

**COMPREHENSIVE
ANNUAL
FINANCIAL
REPORT**

•
**ST. LOUIS
COUNTY
MINNESOTA**

•
for the
Year Ended
December 31, 1990

•
**Russell Petersen,
County Auditor**



**COMPREHENSIVE
ANNUAL
FINANCIAL
REPORT**



**ST. LOUIS
COUNTY
MINNESOTA**



for the
Year Ended
December 31, 1990



Office
of the
County Auditor



**Russell Petersen,
County Auditor**

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St. Louis County

OFFICE OF THE COUNTY AUDITOR

June 15, 1991

AUDITOR

RUSSELL PETERSEN

Court House • Duluth, Minn. 55802

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, 1990. 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.

America's Iron Ore Center...



at the Head of the Seaway

"An Equal Opportunity Employer"

The St. Louis County Housing and Redevelopment Authority is also 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

St. Louis County is located in Northeastern Minnesota, approximately 160 miles north of the Minneapolis-St. Paul metropolitan area. The county seat is Duluth. Organized in 1856 as a unit of government by the State of Minnesota Legislature, the County covers an area of about 7,100 square miles and contains 139,000 taxable parcels, 97 separate organized cities and towns and 82 unorganized government townships. The 1990 census is 198,213.

The County's economy turned in a solid performance for 1990. Taconite shipments on the Iron Range increased over six percent from 1989 to nearly 43 million tons. In March, 1990 Foam Technologies of Minneapolis completed construction in the City of Eveleth of a manufacturing facility for the production of polyethylene foam to be used as protective packaging for the military, medical and computer industries. The Eveleth plant employs eight and has plans to expand in 1991. This plant accounts for approximately \$750,000 of the firm's total sales. Minnesota Diversified Industries of St. Paul confirmed that it will open a plant in Hibbing in 1991, employing more than 100 people. Expected sales are more than \$7,000,000. Manufacturing will focus on the production of plastic tote boxes and a commemorative mint set for the U.S. Postal Service. Due to increased consumer demand, Fingerhut, Inc. will open a branch of its telemarketing satellite operations in Eveleth during 1991, anticipating a workforce of between 150 to 200 by fall, with projected sales of several million dollars.

The medical community continues to thrive; the Mesabi Regional Medical Center expects to spend \$1,600,000 in 1991 for capital equipment purchases. Tourism is another growing industry on the Iron Range, with lodging facilities planned or under construction in Hibbing, Chisholm and Virginia. A convention center expected to hold between 250 and 800 people is planned for Virginia. Chisholm is launching the first year of a five to ten year downtown renovation project.

Tourism is becoming a major economic force in Duluth as well as on the Range. During 1990 an estimated 2.5 million outsiders visited the City, generating upwards of \$100 million for the economy. An influx of 3,000,000 tourists is anticipated for 1991. This increase has been helped both by the

growing number of attractions within the area and by improved lodging facilities. In June 1990, the Duluth Entertainment and Convention Center opened its doors to the public; by year end, it had already hosted twenty major conventions, with a \$5.9 million impact on the region's economy. Business is expected to improve substantially in 1991, with 25 major conventions already booked and expected to generate an estimated \$8.2 million in revenue for the area.

1990 was the first year of operations for the North Shore Railroad, a privately-managed excursion train. It handled 37,000 passengers with revenues of \$1,185,000. The recent development of the Lakewalk and various improvements at the Duluth Zoo were completed in 1990. Plans for the Lake Superior Center began to materialize with the goal of opening in the mid-1990s. Hotels and motels have had increased occupancy; the Holiday Inn has added 113 rooms, including 56 suites, at a cost of \$9.5 million.

The medical industry in Duluth has continued to expand. During 1990, the Duluth Clinic, St. Mary's Hospital and the Miller Dwan Medical Center joined forces to construct a Center for Personal Fitness, additional physicians' offices and overnight guest rooms for patients and visitors; the combined cost was \$22 million.

Growth and diversification continue to be the forces propelling the economy of St. Louis County. The area has not felt the full downturn in the national economy to the degree experienced elsewhere, since it relies more on service and retail industries and less on heavy manufacturing and resource extraction. However, new financial resources will still be the County's biggest challenge, especially with the State's plan to balance its budget through reduced spending and tax increases.

MAJOR INITIATIVES

During 1990, St. Louis County continued to develop most of the major programs begun in 1989 to meet citizens' needs for services and to safeguard the environment, as well as to conform with applicable federal and state standards.

The County has addressed its solid waste issues thoroughly. It closed nine of its landfills in 1989 and final cover was placed on four of them in 1990. The remaining five will have final covering done in 1991.

Construction of four transfer stations was completed in 1990 and the stations are operating successfully. The County's remaining landfills will be closed in 1993 following the construction of a new landfill facility and a new composting facility north of Virginia. The new landfill will be clay-lined, allowing treatment of collected liquid materials.

The Social Services Department began a project in conjunction with Arrowhead Regional Corrections, a joint powers agency of which the County is a member. The object of the venture was to reduce the rapidly growing out-of-home placement costs for delinquent children. The efforts of the Corrections staff in the supervision of delinquent youth were combined with the Social Services Departments techniques known as Intensive Family Based Intervention

in order to get control of the youth and assist parents in becoming more effective in their responsibilities. The project was successful as shown by the fact that the costs of the Probation and Social Services teams, known as PASS, have been more than offset by the prevented placements.

The Social Services Department took advantage of an innovative program provided by the State Department of Human Services. Because the State will soon be taking over the County's Income Maintenance programs, all of the existing hard copy data must be entered onto the State's MAXIS program. Mentors were supplied to the County to assist eligibility specialists in getting the data onto MAXIS.

The loading of the County Recorder's Computerized Tract Index System was completed in 1990. Beginning January 2, all documents recorded are fully indexed by name and legal description. The Recorder's Office intends to explore the possibilities of marketing the program.

Several County departments were combined in the budgeting process held in 1990 for 1991. The Public Works Department assumed control of the Building Commission and the County Garage and Motor Pool, as well as the Regional Railroad Authority operations. The general accounting functions of the Social Services Department were transferred to the County Auditor's Department.

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, 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 - the following schedule presents a summary of General and Special Revenue Fund revenues for the fiscal years ended December 31, 1990 and 1989 and the amount and percentage of increases and decreases in relation to the prior year's revenues.

	1990 <u>Amount</u>	1989 <u>Amount</u>	Increase (Decrease) <u>From 1989</u>	% of Increase (Decrease) <u>(Decrease)</u>
Revenues:				
Taxes	\$ 50,570,451	\$ 46,615,275	\$ 3,955,176	8.48
Licenses and permits	113,776	117,846	(4,070)	(3.45)
Intergovernmental	93,506,136	98,116,376	(4,610,240)	(4.70)
Charges for service	5,533,559	5,419,167	114,392	2.11
Fines and forfeitures	770,349	671,157	99,192	14.78
Interest on investments	2,235,853	2,505,189	(269,336)	10.75
Gifts and contributions	50,849	-	50,849	N/A
Miscellaneous	<u>5,693,798</u>	<u>5,534,517</u>	<u>159,281</u>	2.88
	<u>\$158,474,771</u>	<u>\$158,979,527</u>	<u>\$ (504,756)</u>	

The most significant changes in revenue are in the taxes and intergovernmental revenue categories. This is partly the result of an increase in the gross levy, with the state aid portion of the levy being held to the prior year's contribution. An additional factor in the decrease in intergovernmental revenue is the decrease in state aid project dollars earned by the Road and Bridge 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 \$63,307,440 from State and Federal sources. This amount is nearly 72% of the total revenue for that fund. Another significant recipient of intergovernmental revenue is the Road and Bridge Special Revenue Fund, which receives 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.

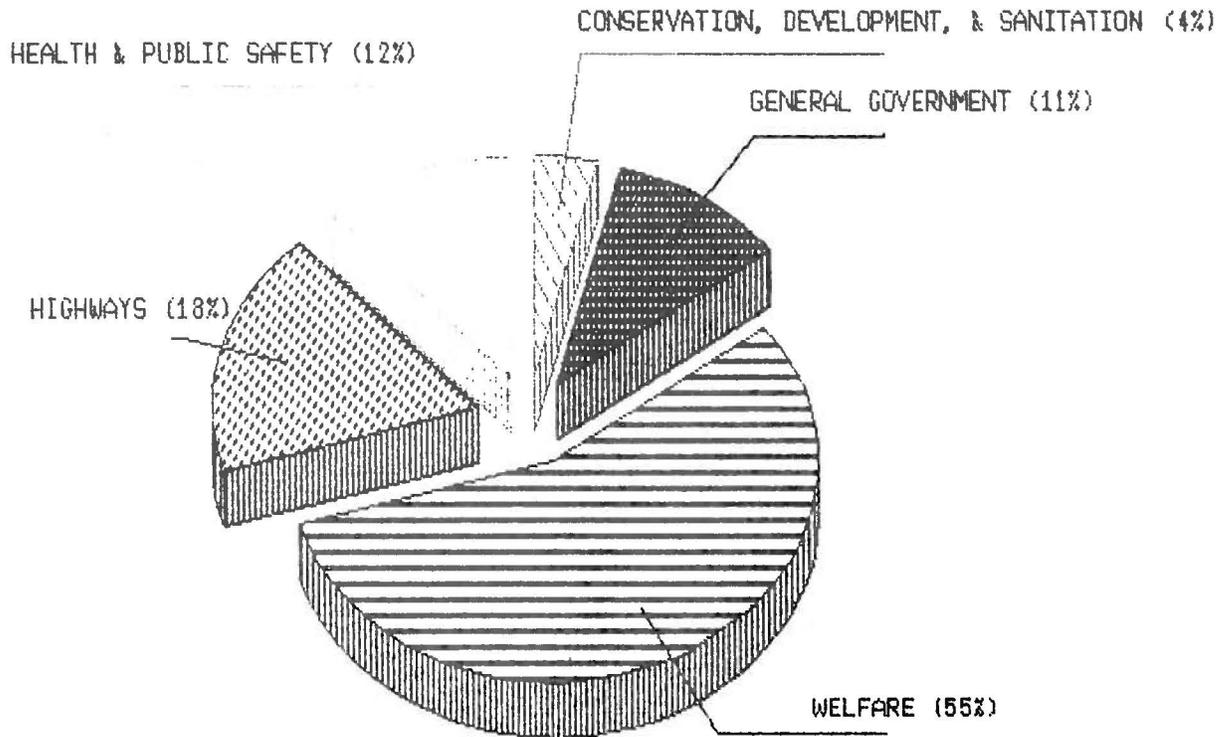
Interest on investments decreased in 1990 because of the spenddown of General Fund cash balances.

The following schedule presents a summary of General and Special Revenue Fund expenditures for the fiscal years ended December 31, 1990 and 1989 and the percentages of increases and decreases in relation to prior year amounts.

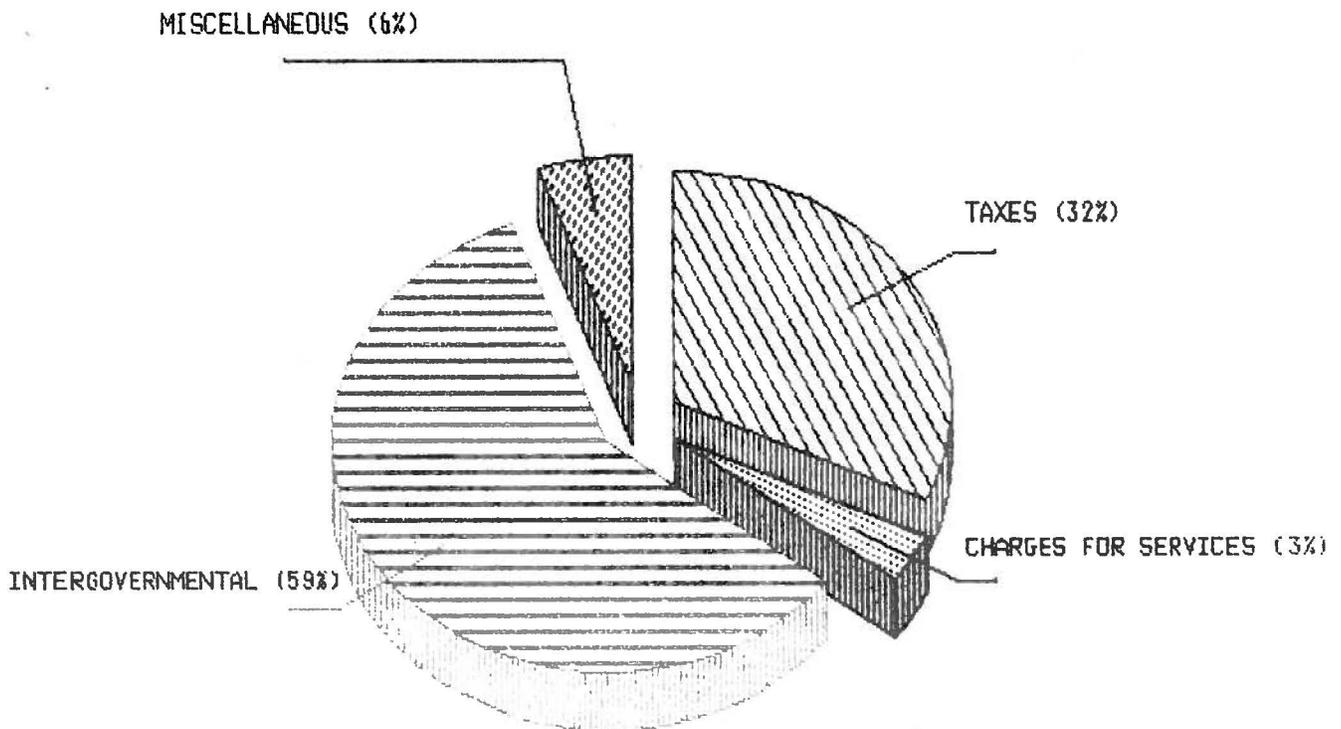
	<u>1990</u> <u>Amount</u>	<u>1989</u> <u>Amount</u>	<u>Increase</u> <u>(Decrease)</u> <u>From 1989</u>	<u>% of</u> <u>Increase</u> <u>(Decrease)</u>
<u>Expenditures</u>				
Current:				
General government	\$ 17,519,503	\$ 15,891,730	\$ 1,627,773	10.24
Public safety	10,061,737	9,223,252	838,485	9.09
Highways and streets	26,975,949	32,150,374	(5,174,425)	(16.09)
Health	4,674,820	4,280,331	394,489	9.22
Welfare	89,132,541	86,307,450	2,825,091	3.27
Sanitation	2,301,621	992,780	1,308,841	131.84
Culture and recreation	337,940	338,100	(160)	.00
Conservation of natural resources	1,793,592	1,898,336	(104,744)	(5.52)
Economic development	1,685,125	562,404	1,122,721	199.63
Capital Outlay:				
General government	67,456	250,157	(182,701)	(73.03)
Public safety	6,905	24,507	(17,602)	(71.82)
Highway and streets	1,959,832	3,809,052	(1,849,220)	(48.55)
Health	10,005	10,137	(132)	(1.30)
Welfare	152,299	131,260	21,039	16.03
Sanitation	25,910	-0-	25,910	N/A
Conservation of natural resources	23,541	74,894	(51,353)	(68.57)
Economic development	1,895	1,565,000	(1,563,105)	(99.88)
Debt service	32,264	17,055	15,209	(89.18)
Intergovernmental:				
Public safety	3,889,701	3,321,525	568,176	17.11
Conservation of natural resources	<u>15,845</u>	<u>-0-</u>	<u>15,845</u>	N/A
	<u>\$160,668,481</u>	<u>\$160,848,344</u>	<u>\$ (179,863)</u>	

Graphics for revenue and expenditures are on the following page.

1990 COUNTY SPENDING BY FUNCTION
INCLUDES GENERAL & SPECIAL REVENUE FUNDS



1990 COUNTY REVENUES BY FUNCTION
INCLUDES GENERAL & SPECIAL REVENUE FUNDS



Fund Balances - Undesignated fund balances in the major operating funds were adequate to finance the County's operation prior to the collection of taxes (May 15). The undesignated fund balance of the General Fund of \$5,723,877 is a decrease of \$2,450,692 which was due to a planned spenddown of fund balance for operations. The Special Revenue undesignated fund balance of \$3,016,157 is a decrease of \$8,537,240 and is due primarily to a management decision to designate debt service amounts.

Salary costs for 1990 increased four percent.

Cash Management - In 1990, the average investment yield was 7.63%. Demand deposits averaged no more than 4% of the total cash, while 96% 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. The Residential Treatment Center provides for the treatment of chemically abusive people age 13 to 18 in a residential setting.

The Chris Jensen Fund operations resulted in net income of \$151,997 for 1990, while the Nopeming Fund lost \$222,270. The Residential Treatment Center lost \$73,084.

Internal Service Funds - The County has seven Internal Service Funds. The Community Food Fund, the Printing Fund, the Management Information Systems Fund and the Telecommunications Fund had net incomes of \$85,112; \$46,301; \$57,477 and \$157,552, respectively.

The Laundry Fund, County Garage Fund, and the County Insurance Fund had losses of \$50,535; \$282,644; and \$1,572,179; respectively. All of the Internal Service Funds have positive retained earnings balances, except the County Garage Fund and the County Insurance Fund. The County anticipates that the fleet of new pool cars purchased in 1990 and 1991 will increase the use of the cars and lower the repair costs so as to effect a positive balance for the County Garage Fund in future years. The Insurance Fund will increase its charges to other Departments in 1991 in order to show a positive retained earnings balance at the end of 1991.

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, 1990, St. Louis County had ten debt issues outstanding: \$4,600,000; \$4,070,000 and \$2,035,000 General Obligation Capital Notes; \$3,365,000 and \$1,255,000 General Obligation Solid Waste Bonds; \$2,000,000 General Obligation Bond for interim financing for a County jail; \$1,325,000 and \$2,665,000 General Obligation Revenue Bonds for Chris

Jensen Nursing Home Construction; \$995,000 General Obligation Refunding Bond for the Babbitt Facility; and \$305,000 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 1990 was \$3,380,059,500. The amount of general obligation debt applicable to the debt limit is \$16,404,517 leaving \$51,196,673 as the legal debt margin. The \$16,404,517 applicable to the debt limit is without consideration of \$10,700,000 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 \$400,000 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 1990 consisted of improvements to courthouses, landfill closures, solid waste transfer station construction 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, 1989.

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 reports must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. 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 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.

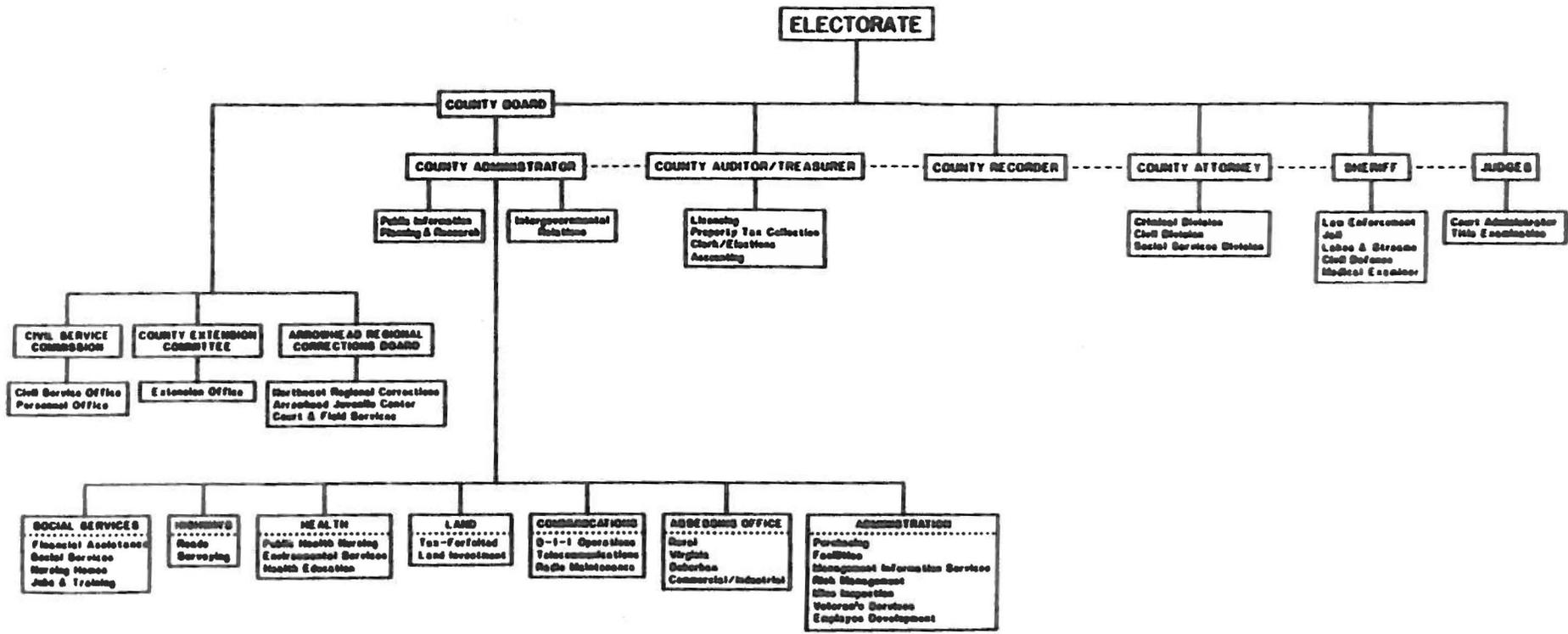
Special thanks to the State Auditor's staff for their technical assistance during the year. We acknowledge too, the thorough and professional manner in which they conducted the audit.

Sincerely,



RUSSELL PETERSEN
COUNTY AUDITOR

1990 Organizational Summary



AX

ST. LOUIS COUNTY
ELECTED AND APPOINTED OFFICIALS
 As of December 31, 1990

<u>OFFICE</u>	<u>NAME</u>	<u>TERM</u>	
Commissioners:			
1st District	Gary L. Doty	Jan. 1989	Jan. 1993
2nd District	Marilyn Krueger	Jan. 1987	Jan. 1991
3rd District	William Kron	Jan. 1989	Jan. 1993
4th District	Herbert R. Lamppa	Jan. 1987	Jan. 1991
5th District	Martin Lepak	Jan. 1989	Jan. 1993
6th District	Liz Prebich	Jan. 1987	Jan. 1991
7th District	Steve Raukar	Jan. 1989	Jan. 1993
Elected Officers:			
Attorney	Alan L. Mitchell	Jan. 1987	Jan. 1991
Auditor-Treasurer	Russell Petersen	Jan. 1987	Jan. 1991
Recorder	Mark A. Monacelli	Jan. 1987	Jan. 1991
Sheriff	Gary Waller	Jan. 1987	Jan. 1991
Judges:			
District Court	David E. Ackerson	Jan. 1985	Jan. 1991
District Court	Charles T. Barnes	Jan. 1987	Jan. 1993
District Court	Robert F. Berger	Jan. 1989	Jan. 1991
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. 1985	Jan. 1991
District Court	Gerald C. Martin	Jan. 1987	Jan. 1993
District Court	John T. Oswald	Jan. 1987	Jan. 1993
District Court	Gary J. Pagliaccetti	Jun. 1989	Jan. 1991
District Court	Joseph R. Scherkenbach	Jan. 1989	Jan. 1995
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		
Medical Examiner	Dr. Donald Kundel	Jan. 1990	Dec. 1990
Public Defender	Fred T. Friedman		
Purchasing Agent	Chester Johnson		
Social Services Director	Robert C. Zeleznikar		

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, 1989

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.



Gary R. Norstrom

President

Jeffrey L. Esall

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

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, 1990, 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. 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, 1990, 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, 1990, and the results of the operations of such funds and the cash flows of its individual proprietary funds for the year then ended in conformity with generally accepted accounting principles.

As discussed in Note 1.F. to the financial statements, the County has adopted Governmental Accounting Standards Board's Statement No. 9, and has included statements of cash flows for the proprietary fund types for the current financial statements and have restated the prior years financial statements to conform with this presentation. For the year ended December 31, 1989, the County presented statements of changes in financial position.



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. Such 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 group taken as a whole.



MARK B. DAYTON
State Auditor

June 11, 1991

**GENERAL
PURPOSE
FINANCIAL
STATEMENTS**

ST. LOUIS COUNTY, MINNESOTA
 COMBINED BALANCE SHEET
 ALL FUND TYPES AND ACCOUNT GROUPS
 DECEMBER 31, 1990
 WITH COMPARATIVE TOTALS FOR DECEMBER 31, 1989

	Governmental Fund Types			
	General	Special Revenue	Debt Service	Capital Projects
<u>Assets and Other Debits</u>				
Cash and cash equivalents	\$ 4,879,638	\$ 13,319,641	\$ 248,872	\$ 2,654,525
Investments	-	-	-	1,627,178
Change funds	18,320	30,025	-	-
Invested employee contribution	-	-	-	-
Receivables				
Taxes				
Unapportioned	415,859	553,321	14,641	6,186
Delinquent	1,147,784	3,003,944	48,897	36,829
Accounts	193,893	538,896	-	862
Accrued interest	597,059	-	-	-
Loans	1,391,861	-	-	-
Due from other funds	27,239	-	-	-
Interfund receivable	2,648,523	-	-	-
Due from other governments	564,485	9,397,467	-	-
Inventories	-	5,046,023	-	-
Prepaid items	18,518	16,996	-	-
Restricted assets				
Improvement account				
Cash and cash equivalents	-	-	-	-
Debt service				
Cash and cash equivalents	-	-	-	-
Investments	-	-	-	-
Accrued interest receivable	-	-	-	-
Fixed assets (net)	-	-	-	-
Advances to other funds	22,973	-	-	-
Amount available in debt service funds	-	-	-	-
Amount to be provided for retirement of long term debt	-	-	-	-
Amount to be provided for compensated absences	-	-	-	-
Total Assets and Other Debits	\$ 11,926,152	\$ 31,906,313	\$ 312,410	\$ 4,325,580

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

EXHIBIT I

Proprietary Fund Types		Fiduciary Fund Type	Account Groups		Totals (Memorandum Only)	
Enterprise	Internal Service	Trust and Agency	General Fixed Assets	General Long-Term Debt	1990	1989
\$ -	\$ 3,067,065	\$ 8,269,410	\$ -	\$ -	\$ 32,439,151	\$ 29,774,037
-	2,926,908	3,044,426	-	-	7,598,512	9,099,716
1,000	3,125	-	-	-	52,470	46,920
-	-	17,734,912	-	-	17,734,912	15,148,526
25,580	1,725	-	-	-	1,017,312	730,476
134,867	16,440	-	-	-	4,388,761	4,397,326
2,927,798	37,165	3,743,488	-	-	7,442,102	7,440,838
-	23,175	27,547	-	-	647,781	381,537
-	-	-	-	-	1,391,861	873,098
-	-	-	-	-	27,239	199,207
-	-	-	-	-	2,648,523	3,378,469
105,971	62,641	623,984	-	-	10,754,548	10,767,269
183,165	290,048	-	-	-	5,519,236	4,806,590
-	73,737	-	-	-	109,251	60,390
186,106	34,998	-	-	-	221,104	419,969
4,588	-	-	-	-	4,588	23,398
600,000	-	-	-	-	600,000	712,209
1,042	-	-	-	-	1,042	314
7,068,009	3,502,059	-	70,475,075	-	81,045,143	75,133,618
-	40,127	-	-	-	63,100	120,127
-	-	-	-	262,592	262,592	-
-	-	-	-	19,168,678	19,168,678	17,649,197
-	-	-	-	4,084,059	4,084,059	3,927,779
<u>\$ 11,238,126</u>	<u>\$ 10,079,213</u>	<u>\$ 33,443,767</u>	<u>\$ 70,475,075</u>	<u>\$ 23,515,329</u>	<u>\$ 197,221,965</u>	<u>\$ 185,091,010</u>

(continued)

ST. LOUIS COUNTY, MINNESOTA
 COMBINED BALANCE SHEET
 ALL FUND TYPES AND ACCOUNT GROUPS
 DECEMBER 31, 1990
 WITH COMPARATIVE TOTALS FOR DECEMBER 31, 1989

	Governmental Fund Types			
	General	Special Revenue	Debt Service	Capital Projects
<u>Liabilities, Equity and Other Credits</u>				
Liabilities				
Accounts payable	\$ 596,537	\$ 3,594,551	\$ -	\$ 492,966
Salaries payable	1,209,263	1,353,164	-	-
Compensated absences payable	171,837	278,507	-	-
Deferred compensation payable	-	-	-	-
Claims payable	-	-	-	-
Unapportioned taxes payable	-	-	-	-
Due to other funds	-	347,909	-	-
Interfund payable	-	27,239	-	-
Due to other governments	20,432	79,096	-	-
Accrued interest payable	-	-	5,670	-
Deferred revenue	2,343,915	4,771,620	44,148	110,435
Capital leases payable	-	-	-	-
Payable from restricted assets				
Accounts payable	-	-	-	-
Contracts payable	-	-	-	-
Accrued interest payable	-	-	-	-
Bonds payable	-	-	-	-
Advances from other funds	-	22,973	-	-
Food stamps issuable	-	3,349,803	-	-
General obligation revenue bonds payable	-	-	-	-
General obligation capital notes payable	-	-	-	-
Loans payable	-	-	-	-
General obligation bonds	-	-	-	-
Bond anticipation notes	-	-	-	-
Total Liabilities	\$ 4,341,984	\$ 13,824,862	\$ 49,818	\$ 603,401

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

EXHIBIT I
(Continued)

Proprietary Fund Types		Fiduciary Fund Type	Account Groups		Totals (Memorandum Only)	
Enterprise	Internal Service	Trust and Agency	General Fixed Assets	General Long-Term Debt	1990	1989
\$ 123,993	\$ 374,838	\$ 3,012,829	\$ -	\$ -	\$ 8,195,714	\$ 7,799,689
644,679	142,589	298,112	-	-	3,647,807	2,977,592
689,174	202,226	10,811	-	4,084,059	5,436,614	5,226,842
-	-	17,734,912	-	-	17,734,912	15,148,526
-	4,376,967	-	-	-	4,376,967	3,080,606
-	-	1,017,312	-	-	1,017,312	730,476
-	-	-	-	-	27,239	199,207
1,964,988	335,626	-	-	-	2,648,523	3,378,469
14,157	116	5,267,183	-	180,000	5,560,984	2,246,105
-	-	-	-	-	5,670	32,134
502,610	14,844	3,749,707	-	-	11,537,279	9,647,267
-	58,349	-	-	67,295	125,644	70,510
-	-	-	-	-	-	5,848
121,252	-	-	-	-	121,252	1,075
49,024	-	-	-	-	49,024	79,536
500,000	-	-	-	-	500,000	420,000
-	40,127	-	-	-	63,100	120,127
-	-	-	-	-	3,349,803	2,813,735
3,281,834	-	-	-	-	3,281,834	3,754,753
-	-	-	-	10,705,000	10,705,000	8,870,000
-	-	-	-	863,975	863,975	666,980
-	-	-	-	5,615,000	5,615,000	5,835,000
-	-	-	-	2,000,000	2,000,000	2,000,000
<u>\$ 7,891,711</u>	<u>\$ 5,545,682</u>	<u>\$ 31,090,866</u>	<u>\$ -</u>	<u>\$ 23,515,329</u>	<u>\$ 86,863,653</u>	<u>\$ 75,104,477</u>

(continued)

ST. LOUIS COUNTY, MINNESOTA
 COMBINED BALANCE SHEET
 ALL FUND TYPES AND ACCOUNT GROUPS
 DECEMBER 31, 1990
 WITH COMPARATIVE TOTALS FOR DECEMBER 31, 1989

	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 debt service	-	-	-	-
Reserved for health and welfare	-	-	-	-
Unreserved	-	-	-	-
Fund Balance				
Reserved for change funds	18,320	30,025	-	-
Reserved for noncurrent loans	667,311	-	-	-
Reserved for economic development	78,227	-	-	-
Reserved for advances to other funds	22,973	-	-	-
Reserved for inventories	-	1,696,220	-	-
Reserved for encumbrances	235,024	580,898	-	-
Reserved for prepaid items	18,518	16,996	-	-
Reserved for health and welfare	722,351	656,251	-	-
Reserved for assurance fund	-	-	-	-
Reserved for law library	97,567	-	-	-
Reserved for foster care insurance	-	6,000	-	-
Reserved for senior citizens transportation	-	48,957	-	-
Reserved for unorganized town roads	-	230,283	-	-
Reserved for veterans credit	-	-	-	-
Unreserved				
Designated for health and welfare	-	-	-	-
Designated for debt service	-	10,700,000	-	-
Designated for capital outlay	-	1,099,664	-	-
Undesignated	5,723,877	3,016,157	262,592	3,722,179
Total Equity and Other Credits	\$ 7,584,168	\$ 18,081,451	\$ 262,592	\$ 3,722,179
Total Liabilities, Equity, and Other Credits	\$ 11,926,152	\$ 31,906,313	\$ 312,410	\$ 4,325,580

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

EXHIBIT I
(Continued)

Proprietary Fund Types		Fiduciary Fund Type	Account Groups		Totals (Memorandum Only)	
Enterprise	Internal Service	Trust and Agency	General Fixed Assets	General Long-Term Debt	1990	1989
\$ 169,672	\$ 3,737,228	\$ -	\$ -	\$ -	\$ 3,906,900	\$ 3,581,915
-	-	-	70,475,075	-	70,475,075	65,244,701
69,370	106,279	-	-	-	175,649	173,255
82,228	-	-	-	-	82,228	253,872
-	2,792	-	-	-	2,792	-
3,025,145	687,232	-	-	-	3,712,377	5,271,519
-	-	-	-	-	48,345	42,795
-	-	-	-	-	667,311	630,084
-	-	-	-	-	78,227	-
-	-	-	-	-	22,973	80,000
-	-	-	-	-	1,696,220	1,541,099
-	-	58,153	-	-	874,075	1,577,917
-	-	-	-	-	35,514	5,387
-	-	22,827	-	-	1,401,429	1,387,083
-	-	-	-	-	-	76,490
-	-	-	-	-	97,567	107,069
-	-	-	-	-	6,000	6,000
-	-	-	-	-	48,957	42,648
-	-	-	-	-	230,283	338,391
-	-	15,000	-	-	15,000	15,000
-	-	-	-	-	-	69,274
-	-	-	-	-	10,700,000	-
-	-	-	-	-	1,099,664	-
-	-	2,256,921	-	-	14,981,726	29,542,034
\$ 3,346,415	\$ 4,533,531	\$ 2,352,901	\$ 70,475,075	\$ -	\$ 110,358,312	\$ 109,986,533
\$ 11,238,126	\$ 10,079,213	\$ 33,443,767	\$ 70,475,075	\$ 23,515,329	\$ 197,221,965	\$ 185,091,010

**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, 1990
WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 1989**

	Governmental Fund Types		
	General	Special Revenue	Debt Service
Revenues			
Taxes	\$ 16,985,127	\$ 33,585,324	\$ 1,072,969
Licenses and permits	103,701	10,075	-
Intergovernmental	10,771,783	82,734,353	684,653
Charges for services	3,794,171	1,739,388	-
Fines and forfeits	770,349	-	-
Interest on investments	2,139,018	96,835	-
Gifts and contributions	12,559	38,290	-
Miscellaneous	583,260	5,110,538	-
Total Revenues	\$ 35,159,968	\$ 123,314,803	\$ 1,757,622
Expenditures			
Current:			
General government	\$ 17,519,503	\$ -	\$ -
Public safety	10,061,737	-	-
Highways and streets	-	26,975,949	-
Health	4,674,820	-	-
Welfare	332,623	88,799,918	-
Sanitation	-	2,301,621	-
Culture and recreation	337,940	-	-
Conservation of natural resources	481,684	1,311,908	-
Economic development	576,960	1,108,165	-
Capital Outlay:			
General government	67,456	-	-
Public safety	6,905	-	-
Highways and streets	-	1,959,832	-
Health	10,005	-	-
Welfare	-	152,299	-
Sanitation	-	25,910	-
Conservation of natural resources	11,940	11,601	-
Economic development	-	1,895	-
Debt Service:			
Principal	-	32,247	420,000
Interest and fiscal charges	-	17	1,075,030
Intergovernmental:			
Public safety	3,889,701	-	-
Conservation	15,845	-	-
Total Expenditures	\$ 37,987,119	\$ 122,681,362	\$ 1,495,030
Excess of Revenue Over (Under) Expenditures	\$ (2,827,151)	\$ 633,441	\$ 262,592
Other Financing Sources (Uses)			
Operating transfers in	\$ 426,714	\$ -	\$ -
Operating transfers out	(105,000)	(733,773)	-
General obligation bond proceeds	-	2,033,087	-
Proceeds of refunding debt	-	-	-
Payment to refund debt escrow agent	-	-	-
Total Other Financing Sources (Uses)	\$ 321,714	\$ 1,299,314	\$ -
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	\$ (2,505,437)	\$ 1,932,755	\$ 262,592
Fund Balance - January 1	10,089,605	15,349,764	-
Increase (decrease) in reserved for inventories	-	155,121	-
Equity transfer in	-	643,811	-
Equity transfer out	-	-	-
Fund Balance - December 31	\$ 7,584,168	\$ 18,081,451	\$ 262,592

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

EXHIBIT II

Capital Projects	Fiduciary Fund Type Expendable Trust	Totals (Memorandum Only)	
		1990	1989
\$ 280,815	\$ -	\$ 51,924,235	\$ 45,094,765
-	-	113,776	117,846
194,375	613,465	94,998,629	101,155,996
-	17,653	5,551,212	5,456,191
-	-	770,349	671,157
375,881	64,778	2,676,512	2,604,515
-	-	50,849	-
-	2,693,768	8,387,566	7,923,229
<u>\$ 851,071</u>	<u>\$ 3,389,664</u>	<u>\$ 164,473,128</u>	<u>\$ 163,023,699</u>
\$ -	\$ 289,884	\$ 17,809,387	\$ 16,288,974
-	721	10,062,458	9,224,241
-	-	26,975,949	32,150,374
-	-	4,674,820	4,280,331
-	-	89,132,541	86,307,450
-	202,924	2,504,545	992,780
-	-	337,940	338,100
-	2,896,021	4,689,613	4,169,041
-	-	1,685,125	562,404
371,758	-	439,214	1,282,095
608,579	-	615,484	1,246,303
498,815	-	2,458,647	4,249,953
-	-	10,005	10,137
-	-	152,299	131,260
3,364,165	-	3,390,075	705,401
-	-	23,541	74,894
-	-	1,895	1,565,000
-	-	452,247	333,414
-	-	1,075,047	434,522
-	-	3,889,701	3,321,525
-	-	15,845	-
<u>\$ 4,843,317</u>	<u>\$ 3,389,550</u>	<u>\$ 170,396,378</u>	<u>\$ 167,668,199</u>
<u>\$ (3,992,246)</u>	<u>\$ 114</u>	<u>\$ (5,923,250)</u>	<u>\$ (4,644,500)</u>
\$ 100,000	\$ 814,675	\$ 1,341,389	\$ 1,917,794
(100,000)	(125,554)	(1,064,327)	(1,917,794)
-	-	2,033,087	10,796,049
-	-	-	1,015,000
-	-	-	(1,015,000)
<u>\$ -</u>	<u>\$ 689,121</u>	<u>\$ 2,310,149</u>	<u>\$ 10,796,049</u>
\$ (3,992,246)	\$ 689,235	\$ (3,613,101)	\$ 6,151,549
7,714,425	2,307,477	35,461,271	29,617,001
-	-	155,121	(448,934)
-	-	643,811	1,082,737
-	(643,811)	(643,811)	(941,082)
<u>\$ 3,722,179</u>	<u>\$ 2,352,901</u>	<u>\$ 32,003,291</u>	<u>\$ 35,461,271</u>

**ST. LOUIS COUNTY, MINNESOTA
COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND AND SPECIAL REVENUE FUND TYPE
FOR THE YEAR ENDED DECEMBER 31, 1990**

	General Fund		Variance Favorable (Unfavorable)
	Budget	Actual	
Revenues			
Taxes	\$ 16,710,513	\$ 16,985,127	\$ 274,614
Licenses and permits	98,102	103,701	5,599
Intergovernmental	10,940,908	10,771,783	(169,125)
Charges for services	4,222,135	3,794,171	(427,964)
Fines and forfeits	669,200	770,349	101,149
Interest on investments	2,036,000	2,139,018	103,018
Gifts and contributions	20,452	12,559	(7,893)
Miscellaneous	335,320	583,260	247,940
Total Revenues	\$ 35,032,630	\$ 35,159,968	\$ 127,338
Expenditures			
Current:			
General government	\$ 17,861,360	\$ 17,519,503	\$ 341,857
Public safety	10,300,890	10,061,737	239,153
Highways and streets	-	-	-
Health	5,193,625	4,674,820	518,805
Welfare	357,297	332,623	24,674
Sanitation	-	-	-
Culture and recreation	338,260	337,940	320
Conservation of natural resources	499,751	481,684	18,067
Economic development	576,960	576,960	-
Capital Outlay:			
General government	66,395	67,456	(1,061)
Public safety	32,890	6,905	25,985
Highways and streets	-	-	-
Health	34,950	10,005	24,945
Welfare	-	-	-
Sanitation	-	-	-
Conservation of natural resources	3,161	11,940	(8,779)
Economic development	-	-	-
Debt Service:			
Principal	-	-	-
Interest and fiscal charges	-	-	-
Intergovernmental:			
Public safety	3,889,701	3,889,701	-
Conservation	23,703	15,845	7,858
Total Expenditures	\$ 39,178,943	\$ 37,987,119	\$ 1,191,824
Excess of Revenues Over (Under) Expenditures	\$ (4,146,313)	\$ (2,827,151)	\$ 1,319,162
Other Financing Sources (Uses)			
Operating transfers in	\$ 300,000	\$ 426,714	\$ (126,714)
Operating transfers out	(80,000)	(105,000)	25,000
General obligation bond proceeds	-	-	-
Total Other Financing Sources (Uses)	\$ 220,000	\$ 321,714	\$ 101,714
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	\$ (3,926,313)	\$ (2,505,437)	\$ 1,420,876
Fund Balance - January 1	10,089,605	10,089,605	-
Increase (decrease) in reserved for inventories	-	-	-
Equity transfer in	-	-	-
Fund Balance - December 31	\$ 6,163,292	\$ 7,584,168	\$ 1,420,876

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

EXHIBIT III

Special Revenue Funds			Debt Service Funds		
Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
\$ 32,974,803	\$ 33,585,324	\$ 610,521	\$ 1,077,590	\$ 1,072,969	\$ (4,621)
10,000	10,075	75	-	-	-
87,151,569	82,734,353	(4,417,216)	684,653	684,653	-
1,831,984	1,739,388	(92,596)	-	-	-
-	-	-	-	-	-
61,609	38,290	(23,319)	-	-	-
37,500	96,835	59,335	-	-	-
3,878,903	5,110,538	1,231,635	-	-	-
<u>\$ 125,946,368</u>	<u>\$ 123,314,803</u>	<u>\$ (2,631,565)</u>	<u>\$ 1,762,243</u>	<u>1,757,622</u>	<u>(4,621)</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
34,729,235	26,975,949	7,753,286	-	-	-
-	-	-	-	-	-
88,482,710	88,799,918	(317,208)	-	-	-
2,878,299	2,301,621	576,678	-	-	-
-	-	-	-	-	-
1,463,233	1,311,908	151,325	-	-	-
991,580	1,108,165	(116,585)	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
1,975,384	1,959,832	15,552	-	-	-
-	-	-	-	-	-
-	152,299	(152,299)	-	-	-
25,910	25,910	-	-	-	-
11,445	11,601	(156)	-	-	-
-	1,895	(1,895)	-	-	-
-	32,247	(32,247)	420,000	420,000	-
-	17	(17)	1,262,218	1,075,030	187,188
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 130,557,796</u>	<u>\$ 122,681,362</u>	<u>\$ 7,876,434</u>	<u>\$ 1,682,218</u>	<u>\$ 1,495,030</u>	<u>\$ 187,188</u>
<u>\$ (4,611,428)</u>	<u>\$ 633,441</u>	<u>\$ 5,244,869</u>	<u>\$ 80,025</u>	<u>\$ 262,592</u>	<u>\$ (182,567)</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(733,773)	(733,773)	-	-	-	-
2,000,000	2,033,087	33,087	-	-	-
<u>\$ 1,266,227</u>	<u>\$ 1,299,314</u>	<u>\$ 33,087</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ (3,345,201)	\$ 1,932,755	\$ 5,277,956	\$ 80,025	\$ 262,592	\$ 182,567
15,349,764	15,349,764	-	-	-	-
-	155,121	155,121	-	-	-
643,811	643,811	-	-	-	-
<u>\$ 12,648,374</u>	<u>\$ 18,081,451</u>	<u>\$ 5,433,077</u>	<u>\$ 80,025</u>	<u>\$ 262,592</u>	<u>\$ 182,567</u>

ST. LOUIS COUNTY, MINNESOTA
 COMBINED STATEMENT OF REVENUES, EXPENSES, AND
 CHANGES IN RETAINED EARNINGS
 ALL PROPRIETARY FUND TYPES
 YEAR ENDED DECEMBER 31, 1990
 WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 1989

	Enterprise	Internal Service	Totals (Memorandum Only)	
			1990	1989
Operating Revenues				
Charges for services	\$ 14,776,329	\$ 8,814,752	\$ 23,591,081	\$ 20,976,543
Other	196,181	322,878	519,059	625,951
Total Operating Revenues	\$ 14,972,510	\$ 9,137,630	\$ 24,110,140	\$ 21,602,494
Operating Expenses				
Personal services	\$ 12,702,228	\$ 4,349,760	\$ 17,051,988	\$ 14,087,117
Contractual services	2,492,724	4,113,834	6,606,558	6,490,578
Materials	1,522,244	1,483,015	3,005,259	2,743,396
Depreciation	179,574	739,655	919,229	754,505
Total Operating Expenses	\$ 16,896,770	\$ 10,686,264	\$ 27,583,034	\$ 24,075,596
Operating income (loss)	\$ (1,924,260)	\$ (1,548,634)	\$ (3,472,894)	\$ (2,473,102)
Nonoperating Revenues (Expenses)				
Taxes	\$ 2,086,374	\$ 11,282	\$ 2,097,656	\$ 2,053,598
Grants	-	-	-	7,500
Interest on investments	46,139	243,496	289,635	394,494
Other revenue	-	-	-	12,067
Interest expense	(272,142)	-	(272,142)	(327,769)
Amortization of bond discount	(27,081)	-	(27,081)	(61,306)
Other expense	(793)	-	(793)	(726)
Disposition of fixed assets	(51,594)	12,002	(39,592)	18,096
Total Nonoperating Revenues (Expenses)	\$ 1,780,903	\$ 266,780	\$ 2,047,683	\$ 2,095,954
Net Income (Loss) Before Operating Transfers	(143,357)	(1,281,854)	(1,425,211)	(377,148)
Operating transfers in	-	125,000	125,000	-
Operating transfers out	-	(402,062)	(402,062)	-
Net Income (Loss) Before Extraordinary Item	\$ (143,357)	\$ (1,558,916)	\$ (1,702,273)	\$ (377,148)
Extraordinary loss on extinguishment of debt	-	-	-	(113,662)
Net Income (Loss)	\$ (143,357)	\$ (1,558,916)	\$ (1,702,273)	\$ (490,810)
Retained earnings - January 1	3,334,352	2,364,294	5,698,646	5,924,952
Equity transfer in	-	-	-	368,952
Equity transfer out	(14,252)	(9,075)	(23,327)	(104,448)
Retained earnings - December 31	\$ 3,176,743	\$ 796,303	\$ 3,973,046	\$ 5,698,646

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

ST. LOUIS COUNTY, MINNESOTA
STATEMENT OF CASH FLOWS
ALL PROPRIETARY FUND TYPES
YEAR ENDED DECEMBER 31, 1990
WITH COMPARATIVE TOTALS FOR YEAR ENDED DECEMBER 31, 1989

EXHIBIT V

			Totals (Memorandum Only)	
			1990	1989
	Enterprise	Internal Service		
Cash Flows From Operating Activities				
Net Operating Income (Loss)	\$ (1,924,260)	\$ (1,548,634)	\$ (3,472,894)	\$ (2,473,102)
Adjustments to Reconcile Net Operating Income to Net Cash Provided by Operating Activities				
Depreciation	\$ 179,574	\$ 739,655	\$ 919,229	\$ 754,505
Changes in Assets and Liabilities				
(Increase) Decrease in change funds	-	0	-	(50)
(Increase) Decrease in accounts receivable	193,212	10,041	203,253	(636,774)
(Increase) Decrease in due from other funds	-	-	-	108,601
(Increase) Decrease in due from other gov't's	162,913	33,435	196,348	(235,449)
(Increase) Decrease in inventories	(14,554)	(6,903)	(21,457)	(15,229)
(Increase) Decrease in prepaid items	-	(18,734)	(18,734)	4,317
Increase (Decrease) in accounts payable	(116,358)	161,559	45,201	(18,190)
Increase (Decrease) in salaries payable	89,970	76,725	166,695	(264,871)
Increase (Decrease) in comp absence payable	(32,068)	110,781	78,713	(1,337)
Increase (Decrease) in claims payable	-	1,296,361	1,296,361	1,298,586
Increase (Decrease) in due to other gov't's	13,315	(21,304)	(7,989)	8,495
Increase (Decrease) in deferred revenue	110,019	-	110,019	37,974
Net Cash Provided by Operating Activities	<u>\$ (1,338,237)</u>	<u>\$ 832,982</u>	<u>\$ (505,255)</u>	<u>\$ (1,432,524)</u>
Cash Flows From Noncapital Financing Activities				
Proceeds from taxes	\$ 2,074,113	\$ 11,570	\$ 2,085,683	\$ 2,112,888
Payments of interfund loan	(453,759)	213,811	(239,948)	-
Proceeds from interfund loan	503,919	-	503,919	1,448,999
Proceeds from advances	-	-	-	80,000
Proceeds from contributions	-	-	-	12,067
Proceeds from grant	-	-	-	7,500
Operating transfers in	-	25,000	25,000	-
Operating transfers out	-	(402,062)	(402,062)	-
Equity transfer-out	-	(9,075)	(9,075)	-
Net Cash Provided by Noncapital Financing Activities	<u>\$ 2,124,273</u>	<u>\$ (160,756)</u>	<u>\$ 1,963,517</u>	<u>\$ 3,672,322</u>
Cash Flows From Capital and Related Financing Activities				
Acquisition of capital assets	\$ (447,394)	\$ (1,087,528)	\$ (1,534,922)	\$ (1,350,808)
Debt service investment purchases	-	-	-	(625,871)
Debt service investment proceeds	112,209	-	112,209	301,387
Debt service interest received	26,276	-	26,276	47,815
Principle paid on bonds	(420,000)	-	(420,000)	(235,080)
Interest paid on bonds	(302,654)	-	(302,654)	(401,655)
Restricted liability payments	(6,641)	-	(6,641)	-
Proceeds from contributions	2,000	322,985	324,985	320,255
Proceeds from sale of equipment	32,730	43,201	75,931	23,588
Proceeds from restricted payables	-	-	-	5,188
Net Cash Provided by Capital and Related Financing Activities	<u>\$ (1,003,474)</u>	<u>\$ (721,342)</u>	<u>\$ (1,724,816)</u>	<u>\$ (1,915,181)</u>
Cash Flows From Investing Activities				
Purchase of investments	\$ -	\$ (10,721,400)	\$ (10,721,400)	\$ (532,810)
Sale of investments	-	11,728,928	11,728,928	-
Interest on investments	19,135	278,937	298,072	357,808
Net Cash Provided by Investing Activities	<u>\$ 19,135</u>	<u>\$ 1,286,465</u>	<u>\$ 1,305,600</u>	<u>\$ (175,002)</u>
Net Increase (Decrease) in Cash and Cash Equivalents	<u>\$ (198,303)</u>	<u>\$ 1,237,349</u>	<u>\$ 1,039,046</u>	<u>\$ 138,747</u>
Cash and cash equivalents - January 1	\$ 388,997	\$ 1,864,714	\$ 2,253,711	\$ 2,114,964
Cash and cash equivalents - December 31	<u>\$ 190,694</u>	<u>\$ 3,102,063</u>	<u>\$ 3,292,757</u>	<u>\$ 2,253,711</u>

Noncash Activity, Noncapital Financing Activities

A 1989 advance of \$80,000 in the County Garage Internal Service Fund became permanent in 1990.

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, 1990

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
Room 208, St. Louis County Courthouse
100 North Fifth Avenue West
Duluth, Minnesota 55802

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.

ST. LOUIS COUNTY, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 1990

I. Summary of Significant Accounting Policies

A. Financial Reporting Entity (continued)

Excluded

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.

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:

ST. LOUIS COUNTY, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 1990

I. Summary of Significant Account Policies

A. Financial Reporting Entity (continued)

Excluded

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.

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.

ST. LOUIS COUNTY, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 1990

I. Summary of Significant Account Policies

B. Basis of Presentation - Fund Accounting (continued)

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.

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.

ST. LOUIS COUNTY, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 1990

I. Summary of Significant Accounting Policies

B. Basis of Presentation - Fund Accounting (continued)

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 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.

ST. LOUIS COUNTY, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 1990

I. Summary of Significant Accounting Policies

C. Measurement Focus (continued)

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 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

ST. LOUIS COUNTY, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 1990

I. Summary of Significant Accounting Policies

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 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.

ST. LOUIS COUNTY, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 1990

I. Summary of Significant Accounting Policies

D. Basis of Accounting (continued)

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.

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.
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 September.
6. The County Board holds formal public hearings on the proposed budget, and adopts the final budget on or before October 25.

ST. LOUIS COUNTY, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 1990

I. Summary of Significant Accounting Policies

E. Budgetary Data

Procedure for Preparing the Annual Budget (continued)

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 an increase in budgeted County funds of \$11,409,502. Each department's 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 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.

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. Comparisons of estimated revenue and expenditures to actual are presented in the financial statements for the General, Special Revenue and Debt Service Funds.

F. Accounting Changes

Statement of Cash Flows

The County adopted the provisions of Statement No. 9 of the Governmental Accounting Standards Board, Reporting Cash Flows of Proprietary and Nonexpendable Trust Funds and Governmental Entities That Use Proprietary Fund Accounting, in 1990. The Statement of Changes in Financial Position for 1989 has been replaced with the Statement of Cash Flows.

ST. LOUIS COUNTY, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 1990

I. Summary of Significant Accounting Policies (continued)

F. Accounting Changes

Account Reclassifications

Several account balances were reclassified as of and for the year ended December 31, 1989, 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, 1990, and 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

Property tax levies are set by the County Board in October each year. The levy is spread on all assessable property. Such taxes become a lien on January 1 and, for the most part, are due and payable then, but may be paid in two equal installments on or before May 15 and October 15 without penalty. Revenues are accrued and recognized in the year collectible, net of delinquencies.

The County is required by statute to distribute the collections to the various governments three times each year.

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.

ST. LOUIS COUNTY, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 1990

I. Summary of Significant Accounting Policies

G. Assets, Liabilities, and Equity Accounts

1. Assets (continued)

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 Social Services Special Revenue Fund food stamp inventory consists of stamps valued at their face value. Food stamps are held by the County until they are issued to qualified individuals as prescribed by federal guidelines. The inventory is offset by the liability "Food stamps issuable" to indicate that the County does not own the stamps but is only administering them for the federal government.

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 3.5 to nine hours per biweekly pay period. Sick leave accrual is from one to 5.25 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

ST. LOUIS COUNTY, MINNESOTA
 NOTES TO FINANCIAL STATEMENTS
 DECEMBER 31, 1990

I. Summary of Significant Accounting Policies

G. Assets, Liabilities, and Equity Accounts. (continued)

2. Liabilities (continued)

retired to-date are reported as reservations of fund balance; i.e., reserve for health and welfare, in the appropriate funds. Unvested sick leave of \$22,075,921 at December 31, 1990, 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 debt service	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				X
Designated for health and welfare			X	
Designated for debt service			X	
Designated for capital outlay			X	

ST. LOUIS COUNTY, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 1990

I. Summary of Significant Accounting Policies (continued)

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.

I. Comparative Data

Comparative total data for the prior year have been presented in the accompanying financial statement to provide an understanding of changes in the County's financial position and operations. However, comparative data for each fund have not been presented since their inclusion could make the statements unduly complex and difficult to read.

J. 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, 1990; an auditor's report on compliance and internal accounting control will be issued at a later date.

ST. LOUIS COUNTY, MINNESOTA
 NOTES TO FINANCIAL STATEMENTS
 DECEMBER 31, 1990

II. Stewardship, Compliance and Accountability

A. The following General Fund department and Special Revenue Funds had expenditures in excess of budget for the year ended December 31, 1990:

	<u>Expenditures</u>	<u>Budget</u>	<u>Excess</u>
General Fund			
Ambulance Service	\$ 37,444	\$ 33,778	\$ 3,666
Special Revenue			
County Housing Authority	16,600	10,000	6,600
Railroad Authority	1,059,353	922,633	136,720
Social Services	88,984,481	88,482,710	501,771

B. **Deficit Retained Earnings**

The following funds had a deficit retained earnings at December 31, 1990:

Enterprise Fund	
Residential Treatment Center	\$ 195,835
Internal Service Funds	
County Garage	726,441
County Insurance	22,989

The Social Services Department is examining the operations of the Residential Treatment Center Enterprise Fund and will be developing a plan to eliminate the deficit in 1991.

In the County Garage Internal Service Fund, motor pool operations are now under the control of a recently-hired fleet manager. The County expects that enhanced fleet management and appropriate fee schedules will decrease the deficit retained earnings in future years.

The deficit in the County Insurance Internal Service Fund will be eliminated through increased charges in 1991 to all County departments.

ST. LOUIS COUNTY, MINNESOTA
 NOTES TO FINANCIAL STATEMENTS
 DECEMBER 31, 1990

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, 1990, County deposits totaled \$30,246,049, of which \$1,778,871 were cash deposits and \$28,467,178 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 at December 31, 1990:

	<u>Bank Balances</u>	<u>Carrying Amounts</u>
Covered Deposits		
Insured, or collateralized with securities held by the County or its agent in the County's name	\$ 703,171	\$ 703,171
Collateralized with securities held by the pledging finan- cial institution's safe- keeping department or agent in the County's name	30,659,959	29,542,878
Uncollateralized	-----	-----
Total Deposits	<u><u>\$31,363,130</u></u>	<u><u>\$30,246,049</u></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;
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

ST. LOUIS COUNTY, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 1990

III. Detailed Notes on All Funds and Accounts Groups

A. Assets

Deposits and Investments

Investments (continued)

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;
5. commercial paper issued by United States corporations or their Canadian subsidiaries that is the highest quality and matures in 270 days or less.

ST. LOUIS COUNTY, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 1990

III. Detailed Notes on All Funds and Account Groups

A. Assets

Deposits and Investments (continued)

Investments (continued)

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, 1990

III. Detailed Notes on All Funds and Account Groups

A. Assets

Deposits and Investments (continued)

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, 1990.

	(1)	Category (2)	(3)	Carrying Amount	Market Value
Investments					
U.S. Government securities	\$160,923	\$ -	\$9,807,851	\$ 9,968,774	\$10,195,976
Add:					
Investments held by Trustees for deferred compensation				17,734,912	17,734,912
Deposits				30,246,049	30,246,049
Cash on hand				<u>648,532</u>	<u>648,532</u>
 Total				 <u>\$58,598,267</u>	 <u>\$58,825,469</u>

Detail as shown on Combined Balance Sheet:

Current Assets:	
Cash and cash equivalents	\$32,439,151
Investments	7,598,512
Invested employee contributions	17,734,912
Restricted assets:	
Improvements	
Cash and cash equivalents	221,104
Debt Service:	
Cash and cash equivalents	4,588
Investments	<u>600,000</u>
 Total	 <u>\$58,598,267</u>

ST. LOUIS COUNTY, MINNESOTA
 NOTES TO FINANCIAL STATEMENTS
 DECEMBER 31, 1990

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	\$ 7,528,161	
Special Revenue Funds		
Babbitt Facility	171,227	
County Housing Authority		(636)
Land Investment	654,271	
Railroad Authority		(53,516)
Road and Bridge	10,029,598	
Social Services	48,957	(293,757)
Solid Waste Authorities	2,415,588	
Debt Service Funds	248,872	
Capital Projects Funds	2,654,525	
Enterprise Funds		
Chris Jensen		(916,007)
Nopeming		(1,007,063)
Residential Treatment Center		(41,918)
Internal Service Funds		
Community Food	203,709	
Laundry	63,079	
Printing	125,722	
County Garage		(335,626)
County Insurance	1,492,643	
Management Information		
Systems	789,437	
Telecommunications	392,475	
Trust and Agency Funds	<u>8,269,410</u>	
 Total Equity	 \$35,087,674	
Less: Advances		<u>(2,648,523)</u>
Total	 <u>\$32,439,151</u>	

ST. LOUIS COUNTY, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 1990

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 \$12,663,656. The amount of unrecorded revenues due the County at December 31, 1990, 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.

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 1990) 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 \$123,978 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 \$615,084 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 \$211,297 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, 1990

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 \$182,218 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. All repayments from the Lighthouse must be used for economic development.

The noncurrent portion of a loan receivable from Paulucci International, Inc. is \$383,262 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. All repayments from Paulucci International, Inc. must be used for economic development.

ST. LOUIS COUNTY, MINNESOTA
 NOTES TO FINANCIAL STATEMENTS
 DECEMBER 31, 1990

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, 1990:

	<u>Federal</u>	<u>State</u>	<u>Local - Other</u>	<u>Total</u>
General Fund	\$ 286,542	\$ 202,838	\$ 75,105	\$ 564,485
Special Revenue Funds				
Railroad Authority	\$ -	\$ 166,123	\$ 49,520	\$ 215,643
Road and Bridge	-	4,264,139	90,877	4,355,016
Social Services	<u>3,031,131</u>	<u>1,795,677</u>	<u>-</u>	<u>4,826,808</u>
Total Special Revenue Funds	<u>\$3,031,131</u>	<u>\$6,225,939</u>	<u>\$ 140,397</u>	<u>\$ 9,397,467</u>
Enterprise Funds				
Chris Jensen	\$ -	\$ 32,808	\$ 31,667	\$ 64,475
Nopeming	<u>-</u>	<u>41,496</u>	<u>-</u>	<u>41,496</u>
Total Enterprise Funds	<u>\$ -</u>	<u>\$ 74,304</u>	<u>\$ 31,667</u>	<u>\$ 105,971</u>
Internal Service Fund				
Community Food	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 62,641</u>	<u>\$ 62,641</u>
Agency Funds				
Arrowhead Regional Corrections	\$ -	\$ -	\$ 395,265	\$ 395,265
Community Health Services	<u>-</u>	<u>-</u>	<u>228,719</u>	<u>228,719</u>
Total Agency Funds	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 623,984</u>	<u>\$ 623,984</u>
Total	<u>\$3,317,673</u>	<u>\$6,503,081</u>	<u>\$ 933,794</u>	<u>\$10,754,548</u>

ST. LOUIS COUNTY, MINNESOTA
 NOTES TO FINANCIAL STATEMENTS
 DECEMBER 31, 1990

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, 1990, is:

	<u>Enterprise</u>	<u>Internal Service</u>
Land	\$ 262,742	\$ 25,500
Building and structures	8,352,992	1,699,916
Improvements other than buildings	29,273	-
Machinery and equipment	757,515	2,803,274
Vehicles	-	2,120,922
Construction-in-progress	<u>318,739</u>	<u>-</u>
Total	\$ 9,721,261	\$ 6,649,612
Less accumulated depreciation	<u>(2,653,250)</u>	<u>(3,147,553)</u>
Net Fixed Assets	<u>\$ 7,068,011</u>	<u>\$ 3,502,059</u>

Summary of Changes in General Fixed Assets

	<u>Balance 1-1-90</u>	<u>Additions</u>	<u>Retirements</u>	<u>Assets Reclassified</u>	<u>Balance 12-31-90</u>
Land	\$ 1,082,194	\$ 60,200	\$ -	\$*1,500,000	\$ 2,642,394
Buildings and structures	25,123,356	100,167	(176,237)	3,605,573	28,652,859
Machinery and equipment	9,811,036	431,104	(41,303)	*(1,500,000)	8,700,837
Vehicles	23,671,055	1,837,363	(705,553)		24,802,865
Construction in progress	<u>5,557,060</u>	<u>3,724,633</u>	<u>-</u>	<u>(3,605,573)</u>	<u>5,676,120</u>
Total	<u>\$65,244,701</u>	<u>\$ 6,153,467</u>	<u>\$ (923,093)</u>	<u>\$ -</u>	<u>\$70,475,075</u>

* The railroad bed purchased in 1989 was reclassified as land.

ST. LOUIS COUNTY, MINNESOTA
 NOTES TO FINANCIAL STATEMENTS
 DECEMBER 31, 1990

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

B. Liabilities

Deferred Revenue

Deferred revenue consists of taxes receivable 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.

	Taxes	Grants	Accounts Receivable	Long-Term Receivables	Total
General Fund	\$1,036,304	\$ 406,855	\$ -	\$ 900,756	\$ 2,343,915
Special Revenue Funds					
County Housing Authority	\$ 433	\$ -	\$ -	\$ -	\$ 433
Land Investment	30,268	589,546	-	-	619,814
Railroad Authority	5,739	-	-	-	5,739
Road and Bridge	608,758	208,904	-	48,862	866,524
Social Services	1,957,230	1,100,347	-	-	3,057,577
Solid Waste Authorities	109,756	111,777	-	-	221,533
Total Special Revenue Funds	\$2,712,184	\$2,010,574	\$ -	\$ 48,862	\$ 4,771,620
Debt Service Funds					
Babbitt Facility Refunding	\$ 3,136	\$ -	\$ -	\$ -	\$ 3,136
Capital Equipment Notes	22,323	-	-	-	22,323
Solid Waste Series A	10,834	-	-	-	10,834
Solid Waste Series F	3,741	-	-	-	3,741
Correctional Facilities	4,114	-	-	-	4,114
Total Debt Service Funds	\$ 44,148	\$ -	\$ -	\$ -	\$ 44,148
Capital Projects Fund					
Court Houses	\$ 33,252	\$ 77,183	\$ -	\$ -	\$ 110,435
Enterprise Funds					
Chris Jensen	\$ 76,930	\$ -	\$ 356,670	\$ -	\$ 433,600
Nopeming	44,838	-	24,172	-	69,010
Total Enterprise Funds	\$ 121,768	\$ -	\$ 380,842	\$ -	\$ 502,610
Internal Service Funds					
Community Foods	\$ 2,687	\$ -	\$ -	\$ -	\$ 2,687
Laundry	2,477	-	-	-	2,477
County Insurance	9,680	-	-	-	9,680
Total Internal Service Funds	\$ 14,844	\$ -	\$ -	\$ -	\$ 14,844
Trust Funds					
Forfeited Tax	\$ -	\$ -	\$ -	\$ 3,716,636	\$ 3,716,636
Forest Resources	-	33,071	-	-	33,071
Total Trust Funds	\$ -	\$ 33,071	\$ -	\$ 3,716,636	\$ 3,749,707
Total All Funds	\$3,962,500	\$2,527,683	\$ 380,842	\$ 4,666,254	\$11,537,279

ST. LOUIS COUNTY, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 1990

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, 1990

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, 1990:

	Bonds Payable		
	Chris Jensen Enterprise Fund	Nopeming Enterprise Fund	Total
	Payable, January 1	\$3,873,299	\$ 301,454
Payment of Principal	(400,000)	(20,000)	(420,000)
Amortization of discount and issue costs	26,724	357	27,081
Payable, December 31	\$3,500,023	\$ 281,811	\$3,781,834

Bonds payable at December 31, 1990, 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, 1990, the bond issue is net of the unamortized bond discount and issue costs of \$11,695). \$ 913,305

\$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, 1990 the bond issue is net of the unamortized bond discount and issue costs of \$78,282). \$2,586,718

ST. LOUIS COUNTY, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 1990

III. Detailed Notes on All funds and Account Group

B. Liabilities (continued)

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, 1990, the bond issue is net of unamortized bond discount and issue costs of \$3,189). \$ 281,811

The annual requirements to service the debt outstanding as of December 31, 1990, including interest of \$795,454 and unamortized discounts of \$93,166 on the bonds, are as follows:

<u>Year Ended</u> <u>December 31</u>	<u>Bonds Payable</u>
1991	\$ 749,923
1992	1,296,841
1993	807,265
1994	810,305
1995	830,140
1996 - 1999	<u>175,980</u>
	<u>\$ 4,670,454</u>

ST. LOUIS COUNTY, MINNESOTA
 NOTES TO FINANCIAL STATEMENTS
 DECEMBER 31, 1990

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, 1990. 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> <u>1-1-90</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>12-31-90</u>
General Obligation				
Capital Notes	\$ 8,870,000	\$2,035,000	\$200,000	\$10,705,000
General Obligation Bonds	5,835,000	-	220,000	5,615,000
Bond Anticipation Notes	<u>2,000,000</u>	<u>-</u>	<u>-</u>	<u>2,000,000</u>
Total Bonded Debt	\$16,705,000	\$2,035,000	\$420,000	\$18,320,000
Due to Other Governments	210,000	-	30,000	180,000
Loans Payable	666,980	200,491	3,496	863,975
Compensated Absences	3,927,779	156,280	-	4,084,059
Capital Leases	<u>67,217</u>	<u>26,611</u>	<u>26,533</u>	<u>67,295</u>
Total General Long-Term Debt	<u>\$21,576,976</u>	<u>\$2,418,382</u>	<u>\$480,029</u>	<u>\$23,515,329</u>

Capital notes payable at December 31, 1990, 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. \$ 4,600,000

\$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
 NOTES TO FINANCIAL STATEMENTS
 DECEMBER 31, 1990

III. Detailed Notes on All Funds and Account Groups

B. Liabilities (continued)

General Long-Term Debt (continued)

General obligation bonds payable at December 31, 1990, consist of the following issues:

\$3,510,000 1989 General Obligation Solid Waste Bonds due in annual installments of \$145,000 to \$360,000 on December 1, 1990, through 2004; interest at 6.4 to 7.1 percent.	\$ 3,365,000
\$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.	\$ 995,000
\$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.	\$ 1,255,000

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

\$2,000,000 1989 Correctional Facilities Bond Anticipation Notes due in total on December 1, 1992; interest at 6.0 percent.	\$ 2,000,000
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The annual requirements to service the bonded debt outstanding as of December 31, 1990, including interest of \$6,035,975 are as follows:

<u>Year Ended</u> <u>December 31</u>	<u>Capital</u> <u>Notes</u>	<u>Bonds</u>	<u>Bond</u> <u>Anticipation</u> <u>Notes</u>	<u>Total</u> <u>Bonded Debt</u>
1991	\$ 584,205	\$ 628,759	\$ 120,000	\$ 1,332,964
1992	1,008,405	628,996	2,120,000	3,757,401
1993	4,408,005	633,279	-	5,041,284
1994	4,442,405	636,014	-	5,078,419
1995	2,155,065	637,383	-	2,792,448
1996 - 2009	-	6,353,459	-	6,353,459
	<u>\$12,598,085</u>	<u>\$9,517,890</u>	<u>\$2,240,000</u>	<u>\$24,355,975</u>

ST. LOUIS COUNTY, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 1990

III. Detailed Notes on All Funds and Account Groups

B. Liabilities (continued)

General Long-Term Debt (continued)

Due to other governments at December 31, 1990, 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. \$ 180,000

Loans payable at December 31, 1990 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 January 1, 1990; the obligation bears no interest. \$ 31,464

\$165,531 1990 State of Minnesota loan payable in annual installments of \$3,496 through July, 2000; the obligation bears no interest. \$ 165,531

ST. LOUIS COUNTY, MINNESOTA
 NOTES TO FINANCIAL STATEMENTS
 DECEMBER 31, 1990

III. Detailed Notes on All Funds and Account Groups

B. Liabilities (continued)

General Long-Term Debt (continued)

The County's proportionate shares of general obligation debt at December 31, 1990, 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	\$ 22,101,834	100.00	\$ 22,101,834
<u>Overlapping Debt</u>			
School Districts	4,950,000	88.43	4,377,337
Western Lake Superior Sanitary District	27,385,000	79.77	21,845,015
<u>Underlying Debt</u>			
Cities	18,755,830	100.00	18,755,830
School Districts	47,688,786	100.00	47,688,786
Towns	207,922	100.00	207,922
Seaway Port	<u>1,150,000</u>		<u>1,150,000</u>
Total	\$ 122,239,372		\$ 116,126,724

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, 1990

III. Detailed Notes on All Funds and Account Groups

B. Liabilities (continued)

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 its 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.

Lease Obligations

Operating Leases

The County is committed under various operating leases for office space, parking facilities, data processing software and office equipment. 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 1990:

<u>Type of Property</u>	<u>Amount</u>
Rental of office space and parking facilities	\$ 1,303,425
Data processing software	175,557
Office equipment	<u>14,816</u>
Total rental expense	<u>\$ 1,493,798</u>

Future minimum payments under operating leases, which are not reflected in these financial statements, consist of the following at December 31, 1990:

<u>Year Ended</u>	<u>Amount</u>
1991	\$ 1,553,406
1992	1,600,583
1993	1,600,508
1994	1,600,508
1995	<u>1,591,076</u>
Total future minimum lease payments	<u>\$ 7,946,081</u>

ST. LOUIS COUNTY, MINNESOTA
 NOTES TO FINANCIAL STATEMENTS
 DECEMBER 31, 1990

III. Detailed Notes on All Funds and Account Groups

B. Liabilities

Lease Obligations (continued)

Capital Leases

Capitalized leases of the County at December 31, 1990, consist of copiers 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
Less: Accumulated depreciation	-	(11,553)	(11,553)
Carrying value	<u>\$ 116,880</u>	<u>\$ 58,466</u>	<u>\$ 175,346</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, 1990.

<u>December 31</u>	<u>General Long-Term Debt</u>	<u>Printing Internal Service Fund</u>	<u>Total</u>
1991	\$ 24,200	\$ 14,004	\$ 38,204
1992	24,200	14,004	38,204
1993	24,200	14,004	38,204
1994	5,104	14,004	19,108
1995	-	2,333	2,333
Total minimum lease payments	\$ 77,704	\$ 58,349	\$ 136,053
Less: Amount representing interest	(10,409)	-	(10,409)
Present value of future minimum lease payments	<u>\$ 67,295</u>	<u>\$ 58,349</u>	<u>\$ 125,644</u>

ST. LOUIS COUNTY, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
 DECEMBER 31, 1990

III. Detailed Notes on All Funds and Account Groups

B. Liabilities (continued)

Construction Commitments

At December 31, 1990, the County had construction commitments as follows:

	<u>Project Authorization</u>	<u>Expended to date</u>	<u>Commitment</u>	<u>Required Further Financing</u>
Road and Bridge building	\$ 150,000	\$ 9,936	\$ 12,208	\$ 99,225
County jail	2,170,548	393,733	26,895	-
Courthouse improvements	264,195	-	264,195	-
911 system	2,962,402	2,290,698	403,285	-
Landfill closures	1,932,245	1,087,825	469,574	2,437,000
Landfill transfer stations	3,167,921	2,981,753	336,016	1,077,000
Composting facility	-	-	-	<u>12,000,000</u>
Total	<u>\$10,647,311</u>	<u>\$ 6,763,945</u>	<u>\$1,512,173</u>	<u>\$15,613,225</u>

The above projects are accounted for in the Capital Projects Funds.

Postretirement Benefits

Postretirement benefits are provided to all County employees who retired, are drawing pensions from the Public Employees Retirement Association, and who had unused sick leave at the time of retirement. These benefits include health care and life insurance benefits. The hours of unused sick leave multiplied by the hourly rate of pay for each retiree is established as a reserve of fund balance for governmental fund retirees, or as a liability for proprietary fund retirees. Expenditures in the governmental funds are recognized when paid and expenses in the proprietary funds are recognized during the year of retirement. During 1990, these benefits recognized as expenditure /expenses amount to \$899,892.

ST. LOUIS COUNTY, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 1990

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 \$400,000 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 \$400,000 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. County funds are charged quarterly for the actual workers' compensation expense.

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, 1990.

In addition, the County Attorney's Office estimated settlements to be \$627,050 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

ST. LOUIS COUNTY, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 1990

III. Detailed Notes on All Funds and Account Groups

B. Liabilities

Retirement Plan

Plan Description (continued)

by Social Security and Basic members are not. All new 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, 1990, was \$60,280,121 and \$4,324,138 respectively; the County's total payroll was \$65,919,171.

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, 1990

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</u>
	<u>Employee</u>	<u>Employer</u>	<u>Rates</u>
Public Employees Retirement Fund	4.47%	4.82%	8.83%
Public Employees Police and Fire Fund	8.00%	12.00%	16.21%

Total contributions made by St. Louis County during fiscal year 1990 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	<u>\$2,662,037</u>	<u>\$2,900,819</u>	4.2%	4.6%
Public Employees Police and Fire Fund	<u>\$ 362,616</u>	<u>\$ 543,924</u>	.57%	.85%
Totals	<u>\$3,024,653</u>	<u>\$3,328,307</u>		

The County's contribution for the year ended June 30, 1990, to the Public Employees Retirement Fund represented 3.1 percent of total contributions required of all participating entities. For the Public Employees Police and Fire Fund, contributions for the year ended June 30, 1990, represented 2.2 percent of total contributions required of all participating entities.

ST. LOUIS COUNTY, MINNESOTA
 NOTES TO FINANCIAL STATEMENTS
 DECEMBER 31, 1990

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, 1990, are shown below (in thousands):

	<u>Public Employees Retirement Fund</u>	<u>Public Employees Police and Fire Fund</u>
Total pension benefit obligation	\$ 4,089,960	\$ 657,453
Net assets available for benefits, at cost (Market values for Public Employees Fund = \$3,547,243; Police and Fire Fund = \$803,320)	<u>3,250,157</u>	<u>739,068</u>
Unfunded (Funded-assets in excess of) pension benefit obligation	<u>\$ 839,803</u>	<u>\$ (81,615)</u>

The measurement of the pension benefit obligation is based on an actuarial valuation as of June 30, 1990. Net assets available to pay pension benefits were valued as of June 30, 1990.

ST. LOUIS COUNTY, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 1990

III. Detailed Notes on All Funds and Account Groups

B. Liabilities

Retirement Plan

Funding Status and Progress (continued)

Changes in Actuarial Methods and Benefit Provisions

For the fiscal year 1990 actuarial valuation, the PERA Board of Trustees approved the use of new withdrawal rates. The change was made to reduce, if not eliminate, the series of large, annually recurring actuarial losses in the last few years due to lower than expected terminations.

With the adoption of new withdrawal rates, the pension benefit obligation increased \$59,942,000 in the Public Employees Retirement Fund and \$6,978,000 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, 1990. This information is useful in assessing the pension plan's accumulation of sufficient assets to pay pension benefits as they become due.

Related Party Investments

As of June 30, 1990, and for the fiscal year then ended, the PERA held no securities issued by St. Louis County or other related parties.

ST. LOUIS COUNTY, MINNESOTA
 NOTES TO FINANCIAL STATEMENTS
 DECEMBER 31, 1990

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	\$ 27,239

Interfund Receivable/Payable

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General	Special Revenue - County Housing	\$ 636
	Railroad Authority	53,516
	Social Services	293,757
	Enterprise - Chris Jensen	916,007
	Nopeming	1,007,063
	Residential Treatment Center	41,918
	Internal Service - County Garage	<u>335,626</u>
	Total	<u>\$2,648,523</u>

Advances From/To Other Funds

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General	Special Revenue - Railroad Authority	\$ 22,973
Internal Service - Management Informa- tion Systems	Telecommunications	<u>40,127</u>
	Total	<u>\$ 63,100</u>

ST. LOUIS COUNTY, MINNESOTA
 NOTES TO FINANCIAL STATEMENTS
 DECEMBER 31, 1990

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		\$ 105,000	\$
	Internal Service - County Garage		80,000
	Management Information Systems		25,000
Special Revenue - Solid Waste Authorities		733,773	
	Trust Funds - Hibbing Dedicated Mesabi Dedicated		273,773 460,000
Capital Projects - Landfill Closures		100,000	
	Capital Projects - Solid Waste Transfer		100,000
Internal Service - County Insurance Management Informa- tion Systems		382,062 20,000	
	General Internal Service - Telecommunications		382,062 20,000
Trust Funds - Forfeited Tax		125,554	
	General Trust Funds - Forest Resources		44,652 80,902
		<u>\$1,466,389</u>	<u>\$1,466,389</u>

ST. LOUIS COUNTY, MINNESOTA
 NOTES TO FINANCIAL STATEMENTS
 DECEMBER 31, 1990

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>
Expendable Trust - Hibbing Dedicated		\$ 643,811	\$
	Special Revenue - Solid Waste Authorities		643,811
Enterprise - Residential Treatment Center		14,252	
	Internal Service - Laundry		(1) 14,252
Internal Service - County Insurance		9,075	
	General Fixed Assets Account Group	<u> </u>	<u>(2) 9,075</u>
		<u>\$ 667,138</u>	<u>\$ 667,138</u>

- (1) The Laundry Internal Service Fund shows an increase in contributed capital of \$14,252 which is the residual equity transfer out of the Residential Treatment Center Enterprise Fund.
- (2) The County Insurance Internal Service Fund transferred fixed assets valued at \$9,075 to the General Fixed Assets Account Group. This does not show as a residual equity transfer in.

ST. LOUIS COUNTY, MINNESOTA
 NOTES TO FINANCIAL STATEMENTS
 DECEMBER 31, 1990

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, 1990:

	<u>Balance</u> <u>12-31-89</u>	<u>Additions</u>	<u>Balance</u> <u>12-31-90</u>
Chris Jensen Residential Treatment Center	\$ -	\$ 2,000	\$ 2,000
	<u>167,672</u>	<u>-</u>	<u>167,672</u>
Total Enterprise Funds	<u>\$ 167,672</u>	<u>\$ 2,000</u>	<u>\$ 169,672</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, 1990:

	<u>Balance</u> <u>12-31-89</u>	<u>Additions</u>	<u>Balance</u> <u>12-31-90</u>
Laundry	\$ 795,785	\$ 18,732	\$ 814,517
Printing	5,131	-	5,131
County Garage Management Information Systems	1,795,452	304,253	2,099,705
Telecommunications	632,236	-	632,236
	<u>185,639</u>	<u>-</u>	<u>185,639</u>
Total Internal Service Funds	<u>\$3,414,243</u>	<u>\$ 322,985</u>	<u>\$3,737,228</u>

ST. LOUIS COUNTY, MINNESOTA
 NOTES TO FINANCIAL STATEMENTS
 DECEMBER 31, 1990

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.

Residential Treatment Center ("2001") - The Residential Treatment Center is a 15-bed facility used to house and treat chemically abusive and chemically dependent individuals, aged 13 - 18, in a residential setting.

The key financial data for the year ended December 31, 1990, for these three services are:

	<u>Chris Jensen</u>	<u>Nopeming</u>	<u>Residential Treatment Center</u>	<u>Total Enterprise Funds</u>
Operating revenues	\$ 8,183,047	\$ 6,789,463	\$ -	\$14,972,510
Depreciation	111,542	64,808	3,224	179,574
Operating income (loss)	(873,131)	(1,023,784)	(27,345)	(1,924,260)
Nonoperating revenues (expenses)	1,025,128	801,514	(45,739)	1,780,903
Net income (loss)	151,997	(222,270)	(73,084)	(143,357)
Property, plant, and equipment - net additions (deletions)	14,993	524,652	(133,636)	406,009
Net working capital	(200,205)	(161,180)	(28,163)	(389,548)
Total assets	7,257,388	3,965,978	14,760	11,238,126
Long-term liabilities payable from opera- ting revenues	3,101,891	351,615	-	3,453,506
Total equity	\$1,599,486	\$ 1,775,092	\$(28,163)	\$3,346,415

ST. LOUIS COUNTY, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 1990

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 1990, county contributions were in the following proportion:

Aitkin County	4.0%
Carlton County	10.0%
Cook County	1.0%
Koochiching County	6.0%
Lake County	5.0%
St. Louis County	<u>74.0%</u>
Total	<u>100.0%</u>

A summary of the financial information of Arrowhead Regional Corrections for the year ended December 31, 1990, 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, 1990

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, 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, 1989, (the most recent available), was:

Total Assets	\$ 76,706
Total Liabilities	\$ 76,706
Total Receipts	\$ 47,878
Total Disbursements	\$ 47,878
Increase (decrease) in Fund Balance	\$ -

ST. LOUIS COUNTY, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 1990

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, 1990, excluding general fixed assets of \$458,006 and general long-term debt of \$65,585 was:

Total Assets	\$ 513,981
Total Liabilities	\$ 448,396
Total Fund Equity	\$ 65,585
Total Revenues	\$ 3,618,475
Total Expenditures	\$ 3,590,759
Increase (Decrease) in Fund Balance	\$ 27,716

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, 1990

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, 1990.

Courts	\$ 759,430
Purchasing	50,219
ARC (Probation)	1,819
Sheriff	6,649
Judge of Probate	7,705
Social Services	
Social Welfare	712,170
Support and Collections (IV-D)	83,309
Estate	<u>133,657</u>
Total	<u>\$1,754,958</u>

C. Settlements Held by the Court for Minors

The Court Administrator, at December 31, 1990, held investments for individuals who have not reached the age of majority. These investments have a combined face value of \$3,595,317 and are not included in the County's financial statements.

VII. Subsequent Events

Northwest Airbus Facility

Northwest Airlines has announced that it will build a maintenance base in Duluth for Airbus airliners and an engine repair base in Hibbing, provided that the airline and the State of Minnesota are able to work out details of a state subsidy package.

Legislation has been passed which allows the State of Minnesota Commissioner of Finance, upon the request of the Governor, 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. According 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, 1990

VII. Subsequent Events (continued)

Northwest Airbus Facility (continued)

St. Louis County could be requested to pay or secure payment on \$12,600,000 of the bonds for the Duluth facility and \$15,000,000 for the Hibbing facility.

Solid Waste Facilities Construction

The County intends to issue bonds in 1991 for the following purposes:

Landfill Closures	\$ 937,000
Transfer Station Completion	277,000
Landfill Site Selection/ Construction	1,500,000
Transfer Station Construction	800,000
Composting Facility	<u>12,000,000</u>
Total	<u>\$15,514,000</u>

The composting facility will be owned by the County, but will be run privately.

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.

The plan is to have the St. Louis County Housing and Redevelopment Authority bond for up to \$25 million for the three facilities. The bonds would be revenue bonds. They would be paid from lease payments made by St. Louis County for the jail and law enforcement center and by lease payments for the regional corrections center made by Arrowhead Regional Corrections, a joint powers organization of which the County is the major member.

**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, 1990 AND 1989

	1990	1989
<u>Assets</u>		
Cash and cash equivalents	\$ 4,879,638	\$ 6,085,578
Change Funds	18,320	17,770
Receivables		
Taxes		
Unapportioned	415,859	324,290
Delinquent	1,147,784	1,260,302
Accounts	193,893	357,907
Accrued Interest	597,059	301,467
Loans	1,391,861	873,098
Due from other funds	27,239	90,457
Interfund receivable	2,648,523	3,378,469
Due from other governments	564,485	471,388
Prepaid Items	18,518	-
Advances to other funds	22,973	80,000
Total Assets	\$ 11,926,152	\$ 13,240,726
<u>Liabilities and Fund Balance</u>		
<u>Liabilities</u>		
Accounts Payable	\$ 596,537	\$ 517,648
Salaries Payable	1,209,263	948,621
Compensated absences payable	171,837	175,895
Due to other governments	20,432	7,222
Deferred revenue	2,343,915	1,501,735
Total Liabilities	\$ 4,341,984	\$ 3,151,121
<u>Fund Balance</u>		
Reserved for change funds	\$ 18,320	\$ 17,770
Reserved for noncurrent loans	667,311	630,084
Reserved for economic development	78,227	-
Reserved for advances to other funds	22,973	80,000
Reserved for encumbrances	235,024	293,296
Reserved for prepaid items	18,518	-
Reserved for health and welfare	722,351	717,543
Reserved for law library	97,567	107,069
Unreserved		
Designated for health and welfare	-	69,274
Undesignated	5,723,877	8,174,569
Total Fund Balance	\$ 7,584,168	\$ 10,089,605
Total Liabilities and Fund Balance	\$ 11,926,152	\$ 13,240,726

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
GENERAL FUND
YEAR ENDED DECEMBER 31, 1990
WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED DECEMBER 31, 1989

	1990		Variance Favorable (Unfavorable)	1989 Actual
	Budget	Actual		
Revenues				
Taxes	\$ 16,710,513	\$ 16,985,127	\$ 274,614	\$ 18,707,444
Licenses and permits	98,102	103,701	5,599	108,596
Intergovernmental	10,940,908	10,771,783	(169,125)	11,374,267
Charges for services	4,222,135	3,794,171	(427,964)	3,476,115
Fines and forfeits	669,200	770,349	101,149	671,157
Interest on investments	2,036,000	2,139,018	103,018	2,505,189
Gifts and contributions	20,452	12,559	(7,893)	-
Miscellaneous	335,320	583,260	247,940	517,088
Total Revenues	\$ 35,032,630	\$ 35,159,968	\$ 127,338	\$ 37,359,856
Expenditures				
General government				
Current:				
Commissioners	\$ 559,961	\$ 543,520	\$ 16,441	\$ 512,214
County administrator	490,358	482,601	7,757	437,830
Planning and research	254,518	254,022	496	166,194
Public defenders	1,077,905	1,070,134	7,771	917,462
Court administrator	4,457,253	4,429,819	27,434	3,905,989
Examiner of titles	117,263	114,660	2,603	108,046
County attorney	1,819,196	1,767,613	51,583	1,546,100
Law library	89,588	89,588	-	94,379
County auditor	3,017,448	2,935,496	81,952	2,583,882
Data processing	5,695	12,171	(6,476)	519,261
County assessor	1,265,182	1,256,172	9,010	1,109,500
Purchasing	379,830	377,488	2,342	333,835
Microfilming	136,684	135,481	1,203	131,874
Recorder	690,936	689,768	1,168	636,616
Surveyor	440,859	404,242	36,617	306,185
Civil service	851,272	763,515	87,757	616,523
Veteran's service	390,689	390,068	621	389,903
Port authority	50,000	50,000	-	25,062
Elections	92,349	90,698	1,651	2,104
Courthouses	1,455,168	1,443,442	11,726	1,380,140
Employee training	219,206	219,005	201	168,631
Total Current	\$ 17,861,360	\$ 17,519,503	\$ 341,857	\$ 15,891,730

(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
GENERAL FUND
YEAR ENDED DECEMBER 31, 1990
WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED DECEMBER 31, 1989

	1990		Variance Favorable (Unfavorable)	1989 Actual
	Budget	Actual		
Expenditures (Continued)				
General government (continued)				
Capital Outlay:				
Court administrator	\$ 21,745	\$ 15,350	\$ 6,395	\$ 21,719
Public defender	-	6,943	(6,943)	-
County attorney	-	3,666	(3,666)	3,075
County auditor	-	-	-	3,600
Data processing	27,422	19,808	7,614	134,242
County assessor	-	-	-	5,181
Purchasing	-	-	-	1,776
Law library	2,145	2,145	-	3,187
Microfilming	-	-	-	1,025
Recorder	1,823	1,823	-	31,210
Surveyor	13,260	16,544	(3,284)	28,076
Civil service	-	-	-	5,860
Courthouses	-	1,177	(1,177)	11,206
Total Capital Outlay	\$ 66,395	\$ 67,456	\$ (1,061)	\$ 250,157
Total General Government	\$ 17,927,755	\$ 17,586,959	\$ 340,796	\$ 16,141,887
Public Safety				
Current:				
Jail building	\$ 168,511	\$ 156,280	\$ 12,231	\$ 162,106
Sheriff	5,319,082	5,251,109	67,973	4,674,642
Boat and water safety	79,883	50,074	29,809	97,531
Medical examiner	162,769	125,932	36,837	128,383
Rescue squad	64,789	65,907	(1,118)	22,708
Emergency management	127,938	126,029	1,909	124,706
Ambulance service	33,778	37,444	(3,666)	35,864
Radio maintenance	328,307	295,755	32,552	265,607
911 system	1,298,036	1,253,905	44,131	1,261,340
Jail prisoners	2,032,556	2,023,156	9,400	1,800,302
Mine inspector	191,328	188,782	2,544	178,730
Safety council	750	750	-	712
Law enforcement service	493,165	486,614	6,551	470,621
Total Current	\$ 10,300,890	\$ 10,061,737	\$ 239,153	\$ 9,223,252

(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
GENERAL FUND
YEAR ENDED DECEMBER 31, 1990
WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED DECEMBER 31, 1989

	1990		Variance Favorable (Unfavorable)	1989 Actual
	Budget	Actual		
Expenditures (Continued)				
Public safety (continued)				
Capital Outlay:				
Sheriff	\$ 17,200	\$ -	\$ 17,200	\$ 9,188
Boat and water safety	10,000	-	10,000	-
Rescue squad	2,665	-	2,665	2,526
Emergency management	-	-	-	4,835
Radio maintenance	-	5,580	(5,580)	-
911 system	-	-	-	2,637
Jail prisoners	-	-	-	2,821
Mine inspector	1,325	1,325	-	-
Law enforcement service	1,700	-	1,700	2,500
Total Capital Outlay	\$ 32,890	\$ 6,905	\$ 25,985	\$ 24,507
Total Public Safety	\$ 10,333,780	\$ 10,068,642	\$ 265,138	\$ 9,247,759
Health				
Current:				
Administration	\$ 1,226,718	\$ 1,187,295	\$ 39,423	\$ 925,763
Nursing	2,550,625	2,098,952	451,673	2,014,123
Environmental health	1,163,276	1,148,182	15,094	1,061,551
Health education	6,169	5,352	817	242,426
Duluth Community Health Center	20,000	20,000	-	19,900
American Indian Fellow- ship Association	20,947	20,946	1	16,568
Risk management	205,890	194,093	11,797	-
Total Current	\$ 5,193,625	\$ 4,674,820	\$ 518,805	\$ 4,280,331
Capital Outlay:				
Administration	\$ 33,077	\$ -	\$ 33,077	\$ 10,137
Environmental health	-	1,365	(1,365)	-
Risk management	1,873	8,640	(6,767)	-
Total Capital Outlay	\$ 34,950	\$ 10,005	\$ 24,945	\$ 10,137
Total Health	\$ 5,228,575	\$ 4,684,825	\$ 543,750	\$ 4,290,468

(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
GENERAL FUND
YEAR ENDED DECEMBER 31, 1990
WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED DECEMBER 31, 1989

	1990		Variance Favorable (Unfavorable)	1989 Actual
	Budget	Actual		
Expenditures (Continued)				
Welfare				
Current:				
Lighthouse for the blind	\$ 250,000	\$ 250,000	\$ -	\$ -
School lunch	15,000	15,000	-	15,000
Mesabi humane society	-	-	-	4,000
Task force on children and youth	91,797	67,123	24,674	23,202
Makinen cemetery	500	500	-	-
Total Welfare	\$ 357,297	\$ 332,623	\$ 24,674	\$ 42,202
Culture and recreation				
Current:				
Memorial day observance	\$ 1,200	\$ 1,200	\$ -	\$ 1,200
Historical society	143,124	143,124	-	143,124
Arrowhead library system	192,816	192,816	-	192,816
Community fairs	1,120	800	320	960
Total Culture and Recreation	\$ 338,260	\$ 337,940	\$ 320	\$ 338,100
Conservation of natural resources				
Current:				
County agent	\$ 399,441	\$ 381,374	\$ 18,067	\$ 335,423
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	-	35,800
Soil conservation - south	30,000	30,000	-	30,000
Natural resources alliance of Minnesota	6,310	6,310	-	6,310
Total Current	\$ 499,751	\$ 481,684	\$ 18,067	\$ 441,533

(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
GENERAL FUND
YEAR ENDED DECEMBER 31, 1990
WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED DECEMBER 31, 1989

	1990		Variance Favorable (Unfavorable)	1989 Actual
	Budget	Actual		
Expenditures (Continued)				
Conservation of natural resources (continued)				
Capital Outlay:				
County agent	\$ 3,161	\$ 11,940	\$ (8,779)	\$ 8,534
Total Capital Outlay	\$ 3,161	\$ 11,940	\$ (8,779)	\$ 8,534
Total Conservation of Natural Resources	\$ 502,912	\$ 493,624	\$ 9,288	\$ 450,067
Economic development				
Current:				
Tourism promotion	\$ 66,960	\$ 66,960	\$ -	\$ 79,460
J.F. Paulucci loan	500,000	500,000	-	-
Arrowhead association	10,000	10,000	-	10,000
Total Economic Development	\$ 576,960	\$ 576,960	\$ -	\$ 89,460
Intergovernmental				
Public Safety	\$ 3,889,701	\$ 3,889,701	\$ -	\$ 3,321,525
Conservation	23,703	15,845	7,858	-
Total Intergovernmental	\$ 3,913,404	\$ 3,905,546	\$ 7,858	\$ 3,321,525
Total Expenditures	\$ 39,178,943	\$ 37,987,119	\$ 1,191,824	\$ 33,921,468
Excess of Revenues Over (Under) Expenditures	\$ (4,146,313)	\$ (2,827,151)	\$ 1,319,162	\$ 3,438,388
Other Financing Sources (Uses)				
Operating transfers in	\$ 300,000	\$ 426,714	\$ 126,714	\$ 70,029
Operating transfers out	(80,000)	(105,000)	(25,000)	(979,045)
Total Other Financing Sources (Uses)	\$ 220,000	\$ 321,714	\$ 101,714	\$ (909,016)
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Uses	\$ (3,926,313)	\$ (2,505,437)	\$ 1,420,876	\$ 2,529,372
Fund Balance - January 1	10,089,605	10,089,605	-	7,840,879
Equity transfers in	-	-	-	-
Equity transfers out	-	-	-	(280,646)
Fund Balance - December 31	\$ 6,163,292	\$ 7,584,168	\$ 1,420,876	\$ 10,089,605

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

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 is used to account for the operation of the various solid waste service areas in the county.

**ST. LOUIS COUNTY, MINNESOTA
COMBINING BALANCE SHEET
ALL SPECIAL REVENUE FUNDS
DECEMBER 31, 1990
WITH COMPARATIVE TOTALS FOR DECEMBER 31, 1989**

	Babbitt Facility	County Housing Authority	Land Investment	Railroad Authority
Assets				
Cash and cash equivalents	\$ 171,227	\$ -	\$ 654,271	\$ -
Change funds	-	-	1,000	-
Receivables				
Taxes				
Unapportioned	-	-	6,315	-
Delinquent	-	480	33,524	6,356
Accounts	-	600	-	-
Due from other funds	-	-	-	-
Due from other governments	-	-	-	215,643
Inventories	-	-	-	-
Prepaid items	-	-	-	-
Total Assets	<u>171,227</u>	<u>\$ 1,080</u>	<u>\$ 695,110</u>	<u>\$ 221,999</u>
Liabilities and Fund Balance				
Liabilities				
Accounts payable	\$ 3,750	\$ -	\$ 55,034	\$ 25,087
Salaries payable	-	-	13,934	-
Compensated absences payable	-	-	6,313	-
Due to other funds	-	-	-	-
Interfund payable	-	636	-	53,516
Due to other governments	-	-	15	3,496
Deferred revenue	-	433	619,814	5,739
Advances from other funds	-	-	-	22,973
Food stamps issuable	-	-	-	-
Total Liabilities	<u>3,750</u>	<u>\$ 1,069</u>	<u>\$ 695,110</u>	<u>\$ 110,811</u>
Fund Balance				
Reserved for change funds	\$ -	\$ -	\$ 1,000	\$ -
Reserved for inventories	-	-	-	-
Reserved for encumbrances	616	-	32,190	1,668
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	166,861	11	(33,190)	109,520
Total Fund Balance	<u>167,477</u>	<u>\$ 11</u>	<u>\$ -</u>	<u>\$ 111,188</u>
Total Liabilities and Fund Balance	<u>\$ 171,227</u>	<u>\$ 1,080</u>	<u>\$ 695,110</u>	<u>\$ 221,999</u>

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

Statement B-1

	Road and Bridge	Social Services	Solid Waste Authorities	Totals	
				1990	1989
\$	10,029,598	\$ 48,957	\$ 2,415,588	\$ 13,319,641	\$ 11,007,763
	1,000	28,025	-	30,025	25,025
	125,847	400,985	20,174	553,321	378,174
	674,245	2,167,777	121,562	3,003,944	2,949,787
	60,423	420,779	57,094	538,896	799,941
	-	-	-	-	108,750
	4,355,016	4,826,808	-	9,397,467	9,783,062
	1,696,220	3,349,803	-	5,046,023	4,354,834
	-	16,996	-	16,996	5,387
\$	<u>16,942,349</u>	<u>11,260,130</u>	<u>2,614,418</u>	<u>31,906,313</u>	<u>29,412,723</u>
\$	928,873	\$ 2,422,951	\$ 158,856	\$ 3,594,551	\$ 3,714,288
	583,608	747,873	7,749	1,353,164	1,152,565
	93,028	178,385	781	278,507	300,802
	-	27,239	-	27,239	-
	-	293,757	-	347,909	1,341,826
	53,399	22,186	-	79,096	217,372
	866,524	3,057,577	221,533	4,771,620	4,522,371
	-	-	-	22,973	-
	-	3,349,803	-	3,349,803	2,813,735
\$	<u>2,525,432</u>	<u>10,099,771</u>	<u>388,919</u>	<u>13,824,862</u>	<u>14,062,959</u>
\$	1,000	\$ 28,025	-	\$ 30,025	\$ 25,025
	1,696,220	-	-	1,696,220	1,541,099
	345,056	149,301	52,067	580,898	1,194,833
	-	16,996	-	16,996	5,387
	254,237	402,014	-	656,251	642,984
	-	6,000	-	6,000	6,000
	-	-	-	-	-
	-	48,957	-	48,957	42,648
	230,283	-	-	230,283	338,391
	10,700,000	-	-	10,700,000	-
	1,099,664	-	-	1,099,664	-
	90,457	509,066	2,173,432	3,016,157	11,553,397
\$	<u>14,416,917</u>	<u>1,160,359</u>	<u>2,225,499</u>	<u>18,081,451</u>	<u>15,349,764</u>
\$	<u>16,942,349</u>	<u>11,260,130</u>	<u>2,614,418</u>	<u>31,906,313</u>	<u>29,412,723</u>

ST. LOUIS COUNTY, MINNESOTA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
ALL SPECIAL REVENUE FUNDS
YEAR ENDED DECEMBER 31, 1990
WITH COMPARATIVE TOTALS FOR YEAR ENDED DECEMBER 31, 1989

	Babbitt Facility	County Housing Authority	Land Investment	Railroad Authority
Revenues				
Taxes	\$ -	\$ 0	\$ 603,833	\$ 982,097
Licenses and permits	-	-	-	-
Intergovernmental	-	9,787	193,270	3,584
Charges for services	-	-	-	38,290
Interest on Investments	-	-	-	-
Gifts and contributions	-	-	-	5,028
Miscellaneous	26,156	-	1,114,408	1,168,993
Total Revenues	\$ 26,156	\$ 9,787	\$ 1,911,511	\$ 2,197,992
Expenditures				
Current:				
Highways and streets	\$ -	\$ -	\$ -	\$ -
Welfare	-	-	-	-
Sanitation	-	-	-	-
Conservation of natural resources	-	-	0	-
Economic development	34,107	0	-	0
Capital outlay:				
Highway and streets	-	-	-	-
Welfare	-	-	-	-
Sanitation	-	-	-	-
Conservation of natural resources	-	-	1,323,509	-
Economic development	-	-	-	1,059,353
Debt service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	\$ 34,107	\$ 0	\$ 1,323,509	\$ 1,059,353
Excess of Revenues Over (Under) Expenditures	\$ (7,951)	\$ 9,787	\$ 588,002	\$ 1,138,639
Other Financing Sources (Uses)				
Operating transfers in	\$ -	\$ -	\$ -	\$ 0
Operating transfers out	-	-	-	-
General obligation bond proceeds	-	-	-	-
Proceeds of refunding debt	-	-	-	-
Payment to refunded debt escrow agent	-	-	-	-
Total Other Financing Sources (Uses)	\$ -	\$ -	\$ -	\$ -
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	\$ (7,951)	\$ 9,787	\$ 588,002	\$ 1,138,639
Fund Balance - January 1	175,428	0	0	0
Increase (decrease) in reserved for inventories	-	-	-	-
Equity transfer in	-	-	-	-
Equity transfer out	-	-	-	-
Fund Balance - December 31	\$ 167,477	\$ 9,787	\$ 588,002	\$ 1,138,639

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

Statement B-2

	Road and Bridge	Social Services	Solid Waste Authorities	Totals	
				1990	1989
\$	12,724,696	\$ 19,283,484	\$ 1,112,925	\$ 33,585,324	\$ 27,907,831
	10,075	-	-	10,075	9,250
	16,690,015	63,307,440	1,148,101	82,734,353	86,742,109
	260,714	1,419,807	55,283	1,739,388	1,943,052
	-	-	96,835	96,835	-
	-	-	-	38,290	-
	411,257	3,999,362	475,465	5,110,538	5,017,429
\$	<u>30,096,757</u>	<u>\$ 88,010,093</u>	<u>\$ 2,888,609</u>	<u>\$ 123,314,803</u>	<u>\$ 121,619,671</u>
\$	26,975,949	\$ -	\$ -	\$ 26,975,949	\$ 32,150,374
	-	88,799,918	-	88,799,918	86,265,248
	-	-	2,301,621	2,301,621	992,780
	-	-	-	1,311,908	1,456,803
	-	-	-	1,108,165	472,944
	1,959,832	-	-	1,959,832	3,809,052
	-	152,299	-	152,299	131,260
	-	-	25,910	25,910	-
	-	-	-	11,601	66,360
	-	-	-	1,895	1,565,000
	-	32,247	-	32,247	-
	-	17	-	17	17,055
\$	<u>28,935,781</u>	<u>\$ 88,984,481</u>	<u>\$ 2,327,531</u>	<u>\$ 122,681,362</u>	<u>\$ 126,926,876</u>
\$	<u>1,160,976</u>	<u>\$ (974,388)</u>	<u>\$ 561,078</u>	<u>\$ 633,441</u>	<u>\$ (5,307,205)</u>
\$	-	\$ -	\$ -	\$ -	\$ 850,937
	-	-	(733,773)	(733,773)	(920,028)
	2,033,087	-	-	2,033,087	4,048,429
	-	-	-	-	1,015,000
	-	-	-	-	(1,015,000)
\$	<u>2,033,087</u>	<u>\$ -</u>	<u>\$ (733,773)</u>	<u>\$ 1,299,314</u>	<u>\$ 3,979,338</u>
\$	3,194,063	\$ (974,388)	\$ (172,695)	\$ 1,932,755	\$ (1,327,867)
	11,067,733	2,134,747	1,754,383	15,349,764	17,306,016
	155,121	-	-	155,121	(448,934)
	-	-	643,811	643,811	451,643
	-	-	-	-	(631,094)
\$	<u>14,416,917</u>	<u>\$ 1,160,359</u>	<u>\$ 2,225,499</u>	<u>\$ 18,081,451</u>	<u>\$ 15,349,764</u>

ST. LOUIS COUNTY, MINNESOTA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
BABBITT FACILITY SPECIAL REVENUE FUND
YEAR ENDED DECEMBER 31, 1990
WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED DECEMBER 31, 1989

	1990		Variance Favorable (Unfavorable)	1989 Actual
	Budget	Actual		
Revenues				
Miscellaneous	\$ 32,000	\$ 26,156	\$ (5,844)	\$ 16,429
Total Revenues	<u>\$ 32,000</u>	<u>\$ 26,156</u>	<u>\$ (5,844)</u>	<u>\$ 16,429</u>
Expenditures				
Current:				
Economic development	\$ 58,947	\$ 34,107	\$ 24,840	\$ 85,535
Debt service:				
Interest and fiscal charges	-	-	-	17,055
Total Expenditures	<u>\$ 58,947</u>	<u>\$ 34,107</u>	<u>\$ 24,840</u>	<u>\$ 102,590</u>
Excess of Revenues Over (Under) Expenditures	<u>\$ (26,947)</u>	<u>\$ (7,951)</u>	<u>\$ 18,996</u>	<u>\$ (86,161)</u>
Other Financing Sources (Uses)				
Operating transfers in	-	-	-	60,000
Operating transfers out	-	-	-	(250,054)
Proceeds of refunding debt	-	-	-	1,015,000
Payment to refunded debt escrow agent	-	-	-	(1,015,000)
Total Other Financing Sources (Uses)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (190,054)</u>
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	<u>\$ (26,947)</u>	<u>\$ (7,951)</u>	<u>\$ 18,996</u>	<u>\$ (276,215)</u>
Fund Balance - January 1	175,428	175,428	-	-
Equity transfer in	-	-	-	451,643
Fund Balance - December 31	<u>\$ 148,481</u>	<u>\$ 167,477</u>	<u>\$ 18,996</u>	<u>\$ 175,428</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
COUNTY HOUSING AUTHORITY
YEAR ENDED DECEMBER 31, 1990
WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED DECEMBER 31, 1989

	1990		Variance Favorable (Unfavorable)	1989 Actual
	Budget	Actual		
Revenues				
Taxes	\$ -	\$ 6,920	\$ 6,920	\$ 7,278
Intergovernmental	-	2,867	2,867	2,472
Total Revenues	\$ -	\$ 9,787	\$ 9,787	\$ 9,750
Expenditures				
Current:				
Economic development				
Other services and charges	\$ 10,000	\$ 16,600	\$ (6,600)	\$ 2,926
Total Expenditures	\$ 10,000	\$ 16,600	\$ (6,600)	\$ 2,926
Excess of Revenues Over (Under) Expenditures	\$ (10,000)	\$ (6,813)	\$ 3,187	\$ 6,824
Fund Balance - January 1	6,824	6,824	-	-
Fund Balance - December 31	\$ (3,176)	\$ 11	\$ 3,187	\$ 6,824

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
 LAND INVESTMENT SPECIAL REVENUE FUND
 YEAR ENDED DECEMBER 31, 1990
 WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED DECEMBER 31, 1989

	1990		Variance Favorable (Unfavorable)	1989 Actual
	Budget	Actual		
Revenues				
Taxes	\$ 313,127	\$ 317,305	\$ 4,178	\$ 371,833
Intergovernmental	783,583	603,833	(179,750)	742,731
Miscellaneous	201,900	193,270	(8,630)	337,960
Total Revenues	<u>\$ 1,298,610</u>	<u>\$ 1,114,408</u>	<u>\$ (184,202)</u>	<u>\$ 1,452,524</u>
Expenditures				
Current:				
Conservation of natural resources				
Personal services	\$ 720,423	\$ 753,857	\$ (33,434)	\$ 925,933
Other services and charges	594,769	378,847	215,922	440,179
Supplies	148,041	179,204	(31,163)	90,691
Total Current Expenditures	<u>\$ 1,463,233</u>	<u>\$ 1,311,908</u>	<u>\$ 151,325</u>	<u>\$ 1,456,803</u>
Capital Outlay:				
Conservation of natural resources	11,445	11,601	(156)	66,360
Total Expenditures	<u>\$ 1,474,678</u>	<u>\$ 1,323,509</u>	<u>\$ 151,169</u>	<u>\$ 1,523,163</u>
Excess of Revenues Over (Under) Expenditures	<u>\$ (176,068)</u>	<u>\$ (209,101)</u>	<u>\$ (33,033)</u>	<u>\$ (70,639)</u>
Fund Balance - January 1	<u>209,101</u>	<u>209,101</u>	<u>-</u>	<u>279,740</u>
Fund Balance - December 31	<u>\$ 33,033</u>	<u>\$ -</u>	<u>\$ (33,033)</u>	<u>\$ 209,101</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
RAILROAD AUTHORITY SPECIAL REVENUE FUND
YEAR ENDED DECEMBER 31, 1990
WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED DECEMBER 31, 1989

	1990		Variance Favorable (Unfavorable)	1989 Actual
	Budget	Actual		
Revenues				
Taxes	\$ 150,000	\$ 139,994	\$ (10,006)	\$ -
Intergovernmental	730,133	982,097	251,964	1,847,669
Charges for services	-	3,584	3,584	-
Gifts and contributions	37,500	38,290	790	-
Miscellaneous	5,000	5,028	28	42,614
Total Revenues	\$ 922,633	\$ 1,168,993	\$ 246,360	\$ 1,890,283
Expenditures				
Current:				
Economic development				
Other services and charges	\$ 922,633	\$ 1,046,463	\$ (123,830)	\$ 374,805
Supplies	-	10,995	(10,995)	9,678
Total Current Expenditures	\$ 922,633	\$ 1,057,458	\$ (134,825)	\$ 384,483
Capital Outlay:				
Economic development	-	1,895	(1,895)	1,565,000
Total Expenditures	\$ 922,633	\$ 1,059,353	\$ (136,720)	\$ 1,949,483
Excess of Revenues Over (Under) Expenditures	\$ -	\$ 109,640	\$ 109,640	\$ (59,200)
Other Financing Sources (Uses)				
Operating transfers in	-	-	-	40,000
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	\$ -	\$ 109,640	\$ 109,640	\$ (19,200)
Fund Balance - January 1	1,548	1,548	-	20,748
Fund Balance - December 31	\$ 1,548	\$ 111,188	\$ 109,640	\$ 1,548

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
 ROAD AND BRIDGE SPECIAL REVENUE FUND
 YEAR ENDED DECEMBER 31, 1990
 WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED DECEMBER 31, 1989

	1990		Variance Favorable (Unfavorable)	1989 Actual
	Budget	Actual		
Revenues				
Taxes	\$ 12,663,803	\$ 12,724,696	\$ 60,893	\$ 9,623,947
Licenses and permits	10,000	10,075	75	9,250
Intergovernmental	20,534,246	16,690,015	(3,844,231)	20,076,856
Charges for services	229,484	260,714	31,230	175,694
Miscellaneous	318,500	411,257	92,757	476,863
Total Revenues	<u>\$ 33,756,033</u>	<u>\$ 30,096,757</u>	<u>\$ (3,659,276)</u>	<u>\$ 30,362,610</u>
Expenditures				
Current:				
Highways and streets				
Administration	\$ 3,995,380	\$ 4,013,410	\$ (18,030)	\$ 3,583,209
Road maintenance	9,662,906	9,497,580	165,326	8,765,474
Road construction	15,622,269	8,138,626	7,483,643	15,095,538
Equipment maintenance and shops	5,080,290	5,209,281	(128,991)	4,698,966
Other	368,390	117,052	251,338	7,187
Total Current Expenditures	<u>\$ 34,729,235</u>	<u>\$ 26,975,949</u>	<u>\$ 7,753,286</u>	<u>\$ 32,150,374</u>
Capital Outlay:				
Highways and streets	1,975,384	1,959,832	15,552	3,809,052
Total Expenditures	<u>\$ 36,704,619</u>	<u>\$ 28,935,781</u>	<u>\$ 7,768,838</u>	<u>\$ 35,959,426</u>
Excess of Revenues Over (Under) Expenditures	<u>\$ (2,948,586)</u>	<u>\$ 1,160,976</u>	<u>\$ 4,109,562</u>	<u>\$ (5,596,816)</u>
Other Financing Sources (Uses)				
Operating transfers in	-	-	-	695,274
Operating transfers out	-	-	-	(669,974)
General obligation bond proceeds	2,000,000	2,033,087	33,087	4,048,429
Total Other Financing Sources (Uses)	<u>\$ 2,000,000</u>	<u>\$ 2,033,087</u>	<u>\$ 33,087</u>	<u>\$ 4,073,729</u>
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	<u>\$ (948,586)</u>	<u>\$ 3,194,063</u>	<u>\$ 4,142,649</u>	<u>\$ (1,523,087)</u>
Fund Balance - January 1	11,067,733	11,067,733	-	13,039,754
Increase (decrease) in reserved for inventories	-	155,121	155,121	(448,934)
Fund Balance - December 31	<u>\$ 10,119,147</u>	<u>\$ 14,416,917</u>	<u>\$ 4,297,770</u>	<u>\$ 11,067,733</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
 SOCIAL SERVICES SPECIAL REVENUE FUND
 YEAR ENDED DECEMBER 31, 1990
 WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED DECEMBER 31, 1989

	1990		Variance Favorable (Unfavorable)	1989 Actual
	Budget	Actual		
Revenues				
Taxes	\$ 18,811,175	\$ 19,283,484	\$ 472,309	\$ 16,778,548
Intergovernmental	63,804,575	63,307,440	(497,135)	63,447,161
Charges for services	1,602,500	1,419,807	(182,693)	1,767,358
Miscellaneous	2,866,619	3,999,362	1,132,743	3,735,421
Total Revenues	\$ 87,084,869	\$ 88,010,093	\$ 925,224	\$ 85,728,488
Expenditures				
Current:				
Welfare				
Support Services -				
Undistributed	\$ 743,123	\$ 483,977	\$ 259,146	\$ 599,637
Income Maintenance				
Child Support				
Enforcement	2,313,995	2,209,605	104,390	2,123,613
General Assistance				
Maintenance	5,104,254	4,812,594	291,660	5,103,812
General Assistance				
Medical Care	1,019,046	1,100,175	(81,129)	1,777,481
Work Readiness	3,464,326	4,258,969	(794,643)	3,313,361
Minnesota Supplemental				
Aid	3,791,159	3,892,728	(101,569)	3,186,179
Aid to Families with				
Dependent Children	25,291,360	25,316,945	(25,585)	25,322,881
Medical Assistance	6,495,371	6,662,926	(167,555)	6,377,531
Other Income Maintenance				
Programs	1,326,613	196,182	1,130,431	73,650
Food Stamps	1,471,320	1,373,105	98,215	1,605,191
Social Services				
Program Administration	4,224,042	4,360,959	(136,917)	4,062,062
Stride Program	1,531,355	1,609,281	(77,926)	1,521,125
Child Day Care	3,253,760	3,213,723	40,037	3,195,839
Model Employment				
Program	150,000	157,857	(7,857)	298,753
Services to Families				
with Children	11,280,583	11,193,750	86,833	10,392,425
Child Day Care				
Licensing	296,153	315,577	(19,424)	261,267
Chemical Dependency	2,136,861	2,101,367	35,494	2,146,924
Mental Health	3,117,449	3,944,237	(826,788)	2,893,742
Developmentally				
Disabled	5,471,339	5,428,675	42,664	4,986,166
Services to Adults/				
Elderly	4,373,682	4,430,050	(56,368)	5,373,368
Services to Others	1,626,919	1,737,236	(110,317)	1,650,241
Total Current				
Expenditures	\$ 88,482,710	\$ 88,799,918	\$ (317,208)	\$ 86,265,248

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
SOCIAL SERVICE SPECIAL REVENUE FUND
YEAR ENDED DECEMBER 31, 1990
WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED DECEMBER 31, 1989

	1990		Variance Favorable (Unfavorable)	1989 Actual
	Budget	Actual		
Capital Outlay	\$ -	\$ 152,299	\$ (152,299)	\$ 131,260
Debt Service				
Principal	\$ -	\$ 32,247	\$ (32,247)	\$ -
Interest and fiscal charges	-	17	(17)	-
Total Expenditures	\$ 88,482,710	\$ 88,984,481	\$ (501,771)	\$ 86,396,508
Excess of Revenues Over (Under) Expenditures	\$ (1,397,841)	\$ (974,388)	\$ 423,453	\$ (668,020)
Other Financing Sources (Uses)				
Operating transfers in	-	-	-	55,663
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Uses	\$ (1,397,841)	\$ (974,388)	\$ 423,453	\$ (612,357)
Fund Balance - January 1	2,134,747	2,134,747	-	2,747,104
Fund Balance - December 31	\$ 736,906	\$ 1,160,359	\$ 423,453	\$ 2,134,747

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
SOLID WASTE AUTHORITIES SPECIAL REVENUE FUND
YEAR ENDED DECEMBER 31, 1990
WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED DECEMBER 31, 1989

	1990		Variance Favorable (Unfavorable)	1989 Actual
	Budget	Actual		
Revenues				
Taxes	\$ 1,036,698	\$ 1,112,925	\$ 76,227	\$ 1,126,225
Intergovernmental	1,299,032	1,148,101	(150,931)	625,220
Charges for services	-	55,283	55,283	-
Interest on investments	61,609	96,835	35,226	-
Miscellaneous	454,884	475,465	20,581	408,142
Total Revenues	\$ 2,852,223	\$ 2,888,609	\$ 36,386	\$ 2,159,587
Expenditures				
Current:				
Sanitation				
Brookston transfer station	\$ 327,667	\$ 326,475	\$ 1,192	\$ 54,642
Cook transfer station	311,025	297,199	13,826	76,717
East Mesaba landfill	90,086	54,232	35,854	44,124
Hibbing/Lavell landfill	592,198	345,459	246,739	316,188
Ely transfer station	217,299	201,599	15,700	99,420
Aurora/Hoyt Lakes transfer station	284,360	237,983	46,377	90,644
Tower/Soudan transfer station	125,000	124,058	942	23,905
Solid waste management	930,664	714,616	216,048	287,140
Total Current Expenditures	\$ 2,878,299	\$ 2,301,621	\$ 576,678	\$ 992,780
Capital Outlay:				
Sanitation				
Solid waste management	25,910	25,910	-	-
Total Expenditures	\$ 2,904,209	\$ 2,327,531	\$ 576,678	\$ 992,780
Excess of Revenues Over (Under) Expenditures	\$ (51,986)	\$ 561,078	\$ 613,064	\$ 1,166,807
Other Financing Sources (Uses)				
Operating transfers out	(733,773)	(733,773)	-	-
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Uses	\$ (785,759)	\$ (172,695)	\$ 613,064	\$ 1,166,807
Fund Balance - January 1	1,754,383	1,754,383	-	1,218,670
Equity transfers in	643,811	643,811	-	-
Equity transfers out	-	-	-	(631,094)
Fund Balance - December 31	\$ 1,612,435	\$ 2,225,499	\$ 613,064	\$ 1,754,383

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 AND 1989 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.

SOLID WASTE SERIES E

1989 bond sold for the purpose of financing solid waste transfer stations.

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, 1990
 WITH COMPARATIVE TOTALS FOR YEAR ENDED DECEMBER 31, 1989

	<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>Totals</u>	
						1990	1989
<u>Assets</u>							
Cash and cash equivalents	\$ 1,391	\$ 154,863	\$ 32,688	\$ 12,114	\$ 47,816	\$ 248,872	\$ 35,615
Receivables							
Taxes							
Unapportioned	1,062	7,562	3,470	1,153	1,394	14,641	-
Delinquent	<u>3,474</u>	<u>24,725</u>	<u>11,999</u>	<u>4,143</u>	<u>4,556</u>	<u>48,897</u>	-
Total Assets	<u>\$ 5,927</u>	<u>\$ 187,150</u>	<u>\$ 48,157</u>	<u>\$ 17,410</u>	<u>\$ 53,766</u>	<u>\$ 312,410</u>	<u>\$ 35,615</u>
<u>Liabilities and Fund Balance</u>							
Liabilities:							
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,481
Accrued interest payable	-	5,670	-	-	-	5,670	32,134
Deferred revenue	<u>3,136</u>	<u>22,323</u>	<u>10,834</u>	<u>3,741</u>	<u>4,114</u>	<u>44,148</u>	-
Total Liabilities	<u>\$ 3,136</u>	<u>\$ 27,993</u>	<u>\$ 10,834</u>	<u>\$ 3,741</u>	<u>\$ 4,114</u>	<u>\$ 49,818</u>	<u>\$ 35,615</u>
Fund Balance							
Unreserved-undesignated	<u>2,791</u>	<u>159,157</u>	<u>37,323</u>	<u>13,669</u>	<u>49,652</u>	<u>262,592</u>	-
Total Liabilities and Fund Balance	<u>\$ 5,927</u>	<u>\$ 187,150</u>	<u>\$ 48,157</u>	<u>\$ 17,410</u>	<u>\$ 53,766</u>	<u>\$ 312,410</u>	<u>\$ 35,615</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, 1990
 WITH COMPARATIVE TOTALS FOR YEAR ENDED DECEMBER 31, 1989

	Babbitt	Capital	Solid	Solid	Correctional	Totals	
	Facility Refunding	Equipment Notes	Waste Series A	Waste Series E	Facilities Bond	1990	1989
Revenues:							
Taxes	\$ 75,570	\$ 537,929	\$ 268,767	\$ 91,565	\$ 99,138	\$ 1,072,969	\$ -
Intergovernmental	49,214	350,051	162,946	57,928	64,514	684,653	-
Total Revenues	<u>\$ 124,784</u>	<u>\$ 887,980</u>	<u>\$ 431,713</u>	<u>\$ 149,493</u>	<u>\$ 163,652</u>	<u>\$ 1,757,622</u>	<u>\$ -</u>
Expenditures							
Debt service:							
Principal	\$ 20,000	\$ 200,000	\$ 145,000	\$ 55,000	\$ -	\$ 420,000	\$ 333,414
Interest and fiscal charges	101,993	528,823	249,390	80,824	114,000	1,075,030	417,467
Total Expenditures	<u>\$ 121,993</u>	<u>\$ 728,823</u>	<u>\$ 394,390</u>	<u>\$ 135,824</u>	<u>\$ 114,000</u>	<u>\$ 1,495,030</u>	<u>\$ 750,881</u>
Excess of Revenues Over (Under) Expenditures	\$ 2,791	\$ 159,157	\$ 37,323	\$ 13,669	\$ 49,652	\$ 262,592	\$ (750,881)
Other Financing Sources (Uses)							
Operating transfers in	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 750,881
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	\$ 2,791	\$ 159,157	\$ 37,323	\$ 13,669	\$ 49,652	\$ 262,592	\$ -
Fund Balance - January 1	-	-	-	-	-	-	-
Fund Balance - December 31	<u>\$ 2,791</u>	<u>\$ 159,157</u>	<u>\$ 37,323</u>	<u>\$ 13,669</u>	<u>\$ 49,652</u>	<u>\$ 262,592</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
BABBITT FACILITY REFUNDING DEBT SERVICE FUND
YEAR ENDED DECEMBER 31, 1990
WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED DECEMBER 31, 1989

	1990		Variance Favorable (Unfavorable)	1989 Actual
	Budget	Actual		
Revenues				
Taxes	\$ 78,886	\$ 75,570	\$ (3,316)	\$ -
Intergovernmental	49,214	49,214	-	-
Total Revenues	\$ 128,100	\$ 124,784	\$ (3,316)	\$ -
Expenditures				
Debt Service:				
Principal	\$ 20,000	\$ 20,000	\$ -	\$ 133,414
Interest and fiscal charges	108,100	101,993	6,107	116,640
Total Expenditures	\$ 128,100	\$ 121,993	\$ 6,107	\$ 250,054
Excess of Revenues Over (Under) Expenditures	\$ -	\$ 2,791	\$ 2,791	\$ (250,054)
Other Financing Sources (Uses)				
Operating transfers in	\$ -	\$ -	\$ -	\$ 250,054
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	\$ -	\$ 2,791	\$ 2,791	\$ -
Fund Balance - January 1	-	-	-	-
Fund Balance - December 31	\$ -	\$ 2,791	\$ 2,791	\$ -

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
 CAPITAL EQUIPMENT NOTES DEBT SERVICE FUND
 YEAR ENDED DECEMBER 31, 1990
 WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED DECEMBER 31, 1989

	1990		Variance Favorable (Unfavorable)	1989 Actual
	Budget	Actual		
Revenues				
Taxes	\$ 541,519	\$ 537,929	\$ (3,590)	\$ -
Intergovernmental	350,051	350,051	-	-
Total Revenues	<u>\$ 891,570</u>	<u>\$ 887,980</u>	<u>\$ (3,590)</u>	<u>\$ -</u>
Expenditures				
Debt Service:				
Principal	\$ 200,000	\$ 200,000	\$ -	\$ 200,000
Interest and fiscal charges	611,545	528,823	82,722	300,827
Total Expenditures	<u>\$ 811,545</u>	<u>\$ 728,823</u>	<u>\$ 82,722</u>	<u>\$ 500,827</u>
Excess of Revenues Over (Under) Expenditures	<u>\$ 80,025</u>	<u>\$ 159,157</u>	<u>\$ 79,132</u>	<u>\$ (500,827)</u>
Other Financing Sources (Uses)				
Operating transfers in	\$ -	\$ -	\$ -	\$ 500,827
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	<u>\$ 80,025</u>	<u>\$ 159,157</u>	<u>\$ 79,132</u>	<u>\$ -</u>
Fund Balance - January 1	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance - December 31	<u>\$ 80,025</u>	<u>\$ 159,157</u>	<u>\$ 79,132</u>	<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
 SOLID WASTE SERIES A DEBT SERVICE FUND
 YEAR ENDED DECEMBER 31, 1990

	1990		Variance Favorable (Unfavorable)
	Budget	Actual	
Revenues			
Taxes	\$ 260,891	\$ 268,767	\$ 7,876
Intergovernmental	162,946	162,946	-
Total Revenues	<u>\$ 423,837</u>	<u>\$ 431,713</u>	<u>\$ 7,876</u>
Expenditures			
Debt Service:			
Principal	\$ 145,000	\$ 145,000	\$ -
Interest and fiscal charges	278,837	249,390	29,447
Total Expenditures	<u>\$ 423,837</u>	<u>\$ 394,390</u>	<u>\$ 29,447</u>
Excess of Revenues Over (Under) Expenditures	\$ -	\$ 37,323	\$ 37,323
Fund Balance - January 1	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance - December 31	<u>\$ -</u>	<u>\$ 37,323</u>	<u>\$ 37,323</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
 SOLID WASTE SERIES E DEBT SERVICE FUND
 YEAR ENDED DECEMBER 31, 1990

	1990		Variance Favorable (Unfavorable)
	Budget	Actual	
Revenues			
Taxes	\$ 92,808	\$ 91,565	\$ (1,243)
Intergovernmental	57,928	57,928	-
Total Revenues	<u>\$ 150,736</u>	<u>\$ 149,493</u>	<u>\$ (1,243)</u>
Expenditures			
Debt Service:			
Principal	\$ 55,000	\$ 55,000	\$ -
Interest and fiscal charges	95,736	80,824	14,912
Total Expenditures	<u>\$ 150,736</u>	<u>\$ 135,824</u>	<u>\$ 14,912</u>
Excess of Revenues Over (Under) Expenditures	\$ -	\$ 13,669	\$ 13,669
Fund Balance - January 1	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance - December 31	<u>\$ -</u>	<u>\$ 13,669</u>	<u>\$ 13,669</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
 CORRECTIONAL FACILITIES BOND DEBT SERVICE FUND
 YEAR ENDED DECEMBER 31, 1990

	1990		Variance Favorable (Unfavorable)
	Budget	Actual	
Revenues			
Taxes	\$ 103,486	\$ 99,138	\$ (4,348)
Intergovernmental	64,514	64,514	-
Total Revenues	<u>\$ 168,000</u>	<u>\$ 163,652</u>	<u>\$ (4,348)</u>
Expenditures			
Debt Service:			
Interest and fiscal charges	\$ 168,000	\$ 114,000	\$ 54,000
Excess of Revenues Over (Under) Expenditures	\$	\$ 49,652	\$ 49,652
Fund Balance - January 1	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance - December 31	<u>\$ -</u>	<u>\$ 49,652</u>	<u>\$ 49,652</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 courthouse 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.

JAIL BOND

To account for proceeds of an interim jail financing bond.

ST. LOUIS COUNTY, MINNESOTA
 COMBINING BALANCE SHEET
 CAPITAL PROJECTS FUND
 DECEMBER 31, 1990
 WITH COMPARATIVE AMOUNTS AT DECEMBER 31, 1989

Statement D-1

	Court Houses	Landfill Closures	Solid Waste Transfer Stations	Jail Bond	Totals	
					1990	1989
Assets						
Cash and cash equivalents	\$ 1,303,743	\$ 894,757	\$ 291,306	\$ 164,719	\$ 2,654,525	\$ 3,269,426
Investments	-	-	-	1,627,178	1,627,178	5,009,221
Receivables						
Taxes						
Unapportioned	6,186	-	-	-	6,186	7,130
Delinquent	36,829	-	-	-	36,829	41,876
Accounts	862	-	-	-	862	20,245
Total Assets	\$ 1,347,620	\$ 894,757	\$ 291,306	\$ 1,791,897	\$ 4,325,580	\$ 8,347,898
Liabilities and Fund Balance						
Liabilities						
Accounts payable	\$ 222,420	\$ 150,337	\$ 105,126	\$ 15,083	\$ 492,966	\$ 486,795
Due to other funds	-	-	-	-	-	108,750
Deferred revenue	110,435	-	-	-	110,435	37,928
Total Liabilities	\$ 332,855	\$ 150,337	\$ 105,126	\$ 15,083	\$ 603,401	\$ 633,473
Fund Balance						
Unreserved - undesignated	\$ 1,014,765	\$ 744,420	\$ 186,180	\$ 1,776,814	\$ 3,722,179	\$ 7,714,425
Total Liabilities and Fund Balance	\$ 1,347,620	\$ 894,757	\$ 291,306	\$ 1,791,897	\$ 4,325,580	\$ 8,347,898

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, 1990
WITH COMPARATIVE AMOUNTS FOR YEAR ENDED DECEMBER 31, 1989

	Court Houses	Landfill Closures	Solid Waste Transfer Stations	Jail Bond	Totals	
					1990	1989
Revenues						
Taxes	\$ 280,815	\$ -	\$ -	\$ -	\$ 280,815	\$ 500,894
Intergovernmental	194,375	-	-	-	194,375	434,063
Interest on investments	35,591	106,404	101,297	132,589	375,881	99,326
Miscellaneous	-	-	-	-	-	553
Total Revenues	\$ 510,781	\$ 106,404	\$ 101,297	\$ 132,589	\$ 851,071	\$ 1,034,836
Expenditures						
Current:						
General government	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 122,973
Capital Outlay:						
General government	371,758	-	-	-	371,758	1,031,938
Public safety	490,963	-	-	117,616	608,579	1,221,796
Highways and streets	498,815	-	-	-	498,815	440,901
Sanitation	-	1,003,252	2,360,913	-	3,364,165	705,401
Total Expenditures	\$ 1,361,536	\$ 1,003,252	\$ 2,360,913	\$ 117,616	\$ 4,843,317	\$ 3,523,009
Excess of Revenues Over (Under) Expenditures	\$ (850,755)	\$ (896,848)	\$ (2,259,616)	\$ 14,973	\$ (3,992,246)	\$ (2,488,173)
Other Financing Sources (Uses)						
Operating transfers in	\$ -	\$ -	\$ 100,000	\$ -	\$ 100,000	\$ 280,047
Operating transfers out	-	(100,000)	-	-	(100,000)	(17,459)
General obligation bond proceeds	-	-	-	-	-	6,747,620
Total Other Financing Sources (Uses)	\$ -	\$ (100,000)	\$ 100,000	\$ -	\$ -	\$ 7,010,208
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	\$ (850,755)	\$ (996,848)	\$ (2,159,616)	\$ 14,973	\$ (3,992,246)	\$ 4,522,035
Fund Balance - January 1	1,865,520	1,741,268	2,345,796	1,761,841	7,714,425	3,221,732
Equity transfers out	-	-	-	-	-	(29,342)
Fund Balance - December 31	1,014,765	744,420	186,180	1,776,814	3,722,179	7,714,425

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

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.

ST. LOUIS COUNTY, MINNESOTA
 COMBINING BALANCE SHEET
 ALL ENTERPRISE FUNDS
 DECEMBER 31, 1990
 WITH COMPARATIVE TOTALS FOR DECEMBER 31, 1989

Statement E-1

	Chris Jensen	Nopemng	Residential Treatment Center	Totals	
				1990	1989
<u>Assets</u>					
Current assets					
Change funds	\$ 500	\$ 500	\$ -	\$ 1,000	\$ 1,000
Receivables					
Taxes					
Unapportioned	15,957	9,623	-	25,580	17,354
Delinquent	85,205	49,662	-	134,867	127,786
Accounts	1,595,901	1,317,137	14,760	2,927,798	3,121,010
Due from other governments	64,475	41,496	-	105,971	268,884
Inventories	71,318	111,847	-	183,165	168,611
Total current assets	\$ 1,833,356	\$ 1,530,265	\$ 14,760	\$ 3,378,381	\$ 3,704,645
Restricted assets					
Improvement account					
Cash and cash equivalents	\$ -	\$ 186,106	\$ -	\$ 186,106	\$ 365,599
Debt service					
Cash and cash equivalents	3,636	952	-	4,588	23,398
Investments	600,000	-	-	600,000	712,209
Accrued interest receivable	1,042	-	-	1,042	314
Total restricted assets	\$ 604,678	\$ 187,058	\$ -	\$ 791,736	\$ 1,101,520
Fixed assets					
Land	\$ 130,656	\$ 132,086	\$ -	\$ 262,742	\$ 272,242
Buildings and structures	5,106,597	3,246,395	-	8,352,992	8,325,859
Improvements other than buildings	29,273	318,739	-	348,012	29,273
Machinery and equipment	406,095	351,420	-	757,515	687,878
Total fixed assets	\$ 5,672,621	\$ 4,048,640	\$ -	\$ 9,721,261	\$ 9,315,252
Less accumulated depreciation	\$ (853,267)	\$ (1,799,985)	\$ -	\$ (2,653,252)	\$ (2,536,664)
Net fixed assets	\$ 4,819,354	\$ 2,248,655	\$ -	\$ 7,068,009	\$ 6,778,588
Total Assets	\$ 7,257,388	\$ 3,965,978	\$ 14,760	\$ 11,238,126	\$ 11,584,753

(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, 1990
WITH COMPARATIVE TOTALS FOR DECEMBER 31, 1989

	Chris Jensen	Noperning	Residential Treatment Center	Totals	
				1990	1989
Liabilities and Fund Equity					
Liabilities					
Current liabilities (payable from current assets)					
Accounts payable	\$ 50,573	\$ 73,420	\$ -	\$ 123,993	\$ 240,351
Salaries payable	353,626	291,053	-	644,679	554,709
Compensated absences payable	270,890	245,607	1,005	517,502	512,568
Interfund payable	916,007	1,007,063	41,918	1,964,988	1,914,828
Due to other governments	8,865	5,292	-	14,157	842
Deferred revenue	433,600	69,010	-	502,610	389,545
Total current liabilities (payable from current assets)	\$ 2,033,561	\$ 1,691,445	\$ 42,923	\$ 3,767,929	\$ 3,612,843
Current liabilities (payable from restricted assets)					
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ 5,848
Contracts payable	-	121,252	-	121,252	1,075
Accrued interest payable	47,450	1,574	-	49,024	79,536
Bonds payable	475,000	25,000	-	500,000	420,000
Total current liabilities (payable from restricted assets)	\$ 522,450	\$ 147,826	\$ -	\$ 670,276	\$ 506,459
Long-term liabilities					
Compensated absences payable	\$ 76,868	\$ 94,804	\$ -	\$ 171,672	\$ 208,674
General obligation revenue bonds payable	3,025,023	256,811	-	3,281,834	3,754,753
Loans payable	-	-	-	-	-
Total long-term liabilities	\$ 3,101,891	\$ 351,615	\$ -	\$ 3,453,506	\$ 3,963,427
Total Liabilities	\$ 5,657,902	\$ 2,190,886	\$ 42,923	\$ 7,891,711	\$ 8,082,729
Fund equity					
Contributed capital	\$ 2,000	\$ -	\$ 167,672	\$ 169,672	\$ 167,672
Retained earnings					
Reserved for improvements	\$ -	\$ 69,370	\$ -	\$ 69,370	\$ 66,111
Reserved for debt service	82,228	-	-	82,228	253,872
Unreserved	1,515,258	1,705,722	(195,835)	3,025,145	3,014,369
Total retained earnings	\$ 1,597,486	\$ 1,775,092	\$ (195,835)	\$ 3,176,743	\$ 3,334,352
Total fund equity	\$ 1,599,486	\$ 1,775,092	\$ (28,163)	\$ 3,346,415	\$ 3,502,024
Total Liabilities and Fund Equity	\$ 7,257,388	\$ 3,965,978	\$ 14,760	\$ 11,238,126	\$ 11,584,753

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, 1990
 WITH COMPARATIVE TOTALS FOR YEAR ENDED DECEMBER 31, 1989

	Chris Jensen	Nopeming	Residential Treatment Center	Totals	
				1990	1989
Operating Revenues					
Charges for services	\$ 8,064,919	\$ 6,711,410	\$ -	\$ 14,776,329	\$ 14,413,331
Other	118,128	78,053	-	196,181	317,593
Total Operating Revenues	\$ 8,183,047	\$ 6,789,463	\$ -	\$ 14,972,510	\$ 14,730,924
Operating Expenses					
Personal services	\$ 6,764,186	\$ 5,926,153	\$ 11,889	\$ 12,702,228	\$ 12,073,575
Contractual services	1,385,052	1,096,820	10,852	2,492,724	2,405,726
Materials	795,398	725,466	1,380	1,522,244	1,473,018
Depreciation	111,542	64,808	3,224	179,574	152,367
Total Operating Expenses	\$ 9,056,178	\$ 7,813,247	\$ 27,345	\$ 16,896,770	\$ 16,104,686
Operating Income (loss)	\$ (873,131)	\$ (1,023,784)	\$ (27,345)	\$ (1,924,260)	\$ (1,373,762)
Nonoperating Revenues (Expenses)					
Taxes	\$ 1,281,774	\$ 804,600	\$ -	\$ 2,086,374	\$ 1,701,581
Grants	-	-	-	-	7,500
Interest on investments	27,004	19,135	-	46,139	41,667
Other revenue	-	-	-	-	12,067
Interest expense	(252,855)	(19,287)	-	(272,142)	(327,769)
Amortization of bond discount	(26,724)	(357)	-	(27,081)	(61,306)
Other expense	(793)	-	-	(793)	(726)
Disposition of fixed assets	(3,278)	(2,577)	(45,739)	(51,594)	(2,388)
Total Nonoperating Revenues (Expenses)	\$ 1,025,128	\$ 801,514	\$ (45,739)	\$ 1,780,903	\$ 1,370,626
Net Income (Loss) Before Extraordinary Item	\$ 151,997	\$ (222,270)	\$ (73,084)	\$ (143,357)	\$ (3,136)
Extraordinary loss on extinguishment of debt	-	-	-	-	(113,662)
Net Income (Loss)	\$ 151,997	\$ (222,270)	\$ (73,084)	\$ (143,357)	\$ (116,798)
Retained earnings - January 1	1,445,489	1,997,362	(108,499)	3,334,352	3,186,646
Equity transfer in	-	-	-	-	368,952
Equity transfer out	-	-	(14,252)	(14,252)	(104,448)
Retained earnings - December 31	\$ 1,597,486	\$ 1,775,092	\$ (195,835)	\$ 3,176,743	\$ 3,334,352

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, 1990
WITH COMPARATIVE TOTALS FOR YEAR ENDED DECEMBER 31, 1989

Statement E-3

	Chris Jensen		Residential Treatment Center		Totals	
	Noperning	1990	1989	1990	1989	1989
Cash Flows From Operating Activities						
Net Operating Income (Loss)	\$ (873,131)	\$ (1,023,784)	\$ (27,345)	\$ (1,924,260)	\$ (1,373,762)	
Adjustments to Reconcile Net Operating Income to Net Cash Provided by Operating Activities						
Depreciation	\$ 111,542	\$ 64,808	\$ 3,224	\$ 179,574	\$ 152,367	
Changes in Assets and Liabilities						
(Increase) Decrease in change funds	-	-	-	-	50	
(Increase) Decrease in accounts receivable	210,336	(78,768)	61,644	193,212	(620,949)	
(Increase) Decrease in due from other gov't's	110,795	52,118	-	162,913	(202,396)	
(Increase) Decrease in inventories	(4,748)	(9,806)	-	(14,554)	4,799	
Increase (Decrease) in accounts payable	(32,685)	(82,892)	(781)	(116,358)	26,170	
Increase (Decrease) in salaries payable	36,107	55,976	(2,113)	89,970	(238,791)	
Increase (Decrease) in comp absence payable	(20,835)	(5,186)	(6,047)	(32,068)	(2,058)	
Increase (Decrease) in due to other gov't's	8,209	5,188	(82)	13,315	(12,790)	
Increase (Decrease) In deferred revenue	138,211	(28,192)	-	110,019	37,974	
Net Cash Provided by Operating Activities	<u>\$ (316,199)</u>	<u>\$ (1,050,538)</u>	<u>\$ 28,500</u>	<u>\$ (1,338,237)</u>	<u>\$ (2,229,386)</u>	
Cash Flows From Noncapital Financing Activities						
Proceeds from taxes	\$ 1,274,367	\$ 799,746	\$ -	\$ 2,074,113	\$ 1,755,954	
Payments of interfund loan	(394,669)	-	(59,090)	(453,759)	-	
Proceeds from interfund loan	-	503,919	-	503,919	1,348,034	
Proceeds from contributions	-	-	-	-	12,067	
Proceeds from grant	-	-	-	-	7,500	
Net Cash Provided by Noncapital Financing Activities	<u>\$ 879,698</u>	<u>\$ 1,303,665</u>	<u>\$ (59,090)</u>	<u>\$ 2,124,273</u>	<u>\$ 3,123,555</u>	
Cash Flows From Capital and Related Financing Activities						
Acquisition of capital assets	\$ (37,639)	\$ (409,755)	\$ -	\$ (447,394)	\$ (283,206)	
Debt service investment purchases	-	-	-	-	(625,871)	
Debt service investment proceeds	112,209	-	-	112,209	301,387	
Debt service interest received	26,276	-	-	26,276	47,815	
Principal paid on bonds	(400,000)	(20,000)	-	(420,000)	(235,080)	
Interest paid on bonds	(280,800)	(21,854)	-	(302,654)	(401,655)	
Restricted liability payments	(6,641)	-	-	(6,641)	-	
Proceeds from contributions	2,000	-	-	2,000	-	
Proceeds from sale of equipment	2,140	-	30,590	32,730	5,518	
Proceeds from restricted payables	-	-	-	-	5,188	
Net Cash Provided by Capital and Related Financing Activities	<u>\$ (582,455)</u>	<u>\$ (451,609)</u>	<u>\$ 30,590</u>	<u>\$ (1,003,474)</u>	<u>\$ (1,185,904)</u>	
Cash Flows From Investing Activities						
Interest on Investments	\$ -	\$ 19,135	\$ -	\$ 19,135	\$ -	
Net Increase (Decrease) in Cash and Cash Equivalents	<u>\$ (18,956)</u>	<u>\$ (179,347)</u>	<u>\$ -</u>	<u>\$ (198,303)</u>	<u>\$ (291,735)</u>	
Cash and cash equivalents - January 1	\$ 22,592	\$ 366,405	\$ -	\$ 388,997	\$ 680,732	
Cash and cash equivalents - December 31	<u>\$ 3,636</u>	<u>\$ 187,058</u>	<u>\$ -</u>	<u>\$ 190,694</u>	<u>\$ 388,997</u>	

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.

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, 1990
 WITH COMPARATIVE TOTALS FOR DECEMBER 31, 1989

	<u>Community Food</u>	<u>Laundry</u>	<u>Printing</u>	<u>County Garage</u>
Assets				
Current assets				
Cash and cash equivalents	\$ 203,709	\$ 63,079	\$ 125,722	\$ -
Investments	-	-	-	-
Change funds	25	100	3,000	-
Receivables				
Taxes				
Unapportioned	313	314	-	-
Delinquent	2,976	2,743	-	-
Accounts	-	28,859	5,914	2,392
Accrued interest	-	-	-	-
Due from other governments	62,641	-	-	-
Inventories	24,849	189,291	43,315	32,293
Prepaid Items	71,281	-	-	2,456
Total current assets	\$ 365,794	\$ 284,386	\$ 177,951	\$ 37,141
Restricted assets				
Improvement account				
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ 34,998
Fixed assets				
Land	\$ -	\$ -	\$ -	\$ 25,500
Buildings and structures	-	921,186	-	778,730
Machinery and equipment	-	355,437	318,525	69,111
Vehicles	-	-	-	2,120,922
Total fixed assets	\$ -	\$ 1,276,623	\$ 318,525	\$ 2,994,263
Accumulated depreciation	-	(514,105)	(137,176)	(1,316,273)
Net fixed assets	\$ -	\$ 762,518	\$ 181,349	\$ 1,677,990
Other assets				
Advance to other fund	\$ -	\$ -	\$ -	\$ -
Total Assets	\$ 365,794	\$ 1,046,904	\$ 359,300	\$ 1,750,129

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

Statement F-1

<u>County Insurance</u>	<u>Management Information Systems</u>	<u>Telecommu- nications</u>	<u>Totals</u>	
			<u>1990</u>	<u>1989</u>
\$ 1,492,643	\$ 789,437	\$ 392,475	\$ 3,067,065	\$ 1,810,344
2,926,908	-	-	2,926,908	3,934,436
-	-	-	3,125	3,125
1,098	-	-	1,725	3,528
10,721	-	-	16,440	17,575
-	-	-	37,165	47,206
23,175	-	-	23,175	58,616
-	-	-	62,641	96,076
-	-	300	290,048	283,145
-	-	-	73,737	55,003
<u>\$ 4,454,545</u>	<u>\$ 789,437</u>	<u>\$ 392,775</u>	<u>\$ 6,502,029</u>	<u>\$ 6,309,054</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 34,998</u>	<u>\$ 54,370</u>
\$ -	\$ -	\$ -	\$ 25,500	\$ 25,500
-	-	-	1,699,916	1,667,964
-	1,291,367	768,834	2,803,274	2,298,664
-	-	-	2,120,922	1,874,963
<u>\$ -</u>	<u>\$ 1,291,367</u>	<u>\$ 768,834</u>	<u>\$ 6,649,612</u>	<u>\$ 5,867,091</u>
-	(588,720)	(591,279)	(3,147,553)	(2,756,762)
<u>\$ -</u>	<u>\$ 702,647</u>	<u>\$ 177,555</u>	<u>\$ 3,502,059</u>	<u>\$ 3,110,329</u>
\$ -	\$ 40,127	\$ -	\$ 40,127	\$ 40,127
<u>\$ 4,454,545</u>	<u>\$ 1,532,211</u>	<u>\$ 570,330</u>	<u>\$ 10,079,213</u>	<u>\$ 9,513,880</u>

(continued)

ST. LOUIS COUNTY, MINNESOTA
 COMBINING BALANCE SHEET
 ALL INTERNAL SERVICE FUNDS
 DECEMBER 31, 1990
 WITH COMPARATIVE TOTALS FOR DECEMBER 31, 1989

	<u>Community Food</u>	<u>Laundry</u>	<u>Printing</u>	<u>County Garage</u>
<u>Liabilities and Fund Equity</u>				
Liabilities				
Current liabilities				
Accounts payable	\$ 30,485	\$ 6,767	\$ 47,685	\$ 20,558
Salaries payable	18,883	35,350	5,339	9,046
Compensated absences payable	17,708	49,063	5,849	11,541
Claims payable	-	-	-	-
Interfund payable	-	-	-	335,626
Due to other governments	22	-	-	94
Deferred revenue	2,687	2,477	-	-
Capital leases payable	-	-	14,004	-
Total current liabilities	\$ 69,785	\$ 93,657	\$ 72,877	\$ 376,865
Long-term liabilities				
Compensated absences payable	\$ 2,705	\$ 25,115	\$ -	\$ -
Advance from other fund	-	-	-	-
Capital leases payable	-	-	44,345	-
Total long-term liabilities	\$ 2,705	\$ 25,115	\$ 44,345	\$ -
Total Liabilities	\$ 72,490	\$ 118,772	\$ 117,222	\$ 376,865
Fund Equity				
Contributed capital	\$ -	\$ 814,517	\$ 5,131	\$ 2,099,705
Retained earnings				
Reserved for improvements	\$ 71,281	\$ -	\$ -	\$ 34,998
Reserve for health and welfare	-	-	-	2,792
Unreserved	222,023	113,615	236,947	(764,231)
Total Retained Earnings	\$ 293,304	\$ 113,615	\$ 236,947	\$ (726,441)
Total Fund Equity	\$ 293,304	\$ 928,132	\$ 242,078	\$ 1,373,264
Total Liabilities and Fund Equity	\$ 365,794	\$ 1,046,904	\$ 359,300	\$ 1,750,129

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

Statement F-1
(Continued)

<u>County Insurance</u>	<u>Management Information Systems</u>	<u>Telecommu- nications</u>	<u>Totals</u>	
			<u>1990</u>	<u>1989</u>
\$ 90,887	\$ 158,297	\$ 20,159	\$ 374,838	\$ 213,279
-	69,114	4,857	142,589	65,864
-	84,194	6,051	174,406	82,970
4,376,967	-	-	4,376,967	3,080,606
-	-	-	335,626	121,815
-	-	-	116	21,420
9,680	-	-	14,844	17,494
-	-	-	14,004	3,293
<u>\$ 4,477,534</u>	<u>\$ 311,605</u>	<u>\$ 31,067</u>	<u>\$ 5,433,390</u>	<u>\$ 3,606,741</u>
\$ -	\$ -	\$ -	\$ 27,820	\$ 8,475
-	-	40,127	40,127	120,127
-	-	-	44,345	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 40,127</u>	<u>\$ 112,292</u>	<u>\$ 128,602</u>
<u>\$ 4,477,534</u>	<u>\$ 311,605</u>	<u>\$ 71,194</u>	<u>\$ 5,545,682</u>	<u>\$ 3,735,343</u>
<u>\$ -</u>	<u>\$ 632,236</u>	<u>\$ 185,639</u>	<u>\$ 3,737,228</u>	<u>\$ 3,414,243</u>
\$ -	\$ -	\$ -	\$ 106,279	\$ 107,144
-	-	-	2,792	-
<u>(22,989)</u>	<u>588,370</u>	<u>313,497</u>	<u>687,232</u>	<u>2,257,150</u>
<u>\$ (22,989)</u>	<u>\$ 588,370</u>	<u>\$ 313,497</u>	<u>\$ 796,303</u>	<u>\$ 2,364,294</u>
<u>\$ (22,989)</u>	<u>\$ 1,220,606</u>	<u>\$ 499,136</u>	<u>\$ 4,533,531</u>	<u>\$ 5,778,537</u>
<u><u>\$ 4,454,545</u></u>	<u><u>\$ 1,532,211</u></u>	<u><u>\$ 570,330</u></u>	<u><u>\$ 10,079,213</u></u>	<u><u>\$ 9,513,880</u></u>

ST. LOUIS COUNTY, MINNESOTA
 COMBINING STATEMENT OF REVENUES, EXPENSES
 AND CHANGES IN RETAINED EARNINGS
 ALL INTERNAL SERVICE FUNDS
 YEAR ENDED DECEMBER 31, 1990
 WITH COMPARATIVE TOTALS FOR YEAR ENDED DECEMBER 31, 1989

	<u>Community Food</u>	<u>Laundry</u>	<u>Printing</u>	<u>County Garage</u>
Operating Revenues				
Charges for services	\$ 1,001,366	\$ 1,175,392	\$ 678,610	\$ 749,567
Other	2,565	3,866	-	588
Total Operating Revenues	<u>\$ 1,003,931</u>	<u>\$ 1,179,258</u>	<u>\$ 678,610</u>	<u>\$ 750,155</u>
Operating Expenses				
Personal services	\$ 426,591	\$ 839,009	\$ 143,113	\$ 257,558
Contractual services	98,880	121,453	193,561	143,096
Material	394,851	234,406	267,733	323,380
Depreciation	-	36,499	27,902	400,767
Total Operating Expenses	<u>\$ 920,322</u>	<u>\$ 1,231,367</u>	<u>\$ 632,309</u>	<u>\$ 1,124,801</u>
Operating income (loss)	<u>\$ 83,609</u>	<u>\$ (52,109)</u>	<u>\$ 46,301</u>	<u>\$ (374,646)</u>
Nonoperating Revenues (Expenses)				
Taxes	\$ 1,503	\$ 1,574	\$ -	\$ -
Interest on investments	-	-	-	-
Disposition of fixed assets	-	-	-	12,002
Total Nonoperating Revenues (Expense)	<u>\$ 1,503</u>	<u>\$ 1,574</u>	<u>\$ -</u>	<u>\$ 12,002</u>
Net Income (Loss) Before Operating Transfers	<u>\$ 85,112</u>	<u>\$ (50,535)</u>	<u>\$ 46,301</u>	<u>\$ (362,644)</u>
Operating Transfers-In	-	-	-	80,000
Operating Transfers-Out	-	-	-	-
Net Income (Loss)	<u>\$ 85,112</u>	<u>\$ (50,535)</u>	<u>\$ 46,301</u>	<u>\$ (282,644)</u>
Retained earnings - January 1	208,192	164,150	190,646	(443,797)
Equity transfer out	-	-	-	-
Retained earnings - December 31	<u>\$ 293,304</u>	<u>\$ 113,615</u>	<u>\$ 236,947</u>	<u>\$ (726,441)</u>

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

Statement F-2

County Insurance	Management Information Systems	Telecommu- nications	Totals	
			1990	1989
\$ 2,215,015	\$ 2,263,377	\$ 731,425	\$ 8,814,752	\$ 6,563,212
-	315,859	-	322,878	308,358
<u>\$ 2,215,015</u>	<u>\$ 2,579,236</u>	<u>\$ 731,425</u>	<u>\$ 9,137,630</u>	<u>\$ 6,871,570</u>
\$ 1,083,710	\$ 1,487,118	\$ 112,661	\$ 4,349,760	\$ 2,013,542
2,520,998	650,884	384,962	4,113,834	4,084,852
52,125	190,617	19,903	1,483,015	1,270,378
-	198,140	76,347	739,655	602,138
<u>\$ 3,656,833</u>	<u>\$ 2,526,759</u>	<u>\$ 593,873</u>	<u>\$ 10,686,264</u>	<u>\$ 7,970,910</u>
\$ (1,441,818)	\$ 52,477	\$ 137,552	\$ (1,548,634)	\$ (1,099,340)
\$ 8,205	\$ -	\$ -	\$ 11,282	\$ 352,017
243,496	-	-	243,496	352,827
-	-	-	12,002	20,484
<u>\$ 251,701</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 266,780</u>	<u>\$ 725,328</u>
\$ (1,190,117)	\$ 52,477	\$ 137,552	\$ (1,281,854)	\$ (374,012)
-	25,000	20,000	125,000	-
<u>(382,062)</u>	<u>(20,000)</u>	<u>-</u>	<u>(402,062)</u>	<u>-</u>
\$ (1,572,179)	\$ 57,477	\$ 157,552	\$ (1,558,916)	\$ (374,012)
1,558,265	530,893	155,945	2,364,294	2,738,306
<u>(9,075)</u>	<u>-</u>	<u>-</u>	<u>(9,075)</u>	<u>-</u>
<u>\$ (22,989)</u>	<u>\$ 588,370</u>	<u>\$ 313,497</u>	<u>\$ 796,303</u>	<u>\$ 2,364,294</u>

ST. LOUIS COUNTY, MINNESOTA
 COMBINING STATEMENT OF CASH FLOWS
 ALL INTERNAL SERVICE FUNDS
 YEAR ENDED DECEMBER 31, 1990
 WITH COMPARATIVE TOTALS FOR YEAR ENDED DECEMBER 31, 1989

	Community Food	Laundry	Printing	County Garage
Cash Flows From Operating Activities				
Net Operating Income (Loss)	\$ 83,609	\$ (52,109)	\$ 46,301	\$ (374,646)
Adjustments to Reconcile Net Operating Income to Net Cash Provided by Operating Activities				
Depreciation	\$ -	\$ 36,499	\$ 27,902	\$ 400,767
Changes in Assets and Liabilities				
(Increase) Decrease in change funds	-	-	-	-
(Increase) Decrease in accounts receivable	-	13,934	(5,424)	1,531
(Increase) Decrease in due from other funds	-	-	-	-
(Increase) Decrease in due from other gov't's	33,435	-	-	-
(Increase) Decrease in inventories	(1,438)	(20,085)	6,862	7,358
(Increase) Decrease in prepaid expense	(18,507)	-	-	(227)
Increase (Decrease) in accounts payable	(867)	(9,825)	12,885	4,252
Increase (Decrease) in salaries payable	3,710	4,807	790	130
Increase (Decrease) in comp absence payable	(415)	27,625	1,934	1,551
Increase (Decrease) in claims payable	-	-	-	-
Increase (Decrease) in due to other gov't's	(21,398)	-	-	94
Net Cash Provided by Operating Activities	<u>\$ 78,129</u>	<u>\$ 846</u>	<u>\$ 91,250</u>	<u>\$ 40,810</u>
Cash Flows From Noncapital Financing Activities				
Proceeds from taxes	\$ 1,265	\$ 1,309	\$ -	\$ -
Proceeds from interfund loan	-	-	-	213,811
Proceeds from advances	-	-	-	-
Operating transfer-in	-	-	-	-
Operating transfer-out	-	-	-	-
Equity transfer-out	-	-	-	-
Net Cash Provided by Noncapital Financing Activities	<u>\$ 1,265</u>	<u>\$ 1,309</u>	<u>\$ -</u>	<u>\$ 213,811</u>
Cash Flows From Capital and Related Financing Activities				
Acquisition of capital assets	\$ -	\$ (56,286)	\$ (58,693)	\$ (618,076)
Proceeds from contributions	-	18,732	-	304,253
Proceeds from sale of equipment	-	-	-	39,830
Net Cash Provided by Capital and Related Financing Activities	<u>\$ -</u>	<u>\$ (37,554)</u>	<u>\$ (58,693)</u>	<u>\$ (273,993)</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>\$ 79,394</u>	<u>\$ (35,399)</u>	<u>\$ 32,557</u>	<u>\$ (19,372)</u>
Cash and cash equivalents - January 1	\$ 124,315	\$ 98,478	\$ 93,165	\$ 54,370
Cash and cash equivalents - December 31	<u>\$ 203,709</u>	<u>\$ 63,079</u>	<u>\$ 125,722</u>	<u>\$ 34,998</u>

Noncash Activity, Noncapital Financing Activities

A 1989 advance of \$80,000 in the County Garage Fund became permanent in 1990.

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

Statement F-3

	County Insurance	Management Information Systems	Telecommu- nications	Totals	
				1990	1989
	\$ (1,441,818)	\$ 52,477	\$ 137,552	\$ (1,548,634)	\$ (1,099,340)
	\$ -	\$ 198,140	\$ 76,347	\$ 739,655	\$ 602,138
	-	-	-	-	(100)
	-	-	-	10,041	(15,825)
	-	-	-	-	108,601
	-	-	-	33,435	(33,053)
	-	-	400	(6,903)	(20,028)
	-	-	-	(18,734)	4,317
	4,455	140,189	10,470	161,559	(44,360)
	(6,683)	69,114	4,857	76,725	(26,080)
	(10,159)	84,194	6,051	110,781	721
	1,296,361	-	-	1,296,361	1,298,586
	-	-	-	(21,304)	21,285
	<u>\$ (157,844)</u>	<u>\$ 544,114</u>	<u>\$ 235,677</u>	<u>\$ 832,982</u>	<u>\$ 796,862</u>
	\$ 8,996	\$ -	\$ -	\$ 11,570	\$ 356,934
	-	-	-	213,811	100,965
	-	-	-	-	80,000
	-	25,000	-	25,000	-
	(382,062)	(20,000)	-	(402,062)	-
	(9,075)	-	-	(9,075)	-
	<u>\$ (382,141)</u>	<u>\$ 5,000</u>	<u>\$ -</u>	<u>\$ (160,756)</u>	<u>\$ 537,899</u>
	\$ -	\$ (353,437)	\$ (1,036)	\$ (1,087,528)	\$ (1,067,602)
	-	-	-	322,985	320,255
	3,371	-	-	43,201	18,070
	<u>\$ 3,371</u>	<u>\$ (353,437)</u>	<u>\$ (1,036)</u>	<u>\$ (721,342)</u>	<u>\$ (729,277)</u>
	\$ (10,721,400)	\$ -	\$ -	\$ (10,721,400)	\$ (532,810)
	11,728,928	-	-	11,728,928	-
	278,937	-	-	278,937	357,808
	<u>\$ 1,286,465</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,286,465</u>	<u>\$ (175,002)</u>
	\$ 749,851	\$ 195,677	\$ 234,641	\$ 1,237,349	\$ 430,482
	\$ 742,792	\$ 593,760	\$ 157,834	\$ 1,864,714	\$ 1,434,232
	<u>\$ 1,492,643</u>	<u>\$ 789,437</u>	<u>\$ 392,475</u>	<u>\$ 3,102,063</u>	<u>\$ 1,864,714</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. 833. 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 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, 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

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 accumulated 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

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, 1990
 WITH COMPARATIVE TOTALS FOR DECEMBER 31, 1989

	Expendable Trust					
	Missing Heirs	Private Redemption	Exchange of Land	Tax Certificate Assurance	Forfeited Tax Sale	Forest Resources
Assets						
Cash and cash equivalents	\$ 106,029	\$ 414	\$ 22,798	\$ 113,930	\$ 422,823	\$ 1,294,456
Investments	54,215	-	-	-	-	-
Invested employee contribution	-	-	-	-	-	-
Receivables						
Accounts	-	-	-	-	3,729,683	-
Accrued interest	-	-	-	-	-	-
Due from other governments	-	-	-	-	-	-
Total Assets	<u>\$ 160,244</u>	<u>\$ 414</u>	<u>\$ 22,798</u>	<u>\$ 113,930</u>	<u>\$ 4,152,506</u>	<u>\$ 1,294,456</u>
Liabilities and Fund Balance						
Liabilities						
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ 122,170	\$ 87,432
Salaries payable	-	-	-	-	52,063	-
Compensated absences payable	-	-	-	-	10,811	-
Deferred compensation payable	-	-	-	-	-	-
Unapportioned taxes payable	-	-	-	-	-	-
Due to other funds	-	-	-	-	-	-
Due to other governments	-	-	-	-	162,479	-
Deferred revenue	-	-	-	-	3,716,636	33,071
Total Liabilities	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,064,159</u>	<u>\$ 120,503</u>
Fund Balance						
Reserved for encumbrances	\$ -	\$ -	\$ -	\$ -	\$ 58,153	\$ -
Reserved for health and welfare	-	-	-	-	22,827	-
Reserved for assurance fund	-	-	-	-	-	-
Reserved for veterans credit	-	-	-	-	15,000	-
Unreserved-undesignated	160,244	414	22,798	113,930	(7,633)	1,173,953
Total Fund Balance	<u>\$ 160,244</u>	<u>\$ 414</u>	<u>\$ 22,798</u>	<u>\$ 113,930</u>	<u>\$ 88,347</u>	<u>\$ 1,173,953</u>
Total Liabilities and Fund Balance	<u>\$ 160,244</u>	<u>\$ 414</u>	<u>\$ 22,798</u>	<u>\$ 113,930</u>	<u>\$ 4,152,506</u>	<u>\$ 1,294,456</u>

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

Statement G-1

							Totals	
Patients Escrow	Attorney Forfeitures	Sheriff Forfeitures	Hibbing Dedicated	East Mesabi Dedicated	Sheriff Fines	All Agency Funds	1990	1989
\$ 60,949	\$ 43,049	\$ 7,995	\$ 290,629	\$ 280,972	\$ 7,625	\$ 5,617,741	\$ 8,269,410	\$ 7,565,311
100,000	-	-	-	-	-	2,890,211	3,044,426	156,059
-	-	-	-	-	-	17,734,912	17,734,912	15,148,526
-	-	-	-	-	-	13,805	3,743,488	3,114,774
2,207	-	-	-	-	-	25,340	27,547	1,209
-	-	-	-	-	-	623,984	623,984	147,859
<u>\$ 163,156</u>	<u>\$ 43,049</u>	<u>\$ 7,995</u>	<u>\$ 290,629</u>	<u>\$ 280,972</u>	<u>\$ 7,625</u>	<u>\$ 26,905,993</u>	<u>\$ 33,443,767</u>	<u>\$ 26,133,738</u>
\$ -	\$ -	\$ 211	\$ -	\$ -	\$ -	\$ 2,803,016	\$ 3,012,829	\$ 2,623,847
-	-	-	-	-	-	246,049	298,112	255,833
-	-	-	-	-	-	-	10,811	9,679
-	-	-	-	-	-	17,734,912	17,734,912	15,148,526
-	-	-	-	-	-	1,017,312	1,017,312	730,476
-	-	-	-	-	-	-	-	90,457
-	-	-	-	-	-	5,104,704	5,267,183	1,789,249
-	-	-	-	-	-	-	3,749,707	3,178,194
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 211</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 26,905,993</u>	<u>\$ 31,090,866</u>	<u>\$ 23,826,261</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 58,153	\$ 89,788
-	-	-	-	-	-	-	22,827	26,556
-	-	-	-	-	-	-	-	76,490
-	-	-	-	-	-	-	15,000	15,000
163,156	43,049	7,784	290,629	280,972	7,625	-	2,256,921	2,099,643
<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>\$ -</u>	<u>\$ 2,352,901</u>	<u>\$ 2,307,477</u>
<u>\$ 163,156</u>	<u>\$ 43,049</u>	<u>\$ 7,995</u>	<u>\$ 290,629</u>	<u>\$ 280,972</u>	<u>\$ 7,625</u>	<u>\$ 26,905,993</u>	<u>\$ 33,443,767</u>	<u>\$ 26,133,738</u>

ST. LOUIS COUNTY, MINNESOTA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
ALL EXPENDABLE TRUST FUNDS
YEAR ENDED DECEMBER 31, 1990
WITH COMPARATIVE TOTALS FOR YEAR ENDED DECEMBER 31, 1989

	Expendable Trust					
	Missing Heirs	Private Redemption	Exchange of Land	Tax Certificate Assurance	Forfeited Tax Sale	Forest Resources
Revenues						
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 613,465
Charges for services	-	-	-	17,443	-	210
Interest on investments	3,108	-	-	-	-	-
Miscellaneous	5,799	-	-	-	2,393,600	-
Total Revenues	<u>\$ 8,907</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 17,443</u>	<u>\$ 2,393,600</u>	<u>\$ 613,675</u>
Expenditures						
Current:						
General government	\$ 13,545	\$ -	\$ -	\$ -	\$ -	\$ -
Public safety	-	-	-	-	-	-
Sanitation	-	-	-	-	-	-
Conservation of natural resources	-	-	-	-	2,312,875	583,146
Total Expenditures	<u>\$ 13,545</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,312,875</u>	<u>\$ 583,146</u>
Excess of Revenues Over (Under) Expenditures	<u>\$ (4,638)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 17,443</u>	<u>\$ 80,725</u>	<u>\$ 30,529</u>
Other Financing Sources (Uses)						
Operating transfers in	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 80,902
Operating transfers out	-	-	-	-	(125,554)	-
Total Other Financing Sources (Uses)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (125,554)</u>	<u>\$ 80,902</u>
Excess (deficiency) of Revenues and other financing sources over expenditures and other uses	<u>\$ (4,638)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 17,443</u>	<u>\$ (44,829)</u>	<u>\$ 111,431</u>
Fund Balance - January 1	164,882	414	22,798	96,487	133,176	1,062,522
Equity transfer in	-	-	-	-	-	-
Equity transfer out	-	-	-	-	-	-
Fund Balance - December 31	<u>\$ 160,244</u>	<u>\$ 414</u>	<u>\$ 22,798</u>	<u>\$ 113,930</u>	<u>\$ 88,347</u>	<u>\$ 1,173,953</u>

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

Statement G-2

						Totals	
Patients' Escrow	Attorney Forfeitures	Sheriff Forfeitures	Hibbing Dedicated	East Mesabi Dedicated	Sheriff Fines	1990	1989
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 613,465	\$ 488,269
-	-	-	-	-	-	17,653	37,024
8,201	-	-	29,573	23,896	-	64,778	-
249,804	29,374	7,566	-	-	7,625	2,693,768	2,388,159
<u>\$ 258,005</u>	<u>\$ 29,374</u>	<u>\$ 7,566</u>	<u>\$ 29,573</u>	<u>\$ 23,896</u>	<u>\$ 7,625</u>	<u>\$ 3,389,664</u>	<u>\$ 2,913,452</u>
\$ 256,250	\$ 20,089	\$ -	\$ -	\$ -	\$ -	\$ 289,884	\$ 274,271
-	-	721	-	-	-	721	989
-	-	-	-	202,924	-	202,924	-
-	-	-	-	-	-	2,896,021	2,174,821
<u>\$ 256,250</u>	<u>\$ 20,089</u>	<u>\$ 721</u>	<u>\$ -</u>	<u>\$ 202,924</u>	<u>\$ -</u>	<u>\$ 3,389,550</u>	<u>\$ 2,450,081</u>
<u>\$ 1,755</u>	<u>\$ 9,285</u>	<u>\$ 6,845</u>	<u>\$ 29,573</u>	<u>\$ (179,028)</u>	<u>\$ 7,625</u>	<u>\$ 114</u>	<u>\$ 463,371</u>
\$ -	\$ -	\$ -	\$ 273,773	\$ 460,000	\$ -	\$ 814,675	\$ 61,784
-	-	-	-	-	-	(125,554)	(97,146)
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 273,773</u>	<u>\$ 460,000</u>	<u>\$ -</u>	<u>\$ 689,121</u>	<u>\$ (35,362)</u>
\$ 1,755	\$ 9,285	\$ 6,845	\$ 303,346	\$ 280,972	\$ 7,625	\$ 689,235	\$ 428,009
161,401	33,764	939	631,094	-	-	2,307,477	1,248,374
-	-	-	(643,811)	-	-	(643,811)	631,094
<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>\$ 2,307,477</u>

ST. LOUIS COUNTY, MINNESOTA
 COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 ALL AGENCY FUNDS
 YEAR ENDED DECEMBER 31, 1990

	<u>Balance January 1</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance December 31</u>
<u>STATE OF MINNESOTA FUND</u>				
<u>Assets</u>				
Cash and cash equivalents	\$ 104,821	\$ 39,570,069	\$ 39,429,024	\$ 245,866
Investments	-	2,890,211	-	2,890,211
Accrued Interest receivable	-	25,340	-	25,340
Total Assets	\$ <u>104,821</u>	\$ <u>42,485,620</u>	\$ <u>39,429,024</u>	\$ <u>3,161,417</u>
<u>Liabilities</u>				
Due to other governments	\$ <u>104,821</u>	\$ <u>42,485,620</u>	\$ <u>39,429,024</u>	\$ <u>3,161,417</u>
<u>BEER-AUCTIONEER LICENSES FUND</u>				
<u>Assets</u>				
Cash and cash equivalents	\$ -	\$ 4,444	\$ 4,444	\$ -
<u>Liabilities</u>				
Due to other governments	\$ -	\$ 4,444	\$ 4,444	\$ -
<u>CITIES AND TOWNS FUND</u>				
<u>Assets</u>				
Cash and cash equivalents	\$ 57,507	\$ 1,049,974	\$ 1,035,567	\$ 71,914
<u>Liabilities</u>				
Due to other governments	\$ 57,507	\$ 1,049,974	\$ 1,035,567	\$ 71,914

(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
YEAR ENDED DECEMBER 31, 1990

	<u>Balance</u> <u>January 1</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>December 31</u>
<u>GAME AND FISH LICENSE FUND</u>				
<u>Assets</u>				
Cash and cash equivalents	\$ 283,575	\$ 2,719,969	\$ 2,771,209	\$ 232,335
<u>Liabilities</u>				
Due to other funds	\$ 90,457	\$ -	\$ 90,457	\$ -
Due to other governments	193,118	2,719,969	2,680,752	232,335
Total Liabilities	\$ 283,575	\$ 2,719,969	\$ 2,771,209	\$ 232,335
<u>BID DEPOSITS FUND</u>				
<u>Assets</u>				
Cash and cash equivalents	\$ 21,000	\$ -	\$ -	\$ 21,000
<u>Liabilities</u>				
Accounts Payable	\$ 21,000	\$ -	\$ -	\$ 21,000
<u>TAXES AND PENALTIES FUND</u>				
<u>Assets</u>				
Cash and cash equivalents	\$ 1,734,838	\$ 102,157,624	\$ 101,584,316	\$ 2,308,146
<u>Liabilities</u>				
Unapportioned taxes payable	\$ 730,476	\$ 1,017,312	\$ 730,476	\$ 1,017,312
Due to other governments	1,004,362	101,140,312	100,853,840	1,290,834
Total Liabilities	\$ 1,734,838	\$ 102,157,624	\$ 101,584,316	\$ 2,308,146
<u>PAYROLL DEDUCTIONS FUND</u>				
<u>Assets</u>				
Cash and cash equivalents	\$ 316,448	\$ 37,909,289	\$ 37,893,498	\$ 332,239
<u>Liabilities</u>				
Accounts payable	\$ 61,994	\$ 82,540	\$ 61,994	\$ 82,540
Due to other governments	254,454	37,826,749	37,831,504	249,699
Total Liabilities	\$ 316,448	\$ 37,909,289	\$ 37,893,498	\$ 332,239

(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
YEAR ENDED DECEMBER 31, 1990

	<u>Balance January 1</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance December 31</u>
<u>SERIES EE SAVINGS</u>				
<u>BOND FUND</u>				
<u>Assets</u>				
Cash and cash equivalents	\$ 4,487	\$ 159,424	\$ 158,459	\$ 5,452
<u>Liabilities</u>				
Due to other governments	\$ 4,487	\$ 159,424	\$ 158,459	\$ 5,452
 <u>MEDICAL INSURANCE FUND</u>				
<u>Assets</u>				
Cash and cash equivalents	\$ 1,978,606	\$ 8,385,784	\$ 8,795,421	\$ 1,568,969
<u>Liabilities</u>				
Accounts payable	\$ 1,978,606	\$ 8,385,784	\$ 8,795,421	\$ 1,568,969
 <u>CANCELLED CHECK FUND</u>				
<u>Assets</u>				
Cash and cash equivalents	\$ 72,984	\$ 11,531	\$ 28,895	\$ 55,620
<u>Liabilities</u>				
Accounts payable	\$ 72,984	\$ 11,531	\$ 28,895	\$ 55,620
 <u>AGENCY MISCELLANEOUS FUND</u>				
<u>Assets</u>				
Cash and cash equivalents	\$ -	\$ 104,983	\$ 93,618	\$ 11,365
<u>Liabilities</u>				
Accounts payable	\$ -	\$ 104,983	\$ 93,618	\$ 11,365

(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
YEAR ENDED DECEMBER 31, 1990

	<u>Balance January 1</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance December 31</u>
<u>HIGH VOLTAGE CREDIT FUND</u>				
<u>Assets</u>				
Cash and cash equivalents	\$ <u>86,958</u>	\$ <u>93,053</u>	\$ <u>86,958</u>	\$ <u>93,053</u>
<u>Liabilities</u>				
Due to other governments	\$ <u>86,958</u>	\$ <u>93,053</u>	\$ <u>86,958</u>	\$ <u>93,053</u>
<u>ASSAULT FEES FUND</u>				
<u>Assets</u>				
Cash and cash equivalents	\$ <u>247</u>	\$ <u>42,549</u>	\$ <u>39,945</u>	\$ <u>2,851</u>
<u>Liabilities</u>				
Accounts payable	\$ <u>247</u>	\$ <u>42,549</u>	\$ <u>39,945</u>	\$ <u>2,851</u>
<u>DEFERRED COMPENSATION FUND</u>				
<u>Assets</u>				
Invested employee contribution	\$ <u>15,148,526</u>	\$ <u>3,900,628</u>	\$ <u>1,314,242</u>	\$ <u>17,734,912</u>
<u>Liabilities</u>				
Deferred compensation payable	\$ <u>15,148,526</u>	\$ <u>3,900,628</u>	\$ <u>1,314,242</u>	\$ <u>17,734,912</u>

(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
YEAR ENDED DECEMBER 31, 1990

	<u>Balance January 1</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance December 31</u>
<u>ARROWHEAD REGIONAL CORRECTIONS FUND</u>				
<u>Assets</u>				
Cash and cash equivalents	\$ 523,553	\$ 7,539,931	\$ 7,474,086	\$ 589,398
Accounts receivable	3	13,805	3	13,805
Due from other governments	113,072	395,265	113,072	395,265
Total Assets	<u>\$ 636,628</u>	<u>\$ 7,949,001</u>	<u>\$ 7,587,161</u>	<u>\$ 998,468</u>
<u>Liabilities</u>				
Accounts payable	\$ 432,102	\$ 7,706,188	\$ 7,382,635	\$ 755,655
Salaries payable	204,526	242,813	204,526	242,813
Total Liabilities	<u>\$ 636,628</u>	<u>\$ 7,949,001</u>	<u>\$ 7,587,161</u>	<u>\$ 998,468</u>
<u>COMMUNITY HEALTH SERVICES FUND</u>				
<u>Assets</u>				
Cash and cash equivalents	\$ 2,335	\$ 1,676,175	\$ 1,598,977	\$ 79,533
Accounts receivable	3,060	-	3,060	-
Due from other governments	34,787	228,719	34,787	228,719
Total Assets	<u>\$ 40,182</u>	<u>\$ 1,904,894</u>	<u>\$ 1,636,824</u>	<u>\$ 308,252</u>
<u>Liabilities</u>				
Accounts payable	\$ 463	\$ 436,770	\$ 132,217	\$ 305,016
Salaries payable	5,565	3,236	5,565	3,236
Due to other governments	34,154	1,464,888	1,499,042	-
Total Liabilities	<u>\$ 40,182</u>	<u>\$ 1,904,894</u>	<u>\$ 1,636,824</u>	<u>\$ 308,252</u>

(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
YEAR ENDED DECEMBER 31, 1990

	<u>Balance January 1</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance December 31</u>
<u>ALL AGENCY FUNDS</u>				
<u>Assets</u>				
Cash and cash equivalents	\$ 5,187,359	\$ 201,424,799	\$ 200,994,417	\$ 5,617,741
Investments	-	2,890,211	-	2,890,211
Invested employee contribution	15,148,526	3,900,628	1,314,242	17,734,912
Receivables				
Accounts	3,063	13,805	3,063	13,805
Accrued interest	-	25,340	-	25,340
Due from other governments	147,859	623,984	147,859	623,984
Total Assets	\$ <u>20,486,807</u>	\$ <u>208,878,767</u>	\$ <u>202,459,581</u>	\$ <u>26,905,993</u>
<u>Liabilities</u>				
Accounts payable	\$ 2,567,396	\$ 16,770,345	\$ 16,534,725	\$ 2,803,016
Salaries payable	210,091	246,049	210,091	246,049
Deferred compensation payable	15,148,526	3,900,628	1,314,242	17,734,912
Unapportioned taxes payable	730,476	1,017,312	730,476	1,017,312
Due to other funds	90,457	-	90,457	-
Due to other governments	1,739,861	186,944,433	183,579,590	5,104,704
Total Liabilities	\$ <u>20,486,807</u>	\$ <u>208,878,767</u>	\$ <u>202,459,581</u>	\$ <u>26,905,993</u>

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.

Statement H-1

ST. LOUIS COUNTY, MINNESOTA
COMPARATIVE SCHEDULE OF GENERAL FIXED ASSETS BY SOURCE
DECEMBER 31, 1990 AND 1989

	<u>1990</u>	<u>1989</u>
General Fixed Assets		
Land	\$ 2,642,394	\$ 1,082,194
Buildings	28,652,859	25,123,356
Machinery and equipment	8,700,837	9,811,036
Vehicles	24,802,865	23,671,055
Construction in progress	<u>5,676,120</u>	<u>5,557,060</u>
Total general fixed assets	<u>\$ 70,475,075</u>	<u>\$ 65,244,701</u>
Investment in general fixed assets by source		
General fund	\$ 23,781,481	\$ 22,339,461
Special revenue funds	39,887,317	36,469,494
Capital projects funds	5,676,120	5,557,060
Trust funds	<u>1,130,157</u>	<u>878,686</u>
Total investment in fixed assets	<u>\$ 70,475,075</u>	<u>\$ 65,244,701</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, 1990

	<u>Land</u>	<u>Buildings and Structures</u>	<u>Machinery and Equipment</u>	<u>Vehicles</u>	<u>Total</u>
General Government					
Legislative	\$ -	\$ -	\$ 15,903	\$ -	\$ 15,903
Judicial and legal	-	-	286,483	-	286,483
Financial and other activities	-	-	1,822,327	73,034	1,895,361
Courthouses	649,190	15,441,548	53,691	21,262	16,165,691
Total General Government	<u>\$ 649,190</u>	<u>\$ 15,441,548</u>	<u>\$ 2,178,404</u>	<u>\$ 94,296</u>	<u>\$ 18,363,438</u>
Public Safety:					
Police protection	\$ -	\$ 1,272,298	\$ 846,098	\$ 171,998	\$ 2,290,394
Civil defense	-	-	171,660	2,595	174,255
Other activities	-	-	21,489	-	21,489
Total Public Safety	<u>\$ -</u>	<u>\$ 1,272,298</u>	<u>\$ 1,039,247</u>	<u>\$ 174,593</u>	<u>\$ 2,486,138</u>
Highways	<u>\$ 415,086</u>	<u>\$ 7,650,237</u>	<u>\$ 1,621,242</u>	<u>\$ 23,684,590</u>	<u>\$ 33,371,155</u>
Health	<u>\$ -</u>	<u>\$ 7,609</u>	<u>\$ 92,388</u>	<u>\$ -</u>	<u>\$ 99,997</u>
Social services	<u>\$ -</u>	<u>\$ 27,421</u>	<u>\$ 1,750,230</u>	<u>\$ 41,763</u>	<u>\$ 1,819,414</u>
Sanitation	<u>\$ -</u>	<u>\$ 4,061</u>	<u>\$ 21,849</u>	<u>\$ -</u>	<u>\$ 25,910</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>\$ 64,425</u>	<u>\$ 1,477,327</u>	<u>\$ 453,609</u>	<u>\$ 742,623</u>	<u>\$ 2,737,984</u>
Economic development	<u>\$ 13,693</u>	<u>\$ 1,217,473</u>	<u>\$ 1,541,973</u>	<u>\$ -</u>	<u>\$ 2,773,139</u>
Construction-in-progress	<u>\$ -</u>	<u>\$ 5,676,120</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,676,120</u>
Total General Fixed Assets	<u>\$ 2,642,394</u>	<u>\$ 34,328,979</u>	<u>\$ 8,700,837</u>	<u>\$ 24,802,865</u>	<u>\$ 70,475,075</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, 1990

	General Fixed Assets Jan. 1, 1990	Additions	Deductions	General Fixed Assets Dec. 31, 1990
General Government:				
Legislative	\$ 15,903	\$ -	\$ -	\$ 15,903
Judicial and legal	264,430	25,447	3,394	286,483
Financial and other activities	1,844,664	50,697	-	1,895,361
Courthouses	14,827,488	1,338,203	-	16,165,691
Total General Government	\$ 16,952,485	\$ 1,414,347	\$ 3,394	\$ 18,363,438
Public Safety:				
Police protection	\$ 2,288,241	\$ 5,580	\$ 3,427	\$ 2,290,394
Civil defense	174,255	-	-	174,255
Other Activities	-	21,489	-	21,489
Total Public Safety	\$ 2,462,496	\$ 27,069	\$ 3,427	\$ 2,486,138
Highways	\$ 30,061,677	\$ 4,143,806	\$ 834,328	\$ 33,371,155
Health	\$ 98,632	\$ 1,365	\$ -	\$ 99,997
Social Services	\$ 1,696,574	\$ 131,662	\$ 8,822	\$ 1,819,414
Sanitation	\$ -	\$ 25,910	\$ -	\$ 25,910
Culture and recreation	\$ 3,119,885	\$ 1,895	\$ -	\$ 3,121,780
Conservation of natural resources	\$ 2,522,753	\$ 288,353	\$ 73,122	\$ 2,737,984
Economic development	\$ 2,773,139	\$ -	\$ -	\$ 2,773,139
Construction-in-progress	\$ 5,557,060	\$ 3,724,633	\$ 3,605,573	\$ 5,676,120
Total	\$ 65,244,701	\$ 9,759,040	\$ 4,528,666	\$ 70,475,075

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, 1990

	<u>Interest Rates</u>	<u>Par Value</u>	<u>Cost</u>
<u>Pooled Investments:</u>			
Certificates of deposit	6.10% - 7.56%	\$ 21,620,000	\$ 21,620,000
Treasury notes	9.00%	650,000	650,000
FHLBs	7.00% - 10.70%	4,045,000	4,137,308
FNMA's	8.375%	140,000	140,015
FFCBs	7.09% - 7.90%	1,750,000	1,746,034
REFCOs	7.844%	2,896,000	1,998,298
Total Pooled Investments		\$ 31,101,000	\$ 30,291,655
<u>Fund Investments:</u>			
Chris Jensen Enterprise Fund			
Certificate of deposit	6.25%	\$ 600,000	\$ 600,000
County Insurance Internal Service Fund			
Certificates of deposit			
	6.65% - 7.50%	\$ 2,105,000	\$ 2,105,000
GNMA's	9.00%	180,000	160,923
FFCBs	7.75% - 8.00%	660,000	660,985
Total Internal Service Fund		\$ 2,945,000	\$ 2,926,908
Patients' Escrow Expendable Trust Fund			
Certificates of deposit	6.65%	\$ 100,000	\$ 100,000
Jail Bond Capital Fund			
Certificate of deposit	6.65%	\$ 1,627,178	\$ 1,627,178
Taconite Relief Trust & Agency Fund			
FNMA	8.75%	\$ 475,000	\$ 475,211
Certificate of deposit	6.75%	2,415,000	2,415,000
Total Taconite Relief Trust and Agency Fund		\$ 2,890,000	\$ 2,890,211
Missing Heirs Trust Fund			
Savings account	5.50%	\$ 54,215	\$ 54,215
Total		\$ 39,317,393	\$ 38,490,167

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

	Taxes Payable in Year					
	1989 (3)		1990 (4)		1991 (4)	
	Amount	Base Tax Rate (%)	Amount	Base Tax Rate (%)	Amount	Base Tax Rate (%)
Taxable Valuations:						
Real property	\$ 81,418,412		\$ 63,850,101		\$ 66,162,343	
Personal property	6,343,403		6,395,531		6,334,385	
Total Capacity	\$ 87,761,815		\$ 70,245,632		\$ 72,496,728	
Certified Tax Levy for County Purposes:						
General fund	\$ 20,386,491	0.232293	\$ 17,163,563	0.197156	\$ 22,410,787	0.283931
Road and bridge	5,489,570	0.062551	10,072,775	0.115705	9,093,288	0.115207
Social services	27,696,000	0.315583	31,397,952	0.360664	25,702,399	0.325634
Land investment	622,575	0.007094	517,499	0.005944	-	-
County insurance	350,251	0.003991	-	-	-	-
Medical care facilities	1,687,000	0.019223	2,096,600	0.024083	2,316,000	0.029342
Debt service	0		1,207,645	0.013872	1,919,896	0.024324
Capital improvements	837,000	0.009537	451,380	0.005185	383,000	0.004852
Total Certified County-Wide Levies	\$ 57,068,887	0.650272	\$ 62,907,414	0.722609	\$ 61,825,370	0.783290
(1) Debt service	\$ 0		\$ 574,573	0.006607	\$ 542,125	0.018392
(2) Solid waste service areas	1,713,322	0.019513	1,713,322	0.019703	-	-
(1) Library	192,816	0.002207	192,816	0.002217	204,385	0.006728
Total Certified Regional Levies	\$ 1,906,138		\$ 2,480,711		\$ 746,510	
Total Levy for County Purposes	\$ 58,975,025		\$ 65,388,125		\$ 62,571,880	
Less: Disparity reduction aid and homestead agricultural aid	11,668,190		25,475,951		18,087,590	
Less: Tax credits payable by State and taconite companies	13,832,328		2,035,015		2,116,488	
Net Levy for County Purposes	\$ 33,474,507		\$ 37,877,159		\$ 42,367,802	
Taxable Valuations -						
Light and Power						
Assessed at 43%	\$ 730,239		\$ 739,186		\$ 701,954	
Assessed at 5%	79,729		84,200		37,734	
Total Taxable Valuations - Light and Power	\$ 809,968		\$ 823,386		\$ 739,688	
Light and Power Tax Levies (distributed pursuant to Minn. Stat. 273.43, as amended)						
Assessed at 43%	\$ 869,578		\$ 970,266		\$ 928,523	
Assessed at 5%	94,942		110,522		49,913	
Total Light and Power Tax Levies	\$ 964,520		\$ 1,080,788		\$ 978,436	
Special Assessments						
Liens and assessments	\$ 789,286		\$ 779,952		\$ 983,983	
Percentage of tax collections for all purposes	98.78%		98.88%			

(1) Levied on certain regions within the County.

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

(3) For 1989, these are gross tax capacity figures.

(4) For 1990 and 1991, these are net tax capacity figures.

**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	Social Services	Solid Waste Authorities
Shared revenue							
State							
30 percent rental income	\$ 598	\$ -	\$ 17	\$ 2	\$ 210	\$ 853	\$ 49
Homestead credit - real estate	4,456,129	2,851	132,865	170	2,586,122	8,061,229	439,885
Homestead credit - mobile home	18,045	10	538	3	10,473	32,647	1,781
Town bridge	-	-	-	-	21,360	-	-
Police aid	374,038	-	-	-	-	-	-
State park	-	-	-	-	79,289	-	-
Highway users tax	-	-	-	-	8,755,042	-	-
Forest fund	5,028	6	141	56	2,755	8,588	1,948
Alcoholic assessment and screening	103,356	-	-	-	-	-	-
Mineral rents and royalties	176,809	-	-	-	-	-	-
Disparity aid	2,186,075	-	65,180	-	1,268,692	3,954,654	215,797
Public defenders	333,028	-	-	-	-	-	-
District court	27,196	-	-	-	-	-	-
Unorganized town road aid	-	-	-	-	8,944	-	-
Total Shared Revenue	\$ 7,680,302	\$ 2,867	\$ 198,741	\$ 231	\$ 12,732,887	\$ 12,057,971	\$ 659,460
Grants							
State							
Training reimbursement	\$ 44,160	-	\$ -	\$ -	\$ -	\$ -	\$ -
Special indian health	20,947	-	-	-	-	-	-
CHS	751,985	-	-	-	-	-	-
Tract index	20,000	-	-	-	-	-	-
Truth in taxation	68,286	-	-	-	-	-	-
Task force on children and youth	50,325	-	-	-	-	-	-
Trade and economic development- Paulucci interest	500,000	-	-	-	-	-	-
Trade and economic development- LTHSE	250,000	-	-	-	-	-	-
Used oil storage tank	1,365	-	-	-	-	-	-
Dental sealant	285	-	-	-	-	-	-
Flouride tablets	1,410	-	-	-	-	-	-
Local water planning	7,419	-	-	-	-	-	-
MAXI audit	5,120	-	-	-	-	-	-
Family planning	32,409	-	-	-	-	-	-
Natural resources - boat and water	25,888	-	-	-	-	-	-
Natural resources - forest assistance	-	-	362,509	-	-	-	-
Payments in lieu of taxes	-	-	-	-	-	-	-
EPSDT	-	-	-	-	-	56,138	-
General assistance	-	-	-	-	-	2,763,238	-
Subtotal	\$ 1,779,599	\$ -	\$ 362,509	\$ -	\$ -	\$ 2,819,376	\$ -

	Debt		Service	Funds		Courthouse	Forest	Total
	Babbitt Facility Refunding	Capital Equipment Notes	Sold Waste Series A	Sold Waste Series E	Correctional Facilities Bond	Capital Projects Fund	Resources Trust Fund	
\$	1	\$ 9	\$ 7	\$ 3	1	20	\$ -	\$ 1,770
	32,903	234,034	108,817	38,700	43,133	115,889	-	16,252,727
	133	948	441	157	174	469	-	65,819
	-	-	-	-	-	-	-	21,360
	-	-	-	-	-	-	-	374,038
	-	-	-	-	-	-	-	79,289
	-	-	-	-	-	-	-	8,755,042
	35	249	298	82	46	123	-	19,355
	-	-	-	-	-	-	-	103,356
	-	-	-	-	-	-	-	176,809
	16,142	114,811	53,383	18,986	21,160	56,852	-	7,971,732
	-	-	-	-	-	-	-	333,028
	-	-	-	-	-	-	-	27,196
	-	-	-	-	-	-	-	8,944
\$	49,214	\$ 350,051	\$ 162,946	\$ 57,928	\$ 64,514	\$ 173,353	\$ -	\$ 34,190,465
\$	-	\$ -	\$ -	\$ -	\$ -	-	\$ -	\$ 44,160
	-	-	-	-	-	-	-	20,947
	-	-	-	-	-	-	-	751,985
	-	-	-	-	-	-	-	20,000
	-	-	-	-	-	-	-	68,286
	-	-	-	-	-	-	-	50,325
	-	-	-	-	-	-	-	500,000
	-	-	-	-	-	-	-	250,000
	-	-	-	-	-	-	-	1,365
	-	-	-	-	-	-	-	285
	-	-	-	-	-	-	-	1,410
	-	-	-	-	-	-	-	7,419
	-	-	-	-	-	-	-	5,120
	-	-	-	-	-	-	-	32,409
	-	-	-	-	-	-	-	25,888
	-	-	-	-	-	-	83,628	446,137
	-	-	-	-	-	-	328,775	328,775
	-	-	-	-	-	-	-	56,138
	-	-	-	-	-	-	-	2,763,238
\$	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 412,403	\$ 5,373,887

(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	Social Services	Solid Waste Authorities
Grants (continued)							
State (continued)							
Minnesota supplemental aid	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,983,120	\$ -
AFDC	-	-	-	-	-	6,806,281	-
Emergency assistance	-	-	-	-	-	7,917	-
Medical assistance	-	-	-	-	-	56,065	-
Work readiness	-	-	-	-	-	2,883,791	-
STRIDE	-	-	-	-	-	388,692	-
AFDC	-	-	-	-	-	1,181,234	-
Admin aid - MA	-	-	-	-	-	5,858	-
Admin aid - AFDC	-	-	-	-	-	5,256	-
Admin aid - IV-D	-	-	-	-	-	2,046	-
Admin aid - food stamps	-	-	-	-	-	6,879	-
Admin aid - gen. assist.	-	-	-	-	-	10,904	-
Admin aid - MSA	-	-	-	-	-	2,484	-
MR family subsidy	-	-	-	-	-	38,090	-
Community social service block gra	-	-	-	-	-	3,848,885	-
CONS CD fund admin	-	-	-	-	-	56,097	-
RSVP	-	-	-	-	-	10,025	-
Rule 12 adult res. M.H.	-	-	-	-	-	595,183	-
Rule 14 community support	-	-	-	-	-	649,489	-
Rule 20 Semi-independent living sk	-	-	-	-	-	357,499	-
Permanency planning	-	-	-	-	-	190,105	-
MR waived services	-	-	-	-	-	1,200,879	-
ACG waived services	-	-	-	-	-	1,006,652	-
CAC/CADI waived services	-	-	-	-	-	63,561	-
Rule 74 case management	-	-	-	-	-	36,393	-
PAS/ARR	-	-	-	-	-	941	-
Mortgage registry tax	-	-	-	-	-	498,871	-
Deed tax	-	-	-	-	-	632,958	-
Trade and economic development	-	-	-	162,330	-	-	-
SCORE	-	-	-	-	-	-	488,641
Makinen fire hall	-	-	-	-	-	-	-
4-H camp	-	-	-	-	-	-	-
Fraud prevention	-	-	-	-	-	52,838	-
Child care referral	-	-	-	-	-	20,069	-
Start work	-	-	-	-	-	28,258	-
Home delivered meals	-	-	-	-	-	8,147	-
Homeless mental health	-	-	-	-	-	70,056	-
Railroad assistance loans	-	-	-	200,491	-	-	-
Railroad assistance	-	-	-	138,525	-	-	-
Other	-	-	-	-	-	11,001	-
Total State	\$ 1,779,599	\$ -	\$ 362,509	\$ 501,346	\$ -	\$ 26,535,900	\$ 488,641

Schedule III
(Continued)

Debt		Service		Funds		Courthouse	Forest	Total
Babbitt Facility Refunding	Capital Equipment Notes	Solid Waste Series A	Solid Waste Series E	Correctional Facillties Bond	Courthouse Capital Projects Fund	Forest Resources Trust Fund		
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,983,120
-	-	-	-	-	-	-	-	6,806,281
-	-	-	-	-	-	-	-	7,917
-	-	-	-	-	-	-	-	56,065
-	-	-	-	-	-	-	-	2,883,791
-	-	-	-	-	-	-	-	388,692
-	-	-	-	-	-	-	-	1,181,234
-	-	-	-	-	-	-	-	5,858
-	-	-	-	-	-	-	-	5,256
-	-	-	-	-	-	-	-	2,046
-	-	-	-	-	-	-	-	6,879
-	-	-	-	-	-	-	-	10,904
-	-	-	-	-	-	-	-	2,484
-	-	-	-	-	-	-	-	38,090
-	-	-	-	-	-	-	-	3,848,885
-	-	-	-	-	-	-	-	56,097
-	-	-	-	-	-	-	-	10,025
-	-	-	-	-	-	-	-	595,183
-	-	-	-	-	-	-	-	649,489
-	-	-	-	-	-	-	-	357,499
-	-	-	-	-	-	-	-	190,105
-	-	-	-	-	-	-	-	1,200,879
-	-	-	-	-	-	-	-	1,006,652
-	-	-	-	-	-	-	-	63,561
-	-	-	-	-	-	-	-	36,393
-	-	-	-	-	-	-	-	941
-	-	-	-	-	-	-	-	498,871
-	-	-	-	-	-	-	-	632,958
-	-	-	-	-	-	-	-	162,330
-	-	-	-	-	-	-	-	488,641
-	-	-	-	-	-	-	8,701	8,701
-	-	-	-	-	-	-	3,979	3,979
-	-	-	-	-	-	-	-	52,838
-	-	-	-	-	-	-	-	20,069
-	-	-	-	-	-	-	-	28,258
-	-	-	-	-	-	-	-	8,147
-	-	-	-	-	-	-	-	70,056
-	-	-	-	-	-	-	-	200,491
-	-	-	-	-	-	-	-	138,525
-	-	-	-	-	4,662	-	-	15,663
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 17,342	\$ 412,403	\$ -	\$ 30,097,740

(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	Social Services	Solid Waste Authorities
Grants (continued)							
Federal							
Women, infants, and children program	\$ 355,723	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
BWCA forest intensification	-	-	-	-	-	-	-
State and local narcotics control	55,931	-	-	-	-	-	-
HTLV III	24,228	-	-	-	-	-	-
MCH	248,815	-	-	-	-	-	-
Emergency management	37,828	-	-	-	-	-	-
Construction	-	-	-	-	3,878,492	-	-
AFDC	72,144	-	-	-	-	11,272,356	-
Medical assistance	52,990	-	-	-	-	833,509	-
Child support	33,508	-	-	-	-	2,011,898	-
Food stamps	45,280	-	-	-	-	699,647	-
Foster Care IV-E	15,148	-	-	-	-	2,226,350	-
Victims of crime act	66,195	-	-	-	-	-	-
Energy efficient resort project	4,579	-	-	-	-	-	-
Refugee assistance	-	-	-	-	-	232,903	-
MA EPSDT	-	-	-	-	-	31,367	-
MA transportation	-	-	-	-	-	70,586	-
IV-E training	-	-	-	-	-	77,754	-
AFDC - EA grants	-	-	-	-	-	79,174	-
MA non-waiver	-	-	-	-	-	617,828	-
Child care ESN	-	-	-	-	-	697,620	-
Work readiness-food stamps	-	-	-	-	-	20,707	-
STRIDE	1,514	-	-	-	-	758,491	-
Title XX block grant	-	-	-	-	-	3,192,843	-
RSVP	-	-	-	-	-	50,495	-
Title III-home delivered meals	-	-	-	-	-	40,102	-
Permanency planning	-	-	-	-	-	63,369	-
MR waived services	-	-	-	-	-	1,260,045	-
ACG waived services	-	-	-	-	-	221,205	-
CAC/CADI waived services	-	-	-	-	-	71,807	-
MI waived services	-	-	-	-	-	18,676	-
USDA - home delivered meals	-	-	-	-	-	73,756	-
PAS/ARR	-	-	-	-	-	2,828	-
Mental health - homeless	-	-	-	-	-	21,474	-
AFDC Refugee	-	-	-	-	-	23,957	-
SSI case management	-	-	-	-	-	15,075	-
SELF	-	-	-	-	-	27,747	-
Maxi audit	-	-	-	-	-	-	-
National forest lands - roads and schools	-	-	-	-	78,636	-	-
National forest lands	296,999	-	-	-	-	-	-
Total Federal	\$ 1,310,882	\$ -	\$ -	\$ -	\$ 3,957,128	\$ 24,713,569	\$ -
Other							
City of Duluth	-	-	-	265,020	-	-	-
Local	1,000	-	42,583	215,500	-	-	-
Total Other	\$ 1,000	\$ -	\$ 42,583	\$ 480,520	\$ -	\$ -	\$ -
Total Grants	\$ 3,091,481	\$ -	\$ 405,092	\$ 981,868	\$ 3,957,128	\$ 51,249,469	\$ 488,641
Total Intergovernmental Revenue	\$ 10,771,783	\$ 2,867	\$ 603,833	\$ 982,097	\$ 16,690,015	\$ 63,307,440	\$ 1,148,101

Schedule III
(Continued)

Debt		Service	Funds		Courthouse			
Babbitt Facility Refunding	Capital Equipment Notes	Solid Waste Series A	Solid Waste Series E	Correctional Facilities Bond	Capital Projects Fund	Forest Resources Trust Fund		Total
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 201,062	\$ 355,723
-	-	-	-	-	-	-	-	201,062
-	-	-	-	-	-	-	-	55,931
-	-	-	-	-	-	-	-	24,228
-	-	-	-	-	-	-	-	248,815
-	-	-	-	-	-	-	-	37,828
-	-	-	-	-	-	-	-	3,878,492
-	-	-	-	-	-	-	-	11,344,500
-	-	-	-	-	-	-	-	886,499
-	-	-	-	-	-	-	-	2,045,406
-	-	-	-	-	-	-	-	744,927
-	-	-	-	-	-	-	-	2,241,498
-	-	-	-	-	-	-	-	66,195
-	-	-	-	-	-	-	-	4,579
-	-	-	-	-	-	-	-	232,903
-	-	-	-	-	-	-	-	31,367
-	-	-	-	-	-	-	-	70,586
-	-	-	-	-	-	-	-	77,754
-	-	-	-	-	-	-	-	79,174
-	-	-	-	-	-	-	-	617,828
-	-	-	-	-	-	-	-	697,620
-	-	-	-	-	-	-	-	20,707
-	-	-	-	-	-	-	-	760,005
-	-	-	-	-	-	-	-	3,192,843
-	-	-	-	-	-	-	-	50,495
-	-	-	-	-	-	-	-	40,102
-	-	-	-	-	-	-	-	63,369
-	-	-	-	-	-	-	-	1,260,045
-	-	-	-	-	-	-	-	221,205
-	-	-	-	-	-	-	-	71,807
-	-	-	-	-	-	-	-	18,676
-	-	-	-	-	-	-	-	73,756
-	-	-	-	-	-	-	-	2,828
-	-	-	-	-	-	-	-	21,474
-	-	-	-	-	-	-	-	23,957
-	-	-	-	-	-	-	-	15,075
-	-	-	-	-	-	-	-	27,747
-	-	-	-	-	3,680	-	-	3,680
-	-	-	-	-	-	-	-	78,636
-	-	-	-	-	-	-	-	296,999
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,680</u>	<u>\$ 201,062</u>		<u>\$ 30,186,321</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 265,020
-	-	-	-	-	-	-	-	259,083
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>		<u>\$ 524,103</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 21,022	\$ 613,465		\$ 60,808,164
<u>\$ 49,214</u>	<u>\$ 350,051</u>	<u>\$ 162,946</u>	<u>\$ 57,928</u>	<u>\$ 64,514</u>	<u>\$ 194,375</u>	<u>\$ 613,465</u>		<u>\$ 94,998,629</u>

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

Fiscal Year	General Government	Public Safety	Highways	Health	Welfare
1981	10,926,455	7,871,359	19,721,518	2,177,345	51,940,888
1982	11,851,385	6,902,814	20,352,208	2,133,182	54,637,960
1983	11,866,261	7,027,971	23,042,621	2,200,481	63,871,828
1984	13,269,990	7,418,037	25,606,862	2,199,859	77,647,912
1985	11,909,328	7,703,990	29,619,492	3,025,133	83,880,627
1986	14,251,298	8,663,086	27,187,818	3,052,508	80,735,122
1987	14,360,480	9,353,630	25,445,243	2,979,693	77,904,108
1988	14,853,258	11,257,966	31,227,895	3,946,695	81,091,684
1989	16,141,887	12,814,932	35,959,426	4,290,468	86,438,710
1990	17,586,959	13,958,343	28,935,781	4,684,825	89,317,104

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

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

Fiscal Year	Taxes	Licenses and Permits	Inter- governmental	Charges for Services
1981	28,888,534	317,480	59,916,825	3,212,822
1982	33,165,764	210,416	56,507,779	3,612,548
1983	28,835,277	225,551	73,177,930	3,846,193
1984	31,400,978	256,940	84,670,190	4,572,843
1985	32,895,162	195,753	90,311,081	5,194,344
1986	46,340,868	119,822	78,436,145	5,337,581
1987	48,651,023	129,294	75,618,856	5,135,972
1988	48,186,293	127,397	82,061,159	5,389,669
1989	44,593,871	117,846	100,171,880	5,419,167
1990	50,570,451	113,776	93,506,136	5,533,559

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

TABLE I

Sani- tation	Culture and Rec- reation	Conserva- tion of Natural Resources	Economic Develop- ment	Miscell- aneous	Total Expenditures
755,298	313,218	1,660,313	93,878	330,665	95,790,937
861,944	319,205	1,603,866	102,215	2,846,880	101,611,659
808,286	337,001	1,687,840	155,974	3,459,445	114,457,708
834,895	337,001	3,021,328	174,309	3,362,666	133,872,859
840,250	337,001	4,975,924	155,572	3,225,587	145,672,904
1,046,349	342,001	5,090,124	187,590	222,381	140,778,277
1,012,402	309,601	2,121,001	282,184	-0-	133,768,342
1,129,704	318,613	1,866,995	142,803	-0-	145,835,613
992,780	338,100	1,973,230	2,144,459	-0-	160,848,344
2,327,531	337,940	1,832,978	1,687,020	-0-	160,668,481

Unaudited

TABLE II

Fines and Forfeitures	Gifts and Contributions	Interest on Investments	Miscell- aneous	Total Revenue
547,447	-	3,762,091	2,350,600	98,995,799
505,929	-	3,219,770	2,389,956	99,612,162
564,742	-	3,682,080	2,411,844	112,743,617
522,518	-	4,072,926	4,401,849	129,898,244
499,124	-	2,762,244	5,370,395	137,228,103
515,278	-	2,104,015	3,546,505	136,400,214
672,214	-	2,109,244	3,928,363	136,244,966
617,918	16,366	2,883,195	4,861,083	144,143,080
671,157	3,436	2,505,189	5,531,081	159,013,627
770,349	50,849	2,235,853	5,693,798	158,474,771

Unaudited

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

<u>Fiscal Year</u>	<u>Total County Levy</u>	<u>Less Tax Credits(1) and certain State Aids(2)</u>	<u>Net Levy</u>	<u>Current Tax Collections</u>	<u>Levy Collected</u>
1981	32,478,802	11,100,419	21,378,383	20,623,726	96.47
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

- (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.

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

<u>Collection Year</u>	<u>Property Outside the City of Duluth</u>		<u>Duluth</u>	
	<u>Assessed Value/Tax Capacity⁽¹⁾</u>	<u>Estimated Market Value</u>	<u>Assessed Value/Tax Capacity⁽¹⁾</u>	<u>Estimated Market Value</u>
1981	435,822,815	1,848,337,894	284,312,513	1,170,917,146
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	2,183,053,380	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	39,754,406	2,045,216,400	24,323,619	1,334,843,100

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

TABLE III

<u>Delinquent Tax Collections</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>
91,122	20,714,848	96.90	2,727,028	12.76
672,253	25,608,031	89.97	3,059,461	10.75
150,605	26,961,179	96.24	3,620,564	12.92
591,113	29,778,905	96.93	3,622,580	11.79
567,431	31,065,515	94.97	3,601,948	11.01
275,580	33,110,601	96.81	4,111,062	12.02
474,973	36,634,483	96.62	4,460,161	11.76
557,970	36,944,365	98.30	4,579,024	12.18
1,465,767	33,246,226	99.32	4,300,374	12.85
1,514,779	37,474,509	98.94	4,381,927	11.56

Unaudited

TABLE IV

<u>Assessed Value/Tax Capacity⁽¹⁾</u>	<u>Total Estimated Market Value</u>	<u>Ratio of Assessed Value to Estimated Market Value</u>	<u>Percent of Total Assessed Value/ Tax Capacity(1) Outside</u>	
			<u>Duluth</u>	<u>Duluth</u>
720,135,328	3,019,255,040	.23851	60.52	39.48
809,965,715	3,368,457,436	.24046	63.29	36.71
824,849,716	3,456,947,855	.23861	64.38	35.62
805,740,617	3,473,103,400	.23199	64.50	35.50
770,286,791	3,397,777,480	.22670	63.90	36.10
755,355,503	3,326,867,350	.22705	63.18	36.82
745,001,599	3,292,356,750	.22628	62.45	37.55
708,499,485	3,273,647,920	.21643	61.70	38.30
87,761,803	3,284,996,020	.02672	60.86	39.14
64,078,025	3,380,059,500	.01896	62.04	37.96

Unaudited

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

<u>Tax Year</u>	<u>Cities/ Towns</u>	<u>Special Districts</u>	<u>School Districts</u>	<u>County</u>	<u>Total Combined</u>
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Tax Rates per \$100 of Assessed Valuation

1980	3.0404	.0814	4.2647	4.980	12.3665
1981	3.0165	.0691	3.7062	4.633	11.4248
1982	2.8858	.0662	4.7202	4.623	12.2952
1983	3.2196	.0691	5.0998	4.742	13.1305
1984	3.4115	.0735	5.6124	5.195	14.2924
1985	3.9975	.0775	5.5080	5.815	15.3980
1986	4.1532	.0772	5.3873	6.283	15.9007
1987	4.3297	.0930	5.5431	6.981	16.9468
1988	4.6307	.1013	5.6370	7.339	17.7080

Tax Rates per \$100 of Tax Capacity⁽²⁾

1989	25.4912	.2576	39.1948	54.1377	119.0813
1990	25.6977	.3856	43.0184	62.1951	131.2968

Tax Levies (in dollars)

1980	18,372,342	951,930	26,498,906	30,931,967	76,755,145
1981	21,496,707	958,478	26,652,608	33,363,870	82,471,663
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

(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 VI

ST. LOUIS COUNTY, MINNESOTA
 RATIO OF NET GENERAL BONDED DEBT TO ASSESSED
 VALUE/TAX CAPACITY ⁽¹⁾ AND NET BONDED DEBT PER CAPITA
 LAST TEN FISCAL YEARS

<u>Year ending Dec. 31</u>	<u>Popu- lation</u>	<u>Assessed Value/ Tax Capacity⁽¹⁾ (in dollars)</u>	<u>Net Value Debt</u>	<u>Ratio of Net Bonded Debt to Assessed Value/Tax Capacity⁽¹⁾</u>	<u>Bonded Debt per Capita</u>
1981	221,039	720,135,328	0	0	0
1982	218,964	809,965,715	0	0	0
1983	213,622	824,849,716	0	0	0
1984	212,214	805,740,617	0	0	0
1985	206,264	770,286,791	0	0	0
1986	203,069	755,355,503	0	0	0
1987	200,646	745,012,215	0	0	0
1988	200,027	708,711,198	5,000,000	0.71%	25.00
1989	200,027	87,761,803	21,000,000	23.93%	104.99
1990	198,213	72,417,761	22,195,000	30.65%	111.98

(1) For 1989 and 1990, Assessed Value changed to Tax Capacity by Chapter 719, Laws of Minnesota, 1988.

Unaudited

TABLE VII

ST. LOUIS COUNTY, MINNESOTA
 COMPUTATION OF LEGAL DEBT MARGIN
 FOR THE FISCAL YEAR ENDED DECEMBER 31, 1990

Market Value of Taxable Property	\$ 3,380,059,500
(¹)Debt Limit 2 Percent of market value of taxable property	\$ 67,601,190
Amount of Debt Applicable to Debt Limit:	
General Obligation Debt	\$17,246,980 ⁽²⁾
Less: Assets in Debt Service Fund	312,410
Restricted Assets in Enterprise Funds ⁽³⁾	<u>530,053</u>
Total Amount of Debt Applicable to Debt Limit	<u>16,404,517</u>
Legal Debt Margin	<u>\$ 51,196,673</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 net 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 \$5,615,000; therefore, those bonds are not included here.

⁽³⁾Nursing Home General Obligation Revenue Bonds of \$3,875,000 less \$93,166 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 \$10,700,000 designated for debt service in the Road and Bridge Special Revenue Fund, as that amount is not a legal reserve.

Unaudited

Table VIII

ST. LOUIS COUNTY, MINNESOTA
COMPUTATION OF DIRECT, OVERLAPPING AND UNDERLYING DEBT
YEAR ENDED DECEMBER 31, 1990

<u>Direct Debt</u>	<u>Total Debt</u> <u>Outstanding</u> ¹	<u>Applicable to</u> <u>St. Louis County</u>	
		<u>Percent</u> ²	<u>Amount</u>
St. Louis County	\$ 22,101,834	100.00%	\$ 22,101,834
<u>Overlapping Debt</u>			
School District #94	\$ 700,000	21.55%	\$ 150,850
School District #698	65,000	94.73%	61,575
School District #710	4,185,000	99.52%	4,164,912
W.L.S. Sanitary District	27,385,000	79.77%	21,845,015
	\$ 32,335,000		\$ 26,222,352
<u>Underlying Debt</u>			
City of Biwabik	\$ 840,000	100.00%	\$ 840,000
City of Buhl	55,000	100.00%	55,000
City of Chisholm	2,151,000	100.00%	2,151,000
City of Cook	220,000	100.00%	220,000
City of Duluth	5,885,000	100.00%	5,885,000
City of Ely	1,090,000	100.00%	1,090,000
City of Eveleth	250,000	100.00%	250,000
City of Floodwood	215,000	100.00%	215,000
City of Hermantown	1,484,000	100.00%	1,484,000
City of Hibbing	2,460,000	100.00%	2,460,000
City of Iron Junction	10,830	100.00%	10,830
City of Mountain Iron	275,000	100.00%	275,000
City of Proctor	170,000	100.00%	170,000
City of Tower	110,000	100.00%	110,000
City of Virginia	3,540,000	100.00%	3,540,000
Town of Greenwood	132,857	100.00%	132,857
Town of Pike	25,065	100.00%	25,065
Town of Rice Lake	50,000	100.00%	50,000
School District #695	699,486	100.00%	699,486
School District #696	1,000,000	100.00%	1,000,000
School District #697	55,000	100.00%	55,000
School District #699	14,000	100.00%	14,000
School District #700	7,110,000	100.00%	7,110,000
School District #701	5,250,000	100.00%	5,250,000
School District #704	7,165,000	100.00%	7,165,000
School District #706	2,355,000	100.00%	2,355,000
School District #708	915,300	100.00%	915,300
School District #709	18,500,000	100.00%	18,500,000
School District #712	4,625,000	100.00%	4,625,000
Seaway Port Authority	1,150,000	100.00%	1,150,000
	\$ 67,802,538		\$ 67,802,538
Total	\$ 122,239,372		\$ 116,126,724

1 Total Debt Outstanding - That portion of the debt which is financed by tax levies or special assessments - 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 located within the County.

Unaudited

ST. LOUIS COUNTY, MINNESOTA

RATIO OF DEBT SERVICE EXPENDITURES FOR GENERAL
(1)
OBLIGATION BONDED DEBT TO TOTAL GENERAL EXPENDITURES
(IN DOLLARS)

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Debt Service</u>	<u>General Expenditures</u>	<u>Ratio of Debt Service Expenditures To Total General Expenditures</u>
1981	0	0	0	95,790,937	N/A
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	.0011
1989	295,000	355,800	650,800	160,848,344	.0040
1990	420,000	1,075,030	1,495,030	160,668,481	.0093

(1)

Includes the General Fund and Special Revenue Funds.

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

Unaudited

TABLE X**ST. LOUIS COUNTY****REVENUE BOND COVERAGE****CHRIS JENSEN ENTERPRISE FUND BOND****LAST SIX FISCAL YEARS
(IN DOLLARS)**

<u>Fiscal Year</u>	<u>Gross(1) Revenue</u>	<u>Direct(2) Net Revenue</u>		<u>Debt Service Requirements</u>			
		<u>Operating Expenses</u>	<u>Available for Debt Service</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>	<u>Coverage</u>
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	.64
1988	7,352,692	7,325,246	27,446	350,000	381,775	731,775	-.96
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	-.20

NOPEMING ENTERPRISE FUND BOND

<u>Fiscal Year</u>	<u>Gross(1) Revenue</u>	<u>Direct(2) Net Revenue</u>		<u>Debt Service Requirements</u>			
		<u>Operating Expenses</u>	<u>Available for Debt Service</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>	<u>Coverage</u>
1989	6,751,894	7,053,018	(301,124)	-	3,335	3,335	-9.71
1990	7,613,198	7,748,439	(135,241)	20,000	21,854	41,854	-6.77

(1) Includes operating and non-operating revenue.

(2) Excludes depreciation.

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

Unaudited

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) Rate</u>
1981	221,039	10,075	30.0	39,830	8.2
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	31.0	38,692	6.3
1989	200,027	14,502	31.2	33,510	5.9
1990	198,213	NA	35.7	33,710	6.0

(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

TABLE XII

ST. LOUIS COUNTY, MINNESOTA

ESTIMATED MARKET VALUE, CONSTRUCTION, AND BANK DEPOSITS

Estimated Market Value:	<u>Value</u>	<u>1990 Percent</u>
Real Estate:		
Residential	\$2,327,699,237	53.86%
Multiple dwelling	121,941,860	2.82
Commercial/Industrial	455,181,332	10.54
Timberlands	91,587,283	2.11
Agricultural	54,856,832	1.26
Public Utilities/Miscellaneous	142,220,119	3.30
Seasonal Residential Recreational	254,761,333	5.90
Seasonal Commercial Recreational	14,233,904	.32
Exempt	<u>723,979,900</u>	<u>16.76</u>
	\$4,186,461,800	96.87
Personal Property	<u>135,396,800</u>	<u>3.13</u>
	<u>\$4,321,858,600</u>	<u>100.00%</u>

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>
1981	951	20,215,303	3,601	24,284,394	44,499,697
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

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

Unaudited

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 1990 Tax Roll</u>	<u>Percentage</u>
1. Lake Superior Paper	\$ 2,126,850	3.32
2. Square Butte Electric Co-op	1,005,899	1.57
3. Minnesota Power & Light Company	920,905	1.44
4. Duluth Mall Inc.	435,601	.68
5. First Bank Place	336,344	.52
6. Duluth Clinic, Ltd.	292,783	.46
7. Potlatch Corporation	274,145	.43
8. Great Lakes Gas Transmission Company	227,564	.36
9. St. Lawrence Cement Inc.	218,856	.34
10. JMM Ltd Partnership	198,768	.31
 Total Tax Capacity of Ten Largest Taxpayers	 \$ 6,037,715	 9.42
 Total Tax Capacity of Other Taxpayers	 \$ 58,040,310	 90.58
 Total Tax Capacity of All Taxpayers	 \$ 64,078,025	 100.00%

Unaudited

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>
1981	100,697	92,745	7,952	7.9
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	5,292	5.9
1990	93,812	88,226	5,586	6.0

<u>Year</u>	<u>Average St. Louis County Labor Force</u>	<u>Average St. Louis County Unemploy-ment</u>	<u>Average State Labor Force</u>	<u>Average State Unemploy-ment</u>	<u>Average National Labor Force</u>	<u>Average National Unemploy-ment</u>
1981	100,697	7.9	2,154,000	5.5	110,315,000	7.5
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

Source: Minnesota Department of Economic Security

Unaudited

TABLE XV

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

Number of Employees (as of 12/31/90)
Personnel:

<u>Fund</u>	<u>Number of Employees</u>
General	1,193*
Social Services Special Revenue	565
Other Special Revenue	53
Enterprise	454
Internal Service	<u>91</u>
Total	<u>2,356</u>

* Figure includes 168 employees of Arrowhead Regional Corrections.

Area of St. Louis County

Land 6,318.02 sq.miles or 4,043,532 acres
Water 774.49 sq.miles or 495,674 acres
Total 7,092.51 sq.miles or 4,539,206 acres

Miles of County Road - 1,605 miles

Concrete 2.9
Bituminous 211.56
Gravel 1,341.14
Unimproved 49.4

County Bridges - 264

Unaudited