

**WRIGHT COUNTY, MINNESOTA**  
**COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
**YEAR ENDED DECEMBER 31, 2015**



**Prepared by: Wright County Auditor/Treasurer's Office**

**Wright County  
Buffalo, Minnesota  
763-682-7578**



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BUFFALO, MINNESOTA  
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## **INTRODUCTORY SECTION**





**Robert J. Hiivala**  
**Wright County Auditor / Treasurer**

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May 20, 2016

Citizens of Wright County, Wright County Board of Commissioners,  
County Coordinator, and Interested Agencies and Institutions  
Wright County Government Center  
10 – 2<sup>nd</sup> Street NW  
Buffalo, Minnesota 55313

Commissioners:

This Comprehensive Annual Financial Report of Wright County (the County) is submitted for the fiscal year ended December 31, 2015. This report was prepared by the Auditor/Treasurer's Office with the assistance from its staff and the various departmental accounting staff throughout the Wright County financial reporting structure in conformity with generally accepted accounting principles (GAAP). The responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the County. To the best of our knowledge and belief, the enclosed data are accurate in all material respects and are reported in a manner designed to present fairly the financial position and results of operations of the various funds of the County and have earned an unmodified opinion from our auditors. All disclosures necessary to enable the reader to gain an understanding of the County's financial activities have been included.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. Wright County's MD&A can be found immediately following the independent auditor's report.

The County is required to undergo an annual single audit in conformity with the provisions of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

Copies of this report will be sent to elected officials, County management, bond rating agencies, financial institutions, and government agencies, which have expressed an interest in Wright County's affairs. This report is also available on the Wright County web site at [www.co.wright.mn.us](http://www.co.wright.mn.us), under "Budget & Financial Statements".

#### GENERAL INFORMATION

Wright County is located in east central Minnesota just 40 miles northwest of Minneapolis. The County encompasses an area of 716 square miles and contains 17 cities and 18 townships. With a 2010 census population of 120,684, the County is the state's 13th most populous county. Wright County was organized March 5, 1855, and is governed by the general laws of the State of Minnesota.

#### GOVERNMENTAL ORGANIZATION AND SERVICES

The Wright County Board of Commissioners consists of five commissioners elected from five districts in the County. All commissioners serve overlapping four-year terms of office. Each member of the Board serves on various committees.

The Board appoints the County Coordinator who serves as administrator to the County Board of Commissioners and participates in the planning, development, recommendation, implementation and evaluation of County policies, procedures, contracts and budgets. He also serves as the liaison between the County Board and the heads of County departments.

The County's functions and employees are divided among 22 departments. Three of these departments, Attorney, Auditor/Treasurer, and Sheriff, are headed by department heads who are elected to office. The remaining department heads are appointed by the County Board.

The County provides a full range of services. These services include health and social services; tax assessment and collection; judicial, law enforcement and jail services; the construction and maintenance of highways and infrastructure; recreational facilities, planning and zoning, and general administrative services.

## ECONOMIC CONDITION AND OUTLOOK

The economic condition and outlook for the County appears to be improving with prospects for future growth in employment. As with the rest of the nation, property values are increasing but at a moderate pace. We see property values increasing for taxes payable 2016 as home and business values rebound. Agricultural land values are beginning to level off. There are several other factors that show financial stability of the County. Bank deposits were up 4.8% from the prior year and have climbed 20.4% over the past 10 years. Population increases have averaged 2% per year over the past decade. The three school districts and the hospitals, which are major employers in the community, have helped provide a stabilizing effect on employment.

Due to its relatively dense population outside the metro area and yet close proximity to the Twin Cities metropolitan area, it is attractive to businesses that need affordable land and labor costs to expand their operations. This is quite apparent from various development projects that have appeared within the County. Wright County had some growth in the commercial sector. The assessment for commercial property was flat, but Wright County saw approximately \$38.5 million in commercial new construction. This is a year over year new construction increase of 5.3%. Some of the major companies that have come to Wright County in 2015 include Blu Dot, Room & Board, and the Waterfront office building in Otsego. Blu Dot and Room & Board are significant-sized distribution warehouses. Wright County's agriculture sector saw an assessment increase of approximately four-tenths of one percent with most areas remaining flat. The residential sector again saw an increase in sales for 2015. There were 1,755 residential sales county-wide which was a year over year increase of 23.1%. The residential sector saw an increase of 12.4% in new construction. The assessment for residential properties saw an increase county-wide of 4.72%.

Overall new construction is up 37% from that of last year to a total just over \$166 million. Unemployment has continued a pattern of decline, down from its high of 8.9% in 2009 to 3.7% in 2015.

## MAJOR INITIATIVES

### For the Year

Wright County has invested funds into the development of electronic document management systems (EDMS) for record retention and facilitating the retrieving and sharing of information between departments, reducing the need for redundancy.

### For the Future

Beginning in April 2016, the County will be deploying procurement cards throughout the departments to streamline the business process that allows departments to operate more efficiently.

The County Board is taking more of proactive role in redetermining the benefits of its 40 drainage systems. This process includes the purchase and grass seeding of a one-rod strip on both sides of the ditch which will help lower long-term maintenance costs and improve water quality.

## FINANCIAL INFORMATION

Wright County's strong financial management continues to provide the people of the County with several initiatives designed to enhance its excellent financial position: (1) investing funds not immediately needed for expenditures to maximize non-tax revenue; (2) allocating County resources to those areas that meet community needs as expressed by the Board of County Commissioners; (3) closely monitoring expenditures to ensure that activities are carried out within authorized levels; and (4) using advice and recommendations from the general public to improve productivity in the delivery of County services.

## SINGLE AUDIT

As a recipient of federal, state and local financial assistance, the County also is responsible for ensuring that adequate internal controls are in place to ensure compliance with applicable laws and regulations related to those programs. Internal controls are subject to periodic evaluation by management.

The Office of Management and Budget's (OMB) Uniform Guidance sets forth the audit requirements for state and local governments, and non-profit organizations receiving federal assistance. It provides for a single independent audit of the financial operations, including compliance with certain provisions of federal law and regulations. The requirements have been established to ensure that audits are made on an organization wide basis rather than a grant-by-grant basis. The grants for which these requirements apply are identified in the federal awards schedule issued by the independent auditor under a separate report.

## INTERNAL CONTROL

The County's system of internal control is supported by written policies and procedures, which are continually reviewed, evaluated and modified to meet current needs. As part of the new statements of auditing standards, all policies are continually being reviewed and updated.

In developing and evaluating the County's accounting system, consideration is given to the adequacy of internal accounting controls. Internal accounting controls are designed to provide reasonable, but not absolute, assurance regarding: (1) the safeguarding of assets against loss from unauthorized use or disposition; and (2) the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the evaluation of costs and benefits requires estimates and judgments by management.

All internal control evaluations occur within the above framework. We believe that the County's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

## BUDGETARY CONTROL

Budgetary control is maintained at the fund level and is subject to periodic review by the County Board. Open encumbrances are reported as assignments of the fund balance. In addition, the County maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with provisions embodied in the annual appropriated budget approved by the County's governing body. Activities of the general, special revenue funds and debt service funds are included in the annual appropriated budget. Project length financial plans are adopted for the capital project fund. According to Minnesota Laws, County governments are required to adopt budgets but are not required to use them as legal limits. The County Board is made aware of all budget variances.

As demonstrated by the statements and schedules included in the financial section of this report, the County continues to meet its responsibility for sound financial management.

## NOTES TO THE FINANCIAL STATEMENTS

The notes to the financial statements, presented with the Basic Financial Statements section, are an integral part of this Comprehensive Annual Financial Report and should be read for a fuller understanding of the statements and information presented within. The notes to the required supplementary information other than MD&A are an integral part of the Budgetary Comparison Schedules.

### REVENUE LIMITATIONS

Wright County has been and will continue to focus on the social, ecological and financial health of its communities. The County Board has done so through fiscal restraint and exemplary planning and execution of initiatives. The Wright County Board of Commissioners increased the certified net property tax levies for 2015 and 2016 by 4.73% and 4.66% respectively. The County has made significant strides in controlling the local tax levy, which is evidenced by the fact that Wright County has maintained having among the lowest tax levies per capita in the State of Minnesota. Wright County will continue to improve the quality of services and enhanced customer satisfaction within reasonable taxation limits.

Another factor having an impact on local levies is the aid that counties receive from the state. The County is expecting a slight decrease in these revenues for 2016. This aid is established by legislation and distributed by formula based on changing demographic needs. Other revenue streams anticipated to have an impact on future levies include changes to federal and state programs. The County will be looking at various ways to deal with these fluctuations through its budget process in the upcoming year.

### FINANCIAL POLICY

Fund balances of the County operating funds were maintained, in total at an adequate level for operating reserve purposes for the subsequent year of 2016.

Due to the property tax calendar in Minnesota, collections do not come in on an even basis. As a result, the County needs to maintain sufficient balances for cash flow purposes.

### DEBT ADMINISTRATION

During 2015, the County maintained an AA+ rating from Standards and Poors. Wright County currently utilizes only 15.9% of the total allowable general obligation debt according to Minnesota State Statutes.

The notes to the financial statements, as well as the Debt Capacity tables in the Statistical Section, explain more fully the debt position and future obligations of the County.

### RISK MANAGEMENT

Currently, the County insures itself through the MCIT insurance trust for property casualty, liability and workers' compensation. Note 7 explains the funding and associated risks in further detail.

### FIDUCIARY OPERATIONS

The County collects and distributes all property and forfeited taxes for the taxing authorities within the county including cities, townships, school districts and special taxing districts. It is responsible for collecting fees, fines and payroll deductions and for distributing those funds to third parties. The County is also responsible for collecting and distributing funds for various entities as their fiscal agent.

## INDEPENDENT AUDIT

Minnesota State Statutes require an annual audit of the books of account, financial records and transactions of the County by an independent auditor. The Office of the State Auditor has been selected under contract to do the audit for the year ended December 31, 2015. In addition to meeting the requirements set forth in state statutes, the audit also is designed to meet the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). These requirements have been complied with, and the independent auditor's report on the County's financial statements has been included in this report.

The auditors will also issue management and compliance letters covering the review made as a part of their audit of the County's system of internal control, compliance with applicable legal provisions, and the single audit. The management and compliance letters will not modify or affect, in any way, their report on the financial statements.

## INVITATIONS AND ACKNOWLEDGEMENTS

I would like to invite you to continue on and read the remainder of this Comprehensive Annual Financial Report. Wright County is a complex entity and this report will allow the reader to gain a good understanding of our financial position. If you have any questions regarding any of the materials presented herein please contact the Auditor/Treasurer's Office or any of the other County management listed. Our goal with this report is to keep you as well informed as possible about your government.

Finally, I wish to acknowledge the professional contribution and hard work put forth by the entire Auditor/Treasurer's Office throughout the year and during the preparation of this report. The preparation of this report could not have been accomplished without the efficient and dedicated services of the entire staff of this office. Also, I particularly would like to thank the Administration, Health and Human Services, Highway, and the Assessor's Departments for their cooperation in supplying the necessary financial data. I especially would like to thank the County Board of Commissioners for their interest and support in planning and conducting the financial activities in a responsible and progressive manner. The County's excellent financial status is a tribute to that involvement.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Robert Hiivala', with a long horizontal flourish extending to the right.

Robert Hiivala, Wright County Auditor/Treasurer

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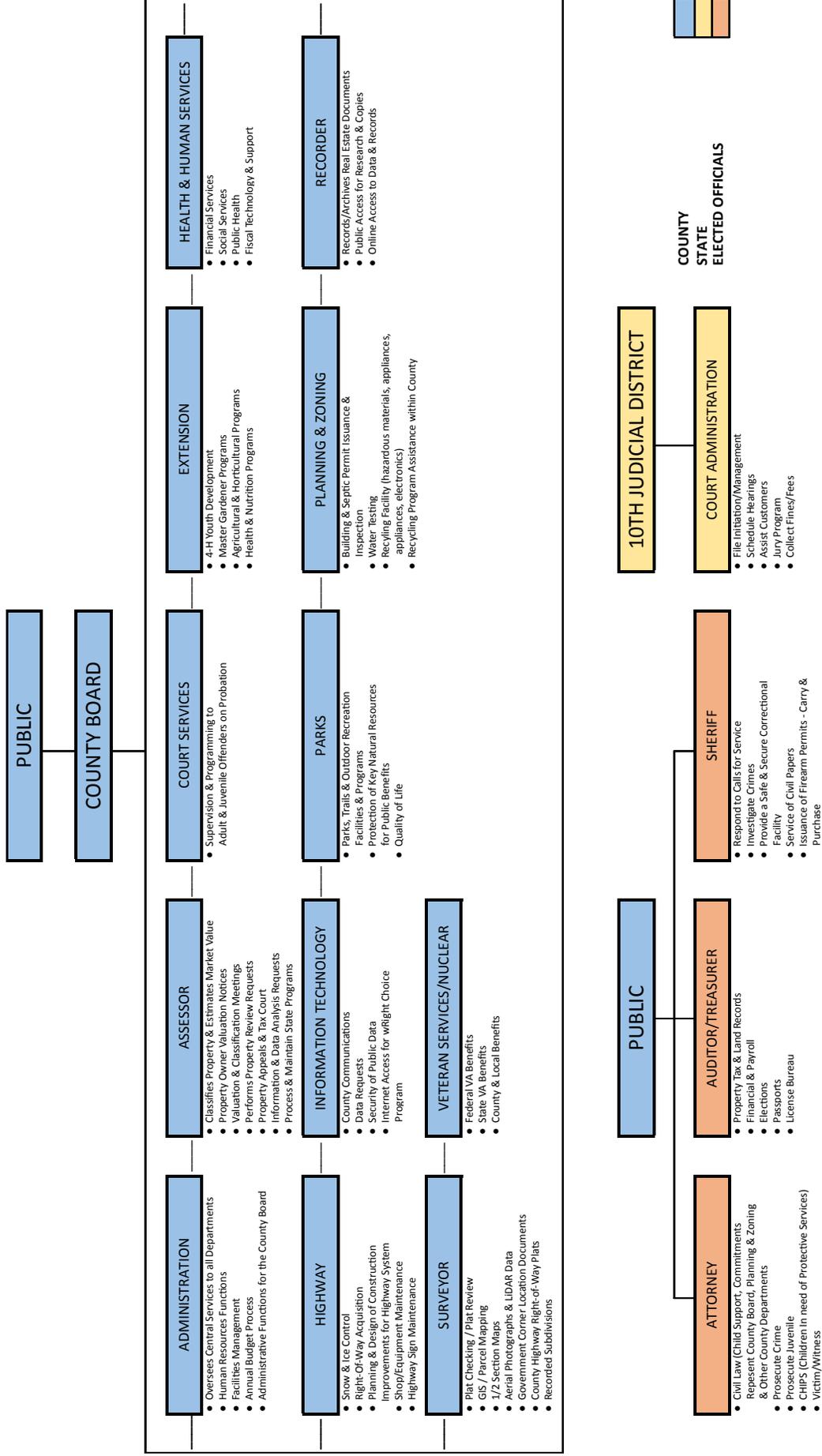
**WRIGHT COUNTY  
BUFFALO, MINNESOTA  
PRINCIPAL COUNTY OFFICIALS  
DECEMBER 31, 2015**

Office	Name	Term Expires
<b>Commissioners</b>		
1 <sup>st</sup> District	Christine Husom	January 2019
2 <sup>nd</sup> District	Pat Sawatzke	January 2017
3 <sup>rd</sup> District	Mark Daleiden	January 2019
4 <sup>th</sup> District	Mike Potter*	January 2017
5 <sup>th</sup> District	Charlie Borrell	January 2017
<b>Officers</b>		
<b>Elected</b>		
Attorney	Tom Kelly	January 2019
Auditor/Treasurer	Robert J. Hiivala	January 2019
Sheriff	Joe Hagerty	January 2019
<b>Appointed</b>		
Coordinator	Lee Kelly	Indefinite
Assessor	Tony Rasmuson	December 2016
Highway Engineer	Virgil Hawkins	April 2017
Human Services Director	Jami Goodrum Schwartz	Indefinite
Recorder	Barb Gabrelcik	Indefinite
Surveyor	Steve Jobe	December 2018
Veteran Services/Nuclear	Launette Figliuzzi	October 2018

\* Chairperson

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# WRIGHT COUNTY BUFFALO, MINNESOTA ORGANIZATION CHART DECEMBER 31, 2015



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## **FINANCIAL SECTION**





REBECCA OTTO  
STATE AUDITOR

# STATE OF MINNESOTA OFFICE OF THE STATE AUDITOR

SUITE 500  
525 PARK STREET  
SAINT PAUL, MN 55103-2139

(651) 296-2551 (Voice)  
(651) 296-4755 (Fax)  
state.auditor@state.mn.us (E-mail)  
1-800-627-3529 (Relay Service)

## INDEPENDENT AUDITOR'S REPORT

Board of County Commissioners  
Wright County  
Buffalo, Minnesota

### Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Wright County, Minnesota, as of and for the year ended December 31, 2015, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, as listed in the table of contents.

#### *Management's Responsibility for the Financial Statements*

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

#### *Auditor's Responsibility*

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the County's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### ***Opinions***

In our opinion the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Wright County as of December 31, 2015, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Emphasis of Matter - Change in Accounting Principle***

As discussed in Note 1 to the financial statements, in 2015 the County adopted new accounting guidance by implementing the provisions of Governmental Accounting Standards Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions*, as amended by GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*, and GASB Statement No. 82, *Pension Issues*, which represents a change in accounting principles. Our opinion is not modified with respect to this matter.

### ***Other Matters***

#### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and Required Supplementary Information as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not part of the basic financial statements, is required by the GASB, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

#### ***Supplementary and Other Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Wright County's basic financial statements. The introductory section, the supplementary information, and the statistical section as listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and

reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

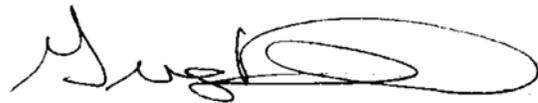
The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated May 20, 2016, on our consideration of Wright County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Wright County's internal control over financial reporting and compliance.



REBECCA OTTO  
STATE AUDITOR



GREG HIERLINGER, CPA  
DEPUTY STATE AUDITOR

May 20, 2016



## **REQUIRED SUPPLEMENTARY INFORMATION**



**WRIGHT COUNTY  
BUFFALO, MINNESOTA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED DECEMBER 31, 2015**

This section of the Wright County (the County) comprehensive annual financial report presents our discussion and analysis of the County's financial performance during the fiscal year that ended December 31, 2015. The Management's Discussion and Analysis (MD&A) is Required Supplementary Information specified in Governmental Accounting Standards Board (GASB) Statement No. 34. Certain comparative information between the current year, 2015, and the prior year, 2014, is required to be presented in the MD&A.

**FINANCIAL HIGHLIGHTS**

- County-wide net position decreased 7.6 percent from the prior year due primarily to the implementation of GASB Statements No. 68, 71, and 82.
- Overall governmental fund-level revenues totaled \$107,623,797 and were \$3,344,717 less than expenditures in 2015. This overage of expenditures was primarily due to increased capital outlay expenditures relating to the new bond issue.
- The General Fund's fund balance increased \$203,509 from the prior year as a result of expenditures coming in under budget, primarily general government and public safety expenditures.

**OVERVIEW OF THE FINANCIAL STATEMENTS**

- The financial section of the annual report consists of four parts – Independent Auditor's Report, required supplementary information which includes the management's discussion and analysis (this section), the basic financial statements, and supplementary information. The basic financial statements include two kinds of statements that present different views of the County:
  - The first two statements are government-wide financial statements which provide both short-term and long-term information about the County's overall financial status.
  - The remaining statements are fund financial statements which focus on individual parts of the County, reporting the County's operations in more detail than the government-wide statements.
    - The governmental funds statements tell how basic services such as general government, human services, and highways and streets were financed in the short-term as well as what remains for future spending.
    - Fiduciary funds statements provide information about the financial relationships in which the County acts solely as a trustee or agent for the benefit of others to whom the resources belong.

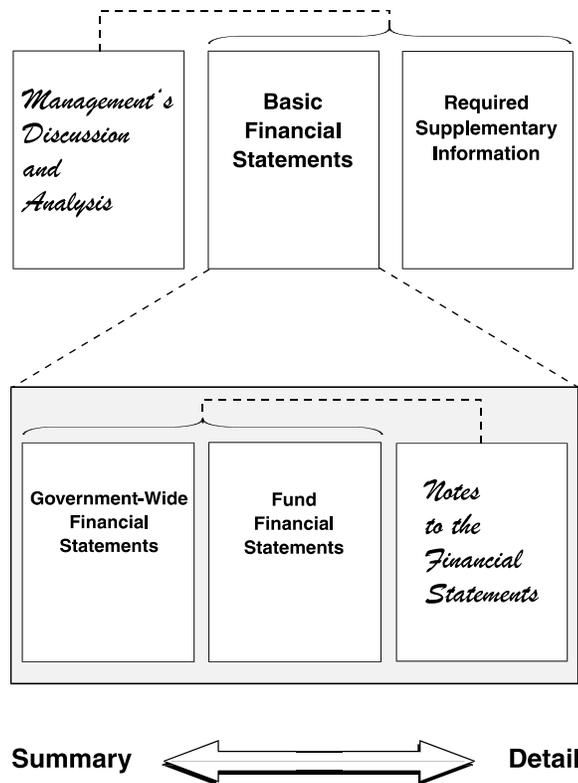
**WRIGHT COUNTY  
BUFFALO, MINNESOTA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED DECEMBER 31, 2015**

**OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)**

The financial statements also include notes that explain some of the information in the statements and provide more detailed data.

Figure A-1 shows how the various parts of this annual report are arranged and related to one another.

**Figure A-1  
Annual Report Format**



**WRIGHT COUNTY  
BUFFALO, MINNESOTA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED DECEMBER 31, 2015**

**OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)**

Figure A-2 summarizes the major features of the County's financial statements, including the portion of the County's activities they cover and the types of information they contain. The remainder of this overview section of management's discussion and analysis highlights the structure and contents of each of the statements.

<b>Figure A-2. Major Features of the County's Government-Wide and Fund Financial Statements</b>			
<b>Type of Statements</b>	<b>Government-Wide</b>	<b>Governmental Funds</b>	<b>Fiduciary Funds</b>
Scope	Entire County's government (except fiduciary funds).	The activities of the County that are not proprietary or fiduciary.	Instances in which the County is the trustee or agent for someone else's resources.
Required financial statements	Statement of net position.	Balance sheet.	Statement of fiduciary net position.
	Statement of activities.	Statement of revenues, expenditures and changes in fund balances.	Statement of changes in fiduciary net position.
Accounting basis and measurement focus	Accrual accounting and economic resources focus.	Modified accrual accounting and current financial resources focus.	Accrual accounting and economic resources focus.
Type of asset/liability information	All assets, deferred outflows of resources, liabilities, and deferred inflows of resources, both financial and capital, short-term and long-term.	Only assets and deferred outflows of resources expected to be used up and liabilities and deferred inflows of resources that come due during the year or soon thereafter, no capital assets included.	All assets, deferred outflows of resources, liabilities, and deferred inflows of resources, both short-term and long-term. Agency's funds do not currently contain capital assets, although they can.
Type of inflow/outflow information	All revenues and expenses during the year, regardless of when cash is received or paid.	Revenues for which cash is received during or soon after the end of the year, expenditures when goods or services have been received and payment is due during the year or soon thereafter.	

**Government-Wide Statements**

The government-wide statements report information about the County as a whole using accounting methods similar to those used by private-sector companies. The statement of net position includes all of the County's assets, deferred outflows of resources, liabilities, and deferred inflows of resources. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

**WRIGHT COUNTY  
BUFFALO, MINNESOTA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED DECEMBER 31, 2015**

**OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)**

**Government-Wide Statements (Continued)**

The two government-wide statements report the County's net position and how it has changed. Net position – the difference between the County's assets, deferred outflows of resources, liabilities, and deferred inflows of resources – is one way to measure the County's financial health or position.

- Over time, increases or decreases in the County's net position is an indicator of whether its financial position is improving or deteriorating, respectively.
- To assess the overall health of the County, you need to consider additional non-financial factors such as changes in the County's property tax base and the condition of county buildings and other facilities.

In the government-wide financial statements the County's activities are shown in a single category:

- Governmental activities – The County's basic services are included here. Property taxes, grants and state aids finance most of these activities.

**Fund Financial Statements**

The fund financial statements provide more detailed information about the County's funds – focusing on its most significant or "major" funds – not the County as a whole. Funds are accounting devices the County uses to keep track of specific sources of funding and spending on particular programs:

- Some funds are required by state law and by bond covenants.
- The County establishes other funds to control and manage money for particular purposes (e.g., repaying its long-term debts) or to show that it is properly using certain revenues (e.g., federal grants).

The County has two kinds of funds:

- Governmental Funds – The County's basic services are included in governmental funds, which generally focus on (1) how cash and other financial assets that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental funds statements provide a detailed short-term view that helps to determine whether there are more or fewer financial resources that can be spent in the near future to finance the County's programs. Because this information does not encompass the additional long-term focus of the government-wide statements, we provide additional information at the bottom of the governmental funds statements that explain the relationship (or differences) between them.
- Fiduciary Funds – The County is the fiscal agent, or fiduciary, for assets that belong to others. The County is responsible for ensuring that the assets reported in these funds are used only for their intended purposes and by those to whom the assets belong. All of the County's fiduciary activities are reported in a separate statement of fiduciary net position. We exclude these activities from the government-wide financial statements because the County cannot use these assets to finance its operations.

**WRIGHT COUNTY  
BUFFALO, MINNESOTA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED DECEMBER 31, 2015**

**FINANCIAL ANALYSIS OF THE COUNTY AS A WHOLE**

**Net Position**

The County's total net position was \$250,349,763 on December 31, 2015, a decrease of \$20,589,615 from the prior year, after accounting for the implementation of GASB 68, 71, and 82. The main reason for this decrease is the County's implementation of GASB 68, 71, and 82, as documented in note 1 (see Table A-1).

Table A-1  
The County's Net Position

	Governmental Activities	
	2015	2014
Current and Other Assets	\$ 78,742,357	\$ 68,557,147
Capital Assets	277,339,456	264,794,420
Total Assets	356,081,813	333,351,567
 Deferred Outflows of Resources	 6,336,158	 -
Current Liabilities	11,586,490	7,692,399
Long-Term Liabilities	95,639,843	53,920,311
Total Liabilities	107,226,333	61,612,710
 Deferred Inflows of Resources	 4,841,875	 799,479
 Net Position		
Net Investment in Capital Assets	224,584,859	212,664,819
Restricted	9,524,559	8,830,045
Unrestricted	16,240,345	49,444,514
Total Net Position, as Reported	\$ 250,349,763	270,939,378
Change in Accounting Principle*		(32,456,636)
Total Net Position, as Restated		\$ 238,482,742

\*: This is the first year the County implemented the new pension accounting and financial reporting standards GASB 68, 71, and 82. The County had to make a prior year change in accounting principles to record the County's net pension liability and related deferred outflows of resources.

**WRIGHT COUNTY  
BUFFALO, MINNESOTA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED DECEMBER 31, 2015**

**CHANGE IN NET POSITION**

The government-wide total revenues were \$106,833,341 for the year ended December 31, 2015 (an increase of \$1,946,780). This increase is primarily attributable to increased operating grants and contributions and additional property tax collections. Property taxes, operating grants and contributions, and capital grants and contributions accounted for 79 percent of total revenue for the year (see Table A-2).

Table A-2  
Change in Net Position

	Governmental Activities		Total % Change
	2015	2014	
<b>REVENUES</b>			
<u>Program Revenues</u>			
Charges for Services	\$ 14,834,985	\$ 13,712,405	8.2 %
Operating Grants and Contributions	29,940,477	21,776,186	37.5
Capital Grants and Contributions	1,665,182	9,696,944	(82.8)
<u>General Revenues</u>			
Property Taxes	52,749,321	50,740,492	4.0
Other	7,643,376	8,960,534	(14.7)
Total Revenues	<u>106,833,341</u>	<u>104,886,561</u>	1.9
<b>EXPENSES</b>			
General Government	23,711,238	21,221,246	11.7
Public Safety	26,158,300	24,199,046	8.1
Highways and Streets	14,898,705	13,537,749	10.1
Sanitation	740,187	755,221	(2.0)
Human Services	19,864,509	19,599,633	1.4
Health	3,528,033	3,402,064	3.7
Culture and Recreation	3,077,424	3,310,397	(7.0)
Conservation of Natural Resources	683,262	551,942	23.8
Economic Development	30,000	-	100.0
Interest	2,274,662	2,246,202	1.3
Total Expenses	<u>94,966,320</u>	<u>88,823,500</u>	6.9
<b>CHANGE IN NET POSITION</b>	11,867,021	16,063,061	(26.1)
Net Position - Beginning of Year, as Restated	<u>238,482,742</u> *	<u>254,876,317</u>	(6.4)
<b>NET POSITION - END OF YEAR, AS REPORTED</b>	<u>\$ 250,349,763</u>	<u>\$ 270,939,378</u>	(7.6)

\*: Amount includes a change in accounting principles.

Although revenues surpassed expenses, net position decreased \$20,589,615 over last year as a result of the implementation of new accounting standards.

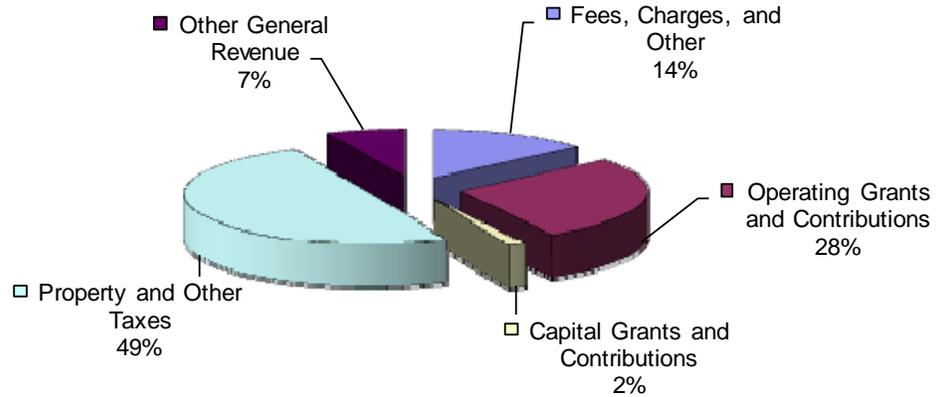
**WRIGHT COUNTY  
BUFFALO, MINNESOTA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED DECEMBER 31, 2015**

**CHANGE IN NET POSITION (CONTINUED)**

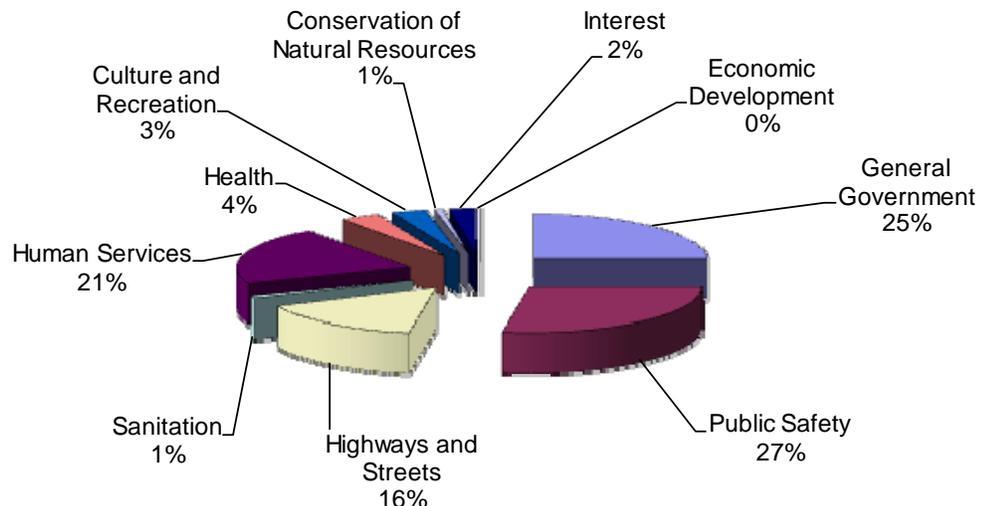
The government-wide cost of all governmental activities this year was \$94,966,320.

- Some of the cost was paid by the users of the County's programs (\$14,834,985).
- The federal and state governments subsidized certain programs with grants and contributions (\$31,605,659).
- The remainder of the County's governmental activities costs (\$48,525,676) however, was paid for by County taxpayers and the taxpayers of our state. This portion of governmental activities and the increase in net position was covered by \$52,749,321 in property taxes, \$6,113,541 of state aid, and other general revenues.

**Governmental Activities Revenues by Source 2015**



**Governmental Activities Expenses by Type 2015**



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**WRIGHT COUNTY  
BUFFALO, MINNESOTA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED DECEMBER 31, 2015**

**CHANGE IN NET POSITION (CONTINUED)**

Table A-3 presents the cost of each of the County's program function, as well as each function's net cost (total cost less revenues generated by the activities). The net cost shows the financial burden that was placed on the County's taxpayers by each of these functions.

Table A-3  
Expenses and Net (Revenue) Cost of Services

	Total Cost of Services		Percentage Change	Net (Revenue) Cost of Services		Percentage Change
	2015	2014		2015	2014	
<b>GOVERNMENTAL ACTIVITIES</b>						
General Government	\$ 23,711,238	\$ 21,221,246	11.7 %	\$ 18,215,743	\$ 16,091,324	13.2 %
Public Safety	26,158,300	24,199,046	8.1	17,107,967	15,545,661	10.0
Highways and Streets	14,898,705	13,537,749	10.1	1,727,460	1,034,138	67.0
Sanitation	740,187	755,221	(2.0)	229,947	328,213	(29.9)
Human Services	19,864,509	19,599,633	1.4	5,792,646	5,919,302	(2.1)
Health	3,528,033	3,402,064	3.7	1,721,997	1,853,321	(7.1)
Culture and Recreation	3,077,424	3,310,397	(7.0)	1,311,667	338,510	287.5
Conservation of Natural Resources	683,262	551,942	23.8	310,025	289,223	7.2
Economic Development	30,000	-	100.0	(166,438)	(7,929)	(1999.1)
Interest	2,274,662	2,246,202	1.3	2,274,662	2,246,202	1.3
Total	<u>\$ 94,966,320</u>	<u>\$ 88,823,500</u>	6.9	<u>\$ 48,525,676</u>	<u>\$ 43,637,965</u>	11.2

**FINANCIAL ANALYSIS OF THE COUNTY AT THE FUND LEVEL**

The financial performance of the County, as a whole, is reflected in its governmental funds as well. As the County completed the year, its governmental funds reported a combined fund balance of \$68,749,479. Revenues for the County's governmental funds were \$107,623,797, while total expenditures were \$110,968,514; revenues and expenditures increased from the 2014.

The General Fund includes the primary operations of the County in providing services to citizens. Fund balance increased by \$203,509 during 2015. This increase is primarily due to expenditures coming in under budget.

The Road and Bridge Fund has a total fund balance of \$11,283,437. The fund balance increased in 2015 primarily due to increased property tax and charges for services revenues.

The Human Services Fund has a total fund balance of \$7,879,740. It increased \$472,512 from 2014 due to timing of reimbursements from the state and federal grants.

The Debt Service Fund has a total fund balance of \$3,354,403. It increased \$107,990 from 2014 primarily due to property tax collections exceeding current year bond payments due.

The Capital Project Fund has a total fund balance of \$7,405,078. It increased \$5,082,974 from 2014 due to unspent bond proceeds from the 2015A bond.

**WRIGHT COUNTY  
BUFFALO, MINNESOTA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED DECEMBER 31, 2015**

**FINANCIAL ANALYSIS OF THE COUNTY AT THE FUND LEVEL (CONTINUED)**

The following schedule presents a summary of General Fund Revenues:

Table A-4  
General Fund Revenues

Fund	Year Ended		Change	
	December 31, 2015	December 31, 2014	Increase (Decrease)	Percent
Taxes	\$ 32,328,351	\$ 31,134,661	\$ 1,193,690	3.8 %
Intergovernmental	7,146,711	6,605,257	541,454	8.2
Charges for Services	9,389,376	8,827,570	561,806	6.4
Investment Earnings (Loss)	929,837	2,754,376	(1,824,539)	(66.2)
Miscellaneous and Other	1,812,002	1,899,663	(87,661)	(4.6)
Total General Fund Revenues	<u>\$ 51,606,277</u>	<u>\$ 51,221,527</u>	<u>\$ 384,750</u>	0.8

Total General Fund revenues increased by \$384,750, or 0.8 percent, from the previous year due primarily to increases in tax levy, charges for services, and intergovernmental revenues.

The following schedule presents a summary of General Fund Expenditures:

Table A-5  
General Fund Expenditures

	Year Ended		Change	
	December 31, 2015	December 31, 2014	Increase (Decrease)	Percent
General Government	\$ 20,861,448	\$ 20,504,311	\$ 357,137	1.7 %
Public Safety	23,382,154	22,456,902	925,252	4.1
Culture and Recreation	1,443,951	1,297,411	146,540	11.3
Conservation of Natural Resources	390,956	376,048	14,908	4.0
Intergovernmental	1,947,067	1,844,029	103,038	5.6
Total Expenditures	<u>\$ 48,025,576</u>	<u>\$ 46,478,701</u>	<u>\$ 1,546,875</u>	3.3

The increase in General Fund expenditures is due primarily to a salary increases and capital outlay.

**General Fund Budgetary Highlights**

Over the course of the year, the County revised the annual operating budget for the General Fund for the allocation of cost of living adjustments and step increases. The adjustment increased the departmental budgets, and reduced the Other General Government budget. The total budget did not change. In general, the County does not make a significant amount of budget amendments during the year.

- Actual revenues were \$543,882 more than expected; this is primarily due to the market value adjustment to investments in 2014 and 2015.
- The actual expenditures were \$2,223,280 less than budget due primarily to conservative spending.

**WRIGHT COUNTY  
BUFFALO, MINNESOTA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED DECEMBER 31, 2015**

**CONSTRUCTION PROJECTS AND DEBT SERVICE**

An annual levy is made to fund the bond payments for all previous bond issues.

**CAPITAL ASSETS**

By the end of 2015, the County had invested approximately \$382,500,000 in a broad range of capital assets, including buildings, computers, equipment, and infrastructure (see Table A-6). (More detailed information about capital assets can be found in Note 3.A.3 to the financial statements). Total depreciation expense for the year was \$8,417,228.

Table A-6  
The County's Capital Assets

	Governmental Activities		Percent Change
	2015	2014	
Land	\$ 30,644,247	\$ 28,724,209	6.7 %
Construction-in-Progress	11,668,450	2,427,311	380.7
Buildings	101,529,297	100,296,379	1.2
Machinery, Furniture, and Equipment	25,523,986	23,506,064	8.6
Infrastructure	213,155,203	207,637,096	2.7
Less: Accumulated Depreciation	(105,181,727)	(97,796,639)	7.6
Total	<u>\$ 277,339,456</u>	<u>\$ 264,794,420</u>	4.7

**WRIGHT COUNTY  
BUFFALO, MINNESOTA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED DECEMBER 31, 2015**

**LONG-TERM LIABILITIES**

At year-end, the County had \$65,032,207 in long-term liabilities outstanding, including the current portion of long-term debt. See Note 3.C for additional information.

- The County's governmental activities total debt increased \$7,226,277 during the fiscal year, due to the issuance of the 2015A general obligation bonds.

Table A-7  
The County's Long-Term Liabilities

	2015	2014	Percentage Change
<b>GOVERNMENTAL ACTIVITIES</b>			
General Obligation Bonds - Net	\$ 57,098,458	\$ 49,412,930	15.6 %
Loans Payable	2,789,962	3,186,157	(12.4)
Compensated Absences Payable	3,222,459	3,609,883	(10.7)
Other Postemployment Benefit	1,921,328	1,596,960	20.3
Total	\$ 65,032,207	\$ 57,805,930	12.5

**FACTORS BEARING ON THE COUNTY'S FUTURE**

The County is dependent on the State of Minnesota for a significant portion of its revenue. Recent experience demonstrates that the legislature may decrease revenues. The County has positioned itself to be prepared for this decrease in future revenues, through setting conservative budgets for both revenues and expenditures. The County has also set aside funds in excess of the fund balance requirement to fund capital projects that may not line up with calendar years.

The County will continue to review its Capital Improvement Plan with particular focus on significant high dollar projects, including the Highway Department's construction plans and projects.

The County has set the 2016 expenditure budget at \$110,285,712, an increase of 4.03% from the 2015 budget, which included a significant larger levy for highway construction projects.

**CONTACTING THE COUNTY'S FINANCIAL MANAGEMENT**

This financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the County's finances and to demonstrate the County's accountability for the money it receives. If you have questions about this report or need additional financial information, contact Bob Hiivala, County Auditor/Treasurer at (763) 682-7579.

## **BASIC FINANCIAL STATEMENTS**



**WRIGHT COUNTY  
BUFFALO, MINNESOTA  
STATEMENT OF NET POSITION  
DECEMBER 31, 2015**

<b>ASSETS</b>		
Cash and Pooled Investments	\$	71,335,182
Petty Cash and Change Funds		5,610
Taxes Receivable - Delinquent		994,085
Special Assessments Receivable		
Delinquent		33,063
Noncurrent		176,094
Accounts Receivable - Net		300,885
Accrued Interest Receivable		718,716
Loans Receivable		768,623
Due from Other Governments		2,938,172
Prepaid Items		65,590
Inventory		1,406,337
Non-Depreciable Capital Assets		
Land		30,644,247
Construction-in-Progress		11,668,450
Depreciable Capital Assets - Net of Accumulated Depreciation		
Buildings		68,057,400
Machinery, Furniture, and Equipment		9,441,839
Infrastructure		<u>157,527,520</u>
Total Assets		356,081,813
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
Pension Related		6,336,158
<b>LIABILITIES</b>		
Accounts Payable		1,041,834
Salaries Payable		1,619,888
Contracts Payable		3,454,545
Other Accrued Liabilities		26,529
Due to Other Governments		856,537
Unearned Revenue		61,164
Accrued Interest Payable		254,802
General Obligation Bonds Payable - Due Within One Year		2,885,000
Loans Payable - Due Within One Year		523,148
Septic Loans Payable - Due Within One Year		57,428
Compensated Absences Payable - Due Within One Year		805,615
General Obligation Bonds Payable - Due in More Than One Year		54,213,458
Loans Payable - Due in More Than One Year		1,670,375
Septic Loans Payable - Due in More Than One Year		539,011
Compensated Absences Payable - Due in More Than One Year		2,416,844
Other Postemployment Benefits Payable - Due in More Than One Year		1,921,328
Net Pension Liability - Due in More Than One Year		<u>34,878,827</u>
Total Liabilities		107,226,333
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Pension Related		4,795,133
Advanced Allotments		<u>46,742</u>
Total Deferred Inflows of Resources		4,841,875
<b>NET POSITION</b>		
Net Investment in Capital Assets		224,584,859
Restricted For:		
General Government		2,325,427
Public Safety		889,700
Highways and Streets		1,019,341
Culture and Recreation		669,261
Economic Development		898,304
Debt Service		3,362,154
Sanitation		291,085
Conservation of Natural Resources		69,287
Unrestricted		<u>16,240,345</u>
Total Net Position	\$	<u><u>250,349,763</u></u>

See accompanying Notes to Financial Statements.

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**WRIGHT COUNTY  
BUFFALO, MINNESOTA  
STATEMENT OF ACTIVITIES  
YEAR ENDED DECEMBER 31, 2015**

FUNCTIONS/PROGRAMS	Program Revenues				Net (Expense) Revenue and Changes in Net Position
	Expenses	Fees, Charges, Fines, and Other	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
<b>GOVERNMENTAL ACTIVITIES</b>					
General Government	\$ 23,711,238	\$ 4,569,318	\$ 926,177	\$ -	\$ (18,215,743)
Public Safety	26,158,300	7,326,397	1,723,936	-	(17,107,967)
Highways and Streets	14,898,705	889,583	12,016,480	265,182	(1,727,460)
Sanitation	740,187	124,584	385,656	-	(229,947)
Human Services	19,864,509	1,028,772	13,043,091	-	(5,792,646)
Health	3,528,033	336,472	1,469,564	-	(1,721,997)
Culture and Recreation	3,077,424	286,691	79,066	1,400,000	(1,311,667)
Conservation of Natural Resources	683,262	76,730	296,507	-	(310,025)
Economic Development	30,000	196,438	-	-	166,438
Interest	2,274,662	-	-	-	(2,274,662)
Total Governmental Activities	\$ 94,966,320	\$ 14,834,985	\$ 29,940,477	\$ 1,665,182	(48,525,676)
<b>GENERAL REVENUES</b>					
Property Taxes					52,749,321
Gravel Taxes					278,566
Mortgage Registry and Deed Tax					157,353
Grants and Contributions not Restricted for a Particular Purpose					6,113,541
Investment Earnings (Loss)					941,056
Miscellaneous					96,414
Gain on Sale of Capital Assets					56,446
Total General Revenues					60,392,697
<b>CHANGE IN NET POSITION</b>					
Net Position - Beginning of Year					270,939,378
Change in Accounting Principle, See Note 1					(32,456,636)
Net Position - Beginning of Year, as Restated					238,482,742
<b>NET POSITION - END OF YEAR</b>					<b>\$ 250,349,763</b>

See accompanying Notes to Financial Statements.

**WRIGHT COUNTY  
BUFFALO, MINNESOTA  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
DECEMBER 31, 2015**

	General	Road and Bridge	Human Services
<b>ASSETS</b>			
Cash and Pooled Investments	\$ 34,302,195	\$ 10,537,841	\$ 7,475,327
Petty Cash and Change Funds	5,400	150	60
Taxes Receivable			
Delinquent	586,753	148,991	163,880
Special Assessments Receivable			
Delinquent	75	-	-
Noncurrent	-	-	-
Accounts Receivable	30,535	60,100	182,186
Accrued Interest Receivable	718,716	-	-
Loans Receivable	-	-	-
Due from Other Funds	16,953	43,033	-
Due from Other Governments	260,354	1,085,187	1,564,189
Inventories	-	1,406,337	-
Prepaid Items	4,500	-	61,090
Advances to Other Funds	12,800	-	-
	<b>\$ 35,938,281</b>	<b>\$ 13,281,639</b>	<b>\$ 9,446,732</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>			
<b>LIABILITIES</b>			
Accounts Payable	\$ 271,120	\$ 162,257	\$ 507,868
Salaries Payable	1,064,970	117,178	435,937
Contracts Payable	-	516,429	-
Other Accrued Liabilities	-	-	26,529
Due to Other Funds	39,593	-	17,202
Due to Other Governments	327,383	24,445	315,923
Unearned Revenue	61,164	-	-
Advance from Other Funds	-	-	-
	1,764,230	820,309	1,303,459
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Unavailable Taxes	441,986	111,810	125,338
Unavailable Special Assessments	75	-	-
Unavailable Grants	-	1,019,341	138,195
Unavailable Loans	-	-	-
Advanced Allotments	-	46,742	-
	442,061	1,177,893	263,533
<b>FUND BALANCES</b>			
Nonspendable	17,300	1,406,337	61,090
Restricted	-	-	-
Assigned	2,131,332	9,877,100	7,818,650
Unassigned	31,583,358	-	-
	33,731,990	11,283,437	7,879,740
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<b>\$ 35,938,281</b>	<b>\$ 13,281,639</b>	<b>\$ 9,446,732</b>

See accompanying Notes to Financial Statements.

<u>Debt Service</u>	<u>Capital Projects</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
\$ 3,332,043	\$ 10,385,342	\$ 5,302,434	\$ 71,335,182
-	-	-	5,610
94,461	-	-	994,085
31,648	-	1,340	33,063
159,704	-	16,390	176,094
-	-	28,064	300,885
-	-	-	718,716
-	-	768,623	768,623
-	-	-	59,986
-	-	28,442	2,938,172
-	-	-	1,406,337
-	-	-	65,590
-	-	-	12,800
<u>\$ 3,617,856</u>	<u>\$ 10,385,342</u>	<u>\$ 6,145,293</u>	<u>\$ 78,815,143</u>
\$ 900	\$ 42,148	\$ 57,541	\$ 1,041,834
-	-	1,803	1,619,888
-	2,938,116	-	3,454,545
-	-	-	26,529
-	-	3,191	59,986
-	-	188,786	856,537
-	-	-	61,164
-	-	12,800	12,800
<u>900</u>	<u>2,980,264</u>	<u>264,121</u>	<u>7,133,283</u>
72,426	-	-	751,560
190,127	-	17,718	207,920
-	-	-	1,157,536
-	-	768,623	768,623
-	-	-	46,742
<u>262,553</u>	<u>-</u>	<u>786,341</u>	<u>2,932,381</u>
-	-	-	1,484,727
3,354,403	-	4,374,441	7,728,844
-	7,405,078	867,330	28,099,490
-	-	(146,940)	31,436,418
<u>3,354,403</u>	<u>7,405,078</u>	<u>5,094,831</u>	<u>68,749,479</u>
<u>\$ 3,617,856</u>	<u>\$ 10,385,342</u>	<u>\$ 6,145,293</u>	<u>\$ 78,815,143</u>

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**WRIGHT COUNTY  
BUFFALO, MINNESOTA  
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE  
STATEMENT OF NET POSITION - GOVERNMENTAL ACTIVITIES  
DECEMBER 31, 2015**

<b>TOTAL FUND BALANCES FOR GOVERNMENTAL FUNDS</b>		<b>\$ 68,749,479</b>
Total net position reported for governmental activities in the statement of net position is different because:		
Capital assets, net of accumulated depreciation, used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.		277,339,456
The County's net pension liability and related deferred inflows and outflows are recorded on the statement of net position. Balances at year-end are:		
Net Pension Liability	(34,878,827)	
Deferred Outflows of Resources - Pension Related	6,336,158	
Deferred Inflows of Resources - Pension Related	<u>(4,795,133)</u>	(33,337,802)
Other long-term assets (deferred inflows of resources) are not available to pay for current-period expenditures and, therefore, are reported as deferred inflows of resources in the governmental funds.		
		2,885,639
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the governmental funds.		
General Obligation Bonds and Any Related Unamortized Discounts or Premiums	\$ (57,098,458)	
Accrued Interest Payable	(254,802)	
Loans Payable	(2,193,523)	
Septic Loans Payable	(596,439)	
Compensated Absences	(3,222,459)	
Other Postemployment Benefits	<u>(1,921,328)</u>	<u>(65,287,009)</u>
<b>TOTAL NET POSITION OF GOVERNMENTAL ACTIVITIES</b>		<b><u><u>\$ 250,349,763</u></u></b>

See accompanying Notes to Financial Statements.

**WRIGHT COUNTY  
BUFFALO, MINNESOTA  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
YEAR ENDED DECEMBER 31, 2015**

	General	Road and Bridge	Human Services
<b>REVENUES</b>			
Taxes	\$ 32,328,351	\$ 8,347,504	\$ 8,270,107
Special Assessments	-	-	-
Licenses and Permits	136,573	-	-
Intergovernmental	7,146,711	13,295,206	14,914,184
Charges for Services	9,389,376	862,821	1,096,967
Fines and Forfeits	114,708	-	-
Gifts and Contributions	851	-	43,929
Investment Earnings (Loss)	929,837	-	9,506
Miscellaneous	1,559,870	90,254	325,742
Total Revenues	51,606,277	22,595,785	24,660,435
<b>EXPENDITURES</b>			
<b>CURRENT</b>			
General Government	20,861,448	-	-
Public Safety	23,382,154	-	-
Highways and Streets	-	20,317,620	-
Sanitation	-	-	-
Human Services	-	-	20,451,392
Health	-	-	3,736,531
Culture and Recreation	1,443,951	-	-
Conservation of Natural Resources	390,956	-	-
Economic Development	-	-	-
<b>INTERGOVERNMENTAL</b>			
Highways and Streets	-	474,119	-
Culture and Recreation	1,947,067	-	-
<b>CAPITAL OUTLAY</b>			
General Government	-	-	-
Culture and Recreation	-	-	-
Public Safety	-	-	-
Highways and Streets	-	-	-
<b>DEBT SERVICE</b>			
Principal	-	523,148	-
Interest	-	32,653	-
Bond Issue Costs	-	-	-
Administrative (Fiscal) Charges	-	-	-
Total Expenditures	48,025,576	21,347,540	24,187,923
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	3,580,701	1,248,245	472,512
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers In	5,000	-	-
Transfers Out	(3,430,000)	-	-
Loan Proceeds	-	-	-
Proceeds from Bonds Issued	-	-	-
Premium on Bonds Issued	-	-	-
Proceeds from Sale of Assets	47,808	34,373	-
Total Other Financing Sources (Uses)	(3,377,192)	34,373	-
<b>NET CHANGE IN FUND BALANCES</b>	203,509	1,282,618	472,512
Fund Balances - Beginning of Year	33,528,481	9,618,513	7,407,228
<b>INCREASE IN INVENTORY</b>	-	382,306	-
<b>FUND BALANCES - END OF YEAR</b>	<u>\$ 33,731,990</u>	<u>\$ 11,283,437</u>	<u>\$ 7,879,740</u>

See accompanying Notes to Financial Statements.

Debt Service	Capital Projects	Other Governmental Funds	Total Governmental Funds
\$ 4,673,480	\$ -	\$ 86,581	\$ 53,706,023
56,534	-	173,225	229,759
-	-	122,834	259,407
33,710	1,400,000	781,636	37,571,447
-	268,289	981,151	12,598,604
-	-	109,042	223,750
-	-	150	44,930
433	-	9,809	949,585
-	-	64,426	2,040,292
<u>4,764,157</u>	<u>1,668,289</u>	<u>2,328,854</u>	<u>107,623,797</u>
7,068	-	370,227	21,238,743
-	-	1,105,593	24,487,747
-	-	111,295	20,428,915
-	-	438,585	438,585
-	-	-	20,451,392
-	-	-	3,736,531
-	-	96,979	1,540,930
-	-	291,205	682,161
-	-	30,000	30,000
-	-	-	474,119
-	-	-	1,947,067
-	610,407	-	610,407
-	1,945,686	-	1,945,686
-	1,893,519	-	1,893,519
-	5,690,815	-	5,690,815
2,460,000	-	99,592	3,082,740
2,184,799	-	-	2,217,452
2,575	67,405	-	69,980
1,725	-	-	1,725
<u>4,656,167</u>	<u>10,207,832</u>	<u>2,543,476</u>	<u>110,968,514</u>
107,990	(8,539,543)	(214,622)	(3,344,717)
-	3,430,000	-	3,435,000
-	(5,000)	-	(3,435,000)
-	-	226,545	226,545
-	9,735,000	-	9,735,000
-	462,517	-	462,517
-	-	-	82,181
-	<u>13,622,517</u>	<u>226,545</u>	<u>10,506,243</u>
107,990	5,082,974	11,923	7,161,526
3,246,413	2,322,104	5,082,908	61,205,647
-	-	-	382,306
<u>\$ 3,354,403</u>	<u>\$ 7,405,078</u>	<u>\$ 5,094,831</u>	<u>\$ 68,749,479</u>

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**WRIGHT COUNTY  
BUFFALO, MINNESOTA  
RECONCILIATION OF THE GOVERNMENTAL FUNDS  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
TO THE STATEMENT OF ACTIVITIES – GOVERNMENTAL ACTIVITIES  
YEAR ENDED DECEMBER 31, 2015**

**NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS** \$ 7,161,526

Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.

Expenditures for General Capital Assets and Infrastructure	\$ 20,987,999	
Net book Value of Disposed Assets	(25,735)	
Current Year Depreciation	<u>(8,417,228)</u>	12,545,036

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the governmental funds.		(76,910)
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Pension expenditures on the governmental funds are measured by current-year employer contributions. Pension expenses on the statement of activities are measured by the change in net pension liability and the related deferred inflows and outflows of resources.		(881,166)
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Long-Term debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. The new proceeds for debt issuance are:

Septic Loans Payable	(226,545)	
General Obligation Bonds	(9,735,000)	
Premium on Bond Issued	<u>(462,517)</u>	(10,424,062)

Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.

Principal Repayments		
General Obligation Bonds	2,460,000	
Septic Loans	99,592	
Loans Payable	<u>523,148</u>	3,082,740

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.

Change in Other Postemployment Benefit Plan	(324,368)	
Change in Accrued Interest Payable	(37,494)	
Amortization of Premiums and Discounts	51,989	
Change in Compensated Absences	387,424	
Change in Inventories	<u>382,306</u>	<u>459,857</u>

**CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES** \$ 11,867,021

**WRIGHT COUNTY  
BUFFALO, MINNESOTA  
STATEMENT OF FIDUCIARY NET POSITION  
AGENCY FUNDS  
DECEMBER 31, 2015**

**ASSETS**

Cash and Pooled Investments	\$ 2,992,729
Due from Other Governments	<u>85,636</u>
Total Assets	<u><u>\$ 3,078,365</u></u>

**LIABILITIES**

Funds Held in Trust	\$ 499,877
Due to Other Governments	<u>2,578,488</u>
Total Liabilities	<u><u>\$ 3,078,365</u></u>

*See accompanying Notes to Financial Statements.*

**WRIGHT COUNTY  
BUFFALO, MINNESOTA  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2015**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Wright County's (the County) financial statements are prepared in accordance with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (statements and interpretations). The more significant accounting policies established in GAAP and used by the County are discussed below.

**A. Financial Reporting Entity**

Wright County was established February 20, 1855, and is an organized county having the powers, duties, and privileges granted counties by Minnesota Statutes ch. 373. As required by accounting principles generally accepted in the United States of America, these financial statements present Wright County (primary government) and its component units for which the County is financially accountable. There is financial accountability if the primary government appoints a voting majority of an organization's governing body and has the ability to impose its will on that governing body; or there is the potential for the organization to provide specific financial benefits or to impose specific financial burden on the primary government. Based on the criteria for determining component units, the County is not required to include any component units. The County is governed by a five-member Board of County Commissioners elected from districts within the County. The Board is organized with a chair and vice-chair elected at the annual meeting in January of each year.

Joint Ventures and Jointly-Governed Organizations

The County participates in several joint ventures which are described in Note 7.C. The County also participates in jointly-governed organizations which are described in Note 7.D.

**B. Basic Financial Statements**

**1. Government-Wide Statements**

The government-wide financial statements (i.e., the statement of net position and the statement of activities) display information about the primary government. These statements include the financial activities of the overall government, except for fiduciary activities. Eliminations have been made to minimize the double-counting of internal activities.

The government-wide statement of net position is presented on a consolidated basis by column and is reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The County's net position is reported in three parts: (1) net investment in capital assets; (2) restricted net position; and (3) unrestricted net position. The County first utilizes restricted resources to finance qualifying activities.

**WRIGHT COUNTY  
BUFFALO, MINNESOTA  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2015**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

B. Basic Financial Statements (Continued)

1. Government-Wide Statements (Continued)

The statement of activities demonstrates the degree to which the direct expenses of each function of the County's governmental activities are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or activity. Program revenues include: (1) fees, fines, and charges paid by the recipients of goods, services, or privileges provided by a given function or activity; and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or activity. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

2. Fund Financial Statements

The fund financial statements provide information about the County's funds, including its fiduciary funds. Separate statements for each fund category - governmental and fiduciary - are presented. The emphasis of the governmental fund financial statements are on major individual governmental funds, with each displayed as separate columns in the fund financial statements. All remaining governmental funds are aggregated and reported as nonmajor funds.

The County reports the following major governmental funds:

The General Fund is the County's primary operating fund. It accounts for all financial resources of the general government, except those accounted for in another fund.

The Road and Bridge Special Revenue Fund is used to account for revenues and expenditures of the Highway Department which is responsible for the construction and maintenance of roads, bridges, and other projects affecting County roadways. Assigned property taxes and restricted intergovernmental revenues are the primary funds committed for these projects.

The Human Services Special Revenue Fund is used to account for economic assistance and community social services programs which are funded primarily by assigned property taxes and restricted intergovernmental revenues.

The Debt Service Fund is used to account for payment of principal and interest on debt, which are financed by property tax revenue restricted through bond documents.

The Capital Projects Fund is used to account for restricted, committed, or assigned financial resources to be used for capital acquisition, construction, or improvement of capital facilities. Financing is provided by bonds issued by the County, state aid, and levy dollars.

**WRIGHT COUNTY  
BUFFALO, MINNESOTA  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2015**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

B. Basic Financial Statements (Continued)

2. Fund Financial Statements (Continued)

Additionally, the County reports the following fiduciary fund type:

Agency Funds are custodial in nature and do not present results of operations or have a measurement focus. These funds account for assets that the County holds for others in an agency capacity.

C. Measurement Focus and Basis of Accounting

The government-wide and fiduciary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned, and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Shared revenues are generally recognized in the period the appropriation goes into effect. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Wright County considers all revenues to be available if they are collected within 60 days after the end of the current period. Property and other taxes, shared revenues, licenses, and interest are all considered to be susceptible to accrual. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, compensated absences, and claims and judgments, which are recognized as expenditures to the extent that they have matured. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

When both restricted and unrestricted resources are available for use, it is the County's policy to use restricted resources first, and then unrestricted resources as they are needed.

**WRIGHT COUNTY  
BUFFALO, MINNESOTA  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2015**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Equity

1. Deposits and Investments

The cash balances of substantially all funds are pooled and invested by the County Auditor/Treasurer for the purpose of increasing earnings through investment activities. Pooled and fund investments are reported at their fair value at year end, based on market prices. Pursuant to Minnesota Statutes §385.07, investment earnings on cash and pooled investments are credited to the general fund. Other funds received investment earnings based on other state statutes, grant agreements, contracts, and bond covenants.

Wright County invests in an external investment pool, the Minnesota Association of Governments Investing for Counties (MAGIC) Fund, which is created under a joint powers agreement pursuant to Minnesota Statutes §471.59. The investment in the pool is measured at the net asset value per share provided by the pool.

2. Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the noncurrent maturities of interfund loans).

All receivables are shown net of an allowance for uncollectables which is calculated on a case-by-case basis.

Advances between funds, as reported in the fund financial statements, are offset by nonspendable fund balance in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

Property taxes are levied as of January 1 on property values assessed as of the same date. The tax levy notice is mailed in March with the first half payment due on May 15 and the second half payment due October 15.

Unpaid taxes at December 31 become liens on the respective property and are classified in the financial statements as delinquent taxes receivable.

Loans receivable consists of contracts between the County and private landowners for septic system upgrades and replacement.

**WRIGHT COUNTY  
BUFFALO, MINNESOTA  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2015**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Equity (Continued)

2. Receivables and Payables (Continued)

Special assessments receivable consist of delinquent special assessments payable in the years 2008 through 2014 and deferred special assessments payable in 2015 and after. No provision has been made for an estimated uncollectable amount. The receivable includes special assessments on septic loans and ditches.

3. Inventories and Prepaid Items

All inventories are valued at cost using the first-in/first-out (FIFO) method. Inventories in governmental funds are recorded as expenditures when purchased rather than when consumed. Inventories at the government-wide level are recorded as expenses when consumed.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

4. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items) are reported in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. In the case of the initial capitalization of general infrastructure reported in governmental activities, the County chose to include all such items acquired since 1980. The County was able to record the capital assets at cost dating back to 1980.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset's lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed.

Property, plant, and equipment of the primary government are depreciated using the straight-line method over the following estimated useful lives:

Assets	Years
Buildings	50
Infrastructure	50
Furniture, Equipment, and Machinery	5 - 15

**WRIGHT COUNTY  
BUFFALO, MINNESOTA  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2015**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Equity (Continued)

5. Compensated Absences

The liability for compensated absences reported in financial statements consists of unpaid, accumulated annual vacation and sick leave balances. The liability has been calculated using the vesting method, in which leave amounts for both employees who currently are eligible to receive termination payments and other employees who are expected to become eligible in the future to receive such payments upon termination are included. Compensated absences are accrued when incurred in the government-wide financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements. The current portion consists of an amount based on trend analysis of current usage of vacation and sick leave. The noncurrent portion consists of the remaining amount of vacation and sick leave.

6. Unearned/Unavailable Revenue

Governmental funds and government-wide financial statements report unearned revenue in connection with resources that have been received, but not yet earned. Governmental funds report unavailable revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period.

7. Deferred Outflows of Resources

In addition to assets, the statement of net position reports a separate section for deferred outflows of resources. This separate section represents a consumption of net position that applies to a future period. The County will not recognize the related outflow until a future event occurs. More detailed information about pension related deferred outflows of resources can be found in Note 4 to the financial statements.

8. Deferred Inflows of Resources

The County's governmental fund financial statements report a separate section for deferred inflows of resources. This separate financial statement element reflects an increase in net position or fund balance that applies to a future period. The County will not recognize the related revenue until a future event occurs. The County has three types of items which occur relating to revenue recognition: The first type of deferred inflow of resources occurs because governmental fund revenues are not recognized until available (collected not later than 60 days after the end of the County's year) under the modified accrual basis of accounting. Secondly, advanced allotment occurs when allotments are received in advance of the period they are for in both the modified accrual and full accrual basis of accounting. The third type relates to deferred pension inflows. These inflows arise only under the full accrual basis of accounting and consist of differences between expected and actual pension plan economic experience and also pension plan changes in proportionate share and accordingly, are reported only in the statement of net position.

**WRIGHT COUNTY  
BUFFALO, MINNESOTA  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2015**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Equity (Continued)

9. Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the governmental activities on the statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed in the year of bond issuance.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of the debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

For the governmental activities, compensated absences are liquidated by the General Fund, the Road and Bridge Special Revenue Fund, and the Human Services Special Revenue Fund. The pension liability and other postemployment benefits liability are liquidated by the General Fund and other governmental funds that have personal services.

10. Pension Plan

For purposes of measuring the net pension liability, deferred outflows/inflows of resources, and pension expense, information about the fiduciary net position of the Public Employees Retirement Association (PERA) and additions to/deductions from PERA's fiduciary net position have been determined on the same basis as they are reported by PERA. For this purpose, plan contributions are recognized as of employer payroll paid dates and benefit payments and refunds are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

**WRIGHT COUNTY  
BUFFALO, MINNESOTA  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2015**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Equity (Continued)

11. Fund Balance/Net Position

In the fund financial statements, governmental funds report nonspendable, restricted, committed, assigned, and unassigned fund balances. Nonspendable portions of fund balance relate to prepaids, inventories, and long term receivables, as applicable. Restricted funds are constrained from outside parties (statutes, grantors, bond agreements, etc.). Committed fund balances are established and modified by a resolution approved by the Board of Commissioners. The Board passed a resolution authorizing the County Auditor/Treasurer to assign fund balances and their intended uses. Unassigned fund balance is the residual classification for the County's General Fund and includes all spendable amounts not contained in other classifications. Negative unassigned fund balance is reported in other funds as applicable.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, it is the County's policy to use restricted first, then unrestricted fund balance. When an expenditure is incurred for purposes for which committed, assigned, and unassigned amounts are available, it is the County's policy to use committed first, then assigned, and finally unassigned amounts.

Net position represents the differences between assets, deferred outflows of resources, liabilities, and deferred inflows of resources in the government-wide financial statements. The net investment of capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balance of any long-term debt used to build or acquire capital assets. Net position is reported as restricted in government-wide financial statements when there are limitations on its use through external restrictions imposed by creditors, grantors, or laws and regulations of other governments. Unrestricted net position is net position that does not meet the definition of restricted net position or net investment in capital assets.

Wright County has adopted a minimum fund balance policy to address cash flow or working capital needs and contingencies in the General Fund, which is heavily reliant on property tax revenues to fund current operations. However, current property tax revenues are not available for distribution in June. Therefore, the County Board has determined they need to maintain an unassigned fund balance in the General Fund equaling 35-50% of the next year's operations, which is calculated as total budgeted operating expenditures.

**WRIGHT COUNTY  
BUFFALO, MINNESOTA  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2015**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Equity (Continued)

12. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

13. Change in Accounting Principle

During the year ended December 31, 2015, the County adopted new accounting guidance by implementing the provisions of GASB Statements 68, 71, and 82. GASB Statement No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27*, requires governments providing defined benefit pensions to employees through pension plans administered through trusts to record their proportionate share of the net pension obligations as a liability on their financial statements along with related deferred outflows of resources, deferred inflows of resources, and pension expense. This statement also requires additional note disclosures and schedules in the required supplementary information.

GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment to GASB Statement No. 68*, addresses an issue regarding amounts associated with contributions made to a pension plan after the measurement date of the net pension liability.

GASB Statement No. 82, *Pension Issues – an amendment of GASB Statement No. 68*, modifies the measure of payroll that is presented in the required supplementary information schedules.

GASB Statements 68 and 71 require the County to report its proportionate share of the PERA total employers' unfunded pension liability. As a result, beginning net position has been restated to record the County's net pension liability and related deferred outflows of resources.

**WRIGHT COUNTY  
BUFFALO, MINNESOTA  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2015**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Equity (Continued)

13. Change in Accounting Principle (Continued)

These pronouncements require the restatement of the December 31, 2014, net position of the governmental activities as follows:

	Governmental Activities
Net Position, December 31, 2014, as Previously Reported	\$ 270,939,378
Cumulative Affect of Application of GASB 68, Net Pension Liability	(34,238,571)
Cumulative Affect of Application of GASB 71, Deferred Outflow of Resources for Agency Contributions Made to the Plan During Fiscal Year Ending December 31, 2014	1,781,935
Net Position, December 31, 2014, as Restated	\$ 238,482,742

**NOTE 2 STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY**

Deficit Fund Balance

The following fund had deficit fund balance as of December 31, 2015:

Ditch Fund	\$	(17,369)
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The Ditch Fund's deficit will be eliminated with future special assessment revenues on the ditches.

**WRIGHT COUNTY  
BUFFALO, MINNESOTA  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2015**

**NOTE 3 DETAILED NOTES ON ALL FUNDS**

A. Assets

1. Deposits and Investments

Reconciliations of the County's total deposits, cash on hand, and investments to the basic financial statements follows:

**TOTAL CASH AND INVESTMENTS**

Government-Wide Statement of Net Position

Cash and Pooled Investments	\$ 71,335,182
Petty Cash and Change Funds	5,610
Statement of Fiduciary Net Position	
Cash and Pooled Investments	2,992,729
Total Cash and Investments	\$ 74,333,521

Deposits	\$ 34,404,263
Change Funds	5,610
Investments	39,923,648
Total Deposits, Cash and Investments	\$ 74,333,521

Custodial Credit Risk - Deposits

In the case of deposits, custodial credit risk is the risk that in the event of a bank failure, the County's deposits may not be returned to it. The County does not have a deposit policy for custodial credit risk and follows Minnesota Statutes for deposits.

Minnesota Statutes require that all deposits be protected by insurance, surety bond, or collateral. The market value of collateral pledge must equal 110 percent of the deposits not covered by insurance or corporate surety bonds. Authorized collateral includes: U.S. government treasury bills, notes, or bonds; issues of a U.S. government agency; general obligations of a state or local government rated "A" or better; revenue obligations of a state or local government rated "AA" or better; irrevocable standby letters of credit issue by a Federal Home Loan Bank; and time deposits insured by a federal agency. Minnesota Statutes require securities pledged as collateral be held in safekeeping in a restricted account at the Federal Reserve Bank, or in an account at a trust department of a commercial bank or other financial institution not owned or controlled by the financial institution furnishing the collateral.

All deposits as of December 31, 2015, were covered by insurance or collateral.

**WRIGHT COUNTY  
BUFFALO, MINNESOTA  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2015**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

A. Assets (Continued)

1. Deposits and Investments (Continued)

Investments

Minnesota Statutes §§ 118A.04 and 118A.05 generally authorize the following types of investments as available to the County:

- (a) Securities which are direct obligations or are guaranteed or insured issues of the United States, its agencies, its instrumentalities, or organizations created by an act of Congress, except mortgage-backed securities defined as “high risk” by Minnesota Statutes §118A.04, Subd. 6;
- (b) Mutual funds through shares of registered investment companies provided the mutual fund receives certain ratings depending on its investments;
- (c) General obligations of the state of Minnesota and its municipalities, and in certain state agency and local obligations of Minnesota and other states provided such obligations have certain specified bond ratings by a national bond rating service;
- (d) Bankers’ acceptances of United States banks;
- (e) Commercial paper issued by United States corporations or their Canadian subsidiaries that is rated in the highest quality category by two nationally recognized rating agencies and matures in 270 days or less; and
- (f) With certain restrictions, in repurchase agreements, securities lending agreements, joint powers investment trusts, and guaranteed investment contracts.

Interest Rate Risk

Interest rate risk is the risk that changes in the market interest rates will adversely affect the fair value of the investment. The County’s investment policy is to invest in both short-term and long-term investments to limit the exposure to interest rate risk.

As of December 31, 2015, the County had the following investments:

Type	Fair Value	12 Months or Less	13 to 24 Months	25 to 60 Months	More than 60 Months
U.S. Government Securities	\$ 5,361,316	\$ -	\$ 290,480	\$ 2,119,811	\$ 2,951,025
Treasury Notes/Bonds	664,994	-	-	-	664,994
Municipal Securities	25,721,854	708,962	1,528,967	9,731,364	13,752,561
Investment Pool/MAGIC Fund	302,936	302,936	-	-	-
Money Market Mutual Funds	615,200	615,200	-	-	-
Negotiable Certificates of Deposit	7,257,349	-	148,152	6,096,992	1,012,204
<b>Total</b>	<b>\$ 39,923,649</b>	<b>\$ 1,627,098</b>	<b>\$ 1,967,599</b>	<b>\$ 17,948,167</b>	<b>\$ 18,380,784</b>

**WRIGHT COUNTY  
BUFFALO, MINNESOTA  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2015**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

A. Assets (Continued)

1. Deposits and Investments (Continued)

Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The County's investment policy is to invest in securities that meet the ratings requirements set by state statute.

The County's exposure to credit risk as of December 31, 2015, is as follows:

<u>Type</u>	<u>Credit Quality Rating *</u>	<u>Fair Value</u>
U.S. Government Securities	AA	\$ 316,751
U.S. Government Securities	AA+	4,814,340
U.S. Government Securities	AA-	230,225
Treasury Notes/Bonds	Aaa	664,994
Municipal Securities	AAA	2,863,872
Municipal Securities	AA+	2,829,047
Municipal Securities	AA-	4,975,000
Municipal Securities	AA	10,399,439
Municipal Securities	A+	1,206,228
Municipal Securities	A	1,106,097
Municipal Securities	A-	1,864,125
Municipal Securities	BBB+	478,046
Money Market Mutual Funds	Not Rated	615,200
Investment Pool/MAGIC Fund	Not Rated	302,936
Negotiable Certificates of Deposit	Not Rated	7,257,348
Total		<u>\$ 39,923,648</u>

\* Credit Quality Ratings provided by Moody's and S&P.

Concentration Credit Risk

The concentration of credit risk is the risk of loss that may be caused by the County's investment in a single issuer. It is the County's policy that investments in MAGIC Fund, U.S. Treasury securities, U.S. Agency securities, and obligations backed by U.S. Treasury and/or U.S. Agency securities, may be held without limit.

**WRIGHT COUNTY  
BUFFALO, MINNESOTA  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2015**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

A. Assets (Continued)

1. Deposits and Investments (Continued)

Concentration Credit Risk (Continued)

As of December 31, 2015, investments in any one issuer that represent five percent or more of the County's investments are as follows:

<u>Type</u>	<u>Amount</u>	<u>Percentage</u>
Federal National Mortgage Association	\$ 2,662,282	6.7 %

Custodial Credit Risk – Investments

For an investment, this is the risk that, in the event of failure by the counterparty, the County will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The County does not have a specific policy for custodial credit risk. As of December 31, 2015, the County's investments were not exposed to custodial credit risk.

2. Receivables

Receivables as of December 31, 2015, for the County are as follows:

	<u>County Receivable</u>
Delinquent Taxes	\$ 994,085
Special Assessments	209,157
Accounts	300,885
Interest	718,716
Due from Other Governments	<u>2,938,172</u>
Total	<u>\$ 5,161,015</u>

All amounts are scheduled to be collected during the subsequent year. No applicable allowance for uncollectible accounts is recorded relating to the above receivables.

**WRIGHT COUNTY  
BUFFALO, MINNESOTA  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2015**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

A. Assets (Continued)

3. Loans Receivable

The County issues septic system loans to individuals within the County for septic system upgrades. In addition, economic development loans were made to private enterprises under the County's economic development loan program. A summary of loans outstanding at December 31, 2015, are as follows:

	Original Loan Amount	Balance Repaid at December 31, 2015	Outstanding Balance at December 31, 2015	Term (Years)	Interest Rate
Septic System Loans	\$ 836,774	\$ 204,616	\$ 632,158	10	3.0%
Economic Development Loans	180,000	43,535	136,465	various	various
<b>Total Loans Receivable</b>	<b>\$ 1,016,774</b>	<b>\$ 248,151</b>	<b>\$ 768,623</b>		

4. Capital Assets

Capital asset activity for the year ended December 31, 2015, was as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
<b>GOVERNMENTAL ACTIVITIES</b>				
Capital Assets, Not Being Depreciated				
Land	\$ 28,724,209	\$ 1,920,038	\$ -	\$ 30,644,247
Construction-in-Progress	2,427,311	16,542,299	7,301,160	11,668,450
Total Capital Assets, Not Being Depreciated	31,151,520	18,462,337	7,301,160	42,312,697
Capital Assets, Being Depreciated				
Buildings	100,296,379	1,232,918	-	101,529,297
Machinery, Furniture and Equipment	23,506,064	3,075,797	1,057,875	25,523,986
Infrastructure	207,637,096	5,518,107	-	213,155,203
Total Capital Assets, Being Depreciated	331,439,539	9,826,822	1,057,875	340,208,486
Less Accumulated Depreciation for				
Buildings	31,415,511	2,056,386	-	33,471,897
Machinery, Furniture, and Equipment	14,985,347	2,128,940	1,032,140	16,082,147
Infrastructure	51,395,781	4,231,902	-	55,627,683
Total Accumulated Depreciation	97,796,639	8,417,228	1,032,140	105,181,727
Total Capital Assets, Being Depreciated, Net	233,642,900	1,409,594	25,735	235,026,759
Governmental Activities Capital Assets, Net	<b>\$ 264,794,420</b>	<b>\$ 19,871,931</b>	<b>\$ 7,326,895</b>	<b>\$ 277,339,456</b>

**WRIGHT COUNTY  
BUFFALO, MINNESOTA  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2015**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

A. Assets (Continued)

4. Capital Assets (Continued)

Depreciation expense was charged to functions/programs of the County as follows:

Governmental Activities	
General Government	\$ 1,308,759
Public Safety	1,768,065
Highways and Streets, Including Depreciation of Infrastructure Assets	4,823,871
Human Services	86,056
Health	10,083
Culture and Recreation	118,792
Sanitation	<u>301,602</u>
Total Depreciation Expense - Governmental Activities	<u><u>\$ 8,417,228</u></u>

B. Interfund Receivables, Payables, and Transfers

The composition of interfund balances as of December 31, 2015, is as follows:

1. Due To/From Other Funds

Receivable Fund	Payable Fund	Amount	
General	Human Services	\$ 13,762	Legal Services
	Other Governmental Funds - Ditch	<u>3,191</u>	Deficit Cash
Total Due to General Fund		16,953	
Road and Bridge Fund	General	39,593	Fuel, Maintenance
	Human Services	<u>3,440</u>	Fuel, Maintenance
Total Due to Road and Bridge Fund		<u>43,033</u>	
Total Due To/From Other Funds		<u><u>\$ 59,986</u></u>	

The due to and due from other funds are for interfund services such as legal services, fuel, maintenance, and deficit cash not paid at year-end.

2. Advances From/To Other Funds

Receivable Fund	Payable Fund	Amount
General	Other Governmental Funds - Ditch	<u><u>\$ 12,800</u></u>

The advances to and from other funds are for cash flow purposes and are not expected to be repaid within the next year.

**WRIGHT COUNTY  
BUFFALO, MINNESOTA  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2015**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

B. Interfund Receivables, Payables, and Transfers (Continued)

3. Interfund Transfers

Interfund transfers for the year ended December 31, 2015, consisted of the following:

	Amount	Description
Transfers to General Fund from Capital Projects Fund	\$ 5,000	Recorder Compliance Revenues for Eligible Expenditures
Transfer to Capital Projects Fund from General Fund	<u>3,430,000</u>	To Fund Capital Information Technology Project
Total Interfund Transfers	<u><u>\$ 3,435,000</u></u>	

C. Liabilities

1. Construction Commitments

The County has active construction projects as of December 31, 2015. The projects include the following:

Governmental Activities	Spent-to-Date	Remaining Commitment
Roads and Bridges	\$ 8,652,208	\$ 1,684,042
Public Works Facility	6,103,060	8,436,412

**WRIGHT COUNTY  
BUFFALO, MINNESOTA  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2015**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

C. Liabilities (Continued)

2. Long-Term Debt

Types of Indebtedness	Final Maturity	Installment Amounts	Interest Rates (%)	Original Issues Amount	Outstanding Balance December 31, 2015
General Obligation Bonds					
2007A G.O. Jail Bond	2029	\$ 1,665,000 - 4,205,000	4.000 - 5.000	\$ 52,235,000	\$ 43,185,000
2009A G.O. CIP Refunding Bonds	2018	190,000 - 245,000	2.000 - 3.375	1,725,000	700,000
2011A G.O. Sewer Revenue Refunding Bonds	2022	140,000 - 170,000	0.650 - 3.400	1,495,000	1,075,000
2012A G.O. CIP Refunding Bonds	2023	135,000 - 170,000	2.000 - 2.100	1,525,000	1,250,000
2015A G.O. CIP Bonds	2035	335,000 - 630,000	2.000 - 4.000	9,735,000	9,735,000
Total General Obligation Bonds				<u>\$ 66,715,000</u>	55,945,000
Add: Unamortized Premium					1,172,715
Less: Unamortized Discount					(19,257)
Total General Obligation Bonds, Net					<u>\$ 57,098,458</u>

**WRIGHT COUNTY  
BUFFALO, MINNESOTA  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2015**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

D. Liabilities (Continued)

3. Debt Service Requirements

Debt service requirements at December 31, 2015, were as follows:

Year Ending December 31,	General Obligation Bonds	
	Principal	Interest
2016	\$ 2,885,000	\$ 2,408,568
2017	3,025,000	2,280,371
2018	3,140,000	2,169,914
2019	3,270,000	2,047,955
2020	3,415,000	1,909,073
2021-2025	18,870,000	7,116,475
2026-2030	18,370,000	2,569,862
2031-2035	2,970,000	280,425
Total	<u>\$ 55,945,000</u>	<u>\$ 20,782,643</u>

Year Ending December 31,	Loans Payable		Septic Loans	
	Principal	Interest	Principal	Interest
2016	\$ 523,148	\$ 23,817	\$ 33,457	\$ 6,363
2017	323,148	14,981	84,368	15,952
2018	323,148	14,044	86,086	14,303
2019	73,148	13,108	87,839	12,621
2020	73,148	12,172	89,630	10,905
2021-2025	365,742	46,815	212,025	18,473
2026-2030	365,742	23,408	3,034	-
2031-2032	146,299	2,809	-	-
Total	<u>\$ 2,193,523</u>	<u>\$ 151,154</u>	<u>\$ 596,439</u>	<u>\$ 78,617</u>

4. Loans Payable

The County is involved in construction projects with the following entities with remaining balances as indicated: City of Albertville (\$1,393,523); the City of Monticello (\$200,000); and the City of St. Michael (\$600,000). The County has agreed to pay a portion of the total construction costs. The payment schedule is noted above.

**WRIGHT COUNTY  
BUFFALO, MINNESOTA  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2015**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

C. Liabilities (Continued)

5. Changes in Long-Term Liabilities

Long-term liability activity for the year ended December 31, 2015, was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
<b>GOVERNMENTAL ACTIVITIES</b>					
Bonds Payable					
General Obligation Bonds	\$ 48,670,000	\$ 9,735,000	\$ 2,460,000	\$ 55,945,000	\$ 2,885,000
Add: Amount of Unamortized Premiums	764,938	462,517	54,740	1,172,715	-
Less: Deferred Amounts for Discounts	(22,008)	-	(2,751)	(19,257)	-
Total Bonds Payable	49,412,930	10,197,517	2,511,989	57,098,458	2,885,000
Loans Payable	2,716,671	-	523,148	2,193,523	523,148
Septic Loans Payable	469,486	226,545	99,592	596,439	57,428
Compensated Absences	3,609,883	2,998,019	3,385,443	3,222,459	805,615
Governmental Activity Long-Term Liabilities	<u>\$ 56,208,970</u>	<u>\$ 13,422,081</u>	<u>\$ 6,520,172</u>	<u>\$ 63,110,879</u>	<u>\$ 4,271,191</u>

Bonded debt is paid from the Debt Service Fund. Loans payable are paid from the Road and Bridge Fund. Septic loans are paid from the Reserves Fund. Compensated absences are paid from the General Fund, Road and Bridge Fund, Human Services Fund and Solid Waste Special Revenue Fund.

6. Capital Improvement Bonds

During 2015, the County issued \$9,735,000 in General Obligation Capital Improvement Plan Bonds (Series 2015A) for the purpose of financing the highway department building project.

**WRIGHT COUNTY  
BUFFALO, MINNESOTA  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2015**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

C. Liabilities (Continued)

7. Conduit Debt

In 2013, the County issued \$2,500,000 of revenue notes to refinance the 2004 notes which were issued to finance the acquisition, construction, renovation, and equipping of a 65-bed nursing home and 28-unit assisted living facility on behalf of Lake Ridge Care Center of Buffalo. In addition, \$5,650,000 of revenue notes were issued for the Park Terrace Project. These bonds are payable solely from the revenues of Care Centers of Buffalo. The County is not obligated in any manner for repayment of the notes. Accordingly, the notes will not be reported as liabilities in the County's financial statements. The amount of notes outstanding at December 31, 2015, was \$2,257,627 and \$5,208,561, respectively.

On December 31, 2014, the County issued \$10,000,000 (Series 2014) of revenue notes to finance the construction and retention of quality housing facilities of the Park View Care Center of Buffalo. The bonds are payable solely from the revenues of Park View Care Center. The County is not obligated in any manner for repayment of the notes. Accordingly, the notes will not be reported as liabilities in the County's financial statements. The amount of notes outstanding at December 31, 2015, was \$50,001.

8. Septic Loans

The County participates in a revolving loan program to finance septic system upgrades for individuals. The County entered into two loan agreements for \$510,000 and \$500,000 with the Minnesota Pollution Control Agency to finance this program. Also, in 2015 the County entered into a loan agreement for up to \$141,475 with the Minnesota Department of Agriculture. The loans are secured by special assessments placed on the individual parcels requesting installation/repair of septic systems. The loans bear interest at two percent. During 2015, loans issued to residents totaled \$226,545 and payments equaled \$99,592. The state does not provide a repayment schedule on the \$500,000 loan until the full loan amount is borrowed.

9. Operating Leases

The County has lease agreements for the use of two Tower Facilities and several copiers with Marco, Inc. Expenditures under these lease agreements totaled \$120,032 in 2015. Minimum lease payments over the term of these leases are as follows:

<u>Year</u>	<u>Amount</u>
2016	\$ 152,092
2017	109,526
2018	82,254
2019	67,696
2020	32,862
Total	<u>\$ 444,430</u>

**WRIGHT COUNTY  
BUFFALO, MINNESOTA  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2015**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

C. Liabilities (Continued)

10. Unearned Revenues/Deferred Inflows of Resources

Unearned revenues and deferred inflows of resources reported in the governmental funds consists of special assessments, taxes, state and federal grants, installment loans, and other items that are not collected soon enough after year-end to pay liabilities of the current year as well as state and federal grants that have been received but not yet earned. Unearned revenues and deferred inflows of resources at December 31, 2015, are summarized below by fund:

	Taxes	Special Assessments	Installment Loans	Grants	Other	Total
Major Governmental Funds						
General	\$ 441,986	\$ 75	\$ -	\$ 61,164	\$ -	\$ 503,225
Road and Bridge	111,810	-	-	1,019,341	46,742	1,177,893
Human Services	125,338	-	-	138,195	-	263,533
Debt Service	72,426	190,127	-	-	-	262,553
Total Major Governmental Funds	751,560	190,202	-	1,218,700	46,742	2,207,204
Nonmajor Governmental Funds	-	17,718	768,623	-	-	786,341
Total All Funds	<u>\$ 751,560</u>	<u>\$ 207,920</u>	<u>\$ 768,623</u>	<u>\$ 1,218,700</u>	<u>\$ 46,742</u>	<u>\$ 2,993,545</u>
Liability						
Unearned Revenue	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 61,164</u>	<u>\$ -</u>	<u>\$ 61,164</u>
Deferred Inflows of Resources						
Advanced Allotments	-	-	-	-	46,742	46,742
Unavailable Revenue	751,560	207,920	768,623	1,157,536	-	2,885,639
Total Deferred Inflows of Resources	751,560	207,920	768,623	1,157,536	46,742	2,932,381
Total Unearned Revenue and Deferred Inflows of Resources	<u>\$ 751,560</u>	<u>\$ 207,920</u>	<u>\$ 768,623</u>	<u>\$ 1,218,700</u>	<u>\$ 46,742</u>	<u>\$ 2,993,545</u>

**WRIGHT COUNTY  
BUFFALO, MINNESOTA  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2015**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**D. Fund Balances**

At December 31, 2015, portions of the County's fund balance are not available for appropriation due to legal restrictions (Restricted), County Board action (Committed), policy and/or intent (Assigned). The following is a summary of the components of fund balance:

	General Fund	Road and Bridge Fund	Human Services Fund	Debt Service Fund	Capital Projects Funds	Other Governmental Funds	Total Funds
<b>Nonspendable:</b>							
Advances to Other Funds	\$ 12,800	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 12,800
Prepaid Items	4,500	-	61,090	-	-	-	65,590
Inventories	-	1,406,337	-	-	-	-	1,406,337
<b>Total Nonspendable</b>	<b>17,300</b>	<b>1,406,337</b>	<b>61,090</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,484,727</b>
<b>Restricted:</b>							
Ditch Maintenance	-	-	-	-	-	69,287	69,287
County Parks	-	-	-	-	-	636,259	636,259
Debt Service	-	-	-	3,354,403	-	-	3,354,403
Law Library	-	-	-	-	-	255,008	255,008
Victim Witness	-	-	-	-	-	14,124	14,124
Richard Ahlers	-	-	-	-	-	2,040	2,040
Juvenile Restitution	-	-	-	-	-	16,472	16,472
Attorney Drive Wright Program	-	-	-	-	-	64,945	64,945
Attorney Seizure	-	-	-	-	-	43,210	43,210
Attorney DWI Seizure	-	-	-	-	-	78,003	78,003
Recorders' Technology	-	-	-	-	-	1,655,808	1,655,808
Gravel	-	-	-	-	-	211,981	211,981
Sheriff Contingency	-	-	-	-	-	476	476
Gun Permits	-	-	-	-	-	306,802	306,802
E-911	-	-	-	-	-	465,285	465,285
Drug Abuse Prevention	-	-	-	-	-	21,499	21,499
Sheriff's Seizure	-	-	-	-	-	9,274	9,274
Jail Canteen	-	-	-	-	-	17,912	17,912
Sheriff DUI	-	-	-	-	-	54,328	54,328
Septic Loans	-	-	-	-	-	6	6
Gifts & Donations - Ney Park	-	-	-	-	-	30,962	30,962
Economic Development Loans	-	-	-	-	-	129,681	129,681
Landfill Closure/Postclosure	-	-	-	-	-	291,079	291,079
<b>Total Restricted</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,354,403</b>	<b>-</b>	<b>4,374,441</b>	<b>7,728,844</b>

**WRIGHT COUNTY  
BUFFALO, MINNESOTA  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2015**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

D. Fund Balances (Continued)

	General Fund	Road and Bridge Fund	Human Services Fund	Debt Service Fund	Capital Projects Funds	Other Governmental Funds	Total Funds
<b>Assigned:</b>							
Compensated Absences	\$ 2,131,332	\$ 286,243	\$ 618,853	\$ -	\$ -	\$ -	\$ 3,036,428
Road and Bridge Operations	-	9,590,857	-	-	-	-	9,590,857
Human Services Operations	-	-	7,199,797	-	-	-	7,199,797
Capital Projects Operations	-	-	-	-	7,405,078	-	7,405,078
Solid Waste Operations	-	-	-	-	-	867,330	867,330
<b>Total Assigned</b>	<u>2,131,332</u>	<u>9,877,100</u>	<u>7,818,650</u>	<u>-</u>	<u>7,405,078</u>	<u>867,330</u>	<u>28,099,490</u>
<b>Unassigned</b>	<u>31,583,358</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(146,940)</u>	<u>31,436,418</u>
<b>Total Fund Balances</b>	<u>\$ 33,731,990</u>	<u>\$ 11,283,437</u>	<u>\$ 7,879,740</u>	<u>\$ 3,354,403</u>	<u>\$ 7,405,078</u>	<u>\$ 5,094,831</u>	<u>\$ 68,749,479</u>

**NOTE 4 PENSION PLANS**

A. Plan Description

The County participates in the following cost-sharing multiple-employer defined benefit pension plans administered by the Public Employees Retirement Association of Minnesota (PERA). PERA's defined benefit pension plans are established and administered in accordance with Minnesota Statutes, Chapters 353 and 356. PERA's defined benefit pension plans are tax qualified plans under Section 401(a) of the Internal Revenue Code.

1. General Employees Retirement Fund (GERF)

All full-time and certain part-time employees of the County are covered by the General Employees Retirement Fund (GERF). GERF members belong to either the Coordinated Plan or the Basic Plan. Coordinated Plan members are covered by Social Security and Basic Plan members are not. The Basic Plan was closed to new members in 1967. All new members must participate in the Coordinated Plan.

2. Public Employees Police and Fire Fund (PEPFF)

The PEPFF, originally established for police officers and firefighters not covered by a local relief association, now covers all police officers and firefighters hired since 1980. Effective July 1, 1999, the PEPFF also covers police officers and firefighters belonging to a local relief association that elected to merge with and transfer assets and administration to PERA.

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**NOTE 4 PENSION PLANS (CONTINUED)**

A. Plan Description (Continued)

3. Public Employees Correctional Fund (PECF)

The Local Government Correctional Fund, referred to as the Public Employees Correctional Fund (PECF), was established for correctional officers serving in county and regional corrections facilities. Eligible participants must be responsible for the security, custody, and control of the facilities and their inmates.

B. Benefits Provided

PERA provides retirement, disability, and death benefits. Benefit provisions are established by state statute and can only be modified by the state legislature.

Benefit increases are provided to benefit recipients each January. Increases are related to the funding ratio of the plan. Members in plans that are at least 90 percent funded for two consecutive years are given 2.5% increases. Members in plans that have not exceeded 90% funded, or have fallen below 80% for one year or 85% for two consecutive years are given 1% increases.

The benefit provisions stated in the following paragraphs of this section are current provisions and apply to active plan participants. Vested, terminated employees who are entitled to benefits but are not receiving them yet are bound by the provisions in effect at the time they last terminated their public service.

1. GERS Benefits

Benefits are based on a member's highest average salary for any five successive years of allowable service, age, and years of credit at termination of service. Two methods are used to compute benefits for PERA's Coordinated and Basic Plan members. The retiring member receives the higher of a step-rate benefit accrual formula (Method 1) or a level accrual formula (Method 2). Under Method 1, the annuity accrual rate for a Basic Plan member is 2.2% of average salary for each of the first ten years of service and 2.7% for each remaining year. The annuity accrual rate for a Coordinated Plan member is 1.2 percent of average salary for each of the first ten years and 1.7% for each remaining year. Under Method 2, the annuity accrual rate is 2.7% of average salary for Basic Plan members and 1.7% for Coordinated Plan members for each year of service. For members hired prior to July 1, 1989, a full annuity is available when age plus years of service equal 90 and normal retirement age is 65. For members hired on or after July 1, 1989, normal retirement age is the age for unreduced Social Security benefits capped at 66. Disability benefits are available for vested members and are based upon years of service and average high-five salary.

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**NOTE 4 PENSION PLANS (CONTINUED)**

B. Benefits Provided (Continued)

2. PEPFF Benefits

Benefits for the PEPFF members first hired after June 30, 2010, but before July 1, 2014, vest on a prorated basis from 50% after five years up to 100% after ten years of credited service. Benefits for PEPFF members first hired after June 30, 2014, vest on a prorated basis from 50% after ten years up to 100% after twenty years of credited service. The annuity accrual rate is 3% of average salary for each year of service. For PEPFF who were first hired prior to July 1, 1989, a full annuity is available when age plus years of service equal at least 90.

3. PECF Benefits

Benefits for PECF members first hired after June 30, 2010, vest on a prorated basis from 50% after five years up to 100% after ten years of credited service. The annuity accrual rate is 1.9% of average salary for each year of service in that plan. For PECF members who were first hired prior to July 1, 1989, a full annuity is available when age plus years of service equal at least 90.

C. Contributions

Minnesota Statutes Chapter 353 sets the rates for employer and employee contributions. Contribution rates can only be modified by the state legislature.

1. GERS Contributions

Basic Plan members and Coordinated Plan members were required to contribute 9.10% and 6.50%, respectively, of their annual covered salary in calendar year 2015. The County was required to contribute 11.78% of annual covered salary for Basic Plan members and 7.50% for Coordinated Plan members in calendar year 2015. The County contributions to the GERS for the year ended December 31, 2015, were \$2,001,725. The County contributions were equal to the required contributions as set by state statute.

2. PEPFF Contributions

Plan members were required to contribute 10.8% of their annual covered salary in calendar year 2015. The County was required to contribute 16.20% of annual covered salary for PEPFF members in calendar year 2015. The County contributions to the PEPFF for the year ended December 31, 2015, were \$1,524,071. The County contributions were equal to the required contributions as set by state statute.

**WRIGHT COUNTY  
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**NOTE 4 PENSION PLANS (CONTINUED)**

C. Contributions (Continued)

3. PECF Contributions

In calendar year 2015, plan members were required to contribute 5.83% of their annual covered salary. The County was required to contribute 8.75% of annual covered salary for PECF members in calendar year 2015. The County's contributions to the PECF for the year ended December 31, 2015, were \$264,242. The County's contributions were equal to the required contributions as set by state statute.

The GERS Coordinated Plan member and employer contribution rates each reflect a 0.25% increase from 2014. The PEPFF member and employer contribution rates increase 0.60% and 0.90%, respectively, from 2014.

D. Pension Costs

1. GERS Pension Costs

At December 31, 2015, the County reported a liability of \$23,165,860 for its proportionate share of the GERS's net pension liability. The net pension liability was measured as of June 30, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The County proportion of the net pension liability was based on the County's contributions received by PERA during the measurement period for employer payroll paid dates from July 1, 2014, through June 30, 2015, relative to the total employer contributions received from all of PERA's participating employers. At June 30, 2015, the County proportion was 0.4470%, a change from 0.4943% as of June 30, 2014.

For the year ended December 31, 2015, the County recognized pension expense of \$2,520,313 for its proportionate share of the GERS's pension expense.

At December 31, 2015, the County reported its proportionate share of the GERS's deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Economic Experience	\$ -	\$ 1,167,954
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	2,193,004	-
Changes in Proportion and Differences Between County Contributions and Proportionate Share of Contributions	-	1,666,438
County Contributions Subsequent to the Measurement Date	1,014,021	-
Total	<u>\$ 3,207,025</u>	<u>\$ 2,834,392</u>

**WRIGHT COUNTY  
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**NOTE 4 PENSION PLANS (CONTINUED)**

D. Pension Costs (Continued)

1. GERP Pension Costs (Continued)

The total of \$1,014,021 reported as deferred outflows of resources related to pensions resulting from County contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2016. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended December 31	Pension Expense Amount
2016	\$ (396,546)
2017	(396,546)
2018	(396,546)
2019	548,250

2. PEPFF Pension Costs

At December 31, 2015, the County reported a liability of \$11,453,239 for its proportionate share of the PEPFF's net pension liability. The net pension liability was measured as of June 30, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The County proportion of the net pension liability was based on the County contributions received by PERA during the measurement period for employer payroll paid dates from July 1, 2014, through June 30, 2015, relative to the total employer contributions received from all of PERA's participating employers. At June 30, 2015, the County proportion was 1.008%, a change from 1.008% as of June 30, 2014.

For the year ended December 31, 2015, the County recognized pension expense of \$1,966,730 for its proportionate share of the PEPFF's pension expense. The County also recognized \$90,720 for the year ended December 31, 2015, as pension expense (and revenue) for its proportionate share of the State of Minnesota's on-behalf contributions to the PEPFF. Legislation passed in 2013 required the State of Minnesota to begin contributing \$9 million to the PEPFF each year, starting in fiscal year 2014, until the plan is 90% funded.

**WRIGHT COUNTY  
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**NOTE 4 PENSION PLANS (CONTINUED)**

D. Pension Costs (Continued)

2. PEPFF Pension Costs (Continued)

At December 31, 2015, the County reported its proportionate share of the PEPFF's deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Economic Experience	\$ -	\$ 1,857,341
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	1,995,538	-
County Contributions Subsequent to the Measurement Date	781,125	-
Total	<u>\$ 2,776,663</u>	<u>\$ 1,857,341</u>

The total of \$781,125 reported as deferred outflows of resources related to pensions resulting from County contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2016. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended December 31	Pension Expense Amount
2016	\$ 127,416
2017	127,416
2018	127,416
2019	127,416
2020	(371,467)

**WRIGHT COUNTY  
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**NOTE 4 PENSION PLANS (CONTINUED)**

D. Pension Costs (Continued)

3. PECF Pension Costs

At December 31, 2015, the County reported a liability of \$259,728 for its proportionate share of the PECF's net pension liability. The net pension liability was measured as of June 30, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The County's proportion of the net pension liability was based on the County's contributions received by PERA during the measurement period for employer payroll paid dates from July 1, 2014, through June 30, 2015, relative to the total employer contributions received from all of PERA's participating employers. At June 30, 2015, the County proportion was 1.68%, a change from 1.75% as of June 30, 2014.

For the year ended December 31, 2015, the County recognized pension expense of \$274,882 for its proportionate share of the PECF's pension expense.

At December 31, 2015, the County reported its proportionate share of the PECF's deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Economic Experience	\$ -	\$ 99,439
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	216,502	-
Changes in Proportion and Differences Between County Contributions and Proportionate Share of Contributions	-	3,961
County Contributions Subsequent to the Measurement Date	135,968	-
Total	<u>\$ 352,470</u>	<u>\$ 103,400</u>

**WRIGHT COUNTY  
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**NOTE 4 PENSION PLANS (CONTINUED)**

D. Pension Costs (Continued)

3. PECF Pension Costs (Continued)

The total of \$135,968 reported as deferred outflows of resources related to pensions resulting from County contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2016. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended December 31	Pension Expense Amount
2016	\$ 19,659
2017	19,659
2018	19,659
2019	54,125

4. Pension Expense

The total pension expense for all plans recognized by the County for the year ended December 31, 2015, was \$4,761,925.

E. Actuarial Assumptions

The total pension liability in the June 30, 2015, actuarial valuation was determined using the individual entry age normal actuarial cost method and the following additional actuarial assumptions:

Assumptions	
Inflation	2.75% per Year
Salary Increases	3.50%, Average, Including Inflation
Investment Rate of Return	7.90%, Net of Pension Plan Investment Expense, Including Inflation

Salary increases were based on a service-related table. Mortality rates for active members, retirees, survivors and disabilitants were based on RP-2000 tables for males or females, as appropriate, with slight adjustments. Cost of living benefit increases for retirees are assumed to be 1.0 percent effective every January 1<sup>st</sup> through 2035 for GERF and 2037 for PEPFF and 2.5 percent thereafter. Cost of living benefit increases for retirees are assumed to be 2.5 percent for all years for PECF.

Actuarial assumptions used in the June 30, 2015, valuation were based on the results of actuarial experience studies. The experience study in the GERF was for the period July 1, 2004, through June 30, 2008, with an update of economic assumptions in 2014. The experience study for PEPFF was for the period July 1, 2004, through June 30, 2009. Experience studies have not been prepared for the PECF, but assumptions are reviewed annually. There were no changes to actuarial assumptions in 2015.

**WRIGHT COUNTY  
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**NOTE 4 PENSION PLANS (CONTINUED)**

E. Actuarial Assumptions (Continued)

The long-term expected rate of return on pension plan investments is 7.9%. The State Board of Investment, which manages the investments of PERA, prepares an analysis of the reasonableness of the long-term expected rate of return on a regular basis using a building-block method in which best-estimate ranges of expected future rates of return are developed for each major asset class. These ranges are combined to produce an expected long-term rate of return by weighting the expected future rates of return by the target asset allocation percentages. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Domestic Equity	45 %	5.50 %
International Equity	15	6.00
Bonds	18	1.45
Alternative Assets	20	6.40
Cash	2	0.50
Totals	<u>100 %</u>	

F. Discount Rate

The discount rate used to measure the total pension liability was 7.9%. The projection of cash flows used to determine the discount rate assumed that employee and employer contributions will be made at the rate specified in statute. Based on that assumption, each of the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

**WRIGHT COUNTY  
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**NOTE 4 PENSION PLANS (CONTINUED)**

G. Pension Liability Sensitivity

The following presents the County's proportionate share of the net pension liability for all plans it participates in, calculated using the discount rate disclosed in the preceding paragraph, as well as what the County's proportionate share of the net pension liability would be if it were calculated using a discount rate one percentage point lower or one percentage point higher than the current discount rate:

Description	1% Decrease in Discount Rate	Current Discount Rate	1% Increase in Discount Rate
<u>Discount Rate</u>	6.90%	7.90%	8.90%
County's Proportionate Share of the GERF Net Pension Liability	\$ 36,424,966	\$ 23,165,860	\$ 12,215,875
County's Proportionate Share of the PEPFF Net Pension Liability	22,322,483	11,453,239	2,473,350
County's Proportionate Share of the PECF Net Pension Liability	1,808,789	259,728	(980,146)

H. Pension Plan Fiduciary Net Position

Detailed information about each pension plan's fiduciary net position is available in a separately-issued PERA financial report that includes financial statements and required supplementary information. That report may be obtained on the Internet at [www.mnpera.org](http://www.mnpera.org); by writing to PERA at 60 Empire Drive #200, St. Paul, Minnesota, 55103-2088; or by calling (651) 296-7460 or 1-800-652-9026.

**NOTE 5 DEFINED CONTRIBUTION PLAN**

Four Board members are covered by the Public Employees Defined Contribution Plan (PEDCP), a multiple-employer deferred compensation plan administered by PERA. The PEDCP is a tax qualified plan under Section 401(a) of the Internal Revenue Code and all contributions by or on behalf of employees are tax deferred until time of withdrawal.

**WRIGHT COUNTY  
BUFFALO, MINNESOTA  
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**NOTE 5 DEFINED CONTRIBUTION PLAN (CONTINUED)**

Plan benefits depend solely on amounts contributed to the plan plus investment earnings, less administrative expenses. Minnesota Statutes, Chapter 353D.03, specifies plan provisions, including the employee and employer contribution rates for those qualified personnel who elect to participate. An eligible elected official who decides to participate contributes 5% of salary which is matched by the elected official's employer. Employees may elect to make member contributions in an amount not to exceed the employer share. Employer and employee contributions are combined and used to purchase shares in one or more of the seven accounts of the Minnesota Supplemental Investment Fund. For administering the plan, PERA receives 2% of employer contributions and 0.25% of the assets in each member's account annually.

Total contributions made by the County during fiscal year 2015 were:

Contribution Amount		Percentage of Covered Payroll		Required Rate
Employee	Employer	Employee	Employer	
\$ 8,683	\$ 8,683	5%	5%	5%

**NOTE 6 OTHER POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS**

The County provides health insurance benefits for certain retired employees under a single-employer fully-insured plan. The County provides benefits for retirees as required by Minnesota Statutes §471.61 subdivision 2b. Active employees who retire from the County when eligible to receive a retirement benefit from the Public Employees Retirement Association (PERA) of Minnesota (or similar plan) and do not participate in any other health benefits program providing coverage similar to that herein described, will be eligible to continue coverage with respect to both themselves and their eligible dependent(s) under the County's health benefits program. Pursuant to the provisions of the plan, retirees are required to pay 100 percent of the total premium cost. As of January 1, 2015, there were six retirees receiving health benefits from the County's health plan.

**WRIGHT COUNTY  
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**NOTE 6 OTHER POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)**

A. Annual OPEB Cost and Net OPEB Obligation

The County's annual other postemployment benefit (OPEB) cost (expense) is calculated based on the annual required contribution (ARC) of the employer, an amount actuarially determined in accordance with the parameters of Governmental Accounting Standards Board (GASB) Statement No. 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed 30 years. The following table shows the components of the County's annual OPEB cost of 2015, the amount actually contributed to the plan, and changes in the County's net OPEB obligation:

Annual Required Contribution (ARC):	\$ 527,045
Interest on Net OPEB Obligation	63,878
Adjustment to ARC	<u>(90,559)</u>
Annual OPEB Cost (Expense)	500,364
Contributions during the year	<u>(175,996)</u>
Increase in Net OPEB Obligation	324,368
Net OPEB - Beginning of the Year	<u>1,596,960</u>
Net OPEB - End of the Year	<u><u>\$ 1,921,328</u></u>

The County's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan and the net OPEB obligation for 2015, 2014, and 2013 were as follows:

Year Ended	Annual OPEB Cost	Employer Contribution	Percentage Contributed	Net OPEB Obligation
December 31, 2015	\$ 500,364	\$ 175,996	35.2 %	\$ 1,921,328
December 31, 2014	502,878	155,451	30.9	1,596,960
December 31, 2013	346,492	148,148	42.8	1,249,533

**WRIGHT COUNTY  
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**NOTE 6 OTHER POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)**

**B. Funding Status**

The County currently has no assets that have been irrevocably deposited in a trust for future health benefits. Therefore, the actuarial value of assets is zero.

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (b)	Unfunded Actuarial Accrued Liability (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
1/1/2014	\$ -	\$ 3,864,249	\$ 3,864,249	-	\$ 38,005,546	10.2 %

The Schedule of Funding Progress – Other Postemployment Benefits, presented as required supplementary information following the notes to the financial statements, presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

**C. Actuarial Methods and Assumptions**

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of the occurrence of events far into the future. Examples include assumptions about future employment, mortality, and healthcare cost trends. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

Projections of benefits for financial reporting purposes are based on the substantive plan (as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities, consistent with the long-term perspective of the calculations.

In the January 1, 2014 actuarial valuation, the projected unit credit method was used. The actuarial assumptions included a 4.00 percent discount rate, which is based on the estimated long-term investment yield on the general assets of the County using an underlying long-term inflation assumption of 2.50 percent. The annual healthcare cost trend rate is 7.50 percent initially, reduced incrementally to an ultimate rate of 5.00 percent after ten years. The unfunded actuarial accrued liability is being amortized as a level dollar amount over an open thirty-year period.

**WRIGHT COUNTY  
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**NOTE 7 SUMMARY OF SIGNIFICANT CONTINGENCIES AND OTHER ITEMS**

A. Risk Management

The County is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets; errors or omissions; injuries to employees; or natural disasters for which the County carries commercial insurance. The County has entered into a joint powers agreement with other Minnesota counties to form the Minnesota Counties Insurance Trust (MCIT) to protect against liabilities from workers' compensation and property and casualty. There were no significant reductions in insurance from the prior year. The amount of settlements did not exceed insurance coverage for the past three fiscal years.

The Workers' Compensation Division of MCIT is self-sustaining based on the contributions charged, so that total contributions plus compounded earnings on these contributions will equal the amount needed to satisfy claims liabilities and other expenses. MCIT participates in the Workers' Compensation Reinsurance Association with coverage at \$490,000 per claim in 2015 and \$500,000 in 2016. Should the MCIT Workers' Compensation Division liabilities exceed assets, MCIT may assess the County in a method and amount to be determined by MCIT.

The Property and Casualty Division of MCIT is self-sustaining and the pays an annual premium to cover current and future losses. The MCIT carries reinsurance for its property lines to protect against catastrophic losses. Should the MCIT Property and Casualty Division liabilities exceed assets, MCIT may assess the County in a method and amount to be determined by MCIT.

B. Contingent Liabilities

Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of the expenditures that may be disallowed by the grantor cannot be determined at this time, although the County expects such amounts, if any, to be immaterial.

The County is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the County Attorney, the resolution of these matters will not have a material adverse effect on the financial condition of the government.

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**NOTE 7 SUMMARY OF SIGNIFICANT CONTINGENCIES AND OTHER ITEMS (CONTINUED)**

C. Joint Ventures

Crow River Joint Powers Agreement

In 1999, Wright County entered into a joint powers agreement with Carver, Hennepin, Kandiyohi, McLeod, Pope, Renville, Sibley, and Stearns Counties, creating the Crow River Joint Powers Agreement. The Agreement is authorized by Minnesota Statutes §§103B.311 and 103B.315. The Prairie County Resource Conservation and Development council is the fiscal agent for this joint powers agreement.

The purpose of this agreement is the joint exercise of powers by counties to promote orderly water quality improvement and management of the Crow River Watershed through information sharing, education, coordination and related support to member counties by assisting in the implementing and goal achievement of comprehensive water plans which counties may develop and implement. The governing board is composed of one Board member from each of the participating counties. Financing is provided by state proceeds. Current financial statements are not available.

Central Minnesota Emergency Services Board

The Central Minnesota Regional Radio Board was established in 2007, under the authority conferred upon the member parties by Minn. Stat. §§ 471.59 and 403.39. As of June 1, 2011, the Central Minnesota Regional Radio Board changed its name to the Central Minnesota Emergency Services Board. Members include the City of St. Cloud and the Counties of Benton, Big Stone, Douglas, Grant, Kandiyohi, Meeker, Mille Lacs, Morrison, Otter Tail, Pope, Sherburne, Stearns, Stevens, Swift, Todd, Traverse, Wadena, Wilkin, and Wright.

The purpose of the Central Minnesota Emergency Services Board is to provide for regional administration of enhancements to the Statewide Public Safety Radio and Communication System (ARMER) owned and operated by the State of Minnesota.

The Central Minnesota Emergency Services Board is composed of one Commissioner of each county appointed by their respective County Board and one City Council member from each city appointed by their respective City Council, as provided in the Central Minnesota Emergency Services Board's by-laws.

In the event of dissolution of the Central Minnesota Emergency Services Board, all property, assets, and funds of the Board shall be distributed to the parties of the agreement upon termination in direct proportion to their participation and contribution. Any city or county that has withdrawn from the agreement prior to termination of the Board shall share in the distribution of property, assets, and funds of the Board only to the extent they shared in the original expense.

The Central Minnesota Emergency Services Board has no long-term debt. Financing is provided by the appropriations from member parties and by state and federal grants. During 2015, Wright County contributed \$12,655 to the Joint Powers Board.

Separate financial information can be obtained from: Central Minnesota Emergency Services Board, City of St. Cloud, Office of the Mayor, 400 Second Street South, St. Cloud, MN 56301.

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**NOTE 7 SUMMARY OF SIGNIFICANT CONTINGENCIES AND OTHER ITEMS (CONTINUED)**

C. Joint Ventures (Continued)

Central Minnesota Emergency Medical Services Board

The Central Minnesota Emergency Medical Services Region was established in 2001, under Minn. Stat. § 471.59, to improve access, delivery, and effectiveness of the emergency medical services system; promote systematic and cost-effective delivery of services; and identify and address system needs within the member counties. The member counties are Benton, Cass, Chisago, Crow Wing, Kanabec, Mille Lacs, Morrison, Pine, Sherburne, Stearns, Todd, Wadena, and Wright. The Region established a Board comprising of one Commissioner from each member county. The Region's Board has financial responsibility, and Stearns County is the fiscal agent.

Separate, complete financial information can be obtained from Central Minnesota Emergency Medical Services Region, Administration Center, P.O. Box 1107, St. Cloud, Minnesota 56302.

Central Minnesota Jobs and Training Services

Central Minnesota Jobs and Training Services, Inc. (CMJTS) is a nonprofit employment and training agency and a partner in the Minnesota WorkForce Center System. CMJTS is a Joint Venture established pursuant to Minnesota Statutes ch. 268 and §471.59, consisting of 11 counties in Central Minnesota, including Meeker, McLeod, Renville, Kandiyohi, Kanabec, Wright, Sherburne, Mille Lacs, Isanti, Chisago, and Pine Counties and is also a partner of Workforce Service Area 5.

CMJTS's mission is to match job seekers, youth, businesses, and those seeking training with the resources available to them. Funding is to be provided through block grants from the U.S. Department of Labor. One County Commissioner from each participating county is appointed to the Joint Powers Board.

Separate, complete financial information can be obtained from Central Minnesota Jobs and Training Services, 406 East 7<sup>th</sup> Street, Monticello, Minnesota 55362.

D. Jointly Governed Organizations

Wright County, in conjunction with other governmental entities and various private organizations, has formed the following jointly-governed organizations:

Great River Regional Library

The Great River Regional Library operates under a joint powers agreement and according to the authority granted by Minnesota Statutes. The specific operating framework is set forth in a service agreement which has been entered into by each of the seven members. The membership consists of six counties including Wright County and the City of St. Cloud. The Board of Directors consists of 15 people. The Wright Board of County Commissioners is entitled to appoint three people to the Board. The County's 2015 contribution to the Great River Regional Library of \$1,947,067 is included in the expenditures of the General Fund. Separate financial information can be obtained from: Great River Regional Library, 1300 W. St. Germain Street, St. Cloud, MN 56301.

**WRIGHT COUNTY  
BUFFALO, MINNESOTA  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2015**

**NOTE 7 SUMMARY OF SIGNIFICANT CONTINGENCIES AND OTHER ITEMS (CONTINUED)**

D. Jointly Governed Organizations (Continued)

Counties Computer Cooperative

The Counties Computer Cooperative was established to provide computer programming to member counties. During the year, Wright County expended \$104,674 to the Cooperative.

**NOTE 8 SUBSEQUENT EVENT**

On January 12, 2016, the County authorized issuance of \$6,875,000 in General Obligation Capital Improvement Bonds, Series 2016A. The bonds were issued for the purpose of financing the Highway Department building project. The interest rate on this bond is 2.0 to 3.0 percent and is set to mature in 2035.

**REQUIRED SUPPLEMENTARY INFORMATION  
OTHER THAN MD&A**

**WRIGHT COUNTY  
BUFFALO, MINNESOTA  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
YEAR ENDED DECEMBER 31, 2015**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Taxes	\$ 32,960,001	\$ 32,960,001	\$ 32,328,351	\$ (631,650)
Licenses and Permits	102,750	102,750	136,573	33,823
Intergovernmental	6,448,130	6,448,130	7,146,711	698,581
Charges for Services	8,454,492	8,454,492	9,389,376	934,884
Fines and Forfeits	171,000	171,000	114,708	(56,292)
Gifts and Contributions	-	-	851	851
Investment Earnings (Loss)	1,300,000	1,300,000	929,837	(370,163)
Miscellaneous	1,626,022	1,626,022	1,559,870	(66,152)
Total Revenues	51,062,395	51,062,395	51,606,277	543,882
<b>EXPENDITURES</b>				
<b>CURRENT</b>				
<b>GENERAL GOVERNMENT</b>				
Commissioners	330,069	330,069	303,045	27,024
Courts	185,000	185,000	245,380	(60,380)
Court Services	3,302,942	3,302,942	3,256,578	46,364
County Administration	1,078,889	1,078,889	994,798	84,091
County Auditor/Treasurer	2,188,103	2,260,205	2,112,045	148,160
County Assessor	1,476,993	1,482,485	1,348,071	134,414
Elections	9,600	9,600	30,167	(20,567)
Information Technology	1,810,260	1,810,260	1,653,540	156,720
Attorney	2,704,506	2,879,088	2,767,334	111,754
Recorder	636,531	636,531	604,066	32,465
Surveyor	696,059	714,146	647,781	66,365
Planning and Zoning	1,237,873	1,252,500	1,211,550	40,950
Buildings and Plant	3,064,850	3,064,850	2,797,472	267,378
Veterans Service Officer	138,884	138,884	133,298	5,586
Other General Government	4,414,630	3,314,457	2,756,323	558,134
Total General Government	23,275,189	22,459,906	20,861,448	1,598,458
<b>PUBLIC SAFETY</b>				
Sheriff	17,583,229	17,627,651	17,467,193	160,458
Coroner	316,458	316,458	316,458	-
County Jail	5,770,839	5,784,522	5,495,654	288,868
Civil Defense	109,854	109,854	102,849	7,005
Total Public Safety	23,780,380	23,838,485	23,382,154	456,331

*The Notes to the Required Supplementary Information are an Integral Part of this Schedule.*

**WRIGHT COUNTY  
BUFFALO, MINNESOTA  
BUDGETARY COMPARISON SCHEDULE (CONTINUED)  
GENERAL FUND  
YEAR ENDED DECEMBER 31, 2015**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>EXPENDITURES (CONTINUED)</b>				
<b>CURRENT (CONTINUED)</b>				
<b>CULTURE AND RECREATION</b>				
Parks	\$ 1,589,370	\$ 1,589,370	\$ 1,443,951	\$ 145,419
<b>CONSERVATION OF NATURAL RESOURCES</b>				
County Extension	285,379	289,018	268,346	20,672
Soil and Water Conservation	125,010	125,010	122,610	2,400
Total Conservation of Natural Resources	410,389	414,028	390,956	23,072
<b>INTERGOVERNMENTAL</b>				
Culture and Recreation	1,947,067	1,947,067	1,947,067	-
Total Expenditures	51,002,395	50,248,856	48,025,576	2,223,280
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	60,000	813,539	3,580,701	2,767,162
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	-	-	5,000	5,000
Transfers Out	(100,000)	(853,539)	(3,430,000)	(2,576,461)
Proceeds from Sale of Assets	40,000	40,000	47,808	7,808
Total Other Financing Sources (Uses)	(60,000)	(813,539)	(3,377,192)	(2,563,653)
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ -</u>	<u>\$ -</u>	203,509	<u>\$ 203,509</u>
Fund Balance - Beginning of Year			33,528,481	
<b>FUND BALANCE - END OF YEAR</b>			<u>\$33,731,990</u>	

The Notes to the Required Supplementary Information are an Integral Part of this Schedule.

**WRIGHT COUNTY  
BUFFALO, MINNESOTA  
BUDGETARY COMPARISON SCHEDULE  
ROAD AND BRIDGE SPECIAL REVENUE FUND  
YEAR ENDED DECEMBER 31, 2015**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Taxes	\$ 8,266,619	\$ 8,266,619	\$ 8,347,504	\$ 80,885
Intergovernmental	11,757,958	11,757,958	13,295,206	1,537,248
Charges for Services	905,000	905,000	862,821	(42,179)
Miscellaneous	105,217	105,217	90,254	(14,963)
Total Revenues	21,034,794	21,034,794	22,595,785	1,560,991
<b>EXPENDITURES</b>				
<b>CURRENT</b>				
<b>HIGHWAYS AND STREETS</b>				
Administration	585,651	615,671	586,238	29,433
Maintenance	5,464,456	5,536,555	5,558,271	(21,716)
Construction	11,753,336	11,803,549	12,615,170	(811,621)
Equipment and Maintenance Shops	2,226,741	2,246,648	1,557,941	688,707
Total Highways and Streets	20,030,184	20,202,423	20,317,620	(115,197)
<b>INTERGOVERNMENTAL</b>				
Highways and Streets	448,808	448,808	474,119	(25,311)
<b>DEBT SERVICE</b>				
Principal	523,149	523,149	523,148	1
Interest	32,653	32,653	32,653	-
Total Debt Service	555,802	555,802	555,801	1
Total Expenditures	21,034,794	21,207,033	21,347,540	(140,507)
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	-	(172,239)	1,248,245	1,420,484
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	-	172,239	-	(172,239)
Proceeds from Sale of Assets	-	-	34,373	34,373
Total Other Financing Sources (Uses)	-	172,239	34,373	(137,866)
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ -</u>	<u>\$ -</u>	1,282,618	<u>\$ 1,282,618</u>
Fund Balance - Beginning of Year			9,618,513	
Increase in Inventory			382,306	
<b>FUND BALANCE - END OF YEAR</b>			<u>\$ 11,283,437</u>	

The Notes to the Required Supplementary Information are an Integral Part of this Schedule.

**WRIGHT COUNTY  
BUFFALO, MINNESOTA  
BUDGETARY COMPARISON SCHEDULE  
HUMAN SERVICES SPECIAL REVENUE FUND  
YEAR ENDED DECEMBER 31, 2015**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Taxes	\$ 8,510,626	\$ 8,510,626	\$ 8,270,107	\$ (240,519)
Intergovernmental	15,289,554	15,289,554	14,914,184	(375,370)
Charges for Services	1,206,100	1,206,100	1,096,967	(109,133)
Gifts and Contributions	14,000	14,000	43,929	29,929
Investment Earnings	6,000	6,000	9,506	3,506
Miscellaneous	329,800	329,800	325,742	(4,058)
Total Revenues	25,356,080	25,356,080	24,660,435	(695,645)
<b>EXPENDITURES</b>				
<b>CURRENT</b>				
<b>HUMAN SERVICES</b>				
Income Maintenance	6,405,860	6,587,205	6,116,893	470,312
Social Services	15,144,280	15,434,638	14,334,499	1,100,139
Total Human Services	21,550,140	22,021,843	20,451,392	1,570,451
<b>HEALTH</b>				
Nursing Services	3,805,940	3,915,537	3,736,531	179,006
Total Expenditures	25,356,080	25,937,380	24,187,923	1,749,457
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	-	(581,300)	472,512	1,053,812
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	-	581,300	-	(581,300)
<b>NET CHANGE IN FUND BALANCE</b>	\$ -	\$ -	472,512	\$ 472,512
Fund Balance - Beginning of Year			7,407,228	
<b>FUND BALANCE - END OF YEAR</b>			\$ 7,879,740	

The Notes to the Required Supplementary Information are an Integral Part of this Schedule.

**WRIGHT COUNTY  
BUFFALO, MINNESOTA  
BUDGETARY COMPARISON SCHEDULE  
DEBT SERVICE FUND  
YEAR ENDED DECEMBER 31, 2015**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Taxes	\$ 4,699,316	\$ 4,699,316	\$ 4,673,480	\$ (25,836)
Special Assessments	-	-	56,534	56,534
Intergovernmental	-	-	33,710	33,710
Investment Earnings	-	-	433	433
Total Revenues	4,699,316	4,699,316	4,764,157	64,841
<b>EXPENDITURES</b>				
<b>CURRENT</b>				
<b>GENERAL GOVERNMENT</b>				
Administration	-	-	7,068	(7,068)
<b>DEBT SERVICE</b>				
Principal	2,320,000	2,320,000	2,460,000	(140,000)
Interest	2,155,539	2,155,539	2,184,799	(29,260)
Bond Issue Costs	223,777	223,777	2,575	221,202
Administrative (Fiscal) Charges	-	-	1,725	(1,725)
Total Debt Service	4,699,316	4,699,316	4,649,099	50,217
Total Expenditures	4,699,316	4,699,316	4,656,167	43,149
<b>NET CHANGE IN FUND BALANCE</b>	<b>\$ -</b>	<b>\$ -</b>	107,990	<b>\$ 107,990</b>
Fund Balance - Beginning of Year			3,246,413	
<b>FUND BALANCE - END OF YEAR</b>			<b>\$ 3,354,403</b>	

The Notes to the Required Supplementary Information are an Integral Part of this Schedule.

**WRIGHT COUNTY  
BUFFALO, MINNESOTA  
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION  
YEAR ENDED DECEMBER 31, 2015**

**I. BUDGETARY INFORMATION**

Wright County (the County) Board adopts an annual budget for the following major funds: The General Fund, Road and Bridge Special Revenue Fund, Human Services Special Revenue Fund and Debt Service Fund. These budgets are prepared on the modified accrual basis of accounting. Annual budgets are not adopted for the Capital Projects Fund, Solid Waste Fund, Reserve Fund, and Ditch Fund.

Based on a process established by the Board of County Commissioners, all departments of the County submit requests for appropriations to the County Coordinator each year. After review, analysis and discussions with the departments, the County Coordinator's proposed budget is presented to the Board of County Commissioners for review. The Board of County Commissioners holds public hearings and a final budget must be prepared and adopted no later than December 31.

The overall budget is prepared by fund, function, and department. The legal level of budgetary control – the level at which expenditures may not legally exceed appropriations – is the fund level. Budgets may be amended during the year with proper approval.

Encumbrance accounting is employed in governmental funds. Encumbrances outstanding at year-end are reported as assignments of fund balances and do not constitute expenditures or liabilities because the commitments will be re-apportioned and honored during the subsequent year.

**II. EXCESS OF EXPENDITURES OVER APPROPRIATIONS**

The following funds had expenditures in excess of budget at the fund level for the year ended December 31, 2015:

	<u>Expenditures</u>	<u>Budgets</u>	<u>Excess</u>
Road and Bridge Fund	\$ 21,347,540	\$ 21,207,033	\$ 140,507

The excess expenditures were funded with existing fund balance and greater than anticipated revenues.

**III. OTHER POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS FUNDING STATUS**

Since Wright County has not irrevocably deposited funds in a trust for future health benefits, the actuarial value to pay the actuarial accrued liability for postemployment benefits is zero.

**WRIGHT COUNTY  
BUFFALO, MINNESOTA  
SCHEDULE OF FUNDING PROGRESS  
OTHER POSTEMPLOYMENT BENEFIT PLAN  
YEAR ENDED DECEMBER 31, 2015**

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (b)	Unfunded Actuarial Accrued Liability (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAAL as a Percentage of Covered Payroll ((b-a)/c)
1/1/2014	\$ -	\$ 3,864,249	\$ 3,864,249	- %	\$ 38,005,546	10.2 %
1/1/2012	-	2,624,292	2,624,292	-	36,812,121	7.1
1/1/2010	-	2,252,205	2,252,205	-	35,840,320	6.3
1/1/2008	-	1,743,959	1,743,959	-	34,099,672	5.1

**WRIGHT COUNTY  
BUFFALO, MINNESOTA  
SCHEDULE OF THE COUNTY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY  
YEAR ENDED DECEMBER 31, 2015**

**PERA General Employees Retirement Fund**

	Measurement Date <u>June 30, 2015</u>
County's Proportion of the Net Pension Liability (Asset)	0.4470%
County's Proportionate Share of the Net Pension Liability (Asset)	\$ 23,165,860
County's Covered Payroll	\$ 26,205,180
County's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its Covered Payroll	88.40%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	78.19%

**PERA Public Employees Police and Fire Fund**

	Measurement Date <u>June 30, 2015</u>
County's Proportion of the Net Pension Liability (Asset)	1.008%
County's Proportionate Share of the Net Pension Liability (Asset)	\$ 11,453,239
County's Covered Payroll	\$ 9,265,274
County's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its Covered Payroll	123.61%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	86.61%

**PERA Public Employees Correctional Fund**

	Measurement Date <u>June 30, 2015</u>
County's Proportion of the Net Pension Liability (Asset)	1.68%
County's Proportionate Share of the Net Pension Liability (Asset)	\$ 259,728
County's Covered Payroll	\$ 2,979,537
County's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its Covered Payroll	8.72%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	96.95%

This schedule is intended to show information for ten years. Additional years will be displayed as they become available. The measurement date for each year is June 30.

**WRIGHT COUNTY  
BUFFALO, MINNESOTA  
SCHEDULE OF COUNTY CONTRIBUTIONS  
DECEMBER 31, 2015**

	<b>2015</b>
<b>PERA General Employees Retirement Fund</b>	
Statutorily Required Contributions	\$ 2,001,725
Actual Contributions in Relation to the Statutorily Required Contributions	<u>(2,001,725)</u>
Contribution (Deficiency) Excess	<u><u>\$ -</u></u>
 County's Covered Payroll	 \$26,689,675
 Contributions as a Percentage of Covered Payroll	 7.50%

	<b>2015</b>
<b>PERA Public Employees Police and Fire Fund</b>	
Statutorily Required Contributions	\$ 1,524,071
Actual Contributions in Relation to the Statutorily Required Contributions	<u>(1,524,071)</u>
Contribution (Deficiency) Excess	<u><u>\$ -</u></u>
 County's Covered Payroll	 \$ 9,410,914
 Contributions as a Percentage of Covered Payroll	 16.19%

	<b>2015</b>
<b>PERA Public Employees Correctional Fund</b>	
Statutorily Required Contributions	\$ 264,242
Actual Contributions in Relation to the Statutorily Required Contributions	<u>(264,242)</u>
Contribution (Deficiency) Excess	<u><u>\$ -</u></u>
 County's Covered Payroll	 \$ 3,019,913
 Contributions as a Percentage of Covered Payroll	 8.75%

This schedule is intended to show information for ten years. Additional years will be displayed as they become available. The County's year-end is December 31.

## **SUPPLEMENTARY INFORMATION**



**WRIGHT COUNTY  
BUFFALO, MINNESOTA  
NONMAJOR GOVERNMENTAL FUNDS  
YEAR ENDED DECEMBER 31, 2015**

The Solid Waste Special Revenue Fund is used to account for revenues and expenditures of the recycling and solid waste program. Revenues are derived from fees collected, special assessments, and various intergovernmental revenues.

The Ditch Special Revenue Fund is used to account the cost of constructing and maintaining an agricultural drainage ditch system. Financing is provided by special assessments levied against benefited property.

The Reserve Special Revenue Fund is used to account for the revenues and expenditures of the County's various specialty funding sources (i.e., E-911, Recorder's Technology and Compliance, etc.).



**WRIGHT COUNTY  
BUFFALO, MINNESOTA  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
YEAR ENDED DECEMBER 31, 2015**

	<u>Nonmajor Special Revenue Funds</u>			Total Nonmajor Funds
	Solid Waste	Ditch	Reserve Fund	
<b>ASSETS</b>				
Cash and Pooled Investments	\$ 1,243,377	\$ -	\$ 4,059,057	\$ 5,302,434
Special Assessments Receivable				
Delinquent	-	1,340	-	1,340
Noncurrent	-	16,390	-	16,390
Accounts Receivable	-	-	28,064	28,064
Loans Receivable	-	-	768,623	768,623
Due from Other Governments	-	-	28,442	28,442
	<u>1,243,377</u>	<u>17,730</u>	<u>4,884,186</u>	<u>6,145,293</u>
Total Assets	<u>\$ 1,243,377</u>	<u>\$ 17,730</u>	<u>\$ 4,884,186</u>	<u>\$ 6,145,293</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>				
<b>LIABILITIES</b>				
Accounts Payable	\$ 12,112	\$ 1,390	\$ 44,039	\$ 57,541
Salaries Payable	-	-	1,803	1,803
Due to Other Funds	-	3,191	-	3,191
Due to Other Governments	72,856	-	115,930	188,786
Advances from Other Funds	-	12,800	-	12,800
	<u>84,968</u>	<u>17,381</u>	<u>161,772</u>	<u>264,121</u>
Total Liabilities	84,968	17,381	161,772	264,121
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Unavailable Special Assessments	-	17,718	-	17,718
Unavailable Loans	-	-	768,623	768,623
	<u>-</u>	<u>17,718</u>	<u>768,623</u>	<u>786,341</u>
Total Deferred Inflows of Resources	-	17,718	768,623	786,341
<b>FUND BALANCES</b>				
Restricted	291,079	69,287	4,014,075	4,374,441
Assigned	867,330	-	-	867,330
Unassigned	-	(86,656)	(60,284)	(146,940)
	<u>1,158,409</u>	<u>(17,369)</u>	<u>3,953,791</u>	<u>5,094,831</u>
Total Fund Balances	1,158,409	(17,369)	3,953,791	5,094,831
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 1,243,377</u>	<u>\$ 17,730</u>	<u>\$ 4,884,186</u>	<u>\$ 6,145,293</u>

**WRIGHT COUNTY  
BUFFALO, MINNESOTA  
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
YEAR ENDED DECEMBER 31, 2015**

	<u>Nonmajor Special Revenue Funds</u>			
	Solid Waste	Ditch	Reserve Fund	Total Nonmajor Funds
<b>REVENUES</b>				
Taxes	\$ -	\$ -	\$ 86,581	\$ 86,581
Special Assessments	-	73,633	99,592	173,225
Licenses and Permits	-	-	122,834	122,834
Intergovernmental	385,656	5,275	390,705	781,636
Charges for Services	48,004	-	933,147	981,151
Fines and Forfeits	-	-	109,042	109,042
Gifts and Contributions	-	-	150	150
Investment Earnings	920	-	8,889	9,809
Miscellaneous	-	-	64,426	64,426
Total Revenues	434,580	78,908	1,815,366	2,328,854
<b>EXPENDITURES</b>				
<b>CURRENT</b>				
General Government	-	-	370,227	370,227
Public Safety	-	-	1,105,593	1,105,593
Highways and Streets	-	-	111,295	111,295
Sanitation	438,585	-	-	438,585
Culture and Recreation	-	-	96,979	96,979
Conservation of Natural Resources	-	64,666	226,539	291,205
Economic Development	-	-	30,000	30,000
<b>DEBT SERVICE</b>				
Principal	-	-	99,592	99,592
Total Expenditures	438,585	64,666	2,040,225	2,543,476
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	(4,005)	14,242	(224,859)	(214,622)
<b>OTHER FINANCING SOURCES (USES)</b>				
Loan Proceeds	-	-	226,545	226,545
<b>NET CHANGE IN FUND BALANCES</b>	(4,005)	14,242	1,686	11,923
Fund Balance - Beginning of Year	1,162,414	(31,611)	3,952,105	5,082,908
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ 1,158,409</u>	<u>\$ (17,369)</u>	<u>\$ 3,953,791</u>	<u>\$ 5,094,831</u>

**WRIGHT COUNTY  
BUFFALO, MINNESOTA  
AGENCY FUNDS  
YEAR ENDED DECEMBER 31, 2015**

Agency funds account for assets held in a custodial capacity for others.

State Revenue Fund is used to account for the collection and distribution of funds for the State of Minnesota.

Taxes and Penalties Fund is used to account for the collection of taxes and penalties and their payment to the various taxing districts.

Towns, Cities, Schools and Special Districts Fund is used to account for the collection of taxes and penalties and their distribution to the various towns, cities, schools and special districts.

Family Services Collaborative Fund is used to account for collection and payment of funds of the Family Services Collaborative.

Social Welfare Fund is used to account for the collection and payment of funds for the County's Social Welfare Fund clients.

Highway 55 Corridor Fund is used to account for the collection and payment of funds relating to the design and reconstruction of the Highway 55 Corridor project.

Jail Inmate Fund is used to account for the collection and payment of funds for the County Jail's inmates.

Cafeteria Trust Fund is used to account for the collection and payment of funds of the County's cafeteria fund.

Lake Improvement Districts Fund is used to account for the collection and payment of funds of the Lake Improvement Districts.

Watershed Districts Fund is used to account for the collection and payment of funds of the various watershed districts within the County.

Historian Fund is used to account for the collection and payment of funds of the County's historian fund.

Soil and Water Fund is used to account for the collection and payment of funds of the County's soil and water fund.



**WRIGHT COUNTY  
BUFFALO, MINNESOTA  
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
ALL AGENCY FUNDS  
YEAR ENDED DECEMBER 31, 2015**

	Balance January 1	Additions	Deductions	Balance December 31
<b>STATE REVENUE</b>				
<b>ASSETS</b>				
Cash and Pooled Investments	\$ 500,682	\$ 13,665,853	\$ 13,656,307	\$ 510,228
<b>LIABILITIES</b>				
Due to Other Governments	\$ 500,682	\$ 13,665,853	\$ 13,656,307	\$ 510,228
<b>TAXES AND PENALTIES</b>				
<b>ASSETS</b>				
Cash and Pooled Investments	\$ 1,338,794	\$ 184,144,875	\$ 184,355,462	\$ 1,128,207
<b>LIABILITIES</b>				
Due to Other Governments	\$ 1,338,794	\$ 184,144,875	\$ 184,355,462	\$ 1,128,207
<b>TOWNS, CITIES, SCHOOLS, AND SPECIAL DISTRICTS</b>				
<b>ASSETS</b>				
Cash and Pooled Investments	\$ 436,860	\$ 1,128,508	\$ 1,239,363	\$ 326,005
<b>LIABILITIES</b>				
Due to Other Governments	\$ 436,860	\$ 1,128,508	\$ 1,239,363	\$ 326,005
<b>FAMILY SERVICES COLLABORATIVE</b>				
<b>ASSETS</b>				
Cash and Pooled Investments	\$ 263,702	\$ 331,997	\$ 401,160	\$ 194,539
Due from Other Governments	83,847	85,636	83,847	85,636
Total Assets	<u>\$ 347,549</u>	<u>\$ 417,633</u>	<u>\$ 485,007</u>	<u>\$ 280,175</u>
<b>LIABILITIES</b>				
Due to Other Governments	<u>\$ 347,549</u>	<u>\$ 417,633</u>	<u>\$ 485,007</u>	<u>\$ 280,175</u>

**WRIGHT COUNTY  
BUFFALO, MINNESOTA  
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES (CONTINUED)  
ALL AGENCY FUNDS  
YEAR ENDED DECEMBER 31, 2015**

	Balance January 1	Additions	Deductions	Balance December 31
<b>SOCIAL WELFARE</b>				
<b>ASSETS</b>				
Cash and Pooled Investments	\$ 159,923	\$ 1,456,428	\$ 1,379,247	\$ 237,104
<b>LIABILITIES</b>				
Funds Held in Trust	\$ 159,923	\$ 1,456,428	\$ 1,379,247	\$ 237,104
<b>HIGHWAY 55 CORRIDOR</b>				
<b>ASSETS</b>				
Cash and Pooled Investments	\$ 31,140	\$ 7,150	\$ 8,514	\$ 29,776
<b>LIABILITIES</b>				
Due to Other Governments	\$ 31,140	\$ 7,150	\$ 8,514	\$ 29,776
<b>JAIL INMATE</b>				
<b>ASSETS</b>				
Cash and Pooled Investments	\$ 47,375	\$ 964,264	\$ 937,405	\$ 74,234
<b>LIABILITIES</b>				
Funds Held in Trust	\$ 47,375	\$ 964,264	\$ 937,405	\$ 74,234
<b>CAFETERIA TRUST</b>				
<b>ASSETS</b>				
Cash and Pooled Investments	\$ 39,959	\$ 878,161	\$ 729,581	\$ 188,539
<b>LIABILITIES</b>				
Funds Held in Trust	\$ 39,959	\$ 878,161	\$ 729,581	\$ 188,539
<b>LAKE IMPROVEMENT DISTRICTS</b>				
<b>ASSETS</b>				
Cash and Pooled Investments	\$ 133,774	\$ 67,675	\$ 54,183	\$ 147,266
<b>LIABILITIES</b>				
Due to Other Governments	\$ 133,774	\$ 67,675	\$ 54,183	\$ 147,266

**WRIGHT COUNTY  
BUFFALO, MINNESOTA  
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES (CONTINUED)  
ALL AGENCY FUNDS  
YEAR ENDED DECEMBER 31, 2015**

	Balance January 1	Additions	Deductions	Balance December 31
<b>WATERSHED DISTRICTS</b>				
<b>ASSETS</b>				
Cash and Pooled Investments	\$ 162,348	\$ 356,765	\$ 336,698	\$ 182,415
<b>LIABILITIES</b>				
Due to Other Governments	\$ 162,348	\$ 356,765	\$ 336,698	\$ 182,415
<b>HISTORIAN</b>				
<b>ASSETS</b>				
Cash and Pooled Investments	\$ (21,566)	\$ 240,313	\$ 219,940	\$ (1,193)
<b>LIABILITIES</b>				
Due to Other Governments	\$ (21,566)	\$ 240,313	\$ 219,940	\$ (1,193)
<b>SOIL AND WATER</b>				
<b>ASSETS</b>				
Cash and Pooled Investments	\$ (21,073)	\$ 504,639	\$ 507,957	\$ (24,391)
<b>LIABILITIES</b>				
Due to Other Governments	\$ (21,073)	\$ 504,639	\$ 507,957	\$ (24,391)
<b>TOTAL ALL AGENCY FUNDS</b>				
<b>ASSETS</b>				
Cash and Pooled Investments	\$ 3,071,918	\$ 203,746,628	\$ 203,825,817	\$ 2,992,729
Due from Other Governments	83,847	85,636	83,847	85,636
Total Assets	<u>\$ 3,155,765</u>	<u>\$ 203,832,264</u>	<u>\$ 203,909,664</u>	<u>\$ 3,078,365</u>
<b>LIABILITIES</b>				
Funds Held in Trust	\$ 247,257	\$ 3,298,853	\$ 3,046,233	\$ 499,877
Due to Other Governments	2,908,508	200,533,411	200,863,431	2,578,488
Total Liabilities	<u>\$ 3,155,765</u>	<u>\$ 203,832,264</u>	<u>\$ 203,909,664</u>	<u>\$ 3,078,365</u>

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**WRIGHT COUNTY  
BUFFALO, MINNESOTA  
SCHEDULE OF INTERGOVERNMENTAL REVENUE  
YEAR ENDED DECEMBER 31, 2015**

**SHARED REVENUE**

**STATE**

Highway Users Tax	\$ 11,969,323
County Program Aid	5,451,012
Market Value Credit	418,631
PERA Rate Reimbursement	81,912
Disparity Reduction Aid	5,391
Police Aid	1,088,006
Aquatic Invasive Species	240,722
Enhanced 911	228,946
SCORE	385,656

Total Shared Revenue	19,869,599
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**REIMBURSEMENT FOR SERVICES**

**STATE**

Minnesota Department of Human Services	2,781,940
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**PAYMENTS**

Local	82,151
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**PAYMENTS IN LIEU OF TAX**

161,988

**GRANTS**

**STATE**

Minnesota Department of	
Corrections	825,952
Public Safety	173,473
Health	856,647
Natural Resources	1,517,921
Human Services	4,463,075
Transportation	15,178
Veteran Affairs	14,316
Pollution Control Agency	26,008
Water and Soil Resources Board	98,666
Peace Officer Standards and Training Board	44,313

Total State	8,035,549
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**FEDERAL**

Department of	
Agriculture	505,011
Interior	10,069
Justice	34,763
Transportation	270,647
Education	3,255
Health and Human Services	5,688,474
Homeland Security	128,001

Total Federal	6,640,220
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Total State and Federal Grants	14,675,769
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Total Intergovernmental Revenue	\$ 37,571,447
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**WRIGHT COUNTY  
BUFFALO, MINNESOTA  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
YEAR ENDED DECEMBER 31, 2015**

Federal Grantor Pass Through Agency Grant Program Title	Federal CFDA Number	Pass-through Grant Numbers	Expenditures	Passed Through to Subrecipients
U.S. Department of Agriculture Passed Through Minnesota Department of Human Services State Administrative Matching Grants for Supplemental Nutrition Assistance Program	10.561	15152MN10152514	\$ 505,011	\$ -
U.S. Department of Interior Direct National Wildlife Refuge Fund	15.659	N/A	10,069	-
U.S. Department of Justice Direct State Criminal Alien Assistance Program	16.606	H0218-MN-AP	11,726	-
Passed Through Minnesota Department of Public Safety  Juvenile Accountability Block Grants	16.523	A-JABGSP-2014- WRIGHTCS-00002	<u>23,037</u>	<u>-</u>
Total Department of Justice			34,763	-
U.S. Department of Transportation Passed Through Minnesota Department of Transportation Highway Planning and Construction	20.205	8611229 8612277 H120006 8614183 8613189	\$ (500) 5,510 4,201 176,413 <u>50,668</u>	236,292    -
Passed Through Minnesota Department of Public Safety  State and Community Highway Safety (Part of Highway Safety Cluster) (Total expenditures for Highway Safety Cluster \$14,596)	20.600	A-ENFRC15-2015- WRIGHTSD-00041	5,452	699
National Priority Safety Programs (Part of Highway Safety Cluster) (Total expenditures for Highway Safety Cluster \$14,596)	20.616	A-ENFRC15-2015- WRIGHTSD-00041	9,144	1,470
Minimum Penalties for Repeat Offenders for Driving While Intoxicated	20.608	A-ENFRC15-2015- WRIGHTSD-00041	<u>19,759</u>	<u>2,742</u>
Total Department of Transportation			270,647	4,911
U.S. Department of Education Passed Through Minnesota Department of Health Special Education-Grants for Infants and Families	84.181	12-700-00103	3,255	-

**WRIGHT COUNTY  
BUFFALO, MINNESOTA  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)  
YEAR ENDED DECEMBER 31, 2015**

Federal Grantor Pass Through Agency Grant Program Title	Federal CFDA Number	Pass-through Grant Numbers	Expenditures	Passed Through to Subrecipients
U.S. Department of Health and Human Services				
Passed Through Minnesota Department of Health				
Public Health Emergency Preparedness Hospital Preparedness Program (HPP) and Public Health Emergency Preparedness (PHEP) Aligned Cooperative Agreements	93.069	U90TP000529	\$ 90,073	\$ -
Universal Newborn Hearing Screening	93.074	U90TP000529	3,672	-
Immunization Cooperative Agreements	93.251	12-700-00103	2,825	-
Early Hearing Detection and Intervention Information System (EHD- IS) Surveillance Program	93.268	IP-150302CONT16	4,040	-
Temporary Assistance for Needy Families	93.314	12-700-00103	600	-
(Total Temporary Assistance for Needy Families 93.558 \$557,913)	93.558	12-700-00103	112,028	-
Maternal and Child Health Services Block Grants to the States	93.994	12-700-00103	84,324	-
Passed Through Minnesota Department of Human Services				
Promoting Safe and Stable Families	93.556	1401MNFPS	21,717	-
Temporary Assistance for Needy Families (Total Temporary Assistance for Needy Families 93.558 \$557,913)	93.558	1502MNTANF	445,885	312,371
Child Support Enforcement	93.563	1504MN4005	1,519,360	-
Refugee and Entrant Assistance - State-Administered Programs	93.566	1501MNRCA	697	-
Child Care and Development Block Grant	93.575	G1501MNCCDF	36,252	-
Community-Based Child Abuse Prevention Grants	93.590	1302MNFPRG	42,834	-
Stephanie Tubbs Jones Child Welfare Services Program	93.645	1401MNCWSS	9,724	-
Foster Care-Title IV-E	93.658	1501MNFOST	696,413	-
Social Services Block Grant	93.667	1501MNSOSR	532,887	-
Chafee Foster Care Independence Program	93.674	1401MN1420	4,635	-
Children's Health Insurance Program	93.767	1405MN5021	238	-
Medical Assistance Program (Total Medical Assistance Program 93.778 \$2,155,312)	93.778	1505MNADM	2,151,861	-
Passed Through Stearns County				
Medical Assistance Program (Total Medical Assistance Program 93.778 \$2,155,312)	93.778	Not Provided	3,451	-
Total Department of Health and Human Services			5,763,516	312,371

**WRIGHT COUNTY  
BUFFALO, MINNESOTA  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)  
YEAR ENDED DECEMBER 31, 2015**

Federal Grantor Pass Through Agency Grant Program Title	Federal CFDA Number	Pass-through Grant Numbers	Expenditures	Passed Through to Subrecipients
U.S. Department of Homeland Security				
Passed Through Minnesota Department of Natural Resources				
Boating Safety Financial Assistance	97.012	R29G4CGSFY15	\$ 7,322	\$ -
Passed Through Minnesota Department of Public Safety				
Hazard Mitigation Grant	97.039	A-HMGP-DR4113- WRIGHTCO-0005	12,792	-
Emergency Management Performance Grants	97.042	A-EMPG-2015- WRIGHTC-00090	53,061	-
Total Department of Homeland Security			<u>73,175</u>	<u>-</u>
Total Cash Type Federal Awards			<u>\$ 6,660,436</u>	<u>\$ 317,282</u>

**Notes to the Schedule of Federal Awards**

1. The Schedule of Expenditures of Federal Awards presents the federal award programs expended by Wright County. The County's reporting entity is defined in Note 1 to the financial statements.
2. The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of Wright County under programs of the federal government for the year ended December 31, 2015. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the schedule presents only a selected portion of the operations of Wright County, it is not intended to and does not present the financial position or changes in net position of Wright County.
3. Expenditures reported on the schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following, as applicable, either the cost principles contained in OMB Circular A-87, *Cost Principles for State, Local and Indian Tribal Governments*, or the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years. Wright County has elected to not use the 10 percent de minimis indirect cost rate allowed under the Uniform Guidance.
4. Reconciliation to the Schedule of Intergovernmental Revenue

Federal Grant Revenue per Schedule of Intergovernmental Revenue:	\$ 6,640,220
Grants received more than 60 days after year-end, unavailable in 2015:	
Child Support Enforcement	78,000
Grants Unavailable in 2014, recognized as revenue in 2015:	
Child Care and Development Block Grant	(2,958)
Emergency Management Performance Grants	<u>(54,826)</u>
Expenditures per Schedule of Expenditures of Federal Awards	<u>\$ 6,660,436</u>

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**STATISTICAL SECTION (UNAUDITED)**



## STATISTICAL SECTION (UNAUDITED)

This part of Wright County, Minnesota's Comprehensive Annual Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about Wright County, Minnesota's overall financial health.

### Contents

#### **Financial Trends**

These schedules contain trend information to help the reader understand how the County's financial performance and well-being have changed over time.

#### **Revenue Capacity**

These schedules contain information to help the reader assess the County's most significant local revenue source, the property tax.

#### **Debt Capacity**

These schedules present information to help the reader assess the affordability of the County's current levels of outstanding debt and the County's ability to issue additional debt in the future.

#### **Demographic and Economic Information**

These schedules offer demographic and economic indicators to help the reader understand the environment within the County's financial activities take place.

#### **Operating Information**

These schedules contain service and infrastructure data to help the reader understand how the information in the County's financial report relates to the services the County provides and the activities it performs.

**Sources:** Unless otherwise noted, the information in these tables is derived from the County's annual financial reports for the relevant year.

**WRIGHT COUNTY  
BUFFALO, MINNESOTA  
NET POSITION BY COMPONENT  
LAST TEN FISCAL YEARS**

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
Governmental Activities				
Net Investment in Capital Assets	\$ 130,044,967	\$ 148,148,699	\$ 159,513,580	\$ 165,619,544
Restricted	5,050,784	3,513,673	6,603,040	7,041,230
Unrestricted	26,129,691	31,362,010	33,624,622	38,346,527
Total Governmental Activities	<u>\$ 161,225,442</u>	<u>\$ 183,024,382</u>	<u>\$ 199,741,242</u>	<u>\$ 211,007,301</u>

*Continued on Next Page  
Unaudited*

2010	2011	2012	2013	2014	2015
\$ 176,096,211	\$ 185,845,782	\$ 193,668,631	\$ 203,547,704	\$ 212,664,819	\$ 224,584,859
5,288,015	8,937,428	8,397,482	8,497,233	8,830,045	9,524,559
44,044,112	39,957,997	44,701,571	45,663,896	49,444,514	16,240,345
<u>\$ 225,428,338</u>	<u>\$ 234,741,207</u>	<u>\$ 246,767,684</u>	<u>\$ 257,708,833</u>	<u>\$ 270,939,378</u>	<u>\$ 250,349,763</u>

**WRIGHT COUNTY  
BUFFALO, MINNESOTA  
CHANGES IN NET POSITION  
LAST TEN FISCAL YEARS**

	2006	2007	2008	2009
<b>Expenses</b>				
Governmental Activities				
General Government	\$ 18,057,741	\$ 18,765,778	\$ 20,484,594	\$ 19,080,422
Public Safety	16,067,582	18,785,432	19,229,037	24,111,249
Highways and Streets	8,939,599	9,920,610	8,527,963	9,879,262
Sanitation	677,512	789,498	816,173	800,374
Human Services	17,123,327	17,954,292	19,056,299	18,452,789
Health	3,045,378	3,024,083	3,106,525	3,164,911
Culture and Recreation	870,368	1,169,471	1,557,146	3,046,907
Conservation of Natural Resources	359,932	358,176	394,190	493,765
Economic Development	-	-	-	50,000
Interest	975,611	919,400	3,195,499	3,066,853
Total Governmental Activities Expenses	<u>\$ 66,117,050</u>	<u>\$ 71,686,740</u>	<u>\$ 76,367,426</u>	<u>\$ 82,146,532</u>
<b>Program Revenues</b>				
Governmental Activities				
Charges for Services				
General Government	\$ 4,551,782	\$ 4,389,274	\$ 6,759,512	\$ 8,986,484
Public Safety	4,347,345	5,072,950	5,485,827	5,745,432
Highways and Streets	882,210	964,294	1,068,736	1,004,290
Sanitation	179,166	75,011	1,240,968	1,432,605
Human Services	1,003,752	946,060	1,348,734	1,368,302
Health	273,040	397,775	372,067	330,078
Culture and Recreation	149,013	49,365	186,117	133,705
Conservation of Natural Resources	19,972	15,730	7,152	103,799
Economic Development	-	-	-	53,426
Operating Grants and Contributions				
General Government	1,105,680	1,600,261	834,356	848,995
Public Safety	1,076,584	1,002,416	944,622	1,471,059
Highways and Streets	4,339,288	984,006	2,611,331	2,768,835
Sanitation	242,244	-	649,478	362,893
Human Services	8,944,402	9,751,262	10,260,843	9,984,955
Health	1,045,700	1,420,647	1,187,861	1,248,920
Culture and Recreation	-	139,083	87,836	54,371
Conservation of Natural Resources	-	-	-	58,980
Capital Grants and Contributions				
General Government	312,203	-	-	45,071
Public Safety	-	-	-	-
Highways and Streets	4,093,375	15,116,739	8,428,023	6,085,777
Culture and Recreation	-	-	1,557,806	311,889
Conservation of Natural Resources	1,281,159	1,191,873	-	-
Total Government Activities Program Revenues	<u>\$ 33,846,915</u>	<u>\$ 43,116,746</u>	<u>\$ 43,031,269</u>	<u>\$ 42,399,866</u>

Continued on Next Page  
Unaudited

2010	2011	2012	2013	2014	2015
\$ 21,796,688	\$ 21,850,395	\$ 20,101,370	\$ 21,060,826	\$ 21,221,246	\$ 23,711,238
25,477,543	26,291,092	23,427,750	24,563,663	24,199,046	26,158,300
9,740,054	11,950,462	13,369,035	15,840,685	13,537,749	14,898,705
751,181	898,208	921,626	723,063	755,221	740,187
18,560,148	19,452,503	18,486,259	19,408,975	19,599,633	19,864,509
3,510,419	3,756,495	3,269,904	3,372,922	3,402,064	3,528,033
2,257,509	1,560,045	2,763,756	2,856,740	3,310,397	3,077,424
455,188	441,475	559,540	612,276	551,942	683,262
-	-	-	100,000	-	30,000
2,933,453	2,821,166	2,566,133	2,652,264	2,246,202	2,274,662
<u>\$ 85,482,183</u>	<u>\$ 89,021,841</u>	<u>\$ 85,465,373</u>	<u>\$ 91,191,414</u>	<u>\$ 88,823,500</u>	<u>\$ 94,966,320</u>
\$ 8,914,643	\$ 9,270,376	\$ 5,370,978	\$ 5,015,641	\$ 4,429,190	\$ 4,569,318
5,752,092	5,880,045	5,936,330	6,419,259	6,997,334	7,326,397
934,299	1,264,462	943,464	974,862	905,547	889,583
1,410,446	1,342,521	1,242,311	95,827	74,650	124,584
1,594,173	1,146,133	1,404,825	1,296,795	611,862	1,028,772
489,251	322,537	479,009	403,152	385,840	336,472
123,579	124,530	128,552	179,446	196,169	286,691
18,624	274	1,700	143,818	103,884	76,730
3,717	181,676	67,446	146,025	7,929	196,438
1,068,438	817,944	819,802	1,011,509	700,732	926,177
1,641,573	1,486,488	1,382,828	1,514,055	1,644,833	1,723,936
3,264,653	3,424,385	4,166,993	6,300,885	4,609,483	12,016,480
370,295	302,371	308,111	308,874	352,358	385,656
10,797,331	11,168,953	11,119,065	11,839,034	13,068,469	13,043,091
1,722,134	1,393,340	990,379	1,188,886	1,162,903	1,469,564
-	85,123	115,178	147,908	78,573	79,066
59,406	97,133	101,019	50,510	158,835	296,507
426,129	13,391	-	-	-	-
718,200	228,766	6,267	12,755	11,218	-
6,623,455	4,854,642	6,558,643	10,261,739	6,988,581	265,182
616,858	608,497	240,104	1,203	2,697,145	1,400,000
-	-	-	-	-	-
<u>\$ 46,549,296</u>	<u>\$ 44,013,587</u>	<u>\$ 41,383,004</u>	<u>\$ 47,312,183</u>	<u>\$ 45,185,535</u>	<u>\$ 46,440,644</u>

Continued on Next Page  
Unaudited

**WRIGHT COUNTY  
BUFFALO, MINNESOTA  
CHANGES IN NET POSITION (CONTINUED)  
LAST TEN FISCAL YEARS**

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
<b>Net (Expense) Revenue</b>				
Governmental Activities				
General Government	\$ (12,088,076)	\$ (12,776,243)	\$ (12,890,726)	\$ (9,199,872)
Public Safety	(10,643,653)	(12,710,066)	(12,798,588)	(16,894,758)
Highways and Streets	375,274	7,144,429	3,580,127	(20,360)
Sanitation	(256,102)	(714,487)	1,074,273	995,124
Human Services	(7,175,173)	(7,256,970)	(7,446,722)	(7,099,532)
Health	(1,726,638)	(1,205,661)	(1,546,597)	(1,585,913)
Culture and Recreation	(721,355)	(981,023)	274,613	(2,546,942)
Conservation of Natural Resources	941,199	849,427	(387,038)	(330,986)
Economic Development	-	-	-	3,426
Interest	(975,611)	(919,400)	(3,195,499)	(3,066,853)
Total Governmental Activities Net (Expense) Revenue	<u>\$ (32,270,135)</u>	<u>\$ (28,569,994)</u>	<u>\$ (33,336,157)</u>	<u>\$ (39,746,666)</u>
 <b>General Revenues and Other Changes in Net Position</b>				
Governmental Activities				
Property Taxes	\$ 32,665,941	\$ 35,572,233	\$ 40,731,165	\$ 43,165,642
Gravel Taxes	109,661	57,773	120,736	168,629
Mortgage Registry and Deed Tax	257,483	229,774	142,508	128,433
Grants and Contributions not Restricted for a Particular Purpose	6,474,941	6,308,607	5,330,495	6,319,438
Investment Earnings (Loss)	2,869,773	1,620,342	3,121,788	1,128,737
Miscellaneous	4,740,312	6,550,355	582,996	71,890
Gain on Sale of Capital Assets	728,538	-	22,329	29,956
Gifts and Contributions	-	30,850	-	-
Total Governmental Activities	<u>47,846,649</u>	<u>50,369,934</u>	<u>50,052,017</u>	<u>51,012,725</u>
 <b>Change in Net Position</b>				
Governmental Activities	<u>\$ 15,576,514</u>	<u>\$ 21,799,940</u>	<u>\$ 16,715,860</u>	<u>\$ 11,266,059</u>

Note: Net revenue (expense) is the difference between the expenses and program revenue of a function or program. It indicates the degree to which a function or program is supported with its own fees and program specific grants versus its reliance upon funding from taxes and other government revenues.

2010	2011	2012	2013	2014	2015
\$ (11,387,478)	\$ (11,748,684)	\$ (13,910,590)	\$ (15,033,676)	\$ (16,091,324)	\$ (18,215,743)
(17,365,678)	(18,695,793)	(16,102,325)	(16,617,594)	(15,545,661)	(17,107,967)
1,082,353	(2,406,973)	(1,699,935)	1,696,801	(1,034,138)	(1,727,460)
1,029,560	746,684	628,796	(318,362)	(328,213)	(229,947)
(6,168,644)	(7,137,417)	(5,962,369)	(6,273,146)	(5,919,302)	(5,792,646)
(1,299,034)	(2,040,618)	(1,800,516)	(1,780,884)	(1,853,321)	(1,721,997)
(1,517,072)	(741,895)	(2,279,922)	(2,528,183)	(338,510)	(1,311,667)
(377,158)	(344,068)	(456,821)	(417,948)	(289,223)	(310,025)
3,717	181,676	67,446	46,025	7,929	166,438
(2,933,453)	(2,821,166)	(2,566,133)	(2,652,264)	(2,246,202)	(2,274,662)
<u>\$ (38,932,887)</u>	<u>\$ (45,008,254)</u>	<u>\$ (44,082,369)</u>	<u>\$ (43,879,231)</u>	<u>\$ (43,637,965)</u>	<u>\$ (48,525,676)</u>
\$ 46,150,880	\$ 46,974,250	\$ 50,747,636	\$ 50,322,828	\$ 50,740,492	\$ 52,749,321
133,358	186,316	142,989	133,704	195,474	278,566
107,631	93,318	136,818	149,491	122,785	157,353
5,414,878	5,334,938	3,901,480	4,731,379	5,791,438	6,113,541
1,519,891	1,604,533	1,128,566	(563,929)	2,761,256	941,056
14,734	70,246	51,357	46,907	65,969	96,414
12,552	57,522	-	-	23,612	56,446
-	-	-	-	-	-
<u>53,353,924</u>	<u>54,321,123</u>	<u>56,108,846</u>	<u>54,820,380</u>	<u>59,701,026</u>	<u>60,392,697</u>
<u>\$ 14,421,037</u>	<u>\$ 9,312,869</u>	<u>\$ 12,026,477</u>	<u>\$ 10,941,149</u>	<u>\$ 16,063,061</u>	<u>\$ 11,867,021</u>

**WRIGHT COUNTY  
BUFFALO, MINNESOTA  
FUND BALANCES – GOVERNMENTAL FUNDS  
LAST TEN FISCAL YEARS**

	2006	2007	2008	2009
<b>General Fund</b>				
Nonspendable	\$ -	\$ -	\$ -	\$ -
Restricted (Reserved 2006-2010)	408,410	564,447	182,128	147,325
Assigned (Designated 2006-2010)	11,209,366	15,647,268	16,949,987	17,118,012
Unassigned (Undesignated 2006-2010)	9,186,456	5,275,153	3,089,218	7,006,132
<b>Total General Fund</b>	<b>\$ 20,804,232</b>	<b>\$ 21,486,868</b>	<b>\$ 20,221,333</b>	<b>\$ 24,271,469</b>
<b>All Other Governmental Funds</b>				
Nonspendable	\$ -	\$ -	\$ -	\$ -
Restricted (Reserved 2006-2010)	2,810,785	40,639,268	13,270,902	11,440,502
Committed	-	-	-	-
Assigned (Designated 2006-2010)				
Other Governmental Funds	-	-	619,151	587,836
Debt Service Fund	2,624,740	6,352,064	4,217,179	-
Capital Projects Fund	-	2,643,059	6,061,526	5,438,130
Road and Bridge	-	2,351,277	3,444,478	3,706,428
Human Services	4,472,568	4,606,540	3,550,897	3,575,099
Unassigned (Undesignated 2006-2010)	1,223,092	1,258,854	1,548,695	1,361,375
<b>Total All Other Governmental Funds</b>	<b>\$ 11,131,185</b>	<b>\$ 57,851,062</b>	<b>\$ 32,712,828</b>	<b>\$ 26,109,370</b>
<b>All Governmental Funds</b>				
Nonspendable	\$ -	\$ -	\$ -	\$ -
Restricted (Reserved 2006-2010)	3,219,195	41,203,715	13,453,030	11,587,827
Committed	-	-	-	-
Assigned (Designated 2006-2010)	18,306,674	31,600,208	34,843,218	30,425,505
Unassigned (Undesignated 2006-2010)	10,409,548	6,534,007	4,637,913	8,367,507
<b>Total All Governmental Funds</b>	<b>\$ 31,935,417</b>	<b>\$ 79,337,930</b>	<b>\$ 52,934,161</b>	<b>\$ 50,380,839</b>

Note: The County implemented GASB 54 in fiscal year 2011, resulting in significant reclassification of the components of fund balance. Years prior to 2011 have not been restated.

2010	2011	2012	2013	2014	2015
\$ -	\$ 17,400	\$ 12,800	\$ 12,800	\$ 12,800	\$ 17,300
19,750	-	-	-	104,976	-
17,819,358	2,435,766	2,481,153	2,605,142	2,577,100	2,131,332
8,833,293	26,503,243	27,521,498	27,567,091	30,833,605	31,583,358
<u>\$ 26,672,401</u>	<u>\$ 28,956,409</u>	<u>\$ 30,015,451</u>	<u>\$ 30,185,033</u>	<u>\$ 33,528,481</u>	<u>\$ 33,731,990</u>

\$ -	\$ 1,018,332	\$ 1,191,893	\$ 977,518	\$ 1,243,006	\$ 1,467,427
6,510,717	5,795,881	7,977,461	6,845,023	6,947,955	7,728,844
-	1,030,515	566,785	545,578	3,692,403	-
683,662	1,387,684	1,044,722	986,799	871,556	867,330
-	-	-	-	-	-
5,791,754	1,481,179	1,451,150	1,374,774	2,322,104	7,405,078
4,237,466	5,580,561	7,437,016	8,652,495	5,279,636	9,877,100
5,023,551	5,060,423	6,113,502	5,682,452	7,407,228	7,818,650
3,409,001	-	-	-	(86,722)	(146,940)
<u>\$ 25,656,151</u>	<u>\$ 21,354,575</u>	<u>\$ 25,782,529</u>	<u>\$ 25,064,639</u>	<u>\$ 27,677,166</u>	<u>\$ 35,017,489</u>

\$ -	\$ 1,035,732	\$ 1,204,693	\$ 990,318	\$ 1,255,806	\$ 1,484,727
6,530,467	5,795,881	7,977,461	6,845,023	7,052,931	7,728,844
-	1,030,515	566,785	545,578	3,692,403	-
33,555,791	15,945,613	18,527,543	19,301,662	18,457,624	28,099,490
12,242,294	26,503,243	27,521,498	27,567,091	30,746,883	31,436,418
<u>\$ 52,328,552</u>	<u>\$ 50,310,984</u>	<u>\$ 55,797,980</u>	<u>\$ 55,249,672</u>	<u>\$ 61,205,647</u>	<u>\$ 68,749,479</u>

**WRIGHT COUNTY  
BUFFALO, MINNESOTA  
CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS  
LAST TEN FISCAL YEARS**

	2006	2007	2008	2009
Revenues				
Taxes	\$ 33,101,166	\$ 35,832,597	\$ 41,137,109	\$ 43,846,104
Special Assessments	1,301,418	1,207,603	1,248,952	1,467,629
Licenses and Permits	172,779	209,959	172,543	185,360
Intergovernmental	25,598,912	30,273,235	30,642,061	28,426,663
Charges for Services	10,910,350	10,849,117	11,111,587	10,749,569
Fines and Forfeits	122,378	371,903	453,625	354,796
Gifts and Contributions	59,797	38,791	28,073	31,779
Investment Earnings (Loss)	2,869,773	1,620,342	3,121,788	1,132,161
Miscellaneous	5,119,942	6,600,769	5,525,429	6,439,456
Total Revenues	<u>79,256,515</u>	<u>87,004,316</u>	<u>93,441,167</u>	<u>92,633,517</u>
Expenditures				
Current				
General Government	16,634,149	16,817,968	17,627,115	18,382,250
Public Safety	17,222,314	18,591,801	20,309,659	23,319,909
Highways and Streets	17,997,174	18,110,540	20,560,849	16,209,084
Sanitation	375,910	452,057	514,571	498,772
Human Services	17,026,768	17,859,897	18,958,620	18,398,786
Health	3,018,729	3,019,863	3,091,063	3,162,876
Culture and Recreation	930,873	1,126,130	1,211,216	1,104,160
Conservation of Natural Resources	350,388	352,420	387,171	482,756
Economic Development	-	-	-	50,000
Intergovernmental	1,737,314	1,737,081	1,906,315	1,986,269
Capital Outlay	1,500,874	11,085,217	39,220,135	6,456,907
Debt Service				
Principal	4,951,602	4,167,185	3,122,000	3,952,000
Interest	874,871	674,186	3,029,659	3,129,346
Bond Issuance Costs and Fiscal Charges	6,734	862	30,273	30,962
Total Expenditures	<u>82,627,700</u>	<u>93,995,207</u>	<u>129,968,646</u>	<u>97,164,077</u>
Revenues Over (Under) Expenditures	(3,371,185)	(6,990,891)	(36,527,479)	(4,530,560)
Other Financing Sources (Uses)				
Transfers In	6,052,786	2,842,004	5,093,173	1,050,784
Transfers Out	(6,052,786)	(2,842,004)	(5,093,173)	(1,050,784)
Proceeds from Loans	2,850,000	-	-	71,065
Payment to Bond Escrow Agent	-	-	-	-
Proceeds from Bonds Issued	-	53,235,000	10,050,000	1,725,000
Discount on Bond Issuance	-	-	(39,848)	-
Premium on Bond Issuance	-	1,064,185	-	32,310
Proceeds from Sale of Assets	961,481	86,259	71,773	-
Total Other Financing Sources (Uses)	<u>3,811,481</u>	<u>54,385,444</u>	<u>10,081,925</u>	<u>1,828,375</u>
Net Change in Fund Balance	<u>\$ 440,296</u>	<u>\$ 47,394,553</u>	<u>\$ (26,445,554)</u>	<u>\$ (2,702,185)</u>
Capital Asset Adjustments *	\$ 11,534,919	\$ 26,051,039	\$ 50,112,544	\$ 11,255,745
Debt Service as a Percentage of Noncapital Expenditures	8.20%	7.13%	7.70%	8.24%

\* Debt service as a percentage of noncapital expenditures is calculated using the capital asset adjustments amount from the Reconciliation of the governmental funds statement of revenues, expenditures, and changes in fund balance to the statement of activities.

Continued on Next Page  
Unaudited

2010	2011	2012	2013	2014	2015
\$ 46,812,730	\$ 48,104,472	\$ 51,669,036	\$ 51,614,451	\$ 51,664,063	\$ 53,706,023
1,388,391	1,344,508	1,271,775	274,501	248,672	229,759
138,632	147,976	188,831	283,929	225,053	259,407
33,165,724	28,320,193	28,563,781	35,997,795	38,300,118	37,571,447
11,133,549	11,077,660	11,442,924	11,564,371	11,541,528	12,598,604
270,627	331,015	327,155	251,858	310,246	223,750
22,950	25,314	27,769	19,481	25,488	44,930
1,523,608	1,607,667	1,131,249	(560,471)	2,768,772	949,585
6,534,317	7,251,631	6,819,249	6,495,279	2,149,677	2,040,292
100,990,528	98,210,436	101,441,769	105,941,194	107,233,617	107,623,797
19,477,043	19,873,827	19,780,612	20,692,497	20,719,714	21,238,743
24,325,482	25,277,713	25,166,848	26,321,960	23,533,879	24,487,747
17,459,913	17,736,365	16,477,322	24,989,814	16,946,956	20,428,915
449,579	433,671	504,652	421,461	453,619	438,585
18,477,078	19,429,857	18,957,321	19,893,005	20,147,137	20,451,392
3,498,188	3,743,402	3,457,987	3,524,909	3,628,783	3,736,531
1,208,916	1,252,676	1,423,302	1,346,848	1,345,038	1,540,930
438,182	605,317	698,241	635,514	802,898	682,161
-	-	-	100,000	-	30,000
1,975,616	1,839,017	2,142,928	2,189,269	2,292,837	2,421,186
1,572,591	1,203,911	98,840	1,166,546	3,584,243	10,140,427
5,537,000	6,107,000	6,361,004	2,803,986	3,015,841	3,082,740
3,011,847	2,833,786	2,640,497	2,450,495	2,312,379	2,217,452
2,906	39,238	44,902	3,044	3,075	71,705
97,434,341	100,375,780	97,754,456	106,539,348	98,786,399	110,968,514
3,556,187	(2,165,344)	3,687,313	(598,154)	8,447,218	(3,344,717)
4,547,578	4,017,625	435,538	1,239,075	1,709,090	3,435,000
(4,547,578)	(4,017,625)	(435,538)	(1,239,075)	(1,709,090)	(3,435,000)
-	179,342	111,251	1,570,669	250,726	226,545
(1,900,000)	(1,448,183)	-	(1,480,000)	-	-
-	1,495,000	1,525,000	-	-	9,735,000
-	(10,604)	-	-	-	-
-	-	33,331	-	-	462,517
89,550	68,091	29,481	100,611	44,034	82,181
(1,810,450)	283,646	1,699,063	191,280	294,760	10,506,243
\$ 1,745,737	\$ (1,881,698)	\$ 5,386,376	\$ (406,874)	\$ 8,741,978	\$ 7,161,526
\$ 6,623,482	\$ 5,635,422	\$ 1,498,834	\$ 8,577,457	\$ 6,171,978	\$ 12,545,036
9.41%	9.44%	9.35%	5.36%	5.75%	5.39%

Unaudited

**WRIGHT COUNTY  
BUFFALO, MINNESOTA  
PROPERTY TAX AND SPECIAL ASSESSMENT LEVIES AND COLLECTIONS  
LAST TEN FISCAL YEARS**

Year	Net Tax Levy	Current Tax Collections	Percent of Levy Collected	(1) Delinquent Tax Collections	Total Tax Collections
2006	\$ 32,009,791	\$ 31,165,741	97.4%	\$ 838,846	\$ 32,004,587
2007	35,455,940	34,227,352	96.5%	1,219,998	35,447,350
2008	40,117,764	38,804,486	96.7%	1,299,122	40,103,608
2009	43,167,133	41,694,360	96.6%	1,455,781	43,150,141
2010	45,890,253	44,474,099	96.9%	1,390,098	45,864,197
2011	46,814,387	45,752,344	97.7%	1,016,120	46,768,464
2012	50,235,617	49,277,909	98.1%	890,096	50,168,005
2013	50,194,167	49,492,484	98.6%	600,373	50,092,857
2014	50,260,192	49,694,855	98.9%	438,054	50,132,909
2015	52,487,305	51,814,641	98.7%	-	51,814,641

Note: (1) Does not include interest and penalties.  
(2) Includes collection of current year taxes and delinquent tax collections.

Source: Wright County Auditor/Treasurer.

Total Collections as a Percent of Current Levy (2)	Current Assessments Due	Current Assessments Collected	Ratio of Collections to Amount Due	Total Delinquent Assessments
100.0%	\$ 1,227,963	\$ 1,227,707	100.0%	\$ 256
100.0%	1,229,958	1,228,679	99.9%	1,279
100.0%	1,400,801	1,399,957	99.9%	844
100.0%	1,400,758	1,399,763	99.9%	995
99.9%	1,367,919	1,367,234	99.9%	685
99.9%	1,301,360	1,300,216	99.9%	1,144
99.9%	1,183,685	1,182,125	99.9%	1,560
99.8%	122,760	122,588	99.9%	172
99.7%	131,584	131,343	99.8%	241
98.7%	152,682	151,416	99.2%	1,266

Unaudited

**WRIGHT COUNTY  
BUFFALO, MINNESOTA  
ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY (1)  
LAST TEN FISCAL YEARS**

Assessment Year	Payable Year	Real Property		Personal Property		Total		Ratio of Assessed to Estimated Value
		Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	
2006	2007	\$ 124,801,855	\$ 11,402,612,200	\$ 1,519,634	\$ 77,072,400	\$ 126,321,489	\$ 11,479,684,600	1.1%
2007	2008	136,448,541	12,441,544,800	1,514,523	76,825,400	137,963,064	12,518,370,200	1.1%
2008	2009	141,654,834	12,919,238,000	1,540,048	78,147,300	143,194,882	12,997,385,300	1.1%
2009	2010	136,891,812	12,462,032,200	1,633,529	82,904,900	138,525,341	12,544,937,100	1.1%
2010	2011	127,110,594	11,541,026,500	1,886,484	95,573,600	128,997,078	11,636,600,100	1.1%
2011	2012	116,230,056	10,494,304,100	2,023,428	102,455,300	118,253,484	10,596,759,400	1.1%
2012	2013	113,484,273	10,095,214,200	2,435,987	123,374,900	115,920,260	10,218,589,100	1.1%
2013	2014	115,393,356	10,373,279,400	2,600,787	131,644,100	117,994,143	10,504,923,500	1.1%
2014	2015	129,405,839	11,598,370,600	2,618,477	132,566,700	132,024,316	11,730,937,300	1.1%
2015	2016	137,275,244	12,270,987,050	2,708,107	137,099,900	139,983,351	12,408,086,950	1.1%

Note: (1) Does not include reductions for tax increment districts or power lines.

Source: Wright County Auditor/Treasurer.

**WRIGHT COUNTY  
BUFFALO, MINNESOTA  
PRINCIPAL PROPERTY TAXPAYERS  
CURRENT AND NINE YEARS AGO**

Taxpayer	Type of Business	2015				2006			
		Taxable Capacity		Percentage of Total County Capacity		Taxable Capacity		Percentage of Total County Capacity	
		Value	Rank	Value		Value	Rank	Value	
Xcel Energy	Utilities	\$ 5,265,646	1	4.8%		\$ 15,174,150	1	11.5%	
Coop Power Assoc & United Pwr	Utilities	1,100,405	2	1.0%	-			0.0%	
CPG Partners LP	Commercial	828,514	3	0.8%	1,097,256	3	0.8%		
Minnegasco Inc.	Utilities	543,348	4	0.5%	754,659	4	0.6%		
TKG Wright County Center LLC	Commercial	241,436	5	0.2%	227,858	8	0.2%		
Wright-Hennepin Co-op Electric	Utilities	226,985	6	0.2%	336,012	6	0.3%		
Albertville 2002 LLC	Commercial	214,232	7	0.2%	-		0.0%		
Delano Crossings LLC	Commercial	156,444	8	0.1%	-		0.0%		
Ocello LLC	Commercial	142,796	9	0.1%	-		0.0%		
United Power Association	Utilities	141,417	10	0.1%	-		0.0%		
Great River Energy	Utilities	-		0.0%	1,669,309	2	1.3%		
Target Corporation	Commercial	-		0.0%	408,908	5	0.3%		
Burlington Northern	RR/Commercial	-		0.0%	231,399	7	0.2%		
Duke Realty LTD Partnership	Industrial	-		0.0%	217,098	9	0.2%		
Wal-Mart Real Est Business	Commercial	-		0.0%	213,650	10	0.2%		
All Others		100,056,745		92.0%	111,694,017		84.4%		
		<u>\$ 108,917,968</u>		<u>100.0%</u>	<u>\$ 132,024,316</u>		<u>100.0%</u>		

Source: Wright County Auditor/Treasurer.

**WRIGHT COUNTY  
BUFFALO, MINNESOTA  
PROPERTY TAX RATES – ALL DIRECT AND OVERLAPPING GOVERNMENTS  
LAST TEN ASSESSMENT YEARS**

Unit of Government	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
<b>Wright County</b>										
General	17.950	17.938	18.747	19.572	20.566	22.133	23.455	26.154	25.980	24.329
Road and Bridge	5.058	5.512	5.399	5.295	5.389	5.655	6.018	6.358	6.096	6.289
Human Services	6.006	5.675	5.591	5.801	6.224	6.783	7.591	7.652	7.337	6.369
Debt Service	3.553	1.589	1.911	1.899	3.640	4.735	6.388	4.124	4.037	3.606
Total Wright County	32.567	30.714	31.648	32.567	35.819	39.306	43.452	44.288	43.450	40.593
<b>Townships</b>										
Albion	19.272	18.874	20.983	23.372	23.855	25.593	26.811	26.713	24.160	18.997
Buffalo	18.629	17.658	20.093	19.583	20.701	23.128	24.675	25.514	25.310	24.432
Chatham	11.471	12.188	11.199	10.764	11.110	11.960	12.737	13.405	13.599	12.351
Clearwater	22.786	21.711	21.283	21.348	12.227	24.068	25.815	28.507	28.574	27.826
Cokato	15.567	15.189	15.087	17.435	15.565	16.971	19.060	18.291	18.837	17.189
Corinna	24.759	24.343	23.846	20.149	19.145	17.889	18.573	18.771	19.361	18.449
Franklin	21.333	18.577	17.075	18.036	17.269	18.478	20.065	21.653	23.885	21.086
French Lake	16.716	14.667	13.254	12.388	12.478	12.930	14.822	14.417	14.565	13.804
Maple Lake	16.105	14.175	13.125	17.755	17.826	19.310	21.013	22.328	22.073	20.372
Marysville	12.951	12.164	11.201	11.081	11.917	13.254	14.071	16.558	16.620	15.115
Middleville	16.153	14.150	12.958	13.790	14.855	17.587	18.694	22.850	21.581	19.883
Monticello	8.495	8.080	7.695	12.760	10.398	16.883	18.357	24.483	24.879	24.952
Rockford	29.168	27.025	26.330	18.630	17.356	16.464	17.645	19.288	18.873	18.232
Silver Creek	26.561	25.801	23.915	23.809	24.016	25.923	27.726	28.286	32.261	28.716
Southside	12.468	10.898	11.561	11.883	11.655	10.055	9.879	9.431	9.435	10.037
Stockholm	21.271	20.191	20.250	20.883	19.782	21.469	23.202	22.224	21.185	18.861
Victor	20.932	18.299	19.197	18.310	18.864	20.004	22.804	23.057	22.298	21.032
Woodland	20.632	16.706	15.685	17.799	17.333	19.176	21.750	20.979	20.427	18.700

*Continued on Next Page  
Unaudited*

**WRIGHT COUNTY  
BUFFALO, MINNESOTA  
PROPERTY TAX RATES – ALL DIRECT AND OVERLAPPING GOVERNMENTS (CONTINUED)  
LAST TEN ASSESSMENT YEARS**

Unit of Government	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
<b>Cities</b>										
Albertville	31.408	31.241	32.581	32.939	36.705	41.933	46.645	51.945	51.092	51.396
Annandale	41.199	44.592	45.234	42.025	48.483	54.658	64.886	73.137	71.525	69.044
Buffalo	23.682	23.612	25.399	28.764	35.989	38.448	47.076	51.808	49.893	51.769
Clearwater	66.870	65.880	64.481	63.722	68.427	75.263	86.244	87.642	87.259	75.372
Cokato	47.092	47.233	51.508	54.195	59.938	63.498	77.094	80.369	74.684	80.466
Dayton	42.524	44.446	43.105	43.804	50.867	48.567	57.817	64.169	65.600	57.029
Delano	37.599	35.512	36.609	35.040	42.420	46.610	52.587	56.569	56.681	54.110
Hanover	42.428	38.206	37.063	38.266	40.924	44.398	48.719	52.481	52.141	48.247
Howard Lake	48.436	40.488	42.471	44.434	46.606	53.823	68.778	74.853	76.180	71.589
Maple Lake	34.564	34.395	34.670	46.562	46.251	45.905	54.242	56.299	57.733	59.180
Monticello	51.028	42.458	46.920	46.191	45.822	46.729	49.773	42.262	44.709	35.737
Montrose	43.765	42.049	38.944	38.716	42.681	47.737	55.864	66.008	60.204	55.595
Otsego	27.627	26.673	26.501	26.972	29.342	34.014	41.454	46.229	44.575	41.202
Rockford	41.976	43.321	44.720	43.899	46.142	50.353	54.427	59.516	59.032	56.447
St Michael	30.555	29.051	28.682	28.533	30.581	34.421	39.110	43.968	41.843	38.657
South Haven	85.328	81.939	79.942	82.572	85.330	93.540	117.591	132.345	137.657	129.600
Waverly	42.631	48.133	54.824	60.496	66.155	68.759	82.562	90.974	93.137	87.161
<b>School Districts</b>										
SD 111	32.177	30.533	33.128	33.221	40.510	37.779	43.713	47.583	46.124	44.311
SD 466	32.928	31.372	27.218	25.745	25.826	18.227	20.549	19.963	18.563	15.423
SD 728	35.950	33.208	32.344	36.136	39.967	43.489	45.548	50.058	51.286	42.483
SD 742	13.899	15.429	11.237	13.492	12.363	18.640	20.083	20.446	20.098	24.281
SD 876	13.620	12.899	11.466	11.312	7.095	8.869	23.002	23.885	23.511	22.443
SD 877	27.758	31.663	28.308	26.180	28.085	31.952	35.165	36.927	33.882	35.375
SD 879	30.484	27.954	25.252	25.089	26.889	25.209	25.667	24.291	26.027	23.880
SD 881	31.015	29.285	33.457	31.861	34.024	36.407	35.679	38.706	38.310	36.196
SD 882	24.372	23.146	25.254	26.083	24.948	27.029	28.262	26.229	28.269	22.882
SD 883	37.837	37.579	34.011	34.480	34.847	37.123	40.082	48.632	47.789	47.636
SD 885	42.874	45.259	46.192	46.714	55.062	51.369	52.646	57.213	51.570	51.082
SD 2687	10.642	28.651	27.808	25.466	25.728	29.681	35.358	35.892	51.972	44.902
SD 2859	6.696	5.910	6.879	7.158	6.105	5.849	6.187	6.655	6.800	6.214

Source: Wright County Auditor/Treasurer.

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**WRIGHT COUNTY  
BUFFALO, MINNESOTA  
TAX CAPACITY BY CLASSIFICATION  
LAST TEN YEARS**

Payable Year	Agriculture	Residential	Commercial/ Industrial	Railroad	Utilities	Personal Property	Tax Increment	Power Line	Net Tax Capacity
2006	\$ 9,817,251	\$ 75,071,026	\$ 16,550,308	\$ 138,479	\$ 5,931,881	\$ 1,413,764	\$ (2,732,358)	\$ (7,511)	\$ 106,182,840
% of Total	9%	71%	16%	0%	6%	1%	-3%	0%	
2007	11,289,884	88,182,336	18,908,582	167,668	6,253,385	1,519,634	(3,159,325)	(7,474)	123,154,690
% of Total	9%	72%	15%	0%	5%	1%	-3%	0%	
2008	12,271,613	96,432,367	21,576,097	165,028	6,003,436	1,514,523	(3,695,753)	(7,217)	134,260,094
% of Total	9%	72%	16%	0%	4%	1%	-3%	0%	
2009	12,893,253	99,199,038	23,158,048	233,608	6,170,887	1,540,048	(3,244,510)	(6,910)	139,943,462
% of Total	9%	71%	17%	0%	4%	1%	-2%	0%	
2010	13,347,161	93,149,838	23,615,074	239,272	6,540,467	1,633,529	(2,943,331)	(7,313)	135,574,697
% of Total	10%	69%	17%	0%	5%	1%	-2%	0%	
2011	12,348,335	84,967,916	22,025,693	274,104	7,494,546	1,886,484	(2,377,138)	(8,145)	126,611,795
% of Total	10%	67%	17%	0%	6%	1%	-2%	0%	
2012	11,618,212	75,198,434	21,467,094	321,510	7,624,806	2,023,428	(1,967,871)	(7,756)	116,277,857
% of Total	10%	65%	18%	0%	7%	2%	-2%	0%	
2013	12,087,797	68,555,558	21,202,136	352,500	11,286,282	2,435,987	(1,941,773)	(35,232)	113,943,255
% of Total	11%	60%	19%	0%	10%	2%	-2%	0%	
2014	12,633,610	70,692,525	20,891,463	376,364	10,799,394	2,600,787	(1,694,612)	(43,885)	116,255,646
% of Total	11%	61%	18%	0%	9%	2%	-1%	0%	
2015	14,121,462	78,509,532	20,524,401	370,450	15,879,994	2,618,477	(1,648,525)	(39,294)	130,336,497
% of Total	11%	60%	16%	0%	12%	2%	-1%	0%	

Source: Wright County Auditor/Treasurer.

**WRIGHT COUNTY  
BUFFALO, MINNESOTA  
COMPUTATION OF LEGAL DEBT MARGIN  
LAST TEN FISCAL YEARS**

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
Market Valuation of Taxable Property (1)	\$ 9,924,808,300	\$ 11,479,684,600	\$ 12,518,370,200	\$ 12,997,385,300
Legal Debt Percentage Allowed (2)	<u>2.00%</u>	<u>2.00%</u>	<u>2.00%</u>	<u>3.00%</u>
Legal Debt Limit	198,496,166	229,593,692	250,367,404	389,921,559
Amount of Debt Applicable to Debt Limit				
General Obligation Debt	18,385,000	68,020,000	73,380,000	71,635,000
Less: Amount Available in Debt Service Fund	<u>2,624,740</u>	<u>6,352,064</u>	<u>4,217,179</u>	<u>3,407,753</u>
Total Debt Applicable to Limit	<u>15,760,260</u>	<u>61,667,936</u>	<u>69,162,821</u>	<u>68,227,247</u>
Unused Margin of Indebtedness	<u>\$ 182,735,906</u>	<u>\$ 167,925,756</u>	<u>\$ 181,204,583</u>	<u>\$ 321,694,312</u>
Percent of Legal Debt Incurred	9.26%	29.63%	29.31%	18.37%

(1) Source: Wright County Auditor/Treasurer.

(2) Minnesota Statute Section 475.53, subd. 1 LIMIT ON NET DEBT except as otherwise provided in sections 475.51 to 475.74, no municipality except a school district or a city of the first class, shall incur or be subject to a net debt in excess of two percent of the market value of taxable property therein prior to 2008. In 2008, this percentage became three percent of the market value of taxable property therein.

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Unaudited*

2010	2011	2012	2013	2014	2015
\$ 12,544,937,100	\$ 11,636,600,100	\$ 10,596,759,400	\$ 10,218,589,100	\$ 10,504,923,500	\$ 11,730,937,300
3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
376,348,113	349,098,003	317,902,782	306,557,673	315,147,705	351,928,119
64,680,000	59,130,000	54,785,000	51,040,000	48,670,000	55,945,000
2,237,183	2,703,333	4,384,772	3,084,807	3,246,413	3,354,402
62,442,817	56,426,667	50,400,228	47,955,193	45,423,587	52,590,598
\$ 313,905,296	\$ 292,671,336	\$ 267,502,554	\$ 258,602,480	\$ 269,724,118	\$ 299,337,521
17.19%	16.94%	17.23%	16.65%	15.44%	15.90%

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**WRIGHT COUNTY  
BUFFALO, MINNESOTA  
RATIO OF OUTSTANDING DEBT BY TYPE  
LAST TEN FISCAL YEARS**

<u>Fiscal Year</u>	<u>General Obligation Bonds</u>	<u>Revenue Bonds</u>	<u>Total Outstanding Debt</u>	<u>Percentage of Personal Income (1)</u>	<u>Population (2)</u>	<u>Debt per Capita</u>
2006	\$ 9,875,000	\$8,510,000	\$ 18,385,000	2.93%	114,806	160.14
2007	60,595,000	7,425,000	68,020,000	2.94%	116,780	582.46
2008	65,330,000	8,050,000	73,380,000	1.72%	119,335	614.91
2009	64,310,000	7,325,000	71,635,000	1.60%	120,684	593.57
2010	59,730,000	4,950,000	64,680,000	2.22%	124,700	518.68
2011	56,340,000	2,790,000	59,130,000	2.35%	126,033	469.16
2012	53,290,000	1,495,000	54,785,000	1.16%	127,133	430.93
2013	49,685,000	1,355,000	51,040,000	1.01%	128,459	397.33
2014	47,455,000	1,215,000	48,670,000	0.93%	129,946	374.54
2015	54,870,000	1,075,000	55,945,000	N/A	N/A	N/A

Source: Wright County Auditor/Treasurer.

N/A: Not Available

(1): Personal income summarized on page 112.

(2): United States Census Bureau

**WRIGHT COUNTY  
BUFFALO, MINNESOTA  
RATIO OF NET BONDED DEBT TO ASSESSED VALUE  
AND NET BONDED DEBT PER CAPITA  
LAST TEN FISCAL YEARS**

Fiscal Year	Population	Personal Income Wright County	Estimated Actual Value	Assessed Value	(1) Gross Bonded Debt	Less Debt Service Restrictions	Net Bonded Debt	Total Gross Debt Outstanding
2006	114,806	\$ 3,924,245,864	\$ 9,924,808,300	\$ 108,922,709	\$ 18,385,000	\$ 2,624,740	\$ 15,760,260	\$ 18,385,000
2007	116,780	4,244,641,665	11,479,684,600	126,321,489	68,020,000	6,352,064	61,667,936	68,020,000
2008	119,335	4,498,798,083	12,518,370,200	137,963,064	73,380,000	4,217,179	69,162,821	73,380,000
2009	120,684	4,335,437,920	12,997,385,300	143,194,882	71,635,000	3,407,753	68,227,247	71,635,000
2010	124,700	4,471,020,378	12,544,937,100	138,525,341	64,680,000	2,237,183	62,442,817	64,680,000
2011	126,033	4,808,038,562	11,636,600,100	128,997,078	59,130,000	2,703,333	56,426,667	59,130,000
2012	127,133	5,005,046,592	10,596,759,400	118,253,484	54,785,000	4,384,772	50,400,228	54,785,000
2013	128,459	5,152,062,786	10,218,589,100	115,920,260	51,040,000	3,084,807	47,955,193	51,040,000
2014	129,946	5,414,592,486	10,504,923,500	117,994,143	48,670,000	3,246,413	45,423,587	48,670,000
2015	N/A	N/A	11,730,937,300	132,024,316	55,945,000	3,354,403	52,590,597	55,945,000

Source: Wright County Auditor/Treasurer except for Population, which is from the State Demographer prior to and after 2010, the U.S. Census Bureau for 2010, and Personal Income, which is from the Bureau of Economic Analysis.

(1) Includes all General Obligation debt of the County including refunded bonds.

N/A: not available.

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Unaudited*

Debt Per Capita		Debt to Actual Valuation		Debt to Assessed Valuation		Debt to Personal Income	
Total	Net	Total %	Net %	Total %	Net %	Total %	Net %
\$ 160.14	\$ 137.28	0.2%	0.2%	16.9%	14.5 %	0.5 %	0.4 %
582.46	528.07	0.6%	0.5%	53.8%	48.8 %	1.6 %	1.5 %
614.91	579.57	0.6%	0.6%	53.2%	50.1 %	1.6 %	1.5 %
593.57	565.34	0.6%	0.5%	50.0%	47.6 %	1.7 %	1.6 %
518.68	500.74	0.5%	0.5%	46.7%	45.1 %	1.4 %	1.4 %
469.16	447.71	0.5%	0.5%	45.8%	43.7 %	1.2 %	1.2 %
430.93	396.44	0.5%	0.5%	46.3%	42.6 %	1.1 %	1.0 %
397.33	373.31	0.5%	0.5%	44.0%	41.4 %	1.0 %	0.9 %
374.54	349.56	0.5%	0.4%	41.2%	38.5 %	0.9 %	0.8 %
N/A	N/A	0.5%	0.4%	42.4%	39.8 %	N/A	N/A

**WRIGHT COUNTY  
BUFFALO, MINNESOTA  
COMPUTATION OF UNDERLYING, OVERLAPPING  
AND DIRECT DEBT  
DECEMBER 31, 2015**

	Net G.O. Debt Outstanding	Applicable to Wright County	
		Percent (1)	Amount
<b>Cities</b>			
City of Albertville	\$ 13,503,000	100.0 %	\$ 13,503,000
City of Annandale	21,017,464	100.0	21,017,464
City of Buffalo	96,772,561	100.0	96,772,561
City of Clearwater	9,296,944	100.0	9,296,944
City of Cokato	4,889,424	100.0	4,889,424
City of Delano	30,254,489	100.0	30,254,489
City of Hanover	1,810,918	76.2	1,379,920
City of Howard Lake	14,947,000	100.0	14,947,000
City of Maple Lake	6,707,000	100.0	6,707,000
City of Monticello	25,123,268	100.0	25,123,268
City of Montrose	9,700,000	100.0	9,700,000
City of Otsego	37,345,000	100.0	37,345,000
City of Rockford	11,122,249	88.2	9,809,824
City of St Michael	27,755,000	100.0	27,755,000
City of South Haven	420,000	100.0	420,000
City of Waverly	5,685,842	100.0	5,685,842
<b>Total Cities</b>	<b>316,350,159</b>		<b>314,606,735</b>
<b>Townships</b>			
Town of Franklin	850,000	100.0	850,000
Town of Maple Lake	71,000	100.0	71,000
Town of Marysville	197,778	100.0	197,778
Town Rockford	300,000	100.0	300,000
<b>Total Townships</b>	<b>1,418,778</b>		<b>1,418,778</b>
<b>Independent School Districts</b>			
No. 876	25,190,000	91.5	23,048,850
No. 877	83,075,000	84.2	69,949,150
No. 879	18,045,000	66.3	11,963,835
No. 881	11,095,000	100.0	11,095,000
No. 882	2,270,000	95.7	2,172,390
No. 883	69,350,000	32.9	22,816,150
No. 885	262,470,000	100.0	262,470,000
No. 2687	66,470,000	74.1	49,254,270
<b>Total School Districts</b>	<b>537,965,000</b>		<b>452,769,645</b>
<b>Special Districts</b>			
Town of Franklin	97,000	100.0	97,000
<b>Wright County</b>	<b>55,945,000</b>	<b>100.0</b>	<b>55,945,000</b>
<b>Totals</b>	<b>\$ 911,775,937</b>		<b>\$ 824,837,158</b>

Source: Wright County Auditor/Treasurer.

Note: (1) Determined by the portion of property subject to taxation by Wright County.

**WRIGHT COUNTY  
BUFFALO, MINNESOTA  
NEW CONSTRUCTION AND BANK DEPOSITS  
LAST TEN FISCAL YEARS**

Fiscal Year	(1) Farm	(1) Residential	(1) Commercial Industrial	(1) Total	(2) Bank Deposits
2006	\$ 10,209,900	\$ 359,445,700	\$ 43,227,300	\$ 412,882,900	\$ 1,293,465,000
2007	10,002,800	435,208,400	45,786,100	490,997,300	1,326,635,000
2008	8,655,300	363,728,800	53,583,700	425,967,800	1,345,345,000
2009	6,550,100	193,026,800	49,500,200	249,077,100	1,333,427,000
2010	5,895,900	72,032,600	29,555,700	107,484,200	1,288,460,000
2011	2,931,500	48,798,600	6,418,600	58,148,700	1,389,163,000
2012	2,917,000	42,561,800	7,982,800	53,461,600	1,407,421,000
2013	3,740,100	33,016,500	18,072,200	54,828,800	1,425,497,000
2014	3,947,100	60,607,300	8,607,300	73,161,700	1,486,376,000
2015	3,516,900	108,227,700	9,467,000	121,211,600	1,557,782,000

(1) Source: County Assessor.

(2) Source: FDIC Summary of Deposits for Wright County.

**WRIGHT COUNTY  
BUFFALO, MINNESOTA  
COUNTY EMPLOYEES BY DEPARTMENT  
LAST TEN FISCAL YEARS**

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
<b>General Fund</b>										
Commissioners	5	5	5	5	5	5	5	5	5	5
Court Services	32	34	34	36	33	33	33	33	32	33
Administration	10	9	10	10	9	10	10	9	11	11
Auditor/Treasurer	30	28	30	29	29	28	28	29	30	29
Assessor	17	17	17	17	17	16	16	17	17	17
Information Technology	12	13	12	13	13	12	15	15	14	17
Attorney	29	29	29	27	26	27	27	26	27	27
Recorder	11	10	10	10	9	9	9	10	10	10
Maintenance	20	19	22	28	28	29	29	26	22	23
Veterans Service	2	2	2	2	2	2	2	2	2	2
Civil Defense	1	3	1	1	1	1	1	1	1	1
Law Library	-	-	-	1	1	2	1	2	2	2
Corrections	59	49	56	64	65	65	64	66	62	62
Sheriff	181	179	185	177	181	179	179	180	177	177
Planning and Zoning	15	15	14	14	14	13	13	13	13	14
Parks	20	10	10	9	9	9	9	9	10	11
Surveyor	9	7	5	8	6	7	5	8	9	8
Extension	<u>2</u>	<u>3</u>	<u>4</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>2</u>	<u>2</u>	<u>1</u>	<u>1</u>
Total General Fund	<u>455</u>	<u>432</u>	<u>446</u>	<u>453</u>	<u>451</u>	<u>451</u>	<u>448</u>	<u>453</u>	<u>445</u>	<u>450</u>
<b>Road and Bridge Fund</b>										
Road and Bridge	56	49	52	51	51	51	50	50	51	52
<b>Human Services Fund</b>										
Health and Human Services	<u>236</u>	<u>208</u>	<u>210</u>	<u>211</u>	<u>210</u>	<u>207</u>	<u>210</u>	<u>214</u>	<u>222</u>	<u>224</u>
Total Employees	<u><u>747</u></u>	<u><u>689</u></u>	<u><u>708</u></u>	<u><u>715</u></u>	<u><u>712</u></u>	<u><u>709</u></u>	<u><u>708</u></u>	<u><u>717</u></u>	<u><u>718</u></u>	<u><u>726</u></u>

The numbers above represent full-time employee equivalents.

Source: Wright County Auditor/Treasurer.

**WRIGHT COUNTY  
BUFFALO, MINNESOTA  
LABOR AGREEMENTS**

Union	Number of Employees (1) (2)	Contract Term
American Federation of State, County and Municipal Employees, AFL-CIP Council 65, Locan 1018A	231	1-1-2015 to 12-31-2016
Minnesota Teamsters Public and Law Enforcement Employees' Union, Local No. 320 (Corrections/Communications)	74	1-1-2015 to 12-31-2016
Minnesota Teamsters Public and Law Enforcement Employees' Union, Locan No. 320 (Clerical)	121	1-1-2015 to 12-31-2016
Minnesota Teamsters Public and Law Enforcement Employees' Union, Locan No. 320 (Sheriff Supervisors)	9	1-1-2015 to 12-31-2016
International Union of Operating Engineers Local No. 49	49	1-1-2015 to 12-31-2016
Assistant Wright County Attorneys	13	1-1-2015 to 12-31-2016
Wright County Deputies Association	143	1-1-2015 to 12-31-2016
Non Union	<u>171</u>	N/A
Total	<u><u>811</u></u>	

(1) As of 9-1-2015 and includes part-time and full-time employees.

(2) Does not include temporary employees.

N/A = Not applicable.

Source: Wright County Auditor/Treasurer Payroll

**WRIGHT COUNTY  
BUFFALO, MINNESOTA  
TEN LARGEST EMPLOYERS  
CURRENT AND EIGHT YEARS AGO**

Employer	Business/Service	2015			2007*		
		Number of Employees	Rank	Percent of Total Employees	Number of Employees	Rank	Percent of Total Employees
ISD 882 - Monticello	Public Education	780	1	1.1 %	585	4	0.9 %
ISD 877 - Buffalo-Hanover-Montrose	Public Education	753	2	1.0	701	2	1.1
Wright County	Local Government	722	3	1.0	683	3	1.0
ISD 855 - St. Michael-Albertville	Public Education	701	4	1.0	-	-	-
Wal-Mart	Retailer	675	5	0.9	350	8	0.5
Buffalo Hospital	Hospital	536	6	0.7	467	6	0.7
Xcel Energy	Utility	500	7	0.7	330	9	0.5
CentraCare Health	Hospital	500	8	0.7	-	-	-
Functional Industries	Rehabilitation Center	456	9	0.6	-	-	-
J&B Wholesale Distributor, Inc.	Wholesale Food Distributor	400	10	0.6	-	-	-
Dura Supreme, Inc.	Manufacturer	-	-	-	725	1	1.1
Monticello-Big Lake Hospital	Hospital	-	-	-	515	5	0.8
Sunny Fresh Foods, Inc.	Poultry and Poultry Products	-	-	-	350	7	0.5
Landscape Structure, Inc.	Playground Equipment	-	-	-	300	10	0.5
All Other Employees		<u>66,627</u>		<u>91.7</u>	<u>60,612</u>		<u>92.4</u>
Total Employees		<u><u>72,650</u></u>		<u><u>100.0 %</u></u>	<u><u>65,618</u></u>		<u><u>100.0 %</u></u>

Source: Minnesota Department of Employment and Economic Development, most recent information available.

\*: Earliest year information available

**WRIGHT COUNTY  
BUFFALO, MINNESOTA  
POPULATION GROWTH COMPARISONS  
LAST TEN FISCAL YEARS**

Year	Wright County			State of Minnesota		
	Population	Percent Increase (Decrease)	Households	Percent Increase (Decrease)	Population	Percent Increase (Decrease)
2006	110,836	3.8%	39,772	4.55%	5,205,091	1.0%
2007	114,806	3.6%	41,923	5.41%	5,231,106	0.5%
2008	116,780	1.7%	42,836	2.18%	5,263,493	0.6%
2009	119,335	2.2%	43,878	2.43%	5,287,976	0.5%
2010	120,684	1.1%	44,627	1.71%	5,300,942	0.2%
2011	124,700	3.3%	44,473	-0.35%	5,303,925	0.1%
2012	126,033	1.1%	44,955	1.08%	5,332,246	0.5%
2013	127,133	0.9%	45,263	0.69%	5,368,972	0.7%
2014	128,459	1.0%	45,659	0.87%	5,417,838	0.9%
2015	129,946	1.2%	46,213	1.21%	5,453,218	0.7%

Source: State Demographer.  
2010 U.S. Census Bureau.

**WRIGHT COUNTY  
BUFFALO, MINNESOTA  
PERCENTAGE OF REGISTERED VOTERS VOTING  
LAST TEN ELECTIONS**

Primary Elections				General Election			
Date	Total			Date	Total		
	Registered Voters	Number Voting	Percentage Voting		Registered Voters	Number Voting	Percentage Voting
Sept. 10, 1996	48,322	4,393	9.1%	Nov. 5, 1996	48,803	35,089	71.9%
Sept. 15, 1998	43,683	8,730	20.0%	Nov. 3, 1998	50,784	37,531	73.9%
Sept. 12, 2000	47,705	6,806	14.3%	Nov. 7, 2000	57,141	43,760	76.6%
Sept. 10, 2002	52,932	5,238	9.9%	Nov. 5, 2002	61,610	45,167	73.3%
Sept. 14, 2004	56,556	2,140	3.8%	Nov. 2, 2004	72,752	59,885	82.3%
Sept. 12, 2006	65,108	4,756	7.3%	Nov. 7, 2006	72,462	47,727	65.9%
Sept. 09, 2008	67,206	6,682	9.9%	Nov. 4, 2008	81,269	65,654	80.8%
Aug. 10, 2010	70,048	8,238	11.8%	Nov. 2, 2010	75,164	48,199	64.1%
Aug. 14, 2012	70,218	6,618	9.4%	Nov. 6, 2012	83,099	68,103	82.0%
Aug. 12, 2014	72,169	7,414	10.3%	Nov. 4, 2014	75,975	45,007	59.2%

Source: Wright County Auditor/Treasurer.

**WRIGHT COUNTY  
BUFFALO, MINNESOTA  
UNEMPLOYMENT, INCOME AND ECONOMIC VITALITY  
LAST TEN FISCAL YEARS**

Year	Unemployment Percentages (1)			Personal	Per Capital Personal Income (2)		
	Wright County	State of Minnesota	United States	Income (2) Wright County	Wright County	State of Minnesota	United States
2006	4.3%	4.0%	4.6%	\$ 3,924,245,864	\$ 34,067	\$ 39,634	\$ 38,144
2007	5.1%	4.6%	4.6%	4,244,641,665	35,779	41,560	39,821
2008	6.1%	5.4%	5.8%	4,498,798,083	37,011	43,256	41,082
2009	8.9%	7.8%	9.3%	4,335,437,920	35,156	41,064	39,376
2010	8.0%	7.4%	9.6%	4,471,020,378	35,739	42,567	40,277
2011	6.8%	6.5%	8.9%	4,808,038,562	38,069	45,214	42,453
2012	5.8%	5.9%	8.1%	5,005,046,592	39,312	47,293	44,266
2013	5.0%	4.9%	7.4%	5,152,062,786	40,157	47,410	44,438
2014	4.1%	4.1%	6.2%	5,414,592,486	41,677	48,998	46,049
2015	3.7%	3.7%	5.3%	N/A	N/A	N/A	N/A

(1) Minnesota Department of Employment and Economic Development.

(2) Per Bureau of Economic Analysis.

N/A - This information is not yet available.

**WRIGHT COUNTY  
BUFFALO, MINNESOTA  
OPERATING INDICATORS BY FUNCTION  
LAST FIVE FISCAL YEARS**

Function/Program	Fiscal Year				
	2011	2012	2013	2014	2015
<b>General Government</b>					
New Hires (Regular Employees)	26	37	60	63	63
New Hires (Temporary/Seasonal)	14	14	17	22	20
Total Employees Supported	718	713	734	720	712
Number of Real Estate Parcels in County	64,175	64,191	64,287	64,385	64,693
Number of Septic Permits in County	1,020	932	1,068	1,076	1,122
Adult Felony	26	91	89	82	82
Juvenile Felony	101	118	141	105	118
Adult Gross Misdemeanor	1,587	1,533	1,519	1,406	1,252
Juvenile Gross Misdemeanor	106	95	64	55	48
Adult Misdemeanor	1,917	2,013	1,864	1,756	1,684
Juvenile Misdemeanor	191	155	144	136	149
Children in Need of Protection or Services	1,472	1,003	789	718	432
<b>Public Safety</b>					
Community Service Hours Done by Offenders	14,203	12,889	10,413	9,444	8,651
Investigations (Pre-Sentence, Pre-Trial, Pre-Release)	279	127	154	173	290
<b>Human Services</b>					
Minnesota Healthcare Cases	5,724	5,244	5,292	5,263	5,097
<b>Health</b>					
Children and Restraint Systems Class Providers Trained	111	155	121	163	168
Number of Emergency Preparedness Exercises	6	5	4	4	4
Wellness on Wheels Services Provided	3,387	5,210	3,962	3,692	12,799
<b>Conservation Of Natural Resources</b>					
Extension Services Volunteers	175	191	208	209	338
Extension Services 4-H Enrollment	539	578	632	634	618
Extension Services 4-H Participants	1,157	1,255	1,952	1,229	2,128
Extension Services Nutrition Direct Participants	80	154	557	722	584

Note: Ten years of data will be reported going forward as accurate information becomes available.

Source: Various County Departments.

**WRIGHT COUNTY  
BUFFALO, MINNESOTA  
CAPITAL ASSETS STATISTICS BY FUNCTION  
LAST TEN FISCAL YEARS**

Function/Program	Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
General government buildings	3	3	4	4	4	4	4	4	4	4
Highways:										
Miles	530	516	519	519	516	517	514	514	514	514
Buildings	7	8	6	6	6	6	6	6	6	6
Culture and Recreation:										
Parks acreage	N/A	N/A	N/A	N/A	N/A	N/A	3,842	3,903	4,013	4,129
County parks	N/A	N/A	N/A	N/A	N/A	N/A	31	31	33	33

Source: Wright County Highway and Auditor/Treasurer Departments

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