



**Comprehensive
Annual Financial Report
Year ended December 31, 2008**



**Ramsey County, MN
15 W. Kellogg Blvd., #270
St. Paul, MN 55102**

FINANCIAL HIGHLIGHTS

(Dollars in thousands except per capita amounts)		2008	2007	Percent Change
Government-wide Financial Statements:				
Assets		\$ 1,111,359	\$ 1,098,987	1.1%
Liabilities		\$ 365,933	\$ 383,159	(4.5%)
Net Assets		\$ 745,426	\$ 715,828	4.1%
Government-wide Financial Statements:				
Revenues		\$ 603,530	\$ 611,774	(1.3%)
Expenses		\$ 573,932	\$ 589,173	(2.6%)
Increase in Net Assets		\$ 29,598	\$ 22,601	
Expense per Capita		\$ 1,144.60	\$ 1,178.61	(2.9%)
Investment/Cash Ratio		99.0%	99.0%	-
Average Investment Book Yield		4.13%	4.92%	(16.1%)
General Obligation Debt		\$ 195,917	\$ 213,153	(8.1%)
Net General Obligation Debt Per Capita		\$ 349.67	\$ 360.00	(2.9%)
Bond Ratings	Moody's Investor Services	Aaa	Aaa	
	Standard & Poor's	AAA	AAA	
Property Taxes	Levy (General County)	\$ 243,439	\$ 233,697	4.2%
	Net Tax Capacity Rates	43.17	41.16	4.9%
	Net Tax Capacity	\$ 596,434	\$ 566,514	5.3%
	Market Values	\$ 48,377,707	\$ 49,095,390	(1.5%)
Number of Budgeted Employees (FTE)		3,839.83	3,796.28	1.1%

Comprehensive Annual Financial Report of the County of Ramsey, Minnesota

Year Ended December 31, 2008

BOARD OF COUNTY COMMISSIONERS

	District
Tony Bennett	1
Jan Parker, Chair	2
Janice Rettman	3
Toni Carter	4
Rafael Ortega	5
Jim McDonough	6
Victoria Reinhardt	7
Julie Kleinschmidt	County Manager (Appointed 1/6/09)

Prepared by: Budgeting & Accounting Office of
the County Manager's Department

TABLE OF CONTENTS

SECTION I – INTRODUCTORY SECTION

	<u>Page No.</u>
List of Principal Officials	1
Transmittal Letter	2
Organizational Chart	8
Certificate of Achievement for Excellence in Financial Reporting	9

SECTION II – FINANCIAL SECTION

Independent Auditor’s Report	11
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MANAGEMENT’S DISCUSSION AND ANALYSIS 13

BASIC FINANCIAL STATEMENTS

Government-wide Financial Statements:

Statement of Net Assets	Exhibit 1	25
Statement of Activities	Exhibit 2	27

Fund Financial Statements:

Governmental Fund Financial Statements:

Balance Sheet – Governmental Funds	Exhibit 3	29
Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds	Exhibit 4	30
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	Exhibit 5	31

Proprietary Fund Financial Statements:

Statement of Net Assets – Proprietary Funds	Exhibit 6	32
Statement of Revenues, Expenses, and Changes in Fund Net Assets – Proprietary Funds	Exhibit 7	34
Statement of Cash Flows – Proprietary Funds	Exhibit 8	36

Fiduciary Fund Financial Statements:

Statement of Fiduciary Net Assets – Fiduciary Funds	Exhibit 9	40
Statement of Changes in Fiduciary Net Assets – Fiduciary Funds	Exhibit 10	41

Notes to the Financial Statements	42
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TABLE OF CONTENTS (Continued)

	<u>Page No.</u>
<u>REQUIRED SUPPLEMENTARY INFORMATION OTHER THAN MD&A:</u>	
Schedule of Revenues, Expenditures, and Changes in Fund	
Balances – Budget and Actual General Fund	Schedule 1 75
Schedule of Employer Contributions	Schedule 2 77
Schedule of Funding Progress	Schedule 3 78
Notes to the Required Supplementary Information	79
 <u>MAJOR FUND BUDGET AND ACTUAL SCHEDULE:</u>	
Schedule of Revenues, Expenditures, and Changes in Fund	
Balances – Budget and Actual Debt Service Fund	Schedule 4 81
 <u>COMBINING STATEMENTS:</u>	
Nonmajor Governmental Funds	83
Combining Balance Sheet – Nonmajor Governmental Funds	Statement 1 85
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Governmental Funds	Statement 2 89
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual:	
County Library Fund Special Revenue Fund	Schedule 5 93
Solid Waste/Recycling Service Fee Special Revenue Fund	Schedule 6 94
Emergency Communications Special Revenue Fund	Schedule 7 95
Regional Railroad Authority Special Revenue Fund	Schedule 8 96
Forfeited Tax Sale Special Revenue Fund	Schedule 9 97
 Nonmajor Enterprise Funds	 98
Combining Statement of Net Assets – Nonmajor Enterprise Funds	Statement 3 99
Combining Statement of Revenues, Expenses and Changes in Net Assets – Nonmajor Enterprise Funds	Statement 4 100
Combining Statement of Cash Flows – Nonmajor Enterprise Funds	Statement 5 101
 Internal Service Funds	 102
Combining Statement of Net Assets – Internal Service Funds	Statement 6 103
Combining Statement of Revenues, Expenses and Changes in Fund Net Assets – Internal Service Funds	Statement 7 105
Combining Statement of Cash Flows – Internal Service Funds	Statement 8 107

TABLE OF CONTENTS (Continued)

		<u>Page No.</u>
Fiduciary Funds		109
Combining Statement of Fiduciary Net Assets – Private Purpose Trust Funds	Statement 9	110
Combining Statement of Changes in Fiduciary Net Assets – Private Purpose Trust Funds	Statement 10	111
Statement of Changes in Assets and Liabilities – Agency Fund	Statement 11	112
 <u>SUPPLEMENTARY INFORMATION:</u>		
Schedule of Intergovernmental Revenues	Schedule 10	114
Schedule of Expenditures of Federal Awards	Schedule 11	115

SECTION III – STATISTICAL SECTION

Net Assets by Component	Table I	118
Changes in Net Assets	Table II	119
Fund Balances of Governmental Funds	Table III	121
Changes in Fund Balances of Governmental Funds	Table IV	122
Net Tax Capacity and Market Value of Property	Table V	123
Property Tax Rates and Tax Levies	Table VI	124
Property Tax Levies and Collections	Table VII	126
Ratio of Net General Outstanding Debt by Type	Table VIII	127
Ratios of General Bonded Debt Outstanding	Table IX	128
Direct and Overlapping Governmental Activities Debt	Table X	129
Legal Debt Margin Information	Table XI	130
Principal Property Taxpayers	Table XII	131
Demographic and Economic Statistics	Table XIII	132
Principal Employers	Table XIV	133
Insurance in Force	Table XV	134
Full-time Equivalent County Employees by Function/Program	Table XVI	136
Operating Indicators by Function	Table XVII	137
Capital Assets Statistics by Function	Table XVIII	138

Section I

Introductory Section

**RAMSEY COUNTY
LIST OF PRINCIPAL OFFICIALS
As of December 31, 2008**

	Name	Term Expires
ELECTED		
Commissioners:		
1st District	Tony Bennett	January 2009
2nd District	Jan Parker, Chair	January 2009
3rd District	Janice Rettman	January 2011
4th District	Toni Carter	January 2011
5th District	Rafael Ortega	January 2011
6th District	Jim McDonough	January 2011
7th District	Victoria Reinhardt	January 2009
County Attorney	Susan Gaertner	January 2011
County Sheriff	Bob Fletcher	January 2011
APPOINTED		
County Manager	Julie Kleinschmidt (Appointed 1/6/09)	Indefinite
Assessor	Stephen Baker	December 31, 2012
Property Records & Revenue Director	Mark Oswald	Indefinite
Information Services Director	Mary Mahoney	Indefinite
Community Corrections Director	Carol Roberts	Indefinite
Parks & Recreation Director	Gregory Mack	Indefinite
County Engineer	Kenneth Haider	May 30, 2009
Community Human Services Director	Monty Martin	Indefinite
Public Health Director	Robert Fulton	Indefinite

CIVIL SERVICE APPOINTMENTS

Human Resources Director	Gail Blackstone
Budgeting & Accounting Director	Lee Mehrkens (Appointed 5/11/09)

June 22, 2009

Honorable Chair and Commissioners
Ramsey County Board of Commissioners
Room 220 Court House
St. Paul, Minnesota 55102

Commissioners:

The comprehensive annual financial report of Ramsey County is submitted for the fiscal year ended December 31, 2008. This report was prepared by the Office of Budgeting & Accounting. Responsibility for both the accuracy of the presented data and completeness and fairness of the presentation, including all disclosures, rests with County management. This report conforms to generally accepted accounting principles (GAAP) as set forth in the pronouncements of the Governmental Accounting Standards Board (GASB).

We believe the data are accurate in all material aspects, and set forth the financial position and results of operations of the County, as measured by the financial activity of its various funds, and all disclosures necessary to enable maximum understanding of the County's financial affairs.

Copies of this report will be sent to elected officials, County management, credit rating agencies, financial institutions, and governmental agencies, which have expressed an interest in Ramsey County's financial affairs, and will be made available on the Ramsey County website.

The County is required to undergo an annual single audit in conformity with the provisions of the U.S. Office of Management & Budget Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations." The schedule of expenditures of federal awards is included in this report on Schedule 12. The findings and recommendations and auditor's report on the internal control structure and compliance with applicable laws and regulations will be included in the Auditor's Management and Compliance letter to the County and is not part of this report.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of a 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. The County's MD&A can be found immediately following the report of the independent auditors.

INTERNAL CONTROL

To provide a reasonable basis for making these representations, Ramsey County has established a comprehensive internal control framework that is designed to protect the government's assets from loss, theft, or misuse, and to compile sufficient reliable information for the preparation of Ramsey County's financial statements in conformity with Generally Accepted Accounting Principles. Because the cost of internal controls should not outweigh their benefits, Ramsey County's comprehensive framework of internal controls has been designed to provide a

reasonable, rather than absolute, assurance that the financial statements will be free from material misstatement. All internal control evaluations occur within this framework.

GENERAL INFORMATION

Ramsey County has an area of 170.2 square miles (107,520 acres) and is the State's second most populous county. Ramsey County was organized on October 27, 1849 and is governed by the general laws of the State of Minnesota. On November 6, 1992, the County became the first Home Rule Charter County in the State, which provides additional powers to the County. The City of Saint Paul comprises slightly less than half of the County's total taxable value, and is the Minnesota State Capitol and the County Seat.

GOVERNMENTAL ORGANIZATION AND SERVICES

A seven-member Board of Commissioners determines County policy and decides how money should be spent for the well-being of the people it represents. All members serve overlapping four-year terms of office. Each member also serves on numerous other boards and committees.

The Board appoints the County Manager who is the chief administrative officer of the County. The County Manager is responsible for the administration of Board policy and for the management of the various County departments.

The County provides a full range of services contemplated by statute. This includes public safety, recreation, public works, health services, judicial, cultural, human services, vital statistics, and tax assessment and collection. The County also operates, as enterprise funds, a nursing home and a home for developmentally disabled residents.

REPORTING ENTITY

The financial reporting entity includes all funds of the County including component units. Component units are legally separate entities for which the primary government is financially accountable. The criteria used in determining the reporting entity are consistent with the GASB Statement 14.

Blended component units are legally separate entities which, in substance, are part of the primary government's operation and, therefore, part of the primary government. Accordingly, the Ramsey County Regional Railroad Authority and the Ramsey County Housing & Redevelopment Authority are reported as special revenue funds.

MAJOR COUNTY INITIATIVES

At-Risk Youth

The Ramsey County Reducing At-Risk Youth Project is a multi-phase, multi-year project designed to reduce at risk issues for youth in Ramsey County. In 2008, the County Manager's Office issued an RFP for Phase I of the project, an Organizational Introspective Analysis (OIA) of the County and the services it provides to youth at risk. A consultant was hired to conduct the OIA, and they began interviewing key County staff. The OIA is expected to be completed by November 2009.

Active Living Ramsey County

In 2008, staff was hired to direct this community-based coalition, whose focus is to bring about and sustain changes in design, transportation, and policies to create and promote environments that make it accessible, safe, and convenient for people to integrate physical activity into their daily lives. In 2008, the Coalition developed an Active Living Policy Team, hosted a successful Complete Streets Policy Workshop, awarded a "Pathways to Health" grant to the City of Saint Paul for the Cherokee Park Bench route and Phase One of the Bruce Vento Regional Trail and Indian Mounds routes, and developed maps of the biking and walking facilities throughout Ramsey County.

Economic Recovery

In late fall of 2008, the County gathered information about the emerging implications of the economic downturn on County services, revenues, and expenditures. With pending congressional stimulus legislation, the County coordinated collaborative work teams and partnered with the East Metro counties to apply for federal funds to stimulate recovery of the Ramsey County community. An "East Metro Recovery" blog was launched to inform County residents about activity related to the Recovery bill and the County's recovery efforts. This work will be ongoing in 2009.

Ending Homelessness

In early 2008, a Homeless Services Coordinator was hired to oversee accomplishment of the goals in the Heading Home Ramsey Plan, a joint local effort by the City of St. Paul and Ramsey County to end homelessness. By the end of 2008, several action teams had been formed and were working on implementing key recommendations in the Plan, several educational presentations on homelessness had been given in the community, funding from public and private sources had been obtained or applied for, and over 650 housing opportunities had been financed.

Stabilizing the County's Housing Situation

In 2008, mortgage foreclosures in Ramsey County continued to destabilize neighborhoods. The Housing and Redevelopment Authority purchased and rehabilitated one foreclosed property and also designed a middle-income homebuyer-initiated purchase and rehabilitation program called *Opening Doors* that is expected to transfer ownership to at least 20 buyers and also facilitate the acquisition/rehabilitation and resale of five distressed properties that the market is unable to reasonably address. This activity will occur primarily in Maplewood, one of the hardest hit communities in suburban Ramsey County.

Keller Regional Park Development

The Parks and Recreation Department continued the phased redevelopment of this popular regional park. New restrooms were installed throughout the park in 2007, and picnic shelters are being designed for construction in 2009. Additional picnic shelters and trail connections are proposed in future years. The redevelopment has been funded with State and Metropolitan Council bonds.

Tamarack Nature Center Destination for Discovery Project

The Parks and Recreation Department completed the master plan for Tamarack Nature Center's Destination for Discovery project, which involves redesigned facilities, trails, programs, and exhibits. Some of these improvements will include an interactive nature play area, a nature play stream, a children's garden, a maple syrup/garden house, and interpretive signage. Also, in 2008, new partnerships were launched with community arts and educational organizations in support of expanded public programs at Tamarack, and outreach was made to more diverse audiences through partnerships with St. Paul Schools. Implementation of the "Wild Place" and efforts to get children off-trail and immersed into the natural environment has been recognized both throughout the state and nationally as a model for best practice and program delivery.

Republic National Convention

The Republican National Convention (RNC) was hosted by the cities of Saint Paul, Minneapolis, and Bloomington in late August 2008. Ramsey County was an integral part of planning one year prior to the event and was actively engaged during the Convention to ensure that both the delegates and the public would be safe. Ramsey County used the pre-planning activities and the event itself as an opportunity to successfully formulate and test countywide emergency management and “continuity of government operations” practices.

Recycling and Green Government

In 2008, the County began developing and implementing changes to waste handling at all County facilities, pursuing resource management to minimize waste, maximize diversion of recyclables and organic waste, assure energy recovery from trash, and promote efficiency and cost effectiveness. Full-scale roll out is expected in the summer of 2009. In 2008, specially designed recycling containers, with information in four languages, were placed in all County parks and ice arenas. Ramsey County also began planning for improvements in County operations to support energy efficiency and environmental sustainability.

Sexual Violence Prevention

In 2008, the County Board committed to stopping sexual violence and ensuring a healthy environment for all people in which they can grow and develop free from social and environmental toxins that feed the demand for sexual violence. The Board adopted goals to develop a comprehensive strategy for preventing sexual violence and also an action plan for each of the goals. Work began on several of the action steps in the Plan.

Facilities and Capital Improvements

- The expansion and remodeling of the Ramsey County Correctional Facility was completed.
- The Ramsey Care Center completed the conversion of one wing of the facility into a Transitional Care Unit and also built an enclosed courtyard for dementia residents, enhanced walking paths, and gazebos and gardens.
- The design of the Roseville Library expansion and renovation project was completed, and the County entered into a contract to begin construction in 2009.
- Ramsey County purchased a 30,000 square foot building on one acre located at 400 University Avenue. The site is strategically located adjacent to the Law Enforcement Center.
- The County is in the final phase of construction for the building on 90 West Plato Boulevard. The Ramsey County Departments of Public Health, Veterans Services and Homeland Security moved there in early 2009.
- The Ramsey County Regional Railroad Authority (RRA) continued redevelopment of the Union Depot in downtown Saint Paul as a multi-modal transit and transportation hub where Amtrak, high speed rail, intracity bus, light rail transit, commuter rail, and intercity buses will meet to provide a convenient intermodal connection. The RRA signed a Contract for Deed with the United States Postal Service to purchase the concourse and train deck of the facility.
- The Metropolitan Council continued preliminary engineering for the Central Corridor light rail transit project, and the RRA approved the Municipal Consent plans developed for the project and committed the local funding required.
- The RRA worked with the State of Minnesota and other partners to advance the planning for Midwest Regional Rail Initiative service to the Union Depot from Chicago.

COUNTY DEBT POLICY

The Joint Property Tax Advisory Committee, created by State Statute, is made up of elected officials from Ramsey County, the City of Saint Paul and the Saint Paul Public Schools. Their charge is to reduce the overall tax burden on Saint Paul citizens through tax reform legislation,

integration/consolidation of service delivery and creation of joint ventures. As a member of this Committee, the County will issue debt only for financing capital assets that, because of their long-term nature or because of budgetary constraints, cannot be acquired from current or budgeted resources. Debt is not used for operational needs.

Debt issues of the County will be sold competitively unless a unique circumstance dictates a negotiated or private placement sale.

The County strives to maintain the highest possible credit rating on its debt obligations. It has received the highest credit rating possible on its debt obligations.

Ramsey County's debt program is monitored and measured against financial industry standard benchmarks including benchmarks adopted by the Joint Property Tax Advisory Committee as described in the 2005 report on General Obligation Debt Overlapping on the Saint Paul Tax Base.

In addition to these debt management benchmarks, the group has recommended that the participating jurisdictions expand their efforts to jointly use facilities and transfer facilities between member jurisdictions as needs change.

INDEPENDENT AUDIT

Minnesota State Law requires an audit to be made of the books of account, financial records, and transactions of the County. This requirement has been complied with and the Auditor's report has been included in this report.

In addition to meeting the requirements set forth in state laws, the audit is also designed to meet the requirements of the federal Single Audit Act Amendments of 1996 and related OMB Circular A-133. The County's Auditors will issue a management and compliance letter covering the review made as part of the examination of Ramsey County's system of internal control and compliance with applicable legal provisions. This letter also reflects the results of the County's single audit under provisions of the OMB Circular A-133.

CERTIFICATE OF ACHIEVEMENT FOR EXCELLENCE IN FINANCIAL REPORTING

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Ramsey County for its comprehensive annual financial report for the fiscal year ended December 31, 2007. This is the 34th year the County has received this award. In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized comprehensive annual financial report, whose contents conform to program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements.

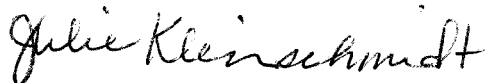
A Certificate of Achievement is valid for a period of one year only. We believe our current report continues to conform to Certificate of Achievement Program requirements, and we are submitting it to GFOA to determine its eligibility for another certificate.

In addition, the County also received the GFOA's Award for Distinguished Budget Presentation for the 2008 annual approved budget. The County has received this award for the past 25 years. In order to qualify for the Distinguished Budget Presentation Award, the County's budget document was judged to be proficient in several categories including policy documentation, financial planning, and organization.

ACKNOWLEDGMENTS

The preparation of this report is the result of the dedicated service of all the financial staff of the County. We would like to express our appreciation to all staff that assisted and contributed to its preparation. We would also like to thank the County Board of Commissioners for their support in maintaining the highest standards of professionalism in the management of the County's finances.

Sincerely,

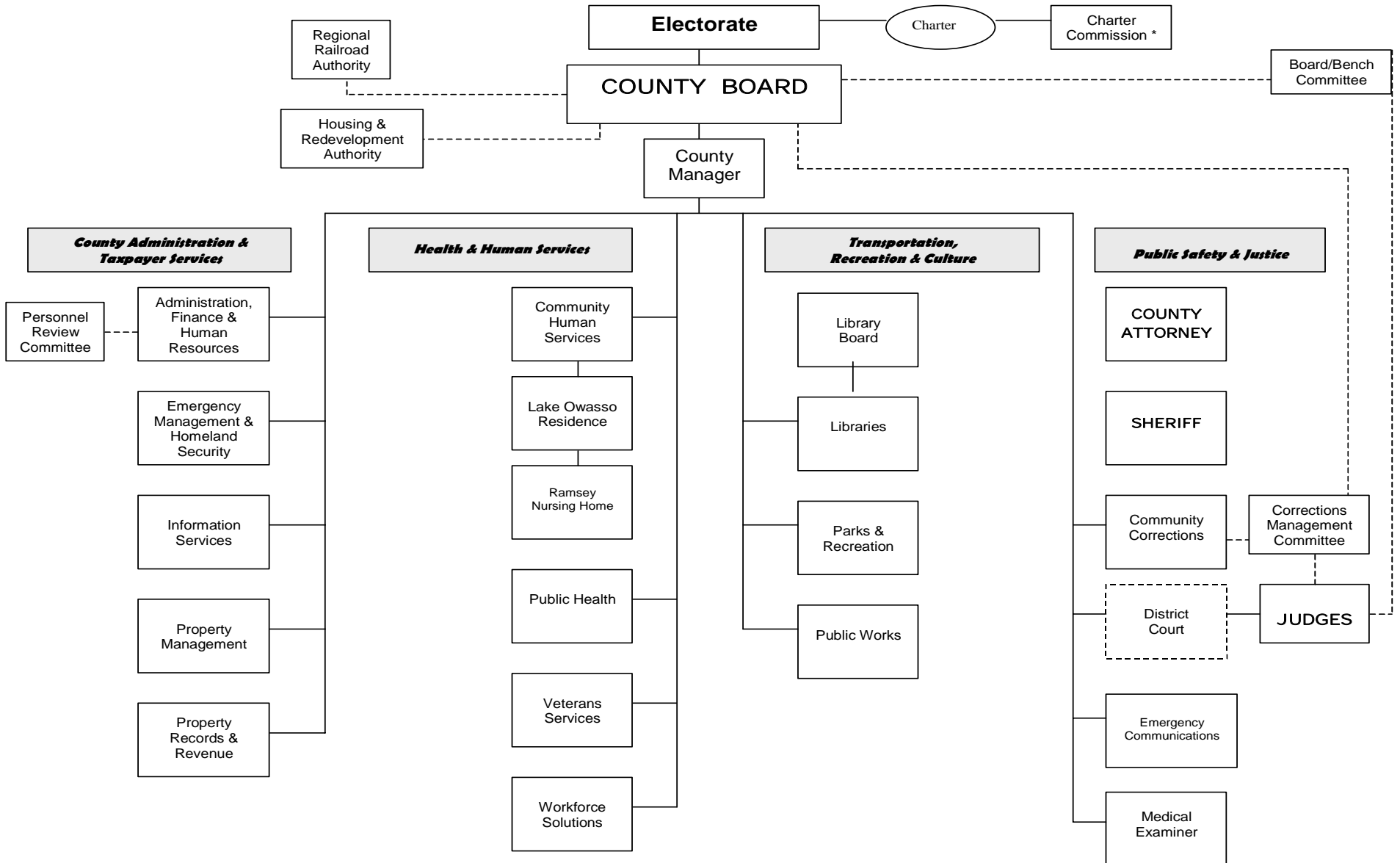


Julie Kleinschmidt
County Manager



Lee Mehrkens, Director
Budgeting & Accounting

RAMSEY COUNTY ORGANIZATION CHART



BOLD Elected - - - - Policy [---] State of Minnesota * Appointed by District Court

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Ramsey County
Minnesota

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
December 31, 2007

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



President

Executive Director

Section II

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
Ramsey County

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Ramsey County, Minnesota, as of and for the year ended December 31, 2008, which collectively comprise the County's basic financial statements, as listed in the table of contents. These financial statements are the responsibility of Ramsey County's management. Our responsibility is to express opinions on these financial statements based on our audit. The prior year partial comparative information has been derived from the County's 2007 financial statements and, in our report dated June 5, 2008, we expressed unqualified opinions on the respective financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information.


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 of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Ramsey County as of December 31, 2008, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

The Management's Discussion and Analysis and the Required Supplementary Information Other Than MD&A, as listed in the table of contents, are not a required part of the basic financial statements but are supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was made for the purpose of forming opinions on the financial statements that collectively comprise Ramsey County's basic financial statements. The major debt service fund budget and actual schedule, combining statements, and supplementary information listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly presented in all material respects in relation to the basic financial statements taken as a whole.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 22, 2009, on our consideration of Ramsey 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* and should be considered in assessing the results of our audit.



REBECCA OTTO
STATE AUDITOR



GREG HIERLINGER, CPA
DEPUTY STATE AUDITOR

June 22, 2009

MANAGEMENT'S DISCUSSION AND ANALYSIS

Ramsey County offers readers of the County's financial statements this narrative overview and analysis of the financial activities of the County for the fiscal year ended December 31, 2008. Readers are encouraged to consider the information presented here in conjunction with additional information that has been furnished in the letter of transmittal, which can be found on pages 2-7 of this report.

Financial Highlights

- The assets of Ramsey County's governmental activities exceeded its liabilities at the close of the most recent fiscal year by \$744,949,759 (net assets). Of this amount, \$223,473,920 (unrestricted net assets) may be used to meet the government's ongoing obligations to citizens and creditors.
- The government's total net assets increased by \$29,598,051.
- As of the close of the current fiscal year, the County's governmental funds reported combined ending fund balances of \$311,533,610, an increase of \$707,679 in comparison with the prior year.
- At the end of the current fiscal year, unreserved fund balance for the general fund was \$164,799,167, or 39.1% of total general fund expenditures.
- The County's total General Obligation debt decreased by \$17,180,000 (8.1%) during the current fiscal year.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to Ramsey County's basic financial statements, which are comprised of three components: 1) government-wide financial statements; 2) fund financial statements; and 3) notes to the financial statements. This report also contains supplementary information in addition to the basic financial statements themselves.

Government-wide Financial Statements - The government-wide financial statements are designed to provide a broad overview of the County's finances, in a manner similar to a private-sector business.

The Statement of Net Assets presents information on all of Ramsey County's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the County is improving or deteriorating.

The Statement of Activities presents information showing how the County's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the County that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the County include general government, public safety, highways and streets, sanitation, health, human services, conservation of natural resources, economic development, and culture and recreation. The business-type activities of the County include a nursing home, a home for developmentally delayed residents, special law enforcement services for certain municipalities, and a golf course.

The government-wide financial statements include not only the County itself (known as the primary government), but also a legally separate Regional Railroad Authority and a legally separate Housing & Redevelopment Authority for which Ramsey County is financially accountable. Although legally separate, the County Board of Commissioners serves as the governing board of these organizations. Therefore, they function as departments of the County, and have been included as an integral part of the primary government.

The government-wide financial statements can be found on pages 25-28 of this report.

Fund Financial Statements - A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the County can be divided into three categories: 1) governmental funds, 2) proprietary funds, and 3) fiduciary funds.

- 1) Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The County maintains four governmental fund types: General, Special Revenue, Debt Service, and Capital Projects. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, capital projects fund, and the debt service fund, which are considered to be major funds. Data from the other governmental funds are combined into

a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

The basic governmental fund financial statements can be found on pages 29-31 of this report.

- 2) The County maintains two different types of proprietary funds: 1) Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The County uses enterprise funds to account for its Care Center, Lake Owasso Residence, Ponds at Battle Creek, and Law Enforcement Services operations. 2) Internal service funds are an accounting device used to accumulate and allocate costs internally among the County's various functions. The County uses internal service funds to account for its Information Services, Firearms Range, and part of its Property Management operations. Because these services predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Lake Owasso Residence and Ponds at Battle Creek, which are considered major funds. Data for the other two enterprise funds are combined into a single, aggregated presentation. Individual fund data for each nonmajor enterprise fund is provided in the form of combining statements elsewhere in this report. Conversely, internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds is provided in the form of combining statements elsewhere in this report.

The basic proprietary fund financial statements can be found on pages 32-39 of this report.

- 3) Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the County's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. Data from the fiduciary funds are combined into a single aggregated presentation. Individual fund data for each fiduciary fund is provided in the form of combining statements elsewhere in this report.

The basic fiduciary fund financial statements can be found on pages 40-41 of this report.

Notes to the Financial Statements - The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 42-73 of this report.

Other Information - In addition to the basic financial statements and accompanying notes, this report presents certain required supplementary information on the general fund budget and schedules on the County's Other Post Employment Benefit Plan. Required supplementary information can be found on pages 74-79 of this report. Immediately following the required

supplementary information is a budget to actual presentation of the Debt Service Major Fund. After that, the combining statements referred to earlier in connection with nonmajor governmental, enterprise and internal service funds are presented. Combining fund statements and schedules can be found on pages 82-112 of this report.

Government-wide Financial Analysis

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of the County, assets exceeded liabilities by \$744,949,759 at the close of the most recent fiscal year.

The largest portion of Ramsey County's net assets (62.1%) reflects its investment in capital assets (e.g., land, buildings, machinery, and equipment), less any related debt used to acquire those assets that is still outstanding. The County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

NET ASSETS

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total</u>	
	<u>2008</u>	<u>2007</u>	<u>2008</u>	<u>2007</u>	<u>2008</u>	<u>2007</u>
Current and Other Assets	\$ 484,446,063	\$480,617,253	\$ 3,033,535	\$ 8,423,861	\$ 487,479,598	\$ 489,041,114
Capital Assets	<u>612,610,101</u>	<u>599,660,720</u>	<u>11,268,827</u>	<u>10,285,256</u>	<u>623,878,928</u>	<u>609,945,976</u>
Total Assets	1,097,056,164	1,080,277,973	14,302,362	18,709,117	1,111,358,526	1,098,987,090
Long-term Liabilities						
Outstanding	264,759,818	267,559,727	10,113,029	9,937,701	274,872,847	277,497,428
Other Liabilities	<u>87,346,587</u>	<u>98,880,699</u>	<u>3,713,175</u>	<u>6,781,097</u>	<u>91,059,762</u>	<u>105,661,796</u>
Total Liabilities	352,106,405	366,440,426	13,826,204	16,718,798	365,932,609	383,159,224
Net Assets:						
Invested in Capital Assets,						
Net of Related Debt	459,571,638	433,496,071	3,645,069	3,379,797	463,216,707	436,875,868
Restricted	61,904,201	71,157,995	-	-	61,904,201	71,157,995
Unrestricted	<u>223,473,920</u>	<u>209,183,481</u>	<u>(3,168,911)</u>	<u>(1,389,478)</u>	<u>220,305,009</u>	<u>207,794,003</u>
Total Net Assets	<u>\$ 744,949,759</u>	<u>\$ 713,837,547</u>	<u>\$ 476,158</u>	<u>\$ 1,990,319</u>	<u>\$ 745,425,917</u>	<u>\$ 715,827,866</u>

The government's net assets increased by \$29,598,051 during the current fiscal year. This increase is primarily due to increases in infrastructure construction for highways and bridges and building projects funded by capital contributions and grants.

Governmental Activities - Governmental activities increased the County's net assets by \$31,112,212, thereby accounting for all of the total growth in the net assets. Key elements of this increase are as follows:

- Capital Assets increased by \$12,949,381. The majority of this increase in capital assets was from highway construction and building projects funded by capital contributions and grants.

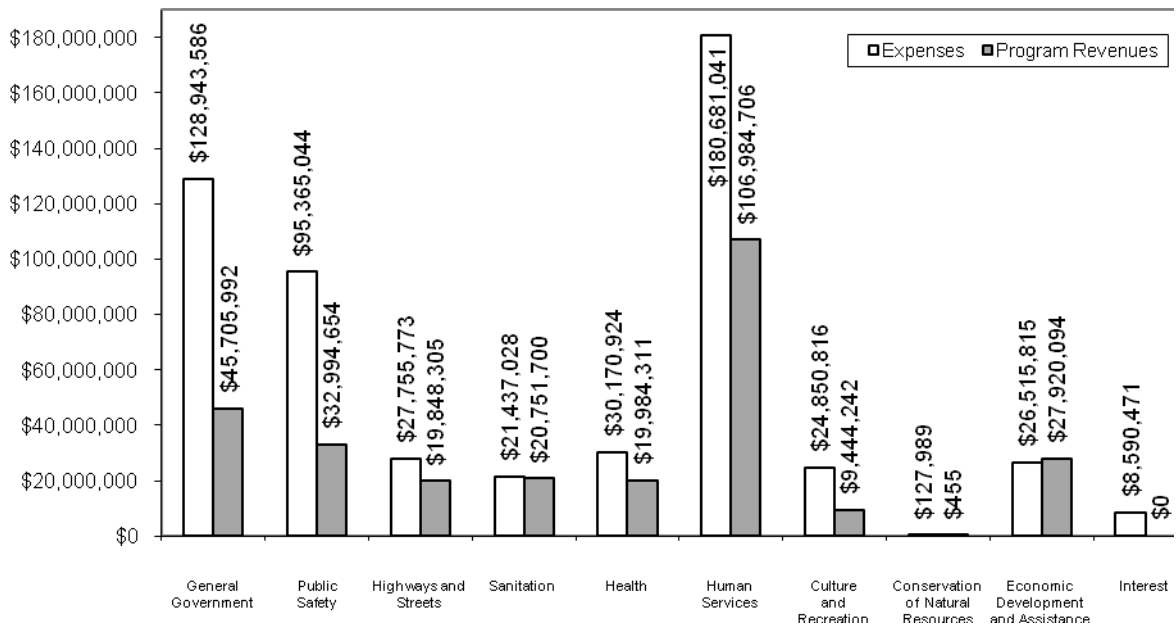
- Property tax and charges for services collections increased in part due to the continuing State policy of relying more heavily on property taxes to finance services.

CHANGES IN NET ASSETS

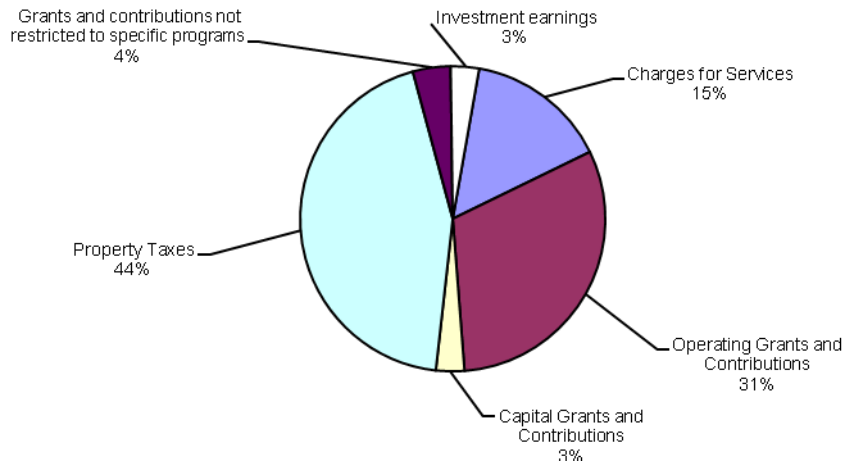
	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total</u>	
	<u>2008</u>	<u>2007</u>	<u>2008</u>	<u>2007</u>	<u>2008</u>	<u>2007</u>
Revenues:						
Program Revenues:						
Charges for Services, Fines & Other	\$ 87,824,916	\$ 73,016,302	\$26,672,296	\$25,553,021	\$114,497,212	\$ 98,569,323
Operating Grants & Contributions	178,423,461	184,743,092	378,306	426,151	178,801,767	185,169,243
Capital Grants & Contributions	17,386,082	41,787,346	-	142,417	17,386,082	41,929,763
General Revenues:						
Property Taxes	251,168,844	241,069,599	-	-	251,168,844	241,069,599
Grants & Contributions Not Restricted to Specific Programs	23,843,634	23,416,716	-	-	23,843,634	23,416,716
Investment Earnings	15,240,509	20,381,154	52,796	149,835	15,293,305	20,530,989
Other	<u>2,520,956</u>	<u>1,079,083</u>	<u>18,725</u>	<u>9,253</u>	<u>2,539,681</u>	<u>1,088,336</u>
Total Revenues	576,408,402	585,493,292	27,122,123	26,280,677	603,530,525	611,773,969
Expenses:						
General Government	128,943,586	101,167,962	-	-	128,943,586	101,167,962
Public Safety	95,365,044	119,620,609	-	-	95,365,044	119,620,609
Highways/Streets	27,755,773	55,736,382	-	-	27,755,773	55,736,382
Sanitation	21,437,028	20,784,044	-	-	21,437,028	20,784,044
Health	30,170,924	28,278,967	-	-	30,170,924	28,278,967
Human Services	180,681,041	184,531,459	-	-	180,681,041	184,531,459
Culture & Recreation	24,850,816	17,643,825	-	-	24,850,816	17,643,825
Conservation of Natural Resources	127,989	81,364	-	-	127,989	81,364
Economic Development & Assistance	26,515,815	23,600,476	-	-	26,515,815	23,600,476
Interest	8,590,471	9,474,261	-	-	8,590,471	9,474,261
Lake Owasso Residence	-	-	8,772,381	8,702,482	8,772,381	8,702,482
Ponds at Battle Creek	-	-	738,633	694,747	738,633	694,747
Ramsey County Care Center	-	-	14,400,779	13,608,395	14,400,779	13,608,395
Law Enforcement Services	-	-	<u>5,582,194</u>	<u>5,248,385</u>	<u>5,582,194</u>	<u>5,248,385</u>
Total Expenses	<u>544,438,487</u>	<u>560,919,349</u>	<u>29,493,987</u>	<u>28,254,009</u>	<u>573,932,474</u>	<u>589,173,358</u>
Increase (Decrease) in Net Assets Before Transfers	<u>31,969,915</u>	<u>24,573,943</u>	<u>(2,371,864)</u>	<u>(1,973,332)</u>	<u>29,598,051</u>	<u>22,600,611</u>
Transfers	<u>(857,703)</u>	<u>(383,090)</u>	<u>857,703</u>	<u>383,090</u>	-	-
Increase (Decrease) in Net Assets	31,112,212	24,190,853	(1,514,161)	(1,590,242)	29,598,051	22,600,611
Net Assets – Beginning as Restated	<u>713,837,547</u>	<u>689,646,694</u>	<u>1,990,319</u>	<u>3,580,561</u>	<u>715,827,866</u>	<u>693,227,255</u>
Net Assets – End	<u>\$744,949,759</u>	<u>\$713,837,547</u>	<u>\$ 476,158</u>	<u>\$ 1,990,319</u>	<u>\$745,425,917</u>	<u>\$715,827,866</u>

The following charts provide comparisons of governmental activities' program revenues and expenses and also show the sources of governmental activities' revenues.

Expenses and Program Revenues - Governmental Activities



Revenues by Source - Governmental Activities



Business-type Activities - Business-type activities decreased the County's net assets by \$1,514,161. Key elements of this decrease are as follows:

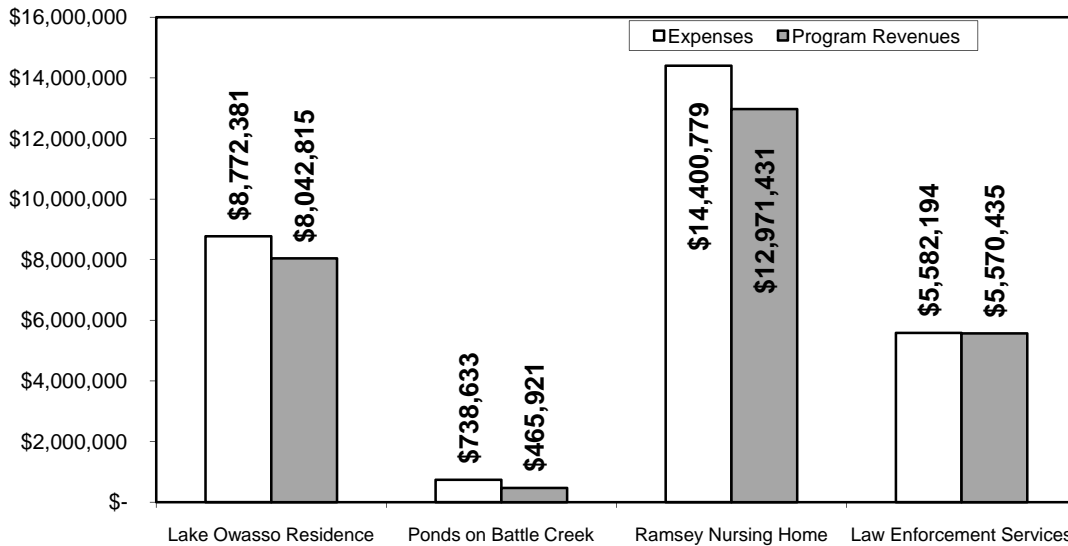
- An expense for OPEB of \$679,497 was included to comply with GASB Statement 45 in 2008.
- Lake Owasso Residence had a decrease of net assets of \$457,689 due to capital expenses not included in the reimbursement rate. However, once the long-term debt and interest have

been paid, the property reimbursement rate will continue and finance some of the depreciation expense.

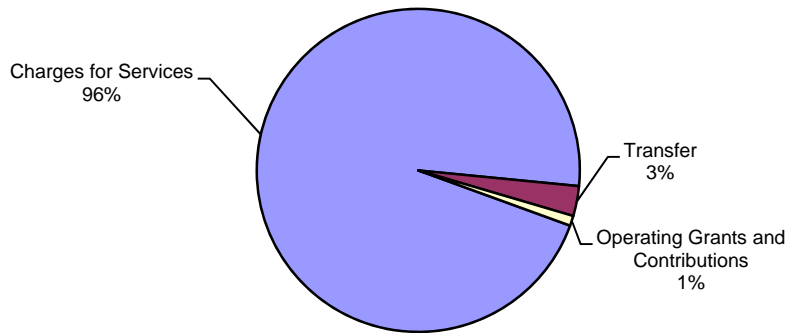
- Ponds at Battle Creek had a decrease in net assets of \$42,770 due to an operating loss and interest expense. It is anticipated the Golf Course would operate at a loss the first several years until revenues would be sufficient to cover expenses.

The following charts provide comparisons of business-type activities' program revenues and expenditures and also show the sources of business-type activities' revenues.

Expenses and Program Revenues - Business-type Activities



Revenues by Source - Business-type Activities



Financial Analysis of the Government's Funds

As noted earlier, the County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds – The focus of the County's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the County's financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the County's governmental funds reported combined ending fund balances of \$311,533,610, a total fund balance increase of \$707,679 in comparison with the prior year. Approximately 70.6% of this total amount \$219,931,193 constitutes unreserved fund balance, which is available for spending at the government's discretion. The remainder of fund balance is reserved to indicate that it is not available for new spending, because it has already been committed (1) to liquidate contracts and purchase orders of the prior period \$31,891,258; (2) temporary loans to Other Funds \$11,231,229; or (3) for a variety of other restricted purposes \$48,479,930.

The General Fund is the chief operating fund of Ramsey County. At the end of the current fiscal year, unreserved fund balance of the general fund was \$164,799,167, while total fund balance reached \$189,544,260. As a measure of the General Fund's liquidity, it may be useful to compare both unreserved fund balance and total fund balance to total fund expenditures. Unreserved fund balance represents 39.1% of total General Fund expenditures, while total fund balance represents 44.9% of that same amount.

The fund balance of the County's general fund increased by \$14,754,325 during the current fiscal year. Key factors in this increase are as follows:

- Better than expected interest earnings helped the increase.
- Transfer of about \$3,900,000 from the JPA Public Health Fund to merge into the General Fund.
- Sale of \$2,210,173 in Capital Assets.

The Debt Service Fund had a total fund balance of \$37,838,626, all of which is reserved for the payment of debt service. The net decrease in fund balance during the current year in the debt service fund was \$7,883,070. The decrease was due to using a portion of fund balance to finance future debt payments and the redemption of refunding bonds.

The Capital Projects Fund had a fund balance of \$7,790,189 planned for construction. The fund balance decreased by \$9,751,590, primarily due to completing several major projects.

Proprietary Funds – The County's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

Net assets of Lake Owasso Residence at the end of the year amounted to \$398,627. The total decrease in net assets for the fund was \$457,689. This was a result of an increase in personal services and interest expense and recognizing OPEB expense.

Ponds at Battle Creek had a decrease in net assets of \$42,770 due to an operating loss and interest expense. The County has provided a temporary loan to help pay the long-term debt until fees can be generated to cover these costs.

General Fund Budgetary Highlights

The difference between the original budget and the final amended budget was an increase of \$16,241,960 in appropriations. Unbudgeted State and Federal revenues became available for additional human service and public safety programs.

The variance of final budget versus actual was due to rising interest rates and to partially fund future Other Post-Employment Benefits (OPEB) expenses and project grants that have not been completed or were taken over by the State.

Capital Asset and Debt Administration

Capital Assets – The County’s investment in capital assets for its governmental and business type activities as of December 31, 2008, amounts to \$623,878,928 (net of accumulated depreciation). This investment in capital assets includes land, buildings, improvements, equipment, park facilities, roads, highways, and bridges. The total increase in the County’s investment in capital assets for the current fiscal year was 2.2% (a 2.1% increase for governmental activities and a 9.6% increase for business-type activities).

Major capital asset events during the current fiscal year included the following:

- A variety of street construction projects continued into 2008; construction in progress as of the end of the current fiscal year had reached \$62,282,012, a decrease of \$4,800,519 from the prior year.
- The Adult Correctional Facility Addition continued into 2008 totaling over \$16 million.
- The Ramsey County Care Center completed a \$2.2 million renovation and created a 26-bed Transitional Care Unit in 2008.

Capital Assets
(Net of Depreciation)

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total</u>	
	Restated				Restated	
	<u>2008</u>	<u>2007</u>	<u>2008</u>	<u>2007</u>	<u>2008</u>	<u>2007</u>
Land	\$ 90,715,687	\$ 85,156,692	\$ 107,073	\$ 107,073	\$ 90,822,760	\$ 85,263,765
Buildings & Improvements	230,801,370	217,378,613	7,670,853	6,211,812	238,472,223	223,590,425
Improvements Other Than Buildings	15,777,893	14,698,826	2,936,850	2,729,516	18,714,743	17,428,342
Equipment	28,612,169	29,103,070	554,051	566,843	29,166,220	29,669,913
Infrastructure	184,420,970	186,911,000	-	-	184,420,970	186,911,000
Construction in Progress	<u>62,282,012</u>	<u>66,412,519</u>	-	<u>670,012</u>	<u>62,282,012</u>	<u>67,082,531</u>
Total	<u>\$612,610,101</u>	<u>\$599,660,720</u>	<u>\$11,268,827</u>	<u>\$10,285,256</u>	<u>\$623,878,928</u>	<u>\$609,945,976</u>

Additional information on the County’s capital assets can be found in note IV.C on pages 57-58 of this report.

Long-term Debt – At the end of the current fiscal year, the County had total General Obligation bonded debt outstanding of \$178,130,000, which is backed by the full faith and credit of the government.

Outstanding Debt
General Obligation and Revenue Bonds

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total</u>	
	<u>2008</u>	<u>2007</u>	<u>2008</u>	<u>2007</u>	<u>2008</u>	<u>2007</u>
	General Obligation Bonds	\$170,290,000	\$183,255,000	\$7,840,000	\$11,370,000	\$178,130,000
Notes Payable	5,897,000	6,072,000	-	-	5,897,000	6,072,000
Lease Revenue Bonds	<u>11,890,000</u>	<u>12,400,000</u>	<u>-</u>	<u>-</u>	<u>11,890,000</u>	<u>12,400,000</u>
Total	<u>\$188,077,000</u>	<u>\$201,727,000</u>	<u>\$7,840,000</u>	<u>\$11,370,000</u>	<u>\$195,917,000</u>	<u>\$213,097,000</u>

The County’s total bonded debt decreased by \$17,180,000 (8.1%) during the current fiscal year. The decrease was primarily due to various remodeling projects around the County being completed.

The County maintains a “AAA” rating from Standard & Poor’s and a “Aaa” rating from Moody’s for general obligation debt.

Minnesota state statutes limit the amount of general obligation debt a governmental entity may issue to 3% of its total market value of taxable property in the County. The current debt limitation for the County is \$1,472,861,706, which is significantly in excess of its outstanding general obligation debt.

Additional information on the County’s long-term debt can be found in note IV.I on pages 61-65 of this report.

Economic Factors and Next Year's Budgets and Rates

- The unemployment rate for the County is currently 6.3%, which is an increase from a rate of 4.4% a year ago. This compares to the state's average unemployment rate of 6.8% and the national average rate of 7.1%.
- The County is a fully developed urban center. Its roads and transportation system make access to the County easy for all citizens. Its population continues to grow but at a slower pace than in the previous decades. In 1980, the population was 485,765. In 2008, the population estimated by the Metropolitan Council was 501,428.
- Estimated Market Value of Taxable Property in the County increased about \$3,163,902,200 in 2008 to \$49,095,390,200 or 1.47%. Residential property recorded a decrease in value of 1.47% while commercial values decreased 1.37%.
- Although many of the above indicators appear to show Ramsey County as economically strong and stable, it is important to be aware of some of the other dynamics that may affect it in the coming years. Ramsey is faced with the problems of older urban Counties. Its infrastructure of roads and bridges are aging and will require replacement and rebuilding in the coming years. Taxes will have to be used to effect these changes. This issue has been addressed by a functional consolidation of roads plan developed in 1993. The plan, which is complete, upgrades many roads and bridges in the County. Municipalities will become responsible for maintaining certain County roads and transfer major arterials to the County. This functional alignment focused additional funds to roads and allowed further use of County State aid funds.

All of these factors were considered in preparing the County's budget for the 2008 fiscal year.

During the current fiscal year, unreserved fund balance in the general fund was \$164,799,167. The 2008 approved budget included a 3.4% increase in spending. A 4.5% increase in the 2009 Property Tax Levy was approved, in part, to offset anticipated State revenue reductions and increased public safety initiatives.

Requests for Information

This financial report is designed to provide a general overview of Ramsey County's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Office of Budgeting & Accounting, Suite 270, 15 West Kellogg Boulevard, Saint Paul, Minnesota 55102.

Basic Financial Statements

RAMSEY COUNTY, MINNESOTA
STATEMENT OF NET ASSETS
DECEMBER 31, 2008
WITH COMPARATIVE TOTALS FOR DECEMBER 31, 2007

	Governmental Activities	Business-type Activities	Total	
			2008	Restated 2007
ASSETS				
Current Assets:				
Cash and Cash Equivalents	\$ 355,265,834	\$ 5,224,413	\$ 360,490,247	\$ 344,471,782
Cash with Trustee	1,961,236	-	1,961,236	12,411,051
Restricted Cash and Cash Equivalents	3,000	-	3,000	3,000
Petty Cash and Change Funds	26,490	20,500	46,990	47,040
Imprest Cash	60,000	-	60,000	60,000
Cooperative Investment	-	39,340	39,340	55,320
Receivables (Net):				
Taxes	5,388,126	-	5,388,126	4,080,902
Accounts	3,139,111	601,012	3,740,123	8,291,585
Accrued Interest	3,036,083	-	3,036,083	3,467,728
Internal Balances	4,655,371	(4,655,371)	-	-
Due from Other Governments	30,704,952	1,730,490	32,435,442	36,035,921
Lease Receivable	17,257,000	-	17,257,000	17,962,000
Loan Receivables	14,921,776	-	14,921,776	13,618,078
Prepaid Items	231,253	-	231,253	167,856
Inventories	1,106,638	36,505	1,143,143	1,357,658
Total Current Assets	<u>437,756,870</u>	<u>2,996,889</u>	<u>440,753,759</u>	<u>442,029,921</u>
Non Current Assets:				
Advance to Other Governments	4,500	-	4,500	4,500
Advance to Other Organizations	353,442	-	353,442	503,666
Option to Purchase	45,278,408	-	45,278,408	45,278,408
Deferred Charges	1,052,843	36,646	1,089,489	1,224,619
Capital Assets not being Depreciated:				
Land	90,715,687	107,073	90,822,760	85,263,765
Construction in Progress	62,282,012	-	62,282,012	67,082,531
Capital Assets being Depreciated:				
Improvements other than Buildings	38,013,348	4,003,264	42,016,612	39,181,381
Buildings	285,190,512	9,374,214	294,564,726	278,474,669
Building Improvements	18,539,857	3,325,947	21,865,804	16,730,677
Equipment	83,669,547	2,565,025	86,234,572	83,126,269
Infrastructure	370,995,476	-	370,995,476	365,986,273
Less: Accumulated Depreciation	(336,796,338)	(8,106,696)	(344,903,034)	(325,899,589)
Total Non Current Assets	<u>659,299,294</u>	<u>11,305,473</u>	<u>670,604,767</u>	<u>656,957,169</u>
Total Assets	<u>1,097,056,164</u>	<u>14,302,362</u>	<u>1,111,358,526</u>	<u>1,098,987,090</u>

The notes to the financial statements are an integral part of this statement.

RAMSEY COUNTY, MINNESOTA
STATEMENT OF NET ASSETS
DECEMBER 31, 2008
WITH COMPARATIVE TOTALS FOR DECEMBER 31, 2007

EXHIBIT 1
(continued)

	Governmental Activities	Business-type Activities	Total	
			2008	Restated 2007
LIABILITIES				
Current Liabilities:				
Salaries Payable	11,797,533	1,023,999	12,821,532	10,794,723
Accounts Payable	13,701,105	515,789	14,216,894	15,951,896
Contracts Payable	2,932,218	-	2,932,218	9,945,956
Interest Payable, Current	3,641,922	154,843	3,796,765	4,223,628
Unamortized Premium on Bonds	361,524	11,705	373,229	356,935
Loan Payable, Current	15,649	-	15,649	16,500
Capital Lease, Current	-	-	-	55,552
Contract for Deed Payable, Current	15,625,000	-	15,625,000	11,962,750
Due to Other Governments	8,083,414	338,954	8,422,368	9,379,330
General Obligation and Revenue Bonds Payable, Current	12,885,000	420,000	13,305,000	23,280,000
Claims and Judgments Payable, Current	1,731,891	-	1,731,891	2,881,287
Vacation and Compensatory Time Payable	16,568,331	1,247,885	17,816,216	16,810,239
Current Liabilities Payable from Restricted Assets:				
Customer Deposits Payable	3,000	-	3,000	3,000
Total Current Liabilities	<u>87,346,587</u>	<u>3,713,175</u>	<u>91,059,762</u>	<u>105,661,796</u>
Non Current Liabilities:				
Advance from Other Governments	5,709,896	-	5,709,896	5,128,621
Unearned Revenue	12,670,581	-	12,670,581	6,499,044
General Obligation and Revenue Bonds Payable, Long-term	175,192,000	7,420,000	182,612,000	189,817,000
Unamortized Premium on Bonds	4,099,606	294,074	4,393,680	4,667,446
Loans Payable, Long-term	20,285	-	20,285	35,920
Contract for Deed Payable, Long-term	13,690,658	-	13,690,658	29,315,658
Compensated Absences Payable	18,232,995	805,544	19,038,539	18,917,310
Claims and Judgments Payable, Long-term	2,591,293	-	2,591,293	3,536,036
Net OPEB Liability	32,552,504	1,593,411	34,145,915	19,580,393
Total Non Current Liabilities	<u>264,759,818</u>	<u>10,113,029</u>	<u>274,872,847</u>	<u>277,497,428</u>
Total Liabilities	<u>352,106,405</u>	<u>13,826,204</u>	<u>365,932,609</u>	<u>383,159,224</u>
NET ASSETS				
Invested in Capital Assets, Net of Related Debt	459,571,638	3,645,069	463,216,707	436,875,868
Restricted for:				
Debt Service	37,838,626	-	37,838,626	45,721,696
Capital Projects	2,896,889	-	2,896,889	3,466,240
Solid Waste	19,925,240	-	19,925,240	20,354,267
Other Purposes	1,243,446	-	1,243,446	1,615,792
Unrestricted	223,473,920	(3,168,911)	220,305,009	207,794,003
Total Net Assets	<u>\$ 744,949,759</u>	<u>\$ 476,158</u>	<u>\$ 745,425,917</u>	<u>\$ 715,827,866</u>

The notes to the financial statements are an integral part of this statement.

RAMSEY COUNTY, MINNESOTA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2008
WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2007

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>		
		<u>Fees, Fines, Charges and Other</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>
Governmental Activities:				
General Government	\$ 128,943,586	\$ 20,472,751	\$ 21,246,302	\$ 3,986,939
Public Safety	95,365,044	17,230,963	15,566,362	197,329
Highways and Streets	27,755,773	3,582,569	4,040,531	12,225,205
Sanitation	21,437,028	19,041,808	1,709,892	-
Health	30,170,924	8,092,699	11,891,612	-
Human Services	180,681,041	10,383,511	96,601,195	-
Culture and Recreation	24,850,816	6,799,792	1,667,841	976,609
Conservation of Natural Resources	127,989	455	-	-
Economic Development and Assistance	26,515,815	2,220,368	25,699,726	-
Interest	8,590,471	-	-	-
Total Governmental Activities	<u>544,438,487</u>	<u>87,824,916</u>	<u>178,423,461</u>	<u>17,386,082</u>
Business-type Activities:				
Lake Owasso Residence	8,772,381	8,015,858	26,957	-
Ponds at Battle Creek	738,633	465,921	-	-
Ramsey County Care Center	14,400,779	12,910,864	60,567	-
Law Enforcement Services	5,582,194	5,279,653	290,782	-
Total Business-type Activities	<u>29,493,987</u>	<u>26,672,296</u>	<u>378,306</u>	<u>-</u>
Total Government	<u>\$ 573,932,474</u>	<u>\$ 114,497,212</u>	<u>\$ 178,801,767</u>	<u>\$ 17,386,082</u>
General revenues:				
Property Taxes				
Grants and Contributions Not Restricted to Specific Programs				
Investment Earnings				
Miscellaneous				
Gain on Disposition of Capital Assets				
Transfer				
Total General Revenues and Transfers				
Change in Net Assets				
Net Assets - Beginning, as Restated				
Net Assets - Ending				

The notes to the financial statements are an integral part of this statement.

EXHIBIT 2

Net (Expense) Revenue and Changes in Net Assets

Governmental Activities	Business-type Activities	Total	
		2008	Restated 2007
\$ (83,237,594)	\$ -	\$ (83,237,594)	\$ (51,426,582)
(62,370,390)	-	(62,370,390)	(86,465,339)
(7,907,468)	-	(7,907,468)	(16,445,097)
(685,328)	-	(685,328)	(425,064)
(10,186,613)	-	(10,186,613)	(7,071,754)
(73,696,335)	-	(73,696,335)	(80,733,263)
(15,406,574)	-	(15,406,574)	(9,115,581)
(127,534)	-	(127,534)	101,758
1,404,279	-	1,404,279	(317,426)
(8,590,471)	-	(8,590,471)	(9,474,261)
<u>(260,804,028)</u>	<u>-</u>	<u>(260,804,028)</u>	<u>(261,372,609)</u>
-	(729,566)	(729,566)	(814,455)
-	(272,712)	(272,712)	(213,271)
-	(1,429,348)	(1,429,348)	(1,103,544)
-	(11,759)	(11,759)	(1,150)
-	<u>(2,443,385)</u>	<u>(2,443,385)</u>	<u>(2,132,420)</u>
<u>(260,804,028)</u>	<u>(2,443,385)</u>	<u>(263,247,413)</u>	<u>(263,505,029)</u>
251,168,844	-	251,168,844	241,069,599
23,843,634	-	23,843,634	23,416,716
15,240,509	52,796	15,293,305	20,530,989
-	-	-	-
2,520,956	18,725	2,539,681	1,088,336
<u>(857,703)</u>	<u>857,703</u>	<u>-</u>	<u>-</u>
<u>291,916,240</u>	<u>929,224</u>	<u>292,845,464</u>	<u>286,105,640</u>
31,112,212	(1,514,161)	29,598,051	22,600,611
<u>713,837,547</u>	<u>1,990,319</u>	<u>715,827,866</u>	<u>693,227,255</u>
<u>\$ 744,949,759</u>	<u>\$ 476,158</u>	<u>\$ 745,425,917</u>	<u>\$ 715,827,866</u>

**RAMSEY COUNTY, MINNESOTA
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2008
WITH COMPARATIVE TOTALS FOR DECEMBER 31, 2007**

EXHIBIT 3

	General	Debt Service	Capital Projects	Other Governmental Funds	Total Governmental Funds	
					2008	Restated 2007
ASSETS						
Cash and Cash Equivalents	\$ 187,122,292	\$ 18,280,673	\$ 20,528,658	\$ 86,092,387	\$ 312,024,010	\$ 300,207,213
Cash with Trustee	-	1,961,236	-	-	1,961,236	9,302,195
Petty Cash and Change Funds	24,145	-	-	2,270	26,415	26,465
Imprest Cash	60,000	-	-	-	60,000	60,000
Receivables (Net):						
Taxes	6,185,116	522,013	-	727,027	7,434,156	5,901,758
Accounts	1,416,452	-	774	1,677,961	3,095,187	8,028,830
Accrued Interest	2,907,349	34,784	-	93,950	3,036,083	3,420,345
Due from Other Funds	1,526,851	54,933	740,000	4,430	2,326,214	718,479
Due from Other Governments	17,939,430	-	5,395,016	7,094,489	30,428,935	33,924,636
Lease Receivable	-	17,257,000	-	-	17,257,000	17,962,000
Loans Receivable	6,212,392	250,000	-	8,459,384	14,921,776	13,618,078
Inventories	1,095,758	-	-	5,094	1,100,852	1,308,458
Advance to Other Funds	10,702,787	-	175,000	-	10,877,787	13,835,787
Advance to Other Governments	-	-	-	4,500	4,500	4,500
Advance to Other Organizations	353,442	-	-	-	353,442	503,666
Restricted Cash and Cash Equivalents	2,000	-	-	-	2,000	2,000
Total Assets	<u>235,548,014</u>	<u>38,360,639</u>	<u>26,839,448</u>	<u>104,161,492</u>	<u>404,909,593</u>	<u>408,824,410</u>
LIABILITIES AND FUND BALANCES						
Liabilities:						
Salaries Payable	10,023,512	-	-	1,319,121	11,342,633	9,612,045
Accounts Payable	9,641,927	-	125	2,005,989	11,648,041	13,453,524
Contracts Payable	354,659	-	2,055,898	521,661	2,932,218	9,945,956
Due to Other Funds	2,232,668	-	7,054	1,790,428	4,030,150	2,409,999
Due to Other Governments	1,670,047	-	482,206	5,863,015	8,015,268	8,876,730
Deferred Revenue	20,168,682	522,013	10,173,353	11,788,743	42,652,791	38,677,212
Advance from Other Funds	-	-	2,242,400	4,512,000	6,754,400	9,712,400
Advance from Other Governments	1,621,673	-	4,088,223	-	5,709,896	5,128,621
Claims and Judgments Payable	288,586	-	-	-	288,586	179,992
Liabilities Payable from Restricted Assets	2,000	-	-	-	2,000	2,000
Total Liabilities	<u>46,003,754</u>	<u>522,013</u>	<u>19,049,259</u>	<u>27,800,957</u>	<u>93,375,983</u>	<u>97,998,479</u>
Fund Balances:						
Reserved for:						
Encumbrances	12,377,337	-	16,387,944	3,125,977	31,891,258	34,698,136
Advances	11,056,229	-	175,000	-	11,231,229	14,339,453
Inventories	1,095,758	-	-	5,094	1,100,852	1,308,458
Petty Cash	84,145	-	-	2,170	86,315	86,365
Aggregate Material Pit Restoration	131,624	-	-	-	131,624	126,483
Debt Service with Trustee	-	1,981,020	-	-	1,981,020	9,436,849
Debt Service Fund	-	18,600,606	-	9,322,513	27,923,119	27,645,360
Lease Receivable	-	17,257,000	-	-	17,257,000	17,962,000
Unreserved, Reported in:						
General Fund	164,799,167	-	-	-	164,799,167	148,606,027
Special Revenue Funds	-	-	-	63,904,781	63,904,781	62,773,437
Capital Projects Fund	-	-	(8,772,755)	-	(8,772,755)	(2,156,637)
Total Fund Balances	<u>189,544,260</u>	<u>37,838,626</u>	<u>7,790,189</u>	<u>76,360,535</u>	<u>311,533,610</u>	<u>310,825,931</u>
Total Liabilities and Fund Balances	<u>\$ 235,548,014</u>	<u>\$ 38,360,639</u>	<u>\$ 26,839,448</u>	<u>\$ 104,161,492</u>		

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

Certain Non Current assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.

655,043,504

642,213,480

Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds.

27,897,604

30,318,736

Internal services funds are used by management to charge the costs of management information systems and property management services to individual funds. The assets and liabilities of the internal services funds are included in governmental activities in the Statement of Net Assets.

12,096,136

19,513,199

Long-term liabilities, including bonds payable, are not due and payable in the current period, and therefore are not reported in the funds.

(261,621,095)

(289,033,799)

Net assets of governmental activities

\$ 744,949,759

\$ 713,837,547

The notes to the financial statements are an integral part of this statement.

RAMSEY COUNTY, MINNESOTA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2008
WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2007

	General	Debt Service	Capital Projects	Other Governmental Funds	Total Governmental Funds	
					2008	Restated 2007
REVENUES						
Taxes	\$ 197,639,778	\$ 17,018,294	\$ 850,000	\$ 34,353,548	\$ 249,861,620	\$ 239,785,933
Licenses and Permits	841,590	-	-	798,381	1,639,971	1,471,701
Intergovernmental	165,313,221	1,152,449	14,820,246	44,335,104	225,621,020	237,252,980
Private Grants and Donations	1,155,934	-	-	312,109	1,468,043	1,133,959
Charges for Services	45,382,869	-	119,963	22,890,621	68,393,453	61,155,215
Fines and Forfeitures	7,461	-	-	726,089	733,550	845,968
Sales	1,597,909	-	-	888,536	2,486,445	2,568,428
Rental Income	1,238,728	-	-	320,912	1,559,640	1,500,716
Investment Earnings	13,727,378	1,212,005	301,126	771,504	16,012,013	22,514,136
Program Recoveries - Community						
Human Services	3,919,001	-	-	-	3,919,001	4,021,196
Miscellaneous	6,442,950	-	1,800,586	570,220	8,813,756	8,816,301
Total Revenues	<u>437,266,819</u>	<u>19,382,748</u>	<u>17,891,921</u>	<u>105,967,024</u>	<u>580,508,512</u>	<u>581,066,533</u>
EXPENDITURES						
Current:						
General Government	80,472,930	-	-	19,449,591	99,922,521	90,868,828
Public Safety	104,425,377	-	-	12,135,808	116,561,185	103,852,517
Highways and Streets	15,352,544	-	-	-	15,352,544	15,308,044
Sanitation	857,958	-	-	20,358,602	21,216,560	20,578,256
Health	29,667,953	-	-	6,325	29,674,278	27,845,829
Human Services	179,051,546	-	-	137,542	179,189,088	179,473,226
Culture and Recreation	9,931,916	-	-	9,979,269	19,911,185	18,832,863
Conservation of Natural Resources	71,516	-	-	-	71,516	51,254
Economic Development and Assistance	-	-	-	26,146,647	26,146,647	23,650,189
Capital Projects:						
General Government	182,394	-	3,149,652	-	3,332,046	52,641,810
Public Safety	-	-	13,165,477	-	13,165,477	12,841,260
Highways and Streets	841,560	-	12,921,797	-	13,763,357	41,919,001
Health	518,892	-	104,512	-	623,404	26,960
Human Services	-	-	295,036	-	295,036	236,139
Culture and Recreation	496,610	-	3,802,155	-	4,298,765	4,390,367
Debt Service:						
Bond Issuance Costs	-	-	66,371	-	66,371	86,872
Principal Retirement	71,703	12,395,000	-	11,962,750	24,429,453	16,298,102
Interest	4,702	9,162,213	-	-	9,166,915	9,651,318
Total Expenditures	<u>421,947,601</u>	<u>21,557,213</u>	<u>33,505,000</u>	<u>100,176,534</u>	<u>577,186,348</u>	<u>618,552,835</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>15,319,218</u>	<u>(2,174,465)</u>	<u>(15,613,079)</u>	<u>5,790,490</u>	<u>3,322,164</u>	<u>(37,486,302)</u>
OTHER FINANCING SOURCES (USES)						
Contract for Deed	-	-	-	-	-	45,278,408
Bonds Issued	-	-	6,100,000	-	6,100,000	18,610,000
Discount/Premium on Sale of Bonds	-	-	122,772	-	122,772	690,659
Sale of Capital Assets	2,210,173	-	1,321,633	-	3,531,806	3,300,000
Redemption of Refunded Bonds	-	(7,355,000)	-	-	(7,355,000)	(8,510,000)
Transfers In	4,596,807	1,646,395	137,084	2,495,000	8,875,286	5,894,151
Transfers Out	(7,165,086)	-	(1,820,000)	(4,696,657)	(13,681,743)	(29,567,348)
Total Other Financing Sources (Uses)	<u>(358,106)</u>	<u>(5,708,605)</u>	<u>5,861,489</u>	<u>(2,201,657)</u>	<u>(2,406,879)</u>	<u>35,695,870</u>
Net Change in Fund Balances	<u>14,961,112</u>	<u>(7,883,070)</u>	<u>(9,751,590)</u>	<u>3,588,833</u>	<u>915,285</u>	<u>(1,790,432)</u>
Fund Balances - Beginning, as Restated	174,789,935	45,721,696	17,541,779	72,772,521	310,825,931	312,832,868
Increase (decrease) in reserve for inventories	(206,787)	-	-	(819)	(207,606)	(216,505)
Fund Balances - Ending	<u>\$ 189,544,260</u>	<u>\$ 37,838,626</u>	<u>\$ 7,790,189</u>	<u>\$ 76,360,535</u>	<u>\$ 311,533,610</u>	<u>\$ 310,825,931</u>

The notes to the financial statements are an integral part of this statement.

RAMSEY COUNTY, MINNESOTA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2008
WITH COMPARATIVE AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2007

	<u>2008</u>	<u>Restated 2007</u>
Net change in fund balances - total governmental funds (Exhibit 4)	\$ 915,285	\$ (1,790,432)
Amounts reported for governmental activities in the Statement of Activities (Exhibit 2) 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. This is the amount by which capital outlays exceeded depreciation in the current period.	16,898,805	10,242,966
The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) is to decrease net assets.	(4,068,781)	(728,663)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	(2,421,132)	7,156,190
The issuance of long-term debt (e.g. bonds) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, the governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.	25,561,681	5,507,443
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.	5,592,171	21,544,745
Internal service funds are used by management to charge the costs of management information systems and property management services to individual funds.	(11,649,685)	(17,912,720)
The net revenue of certain activities of internal service funds is reported with governmental activities.	283,868	171,324
Net change in net assets of governmental activities (Exhibit 2)	<u>\$ 31,112,212</u>	<u>\$ 24,190,853</u>

The notes to the financial statements are an integral part of this statement.

RAMSEY COUNTY, MINNESOTA
STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
DECEMBER 31, 2008
WITH COMPARATIVE TOTALS FOR DECEMBER 31, 2007

Business-type Activities - Enterprise Funds

	Lake Owasso Residence	Ponds at Battle Creek	Other Enterprise Funds	Total	
				2008	2007
ASSETS					
Current Assets:					
Cash and Cash Equivalents	\$ 1,449,323	\$ 2,408,952	\$ 1,366,138	\$ 5,224,413	\$ 7,159,610
Cash with Fiscal Agent	-	-	-	-	3,108,856
Petty Cash and Change Funds	6,500	-	14,000	20,500	20,500
Cooperative Investment	-	-	39,340	39,340	55,320
Accounts Receivable (Net)	-	6,747	594,265	601,012	254,043
Accrued Interest Receivable	-	-	-	-	47,383
Due from Other Funds	-	-	-	-	-
Due from Other Governments	654,248	-	1,076,242	1,730,490	1,905,470
Prepaid Items	-	-	-	-	-
Inventories	18,664	-	17,841	36,505	43,790
Restricted Cash and Cash Equivalents	-	-	-	-	-
Total Current Assets	<u>2,128,735</u>	<u>2,415,699</u>	<u>3,107,826</u>	<u>7,652,260</u>	<u>12,594,972</u>
Noncurrent Assets:					
Deferred Charges	16,730	10,419	9,497	36,646	46,881
Capital Assets:					
Land	7,873	-	99,200	107,073	107,073
Improvements Other Than Buildings	648,856	2,581,891	772,517	4,003,264	3,654,711
Buildings	4,072,132	933,506	4,368,576	9,374,214	9,523,290
Building Improvements	23,349	-	3,302,598	3,325,947	1,627,845
Equipment	506,337	351,657	1,707,031	2,565,025	2,522,066
Construction in Progress	-	-	-	-	670,012
Less Accumulated Depreciation	(1,496,119)	(867,420)	(5,743,157)	(8,106,696)	(7,819,741)
Total Capital Assets (Net of Accumulated Depreciation)	<u>3,762,428</u>	<u>2,999,634</u>	<u>4,506,765</u>	<u>11,268,827</u>	<u>10,285,256</u>
Total Noncurrent Assets	<u>3,779,158</u>	<u>3,010,053</u>	<u>4,516,262</u>	<u>11,305,473</u>	<u>10,332,137</u>
Total Assets	<u>5,907,893</u>	<u>5,425,752</u>	<u>7,624,088</u>	<u>18,957,733</u>	<u>22,927,109</u>
LIABILITIES					
Current Liabilities:					
Salaries Payable	339,809	6,877	677,313	1,023,999	831,163
Accounts Payable	55,706	3,343	456,740	515,789	614,652
Interest Payable	58,514	54,576	41,753	154,843	245,213
Unamortized Bond Discount/Premium	-	3,467	8,238	11,705	7,852
Loan Payable	-	-	-	-	-
Due to Other Funds	726,761	42,577	1,343,733	2,113,071	1,002,054
Due to Other Governments	1,019	393	337,542	338,954	357,464
General Obligation Bonds Payable - Current	195,000	150,000	75,000	420,000	3,530,000
Vacation and Compensatory Time Payable	414,374	10,409	823,102	1,247,885	1,194,753
Payable from Restricted Assets:					
Customer Deposits Payable	-	-	-	-	-
Total Current Liabilities	<u>1,791,183</u>	<u>271,642</u>	<u>3,763,421</u>	<u>5,826,246</u>	<u>7,783,151</u>
Noncurrent Liabilities:					
General Obligation Bonds Payable	2,740,000	2,615,000	2,065,000	7,420,000	7,840,000
Unamortized Bond Discount/Premium	227,830	-	66,244	294,074	321,155
Advance from Other Funds	378,206	3,695,181	50,000	4,123,387	4,123,387
Compensated Absences Payable	372,047	16,293	417,204	805,544	862,632
Net OPEB Liability	-	-	-	-	-
Total Noncurrent Liabilities	<u>3,718,083</u>	<u>6,326,474</u>	<u>2,598,448</u>	<u>12,643,005</u>	<u>13,147,174</u>
Total Liabilities	<u>5,509,266</u>	<u>6,598,116</u>	<u>6,361,869</u>	<u>18,469,251</u>	<u>20,930,325</u>
NET ASSETS					
Invested in Capital Assets, Net of Related Debt	616,328	241,586	2,787,155	3,645,069	3,379,797
Restricted for Capital Projects	-	-	-	-	-
Unrestricted	(217,701)	(1,413,950)	(1,524,936)	(3,156,587)	(1,383,013)
Total Net Assets	<u>\$ 398,627</u>	<u>\$ (1,172,364)</u>	<u>\$ 1,262,219</u>	<u>488,482</u>	<u>1,996,784</u>
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds.				(12,324)	(6,465)
Net Assets of Business-Type Activities				<u>\$ 476,158</u>	<u>\$ 1,990,319</u>

The notes to the financial statements are an integral part of this statement.

EXHIBIT 6

Governmental Activities - Internal Service Funds	
<u>2008</u>	<u>2007</u>
\$ 43,241,824	\$ 37,104,959
-	-
75	75
-	-
43,924	8,712
-	-
5,543,588	3,572,177
276,017	205,815
231,253	167,856
5,786	5,410
1,000	1,000
<u>49,343,467</u>	<u>41,066,004</u>
-	-
-	-
19,698	19,698
-	-
8,435,850	7,832,728
8,731,792	8,569,576
25,850	-
<u>(14,368,185)</u>	<u>(13,696,354)</u>
<u>2,845,005</u>	<u>2,725,648</u>
<u>2,845,005</u>	<u>2,725,648</u>
<u>52,188,472</u>	<u>43,791,652</u>
454,900	351,515
2,053,064	1,883,720
-	-
-	-
-	335
1,726,581	878,603
33,004	35,793
-	-
744,036	674,947
1,000	1,000
<u>5,012,585</u>	<u>3,825,913</u>
-	-
-	-
-	-
946,160	878,612
<u>34,145,915</u>	<u>19,580,393</u>
<u>35,092,075</u>	<u>20,459,005</u>
<u>40,104,660</u>	<u>24,284,918</u>
2,845,006	2,725,648
-	-
9,238,806	16,781,086
<u>\$ 12,083,812</u>	<u>\$ 19,506,734</u>

RAMSEY COUNTY, MINNESOTA
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2008
WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2007

Business-type Activities - Enterprise Funds

	Lake Owasso Residence	Ponds at Battle Creek	Other Enterprise Funds	Total	
				2008	2007
OPERATING REVENUES:					
Charges for Services	\$ 8,015,858	\$ 401,992	\$ 18,156,771	\$ 26,574,621	\$ 25,439,895
Sales	-	-	1,164	1,164	797
Rental Income	-	60,492	-	60,492	59,768
Miscellaneous	-	3,437	32,582	36,019	37,002
Total Operating Revenues	<u>8,015,858</u>	<u>465,921</u>	<u>18,190,517</u>	<u>26,672,296</u>	<u>25,537,462</u>
OPERATING EXPENSES:					
Personal Services	7,250,158	235,116	14,676,264	22,161,538	21,787,687
Other Services and Charges	836,094	156,220	3,634,961	4,627,275	3,829,637
Supplies	362,025	108,085	1,114,372	1,584,482	1,428,303
OPEB Expense	-	-	-	-	-
Depreciation	175,003	107,300	428,528	710,831	687,016
Total Operating Expenses	<u>8,623,280</u>	<u>606,721</u>	<u>19,854,125</u>	<u>29,084,126</u>	<u>27,732,643</u>
Operating Income (Loss)	<u>(607,422)</u>	<u>(140,800)</u>	<u>(1,663,608)</u>	<u>(2,411,830)</u>	<u>(2,195,181)</u>
NONOPERATING REVENUES (EXPENSES):					
Intergovernmental Revenue	26,957	-	351,349	378,306	441,710
Amortization of Bond Issuance Costs	(8,908)	(536)	(525)	(9,969)	(1,627)
Amortization of (Discount) Premium on Bonds	-	-	4,119	4,119	3,776
Interest Expense	(137,680)	(131,434)	(102,053)	(371,167)	(518,629)
Gain (Loss) on Disposal of Capital Assets	(621)	-	(26,364)	(26,985)	(388)
Gain (Loss) on Sale of Capital Assets	-	-	18,725	18,725	9,253
Investment Earnings	9,136	-	43,660	52,796	149,835
Miscellaneous Revenue	-	-	-	-	-
Total Nonoperating Revenues (Expenses)	<u>(111,116)</u>	<u>(131,970)</u>	<u>288,911</u>	<u>45,825</u>	<u>83,930</u>
Income before Contributions and Transfers	<u>(718,538)</u>	<u>(272,770)</u>	<u>(1,374,697)</u>	<u>(2,366,005)</u>	<u>(2,111,251)</u>
Capital Contributions	-	-	-	-	142,417
Transfers In	260,849	230,000	366,854	857,703	557,733
Transfers Out	-	-	-	-	(174,643)
Change in Net Assets	<u>(457,689)</u>	<u>(42,770)</u>	<u>(1,007,843)</u>	<u>(1,508,302)</u>	<u>(1,585,744)</u>
Total Net Assets - Beginning	<u>856,316</u>	<u>(1,129,594)</u>	<u>2,270,062</u>		
Total Net Assets - Ending	<u>\$ 398,627</u>	<u>\$ (1,172,364)</u>	<u>\$ 1,262,219</u>		
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds.				(5,859)	(4,498)
Change in Net Assets of Business-type Activities (Exhibit 2)				<u>\$ (1,514,161)</u>	<u>\$ (1,590,242)</u>

The notes to the financial statements are an integral part of this statement.

EXHIBIT 7

Governmental Activities - Internal Service Funds	
<u>2008</u>	<u>2007</u>
\$ 38,181,356	\$ 34,370,926
945	769
-	-
153,318	91,983
<u>38,335,619</u>	<u>34,463,678</u>
11,196,814	10,635,489
12,483,385	11,977,674
699,243	459,614
24,927,716	29,213,298
762,745	899,957
<u>50,069,903</u>	<u>53,186,032</u>
<u>(11,734,284)</u>	<u>(18,722,354)</u>
44,791	60,376
-	-
-	-
-	-
(24,670)	432
-	-
342,487	915,652
-	-
<u>362,608</u>	<u>976,460</u>
<u>(11,371,676)</u>	<u>(17,745,894)</u>
-	-
3,948,904	23,290,254
(150)	(147)
<u>(7,422,922)</u>	<u>5,544,213</u>
19,506,734	13,962,521
<u>\$ 12,083,812</u>	<u>\$ 19,506,734</u>

**RAMSEY COUNTY, MINNESOTA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2008
WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2007**

Business-type Activities - Enterprise Funds

	Business-type Activities - Enterprise Funds			Total	
	Lake Owasso Residence	Ponds at Battle Creek	Other Enterprise Funds	2008	2007
CASH FLOWS FROM OPERATING ACTIVITIES					
Receipts from Customers and Users	\$ 8,017,504	\$ 489,288	\$ 18,002,375	\$ 26,509,167	\$ 25,519,496
Receipts from Interfund Services Provided	-	-	-	-	-
Payments to Suppliers	(870,830)	(363,716)	(4,442,564)	(5,677,110)	(4,895,470)
Payments to Employees	(7,197,279)	(131,067)	(14,186,889)	(21,515,235)	(20,654,911)
Payments for Interfund Services Used	-	-	-	-	-
Net Cash Provided (Used) for Operating Activities	<u>(50,605)</u>	<u>(5,495)</u>	<u>(627,078)</u>	<u>(683,178)</u>	<u>(30,885)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Intergovernmental Revenue	26,957	-	351,349	378,306	441,710
Transfers In	260,849	230,000	366,854	857,703	557,076
Transfers Out	-	-	-	-	(174,643)
Interfund Loans	-	-	-	-	(506,169)
Private Donations	-	-	-	-	75,010
Net Cash Provided (Used) for Noncapital Financing Activities	<u>287,806</u>	<u>230,000</u>	<u>718,203</u>	<u>1,236,009</u>	<u>392,984</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Interfund Loans	-	-	-	-	2,747,781
Proceeds from the Sale of Capital Assets	-	-	38,725	38,725	36,940
Proceeds from Sale of Bonds	-	-	-	-	2,321,873
Proceeds from Insurance Recoveries	-	-	24,171	24,171	-
Purchases of Capital Assets	(1,122)	-	(1,814,538)	(1,815,660)	(955,712)
Principal Paid on Capital Debt	(3,275,000)	(145,000)	(110,000)	(3,530,000)	(310,000)
Interest Paid on Capital Debt	(188,014)	(133,700)	(61,181)	(382,895)	(472,926)
Repayment of Loan	-	-	-	-	-
Net Cash Provided (Used) for Capital and Related Financing Activities	<u>(3,464,136)</u>	<u>(278,700)</u>	<u>(1,922,823)</u>	<u>(5,665,659)</u>	<u>3,367,956</u>
CASH FLOWS FROM INVESTING ACTIVITIES					
Proceeds from Sale of Investments	-	-	-	-	2,175
Dividend Received	-	-	59,639	59,639	10,216
Investment Earnings (Loss)	9,136	-	-	9,136	113,037
Net Cash Provided (Used) for Investing Activities	<u>9,136</u>	<u>-</u>	<u>59,639</u>	<u>68,775</u>	<u>125,428</u>
Net Increase (Decrease) in Cash and Cash Equivalents	<u>(3,217,799)</u>	<u>(54,195)</u>	<u>(1,772,059)</u>	<u>(5,044,053)</u>	<u>3,855,483</u>
Cash and Cash Equivalents, January 1	4,673,622	2,463,147	3,152,197	10,288,966	6,433,483
Cash and Cash Equivalents, December 31	<u>\$ 1,455,823</u>	<u>\$ 2,408,952</u>	<u>\$ 1,380,138</u>	<u>\$ 5,244,913</u>	<u>\$ 10,288,966</u>

The notes to the financial statements are an integral part of this statement.

EXHIBIT 8

Governmental Activities - Internal Service Funds		
	2008	2007
\$	2,947,281	\$ 15,289,095
	33,311,512	16,535,971
	(20,807,637)	(20,462,104)
	(10,592,572)	(9,309,273)
	<u>(2,150,644)</u>	<u>(392,565)</u>
	2,707,940	1,661,124
	44,791	60,376
	3,948,904	23,290,254
	(150)	(147)
	-	-
	-	-
	<u>3,993,545</u>	<u>23,350,483</u>
	-	-
	67	615
	-	-
	-	-
	(906,839)	(525,162)
	-	-
	-	-
	<u>(335)</u>	<u>(2,339)</u>
	<u>(907,107)</u>	<u>(526,886)</u>
	-	-
	-	-
	<u>342,487</u>	<u>915,652</u>
	<u>342,487</u>	<u>915,652</u>
	6,136,865	25,400,373
	<u>37,106,034</u>	<u>11,705,661</u>
\$	<u><u>43,242,899</u></u>	<u><u>\$ 37,106,034</u></u>

**RAMSEY COUNTY, MINNESOTA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2008
WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2007**

Business-type Activities - Enterprise Funds

	Business-type Activities - Enterprise Funds			Total	
	Lake Owasso Residence	Ponds at Battle Creek	Other Enterprise Funds	2008	2007
Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities:					
Operating Income (Loss)	\$ (607,422)	\$ (140,800)	\$ (1,663,608)	\$ (2,411,830)	\$ (2,195,181)
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities:					
Depreciation Expense	175,003	107,300	428,528	710,831	687,016
Provision for Uncollectible Accounts	-	-	(1,255)	(1,255)	16,950
Changes in Assets and Liabilities:					
(Increase) Decrease in Accounts Receivable	-	(842)	(344,872)	(345,714)	116,807
(Increase) Decrease in Cooperative Investment Receivable	-	-	-	-	17,244
(Increase) Decrease in Due from Other Funds	-	-	-	-	(17,960)
(Increase) Decrease in Due from Other Governments	1,645	-	173,335	174,980	(208,501)
(Increase) Decrease in Prepaid Items	-	-	-	-	-
(Increase) Decrease in Inventories	3,411	-	3,874	7,285	10,401
Increase (Decrease) in Salaries Payable	52,979	4,013	135,844	192,836	59,349
Increase (Decrease) in Accounts Payable	17,580	390	(116,832)	(98,862)	340,413
Increase (Decrease) in Due to Other Funds	310,988	23,306	776,723	1,111,017	931,984
Increase (Decrease) in Due to Other Governments	(4,690)	18	(13,838)	(18,510)	51,509
Increase (Decrease) in Vacation and Compensatory Time Payable	2,444	621	50,067	53,132	132,423
Increase (Decrease) in Compensated Absences Payable	(2,543)	499	(55,044)	(57,088)	26,661
Increase (Decrease) in Net OPEB Liability Payable	-	-	-	-	-
Net Cash Provided (Used) by Operating Activities	<u>\$ (50,605)</u>	<u>\$ (5,495)</u>	<u>\$ (627,078)</u>	<u>\$ (683,178)</u>	<u>\$ (30,885)</u>

Noncash Capital and Related Financing Activity:

Contributions of Capital Assets in the Ramsey County Care Center Fund amounted to \$0 and \$67,407 in 2008 and 2007 respectively.
The fair value of Ramsey County Care Center Investment decreased by \$15,969 in 2008, and decreased by \$24,407 in 2007.
Disposal of Capital Assets had a Net Book Value of \$23,044 in 2008 and \$388 in 2007 for the Ramsey County Care Center.
The Internal Service Funds disposed of capital assets with a net book value of zero.

EXHIBIT 8
(Continued)

Governmental Activities - Internal Service Funds	
2008	2007
\$ (11,734,284)	\$ (18,722,354)
762,745	899,957
-	-
(35,212)	(346)
-	-
(1,971,411)	(2,541,984)
(70,202)	(96,282)
(63,397)	(62,853)
(376)	1,855
103,385	100,094
169,344	1,323,744
847,978	762,245
(2,789)	2,032
69,089	189,661
67,548	224,962
14,565,522	19,580,393
<u>\$ 2,707,940</u>	<u>\$ 1,661,124</u>

**RAMSEY COUNTY, MINNESOTA
STATEMENT OF FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
DECEMBER 31, 2008
WITH COMPARATIVE TOTALS FOR DECEMBER 31, 2007**

	Private Purpose Trust Funds		Agency Fund	
	2008	2007	2008	2007
ASSETS				
Cash and Cash Equivalents	\$ 2,666,661	\$ 2,234,063	\$ 26,018,197	\$ 26,259,734
Petty Cash and Change Funds	-	-	50	50
Receivables:				
Accounts	-	-	22,391,647	21,048,875
Due from Other Governments	-	-	41,179	26,435
Total Assets	<u>2,666,661</u>	<u>2,234,063</u>	<u>48,451,073</u>	<u>47,335,094</u>
LIABILITIES				
Salaries Payable	-	-	22,053	11,376
Custodial Payable	9,545	4,898	37,494,185	37,778,087
Due to Other Governments	-	-	10,934,835	9,545,631
Total Liabilities	<u>9,545</u>	<u>4,898</u>	<u>48,451,073</u>	<u>47,335,094</u>
NET ASSETS				
Held in trust for private purposes	<u>\$ 2,657,116</u>	<u>\$ 2,229,165</u>		

The notes to the financial statements are an integral part of this statement.

RAMSEY COUNTY, MINNESOTA
STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2008
WITH COMPARATIVE AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2007

	Private Purpose Trust Funds	
	2008	2007
ADDITIONS		
Receipts from Clients	\$ 13,881,281	\$ 12,925,589
Investment Earnings	8,734	12,034
Total Additions	13,890,015	12,937,623
DEDUCTIONS		
Payments to Clients or on Behalf of Clients	13,462,064	13,238,795
Change in Net Assets	427,951	(301,172)
Net assets - Beginning	2,229,165	2,530,337
Net assets - Ending	\$ 2,657,116	\$ 2,229,165

The notes to the financial statements are an integral part of this statement.

Ramsey County, Minnesota
Notes to the Basic Financial Statements
December 31, 2008

INDEX TO NOTES	<u>Page</u>
I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES	43
Reporting Entity	43
Government-wide and Fund Financial Statements	43
Measurement Focus, Basis of Accounting, and Financial Statement Presentation	44
Assets, Liabilities, and Net Assets or Equity	46
Cash and Cash Equivalents	46
Deposits and Investments	46
Receivables and Payables	46
Inventories and Prepaid Items	46
Option to Purchase	46
Capital Assets	47
Compensated Absences	47
Contract for Deed	47
Long-term Obligations	48
Restricted Assets/Fund Equity	48
Estimates in Financial Statements	48
Prior Year Comparative Data	48
II. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS	49
Explanation of Certain Differences Between the Governmental Fund Balance Sheet and the Government-Wide Statement of Net Assets	49
Explanation of Certain Differences Between the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balance and the Government-Wide Statement of Activities	49
III. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY	50
Deficit Fund Equity	50
Restatement of Net Assets	50
Budgetary Information	51
IV. DETAILED NOTES ON ALL FUNDS	52
Deposits and Investments	52
Receivables	55
Capital Assets	57
Interfund Receivables, Payables, and Transfers	58
HRA Conduit Debt Obligations	60
Leases Payable	60
Loans Payable	61
Sick Leave, Vacation, and Compensatory Time	61
Long-term Obligations	61
Rental and Lease Income	65
Unreserved – Fund Balance	66
Investment Earnings	66
V. OTHER INFORMATION	66
Risk Management	66
Subsequent Event	67
Contingent Liabilities	68
Joint Ventures	68
Jointly Governed Organizations	69
Defined Benefit Pension Plans – Statewide	70
Other Post Employment Benefits	72

RAMSEY COUNTY, MINNESOTA
Notes to the Financial Statements
December 31, 2008

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

Ramsey County, Minnesota, was created by the Legislative Assembly of the Territory of Minnesota in 1849. The County operated under a County Board-Executive Director form of government until November 6, 1992. On November 6, 1992, Ramsey County became the first County in the State to be governed by a home-rule charter. The Charter defines the powers and structure of the County. The seven members of the Board of County Commissioners are elected by district for four years. The County Manager is appointed by the Board on an indefinite basis.

The accounting practices of Ramsey County, Minnesota, conform to generally accepted accounting principles applicable to governmental units. This financial report has been prepared in conformity with Governmental Accounting Standard Board Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions*, as amended, Statement No. 34, *Basic Financial Statements and Management's Discussion and Analysis – for State and Local Governments*, as amended, and Statement No. 38, *Certain Financial Statement Note Disclosures*. The following is a summary of significant accounting principles.

As required by generally accepted accounting principles, these financial statements present Ramsey County and its component units. The component units discussed below are included in the County's reporting entity because of the significance of their operations or financial relationships with the County.

Blended Component Units:

The Ramsey County Regional Railroad Authority was created by the Ramsey County Board pursuant to State statute. The seven member Regional Railroad Authority Board is appointed by the Ramsey County Board of Commissioners. Currently, the Regional Railroad Authority consists of the seven Ramsey County Commissioners. The Authority has the power to levy taxes, issue bonds and enter into contracts and agreements. The Authority is solely liable for its obligations. Separate financial statements can be obtained from Ramsey County Budgeting & Accounting Office.

The Ramsey County Housing & Redevelopment Authority was created in 1993 by the Ramsey County Board pursuant to State Statute. The five member Housing & Redevelopment Authority is appointed by the Ramsey County Board of Commissioners. Currently, the Housing & Redevelopment Authority consists of five members from the Ramsey County Board. The Authority's financial activities are presented in the Housing & Redevelopment Authority Special Revenue Fund. Separate financial statements are not available.

Joint Ventures:

A joint powers agreement between Ramsey and Washington Counties created the Ramsey/Washington County Resource Recovery Project Board as a joint venture to administer the Resource Recovery Facility. The Project Board is composed of four representatives from Washington County appointed by the Washington County Board and five Ramsey County Commissioners appointed by the Ramsey County Board. All administrative decisions are made by the Project Board except for: budget approval, levying taxes or assessing service charges and establishing the tipping fee to be charged at the facility which require the approval of the County Boards. Details of Ramsey County's share of the joint venture can be found in Note V. Separate financial statements can be obtained from Ramsey County Budgeting & Accounting Office.

B. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all of the nonfiduciary activities of the primary government. For the most part, the effect of the interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported

RAMSEY COUNTY, MINNESOTA
Notes to the Financial Statements
December 31, 2008

separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment, are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Certain indirect costs have been included as part of the program expenses reported for the various functional activities. Program revenues include: (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment; and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide, proprietary fund, 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. Ramsey 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.

Property taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the government.

The County reports the following major governmental funds:

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

The *debt service fund* accounts for the resources accumulated and payments made for principal and interest on long-term general obligation debt of governmental funds.

The *capital projects fund* accounts for financial resources to be used for the acquisition or construction of major capital facilities and infrastructure (other than those financed by proprietary funds).

The County reports the following major proprietary funds:

RAMSEY COUNTY, MINNESOTA
Notes to the Financial Statements
December 31, 2008

The *Lake Owasso Residence fund* provides residential treatment services to 64 people who are developmentally delayed or have related conditions ages 16 through adult.

Ponds at Battle Creek is a golf course on 80 acres of land owned by Ramsey County Community Corrections Department. The course will not only expand golf services to County residents, but also provide transferable work opportunities for workhouse inmates under the Productive Day Program.

Additionally, the government reports the following fund types:

Internal service funds are used to account for goods or services provided by one department or agency to other departments or agencies of the County, or other governments, on a cost-reimbursement basis.

- Data Processing – to provide electronic data processing services to County departments and other governmental units.
- General County Buildings – to account for rents received from occupants of several County Buildings and to pay all expenses incurred in operating and maintaining the building.
- Telecommunications – to account for all expenses incurred in operating the telephone system in the Ramsey County Buildings.
- Firearms Range – to provide a Firearms Range to law enforcement personnel of the County and other local governments.
- Retiree Insurance – to provide resources for the Other Post-Employment Benefit Liability.

The *private-purpose trust funds* are used to account for client resources held in trust to pay expenses on their behalf and missing heir funds until they are located.

The County has an *agency fund*, which is custodial in nature and does not present results of operations or have a measurement focus. The agency fund is accounted for using the accrual basis of accounting. This fund is used to account for assets that the County holds for others in an agency capacity, including pass-through funds that are equivalent to pure cash conduits; inmate and other governmental agency funds held in the custody of the County; and revenues collected on behalf of other governmental units related to property taxes.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The County has elected not to follow subsequent private-sector guidance.

Amounts reported as program revenues include: (1) charges to customers or applicants for goods, services, or privileges provided; (2) operating grants and contributions, as well as any related interest earnings; and (3) capital grants and contributions, as well as any related interest earnings. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Lake Owasso Residence, Ponds at Battle Creek, Ramsey County Care Center, and Law Enforcement Services enterprise funds, and of the government's internal service funds are charges to customers for sales and services. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

RAMSEY COUNTY, MINNESOTA
Notes to the Financial Statements
December 31, 2008

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

D. Assets, Liabilities, and Net Assets or Equity

1. Cash and Cash Equivalents

Ramsey County has defined cash and cash equivalents to include cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. Additionally, each fund's equity in the County's investment pool is treated as a cash equivalent because the funds can deposit or effectively withdraw cash at any time without prior notice or penalty.

2. Deposits and Investments

The cash balances of substantially all funds are pooled and invested for the purpose of increasing earnings through investment activities. Pooled and fund investments are reported at their fair value at December 31, 2008, based on market prices. Pursuant to Minn. Stat. § 385.07, investment earnings on cash and pooled investments of governmental and fiduciary funds are credited to the General Fund. Other funds received investment earnings based on other state statutes, grant agreements, contracts, and bond covenants. Pooled investment earnings for 2008 were \$13,727,378.

3. 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 non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

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

All trade and property tax receivables are shown net of an allowance for uncollectibles. Trade accounts in excess of 120 days comprise the trade accounts receivable allowance for uncollectibles. The property tax receivable allowance is equal to 1% of the current year's property tax levy.

Property taxes are levied as of January 1 on property values assessed as of the same date. The tax levy is divided into two billings: the first billing (due from property owners on May 15th) and the second billing (due on October 15th or November 15th). Taxes, which remain unpaid by property owners at December 31, are considered delinquent.

4. Inventories and Prepaid Items

Inventory is valued at cost using the first-in/first-out (FIFO) method. Inventory consists of expendable supplies held for consumption. The cost is recorded as an expenditure at the time of purchase on the fund financial statements and converted to the consumption method for the government-wide statements.

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

5. Option to Purchase

In 2007, the Ramsey County Regional Rail Authority approved the Purchase Agreement and Contract for Deed with the United States Postal Service for the acquisition of real estate necessary to develop a multimodal transit hub. The value of the asset is \$45,278,408. The Purchase Agreement required the Ramsey County Regional Rail Authority to make an initial payment on the contract for deed of

RAMSEY COUNTY, MINNESOTA
Notes to the Financial Statements
December 31, 2008

\$4,000,000. In 2008, the first installment payment was made in the amount of \$11,962,750. Total installments of \$29,315,658 will be paid through 2010.

6. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g. roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the County as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of two years, as well as certain exceptions that are considered to be high risk to theft. Such assets are recorded at historical cost or estimated cost if purchased or constructed. Donated capital assets are recorded at estimated fair value at the date of donation.

General infrastructure assets acquired prior to January 1, 2002 consist of the road network assets that were acquired or that received substantial improvements subsequent to July 1, 1980 and are reported at actual historical cost. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets is included as part of the capitalized value of the assets constructed.

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

<u>Assets</u>	<u>Years</u>
Buildings	10-50
Building Improvements	5-20
Infrastructure	20-75
Improvements Other Than Buildings	10-20
Machinery and Equipment	2-20

7. Compensated Absences

It is the County's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. Under the County's personnel policies and union contracts, County employees are granted vacation and sick leave in varying amounts based on length of services. Certain County employees are also granted compensatory time. Unused accumulated vacation leave, compensatory time, and vested sick leave are paid to employees upon termination. Unvested sick leave is available to employees in the event of illness-related absences and is not paid to employees upon termination. Each permanent employee earns up to 25 days vacation leave and 15 days of sick leave per year.

8. Contract for Deed

Ramsey County has entered into a contract, with option to purchase the Union Depot Concourse from the U.S. Postal Service. The assets acquired through the contract is as follows:

Asset:	
Option to Purchase	\$45,278,408

The future minimum obligations and the net present value of these minimum payments, as of December 31, 2008, were as follows:

Year Ending December 31, 2009	\$15,625,000
Year Ending December 31, 2010	18,012,250
Less Amount Representing Interest	<u>(4,321,592)</u>
Present Value of Minimum Lease Payments	<u>\$29,315,658</u>

RAMSEY COUNTY, MINNESOTA
Notes to the Financial Statements
December 31, 2008

9. Long-term Obligations

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

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 debt 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.

10. Restricted Assets/Fund Equity

Certain funds of the County are classified as restricted assets on the statement of net assets because the restriction is either imposed by law through constitutional provisions or enabling legislation or imposed externally by creditors, grantors, contributors, or laws or regulations of other governments. Therefore, their use is limited by applicable laws and regulations. These legal restrictions include:

Debt Service	\$37,838,626
Capital Projects	2,896,889
Solid Waste	19,925,240
Aggregate Material	131,624
Criminal Forfeiture	525,869
Underground Storage Tanks	100,000
County Recorder's Equipment	347,563
Election Equipment	<u>138,390</u>
	<u>\$61,904,201</u>

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change.

11. Estimates in Financial Statements

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

E. Prior Year Comparative Data

The basic financial statements include partial prior year comparative information. Such information does not include all of the information required to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the County's financial statements for the year ended December 31, 2007, from which such partial information was derived. Also, certain amounts presented in the prior year data have been reclassified in order to be consistent with the current year's presentation.

RAMSEY COUNTY, MINNESOTA
Notes to the Financial Statements
December 31, 2008

II. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

A. Explanation of Certain Differences Between the Governmental Fund Balance Sheet and the Government-Wide Statement of Net Assets

The governmental fund balance sheet includes a reconciliation between *fund balance – total governmental funds* and *net assets – governmental activities* as reported in the government-wide statement of net assets. One element of that reconciliation explains that “long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.” The details of this \$261,621,095 difference are as follows:

Bonds and Notes Payable	\$188,077,000
Loans Payable	35,935
Contract for Deed	29,315,658
Less: Deferred Charge for Issuance Costs (Amortized Over the Life of the Debt)	(1,052,843)
Accrued Interest Payable	3,641,922
Unamortized Premium on Bonds	4,461,130
Estimated Payable for Outstanding Claims	4,034,598
Compensated Absences Payable, Vacation, & Comp Time Payable	33,111,129
Due to Other Governments	<u>(3,434)</u>
Net Adjustment to Reduce Fund Balance – Total Governmental Activities to Arrive at Net Assets – Governmental Activities	<u>\$261,621,095</u>

B. Explanation of Certain Differences Between the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances and the Government-Wide Statement of Activities

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between *net changes in fund balances – total governmental funds* and *changes in net assets of governmental activities* as reported in the government-wide statement of activities. One element of that reconciliation explains, “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.” The details of this \$16,898,805 difference are as follows:

Capital Outlay	\$40,024,721
Depreciation Expense	<u>(23,125,916)</u>
Net Adjustment to Increase Changes in Fund Balances – Total Governmental Funds to Arrive at Changes in Net Assets of Governmental Activities	<u>\$16,898,805</u>

The second element of that reconciliation states that “The net effect of various miscellaneous transactions involving capital assets (i.e. sales, trade-ins, and donations) is to decrease net assets.”

In the statement of activities, only the loss on the sale of capital assets is reported. However, in the governmental funds, the proceeds from the sale increase financial resources. Thus, the change in net assets differs from the change in fund balance by the net book value of the capital assets sold. The details of this \$(4,068,781) difference is as follows:

Loss on Disposal/Sale of Capital Assets	<u>\$(4,068,781)</u>
-----------------------------------------	----------------------

Another element of that reconciliation states that “the issuance of long-term debt (e.g. bonds) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts,

RAMSEY COUNTY, MINNESOTA
Notes to the Financial Statements
December 31, 2008

and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.” The details of this \$13,598,931 difference are as follows:

Debt issued or Incurred:	
Issuance of General Obligation Bonds	\$(6,100,000)
Unamortized Premium on Sale of Bonds	(122,722)
Proceeds from Loans from Xcel Energy	-
Principal Repayments:	
General Obligation Debt	11,710,000
Redemption of Refunded Bond Issuances	7,355,000
Capital Loan from State of Minnesota for Pedestrian Tunnel	175,000
Payment on Revenue Bond lease of Griffin Building	510,000
Payments on Capital Lease Obligation for Food Service Equipment – LEC	55,551
Payments on Xcel Energy Loans	<u>16,102</u>
Net adjustment to Increase Changes in Fund Balances – Total Governmental Funds to Arrive at Changes in Net Assets of Governmental Activities	<u>\$13,598,931</u>

Finally, the reconciliation states, “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.” The details of this \$5,592,171 difference are as follows:

Compensated Absences	\$ (994,525)
Claims and Judgments	2,202,733
Accrued Interest	336,493
Arbitrage Expense	74,201
Bond Issuance Costs	66,371
Amortization of Bond Issuance Costs	(191,266)
Amortization of Bond Premium	357,016
Offset Operating Transfers from Internal Service Funds	3,948,754
Inventory (Change From Consumption to Purchase Method)	<u>(207,606)</u>
Net Adjustment to Decrease Net Changes in Fund Balances – Total Governmental Funds to Arrive at Changes in Net Assets of Governmental Activities	<u>\$5,592,171</u>

III. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. Deficit Fund Equity

The Ponds at Battle Creek Enterprise Fund showed a net loss of \$42,770 for the year, resulting in a deficit of net assets of \$1,172,364.

B. Restatement

1. Restatement of Net Assets

In the 2007 financial statements, the Construction in Progress account was overstated by \$24,784,647 because certain assets were placed in service without reducing the CIP account. Beginning Net Assets has been restated to reflect the correct balance.

2. Restatement of Fund Balance:

During 2007, an agreement was entered into for the acquisition of the U.S. Postal Service concourse. A \$4,000,000 down payment was classified as a deferred charge in the prior year statements and should have been considered a principal payment on debt.

RAMSEY COUNTY, MINNESOTA
Notes to the Financial Statements
December 31, 2008

Non major governmental funds:

Fund balance as previously reported	\$76,772,521
Less debt service	<u>(4,000,000)</u>
Fund balance as restated	<u>\$72,772,521</u>

C. Budgetary Information

The County Board adopts an annual budget for certain Special Revenue Funds (County Library, Solid Waste/Recycling Service Fee, Emergency Communications, Regional Railroad Authority, and Forfeited Tax Sale), and the County Debt Service Fund. These budgets are prepared on the modified accrual basis of accounting. Annual budgets are not adopted for the Capital Project Fund, Regional Railroad Authority Capital Project Fund, Regional Railroad Authority Debt Service Fund, and certain Special Revenue Funds. Some of these funds have budgets, which are approved at the time the project or budget is initially authorized and overlap fiscal years. Other Special Revenue Funds are not budgeted. The following Special Revenue Funds either have budgets that overlap the County's fiscal year or are not budgeted: Housing & Redevelopment Authority, Workforce Solutions, State Funding for Courts, State Public Defender, Gifts and Donations, Sheriff, Corrections, Property Records, County Attorney, Health Promotion/Health Improvement, Parks & Recreation, Nursing Home Patients Activity, and Law Library. The Capital Projects Fund, Regional Railroad Authority Capital Projects Fund, and those Special Revenue Funds, whose budgets overlap fiscal years, are not consistent with the County's method of financial reporting; therefore, comparisons between the results of operations and budgets in these funds are not relevant and are not presented.

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

The appropriated budget is prepared by fund, function, and department. Budgets may be amended during the year with the approval of the County Manager or County Board as required by the County's Administrative Code. The County Manager is authorized to transfer budgeted amounts within departments or appropriate certain revenues received in excess of the original budget estimate. Transfers of appropriations between departments and other transfers of appropriations require County Board approval. Supplemental appropriations are reviewed by the County Manager's office and submitted to the County Board for their approval. If approved, the adjustments are implemented by the Budgeting and Accounting Office by budget revision. Supplemental appropriations required during the year were immaterial. Expenditures may not legally exceed budgeted appropriations at the department level. All appropriations, except Capital Project Fund and Regional Railroad Authority Capital Project Fund, which are not expended, encumbered, or reserved, as described above, lapse at year end.

Encumbrance accounting is employed in governmental funds. Encumbrances (e.g., purchase orders, contracts, capital reserves, and other commitments for the expenditure of monies) outstanding at year end are reported as reservations of fund balances and do not constitute expenditures or liabilities because the commitments will be reappropriated and honored during the subsequent year.

RAMSEY COUNTY, MINNESOTA
Notes to the Financial Statements
December 31, 2008

IV. DETAILED NOTES ON ALL FUNDS

A. Deposits and Investments

Reconciliation of County's total cash and investments to the basic financial statements follows:

Government-wide	
Governmental Activities	
Cash and Cash equivalents	\$355,265,834
Cash with trustee	1,961,236
Restricted cash	3,000
Petty cash	26,490
Imprest cash	60,000
Business-type activities	
Cash and Cash equivalents	5,224,413
Petty cash	20,500
Cooperative investment	39,340
Fiduciary funds	
Cash and Cash equivalents	26,018,197
Petty cash	50
Private Purpose Trust funds	
Cash and Cash equivalents	<u>2,666,661</u>
Cash and Investments	<u>\$391,285,721</u>
Deposits	\$ 51,139,869
Investments	338,038,236
Investments with trustee	1,961,236
Cooperative investment	39,340
Petty Cash	47,040
Imprest Cash	<u>60,000</u>
Total Cash and Investments	<u>\$391,285,721</u>

1. Deposits

Minn. Stat. §§ 118A.02 and 118A.04 authorize the County to designate a depository for public funds and to invest in certificates of deposit. Minn. Stat. § 118A.03 requires that all county deposits be protected by insurance, surety bond, or collateral. The market value of collateral pledged shall be at least ten percent more than the amount on deposit plus accrued interest at the close of the financial institution's banking day, not covered by insurance or bonds.

Authorized collateral includes treasury bills, notes and bonds; issues of U.S. government agencies; general obligations rated "A" or better, revenue obligations rated "AA" or better; irrevocable standby letters of credit issued by the Federal Home Loan Bank; and certificates of deposit. Minnesota Statutes require that 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 that is not owned or controlled by the financial institution furnishing the collateral.

Custodial Credit Risk-Deposits. Custodial credit risk is the risk that, in the event of a financial institution failure, the County's deposits may not be returned to it. The County does not have a deposit policy for

RAMSEY COUNTY, MINNESOTA
Notes to the Financial Statements
December 31, 2008

custodial credit risk. As of December 31, 2008, the County's deposits were not exposed to custodial credit risk.

2. Investments

Minn. Stat. §§ 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 issued of the United States, its agencies, or instrumentalities, or organizations created by an act of Congress, except mortgage-backed securities defined as "high risk" by Minn. Stat. § 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. In accordance with its investment policy, Ramsey County manages its exposure to declines in fair value by investing in both shorter and longer-term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity evenly over time as necessary to provide the cash flow and liquidity needed for operations.

Ramsey County has adopted a simulation model of reporting of its investments and their sensitivity to fluctuation in interest rates to comply with Government Accounting Standards Board Statement No. 40, "Deposit and Investment Risk Disclosures". As presented, assumptions are made of interest rate changes of 50, 100, 150, and 200 basis points; it also assumes that interest rate changes occurred on December 31, 2008. The investment portfolio has an average book yield of 4.21%, modified duration of 2.86 years and an effective duration of 1.10 years.

<u>Ramsey County:</u>	<u>+50 Basis Pts</u>	<u>+100 Basis Pts</u>	<u>+150 Basis Pts</u>	<u>+200 Basis Pts</u>
U.S. Agency Securities:				
Federal Home Loan	110,117,000	109,671,000	109,186,000	108,671,000
Federal Home Loan Mtg. Corp.	18,331,000	18,228,000	18,130,000	17,995,000
Federal National Mtg. Assn.	22,535,000	22,362,000	22,163,000	21,947,000
Federal Farm Credit	45,349,000	45,037,000	44,698,000	44,322,000
Overseas Private Investment Corp	78,770	78,770	78,770	78,770
Federal Discount Notes	142,928,373	142,928,373	142,928,373	142,928,373
Griffin Bldg Revenue Bonds: Debt Sv				
Money Market Savings Acct	815,568	815,568	815,568	815,568
Griffin Bldg Revenue Bonds: RF				
Money Market Savings Acct	162	162	162	162
Federal Home Loan	<u>1,096,867</u>	<u>1,096,867</u>	<u>1,096,867</u>	<u>1,096,867</u>
Total Investments	<u>341,251,740</u>	<u>340,217,740</u>	<u>339,096,740</u>	<u>337,854,740</u>

RAMSEY COUNTY, MINNESOTA
Notes to the Financial Statements
December 31, 2008

The Ramsey County Board of Commissioners officially approved Ramsey County's investment policy in September of 1998. In November of 1999, a few changes were made to the policy, which were also approved by the Ramsey County Board. The policy is a bit more restricted than what is prescribed in Chapter 118A of Minnesota Statutes governing the investment of public funds. Ramsey County's policy restricts Agency Debentures to be up to 60% of the portfolio, Structured Agency Notes up to 30% with no inverses, Agency Mortgage Pass-Thru's up to 30%, Agency CMO's up to 30%, Municipal Bonds up to 30%, and Bankers Acceptances up to 50%. Commercial Paper, Certificates of Deposits, Repurchase Agreements, and GIC's are consistent with language of Chapter 118A.

Chapter 118A of the Minnesota Statutes allows Reverse Repurchase agreements as an investment to create leverage. The Ramsey County policy currently does not allow the use of Reverse Repurchase Agreements, Options, or Future Contracts.

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. It is the County's policy to invest only in securities that meet the ratings requirements set by state statute.

The County's exposure to credit risk as of December 31, 2008, is as follows:

<u>Ramsey County:</u>	<u>Credit Risk</u>	<u>Custody Credit Risk</u>	<u>Par</u>	<u>Fair Value</u>	<u>% of Total Portfolio</u>
U.S. Agency Securities:					
Federal Home Loan	AAA / Aaa	Custody (a)	106,635,000	109,153,079	31.68%
Federal Home Loan Mtg. Corp.	AAA / Aaa	Custody (a)	18,000,000	18,146,790	5.35%
Federal National Mtg. Assn.	AAA / Aaa	Custody (a)	22,000,000	22,412,570	6.53%
Federal Farm Credit	AAA / Aaa	Custody (a)	44,035,000	45,318,653	13.08%
Overseas Private Investment Corp	n.a.	Custody (a)	81,300	78,771	0.02%
Federal Discount Notes	AAA / Aaa	Custody (a)	<u>144,000,000</u>	<u>142,928,373</u>	42.77%
Ramsey County's Portfolio			<u>334,751,300</u>	<u>338,038,236</u>	
Escrow Accounts:					
Griffin Bldg Revenue Bonds: DS. Fund					
Money Market Savings Account	n.a.	Escrow (b)	815,568	815,568	0.24%
Griffin Building Revenue Bonds:					
Money Market Savings Account	n.a.	Escrow (b)	162	162	0.00%
Federal Home Loan	AAA / Aaa	Escrow (b)	<u>1,082,000</u>	<u>1,145,416</u>	<u>0.32%</u>
Escrow Account Totals					
Total Investments			<u>336,649,030</u>	<u>339,999,382</u>	<u>100.00%</u>

(a) Securities held in custody are in Ramsey County's name.

(b) Securities held by the escrow agent.

Concentration of 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 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.

Custodial Credit Risk. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, a government will not be able to recover the value of investment or collateral securities that are in the possession of an outside party. Ramsey County's policy states all securities purchased by the County will be held by a third party safekeeping agency appointed as custodian by the County, consistent with Section 118A.06 of the Minnesota Statutes. The custodian shall issue a safekeeping receipt to the County for each transaction detailing all pertinent aspects of the specific security and the name and account which the security is held. All security transactions entered into by the County, with the exception of money market mutual funds, fixed income mutual fund, and

RAMSEY COUNTY, MINNESOTA
Notes to the Financial Statements
December 31, 2008

repurchase agreements, shall be conducted on a delivery versus payment basis. At December 31, 2008, all of the investments held in escrow accounts listed above totaled \$1,961,236 and were subject to custodial credit risk.

B. Receivables

Governmental funds report *deferred revenue* in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned. At the end of the current fiscal year, the various components of *deferred revenue* and *unearned revenue* reported in the governmental funds were as follows:

	<u>Unavailable</u>	<u>Unearned</u>
Delinquent Property Taxes Receivable	\$ 7,434,157	\$ -
Receivables that do not provide Current Financial Resources	8,533,716	-
Loans Receivable	13,766,376	-
Forfeited Tax Sale Contracts Receivable	247,961	-
Grant Drawdowns Prior to Meeting Eligibility Requirements	-	11,170,581
Earnest Money	-	1,500,000
	<u>\$29,982,210</u>	<u>\$12,670,581</u>

Direct financing leases:

PEDESTRIAN CONNECTION

Using loan funds obtained through an agreement with the Minnesota Public Facilities Authority, the County built a pedestrian connection from the RiverCentre complex to the core downtown St. Paul area. Under an agreement with the City of St. Paul, the City is required to make lease payments to the County in an amount equal to 105% of the loan payments due from the County to the Minnesota Public Facilities Authority.

The City is responsible for the operation and maintenance of the pedestrian connection. At the expiration of the term of the lease in the year 2030, the connection will become the sole property of the City. As a result, the pedestrian connection is not included in the County's capital assets.

Terms of the lease are as follows:

<u>Years Ended December 31</u>	<u>Lease Receivable</u>
2009	\$ 396,702
2010	395,060
2011	393,240
2012	396,239
2003	393,880
2014-2018	1,961,467
2019-2023	1,957,631
2024-2028	1,947,508
2029-2030	<u>776,813</u>
	8,618,540
Less Interest	<u>(2,721,540)</u>
Present Value of Lease Receivable	<u>\$5,897,000</u>

BENZ BUILDING

Issuing \$13,845,000 of lease revenue bonds in 2003, the County renovated and remodeled the Benz Building to be used for the Saint Paul Police Headquarters Facility and leased by the City of Saint Paul. The term of the lease is for 20 years beginning January 1, 2004 to December 31, 2023. The City of Saint

RAMSEY COUNTY, MINNESOTA
Notes to the Financial Statements
December 31, 2008

Paul will pay base rent on a semi-annual basis equal to the debt service payment including principal and interest.

The City may buy out the lease and exercise a purchase option at any time during the lease as well as purchase the property for \$1,500,000 at the end of the lease term. As a result, the building is not included in the County's capital assets.

Terms of the lease are as follows:

<u>Years Ended December 31</u>	<u>Lease Receivable</u>
2009	\$ 1,049,818
2010	1,055,568
2011	1,032,568
2012	1,054,567
2013	1,054,767
2014-2018	5,320,667
2019-2023	<u>5,375,900</u>
	15,943,855
Less Interest	<u>(4,583,855)</u>
Present Value of Lease Receivable	<u>\$11,360,000</u>

REGIONS HOSPITAL

The lease agreement granted Regions Hospital use of the property through December 2046 under the condition that it (i) provide care to the indigent of Ramsey County throughout the lease term; (ii) pay all taxes, utilities, maintenance, and insurance costs with respect to the property; (iii) use its best efforts to continue providing, and consult with the Ramsey County Board of Commissioners before discontinuing, its major or unique services, including but not limited to the trauma center, burn unit, graduate medical education, and research services; and (iv) not assign the lease to a for-profit corporation.

The property leased is classified as a capital lease and is not included in the County's capital assets. The lease requires that a minimum dollar amount of indigent care be provided to Ramsey County residents. In the event the value of charity care does not meet the lease requirement, the Hospital can fulfill the obligation by making capital improvements to the hospital property. The value of charity care is reduced by Ramsey County's direct cash support, if any.

RAMSEY COUNTY, MINNESOTA
Notes to the Financial Statements
December 31, 2008

C. Capital Assets

Capital asset activity for the year ended December 31, 2008 was as follows:

	Restated Beginning <u>Balance</u>	<u>Increases</u>	<u>Decreases</u>	Ending <u>Balance</u>
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 85,156,692	\$ 5,558,995	\$ -	\$ 90,715,687
Construction in progress	66,412,519	15,504,476	(19,634,983)	62,282,012
Total capital assets, not being depreciated	<u>151,569,211</u>	<u>21,063,471</u>	<u>(19,634,983)</u>	<u>152,997,699</u>
Capital assets, being depreciated:				
Buildings	268,951,379	17,846,897	(1,607,764)	285,190,512
Building Improvements	15,102,832	3,437,025	-	18,539,857
Improvements other than buildings	35,526,670	2,746,811	(260,133)	38,013,348
Equipment	80,604,203	10,347,540	(7,282,196)	83,669,547
Infrastructure	<u>365,986,273</u>	<u>5,009,203</u>	<u>-</u>	<u>370,995,476</u>
Total capital assets being depreciated	<u>766,171,357</u>	<u>39,387,476</u>	<u>(9,150,093)</u>	<u>796,408,740</u>
Less accumulated depreciation for:				
Buildings	(59,370,773)	(5,527,287)	542,467	(64,355,593)
Building Improvements	(7,304,825)	(1,268,581)	-	(8,573,406)
Improvements other than buildings	(20,827,844)	(1,656,832)	249,221	(22,235,455)
Equipment	(51,501,133)	(7,934,216)	4,377,971	(55,057,378)
Infrastructure	<u>(179,075,273)</u>	<u>(7,499,233)</u>	<u>-</u>	<u>(186,574,506)</u>
Total accumulated depreciation	<u>(318,079,848)</u>	<u>(23,886,149)</u>	<u>5,169,659</u>	<u>(336,796,338)</u>
Total capital assets being depreciated, net	<u>448,091,509</u>	<u>15,501,327</u>	<u>(3,980,434)</u>	<u>459,612,402</u>
Governmental activities capital assets, net	<u>599,660,720</u>	<u>36,564,798</u>	<u>(23,615,417)</u>	<u>612,610,101</u>
Business-type activities:				
Capital assets not being depreciated:				
Land	107,073	-	-	107,073
Construction in progress	<u>670,012</u>	<u>-</u>	<u>(670,012)</u>	<u>-</u>
Total capital assets, not being Depreciated	<u>777,085</u>	<u>-</u>	<u>(670,012)</u>	<u>107,073</u>
Capital assets, being depreciated:				
Buildings	9,523,290	31,249	(180,325)	9,374,214
Building improvements	1,627,845	1,802,442	(104,340)	3,325,947
Improvements other than buildings	3,654,711	348,553	-	4,003,264
Equipment	<u>2,522,066</u>	<u>284,574</u>	<u>(241,615)</u>	<u>2,565,025</u>
Total capital assets being depreciated	<u>17,327,912</u>	<u>2,466,818</u>	<u>(526,280)</u>	<u>19,268,450</u>
Less accumulated depreciation for:				
Buildings	(4,087,327)	(241,730)	149,076	(4,179,981)
Building improvements	(851,996)	(93,123)	95,791	(849,328)
Improvements other than buildings	(925,195)	(141,219)	-	(1,066,414)
Equipment	<u>(1,955,223)</u>	<u>(234,759)</u>	<u>179,009</u>	<u>(2,010,973)</u>
Total accumulated depreciation	<u>(7,819,741)</u>	<u>(710,831)</u>	<u>(423,876)</u>	<u>(8,106,696)</u>
Total capital assets being depreciated, net	<u>9,508,171</u>	<u>1,755,987</u>	<u>(102,404)</u>	<u>11,161,754</u>
Business-type activities capital assets, net	<u>\$ 10,285,256</u>	<u>\$ 1,755,987</u>	<u>\$ (772,416)</u>	<u>\$ 11,268,827</u>

RAMSEY COUNTY, MINNESOTA
Notes to the Financial Statements
December 31, 2008

Depreciation expense was charged to functions / programs as follows:

Governmental activities:	
General government	\$ 5,040,647
Public safety	6,037,035
Highways and streets, including depreciation of infrastructure assets	8,827,167
Health	173,412
Sanitation	89,784
Human Services	330,699
Culture and recreation	2,497,993
Conservation of natural resources	23,357
Economic development and assistance	103,310
Capital assets held by the County's internal service funds are charged to the various functions based on their usage of the assets	<u>762,745</u>
Total depreciation expense – governmental activities	<u>\$23,886,149</u>
Business-type activities:	
Lake Owasso Residence	\$ 175,003
Ramsey County Care Center	264,661
Ponds at Battle Creek	107,300
Law Enforcement Services	<u>163,867</u>
Total depreciation expense – business-type activities	<u>\$ 710,831</u>

Construction Commitments

The government has active construction projects as of December 31, 2008. The projects include widening and construction of existing streets and bridges, and the construction of new county building facilities. At year-end the government's commitments with contractors are as follows:

<u>Project</u>	<u>Spent-to-date</u>	<u>Remaining Commitment</u>
Road and bridge construction	\$65,589,307	\$11,646,575
County building facilities	<u>21,166,744</u>	<u>14,451,902</u>
	<u>\$86,756,051</u>	<u>\$26,098,477</u>

D. Interfund Receivables, Payables, and Transfers

The composition of interfund balances as of December 31, 2008, is as follows:

RAMSEY COUNTY, MINNESOTA
Notes to the Financial Statements
December 31, 2008

Due to/from other funds:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General	Nonmajor Governmental Funds	\$ 921,632
	Lake Owasso Residence	1,229
	Ponds at Battle Creek	13,840
	Capital Projects Fund	2,224
	Nonmajor Enterprise Funds	419,148
	Internal Service Funds	168,778
Nonmajor Governmental Funds	General	4,430
Debt Service Fund	Capital Projects Funds	4,830
	Nonmajor Enterprise Funds	50,103
Capital Projects Fund	Nonmajor Governmental Funds	740,000
Internal Service Funds	General	2,221,165
	Nonmajor Governmental Funds	135,869
	Lake Owasso Residence	725,532
	Ponds at Battle Creek	28,737
	Nonmajor Enterprise Funds	874,482
	Internal Service Funds	<u>1,557,803</u>
Total		<u>\$7,869,802</u>

These balances reflect the interfund goods and services provided and not paid at year-end but expected to be paid in the subsequent year.

Advances are usually loans that are outstanding more than one year.

Advances to / from other funds:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General	Capital Projects Fund	\$ 2,242,400
	Nonmajor Governmental Funds	4,512,000
	Lake Owasso Residence	378,206
	Nonmajor Enterprise Funds	50,000
	Ponds at Battle Creek	3,520,181
Capital Projects	Ponds at Battle Creek	<u>175,000</u>
Total		<u>\$10,877,787</u>

These balances are primarily working capital loans made to other funds and not scheduled to be paid back in the subsequent year.

RAMSEY COUNTY, MINNESOTA
Notes to the Financial Statements
December 31, 2008

Interfund transfers:

	Transfer In				<u>Total</u>
	<u>General</u>	<u>Capital Projects</u>	<u>Nonmajor Governmental</u>	<u>Internal Service Funds</u>	
Transfer out:					
General	\$ -	\$ -	\$4,596,657	\$150	\$ 4,596,807
Debt Service	121,395	1,525,000	-	-	1,646,395
Capital Projects Fund	137,084	-	-	-	137,084
Nonmajor Governmental	2,330,000	65,000	100,000	-	2,495,000
Lake Owasso Residence	260,849	-	-	-	260,849
Ponds at Battle Creek	-	230,000	-	-	230,000
Nonmajor Enterprise	366,854	-	-	-	366,854
Internal Service Funds	<u>3,948,904</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,948,904</u>
Total transfers out	<u>\$7,165,086</u>	<u>\$1,820,000</u>	<u>\$4,696,657</u>	<u>\$150</u>	<u>\$13,681,893</u>

Transfers are used to move revenues from the General Fund to finance various programs accounted for in other funds and move restricted funds to the Debt Service Fund. Also move revenues from Refunded Bonds from Debt Service Fund to the Agency Fund and move revenues from the General Fund to the Retiree Insurance to partially finance the OPEB liability.

E. HRA Conduit Debt Obligations

The HRA has issued Rental Housing Revenue Bonds to facilitate the development of housing facilities designed for occupancy by persons of low or moderate income which improves the economic and housing conditions of the County. The bonds are secured by the financed property and are payable solely from the revenues of the housing projects. The HRA has issued Revenue Bonds to facilitate the development of enterprises engaged in providing health care services to residents of Ramsey County. The bonds are secured by the financial property and are payable solely from the revenues of the health care operation.

The bonds do not constitute a charge, lien, or encumbrance, legal or equitable, upon any property or funds of the HRA, nor is the HRA subject to any liability thereon. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements.

Conduit bonds have an outstanding principal balance of \$104.7 million at December 31, 2008. There were seven conduit bond issuances at December 31, 2008.

F. Leases payable

Operating Leases

The county leases real estate and equipment under leases expiring at various dates through 2018. Total costs for such leases were \$2,471,465 for year ended December 31, 2008. The future minimum lease payments for these leases are as follows:

<u>Year Ending Dec. 31</u>	<u>General Fund</u>
2009	\$2,268,956
2010	1,870,636
2011	1,445,846
2012	1,113,671
2013	521,459
2014-2018	<u>1,055,935</u>
Total	<u>\$8,276,503</u>

RAMSEY COUNTY, MINNESOTA
Notes to the Financial Statements
December 31, 2008

G. Loans payable

The County has taken advantage of the Xcel Energy Local Government Energy Conservation Program to complete energy retrofits of various County buildings. Xcel's program provides low interest loans for building energy retrofits, based on energy savings generated; a one-time bounty for reduced kilowatt consumption and partial funding for engineering audits and design services.

Based on Xcel's program guidelines, after an assessment of needs has been made of energy conservation measures, a loan application, limited to two times the annual energy consumption, is submitted to Xcel for all construction and equipment costs. After the application has been approved by Xcel, the energy conservation project is competitively bid, and construction/installation completed. Upon completion of the project, a loan agreement is submitted to Xcel, and Xcel then issues the loan proceeds and sets up a repayment schedule through the monthly electric/gas bills. At that time, Xcel also pays the actual engineering costs up to 15% of the loan amount.

Since Xcel loan proceeds are not received until project completion, the County must provide upfront funding for projects, which have received application approval from Xcel. All outstanding applications have been approved as of December 31, 2008. The future minimum loan payments are:

<u>Year Ending Dec. 31</u>	<u>Government Activities</u>
2009	\$16,190
2010	14,555
2011	<u>6,021</u>
Total Loan payments	36,766
Less: Interest	<u>(831)</u>
Present Value of Minimum Loan Payments	<u>\$35,935</u>

H. Sick Leave, Vacation, and Compensatory Time

Under the County's personnel policies and union contracts, county employees are granted vacation and sick leave in varying amounts based on length of service. Certain employees are also granted compensatory time. Unused accumulated vacation, vested sick leave, and compensatory time are paid to employees upon termination. Each permanent employee earns up to 25 days vacation leave and 15 days of sick leave per year.

I. Long Term Obligations

General Obligation Bonds and Notes

The county issues general obligation bonds and notes to provide funds for the acquisition and construction of major capital facilities. General obligation bonds and notes have been issued for both governmental and business-type activities. The outstanding amount of general obligation bonds and notes issued in prior years was \$200,697,000. During the year, general obligation bonds totaling \$6,100,000 were issued to provide funding for various capital projects and to refinance certain general obligation bonds.

Contract for Deed

Ramsey County has entered into a contract, with the option to purchase the Union Depot Concourse from the U.S. Postal Service for \$45,278,408.

RAMSEY COUNTY, MINNESOTA
Notes to the Financial Statements
December 31, 2008

The following is a list of the long-term debt transactions of the County for the year ended December 31, 2008:

	Payable <u>January 1</u>	<u>Additions</u>	<u>Deductions</u>	Payable <u>December 31</u>	Due Within <u>One Year</u>
GOVERNMENTAL ACTIVITIES:					
General Obligation Bonds	\$183,255,000	\$ 6,100,000	\$19,065,000	\$170,290,000	\$12,170,000
Note Payable	6,072,000	-	175,000	5,897,000	185,000
Lease Revenue Bonds	<u>12,400,000</u>	<u>-</u>	<u>510,000</u>	<u>11,890,000</u>	<u>530,000</u>
Total General Obligation Bonds, Notes Payable, and Lease Revenue Bonds	<u>201,727,000</u>	<u>6,100,000</u>	<u>19,750,000</u>	<u>188,077,000</u>	<u>12,885,000</u>
Loans Payable:					
Governmental Funds	52,085	-	16,150	35,935	15,648
Internal Service Funds:					
General County Buildings	<u>335</u>	<u>-</u>	<u>335</u>	<u>-</u>	<u>-</u>
Total Loans Payable	<u>52,420</u>	<u>-</u>	<u>16,485</u>	<u>35,935</u>	<u>15,648</u>
Capital Lease	<u>55,551</u>	<u>-</u>	<u>55,551</u>	<u>-</u>	<u>-</u>
Contract for Deed	41,278,408	-	11,962,750	29,315,658	15,625,000
Claims and Judgments Payable					
Governmental Funds	<u>6,417,323</u>	<u>2,488,881</u>	<u>4,583,020</u>	<u>4,323,184</u>	<u>1,731,891</u>
Compensated Absences:					
Governmental Funds	32,116,604	17,949,244	16,954,719	33,111,129	15,824,296
Internal Service Funds:					
Data Processing	824,052	553,082	439,977	937,157	449,501
General County Buildings	672,097	258,509	243,073	687,533	261,439
Telecommunication	<u>57,408</u>	<u>36,280</u>	<u>28,182</u>	<u>65,506</u>	<u>33,096</u>
Total Compensated Absences	<u>33,670,161</u>	<u>18,797,115</u>	<u>17,665,951</u>	<u>34,801,325</u>	<u>16,568,332</u>
Governmental Activities					
Long-term Liabilities	<u>283,200,863</u>	<u>27,385,996</u>	<u>54,033,757</u>	<u>256,553,102</u>	<u>46,825,871</u>
BUSINESS-TYPE ACTIVITIES:					
General Obligation Bonds:					
Enterprise Funds:					
Lake Owasso Residence	6,210,000	-	3,275,000	2,935,000	195,000
Ponds at Battle Creek	2,910,000	-	145,000	2,765,000	150,000
Ramsey County Care Center	<u>2,250,000</u>	<u>-</u>	<u>110,000</u>	<u>2,140,000</u>	<u>75,000</u>
Total General Obligation Bonds	<u>11,370,000</u>	<u>-</u>	<u>3,530,000</u>	<u>7,840,000</u>	<u>420,000</u>
Compensated Absences:					
Enterprise Funds:					
Lake Owasso Residence	786,520	463,791	463,890	786,421	414,374
Ponds at Battle Creek	25,582	4,766	3,646	26,702	10,409
Ramsey County Care Center	937,521	467,035	500,320	904,236	487,032
Law Enforcement Services	<u>307,762</u>	<u>303,765</u>	<u>275,457</u>	<u>336,070</u>	<u>336,070</u>
Total Compensated Absences	<u>2,057,385</u>	<u>1,239,357</u>	<u>1,243,313</u>	<u>2,053,429</u>	<u>1,247,885</u>
Business-Type Activities Long- Term Liabilities	<u>\$ 13,427,385</u>	<u>\$ 1,239,357</u>	<u>\$ 4,773,313</u>	<u>\$ 9,893,429</u>	<u>\$ 1,667,885</u>

RAMSEY COUNTY, MINNESOTA
Notes to the Financial Statements
December 31, 2008

Internal Service funds predominantly serve the governmental funds. Accordingly, long-term liabilities for them are included as part of the above totals for governmental activities. Also, for the governmental activities, claims and judgments and compensated absences are generally liquidated by the General Fund and the Contract for Deed by the Regional Railroad Authority Capital Projects fund.

Long-term debt payable at December 31, 2008 comprises the following individual issues:

COUNTY GENERAL OBLIGATION DEBT:

County-wide General Obligation Bonds:

\$5,485,000 1999 Capital Improvement Plan Series A Bonds, due in annual installments of \$145,000 to \$440,000 through February 1, 2019 - interest at 4.5494%	2,240,000
\$11,210,000 2001 Capital Improvement Plan Series 2001A, due in annual installments of \$405,000 to \$740,000 through February 1, 2021 – interest at 4.7863%	7,125,000
\$31,160,000 2002 Capital Improvement Plan Series 2002A, due in annual installments of \$260,000 to \$5,655,000 through February 1, 2022 – interest at 4.9683%	29,455,000
\$3,550,000 Capital Improvement Plan Series 2002A, due in annual Ponds at Battle Creek installments of \$110,000 to \$260,000 through February 1, 2022 – interest at 4.9683%	2,765,000
\$30,885,000 2002 CIP Refunding Series 2002B, due in annual installments of \$1,325,000 to \$3,840,000 through February 1, 2015 – interest at 4.5544%	19,360,000
\$4,400,000 2002 State Aid Street Bonds Series 2002C, due in annual installments of \$85,000 to \$285,000 through February 1, 2028 – interest at 4.525%	3,835,000
\$27,015,000 2003 Capital Improvement Plan Series 2003A, due in annual installments of \$910,000 to \$1,905,000 through February 2023 – interest at 3.7818%	21,925,000
\$12,910,000 2004 Capital Improvement Plan Refunding Bonds 2004A due in annual installments of \$210,000 to \$1,280,000 through February 1, 2017 – interest at 2.5-4%	8,985,000
\$31,960,000 2004 General Obligation Bond Capital Improvement Plan Bonds 2004D due in annual installments of \$645,000 to \$2,790,000 through February 1, 2024 – interest at 3.5-5%	23,205,000
\$9,750,000 2004 General Obligation Bonds 2004E, due in annual installments of \$325,000 to \$705,000 through February 1, 2024 – interest at 3.25-4.6%	8,040,000
\$2,500,000 2005 General Obligation Bonds 2005A, due in annual installments of \$215,000 to \$295,000 through February 1, 2015 – interest at 4.0275%	1,845,000
\$15,075,000 2005 General Obligation Capital Improvement Plan Refunding Bonds, Series 2005B due in annual installments of \$815,000 to \$1,615,000 through February 1, 2020 – interest at 3.8381%	14,260,000
\$2,935,000 2005 General Obligation Capital Improvement Plan Refunding Bonds, Series 2005B, due in annual Lake Owasso installments of \$195,000 to \$310,000 through February 1, 2020 – interest at 3.8381%	2,935,000

RAMSEY COUNTY, MINNESOTA
Notes to the Financial Statements
December 31, 2008

\$6,750,000 2006 General Obligation Bonds 2006A, due in annual installments of \$210,000 to \$495,000 through February 1, 2026 – interest at 4.1099%	5,950,000
\$18,610,000 2007 General Obligation Bonds 2007A, due in annual installments of \$645,000 to \$1,170,000 through February 1, 2007, interest at 4.1920%	17,965,000
\$2,250,000 2007 General Obligations Bonds 2007A, due in annual Nursing Home installments of \$75,000 to \$160,000 through February 1, 2027, interest at 4.1920%	2,140,000
\$6,100,000 2008 General Obligations Bonds 2008A, due in annual installments of \$175,000 to \$455,000 through February 1, 2028, interest at 3.8350%	<u>6,100,000</u>
Total County General Obligation Bonds	178,130,000
 <u>General Obligation Notes Payable:</u>	
\$6,872,000 2001 General Obligation Notes due in annual installments of \$150,000 to \$372,000 through August 30, 2030 – interest at 3.59%.	<u>5,897,000</u>
Total County General Obligation Debt	184,027,000

REVENUE BONDS:

Public Facility Lease Revenue Bonds:

\$13,845,000 2003 Public Facility Lease Revenue Series A Bonds, due in annual installments of \$470,000 to \$1,025,000 through January 1, 2024 – interest at 4.5366%	<u>11,890,000</u>
Total General Obligation Debt and Revenue Bond Debt	<u>\$195,917,000</u>

Annual Requirement to Amortize Long-Term Debt

The annual requirements to amortize all long-term debt outstanding as of December 31, 2008, carrying interest rates of 3.5% to 5.77% are:

Years Ending December 31	Governmental Activities		Business-Type Activities	
	Principal	Interest	Principal	Interest
2009	\$ 12,885,000	\$ 8,379,207	\$ 420,000	\$ 363,443
2010	12,735,000	7,817,496	435,000	346,250
2011	13,035,000	7,262,259	445,000	328,550
2012	13,475,000	6,674,251	465,000	308,988
2013	14,110,000	6,047,028	490,000	287,059
2014-2018	61,575,000	20,708,223	2,785,000	1,048,608
2019-2023	47,515,000	8,101,167	2,200,000	357,591
2024-2028	12,010,000	1,157,406	600,000	58,250
2029-2030	737,000	39,813	-	-
Total	<u>\$188,077,000</u>	<u>\$66,186,850</u>	<u>\$7,840,000</u>	<u>\$3,098,739</u>

The County is subject to Minn. Stat., Sect. 475.53, Subd. 1, as amended in 2008, which limits the amount of bonded debt (exclusive of revenue bonds) that the County may have outstanding to 3 percent of the market value of property within the County. At December 31, 2008, the statutory limit for the County was \$1,472,861,706 providing a debt margin of \$1,308,894,319.

There is \$20,581,626 available in the Debt Service Fund to service the General Obligation Bonds. There are a number of limitations and restrictions contained in the various bond indentures. The County is in compliance with all significant limitations and restrictions.

RAMSEY COUNTY, MINNESOTA
Notes to the Financial Statements
December 31, 2008

The County's proportionate share of debt at December 31, 2008 of all local governmental units which provide services within the County's boundaries, and which must be borne by properties in the County, is summarized below:

	<u>Outstanding</u>	<u>Percentage Applicable To the County</u>	<u>County's Share Of Debt</u>
<u>Direct Debt</u>			
Ramsey County	\$ 195,917,000	100.0%	\$ 195,917,000
<u>Overlapping Debt</u>			
Cities	22,861,574	2.9%	668,619
School Districts	259,520,000	63.5%	164,865,181
Other	201,580,000	15.6%	31,446,480
<u>Underlying Debt</u>			
Cities and Towns	148,773,488	100.0%	148,773,488
School Districts	548,914,222	100.0%	548,914,222
Other	<u>22,797,324</u>	100.0%	<u>22,797,324</u>
TOTAL	<u>\$1,400,363,608</u>		<u>\$1,113,382,314</u>

Community Action Partnership of Ramsey and Washington Counties (formerly RAP)

In 1996, Ramsey County entered into a lease-purchase agreement with Norwest Bank Minnesota, National Association (Trustee), whereby the Trustee issued \$3,465,000 in Certificates of Participation (COPS) to finance the acquisition of land and a building located in St. Paul. Subsequently, Ramsey County sub-leased the facility to Community Action to be developed into a one-stop service center housing a variety of programs offered by it and other non-profit and public agencies dedicated to relieving poverty. The COPS represent proportionate interests in lease payments to be made under the lease-purchase agreement. The County is obligated through the lease-purchase agreement to make all lease payments and other obligations of the County under the lease. Community Action is obligated under the sub-lease agreement to pay directly the Trustee, as agent and on behalf of the County, monthly lease payments in an amount equal to the annual expenses of the County due to the Trustee. They will own the land and the building at the conclusion of the agreement.

The original 1996 Series COPS issue was refunded in 2004, via the issue 2004B of \$1,855,000 Refunding Certificates of Participation (tax exempt), and issue 2004C of \$620,000 Refunding Certificates of Participation (taxable). The taxable portion of the issue was requested by RAP to allow for sub-leasing of the property to for-profit tenants. As of December 31, 2008, the outstanding balance of the 2004B Refunding COPS (tax exempt) is \$1,855,000 and the 2004C Refunding COPS (taxable) is \$140,000. The outstanding debt will be paid off on January 1, 2017 for the 2004B Refunding COPS and January 1, 2009 for the 2004C Refunding COPS. The terms of the refunding agreement transferred trustee rights to Wells Fargo Bank, National Association.

J. Rental and Lease Income

Roseville Library:

The County Library rents 1,800 square feet of space to Dunn Brothers Coffee in the Roseville Library. The cost of the Roseville Library carried on the County's books is \$4,585,450. Depreciation is \$91,709 per year with a net book value of \$2,853,413 at the end of 2008. It is expected that the Library will close in early 2009 for a major expansion project. The lease period runs through January 2009, and requires the following payments:

RAMSEY COUNTY, MINNESOTA
Notes to the Financial Statements
December 31, 2008

Annual
Installments
2009 \$5,352

K. Unreserved – Fund Balance

In the fund financial statements, Unreserved Fund Balances were designated to show the portion segregated from unreserved spendable resources as follows:

	<u>General Fund</u>	<u>Other Governmental Funds</u>
Designated for:		
Capital Expenditures	\$ 4,855,155	\$ 3,571,677
Subsequent Years' Budget/Expenditure	7,980,361	35,777,713
Public Health Move to Plato	2,100,000	-
2010 Budget	705,817	-
Unrealized Gain on Investments	4,383,671	-
Supporting Housing Priorities	1,687,423	764,549
Other Post-Employment Benefits	-	160,240
Cash Flow	87,595,397	3,629,306
Public Health Purposes	725,505	-
Asset Replacement	-	50,000
Solid Waste Management	-	8,541,655
Resource Recovery Project	-	10,924,327
Health Promotion/Health Improvement	-	95,039
Capital Project/Computer System	13,307,477	-
Self Insurance	<u>4,599,468</u>	<u>-</u>
Total Designated	127,940,274	63,514,506
Undesignated	<u>36,858,893</u>	<u>390,275</u>
 Total Unreserved	 <u>\$164,799,167</u>	 <u>\$63,904,781</u>

L. Investment Earnings:

Generally accepted accounting principles require the County to record the difference between the market value and cost of investments. This difference is included as a gain or loss in investment earnings. In 2008, the investment earnings for the General Fund, including unrealized gains on investments, is as follows:

Interest on Investments	\$11,228,040
Unrealized Gain on Investments	<u>2,499,338</u>
	<u>\$13,727,378</u>

V. OTHER INFORMATION

A. Risk Management

The County is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. The County currently reports all of its risk management activities in its General Fund except for Solid Waste risk management activities which are reported in the Solid Waste/Recycling Service Fee Special Revenue Fund and the Ramsey County Care Center risk management activities which are reported in the Ramsey County Care Center Enterprise Fund. Premiums are paid into the General Fund by the other funds and are available to pay claims, claim reserves, and administrative costs of the program.

RAMSEY COUNTY, MINNESOTA
Notes to the Financial Statements
December 31, 2008

Liabilities of the fund are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported (IBNRs). The result of the process to estimate the claims liability is not an exact amount as it depends on many complex factors, such as inflation, changes in legal doctrines, and damage awards. Accordingly, claims are reevaluated periodically to consider the effects of inflation, recent claim settlement trends (including frequency and amount of pay-outs), and other economic and social factors. The estimate of the claims liability also includes amounts for incremental claim adjustment expenses regardless of whether allocated to specific claims. Estimated recoveries, for example from salvage or subrogation, are another component of the claims liability estimate. Changes in the balances of claims liabilities during the past two years are as follows:

	Year Ended <u>12/31/08</u>	Year Ended <u>12/31/07</u>
Unpaid claims, beginning of fiscal year	\$6,417,323	\$5,802,712
Incurred claims (including IBNRs)	2,488,881	3,592,207
Claim payments	<u>4,583,020</u>	<u>2,977,596</u>
Unpaid claims, end of fiscal year	<u>\$4,323,184</u>	<u>\$6,417,323</u>

The County carries commercial insurance for:

- 1) Ramsey Nursing Home (self-insured for workers compensation),
- 2) Lake Owasso Residence,
- 3) Law Enforcement Service, and
- 4) Job Training Partnership Act (Administration of program only)

The County also participates in the Workers Compensation Reinsurance Association (WCRA) as required by State law. Ramsey County is responsible for costs up to \$1,640,000 for any claim. The WCRA becomes responsible for the amount in excess of \$1,640,000. The limit changes each year. A premium is paid by the County to the association based on the County's total salary costs.

At December 31, 2008, Solid Waste/Recycling Service Fee Special Revenue Fund investments of \$1,000,000 were held for the purpose of funding the County's future claims liability. As a result, \$1,000,000 of Solid Waste/Recycling Service Fee Special Revenue Fund balance is designated for payment of future claims liabilities.

There were no significant reductions in insurance or increases in expenditures from the County's self-insurance accounts from the previous year or settlements in excess of insurance coverage or self-insurance balances for any of the past three fiscal years.

B. Subsequent Event

The issuance of bonds not to exceed \$6,100,000 General Obligation Bonds in 2009 (the "Bonds") is authorized to finance: (1) the costs of improvements set forth in the 2009 Capital Improvement Budget of the County; and (2) the costs of any other improvements set forth in the County's Capital Improvement Budgets of any year, to the extent proceeds of the Bonds are not expended on improvements set forth in the 2009 Capital Improvement Budget due to changes occurring after the issuance of the Bonds.

Also, the issuance of bonds not to exceed \$15,950,000 General Obligation Library Bonds in 2009 is authorized to finance the expansion of the Roseville Library. \$6,100,000 and \$15,950,000 were issued on June 15, 2009.

On June 2, 2009, the Ramsey County Regional Railroad Authority authorized and approved the final purchase agreements to acquire the Head House at the Union Depot. The purchase is consistent with the Regional Railroad Authority's long-term vision to create a multi-modal transportation hub in downtown St. Paul. The total estimated purchase price is \$8,201,491. June 4, 2009 is the closing date.

RAMSEY COUNTY, MINNESOTA
Notes to the Financial Statements
December 31, 2008

C. Contingent Liabilities

GRANTS

The County receives significant financial assistance from numerous federal, state, and local governmental agencies in the form of grants and entitlements. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements. The financial assistance received may be subject to an audit pursuant to OMB Circular A-133 or audits by the grantor agency.

D. Joint Ventures

RESOURCE RECOVERY PROJECT

Ramsey and Washington Counties have jointly entered into a construction agreement and a service agreement with Xcel Energy to build and operate a resource recovery facility which would produce refuse derived fuel to be burned at Xcel's electric plants. The service agreement was amended in 1993 to transfer Xcel's duties to its subsidiary NRG Energy Inc. (NRG). In 2005, NRG became a publicly held company and was no longer a subsidiary of Xcel. The service agreement obligates the Counties to deliver 280,800 tons of solid waste per year to the project and pay NRG a service fee based on each ton of solid waste handled by the facility subject to a minimum fee based on 280,800 tons per year minimum and subject to certain other adjustments. NRG is obligated to accept, process, transport, and dispose of most of the Counties' waste for twenty years.

The joint powers agreement, as discussed in Note 1, established the apportionment between the two Counties of the administrative costs and service fee payments to NRG. The first year of operations began at 80% Ramsey County and 20% Washington County and was adjusted retroactively to 73% Ramsey County and 27% Washington County based on the actual proportion of waste delivered from each County to the facility, as determined by NRG. The joint powers agreement provides for an annual adjustment of these cost allocation percentages.

From 1990 through 1993, the Counties financed the entire Service Fee, plus Project Board administrative costs, from the tipping fee charged at the facility. During 1993 and 1994, several court decisions directed that counties could not prohibit solid waste from being delivered out of state. In order to ensure environmentally responsible management of solid waste in Ramsey and Washington Counties, both counties approved lowering the tipping fee at the Newport Resource Recovery Facility, from \$66.79 per ton to \$50 per ton, effective January 1, 1994. Effective June 1, 1996, the tipping fee was lowered to \$38 per ton. In August of 2005, the tipping fee was lowered to \$34 per ton.

In June 2001, Ramsey and Washington Counties both approved a process to fully explore and consider development and implementation of a public collection system for solid waste. The process was to engage participation of residents, municipalities, solid waste haulers, businesses, and citizen groups as the counties consider development and implementation of a public solid waste collection system. The timeline for this process would allow for potential implementation of public collection in January 2003. During 2002, the Counties both decided not to implement public collection and instead decided to change the method for collecting the solid waste fee. Beginning in 2003, the fee is collected by waste haulers from the waste generators. This change removes the fee from the property tax statements and more closely ties the fee to the waste generator.

In October 2006, the Facility was sold by NRG to Resource Recovery Technology (RRT). The Counties approved the sale and have entered into a new processing agreement with RRT. The new agreement is effective January 1, 2007 through December 31, 2012. The terms of the agreement call for payments to RRT for each ton of Ramsey Washington MSW delivered to the facility up to a maximum of 350,000 tons. The payment to RRT starts at \$40 per ton delivered for 2007 and 2008. The fee is then reduced to \$33 per ton in 2009, \$20 per ton in 2010, \$15 per ton in 2011, and \$10 per ton in 2012. The agreement also calls for a Hauler Rebate Program to be established by the Resource Recovery Project. The Rebate Program began January 1, 2007, and calls for a rebate to be paid to the haulers for each ton of Ramsey

RAMSEY COUNTY, MINNESOTA
Notes to the Financial Statements
December 31, 2008

Washington MSW delivered to the facility. The amount of the rebate in 2008 is \$12 per ton delivered. The new agreement calls for RRT to contract with haulers and landfills so the project has terminated all contracts with those entities effective December 31, 2006.

Ramsey County serves as the administrative entity for the Project per the Joint Powers Agreement.

The approved 2008 Project budget for the estimated shortfall in the Service Fee was \$18,200,000, financed by Ramsey and Washington Counties. The 2008 budget for the Service Fee assumed waste deliveries to the Resource Recovery Facility of 350,000 tons. During 2007, 321,158 tons of solid waste was delivered to the facility by haulers from Ramsey and Washington Counties.

Summary financial information for this joint venture as of and for the year ended December 31, 2008 have been subjected to audit in the following table:

	Total <u>Project</u>	Ramsey County's <u>Share</u>
Total Fund Assets	\$ 7,444,939	\$ 5,434,805
Total Fund Liabilities	1,765,114	1,288,533
Total Fund Balance	5,679,825	4,146,272
Total Revenues	17,231,608	12,579,074
Total Expenditures	17,479,639	12,760,136
Net (Decrease) in Fund Balance	\$ (248,031)	\$ (181,063)

VERIFICATION COLLABORATIVE EXECUTIVE COMMITTEE

Ramsey County entered into a joint powers agreement pursuant to the provisions of Minnesota Statute Sect. 471.59, to oversee any entity under contract to provide vendor certification services to the members of the Inclusiveness in Contracting Collaborative and to handle appeals of vendor certification status and other certification-related matters that may arise from time to time. The committee is composed of one representative of each of the members. Ramsey County joined with Hennepin County, the City of Minneapolis, the City of St. Paul, and Independent School District 625. Currently, a fiscal agent is not needed.

E. Jointly Governed Organizations

Ramsey County, in conjunction with other local governments and various private organizations have formed the collaboratives listed below:

- North Suburban Collaborative: The collaborative was established to receive and expend grant funds on new prevention and early intervention children services. The Roseville School District is the fiscal agent. Ramsey County has no operational or financial control over the collaborative. Financial statements are available from the Roseville School District, 1251 West County Road B2, Roseville, MN 55113.
- Children's Mental Health Collaborative: The collaborative was established to receive and expend grant funds on new prevention and early intervention children's mental health issues. Ramsey County is the fiscal agent. Ramsey County has no operational or financial control over the collaborative. Currently, the collaborative is not required to be audited.
- Saint Paul-Ramsey County Children's Initiative Collaborative: The collaborative was established to receive and expend grant funds on new prevention and early intervention family services. Ramsey County is the fiscal agent. Ramsey County has no operational or financial control over the collaborative. Currently, the collaborative is not required to be audited. Therefore, no audited financial statements are available.

RAMSEY COUNTY, MINNESOTA
Notes to the Financial Statements
December 31, 2008

- Ramsey County LCTS Collaborative Partnership: The collaborative was established to receive and redistribute grant funds to other collaboratives. Ramsey County is the fiscal agent. Ramsey County has no operational or financial control over the collaborative. Currently, the collaborative is not required to be audited. Therefore, no audited financial statements are available.
- Inclusiveness Contracting Collaborative: The collaborative was established to create a centralized program for certification of businesses in the members' respective small businesses, minority-owned business, or women-owned business enterprise programs. An outside contractor, Impact Inc. is the fiscal agent. Ramsey County has no operational or financial control over the collaborative. Currently, the collaborative is not required to be audited. Therefore, no audited financial statements are available.

F. Defined Benefit Pension Plans – Statewide

Plan description:

All full-time and certain part-time employees of Ramsey County are covered by defined benefit pension plans administered by the Public Employees Retirement Association of Minnesota (PERA). PERA administers the Public Employees Retirement Fund, the Public Employees Police and Fire Fund, and the Local Government Correctional Service Retirement Fund (the Public Employees Correctional Fund), which are cost sharing, multiple-employer retirement plans. These plans are established and administered in accordance with Minn. Stat. chs. 353 and 356.

Public Employees Retirement Fund 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. All new members must participate in the Coordinated Plan. All police officers, firefighters, and peace officers, who qualify for membership by statute, are covered by the Public Employees Police and Fire Fund. Members who are employed in a County correctional institution as a correctional guard or officer, a joint jailer/dispatcher, or as a supervisor of correctional guards or officers or of joint jailer/dispatchers, and are directly responsible for the direct security, custody, and control of the County correctional institution and its inmates, are covered by the Public Employees Correctional Fund.

PERA provides retirement benefits as well as disability benefits to members and benefits to survivors upon death of eligible members. Benefits are established by state statute and vest after three years of credited service. The defined retirement 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 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 percent of average salary for each of the first ten years of service and 2.7 percent for each year thereafter. For a Coordinated Plan member, the annuity accrual rate is 1.2 percent of average salary for each of the first ten years and 1.7 percent for each successive year. Under Method 2, the annuity accrual rate is 2.7 percent of average salary for Basic Plan members and 1.7 percent for Coordinated Plan members for each year of service. For the Public Employees Police and Fire Fund members, the annuity accrual rate is 3.0 percent of average salary for each year of service. For Public Employees Correctional Fund members, the annuity accrual rate is 1.9 percent of average salary for each year of service.

For all Public Employees Retirement Fund members hired prior to July 1, 1989, whose annuity is calculated using Method 1, and for all Public Employees Police and Fire Fund and Public Employees Correctional Fund members, a full annuity is available when age plus years of service equal 90. Normal retirement age is 55 for Public Employees Police and Fire Fund members and Employees Correctional Fund members, and either 65 or 66 (depending on date hired) for Public Employees Retirement Fund members. A reduced retirement annuity is also available to eligible members seeking early retirement.

RAMSEY COUNTY, MINNESOTA
Notes to the Financial Statements
December 31, 2008

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

PERA issues a publicly available financial report that includes financial statements and required supplementary information for the Public Employees Retirement Fund, the Public Employees Police and Fire Fund, and the Public Employees Correctional Fund. That report may be obtained on the Internet at www.mnpera.org; by writing to PERA at 60 Empire Drive, Suite 200, Saint Paul, Minnesota 55103-2088; or by calling (651) 296-7460 or 1-800-652-9026.

Funding policy:

Pension benefits are funded from member and employer contributions and income from the investment of fund assets. Minn. Stat. ch. 353 sets the rates for employer and employee contributions. The County makes annual contributions to the pension plans equal to the amount required by state statutes. Public Employees Retirement Fund Basic Plan members and Coordinated Plan members were required to contribute 9.10 and 6.00 percent, respectively, of their annual covered salary. Public Employees Police and Fire Fund members were required to contribute 8.60 percent of their annual covered salary in 2008. That rate increased to 9.40 percent in 2009. Public Employees Correctional Fund members are required to contribute 5.83 percent of their annual covered salary.

The County is required to contribute the following percentages of annual covered payroll in 2008 and 2009:

	<u>2008</u>	<u>2009</u>
Public Employee Retirement Fund		
Basic Plan Members	11.78%	11.78%
Coordinated Plan Members	6.50%	6.75%
Public Employees Police and Fire Fund	12.90%	14.10%
Public Employees Correctional Fund	8.75%	8.75%

The County's contributions for the years ending December 31, 2008, 2007, and 2006, for the Public Employees Retirement Fund, the Public Employees Police and Fire Fund, and the Public Employees Correctional Fund, were:

	Public Employees Retirement Fund	Public Employees Police & Fire Fund	Public Employees Correctional Fund
<u>Year</u>	<u>Fund</u>	<u>Fund</u>	<u>Fund</u>
2008	\$11,446,060	\$2,216,239	\$1,682,625
2007	10,517,024	1,893,472	1,575,912
2006	9,725,396	1,692,628	1,492,234

These contributions are equal to the contractually required contributions for each year as set by state statute.

Defined Contribution Plan

Four Board members of Ramsey County are covered by the Public Employees Defined Contribution Plan, a multiple-employer, deferred compensation plan administered by PERA in accordance with Minn. Stat. Ch. 353D. The plan 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.

Plan benefits depend solely on amounts contributed to the plan plus investment earnings, less administrative expenses. Minn. Stat. Ch. 353D.03 specifies plan provision, including the employee and employer contribution rates for those qualified personnel who elect to participate. An eligible elected official, who decides to participate, contributes 5.0 percent of salary, which is matched by the employer.

RAMSEY COUNTY, MINNESOTA
Notes to the Financial Statements
December 31, 2008

Employees may elect to make member contributions in an amount not to exceed the employer share. Employee and employer 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 2.00 percent of employer contributions and 0.25 percent of the assets in each member account annually.

Total contributions by dollar amount made by the County during the year ended December 31, 2008, were:

	<u>Employee</u>	<u>Employer</u>
Contribution amount	\$15,988	\$15,988

G. Other Post Employment Benefits

Plan Description

In addition to providing the pension benefits described above, the County provides post-employment health care insurance benefits (OPEB) for retired employees through a single employer defined benefit plan. The benefits, benefit levels, employee contributions, and employer contributions are governed by the County. The plan is not accounted for as a trust fund, as an irrevocable trust has not been established to account for the plan. The plan does not issue a separate report. The activity of the plan is reported in the County's Retiree Health Insurance Fund, an internal service fund.

Benefits Provided

The County provides post-employment health care insurance benefits to its retirees. To be eligible for benefits, an employee or elected official must qualify for retirement under the County's retirement plan.

All health care benefits are provided through the County's third party health plan. The benefit levels are the same as those afforded to active employees. Benefits include general inpatient and outpatient medical services; mental, nervous, and substance abuse care; vision care; dental care; and prescriptions. Upon a retiree reaching age 65 years of age, Medicare becomes the primary insurer and the County's plan becomes secondary.

Membership

At December 31, 2008, membership consisted of:

Retirees and Beneficiaries Currently Receiving Benefits	1,634
Terminated Employees Entitled to Benefits but not yet Receiving them	24
Active Employees	<u>3,305</u>
Total	<u>4,963</u>
 Participating Employers	 <u>1</u>

Funding Policy

The County negotiates the contribution percentages between the County and employees through the union contracts and personnel policy. All retirees contribute 20-29% of the actuarially determined premium to the plan and the County contributes the remainder to cover the cost of providing the benefits to the retirees via the third party plan (pay as you go). This amount fluctuates on an annual basis. For the fiscal year ending December 31, 2008, retirees contributed \$1,142,655 and the County contributed \$14,365,487.

Annual OPEB Costs and Net OPEB Obligation

The County had an actuarial valuation performed for the plan as of January 1, 2007, to determine the funded status of the plan as of that date as well as the employer's annual required contribution (ARC) for the fiscal year ended December 31, 2008. The County's annual OPEB cost (expense) was \$28,931,009.

RAMSEY COUNTY, MINNESOTA
Notes to the Financial Statements
December 31, 2008

The County's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the County's net OPEB obligation for 2008 were as follows:

Fiscal Year Ended	Annual OPEB Cost	Employer Contributions	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
December 31, 2008	\$28,931,009	\$14,365,487	49.70%	\$14,565,522
CUMULATIVE NET OPEB OBLIGATION				<u>\$34,145,915</u>

The net OPEB obligation (NOPEBO) as of December 31, 2008, was calculated as follows:

Annual Required Contribution	\$29,213,298
Interest on Net OPEB Obligation	1,027,971
Adjustment to Annual Required Contribution	<u>(1,310,260)</u>
Annual OPEB Cost	28,931,009
Contributions Made	<u>14,365,487</u>
Increase (Decrease) in Net OPEB Obligation	14,565,522
Net OPEB Obligation Beginning of Year	<u>19,580,393</u>
 NET OPEB OBLIGATION END OF YEAR	 <u>\$34,145,915</u>

Funded Status and Funding Progress. The funded status of the plan as of January 1, 2008, was as follows:

Actuarial accrued liability (AAL)	\$315,651,119
Actuarial value of plan assets	-
Unfunded actuarial accrued liability (UAAL)	315,651,119
Funded ratio (actuarial value of plan assets/AAL)	0%
Covered payroll (active plan members)	184,854,555
UAAL as a percentage of covered payroll	170.76%

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. 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. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

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

In the January 1, 2007 actuarial valuation, the projected unit credit actuarial cost method was used. The actuarial assumptions included 5.25% investment rate of return and an annual healthcare cost trend rate range of 8.5% to 5.0%. The actuarial value of assets was not determined as the County has not advanced its obligation. The plan's unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on a closed basis. The remaining amortization period at December 31, 2008, was twenty-eight years.

Required Supplementary Information

SCHEDULE 1

**RAMSEY COUNTY, MINNESOTA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGETARY COMPARISONS (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2008**

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL AMOUNTS ON BUDGETARY BASIS</u>	<u>VARIANCE WITH FINAL BUDGET OVER (UNDER)</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
REVENUES				
Property Taxes	\$ 205,808,223	\$ 197,107,153	\$ 197,639,778	\$ 532,625
Licenses and Permits	824,445	824,445	841,590	17,145
Intergovernmental	159,359,108	176,210,932	165,313,221	(10,897,711)
Private Grants and Donations	125	322,450	1,155,934	833,484
Charges for Services	43,007,041	45,512,305	45,382,869	(129,436)
Fines and Forfeitures	1,000	7,461	7,461	-
Sales	1,297,858	1,676,611	1,597,909	(78,702)
Rental Income	1,202,875	1,202,875	1,238,728	35,853
Investment Earnings	10,005,553	10,005,487	13,859,789	3,854,302
Program Recoveries - Community				
Human Services	4,041,255	4,516,255	3,919,001	(597,254)
Miscellaneous	857,809	3,503,162	3,479,103	(24,059)
Total Revenues	<u>426,405,292</u>	<u>440,889,136</u>	<u>434,435,383</u>	<u>(6,453,753)</u>
EXPENDITURES				
Current:				
General Government:				
County Board of Commissioners	1,819,148	1,840,718	1,839,948	(770)
Charter Commission	1,000	1,000	1,000	-
Courts	4,095,502	4,192,682	4,192,682	-
County Manager	11,218,087	10,709,662	10,025,817	(683,845)
Property Records and Revenue	11,903,302	13,952,221	12,185,678	(1,766,543)
Attorney	32,509,916	33,273,611	32,358,820	(914,791)
Property Management	1,201,057	1,274,292	1,245,464	(28,828)
Veterans Service Officer	388,974	489,232	423,552	(65,680)
Contingency	2,000,000	179,430	-	(179,430)
Computer Equipment and Software	5,820,690	6,891,295	2,667,030	(4,224,265)
Unallocated General Expenditures	6,793,251	6,793,251	6,573,911	(219,340)
Total General Government	<u>77,750,927</u>	<u>79,597,394</u>	<u>71,513,902</u>	<u>(8,083,492)</u>
Public Safety:				
Sheriff	37,622,526	42,775,497	41,841,247	(934,250)
Community Corrections	58,791,201	59,651,964	59,110,739	(541,225)
Medical Examiner	2,078,381	2,078,381	2,021,868	(56,513)
Total Public Safety	<u>98,492,108</u>	<u>104,505,842</u>	<u>102,973,854</u>	<u>(1,531,988)</u>
Highways and Streets:				
Public Works	<u>16,613,168</u>	<u>16,220,531</u>	<u>16,204,196</u>	<u>(16,335)</u>
Sanitation:				
Environmental Health	<u>817,483</u>	<u>2,119,155</u>	<u>990,197</u>	<u>(1,128,958)</u>
Health:				
Public Health	29,056,876	30,112,211	24,890,885	(5,221,326)
Miscellaneous Health	345,000	345,000	345,000	-
Total Health	<u>29,401,876</u>	<u>30,457,211</u>	<u>25,235,885</u>	<u>(5,221,326)</u>

The notes to the required supplementary information are an integral part of this schedule.

(continued)

SCHEDULE 1
(continued)

RAMSEY COUNTY, MINNESOTA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGETARY COMPARISONS (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2008

	BUDGETED AMOUNTS		ACTUAL AMOUNTS ON BUDGETARY BASIS	VARIANCE WITH FINAL BUDGET OVER (UNDER)
	ORIGINAL	FINAL		
EXPENDITURES (continued)				
Human Services				
Income Maintenance	46,986,697	47,617,596	47,566,444	(51,152)
Social Services	142,228,657	147,834,750	133,460,081	(14,374,669)
Total Human Services	<u>189,215,354</u>	<u>195,452,346</u>	<u>181,026,525</u>	<u>(14,425,821)</u>
Culture and Recreation:				
Parks and Recreation	9,046,790	9,226,911	9,121,532	(105,379)
St Paul-Ramsey Historical Society	93,564	93,564	93,564	-
Landmark Center Management	952,000	952,000	952,000	-
Total Culture and Recreation	<u>10,092,354</u>	<u>10,272,475</u>	<u>10,167,096</u>	<u>(105,379)</u>
Conservation of Natural Resources:				
Extension Service	67,614	68,070	68,070	-
Total Conservation of Natural Resources	<u>67,614</u>	<u>68,070</u>	<u>68,070</u>	<u>-</u>
Debt Service:				
Principal Retirement	17,194	17,014	16,151	(863)
Interest	-	-	862	862
Total Debt Service	<u>17,194</u>	<u>17,014</u>	<u>17,013</u>	<u>(1)</u>
Total Expenditures	<u>422,468,078</u>	<u>438,710,038</u>	<u>408,196,738</u>	<u>(30,513,300)</u>
Excess (Deficiency) of Revenues over (under) Expenditures	<u>3,937,214</u>	<u>2,179,098</u>	<u>26,238,645</u>	<u>24,059,547</u>
OTHER FINANCING SOURCES (USES)				
Proceeds from Sale of Land	-	-	61,484	61,484
Operating Transfers In	4,597,102	5,458,153	5,159,225	(298,928)
Operating Transfers Out	(4,070,299)	(4,662,717)	(5,290,420)	(627,703)
Total Other Financing Sources (Uses)	<u>526,803</u>	<u>795,436</u>	<u>(69,711)</u>	<u>(865,147)</u>
Net Change in Fund Balances	4,464,017	2,974,534	26,168,934	23,194,400
Adjustment	(11,207,822)	(11,207,822)	(11,207,822)	-
Fund Balances - Beginning	174,789,935	174,789,935	174,789,935	-
Increase (Decrease) in Reserve for Inventories	-	-	(206,787)	(206,787)
Fund Balances - Ending	<u>\$ 168,046,130</u>	<u>\$ 166,556,647</u>	<u>\$ 189,544,260</u>	<u>\$ 22,987,613</u>

The notes to the required supplementary information are an integral part of this schedule.

SCHEDULE 2

**RAMSEY COUNTY, MINNESOTA
SCHEDULE OF EMPLOYER CONTRIBUTIONS
OTHER POST-EMPLOYMENT BENEFIT PLAN
December 31, 2008**

<u>Year Ended December 31</u>	<u>Employer Contributions</u>	<u>Annual Required Contribution</u>	<u>Percentage Contributed</u>
2007	\$ 9,632,905	\$ 29,213,298	32.97%
2008	\$ 14,365,487	29,213,298	49.17%

The County implemented GASB Statement No. 45 for the fiscal year ended December 31, 2007. Information for prior years is not available.

SCHEDULE 3

**RAMSEY COUNTY, MINNESOTA
SCHEDULE OF FUNDING PROGRESS
OTHER POST-EMPLOYMENT BENEFIT PLAN
December 31, 2008**

Actuarial Valuation Date December 31	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL) Projected Unit Credit	(3) Funded Ratio (1) / (2)	(4) Unfunded Actuarial Accrued Liability (UAAL) (2)-(1)	(5) Active Members Covered Payroll	(6) UAAL As a Percentage of Covered Payroll (4) / (5)
2007	-	\$ 315,651,119	0.00%	\$ 315,651,119	\$ 184,854,555	170.76%
2008	-	315,651,119	0.00%	315,651,119	194,837,676	162.01%

The County implemented GASB Statement No. 45 for the fiscal year ended ended December 31, 2007.
Information for prior years is not available.

RAMSEY COUNTY, MINNESOTA
Notes to the Required Supplementary Information
December 31, 2008

Budgetary Information

The County Board adopts an annual budget for the General Fund.

The Statement of Revenues, Expenditures and Changes in Fund Balances for Governmental Funds is prepared on a GAAP basis. Results of operations included in the Schedule of Revenues, Expenditures, and Changes in Fund Balances Budget and Actual – General Fund are presented on a Non-GAAP budgetary basis. The primary difference between the two bases of accounting is that the “actual on a budgetary basis” column includes encumbrances and does not include expenditures from prior year budget reserves.

Adjustments necessary to convert actual expenditures reported on the budgetary basis in the Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual to the GAAP basis as reported in the Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds are:

	<u>General</u>
Actual Expenditures – Budgetary Basis	\$408,196,738
Decrease:	
Encumbrances	(6,992,948)
Increase:	
Expenditures in 2008 from December 31, 2007	<u>20,743,811</u>
Expenditures – GAAP Basis	<u>421,947,601</u>
Unbudgeted Revenue	(5,112,536)
Unbudgeted Transfers	2,569,495
Encumbrances	(6,992,948)
Expenditures in 2008 from December 31, 2007 Reserves for Encumbrances	<u>20,743,811</u>
Adjustment to Reconcile Statement of Revenues, Expenditures and Change in Fund Balances – Budget and Actual to Statement of Revenues, Expenditures and Changes in Fund Balances	 <u>\$ 11,207,822</u>

Based on a process established by the County Manager and staff, all departments of the government submit requests for appropriations to the County Manager every two years. After review, analysis and discussions with the departments, the County Manager’s proposed budget is presented to the County Board for review. The Board holds public hearings and a final budget must be prepared and adopted no later than December 31.

The appropriated budget is prepared by fund, function, and department. Budgets may be amended during the year with the approval of the County Manager or County Board as required by the County’s Administrative Code. The County Manager is authorized to transfer budgeted amounts within departments or appropriate certain revenues received in excess of the original budget estimate. Transfers of appropriations between departments and other transfers of appropriations require County Board approval. Supplemental appropriations are reviewed by the County Manager’s office and submitted to the County Board for their approval. If approved, the adjustments are implemented by the Budgeting and Accounting Office by budget revision. Supplemental appropriations required during the year were immaterial. Expenditures may not legally exceed budgeted appropriations at the department level. All appropriations, which are not expended, encumbered, or reserved, lapse at year end.

Encumbrance accounting is employed in governmental funds. Encumbrances (e.g., purchase orders, contracts, capital reserves, and other commitments for the expenditure of monies) outstanding at year end are reported as reservations of fund balances and do not constitute expenditures or liabilities because the commitments will be reappropriated and honored during the subsequent year.

Major Fund Budget & Actual Schedule

RAMSEY COUNTY, MINNESOTA
DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGETARY COMPARISONS (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2008

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL AMOUNTS ON BUDGETARY BASIS</u>	<u>VARIANCE WITH FINAL BUDGET OVER (UNDER)</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
REVENUES				
Property taxes	\$ 17,172,119	\$ 16,524,094	\$ 17,018,294	\$ 494,200
Intergovernmental	1,225,181	1,947,940	1,152,449	(795,491)
Investment Earnings	1,603,028	1,603,028	1,212,005	(391,023)
Total revenues	<u>20,000,328</u>	<u>20,075,062</u>	<u>19,382,748</u>	<u>(692,314)</u>
EXPENDITURES				
Debt service:				
Principal retirement	13,222,600	13,372,600	12,855,000	(517,600)
Interest	8,801,759	8,725,854	8,722,850	(3,004)
Total expenditures	<u>22,024,359</u>	<u>22,098,454</u>	<u>21,577,850</u>	<u>(520,604)</u>
Excess (Deficiency) of Revenues over (under) Expenditures	<u>(2,024,031)</u>	<u>(2,023,392)</u>	<u>(2,195,102)</u>	<u>(171,710)</u>
OTHER FINANCING SOURCES (USES)				
Redemption of Refunded Bonds	-	(7,355,000)	(7,355,000)	-
Operating Transfers In	-	-	1,646,395	1,646,395
Operating Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>(7,355,000)</u>	<u>(5,708,605)</u>	<u>1,646,395</u>
Net Changes In Fund Balance	<u>(2,024,031)</u>	<u>(9,378,392)</u>	<u>(7,903,707)</u>	<u>1,474,685</u>
Adjustment	20,637	20,637	20,637	-
Fund balances - beginning	45,721,696	45,721,696	45,721,696	-
Fund balances - ending	<u>\$ 43,718,302</u>	<u>\$ 36,363,941</u>	<u>\$ 37,838,626</u>	<u>\$ 1,474,685</u>

Combining Statements

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

To account for the proceeds of specific revenue sources (other than expendable trusts or major capital projects) that are legally restricted to expenditures for specified purposes.

County Library - To provide a public library system where governmental units do not maintain their own. The tax levy is on suburban property only.

Solid Waste/Recycling Service Fee - To account for collection of a waste management service charge imposed by the County, pursuant to Minnesota Statutes Sections 400.08 and 473.811, subd. 3A, on all generators of mixed municipal solid waste. These funds are used to pay for waste management programs throughout the County. A portion of the funds are remitted to the Resource Recovery Project Board for Ramsey County's share of vendor service fees for operation of a resource recovery facility. The Project Board is a joint venture with Washington County.

Housing & Redevelopment Authority - To account for funds provided by the U.S. Department of Housing and Urban Development for development projects in suburban communities benefiting persons of low and moderate income. This fund was formerly known as the Community Development Block Grants Special Revenue Fund.

Workforce Solutions - Originally enacted in 1973 under the Comprehensive Employment and Training Act (CETA) and revised in 1982 by the Federal Government to provide job training and employment opportunities for economically disadvantaged, unemployed, and underemployed persons. In addition, the fund also accounts for state dislocated worker programs and the Minnesota Youth Program. Workforce Solutions also performs services under the MFIP program to assist welfare recipients to prepare for and obtain employment.

State Funding for Courts - To account for funds provided by the State to finance the eventual takeover of the Courts system.

State Public Defender - To account for funds provided by the State to finance the operations of the Public Defender Office under the State takeover of the Courts system.

Saint Paul Public Health JPA – A portion of the Saint Paul Public Health Department was merged into the Ramsey County Public Health Department on July 1, 1997 by a joint powers agreement between Ramsey County and Saint Paul. This fund accounts for some of the activities previously performed by the former Saint Paul Public Health Department. Transferred to General Fund on January 1, 2008.

Emergency Communications – To account for funds provided by member cities and the County for multi-agency dispatching services for law enforcement, fire, and emergency medical responders.

NONMAJOR GOVERNMENTAL FUNDS (Continued)

Gifts and Donations – To account for gifts and donations made for various purposes such as books for the libraries, activities and personal hygiene items for nursing home patients, provision of Home Delivered Meals, etc.

Regional Railroad Authority - To provide for the preservation of a railway corridor for future public transit use and to provide for the preservation and improvement of local rail service.

Sheriff – To account for revenues and expenditures dedicated for specific activities and projects of the Sheriff's Department.

Corrections – To account for revenues from various sources to benefit Community Corrections clients.

Property Records - To account for certain fees which are to be used for providing modern, retrievable information from the county's system of recorded documents and clean up of polluted property.

County Attorney - To account for revenues and expenditures dedicated for specific activities or projects of the County Attorney's Office.

Health Promotion/Health Improvement – To account for funds provided by the County's health insurer for work-site health promotion purposes.

Parks & Recreation – To account for funds provided by grants and donations to develop an inter-city skating program and replace/repair buildings and other improvements in the County's Regional Park & Trail System.

Nursing Home Patients' Activity – To account for revenues from donations, canteen and vending machines, and expenditures for patients' activities and recreational supplies.

Forfeited Tax Sale – To account for all funds collected per State Statute for sale of real estate forfeited for unpaid taxes.

Law Library – To account for revenues and expenditures of the Law Library. Revenue is derived from fees collected from certain litigants and expenditures are primarily law books and operational costs to run the Library.

Regional Railroad Authority Debt Service Fund – To account for revenue dedicated to pay for principal and interest on future long-term debt for the Regional Rail Authority.

Regional Railroad Authority Capital Projects Fund – To account for revenues and expenditures of major capital projects in the Regional Railroad Authority.

**RAMSEY COUNTY, MINNESOTA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2008
WITH COMPARATIVE TOTALS FOR DECEMBER 31, 2007**

	County Library Special Revenue Fund	Solid Waste/ Recycling Service Fee Special Revenue Fund	Housing and Redevelopment Authority Special Revenue Fund	Workforce Solutions Special Revenue Fund
ASSETS				
Cash and Cash Equivalents	\$ 4,655,064	\$ 23,256,348	\$ 1,018,264	\$ 377,544
Petty Cash and Change Funds	1,450	50	-	350
Receivables (Net):				
Taxes	180,587	4,404	-	-
Accounts	26,327	1,370,784	5,819	-
Accrued Interest	-	-	93,950	-
Due from Other Funds	-	-	-	-
Due from Other Governments	-	4,528	178,038	6,310,785
Loans Receivable	-	400,000	7,553,984	-
Inventories	4,643	-	-	-
Advance to other Governments	-	4,500	-	-
Total Assets	4,868,071	25,040,614	8,850,055	6,688,679
LIABILITIES AND FUND BALANCES				
Liabilities:				
Salaries Payable	268,472	91,314	9,342	298,749
Accounts Payable	261,392	19,727	935	595,725
Contracts Payable	-	235,712	167,931	-
Due to Other Funds	168,809	173,021	8,622	16,213
Due to Other Governments	437	4,591,196	158,007	87,865
Deferred Revenue	277,919	4,404	7,585,200	829,523
Advance from Other Funds	-	-	-	4,500,000
Total Liabilities	977,029	5,115,374	7,930,037	6,328,075
Fund Balances:				
Reserved for:				
Encumbrances	-	459,208	-	-
Inventories	4,643	-	-	-
Petty Cash	1,450	50	-	350
Debt Service	-	-	-	-
Unreserved	3,884,949	19,465,982	920,018	360,254
Total Fund Balances	3,891,042	19,925,240	920,018	360,604
Total Liabilities and Fund Balances	\$ 4,868,071	\$ 25,040,614	\$ 8,850,055	\$ 6,688,679

STATEMENT 1

State Funding For Courts Special Revenue Fund	State Public Defender Special Revenue Fund	Emergency Communications Special Revenue Fund	Gifts and Donations Special Revenue Fund	Regional Railroad Authority Special Revenue Fund	Sheriff Special Revenue Fund
\$ 1,468	\$ 1,808,702	\$ 5,081,203	\$ 404,525	\$ 18,387,604	\$ 229,438
-	100	-	-	100	-
-	-	-	-	542,036	-
-	-	22,897	-	4,173	-
-	-	-	-	-	-
-	-	4,430	-	-	-
259,932	-	144,446	-	150,236	-
-	-	-	-	-	-
-	-	237	-	-	-
-	-	-	-	-	-
<u>261,400</u>	<u>1,808,802</u>	<u>5,253,213</u>	<u>404,525</u>	<u>19,084,149</u>	<u>229,438</u>
249,400	166,449	194,953	-	29,775	-
-	306	45,189	10,947	9,073	63,904
-	-	-	-	99,846	-
-	-	75,138	-	349,581	300
-	-	1,020,232	-	283	3,427
-	1,642,047	-	-	696,289	-
12,000	-	-	-	-	-
<u>261,400</u>	<u>1,808,802</u>	<u>1,335,512</u>	<u>10,947</u>	<u>1,184,847</u>	<u>67,631</u>
-	-	844,174	-	1,265,040	-
-	-	237	-	-	-
-	-	-	-	100	-
-	-	-	-	-	-
-	-	3,073,290	393,578	16,634,162	161,807
-	-	3,917,701	393,578	17,899,302	161,807
<u>\$ 261,400</u>	<u>\$ 1,808,802</u>	<u>\$ 5,253,213</u>	<u>\$ 404,525</u>	<u>\$ 19,084,149</u>	<u>\$ 229,438</u>

(Continued)

**RAMSEY COUNTY, MINNESOTA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2008
WITH COMPARATIVE TOTALS FOR DECEMBER 31, 2007**

	Corrections Special Revenue Fund	Property Records Special Revenue Fund	County Attorney Special Revenue Fund	Health Promotion Health Improvement Special Revenue Fund	Parks and Recreation Special Revenue Fund
ASSETS					
Cash and Cash Equivalents	\$ 350,115	\$ 4,311,613	\$ 527,881	\$ 97,006	\$ 521,744
Petty Cash and Change Funds	200	-	-	-	-
Receivables (Net):					
Taxes	-	-	-	-	-
Accounts	-	-	-	-	-
Accrued Interest	-	-	-	-	-
Due from Other Funds	-	-	-	-	-
Due from Other Governments	-	-	-	-	-
Loans Receivable	-	505,400	-	-	-
Inventories	-	-	-	-	-
Advance to other Governments	-	-	-	-	-
Total Assets	350,315	4,817,013	527,881	97,006	521,744
LIABILITIES AND FUND BALANCES					
Liabilities:					
Salaries Payable	-	-	-	-	-
Accounts Payable	84,025	884,627	2,012	1,546	5,632
Contracts Payable	-	-	-	-	-
Due to Other Funds	-	990,363	-	-	-
Due to Other Governments	-	-	-	421	-
Deferred Revenue	-	505,400	-	-	-
Advance from Other Funds	-	-	-	-	-
Total Liabilities	84,025	2,380,390	2,012	1,967	5,632
Fund balances:					
Reserved for:					
Encumbrances	-	-	-	-	-
Inventories	-	-	-	-	-
Petty Cash	200	-	-	-	-
Debt Service	-	-	-	-	-
Unreserved	266,090	2,436,623	525,869	95,039	516,112
Total Fund Balances	266,290	2,436,623	525,869	95,039	516,112
Total Liabilities and Fund Balances	\$ 350,315	\$ 4,817,013	\$ 527,881	\$ 97,006	\$ 521,744

**STATEMENT 1
(Continued)**

Care Center Patients' Activity Special Revenue Fund	Forfeited Tax Sale Special Revenue Fund	Law Library Special Revenue Fund	Regional Railroad Authority Debt Service Fund	Regional Railroad Authority Capital Projects Fund	Total Nonmajor Governmental Funds	
					2008	Restated 2007
\$ 12,043	\$ 27,284	\$ 757,643	\$ 9,322,513	\$ 14,944,385	\$ 86,092,387	\$ 79,167,514
-	-	20	-	-	2,270	2,910
-	-	-	-	-	727,027	551,391
-	247,961	-	-	-	1,677,961	5,419,277
-	-	-	-	-	93,950	99,803
-	-	-	-	-	4,430	221,991
-	-	46,524	-	-	7,094,489	6,114,568
-	-	-	-	-	8,459,384	7,123,078
-	214	-	-	-	5,094	48,212
-	-	-	-	-	4,500	4,500
<u>12,043</u>	<u>275,459</u>	<u>804,187</u>	<u>9,322,513</u>	<u>14,944,385</u>	<u>104,161,492</u>	<u>98,753,244</u>
-	-	10,667	-	-	1,319,121	1,225,097
1,920	142	18,887	-	-	2,005,989	1,864,283
-	-	-	-	18,172	521,661	438,452
-	4,000	3,388	-	993	1,790,428	684,229
-	1,105	42	-	-	5,863,015	3,200,454
-	247,961	-	-	-	11,788,743	13,788,208
-	-	-	-	-	4,512,000	4,780,000
<u>1,920</u>	<u>253,208</u>	<u>32,984</u>	<u>-</u>	<u>19,165</u>	<u>27,800,957</u>	<u>25,980,723</u>
-	-	-	-	557,555	3,125,977	4,625,549
-	214	-	-	-	5,094	48,212
-	-	20	-	-	2,170	2,810
-	-	-	9,322,513	-	9,322,513	9,322,513
<u>10,123</u>	<u>22,037</u>	<u>771,183</u>	<u>-</u>	<u>14,367,665</u>	<u>63,904,781</u>	<u>58,773,437</u>
<u>10,123</u>	<u>22,251</u>	<u>771,203</u>	<u>9,322,513</u>	<u>14,925,220</u>	<u>76,360,535</u>	<u>72,772,521</u>
<u>\$ 12,043</u>	<u>\$ 275,459</u>	<u>\$ 804,187</u>	<u>\$ 9,322,513</u>	<u>\$ 14,944,385</u>	<u>\$ 104,161,492</u>	<u>\$ 98,753,244</u>

RAMSEY COUNTY, MINNESOTA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2008
WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2007

	County Library Special Revenue Fund	Solid Waste/ Recycling Service Fee Special Revenue Fund	Housing and Redevelopment Authority Special Revenue Fund	Workforce Solutions Special Revenue Fund
REVENUES				
Taxes	\$ 7,155,069	\$ 3,014	\$ -	\$ 425,825
Licenses and Permits	-	662,131	-	-
Intergovernmental	926,810	1,499,898	2,063,657	23,636,069
Private Grants and Donations	25	-	-	-
Charges for Services	-	17,427,099	83,164	-
Fines and Forfeitures	548,411	-	-	-
Sales	47,435	-	-	-
Rental Income	273,822	-	-	-
Investment Earnings	55,455	305,779	163,516	-
Miscellaneous	81,358	31,654	213,023	-
Total Revenues	<u>9,088,385</u>	<u>19,929,575</u>	<u>2,523,360</u>	<u>24,061,894</u>
EXPENDITURES				
Current:				
General Government	-	-	-	-
Public Safety	-	-	-	-
Sanitation	-	20,358,602	-	-
Health	-	-	-	-
Human Services	-	-	-	-
Culture and Recreation	9,516,442	-	-	-
Economic Development and Assistance	-	-	2,449,658	23,696,989
Debt Service: Principal Retirement	-	-	-	-
Total Expenditures	<u>9,516,442</u>	<u>20,358,602</u>	<u>2,449,658</u>	<u>23,696,989</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(428,057)</u>	<u>(429,027)</u>	<u>73,702</u>	<u>364,905</u>
OTHER FINANCING SOURCES (USES)				
Capital Leases	-	-	-	-
Transfers In	65,000	-	30,000	-
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	<u>65,000</u>	<u>-</u>	<u>30,000</u>	<u>-</u>
Net Change in Fund Balances	<u>(363,057)</u>	<u>(429,027)</u>	<u>103,702</u>	<u>364,905</u>
Fund Balances - Beginning as Restated	4,255,032	20,354,267	816,316	(4,301)
Increase (Decrease) in Reserve for Inventories	(933)	-	-	-
Fund Balances - Ending	<u>\$ 3,891,042</u>	<u>\$ 19,925,240</u>	<u>\$ 920,018</u>	<u>\$ 360,604</u>

STATEMENT 2

State Funding For Courts Special Revenue Fund	State Public Defender Special Revenue Fund	St. Paul Public Health JPA Special Revenue Fund	Emergency Communications Special Revenue Fund	Gifts and Donations Special Revenue Fund	Regional Railroad Authority Special Revenue Fund	Sheriff Special Revenue Fund
\$ -	\$ -	\$ -	\$ 7,558,782	\$ -	\$ 3,042,808	\$ -
-	-	-	-	-	-	136,250
6,421,331	3,894,667	-	617,495	-	192,981	146,167
-	-	-	-	213,868	-	85,870
-	-	-	3,416,818	-	-	261,913
-	-	-	-	-	-	80,368
-	-	-	-	-	-	481,577
-	-	-	-	-	47,090	-
-	-	-	-	2,805	238,442	924
-	-	-	100,152	-	8,436	1,210
<u>6,421,331</u>	<u>3,894,667</u>	<u>-</u>	<u>11,693,247</u>	<u>216,673</u>	<u>3,529,757</u>	<u>1,194,279</u>
6,421,331	3,894,667	-	-	1,105	1,799,139	-
-	-	-	10,075,441	14,141	-	1,306,959
-	-	-	-	-	-	-
-	-	-	-	6,325	-	-
-	-	-	-	73,630	-	-
-	-	-	-	105,051	-	-
-	-	-	-	-	-	-
-	-	0	-	-	-	-
<u>6,421,331</u>	<u>3,894,667</u>	<u>-</u>	<u>10,075,441</u>	<u>200,252</u>	<u>1,799,139</u>	<u>1,306,959</u>
-	-	-	1,617,806	16,421	1,730,618	(112,680)
-	-	0	-	-	-	-
-	-	-	2,300,000	-	-	-
-	-	(4,595,243)	(342)	-	(100,000)	(1,072)
-	-	(4,595,243)	2,299,658	-	(100,000)	(1,072)
-	-	(4,595,243)	3,917,464	16,421	1,630,618	(113,752)
-	-	4,595,243	-	377,157	16,268,684	275,559
-	-	-	237	-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,917,701</u>	<u>\$ 393,578</u>	<u>\$ 17,899,302</u>	<u>\$ 161,807</u>

(Continued)

RAMSEY COUNTY, MINNESOTA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2008
WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2007

	Corrections Special Revenue Fund	Property Records Special Revenue Fund	County Attorney Special Revenue Fund	Health Promotion Health Improvement Special Revenue Fund
REVENUES				
Taxes	\$ -	\$ 267,341	\$ -	\$ -
Licenses and Permits	-	-	-	-
Intergovernmental	-	-	-	-
Private Grants and Donations	154	-	-	-
Charges for Services	257,999	918,284	-	-
Fines and Forfeitures	-	-	97,310	-
Sales	259,881	-	-	-
Rental Income	-	-	-	-
Investment Earnings	274	4,309	-	-
Miscellaneous	13,903	29,600	-	63,761
Total Revenues	<u>532,211</u>	<u>1,219,534</u>	<u>97,310</u>	<u>63,761</u>
EXPENDITURES				
Current:				
General Government	1,750	2,438,678	20,901	-
Public Safety	739,267	-	-	-
Sanitation	-	-	-	-
Health	-	-	-	-
Human Services	-	-	-	56,420
Culture and Recreation	-	-	-	-
Economic Development and Assistance	-	-	-	-
Debt Service: Principal Retirement	-	-	-	-
Total Expenditures	<u>741,017</u>	<u>2,438,678</u>	<u>20,901</u>	<u>56,420</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(208,806)</u>	<u>(1,219,144)</u>	<u>76,409</u>	<u>7,341</u>
OTHER FINANCING SOURCES (USES)				
Capital Leases	-	-	-	-
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	<u>(208,806)</u>	<u>(1,219,144)</u>	<u>76,409</u>	<u>7,341</u>
Fund Balances - Beginning as Restated	475,096	3,655,767	449,460	87,698
Increase (Decrease) in Reserve for Inventories	-	-	-	-
Fund Balances - Ending	<u>\$ 266,290</u>	<u>\$ 2,436,623</u>	<u>\$ 525,869</u>	<u>\$ 95,039</u>

**STATEMENT 2
(Continued)**

Parks and Recreation Special Revenue Fund	Nursing Home Patients' Activity Special Revenue Fund	Forfeited Tax Sale Special Revenue Fund	Law Library Special Revenue Fund	Regional Railroad Authority Debt Service Fund	Regional Railroad Authority Capital Projects Fund	Total Nonmajor Governmental Funds	
						2008	Restated 2007
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 15,900,709	\$ 34,353,548	\$ 30,371,814
-	-	-	-	-	-	798,381	831,196
365,776	-	912	836	-	4,568,505	44,335,104	42,046,256
12,192	-	-	-	-	-	312,109	432,679
-	-	1,378	523,966	-	-	22,890,621	20,145,008
-	-	-	-	-	-	726,089	845,515
-	-	99,643	-	-	-	888,536	804,116
-	-	-	-	-	-	320,912	273,892
-	-	-	-	-	-	771,504	2,132,982
20,110	3,735	1,657	1,621	-	-	570,220	776,294
<u>398,078</u>	<u>3,735</u>	<u>103,590</u>	<u>526,423</u>	<u>-</u>	<u>20,469,214</u>	<u>105,967,024</u>	<u>98,659,752</u>
-	-	95,898	593,711	-	4,182,411	19,449,591	60,124,127
-	-	-	-	-	-	12,135,808	1,930,180
-	-	-	-	-	-	20,358,602	19,861,608
-	-	-	-	-	-	6,325	9,426,175
-	7,492	-	-	-	-	137,542	185,512
357,776	-	-	-	-	-	9,979,269	9,291,117
-	-	-	-	-	-	26,146,647	23,650,189
-	-	-	-	-	11,962,750	11,962,750	4,000,000
<u>357,776</u>	<u>7,492</u>	<u>95,898</u>	<u>593,711</u>	<u>-</u>	<u>16,145,161</u>	<u>100,176,534</u>	<u>128,468,908</u>
40,302	(3,757)	7,692	(67,288)	-	4,324,053	5,790,490	(29,809,156)
-	-	-	-	-	-	-	45,278,408
-	-	-	-	-	100,000	2,495,000	10,000
-	-	-	-	-	-	(4,696,657)	(24,981)
-	-	-	-	-	100,000	(2,201,657)	45,263,427
40,302	(3,757)	7,692	(67,288)	-	4,424,053	3,588,833	15,454,271
475,810	13,880	14,682	838,491	9,322,513	10,501,167	72,772,521	57,325,885
-	-	(123)	-	-	-	(819)	(7,635)
<u>\$ 516,112</u>	<u>\$ 10,123</u>	<u>\$ 22,251</u>	<u>\$ 771,203</u>	<u>\$ 9,322,513</u>	<u>\$ 14,925,220</u>	<u>\$ 76,360,535</u>	<u>\$ 72,772,521</u>

SCHEDULE 5

**RAMSEY COUNTY, MINNESOTA
COUNTY LIBRARY FUND SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGETARY COMPARISONS (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2008**

	<u>BUDGETED AMOUNTS</u>		ACTUAL AMOUNTS ON BUDGETARY BASIS	VARIANCE WITH FINAL BUDGET OVER (UNDER)
	<u>ORIGINAL</u>	<u>FINAL</u>		
REVENUES				
Taxes	\$ 7,393,070	\$ 7,133,182	\$ 7,155,069	\$ 21,887
Intergovernmental	684,164	964,829	926,810	(38,019)
Private Grants and Donations	-	2,000	25	(1,975)
Fines and Forfeitures	580,000	580,000	548,411	(31,589)
Sales	50,000	50,000	47,435	(2,565)
Rental Income	80,000	80,000	273,822	193,822
Investment Earnings	125,000	125,000	55,455	(69,545)
Miscellaneous	-	80,761	81,358	597
Total Revenues	<u>8,912,234</u>	<u>9,015,772</u>	<u>9,088,385</u>	<u>72,613</u>
EXPENDITURES				
Current:				
Culture and Recreation	8,912,234	9,066,552	8,964,552	(102,000)
Total Expenditures	<u>8,912,234</u>	<u>9,066,552</u>	<u>8,964,552</u>	<u>(102,000)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>(50,780)</u>	<u>123,833</u>	<u>174,613</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	-	-	65,000	65,000
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>65,000</u>	<u>65,000</u>
Net Change in Fund Balances	<u>-</u>	<u>(50,780)</u>	<u>188,833</u>	<u>239,613</u>
Adjustment	(551,890)	(551,890)	(551,890)	-
Fund Balances - Beginning	4,255,032	4,255,032	4,255,032	-
Increase (Decrease) in Reserve for Inventories	<u>-</u>	<u>-</u>	<u>(933)</u>	<u>(933)</u>
Fund Balances - Ending	<u>\$ 3,703,142</u>	<u>\$ 3,652,362</u>	<u>\$ 3,891,042</u>	<u>\$ 238,680</u>

SCHEDULE 6

RAMSEY COUNTY, MINNESOTA
SOLID WASTE/RECYCLING SERVICE FEE SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE
BUDGETARY COMPARISONS (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2008

	BUDGETED AMOUNTS		ACTUAL ON A BUDGETARY BASIS	VARIANCE WITH FINAL BUDGET OVER (UNDER)
	ORIGINAL	FINAL		
REVENUES				
Taxes	\$ -	\$ -	\$ 3,014	\$ 3,014
Licenses and Permits	725,000	725,000	662,131	(62,869)
Intergovernmental	1,507,026	1,507,026	1,499,898	(7,128)
Charges for Services	16,030,281	16,030,281	17,427,099	1,396,818
Investment Income	-	-	305,779	305,779
Miscellaneous	88,491	88,491	31,654	(56,837)
Total Revenues	<u>18,350,798</u>	<u>18,350,798</u>	<u>19,929,575</u>	<u>1,578,777</u>
EXPENDITURES				
Current:				
Sanitation	22,982,255	22,982,255	20,391,564	(2,590,691)
Total Expenditures	<u>22,982,255</u>	<u>22,982,255</u>	<u>20,391,564</u>	<u>(2,590,691)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(4,631,457)</u>	<u>(4,631,457)</u>	<u>(461,989)</u>	<u>4,169,468</u>
Adjustment	32,962	32,962	32,962	-
Fund Balance-Beginning	<u>20,354,267</u>	<u>20,354,267</u>	<u>20,354,267</u>	-
Fund Balance-Ending	<u>\$ 15,755,772</u>	<u>\$ 15,755,772</u>	<u>\$ 19,925,240</u>	<u>\$ 4,169,468</u>

**RAMSEY COUNTY, MINNESOTA
EMERGENCY COMMUNICATIONS SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE
BUDGETARY COMPARISONS (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2007**

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL ON A BUDGETARY BASIS</u>	<u>VARIANCE WITH FINAL BUDGET OVER (UNDER)</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
REVENUES				
Taxes	\$ 7,558,782	\$ 7,558,782	\$ 7,558,782	\$ -
Intergovernmental	740,000	740,000	617,495	(122,505)
Charges for Services	3,391,614	3,391,614	3,416,818	25,204
Miscellaneous	-	-	100,152	100,152
Total Revenues	<u>11,690,396</u>	<u>11,690,396</u>	<u>11,693,247</u>	<u>2,851</u>
EXPENDITURES				
Current:				
Public Safety	12,240,396	12,240,396	12,239,654	(742)
Total Expenditures	<u>12,240,396</u>	<u>12,240,396</u>	<u>12,239,654</u>	<u>(742)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(550,000)</u>	<u>(550,000)</u>	<u>(546,407)</u>	<u>3,593</u>
OTHER FINANCING SOURCES (USES)				
Operating Transfers In	-	-	2,300,000	2,300,000
Operating Transfers Out	-	-	(342)	(342)
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>2,299,658</u>	<u>2,299,658</u>
Net Change in Fund Balance	(550,000)	(550,000)	1,753,251	2,303,251
Adjustment	2,164,213	2,164,213	2,164,213	-
Fund Balance - Beginning	-	-	-	-
Increase (Decrease) in Reserve for Inventories	-	-	237	237
Fund Balance - Ending	<u>\$ 1,614,213</u>	<u>\$ 1,614,213</u>	<u>\$ 3,917,701</u>	<u>\$ 2,303,488</u>

SCHEDULE 8

RAMSEY COUNTY , MINNESOTA
REGIONAL RAILROAD AUTHORITY SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES
BUDGETARY COMPARISONS (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2008

	BUDGETED AMOUNTS		ACTUAL ON A BUDGETARY BASIS	VARIANCE WITH FINAL BUDGET OVER (UNDER)
	ORIGINAL	FINAL		
REVENUES				
Taxes	\$ 3,065,579	\$ 3,065,579	\$ 3,042,808	\$ (22,771)
Intergovernmental	400	400	192,981	192,581
Investment Earnings	400,000	400,000	238,442	(161,558)
Rental Income	75,000	75,000	47,090	(27,910)
Miscellaneous	-	-	8,436	8,436
Total Revenues	<u>3,540,979</u>	<u>3,540,979</u>	<u>3,529,757</u>	<u>(11,222)</u>
EXPENDITURES				
Current:				
General Government	<u>3,540,979</u>	<u>3,540,979</u>	<u>1,501,776</u>	<u>(2,039,203)</u>
Total Expenditures	<u>3,540,979</u>	<u>3,540,979</u>	<u>1,501,776</u>	<u>(2,039,203)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>2,027,981</u>	<u>2,027,981</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	<u>-</u>	<u>-</u>	<u>(100,000)</u>	<u>(100,000)</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>(100,000)</u>	<u>(100,000)</u>
Net Change in Fund Balances	<u>-</u>	<u>-</u>	<u>1,927,981</u>	<u>1,927,981</u>
Adjustment	(297,363)	(297,363)	(297,363)	-
Fund Balance - Beginning	16,268,684	16,268,684	16,268,684	-
Fund Balance - Ending	<u>\$ 15,971,321</u>	<u>\$ 15,971,321</u>	<u>\$ 17,899,302</u>	<u>\$ 1,927,981</u>

SCHEDULE 9

**RAMSEY COUNTY, MINNESOTA
FORFEITED TAX SALE SPECIAL REVENUE FUND
SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGETARY COMPARISONS (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2008**

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET OVER (UNDER)</u>
	<u>ORIGINAL</u>	<u>FINAL</u>	<u>AMOUNTS ON BUDGETARY BASIS</u>	
REVENUES				
Intergovernmental	\$ 912	\$ 912	\$ 912	\$ -
Charges for Services	22,850	22,850	1,378	(21,472)
Sales	453,391	453,391	99,643	(353,748)
Miscellaneous	11,000	11,000	1,657	(9,343)
Total Revenues	<u>488,153</u>	<u>488,153</u>	<u>103,590</u>	<u>(384,563)</u>
EXPENDITURES				
Current:				
General Government	<u>488,153</u>	<u>488,153</u>	<u>95,702</u>	<u>(392,451)</u>
Total Expenditures	<u>488,153</u>	<u>488,153</u>	<u>95,702</u>	<u>(392,451)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>7,888</u>	<u>7,888</u>
Adjustment	(196)	(196)	(196)	-
Fund Balance - Beginning	14,682	14,682	14,682	-
Increase (Decrease) in Reserve for Inventories	<u>-</u>	<u>-</u>	<u>(123)</u>	<u>(123)</u>
Fund Balance - Ending	<u>\$ 14,486</u>	<u>\$ 14,486</u>	<u>\$ 22,251</u>	<u>\$ 7,765</u>

NONMAJOR ENTERPRISE FUNDS

To account for operations that are financed and operated in a manner similar to private business enterprises -- where the intent is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges.

Ramsey Nursing Home – To provide health care services for the physically and mentally handicapped.

Law Enforcement Services – To provide law enforcement services to certain communities in Ramsey County beyond the services normally provided or available to all communities within the County.

RAMSEY COUNTY, MINNESOTA
COMBINING STATEMENT OF NET ASSETS
NONMAJOR ENTERPRISE FUNDS
DECEMBER 31, 2008
WITH COMPARATIVE TOTALS FOR DECEMBER 31, 2007

	Ramsey County Care Center	Law Enforcement Services	Total Nonmajor Enterprise Funds	
			2008	2007
ASSETS				
Current Assets:				
Cash and Cash Equivalents	\$ 678,863	\$ 687,275	\$ 1,366,138	\$ 3,138,197
Petty Cash and Change Funds	14,000	-	14,000	14,000
Cooperative Investment	39,340	-	39,340	55,320
Accounts Receivable (Net)	594,265	-	594,265	248,138
Due from Other Governments	1,005,157	71,085	1,076,242	1,249,577
Inventories	17,841	-	17,841	21,715
Total Current Assets	<u>2,349,466</u>	<u>758,360</u>	<u>3,107,826</u>	<u>4,726,947</u>
Noncurrent Assets:				
Deferred charges	9,497	-	9,497	10,022
Capital Assets:				
Land	99,200	-	99,200	99,200
Improvements Other Than Buildings	772,517	-	772,517	423,964
Building	4,368,576	-	4,368,576	4,517,652
Building Improvements	3,302,598	-	3,302,598	1,604,496
Equipment	935,107	771,924	1,707,031	1,655,663
Construction in Progress	-	-	-	670,012
Less Accumulated Depreciation	(5,214,133)	(529,024)	(5,743,157)	(5,729,595)
Total Capital Assets (Net of Accumulated Depreciation)	<u>4,263,865</u>	<u>242,900</u>	<u>4,506,765</u>	<u>3,241,392</u>
Total Noncurrent Assets	<u>4,273,362</u>	<u>242,900</u>	<u>4,516,262</u>	<u>3,251,414</u>
Total Assets	<u>6,622,828</u>	<u>1,001,260</u>	<u>7,624,088</u>	<u>7,978,361</u>
LIABILITIES				
Current Liabilities:				
Salaries Payable	493,148	184,165	677,313	541,469
Accounts Payable	453,358	3,382	456,740	573,572
Interest Payable	41,753	-	41,753	50,984
Unamortized Bond Discount/Premium	8,238	-	8,238	4,119
Due to Other Funds	1,287,381	56,352	1,343,733	567,010
Due to Other Governments	5,746	331,796	337,542	351,380
General Obligation Bonds Payable-Current	75,000	-	75,000	110,000
Vacation and Compensatory Time Payable	487,032	336,070	823,102	773,035
Total Current Liabilities	<u>2,851,656</u>	<u>911,765</u>	<u>3,763,421</u>	<u>2,971,569</u>
Noncurrent Liabilities:				
General Obligation Bonds Payable	2,065,000	-	2,065,000	2,140,000
Unamortized Bond Discount/Premium	66,244	-	66,244	74,482
Advance from Other Funds	-	50,000	50,000	50,000
Compensated Absences Payable	417,204	-	417,204	472,248
Total Noncurrent Liabilities	<u>2,548,448</u>	<u>50,000</u>	<u>2,598,448</u>	<u>2,736,730</u>
Total Liabilities	<u>5,400,104</u>	<u>961,765</u>	<u>6,361,869</u>	<u>5,708,299</u>
NET ASSETS				
Invested in Capital Assets, Net of Related Debt	2,544,255	242,900	2,787,155	2,550,304
Unrestricted	(1,321,531)	(203,405)	(1,524,936)	(280,242)
Total Net Assets	<u>\$ 1,222,724</u>	<u>\$ 39,495</u>	<u>\$ 1,262,219</u>	<u>\$ 2,270,062</u>

RAMSEY COUNTY, MINNESOTA
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES
IN NET ASSETS
NONMAJOR ENTERPRISE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2008
WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2007

	Ramsey County Care Center	Law Enforcement Services	Total Nonmajor Enterprise Funds	
			2008	2007
OPERATING REVENUES:				
Charges for Services	\$ 12,878,282	\$ 5,278,489	\$ 18,156,771	\$ 17,244,769
Sales	-	1,164	1,164	797
Miscellaneous	32,582	-	32,582	32,930
Total Operating Revenues	<u>12,910,864</u>	<u>5,279,653</u>	<u>18,190,517</u>	<u>17,278,496</u>
OPERATING EXPENSES:				
Personal Services	10,411,864	4,264,400	14,676,264	14,392,951
Other Services and Charges	2,713,668	921,293	3,634,961	2,989,947
Supplies	885,058	229,314	1,114,372	1,026,496
Depreciation	264,661	163,867	428,528	396,226
Total Operating Expenses	<u>14,275,251</u>	<u>5,578,874</u>	<u>19,854,125</u>	<u>18,805,620</u>
Operating Income (Loss)	<u>(1,364,387)</u>	<u>(299,221)</u>	<u>(1,663,608)</u>	<u>(1,527,124)</u>
NONOPERATING REVENUES (EXPENSES):				
Intergovernmental Revenue	60,567	290,782	351,349	406,183
Amortization of Bond Issuance Costs	(525)	-	(525)	(481)
Amortization of (Discount) Premium on Bonds	4,119	-	4,119	3,776
Interest Expense	(102,053)	-	(102,053)	(50,984)
Gain (Loss) on Disposal of Capital Assets	(23,044)	(3,320)	(26,364)	(388)
Gain on Sale of Capital Assets	-	18,725	18,725	5,563
Investment Earnings (Loss)	43,660	-	43,660	36,798
Private Donations	-	-	-	-
Total Nonoperating Revenues (Expenses)	<u>(17,276)</u>	<u>306,187</u>	<u>288,911</u>	<u>400,467</u>
Income Before Contributions and Transfers	<u>(1,381,663)</u>	<u>6,966</u>	<u>(1,374,697)</u>	<u>(1,126,657)</u>
Capital Contributions	-	-	-	67,407
Transfers In	366,854	-	366,854	357,906
Change in Net Assets	<u>(1,014,809)</u>	<u>6,966</u>	<u>(1,007,843)</u>	<u>(701,344)</u>
Total Net Assets - Beginning	<u>2,237,533</u>	<u>32,529</u>	<u>2,270,062</u>	<u>2,971,406</u>
Total Net Assets - Ending	<u>\$ 1,222,724</u>	<u>\$ 39,495</u>	<u>\$ 1,262,219</u>	<u>\$ 2,270,062</u>

RAMSEY COUNTY, MINNESOTA
COMBINING STATEMENT OF CASH FLOWS
NONMAJOR ENTERPRISE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2008
WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2007

	Ramsey County Care Center	Law Enforcement Services	Total Nonmajor Enterprise Funds	
			2008	2007
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from Customers and Users	\$ 12,476,129	\$ 5,526,246	\$ 18,002,375	\$ 17,279,381
Payments to Suppliers	(3,309,798)	(1,132,766)	(4,442,564)	(3,648,793)
Payments to Employees	(9,980,873)	(4,206,016)	(14,186,889)	(13,773,835)
Net Cash Provided (Used) for Operating Activities	(814,542)	187,464	(627,078)	(143,247)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Intergovernmental Revenue	60,567	290,782	351,349	406,183
Transfers In	366,854	-	366,854	357,906
Private Donations	-	-	-	-
Net Cash Provided (Used) for Noncapital Financing Activities	427,421	290,782	718,203	764,089
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Proceeds from the Sale of Capital Assets	-	38,725	38,725	33,250
Proceeds from Sale of Bonds	-	-	-	2,321,873
Proceeds from Insurance Recoveries	-	24,171	24,171	-
Purchases of Capital Assets	(1,616,848)	(197,690)	(1,814,538)	(854,413)
Principal Paid on Capital Debt	(110,000)	-	(110,000)	-
Interest Paid on Capital Debt	(61,181)	-	(61,181)	-
Net Cash Provided (Used) for Capital and Related Financing Activities	(1,788,029)	(134,794)	(1,922,823)	1,500,710
CASH FLOWS FROM INVESTING ACTIVITIES				
Proceeds from Sale of Investments	-	-	-	2,175
Dividends Received	59,639	-	59,639	10,216
Net Cash Provided (Used) for Investing Activities	59,639	-	59,639	12,391
Net Increase (Decrease) in Cash and Cash Equivalents	(2,115,511)	343,452	(1,772,059)	2,133,943
Cash and Cash Equivalents, January 1	2,808,374	343,823	3,152,197	1,018,254
Cash and Cash Equivalents, December 31	692,863	687,275	1,380,138	3,152,197
Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities:				
Operating Income (Loss)	(1,364,387)	(299,221)	(1,663,608)	(1,527,124)
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities:				
Depreciation Expense	264,661	163,867	428,528	396,226
Noncash Transfers	-	-	-	-
Provision for Uncollectible Accounts	(1,255)	-	(1,255)	16,950
Changes in Assets and Liabilities:				
(Increase) Decrease in Accounts Receivable	(344,872)	-	(344,872)	117,700
(Increase) Decrease in Cooperative Investment Receivable	-	-	-	17,244
(Increase) Decrease in Due from Other Governments	(88,608)	261,943	173,335	(208,501)
(Increase) Decrease in Prepaid Items	-	-	-	-
(Increase) Decrease in Inventories	3,874	-	3,874	6,132
Increase (Decrease) in Salaries Payable	105,767	30,077	135,844	29,019
Increase (Decrease) in Accounts Payable	(113,335)	(3,497)	(116,832)	340,679
Increase (Decrease) in Due to Other Funds	755,385	21,338	776,723	512,246
Increase (Decrease) in Due to Other Governments	1,513	(15,351)	(13,838)	55,801
Increase (Decrease) in Vacation and Compensatory Time Payable	21,759	28,308	50,067	67,782
Increase (Decrease) in Compensated Absences Payable	(55,044)	-	(55,044)	32,599
Net Cash Provided (Used) by Operating Activities	\$ (814,542)	\$ 187,464	\$ (627,078)	\$ (143,247)

Noncash Investing, Capital and Financing Activities:

Contributions of Capital Assets in the Ramsey County Care Center Fund amounted to \$0 and \$67,407 in 2008 and 2007 respectively. The fair value of Ramsey County Care Center Investment decreased by \$15,969 in 2008, and increased by \$24,407 in 2007.

Disposal of Capital Assets had a Net Book Value of \$23,044 in 2008 and \$388 in 2007 for the Ramsey County Care Center.

INTERNAL SERVICE FUNDS

To account for the financing of goods or services provided by one department or agency to other departments or agencies of the County, or other governments, on a cost-reimbursement basis.

Data Processing – To provide electronic data processing services to county departments and other governmental units.

General County Buildings – To account for rents received from occupants of several County Buildings and to pay all expenses incurred in operating and maintaining the building.

Telecommunications – To account for all expenses incurred in operating the telephone system in the Ramsey County Government Center-West Building, Ramsey County Government Center-East Building, and City/County Courthouse.

Firearms Range – To provide a Firearms Range to law enforcement personnel of the County and other local governments.

Retiree Insurance – To account for the County's contribution to Retiree Insurance and OPEB expenses in compliance with GASB Statement #45.

RAMSEY COUNTY, MINNESOTA
COMBINING STATEMENT OF NET ASSETS
INTERNAL SERVICE FUNDS
DECEMBER 31, 2008
WITH COMPARATIVE TOTALS FOR DECEMBER 31, 2007

	<u>Data Processing</u>	<u>General County Buildings</u>	<u>Telecomm- unications</u>
ASSETS			
Current assets:			
Cash and Cash Equivalents	\$ 287,620	\$ 10,454,663	\$ 3,084,149
Petty Cash and Change Funds	75	-	-
Accounts Receivable (Net)	5,171	29,730	9,023
Due from Other Funds	1,184,129	1,101,660	170,710
Due from Other Governments	50,864	150,343	70,272
Prepaid Items	231,253	-	-
Inventories	5,786	-	-
Restricted Cash and Cash Equivalents	-	1,000	-
Total Current Assets	<u>1,764,898</u>	<u>11,737,396</u>	<u>3,334,154</u>
Noncurrent Assets:			
Capital Assets:			
Improvements Other Than Buildings	-	19,698	-
Building Improvements	147,740	8,288,110	-
Equipment	5,073,882	405,273	3,252,637
Construction in Progress	-	25,850	-
Less Accumulated Depreciation	<u>(5,099,836)</u>	<u>(6,560,252)</u>	<u>(2,708,097)</u>
Total Capital Assets (Net of Accumulated Depreciation)	<u>121,786</u>	<u>2,178,679</u>	<u>544,540</u>
Total Assets	<u>1,886,684</u>	<u>13,916,075</u>	<u>3,878,694</u>
LIABILITIES			
Current Liabilities:			
Salaries Payable	267,859	165,965	21,076
Accounts Payable	165,013	966,358	49,402
Loan Payable	-	-	-
Due to Other Funds	844,615	794,027	57,681
Due to Other Governments	17,155	14,131	1,707
Vacation and Compensatory Time Payable	449,501	261,439	33,096
Payable from Restricted Assets:			
Customer Deposits Payable	-	1,000	-
Total Current Liabilities	<u>1,744,143</u>	<u>2,202,920</u>	<u>162,962</u>
Noncurrent Liabilities:			
Loan Payable	-	-	-
Compensated Absences Payable	487,656	426,094	32,410
Net OPEB Liability	-	-	-
Total Noncurrent Liabilities	<u>487,656</u>	<u>426,094</u>	<u>32,410</u>
Total Liabilities	<u>2,231,799</u>	<u>2,629,014</u>	<u>195,372</u>
NET ASSETS			
Invested in Capital Assets, Net of Related Debt	121,786	2,178,679	544,541
Unrestricted	(466,901)	9,108,382	3,138,781
Total Net Assets	<u>\$ (345,115)</u>	<u>\$ 11,287,061</u>	<u>\$ 3,683,322</u>

STATEMENT 6

Firearms Range	Retiree Insurance	Total Internal Service Funds	
		2008	2007
\$ 40,588	\$ 29,374,804	\$ 43,241,824	\$ 37,104,959
-	-	75	75
-	-	43,924	8,712
2,410	3,084,679	5,543,588	3,572,177
4,538	-	276,017	205,815
-	-	231,253	167,856
-	-	5,786	5,410
-	-	1,000	1,000
<u>47,536</u>	<u>32,459,483</u>	<u>49,343,467</u>	<u>41,066,004</u>
-	-	19,698	19,698
-	-	8,435,850	7,832,728
-	-	8,731,792	8,569,576
-	-	25,850	-
-	-	(14,368,185)	(13,696,354)
-	-	2,845,005	2,725,648
<u>47,536</u>	<u>32,459,483</u>	<u>52,188,472</u>	<u>43,791,652</u>
-	-	454,900	351,515
-	872,291	2,053,064	1,883,720
-	-	-	335
30,258	-	1,726,581	878,603
11	-	33,004	35,793
-	-	744,036	674,947
-	-	1,000	1,000
<u>30,269</u>	<u>872,291</u>	<u>5,012,585</u>	<u>3,825,913</u>
-	-	-	-
-	-	946,160	878,612
-	34,145,915	34,145,915	19,580,393
-	34,145,915	35,092,075	20,459,005
<u>30,269</u>	<u>35,018,206</u>	<u>40,104,660</u>	<u>24,284,918</u>
-	-	2,845,006	2,725,648
17,267	(2,558,723)	9,238,806	16,781,086
<u>\$ 17,267</u>	<u>\$ (2,558,723)</u>	<u>\$ 12,083,812</u>	<u>\$ 19,506,734</u>

RAMSEY COUNTY, MINNESOTA
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2008
WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2007

	<u>Data Processing</u>	<u>General County Buildings</u>	<u>Telecomm- unications</u>
OPERATING REVENUES:			
Charges for Services	\$ 9,423,458	\$ 15,282,905	\$ 1,713,440
Sales	-	945	-
Miscellaneous	3,627	147,292	2,399
Total Operating Revenues	<u>9,427,085</u>	<u>15,431,142</u>	<u>1,715,839</u>
OPERATING EXPENSES:			
Personal Services	6,407,372	4,256,673	532,769
Other Services and Charges	3,361,247	8,290,629	800,558
Supplies	49,752	614,669	32,147
OPEB Expense	-	-	-
Depreciation	16,591	487,876	258,278
Total Operating Expenses	<u>9,834,962</u>	<u>13,649,847</u>	<u>1,623,752</u>
Operating Income (Loss)	<u>(407,877)</u>	<u>1,781,295</u>	<u>92,087</u>
NONOPERATING REVENUES (EXPENSES):			
Intergovernmental Revenue	25,651	17,888	1,252
Investment Earnings (Loss)	-	-	-
Gain (Loss) on Disposal of Capital Assets	67	(24,737)	-
Total Nonoperating Revenues (Expenses)	<u>25,718</u>	<u>(6,849)</u>	<u>1,252</u>
Income Before Transfers	<u>(382,159)</u>	<u>1,774,446</u>	<u>93,339</u>
Transfers In	-	-	-
Transfers Out	(150)	-	-
Change in Net Assets	<u>(382,309)</u>	<u>1,774,446</u>	<u>93,339</u>
Total Net Assets - Beginning	37,194	9,512,615	3,589,983
Total Net Assets - Ending	<u>\$ (345,115)</u>	<u>\$ 11,287,061</u>	<u>\$ 3,683,322</u>

STATEMENT 7

Firearms Range	Retiree Insurance	Total Internal Service Funds	
		2008	2007
\$ 37,376	\$ 11,724,177	\$ 38,181,356	\$ 34,370,926
-	-	945	769
-	-	153,318	91,983
<u>37,376</u>	<u>11,724,177</u>	<u>38,335,619</u>	<u>34,463,678</u>
-	-	11,196,814	10,635,489
30,951	-	12,483,385	11,977,674
2,675	-	699,243	459,614
-	24,927,716	24,927,716	29,213,298
-	-	762,745	899,957
<u>33,626</u>	<u>24,927,716</u>	<u>50,069,903</u>	<u>53,186,032</u>
<u>3,750</u>	<u>(13,203,539)</u>	<u>(11,734,284)</u>	<u>(18,722,354)</u>
-	-	44,791	60,376
-	342,487	342,487	915,652
-	-	(24,670)	432
-	342,487	362,608	976,460
<u>3,750</u>	<u>(12,861,052)</u>	<u>(11,371,676)</u>	<u>(17,745,894)</u>
-	3,948,904	3,948,904	23,290,254
-	-	(150)	(147)
<u>3,750</u>	<u>(8,912,148)</u>	<u>(7,422,922)</u>	<u>5,544,213</u>
13,517	6,353,425	19,506,734	13,962,521
<u>\$ 17,267</u>	<u>\$ (2,558,723)</u>	<u>\$ 12,083,812</u>	<u>\$ 19,506,734</u>

**RAMSEY COUNTY, MINNESOTA
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2008
WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2007**

	<u>Data Processing</u>	<u>General County Buildings</u>	<u>Telecomm- unications</u>
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from Customers and Users	\$ 352,509	\$ 1,810,423	\$ 760,969
Receipts from Interfund Services Provided	9,070,945	12,697,695	1,166,526
Payments to Suppliers	(2,759,696)	(6,933,183)	(815,179)
Payments to Employees	(6,208,168)	(4,226,884)	(157,520)
Payments for Interfund Services Used	(227,265)	(1,397,934)	(495,880)
Net Cash Provided (Used) for Operating Activities	<u>228,325</u>	<u>1,950,117</u>	<u>458,916</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Intergovernmental Revenue	25,651	17,888	1,252
Transfers In	-	-	-
Transfers Out	(150)	-	-
Net Cash Provided (Used) for Noncapital Financing Activities	<u>25,501</u>	<u>17,888</u>	<u>1,252</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Proceeds from the Sale of Capital Assets	67	-	-
Purchases of Capital Assets	(10,002)	(662,466)	(234,371)
Repayment of Loan	-	(335)	-
Net Cash Provided (Used) for Capital and Related Financing Activities	<u>(9,935)</u>	<u>(662,801)</u>	<u>(234,371)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Investment Earnings (Loss)	-	-	-
Net Cash Provided (Used) for Investing Activities	<u>-</u>	<u>-</u>	<u>-</u>
Net Increase (Decrease) in Cash and Cash Equivalents	243,891	1,305,204	225,797
Cash and Cash Equivalents, January 1	43,804	9,150,459	2,858,352
Cash and Cash Equivalents, December 31	<u>287,695</u>	<u>10,455,663</u>	<u>3,084,149</u>
Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities:			
Operating Income (Loss)	(407,877)	1,781,295	92,087
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities:			
Depreciation Expense	16,591	487,876	258,278
Changes in Assets and Liabilities:			
(Increase) Decrease in Accounts Receivable	(2,578)	(29,131)	(3,503)
(Increase) Decrease in Due From Other Funds	20,440	(759,950)	129,775
(Increase) Decrease in Due From Other Governments	(21,493)	(133,943)	85,384
(Increase) Decrease in Prepaid Items	(63,397)	-	-
(Increase) Decrease in Inventories	(376)	-	-
Increase (Decrease) in Salaries Payable	86,098	14,355	2,932
Increase (Decrease) in Accounts Payable	82,923	155,753	(134,613)
Increase (Decrease) in Due to Other Funds	407,549	417,200	21,843
Increase (Decrease) in Due to Other Governments	(2,660)	1,228	(1,365)
Increase (Decrease) in Vacation and Compensatory Time Payable	65,287	(1,904)	5,706
Increase (Decrease) in Compensated Absences Payable	47,818	17,338	2,392
Increase (Decrease) in Net OPEB Liability Payable	-	-	-
Net Cash Provided (Used) by Operating Activities	<u>\$ 228,325</u>	<u>\$ 1,950,117</u>	<u>\$ 458,916</u>

Non cash Capital and Related Financing Activity:

Data Processing disposed of capital assets with a net book value of zero.

STATEMENT 8

Firearms Range	Retiree Insurance	Total Internal Service Funds	
		2008	2007
\$ 23,380	\$ -	\$ 2,947,281	\$ 15,289,095
11,436	10,364,910	33,311,512	16,535,971
(3,152)	(10,296,427)	(20,807,637)	(20,462,104)
-	-	(10,592,572)	(9,309,273)
(29,565)	-	(2,150,644)	(392,565)
<u>2,099</u>	<u>68,483</u>	<u>2,707,940</u>	<u>1,661,124</u>
-	-	44,791	60,376
-	3,948,904	3,948,904	23,290,254
-	-	(150)	(147)
-	3,948,904	3,993,545	23,350,483
-	-	67	615
-	-	(906,839)	(525,162)
-	-	(335)	(2,339)
-	-	<u>(907,107)</u>	<u>(526,886)</u>
-	342,487	342,487	915,652
-	342,487	342,487	915,652
2,099	4,359,874	6,136,865	25,400,373
38,489	25,014,930	37,106,034	11,705,661
<u>40,588</u>	<u>29,374,804</u>	<u>43,242,899</u>	<u>37,106,034</u>
3,750	(13,203,539)	(11,734,284)	(18,722,354)
-	-	762,745	899,957
-	-	(35,212)	(346)
(2,410)	(1,359,266)	(1,971,411)	(2,541,984)
(150)	-	(70,202)	(96,282)
-	-	(63,397)	(62,853)
-	-	(376)	1,855
-	-	103,385	100,094
(485)	65,766	169,344	1,323,744
1,386	-	847,978	762,245
8	-	(2,789)	2,032
-	-	69,089	189,661
-	-	67,548	224,962
-	14,565,522	14,565,522	19,580,393
<u>\$ 2,099</u>	<u>\$ 68,483</u>	<u>\$ 2,707,940</u>	<u>\$ 1,661,124</u>

FIDUCIARY FUNDS

To account for assets held by a governmental unit in a trustee capacity or as an agent for individuals, private organizations, and other governmental units.

Private Purpose Trust Funds:

Missing Heirs – To account for unclaimed funds of heirs who cannot immediately be located.

Lake Owasso Residence Trust – To account for resident's assets held by the County.

Ramsey Nursing Home Client Trust – To account for client assets held by the County.

Social Welfare – To account for certain Community Human Services client assets held by the County.

Agency Fund:

To account for assets held by a governmental unit as an agent for individuals/private organizations, and other governmental units.

STATEMENT 9

RAMSEY COUNTY, MINNESOTA
COMBINING STATEMENT OF FIDUCIARY NET ASSETS
PRIVATE PURPOSE TRUST FUNDS
DECEMBER 31, 2008
WITH COMPARATIVE TOTALS FOR DECEMBER 31, 2007

	<u>Missing Heirs</u>	<u>Lake Owasso Residence Client Trust</u>	<u>Ramsey Care Center Client Trust</u>	<u>Social Welfare</u>	<u>Total Private Purpose Trust Funds</u>	
					<u>2008</u>	<u>2007</u>
ASSETS						
Cash and Cash Equivalents	\$ 173,847	\$ 95,110	\$ 55,347	\$ 2,342,357	\$ 2,666,661	\$ 2,234,063
Accounts Receivable	-	-	-	-	-	-
Total Assets	<u>173,847</u>	<u>95,110</u>	<u>55,347</u>	<u>2,342,357</u>	<u>2,666,661</u>	<u>2,234,063</u>
LIABILITIES						
Custodial Payable	-	<u>7,538</u>	<u>2,007</u>	-	<u>9,545</u>	<u>4,898</u>
NET ASSETS						
Held in Trust for Private Purposes	<u>\$ 173,847</u>	<u>\$ 87,572</u>	<u>\$ 53,340</u>	<u>\$ 2,342,357</u>	<u>\$ 2,657,116</u>	<u>\$ 2,229,165</u>

RAMSEY COUNTY, MINNESOTA
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
PRIVATE PURPOSE TRUST FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2008
WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2007

	<u>Missing Heirs</u>	<u>Lake Owasso Residence Client Trust</u>	<u>Ramsey Care Center Client Trust</u>	<u>Social Welfare</u>	<u>Total Private Purpose Trust Funds</u>	
					<u>2008</u>	<u>2007</u>
ADDITIONS						
Receipts from Clients	\$ 12,300	\$ 117,627	\$ 102,096	\$ 13,649,258	\$ 13,881,281	\$ 12,925,589
Investment Earnings	-	-	799	7,935	8,734	12,034
Total Additions	<u>12,300</u>	<u>117,627</u>	<u>102,895</u>	<u>13,657,193</u>	<u>13,890,015</u>	<u>12,937,623</u>
DEDUCTIONS						
Payments to Clients or on Behalf of Clients	<u>2,264</u>	<u>130,550</u>	<u>111,631</u>	<u>13,217,619</u>	<u>13,462,064</u>	<u>13,238,795</u>
Change in Net Assets	10,036	(12,923)	(8,736)	439,574	427,951	(301,172)
Net Assets - Beginning	<u>163,811</u>	<u>100,496</u>	<u>62,075</u>	<u>1,902,783</u>	<u>2,229,165</u>	<u>2,530,337</u>
Net Assets - Ending	<u>\$ 173,847</u>	<u>\$ 87,573</u>	<u>\$ 53,339</u>	<u>\$ 2,342,357</u>	<u>\$ 2,657,116</u>	<u>\$ 2,229,165</u>

**RAMSEY COUNTY, MINNESOTA
AGENCY FUND
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
FOR THE YEAR ENDED DECEMBER 31, 2008**

	<u>Balance January 1, 2008</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance December 31, 2008</u>
ASSETS				
Cash and Cash Equivalents	\$ 26,259,734	\$ 772,534,954	\$ 772,776,491	\$ 26,018,197
Petty Cash and Change Funds	50	-	-	50
Receivables (Net):				
Taxes	-	-	-	-
Accounts	21,048,875	22,391,647	21,048,875	22,391,647
Due from Other Governments	26,435	41,179	26,435	41,179
Advance to Other Governments	-	-	-	-
	<u>47,335,094</u>	<u>794,967,780</u>	<u>793,851,801</u>	<u>48,451,073</u>
LIABILITIES				
Salaries Payable	11,376	22,053	11,376	22,053
Custodial Payable	37,778,087	38,447,498	38,731,400	37,494,185
Due to Other Governments	9,545,631	10,934,835	9,545,631	10,934,835
	<u>47,335,094</u>	<u>49,404,386</u>	<u>48,288,407</u>	<u>48,451,073</u>
Total Liabilities	<u>\$ 47,335,094</u>	<u>\$ 49,404,386</u>	<u>\$ 48,288,407</u>	<u>\$ 48,451,073</u>

Other Supplementary Information

RAMSEY COUNTY, MINNESOTA
SCHEDULE OF INTERGOVERNMENTAL REVENUES
ALL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2008

	Special Revenue Funds					
	General Fund	County Library	Solid Waste/ Recycling Service Fee	Housing and Redevelopment Authority	Workforce Solutions	State Funding For Courts
Shared Revenue:						
State-						
Highway Users Tax	\$ 5,157,183	\$ -	\$ -	\$ -	\$ -	\$ -
Watercraft Registration	61,631	-	-	-	-	-
Market Value Homestead Credit	7,721,167	261,851	-	-	-	-
Disparity Reduction Aid	241,958	-	-	-	-	-
County Program Aid	11,844,323	391,062	-	-	-	-
State Aid for Police Pension	1,336,135	-	-	-	-	-
911 Telephone Fee	-	-	-	-	-	-
PERA Rate Increase Aid	699,356	21,652	3,799	824	9,372	11,114
Total Shared Revenue	<u>27,061,753</u>	<u>674,565</u>	<u>3,799</u>	<u>824</u>	<u>9,372</u>	<u>11,114</u>
Reimbursement for Services:						
State-						
Minnesota Department of Human Services	8,686,932	-	-	-	2,751	-
Federal-						
Health and Human Services	385,396	8,608	-	66	-	1,267
Family Service Collaborative	11,710	-	-	-	-	-
Total Reimbursement for Services	<u>9,084,038</u>	<u>8,608</u>	<u>-</u>	<u>66</u>	<u>2,751</u>	<u>1,267</u>
Grants:						
State-						
Minnesota Department of Agriculture	-	-	2,851	-	-	-
Education	256,995	-	-	-	-	-
Public Safety	1,883,925	-	-	-	-	-
Environmental Assistance	-	-	1,268,637	-	-	-
Health	3,064,032	-	-	-	-	-
Natural Resources	26,438	-	-	-	-	-
Transportation	116,949	-	-	-	-	-
Corrections	10,958,057	-	-	-	-	-
Human Services	45,961,442	-	-	-	262,434	-
Veteran Affairs	60,258	-	-	-	-	-
Housing Finance	1,912,821	-	-	-	-	-
Employment & Economic Development	637	-	-	-	2,738,135	-
Trial Courts	-	-	-	-	-	6,408,950
Public Defense Board	-	-	-	-	-	-
Miscellaneous Boards	100,935	13,171	-	-	-	-
Total State	<u>64,342,489</u>	<u>13,171</u>	<u>1,271,488</u>	<u>-</u>	<u>3,000,569</u>	<u>6,408,950</u>
Federal-						
Department of Agriculture	7,308,414	-	-	-	146,054	-
Justice	691,595	-	-	-	-	-
Transportation	161,262	-	-	-	-	-
Housing and Urban Development	1,047,046	-	-	2,062,767	-	-
Labor	-	-	-	-	2,825,992	-
Environmental Protection Agency	949	-	-	-	-	-
Health and Human Services	51,930,684	-	-	-	17,651,331	-
Homeland Security	238,997	-	-	-	-	-
Total Federal	<u>61,378,947</u>	<u>-</u>	<u>-</u>	<u>2,062,767</u>	<u>20,623,377</u>	<u>-</u>
Local						
Total Grants	<u>550,722</u>	<u>229,429</u>	<u>224,611</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Intergovernmental Revenue	<u>126,272,158</u>	<u>242,600</u>	<u>1,496,099</u>	<u>2,062,767</u>	<u>23,623,946</u>	<u>6,408,950</u>
Excess Tax Increment	2,770,156	-	-	-	-	-
Payments in lieu of taxes	125,116	1,037	-	-	-	-
Total Intergovernmental Revenue	<u>\$ 165,313,221</u>	<u>\$ 926,810</u>	<u>\$ 1,499,898</u>	<u>\$ 2,063,657</u>	<u>\$ 23,636,069</u>	<u>\$ 6,421,331</u>

Special Revenue Funds

State Public Defender	Emergency Communications	Regional Railroad Authority	Sheriff	Parks and Recreation	Law Library	Forfeited Tax Sale	Regional Railroad Authority Capital	Total
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-	-
-	-	119,382	-	-	-	-	581,566	962,799
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	391,062
-	617,495	-	-	-	-	-	-	617,495
14,980	-	-	-	-	836	912	-	63,489
<u>14,980</u>	<u>617,495</u>	<u>119,382</u>	<u>-</u>	<u>-</u>	<u>836</u>	<u>912</u>	<u>581,566</u>	<u>2,034,845</u>
-	-	-	-	-	-	-	-	2,751
-	-	-	-	-	-	-	-	9,941
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	<u>12,692</u>
-	-	-	-	-	-	-	-	2,851
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	1,268,637
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	262,434
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	2,738,135
-	-	-	-	-	-	-	-	6,408,950
3,879,687	-	-	-	-	-	-	-	3,879,687
-	-	-	-	-	-	-	-	13,171
<u>3,879,687</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>14,573,865</u>
-	-	-	-	-	-	-	-	146,054
-	-	-	146,167	-	-	-	-	146,167
-	-	65,554	-	-	-	-	486,939	552,493
-	-	-	-	-	-	-	-	2,062,767
-	-	-	-	-	-	-	-	2,825,992
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	17,651,331
-	-	-	-	-	-	-	-	-
-	-	65,554	146,167	-	-	-	486,939	23,384,804
-	-	6,574	-	365,776	-	-	3,500,000	4,326,390
3,879,687	-	72,128	146,167	365,776	-	-	3,986,939	42,285,059
-	-	-	-	-	-	-	-	-
-	-	1,471	-	-	-	-	-	2,508
<u>\$ 3,894,667</u>	<u>\$ 617,495</u>	<u>\$ 192,981</u>	<u>\$ 146,167</u>	<u>\$ 365,776</u>	<u>\$ 836</u>	<u>\$ 912</u>	<u>\$ 4,568,505</u>	<u>\$ 44,335,104</u>

(Continued)

RAMSEY COUNTY, MINNESOTA
SCHEDULE OF INTERGOVERNMENTAL REVENUES
ALL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2008

	Debt Service Fund	Capital Projects Fund	Enterprise Funds	Internal Service Funds	Total All Funds
Shared Revenue:					
State-					
Highway Users Tax	\$ 431,880	\$ 4,738,929	\$ -	\$ -	\$ 10,327,992
Watercraft Registration	-	-	-	-	61,631
Market Value Homestead Credit	654,867	-	-	-	9,338,833
Disparity Reduction Aid	20,098	-	-	-	262,056
County Program Aid	43,870	-	-	-	12,279,255
State Aid for Police Pension	-	-	290,236	-	1,626,371
911 Telephone Fee	-	-	-	-	617,495
PERA Rate Increase Aid	-	-	54,292	29,150	846,287
Total Shared Revenue	<u>1,150,715</u>	<u>4,738,929</u>	<u>344,528</u>	<u>29,150</u>	<u>35,359,920</u>
Reimbursement for Services:					
State-					
Minnesota Department of Human Services	-	-	-	-	8,689,683
Federal-					
Health and Human Services	-	-	33,778	15,641	444,756
Family Service Collaborative	-	-	-	-	11,710
Total Reimbursement for Services	<u>-</u>	<u>-</u>	<u>33,778</u>	<u>15,641</u>	<u>9,146,149</u>
Grants:					
State-					
Minnesota Department of Agriculture	-	-	-	-	2,851
Education	-	-	-	-	256,995
Public Safety	-	-	-	-	1,883,925
Environmental Assistance	-	-	-	-	1,268,637
Health	-	-	-	-	3,064,032
Natural Resources	-	-	-	-	26,438
Transportation	-	3,029,053	-	-	3,146,002
Corrections	-	-	-	-	10,958,057
Human Services	-	-	-	-	46,223,876
Veteran Affairs	-	-	-	-	60,258
Housing Finance	-	-	-	-	1,912,821
Employment & Economic Development	-	-	-	-	2,738,772
Trial Courts	-	-	-	-	6,408,950
Public Defense Board	-	-	-	-	3,879,687
Miscellaneous Boards	-	-	-	-	114,106
Total State	<u>-</u>	<u>3,029,053</u>	<u>-</u>	<u>-</u>	<u>81,945,407</u>
Federal-					
Department of Agriculture	-	-	-	-	7,454,468
Justice	-	-	-	-	837,762
Transportation	-	3,289,528	-	-	4,003,283
Housing and Urban Development	-	-	-	-	3,109,813
Labor	-	-	-	-	2,825,992
Environmental Protection Agency	-	-	-	-	949
Health and Human Services	-	-	-	-	69,582,015
Homeland Security	-	197,329	-	-	436,326
Total Federal	<u>-</u>	<u>3,486,857</u>	<u>-</u>	<u>-</u>	<u>88,250,608</u>
Local	-	3,565,407	-	-	8,442,519
Total Grants	<u>-</u>	<u>10,081,317</u>	<u>-</u>	<u>-</u>	<u>178,638,534</u>
Excess Tax Increment	-	-	-	-	2,770,156
Payments in lieu of taxes	1,734	-	-	-	129,358
Total Intergovernmental Revenue	<u>\$ 1,152,449</u>	<u>\$ 14,820,246</u>	<u>\$ 378,306</u>	<u>\$ 44,791</u>	<u>\$ 226,044,117</u>

RAMSEY COUNTY, MINNESOTA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2008

Federal Grantor Pass Through Agency Grant Program Title	Federal CFDA Number	Expenditures	Passed Through to Subrecipients
Department of Agriculture			
Direct			
Wildlife Habitat Incentive Program	10.914	\$ 2,429	\$ -
Passed Through Minnesota Department of Education:			
School Breakfast Program	10.553	62,382	-
National School Lunch Program	10.555	102,324	-
Passed Through Minnesota Department of Health:			
Special Supplemental Nutrition Program for Women, Infants and Children (WIC)	10.557	2,334,371	-
Food Stamp Program - State Administrative Matching Grant	10.561	4,946,862	-
Passed Through Minnesota Department of Agriculture:			
WIC Farmers Market Nutrition Program (FMNP)	10.572	6,100	-
Total Department of Agriculture		<u>7,454,468</u>	<u>-</u>
Department of Housing and Urban Development			
Direct			
Community Development Block Grants (CDBG)	14.218	1,361,713	550,000
Supportive Housing Program	14.235	419,589	419,589
Lead Based Paint Hazard Control Program	14.900	3,176	-
Passed Through Dakota County: Community Development Agency			
Home Investment in Affordable Housing (HOME)	14.239	701,054	60,000
Passed Through Minnesota Department of Health:			
Lead Based Paint Hazard Control Program	14.900	10,237	-
Passed Through Hennepin County:			
Lead Based Paint Hazard Control Program	14.900	500,272	-
Passed Through City of Minneapolis:			
Lead Based Paint Hazard Control Program	14.900	7,103	-
Healthy Homes Demonstration Grants	14.901	24,638	-
Passed Through City of St. Paul:			
Community Development Block Grants (CDBG)	14.218	82,031	-
Total Department of Housing and Urban Development		<u>3,109,813</u>	<u>1,029,589</u>
Department of Justice			
Direct			
Supervised Visitation, Safe Haven for Children	16.527	248,952	-
Byrne Formula Grant Program	16.579	13,926	-
State Criminal Alien Assistance Program	16.606	264,562	-
Passed Through Minnesota Department of Public Safety:			
Juvenile Accountability Incentive Block Grant (JAIBG)	16.523	171,450	-
Crime Victim Assistance	16.575	105,109	-
Anti-Gang Initiative	16.744	33,763	-
Total Department of Justice		<u>837,762</u>	<u>-</u>
Department of Labor			
Passed Through Minnesota Department of Employment and Economic Development:			
Workforce Investment Act (WIA) - Adult Programs	17.258	818,204	12,332
Workforce Investment Act (WIA) - Youth Activities	17.259	871,139	633,225
Workforce Investment Act (WIA) - Dislocated Workers	17.260	1,005,692	125
Incentive Grants - Workforce Investment Act Section 503	17.267	130,957	-
Total Department of Labor		<u>2,825,992</u>	<u>645,682</u>

(continued)

RAMSEY COUNTY, MINNESOTA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2008

Federal Grantor Pass Through Agency Grant Program Title	Federal CFDA Number	Expenditures	Passed Through to Subrecipients
Department of Transportation			
Passed Through Minnesota Department of Public Safety:			
Highway Planning & Construction	20.205	13,045	-
Minimum Penalties for Repeat Offenders for DWI	20.608	148,217	-
Passed Through Minnesota Department of Transportation			
Highway Planning & Construction	20.205	3,289,528	-
Alternatives Analysis	20.522	65,554	-
Passed Through Metropolitan Council:			
Federal Transit Capital and Operating Asst Formula Grants	20.507	486,939	-
Total Department of Transportation		4,003,283	-
Environmental Protection Agency			
Passed Through Minnesota Department of Health:			
State Indoor Radon Grants	66.032	949	-
Department of Health and Human Services			
Direct			
Family Planning Services	93.217	336,543	-
Refugee and Entrant Assistance Discretionary Grants	93.576	70,217	-
Child Abuse and Neglect Discretionary Activities	93.670	158,308	-
Passed Through Minnesota Department of Human Services:			
Projects for Assistance in Transition from Homelessness	93.150	152,963	-
Promoting Safe and Stable Families	93.556	899,838	899,838
Temporary Assistance for Needy Families (TANF)	93.558	21,246,237	10,709,857
Child Support Enforcement	93.563	10,316,205	-
Refugee and Entrant Assistance	93.566	15,360	-
Child Care and Development Block Grant	93.575	15,180,214	14,147,065
Refugee and Entrant Assistance-Targeted Assistance Grants	93.584	29,964	-
Community Based Child Abuse Prevention Grants	93.590	29,004	29,004
Chafee Education and Training Vouchers Program	93.599	42,549	42,549
Child Welfare Services-State Grants	93.645	273,171	273,171
Foster Care Title IV-E	93.658	5,244,623	-
Social Services Block Grant	93.667	4,151,934	-
Child Abuse and Neglect State Grants	93.669	1,296	-
Child Abuse and Neglect Discretionary Activities	93.670	76,066	-
Independent Living	93.674	85,397	85,397
State Children's Insurance Program	93.767	4,159	-
Medicaid Infrastructure Grants to States to Support the			
Competitive Employment of People With Disabilities	93.768	32,715	32,715
Medical Assistance Program	93.778	6,750,576	-
Block Grant - Community Mental Health Services	93.958	162,306	-
Block Grant - Prevention/Treatment Substance Abuse	93.959	666,637	-

(continued)

RAMSEY COUNTY, MINNESOTA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2008

Federal Grantor Pass Through Agency Grant Program Title	Federal CFDA Number	Expenditures	Passed Through to Subrecipients
Department of Health and Human Services (continued):			
Passed Through Minnesota Department of Health:			
Grants & Coop Agreements for Tuberculosis Control	93.116	50,383	-
Immunization Research, Demonstration, Public Information and Education Training and Clinical Skills Improvement Projects	93.185	61,175	-
Family Planning Services	93.217	6,745	-
Immunization Grants	93.268	135,224	-
Center for Disease Control-Investigations & Technical Assistance	93.283	1,212,225	-
Temporary Assistance for Needy Families (TANF)	93.558	994,765	-
Refugee and Entrant Assistance Discretionary Grants	93.576	18,000	-
Breast and Cervical Cancer Control Programs	93.919	7,740	-
Sexually Transmitted Disease Control Grant	93.977	100,798	-
Maternal and Child Health Services Block Grant	93.994	869,577	646,419
Passed Through Hennepin County:			
Centers for Research and Demonstration for Health Promotion and Disease Prevention	93.135	184,407	-
Special Projects of National Significance	93.928	4,694	-
Passed Through Natl Assoc of City & County Health Officers:			
Medical Reserve Corps Small Grant Program	93.008	10,000	-
Total Department of Health and Human Services		69,582,015	26,866,015
Department of Homeland Security			
Direct			
Urban Areas Security Initiative	97.008	197,329	-
Passed Through Minnesota Department of Public Safety:			
Homeland Security Grant Program	97.067	193,997	17,739
Passed Through Minnesota Department of Natural Resources:			
Boating Safety Financial Assistance	97.012	45,000	-
Total Department of Homeland Security		436,326	17,739
Total Cash Federal Awards		88,250,608	28,559,025
Non-Cash Awards			
Department of Agriculture			
Food Donation Program	10.550	13,683	-
Total Non-Cash Federal Awards		13,683	-
Total Federal Awards		\$ 88,264,291	\$ 28,559,025

Notes to Schedule of Expenditures of Federal Awards

1. The Schedule of Expenditures of Federal Awards presents the activity of federal award programs expended by Ramsey County. The County's reporting entity is defined in Note 1 to the financial statements.
2. The expenditures on this schedule are on the modified accrual basis of accounting. The basis used for CFDA No. 10.550 is the dollar value of vouchers issued.
3. Pass-through grant numbers were not assigned by the pass-through agencies.

Section III

Statistical Section

Statistical Section

This part of Ramsey County'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 the county's overall financial health.

Contents

Page

Financial Trends

122

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

12i

These schedules contain information to help the reader assess the factors affecting the County's ability to generate its property taxes.

Debt Capacity

131

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

135

These schedules offer demographic and economic indicators to help the reader understand the environment within which the county's financial activities take place and to help make comparisons over time and with other governments.

Operating Information

13i

These schedules contain information about the county's operations and resources to help the reader understand how the county's financial information relates to the services the County provides and the activities it performs.

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year. The county implemented GASB Statement 34 in 2002; schedules presenting entity-wide information include information beginning in that year.

TABLE I

**RAMSEY COUNTY, MINNESOTA
NET ASSETS BY COMPONENT
LAST SEVEN YEARS**

(accrual basis of accounting)

	Fiscal Year						
	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
Governmental activities							
Invested in capital assets, net of related debt	\$ 350,568,755	\$ 362,980,947	\$ 331,762,415	\$ 411,727,719	\$ 437,027,997	\$ 433,496,071	\$ 459,571,638
Restricted	24,145,375	61,572,424	106,484,915	92,804,198	84,675,877	71,157,995	61,904,201
Unrestricted	158,307,476	128,896,754	144,932,259	116,795,345	167,942,820	209,183,481	223,473,920
Total governmental activities net assets	<u>533,021,606</u>	<u>553,450,125</u>	<u>583,179,589</u>	<u>621,327,262</u>	<u>689,646,694</u>	<u>713,837,547</u>	<u>744,949,759</u>
Business-type activities							
Invested in capital assets, net of related debt	3,849,605	3,730,753	3,565,655	3,656,566	3,520,751	3,379,797	3,645,069
Restricted	-	231,962	66,411	46,163	50,657	-	-
Unrestricted	(216,463)	411,773	560,087	285,907	9,153	(1,389,478)	(3,168,911)
Total business-type activities net assets	<u>3,633,142</u>	<u>4,374,488</u>	<u>4,192,153</u>	<u>3,988,636</u>	<u>3,580,561</u>	<u>1,990,319</u>	<u>476,158</u>
Primary government							
Invested in capital assets, net of related debt	354,418,360	366,711,700	335,328,070	415,384,285	440,548,748	436,875,868	463,216,707
Restricted	24,145,375	61,804,386	106,551,326	92,850,361	84,726,534	71,157,995	61,904,201
Unrestricted	158,091,013	129,308,527	145,492,346	117,081,252	167,951,973	207,794,003	220,305,009
Total primary government net assets	<u>\$ 536,654,748</u>	<u>\$ 557,824,613</u>	<u>\$ 587,371,742</u>	<u>\$ 625,315,898</u>	<u>\$ 693,227,255</u>	<u>\$ 715,827,866</u>	<u>\$ 745,425,917</u>

Note: Accrual-basis financial information is available back to 2002 only, the year GASB Statement 34 was implemented.

TABLE II

**RAMSEY COUNTY, MINNESOTA
CHANGES IN NET ASSETS
LAST SEVEN YEARS**

(accrual basis of accounting)

	Fiscal Year						
	2002	2003	2004	2005	2006	2007	2008
Expenses							
Governmental activities:							
General government	\$ 93,519,244	\$ 88,644,095	\$ 49,037,867	\$ 69,903,388	\$ 83,775,008	\$ 101,167,962	\$ 128,943,586
Public safety	84,036,106	81,266,102	92,552,785	103,140,189	93,123,718	119,620,609	95,365,044
Highways and streets	23,609,628	19,587,607	46,613,526	26,016,187	35,186,475	55,736,382	27,755,773
Sanitation	15,851,946	14,801,190	15,737,538	17,850,477	17,071,936	20,784,044	21,437,028
Health	24,118,961	24,400,859	23,278,945	26,154,048	26,343,037	28,278,967	30,170,924
Human services	181,927,405	176,750,563	170,372,597	172,133,597	176,236,609	184,531,459	180,681,041
Culture and recreation	18,896,677	18,792,204	17,181,691	21,253,410	18,916,977	17,643,825	24,850,816
Conservation of natural resources	768,743	776,639	466,403	421,883	413,943	81,364	127,989
Economic development and assistance	25,747,275	23,877,182	22,938,963	22,774,299	22,931,445	23,600,476	26,515,815
Interest	7,826,063	7,297,704	9,648,967	9,259,922	9,433,629	9,474,261	8,590,471
Total governmental activities expenses	476,302,048	456,194,145	447,829,282	468,907,400	483,432,777	560,919,349	544,438,487
Business-type activities:							
Lake Owasso Residence	7,142,831	7,692,647	7,786,233	7,700,741	8,177,791	8,702,482	8,772,381
Ponds at Battle Creek	488	172,661	665,560	608,504	701,798	694,747	738,633
Ramsey County Care Center	11,398,215	11,751,327	12,079,285	12,184,848	12,435,723	13,608,395	14,400,779
Office of Integrated Managed Care	1,242,876	711,578	-	-	-	-	-
Law Enforcement Services	4,474,209	4,588,613	4,790,221	4,945,064	5,051,851	5,248,385	5,582,194
Total business-type activities expenses	24,258,619	24,916,826	25,321,299	25,439,157	26,367,163	28,254,009	29,493,987
Total primary government expenses	500,560,667	481,110,971	473,150,581	494,346,557	509,799,940	589,173,358	573,932,474
Program Revenues							
Governmental activities:							
Fees, fines, charges and other:							
General government	22,131,397	15,641,123	14,140,880	14,721,943	25,586,857	17,929,840	20,472,751
Public safety	6,534,896	6,243,086	7,023,639	9,170,315	8,350,392	9,702,158	17,230,963
Highways and streets	2,863,501	2,853,955	1,388,395	1,959,189	2,451,634	4,384,943	3,582,569
Sanitation	1,173,952	13,063,110	15,817,903	16,870,909	19,659,083	17,864,232	19,041,808
Health	6,171,791	7,727,760	7,988,406	9,613,494	8,166,676	7,865,494	8,092,699
Human services	6,976,751	5,851,067	6,727,816	6,555,896	7,773,517	8,276,649	10,383,511
Culture and recreation	5,364,987	5,450,301	5,709,279	5,854,429	6,010,116	6,291,835	6,799,792
Conservation of natural resources	312,688	181,631	161,547	257,348	302,760	179,122	455
Economic development and assistance	624,540	5,054,419	1,349,226	3,896,699	1,666,602	522,029	2,220,368
Operating grants and contributions:							
General government	26,461,574	19,377,353	24,122,721	23,160,822	11,750,858	28,311,540	21,246,302
Public safety	19,345,021	17,515,627	13,617,565	12,788,912	13,857,784	14,579,839	15,566,362
Highways and streets	-	59,938	5,201,984	3,206,041	4,261,815	6,014,034	4,040,531
Sanitation	1,757,002	1,312,417	1,438,701	1,401,465	1,506,761	2,494,748	1,709,892
Health	10,342,476	11,937,292	9,318,922	11,167,848	11,983,024	13,341,719	11,891,612
Human services	114,448,042	109,200,218	93,048,708	93,618,417	98,980,847	95,521,547	96,601,195
Culture and recreation	901,079	293,722	914,335	337,490	677,345	1,714,644	1,667,841
Conservation of natural resources	118,516	49,280	85,618	78,061	77,584	4,000	-
Economic development and assistance	23,194,326	19,515,445	20,541,025	21,274,245	21,595,537	22,761,021	25,699,726
Capital grants and contributions:							
General government	-	901,702	19,955	605,391	1,256,573	3,500,000	3,986,939
Public safety	-	2,444,356	4,730,416	5,768,076	6,195,938	8,873,273	197,329
Highways and streets	20,784,558	22,337,802	10,218,516	17,905,823	24,239,254	28,892,308	12,225,205
Culture and recreation	1,218,077	2,282,440	195,432	1,921,921	1,603,138	521,765	976,609
Conservation of natural resources	-	-	3,000	26,552	-	-	-
Economic development and assistance	-	905,001	1,328,705	85,000	-	-	-
Total governmental activities program	270,725,174	270,199,045	245,092,694	262,246,286	277,954,095	299,546,740	283,634,459

TABLE II
(Continued)

RAMSEY COUNTY, MINNESOTA
CHANGES IN NET ASSETS
LAST SEVEN YEARS

(accrual basis of accounting)

	Fiscal Year						
	2002	2003	2004	2005	2006	2007	2008
Business-type activities:							
Fees, fines, charges and other:							
Lake Owasso Residence	7,295,797	7,191,307	7,715,951	7,478,024	7,630,384	7,793,049	8,015,858
Ponds at Battle Creek	-	30,343	460,246	430,735	446,901	481,476	465,921
Ramsey County Care Center	10,797,696	11,215,071	11,484,976	11,323,025	11,949,961	12,344,360	12,910,864
Office of Integrated Managed Care	13,000	193	-	-	-	-	-
Law Enforcement Services	4,171,818	4,313,810	4,550,667	4,613,674	4,804,901	4,934,136	5,279,653
Operating grants and contributions:							
Lake Owasso Residence	-	-	-	-	-	19,968	26,957
Ponds at Battle Creek	-	-	-	-	-	-	-
Ramsey County Care Center	-	-	-	-	-	93,084	60,567
Office of Integrated Managed Care	1,017,242	934,065	-	-	-	-	-
Law Enforcement Services	-	258,969	254,128	-	258,573	313,099	290,782
Capital grants and contributions:							
Lake Owasso Residence	2,175	-	-	-	-	75,010	-
Ramsey County Care Center	41,252	72,823	25,183	328,644	68,018	67,407	-
Total business-type activities program	23,338,980	24,016,581	24,491,151	24,174,102	25,158,738	26,121,589	27,050,602
Total primary government program	294,064,154	294,215,626	269,583,845	286,420,388	303,112,833	325,668,329	310,685,061
Net (Expense)/Revenue							
Governmental activities	(205,576,874)	(185,995,100)	(202,736,588)	(206,661,114)	(205,478,682)	(261,372,609)	(260,804,028)
Business-type activities	(919,639)	(900,245)	(830,148)	(1,265,055)	(1,208,425)	(2,132,420)	(2,443,385)
Total primary government net expense	(206,496,513)	(186,895,345)	(203,566,736)	(207,926,169)	(206,687,107)	(263,505,029)	(263,247,413)
General Revenues and Other Charges in Net Assets							
Governmental activities:							
Property taxes	175,132,352	179,663,516	188,180,358	198,458,773	217,391,017	241,069,599	251,168,844
Grants and contributions not restricted to specific programs	28,641,355	23,078,325	23,566,382	35,262,802	35,053,797	23,416,716	23,843,634
Investment earnings	11,579,900	4,384,058	5,629,709	7,673,916	15,581,358	20,381,154	15,240,509
Miscellaneous	2,146,683	1,426,526	1,021,777	3,493,298	3,032,751	-	-
Lease proceeds	-	-	13,845,000	-	-	-	-
Gain on disposal/sale of capital assets	302,700	(657,353)	97,814	478,559	3,358,752	1,079,083	2,520,956
Transfers	(519,384)	(1,471,453)	(607,492)	(558,561)	(619,561)	(383,090)	(857,703)
Total governmental activities	217,283,606	206,423,619	231,733,548	244,808,787	273,798,114	285,563,462	291,916,240
Business-type activities:							
Grants and contributions not restricted to specific programs	297,460	79,249	54,292	314,170	54,170	-	-
Investment earnings	36,124	36,725	88,966	137,621	142,025	149,835	52,796
Miscellaneous	-	-	-	4,725	1,575	-	-
Gain on disposal/sale of capital assets	(4,840)	54,248	17,560	46,461	(16,981)	9,253	18,725
Transfers	519,384	1,471,453	607,492	558,561	619,561	383,090	857,703
Total business-type activities	848,128	1,641,675	768,310	1,061,538	800,350	542,178	929,224
Total primary government	218,131,734	208,065,294	232,501,858	245,870,325	274,598,464	286,105,640	292,845,464
Change in Net Assets							
Governmental activities	11,706,732	20,428,519	28,996,960	38,147,673	68,319,432	24,190,853	31,112,212
Business-type activities	(71,511)	741,430	(61,838)	(203,517)	(408,075)	(1,590,242)	(1,514,161)
Total primary government	\$ 11,635,221	\$ 21,169,949	\$ 28,935,122	\$ 37,944,156	\$ 67,911,357	\$ 22,600,611	\$ 29,598,051

Note: Accrual-basis financial information is available back to 2002 only, the year GASB Statement 34 was implemented.

TABLE III

**RAMSEY COUNTY, MINNESOTA
FUND BALANCES OF GOVERNMENTAL FUNDS
LAST SEVEN YEARS**

(modified accrual basis of accounting)

	Fiscal Year						
	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
General Fund							
Reserved	\$ 18,380,671	\$ 14,276,857	\$ 16,600,329	\$ 18,271,565	\$ 20,037,607	\$ 26,183,908	\$ 24,745,093
Unreserved							
Designated	97,712,255	96,639,755	90,228,057	105,631,733	125,350,133	116,401,902	127,940,274
Undesignated	25,079,440	28,022,435	28,704,212	29,441,401	30,592,387	32,204,125	36,858,893
Total General Fund	<u>141,172,366</u>	<u>138,939,047</u>	<u>135,532,598</u>	<u>153,344,699</u>	<u>175,980,127</u>	<u>174,789,935</u>	<u>189,544,260</u>
All Other Governmental Funds							
Reserved	72,653,648	27,834,096	81,494,745	71,413,941	73,519,370	79,419,196	66,857,324
Unreserved							
Designated							
Special revenue funds	22,163,668	29,278,356	35,689,366	35,481,628	45,240,562	52,937,331	63,514,506
Capital project fund	-	21,320,176	15,932,348	12,287,308	12,664,938	-	-
Undesignated							
Special revenue funds	7,768,347	5,321,751	4,325,063	4,555,554	5,427,871	5,836,106	390,275
Capital project fund	-	-	-	-	-	(2,156,637)	(8,772,755)
Total all other governmental funds	<u>\$ 102,585,663</u>	<u>\$ 83,754,379</u>	<u>\$ 137,441,522</u>	<u>\$ 123,738,431</u>	<u>\$ 136,852,741</u>	<u>\$136,035,996</u>	<u>\$121,989,350</u>

Note: Due to changes in the county's reporting with GASB Statement 34, fund balance information is available back to 2002 only.

TABLE IV

RAMSEY COUNTY, MINNESOTA
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
LAST SEVEN YEARS

(modified accrual basis of accounting)

	Fiscal Year						
	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
Revenues							
Property taxes	\$ 176,442,599	\$ 176,103,167	\$ 187,853,804	\$ 197,333,878	\$ 216,674,650	\$ 239,785,933	\$ 249,861,620
Licenses and permits	1,128,524	1,253,422	1,258,037	1,410,846	1,394,880	1,471,701	1,639,971
Intergovernmental	241,787,901	221,508,422	201,310,013	216,905,306	242,690,517	237,252,980	225,621,020
Private grants and donations	1,097,019	1,241,181	397,283	621,000	422,816	1,133,959	1,468,043
Charges for services	42,762,479	56,428,484	61,635,081	64,869,125	62,043,508	61,155,215	68,393,453
Fines and forfeitures	4,124,232	2,437,722	733,823	761,722	745,971	845,968	733,550
Sales	2,649,774	2,306,044	2,457,870	2,804,900	2,850,049	2,568,428	2,486,445
Rental income	929,341	1,007,022	1,346,306	1,387,051	1,658,210	1,500,716	1,559,640
Investment earnings	11,579,900	4,884,456	6,254,178	9,187,327	17,560,179	22,514,136	16,012,013
Program recoveries	5,600,073	4,116,529	4,020,666	3,948,060	3,790,928	4,021,196	3,919,001
Miscellaneous	5,645,316	7,126,047	4,748,409	7,104,859	5,529,616	8,816,301	8,813,756
Total revenues	<u>493,747,158</u>	<u>478,412,496</u>	<u>472,015,470</u>	<u>506,334,074</u>	<u>555,361,324</u>	<u>581,066,533</u>	<u>580,508,512</u>
Expenditures							
General government	87,599,504	81,731,833	79,591,902	88,857,578	87,579,800	136,147,236	99,922,521
Public safety	81,910,462	80,891,130	86,399,635	89,586,294	93,978,150	103,852,517	116,561,185
Highways and streets	14,054,555	15,023,259	14,087,001	14,321,647	14,898,949	15,308,044	15,352,544
Sanitation	15,850,612	14,778,330	15,742,726	17,852,048	17,027,293	20,578,256	21,216,560
Health	24,993,929	25,702,871	24,447,734	26,459,940	27,620,672	27,845,829	29,674,278
Human services	185,217,289	178,278,504	173,313,709	174,403,870	178,479,898	179,473,226	179,189,088
Culture and recreation	16,743,482	16,548,538	16,140,176	17,452,152	17,816,393	18,832,863	19,911,185
Conservation of natural resources	828,136	775,940	458,455	438,555	406,016	51,254	71,516
Economic development and assistance	25,678,477	23,634,515	23,122,428	22,734,910	22,915,902	23,650,189	26,146,647
Capital outlay	63,166,225	65,318,576	43,153,982	38,959,892	50,134,804	66,777,129	35,478,085
Debt service							
Bond issuance costs	1,079,357	229,302	363,672	134,111	70,093	86,872	66,371
Principal	43,829,429	15,496,354	11,517,541	11,913,241	11,835,252	16,298,102	24,429,453
Interest	6,541,233	7,418,382	8,326,082	9,660,213	9,373,553	9,651,318	9,166,915
Total expenditures	<u>567,492,690</u>	<u>525,827,534</u>	<u>496,665,043</u>	<u>512,774,451</u>	<u>532,136,775</u>	<u>618,552,835</u>	<u>577,186,348</u>
Excess of revenues over (under) expenditures	<u>(73,745,532)</u>	<u>(47,415,038)</u>	<u>(24,649,573)</u>	<u>(6,440,377)</u>	<u>23,224,549</u>	<u>(37,486,302)</u>	<u>3,322,164</u>
Other Financing Sources (Uses):							
Contract for Deed	-	-	-	-	-	45,278,408	-
Xcel Energy Loan Proceeds	-	-	-	-	76,940	-	-
Proceeds from bonds	80,290,000	27,015,000	54,620,000	17,575,000	6,750,000	18,610,000	6,100,000
Proceeds from loan	4,682,875	-	-	-	-	-	-
Discount/premium on bonds	1,146,128	1,007,203	1,770,673	1,057,776	31,046	690,659	122,772
Sale of capital assets	900,000	14,400	13,845,000	756,306	6,000,000	3,300,000	3,531,806
Redemption of refunded bonds	-	-	(2,345,000)	(10,505,000)	-	(8,510,000)	(7,355,000)
Transfers in	3,024,157	9,606,712	2,118,199	226,989	2,331,539	5,894,151	8,875,286
Transfers out	(3,542,913)	(11,263,221)	(2,725,691)	(805,676)	(2,950,973)	(29,567,348)	(13,681,743)
Total other financing sources (uses)	<u>86,500,247</u>	<u>26,380,094</u>	<u>67,283,181</u>	<u>8,305,395</u>	<u>12,238,552</u>	<u>35,695,870</u>	<u>(2,406,879)</u>
Net change in fund balances	<u>\$ 12,754,715</u>	<u>\$ (21,034,944)</u>	<u>\$ 42,633,608</u>	<u>\$ 1,865,018</u>	<u>\$ 35,463,101</u>	<u>\$ (1,790,432)</u>	<u>\$ 915,285</u>
Debt service as a percentage of noncapital expenditures	10.09%	5.00%	4.51%	4.63%	4.41%	4.76%	6.27%

Note: Due to changes in the county's reporting with GASB Statement 34, fund balance information is available from 2002.

TABLE V

**RAMSEY COUNTY, MINNESOTA
NET TAX CAPACITY AND MARKET VALUE OF PROPERTY
LAST TEN FISCAL YEARS**

PAYABLE FISCAL PERIOD	REAL ESTATE			PERSONAL PROPERTY		NET	LESS		TOTAL	PERCENT OF		
	RESIDENTIAL	COMMERCIAL INDUSTRIAL	NET TAX CAPACITY	TAXABLE MARKET VALUE	NET TAX CAPACITY	TAXABLE MARKET VALUE	FISCAL DISPARITY (1)	TAX INCREMENT NET CAPTURED TAX CAPACITY	NET TAX CAPACITY (2)	TOTAL DIRECT TAX RATE	TAXABLE MARKET VALUE	TAXABLE MARKET VALUE
2000	\$ 215,146,749	\$ 142,295,833	\$ 357,442,582	\$ 20,705,655,394	\$ 14,179,694	\$ 422,659,400	\$ 25,188,986	\$ 32,264,176	\$ 364,547,086	45.620	\$ 21,128,314,794	1.73%
2001	239,458,505	166,287,124	405,745,629	22,946,288,200	13,809,251	412,474,200	24,968,205	39,704,914	404,818,171	42.885	23,358,762,400	1.73%
2002	210,627,086	106,947,310	317,574,396	25,264,935,700	8,437,837	425,801,700	15,476,414	25,517,872	315,970,775	55.366	25,690,737,400	1.23%
2003	232,709,558	121,254,997	353,964,555	28,452,378,400	8,614,622	436,524,200	18,141,924	27,493,190	353,227,911	54.603	28,888,902,600	1.22%
2004	260,973,656	129,435,303	390,408,959	31,879,341,300	8,929,442	450,608,900	14,929,192	30,443,069	383,824,524	53.135	32,329,950,200	1.19%
2005	305,043,385	133,723,605	438,766,990	36,273,669,900	9,351,087	471,470,300	13,244,590	31,946,107	429,416,560	49.210	36,745,140,200	1.17%
2006	343,211,827	146,572,708	489,784,535	40,782,233,700	9,166,212	462,162,600	12,982,384	33,549,332	478,383,799	46.623	41,244,396,300	1.16%
2007	382,683,298	164,138,472	546,821,770	45,462,936,100	9,300,648	468,551,900	12,882,615	40,581,499	528,423,534	44.943	45,931,488,000	1.15%
2008	404,185,641	184,897,196	589,082,837	48,590,277,100	10,017,460	505,113,100	15,266,511	47,852,805	566,514,003	44.023	49,095,390,200	1.15%
2009	392,447,216	194,114,329	586,561,545	47,879,498,400	9,871,164	498,208,500	18,713,524	47,183,423	596,432,709	46.546	48,377,706,900	1.23%

(1) Fiscal Disparity Net Tax Capacity is the increase in the tax base distributed to Ramsey County by the Other metropolitan counties pursuant to M.S. Chapter 473.F - Metropolitan Revenue distribution. There are no provisions in the law for calculating a market value for the Fiscal Disparity Net Tax Capacity.

(2) All taxable property in Minnesota is listed annually and reappraised at least once every four years with reference to its value on January 2 of that year. Property is currently appraised at "Market Value," defined as the usual selling price of the property which would be obtained at private sale and not at a forced or auction sale. Statutory percentages are then applied to this value to determine a property's "Taxable Net Tax Capacity," upon which taxes are levied, extended, and collected. The total net tax capacity is reduced by the amount of the tax increment financing captured net tax capacity.

unaudited

**RAMSEY COUNTY, MINNESOTA
PROPERTY TAX RATES AND TAX LEVIES
LAST TEN FISCAL YEARS**

LEVY YEAR	PAYABLE YEAR	GENERAL FUND		GENERAL DEBT SERVICE	TOTAL GENERAL COUNTY
		GENERAL SERVICES	HUMAN SERVICES		
<u>TAX RATE AS A PERCENTAGE OF NET TAX CAPACITY (3)</u>					
1999	2000	22.103	15.180	3.712	40.995
2000	2001	20.651	14.472	3.596	38.719
2001	2002	27.592	18.510	4.647	50.749
2002	2003	27.734	18.250	4.302	50.286
2003	2004	27.078	17.789	4.572	49.439
2004	2005	25.636	16.156	4.056	45.848
2005	2006	25.541	14.465	3.548	43.554
2006	2007	24.454	14.294	3.219	41.967
2007	2008	24.808	13.339	3.011	41.158
2008	2009	26.450	13.623	3.098	43.171
<u>TAX LEVIES</u>					
1999	2000	\$ 90,186,859	\$ 61,903,210	\$ 13,457,145	\$ 165,547,214
2000	2001	92,781,098	65,015,640	14,428,727	172,225,465
2001	2002	99,131,050	66,502,260	15,090,354	180,723,664
2002	2003	103,504,290	68,110,222	15,084,238	186,698,750
2003	2004	104,154,621	68,422,784	17,587,559	190,164,964
2004	2005	111,196,210	70,077,008	17,591,732	198,864,950
2005	2006	122,936,213	69,623,923	17,077,462	209,637,598
2006	2007	129,778,535	75,859,525	17,080,720	222,718,780
2007	2008	140,864,381	75,739,837	17,093,059	233,697,277
2008	2009	149,151,376	76,820,820	17,466,895	243,439,091

- (1) Tax Levy on suburban property only.
- (2) Tax Levy on property in the watershed district only.
- (3) Tax rates may be lower in certain tax areas due to Disparity Reduction Aid paid by the state to governmental units in certain state determined tax areas.
- (4) To make comparable to prior year levies, amount for HACA aid has been added to County's certified levy.

Unaudited

TABLE VI

COUNTY LIBRARY REVENUE (1)	COUNTY LIBRARY DEBT (1)	VALLEY BRANCH WATERSHED DEBT (2)	METRO WATERSHED CAPITAL IMPROVEMENTS (2)	TOTAL
3.133	0.711	0.781	-	45.620
2.889	0.558	0.719	-	42.885
3.899	0.718	-	-	55.366
3.732	0.585	-	-	54.603
3.198	0.498	-	-	53.135
3.025	0.337	-	-	49.210
2.819	0.250	-	-	46.623
2.746	0.230	-	-	44.943
2.577	0.288	-	-	44.023
2.768	0.607	-	-	46.546
\$ 6,465,154	\$ 1,499,958	\$ 7,781	-	\$ 173,520,107
6,727,469	1,349,649	16,885	-	180,319,468
7,056,979	1,352,694	-	-	189,133,337
7,384,610	1,222,757	-	-	195,306,117
6,616,255	1,029,947	-	-	197,811,166
6,918,441	771,317	-	-	206,554,708
7,184,837	637,049	-	-	217,459,485
7,569,452	633,671	-	-	230,921,903
7,526,427	839,346	-	-	242,063,050
7,853,393	1,720,703	-	-	253,013,187

TABLE VII

RAMSEY COUNTY, MINNESOTA
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS

Fiscal Year	Taxes Levied for the Fiscal Year (Original Levy)	Property Tax Credits (1)	Taxes Levied on Taxpayer	Adjustments	Total Adjusted Levy	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
						Amount	Percentage of Original Levy on Taxpayer		Amount	Percentage of Adjusted Levy
1999	\$ 163,482,865	\$ 12,333,535	\$ 151,149,330	\$ 484,252	\$ 150,665,078	\$ 148,936,175	98.54%	\$ 1,724,619	\$ 150,660,794	100.00%
2000	165,547,214	14,341,142	151,206,072	250,821	150,955,251	149,128,001	98.63%	1,819,158	150,947,159	99.99%
2001	180,304,183	14,925,219	165,378,964	622,522	164,756,442	162,538,628	98.28%	2,209,675	164,748,303	100.00%
2002	189,146,194	27,524,379	161,621,815	249,906	161,371,909	159,790,921	98.87%	1,570,474	161,361,395	99.99%
2003	195,304,680	22,773,089	172,531,591	970,483	171,561,108	169,910,507	98.48%	1,638,704	171,549,211	99.99%
2004	197,811,635	12,743,098	185,068,537	1,500,388	183,568,149	181,440,412	98.04%	2,058,248	183,498,660	99.96%
2005	206,554,660	11,636,585	194,918,075	1,128,554	193,789,521	191,406,457	98.20%	2,206,487	193,612,944	99.91%
2006	217,459,484	10,143,743	207,315,741	797,442	206,518,299	203,455,200	98.14%	2,637,556	206,092,756	99.79%
2007	230,929,535	9,162,260	221,767,275	842,256	220,925,019	217,124,442	97.91%	2,707,663	219,832,105	99.51%
2008	242,075,699	8,758,281	233,317,418	984,308	232,333,110	227,391,319	97.46%	-	227,391,319	97.87%

Source: County Department of Records and Revenue

1) Payments made by the State for Property Tax relief.

Unaudited

TABLE VIII

**RAMSEY COUNTY, MINNESOTA
RATIO OF NET GENERAL OUTSTANDING DEBT BY TYPE
TO ASSESSED VALUE, NET BONDED DEBT PER CAPITA AND PERSONAL INCOME
LAST TEN FISCAL YEARS**

YEAR	GOVERNMENTAL ACTIVITIES			BUSINESS-TYPE ACTIVITIES		LESS DEBT SERVICE FUNDS	NET BONDED DEBT	NET TAX CAPACITY	PERCENT OF NET BONDED DEBT TO TAXABLE VALUE	NET BONDED DEBT PER CAPITA	PERCENTAGE OF PERSONAL INCOME
	GENERAL OBLIGATION BONDS	PUBLIC FACILITY LEASE REV. BONDS	CAPITAL LEASES	GENERAL OBLIGATION BONDS	TOTAL PRIMARY GOVERNMENT						
1999	\$ 121,708,263	\$ -	\$ 4,114	\$ -	\$ 121,712,377	\$ 19,222,151	\$ 102,490,226	\$ 364,547,086	28.11%	\$ 205.84	0.60%
2000	121,164,678	-	-	4,045,000	125,209,678	17,422,401	107,787,277	444,323,085	24.26%	210.92	0.61%
2001	120,061,718	-	-	4,045,000	124,106,718	12,721,534	111,385,184	352,321,925	31.61%	217.35	0.62%
2002	147,453,680	13,845,000	-	7,595,000	168,893,680	13,662,884	155,230,796	380,721,101	40.77%	301.57	0.85%
2003	159,002,000	13,845,000	244,089	7,345,000	180,436,089	17,007,495	163,428,594	414,267,593	39.45%	317.17	0.86%
2004	199,827,000	13,845,000	201,570	7,075,000	220,948,570	30,310,653	190,637,917	461,362,667	41.32%	369.88	1.00%
2005	195,507,000	13,375,000	156,111	9,725,000	218,763,111	35,744,378	183,018,733	429,416,560	42.62%	355.03	0.96%
2006	190,962,000	12,895,000	107,512	9,430,000	213,394,512	36,513,877	176,880,635	478,383,799	36.97%	342.79	0.90%
2007	189,327,000	12,400,000	55,551	11,370,000	213,152,551	27,323,985	185,828,566	528,423,534	35.17%	360.00	0.86%
2008	176,187,000	11,890,000	-	7,840,000	195,917,000	20,059,613	175,857,387	566,514,003	31.04%	351.02	0.84%

Unaudited

TABLE IX

**RAMSEY COUNTY, MINNESOTA
RATIOS OF GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS**

<u>YEAR</u>	<u>GENERAL OBLIGATION BONDS</u>	<u>LESS DEBT SERVICE FUNDS</u>	<u>TOTAL</u>	<u>PERCENTAGE OF PERSONAL INCOME</u>	<u>PERCENTAGE OF NET TAX CAPACITY</u>	<u>NET BONDED DEBT PER CAPITA</u>
1999	\$ 121,708,263	\$ 19,222,151	\$ 102,486,112	0.60%	28.11%	\$ 205.83
2000	125,209,678	17,422,401	107,787,277	0.61%	24.26%	210.92
2001	124,106,718	12,721,534	111,385,184	0.62%	31.61%	217.35
2002	155,048,680	13,662,884	141,385,796	0.78%	37.14%	274.67
2003	166,347,000	17,007,495	149,339,505	0.81%	36.05%	289.83
2004	206,902,000	30,310,653	176,591,347	0.90%	38.28%	342.62
2005	205,232,000	35,744,378	169,487,622	0.84%	39.47%	328.94
2006	200,392,000	36,513,877	163,878,123	0.77%	34.26%	332.27
2007	200,697,000	27,323,985	173,373,015	0.77%	32.81%	346.82
2008	184,027,000	20,581,626	163,445,374	0.71%	28.85%	325.96

Unaudited

TABLE X

**RAMSEY COUNTY, MINNESOTA
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF DECEMBER 31, 2008**

<u>Government Unit</u>	<u>Debt Outstanding*</u>	<u>Estimated Percentage Application **</u>	<u>Estimated Share of Direct and Overlapping Debt</u>
Debt repaid with property taxes			
City of White Bear Lake	\$ 250,000	98.5%	\$ 246,250
City of Spring Lake Park	1,291,574	2.5%	32,289
City of St. Anthony	670,000	27.4%	183,580
City of Blaine	20,650,000	1.0%	206,500
School District #624	115,250,000	80.0%	92,200,001
School District #622	118,915,000	52.8%	62,787,120
School District #282	24,990,000	38.9%	9,721,110
North Metro Intermediate School District #916	365,000	43.0%	156,950
Metro Council	201,580,000	15.6%	31,446,480
Ramsey-Washington Metro Watershed District	792,324	100.0%	792,324
Capital Region Watershed	1,510,000	100.0%	1,510,000
City of Gem Lake	850,000	100.0%	850,000
City of St. Paul	99,440,000	100.0%	99,440,000
City of Maplewood	11,985,000	100.0%	11,985,000
City of Mounds View	1,216,488	100.0%	1,216,488
City of New Brighton	7,055,000	100.0%	7,055,000
City of North St. Paul	9,980,000	100.0%	9,980,000
City of Roseville	10,440,000	100.0%	10,440,000
City of Shoreview	3,795,000	100.0%	3,795,000
City of Vadnais Heights	1,912,000	100.0%	1,912,000
Town of White Bear	2,100,000	100.0%	2,100,000
School District #621	144,948,495	100.0%	144,948,495
School District #623	36,325,000	100.0%	36,325,000
School District #625	367,640,727	100.0%	367,640,727
Port Authority	20,495,000	100.0%	20,495,000
Other debt			
Ramsey County Public Facility Revenue Bonds	11,890,000	100.0%	<u>11,890,000</u>
Subtotal, overlapping debt			929,355,314
Ramsey County Direct Debt	184,027,000	100.0%	<u>184,027,000</u>
Total direct and overlapping debt			<u><u>\$1,113,382,314</u></u>

* Debt Outstanding - That portion of the debt which is financed by tax levies.

** Determined by ratio of net tax capacity of property subject to taxation in overlapping unit to net tax capacity of property subject to taxation in reporting unit.

Unaudited

**RAMSEY COUNTY, MINNESOTA
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS**

TABLE XI

Legal Debt Margin Calculation for Fiscal Year 2008

Assessed value	\$ 49,095,390,200
Debt Limit (3% of assessed value)	1,472,861,706
Debt applicable to limit:	
General obligation bonds	184,027,000
Less: Amount set aside for repayment of general obligation bonds	<u>(20,059,613)</u>
Total net debt applicable to limit	<u>163,967,387</u>
Legal debt margin	<u><u>\$ 1,308,894,319</u></u>

	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
Debt limit	\$ 422,566,296	\$ 467,600,850	\$ 507,175,248	\$ 513,814,712	\$ 577,778,052	\$ 646,599,044	\$ 734,902,804	\$ 824,887,926	\$ 918,629,760	\$ 1,472,861,706
Total net debt applicable to limit	102,121,971	106,916,529	111,213,520	155,230,796	163,184,505	176,591,347	169,487,622	163,878,123	173,373,015	163,967,387
Legal debt margin	<u><u>\$ 320,444,325</u></u>	<u><u>\$ 360,684,321</u></u>	<u><u>\$ 395,961,728</u></u>	<u><u>\$ 358,583,916</u></u>	<u><u>\$ 414,593,547</u></u>	<u><u>\$ 470,007,697</u></u>	<u><u>\$ 565,415,182</u></u>	<u><u>\$ 661,009,803</u></u>	<u><u>\$ 745,256,745</u></u>	<u><u>\$ 1,308,894,319</u></u>

Note: Limit on debt - Minnesota Statutes, Section 475.53, Subdivision 1 - "Except as otherwise provided -- no municipality, --, shall incur or be subject to a net debt in excess of 2 percent of the market value of taxable property in the municipality."

* Minnesota Statutes changed the limit to 3% in 2008.

Unaudited

TABLE XII

**RAMSEY COUNTY, MINNESOTA
PRINCIPAL PROPERTY TAXPAYERS
CURRENT YEAR AND NINE YEAR'S AGO**

Taxpayer	Type of Business	2008		1999			
		Taxable Net Tax Capacity	Rank	Percentage of Total Taxable Net Tax Capacity	Taxable Net Tax Capacity	Rank	Percentage of Total Taxable Net Tax Capacity
NorthernStates Power (Xcel Energy)	Utility	\$ 8,717,371	1	25.71%	\$ 2,479,316	3	9.51%
3M	Industrial and Commercial Products	5,723,882	2	16.88%	9,008,577	1	34.54%
Compass Retail Inc	Rosedale Center	3,378,500	3	9.96%			
Medtronic, Incorporated	Surgical & Medical Instrument Manufacturing	2,784,572	4	8.21%			
CSM Corporation & Investors	Property Management/ Real Estate Investing (Commercial/ Office/ Hotel/ Townhome)	2,758,890	5	8.14%			
Minnesota Life	Insurance and Annuities	2,754,790	6	8.13%	1,023,104	9	3.92%
Cardiac Pacemakers, Inc.	Pacemaker Manufacturing	1,999,250	7	5.90%			
St Paul Fire and Marine Ins Co (St Paul Travelers)	Insurance	1,975,316	8	5.83%	2,262,330	5	8.67%
Target Corporation	Retail	1,913,208	9	5.64%			
St. Paul Tower LP	Commercial	1,899,250	10	5.60%			
Maplewood Mall	Real Estate				2,213,070	6	8.49%
Equitable Life Assurance Society	Insurance/Real Estate				3,228,501	2	12.38%
Dayton Hudson Corporation	Retail Merchandising				2,393,652	4	9.18%
Principal Mutual Life Insurance Co.	Office Bldg., World Trade Center				1,559,152	7	5.98%
Vance Minnesota Street Assoc.	Office Bldg., First Bank Building				1,086,501	8	4.17%
Ford Motor Corporation	Truck Manufacturing				827,067	10	3.17%

Source: Ramsey County Department of Property Records and Revenue

Unaudited

TABLE XIII

**RAMSEY COUNTY, MINNESOTA
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS**

Year	Population^a	Personal Income (millions of dollars)^b	Per Capita Personal Income^b	Public School Enrollment (K-12)^c	Annual Average Unemployment Rate^d
1999	497,919	\$ 17,108	\$ 34,360	88,031	2.3%
2000	511,035	17,682	34,601	87,814	2.9%
2001	512,462	18,058	35,237	87,128	3.3%
2002	514,748	18,173	35,304	86,442	4.2%
2003	515,274	18,487	36,654	84,709	4.9%
2004	515,411	19,641	39,369	83,916	4.8%
2005	515,258	20,232	40,883	82,843	4.0%
2006	493,215	21,306	42,798	84,039	3.8%
2007	499,891	22,528	45,180	82,658	4.4%
2008	501,428	*	*	82,466	5.3%

* - Figure for this period is not yet available.

^a Source for 2000 is U.S. Census Bureau; all other years are estimates from the Metropolitan Council or Census Bureau.

^b U.S. Department of Commerce, Bureau of Economic Analysis.

^c State Department of Education.

^d Minnesota Department of Economic Security, Research and Planning.

Unaudited

TABLE XIV

**RAMSEY COUNTY, MINNESOTA
PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEAR'S AGO**

<u>Taxpayer</u>	<u>Fiscal Year 2008</u>			<u>1999</u>				
	<u>Approximate Number of Employees</u>	<u>Rank</u>	<u>Percentage of Total County Employment</u>	<u>Approximate Number of Employees</u>	<u>Rank</u>	<u>Percentage of Total County Employment</u>		
U.S. Bank N.A.	55,000	a	1	21.66%	5,142	5	1.85%	
State of Minnesota	41,900		2	16.50%	25,773	e	1	9.27%
University of Minnesota	17,446	b	3	6.87%	3,997	f	10	1.44%
3M Company	14,500		4	5.71%	11,000	g	2	3.95%
Target Corporation	11,400	c	5	4.49%	-	-	-	0.00%
Deluxe Corporation	8,000		6	3.15%	-	-	-	0.00%
Indep. School District #625	5,737		7	2.26%	6,391		4	2.30%
HealthEast (three care centers)	5,120		8	2.02%	6,422		3	2.31%
United/Children's Hospital	4,800		9	1.89%	4,400		6	1.58%
Ramsey County	4,400	d	10	1.73%	4,200		7	1.51%
CPI/Guidant					4,000		8	1.44%
Marsden Bldg. Maintenance					4,000		8	1.44%
	<u>168,303</u>			<u>66.28%</u>	<u>75,325</u>			<u>27.09%</u>

a: Employment figure nationwide headquarter in St. Paul

b: Previous employment figure included student workers

c: Includes entire Twin Cities area

d: Includes 564 permanent part-time, 415 on-call, and 175 temporary workers

e: Total number of employees statewide

f: St. Paul Campus only

g: Does not include an additional 950 employees working in a facility located in Woodbury, Minnesota in Washington County

Source: Minnesota Department of Employment and Economic Security.
County's Official Statement

Unaudited

TABLE XV

**RAMSEY COUNTY, MINNESOTA
INSURANCE IN FORCE
DECEMBER 31, 2008**

COMPANY NAME	POLICY NUMBER	POLICY PERIOD	COVERAGE-DEPARTMENTS	POLICY LIMIT
			COUNTY	
St. Paul/Travelers	KTK-CMB-294T324-4-08	9/22/08-9/22/09	Property Fire & Extended Coverage Boiler & Machinery Vehicles & Mobile Equipment	All Risk, Full Replacement, \$100,000 deductible B&M Perils \$500 MM \$643 MM Total Ins. Value
Travelers Insurance Company	103916124	9/22/08-9/22/09	Commercial Crime including Public Employee Dishonesty coverage	\$3,000,000 \$100,000 deductible
WCRA	40014	1/1/08-1/1/09	Reinsurance - Workers Compensation	\$1,640,000 retention limits
Ramsey County	A-01-21	1/1/08-1/1/09	Self-Funded Vehicle	\$30,000/\$60,000/\$10,000
Ramsey County	T-01-20	1/1/08-1/1/09	Self-Funded Tort	\$300,000 per claim \$1,000,000 per occurrence
Ramsey County	EPP-01-23	1/1/08-1/1/09	Employee Personal Prop. Loss	Per RC Board Policy up to \$750
Ramsey County	P-01-24	1/1/08-1/1/09	Self-Funded Property	Per State Statute - \$5,000 deductible
			800 MHZ	
MN Risk Management Fund	0023PK09	7/1/08-7/1/09	Property Fire and Extended, Boiler and Machinery and Vehicle and Mobile Equipment	\$8,662,000 \$10,000 deductible
National Indemnity Company of America	75 APR 216716	1/1/08-1/1/09	Automobile	\$1,000,000 \$500.00 deductible for Collision & Comprehensive.
		Unaudited		(Continued)

**TABLE XV
(Continued)**

**RAMSEY COUNTY, MINNESOTA
INSURANCE IN FORCE
DECEMBER 31, 2008**

<u>COMPANY NAME</u>	<u>POLICY NUMBER</u>	<u>POLICY PERIOD</u>	<u>COVERAGE-DEPARTMENTS</u>	<u>POLICY LIMIT</u>
Midwest Medical	MCL001174	7/1/08-7/1/09	MEDICAL EXAMINER Professional Liability Covers McGee, Froloff, and Mills Paid Directly by Medical Examiner	\$1,000,000/\$3,000,000 Claims made policy
CNA Surety/Western Surety Co.	0601 69042089	9/15/08-9/15/09	NURSING HOME Patient's Bond	\$100,000
MCIT	PC245008	1/1/08-1/1/09	RESOURCE RECOVERY Package Liability	\$400,000 per Claim Gen. Liability & Public Officials: \$1,200,000 each occurrence \$1,000 dedl each occurrence
MN Joint Underwriting Association	J04-0016	7/1/08-7/1/09	REGIONAL RAIL Directors & Officers	\$1,000,000
MN Joint Underwriting Association	J040015	7/1/08-7/1/09	General Liability	\$1,000,000 \$250.00 deductible per event
League of MN Cities	CMC29776	7/12/08-7/12/09	Crime, Petrofund, Municipal & Auto Liability Rush Line Corridor	\$100,000 Crime \$250,000 Petrofund \$1,200,000 Muni & Auto Liability

Unaudited

TABLE XVI

**RAMSEY COUNTY, MINNESOTA
FULL-TIME-EQUIVALENT COUNTY EMPLOYEES BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS**

<u>Function/Program</u>	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
General government	893.03	898.43	896.73	902.03	896.08	709.88	709.08	719.08	723.73	720.58
Public safety	850.74	919.74	925.74	928.24	952.99	956.99	959.49	1,069.49	1,088.49	1,124.79
Highways and streets	150.13	144.13	132.13	131.13	131.13	123.13	122.18	122.18	126.68	126.68
Sanitation	-	-	-	-	-	-	-	-	-	-
Health	264.68	269.48	259.88	273.76	288.76	273.83	291.53	292.73	302.68	309.28
Human services	1,226.21	1,236.71	1,224.96	1,264.26	1,299.74	1,251.35	1,274.09	1,252.09	1,267.79	1,269.09
Culture and recreation	200.79	200.07	199.07	201.06	204.36	194.66	196.91	193.61	193.61	196.96
Conservation of natural resources	4.90	4.90	4.90	6.25	3.90	3.90	4.90	4.90	4.90	4.05
Economic development and assistance	43.40	45.40	74.40	79.40	76.20	78.40	89.40	89.40	88.40	88.40
Total	3,633.88	3,718.86	3,717.81	3,786.13	3,853.16	3,592.14	3,647.58	3,743.48	3,796.28	3,839.83

Source: County Budgeting and Accounting Office.

Unaudited

TABLE XVII

**RAMSEY COUNTY, MINNESOTA
OPERATING INDICATORS BY FUNCTION
LAST TEN FISCAL YEARS**

Function/Program	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
General Government										
County Building Operating Cost per Gross Square Foot*	N/A	N/A	N/A	\$ 5.45	\$ 5.36	\$ 5.43	\$ 5.28	\$ 5.28	\$ 5.46	\$ 5.62
Public Safety										
Sheriff:										
Jail Facility Bookings	21,422	23,352	23,233	24,240	23,578	23,652	25,025	25,864	24,427	26,958
Warrants Issued & Cleared	N/A	19,761	18,855	20,140	18,467	17,059	15,598	15,118	15,029	14,637
Corrections:										
Adult Probation Cases	28,348	27,574	29,095	31,765	32,331	31,234	29,553	28,763	30,677	30,799
Juvenile Probation Cases	3,004	3,338	3,404	3,398	3,231	3,040	3,151	3,529	3,084	3,504
Average daily population All Facilities	425	454	469	503	515	505	531	539	523	533
Highways and Streets										
Vehicle miles traveled on County roads**	1,846,619	1,882,905	1,919,190	1,940,058	1,960,926	1,929,843	1,898,759	1,884,314	2,819,652	2,792,534
Health										
WIC Nutrition Program Client served	N/A	N/A	N/A	N/A	26,161	27,744	28,610	29,436	29,649	31,792
Client personal care attendant assessments	N/A	N/A	N/A	N/A	1,438	1,884	1,772	1,710	1,649	2,008
Human Services										
Financial Assistance Cases	32,347	33,067	34,993	37,881	39,247	40,937	41,536	43,053	43,507	44,822
Out of Home Placements***	N/A	N/A	N/A	3,842	3,473	3,565	3,287	3,260	2,883	2,506
Applications for Financial Assistance	N/A	N/A	N/A	28,433	31,205	31,205	34,267	37,158	38,488	41,949
Services for Disabled Adults	N/A	N/A	207	438	714	916	1,145	1,366	1,567	1,868
Child Maltreatment Intake Reports	N/A	N/A	N/A	1,457	1,427	1,502	1,833	1,718	1,444	1,255
Culture and Recreation										
Parks and recreation:										
Ice hours rented at ice arenas	N/A	N/A	N/A	13,423	12,774	15,389	15,814	15,746	15,605	15,658
Park shelter rentals	N/A	N/A	N/A	N/A	1,315	1,247	1,272	1,254	1,310	1,259
Libraries:										
Total Circulation	2,741,949	2,811,940	2,996,503	3,404,282	3,579,427	3,749,432	3,842,512	4,074,673	4,214,298	4,589,151
Visits to Library Buildings	1,390,843	1,490,569	1,531,946	1,641,497	1,626,456	1,623,429	1,681,171	1,674,239	1,788,536	1,878,350
Librarian reference assistance	169,732	293,211	313,277	293,569	269,444	274,712	272,302	264,372	270,215	280,075
Economic Development and Assistance										
Workforce Solutions:										
Percent of participants in voluntary programs employed	N/A	N/A	N/A	N/A	N/A	N/A	73%	77%	81%	80%
Percent of participants in mandatory programs employed	N/A	N/A	N/A	N/A	N/A	N/A	63%	71%	79%	72%

Source: County Budgeting and Accounting Office and individual county departments.

* Includes only Property Management managed properties that have been occupied and in operation throughout all of 2007

** 2007 began combining all County roads, all prior years include only Suburban County roads

*** 2008 includes all continuous out of home placements, which could involve multiple placements.

N/A: Not available

Unaudited

TABLE XVIII

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

<u>Function/Program</u>	<u>Fiscal Year</u>									
	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Public Safety										
Patrol Station	1	1	1	1	1	1	1	1	1	1
Law Enforcement Center	1	1	1	1	1	1	1	1	1	1
Post Adjudicated Correctional Facilities	3	3	3	3	3	3	3	3	3	3
Pre-Adjudicated Correctional Facilities	1	1	1	1	1	1	1	1	1	1
Highways and Streets										
Centerline Miles of County Road Maintained	281	298	298	302	302	298	298	298	295	295
Culture and recreation										
Parks and Recreation:										
Number of Regional Parks	6	6	6	6	6	6	6	6	6	6
Number of County Parks	9	9	9	9	9	9	9	9	9	9
Park Acreage:										
Developed	N/A	N/A	5,478	5,478	5,478	5,478	5,478	5,478	5,478	5,478
Undeveloped	N/A	N/A	636	636	636	636	636	636	636	636
County Golf Courses	4	4	4	4	4	5	5	5	5	5
Golf Dome (Practice Range)	1	1	1	1	1	1	1	1	1	1
Ice Arenas	10	11	11	11	11	11	11	11	11	11
Fairgrounds	1	1	1	1	1	1	1	1	1	1
Nature Center	1	1	1	1	1	1	1	1	1	1
Archery Range	1	1	1	1	1	1	1	1	1	1
Picnic Shelters	28	28	28	28	28	28	28	28	28	28
Pavilions	4	4	4	4	4	4	4	4	4	4
Libraries:										
Library Buildings	7	7	7	7	6*	6*	7	7	7	7

Source: County Budgeting and Accounting Office and individual county departments.

* Services were suspended on June 1, 2003 at the North St. Paul Branch due to budgetary constraints and reopened in 2005

N/A: Not available

Unaudited