MILLE LACS COUNTY SUMMARY FINANCIAL STATEMENT FOR THE YEAR ENDED DECEMBER 31, 2016

The purpose of this report is to provide a summary of financial information concerning Mille Lacs County for interested

citizens. Questions about this report should be directed to the County Administrator, 320-983-8218.

A FULL AND COMPLETE COPY OF THE COUNTY FINANCIAL STATEMENT IS AVAILABLE AT WWW.CO.MILLE-LACS. MN.US; UPON REQUEST BY CALLING 320-983-8218; OR BY WRITING TO THE MILLE LACS COUNTY ADMINISTRATOR, 635 2ND STREET SE, MILACA MN 56353.

COUNTY OFFICIALS GENNY REYNOLDS COMMISSIONER DISTRICT 1 320-983-8218 TIM WILHELM COMMISSIONER DISTRICT 2 320-983-8218 PHIL PETERSON COMMISSIONER DISTRICT 3 320-983-8218 ROGER TELLINGHUISEN **COMMISSIONER DISTRICT 4** 320-983-8218 DAVID OSLIN COMMISSIONER DISTRICT 5 320-983-8218 COUNTY ADMINISTRATOR PAT OMAN 320-983-8218 PHILIP THOMPSON COUNTY AUDITOR-TREASURER 320-983-8302 320-983-8305 JOE WALSH COUNTY ATTORNEY BRENT LINDGREN **COUNTY SHERIFF** 320-983-8250

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. BASIC FINANCIAL STATEMENTS

Minnesota Counties' basic financial statements consist of three parts: government-wide financial statements, fund finan-

cial statements, and notes to the financial statements. Government-wide financial statements display information about the entity as a whole, except for its fiduciary activities.

Fund financial statements display separate financial information for the county's governmental, proprietary, and fiduciary funds. Information is presented separately for major funds and in aggregate by fund type for non-major, internal services, and fiduciary funds.

Notes to the financial statements disclose additional information.

Governmental activities are generally county activities financed through taxes, intergovernmental revenue, and other non-exchange revenues.

COUNTY GOVERNMENT 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

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 assets

Internal Service Funds are used to report any activity that provides goods or services to other funds, departments, or

Program Revenues

agencies of the primary government and its component units, or to other governments, on a cost reimbursement basis. COUNTY FIDUCIARY FUNDS Trust and Agency Funds are used to account for the assets held by the county in a trustee capacity or as an agent for

individuals, private organizations, other governmental units, and/or other funds. CHARACTER CLASSIFICATION OF COUNTY EXPENDITURES

Current operating expenditures are presumed to benefit the current fiscal period. Debt Services includes amounts expended for the payment of principal, interest, and other costs associated with debt.

Capital Outlays includes amounts expended for the construction or acquisition of county capital assets. CLASSIFICATION OF COUNTY FUNCTIONS General Government activities include expenditures for general county activities such as the county commissioners, ad-

ministrative services, attorney, auditor-treasurer, assessor, veterans services, and land services.

Public Safety activities include expenditures for the protection of persons and property, which includes the operation of

the sheriff's office, county jail, civil defense, and emergency services.

Public Works activities include expenditures for construction and maintenance of county roads. Human Services activities include the administration of all federal, state, and county human services programs, including

child support collection, and social service programs such as chemical dependency treatment, child protection services, and medical assistance. Public Health involves all activities involved in the conservation and improvement of public health and includes expen-

ditures for inoculation programs, programs to protect public and private drinking water systems, nursing services, and maternal and child health. Other includes culture and recreation, conservation of natural resources, economic development, and sanitation.

MILACA, MINNESOTA

MILLE LACS COUNTY

STATEMENT OF ACTIVITIES FOR THE YEAR ENDED DECEMBER 31, 2016 **Program Revenues**

	Expenses	Fees, Charges, Fines, and Other	Operating Grants and Contributions	Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position	
Functions/Programs	_					
Governmental activities						
General government	\$ 6,768,857	\$ 905,761	\$ 277,774	\$ -	\$ (5,585,322)	
Public safety	11,642,027	1,459,544	875,516		(9,306,967)	
Highways and streets	7,471,223	50,727	4,941,368	69,081	(2,410,047)	
Sanitation	91,269	17,241	75,457	-	1,429	
Human services	10,621,018	1,016,225	5,643,038	-	(3,961,755)	
Health	921,542	175,035	744,276		(2,231)	
Culture and recreation	323,284	-	46,138	11,629	(265,517)	
Conservation of natural						
Conservation of natural resources	299,302	73,381	118,104	-	(107,817)	
Economic development	282,296	288	235,000	-	(47,008)	
Interest expense on						
Long-term debt	175,094		15,348		(159,746)	
Total Governmental						
Activities	\$38,595,912	\$3,698,202	\$ 12,972,019	\$ 80,710	\$ (21,844,981)	
General Revenues Property taxes Gravel tax Mortgage registry and deed tax Wheelage tax Payments in lieu of tax Grants and contributions not restricted to specific programs Unrestricted investment earnings Miscellaneous					, , , , , , , , , , , , , , , , , , , ,	
					\$ 13,876,855	
					85,262	
					21,356	
					270,294	
					240,809	
					1,992,625	
					134,430	
					256,762	
	Gain on sale of capital assets				62.624	
	Total general				\$ 16.941.017	
Change in net position Net Position - January 1					\$ (4,903,964)	
					72.372.019	

Net Position - December 31

A PROFILE OF MILLE LACS COUNTY

			Percent Increase
Key Indicator	Total 2015	Total 2016	(Decrease)
Estimated Population	25,788	25,866	0.30%
Total Assessed Market Value			
of All Taxable Property	\$1,847,692,700	\$1,896,187,999	2.62%
Percent of Property Taxes			
Collected	97.48%	97.37%	-0.12%
Total Revenues			
(All Governmental Funds)	\$34,365,033	\$33,219,868	-3.33%
Total Current County Expenditures			
(All Governmental Funds)	\$34,020,561	\$40,931,710	20.31%
Total Outstanding Net Bonded			
Debt of the County*	\$14,185,000	\$7,290,000	-48.61%
Bond Rating On Most Recent			
General Obligation Bond Issue	Aa3	Aa3	
Total Number of			

230

236

2.61%

22,229,239

2.672.841

850

MILLE LACS COUNTY MILACA, MINNESOTA STATEMENT OF NET POSITION **GOVERNMENTAL ACTIVITIES** FOR THE YEAR ENDED DECEMBER 31, 2016

-	100010		
	Cash and	pooled	investments

Capital assets

Full Time Employees

*Includes \$6,015,000 refunding bond

Petty cash and change funds

Departmental cash 26,180 Taxes receivable Delinguent 718,263 Special assessments receivable Delinquent 1,448 221,690 Accounts receivable Accrued interest receivable 26,581 Due from other governments 2,714,508 330,209 Inventories 47,765 Prepaid items

Non-depreciable Depreciable - net of accumulated depreciation **Total Assets**

Deferred pension outflows

66,764,641 95,754,215 Deferred Outflows of Resources 13,150,186 Liabilities Accounts payable 809.102 682,631 Salaries payable Claims payable 9,658 208.311 Due to other governments Accrued interest payable 90,647 Unearned revenue 3,452,900 Long-term liabilities 675,491 Due within one year Due in more than one year 9,211,753 Net Pension Liablility 22,396,955 Other postemployment benefits 1,606,248 39.143.696 **Total Liabilities**

Deferred pension inflows

<u>Deferred Inflows of Resources</u> 2.292.650 **Net Position** Net investment in capital assets 62.313.778 Restricted for General government 201,708 Public safety 1,132,622 Highways and streets 925,887 216,540 Conservation of natural resources 135,637 Sanitation Debt service 1.890.859 Unrestricted 651,024 **Total Net Position** 67,468,055

> STATEMENT OF REVENUES, EXPENSES. AND CHANGES IN FUND NET POSITION SELF-INSURANCE INTERNAL SERVICE FUND FOR THE YEAR ENDED DECEMBER 31, 2016 Governmental

Operating Revenues 126,077 Insurance Fees Operating Expenses Insurance Operating Income (Loss) Net Position - January 1 1.718 <u> 23.634</u> Net Position - December 31

F0	GOVERI R THE YEAR E	NMENTAL FU						
[M THE TEAR E	ADED DECEN	Community					
		Road and	and Veteran	Debt	Capital	Non-major		
	General	Bridge	Services	Service	Projects	Ditch	Total	
Assets -								ı
Cash and pooled investments	\$ 11,036,221	\$ 2,190,202	\$ 4.772.952	\$ 1,883,244	\$2.239.707	\$ 71.903	\$ 22,194,229	
Petty cash and change funds	800	-	50	-	-	-	850	
Departmental cash	26.180	_	-	-	-	-	26,180	ı
Taxes receivable	.,						,	ı
Delinguent	464,288	21,670	187,836	43,409	1,060	_	718,263	
Special assessments receivable	,	,	,	ŕ	*		,	ı
Delinguent	1,448	_	-	-	-	-	1,448	ı
Accounts receivable	45,760	13,500	162,430	-	-	-	221,690	ı
Accrued interest receivable	26,581	-	· -	-	-	-	26,581	
Due from other funds	18,317	17,882	-	-	-	-	36,199	I
Due from other governments	373,057	1,281,998	1,041,571	-	17,882	-	2,714,508	
Inventories	· -	330,209	-	-	-	-	330,209	
Prepaid items	19,831	4,592	23,342	-	-	-	47,765	ı
Advances to other funds	77.137					_	77.137	ı
Total Assets	\$ 12,089,620	\$ 3,860,053	\$ 6,188,181	\$ 1,926,653	\$2,258,649	\$ 71,903	\$ 26,395,059	ı
Liabilities, Deferred Inflows of Resources, and								
Fund Balances								ı
Liabilities								
Accounts payable	145,548	77,778	482,501	-	103,275	-	809,102	ı
Salaries payable	428,798	62,692	191,141	-	-	-	682,631	ı
Due to other funds	-	1,632	16,685	-	17,882	-	36,199	ı
Due to other governments	177,204	3,597	27,510	-	-	-	208,311	ı
Unearned revenue	3,452,900	-	-	-	-	-	3,452,900	ı
Advances from other funds						77,137	77,137	ı
Total Liabilities	\$ 4,204,450	\$ 145,699	\$ 717,837	\$	\$ 121,157	\$ 77,137	\$ 5,266,280	
Deferred Inflows of Resources								ı
Unavailable revenue	\$ 576,433	\$ 1,262,380	\$ 276,985	\$ 35,794	\$ 974	\$	\$ 2,152,566	1
Fund Balances								
Nonspendable								ı
Inventories	-	330,209	-	-	-	-	330,209	1
Prepaid items	- 19,831	330,209 4,592	23,342	-	-	-	47,765	
Prepaid items Advances to other funds	- 19,831 77,137		23,342 -	- - -	- - -	- - -		
Prepaid items			23,342 -	- - 1.890.859	- - -	- - -	47,765	

42,315

87,676

223,170

241,734

61,362

54,443

71,717

83,127

135,637

24,000

38.525

269,698

5.265.090

\$12,089,620 \$3,860,053

\$ 7.308.737

613,275

43.282

270,215

1.803.676

\$ 2.451.974

5,170,017

\$ 5,193,359 \$ 1,890,859 \$2,136,518

\$ 6,188,181 \$ 1,926,653 \$2,258,649

2,136,518

BALANCE SHEET

42,315 87,676 223,170 241,734 43.282 61,362 54,443 613,275 71,717 83,127 72.051 72.051 135,637 24,000 270,215 38.525 269,698

1.803.676

5,170,017

2.136.518

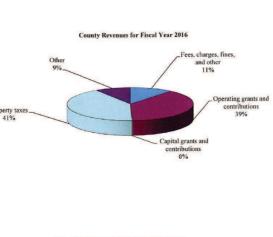
5.187.805

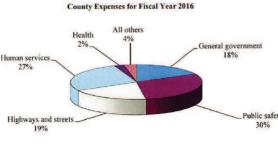
\$ (5.234) \$ 18.976.213

\$ 71,903 \$ 26,395,059

(77.285)

\$ 67,468,055





Community and veteran services programs

Law library

Law enforcement

Prisoner account

SCORE

Committed to

Broadband Grant

Public safety

Capital projects

Assigned to

Unassigned

Gravel pit restoration DARE Program

Prosecutorial purposes

Gravel pit restoration

General government

Highways and streets

Aquatic invasive species

Recorder's technology and equipment

Administering the carrying of weapons

Highway construction projects

Ditch maintenance and repairs