

REPORT OF THE
STATE AUDITOR of MINNESOTA

ST. LOUIS COUNTY

YEAR ENDED DECEMBER 31, 1985



ARNE H. CARLSON

State Auditor
St. Paul, Minnesota

REPORT OF THE STATE AUDITOR
ON THE
FINANCIAL AFFAIRS
OF
ST. LOUIS COUNTY
YEAR ENDED DECEMBER 31, 1985

ARNE H. CARLSON
State Auditor
Saint Paul, Minnesota

ST. LOUIS COUNTY

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ST. LOUIS COUNTY

ORGANIZATION
AS OF DECEMBER 31, 1985

Office	Name	Term of Office	
		Start	Expires
Commissioners			
1st District	Gary L. Doty	Jan. 1985	Jan. 1989
2nd District	*Marilyn Krueger	Jan. 1983	July 1987
3rd District	William J. Kron	Jan. 1985	Jan. 1989
4th District	Herbert R. Lamppa	Jan. 1983	Jan. 1987
5th District	A. Lloyd Shannon	Jan. 1985	Jan. 1989
6th District	Gary Cerkvenik	Jan. 1983	Jan. 1987
7th District	Jerry Janezich	Jan. 1985	Jan. 1989
Officers			
Elected			
Attorney	Alan L. Mitchell	Jan. 1983	Jan. 1987
Auditor-Treasurer	Russell G. Petersen	Jan. 1983	Jan. 1987
County Court Judge	John T. Oswald	Jan. 1985	Jan. 1987
County Court Judge	Frank W. Donovan	Jan. 1985	Jan. 1987
County Court Judge	David E. Ackerson	Jan. 1985	Jan. 1991
County Court Judge	Galen C. Wilson	Jan. 1981	Jan. 1987
County Recorder	Clark A. Ilse	Jan. 1983	Jan. 1987
Probate - Juvenile Judge	Robert V. Campbell	Jan. 1983	Jan. 1989
Probate - Juvenile Judge	Gerald C. Martin	Jan. 1979	Jan. 1987
Sheriff	Ernie Grams	Jan. 1983	Jan. 1987
Appointed			
Assessor	Scott Lindquist	Jan. 1985	Dec. 1988
Acting Civil Defense Director	Gerald Wotczak	Jan. 1984	Dec. 1985
Civil Service Director	Patricia Paulson		
Court Administrator	Joseph M. Lasky		
Examiner of Titles	Robert C. Brown		
Health Director	Dr. Harold Leppink		Indefinite
Highway Engineer	Benjamin J. Beauclair	Jan. 1983	Dec. 1985
	Richard Hansen	Sept. 1985	Jan. 1987
Inspector of Mines	David Sandstrom		
Land Commissioner	John J. Vogel		
Medical Examiner	Dr. Volker Goldschmidt	Jan. 1985	Dec. 1985
Planning and Zoning Director	John Jubala		
Public Defender	John D. Durfee		
Purchasing Agent	Chester Johnson		
Surveyor	Norman B. Livgard	Jan. 1983	Jan. 1987
Veterans Service Officer	Mathew J. Stukel	July 1981	July 1985
	Richard Blakesley	Oct. 1985	Mar. 1986
Social Services Director	Robert C. Zeleznikar		

*Chairperson

FINANCIAL SECTION



ARNE H. CARLSON
STATE AUDITOR

STATE OF MINNESOTA

OFFICE OF THE STATE AUDITOR

SUITE 400
555 PARK STREET
SAINT PAUL 55103

296-2551

AUDITOR'S OPINION

The Honorable Herb Lappa, Chairperson
Board of County Commissioners
St. Louis County
Duluth, Minnesota 55802

We have examined the general purpose financial statements of St. Louis County, Minnesota, and its combining, individual fund, and account group financial statements, as of and for the year ended December 31, 1985, as listed in the table of contents. Our examination was made in accordance with generally accepted auditing standards and, accordingly, included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, the general purpose financial statements referred to above present fairly the financial position of St. Louis County at December 31, 1985, and the results of its operations and the changes in financial position of its proprietary fund types for the year then ended, in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding year. Also, in our opinion, the combining, individual fund, and account group financial statements referred to above present fairly the financial position of the individual funds and account groups of St. Louis County at December 31, 1985, and the results of operations of such funds and the changes in financial position of individual proprietary funds for the year then ended, in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

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

A handwritten signature in dark ink, appearing to read "Arne H. Carlson".

ARNE H. CARLSON
State Auditor

October 31, 1986

GENERAL PURPOSE FINANCIAL STATEMENTS

ST. LOUIS COUNTY

COMBINED BALANCE SHEET
ALL FUND TYPES AND ACCOUNT GROUPS
DECEMBER 31, 1985

	Governmental Fund Types		
	General	Special Revenue	Capital Projects
<u>Assets</u>			
Cash and pooled investments	\$ 11,897,185	\$ 7,666,546	\$ (41,573)
Change and revolving funds	18,070	30,225	-
Departmental cash	52,721	315,167	-
Investments	-	-	-
Receivables			
Taxes	446,468	3,271,401	-
Accounts	1,751	559,913	-
Accrued interest	214,290	-	-
Due from other funds	98,151	303,330	-
Due from other governments	748,343	4,577,121	100,000
Inventories, at cost	-	6,075,431	-
Advance to other funds	-	-	-
Prepaid expense	-	50,080	-
Restricted assets			
Escrow account - cash	-	-	-
Improvement account - cash	-	-	-
Construction			
Cash and pooled investments	-	-	-
Investments	-	-	-
Accrued interest receivable	-	-	-
Debt service			
Cash and pooled investments	-	-	-
Investments	-	-	-
Accrued interest receivable	-	-	-
Fixed assets - net	-	-	-
Amount to be provided for payment of long-term debt	-	-	-
Total Assets	\$ 13,476,979	\$ 22,849,214	\$ 58,427

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

EXHIBIT 1

Proprietary Fund Types		Fiduciary Fund Type	Account Groups		Totals (Memorandum Only)	
Enterprise	Internal Service	Trust and Agency	General Fixed Assets	General Long-Term Debt	1985	1984
\$ 2,191,499	\$ 545,832	\$ 5,354,581	\$ -	\$ -	\$ 27,614,070	\$ 33,455,412
1,025	3,000	-	-	-	52,320	74,058
-	19,252	31,498	-	-	418,638	59,424
-	1,980,028	115,000	-	-	2,095,028	2,356,758
144,655	8,373	-	-	-	3,870,897	3,960,554
1,696,405	1,440	1,423,507	-	-	3,683,016	3,262,351
-	41,294	1,571	-	-	257,155	386,180
105,355	511,029	-	-	-	1,017,865	1,318,333
85,404	10,282	1,363,722	-	-	6,884,872	6,963,843
349,116	91,148	-	-	-	6,515,695	6,156,553
-	-	17,114	-	-	17,114	17,114
1,901	1,596	2,709	-	-	56,286	14,031
-	-	-	-	-	-	15,139
53,069	-	-	-	-	53,069	50,369
984,043	-	-	-	-	984,043	934,067
1,155,575	-	-	-	-	1,155,575	3,075,575
82,396	-	-	-	-	82,396	31,099
32,829	-	-	-	-	32,829	19,327
418,533	-	-	-	-	418,533	839,425
13,254	-	-	-	-	13,254	1,856
6,143,163	1,078,210	-	49,893,249	-	57,114,622	53,884,729
-	-	-	-	5,234,809	5,234,809	6,169,473
<u>\$ 13,458,222</u>	<u>\$ 4,291,484</u>	<u>\$ 8,309,702</u>	<u>\$ 49,893,249</u>	<u>\$ 5,234,809</u>	<u>\$ 117,572,086</u>	<u>\$ 123,045,670</u>

ST. LOUIS COUNTY

COMBINED BALANCE SHEET
ALL FUND TYPES AND ACCOUNT GROUPS
DECEMBER 31, 1985

	Governmental Fund Types		
	General	Special Revenue	Capital Projects
<u>Liabilities and Fund Equity</u>			
Liabilities			
Vouchers payable	\$ 181,141	\$ 2,623,464	\$ 58,427
Due to other funds	-	541,461	-
Due to other governments	3,410	614,684	-
Salaries payable	407,035	809,509	-
Unapportioned taxes payable	-	-	-
Claims payable	-	-	-
Accrued employee benefits	-	-	-
Deferred revenue	287,573	2,893,154	-
Employee benefits payable	-	-	-
Current liabilities payable from restricted assets			
Vouchers payable	-	-	-
Contracts payable	-	-	-
Accrued interest payable	-	-	-
Retainage on contracts	-	-	-
Escrow account	-	-	-
Bonds payable	-	-	-
Advances from other funds	-	-	-
Installment purchases	-	-	-
Long-term leases payable	-	-	-
Unissued food stamps	-	4,455,431	-
Total Liabilities	\$ 879,159	\$ 11,937,703	\$ 58,427
Fund Equity			
Contributed capital	\$ -	\$ -	\$ -
Investment in general fixed assets	-	-	-
Retained earnings			
Reserved for improvement account	-	-	-
Reserved for debt service	-	-	-
Unreserved - undesignated	-	-	-
Fund balance			
Reserved for revolving funds	18,070	28,125	-
Reserved for health and welfare	685,518	935,427	-

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

EXHIBIT 1
(Continued)

Proprietary Fund Types		Fiduciary Fund Type	Account Groups		Totals (Memorandum Only)	
Enterprise	Internal Service	Trust and Agency	General Fixed Assets	General Long-Term Debt	1985	1984
\$ 301,005	\$ 63,803	\$ 2,376,488	\$ -	\$ -	\$ 5,604,328	\$ 4,926,649
476,404	-	-	-	-	1,017,865	1,318,333
20,879	101,480	2,912,513	-	-	3,652,966	3,670,570
401,635	8,020	19,820	-	-	1,646,019	1,406,701
-	-	505,771	-	-	505,771	650,486
-	488,182	-	-	-	488,182	308,650
594,605	10,788	127,885	-	3,064,695	3,797,973	3,563,633
121,840	19,003	1,456,830	-	-	4,778,400	4,329,093
278,153	-	-	-	998,955	1,277,108	1,870,107
2,626	-	-	-	-	2,626	35
234,343	-	-	-	-	234,343	123,740
174,880	-	-	-	-	174,880	174,880
228,193	-	-	-	-	228,193	13,749
-	-	-	-	-	-	15,139
4,689,067	-	-	-	-	4,689,067	4,678,065
17,114	-	-	-	-	17,114	17,114
-	62,821	-	-	-	62,821	32,987
-	-	-	-	1,171,159	1,171,159	1,756,692
-	-	-	-	-	4,455,431	-
<u>\$ 7,540,744</u>	<u>\$ 754,097</u>	<u>\$ 7,399,307</u>	<u>\$ -</u>	<u>\$ 5,234,809</u>	<u>\$ 33,804,246</u>	<u>\$ 28,856,623</u>
\$ -	\$ 1,145,328	\$ -	\$ -	\$ -	\$ 1,145,328	\$ 1,140,413
-	-	-	49,893,249	-	49,893,249	48,940,067
53,069	-	-	-	-	53,069	50,369
289,736	-	-	-	-	289,736	685,728
5,574,673	2,392,059	-	-	-	7,966,732	6,747,814
-	-	-	-	-	46,195	46,195
-	-	-	-	-	1,620,945	1,217,389

ST. LOUIS COUNTY

COMBINED BALANCE SHEET
ALL FUND TYPES AND ACCOUNT GROUPS
DECEMBER 31, 1985

	Governmental Fund Types		
	General	Special Revenue	Capital Projects
<u>Liabilities and Fund Equity</u>			
Fund Equity			
Fund balance (Continued)			
Reserved for encumbrances	121,415	1,598,656	-
Reserved for inventory	-	1,620,000	-
Reserved for noncurrent loans	690,084	-	-
Reserved for advances to other funds	-	-	-
Reserved for assurance fund	-	-	-
Reserved for state deeds	-	-	-
Reserved for boat and water safety	-	-	-
Reserved for law library	73,376	-	-
Reserved for foster care insurance	-	6,000	-
Reserved for model employment program	-	34,229	-
Reserved for unorganized town roads	-	311,195	-
Reserved for data processing	766,341	-	-
Unreserved - Undesignated	10,243,016	6,377,879	-
Total Fund Equity	\$ 12,597,820	\$ 10,911,511	\$ -
Total Liabilities and Fund Equity	\$ 13,476,979	\$ 22,849,214	\$ 58,427

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

EXHIBIT 1
(Continued)

Proprietary Fund Types		Fiduciary Fund Type	Account Groups		Totals (Memorandum Only)	
Enterprise	Internal Service	Trust and Agency	General Fixed Assets	General Long-Term Debt	1985	1984
-	-	11,712	-	-	1,731,783	1,984,584
-	-	-	-	-	1,620,000	5,682,848
-	-	-	-	-	690,084	705,084
-	-	17,114	-	-	17,114	17,114
-	-	7,520	-	-	7,520	3,298
-	-	1,700	-	-	1,700	1,260
-	-	-	-	-	-	75,669
-	-	-	-	-	73,376	44,018
-	-	-	-	-	6,000	6,000
-	-	-	-	-	34,229	14,317
-	-	-	-	-	311,195	-
-	-	-	-	-	766,341	-
-	-	872,349	-	-	17,493,244	26,826,880
<u>\$ 5,917,478</u>	<u>\$ 3,537,387</u>	<u>\$ 910,395</u>	<u>\$ 49,893,249</u>	<u>\$ -</u>	<u>\$ 83,767,840</u>	<u>\$ 94,189,047</u>
<u>\$ 13,458,222</u>	<u>\$ 4,291,484</u>	<u>\$ 8,309,702</u>	<u>\$ 49,893,249</u>	<u>\$ 5,234,809</u>	<u>\$ 117,572,086</u>	<u>\$ 123,045,670</u>

ST. LOUIS COUNTY

COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
ALL GOVERNMENTAL FUND TYPES AND EXPENDABLE TRUST FUNDS
YEAR ENDED DECEMBER 31, 1985

	Governmental Fund Types		
	General	Special Revenue	Capital Projects
Revenues			
Taxes	\$ 5,323,664	\$ 27,251,359	\$ -
Licenses and permits	101,412	94,341	-
Intergovernmental	6,558,818✓	83,497,263✓	100,000
Charges for services	1,872,656	3,314,715	-
Fines and forfeitures	499,124	-	-
Gifts and contributions	-	250,000	-
Earnings on investments	2,715,599	46,645	-
Miscellaneous	232,917	3,398,065	-
Total Revenues	\$ 17,304,190	\$ 117,852,388	\$ 100,000
Expenditures			
General government	\$ 10,496,680	\$ 1,029,211	\$ 383,437
Public safety	5,104,861	2,599,129	-
Highways	-	29,619,492	-
Health	-	3,025,133	-
Social services	-	83,880,627	-
Sanitation	-	840,250	-
Culture and recreation	157,001	180,000	-
Conservation of natural resources	406,981	2,510,346	-
Economic development	51,220	104,352	-
Miscellaneous	2,964,572	-	-
Total Expenditures	\$ 19,181,315	\$ 123,788,540	\$ 383,437
Excess (Deficiency) of Revenues Over Expenditures	\$ (1,877,125)	\$ (5,936,152)	\$ (283,437)
Other Financing Sources (Uses)			
Operating transfers in	\$ 6,623	\$ 1,467,234	\$ 283,437
Operating transfers out	-	(1,744,408)	-
Capital leases	12,163	277,670	-
Total Other Financing Sources (Uses)	\$ 18,786	\$ 496	\$ 283,437

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

EXHIBIT 2

Fiduciary Fund Type Expendable Trust	Totals (Memorandum Only)	
	1985	1984
\$ 320,139	\$ 32,895,162	\$ 31,400,978
-	195,753	256,940
155,000	90,311,081	84,670,190
6,973	5,194,344	4,572,843
-	499,124	522,518
-	250,000	-
-	2,762,244	4,072,926
1,489,413	5,120,395	4,401,849
<u>\$ 1,971,525</u>	<u>\$ 137,228,103</u>	<u>\$ 129,898,244</u>
\$ -	\$ 11,909,328	\$ 13,269,990
-	7,703,990	7,418,037
-	29,619,492	25,606,862
-	3,025,133	2,199,859
-	83,880,627	77,647,912
-	840,250	834,895
-	337,001	337,001
2,058,597	4,975,924	3,021,328
-	155,572	174,309
261,015	3,225,587	3,362,666
<u>\$ 2,319,612</u>	<u>\$ 145,672,904</u>	<u>\$ 133,872,859</u>
<u>\$ (348,087)</u>	<u>\$ (8,444,801)</u>	<u>\$ (3,974,615)</u>
\$ 174,486	\$ 1,931,780	\$ 1,023,427
(174,486)	(1,918,894)	(1,309,892)
-	289,833	1,427,917
<u>\$ -</u>	<u>\$ 302,719</u>	<u>\$ 1,141,452</u>

ST. LOUIS COUNTY

COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
 ALL GOVERNMENTAL FUND TYPES AND EXPENDABLE TRUST FUNDS
 YEAR ENDED DECEMBER 31, 1985

	<u>Governmental Fund Types</u>		
	<u>General</u>	<u>Special Revenue</u>	<u>Capital Projects</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Uses	\$ (1,858,339)	\$ (5,935,656)	\$ -
Fund Balance - January 1	14,456,159	20,910,015	-
Equity transfer in (out)	-	-	-
Increase (decrease) in inventory	-	(4,062,848)	-
Fund Balance - December 31	<u>\$ 12,597,820</u>	<u>\$ 10,911,511</u>	<u>\$ -</u>

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

EXHIBIT 2
(Continued)

Fiduciary Fund Type Expendable Trust	Totals (Memorandum Only)	
	1985	1984
\$ (348,087)	\$ (8,142,082)	\$ (2,833,163)
1,258,482	36,624,656	35,486,764
-	-	(100,000)
-	(4,062,848)	4,071,055
<u>\$ 910,395</u>	<u>\$ 24,419,726</u>	<u>\$ 36,624,656</u>

ST. LOUIS COUNTY

COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCE - BUDGET AND ACTUAL
 GENERAL FUND AND SPECIAL REVENUE FUNDS
 YEAR ENDED DECEMBER 31, 1985

	General Fund		Variance Favorable (Unfavorable)
	Budget	Actual	
Revenues			
Taxes	\$ 4,079,421	\$ 5,323,664	\$ 1,244,243
Licenses and permits	90,500	101,412	10,912
Intergovernmental	5,949,163	6,558,818	609,655
Charges for services	1,104,500	1,872,656	768,156
Fines and forfeitures	430,500	499,124	68,624
Gifts and contributions	-	-	-
Earnings on investments	1,800,000	2,715,599	915,599
Miscellaneous	132,060	232,917	100,857
Total Revenues	\$ 13,586,144	\$ 17,304,190	\$ 3,718,046
Expenditures			
General government	\$ 10,858,522	\$ 10,496,680	\$ 361,842
Public safety	5,277,520	5,104,861	172,659
Highways	-	-	-
Health	-	-	-
Social services	-	-	-
Sanitation	-	-	-
Culture and recreation	157,001	157,001	-
Conservation of natural resources	434,961	406,981	27,980
Economic development	51,220	51,220	-
Miscellaneous	3,021,926	2,964,572	57,354
Total Expenditures	\$ 19,801,150	\$ 19,181,315	\$ 619,835
Excess (Deficiency) of Revenues Over Expenditures	\$ (6,215,006)	\$ (1,877,125)	\$ 4,337,881
Other Financing Sources (Uses)			
Operating transfers in	\$ 6,623	\$ 6,623	\$ -
Operating transfers out	-	-	-
Capital leases	-	12,163	12,163
Total Other Financing Sources (Uses)	\$ 6,623	\$ 18,786	\$ 12,163

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

EXHIBIT 3

Special Revenue Funds			Totals (Memorandum Only)		
Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
\$ 27,632,015	\$ 27,251,359	\$ (380,656)	\$ 31,711,436	\$ 32,575,023	\$ 863,587
140,000	94,341	(45,659)	230,500	195,753	(34,747)
80,016,517	83,497,263	3,480,746	85,965,680	90,056,081	4,090,401
3,705,500	3,314,715	(390,785)	4,810,000	5,187,371	377,371
-	-	-	430,500	499,124	68,624
-	250,000	250,000	-	250,000	250,000
-	46,645	46,645	1,800,000	2,762,244	962,244
5,258,715	3,398,065	(1,860,650)	5,390,775	3,630,982	(1,759,793)
<u>\$116,752,747</u>	<u>\$117,852,388</u>	<u>\$ 1,099,641</u>	<u>\$130,338,891</u>	<u>\$135,156,578</u>	<u>\$ 4,817,687</u>
\$ 1,129,453	\$ 1,029,211	\$ 100,242	\$ 11,987,975	\$ 11,525,891	\$ 462,084
2,610,288	2,599,129	11,159	7,887,808	7,703,990	183,818
29,991,199	29,619,492	371,707	29,991,199	29,619,492	371,707
3,324,775	3,025,133	299,642	3,324,775	3,025,133	299,642
77,480,725	83,880,627	(6,399,902)	77,480,725	83,880,627	(6,399,902)
979,579	840,250	139,329	979,579	840,250	139,329
180,000	180,000	-	337,001	337,001	-
4,097,891	2,510,346	1,587,545	4,532,852	2,917,327	1,615,525
136,257	104,352	31,905	187,477	155,572	31,905
-	-	-	3,021,926	2,964,572	57,354
<u>\$119,930,167</u>	<u>\$123,788,540</u>	<u>\$ (3,858,373)</u>	<u>\$139,731,317</u>	<u>\$142,969,855</u>	<u>\$ (3,238,538)</u>
<u>\$ (3,177,420)</u>	<u>\$ (5,936,152)</u>	<u>\$ (2,758,732)</u>	<u>\$ (9,392,426)</u>	<u>\$ (7,813,277)</u>	<u>\$ 1,579,149</u>
\$ 717,234	\$ 1,467,234	\$ 750,000	\$ 723,857	\$ 1,473,857	\$ 750,000
(994,408)	(1,744,408)	(750,000)	(994,408)	(1,744,408)	(750,000)
-	277,670	277,670	-	289,833	289,833
<u>\$ (277,174)</u>	<u>\$ 496</u>	<u>\$ 277,670</u>	<u>\$ (270,551)</u>	<u>\$ 19,282</u>	<u>\$ 289,833</u>

ST. LOUIS COUNTY

COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCE - BUDGET AND ACTUAL
 GENERAL FUND AND SPECIAL REVENUE FUNDS
 YEAR ENDED DECEMBER 31, 1985

	General Fund		Variance Favorable (Unfavorable)
	Budget	Actual	
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	\$ (6,208,383)	\$ (1,858,339)	\$ 4,350,044
Fund Balance - January 1	14,456,159	14,456,159	-
Increase in inventory	-	-	-
Fund Balance - December 31	<u>\$ 8,247,776</u>	<u>\$ 12,597,820</u>	<u>\$ 4,350,044</u>

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

EXHIBIT 3
(Continued)

<u>Special Revenue Funds</u>			<u>Totals (Memorandum Only)</u>		
<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
\$ (3,454,594)	\$ (5,935,656)	\$ (2,481,062)	\$ (9,662,977)	\$ (7,793,995)	\$ 1,868,982
19,301,785	20,910,015	1,608,230	33,757,944	35,366,174	1,608,230
<u>392,583</u>	<u>(4,062,848)</u>	<u>(4,455,431)</u>	<u>392,583</u>	<u>(4,062,848)</u>	<u>(4,455,431)</u>
<u>\$ 16,239,774</u>	<u>\$ 10,911,511</u>	<u>\$ (5,328,263)</u>	<u>\$ 24,487,550</u>	<u>\$ 23,509,331</u>	<u>\$ (978,219)</u>

ST. LOUIS COUNTY

EXHIBIT 4

COMBINED STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN RETAINED EARNINGS
ALL PROPRIETARY FUND TYPES
YEAR ENDED DECEMBER 31, 1985

	Enterprise	Internal Service	Totals (Memorandum Only)	
			1985	1984
Operating Revenues				
Charges for services	\$ 15,244,131	\$ 3,435,951	\$ 18,680,082	\$ 17,868,749
Other	302,326	1,095	303,421	244,970
Total Operating Revenues	<u>\$ 15,546,457</u>	<u>\$ 3,437,046</u>	<u>\$ 18,983,503</u>	<u>\$ 18,113,719</u>
Operating Expenses				
Personal services	\$ 12,458,151	\$ 324,630	\$ 12,782,781	\$ 13,385,061
Services and charges	1,844,134	2,582,140	4,426,274	3,779,037
Direct material	1,866,843	578,954	2,445,797	2,487,510
Depreciation	243,247	138,715	381,962	356,377
Total Operating Expenses	<u>\$ 16,412,375</u>	<u>\$ 3,624,439</u>	<u>\$ 20,036,814</u>	<u>\$ 20,007,985</u>
Operating income (loss)	<u>\$ (865,918)</u>	<u>\$ (187,393)</u>	<u>\$ (1,053,311)</u>	<u>\$ (1,894,266)</u>
Nonoperating Revenues (Expenses)				
Taxes	\$ 1,699,466	\$ 101,619	\$ 1,801,085	\$ 1,841,140
Grants	232,554	-	232,554	236,900
Gain on sale of equipment	-	(10,958)	(10,958)	5,354
Earnings on investments	206,519	94,516	301,035	288,953
Interest expense	(419,712)	-	(419,712)	(135,240)
Amortization	(11,002)	-	(11,002)	(4,584)
Other expense	(1,179)	-	(1,179)	-
Total Nonoperating Revenues (Expenses)	<u>\$ 1,706,646</u>	<u>\$ 185,177</u>	<u>\$ 1,891,823</u>	<u>\$ 2,232,523</u>
Income (loss) before operating transfers	\$ 840,728	\$ (2,216)	\$ 838,512	\$ 338,257
Operating transfers in (out)	(12,886)	-	(12,886)	286,465
Net Income (Loss)	\$ 827,842	\$ (2,216)	\$ 825,626	\$ 624,722
Retained earnings - January 1	5,089,636	2,394,275	7,483,911	6,859,189
Retained earnings - December 31	<u>\$ 5,917,478</u>	<u>\$ 2,392,059</u>	<u>\$ 8,309,537</u>	<u>\$ 7,483,911</u>

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

ST. LOUIS COUNTY

EXHIBIT 5

COMBINED STATEMENT OF CHANGES IN FINANCIAL POSITION
ALL PROPRIETARY FUND TYPES
YEAR ENDED DECEMBER 31, 1985

	Enterprise	Internal Service	Totals (Memorandum Only)	
			1985	1984
Sources of Working Capital				
Operations				
Net income (loss)	\$ 827,842	\$ (2,216)	\$ 825,626	\$ 624,722
Items not requiring (providing) working capital				
Increase in contributions	-	4,915	4,915	145,427
Depreciation	243,247	138,715	381,962	356,377
Amortization	11,002	-	11,002	4,584
Disposal of fixed assets	55,542	(70,544)	(15,002)	(39,696)
Working capital provided by operations	\$ 1,137,633	\$ 70,870	\$ 1,208,503	\$ 1,091,414
Increase in restricted liabilities	327,638	-	327,638	313,178
Increase in long-term liabilities	9,434	28,128	37,562	4,739,095
Decrease in restricted assets	2,227,158	-	2,227,158	-
Total Sources of Working Capital	\$ 3,701,863	\$ 98,998	\$ 3,800,861	\$ 6,143,687
Uses of Working Capital				
Decrease in long-term liabilities	\$ 56,508	\$ -	\$ 56,508	\$ 9,114
Acquisition of fixed assets	2,525,285	118,386	2,643,671	438,592
Decrease in restricted liabilities	15,139	-	15,139	4,904,718
Total Uses of Working Capital	\$ 2,596,932	\$ 118,386	\$ 2,715,318	\$ 5,352,424
Net Increase (Decrease) in Working Capital	\$ 1,104,931	\$ (19,388)	\$ 1,085,543	\$ 791,263
Elements of Net Increase (Decrease) in Working Capital				
Cash and pooled investments	\$ 1,169,672	\$ (321,166)	\$ 848,506	\$ 753,967
Change and revolving funds	-	-	-	(13,800)
Departmental cash	-	19,252	19,252	(1,567)
Investments	-	638,797	638,797	26,490
Taxes receivables	(15,224)	(595)	(15,819)	(11,498)
Accounts receivable	164,201	(183,838)	(19,637)	246,205

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

ST. LOUIS COUNTY

EXHIBIT 5
(Continued)COMBINED STATEMENT OF CHANGES IN FINANCIAL POSITION
ALL PROPRIETARY FUND TYPES
YEAR ENDED DECEMBER 31, 1985

	Enterprise	Internal Service	Totals (Memorandum Only)	
			1985	1984
Elements of Net Increase (Decrease) in Working Capital (Continued)				
Accrued interest receivable	-	10,507	10,507	3,314
Due from other funds	(71,362)	70,971	(391)	2,951
Due from other governments	(46,033)	(4,005)	(50,038)	492
Inventories, at cost	(32,105)	(1,336)	(33,441)	(214,954)
Prepaid expenses	-	(614)	(614)	(1,637)
Vouchers payable	26,829	30,745	57,574	(158,810)
Due to other funds	(40,587)	5,280	(35,307)	106,124
Due to other governments	(20,381)	(101,480)	(121,861)	150,692
Salaries payable	(18,716)	(1,926)	(20,642)	(98,979)
Claims payable	-	(179,532)	(179,532)	(110,356)
Accrued employee benefits	(20,853)	798	(20,055)	7,553
Deferred revenue	9,490	460	9,950	6,350
Installment purchases	-	(1,706)	(1,706)	98,726
Net Increase (Decrease) in Working Capital	<u>\$ 1,104,931</u>	<u>\$ (19,388)</u>	<u>\$ 1,085,543</u>	<u>\$ 791,263</u>

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

ST. LOUIS COUNTY

NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 1985

1. 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 (1984). The County is governed by a seven-member Board of Commissioners elected from districts within the County. The Board is organized with a chairperson and vice-chairperson 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 account groups, departments, agencies, boards, commissions, and other organizations over which St. Louis County exercises oversight responsibility. 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 others.

As a result of applying generally accepted accounting principles, the following organizations have been excluded from the County's financial statements.

Excluded

Aid to Victims of Sexual Assault - At present, this program is an independent non-profit entity. It elects its own board of directors and solicits funding from a number of sources. Revenue comes from the State Board of Corrections, the federal government, St. Louis, Lake, and Carlton Counties, private grants and foundations as well as private individuals. All land and facilities used by the agency are owned either by private parties or the agency itself. St. Louis County is a source of funding.

Promotional Bureau - This is an agency independent of County control. St. Louis County is a source of funding.

ST. LOUIS COUNTY

1. Summary of Significant Accounting Policies

A. Financial Reporting Entity

Excluded (Continued)

North and South St. Louis County Fairs (Proctor and Hibbing) - Both fair organizations are headed by a fair board whose directors are elected by the association membership. The majority of revenue is generated from gate fees 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 - This is a regional agency covering seven northeastern Minnesota counties and headed by a Library Board of Directors. St. Louis County appoints three of the 23 directors. Another seven 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 properties and facilities utilized for educational purposes. St. Louis County is a source of funding.

Ambulance - Gold Cross is a private firm with headquarters in Rochester, Minnesota. St. Louis County deals with Gold Cross only in times of need. The County has no jurisdiction regarding expenditures, personnel or contracts with agencies other than the County. St. Louis County is a source of funding.

Historical Society - The 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.

County Agent and County Extension Committee - The committee consists of 11 members - two county commissioners, the county auditor, a citizen representing each of the seven commissioner districts, and one St. Louis County citizen at-large. Each of the citizen members is approved by the County Board. Such action is mandated by Minn. Stat. § 38.36. The University of Minnesota retains final authority as to how all money is spent. However, the committee has some leeway in implementing expenditures. St. Louis County is a source of funding.

Safety Council - The Council is an agency independent of County control. St. Louis County is a source of funding.

ST. LOUIS COUNTY

1. Summary of Significant Accounting Policies

A. Financial Reporting Entity

Excluded (Continued)

North and South St. Louis County Soil Conservation District - Each district is composed of a five-member board elected by voters within the district boundaries. The authority to operate is granted by the State Soil and Water Conservation Board. St. Louis County has no power to affect hiring practices nor can it control the disbursement of funds. 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 is a source of funding.

Seaway Port Authority of Duluth - The authority is governed by a seven-member commission with two members chosen by the County Board. The Authority has all powers to contract, hire personnel and employ an independent certified public accountant to audit its books. These rights and duties are specified in Minn. Stat. §§ 458.09-.1991. St. Louis County is a source of funding.

Arrowhead Regional Corrections - There are nine members on the ARC Board of Directors. Since ARC is an organization covering several counties, each county has proportional representation on the Board. St. Louis County has power only to appoint two of these members. St. Louis County is a source of funding.

Community Fairs - The community fairs are a group of local associations. Each group is appropriated \$200 from St. Louis County for the payment of annual premiums. St. Louis County has no members on any of the various fair associations and has no control over hiring and management decisions. St. Louis County is a source of funding.

Arrowhead Regional Development Commission - ARDC consists 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 and dismiss employees, and disburse funds rests with the ARDC commission. St. Louis County is a source of funding.

Solid Waste Authorities - The County has no authority to appoint either management personnel or the governing members of the authorities. St. Louis County is a source of funding.

Northeast Minnesota Office of Job Training - The agency is established as a public entity for the purpose of developing and implementing a public and private job training program. The governing body consists of seven members, one of whom is a County Board member. St. Louis County is not a source of funding; financing is obtained from the Federal and State governments.

ST. LOUIS COUNTY

1. Summary of Significant Accounting Policies

A. Financial Reporting Entity

Excluded (Continued)

Community Health Services Fund - The Board is established to identify public health service needs and to develop mechanisms for multi-county program development, evaluation, coordination, and integration. The Board is composed of nine members, three of whom are appointed by the St. Louis County Board of Commissioners.

A review of the structure of the above organizations reveals that they are properly excluded from St. Louis County's financial statements. The basis for this exclusion is as follows: (1) insufficient financial interdependence between the organizations and St. Louis County, as well as insufficient influence and control by the County over management and operational decisions of the organizations; (2) lack of control by the County over the facilities and properties of the organizations and lack of accountability to St. Louis County for the fiscal affairs of the organizations; and, (3) the major revenues of the organizations are derived from sources other than property tax levies and special assessments, or, where the tax levy is the major source of funding, the organizations have authority in State law to raise these revenues.

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. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The various funds are grouped, in the financial statements in this report, into six generic fund types and three broad fund categories. A description of the fund types and account groups used by the County follows.

Government Funds

General Fund - The General Fund 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 special assessments, expendable trust, or major capital projects) that are legally restricted to expenditures for specified purposes.

ST. LOUIS COUNTY

1. Summary of Significant Accounting Policies

B. Basis of Presentation - Fund Accounting

Government Funds (Continued)

Capital Projects Funds - 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 and Trust Funds).

Proprietary Funds

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

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

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, 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 - The General Fixed Assets Account Group is used to account for the County's fixed assets other than those accounted for in Proprietary Funds. Public domain ("infrastructure") general fixed assets, consisting of certain improvements other than buildings, are not capitalized.

General Long-Term Debt - The General Long-Term Debt Account Group is used to account for the County's long-term liabilities other than those accounted for in Proprietary Funds.

ST. LOUIS COUNTY

1. Summary of Significant Accounting Policies (Continued)

C. Basis of Accounting

Governmental, expendable trust, and agency funds are reported on the modified accrual basis of accounting. Revenues are recognized when they become both measurable and available. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Revenue sources susceptible to accrual include property taxes, intergovernmental revenue, and investment earnings. Expenditures are recognized when a liability is incurred, except for vacation and sick leave which are recognized when used.

Proprietary funds are accounted for using the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when liabilities are incurred.

D. Budgetary Data

General Budget Policies

The County Board adopts estimated revenue and expenditure budgets for the General and Special Revenue Funds.

The budget may be amended or modified at any time by the County Board. Comparisons of estimated revenue and expenditures to actual are presented in the financial statements for the General and Special Revenue Funds.

Encumbrances

Encumbrance accounting, under which commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is used in the governmental funds. Encumbrances outstanding at year-end are reported as reserved fund balances since they do not constitute expenditures or liabilities.

Budget Basis of Accounting

Budgets for the General Fund and Special Revenue Funds are adopted on a basis consistent with generally accepted accounting principles.

E. Assets, Liabilities, and Fund Equity Accounts

1. Assets

Investments

Fund and pooled (in lieu of cash) investments are stated at cost, which approximates market value.

ST. LOUIS COUNTY

1. Summary of Significant Accounting Policies

E. Assets, Liabilities, and Fund Equity Accounts

1. Assets (Continued)

Advance to Other Funds

Noncurrent portions of long-term interfund loans receivable (reported in "Advance to" asset accounts) are equally offset by a fund balance reserve account which indicates that they do not constitute "available spendable resources." There are no current portions of long-term interfund loans receivable.

Inventory

Inventories consist of expendable Road and Bridge Special Revenue Fund 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.

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

The Enterprise Fund inventories consists of expendable supplies held for consumption and are recorded as an expense when used. Internal Service Fund inventories consist of items for resale and are recorded as an expense when used or sold.

Long-Term Receivables

Noncurrent portions of long-term receivables due governmental funds are equally offset by a fund balance reserve account to indicate that they should not be considered "available spendable resources," since they do not represent assets. Governmental fund type revenues represented by noncurrent receivables are not recognized until they become current receivables.

Fixed Assets

All fixed assets are valued at historical cost or estimated historical cost. Donated fixed assets are valued at their estimated fair value on the date donated.

ST. LOUIS COUNTY

1. Summary of Significant Accounting Policies

E. Assets, Liabilities, and Fund Equity Accounts

1. Assets

Fixed Assets (Continued)

No depreciation has been provided on general fixed assets.

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

The estimated useful lives are:

Buildings	50 years
Improvements	50 years
Equipment	Varies from 5 - 20 years

2. Liabilities

Because the treatment of capital leases as an expenditure in governmental funds does not provide for an increase in appropriations for the current year, the budget and actual expenditure comparisons for these funds for the year ended December 31, 1985, are reconciled on the following schedule.

ST. LOUIS COUNTY

1. Summary of Significant Accounting Policies

E. Assets, Liabilities, and Fund Equity Accounts

2. Liabilities (Continued)

	Budgeted Expenditures	Actual Expenditures	Actual Capital Lease Expenditures	Actual Expenditures Net of Capital Lease Expenditures	Variance Favorable (Unfavorable) Net of Capital Lease Expenditures
General Fund	\$ 19,801,150	\$ 19,181,315	\$ 12,163	\$ 19,169,152	\$ 631,998
Special Revenue Funds					
Civil Defense	\$ 250,771	\$ 239,612	\$ -	\$ 239,612	\$ 11,159
Communicable Diseases	97,149	74,524	-	74,524	22,625
County Grants and Subsidies	2,714,126	2,682,221	-	2,682,221	31,905
Federal Fiscal Assistance	2,610,399	2,767,071	277,670	2,489,401	120,998
Land Investment	4,097,891	2,510,346	-	2,510,346	1,587,545
Public Health	3,227,626	2,950,609	-	2,950,609	277,017
Road and Bridge	28,590,253	27,961,632	-	27,961,632	628,621
Social Services	77,362,373	83,762,275	-	83,762,275	(6,399,902)
Solid Waste Authorities	854,465	718,800	-	718,800	135,665
Solid Waste Management	125,114	121,450	-	121,450	3,664
Total Special Revenue Funds	\$ 119,930,167	\$ 123,788,540	\$ 277,670	\$ 123,510,870	\$ (3,580,703)
Total General and Special Revenue Funds	\$ 139,731,317	\$ 142,969,855	\$ 289,833	\$ 142,680,022	\$ (2,948,705)

3. Fund Equity

Fund equity is divided into sections:

- Contributed capital account indicates permanent fund capital contributed to the Internal Service Funds.
- Investment in general fixed assets account represents the County's equity in general fixed assets.

ST. LOUIS COUNTY

1. Summary of Significant Accounting Policies

E. Assets, Liabilities, and Fund Equity Accounts

3. Fund Equity (Continued)

- Retained earnings accounts are subdivided:

Retained earnings reserved for improvement account indicates that portion of retained earnings which is legally set aside to be used for the replacement of fixed assets.

Retained earnings reserved for debt service account indicates that portion of retained earnings which is legally set aside to be used for the payment of general obligation bonds.

Retained earnings unreserved 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, or is not appropriable for expenditure.

Unreserved, undesignated fund balance accounts indicate that portion of fund equity which is available for budgeting and expending in future periods.

F. Revenues, Expenditures, and Expenses

1. Revenues

Property Taxes

Property taxes are recognized as revenue to the extent collected in the current period or soon enough thereafter to be used to pay liabilities of the current period.

Intergovernmental Revenues

Intergovernmental revenues are reported using the guidelines of legal and contractual requirements of the individual programs. Generally, grant revenue is recognized when the corresponding expenditure is incurred. In certain programs, such as Federal Revenue Sharing, revenue is recognized when it is measurable and available.

ST. LOUIS COUNTY

1. Summary of Significant Accounting Policies

F. Revenues and Expenditures, and Expenses

1. Revenues

Intergovernmental Revenues (Continued)

State Aid Highway Allotments for highway maintenance and construction are recognized as revenue only after an expenditure has been recorded. The accounting for allotments is similar to grant accounting in that revenues equal expenditures.

Other Revenues

Other revenues, such as licenses and permits, charges for services, fines and forfeitures, gifts and contributions, and miscellaneous revenues are recognized when received in cash because they generally are not measurable until received. Investment income is recognized when earned since it is measurable and available.

2. Expenditures and Expenses

Expenditure recognition for governmental fund types includes only amounts represented by current liabilities. Since noncurrent liabilities do not affect net current assets, they are not recognized as governmental fund type liabilities. They are reported as liabilities in the General Long-Term Debt Account Group.

Proprietary funds recognize expenses, including compensated absences, when the liabilities are incurred.

3. Vacation and Sick Leave

Under the County's personnel policies and union contracts, County employees are granted vacation and sick leave in varying amounts based on length of service. Vacation leave accrual varies from 3.5 to nine hours per biweekly pay period. Sick leave accrual is from one to 5.25 hours per biweekly pay period.

Unused accumulated vacation and vested sick leave are paid to employees upon termination and are recognized as liabilities in the financial statements. Unvested sick leave of \$15,906,934 at December 31, 1985, is available to employees in the event of illness-related absences, is not paid to employees at termination, and is not reported in the financial statements.

ST. LOUIS COUNTY

1. Summary of Significant Accounting Policies (Continued)

G. Total Columns on Combined Statements

Total columns on the combined statements are captioned "Memorandum Only" to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position or results of operations 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.

H. Comparative Data

Comparative total data for the prior year have been presented in the accompanying financial statements to provide an understanding of changes in the County's financial position and operations.

2. Stewardship, Compliance and Accountability

A. Excess of Expenditures Over Budget

The Social Services and Federal Fiscal Assistance Special Revenue Funds had expenditures in excess of budgets for the year ended December 31, 1985.

	<u>Expenditures</u>	<u>Budget</u>	<u>Excess</u>
Social Services	\$ 83,762,275	\$77,362,373	\$ 6,399,902
Federal Fiscal Assistance	2,767,071	2,610,399	156,672

The excess in the Social Services Fund because the general assistance claims for 1985 were higher than estimated and must be paid, whether or not monies have been appropriated. It occurred in the Federal Fiscal Assistance Fund because of the treatment of capital leases. See Note 1.E.2 Liabilities.

B. Deficit Retained Earnings

The following funds had a deficit retained earnings at December 31, 1985:

Community Food Enterprise Fund	\$122,296
Data Processing Equipment Internal Service Fund	\$ 302

C. Deficit Fund Balance

The Social Services Special Revenue Fund had a deficit fund balance of \$1,686,776 at December 31, 1985. The County included the deficit in its 1985 tax levy, payable in 1986.

ST. LOUIS COUNTY

3. Detailed Notes on All Funds and Account Groups

A. Assets

Cash and Pooled Investments

Fund cash balances are pooled and invested to the extent available in certificates of deposit and other authorized investments.

Cash and pooled investments at December 31, 1985, including restricted cash of \$1,069,941 are:

Cash on hand and cash in bank	\$ 334,011
Certificates of deposit	<u>28,350,000</u>
Total	<u>\$ 28,684,011</u> ①

Fund Investments

Fund investments at December 31, 1985, including restricted fund investments of \$1,574,108 are:

Cook/Chris Jensen Enterprise Fund Certificates of Deposit	\$ 1,574,108
County Insurance Internal Service Fund Securities of the Federal Government and its Agencies	<u>1,210,028</u>
Certificates of Deposit	770,000
Patients' Escrow Expendable Trust Fund Certificates of Deposit	<u>115,000</u>
Total	<u>\$ 3,669,136</u>

Restricted Assets

Restricted assets at December 31, 1985 are:

Cook/Chris Jensen Enterprise Fund Construction Account	
Cash and pooled investments	\$ 984,043 ①
Investments	1,155,575
Accrued interest receivable	<u>82,396</u>
Total construction account	<u>\$ 2,222,014</u>

ST. LOUIS COUNTY

3. Detailed Notes on All Funds and Account Groups

A. Assets

Restricted Assets (Continued)

Debt Service Account	
Cash and pooled investments	\$ 32,829
Investments	418,533
Accrued interest receivable	<u>13,254</u>
Total debt service account	\$ <u>464,616</u>
Total Cook/Chris Jensen Enterprise Fund	
	\$ <u>2,686,630</u>
Nopeming Enterprise Fund Improvement Account	
Cash	\$ <u>53,069</u>
Total Restricted Assets	\$ <u><u>2,739,699</u></u>

Property Taxes and Special Assessments

The County levies and collects property taxes and special assessments for all governmental units within the County. Property tax collections and remittances to other governments and County governmental funds are accounted for in agency funds.

Taxes and special assessments are billed to individual property owners within the County annually and, for the most part, are due and payable in January but may be paid in two equal installments on or before May 15 and October 15, without penalty.

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

Proprietary Fund Type Fixed Assets

A summary of proprietary fund type property, plant and equipment at December 31, 1985, is as follows:

ST. LOUIS COUNTY

3. Detailed Notes on All Funds and Account Groups

A. Assets

Proprietary Fund Fixed Assets (Continued)

	<u>Enterprise</u>	<u>Internal Service</u>
Land	\$ 264,842	\$ 25,500
Buildings and structures	7,176,516	778,730
Equipment, furniture, and fixtures	1,278,245	328,295
Vehicles, and off road machinery	-	711,716
Construction-in-progress	<u>2,606,432</u>	<u>-</u>
Total	\$ 11,326,035	\$ 1,844,241
Less accumulated depreciation	<u>5,182,872</u>	<u>766,031</u>
Net	<u>\$ 6,143,163</u>	<u>\$ 1,078,210</u>

Summary of Changes in General Fixed Assets

	<u>Balance Jan. 1, 1985</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance Dec. 31, 1985</u>
Land	\$ 1,024,226	\$ 4,937	\$ -	\$ 1,029,163
Buildings and structures	21,305,763	2,850,965	274,248	23,882,480
Equipment, and furniture fixtures	6,644,689	934,745	817,080	6,762,354
Vehicles and off road machinery	17,582,593	1,816,882	1,180,223	18,219,252
Construction-in-progress	<u>2,382,796</u>	<u>-</u>	<u>2,382,796</u>	<u>-</u>
Total	<u>\$ 48,940,067</u>	<u>\$ 5,607,529</u>	<u>\$ 4,654,347</u>	<u>\$ 49,893,249</u>

B. Liabilities

Retirement Plan

The County participates in a state-wide pension plan administered by the Public Employees Retirement Association. Substantially all county employees in the state are members of this plan, which requires contributions from both employees and employers. The County's contributions for the year ended December 31, 1985 were \$2,966,652. This amount includes a provision for prior service costs.

ST. LOUIS COUNTY

3. Detailed Notes on All Funds and Account Groups

B. Liabilities

Retirement Plan (Continued)

The Public Employees Retirement Association is divided into two funds, the Public Employees Retirement Fund and the Public Employees Police and Fire Fund. The Association's annual report for the year ended June 30, 1985 (the most recent available) shows:

	<u>Public Employees</u>	<u>Police and Fire</u>
Reserves needed for retired members and beneficiaries	\$ 914,639,750	\$ 89,912,993
Reserves needed for active and deferred members	1,543,085,421	267,828,747
Total reserves needed	<u>\$ 2,457,725,171</u>	<u>\$ 357,741,740</u>
Assets (net)	<u>1,842,957,195</u>	<u>338,400,219</u>
Unfunded reserves	<u>\$ 614,767,976</u>	<u>\$ 19,341,521</u>

The Public Employees Retirement Fund is 75 percent funded and the Police and Fire Fund is 94.6 percent funded. Because the Public Employees Retirement Association is a state-wide pension plan, statements reflecting each local government's share of the unfunded reserves are not available.

Other Employee Benefits

Deferred Compensation

The County has made available to all of its employees and officers, deferred compensation plans from six companies or agencies, none of which meet the criteria established in NCGA Statement 3 Defining the Governmental Reporting Entity and are, therefore, excluded from the accompanying financial statements.

All funds and assets, together with interest, accumulations, and increments thereon, remain an asset of the employer until the participating employee's equity in the funds is distributed in accordance with the deferred compensation agreement. The obligation of the employer is a contractual obligation only, and the employee shall have no preferred or specific interest by way of trust, escrow, annuity or otherwise, in and to the specific assets or funds.

ST. LOUIS COUNTY

3. Detailed Notes on All Funds and Account Groups

B. Liabilities

Other Employee Benefits

Deferred Compensation (Continued)

Payroll deductions for deferred compensation for the year ended December 31, 1985, and the balance of remittances at December 31, 1985, to the plans were:

	<u>Payroll Deductions</u>	<u>Balance of Remittances</u>
Great West Life	\$1,035,776	\$ 2,840,040
IDS Life Insurance Company	143,880	797,280
Lincoln National Life Insurance Company	345,810	3,101,331
Lutheran Brotherhood	25,908	142,824
Minnesota Mutual Life -		
Northwestern National Life	910	1,422
Minnesota State Retirement System	6,828	26,368

Workers' Compensation Insurance

The County is self-insured for Workers' Compensation up to \$350,000 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 under Minn. Stat. Ch. 176 in excess of the \$350,000 retention limit.

Long-Term Debt

The following is a summary of bond transactions for the Cook/Chris Jensen Enterprise Fund.

Bonds payable - January 1, 1985	\$ 4,678,065
Amortization of discount and issue costs	<u>11,002</u>
Bonds payable - December 31, 1985	<u><u>\$ 4,689,067</u></u>

ST. LOUIS COUNTY

3. Detailed Notes on All Funds and Account Groups

B. Liabilities

Long-Term Debt (Continued)

Bonds payable at December 31, 1985 consists of the following issue:

\$4,800,000 1984 General Obligation County Nursing Home Revenue Bonds due in annual installments of \$325,000 to \$700,000 on February 1, 1987 through 1996; interest at 7.5 to 9.5 percent at December 31, 1985 the bond issue is net of the unamortized bond discount and issue costs of \$110,933).

The annual requirements to service the debt outstanding as of December 31, 1985 including interest payments of \$2,898,806 are as follows:

<u>Year Ended</u> <u>December 31</u>	<u>Requirements</u>
1986	\$ 419,713
1987	732,525
1988	731,775
1989	728,212
1990	721,713
1991-1996	<u>4,364,868</u>
Total	<u>\$ 7,698,806</u>

Changes in general long-term debt are summarized as follows:

Payable, January 1, 1985	\$ 6,169,473
Deductions	
Net change in compensated absences	(349,131)
Net change in leases payable	<u>(585,533)</u>
Payable, December 31, 1985	<u>\$ 5,234,809</u>

ST. LOUIS COUNTY

3. Detailed Notes on All Funds and Account Groups

B. Liabilities

Long-Term Debt (Continued)

The following is an analysis of the leased property under capital leases by major classes:

<u>Classes of Property</u>	<u>Asset Balance December 31, 1985</u>
Highway equipment	\$ 2,194,357
Office equipment	820,170
Copiers	<u>73,518</u>
Total	<u>\$ 3,088,045</u>

Operating and Capital Leases

Commitments under agreements for operating and capital leases which provide for minimum annual rental payments are:

<u>Year</u>	<u>Operating</u>	<u>Capital</u>	<u>Total</u>
1986	\$ 1,178,412	\$ 534,239	\$ 1,712,651
1987	1,150,098	392,890	1,542,988
1988	1,138,940	238,205	1,377,145
1989	1,076,812	5,825	1,082,637
1990	<u>1,072,312</u>	<u>-</u>	<u>1,072,312</u>
Total	<u>\$ 5,616,574</u>	<u>\$ 1,171,159</u>	<u>\$ 6,787,733</u>

1985 rent payments were \$1,170,972. Capital leases are shown at the discounted present value of lease payments.

Retired Employees Health Insurance Benefits

The County pays health insurance for qualified retired employees (employees who retired and are drawing pensions from the Public Employees Retirement Association, and, who had unused sick leave at the time of retirement). The health insurance is paid for a retired employee until the dollar value of his unused sick leave is exhausted. The rates are based on the County's group health insurance rates. In 1985, the County's contribution was \$1,190,669.

ST. LOUIS COUNTY

3. Detailed Notes on All Funds and Account Groups

B. Liabilities (Continued)

Reclassification of Food Stamp Inventory

The Social Services Special Revenue Fund at December 31, 1985, reflects a reclassification of the Food Stamp Inventory from a reserve of fund balance account to a liability account. This reclassification did not require a restatement of the December 31, 1985, fund balance.

C. Interfund Receivables and Payables

Individual interfund receivable and payable balances at December 31, 1985, are:

	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
General Fund	\$ 98,151	\$ -
Special Revenue Funds		
Land Investment	\$ 13,365	\$ -
Public Health	89,632	-
Road and Bridge	371	-
Social Services	199,962	541,461
Total Special Revenue Funds	<u>\$ 303,330</u>	<u>\$ 541,461</u>
Enterprise Funds		
County Health Services	\$ -	\$ 72,291
Community Food	105,155	2,825
Cook/Chris Jensen	200	280,142
Nopeming	-	117,461
Supervised Living Facilities	-	3,685
Total Enterprise Funds	<u>\$ 105,355</u>	<u>\$ 476,404</u>
Internal Service Funds		
Supplies and Services	\$ 70,883	\$ -
County Garage	41,084	-
County Insurance	399,062	-
Total Internal Service Funds	<u>\$ 511,029</u>	<u>\$ -</u>
Total Interfund Receivables and Payables	<u><u>\$ 1,017,865</u></u>	<u><u>\$1,017,865</u></u>

ST. LOUIS COUNTY

4. Segments of Enterprise Activities

Six services provided by the County are financed by user charges - County Health Services, County Photography, Community Food, Cook/Chris Jensen, Nopeming, and Supervised Living Facilities. The key financial data for the year ended December 31, 1985 for the these six services are:

	<u>County Health Services</u>	<u>County Photography</u>	<u>Community Food</u>	<u>Cook/Chris Jensen</u>	<u>Nopeming</u>	<u>Supervised Living Facilities</u>	<u>Total Enterprise Funds</u>
Operating revenues	\$ 165,527	\$ 4,493	\$ 832,604	\$ 7,887,714	\$ 6,022,882	\$ 633,237	\$15,546,457
Depreciation	989	-	-	99,275	141,375	1,608	243,247
Operating income (loss)	(215,279)	676	(20,704)	(383,099)	(207,829)	(39,683)	(865,918)
Nonoperating revenues - taxes and grants	232,554	-	-	984,227	715,239	-	1,932,020
Operating transfers - in (out)	-	-	-	(12,886)	-	-	(12,886)
Net income (loss)	17,275	676	(20,704)	362,868	507,410	(39,683)	827,842
Property, plant, and equipment - net additions (deletions)	(5,450)	-	(1,312)	2,232,524	152,446	355	2,378,563
Net working capital	58,109	23,141	(116,330)	1,245,352	1,423,868	24,852	2,658,992
Total assets	147,300	23,141	(42,509)	9,536,293	3,625,101	168,896	13,458,222
Long-term liabilities - payable from operating revenues	-	17,114	5,966	4,777,901	173,183	10,170	4,984,334
Total equity	61,771	6,027	(122,296)	3,083,112	2,799,534	89,330	5,917,478

5. Joint Ventures

Arrowhead Regional Corrections

The Arrowhead Regional Corrections system is governed by a nine-member board, composed of one 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, and one member represents the Corrections Advisory Board established pursuant to the Community Corrections Act.

Arrowhead Regional Corrections is financed through state grants and contributions from the participating counties. During 1985, County contributions were in the following proportion:

ST. LOUIS COUNTY

5. Joint Ventures

Arrowhead Regional Corrections (Continued)

Aitkin County	3.6%
Carlton County	9.2%
Cook County	1.4%
Koochiching County	5.5%
Lake County	3.2%
St. Louis County	<u>77.1%</u>
Total	100.0%

A summary of the financial information of Arrowhead Regional Corrections for the year ended December 31, 1985, excluding general fixed assets of \$2,508,369 and general long-term debt of \$362,566 was:

Total Assets	\$ 491,568
Total Liabilities	\$ 221,111
Total Fund Equity	\$ 270,457
Total Revenues	\$ 5,740,671
Total Expenditures	\$ 5,691,159

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. § 471.59 (1984).

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 state grants.

Northeast Minnesota Office of Job Training

The counties of Aitkin, Carlton, Itasca, Koochiching, Lake, and St. Louis (excluding the City of Duluth) entered into a joint powers agreement pursuant to Minn. Stat. 471.59 (1984) 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 Office of Job Training is designated as the grant recipient and administrator for such service delivery area.

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

ST. LOUIS COUNTY

5. Joint Ventures

Northeast Minnesota Office of Job Training (Continued)

A summary of the financial information of Northeast Minnesota Office of Job Training for the fiscal year ended June 30, 1985, excluding general fixed assets of \$231,413 was:

Total Assets	\$ 792,977
Total Liabilities	\$ 792,977
Total Revenues	\$ 5,405,586
Total Expenditures	\$ 5,405,586

6. Summary Disclosure of Significant Contingencies and Other Items

A. Claims and Ligitgation

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.

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, 1985.

County Court	\$ 39,350
District Court	56,230
Arrowhead Regional Corrections (Probation)	78,330
Sheriff	1,229
Judge of Probate	2,000
Social Services	
Social Welfare	472,959
Welfare Support (IV-D)	19,504
Guardianship	2,763
Estate	<u>103,451</u>
Total	<u>\$ 775,816</u>

C. Settlements Held by the Court for Minors

The Court Administrator, at December 31, 1985, held investments for individuals who have not reached the age of majority. These investments have a combined face value of \$3,930,061 and are not included in the County's financial statements.

ST. LOUIS COUNTY

7. Subsequent Events

The Board of County Commissioners of St. Louis County has decided to construct and equip a solid waste management facility in the City of Babbitt, Minnesota, to recycle waste tires and to recover and reuse the reduced by-product therefrom as a source of raw materials. The County has entered into an agreement to lease the facility for a term of thirteen (13) years from the date of completion, December 1, 1986, to Rubber Research Elastomerics, Inc. of Minneapolis (R.R.E.). R.R.E. will use a patented process to produce a rubber compound material, Tirecycle, which they will market. The County has been advised that revenues estimated to be generated from the sale of Tirecycle will be sufficient to pay for the costs of the facility. The capital cost of the facility will be financed by the following:

\$1,200,000 General Obligation Solid Waste Resource Revenue Bonds of St. Louis County, Minnesota. The obligation bears interest at the rate of ten percent (10%) per annum, payable on June 1, 1987, and semiannually thereafter on each December 1 and June 1. The bonds mature in installment amounts on June 1 in the years 1988 through 1996. The obligation is callable, in whole or in part, at par plus accrued interest on June 1, 1991, and on any interest payment date thereafter. The County will maintain a reserve account equal to the maximum amount of principal and interest due on the bonds in any subsequent year. Interest and principal payments will be made from net revenues derived from lease rentals. The County pledges its full faith and credit and taxing powers, if necessary, to maintain the reserve account and to guarantee principal and interest payments.

\$500,000 Minnesota Energy and Economic Development Authority (MEEDA) loan. The note pays interest at the rate of five percent (5%) per annum on July 1, 1986, October 1, 1986, and January 1, 1987, and monthly installment payments of \$7,066.95 for principal and interest commencing April 1, 1987, and ending March 1, 1993. The note may be prepaid in whole or in part at any time without premium or penalty. The County will maintain a reserve account equal to the maximum amount of principal and interest to become due on the loan in any subsequent year. Interest and principal payments are to be made from net revenues of the project. The loan shall constitute a general obligation revenue bond of the County as provided for in Minn. Stat. § 400.101. Security for the loan shall be the pledge of full faith and credit of St. Louis County.

\$250,000 Iron Range Resources and Rehabilitation Board (IRRRB) loan. The note bears no interest and is to be repaid in ten (10) annual installments of \$25,000, commencing April 1, 1987, and continuing through April 1, 1996, from net revenues of the project. The County will maintain a reserve account equal to the maximum amount of principal and interest to become due on the loan in any subsequent year. The loan

ST. LOUIS COUNTY

7. Subsequent Evenets (Continued)

shall constitute a general obligation revenue bond of the County as provided for in Minn. Stat. § 400.101. Security for the loan shall be the pledge of full faith and credit of St. Louis County.

\$586,412 Minnesota Waste Management Board grant to be used exclusively for the capital cost of the St. Louis County Waste Tire Processing Project.

\$200,000 Iron Range Resources and Rehabilitation Board grant.

\$500,000 loan from the City of Babbitt and a bank to be used as working capital.

COMBINING AND INDIVIDUAL FUND AND ACCOUNT GROUP FINANCIAL STATEMENTS

ST. LOUIS COUNTY

GENERAL FUND

To account for all financial resources except those required to be accounted for in another fund.

ST. LOUIS COUNTY

Statement A-1COMPARATIVE BALANCE SHEET
GENERAL FUND
DECEMBER 31, 1985 AND 1984

	<u>1985</u>	<u>1984</u>
<u>Assets</u>		
Cash and pooled investments	\$ 11,897,185	\$ 13,247,006
Change and revolving funds	18,070	39,603
Departmental cash	52,721	-
Receivables		
Taxes	446,468	460,579
Accounts	1,751	2,179
Accrued interest	214,290	347,997
Due from other funds	98,151	291,216
Due from other governments	748,343	794,710
	<u>\$ 13,476,979</u>	<u>\$ 15,183,290</u>
<u>Liabilities and Fund Balance</u>		
<u>Liabilities</u>		
Vouchers payable	\$ 181,141	\$ 128,492
Due to other funds	-	5,579
Due to other governments	3,410	4,723
Salaries payable	407,035	329,369
Deferred revenue	287,573	258,968
	<u>\$ 879,159</u>	<u>\$ 727,131</u>
<u>Fund Balance</u>		
Reserved for revolving funds	\$ 18,070	\$ 18,070
Reserved for health and welfare	685,518	506,191
Reserved for encumbrances	121,415	96,899
Reserved noncurrent loans	690,084	705,084
Reserved for boat and water safety	-	75,669
Reserved for law library	73,376	44,018
Reserved for data processing	766,341	-
Unreserved - Undesignated	10,243,016	13,010,228
	<u>\$ 12,597,820</u>	<u>\$ 14,456,159</u>
	<u>\$ 13,476,979</u>	<u>\$ 15,183,290</u>

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

ST. LOUIS COUNTY

Statement A-2

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
GENERAL FUND
YEAR ENDED DECEMBER 31, 1985
WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED DECEMBER 31, 1984

	1985		Variance Favorable (Unfavorable)	1984
	Budget	Actual		Actual
Revenues				
Taxes	\$ 4,079,421	\$ 5,323,664	\$ 1,244,243	\$ 4,208,921
Licenses and permits	90,500	101,412	10,912	98,607
Intergovernmental	5,949,163	6,558,818	609,655	7,398,395
Charges for services	1,104,500	1,872,656	768,156	1,770,626
Fines and forfeitures	430,500	499,124	68,624	522,518
Earnings on investments	1,800,000	2,715,599	915,599	3,926,278
Miscellaneous	132,060	232,917	100,857	120,402
Total Revenues	\$ 13,586,144	\$ 17,304,190	\$ 3,718,046	\$ 18,045,747
Expenditures				
General government				
Commissioners	\$ 388,092	\$ 387,927	\$ 165	\$ 364,514
Public defenders	681,898	671,290	10,608	644,280
Courts	3,093,819	2,954,240	139,579	2,791,258
Court administrator	34,194	31,561	2,633	25,779
Examiner of titles	76,813	76,010	803	71,097
County attorney	975,317	954,124	21,193	916,464
Attorney's contingency	7,500	7,199	301	6,097
Law library	48,972	48,972	-	33,580
County auditor	1,788,377	1,749,857	38,520	1,729,138
Independent audit	58,350	40,545	17,805	39,651
Data processing	498,419	497,072	1,347	680,547
County assessor	731,389	712,759	18,630	612,098
Purchasing	239,732	230,275	9,457	233,632
Microfilming	113,367	110,954	2,413	112,925
Recorder	369,116	355,966	13,150	376,044
Surveyor	310,265	291,710	18,555	298,788
Civil service	319,505	319,500	5	297,985
Veterans' service	300,257	294,036	6,221	295,025
Port authority	50,000	50,000	-	50,000
Elections	27,326	10,182	17,144	41,196
Courthouses	745,814	702,501	43,313	725,948
Total general government	\$ 10,858,522	\$ 10,496,680	\$ 361,842	\$ 10,346,046

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

ST. LOUIS COUNTY

Statement A-2
(Continued)

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
GENERAL FUND
YEAR ENDED DECEMBER 31, 1985
WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED DECEMBER 31, 1984

	1985		Variance Favorable (Unfavorable)	1984
	Budget	Actual		Actual
Expenditures (Continued)				
Public safety				
Jail building	\$ 119,191	\$ 110,516	\$ 8,675	\$ 109,674
Sheriff	3,413,167	3,305,638	107,529	3,229,940
Boat and water safety	86,281	86,281	-	76,202
Medical examiner	69,980	65,956	4,024	63,604
Rescue squad	21,500	21,500	-	10,107
Sheriff contingency	500	-	500	50
Ambulance service	29,000	26,223	2,777	25,991
Sheriff's radio	196,465	191,128	5,337	186,122
Jail prisoners	1,099,076	1,072,808	26,268	948,429
Mine inspector	131,292	120,437	10,855	112,182
Safety council	1,500	1,456	44	1,040
Occupational safety	109,568	102,918	6,650	102,882
Total public safety	\$ 5,277,520	\$ 5,104,861	\$ 172,659	\$ 4,866,223
Culture and recreation				
Memorial Day observance	\$ 1,500	\$ 1,500	\$ -	\$ 1,500
Historical society	155,501	155,501	-	155,501
Total culture and recreation	\$ 157,001	\$ 157,001	\$ -	\$ 157,001
Conservation of natural resources				
County agent	\$ 286,599	\$ 276,218	\$ 10,381	\$ 266,286
Extension committee	3,000	2,946	54	1,384
Community fairs	1,400	1,400	-	1,400
County fair - Hibbing	19,000	19,000	-	25,400
South county fair	23,500	23,500	-	34,294
Soil conservation - north	31,035	31,035	-	31,035
Soil conservation - south	31,000	31,000	-	30,250
Lakes and streams	10,000	14,120	(4,120)	18,773
Cleaning ditches	29,427	7,762	21,665	36,612
Total conservation of natural resources	\$ 434,961	\$ 406,981	\$ 27,980	\$ 445,434

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

ST. LOUIS COUNTY

Statement A-2
(Continued)STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
GENERAL FUND
YEAR ENDED DECEMBER 31, 1985
WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED DECEMBER 31, 1984

	1985		Variance Favorable (Unfavorable)	1984
	Budget	Actual		Actual
Expenditures (Continued)				
Economic development				
Promotional bureau	\$ 51,220	\$ 51,220	\$ -	\$ 42,857
Miscellaneous				
Employee benefits	\$ 2,606,191	\$ 2,548,432	\$ 57,759	\$ 2,814,910
Miscellaneous services	415,735	416,140	(405)	286,020
Total miscellaneous	\$ 3,021,926	\$ 2,964,572	\$ 57,354	\$ 3,100,930
Total Expenditures	\$ 19,801,150	\$ 19,181,315	\$ 619,835	\$ 18,958,491
Excess (Deficiency) of Revenues Over Expenditures	\$ (6,215,006)	\$ (1,877,125)	\$ 4,337,881	\$ (912,744)
Other Financing Sources (Uses)				
Operating transfers in	\$ 6,623	\$ 6,623	\$ -	\$ 7,550
Capital leases	-	12,163	12,163	-
Total Other Financing Sources (Uses)	\$ 6,623	\$ 18,786	\$ 12,163	\$ 7,550
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Uses	\$ (6,208,383)	\$ (1,858,339)	\$ 4,350,044	\$ (905,194)
Fund Balance - January 1	14,456,159	14,456,159	-	15,461,353
Equity transfer out	-	-	-	(100,000)
Fund Balance - December 31	\$ 8,247,776	\$ 12,597,820	\$ 4,350,044	\$ 14,456,159

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

ST. LOUIS COUNTY

SPECIAL REVENUE FUNDS

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

Civil Defense - to provide administration, identification and radio services for availability during emergency situations.

Communicable Diseases - to provide for certain functions of the County Health Department regarding communicable diseases.

County Grants and Subsidies - to account for the County's share of operations in various organizations, including Arrowhead Regional Corrections, County Libraries and Arrowhead Regional Development Commission.

Emergency - to provide funds for an unanticipated emergency to be determined by the County Board.

Federal Fiscal Assistance - to account for Federal Revenue Sharing monies.

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

Public Health - to provide various health services to St. Louis County communities.

Road and Bridge - to account for public works activity.

Social Services - to account for the operations and financial activities of the Welfare Department.

Solid Waste Authorities - to provide funds to the various solid waste service areas in the county.

Solid Waste Management - to provide administration services for the various solid waste authorities in the county.

ST. LOUIS COUNTY

COMBINING BALANCE SHEET
 ALL SPECIAL REVENUE FUNDS
 DECEMBER 31, 1985
 WITH COMPARATIVE TOTALS FOR DECEMBER 31, 1984

<u>Assets</u>	<u>Civil Defense</u>	<u>Communicable Diseases</u>	<u>County Grants and Subsidies</u>	<u>Emergency</u>	<u>Federal Fiscal Assistance</u>
Cash and pooled investments	\$ 269,221	\$ 28,070	\$ 133,381	\$ 26,802	\$ 444,107
Change and revolving funds	-	-	-	-	-
Departmental cash	-	-	-	-	150
Investments	-	-	-	-	-
Receivables					
Taxes	5,914	5,808	230,162	1,628	-
Accounts	-	2	-	-	332
Accrued interest	-	-	-	-	-
Due from other funds	-	-	-	-	-
Due from other governments	13,647	-	-	-	827,829
Inventories, at cost	-	-	-	-	-
Prepaid expense	970	1,158	-	-	1,580
	<u>\$ 289,752</u>	<u>\$ 35,038</u>	<u>\$ 363,543</u>	<u>\$ 28,430</u>	<u>\$ 1,273,998</u>
<u>Liabilities and Fund Balances</u>					
Liabilities					
Vouchers payable	\$ 10,182	\$ -	\$ -	\$ -	\$ 191,184
Due to other funds	-	-	-	-	-
Due to other governments	3,032	-	-	-	38
Salaries payable	4,787	890	-	-	9,665
Deferred revenue	4,996	4,754	193,717	1,402	-
Unissued food stamps	-	-	-	-	-
	<u>\$ 22,997</u>	<u>\$ 5,644</u>	<u>\$ 193,717</u>	<u>\$ 1,402</u>	<u>\$ 200,887</u>

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

Statement B-1

<u>Land Investment</u>	<u>Public Health</u>	<u>Road and Bridge</u>	<u>Social Services</u>	<u>Solid Waste Authorities</u>	<u>Solid Waste Management</u>	<u>Totals</u>	
						<u>1985</u>	<u>1984</u>
\$1,685,812	\$ 979,594	\$ 6,024,262	\$ (2,670,881)	\$ 534,087	\$ 212,091	\$ 7,666,546	\$ 12,576,942
-	1,100	1,000	28,125	-	-	30,225	58,771
283,440	-	-	31,577	-	-	315,167	-
-	-	-	-	-	-	-	850,000
-	126,644	594,401	2,238,636	58,272	9,936	3,271,401	3,331,128
3,146	1,767	7,311	546,709	506	140	559,913	391,212
-	-	-	-	-	-	-	3,680
13,365	89,632	371	199,962	-	-	303,330	409,633
7,122	75,656	1,336,783	2,316,084	-	-	4,577,121	3,980,162
-	-	1,620,000	4,455,431	-	-	6,075,431	5,682,848
-	3,274	-	43,000	-	98	50,080	7,210
<u>\$1,992,885</u>	<u>\$1,277,667</u>	<u>\$ 9,584,128</u>	<u>\$ 7,188,643</u>	<u>\$ 592,865</u>	<u>\$ 222,265</u>	<u>\$ 22,849,214</u>	<u>\$ 27,291,586</u>
\$ 216,596	\$ 20,438	\$ 846,193	\$ 1,320,791	\$ 18,029	\$ 51	\$ 2,623,464	\$ 2,082,785
-	-	-	541,461	-	-	541,461	709,407
161,294	506	349,873	99,681	260	-	614,684	163,159
27,784	63,419	270,520	429,849	-	2,595	809,509	672,394
-	106,319	497,639	2,028,206	47,810	8,311	2,893,154	2,753,826
-	-	-	4,455,431	-	-	4,455,431	-
<u>\$ 405,674</u>	<u>\$ 190,682</u>	<u>\$ 1,964,225</u>	<u>\$ 8,875,419</u>	<u>\$ 66,099</u>	<u>\$ 10,957</u>	<u>\$ 11,937,703</u>	<u>\$ 6,381,571</u>

ST. LOUIS COUNTY

COMBINING BALANCE SHEET
 ALL SPECIAL REVENUE FUNDS
 DECEMBER 31, 1985
 WITH COMPARATIVE TOTALS FOR DECEMBER 31, 1984

	<u>Civil Defense</u>	<u>Communicable Diseases</u>	<u>County Grants and Subsidies</u>	<u>Emergency</u>	<u>Federal Fiscal Assistance</u>
<u>Liabilities and Fund Balances</u>					
(Continued)					
Fund Balance					
Reserved for revolving funds	\$ -	\$ -	\$ -	\$ -	\$ -
Reserved for health and welfare	9,497	17,348	-	-	-
Reserved for encumbrances	-	158	-	-	28,438
Reserved for inventory	-	-	-	-	-
Reserved for foster care insurance	-	-	-	-	-
Reserved for model employment program	-	-	-	-	-
Reserved for unorganized town roads	-	-	-	-	-
Unreserved - undesignated	257,258	11,888	169,826	27,028	1,044,673
Total Fund Balance	\$ 266,755	\$ 29,394	\$ 169,826	\$ 27,028	\$ 1,073,111
Total Liabilities and Fund Balance	\$ 289,752	\$ 35,038	\$ 363,543	\$ 28,430	\$ 1,273,998

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

Statement B-1
(Continued)

<u>Land Investment</u>	<u>Public Health</u>	<u>Road and Bridge</u>	<u>Social Services</u>	<u>Solid Waste Authorities</u>	<u>Solid Waste Management</u>	<u>Totals</u>	
						<u>1985</u>	<u>1984</u>
\$ -	\$ -	\$ -	\$ 28,125	\$ -	\$ -	\$ 28,125	\$ 28,125
-	65,902	440,912	388,960	-	12,808	935,427	711,198
152,649	3,034	1,066,170	345,402	2,805	-	1,598,656	1,324,338
-	-	1,620,000	-	-	-	1,620,000	5,682,848
-	-	-	6,000	-	-	6,000	435,129
-	-	-	34,229	-	-	34,229	14,317
-	-	311,195	-	-	-	311,195	-
<u>1,434,562</u>	<u>1,018,049</u>	<u>4,181,626</u>	<u>(2,489,492)</u>	<u>523,961</u>	<u>198,500</u>	<u>6,377,879</u>	<u>12,714,060</u>
<u>\$1,587,211</u>	<u>\$1,086,985</u>	<u>\$ 7,619,903</u>	<u>\$ (1,686,776)</u>	<u>\$ 526,766</u>	<u>\$ 211,308</u>	<u>\$ 10,911,511</u>	<u>\$ 20,910,015</u>
<u>\$1,992,885</u>	<u>\$1,277,667</u>	<u>\$ 9,584,128</u>	<u>\$ 7,188,643</u>	<u>\$ 592,865</u>	<u>\$ 222,265</u>	<u>\$ 22,849,214</u>	<u>\$ 27,291,586</u>

ST. LOUIS COUNTY

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
 ALL SPECIAL REVENUE FUNDS
 YEAR ENDED DECEMBER 31, 1985
 WITH COMPARATIVE TOTALS FOR YEAR ENDED DECEMBER 31, 1984

	Civil Defense	Communicable Diseases	County Grants and Subsidies	Emergency	Federal Fiscal Assistance	Land Investment
Revenues						
Taxes	\$ 50,399	\$ 58,093	\$ 1,862,567	\$ 11,023	\$ -	\$ -
Licenses and permits	-	-	-	-	19,260	-
Intergovernmental	88,647	25,494	811,187	4,918	3,110,915	921,969
Charges for services	108,639	-	-	-	767	67,010
Gifts and contributions	-	-	-	-	-	250,000
Earnings on investments	-	-	-	-	46,645	-
Miscellaneous	2,929	15	543	3	68,184	-
Total Revenues	\$ 250,614	\$ 83,602	\$ 2,674,297	\$ 15,944	\$ 3,245,771	\$ 1,238,979
Expenditures						
General government	\$ -	\$ -	\$ -	\$ -	\$ 1,029,211	\$ -
Public safety	239,612	-	2,359,517	-	-	-
Highways	-	-	-	-	1,657,860	-
Health	-	74,524	-	-	-	-
Social services	-	-	38,352	-	80,000	-
Sanitation	-	-	-	-	-	-
Culture and recreation	-	-	180,000	-	-	-
Conservation of natural resources	-	-	-	-	-	2,510,346
Economic development	-	-	104,352	-	-	-
Total Expenditures	\$ 239,612	\$ 74,524	\$ 2,682,221	\$ -	\$ 2,767,071	\$ 2,510,346
Excess (Deficiency) of Revenues Over Expenditures	\$ 11,002	\$ 9,078	\$ (7,924)	\$ 15,944	\$ 478,700	\$ (1,271,367)
Other Financing Sources (Uses)						
Operating transfers in	\$ -	\$ -	\$ -	\$ -	\$ 4,000	\$ 1,250,348
Operating transfers out	-	-	-	(10,623)	(983,785)	-
Capital leases	-	-	-	-	277,670	-
Total Other Financing Sources (Uses)	\$ -	\$ -	\$ -	\$ (10,623)	\$ (702,115)	\$ 1,250,348

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

Statement B-2

Public Health	Road and Bridge	Social Services	Solid Waste Authorities	Solid Waste Management	Totals	
					1985	1984
\$ 1,041,269	\$ 5,067,089	\$ 18,564,397	\$ 512,071	\$ 84,451	\$ 27,251,359	\$ 26,709,633
73,506	1,575	-	-	-	94,341	158,333
1,555,548	19,503,163	57,129,676	288,728	57,018	83,497,263	76,371,795
402,779	379,945	2,355,575	-	-	3,314,715	2,799,132
-	-	-	-	-	250,000	-
-	-	-	-	-	46,645	146,648
13,579	114,582	3,197,052	402	776	3,398,065	2,947,440
<u>\$ 3,086,681</u>	<u>\$ 25,066,354</u>	<u>\$ 81,246,700</u>	<u>\$ 801,201</u>	<u>\$ 142,245</u>	<u>\$ 117,852,388</u>	<u>\$ 109,132,981</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,029,211	\$ 1,008,067
-	-	-	-	-	2,599,129	2,551,814
-	27,961,632	-	-	-	29,619,492	25,606,862
-	-	-	718,800	121,450	840,250	834,895
2,950,609	-	-	-	-	3,025,133	2,199,859
-	-	83,762,275	-	-	83,880,627	77,647,912
-	-	-	-	-	180,000	180,000
-	-	-	-	-	2,510,346	1,155,297
-	-	-	-	-	104,352	131,452
<u>\$ 2,950,609</u>	<u>\$ 27,961,632</u>	<u>\$ 83,762,275</u>	<u>\$ 718,800</u>	<u>\$ 121,450</u>	<u>\$ 123,788,540</u>	<u>\$ 111,316,158</u>
<u>\$ 136,072</u>	<u>\$ (2,895,278)</u>	<u>\$ (2,515,575)</u>	<u>\$ 82,401</u>	<u>\$ 20,795</u>	<u>\$ (5,936,152)</u>	<u>\$ (2,183,177)</u>
\$ -	\$ -	\$ 212,886	\$ -	\$ -	\$ 1,467,234	\$ 723,042
-	-	(750,000)	-	-	(1,744,408)	(2,032,934)
-	-	-	-	-	277,670	1,427,917
<u>\$ -</u>	<u>\$ -</u>	<u>\$ (537,114)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 496</u>	<u>\$ 118,025</u>

ST. LOUIS COUNTY

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
 ALL SPECIAL REVENUE FUNDS
 YEAR ENDED DECEMBER 31, 1985
 WITH COMPARATIVE TOTALS FOR YEAR ENDED DECEMBER 31, 1984

	<u>Civil Defense</u>	<u>Communicable Diseases</u>	<u>County Grants and Subsidies</u>	<u>Emergency</u>	<u>Federal Fiscal Assistance</u>	<u>Land Investment</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Uses	\$ 11,002	\$ 9,078	\$ (7,924)	\$ 5,321	\$ (223,415)	\$ (21,019)
Fund Balance - January 1	255,753	20,316	177,750	21,707	1,296,526	1,608,230
Increase (decrease) in inventory	-	-	-	-	-	-
Fund Balance - December 31	<u>\$ 266,755</u>	<u>\$ 29,394</u>	<u>\$ 169,826</u>	<u>\$ 27,028</u>	<u>\$ 1,073,111</u>	<u>\$ 1,587,211</u>

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

Statement B-2
(Continued)

Public Health	Road and Bridge	Social Services	Solid Waste Authorities	Solid Waste Management	Totals	
					1985	1984
\$ 136,072	\$ (2,895,278)	\$ (3,052,689)	\$ 82,401	\$ 20,795	\$ (5,935,656)	\$ (2,065,152)
950,913	10,512,669	5,431,273	444,365	190,513	20,910,015	18,904,112
-	2,512	(4,065,360)	-	-	(4,062,848)	4,071,055
<u>\$ 1,086,985</u>	<u>\$ 7,619,903</u>	<u>\$ (1,686,776)</u>	<u>\$ 526,766</u>	<u>\$ 211,308</u>	<u>\$ 10,911,511</u>	<u>\$ 20,910,015</u>

ST. LOUIS COUNTY

Statement B-3

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
 BUDGET (GAAP BASIS) AND ACTUAL
 CIVIL DEFENSE SPECIAL REVENUE FUND
 YEAR ENDED DECEMBER 31, 1985
 WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED DECEMBER 31, 1984

	1985		Variance Favorable (Unfavorable)	1984 Actual
	Budget	Actual		
Revenues				
Taxes	\$ 52,838	\$ 50,399	\$ (2,439)	\$ 56,659
Intergovernmental	80,753	88,647	7,894	126,180
Charges for services	108,000	108,639	639	106,311
Miscellaneous	-	2,929	2,929	3,968
Total Revenues	<u>\$ 241,591</u>	<u>\$ 250,614</u>	<u>\$ 9,023</u>	<u>\$ 293,118</u>
Expenditures				
Public safety				
Administration	\$ 132,447	\$ 128,578	\$ 3,869	\$ 132,097
Local radio net	118,324	111,034	7,290	113,959
Total Expenditures	<u>\$ 250,771</u>	<u>\$ 239,612</u>	<u>\$ 11,159</u>	<u>\$ 246,056</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ (9,180)</u>	<u>\$ 11,002</u>	<u>\$ 20,182</u>	<u>\$ 47,062</u>
Fund Balance - January 1	<u>255,753</u>	<u>255,753</u>	<u>-</u>	<u>208,691</u>
Fund Balance - December 31	<u><u>\$ 246,573</u></u>	<u><u>\$ 266,755</u></u>	<u><u>\$ 20,182</u></u>	<u><u>\$ 255,753</u></u>

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

ST. LOUIS COUNTY

Statement B-4

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
 BUDGET (GAAP BASIS) AND ACTUAL
 COMMUNICABLE DISEASES SPECIAL REVENUE FUND
 YEAR ENDED DECEMBER 31, 1985
 WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED DECEMBER 31, 1984

	1985		Variance Favorable (Unfavorable)	1984 Actual
	Budget	Actual		
Revenues				
Taxes	\$ 58,096	\$ 58,093	\$ (3)	\$ 28,667
Intergovernmental	24,306	25,494	1,188	11,648
Miscellaneous	-	15	15	2
Total Revenues	\$ 82,402	\$ 83,602	\$ 1,200	\$ 40,317
Expenditures				
Health	97,149	74,524	22,625	90,304
Excess (Deficiency) of Revenues Over Expenditures	\$ (14,747)	\$ 9,078	\$ 23,825	\$ (49,987)
Fund Balance - January 1	20,316	20,316	-	70,303
Fund Balance - December 31	\$ 5,569	\$ 29,394	\$ 23,825	\$ 20,316

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

ST. LOUIS COUNTY

Statement B-5

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
 BUDGET (GAAP BASIS) AND ACTUAL
 COUNTY GRANTS AND SUBSIDIES SPECIAL REVENUE FUND
 YEAR ENDED DECEMBER 31, 1985
 WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED DECEMBER 31, 1984

	1985		Variance Favorable (Unfavorable)	1984
	Budget	Actual		Actual
Revenues				
Taxes	\$ 1,937,443	\$ 1,862,567	\$ (74,876)	\$ 1,905,242
Intergovernmental	744,746	811,187	66,441	752,766
Miscellaneous	-	543	543	156
Total Revenues	<u>\$ 2,682,189</u>	<u>\$ 2,674,297</u>	<u>\$ (7,892)</u>	<u>\$ 2,658,164</u>
Expenditures				
Public safety				
Arrowhead Regional Corrections	\$ 2,359,517	\$ 2,359,517	\$ -	\$ 2,305,758
Social services				
Aid to victims of sexual assault	38,352	38,352	-	35,388
Culture and recreation				
Arrowhead Library System	180,000	180,000	-	180,000
Economic development				
Arrowhead Regional Development Commission	136,257	104,352	31,905	131,452
Total Expenditures	<u>\$ 2,714,126</u>	<u>\$ 2,682,221</u>	<u>\$ 31,905</u>	<u>\$ 2,652,598</u>
Excess (Deficiency) of Revenues Over Expenditures	\$ (31,937)	\$ (7,924)	\$ 24,013	\$ 5,566
Other Financing Sources (Uses)				
Operating transfers out	-	-	-	(17,694)
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Uses	\$ (31,937)	\$ (7,924)	\$ 24,013	\$ (12,128)
Fund Balance - January 1	177,750	177,750	-	189,878
Fund Balance - December 31	<u>\$ 145,813</u>	<u>\$ 169,826</u>	<u>\$ 24,013</u>	<u>\$ 177,750</u>

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

ST. LOUIS COUNTY

Statement B-6

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
 BUDGET (GAAP BASIS) AND ACTUAL
 EMERGENCY SPECIAL REVENUE FUND
 YEAR ENDED DECEMBER 31, 1985
 WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED DECEMBER 31, 1984

	1985			1984 Actual
	Budget	Actual	Variance Favorable (Unfavorable)	
Revenues				
Taxes	\$ 15,580	\$ 11,023	\$ (4,557)	\$ 17,417
Intergovernmental	4,420	4,918	498	6,993
Miscellaneous	-	3	3	-
Total Revenues	\$ 20,000	\$ 15,944	\$ (4,056)	\$ 24,410
Other Financing Sources (Uses)				
Operating transfers out	(10,623)	(10,623)	-	(7,550)
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Uses	\$ 9,377	\$ 5,321	\$ (4,056)	\$ 16,860
Fund Balance - January 1	21,707	21,707	-	4,847
Fund Balance - December 31	\$ 31,084	\$ 27,028	\$ (4,056)	\$ 21,707

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

ST. LOUIS COUNTY

Statement B-7

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
 BUDGET (GAAP BASIS) AND ACTUAL
 FEDERAL FISCAL ASSISTANCE SPECIAL REVENUE FUND
 YEAR ENDED DECEMBER 31, 1985
 WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED DECEMBER 31, 1984

	1985		Variance Favorable (Unfavorable)	1984 Actual
	Budget	Actual		
Revenues				
Licenses and permits	\$ -	\$ 19,260	\$ 19,260	\$ 19,805
Intergovernmental	3,103,459	3,110,915	7,456	2,864,253
Charges for services	-	767	767	979
Earnings on investments	-	46,645	46,645	146,648
Miscellaneous	-	68,184	68,184	48,148
Total Revenues	\$ 3,103,459	\$ 3,245,771	\$ 142,312	\$ 3,079,833
Expenditures				
General government				
Administration	\$ 21,000	\$ 24,508	\$ (3,508)	\$ 20,599
Planning and zoning	437,825	437,825	-	449,969
Courthouses	584,147	526,227	57,920	512,537
Legislative research	86,481	40,651	45,830	24,962
Total general government	\$ 1,129,453	\$ 1,029,211	\$ 100,242	\$ 1,008,067
Highways	1,400,946	1,657,860	(256,914)	708,174
Social services	80,000	80,000	-	10,000
Total Expenditures	\$ 2,610,399	\$ 2,767,071	\$ (156,672)	\$ 1,726,241
Excess (Deficiency) of Revenues Over Expenditures	\$ 493,060	\$ 478,700	\$ (14,360)	\$ 1,353,592
Other Financing Sources (Uses)				
Operating transfers in	\$ 4,000	\$ 4,000	\$ -	\$ -
Operating transfers out	(983,785)	(983,785)	-	(1,721,225)
Capital leases	-	277,670	277,670	-
Total Other Financing Sources (Uses)	\$ (979,785)	\$ (702,115)	\$ 277,670	\$ (1,721,225)

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

ST. LOUIS COUNTY

Statement B-7
(Continued)STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
FEDERAL FISCAL ASSISTANCE SPECIAL REVENUE FUND
YEAR ENDED DECEMBER 31, 1985
WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED DECEMBER 31, 1984

	1985		Variance Favorable (Unfavorable)	1984 Actual
	Budget	Actual		
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Uses	\$ (486,725)	\$ (223,415)	\$ 263,310	\$ (367,633)
Fund Balance - January 1	<u>1,296,526</u>	<u>1,296,526</u>	<u>-</u>	<u>1,664,159</u>
Fund Balance - December 31	<u>\$ 809,801</u>	<u>\$ 1,073,111</u>	<u>\$ 263,310</u>	<u>\$ 1,296,526</u>

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

ST. LOUIS COUNTY

Statement B-8

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
 BUDGET (GAAP BASIS) AND ACTUAL
 LAND INVESTMENT SPECIAL REVENUE FUND
 YEAR ENDED DECEMBER 31, 1985
 WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED DECEMBER 31, 1984

	1985		Variance Favorable (Unfavorable)	1984
	Budget	Actual		Actual
Revenues				
Intergovernmental	\$ 1,283,687	\$ 921,969	\$ (361,718)	\$ 2,080,048
Charges for services	-	67,010	67,010	-
Gifts and contributions	250,000	250,000	-	-
Total Revenues	\$ 1,533,687	\$ 1,238,979	\$ (294,708)	\$ 2,080,048
Expenditures				
Conservation of natural resources	4,097,891	2,510,346	1,587,545	1,155,297
Excess (Deficiency) of Revenues Over Expenditures	\$ (2,564,204)	\$ (1,271,367)	\$ 1,292,837	\$ 924,751
Other Financing Sources (Uses)				
Operating transfers in	\$ 1,250,348	\$ 1,250,348	-	\$ 500,348
Capital leases	-	-	-	183,131
Total Other Financing Sources (Uses)	\$ 1,250,348	\$ 1,250,348	\$ -	\$ 683,479
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Uses	\$ (1,313,856)	\$ (21,019)	\$ 1,292,837	\$ 1,608,230
Fund Balance - January 1	1,608,230	1,608,230	-	-
Fund Balance - December 31	\$ 294,374	\$ 1,587,211	\$ 1,292,837	\$ 1,608,230

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

ST. LOUIS COUNTY

Statement B-9

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
 BUDGET (GAAP BASIS) AND ACTUAL
 PUBLIC HEALTH SPECIAL REVENUE FUND
 YEAR ENDED DECEMBER 31, 1985
 WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED DECEMBER 31, 1984

	1985		Variance Favorable (Unfavorable)	1984
	Budget	Actual		Actual
Revenues				
Taxes	\$ 1,082,440	\$ 1,041,269	\$ (41,171)	\$ 1,067,284
Licenses and permits	140,000	73,506	(66,494)	137,124
Intergovernmental	1,094,144	1,555,548	461,404	1,144,825
Charges for services	658,500	402,779	(255,721)	237,621
Miscellaneous	-	13,579	13,579	8,377
Total Revenues	\$ 2,975,084	\$ 3,086,681	\$ 111,597	\$ 2,595,231
Expenditures				
Health				
Administration	\$ 826,096	\$ 759,836	\$ 66,260	\$ 623,735
Nursing	1,258,982	1,157,953	101,029	504,296
Environmental health	764,026	673,790	90,236	654,241
Health education	378,522	359,030	19,492	327,283
Total Expenditures	\$ 3,227,626	\$ 2,950,609	\$ 277,017	\$ 2,109,555
Excess (Deficiency) of Revenues Over Expenditures	\$ (252,542)	\$ 136,072	\$ 388,614	\$ 485,676
Other Financing Sources (Uses)				
Operating transfers out	\$ -	\$ -	\$ -	\$ (286,465)
Capital leases	-	-	-	17,364
Total Other Financing Sources (Uses)	\$ -	\$ -	\$ -	\$ (269,101)
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Uses	\$ (252,542)	\$ 136,072	\$ 388,614	\$ 216,575
Fund Balance - January 1	950,913	950,913	-	734,338
Fund Balance - December 31	\$ 698,371	\$ 1,086,985	\$ 388,614	\$ 950,913

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

ST. LOUIS COUNTY

Statement B-10

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
 BUDGET (GAAP BASIS) AND ACTUAL
 ROAD AND BRIDGE SPECIAL REVENUE FUND
 YEAR ENDED DECEMBER 31, 1985
 WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED DECEMBER 31, 1984

	1985		Variance Favorable (Unfavorable)	1984 Actual
	Budget	Actual		
Revenues				
Taxes	\$ 5,174,555	\$ 5,067,089	\$ (107,466)	\$ 5,267,567
Licenses and permits	-	1,575	1,575	1,404
Intergovernmental	20,805,956	19,503,163	(1,302,793)	17,115,271
Charges for services	325,000	379,945	54,945	391,287
Miscellaneous	-	114,582	114,582	70,835
Total Revenues	<u>\$ 26,305,511</u>	<u>\$ 25,066,354</u>	<u>\$ (1,239,157)</u>	<u>\$ 22,846,364</u>
Expenditures				
Highways				
Administration and engineering	\$ 4,089,972	\$ 3,985,758	\$ 104,214	\$ 3,519,490
Road maintenance	8,790,179	8,720,501	69,678	7,768,190
Road construction	10,567,565	10,134,055	433,510	6,750,667
Equipment maintenance shops	5,142,537	5,107,996	34,541	6,837,605
Summer youth program	-	-	-	2,029
Unorganized town roads	-	13,322	(13,322)	20,707
Total Expenditures	<u>\$ 28,590,253</u>	<u>\$ 27,961,632</u>	<u>\$ 628,621</u>	<u>\$ 24,898,688</u>
Excess (Deficiency) of Revenues Over Expenditures	\$ (2,284,742)	\$ (2,895,278)	\$ (610,536)	\$ (2,052,324)
Other Financing Sources (Uses)				
Capital leases	-	-	-	1,017,612
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Uses	\$ (2,284,742)	\$ (2,895,278)	\$ (610,536)	\$ (1,034,712)
Fund Balance - January 1	10,512,669	10,512,669	-	11,541,686
Increase (decrease) in inventory	2,512	2,512	-	5,695
Fund Balance - December 31	<u>\$ 8,230,439</u>	<u>\$ 7,619,903</u>	<u>\$ (610,536)</u>	<u>\$ 10,512,669</u>

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

ST. LOUIS COUNTY

Statement B-11

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
 BUDGET (GAAP BASIS) AND ACTUAL
 SOCIAL SERVICES SPECIAL REVENUE FUND
 YEAR ENDED DECEMBER 31, 1985
 WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED DECEMBER 31, 1984

	1985			1984 Actual
	Budget	Actual	Variance Favorable (Unfavorable)	
Revenues				
Taxes	\$ 18,665,735	\$ 18,564,397	\$ (101,338)	\$ 17,787,206
Intergovernmental	52,577,890	57,129,676	4,551,786	51,935,196
Charges for services	2,614,000	2,355,575	(258,425)	2,062,934
Miscellaneous	4,258,715	3,197,052	(1,061,663)	2,815,949
Total Revenues	\$ 78,116,340	\$ 81,246,700	\$ 3,130,360	\$ 74,601,285
Expenditures				
Social services				
Income maintenance				
Services	\$ 5,618,887	\$ 5,171,069	\$ 447,818	\$ 4,857,087
Child support and collections	1,560,722	1,345,668	215,054	1,321,849
Administration	4,281,048	4,375,660	(94,612)	4,170,364
Financial programs	38,600,795	44,704,719	(6,103,924)	41,287,612
Social programs				
Social services provided	9,290,718	9,197,925	92,793	8,551,817
Special project	2,744,372	2,692,438	51,934	2,545,508
Child welfare	4,180,000	4,754,633	(574,633)	3,899,035
Social services contracted	6,875,000	7,306,240	(431,240)	6,465,255
Program grants				
Administration	3,301,000	3,304,092	(3,092)	3,259,477
Processed	909,831	909,831	-	1,034,710
Miscellaneous	-	-	-	209,810
Total Expenditures	\$ 77,362,373	\$ 83,762,275	\$ (6,399,902)	\$ 77,602,524
Excess (Deficiency) of Revenues Over Expenditures	\$ 753,967	\$ (2,515,575)	\$ (3,269,542)	\$ (3,001,239)

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

ST. LOUIS COUNTY

Statement B-11
(Continued)STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
SOCIAL SERVICES SPECIAL REVENUE FUND
YEAR ENDED DECEMBER 31, 1985
WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED DECEMBER 31, 1984

	1985		Variance Favorable (Unfavorable)	1984 Actual
	Budget	Actual		
Other Financing Sources (Uses)				
Operating transfers in	\$ 212,886	\$ 212,886	\$ -	\$ 222,694
Operating transfers out	(750,000)	(750,000)	-	-
Capital leases	-	-	-	209,810
Total Other Financing Sources (Uses)	\$ (537,114)	\$ (537,114)	\$ -	\$ 432,504
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Uses	\$ 216,853	\$ (3,052,689)	\$ (3,269,542)	\$ (2,568,735)
Fund Balance - January 1	5,431,273	5,431,273	-	3,934,648
Increase (decrease) in food stamps inventory	(4,065,360)	(4,065,360)	-	4,065,360
Fund Balance - December 31	\$ 1,582,766	\$ (1,686,776)	\$ (3,269,542)	\$ 5,431,273

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

ST. LOUIS COUNTY

Statement B-12

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
 BUDGET (GAAP BASIS) AND ACTUAL
 SOLID WASTE AUTHORITIES SPECIAL REVENUE FUND
 YEAR ENDED DECEMBER 31, 1985
 WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED DECEMBER 31, 1984

	1985		Variance Favorable (Unfavorable)	1984 Actual
	Budget	Actual		
Revenues				
Taxes	\$ 558,227	\$ 512,071	\$ (46,156)	\$ 505,516
Intergovernmental	261,801	288,728	26,927	285,137
Miscellaneous	-	402	402	-
Total Revenues	<u>\$ 820,028</u>	<u>\$ 801,201</u>	<u>\$ (18,827)</u>	<u>\$ 790,653</u>
Expenditures				
Sanitation				
Orr service area	\$ 48,325	\$ 29,647	\$ 18,678	\$ 37,098
Brookston service area	45,000	39,109	5,891	69,875
Cotton service area	36,750	29,196	7,554	38,320
Floodwood service area	30,228	27,818	2,410	17,754
Cook service area	50,000	41,413	8,587	63,924
Hibbing landfill	216,815	176,094	40,721	142,282
Portage service area	22,315	19,889	2,426	14,023
East Mesaba service area	36,147	32,004	4,143	36,185
Aurora service area	9,000	9,000	-	8,893
Vermillion Dam service area	23,285	23,105	180	22,747
Voyageurs service area	47,798	46,652	1,146	36,739
Hibbing service area	81,494	71,450	10,044	71,897
Vermillion service area	49,958	42,524	7,434	38,858
Northwoods service area	117,350	90,944	26,406	102,035
Ordinance update	40,000	39,955	45	23,432
Total Expenditures	<u>\$ 854,465</u>	<u>\$ 718,800</u>	<u>\$ 135,665</u>	<u>\$ 724,062</u>
Excess (Deficiency) of Revenues Over Expenditures	\$ (34,437)	\$ 82,401	\$ 116,838	\$ 66,591
Fund Balance - January 1	<u>444,365</u>	<u>444,365</u>	-	<u>377,774</u>
Fund Balance - December 31	<u>\$ 409,928</u>	<u>\$ 526,766</u>	<u>\$ 116,838</u>	<u>\$ 444,365</u>

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

ST. LOUIS COUNTY

Statement B-13

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
 BUDGET (GAAP BASIS) AND ACTUAL
 SOLID WASTE MANAGEMENT SPECIAL REVENUE FUND
 YEAR ENDED DECEMBER 31, 1985
 WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED DECEMBER 31, 1984

	1985		Variance Favorable (Unfavorable)	1984
	Budget	Actual		Actual
Revenues				
Taxes	\$ 87,101	\$ 84,451	\$ (2,650)	\$ 74,075
Intergovernmental	35,355	57,018	21,663	49,478
Miscellaneous	-	776	776	5
Total Revenues	\$ 122,456	\$ 142,245	\$ 19,789	\$ 123,558
Expenditures				
Sanitation	125,114	121,450	3,664	110,833
Excess (Deficiency) of Revenues Over Expenditures	\$ (2,658)	\$ 20,795	\$ 23,453	\$ 12,725
Fund Balance - January 1	190,513	190,513	-	177,788
Fund Balance - December 31	\$ 187,855	\$ 211,308	\$ 23,453	\$ 190,513

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

ST. LOUIS COUNTY

CAPITAL PROJECTS FUND

To account for the financial resources to be used for the acquisition or construction of major capital facilities.

Parking Ramp - the construction of this facility, requiring the expenditure of Federal Revenue Sharing monies and a State grant, will expand parking area near the Duluth courthouse.

ST. LOUIS COUNTY

Statement C-1

COMPARATIVE BALANCE SHEET
 PARKING RAMP CAPITAL PROJECT FUND
 DECEMBER 31, 1985 AND 1984

	<u>1985</u>	<u>1984</u>
<u>Assets</u>		
Cash and pooled investments	\$ (41,573)	\$ (239,225)
Due from other governments	<u>100,000</u>	<u>400,000</u>
Total Assets	<u>\$ 58,427</u>	<u>\$ 160,775</u>
<u>Liabilities</u>		
Liabilities		
Vouchers payable	<u>\$ 58,427</u>	<u>\$ 160,775</u>

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

ST. LOUIS COUNTY

Statement C-2

COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
 PARKING RAMP CAPITAL PROJECT FUND
 YEAR ENDED DECEMBER 31, 1985 AND 1984

	<u>1985</u>	<u>1984</u>
Revenues		
Intergovernmental	\$ 100,000	\$ 900,000
Expenditures		
General government	<u>383,437</u>	<u>1,915,877</u>
Excess (Deficiency) of Revenues Over Expenditures	\$ (283,437)	\$ (1,015,877)
Other Financing Sources (Uses)		
Operating transfers in	<u>283,437</u>	<u>1,015,877</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Uses	\$ -	\$ -
Fund Balance - January 1	<u>-</u>	<u>-</u>
Fund Balance - December 31	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

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

ST. LOUIS COUNTY

ENTERPRISE FUNDS

To account for operations that are financed and operated in a manner similar to private business, with the intent that 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.

County Health Services - to provide health care services for the Home Care and Women, Infants and Children (WIC) programs.

County Photography - to provide maps and photos to the general public, county departments and other governmental units.

Community Food - to provide through a centralized kitchen facility, meals to senior adult and day care centers operated by the County's Social Services Department.

Cook/Chris Jensen - to provide nursing home facilities for the public.

Nopeming - to provide nursing home facilities for the public.

Supervised Living Facilities - to provide living facilities that require a level of supervision greater than that of a board and lodging facility, but less than a board and care facility.

ST. LOUIS COUNTY

COMBINING BALANCE SHEET

ALL ENTERPRISE FUNDS

DECEMBER 31, 1985

WITH COMPARATIVE TOTALS FOR DECEMBER 31, 1984

<u>Assets</u>	<u>County Health Services</u>	<u>County Photography</u>
Current assets		
Cash and pooled investments	\$ 71,661	\$ 23,141
Change and revolving funds	-	-
Taxes receivable	-	-
Accounts receivable	34,739	-
Due from other funds	-	-
Due from other governments	35,337	-
Inventories	-	-
Prepaid expense	1,901	-
	<hr/>	<hr/>
Total current assets	\$ 143,638	\$ 23,141
	<hr/>	<hr/>
Restricted assets		
Escrow account - cash	\$ -	\$ -
Improvement account - cash	-	-
Construction		
Cash and pooled investments	-	-
Investments	-	-
Accrued interest receivable	-	-
Debt service		
Cash and pooled investments	-	-
Investments	-	-
Accrued interest receivable	-	-
	<hr/>	<hr/>
Total restricted assets	\$ -	\$ -
	<hr/>	<hr/>
Fixed assets		
Land	\$ -	\$ -
Buildings and structures	-	-
Equipment, furniture, and fixtures	11,084	-
Construction-in-progress	-	-
	<hr/>	<hr/>
Total fixed assets	\$ 11,084	\$ -
	<hr/>	<hr/>
Less accumulated depreciation	(7,422)	-
	<hr/>	<hr/>
Net fixed assets	\$ 3,662	\$ -
	<hr/>	<hr/>
Total Assets	\$ 147,300	\$ 23,141
	<hr/>	<hr/>

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

Statement D-1

Community Food	Cook/ Chris Jensen	Nopeming	Supervised Living Facilities	Totals	
				1985	1984
\$ (178,000)	\$ 980,918	\$ 1,251,678	\$ 42,101	\$ 2,191,499	\$ 1,021,827
25	500	500	-	1,025	1,025
-	85,210	59,445	-	144,655	159,879
30,311	962,044	667,231	2,080	1,696,405	1,532,204
105,155	200	-	-	105,355	176,717
-	-	-	50,067	85,404	131,437
-	251,718	97,398	-	349,116	381,221
-	-	-	-	1,901	1,901
<u>\$ (42,509)</u>	<u>\$ 2,280,590</u>	<u>\$ 2,076,252</u>	<u>\$ 94,248</u>	<u>\$ 4,575,360</u>	<u>\$ 3,406,211</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 15,139
-	-	53,069	-	53,069	50,369
-	984,043	-	-	984,043	934,067
-	1,155,575	-	-	1,155,575	3,075,575
-	82,396	-	-	82,396	31,099
-	32,829	-	-	32,829	19,327
-	418,533	-	-	418,533	839,425
-	13,254	-	-	13,254	1,856
<u>\$ -</u>	<u>\$ 2,686,630</u>	<u>\$ 53,069</u>	<u>\$ -</u>	<u>\$ 2,739,699</u>	<u>\$ 4,966,857</u>
\$ -	\$ 130,656	\$ 132,086	\$ 2,100	\$ 264,842	\$ 264,842
-	3,689,991	3,298,563	187,962	7,176,516	7,040,577
-	601,871	657,669	7,621	1,278,245	1,367,658
-	2,606,432	-	-	2,606,432	274,395
<u>\$ -</u>	<u>\$ 7,028,950</u>	<u>\$ 4,088,318</u>	<u>\$ 197,683</u>	<u>\$ 11,326,035</u>	<u>\$ 8,947,472</u>
-	(2,459,877)	(2,592,538)	(123,035)	(5,182,872)	(5,030,805)
<u>\$ -</u>	<u>\$ 4,569,073</u>	<u>\$ 1,495,780</u>	<u>\$ 74,648</u>	<u>\$ 6,143,163</u>	<u>\$ 3,916,667</u>
<u>\$ (42,509)</u>	<u>\$ 9,536,293</u>	<u>\$ 3,625,101</u>	<u>\$ 168,896</u>	<u>\$ 13,458,222</u>	<u>\$ 12,289,735</u>

ST. LOUIS COUNTY
 COMBINING BALANCE SHEET
 ALL ENTERPRISE FUNDS
 DECEMBER 31, 1985
 WITH COMPARATIVE TOTALS FOR DECEMBER 31, 1984

<u>Liabilities and Fund Equity</u>	<u>County Health Services</u>	<u>County Photography</u>
Liabilities		
Current liabilities (payable from current assets)		
Vouchers payable	\$ 530	\$ -
Due to other funds	72,291	-
Due to other governments	10	-
Salaries payable	4,253	-
Accrued employee benefits	8,445	-
Deferred revenue	-	-
	<hr/>	<hr/>
Total current liabilities (payable from current assets)	\$ 85,529	\$ -
	<hr/>	<hr/>
Current liabilities (payable from restricted assets)		
Vouchers payable	\$ -	\$ -
Contracts payable	-	-
Accrued interest payable	-	-
Retainage on contracts	-	-
Escrow account	-	-
	<hr/>	<hr/>
Total current liabilities (payable from restricted assets)	\$ -	\$ -
	<hr/>	<hr/>
Long-term liabilities		
Employee benefits payable	\$ -	\$ -
Advance from other funds	-	17,114
Bonds payable (net)	-	-
	<hr/>	<hr/>
Total long-term liabilities	\$ -	\$ 17,114
	<hr/>	<hr/>
Total Liabilities	\$ 85,529	\$ 17,114
	<hr/>	<hr/>

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

Statement D-1
(Continued)

<u>Community Food</u>	<u>Cook/ Chris Jensen</u>	<u>Nopeming</u>	<u>Supervised Living Facilities</u>	<u>Totals</u>	
				<u>1985</u>	<u>1984</u>
\$ 26,403	\$ 138,827	\$ 110,841	\$ 24,404	\$ 301,005	\$ 327,834
2,825	280,142	117,461	3,685	476,404	435,817
20,869	-	-	-	20,879	498
12,368	220,684	148,810	15,520	401,635	382,919
11,356	323,630	225,387	25,787	594,605	573,752
-	71,955	49,885	-	121,840	131,330
<u>\$ 73,821</u>	<u>\$ 1,035,238</u>	<u>\$ 652,384</u>	<u>\$ 69,396</u>	<u>\$ 1,916,368</u>	<u>\$ 1,852,150</u>
\$ -	\$ 2,626	\$ -	\$ -	\$ 2,626	\$ 35
-	234,343	-	-	234,343	123,740
-	174,880	-	-	174,880	174,880
-	228,193	-	-	228,193	13,749
-	-	-	-	-	15,139
<u>\$ -</u>	<u>\$ 640,042</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 640,042</u>	<u>\$ 327,543</u>
\$ 5,966	\$ 88,834	\$ 173,183	\$ 10,170	\$ 278,153	\$ 325,227
-	-	-	-	17,114	17,114
-	4,689,067	-	-	4,689,067	4,678,065
<u>\$ 5,966</u>	<u>\$ 4,777,901</u>	<u>\$ 173,183</u>	<u>\$ 10,170</u>	<u>\$ 4,984,334</u>	<u>\$ 5,020,406</u>
<u>\$ 79,787</u>	<u>\$ 6,453,181</u>	<u>\$ 825,567</u>	<u>\$ 79,566</u>	<u>\$ 7,540,744</u>	<u>\$ 7,200,099</u>

ST. LOUIS COUNTY
 COMBINING BALANCE SHEET
 ALL ENTERPRISE FUNDS
 DECEMBER 31, 1985
 WITH COMPARATIVE TOTALS FOR DECEMBER 31, 1984

<u>Liabilities and Fund Equity</u> (Continued)	<u>County Health Services</u>	<u>County Photography</u>
Fund Equity		
Retained earnings		
Reserved for improvement account	\$ -	\$ -
Reserved for debt service account	-	-
Unreserved - undesignated	<u>61,771</u>	<u>6,027</u>
Total retained earnings	<u>\$ 61,771</u>	<u>\$ 6,027</u>
Total Liabilities and Fund Equity	<u>\$ 147,300</u>	<u>\$ 23,141</u>

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

Statement D-1
(Continued)

<u>Community Food</u>	<u>Cook/ Chris Jensen</u>	<u>Nopeming</u>	<u>Supervised Living Facilities</u>	<u>Totals</u>	
				<u>1985</u>	<u>1984</u>
\$ -	\$ -	\$ 53,069	\$ -	\$ 53,069	\$ 50,369
-	289,736	-	-	289,736	685,728
<u>(122,296)</u>	<u>2,793,376</u>	<u>2,746,465</u>	<u>89,330</u>	<u>5,574,673</u>	<u>4,353,539</u>
<u>\$ (122,296)</u>	<u>\$ 3,083,112</u>	<u>\$ 2,799,534</u>	<u>\$ 89,330</u>	<u>\$ 5,917,478</u>	<u>\$ 5,089,636</u>
<u>\$ (42,509)</u>	<u>\$ 9,536,293</u>	<u>\$ 3,625,101</u>	<u>\$ 168,896</u>	<u>\$ 13,458,222</u>	<u>\$ 12,289,735</u>

ST. LOUIS COUNTY

COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN RETAINED EARNINGS
 ALL ENTERPRISE FUNDS
 YEAR ENDED DECEMBER 31, 1985
 WITH COMPARATIVE TOTALS FOR YEAR ENDED DECEMBER 31, 1984

	<u>County Health Services</u>	<u>County Photography</u>
Operating Revenues		
Charges for services	\$ 165,527	\$ 4,493
Other	-	-
Total Operating Revenues	<u>\$ 165,527</u>	<u>\$ 4,493</u>
Operating Expenses		
Personal services	\$ 180,579	\$ -
Services and charges	192,851	3,817
Direct material	6,387	-
Depreciation	989	-
Total Operating Expenses	<u>\$ 380,806</u>	<u>\$ 3,817</u>
Operating income (loss)	<u>\$(215,279)</u>	<u>\$ 676</u>
Nonoperating Revenues (Expenses)		
Taxes	\$ -	\$ -
Grants	232,554	-
Earnings on investments	-	-
Interest expense	-	-
Amortization	-	-
Other expense	-	-
Total Nonoperating Revenues	<u>\$ 232,554</u>	<u>\$ -</u>
Income (loss) before operating transfers	\$ 17,275	\$ 676
Operating transfers in	-	-
Operating transfers out	-	-
Net Income (Loss)	\$ 17,275	\$ 676
Retained earnings - January 1	<u>44,496</u>	<u>5,351</u>
Retained earnings - December 31	<u>\$ 61,771</u>	<u>\$ 6,027</u>

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

Statement D-2

Community Food	Cook/ Chris Jensen	Nopeming	Supervised Living Facilities	Totals	
				1985	1984
\$ 831,555	\$ 7,678,409	\$ 5,990,910	\$ 573,237	\$ 15,244,131	\$ 14,718,719
<u>1,049</u>	<u>209,305</u>	<u>31,972</u>	<u>60,000</u>	<u>302,326</u>	<u>243,817</u>
\$ 832,604	\$ 7,887,714	\$ 6,022,882	\$ 633,237	\$ 15,546,457	\$ 14,962,536
\$ 379,926	\$ 6,545,600	\$ 4,870,168	\$ 481,878	\$ 12,458,151	\$ 13,084,897
85,302	705,435	694,970	161,759	1,844,134	1,718,719
388,080	920,503	524,198	27,675	1,866,843	1,909,583
<u>-</u>	<u>99,275</u>	<u>141,375</u>	<u>1,608</u>	<u>243,247</u>	<u>242,525</u>
\$ 853,308	\$ 8,270,813	\$ 6,230,711	\$ 672,920	\$ 16,412,375	\$ 16,955,724
\$ (20,704)	\$ (383,099)	\$ (207,829)	\$ (39,683)	\$ (865,918)	\$ (1,993,188)
\$ -	\$ 984,227	\$ 715,239	\$ -	\$ 1,699,466	\$ 1,742,401
-	-	-	-	232,554	236,900
-	206,519	-	-	206,519	140,100
-	(419,712)	-	-	(419,712)	(135,240)
-	(11,002)	-	-	(11,002)	(4,584)
<u>-</u>	<u>(1,179)</u>	<u>-</u>	<u>-</u>	<u>(1,179)</u>	<u>-</u>
\$ -	\$ 758,853	\$ 715,239	\$ -	\$ 1,706,646	\$ 1,979,577
\$ (20,704)	\$ 375,754	\$ 507,410	\$ (39,683)	\$ 840,728	\$ (13,611)
-	-	-	-	-	286,465
<u>-</u>	<u>(12,886)</u>	<u>-</u>	<u>-</u>	<u>(12,886)</u>	<u>-</u>
\$ (20,704)	\$ 362,868	\$ 507,410	\$ (39,683)	\$ 827,842	\$ 272,854
<u>(101,592)</u>	<u>2,720,244</u>	<u>2,292,124</u>	<u>129,013</u>	<u>5,089,636</u>	<u>4,816,782</u>
<u>\$ (122,296)</u>	<u>\$ 3,083,112</u>	<u>\$ 2,799,534</u>	<u>\$ 89,330</u>	<u>\$ 5,917,478</u>	<u>\$ 5,089,636</u>

ST. LOUIS COUNTY

COMBINING STATEMENT OF CHANGES IN FINANCIAL POSITION
 ALL ENTERPRISE FUNDS
 YEAR ENDED DECEMBER 31, 1985
 WITH COMPARATIVE TOTALS FOR YEAR ENDED DECEMBER 31, 1984

	<u>County Health Services</u>	<u>County Photography</u>
Sources of Working Capital		
Operations		
Net income (loss)	\$ 17,275	\$ 676
Items not requiring working capital		
Depreciation	989	-
Amortization	-	-
Sale or disposition of fixed assets	<u>2,655</u>	<u>-</u>
Working capital provided by operations	\$ 20,919	\$ 676
Increase in restricted liabilities	-	-
Increase in long-term liabilities	-	-
Decrease in restricted assets	<u>-</u>	<u>-</u>
Total Sources of Working Capital	<u>\$ 20,919</u>	<u>\$ 676</u>
Uses of Working Capital		
Decrease in long-term liabilities	\$ -	\$ -
Acquisition of fixed assets	-	-
Increase in restricted assets	-	-
Decrease in restricted liabilities	<u>-</u>	<u>-</u>
Total Uses of Working Capital	<u>\$ -</u>	<u>\$ -</u>
Net Increase (Decrease) in Working Capital	<u>\$ 20,919</u>	<u>\$ 676</u>

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

Statement D-3

Community Food	Cook/ Chris Jensen	Nopeming	Supervised Living Facilities	Totals	
				1985	1984
\$ (20,704)	\$ 362,868	\$ 507,410	\$ (39,683)	\$ 827,842	\$ 272,854
-	99,275	141,375	1,608	243,247	242,525
-	11,002	-	-	11,002	4,584
<u>1,231</u>	<u>49,248</u>	<u>-</u>	<u>2,408</u>	<u>55,542</u>	<u>27,229</u>
\$ (19,473)	\$ 522,393	\$ 648,785	\$ (35,667)	\$ 1,137,633	\$ 547,192
-	327,638	-	-	327,638	313,178
-	-	9,434	-	9,434	4,739,095
<u>-</u>	<u>2,214,719</u>	<u>12,439</u>	<u>-</u>	<u>2,227,158</u>	<u>-</u>
\$ (19,473)	\$ 3,064,750	\$ 670,658	\$ (35,667)	\$ 3,701,863	\$ 5,599,465
\$ 3,972	\$ 42,097	\$ -	\$ 10,439	\$ 56,508	\$ 2,378
-	2,367,683	152,446	5,156	2,525,285	339,266
-	-	-	-	-	4,904,718
<u>-</u>	<u>-</u>	<u>15,139</u>	<u>-</u>	<u>15,139</u>	<u>-</u>
\$ 3,972	\$ 2,409,780	\$ 167,585	\$ 15,595	\$ 2,596,932	\$ 5,246,362
\$ (23,445)	\$ 654,970	\$ 503,073	\$ (51,262)	\$ 1,104,931	\$ 353,103

ST. LOUIS COUNTY

COMBINING STATEMENT OF CHANGES IN FINANCIAL POSITION
 ALL ENTERPRISE FUNDS
 YEAR ENDED DECEMBER 31, 1985
 WITH COMPARATIVE TOTALS FOR YEAR ENDED DECEMBER 31, 1984

	<u>County Health Services</u>	<u>County Photography</u>
Elements of Net Increase (Decrease) in Working Capital		
Cash and pooled investments	\$ 103,575	\$ 581
Change and revolving funds	-	-
Taxes receivable	-	-
Accounts receivable	(30,531)	-
Due from other funds	(124,170)	-
Due from other governments	35,337	-
Inventories, at cost	-	-
Prepaid expenses	-	-
Vouchers payable	3,105	95
Due to other funds	(19,244)	-
Due to other governments	488	-
Salaries payable	13,649	-
Accrued employee benefits	38,710	-
Deferred revenue	-	-
	<hr/>	<hr/>
Net Increase (Decrease) in Working Capital	<u>\$ 20,919</u>	<u>\$ 676</u>

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

Statement D-3
(Continued)

Community Food	Cook/ Chris Jensen	Nopeming	Supervised Living Facilities	Totals	
				1985	1984
\$ 12,458	\$ 677,557	\$ 413,074	\$ (37,573)	\$ 1,169,672	\$ 530,556
-	-	-	-	-	(14,000)
-	(22,693)	7,469	-	(15,224)	(9,922)
(30,380)	133,451	98,789	(7,128)	164,201	61,849
52,608	200	-	-	(71,362)	(25,385)
(57,238)	-	-	(24,132)	(46,033)	(189)
-	(13,143)	(18,266)	(696)	(32,105)	(212,639)
-	-	-	-	-	(1,055)
16,305	(14,494)	1,377	20,441	26,829	(130,186)
4,983	(61,215)	32,763	2,126	(40,587)	105,180
(20,869)	-	-	-	(20,381)	132,188
(3,025)	(12,941)	(13,859)	(2,540)	(18,716)	(101,938)
1,713	(51,207)	(8,309)	(1,760)	(20,853)	10,291
-	19,455	(9,965)	-	9,490	8,353
<u>\$ (23,445)</u>	<u>\$ 654,970</u>	<u>\$ 503,073</u>	<u>\$ (51,262)</u>	<u>\$ 1,104,931</u>	<u>\$ 353,103</u>

ST. LOUIS COUNTY

INTERNAL SERVICE FUNDS

To account for operations that are financed and operated in a manner similar to private business, with the intent that costs (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.

Supplies and Services - to provide county departments with office supplies and materials, printing, postage, and telephone service.

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 and employees.

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.

Data Processing Equipment - to provide county departments with peripheral equipment for computer operations.

ST. LOUIS COUNTY

COMBINING BALANCE SHEET
 ALL INTERNAL SERVICE FUNDS
 DECEMBER 31, 1985
 WITH COMPARATIVE TOTALS FOR DECEMBER 31, 1984

<u>Assets</u>	<u>Supplies and Services</u>
Current assets	
Cash and pooled investments	\$ 6,761
Change and revolving funds	3,000
Departmental cash	-
Investments	-
Taxes receivable	-
Accounts receivable	1,131
Accrued interest receivable	-
Due from other funds	70,883
Due from other governments	4,201
Inventories	49,715
Prepaid expense	288
Total current assets	<u>\$ 135,979</u>
Fixed assets	
Land	\$ -
Buildings and structures	-
Equipment, furniture, and fixtures	143,890
Vehicles and off road machinery	-
Total fixed assets	<u>\$ 143,890</u>
Less accumulated depreciation	<u>46,071</u>
Net fixed assets	<u>\$ 97,819</u>
Total Assets	<u><u>\$ 233,798</u></u>

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

Statement E-1

County Garage	Data County Insurance	Processing Equipment	Totals	
			1985	1984
\$ 90,096	\$ 391,423	\$ 57,552	\$ 545,832	\$ 866,998
-	-	-	3,000	3,000
-	19,252	-	19,252	-
-	1,980,028	-	1,980,028	1,341,231
-	8,373	-	8,373	8,968
309	-	-	1,440	185,278
-	41,294	-	41,294	30,787
41,084	399,062	-	511,029	440,058
6,081	-	-	10,282	14,287
41,433	-	-	91,148	92,484
1,308	-	-	1,596	2,210
<u>\$ 180,311</u>	<u>\$ 2,839,432</u>	<u>\$ 57,552</u>	<u>\$ 3,213,274</u>	<u>\$ 2,985,301</u>
\$ 25,500	\$ -	\$ -	\$ 25,500	\$ 25,500
778,730	-	-	778,730	778,730
66,506	-	117,899	328,295	251,094
711,716	-	-	711,716	670,531
<u>\$ 1,582,452</u>	<u>\$ -</u>	<u>\$ 117,899</u>	<u>\$ 1,844,241</u>	<u>\$ 1,725,855</u>
694,549	-	25,411	766,031	697,860
<u>\$ 887,903</u>	<u>\$ -</u>	<u>\$ 92,488</u>	<u>\$ 1,078,210</u>	<u>\$ 1,027,995</u>
<u>\$ 1,068,214</u>	<u>\$ 2,839,432</u>	<u>\$ 150,040</u>	<u>\$ 4,291,484</u>	<u>\$ 4,013,296</u>

ST. LOUIS COUNTY

COMBINING BALANCE SHEET
 ALL INTERNAL SERVICE FUNDS
 DECEMBER 31, 1985
 WITH COMPARATIVE TOTALS FOR DECEMBER 31, 1984

<u>Liabilities and Fund Equity</u>	<u>Supplies and Services</u>
Liabilities	
Current liabilities	
Vouchers payable	\$ 27,941
Due to other funds	-
Due to other governments	50
Salaries payable	2,180
Claims payable	-
Accrued employee benefits	2,022
Deferred revenue	-
Current portion of installment purchases	<u>16,524</u>
Total current liabilities	\$ 48,717
Long-term liabilities	
Installment purchases	<u>46,297</u>
Total Liabilities	\$ 95,014
Fund Equity	
Contributed capital	\$ -
Retained earnings	<u>138,784</u>
Total Fund Equity	\$ 138,784
Total Liabilities and Fund Equity	<u>\$ 233,798</u>

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

Statement E-1
(Continued)

County Garage	County Insurance	Data Processing Equipment	Totals	
			1985	1984
\$ 5,071	\$ 30,791	\$ -	\$ 63,803	\$ 94,548
-	-	-	-	5,280
-	101,430	-	101,480	-
5,840	-	-	8,020	6,094
-	488,182	-	488,182	308,650
8,766	-	-	10,788	11,586
-	19,003	-	19,003	19,463
-	-	-	16,524	14,818
<u>\$ 19,677</u>	<u>\$ 639,406</u>	<u>\$ -</u>	<u>\$ 707,800</u>	<u>\$ 460,439</u>
-	-	-	46,297	18,169
<u>\$ 19,677</u>	<u>\$ 639,406</u>	<u>\$ -</u>	<u>\$ 754,097</u>	<u>\$ 478,608</u>
\$ 994,986	\$ -	\$ 150,342	\$ 1,145,328	\$ 1,140,413
53,551	2,200,026	(302)	2,392,059	2,394,275
<u>\$ 1,048,537</u>	<u>\$ 2,200,026</u>	<u>\$ 150,040</u>	<u>\$ 3,537,387</u>	<u>\$ 3,534,688</u>
<u>\$ 1,068,214</u>	<u>\$ 2,839,432</u>	<u>\$ 150,040</u>	<u>\$ 4,291,484</u>	<u>\$ 4,013,296</u>

ST. LOUIS COUNTY

COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN RETAINED EARNINGS
 ALL INTERNAL SERVICE FUNDS
 YEAR ENDED DECEMBER 31, 1985
 WITH COMPARATIVE TOTALS FOR DECEMBER 31, 1984

	<u>Supplies and Services</u>
Operating Revenues	
Charges for services	\$ 1,007,905
Other	-
	<hr/>
Total Operating Revenues	\$ 1,007,905
	<hr/>
Operating Expenses	
Personal services	\$ 89,111
Services and charges	700,640
Direct material	196,113
Depreciation	12,205
	<hr/>
Total Operating Expenses	\$ 998,069
	<hr/>
Operating income (loss)	\$ 9,836
	<hr/>
Nonoperating Revenues (Expenses)	
Taxes	\$ -
Gain (loss) on sale or disposition of fixed assets	(20,937)
Earnings on investments	-
	<hr/>
Total Nonoperating Revenues (Expenses)	\$ (20,937)
	<hr/>
Net Income (Loss)	\$ (11,101)
	<hr/>
Retained earnings - January 1	149,885
	<hr/>
Retained earnings - December 31	\$ 138,784
	<hr/> <hr/>

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

Statement E-2

County Garage	County Insurance	Data Processing Equipment	Totals	
			1985	1984
\$ 902,093	\$ 1,499,113	\$ 26,840	\$ 3,435,951	\$ 3,150,030
1,095	-	-	1,095	1,153
<u>\$ 903,188</u>	<u>\$ 1,499,113</u>	<u>\$ 26,840</u>	<u>\$ 3,437,046</u>	<u>\$ 3,151,183</u>
\$ 235,519	\$ -	\$ -	\$ 324,630	\$ 300,164
225,307	1,656,193	-	2,582,140	2,060,318
381,110	-	1,731	578,954	577,927
101,099	-	25,411	138,715	113,852
<u>\$ 943,035</u>	<u>\$ 1,656,193</u>	<u>\$ 27,142</u>	<u>\$ 3,624,439</u>	<u>\$ 3,052,261</u>
<u>\$ (39,847)</u>	<u>\$ (157,080)</u>	<u>\$ (302)</u>	<u>\$ (187,393)</u>	<u>\$ 98,922</u>
\$ -	\$ 101,619	\$ -	\$ 101,619	\$ 98,739
9,979	-	-	(10,958)	5,354
-	94,516	-	94,516	148,853
<u>\$ 9,979</u>	<u>\$ 196,135</u>	<u>\$ -</u>	<u>\$ 185,177</u>	<u>\$ 252,946</u>
\$ (29,868)	\$ 39,055	\$ (302)	\$ (2,216)	\$ 351,868
<u>83,419</u>	<u>2,160,971</u>	<u>-</u>	<u>2,394,275</u>	<u>2,042,407</u>
<u>\$ 53,551</u>	<u>\$ 2,200,026</u>	<u>\$ (302)</u>	<u>\$ 2,392,059</u>	<u>\$ 2,394,275</u>

ST. LOUIS COUNTY

COMBINING STATEMENT OF CHANGES IN FINANCIAL POSITION
 ALL INTERNAL SERVICE FUNDS
 YEAR ENDED DECEMBER 31, 1985
 WITH COMPARATIVE TOTALS FOR DECEMBER 31, 1984

	<u>Supplies and Services</u>
Sources of Working Capital	
Operations	
Net income (loss)	\$ (11,101)
Items not requiring (providing) working capital	
Increase in contributions	-
Depreciation	12,205
Sale or disposition of fixed assets	<u>(12,451)</u>
Working capital provided by operations	\$ (11,347)
Increase in long-term liabilities	<u>28,128</u>
Total Sources of Working Capital	<u>\$ 16,781</u>
Uses of Working Capital	
Decrease in long-term liabilities	\$ -
Acquisition of fixed assets	<u>9,226</u>
Total Uses of Working Capital	<u>\$ 9,226</u>
Net Increase (Decrease) in Working Capital	<u><u>\$ 7,555</u></u>

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

Statement E-3

<u>County Garage</u>	<u>County Insurance</u>	<u>Data Processing Equipment</u>	<u>Totals</u>	
			<u>1985</u>	<u>1984</u>
\$ (29,868)	\$ 39,055	\$ (302)	\$ (2,216)	\$ 351,868
-	-	4,915	4,915	145,427
101,099	-	25,411	138,715	113,852
<u>(58,093)</u>	<u>-</u>	<u>-</u>	<u>(70,544)</u>	<u>(66,925)</u>
\$ 13,138	\$ 39,055	\$ 30,024	\$ 70,870	\$ 544,222
-	-	-	28,128	-
<u>13,138</u>	<u>39,055</u>	<u>30,024</u>	<u>98,998</u>	<u>544,222</u>
\$ -	\$ -	\$ -	\$ -	\$ 6,736
<u>36,688</u>	<u>-</u>	<u>72,472</u>	<u>118,386</u>	<u>99,326</u>
<u>36,688</u>	<u>-</u>	<u>72,472</u>	<u>118,386</u>	<u>106,062</u>
<u>(23,550)</u>	<u>39,055</u>	<u>(42,448)</u>	<u>(19,388)</u>	<u>438,160</u>

ST. LOUIS COUNTY

COMBINING STATEMENT OF CHANGES IN FINANCIAL POSITION
 ALL INTERNAL SERVICE FUNDS
 YEAR ENDED DECEMBER 31, 1985
 WITH COMPARATIVE TOTALS FOR DECEMBER 31, 1984

	<u>Supplies and Services</u>
Elements of Net Increase (Decrease) in Working Capital	
Cash and pooled investments	\$ 90,921
Change and revolving funds	-
Departmental cash	-
Investments	-
Taxes receivables	-
Accounts receivable	(22,795)
Accrued interest receivable	-
Due from other funds	(50,487)
Due from other governments	(1,716)
Inventories	(14,258)
Prepaid expenses	-
Vouchers payable	8,379
Due to other funds	-
Due to other governments	(50)
Salaries payable	(408)
Claims payable	-
Accrued employee benefits	(325)
Deferred revenue	-
Current portion of installment purchases	<u>(1,706)</u>
Net Increase (Decrease) in Working Capital	<u>\$ 7,555</u>

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

Statement E-3
(Continued)

County Garage	County Insurance	Data Processing Equipment	Totals	
			1985	1984
\$ (1,455)	\$ (368,184)	\$ (42,448)	\$ (321,166)	\$ 223,411
-	-	-	-	200
-	19,252	-	19,252	(1,567)
-	638,797	-	638,797	26,490
-	(595)	-	(595)	(1,576)
187	(161,230)	-	(183,838)	184,356
-	10,507	-	10,507	3,314
(40,293)	161,751	-	70,971	28,336
(2,289)	-	-	(4,005)	681
12,922	-	-	(1,336)	(2,315)
(614)	-	-	(614)	(582)
3,107	19,259	-	30,745	(28,624)
5,280	-	-	5,280	944
-	(101,430)	-	(101,480)	18,504
(1,518)	-	-	(1,926)	2,959
-	(179,532)	-	(179,532)	(110,356)
1,123	-	-	798	(2,738)
-	460	-	460	98,726
-	-	-	(1,706)	(2,003)
<u>\$ (23,550)</u>	<u>\$ 39,055</u>	<u>\$ (42,448)</u>	<u>\$ (19,388)</u>	<u>\$ 438,160</u>

ST. LOUIS COUNTY

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

Expendable Trust Funds

Missing Heirs Fund is used to account for the receipt of unclaimed legacies deposited with the County pursuant to Minn. Stat. § 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 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 is used 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 by the County.

Tax Certificate Assurance Fund is used 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 a mistake of the County Auditor or his deputy in issuing a tax certificate.

Forfeited Tax Sale 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. § 282.08. Title to the tax forfeited lands remains with the State until sold by the County.

Forest Resources Fund is used to account for the collection and disbursement of proceeds from the sale of tax-forfeited properties.

Patients' Escrow Fund is used to account for the deposit and subsequent return of nursing home residents trust funds deposited with the County Auditor pursuant to Minn. Stat. § 376.59, and limited to a maximum deposit of \$500. The County only acts as the custodian of these funds and ownership rests with the nursing home patients.

Agency Funds

State of Minnesota Fund is used 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 is used to account for the funds collected on issuing non-intoxicating beer and auctioneer licenses by the County and the payments to township governments for beer licenses and the payments to the State of Minnesota for auctioneer licenses.

ST. LOUIS COUNTY

Agency Funds (Continued)

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 is used to account for the collection of game and fish fees collected pursuant to Minn. Stat. Ch. 98 and the payment to the State, County and sub-agents for their respective share.

Refunding Fund is used to account for the overpayment of taxes and penalties which results from a tax abatement or an excess collection.

School Districts Fund is used to account for the collection and payment of funds due school districts.

Recorders Fee Escrow Fund is used to account for Deed Fees from forfeited land sales. The County Recorder bills this fund as the transfers of properties are recorded.

Taxes and Penalties 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 is used to accumulate funds from payroll deductions and the County's employer contribution on these deductions from other County funds. Payment, by a single check, is made to the State and Federal government for tax deductions, and to any other organizations for other deductions not covered in another agency fund.

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

Medical Insurance 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 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 possible unclaimed funds.

Agency Miscellaneous Fund is used to account for the collection of miscellaneous monies that may not be recurring and are not accounted for elsewhere.

ST. LOUIS COUNTY

Agency Funds (Continued)

High Voltage Credit 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 Minn. Stat. § 273.42.

Comprehensive Employment and Training Act Fund is used to account for the funds expended by St. Louis County for the Northeast Minnesota Office of Job Training bi-weekly payroll; the monies are subsequently reimbursed to St. Louis County by that Agency. This is a contracted service.

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

Community Health Services Fund is used to account for the receipt of a health grant and its subsequent disbursement.

Grants from Outside Sources Fund is used to account for all funds provided by Federal or State grants and the matching local share of the authorized expenditures.

ST. LOUIS COUNTY

COMBINING BALANCE SHEET
 ALL EXPENDABLE TRUST AND AGENCY FUNDS
 DECEMBER 31, 1985
 WITH COMPARATIVE TOTALS FOR DECEMBER 31, 1984

<u>Assets</u>	<u>Expendable</u>			
	<u>Missing Heirs</u>	<u>Private Redemption</u>	<u>Exchange of Land</u>	<u>Tax Certificate Assurance</u>
Cash and pooled investments	\$ 71,858	\$ 414	\$ 22,798	\$ 52,213
Departmental cash	-	-	-	-
Investments	-	-	-	-
Accounts receivable	-	-	-	-
Accrued interest receivable	-	-	-	-
Due from other funds	-	-	-	-
Due from other governments	-	-	-	-
Advance to other funds	-	-	-	-
Prepaid expense	-	-	-	-
Total Assets	<u>\$ 71,858</u>	<u>\$ 414</u>	<u>\$ 22,798</u>	<u>\$ 52,213</u>
<u>Liabilities and Fund Balance</u>				
Liabilities				
Vouchers payable	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	-	-	-
Due to other governments	-	-	-	-
Salaries payable	-	-	-	-
Unapportioned taxes payable	-	-	-	-
Accrued employee benefits	-	-	-	-
Deferred revenue	-	-	-	-
Total Liabilities	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Fund Balance				
Reserved for encumbrances	\$ -	\$ -	\$ -	\$ -
Reserved for advance to other funds	-	-	-	-
Reserved for assurance fund	-	-	-	-
Reserved for state deeds	-	-	-	-
Unreserved - undesignated	71,858	414	22,798	52,213
Total Fund Balance	<u>\$ 71,858</u>	<u>\$ 414</u>	<u>\$ 22,798</u>	<u>\$ 52,213</u>
Total Liabilities and Fund Balance	<u>\$ 71,858</u>	<u>\$ 414</u>	<u>\$ 22,798</u>	<u>\$ 52,213</u>

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

Statement F-1

Trust

Forfeited Tax Sale	Forest Resources	Patients' Escrow	All Agency Funds	Totals	
				1985	1984
\$ 88,913	\$ 593,695	\$ -	\$ 4,524,690	\$ 5,354,581	\$ 5,953,523
-	-	31,498	-	31,498	59,424
-	-	115,000	-	115,000	165,527
1,423,389	-	-	118	1,423,507	1,151,478
-	-	1,571	-	1,571	3,716
-	-	-	-	-	709
-	-	-	1,363,722	1,363,722	1,643,247
17,114	-	-	-	17,114	17,114
700	2,009	-	-	2,709	2,710
<u>\$ 1,530,116</u>	<u>\$ 595,704</u>	<u>\$ 148,069</u>	<u>\$ 5,888,530</u>	<u>\$ 8,309,702</u>	<u>\$ 8,997,448</u>
\$ 13,493	\$ 17,942	\$ -	\$ 2,345,053	\$ 2,376,488	\$ 2,132,215
-	-	-	-	-	162,250
2,692	-	-	2,909,821	2,912,513	3,502,190
19,820	-	-	-	19,820	15,925
-	-	-	505,771	505,771	650,486
-	-	-	127,885	127,885	110,394
1,456,830	-	-	-	1,456,830	1,165,506
<u>\$ 1,492,835</u>	<u>\$ 17,942</u>	<u>\$ -</u>	<u>\$ 5,888,530</u>	<u>\$ 7,399,307</u>	<u>\$ 7,738,966</u>
\$ 8,908	\$ 2,804	\$ -	\$ -	\$ 11,712	\$ 134,218
17,114	-	-	-	17,114	17,114
7,520	-	-	-	7,520	3,298
1,700	-	-	-	1,700	1,260
2,039	574,958	148,069	-	872,349	1,102,592
<u>\$ 37,281</u>	<u>\$ 577,762</u>	<u>\$ 148,069</u>	<u>\$ -</u>	<u>\$ 910,395</u>	<u>\$ 1,258,482</u>
<u>\$ 1,530,116</u>	<u>\$ 595,704</u>	<u>\$ 148,069</u>	<u>\$ 5,888,530</u>	<u>\$ 8,309,702</u>	<u>\$ 8,997,448</u>

ST. LOUIS COUNTY

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
 ALL EXPENDABLE TRUST FUNDS
 YEAR ENDED DECEMBER 31, 1985
 WITH COMPARATIVE TOTALS FOR DECEMBER 31, 1984

	Expensible Tax			
	Missing Heirs	Private Redemption	Exchange of Land	Certificate Assurance
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Charges for services	-	-	-	6,973
Miscellaneous	6,827	-	-	-
Total Revenues	<u>\$ 6,827</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,973</u>
Expenditures				
Conservation of natural resources	\$ -	\$ -	\$ -	\$ -
Miscellaneous	4,196	-	-	-
Total Expenditures	<u>\$ 4,196</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 2,631</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,973</u>
Other Financing Sources (Uses)				
Operating transfers in	\$ -	\$ -	\$ -	\$ -
Operating transfers out	-	-	-	-
Total Other Financing Sources (Uses)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Uses	<u>\$ 2,631</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,973</u>
Fund Balance - January 1	<u>69,227</u>	<u>414</u>	<u>22,798</u>	<u>45,240</u>
Fund Balance - December 31	<u><u>\$ 71,858</u></u>	<u><u>\$ 414</u></u>	<u><u>\$ 22,798</u></u>	<u><u>\$ 52,213</u></u>

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

Statement F-2

<u>Trust</u>				
<u>Forfeited Tax Sale</u>	<u>Forest Resources</u>	<u>Patients' Escrow</u>	<u>Totals</u>	
			<u>1985</u>	<u>1984</u>
\$ -	\$ 320,139	\$ -	\$ 320,139	\$ 482,424
-	155,000	-	155,000	-
-	-	-	6,973	3,085
<u>1,275,770</u>	<u>-</u>	<u>206,816</u>	<u>1,489,413</u>	<u>1,334,007</u>
<u>\$ 1,275,770</u>	<u>\$ 475,139</u>	<u>\$ 206,816</u>	<u>\$ 1,971,525</u>	<u>\$ 1,819,516</u>
\$ 1,432,912	\$ 625,685	\$ -	\$ 2,058,597	\$ 1,420,597
<u>-</u>	<u>-</u>	<u>256,819</u>	<u>261,015</u>	<u>261,736</u>
<u>\$ 1,432,912</u>	<u>\$ 625,685</u>	<u>\$ 256,819</u>	<u>\$ 2,319,612</u>	<u>\$ 1,682,333</u>
<u>\$ (157,142)</u>	<u>\$ (150,546)</u>	<u>\$ (50,003)</u>	<u>\$ (348,087)</u>	<u>\$ 137,183</u>
\$ 174,486	\$ -	\$ -	\$ 174,486	\$ 135,302
<u>-</u>	<u>(174,486)</u>	<u>-</u>	<u>(174,486)</u>	<u>(135,302)</u>
<u>\$ 174,486</u>	<u>\$ (174,486)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 17,344	\$ (325,032)	\$ (50,003)	\$ (348,087)	\$ 137,183
<u>19,937</u>	<u>902,794</u>	<u>198,072</u>	<u>1,258,482</u>	<u>1,121,299</u>
<u>\$ 37,281</u>	<u>\$ 577,762</u>	<u>\$ 148,069</u>	<u>\$ 910,395</u>	<u>\$ 1,258,482</u>

ST. LOUIS COUNTY

Statement F-3

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
ALL AGENCY FUNDS
YEAR ENDED DECEMBER 31, 1985

	<u>Balance</u> <u>Jan. 1, 1985</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>Dec. 31, 1985</u>
<u>STATE OF MINNESOTA FUND</u>				
<u>Assets</u>				
Cash and pooled investments	\$ 85,597	\$ 8,332,542	\$ 8,281,209	\$ 136,930
Due from other governments	746	556	746	556
Total Assets	<u>\$ 86,343</u>	<u>\$ 8,333,098</u>	<u>\$ 8,281,955</u>	<u>\$ 137,486</u>
<u>Liabilities</u>				
Vouchers payable	\$ -	\$ 5,780	\$ -	\$ 5,780
Due to other governments	86,343	8,327,318	8,281,955	131,706
Total Liabilities	<u>\$ 86,343</u>	<u>\$ 8,333,098</u>	<u>\$ 8,281,955</u>	<u>\$ 137,486</u>
<u>BEER-AUCTIONEER LICENSES FUND</u>				
<u>Assets</u>				
Cash and pooled investments	\$ 61	\$ 3,630	\$ 3,628	\$ 63
<u>Liabilities</u>				
Due to other governments	\$ 61	\$ 3,630	\$ 3,628	\$ 63

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

ST. LOUIS COUNTY

Statement F-3
(Continued)COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
ALL AGENCY FUNDS
YEAR ENDED DECEMBER 31, 1985

	<u>Balance</u> <u>Jan. 1, 1985</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>Dec. 31, 1985</u>
<u>CITIES AND TOWNS FUND</u>				
<u>Assets</u>				
Cash and pooled investments	\$ (22,328)	\$ 30,324,062	\$ 30,237,171	\$ 64,563
Due from other governments	751,265	688,586	751,265	688,586
Total Assets	\$ 728,937	\$ 31,012,648	\$ 30,988,436	\$ 753,149
<u>Liabilities</u>				
Vouchers payable	\$ 759	\$ 223,411	\$ 223,543	\$ 627
Due to other governments	720,943	30,520,477	30,498,777	742,643
Accrued employee benefits	7,235	268,760	266,116	9,879
Total Liabilities	\$ 728,937	\$ 31,012,648	\$ 30,988,436	\$ 753,149
<u>GAME AND FISH LICENSE FUND</u>				
<u>Assets</u>				
Cash and pooled investments	\$ 307,462	\$ 1,915,470	\$ 1,982,096	\$ 240,836
<u>Liabilities</u>				
Vouchers payable	\$ 3,952	\$ 195,523	\$ 188,280	\$ 11,195
Due to other funds	64,942	66,044	130,986	-
Due to other governments	238,568	1,653,903	1,662,830	229,641
Total Liabilities	\$ 307,462	\$ 1,915,470	\$ 1,982,096	\$ 240,836

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

ST. LOUIS COUNTY

Statement F-3
(Continued)COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
ALL AGENCY FUNDS
YEAR ENDED DECEMBER 31, 1985

	<u>Balance</u> <u>Jan. 1, 1985</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>Dec. 31, 1985</u>
<u>REFUNDING FUND</u>				
<u>Assets</u>				
Cash and pooled investments	\$ (324,052)	\$ 3,092,349	\$ 2,874,371	\$ (106,074)
<u>Liabilities</u>				
Due to other governments	\$ (175,156)	\$ 3,134,562	\$ 3,023,267	\$ (63,861)
Unapportioned taxes payable	(148,896)	(42,213)	(148,896)	(42,213)
Total Liabilities	\$ (324,052)	\$ 3,092,349	\$ 2,874,371	\$ (106,074)
<u>SCHOOL DISTRICTS FUND</u>				
<u>Assets</u>				
Cash and pooled investments	\$ 21,157	\$ 32,914,369	\$ 32,737,837	\$ 197,689
Due from other governments	867,139	1,400,355	1,605,746	661,748
Total Assets	\$ 888,296	\$ 34,314,724	\$ 34,343,583	\$ 859,437
<u>Liabilities</u>				
Due to other governments	\$ 888,296	\$ 34,314,724	\$ 34,343,583	\$ 859,437

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

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
ALL AGENCY FUNDS
YEAR ENDED DECEMBER 31, 1985

	<u>Balance</u> <u>Jan. 1, 1985</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>Dec. 31, 1985</u>
<u>RECORDERS FEE ESCROW FUND</u>				
<u>Assets</u>				
Cash and pooled investments	\$ -	\$ 780	\$ 730	\$ 50
<u>Liabilities</u>				
Vouchers payable	\$ -	\$ 780	\$ 730	\$ 50
<u>TAXES AND PENALTIES FUND</u>				
<u>Assets</u>				
Cash and pooled investments	\$ 2,093,782	\$ 96,142,672	\$ 96,855,423	\$ 1,381,031
<u>Liabilities</u>				
Due to other governments	\$ 1,294,400	\$ 95,594,688	\$ 96,056,041	\$ 833,047
Unapportioned taxes payable	799,382	547,984	799,382	547,984
Total Liabilities	\$ 2,093,782	\$ 96,142,672	\$ 96,855,423	\$ 1,381,031
<u>PAYROLL DEDUCTIONS FUND</u>				
<u>Assets</u>				
Cash and pooled investments	\$ 514,529	\$ 34,862,675	\$ 35,119,086	\$ 258,118

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

ST. LOUIS COUNTY

Statement F-3
(Continued)COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
ALL AGENCY FUNDS
YEAR ENDED DECEMBER 31, 1985

	<u>Balance</u> <u>Jan. 1, 1985</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>Dec. 31, 1985</u>
<u>PAYROLL DEDUCTIONS FUND</u>				
<u>(Continued)</u>				
<u>Liabilities</u>				
Vouchers payable	\$ 285,552	\$ 15,539,821	\$ 15,568,549	\$ 256,824
Due to other govern- ments	<u>228,977</u>	<u>19,322,854</u>	<u>19,550,537</u>	<u>1,294</u>
Total Liabilities	<u>\$ 514,529</u>	<u>\$ 34,862,675</u>	<u>\$ 35,119,086</u>	<u>\$ 258,118</u>
<u>SERIES EE SAVINGS BOND FUND</u>				
<u>Assets</u>				
Cash and pooled investments	<u>\$ 2,556</u>	<u>\$ 98,416</u>	<u>\$ 98,385</u>	<u>\$ 2,587</u>
<u>Liabilities</u>				
Due to other govern- ments	<u>\$ 2,556</u>	<u>\$ 98,416</u>	<u>\$ 98,385</u>	<u>\$ 2,587</u>
<u>MEDICAL INSURANCE FUND</u>				
<u>Assets</u>				
Cash and pooled investments	<u>\$ 1,698,096</u>	<u>\$ 5,371,072</u>	<u>\$ 5,110,380</u>	<u>\$ 1,958,788</u>
<u>Liabilities</u>				
Vouchers payable	<u>\$ 1,698,096</u>	<u>\$ 5,371,072</u>	<u>\$ 5,110,380</u>	<u>\$ 1,958,788</u>

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

ST. LOUIS COUNTY

Statement F-3
(Continued)COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
ALL AGENCY FUNDS
YEAR ENDED DECEMBER 31, 1985

	Balance Jan. 1, 1985	Additions	Deductions	Balance Dec. 31, 1985
<u>CANCELLED CHECK FUND</u>				
<u>Assets</u>				
Cash and pooled investments	\$ 15,400	\$ 1,546	\$ 4	\$ 16,942
<u>Liabilities</u>				
Vouchers payable	\$ 15,400	\$ 1,546	\$ 4	\$ 16,942
<u>AGENCY MISCELLANEOUS FUND</u>				
<u>Assets</u>				
Cash and pooled investments	\$ -	\$ 49,106	\$ 49,106	\$ -
<u>Liabilities</u>				
Vouchers payable	\$ -	\$ 49,106	\$ 49,106	\$ -
<u>HIGH VOLTAGE CREDIT FUND</u>				
<u>Assets</u>				
Cash and pooled investments	\$ 11,069	\$ 18,853	\$ 11,069	\$ 18,853
<u>Liabilities</u>				
Due to other govern- ments	\$ 11,069	\$ 18,853	\$ 11,069	\$ 18,853

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

ST. LOUIS COUNTY

Statement F-3
(Continued)COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
ALL AGENCY FUNDS
YEAR ENDED DECEMBER 31, 1985

	Balance Jan. 1, 1985	Additions	Deductions	Balance Dec. 31, 1985
<u>COMPREHENSIVE EMPLOYMENT AND TRAINING ACT FUND</u>				
<u>Assets</u>				
Cash and pooled investments	\$ (10,933)	\$ 178,455	\$ 167,522	\$ -
Investments	30,595	-	30,595	-
Total Assets	<u>\$ 19,662</u>	<u>\$ 178,455</u>	<u>\$ 198,117</u>	<u>\$ -</u>
<u>Liabilities</u>				
Due to other govern- ments	\$ 12,124	\$ 178,455	\$ 190,579	\$ -
Accrued employee benefits	7,538	-	7,538	-
Total Liabilities	<u>\$ 19,662</u>	<u>\$ 178,455</u>	<u>\$ 198,117</u>	<u>\$ -</u>
<u>ARROWHEAD REGIONAL CORRECTIONS FUND</u>				
<u>Assets</u>				
Cash and pooled investments	\$ 200,707	\$ 5,706,377	\$ 5,639,315	\$ 267,769
Accounts receivable	22,615	118	22,615	118
Due from other govern- ments	-	2,520	-	2,520
Total Assets	<u>\$ 223,322</u>	<u>\$ 5,709,015</u>	<u>\$ 5,661,930</u>	<u>\$ 270,407</u>

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

ST. LOUIS COUNTY

Statement F-3
(Continued)COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
ALL AGENCY FUNDS
YEAR ENDED DECEMBER 31, 1985

	Balance Jan. 1, 1985	Additions	Deductions	Balance Dec. 31, 1985
<u>ARROWHEAD REGIONAL</u>				
<u>CORRECTIONS FUND</u>				
(Continued)				
<u>Liabilities</u>				
Vouchers payable	\$ 95,451	\$ 5,522,989	\$ 5,534,059	\$ 84,381
Due to other funds	1,157	-	1,157	-
Due to other govern- ments	33,284	70,674	33,284	70,674
Accrued employee benefits	93,430	115,352	93,430	115,352
	-----	-----	-----	-----
Total Liabilities	\$ 223,322	\$ 5,709,015	\$ 5,661,930	\$ 270,407
	=====	=====	=====	=====
<u>COMMUNITY HEALTH SERVICES</u>				
<u>FUND</u>				
<u>Assets</u>				
Cash and pooled investments	\$ 64,906	\$ 908,144	\$ 886,348	\$ 86,702
Accounts receivable	993	-	993	-
Due from other govern- ments	16,710	-	16,710	-
	-----	-----	-----	-----
Total Assets	\$ 82,609	\$ 908,144	\$ 904,051	\$ 86,702
	=====	=====	=====	=====
<u>Liabilities</u>				
Vouchers payable	\$ 139	\$ 311	\$ 139	\$ 311
Due to other funds	48,241	-	48,241	-
Due to other govern- ments	32,038	905,179	853,480	83,737
Accrued employee benefits	2,191	2,654	2,191	2,654
	-----	-----	-----	-----
Total Liabilities	\$ 82,609	\$ 908,144	\$ 904,051	\$ 86,702
	=====	=====	=====	=====

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

ST. LOUIS COUNTY

Statement F-3
(Continued)COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
ALL AGENCY FUNDS
YEAR ENDED DECEMBER 31, 1985

	Balance Jan. 1, 1985	Additions	Deductions	Balance Dec. 31, 1985
<u>GRANTS FROM OUTSIDE</u>				
<u>SOURCES FUND</u>				
<u>Assets</u>				
Cash and pooled investments	\$ (5,801)	\$ 30,201	\$ 24,557	\$ (157)
Due from other funds	709	-	709	-
Due from other govern- ments	7,387	10,312	7,387	10,312
	<u>7,387</u>	<u>10,312</u>	<u>7,387</u>	<u>10,312</u>
Total Assets	\$ 2,295	\$ 40,513	\$ 32,653	\$ 10,155
	<u>2,295</u>	<u>40,513</u>	<u>32,653</u>	<u>10,155</u>
<u>Liabilities</u>				
Vouchers payable	\$ 2,295	\$ 40,513	\$ 32,653	\$ 10,155
	<u>2,295</u>	<u>40,513</u>	<u>32,653</u>	<u>10,155</u>

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

ST. LOUIS COUNTY

Statement F-3
(Continued)COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
ALL AGENCY FUNDS
YEAR ENDED DECEMBER 31, 1985

	Balance Jan. 1, 1985	Additions	Deductions	Balance Dec. 31, 1985
<u>ALL AGENCY FUNDS</u>				
<u>Assets</u>				
Cash and pooled investments	\$ 4,652,208	\$ 219,950,719	\$220,078,237	\$ 4,524,690
Investments	30,595	-	30,595	-
Accounts receivable	23,608	118	23,608	118
Due from other funds	709	-	709	-
Due from other governments	1,643,247	2,102,329	2,381,854	1,363,722
Total Assets	<u>\$ 6,350,367</u>	<u>\$ 222,053,166</u>	<u>\$222,515,003</u>	<u>\$ 5,888,530</u>
<u>Liabilities</u>				
Vouchers payable	\$ 2,101,644	\$ 26,950,852	\$ 26,707,443	\$ 2,345,053
Due to other funds	114,340	66,044	180,384	-
Due to other governments	3,373,503	194,143,733	194,607,415	2,909,821
Unapportioned taxes payable	650,486	505,771	650,486	505,771
Accrued employee benefits	110,394	386,766	369,275	127,885
Total Liabilities	<u>\$ 6,350,367</u>	<u>\$ 222,053,166</u>	<u>\$222,515,003</u>	<u>\$ 5,888,530</u>

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

ST. LOUIS COUNTY

GENERAL FIXED ASSETS

To account for those fixed assets which are not accounted for in the Proprietary Funds.

ST. LOUIS COUNTY

Statement G-1

SCHEDULE OF GENERAL FIXED ASSETS BY FUNCTION AND ACTIVITY
DECEMBER 31, 1985

	Total	Land	Buildings and Structures	Equipment Furniture Fixtures	Vehicles and Off-Road Machinery
General government					
Legislative	\$ 34,432	\$ -	\$ -	\$ 34,432	\$ -
Judicial and legal	535,827	-	-	535,827	-
Financial and other activities	1,679,730	-	-	1,647,152	32,578
Courthouses	15,131,577	649,190	13,826,517	634,608	21,262
Planning and zoning	16,688	-	-	16,688	-
Total general government	<u>\$ 17,398,254</u>	<u>\$ 649,190</u>	<u>\$ 13,826,517</u>	<u>\$ 2,868,707</u>	<u>\$ 53,840</u>
Public safety					
Police protection	\$ 2,470,072	\$ -	\$ 1,223,582	\$ 568,422	\$ 678,068
Civil defense	392,265	-	43,166	331,797	17,302
Other activities	28,727	-	-	12,031	16,696
Total public safety	<u>\$ 2,891,064</u>	<u>\$ -</u>	<u>\$ 1,266,748</u>	<u>\$ 912,250</u>	<u>\$ 712,066</u>
Highways	<u>\$ 23,748,413</u>	<u>\$ 369,223</u>	<u>\$ 5,261,555</u>	<u>\$ 1,200,821</u>	<u>\$ 16,916,814</u>
Health	<u>\$ 709,625</u>	<u>\$ -</u>	<u>\$ 536,942</u>	<u>\$ 172,683</u>	<u>\$ -</u>
Social services	<u>\$ 1,403,248</u>	<u>\$ 9,500</u>	<u>\$ 129,955</u>	<u>\$ 1,213,296</u>	<u>\$ 50,497</u>
Culture and recreation	<u>\$ 1,554,885</u>	<u>\$ -</u>	<u>\$ 1,554,885</u>	<u>\$ -</u>	<u>\$ -</u>
Conservation of natural resources	<u>\$ 2,187,760</u>	<u>\$ 1,250</u>	<u>\$ 1,305,878</u>	<u>\$ 394,597</u>	<u>\$ 486,035</u>
Total General Fixed Assets	<u><u>\$ 49,893,249</u></u>	<u><u>\$ 1,029,163</u></u>	<u><u>\$ 23,882,480</u></u>	<u><u>\$ 6,762,354</u></u>	<u><u>\$ 18,219,252</u></u>

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

ST. LOUIS COUNTY

Statement G-2

SCHEDULE OF CHANGES IN GENERAL FIXED ASSETS
BY FUNCTION AND ACTIVITY
YEAR ENDED DECEMBER 31, 1985

	General Fixed Assets Jan. 1, 1985	Additions	Deductions	General Fixed Assets Dec. 31, 1985
General government				
Legislative	\$ 30,597	\$ 4,396	\$ 561	\$ 34,432
Judicial and legal	522,449	34,219	20,841	535,827
Financial and other activities	1,719,438	45,866	85,574	1,679,730
Courthouses	12,362,876	2,774,717	6,016	15,131,577
Planning and zoning	16,688	-	-	16,688
Total general government	<u>\$ 14,652,048</u>	<u>\$ 2,859,198</u>	<u>\$ 112,992</u>	<u>\$ 17,398,254</u>
Public safety				
Police protection	\$ 2,364,374	\$ 355,963	\$ 250,265	\$ 2,470,072
Civil defense	391,635	12,853	12,223	392,265
Other activities	28,288	439	-	28,727
Total public safety	<u>\$ 2,784,297</u>	<u>\$ 369,255</u>	<u>\$ 262,488</u>	<u>\$ 2,891,064</u>
Highways	<u>\$ 23,246,459</u>	<u>\$ 1,673,522</u>	<u>\$ 1,171,568</u>	<u>\$ 23,748,413</u>
Health	<u>\$ 697,725</u>	<u>\$ 17,662</u>	<u>\$ 5,762</u>	<u>\$ 709,625</u>
Social services	<u>\$ 1,815,646</u>	<u>\$ 275,339</u>	<u>\$ 687,737</u>	<u>\$ 1,403,248</u>
Culture and recreation	<u>\$ 1,554,885</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,554,885</u>
Conservation of natural resources	<u>\$ 1,806,211</u>	<u>\$ 412,553</u>	<u>\$ 31,004</u>	<u>\$ 2,187,760</u>
Construction-in-progress	<u>\$ 2,382,796</u>	<u>\$ -</u>	<u>\$ 2,382,796</u>	<u>\$ -</u>
Total	<u><u>\$ 48,940,067</u></u>	<u><u>\$ 5,607,529</u></u>	<u><u>\$ 4,654,347</u></u>	<u><u>\$ 49,893,249</u></u>

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

SUPPORTING SCHEDULES

ST. LOUIS COUNTY

Schedule 1SCHEDULE OF INVESTMENTS
DECEMBER 31, 1985

	<u>Interest Rates</u>	<u>Maturity Dates</u>	<u>Par Value</u>	<u>Cost</u>
Pooled Investments:				
Certificates of deposit	7.25%-10.00%	Dates vary	<u>\$28,350,000</u>	<u>\$ 28,350,000</u>
Fund Investments				
Cook/Chris Jensen Enterprise Fund Certificates of deposit	7.35%-10.25%	Dates vary	<u>\$ 1,574,108</u>	<u>\$ 1,574,108</u>
County Insurance Internal Service Fund				
U.S. Treasury Bills	8.25%-8.70%	Dates vary	\$ 850,000	\$ 855,062
U.S. Treasury Notes	8.44%-10.00%	Dates vary	365,000	354,966
Certificates of deposit	7.42%-8.35%	Dates vary	<u>770,000</u>	<u>770,000</u>
Total Internal Service Fund			<u>\$ 1,985,000</u>	<u>\$ 1,980,028</u>
Patients' Escrow Expend- able Trust Fund Certificates of deposit	7.25%-10.0%	Dates vary	<u>\$ 115,000</u>	<u>\$ 115,000</u>
Total Fund Investment			<u>\$ 3,674,108</u>	<u>\$ 3,669,136</u>
Total			<u>\$32,024,108</u>	<u>\$ 32,019,136</u>

ST. LOUIS COUNTY

Schedule 2

TAXABLE VALUATIONS, TAX RATES, LEVIES, AND PERCENTAGE OF COLLECTIONS

	Taxes Payable in Year					
	1984		1985		1986	
	Amount	Tax Rate in Mills	Amount	Tax Rate in Mills	Amount	Tax Rate in Mills
Taxable Valuations						
Real property	\$ 757,068,804		\$ 721,768,312		\$ 707,023,852	
Personal property	48,671,813		48,518,479		48,331,651	
Total Taxable Valuations	\$ 805,740,617		\$ 770,286,791		\$ 755,355,503	
Tax Levy for County Purposes						
General fund	\$ 3,343,824	4.15	\$ 4,521,583	5.87	\$ 4,607,669	6.10
Road and bridge	7,396,699	9.18	7,256,102	9.42	5,952,201	7.88
Social services	25,227,739	31.31	27,083,284	35.16	30,969,576	41.00
Arrowhead Regional Corrections	2,304,418	2.86	2,357,078	3.06	2,356,709	3.12
Aid to victims of sexual assault	56,402	.07	38,514	.05	37,768	.05
Emergency	24,172	.03	15,406	.02	105,750	.14
Public health	1,514,792	1.88	1,517,465	1.97	1,518,265	2.01
Communicable diseases	40,287	.05	84,732	.11	-	-
Solid waste management	104,747	.13	123,245	.16	128,410	.17
County insurance	96,689	.12	100,137	.13	98,196	.13
Medical care facilities	1,748,457	2.17	1,694,631	2.20	1,684,442	2.23
Total County-wide Levies	\$ 41,858,226	51.95	\$ 44,792,177	58.15	\$ 47,458,986	62.83
*Civil defense	\$ 77,317	.30	\$ 72,864	.29	\$ ***	***
**Solid waste service area	749,755	.07 to 10.00	804,670	.08 to 10.00	913,021	.06 to 10.00
*Library	179,329	.60	180,136	.62	179,797	.63
Total Regional Levies	\$ 1,006,401		\$ 1,057,670		\$ 1,092,818	
Total Levy for County Purposes	\$ 42,864,627		\$ 45,849,847		\$ 48,551,804	
Less:						
Tax credits payable by State	12,143,869		13,140,619		14,348,657	
Net Levy for County Purposes	\$ 30,720,758		\$ 32,709,228		\$ 34,203,147	

*Levied on certain regions within the County.

**Varying amounts are levied on regions within the County. This figure represents total for all regions.

***Included in General Fund levy.

ST. LOUIS COUNTY

Schedule 2
(Continued)

TAXABLE VALUATIONS, TAX RATES, LEVIES, AND PERCENTAGE OF COLLECTIONS

	Taxes Payable in Year					
	1984		1985		1986	
	Amount	Tax Rate in Mills	Amount	Tax Rate in Mills	Amount	Tax Rate in Mills
Taxable Valuations - Light and Power						
Assessed at 43%	\$ 5,654,100		\$ 6,012,191		\$ 5,818,347	
Assessed at 5%	170,315		186,105		188,315	
Total Taxable Valuations - Light and Power	\$ 5,824,415		\$ 6,198,296		\$ 6,006,662	
Light and Power Tax Levies (distributed pursuant to Minn. Stat. § 273.43, as amended)						
Assessed at 43%	\$ 814,586	144.07	\$ 924,434	153.76	\$ 928,957	159.66
Assessed at 5%	24,537	144.07	28,616	153.76	30,066	159.66
Total Light and Power Tax Levies	\$ 839,123		\$ 953,050		\$ 959,023	
Special Assessments						
Liens and assessments	\$ 986,991		\$ 1,125,244		\$ 1,059,909	
Percentage of tax collections for all purposes	95.01%		93.24%			

ST. LOUIS COUNTY

Schedule 3A

SCHEDULE OF INTERGOVERNMENTAL REVENUE
 COMBINED - ALL FUND TYPES
 FOR THE YEAR ENDED DECEMBER 31, 1985

	General Fund	All Special Revenue Funds	Parking Ramp Capital Projects Fund	County Health Services Enter- prise Fund	All Trust and Agency Funds	Total All Funds
Shared Revenue						
State						
Taconite R/R gross earnings aid	\$ 177,076	\$ 177,076	\$ -	\$ -	\$ -	\$ 354,152
Taconite production tax aid	4,445,817	4,445,817	-	-	-	8,891,634
30% rental income	1,371	11,701	-	-	-	13,072
Homestead credit - real estate	1,055,621	9,233,019	-	-	-	10,288,640
Homestead credit - mobile home	8,008	63,518	-	-	-	71,526
Taconite credit	260,581	2,335,079	-	-	-	2,595,660
Railroad refund	55,729	676,978	-	-	-	732,707
County road and bridge aid	-	2,316,857	-	-	-	2,316,857
Highway users tax	-	7,446,962	-	-	-	7,446,962
Township bridge bond	-	20,009	-	-	-	20,009
Other intergovernmental revenue	554,054	705,215	-	-	-	1,259,269
Total Shared Revenue	\$ 6,558,257	\$ 27,432,231	\$ -	\$ -	\$ -	\$ 33,990,488
Grants						
State						
Social Services	\$ -	\$ 5,663,951	\$ -	\$ -	\$ -	\$ 5,663,951
General assistance - grants/medical	-	5,741,148	-	-	-	5,741,148
Minnesota Supplemental Aid	-	1,757,936	-	-	-	1,757,936
Salary administration, income maintenance	-	112,299	-	-	-	112,299
Work Readiness Grants	-	1,943,246	-	-	-	1,943,246
Chemical Dependency Grant	561	-	-	-	-	561
Natural Resources No. 2 Grant	-	250,000	-	-	-	250,000
Natural Resources No. 1 Grant Assistance Agreement	-	524,045	-	-	-	524,045
Family planning	-	566,217	-	-	-	566,217
MR - waived services	-	24,119	-	-	-	24,119
Foster Care IV-E	-	210,798	-	-	-	210,798
Child Support Administration	-	19,142	-	-	-	19,142
Medical assistance	-	50,978	-	-	-	50,978
Aid to Families with Dependent Children - Emergency Assistance	-	13,114	-	-	-	13,114
Aid to Families with Dependent Children	-	9,733,591	-	-	-	9,733,591

ST. LOUIS COUNTY

Schedule 3A
(Continued)SCHEDULE OF INTERGOVERNMENTAL REVENUE
COMBINED - ALL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 1985

	General Fund	All Special Revenue Funds	Parking Ramp Capital Projects Fund	County Health Services Enter- prise Fund	All Trust and Agency Funds	Total All Funds
Grants						
State (Continued)						
Retired Senior Volunteer Program	-	9,028	-	-	-	9,025
EPSDT - purchased	-	15,115	-	-	-	15,115
Alternative Care Waivered Services	-	864,669	-	-	-	864,669
Local taxes in lieu of program receipts	-	282,767	-	-	-	282,767
Total State	\$ 561	\$ 27,782,163	\$ -	\$ -	\$ -	\$ 27,782,721
Federal						
Federal Revenue Sharing	\$ -	\$ 3,110,915	\$ -	\$ -	\$ -	\$ 3,110,915
Parking ramp/skywalk/elevator/ stairwells	-	-	100,000	-	-	100,000
Construction	-	2,833,896*	-	-	-	2,833,896
Food Stamp Administration	-	635,804	-	-	-	635,804
School breakfast/National School Lunch	-	13,640	-	-	-	13,640
Child Care Food Program	-	75,211	-	-	-	75,211
IV-B Indian Children	-	30,480	-	-	-	30,480
Child Welfare IV-B	-	41,067	-	-	-	41,067
Work Incentive Program	-	162,347	-	-	-	162,347
Foster Care IV-E	-	714,351	-	-	-	714,351
Social Services Title XX Block Grant	-	3,435,930	-	-	-	3,435,930
Child Support Enforcement	-	1,481,826	-	-	-	1,481,826
EPSDT - administration	-	175,003	-	-	-	175,003
Medical assistance	-	907,757	-	-	-	907,757
Aid to Families with Dependent Children - Emergency Assistance	-	131,141	-	-	-	131,141
Aid to Families with Dependent Children	-	13,639,243	-	-	-	13,639,243
Staff development	-	10,665	-	-	-	10,665
Refugee assistance	-	228,055	-	-	-	228,055
Retired Senior Volunteer Program	-	46,125	-	-	-	46,125
Alternative Care - Waivered Services	-	151,666	-	-	-	151,666

*Audited within the State Single Audit by the Legislative Auditor.

ST. LOUIS COUNTY

Schedule 3A
(Continued)SCHEDULE OF INTERGOVERNMENTAL REVENUE
COMBINED - ALL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 1985

	General Fund	All Special Revenue Funds	Parking Ramp Capital Projects Fund	County Health Services Enter- prise Fund	All Trust and Agency Funds	Total All Funds
Grants						
Federal (Continued)						
MR Waivered Services	-	30,654	-	-	-	30,654
Chemical Dependency Jobs Bill	-	43,272	-	-	-	43,272
Range Adult Day Care						
Transportation	-	6,930	-	-	-	6,930
Health assessment	-	8,985	-	-	-	8,985
St. Louis County Care Givers	-	14,052	-	-	-	14,052
Home Delivered Meals	-	84,419	-	-	-	84,419
Mental Health Service Block Grant	-	23,416	-	-	-	23,416
Out Patient Drug Abuse Program	-	27,856	-	-	-	27,856
Model Employment Program	-	3,500	-	-	-	3,500
Women, Infants, and Children Program	-	66,548	-	232,554	-	299,102
BWCA Forest Intensification Fund	-	-	-	-	155,000	155,000
Hypertension Special Project	-	-	-	-	7,029	7,029
Jail Treatment Program	-	-	-	-	13,254	13,254
Total Federal	\$ -	\$ 28,134,754	\$ 100,000	\$ 232,554	\$ 175,283	\$ 28,642,591
Local	\$ -	\$ 148,118	\$ -	\$ -	\$ -	\$ 148,118
Total Grants	\$ 561	\$ 56,065,032	\$ 100,000	\$ 232,554	\$ 175,283	\$ 56,573,430
Total Intergovernmental Revenues	\$ 6,558,818	\$ 83,497,263	\$ 100,000	\$ 232,554	\$ 175,283	\$ 90,563,918

ST. LOUIS COUNTY

SCHEDULE OF INTERGOVERNMENTAL REVENUE
 COMBINING SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 1985

	<u>Civil Defense</u>	<u>Communicable Diseases</u>	<u>County Grants and Subsidies</u>	<u>Emergency</u>	<u>Federal Fiscal Assistance</u>
Shared Revenue					
State					
Taconite R/R gross earnings aid	\$ -	\$ -	\$ -	\$ -	\$ -
Taconite production tax aid	-	-	-	-	-
30% rental income	-	26	768	5	-
Homestead credit - real estate	17,011	19,782	601,337	3,597	-
Homestead credit - mobile home	129	150	4,562	27	-
Taconite credit	5,111	4,865	157,667	896	-
Railroad refund	739	665	46,676	392	-
County road and bridge aid	-	-	-	-	-
Highway users tax	-	-	-	-	-
Township bridge bond	-	-	-	-	-
Other intergovernmental revenue	65,657	6	177	1	-
Total Shared Revenue	\$ 88,647	\$ 25,494	\$ 811,187	\$ 4,918	\$ -
Grants					
State					
Social Services	\$ -	\$ -	\$ -	\$ -	\$ -
General assistance - grants/medical	-	-	-	-	-
Minnesota Supplemental Aid	-	-	-	-	-
Salary administration, income maintenance	-	-	-	-	-
Work Readiness Grants	-	-	-	-	-
Chemical Dependency Grant	-	-	-	-	-
Natural Resources No. 2 Grant	-	-	-	-	-
Natural Resources No. 1 Grant	-	-	-	-	-
Assistance Agreement	-	-	-	-	-
Family planning	-	-	-	-	-
MR - waived services	-	-	-	-	-
Foster Care IV-E	-	-	-	-	-
Child Support Administration	-	-	-	-	-
Medical assistance	-	-	-	-	-
Aid to Families with Dependent Children - Emergency Assistance	-	-	-	-	-
Aid Families with Dependent Children	-	-	-	-	-

Schedule 3B

<u>Land Investment</u>	<u>Public Health</u>	<u>Road and Bridge</u>	<u>Social Services</u>	<u>Solid Waste Authorities</u>	<u>Solid Waste Management</u>	<u>Total</u>
\$ -	\$ -	\$ 177,076 ✓	\$ -	\$ -	\$ -	\$ 177,076
-	-	4,445,817 ✓	-	-	-	4,445,817
-	460	2,199	8,206	-	37	11,701
-	354,271	1,697,450	6,322,936	187,861	28,774	9,233,019
-	2,688	6,352	47,967	1,425	218	63,518
-	87,742 ✓	419,670 ✓	1,564,654 ✓	87,362 ✓	7,112 ✓	2,335,079
-	29,320	114,395	470,640	12,025	2,126	676,978
-	-	2,316,857	-	-	-	2,316,857
-	-	7,446,962	-	-	-	7,446,962
-	-	20,009	-	-	-	20,009
171,969	424,257	22,480	1,862	55	18,751	705,215
\$ 171,969	\$ 898,738	\$ 16,669,267	\$ 8,416,265	\$ 288,728	\$ 57,018	\$ 27,432,231

\$ -	\$ -	\$ -	\$ 5,663,951	\$ -	\$ -	\$ 5,663,951
-	-	-	5,741,148	-	-	5,741,148
-	-	-	1,757,936	-	-	1,757,936
-	-	-	112,299	-	-	112,299
-	-	-	1,943,246	-	-	1,943,246
-	-	-	-	-	-	-
250,000	-	-	-	-	-	250,000
500,000	24,045	-	-	-	-	524,045
-	566,217	-	-	-	-	566,217
-	-	-	24,119	-	-	24,119
-	-	-	210,798	-	-	210,798
-	-	-	19,142	-	-	19,142
-	-	-	50,978	-	-	50,978
-	-	-	13,114	-	-	13,114
-	-	-	9,733,591	-	-	9,733,591

ST. LOUIS COUNTY

SCHEDULE OF INTERGOVERNMENTAL REVENUE
 COMBINING SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 1985

	<u>Civil Defense</u>	<u>Communicable Diseases</u>	<u>County Grants and Subsidies</u>	<u>Emergency</u>	<u>Federal Fiscal Assistance</u>
Grants					
State					
Retired Senior Volunteer Program	-	-	-	-	-
EPSDT - purchased	-	-	-	-	-
Alternative Care Waivered Services	-	-	-	-	-
Local taxes in lieu of program receipts	-	-	-	-	-
Total State	\$ -	\$ -	\$ -	\$ -	\$ -
Federal					
Federal Revenue Sharing	\$ -	\$ -	\$ -	\$ -	\$ 3,110,915
Construction	-	-	-	-	-
Food Stamp Administration	-	-	-	-	-
School breakfast/National School Lunch	-	-	-	-	-
Child Care Food Program	-	-	-	-	-
IV-B Indian Children	-	-	-	-	-
Child Welfare IV-B	-	-	-	-	-
Work Incentive Program	-	-	-	-	-
Foster Care IV-E	-	-	-	-	-
Social Services Title XX Block Grant	-	-	-	-	-
Child Support Enforcement	-	-	-	-	-
EPSDT - administration	-	-	-	-	-
Medical assistance	-	-	-	-	-
Aid to Families with Dependent Children - Emergency Assistance	-	-	-	-	-
Aid to Families with Dependent Children	-	-	-	-	-
Staff development	-	-	-	-	-
Refugee assistance	-	-	-	-	-
Retired Senior Volunteer Program	-	-	-	-	-
Alternative Care - Waivered Services	-	-	-	-	-

*Audited within the State Single Audit by the Legislative Auditors.

Schedule 3B
(Continued)

<u>Land Investment</u>	<u>Public Health</u>	<u>Road and Bridge</u>	<u>Social Services</u>	<u>Solid Waste Authorities</u>	<u>Solid Waste Management</u>	<u>Total</u>
-	-	-	9,025	-	-	9,025
-	-	-	15,115	-	-	15,115
-	-	-	864,669	-	-	864,669
-	-	-	282,767	-	-	282,767
<u>\$ 750,000</u>	<u>\$ 590,262</u>	<u>\$ -</u>	<u>\$ 26,441,898</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 27,782,160</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,110,915
-	-	2,833,896*	-	-	-	2,833,896
-	-	-	635,804	-	-	635,804
-	-	-	13,640	-	-	13,640
-	-	-	75,211	-	-	75,211
-	-	-	30,480	-	-	30,480
-	-	-	41,067	-	-	41,067
-	-	-	162,347	-	-	162,347
-	-	-	714,351	-	-	714,351
-	-	-	3,435,930	-	-	3,435,930
-	-	-	1,481,826	-	-	1,481,826
-	-	-	175,003	-	-	175,003
-	-	-	907,757	-	-	907,757
-	-	-	131,141	-	-	131,141
-	-	-	13,639,243	-	-	13,639,243
-	-	-	10,665	-	-	10,665
-	-	-	228,055	-	-	228,055
-	-	-	46,125	-	-	46,125
-	-	-	151,666	-	-	151,666

ST. LOUIS COUNTY

SCHEDULE OF INTERGOVERNMENTAL REVENUE
 COMBINING SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 1985

	<u>Civil Defense</u>	<u>Communicable Diseases</u>	<u>County Grants and Subsidies</u>	<u>Emergency</u>	<u>Federal Fiscal Assistance</u>
Grants					
Federal (Continued)					
MR Waivered Services	-	-	-	-	-
Chemical Dependency Jobs Bill	-	-	-	-	-
Range Adult Day Care					
Transportation	-	-	-	-	-
Health assessment	-	-	-	-	-
St. Louis County Care Givers	-	-	-	-	-
Home Delivered Meals	-	-	-	-	-
Mental Health Service Block Grant	-	-	-	-	-
Out Patient Drug Abuse Program	-	-	-	-	-
Model Employment Program	-	-	-	-	-
Women, Infants, and Children Program	-	-	-	-	-
Total Federal	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,110,915</u>
Local	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Total Grants	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,110,915</u>
Total Intergovernmental Revenues	<u>\$ 88,647</u>	<u>\$ 25,494</u>	<u>\$ 811,187</u>	<u>\$ 4,918</u>	<u>\$ 3,110,915</u>

Schedule 3B
(Continued)

<u>Land Investment</u>	<u>Public Health</u>	<u>Road and Bridge</u>	<u>Social Services</u>	<u>Solid Waste Authorities</u>	<u>Solid Waste Management</u>	<u>Total</u>
-	-	-	30,654	-	-	30,654
-	-	-	43,272	-	-	43,272
-	-	-	6,930	-	-	6,930
-	-	-	8,985	-	-	8,985
-	-	-	14,052	-	-	14,052
-	-	-	84,419	-	-	84,419
-	-	-	23,416	-	-	23,416
-	-	-	27,856	-	-	27,856
-	-	-	3,500	-	-	3,500
-	66,548	-	-	-	-	66,548
<u>\$ -</u>	<u>\$ 66,548</u>	<u>\$ 2,833,896</u>	<u>\$ 22,123,395</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 28,134,754</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 148,114</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 148,114</u>
<u>\$ 750,000</u>	<u>\$ 656,810</u>	<u>\$ 2,833,896</u>	<u>\$ 48,713,411</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 56,065,032</u>
<u>\$ 921,969</u>	<u>\$ 1,555,548</u>	<u>\$ 19,503,163</u>	<u>\$ 57,129,676</u>	<u>\$ 288,728</u>	<u>\$ 57,018</u>	<u>\$ 83,497,263</u>

ST. LOUIS COUNTY

Schedule 3C

SCHEDULE OF INTERGOVERNMENTAL REVENUE
 COMBINING TRUST AND AGENCY FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 1985

	<u>Forest Resources Trust</u>	<u>Community Health Services Agency</u>	<u>Grants From Outside Sources Agency</u>	<u>Total</u>
Grants				
Federal				
BWCA Forest Intensification Fund	\$ 155,000	\$ -	\$ -	\$ 155,000
Hypertension Special Project	-	7,029	-	7,029
Jail Treatment Program	-	-	13,254	13,254
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Intergovernmental	<u>\$ 155,000</u>	<u>\$ 7,029</u>	<u>\$ 13,254</u>	<u>\$ 175,283</u>

ST. LOUIS COUNTY

Schedule 4

SCHEDULE OF FEDERAL GRANT INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 1985

<u>Federal Funding Source</u>	<u>Administering Agency</u>	<u>Federal Domestic Assistance #</u>	<u>Grant Name</u>	<u>Grant Number</u>
Department of Agriculture	Minnesota Department of Human Services	10.551	Food Stamp Administration	-
	Minnesota Department of Education	10.553/5	School Breakfast/National School Lunch	8-709-302
		10.553/5	School Breakfast/National School Lunch	8-709-302
	Minnesota Department of Health	10.557	Women, Infants, and Children Program	-
		10.557	Women, Infants, and Children Program	-
	Minnesota Department of Education	10.558	Child Care Food Program	8-709-502-1
		10.558	Child Care Food Program	8-709-502-1
	Minnesota Department of Natural Resources	10.669	BWCA Forest Intensification Fund	35332
		10.669	BWCA Forest Intensification Fund	37662
		10.669	BWCA Forest Intensification Fund	-
	None	-	Model Employment Program	-
Department of Commerce	None	11.300	Parking Ramp/Skywalk/Elevator/Stairwells	06-22-00008
Department of Health and Human Services	Arrowhead Regional Development Commission	13.633	Health Assessment	303-90
		13.633	Health Assessment	303-90
		13.633	Range Adult Day Care Transportation	303-90
		13.633	St. Louis County Care Givers	-

ST. LOUIS COUNTY

Schedule 4
(Continued)SCHEDULE OF FEDERAL GRANT INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 1985

<u>Federal Funding Source</u>	<u>Administering Agency</u>	<u>Federal Domestic Assistance #</u>	<u>Grant Name</u>	<u>Grant Number</u>
Department of Health and Human Services (Continued)	Arrowhead Regional Development Commission	13.635	Home Delivered Meals	303-02-03
		13.635	Home Delivered Meals	303-02-03
	Minnesota Department of Human Services	13.645	IV-B Indian Children	-
		13.645	IV-B Indian Children	-
		13.645	Child Welfare	-
		13.646	Work Incentive Program	-
		13.646	Work Incentive Program	-
		13.658	Foster Care IV-E	-
		13.667	Social Services Block Grant Title XX	-
		13.667	Social Services Block Grant Title XX	-
		13.679	Child Support Enforcement	-
		13.714	MR Waivered Services	-
		13.714	Alternative Care - Waivered Services	-
		13.714	Alternative Care - Waivered Services	-
		13.714	EPSDT - Administration	-
		13.714	Medical Assistance	-
	13.808	Aid to Families with Dependent Children (AFDC)	-	

ST. LOUIS COUNTY

Schedule 4
(Continued)SCHEDULE OF FEDERAL GRANT INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 1985

<u>Federal Funding Source</u>	<u>Administering Agency</u>	<u>Federal Domestic Assistance #</u>	<u>Grant Name</u>	<u>Grant Number</u>
Department of Health and Human Services (Continued)	Minnesota Department of Human Services	13.808	AFDC - Emergency Assistance	-
		13.810	Staff Development	-
		13.810	Staff Development	-
		13.814	Refugee Assistance	-
	Minnesota Department of Health	13.991	Hypertension	-
	Minnesota Department of Human Services	13.992	Jail Treatment Program	89030
		13.992	Jail Treatment Program	92664
		13.992	Outpatient Drug Abuse Program	89036
		13.992	Outpatient Drug Abuse Program	91974
		13.992	Chemical Dependency Jobs Bill	87349
13.992		Mental Health Services Block Grant	-	
Department of Housing and Urban Development	Minnesota Department of Energy and Economic Development	14.219	St. Louis River Housing Rehabilitation Project	16010301384
Department of the Treasury	None	21.300	Federal Revenue Sharing	24-1-069-069
Action	None	72.002	Retired Senior Volunteer Program	440-5754

ST. LOUIS COUNTY

COMBINED SCHEDULE OF FEDERAL GRANT ACTIVITY
FOR THE YEAR ENDED DECEMBER 31, 1985

Federal Department Grant Period Grant Name	Department of Agriculture (See Combining Schedule 6)		
	Cumulative through 12/31/84	Activity 1985	Cumulative through 12/31/85
Revenues			
Federal			
Direct	\$ -	\$ 3,500	\$ 3,500
Flow-through	251,918	542,953	794,871
Administrative reimbursement	-	635,804	635,804
Total Federal	<u>\$ 251,918</u>	<u>\$ 1,182,257</u>	<u>\$ 1,434,175</u>
State			
Program reimbursement	\$ -	\$ -	\$ -
Administrative reimbursement	-	-	-
Local taxes in lieu of program receipts	-	-	-
Total State	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Local			
County	\$ -	\$ 571,703	\$ 571,703
Program receipts	-	-	-
Total Local	<u>\$ -</u>	<u>\$ 571,703</u>	<u>\$ 571,703</u>
Total Revenues	<u>\$ 251,918</u>	<u>\$ 1,753,960</u>	<u>\$ 2,005,878</u>
Expenditures			
General government	\$ -	\$ -	\$ -
Highways	-	-	-
Social services	92,537	1,603,509	1,696,046
Culture recreation	76,395	255,792	332,187
Economic development	-	-	-
Total Expenditures	<u>\$ 168,932</u>	<u>\$ 1,859,301</u>	<u>\$ 2,028,233</u>
Excess of Revenues Over (Under) Expenditures	<u>\$ 82,986</u>	<u>\$ (105,341)</u>	<u>\$ (22,355)</u>

Schedule 5

Department of Commerce 9/16/83 to Project Completion Parking Ramp/Skywalk/Elevator/Stairwells			Department of Health and Human Services (See Combining Schedule 7)		
Cumulative through 12/31/84	Activity 1985	Cumulative through 12/31/85	Cumulative through 12/31/84	Activity 1985	Cumulative through 12/31/85
\$ 900,000	\$ 100,000	\$ 1,000,000	\$ -	\$ -	\$ -
-	-	-	1,188,990	18,512,166	19,701,156
-	-	-	6,270	2,857,232	2,863,502
<u>\$ 900,000</u>	<u>\$ 100,000</u>	<u>\$ 1,000,000</u>	<u>\$ 1,195,260</u>	<u>\$ 21,369,398</u>	<u>\$ 22,564,658</u>
\$ -	\$ -	\$ -	\$ 156,926	\$ 10,912,384	\$ 11,069,310
-	-	-	-	19,142	19,142
-	-	-	-	282,767	282,767
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 156,926</u>	<u>\$ 11,214,293</u>	<u>\$ 11,371,219</u>
\$ -	\$ -	\$ -	\$ 1,960,533	\$ 15,849,522	\$ 17,810,055
-	-	-	1,666	2,942,703	2,944,369
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,962,199</u>	<u>\$ 18,792,225</u>	<u>\$ 20,754,424</u>
<u>\$ 900,000</u>	<u>\$ 100,000</u>	<u>\$ 1,000,000</u>	<u>\$ 3,314,385</u>	<u>\$ 51,375,916</u>	<u>\$ 54,690,301</u>
\$ 2,382,796	\$ 383,437	\$ 2,766,233	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	3,537,129	51,205,788	54,742,917
-	-	-	-	-	-
<u>\$ 2,382,796</u>	<u>\$ 383,437</u>	<u>\$ 2,766,233</u>	<u>\$ 3,537,129</u>	<u>\$ 51,205,788</u>	<u>\$ 54,742,917</u>
<u>\$ (1,482,796)</u>	<u>\$ (283,437)</u>	<u>\$ (1,766,233)</u>	<u>\$ (222,744)</u>	<u>\$ 170,128</u>	<u>\$ (52,616)</u>

ST. LOUIS COUNTY

COMBINED SCHEDULE OF FEDERAL GRANT ACTIVITY
FOR THE YEAR ENDED DECEMBER 31, 1985

Federal Department Grant Period Grant Name	Department of Agriculture (See Combining Schedule 6)		
	Cumulative through 12/31/84	Activity 1985	Cumulative through 12/31/85
Other Financing Sources (Uses)			
Operating transfers in	\$ -	\$ -	\$ -
Operating transfers out	-	-	-
Capital leases	-	-	-
Total Other Financing Sources Uses	\$ -	\$ -	\$ -
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	\$ 82,986	\$ (105,341)	\$ (22,355)
Balance - Beginning	33,639	150,264	67,278
Balance - Ending	\$ 116,625	\$ 44,923	\$ 44,923

Schedule 5
(Continued)

Department of Commerce 9/16/83 to Project Completion Parking Ramp/Skywalk/Elevator/Stairwells			Department of Health and Human Services (See Combining Schedule 7)		
Cumulative through 12/31/84	Activity 1985	Cumulative through 12/31/85	Cumulative through 12/31/84	Activity 1985	Cumulative through 12/31/85
\$ 1,482,796	\$ 283,437	\$ 1,766,233	\$ -	\$ -	\$ -
-	-	-	-	-	-
<u>\$ 1,482,796</u>	<u>\$ 283,437</u>	<u>\$ 1,766,233</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ -	\$ -	\$ -	\$ (222,744)	\$ 170,128	\$ (52,616)
-	-	-	13,957	(216,919)	5,825
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (208,787)</u>	<u>\$ (46,791)</u>	<u>\$ (46,791)</u>

ST. LOUIS COUNTY

COMBINED SCHEDULE OF FEDERAL GRANT ACTIVITY
FOR THE YEAR ENDED DECEMBER 31, 1985

Federal Department	*Department of Housing and Urban Development		
Grant Period	6/1/84 to 2/2/86		
Grant Name	St. Louis River Valley Housing Rehabilitation Project		
	<u>Cumulative through 12/31/84</u>	<u>Activity 1985</u>	<u>Cumulative through 12/31/85</u>
Revenues			
Federal			
Direct	\$ -	\$ -	\$ -
Flow-through	57,445	368,880	426,325
Administrative reimbursement	-	-	-
Total Federal	<u>\$ 57,445</u>	<u>\$ 368,880</u>	<u>\$ 426,325</u>
State			
Program reimbursement	\$ -	\$ -	\$ -
Administrative reimbursement	-	-	-
Local taxes in lieu of program receipts	-	-	-
Total State	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Local			
County	\$ -	\$ -	\$ -
Program receipts	-	-	-
Total Local	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Total Revenues	<u>\$ 57,445</u>	<u>\$ 368,880</u>	<u>\$ 426,325</u>
Expenditures			
General government	\$ -	\$ -	\$ -
Highways	-	-	-
Social services	-	-	-
Culture recreation	-	-	-
Economic development	57,445	368,880	426,325
Total Expenditures	<u>\$ 57,445</u>	<u>\$ 368,880</u>	<u>\$ 426,325</u>
Excess of Revenues Over (Under) Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

*The activity of this grant is not included in the County's financial statements.

Schedule 5
(Continued)

Department of the Treasury

Action

1/1/85 to 12/31/85

1/1/85 to 12/31/85

Federal Revenue Sharing			Retired Senior Volunteer Program		
Cumulative through 12/31/84	Activity 1985	Cumulative through 12/31/85	Cumulative through 12/31/84	Activity 1985	Cumulative through 12/31/85
\$ -	\$ 3,110,915	\$ 3,110,915	\$ -	\$ 46,125	\$ 46,125
-	-	-	-	-	-
-	-	-	-	-	-
\$ -	\$ 3,110,915	\$ 3,110,915	\$ -	\$ 46,125	\$ 46,125
\$ -	\$ -	\$ -	\$ -	\$ 9,025	\$ 9,025
-	-	-	-	-	-
-	-	-	-	-	-
\$ -	\$ -	\$ -	\$ -	\$ 9,025	\$ 9,025
\$ -	\$ 88,211	\$ 88,211	\$ -	\$ 36,614	\$ 36,614
-	46,645	46,645	-	-	-
\$ -	\$ 134,856	\$ 134,856	\$ -	\$ 36,614	\$ 36,614
\$ -	\$ 3,245,771	\$ 3,245,771	\$ -	\$ 91,764	\$ 91,764
\$ -	\$ 1,029,211	\$ 1,029,211	\$ -	\$ -	\$ -
-	1,657,860	1,657,860	-	-	-
-	80,000	80,000	-	91,764	91,764
-	-	-	-	-	-
-	-	-	-	-	-
\$ -	\$ 2,767,071	\$ 2,767,071	\$ -	\$ 91,764	\$ 91,764
\$ -	\$ 478,700	\$ 478,700	\$ -	\$ -	\$ -

ST. LOUIS COUNTY

COMBINED SCHEDULE OF FEDERAL GRANT ACTIVITY
FOR THE YEAR ENDED DECEMBER 31, 1985

Federal Department	*Department of Housing and Urban Development		
Grant Period	6/1/84 to 2/2/86		
Grant Name	St. Louis River Valley Housing Rehabilitation Project		
	<u>Cumulative through 12/31/84</u>	<u>Activity 1985</u>	<u>Cumulative through 12/31/85</u>
Other Financing Sources (Uses)			
Operating transfers in	\$ -	\$ -	\$ -
Operating transfers out	-	-	-
Capital leases	-	-	-
	<hr/>	<hr/>	<hr/>
Total Other Financing Sources Uses	\$ -	\$ -	\$ -
	<hr/>	<hr/>	<hr/>
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	\$ -	\$ -	\$ -
	<hr/>	<hr/>	<hr/>
Balance - Beginning	-	-	-
	<hr/>	<hr/>	<hr/>
Balance - Ending	\$ -	\$ -	\$ -
	<hr/>	<hr/>	<hr/>

*The activity of this grant is not included in the County's financial statements.

Schedule 5
(Continued)

Department of the Treasury

Action

1/1/85 to 12/31/85

1/1/85 to 12/31/85

Federal Revenue Sharing			Retired Senior Volunteer Program		
Cumulative through 12/31/84	Activity 1985	Cumulative through 12/31/85	Cumulative through 12/31/84	Activity 1985	Cumulative through 12/31/85
\$ -	\$ 4,000	\$ 4,000	\$ -	\$ -	\$ -
-	(983,785)	(983,785)	-	-	-
-	277,670	277,670	-	-	-
\$ -	\$ (702,115)	\$ (702,115)	\$ -	\$ -	\$ -
\$ -	\$ (223,415)	\$ (223,415)	\$ -	\$ -	\$ -
-	1,296,526	1,296,526	-	-	-
\$ -	\$ 1,073,111	\$ 1,073,111	\$ -	\$ -	\$ -

ST. LOUIS COUNTY

Schedule 5
(Continued)COMBINED SCHEDULE OF FEDERAL GRANT ACTIVITY
FOR THE YEAR ENDED DECEMBER 31, 1985Federal Department
Grant Period
Grant Name

	Total		
	Cumulative through 12/31/84	Activity 1985	Cumulative through 12/31/85
Revenues			
Federal			
Direct	\$ 900,000	\$ 3,260,540	\$ 4,160,540
Flow-through	1,498,353	19,423,999	20,922,352
Administrative reimbursement	6,270	3,493,036	3,499,306
Total Federal	\$ 2,404,623	\$ 26,177,575	\$ 28,582,198
State			
Program reimbursement	\$ 156,926	\$ 10,921,409	\$ 11,078,335
Administrative reimbursement	-	19,142	19,142
Local taxes in lieu of program receipts	-	282,767	282,767
Total State	\$ 156,926	\$ 11,223,318	\$ 11,380,244
Local			
County	\$ 1,960,533	\$ 16,546,050	\$ 18,506,583
Program receipts	1,666	2,989,348	2,991,014
Total Local	\$ 1,962,199	\$ 19,535,398	\$ 21,497,597
Total Revenues	\$ 4,523,748	\$ 56,936,291	\$ 61,460,039
Expenditures			
General government	\$ 2,382,796	\$ 1,412,648	\$ 3,795,444
Highways	-	1,657,860	1,657,860
Social services	3,629,666	52,981,061	56,610,727
Culture recreation	76,395	255,792	332,187
Economic development	57,445	368,880	426,325
Total Expenditures	\$ 6,146,302	\$ 56,676,241	\$ 62,822,543
Excess of Revenues Over (Under) Expenditures	\$ (1,622,554)	\$ 260,050	\$ (1,362,504)

ST. LOUIS COUNTY

Schedule 5
(Continued)COMBINED SCHEDULE OF FEDERAL GRANT ACTIVITY
FOR THE YEAR ENDED DECEMBER 31, 1985

Federal Department Grant Period Grant Name	Total		
	Cumulative through 12/31/84	Activity 1985	Cumulative through 12/31/85
Other Financing Sources (Uses)			
Operating transfers in	\$ 1,482,796	\$ 287,437	\$ 1,770,233
Operating transfers out	-	(983,785)	(983,785)
Capital leases	-	277,670	277,670
Total Other Financing Sources Uses	\$ 1,482,796	\$ (418,678)	\$ 1,064,118
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	\$ (139,758)	\$ (158,628)	\$ (298,386)
Balance - Beginning	47,596	1,229,871	1,369,629
Balance - Ending	\$ (92,162)	\$ 1,071,243	\$ 1,071,243

ST. LOUIS COUNTY

COMBINING SCHEDULE OF FEDERAL GRANT ACTIVITY
 DEPARTMENT OF AGRICULTURE
 FOR THE YEAR ENDED DECEMBER 31, 1985

Grant Number Grant Period Grant Name	-		
	1/1/85 to 12/31/85		
	Food Stamp Administration		
	Cumulative through 12/31/84	Activity in 1985	Cumulative through 12/31/85
Revenues			
Federal			
Direct	\$ -	\$ -	\$ -
Flow-through	-	-	-
Administrative reimbursement	-	635,804	635,804
Total Federal	<u>\$ -</u>	<u>\$ 635,804</u>	<u>\$ 635,804</u>
Local			
County	\$ -	\$ 564,984	\$ 564,984
Total Revenues	<u>\$ -</u>	<u>\$ 1,200,788</u>	<u>\$ 1,200,788</u>
Expenditures			
Social services	\$ -	\$ 1,200,788	\$ 1,200,788
Culture recreation	-	-	-
Total Expenditures	<u>\$ -</u>	<u>\$ 1,200,788</u>	<u>\$ 1,200,788</u>
Excess of Revenues Over (Under) Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Balance - Beginning	<u>-</u>	<u>-</u>	<u>-</u>
Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Schedule 6

8-709-302 10/1/84 to 9/30/85			8-709-302 10/1/85 to 9/30/86		
<u>School Breakfast/National School Lunch</u>	<u>School Breakfast/National School Lunch</u>	<u>School Lunch</u>	<u>School Breakfast/National School Lunch</u>	<u>School Breakfast/National School Lunch</u>	<u>School Lunch</u>
<u>Cumulative through 12/31/84</u>	<u>Activity in 1985</u>	<u>Cumulative through 12/31/85</u>	<u>Cumulative through 12/31/84</u>	<u>Activity in 1985</u>	<u>Cumulative through 12/31/85</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3,411	10,444	13,855	-	3,196	3,196
-	-	-	-	-	-
<u>\$ 3,411</u>	<u>\$ 10,444</u>	<u>\$ 13,855</u>	<u>\$ -</u>	<u>\$ 3,196</u>	<u>\$ 3,196</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3,411	10,444	13,855	-	3,196	3,196
-	-	-	-	-	-
<u>\$ 3,411</u>	<u>\$ 10,444</u>	<u>\$ 13,855</u>	<u>\$ -</u>	<u>\$ 3,196</u>	<u>\$ 3,196</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

ST. LOUIS COUNTY

COMBINING SCHEDULE OF FEDERAL GRANT ACTIVITY
 DEPARTMENT OF AGRICULTURE
 FOR THE YEAR ENDED DECEMBER 31, 1985

Grant Number	-		
Grant Period	10/1/84 to 9/30/85		
Grant Name	<u>Women, Infants, and Children Program</u>		
	<u>Cumulative through 12/31/84</u>	<u>Activity in 1985</u>	<u>Cumulative through 12/31/85</u>
Revenues			
Federal			
Direct	\$ -	\$ -	\$ -
Flow-through	75,579	229,837	305,416
Administrative reimbursement	-	-	-
Total Federal	<u>\$ 75,579</u>	<u>\$ 229,837</u>	<u>\$ 305,416</u>
Local			
County	\$ -	\$ -	\$ -
Total Revenues	<u>\$ 75,579</u>	<u>\$ 229,837</u>	<u>\$ 305,416</u>
Expenditures			
Social services	\$ 71,198	\$ 234,386	\$ 305,584
Culture recreation	-	-	-
Total Expenditures	<u>\$ 71,198</u>	<u>\$ 234,386</u>	<u>\$ 305,584</u>
Excess of Revenues Over (Under) Expenditures	\$ 4,381	\$ (4,549)	\$ (168)
Balance - Beginning	-	4,331	-
Balance - Ending	<u>\$ 4,381</u>	<u>\$ (168)</u>	<u>\$ (168)</u>

Schedule 6
(Continued)

- 10/1/85 to 9/30/86 Women, Infants, and Children Program			8-709-502-1 10/1/84 to 9/30/85 Child Care Food Program		
Cumulative through 12/31/84	Activity in 1985	Cumulative through 12/31/85	Cumulative through 12/31/84	Activity in 1985	Cumulative through 12/31/85
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	69,265	69,265	17,928	57,111	75,039
-	-	-	-	-	-
\$ -	\$ 69,265	\$ 69,265	\$ 17,928	\$ 57,111	\$ 75,039
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ -	\$ 69,265	\$ 69,265	\$ 17,928	\$ 57,111	\$ 75,039
\$ -	\$ 69,265	\$ 69,265	\$ 17,928	\$ 57,111	\$ 75,039
-	-	-	-	-	-
\$ -	\$ 69,265	\$ 69,265	\$ 17,928	\$ 57,111	\$ 75,039
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

ST. LOUIS COUNTY

COMBINING SCHEDULE OF FEDERAL GRANT ACTIVITY
 DEPARTMENT OF AGRICULTURE
 FOR THE YEAR ENDED DECEMBER 31, 1985

Grant Number	8-709-502-1		
Grant Period	10/1/85 to 9/30/86		
Grant Name	Child Care Food Program		
	<u>Cumulative</u> through 12/31/84	<u>Activity</u> in 1985	<u>Cumulative</u> through 12/31/85
Revenues			
Federal			
Direct	\$ -	\$ -	\$ -
Flow-through	-	18,100	18,100
Administrative reimbursement	-	-	-
Total Federal	<u>\$ -</u>	<u>\$ 18,100</u>	<u>\$ 18,100</u>
Local			
County	\$ -	-	-
Total Revenues	<u>\$ -</u>	<u>\$ 18,100</u>	<u>\$ 18,100</u>
Expenditures			
Social services	\$ -	\$ 18,100	\$ 18,100
Culture recreation	-	-	-
Total Expenditures	<u>\$ -</u>	<u>\$ 18,100</u>	<u>\$ 18,100</u>
Excess of Revenues Over (Under) Expenditures	\$ -	\$ -	\$ -
Balance - Beginning	<u>-</u>	<u>-</u>	<u>-</u>
Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Schedule 6
(Continued)

35332 10/1/83 to 9/30/84 BWCA Forest Intensification Fund			37662 10/1/84 to 9/30/85 BWCA Forest Intensification Fund		
Cumulative through 12/31/84	Activity in 1985	Cumulative through 12/31/85	Cumulative through 12/31/84	Activity in 1985	Cumulative through 12/31/85
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
155,000	-	155,000	-	155,000	155,000
-	-	-	-	-	-
<u>\$ 155,000</u>	<u>\$ -</u>	<u>\$ 155,000</u>	<u>\$ -</u>	<u>\$ 155,000</u>	<u>\$ 155,000</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
155,000	-	155,000	-	155,000	155,000
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
76,395	78,605	155,000	-	177,187	177,187
<u>\$ 76,395</u>	<u>\$ 78,605</u>	<u>\$ 155,000</u>	<u>\$ -</u>	<u>\$ 177,187</u>	<u>\$ 177,187</u>
78,605	(78,605)	-	-	(22,187)	(22,187)
<u>33,639</u>	<u>112,244</u>	<u>33,639</u>	<u>-</u>	<u>33,639</u>	<u>33,639</u>
<u><u>\$ 112,244</u></u>	<u><u>\$ 33,639</u></u>	<u><u>\$ 33,639</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 11,452</u></u>	<u><u>\$ 11,452</u></u>

ST. LOUIS COUNTY

COMBINING SCHEDULE OF FEDERAL GRANT ACTIVITY
 DEPARTMENT OF AGRICULTURE
 FOR THE YEAR ENDED DECEMBER 31, 1985

Grant Number Grant Period Grant Name	-		
	10/1/85 to 9/30/86		
	BWCA Forest Intensification Fund		
	Cumulative through 12/31/84	Activity in 1985	Cumulative through 12/31/85
Revenues			
Federal			
Direct	\$ -	\$ -	\$ -
Flow-through	-	-	-
Administrative reimbursement	-	-	-
Total Federal	\$ -	\$ -	\$ -
Local			
County	\$ -	\$ -	\$ -
Total Revenues	\$ -	\$ -	\$ -
Expenditures			
Social services	\$ -	\$ -	\$ -
Culture recreation	-	-	-
Total Expenditures	\$ -	\$ -	\$ -
Excess of Revenues Over (Under) Expenditures	\$ -	\$ -	\$ -
Balance - Beginning	-	-	-
Balance - Ending	\$ -	\$ -	\$ -

Schedule 6
(Continued)

1/1/85 to 12/31/85 Model Employment Project			Total		
Cumulative through 12/31/84	Activity in 1985	Cumulative through 12/31/85	Cumulative through 12/31/84	Activity in 1985	Cumulative through 12/31/85
\$ -	\$ 3,500	\$ 3,500	\$ -	\$ 3,500	\$ 3,500
-	-	-	251,918	542,953	794,871
-	-	-	-	635,804	635,804
\$ -	\$ 3,500	\$ 3,500	\$ 251,918	\$ 1,182,257	\$ 1,434,175
\$ -	\$ 6,719	\$ 6,719	\$ -	\$ 571,703	\$ 571,703
\$ -	\$ 10,219	\$ 10,219	\$ 251,918	\$ 1,753,960	\$ 2,005,878
\$ -	\$ 10,219	\$ 10,219	\$ 92,537	\$ 1,603,509	\$ 1,696,046
-	-	-	76,395	255,792	332,187
\$ -	\$ 10,219	\$ 10,219	\$ 168,932	\$ 1,859,301	\$ 2,028,233
\$ -	\$ -	\$ -	\$ 82,986	\$ (105,341)	\$ 22,355
-	-	-	33,639	150,264	67,278
\$ -	\$ -	\$ -	\$ 116,625	\$ 44,923	\$ 44,923

ST. LOUIS COUNTY

COMBINING SCHEDULE OF FEDERAL GRANT ACTIVITY
DEPARTMENT OF HEALTH AND HUMAN SERVICES
FOR THE YEAR ENDED DECEMBER 31, 1985

Grant Number	303-90		
Grant Period	7/1/84 to 6/30/85		
Grant Name	Health Assessment		
	Cumulative through 12/31/84	Activity in 1985	Cumulative through 12/31/85
Revenues			
Federal			
Flow-through	\$ -	\$ 8,985	\$ 8,985
Administrative reimbursement	-	-	-
Total Federal	\$ -	\$ 8,985	\$ 8,985
State			
Program reimbursement	\$ -	\$ -	\$ -
Administrative reimbursement	-	-	-
Local taxes in lieu of program receipts	-	-	-
Total State	\$ -	\$ -	\$ -
Local			
County	\$ 3,035	\$ 3,109	\$ 6,144
Program receipts	-	-	-
Total Local	\$ 3,035	\$ 3,109	\$ 6,144
Total Revenues	\$ 3,035	\$ 12,094	\$ 15,129
Expenditures			
Social services	\$ 10,117	\$ 10,362	\$ 20,479
Excess of Revenues Over (Under) Expenditures	\$ (7,082)	\$ 1,732	\$ (5,350)
Balance - Beginning	13,957	6,875	13,957
Balance - Ending	\$ 6,875	\$ 8,607	\$ 8,607

Schedule 7

303-90 7/1/85 to 6/30/86 Health Assessment			303-79 04/01/84 to 03/31/85 Range Adult Day Care Transportation		
Cumulative through 12/31/84	Activity in 1985	Cumulative through 12/31/85	Cumulative through 12/31/84	Activity in 1985	Cumulative through 12/31/85
\$ -	\$ -	\$ -	\$ 9,570	\$ 6,930	\$ 16,500
-	-	-	-	-	-
\$ -	\$ -	\$ -	\$ 9,570	\$ 6,930	\$ 16,500
-	-	-	-	-	-
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
\$ -	\$ 4,835	\$ 4,835	\$ 16,175	\$ 15,568	\$ 31,743
-	-	-	-	-	-
\$ -	\$ 4,835	\$ 4,835	\$ 16,175	\$ 15,568	\$ 31,743
-	-	-	-	-	-
\$ -	\$ 4,835	\$ 4,835	\$ 25,745	\$ 22,498	\$ 48,243
-	-	-	-	-	-
\$ -	\$ 9,670	\$ 9,670	\$ 32,350	\$ 15,893	\$ 48,243
-	-	-	-	-	-
\$ -	\$ (4,835)	\$ (4,835)	\$ (6,605)	\$ 6,605	\$ -
-	-	-	-	-	-
-	8,607	8,607	-	(6,605)	-
-	-	-	-	-	-
\$ -	\$ 3,772	\$ 3,772	\$ (6,605)	\$ -	\$ -
-	-	-	-	-	-

ST. LOUIS COUNTY

COMBINING SCHEDULE OF FEDERAL GRANT ACTIVITY
DEPARTMENT OF HEALTH AND HUMAN SERVICES
FOR THE YEAR ENDED DECEMBER 31, 1985

Grant Number	-		
Grant Period	7/1/85 to 6/30/86		
Grant Name	St. Louis County Care Givers		
	Cumulative through 12/31/84	Activity in 1985	Cumulative through 12/31/85
Revenues			
Federal			
Flow-through	\$ -	\$ 14,052	\$ 14,052
Administrative reimbursement	-	-	-
Total Federal	<u>\$ -</u>	<u>\$ 14,052</u>	<u>\$ 14,052</u>
State			
Program reimbursement	\$ -	\$ -	\$ -
Administrative reimbursement	-	-	-
Local taxes in lieu of program receipts	-	-	-
Total State	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Local			
County	\$ -	\$ 1,875	\$ 1,875
Program receipts	-	-	-
Total Local	<u>\$ -</u>	<u>\$ 1,875</u>	<u>\$ 1,875</u>
Total Revenues	<u>\$ -</u>	<u>\$ 15,927</u>	<u>\$ 15,927</u>
Expenditures			
Social services	\$ -	\$ 12,500	\$ 12,500
Excess of Revenues Over (Under) Expenditures	\$ -	\$ 3,427	\$ 3,427
Balance - Beginning	-	-	-
Balance - Ending	<u>\$ -</u>	<u>\$ 3,427</u>	<u>\$ 3,427</u>

Schedule 7
(Continued)

303-02-03 1/1/84 to 12/31/84 Home Delivered Meals			303-02-03 1/1/85 to 12/31/85 Home Delivered Meals		
Cumulative through 12/31/84	Activity in 1985	Cumulative through 12/31/85	Cumulative through 12/31/84	Activity in 1985	Cumulative through 12/31/85
\$ 55,350	\$ 24,050	\$ 79,400	\$ -	\$ 60,369	\$ 60,369
-	-	-	-	-	-
\$ 55,350	\$ 24,050	\$ 79,400	\$ -	\$ 60,369	\$ 60,369
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
\$ 110,330	\$ 565	\$ 110,895	\$ -	\$ 109,594	\$ 109,594
-	-	-	-	-	-
\$ 110,330	\$ 565	\$ 110,895	\$ -	\$ 109,594	\$ 109,594
\$ 165,680	\$ 24,615	\$ 190,295	\$ -	\$ 169,963	\$ 169,963
\$ 186,530	\$ 3,765	\$ 190,295	\$ -	\$ 185,975	\$ 185,975
\$ (20,850)	\$ 20,850	\$ -	\$ -	\$ (16,012)	\$ (16,012)
-	(20,850)	-	-	-	-
\$ (20,850)	\$ -	\$ -	\$ -	\$ (16,012)	\$ (16,012)

ST. LOUIS COUNTY

COMBINING SCHEDULE OF FEDERAL GRANT ACTIVITY
DEPARTMENT OF HEALTH AND HUMAN SERVICES
FOR THE YEAR ENDED DECEMBER 31, 1985

Grant Number	-		
Grant Period	10/1/84 to 9/30/85		
Grant Name	IV-B Indian Children		
	<u>Cumulative through 12/31/84</u>	<u>Activity in 1985</u>	<u>Cumulative through 12/31/85</u>
Revenues			
Federal			
Flow-through	\$ 30,480	\$ -	\$ 30,480
Administrative reimbursement	-	-	-
Total Federal	<u>\$ 30,480</u>	<u>\$ -</u>	<u>\$ 30,480</u>
State			
Program reimbursement	\$ -	\$ -	\$ -
Administrative reimbursement	-	-	-
Local taxes in lieu of program receipts	-	-	-
Total State	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Local			
County	\$ -	\$ -	\$ -
Program receipts	-	-	-
Total Local	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Total Revenues	<u>\$ 30,480</u>	<u>\$ -</u>	<u>\$ 30,480</u>
Expenditures			
Social services	\$ -	\$ 30,480	\$ 30,480
Excess of Revenues Over (Under) Expenditures	\$ 30,480	\$ (30,480)	\$ -
Balance - Beginning	-	30,480	-
Balance - Ending	<u>\$ 30,480</u>	<u>\$ -</u>	<u>\$ -</u>

ST. LOUIS COUNTY

COMBINING SCHEDULE OF FEDERAL GRANT ACTIVITY
 DEPARTMENT OF HEALTH AND HUMAN SERVICES
 FOR THE YEAR ENDED DECEMBER 31, 1985

Grant Number	-		
Grant Period	10/4/84 to 9/30/85		
Grant Name	Work Incentive Program		
	Cumulative through 12/31/84	Activity in 1985	Cumulative through 12/31/85
Revenues			
Federal			
Flow-through	\$ -	\$ 162,347	\$ 162,347
Administrative reimbursement	-	-	-
Total Federal	<u>\$ -</u>	<u>\$ 162,347</u>	<u>\$ 162,347</u>
State			
Program reimbursement	\$ -	\$ -	\$ -
Administrative reimbursement	-	-	-
Local taxes in lieu of program receipts	-	-	-
Total State	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Local			
County	\$ 27,232	\$ 175,750	\$ 202,982
Program receipts	-	-	-
Total Local	<u>\$ 27,232</u>	<u>\$ 175,750</u>	<u>\$ 202,982</u>
Total Revenues	<u>\$ 27,232</u>	<u>\$ 338,097</u>	<u>\$ 365,329</u>
Expenditures			
Social services	\$ 93,194	\$ 272,135	\$ 365,329
Excess of Revenues Over (Under) Expenditures	\$ (65,962)	\$ 65,962	\$ -
Balance - Beginning	-	(65,962)	-
Balance - Ending	<u>\$ (65,962)</u>	<u>\$ -</u>	<u>\$ -</u>

Schedule 7
(Continued)

- 10/1/85 to 9/30/86 Work Incentive Program			- 1/1/85 to 12/31/85 Foster Care IV-E		
Cumulative through 12/31/84	Activity in 1985	Cumulative through 12/31/85	Cumulative through 12/31/84	Activity in 1985	Cumulative through 12/31/85
\$ -	\$ -	\$ -	\$ -	\$ 525,448	\$ 525,448
-	-	-	-	188,903	188,903
\$ -	\$ -	\$ -	\$ -	\$ 714,351	\$ 714,351
\$ -	\$ -	\$ -	\$ -	\$ 210,798	\$ 210,798
-	-	-	-	-	-
\$ -	\$ -	\$ -	\$ -	\$ 210,798	\$ 210,798
\$ -	\$ 45,403	\$ 45,403	\$ -	\$ 786,005	\$ 786,005
-	-	-	-	43,570	43,570
\$ -	\$ 45,403	\$ 45,403	\$ -	\$ 829,575	\$ 829,575
\$ -	\$ 45,403	\$ 45,403	\$ -	\$ 1,754,724	\$ 1,754,724
\$ -	\$ 97,625	\$ 97,625	\$ -	\$ 1,754,724	\$ 1,754,724
\$ -	\$ (52,222)	\$ (52,222)	\$ -	\$ -	\$ -
-	-	-	-	-	-
\$ -	\$ (52,222)	\$ (52,222)	\$ -	\$ -	\$ -

ST. LOUIS COUNTY

COMBINING SCHEDULE OF FEDERAL GRANT ACTIVITY
 DEPARTMENT OF HEALTH AND HUMAN SERVICES
 FOR THE YEAR ENDED DECEMBER 31, 1985

Grant Number Grant Period Grant Name	10/1/84 to 9/30/85		
	Social Services Title XX Block Grant		
	Cumulative through 12/31/84	Activity in 1985	Cumulative through 12/31/85
Revenues			
Federal			
Flow-through	\$ 995,005	\$ 2,566,617	\$ 3,561,622
Administrative reimbursement	-	-	-
Total Federal	<u>\$ 995,005</u>	<u>\$ 2,566,617</u>	<u>\$ 3,561,622</u>
State			
Program reimbursement	\$ -	\$ -	\$ -
Administrative reimbursement	-	-	-
Local taxes in lieu of program receipts	-	-	-
Total State	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Local			
County	\$ 1,766,192	\$ 6,015,585	\$ 7,781,777
Program receipts	-	-	-
Total Local	<u>\$ 1,766,192</u>	<u>\$ 6,015,585</u>	<u>\$ 7,781,777</u>
Total Revenues	<u>\$ 2,761,197</u>	<u>\$ 8,582,202</u>	<u>\$ 11,343,399</u>
Expenditures			
Social services	<u>\$ 2,761,197</u>	<u>\$ 8,582,202</u>	<u>\$ 11,343,399</u>
Excess of Revenues Over (Under) Expenditures	\$ -	\$ -	\$ -
Balance - Beginning	-	-	-
Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Schedule 7
(Continued)

10/1/85 to 9/30/86 Social Services Title XX Block Grant			1/1/85 to 12/31/85 Child Support Enforcemnt		
Cumulative through 12/31/84	Activity in 1985	Cumulative through 12/31/85	Cumulative through 12/31/84	Activity in 1985	Cumulative through 12/31/85
\$ -	\$ 869,313	\$ 869,313	\$ -	\$ 357,103	\$ 357,103
-	-	-	-	1,124,723	1,124,723
\$ -	\$ 869,313	\$ 869,313	\$ -	\$ 1,481,826	\$ 1,481,826
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	19,142	19,142
-	-	-	-	-	-
\$ -	\$ -	\$ -	\$ -	\$ 19,142	\$ 19,142
\$ -	\$ 1,966,733	\$ 1,966,733	\$ -	\$ 171,632	\$ 171,632
-	-	-	-	13,004	13,004
\$ -	\$ 1,966,733	\$ 1,966,733	\$ -	\$ 184,636	\$ 184,636
\$ -	\$ 2,836,046	\$ 2,836,046	\$ -	\$ 1,685,604	\$ 1,685,604
\$ -	\$ 2,836,046	\$ 2,836,046	\$ -	\$ 1,685,604	\$ 1,685,604
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

ST. LOUIS COUNTY

COMBINING SCHEDULE OF FEDERAL GRANT ACTIVITY
 DEPARTMENT OF HEALTH AND HUMAN SERVICES
 FOR THE YEAR ENDED DECEMBER 31, 1985

Grant Number Grant Period Grant Name	-		
	1/1/85 to 6/30/86		
	MR Waivered Services		
	Cumulative through 12/31/84	Activity in 1985	Cumulative through 12/31/85
Revenues			
Federal			
Flow-through	\$ -	\$ 30,654	\$ 30,654
Administrative reimbursement	-	-	-
Total Federal	<u>\$ -</u>	<u>\$ 30,654</u>	<u>\$ 30,654</u>
State			
Program reimbursement	\$ -	\$ 24,119	\$ 24,119
Administrative reimbursement	-	-	-
Local taxes in lieu of program receipts	-	-	-
Total State	<u>\$ -</u>	<u>\$ 24,119</u>	<u>\$ 24,119</u>
Local			
County	\$ -	\$ 2,680	\$ 2,680
Program receipts	-	-	-
Total Local	<u>\$ -</u>	<u>\$ 2,680</u>	<u>\$ 2,680</u>
Total Revenues	<u>\$ -</u>	<u>\$ 57,453</u>	<u>\$ 57,453</u>
Expenditures			
Social services	\$ -	\$ 57,453	\$ 57,453
Excess of Revenues Over (Under) Expenditures	\$ -	\$ -	\$ -
Balance - Beginning	-	-	-
Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Schedule 7
(Continued)

7/1/84 to 6/30/85			7/1/85 to 6/30/86		
Alternative Care - Waivered Services			Alternative Care - Waivered Services		
Cumulative through 12/31/84	Activity in 1985	Cumulative through 12/31/85	Cumulative through 12/31/84	Activity in 1985	Cumulative through 12/31/85
\$ 40,580	\$ 70,879	\$ 111,459	\$ -	\$ 80,787	\$ 80,787
-	-	-	-	-	-
\$ 40,580	\$ 70,879	\$ 111,459	\$ -	\$ 80,787	\$ 80,787
\$ 156,926	\$ 349,530	\$ 506,456	\$ -	\$ 515,139	\$ 515,139
-	-	-	-	-	-
\$ 156,926	\$ 349,530	\$ 506,456	\$ -	\$ 515,139	\$ 515,139
\$ 28,028	\$ 38,832	\$ 66,860	\$ -	\$ 60,440	\$ 60,440
1,666	4,700	6,366	-	5,555	5,555
\$ 29,694	\$ 43,532	\$ 73,226	\$ -	\$ 65,995	\$ 65,995
\$ 227,200	\$ 463,941	\$ 691,141	\$ -	\$ 661,921	\$ 661,921
\$ 351,420	\$ 339,721	\$ 691,141	\$ -	\$ 661,921	\$ 661,921
\$ (124,220)	\$ 124,220	\$ -	\$ -	\$ -	\$ -
-	(124,220)	-	-	-	-
\$ (124,220)	\$ -	\$ -	\$ -	\$ -	\$ -

ST. LOUIS COUNTY

COMBINING SCHEDULE OF FEDERAL GRANT ACTIVITY
 DEPARTMENT OF HEALTH AND HUMAN SERVICES
 FOR THE YEAR ENDED DECEMBER 31, 1985

Grant Number Grant Period Grant Name	-		
	1/1/85 to 12/31/85		
	EPSDT - Administration		
	Cumulative through 12/31/84	Activity in 1985	Cumulative through 12/31/85
Revenues			
Federal			
Flow-through	\$ -	\$ -	\$ -
Administrative reimbursement	-	175,003	175,003
Total Federal	\$ -	\$ 175,003	\$ 175,003
State			
Program reimbursement	\$ -	\$ 15,115	\$ 15,115
Administrative reimbursement	-	-	-
Local taxes in lieu of program receipts	-	-	-
Total State	\$ -	\$ 15,115	\$ 15,115
Local			
County	\$ -	\$ 1,198	\$ 1,198
Program receipts	-	-	-
Total Local	\$ -	\$ 1,198	\$ 1,198
Total Revenues	\$ -	\$ 191,316	\$ 191,316
Expenditures			
Social services	\$ -	\$ 204,816	\$ 204,816
Excess of Revenues Over (Under) Expenditures	\$ -	\$ (13,500)	\$ (13,500)
Balance - Beginning	-	-	-
Balance - Ending	\$ -	\$ (13,500)	\$ (13,500)

Schedule 7
(Continued)

1/1/85 to 12/31/85 Medical Assistance			1/1/85 to 12/31/85 Aid to Families with Dependent Children		
Cumulative through 12/31/84	Activity in 1985	Cumulative through 12/31/85	Cumulative through 12/31/84	Activity in 1985	Cumulative through 12/31/85
\$ -	\$ 64,429	\$ 64,429	\$ -	\$ 13,146,704	\$ 13,146,704
-	843,328	843,328	-	492,539	492,539
\$ -	\$ 907,757	\$ 907,757	\$ -	\$ 13,639,243	\$ 13,639,243
\$ -	\$ 50,978	\$ 50,978	\$ -	\$ 9,733,591	\$ 9,733,591
-	-	-	-	-	-
-	-	-	-	282,767	282,767
\$ -	\$ 50,978	\$ 50,978	\$ -	\$ 10,016,358	\$ 10,016,358
\$ -	\$ 4,042,888	\$ 4,042,888	\$ -	\$ 2,283,574	\$ 2,283,574
-	2,961	2,961	-	2,872,913	2,872,913
\$ -	\$ 4,045,849	\$ 4,045,849	\$ -	\$ 5,156,487	\$ 5,156,487
\$ -	\$ 5,004,584	\$ 5,004,584	\$ -	\$ 28,812,088	\$ 28,812,088
\$ -	\$ 5,004,584	\$ 5,004,584	\$ -	\$ 28,812,088	\$ 28,812,088
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

ST. LOUIS COUNTY

COMBINING SCHEDULE OF FEDERAL GRANT ACTIVITY
 DEPARTMENT OF HEALTH AND HUMAN SERVICES
 FOR THE YEAR ENDED DECEMBER 31, 1985

Grant Number Grant Period Grant Name	1/1/85 to 12/31/85		
	AFDC - Emergency Assistance		
	Cumulative through 12/31/84	Activity in 1985	Cumulative through 12/31/85
Revenues			
Federal			
Flow-through	\$ -	\$ 131,141	\$ 131,141
Administrative reimbursement	-	-	-
Total Federal	\$ -	\$ 131,141	\$ 131,141
State			
Program reimbursement	\$ -	\$ 13,114	\$ 13,114
Administrative reimbursement	-	-	-
Local taxes in lieu of program receipts	-	-	-
Total State	\$ -	\$ 13,114	\$ 13,114
Local			
County	\$ -	\$ 117,028	\$ 117,028
Program receipts	-	-	-
Total Local	\$ -	\$ 117,028	\$ 117,028
Total Revenues	\$ -	\$ 261,283	\$ 261,283
Expenditures			
Social services	\$ -	\$ 261,283	\$ 261,283
Excess of Revenues Over (Under) Expenditures	\$ -	\$ -	\$ -
Balance - Beginning	-	-	-
Balance - Ending	\$ -	\$ -	\$ -

Schedule 7
(Continued)

- 1/1/84 to 12/31/84 Staff Development			- 1/1/85 to 12/31/85 Staff Development		
Cumulative through 12/31/84	Activity in 1985	Cumulative through 12/31/85	Cumulative through 12/31/84	Activity in 1985	Cumulative through 12/31/85
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<u>6,270</u>	<u>3,497</u>	<u>9,767</u>	<u>-</u>	<u>7,168</u>	<u>7,168</u>
<u>\$ 6,270</u>	<u>\$ 3,497</u>	<u>\$ 9,767</u>	<u>\$ -</u>	<u>\$ 7,168</u>	<u>\$ 7,168</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 9,540	\$ -	\$ 9,540	\$ -	\$ 5,873	\$ 5,873
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ 9,540</u>	<u>\$ -</u>	<u>\$ 9,540</u>	<u>\$ -</u>	<u>\$ 5,873</u>	<u>\$ 5,873</u>
<u>\$ 15,810</u>	<u>\$ 3,497</u>	<u>\$ 19,307</u>	<u>\$ -</u>	<u>\$ 13,041</u>	<u>\$ 13,041</u>
<u>\$ 19,307</u>	<u>\$ -</u>	<u>\$ 19,307</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ (3,497)	\$ 3,497	\$ -	\$ -	\$ 13,041	\$ 13,041
<u>-</u>	<u>(3,497)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ (3,497)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 13,041</u>	<u>\$ 13,041</u>

ST. LOUIS COUNTY

COMBINING SCHEDULE OF FEDERAL GRANT ACTIVITY
 DEPARTMENT OF HEALTH AND HUMAN SERVICES
 FOR THE YEAR ENDED DECEMBER 31, 1985

Grant Number Grant Period Grant Name	- 1/1/85 to 12/31/85 Refugee Assistance		
	Cumulative through 12/31/84	Activity in 1985	Cumulative through 12/31/85
Revenues			
Federal			
Flow-through	\$ -	\$ 205,984	\$ 205,984
Administrative reimbursement	-	22,071	22,071
Total Federal	<u>\$ -</u>	<u>\$ 228,055</u>	<u>\$ 228,055</u>
State			
Program reimbursement	\$ -	\$ -	\$ -
Administrative reimbursement	-	-	-
Local taxes in lieu of program receipts	-	-	-
Total State	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Local			
County	\$ -	\$ 355	\$ 355
Program receipts	-	-	-
Total Local	<u>\$ -</u>	<u>\$ 355</u>	<u>\$ 355</u>
Total Revenues	<u>\$ -</u>	<u>\$ 228,410</u>	<u>\$ 228,410</u>
Expenditures			
Social services	\$ -	\$ 211,671	\$ 211,671
Excess of Revenues Over (Under) Expenditures	\$ -	\$ 16,739	\$ 16,739
Balance - Beginning	-	(16,739)	(16,739)
Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Schedule 7
(Continued)

89030 7/1/84 to 12/31/85 Jail Treatment Program			92664 Jail Treatment Program		
Cumulative through 12/31/84	Activity in 1985	Cumulative through 12/31/85	Cumulative through 12/31/84	Activity in 1985	Cumulative through 12/31/85
\$ 4,246	\$ 9,754	\$ 14,000	\$ -	\$ 3,500	\$ 3,500
-	-	-	-	-	-
\$ 4,246	\$ 9,754	\$ 14,000	\$ -	\$ 3,500	\$ 3,500
-	-	-	-	-	-
-	-	-	-	-	-
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
\$ 4,246	\$ 9,754	\$ 14,000	\$ -	\$ 3,500	\$ 3,500
-	-	-	-	-	-
\$ 3,273	\$ 10,727	\$ 14,000	\$ -	\$ 2,141	\$ 2,141
-	-	-	-	-	-
\$ 973	\$ (973)	\$ -	\$ -	\$ 1,359	\$ 1,359
-	973	-	-	-	-
\$ 973	\$ -	\$ -	\$ -	\$ 1,359	\$ 1,359

ST. LOUIS COUNTY

COMBINING SCHEDULE OF FEDERAL GRANT ACTIVITY
 DEPARTMENT OF HEALTH AND HUMAN SERVICES
 FOR THE YEAR ENDED DECEMBER 31, 1985

Grant Number	89036		
Grant Period	7/1/84 to 6/30/85		
Grant Name	Outpatient Drug Abuse Program		
	<u>Cumulative</u>	<u>Activity</u>	<u>Cumulative</u>
	<u>through</u>	<u>in 1985</u>	<u>through</u>
	<u>12/31/84</u>		<u>12/31/85</u>
Revenues			
Federal			
Flow-through	\$ 12,499	\$ 19,523	\$ 32,022
Administrative reimbursement	-	-	-
Total Federal	<u>\$ 12,499</u>	<u>\$ 19,523</u>	<u>\$ 32,022</u>
State			
Program reimbursement	\$ -	\$ -	\$ -
Administrative reimbursement	-	-	-
Local taxes in lieu of program receipts	-	-	-
Total State	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Local			
County	\$ -	\$ -	\$ -
Program receipts	-	-	-
Total Local	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Total Revenues	<u>\$ 12,499</u>	<u>\$ 19,523</u>	<u>\$ 32,022</u>
Expenditures			
Social services	\$ 3,024	\$ 28,998	\$ 32,022
Excess of Revenues Over (Under) Expenditures	\$ 9,475	\$ (9,475)	\$ -
Balance - Beginning	-	9,475	-
Balance - Ending	<u>\$ 9,475</u>	<u>\$ -</u>	<u>\$ -</u>

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Schedule 7
(Continued)

91974 7/1/85 to 6/30/86 Outpatient Drug Abuse Program			87349 1/1/84 to 12/31/84 Chemical Dependency Jobs Bill		
Cumulative through 12/31/84	Activity in 1985	Cumulative through 12/31/85	Cumulative through 12/31/84	Activity in 1985	Cumulative through 12/31/85
\$ -	\$ 8,333	\$ 8,333	\$ 33,444	\$ 43,272	\$ 76,716
-	-	-	-	-	-
\$ -	\$ 8,333	\$ 8,333	\$ 33,444	\$ 43,272	\$ 76,716
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ 1	\$ -	\$ 1
-	-	-	-	-	-
\$ -	\$ -	\$ -	\$ 1	\$ -	\$ 1
\$ -	\$ 8,333	\$ 8,333	\$ 33,445	\$ 43,272	\$ 76,717
\$ -	\$ 21,035	\$ 21,035	\$ 76,717	\$ -	\$ 76,717
\$ -	\$ (12,702)	\$ (12,702)	\$ (43,272)	\$ 43,272	\$ -
-	-	-	-	(43,272)	-
\$ -	\$ (12,702)	\$ (12,702)	\$ (43,272)	\$ -	\$ -

ST. LOUIS COUNTY

COMBINING SCHEDULE OF FEDERAL GRANT ACTIVITY
 DEPARTMENT OF HEALTH AND HUMAN SERVICES
 FOR THE YEAR ENDED DECEMBER 31, 1985

Grant Number	-		
Grant Period	10/1/84 to 9/30/85		
Grant Name	Mental Health Services Block Grant		
	Cumulative through 12/31/84	Activity in 1985	Cumulative through 12/31/85
Revenues			
Federal			
Flow-through	\$ 7,816	\$ 23,416	\$ 31,232
Administrative reimbursement	-	-	-
Total Federal	<u>\$ 7,816</u>	<u>\$ 23,416</u>	<u>\$ 31,232</u>
State			
Program reimbursement	\$ -	\$ -	\$ -
Administrative reimbursement	-	-	-
Local taxes in lieu of program receipts	-	-	-
Total State	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Local			
County	\$ -	\$ -	\$ -
Program receipts	-	-	-
Total Local	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Total Revenues	<u>\$ 7,816</u>	<u>\$ 23,416</u>	<u>\$ 31,232</u>
Expenditures			
Social services	\$ -	\$ 31,232	\$ 31,232
Excess of Revenues Over (Under) Expenditures	\$ 7,816	\$ (7,816)	\$ -
Balance - Beginning	-	7,816	-
Balance - Ending	<u>\$ 7,816</u>	<u>\$ -</u>	<u>\$ -</u>

-
1/1/85 to 6/30/86
Hypertension Special Project

Hypertension Special Project			Total		
Cumulative through 12/31/84	Activity in 1985	Cumulative through 12/31/85	Cumulative through 12/31/84	Activity in 1985	Cumulative through 12/31/85
\$ -	\$ 7,029	\$ 7,029	\$ 1,188,990	\$ 18,512,166	\$ 19,701,156
-	-	-	6,270	2,857,232	2,863,502
\$ -	\$ 7,029	\$ 7,029	\$ 1,195,260	\$ 21,369,398	\$ 22,564,658
\$ -	\$ -	\$ -	\$ 156,926	\$ 10,912,384	\$ 11,069,310
-	-	-	-	19,142	19,142
-	-	-	-	282,767	282,767
\$ -	\$ -	\$ -	\$ 156,926	\$ 11,214,293	\$ 11,371,219
\$ -	\$ -	\$ -	\$ 1,960,533	\$ 15,849,522	\$ 17,810,055
-	-	-	1,666	2,942,703	2,944,369
\$ -	\$ -	\$ -	\$ 1,962,199	\$ 18,792,225	\$ 20,754,424
\$ -	\$ 7,029	\$ 7,029	\$ 3,314,385	\$ 51,375,916	\$ 54,690,301
\$ -	\$ 7,029	\$ 7,029	\$ 3,537,129	\$ 51,205,788	\$ 54,742,917
\$ -	\$ -	\$ -	\$ (222,744)	\$ 170,128	\$ (52,616)
-	-	-	13,957	216,919	5,825
\$ -	\$ -	\$ -	\$ 208,787	\$ 46,791	\$ (46,791)

MANAGEMENT AND COMPLIANCE LETTERS



STATE OF MINNESOTA

OFFICE OF THE STATE AUDITOR
SUITE 400
555 PARK STREET
SAINT PAUL 55103

ARNE H. CARLSON
STATE AUDITOR

296-2551

February 17, 1987

The Honorable Herb Lamppa, Chairman
Board of County Commissioners
St. Louis County
Duluth, Minnesota 55802

We have examined the financial statements of St. Louis County as of and for the year ended December 31, 1985, and have issued our report thereon dated October 31, 1986. This letter resulting from part of that examination is organized into sections on internal accounting control, management practices, previously reported items resolved, and other items for consideration.

INTERNAL ACCOUNTING CONTROL

As part of our examination, we made a study and evaluation of the system of internal accounting control of St. Louis County to the extent we considered necessary to evaluate the system, as required by generally accepted auditing standards and the standards for financial and compliance audits contained in the U.S. General Accounting Office's Standards for Audit of Governmental Organizations, Programs, Activities, and Functions. For the purpose of this report, we have classified the significant internal accounting controls in the following categories:

- Receipts/revenues
- Disbursements/expenditures
- Payroll
- Cash management
- Taxes
- Federal grant eligibility

Our study included all of the control categories listed above. The purpose of our study and evaluation was to determine the nature, timing, and extent of the auditing procedures necessary for expressing an opinion on St. Louis County's financial statements. Our study and evaluation was more limited than would be necessary to express an opinion on the system of internal accounting control taken as a whole or on any of the categories of controls identified above.

The management of St. Louis County is responsible for establishing and maintaining a system of internal accounting control. In fulfilling this responsibility, management must make estimates and judgments that assess the expected benefits and related costs of control procedures. The objectives of a system are to provide reasonable, but not absolute, assurance that:

- assets are safeguarded against loss from unauthorized use or disposition,
- transactions are executed in accordance with management's authorization, and
- transactions are recorded properly to permit the preparation of financial statements in accordance with generally accepted accounting principles.

Because of inherent limitations in any system of internal accounting control, errors or irregularities may occur and not be detected. Also, projection of any evaluation of the system to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the degree of compliance with the procedures may deteriorate.

Our study and evaluation, made for the limited purpose described above will not necessarily disclose all material weaknesses in the system. Accordingly, we do not express an opinion on the system of internal accounting control of St. Louis County taken as a whole or on any of the categories identified. However, our study and evaluation disclosed the following conditions that we believe result in more than a relatively low risk that material errors or irregularities may occur and not be detected within a timely period. Material errors and irregularities are those amounts that would materially affect the financial statements.

ITEMS ARISING THIS YEAR

Purchase Orders

The original purchase order is sent to the vendor before the encumbrance officer has received a copy and has determined that funds are available to make the purchase. This could allow goods to be delivered or services to be performed without funds being available to pay for them.

We recommend that the Purchasing Department hold the original purchase order until a copy has been approved by the encumbrance officer.

Client's Response: The long-term solution here will be the printing of purchase orders on LGFS, the County's financial system, after the funds have been encumbered. Short-term, the Auditor's Office has required that purchase orders be phoned in or sent in only after the funds have been properly encumbered.

Hibbing Courts

Cash receipted through the contingent fund is not being deposited in the checking account on a regular basis. Over \$9,200 in cash and checks were undeposited on the date of our counts.

We recommend that the Hibbing Court personnel be directed to deposit all checks and cash at a minimum of once weekly into the contingent fund checking account.

ITEMS ARISING THIS YEAR

Hibbing Courts (Continued)

Client's Response: The Hibbing Courts were short-staffed for a time, resulting in a temporary backlog of several tasks, including the prompt deposit of funds. This situation was since corrected, and the funds are deposited promptly, as they normally were.

Social Services

1. Estate and Guardianship Funds

Bank statements for the Estate and Guardianship Funds are not sent directly to the person who reconciles the bank accounts. Instead, they are mailed to the people who maintain the accounting records.

We recommend that the banks be notified to send the bank statements directly to the person who prepares the bank reconciliations.

Client's Response: The bank will be instructed to send their statement to General Accounting.

2. Social Welfare Fund

- A. One person receives the cash and checks, adds the checks received, prepares checks for issuance, and records information on the accounting records. Internal control would be strengthened if a person independent of the accounting functions receipted the incoming cash and checks.
- B. The receipting procedures for checks pertaining to the Social Welfare Fund are such that more than one person handles the checks before they are receipted, and again before they are deposited. This weakens internal control and could allow checks to be lost before they are either receipted or deposited.

We recommend that the Social Services Department review the assignment of tasks pertaining to the Social Welfare Fund and reassign to better segregate duties.

Client's Response: The Accounting procedure is set-up so that three different people handle the checks as they are being processed: the cashier (who is the first and the last to handle the checks), the Social Welfare Clerk and the micro-film operator. Along the check's route, three different tapes are taken to assure that all checks are accounted for.

3. Support and Collections (IV-D)

Some checks for the IV-D account were lost in the process of being prepared for deposit. They were received and a tape was prepared which included the amounts of the lost checks. The entire batch of checks was then sent to be microfilmed, and when the batch was returned, a portion of the checks was missing.

ITEMS ARISING THIS YEAR

Social Services

3. Support and Collections IV-D (Continued)

We recommend that the Social Services Department review the receipting procedures for checks pertaining to Support and Collections.

Client's Response: 12 checks for 13 people were not microfilmed and they never went to the bank. This loss was discovered when deposit was made in bank. A check with microfilmed checks vs. list of checks entered into child support system told us what checks were missing. We then were able to contact each payee and get replacement checks for all those that were lost. It has never been determined how the checks were lost and they have never shown up. We consider the controls adequate for we discovered this one time error immediately and corrected the problem.

4. Transaction Classifications

Some revenue and expenditure transactions were incorrectly classified in the accounting records of the Social Services Fund. The revenue error consisted mainly of classifying federal and local intergovernmental revenue of the Alternative Care Program as state revenue. Of the expenditure errors, some were corrected on the "Summary Abstract" but not on the general ledger system (LGFS) of the County, while others were not corrected at all.

We recommend that all revenue and expenditure classifications be carefully reviewed for appropriateness and any necessary corrections be posted to the general ledger accounts at the time they are corrected on the "Summary Abstract."

Client's Response: When payment adjustments are made they will be entered into LGFS. We are currently in the process of developing a method to account for Federal and State Revenue for the Waivered Programs.

* * * * *

The above conditions were considered in determining the nature, timing, and extent of the audit tests applied in our examination of the 1985 financial statements, and this report does not affect our opinion on the financial statements dated October 31, 1986.

MANAGEMENT PRACTICES

As part of our financial statement examination, we also reviewed certain management practices. Our review was not a detailed study of every system, procedure, and transaction. Accordingly, the items presented here may not be all-inclusive of areas where improvement may be needed.

PREVIOUSLY REPORTED ITEMS--NOT RESOLVED

Social Services - Accounts Receivable

Our review of the accounts receivable detail indicated:

- Social Services "out of county" and "third party" billings were accrued based on when the billings were prepared rather than when the services were performed. Since these billings were not prepared until a month after the services were provided, the year-end accrued receivables were understated.
- Certain charges for services provided to clients were billed to insurance companies and a revenue and receivable was established. If the insurance companies would not pay, the charge was billed to Social Services under the program through which the client was eligible. This caused the year-end accounts receivable balance for the Social Services Fund to be overstated because it included amounts due from itself.

We recommend:

- That year-end receivables be accrued based on when the service is provided rather than when billed.
- That if the charges prove uncollectible from the insurance companies, the receivable and revenue should be eliminated, the correct program expenditure should be debited, and the expenditure account through which the service was provided should be credited. These entries, made by journal voucher, would eliminate the intrafund receivables.

Client's Response:

- a. I agree with the State Auditors' opinion and am making sure to correct the errors in the 1986 year-end.
- b. This situation occurs only with a small number of cases at "2001". The other departments are paid by St. Louis County first and then we request reimbursement from insurance. "2001" is not paid by St. Louis County first. If insurance does not pay, a blue voucher is done charging the County and creating revenue for "2001".

Road and Bridge-Retained Percentage on Contracts Payable

The Road and Bridge Department did not recognize the retained percentage on contracts payable at year-end as a liability. This caused the liabilities and expenditures to be understated for the year-ended December 31, 1985, by \$26,755.58.

We recommend that the Road and Bridge Department review all contracts at year-end to ensure that all payables have been recorded.

Client's Response: Percentages retained were encumbered; however, future items of this nature will instead be set up as a liability.

ITEMS ARISING THIS YEAR

Road and Bridge Fund Inventory

The Road and Bridge Fund inventory for the year ended December 31, 1985, was estimated for the financial statements because the Pike Lake Division did not submit its final inventory listing until October 1986. This delay affects the preparation of the annual report to the Minnesota Department of Transportation which is used to determine funding.

We recommend that the Highway Engineer stress the importance of the inventory records to the personnel performing the counts and require the counts to be completed in a timely manner.

Client's Response: Hopefully this problem will be resolved in the future when we institute a computerized inventory program. The timing for this automation is based on budget constraints and the availability of public domain software presently being prepared by the Minnesota Department of Transportation in St. Paul.

It is my understanding that the physical counting was completed in a timely manner but the compiling, checking and typing of the 300 plus sheets was delayed due to the work load of the clerical staff at Pike Lake.

Everyone involved with the preparation of the inventory records will be advised of their importance, and the need to expedite the reporting procedure.

Journal Vouchers

Our review of various journal vouchers for both County and Social Services entries indicated that not all contain adequate explanation. This makes it difficult to determine the reasons and original source documents for some journal vouchers.

We recommend that all journal vouchers be carefully reviewed to ascertain that they contain sufficient detail and explanation.

Client's Response:

County Auditor - this will be done.

Social Services - The journal vouchers will be verified in General Accounting to see that they contain an adequate explanation. Those that do not will be returned to the originator for further clarification.

1. Fixed Asset Deletions

When deletions were made from the Social Services fixed asset records, the assets were completely deleted from the system. The deletion column of the "change of position" report was blank. There was no audit trail for these changes.

We recommend that fixed asset recordkeeping procedures be changed so that there is an adequate audit trail for deletions from the fixed asset records.

ITEMS ARISING THIS YEAR

Social Services

1. Fixed Asset Deletions (Continued)

Client's Response: 1985 was the first year that the assets were recorded on the fixed asset system. All future additions and deletions will show on the change of position report.

2. Special Fund

The Duluth and Virginia Social Service offices each have a \$10,000 special contingent fund which is used for emergency payments to clients for a maximum of \$250. The funds are each kept in non-interest bearing checking accounts. The average balance in the Duluth office account during 1985, was \$9,800.

We recommend that the Social Services Department consider reducing the balances in these non-interest bearing checking accounts and returning the unnecessary amounts to the general accounts of the County for investment purposes.

Client's Response: The Duluth fund rarely goes under \$5,000 because of new methods which enable us to reimburse the fund daily, therefore, we will reduce the Duluth fund from \$10,000 to \$5,000. The Range fund will be left at \$10,000 for now, because of the fluctuation in economic conditions.

Conflicts of Interest

Currently the County has no procedures or personnel policies to check compliance with Minn. Stat. §§ 15.054, 382.18, and 471.87, on conflicts of interest with officials or employees of the County. Periodic disclosures of economic interest, together with review of the disclosures, are controls which would help protect the County.

We recommend that the County Board establish procedures and personnel policies to check for compliance with conflict of interest statutes.

Client's Response:

County Auditor - Such a policy has been established for Social Services and the County Board is also considering a policy for the rest of the County.

Social Services - The Social Services Board adopted a policy on October 27, 1986.

PREVIOUSLY REPORTED ITEMS RESOLVED

The following items included in the previous management letter dated February 13, 1986, have been implemented or otherwise resolved.

<u>Recommendation</u>	<u>Resolution</u>
The County should develop a written disaster recovery plan.	This recommendation has been implemented.
The Virginia Sheriff's Office should deposit monies promptly, discontinue cashing checks payable to the Sheriff, and make any refunds by check.	These recommendations have been implemented.
Checks received by the Social Services Department should be stamped "for deposit only" on the day received.	This recommendation has been implemented.
Support and collections checks labeled "void after 90 days" should be reviewed after 90 days and cancelled if necessary.	This recommendation has been implmented.
Cash and checks received by the Social Services Department for the estate fund should be receipted and deposited by the cashier.	This recommendation has been implemented.
The Social Services Department should compare and reconcile its fixed asset records to the County's computerized records.	These records have been reconciled.
The model employment program should be accounted for in the Social Services Fund, and the special checking account should be reflected on the LGFS records.	These recommendations have been implemented.
The Social Services Department should handle intrafund charges by journal voucher, review liability accruals to ascertain they are properly classified, exclude January rent payments from the payables, and reconcile interfund receivables to the auditor's records.	These recommendations have been implemented.

PREVIOUSLY REPORTED ITEMS RESOLVED (Continued)

<u>Recommendation</u>	<u>Resolution</u>
All activity of the Patient's Trust Fund should be recorded on the County LFGS records.	All activity is reflected on the general ledger system of the County.
Capital leases should be accounted for in accordance with the Governmental Accounting Standards Board (GASB), Statement 5.	County records were adjusted and leases are now accounted for properly.

OTHER ITEMS FOR CONSIDERATION

1. Departmental Internal Accounting Controls

We would like to also point out that due to the limited number of office personnel within the various County departments, the proper segregation of the accounting functions that is necessary to ensure adequate internal accounting control is not possible. Although this is not unusual in small departmental situations, management should constantly be aware of this condition and realize that the concentration of duties and responsibilities in a limited number of individuals is not desirable from an internal control point of view.

2. Deferred Compensation Reporting

Governmental Accounting Standards Board Statement No. 2, Financial Reporting of Deferred Compensation Plans Under the Provisions of Internal Revenue Code Section 457, is effective for the year ending December 31, 1986. This statement requires that the financial activities of the Great West Life, IDS, Lincoln National, Lutheran Brotherhood, Minnesota Mutual, and Minnesota State Retirement System deferred compensation plans (and any other deferred compensation plans subsequently adopted) be presented as an agency fund in the 1986 St. Louis County financial statements. We recommend that, to prepare for this presentation, the County obtain asset and liability information from the plan administrator.

* * * * *

We are available throughout the year to assist you in implementing any of our suggestions.

We would like to thank the St. Louis County staff for their excellent cooperation and assistance during the audit.


ARNE H. CARLSON
State Auditor



STATE OF MINNESOTA

OFFICE OF THE STATE AUDITOR

SUITE 400

555 PARK STREET

SAINT PAUL 55103

ARNE H. CARLSON
STATE AUDITOR

296-2551

February 17, 1987

The Honorable Herb Lamppa, Chairman
Board of County Commissioners
St. Louis County
Duluth, Minnesota 55802

We have examined the financial statements of St. Louis County as of and for the year ended December 31, 1985, and have issued our opinion thereon dated October 31, 1986. Our examination was made in accordance with generally accepted auditing standards; the provisions of Standards for Audit of Governmental Organizations, Programs, Activities, and Functions, promulgated by the U.S. Comptroller General, as they pertain to financial and compliance audits; the Single Audit Act of 1984; the provisions of OMB Circular A-128, Audits of State and Local Governments; and the provisions of the Minnesota Legal Compliance Audit Guide for Local Government, promulgated by the Legal Compliance Task Force pursuant to Minn. Stat. § 6.65 (1984). Accordingly, our examination included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

SINGLE AUDIT

In connection with the examination, a representative number of charges to federal awards were selected to determine if federal funds are being expended in accordance with the terms of applicable agreements and the provisions of federal law or regulations that could have a material effect on the financial statements or on the awards tested. The results of our tests indicate that, for the items tested, St. Louis County complied with the material terms and conditions of the federal award agreements, including those pertaining to financial reports and claims for advances and reimbursements, except as described below. Further, for the items not tested, based on our examination and the procedures referred to above, nothing came to our attention to indicate that St. Louis County had not complied with the significant compliance terms and conditions of the awards.



PREVIOUSLY REPORTED ITEMS--NOT RESOLVED

Indirect Cost Allocation Plan

The Social Services Fund receives reimbursement from the federal government for indirect administrative costs to the public aid programs. Many cost centers of the indirect cost allocation plan have been approved by the cognizant agency, the Department of Health and Human Services. Those approved are:

Administrative Support Services
Building Maintenance
Executive and Board
Systems
Personnel
Office Management - Duluth
Office Management - Range
General Ledger Accounting
Disbursements
Accounts Receivable
Planning and Contract Services
Staff Development

The Unclassified and the Audits and Budgets cost centers have not received final approval.

Because federal administrative reimbursements received by St. Louis County are based on the above plan, which, for the most part is approved, no determination was made of any possible questioned costs.

Client's Response:

- A. Audits and budgets cost center will adequately describe the time reporting methodology with the amended administrative plan we submit.
- B. Unclassified cost center has not finalized a contractual agreement between the St. Louis County Social Service Department and the St. Louis County Attorney's Office.

Cost Allocation Plan

Costs are allocated to the various programs based on full-time equivalent employees. According to the approved cost allocation plan, costs should be allocated based on the number of employees.

Building maintenance costs were allocated to Staff Development and Food Stamps cost centers. These cost centers were not approved in the cost allocation plan.

The Planning and Contract Services Director and the Nursing Home Director are included with the executive and board cost centers. The cost allocation plan makes no mention of these directors.

PREVIOUSLY REPORTED ITEMS--NOT RESOLVED

Cost Allocation Plan (Continued)

We recommend that the Federal Department of Health and Human Services, Division of Cost Allocation, be notified of the actual allocation process being used, the additional cost centers, and the additional directors being allocated in the Executive and Board cost centers. The County should obtain approval for all such changes to the cost allocation plan.

Client's Response:

1. Costs have always been allocated on a full-time equivalent employee basis. Terminology will be corrected when a revised plan is submitted.
2. Building maintenance costs have always been allocated to both Food Stamps and Staff Development. The Staff Development cost center will be added when a revised plan is submitted.
3. Planning and Contract Services (1st quarter, 1983) and Nursing Home (2nd quarter, 1984) Directors have been assigned to the Executive Cost Center since the last amended plan was submitted. The P&CS Director will be added when a revised plan is submitted.

Grantor Financial Reports

Revenues and expenditures for various grants, as reported on the grantor financial status reports, did not agree with the County's computerized general ledger - Local Government Financial System (LGFS) - accounting records. This happened because records other than the LGFS-generated reports were maintained and used to complete the grantor reports. The grants which did not agree for the year ended December 31, 1985, were:

- CFDA# 10.557 Women, Infants and Children
- CFDA# 11.300 Parking Ramp Project
- CFDA# 13.633 Health Assessment
- CFDA# 13.635 Home Delivered Meals
- CFDA# 13.992 Outpatient Drug Abuse Program
- CFDA# 72.002 Retired Senior Volunteer Program

We recommend that the LGFS accounting records be used to complete any and all required grantor reports. If additional accounting records are needed, these records should be reconciled to the LGFS reports.

Client's Response:

County Auditor - The Auditor's Department and County Health Departments will work together to accomplish this for the Women, Infants and Children Grant. The Parking Ramp Project has been completed.

Social Services - Journal entries will be required to adjust LGFS accounting records to grantor financial status reports.

PREVIOUSLY REPORTED ITEMS--NOT RESOLVED (Continued)

Federal Administration Reimbursement

Our review of procedures pertaining to the federal administration reimbursements indicated that revenues are not always credited to the programs specified on the remittance advices from the State. This makes it difficult to prepare the grant schedules because revenues in specific account codes do not agree with State remittance advices.

We recommend that revenues be credited to the programs indicated by the State remittance advices.

Client's Response: In 1986 no allocation was made to administration from revenue received, thus they should all be credited to the programs specified. In some cases the Revenue is broken down further than the programs shown on the remittance advice statement, however, these should be easily traced.

Grant Revenue and Expenditure Accounting

Some LGFS codes are used to account for several different and distinct grants. This procedure makes it difficult to use the LGFS records to complete the grantor financial reports and also to prepare the grant schedules for the annual financial statements. The grants which were not distinctly identified included:

CFDA # 13.645 Child Welfare IV-B
CFDA # 13.714 Alternative Care-Waivered Services
CFDA # 13.714 MR Waivered Services

We recommend that separate and distinct LGFS revenue and expenditure codes be established and used to account for each different grant.

Client's Response: We are developing for 1987 separate and distinct codes for these grants. We will experiment with the "Grants Management System" in LGFS.

ITEMS ARISING THIS YEAR

Social Services Cost Allocation Plan

Our review of the Social Services cost allocation documentation indicated that some information supporting the schedules was not available for audit. Also, for the fourth quarter allocation, percentages based on the third quarter allocation were applied to complete the last quarter administrative allocation.

We recommend that procedures be developed to ensure that all documentation supporting each quarterly allocation be prepared on a timely basis.

ITEMS ARISING THIS YEAR

Social Services Cost Allocation Plan (Continued)

Client's Response: DHS requires quarterly reports be submitted by the 19th of the month following each quarter. The 4th quarter of 1985 was not closed in sufficient time to allow completion of the report with complete 4th quarter data. Therefore, estimated data was submitted with adjustments made in subsequent quarters. This will continue to be done, for to do otherwise would cause a cash flow problem. All documentation has always been available for audit reviews upon request.

Health Assessment Grant 303-90 CFDA# 13.633

The financial status report for the second quarter of the Health Assessment Grant for the grant year ended June 30, 1986, was incorrect. The second quarter report included the first quarter expenditures, so the total fiscal year expenditures were over stated by \$5,012. This is a questioned cost.

We recommend that the financial status report for the Health Assessment Grant for the year ended June 30, 1986, be revised and resubmitted to the administering agency.

Client's Response: The second quarter, 1985 report was revised and resubmitted on August 26, 1986.

Social Services Title XX Block Grant CFDA# 13.667

The client prepared schedule of grant activity for the Title XX Block Grant included expenditures which also showed in other grant schedules. The grants and amounts included in Title XX, were:

CFDA# 13.635 Home Delivered Meals	\$ 9,611
CFDA# 13.645 Child Welfare IV-B	41,067
CFDA# 13.714 Alternative Care-Waivered Services	104,037

The necessary adjustments were made to the grant activity schedule for Title XX for the year ended December 31, 1985.

We recommend that the grant activity schedule for the Social Services Title XX Block Grant be carefully prepared to exclude any expenditures properly charged to other federal grants.

Client's Response: All expenditures and revenues attributable to other programs have already been offset in 1986 so they are not charged to Title XX Block Grant Program.

LEGAL COMPLIANCE

The Minnesota Legal Compliance Audit Guide for Local Government, covers five main categories of compliance to be tested: contracting and bidding, deposits and investments, conflicts of interest, public indebtedness, and claims and disbursements. Our study included all of the listed categories. Our tests

LEGAL COMPLIANCE (Continued)

indicate that for the items tested, St. Louis County complied with the material terms and conditions of applicable legal provisions, except as described in this letter. Further, for the items not tested, based on our examination and procedures referred to above, nothing came to our attention to indicate that St. Louis County had not complied with legal provisions.

ITEMS ARISING THIS YEAR

Collateral to Secure Deposits

Collateral pledged to secure deposits at two banks used by St. Louis County was insufficient at May 30, 1986. Minn. Stat. § 118.01 requires collateral computed at market value to be at least ten percent more than the amount of the deposit, in excess of any insured portion.

We recommend that St. Louis County obtain additional collateral during high deposit periods (tax due dates). The collateral could be released when it is no longer needed.

Client's Response: This has been done.

Sheriff's Change Fund

The Duluth Sheriff's Office is using fees collected as a change fund. Minn. Stat. § 375.45 (1984) gives the County Board the authority to establish change funds in various County offices.

We recommend that the County Board establish a change fund as needed for the Duluth Sheriff's Office and that all fees collected by the Sheriff be kept intact and promptly remitted to the County Auditor/Treasurer.

Fund Cash Deficits

The Community Food Enterprise Fund, Parking Ramp Capital Project Fund and the Social Services Special Revenue Fund had negative cash balances at December 31, 1985. When disbursements are made from a fund with a cash deficit, it, in effect, uses cash from other funds to make the payment. Minn. Stat. § 385.04 states in part "...every warrant shall be paid only from the cash on hand in the fund from which it may be properly payable."

We recommend the County ensure there is sufficient cash in a fund before disbursements are made. This could be done by making temporary transfers from another fund with adequate cash as permitted by Minn. Stat. § 385.32.

Client's Response: Steps will be initiated to ensure that there is sufficient cash in a fund before disbursements are made by making temporary cash transfers between funds. This will be done in conjunction with the Auditor's Office.

ITEMS ARISING THIS YEAR (Continued)

Social Welfare Individual Account Balances

Some of the individual accounts of the children's portion of the Social Welfare account have been inactive for a number of years. The oldest one goes back to 1975. Minn. Stat. § 345.38 defines abandoned property as property remaining unclaimed for more than five years.

We recommend that these accounts be investigated and properly reported in compliance with Minn. Stat. § 345.41.

Client's Response: These accounts have been investigated in 1986 and will be properly reported.

PREVIOUSLY REPORTED ITEMS RESOLVED

The following items included in the previous compliance letter dated February 13, 1986, have been implemented or otherwise resolved.

<u>Recommendation</u>	<u>Resolution</u>
The LGFS coding should be revised to account for AFDC and MA administration reimbursements separately.	There are separate accounts for AFDC and MA.
Revenues should be credited to the General Fund of the County as determined by the cost allocation plan.	The Social Services Fund does not allocate monies to the General Fund if the reimbursement is less than costs.
Costs charged directly to the Home Delivered Meals Grant (303-C2-03), CFDA# 13.635) should be deducted from the costs used to determine the federal administration reimbursement amounts.	We noted no instances of this during our audit.

* * * * *

This report is intended solely for St. Louis County, the cognizant audit agency, and other federal agencies and should not be used for any other purpose. This restriction is not intended to limit the distribution of this report, which is a matter of public record.


ARNE H. CARLSON
State Auditor