building | \$ 150,000 | \$ 88,287 | \$ 60,414 | \$ - |
| County jail | 2,268,621 | 528,194 | 3,170 | 11,085,000 |
| Courthouse improvements | 68,840 | 20,574 | 48,266 | - |
| 911 system | 2,961,338 | 2,443,286 | 287,678 | - |
| Landfill closures | 2,911,677 | 2,457,659 | 304,968 | 1,610,000 |
| Landfill transfer stations | 3,621,950 | 3,204,869 | 16,623 | 200,000 |
| Composting facility | <u>190,000</u> | <u>213,332</u> | <u>211,617</u> | <u>3,200,000</u> |
| Total | <u>\$12,172,426</u> | <u>\$8,956,201</u> | <u>\$ 932,736</u> | <u>\$16,095,000</u> |

The above projects are accounted for in the Capital Projects Funds and the Solid Waste Management Enterprise Fund.

ST. LOUIS COUNTY, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 1991

III. Detailed Notes on All Funds and Account Groups

B. Liabilities (continued)

Self-Insurance

The County Insurance Internal Service Fund, a self-insurance fund, was established for the payment of unemployment compensation claims, workers' compensation claims, and general liability claims and judgments. All risk, except fire and property damage to major structures and catastrophic workers' compensation claims, is assumed. Maximum third-party coverage for property damage is limited to the estimated value of the property. The self-insurance for workers' compensation covers up to \$410,000 per single loss occurrence. At that point, the County is covered for losses by the Workers' Compensation Reinsurance Association, an organization created by Minnesota statutes in 1979 to implement a mandatory program of reinsurance for workers' compensation liability risks in the State of Minnesota for losses occurring on or after October 1, 1979. The Association provides full indemnification for the County, for claims arising under Minn. Stat. ch. 176, (1990) in excess of the \$410,000 retention limit.

The estimated liability for general liability matters and workers' compensation claims is based on a case-by-case evaluation by the County Attorney's Office. Claims incurred but not reported have been considered when determining the liability. Interfund premiums are reported as quasi-external transactions.

The estimated liability for workers' compensation is funded by levying directly for the Internal Service Fund, and will therefore be paid from the retained earnings of the Fund. The County hired a risk manager, who has set up a premium schedule, based on historical costs and projected future liabilities for claims which occur after December 31, 1991.

In addition, the County Attorney's Office estimated settlements to be \$476,500 for various cases considered reasonably possible losses to the County. This amount is not reflected in the financial statements.

Retirement Plan

Plan Description

All full-time and certain part-time employees of St. Louis County are covered by defined benefit pension plans administered by the Public Employees Retirement Association of Minnesota (PERA). The PERA administers the Public Employees Retirement Fund and the Public Employees Police and Fire Fund which are cost-sharing multiple-employer retirement funds. Public Employees Retirement Fund members belong to either the Coordinated or Basic Plan. Coordinated members are covered by Social Security and Basic members are not. All new

ST. LOUIS COUNTY, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 1991

III. Detailed Notes on All Funds and Account Groups

B. Liabilities

Retirement Plan

Plan Description (continued)

members must participate in the Coordinated Plan. All police officers, fire fighters, and peace officers who qualify for membership by statute are covered by the Public Employees Police and Fire Fund. The payroll for employees covered by Public Employees Retirement Fund and Public Employees Police and Fire Fund for the year ended December 31, 1991, was \$62,079,280 and \$4,820,925 respectively; the County's total payroll was \$67,855,530.

The PERA provides retirement benefits as well as disability benefits to members, and benefits to survivors upon death of eligible members. Benefits are established by state statute, and vest after three years of credited service. The defined retirement benefits are based on a member's average salary for any five successive years of allowable service, age and years of credit at termination of service. Two methods are used to compute benefits for Coordinated and Basic members. The retiring member receives the higher of a step-rate benefit accrual formula (Method 1) or a level accrual formula (Method 2). Under Method 1, the annuity accrual rate for a Basic member is two percent of average salary for each of the first ten years of service and 2.5 percent for each remaining year. For a Coordinated member, the annuity accrual rate is one percent of average salary for each of the first ten years and 1.5 percent for each remaining year. Using Method 2, the annuity accrual rate is 2.5 percent of average salary for Basic members and 1.5 percent for Coordinated members. For the Public Employees Police and Fire Fund members, the annuity accrual rate is 2.5 percent for each year of service. For Public Employees Retirement Fund members whose annuity is calculated using Method 1, and for all Public Employee Police and Fire Fund members, a full annuity is available when age plus years of service equal 90.

There are different types of annuities available to members upon retirement. A normal annuity is a lifetime annuity that ceases upon the death of the retiree; no survivor annuity is payable. There are also various types of joint and survivor annuity options available which will reduce the monthly normal annuity amount, because the annuity is payable over joint lives. Members may also leave their contributions in the fund upon termination of public service, in order to qualify for a deferred annuity at retirement age. Refunds of contributions are available at any time to members who leave public service, but before retirement benefits begin.

ST. LOUIS COUNTY, MINNESOTA
 NOTES TO FINANCIAL STATEMENTS
 DECEMBER 31, 1991

III. Detailed Notes on All Funds and Account Groups

B. Liabilities

Retirement Plan (continued)

Contributions Required and Contributions Made

Minn. Stat. ch. 353 sets the rates for employer and employee contributions. The County makes annual contributions to the pension plans equal to the amount required by state statutes. According to Minn. Stat. §356.215, subd. 4g, the date of full funding required for the Public Employees Retirement Fund and the Public Employees Police and Fire Fund is the year 2020. As part of the annual actuarial valuation, the PERA's actuary determines the sufficiency of the statutory contribution rates towards meeting the required full funding deadline. The actuary compares the actual contribution rate to a "required" contribution rate. Current combined statutory contribution rates and actuarially required contribution rates for the plans are:

| | <u>Statutory Rates:</u> | | <u>Required Rates</u> |
|---------------------------------------|-------------------------|-----------------|-----------------------|
| | <u>Employee</u> | <u>Employer</u> | |
| Public Employees Retirement Fund | 4.44% | 4.81% | 10.04% |
| Public Employees Police and Fire Fund | 8.00% | 12.00% | 17.56% |

Total contributions made by St. Louis County during fiscal year 1991 were:

| | <u>Amounts</u> | | <u>Percentage of Covered Payroll</u> | |
|---------------------------------------|--------------------|--------------------|--------------------------------------|-----------------|
| | <u>Employees</u> | <u>Employer</u> | <u>Employees</u> | <u>Employer</u> |
| Public Employees Retirement Fund | \$2,708,547 | \$2,938,658 | 4.2% | 4.5% |
| Public Employees Police and Fire Fund | <u>\$ 343,559</u> | <u>\$ 515,338</u> | .53% | .79% |
| Totals | <u>\$3,052,106</u> | <u>\$3,453,996</u> | | |

The County's contribution for the year ended June 30, 1991, to the Public Employees Retirement Fund represented 2.9 percent of total contributions required of all participating entities. For the Public Employees Police and Fire Fund, contributions for the year ended June 30, 1991, represented 1.9 percent of total contributions required of all participating entities.

ST. LOUIS COUNTY, MINNESOTA
 NOTES TO FINANCIAL STATEMENTS
 DECEMBER 31, 1991

III. Detailed Notes on All Funds and Account Groups

B. Liabilities

Retirement Plan (continued)

Funding Status and Progress

Pension Benefit Obligation

The "pension benefit obligation" is a standardized disclosure measure of the present value of pension benefits, adjusted for the effect of projected salary increases and step-rate benefits, estimated to be payable in the future as a result of employee service to date. The measure, which is the actuarial present value of credited projected benefits, is intended to help users assess the PERA's funding status on a going-concern basis, assess progress made in accumulating sufficient assets to pay benefits when due, and make comparisons among public employees retirement systems and among employers. The PERA does not make separate measurements of assets and pension benefit obligation for individual employers.

The pension benefit obligations as of June 30, 1991, are shown below (in thousands):

| | <u>Public Employees Retirement Fund</u> | <u>Public Employees Police and Fire Fund</u> |
|--|---|--|
| Total pension benefit obligation | \$ 4,458,010 | \$ 732,911 |
| Net assets available for benefits, at cost (Market values for Public Employees Fund = \$3,662,769; Police and Fire Fund = \$872,430) | <u>3,524,071</u> | <u>823,125</u> |
| Unfunded (Funded-assets in excess of) pension benefit obligation | <u>\$ 933,939</u> | <u>\$ (90,214)</u> |

The measurement of the pension benefit obligation is based on an actuarial valuation as of June 30, 1991. Net assets available to pay pension benefits were valued as of June 30, 1991.

ST. LOUIS COUNTY, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 1991

III. Detailed Notes on All Funds and Account Groups

B. Liabilities

Retirement Plan

Funding Status and Progress (continued)

Changes in Benefit Provisions

During the 1991 legislative session, benefit improvements were obtained for survivors of members in the Basic Plan and the Police and Fire Fund. In the Basic Plan, the maximum family death benefit was increased from \$1,000 per month to 70 percent of the member's average salary. In the Police and Fire Fund, children's benefits were restored for families of disabled members who had chosen the joint and survivor annuity option before death. The effect of these changes increased the pension benefit obligation in the Public Employees Retirement Fund by \$4,016,869 and had essentially no effect on the pension benefit obligation in the Public Employees Police and Fire Fund.

Ten-Year Historical Trend Information

Ten-year historical trend information is presented in the PERA's Comprehensive Annual Financial Report for the year ended June 30, 1991. This information is useful in assessing the pension plan's accumulation of sufficient assets to pay pension benefits as they become due.

ST. LOUIS COUNTY, MINNESOTA
 NOTES TO FINANCIAL STATEMENTS
 DECEMBER 31, 1991

III. Detailed Notes on All Funds and Account Groups

C. Interfund Assets/Liabilities

Due From/To Other Funds

| <u>Receivable Fund</u> | <u>Payable Fund</u> | <u>Amount</u> |
|------------------------|--------------------------------------|-------------------|
| General | Special Revenue - Social Services | \$ 134,106 |
| | Capital Projects - Jail bond | <u>12,498</u> |
| | Total | <u>\$ 146,604</u> |

Interfund Receivable/Payable

| <u>Receivable Fund</u> | <u>Payable Fund</u> | <u>Amount</u> |
|------------------------|---|--------------------|
| General | Special Revenue - Land Investment | \$ 4,425 |
| | Enterprise - Chris Jensen | 511,879 |
| | Nopeming | 1,363,711 |
| | Internal Service - Supervised Living | 92,110 |
| | County Garage | <u>106,025</u> |
| | Total | <u>\$2,078,150</u> |

Advances From/To Other Funds

| <u>Receivable Fund</u> | <u>Payable Fund</u> | <u>Amount</u> |
|------------------------|---|---------------|
| General | Special Revenue - Railroad Authority | \$ 14,621 |

ST. LOUIS COUNTY, MINNESOTA
 NOTES TO FINANCIAL STATEMENTS
 DECEMBER 31, 1991

III. Detailed Notes on All Funds and Account Groups (continued)

D. Transfers Between Funds

Transfers between individual funds during December 31, 1990, are as follows:

| <u>Operating Transfers Out</u> | <u>Operating Transfers In</u> | <u>Debit</u> | <u>Credit</u> |
|---|--|--------------------|--------------------|
| General | | \$ 94,600 | \$ |
| | Special Revenue - Babbitt Facility | | 50,000 |
| | Internal Service - Management Information Systems | | 44,600 |
| Special Revenue - Road and Bridge Social Services | | 131,244 30,000 | |
| | General | | 30,000 |
| | Capital Projects - Courthouses | | 131,244 |
| Enterprise - Solid Waste Management | | 1,933,697 | |
| | Internal Service - County Insurance | | 1,200,000 |
| | Expendable Trust - Hibbing Dedicated East Mesabi Dedicated | | 273,697 460,000 |
| Expendable Trust- Forest Resources | | 277,401 | |
| | Special Revenue - Land Investment | | 59,654 |
| | Expendable Trust - Forfeited Tax Sale | | <u>217,747</u> |
| | | <u>\$2,466,942</u> | <u>\$2,466,942</u> |

ST. LOUIS COUNTY, MINNESOTA
 NOTES TO FINANCIAL STATEMENTS
 DECEMBER 31, 1991

III. Detailed Notes on All Funds and Account Groups (continued)

D. Transfers Between Funds (continued)

| <u>Residual Equity Transfers Out</u> | <u>Residual Equity Transfers In</u> | <u>Debit</u> | <u>Credit</u> |
|--|---|---------------------|----------------------------------|
| General | | \$ 205,200 | \$ |
| | Internal Service - County Garage | | ¹ 205,200 |
| Special Revenue - Social Services | | 27,158 | |
| Solid Waste Authorities | | 2,225,499 | |
| General Long Term Debt | | ² 1,005 | |
| | Enterprise - Residential Treatment Solid Waste Management | | 28,163 ³ 2,225,499 |
| Debt Service - Solid Waste Series A | | 37,323 | |
| Solid Waste Series E | | 13,669 | |
| | Enterprise - Solid Waste Management | | ³ 50,992 |
| Capital Projects - Landfill Closures | | 744,420 | |
| Solid Waste Transfer Stations | | 186,180 | |
| | Enterprise - Solid Waste Management | | ³ 930,600 |
| | | <u>\$ 3,440,454</u> | <u>\$ 3,440,454</u> |

¹ The County Garage Internal Service Fund shows an increase in contributed capital of \$205,200 which is the residual equity transfer out of the General Fund. This does not show as a residual equity transfer in.

² The Residential Treatment Enterprise Fund was closed with a transfer from the General Long Term Debt Account Group. This does not show as a residual equity transfer out.

³ The Solid Waste Management Enterprise Fund shows an increase in contributed capital of \$1,655,038 which comprises:

| | |
|---|--------------------|
| Solid Waste Authorities Special Revenue Fund | \$2,225,499 |
| Solid Waste Series A Debt Service Fund | 37,323 |
| Solid Waste Series E Debt Service Fund | 13,669 |
| Landfill Closures Capital Projects Fund | 744,420 |
| Solid Waste Transfer Stations Capital Projects Fund | 186,180 |
| General Fixed Assets Account Group | 3,005,567 |
| General Long Term Debt Account Group | <u>(4,557,620)</u> |

\$1,655,038

This does not show as a residual equity transfer in.

ST. LOUIS COUNTY, MINNESOTA
 NOTES TO FINANCIAL STATEMENTS
 DECEMBER 31, 1991

III. Detailed Notes on All Funds and Account Groups (continued)

E. Fund Equity

Contributed Capital - Enterprise Funds

The following is a summary of the changes in contributed capital for the Enterprise Funds for the year ended December 31, 1991:

| | Restated Contribu- tions <u>1-1-91</u> | <u>Additions</u> | <u>Deletions</u> | Contribu- tions <u>12-31-91</u> |
|-------------------------------------|---|---------------------------|--------------------|---------------------------------------|
| Chris Jensen | \$ 2,000 | \$ - | \$ - | \$ 2,000 |
| Solid Waste Management | <u>-</u> | <u>1,655,038</u> | <u>-</u> | <u>1,655,038</u> |
| Total Enter- prise Funds | <u>\$ 2,000</u> | <u>\$1,655,038</u> | <u>\$ -</u> | <u>\$1,657,038</u> |

Contributed Capital - Internal Service Funds

The following is a summary of the changes in contributed capital for the Internal Service Funds for the year ended December 31, 1991:

| | Contribu- tions <u>1-1-91</u> | <u>Additions</u> | <u>Deletions</u> | Contribu- tions <u>12-31-91</u> |
|---|-------------------------------------|--------------------------|--------------------|---------------------------------------|
| Laundry | \$ 814,517 | \$ - | \$ - | \$ 814,517 |
| Printing | 5,131 | - | - | 5,131 |
| County Garage Management | 2,099,705 | 238,303 | - | 2,338,008 |
| Information Systems | 632,236 | 176,254 | - | 808,490 |
| Telecommuni- cations | <u>185,639</u> | <u>-</u> | <u>-</u> | <u>185,639</u> |
| Total Internal Service Funds | <u>\$3,737,228</u> | <u>\$ 414,557</u> | <u>\$ -</u> | <u>\$4,151,785</u> |

ST. LOUIS COUNTY, MINNESOTA
 NOTES TO FINANCIAL STATEMENTS
 DECEMBER 31, 1991

IV. Segments of Enterprise Activities

Three services provided by the County are financed by user charges. These services are as follows:

Chris Jensen - Chris Jensen is a nursing home facility for the public.

Nopeming - Nopeming is a nursing home facility for the public.

Solid Waste Management - Solid Waste Management includes the operations of the County's landfills, transfer stations and recycling centers, as well as the capital financing for these projects.

The key financial data for the year ended December 31, 1991, for these three services are:

| | <u>Chris Jensen</u> | <u>Nopeming</u> | <u>Solid Waste Management</u> | <u>Total Enterprise Funds</u> |
|---|-------------------------|-----------------|---------------------------------------|---------------------------------------|
| Operating revenues | \$9,192,116 | \$ 8,003,377 | \$2,723,957 | \$19,919,450 |
| Depreciation | 95,475 | 62,867 | 15,762 | 174,104 |
| Operating income (loss) | 59,463 | (874,311) | (1,576,565) | (2,391,413) |
| Taxes | 1,250,653 | 1,015,286 | 602,987 | 2,868,926 |
| Grants | - | - | 547,219 | 547,219 |
| Operating transfer out | - | - | 1,933,697 | 1,933,697 |
| Net income (loss) | 1,072,248 | 124,825 | (2,367,029) | (1,169,956) |
| Current capital contributions | - | - | 1,655,038 | 1,655,038 |
| Property, plant, and equipment - additions | 24,353 | 251,835 | 3,546,330 | 3,822,518 |
| Net working capital | 439,974 | (235,898) | 1,507,914 | 1,711,990 |
| Total assets | 7,511,548 | 4,459,685 | 6,935,580 | 18,906,813 |
| Long-term liabilities payable from opera- ting revenues | 2,063,888 | 346,412 | 6,535,915 | 8,946,215 |
| Total equity | \$2,671,734 | \$ 1,899,917 | \$ (711,991) | \$3,859,660 |

ST. LOUIS COUNTY, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 1991

V. Joint Ventures

Arrowhead Regional Corrections

Arrowhead Regional Corrections is governed by a ten-member board, composed of a member appointed from each of the participating counties' boards of commissioners, except for St. Louis County, which has two members from its board. In addition, a member is selected by the Tribal Council of the Minnesota Chippewa Tribe, one member represents the Corrections Advisory Board established pursuant to the Community Corrections Act, and there is one citizen member. The County handles all the financial transactions for Arrowhead Regional Corrections through its Arrowhead Regional Corrections Agency Fund. Its deposit and investments are included in the County's foregoing note on deposits and investments.

Arrowhead Regional Corrections is financed through state grants and contributions from the participating counties. During 1991, county contributions were in the following proportion:

| | |
|--------------------|----------------------|
| Aitkin County | 3.0% |
| Carlton County | 8.0% |
| Cook County | 3.0% |
| Koochiching County | 3.0% |
| Lake County | 3.0% |
| St. Louis County | <u>80.0%</u> |
| Total | <u>100.0%</u> |

A summary of the financial information of Arrowhead Regional Corrections for the year ended December 31, 1990, (the most recent available), excluding general fixed assets of \$2,735,654, and general long-term debt of \$564,017 was:

| | |
|--|--------------|
| Total Assets | \$ 1,766,219 |
| Total Liabilities | \$ 386,120 |
| Total Fund Equity | \$ 816,082 |
| Total Revenues | \$ 7,848,716 |
| Total Expenditures | \$ 7,543,550 |
| Increase (decrease) in Fund Balance | \$ 286,324 |

Community Health Services Board

Carlton, Cook, Lake and St. Louis Counties entered into a joint powers agreement, creating and operating the Carlton, Cook, Lake and St. Louis County Community Health Services Board. This agreement is entered into under the authority of the Community Health Services Act and is pursuant to the provisions of Minn. Stat. ch. 471 (1990).

ST. LOUIS COUNTY, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 1991

V. Joint Ventures

Community Health Services Board (continued)

The Community Health Services Board is composed of nine members. Carlton, Cook, and Lake County Boards of Commissioners each appoint two members; the St. Louis County Board of Commissioners appoints three members. Financing is obtained through federal and state grants. The County is not a funding mechanism for this organization.

A summary of the financial information of the Community Health Services Board for December 31, 1990, (the most recent available) excluding general fixed assets of \$17,612, and general long-term debt of \$4,776, is:

| | |
|--|-------------|
| Total Assets | \$ 367,054 |
| Total Liabilities | \$ 342,489 |
| Total Fund Equity | \$ 24,565 |
| Total Revenues | \$1,877,988 |
| Total Expenditures | \$1,877,988 |
| Increase (decrease) in Fund Balance | \$ - |

North Shore Management Board

The counties of Cook, Lake and St. Louis; the cities of Beaver Bay, Grand Marais, Silver Bay, and Two Harbors; and the Town Boards of Duluth and Lakewood Townships entered into a joint powers agreement pursuant to Minn. Stat. ch. 471 (1990) to formulate a management plan and develop strategies for environmental protection and orderly growth of the North Shore of Lake Superior. Membership of the Board is composed of one elected official appointed by each respective county board, city council and township board identified above. The County is not a funding mechanism for this organization. A summary of the financial information of the North Shore Management Board for the year ended December 31, 1990, (the most recent available), was:

| | |
|--|------------|
| Total Assets | \$ 39,452 |
| Total Liabilities | \$ 39,452 |
| Total Receipts | \$ 96,306 |
| Total Disbursements | \$ 133,560 |
| Increase (decrease) in Fund Balance | \$ - |

ST. LOUIS COUNTY, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 1991

V. Joint Ventures (continued)

Northeast Minnesota Office of Job Training

The Counties of Aitkin, Carlton, Cook, Itasca, Koochiching, Lake, and St. Louis Counties entered into a joint powers agreement pursuant to Minn. Stat. ch. 471 (1990) for the purpose of developing and implementing a private and public job training program. The United States Congress through the Job Training Partnership Act of 1982 authorized states to establish "service delivery areas" to provide programs to achieve full employment through the use of grants. The counties identified above are defined as such a "service delivery area" and the Northeast Minnesota Office of Job Training is designated as the grant recipient and administrator for such service delivery area. The County is not a funding mechanism for this organization.

The governing body is composed of seven members, one from the board of commissioners of each of the participating counties.

A summary of the financial information of Northeast Minnesota Office of Job Training's funds for the fiscal year ended June 30, 1991, excluding general fixed assets of \$442,667 and general long-term debt of \$83,063 was:

| | | |
|--|----|-----------|
| Total Assets | \$ | 594,907 |
| Total Liabilities | \$ | 511,844 |
| Total Fund Equity | \$ | 83,063 |
| Total Revenues | \$ | 3,203,974 |
| Total Expenditures | \$ | 3,186,496 |
| Increase (Decrease) in Fund Balance | \$ | 17,478 |

VI. Summary of Significant Contingencies and Other Items

A. Claims and Litigation

The County, in connection with the normal conduct of its affairs, is involved in various claims, judgments, and litigation. The County Attorney estimates that the potential claims against the County not covered by insurance resulting from such litigation would not materially affect the financial statements of the County.

ST. LOUIS COUNTY, MINNESOTA
 NOTES TO FINANCIAL STATEMENTS
 DECEMBER 31, 1991

VI. Summary of Significant Contingencies and Other Items(continued)

B. Departmental Trust Deposits

Departmental trust deposits include funds deposited with various County departments as required by statute or court orders. The following is a summary of these trust deposits which are not shown on the combined balance sheet at December 31, 1991.

| | |
|--------------------------------|--------------------|
| Courts | \$ 409,308 |
| Purchasing | 16,357 |
| ARC (Probation) | 1,764 |
| Sheriff | 2,703 |
| Judge of Probate | 11,461 |
| Social Services | |
| Social Welfare | 774,430 |
| Support and Collections (IV-D) | 413,850 |
| Estate | <u>116,671</u> |
| Total | <u>\$1,746,544</u> |

C. Settlements Held by the Court for Minors

The Court Administrator, at December 31, 1991, held investments for individuals who have not reached the age of majority. These investments have a combined face value of \$4,118,216 and are not included in the County's financial statements.

VII. Subsequent Events

Northwest Airbus Facility

Northwest Airlines announced in 1991 that it will build a maintenance base in Duluth for Airbus airliners and an engine repair base in Hibbing. A state subsidy package was offered to Northwest.

Legislation was passed allowing the State of Minnesota Commissioner of Finance to issue and sell revenue bonds of up to \$350,000,000. The proceeds of the bonds may be used as follows: \$250,000,000 to finance an airbus maintenance facility at the Duluth International Airport; \$100,000,000 to finance an aircraft engine facility at the Chisholm-Hibbing Municipal Airport in Hibbing. Pursuant to the legislation, the Duluth facility may be owned by the Metropolitan Airports Commission and leased to an airline or airlines; the Hibbing facility may be owned by the owner of the Chisholm-Hibbing Municipal airport and leased for the purpose of repairing aircraft engines or components. The facilities must be pledged as collateral for the bonds.

ST. LOUIS COUNTY, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 1991

VII. Subsequent Events

Northwest Airbus Facility (continued)

St. Louis County may become liable for \$12,600,000 of the bonds for the Duluth facility and \$15,000,000 for the Hibbing facility. The lease payments from Northwest Airlines are calculated at an amount sufficient to meet the debt service requirements; it is only in the event of a default on the lease payments that St. Louis County would be called upon to service the debt.

Also, for the Hibbing facility, tax increment bonds will be issued by the City of Hibbing in an amount not to exceed \$10,000,000. The full faith and credit of the County will be pledged for approximately 60% of these bonds.

The Metropolitan Airports Commission (MAC) has provided a \$270,000,000 loan to Northwest Airlines as an incentive for the airlines to build the Duluth and Hibbing facilities. Private citizens have filed suit to challenge the authority for this loan; however, the loan has been made by MAC. The litigation is in the Court of Appeals and has delayed the sale of the St. Louis County - backed bonds until it is resolved.

Solid Waste Facility Construction

The County tentatively plans to issue bonds early in 1993 for the construction of a solid waste composting facility. At the present time, the plan is to have the facility constructed with public funds, but operated privately. The bond issue and construction of the facility will not go forward, however, until the County has reviewed recent State of Minnesota legislation regarding solid waste issues. The legislation provides for alternatives to composting for solid waste management. Also, the Minnesota Pollution Control Agency is examining the possibility of regionalizing the management of solid waste issues. If such a regionalization should occur, the financing of disposal facilities would have to be re-examined.

Jail Facilities

The Capital Improvement Plan approved by the St. Louis County Board of Commissioners and the State of Minnesota Department of Trade and Economic Development includes construction of a Duluth Area Jail, a law enforcement center on the Iron Range and a regional corrections center.

Early in 1993, the County plans to ask the St. Louis County Housing and Redevelopment Authority to bond for 12.9 million dollars for the Duluth jail. Two million dollars of this issue would retire the St. Louis County Correctional Facilities Bond.

The other correction facilities in the Capital Improvement Plan are being discussed by the St. Louis County Board of Commissioners; however, no commitments have yet been made and no plans have been formalized for any facility other than the Duluth jail.

**FINANCIAL—
COMBINING AND
INDIVIDUAL FUNDS
AND ACCOUNT GROUP
STATEMENTS AND
SCHEDULES**

GENERAL FUND

**The General Fund is used to account for all financial resources,
except those required to be accounted for in another fund.**

ST. LOUIS COUNTY, MINNESOTA
BALANCE SHEET
GENERAL FUND
 DECEMBER 31, 1991

| <u>Assets</u> | |
|---|-----------------------------|
| Cash and cash equivalents | \$ 5,674,540 |
| Change funds | 18,844 |
| Receivables | |
| Taxes | |
| Unapportioned | 435,480 |
| Delinquent | 1,264,044 |
| Accounts | 152,352 |
| Accrued interest | 1,074,897 |
| Loans | 1,680,545 |
| Due from other funds | 146,604 |
| Interfund receivable | 2,078,150 |
| Due from other governments | 606,103 |
| Advances to other funds | 14,621 |
| Total Assets | <u>\$ 13,146,180</u> |
| <u>Liabilities and Fund Balance</u> | |
| Liabilities | |
| Accounts payable | \$ 791,545 |
| Salaries payable | 1,376,758 |
| Compensated absences payable | 192,418 |
| Due to other governments | 53,618 |
| Deferred revenue | 2,692,930 |
| Total Liabilities | <u>\$ 5,107,269</u> |
| Fund Balance | |
| Reserved for change funds | \$ 18,844 |
| Reserved for noncurrent loans | 620,862 |
| Reserved for economic development | 219,715 |
| Reserved for advances to other funds | 14,621 |
| Reserved for encumbrances | 275,361 |
| Reserved for health and welfare | 559,746 |
| Reserved for law library | 72,587 |
| Unreserved | |
| Undesignated | 6,257,175 |
| Total Fund Balance | <u>\$ 8,038,911</u> |
| Total Liabilities and Fund Balance | <u>\$ 13,146,180</u> |

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

ST. LOUIS COUNTY, MINNESOTA
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
 GENERAL FUND
 YEAR ENDED DECEMBER 31, 1991

| | |
|---------------------------|-------------------------------------|
| Revenues | |
| Taxes | \$ 22,502,361 |
| Licenses and permits | 108,611 |
| Intergovernmental | 10,268,508 |
| Charges for services | 4,457,681 |
| Fines and forfeits | 689,530 |
| Interest on investments | 1,922,075 |
| Gifts and contributions | 8,707 |
| Miscellaneous | <u>646,632</u> |
| Total Revenues | \$ 40,604,105 |
| Expenditures | |
| General government | |
| Current: | |
| Commissioners | \$ 567,418 |
| County administrator | 280,675 |
| Intergovernmental affairs | 206,682 |
| Planning & research | 175,290 |
| Labor relations | 37,892 |
| Public defenders | 1,091,550 |
| Court administrator | 4,388,376 |
| Examiner of titles | 116,389 |
| County attorney | 1,785,026 |
| Law library | 100,050 |
| County auditor | 3,013,111 |
| County assessor | 1,351,080 |
| Purchasing | 402,453 |
| Microfilming | 118,737 |
| Recorder | 792,972 |
| Surveyor | 453,976 |
| Civil service | 807,530 |
| Veteran's service | 405,717 |
| Port authority | 50,000 |
| Elections | 5,238 |
| Courthouses | 1,510,787 |
| Employee training | <u>167,053</u> |
| Total Current | \$ 17,828,002 (continued) |

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

ST. LOUIS COUNTY, MINNESOTA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
GENERAL FUND
YEAR ENDED DECEMBER 31, 1991

Expenditures (Continued)

General government (continued)

Capital Outlay:

| | | |
|---------------------------|----|--------|
| County administrator | \$ | 3,195 |
| Intergovernmental affairs | | 1,235 |
| Planning and research | | 3,221 |
| Court administrator | | 6,379 |
| County attorney | | 40,883 |
| County auditor | | 6,199 |
| Purchasing | | 1,200 |
| Surveyor | | 7,712 |
| Courthouses | | 8,499 |

Total Capital Outlay \$ 78,523

Total General Government \$ 17,906,525

Public Safety

Current:

| | | |
|-------------------------|----|-----------|
| Sheriff | \$ | 5,872,394 |
| Boat and water safety | | 69,647 |
| Medical examiner | | 149,535 |
| Rescue squad | | 64,443 |
| Emergency management | | 133,661 |
| Radio maintenance | | 289,630 |
| Emergency communication | | 1,292,223 |
| Jail prisoners | | 2,302,908 |
| Mine inspector | | 189,060 |
| Safety council | | 780 |
| Ambulance service | | 42,884 |
| Law enforcement service | | 510,861 |

Total Current \$ 10,918,026
(continued)

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

ST. LOUIS COUNTY, MINNESOTA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
GENERAL FUND
YEAR ENDED DECEMBER 31, 1991

Expenditures (Continued)

Public safety (continued)

Capital Outlay:

| | |
|--------------------------|----------|
| Sheriff | \$ 4,036 |
| Boat and water safety | 22,250 |
| Radio maintenance | 2,792 |
| Jail prisoners | 28,478 |
| Law enforcement services | 13,425 |

Total Capital Outlay \$ 70,981

Total Public Safety \$ 10,989,007

Health

Current:

| | |
|--------------------------------|--------------|
| Administration | \$ 1,116,672 |
| Nursing | 2,700,468 |
| Environmental health | 1,328,914 |
| Duluth Community Health Center | 20,000 |
| Risk management | 199,446 |

Total Current \$ 5,365,500

Capital Outlay:

| | |
|-----------------|-----------|
| Administration | \$ 28,215 |
| Nursing | 10,123 |
| Risk management | 2,679 |

Total Capital Outlay \$ 41,017

Total Health \$ 5,406,517
(continued)

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

ST. LOUIS COUNTY, MINNESOTA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
GENERAL FUND
YEAR ENDED DECEMBER 31, 1991

Expenditures (Continued)

Welfare

Current:

| | |
|--------------|-----------|
| School lunch | \$ 15,000 |
|--------------|-----------|

Culture and recreation

Current:

| | |
|--------------------------|----------|
| Memorial Day observance | \$ 1,085 |
| Historical Society | 143,124 |
| Arrowhead Library System | 199,537 |
| Community fairs | 800 |
| Depot | 5,000 |
| Tourism promotion | 66,960 |

| | |
|------------------------------|------------|
| Total Culture and Recreation | \$ 416,506 |
|------------------------------|------------|

Conservation of natural resources

Current:

| | |
|---|------------|
| County agent | \$ 355,630 |
| County fair - north | 17,000 |
| County fair - south | 17,000 |
| Soil conservation - north | 30,000 |
| Soil conservation - south | 30,000 |
| Natural Resources Alliance of Minnesota | 6,310 |
| Arrowhead Site Commission | 25,000 |

| | |
|---------------|------------|
| Total Current | \$ 480,940 |
|---------------|------------|

(continued)

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

ST. LOUIS COUNTY, MINNESOTA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
GENERAL FUND
YEAR ENDED DECEMBER 31, 1991

| | |
|---|----------------------------|
| Expenditures (Continued) | |
| Conservation of natural resources (continued) | |
| Capital Outlay: | |
| County agent | \$ 10,219 |
| Total Conservation of Natural Resources | <u>\$ 491,159</u> |
| Economic development | |
| Current: | |
| J.F. Paulucci loan | 375,000 |
| Arrowhead Association | 10,000 |
| Total Economic Development | <u>\$ 385,000</u> |
| Intergovernmental | |
| Public safety | \$ 4,269,848 |
| Total Expenditures | <u>\$ 39,879,562</u> |
| Excess of Revenues Over (Under) Expenditures | <u>\$ 724,543</u> |
| Other Financing Sources (Uses) | |
| Operating transfers in | 30,000 |
| Operating transfers out | (94,600) |
| Total Other Financing Sources (Uses) | <u>\$ (64,600)</u> |
| Excess of Revenue and Other Sources Over (Under) Expenditures and Other Uses | 659,943 |
| Fund Balance, January 1, 1991 | \$ 7,584,168 |
| Equity transfer out | <u>(205,200)</u> |
| Fund Balance, December 31, 1991 | <u><u>\$ 8,038,911</u></u> |

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

ST. LOUIS COUNTY, MINNESOTA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL-BUDGETARY BASIS
GENERAL FUND
YEAR ENDED DECEMBER 31, 1991

| Expenditures (Continued) | Budget | Actual | | | Variance Favorable (Unfavorable) |
|---|----------------------|-------------------------|------------------|----------------------|--|
| | | Current Expenditures | Encumbrances | Total | |
| Public Safety | | | | | |
| Current: | | | | | |
| Sheriff | \$ 5,719,369 | \$ 5,655,282 | \$ 37,318 | \$ 5,692,600 | \$ 26,769 |
| Boat and water safety | 91,561 | 69,647 | 1,597 | 71,244 | 20,317 |
| Medical examiner | 168,553 | 149,535 | - | 149,535 | 19,018 |
| Rescue squad | 74,804 | 60,372 | 13,753 | 74,125 | 679 |
| Emergency management | 133,869 | 133,522 | 346 | 133,868 | 1 |
| Radio maintenance | 298,126 | 285,388 | 9,342 | 294,730 | 3,396 |
| Emergency communication | 1,322,709 | 1,291,668 | 7,647 | 1,299,315 | 23,394 |
| Jail prisoners | 2,417,168 | 2,302,908 | 1,648 | 2,304,556 | 112,612 |
| Mine inspector | 199,174 | 189,059 | 136 | 189,195 | 9,979 |
| Safety council | 750 | 780 | - | 780 | (30) |
| Ambulance service | 38,000 | 42,884 | - | 42,884 | (4,884) |
| Law enforcement service | 510,615 | 510,447 | 369 | 510,816 | (201) |
| Total Public | | | | | |
| Safety-Current | \$ 10,974,698 | \$ 10,691,492 | \$ 72,156 | \$ 10,763,648 | \$ 211,050 |
| Health | | | | | |
| Current: | | | | | |
| Administration | \$ 1,118,548 | \$ 1,111,425 | \$ 8,576 | \$ 1,120,001 | \$ (1,453) |
| Nursing | 2,833,798 | 2,688,151 | 39,404 | 2,727,555 | 106,243 |
| Environmental health | 1,350,549 | 1,326,364 | 2,670 | 1,329,034 | 21,515 |
| Duluth Community Health Center | 20,000 | 20,000 | - | 20,000 | - |
| American Indian Fellow- ship Association | 22,233 | - | - | - | 22,233 |
| Risk management | 244,454 | 196,734 | 5,181 | 201,915 | 42,539 |
| Total Health-Current | \$ 5,589,582 | \$ 5,342,674 | \$ 55,831 | \$ 5,398,505 | \$ 191,077 |
| Welfare | | | | | |
| Current: | | | | | |
| School lunch | \$ 15,000 | \$ 15,000 | \$ - | \$ 15,000 | \$ - |

(continued)

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

ST. LOUIS COUNTY, MINNESOTA
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL-BUDGETARY BASIS
 GENERAL FUND
 YEAR ENDED DECEMBER 31, 1991

| | Budget | | Actual | | Variance Favorable (Unfavorable) |
|---------------------------|----------------------|----------------------|----------------------|----------------------|--|
| | | | | | |
| Revenues | | | | | |
| Taxes | \$ 22,523,198 | | \$ 22,502,361 | | \$ (20,837) |
| Licenses and permits | 100,530 | | 108,611 | | 8,081 |
| Intergovernmental | 10,137,632 | | 10,268,508 | | 130,876 |
| Charges for services | 4,388,863 | | 4,457,681 | | 68,818 |
| Fines and Forfeitures | 757,200 | | 689,530 | | (67,670) |
| Interest on Investments | 1,806,000 | | 1,922,075 | | 116,075 |
| Gifts and contributions | 100 | | 8,707 | | 8,607 |
| Miscellaneous | 317,223 | | 646,632 | | 329,409 |
| Total Revenues | \$ 40,030,746 | | \$ 40,604,105 | | \$ 573,359 |
| | | | | | |
| | | Actual | | | |
| | | Current | Encumbrances | Total | Variance |
| | Budget | Expenditures | | | Favorable |
| | | | | | (Unfavorable) |
| Expenditures | | | | | |
| General government | | | | | |
| Current: | | | | | |
| Commissioners | \$ 591,865 | \$ 567,418 | \$ - | \$ 567,418 | \$ 24,447 |
| County administrator | 294,273 | 280,675 | 2,311 | 282,986 | 11,287 |
| Intergovernmental affairs | 218,106 | 206,682 | 255 | 206,937 | 11,169 |
| Planning and research | 191,328 | 175,290 | 109 | 175,399 | 15,929 |
| Labor relations | 37,897 | 37,892 | - | 37,892 | 5 |
| Public defenders | 1,084,608 | 1,091,550 | - | 1,091,550 | (6,942) |
| Court administrator | 4,571,078 | 4,384,067 | 5,889 | 4,389,956 | 181,122 |
| Examiner of titles | 117,962 | 116,389 | - | 116,389 | 1,573 |
| County attorney | 1,857,364 | 1,770,059 | 10,162 | 1,780,221 | 77,143 |
| Law library | 101,244 | 100,050 | 1,194 | 101,244 | - |
| County auditor | 3,097,906 | 3,000,014 | 9,915 | 3,009,929 | 87,977 |
| County assessor | 1,376,923 | 1,340,959 | 19,886 | 1,360,845 | 16,078 |
| Purchasing | 475,442 | 400,180 | 11,939 | 412,119 | 63,323 |
| Microfilming | 135,017 | 118,737 | 3,710 | 122,447 | 12,570 |
| Recorder | 822,684 | 792,972 | 7,335 | 800,307 | 22,377 |
| Surveyor | 461,295 | 450,124 | 2,764 | 452,888 | 8,407 |
| Civil service | 844,817 | 804,358 | 896 | 805,254 | 39,563 |
| Veteran's service | 408,979 | 405,717 | 499 | 406,216 | 2,763 |
| Port authority | 50,000 | 50,000 | - | 50,000 | - |
| Elections | 12,292 | 5,238 | 6,712 | 11,950 | 342 |
| Courthouses | 1,694,836 | 1,676,619 | 16,172 | 1,692,791 | 2,045 |
| Employee training | 184,326 | 165,803 | 3,195 | 168,998 | 15,328 |
| Total General | | | | | |
| Government-Current | \$ 18,630,242 | \$ 17,940,793 | \$ 102,943 | \$ 18,043,736 | \$ 586,506 |

(continued)

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

ST. LOUIS COUNTY, MINNESOTA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL-BUDGETARY BASIS
GENERAL FUND
YEAR ENDED DECEMBER 31, 1991

| Expenditures (Continued) | Budget | Actual | | | Variance Favorable (Unfavorable) |
|--|----------------------|-------------------------|------------------|----------------------|--|
| | | Current Expenditures | Encumbrances | Total | |
| Public Safety | | | | | |
| Current: | | | | | |
| Sheriff | \$ 5,719,369 | \$ 5,655,282 | \$ 37,318 | \$ 5,692,600 | \$ 26,769 |
| Boat and water safety | 91,561 | 69,647 | 1,597 | 71,244 | 20,317 |
| Medical examiner | 168,553 | 149,535 | - | 149,535 | 19,018 |
| Rescue squad | 74,804 | 60,372 | 13,753 | 74,125 | 679 |
| Emergency management | 133,869 | 133,522 | 346 | 133,868 | 1 |
| Radio maintenance | 298,126 | 285,388 | 9,342 | 294,730 | 3,396 |
| Emergency communication | 1,322,709 | 1,291,668 | 7,647 | 1,299,315 | 23,394 |
| Jail prisoners | 2,417,168 | 2,302,908 | 1,648 | 2,304,556 | 112,612 |
| Mine inspector | 199,174 | 189,059 | 136 | 189,195 | 9,979 |
| Safety council | 750 | 780 | - | 780 | (30) |
| Ambulance service | 38,000 | 42,884 | - | 42,884 | (4,884) |
| Law enforcement service | 510,615 | 510,447 | 369 | 510,816 | (201) |
| Total Public Safety-Current | \$ 10,974,698 | \$ 10,691,492 | \$ 72,156 | \$ 10,763,648 | \$ 211,050 |
| Health | | | | | |
| Current: | | | | | |
| Administration | \$ 1,118,548 | \$ 1,111,425 | \$ 8,576 | \$ 1,120,001 | \$ (1,453) |
| Nursing | 2,833,798 | 2,688,151 | 39,404 | 2,727,555 | 106,243 |
| Environmental health | 1,350,549 | 1,326,364 | 2,670 | 1,329,034 | 21,515 |
| Duluth Community Health Center | 20,000 | 20,000 | - | 20,000 | - |
| American Indian Fellowship Association | 22,233 | - | - | - | 22,233 |
| Risk management | 244,454 | 196,734 | 5,181 | 201,915 | 42,539 |
| Total Health-Current | \$ 5,589,582 | \$ 5,342,674 | \$ 55,831 | \$ 5,398,505 | \$ 191,077 |
| Welfare | | | | | |
| Current: | | | | | |
| School lunch | \$ 15,000 | \$ 15,000 | \$ - | \$ 15,000 | \$ - |

(continued)

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

ST. LOUIS COUNTY, MINNESOTA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL-BUDGETARY BASIS
GENERAL FUND
YEAR ENDED DECEMBER 31, 1991

| | Budget | Actual | | | Variance Favorable (Unfavorable) |
|--|----------------------|-------------------------|-------------------|----------------------|--|
| | | Current Expenditures | Encumbrances | Total | |
| Expenditures (Continued) | | | | | |
| Culture and recreation | | | | | |
| Current: | | | | | |
| Memorial Day Observance | \$ 1,200 | \$ 1,085 | \$ - | \$ 1,085 | \$ 115 |
| Historical Society | 143,124 | 143,124 | - | 143,124 | - |
| Arrowhead Library System | 199,537 | 199,537 | - | 199,537 | - |
| Community fairs | 1,120 | 800 | - | 800 | 320 |
| Depot | 5,000 | 5,000 | - | 5,000 | - |
| Tourism promotion | 66,960 | 66,960 | - | 66,960 | - |
| Total Culture and Recreation-Current | \$ 416,941 | \$ 416,506 | \$ - | \$ 416,506 | \$ 435 |
| Conservation of natural resources | | | | | |
| Current: | | | | | |
| County agent | \$ 376,330 | \$ 355,030 | \$ 3,734 | \$ 358,764 | \$ 17,566 |
| County fair - north | 17,000 | 17,000 | - | 17,000 | - |
| County fair - south | 17,000 | 17,000 | - | 17,000 | - |
| Soil conservation - north | 30,000 | 30,000 | - | 30,000 | - |
| Soil conservation - south | 30,000 | 30,000 | - | 30,000 | - |
| Natural Resources Alliance of Minnesota | 6,310 | 6,310 | - | 6,310 | - |
| Arrowhead Site Commission | 25,000 | 25,000 | - | 25,000 | - |
| Other | 16,000 | - | - | - | 16,000 |
| Total Conservation of Natural Resources-Current | \$ 517,640 | \$ 480,340 | \$ 3,734 | \$ 484,074 | \$ 33,566 |
| Economic development | | | | | |
| Current: | | | | | |
| J.F. Paulucci loan | \$ 375,000 | \$ 375,000 | \$ - | \$ 375,000 | \$ - |
| Arrowhead Association | 10,000 | 10,000 | - | 10,000 | - |
| Total Economic Development-Current | \$ 385,000 | \$ 385,000 | \$ - | \$ 385,000 | \$ - |
| Total Expenditures-Current | \$ 36,529,103 | \$ 35,271,805 | \$ 234,664 | \$ 35,506,469 | \$ 1,022,634 |

(continued)

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

ST. LOUIS COUNTY, MINNESOTA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL-BUDGETARY BASIS
GENERAL FUND
YEAR ENDED DECEMBER 31, 1991

Statement A-3
(continued)

| | Budget | Actual | | | Variance Favorable (Unfavorable) |
|---|------------------|-------------------------|------------------|------------------|--|
| | | Current Expenditures | Encumbrances | Total | |
| Expenditures (Continued) | | | | | |
| General government | | | | | |
| Capital Outlay: | | | | | |
| County administrator | \$ - | \$ 3,195 | \$ - | \$ 3,195 | \$ (3,195) |
| Intergovernmental affairs | - | 1,235 | - | 1,235 | (1,235) |
| Planning and research | 3,222 | 3,222 | - | 3,222 | - |
| Public defender | 6,943 | - | - | - | 6,943 |
| Court administrator | 6,000 | 6,379 | 5,800 | 12,179 | (6,179) |
| County attorney | 10,530 | 37,968 | - | 37,968 | (27,438) |
| County auditor | - | - | 8,990 | 8,990 | (8,990) |
| County assessor | 1,600 | - | - | - | 1,600 |
| Purchasing | - | 1,200 | 11,300 | 12,500 | (12,500) |
| Microfilming | - | - | 3,880 | 3,880 | (3,880) |
| Surveyor | - | 239 | 2,173 | 2,412 | (2,412) |
| Civil service | 6,400 | - | 2,324 | 2,324 | 4,076 |
| Courthouses | 4,536 | 3,860 | - | 3,860 | 676 |
| Total General Government- Capital Outlay | \$ 39,231 | \$ 57,298 | \$ 34,467 | \$ 91,765 | \$ (52,534) |
| Public safety | | | | | |
| Capital Outlay: | | | | | |
| Sheriff | \$ - | \$ 4,036 | \$ - | \$ 4,036 | \$ (4,036) |
| Boat and water safety | 10,000 | 22,250 | - | 22,250 | (12,250) |
| Radio maintenance | - | 2,792 | - | 2,792 | (2,792) |
| Jail prisoners | 30,000 | 28,478 | - | 28,478 | 1,522 |
| Law enforcement service | 18,125 | 13,425 | - | 13,425 | 4,700 |
| Total Public Safety- Capital Outlay | \$ 58,125 | \$ 70,981 | \$ - | \$ 70,981 | \$ (12,856) |
| Health | | | | | |
| Capital Outlay: | | | | | |
| Administration | \$ 29,958 | \$ 11,039 | \$ - | \$ 11,039 | \$ 18,919 |
| Nursing | 3,500 | 10,123 | - | 10,123 | (6,623) |
| Environmental health | 3,295 | - | - | - | 3,295 |
| Risk management | - | 16 | - | 16 | (16) |
| Total Health- Capital Outlay | \$ 36,753 | \$ 21,178 | \$ - | \$ 21,178 | \$ 15,575 |

(continued)

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

ST. LOUIS COUNTY, MINNESOTA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL-BUDGETARY BASIS
GENERAL FUND
YEAR ENDED DECEMBER 31, 1991

Statement A-3
(continued)

| | Budget | Actual | | Variance Favorable (Unfavorable) | |
|---|---------------|-------------------------|--------------|--|--------------|
| | | Current Expenditures | Encumbrances | | Total |
| Expenditures (Continued) | | | | | |
| Conservation of Natural Resources | | | | | |
| Capital Outlay: | | | | | |
| County agent | \$ 6,000 | \$ 4,967 | \$ 6,818 | \$ 11,785 | \$ (5,785) |
| Total Expenditures-Capital Outlay | \$ 140,109 | \$ 154,424 | \$ 41,285 | \$ 195,709 | \$ (55,600) |
| Intergovernmental | | | | | |
| Public safety | \$ 4,269,848 | \$ 4,269,848 | \$ - | \$ 4,269,848 | \$ - |
| Total Expenditures | \$ 40,939,060 | \$ 39,696,077 | \$ 275,949 | \$ 39,972,026 | \$ 967,034 |
| Excess of Revenues Over (Under) Expenditures | \$ (908,314) | | | \$ 632,079 | \$ 1,540,393 |
| Other Financing Sources (Uses) | | | | | |
| Operating transfers in | \$ - | | | \$ 30,000 | \$ 30,000 |
| Operating transfers out | (50,000) | | | (94,600) | (44,600) |
| Total Other Financing Sources (Uses) | \$ (50,000) | | | \$ (64,600) | \$ (14,600) |
| Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Uses | \$ (958,314) | | | \$ 567,479 | \$ 1,525,793 |
| Adjustments -Note 1 | - | | | 92,464 | 92,464 |
| Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Uses as Adjusted | \$ (958,314) | | | \$ 659,943 | \$ 1,618,257 |
| Fund Balance - January 1 | 7,584,168 | | | 7,584,168 | - |
| Equity transfer out | (205,200) | | | (205,200) | - |
| Fund Balance - December 31 | \$ 6,420,654 | | | \$ 8,038,911 | \$ 1,618,257 |

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SPECIAL REVENUE FUNDS

To account for the proceeds of specific revenue sources (other than expendable trusts, or for major capital projects) that are legally restricted to expenditures for specified purposes.

BABBITT FACILITY

The Babbitt Facility Fund is used to account for the expenses of maintaining plant and equipment of the County-owned facility following its abandonment by occupant.

COUNTY HOUSING AUTHORITY

This fund is used to provide funds for economic development.

LAND INVESTMENT

The Land Investment Fund is used to accelerate and intensify the management of the County's peat and commercial forest lands; and, to utilize St. Louis County's reservoir of productive and talented people, who, due to economic conditions, cannot find work.

RAILROAD AUTHORITY

This fund is used to provide (in conjunction with Lake County, Minnesota) for the operations of a scenic tourist excursion railway throughout Northern Minnesota, and for future freight traffic along the north shore of Lake Superior.

ROAD AND BRIDGE

The Road and Bridge Fund is used to account for public works activity.

SOCIAL SERVICES

To account for the operations and financial activities of the Welfare Department.

SOLID WASTE AUTHORITIES

This fund was used to account for the operation of the various solid waste service areas in the county. It was closed and its equity was transferred to the Solid Waste Management Enterprise Fund.

ST. LOUIS COUNTY, MINNESOTA
COMBINING BALANCE SHEET
ALL SPECIAL REVENUE FUNDS
DECEMBER 31, 1991

| | Babbitt Facility | County Housing Authority | Land Investment |
|---|-----------------------------|---|----------------------------|
| Assets | | | |
| Cash and cash equivalents | \$ 47,537 | \$ 55,594 | \$ - |
| Change funds | - | - | 1,000 |
| Receivables | | | |
| Taxes | | | |
| Unapportioned | - | 1,459 | 1,574 |
| Delinquent | - | 4,526 | 18,513 |
| Accounts | - | - | - |
| Due from other governments | - | - | - |
| Inventories | - | - | - |
| Advance to other government | - | - | - |
| Prepaid items | - | - | - |
| | \$ 47,537 | \$ 61,579 | \$ 21,087 |
| Total Assets | | | |
| Liabilities and Fund Balance | | | |
| Liabilities | | | |
| Accounts payable | \$ 3,675 | \$ 22,807 | \$ - |
| Salaries payable | - | - | - |
| Compensated absences payable | - | - | - |
| Due to other funds | - | - | - |
| Interfund payable | - | - | 4,425 |
| Due to other governments | - | - | - |
| Deferred revenue | - | 4,073 | 16,662 |
| Advances from other funds | - | - | - |
| | \$ 3,675 | \$ 26,880 | \$ 21,087 |
| Total Liabilities | | | |
| Fund Balance | | | |
| Reserved for change funds | \$ - | \$ - | \$ 1,000 |
| Reserved for inventories | - | - | - |
| Reserved for encumbrances | 5,385 | - | - |
| Reserved for prepaid items | - | - | - |
| Reserved for health and welfare | - | - | - |
| Reserved for foster care insurance | - | - | - |
| Reserved for senior citizens transportation | - | - | - |
| Reserved for unorganized town roads | - | - | - |
| Unreserved | | | |
| Designated for debt service | - | - | - |
| Designated for capital outlay | - | - | - |
| Undesignated | 38,477 | 34,699 | (1,000) |
| | \$ 43,862 | \$ 34,699 | \$ - |
| Total Fund Balance | | | |
| Total Liabilities and Fund Balance | \$ 47,537 | \$ 61,579 | \$ 21,087 |

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

Statement B-1

| <u>Railroad Authority</u> | <u>Road and Bridge</u> | <u>Social Services</u> | <u>Total</u> |
|-------------------------------|----------------------------|----------------------------|----------------------|
| \$ 119,140 | \$ 14,161,782 | \$ 1,330,067 | \$ 15,714,120 |
| - | 1,000 | 23,025 | 25,025 |
| 3,484 | 113,893 | 334,619 | 455,029 |
| 12,551 | 624,095 | 1,926,191 | 2,585,876 |
| 1,289 | 48,414 | 489,714 | 539,417 |
| 50,679 | 2,880,583 | 5,240,954 | 8,172,216 |
| - | 1,397,120 | - | 1,397,120 |
| - | - | 51,990 | 51,990 |
| - | - | 348,989 | 348,989 |
| <u>\$ 187,143</u> | <u>\$ 19,226,887</u> | <u>\$ 9,745,549</u> | <u>\$ 29,289,782</u> |
| | | | |
| \$ 7,015 | \$ 744,609 | \$ 2,660,670 | \$ 3,438,776 |
| - | 812,300 | 844,587 | 1,656,887 |
| - | 90,753 | 183,568 | 274,321 |
| - | - | 134,106 | 134,106 |
| - | - | - | 4,425 |
| 3,496 | 8,393 | 843,248 | 855,137 |
| 11,296 | 1,954,026 | 2,642,122 | 4,628,179 |
| 14,621 | - | - | 14,621 |
| <u>\$ 36,428</u> | <u>\$ 3,610,081</u> | <u>\$ 7,308,301</u> | <u>\$ 11,006,452</u> |
| | | | |
| \$ - | \$ 1,000 | \$ 23,025 | \$ 25,025 |
| - | 1,397,120 | - | 1,397,120 |
| - | 497,498 | 46,676 | 549,559 |
| - | - | 348,989 | 348,989 |
| - | 408,252 | 384,075 | 792,327 |
| - | - | 6,000 | 6,000 |
| - | - | 19,572 | 19,572 |
| - | 229,273 | - | 229,273 |
| - | 10,505,000 | - | 10,505,000 |
| - | 1,774,430 | - | 1,774,430 |
| 150,715 | 804,233 | 1,608,911 | 2,636,035 |
| <u>\$ 150,715</u> | <u>\$ 15,616,806</u> | <u>\$ 2,437,248</u> | <u>\$ 18,283,330</u> |
| <u>\$ 187,143</u> | <u>\$ 19,226,887</u> | <u>\$ 9,745,549</u> | <u>\$ 29,289,782</u> |

ST. LOUIS COUNTY, MINNESOTA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
ALL SPECIAL REVENUE FUNDS
YEAR ENDED DECEMBER 31, 1991

| | <u>Babbitt Facility</u> | <u>County Housing Authority</u> | <u>Land Investment</u> | <u>Railroad Authority</u> |
|--|-----------------------------|---|----------------------------|-------------------------------|
| Revenues | | | | |
| Taxes | \$ - | \$ 107,918 | \$ 11,239 | \$ 257,843 |
| Licenses and permits | - | - | - | - |
| Intergovernmental | - | 176 | 1,893 | 88,483 |
| Charges for services | - | - | 73 | 49,959 |
| Miscellaneous | 6,000 | - | 21,807 | 227 |
| Total Revenues | <u>\$ 6,000</u> | <u>\$ 108,094</u> | <u>\$ 35,012</u> | <u>\$ 396,512</u> |
| Expenditures | | | | |
| Current: | | | | |
| Highways and streets | \$ - | \$ - | \$ - | \$ - |
| Welfare | - | - | - | - |
| Conservation of natural resources | - | - | 94,666 | - |
| Economic development | 179,615 | 73,406 | - | 336,601 |
| Capital outlay: | | | | |
| Highway and streets | - | - | - | - |
| Welfare | - | - | - | - |
| Debt service: | | | | |
| Welfare | - | - | - | - |
| Economic development | - | - | - | 20,384 |
| Total Expenditures | <u>\$ 179,615</u> | <u>\$ 73,406</u> | <u>\$ 94,666</u> | <u>\$ 356,985</u> |
| Excess of Revenues Over (Under) Expenditures | <u>\$ (173,615)</u> | <u>\$ 34,688</u> | <u>\$ (59,654)</u> | <u>\$ 39,527</u> |
| Other Financing Sources (Uses) | | | | |
| Operating transfers in | \$ 50,000 | \$ - | \$ 59,654 | \$ - |
| Operating transfers out | - | - | - | - |
| General obligation bond proceeds | - | - | - | - |
| Total Other Financing Sources (Uses) | <u>\$ 50,000</u> | <u>\$ -</u> | <u>\$ 59,654</u> | <u>\$ -</u> |
| Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses | <u>\$ (123,615)</u> | <u>\$ 34,688</u> | <u>\$ -</u> | <u>\$ 39,527</u> |
| Fund Balance -- January 1 -- Restated | 167,477 | 11 | - | 111,188 |
| Increase (decrease) in reserved for inventories | - | - | - | - |
| Equity transfer out | - | - | - | - |
| Fund Balance -- December 31 | <u><u>\$ 43,862</u></u> | <u><u>\$ 34,699</u></u> | <u><u>\$ -</u></u> | <u><u>\$ 150,715</u></u> |

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

Statement B-2

| <u>Road and Bridge</u> | <u>Social Services</u> | <u>Solid Waste Authorities</u> | <u>Total</u> |
|----------------------------|----------------------------|------------------------------------|-----------------------|
| \$ 13,259,747 | \$ 18,515,842 | \$ - | \$ 32,152,589 |
| 12,054 | - | - | 12,054 |
| 13,344,926 | 58,736,113 | - | 72,171,591 |
| 224,440 | 1,045,987 | - | 1,320,459 |
| 384,712 | 3,732,342 | - | 4,145,088 |
| <u>\$ 27,225,879</u> | <u>\$ 82,030,284</u> | <u>\$ -</u> | <u>\$ 109,801,781</u> |
| \$ 24,262,960 | \$ - | \$ - | \$ 24,262,960 |
| - | 79,855,949 | - | 79,855,949 |
| - | - | - | 94,666 |
| - | - | - | 589,622 |
| 2,082,686 | - | - | 2,082,686 |
| - | 135,626 | - | 135,626 |
| - | 592,007 | - | 592,007 |
| - | - | - | 20,384 |
| <u>\$ 26,345,646</u> | <u>\$ 80,583,582</u> | <u>\$ -</u> | <u>\$ 107,633,900</u> |
| <u>\$ 880,233</u> | <u>\$ 1,446,702</u> | <u>\$ -</u> | <u>\$ 2,167,881</u> |
| \$ - | \$ - | \$ - | \$ 109,654 |
| (131,244) | (30,000) | - | (161,244) |
| 750,000 | - | - | 750,000 |
| <u>\$ 618,756</u> | <u>\$ (30,000)</u> | <u>\$ -</u> | <u>\$ 698,410</u> |
| \$ 1,498,989 | \$ 1,416,702 | \$ - | \$ 2,866,291 |
| 14,416,917 | 1,047,704 | 2,225,499 | 17,968,796 |
| (299,100) | - | - | (299,100) |
| - | (27,158) | (2,225,499) | (2,252,657) |
| <u>\$ 15,616,806</u> | <u>\$ 2,437,248</u> | <u>\$ -</u> | <u>\$ 18,283,330</u> |

ST. LOUIS COUNTY, MINNESOTA
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL - BUDGETARY BASIS
 BABBITT FACILITY SPECIAL REVENUE FUND
 YEAR ENDED DECEMBER 31, 1991

| | Budget | | Actual | | Variance Favorable (Unfavorable) | | | | | |
|--|--------|-------------------------|--------------|--|--|-------|--------|---------|----|--------|
| | | | | | | | | | | |
| Revenues | | | | | | | | | | |
| Miscellaneous | \$ | 6,000 | \$ | 6,000 | \$ - | | | | | |
| Total Revenues | \$ | 6,000 | \$ | 6,000 | \$ - | | | | | |
| | | | | | | | | | | |
| | Budget | Actual | | Variance Favorable (Unfavorable) | | | | | | |
| | | Current Expenditures | Encumbrances | Total | | | | | | |
| Expenditures | | | | | | | | | | |
| Current: | | | | | | | | | | |
| Economic development | \$ | 222,861 | \$ | 179,615 | \$ | 5,385 | \$ | 185,000 | \$ | 37,861 |
| Total Expenditures | \$ | 222,861 | \$ | 179,615 | \$ | 5,385 | \$ | 185,000 | \$ | 37,861 |
| Excess of Revenues Over (Under) Expenditures | \$ | (216,861) | | \$ | (179,000) | \$ | 37,861 | | | |
| Other Financing Sources (Uses) | | | | | | | | | | |
| Operating transfers in | | 50,000 | | 50,000 | - | | | | | |
| Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Uses | \$ | (166,861) | | \$ | (129,000) | \$ | 37,861 | | | |
| Adjustments - Note 1 | | - | | 5,385 | 5,385 | | | | | |
| Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Uses as adjusted | \$ | (166,861) | | \$ | (123,615) | \$ | 43,246 | | | |
| Fund Balance - January 1 | | 167,477 | | 167,477 | - | | | | | |
| Fund Balance - December 31 | \$ | 616 | | \$ | 43,862 | \$ | 43,246 | | | |

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

ST. LOUIS COUNTY, MINNESOTA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL – BUDGETARY BASIS
COUNTY HOUSING AUTHORITY
YEAR ENDED DECEMBER 31, 1991

| | Budget | | Actual | | Variance Favorable (Unfavorable) |
|---|--------|-------------------------|--------------|-----------|--|
| | | | | | |
| Revenues | | | | | |
| Taxes | \$ | 113,000 | \$ | 107,918 | \$ (5,082) |
| Intergovernmental | | - | | 176 | 176 |
| Total Revenues | \$ | 113,000 | \$ | 108,094 | \$ (4,906) |
| | | | | | |
| | Budget | Current Expenditures | Actual | | Variance Favorable (Unfavorable) |
| | | | Encumbrances | Total | |
| Expenditures | | | | | |
| Current: | | | | | |
| Economic development | \$ | 113,000 | \$ 73,406 | \$ - | \$ 39,594 |
| Total Expenditures | \$ | 113,000 | \$ 73,406 | \$ - | \$ 39,594 |
| Excess of Revenues Over (Under) Expenditures | \$ | - | | \$ 34,688 | \$ 34,688 |
| Fund Balance – January 1 | | 11 | | 11 | - |
| Fund Balance – December 31 | \$ | 11 | | \$ 34,699 | \$ 34,688 |

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

ST. LOUIS COUNTY, MINNESOTA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL – BUDGETARY BASIS
LAND INVESTMENT SPECIAL REVENUE FUND
YEAR ENDED DECEMBER 31, 1991

| | Budget | | Actual | | Variance |
|--|---------------|-----------------------------|---------------------|---------------|---|
| | | | | | Favorable (Unfavorable) |
| Revenues | | | | | |
| Taxes | \$ | 9,422 | \$ | 11,239 | \$ 1,817 |
| Intergovernmental | | 1,888 | | 1,893 | 5 |
| Charges for services | | 73 | | 73 | - |
| Miscellaneous | | 21,807 | | 21,807 | - |
| Total Revenues | \$ | <u>33,190</u> | \$ | <u>35,012</u> | \$ <u>1,822</u> |
| | | | Actual | | |
| | Budget | Current Expenditures | Encumbrances | Total | Variance Favorable (Unfavorable) |
| Expenditures | | | | | |
| Current: | | | | | |
| Conservation of natural resources | \$ | 69,315 | \$ | 64,514 | \$ - |
| Total Expenditures | \$ | <u>69,315</u> | \$ | <u>64,514</u> | \$ <u>4,801</u> |
| Excess of Revenues Over (Under) Expenditures | \$ | (36,125) | | \$ (29,502) | \$ 6,623 |
| Other Financing Sources (Uses) | | | | | |
| Operating transfers in | | 69,315 | | 59,654 | (9,661) |
| Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Uses | \$ | 33,190 | | \$ 30,152 | \$ (3,038) |
| Adjustments – Note 1 | | - | | (30,152) | (30,152) |
| Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses as adjusted | \$ | 33,190 | | \$ - | \$ (33,190) |
| Fund Balance – January 1 | | - | | - | - |
| Fund Balance – December 31 | \$ | <u>33,190</u> | | <u>-</u> | \$ <u>(33,190)</u> |

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

ST. LOUIS COUNTY, MINNESOTA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - BUDGETARY BASIS
RAILROAD AUTHORITY SPECIAL REVENUE FUND
YEAR ENDED DECEMBER 31, 1991

| | <u>Budget</u> | | <u>Actual</u> | | <u>Variance</u> |
|-----------------------------------|---------------|---------------------|---------------------|----------------|--|
| | | | | | <u>Favorable</u> <u>(Unfavorable)</u> |
| Revenues | | | | | |
| Taxes | \$ | 279,000 | \$ | 257,843 | \$ (21,157) |
| Intergovernmental | | 72,500 | | 88,483 | 15,983 |
| Charges for services | | 65,000 | | 49,959 | (15,041) |
| Miscellaneous | | - | | 227 | 227 |
| Total Revenues | \$ | 416,500 | \$ | 396,512 | \$ (19,988) |
| | | | | | |
| | | | <u>Actual</u> | | |
| | <u>Budget</u> | <u>Current</u> | <u>Encumbrances</u> | <u>Total</u> | <u>Variance</u> |
| | | <u>Expenditures</u> | | | <u>Favorable</u> |
| | | | | | <u>(Unfavorable)</u> |
| Expenditures | | | | | |
| Current: | | | | | |
| Economic development | \$ | 330,500 | \$ | 336,601 | \$ (6,101) |
| Total Current Expenditures | \$ | 330,500 | \$ | 336,601 | \$ (6,101) |
| Debt Service: | | | | | |
| Economic development | | 21,000 | | 20,384 | 616 |
| Total Expenditures | \$ | 351,500 | \$ | 356,985 | \$ (5,485) |
| Excess of Revenues Over | | | | | |
| (Under) Expenditures | \$ | 65,000 | \$ | 39,527 | \$ (25,473) |
| Fund Balance - January 1 | | <u>111,188</u> | | <u>111,188</u> | <u>-</u> |
| Fund Balance - December 31 | \$ | <u>176,188</u> | \$ | <u>150,715</u> | \$ (25,473) |

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

ST. LOUIS COUNTY, MINNESOTA
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL - BUDGETARY BASIS
 SOCIAL SERVICES SPECIAL REVENUE FUND
 YEAR ENDED DECEMBER 31, 1991

| Revenues | Budget | | Actual | | Variance |
|--|-----------|----------------------|--------------|---------------------|----------------------------------|
| | | | | | Favorable (Unfavorable) |
| Taxes | \$ | 19,139,510 | \$ | 18,515,842 | \$ (623,668) |
| Intergovernmental | | 59,995,561 | | 58,736,113 | (1,259,448) |
| Charges for services | | 1,086,000 | | 1,045,987 | (40,013) |
| Miscellaneous | | 1,858,381 | | 3,732,342 | 1,873,961 |
| Total Revenues | \$ | 82,079,452 | \$ | 82,030,284 | \$ (49,168) |
| | | | Actual | | |
| | Budget | Current Expenditures | Encumbrances | Total | Variance Favorable (Unfavorable) |
| Expenditures | | | | | |
| Current: | | | | | |
| Welfare | | | | | |
| Income Maintenance | | | | | |
| Child support enforcement | \$ | 2,855,662 | \$ | 2,780,709 | \$ 8,441 |
| General assistance maintenance | | 3,353,043 | | 2,306,363 | 8,464 |
| General assistance medical care | | 1,017,301 | | 945,423 | 3,184 |
| Work readiness | | 4,120,892 | | 4,296,440 | 22,274 |
| Minnesota supplemental aid | | 2,690,407 | | 2,994,890 | 5,478 |
| Aid to families with dependent children | | 17,267,326 | | 14,990,519 | 26,206 |
| Medical assistance | | 6,540,257 | | 6,536,549 | 28,036 |
| Food stamps | | 1,415,540 | | 1,593,265 | 25,422 |
| Stride program | | 23,688 | | 26,663 | 425 |
| Child day care | | 12,203 | | 13,735 | 219 |
| Other income maintenance programs | | 1,824,542 | | 1,814,221 | 8,959 |
| Social Services | | | | | |
| Services to families with children | | 13,032,139 | | 13,049,191 | 8,653 |
| Stride program | | 1,780,843 | | 1,942,142 | 401 |
| Child day care | | 3,544,842 | | 3,824,138 | 801 |
| Chemical dependency | | 2,486,756 | | 2,493,029 | 809 |
| Mental health | | 6,032,293 | | 6,218,227 | 1,467 |
| Developmentally disabled | | 5,554,151 | | 6,348,871 | 1,763 |
| Services to adults/elderly | | 7,451,297 | | 7,532,273 | 17,244 |
| Total Current Expenditures | \$ | 80,983,182 | \$ | 79,706,648 | \$ 166,676 |
| Capital Outlay: | | | | | |
| Welfare | \$ | 151,020 | \$ | 135,626 | \$ 15,394 |
| Debt Service: | | | | | |
| Welfare | \$ | 566,905 | \$ | 592,007 | \$ (25,102) |
| Total Expenditures | \$ | 81,701,107 | \$ | 80,434,281 | \$ 1,100,150 |
| Excess of Revenues Over (Under) Expenditures | \$ | 378,345 | | \$ 1,429,327 | \$ 1,050,982 |
| Other Financing Sources (Uses) | | | | | |
| Operating transfers out | \$ | (30,000) | | \$ (30,000) | \$ - |
| Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Uses | \$ | 348,345 | | \$ 1,399,327 | \$ 1,050,982 |
| Adjustments - Note 1 | | - | | 17,375 | 17,375 |
| Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Uses as adjusted | \$ | 348,345 | | \$ 1,416,702 | \$ 1,068,357 |
| Fund Balance - January 1 - Restated | | 1,047,704 | | 1,047,704 | - |
| Equity transfers out | \$ | (27,158) | | \$ (27,158) | \$ - |
| Fund Balance - December 31 | \$ | 1,368,891 | | \$ 2,437,248 | \$ 1,068,357 |

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

ST. LOUIS COUNTY, MINNESOTA
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL - BUDGETARY BASIS
 SOLID WASTE AUTHORITIES SPECIAL REVENUE FUND
 YEAR ENDED DECEMBER 31, 1991

| | Budget | | Actual | | Variance Favorable (Unfavorable) |
|---|---------------|-----------------------------|---------------------|--------------|---|
| | | | | | |
| Revenues | | | | | |
| Taxes | \$ | - | \$ | - | \$ - |
| Intergovernmental | | - | | - | - |
| Total Revenues | \$ | - | \$ | - | \$ - |
| | | | Actual | | |
| | Budget | Current Expenditures | Encumbrances | Total | Variance Favorable (Unfavorable) |
| Expenditures | | | | | |
| Current: | | | | | |
| Sanitation | \$ | - | \$ | - | \$ - |
| Total Expenditures | \$ | - | \$ | - | \$ - |
| Excess of Revenues Over (Under) Expenditures | \$ | - | | \$ - | \$ - |
| Fund Balance - January 1 | | 2,225,499 | | 2,225,499 | - |
| Equity transfers out | | (2,225,499) | | (2,225,499) | - |
| Fund Balance - December 31 | \$ | - | | \$ - | \$ - |

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

DEBT SERVICE FUNDS

Debt service funds are used to account for the accumulation of resources for, and the payment of long-term debt, principal, interest, and related costs.

BABBITT FACILITY REFUNDING

1989 bond sold for the purpose of refunding a General Obligation Revenue Bond.

CAPITAL EQUIPMENT NOTES

1988, 1989, and 1990 bonds for the purpose of financing the purchase of capital equipment.

SOLID WASTE SERIES A

1989 bond sold for the purpose of financing landfill closures and building solid waste transfer stations. This fund was closed and the debt was transferred to the Solid Waste Management Enterprise Fund.

SOLID WASTE SERIES E

1989 bond sold for the purpose of financing solid waste transfer stations. This fund was closed and the debt was transferred to the Solid Waste Management Enterprise Fund.

CORRECTIONAL FACILITIES BOND

1989 bond sold for the purpose of financing the initial costs of construction of a County jail.

ST. LOUIS COUNTY, MINNESOTA
 COMBINING BALANCE SHEET
 ALL DEBT SERVICE FUNDS
 YEAR ENDED DECEMBER 31, 1991

| | <u>Babbitt Facility Refunding</u> | <u>Capital Equipment Notes</u> | <u>Correctional Facilities Bond</u> | <u>Total</u> |
|--|---|--|---|--------------------------|
| <u>Assets</u> | | | | |
| Cash and cash equivalents | \$ 6,480 | \$ 170,755 | \$ 36,841 | \$ 214,076 |
| Receivables | | | | |
| Taxes | | | | |
| Unapportioned | 1,194 | 15,899 | 1,309 | 18,402 |
| Delinquent | 4,614 | 55,427 | 5,269 | 65,310 |
| Total Assets | <u>\$ 12,288</u> | <u>\$ 242,081</u> | <u>\$ 43,419</u> | <u>\$ 297,788</u> |
| <u>Liabilities and Fund Balance</u> | | | | |
| Liabilities | | | | |
| Accounts payable | \$ - | \$ - | \$ 3,592 | \$ 3,592 |
| Accrued interest payable | - | - | 1,956 | 1,956 |
| Deferred revenue | 4,152 | 49,885 | 4,742 | 58,779 |
| Total Liabilities | \$ 4,152 | \$ 49,885 | \$ 10,290 | \$ 64,327 |
| Fund Balance | | | | |
| Unreserved-undesignated | 8,136 | 192,196 | 33,129 | 233,461 |
| Total Liabilities and Fund Balance | <u>\$ 12,288</u> | <u>\$ 242,081</u> | <u>\$ 43,419</u> | <u>\$ 297,788</u> |

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

ST. LOUIS COUNTY, MINNESOTA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
ALL DEBT SERVICE FUNDS
YEAR ENDED DECEMBER 31, 1991

| | <u>Babbitt Facility Refunding</u> | <u>Capital Equipment Notes</u> | <u>Solid Waste Series A</u> | <u>Solid Waste Series E</u> | <u>Correctional Facilities Bond</u> | <u>Total</u> |
|--|---|--|-------------------------------------|-------------------------------------|---|---------------------|
| Revenues | | | | | | |
| Taxes | \$ 83,595 | \$ 1,173,896 | \$ - | \$ - | \$ 89,573 | \$ 1,347,064 |
| Intergovernmental | 34,198 | 485,391 | - | - | 36,496 | 556,085 |
| Total Revenues | <u>\$ 117,793</u> | <u>\$ 1,659,287</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 126,069</u> | <u>\$ 1,903,149</u> |
| Expenditures | | | | | | |
| Debt service: | | | | | | |
| Principal | \$ 20,000 | \$ 950,000 | \$ - | \$ - | \$ 2,000,000 | \$ 2,970,000 |
| Interest and fiscal charges | 92,448 | 676,248 | - | - | 133,592 | 902,288 |
| Total Expenditures | <u>\$ 112,448</u> | <u>\$ 1,626,248</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 2,133,592</u> | <u>\$ 3,872,288</u> |
| Excess of Revenues Over (Under) Expenditures | \$ 5,345 | \$ 33,039 | \$ - | \$ - | \$ (2,007,523) | \$ (1,969,139) |
| Other Financing Sources (Uses) | | | | | | |
| Proceeds of refunding bonds | - | - | - | - | 1,991,000 | 1,991,000 |
| Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses | \$ 5,345 | \$ 33,039 | \$ - | \$ - | \$ (16,523) | \$ 21,861 |
| Fund Balance - January 1 | 2,791 | 159,157 | 37,323 | 13,669 | 49,652 | 262,592 |
| Equity transfers out | - | - | (37,323) | (13,669) | - | (50,992) |
| Fund Balance - December 31 | <u>\$ 8,136</u> | <u>\$ 192,196</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 33,129</u> | <u>\$ 233,461</u> |

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

ST. LOUIS COUNTY, MINNESOTA
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 BUDGET AND ACTUAL – BUDGETARY BASIS
 BABBITT FACILITY REFUNDING DEBT SERVICE FUND
 YEAR ENDED DECEMBER 31, 1991

| | <u>Budget</u> | <u>Actual</u> | <u>Variance Favorable (Unfavorable)</u> |
|---|------------------------|------------------------|---|
| Revenues | | | |
| Taxes | \$ 83,939 | \$ 83,595 | \$ (344) |
| Intergovernmental | <u>34,131</u> | <u>34,198</u> | <u>67</u> |
| Total Revenues | <u>\$ 118,070</u> | <u>\$ 117,793</u> | <u>\$ (277)</u> |
| Expenditures | | | |
| Debt Service: | | | |
| Principal | \$ 20,000 | \$ 20,000 | \$ - |
| Interest and fiscal charges | <u>92,448</u> | <u>92,448</u> | <u>-</u> |
| Total Expenditures | <u>\$ 112,448</u> | <u>\$ 112,448</u> | <u>\$ -</u> |
| Excess of Revenues Over (Under) Expenditures | <u>\$ 5,622</u> | <u>\$ 5,345</u> | <u>\$ (277)</u> |
| Fund Balance – January 1 | <u>2,791</u> | <u>2,791</u> | <u>-</u> |
| Fund Balance – December 31 | <u><u>\$ 8,413</u></u> | <u><u>\$ 8,136</u></u> | <u><u>\$ (277)</u></u> |

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

ST. LOUIS COUNTY, MINNESOTA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL – BUDGETARY BASIS
CAPITAL EQUIPMENT NOTES DEBT SERVICE FUND
 YEAR ENDED DECEMBER 31, 1991

| | <u>Budget</u> | <u>Actual</u> | <u>Variance Favorable (Unfavorable)</u> |
|---|--------------------------|--------------------------|---|
| Revenues | | | |
| Taxes | \$ 1,191,396 | \$ 1,173,896 | \$ (17,500) |
| Intergovernmental | <u>484,430</u> | <u>485,391</u> | <u>961</u> |
| Total Revenues | <u>\$ 1,675,826</u> | <u>\$ 1,659,287</u> | <u>\$ (16,539)</u> |
| Expenditures | | | |
| Debt Service: | | | |
| Principal | \$ 950,000 | \$ 950,000 | \$ - |
| Interest and fiscal charges | <u>691,155</u> | <u>676,248</u> | <u>14,907</u> |
| Total Expenditures | <u>\$ 1,641,155</u> | <u>\$ 1,626,248</u> | <u>\$ 14,907</u> |
| Excess of Revenues Over (Under) Expenditures | <u>\$ 34,671</u> | <u>\$ 33,039</u> | <u>\$ (1,632)</u> |
| Fund Balance – January 1 | <u>159,157</u> | <u>159,157</u> | <u>-</u> |
| Fund Balance – December 31 | <u><u>\$ 193,828</u></u> | <u><u>\$ 192,196</u></u> | <u><u>\$ (1,632)</u></u> |

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

ST. LOUIS COUNTY, MINNESOTA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL – BUDGETARY BASIS
SOLID WASTE SERIES A DEBT SERVICE FUND
 YEAR ENDED DECEMBER 31, 1991

| | <u>Budget</u> | <u>Actual</u> | <u>Variance Favorable (Unfavorable)</u> |
|---|-----------------|-----------------|---|
| Revenues | | | |
| Taxes | \$ - | \$ - | \$ - |
| Intergovernmental | - | - | - |
| Total Revenues | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |
| Expenditures | | | |
| Debt Service: | | | |
| Principal | \$ - | \$ - | \$ - |
| Interest and fiscal charges | - | - | - |
| Total Expenditures | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |
| Excess of Revenues Over (Under) Expenditures | \$ - | \$ - | \$ - |
| Fund Balance – January 1 | 37,323 | 37,323 | - |
| Equity transfer out | <u>(37,323)</u> | <u>(37,323)</u> | <u>-</u> |
| Fund Balance – December 31 | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |

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

ST. LOUIS COUNTY, MINNESOTA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL – BUDGETARY BASIS
SOLID WASTE SERIES E DEBT SERVICE FUND
 YEAR ENDED DECEMBER 31, 1991

| | <u>Budget</u> | <u>Actual</u> | Variance Favorable (Unfavorable) |
|---|--------------------|--------------------|---|
| Revenues | | | |
| Taxes | \$ - | \$ - | \$ - |
| Intergovernmental | - | - | - |
| Total Revenues | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |
| Expenditures | | | |
| Debt Service: | | | |
| Principal | \$ - | \$ - | \$ - |
| Interest and fiscal charges | - | - | - |
| Total Expenditures | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |
| Excess of Revenues Over (Under) Expenditures | \$ - | \$ - | \$ - |
| Fund Balance – January 1 | 13,669 | 13,669 | - |
| Equity transfer out | <u>(13,669)</u> | <u>(13,669)</u> | - |
| Fund Balance – December 31 | <u><u>\$ -</u></u> | <u><u>\$ -</u></u> | <u><u>\$ -</u></u> |

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

ST. LOUIS COUNTY, MINNESOTA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL – BUDGETARY BASIS
CORRECTIONAL FACILITIES BOND DEBT SERVICE FUND
 YEAR ENDED DECEMBER 31, 1991

| | <u>Budget</u> | <u>Actual</u> | Variance Favorable (Unfavorable) |
|--|-------------------------|-------------------------|---|
| Revenues | | | |
| Taxes | \$ 89,577 | \$ 89,573 | \$ (4) |
| Intergovernmental | <u>36,423</u> | <u>36,496</u> | <u>73</u> |
| Total Revenues | <u>\$ 126,000</u> | <u>\$ 126,069</u> | <u>\$ 69</u> |
| Expenditures | | | |
| Debt Service: | | | |
| Principal | \$ 2,000,000 | \$ 2,000,000 | \$ - |
| Interest and fiscal charges | <u>130,000</u> | <u>133,592</u> | <u>(3,592)</u> |
| Total Expenditures | <u>\$ 2,130,000</u> | <u>\$ 2,133,592</u> | <u>\$ (3,592)</u> |
| Excess of Revenues Over (Under) Expenditures | <u>\$ (2,004,000)</u> | <u>\$ (2,007,523)</u> | <u>\$ (3,523)</u> |
| Other Financing Sources (Uses) | | | |
| Proceeds of refunding bonds | <u>1,991,000</u> | <u>1,991,000</u> | <u>-</u> |
| Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses | <u>\$ (13,000)</u> | <u>\$ (16,523)</u> | <u>\$ (3,523)</u> |
| Fund Balance – January 1 | <u>49,652</u> | <u>49,652</u> | <u>-</u> |
| Fund Balance – December 31 | <u><u>\$ 36,652</u></u> | <u><u>\$ 33,129</u></u> | <u><u>\$ (3,523)</u></u> |

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

CAPITAL PROJECTS FUNDS

Capital Projects Funds are used to account for financial resources to be used for the acquisition, construction, or improvement of capital facilities other than those financed by enterprise funds.

COURT HOUSES

To account for building and remodeling projects.

LANDFILL CLOSURES

To account for proceeds of bonds sold to fund closure of the County's landfills.

SOLID WASTE TRANSFER STATIONS

To account for proceeds of bonds sold to construct transfer stations which collect solid waste and transfer it to a disposal site. This fund was closed and its activity transferred to the Solid Waste Management Enterprise Fund.

JAIL BOND

To account for proceeds of an interim jail financing bond.

ST. LOUIS COUNTY, MINNESOTA
 COMBINING BALANCE SHEET
 CAPITAL PROJECTS FUND
 DECEMBER 31, 1991

| | <u>Court Houses</u> | <u>Jail Bond</u> | <u>Total</u> |
|--|---------------------|----------------------|---------------------|
| <u>Assets</u> | | | |
| Cash and cash equivalents | \$ 847,428 | \$ 248,995 | \$ 1,096,423 |
| Investments | - | 1,518,807 | 1,518,807 |
| Receivables | | | |
| Taxes | | | |
| Unapportioned | 5,121 | - | 5,121 |
| Deliquent | 31,552 | - | 31,552 |
| | <u>884,101</u> | <u>1,767,802</u> | <u>2,651,903</u> |
| Total Assets | \$ 884,101 | \$ 1,767,802 | \$ 2,651,903 |
| <u>Liabilities and Fund Balance</u> | | | |
| Liabilities | | | |
| Accounts payable | \$ 9,584 | \$ 14,878 | \$ 24,462 |
| Due to other funds | - | 12,498 | 12,498 |
| Deferred revenue | 28,397 | - | 28,397 |
| | <u>37,981</u> | <u>27,376</u> | <u>65,357</u> |
| Total Liabilities | \$ 37,981 | \$ 27,376 | \$ 65,357 |
| Fund Balance | | | |
| Unreserved - undesignated | 846,120 | 1,740,426 | 2,586,546 |
| Total Liabilities and Fund Balance | \$ 884,101 | \$ 1,767,802 | \$ 2,651,903 |

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

ST. LOUIS COUNTY, MINNESOTA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
CAPITAL PROJECTS FUNDS
 YEAR ENDED DECEMBER 31, 1991

| | <u>Court Houses</u> | <u>Landfill Closures</u> | <u>Solid Waste Transfer Stations</u> | <u>Jail Bond</u> | <u>Total</u> |
|--|---------------------|------------------------------|--|----------------------|---------------------|
| Revenues | | | | | |
| Taxes | \$ 277,029 | \$ - | \$ - | \$ - | \$ 277,029 |
| Intergovernmental | 130,486 | - | - | - | 130,486 |
| Interest on investments | 23,866 | - | - | 98,073 | 121,939 |
| Total Revenues | <u>\$ 431,381</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 98,073</u> | <u>\$ 529,454</u> |
| Expenditures | | | | | |
| Capital Outlay: | | | | | |
| General government | \$ 329,404 | \$ - | \$ - | \$ - | \$ 329,404 |
| Public safety | 152,587 | - | - | 134,461 | 287,048 |
| Highways and streets | 249,279 | - | - | - | 249,279 |
| Total Expenditures | <u>\$ 731,270</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 134,461</u> | <u>\$ 865,731</u> |
| Excess of Revenues Over (Under) Expenditures | \$ (299,889) | \$ - | \$ - | \$ (36,388) | \$ (336,277) |
| Other Financing Sources (Uses) | | | | | |
| Operating transfers in | 131,244 | - | - | - | 131,244 |
| Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses | \$ (168,645) | \$ - | \$ - | \$ (36,388) | \$ (205,033) |
| Fund Balance - January 1 | 1,014,765 | 744,420 | 186,180 | 1,776,814 | 3,722,179 |
| Equity transfers out | - | (744,420) | (186,180) | - | (930,600) |
| Fund Balance - December 31 | <u>\$ 846,120</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 1,740,426</u> | <u>\$ 2,586,546</u> |

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

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ENTERPRISE FUNDS

Enterprise Funds account for operations that are financed and operated in a manner similar to private business, with the intent that cost (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges.

CHRIS JENSEN

To provide nursing home facilities for the public.

NOPEMING

To provide nursing home facilities for the public.

RESIDENTIAL TREATMENT CENTER

To provide for the treatment of chemically abusive and chemically dependent young people ages 17 to 21 in a residential setting.
This fund was closed and the activity discontinued.

SOLID WASTE MANAGEMENT

To provide for the management and operations of solid waste activities in St. Louis County outside of the Western Lake Sanitary District service area.

ST. LOUIS COUNTY, MINNESOTA
COMBINING BALANCE SHEET
ALL ENTERPRISE FUNDS
DECEMBER 31, 1991

| Assets | Chris Jensen | Nopeming | Solid Waste Management | Total |
|-----------------------------------|-------------------------|-----------------------|---------------------------------------|-----------------------|
| Current assets | | | | |
| Cash and cash equivalents | \$ - | \$ - | \$ 1,459,262 | \$ 1,459,262 |
| Change funds | 500 | 500 | - | 1,000 |
| Receivables | | | | |
| Taxes | | | | |
| Unapportioned | 15,478 | 11,585 | 41,941 | 69,004 |
| Delinquent | 84,361 | 57,026 | 66,608 | 207,995 |
| Accounts | 1,955,543 | 1,751,762 | 148,261 | 3,855,566 |
| Due from other governments | - | - | 420,320 | 420,320 |
| Inventories | 63,634 | 106,855 | - | 170,489 |
| Total current assets | \$ 2,119,516 | \$ 1,927,728 | \$ 2,136,392 | \$ 6,183,636 |
| Restricted assets | | | | |
| Improvement account | | | | |
| Cash and cash equivalents | \$ - | \$ 67,895 | \$ 729,552 | \$ 797,447 |
| Investments | - | - | 423,908 | 423,908 |
| Accrued interest receivable | - | - | 140 | 140 |
| Debt service | | | | |
| Cash and cash equivalents | 3,800 | 26,439 | 90,816 | 121,055 |
| Investments | 640,000 | - | - | 640,000 |
| Receivables | | | | |
| Taxes | | | | |
| Unapportioned | - | - | 5,617 | 5,617 |
| Delinquent | - | - | 20,684 | 20,684 |
| Total restricted assets | \$ 643,800 | \$ 94,334 | \$ 1,270,717 | \$ 2,008,851 |
| Fixed assets | | | | |
| Land | \$ 130,656 | \$ 132,086 | \$ 6,084 | \$ 268,826 |
| Buildings and structures | 5,112,097 | 3,755,891 | - | 8,867,928 |
| Improvements other than buildings | 29,273 | 27,454 | 4,061 | 60,788 |
| Machinery and equipment | 424,948 | 385,104 | 117,984 | 928,036 |
| Construction in progress | - | - | 3,418,201 | 3,418,201 |
| Total fixed assets | \$ 5,696,974 | \$ 4,300,475 | \$ 3,546,330 | \$ 13,543,779 |
| Less accumulated depreciation | <u>\$ (948,742)</u> | <u>\$ (1,862,852)</u> | <u>\$ (17,859)</u> | <u>\$ (2,829,453)</u> |
| Net fixed assets | \$ 4,748,232 | \$ 2,437,623 | \$ 3,528,471 | \$ 10,714,326 |
| Total Assets | \$ 7,511,548 | \$ 4,459,685 | \$ 6,935,580 | \$ 18,906,813 |

(continued)

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

ST. LOUIS COUNTY, MINNESOTA
COMBINING BALANCE SHEET
ALL ENTERPRISE FUNDS
DECEMBER 31, 1991

| | Chris Jensen | Nopeming | Solid Waste Management | Total |
|---|---------------------|---------------------|------------------------------|----------------------|
| Liabilities and Fund Equity | | | | |
| Liabilities | | | | |
| Current liabilities (payable from current assets) | | | | |
| Accounts payable | \$ 83,756 | \$ 124,886 | \$ 269,971 | \$ 478,613 |
| Salaries payable | 407,765 | 318,124 | 17,593 | 743,482 |
| Compensated absences payable | 320,572 | 287,406 | - | 607,978 |
| Contracts payable | - | - | 146,866 | 146,866 |
| Interfund payable | 511,879 | 1,340,420 | - | 1,852,299 |
| Due to other governments | 72,476 | 180 | 1,900 | 74,556 |
| Deferred revenue | 283,094 | 92,610 | 192,148 | 567,852 |
| Total current liabilities (payable from current assets) | \$ 1,679,542 | \$ 2,163,626 | \$ 628,478 | \$ 4,471,646 |
| Current liabilities (payable from restricted assets) | | | | |
| Accounts payable | \$ - | \$ - | \$ 2,707 | \$ 2,707 |
| Interfund payable | - | 23,291 | - | 23,291 |
| Contracts payable | - | - | 150,777 | 150,777 |
| Accrued interest payable | 31,384 | 1,439 | 31,078 | 63,901 |
| Deferred revenue | - | - | 18,616 | 18,616 |
| Bonds payable | 1,065,000 | 25,000 | 280,000 | 1,370,000 |
| Total current liabilities (payable from restricted assets) | \$ 1,096,384 | \$ 49,730 | \$ 483,178 | \$ 1,629,292 |
| Long-term liabilities | | | | |
| Compensated absences payable | \$ 77,141 | \$ 114,243 | \$ 21,277 | \$ 212,661 |
| General obligation revenue bonds payable | 1,986,747 | 232,169 | 5,314,638 | 7,533,554 |
| Claims payable | - | - | 1,200,000 | 1,200,000 |
| Total long-term liabilities | \$ 2,063,888 | \$ 346,412 | \$ 6,535,915 | \$ 8,946,215 |
| Total Liabilities | \$ 4,839,814 | \$ 2,559,768 | \$ 7,647,571 | \$ 15,047,153 |
| Fund equity | | | | |
| Contributed capital | \$ 2,000 | \$ - | \$ 1,655,038 | \$ 1,657,038 |
| Retained earnings | | | | |
| Reserved for improvements | \$ - | \$ 67,895 | \$ - | \$ 67,895 |
| Reserved for landfill closure | - | - | 585,114 | 585,114 |
| Unreserved | 2,669,734 | 1,832,022 | (2,952,143) | 1,549,613 |
| Total retained earnings | \$ 2,669,734 | \$ 1,899,917 | \$ (2,367,029) | \$ 2,202,622 |
| Total fund equity | \$ 2,671,734 | \$ 1,899,917 | \$ (711,991) | \$ 3,859,660 |
| Total Liabilities and Fund Equity | \$ 7,511,548 | \$ 4,459,685 | \$ 6,935,580 | \$ 18,906,813 |

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

ST. LOUIS COUNTY, MINNESOTA
 COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN RETAINED EARNINGS
 ALL ENTERPRISE FUNDS
 YEAR ENDED DECEMBER 31, 1991

| | Chris Jensen | Nopeming | Residential Treatment Center | Solid Waste Management | Total |
|---|---------------------|---------------------|------------------------------------|------------------------------|-----------------------|
| Operating Revenues | | | | | |
| Charges for services | \$ 9,098,081 | \$ 7,946,534 | \$ - | \$ 2,662,095 | \$ 19,706,710 |
| Other | 94,035 | 56,843 | - | 61,862 | 212,740 |
| Total Operating Revenues | \$ 9,192,116 | \$ 8,003,377 | \$ - | \$ 2,723,957 | \$ 19,919,450 |
| Operating Expenses | | | | | |
| Personal services | \$ 6,742,932 | \$ 6,419,848 | \$ - | \$ 261,908 | \$ 13,424,688 |
| Contractual services | 1,475,646 | 1,457,285 | - | 3,954,898 | 6,887,829 |
| Materials | 818,600 | 937,688 | - | 67,954 | 1,824,242 |
| Depreciation | 95,475 | 62,867 | - | 15,762 | 174,104 |
| Total Operating Expenses | \$ 9,132,653 | \$ 8,877,688 | \$ - | \$ 4,300,522 | \$ 22,310,863 |
| Operating income (loss) | \$ 59,463 | \$ (874,311) | \$ - | \$ (1,576,565) | \$ (2,391,413) |
| Nonoperating Revenues (Expenses) | | | | | |
| Taxes | \$ 1,250,653 | \$ 1,015,286 | \$ - | \$ 602,987 | \$ 2,868,926 |
| Grants | - | - | - | 547,219 | 547,219 |
| Interest on investments | 4,548 | 2,965 | - | 166,901 | 174,414 |
| Other revenue | - | - | - | 173,669 | 173,669 |
| Interest expense | (214,963) | (18,757) | - | (340,864) | (574,584) |
| Amortization of bond discount | (26,724) | (358) | - | (4,588) | (31,670) |
| Other expense | (729) | - | - | (2,091) | (2,820) |
| Total Nonoperating Revenues (Expenses) | \$ 1,012,785 | \$ 999,136 | \$ - | \$ 1,143,233 | \$ 3,155,154 |
| Net Income (Loss) Before Operating Transfers | \$ 1,072,248 | \$ 124,825 | \$ - | \$ (433,332) | \$ 763,741 |
| Operating transfer out | - | - | - | (1,933,697) | (1,933,697) |
| Net Income (Loss) | \$ 1,072,248 | \$ 124,825 | \$ - | \$ (2,367,029) | \$ (1,169,956) |
| Retained earnings | | | | | |
| January 1 - Restated | 1,597,486 | 1,775,092 | (28,163) | - | 3,344,415 |
| Equity transfer in | - | - | 28,163 | - | 28,163 |
| Retained earnings - December 31 | \$ 2,669,734 | \$ 1,899,917 | \$ - | \$ (2,367,029) | \$ 2,202,622 |

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

ST. LOUIS COUNTY, MINNESOTA
COMBINING STATEMENT OF CASH FLOWS
ALL ENTERPRISE FUNDS
 YEAR ENDED DECEMBER 31, 1991

| | Chris Jensen | Nopeming | Solid Waste Management | Total |
|---|---------------------|-----------------------|------------------------------|-----------------------|
| Cash Flows From Operating Activities | | | | |
| Net Operating Income (Loss) | \$ 59,463 | \$ (874,311) | \$ (1,576,565) | \$ (2,391,413) |
| Adjustments to Reconcile Net Operating Income to Net Cash Provided by Operating Activities | | | | |
| Depreciation | \$ 95,475 | \$ 62,867 | \$ 15,762 | \$ 174,104 |
| Changes in Assets and Liabilities | | | | |
| (Increase) Decrease in accounts receivable | (359,642) | (434,625) | (148,261) | (942,528) |
| (Increase) Decrease in due from other governments | 64,475 | 41,496 | (420,320) | (314,349) |
| (Increase) Decrease in Inventories | 7,684 | 4,992 | - | 12,676 |
| Increase (Decrease) in accounts payable | 33,183 | 51,466 | 417,453 | 502,102 |
| Increase (Decrease) in salaries payable | 54,139 | 27,071 | 17,593 | 98,803 |
| Increase (Decrease) in compensated absences payable | 49,955 | 61,238 | 21,277 | 132,470 |
| Increase (Decrease) in due to other governments | 63,611 | (5,112) | 1,900 | 60,399 |
| Increase (Decrease) in deferred revenue | (149,501) | 17,114 | 128,277 | (4,110) |
| Net Cash Provided by Operating Activities | <u>\$ (81,158)</u> | <u>\$ (1,047,804)</u> | <u>\$ (1,542,884)</u> | <u>\$ (2,671,846)</u> |
| Cash Flows From Noncapital Financing Activities | | | | |
| Proceeds from taxes | \$ 1,250,971 | \$ 1,012,446 | \$ 546,700 | \$ 2,810,117 |
| Proceeds from grant | - | - | 551,143 | 551,143 |
| Proceeds from other revenue | - | - | 173,669 | 173,669 |
| Operating transfer out | - | - | (733,697) | (733,697) |
| Payments of interfund loan | (404,128) | - | - | (404,128) |
| Proceeds from interfund loan | - | 356,648 | - | 356,648 |
| Net Cash Provided by Noncapital Financing Activities | <u>\$ 846,843</u> | <u>\$ 1,369,094</u> | <u>\$ 537,815</u> | <u>\$ 2,753,752</u> |
| Cash Flows From Capital and Related Financing Activities | | | | |
| Acquisition of capital assets | \$ (24,353) | \$ (373,087) | \$ (538,667) | \$ (936,107) |
| Debt service investment purchases | (40,000) | - | - | (40,000) |
| Debt service interest received | 5,590 | - | - | 5,590 |
| Principal paid on bonds | (475,000) | (25,000) | (205,000) | (705,000) |
| Interest paid on bonds | (231,029) | (18,892) | (309,785) | (559,706) |
| Restricted liability payments | (729) | - | - | (729) |
| Proceeds from contributions | - | - | 3,207,091 | 3,207,091 |
| Proceeds from sale of bond | - | - | 1,237,430 | 1,237,430 |
| Proceeds from restricted payables | - | - | 150,777 | 150,777 |
| Net Cash Provided by Capital and Related Financing Activities | <u>\$ (765,521)</u> | <u>\$ (416,979)</u> | <u>\$ 3,541,846</u> | <u>\$ 2,359,346</u> |
| Cash Flows From Investing Activities | | | | |
| Purchase of investments | \$ - | \$ - | \$ (1,660,682) | \$ (1,660,682) |
| Sale of investments | - | - | 1,236,774 | 1,236,774 |
| Interest on investments | - | 2,965 | 166,761 | 169,726 |
| Net Cash Provided by Investing Activities | <u>\$ -</u> | <u>\$ 2,965</u> | <u>\$ (257,147)</u> | <u>\$ (254,182)</u> |
| Net Increase (Decrease) in Cash and Cash Equivalents | <u>\$ 164</u> | <u>\$ (92,724)</u> | <u>\$ 2,279,630</u> | <u>\$ 2,187,070</u> |
| Cash and cash equivalents - January 1 | 3,636 | 187,058 | - | 190,694 |
| Cash and cash equivalents - December 31 | <u>\$ 3,800</u> | <u>\$ 94,334</u> | <u>\$ 2,279,630</u> | <u>\$ 2,377,764</u> |

Non Cash Activity, Noncapital Financing Activity

\$1,200,000 of claims payable was transferred in to the Solid Waste Management Fund from the County Insurance Internal Service Fund.

Non Cash Activity, Capital Financing Activity

\$3,005,567 of fixed assets were acquired in the Solid Waste Management Fund through contributions from the General Fixed Assets Account Group.

\$4,557,820 of bonded debt was acquired in the Solid Waste Management Fund through a transfer from the General Long-Term Debt Account Group.

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

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INTERNAL SERVICE FUNDS

Internal Service Funds account for operations that are financed and operated in a manner similar to private business, with the intent that cost (expenses, including depreciation) of providing goods or services by specific departments within St. Louis County for other departments within St. Louis County on a continuing basis be financed or recovered primarily through user charges.

COMMUNITY FOOD

To provide meals for participants in various programs administered by the Social Services Department.

LAUNDRY

To provide for the costs of operating a laundry facility used by County departments and other agencies.

SUPERVISED LIVING

To provide a continuum of services that enable elderly and/or handicapped individuals to maintain a degree of independence.

PRINTING

To provide County departments with office supplies and materials, printing and postage.

COUNTY GARAGE

To provide for the costs of operating a maintenance facility for automotive equipment and a fleet of vehicles for use by County departments.

COUNTY INSURANCE

To provide for the payment of unemployment compensation claims, workers' compensation claims, and payment of self-insured claims for auto, fire, and theft.

MANAGEMENT INFORMATION SYSTEMS

To provide computer services and programming services to County departments.

TELECOMMUNICATIONS

To provide County-wide telephone service.

ST. LOUIS COUNTY, MINNESOTA
COMBINING BALANCE SHEET
ALL INTERNAL SERVICE FUNDS
 DECEMBER 31, 1991

| | Community Food | Laundry | Supervised Living Facilities | Printing |
|-----------------------------|---------------------------|---------------------|---|-------------------|
| Assets | | | | |
| Current assets | | | | |
| Cash and cash equivalents | \$ 257,967 | \$ 87,567 | \$ - | \$ 95,809 |
| Investments | - | - | - | - |
| Change funds | 25 | 100 | - | 3,000 |
| Receivables | | | | |
| Taxes | | | | |
| Unapportioned | 153 | 147 | - | - |
| Accounts | - | 36,055 | - | 15,259 |
| Accrued interest | - | - | - | - |
| Due from other governments | 111,017 | - | 91,343 | - |
| Inventories | 23,062 | 169,097 | | 64,851 |
| Prepaid items | 53,030 | - | | - |
| Total current assets | \$ 445,254 | \$ 292,966 | \$ 91,343 | \$ 178,919 |
| Restricted assets | | | | |
| Improvement account | | | | |
| Cash and cash equivalents | \$ - | \$ - | \$ - | \$ - |
| Fixed assets | | | | |
| Land | \$ - | \$ - | \$ - | \$ - |
| Buildings and structures | - | 929,711 | - | - |
| Machinery and equipment | - | 359,753 | - | 322,472 |
| Vehicles | - | - | - | - |
| Total fixed assets | \$ - | \$ 1,289,464 | \$ - | \$ 322,472 |
| Accumulated depreciation | - | (539,048) | - | (171,050) |
| Net fixed assets | \$ - | \$ 750,416 | \$ - | \$ 151,422 |
| Total Assets | \$ 445,254 | \$ 1,043,382 | \$ 91,343 | \$ 330,341 |

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

Statement F-1

| <u>County Garage</u> | <u>County Insurance</u> | <u>Management Information Systems</u> | <u>Telecommu- nications</u> | <u>Total</u> |
|--------------------------|-----------------------------|---|---------------------------------|----------------------|
| \$ - | \$ 2,102,298 | \$ 926,771 | \$ 304,374 | \$ 3,774,786 |
| - | 2,356,403 | - | - | 2,356,403 |
| - | - | - | - | 3,125 |
| - | 327 | - | - | 627 |
| 2,149 | - | - | - | 53,463 |
| - | 13,055 | - | - | 13,055 |
| - | - | - | - | 202,360 |
| 40,931 | - | - | 750 | 298,691 |
| - | - | - | - | 53,030 |
| <u>\$ 43,080</u> | <u>\$ 4,472,083</u> | <u>\$ 926,771</u> | <u>\$ 305,124</u> | <u>\$ 6,755,540</u> |
| | | | | |
| <u>\$ 76,646</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 76,646</u> |
| | | | | |
| \$ 25,500 | \$ - | \$ - | \$ - | \$ 25,500 |
| 778,730 | - | - | - | 1,708,441 |
| 69,111 | - | 1,598,526 | 1,023,998 | 3,373,860 |
| 2,209,249 | - | - | - | 2,209,249 |
| <u>\$ 3,082,590</u> | <u>\$ -</u> | <u>\$ 1,598,526</u> | <u>\$ 1,023,998</u> | <u>\$ 7,317,050</u> |
| | | | | |
| <u>(1,569,143)</u> | <u>-</u> | <u>(816,112)</u> | <u>(639,818)</u> | <u>(3,735,171)</u> |
| | | | | |
| <u>\$ 1,513,447</u> | <u>\$ -</u> | <u>\$ 782,414</u> | <u>\$ 384,180</u> | <u>\$ 3,581,879</u> |
| | | | | |
| <u>\$ 1,633,173</u> | <u>\$ 4,472,083</u> | <u>\$ 1,709,185</u> | <u>\$ 689,304</u> | <u>\$ 10,414,065</u> |

ST. LOUIS COUNTY, MINNESOTA
 COMBINING BALANCE SHEET
 ALL INTERNAL SERVICE FUNDS
 DECEMBER 31, 1991

| | <u>Community Food</u> | <u>Laundry</u> | <u>Supervised Living Facilities</u> | <u>Printing</u> |
|--|---------------------------|----------------------------|---|--------------------------|
| <u>Liabilities and Fund Equity</u> | | | | |
| Liabilities | | | | |
| Current liabilities | | | | |
| Accounts payable | \$ 21,484 | \$ 8,954 | \$ 131 | \$ 18,299 |
| Salaries payable | 23,894 | 37,794 | 19,821 | 7,105 |
| Compensated absences payable | 21,508 | 53,690 | 24,907 | 4,531 |
| Claims payable | - | - | - | - |
| Interfund payable | - | - | 92,110 | - |
| Due to other governments | 10,285 | 12,562 | - | - |
| Capital leases payable | - | - | - | 14,004 |
| Total current liabilities | <u>\$ 77,171</u> | <u>\$ 113,000</u> | <u>\$ 136,969</u> | <u>\$ 43,939</u> |
| Long-term liabilities | | | | |
| Compensated absences payable | \$ 8,907 | \$ 38,448 | \$ 27,232 | \$ 12,064 |
| Claims payable | - | - | - | - |
| Capital leases payable | - | - | - | 30,341 |
| Total long-term liabilities | <u>\$ 8,907</u> | <u>\$ 38,448</u> | <u>\$ 27,232</u> | <u>\$ 42,405</u> |
| Total Liabilities | <u>\$ 86,078</u> | <u>\$ 151,448</u> | <u>\$ 164,201</u> | <u>\$ 86,344</u> |
| Fund Equity | | | | |
| Contributed capital | \$ - | \$ 814,517 | \$ - | \$ 5,131 |
| Retained earnings | | | | |
| Reserved for improvements | \$ 53,030 | \$ - | \$ - | \$ - |
| Unreserved | 306,146 | 77,417 | (72,858) | 238,866 |
| Total Retained Earnings | <u>\$ 359,176</u> | <u>\$ 77,417</u> | <u>\$ (72,858)</u> | <u>\$ 238,866</u> |
| Total Fund Equity | <u>\$ 359,176</u> | <u>\$ 891,934</u> | <u>\$ (72,858)</u> | <u>\$ 243,997</u> |
| Total Liabilities and Fund Equity | <u>\$ 445,254</u> | <u>\$ 1,043,382</u> | <u>\$ 91,343</u> | <u>\$ 330,341</u> |

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

Statement F-1
(Continued)

| <u>County Garage</u> | <u>County Insurance</u> | <u>Management Information Systems</u> | <u>Telecommu- nications</u> | <u>Total</u> |
|--------------------------|-----------------------------|---|---------------------------------|----------------------|
| \$ 7,756 | \$ 205,832 | \$ 13,893 | \$ 15,092 | \$ 291,441 |
| 12,543 | - | 69,851 | 5,454 | 176,462 |
| 11,158 | - | 88,339 | 7,765 | 211,898 |
| - | 482,097 | - | - | 482,097 |
| 106,025 | - | - | - | 198,135 |
| - | - | - | - | 22,847 |
| - | - | - | - | 14,004 |
| <u>\$ 137,482</u> | <u>\$ 687,929</u> | <u>\$ 172,083</u> | <u>\$ 28,311</u> | <u>\$ 1,396,884</u> |
| \$ - | \$ - | \$ - | \$ - | \$ 86,651 |
| - | 3,394,603 | - | - | 3,394,603 |
| - | - | - | - | 30,341 |
| <u>\$ -</u> | <u>\$ 3,394,603</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 3,511,595</u> |
| <u>\$ 137,482</u> | <u>\$ 4,082,532</u> | <u>\$ 172,083</u> | <u>\$ 28,311</u> | <u>\$ 4,908,479</u> |
| <u>\$ 2,338,008</u> | <u>\$ -</u> | <u>\$ 808,490</u> | <u>\$ 185,639</u> | <u>\$ 4,151,785</u> |
| \$ 76,646 | \$ - | \$ - | \$ - | \$ 129,676 |
| (918,963) | 389,551 | 728,612 | 475,354 | 1,224,125 |
| <u>\$ (842,317)</u> | <u>\$ 389,551</u> | <u>\$ 728,612</u> | <u>\$ 475,354</u> | <u>\$ 1,353,801</u> |
| <u>\$ 1,495,691</u> | <u>\$ 389,551</u> | <u>\$ 1,537,102</u> | <u>\$ 660,993</u> | <u>\$ 5,505,586</u> |
| <u>\$ 1,633,173</u> | <u>\$ 4,472,083</u> | <u>\$ 1,709,185</u> | <u>\$ 689,304</u> | <u>\$ 10,414,065</u> |

ST. LOUIS COUNTY, MINNESOTA
**COMBINING STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN RETAINED EARNINGS
ALL INTERNAL SERVICE FUNDS
YEAR ENDED DECEMBER 31, 1991**

| | <u>Community Food</u> | <u>Laundry</u> | <u>Supervised Living Facilities</u> | <u>Printing</u> |
|---|---------------------------|---------------------|---|-------------------|
| Operating Revenues | | | | |
| Charges for services | \$ 1,011,979 | \$ 1,236,718 | \$ 430,774 | \$ 676,560 |
| Other | 4,385 | 2,270 | 2,232 | - |
| Total Operating Revenues | <u>\$ 1,016,364</u> | <u>\$ 1,238,988</u> | <u>\$ 433,006</u> | <u>\$ 676,560</u> |
| Operating Expenses | | | | |
| Personal services | \$ 436,876 | \$ 820,012 | \$ 473,127 | \$ 160,973 |
| Contractual services | 126,515 | 131,668 | 28,950 | 237,701 |
| Material | 387,515 | 296,801 | 3,787 | 242,093 |
| Depreciation | - | 27,074 | - | 33,874 |
| Total Operating Expenses | <u>\$ 950,906</u> | <u>\$ 1,275,555</u> | <u>\$ 505,864</u> | <u>\$ 674,641</u> |
| Operating income (loss) | <u>\$ 65,458</u> | <u>\$ (36,567)</u> | <u>\$ (72,858)</u> | <u>\$ 1,919</u> |
| Nonoperating Revenues (Expenses) | | | | |
| Taxes | \$ 414 | \$ 369 | \$ - | \$ - |
| Interest on investments | - | - | - | - |
| Disposition of fixed assets | - | - | - | - |
| Total Nonoperating Revenues (Expenses) | <u>\$ 414</u> | <u>\$ 369</u> | <u>\$ -</u> | <u>\$ -</u> |
| Net Income (Loss) Before Operating Transfers | <u>\$ 65,872</u> | <u>\$ (36,198)</u> | <u>\$ (72,858)</u> | <u>\$ 1,919</u> |
| Operating transfers in | - | - | - | - |
| Net Income (Loss) | <u>\$ 65,872</u> | <u>\$ (36,198)</u> | <u>\$ (72,858)</u> | <u>\$ 1,919</u> |
| Retained earnings - January 1 - Restated | <u>293,304</u> | <u>113,615</u> | <u>-</u> | <u>236,947</u> |
| Retained earnings - December 31 | <u>\$ 359,176</u> | <u>\$ 77,417</u> | <u>\$ (72,858)</u> | <u>\$ 238,866</u> |

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

| <u>County Garage</u> | <u>County Insurance</u> | <u>Management Information Systems</u> | <u>Telecommu- nications</u> | <u>Total</u> |
|--------------------------|-----------------------------|---|---------------------------------|----------------------|
| \$ 937,377 | \$ 2,306,128 | \$ 2,366,839 | \$ 732,914 | \$ 9,699,289 |
| 2,528 | - | 365,570 | - | 376,985 |
| <u>\$ 939,905</u> | <u>\$ 2,306,128</u> | <u>\$ 2,732,409</u> | <u>\$ 732,914</u> | <u>\$ 10,076,274</u> |
| \$ 253,831 | \$ 1,706,799 | \$ 1,460,903 | \$ 131,362 | \$ 5,443,883 |
| 167,917 | 1,538,054 | 738,933 | 367,244 | 3,336,982 |
| 277,892 | 29,802 | 136,979 | 34,242 | 1,409,111 |
| 361,576 | - | 289,622 | 48,539 | 760,685 |
| <u>\$ 1,061,216</u> | <u>\$ 3,274,655</u> | <u>\$ 2,626,437</u> | <u>\$ 581,387</u> | <u>\$ 10,950,661</u> |
| <u>\$ (121,311)</u> | <u>\$ (968,527)</u> | <u>\$ 105,972</u> | <u>\$ 151,527</u> | <u>\$ (874,387)</u> |
| \$ - | \$ 458 | \$ - | \$ - | \$ 1,241 |
| - | 180,609 | - | - | 180,609 |
| 5,435 | - | - | - | 5,435 |
| <u>\$ 5,435</u> | <u>\$ 181,067</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 187,285</u> |
| \$ (115,876) | \$ (787,460) | \$ 105,972 | \$ 151,527 | \$ (687,102) |
| - | 1,200,000 | 44,600 | - | 1,244,600 |
| <u>\$ (115,876)</u> | <u>\$ 412,540</u> | <u>\$ 150,572</u> | <u>\$ 151,527</u> | <u>\$ 557,498</u> |
| <u>(726,441)</u> | <u>(22,989)</u> | <u>578,040</u> | <u>323,827</u> | <u>796,303</u> |
| <u>\$ (842,317)</u> | <u>\$ 389,551</u> | <u>\$ 728,612</u> | <u>\$ 475,354</u> | <u>\$ 1,353,801</u> |

ST. LOUIS COUNTY, MINNESOTA
COMBINING STATEMENT OF CASH FLOWS
ALL INTERNAL SERVICE FUNDS
 YEAR ENDED DECEMBER 31, 1991

| | Community Food | Laundry | Supervised Living Facilities | Printing |
|---|-------------------|--------------------|------------------------------------|--------------------|
| Cash Flows From Operating Activities | | | | |
| Net Operating Income (Loss) | \$ 65,458 | \$ (36,567) | \$ (72,858) | \$ 1,919 |
| Adjustments to Reconcile Net Operating Income to Net Cash Provided by Operating Activities | | | | |
| Depreciation | \$ - | \$ 27,074 | \$ - | \$ 33,874 |
| Changes in Assets and Liabilities | | | | |
| (Increase) Decrease in accounts receivable | - | (7,196) | - | (9,345) |
| (Increase) Decrease in due from other governments | (48,376) | - | (91,343) | - |
| (Increase) Decrease in inventories | 1,787 | 20,194 | - | (21,536) |
| (Increase) Decrease in prepaid items | 18,251 | - | - | - |
| Increase (Decrease) in accounts payable | (9,001) | 2,187 | 131 | (29,386) |
| Increase (Decrease) in salaries payable | 5,011 | 2,444 | 19,821 | 1,766 |
| Increase (Decrease) in compensated absences payable | 10,002 | 17,960 | 52,139 | 10,746 |
| Increase (Decrease) in claims payable | - | - | - | - |
| Increase (Decrease) in due to other governments | 10,263 | 12,562 | - | - |
| Increase (Decrease) in deferred revenue | - | - | - | - |
| Net Cash Provided by Operating Activities | <u>\$ 53,395</u> | <u>\$ 38,658</u> | <u>\$ (92,110)</u> | <u>\$ (11,962)</u> |
| Cash Flows From Noncapital Financing Activities | | | | |
| Proceeds from taxes | \$ 863 | \$ 802 | \$ - | \$ - |
| Operating transfer in | - | - | - | - |
| Payments of interfund loans | - | - | - | - |
| Proceeds from interfund loan | - | - | 92,110 | - |
| Net Cash Provided by Noncapital Financing Activities | <u>\$ 863</u> | <u>\$ 802</u> | <u>\$ 92,110</u> | <u>\$ -</u> |
| Cash Flows From Capital and Related Financing Activities | | | | |
| Acquisition of capital assets | \$ - | \$ (15,841) | \$ - | \$ (17,951) |
| Proceeds from contributions | - | - | - | - |
| Proceeds from sale of equipment | - | 869 | - | - |
| Net Cash Provided by Capital and Related Financing Activities | <u>\$ -</u> | <u>\$ (14,972)</u> | <u>\$ -</u> | <u>\$ (17,951)</u> |
| Cash Flows From Investing Activities | | | | |
| Purchase of investments | \$ - | \$ - | \$ - | \$ - |
| Sale of investments | - | - | - | - |
| Interest on investments | - | - | - | - |
| Net Cash Provided by Investing Activities | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |
| Net Increase (Decrease) in Cash and Cash Equivalents | <u>\$ 54,258</u> | <u>\$ 24,488</u> | <u>\$ -</u> | <u>\$ (29,913)</u> |
| Cash and cash equivalents -- January 1 | 203,709 | 63,079 | - | 125,722 |
| Cash and cash equivalents -- December 31 | <u>\$ 257,967</u> | <u>\$ 87,567</u> | <u>\$ -</u> | <u>\$ 95,809</u> |

Noncash Activity, Capital and Related Financing Activities

Fixed assets valued at \$33,103 were contributed to the County Garage Fund by the General Fixed Assets Account Group.
 Fixed assets valued at \$176,254 were contributed to the Management Information Systems Fund by the General Fixed Assets Account Group.

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

| <u>County Garage</u> | <u>County Insurance</u> | <u>Management Information Systems</u> | <u>Telecommu- nications</u> | <u>Total</u> |
|--------------------------|-----------------------------|---|---------------------------------|---------------------|
| \$ (121,311) | \$ (968,527) | \$ 105,972 | \$ 151,527 | \$ (874,387) |
| \$ 361,576 | \$ - | \$ 289,622 | \$ 48,539 | \$ 760,685 |
| 243 | - | - | - | (16,298) |
| - | - | - | - | (139,719) |
| (8,638) | - | - | (450) | (8,643) |
| 2,456 | - | - | - | 20,707 |
| (12,802) | 114,945 | (144,404) | (5,067) | (83,397) |
| 3,497 | - | 737 | 597 | 33,873 |
| (383) | - | 4,145 | 1,714 | 96,323 |
| - | (500,267) | - | - | (500,267) |
| (94) | - | - | - | 22,731 |
| - | (9,680) | - | - | (9,680) |
| <u>\$ 224,544</u> | <u>\$ (1,363,529)</u> | <u>\$ 256,072</u> | <u>\$ 196,860</u> | <u>\$ (698,072)</u> |
| \$ - | \$ 11,950 | \$ - | \$ - | \$ 13,615 |
| - | 1,200,000 | 44,600 | - | 1,244,600 |
| (229,601) | - | - | (29,797) | (259,398) |
| - | - | 29,797 | - | 121,907 |
| <u>\$ (229,601)</u> | <u>\$ 1,211,950</u> | <u>\$ 74,397</u> | <u>\$ (29,797)</u> | <u>\$ 1,120,724</u> |
| \$ (172,880) | \$ - | \$ (193,135) | \$ (255,164) | \$ (654,971) |
| 205,200 | - | - | - | 205,200 |
| 14,385 | - | - | - | 15,254 |
| <u>\$ 46,705</u> | <u>\$ -</u> | <u>\$ (193,135)</u> | <u>\$ (255,164)</u> | <u>\$ (434,517)</u> |
| \$ - | \$ (24,662,919) | \$ - | \$ - | \$ (24,662,919) |
| - | 25,233,424 | - | - | 25,233,424 |
| - | 190,729 | - | - | 190,729 |
| <u>\$ -</u> | <u>\$ 761,234</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 761,234</u> |
| \$ 41,648 | \$ 609,655 | \$ 137,334 | \$ (88,101) | \$ 749,369 |
| 34,998 | 1,492,643 | 789,437 | 392,475 | 3,102,063 |
| <u>\$ 76,646</u> | <u>\$ 2,102,298</u> | <u>\$ 926,771</u> | <u>\$ 304,374</u> | <u>\$ 3,851,432</u> |

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TRUST AND AGENCY FUNDS

To account for assets held by St. Louis County in a trustee capacity, or as an agent for individuals, private organizations, and any other governmental units.

EXPENDABLE TRUST FUNDS

MISSING HEIRS FUND

To account for the receipt of unclaimed legacies deposited with the County pursuant to Minn. Stat. Sec. 524.3-914. The principal and any interest earned on its subsequent investment may be claimed by the heirs by procuring a court order from the Probate (County) Court prior to the principal escheating to the General Fund pursuant to an opinion of the Attorney General.

PRIVATE REDEMPTION FUND

This fund was used to account for the redemption of tax title certificates. The purchase of tax title certificates by individuals was discontinued by the State a number of years ago and only an unclaimed balance remains in this fund.

EXCHANGE OF LAND FUND

To account for the difference in value of lands exchanged by the County. Financing is provided by the difference in the proceeds of lands exchanged.

TAX CERTIFICATE ASSURANCE FUND

To account for one quarter of all tax certificate search fees collected by the County Auditor, pursuant to Minn. Laws 1955, Ch. 633. These funds are to be invested and used only to pay claims for damages caused by an error of the County Auditor or his deputy in issuing a tax certificate.

FORFEITED TAX SALE FUND

This fund is used to account for the proceeds from the sale or rental of lands forfeited to the State of Minnesota pursuant to Minn. Stat. Ch. 282. The distribution of the net proceeds, after deducting the expenses of the County for managing the tax forfeited lands is governed by Minn. Stat. Sec. 282.08. Title to the tax forfeited lands remains with the State until sold by the County.

FOREST RESOURCES FUND

This fund is used to account for the collection and disbursement of proceeds from the sale of tax-forfeited properties.

PATIENT'S ESCROW FUND

The patient's escrow fund is used to account for the deposit and subsequent return of nursing home resident's trust funds deposited with the County Auditor and limited to a maximum deposit of \$500. The County acts only as the custodian of these funds and ownership rests with the nursing home patients.

ATTORNEY FORFEITURES FUND

This fund is used to account for monies confiscated in drug-related crimes (Minn. Stat. Sec. 609.5311) and contraband used in the commission of other crimes (Minn. Stat. 609.5312). The County Attorney is authorized by statute to use a share of such monies, and those expenditures are accounted for here.

SHERIFF FORFEITURES FUND

This fund is used to account for monies confiscated in drug-related crimes (Minn. Stat. Sec. 609.5311 and contraband used in the commission of other crimes (Minn. Stat. 609.5312). The Sheriff is authorized by statute to use a share of such monies, and those expenditures are accounted for here.

TRUST AND AGENCY FUNDS

(Continued)

HIBBING DEDICATED TRUST FUND

This fund is used to account for monies set aside for Hibbing Landfill closure, post-closure and contingency costs.

EAST MESABI DEDICATED TRUST FUND

This fund is used to account for monies set aside for East Mesabi Landfill closure, post closure, and contingency costs.

SHERIFF FINES FUND

This fund is used to account for monies collected on fines imposed by chapter 152 and 340A. The Sheriff is to use the money for the purpose of investigating and securing evidence of violations of chapters 152 and 340A.

AGENCY FUNDS

STATE OF MINNESOTA FUND

To account for the receipt and disbursement of monies for which St. Louis County is the collection agent for the State.

BEER - AUCTIONEER LICENSES FUND

To account for the funds collected on the issuance of intoxicating beer and auctioneer licenses by the County for beer licenses as well as payments to the State of Minnesota for auctioneer licenses.

CITIES AND TOWNS FUND

The cities and towns fund is used to account for the collection and payment of funds due to organized and unorganized townships and cities.

GAME AND FISH LICENSE FUND

This fund is used to account for the collection of game and fish fees collected pursuant to Minn. Stat. Ch. 97A and the payment to the State, County, and sub-agents for their respective share.

BID DEPOSITS FUND

This fund is used to account for the receipt of bid deposits received prior to bid award.

TAXES AND PENALTIES FUND

This fund is used to account for the collection and payment to the various County funds and taxing districts of taxes, penalties and special assessment collections.

PAYROLL DEDUCTIONS FUND

This fund is used to accumulate funds from payroll deductions charged to all operating funds. Payment by a single check is made to the state and federal government for tax deductions, and to any other organizations for deductions not covered in another agency fund.

SERIES EE SAVINGS BOND FUND

This fund is used to account for the purchase of U.S. Savings Bonds, Series EE, by County employees through payroll deductions. Individual employees' payroll deductions accumulate in this fund until sufficient funds are available to purchase the requested U.S. Savings Bond, Series EE. The County acts only as custodian of these funds and ownership rests with the employees from whom payroll deductions were made.

TRUST AND AGENCY FUNDS

(Continued)

MEDICAL INSURANCE FUND

This fund is used to account for the accumulation of funds from County operating funds and individuals to pay insurance premiums for employees under the County group health insurance plan.

CANCELLED CHECK FUND

The cancelled check fund is used to account for checks issued by St. Louis County but not cashed by the payee. The checks are cancelled and the money is held as unclaimed funds.

AGENCY MISCELLANEOUS FUND

This fund is used to account for the collection of miscellaneous monies that probably will not recur and are not accounted for elsewhere.

HIGH VOLTAGE CREDIT FUND

This fund is used to account for the collection of power line property tax credit which is then distributed to property owners, with any excess going to the School Fund pursuant to Mn. Stat. 273.42.

ASSAULT FEES FUND

The assault fees fund is used to account for fines charged to persons convicted of assault.

DEFERRED COMPENSATION FUND

This fund is used to account for the accumulation of funds from County employees and officers participating in deferred compensation plans.

ARROWHEAD REGIONAL CORRECTIONS FUND

This fund is used to account for the funds collected and used by the Arrowhead Regional Corrections operation which contracts with St. Louis County for accounting services.

COMMUNITY HEALTH SERVICES FUND

The Community Health Services fund is used to account for the transactions related to the Community Health Services Board.

ST. LOUIS COUNTY, MINNESOTA
COMBINING BALANCE SHEET
ALL EXPENDABLE TRUST AND AGENCY FUNDS
DECEMBER 31, 1991

| | Expendable Trust | | | | | |
|---|-------------------|-----------------------|---------------------|---------------------------------|-----------------------|---------------------|
| | Missing Heirs | Private Redemption | Exchange of Land | Tax Certificate Assurance | Forfeited Tax Sale | |
| Assets | | | | | | |
| Cash and cash equivalents | \$ 100,540 | \$ 414 | \$ 22,798 | \$ 129,379 | \$ 307,388 | \$ 1,354,017 |
| Investments | 57,020 | - | - | - | - | - |
| Invested employee contribution | - | - | - | - | - | - |
| Receivables | | | | | | |
| Accounts | - | - | - | - | 4,144,958 | - |
| Accrued interest | - | - | - | - | - | - |
| Due from other governments | - | - | - | - | - | - |
| Total Assets | \$ 157,580 | \$ 414 | \$ 22,798 | \$ 129,379 | \$ 4,452,324 | \$ 1,354,017 |
| Liabilities and Fund Balance | | | | | | |
| Liabilities | | | | | | |
| Accounts payable | \$ - | \$ - | \$ - | \$ - | \$ 99,228 | \$ 3,288 |
| Salaries payable | - | - | - | - | 70,358 | 1,510 |
| Compensated absences payable | - | - | - | - | 15,476 | - |
| Deferred compensation payable | - | - | - | - | - | - |
| Unapportioned taxes payable | - | - | - | - | - | - |
| Due to other governments | - | - | - | - | 13,677 | - |
| Deferred revenue | - | - | - | - | 4,127,550 | 202,458 |
| Total Liabilities | \$ - | \$ - | \$ - | \$ - | \$ 4,326,289 | \$ 207,256 |
| Fund Balance | | | | | | |
| Reserved for encumbrances | \$ - | \$ - | \$ - | \$ - | \$ 25,378 | \$ - |
| Reserved for health and welfare | - | - | - | - | 82,012 | 6,786 |
| Reserved for veterans credit | - | - | - | - | 15,000 | - |
| Unreserved-undesignated | 157,580 | 414 | 22,798 | 129,379 | 3,645 | 1,139,975 |
| Total Fund Balance | \$ 157,580 | \$ 414 | \$ 22,798 | \$ 129,379 | \$ 126,035 | \$ 1,146,761 |
| Total Liabilities and Fund Balance | \$ 157,580 | \$ 414 | \$ 22,798 | \$ 129,379 | \$ 4,452,324 | \$ 1,354,017 |

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

| <u>Patients Escrow</u> | <u>Attorney Forfeitures</u> | <u>Sheriff Forfeitures</u> | <u>Hibbing Dedicated</u> | <u>East Mesabi Dedicated</u> | <u>Sheriff Fines</u> | <u>All Agency Funds</u> | <u>Total</u> |
|------------------------|-----------------------------|----------------------------|--------------------------|------------------------------|----------------------|-------------------------|----------------------|
| \$ 73,051 | \$ 55,593 | \$ 17,311 | \$ 589,163 | \$ 722,687 | \$ 3,102 | \$ 6,369,818 | \$ 9,745,241 |
| 100,000 | - | - | - | - | - | 7,155,568 | 7,312,588 |
| - | - | - | - | - | - | 21,153,495 | 21,153,495 |
| - | - | - | - | - | - | 600 | 4,145,556 |
| 1,718 | - | - | - | - | - | 9,008 | 10,726 |
| - | - | - | - | - | - | 207,164 | 207,164 |
| <u>\$ 174,769</u> | <u>\$ 55,593</u> | <u>\$ 17,311</u> | <u>\$ 589,163</u> | <u>\$ 722,687</u> | <u>\$ 3,102</u> | <u>\$ 34,895,653</u> | <u>\$ 42,574,770</u> |
| \$ - | \$ 13 | \$ - | \$ - | \$ - | \$ 2,460 | \$ 3,161,813 | \$ 3,286,802 |
| - | - | - | - | - | - | 387,569 | 459,437 |
| - | - | - | - | - | - | - | 15,476 |
| - | - | - | - | - | - | 21,153,495 | 21,153,495 |
| - | - | - | - | - | - | 989,280 | 989,280 |
| - | - | - | - | - | - | 9,203,496 | 9,217,173 |
| - | - | - | - | - | - | - | 4,330,008 |
| <u>\$ -</u> | <u>\$ 13</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 2,480</u> | <u>\$ 34,895,653</u> | <u>\$ 39,431,671</u> |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 25,378 |
| - | - | - | - | - | - | - | 88,798 |
| - | - | - | - | - | - | - | 15,000 |
| <u>174,769</u> | <u>55,580</u> | <u>17,311</u> | <u>589,163</u> | <u>722,687</u> | <u>642</u> | <u>-</u> | <u>3,013,923</u> |
| <u>\$ 174,769</u> | <u>\$ 55,580</u> | <u>\$ 17,311</u> | <u>\$ 589,163</u> | <u>\$ 722,687</u> | <u>\$ 642</u> | <u>\$ -</u> | <u>\$ 3,143,099</u> |
| <u>\$ 174,769</u> | <u>\$ 55,593</u> | <u>\$ 17,311</u> | <u>\$ 589,163</u> | <u>\$ 722,687</u> | <u>\$ 3,102</u> | <u>\$ 34,895,653</u> | <u>\$ 42,574,770</u> |

ST. LOUIS COUNTY, MINNESOTA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
ALL EXPENDABLE TRUST FUNDS
YEAR ENDED DECEMBER 31, 1991

| | Expensible Trust | | | | | |
|--|-------------------|-----------------------|---------------------|---------------------------------|-----------------------|---------------------|
| | Missing Heirs | Private Redemption | Exchange of Land | Tax Certificate Assurance | Forfeited Tax Sale | |
| Revenues | | | | | | |
| Taxes | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 340,170 |
| Intergovernmental | - | - | - | - | - | 493,295 |
| Charges for services | - | - | - | 15,449 | - | 6 |
| Interest on investments | 2,570 | - | - | - | - | - |
| Miscellaneous | 7,123 | - | - | - | 2,216,615 | - |
| Total Revenues | \$ 9,693 | \$ - | \$ - | \$ 15,449 | \$ 2,216,615 | \$ 833,471 |
| Expenditures | | | | | | |
| Current: | | | | | | |
| General government | \$ 12,377 | \$ - | \$ - | \$ - | \$ - | \$ - |
| Public safety | - | - | - | - | - | - |
| Sanitation | - | - | - | - | - | - |
| Conservation of natural resources | - | - | - | - | 2,396,674 | 583,262 |
| Total Expenditures | \$ 12,377 | \$ - | \$ - | \$ - | \$ 2,396,674 | \$ 583,262 |
| Excess of Revenues Over (Under) Expenditures | \$ (2,684) | \$ - | \$ - | \$ 15,449 | \$ (180,059) | \$ 250,209 |
| Other Financing Sources (Uses) | | | | | | |
| Operating transfers in | - | - | - | - | 217,747 | - |
| Operating transfers out | \$ - | \$ - | \$ - | \$ - | \$ - | \$ (277,401) |
| Total Other Financing Sources (Uses) | \$ - | \$ - | \$ - | \$ - | \$ 217,747 | \$ (277,401) |
| Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses | \$ (2,684) | \$ - | \$ - | \$ 15,449 | \$ 37,688 | \$ (27,192) |
| Fund Balance - January 1 | 160,244 | 414 | 22,798 | 113,930 | 88,347 | 1,173,953 |
| Fund Balance - December 31 | \$ 157,560 | \$ 414 | \$ 22,798 | \$ 129,379 | \$ 126,035 | \$ 1,146,761 |

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

| <u>Patients Escrow</u> | <u>Attorney Forfeitures</u> | <u>Sheriff Forfeitures</u> | <u>Hibbing Dedicated</u> | <u>East Mesabi Dedicated</u> | <u>Sheriff Fines</u> | <u>Total</u> |
|------------------------|-----------------------------|----------------------------|--------------------------|------------------------------|----------------------|---------------------|
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 340,170 |
| - | - | - | - | - | - | 493,295 |
| - | - | - | - | - | - | 15,455 |
| 6,183 | - | - | 24,837 | 26,647 | - | 60,237 |
| <u>229,384</u> | <u>66,041</u> | <u>37,487</u> | <u>-</u> | <u>-</u> | <u>20,735</u> | <u>2,577,385</u> |
| <u>\$ 235,567</u> | <u>\$ 66,041</u> | <u>\$ 37,487</u> | <u>\$ 24,837</u> | <u>\$ 26,647</u> | <u>\$ 20,735</u> | <u>\$ 3,486,542</u> |
| | | | | | | |
| \$ 223,954 | \$ 53,510 | \$ - | \$ - | \$ - | \$ - | \$ 289,841 |
| - | - | 27,960 | - | - | 27,718 | 55,678 |
| - | - | - | - | 44,932 | - | 44,932 |
| - | - | - | - | - | - | 2,979,936 |
| <u>\$ 223,954</u> | <u>\$ 53,510</u> | <u>\$ 27,960</u> | <u>\$ -</u> | <u>\$ 44,932</u> | <u>\$ 27,718</u> | <u>\$ 3,370,387</u> |
| | | | | | | |
| \$ 11,613 | \$ 12,531 | \$ 9,527 | \$ 24,837 | \$ (18,285) | \$ (6,983) | \$ 116,155 |
| | | | | | | |
| - | - | - | 273,697 | 460,000 | - | 951,444 |
| <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ (277,401)</u> |
| <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 273,697</u> | <u>\$ 460,000</u> | <u>\$ -</u> | <u>\$ 674,043</u> |
| | | | | | | |
| \$ 11,613 | \$ 12,531 | \$ 9,527 | \$ 298,534 | \$ 441,715 | \$ (6,983) | \$ 790,198 |
| <u>163,156</u> | <u>43,049</u> | <u>7,784</u> | <u>290,629</u> | <u>280,972</u> | <u>7,625</u> | <u>2,352,901</u> |
| <u>\$ 174,769</u> | <u>\$ 55,580</u> | <u>\$ 17,311</u> | <u>\$ 589,163</u> | <u>\$ 722,687</u> | <u>\$ 642</u> | <u>\$ 3,143,099</u> |

ST. LOUIS COUNTY, MINNESOTA
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
ALL AGENCY FUNDS
 DECEMBER 31, 1991

| | <u>Balance</u> <u>January 1</u> | <u>Additions</u> | <u>Deductions</u> | <u>Balance</u> <u>December 31</u> |
|--------------------------------------|------------------------------------|----------------------|----------------------|--------------------------------------|
| STATE OF MINNESOTA FUND | | | | |
| Assets | | | | |
| Cash and cash equivalents | \$ 245,866 | \$ 39,683,798 | \$ 39,401,169 | \$ 528,495 |
| Investments | 2,890,211 | 7,155,568 | 2,890,211 | 7,155,568 |
| Accrued interest receivable | 25,340 | 9,008 | 25,340 | 9,008 |
| Total Assets | \$ 3,161,417 | \$ 46,848,374 | \$ 42,316,720 | \$ 7,693,071 |
| Liabilities | | | | |
| Due to other governments | \$ 3,161,417 | \$ 46,848,374 | \$ 42,316,720 | \$ 7,693,071 |
| BEER-AUCTIONEER LICENSES FUND | | | | |
| Assets | | | | |
| Cash and cash equivalents | \$ - | \$ 4,128 | \$ 4,096 | \$ 32 |
| Liabilities | | | | |
| Due to other governments | \$ - | \$ 4,128 | \$ 4,096 | \$ 32 |
| CITIES AND TOWNS FUND | | | | |
| Assets | | | | |
| Cash and cash equivalents | \$ 71,914 | \$ 994,617 | \$ 1,000,357 | \$ 66,174 |
| Liabilities | | | | |
| Due to other governments | \$ 71,914 | \$ 994,617 | \$ 1,000,357 | \$ 66,174 |
| GAME AND FISH LICENSE FUND | | | | |
| Assets | | | | |
| Cash and cash equivalents | \$ 232,335 | \$ 2,817,373 | \$ 2,786,931 | \$ 262,777 |
| Liabilities | | | | |
| Due to other governments | \$ 232,335 | \$ 2,817,373 | \$ 2,786,931 | \$ 262,777 |
| BID DEPOSITS FUND | | | | |
| Assets | | | | |
| Cash and cash equivalents | \$ 21,000 | \$ - | \$ 300 | \$ 20,700 |
| Liabilities | | | | |
| Accounts payable | \$ 21,000 | \$ - | \$ 300 | \$ 20,700 |

(continued)

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

ST. LOUIS COUNTY, MINNESOTA
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
ALL AGENCY FUNDS
DECEMBER 31, 1991

| | <u>Balance January 1</u> | <u>Additions</u> | <u>Deductions</u> | <u>Balance December 31</u> |
|---|------------------------------|-----------------------|-----------------------|--------------------------------|
| <u>TAXES AND PENALTIES FUND</u> | | | | |
| <u>Assets</u> | | | | |
| Cash and cash equivalents | \$ 2,308,146 | \$ 105,010,097 | \$ 105,255,910 | \$ 2,062,333 |
| <u>Liabilities</u> | | | | |
| Unapportioned taxes payable | \$ 1,017,312 | \$ 989,280 | \$ 1,017,312 | \$ 989,280 |
| Due to other governments | 1,290,834 | 104,020,817 | 104,238,598 | 1,073,053 |
| Total Liabilities | \$ 2,308,146 | \$ 105,010,097 | \$ 105,255,910 | \$ 2,062,333 |
| <u>PAYROLL DEDUCTIONS FUND</u> | | | | |
| <u>Assets</u> | | | | |
| Cash and cash equivalents | \$ 332,239 | \$ 39,767,038 | \$ 40,023,732 | \$ 75,545 |
| <u>Liabilities</u> | | | | |
| Accounts payable | \$ 82,540 | \$ 64,537 | \$ 82,540 | \$ 64,537 |
| Due to other governments | 249,699 | 39,702,501 | 39,941,192 | 11,008 |
| Total Liabilities | \$ 332,239 | \$ 39,767,038 | \$ 40,023,732 | \$ 75,545 |
| <u>SERIES EE SAVINGS BOND FUND</u> | | | | |
| <u>Assets</u> | | | | |
| Cash and cash equivalents | \$ 5,452 | \$ 162,372 | \$ 163,295 | \$ 4,529 |
| <u>Liabilities</u> | | | | |
| Due to other governments | \$ 5,452 | \$ 162,372 | \$ 163,295 | \$ 4,529 |
| <u>MEDICAL INSURANCE FUND</u> | | | | |
| <u>Assets</u> | | | | |
| Cash and cash equivalents | \$ 1,568,969 | \$ 9,968,738 | \$ 9,294,825 | \$ 2,242,882 |
| <u>Liabilities</u> | | | | |
| Accounts payable | \$ 1,568,969 | \$ 9,968,738 | \$ 9,294,825 | \$ 2,242,882 |
| <u>CANCELLED CHECK FUND</u> | | | | |
| <u>Assets</u> | | | | |
| Cash and cash equivalents | \$ 55,620 | \$ 4,764 | \$ 13,401 | \$ 46,983 |
| <u>Liabilities</u> | | | | |
| Accounts payable | \$ 55,620 | \$ 4,764 | \$ 13,401 | \$ 46,983 |

(continued)

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

ST. LOUIS COUNTY, MINNESOTA
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
ALL AGENCY FUNDS
DECEMBER 31, 1991

| | <u>Balance</u> <u>January 1</u> | <u>Additions</u> | <u>Deductions</u> | <u>Balance</u> <u>December 31</u> |
|--|------------------------------------|---------------------|---------------------|--------------------------------------|
| <u>AGENCY MISCELLANEOUS FUND</u> | | | | |
| <u>Assets</u> | | | | |
| Cash and cash equivalents | \$ 11,365 | \$ 167,151 | \$ 178,516 | \$ - |
| <u>Liabilities</u> | | | | |
| Accounts payable | \$ 11,365 | \$ 167,151 | \$ 178,516 | \$ - |
| <u>HIGH VOLTAGE CREDIT FUND</u> | | | | |
| <u>Assets</u> | | | | |
| Cash and cash equivalents | \$ 93,053 | \$ 92,852 | \$ 93,053 | \$ 92,852 |
| <u>Liabilities</u> | | | | |
| Due to other governments | \$ 93,053 | \$ 92,852 | \$ 93,053 | \$ 92,852 |
| <u>ASSAULT FEES FUND</u> | | | | |
| <u>Assets</u> | | | | |
| Cash and cash equivalents | \$ 2,851 | \$ 26,440 | \$ 29,002 | \$ 289 |
| <u>Liabilities</u> | | | | |
| Accounts payable | \$ 2,851 | \$ 26,440 | \$ 29,002 | \$ 289 |
| <u>DEFERRED COMPENSATION FUND</u> | | | | |
| <u>Assets</u> | | | | |
| Invested employee contribution | \$ 17,734,912 | \$ 4,275,381 | \$ 856,798 | \$ 21,153,495 |
| <u>Liabilities</u> | | | | |
| Deferred compensation payable | \$ 17,734,912 | \$ 4,275,381 | \$ 856,798 | \$ 21,153,495 |
| <u>ARROWHEAD REGIONAL</u> | | | | |
| <u>CORRECTIONS FUND</u> | | | | |
| <u>Assets</u> | | | | |
| Cash and cash equivalents | \$ 589,398 | \$ 8,533,696 | \$ 8,285,761 | \$ 837,333 |
| Accounts receivable | 13,805 | 600 | 13,805 | 600 |
| Due from other governments | 395,265 | 200,776 | 395,265 | 200,776 |
| Total Assets | \$ 998,468 | \$ 8,735,072 | \$ 8,694,831 | \$ 1,038,709 |
| <u>Liabilities</u> | | | | |
| Accounts payable | \$ 755,655 | \$ 8,351,033 | \$ 8,452,018 | \$ 654,670 |
| Salaries payable | 242,813 | 384,039 | 242,813 | 384,039 |
| Total Liabilities | \$ 998,468 | \$ 8,735,072 | \$ 8,694,831 | \$ 1,038,709 |

(continued)

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

ST. LOUIS COUNTY, MINNESOTA
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
ALL AGENCY FUNDS
DECEMBER 31, 1991

| | Balance January 1 | Additions | Deductions | Balance December 31 |
|---------------------------------------|----------------------|-----------------------|-----------------------|------------------------|
| COMMUNITY HEALTH SERVICES FUND | | | | |
| Assets | | | | |
| Cash and cash equivalents | \$ 79,533 | \$ 1,920,957 | \$ 1,871,596 | \$ 128,894 |
| Due from other governments | 228,719 | 6,388 | 228,719 | 6,388 |
| Total Assets | \$ 308,252 | \$ 1,927,345 | \$ 2,100,315 | \$ 135,282 |
| Liabilities | | | | |
| Accounts payable | \$ 305,016 | \$ 164,752 | \$ 338,016 | \$ 131,752 |
| Salaries payable | 3,236 | 3,530 | 3,236 | 3,530 |
| Due to other governments | - | 1,759,063 | 1,759,063 | - |
| Total Liabilities | \$ 308,252 | \$ 1,927,345 | \$ 2,100,315 | \$ 135,282 |
| ALL AGENCY FUNDS | | | | |
| Assets | | | | |
| Cash and cash equivalents | \$ 5,617,741 | \$ 209,154,021 | \$ 208,401,944 | \$ 6,369,818 |
| Investments | 2,890,211 | 7,155,568 | 2,890,211 | 7,155,568 |
| Invested employee contribution | 17,734,912 | 4,275,381 | 856,798 | 21,153,495 |
| Receivables | | | | |
| Accounts | 13,805 | 600 | 13,805 | 600 |
| Accrued interest | 25,340 | 9,008 | 25,340 | 9,008 |
| Due from other governments | 623,984 | 207,164 | 623,984 | 207,164 |
| Total Assets | \$ 26,905,993 | \$ 220,801,742 | \$ 212,812,082 | \$ 34,895,653 |
| Liabilities | | | | |
| Accounts payable | \$ 2,803,016 | \$ 18,747,415 | \$ 18,388,618 | \$ 3,161,813 |
| Salaries payable | 246,049 | 387,569 | 246,049 | 387,569 |
| Deferred compensation payable | 17,734,912 | 4,275,381 | 856,798 | 21,153,495 |
| Unapportioned taxes payable | 1,017,312 | 989,280 | 1,017,312 | 989,280 |
| Due to other governments | 5,104,704 | 196,402,097 | 192,303,305 | 9,203,496 |
| Total Liabilities | \$ 26,905,993 | \$ 220,801,742 | \$ 212,812,082 | \$ 34,895,653 |

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

GENERAL FIXED ASSETS ACCOUNT GROUP

The General Fixed Assets Account Group records the County's fixed assets which are not accounted for in the Proprietary Funds. General fixed assets of a public domain or an "infrastructure" nature are not capitalized. Asset values are stated at historical cost, or estimated fair value, if donated. No depreciation is recorded for these assets.

ST. LOUIS COUNTY, MINNESOTA
SCHEDULE OF GENERAL FIXED ASSETS BY SOURCE
 DECEMBER 31, 1991

| | <u>1991</u> |
|---|----------------------|
| General Fixed Assets | |
| Land | \$ 2,673,294 |
| Buildings | 33,769,717 |
| Machinery and equipment | 7,213,090 |
| Vehicles | 24,670,462 |
| Construction in progress | <u>3,010,257</u> |
| Total general fixed assets | <u>\$ 71,336,820</u> |
| | |
| Investment in general fixed assets by source | |
| General fund | \$ 22,498,835 |
| Special revenue funds | 44,179,576 |
| Capital projects funds | 3,010,257 |
| Trust funds | <u>1,648,152</u> |
| Total investment in fixed assets | <u>\$ 71,336,820</u> |

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

ST. LOUIS COUNTY, MINNESOTA
SCHEDULE OF GENERAL FIXED ASSETS BY FUNCTION AND ACTIVITY
 DECEMBER 31, 1991

| | Land | Buildings and Structures | Machinery and Equipment | Vehicles | Total |
|--|---------------------|--------------------------------|-------------------------------|----------------------|----------------------|
| General Government | | | | | |
| Legislative | \$ - | \$ - | \$ 15,903 | \$ - | \$ 15,903 |
| Judicial and legal | - | - | 330,960 | - | 330,960 |
| Financial and other activities | - | - | 394,713 | 63,231 | 457,944 |
| Courthouses | 649,190 | 15,515,368 | 62,945 | 25,122 | 16,252,625 |
| Total General Government | <u>\$ 649,190</u> | <u>\$ 15,515,368</u> | <u>\$ 804,521</u> | <u>\$ 88,353</u> | <u>\$ 17,057,432</u> |
| Public Safety: | | | | | |
| Police protection | \$ - | \$ 1,277,143 | \$ 869,680 | \$ 163,212 | \$ 2,310,035 |
| Civil defense | - | - | 177,593 | - | 177,593 |
| Other activities | - | - | 24,168 | - | 24,168 |
| Total Public Safety | <u>\$ -</u> | <u>\$ 1,277,143</u> | <u>\$ 1,071,441</u> | <u>\$ 163,212</u> | <u>\$ 2,511,796</u> |
| Highways | <u>\$ 415,086</u> | <u>\$ 7,859,987</u> | <u>\$ 1,656,593</u> | <u>\$ 23,689,929</u> | <u>\$ 33,621,595</u> |
| Health | <u>\$ -</u> | <u>\$ 7,609</u> | <u>\$ 83,840</u> | <u>\$ -</u> | <u>\$ 91,449</u> |
| Social Services | <u>\$ -</u> | <u>\$ 4,612,259</u> | <u>\$ 1,661,460</u> | <u>\$ 35,968</u> | <u>\$ 6,309,687</u> |
| Culture and recreation | <u>\$ 1,500,000</u> | <u>\$ 1,554,885</u> | <u>\$ 1,895</u> | <u>\$ 65,000</u> | <u>\$ 3,121,780</u> |
| Conservation of natural resources | <u>\$ 95,325</u> | <u>\$ 1,724,993</u> | <u>\$ 483,107</u> | <u>\$ 628,000</u> | <u>\$ 2,931,425</u> |
| Economic development | <u>\$ 13,693</u> | <u>\$ 1,217,473</u> | <u>\$ 1,450,233</u> | <u>\$ -</u> | <u>\$ 2,681,399</u> |
| Construction-in-progress | <u>\$ -</u> | <u>\$ 3,010,257</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 3,010,257</u> |
| Total General Fixed Assets | <u>\$ 2,673,294</u> | <u>\$ 36,779,974</u> | <u>\$ 7,213,090</u> | <u>\$ 24,670,462</u> | <u>\$ 71,336,820</u> |

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

ST. LOUIS COUNTY, MINNESOTA
 SCHEDULE OF CHANGES IN GENERAL FIXED ASSETS
 BY FUNCTION AND ACTIVITY
 YEAR ENDED DECEMBER 31, 1991

| | General Fixed Assets Jan. 1, 1991 | Additions | Deductions | General Fixed Assets Dec. 31, 1991 |
|--|---|---------------------|---------------------|--|
| General Government: | | | | |
| Legislative | \$ 15,903 | \$ - | \$ - | \$ 15,903 |
| Judicial and legal | 286,483 | 44,477 | - | 330,960 |
| Financial and other activities | 1,895,361 | 21,527 | 1,458,944 | 457,944 |
| Courthouses | 16,165,691 | 86,934 | - | 16,252,625 |
| Total General Government | \$ 18,363,438 | \$ 152,938 | \$ 1,458,944 | \$ 17,057,432 |
| Public Safety: | | | | |
| Police protection | \$ 2,290,394 | \$ 69,446 | \$ 49,805 | \$ 2,310,035 |
| Civil defense | 174,255 | 8,072 | 4,734 | 177,593 |
| Other Activities | 21,489 | 2,679 | - | 24,168 |
| Total Public Safety | \$ 2,486,138 | \$ 80,197 | \$ 54,539 | \$ 2,511,796 |
| Highways | \$ 33,371,155 | \$ 1,091,217 | \$ 840,777 | \$ 33,621,595 |
| Health | \$ 99,997 | \$ 38,338 | \$ 46,886 | \$ 91,449 |
| Social Services | \$ 1,819,414 | \$ 4,717,279 | \$ 227,006 | \$ 6,309,687 |
| Sanitation | \$ 25,910 | \$ - | \$ 25,910 | \$ - |
| Culture and recreation | \$ 3,121,780 | \$ - | \$ - | \$ 3,121,780 |
| Conservation of natural resources | \$ 2,737,984 | \$ 363,370 | \$ 169,929 | \$ 2,931,425 |
| Economic development | \$ 2,773,139 | \$ - | \$ 91,740 | \$ 2,681,399 |
| Construction-in-progress | \$ 5,676,120 | \$ 672,868 | \$ 3,338,731 | \$ 3,010,257 |
| Total | \$ 70,475,075 | \$ 7,116,207 | \$ 6,254,462 | \$ 71,336,820 |

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

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**SUPPLEMENTARY
INFORMATION**

ST. LOUIS COUNTY, MINNESOTA
SCHEDULE OF INVESTMENTS
 DECEMBER 31, 1991

| | <u>Interest Rates</u> | <u>Par Value</u> | <u>Cost</u> |
|--|-----------------------|----------------------|----------------------|
| <u>Pooled Investments:</u> | | | |
| Certificates of deposit | 4.00% – 7.56% | \$ 22,370,000 | \$ 22,370,000 |
| Treasury notes | 7.125% | 750,000 | 756,534 |
| FHLBs | 4.73% – 10.70% | 5,750,000 | 5,793,110 |
| FNMA's | 6.50% – 9.69% | 2,135,000 | 1,673,496 |
| FFCBs | 4.73% – 6.40% | 4,070,675 | 4,049,239 |
| REFCOs | 7.84% | 2,896,000 | 1,998,298 |
| Total Pooled Investments | | \$ 37,971,675 | \$ 36,640,677 |
| <u>Fund Investments:</u> | | | |
| Chris Jensen Enterprise Fund | | | |
| Certificate of deposit | 3.91% | \$ 640,000 | \$ 640,000 |
| County Insurance Internal Service Fund | | | |
| Certificates of deposit | 4.00% | \$ 600,000 | \$ 600,000 |
| GNMA's | 9.00% | 180,000 | 146,826 |
| FFCBs | 4.73% – 4.75% | 1,616,806 | 1,609,577 |
| Total Internal Service Fund | | \$ 2,396,806 | \$ 2,356,403 |
| Patients' Escrow Expendable Trust Fund | | | |
| Certificates of deposit | 4.60% – 5.80% | \$ 100,000 | \$ 100,000 |
| Solid Waste Management Enterprise Fund | | | |
| Certificates of deposit | 3.70% – 3.90% | \$ 423,908 | \$ 423,908 |
| Jail Bond Capital Fund | | | |
| Certificate of deposit | 3.91% | \$ 1,518,807 | \$ 1,518,807 |
| State of Minnesota Agency Fund | | | |
| FFCB | 4.75% | \$ 1,077,519 | \$ 1,062,446 |
| Certificate of deposit | 3.91% | 6,093,122 | 6,093,122 |
| Total Taconite Relief Trust and Agency Fund | | \$ 7,170,641 | \$ 7,155,568 |
| Missing Heirs Trust Fund | | | |
| Savings account | 3.80% | \$ 57,020 | \$ 57,020 |
| Total Investments | | \$ 50,278,857 | \$ 48,892,383 |

ST. LOUIS COUNTY, MINNESOTA
TAXABLE VALUATIONS, TAX RATES, LEVIES, AND PERCENTAGE OF COLLECTIONS

| | Taxes Payable in Year | | | | | |
|--|-----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| | 1990 | | 1991 | | 1992 | |
| | Amount | Base Tax Rate (%) | Amount | Base Tax Rate (%) | Amount | Base Tax Rate (%) |
| Taxable Valuations: | | | | | | |
| Real property | \$ 63,850,101 | | \$ 66,162,343 | | \$ 66,907,765 | |
| Personal property | 6,395,531 | | 6,334,385 | | 8,168,457 | |
| Total Capacity | \$ 70,245,632 | | \$ 72,496,728 | | \$ 75,076,222 | |
| Certified Tax Levy for County Purposes: | | | | | | |
| General fund | \$ 17,163,563 | 0.197156 | \$ 22,410,787 | 0.283931 | \$ 22,380,769 | 0.234809 |
| Road and bridge | 10,072,775 | 0.115705 | 9,093,288 | 0.115207 | 8,674,068 | 0.091004 |
| Social services | 31,397,952 | 0.360664 | 25,702,399 | 0.325634 | 25,114,532 | 0.263491 |
| Land investment | 517,499 | 0.005944 | - | - | - | - |
| Medical care facilities | 2,096,600 | 0.024083 | 2,316,000 | 0.029342 | 2,499,849 | 0.026227 |
| Debt service | 1,207,645 | 0.013872 | 1,919,896 | 0.024324 | 856,737 | 0.008988 |
| Capital improvements | 451,380 | 0.005185 | 383,000 | 0.004852 | 2,206,880 | 0.023154 |
| Total Certified County-Wide Levies | \$ 62,907,414 | 0.722609 | \$ 61,825,370 | 0.783290 | \$ 61,732,835 | 0.647673 |
| (1) Debt service | \$ 574,573 | 0.006607 | \$ 542,125 | 0.018392 | \$ 639,660 | 0.021774 |
| (2) Solid waste service areas | 1,713,322 | 0.019703 | - | - | - | - |
| (1) Library | 192,816 | 0.002217 | 204,385 | 0.006728 | 199,385 | 0.006623 |
| Total Certified Regional Levies | \$ 2,480,711 | | \$ 746,510 | | \$ 839,045 | |
| Total Levy for County Purposes | \$ 65,388,125 | | \$ 62,571,880 | | \$ 62,571,880 | |
| Less: Disparity reduction aid and homestead agricultural aid | 25,475,951 | | 18,087,590 | | 15,664,285 | |
| Less: Tax credits payable by taconite companies | 2,035,015 | | 2,116,488 | | 2,155,626 | |
| Net Levy for County Purposes | \$ 37,877,159 | | \$ 42,367,802 | | \$ 44,751,969 | |
| Taxable Valuations - | | | | | | |
| Light and Power | | | | | | |
| Assessed at 43% | \$ 739,186 | | \$ 701,954 | | \$ 716,567 | |
| Assessed at 5% | 84,200 | | 37,734 | | 50,958 | |
| Total Taxable Valuations - Light and Power | \$ 823,386 | | \$ 739,688 | | \$ 767,525 | |
| Light and Power Tax Levies (distributed pursuant to Minn. Stat. 273.43, as amended) | | | | | | |
| Assessed at 43% | \$ 970,266 | | \$ 928,523 | | \$ 975,980 | |
| Assessed at 5% | 110,522 | | 49,913 | | 69,406 | |
| Total Light and Power Tax Levies | \$ 1,080,788 | | \$ 978,436 | | \$ 1,045,386 | |
| Special Assessments | | | | | | |
| Liens and assessments | \$ 779,952 | | \$ 983,983 | | \$ 1,016,722 | |
| Percentage of tax collections for all purposes | 98.88% | | 98.54% | | | |

(1) Levied on certain regions within the County.

(2) Varying amounts are levied on regions within the County.

**ST. LOUIS COUNTY, MINNESOTA
SCHEDULE OF INTERGOVERNMENTAL REVENUE
FOR THE YEAR ENDED DECEMBER 31, 1991**

| | Special Revenue Funds | | | | | |
|--|-----------------------|--------------------------|-----------------|--------------------|----------------------|---------------------|
| | General Fund | County Housing Authority | Land Investment | Railroad Authority | Road and Bridge | Social Services |
| Shared revenue | | | | | | |
| State | | | | | | |
| 30 percent rental income | \$ 491 | \$ 3 | \$ 5 | \$ 9 | \$ 226 | \$ 669 |
| HACA – real estate | 2,827,978 | – | – | 165 | 1,122,555 | 3,077,036 |
| HACA – mobile home | 26,102 | – | – | 1 | 10,625 | 29,666 |
| Police aid | 406,412 | – | – | – | – | – |
| Highway users tax | – | – | – | – | 9,637,645 | – |
| Forest fund | 13,721 | 173 | – | 174 | 5,046 | 14,263 |
| Alcoholic assessment and screening | 51,615 | – | – | – | – | – |
| Mineral rents and royalties | 416,581 | – | – | – | – | – |
| Disparity aid | 2,914,595 | – | – | – | 1,171,923 | 3,312,470 |
| Public defenders | 666,376 | – | – | – | – | – |
| Unorganized town road aid | – | – | – | – | 6,224 | – |
| Total Shared Revenue | \$ 7,323,871 | \$ 176 | \$ 5 | \$ 349 | \$ 11,954,244 | \$ 6,434,104 |
| Grants | | | | | | |
| State grants | | | | | | |
| Law clerks–State share | \$ 60,943 | \$ – | \$ – | \$ – | \$ – | \$ – |
| Training reimbursement | 35,626 | – | – | – | – | – |
| Tract index | 60,000 | – | – | – | – | – |
| Family planning | 30,309 | – | – | – | – | – |
| Sentence to serve | 32,033 | – | – | – | – | – |
| Special Indian health | 22,244 | – | – | – | – | – |
| Local water planning | 7,881 | – | – | – | – | – |
| CHS | 738,213 | – | – | – | – | – |
| Trade and economic development– Luigino's | 375,000 | – | – | – | – | – |
| Used oil storage tank | 3,294 | – | – | – | – | – |
| Dental sealant | 2,480 | – | – | – | – | – |
| Flouride tablets | 1,333 | – | – | – | – | – |
| Natural resources–boat & water | 67,134 | – | – | – | – | – |
| EPSDT | – | – | – | – | – | 56,833 |
| General assistance | – | – | – | – | – | 1,114,662 |
| AFDC | – | – | – | – | – | 4,297,262 |
| Emergency assistance | – | – | – | – | – | 4,785 |
| Medical assistance | – | – | – | – | – | 64,076 |
| Literacy training–transportation | – | – | – | – | – | 466 |
| Work readiness | – | – | – | – | – | 2,622,607 |
| Support & collection incentives | – | – | – | – | – | 102,093 |
| Subtotal | \$ 1,436,490 | \$ – | \$ – | \$ – | \$ – | \$ 8,262,784 |

| <u>Debt</u> | <u>Service</u> | <u>Funds</u> | <u>Courthouse</u> | <u>Solid Waste</u> | <u>Forest</u> | <u>Total</u> |
|------------------|-------------------|---------------------|-------------------|--------------------|-------------------|----------------------|
| <u>Babbitt</u> | <u>Capital</u> | <u>Correctional</u> | <u>Capital</u> | <u>Management</u> | <u>Resources</u> | |
| <u>Facility</u> | <u>Equipment</u> | <u>Facilities</u> | <u>Projects</u> | <u>Enterprise</u> | <u>Trust Fund</u> | |
| <u>Refunding</u> | <u>Notes</u> | <u>Bond</u> | <u>Fund</u> | <u>Fund</u> | | |
| \$ 3 | \$ 32 | \$ 3 | \$ 10 | \$ - | \$ - | \$ 1,451 |
| 18,777 | 266,519 | 20,039 | 3,279 | - | - | 7,336,348 |
| 136 | 1,934 | 145 | 442 | - | - | 69,051 |
| - | - | - | - | - | - | 406,412 |
| - | - | - | - | - | - | 9,637,645 |
| 65 | 930 | 70 | 212 | - | - | 34,654 |
| - | - | - | - | - | - | 51,615 |
| - | - | - | - | - | - | 416,581 |
| 15,217 | 215,976 | 16,239 | 49,360 | - | - | 7,695,780 |
| - | - | - | - | - | - | 666,376 |
| - | - | - | - | - | - | 6,224 |
| <u>\$ 34,198</u> | <u>\$ 485,391</u> | <u>\$ 36,496</u> | <u>\$ 53,303</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 26,322,137</u> |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 60,943 |
| - | - | - | - | - | - | 35,626 |
| - | - | - | - | - | - | 60,000 |
| - | - | - | - | - | - | 30,309 |
| - | - | - | - | - | - | 32,033 |
| - | - | - | - | - | - | 22,244 |
| - | - | - | - | - | - | 7,881 |
| - | - | - | - | - | - | 738,213 |
| - | - | - | - | - | - | 375,000 |
| - | - | - | - | - | - | 3,294 |
| - | - | - | - | - | - | 2,480 |
| - | - | - | - | - | - | 1,333 |
| - | - | - | - | - | - | 67,134 |
| - | - | - | - | - | - | 56,833 |
| - | - | - | - | - | - | 1,114,662 |
| - | - | - | - | - | - | 4,297,262 |
| - | - | - | - | - | - | 4,785 |
| - | - | - | - | - | - | 64,076 |
| - | - | - | - | - | - | 466 |
| - | - | - | - | - | - | 2,622,607 |
| - | - | - | - | - | - | 102,093 |
| <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 9,699,274</u> |

ST. LOUIS COUNTY, MINNESOTA
SCHEDULE OF INTERGOVERNMENTAL REVENUE
 FOR THE YEAR ENDED DECEMBER 31, 1990

| | Special Revenue Funds | | | | | |
|--|-----------------------|--------------------------|-----------------|--------------------|------------------|----------------------|
| | General Fund | County Housing Authority | Land Investment | Railroad Authority | Road and Bridge | |
| Grants (continued) | | | | | | |
| State grants (continued) | | | | | | |
| Minnesota supplemental aid | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 2,083,125 |
| STRIDE | - | - | - | - | - | 319,182 |
| Basic sliding fee-child care | - | - | - | - | - | 707,557 |
| Maxis training costs | - | - | - | - | - | 29,402 |
| Pre-certification fraud investigation | - | - | - | - | - | 137,843 |
| Maxis mentors | - | - | - | - | - | 106,528 |
| Maxis conversion | - | - | - | - | - | 101,126 |
| Human service aid-GA | - | - | - | - | - | 1,023,898 |
| Human service aid-GAMC | - | - | - | - | - | 695,337 |
| Human service aid-MSA | - | - | - | - | - | 599,075 |
| Human service aid-AFDC | - | - | - | - | - | 1,404,174 |
| Human service aid-MA | - | - | - | - | - | 4,778,797 |
| Human service aid-Work readiness | - | - | - | - | - | 728,833 |
| Human service aid-Emergency assistance | - | - | - | - | - | 75,054 |
| Human service aid-Stride | - | - | - | - | - | 46,713 |
| Human service aid-MR/WS | - | - | - | - | - | 155,196 |
| Community social service block grant | - | - | - | - | - | 3,852,398 |
| CONS CD fund admin | - | - | - | - | - | 55,262 |
| RSVP | - | - | - | - | - | 10,025 |
| Rule 12 adult res. M.H. | - | - | - | - | - | 597,295 |
| Rule 14 community support | - | - | - | - | - | 524,229 |
| Child care resource & referral | - | - | - | - | - | 62,566 |
| MR family subsidy | - | - | - | - | - | 39,234 |
| Home delivered meals | - | - | - | - | - | 8,147 |
| M.H. housing support | - | - | - | - | - | 113,802 |
| Permanency planning | - | - | - | - | - | 222,667 |
| Child task force | - | - | - | - | - | 1,000 |
| Detox transportation | - | - | - | - | - | 1,550 |
| MR waived services | - | - | - | - | - | 1,396,757 |
| ACG waived services | - | - | - | - | - | 258,772 |
| 180 day ACG services | - | - | - | - | - | 1,135,355 |
| CAC/CADI waived services | - | - | - | - | - | 85,705 |
| Rule 74 case management | - | - | - | - | - | 36,935 |
| PAS/ARR | - | - | - | - | - | 3,969 |
| Youth task force | - | - | - | - | - | 24,675 |
| SCORE | - | - | - | - | - | - |
| Energy assistance | - | - | - | - | - | - |
| Town bridge assistance | - | - | - | - | 56,464 | - |
| Tax forfeited roads | - | - | - | - | - | - |
| Regional railroad | - | - | - | 72,500 | - | - |
| MPCA | - | - | - | - | - | - |
| Homeless mental health | - | - | - | - | - | 62,081 |
| Semi-independent living skills | - | - | - | - | - | 416,854 |
| Families first | - | - | - | - | - | 137,770 |
| Refugee | - | - | - | - | - | 6783 |
| Other | - | - | - | - | - | 5,727 |
| Total State Grants | \$ 1,436,490 | \$ - | \$ - | \$ 72,500 | \$ 56,464 | \$ 30,314,182 |

Schedule III
(Continued)

| Debt | | Service | | Funds | | Courthouse | Solid Waste | Forest | Total |
|----------------------------------|---|-------------------------------|---|------------------------------------|---|-----------------------------|----------------------------------|-------------------------|------------|
| Babbitt Facility Refunding | | Capital Equipment Notes | | Correctional Facilities Bond | | Capital Projects Fund | Management Enterprise Fund | Resources Trust Fund | |
| \$ | - | \$ | - | \$ | - | \$ | - | \$ | 2,083,125 |
| | - | | - | | - | | - | | 319,182 |
| | - | | - | | - | | - | | 707,557 |
| | - | | - | | - | | - | | 29,402 |
| | - | | - | | - | | - | | 137,843 |
| | - | | - | | - | | - | | 106,528 |
| | - | | - | | - | | - | | 101,126 |
| | - | | - | | - | | - | | 1,023,898 |
| | - | | - | | - | | - | | 695,337 |
| | - | | - | | - | | - | | 599,075 |
| | - | | - | | - | | - | | 1,404,174 |
| | - | | - | | - | | - | | 4,778,797 |
| | - | | - | | - | | - | | 728,833 |
| | - | | - | | - | | - | | 75,054 |
| | - | | - | | - | | - | | 46,713 |
| | - | | - | | - | | - | | 155,196 |
| | - | | - | | - | | - | | 3,852,398 |
| | - | | - | | - | | - | | 55,262 |
| | - | | - | | - | | - | | 10,025 |
| | - | | - | | - | | - | | 597,295 |
| | - | | - | | - | | - | | 524,229 |
| | - | | - | | - | | - | | 62,566 |
| | - | | - | | - | | - | | 39,234 |
| | - | | - | | - | | - | | 8,147 |
| | - | | - | | - | | - | | 113,802 |
| | - | | - | | - | | - | | 222,667 |
| | - | | - | | - | | - | | 1,000 |
| | - | | - | | - | | - | | 1,550 |
| | - | | - | | - | | - | | 1,396,757 |
| | - | | - | | - | | - | | 258,772 |
| | - | | - | | - | | - | | 1,135,355 |
| | - | | - | | - | | - | | 85,705 |
| | - | | - | | - | | - | | 36,935 |
| | - | | - | | - | | - | | 3,969 |
| | - | | - | | - | | - | | 24,675 |
| | - | | - | | - | | 383,743 | | 383,743 |
| | - | | - | | - | 77,183 | - | | 77,183 |
| | - | | - | | - | - | - | 417,774 | 474,238 |
| | - | | - | | - | - | - | 42,450 | 42,450 |
| | - | | - | | - | | - | - | 72,500 |
| | - | | - | | - | | 163,476 | - | 163,476 |
| | - | | - | | - | | - | - | 62,081 |
| | - | | - | | - | | - | - | 416,854 |
| | - | | - | | - | | - | - | 137,770 |
| | - | | - | | - | | - | - | 6,783 |
| | - | | - | | - | | - | - | 5,727 |
| \$ | - | \$ | - | \$ | - | \$ | 77,183 | \$ | 460,224 |
| | | | | | | | | | 547,219 |
| | | | | | | | | | 32,964,262 |

(continued)

ST. LOUIS COUNTY, MINNESOTA
SCHEDULE OF INTERGOVERNMENTAL REVENUE
FOR THE YEAR ENDED DECEMBER 31, 1990

| | Special Revenue Funds | | | | | |
|--|-----------------------|--------------------------|-----------------|--------------------|----------------------|----------------------|
| | General Fund | County Housing Authority | Land Investment | Railroad Authority | Road and Bridge | |
| Grants (continued) | | | | | | |
| Federal | | | | | | |
| AFDC | \$ 60,664 | \$ - | \$ - | \$ - | \$ - | \$ 7,420,996 |
| Medical assistance | 61,923 | - | - | - | - | 1,022,486 |
| Child support | 29,496 | - | - | - | - | 1,672,694 |
| Food stamps | 49,129 | - | - | - | - | 891,973 |
| Foster care IV-E | 15,224 | - | - | - | - | 2,949,726 |
| Stride | 4,773 | - | - | - | - | 786,637 |
| Criminal apprehension | 154,844 | - | - | - | - | - |
| Women, infants and children program | 345,061 | - | - | - | - | - |
| HTLV III | 20,762 | - | - | - | - | - |
| MCH | 312,153 | - | - | - | - | - |
| Victims of crime act | 72,363 | - | - | - | - | - |
| National forest lands | 298,606 | - | - | - | - | - |
| Duluth area traffic safety | 17,460 | - | - | - | - | - |
| Emergency management | 19,959 | - | - | - | - | - |
| Child abuse/sexual assault | 35,295 | - | - | - | - | - |
| Refugee assistance | 233 | - | - | - | - | 161,513 |
| MA EPSDT | - | - | - | - | - | 63,148 |
| MA transportation | - | - | - | - | - | 132,546 |
| AFDC-EA grants | - | - | - | - | - | 47,847 |
| Work readiness - food stamps | - | - | - | - | - | 27,850 |
| Title XX block grant | - | - | - | - | - | 3,076,194 |
| Rule 74 M.H. case management | - | - | - | - | - | 20,270 |
| Title III-home delivered meals | - | - | - | - | - | 49,833 |
| Permanency planning | - | - | - | - | - | 29,524 |
| MA non-waiver | - | - | - | - | - | 1,137,505 |
| MR waived services | - | - | - | - | - | 1,776,242 |
| ACG waived services | - | - | - | - | - | 302,136 |
| CAC/CADI waived services | - | - | - | - | - | 100,111 |
| RSVP | - | - | - | - | - | 52,601 |
| Child day care | - | - | - | - | - | 53,281 |
| USDA - home delivered meals | - | - | - | - | - | 84,163 |
| PAS/ARR | - | - | - | - | - | 11,907 |
| Mental health - homeless | - | - | - | - | - | 26,305 |
| Childrens justice | - | - | - | - | - | 13,182 |
| SSI case management | - | - | - | - | - | 29,286 |
| SELF | - | - | - | - | - | 30,223 |
| BWCA forest intensification | - | - | - | - | - | - |
| Construction | - | - | - | - | 1,263,248 | - |
| National forest lands-roads & schools | - | - | - | - | 70,970 | - |
| Demonstration partnership | - | - | - | - | - | 17,648 |
| Total Federal grants | \$ 1,497,945 | \$ - | \$ - | \$ - | \$ 1,334,218 | \$ 21,987,827 |
| Other grants | | | | | | |
| Local | \$ 9,702 | \$ - | \$ 1,888 | \$ 15,634 | \$ - | \$ - |
| St. Louis County | 500 | - | - | - | - | - |
| Total Other Grants | \$ 10,202 | \$ - | \$ 1,888 | \$ 15,634 | \$ - | \$ - |
| Total Grants | \$ 2,944,637 | \$ - | \$ 1,888 | \$ 88,134 | \$ 1,390,682 | \$ 52,302,009 |
| Total Intergovernmental Revenue | \$ 10,268,508 | \$ 176 | \$ 1,893 | \$ 88,483 | \$ 13,344,926 | \$ 58,736,113 |

| <u>Debt</u> | <u>Service</u> | <u>Funds</u> | | | | |
|---|--|---|---|---|--|----------------------|
| <u>Babbitt Facility Refunding</u> | <u>Capital Equipment Notes</u> | <u>Correctional Facilities Bond</u> | <u>Courthouse Capital Projects Fund</u> | <u>Solid Waste Management Enterprise Fund</u> | <u>Forest Resources Trust Fund</u> | <u>Total</u> |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 7,481,660 |
| - | - | - | - | - | - | 1,084,409 |
| - | - | - | - | - | - | 1,702,190 |
| - | - | - | - | - | - | 941,102 |
| - | - | - | - | - | - | 2,964,950 |
| - | - | - | - | - | - | 791,410 |
| - | - | - | - | - | - | 154,844 |
| - | - | - | - | - | - | 345,061 |
| - | - | - | - | - | - | 20,762 |
| - | - | - | - | - | - | 312,153 |
| - | - | - | - | - | - | 72,363 |
| - | - | - | - | - | - | 298,606 |
| - | - | - | - | - | - | 17,460 |
| - | - | - | - | - | - | 19,959 |
| - | - | - | - | - | - | 35,295 |
| - | - | - | - | - | - | 161,746 |
| - | - | - | - | - | - | 63,148 |
| - | - | - | - | - | - | 132,546 |
| - | - | - | - | - | - | 47,847 |
| - | - | - | - | - | - | 27,850 |
| - | - | - | - | - | - | 3,076,194 |
| - | - | - | - | - | - | 20,270 |
| - | - | - | - | - | - | 49,833 |
| - | - | - | - | - | - | 29,524 |
| - | - | - | - | - | - | 1,137,505 |
| - | - | - | - | - | - | 1,776,242 |
| - | - | - | - | - | - | 302,136 |
| - | - | - | - | - | - | 100,111 |
| - | - | - | - | - | - | 52,601 |
| - | - | - | - | - | - | 53,281 |
| - | - | - | - | - | - | 84,163 |
| - | - | - | - | - | - | 11,907 |
| - | - | - | - | - | - | 26,305 |
| - | - | - | - | - | - | 13,182 |
| - | - | - | - | - | - | 29,286 |
| - | - | - | - | - | - | 30,223 |
| - | - | - | - | - | 33,071 | 33,071 |
| - | - | - | - | - | - | 1,263,248 |
| - | - | - | - | - | - | 70,970 |
| - | - | - | - | - | - | 17,648 |
| <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 33,071</u> | <u>\$ 24,853,061</u> |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 27,224 |
| - | - | - | - | - | - | 500 |
| <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 27,724</u> |
| <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 77,183</u> | <u>\$ 547,219</u> | <u>\$ 493,295</u> | <u>\$ 57,845,047</u> |
| <u>\$ 34,198</u> | <u>\$ 485,391</u> | <u>\$ 36,496</u> | <u>\$ 130,486</u> | <u>\$ 547,219</u> | <u>\$ 493,295</u> | <u>\$ 84,167,184</u> |

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TABLE 1

ST. LOUIS COUNTY, MINNESOTA
GENERAL GOVERNMENTAL EXPENDITURES BY FUNCTION (1)
LAST TEN FISCAL YEARS
 (IN DOLLARS)

| <u>Fiscal Year</u> | <u>General Government</u> | <u>Public Safety</u> | <u>Highways</u> | <u>Health</u> | <u>Welfare</u> | |
|--------------------|---------------------------|----------------------|-----------------|---------------|----------------|--|
| 1982 | 11,851,385 | 6,902,814 | 20,352,208 | 2,133,182 | 54,637,960 | |
| % | 11.7% | 6.8% | 20.0% | 2.1% | 53.8% | |
| 1983 | 11,866,261 | 7,027,971 | 23,042,621 | 2,200,481 | 63,871,828 | |
| % | 10.4% | 6.1% | 20.1% | 1.9% | 55.8% | |
| 1984 | 13,269,990 | 7,418,037 | 25,606,862 | 2,199,859 | 77,647,912 | |
| % | 9.9% | 5.5% | 19.1% | 1.6% | 58.0% | |
| 1985 | 11,909,328 | 7,703,990 | 29,619,492 | 3,025,133 | 83,880,627 | |
| % | 8.2% | 5.3% | 20.3% | 2.1% | 57.6% | |
| 1986 | 14,251,298 | 8,663,086 | 27,187,818 | 3,052,508 | 80,735,122 | |
| % | 10.1% | 6.2% | 19.3% | 2.2% | 57.3% | |
| 1987 | 14,360,480 | 9,353,630 | 25,445,243 | 2,979,693 | 77,904,108 | |
| % | 10.7% | 7.0% | 19.0% | 2.2% | 58.2% | |
| 1988 | 14,853,258 | 11,257,966 | 31,227,895 | 3,946,695 | 81,091,684 | |
| % | 10.2% | 7.7% | 21.4% | 2.7% | 55.6% | |
| 1989 | 16,141,887 | 12,814,932 | 35,959,426 | 4,290,468 | 86,438,710 | |
| % | 10.0% | 8.0% | 22.3% | 2.7% | 53.7% | |
| 1990 | 17,586,959 | 13,958,343 | 28,935,781 | 4,684,825 | 89,317,104 | |
| % | 10.9% | 8.7% | 18.0% | 2.9% | 55.6% | |
| 1991 | 17,906,525 | 15,258,855 | 26,345,645 | 5,406,517 | 80,598,582 | |
| % | 12.1% | 10.3% | 17.9% | 3.7% | 54.6% | |

| <u>Fiscal Year</u> | <u>Sanitation</u> | <u>Culture and Recreation</u> | <u>Conservation of Natural Resources</u> | <u>Economic Development</u> | <u>Miscellaneous</u> | <u>Total Expenditures</u> |
|--------------------|-------------------|-------------------------------|--|-----------------------------|----------------------|---------------------------|
| 1982 | 861,944 | 319,205 | 1,603,866 | 102,215 | 2,846,880 | 101,611,659 |
| % | 0.8% | 0.3% | 1.6% | 0.1% | 2.8% | |
| 1983 | 808,286 | 337,001 | 1,687,840 | 155,974 | 3,459,445 | 114,457,708 |
| % | 0.7% | 0.3% | 1.5% | 0.1% | 3.0% | |
| 1984 | 834,895 | 337,001 | 3,021,328 | 174,309 | 3,362,666 | 133,872,859 |
| % | 0.6% | 0.3% | 2.3% | 0.1% | 2.5% | |
| 1985 | 840,250 | 337,001 | 4,975,924 | 155,572 | 3,225,587 | 145,672,904 |
| % | 0.6% | 0.2% | 3.4% | 0.1% | 2.2% | |
| 1986 | 1,046,349 | 342,001 | 5,090,124 | 187,590 | 222,381 | 140,778,277 |
| % | 0.7% | 0.2% | 3.6% | 0.1% | 0.2% | |
| 1987 | 1,012,402 | 309,601 | 2,121,001 | 282,184 | -0- | 133,768,342 |
| % | 0.8% | 0.2% | 1.6% | 0.2% | 0.0% | |
| 1988 | 1,129,704 | 318,613 | 1,866,995 | 142,803 | -0- | 145,835,613 |
| % | 0.8% | 0.2% | 1.3% | 0.1% | 0.0% | |
| 1989 | 992,780 | 338,100 | 1,973,230 | 2,144,459 | -0- | 161,093,992 |
| % | 0.6% | 0.2% | 1.2% | 1.3% | 0.0% | |
| 1990 | 2,327,531 | 337,940 | 1,832,978 | 1,687,020 | -0- | 160,668,481 |
| % | 1.4% | 0.2% | 1.1% | 1.1% | 0.0% | |
| 1991 | -0- | 416,506 | 585,825 | 995,006 | -0- | 147,513,461 |
| % | 0.0% | 0.3% | 0.4% | 0.7% | 0.0% | |

(1) Includes the General Fund and Special Revenue Funds.

TABLE 2

ST. LOUIS COUNTY, MINNESOTA
 GENERAL GOVERNMENTAL REVENUES BY SOURCE (1)
 LAST TEN FISCAL YEARS
 (IN DOLLARS)

| <u>Fiscal Year</u> | <u>Taxes</u> | <u>Licenses and Permits</u> | <u>Inter-governmental</u> | <u>Charges for Services</u> |
|--------------------|--------------|-----------------------------|---------------------------|-----------------------------|
| 1982 | 33,165,764 | 210,416 | 56,507,779 | 3,612,548 |
| % | 33.1% | 0.2% | 56.4% | 3.6% |
| 1983 | 28,835,277 | 225,551 | 73,177,930 | 3,846,193 |
| % | 25.6% | 0.2% | 64.9% | 3.4% |
| 1984 | 31,400,978 | 256,940 | 84,670,190 | 4,572,843 |
| % | 24.2% | 0.2% | 65.2% | 3.5% |
| 1985 | 32,895,162 | 195,753 | 90,311,081 | 5,194,344 |
| % | 24.0% | 0.1% | 65.8% | 3.8% |
| 1986 | 46,340,868 | 119,822 | 78,436,145 | 5,337,581 |
| % | 34.0% | 0.1% | 57.5% | 3.9% |
| 1987 | 48,651,023 | 129,294 | 75,618,856 | 5,135,972 |
| % | 35.7% | 0.1% | 55.5% | 3.8% |
| 1988 | 48,186,293 | 127,397 | 82,061,159 | 5,389,669 |
| % | 33.4% | 0.1% | 56.9% | 3.7% |
| 1989 | 44,593,871 | 117,846 | 100,171,880 | 5,419,167 |
| % | 28.0% | 0.1% | 63.0% | 3.4% |
| 1990 | 50,570,451 | 113,776 | 93,506,136 | 5,533,559 |
| % | 31.9% | 0.1% | 59.0% | 3.5% |
| 1991 | 54,654,950 | 120,665 | 82,440,099 | 5,778,140 |
| % | 36.3% | 0.1% | 54.8% | 3.8% |

| <u>Fiscal Year</u> | <u>Fines and Forfeitures</u> | <u>Gifts and Contributions</u> | <u>Interest on Investments</u> | <u>Miscellaneous</u> | <u>Total Revenue</u> |
|--------------------|------------------------------|--------------------------------|--------------------------------|----------------------|----------------------|
| 1982 | 505,929 | -0- | 3,762,091 | 2,350,600 | 100,115,127 |
| % | 0.5% | 0.0% | 3.8% | 2.3% | |
| 1983 | 564,742 | -0- | 3,682,080 | 2,411,844 | 112,743,617 |
| % | 0.5% | 0.0% | 3.3% | 2.1% | |
| 1984 | 522,518 | -0- | 4,072,926 | 4,401,849 | 129,898,244 |
| % | 0.4% | 0.0% | 3.1% | 3.4% | |
| 1985 | 499,124 | -0- | 2,762,244 | 5,370,395 | 137,228,103 |
| % | 0.4% | 0.0% | 2.0% | 3.9% | |
| 1986 | 515,278 | -0- | 2,104,015 | 3,546,505 | 136,400,214 |
| % | 0.4% | 0.0% | 1.5% | 2.6% | |
| 1987 | 672,214 | -0- | 2,109,244 | 3,928,363 | 136,244,966 |
| % | 0.5% | 0.0% | 1.5% | 2.9% | |
| 1988 | 617,918 | 16,366 | 2,883,195 | 4,861,083 | 144,143,080 |
| % | 0.4% | 0.01% | 2.0% | 3.4% | |
| 1989 | 671,157 | 3,436 | 2,505,189 | 5,531,081 | 159,013,627 |
| % | 0.4% | 0.002% | 1.6% | 3.5% | |
| 1990 | 770,349 | 50,849 | 2,235,853 | 5,693,798 | 158,474,771 |
| % | 0.5% | 0.03% | 1.4% | 3.6% | |
| 1991 | 689,530 | 8,707 | 1,922,075 | 4,791,720 | 150,405,886 |
| % | 0.5% | 0.0% | 1.3% | 3.2% | |

(1) Includes the General Fund and Special Revenue Funds.

Unaudited

TABLE 3

ST. LOUIS COUNTY, MINNESOTA
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS
(IN DOLLARS)

| <u>Fiscal Year</u> | <u>Total Certified County Levy</u> | <u>Less Tax Credits (1) and certain State Aids (2)</u> | <u>Net levy</u> | <u>Current Tax Collections</u> | <u>Percent Levy Collected</u> |
|--------------------|------------------------------------|--|-----------------|--------------------------------|-------------------------------|
| 1982 | 38,325,733 | 9,863,075 | 28,462,658 | 27,067,988 | 95.10% |
| 1983 | 40,144,790 | 12,129,561 | 28,015,229 | 26,810,574 | 95.70% |
| 1984 | 42,864,627 | 12,143,869 | 30,720,758 | 29,187,792 | 95.01% |
| 1985 | 45,849,847 | 13,140,619 | 32,709,228 | 30,498,084 | 93.24% |
| 1986 | 48,551,804 | 14,348,657 | 34,203,147 | 32,835,021 | 96.00% |
| 1987 | 53,486,602 | 15,571,629 | 37,914,973 | 36,159,510 | 95.37% |
| 1988 | 53,541,139 | 15,959,653 | 37,581,486 | 36,386,395 | 96.82% |
| 1989 | 59,023,406 | 25,548,899 | 33,474,507 | 31,780,459 | 94.94% |
| 1990 | 65,388,125 | 27,510,966 | 37,877,159 | 35,959,730 | 94.94% |
| 1991 | 62,571,880 | 20,204,078 | 42,367,802 | 40,538,190 | 95.68% |

| <u>Fiscal Year</u> | <u>Delinquent Tax Collection</u> | <u>Total Tax Collections</u> | <u>Total Tax Collect to Net Levy</u> | <u>Outstanding Delinquent Taxes</u> | <u>Outstanding Delinquent Taxes as Percent of Current Net Levy</u> |
|--------------------|----------------------------------|------------------------------|--------------------------------------|-------------------------------------|--|
| 1982 | 672,253 | 27,740,241 | 97.46% | 2,727,028 | 9.58% |
| 1983 | 150,605 | 26,961,179 | 96.24% | 2,411,844 | 8.61% |
| 1984 | 591,113 | 29,778,905 | 96.93% | 4,401,849 | 14.33% |
| 1985 | 567,431 | 31,065,515 | 94.97% | 5,370,395 | 16.42% |
| 1986 | 275,580 | 33,110,601 | 96.81% | 3,546,505 | 10.37% |
| 1987 | 474,973 | 36,634,483 | 96.62% | 3,928,363 | 10.36% |
| 1988 | 557,970 | 36,944,365 | 98.30% | 4,861,083 | 12.93% |
| 1989 | 1,465,767 | 33,246,226 | 99.32% | 5,531,081 | 16.52% |
| 1990 | 1,514,779 | 37,474,509 | 98.94% | 5,693,798 | 15.03% |
| 1991 | 1,596,262 | 42,134,452 | 99.45% | 4,158,385 | 9.81% |

(1) Tax credits include homestead credit, small business credit and high voltage lines credit to the County by the State of Minnesota, as well as taconite relief paid to the County by taconite companies.

(2) State Aids, Haca and Disparity Aid in 1990 replaced tax credits and taxes that make up prior years' levies.

Unaudited

ST. LOUIS COUNTY, MINNESOTA
 ASSESSED, TAX CAPACITY (1) AND ESTIMATED MARKET VALUE OF
 TAXABLE PROPERTY – LAST TEN YEARS
 (IN DOLLARS)

| Collection Year | Property Outside the City of Duluth | | Duluth | |
|--------------------|--|------------------------------|-----------------------------------|------------------------------|
| | Assessed Value/Tax Capacity (1) | Estimated Market Value | Assessed Value/Tax Capacity | Estimated Market Value |
| 1982 | 512,590,423 | 2,141,556,948 | 297,375,292 | 1,226,900,488 |
| 1983 | 531,011,411 | 2,230,839,329 | 293,838,305 | 1,226,108,526 |
| 1984 | 519,720,793 | 2,251,112,800 | 286,019,824 | 1,221,990,600 |
| 1985 | 492,222,976 | 2,183,053,388 | 278,063,815 | 1,214,724,100 |
| 1986 | 477,208,439 | 2,109,106,850 | 278,147,064 | 1,217,760,500 |
| 1987 | 465,289,325 | 2,066,149,750 | 279,712,274 | 1,226,207,000 |
| 1988 | 437,161,106 | 2,010,477,720 | 271,338,379 | 1,263,170,200 |
| 1989 | 53,415,602 | 1,999,076,320 | 34,346,201 | 1,285,919,700 |
| 1990 | 40,462,068 | 2,045,216,400 | 29,783,564 | 1,334,843,100 |
| 1991 | 41,209,168 | 2,144,508,400 | 31,287,560 | 1,453,370,300 |

| Collection Year | Total | | Ratio of Assessed Value to Estimated Market Value | Percent of Total Assessed Value/ Tax Capacity (1) | |
|--------------------|---------------------------------------|------------------------------|--|---|--------|
| | Assessed Value/Tax Capacity (1) | Estimated Market Value | | Outside Duluth | Duluth |
| 1982 | 809,965,715 | 3,368,457,436 | 0.24046 | 63.29% | 36.71% |
| 1983 | 824,849,716 | 3,456,947,855 | 0.23861 | 64.38% | 35.62% |
| 1984 | 805,740,617 | 3,473,103,400 | 0.23199 | 64.50% | 35.50% |
| 1985 | 770,286,791 | 3,397,777,488 | 0.22670 | 63.90% | 36.10% |
| 1986 | 755,355,503 | 3,326,867,350 | 0.22705 | 63.18% | 36.82% |
| 1987 | 745,001,599 | 3,292,356,750 | 0.22628 | 62.45% | 37.55% |
| 1988 | 708,499,485 | 3,273,647,920 | 0.21643 | 61.70% | 38.30% |
| 1989 | 87,761,803 | 3,284,996,020 | 0.02672 | 60.86% | 39.14% |
| 1990 | 70,245,632 | 3,380,059,500 | 0.02078 | 57.60% | 42.40% |
| 1991 | 72,496,728 | 3,597,878,700 | 0.02015 | 56.84% | 43.16% |

(1) For 1989, Assessed Value changed to Tax Capacity by Chapter 719, Laws of Minnesota, 1988.

Unaudited

ST. LOUIS COUNTY, MINNESOTA
PROPERTY TAX RATES (1) AND TAX LEVIES
DIRECT AND OVERLAPPING
LAST TEN FISCAL YEARS

| Tax Year | Cities / Towns | Special Districts | School Districts | County | Total Combined (1) |
|--|-------------------|----------------------|---------------------|------------|-----------------------|
| Tax Rates per \$100 of Assessed Valuation | | | | | |
| 1982 | 2.8858 | 0.0662 | 4.7202 | 4.623 | 12.2952 |
| 1983 | 3.2196 | 0.0691 | 5.0998 | 4.742 | 13.1305 |
| 1984 | 3.4115 | 0.0735 | 5.6124 | 5.195 | 14.2924 |
| 1985 | 3.9975 | 0.0775 | 5.5080 | 5.815 | 15.3980 |
| 1986 | 4.1532 | 0.0772 | 5.3873 | 6.283 | 15.9007 |
| 1987 | 4.3297 | 0.0930 | 5.5431 | 6.981 | 16.9468 |
| 1988 | 4.6307 | 0.1013 | 5.6370 | 7.339 | 17.7080 |
| Tax Rates per \$100 of Tax Capacity (2) | | | | | |
| 1989 | 25.4912 | 0.2576 | 39.1948 | 54.1377 | 119.0813 |
| 1990 | 25.6977 | 0.3856 | 43.0184 | 62.1951 | 131.2968 |
| 1991 | 24.6399 | 0.9195 | 42.0500 | 68.2679 | 135.8773 |
| Tax Levies (in dollars) | | | | | |
| 1982 | 24,521,757 | 1,050,395 | 38,191,101 | 37,404,795 | 101,168,048 |
| 1983 | 25,948,382 | 1,126,008 | 42,065,493 | 39,114,374 | 108,254,257 |
| 1984 | 27,788,261 | 1,178,227 | 45,221,057 | 41,858,225 | 116,045,770 |
| 1985 | 29,954,427 | 1,196,321 | 42,482,841 | 44,792,177 | 118,425,766 |
| 1986 | 30,892,170 | 1,221,228 | 40,693,156 | 47,458,986 | 120,265,540 |
| 1987 | 31,754,968 | 1,604,690 | 40,179,913 | 52,008,562 | 125,548,133 |
| 1988 | 32,308,340 | 1,649,269 | 39,950,358 | 52,012,315 | 125,920,282 |
| 1989 | 22,371,580 | 226,056 | 34,398,034 | 47,512,237 | 104,507,907 |
| 1990 | 33,906,485 | 2,977,044 | 36,962,837 | 62,907,414 | 136,753,780 |
| 1991 | 36,450,326 | 739,760 | 38,883,379 | 62,571,880 | 138,645,345 |

(1) These are composite rates, except for County.

(2) For 1989 and succeeding years, Assessed Value changed to Tax Capacity by Chapter 719, Laws of Minnesota, 1988.

Unaudited

TABLE 6

**ST. LOUIS COUNTY, MINNESOTA
RATIO OF NET GENERAL BONDED DEBT TO MARKET
VALUE AND NET BONDED DEBT PER CAPITA
LAST TEN FISCAL YEARS**

| Year Ending Dec. 31 | Population | Market Value including captured increment (in dollars) | Net Value Debt | Ratio of Net Bonded Debt to Market Value | Bonded Debt per Capita |
|--------------------------------|-------------------|---|---------------------------|---|-----------------------------------|
| 1982 | 218,964 | 3,368,457,436 | 0 | 0 | 0 |
| 1983 | 213,622 | 3,456,947,855 | 0 | 0 | 0 |
| 1984 | 212,214 | 3,473,103,400 | 0 | 0 | 0 |
| 1985 | 206,264 | 3,397,777,488 | 4,800,000 | 0.14% | 23.27 |
| 1986 | 203,069 | 3,326,867,350 | 4,800,000 | 0.14% | 23.64 |
| 1987 | 200,646 | 3,292,356,750 | 4,475,000 | 0.14% | 22.30 |
| 1988 | 200,027 | 3,273,647,920 | 9,125,000 | 0.28% | 45.62 |
| 1989 | 200,027 | 3,284,996,020 | 21,000,000 | 0.64% | 104.99 |
| 1990 | 198,213 | 3,380,059,500 | 22,195,000 | 0.66% | 111.98 |
| 1991 | 198,213 | 3,597,878,700 | 22,525,000 | 0.63% | 113.64 |

Unaudited

TABLE 7

**ST. LOUIS COUNTY, MINNESOTA
COMPUTATION OF LEGAL DEBT MARGIN
FOR THE FISCAL YEAR ENDED DECEMBER 31, 1991**

| | | |
|--|----------------|-------------------------|
| Market Value of Taxable Property | | <u>\$ 3,597,878,700</u> |
| Debt Limit 2 Percent of market value of taxable property (1) | | \$ 71,957,574 |
| Amount of Debt Applicable to Debt Limit: | | |
| General Obligation Debt (2) | \$ 17,046,980 | |
| Less: Fund Balance in Debt Service Fund | 233,461 | |
| Restricted Assets in applicable Enterprise Funds (3) | <u>670,239</u> | |
| Total Amount of Debt Applicable to Debt Limit | | <u>16,143,280</u> |
| Legal Debt Margin | | <u>\$ 55,814,294</u> |

(1) Limit on Debt – Minnesota Statutes, Section 475.53, Subdivision 1 – "Except as otherwise provided -- no municipality --, shall incur or be subject to a debt in excess of two percent of the market value of taxable property in the municipality."

(2) The County has special authority to bond for solid waste activities under Minnesota Statutes, and the legal debt margin does not apply to this debt of \$5,670,000; therefore, those bonds are not included here. They are carried in the Solid Waste Management Enterprise Fund at par of \$5,670,000 less unamortized discount of \$75,362.

(3) Nursing Home General Obligation Revenue Bonds of \$3,375,000 less \$66,084 unamortized discount are carried in the Enterprise Funds. These bonds at par are included in the amount of debt applicable to debt limit.

Note: The amount of debt applicable to the debt limit has not been reduced by the \$10,505,000 designated for debt service in the Road and Bridge Special Revenue Fund, as that amount is not a legal reserve.

Unaudited

ST. LOUIS COUNTY, MINNESOTA
COMPUTATION OF DIRECT, OVERLAPPING AND UNDERLYING DEBT
 YEAR ENDED DECEMBER 31, 1991

| Direct Debt | Total Debt | | Applicable to | |
|-------------------------|---------------------------------|-----------------------------|-------------------------|---------------|
| | Outstanding ¹ | Percent ² | St. Louis County | |
| | \$ | | \$ | Amount |
| St. Louis County | 22,383,554 | 100.00% | 22,383,554 | |
| Overlapping Debt | | | | |
| School District #94 | 4,585,000 | 2.68% | 122,878 | |
| School District #381 | 60,000 | 15.23% | 9,138 | |
| School District #710 | 5,320,000 | 99.61% | 5,299,252 | |
| | <u>\$ 9,965,000</u> | | <u>\$ 5,431,268</u> | |
| Underlying Debt | | | | |
| City of Biwabik | 165,000 | 100.00% | 165,000 | |
| City of Buhl | 45,000 | 100.00% | 45,000 | |
| City of Chisholm | 1,936,000 | 100.00% | 1,936,000 | |
| City of Cook | 205,000 | 100.00% | 205,000 | |
| City of Duluth | 32,873,100 | 100.00% | 32,873,100 | |
| City of Ely | 1,427,425 | 100.00% | 1,427,425 | |
| City of Eveleth | 200,000 | 100.00% | 200,000 | |
| City of Floodwood | 210,000 | 100.00% | 210,000 | |
| City of Hermantown | 1,430,000 | 100.00% | 1,430,000 | |
| City of Hibbing | 5,615,000 | 100.00% | 5,615,000 | |
| City of Hoyt Lakes | 550,000 | 100.00% | 550,000 | |
| City of Iron Junction | 12,289 | 100.00% | 12,289 | |
| City of Mountain Iron | 225,000 | 100.00% | 225,000 | |
| City of Orr | 517,000 | 100.00% | 517,000 | |
| City of Proctor | 70,000 | 100.00% | 70,000 | |
| City of Tower | 266,000 | 100.00% | 266,000 | |
| City of Virginia | 16,130,000 | 100.00% | 16,130,000 | |
| Town of Fayal | 158,021 | 100.00% | 158,021 | |
| Town of Greenwood | 127,857 | 100.00% | 127,857 | |
| Town of Rice Lake | 50,000 | 100.00% | 50,000 | |
| School District #692 | 500,000 | 100.00% | 500,000 | |
| School District #695 | 699,486 | 100.00% | 699,486 | |
| School District #696 | 1,000,000 | 100.00% | 1,000,000 | |
| School District #697 | 699,814 | 100.00% | 699,814 | |
| School District #699 | 206,963 | 100.00% | 206,963 | |
| School District #700 | 8,545,000 | 100.00% | 8,545,000 | |
| School District #701 | 4,910,000 | 100.00% | 4,910,000 | |
| School District #704 | 6,777,000 | 100.00% | 6,777,000 | |
| School District #706 | 2,265,000 | 100.00% | 2,265,000 | |
| School District #708 | 190,000 | 100.00% | 190,000 | |
| School District #709 | 27,300,000 | 100.00% | 27,300,000 | |
| School District #712 | 4,355,000 | 100.00% | 4,355,000 | |
| Seaway Port Authority | 950,000 | 100.00% | 950,000 | |
| | <u>\$ 120,610,955</u> | | <u>\$ 120,610,955</u> | |
| Total | <u>\$ 152,959,509</u> | | <u>\$ 148,425,777</u> | |

1 Total Debt Outstanding – That portion of the debt which is general obligation or general obligation revenue debt – this figure does not take into account bond premium or discount – except for St. Louis County which is net of unamortized discount.

2 The percentage reflects the portion of the general obligation debt which is secured by taxable real estate located within the County.

Unaudited

ST. LOUIS COUNTY, MINNESOTA
**RATIO OF DEBT SERVICE EXPENDITURES FOR GENERAL
 OBLIGATION BONDED DEBT TO TOTAL GENERAL EXPENDITURES**
 (IN DOLLARS)

(1)

| Year | Principal | Interest | Total Debt Service | General Expenditures | Ratio of Debt Service Expenditures To Total General Expenditures |
|------|---------------|-----------|-----------------------|-------------------------|---|
| 1982 | 0 | 0 | 0 | 101,611,659 | N/A |
| 1983 | 0 | 0 | 0 | 114,457,708 | N/A |
| 1984 | 0 | 0 | 0 | 133,872,859 | N/A |
| 1985 | 0 | 0 | 0 | 145,672,904 | N/A |
| 1986 | 0 | 0 | 0 | 140,778,277 | N/A |
| 1987 | 0 | 0 | 0 | 133,768,342 | N/A |
| 1988 | 0 | 152,900 | 152,900 | 145,835,613 | 0.0011 |
| 1989 | 295,000 | 355,800 | 650,800 | 160,848,344 | 0.0040 |
| 1990 | 420,000 | 1,075,030 | 1,495,030 | 160,668,481 | 0.0093 |
| 1991 | 2,970,000 (2) | 902,288 | 3,872,288 | 147,513,461 | 0.0262 |

(1) Includes the General Fund and Special Revenue Funds.

(2) \$200,000 of this figure was financed by a refunding issue.

NOTE: General Obligation Revenue Bond Debt Service for the Chris Jensen, Nopeming and Solid Waste Management Enterprise Funds is not included here as it is not included in general expenditures.

Unaudited

Table 10

ST. LOUIS COUNTY, MINNESOTA
REVENUE BOND COVERAGE
LAST SEVEN FISCAL YEARS
(IN DOLLARS)

CHRIS JENSEN ENTERPRISE FUND BOND

| Fiscal Year | Gross (1) Revenue | Direct Operating Expenses | Net Revenue Available for Debt Service | Debt Service Requirements | | | Coverage |
|-------------|-------------------|---------------------------|--|---------------------------|----------|---------|----------|
| | | | | Principal | Interest | Total | |
| 1985 | 9,078,460 | 8,171,538 | 906,922 | - | 419,713 | 419,713 | 2.16 |
| 1986 | 7,884,505 | 7,318,477 | 566,028 | - | 419,713 | 419,713 | 1.35 |
| 1987 | 7,579,281 | 7,108,221 | 471,060 | 325,000 | 407,525 | 732,525 | 0.64 |
| 1988 | 7,352,692 | 7,325,246 | 27,446 | 350,000 | 381,775 | 731,775 | 0.04 |
| 1989 | 9,470,362 | 8,544,276 | 926,086 | 375,000 | 324,434 | 699,434 | 1.32 |
| 1990 | 9,491,825 | 8,944,636 | 547,189 | 400,000 | 280,850 | 680,850 | 0.80 |
| 1991 | 10,447,317 | 9,133,382 | 1,313,935 | 475,000 | 170,342 | 645,342 | 2.36 |

NOPEMING ENTERPRISE FUND BOND

| Fiscal Year | Gross (1) Revenue | Direct Operating Expenses | Net Revenue Available for Debt Service | Debt Service Requirements | | | Coverage |
|-------------|-------------------|---------------------------|--|---------------------------|----------|--------|----------|
| | | | | Principal | Interest | Total | |
| 1989 | 6,751,894 | 7,053,018 | (301,124) | - | 3,335 | 3,335 | 0.00 |
| 1990 | 7,613,198 | 7,748,439 | (135,241) | 20,000 | 21,854 | 41,854 | 0.00 |
| 1991 | 9,021,628 | 8,877,688 | 143,940 | 25,000 | 18,892 | 43,892 | 3.28 |

SOLID WASTE MANAGEMENT ENTERPRISE FUND BOND

| Fiscal Year | Gross (1) Revenue | Direct Operating Expenses | Net Revenue Available for Debt Service | Debt Service Requirements | | | Coverage |
|-------------|-------------------|---------------------------|--|---------------------------|----------|---------|----------|
| | | | | Principal | Interest | Total | |
| 1991 | 4,214,733 | 4,302,613 | (87,880) | 205,000 | 311,308 | 516,308 | 0.00 |

(1) Includes operating and non-operating revenue.

(2) Excludes depreciation, amortization of bond discount and interest on debt.

NOTE: Prior to 1985, the County had issued no revenue bonds.

Unaudited

Table 11

**ST. LOUIS COUNTY, MINNESOTA
DEMOGRAPHIC STATISTICS
LAST TEN YEARS**

| <u>Year</u> | <u>Population (3)</u> | <u>Per (1) Capita Income</u> | <u>Median (3) Age</u> | <u>K - 12 (2) School Enrollment</u> | <u>Unemployment (1) Percentage</u> |
|-------------|-----------------------|--------------------------------------|---------------------------|---|--|
| 1982 | 218,964 | 10,004 | 30.1 | 38,457 | 17.7 |
| 1983 | 213,622 | 10,163 | 30.2 | 36,725 | 18.7 |
| 1984 | 212,214 | 10,941 | 30.4 | 35,939 | 12.4 |
| 1985 | 206,264 | 11,401 | 30.5 | 35,058 | 11.1 |
| 1986 | 203,069 | 11,801 | 30.7 | 34,428 | 9.1 |
| 1987 | 200,646 | 12,409 | 30.9 | 34,062 | 9.4 |
| 1988 | 200,646 | 13,184 | 31 | 38,692 | 6.3 |
| 1989 | 200,027 | 14,502 | 31.2 | 33,510 | 5.9 |
| 1990 | 198,213 | N/A | 35.7 | 33,710 | 6 |
| 1991 | 198,213 | N/A | N/A | 37,068 | 6.5 |

(1) Minnesota Department of Economic Security Research and Planning Department

(2) State Department of Education

(3) Minnesota State Planning Office, Office of State Demographer

Unaudited

ST. LOUIS COUNTY, MINNESOTA
ESTIMATED MARKET VALUE, CONSTRUCTION, AND BANK DEPOSITS

| <u>Estimated Market Value :</u> | <u>Value</u> | <u>1991 Percent</u> |
|--|-------------------------|-------------------------|
| Real Estate: | | |
| Residential | \$ 2,548,110,470 | 55.33% |
| Multiple Dwelling | 139,099,885 | 3.02% |
| Commercial/Industrial | 462,812,791 | 10.05% |
| Timberlands | 91,719,310 | 1.99% |
| Agricultural | 56,211,624 | 1.22% |
| Public Utilities / Miscellaneous | 146,457,064 | 3.18% |
| Seasonal Residential Recreational | 282,934,059 | 6.14% |
| Seasonal Commercial Recreational | 14,480,297 | 0.32% |
| Exempt | 723,979,900 | 15.72% |
| Total Real Estate | \$ 4,465,805,400 | 96.97% |
| Personal Property | 139,620,200 | 3.03% |
| Total Real Estate & Personal Property | \$ 4,605,425,600 | 100.00% |

Source : St. Louis County Assessor

Construction:

| <u>Fiscal Year</u> | <u>Commercial # of Units</u> | <u>Value</u> | <u>Residential # of Units</u> | <u>Value</u> | <u>Total Value New Construction</u> |
|------------------------|----------------------------------|--------------|-----------------------------------|--------------|---|
| 1982 | 704 | 33,825,645 | 2,679 | 16,774,236 | 50,599,881 |
| 1983 | 851 | 14,599,506 | 2,588 | 15,246,851 | 29,846,357 |
| 1984 | 802 | 29,318,953 | 2,627 | 14,744,799 | 44,063,752 |
| 1985 | 651 | 18,669,159 | 2,359 | 13,034,503 | 31,703,662 |
| 1986 | 681 | 46,504,152 | 2,400 | 15,770,921 | 62,275,073 |
| 1987 | 719 | 42,178,960 | 2,582 | 24,297,453 | 66,476,413 |
| 1988 | 329 | 20,432,623 | 1,745 | 20,956,747 | 41,389,370 |
| 1989 | 670 | 34,935,772 | 3,018 | 37,836,846 | 72,772,618 |
| 1990 | 635 | 22,454,139 | 2,800 | 37,750,527 | 60,204,666 |
| 1991 | 808 | 36,169,000 | 3,256 | 45,547,000 | 81,716,000 |

Source : U. S. Department of Commerce, Bureau of the Census

Deposits of Financial Intermediaries at December 31, (000's omitted)

| | <u>Commercial Banks</u> | <u>Savings and Loan Associations</u> | <u>Total</u> |
|------|-----------------------------|--|--------------|
| 1984 | 1,237,570 | 536,087 | 1,773,657 |
| 1985 | 1,240,154 | 538,593 | 1,778,747 |
| 1986 | 1,281,194 | 532,544 | 1,813,738 |
| 1987 | 1,295,582 | 532,719 | 1,828,301 |
| 1988 | 1,316,347 | 473,732 | 1,790,079 |
| 1989 | 1,172,302 | 474,366 | 1,646,668 |
| 1990 | 1,553,694 | 286,730 | 1,840,424 |
| 1991 | 1,591,264 | 359,722 | 1,950,986 |

Unaudited

Table 13

**ST. LOUIS COUNTY, MINNESOTA
PRINCIPAL TAXPAYERS**

The taxpayers of the ten largest tax parcels in the County of St. Louis were :

| | <u>Taxpayer</u> | <u>Tax Capacity as of 1991 Tax Roll</u> | <u>Percentage</u> |
|----|--|---|-------------------|
| 1 | Lake Superior Paper Industries | \$ 2,080,050 | 3.14% |
| 2 | Square Butte Electric Co-op | 986,290 | 1.49% |
| 3 | Minnesota Power | 872,031 | 1.32% |
| 4 | Minnesota Power | 586,506 | 0.88% |
| 5 | Duluth Mall Inc. | 426,103 | 0.64% |
| 6 | Minnesota Power | 395,332 | 0.60% |
| 7 | Bowman Corp | 329,004 | 0.50% |
| 8 | Duluth Clinic | 286,390 | 0.43% |
| 9 | Potlatch Corp | 269,030 | 0.41% |
| 10 | St. Lawrence Cement Inc. | <u>214,070</u> | <u>0.32%</u> |
| | Total Tax Capacity of Ten Largest Taxpayers | \$ 6,444,806 | 9.72% |
| | Total Tax Capacity of Other Taxpayers | <u>\$ 59,841,666</u> | <u>90.28%</u> |
| | Total Tax Capacity of All Taxpayers | <u>\$ 66,286,472</u> | <u>100.00%</u> |

Unaudited

Table 14

**ST. LOUIS COUNTY, MINNESOTA
LABOR STATISTICS**

St. Louis County:

| <u>Year</u> | <u>Labor Force</u> | <u>Employment</u> | <u>Unemployment</u> | <u>Unemployment Rate</u> |
|-------------|--------------------|-------------------|---------------------|--------------------------|
| 1982 | 100,821 | 83,583 | 17,238 | 17.1 |
| 1983 | 98,118 | 80,029 | 18,089 | 18.4 |
| 1984 | 92,896 | 81,698 | 11,198 | 12.1 |
| 1985 | 89,439 | 79,827 | 9,612 | 10.7 |
| 1986 | 89,981 | 81,787 | 8,194 | 9.1 |
| 1987 | 88,951 | 80,576 | 8,375 | 9.4 |
| 1988 | 88,635 | 83,016 | 5,619 | 6.3 |
| 1989 | 89,686 | 84,394 | 52,992 | 5.9 |
| 1990 | 93,812 | 88,226 | 5,586 | 6.0 |
| 1991 | 96,182 | 89,945 | 6,237 | 6.5 |

| <u>Year</u> | <u>Average St. Louis County Labor Force</u> | <u>Average St. Louis County Unemployment</u> | <u>Average State Labor Force</u> | <u>Average State Unemployment</u> | <u>Average National Labor Force</u> | <u>Average National Unemployment</u> |
|-------------|---|--|----------------------------------|-----------------------------------|-------------------------------------|--------------------------------------|
| 1982 | 100,821 | 17.1 | 2,168,000 | 7.8 | 111,872,000 | 9.5 |
| 1983 | 98,118 | 18.4 | 2,176,000 | 8.2 | 113,226,000 | 9.5 |
| 1984 | 92,896 | 12.1 | 2,227,000 | 6.3 | 115,241,000 | 7.4 |
| 1985 | 89,439 | 10.7 | 2,224,000 | 6.0 | 117,167,000 | 7.1 |
| 1986 | 89,981 | 9.1 | 2,230,000 | 5.3 | 119,540,000 | 6.9 |
| 1987 | 88,951 | 9.4 | 2,259,000 | 5.4 | 121,602,000 | 6.1 |
| 1988 | 88,635 | 6.3 | 2,316,411 | 4.1 | 121,669,000 | 5.5 |
| 1989 | 89,686 | 5.9 | 2,343,000 | 4.4 | 123,869,000 | 5.3 |
| 1990 | 93,812 | 6.0 | 2,404,000 | 4.8 | 124,787,000 | 5.5 |
| 1991 | 96,182 | 6.5 | 2,431,000 | 5.1 | 125,303,000 | 6.8 |

Source: Minnesota Department of Economic Security

Unaudited

**ST. LOUIS COUNTY, MINNESOTA
MISCELLANEOUS STATISTICAL DATA**

Number of Employees (as of 12/31/91)

Personnel:

| <u>Fund</u> | <u>Number of Employees</u> |
|---------------------------------|--------------------------------|
| General | 1,163 * |
| Social Services Special Revenue | 545 |
| Other Special Revenue | 42 |
| Enterprise | 470 |
| Internal Service | 101 |
| Total | 2,321 |

* Figure includes 169 employees of Arrowhead Regional Corrections

Area of St. Louis County

| | |
|-------|--|
| Land | 6,318.02 square miles or 4,043,532 acres |
| Water | 774.49 square miles or 495,674 acres |
| Total | 7,092.51 square miles or 4,539,206 acres |

Miles of County Road - 1,605 miles

| | |
|------------|---------|
| Concrete | 2.9 |
| Bituminous | 211.56 |
| Gravel | 1341.14 |
| Unimproved | 49.4 |

County Bridges - 264

Unaudited

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