

BIG STONE COUNTY SUMMARY FINANCIAL STATEMENTS

For the Year Ended December 31, 2013

The purpose of the Report is to provide a summary of financial information concerning Big Stone County for interested citizens. Questions about this report should be directed to Michelle R. Knutson, Auditor at (320) 839-6366.

A FULL AND COMPLETE COPY OF THE COUNTY FINANCIAL STATEMENT IS AVAILABLE UPON REQUEST BY CALLING (320) 839-6366, OR BY WRITING TO THE BIG STONE COUNTY AUDITOR, 20 2ND ST SE, SUITE #103, ORTONVILLE, MN 56278.

2013 COUNTY OFFICIALS

1st District Commissioner	Walter Wulff	(320) 748-7562
2nd District Commissioner	Wade Athey	(320) 325-9988
3rd District Commissioner	Brent Olson	(320) 273-2297
4th District Commissioner	Roger Sandberg	(320) 305-1721
5th District Commissioner	Joseph Berning	(320) 839-3909
County Sheriff	John Haukos	(320) 839-3558
County Auditor	Michelle R. Knutson	(320) 839-6366
County Treasurer	Cindy Nelson	(320) 839-6395
County Recorder	Elaine Martig	(320) 839-6390
County Attorney	William J. Watson	(320) 839-6197

A PROFILE OF BIG STONE COUNTY

	2013	2012	Percent Inc/Dec
Estimated Population*	5,164	5,164	0.00%
Total Tax Capacity	10,810,435	8,858,859	22.03%
Percent of Property Taxes Collected	98.965%	98.645%	0.32%
Total General Revenues	\$5,063,755	\$5,115,693	-1.02%
Total Program Revenues	\$5,611,012	\$5,837,150	-3.87%
Total Expenses	\$10,272,360	\$10,021,955	2.50%
Capital Assets (Net)	\$23,383,487	\$24,137,831	-3.13%
Total Outstanding Net Bonded Debt of the County	\$850,000	\$905,000	-6.08%
Total Government-Wide Net Position	\$31,823,190	\$31,420,783	1.28%
Total Number of Full Time Employees	60	60	0.00%

*2013 estimate not available

A User's Guide to County Financial Statements

Basic Financial Statements

Big Stone 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.

Fund financial statements display separate financial information for the county's governmental and fiduciary funds. 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.

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.

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 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 periods expenditures are presumed to benefit. The county has the following character classifications:

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

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

Capital outlays are presumed to benefit current and future fiscal periods and include amounts expended for the construction or acquisition of county capital assets.

Intergovernmental represent 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 attorney's office, county auditor's office, county treasurer's office, county assessor's office, the judicial, the planning and zoning office, and other county general service offices.

Public safety relates to the objective of protection of persons and property and includes expenditures for corrections activities, operations of the sheriff's department, 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 sanitary sewer programs.

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 the county public health department, 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 involves cultural and recreational activities maintained for the benefit of county residents and visitors. These activities include county libraries, parks, and other recreation programs.

Conservation involves 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.

Summary of Big Stone County's Statement of Activities For the Year Ended December 31, 2013

Functions/Programs	Expenses	Program Revenues	Net (Expense) Revenue and Changes in Net Assets Governmental Activities
Governmental activities			
General government	\$ 1,872,727	\$ 262,932	\$(1,609,795)
Public safety	1,075,045	216,137	(858,908)
Highways and streets	4,167,935	3,273,230	(894,705)
Sanitation	190,723	179,021	(11,702)
Human services	2,321,514	1,525,972	(795,542)
Health	95,437	1,000	(94,437)
Culture and recreation	149,360	40,224	(109,136)
Conservation of natural resources	294,133	112,496	(181,637)
Economic development	49,003	-	(49,003)
Interest	56,483	-	(56,483)
Total governmental activities	\$ 10,272,360	\$ 5,611,012	\$(4,661,348)
General revenues			
Taxes			\$ 4,260,438
Other general revenues			803,317
Total general revenues			\$ 5,063,755
Change in net position			\$ 402,407

A Summary of Fiduciary Net Position

For the Year Ended December 31, 2013	
Assets	
Cash and pooled investments	\$ 251,920
Liabilities	
Accounts payable	\$ 5,922
Due to other governments	245,998
Total Liabilities	\$ 251,920

MAJOR RECIPIENTS OF BIG STONE COUNTY EXPENDITURES

The following is a list of recipients of Big Stone County expenditures totaling \$5,000 or more during 2013. The list does not include salaries to county employees nor does it include individuals who received federal, state or county human services aid.

NAME OF RECIPIENT	AMOUNT
3D Specialties	\$ 7,761.98
Akron Township	\$ 18,406.16
Almond Township	\$ 10,398.04
American Engineering Testing, Inc	\$ 7,840.00
American Solutions for Business	\$ 5,528.71
Keith and Jane Anderson	\$ 5,900.00
John C. Andrews	\$ 13,503.00
Anoka Metro RTC	\$ 24,728.40
Artichoke Township	\$ 11,470.81
Association of Minnesota Counties	\$ 5,930.00
Atwater Ford	\$ 28,937.00
Audio Video Integrations, LLC	\$ 7,449.19
Bonnie Barber	\$ 18,312.62
Big Stone Area Growth	\$ 35,000.00
Big Stone County Ag Society	\$ 15,045.00
Big Stone County Historical Society	\$ 19,999.00
Big Stone County LCTS	\$ 65,732.00
Big Stone SWCD	\$ 64,388.50
Big Stone Township	\$ 17,024.28
Bituminous Paving, Inc.	\$ 767,222.19
BNSF Railway Company	\$ 53,142.75
Bonanza Education Center	\$ 5,000.00
Bond Trust Services Corporation	\$ 84,585.00
Border States Cooperative	\$ 13,641.81
Browns Valley Township	\$ 14,132.46
BSLA Sno Riders	\$ 28,719.78
Carquest of Ortonville	\$ 6,509.73
Central Specialties, Inc	\$ 7,694.60
Chippewa County	\$ 10,139.43
City of Graceville	\$ 10,281.31
City of Ortonville	\$ 52,881.40
Computer Professionals Unlimited	\$ 58,552.59
Contech Construction Products	\$ 10,802.40
Countryside Public Health	\$ 159,680.48
Crop Production Services	\$ 5,322.97
Dakotah Paper Co.	\$ 5,376.89
Divine House, Inc.	\$ 53,843.22
Dodge of Burnsville	\$ 23,704.00
Edney Distributing	\$ 5,614.72
Envirotech Services, Inc	\$ 23,030.80
Foster Township	\$ 11,771.23
Fridgen Excavating	\$ 8,385.00
Gerard Academy	\$ 51,112.28
GHA Technologies Inc.	\$ 39,685.91
GovConnection, Inc.	\$ 11,411.15
Graceville Township	\$ 15,111.05
Greater Minnesota Family Services	\$ 43,075.76
Hancock Concrete Products, LLC	\$ 7,783.78
Hasslen Construction	\$ 25,153.00
Haukos Electrical Service, LLC	\$ 20,226.44
Roger L. & Patricia Haukos	\$ 18,312.63
Hitesman & Wold P.A.	\$ 7,924.50
Trustees of Allan & Douglas Jahnke	\$ 6,043.25
John Deere	\$ 10,046.26
Kandiyo County	\$ 131,811.42
Kindred Family Services	\$ 7,874.96
KJ's Kountry Store	\$ 5,165.69
Kris Engineering	\$ 6,825.77
Julie Kunrath	\$ 9,727.20
L & O Acres Transport	\$ 14,237.46
Les Jones Roofing	\$ 217,992.21
MacQueen Equipment	\$ 8,760.26
Main Street Industries	\$ 11,882.08
Malta Township	\$ 9,380.62
Marco	\$ 11,141.06
MCIT	\$ 133,353.00
Midcontinent Communications	\$ 10,192.53
Midstates Supplies	\$ 20,427.20
Midway Ford	\$ 26,078.38
Milbank Communications	\$ 12,037.82
Minnesota Energy	\$ 12,759.51
Minnwest Bank Central	\$ 60,648.53
Minnesota Department of Revenue	\$ 10,014.72
Moonshine Township	\$ 9,870.00
Motorola	\$ 9,807.78
M-R Sign Co	\$ 7,418.32
Mundwiler & Larson Funeral Homes	\$ 5,895.48
Nelson Electric	\$ 17,029.90
James Nitz Construction	\$ 156,701.47
Northwestern MN Juvenile Center	\$ 29,321.00
Nuss Truck & Equipment	\$ 118,528.56
Odesa Township	\$ 11,184.16
Office Depot	\$ 5,324.43
Office of Enterprise Technology	\$ 13,003.32
Office of the State Auditor	\$ 39,283.86
Office Peeps	\$ 17,557.62
Ortonville Hardware Hank	\$ 6,417.96
Ortonville Independent	\$ 19,262.04
Ortonville Plumbing & Heating, Co	\$ 10,379.69
Ortonville Township	\$ 6,319.15
Otre Township	\$ 8,678.88
Otter Tail Power Company	\$ 5,455.07
Pioneerland Library System	\$ 63,677.00
Port Group Homes	\$ 37,038.06
Prairie Five "Rides"	\$ 74,501.63
Prairie Lakes Youth Programs	\$ 59,875.47
Presbyterian Family Foundation	\$ 9,661.84
Prior Township	\$ 23,187.97
Pro West & Associates	\$ 18,551.00
University of Minnesota	\$ 54,174.17
Royal Tire	\$ 15,565.95
Rural Support Services	\$ 125,018.44
Schuneman Equipment Company	\$ 6,357.86
Serocki Excavating	\$ 18,541.77
Sibson Gravel	\$ 38,705.74
Someplace Safe	\$ 9,325.00
Stattelman Lumber	\$ 11,810.10
Stevens County	\$ 11,469.30
Stevens Community Medical Center	\$ 36,348.87
Strong Realty	\$ 6,400.00
Sturdevants	\$ 6,841.31
Team Laboratory Chemical Corp.	\$ 7,400.56
The Shop	\$ 5,067.17
Titan Machinery	\$ 32,997.66
Toqua Township	\$ 8,456.11
Toshiba Financial Services	\$ 15,154.09
Towmaster	\$ 107,587.86
Traffic Marking Service	\$ 46,317.81
Traverse County	\$ 71,638.81
Tri-County Co-op Oil Association	\$ 30,006.57
Twin Valley Tire	\$ 21,812.04
Ulmanic Law Office	\$ 6,496.72
United States Postal Service	\$ 17,874.00
Upper Minnesota Valley RDC	\$ 16,714.25
US Bank Corporate Payment Systems	\$ 28,813.59
Verizon Wireless	\$ 12,025.69
Vollmer Construction	\$ 10,737.60
Wahpeton Fabrication	\$ 6,088.00
Waste Management of Central Minnesota	\$ 118,050.19
William J. Watson	\$ 58,780.32
West Central Industries	\$ 6,607.44
Western Consolidated Cooperative	\$ 224,015.18
Ziegler	\$ 11,907.78

A Summary Balance Sheet of Governmental Funds December 31, 2013

	General	Highway	Family Services	Ditch	Debt Service	Total Governmental Funds
Assets						
Cash and investments	\$ 2,741,812	\$ 2,019,863	\$ 2,529,665	\$ 220,437	\$ 98,194	\$ 7,609,971
Taxes receivable	36,606	12,317	11,950	-	1,018	61,891
Special assessments receivable	9,444	-	-	56,181	-	65,625
Accounts receivable	19,071	349	24,306	-	-	43,726
Accrued interest receivable	4,675	-	-	-	-	4,675
Due from other governments	136,961	2,533,588	104,597	-	-	2,775,146
Advance to other funds	51,900	-	-	-	-	51,900
Advance to other governments	-	-	7,089	-	-	7,089
Inventories	-	221,105	-	-	-	221,105
Total Assets	\$ 3,000,469	\$ 4,787,222	\$ 2,677,607	\$ 276,618	\$ 99,212	\$ 10,841,128
Liabilities, Deferred Inflows of Resources, and Fund Balances						
Accounts payable	\$ 9,569	\$ 4,992	\$ 56,105	\$ -	\$ -	\$ 70,666
Salaries payable	41,012	27,292	29,144	-	-	97,448
Contracts payable	35,230	14,474	-	-	-	49,704
Due to other governments	46,478	2,315	7,283	-	-	56,076
Advance from other funds	-	-	-	51,900	-	51,900
Total Liabilities	\$ 132,289	\$ 49,073	\$ 92,532	\$ 51,900	\$ -	\$ 325,794
Deferred Inflows of Resources						
Unavailable revenue	\$ 48,231	\$ 2,510,810	\$ 11,950	\$ 56,181	\$ 1,018	\$ 2,628,190
Fund Balances						
Nonspendable	\$ 51,900	\$ 221,105	\$ -	\$ -	\$ -	\$ 273,005
Restricted	263,538	388,909	2,742	168,537	98,194	921,920
Committed	744,879	201,505	150,000	-	-	1,096,384
Assigned	40,630	1,415,820	2,420,383	-	-	3,876,833
Unassigned	1,719,002	-	-	-	-	1,719,002
Total Fund Balances	\$ 2,819,949	\$ 2,227,339	\$ 2,573,125	\$ 168,537	\$ 98,194	\$ 7,887,144
Total Liabilities & Fund Balances	\$ 3,000,469	\$ 4,787,222	\$ 2,677,607	\$ 276,618	\$ 99,212	\$ 10,841,128

A Summary of Governmental Funds Revenues and Expenditures For the Year Ended December 31, 2013

	General	Highway	Family Services	Ditch	Debt Service	Total Governmental Funds
Revenues						
Taxes	\$ 2,612,588	\$ 905,485	\$ 775,838	\$ -	\$ 90,307	\$ 4,384,218
Special assessments	122,671	-	-	107,608	-	230,279
Licenses and permits	22,518	-	-	-	-	22,518
Intergovernmental	704,742	1,955,673	1,223,725	1,972	3,265	3,889,377
Charges for services	198,771	198,127	324,605	-	-	721,503
Gifts and contributions	2,500	-	-	-	-	2,500
Investment earnings	33,700	5,522	-	54	-	39,276
Miscellaneous</						