

LYON COUNTY

SUMMARY FINANCIAL STATEMENT

FOR THE YEAR ENDED DECEMBER 31, 2016

The purpose of this report is to provide a summary of financial information concerning Lyon County for interested citizens. Questions about this report should be directed to E.J. Moberg, County Auditor/Treasurer, at (507) 537-6724.

A FULL AND COMPLETE COPY OF THE COUNTY FINANCIAL STATEMENT IS AVAILABLE UPON REQUEST BY CALLING (507) 537-6724, BY WRITING TO THE AUDITOR/TREASURER, 607 WEST MAIN ST, MARSHALL, MINNESOTA 56258, OR VIA WWW.CO.LYON.MN.US – SEARCH FOR 2016 AUDIT.

A User's Guide to County Financial Statements

The following definitions will help citizens understand the terminology that is used in the county's financial statements.

Basic Financial Statements

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

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

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

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

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

Business-type activities are county activities financed in whole or in part by fees charged to external parties for goods or service. These activities are usually reported in enterprise funds.

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

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

County Governmental Fund Types

The **General Fund** is the general operating fund of the county. It is used to account for all financial resources, except those that are required to be accounted for in another fund.

Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted for specified purposes.

Debt Service Funds are used to account for the accumulation of resources for, and the payment of principal, interest, and related costs of general long-term debt.

The **Capital Projects Fund** is used to account for financial resources to be used for capital acquisition, construction, or improvement of capital facilities.

County Proprietary Funds

Enterprise Funds are used to report an activity for which a fee is charged to external users for goods or services.

An **Internal Service Fund** is used to account for health insurance premiums and payments.

County Fiduciary Funds

Investment Trust Funds are used to report governmental external investment pools that are maintained by the county for other entities.

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

Character Classification of County Expenditures

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

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

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

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

Intergovernmental represent resources transferred by to the county to other governments.

Classification of County Functions

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

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

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

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

Sanitation involves expenditures for the removal and disposal of waste and includes county solid waste collection and disposal, recycling, and sanitary sewer programs.

Human Services represents activities designed to provide public assistance and institutional care for individuals unable to provide essential needs for themselves. Lyon County participates in a joint powers agreement with other counties and formed Southwest Health and Human Services.

Health involves all activities involved in the conservation and improvement of public health. Lyon County participates in a joint powers agreement with other counties and formed Southwest Health and Human Services.

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

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

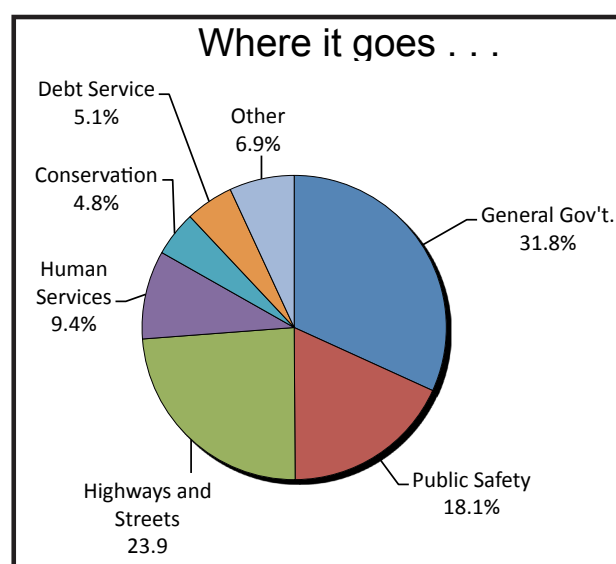
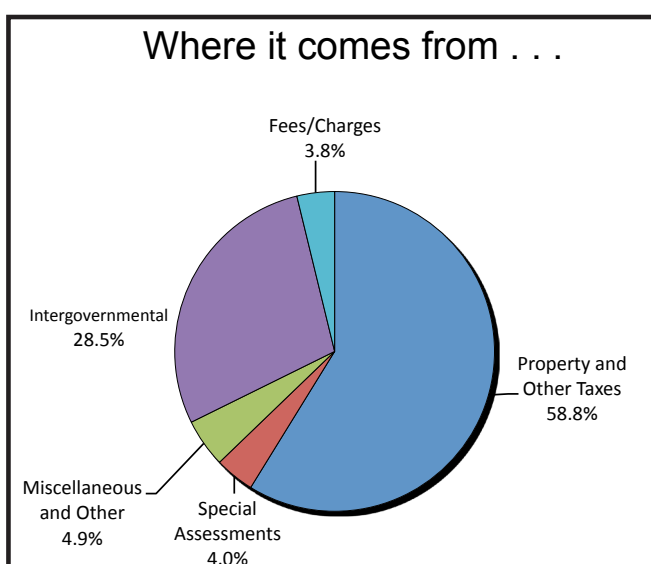
Economic Development activities are directed toward economically developing the area encompassed by the county and providing assistance to and opportunity for, economically disadvantaged persons or business.

Year-End 2016 Lyon County Officials

Office		Phone Number [(507) area code]
Commissioners		
1st District	Charles Sanow	530-4806
2nd District	Stephen Ritter	829-8070
3rd District	Paul Graupmann	532-5182
4th District	Rodney Stensrud	829-5259
5th District	Rick Anderson	829-2608
County Officials		
Administrator	Loren Stomberg	537-6980
Assessor	Sherri Kitchenmaster	537-6731
Attorney	Rick Maes	537-6755
Auditor/Treasurer	E.J. Moberg	537-6724
Environmental Administrator	Roger Schroeder	532-8210
Highway Engineer	Aaron VanMoer	532-8200
Recorder	Michelle DeSmet	537-6722
Sheriff	Mark Mather	537-7666
Veteran Service Officer	Terry Wing	537-6729

A PROFILE OF LYON COUNTY

Key Indicator	Total 2016	Total 2015	Percent Increase/ (Decrease)
Estimated Population	25,684	25,776	-0.4%
Net Tax Capacity	\$ 41,261,824	\$ 42,404,606	-2.7%
Percent of Property Taxes Collected	99.3%	99.4%	-0.1%
Total General Revenues	\$ 18,071,387	\$ 15,479,463	16.7%
Total Program Revenues	\$ 11,160,419	\$ 16,502,904	-32.4%
Total Expenses			
Governmental Activities	\$ 23,270,390	\$ 24,751,053	-6.0%
Business-Type Activities	\$ 3,138,144	\$ 4,903,539	-36.0%
Capital Assets, net			
Governmental Activities	\$ 100,247,712	\$ 93,340,241	7.4%
Business-Type Activities	\$ 4,364,302	\$ 5,359,476	-18.6%
Total Outstanding Net Bonded Debt of County			
General Obligation	\$ 14,798,953	\$ 15,577,239	-5.0%
Special Assessment	\$ 2,765,708	\$ 2,836,917	-2.5%
Bond Rating on Most Recent General Obligation Bond Issue			
	Standard & Poor's -- AA	Standard & Poor's -- AA	
Total Government-Wide Net Position			
Governmental Activities	\$ 102,899,902	\$ 99,513,145	3.4%
Business-Type Activities	\$ 10,459,238	\$ 11,022,723	-5.1%
Total Number of Full Time Employees	117	114	2.6%



(CONTINUED NEXT PAGE)

LYON COUNTY SUMMARY FINANCIAL STATEMENT FOR THE YEAR ENDED DECEMBER 31, 2016 (CONTINUED FROM PREVIOUS PAGE)

Summary of Lyon County's Statement of Net Position December 31, 2016

Table with 4 columns: Governmental Activities, Business-Type Activities, Total, and Assets. Rows include Cash and pooled investments, Receivables, Restricted assets, Total Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position.

Summary of Lyon County's Statement of Activities For the Year Ended December 31, 2016

Table with 3 columns: Expenses, Program Revenues, and Net. Rows include Functions/Programs (Primary Government, Business-type activities), General Revenues, and Change in net position.

A Summary Balance Sheet of Governmental Funds December 31, 2016

Table with 7 columns: General, Road and Bridge, Human Services, Ditch, Debt Service, Capital Projects, Total Governmental Funds. Rows include Assets, Liabilities, Deferred Inflows of Resources, and Fund Balances.

A Summary of Governmental Funds Revenues and Expenditures For the Year Ended December 31, 2016

Table with 7 columns: General, Road and Bridge, Human Services, Ditch, Debt Service, Capital Projects, Total. Rows include Revenues, Expenditures, Excess of Revenues Over (Under) Expenditures, and Net Change in Fund Balance.

VENDOR NAMES AND AMOUNTS FOR 2016

Major Recipients of Lyon County Expenditures. The following is a list of the recipients of Lyon County expenditures totaling \$5,000 or more during 2016. The list does not include: salaries paid to county employees; distributions of taxes collected on behalf of local governments; and any payments on behalf of Southwest Health and Human Services and the Lyon County Ag Society, for which Lyon County is fiscal agent.

Table with 2 columns: VENDOR NAME AT PAYMENT and AMOUNT. Lists various vendors and their corresponding payment amounts for 2016.

Table with 2 columns: Vendor Name and Amount. Continuation of the vendor list from the previous table.

Table with 2 columns: Vendor Name and Amount. Continuation of the vendor list from the previous table.

Table with 2 columns: Vendor Name and Amount. Continuation of the vendor list from the previous table, ending with 294 VENDORS OVER \$5,000.

Public Notice

(First Date of Pub.: Wed., Oct. 25, 2017)

(Dates of Pub.: Wed., Oct. 25, Nov. 1, 8, 15, 22, 29, 2017)

NOTICE OF MORTGAGE FORECLOSURE SALE

THE RIGHT TO VERIFICATION OF THE DEBT AND IDENTITY OF THE ORIGINAL CREDITOR WITHIN THE TIME PROVIDED BY LAW IS NOT AFFECTED BY THIS ACTION.

NOTICE IS HEREBY GIVEN:

That default has occurred in the conditions of the following described mortgage:

DATE OF MORTGAGE: June 28, 2010

MORTGAGOR: Daniel E. Ebling and Brooke A. Ebling, husband and wife

MORTGAGEE: Bremer Bank, National Association, a national association organized under the laws of the United States of America

DATE AND PLACE OF RECORDING: Recorded June 28, 2010, in the office of the County Recorder, as Document No. 186721, Lyon County, Minnesota.

TRANSACTION AGENT: None

TRANSACTION AGENT'S MORTGAGE IDENTIFICATION NUMBER ON MORTGAGE: None

LENDER OR BROKER AND MORTGAGE ORIGINATOR STATED ON MORTGAGE: Bremer Bank, National Association

RESIDENTIAL MORTGAGE SERVICER: Bremer Bank, National Association

MORTGAGED PROPERTY ADDRESSES: 201 Elm Street, Tracy, Minnesota 56175

TAX PARCEL I.D. NO.: 31-136006-0

LEGAL DESCRIPTION OF PROPERTY: Lots Thirteen (13) and Fourteen (14), Block Four (4), W.O. Lichty's Third Addition to the City of Tracy, Lyon County, Minnesota.

COUNTY IN WHICH PROPERTY IS LOCATED: Lyon

ORIGINAL PRINCIPAL AMOUNT OF MORTGAGE: \$38,400.00

AMOUNT DUE AND CLAIMED TO BE DUE AS OF DATE OF NOTICE, INCLUDING TAXES, IF ANY, PAID BY MORTGAGEE: \$40,932.19

INTEREST RATE AND PER DIEM: Current interest rate is 5.25%, with a per diem of \$5.48.

That prior to commencement of this mortgage foreclosure proceeding Mortgagee complied with all notice requirements by statute; That

no action or proceeding has been instituted at law or otherwise to recover the debt secured by said mortgage or any part thereof;

PURSUANT to the power of sale contained in said mortgage, the above described property will be sold by the Sheriff of said county as follows:

DATE AND TIME OF SALE: December 7, 2017, at 10:00 am.

PLACE OF SALE: Lyon County Sheriff's Office, 611 West Main Street, Marshall, Minnesota 56258, to pay the debt then secured by said Mortgage, taxes, if any, on said premises, and the costs and disbursements, including attorneys' fees allowed by law subject to redemption within six (6) months from the date of said sale by the mortgagor(s), their personal representatives or assigns.

DATE AND TIME MORTGAGOR MUST VACATE THE PREMISES: Unless said mortgage is reinstated or the property redeemed, or unless the time for redemption is reduced by judicial order, you must vacate the premises by June 7, 2018, at 11:59 p.m.

"THE TIME ALLOWED BY LAW FOR REDEMPTION BY THE MORTGAGOR, THE MORTGAGOR'S PERSONAL REPRESENTATIVES OR ASSIGNS, MAY BE REDUCED TO FIVE (5) WEEKS IF A JUDICIAL ORDER IS ENTERED UNDER MINNESOTA STATUTES, SECTION 582.032, DETERMINING, AMONG OTHER THINGS, THAT THE MORTGAGED PREMISES ARE IMPROVED WITH A RESIDENTIAL DWELLING OF LESS THAN FIVE UNITS, ARE NOT PROPERTY USED IN AGRICULTURAL PRODUCTION, AND ARE ABANDONED."

Dated: October 23, 2017
MESSERLI & KRAMER P.A.

By: /s/ Thomas J. Hainje
Thomas J. Hainje (Lic. #390325)
1400 Fifth Street Towers
100 South Fifth Street
Minneapolis, MN 55402-1217
(612) 672-3600
Attorney in Fact for
Bremer Bank, National Association
11604-2645

IMPORTANT NOTICE

This communication is from a debt collector and is an attempt to collect a debt. Any information obtained will be used for that purpose.

(First Date of Pub.: Wed., Nov. 29, 2017)

(Dates of Pub.: Wed., Nov. 29, 2017)

NOTICE OF INTENT TO OPERATE AERATION SYSTEMS

Permits to install and operate aeration systems have been obtained from the Department of Natural Resources for the 2017-2018 season for the following lakes:

Clear Lake, Cottonwood Lake, East Goose Lake, Lady Slipper Lake, Rock Lake, School Grove Lake, West Twin Lake and Lake Yankton.

Installation of the aeration systems will be in December 2017 or January 2018. Date of commencement of the aeration systems will depend on oxygen levels of each lake. Aerators will be used as needed to prevent winterkill on area lakes. Obey all signs and rules.

Any questions call:

John Biren or Todd Hammer
Lyon County Aerator Inspectors
507-532-8207 or 507-532-8208

(First Date of Pub.: Wed., Nov. 29, 2017)

(Dates of Pub.: Wed., Nov. 29, 2017)

LYON COUNTY BOARD OF COMMISSIONERS Tuesday, October 17, 2017

A Summary of the Proceedings of the Lyon County Board 9:00 a.m. pursuant to notice the Lyon County Commissioners met with the following members present: Commissioners Graupmann, Anderson, Sanow, Crowley and Ritter. Also present: Administrator Stomberg and Attorney Maes.

MSP to approve the agenda.

MSP to approve the consent agenda.

MSP to approve the 2018 liquor license renewal for Cottonwood Country Club.

MSP to approve the 2018 liquor license renewal for Valley Enterprises of Fairview, Inc. Commissioner Ritter abstained from voting due to a conflict of interest.

MSP to approve the 2018 liquor license renewal for Fedde's Repair.

MSP to approve the resolution allowing United Community Action Partnership to continue to provide emergency shelter services in Lyon County.

MSP to approve the contract for the Schneider Beacon Ag Land Package with The Schneider Corporation for a cost of year one \$10,100, year two \$5,844 and year three \$5,844 with the funds coming from the recorder's unallocated fund.

MSP to approve and sign the 2018/2019 County Feedlot Program Delegation Work Plan.

MSP to approve the final payment with Duininc, Inc. for SAP 42-603-027 in the City of Minnesota for portions of CSAH 3 for a total of \$114,869.86 and allow Board Chair to sign.

MSP to approve the resolution to apply for the CSAH 6 & CSAH 11 Intersection Improvement Grant to include a 10% match of \$26,089 to come from the wheelage tax.

MSP to approve the resolution to act as a sponsor for the City of Ghent's Local Road Improvement Program project.

MSP to award the bid of Northland Securities with an interest rate of 1.4549%.

MSP to approve the hire of Justin Hill as an Environmental Intern with a starting rate of \$10, not to exceed 100 hours or 6 months.

MSP made to close the liquor license fees public hearing at 10:39 a.m.

MSP to approve the proposed liquor license fees effective 2019. Commissioner Ritter abstained from voting due to a conflict of interest.

MSP to adjourn at 11:13 a.m.

A copy of these proceedings are available in the County Administrator Office of Lyon County and also available at www.lyonco.org.

(First Date of Pub.: Wed., Nov. 29, 2017)

(Dates of Pub.: Wed., Nov. 29, 2017)

Minnesota Department of Education		Department of Education Division of School Finance 1500 Highway 36 West Roseville, MN 55113-4266		DISTRICT REVENUES AND EXPENDITURES BUDGET FOR FY 2017 AND FY 2018				ED-00110-40
GENERAL INFORMATION: Minnesota Statutes, section 123B.10, requires that every school board shall publish the subject data of this report.								
District Name: TRACY							District Number: 2904-01	
FUND	FY 2017 BEGINNING FUND BALANCES	FY 2017 ACTUAL REVENUES AND TRANSFERS IN	FY 2017 ACTUAL EXPENDITURES AND TRANSFERS OUT	JUNE 30, 2017 ACTUAL FUND BALANCES	FY 2018 BUDGET REVENUES AND TRANSFERS IN	FY 2018 BUDGET EXPENDITURES AND TRANSFERS OUT	JUNE 30, 2018 PROJECTED FUND BALANCES	
General Fund/Restricted	\$ 113,143	\$ 2,159,916	\$ 2,065,356	\$ 207,703	\$ 2,085,523	\$ 2,047,785	\$ 245,441	
General Fund/Other	\$ 2,841,519	\$ 7,609,382	\$ 7,910,890	\$ 2,540,011	\$ 7,044,105	\$ 7,770,063	\$ 1,814,053	
Food Service Fund	\$ 157,268	\$ 637,756	\$ 620,013	\$ 175,011	\$ 598,850	\$ 624,330	\$ 149,531	
Community Service Fund	\$ 49,891	\$ 304,202	\$ 284,525	\$ 69,568	\$ 216,025	\$ 221,370	\$ 64,223	
Building Construction Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Debt Service Fund	\$ 25,980	\$ 233,700	\$ 221,590	\$ 38,090	\$ 231,575	\$ 219,975	\$ 49,690	
Trust Fund	\$ 334,068	\$ 30,871	\$ 39,875	\$ 325,064	\$ 13,995	\$ 20,600	\$ 318,459	
Internal Service Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
* OPEB Revocable Trust Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
OPEB Irrevocable Trust Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
OPEB Debt Service Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
TOTAL - ALL FUNDS	\$ 3,521,869	\$ 10,975,827	\$ 11,142,249	\$ 3,355,447	\$ 10,190,073	\$ 10,904,123	\$ 2,641,397	
LONG-TERM DEBT	\$ -	CURRENT STATUTORY OPERATING DEBT PER MINNESOTA STATUTES, SECTION 123B.81						
Outstanding July 1, 2016	\$ 1,660,000	AMOUNT OF GENERAL FUND DEFICIT, IF ANY, IN EXCESS OF 2.5% OF EXPENDITURES 06/30/2017						
Plus: New Issues	\$ -	COST PER STUDENT - AVERAGE DAILY MEMBERSHIP (ADM) 06/30/2017						
Less: Redeemed Issues	\$ 190,000	TOTAL OPERATING EXPENDITURES						
Outstanding June 30, 2017	\$ 1,470,000	\$ 9,140,656.00						
SHORT-TERM DEBT	\$ -	FY 2017 TOTAL ADM SERVED + TUITIONED OUT ADM + ADJUSTED EXTENDED						
Certificates of Indebtedness	\$ -	742.83						
Other Short-Term Indebtedness	\$ -	FY 2017 OPERATING COST PER ADM						
		\$ 12,305.00						
The complete budget may be inspected upon request to the superintendent.								
Comments:								
The FY18 Revenue & Expenditure Budgets are based on preliminary numbers approved in June. The Revenues & Expenditures will be revised in the spring of 2018.								
The district's official website is www.tracy.k12.mn.us . The district's school report card can be found on the Department of Education website at education.state.mn.us .								
* Other Post-Employment Benefits (OPEB)								