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Return of Organization Exempt From Income Tax

2009

Department of the Treasury Internal Revenue Service

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)

Open to Public Inspection

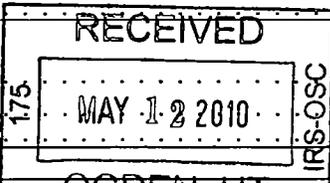
The organization may have to use a copy of this return to satisfy state reporting requirements

A For the 2009 calendar year, or tax year beginning , 2009, and ending , 20

Form 990 header section containing organization name (ASSOCIATION OF MINNESOTA COUNTIES), address (125 CHARLES AVENUE, ST PAUL, MN 55103), and identification numbers.

Part I Summary

Table with 3 columns: Line number, Description, and Amount. Rows include mission statement, revenue (Total: 2,710,174), expenses (Total: 2,726,406), and net assets (Total: 1,285,775).



Part II Signature Block

Signature block containing the signature of Laurie Ann Klupacs, Interim Co-Director, dated 5-6-10.

Preparer information section including signature of Richard E. Cornell, CPA, dated 5/3/10, and firm name CORNELL KAHLER SMIDELL & MAIR, PLLP.

May the IRS discuss this return with the preparer shown above? (see instructions) [X] Yes [] No

For Privacy Act and Paperwork Reduction Act Notice, see the separate instructions.* Form 990 (2009)

SCANNED JUN 26 2010

Part III Statement of Program Service Accomplishments

1 Briefly describe the organization's mission
THE ASSOCIATION OF MINNESOTA COUNTIES IS A VOLUNTARY STATEWIDE ORGANIZATION THAT ASSISTS THE STATE'S 87 COUNTIES IN PROVIDING EFFECTIVE COUNTY GOVERNANCE TO THE PEOPLE OF MINNESOTA

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? Yes No
If "Yes," describe these new services on Schedule O

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? Yes No
If "Yes," describe these changes on Schedule O

4 Describe the exempt purpose achievements for each of the organization's three largest program services by expenses Section 501(c)(3) and 501(c)(4) organizations and section 4947(a)(1) trusts are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported

4a (Code _____) (Expenses \$ 2,288,495 including grants of \$ _____) (Revenue \$ 1,445,986.)
SEE ATTACHED STATEMENT 1.5

4b (Code _____) (Expenses \$ _____ including grants of \$ _____) (Revenue \$ _____)

4c (Code _____) (Expenses \$ _____ including grants of \$ _____) (Revenue \$ _____)

4d Other program services (Describe in Schedule O)
(Expenses \$ _____ including grants of \$ _____) (Revenue \$ _____)

4e Total program service expenses ▶ 2,288,495.

Part IV Checklist of Required Schedules

Table with 3 main columns: Question, Yes, No. Rows 1-20 contain various questions about organizational activities and reporting requirements. Row 12A includes a sub-table with Yes/No columns.

Part IV Checklist of Required Schedules (continued)

| | Yes | No |
|---|-----|----|
| 21 Did the organization report more than \$5,000 of grants and other assistance to governments and organizations in the United States on Part IX, column (A), line 1? <i>If "Yes," complete Schedule I, Parts I and II.</i> | | X |
| 22 Did the organization report more than \$5,000 of grants and other assistance to individuals in the United States on Part IX, column (A), line 2? <i>If "Yes," complete Schedule I, Parts I and III.</i> | | X |
| 23 Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? <i>If "Yes," complete Schedule J.</i> | | X |
| 24 a Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? <i>If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to question 25.</i> | | X |
| b Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception? | | |
| c Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds? | | |
| d Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year? | | |
| 25 a Section 501(c)(3) and 501(c)(4) organizations. Did the organization engage in an excess benefit transaction with a disqualified person during the year? <i>If "Yes," complete Schedule L, Part I.</i> | | X |
| b Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? <i>If "Yes," complete Schedule L, Part I.</i> | | X |
| 26 Was a loan to or by a current or former officer, director, trustee, key employee, highly compensated employee, or disqualified person outstanding as of the end of the organization's tax year? <i>If "Yes," complete Schedule L, Part II.</i> | | X |
| 27 Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor, or a grant selection committee member, or to a person related to such an individual? <i>If "Yes," complete Schedule L, Part III.</i> | | X |
| 28 Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions) | | |
| a A current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV.</i> | | X |
| b A family member of a current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV.</i> | | X |
| c An entity of which a current or former officer, director, trustee, or key employee of the organization (or a family member) was an officer, director, trustee, or direct or indirect owner? <i>If "Yes," complete Schedule L, Part IV.</i> | | X |
| 29 Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M.</i> | | X |
| 30 Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If "Yes," complete Schedule M.</i> | | X |
| 31 Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I.</i> | | X |
| 32 Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If "Yes," complete Schedule N, Part II.</i> | | X |
| 33 Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? <i>If "Yes," complete Schedule R, Part I.</i> | | X |
| 34 Was the organization related to any tax-exempt or taxable entity? <i>If "Yes," complete Schedule R, Parts II, III, IV, and V, line 1.</i> | X | |
| 35 Is any related organization a controlled entity within the meaning of section 512(b)(13)? <i>If "Yes," complete Schedule R, Part V, line 2.</i> | | X |
| 36 Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? <i>If "Yes," complete Schedule R, Part V, line 2.</i> | | |
| 37 Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? <i>If "Yes," complete Schedule R, Part VI.</i> | | X |
| 38 Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11 and 19? Note. All Form 990 filers are required to complete Schedule O | X | |

Part V Statements Regarding Other IRS Filings and Tax Compliance

Table with columns for question number, description, and Yes/No checkboxes. Includes questions 1a-12b regarding Form 1096, Form W-2G, Form W-3, and various tax shelter and contribution rules.

Part VI Governance, Management, and Disclosure For each "Yes" response to lines 2 through 7b below, and for a "No" response to line 8a, 8b, or 10b below, describe the circumstances, processes, or changes in Schedule O. See instructions.

Section A. Governing Body and Management

Table with columns for question number, description, and Yes/No checkboxes. Includes questions 1a, 1b, 2, 3, 4, 5, 6, 7a, 7b, 8a, 8b, and 9.

Section B. Policies (This Section B requests information about policies not required by the Internal Revenue Code.)

Table with columns for question number, description, and Yes/No checkboxes. Includes questions 10a, 10b, 11, 11A, 12a, 12b, 12c, 13, 14, 15a, 15b, 16a, and 16b.

Section C. Disclosure

- 17 List the states with which a copy of this Form 990 is required to be filed MN,
18 Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (501(c)(3)s only) available for public inspection. Indicate how you make these available. Check all that apply.
19 Describe in Schedule O whether (and if so, how), the organization makes its governing documents, conflict of interest policy, and financial statements available to the public.
20 State the name, physical address, and telephone number of the person who possesses the books and records of the organization.

Part VII Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors

Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

1a Complete this table for all persons required to be listed Report compensation for the calendar year ending with or within the organization's tax year Use Schedule J-2 if additional space is needed

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation Enter -0- in columns (D), (E), and (F) if no compensation was paid
- List all of the organization's **current** key employees See instructions for definition of "key employee "
- List the organization's five **current** highest compensated employees (other than an officer, director, trustee, or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than \$100,000 from the organization and any related organizations
- List all of the organization's **former** officers, key employees, and highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations
- List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than \$10,000 of reportable compensation from the organization and any related organizations

List persons in the following order individual trustees or directors, institutional trustees; officers, key employees, highest compensated employees; and former such persons

Check this box if the organization did not compensate any current officer, director, or trustee

| (A) Name and Title | (B) Average hours per week | (C) Position (check all that apply) | | | | | | (D) Reportable compensation from the organization (W-2/1099-MISC) | (E) Reportable compensation from related organizations (W-2/1099-MISC) | (F) Estimated amount of other compensation from the organization and related organizations |
|---|-------------------------------|--|-----------------------|---------|--------------|------------------------------|--------|--|---|---|
| | | Individual trustee or director | Institutional trustee | Officer | Key employee | Highest compensated employee | Former | | | |
| JIM MCDONOUGH PRESIDENT | 3.00 | X | | | | | | | | |
| JON EVERT FIRST VICE PRESIDENT | 4.00 | X | | | | | | | | |
| DUANNE BAKKE SECOND VICE PRESIDENT | 5.00 | X | | | | | | | | |
| JOHN BAERG SECRETARY / TREASURE | 6.00 | X | | | | | | | | |
| PAUL WILSON IMMEDIATE PAST PRESIDENT | 7.00 | X | | | | | | | | |
| DENNIS FINK DIRECTOR | 2.00 | X | | | | | | | | |
| JOE VENE DIRECTOR | 2.00 | X | | | | | | | | |
| WAYNE STRANDELL DIRECTOR | 2.00 | X | | | | | | | | |
| PAUL ANDERSON DIRECTOR | 2.00 | X | | | | | | | | |
| JACK RUSSEK DIRECTOR | 2.00 | X | | | | | | | | |
| GARY HENDRICKX DIRECTOR | 2.00 | X | | | | | | | | |
| TOM WARMKA DIRECTOR | 2.00 | X | | | | | | | | |
| MARV TINKLENBERG DIRECTOR | 2.00 | X | | | | | | | | |
| BRUCE KUBICEK DIRECTOR | 2.00 | X | | | | | | | | |
| DENNIS BERG DIRECTOR | 2.00 | X | | | | | | | | |
| JIM ISCHE DIRECTOR | 2.00 | X | | | | | | | | |

Part VII Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees (continued)

| (A) Name and title | (B) Average hours per week | (C) Position (check all that apply) | | | | | | (D) Reportable compensation from the organization (W-2/1099-MISC) | (E) Reportable compensation from related organizations (W-2/1099-MISC) | (F) Estimated amount of other compensation from the organization and related organizations |
|--------------------------------------|-------------------------------|--|-----------------------|---------|--------------|------------------------------|----------|--|---|---|
| | | Individual trustee or director | Institutional trustee | Officer | Key employee | Highest compensated employee | Former | | | |
| KATHLENN GAYLORD DIRECTOR | 2.00 | X | | | | | | | | |
| PETER MCLAUGHIN DIRECTOR | 2.00 | X | | | | | | | | |
| TONY BENNETT | 2.00 | X | | | | | | | | |
| BARBARA MARSCHALL DIRECTOR | 2.00 | X | | | | | | | | |
| MYRA PETERSON DIRECTOR | 2.00 | X | | | | | | | | |
| HARLAN MADSEN NACO REPRESENTATIVE | 2.00 | X | | | | | | | | |
| TONY BENNETT NACO REPRESENTATIVE | 2.00 | X | | | | | | | | |
| RANDY JOHNSON NACO REPRESENTATIVE | 2.00 | X | | | | | | | | |
| BOB FENWICK | 2.00 | X | | | | | | | | |
| JAMES MULDER EXECUTIVE DIRECTOR | 40.00 | | | X | | | 114,395. | | 7,876. | |
| 1b Total | | | | | | | 114,395. | | 7,876. | |

2 Total number of individuals (including but not limited to those listed above) who received more than \$100,000 in reportable compensation from the organization **1**

| | Yes | No |
|---|-----|----|
| 3 Did the organization list any former officer, director or trustee, key employee, or highest compensated employee on line 1a? <i>If "Yes," complete Schedule J for such individual</i> | | X |
| 4 For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? <i>If "Yes," complete Schedule J for such individual</i> | | X |
| 5 Did any person listed on line 1a receive or accrue compensation from any unrelated organization for services rendered to the organization? <i>If "Yes," complete Schedule J for such person</i> | | X |

Section B. Independent Contractors

1 Complete this table for your five highest compensated independent contractors that received more than \$100,000 of compensation from the organization

| (A) Name and business address | (B) Description of services | (C) Compensation |
|----------------------------------|--------------------------------|---------------------|
| | | |
| | | |
| | | |
| | | |

2 Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 in compensation from the organization **0**

Part VIII Statement of Revenue

41-0802524

| | | | (A) Total revenue | (B) Related or exempt function revenue | (C) Unrelated business revenue | (D) Revenue excluded from tax under sections 512, 513, or 514 | |
|---|--|--|----------------------|--|---|---|--|
| Contributions, gifts, grants and other similar amounts | 1a | Federated campaigns | 1a | | | | |
| | b | Membership dues | 1b | 1,195,673 | | | |
| | c | Fundraising events | 1c | | | | |
| | d | Related organizations | 1d | | | | |
| | e | Government grants (contributions) | 1e | | | | |
| | f | All other contributions, gifts, grants, and similar amounts not included above | 1f | | | | |
| | g | Noncash contributions included in lines 1a-1f \$ | | | | | |
| | h | Total. Add lines 1a-1f | | 1,195,673 | | | |
| Program Service Revenue | | | Business Code | | | | |
| | 2a | REGISTRATION FEES | | 428,989 | | 428,989 | |
| | b | ADVERTISING | 511110 | 30,309 | | 30,309 | |
| | c | COUNTY GOVERNANCE | | 755,175 | 755,175 | | |
| | d | ENDORSEMENT FEES | | 231,513 | 231,513 | | |
| | e | | | | | | |
| | f | All other program service revenue | | | | | |
| | g | Total. Add lines 2a-2f | | 1,445,986 | | | |
| Other Revenue | 3 | Investment income (including dividends, interest, and other similar amounts). ATTACHMENT 2 | | 55,598 | | 55,598 | |
| | 4 | Income from investment of tax-exempt bond proceeds | | 0 | | | |
| | 5 | Royalties | | 0 | | | |
| | | | (i) Real | (ii) Personal | | | |
| | 6a | Gross Rents | | | | | |
| | b | Less rental expenses | | | | | |
| | c | Rental income or (loss) | | | | | |
| | d | Net rental income or (loss) | | 0 | | | |
| | | | (i) Securities | (ii) Other | | | |
| | 7a | Gross amount from sales of assets other than inventory | | | | | |
| | b | Less cost or other basis and sales expenses | | | | | |
| | c | Gain or (loss) | | | | | |
| | d | Net gain or (loss) | | 0 | | | |
| | 8a | Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c) See Part IV, line 18 | a | | | | |
| | b | Less direct expenses | b | | | | |
| | c | Net income or (loss) from fundraising events | | 0 | | | |
| | 9a | Gross income from gaming activities See Part IV, line 19 | a | | | | |
| | b | Less direct expenses | b | | | | |
| c | Net income or (loss) from gaming activities | | 0 | | | | |
| 10a | Gross sales of inventory, less returns and allowances | a | | | | | |
| b | Less cost of goods sold | b | | | | | |
| c | Net income or (loss) from sales of inventory | | 0 | | | | |
| | | Miscellaneous Revenue | Business Code | | | | |
| 11a | MISCELLANEOUS | | 12,917 | | 12,917 | | |
| b | | | | | | | |
| c | | | | | | | |
| d | All other revenue | | | | | | |
| e | Total. Add lines 11a-11d | | 12,917 | | | | |
| 12 | Total Revenue. See instructions | | 2,710,174 | 986,688 | 30,309 | 497,504 | |

Part IX Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns.

All other organizations must complete column (A) but are not required to complete columns (B), (C), and (D).

| <i>Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.</i> | (A) Total expenses | (B) Program service expenses | (C) Management and general expenses | (D) Fundraising expenses |
|--|-----------------------|---------------------------------|--|-----------------------------|
| 1 Grants and other assistance to governments and organizations in the U.S. See Part IV, line 21 . . . | 0. | | | |
| 2 Grants and other assistance to individuals in the U.S. See Part IV, line 22 | 0. | | | |
| 3 Grants and other assistance to governments, organizations, and individuals outside the U.S. See Part IV, lines 15 and 16 | 0. | | | |
| 4 Benefits paid to or for members | 0. | | | |
| 5 Compensation of current officers, directors, trustees, and key employees | 114,396. | 57,198. | 57,198. | |
| 6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) . . . | 0. | | | |
| 7 Other salaries and wages | 1,185,782. | 1,068,447. | 117,335. | |
| 8 Pension plan contributions (include section 401(k) and section 403(b) employer contributions) . . . | 87,600. | 75,587. | 12,013. | |
| 9 Other employee benefits | 111,700. | 97,105. | 14,595. | |
| 10 Payroll taxes | 98,031. | 84,726. | 13,305. | |
| 11 Fees for services (non-employees): | | | | |
| a Management | 0. | | | |
| b Legal | 3,457. | 3,457. | | |
| c Accounting | 9,294. | | 9,294. | |
| d Lobbying | 0. | | | |
| e Professional fundraising services See Part IV, line 17 | 0. | | | |
| f Investment management fees | 0. | | | |
| g Other | 0. | | | |
| 12 Advertising and promotion | 0. | | | |
| 13 Office expenses | 40,684. | 18,614. | 22,070. | |
| 14 Information technology | 0. | | | |
| 15 Royalties | 0. | | | |
| 16 Occupancy | 79,800. | 55,860. | 23,940. | |
| 17 Travel | 61,499. | 47,480. | 14,019. | |
| 18 Payments of travel or entertainment expenses for any federal, state, or local public officials | 0. | | | |
| 19 Conferences, conventions, and meetings | 479,282. | 465,705. | 13,577. | |
| 20 Interest | 0. | | | |
| 21 Payments to affiliates | 0. | | | |
| 22 Depreciation, depletion, and amortization . . . | 19,984. | 13,989. | 5,995. | |
| 23 Insurance | 0. | | | |
| 24 Other expenses Itemize expenses not covered above (Expenses grouped together and labeled miscellaneous may not exceed 5% of total expenses shown on line 25 below) | | | | |
| a UTILITIES ----- | 16,260. | 11,382. | 4,878. | |
| b TELEPHONE ----- | 58,780. | 41,146. | 17,634. | |
| c DUES AND JOURNALS ----- | 6,432. | 4,172. | 2,260. | |
| d STAFF DEVELOPMENT ----- | 16,309. | 7,492. | 8,817. | |
| e CONSULTANT CONTRACTS ----- | 107,931. | 97,138. | 10,793. | |
| f All other expenses ----- | 229,185. | 138,997. | 90,188. | |
| 25 Total functional expenses Add lines 1 through 24f | 2,726,406. | 2,288,495. | 437,911. | |
| 26 Joint Costs. Check here <input type="checkbox"/> If following SOP 98-2 Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation | | | | |

Part X Balance Sheet

| | | (A) Beginning of year | | (B) End of year | | |
|-----------------------------|---|---|------------|--------------------|------------|----------|
| Assets | 1 | Cash - non-interest-bearing | 166,764. | 1 | 145,597. | |
| | 2 | Savings and temporary cash investments | 1,271,630. | 2 | 1,298,974. | |
| | 3 | Pledges and grants receivable, net | | 3 | | |
| | 4 | Accounts receivable, net | 343,692. | 4 | 269,914. | |
| | 5 | Receivables from current and former officers, directors, trustees, key employees, and highest compensated employees Complete Part II of Schedule L | | 5 | | |
| | 6 | Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) Complete Part II of Schedule L | | 6 | | |
| | 7 | Notes and loans receivable, net | | 7 | | |
| | 8 | Inventories for sale or use | | 8 | | |
| | 9 | Prepaid expenses and deferred charges | 14,108. | 9 | 14,332. | |
| | 10a | Land, buildings, and equipment, cost or other basis Complete Part VI of Schedule D | 534,469. | | | |
| | b | Less accumulated depreciation | 388,045. | 35,479. | 10c | 146,424. |
| | 11 | Investments - publicly traded securities | | 11 | | |
| | 12 | Investments - other securities See Part IV, line 11 | | 12 | | |
| | 13 | Investments - program-related See Part IV, line 11 | | 13 | | |
| | 14 | Intangible assets | | 14 | | |
| | 15 | Other assets. See Part IV, line 11 | 1,000. | 15 | 0. | |
| 16 | Total assets. Add lines 1 through 15 (must equal line 34) | 1,832,673. | 16 | 1,875,241. | | |
| Liabilities | 17 | Accounts payable and accrued expenses | 330,176. | 17 | 417,383. | |
| | 18 | Grants payable | | 18 | | |
| | 19 | Deferred revenue | 200,490. | 19 | 172,083. | |
| | 20 | Tax-exempt bond liabilities | | 20 | | |
| | 21 | Escrow or custodial account liability Complete Part IV of Schedule D | | 21 | | |
| | 22 | Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons Complete Part II of Schedule L | | 22 | | |
| | 23 | Secured mortgages and notes payable to unrelated third parties | | 23 | | |
| | 24 | Unsecured notes and loans payable to unrelated third parties | | 24 | | |
| | 25 | Other liabilities Complete Part X of Schedule D | | 25 | | |
| | 26 | Total liabilities. Add lines 17 through 25 | 530,666. | 26 | 589,466. | |
| Net Assets or Fund Balances | Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34. | | | | | |
| | 27 | Unrestricted net assets | 1,302,007. | 27 | 1,285,775. | |
| | 28 | Temporarily restricted net assets | | 28 | | |
| | 29 | Permanently restricted net assets | | 29 | | |
| | Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 30 through 34. | | | | | |
| | 30 | Capital stock or trust principal, or current funds | | 30 | | |
| | 31 | Paid-in or capital surplus, or land, building, or equipment fund | | 31 | | |
| | 32 | Retained earnings, endowment, accumulated income, or other funds | | 32 | | |
| 33 | Total net assets or fund balances | 1,302,007. | 33 | 1,285,775. | | |
| 34 | Total liabilities and net assets/fund balances | 1,832,673. | 34 | 1,875,241. | | |

Part XI Financial Statements and Reporting

| | | Yes | No |
|----|--|-----|----|
| 1 | Accounting method used to prepare the Form 990 <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other _____ If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O | | |
| 2a | Were the organization's financial statements compiled or reviewed by an independent accountant? | | X |
| 2b | Were the organization's financial statements audited by an independent accountant? | X | |
| 2c | If "Yes" to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant? If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O | X | |
| d | If "Yes" to line 2a or 2b, check a box below to indicate whether the financial statements for the year were issued on a consolidated basis, separate basis, or both <input type="checkbox"/> Separate basis <input checked="" type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis | | |
| 3a | As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133? | | X |
| 3b | If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits | | |

Form 990 (2009)

Supplemental Financial Statements

2009

Open to Public Inspection

Complete if the organization answered "Yes," to Form 990, Part IV, line 6, 7, 8, 9, 10, 11, or 12.

Attach to Form 990. See separate instructions.

Department of the Treasury Internal Revenue Service

Name of the organization

ASSOCIATION OF MINNESOTA COUNTIES

Employer identification number

41-0802524

Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts. Complete if the organization answered "Yes" to Form 990, Part IV, line 6.

Table with 2 columns: (a) Donor advised funds, (b) Funds and other accounts. Rows include: 1 Total number at end of year, 2 Aggregate contributions to (during year), 3 Aggregate grants from (during year), 4 Aggregate value at end of year, 5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control?, 6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds can be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit?

Part II Conservation Easements. Complete if the organization answered "Yes" to Form 990, Part IV, line 7.

Table with 2 columns: Held at the End of the Year. Rows include: 1 Purpose(s) of conservation easements held by the organization (check all that apply), 2 Complete lines 2a through 2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year, 3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the tax year, 4 Number of states where property subject to conservation easement is located, 5 Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds?, 6 Staff and volunteer hours devoted to monitoring, inspecting, and enforcing conservation easements during the year, 7 Amount of expenses incurred in monitoring, inspecting, and enforcing conservation easements during the year, 8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and 170(h)(4)(B)(ii)?, 9 In Part XIV, describe how the organization reports conservation easements in its revenue and expense statement, and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements.

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets.

Complete if the organization answered "Yes" to Form 990, Part IV, line 8

- 1a If the organization elected, as permitted under SFAS 116, not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide, in Part XIV, the text of the footnote to its financial statements that describes these items
b If the organization elected, as permitted under SFAS 116, to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items
(i) Revenues included in Form 990, Part VIII, line 1
(ii) Assets included in Form 990, Part X
2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 relating to these items.
a Revenues included in Form 990, Part VIII, line 1
b Assets included in Form 990, Part X

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets (continued)

3 Using the organization's acquisition, accession, and other records, check any of the following that are a significant use of its collection items (check all that apply)

- a Public exhibition
- b Scholarly research
- c Preservation for future generations
- d Loan or exchange programs
- e Other _____

4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIV

5 During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection? Yes No

Part IV Escrow and Custodial Arrangements. Complete if the organization answered "Yes" to Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.

1a Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X? Yes No

b If "Yes," explain the arrangement in Part XIV and complete the following table.

| | Amount |
|---|--------|
| c Beginning balance | 1c |
| d Additions during the year | 1d |
| e Distributions during the year | 1e |
| f Ending balance | 1f |

2a Did the organization include an amount on Form 990, Part X, line 21? Yes No

b If "Yes," explain the arrangement in Part XIV.

Part V Endowment Funds. Complete if organization answered "Yes" to Form 990, Part IV, line 10.

| | (a) Current Year | (b) Prior year | (c) Two years back | (d) Three years back | (e) Four years back |
|--|------------------|----------------|--------------------|----------------------|---------------------|
| 1a Beginning of year balance | | | | | |
| b Contributions | | | | | |
| c Net investment earnings, gains, and losses | | | | | |
| d Grants or scholarships | | | | | |
| e Other expenditures for facilities and programs | | | | | |
| f Administrative expenses | | | | | |
| g End of year balance | | | | | |

2 Provide the estimated percentage of the year end balance held as

- a Board designated or quasi-endowment ▶ _____ %
- b Permanent endowment ▶ _____ %
- c Term endowment ▶ _____ %

3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by:

- (i) unrelated organizations
- (ii) related organizations

| | Yes | No |
|--------|-----|----|
| 3a(i) | | |
| 3a(ii) | | |
| 3b | | |

b If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R?

4 Describe in Part XIV the intended uses of the organization's endowment funds

Part VI Investments - Land, Buildings, and Equipment. See Form 990, Part X, line 10

| Description of investment | (a) Cost or other basis (investment) | (b) Cost or other basis (other) | (c) Accumulated depreciation | (d) Book value |
|---|--------------------------------------|---------------------------------|------------------------------|----------------|
| 1a Land | | | | |
| b Buildings | | | | |
| c Leasehold improvements | | | | |
| d Equipment | 534,469 | | 388,045 | 146,424 |
| e Other | | | | |
| Total. Add lines 1a through 1e (Column (d) must equal Form 990, Part X, column (B), line 10(c)). | | | | 146,424 |

| Part XI Reconciliation of Change in Net Assets from Form 990 to Audited Financial Statements | | |
|---|---|----|
| 1 | Total revenue (Form 990, Part VIII, column (A), line 12) | 1 |
| 2 | Total expenses (Form 990, Part IX, column (A), line 25) | 2 |
| 3 | Excess or (deficit) for the year Subtract line 2 from line 1 | 3 |
| 4 | Net unrealized gains (losses) on investments | 4 |
| 5 | Donated services and use of facilities | 5 |
| 6 | Investment expenses | 6 |
| 7 | Prior period adjustments | 7 |
| 8 | Other (Describe in Part XIV) | 8 |
| 9 | Total adjustments (net) Add lines 4 through 8 | 9 |
| 10 | Excess or (deficit) for the year per audited financial statements Combine lines 3 and 9 | 10 |

| Part XII Reconciliation of Revenue per Audited Financial Statements With Revenue per Return | | |
|--|---|----|
| 1 | Total revenue, gains, and other support per audited financial statements | 1 |
| 2 | Amounts included on line 1 but not on Form 990, Part VIII, line 12: | |
| a | Net unrealized gains on investments | 2a |
| b | Donated services and use of facilities | 2b |
| c | Recoveries of prior year grants | 2c |
| d | Other (Describe in Part XIV) | 2d |
| e | Add lines 2a through 2d | 2e |
| 3 | Subtract line 2e from line 1 | 3 |
| 4 | Amounts included on Form 990, Part VIII, line 12, but not on line 1: | |
| a | Investment expenses not included on Form 990, Part VIII, line 7b | 4a |
| b | Other (Describe in Part XIV) | 4b |
| c | Add lines 4a and 4b | 4c |
| 5 | Total revenue Add lines 3 and 4c. (This must equal Form 990, Part I, line 12) | 5 |

| Part XIII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return | | |
|---|--|----|
| 1 | Total expenses and losses per audited financial statements | 1 |
| 2 | Amounts included on line 1 but not on Form 990, Part IX, line 25: | |
| a | Donated services and use of facilities | 2a |
| b | Prior year adjustments | 2b |
| c | Other losses | 2c |
| d | Other (Describe in Part XIV.) | 2d |
| e | Add lines 2a through 2d | 2c |
| 3 | Subtract line 2e from line 1 | 3 |
| 4 | Amounts included on Form 990, Part IX, line 25, but not on line 1: | |
| a | Investment expenses not included on Form 990, Part VIII, line 7b | 4a |
| b | Other (Describe in Part XIV) | 4b |
| c | Add lines 4a and 4b | 4c |
| 5 | Total expenses Add lines 3 and 4c. (This must equal Form 990, Part I, line 18) | 5 |

Part XIV Supplemental Information

Complete this part to provide the descriptions required for Part II, lines 3, 5, and 9, Part III, lines 1a and 4, Part IV, lines 1b and 2b, Part V, line 4, Part X, line 2, Part XI, line 8, Part XII, lines 2d and 4b, and Part XIII, lines 2d and 4b Also complete this part to provide any additional information

Part XIV Supplemental Information (continued)

Name of the organization

ASSOCIATION OF MINNESOTA COUNTIES

Employer identification number

41-0802524

ATTACHMENT 1

990 REVIEW

PART VI SECTION B QUESTION 11A

THE FORM 990 EXEMPT ORGANIZATION BUSINESS INCOME TAX RETURN IS E-MAILED TO THE BOARD OF DIRECTORS FOR REVIEW PRIOR TO FILING.

CONFLICT OF INTEREST

PART VI SECTION B QUESTION 12C

THE CONFLICT OF INTEREST POLICY IS PRESENTED AND REVIEWED ANNUALLY BY THE BOARD. THE CONFLICT OF INTEREST POLICY IS PRESENTED TO NEW BOARD MEMBERS WHEN A BOARD POSITION IS FILED.

COMPENSATION

PART VI SECTION B POLICIES QUESTION 15

THE EXECUTIVE COMMITTEE OF THE BOARD OF DIRECTORS ANNUALLY REVIEWED THE COMPENSATION OF THE EXECUTIVE DIRECTOR. PERFORMAANCE APPRAISAL ARE BASE ON JOB DESCRIPTIONS AND RESULTS ORIENTED PERFORMANCE STANDARDS. SALARY INCREASES ARE BASED ON THE EVALUATIONS. THE SUPERVISOR DISCUSSES THE REPORT WITH THE EMPLOYEE BEFORE THE REPORT IS MADE A PART OF THE EMPLOYEE'S PERMANENT RECORD.

AVAILABILITY OF DOCUMENTS

PART VI SECTION C DISCLOSURES QUESTIN 19

GOVERNING DOCUMENTS, CONFLICT OF INTEREST POLICIES AND FINANCIAL STATEMENTS ARE MADE AVAILABLE TO THE PUBLIC UPON REQUEST.

| | |
|---|--|
| Name of the organization ASSOCIATION OF MINNESOTA COUNTIES | Employer identification number 41-0802524 |
|---|--|

ATTACHMENT 2

FORM 990, PART VIII - INVESTMENT INCOME

| <u>DESCRIPTION</u> | <u>(A) TOTAL REVENUE</u> | <u>(B) RELATED OR EXEMPT REVENUE</u> | <u>(C) UNRELATED BUSINESS REV.</u> | <u>(D) EXCLUDED REVENUE</u> |
|--------------------|----------------------------------|--|--|-------------------------------------|
| INTEREST INCOME | 55,598 | | | 55,598 |
| TOTALS | <u>55,598</u> | | | <u>55,598</u> |

Part V Transactions With Related Organizations (Complete if the organization answered "Yes" on Form 990, Part IV, line 34, 35, or 36.)

Note. Complete line 1 if any entity is listed in Parts II, III, or IV of this schedule

| | Yes | No |
|--|-----|------|
| 1 During the tax year, did the organization engage in any of the following transactions with one or more related organizations listed in Parts II-IV? | | |
| a Receipt of (i) interest (ii) annuities (iii) royalties or (iv) rent from a controlled entity | | 1a |
| b Gift, grant, or capital contribution to other organization(s) | | 1b |
| c Gift, grant, or capital contribution from other organization(s) | | 1c |
| d Loans or loan guarantees to or for other organization(s) | | 1d |
| e Loans or loan guarantees by other organization(s) | | 1e |
| f Sale of assets to other organization(s) | | 1f |
| g Purchase of assets from other organization(s) | | 1g |
| h Exchange of assets | | 1h |
| i Lease of facilities, equipment, or other assets to other organization(s) | | 1i X |
| j Lease of facilities, equipment, or other assets from other organization(s) | | 1j |
| k Performance of services or membership or fundraising solicitations for other organization(s) | | 1k |
| l Performance of services or membership or fundraising solicitations by other organization(s) | | 1l |
| m Sharing of facilities, equipment, mailing lists, or other assets | | 1m |
| n Sharing of paid employees | | 1n |
| o Reimbursement paid to other organization for expenses | | 1o |
| p Reimbursement paid by other organization for expenses | | 1p |
| q Other transfer of cash or property to other organization(s) | | 1q |
| r Other transfer of cash or property from other organization(s) | | 1r |

2 If the answer to any of the above is "Yes," see the instructions for information on who must complete this line, including covered relationships and transaction thresholds

| | (a) Name of other organization | (b) Transaction type (a-r) | (c) Amount involved |
|-----|--|-------------------------------|------------------------|
| (1) | MINNESOTA COUNTIES RESEARCH FOUNDATION | I | |
| (2) | | | |
| (3) | | | |
| (4) | | | |
| (5) | | | |
| (6) | | | |

Association of Minnesota Counties

EIN 41-0802524

**Statement of Program Service Accomplishments
(Attachment to Form 990, Part III)**

The Association of Minnesota Counties (AMC) is a voluntary statewide organization that assists the state's 87 counties in providing effective county governance to the people of Minnesota. It is the mission of the Association to assist in the provision of effective county governance for the people of Minnesota.

More than 130 delegates serve on AMC's four policy committees: General Government, Environment & Natural Resources, Human Services and Transportation & Agriculture.

In addition, the following special committees currently exist to address county concerns:

Collar Counties (Monitors issues and activities that affect counties that are adjacent to the seven Twin Cities metropolitan counties), Public Utilities, Indian Affairs Task Force, Membership Services, Minnesota Extension Committee, and Minnesota Rural Counties Caucus.

Member Services

AMC member counties enjoy a myriad of benefits and services, ranging from solid communications to educational programs and research.

Publications

To meet the information needs of counties in a variety of ways, AMC provides counties with the following publications:

Minnesota Counties—AMC's main communications vehicle is the Minnesota Counties newspaper. It contains notices of upcoming AMC events; summaries of recent activities, county news, regular columns by the AMC president, executive director and staff; calendar of events; job notices and board meeting minutes.

Other publications include Legislative Updates, Monday Night Faxes to members, "FYI" Resources, an annual Salary Survey, and the Minnesota County Directory.

Web Site

The AMC web site (www.mncounties.org) is a comprehensive and timely resource for counties and others interested in county issues and activities. Most counties enjoy access to the Internet, and appreciate an at-their-fingertips source for information about AMC events and meetings, links to often referenced resources, legislative updates, recent committee minutes and county job postings.

Educational Programs

AMC offers a variety of educational programs to help county commissioners and staff keep up-to-speed on issues, trends and technology. These programs include a legislative conference, a leadership retreat, and an annual conference.

Intergovernmental Services

The Association of Minnesota Counties' Intergovernmental Services staff perform a variety of services for member counties. Policy analysts work year-round on often complex issues that have significant ramifications on county budgets.