

GOODHUE COUNTY SUMMARY FINANCIAL STATEMENT

FOR THE YEAR ENDED DECEMBER 31, 2014

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 Finance & Taxpayer Services at (651) 385-3032.

A FULL AND COMPLETE COPY OF THE COUNTY FINANCIAL STATEMENT IS ALSO AVAILABLE UPON REQUEST BY CALLING FINANCE & TAXPAYER SERVICES AT (651) 385-3032, OR BY WRITING TO GOODHUE COUNTY FINANCE & TAXPAYER SERVICES 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/894/Financial-Statements

CURRENT COUNTY OFFICIALS

COUNTY COMMISSIONERS: 651-385-3001Office

1st District: Ronald Allen	651-388-9435 Home
2 nd District: Brad Anderson	651-258-4462 Home
3 rd District: Dan Rehtzigel	507-789-5877 Home
4 th District: Jason Majerus	651-923-5185 Home
5 th District: Ted Seifert	651-388-2223 Home

ELECTED MANAGERS:

Attorney: Stephen Betcher	651-267-4950 Office
Sheriff: Scott McNurlin	651-267-2621 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
Health & Human Services: Nina Arneson	651-385-6115
Information Technology: Randy Johnson	651-385-3224
Land Use Management/Recorder: Lisa Hanni	651-385-3104
Public Works: Greg Isakson	651-385-2812
Veteran's Service Officer: Lyman Robinson, Jr	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 non-exchange 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.

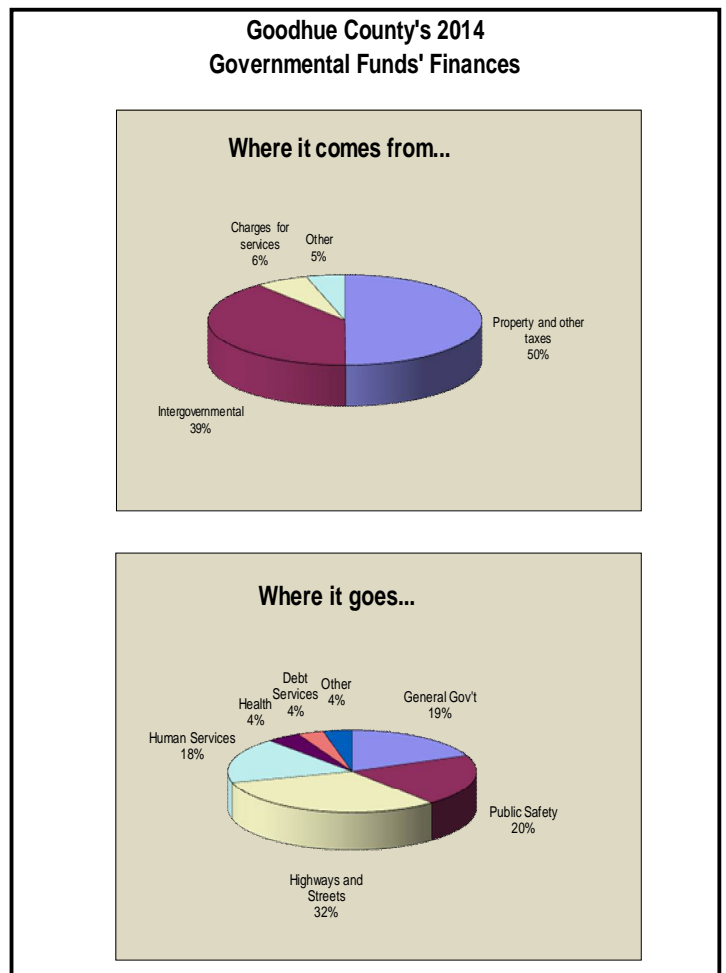
Health involves all activities involved in the conservation and improvement of public health. This function includes expenditures for county health departments, nursing services, maternal and child health, supplemental nutrition programs and programs to protect public and private water systems.

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 2014	Total 2013	Percent Increase (Decrease)
Estimated Population	46,480	46,447	0.07%
Total Tax Capacity	62,830,983	58,891,360	6.27%
% of Property Taxes Collected	99.46%	99.34%	0.12%
Total General Revenues	30,782,934	29,752,050	3.35%
Total Program Revenues	25,094,003	22,363,977	10.88%
<u>Total Expenses:</u>			
Governmental activities	49,604,252	53,231,285	-7.31%
<u>Capital Assets:</u>			
Governmental activities	147,912,697	138,329,398	6.48%
Total Outstanding Net Bonded			
<u>Debt of Goodhue County:</u>			
General Obligation	14,258,099	8,383,387	41.20%
Bond Rating on Most Recent			
General Obligation Bond Issue	Aa2	Aa2	N/A
<u>Total Government-wide Net Position:</u>			
Governmental activities	170,822,511	164,549,826	3.67%
Total Number of Full-Time Employees	333	330	0.90%
Total Number of Part-Time Employees	28	43	-53.57%



**Summary of Goodhue County's Statement of Net Assets
December 31, 2014**

	Primary Government Governmental Activities	
Assets		
Cash and pooled investments	\$	32,529,190
Petty cash and change funds		2,050
Taxes receivable		
Prior		483,293
Special assessments receivable		
Current		19,857
Noncurrent		23,884
Accounts receivable - net		465,590
Accrued interest receivable		39,081
Loans receivable		967,009
Due from other governments		6,130,162
Due from primary governments		-
Inventories		535,478
Prepaid items		404,560
Restricted assets		
Cash and pooled investments permanent		218,722
Investment in joint venture		3,942,372
Capital assets		
Non-depreciable		14,614,901
Depreciable - net of accumulated depreciation		133,297,796
Total Assets	\$	193,673,945
Liabilities		
Accounts payable	\$	1,296,153
Salaries payable		686,158
Contracts payable		473,859
Due to other governments		505,307
Accrued interest payable		39,736
Unearned revenue		116,343
Customer deposits		14,731
Long-term liabilities		
Due within one year		3,552,007
Due in more than one year		16,167,140
Total Liabilities	\$	22,851,434
Net Position		
Net investment in capital assets	\$	135,880,303
Restricted for		
General government		288,884
Public safety		354,957
Highways and streets		618,692
Sanitation		75,799
Conservation of natural resources		32,879
Economic development		607,797
Debt Service		99,615
Landfill postclosure		218,722
Gravel pit postclosure		150,173
Unrestricted		32,494,690
Total Net Assets	\$	170,822,511

**Summary of Goodhue County's Statement of Activities
For the Year Ended December 31, 2014**

Functions/Programs	Expenses	Program Revenues	Net
Primary Government			
Governmental activities:			
General government	\$ 12,872,848	\$ 1,852,693	\$ (11,020,155)
Public safety	13,021,732	2,854,979	(10,166,753)
Highways and streets	8,605,987	10,795,968	2,189,981
Sanitation	763,417	243,696	(519,721)
Human Services	10,013,359	6,982,929	(3,030,430)
Health	2,650,021	1,873,803	(776,218)
Culture and recreation	687,744	155,716	(532,028)
Conservation of natural resources	707,371	278,158	(429,213)
Economic development	81,032	56,061	(24,971)
Interest	200,741	-	(200,741)
Total governmental activities	\$ 49,604,252	\$ 25,094,003	\$ (24,510,249)
Total Primary Government	\$ 49,604,252	\$ 25,094,003	\$ (24,510,249)
General Revenues and other			
Taxes			\$ 28,212,547
Other general revenues			2,570,387
Net change in net assets - Primary Government			\$ 6,272,685

**Goodhue County
A Summary of Fiduciary Net Position
As of and for the Year Ended December 31, 2014**

	Agency Funds	
Assets		
Cash and cash equivalents	\$	1,364,268
Accounts receivable		17,447
Due from other governments		28,531
Total Assets	\$	1,410,246
Liabilities		
Due to component unit	\$	359
Due to other governments		1,409,887
Total Liabilities	\$	1,410,246

Goodhue County
A Summary Balance Sheet of Governmental Funds
December 31, 2014

	General Fund	Public Works Fund	Health & Human Service Fund	Economic Development Fund	Debt Service Fund	Nonmajor Funds	Total Governmental Funds
Assets:							
Cash and investments	\$ 18,073,573	\$ 5,105,829	\$ 6,517,828	\$ 260,618	\$ 2,435,172	\$ 138,220	\$ 32,531,240
Receivables							
Taxes	287,802	62,248	90,667	257	36,455	5,864	483,293
Accounts	82,128	22,490	390,237	-	-	9,816	504,671
Special assessments	7,915	-	-	-	35,826	-	43,741
Loans	28,950	-	-	938,059	-	-	967,009
Due from other funds	11,433	1,069	-	-	-	-	12,502
Due from other governments	555,403	4,523,083	1,046,921	-	-	4,755	6,130,162
Prepaid items	248,047	31,525	120,694	-	-	4,294	404,560
Inventories	-	535,478	-	-	-	-	535,478
Restricted Assets							
Cash and pooled investments	-	-	-	-	-	218,722	218,722
Total assets	<u>\$ 19,295,251</u>	<u>\$ 10,281,722</u>	<u>\$ 8,166,347</u>	<u>\$ 1,198,934</u>	<u>\$ 2,507,453</u>	<u>\$ 381,671</u>	<u>\$ 41,831,378</u>
Liabilities:							
Payables							
Accounts	\$ 240,085	\$ 542,302	\$ 488,628	\$ 478	\$ 935	\$ 23,725	\$ 1,296,153
Salaries	418,325	48,213	211,038	-	-	8,582	686,158
Contracts	-	473,859	-	-	-	-	473,859
Due to other funds	1,069	-	4,923	6,510	-	-	12,502
Due to other governments	152,591	8,146	335,520	-	-	9,050	505,307
Unearned revenue	116,343	-	-	-	-	-	116,343
Customer deposits	14,731	-	-	-	-	-	14,731
Total Liabilities	<u>\$ 943,144</u>	<u>\$ 1,072,520</u>	<u>\$ 1,040,109</u>	<u>\$ 6,988</u>	<u>\$ 935</u>	<u>\$ 41,357</u>	<u>\$ 3,105,053</u>
Deferred Inflows of Resources:							
Unavailable revenue	\$ 424,489	\$ 712,670	\$ 122,857	\$ 531,486	\$ 63,800	\$ 4,416	\$ 1,859,718
Fund balances:							
Nonspendable	\$ 248,047	\$ 567,003	\$ 120,694	\$ -	\$ -	\$ 4,294	\$ 940,038
Restricted	902,692	2,313,297	-	607,797	99,615	218,722	4,142,123
Committed	3,168,676	405,585	259,179	52,663	2,343,103	35,075	6,264,281
Assigned	2,398,234	5,210,647	6,623,508	-	-	77,807	14,310,196
Unassigned	11,209,969	-	-	-	-	-	11,209,969
Total fund balance	<u>\$ 17,927,618</u>	<u>\$ 8,496,532</u>	<u>\$ 7,003,381</u>	<u>\$ 660,460</u>	<u>\$ 2,442,718</u>	<u>\$ 335,898</u>	<u>\$ 36,866,607</u>
Total liabilities and fund balance	<u>\$ 19,295,251</u>	<u>\$ 10,281,722</u>	<u>\$ 8,166,347</u>	<u>\$ 1,198,934</u>	<u>\$ 2,507,453</u>	<u>\$ 381,671</u>	<u>\$ 41,831,378</u>

Goodhue County
A Summary of Governmental Funds Revenues and Expenditures
For the Year Ended December 31, 2014

	General Fund	Public Works Fund	Health & Human Service Fund	Economic Development Fund	Debt Service Fund	Nonmajor Funds	Total Governmental Funds
Revenues:							
Taxes	\$ 16,664,092	\$ 3,749,483	\$ 5,326,410	\$ 12,465	\$ 1,955,831	\$ 337,470	\$ 28,045,751
Special assessments	-	-	-	-	26,588	-	26,588
Licenses and permits	299,832	13,922	-	-	-	7,163	320,917
Intergovernmental	3,819,688	10,387,020	7,746,467	164	62,627	10,775	22,026,741
Charges for services	2,235,948	4,646	1,245,847	1,000	-	53,157	3,540,598
Fines and forfeits	14,643	-	-	-	-	-	14,643
Gifts and contributions	43,698	-	-	-	-	-	43,698
Investment earnings	136,919	-	-	-	7,255	328	144,502
Miscellaneous	1,316,608	29,116	438,318	55,588	-	176,706	2,016,336
Total revenues	<u>\$ 24,531,428</u>	<u>\$ 14,184,187</u>	<u>\$ 14,757,042</u>	<u>\$ 69,217</u>	<u>\$ 2,052,301</u>	<u>\$ 585,599</u>	<u>\$ 56,179,774</u>
Expenditures:							
Current							
General government	\$ 11,607,915	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 11,607,915
Public safety	12,629,168	-	-	-	-	-	12,629,168
Highways and streets	-	19,197,616	-	-	-	-	19,197,616
Sanitation	-	-	-	-	-	857,695	857,695
Human services	-	-	11,100,757	-	-	-	11,100,757
Health	-	-	2,723,168	-	-	-	2,723,168
Culture and recreation	671,100	12,937	-	-	-	-	684,037
Conservation of natural resources	706,960	-	-	-	-	-	706,960
Economic development	4,375	-	-	76,657	-	-	81,032
Debt service							
Principal retirement	17,568	-	-	-	1,867,720	-	1,885,288
Interest	-	-	-	-	129,259	-	129,259
Administrative (fiscal) charges	-	-	-	-	96,609	-	96,609
Intergovernmental	-	421,804	-	-	-	-	421,804
Highways and streets	-	-	-	-	-	-	-
Total expenditures	<u>\$ 25,637,086</u>	<u>\$ 19,632,357</u>	<u>\$ 13,823,925</u>	<u>\$ 76,657</u>	<u>\$ 2,093,588</u>	<u>\$ 857,695</u>	<u>\$ 62,121,308</u>
Excess of Revenues Over (Under) Expenditures	<u>\$ (1,105,658)</u>	<u>\$ (5,448,170)</u>	<u>\$ 933,117</u>	<u>\$ (7,440)</u>	<u>\$ (41,287)</u>	<u>\$ (272,096)</u>	<u>\$ (5,941,534)</u>
Other financing sources (uses):							
Transfers in	\$ 1,456,044	\$ 1,233,068	\$ 558,219	\$ 10,000	\$ -	\$ 211,830	\$ 3,469,161
Transfers out	(1,478,117)	(8,544)	(7,500)	-	(1,975,000)	-	(3,469,161)
Bonds issued	-	7,760,000	-	-	-	-	7,760,000
Premiums on bonds issued	-	105,000	-	-	90,606	-	195,606
Proceeds from sale of capital assets	62,474	-	-	-	-	-	62,474
Total other financing sources (uses)	<u>\$ 40,401</u>	<u>\$ 9,089,524</u>	<u>\$ 550,719</u>	<u>\$ 10,000</u>	<u>\$(1,884,394)</u>	<u>\$ 211,830</u>	<u>\$ 8,018,080</u>
Net Change in Fund Balances	<u>\$ (1,065,257)</u>	<u>\$ 3,641,354</u>	<u>\$ 1,483,836</u>	<u>\$ 2,560</u>	<u>\$(1,925,681)</u>	<u>\$ (60,266)</u>	<u>\$ 2,076,546</u>
Fund Balances - January 1	18,992,875	4,661,395	5,519,545	657,900	4,368,399	396,164	34,596,278
Increase (decrease) in reserved for inventories	-	193,783	-	-	-	-	193,783
Fund Balances - December 31	<u>\$ 17,927,618</u>	<u>\$ 8,496,532</u>	<u>\$ 7,003,381</u>	<u>\$ 660,460</u>	<u>\$ 2,442,718</u>	<u>\$ 335,898</u>	<u>\$ 36,866,607</u>

