



**COMPREHENSIVE
ANNUAL
FINANCIAL
REPORT**

•
**ST. LOUIS
COUNTY
MINNESOTA**

•
for the
Year Ended
December 31, 1992

•
**Russell Petersen,
County Auditor**



**COMPREHENSIVE
ANNUAL
FINANCIAL
REPORT**



**ST. LOUIS
COUNTY
MINNESOTA**



for the
Year Ended
December 31, 1992



**Russell Petersen,
County Auditor**

I
N
T
R
O
D
U
C
T
O
R
Y
S
E
C
T
I
O
N

TABLE OF CONTENTS

INTRODUCTORY SECTION

	Page
Letter of Transmittal	v
Organizational Summary	xx
Elected and Appointed Officials	xxi
Certificate of Achievement	xxiii

FINANCIAL SECTION

	Exhibit		Page
INDEPENDENT AUDITOR'S REPORT			
COMBINED STATEMENTS - OVERVIEW ("LIFTABLE" GENERAL PURPOSE FINANCIAL STATEMENTS):			
Combined Balance Sheet - All Fund Types and Account Groups	I		4
Combined Statement of Revenues, Expenditures, and Changes in Fund Balances - All Governmental Fund Types and Expendable Trust Funds	II		10
Combined Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - Budgetary Basis - General Fund and Special Revenue and Debt Service Fund Types	III		12
Combined Statement of Revenues, Expenses, and Changes in Retained Earnings - All Proprietary Fund Types	IV		14
Combined Statement of Cash Flows - All Proprietary Fund Types	V		15
Notes to Financial Statements			17
 COMBINING, INDIVIDUAL FUND AND ACCOUNT GROUP FINANCIAL STATEMENTS:			
		Schedule	
GOVERNMENTAL FUND TYPES			
GENERAL FUND:			
Balance Sheet	1		70
Statement of Revenues, Expenditures, and Changes in Fund Balances	2		71
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - Budgetary Basis	3		76
SPECIAL REVENUE FUNDS:			
Combining Balance Sheet	4		82
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances	5		84
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - Budgetary Basis			
Babbitt Facility	6		86
County Housing Authority	7		87
Railroad Authority	8		88
Road and Bridge	9		89
Social Services	10		90

TABLE OF CONTENTS (Continued)

	Schedule	Page
COMBINING, INDIVIDUAL FUND AND ACCOUNT GROUP FINANCIAL STATEMENTS:		
GOVERNMENTAL FUND TYPES (continued)		
DEBT SERVICE FUNDS:		
Combining Balance Sheet	11	92
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances	12	93
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - Budgetary Basis		
Babbitt Facility Refunding	13	94
Capital Equipment Notes	14	95
Correctional Facilities Bond	15	96
CAPITAL PROJECTS FUNDS:		
Combining Balance Sheet	16	98
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances	17	99
PROPRIETARY FUND TYPES:		
ENTERPRISE FUNDS:		
Combining Balance Sheet	18	102
Combining Statement of Revenues, Expenses, and Changes in Retained Earnings	19	104
Combining Statement of Cash Flows	20	105
INTERNAL SERVICE FUNDS:		
Combining Balance Sheet	21	108
Combining Statement of Revenues, Expenses, and Changes in Retained Earnings	22	112
Combining Statement of Cash Flows	23	114
EXPENDABLE TRUST AND AGENCY FUNDS:		
Combining Balance Sheet	24	120
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - All Expendable Trust Funds	25	122
Combining Statement of Changes in Assets and Liabilities - All Agency Funds	26	124

TABLE OF CONTENTS (Continued)

	Schedule	Page
COMBINING, INDIVIDUAL FUND AND ACCOUNT GROUP FINANCIAL STATEMENTS:		
FIXED ASSETS:		
Comparative Schedule of General Fixed Assets by Source	27	130
Schedule of General Fixed Assets by Function and Activity	28	131
Schedule of Changes in General Fixed Assets by Function and Activity	29	132
SUPPLEMENTARY SCHEDULES:		
Schedule of Investments	30	134
Tax Capacity, Tax Rates, Levies, and Percentage of Collections	31	135
Schedule of Intergovernmental Revenue	32	136

STATISTICAL SECTION

STATISTICAL DATA TABLES	Table	Page
General Governmental Expenditures by Function	1	143
General Governmental Revenues by Source	2	144
Property Tax Levies and Collections	3	145
Assessed, Tax Capacity and Estimated Market Value of Taxable Property	4	146
Property Tax Rates and Tax Levies - Direct and Overlapping	5	147
Ratio of Net General Bonded Debt to Assessed Value/Tax Capacity and Net Bonded Debt per Capita	6	148
Computation of Legal Debt Margin	7	149
Computation of Direct, Overlapping and Underlying Debt	8	150
Ratio of Debt Service Expenditures for General Obligation Debt to Total General Expenditures	9	151
Revenue Bond Coverage	10	152
Demographic Statistics	11	153
Estimated Market Value, Construction, and Bank Deposits	12	154
Principal Taxpayers	13	155
Labor Statistics	14	156
Miscellaneous Statistical Data	15	157
Percentage of Registered Voters - Voting	16	158

This page intentionally left blank.



Saint Louis County

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

Russell Petersen
County Auditor

June 9, 1993

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, 1992. This report was prepared by the County Auditor's Accounting Office. Responsibility for both the accuracy of the presented data and completeness and fairness of the presentation, including all disclosures, rests with the County. This report conforms with the Governmental Accounting Standards Board (GASB) Statement 1 and subsequent statements and interpretations. The report consists of three sections:

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

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

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

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

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

ECONOMIC CONDITION AND OUTLOOK

The following analysis is based largely on information found in the 1993 Outlook edition of the Duluth News-Tribune and in some of the daily issues of the Tribune.

Business diversification and, as a consequence, stable employment growth continued throughout 1992 both on the Iron Range and Duluth. Northeast Minnesota, long a home for seasonal work in mining, shipping and forestry, is now becoming known for its retail, light manufacturing, technological and service firms. Recent developments include:

IRON RANGE

City of Virginia

Retail

- ▶ Twin Cities-based Dayton-Hudson has set a July, 1993 opening for its new \$7 million Target store. It is expected to provide 180 full-time jobs.

Light Manufacturing

- ▶ Minnesota Diversified Industries, an employer of the handicapped and disabled, opened its second Iron Range plant here in December employing 30 people.

City of Hibbing

Light Manufacturing

- ▶ Minnesota Diversified Industries opened its first plant on the Range during 1992. It initially employed 25 individuals but soon expanded that figure to 85.

- ▶ Noble Industries, founded in Hibbing, was purchased in 1992 by Wellborn Industries of Iowa. It now has 39 employees manufacturing circuit boards for customers on the Range, in Chicago and in the Silicon Valley of California.

Technological Firms

- ▶ Locally founded Hibbing Electronics, now owned by Oregon-based OECO Inc., saw 1992 sales increase by 40% to \$46 million. This allowed the firm, an assembler of circuit boards, to hire 50 new employees, thereby bringing its total workforce to 400. It is now able to handle more and larger contracts.

Health Services

- ▶ As a result of teamwork by local clinics ten more physicians were hired in the Hibbing area.

City of Eveleth

Health Services

- ▶ In 1992 Kimberly Quality Care, Inc., a health-care provider, opened its doors, employing 100 permanent part-time individuals.

General Iron Range Area

Technological Firms

- ▶ Unysis Corp. started talks in 1993 with Iron Range officials about opening plants where workers would electronically inscribe bar codes for the US Postal Service. Together they would employ 600 to 700 people.

CITY OF DULUTH

Tourism

- ▶ 1993 is expected to provide another major boost to business by rising 6.5% over 1992 to total \$113 million.
- ▶ The I-35 freeway extension was completed in 1992 after nine years at a cost of \$190 million.
- ▶ The Duluth Economic Development Authority in December purchased a tract of land for development of a marina for \$400,000.

Retail

- ▶ Construction began in 1992 on a \$20 million privately-financed mall in Duluth which will create 600 full and part-time positions. This will be located near the city limits to encourage out-of-town shoppers to buy.

- ▶ An outlet mall is planned as part of a \$12 million waterfront development. The private developer would invest \$8 million to build facilities large enough to house 25 to 30 stores covering 110,000 square feet. It is expected that the mall would generate \$25 million in retail sales annually and provide 250 full and part-time jobs.

Light Manufacturing

- ▶ The Superior Recycled Fiber Industries plant is scheduled to open in 1993 and initially plans to employ 30 individuals. The 135,000 square foot facility is projected to cost \$76.5 million and will serve primarily as a source of recycled office paper. Twenty-four percent of the planned demand has already been taken by Superior Paper Industries while the remainder will be sold on the open market where requests for it are numerous.

Health Services

- ▶ A total of 44 new physicians have been hired at the City's two largest clinics, bringing the total number at both locations to 272. The Duluth Clinic has also expanded its support staff by 160.
- ▶ St. Luke's Hospital concluded a \$6 million building project which created 39 positions.
- ▶ St. Mary's Hospital has completed the construction of a \$12 million 75,400 square-foot emergency care and trauma center.
- ▶ By 1994 Miller-Dwan Medical Center will have completed a two-year renovation at a cost of \$3.5 million.
- ▶ The Duluth Clinic will begin the construction of a 5-story wing to its main offices during 1993 to be completed the following year at a cost of \$13 million.

Other Services

- ▶ The Aircraft Rescue and Firefighting Training Center, designed to train Midwest firefighters to deal with aircraft crashes, opened in January of this year at a cost of \$15 million.

General

- ▶ Housing construction is expected to help boost retail sales of homes by 3% over 1992.
- ▶ New and used car sales and eating and drinking establishments did well in 1992, a trend that is expected to continue into 1993.
- ▶ Commercial shipping in the Port of Duluth-Superior provided 2,717 direct and indirect jobs in 1992 and put \$232.96 million into the local economy.

MAJOR INITIATIVES

In 1992, St. Louis County began planning and instituting new processes and procedures to better meet citizens' need for services.

- ▶ **Purchasing & Public Works.**
Start-up of a County-wide automated purchasing, inventory and fleet maintenance system.

- ▶ **Purchasing System**
 - ▶ Purchase order requisitions are now on line rather than in written form.
 - ▶ They are directed to the purchasing agent, reviewed daily by the Auditor's Office and encumbered when funds are available.
 - ▶ The program is designed to unify all bill-paying into one system so that all data input is available for reference by all participating departments.
 - ▶ With one common database, the system is expected to trim administrative and clerical time and costs.
 - ▶ It is scheduled for limited use on January 1, 1993 and an update to the system expected in June will bring all departments on line by July.

- ▶ **Inventory System**
 - ▶ It is designed to keep track of unit costs and inventory locations.
 - ▶ Minimum and maximum quantities of a particular item are set and the user is informed if either level has been attained or exceeded.
 - ▶ A weighted average method for inventory costing continuously balances out older costs with more recent ones.
 - ▶ Duplication of parts is eliminated.

- ▶ **Fleet Maintenance System**
 - ▶ The system keeps track of equipment costs.
 - ▶ It also maintains a record of fixed assets and historical data on equipment.
 - ▶ Parts duplication is avoided.
 - ▶ The system can be used by a number of departments (e.g., Road and Bridge, Health, MIS, and the Nursing Homes).

- ▶ **Solid Waste Department**
 - ▶ A new transfer station is scheduled for construction at the Hibbing landfill site.
 - ▶ Hibbing and East Mesaba landfills will be closed and a new clay-lined landfill will be built in the fall of 1993 to replace them.
 - ▶ Volume-based tipping fees have been instituted as of January 1, 1993 whereby cities and towns pay a part of the fee with the hauler paying the remainder. An accompanying accounts receivable computer program has been set up to bill the fees and receive subsequent payments. It will be updated daily for pre-approved credit customers, coupon customers, individuals paying by check and personal invoicing.

▶ **Regional Corrections.**

A. The State of Minnesota has given St. Louis County \$100,000 to test a new computer identification system to streamline the criminal probation system.

▶ The program, the first of its kind in the nation, would combine several existing technologies into one high-tech identification system enabling criminals to check in in person, thereby alleviating the overwhelming caseloads faced by probation officers. (The number of people on probation has increased 112% from 1983 to 1989. State guidelines suggest 75 cases per officer but many are supervising more than 130 criminals at a time.)

▶ Much of this increase is due to drunk driving arrests. These cases would form the basis for the test of the system. Each driver ordered to report daily would arrive at the probation office, insert a computer chip identification card into a computer, touch a scanning device and use the Breathalyzer. In this manner the computer could identify the person by matching the fingerprint with the one stored in the chip. The Breathalyzer could determine the individual's sobriety. The computer would keep track of daily check-ins and warn officials if the criminal didn't pass the breath test.

▶ The system could eventually be patented by the County. In addition, the County could become a statewide or even national clearing-house for electronic fingerprint identification.

▶ The technology could save taxpayers money, ensure that criminals serve their probation and free officers to check on their most serious criminals more often and in person.

▶ This added supervision would make it less likely that criminals will repeat their offenses.

B. The Corrections Office has experimented with a group reporting system, called STARS, in their Virginia Office, whereby less serious offenders report on a group basis, allowing traditional probation to be used for the more serious offenders. This concept will expand to other offices in 1993.

▶ **Auditor.**

In mid-April, 1993, the St. Louis County Auditor's office will convert from standard cash registers to a PC-based cashier system. Among the advantages of the new system:

▶ Mainframe access to the entire property tax data base which will allow overnight updates of tax records and instant inquiry by cashiers.

▶ Elimination of most key punching.

▶ Use of bar code readers to improve accuracy and save time since all property tax statements are now pre-printed with bar codes to denote property identification and tax amount.

▶ Listing of parcel identification and amount paid on all customer cash register receipts and journal tapes for easier tracking.

▶ Endorsement of checks by the system at the point of sale, thereby eliminating endorsement by the microfilm department.

▶ Backroom processing's ability to also use the PCs and bar code readers during peak tax times of May and October, thereby eliminating hand stamping and key punching.

- ▶ 9-1-1 Emergency Communications.
 - ▶ During 1993 the 9-1-1 Department will establish a Mobile Data Terminal operation in North St. Louis County. This will allow outlying and sparsely-populated areas ready access to an emergency hotline.
 - ▶ In order to further educate people about the functions and uses for 9-1-1 the department will create a new public relations program to include video/slide presentations and promotional materials.
 - ▶ An upgrade to the uninterruptible power supply system in Duluth will be installed.

FINANCIAL INFORMATION

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

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

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

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

General Government Functions - In 1992 General and Special Revenue Funds total fund balances increased more than \$1 million (4.1%) and undesignated fund balances increased \$1.8 million (20.53%). This reflects the County's conservative budgeting practices.

The following schedule presents a summary of General and Special Revenue Fund revenues for the fiscal year ended December 31, 1992 and the amount of percentage and dollar increases and decreases in relation to the prior year's revenues.

	1992 Amount	% of Increase (Decrease)	Dollar Increase (Decrease)
Revenues:			
Taxes	\$ 56,159,786	2.75	1,504,836
Licenses and permits	127,058	5.30	6,393
Intergovernmental	75,009,649	(9.01)	(7,430,450)
Charges for service	7,152,949	23.79	1,374,809
Fines and forfeitures	691,775	0.33	2,245
Interest on investments	1,853,826	(3.55)	(68,249)
Gifts and contributions	20,506	135.51	11,799
Miscellaneous	<u>2,069,150</u>	(56.82)	<u>(2,722,570)</u>
	<u>\$143,084,699</u>		<u>(7,321,187)</u>

Although the other categories of revenue show larger percentages of increase or decrease over 1991, the most significant dollar changes in revenue are the increase in the taxes and charges for services categories and the decrease in the intergovernmental and miscellaneous categories.

1. Tax revenues increased \$1.5 million or 2.75 percent over 1991 collections. The local property tax levy, after subtracting all aids, was increased modestly in 1992 and that increase accounts for nearly all of the increase in the tax revenue category. The General and Special Revenue Funds receive tax revenues based upon tax apportionment formulas.

2. Intergovernmental revenues decreased \$7.4 million or 9.01 percent from 1991 intergovernmental revenues. Explanations of the major dollar increases and decreases are given below:

	Dollar Increase (Decrease) <u>(in millions)</u>
<u>General government-</u>	
State takeover of public defender and related court functions	(.3)
One-time grant revenue received in 1991 - similar revenue not received in 1992	(.4)
<u>Highways and streets-</u>	
Federal and State funding of various projects increased in 1992	4.8
<u>Social services-</u>	
Revenues from the Federal and State governments for income maintenance decreased in 1992 due to program changes	(11.5)

3. Charges for services increased \$1.4 million or 23.79 percent over 1991 collections. This increase in revenue reflects an increased volume of activity as well as charges for new programs. Explanations for the major dollar increases are given below:

	Dollar Increase (Decrease) <u>(in millions)</u>
<u>General government-</u>	
County Recorder fees increased due to increased volume of deeds being registered (mortgage re-financing) and a state-mandated surcharge	.2
Health Department fees increased in the following areas:	
Environmental & health fees	.1
Health care screenings, placements, and assessments due to expanded programs	.8
<u>Highways and streets-</u>	
Increased revenues from miscellaneous fees	.1
<u>Social Services-</u>	
Increase consists primarily of rises in pre-nursing home screenings and child welfare costs	.2

4. Interest on investments decreased by \$68,249 as a result of declining rates of return during 1992.

5. Miscellaneous revenues decreased \$2.8 million or 56.82 percent from those revenues received in 1991. Explanations for the major dollar decreases are given below:

	Dollar Increase (Decrease) <u>(in millions)</u>
<u>Highways and streets-</u>	
Decrease in snowplowing revenues and commodity and property sales	(.3)
<u>Social Services-</u>	
Decrease in revenues due primarily to conversion to the State MAXIS program	(2.5)

The following schedule presents a summary of General and Special Revenue Fund expenditures as shown on Exhibit II for the fiscal year ended December 31, 1992, and the percentages of increases and decreases in relation to prior year amounts.

<u>Expenditures:</u>	<u>1992 Amount</u>	<u>% of Increase (Decrease)</u>	<u>Dollar Increase (Decrease)</u>
General government	\$ 16,948,356	(5.35)	(958,169)
Public safety	16,546,693	8.44	1,287,838
Highways and streets	31,596,937	19.93	5,251,291
Health	5,928,570	9.66	522,053
Welfare	68,650,116	(14.82)	(11,948,466)
Culture and recreation	385,607	(7.42)	(30,899)
Conservation of natural resources	523,778	(10.59)	(62,047)
Economic development	<u>530,482</u>	(46.69)	<u>(464,524)</u>
	<u>\$141,110,539</u>		<u>(6,402,923)</u>

Explanations for the major dollar increases and decreases are given below.

	<u>Dollar Increase (Decrease)</u> <u>(in millions)</u>
<u>General government-</u>	
State takeover of public defender and some court functions	(1.5)
Small increases in various departmental expenditures	.5
<u>Public safety-</u>	
County share of Arrowhead Regional Corrections operations	.7
Increased costs of transporting, feeding and housing jail prisoners	.6
<u>Highways and streets-</u>	
Increased Federal projects done in St. Louis County	2.2
Increase in County and State projects	1.8
Increase in administration costs	.9
Increase in road maintenance expenditures	.4
<u>Health-</u>	
Small increases in various categories	.5

Dollar
Increase
(Decrease)
(in millions)

Welfare-

Decreases in various income maintenance programs - costs taken over by State of Minnesota	(17.0)
Increases in Social Services for:	
Child Daycare	1.2
Families with children	1.9
Mental health	.8
Developmentally disabled	1.3
Adults/elderly	.4

Culture and recreation-

No major increases or decreases

Conservation of natural resources-

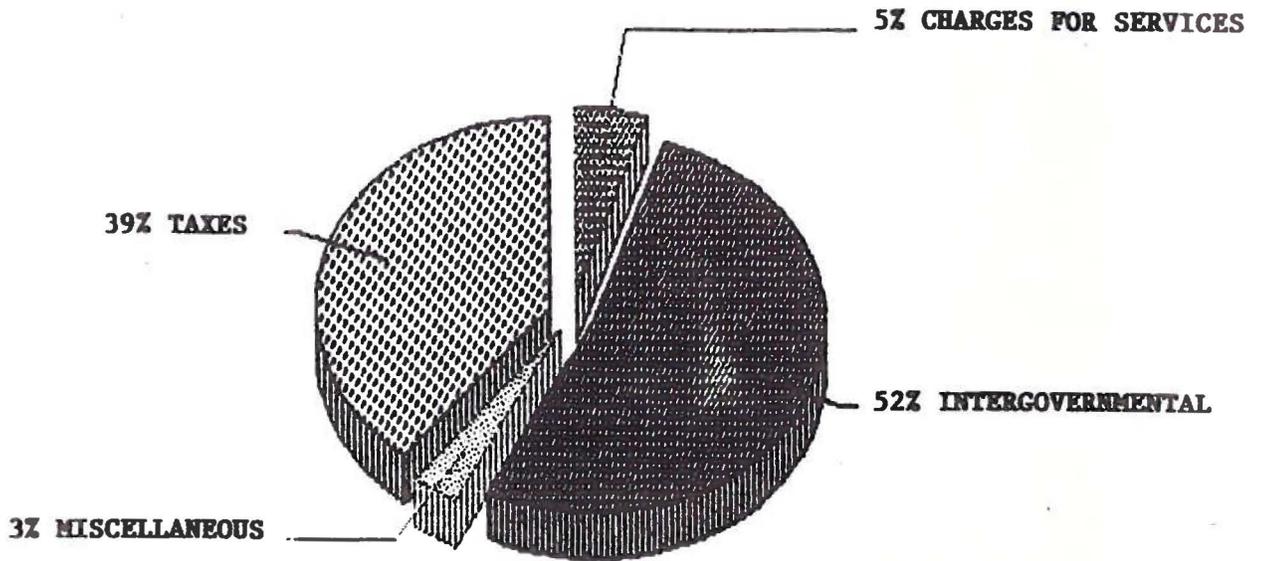
No major increase or decrease

Economic development-

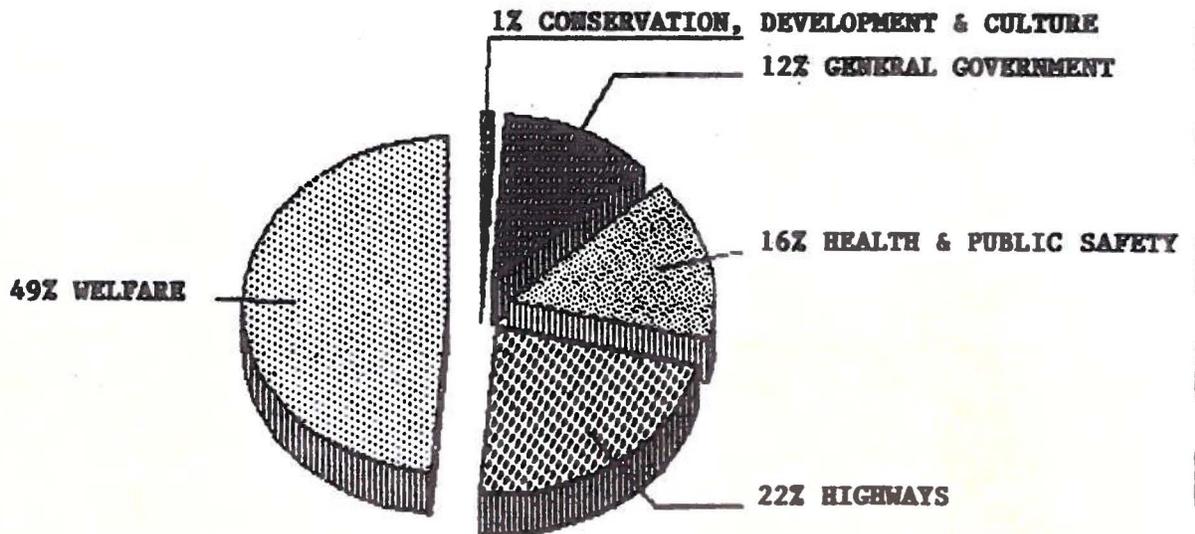
Decrease in State grant lent to businesses in County	.4
---	----

Graphics for revenue and expenditures are shown on the following page.

1992 COUNTY REVENUES BY SOURCE
INCLUDES GENERAL & SPECIAL REVENUE FUNDS



1992 COUNTY SPENDING BY FUNCTION
INCLUDES GENERAL & SPECIAL REVENUE FUNDS



Cash Management - In 1992, the average investment yield was 3.81%. Demand deposits averaged no more than 5% of the total cash, while 95% of all funds were invested in U.S. Government securities, Government agency securities and certificates of deposit in Minnesota banks.

Enterprise Operations - St. Louis County has three enterprise operations. Chris Jensen and Nopeming are nursing home facilities for the public. Solid Waste Management provides for the construction, operation and monitoring of solid waste activities outside of the Western Lake Superior Sanitary District. The Chris Jensen Fund operations resulted in net income of \$826,525 for 1992, while the Nopeming Fund had a net income of \$379,598 and the net income for the Solid Waste Management Fund was \$991,110.

Internal Service Funds - The County has eight Internal Service Funds. The Community Food Fund, the Laundry Fund, the Supervised Living Facilities Fund, the Printing Fund, the County Insurance Fund and the Telecommunications Fund had net incomes of \$66,056; \$68,963; \$112,458; \$8,856; \$236,052 and \$43,385 respectively. The County Garage Fund and the Management Information Systems Fund had net losses of \$191,844 and \$73,363 respectively. All of the Internal Service Funds have positive retained earnings balances, except the County Garage Fund. The County Garage Fund has contributed capital of \$2,565,670 which was used to purchase cars for the County Sheriff's Department. The depreciation on these cars is a charge against retained earnings; however, because the Sheriff contributed the purchase price of the cars, his Department is not assessed the depreciation portion of his mileage costs. Therefore, this fund will probably continue to have a negative retained earnings and an annual loss, but will continue to have a positive working capital.

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.

Administration of Bonded Debt - As of December 31, 1992, St. Louis County had ten bonded debt issues outstanding: \$3,800,000; \$4,070,000 and \$2,035,000 General Obligation Capital Notes; \$3,017,290 and \$1,124,294 and \$1,178,790 General Obligation Solid Waste Bonds; \$2,000,000 General Obligation Bond for interim financing for a County jail; \$2,003,566 General Obligation Revenue Bonds for Chris Jensen Nursing Home Construction; \$955,000 General Obligation Refunding Bond for the Babbitt Facility; and \$232,527 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 1992 was \$3,881,445,700. The amount of general obligation debt

applicable to the debt limit of \$77,628,914 is \$14,707,089 leaving \$62,921,825 as the legal debt margin. The \$14,707,089 applicable to the debt limit is without consideration of \$9,905,000 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 \$420,000 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 1992 consisted of improvements to courthouses, and the preliminary work on a new County jail facility.

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, 1991.

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

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

OTHER INFORMATION

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

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

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

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

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

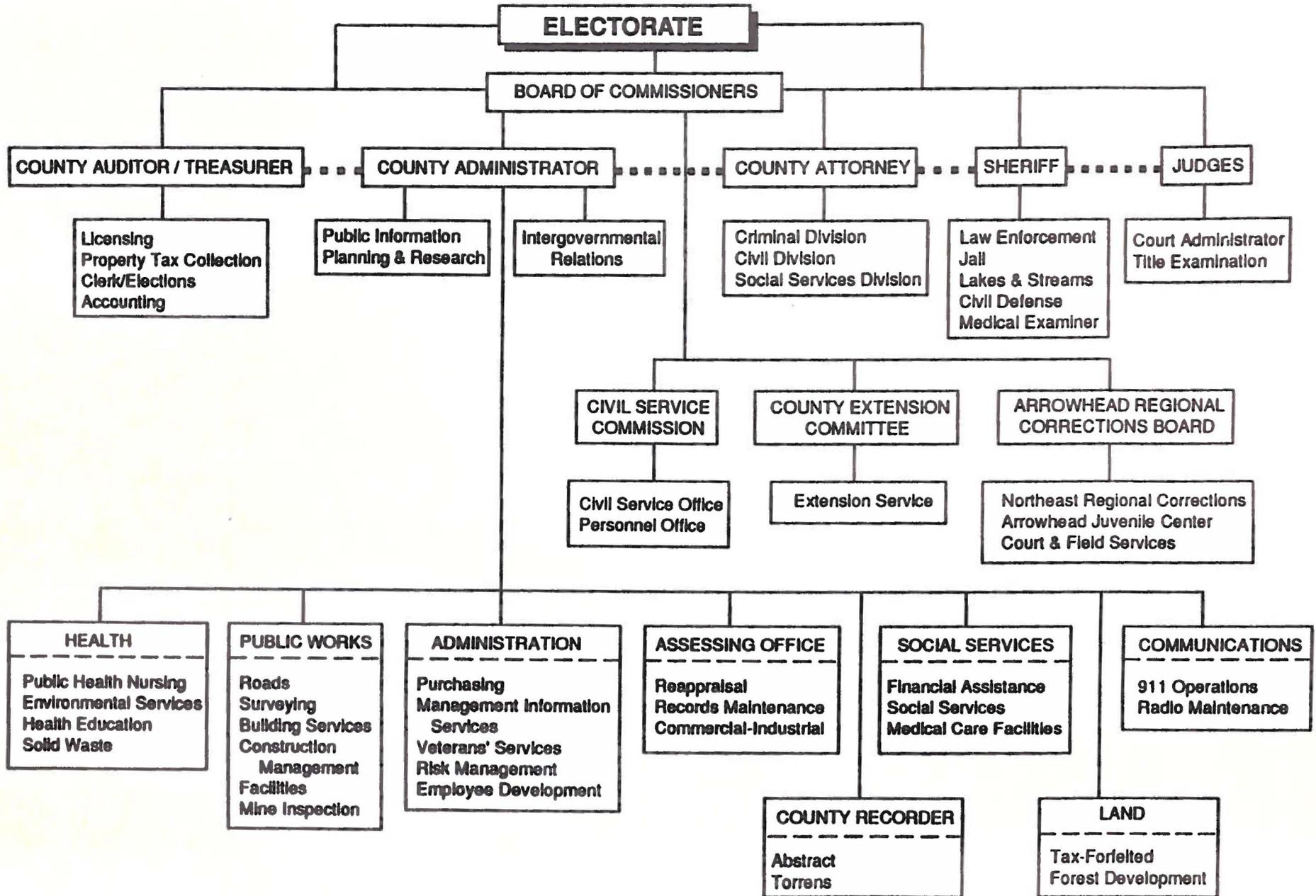
Special thanks to the State Auditor's staff for their technical assistance during the year. We acknowledge too, the thorough and professional manner in which they conducted the audit.

Sincerely,



RUSSELL PETERSEN
COUNTY AUDITOR

1992 Organizational Summary



**ST. LOUIS COUNTY
ELECTED AND APPOINTED OFFICIALS
As of December 31, 1992**

<u>OFFICE</u>	<u>NAME</u>	<u>TERM</u>	
Commissioners:			
1st District	Will Mattson	Jan. 1989	Jan. 1993
2nd District	Marilyn A. Krueger	Jan. 1991	Jan. 1995
3rd District	William Kron	Jan. 1989	Jan. 1993
4th District	Herbert R. Lamma	Jan. 1991	Jan. 1995
5th District	Martin Lepak	Jan. 1989	Jan. 1993
6th District	Liz Prebich	Jan. 1991	Jan. 1995
7th District	Steve Raukar	Jan. 1989	Jan. 1993
Elected Officers:			
Attorney	Alan L. Mitchell	Jan. 1991	Jan. 1995
Auditor-Treasurer	Russell Petersen	Jan. 1991	Jan. 1995
Sheriff	Gary Waller	Jan. 1991	Jan. 1995
Judges:			
District Court	David E. Ackerson	Jan. 1991	Jan. 1997
District Court	Charles T. Barnes	Jan. 1987	Jan. 1999
District Court	Robert F. Berger	Jan. 1991	Jan. 1997
District Court	David S. Bouschor	Jan. 1987	Jan. 1999
District Court	Robert V. Campbell	Jan. 1989	Jan. 1995
District Court	Donovan W. Frank	Jan. 1987	Jan. 1999
District Court	Jeanne Sederberg	Jun. 1992	Jan. 1995
District Court	Gerald C. Martin	Jan. 1987	Jan. 1999
District Court	John T. Oswald	Jan. 1987	Jan. 1999
District Court	Gary J. Pagliaccetti	Jun. 1991	Jan. 1997
District Court	Jeffry S. Rantala	Jan. 1992	Jan. 1995
District Court	Galen C. Wilson	Jan. 1987	Jan. 1999
Appointed Officers:			
Administrator	To Be Appointed		
Assessor	Scott Lindquist		
Civil Service			
Director	Anthony Bruno, Jr.		
Court Administrator	To Be Appointed		
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		
Purchasing Agent	Chester Johnson		
Social Services			
Director	To Be Appointed		

This page intentionally left blank.

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, 1991

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



J. Ehrlich
President
Jeffrey L. Esch
Executive Director

F
I
N
A
N
C
I
A
L

S
E
C
T
I
O
N



STATE OF MINNESOTA
OFFICE OF THE STATE AUDITOR

SUITE 400
525 PARK STREET
SAINT PAUL 55103

MARK B. DAYTON
STATE AUDITOR

(612) 296-2551

INDEPENDENT AUDITOR'S REPORT

Board of County Commissioners
St. Louis County

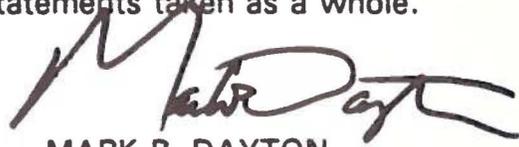
We have audited the accompanying general purpose financial statements of St. Louis County, Minnesota, as of December 31, 1992, and for the year then ended, as listed in the table of contents. These general purpose financial statements are the responsibility of the County's management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall general purpose 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, 1992, 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.

Our audit was made for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The combining, individual fund, and account group financial statements and supplementary schedules listed in the table of contents are presented for purposes of additional analysis and are not a required part of the

general purpose financial statements of St. Louis County. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly presented in all material respects in relation to the general purpose financial statements taken as a whole.

A handwritten signature in dark ink, appearing to read "Mark Dayton", written in a cursive style.

MARK B. DAYTON
STATE AUDITOR

June 3, 1993

**GENERAL
PURPOSE
FINANCIAL
STATEMENTS**

GENERAL PURPOSE FINANCIAL STATEMENTS

Combined Balance Sheet – All Fund Types and Account Groups (Exhibit I)

**Combined Statement of Revenues, Expenditures, and Changes in Fund Balances –
All Governmental Fund Types and Expendable Trust Funds (Exhibit II)**

**Combined Statement of Revenues, Expenditures, and Changes in Fund Balance –
Budget and Actual – General, Special Revenue, and Debt Service Fund Type (Exhibit III)**

**Combined Statement of Revenues, Expenses, and Changes in Retained Earnings –
All Proprietary Fund Types (Exhibit IV)**

Combined Statement of Cash Flows – All Proprietary Fund Types (Exhibit V)

ST. LOUIS COUNTY, MINNESOTA
 COMBINED BALANCE SHEET
 ALL FUND TYPES AND ACCOUNT GROUPS
 DECEMBER 31, 1992

	Governmental		Fund Types	
	General	Special Revenue	Debt Service	Capital Projects
<u>Assets and Other Debits</u>				
Cash and cash equivalents	\$ 5,623,938	\$ 16,200,573	\$ 278,299	\$ 1,797,033
Investments	-	-	-	1,068,449
Change funds	18,744	16,000	-	-
Invested employee contribution	-	-	-	-
Receivables				
Taxes				
Unapportioned	519,642	516,343	12,567	25,770
Delinquent	1,257,350	2,328,994	50,176	74,282
Accounts	249,006	604,484	-	-
Accrued interest	1,747,711	-	-	-
Loans	1,634,153	-	-	-
Due from other funds	4,213	64,060	-	-
Interfund receivable	1,017,240	-	-	-
Due from other governments	649,763	8,615,371	-	7,567
Inventories	-	1,338,116	-	-
Prepaid items	-	10,100	-	-
Restricted assets				
Improvement account				
Cash and cash equivalents	-	-	-	-
Investments	-	-	-	-
Debt service				
Cash and cash equivalents	-	-	-	-
Due from other funds	-	-	-	-
Taxes				
Unapportioned	-	-	-	-
Delinquent	-	-	-	-
Fixed assets (net)	-	-	-	-
Advances to other funds	6,269	-	-	-
Amount available in special revenue fund	-	-	-	-
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	<u>\$ 12,728,027</u>	<u>\$ 29,694,041</u>	<u>\$ 341,042</u>	<u>\$ 2,973,101</u>

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

EXHIBIT I

<u>Proprietary</u>	<u>Fund Types</u>	<u>Fiduciary Fund Type</u>	<u>Account</u>	<u>Groups</u>	<u>Total (Memorandum Only)</u>
<u>Enterprise</u>	<u>Internal Service</u>	<u>Trust and Agency</u>	<u>General Fixed Assets</u>	<u>General Long-Term Debt</u>	
\$ 2,396,621	\$ 4,151,831	\$ 12,841,270	\$ -	\$ -	\$ 43,289,563
-	2,126,595	10,268,409	-	-	13,463,453
1,500	1,725	-	-	-	37,969
-	-	23,969,532	-	-	23,969,532
101,556	474	-	-	-	1,176,352
182,724	2,632	-	-	-	3,896,158
3,658,052	224,601	5,182,537	-	-	9,918,680
-	8,271	9,308	-	-	1,765,290
-	-	-	-	-	1,634,153
-	199,023	-	-	-	267,296
-	-	-	-	-	1,017,240
111,776	27,808	367,129	-	-	9,779,414
162,168	339,001	-	-	-	1,839,285
-	48,997	-	-	-	59,097
663,413	-	-	-	-	663,413
103,469	-	-	-	-	103,469
146,541	-	-	-	-	146,541
59,280	-	-	-	-	59,280
7,604	-	-	-	-	7,604
25,531	-	-	-	-	25,531
11,257,621	3,763,627	-	73,911,923	-	88,933,171
-	-	-	-	-	6,269
-	-	-	-	9,905,000	9,905,000
-	-	-	-	295,944	295,944
-	-	-	-	8,108,685	8,108,685
-	-	-	-	5,318,676	5,318,676
<u>\$ 18,877,856</u>	<u>\$ 10,894,585</u>	<u>\$ 52,638,185</u>	<u>\$ 73,911,923</u>	<u>\$ 23,628,305</u>	<u>\$ 225,687,065</u>

(continued)

ST. LOUIS COUNTY, MINNESOTA
 COMBINED BALANCE SHEET
 ALL FUND TYPES AND ACCOUNT GROUPS
 DECEMBER 31, 1992

	Governmental		Fund Types	
	General	Special Revenue	Debt Service	Capital Projects
Liabilities, Equity and Other Credits				
Liabilities				
Accounts payable	\$ 615,373	\$ 3,500,647	\$ -	\$ 105,588
Salaries payable	494,153	563,168	-	-
Compensated absences payable	221,526	317,221	-	-
Deferred compensation payable	-	-	-	-
Claims payable	-	-	-	-
Unapportioned taxes payable	-	-	-	-
Due to other funds	38,363	240,774	-	4,213
Interfund payable	-	-	-	-
Due to other governments	281,499	149,591	-	5,641
Deferred revenue	2,096,317	6,276,438	45,098	66,853
Advances from other funds	-	6,269	-	-
Payable from restricted assets				
Accounts payable	-	-	-	-
Accrued interest payable	-	-	-	-
Due to other funds	-	-	-	-
Due to other governments	-	-	-	-
Deferred revenue	-	-	-	-
Bonds payable	-	-	-	-
General obligation revenue bonds payable	-	-	-	-
General obligation capital notes payable	-	-	-	-
Loans payable	-	-	-	-
Claims payable	-	-	-	-
Capital leases payable	-	-	-	-
General obligation bonds	-	-	-	-
Bond anticipation notes	-	-	-	-
Total Liabilities	\$ 3,747,231	\$ 11,054,108	\$ 45,098	\$ 182,295

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

EXHIBIT I
(Continued)

<u>Proprietary</u>	<u>Fund Types</u>	<u>Fiduciary</u> <u>Fund Type</u>	<u>Account</u>	<u>Groups</u>	<u>Total</u> <u>(Memorandum</u> <u>Only)</u>
<u>Enterprise</u>	<u>Internal</u> <u>Service</u>	<u>Trust and</u> <u>Agency</u>	<u>General</u> <u>Fixed Assets</u>	<u>General</u> <u>Long-Term</u> <u>Debt</u>	
\$ 512,519	\$ 407,540	\$ 4,486,991	\$ -	\$ -	\$ 9,628,658
324,608	59,597	124,509	-	-	1,566,035
1,027,916	412,790	19,296	-	5,318,676	7,317,425
-	-	23,969,532	-	-	23,969,532
-	559,784	-	-	-	559,784
-	-	1,183,956	-	-	1,183,956
-	-	-	-	-	283,350
965,380	-	51,860	-	-	1,017,240
36,067	129,611	13,569,635	-	120,000	14,292,044
959,637	2,369	5,258,584	-	-	14,705,296
-	-	-	-	-	6,269
130,368	-	-	-	-	130,368
41,477	-	-	-	-	41,477
43,226	-	-	-	-	43,226
320	-	-	-	-	320
22,978	-	-	-	-	22,978
960,000	-	-	-	-	960,000
6,596,467	-	-	-	-	6,596,467
-	-	-	-	9,905,000	9,905,000
-	-	-	-	880,498	880,498
1,200,000	3,247,734	-	-	-	4,447,734
-	30,341	-	-	4,449,131	4,479,472
-	-	-	-	955,000	955,000
-	-	-	-	2,000,000	2,000,000
<u>\$ 12,820,963</u>	<u>\$ 4,849,766</u>	<u>\$ 48,664,363</u>	<u>\$ -</u>	<u>\$ 23,628,305</u>	<u>\$ 104,992,129</u>

(continued)

ST. LOUIS COUNTY, MINNESOTA
 COMBINED BALANCE SHEET
 ALL FUND TYPES AND ACCOUNT GROUPS
 DECEMBER 31, 1992

	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 capital acquisition	-	-	-	-
Unreserved	-	-	-	-
Fund Balance				
Reserved for change funds	18,744	16,000	-	-
Reserved for conference fund	-	4,554	-	-
Reserved for noncurrent loans	609,843	-	-	-
Reserved for economic development	381,093	-	-	-
Reserved for advances to other funds	6,269	-	-	-
Reserved for inventories	-	1,338,116	-	-
Reserved for encumbrances	241,547	1,147,515	-	-
Reserved for prepaid items	-	10,100	-	-
Reserved for health and welfare	643,382	968,552	-	-
Reserved for law library	47,313	-	-	-
Reserved for repairs	10,000	-	-	-
Reserved for depot grant	5,000	-	-	-
Reserved for child and youth	30,150	-	-	-
Reserved for foster care insurance	-	6,000	-	-
Reserved for senior citizens transportation	-	25,720	-	-
Reserved for unorganized town roads	-	229,705	-	-
Reserved for veterans credit	-	-	-	-
Unreserved				
Designated for debt service	-	9,905,000	-	-
Designated for capital outlay	-	1,181,244	-	-
Designated for parking	75,842	-	-	-
Undesignated	<u>6,911,613</u>	<u>3,807,427</u>	<u>295,944</u>	<u>2,790,806</u>
Total Equity and Other Credits	\$ 8,980,796	\$ 18,639,933	\$ 295,944	\$ 2,790,806
Total Liabilities, Equity, and Other Credits	\$ <u>12,728,027</u>	\$ <u>29,694,041</u>	\$ <u>341,042</u>	\$ <u>2,973,101</u>

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

EXHIBIT I
(Continued)

<u>Proprietary</u>	<u>Fund Types</u>	<u>Fiduciary</u> <u>Fund Type</u>	<u>Account</u>	<u>Groups</u>	<u>Total</u>
<u>Enterprise</u>	<u>Internal</u> <u>Service</u>	<u>Trust and</u> <u>Agency</u>	<u>General</u> <u>Fixed Assets</u>	<u>General</u> <u>Long-Term</u> <u>Debt</u>	<u>(Memorandum</u> <u>Only)</u>
\$ 1,657,038	\$ 4,379,447	\$ -	\$ -	\$ -	\$ 6,036,485
-	-	-	73,911,923	-	73,911,923
69,528	-	-	-	-	69,528
-	116,731	-	-	-	116,731
4,330,327	1,548,641	-	-	-	5,878,968
-	-	-	-	-	34,744
-	-	-	-	-	4,554
-	-	-	-	-	609,843
-	-	-	-	-	381,093
-	-	-	-	-	6,269
-	-	-	-	-	1,338,116
-	-	109,431	-	-	1,498,493
-	-	-	-	-	10,100
-	-	80,732	-	-	1,692,666
-	-	-	-	-	47,313
-	-	-	-	-	10,000
-	-	-	-	-	5,000
-	-	-	-	-	30,150
-	-	-	-	-	6,000
-	-	-	-	-	25,720
-	-	-	-	-	229,705
-	-	15,000	-	-	15,000
-	-	-	-	-	9,905,000
-	-	-	-	-	1,181,244
-	-	-	-	-	75,842
-	-	3,768,659	-	-	17,574,449
<u>\$ 6,056,893</u>	<u>\$ 6,044,819</u>	<u>\$ 3,973,822</u>	<u>\$ 73,911,923</u>	<u>\$ -</u>	<u>\$ 120,694,936</u>
<u>\$ 18,877,856</u>	<u>\$ 10,894,585</u>	<u>\$ 52,638,185</u>	<u>\$ 73,911,923</u>	<u>\$ 23,628,305</u>	<u>\$ 225,687,065</u>

ST. LOUIS COUNTY, MINNESOTA
**COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND
 CHANGES IN FUND BALANCES**
ALL GOVERNMENTAL FUND TYPES AND EXPENDABLE TRUST FUNDS
 FOR YEAR ENDED DECEMBER 31, 1992

	Governmental Fund Types		
	General	Special Revenue	Debt Service
Revenues			
Taxes	\$ 23,478,234	\$ 32,681,552	\$ 657,421
Licenses and permits	112,560	14,508	-
Intergovernmental	9,483,215	65,528,434	222,205
Charges for services	5,505,706	1,847,243	-
Fines and forfeits	691,775	-	-
Interest on investments	1,853,826	-	-
Gifts and contributions	20,506	-	-
Miscellaneous	647,069	1,422,081	7,300
Total Revenues	\$ 41,792,881	\$ 101,291,818	\$ 886,926
Expenditures			
Current:			
General government	\$ 16,861,826	-	-
Public safety	11,635,796	-	-
Highways and streets	-	30,745,407	-
Health	5,928,282	-	-
Welfare	15,000	68,231,021	-
Culture and recreation	385,607	-	-
Conservation of natural resources	498,610	-	-
Economic development	57,370	452,728	-
Capital Outlay:			
General government	86,528	-	-
Public safety	48,026	-	-
Highways and streets	-	851,530	-
Health	288	-	-
Welfare	-	82,056	-
Conservation of natural resources	25,169	-	-
Debt Service:			
Principal	-	-	620,000
Interest and fiscal charges	-	-	804,443
Welfare	-	322,039	-
Economic development	-	20,384	-
Intergovernmental:			
Public safety	4,882,671	-	-
Total Expenditures	\$ 40,405,374	\$ 100,705,165	\$ 1,424,443
Excess of Revenues Over (Under) Expenditures	\$ 1,387,507	\$ 586,653	\$ (537,517)
Other Financing Sources (Uses)			
Operating transfers in	\$ 32,040	\$ 250,000	\$ 600,000
Operating transfers out	(250,000)	(832,040)	-
Total Other Financing Sources (Uses)	\$ (217,960)	\$ (382,040)	\$ 600,000
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	\$ 1,169,547	\$ 204,613	\$ 62,483
Fund Balance - January 1 - Restated - Note I.F.	8,038,911	18,494,324	233,481
Increase (decrease) in reserved for inventories	-	(59,004)	-
Equity transfer out	(227,662)	-	-
Fund Balance - December 31	\$ 8,811,249	\$ 18,939,933	\$ 295,044

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

EXHIBIT II

<u>Capital Projects</u>	<u>Fiduciary Fund Type Expendable Trust</u>	<u>Total (Memorandum Only)</u>
\$ 1,627,031	\$ 496,609	\$ 58,940,847
-	-	127,058
683,219	219,401	78,134,474
-	18,035	7,170,984
-	-	691,775
68,972	59,443	1,982,241
-	-	20,508
<u>35,516</u>	<u>3,110,375</u>	<u>5,222,341</u>
<u>\$ 2,414,738</u>	<u>\$ 3,903,863</u>	<u>\$ 150,290,226</u>
\$ -	\$ 323,147	\$ 17,184,975
-	13,256	11,849,052
-	-	30,745,407
-	-	5,928,282
-	-	68,246,021
-	-	385,607
-	3,179,735	3,878,345
-	-	510,098
1,142,675	-	1,229,203
597,455	-	645,481
470,348	-	1,321,878
-	-	288
-	-	82,056
-	-	25,168
-	-	620,000
-	-	804,443
-	-	322,039
-	-	20,384
-	-	4,862,671
<u>\$ 2,210,478</u>	<u>\$ 3,516,138</u>	<u>\$ 148,291,598</u>
<u>\$ 204,260</u>	<u>\$ 367,725</u>	<u>\$ 2,026,626</u>
\$ -	\$ 442,998	\$ 1,325,038
-	-	(882,040)
<u>\$ -</u>	<u>\$ 442,998</u>	<u>\$ 442,998</u>
\$ 204,260	\$ 830,723	\$ 2,471,626
2,586,546	3,143,099	32,496,341
-	-	(59,004)
-	-	(227,692)
<u>\$ 2,790,806</u>	<u>\$ 3,973,822</u>	<u>\$ 34,681,301</u>

**ST. LOUIS COUNTY, MINNESOTA
COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GENERAL, SPECIAL REVENUE, AND DEBT SERVICE FUND TYPE
FOR THE YEAR ENDED DECEMBER 31, 1992**

	General Fund		
	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues			
Taxes	\$ 23,343,241	\$ 23,478,234	\$ 134,993
Licenses and permits	102,530	112,550	10,020
Intergovernmental	9,415,790	9,483,215	67,425
Charges for services	5,310,222	5,505,706	195,484
Fines and forfeits	757,200	691,775	(65,425)
Interest on investments	1,650,000	1,853,826	203,826
Gifts and contributions	20,505	20,506	1
Miscellaneous	435,304	647,069	211,765
Total Revenues	\$ 41,034,792	\$ 41,792,881	\$ 758,089
Expenditures			
Current:			
General government	\$ 17,676,864	\$ 17,069,943	\$ 606,921
Public safety	11,852,998	11,651,694	201,304
Highways and streets	-	-	-
Health	6,183,241	5,960,674	222,567
Welfare	15,000	15,000	-
Culture and recreation	385,957	385,607	350
Conservation of natural resources	550,322	499,476	50,846
Economic development	57,370	57,370	-
Capital outlay:			
General government	44,556	88,092	(41,536)
Public safety	19,668	78,612	(58,944)
Highway and streets	-	-	-
Health	-	288	(288)
Welfare	-	-	-
Conservation of natural resources	7,720	18,350	(10,630)
Debt service:			
Principal	-	-	-
Interest and fiscal charges	-	-	-
Welfare	-	-	-
Economic development	-	-	-
Intergovernmental:			
Public safety	4,862,871	4,862,871	-
Total Expenditures	\$ 41,658,587	\$ 40,985,977	\$ 970,590
Excess of Revenues Over (Under) Expenditures	\$ (621,775)	\$ 1,106,904	\$ 1,728,679
Other Financing Sources (Uses)			
Operating transfers in	\$ 32,040	\$ 32,040	\$ -
Operating transfers out	(250,000)	(250,000)	-
Total Other Financing Sources (Uses)	\$ (217,960)	\$ (217,960)	\$ -
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	\$ (839,735)	\$ 888,944	\$ 1,728,679
Adjustments - Note 1	-	280,603	280,603
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses as Adjusted	\$ (839,735)	\$ 1,169,547	\$ 2,009,282
Fund Balance - January 1 - Restated - Note I.F.	8,038,911	8,038,911	-
Increase (decrease) in reserved for inventories	-	-	-
Equity transfer out	(227,682)	(227,682)	-
Fund Balance - December 31	\$ 6,971,514	\$ 8,880,789	\$ 2,009,282

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

Special Revenue Funds			Debt Service Funds		
Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
\$ 32,276,150	\$ 32,681,552	\$ 405,402	\$ 627,513	\$ 657,421	\$ 29,908
10,000	14,508	4,508	-	-	-
71,638,128	65,526,434	(6,111,694)	221,924	222,205	281
1,449,350	1,947,243	197,893	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
1,289,274	1,422,081	132,807	7,300	7,300	-
<u>\$ 106,662,902</u>	<u>\$ 101,291,818</u>	<u>\$ (5,371,084)</u>	<u>\$ 856,737</u>	<u>\$ 886,926</u>	<u>\$ 30,189</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
40,361,102	31,432,638	8,928,464	-	-	-
-	-	-	-	-	-
68,536,268	68,351,848	184,420	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
1,476,871	448,373	1,028,498	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
837,750	998,987	(161,217)	-	-	-
-	-	-	-	-	-
180,520	82,056	98,464	-	-	-
-	-	-	-	-	-
-	-	-	620,000	620,000	-
-	-	-	804,737	804,443	294
25,575	322,039	(296,464)	-	-	-
21,000	20,384	616	-	-	-
-	-	-	-	-	-
<u>\$ 111,439,086</u>	<u>\$ 101,856,305</u>	<u>\$ 9,782,781</u>	<u>\$ 1,424,737</u>	<u>\$ 1,424,443</u>	<u>\$ 294</u>
<u>\$ (4,776,184)</u>	<u>\$ (364,487)</u>	<u>\$ 4,411,697</u>	<u>\$ (568,000)</u>	<u>\$ (537,517)</u>	<u>\$ 30,483</u>
\$ 480,384	\$ 250,000	\$ (210,384)	\$ 600,000	\$ 600,000	\$ -
(600,000)	(832,040)	(32,040)	-	-	-
<u>\$ (139,616)</u>	<u>\$ (382,040)</u>	<u>\$ (242,424)</u>	<u>\$ 600,000</u>	<u>\$ 600,000</u>	<u>\$ -</u>
\$ (4,915,800)	\$ (746,527)	\$ 4,169,273	\$ 32,000	\$ 62,483	\$ 30,483
-	951,140	951,140	-	-	-
\$ (4,915,800)	\$ 204,613	\$ 5,120,413	\$ 32,000	\$ 62,483	\$ 30,483
17,803,982	18,494,324	690,342	233,461	233,461	-
-	(59,004)	(59,004)	-	-	-
-	-	-	-	-	-
<u>\$ 12,888,182</u>	<u>\$ 18,639,633</u>	<u>\$ 5,751,751</u>	<u>\$ 265,461</u>	<u>\$ 295,944</u>	<u>\$ 30,483</u>

ST. LOUIS COUNTY, MINNESOTA
 COMBINED STATEMENT OF REVENUES, EXPENSES, AND
 CHANGES IN RETAINED EARNINGS
 ALL PROPRIETARY FUND TYPES
 YEAR ENDED DECEMBER 31, 1992

	<u>Enterprise</u>	<u>Internal Service</u>	<u>Total (Memorandum Only)</u>
Operating Revenues			
Charges for services	\$ 21,451,669	\$ 10,346,702	\$ 31,798,371
Other	<u>647,429</u>	<u>406,649</u>	<u>1,054,078</u>
Total Operating Revenues	\$ 22,099,098	\$ 10,753,351	\$ 32,852,449
Operating Expenses			
Personal services	\$ 14,618,996	\$ 5,246,248	\$ 19,865,244
Contractual services	6,729,199	3,257,529	9,986,728
Materials	1,634,802	1,254,633	2,889,435
Depreciation	<u>227,920</u>	<u>864,841</u>	<u>1,092,761</u>
Total Operating Expenses	\$ 23,210,917	\$ 10,623,251	\$ 33,834,168
Operating income (loss)	\$ (1,111,819)	\$ 130,100	\$ (981,719)
Nonoperating Revenues (Expenses)			
Taxes	\$ 3,196,815	\$ 15,043	\$ 3,211,858
Grants	1,001,281	-	1,001,281
Interest on investments	128,165	163,472	291,637
Interest expense	(551,296)	-	(551,296)
Amortization of bond discount	(22,915)	-	(22,915)
Disposition of fixed assets	<u>-</u>	<u>(38,052)</u>	<u>(38,052)</u>
Total Nonoperating Revenues (Expenses)	\$ 3,752,050	\$ 140,463	\$ 3,892,513
Net Income (Loss) Before Operating Transfers	2,640,231	270,563	2,910,794
Operating transfers in	-	60,000	60,000
Operating transfers out	<u>(442,998)</u>	<u>(60,000)</u>	<u>(502,998)</u>
Net Income (Loss)	\$ 2,197,233	\$ 270,563	\$ 2,467,796
Retained earnings - January 1 - Restated - Note I.F.	<u>2,202,622</u>	<u>1,394,809</u>	<u>3,597,431</u>
Retained earnings - December 31	<u>\$ 4,399,855</u>	<u>\$ 1,665,372</u>	<u>\$ 6,065,227</u>

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

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

EXHIBIT V

	Enterprise	Internal Service	Total (Memorandum Only)
Cash Flows From Operating Activities			
Net Operating Income (Loss)	\$ (1,111,819)	\$ 130,100	\$ (981,719)
Adjustments to Reconcile Net Operating Income to Net Cash Provided by Operating Activities			
Depreciation	227,920	864,841	1,092,761
Changes in Assets and Liabilities			
(Increase) Decrease in change funds	(500)	1,400	900
(Increase) Decrease in accounts receivable	197,514	(171,138)	26,376
(Increase) Decrease in due from other funds	-	(199,023)	(199,023)
(Increase) Decrease in due from other governments	308,543	174,552	483,095
(Increase) Decrease in inventories	8,321	(40,310)	(31,989)
(Increase) Decrease in prepaid items	-	4,033	4,033
Increase (Decrease) in accounts payable	36,655	116,098	152,753
Increase (Decrease) in salaries payable	(418,874)	(116,865)	(535,739)
Increase (Decrease) in compensated absences payable	207,278	114,241	321,519
Increase (Decrease) in claims payable	-	(69,182)	(69,182)
Increase (Decrease) in due to other governments	(38,489)	106,764	68,275
Increase (Decrease) in deferred revenue	234,668	-	234,668
Net Cash Provided by Operating Activities	\$ (348,783)	\$ 915,511	\$ 566,728
Cash Flows From Noncapital Financing Activities			
Proceeds from taxes	\$ 3,105,036	\$ 14,933	\$ 3,119,969
Proceeds from grant	1,181,143	-	1,181,143
Operating transfer in	-	60,000	60,000
Operating transfer out	(442,998)	(80,000)	(502,998)
Payments of interfund loan	(1,852,299)	(198,135)	(2,050,434)
Proceeds from interfund loan	965,380	-	965,380
Net Cash Provided by Noncapital Financing Activities	\$ 2,956,262	\$ (183,202)	\$ 2,773,060
Cash Flows From Capital and Related Financing Activities			
Acquisition of capital assets	\$ (771,215)	\$ (1,067,210)	\$ (1,838,425)
Debt service interest received	5,457	-	5,457
Principal paid on bonds	(1,370,000)	-	(1,370,000)
Interest paid on bonds	(573,721)	-	(573,721)
Restricted liability payments	(152,477)	-	(152,477)
Payments of capital leases	-	(14,004)	(14,004)
Proceeds from contributions	-	227,662	227,662
Proceeds from sale of equipment	-	23,578	23,578
Net Cash Provided by Capital and Related Financing Activities	\$ (2,861,956)	\$ (829,974)	\$ (3,691,930)
Cash Flows From Investing Activities			
Purchase of investments	\$ (6,093,267)	\$ (10,441,846)	\$ (16,534,913)
Sale of investments	7,053,708	10,671,454	17,725,160
Interest on investments	122,849	168,258	291,105
Net Cash Provided by Investing Activities	\$ 1,083,288	\$ 398,064	\$ 1,481,352
Net Increase (Decrease) in Cash and Cash Equivalents	\$ 828,811	\$ 300,399	\$ 1,129,210
Cash and cash equivalents - January 1	2,377,784	3,851,432	6,229,196
Cash and cash equivalents - December 31	\$ 3,206,595	\$ 4,151,831	\$ 7,358,406

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

This page intentionally left blank.

NOTES TO FINANCIAL STATEMENTS

ST. LOUIS COUNTY, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 1992

Guide to Notes

	<u>Page</u>
Summary of Significant Accounting Policies	18
Stewardship, Compliance and Accountability	32
Deposits and Investments	33
Receivables	38
Due from Other Governments	40
Fixed Assets	41
Deferred Revenue	42
Deferred Compensation	43
Long-Term Debt	44
Defeased Debt	49
Lease Obligations	51
Construction Commitments	53
Self-Insurance	54
Retirement Plan	54
Interfund Assets/Liabilities	59
Transfers Between Funds	60
Fund Equity	61
Segments of Enterprise Activities	62
Joint Ventures	63
Summary of Significant Contingencies and Other Items	65
Subsequent Events	66

ST. LOUIS COUNTY, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 1992

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 (1992). The County is governed by a seven-member Board of Commissioners elected from districts within the County. A County Administrator is appointed by the County Board. The board is organized with a chair and vice-chair elected at the annual meeting in January of each year. The County Auditor, elected on a county-wide basis, serves as the Clerk of the Board of Commissioners but has no voting privileges.

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

A. Financial Reporting Entity

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

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

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

Included

St. Louis and Lake Counties Regional Railroad Authority

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

St. Louis County Housing and Redevelopment Authority

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

ST. LOUIS COUNTY, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 1992

I. Summary of Significant Accounting Policies

A. Financial Reporting Entity (continued)

Excluded

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

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

Arrowhead Library System

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

St. Louis County Historical Society

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

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

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

ST. LOUIS COUNTY, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 1992

I. Summary of Significant Accounting Policies

A. Financial Reporting Entity

Excluded (continued)

Arrowhead Regional Development Commission

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

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

Arrowhead Regional Corrections

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

Community Health Services Board

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

North Shore Management Board

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

ST. LOUIS COUNTY, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 1992

I. Summary of Significant Accounting Policies

A. Financial Reporting Entity

Excluded (continued)

Northeast Minnesota Office of Job Training

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

B. Basis of Presentation - Fund Accounting

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

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

Governmental Funds

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

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

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

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

ST. LOUIS COUNTY, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 1992

I. Summary of Significant Accounting Policies

B. Basis of Presentation - Fund Accounting (continued)

Proprietary Funds

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

Internal Service Funds - Internal Service Funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the County, or to other governments, on a cost-reimbursement basis.

Fiduciary Funds

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

Account Groups

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

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

C. Measurement Focus

The accounting and reporting treatment applied to the fixed assets and long-term liabilities associated with a fund are determined by its measurement focus. All governmental funds and expendable trust funds are accounted for on a spending or "current financial resources flow" measurement focus. This means that only current assets and current liabilities are generally included on their balance sheets. Their

ST. LOUIS COUNTY, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 1992

I. Summary of Significant Accounting Policies

C. Measurement Focus (continued)

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

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

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

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

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

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

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

All proprietary funds are accounted for on a capital maintenance, cost of services measurement focus. This means that all assets and all liabilities (whether current or noncurrent) associated with their activity are included on their balance sheets. Their reported fund

ST. LOUIS COUNTY, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 1992

I. Summary of Significant Accounting Policies

C. Measurement Focus (continued)

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

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

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

D. Basis of Accounting

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

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

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

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

ST. LOUIS COUNTY, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 1992

I. Summary of Significant Accounting Policies

D. Basis of Accounting (continued)

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

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

Expenditures are recognized in the accounting period in which the fund liability is incurred, if measurable, except expenditures for debt service, 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 is shown in the General Long-Term Debt Account Group. Unvested sick leave is not reported in the financial statements.

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

E. Budgetary Data

General Budget Policies

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

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

Procedure for Preparing the Annual Budget

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

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

ST. LOUIS COUNTY, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 1992

I. Summary of Significant Accounting Policies

E. Budgetary Data

Procedure for Preparing the Annual Budget (continued)

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

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

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

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

Budgets can be amended during the year by the County Board. Supplemental appropriations are reviewed by the County Administrator's office and submitted to the County Board for their review and approval. If approved, they are implemented by the Auditor's Office by budget revision. Supplemental appropriations could be required because of several factors. These include the awarding of state and federal grants during the year and to provide funding for unanticipated program requirements. Supplemental appropriations were necessary during the year. The effect of these amendments was an increase in budgeted County funds of \$15,841,632. The amendments include an increase of approximately fourteen million dollars in the Social Services Special Revenue Fund because the original budget reflected no revenue or expenditures for direct State of Minnesota payments for income maintenance. The budget was later revised to include revenue and expense payments by the State for County residences. Each department head has control over the individual department and may overspend line items so long as the total departmental expenditures do not exceed the total departmental appropriation. No public aid assistance may be used for operations, and the budgeted number of personnel for each department may not be exceeded at any time. All appropriations, except those in Capital Projects Funds, which are not expended, encumbered, or reserved, lapse at year-end.

Encumbrances

Encumbrance accounting, under which purchase orders, contracts, capital reserves, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary integration in the governmental funds. Encumbrances outstanding at year-end are reported as reservations of fund balances and provide authority for the carryover of appropriations to the subsequent year in order to complete these transactions.

ST. LOUIS COUNTY, MINNESOTA
 NOTES TO FINANCIAL STATEMENTS
 DECEMBER 31, 1992

I. Summary of Significant Accounting Policies

E. Budgetary Data (continued)

Budget Basis of Accounting

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

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

	Reserved for Encumbrances 12-31-92	Expenditures in 1992 from 1991 Encumbrances	Total Exhibit III Adjustment	Exhibit III Expenditures	Exhibit II Expenditures
General Fund	\$ (241,547)	\$ (39,056)	\$ (280,603)	\$ 40,685,977	\$ 40,405,374
Special Revenue					
Babbitt Facility	\$ -	\$ 4,355	\$ 4,355	\$ 139,881	\$ 144,236
County Housing Authority	-	-	-	53,567	53,567
Railroad Authority	-	-	-	275,309	275,309
Road and Bridge	(1,132,225)	297,557	(834,668)	32,431,605	31,596,937
Social Services	(15,290)	(105,537)	(120,827)	68,755,943	68,635,116
Total Special Revenue Funds	\$ (1,147,515)	\$ 196,375	\$ (951,140)	\$101,656,305	\$100,705,165

F. Accounting Changes

Fund Restatements and Closures

As of January 1, 1992, St. Louis County determined that liabilities for the year ended December 31, 1991 were overstated in the Social Services Special Revenue Fund. The fund balance as of January 1, 1992 was restated to reflect this change.

As of January 1, 1992, St. Louis County determined that expenses for the year ended December 31, 1991 were overstate in the Laundry Internal Service Fund. The retained earnings as of January 1, 1992 was restated to reflect this change.

ST. LOUIS COUNTY, MINNESOTA
 NOTES TO FINANCIAL STATEMENTS
 DECEMBER 31, 1992

I. Summary of Significant Accounting Policies

F. Accounting Changes

Fund Restatements (continued)

	Fund Balance/ Retained Earnings January 1, 1992 As Previously Reported	Overstated Payable	Capital- ization of Asset Purchased	Fund Balance/ Retained Earning January 1, 1992 As Restated
Special Revenue Funds				
Babbitt Facility	\$ 43,862	\$ -	\$ -	\$ 43,862
County Housing Authority	34,699	-	-	\$ 34,699
Railroad Authority	150,715	-	-	150,715
Road and Bridge	15,616,806	-	-	15,616,806
Social Services	<u>2,437,248</u>	<u>210,994</u>	<u>-</u>	<u>2,648,242</u>
Total Special Revenue Funds	<u>\$ 18,283,330</u>	<u>\$ 210,994</u>	<u>\$ -</u>	<u>\$ 18,494,324</u>
Internal Service Funds				
Community Food	\$ 359,176	\$ -	\$ -	\$ 359,176
Laundry	77,417	-	41,008	118,425
Supervised Living Facilities	(72,858)	-	-	(72,858)
Printing	238,866	-	-	238,866
County Garage	(842,317)	-	-	(842,317)
County Insurance	389,551	-	-	389,551
Management Information Systems	728,612	-	-	728,612
Telecommunications	<u>475,354</u>	<u>-</u>	<u>-</u>	<u>475,354</u>
Total Internal Service Funds	<u>\$ 1,353,801</u>	<u>\$ -</u>	<u>\$ 41,008</u>	<u>\$ 1,394,809</u>

ST. LOUIS COUNTY, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 1992

I. Summary of Significant Accounting Policies

F. Accounting Changes

Account Reclassifications

Several account balances were reclassified as of and for the year ended December 31, 1991, 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, 1992. Although comparative statements for 1991 are not presented here, these reclassifications must be considered when comparing the financial statements of this report with those of prior reports.

G. Assets, Liabilities, and Equity Accounts

1. Assets

Cash and Cash Equivalents

Available cash balances from all funds are pooled and invested in accordance with Minnesota State Statutes. Each fund's share of the pool is shown on the financial statements as "Cash and Cash Equivalents." For proprietary fund-type statement of cash flows, all highly liquid investments (including restricted assets) with a maturity of 3 months or less when purchased, are considered to be cash equivalents. Investments are stated at cost, except for the Deferred Compensation Agency Fund investments which are stated at market value.

Property Taxes

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

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

ST. LOUIS COUNTY, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 1992

I. Summary of Significant Accounting Policies

G. Assets, Liabilities, and Equity Accounts

1. Assets

Property Taxes (continued)

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

Inventories

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

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

2. Liabilities

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

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

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

ST. LOUIS COUNTY, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 1992

I. Summary of Significant Accounting Policies

G. Assets, Liabilities, and Equity Accounts

2. Liabilities (continued)

Unvested sick leave of \$23,974,693 at December 31, 1992, 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:

Contributed Capital accounts indicate permanent fund capital contributed to the Proprietary Funds.

Investment in General Fixed Assets account represents the County's equity in general fixed assets.

Retained Earnings accounts indicate the accumulated earnings that may be available for expensing in future periods.

Fund Balance accounts are subdivided:

Reserved Fund Balance accounts indicate that portion of fund equity which has been legally segregated for specific purposes.

Unreserved Designated Fund Balance accounts indicate that portion of fund equity that the County has set aside or is not available for appropriation in future periods.

Unreserved Undesignated Fund Balance accounts indicate that portion of fund equity which is available for budgeting and expending in future periods.

H. Total Columns on Combined Statements

Total columns on combined statements are captioned "Memorandum Only" to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position or results of operations, or changes in financial position, in conformity with generally accepted accounting principles. Neither are such data comparable to a consolidation, because interfund eliminations have not been made in the aggregation of the data.

ST. LOUIS COUNTY, MINNESOTA
 NOTES TO FINANCIAL STATEMENTS
 DECEMBER 31, 1992

I. Summary of Significant Accounting Policies (continued)

I. Federal Audit Requirements

The Single Audit Act of 1984 requires the County to have a single, independent audit of its financial operations, including compliance with certain provisions of federal law and regulations. This audit requirement was complied with for fiscal year ended December 31, 1992; the auditor's reports on compliance and internal accounting control will be issued at a later date.

II. Stewardship, Compliance and Accountability

A. The following General Fund department, Special Revenue Fund and Debt Service Funds had expenditures in excess of budget for the year ended December 31, 1992.

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

	<u>Expenditures</u>	<u>Budget</u>	<u>Excess</u>
General Fund			
Ambulance service	\$ 44,058	\$ 39,000	\$ 5,058
Special Revenue Fund			
Social Services	\$ 68,755,943	\$68,742,363	\$13,580
Debt Service Funds			
Babbitt Facility Refunding	\$ 110,738	\$ 110,732	\$ 6
Capital Equipment Notes	1,227,661	1,226,005	1,656

B. Deficit Retained Earnings

The following funds had a deficit retained earnings at December 31, 1992:

Solid Waste Management Enterprise Fund	\$1,375,919
County Garage Internal Service Fund	\$1,034,161

The Solid Waste Management Enterprise Fund, long-term liability net bonds payable of \$5,020,374 will be paid from service fees collected in the respective debt service years. The retained earnings will likely remain at a deficit until the bonds are retired.

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

ST. LOUIS COUNTY, MINNESOTA
 NOTES TO FINANCIAL STATEMENTS
 DECEMBER 31, 1992

III. Detailed Notes on All Funds and Account Groups

A. Assets

Deposits and Investments

Deposits

Minn. Stat. §118.005 (1992) 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, 1992, County deposits totaled \$13,882,904, of which \$2,665,389 were cash deposits and \$11,217,515 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, 1992:

	<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	\$ 748,680	\$ 748,680
Collateralized with securities held by the pledging financial institution's trust department or agent in the County's name	16,390,222	13,134,224
Uncollateralized	-	-
Total Deposits	<u>\$17,138,902</u>	<u>\$13,882,904</u>

Investments

Minn. Stat. §475.66 (1992) authorizes the following:

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

1. any federal Reserve bank;

ST. LOUIS COUNTY, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 1992

III. Detailed Notes on All Funds and Account Groups

A. Assets

Deposits and Investments

Investments (continued)

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

Type of Securities Available to County for investment:

1. governmental bonds, notes, bills, mortgages, and other securities which are direct obligations or are guaranteed or insured issues of the United States, its agencies, its instrumentalities, or organizations created by an act of Congress or in certificates of deposit secured by letters of credit by federal home loan banks;
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 (2) general obligations of other state and local governments with taxing powers which are rated A or better by a national bond rating service, or (3) a general obligation of the Minnesota housing finance agency, or (4) a general obligation of a housing finance agency of any state if it includes a moral obligation of the state, or (5) a general or revenue obligation of any agency or authority of the State of Minnesota other than a general obligation of the Minnesota Housing Finance Agency; provided that investments under clauses (3) and (4) must be in obligations that are rated A or better by a

ST. LOUIS COUNTY, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 1992

III. Detailed Notes on All Funds and Account Groups

A. Assets

Deposits and Investments

Investments (continued)

national bond rating service and investments under clause (5) must be in obligations that are rated AA 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.
6. 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 custodial 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, 1992

III. Detailed Notes on All Funds and Account Groups

A. Assets

Deposits and Investments

Investments (continued)

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

Following is a summary of the carrying values of the County's securities, categorized into the aforementioned levels of risk, along with the market values of the securities, at December 31, 1992.

	(1)	Category (2)	(3)	Carrying Amount	Market Value
Investments					
U.S. Government securities	<u>\$115.351</u>	<u>\$15.997.155</u>	<u>\$25.845.650</u>	\$41,958,156	\$42,626,512
Add:					
Investments held by Trustees for deferred compensation				23,969,532	23,969,532
Deposits				13,882,904	13,882,904
Cash on hand				<u>1.825.379</u>	<u>1.825.379</u>
Total				<u>\$81.635.971</u>	<u>\$82.304.327</u>

Detail as shown on Combined Balance Sheet:

Current Assets:	
Cash and cash equivalents	\$43,289,563
Investments	13,463,453
Invested employee contributions	23,969,532
Restricted assets:	
Improvements	
Cash and cash equivalents	663,413
Investments	103,469
Debt Service:	
Cash and cash equivalents	<u>146.541</u>
Total	<u>\$81.635.971</u>

ST. LOUIS COUNTY, MINNESOTA
 NOTES TO FINANCIAL STATEMENTS
 DECEMBER 31, 1992

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	\$ 5,623,936	
Special Revenue Funds	16,200,573	
Debt Service Funds	278,299	
Capital Projects Funds	1,797,033	
Enterprise Funds		
Chris Jensen	138,821	(377,999)
Nopeming	72,674	(587,381)
Solid Waste Management	2,995,080	
Internal Service Funds	4,151,831	
Trust and Agency Funds		
Trust Funds	4,022,881	
Agency Funds		
State of Minnesota	405,587	
Beer-Auctioneer Licenses	3,723	
Cities and Towns	64,085	
Game and Fish License	259,526	
Bid Deposits	20,700	
Taxes and Penalties	2,705,667	
Payroll Deductions	1,396,042	
Series EE Savings Bond	15,283	
Medical Insurance	2,977,204	
Canceled Check	66,740	
Assault Fees	486	
Arrowhead Regional Corrections	903,346	
Community Health Services		(51,860)
 Total Equity	 \$44,099,517	
Less: Advances	<u>(1,017,240)</u>	
 Total	 <u>\$43,082,277</u>	

ST. LOUIS COUNTY, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 1992

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 \$12,609,971. The amount of unrecorded revenues due the County at December 31, 1992, is not significant because the amount would be offset by a significant allowance for uncollectibles and a percentage of actual collections would be payable to State and Federal agencies and others. This is not shown in the financial statements.

Under the law, funds received are payable to State and Federal agencies and others (based on specific reimbursement percentages), with the remainder (approximately seven percent for 1992) due to the Social Services Special Revenue Fund.

Loans Receivable

The noncurrent portion of a loan receivable from the St. Louis County Heritage and Arts Center is \$585,084 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 \$146,052 and is equally offset by deferred revenue. The repayment schedule calls for monthly payments of \$3,773.16 through August 1996. 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. All payments made by the Lighthouse must be repaid by the County to the State.

The noncurrent portion of a second loan receivable from the Duluth Lighthouse for the Blind is \$185,784 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

ST. LOUIS COUNTY, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 1992

III. Detailed Notes on All Funds and Account Groups

A. Assets (continued)

Loans Receivable (continued)

Duluth Lighthouse for the Blind as a loan from the County. The first \$100,000 which the County recovers from the Lighthouse does not require repayment to the State; the County must instead use the money for economic development. After \$100,000 has been recovered by the County, all subsequent payments by the Lighthouse must be repaid to the State.

The noncurrent portion of a loan receivable from Luigino's, Inc. is \$288,352 and is equally offset by deferred revenue. The repayment schedule calls for monthly payments of \$5,952.38 through April 1997. 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 payments by Luigino's must be repaid by the County to the State.

The noncurrent portion of a second loan receivable from Luigino's, Inc. is \$246,011 and is offset by deferred revenue. The repayment schedule calls for monthly payments of \$11,239 through November 1994. The loan bears interest at five percent and is valued at its discounted amount. The receivable arises from a State of Minnesota grant to St. Louis County. All payments by Luigino's must be repaid by the County to the State.

The noncurrent portion of a loan receivable from Improvement Limited Partnership is \$55,370 and is equally offset by deferred revenue. The loan bears interest at four percent and is valued at its discounted amount. The receivable arises from a State of Minnesota grant to St. Louis County and will be increased to \$117,000 in 1993. The first \$100,000 plus interest which the County recovers from Improvement Limited Partnership 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 Improvement Limited Partnership must be repaid to the State.

The noncurrent portion of a second loan receivable from Improvement Limited Partnership is \$127,500 and is equally offset by a fund balance reserved for economic development. The loan bears interest at four percent and is valued at its discounted amount. The repayment schedule calls for 11 semi-annual payments of \$5,708 beginning in August 1993. The repayment to the County will be used for economic development.

ST. LOUIS COUNTY, MINNESOTA
 NOTES TO FINANCIAL STATEMENTS
 DECEMBER 31, 1992

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, 1992:

	<u>Federal</u>	<u>State</u>	<u>Local - Other</u>	<u>Total</u>
General Fund	\$ 228	\$ 516,673	\$ 132,862	\$ 649,763
Special Revenue Funds				
Railroad Authority	\$ -	\$ 50,363	\$ -	\$ 50,363
Road and Bridge	-	3,327,572	29,633	3,357,205
Social Services	<u>3,968,056</u>	<u>1,203,078</u>	<u>36,669</u>	<u>5,207,803</u>
Total Special Revenue Funds	<u>\$3,968,056</u>	<u>\$4,581,013</u>	<u>\$ 66,302</u>	<u>\$8,615,371</u>
Capital Projects				
Courthouse	\$ -	\$ -	\$ 7,567	\$ 7,567
Enterprise Funds				
Solid Waste Management	\$ -	\$ 2,391	\$ 109,385	\$ 111,776
Internal Service Funds				
Community Food	\$ -	\$ -	\$ 5,519	\$ 5,519
Printing	\$ -	\$ -	\$ 2,228	\$ 2,228
Management Information Systems	<u>-</u>	<u>-</u>	<u>20,061</u>	<u>20,061</u>
Total Internal Service Funds	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 27,808</u>	<u>\$ 27,808</u>
Agency Funds				
Arrowhead Regional Corrections	\$ -	\$ 75,170	\$ 11,799	\$ 86,969
Community Health Services	<u>188,052</u>	<u>92,108</u>	<u>-</u>	<u>280,160</u>
Total Agency Funds	<u>\$ 188,052</u>	<u>\$ 167,278</u>	<u>\$ 11,799</u>	<u>\$ 367,129</u>
Total	<u>\$4,156,336</u>	<u>\$5,267,355</u>	<u>\$ 355,723</u>	<u>\$9,779,414</u>

ST. LOUIS COUNTY, MINNESOTA
 NOTES TO FINANCIAL STATEMENTS
 DECEMBER 31, 1992

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, 1992, is:

	<u>Enterprise</u>	<u>Internal Service</u>
Land	\$ 275,584	\$ 25,500
Building and structures	8,895,163	1,749,449
Improvements other than buildings	86,324	-
Machinery and equipment	1,129,040	3,934,807
Vehicles	-	2,379,351
Construction-in-progress	<u>3,928,883</u>	<u>-</u>
Total	\$14,314,994	\$ 8,089,107
Less accumulated depreciation	<u>(3,057,373)</u>	<u>(4,325,480)</u>
Net Fixed Assets	<u>\$11,257,621</u>	<u>\$ 3,763,627</u>

Summary of Changes in General Fixed Assets

	<u>Balance 1-1-92</u>	<u>Additions</u>	<u>Retirements</u>	<u>Assets Reclass- ified</u>	<u>Balance 12-31-92</u>
Land	\$ 2,673,294	\$ -	\$ -	\$ -	\$ 2,673,294
Buildings and structures	33,769,717	27,665	(40,610)	633,701	34,390,473
Machinery and equipment	7,213,090	662,401	(259,705)	693,675	8,309,461
Vehicles	24,670,462	608,111	(428,758)	-	24,849,815
Construction in progress	<u>3,010,257</u>	<u>2,005,999</u>	<u>-</u>	<u>(1,327,376)</u>	<u>3,688,880</u>
Total	<u>\$71,336,820</u>	<u>\$ 3,304,176</u>	<u>\$ (729,073)</u>	<u>\$ -</u>	<u>\$73,911,923</u>

ST. LOUIS COUNTY, MINNESOTA
 NOTES TO FINANCIAL STATEMENTS
 DECEMBER 31, 1992

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

B. Liabilities

Deferred Revenue

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

	<u>Taxes</u>	<u>Grants</u>	<u>Accounts Receivable</u>	<u>Long-Term Receivables</u>	<u>Total</u>
General Fund	\$1,131,614	\$ 40,634	\$ -	\$ 924,062	\$ 2,096,317
Special Revenue Funds					
County Housing Authority	\$ 5,495	\$ -	\$ -	\$ -	\$ 5,495
Railroad Authority	13,226	-	-	-	13,226
Road and Bridge	504,890	3,653,986	-	36,615	4,195,491
Social Services	<u>1,572,482</u>	<u>489,744</u>	<u>-</u>	<u>-</u>	<u>2,062,226</u>
Total Special Revenue Funds	<u>\$2,096,093</u>	<u>\$4,143,730</u>	<u>\$ -</u>	<u>\$ 36,615</u>	<u>\$ 6,276,438</u>
Debt Service Funds					
Babbitt Facility Refunding	\$ 4,490	\$ -	\$ -	\$ -	\$ 4,490
Capital Equipment Notes	35,582	-	-	-	35,582
Correctional Facilities	<u>5,026</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,026</u>
Total Debt Service Funds	<u>\$ 45,098</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 45,098</u>
Capital Projects Fund					
Court Houses	<u>\$ 66,853</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 66,853</u>
Enterprise Funds					
Chris Jensen	78,622	-	312,876	-	391,498
Hoping	45,516	-	170,247	-	215,763
Solid Waste	<u>63,291</u>	<u>97,331</u>	<u>-</u>	<u>214,732</u>	<u>375,354</u>
Total Enterprise Funds	<u>\$ 187,429</u>	<u>\$ 97,331</u>	<u>\$ 483,123</u>	<u>\$ 214,732</u>	<u>\$ 982,615</u>
Internal Service Funds					
Community Foods	\$ 1,198	\$ -	\$ -	\$ -	\$ 1,198
Laundry	<u>1,171</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,171</u>
Total Internal Service Funds	<u>\$ 2,369</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,369</u>
Trust Funds					
Forfeited Tax	\$ -	\$ -	\$ -	\$ 5,179,557	\$ 5,179,557
Forest Resources	<u>-</u>	<u>79,027</u>	<u>-</u>	<u>-</u>	<u>79,027</u>
Total Trust Funds	<u>\$ -</u>	<u>\$ 79,027</u>	<u>\$ -</u>	<u>\$ 5,179,557</u>	<u>\$ 5,258,584</u>
Total All Funds	<u>\$3,529,456</u>	<u>\$4,360,722</u>	<u>\$ 483,123</u>	<u>\$ 6,354,973</u>	<u>\$14,728,274</u>

ST. LOUIS COUNTY, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 1992

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, 1992

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, 1992:

	Bonds Payable			
	Chris Jensen Enterprise Fund	Nopeming Enterprise Fund	Solid Waste Management Enterprise Fund	Total
Payable, January 1	\$3,051,747	\$ 257,169	\$5,594,638	\$8,903,554
Payment on Principal	(1,065,000)	(25,000)	(280,000)	(1,370,000)
Amortization of discount and costs	16,819	358	5,736	22,913
Payable, December 31	<u>\$2,003,566</u>	<u>\$ 232,527</u>	<u>\$5,320,374</u>	<u>\$7,556,467</u>

Bonds payable at December 31, 1992, consist of the following issues:

\$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, 1992 the bond issue is net of the unamortized bond discount and issue costs of \$46,434).

\$2,003,566

ST. LOUIS COUNTY, MINNESOTA
 NOTES TO FINANCIAL STATEMENTS
 DECEMBER 31, 1992

III. Detailed Notes on All funds and Account Groups

B. Liabilities

Fund Long-Term Debt (continued)

\$305,000 1989 General Obligation New Money Issue bonds due in annual installments of \$20,000 to \$40,000 on December 1, 1990 through 1999; interest at 6.4 to 6.8 percent (at December 31, 1992, the bond issue is net of unamortized bond discount and issue costs of \$2,473). \$ 232,527

\$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 (at December 31, 1992 the bond issue is net of the unamortized bond discount of \$37,710). \$3,017,290

\$1,310,000 1989 General Obligation Solid Waste bonds due in annual installments of \$55,000 to \$135,000 on December 1, 1990, through 2004; interest at 5.9 to 6.9 percent (at December 31, 1992 the bond issue is net of the unamortized bond discount of \$15,706). \$1,124,294

\$1,255,000 1991 General Obligation Solid Waste bonds due in annual installments of \$60,000 to \$130,000 on December 1, 1992 through 2005; interest at 4.0 to 6.25 percent (at December 31, 1992 the bond issue is net of the unamortized bond discount of \$16,210). \$1,178,790

The annual requirements to service the debt outstanding as of December 31, 1992, including interest of \$2,984,242 and unamortized discounts of \$118,533 on the bonds, are as follows:

<u>Year Ended</u> <u>December 31</u>	<u>Bonds Payable</u>
1993	1,457,743
1994	1,462,920
1995	1,483,372
1996	697,485
1997	702,765
1998 - 2009	<u>4,854,957</u>
	<u>\$ 10,659,242</u>

ST. LOUIS COUNTY, MINNESOTA
 NOTES TO FINANCIAL STATEMENTS
 DECEMBER 31, 1992

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, 1992. 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.

	Balance 1-1-92	Additions	Deletions	Balance 12-31-92
General Obligation Capital Notes	\$10,505,000	\$ -	\$ 600,000	\$ 9,905,000
General Obligation Bond	975,000	-	20,000	955,000
Bond Anticipation Notes	<u>2,000,000</u>	<u>-</u>	<u>-</u>	<u>2,000,000</u>
Total Bonded Debt	\$13,480,000	\$ -	\$ 620,000	\$12,860,000
Due to Other				
Governments	150,000	-	30,000	120,000
Loans Payable	913,494	-	32,996	880,498
Compensated Absences	4,634,905	683,771	-	5,318,676
Capital Leases	<u>4,634,304</u>	<u>-</u>	<u>185,173</u>	<u>4,449,131</u>
Total General Long- Term Debt	<u>\$23,812,703</u>	<u>\$ 683,771</u>	<u>\$ 868,169</u>	<u>\$23,628,305</u>

Capital notes payable at December 31, 1992, 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.	\$ 3,800,000
\$4,070,000 1989 General Obligation Capital Equipment Notes due in total on December 1, 1994; interest at 6.2 percent.	\$ 4,070,000
\$2,035,000 1990 General Obligation Capital Equipment Notes due in total on December 1, 1995; interest at 5.9 percent.	\$ 2,035,000

ST. LOUIS COUNTY, MINNESOTA
 NOTES TO FINANCIAL STATEMENTS
 DECEMBER 31, 1992

III. Detailed Notes on All Funds and Account Groups

B. Liabilities

General Long-Term Debt (continued)

General obligation bonds payable at December 31, 1992, consist of the following issue:

\$1,015,000 1989 General Obligation Recycling Facility Refunding Bonds due in annual installments of \$20,000 to \$110,000 on December 1, 1990, through 2009; interest at 8.5 to 9.5 percent. \$ 955,000

Bond anticipation notes payable at December 31, 1992, consist of the following issue:

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

The annual requirements to service the bonded debt outstanding as of December 31, 1992, including interest of \$2,166,672 are as follows:

Year Ended December 31	Capital Notes	Bonds	Bond Anticipation Notes	Total Bonded Debt
1993	4,290,205	114,017	88,000	4,492,222
1994	4,442,405	111,855	2,088,000	6,642,260
1995	2,155,065	114,680	-	2,269,745
1996	-	112,055	-	112,055
1997	-	114,415	-	114,415
1998 - 2009	-	1,395,975	-	1,395,975
	<u>\$10,887,675</u>	<u>\$1,962,997</u>	<u>\$ 2,176,000</u>	<u>\$15,026,672</u>

ST. LOUIS COUNTY, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 1992

III. Detailed Notes on All Funds and Account Groups

B. Liabilities

General Long-Term Debt (continued)

Due to other governments at December 31, 1992, 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. \$ 120,000

Loans payable at December 31, 1992 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. Payments on the IRRRB loan have been suspended until January 1995. Payments on the MEEDA and WMB loans have been suspended by the State until June 30, 1993, and it is anticipated that the suspensions will again be extended.

\$34,960 1990 State of Minnesota loan payable in annual installments of \$3,496 through April 1, 1999; the obligation bears no interest. \$ 24,472

\$165,531 1990 State of Minnesota loan payable in annual installments of \$16,888 through July, 1999 and one payment of \$13,539 due July, 2000; the obligation bears no interest. \$ 131,755

\$81,845 1990 State of Minnesota loan payable in annual installments of \$12,277 in 1993 and continuing at lesser amounts through August, 2000; the obligation bears interest on \$40,923 at 7.25 percent to 8.00 percent; and bears no interest on \$40,922. \$ 57,291

ST. LOUIS COUNTY, MINNESOTA
 NOTES TO FINANCIAL STATEMENTS
 DECEMBER 31, 1992

III. Detailed Notes on All Funds and Account Groups

B. Liabilities

General Long-Term Debt (continued)

The County's proportionate shares of general obligation debt at December 31, 1992, 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	\$ 20,416,467	100.00	\$ 20,416,467
<u>Overlapping Debt</u>			
School Districts	10,125,000	48.71	4,931,813
<u>Underlying Debt</u>			
Cities	71,347,909	100.00	71,347,909
School Districts	63,312,519	100.00	63,312,519
Towns	275,654	100.00	275,654
Seaway Port	<u>720,000</u>		<u>720,000</u>
Total	<u>\$ 166,197,549</u>		<u>\$ 161,004,362</u>

Defeased Debt

Nursing Home Bonds

On November 15, 1989, the County issued \$2,665,000 in General Obligation Nursing Home Revenue Refunding Bonds with an average interest rate of 6.41 percent to advance refund \$2,425,000 of outstanding General Obligation Nursing Home Revenue Bonds dated August 1, 1984, with an average interest rate of 9.3 percent. The refunded bonds mature from February 1, 1993, through February 1, 1996, and were called 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 were 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. No balance is outstanding as of December 31, 1992.

ST. LOUIS COUNTY, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 1992

III. Detailed Notes on All Funds and Account Groups

B. Liabilities

Defeased Debt (continued)

Tirecycle Bonds

On November 15, 1989, the County issued \$1,015,000 in General Obligation Taxable Revenue Refunding Bonds with an average interest rate of 9.39% to advance refund \$1,015,000 of outstanding General Obligation Revenue Bonds dated May 1, 1986 with an average interest rate of 10%. The original bonds were issued to provide funds for constructing and equipping the Tirecycle Facility. The project was leased to a private company which subsequently defaulted on the lease. Under the terms of the original bonds the County exercised 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. No balance is outstanding as of December 31, 1992.

Correctional Facility Bond Anticipation Notes

On December 1, 1991 the County issued \$2,000,000 in General Obligation Correctional Facilities Refunding Bond Anticipation Notes with an average interest rate of 4.40% to advance refund \$2,000,000 of outstanding General Obligation Correctional Facilities Bond Anticipation Notes dated December 1, 1989 with an average interest rate of 6%. The original bonds were issued to provide funds for the preliminary expenditures essential to a new jail facility. The original notes were scheduled to be extinguished in 1992 and the costs incurred refinanced with a debt sale for the entire cost of construction. The jail construction was to begin in 1992; however, the project was delayed, necessitating the refunding issue. The original notes were called on July 1, 1992. No balance is outstanding as of December 31, 1992.

ST. LOUIS COUNTY, MINNESOTA
 NOTES TO FINANCIAL STATEMENTS
 DECEMBER 31, 1992

III. Detailed Notes on All Funds and Account Groups

B. Liabilities (continued)

Lease Obligations

Operating Leases

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

The following is a summary of the operating lease expense for 1992:

<u>Type of Property</u>	<u>Amount</u>
Rental of office space and parking facilities	\$ 1,071,152
Data processing software	252,430
Office equipment	29,116
Vehicles	<u>6,300</u>
Total rental expense	<u>\$ 1,358,998</u>

Future minimum payments under operating leases, which are not reflected in these financial statements, consist of the following at December 31, 1992:

<u>Year Ended</u>	<u>Amount</u>
1993	\$ 1,383,598
1994	1,377,478
1995	1,367,433
1996	1,347,343
1997	<u>1,347,468</u>
Total future minimum lease payments	<u>\$ 6,823,320</u>

ST. LOUIS COUNTY, MINNESOTA
 NOTES TO FINANCIAL STATEMENTS
 DECEMBER 31, 1992

III. Detailed Notes on All Funds and Account Groups

B. Liabilities

Lease Obligations (continued)

Capital Leases

Capitalized leases of the County at December 31, 1992, consist of copiers and office space as shown below:

<u>Type of Property</u>	<u>General Fixed Assets</u>	<u>Printing Internal Service Fund</u>	<u>Total</u>
Copiers	116,880	\$ 70,019	\$ 186,899
Office space	4,420,585	-	4,420,585
Less: Accumulated depreciation	-	(35,710)	(35,710)
Carrying value	<u>\$4,537,465</u>	<u>\$ 34,309</u>	<u>\$4,571,774</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, 1992:

<u>December 31</u>	<u>General Long-Term Debt</u>	<u>Printing Internal Service Fund</u>	<u>Total</u>
1993	\$ 322,039	\$ 14,004	\$ 336,043
1994	302,945	14,004	316,949
1995	297,840	2,333	300,173
1996	297,840	-	297,840
1997	297,840	-	297,840
1998-2002	1,489,200	-	1,489,200
2003-2007	1,489,200	-	1,489,200
2008-2012	<u>1,389,920</u>	<u>-</u>	<u>1,389,920</u>
Total minimum lease payments	\$5,886,824	\$ 30,341	\$5,917,165
Less: Amount repre- senting interest	<u>1,437,693</u>	<u>-</u>	<u>1,437,693</u>
Present value of future minimum lease payments	<u>\$4,449,131</u>	<u>\$ 30,341</u>	<u>\$4,479,472</u>

ST. LOUIS COUNTY, MINNESOTA
 NOTES TO FINANCIAL STATEMENTS
 DECEMBER 31, 1992

III. Detailed Notes on All Funds and Account Groups

B. Liabilities (continued)

Construction Commitments

At December 31, 1992, the County had construction commitments as follows:

	<u>Authorized Projects</u>	<u>Expended To Date</u>	<u>Commitment</u>	<u>Required Further Financing</u>
Road and Bridge building	\$ 54,907	\$ 43,889	\$ 11,018	\$ -
County jail	2,319,402	949,388	301,742	11,262,088
Courthouse improvements	923,506	875,793	47,713	-
911 system	2,222,030	1,819,810	146,436	6,000
Landfill closures	4,376,798	3,204,568	997,742	5,535,000
Landfill transfer stations	3,828,894	3,541,815	45,900	200,000
Composting facility	<u>387,060</u>	<u>387,060</u>	<u>-</u>	<u>-</u>
Total	<u>\$14,112,597</u>	<u>\$10,822,323</u>	<u>\$1,550,551</u>	<u>\$17,003,088</u>

The above projects are accounted for in the various capital projects funds and the Solid Waste Management Enterprise Fund.

ST. LOUIS COUNTY, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 1992

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 \$420,000 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, (1992) in excess of the \$420,000 retention limit.

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

The estimated liability for workers' compensation is funded by levying directly for the Internal Service Fund, and will therefore be paid from the retained earnings of the Fund.

The County Attorney's Office estimated settlements to be \$310,175 for various cases considered reasonably possible losses to the County. This amount is not reflected in the financial statements.

Retirement Plan

Plan Description

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

ST. LOUIS COUNTY, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 1992

III. Detailed Notes on All Funds and Account Groups

B. Liabilities

Retirement Plan

Plan Description (continued)

members must participate in the Coordinated Plan. All police officers, fire fighters, and peace officers who qualify for membership by statute are covered by the Public Employees Police and Fire Fund. The payroll for employees covered by Public Employees Retirement Fund and Public Employees Police and Fire Fund for the year ended December 31, 1992, was \$66,362,538 and \$5,336,364 respectively; the County's total payroll was \$72,966,062.

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, 1992

III. Detailed Notes on All Funds and Account Groups

B. Liabilities

Retirement Plan (continued)

Contributions Required and Contributions Made

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

	<u>Statutory Rates:</u>		<u>Required Rates</u>
	<u>Employee</u>	<u>Employer</u>	
Public Employees Retirement Fund	4.41%	4.74%	9.95%
Public Employees Police and Fire Fund	8.00%	12.00%	18.60%

Total contributions made by St. Louis County during fiscal year 1992 were:

	<u>Amounts</u>		<u>Percentage of Covered Payroll</u>	
	<u>Employees</u>	<u>Employer</u>	<u>Employees</u>	<u>Employer</u>
Public Employees Retirement Fund	\$2,804,380	\$3,030,742	4.27%	4.62%
Public Employees Police and Fire Fund	<u>\$ 421,473</u>	<u>\$ 632,197</u>	10.63%	15.94%
Totals	<u>\$3,225,853</u>	<u>\$3,662,939</u>		

The County's contribution for the year ended June 30, 1992, to the Public Employees Retirement Fund represented 2.8 percent of total contributions required of all participating entities. For the Public Employees Police and Fire Fund, contributions for the year ended June 30, 1992, represented 2.2 percent of total contributions required of all participating entities.

ST. LOUIS COUNTY, MINNESOTA
 NOTES TO FINANCIAL STATEMENTS
 DECEMBER 31, 1992

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, 1992, are shown below (in thousands):

	Public Employees Retirement Fund	Public Employees Police and Fire Fund
Total pension benefit obligation	\$ 4,868,124	\$ 821,604
Net assets available for benefits, at cost (Market values for Public Employees Fund - \$4,068,082; Police and Fire Fund - \$1,012,812)	<u>3,933,124</u>	<u>963,565</u>
Unfunded (assets in excess of) pension benefit obligation	<u>\$ 935,000</u>	<u>\$ (141,961)</u>

The measurement of the pension benefit obligation is based on an actuarial valuation as of June 30, 1992. Net assets available to pay pension benefits were valued as of June 30, 1992.

ST. LOUIS COUNTY, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 1992

III. Detailed Notes on All Funds and Account Groups

B. Liabilities

Retirement Plan

Funding Status and Progress (continued)

Changes in Benefit Provisions

Effective for June 30, 1992, valuation, legislative activity since the last actuarial valuation resulted in some minor changes in benefit provision for the two funds. These changes did not have a significant impact on the PERF or the PEPFF.

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, 1992. 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, 1992, and for the fiscal year then ended, PERA held no securities issued by the City or other related parties.

ST. LOUIS COUNTY, MINNESOTA
 NOTES TO FINANCIAL STATEMENTS
 DECEMBER 31, 1992

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	Capital Projects - Jail bond	\$ 4,213
Special Revenue - Road and Bridge	Enterprise - Solid Waste Management	43,226
Social Services	General	20,834
Enterprise - Solid Waste	General	17,529
	Special Revenue - Road and Bridge	10,021
	Social Services	31,730
Internal Service - Community Food	Special Revenue - Social Services	<u>199,023</u>
	Total	<u>\$ 326,576</u>

Interfund Receivable/Payable

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General	Enterprise - Chris Jensen	377,999
	Nopeming	587,381
	Agency - Community Health Services	<u>51,860</u>
	Total	<u>\$1,017,240</u>

Advance From/To Other Funds

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General	Special Revenue - Railroad Authority	<u>\$ 6,269</u>

ST. LOUIS COUNTY, MINNESOTA
 NOTES TO FINANCIAL STATEMENTS
 DECEMBER 31, 1992

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

D. Transfers Between Funds

Transfers between individual funds during December 31, 1992, are as follows:

<u>Operating Transfers Out</u>	<u>Operating Transfers In</u>	<u>Debit</u>	<u>Credit</u>
General		\$ 250,000	\$
	Special Revenue - Babbitt Facility		250,000
Special Revenue - Road and Bridge Social Services		600,000 32,040	
	General		32,040
	Debt Service - Capital Equipment Notes		600,000
Enterprise - Solid Waste Management		442,998	
	Expendable Trust - Hibbing Dedicated East Mesabi Dedicated		131,800 311,198
Internal Service - Telecommunications		60,000	
	Internal Services - Management Information Systems		<u>60,000</u>
		<u>\$1,385,038</u>	<u>\$1,385,038</u>

ST. LOUIS COUNTY, MINNESOTA
 NOTES TO FINANCIAL STATEMENTS
 DECEMBER 31, 1992

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

D. Transfers Between Funds (continued)

<u>Residual Equity Transfers Out</u>	<u>Residual Equity Transfers In</u>	<u>Debit</u>	<u>Credit</u>
General		\$ 227,662	\$
	Internal Service - County Garage		227,662

The County Garage Internal Service Fund shows an increase in contributed capital of \$227,662 which is the residual equity transfer out of the General Fund. This does not show as a residual equity transfer in.

E. Fund Equity

Contributed Capital - Enterprise Funds

There were no changes in the contributed capital accounts of the enterprise funds during the year ended December 31, 1992.

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, 1992:

	<u>Contribu- tions 1-1-92</u>	<u>Additions</u>	<u>Deletions</u>	<u>Contribu- tions 12-31-92</u>
Laundry	\$ 814,517	\$ -	\$ -	\$ 814,517
Printing	5,131	-	-	5,131
County Garage	2,338,008	227,662	-	2,565,670
Management Information Systems	808,490	-	-	808,490
Telecommuni- cations	<u>185,639</u>	<u>-</u>	<u>-</u>	<u>185,639</u>
Total Internal Service Funds	<u>\$4,151,785</u>	<u>\$ 227,662</u>	<u>\$ -</u>	<u>\$4,379,447</u>

ST. LOUIS COUNTY, MINNESOTA
 NOTES TO FINANCIAL STATEMENTS
 DECEMBER 31, 1992

IV. Segments of Enterprise Activities

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

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

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

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

The key financial data for the year ended December 31, 1992, for these three services are:

	<u>Chris Jensen</u>	<u>Nopeming</u>	<u>Solid Waste Management</u>	<u>Total Enterprise Funds</u>
Operating revenues	\$9,571,994	\$ 8,325,734	\$4,201,370	\$22,099,098
Depreciation	109,362	81,165	37,393	227,920
Operating income (loss)	(683,466)	(455,788)	27,435	(1,111,819)
Taxes	1,690,512	852,876	653,427	3,196,815
Grants	-	-	1,001,281	1,001,281
Operating transfer out	-	-	(442,998)	(442,998)
Net income (loss)	826,525	379,598	991,110	2,197,233
Property, plant, and equipment - additions	61,494	102,899	606,822	771,215
Net working capital	857,376	169,474	2,179,222	3,206,072
Total assets	7,090,907	4,056,768	7,730,181	18,877,856
Long-term liabilities payable from opera- ting revenues	1,552,334	395,687	6,266,248	8,214,269
Total equity	\$3,498,259	\$ 2,279,515	\$ 279,119	\$6,056,893

ST. LOUIS COUNTY, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 1992

V. Joint Ventures

Arrowhead Regional Corrections

Arrowhead Regional Corrections is governed by a nine-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 1992, county contributions were in the following proportion:

Carlton County	8.91%
Cook County	2.24%
Koochiching County	3.96%
Lake County	3.55%
St. Louis County	<u>81.34%</u>
Total	<u>100.00%</u>

A summary of the financial information of Arrowhead Regional Corrections for the year ended December 31, 1991, (the most recent available), excluding general fixed assets of \$3,044,586, and general long-term debt of \$609,778 was:

Total Assets	\$ 1,289,340
Total Liabilities	\$ 619,379
Total Fund Equity	\$ 669,961
Total Revenues	\$ 8,359,677
Total Expenditures	\$ 8,534,297
Increase (decrease) in Fund Balance	\$ (146,121)

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 (1992).

ST. LOUIS COUNTY, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 1992

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, 1991, (the most recent available) excluding general fixed assets of \$17,612, and general long-term debt of \$5,711, is:

Total Assets	\$ 413,660
Total Liabilities	\$ 389,095
Total Fund Equity	\$ 24,565
Total Revenues	\$1,910,425
Total Expenditures	\$1,910,425
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 (1992) 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, 1991, (the most recent available), was:

Total Assets	\$ -
Total Liabilities	\$ -
Total Receipts	\$ 57,120
Total Disbursements	\$ 57,120
Increase (decrease) in Fund Balance	\$ -

ST. LOUIS COUNTY, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 1992

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 (1992) 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, 1992, excluding general fixed assets of \$195,317 and general long-term debt of \$96,956 was:

Total Assets	\$ 571,583
Total Liabilities	\$ 474,627
Total Fund Equity	\$ 96,956
Total Revenues	\$ 3,438,544
Total Expenditures	\$ 3,424,651
Increase (Decrease) in Fund Balance	\$ 13,893

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.

Participation in the Medicaid reimbursement program requires field audits of the Chris Jensen and Nopeming Enterprise Fund nursing homes' records, and review of their compliance with applicable rules and regulations, by the Minnesota Department of Human Services at least once every four years. Based on the results of these audits, current year revenues paid by the State may be adjusted accordingly.

ST. LOUIS COUNTY, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 1992

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, 1992.

Courts	\$ 407,446
Purchasing	16,338
ARC (Probation)	1,669
Sheriff	2,066
Judge of Probate	10,104
Social Services	
Social Welfare	821,883
Support and Collections (IV-D)	452,124
Estate	<u>137,098</u>
Total	<u>\$1,848,728</u>

C. Settlements Held by the Court for Minors

The Court Administrator, at December 31, 1992, held investments for individuals who have not reached the age of majority. These investments have a combined face value of \$3,622,767 and are not included in the County's financial statements.

VII. Subsequent Events

Northwest Airbus Facility

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

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

ST. LOUIS COUNTY, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 1992

VII. Subsequent Events

Northwest Airbus Facility (continued)

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

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

The Metropolitan Airports Commission (MAC) has provided a \$270,000,000 loan to Northwest Airlines as an incentive for the airlines to build the Duluth and Hibbing facilities.

The State has put a hold on the issuance of bonds until Northwest's financial condition improves. They may not be issued at all.

Regional Landfill Construction

The County tentatively plans to issue bonds in 1993 for the construction of a 5.6 million dollar landfill.

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.

In 1993, the County plans to ask the St. Louis County Housing and Redevelopment Authority to bond for approximately 14 million dollars for a Duluth jail. Two million dollars of this issue would retire the St. Louis County Correctional Facilities Bond.

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

Refunding Bonds

On March 8, 1993 the County sold general obligation bonds in the amount of \$2,920,000 to refund portions of two of its 1989 general obligation solid waste bonds. The new bonds are a full cross over advance refunding issue which were sold to take advantage of lower interest rates. The present value savings net of bond costs is \$144,533. The savings will not begin to be realized until after the December 31, 1998 date for the refunded issues.

This page intentionally left blank.

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

**GENERAL
FUND**

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, 1992

<u>Assets</u>	
Cash and cash equivalents	\$ 5,623,936
Change funds	18,744
Receivables	
Taxes	
Unapportioned	519,642
Delinquent	1,257,350
Accounts	249,006
Accrued interest	1,747,711
Loans	1,634,153
Due from other funds	4,213
Interfund receivable	1,017,240
Due from other governments	649,763
Advances to other funds	6,269
Total Assets	\$ 12,728,027
<u>Liabilities and Fund Balance</u>	
Liabilities	
Accounts payable	\$ 615,373
Salaries payable	494,153
Compensated absences payable	221,526
Due to other funds	38,363
Due to other governments	281,499
Deferred revenue	2,096,317
Total Liabilities	\$ 3,747,231
Fund Balance	
Reserved for change funds	\$ 18,744
Reserved for noncurrent loans	609,843
Reserved for economic development	381,093
Reserved for advances to other funds	6,269
Reserved for encumbrances	241,547
Reserved for health and welfare	643,382
Reserved for law library	47,313
Reserved for repairs	10,000
Reserved for depot grant	5,000
Reserved for child and youth	30,150
Unreserved	
Designated for parking	75,842
Undesignated	6,911,613
Total Fund Balance	\$ 8,980,796
Total Liabilities and Fund Balance	\$ 12,728,027

ST. LOUIS COUNTY, MINNESOTA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
GENERAL FUND
 YEAR ENDED DECEMBER 31, 1992

Revenues	
Taxes	\$ 23,478,234
Licenses and permits	112,550
Intergovernmental	9,483,215
Charges for services	5,505,706
Fines and forfeits	691,775
Interest on investments	1,853,826
Gifts and contributions	20,506
Miscellaneous	<u>647,069</u>
Total Revenues	\$ <u>41,792,881</u>
Expenditures	
General government	
Current:	
Commissioners	\$ 591,658
County administrator	179,810
Intergovernmental affairs	202,700
Planning & research	146,608
Labor relations	37,292
Community development	81,779
Public defenders	630,986
Court administrator	3,337,431
Examiner of titles	116,546
County attorney	1,860,973
Law library	132,696
County auditor	3,015,836
County assessor	1,412,591
Purchasing	465,984
Microfilming	138,409
Recorder	903,809
Surveyor	453,945
Civil service	864,729
Veteran's service	404,424
Port authority	50,000
Elections	146,598
Courthouses	1,546,497
Employee training	<u>140,527</u>
Total Current	\$ <u>16,861,828</u>

(continued)

ST. LOUIS COUNTY, MINNESOTA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
GENERAL FUND
YEAR ENDED DECEMBER 31, 1992

Expenditures (Continued)

General government (continued)

Capital Outlay:

County administrator	\$	2,447
Community development		3,051
Public defender		5,121
Court administrator		14,489
County attorney		12,960
County auditor		10,234
County assessor		8,574
Microfilming		3,880
Recorder		5,066
Surveyor		5,039
Civil service		2,324
Courthouses		12,168
Employee training		1,175

Total Capital Outlay \$ 86,528

Total General Government \$ 16,948,356

Public Safety

Current:

Jail building	\$	169,174
Sheriff		5,542,919
Boat and water safety		70,942
Medical examiner		142,757
Rescue squad		52,067
Emergency management		123,897
Radio maintenance		307,020
Emergency communication		1,457,124
Jail prisoners		2,939,127
Mine inspector		211,102
Safety council		532
Ambulance service		44,058
Law enforcement service		571,960
Town aid		3,117

Total Current \$ 11,835,796

(continued)

ST. LOUIS COUNTY, MINNESOTA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
GENERAL FUND
YEAR ENDED DECEMBER 31, 1992

Expenditures (Continued)

Public safety (continued)

Capital Outlay:

Sheriff	\$	15,324
Boat and water safety		12,586
Rescue squad		5,570
Radio maintenance		3,031
Jail prisoners		8,729
Law enforcement services		<u>2,786</u>

Total Capital Outlay \$ 48,026

Total Public Safety \$ 11,683,822

Health

Current:

Administration	\$	1,024,526
Nursing		3,367,585
Environmental health		1,324,283
Duluth Community Health Center		20,000
Risk management		163,942
American Indian Fellowship		<u>27,946</u>

Total Current \$ 5,928,282

Capital Outlay:

Administration	\$	<u>288</u>
----------------	----	------------

Total Health \$ 5,928,570
(continued)

ST. LOUIS COUNTY, MINNESOTA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
GENERAL FUND
YEAR ENDED DECEMBER 31, 1992

Expenditures (Continued)

Welfare

Current:

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

Culture and recreation

Current:

Memorial Day observance	\$ 1,170
Historical Society	135,968
Arrowhead Library System	199,537
Community fairs	800
Depot	5,000
Tourism promotion	43,132

Total Culture and Recreation

\$ 385,607

Conservation of natural resources

Current:

County agent	\$ 405,627
County fair – north	15,300
County fair – south	15,300
Soil conservation – north	30,000
Soil conservation – south	30,000
Town aid	2,383

Total Current

\$ 498,610
(continued)

ST. LOUIS COUNTY, MINNESOTA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
GENERAL FUND
YEAR ENDED DECEMBER 31, 1992

Expenditures (Continued)	
Conservation of natural resources (continued)	
Capital Outlay:	
County agent	\$ 25,168
Total Conservation of Natural Resources	<u>\$ 523,778</u>
Economic development	
Current:	
Improvement Ltd Partnership	\$ 55,370
Association of Minnesota Townships	1,000
Township Officers Association	<u>1,000</u>
Total Economic Development	<u>\$ 57,370</u>
Intergovernmental	
Public safety	<u>\$ 4,862,871</u>
Total Expenditures	<u>\$ 40,405,374</u>
Excess of Revenues Over (Under) Expenditures	<u>\$ 1,387,507</u>
Other Financing Sources (Uses)	
Operating transfers in	\$ 32,040
Operating transfers out	<u>(250,000)</u>
Total Other Financing Sources (Uses)	<u>\$ (217,960)</u>
Excess of Revenue and Other Sources Over (Under) Expenditures and Other Uses	\$ 1,169,547
Fund Balance, January 1, 1992	8,038,911
Equity transfer out	<u>(227,662)</u>
Fund Balance, December 31, 1992	<u><u>\$ 8,980,796</u></u>

ST. LOUIS COUNTY, MINNESOTA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - BUDGETARY BASIS
GENERAL FUND
YEAR ENDED DECEMBER 31, 1992

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues			
Taxes	\$ 23,343,241	\$ 23,478,234	\$ 134,993
Licenses and permits	102,530	112,550	10,020
Intergovernmental	9,415,790	9,483,215	67,425
Charges for services	5,310,222	5,505,706	195,484
Fines and Forfeitures	757,200	691,775	(65,425)
Interest on investments	1,650,000	1,853,826	203,826
Gifts and contributions	20,505	20,506	1
Miscellaneous	435,304	647,069	211,765
Total Revenues	\$ 41,034,792	\$ 41,792,881	\$ 758,089

	<u>Budget</u>	<u>Actual</u>			<u>Variance Favorable (Unfavorable)</u>
		<u>Current Expenditures</u>	<u>Encumbrances</u>	<u>Total</u>	
Expenditures					
General government					
Current:					
Commissioners	\$ 609,150	\$ 591,658	\$ -	\$ 591,658	\$ 17,492
County administrator	242,181	179,810	2,669	182,479	59,702
Intergovernmental affairs	206,927	202,700	-	202,700	4,227
Planning and research	212,646	146,608	-	146,608	66,038
Labor relations	37,292	37,292	-	37,292	-
Community development	119,312	81,779	12,519	94,298	25,014
Public defenders	761,536	630,986	-	630,986	130,550
Court administrator	3,417,662	3,334,892	54,820	3,389,712	27,950
Examiner of titles	120,237	116,546	-	116,546	3,691
County attorney	1,903,445	1,854,432	2,808	1,857,240	46,205
Law library	132,428	132,428	-	132,428	-
County auditor	3,061,468	3,007,201	16,019	3,023,220	38,248
County assessor	1,430,734	1,395,796	2,916	1,398,712	32,022
Purchasing	448,320	445,117	1,049	446,166	2,154
Microfilming	140,989	134,957	2,498	137,455	3,534
Recorder	936,865	897,871	133	898,004	38,861
Surveyor	470,782	453,017	6,842	459,859	10,923
Civil service	905,187	864,671	6,011	870,682	34,505
Veteran's service	406,108	404,152	-	404,152	1,956
Port authority	50,000	50,000	-	50,000	-
Elections	180,888	142,011	-	142,011	38,877
Courthouses	1,718,298	1,715,199	4,691	1,719,890	(1,592)
Employee training	164,409	137,845	-	137,845	26,564
Total General Government - Current	\$ 17,676,864	\$ 16,956,968	\$ 112,975	\$ 17,069,943	\$ 606,921

(continued)

ST. LOUIS COUNTY, MINNESOTA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - BUDGETARY BASIS
GENERAL FUND
YEAR ENDED DECEMBER 31, 1992

Expenditures (Continued)	Budget	Actual			Variance Favorable (Unfavorable)
		Current Expenditures	Encumbrances	Total	
Public Safety					
Current:					
Sheriff	\$ 5,660,141	\$ 5,640,712	\$ 1,449	\$ 5,642,161	\$ 17,980
Boat and water safety	143,537	108,066	1,503	109,569	33,968
Medical examiner	147,607	142,757	-	142,757	4,850
Rescue squad	90,223	83,030	403	83,433	6,790
Emergency management	127,240	123,897	735	124,632	2,608
Radio maintenance	316,677	305,235	-	305,235	11,442
Emergency communication	1,510,536	1,453,079	-	1,453,079	57,457
Jail prisoners	3,023,788	2,957,204	2,855	2,960,059	63,729
Mine inspector	212,320	211,102	-	211,102	1,218
Safety council	750	532	-	532	218
Ambulance service	39,000	44,058	-	44,058	(5,058)
Law enforcement service	572,059	571,960	-	571,960	99
Town aid	9,120	3,117	-	3,117	6,003
Total Public Safety - Current	\$ 11,852,998	\$ 11,644,749	\$ 6,945	\$ 11,651,694	\$ 201,304
Health					
Current:					
Administration	\$ 1,090,982	\$ 1,021,397	\$ 442	\$ 1,021,839	\$ 69,143
Nursing	3,511,914	3,338,537	65,214	3,403,751	108,163
Environmental health	1,339,634	1,323,003	-	1,323,003	16,631
Duluth Community Health Center	20,000	20,000	-	20,000	-
American Indian Fellowship Association	27,946	27,946	-	27,946	-
Risk management	192,765	162,557	1,578	164,135	28,630
Total Health - Current	\$ 6,183,241	\$ 5,893,440	\$ 67,234	\$ 5,960,674	\$ 222,567
Welfare					
Current:					
School lunch	\$ 15,000	\$ 15,000	\$ -	\$ 15,000	\$ -

(continued)

ST. LOUIS COUNTY, MINNESOTA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL—BUDGETARY BASIS
GENERAL FUND
YEAR ENDED DECEMBER 31, 1992

	Budget	Actual			Variance Favorable (Unfavorable)
		Current Expenditures	Encumbrances	Total	
Expenditures (Continued)					
Culture and recreation					
Current:					
Memorial Day Observance	\$ 1,200	\$ 1,170	\$ -	\$ 1,170	\$ 30
Historical Society	135,968	135,968	-	135,968	-
Arrowhead Library System	199,537	199,537	-	199,537	-
Community fairs	1,120	800	-	800	320
Depot	5,000	5,000	-	5,000	-
Tourism promotion	43,132	43,132	-	43,132	-
Total Culture and Recreation—Current	\$ 385,957	\$ 385,607	\$ -	\$ 385,607	\$ 350
Conservation of natural resources					
Current:					
County agent	\$ 452,842	\$ 404,635	\$ 1,858	\$ 406,493	\$ 46,349
County fair - north	15,300	15,300	-	15,300	-
County fair - south	15,300	15,300	-	15,300	-
Soil conservation - north	30,000	30,000	-	30,000	-
Soil conservation - south	30,000	30,000	-	30,000	-
Town aid	6,880	2,383	-	2,383	4,497
Total Conservation of Natural Resources—Current	\$ 550,322	\$ 497,618	\$ 1,858	\$ 499,476	\$ 50,846
Economic development					
Current:					
Improvement Ltd. Partnership	\$ 55,370	\$ 55,370	\$ -	\$ 55,370	\$ -
Association of Minnesota Townships	1,000	1,000	-	1,000	-
Township Officers Association	1,000	1,000	-	1,000	-
Total Economic Development—Current	\$ 57,370	\$ 57,370	\$ -	\$ 57,370	\$ -
Total Expenditures—Current	\$ 36,721,752	\$ 35,450,752	\$ 189,012	\$ 35,639,764	\$ 1,081,988

(continued)

ST. LOUIS COUNTY, MINNESOTA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - BUDGETARY BASIS
GENERAL FUND
YEAR ENDED DECEMBER 31, 1992

Schedule 3
(continued)

	<u>Budget</u>	<u>Actual</u>			<u>Variance</u> <u>Favorable</u> <u>(Unfavorable)</u>
		<u>Current</u> <u>Expenditures</u>	<u>Encumbrances</u>	<u>Total</u>	
Expenditures (Continued)					
General government					
Capital Outlay:					
County administrator	\$ -	\$ 2,447	\$ 2,548	\$ 4,993	\$ (4,993)
Community development	-	3,051	2,582	5,633	(5,633)
Public defender	-	5,121	-	5,121	(5,121)
Court administrator	6,000	8,689	3,577	12,266	(6,266)
County attorney	4,556	12,960	-	12,960	(8,404)
County auditor	-	1,244	-	1,244	(1,244)
County assessor	-	8,574	13,559	22,133	(22,133)
Recorder	1,100	5,066	-	5,066	(3,966)
Surveyor	2,700	3,333	-	3,333	(633)
Civil service	6,400	-	-	-	6,400
Courthouses	23,800	12,168	-	12,168	11,632
Employee training	-	1,175	-	1,175	(1,175)
Total General Government -					
Capital Outlay	\$ 44,556	\$ 63,828	\$ 22,264	\$ 86,092	\$ (41,536)
Public safety					
Capital Outlay:					
Sheriff	\$ -	\$ 15,324	\$ 2,086	\$ 17,410	\$ (17,410)
Boat and water safety	10,000	12,586	21,643	34,229	(24,229)
Rescue squad	2,000	5,570	3,142	8,712	(6,712)
Radio maintenance	-	3,031	-	3,031	(3,031)
Jail prisoners	4,468	8,729	3,715	12,444	(7,976)
Law enforcement service	3,200	2,786	-	2,786	414
Total Public Safety -					
Capital Outlay	\$ 19,668	\$ 48,026	\$ 30,586	\$ 78,612	\$ (58,944)
Health					
Capital Outlay:					
Administration	\$ -	\$ 288	\$ -	\$ 288	\$ (288)

(continued)

ST. LOUIS COUNTY, MINNESOTA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - BUDGETARY BASIS
GENERAL FUND
YEAR ENDED DECEMBER 31, 1992

	<u>Budget</u>	<u>Actual</u>		<u>Variance Favorable (Unfavorable)</u>	
		<u>Current Expenditures</u>	<u>Encumbrances</u>		<u>Total</u>
Expenditures (Continued)					
Conservation of Natural Resources					
Capital Outlay:					
County agent	\$ 7,720	\$ 18,350	\$ -	\$ 18,350	\$ (10,630)
Total Expenditures - Capital Outlay	\$ 71,944	\$ 130,492	\$ 52,850	\$ 183,342	\$ (111,398)
Intergovernmental					
Public safety	\$ 4,862,871	\$ 4,862,871	\$ -	\$ 4,862,871	\$ -
Total Expenditures	\$ 41,656,567	\$ 40,444,115	\$ 241,862	\$ 40,685,977	\$ 970,590
Excess of Revenues Over (Under) Expenditures	\$ (621,775)			\$ 1,106,904	\$ 1,728,679
Other Financing Sources (Uses)					
Operating transfers in	\$ 32,040			\$ 32,040	\$ -
Operating transfers out	(250,000)			(250,000)	-
Total Other Financing Sources (Uses)	\$ (217,960)			\$ (217,960)	\$ -
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Uses	\$ (839,735)			\$ 888,944	\$ 1,728,679
Adjustments - Note 1	-			280,603	280,603
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Uses as Adjusted	\$ (839,735)			\$ 1,169,547	\$ 2,009,282
Fund Balance - January 1	8,038,911			8,038,911	-
Equity transfer out	(227,662)			(227,662)	-
Fund Balance - December 31	\$ 6,971,514			\$ 8,980,796	\$ 2,009,282

**SPECIAL
REVENUE
FUNDS**

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.

RAILROAD AUTHORITY

This fund is used to provide funds (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.

ST. LOUIS COUNTY, MINNESOTA
COMBINING BALANCE SHEET
ALL SPECIAL REVENUE FUNDS
DECEMBER 31, 1992

	<u>Babbitt Facility</u>	<u>County Housing Authority</u>	<u>Railroad Authority</u>
<u>Assets</u>			
Cash and cash equivalents	\$ 170,746	\$ 96,707	\$ 136,973
Change funds	-	-	-
Receivables			
Taxes			
Unapportioned	-	1,966	4,450
Delinquent	-	6,106	14,696
Accounts	-	-	1,444
Due from other funds	-	-	-
Due from other governments	-	-	50,363
Inventories	-	-	-
Prepaid items	-	-	-
	<u>\$ 170,746</u>	<u>\$ 104,779</u>	<u>\$ 257,926</u>
<u>Liabilities and Fund Balance</u>			
<u>Liabilities</u>			
Accounts payable	\$ 7,966	\$ 1,559	\$ 26,212
Salaries payable	-	-	-
Compensated absences payable	-	-	-
Due to other funds	-	-	-
Due to other governments	-	-	3,496
Deferred revenue	-	5,495	13,226
Advances from other funds	-	-	6,269
	<u>\$ 7,966</u>	<u>\$ 7,054</u>	<u>\$ 49,203</u>
<u>Fund Balance</u>			
Reserved for change funds	\$ -	\$ -	\$ -
Reserved for conference fund	-	-	-
Reserved for inventories	-	-	-
Reserved for encumbrances	-	-	-
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	162,780	97,725	208,723
	<u>\$ 162,780</u>	<u>\$ 97,725</u>	<u>\$ 208,723</u>
Total Fund Balance	<u>\$ 162,780</u>	<u>\$ 97,725</u>	<u>\$ 208,723</u>
Total Liabilities and Fund Balance	<u>\$ 170,746</u>	<u>\$ 104,779</u>	<u>\$ 257,926</u>

Schedule 4

<u>Road and Bridge</u>	<u>Social Services</u>	<u>Total</u>
\$ 15,186,945	\$ 559,202	\$ 16,200,573
1,000	15,000	16,000
128,737	381,190	516,343
560,989	1,747,203	2,328,994
46,001	557,039	604,484
43,226	20,834	64,060
3,357,205	5,207,803	8,615,371
1,338,116	-	1,338,116
-	10,100	10,100
\$ 20,662,219	\$ 8,498,371	\$ 29,694,041
\$ 722,197	\$ 2,742,713	\$ 3,500,647
271,408	291,760	563,168
107,723	209,498	317,221
10,021	230,753	240,774
29,903	116,192	149,591
4,195,491	2,062,226	6,276,438
-	-	6,269
\$ 5,336,743	\$ 5,653,142	\$ 11,054,108
\$ 1,000	\$ 15,000	\$ 16,000
-	4,554	4,554
1,338,116	-	1,338,116
1,132,225	15,290	1,147,515
-	10,100	10,100
444,120	524,432	968,552
-	6,000	6,000
-	25,720	25,720
229,705	-	229,705
9,905,000	-	9,905,000
1,181,244	-	1,181,244
1,094,066	2,244,133	3,807,427
\$ 15,325,476	\$ 2,845,229	\$ 18,639,933
\$ 20,662,219	\$ 8,498,371	\$ 29,694,041

**ST. LOUIS COUNTY, MINNESOTA
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
 ALL SPECIAL REVENUE FUNDS
 YEAR ENDED DECEMBER 31, 1992**

	<u>Babbitt Facility</u>	<u>County Housing Authority</u>	<u>Railroad Authority</u>
Revenues			
Taxes	\$ -	\$ 115,390	\$ 266,428
Licenses and permits	-	-	-
Intergovernmental	-	1,165	16,245
Charges for services	-	-	50,417
Miscellaneous	13,154	38	227
Total Revenues	<u>\$ 13,154</u>	<u>\$ 116,593</u>	<u>\$ 333,317</u>
Expenditures			
Current:			
Highways and streets	\$ -	\$ -	\$ -
Welfare	-	-	-
Economic development	144,236	53,567	254,925
Capital outlay:			
Highway and streets	-	-	-
Welfare	-	-	-
Debt service:			
Welfare	-	-	-
Economic development	-	-	20,384
Total Expenditures	<u>\$ 144,236</u>	<u>\$ 53,567</u>	<u>\$ 275,309</u>
Excess of Revenues Over (Under) Expenditures	<u>\$ (131,082)</u>	<u>\$ 63,026</u>	<u>\$ 58,008</u>
Other Financing Sources (Uses)			
Operating transfers in	\$ 250,000	\$ -	\$ -
Operating transfers out	-	-	-
Total Other Financing Sources (Uses)	<u>\$ 250,000</u>	<u>\$ -</u>	<u>\$ -</u>
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	<u>\$ 118,918</u>	<u>\$ 63,026</u>	<u>\$ 58,008</u>
Fund Balance - January 1 - Restated	43,862	34,699	150,715
Increase (decrease) in reserved for inventories	-	-	-
Fund Balance - December 31	<u>\$ 162,780</u>	<u>\$ 97,725</u>	<u>\$ 208,723</u>

Schedule 5

<u>Road and Bridge</u>	<u>Social Services</u>	<u>Total</u>
\$ 13,259,150	\$ 19,040,584	\$ 32,681,552
14,508	-	14,508
18,211,139	47,297,885	65,526,434
362,349	1,234,477	1,647,243
117,465	1,291,197	1,422,081
<u>\$ 31,964,611</u>	<u>\$ 68,864,143</u>	<u>\$ 101,291,818</u>
\$ 30,745,407	\$ -	\$ 30,745,407
-	68,231,021	68,231,021
-	-	452,728
851,530	-	851,530
-	82,056	82,056
-	322,039	322,039
-	-	20,384
<u>\$ 31,596,937</u>	<u>\$ 68,635,116</u>	<u>\$ 100,705,165</u>
<u>\$ 367,674</u>	<u>\$ 229,027</u>	<u>\$ 586,653</u>
\$ -	\$ -	\$ 250,000
<u>(600,000)</u>	<u>(32,040)</u>	<u>(632,040)</u>
<u>\$ (600,000)</u>	<u>\$ (32,040)</u>	<u>\$ (382,040)</u>
\$ (232,326)	\$ 196,987	\$ 204,613
15,616,806	2,648,242	18,494,324
<u>(59,004)</u>	<u>-</u>	<u>(59,004)</u>
<u>\$ 15,325,476</u>	<u>\$ 2,845,229</u>	<u>\$ 18,639,933</u>

ST. LOUIS COUNTY, MINNESOTA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - BUDGETARY BASIS
BABBITT FACILITY SPECIAL REVENUE FUND
YEAR ENDED DECEMBER 31, 1992

	Budget		Actual		Variance Favorable (Unfavorable)	
Revenues						
Miscellaneous	\$	-	\$	13,154	\$ 13,154	
Total Revenues	\$	-	\$	13,154	\$ 13,154	
	Budget	Actual		Variance Favorable (Unfavorable)		
		Current Expenditures	Encumbrances	Total		
Expenditures						
Current:						
Economic development	\$	288,477	\$ 139,881	\$ -	\$ 139,881	\$ 148,596
Total Expenditures	\$	288,477	\$ 139,881	\$ -	\$ 139,881	\$ 148,596
Excess of Revenues Over (Under) Expenditures	\$	(288,477)		\$ (126,727)	\$ 161,750	
Other Financing Sources (Uses)						
Operating transfers in		250,000		250,000	-	
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Uses	\$	(38,477)		\$ 123,273	\$ 161,750	
Adjustments - Note 1		-		(4,355)	(4,355)	
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Uses as adjusted	\$	(38,477)		\$ 118,918	\$ 157,395	
Fund Balance - January 1		43,862		43,862	-	
Fund Balance - December 31	\$	<u>5,385</u>		<u>162,780</u>	<u>\$ 157,395</u>	

ST. LOUIS COUNTY, MINNESOTA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL – BUDGETARY BASIS
COUNTY HOUSING AUTHORITY SPECIAL REVENUE FUND
YEAR ENDED DECEMBER 31, 1992

	<u>Budget</u>	<u>Actual</u>		<u>Variance Favorable (Unfavorable)</u>
Revenues				
Taxes	\$ 116,390	\$ 115,390		\$ (1,000)
Intergovernmental	723,500	1,165		(722,335)
Miscellaneous	-	38		38
Total Revenues	<u>\$ 839,890</u>	<u>\$ 116,593</u>		<u>\$ (723,297)</u>
		<u>Actual</u>		<u>Variance Favorable (Unfavorable)</u>
	<u>Budget</u>	<u>Current Expenditures</u>	<u>Encumbrances</u>	<u>Total</u>
Expenditures				
Current:				
Economic development	\$ 930,005	\$ 53,567	\$ -	\$ 53,567
Total Expenditures	<u>\$ 930,005</u>	<u>\$ 53,567</u>	<u>\$ -</u>	<u>\$ 53,567</u>
Excess of Revenues Over (Under) Expenditures	\$ (90,115)		\$ 63,026	\$ 153,141
Other Financing Sources (Uses)				
Operating transfers in	\$ 68,265		\$ -	\$ (68,265)
Total Other Financing Sources (Uses)	<u>\$ 68,265</u>		<u>\$ -</u>	<u>\$ (68,265)</u>
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	\$ (21,850)		\$ 63,026	\$ 84,876
Fund Balance – January 1	<u>34,699</u>		<u>34,699</u>	<u>-</u>
Fund Balance – December 31	<u>\$ 12,849</u>		<u>\$ 97,725</u>	<u>\$ 84,876</u>

ST. LOUIS COUNTY, MINNESOTA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL – BUDGETARY BASIS
RAILROAD AUTHORITY SPECIAL REVENUE FUND
YEAR ENDED DECEMBER 31, 1992

	<u>Budget</u>	<u>Actual</u>			<u>Variance Favorable (Unfavorable)</u>
Revenues					
Taxes	\$ 266,523			\$ 266,428	\$ (95)
Intergovernmental	16,727			16,245	(482)
Charges for services	65,750			50,417	(15,333)
Miscellaneous	-			227	227
Total Revenues	<u>\$ 349,000</u>			<u>\$ 333,317</u>	<u>\$ (15,683)</u>
	<u>Budget</u>	<u>Actual</u>		<u>Variance Favorable (Unfavorable)</u>	
		<u>Current Expenditures</u>	<u>Encumbrances</u>	<u>Total</u>	
Expenditures					
Current:					
Economic development	\$ 258,389	\$ 254,925	\$ -	\$ 254,925	\$ 3,464
Total Current Expenditures	<u>\$ 258,389</u>	<u>\$ 254,925</u>	<u>\$ -</u>	<u>\$ 254,925</u>	<u>\$ 3,464</u>
Debt Service:					
Economic development	21,000	20,384	-	20,384	616
Total Expenditures	<u>\$ 279,389</u>	<u>\$ 275,309</u>	<u>\$ -</u>	<u>\$ 275,309</u>	<u>\$ 4,080</u>
Excess of Revenues Over (Under) Expenditures	<u>\$ 69,611</u>			<u>\$ 58,008</u>	<u>\$ (11,603)</u>
Fund Balance – January 1	<u>150,715</u>			<u>150,715</u>	<u>-</u>
Fund Balance – December 31	<u>\$ 220,326</u>			<u>\$ 208,723</u>	<u>\$ (11,603)</u>

**DEBT
SERVICE
FUNDS**

DEBT SERVICE FUNDS

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

BABBITT FACILITY REFUNDING

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

CAPITAL EQUIPMENT NOTES

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

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 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
ALL DEBT SERVICE FUNDS
YEAR ENDED DECEMBER 31, 1992

	Babbitt Facility Refunding	Capital Equipment Notes	Correctional Facilities Bond	Total
Revenues				
Taxes	\$ 83,074	\$ 484,205	\$ 90,142	\$ 657,421
Intergovernmental	28,725	162,351	31,129	222,205
Miscellaneous	7,300	-	-	7,300
Total Revenues	<u>\$ 119,099</u>	<u>\$ 646,556</u>	<u>\$ 121,271</u>	<u>\$ 886,926</u>
Expenditures				
Debt service:				
Principal	\$ 20,000	\$ 600,000	\$ -	\$ 620,000
Interest and fiscal charges	90,738	627,661	86,044	804,443
Total Expenditures	<u>\$ 110,738</u>	<u>\$ 1,227,661</u>	<u>\$ 86,044</u>	<u>\$ 1,424,443</u>
Excess of Revenues Over (Under) Expenditures	\$ 8,361	\$ (581,105)	\$ 35,227	\$ (537,517)
Other Financing Sources (Uses)				
Operating transfers in	-	600,000	-	600,000
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	\$ 8,361	\$ 18,895	\$ 35,227	\$ 62,483
Fund Balance - January 1	8,136	192,196	33,129	233,461
Fund Balance - December 31	<u>\$ 16,497</u>	<u>\$ 211,091</u>	<u>\$ 68,356</u>	<u>\$ 295,944</u>

ST. LOUIS COUNTY, MINNESOTA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL – BUDGETARY BASIS
BABBITT FACILITY REFUNDING DEBT SERVICE FUND
YEAR ENDED DECEMBER 31, 1992

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues			
Taxes	\$ 74,743	\$ 83,074	\$ 8,331
Intergovernmental	28,689	28,725	36
Miscellaneous	<u>7,300</u>	<u>7,300</u>	<u>-</u>
Total Revenues	<u>\$ 110,732</u>	<u>\$ 119,099</u>	<u>\$ 8,367</u>
Expenditures			
Debt Service:			
Principal	\$ 20,000	\$ 20,000	\$ -
Interest and fiscal charges	<u>90,732</u>	<u>90,738</u>	<u>(6)</u>
Total Expenditures	<u>\$ 110,732</u>	<u>\$ 110,738</u>	<u>\$ (6)</u>
Excess of Revenues Over (Under) Expenditures	<u>\$ -</u>	<u>\$ 8,361</u>	<u>\$ 8,361</u>
Fund Balance – January 1	<u>8,136</u>	<u>8,136</u>	<u>-</u>
Fund Balance – December 31	<u><u>\$ 8,136</u></u>	<u><u>\$ 16,497</u></u>	<u><u>\$ 8,361</u></u>

ST. LOUIS COUNTY, MINNESOTA
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 BUDGET AND ACTUAL – BUDGETARY BASIS
 CAPITAL EQUIPMENT NOTES DEBT SERVICE FUND
 YEAR ENDED DECEMBER 31, 1992

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
Revenues			
Taxes	\$ 463,861	\$ 484,205	\$ 20,344
Intergovernmental	<u>162,144</u>	<u>162,351</u>	<u>207</u>
Total Revenues	<u>\$ 626,005</u>	<u>\$ 646,556</u>	<u>\$ 20,551</u>
Expenditures			
Debt Service:			
Principal	\$ 600,000	\$ 600,000	\$ -
Interest and fiscal charges	<u>626,005</u>	<u>627,661</u>	<u>(1,656)</u>
Total Expenditures	<u>\$ 1,226,005</u>	<u>\$ 1,227,661</u>	<u>\$ (1,656)</u>
Excess of Revenues Over (Under) Expenditures	<u>\$ (600,000)</u>	<u>\$ (581,105)</u>	<u>\$ 18,895</u>
Other Financing Sources (Uses)			
Operating transfers in	<u>600,000</u>	<u>600,000</u>	<u>-</u>
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	<u>\$ -</u>	<u>\$ 18,895</u>	<u>\$ 18,895</u>
Fund Balance – January 1	<u>192,196</u>	<u>192,196</u>	<u>-</u>
Fund Balance – December 31	<u><u>\$ 192,196</u></u>	<u><u>\$ 211,091</u></u>	<u><u>\$ 18,895</u></u>

ST. LOUIS COUNTY, MINNESOTA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL – BUDGETARY BASIS
CORRECTIONAL FACILITIES BOND DEBT SERVICE FUND
YEAR ENDED DECEMBER 31, 1992

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues			
Taxes	\$ 88,909	\$ 90,142	\$ 1,233
Intergovernmental	<u>31,091</u>	<u>31,129</u>	<u>38</u>
Total Revenues	<u>\$ 120,000</u>	<u>\$ 121,271</u>	<u>\$ 1,271</u>
Expenditures			
Debt Service:			
Interest and fiscal charges	\$ 88,000	\$ 86,044	\$ 1,956
Total Expenditures	<u>\$ 88,000</u>	<u>\$ 86,044</u>	<u>\$ 1,956</u>
Excess of Revenues Over (Under) Expenditures	\$ 32,000	\$ 35,227	\$ 3,227
Fund Balance – January 1	<u>33,129</u>	<u>33,129</u>	-
Fund Balance – December 31	<u>\$ 65,129</u>	<u>\$ 68,356</u>	<u>\$ 3,227</u>

**CAPITAL
PROJECTS
FUNDS**

CAPITAL PROJECTS FUNDS

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

COURT HOUSES

To account for building and remodeling projects.

JAIL BOND

To account for proceeds of a jail construction project.

ST. LOUIS COUNTY, MINNESOTA
 COMBINING BALANCE SHEET
 CAPITAL PROJECTS FUND
 DECEMBER 31, 1992

	<u>Court Houses</u>	<u>Jail Bond</u>	<u>Total</u>
<u>Assets</u>			
Cash and cash equivalents	\$ 1,474,010	\$ 323,023	\$ 1,797,033
Investments	-	1,068,449	1,068,449
Receivables			
Taxes			
Unapportioned	25,770	-	25,770
Delinquent	74,282	-	74,282
Due from other governments	7,567	-	7,567
	<u>1,581,629</u>	<u>1,391,472</u>	<u>2,973,101</u>
Total Assets	\$ 1,581,629	\$ 1,391,472	\$ 2,973,101
<u>Liabilities and Fund Balance</u>			
Liabilities			
Accounts payable	\$ 93,983	\$ 11,605	\$ 105,588
Due to other funds	-	4,213	4,213
Due to other governments	-	5,641	5,641
Deferred revenue	66,853	-	66,853
	<u>160,836</u>	<u>21,459</u>	<u>182,295</u>
Total Liabilities	\$ 160,836	\$ 21,459	\$ 182,295
Fund Balance			
Unreserved - undesignated	<u>1,420,793</u>	<u>1,370,013</u>	<u>2,790,806</u>
Total Liabilities and Fund Balance	\$ 1,581,629	\$ 1,391,472	\$ 2,973,101

ST. LOUIS COUNTY, MINNESOTA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
CAPITAL PROJECTS FUNDS
 YEAR ENDED DECEMBER 31, 1992

	<u>Court Houses</u>	<u>Jail Bond</u>	<u>Total</u>
Revenues			
Taxes	\$ 1,627,031	\$ -	\$ 1,627,031
Intergovernmental	683,219	-	683,219
Interest on investments	18,191	50,781	68,972
Miscellaneous	<u>35,516</u>	<u>-</u>	<u>35,516</u>
Total Revenues	<u>\$ 2,363,957</u>	<u>\$ 50,781</u>	<u>\$ 2,414,738</u>
Expenditures			
Capital Outlay:			
General government	\$ 1,142,675	\$ -	\$ 1,142,675
Public safety	176,261	421,194	597,455
Highways and streets	<u>470,348</u>	<u>-</u>	<u>470,348</u>
Total Expenditures	<u>\$ 1,789,284</u>	<u>\$ 421,194</u>	<u>\$ 2,210,478</u>
Excess of Revenues Over (Under) Expenditures	<u>\$ 574,673</u>	<u>\$ (370,413)</u>	<u>\$ 204,260</u>
Fund Balance - January 1	<u>846,120</u>	<u>1,740,426</u>	<u>2,586,546</u>
Fund Balance - December 31	<u>\$ 1,420,793</u>	<u>\$ 1,370,013</u>	<u>\$ 2,790,806</u>

This page intentionally left blank.

ENTERPRISE FUNDS

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.

SOLID WASTE MANAGEMENT

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

ST. LOUIS COUNTY, MINNESOTA
COMBINING BALANCE SHEET
ALL ENTERPRISE FUNDS
DECEMBER 31, 1992

<u>Assets</u>	<u>Chris Jensen</u>	<u>Nopeming</u>	<u>Solid Waste Management</u>	<u>Total</u>
Current assets				
Cash and cash equivalents	\$ -	\$ -	\$ 2,396,621	\$ 2,396,621
Change funds	750	750	-	1,500
Receivables				
Taxes				
Unapportioned	22,600	12,039	66,917	101,556
Delinquent	87,357	50,574	44,793	182,724
Accounts	2,084,607	1,355,614	217,831	3,658,052
Due from other governments	-	-	111,776	111,776
Inventories	56,408	105,760	-	162,168
Total current assets	\$ 2,251,722	\$ 1,524,737	\$ 2,837,938	\$ 6,614,397
Restricted assets				
Improvement account				
Cash and cash equivalents	\$ -	\$ 69,528	\$ 593,885	\$ 663,413
Investments	-	-	103,469	103,469
Debt service				
Cash and cash equivalents	138,821	3,146	4,574	146,541
Due from other funds	-	-	59,280	59,280
Receivables				
Taxes				
Unapportioned	-	-	7,604	7,604
Delinquent	-	-	25,531	25,531
Total restricted assets	\$ 138,821	\$ 72,674	\$ 794,343	\$ 1,005,838
Fixed assets				
Land	\$ 130,656	\$ 132,086	\$ 12,842	\$ 275,584
Buildings and structures	5,112,097	3,783,066	-	8,895,163
Improvements other than buildings	29,273	46,602	10,449	86,324
Machinery and equipment	486,442	441,620	200,978	1,129,040
Construction in progress	-	-	3,928,883	3,928,883
Total fixed assets	\$ 5,758,468	\$ 4,403,374	\$ 4,153,152	\$ 14,314,994
Less accumulated depreciation	\$ (1,058,104)	\$ (1,944,017)	\$ (55,252)	\$ (3,057,373)
Net fixed assets	\$ 4,700,364	\$ 2,459,357	\$ 4,097,900	\$ 11,257,621
Total Assets	\$ 7,090,907	\$ 4,056,768	\$ 7,730,181	\$ 18,877,856

(continued)

ST. LOUIS COUNTY, MINNESOTA
COMBINING BALANCE SHEET
ALL ENTERPRISE FUNDS
DECEMBER 31, 1992

	Chris Jensen	Nopeming	Solid Waste Management	Total
Liabilities and Fund Equity				
Liabilities				
Current liabilities (payable from current assets)				
Accounts payable	\$ 117,523	\$ 158,469	\$ 236,527	\$ 512,519
Salaries payable	185,791	131,481	7,336	324,608
Compensated absences payable	321,535	262,169	26,410	610,114
Interfund payable	377,999	587,381	-	965,380
Due to other governments	-	-	36,067	36,067
Deferred revenue	391,498	215,763	352,376	959,637
Total current liabilities (payable from current assets)	\$ 1,394,346	\$ 1,355,263	\$ 658,716	\$ 3,408,325
Current liabilities (payable from restricted assets)				
Accounts payable	\$ -	\$ -	\$ 130,368	\$ 130,368
Accrued interest payable	10,968	1,303	29,206	41,477
Due to other funds	-	-	43,226	43,226
Due to other governments	-	-	320	320
Deferred revenue	-	-	22,978	22,978
Bonds payable	635,000	25,000	300,000	960,000
Total current liabilities (payable from restricted assets)	\$ 645,968	\$ 26,303	\$ 526,098	\$ 1,198,369
Long-term liabilities				
Compensated absences payable	\$ 183,768	\$ 188,160	\$ 45,874	\$ 417,802
General obligation revenue bonds payable	1,368,566	207,527	5,020,374	6,596,467
Claims payable	-	-	1,200,000	1,200,000
Total long-term liabilities	\$ 1,552,334	\$ 395,687	\$ 6,266,248	\$ 8,214,269
Total Liabilities	\$ 3,592,648	\$ 1,777,253	\$ 7,451,062	\$ 12,820,963
Fund equity				
Contributed capital	\$ 2,000	\$ -	\$ 1,655,038	\$ 1,657,038
Retained earnings				
Reserved for improvements	\$ -	\$ 69,528	\$ -	\$ 69,528
Unreserved	3,496,259	2,209,987	(1,375,919)	4,330,327
Total retained earnings	\$ 3,496,259	\$ 2,279,515	\$ (1,375,919)	\$ 4,399,855
Total fund equity	\$ 3,498,259	\$ 2,279,515	\$ 279,119	\$ 6,056,893
Total Liabilities and Fund Equity	\$ 7,090,907	\$ 4,056,768	\$ 7,730,181	\$ 18,877,856

ST. LOUIS COUNTY, MINNESOTA
 COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN RETAINED EARNINGS
 ALL ENTERPRISE FUNDS
 YEAR ENDED DECEMBER 31, 1992

	Chris Jensen	Nopeming	Solid Waste Management	Total
Operating Revenues				
Charges for services	\$ 9,443,786	\$ 8,215,176	\$ 3,792,707	\$ 21,451,669
Other	128,208	110,558	408,663	647,429
Total Operating Revenues	\$ 9,571,994	\$ 8,325,734	\$ 4,201,370	\$ 22,099,098
Operating Expenses				
Personal services	\$ 7,371,545	\$ 6,580,897	\$ 666,554	\$ 14,618,996
Contractual services	1,942,931	1,411,214	3,375,054	6,729,199
Materials	831,622	708,246	94,934	1,634,802
Depreciation	109,362	81,165	37,393	227,920
Total Operating Expenses	\$ 10,255,460	\$ 8,781,522	\$ 4,173,935	\$ 23,210,917
Operating income (loss)	\$ (683,466)	\$ (455,788)	\$ 27,435	\$ (1,111,819)
Nonoperating Revenues (Expenses)				
Taxes	\$ 1,690,512	\$ 852,876	\$ 653,427	\$ 3,196,815
Grants	-	-	1,001,281	1,001,281
Interest on investments	5,457	-	122,708	128,165
Interest expense	(169,159)	(17,132)	(365,005)	(551,296)
Amortization of bond discount	(16,819)	(358)	(5,738)	(22,915)
Total Nonoperating Revenues (Expenses)	\$ 1,509,991	\$ 835,386	\$ 1,406,673	\$ 3,752,050
Net Income (Loss) Before Operating Transfers	\$ 826,525	\$ 379,598	\$ 1,434,108	\$ 2,640,231
Operating transfer out	-	-	(442,998)	(442,998)
Net Income (Loss)	\$ 826,525	\$ 379,598	\$ 991,110	\$ 2,197,233
Retained earnings				
January 1 - Restated	2,669,734	1,899,917	(2,367,029)	2,202,622
Retained earnings - December 31	\$ 3,496,259	\$ 2,279,515	\$ (1,375,919)	\$ 4,399,855

ST. LOUIS COUNTY, MINNESOTA
COMBINING STATEMENT OF CASH FLOWS
ALL ENTERPRISE FUNDS
 YEAR ENDED DECEMBER 31, 1992

	Chris Jensen	Nopeming	Solid Waste Management	Total
Cash Flows From Operating Activities				
Net Operating Income (Loss)	\$ (683,466)	\$ (455,788)	\$ 27,435	\$ (1,111,819)
Adjustments to Reconcile Net Operating Income to Net Cash Provided by Operating Activities				
Depreciation	\$ 109,362	\$ 81,165	\$ 37,393	\$ 227,920
Changes in Assets and Liabilities				
(Increase) Decrease in change funds	(250)	(250)	-	(500)
(Increase) Decrease in accounts receivable	(129,064)	396,148	(69,570)	197,514
(Increase) Decrease in due from other governments	-	-	308,543	308,543
(Increase) Decrease in inventories	7,226	1,095	-	8,321
Increase (Decrease) in accounts payable	33,767	33,583	(30,695)	36,655
Increase (Decrease) in salaries payable	(221,974)	(186,643)	(10,257)	(418,874)
Increase (Decrease) in compensated absences payable	107,590	48,680	51,008	207,278
Increase (Decrease) in due to other governments	(72,476)	(180)	34,167	(38,489)
Increase (Decrease) in deferred revenue	105,707	128,961	-	234,668
Net Cash Provided by Operating Activities	<u>\$ (743,578)</u>	<u>\$ 46,771</u>	<u>\$ 348,024</u>	<u>\$ (348,783)</u>
Cash Flows From Noncapital Financing Activities				
Proceeds from taxes	\$ 1,683,091	\$ 853,066	\$ 568,879	\$ 3,105,036
Proceeds from grant	-	-	1,181,143	1,181,143
Operating transfer out	-	-	(442,998)	(442,998)
Payments of interfund loan	(511,879)	(1,340,420)	-	(1,852,299)
Proceeds from interfund loan	377,999	587,381	-	965,380
Net Cash Provided by Noncapital Financing Activities	<u>\$ 1,549,211</u>	<u>\$ 100,027</u>	<u>\$ 1,307,024</u>	<u>\$ 2,956,262</u>
Cash Flows From Capital and Related Financing Activities				
Acquisition of capital assets	\$ (61,494)	\$ (102,899)	\$ (606,822)	\$ (771,215)
Debt service interest received	5,457	-	-	5,457
Principal paid on bonds	(1,065,000)	(25,000)	(280,000)	(1,370,000)
Interest paid on bonds	(189,575)	(17,268)	(366,878)	(573,721)
Restricted liability payments	-	(23,291)	(129,186)	(152,477)
Net Cash Provided by Capital and Related Financing Activities	<u>\$ (1,310,612)</u>	<u>\$ (168,458)</u>	<u>\$ (1,382,886)</u>	<u>\$ (2,861,956)</u>
Cash Flows From Investing Activities				
Purchase of investments	\$ (215,932)	\$ -	\$ (5,877,335)	\$ (6,093,267)
Sale of investments	855,932	-	6,197,774	7,053,706
Interest on investments	-	-	122,849	122,849
Net Cash Provided by Investing Activities	<u>\$ 640,000</u>	<u>\$ -</u>	<u>\$ 443,288</u>	<u>\$ 1,083,288</u>
Net Increase (Decrease) in Cash and Cash Equivalents	<u>\$ 135,021</u>	<u>\$ (21,660)</u>	<u>\$ 715,450</u>	<u>\$ 828,811</u>
Cash and cash equivalents - January 1	3,800	94,334	2,279,630	2,377,764
Cash and cash equivalents - December 31	<u>\$ 138,821</u>	<u>\$ 72,674</u>	<u>\$ 2,995,080</u>	<u>\$ 3,206,575</u>

This page intentionally left blank.

**INTERNAL
SERVICE
FUNDS**

INTERNAL SERVICE FUNDS

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

COMMUNITY FOOD

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

LAUNDRY

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

SUPERVISED LIVING FACILITIES

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

PRINTING

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

COUNTY GARAGE

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

COUNTY INSURANCE

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

MANAGEMENT INFORMATION SYSTEMS

To provide computer services and programming services to County departments.

TELECOMMUNICATIONS

To provide a County communications system.

ST. LOUIS COUNTY, MINNESOTA
 COMBINING BALANCE SHEET
 ALL INTERNAL SERVICE FUNDS
 DECEMBER 31, 1992

	<u>Community Food</u>	<u>Laundry</u>	<u>Supervised Living Facilities</u>	<u>Printing</u>
<u>Assets</u>				
Current assets				
Cash and cash equivalents	\$ 147,937	\$ 84,093	\$ 57,510	\$ 127,508
Investments	-	-	-	-
Change funds	25	100	-	1,600
Receivables				
Taxes				
Unapportioned	116	111	-	-
Delinquent	1,331	1,301	-	-
Accounts	81,997	38,953	68,803	5,706
Accrued interest	-	-	-	-
Due from other funds	199,023	-	-	-
Due from other governments	5,519	-	-	2,228
Inventories	18,485	210,166	-	67,104
Prepaid items	48,997	-	-	-
Total current assets	\$ 503,430	\$ 334,724	\$ 126,313	\$ 204,146
Fixed assets				
Land	\$ -	\$ -	\$ -	\$ -
Buildings and structures	-	970,719	-	-
Machinery and equipment	-	363,314	2,332	322,475
Vehicles	-	-	-	-
Total fixed assets	\$ -	\$ 1,334,033	\$ 2,332	\$ 322,475
Accumulated depreciation	-	(568,252)	-	(195,876)
Net fixed assets	\$ -	\$ 765,781	\$ 2,332	\$ 126,599
Total Assets	\$ 503,430	\$ 1,100,505	\$ 128,645	\$ 330,745

Schedule 21

<u>County Garage</u>	<u>County Insurance</u>	<u>Management Information Systems</u>	<u>Telecommu- nications</u>	<u>Total</u>
\$ 96,423	\$ 2,494,906	\$ 864,917	\$ 278,537	\$ 4,151,831
-	2,126,595	-	-	2,126,595
-	-	-	-	1,725
-	247	-	-	474
-	-	-	-	2,632
446	5,440	23,256	-	224,601
-	8,271	-	-	8,271
-	-	-	-	199,023
-	-	20,061	-	27,808
36,553	-	5,393	1,300	339,001
-	-	-	-	48,997
<u>\$ 133,422</u>	<u>\$ 4,635,459</u>	<u>\$ 913,627</u>	<u>\$ 279,837</u>	<u>\$ 7,130,958</u>
\$ 25,500	\$ -	\$ -	\$ -	\$ 25,500
778,730	-	-	-	1,749,449
69,111	-	1,989,359	1,188,216	3,934,807
2,379,351	-	-	-	2,379,351
<u>\$ 3,252,692</u>	<u>\$ -</u>	<u>\$ 1,989,359</u>	<u>\$ 1,188,216</u>	<u>\$ 8,089,107</u>
(1,823,116)	-	(1,015,573)	(722,663)	(4,325,480)
<u>\$ 1,429,576</u>	<u>\$ -</u>	<u>\$ 973,786</u>	<u>\$ 465,553</u>	<u>\$ 3,763,627</u>
<u>\$ 1,562,998</u>	<u>\$ 4,635,459</u>	<u>\$ 1,887,413</u>	<u>\$ 745,390</u>	<u>\$ 10,894,585</u>

(continued)

ST. LOUIS COUNTY, MINNESOTA
 COMBINING BALANCE SHEET
 ALL INTERNAL SERVICE FUNDS
 DECEMBER 31, 1992

	<u>Community Food</u>	<u>Laundry</u>	<u>Supervised Living Facilities</u>	<u>Printing</u>
<u>Liabilities and Fund Equity</u>				
Liabilities				
Current liabilities				
Accounts payable	\$ 27,337	\$ 5,783	\$ 2,418	\$ 26,689
Salaries payable	10,907	10,401	7,578	2,136
Compensated absences payable	26,555	46,236	24,974	4,985
Claims payable	-	-	-	-
Due to other governments	-	12,291	-	-
Deferred revenue	1,198	1,171	-	-
Capital leases payable	-	-	-	14,004
Total current liabilities	<u>\$ 65,997</u>	<u>\$ 75,882</u>	<u>\$ 34,970</u>	<u>\$ 47,814</u>
Long-term liabilities				
Compensated absences payable	\$ 12,201	\$ 22,718	\$ 54,075	\$ 13,741
Claims payable	-	-	-	-
Capital leases payable	-	-	-	16,337
Total long-term liabilities	<u>\$ 12,201</u>	<u>\$ 22,718</u>	<u>\$ 54,075</u>	<u>\$ 30,078</u>
Total Liabilities	<u>\$ 78,198</u>	<u>\$ 98,600</u>	<u>\$ 89,045</u>	<u>\$ 77,892</u>
Fund Equity				
Contributed capital	\$ -	\$ 814,517	\$ -	\$ 5,131
Retained earnings				
Reserved for capital acquisition	\$ 48,997	\$ -	\$ -	\$ -
Unreserved	376,235	187,388	39,600	247,722
Total Retained Earnings	<u>\$ 425,232</u>	<u>\$ 187,388</u>	<u>\$ 39,600</u>	<u>\$ 247,722</u>
Total Fund Equity	<u>\$ 425,232</u>	<u>\$ 1,001,905</u>	<u>\$ 39,600</u>	<u>\$ 252,853</u>
Total Liabilities and Fund Equity	<u>\$ 503,430</u>	<u>\$ 1,100,505</u>	<u>\$ 128,645</u>	<u>\$ 330,745</u>

Schedule 21
(Continued)

<u>County Garage</u>	<u>County Insurance</u>	<u>Management Information Systems</u>	<u>Telecommu- nications</u>	<u>Total</u>
\$ 14,352	\$ 85,018	\$ 215,810	\$ 30,133	\$ 407,540
3,589	-	23,061	1,925	59,597
13,548	-	107,230	8,954	232,482
-	559,784	-	-	559,784
-	117,320	-	-	129,611
-	-	-	-	2,369
-	-	-	-	14,004
<u>\$ 31,489</u>	<u>\$ 762,122</u>	<u>\$ 346,101</u>	<u>\$ 41,012</u>	<u>\$ 1,405,387</u>
\$ -	\$ -	\$ 77,573	\$ -	\$ 180,308
-	3,247,734	-	-	3,247,734
-	-	-	-	16,337
<u>\$ -</u>	<u>\$ 3,247,734</u>	<u>\$ 77,573</u>	<u>\$ -</u>	<u>\$ 3,444,379</u>
<u>\$ 31,489</u>	<u>\$ 4,009,856</u>	<u>\$ 423,674</u>	<u>\$ 41,012</u>	<u>\$ 4,849,766</u>
<u>\$ 2,565,670</u>	<u>\$ -</u>	<u>\$ 808,490</u>	<u>\$ 185,639</u>	<u>\$ 4,379,447</u>
\$ 59,536	\$ -	\$ 8,198	\$ -	\$ 116,731
(1,093,697)	625,603	647,051	518,739	1,548,641
<u>\$ (1,034,161)</u>	<u>\$ 625,603</u>	<u>\$ 655,249</u>	<u>\$ 518,739</u>	<u>\$ 1,665,372</u>
<u>\$ 1,531,509</u>	<u>\$ 625,603</u>	<u>\$ 1,463,739</u>	<u>\$ 704,378</u>	<u>\$ 6,044,819</u>
<u>\$ 1,562,998</u>	<u>\$ 4,635,459</u>	<u>\$ 1,887,413</u>	<u>\$ 745,390</u>	<u>\$ 10,894,585</u>

ST. LOUIS COUNTY, MINNESOTA
**COMBINING STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN RETAINED EARNINGS
ALL INTERNAL SERVICE FUNDS
YEAR ENDED DECEMBER 31, 1992**

	<u>Community Food</u>	<u>Laundry</u>	<u>Supervised Living Facilities</u>	<u>Printing</u>
Operating Revenues				
Charges for services	\$ 1,026,400	\$ 1,177,034	\$ 565,799	\$ 748,012
Other	<u>3,379</u>	<u>3,775</u>	<u>2,100</u>	<u>-</u>
Total Operating Revenues	<u>\$ 1,029,779</u>	<u>\$ 1,180,809</u>	<u>\$ 567,899</u>	<u>\$ 748,012</u>
Operating Expenses				
Personal services	\$ 478,819	\$ 784,437	\$ 430,500	\$ 160,621
Contractual services	106,289	133,938	22,490	233,675
Material	381,433	172,501	5,366	298,085
Depreciation	<u>-</u>	<u>29,204</u>	<u>-</u>	<u>38,683</u>
Total Operating Expenses	<u>\$ 966,541</u>	<u>\$ 1,120,080</u>	<u>\$ 458,356</u>	<u>\$ 731,064</u>
Operating income (loss)	<u>\$ 63,238</u>	<u>\$ 60,729</u>	<u>\$ 109,543</u>	<u>\$ 16,948</u>
Nonoperating Revenues (Expenses)				
Taxes	\$ 2,818	\$ 8,234	\$ 2,915	\$ -
Interest on investments	-	-	-	-
Disposition of fixed assets	<u>-</u>	<u>-</u>	<u>-</u>	<u>(8,092)</u>
Total Nonoperating Revenues (Expenses)	<u>\$ 2,818</u>	<u>\$ 8,234</u>	<u>\$ 2,915</u>	<u>\$ (8,092)</u>
Net Income (Loss) Before Operating Transfers	<u>\$ 66,056</u>	<u>\$ 68,963</u>	<u>\$ 112,458</u>	<u>\$ 8,856</u>
Operating transfers in	-	-	-	-
Operating transfers out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Income (Loss)	<u>\$ 66,056</u>	<u>\$ 68,963</u>	<u>\$ 112,458</u>	<u>\$ 8,856</u>
Retained earnings - January 1 - Restated	<u>359,176</u>	<u>118,425</u>	<u>(72,858)</u>	<u>238,866</u>
Retained earnings - December 31	<u>\$ 425,232</u>	<u>\$ 187,388</u>	<u>\$ 39,600</u>	<u>\$ 247,722</u>

<u>County Garage</u>	<u>County Insurance</u>	<u>Management Information Systems</u>	<u>Telecommu- nications</u>	<u>Total</u>
\$ 946,377	\$ 2,745,516	\$ 2,421,523	\$ 716,041	\$ 10,346,702
<u>110</u>	<u>-</u>	<u>397,285</u>	<u>-</u>	<u>406,649</u>
\$ 946,487	\$ 2,745,516	\$ 2,818,808	\$ 716,041	\$ 10,753,351
\$ 270,138	\$ 1,332,403	\$ 1,649,582	\$ 139,748	\$ 5,246,248
170,922	1,334,947	771,503	483,765	3,257,529
290,375	6,662	73,913	26,298	1,254,633
<u>414,944</u>	<u>-</u>	<u>299,165</u>	<u>82,845</u>	<u>864,841</u>
\$ 1,146,379	\$ 2,674,012	\$ 2,794,163	\$ 732,656	\$ 10,623,251
\$ (199,892)	\$ 71,504	\$ 24,645	\$ (16,615)	\$ 130,100
\$ -	\$ 1,076	\$ -	\$ -	\$ 15,043
-	163,472	-	-	163,472
<u>8,048</u>	<u>-</u>	<u>(38,008)</u>	<u>-</u>	<u>(38,052)</u>
\$ 8,048	\$ 164,548	\$ (38,008)	\$ -	\$ 140,463
\$ (191,844)	\$ 236,052	\$ (13,363)	\$ (16,615)	\$ 270,563
-	-	-	60,000	60,000
<u>-</u>	<u>-</u>	<u>(60,000)</u>	<u>-</u>	<u>(60,000)</u>
\$ (191,844)	\$ 236,052	\$ (73,363)	\$ 43,385	\$ 270,563
<u>(842,317)</u>	<u>389,551</u>	<u>728,612</u>	<u>475,354</u>	<u>1,394,809</u>
\$ (1,034,161)	\$ 625,603	\$ 655,249	\$ 518,739	\$ 1,665,372

ST. LOUIS COUNTY, MINNESOTA
 COMBINING STATEMENT OF CASH FLOWS
 ALL INTERNAL SERVICE FUNDS
 YEAR ENDED DECEMBER 31, 1992

	Community Food	Laundry	Supervised Living Facilities	Printing
Cash Flows From Operating Activities				
Net Operating Income (Loss)	\$ 63,238	\$ 60,729	\$ 109,543	\$ 16,948
Adjustments to Reconcile Net Operating Income to Net Cash Provided by Operating Activities				
Depreciation	\$ -	\$ 29,204	\$ -	\$ 38,683
Changes in Assets and Liabilities				
(Increase) Decrease in change fund	-	-	-	1,400
(Increase) Decrease in accounts receivable	(81,997)	(2,898)	(68,803)	9,553
(Increase) Decrease in due from other funds	(199,023)	-	-	-
(Increase) Decrease in due from other governments	105,498	-	91,343	(2,228)
(Increase) Decrease in inventories	4,577	(41,069)	-	(2,253)
(Increase) Decrease in prepaid items	4,033	-	-	-
Increase (Decrease) in accounts payable	5,853	(3,172)	2,287	8,390
Increase (Decrease) in salaries payable	(12,987)	(27,393)	(12,243)	(4,969)
Increase (Decrease) in compensated absences payable	8,341	(23,184)	26,910	2,131
Increase (Decrease) in claims payable	-	-	-	-
Increase (Decrease) in due to other governments	(10,285)	(271)	-	-
Net Cash Provided by Operating Activities	<u>\$ (112,752)</u>	<u>\$ (8,054)</u>	<u>\$ 149,037</u>	<u>\$ 67,655</u>
Cash Flows From Noncapital Financing Activities				
Proceeds from taxes	\$ 2,722	\$ 8,140	\$ 2,915	\$ -
Operating transfers in	-	-	-	-
Operating transfers out	-	-	-	-
Payments of interfund loans	-	-	(92,110)	-
Net Cash Provided by Noncapital Financing Activities	<u>\$ 2,722</u>	<u>\$ 8,140</u>	<u>\$ (89,195)</u>	<u>\$ -</u>
Cash Flows From Capital and Related Financing Activities				
Acquisition of capital assets	\$ -	\$ (3,560)	\$ (2,332)	\$ (21,952)
Payments of capital leases	-	-	-	(14,004)
Proceeds from contributions	-	-	-	-
Proceeds from sale of equipment	-	-	-	-
Net Cash Provided by Capital and Related Financing Activities	<u>\$ -</u>	<u>\$ (3,560)</u>	<u>\$ (2,332)</u>	<u>\$ (35,956)</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>\$ (110,030)</u>	<u>\$ (3,474)</u>	<u>\$ 57,510</u>	<u>\$ 31,699</u>
Cash and cash equivalents - January 1	<u>257,967</u>	<u>87,567</u>	<u>-</u>	<u>95,809</u>
Cash and cash equivalents - December 31	<u>\$ 147,937</u>	<u>\$ 84,093</u>	<u>\$ 57,510</u>	<u>\$ 127,508</u>

<u>County Garage</u>	<u>County Insurance</u>	<u>Management Information Systems</u>	<u>Telecommu- nications</u>	<u>Total</u>
\$ (199,892)	\$ 71,504	\$ 24,645	\$ (16,815)	\$ 130,100
\$ 414,944	\$ -	\$ 299,165	\$ 82,845	\$ 864,841
-	-	-	-	1,400
1,703	(5,440)	(23,256)	-	(171,138)
-	-	-	-	(199,023)
-	-	(20,061)	-	174,552
4,378	-	(5,393)	(550)	(40,310)
-	-	-	-	4,033
6,596	(120,814)	201,917	15,041	116,098
(8,954)	-	(46,790)	(3,529)	(116,865)
2,390	-	96,464	1,189	114,241
-	(69,182)	-	-	(69,182)
-	117,320	-	-	106,764
<u>\$ 221,165</u>	<u>\$ (6,612)</u>	<u>\$ 526,691</u>	<u>\$ 78,381</u>	<u>\$ 915,511</u>
\$ -	\$ 1,156	\$ -	\$ -	\$ 14,933
-	-	-	60,000	60,000
-	-	(60,000)	-	(60,000)
<u>(106,025)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(198,135)</u>
<u>\$ (106,025)</u>	<u>\$ 1,156</u>	<u>\$ (60,000)</u>	<u>\$ 60,000</u>	<u>\$ (183,202)</u>
\$ (345,593)	\$ -	\$ (529,555)	\$ (164,218)	\$ (1,067,210)
-	-	-	-	(14,004)
227,662	-	-	-	227,662
<u>22,568</u>	<u>-</u>	<u>1,010</u>	<u>-</u>	<u>23,578</u>
<u>\$ (95,363)</u>	<u>\$ -</u>	<u>\$ (528,545)</u>	<u>\$ (164,218)</u>	<u>\$ (829,974)</u>
\$ -	\$ (10,441,646)	\$ -	\$ -	\$ (10,441,646)
-	10,671,454	-	-	10,671,454
-	168,256	-	-	168,256
<u>\$ -</u>	<u>\$ 398,064</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 398,064</u>
\$ 19,777	\$ 392,608	\$ (61,854)	\$ (25,837)	\$ 300,399
<u>76,646</u>	<u>2,102,298</u>	<u>926,771</u>	<u>304,374</u>	<u>3,851,432</u>
<u>\$ 96,423</u>	<u>\$ 2,494,906</u>	<u>\$ 864,917</u>	<u>\$ 278,537</u>	<u>\$ 4,151,831</u>

This page intentionally left blank.

TRUST AND AGENCY FUNDS

TRUST AND AGENCY FUNDS

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

EXPENDABLE TRUST FUNDS

MISSING HEIRS FUND

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

PRIVATE REDEMPTION FUND

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

EXCHANGE OF LAND FUND

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

TAX CERTIFICATE ASSURANCE FUND

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

FORFEITED TAX SALE FUND

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

FOREST RESOURCES FUND

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

PATIENTS ESCROW FUND

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

ATTORNEY FORFEITURES FUND

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

SHERIFF FORFEITURES FUND

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

TRUST AND AGENCY FUNDS

(Continued)

HIBBING DEDICATED TRUST FUND

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

EAST MESABI DEDICATED TRUST FUND

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

SHERIFF FINES FUND

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

AGENCY FUNDS

STATE OF MINNESOTA FUND

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

BEER-AUCTIONEER LICENSES FUND

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

CITIES AND TOWNS FUND

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

GAME AND FISH LICENSE FUND

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

BID DEPOSITS FUND

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

TAXES AND PENALTIES FUND

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

PAYROLL DEDUCTIONS FUND

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

SERIES EE SAVINGS BOND FUND

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

TRUST AND AGENCY FUNDS

(Continued)

MEDICAL INSURANCE FUND

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

CANCELLED CHECK FUND

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

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, 1992

	Expendable Trust					
	Missing Heirs	Private Redemption	Exchange of Land	Tax Certificate Assurance	Forfeited Tax Sale	
Assets						
Cash and cash equivalents	\$ 102,076	\$ 414	\$ 22,798	\$ 147,414	\$ 298,739	\$ 1,441,181
Investments	58,406	-	-	-	-	-
Invested employee contribution	-	-	-	-	-	-
Receivables						
Accounts	-	-	-	-	5,179,557	-
Accrued interest	-	-	-	-	-	-
Due from other governments	-	-	-	-	-	-
Total Assets	\$ 160,482	\$ 414	\$ 22,798	\$ 147,414	\$ 5,478,296	\$ 1,441,181
Liabilities and Fund Balance						
Liabilities						
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ 12,930	\$ 9,976
Salaries payable	-	-	-	-	24,977	-
Compensated absences payable	-	-	-	-	19,296	-
Deferred compensation payable	-	-	-	-	-	-
Unapportioned taxes payable	-	-	-	-	-	-
Interfund payable	-	-	-	-	-	-
Due to other governments	-	-	-	-	45,611	-
Deferred revenue	-	-	-	-	5,179,557	79,027
Total Liabilities	\$ -	\$ -	\$ -	\$ -	\$ 5,282,371	\$ 89,003
Fund Balance						
Reserved for encumbrances	\$ -	\$ -	\$ -	\$ -	\$ 100,806	\$ -
Reserved for health and welfare	-	-	-	-	77,275	3,457
Reserved for veterans credit	-	-	-	-	15,000	-
Unreserved-undesignated	160,482	414	22,798	147,414	2,844	1,348,701
Total Fund Balance	\$ 160,482	\$ 414	\$ 22,798	\$ 147,414	\$ 195,925	\$ 1,352,158
Total Liabilities and Fund Balance	\$ 160,482	\$ 414	\$ 22,798	\$ 147,414	\$ 5,478,296	\$ 1,441,181

<u>Patients Escrow</u>	<u>Attorney Forfeitures</u>	<u>Sheriff Forfeitures</u>	<u>Hibbing Dedicated</u>	<u>East Mesabi Dedicated</u>	<u>Sheriff Fines</u>	<u>All Agency Funds</u>	<u>Total</u>
\$ 65,701	\$ 65,889	\$ 56,289	\$ 743,716	\$ 1,063,145	\$ 15,539	\$ 8,818,389	\$ 12,841,270
85,000	-	-	-	-	-	10,125,003	10,268,409
-	-	-	-	-	-	23,969,532	23,969,532
-	-	-	-	-	-	2,980	5,182,537
1,630	-	-	-	-	-	7,678	9,308
-	-	-	-	-	-	367,129	367,129
<u>\$ 152,331</u>	<u>\$ 65,889</u>	<u>\$ 56,289</u>	<u>\$ 743,716</u>	<u>\$ 1,063,145</u>	<u>\$ 15,539</u>	<u>\$ 43,290,711</u>	<u>\$ 52,638,185</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,278	\$ 4,461,807	\$ 4,466,991
-	-	-	-	-	-	99,532	124,509
-	-	-	-	-	-	-	19,298
-	-	-	-	-	-	23,969,532	23,969,532
-	-	-	-	-	-	1,183,956	1,183,956
-	-	-	-	-	-	51,860	51,860
-	-	-	-	-	-	13,524,024	13,569,635
-	-	-	-	-	-	-	5,258,584
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,278</u>	<u>\$ 43,290,711</u>	<u>\$ 48,664,363</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,925	\$ -	\$ 109,431
-	-	-	-	-	-	-	80,732
-	-	-	-	-	-	-	15,000
<u>152,331</u>	<u>65,889</u>	<u>56,289</u>	<u>743,716</u>	<u>1,063,145</u>	<u>4,636</u>	<u>-</u>	<u>3,768,659</u>
<u>\$ 152,331</u>	<u>\$ 65,889</u>	<u>\$ 56,289</u>	<u>\$ 743,716</u>	<u>\$ 1,063,145</u>	<u>\$ 13,261</u>	<u>\$ -</u>	<u>\$ 3,973,822</u>
<u>\$ 152,331</u>	<u>\$ 65,889</u>	<u>\$ 56,289</u>	<u>\$ 743,716</u>	<u>\$ 1,063,145</u>	<u>\$ 15,539</u>	<u>\$ 43,290,711</u>	<u>\$ 52,638,185</u>

ST. LOUIS COUNTY, MINNESOTA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
ALL EXPENDABLE TRUST FUNDS
YEAR ENDED DECEMBER 31, 1992

	Expendable Trust					
	Missing Heirs	Private Redemption	Exchange of Land	Tax Certificate Assurance	Forfeited Tax Sale	Forest Resources
Revenues						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 496,609
Intergovernmental	-	-	-	-	-	219,401
Charges for services	-	-	-	18,035	-	-
Interest on investments	1,385	-	-	-	-	-
Miscellaneous	6,861	-	-	-	2,713,999	25,013
Total Revenues	\$ 8,246	\$ -	\$ -	\$ 18,035	\$ 2,713,999	\$ 741,023
Expenditures						
Current:						
General government	\$ 5,324	\$ -	\$ -	\$ -	\$ -	\$ -
Public safety	-	-	-	-	-	-
Conservation of natural resources	-	-	-	-	2,644,109	535,626
Total Expenditures	\$ 5,324	\$ -	\$ -	\$ -	\$ 2,644,109	\$ 535,626
Excess of Revenues Over (Under) Expenditures	\$ 2,922	\$ -	\$ -	\$ 18,035	\$ 69,890	\$ 205,397
Other Financing Sources (Uses)						
Operating transfers in	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Other Financing Sources (Uses)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	\$ 2,922	\$ -	\$ -	\$ 18,035	\$ 69,890	\$ 205,397
Fund Balance - January 1	157,560	414	22,798	129,379	126,035	1,146,761
Fund Balance - December 31	\$ 160,482	\$ 414	\$ 22,798	\$ 147,414	\$ 195,925	\$ 1,352,158

<u>Patients Escrow</u>	<u>Attorney Forfeitures</u>	<u>Sheriff Forfeitures</u>	<u>Hibbing Dedicated</u>	<u>East Mesabi Dedicated</u>	<u>Sheriff Fines</u>	<u>Total</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 496,609
-	-	-	-	-	-	219,401
-	-	-	-	-	-	18,035
6,045	-	-	22,753	29,260	-	59,443
<u>266,726</u>	<u>32,923</u>	<u>46,482</u>	<u>-</u>	<u>-</u>	<u>18,371</u>	<u>3,110,375</u>
<u>\$ 272,771</u>	<u>\$ 32,923</u>	<u>\$ 46,482</u>	<u>\$ 22,753</u>	<u>\$ 29,260</u>	<u>\$ 18,371</u>	<u>\$ 3,903,863</u>
\$ 295,209	\$ 22,614	\$ -	\$ -	\$ -	\$ -	\$ 323,147
-	-	7,504	-	-	5,752	13,256
-	-	-	-	-	-	3,179,735
<u>\$ 295,209</u>	<u>\$ 22,614</u>	<u>\$ 7,504</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,752</u>	<u>\$ 3,516,138</u>
\$ (22,438)	\$ 10,309	\$ 38,978	\$ 22,753	\$ 29,260	\$ 12,619	\$ 387,725
\$ -	\$ -	\$ -	\$ 131,800	\$ 311,198	\$ -	\$ 442,998
\$ -	\$ -	\$ -	\$ 131,800	\$ 311,198	\$ -	\$ 442,998
\$ (22,438)	\$ 10,309	\$ 38,978	\$ 154,553	\$ 340,458	\$ 12,619	\$ 830,723
<u>174,769</u>	<u>55,580</u>	<u>17,311</u>	<u>589,163</u>	<u>722,687</u>	<u>642</u>	<u>3,143,099</u>
<u>\$ 152,331</u>	<u>\$ 65,889</u>	<u>\$ 56,289</u>	<u>\$ 743,716</u>	<u>\$ 1,063,145</u>	<u>\$ 13,261</u>	<u>\$ 3,973,822</u>

ST. LOUIS COUNTY, MINNESOTA
 COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 ALL AGENCY FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 1992

	<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	\$ 528,495	\$ 46,408,845	\$ 46,531,753	\$ 405,587
Investments	7,155,568	2,969,435	-	10,125,003
Accrued interest receivable	9,008	7,678	9,008	7,678
Total Assets	<u>\$ 7,693,071</u>	<u>\$ 49,385,958</u>	<u>\$ 46,540,761</u>	<u>\$ 10,538,268</u>
<u>Liabilities</u>				
Due to other governments	<u>\$ 7,693,071</u>	<u>\$ 49,385,958</u>	<u>\$ 46,540,761</u>	<u>\$ 10,538,268</u>
<u>BEER-AUCTIONEER LICENSES FUND</u>				
<u>Assets</u>				
Cash and cash equivalents	<u>\$ 32</u>	<u>\$ 3,861</u>	<u>\$ 170</u>	<u>\$ 3,723</u>
<u>Liabilities</u>				
Due to other governments	<u>\$ 32</u>	<u>\$ 3,861</u>	<u>\$ 170</u>	<u>\$ 3,723</u>
<u>CITIES AND TOWNS FUND</u>				
<u>Assets</u>				
Cash and cash equivalents	<u>\$ 66,174</u>	<u>\$ 1,044,709</u>	<u>\$ 1,046,798</u>	<u>\$ 64,085</u>
<u>Liabilities</u>				
Due to other governments	<u>\$ 66,174</u>	<u>\$ 1,044,709</u>	<u>\$ 1,046,798</u>	<u>\$ 64,085</u>
<u>GAME AND FISH LICENSE FUND</u>				
<u>Assets</u>				
Cash and cash equivalents	<u>\$ 262,777</u>	<u>\$ 2,968,099</u>	<u>\$ 2,971,350</u>	<u>\$ 259,526</u>
<u>Liabilities</u>				
Due to other governments	<u>\$ 262,777</u>	<u>\$ 2,968,099</u>	<u>\$ 2,971,350</u>	<u>\$ 259,526</u>
<u>BID DEPOSITS FUND</u>				
<u>Assets</u>				
Cash and cash equivalents	<u>\$ 20,700</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 20,700</u>
<u>Liabilities</u>				
Accounts payable	<u>\$ 20,700</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 20,700</u>

(continued)

ST. LOUIS COUNTY, MINNESOTA
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
ALL AGENCY FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 1992

	<u>Balance January 1</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance December 31</u>
<u>TAXES AND PENALTIES FUND</u>				
<u>Assets</u>				
Cash and cash equivalents	\$ 2,062,333	\$ 113,360,732	\$ 112,717,398	\$ 2,705,667
<u>Liabilities</u>				
Unapportioned taxes payable	\$ 989,280	\$ 1,183,956	\$ 989,280	\$ 1,183,956
Due to other governments	1,073,053	112,176,776	111,728,118	1,521,711
Total Liabilities	\$ 2,062,333	\$ 113,360,732	\$ 112,717,398	\$ 2,705,667
<u>PAYROLL DEDUCTIONS FUND</u>				
<u>Assets</u>				
Cash and cash equivalents	\$ 75,545	\$ 42,170,641	\$ 40,850,144	\$ 1,396,042
<u>Liabilities</u>				
Accounts payable	\$ 64,537	\$ 274,614	\$ 64,537	\$ 274,614
Due to other governments	11,008	41,896,027	40,785,607	1,121,428
Total Liabilities	\$ 75,545	\$ 42,170,641	\$ 40,850,144	\$ 1,396,042
<u>SERIES EE SAVINGS BOND FUND</u>				
<u>Assets</u>				
Cash and cash equivalents	\$ 4,529	\$ 198,092	\$ 187,338	\$ 15,283
<u>Liabilities</u>				
Due to other governments	\$ 4,529	\$ 198,092	\$ 187,338	\$ 15,283
<u>MEDICAL INSURANCE FUND</u>				
<u>Assets</u>				
Cash and cash equivalents	\$ 2,242,882	\$ 11,037,267	\$ 10,302,945	\$ 2,977,204
<u>Liabilities</u>				
Accounts payable	\$ 2,242,882	\$ 11,037,267	\$ 10,302,945	\$ 2,977,204
<u>CANCELLED CHECK FUND</u>				
<u>Assets</u>				
Cash and cash equivalents	\$ 46,983	\$ 26,617	\$ 6,860	\$ 66,740
<u>Liabilities</u>				
Accounts payable	\$ 46,983	\$ 26,617	\$ 6,860	\$ 66,740

(continued)

ST. LOUIS COUNTY, MINNESOTA
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
ALL AGENCY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 1992

	<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	\$ 92,852	\$ 97,598	\$ 190,450	\$ -
<u>Liabilities</u>				
Due to other governments	\$ 92,852	\$ 97,598	\$ 190,450	\$ -
<u>ASSAULT FEES FUND</u>				
<u>Assets</u>				
Cash and cash equivalents	\$ 89	\$ 23,599	\$ 23,402	\$ 486
<u>Liabilities</u>				
Accounts payable	\$ 289	\$ 23,599	\$ 23,402	\$ 486
<u>DEFERRED COMPENSATION FUND</u>				
<u>Assets</u>				
Invested employee contribution	\$ 21,153,495	\$ 4,152,217	\$ 1,336,180	\$ 23,969,532
<u>Liabilities</u>				
Deferred compensation payable	\$ 21,153,495	\$ 4,152,217	\$ 1,336,180	\$ 23,969,532
<u>ARROWHEAD REGIONAL CORRECTIONS FUND</u>				
<u>Assets</u>				
Cash and cash equivalents	\$ 837,333	\$ 9,376,693	\$ 9,310,680	\$ 903,346
Accounts receivable	600	2,980	600	2,980
Due from other governments	200,776	86,969	200,776	86,969
Total Assets	\$ 1,038,709	\$ 9,466,642	\$ 9,512,056	\$ 993,295
<u>Liabilities</u>				
Accounts payable	\$ 654,670	\$ 9,368,383	\$ 9,128,017	\$ 895,036
Salaries payable	384,039	98,259	384,039	98,259
Total Liabilities	\$ 1,038,709	\$ 9,466,642	\$ 9,512,056	\$ 993,295

(continued)

ST. LOUIS COUNTY, MINNESOTA
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
ALL AGENCY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 1992

	Balance January 1	Additions	Deductions	Balance December 31
COMMUNITY HEALTH SERVICES FUND				
<u>Assets</u>				
Cash and cash equivalents	\$ 128,894	\$ 1,860,021	\$ 1,988,915	\$ -
Due from other governments	6,388	280,160	6,388	280,160
Total Assets	<u>\$ 135,282</u>	<u>\$ 2,140,181</u>	<u>\$ 1,995,303</u>	<u>\$ 280,160</u>
<u>Liabilities</u>				
Accounts payable	\$ 131,752	\$ 226,408	\$ 131,133	\$ 227,027
Salaries payable	3,530	1,273	3,530	1,273
Interfund payable	-	51,860	-	51,860
Due to other governments	-	1,860,640	1,860,640	-
Total Liabilities	<u>\$ 135,282</u>	<u>\$ 2,140,181</u>	<u>\$ 1,995,303</u>	<u>\$ 280,160</u>
ALL AGENCY FUNDS				
<u>Assets</u>				
Cash and cash equivalents	\$ 6,369,818	\$ 228,576,774	\$ 226,128,203	\$ 8,818,389
Investments	7,155,568	2,969,435	-	10,125,003
Invested employee contribution	21,153,495	4,152,217	1,336,180	23,969,532
Receivables				
Accounts	600	2,980	600	2,980
Accrued interest	9,008	7,678	9,008	7,678
Due from other governments	207,164	367,129	207,164	367,129
Total Assets	<u>\$ 34,895,653</u>	<u>\$ 236,076,213</u>	<u>\$ 227,681,155</u>	<u>\$ 43,290,711</u>
<u>Liabilities</u>				
Accounts payable	\$ 3,161,813	\$ 20,956,888	\$ 19,656,894	\$ 4,461,807
Salaries payable	387,569	99,532	387,569	99,532
Deferred compensation payable	21,153,495	4,152,217	1,336,180	23,969,532
Unapportioned taxes payable	989,280	1,183,956	989,280	1,183,956
Interfund payable	-	51,860	-	51,860
Due to other governments	9,203,496	209,631,760	205,311,232	13,524,024
Total Liabilities	<u>\$ 34,895,653</u>	<u>\$ 236,076,213</u>	<u>\$ 227,681,155</u>	<u>\$ 43,290,711</u>

This page intentionally left blank.

GENERAL FIXED ASSETS ACCOUNT GROUP

GENERAL FIXED ASSETS ACCOUNT GROUP

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

ST. LOUIS COUNTY, MINNESOTA
SCHEDULE OF GENERAL FIXED ASSETS BY SOURCE
 DECEMBER 31, 1992

	<u>1992</u>
General Fixed Assets	
Land	\$ 2,673,294
Buildings	34,390,473
Machinery and equipment	8,309,461
Vehicles	24,849,815
Construction in progress	<u>3,688,880</u>
Total general fixed assets	<u>\$ 73,911,923</u>
Investment in general fixed assets by source	
General fund	\$ 23,335,393
Special revenue funds	45,143,131
Capital projects funds	3,688,880
Trust funds	<u>1,744,519</u>
Total investment in fixed assets	<u>\$ 73,911,923</u>

ST. LOUIS COUNTY, MINNESOTA
 SCHEDULE OF GENERAL FIXED ASSETS BY FUNCTION AND ACTIVITY
 DECEMBER 31, 1992

	Land	Buildings and Structures	Machinery and Equipment	Vehicles	Total
General Government					
Legislative	\$ -	\$ -	\$ 15,903	\$ -	\$ 15,903
Judicial and legal	-	-	333,150	-	333,150
Financial and other activities	-	-	425,086	64,874	489,960
Courthouses	649,190	15,511,653	74,087	25,122	16,260,052
Total General Government	<u>\$ 649,190</u>	<u>\$ 15,511,653</u>	<u>\$ 848,226</u>	<u>\$ 89,996</u>	<u>\$ 17,099,065</u>
Public Safety:					
Police protection	\$ -	\$ 1,415,746	\$ 1,455,543	\$ 163,212	\$ 3,034,501
Civil defense	-	-	177,593	-	177,593
Other activities	-	-	24,168	-	24,168
Total Public Safety	<u>\$ -</u>	<u>\$ 1,415,746</u>	<u>\$ 1,657,304</u>	<u>\$ 163,212</u>	<u>\$ 3,236,262</u>
Highways	<u>\$ 415,086</u>	<u>\$ 8,276,894</u>	<u>\$ 1,988,395</u>	<u>\$ 23,840,023</u>	<u>\$ 34,520,398</u>
Health	<u>\$ -</u>	<u>\$ 7,609</u>	<u>\$ 81,200</u>	<u>\$ -</u>	<u>\$ 88,809</u>
Social Services	<u>\$ -</u>	<u>\$ 4,622,054</u>	<u>\$ 1,716,417</u>	<u>\$ 35,968</u>	<u>\$ 6,374,439</u>
Culture and recreation	<u>\$ 1,500,000</u>	<u>\$ 1,554,885</u>	<u>\$ 1,895</u>	<u>\$ 65,000</u>	<u>\$ 3,121,780</u>
Conservation of natural resources	<u>\$ 95,325</u>	<u>\$ 1,784,159</u>	<u>\$ 565,791</u>	<u>\$ 655,616</u>	<u>\$ 3,100,891</u>
Economic development	<u>\$ 13,693</u>	<u>\$ 1,217,473</u>	<u>\$ 1,450,233</u>	<u>\$ -</u>	<u>\$ 2,681,399</u>
Construction-in-progress	<u>\$ -</u>	<u>\$ 3,688,880</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,688,880</u>
Total General Fixed Assets	<u>\$ 2,673,294</u>	<u>\$ 38,079,353</u>	<u>\$ 8,309,461</u>	<u>\$ 24,849,815</u>	<u>\$ 73,911,923</u>

ST. LOUIS COUNTY MINNESOTA
**SCHEDULE OF CHANGES IN GENERAL FIXED ASSETS
 BY FUNCTION AND ACTIVITY
 YEAR ENDED DECEMBER 31, 1992**

	General Fixed Assets Jan. 1, 1992	Additions	Deductions	General Fixed Assets Dec. 31, 1992
General Government:				
Legislative	\$ 15,903	\$ -	\$ -	\$ 15,903
Judicial and legal	330,960	33,321	31,131	333,150
Financial and other activities	459,179	51,930	21,149	489,960
Courthouses	16,252,625	22,623	15,196	16,260,052
Total General Government	\$ 17,058,667	\$ 107,874	\$ 67,476	\$ 17,099,065
Public Safety:				
Police protection	\$ 2,310,035	\$ 879,419	\$ 154,953	\$ 3,034,501
Civil defense	177,593	-	-	177,593
Other Activities	24,168	-	-	24,168
Total Public Safety	\$ 2,511,796	\$ 879,419	\$ 154,953	\$ 3,236,262
Highways	\$ 33,621,595	\$ 1,353,372	\$ 454,569	\$ 34,520,398
Health	\$ 91,449	\$ 5,034	\$ 7,674	\$ 88,809
Social Services	\$ 6,309,687	\$ 82,056	\$ 17,304	\$ 6,374,439
Culture and recreation	\$ 3,121,780	\$ -	\$ -	\$ 3,121,780
Conservation of natural resources	\$ 2,930,190	\$ 197,798	\$ 27,097	\$ 3,100,891
Economic development	\$ 2,681,399	\$ -	\$ -	\$ 2,681,399
Construction-in-progress	\$ 3,010,257	\$ 2,005,999	\$ 1,327,376	\$ 3,688,880
Total	\$ 71,336,820	\$ 4,631,552	\$ 2,056,449	\$ 73,911,923

SUPPLEMENTARY SCHEDULES

SUPPLEMENTARY SCHEDULES

Schedule of Investments (Schedule 30)

**Tax Capacity, Tax Rates, and Percentage
of Collections (Schedule 31)**

**Schedule of Intergovernmental
Revenue (Schedule 32)**

ST. LOUIS COUNTY, MINNESOTA
 SCHEDULE OF INVESTMENTS
 DECEMBER 31, 1992

	<u>Interest Rates</u>	<u>Par Value</u>	<u>Cost</u>
Pooled Investments:			
Certificates of deposit	2.60% - 7.56%	\$ 9,820,000	\$ 9,820,000
Repurchase agreements	3.11% - 3.50%	14,600,000	14,600,000
Treasury note	7.125%	750,000	751,304
FHLBs	4.05% - 10.70%	6,385,000	6,388,146
FHLMCs	6.30% - 7.48%	2,400,000	2,402,770
FNMA's	6.50% - 9.69%	3,435,000	2,915,667
FICO's	6.33%	1,000,000	790,970
REFCOs	7.84%	2,896,000	1,998,298
Total Pooled Investments		\$ 41,286,000	\$ 39,667,155
Fund Investments:			
Jail Bond Capital Projects Fund			
Repurchase agreement	3.25%	\$ 1,068,449	\$ 1,068,449
Solid Waste Management Enterprise Fund			
Repurchase agreement	3.20%	\$ 103,469	\$ 103,469
County Insurance Internal Service Fund			
Certificates of deposit	2.70%	\$ 650,000	\$ 650,000
Treasury note	4.50%	600,000	611,244
GNMA's	9.00%	180,000	115,351
FFCB	3.15%	750,000	750,000
Total Internal Service Fund		\$ 2,180,000	\$ 2,126,595
Missing Heirs Trust Fund			
Savings account	3.00%	\$ 58,406	\$ 58,406
Patient's Escrow Trust Fund			
Certificates of deposit	3.30% - 4.50%	\$ 85,000	\$ 85,000
State of Minnesota Taconite Relief Agency Fund			
Certificate of deposit	3.01%	\$ 93,945	\$ 93,945
Repurchase agreement	3.31%	8,703,479	8,703,479
Total Taconite Relief Agency Fund		\$ 8,797,424	\$ 8,797,424
State of Minnesota Taconite Production Tax Agency Fund			
Certificate of deposit	2.56% - 3.10%	\$ 568,570	\$ 568,570
Repurchase agreement	3.50%	759,009	759,009
Total Taconite Production Tax Agency Fund		\$ 1,327,579	\$ 1,327,579
Total Investments		\$ 54,906,327	\$ 53,234,077

ST. LOUIS COUNTY, MINNESOTA
TAX CAPACITY, TAX RATES, AND PERCENTAGE OF COLLECTIONS

	Taxes Payable in Year					
	1991		1992		1993	
	Amount	Base Tax Rate (%)	Amount	Base Tax Rate (%)	Amount	Base Tax Rate (%)
Tax Capacity:						
Real property	\$ 66,162,343		\$ 66,907,765		\$ 72,937,645	
Personal property	6,334,385		8,168,457		6,470,995	
Total Capacity	<u>\$ 72,496,728</u>		<u>\$ 75,076,222</u>		<u>\$ 79,408,640</u>	
Certified Tax Levy for County Purposes:						
General fund	\$ 22,410,787	0.283931	\$ 22,380,769	0.234809	\$ 23,746,292	0.238751
Road and bridge	9,093,288	0.115207	8,674,068	0.091004	12,124,884	0.121906
Social services	25,702,399	0.325634	25,114,532	0.263491	27,141,451	0.272887
Medical care facilities	2,316,000	0.029342	2,499,849	0.026227	1,998,225	0.020091
Debt service	1,919,896	0.024324	856,737	0.008988	692,223	0.006961
Capital improvements	383,000	0.004852	2,206,880	0.023154	936,000	0.009411
Total Certified County-Wide Levies	<u>\$ 61,825,370</u>	<u>0.783290</u>	<u>\$ 61,732,835</u>	<u>0.647673</u>	<u>\$ 66,639,075</u>	<u>0.670007</u>
(1) Debt service	\$ 542,125	0.018392	\$ 639,660	0.021774	\$ 650,478	0.022926
(1) Library	204,385	0.006728	199,385	0.006623	256,729	0.007847
Total Certified Regional Levies	<u>\$ 746,510</u>		<u>\$ 839,045</u>		<u>\$ 907,207</u>	
Total Levy for County Purposes	<u>\$ 62,571,880</u>		<u>\$ 62,571,880</u>		<u>\$ 67,546,282</u>	
Less: Disparity reduction aid and homestead agricultural aid	18,087,590		15,664,285		16,819,653	
Less: Tax credits payable by taconite companies	2,116,488		2,155,626		2,109,893	
Net Levy for County Purposes	<u>\$ 42,367,802</u>		<u>\$ 44,751,969</u>		<u>\$ 48,616,736</u>	
Tax Capacity -						
Light and Power						
Assessed at 43%	\$ 701,954		\$ 716,567		\$ 695,824	
Assessed at 5%	37,734		50,958		60,795	
Total Tax Capacity -						
Light and Power	<u>\$ 739,688</u>		<u>\$ 767,525</u>		<u>\$ 756,619</u>	
Light and Power Tax Levies (distributed pursuant to Minn. Stat. 273.42, as amended)						
Assessed at 43%	\$ 928,523		\$ 975,980		\$ 1,038,079	
Assessed at 5%	49,913		69,406		90,698	
Total Light and Power Tax Levies	<u>\$ 978,436</u>		<u>\$ 1,045,386</u>		<u>\$ 1,128,777</u>	
Special Assessments						
Liens and assessments	<u>\$ 983,983</u>		<u>\$ 1,016,722</u>		<u>\$ 1,064,148</u>	
Percentage of tax collections for all purposes	98.54%		99.23%			

(1) Levied on certain regions within the County.

**ST. LOUIS COUNTY, MINNESOTA
SCHEDULE OF INTERGOVERNMENTAL REVENUE
FOR THE YEAR ENDED DECEMBER 31, 1992**

	<u>Special Revenue Funds</u>				
	<u>General Fund</u>	<u>County Housing Authority</u>	<u>Railroad Authority</u>	<u>Road and Bridge</u>	<u>Social Services</u>
Shared revenue					
State					
30 percent rental income	\$ 328	\$ 4	\$ 4	\$ 114	\$ 328
HACA - real estate	2,877,794	1,051	50	1,112,113	3,217,250
HACA - manufactured home	27,943	14	-	10,977	31,356
Police aid	355,155	-	-	-	-
Highway users tax	-	-	-	12,188,103	-
Forest fund	7,874	96	94	2,654	7,684
Alcoholic assessment and screening	52,652	-	-	-	-
Mineral rents and royalties	320,056	-	-	-	-
Human service aid	-	-	-	-	9,511,773
Disparity aid	2,884,823	-	-	1,113,674	3,224,452
Minnesota petro fund	-	-	-	174,420	-
Public defenders	333,209	-	-	-	-
Unorganized town road aid	-	-	-	6,267	-
Total Shared Revenue	\$ 6,859,834	\$ 1,165	\$ 148	\$ 14,608,322	\$ 15,992,843
Grants					
State grants					
Training reimbursement	\$ 31,315	\$ -	\$ -	\$ -	\$ -
Trade and economic development					
Improvement limited partnership	55,370	-	-	-	-
Shoreland management	12,831	-	-	-	-
Special Indian health	27,946	-	-	-	-
Local water planning	8,000	-	-	-	-
CHS	790,831	-	-	-	-
Natural resources-boat & water	93,538	-	-	-	-
EPSDT	-	-	-	-	117,429
General assistance	-	-	-	-	68,844
AFDC	-	-	-	-	1,006,988
Medical assistance	-	-	-	-	65,387
Work readiness	-	-	-	-	271,024
Support & collection incentives	-	-	-	-	95,972
STRIDE	-	-	-	-	648,455
Basic sliding fee-child care	-	-	-	-	218,289
Pre-certification fraud investigation	-	-	-	-	166,448
Community social service block grant	-	-	-	-	3,855,914
CONS CD fund admin	-	-	-	-	30,769
RSVP	-	-	-	-	10,025
Rule 12 adult res. M.H.	-	-	-	-	634,836
Rule 14 community support	-	-	-	-	553,766
Child care resource & referral	-	-	-	-	46,142
MR family subsidy	-	-	-	-	103,870
Home delivered meals	-	-	-	-	45,024
M.H. housing support	-	-	-	-	97,690
Permanency planning	-	-	-	-	218,919
Subtotal	\$ 1,019,831	\$ -	\$ -	\$ -	\$ 8,253,391

<u>Debt</u>	<u>Service</u>	<u>Funds</u>				
<u>Babbitt Facility Refunding</u>	<u>Capital Equipment Notes</u>	<u>Correctional Facilities Bond</u>	<u>Courthouse Capital Projects Fund</u>	<u>Solid Waste Management Enterprise Fund</u>	<u>Forest Resources Trust Fund</u>	<u>Total</u>
\$ 1	\$ 15	\$ 1	\$ 16	\$ -	\$ -	\$ 811
14,325	80,984	15,524	285,497	-	-	7,604,588
138	782	150	2,755	-	-	74,115
-	-	-	-	-	-	355,155
-	-	-	-	-	-	12,188,103
34	192	37	675	-	-	19,340
-	-	-	-	-	-	52,652
-	-	-	-	-	-	320,056
-	-	-	-	-	-	9,511,773
14,227	80,378	15,417	283,357	-	-	7,616,328
-	-	-	-	-	-	174,420
-	-	-	-	-	-	333,209
-	-	-	-	-	-	6,267
<u>\$ 28,725</u>	<u>\$ 162,351</u>	<u>\$ 31,129</u>	<u>\$ 572,300</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 38,256,817</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 31,315
-	-	-	-	-	-	55,370
-	-	-	-	-	-	12,831
-	-	-	-	-	-	27,946
-	-	-	-	-	-	8,000
-	-	-	-	-	-	790,831
-	-	-	-	-	-	93,538
-	-	-	-	-	-	117,429
-	-	-	-	-	-	68,844
-	-	-	-	-	-	1,006,988
-	-	-	-	-	-	65,387
-	-	-	-	-	-	271,024
-	-	-	-	-	-	95,972
-	-	-	-	-	-	646,455
-	-	-	-	-	-	218,289
-	-	-	-	-	-	166,448
-	-	-	-	-	-	3,855,914
-	-	-	-	-	-	30,769
-	-	-	-	-	-	10,025
-	-	-	-	-	-	634,636
-	-	-	-	-	-	553,766
-	-	-	-	-	-	46,142
-	-	-	-	-	-	103,670
-	-	-	-	-	-	45,024
-	-	-	-	-	-	97,690
-	-	-	-	-	-	218,919
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 9,273,222</u>

(Continued)

ST. LOUIS COUNTY, MINNESOTA
SCHEDULE OF INTERGOVERNMENTAL REVENUE
 FOR THE YEAR ENDED DECEMBER 31, 1992

	<u>Special Revenue Funds</u>				
	<u>General Fund</u>	<u>County Housing Authority</u>	<u>Railroad Authority</u>	<u>Road and Bridge</u>	<u>Social Services</u>
Grants (continued)					
State grants (continued)					
Child task force	-	-	-	-	74,495
Detox transportation	-	-	-	-	3,720
MR waived services	-	-	-	-	1,946,451
ACG waived services	-	-	-	-	343,224
180 day ACG services	-	-	-	-	1,122,906
CAC/CADI waived services	-	-	-	-	92,816
Rule 74 case management	-	-	-	-	43,928
PAS/ARR	-	-	-	-	1,682
SCORE	-	-	-	-	-
4 H Camp	-	-	-	-	-
Capital assistance	-	-	-	-	-
Town bridge assistance	-	-	-	13,198	-
Forest assistance	-	-	-	-	-
Tax forfeited roads	-	-	-	-	-
Construction	-	-	-	770,637	-
Blue bag recycling	-	-	-	-	-
Homeless mental health	-	-	-	-	72,534
Semi-independent living skills	-	-	-	-	477,485
Families first	-	-	-	-	133,232
Family community support	-	-	-	-	45,301
Rule 78 case management	-	-	-	-	39,765
Traumatic brain injury	-	-	-	-	645
Workers compensation	-	-	-	-	48,663
Other	-	-	-	-	33,585
Total State Grants	\$ 1,019,831	\$ -	\$ -	\$ 783,835	\$ 12,733,823
Grants					
Federal grants					
AFDC	\$ 92,952	\$ -	\$ -	\$ -	\$ 1,120,870
AFDC CC admin	-	-	-	-	97,850
Medical assistance	72,653	-	-	-	877,521
Child support	32,640	-	-	-	1,703,424
Food stamps	78,688	-	-	-	935,005
Foster care IV-E	16,096	-	-	-	16,477
Stride	828	-	-	-	478,957
Criminal apprehension	180,915	-	-	-	-
Women, infants and children program	367,085	-	-	-	-
HTLV III	30,083	-	-	-	-
MCH	269,007	-	-	-	-
Victims of crime act	57,973	-	-	-	-
National forest lands	298,607	-	-	-	-
Duluth area traffic safety	34,261	-	-	-	-
Project 55	11,782	-	-	-	-
Emergency management	31,894	-	-	-	-
FS 75% fraud	-	-	-	-	1,079
Subtotal	\$ 1,575,464	\$ -	\$ -	\$ -	\$ 5,231,183

<u>Debt</u>	<u>Service</u>	<u>Funds</u>				
<u>Babbitt Facility Refunding</u>	<u>Capital Equipment Notes</u>	<u>Correctional Facilities Bond</u>	<u>Courthouse Capital Projects Fund</u>	<u>Solid Waste Management Enterprise Fund</u>	<u>Forest Resources Trust Fund</u>	<u>Total</u>
-	-	-	-	-	-	74,495
-	-	-	-	-	-	3,720
-	-	-	-	-	-	1,946,451
-	-	-	-	-	-	343,224
-	-	-	-	-	-	1,122,906
-	-	-	-	-	-	92,816
-	-	-	-	-	-	43,928
-	-	-	-	-	-	1,682
-	-	-	-	811,443	-	811,443
-	-	-	93,259	-	-	93,259
-	-	-	-	183,524	-	183,524
-	-	-	-	-	-	13,198
-	-	-	-	-	171,772	171,772
-	-	-	-	-	37,729	37,729
-	-	-	-	-	-	770,637
-	-	-	-	6,314	-	6,314
-	-	-	-	-	-	72,534
-	-	-	-	-	-	477,485
-	-	-	-	-	-	133,232
-	-	-	-	-	-	45,301
-	-	-	-	-	-	39,765
-	-	-	-	-	-	645
-	-	-	-	-	-	48,663
-	-	-	-	-	-	33,585
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 93,259</u>	<u>\$ 1,001,281</u>	<u>\$ 209,501</u>	<u>\$ 15,841,530</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,213,822
-	-	-	-	-	-	97,850
-	-	-	-	-	-	950,174
-	-	-	-	-	-	1,736,064
-	-	-	-	-	-	1,013,693
-	-	-	-	-	-	32,573
-	-	-	-	-	-	479,785
-	-	-	-	-	-	180,915
-	-	-	-	-	-	367,085
-	-	-	-	-	-	30,083
-	-	-	-	-	-	269,007
-	-	-	-	-	-	57,973
-	-	-	-	-	-	298,607
-	-	-	-	-	-	34,261
-	-	-	-	-	-	11,782
-	-	-	-	-	-	31,894
-	-	-	-	-	-	1,079
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,806,647</u>

(Continued)

ST. LOUIS COUNTY, MINNESOTA
SCHEDULE OF INTERGOVERNMENTAL REVENUE
FOR THE YEAR ENDED DECEMBER 31, 1992

	<u>Special Revenue Funds</u>				
	<u>General Fund</u>	<u>County Housing Authority</u>	<u>Railroad Authority</u>	<u>Road and Bridge</u>	<u>Social Services</u>
Grants (continued)					
Federal					
Refugee assistance	\$ 2,283	\$ -	\$ -	\$ -	\$ 27,400
MA EPSDT	-	-	-	-	130,477
Work readiness - food stamps	-	-	-	-	283,636
MA transportation	-	-	-	-	179,857
Refugee admin	-	-	-	-	57,944
MA	-	-	-	-	80,330
Title XX block grant	-	-	-	-	2,899,362
Rule 74 M.H. case management	-	-	-	-	25,936
Title III - home delivered meals	-	-	-	-	49,416
Permanency planning	-	-	-	-	31,136
MA non-waiver	-	-	-	-	952,984
MR waived services	-	-	-	-	2,346,497
ACG waived services	-	-	-	-	414,499
CAC/CADI waived services	-	-	-	-	111,776
RSVP	-	-	-	-	53,343
Child day care	-	-	-	-	337,479
Child care resource and referral	-	-	-	-	13,971
USDA - home delivered meals	-	-	-	-	99,702
PAS/ARR	-	-	-	-	5,046
Mental health - homeless	-	-	-	-	13,886
Childrens justice	8,807	-	-	-	10,000
SSI case management	-	-	-	-	30,051
Tree planting	-	-	-	-	-
Maxi audits	-	-	-	-	-
SELF	-	-	-	-	23,813
IV - D incentives	-	-	-	-	393,751
IV - D MA incentives	-	-	-	-	2,610
IV - E case management	-	-	-	-	66,956
IV - E administration	-	-	-	-	1,342,896
Single residency occupancy	-	-	-	-	20,793
Child care - basic sliding fee	-	-	-	-	665,078
At risk child	-	-	-	-	902,906
Foster care IV - E	-	-	-	-	1,765,719
Traumatic brain injury	-	-	-	-	786
Construction	-	-	-	2,726,910	-
National forest lands - roads & schools	-	-	-	92,072	-
Total Federal grants	\$ 1,586,554	\$ -	\$ -	\$ 2,818,982	\$ 18,571,219
Other grants					
Local	16,996	-	16,097	-	-
Total Grants	2,623,381	-	16,097	3,602,817	31,305,042
Total Intergovernmental Revenue	\$ 3,483,215	\$ 1,165	\$ 16,245	\$ 18,211,139	\$ 47,297,885

<u>Debt</u>	<u>Service</u>	<u>Funds</u>	<u>Courthouse Capital Projects Fund</u>	<u>Solid Waste Management Enterprise Fund</u>	<u>Forest Resources Trust Fund</u>	<u>Total</u>
<u>Babbitt Facility Refunding</u>	<u>Capital Equipment Notes</u>	<u>Correctional Facilities Bond</u>				
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 29,683
-	-	-	-	-	-	130,477
-	-	-	-	-	-	283,636
-	-	-	-	-	-	179,857
-	-	-	-	-	-	57,944
-	-	-	-	-	-	80,330
-	-	-	-	-	-	2,899,362
-	-	-	-	-	-	25,936
-	-	-	-	-	-	49,416
-	-	-	-	-	-	31,136
-	-	-	-	-	-	952,984
-	-	-	-	-	-	2,346,497
-	-	-	-	-	-	414,499
-	-	-	-	-	-	111,776
-	-	-	-	-	-	53,343
-	-	-	-	-	-	337,479
-	-	-	-	-	-	13,971
-	-	-	-	-	-	99,702
-	-	-	-	-	-	5,046
-	-	-	-	-	-	13,886
-	-	-	-	-	-	18,807
-	-	-	-	-	-	30,051
-	-	-	-	-	9,900	9,900
-	-	-	17,660	-	-	17,660
-	-	-	-	-	-	23,813
-	-	-	-	-	-	393,751
-	-	-	-	-	-	2,610
-	-	-	-	-	-	66,956
-	-	-	-	-	-	1,342,896
-	-	-	-	-	-	20,793
-	-	-	-	-	-	665,078
-	-	-	-	-	-	902,906
-	-	-	-	-	-	1,765,719
-	-	-	-	-	-	786
-	-	-	-	-	-	2,726,910
-	-	-	-	-	-	92,072
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 17,660</u>	<u>\$ -</u>	<u>\$ 9,900</u>	<u>\$ 23,004,315</u>
-	-	-	-	-	-	33,093
-	-	-	110,919	1,001,281	219,401	38,878,938
<u>\$ 28,725</u>	<u>\$ 162,351</u>	<u>\$ 31,129</u>	<u>\$ 683,219</u>	<u>\$ 1,001,281</u>	<u>\$ 219,401</u>	<u>\$ 77,135,755</u>

This page intentionally left blank.

S
T
A
T
I
S
T
I
C
A
L

S
E
C
T
I
O
N

Table 1

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
1983	11,866,261	7,027,971	23,042,621	2,200,481	63,871,828
%	10.4%	6.1%	20.1%	1.9%	55.8%
1984	13,269,990	7,418,037	25,606,862	2,199,859	77,647,912
%	9.9%	5.5%	19.1%	1.6%	58.0%
1985	11,909,328	7,703,990	29,619,492	3,025,133	83,880,627
%	8.2%	5.3%	20.3%	2.1%	57.6%
1986	14,251,298	8,663,086	27,187,818	3,052,508	80,735,122
%	10.1%	6.2%	19.3%	2.2%	57.3%
1987	14,360,480	9,353,630	25,445,243	2,979,693	77,904,108
%	10.7%	7.0%	19.0%	2.2%	58.2%
1988	14,853,258	11,257,966	31,227,895	3,946,695	81,091,684
%	10.2%	7.7%	21.4%	2.7%	55.6%
1989	16,141,887	12,814,932	35,959,426	4,290,468	86,438,710
%	10.0%	8.0%	22.3%	2.7%	53.7%
1990	17,586,959	13,958,343	28,935,781	4,684,825	89,317,104
%	10.9%	8.7%	18.0%	2.9%	55.6%
1991	17,906,525	15,258,855	26,345,645	5,406,517	80,598,582
%	12.1%	10.3%	17.9%	3.7%	54.6%
1992	16,948,356	16,546,693	31,596,937	5,928,570	68,650,116
	12.0%	11.7%	22.4%	4.2%	48.6%

Fiscal Year	Sanitation	Culture and Recreation	Conservation of Natural Resources	Economic Development	Miscellaneous	Total Expenditures
1983	808,286	337,001	1,687,840	155,974	3,459,445	114,457,708
%	0.7%	0.3%	1.5%	0.1%	3.0%	
1984	834,895	337,001	3,021,328	174,309	3,362,666	133,872,859
%	0.6%	0.3%	2.3%	0.1%	2.5%	
1985	840,250	337,001	4,975,924	155,572	3,225,587	145,672,904
%	0.8%	0.2%	3.4%	0.1%	2.2%	
1986	1,046,349	342,001	5,090,124	187,590	222,381	140,778,277
%	0.7%	0.2%	3.6%	0.1%	0.2%	
1987	1,012,402	309,601	2,121,001	282,184	-0-	133,768,342
%	0.8%	0.2%	1.6%	0.2%	0.0%	
1988	1,129,704	318,613	1,866,995	142,803	-0-	145,835,613
%	0.8%	0.2%	1.3%	0.1%	0.0%	
1989	992,780	338,100	1,973,230	2,144,459	-0-	161,093,992
%	0.6%	0.2%	1.2%	1.3%	0.0%	
1990	2,327,531	337,940	1,832,978	1,687,020	-0-	160,668,481
%	1.4%	0.2%	1.1%	1.1%	0.0%	
1991	-0-	416,506	585,825	995,006	-0-	147,513,461
%	0.0%	0.3%	0.4%	0.7%	0.0%	
1992	-0-	385,607	523,778	530,482	-0-	141,110,539
	0.0%	0.3%	0.4%	0.4%	0.0%	

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

Unaudited

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

<u>Fiscal Year</u>	<u>Taxes</u>	<u>Licenses and Permits</u>	<u>Inter-governmental</u>	<u>Charges for Services</u>
1983	28,835,277	225,551	73,177,930	3,846,193
%	25.6%	0.2%	64.9%	3.4%
1984	31,400,978	256,940	84,670,190	4,572,843
%	24.2%	0.2%	65.2%	3.5%
1985	32,895,162	195,753	90,311,081	5,194,344
%	24.0%	0.1%	65.8%	3.8%
1986	46,340,868	119,822	78,436,145	5,337,581
%	34.0%	0.1%	57.5%	3.9%
1987	48,651,023	129,294	75,618,856	5,135,972
%	35.7%	0.1%	55.5%	3.8%
1988	48,186,293	127,397	82,061,159	5,389,669
%	33.4%	0.1%	56.9%	3.7%
1989	44,593,871	117,846	100,171,880	5,419,167
%	28.0%	0.1%	63.0%	3.4%
1990	50,570,451	113,776	93,506,136	5,533,559
%	31.9%	0.1%	59.0%	3.5%
1991	54,654,950	120,665	82,440,099	5,778,140
%	36.3%	0.1%	54.8%	3.8%
1992	56,159,786	127,058	75,009,649	7,152,949
	39.2%	0.1%	52.4%	5.0%

<u>Fiscal Year</u>	<u>Fines and Forfeitures</u>	<u>Gifts and Contributions</u>	<u>Interest on Investments</u>	<u>Miscellaneous</u>	<u>Total Revenue</u>
1983	564,742	-0-	3,682,080	2,411,844	112,743,617
%	0.5%	0.0%	3.3%	2.1%	
1984	522,518	-0-	4,072,926	4,401,849	129,898,244
%	0.4%	0.0%	3.1%	3.4%	
1985	499,124	-0-	2,762,244	5,370,395	137,228,103
%	0.4%	0.0%	2.0%	3.9%	
1986	515,278	-0-	2,104,015	3,546,505	136,400,214
%	0.4%	0.0%	1.5%	2.6%	
1987	672,214	-0-	2,109,244	3,928,363	136,244,966
%	0.5%	0.0%	1.5%	2.9%	
1988	617,918	16,368	2,883,195	4,861,083	144,143,080
%	0.4%	0.01%	2.0%	3.4%	
1989	871,157	3,438	2,505,189	5,531,081	159,013,627
%	0.4%	0.002%	1.6%	3.5%	
1990	770,349	50,849	2,235,853	5,693,798	158,474,771
%	0.5%	0.03%	1.4%	3.6%	
1991	689,530	8,707	1,922,075	4,791,720	150,405,886
%	0.5%	0.0%	1.3%	3.2%	
1992	691,775	20,506	1,853,826	2,069,150	143,084,699
	0.5%	0.0%	1.3%	1.4%	

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

Unaudited

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

<u>Fiscal Year</u>	<u>Total Certified County Levy</u>	<u>Less Tax Credits (1) and certain State Aids (2)</u>	<u>Net levy</u>	<u>Current Tax Collections</u>	<u>Percent Levy Collected</u>
1983	40,144,790	12,129,561	28,015,229	26,810,574	95.70%
1984	42,864,627	12,143,869	30,720,758	29,187,792	95.01%
1985	45,849,847	13,140,619	32,709,228	30,498,084	93.24%
1986	48,551,804	14,348,657	34,203,147	32,835,021	96.00%
1987	53,486,602	15,571,629	37,914,973	36,159,510	95.37%
1988	53,541,139	15,959,653	37,581,486	36,386,395	96.82%
1989	59,023,406	25,548,899	33,474,507	31,780,459	94.94%
1990	65,388,125	27,510,966	37,877,159	35,959,730	94.94%
1991	62,571,880	20,204,078	42,367,802	40,538,190	95.68%
1992	62,571,880	17,819,911	44,751,969	42,993,432	96.07%

<u>Fiscal Year</u>	<u>Delinquent Tax Collection</u>	<u>Total Tax Collections</u>	<u>Total Tax Collect to Net Levy</u>	<u>Outstanding Delinquent Taxes</u>	<u>Outstanding Delinquent Taxes as Percent of Current Net Levy</u>
1983	150,605	26,961,179	96.24%	2,411,844	8.61%
1984	591,113	29,778,905	96.93%	4,401,849	14.33%
1985	567,431	31,065,515	94.97%	5,370,395	16.42%
1986	275,580	33,110,601	96.81%	3,546,505	10.37%
1987	474,973	36,634,483	96.62%	3,928,363	10.36%
1988	557,970	36,944,365	98.30%	4,861,083	12.93%
1989	1,465,767	33,246,226	99.32%	5,531,081	16.52%
1990	1,514,779	37,474,509	98.94%	5,693,798	15.03%
1991	1,596,262	42,134,452	99.45%	4,158,385	9.81%
1992	1,598,486	44,591,918	99.64%	3,901,497	8.72%

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

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

Unaudited

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

Collection Year	Property Outside the City of Duluth		Duluth	
	Assessed Value/Tax Capacity (1)	Estimated Market Value	Assessed Value/Tax Capacity	Estimated Market Value
1983	531,011,411	2,230,839,329	293,838,305	1,226,108,526
1984	519,720,793	2,251,112,800	286,019,824	1,221,990,600
1985	492,222,976	2,183,053,388	278,063,815	1,214,724,100
1986	477,208,439	2,109,106,850	278,147,064	1,217,760,500
1987	465,289,325	2,066,149,750	279,712,274	1,226,207,000
1988	437,161,106	2,010,477,720	271,338,379	1,263,170,200
1989	53,415,602	1,999,076,320	34,346,201	1,285,919,700
1990	40,462,068	2,045,216,400	29,783,564	1,334,843,100
1991	41,209,168	2,144,508,400	31,287,560	1,453,370,300
1992	42,192,213	2,294,816,000	32,884,009	1,586,629,700

Collection Year	Total		Ratio of Assessed Value to Estimated Market Value	Percent of Total Assessed Value/Tax Capacity (1)	
	Assessed Value/Tax Capacity (1)	Estimated Market Value		Outside Duluth	Duluth
1983	824,849,716	3,456,947,855	0.23861	64.38%	35.62%
1984	805,740,617	3,473,103,400	0.23199	64.50%	35.50%
1985	770,286,791	3,397,777,488	0.22670	63.90%	36.10%
1986	755,355,503	3,326,867,350	0.22705	63.18%	36.82%
1987	745,001,599	3,292,356,750	0.22628	62.45%	37.55%
1988	708,499,485	3,273,647,920	0.21643	61.70%	38.30%
1989	87,761,803	3,284,996,020	0.02672	60.86%	39.14%
1990	70,245,632	3,380,059,500	0.02078	57.60%	42.40%
1991	72,496,728	3,597,878,700	0.02015	56.84%	43.16%
1992	75,076,222	3,881,445,700	0.01934	56.20%	43.80%

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

Unaudited

Table 5

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

Tax Year	Cities / Towns	Special Districts	School Districts	County	Total Combined (1)
Tax Rates per \$100 of Assessed Valuation					
1983	3.2196	0.0691	5.0998	4.742	13.1305
1984	3.4115	0.0735	5.6124	5.195	14.2924
1985	3.9975	0.0775	5.5080	5.815	15.3980
1986	4.1532	0.0772	5.3873	6.283	15.9007
1987	4.3297	0.0930	5.5431	6.981	16.9468
1988	4.6307	0.1013	5.6370	7.339	17.7080
Tax Rates per \$100 of Tax Capacity (2)					
1989	25.4912	0.2576	39.1948	54.1377	119.0813
1990	25.6977	0.3856	43.0184	62.1951	131.2968
1991	24.6399	0.9195	42.0500	68.2679	135.8773
1992	24.6397	0.9193	42.0499	68.2677	135.8766
Tax Levies (in dollars)					
1983	25,948,382	1,126,008	42,065,493	40,144,790	109,284,673
1984	27,788,261	1,178,227	45,221,057	42,864,627	117,052,172
1985	29,954,427	1,196,321	42,482,841	45,849,847	119,483,436
1986	30,892,170	1,221,228	40,693,156	48,551,804	121,358,358
1987	31,754,968	1,604,690	40,179,913	53,486,602	127,026,173
1988	32,308,340	1,649,269	39,950,358	53,541,139	127,449,106
1989	22,371,580	226,056	34,398,034	59,023,406	116,019,076
1990	33,906,485	2,977,044	36,962,837	65,388,125	139,234,491
1991	36,450,326	739,760	38,883,379	62,571,880	138,645,345
1992	38,235,797	882,687	47,684,194	62,571,880	154,550,358

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

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

Unaudited

Table 6

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

<u>Year Ending Dec. 31</u>	<u>Population</u>	<u>Market Value including captured increment (in dollars)</u>	<u>Net Value Debt</u>	<u>Ratio of Net Bonded Debt to Market Value</u>	<u>Bonded Debt per Capita</u>
1983	213,622	3,456,947,855	0	0	0
1984	212,214	3,473,103,400	0	0	0
1985	206,264	3,397,777,488	4,800,000	0.14%	23.27
1986	203,069	3,326,867,350	4,800,000	0.14%	23.64
1987	200,646	3,292,356,750	4,475,000	0.14%	22.0
1988	200,027	3,273,647,920	9,125,000	0.28%	45.62
1989	200,027	3,284,996,020	21,000,000	0.64%	104.99
1990	198,213	3,380,059,500	22,195,000	0.66%	111.98
1991	198,213	3,597,878,700	22,525,000	0.63%	113.64
1992	199,209	3,881,445,700	20,535,000	0.53%	103.08

Unaudited

**ST. LOUIS COUNTY, MINNESOTA
COMPUTATION OF LEGAL DEBT MARGIN
FOR THE FISCAL YEAR ENDED DECEMBER 31, 1992**

Market Value of Taxable Property		\$ <u>3,881,445,700</u>
Debt Limit 2 Percent of market value of taxable property (1)		\$ 77,628,914
Amount of Debt Applicable to Debt Limit:		
General Obligation Debt (2)	\$ 15,145,000	
Less: Fund Balance in Debt Service Funds	295,944	
Restricted Assets in applicable Enterprise Funds (3)	<u>141,967</u>	
Total Amount of Debt Applicable to Debt Limit		<u>14,707,089</u>
Legal Debt Margin		<u>\$ 62,921,825</u>

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

(2) The County has special authority to bond for solid waste activities under Minnesota Statutes, and the legal debt margin does not apply to this debt of \$5,390,000; therefore, those bonds are not included here. They are carried in the Solid Waste Management Enterprise Fund at par of \$5,390,000 less unamortized discount of \$69,626.

(3) Nursing Home General Obligation Revenue Bonds of \$2,285,000 less \$48,907 unamortized discount are carried in the Enterprise Funds. These bonds at par of \$2,285,000 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 \$9,905,000 designated for debt service in the Road and Bridge Special Revenue Fund, as that amount is not a legal reserve.

Unaudited

ST. LOUIS COUNTY, MINNESOTA
COMPUTATION OF DIRECT, OVERLAPPING AND UNDERLYING DEBT
 YEAR ENDED DECEMBER 31, 1992

Direct Debt	Total Debt Outstanding ¹	Applicable to St. Louis County	
		Percent ²	Amount
St. Louis County	\$ 20,416,467	100.00%	\$ 20,416,467
Overlapping Debt			
School District #94	\$ 4,355,000	2.68%	\$ 116,714
School District #381	1,105,000	15.23%	168,292
School District #710	4,665,000	99.61%	4,646,807
	\$ 10,125,000		\$ 4,931,813
Underlying Debt			
City of Biwabik	\$ 150,000	100.00%	\$ 150,000
City of Buhl	30,000	100.00%	30,000
City of Chisholm	1,519,529	100.00%	1,519,529
City of Cook	220,000	100.00%	220,000
City of Duluth	36,660,200	100.00%	36,660,200
City of Ely	1,904,545	100.00%	1,904,545
City of Eveleth	650,000	100.00%	650,000
City of Floodwood	205,000	100.00%	205,000
City of Hermantown	1,351,000	100.00%	1,351,000
City of Hibbing	7,730,000	100.00%	7,730,000
City of Hoyt Lakes	515,000	100.00%	515,000
City of Iron Junction	11,635	100.00%	11,635
City of Mountain Iron	150,000	100.00%	150,000
City of Orr	160,000	100.00%	160,000
City of Proctor	10,000	100.00%	10,000
City of Tower	246,000	100.00%	246,000
City of Virginia	19,835,000	100.00%	19,835,000
Town of Fayal	115,297	100.00%	115,297
Town of Greenwood	122,857	100.00%	122,857
Town of Pequaywan	37,500	100.00%	37,500
School District #692	500,000	100.00%	500,000
School District #695	659,742	100.00%	659,742
School District #696	965,000	100.00%	965,000
School District #697	619,814	100.00%	619,814
School District #699	179,963	100.00%	179,963
School District #700	8,485,000	100.00%	8,485,000
School District #701	4,550,000	100.00%	4,550,000
School District #704	6,313,000	100.00%	6,313,000
School District #706	2,170,000	100.00%	2,170,000
School District #708	905,000	100.00%	905,000
School District #709	33,910,000	100.00%	33,910,000
School District #712	4,055,000	100.00%	4,055,000
Seaway Port Authority	720,000	100.00%	720,000
	\$ 135,656,082		\$ 135,656,082
Total	\$ 166,197,549		\$ 161,004,362

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

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

Unaudited

ST. LOUIS COUNTY, MINNESOTA
**RATIO OF DEBT SERVICE EXPENDITURES FOR GENERAL
 OBLIGATION BONDED DEBT TO TOTAL GENERAL EXPENDITURES** (1)
 (IN DOLLARS)

Year	Principal	Interest	Total Debt Service	General Expenditures	Ratio of Debt Service Expenditures To Total General Expenditures
1983	0	0	0	114,457,708	N/A
1984	0	0	0	133,872,859	N/A
1985	0	0	0	145,672,904	N/A
1986	0	0	0	140,778,277	N/A
1987	0	0	0	133,768,342	N/A
1988	0	152,900	152,900	145,835,613	0.0011
1989	295,000	355,800	650,800	160,848,344	0.0040
1990	420,000	1,075,030	1,495,030	160,668,481	0.0093
1991	2,970,000 (2)	902,288	3,872,288	147,513,461	0.0262
1992	620,000	804,443	1,424,443	141,110,539	0.0101

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

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

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

Unaudited

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

CHRIS JENSEN ENTERPRISE FUND BOND

Fiscal Year	Gross (1) Revenue	Direct (2) Operating Expenses	Net Revenue Available for Debt Service	Debt Service Requirements			Coverage
				Principal	Interest	Total	
1985	9,078,480	8,171,538	906,922	-	419,713	419,713	2.18
1986	7,884,505	7,318,477	566,028	-	419,713	419,713	1.35
1987	7,579,281	7,108,221	471,060	325,000	407,525	732,525	0.64
1988	7,352,892	7,325,246	27,446	350,000	381,775	731,775	0.04
1989	9,470,382	8,544,276	926,086	375,000	324,434	699,434	1.32
1990	9,491,825	8,944,836	547,189	400,000	280,850	680,850	0.80
1991	10,447,317	9,037,907	1,409,410	475,000	170,342	645,342	2.18
1992	11,267,963	10,148,098	1,121,865	1,065,000	189,574	1,254,574	0.89

NOPEMING ENTERPRISE FUND BOND

Fiscal Year	Gross (1) Revenue	Direct (2) Operating Expenses	Net Revenue Available for Debt Service	Debt Service Requirements			Coverage
				Principal	Interest	Total	
1989	6,751,894	7,053,018	(301,124)	-	3,335	3,335	0.00
1990	7,613,198	7,748,439	(135,241)	20,000	21,854	41,854	0.00
1991	9,021,628	8,814,821	206,807	25,000	18,892	43,892	4.71
1992	9,178,610	8,700,357	478,253	25,000	17,268	42,268	11.31

SOLID WASTE MANAGEMENT ENTERPRISE FUND BOND

Fiscal Year	Gross (1) Revenue	Direct (2) Operating Expenses	Net Revenue Available for Debt Service	Debt Service Requirements			Coverage
				Principal	Interest	Total	
1991	4,214,733	6,220,848	(2,005,815)	205,000	311,308	516,308	0.00
1992	5,978,786	4,579,540	1,399,246	280,000	386,878	666,878	2.18

(1) Includes operating and non-operating revenue.

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

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

Unaudited

Table 11

ST. LOUIS COUNTY, MINNESOTA
DEMOGRAPHIC STATISTICS
LAST TEN YEARS

<u>Year</u>	<u>Population (3)</u>	<u>Per (1) Capita Income</u>	<u>Median (3) Age</u>	<u>K - 12 (2) School Enrollment</u>	<u>Unemployment (1) Percentage</u>
1983	213,622	\$ 10,163	30.2	36,725	18.7
1984	212,214	\$ 10,941	30.4	35,939	12.4
1985	206,264	\$ 11,401	30.5	35,058	11.1
1986	203,069	\$ 11,801	30.7	34,428	9.1
1987	200,646	\$ 12,409	30.9	34,062	9.4
1988	200,646	\$ 13,184	31	38,692	6.3
1989	200,027	\$ 14,502	31.2	33,510	5.9
1990	198,213	\$ 15,419	35.7	33,710	6
1991	198,213	\$ N/A	N/A	37,068	6.5
1992	199,209	\$ N/A	N/A	31,607	7.1

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

(2) State Department of Education

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

Unaudited

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

<u>Estimated Market Value :</u>	<u>Value</u>	<u>1992 Percent</u>
Real Estate:		
Residential	\$ 2,800,039,146	55.93%
Multiple Dwelling	147,477,127	2.95%
Commercial/Industrial	389,823,482	7.79%
Timberlands	81,846,894	1.63%
Agricultural	56,454,653	1.13%
Public Utilities / Miscellaneous	240,066,400	4.80%
Seasonal Residential Recreational	405,862,233	8.11%
Seasonal Commercial Recreational	14,546,608	0.32%
Exempt	723,979,900	14.46%
Total Real Estate	\$ 4,860,096,443	97.08%
Personal Property	146,077,600	2.92%
Total Real Estate & Personal Property	\$ 5,006,174,043	100.00%

Source : St. Louis County Assessor

Construction:

<u>Fiscal Year</u>	<u>Commercial # of Units</u>	<u>Value</u>	<u>Residential # of Units</u>	<u>Value</u>	<u>Total Value New Construction</u>
1983	851	14,599,506	2,588	15,246,851	29,846,357
1984	802	29,318,953	2,627	14,744,799	44,063,752
1985	651	18,669,159	2,359	13,034,503	31,703,662
1986	681	46,504,152	2,400	15,770,921	62,275,073
1987	719	42,178,960	2,582	24,297,453	66,476,413
1988	329	20,432,623	1,745	20,956,747	41,389,370
1989	670	34,935,772	3,018	37,836,846	72,772,618
1990	635	22,454,139	2,800	37,750,527	60,204,666
1991	808	36,169,000	3,256	45,547,000	81,716,000
1992	770	37,731,455	3,133	60,139,279	97,870,734

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

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

	<u>Commercial Banks</u>	<u>Savings and Loan Associations</u>	<u>Total</u>
1984	1,237,570	536,087	1,773,657
1985	1,240,154	538,593	1,778,747
1986	1,281,194	532,544	1,813,738
1987	1,295,582	532,719	1,828,301
1988	1,316,347	473,732	1,790,079
1989	1,172,302	474,366	1,646,668
1990	1,553,694	286,730	1,840,424
1991	1,591,264	359,722	1,950,986
1992	1,228,361	176,502 (1)	1,404,863

(1) During 1992, St. Louis County Federal Savings and Loan Association became St. Louis Bank for Savings, FSB.

Unaudited

Table 13

ST. LOUIS COUNTY, MINNESOTA
PRINCIPAL TAXPAYERS

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

<u>Taxpayer</u>	<u>Tax Capacity as of 1992 Tax Roll</u>	<u>Percentage</u>
1 Lake Superior Paper Industries	\$ 1,996,552	2.91%
2 Minnesota Power	1,792,807	2.61%
3 Square Butte Electric Co-op	946,175	1.38%
4 Minnesota Power	491,013	0.71%
5 Duluth Mall Inc.	408,916	0.60%
6 Bowman Corp	315,740	0.46%
7 JMM LTD Partnership	291,093	0.42%
8 Duluth Clinic	274,848	0.40%
9 St. Lawrence Cement Inc.	205,450	0.30%
10 Minnesota Power	<u>195,909</u>	<u>0.29%</u>
 Total Tax Capacity of Ten Largest Taxpayers	 \$ 6,918,503	 10.07%
 Total Tax Capacity of Other Taxpayers	 \$ <u>61,792,612</u>	 <u>89.93%</u>
 Total Tax Capacity of All Taxpayers	 \$ <u><u>68,711,115</u></u>	 <u><u>100.00%</u></u>

Unaudited

Table 14

**ST. LOUIS COUNTY MINNESOTA
LABOR STATISTICS**

St. Louis County:

<u>Year</u>	<u>Labor Force</u>	<u>Employment</u>	<u>Unemployment</u>	<u>Unemployment Rate</u>		
1983	98,118	80,029	18,089	18.4		
1984	92,896	81,698	11,198	12.1		
1985	89,439	79,827	9,612	10.7		
1986	89,981	81,787	8,194	9.1		
1987	88,951	80,576	8,375	9.4		
1988	88,635	83,016	5,619	6.3		
1989	89,686	84,394	52,992	5.9		
1990	93,812	88,226	5,586	6.0		
1991	96,182	89,945	6,237	6.5		
1992	96,115	89,091	7,024	7.3		
<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>
1983	98,118	18.4	2,176,000	8.2	113,226,000	9.5
1984	92,896	12.1	2,227,000	6.3	115,241,000	7.4
1985	89,439	10.7	2,224,000	6.0	117,167,000	7.1
1986	89,981	9.1	2,230,000	5.3	119,540,000	6.9
1987	88,951	9.4	2,259,000	5.4	121,602,000	6.1
1988	88,635	6.3	2,316,411	4.1	121,669,000	5.5
1989	89,686	5.9	2,343,000	4.4	123,869,000	5.3
1990	93,812	6.0	2,404,000	4.8	124,787,000	5.5
1991	96,182	6.5	2,431,000	5.1	125,303,000	6.8
1992	96,115	7.3	2,431,000	5.1	126,982,000	7.4

Source: Minnesota Department of Economic Security

Unaudited

ST. LOUIS COUNTY, MINNESOTA
 MISCELLANEOUS STATISTICAL DATA

Number of Employees (as of 12/31/92)

Personnel:

<u>Fund</u>	<u>Number of Employees</u>
General	1,186 *
Social Services Special Revenue	595
Other Special Revenue	46
Enterprise	626
Internal Service	96
Total	2,549

* Figure includes 169 employees of Arrowhead Regional Corrections

Area of St. Louis County

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

Miles of County Road - 1,605 miles

Concrete	2.9
Bituminous	211.56
Gravel	1341.14
Unimproved	49.4

County Bridges - 264

Unaudited

ST. LOUIS COUNTY, MINNESOTA
 PERCENTAGE OF REGISTERED VOTERS - VOTING
 LAST TEN ELECTIONS

PRIMARY ELECTION			GENERAL ELECTIONS		
DATE	TOTAL REGISTERED VOTERS	PERCENTAGE VOTING	DATE	TOTAL REGISTERED VOTERS	PERCENTAGE VOTING
September 10, 1974	Figures not available		November 5, 1974	116,133	71%
September 14, 1976	126,315	45%	November 2, 1976	146,667	79%
September 12, 1978	135,346	51%	November 7, 1978	142,022	68%
September 9, 1980	139,386	36%	November 4, 1980	153,066	76%
September 14, 1982	137,184	50%	November 2, 1982	145,775	72%
September 11, 1984	138,591	46%	November 6, 1984	152,260	75%
September 9, 1986	134,330	42%	November 4, 1986	137,492	59%
September 13, 1988	128,413	23%	November 8, 1988	142,825	73%
September 11, 1990	128,300	39%	November 6, 1990	134,668	63%
September 15, 1992	128,981	29%	November 3, 1992	146,833	75%

Source: St. Louis County Auditor's Office

Unaudited