

BIG STONE COUNTY SUMMARY FINANCIAL STATEMENT

For the Year Ended December 31, 2018

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 or auditors@co.big-stone.mn.us

2018 COUNTY OFFICIALS

1st District Commissioner	Jay Backer	(605) 880-1417
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	Joseph Glasrud	(320) 487-1206

Summary of Big Stone County's Statement of Activities For the Year Ended December 31, 2018

Functions/Programs	Expenses	Program Revenues	Net (Expense) Revenue and Changes in Net Assets
Governmental activities			
General government	\$ 2,468,505	\$ 358,404	\$(2,110,101)
Public safety	1,224,154	244,810	(979,344)
Highways and streets	3,847,889	4,793,233	945,344
Sanitation	205,902	193,217	(12,685)
Human services	2,682,689	1,860,125	(822,564)
Health	141,119	1,125	(139,994)
Culture and recreation	182,440	40,544	(141,896)
Conservation of natural resources	529,569	373,237	(156,332)
Economic development	46,613	207,139	160,526
Interest	158,742	-	(158,742)
Total governmental activities	\$ 11,487,622	\$ 8,071,834	\$(3,415,788)

A Summary of Fiduciary Net Position

For the Year Ended December 31, 2018	
Assets	
Cash and pooled investments	\$ 208,494
Liabilities	
Accounts payable	\$ 22,621
Due to other governments	184,035
Advance from other funds	1,838
Total Liabilities	\$ 208,494

A PROFILE OF BIG STONE COUNTY

	2018	2017	Percent Inc/Dec
Estimated Population*	5,029	5,029	0.00%
Total Tax Capacity	12,140,477	11,982,718	1.32%
Percent of Property Taxes Collected	99.09%	98.78%	0.31%
Total General Revenues	\$6,007,903	\$5,584,911	7.57%
Total Program Revenues	\$8,071,834	\$7,300,726	10.56%
Total Expenses	\$11,487,622	\$12,141,251	-5.38%
Capital Assets (Net)	\$26,971,084	\$26,742,413	0.86%
Total Outstanding Net Bonded Debt of the County	\$4,370,000	\$4,605,000	-5.10%
Total Government-Wide Net Position	\$32,053,547	\$31,512,488	1.72%
Total Number of Full Time Employees	63	63	0.00%

*2018 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.

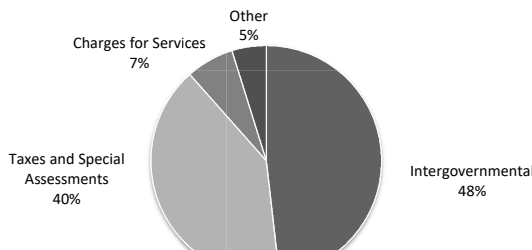
Conservation involves activities designed to conserve and develop such natural resources as water, soil, and forests and includes such programs as soil and water conservation, county extension, water planning, and other.

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.

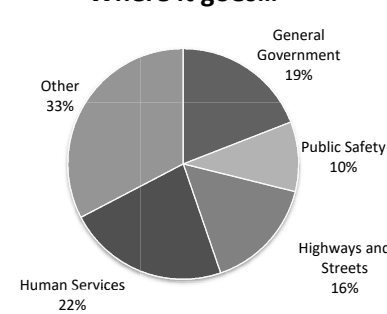
Summary of Big Stone County's Statement of Net Position December 31, 2018

Assets	
Cash and pooled investments	\$ 8,687,558
Investments	722,700
Receivables - net	7,432,386
Inventories	348,663
Capital assets	
Non-depreciable	985,920
Depreciable - net	25,985,164
Total Assets	\$ 44,162,391
Deferred Outflows of Resources	
	\$ 1,135,699
Liabilities	
Accounts payable and other current liabilities	\$ 399,212
Accrued interest payable	65,199
Long-term liabilities	
Due within one year	333,580
Due in more than one year	4,757,116
Net pension liability	2,739,292
Net other post employment benefits obligation	3,448,938
Total Liabilities	\$ 11,743,337
Deferred Inflows of Resources	
	\$ 1,501,206
Net Position	
Net investment in capital assets	\$ 26,551,038
Restricted	4,446,611
Unrestricted	1,055,898
Total Net Position	\$ 32,053,547

Where it comes from...



Where it goes...



A Summary Balance Sheet of Governmental Funds December 31, 2018

	General	Highway	Family Services	Ditch	Debt Service	Total Governmental Funds
Assets						
Cash and investments	\$ 5,474,498	\$ 2,061,348	\$ 1,591,688	\$ 161,579	\$ 121,145	\$ 9,410,258
Taxes receivable	19,210	5,823	5,297	-	575	30,905
Special assessments receivable	7,891	-	-	120,413	-	128,304
Accounts receivable	406	265	28,078	-	-	28,749
Accrued interest receivable	5,867	-	-	-	-	5,867
Loans receivable	3,576,139	-	-	-	-	3,576,139
Due from other governments	39,627	3,473,549	136,925	167	-	3,650,268
Advance to other funds	250,600	-	-	-	-	250,600
Advance to other governments	-	-	12,154	-	-	12,154
Inventories	-	348,663	-	-	-	348,663
Total Assets	\$ 9,374,238	\$ 5,889,648	\$ 1,774,142	\$ 282,159	\$ 121,720	\$17,441,907
Liabilities, Deferred Inflows of Resources, & Fund Balances						
Liabilities						
Accounts payable	\$ 111,817	\$ 72	\$ 43,529	\$ -	\$ -	\$ 155,418
Salaries payable	74,859	45,174	56,004	-	-	176,037
Due to other governments	48,572	7,892	11,293	-	-	67,757
Advance from other funds	-	-	-	250,600	-	250,600
Total Liabilities	\$ 235,248	\$ 53,138	\$ 110,826	\$ 250,600	\$ -	\$ 649,812
Deferred Inflows of Resources	\$ 61,638	\$ 3,350,810	\$ 108,336	\$ 120,413	\$ 900	\$ 3,642,097
Fund Balances						
Nonspendable	\$ 3,828,577	\$ 348,663	\$ -	\$ -	\$ -	\$ 4,177,240
Restricted	575,766	245,953	30,868	159,861	120,820	1,133,268
Committed	932,774	541,698	150,000	-	-	1,624,472
Assigned	232,398	1,349,386	1,374,112	-	-	2,955,896
Unassigned	3,507,837	-	-	(248,715)	-	3,259,122
Total Fund Balances	\$ 9,077,352	\$ 2,485,700	\$ 1,554,980	\$ (88,854)	\$ 120,820	\$13,149,998
Total Liabilities, Deferred Inflows of Resources, & Fund Balances	\$ 9,374,238	\$ 5,889,648	\$ 1,774,142	\$ 282,159	\$ 121,720	\$17,441,907

A Summary of Governmental Funds Revenues and Expenditures For the Year Ended December 31, 2018

	General	Highway	Family Services	Ditch	Debt Service	Total Governmental Funds
Revenues						
Taxes	\$ 2,978,848	\$ 987,735	\$ 824,471	\$ -	\$ 88,846	\$ 4,879,900
Special assessments	117,532	-	-	137,694	-	255,226
Licenses and permits	21,101	1,360	-	-	-	22,461
Intergovernmental	1,463,976	3,176,160	1,500,898	-	4,423	6,145,457
Charges for services	197,075	249,825	412,509	-	-	859,409
Miscellaneous earnings	114,801	10,861	-	-	-	125,662
Miscellaneous	395,335	22,276	48,244	-	-	465,855
Total Revenues	\$ 5,288,668	\$ 4,448,217	\$ 2,786,122	\$ 137,694	\$ 93,269	\$12,753,970
Expenditures						
Current						
General government	\$ 2,326,253	\$ -	\$ -	\$ -	\$ -	\$ 2,326,253
Public safety	1,193,143	-	-	-	-	1,193,143
Highways and streets	-	1,932,708	-	-	-	1,932,708
Sanitation	203,788	-	-	-	-	203,788
Human services	-	-	2,756,552	-	-	2,756,552
Health	73,717	-	-	-	-	73,717
Culture and recreation	155,574	-	-	-	-	155,574
Conservation of natural resources	372,069	-	-	156,025	-	528,094
Economic development	46,613	-	-	-	-	46,613
Intergovernmental	67,402	233,479	-	-	-	300,881
Capital Outlay	213,009	2,061,415	-	-	-	2,274,424
Debt Service						
Principal	170,000	-	-	-	65,000	235,000
Interest and other costs	139,093	-	-	-	22,586	161,679
Total Expenditures	\$ 4,960,661	\$ 4,227,602	\$ 2,756,552	\$ 156,025	\$ 87,586	\$ 12,188,426
Excess of Revenues Over (Under) Expenditures	\$ 328,007	\$ 220,615	\$ 29,570	\$ (18,331)	\$ 5,683	\$ 565,544
Other Financing Sources (Uses)						
Proceeds from sale of assets	1,550	20,000	-	-	-	21,550
Net Change in Fund Balances	\$ 329,557	\$ 240,615	\$ 29,570	\$ (18,331)	\$ 5,683	\$ 587,094

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 2017. 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
ABDO, EICK & MEYERS	24,000.00
AKRON TOWNSHIP	24,530.09
ALMOND TOWNSHIP	13,780.88
AMAZON	12,084.25
AMERICAN SOLUTIONS FOR BUSINESS	5,309.76
ARTICHOKE TOWNSHIP	15,133.85
ASPHALT SURFACE TECHNOLOGIES CORP.	63,107.20
ASSN OF MN COUNTIES	9,486.00
ATWATER FORD	22,196.90
AUDIO & SECURITY ENGINEERS	12,939.36
BIG STONE AREA GROWTH	44,250.00
BIG STONE CO AG SOCIETY	24,050.00
BIG STONE CO HISTORICAL SOCIETY	25,000.00
BIG STONE LAKE SNO RIDERS	31,653.84
BIG STONE SWCD	82,893.63
BIG STONE TOWNSHIP	22,445.97
BITUMINOUS PAVING	46,965.82
BOB WALSH ENTERPRISES	22,448.00
BONANZA EDUCATION CENTER	7,000.00
BOND TRUST SERVICES CORPORATION	395,927.50
BROKAW AG SOLUTIONS GROUP	8,896.30
BROWN EXCAVATING	115,530.78
BROWNS VALLEY TOWNSHIP	19,463.17
CARQUEST OF ORTONVILLE	6,540.21