Steele County 2016 Financial Statement

A USER'S GUIDE TO COUNTY FINANCIAL STATEMENTS

The following definitions will help citizens understand the terminology that is used in the county's financial statement.

COUNTY GOVERNMENTAL FUND TYPES

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

Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted for specified purposes.

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

Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities.

COUNTY PROPRIETARY FUND TYPES

Enterprise Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises, where the costs of providing goods or services to the general public are primarily funded through user fees and charges for services.

COUNTY FIDUCIARY FUNDS

Trust and Agency Funds are used to account for assets held by a county in a trustee capacity or as an agent for individuals, private organizations, other governmental units, and/or other funds.

MAJOR CATEGORIES OF COUNTY EXPENDITURES

Current Expenditures include all expenditures other than capital outlays and debt service on county bonds.

Capital Outlay Expenditures include all expenditures for the construction of county facilities or the purchase of buildings or major equipment (such as an automobile) by the county.

Debt Service include all expenditures for the repayment of bonds issued by the county, including the payment of principal, interest and other fiscal charges associated with the bonds.

The **General Government** activities include expenditures for general county activities such as the county commissioners' salaries and expenses, the county coordinator's office, the county attorney's office, the auditor's office, the county treasurer's office, the county assessor's office, the planning and zoning office, and other county general service offices.

The **Public Safety** activities include expenditures for corrections activities, the operation of the Sheriff's office and the county jail.

The **Highways and Streets** activities include expenditures for highway department construction and maintenance programs.

The **Sanitation** activities include expenditures for county solid waste collection and disposal programs, including county-sponsored recycling programs.

The **Human Services** activities include the administration of all federal, state and county human services programs, including child support collection activities, social service programs such as chemical dependency treatment programs, and child protection services.

The **Health** activities include expenditures for the county public health department, including inoculation programs, home health aid services, and programs to protect public and private drinking water systems.

The **Culture and Recreation** activities include expenditures for county libraries, county parks, recreation programs, including the development and maintenance of all county park facilities.

The **Conservation of Natural Resources** activities include expenditures relating to soil and water conservation and the county extension office.

The **Economic Development** activities include expenditures for economic development programs.

The purpose of this Report is to provide a summary of financial information concerning Steele County for interested citizens. Questions about this Report should be directed to Laura Ihrke, Steele County Auditor at 507-444-7410.

A FULL AND COMPLETE COPY OF THE COUNTY FINANCIAL STATEMENT IS ON FILE IN THE AUDITOR'S OFFICE OR ON OUR WEBSITE AT WWW.CO.STEELE.MN.US.

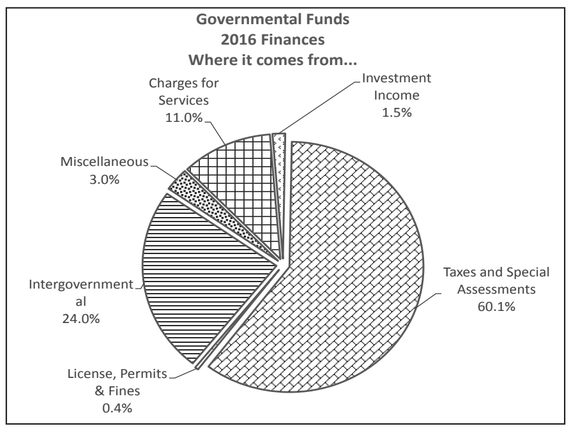
STEELE COUNTY OFFICIALS ORGANIZATION 2016

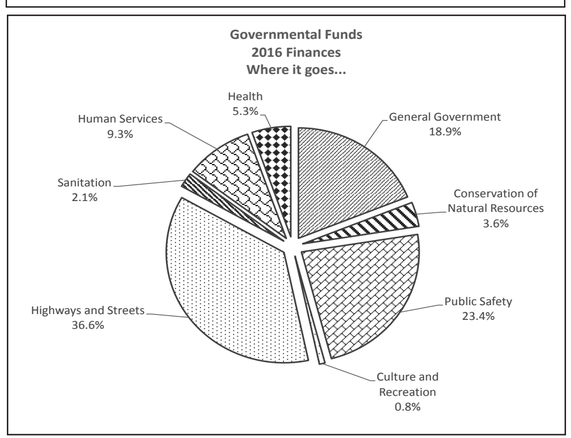
Office	Name	Term Expires
County Board of Commissioners		
1st District	James Brady**	January 7, 2019
2nd District	John Glynn	January 7, 2019
3rd District	Mark Schultz	January 2, 2017
4th District	James "Corky" Ebeling*	January 2, 2017
5th District	Nina Huntington	January 2, 2017
County Officers		
Elected		
Attorney	Dan McIntosh	January 7, 2019
Auditor	Laura Ihrke	January 7, 2019
County Judge-3rd Judicial District	Karen Duncan	January 7, 2019
County Judge-3rd Judicial District	Joseph A. Bueltel	January 7, 2019
Sheriff	Lon Thiele	January 7, 2019
Surveyor	John Hosfield	January 7, 2019
Treasurer	Catherine Piepho	January 7, 2019
Appointed		
Assessor	William Effertz	January 1, 2017
Building Mtc & Grounds Director	Lynn Holthus	Indefinite
Coroner	Dr. Kellyanna Moore	December 31, 2016
County Administrator	Laura Elvebak	Indefinite
Court Administrator	Robin Hoesley	Indefinite
Emergency Management Director	Mike Johnson	Indefinite
Environmental Services	Scott Golberg	Indefinite
Four Seasons/Park and Recreation	Steve Schroht	Indefinite
Highway Engineer	Anita Benson	April 30, 2020
Information Technology Director	John Borger	Indefinite
Planning and Zoning Director	Dale Oolman	Indefinite
Probation Services Director	Tim Schammel	Indefinite
Public Health & CHS Director	Amy Roggenbuck	Indefinite
Recorder	Rick Kvien	Indefinite
Veterans Service Officer	Rene Gillormini	Indefinite

* Chair for 2016
** Vice Chair for 2016

STEELE COUNTY PROFILE

Key Indicator	Total 2016	Total 2015	Percent Increase (Decrease)
Estimated Population	36,765	36,708	0.16%
Total Assessed Market Value of all Taxable Property	3,787,267,440	3,707,947,006	2.14%
Percent of Property Taxes Collected	99.28	99.43	-0.15%
Total Revenues	42,749,599	41,707,258	2.50%
Total Current County Expenditures (All Governmental Funds)	43,151,815	52,564,179	-17.91%
Total Outstanding Net Bonded Debt of the County	12,650,000	14,920,000	-15.21%
Bond Rating on Most Recent General Obligation Bond Issue			
Standard & Poor's	AA	AA	
Moody's	A3	A3	





STEELE COUNTY
OWATONNA, MINNESOTA
STATEMENT OF NET POSITION
December 31, 2016

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and Pooled Investments	$ 27,235,216	$ 3,216,205	$ 30,451,421
Petty Cash and Change Funds	1,500	570	2,070
Cash with Escrow Agent	-	2,296,975	2,296,975
Taxes Receivable			
Current	116,226	-	116,226
Delinquent	289,019	-	289,019
Special Assessments Receivable			
Delinquent	61,658	-	61,658
Noncurrent	427,541	-	427,541
Accounts Receivable - Net	174,379	248,730	423,109
Accrued Interest Receivable	169,966	4	169,970
Internal Balances	(5,809)	5,809	-
Due from Other Governments	2,223,308	22,813	2,246,121
Loans Receivable	655,375	13,334	668,709
Inventories	134,998	213,427	348,425
Investment in Joint Venture	3,149,718	-	3,149,718
Restricted Assets			
Cash and Pooled Investments	462,076	-	462,076
Net Investment in Sales-Type Lease	4,717,545	-	4,717,545
Non-Depreciable Capital Assets			
Land	3,529,228	451,250	3,980,478
Construction-in-Progress	2,539,604	17,556	2,557,160
Depreciable Capital Assets			
Building (Net)	13,855,187	3,051,641	16,906,828
Improvements Other than Buildings (Net)	13,918	121,355	135,273
Machinery, Vehicles, Furniture and Equipment (Net)	3,522,220	1,230,709	4,752,929
Landfill (Net)	-	1,880,488	1,880,488
Infrastructure (Net)	56,788,909	-	56,788,909
Total Assets	120,061,782	12,770,866	132,832,648
DEFERRED OUTFLOWS OF RESOURCES			
Pension Related	11,601,931	209,879	11,811,810
Loss on Refunding	92,443	-	92,443
Total Deferred Outfows of Resources	11,694,374	209,879	11,904,253

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
LIABILITIES			
Accounts Payable	$ 499,013	$ 62,054	$ 561,067
Salaries Payable	253,421	9,767	263,188
Accrued Payroll Taxes Payable	37,022	1,400	38,422
Contracts Payable	468,961	-	468,961
Due to Other Governments	45,445	60,180	105,625
Accrued Interest Payable	66,896	-	66,896
Compensated Absences Payable - Due Within One Year	438,026	16,274	454,300
General Obligation Bonds Payable - Due Within One Year	2,185,000	-	2,185,000
Loans Payable - Due Within One Year	163,903	-	163,903
Revenue Bonds Payable - Due Within One Year	145,000	-	145,000
G.O. Taxable Wastewater Revenue Notes - Due Within One Year	16,456	-	16,456
Compensated Absences Payable - Due in More than One Year	813,478	30,223	843,701
Other Postemployment Benefits Payable - Due in More than One Yea	1,027,300	38,167	1,065,467
General Obligation Bonds Payable - Due in More than One Year	8,054,618	-	8,054,618
Loans Payable - Due in More than One Year	641,729	-	641,729
Estimated Liability for Landfill Closure/Postclosure - Due in More than One Year	-	2,313,709	2,313,709
Revenue Bonds Payable - Due in More than One Year	2,650,000	-	2,650,000
G.O. Taxable Wastewater Revenue Notes - Due in More than One Y	87,876	-	87,876
Net Pension Liability - Due in More than One Year	19,830,023	504,277	20,334,300
Total Liabilities	37,424,167	3,036,051	40,460,218
DEFERRED INFLOWS OF RESOURCES			
Pension Related	3,171,060	81,130	3,252,190
Advanced Allotments	739,469	-	739,469
Total Deferred Inflows of Resources	3,910,529	81,130	3,991,659
NET POSITION			
Net Investment in Capital Assets	69,983,350	6,752,999	76,736,349
Restricted For:			
General Government	680,093	-	680,093
Debt Service	1,208,475	-	1,208,475
Steele County Communities for a Lifetime	462,076	-	462,076
Conservation of Natural Resources	957,730	-	957,730
Unrestricted	17,129,736	3,110,565	20,240,301
Total Net Position	$ 90,421,460	$ 9,863,564	$ 100,285,024

STEELE COUNTY
OWATONNA, MINNESOTA
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
YEAR ENDED DECEMBER 31, 2016

	Business-Type Activities - Enterprise Funds		
	Solid Waste	Four Seasons Civic Center	Totals
OPERATING REVENUES			
Charges for Services	$ 2,331,438	$ 374,533	$ 2,705,971
Miscellaneous	16,577	19,527	36,104
Total Operating Revenues	2,348,015	394,060	2,742,075
OPERATING EXPENSES			
Personal Services	324,490	133,867	458,357
Employee Benefits and Payroll Taxes	68,143	38,435	106,578
Other Services and Charges	89,034	213,036	302,070
Waste Management	550,388	-	550,388
Depreciation and Amortization	594,305	170,015	764,320
Total Operating Expenses	1,626,360	555,353	2,181,713
OPERATING INCOME (LOSS)	721,655	(161,293)	560,362
NONOPERATING REVENUES (EXPENSES)			
Investment Income	11,227	741	11,968
Gifts and Contributions	-	100,000	100,000
Gain (Loss) on Sale/Disposal of Capital Assets	11,708	-	11,708
Total Nonoperating Revenues (Expenses)	22,935	100,741	123,676
INCOME (LOSS) BEFORE TRANSFERS	744,590	(60,552)	684,038
OPERATING TRANSFERS			
Transfers In	-	210,000	210,000
CHANGES IN NET POSITION	744,590	149,448	894,038
Net Position - Beginning of Year	6,030,808	2,938,718	8,969,526
NET POSITION - END OF YEAR	$ 6,775,398	$ 3,088,166	$ 9,863,564

STEELE COUNTY
OWATONNA, MINNESOTA
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2016

	General	Road and Bridge	Ditch	Community Wellness	Debt Service	Capital Projects	Total Governmental Funds
ASSETS							
Cash and Pooled Investments	$ 13,859,088	$ 9,846,950	$ 212,290	$ 1,643,461	$ 1,231,741	$ 441,686	$ 27,235,216
Petty Cash and Change Funds	1,450	50	-	-	-	-	1,500
Restricted Investments	-	-	-	462,076	-	-	462,076
Taxes Receivable							
Current	89,457	14,948	-	-	11,821	-	116,226
Delinquent	220,346	36,864	-	-	31,809	-	289,019
Special Assessments Receivable							
Delinquent	51,709	-	9,949	-	-	-	61,658
Deferred	-	-	427,541	-	-	-	427,541
Accounts Receivable	173,893	486	-	-	-	-	174,379
Accrued Interest Receivable	167,734	-	-	2,232	-	-	169,966
Loans Receivable	655,375	-	-	-	-	-	655,375
Due from Other Funds	434	11,195	-	-	-	-	11,629
Due from Other Governments	803,887	749,844	165,095	-	-	504,482	2,223,308
Inventories	-	134,998	-	-	-	-	134,998
Advances to Other Funds	5,229,000	-	-	-	-	-	5,229,000
Net Investment in Sales-Type Lease	-	-	-	4,717,545	-	-	4,717,545
Total Assets	$ 21,252,373	$ 10,795,335	$ 814,875	$ 6,825,314	$ 1,275,371	$ 946,168	$ 41,909,436
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES							
LIABILITIES							
Accounts Payable	$ 301,869	$ 63,415	$ 130,320	$ 1,639	$ -	$ 1,770	$ 499,013
Salaries Payable	225,179	28,242	-	-	-	-	253,421
Accrued Payroll Taxes	32,743	4,279	-	-	-	-	37,022
Contracts Payable	-	468,961	-	-	-	-	468,961
Due to Other Funds	15,291	434	1,713	-	-	-	17,438
Due to Other Governments	22,465	22,980	-	-	-	-	45,445
Advance from Other Funds	-	-	1,029,000	3,200,000	-	1,000,000	5,229,000
Total Liabilities	597,547	588,311	1,161,033	3,201,639	-	1,001,770	6,550,300
DEFERRED INFLOWS OF RESOURCES							
Unavailable Taxes	220,346	36,864	9,949	-	31,809	-	298,968
Unavailable Special Assessments	51,709	-	427,541	-	-	-	479,250
Unavailable Loans	338,609	-	-	-	-	-	338,609
Unavailable Grants	101,728	435,305	-	-	-	-	537,033
Advanced Allotments	-	739,469	-	-	-	-	739,469
Unavailable Revenues	313,420	233	165,095	-	-	-	478,748
Unavailable Lease	-	-	-	4,717,545	-	-	4,717,545
Total Deferred Inflows of Resources	1,025,812	1,211,871	602,585	4,717,545	31,809	-	7,589,622

	General	Road and Bridge	Ditch	Community Wellness	Debt Service	Capital Projects	Governmental Funds
FUND BALANCES							
Nonspendable for							
Ag Society Loans Receivable	$ 316,766	$ -	$ -	$ -	$ -	$ -	$ 316,766
Inventories	-	134,998	-	-	-	-	134,998
Advances to Other Funds	5,229,000	-	-	-	-	-	5,229,000
Restricted for							
Tree Memorial	595	-	-	-	-	-	595
Recorder Technology	294,895	-	-	-	-	-	294,895
Recorder Compliance Fund	198,105	-	-	-	-	-	198,105
Missing Heirs	1,000	-	-	-	-	-	1,000
CWP Loans	467,023	-	-	-	-	-	467,023
Natural Resources Block Grant	48,561	-	-	-	-	-	48,561
U of M Extension	7,313	-	-	-	-	-	7,313
Veterans Donation	1,840	-	-	-	-	-	1,840
Sheriff Drug & Alcohol Forfeiture	7,455	-	-	-	-	-	7,455
Sheriff Handgun	143,248	-	-	-	-	-	143,248
SCRAM	25,642	-	-	-	-	-	25,642
County Attorney	35,782	-	-	-	-	-	35,782
Steele County Communities for a Lifetime	-	-	-	462,076	-	-	462,076
Debt Services	-	-	-	-	1,243,562	-	1,243,562
Bixby Project	67,755	-	-	-	-	-	67,755
Assigned for							
Bridges, Roads & Streets	-	8,648,868	-	-	-	-	8,648,868
Compensated Absences	951,281	211,287	-	-	-	-	1,162,568
Unassigned	11,832,753	-	(948,743)	(1,555,946)	-	(55,602)	9,272,462
Total Fund Balances	19,629,014	8,995,153	(948,743)	(1,093,870)	1,243,562	(55,602)	27,769,514
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	$ 21,252,373	$ 10,795,335	$ 814,875	$ 6,825,314	$ 1,275,371	$ 946,168	$ 41,909,436