

GOODHUE COUNTY SUMMARY FINANCIAL STATEMENT

FOR THE YEAR ENDED DECEMBER 31, 2009

The purpose of this Report is to provide a summary of financial information concerning Goodhue County for interested citizens. Questions about this report should be directed to the Auditor/Treasurer's Office at (651) 385-3032.

A FULL AND COMPLETE COPY OF THE COUNTY FINANCIAL STATEMENT IS ALSO AVAILABLE UPON REQUEST BY CALLING THE AUDITOR/TREASURER'S OFFICE AT (651) 385-3032, OR BY WRITING TO THE GOODHUE COUNTY AUDITOR/TREASURER'S OFFICE AT 509 WEST 5TH STREET, RED WING, MN 55066. YOU WILL ALSO FIND A FULL COPY ON OUR WEBSITE AT:

www.co.goodhue.mn.us/departments/auditortreasurer/FinancialReports.aspx

CURRENT COUNTY OFFICIALS

COUNTY COMMISSIONERS: 651-385-3001Office

1st District: Ronald Allen	651-388-9435 Home
2 nd District: Richard Samuelson	651-258-4295 Home
3 rd District: Dan Rehtzigel	507-789-5877 Home
4 th District: Jim Bryant	651-388-5558 Home
5 th District: Ted Seifert	651-388-3268 Home

ELECTED MANAGERS:

Attorney: Stephen Betcher	651-267-4950 Office
Sheriff: Dean Albers	651-267-2614 Office

APPOINTED MANAGERS:

Administrator: Scott Arneson	651-385-3001
Court Services: Joanne Pohl	651-267-4900
Finance: Carolyn Holmsten	651-385-3032
Human Resources: Melissa Cushing	651-385-3028
Human Services: Greg Schoener	651-385-3232
Information Technology: Randy Johnson	651-385-3224
Land Use Management/Recorder: Lisa Hanni	651-385-3104
Public Health: Karen Main	651-385-6100
Public Works: Greg Isakson	651-385-2812
Veteran's Service Officer: Robert Davis	651-385-3256

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

Goodhue County's basic financial statements consist of three parts: government-wide financial statements, fund financial statements, and notes to the financial statements. The management's discussion and analysis and certain budgetary comparison schedules are required to accompany the basic financial statements, and therefore, are included as required supplementary information.

Government-wide financial statements display information about the county's financial reporting entity as a whole, except for its fiduciary activities. These statements should present separate information for the governmental and business-type activities of the county (primary government), as well as for its component units.

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

Notes to the financial statements provide additional information and disclosure for information in the financial statements.

Governmental activities are generally activities of the county financed through taxes, intergovernmental revenues, and other nonexchange revenues. These activities are usually reported in governmental funds and internal service funds.

Financial reporting entity consists of the primary government (county), organizations for which the county is financially accountable and other organizations for which the nature and significance of their relationship with the county are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. The nucleus of a county's financial reporting entity is the primary government, the county.

Primary Government is a term used in connection with defining the financial reporting entity. The primary government is the focus of the financial reporting entity. For the county, the primary government represents the financial activities, funds, or accounts directly under the control of the county board.

Component Unit describes a legally separate organization for which the county board is financially accountable. In addition, component units can be other organizations for which the nature and significance of their relationship with the county are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

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.

Permanent Funds are used to report resources that are legally restricted to the extent that only earnings, and not principal, may be used for purposes that support the reporting government's programs – that is, for the benefit of the government or its citizenry.

County Fiduciary Funds

Agency Funds are used to account for assets held by the county as an agent for individuals, private organizations, other governments, and/or other funds; for example, taxes collected and held by a county for a school district.

Character Classification of County Expenditures

The county's governmental expenditures are classified by character or the period's expenditures are presumed to benefit. The county has the following character classifications:

Current operating expenditures are presumed to benefit the current fiscal period.

Debt service is presumed to benefit prior fiscal periods as well as current and future periods and includes amount expended for the payment of principal, interest and other costs associated with debt.

Intergovernmental represents resources transferred by the county to other governments.

Classification of County Functions

Functions are a group of related activities aimed at accomplishing a major service or regulatory program for which the county is responsible. The county has the following function classifications:

The **General Government** function includes expenditures for general county activities such as the county commissioners, county administration, county attorney's office, county auditor/treasurer's office, county assessor's office, the judicial (excluding the county jail), the planning and zoning office, and other county general service offices.

Public Safety related to the objective of protection of persons and property and includes expenditures for corrections activities, operations of the sheriff's department, the county jail, civil defense, and emergency services.

Highways and Streets includes expenditures relating to the construction and maintenance of county highways and streets.

Sanitation involves expenditures for the removal and disposal of waste and includes county solid waste collection and disposal, recycling, and household hazardous waste disposal.

Human Services represents activities designed to provide public assistance and institutional care for individuals unable to provide essential needs for themselves. These programs include child support collection, child welfare, chemical dependency, medical assistance, and others.

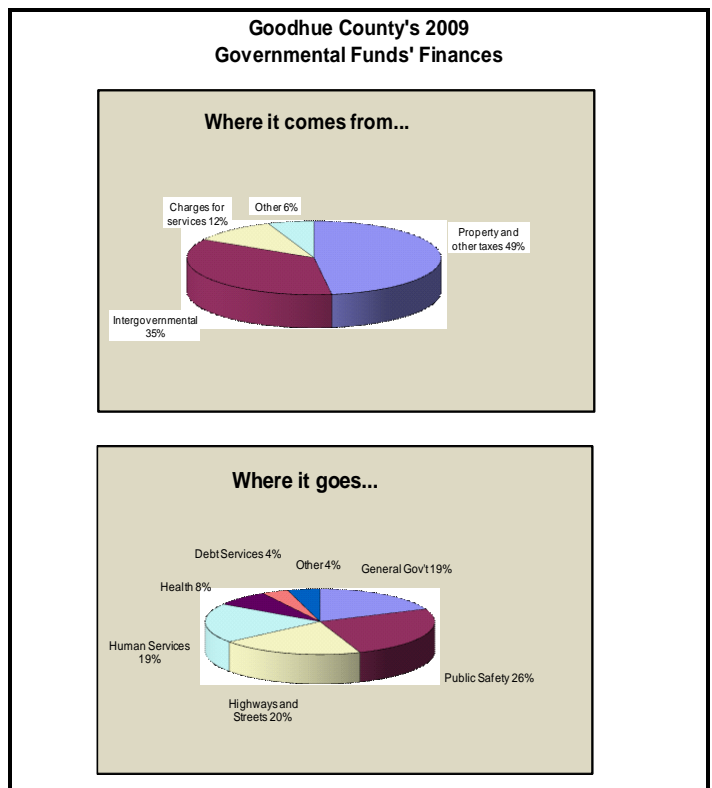
Health involves all activities involved in the conservation and improvement of public health. This function includes expenditures for county health departments, such as home health aid services, other nursing services, maternal and child health, supplemental nutrition programs and programs to protect public and private water systems.

Culture and Recreation involved cultural and recreational activities maintained for the benefit of county residents and visitors. These activities include county libraries, parks and other recreation programs.

Conservation involved activities designed to conserve and develop such natural resources as water, soil, and forests and includes such programs as soil and water conservation, county extension, water planning, and other.

Economic Development activities are directed toward economically developing the area encompassed by the county and providing assistance to and opportunity for economically disadvantaged persons or businesses.

A PROFILE OF GOODHUE COUNTY			
Key Indicator	Total 2009	Total 2008	Percent Increase (Decrease)
Estimated Population	45,898	46,018	-0.26%
Total Tax Capacity	59,809,094	57,807,420	3.35%
% of Property Taxes Collected	98.25%	98.32%	-0.07%
Total General Revenues	29,980,250	28,313,594	5.56%
Total Program Revenues	23,715,860	19,829,692	16.39%
<u>Total Expenses:</u>			
Governmental activities	47,710,008	49,037,983	-2.78%
<u>Capital Assets:</u>			
Governmental activities	125,330,010	122,595,053	2.18%
Total Outstanding Net Bonded			
<u>Debt of Goodhue County:</u>			
General Obligation	9,331,482	10,898,618	-16.79%
Bond Rating on Most Recent			
General Obligation Bond Issue	A1	A1	N/A
<u>Total Government-wide Net Assets:</u>			
Governmental activities	148,844,192	142,672,932	4.15%
Total Number of Full-Time Employees	330	330	0.00%
Total Number of Part-Time Employees	83	83	0.00%



**Summary of Goodhue County's Statement of Net Assets
December 31, 2009**

	<u>Primary Government Governmental Activities</u>	<u>Discretely Presented Component Units</u>
Assets		
Cash and pooled investments	\$ 33,526,264	\$ 243,070
Petty cash and change funds	2,050	-
Cash with escrow agent	490,604	-
Taxes receivable	838,659	-
Accounts receivable - net	434,892	-
Accrued interest receivable	101,666	628
Loans receivable	86,941	-
Due from other governments	3,275,019	-
Due from primary governments	-	348
Inventories	483,068	-
Prepaid items	423,974	-
Restricted assets		
Cash and pooled investments permanent	217,266	-
Deferred charges	114,777	-
Investment in joint venture	567,811	-
Capital assets		
Non-depreciable	13,835,226	378,550
Depreciable - net of accumulated depreciation	111,494,784	-
Total Assets	\$ 165,893,001	\$ 622,596
Liabilities		
Accounts payable	\$ 708,788	\$ -
Salaries payable	999,426	-
Contracts payable	231,552	-
Due to other governments	754,701	-
Accrued interest payable	124,459	-
Unearned revenue	285,780	-
Customer deposits	7,175	-
Long-term liabilities		
Due within one year	3,255,993	-
Due in more than one year	10,680,935	-
Total Liabilities	\$ 17,048,809	\$ -
Net Assets:		
Invested in capital assets, net of related debt	\$ 116,725,063	\$ 378,550
Restricted for		
General government	621,734	
Public safety	433,339	
Highways and streets	1,084,608	
Human services	1,229	
Conservation of natural resources	2,853	
Economic development	50,000	
Debt service	490,604	
Landfill postclosure	217,266	
Gravel pit postclosure	59,007	
Unrestricted	29,158,488	244,046
Total Net Assets	\$ 148,844,191	\$ 622,596

**Summary of Goodhue County's Statement of Activities
For the Year Ended December 31, 2009**

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>	<u>Net</u>
Primary Government			
Governmental activities:			
General government	\$ 8,951,654	\$ 1,884,655	\$ (7,066,999)
Public safety	11,954,970	3,498,066	(8,456,904)
Highways and streets	9,448,610	7,737,594	(1,711,016)
Sanitation	907,992	332,238	(575,754)
Human Services	10,396,287	6,537,547	(3,858,740)
Health	4,008,035	3,125,636	(882,399)
Culture and recreation	634,611	-	(634,611)
Conservation of natural resources	618,175	242,404	(375,771)
Economic development	389,188	357,720	(31,468)
Interest	400,486	-	(400,486)
Total governmental activities	\$ 47,710,008	\$ 23,715,860	\$ (23,994,148)
Total Primary Government	\$ 47,710,008	\$ 23,715,860	\$ (23,994,148)
General Revenues and other			
Taxes			\$ 25,471,440
Other general revenues			4,508,810
Net change in net assets - Primary Government			\$ 5,986,102
Component units:			
Belle Creek Watershed	\$ 8,674	\$ -	\$ (8,674)
General Revenues and other			
Taxes			\$ 9,390
Grants and contributions not restricted to specific programs			384
Other general revenues			6,904
Net change in net assets - Belle Creek Watershed			\$ 8,004

**Goodhue County
A Summary of Fiduciary Funds' Net Assets
and Changes in Net Assets
As of and for the Year Ended December 31, 2009**

	<u>Agency Funds</u>
Assets	
Cash and cash equivalents	\$ 2,857,892
Due from other governments	31,498
Total Assets	\$ 2,889,390
Liabilities	
Due to component unit	\$ 348
Due to other governments	2,889,042
Total Liabilities	\$ 2,889,390

Goodhue County
A Summary Balance Sheet of Governmental Funds
December 31, 2009

	Major Funds					Total Governmental Funds
	General Fund	Public Works Fund	Human Service Fund	Debt Service Fund	Nonmajor Funds	
Assets:						
Cash and investments	\$ 19,677,315	\$ 5,206,898	\$ 3,033,179	\$ 4,440,804	\$ 1,660,722	\$ 34,018,918
Receivables						
Taxes	473,844	132,695	118,956	70,452	42,712	838,659
Accounts	135,256	327	214,170	-	186,805	536,558
Loans	86,941	-	-	-	-	86,941
Due from other funds	4,261	14,445	7,724	-	54,338	80,768
Due from other governments	1,113,723	1,280,776	693,250	-	187,270	3,275,019
Prepaid items	321,061	23,825	50,303	-	28,785	423,974
Inventories	-	483,068	-	-	-	483,068
Restricted Assets						
Cash and pooled investments	-	-	-	-	217,266	217,266
Total assets	<u>\$ 21,812,401</u>	<u>\$ 7,142,034</u>	<u>\$ 4,117,582</u>	<u>\$ 4,511,256</u>	<u>\$ 2,377,898</u>	<u>\$ 39,961,171</u>
Liabilities:						
Payables						
Accounts	\$ 364,345	\$ 70,923	\$ 245,743	\$ 4,933	\$ 22,844	\$ 708,788
Salaries	585,820	87,409	186,652	-	139,545	999,426
Contracts	-	231,552	-	-	-	231,552
Due to other funds	46,514	-	32,475	-	1,779	80,768
Due to other governments	164,047	14,980	549,857	-	25,817	754,701
Deferred revenue - unavallable	572,877	1,193,512	229,046	58,889	89,784	2,144,108
Deferred revenue - unearned	108,238	-	177,542	-	-	285,780
Customer deposits	7,175	-	-	-	-	7,175
Total Liabilities	<u>\$ 1,849,016</u>	<u>\$ 1,598,376</u>	<u>\$ 1,421,315</u>	<u>\$ 63,822</u>	<u>\$ 279,769</u>	<u>\$ 5,212,298</u>
Fund balances:						
Reserved	\$ 1,437,994	\$ 780,444	\$ 51,532	\$ 490,604	\$ 296,051	\$ 3,056,625
Unreserved	18,525,391	4,763,214	2,644,735	3,956,830	1,802,078	31,692,248
Total fund balance	<u>\$ 19,963,385</u>	<u>\$ 5,543,658</u>	<u>\$ 2,696,267</u>	<u>\$ 4,447,434</u>	<u>\$ 2,098,129</u>	<u>\$ 34,748,873</u>
Total liabilities and fund balance	<u>\$ 21,812,401</u>	<u>\$ 7,142,034</u>	<u>\$ 4,117,582</u>	<u>\$ 4,511,256</u>	<u>\$ 2,377,898</u>	<u>\$ 39,961,171</u>

Goodhue County
A Summary of Governmental Funds Revenues and Expenditures
For the Year Ended December 31, 2009

	Major Funds					Total Governmental Funds
	General Fund	Public Works Fund	Human Service Fund	Debt Service Fund	Nonmajor Funds	
Revenues:						
Taxes	\$ 14,264,899	\$ 4,104,184	\$ 3,668,220	\$ 1,905,915	\$ 1,332,809	\$ 25,276,027
Special assessments	3,087	-	-	15,495	-	18,582
Licenses and permits	143,699	5,145	-	-	186,410	335,254
Intergovernmental	5,172,944	7,307,060	5,167,007	119,210	997,718	18,763,939
Charges for services	2,431,690	14,284	1,113,114	-	2,206,033	5,765,121
Fines and forfeits	19,476	-	-	-	-	19,476
Gifts and contributions	27,697	-	-	-	-	27,697
Investment earnings	604,236	-	-	136	1,027	605,399
Miscellaneous	1,434,889	49,638	416,689	-	208,984	2,110,200
Total revenues	<u>\$ 24,102,617</u>	<u>\$ 11,480,311</u>	<u>\$ 10,365,030</u>	<u>\$ 2,040,756</u>	<u>\$ 4,932,981</u>	<u>\$ 52,921,695</u>
Expenditures:						
Current						
General government	\$ 9,590,435	\$ -	\$ -	\$ -	\$ -	\$ 9,590,435
Public safety	13,146,582	-	-	-	-	13,146,582
Highways and streets	-	9,980,327	-	-	-	9,980,327
Sanitation	8,600	-	-	-	703,235	711,835
Human services	-	-	10,022,039	-	-	10,022,039
Health	-	-	-	-	3,951,238	3,951,238
Culture and recreation	597,091	21,914	-	-	-	619,005
Conservation of natural resources	615,957	-	-	-	-	615,957
Economic development	361,970	-	-	-	27,218	389,188
Debt service						
Principal retirement	21,504	-	-	1,567,136	-	1,588,640
Interest and fiscal charges	2,309	-	-	340,216	-	342,525
Intergovernmental						
Highways and streets	-	323,003	-	-	-	323,003
Total expenditures	<u>\$ 24,344,448</u>	<u>\$ 10,325,244</u>	<u>\$ 10,022,039</u>	<u>\$ 1,907,352</u>	<u>\$ 4,681,691</u>	<u>\$ 51,280,774</u>
Excess of Revenues Over (Under) Expenditures	<u>\$ (241,831)</u>	<u>\$ 1,155,067</u>	<u>\$ 342,991</u>	<u>\$ 133,404</u>	<u>\$ 251,290</u>	<u>\$ 1,640,921</u>
Other financing sources (uses):						
Transfers in	\$ 148,014	\$ 607,456	\$ -	\$ -	\$ 27,168	\$ 782,638
Transfers out	(634,624)	(79,294)	-	-	(68,720)	(782,638)
Proceeds from sale of capital assets	10,703	-	-	-	-	10,703
Total other financing sources (uses)	<u>\$ (475,907)</u>	<u>\$ 528,162</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (41,552)</u>	<u>\$ 10,703</u>
Special Items						
Sale of home health care division	\$ 456,000	\$ -	\$ -	\$ -	\$ -	\$ 456,000
Net Change in Fund Balances	\$ (261,738)	\$ 1,683,229	\$ 342,991	\$ 133,404	\$ 209,738	\$ 2,107,624
Fund Balances - January 1	\$ 20,225,123	\$ 3,772,635	\$ 2,353,276	\$ 4,314,030	\$ 1,888,391	\$ 32,553,455
Increase (decrease) in reserved for inventories	-	87,794	-	-	-	87,794
Fund Balances - December 31	<u>\$ 19,963,385</u>	<u>\$ 5,543,658</u>	<u>\$ 2,696,267</u>	<u>\$ 4,447,434</u>	<u>\$ 2,098,129</u>	<u>\$ 34,748,873</u>

