



COMPREHENSIVE ANNUAL FINANCIAL REPORT

Ramsey County, Minnesota 2014

YEAR ENDED DECEMBER 31, 2014

FINANCIAL HIGHLIGHTS

| (Dollars in thousands except per capita amounts) | | 2014 | 2013 | Percent Change |
|---|-----------------------------|-------------------|-------------------|-------------------|
| Government-wide Financial Statements: | | | | |
| Assets | | \$ 1,408,290 | \$ 1,387,899 | 1.5% |
| Liabilities | | <u>452,533</u> | <u>441,927</u> | 2.4% |
| Net Position | | <u>\$ 955,757</u> | <u>\$ 945,972</u> | 1.0% |
| Government-wide Financial Statements: | | | | |
| Revenues | | \$ 633,842 | \$ 626,801 | 1.1% |
| Expenses | | <u>624,057</u> | <u>605,866</u> | 3.0% |
| Increase in Net Position | | <u>\$ 9,785</u> | <u>\$ 20,935</u> | -53.3% |
| Investment/Cash Ratio | | 89.8% | 92.6% | -3.0% |
| Average Investment Book Yield | | 1.18% | 1.02% | 15.7% |
| General Obligation and Revenue Bond Debt | | \$ 206,362 | \$ 209,772 | -1.6% |
| Net General Obligation and Revenue Bond Debt Per Capita | | \$ 445.68 | \$ 464.92 | -4.1% |
| Bond Ratings | Moody's Investor Service | Aaa | Aaa | |
| | Standard and Poor's | AAA | AAA | |
| Property Taxes | Levy (General County) | 265,493 | 265,928 | -0.2% |
| | Net Tax Capacity Rates | 54.46 | 59.11 | -7.9% |
| | Net Tax Capacity (Adjusted) | 480,923 | 448,103 | 7.3% |
| | Market Values | 39,918,417 | 37,006,807 | 7.9% |
| Number of Budgeted Employees (FTE) | | <u>3,805.06</u> | <u>3,796.01</u> | 0.2% |

Comprehensive Annual Financial Report

of the

County of Ramsey, Minnesota

Year Ended December 31, 2014

BOARD OF COUNTY COMMISSIONERS

District 1, Blake Huffman

District 2, Mary Jo McGuire

District 3, Janice Rettman

District 4, Toni Carter

District 5, Rafael Ortega

District 6, Jim McDonough, Chair

District 7, Victoria Reinhardt

County Manager, Julie Kleinschmidt

Prepared by: Finance Division of the County Manager's Department

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Section I

Introductory Section

**RAMSEY COUNTY
LIST OF PRINCIPAL OFFICIALS
As of December 31, 2014**

Elected Officials

| Commissioners | Name | Term Expires |
|----------------------|----------------------|---------------------|
| 1st District | Blake Huffman | January 2017 |
| 2nd District | Mary Jo McGuire | January 2017 |
| 3rd District | Janice Rettman | January 2015 |
| 4th District | Toni Carter | January 2015 |
| 5th District | Rafael Ortega | January 2015 |
| 6th District | Jim McDonough, Chair | January 2015 |
| 7th District | Victoria Reinhardt | January 2017 |
| County Attorney | John Choi | January 2015 |
| County Sheriff | Matt Bostrom | January 2015 |

Appointed Officials

| | | |
|---------------------------------------|--------------------|-------------------|
| County Manager | Julie Kleinschmidt | Indefinite |
| Assessor | Stephen Baker | December 31, 2016 |
| Property Records and Revenue Director | Mark Oswald | Indefinite |
| Information Services Director | Johanna Berg | Indefinite |
| Community Corrections Director | Carol Roberts | Indefinite |
| Parks & Recreation Director | Jon Oyanagi | Indefinite |
| County Engineer | James Tolaas | May 30, 2016 |
| Community Human Service Director | Meghan Mohs | Indefinite |
| Public Health Director | Marina McManus | Indefinite |

Civil Service Appointments

| | |
|--------------------------|-----------------|
| Human Resources Director | Gail Blackstone |
| Finance Director | Lee Mehrkens |

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Office of the County Manager
Julie Kleinschmidt, County Manager

**RAMSEY
COUNTY**

250 Court House
15 West Kellogg Boulevard
St. Paul, MN 55102

Tel: 651-266-8000

Fax: 651-266-8039

e-mail: Julie.kleinschmidt@co.ramsey.mn.us

Working with You
to Enhance Our Quality of Life

August 27, 2015

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, 2014. This report was prepared by the Department of Finance. 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 GAAP. 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 Capital 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, cultural, human services, vital statistics, and tax assessment and collection. The County also operates, as enterprise funds, a nursing home, a home for developmentally disabled residents, a golf course and sports center.

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 as amended by GASB Statement 61.

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

Transforming Ramsey County for the Future of Our Community

County leadership's bold move in 2013 to focus the organization on the **Economic Prosperity Goal** has sparked considerable change. In 2014, Ramsey County made considerable progress with the **Internal Action Items** developed to help the County leverage its influence as a major employer, a provider of services, and as a purchaser of goods and services to grow economic prosperity for all.

Over 170 staff from across the organization were engaged in planning, developing, and implementing the Internal Action Items to move the Prosperity Effort forward.

Internal Action Items to Drive Prosperity

As a Major Service Provider

- Realign Ramsey County into Service Teams to Strengthen our Work and More Effectively Advance our Vision, Mission and Goals
- Enhance the Continuum of Services Available to Ramsey County Youth and Families
- Develop and Execute a Strategic Facilities Implementation Plan
- Implement Transformative, Systemic Improvements through the Criminal Justice Coordinating Council
- Expand Resident Use of Job Connect and Construction Hiring Connections when Seeking Employment
- Develop Proactive Engagement Tools and Processes to ensure that Residents from all Neighborhoods are Informed, Consulted and Engaged

As a Major Purchaser of Goods and Services

- Enhance Small Business Enterprise Procurement by County Departments when Purchasing Goods and Services
- Expand Employer Use of Job Connect and Construction Hiring Connections when Seeking to Hire Employees

As a Major Employer

- Transition Ramsey County's Racial Equity Efforts from Initial Momentum into Sustainable Action
- Conduct a Comprehensive Review of Human Resources Hiring, Promotion and Retention Practices and Policies within Ramsey County
- Create the Ramsey County Undergraduate Progressive Internship Program to Invest in and Cultivate Future Community Leaders

In February 2015, the County Board of Commissioners adopted a **new vision, mission and goals** to set the strategic foundation for the organization for the years ahead. The push for this strategic direction came from the passion and energy that was created from the 2013 Economic Prosperity Goal. The new vision, mission and goals recognize the importance of **working across organizational boundaries to better serve the community**; no matter where a county employee works he or she will work under a unified set of goals that ensure Ramsey County is operating from a holistic, resident-centered perspective.

Vision: A vibrant community where all are valued and thrive.

Mission: A county of excellence working with you to enhance our quality of life.

Goals:

- *Strengthen individual, family and community health, safety and well-being;*
- *Cultivate economic prosperity and invest in neighborhoods with concentrated financial poverty;*
- *Enhance access to opportunity and mobility for all residents and businesses; and*
- *Model fiscal accountability, transparency and strategic investments.*

Administrative and elected leadership cooperatively established a plan to align the organization so that it is structured to more effectively achieve Ramsey County's vision, mission and goals. The new

organizational structure transforms Ramsey County from an organization with more than 25 distinct departments reporting to the County Manager into four integrated **Service Teams**. These Service Teams will be tasked **working across organizational boundaries to better serve the community**.

Service Teams:

- *Health and Wellness (Community Human Services, Community Corrections, Public Health)*
- *Economic Growth and Community Investment*
- *Safety and Justice*
- *Information and Public Records*

An additional group, County-wide Connections (Human Resources, Finance, Policy and Planning, County Board Clerk) will work to support Service Teams to help them realize the County's goals.

This recalibrated organization will support Ramsey County to excel at improving and innovating so that all of its neighborhoods are places that current and future residents are proud to call home. We expect exciting and new changes in the next few years. The County continues to advance important economic development initiatives at Rice Creek Commons in Arden Hills and the old West Publishing site in downtown Saint Paul, to build greater prosperity by purchasing more goods and services from local, small businesses, and ensure opportunity for all young people by expanding the availability of community supports for youth and their families. Each of these initiatives, which represent only a portion of the County's efforts to build a stronger community with opportunity and prosperity for all, offer significant benefits to residents and businesses. Each initiative presents unique opportunities and challenges, and all require the County to leverage its collective creativity and talent to achieve successful results. By establishing a strong strategic foundation and creating Service Teams to transform that strategic vision into action, the County is poised for significant success on many fronts that will truly make it a vibrant community in which all are valued and thrive. It is important to note that this new strategic alignment and transformation has been brought about by leadership and staff. Hundreds of staff throughout the organization have been involved in helping determine the key priorities and efforts to help the County excel with a focus on growing prosperity for all.

Major Initiatives for the Future of Our Community

METRO Green Line light rail – The critical transit line linking the two major downtowns of our metro area opened in June 2014. The County was a lead partner in implementing this major infrastructure investment. Not only has the Green Line surpassed expectations regarding ridership, but considerable development has occurred along the corridor as well. We will continue to look for ways to leverage this and other public and private investments along the corridor to maximize the benefits for our community.

Riverfront Properties – Opening up the Saint Paul riverfront for prime development opportunities. The former Ramsey County Adult Detention Center and Ramsey County Government Center West Building - along the bluff of the Mississippi River in downtown St. Paul are being removed to make way for shovel ready development. The County is investing over \$10 million to convert this premier, iconic site to more productive use. This investment is clearing the way so this signature location is ripe for key commercial development. Deconstruction is scheduled to be completed by April 2016.

Wheelage Tax – In 2014, the first full year of the tax, \$3.8 million dollars in revenue were collected. This newly implemented tax of \$10 per vehicle registration has helped reduce the backlog of roadway improvements. These funds allowed 7.1 lane miles on 11 county roads to be resurfaced.

Rice Creek Commons – Redevelopment work has dramatically changed the 427-acre Arden Hills site. The Twin Cities Army Ammunition Plant (TCAAP) site was renamed to Rice Creek Commons

in 2014. Crews have demolished all of the 44 buildings that were onsite when Ramsey County purchased the property in April 2013. Environmental cleanup work has been completed on more than 380 acres (90 percent) of the site, which are now awaiting final soil testing. This prime redevelopment opportunity is poised to become one of the most vibrant residential, commercial and retail areas in the Twin Cities region.

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 2008 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, 2013. This is the 40th 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.

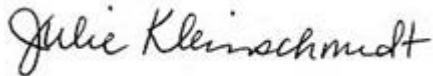
In addition, the County also received the GFOA's Award for Distinguished Budget Presentation for the biennium budget for the period beginning January 1, 2012. The County has received this award for the past 30 years. In order to qualify for the Distinguished Budget Presentation Award, the County's budget document was judged to be proficient in several categories including policy documentation, financial planning, and organization.

The County also received the GFOA's Popular Annual Financial Reporting Award for its 2013 Financial Report to Citizens. The award is given to those State and Local governments that issue an accessible and easily understandable financial report to the general public.

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,

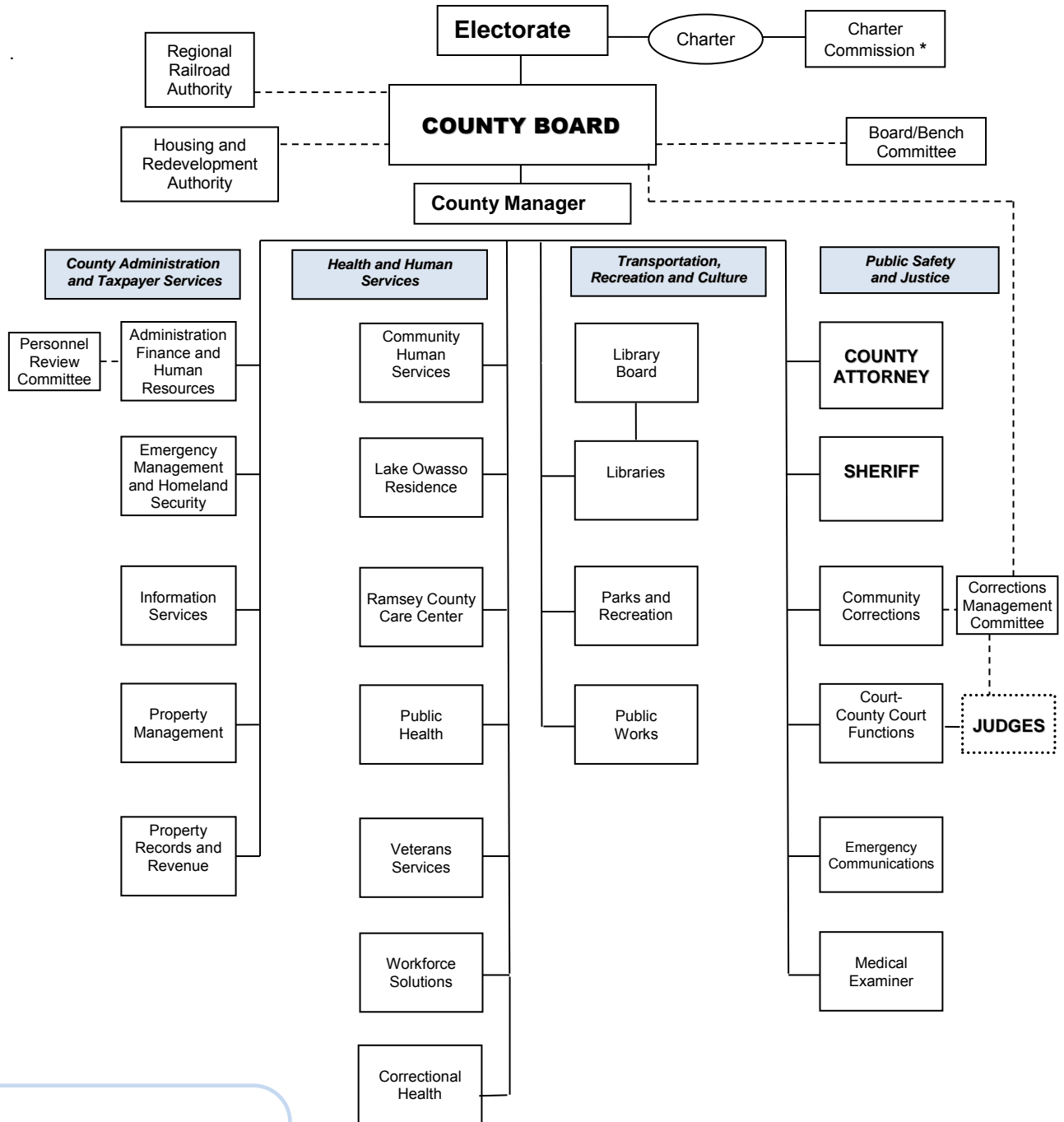


Julie Kleinschmidt
County Manager



Lee Mehrkens, Director, CFO
Finance Department

RAMSEY COUNTY ORGANIZATIONAL CHART



Legend:

- * : Appointed by District Court
- BOLD CAPITAL** : Elected Officials
- - - - - : Policy Relationship
- ⋯⋯⋯ : Minnesota State Agency

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Government Finance Officers Association

**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, 2013

Executive Director/CEO

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Section II

Financial Section



REBECCA OTTO
STATE AUDITOR

STATE OF MINNESOTA OFFICE OF THE STATE AUDITOR

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525 PARK STREET
SAINT PAUL, MN 55103-2139

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INDEPENDENT AUDITOR'S REPORT

Board of County Commissioners
Ramsey County
Saint Paul, Minnesota

Report on the Financial Statements

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, 2014, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the County's preparation and fair presentation of the financial statements in order to

design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Ramsey County as of December 31, 2014, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Summarized Comparative Information

We have previously audited Ramsey County's 2013 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated June 27, 2014. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2013, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Other Matters

Required Supplementary Information

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

Supplementary and Other Information

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

The supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

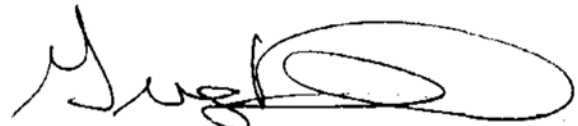
The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated August 27, 2015, 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* in considering Ramsey County's internal control over financial reporting and compliance.



REBECCA OTTO
STATE AUDITOR



GREG HIERLINGER, CPA
DEPUTY STATE AUDITOR

August 27, 2015

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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, 2014. Readers are encouraged to consider the information presented here in conjunction with additional information furnished in the letter of transmittal, which can be found on pages ii-vi of this report.

Financial Highlights

- The assets of Ramsey County exceeded its liabilities at the close of its most recent fiscal year by \$955,756,856 (net position). Of this amount, \$233,316,827 represents unrestricted net position, which may be used to meet the government's ongoing obligation to citizens and creditors.
- The assets of Ramsey County's governmental activities exceeded its liabilities at the close of the most recent fiscal year by \$960,358,103 (net position). Of this amount, \$250,775,590 (unrestricted net position) may be used to meet the government's ongoing obligations to citizens and creditors.
- The government's total net position increased by \$9,784,926.
- As of the close of the current fiscal year, the County's governmental funds reported combined ending fund balances of \$370,227,424 an increase of \$24,441,027 in comparison with the prior year.
- At the end of the current fiscal year, unrestricted fund balance (the total of the committed, assigned, and unassigned components of fund balance) for the General Fund was \$208,933,461 or 50.0% of total General Fund expenditures.
- The County's total General Obligation debt decreased by \$3,410,000 (1.6%) 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, 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 position presents information on all of Ramsey County's assets and liabilities, with the difference reported as net position. Over time, increases or decreases in net position 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 position changed during the most recent fiscal year. All changes in net position 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, transportation, sanitation, health, human services, conservation of natural resources, economic development and assistance, 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, a sports complex, 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 and 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 18-21 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, Regional Railroad Authority 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 22-24 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 Lake Owasso Residence, Care Center, Ponds at Battle Creek, Vadnais Sports Center 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, Property Management operations, Firearms Range, Retiree Insurance (OPEB), and Employee Health Insurance. 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, Ramsey County Care Center, Ponds at Battle Creek and Vadnais Sports Center, which are considered major funds, and Law Enforcement Services, which is considered a nonmajor fund. 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 26-33 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 34-35 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 36-70 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 a schedule on the County's Other Post Employment Benefit (OPEB) Plan. Required supplementary information can be found on pages 72-75 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 and internal service funds are presented. Combining fund statements and schedules can be found on pages 84-105 of this report.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the County, assets exceeded liabilities by \$955,756,856 at the close of the most recent fiscal year.

The largest portion of Ramsey County's net position (65.8%) reflects its investment in capital assets (e.g., land, buildings, machinery and equipment) less any related debt, used to acquire those assets, 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.

Summary of Net Position For the Years Ended December 31, 2014 and 2013

| | Governmental Activities | | Business-type Activities | | Total | |
|-----------------------------------|-------------------------|----------------|--------------------------|---------------|----------------|----------------|
| | 2014 | 2013 | 2014 | 2013 | 2014 | 2013 |
| Current and Other Assets | \$ 573,719,412 | \$ 545,782,055 | \$(8,028,071) | \$ 1,502,645 | \$ 565,691,341 | \$ 547,284,700 |
| Capital Assets | 824,379,871 | 831,494,817 | 18,218,405 | 9,119,708 | 842,598,276 | 840,614,525 |
| Total Assets | 1,398,099,283 | 1,377,276,872 | 10,190,334 | 10,622,353 | 1,408,289,617 | 1,387,899,225 |
| Long-term Liabilities Outstanding | 325,995,797 | 331,451,190 | 10,245,251 | 10,427,638 | 336,241,048 | 341,878,828 |
| Other Liabilities | 111,745,383 | 95,802,257 | 4,546,330 | 4,246,210 | 116,291,713 | 100,048,467 |
| Total Liabilities | 437,741,180 | 427,253,447 | 14,791,581 | 14,673,848 | 452,532,761 | 441,927,295 |
| Net Position: | | | | | | |
| Net Investment in Capital Assets | 615,919,275 | 621,216,506 | 12,857,516 | 3,369,326 | 628,776,791 | 624,585,832 |
| Restricted | 93,663,238 | 99,804,214 | - | - | 93,663,238 | 99,804,214 |
| Unrestricted | 250,775,590 | 229,002,705 | (17,458,763) | (7,420,821) | 233,316,827 | 221,581,884 |
| Total Net Position | \$ 960,358,103 | \$ 950,023,425 | \$(4,601,247) | \$(4,051,495) | \$ 955,756,856 | \$ 945,971,930 |

The government's net position increased by \$9,784,926 during the current fiscal year. This increase is primarily due to increases in operating grants and contributions and increases in the area of charges for services.

Governmental Activities - Governmental activities increased the County's net position by \$10,334,678 thereby accounting for nearly all of the total growth in the net position. Key elements of this increase are as follows:

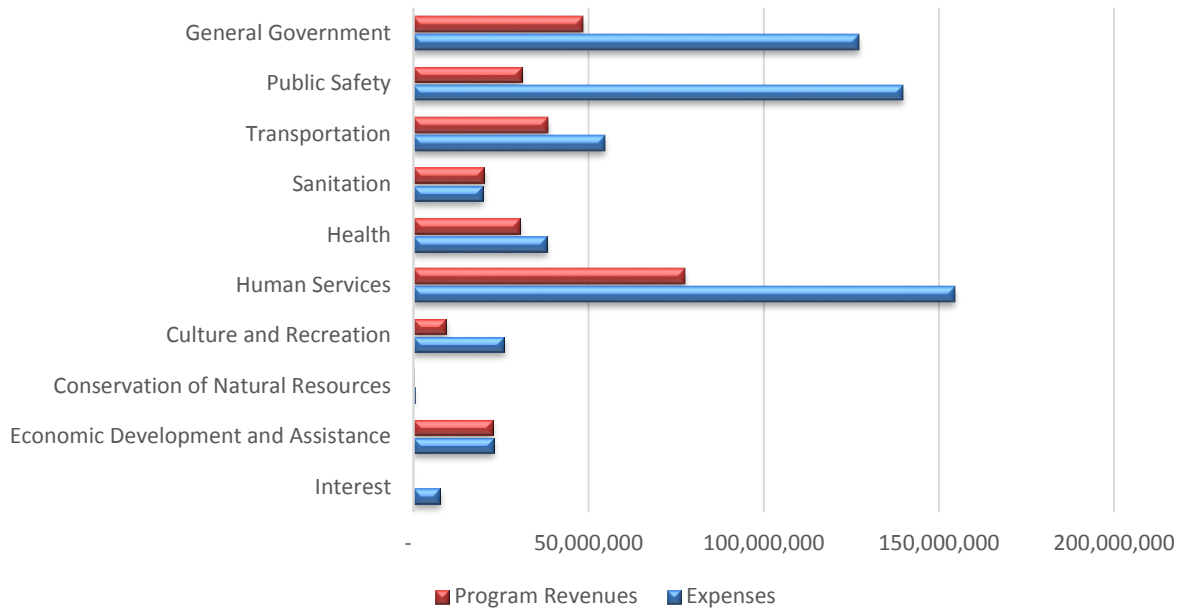
- The County recognized more general revenues from the first year of the Wheelage Taxes for \$3,883,855, from Grants and Contributions Not Restricted to Specific Programs \$2,829,099 and an increase in the amount of Property Taxes collected of \$1,439,462.

Summary of Changes in Net Position
For the Years Ended December 31, 2014 and 2013

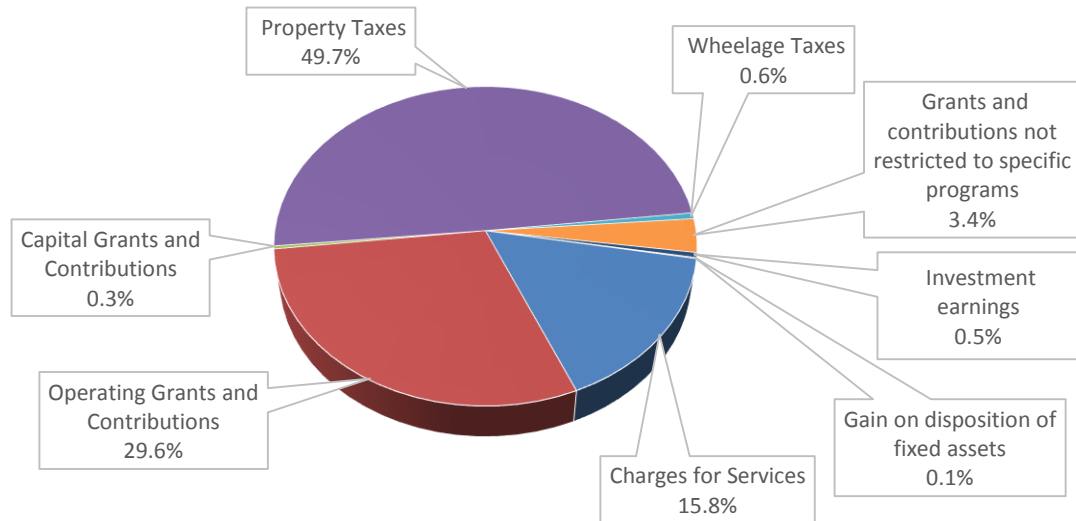
| | Governmental Activities | | Business-type Activities | | Total | |
|--|-------------------------|-----------------------|--------------------------|-----------------------|-----------------------|-----------------------|
| | 2014 | 2013 | 2014 | 2013 | 2014 | 2013 |
| Revenues: | | | | | | |
| Program Revenues: | | | | | | |
| Charges for Services | \$ 95,687,859 | \$ 91,629,090 | \$ 30,434,329 | \$ 28,606,193 | \$ 126,122,188 | \$ 120,235,283 |
| Operating Grants and Contributions | 179,865,659 | 159,851,246 | 388,952 | 310,301 | 180,254,611 | 160,161,547 |
| Capital Grants and Contributions | 1,721,516 | 32,734,625 | - | 30,290 | 1,721,516 | 32,764,915 |
| General Revenues: | | | | | | |
| Property Taxes | 297,567,581 | 296,128,119 | - | - | 297,567,581 | 296,128,119 |
| Wheelage Taxes | 3,883,855 | - | - | - | 3,883,855 | - |
| Grants and Contributions not Restricted to Specific Programs | 20,502,897 | 17,673,798 | - | - | 20,502,897 | 17,673,798 |
| Investment Earnings (Loss) | 3,337,343 | (322,081) | 31,545 | 39,366 | 3,368,888 | (282,715) |
| Gain on Disposition of Capital Assets | 383,780 | 106,211 | 36,862 | 13,818 | 420,642 | 120,029 |
| Total Revenues | 602,950,490 | 597,801,008 | 30,891,688 | 28,999,968 | 633,842,178 | 626,800,976 |
| Expenses: | | | | | | |
| General Government | 127,084,891 | 107,355,011 | - | - | 127,084,891 | 107,355,011 |
| Public Safety | 139,654,941 | 122,923,626 | - | - | 139,654,941 | 122,923,626 |
| Transportation | 54,616,336 | 75,207,790 | - | - | 54,616,336 | 75,207,790 |
| Sanitation | 19,668,328 | 19,719,836 | - | - | 19,668,328 | 19,719,836 |
| Health | 38,055,782 | 36,311,200 | - | - | 38,055,782 | 36,311,200 |
| Human Services | 154,505,737 | 157,082,703 | - | - | 154,505,737 | 157,082,703 |
| Culture and Recreation | 25,827,682 | 23,705,512 | - | - | 25,827,682 | 23,705,512 |
| Conservation of Natural Resources | 318,442 | 319,019 | - | - | 318,442 | 319,019 |
| Economic Development and Assistance | 22,960,214 | 25,262,318 | - | - | 22,960,214 | 25,262,318 |
| Interest | 7,595,967 | 6,283,322 | - | - | 7,595,967 | 6,283,322 |
| Lake Owasso Residence | - | - | 9,220,086 | 8,831,038 | 9,220,086 | 8,831,038 |
| Ramsey County Care Center | - | - | 16,307,818 | 15,522,140 | 16,307,818 | 15,522,140 |
| Ponds at Battle Creek | - | - | 610,213 | 611,437 | 610,213 | 611,437 |
| Vadnais Sports Center | - | - | 597,106 | - | 597,106 | - |
| Law Enforcement Services | - | - | 7,033,709 | 6,730,650 | 7,033,709 | 6,730,650 |
| Total Expenses | 590,288,320 | 574,170,337 | 33,768,932 | 31,695,265 | 624,057,252 | 605,865,602 |
| Increase (Decrease) in Net Position Before | | | | | | |
| Transfers | 12,662,170 | 23,630,671 | (2,877,244) | (2,695,297) | 9,784,926 | 20,935,374 |
| Transfers | (2,327,492) | (2,581,487) | 2,327,492 | 2,581,487 | - | - |
| Increase (Decrease) in Net Position | 10,334,678 | 21,049,184 | (549,752) | (113,810) | 9,784,926 | 20,935,374 |
| Net Position - Beginning | 950,023,425 | 928,974,241 | (4,051,495) | (3,937,685) | 945,971,930 | 925,036,556 |
| Net Position - Ending | \$ 960,358,103 | \$ 950,023,425 | \$ (4,601,247) | \$ (4,051,495) | \$ 955,756,856 | \$ 945,971,930 |

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

Program Revenues and Expenses by Governmental Activities (in dollars)



Revenues by Source - Governmental Activities

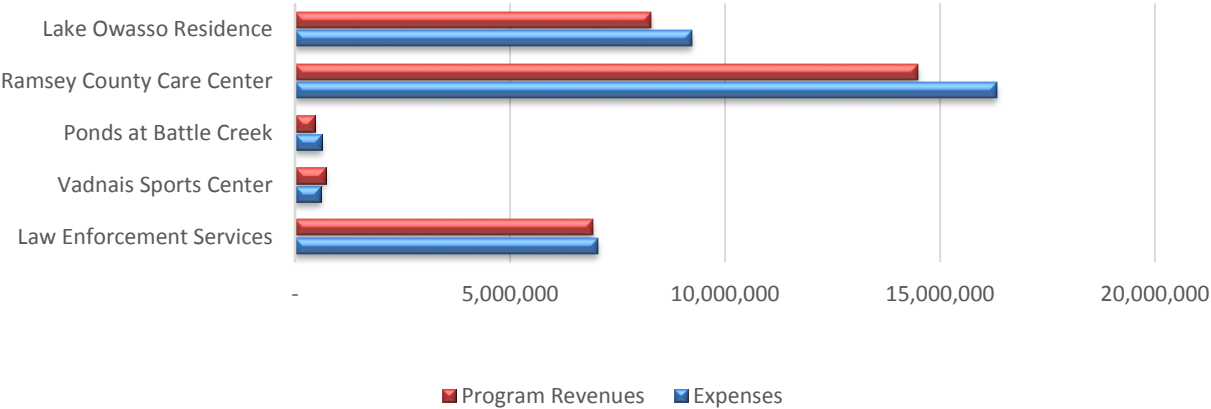


Business-type Activities - Business-type activities decreased the County's net position by \$549,752. Key elements of this decrease are as follows:

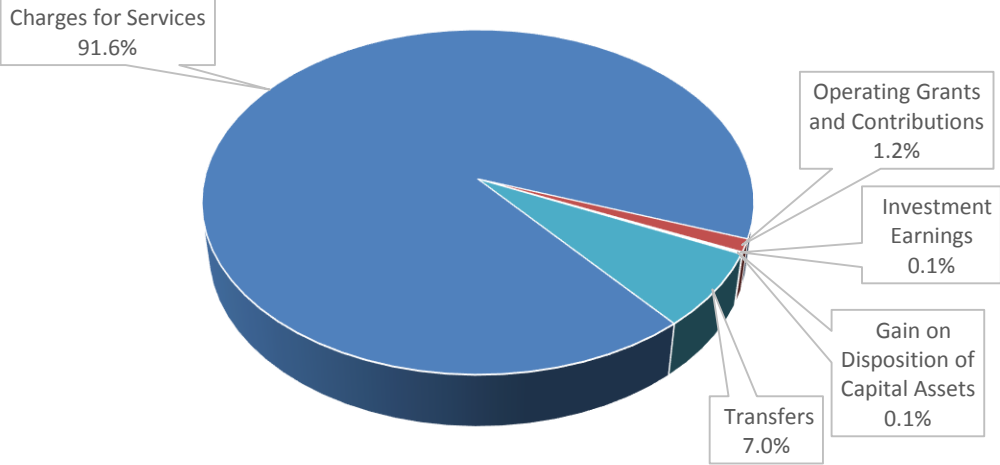
- Lake Owasso Residence had an increase of net position of \$242,259 due primarily to an occupant day rate increase.
- Ramsey County Care Center had a decrease in net position of \$734,654 due primarily to increased costs and a reduction in reimbursements in rates from Medicare, HMO, and Managed Care services.
- Ponds at Battle Creek had a decrease in net position of \$157,174 due to an operating loss and interest expense.

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

Program Revenues and Expenses by Business-Type Activities (in dollars)



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, unrestricted 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 \$370,227,424 a total fund balance increase of \$24,441,027 in comparison with the prior year. Approximately 66.6% of this total amount or \$246,539,814 constitutes unrestricted fund balance, which is available for spending at the government's discretion. The remainder of fund balance is restricted to indicate that it is not available for new spending, because the fund balance is (1) invested in assets which are in nonspendable form \$30,024,372; (2) restricted for debt service payments \$32,634,675; or (3) for a variety of other restricted purposes \$61,028,563. These other restricted purposes are described in detail in Note IV. I. to the financial statements.

The General Fund is the chief operating fund of Ramsey County. At the end of the current fiscal year, unrestricted fund balance of the General Fund was \$208,933,461 while total fund balance reached \$229,158,475. As a measure of the General Fund's liquidity, it may be useful to compare both unrestricted fund balance and total fund balance to total fund expenditures. Unrestricted fund balance represents 50.0% of total General Fund expenditures, while total fund balance represents 54.8% of that same amount.

The General Fund fund balance increased by \$6,580,687 which included the change to inventories during the current fiscal year. Key factors in this increase are as follows:

- Increases in intergovernmental revenues offset expenditures to minimize impact of overall increase in expenditures.

The Debt Service Fund had a total fund balance of \$32,634,675, all of which is restricted for the payment of debt service. The net increase in fund balance during the current year in the Debt Service Fund was \$2,628,169. The increase in fund balance for Debt Service was due to a timing difference in which Ramsey County issued refunding bonds in anticipation of debt retirement.

The Capital Projects Fund had a fund balance of \$52,968,985. The fund balance increased by \$6,000,296 primarily due to transfers made from the General Fund in compliance with the County Board Policy for use of unassigned balances for 2014.

The Regional Railroad Authority Capital Projects Fund had a fund balance of \$3,259,954. The fund balance decreased by \$647,744 due to the Union Depot renovation.

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

Lake Owasso Residence had an increase of net position of \$242,259 due to an occupant day rate increase.

Net position of the Ramsey County Care Center at the end of the year amounted to \$(2,380,232). The total decrease in net position for the fund was \$734,654 due primarily to increase in expenditures for supplies (asset capitalization policy).

Net position of Ponds at Battle Creek at the end of the year amounted to \$(2,531,215). The total decrease in net position for the fund was \$157,174 due to an operating loss from bad weather conditions decreasing the number of rounds of golf and interest expense.

General Fund Budgetary Highlights

The total change in fund balance was \$25,352,460 more than the final amended budget. This increase was partially due to the decrease in the realization of \$13,038,193 of last year’s unavailable revenues along with investment earnings experiencing an increase to \$3,342,301. On the expenditures the County experienced lower expenditures of \$9,964,622. This was largely due to lower than budgeted expenditures in Computer Equipment and Software, Public Works, Health, and Human Services. A decrease partially offset the increase in fund balance due to larger than budgeted transfers out.

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, 2014, amounts to \$842,598,276 (net of accumulated depreciation). This investment in capital assets includes land, buildings, building improvements, machinery and equipment, park facilities, roads, highways, bridges, and construction in progress. The total decrease in the County’s investment in capital assets for the current fiscal year was 1.1% (a 2.2% decrease for governmental activities offset by a 99.8% increase for business-type activities).

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

- Purchase of the Vadnais Sports Center increased business-type capital assets by \$9,800,000.
- Additional work for the Ramsey County Regional Railroad for the Central Corridor of \$13,665,620.
- Road and bridge construction projects which include widening and reconstructing existing streets.

Capital Assets, Net of Depreciation

| | Governmental Activities | | Business-type Activities | | Total | |
|-----------------------------------|-------------------------|-----------------------|--------------------------|---------------------|-----------------------|-----------------------|
| | 2014 | 2013 | 2014 | 2013 | 2014 | 2013 |
| Land | \$ 146,310,567 | \$ 142,438,692 | \$ 1,877,153 | \$ 107,073 | \$ 148,187,720 | \$ 142,545,765 |
| Buildings & Improvements | 379,595,809 | 400,687,419 | 13,516,735 | 5,865,805 | 393,112,544 | 406,553,224 |
| Improvements Other Than Buildings | 18,854,308 | 20,210,294 | 2,336,933 | 2,492,550 | 21,191,241 | 22,702,844 |
| Machinery and Equipment | 26,738,183 | 22,530,270 | 487,584 | 654,280 | 27,225,767 | 23,184,550 |
| Infrastructure | 216,956,727 | 199,951,599 | - | - | 216,956,727 | 199,951,599 |
| Construction in Progress | 35,924,277 | 45,676,543 | - | - | 35,924,277 | 45,676,543 |
| Total | <u>\$ 824,379,871</u> | <u>\$ 831,494,817</u> | <u>\$ 18,218,405</u> | <u>\$ 9,119,708</u> | <u>\$ 842,598,276</u> | <u>\$ 840,614,525</u> |

Additional information on the County’s capital assets can be found in Note IV.C. on pages 50-51 of this report.

Long-term Debt – At the end of the current fiscal year, the County had total General Obligation bonded debt outstanding of \$201,665,000 which is backed by the full faith and credit of the government.

Outstanding Debt

General Obligation Debt and Loans Payable

| | Governmental Activities | | Business-type Activities | | Total | |
|--------------------------|-------------------------|-----------------------|--------------------------|---------------------|-----------------------|-----------------------|
| | 2014 | 2013 | 2014 | 2013 | 2014 | 2013 |
| General Obligation Debt: | | | | | | |
| Bonds | \$ 196,855,000 | \$ 199,570,000 | \$ 4,810,000 | \$ 5,290,000 | \$ 201,665,000 | \$ 204,860,000 |
| Notes | 4,697,000 | 4,912,000 | - | - | 4,697,000 | 4,912,000 |
| Loans Payable | 16,703,334 | 20,000,000 | - | - | 16,703,334 | 20,000,000 |
| Total | <u>\$ 218,255,334</u> | <u>\$ 224,482,000</u> | <u>\$ 4,810,000</u> | <u>\$ 5,290,000</u> | <u>\$ 223,065,334</u> | <u>\$ 229,772,000</u> |

The County’s total debt (bonds, notes and loans payable) decreased by \$6,706,666 (2.9%) during the current fiscal year. The decrease was primarily due to the retirement of General Obligation Bonds in 2014.

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 \$1,110,204,207 which is significantly in excess of its outstanding General Obligation debt of \$206,362,000.

Additional information on the County’s long-term debt can be found in Note IV.H. on pages 54-59 of this report.

Economic Factors and Next Year's Budgets and Rates

- The unemployment rate for Ramsey County is currently 4.2%, which represents a decrease from a rate of 5.0% one year ago. The County unemployment rate is slightly below the state average of 4.6%, but well below the 6.1% average unemployment rate in the United States.
- 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 2014, the population estimated by the Census Bureau was 532,655.
- Estimated Market Value of Taxable Property in the County increased \$251,130,600 in 2014 to \$37,006,806,900 or 0.7%. Residential property recorded an increase in value of 0.71% while commercial values increased 0.33%.
- 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. The County 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. The Wheelage tax approved in July 2013 provided \$3,883,855 for roads in 2014. 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 2015 fiscal year.

During the current fiscal year, unrestricted fund balance in the General Fund was \$208,933,461. The 2014 approved budget included a 0.3% decrease in spending over the prior year. A 0.4% increase in the 2014 Property Tax Levy was approved to partially replace state and federal aid, other revenue losses, and the inflationary cost increases of current services.

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 Ramsey County Finance Department, Suite 270, 15 West Kellogg Boulevard, Saint Paul, Minnesota 55102.

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Basic Financial Statements

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RAMSEY COUNTY, MINNESOTA
STATEMENT OF NET POSITION
DECEMBER 31, 2014
WITH COMPARATIVE TOTALS FOR DECEMBER 31, 2013

| | Governmental | | Business-type | |
|---------------------------------------|----------------------|--------------------|----------------------|----------------------|
| | Activities | | Activities | |
| | | | Total | |
| | | | 2014 | 2013 |
| ASSETS | | | | |
| Current Assets: | | | | |
| Cash and Cash Equivalents | \$ 410,228,601 | \$ 3,664,545.00 | \$ 413,893,146 | \$ 405,641,791 |
| Investment with Trustee | 56,234,156 | - | 56,234,156 | 48,642,214 |
| Restricted Cash and Cash Equivalents | 16,000 | - | 16,000 | 10,500 |
| Petty Cash and Change Funds | 27,305 | 21,100 | 48,405 | 47,805 |
| Cooperative Investment | - | 63,527 | 63,527 | 62,517 |
| Receivables (Net): | | | | |
| Taxes | 3,091,583 | - | 3,091,583 | 4,045,947 |
| Accounts | 8,365,285 | 571,454 | 8,936,739 | 6,051,261 |
| Accrued Interest | 1,046,098 | - | 1,046,098 | 1,010,683 |
| Internal Balances | 14,566,746 | (14,566,746) | - | - |
| Due from Other Governments | 46,351,968 | 2,201,928 | 48,553,896 | 49,505,441 |
| Lease Receivable | 4,697,000 | - | 4,697,000 | 4,912,000 |
| Loan Receivables | 13,782,218 | - | 13,782,218 | 13,760,902 |
| Prepaid Items | 325,192 | - | 325,192 | 439,151 |
| Inventories | 1,729,567 | 16,121 | 1,745,688 | 1,360,314 |
| Total Current Assets | <u>560,461,719</u> | <u>(8,028,071)</u> | <u>552,433,648</u> | <u>535,490,526</u> |
| Non Current Assets: | | | | |
| Advance to Other Governments | 105,817 | - | 105,817 | 105,817 |
| Advance to Other Organizations | 481,451 | - | 481,451 | 237,555 |
| Property Held for Resale | 12,670,425 | - | 12,670,425 | 11,450,802 |
| Capital Assets not being Depreciated: | | | | |
| Land | 146,310,567 | 1,877,153 | 148,187,720 | 142,545,765 |
| Construction in Progress | 35,924,277 | - | 35,924,277 | 45,676,543 |
| Capital Assets being Depreciated: | | | | |
| Buildings | 458,544,132 | 17,421,596 | 475,965,728 | 489,592,017 |
| Building Improvements | 36,960,554 | 3,547,949 | 40,508,503 | 45,991,820 |
| Improvements other than Buildings | 47,918,542 | 4,203,423 | 52,121,965 | 53,295,794 |
| Machinery and Equipment | 75,737,990 | 2,008,409 | 77,746,399 | 87,753,135 |
| Computer Software | 8,810,635 | - | 8,810,635 | 8,810,635 |
| Infrastructure | 446,417,880 | - | 446,417,880 | 424,431,526 |
| Less: Accumulated Depreciation | (432,244,706) | (10,840,125) | (443,084,831) | (457,482,710) |
| Total Non Current Assets | <u>837,637,564</u> | <u>18,218,405</u> | <u>855,855,969</u> | <u>852,408,699</u> |
| Total Assets | <u>1,398,099,283</u> | <u>10,190,334</u> | <u>1,408,289,617</u> | <u>1,387,899,225</u> |

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

EXHIBIT 1
(continued)

RAMSEY COUNTY, MINNESOTA
STATEMENT OF NET POSITION
DECEMBER 31, 2014
WITH COMPARATIVE TOTALS FOR DECEMBER 31, 2013

| | Governmental Activities | Business-type Activities | Total | |
|---|----------------------------|-----------------------------|-----------------------|-----------------------|
| | | | 2014 | 2013 |
| LIABILITIES | | | | |
| Current Liabilities: | | | | |
| Salaries Payable | 18,700,467 | 1,515,602 | 20,216,069 | 18,151,546 |
| Accounts Payable | 16,065,807 | 497,896 | 16,563,703 | 14,759,075 |
| Contracts Payable | 12,536,734 | - | 12,536,734 | 12,419,684 |
| Interest Payable, Current | 3,883,883 | 98,026 | 3,981,909 | 3,900,721 |
| Loan Payable, Current | 6,638,333 | - | 6,638,333 | 3,296,666 |
| Due to Other Governments | 13,558,483 | 458,449 | 14,016,932 | 7,904,493 |
| General Obligation Bonds Payable, Current | 18,398,544 | 559,493 | 18,958,037 | 17,141,333 |
| Claims and Judgments Payable, Current | 3,320,530 | - | 3,320,530 | 2,930,346 |
| Vacation and Compensatory Time Payable | 18,626,602 | 1,416,864 | 20,043,466 | 19,570,769 |
| Current Liabilities Payable from Restricted Assets: | | | | |
| Customer Deposits Payable | 16,000 | - | 16,000 | 10,500 |
| Total Current Liabilities | 111,745,383 | 4,546,330 | 116,291,713 | 100,085,133 |
| Non Current Liabilities: | | | | |
| Unearned Revenue | 2,509,689 | - | 2,509,689 | 3,187,821 |
| General Obligation Bonds Payable, Long-term | 197,081,462 | 4,651,396 | 201,732,858 | 207,741,160 |
| Loans Payable, Long-term | 10,065,001 | - | 10,065,001 | 16,703,334 |
| Compensated Absences Payable | 16,992,340 | 818,600 | 17,810,940 | 18,516,964 |
| Claims and Judgments Payable, Long-term | 3,407,202 | - | 3,407,202 | 2,963,984 |
| Net OPEB Liability | 95,940,103 | 4,775,255 | 100,715,358 | 92,728,899 |
| Total Non Current Liabilities | 325,995,797 | 10,245,251 | 336,241,048 | 341,842,162 |
| Total Liabilities | 437,741,180 | 14,791,581 | 452,532,761 | 441,927,295 |
| NET POSITION | | | | |
| Net Investment in Capital Assets | 615,919,275 | 12,857,516 | 628,776,791 | 624,585,832 |
| Restricted for: | | | | |
| Debt Service | 32,634,675 | - | 32,634,675 | 30,006,506 |
| Capital Projects | 27,827,488 | - | 27,827,488 | 36,533,951 |
| General Government | 802,703 | - | 802,703 | 1,815,921 |
| Public Safety | 1,215,098 | - | 1,215,098 | 1,268,972 |
| Sanitation | 21,697,890 | - | 21,697,890 | 22,130,015 |
| Culture and Recreation | 4,709,289 | - | 4,709,289 | 4,623,640 |
| Conservation of Natural Resources | 2,027,565 | - | 2,027,565 | 1,731,643 |
| Economic Development | 1,006,139 | - | 1,006,139 | 883,284 |
| Other Purposes | 1,742,391 | - | 1,742,391 | 810,282 |
| Unrestricted | 250,775,590 | (17,458,763) | 233,316,827 | 221,581,884 |
| Total Net Position | \$ 960,358,103 | \$ (4,601,247) | \$ 955,756,856 | \$ 945,971,930 |

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, 2014
WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2013**

| <u>Functions/Programs</u> | <u>Expenses</u> | <u>Program Revenues</u> | | |
|-------------------------------------|-----------------------|---------------------------------|---|---|
| | | <u>Charges for Services</u> | <u>Operating Grants and Contributions</u> | <u>Capital Grants and Contributions</u> |
| Governmental Activities: | | | | |
| General Government | \$ 127,084,891 | \$ 26,063,756 | \$ 22,219,305 | \$ - |
| Public Safety | 139,654,941 | 17,004,098 | 13,793,108 | - |
| Transportation | 54,616,336 | 3,610,980 | 32,981,077 | 1,721,516 |
| Sanitation | 19,668,328 | 18,549,765 | 1,599,690 | - |
| Health | 38,055,782 | 14,610,724 | 15,734,197 | - |
| Human Services | 154,505,737 | 8,420,833 | 69,002,968 | - |
| Culture and Recreation | 25,827,682 | 6,639,246 | 2,645,594 | - |
| Conservation of Natural Resources | 318,442 | 4,098 | - | - |
| Economic Development and Assistance | 22,960,214 | 784,359 | 21,889,720 | - |
| Interest | 7,595,967 | - | - | - |
| Total Governmental Activities | <u>590,288,320</u> | <u>95,687,859</u> | <u>179,865,659</u> | <u>1,721,516</u> |
| Business-type Activities: | | | | |
| Lake Owasso Residence | 9,220,086 | 8,252,204 | 19,968 | - |
| Ramsey County Care Center | 16,307,818 | 14,438,620 | 33,778 | - |
| Ponds at Battle Creek | 610,213 | 453,462 | - | - |
| Vadnais Sports Center | 597,106 | 698,155 | - | - |
| Law Enforcement Services | 7,033,709 | 6,591,888 | 335,206 | - |
| Total Business-type Activities | <u>33,768,932</u> | <u>30,434,329</u> | <u>388,952</u> | <u>-</u> |
| Total Government | <u>\$ 624,057,252</u> | <u>\$ 126,122,188</u> | <u>\$ 180,254,611</u> | <u>\$ 1,721,516</u> |

General revenues:

Property Taxes
Wheelage Taxes
Grants and Contributions Not Restricted to Specific Programs
Investment Earnings (Loss)
Gain on Disposition of Capital Assets
Transfers
 Total General Revenues and Transfers
Change in Net Position

Net Position - Beginning
Net Position - Ending

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

EXHIBIT 2

| Net (Expense) Revenue and Changes in Net Position | | | |
|--|-------------------------------------|-----------------------|-----------------------|
| Governmental Activities | Business-type Activities | Total | |
| | | 2014 | 2013 |
| \$ (78,801,830) | \$ - | \$ (78,801,830) | \$ (60,527,644) |
| (108,857,735) | - | (108,857,735) | (91,695,094) |
| (16,302,763) | - | (16,302,763) | (31,030,648) |
| 481,127 | - | 481,127 | 514,661 |
| (7,710,861) | - | (7,710,861) | (8,756,009) |
| (77,081,936) | - | (77,081,936) | (76,059,053) |
| (16,542,842) | - | (16,542,842) | (15,440,598) |
| (314,344) | - | (314,344) | (319,019) |
| (286,135) | - | (286,135) | (358,650) |
| (7,595,967) | - | (7,595,967) | (6,283,322) |
| <u>(313,013,286)</u> | <u>-</u> | <u>(313,013,286)</u> | <u>(289,955,376)</u> |
| - | (947,914) | (947,914) | (864,496) |
| - | (1,835,420) | (1,835,420) | (1,683,491) |
| - | (156,751) | (156,751) | (154,763) |
| - | 101,049 | 101,049 | - |
| - | (106,615) | (106,615) | (45,731) |
| - | (2,945,651) | (2,945,651) | (2,748,481) |
| <u>(313,013,286)</u> | <u>(2,945,651)</u> | <u>(315,958,937)</u> | <u>(292,703,857)</u> |
| 297,567,581 | - | 297,567,581 | 296,128,119 |
| 3,883,855 | - | 3,883,855 | - |
| 20,502,897 | - | 20,502,897 | 17,673,798 |
| 3,337,343 | 31,545 | 3,368,888 | (282,715) |
| 383,780 | 36,862 | 420,642 | 120,029 |
| (2,327,492) | 2,327,492 | - | - |
| <u>323,347,964</u> | <u>2,395,899</u> | <u>325,743,863</u> | <u>313,639,231</u> |
| 10,334,678 | (549,752) | 9,784,926 | 20,935,374 |
| 950,023,425 | (4,051,495) | 945,971,930 | 925,036,556 |
| <u>\$ 960,358,103</u> | <u>\$ (4,601,247)</u> | <u>\$ 955,756,856</u> | <u>\$ 945,971,930</u> |

**RAMSEY COUNTY, MINNESOTA
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2014
WITH COMPARATIVE TOTALS FOR DECEMBER 31, 2013**

EXHIBIT 3

| | General | Debt Service | Capital Projects | Regional Railroad Authority Capital Projects Fund | Other Governmental Funds | Total Governmental Funds | |
|--|-----------------------|----------------------|----------------------|---|--------------------------|--------------------------|-----------------------|
| | | | | | | 2014 | 2013 |
| ASSETS | | | | | | | |
| Cash and Cash Equivalents | \$ 220,479,056 | \$ 27,458,682 | \$ 58,667,082 | \$ 7,784,733 | \$ 62,971,390 | \$ 377,360,943 | \$ 370,794,895 |
| Petty Cash and Change Funds | 24,785 | - | - | - | 2,445 | 27,230 | 27,830 |
| Receivables (Net): | | | | | | | |
| Taxes | 4,527,156 | 417,864 | - | - | 494,905 | 5,439,925 | 6,328,803 |
| Accounts | 2,962,918 | - | 247,913 | - | 5,134,649 | 8,345,480 | 5,625,405 |
| Accrued Interest | 771,597 | - | - | - | 274,501 | 1,046,098 | 1,010,683 |
| Due from Other Funds | 849,483 | - | - | - | 211,754 | 1,061,237 | 1,168,285 |
| Due from Other Governments | 16,219,160 | - | 18,506,593 | 4,857,063 | 6,363,704 | 45,946,520 | 47,109,963 |
| Lease Receivable | - | 4,697,000 | - | - | - | 4,697,000 | 4,912,000 |
| Loans Receivable | 6,018,674 | - | - | - | 7,763,544 | 13,782,218 | 13,760,902 |
| Inventories | 1,724,120 | - | - | - | 5,447 | 1,729,567 | 1,315,658 |
| Advance to Other Funds | 17,705,307 | 1,629,598 | 9,975,000 | - | 1,531,545 | 30,841,450 | 13,868,098 |
| Advance to Other Governments | 105,817 | - | - | - | - | 105,817 | 105,817 |
| Advance to Other Organizations | 481,451 | - | - | - | - | 481,451 | 237,555 |
| Property Held for Resale | 752,200 | - | - | - | - | 752,200 | - |
| Restricted Cash and Cash Equivalents | 15,000 | - | - | - | - | 15,000 | 9,500 |
| Total Assets | <u>272,636,724</u> | <u>34,203,144</u> | <u>87,396,588</u> | <u>12,641,796</u> | <u>84,753,884</u> | <u>491,632,136</u> | <u>466,275,394</u> |
| LIABILITIES | | | | | | | |
| Salaries Payable | 15,784,687 | - | 3,592 | - | 2,108,829 | 17,897,108 | 16,122,172 |
| Accounts Payable | 8,857,372 | - | 7,979 | 1,923 | 2,759,904 | 11,627,178 | 12,430,128 |
| Contracts Payable | - | - | 8,087,691 | 3,792,125 | 656,920 | 12,536,736 | 12,419,684 |
| Due to Other Funds | 2,367,187 | - | - | 1,796 | 1,026,016 | 3,394,999 | 2,794,737 |
| Due to Other Governments | 3,652,131 | - | 631,619 | 1,228,935 | 7,983,961 | 13,496,646 | 7,500,777 |
| Unearned Revenue | 1,503 | - | 1,112,581 | - | 1,395,605 | 2,509,689 | 3,187,821 |
| Advance from Other Funds | - | 1,150,606 | 10,838,465 | - | 4,500,000 | 16,489,071 | 9,607,032 |
| Claims and Judgments Payable | 110,695 | - | - | - | - | 110,695 | 51,363 |
| Liabilities Payable from Restricted Assets | 15,000 | - | - | - | - | 15,000 | 9,500 |
| Total Liabilities | <u>30,788,575</u> | <u>1,150,606</u> | <u>20,681,927</u> | <u>5,024,779</u> | <u>20,431,235</u> | <u>78,077,122</u> | <u>64,123,214</u> |
| DEFERRED INFLOWS OF RESOURCES | | | | | | | |
| Unavailable Revenue | <u>12,689,674</u> | <u>417,863</u> | <u>13,745,676</u> | <u>4,357,063</u> | <u>12,117,314</u> | <u>43,327,590</u> | <u>56,365,783</u> |
| FUND BALANCES | | | | | | | |
| Nonspendable | 20,041,480 | - | 9,975,000 | - | 7,892 | 30,024,372 | 15,367,280 |
| Restricted | 183,534 | 32,634,675 | 27,827,488 | - | 33,017,541 | 93,663,238 | 99,804,214 |
| Committed | 1,693,743 | - | 15,166,497 | - | 5,355,615 | 22,215,855 | 15,266,743 |
| Assigned | 127,675,675 | - | - | 3,259,954 | 13,824,287 | 144,759,916 | 145,264,594 |
| Unassigned | 79,564,043 | - | - | - | - | 79,564,043 | 70,083,566 |
| Total Fund Balances | <u>229,158,475</u> | <u>32,634,675</u> | <u>52,968,985</u> | <u>3,259,954</u> | <u>52,205,335</u> | <u>370,227,424</u> | <u>345,786,397</u> |
| Total Liabilities, Deferred Inflows of Resources and Fund Balances | <u>\$ 272,636,724</u> | <u>\$ 34,203,144</u> | <u>\$ 87,396,588</u> | <u>\$ 12,641,796</u> | <u>\$ 84,753,884</u> | | |
| Amounts reported for governmental activities in the statement of net position are different because: | | | | | | | |
| Certain Non Current assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. | | | | | | 831,960,560 | 838,766,553 |
| Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds. | | | | | | 40,979,248 | 54,082,927 |
| 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 Position. | | | | | | (6,099,945) | (5,720,261) |
| Long-term liabilities, including bonds payable, are not due and payable in the current period, and therefore are not reported in the funds. | | | | | | (276,709,184) | (282,892,191) |
| Net position of governmental activities | | | | | | <u>\$ 960,358,103</u> | <u>\$ 950,023,425</u> |

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, 2014
WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2013

| | General | Debt Service | Capital Projects | Regional Railroad Authority Capital Projects Fund | Other Governmental Funds | Total Governmental Funds | |
|--|-----------------------|----------------------|----------------------|---|--------------------------------|--------------------------------|-----------------------|
| | | | | | | 2014 | 2013 |
| REVENUES | | | | | | | |
| Taxes | \$ 236,508,036 | \$ 23,225,968 | \$ 4,733,855 | \$ 4,598,055 | \$ 33,339,886 | \$ 302,405,800 | \$ 297,006,997 |
| Licenses and Permits | 1,082,841 | - | - | - | 915,267 | 1,998,108 | 2,153,560 |
| Intergovernmental | 144,828,707 | 679,471 | 23,116,304 | 9,690,099 | 37,965,390 | 216,279,971 | 198,201,205 |
| Private Grants and Donations | 125,802 | - | - | - | 252,190 | 377,992 | 476,655 |
| Charges for Services | 45,449,142 | - | - | - | 25,997,779 | 71,446,921 | 71,563,871 |
| Fines and Forfeitures | 5,061 | - | - | - | 1,064,993 | 1,070,054 | 884,816 |
| Sales | 1,414,589 | - | 3,862 | - | 2,416,494 | 3,834,945 | 3,131,985 |
| Rental Income | 1,015,801 | - | 60,500 | - | 1,537,073 | 2,613,374 | 1,684,955 |
| Investment Earnings | 2,399,655 | 335,216 | 8,157 | - | 277,192 | 3,020,220 | (322,081) |
| Program Recoveries - Community | | | | | | | |
| Human Services | 3,234,327 | - | - | - | - | 3,234,327 | 4,649,593 |
| Miscellaneous | 9,627,390 | - | 734,724 | 26 | 1,094,543 | 11,456,683 | 8,470,337 |
| Total Revenues | 445,691,351 | 24,240,655 | 28,657,402 | 14,288,180 | 104,860,807 | 617,738,395 | 587,901,893 |
| EXPENDITURES | | | | | | | |
| Current: | | | | | | | |
| General Government | 81,350,857 | - | 20,343,107 | - | 9,270,575 | 110,964,539 | 97,216,767 |
| Public Safety | 109,426,147 | - | 2,654,328 | - | 16,864,537 | 128,945,012 | 120,450,958 |
| Transportation | 16,877,085 | - | 26,696,880 | - | 8,542,123 | 52,116,088 | 46,168,113 |
| Sanitation | - | - | - | - | 20,790,288 | 20,790,288 | 19,574,566 |
| Health | 37,792,778 | - | - | - | 38,214 | 37,830,992 | 35,985,653 |
| Human Services | 156,582,805 | - | 128,926 | - | 71,095 | 156,782,826 | 157,930,908 |
| Culture and Recreation | 10,555,226 | - | 2,309,576 | - | 11,193,940 | 24,058,742 | 20,816,960 |
| Conservation of Natural Resources | 42,133 | - | - | - | - | 42,133 | 39,225 |
| Economic Development and Assistance | - | - | - | - | 23,051,049 | 23,051,049 | 25,256,316 |
| Capital Projects: | | | | | | | |
| General Government | 1,254,743 | - | - | - | - | 1,254,743 | 12,124,362 |
| Public Safety | 913,096 | - | - | - | - | 913,096 | 2,492,367 |
| Transportation | 2,708,559 | - | - | 14,935,924 | - | 17,644,483 | 30,035,726 |
| Health | 8,269 | - | - | - | - | 8,269 | - |
| Human Services | - | - | - | - | - | - | 113,059 |
| Culture and Recreation | 355,221 | - | - | - | - | 355,221 | 13,695,096 |
| Debt Service: | | | | | | | |
| Bond Issuance Costs | - | 125,254 | 172,793 | - | - | 298,047 | 352,841 |
| Principal Retirement | - | 28,280,000 | - | - | 3,296,666 | 31,576,666 | 35,035,000 |
| Interest | - | 8,802,387 | - | - | 363,986 | 9,166,373 | 8,475,272 |
| Total Expenditures | 417,866,919 | 37,207,641 | 52,305,610 | 14,935,924 | 93,482,473 | 615,798,567 | 625,763,189 |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | 27,824,432 | (12,966,986) | (23,648,208) | (647,744) | 11,378,334 | 1,939,828 | (37,861,296) |
| OTHER FINANCING SOURCES (USES) | | | | | | | |
| Bonds Issued | - | - | 12,800,000 | - | - | 12,800,000 | 34,700,000 |
| Premium on Sale of Bonds | - | 1,210,357 | 45,652 | - | - | 1,256,009 | 2,718,398 |
| Discount on Sale of Bonds | - | - | (19,109) | - | - | (19,109) | - |
| Refunding Bonds Issued | - | 12,550,000 | - | - | - | 12,550,000 | - |
| Proceeds from Sale of Assets | 383,780 | - | - | - | - | 383,780 | 142,952 |
| Transfers In | 1,482,928 | 1,834,798 | 18,656,759 | - | 1,037,244 | 23,011,729 | 14,625,426 |
| Transfers Out | (23,540,541) | - | (1,834,798) | - | (2,519,780) | (27,895,119) | (23,412,538) |
| Total Other Financing Sources (Uses) | (21,673,833) | 15,595,155 | 29,648,504 | - | (1,482,536) | 22,087,290 | 28,774,238 |
| Net Change in Fund Balances | 6,150,599 | 2,628,169 | 6,000,296 | (647,744) | 9,895,798 | 24,027,118 | (9,087,058) |
| Fund Balances - Beginning | 222,577,788 | 30,006,506 | 46,968,689 | 3,907,698 | 42,325,716 | 345,786,397 | 355,334,814 |
| Increase (decrease) in inventories | 430,088 | - | - | - | (16,179) | 413,909 | (461,359) |
| Fund Balances - Ending | \$ 229,158,475 | \$ 32,634,675 | \$ 52,968,985 | \$ 3,259,954 | \$ 52,205,335 | \$ 370,227,424 | \$ 345,786,397 |

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, 2014
WITH COMPARATIVE AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2013

| | <u>2014</u> | <u>2013</u> |
|--|----------------------|----------------------|
| Net change in fund balances - total governmental funds (Exhibit 4) | \$ 24,027,118 | \$ (9,087,058) |
| 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. | (6,805,993) | 13,543,545 |
| The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) is to decrease net position. | - | (294,365) |
| Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. | (13,103,678) | 12,529,416 |
| 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 position. 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. | 4,989,766 | (2,383,398) |
| 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. | 4,163,047 | 8,253,288 |
| Internal service funds are used by management to charge the costs of management information systems and property management services to individual funds. The net revenue of certain activities of internal service funds is reported with governmental activities. | <u>(2,935,582)</u> | <u>(1,512,244)</u> |
| Net change in net position of governmental activities (Exhibit 2) | <u>\$ 10,334,678</u> | <u>\$ 21,049,184</u> |

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

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**RAMSEY COUNTY, MINNESOTA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
DECEMBER 31, 2014
WITH COMPARATIVE TOTALS FOR DECEMBER 31, 2013**

| | Business-type Activities - Enterprise Funds | | | | |
|--|--|--|--------------------------------------|--------------------------------------|--|
| | Lake Owasso Residence | Ramsey County Care Center | Ponds at Battle Creek | Vadnais Sports Center | Nonmajor Law Enforcement Services |
| ASSETS | | | | | |
| Current Assets: | | | | | |
| Cash and Cash Equivalents | \$ 1,883,596 | \$ 141,718 | \$ 807,998 | \$ 124,703 | \$ 706,530 |
| Cash with Trustee | - | - | - | - | - |
| Petty Cash and Change Funds | 5,900 | 14,000 | - | 1,200 | - |
| Cooperative Investment | - | 63,527 | - | - | - |
| Accounts Receivable (Net) | - | 332,852 | 26,347 | 212,255 | - |
| Due from Other Funds | - | - | - | - | 6,748 |
| Due from Other Governments | 813,059 | 1,302,458 | - | - | 86,411 |
| Prepaid Items | - | - | - | - | - |
| Inventories | 16,121 | - | - | - | - |
| Restricted Cash and Cash Equivalents | - | - | - | - | - |
| Total Current Assets | 2,718,676 | 1,854,555 | 834,345 | 338,158 | 799,689 |
| Noncurrent Assets: | | | | | |
| Property Held for Resale | - | - | - | - | - |
| Capital Assets: | | | | | |
| Land | 7,873 | 99,200 | - | 1,770,080 | - |
| Buildings | 4,072,132 | 4,368,576 | 933,506 | 8,047,382 | - |
| Building Improvements | 23,349 | 3,524,600 | - | - | - |
| Improvements Other Than Buildings | 647,707 | 889,970 | 2,665,746 | - | - |
| Machinery and Equipment | 413,662 | 519,349 | 154,063 | - | 921,335 |
| Construction in Progress | - | - | - | - | - |
| Less Accumulated Depreciation | (2,288,864) | (6,630,728) | (1,303,235) | (93,886) | (523,412) |
| Total Capital Assets (Net of Accumulated Depreciation) | 2,875,859 | 2,770,967 | 2,450,080 | 9,723,576 | 397,923 |
| Total Noncurrent Assets | 2,875,859 | 2,770,967 | 2,450,080 | 9,723,576 | 397,923 |
| Total Assets | 5,594,535 | 4,625,522 | 3,284,425 | 10,061,734 | 1,197,612 |
| LIABILITIES | | | | | |
| Current Liabilities: | | | | | |
| Salaries Payable | 445,782 | 723,498 | 5,481 | 29,001 | 311,840 |
| Accounts Payable | 39,286 | 348,811 | 5,016 | 99,412 | 5,371 |
| Interest Payable | 34,612 | 32,768 | 30,646 | - | - |
| Unamortized Bond Discount/Premium | 20,556 | 4,119 | 34,818 | - | - |
| Due to Other Funds | 2,043,270 | 2,963,387 | 73,250 | 14,537 | 37,543 |
| Due to Other Governments | 8,926 | 5,196 | 1,813 | 9,892 | 432,621 |
| General Obligation Bonds Payable | 245,000 | 95,000 | 160,000 | - | - |
| Vacation and Compensatory Time Payable | 448,451 | 490,848 | 9,234 | 7,843 | 460,488 |
| Payable from Restricted Assets: | | | | | |
| Customer Deposits Payable | - | - | - | - | - |
| Total Current Liabilities | 3,285,883 | 4,663,627 | 320,258 | 160,685 | 1,247,863 |
| Noncurrent Liabilities: | | | | | |
| General Obligation Bonds Payable | 1,420,000 | 1,540,000 | 1,350,000 | - | - |
| Unamortized Bond Discount/Premium | 83,938 | 45,649 | 211,809 | - | - |
| Advance from Other Funds | 378,206 | 252,442 | 3,921,731 | 9,800,000 | - |
| Compensated Absences Payable | 302,722 | 504,036 | 11,842 | - | - |
| Net OPEB Liability | - | - | - | - | - |
| Total Noncurrent Liabilities | 2,184,866 | 2,342,127 | 5,495,382 | 9,800,000 | - |
| Total Liabilities | 5,470,749 | 7,005,754 | 5,815,640 | 9,960,685 | 1,247,863 |
| NET POSITION | | | | | |
| Net Investment in Capital Assets | 1,106,365 | 1,086,199 | 543,453 | 9,723,576 | 397,923 |
| Unrestricted | (982,579) | (3,466,431) | (3,074,668) | (9,622,527) | (448,174) |
| Total Net Position | \$ 123,786 | \$ (2,380,232) | \$ (2,531,215) | \$ 101,049 | \$ (50,251) |
| Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds. | | | | | |
| Net Position of Business-Type Activities | | | | | |

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

EXHIBIT 6

| Total | | Governmental Activities - Internal Service Funds | |
|-----------------------|-----------------------|---|-----------------------|
| 2014 | 2013 | 2014 | 2013 |
| \$ 3,664,545 | \$ 3,427,675 | \$ 32,867,658 | \$ 31,419,221 |
| - | - | 56,234,156 | 48,642,214 |
| 21,100 | 19,900 | 75 | 75 |
| 63,527 | 62,517 | - | - |
| 571,454 | 396,101 | 19,805 | 29,755 |
| 6,748 | - | 11,625,136 | 10,198,394 |
| 2,201,928 | 2,019,874 | 405,448 | 375,604 |
| - | - | 325,192 | 439,151 |
| 16,121 | 39,772 | - | 4,884 |
| - | - | 1,000 | 1,000 |
| <u>6,545,423</u> | <u>5,965,839</u> | <u>101,478,470</u> | <u>91,110,298</u> |
| - | - | 467,423 | - |
| 1,877,153 | 107,073 | - | - |
| 17,421,596 | 9,374,214 | - | - |
| 3,547,949 | 3,557,987 | 7,050,137 | 12,146,964 |
| 4,203,423 | 4,204,572 | 215,895 | 201,904 |
| 2,008,409 | 2,267,878 | 4,907,405 | 4,689,432 |
| - | - | - | 62,903 |
| <u>(10,840,125)</u> | <u>(10,392,016)</u> | <u>(8,303,324)</u> | <u>(12,922,137)</u> |
| <u>18,218,405</u> | <u>9,119,708</u> | <u>3,870,113</u> | <u>4,179,066</u> |
| <u>18,218,405</u> | <u>9,119,708</u> | <u>4,337,536</u> | <u>4,179,066</u> |
| <u>24,763,828</u> | <u>15,085,547</u> | <u>105,816,006</u> | <u>95,289,364</u> |
| 1,515,602 | 1,368,531 | 803,359 | 660,843 |
| 497,896 | 464,409 | 4,438,628 | 1,864,538 |
| 98,026 | 107,390 | - | - |
| 59,493 | 59,493 | - | - |
| 5,131,987 | 4,694,340 | 4,166,135 | 3,877,602 |
| 458,448 | 339,641 | 61,837 | 64,075 |
| 500,000 | 480,000 | - | - |
| 1,416,864 | 1,426,746 | 788,614 | 852,041 |
| - | - | 1,000 | 1,000 |
| <u>9,678,316</u> | <u>8,940,550</u> | <u>10,259,573</u> | <u>7,320,099</u> |
| 4,310,000 | 4,810,000 | - | - |
| 341,396 | 400,889 | - | - |
| 14,352,379 | 4,261,066 | - | - |
| 818,600 | 801,427 | 805,404 | 883,737 |
| - | - | 100,715,358 | 92,728,899 |
| <u>19,822,375</u> | <u>10,273,382</u> | <u>101,520,762</u> | <u>93,612,636</u> |
| <u>29,500,691</u> | <u>19,213,932</u> | <u>111,780,335</u> | <u>100,932,735</u> |
| 12,857,516 | 3,369,326 | 3,870,113 | 4,179,066 |
| (17,594,379) | (7,497,711) | (9,834,442) | (9,822,437) |
| <u>(4,736,863)</u> | <u>(4,128,385)</u> | <u>\$ (5,964,329)</u> | <u>\$ (5,643,371)</u> |
| 135,616 | 76,890 | | |
| <u>\$ (4,601,247)</u> | <u>\$ (4,051,495)</u> | | |

RAMSEY COUNTY, MINNESOTA
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2014
WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2013

| | Business-type Activities - Enterprise Funds | | | | |
|--|--|--|--------------------------------------|--------------------------------------|--|
| | Lake Owasso Residence | Ramsey County Care Center | Ponds at Battle Creek | Vadnais Sports Center | Nonmajor Law Enforcement Services |
| OPERATING REVENUES: | | | | | |
| Charges for Services | \$ 8,251,440 | \$ 14,363,302 | \$ 375,710 | \$ 665,038 | \$ 6,530,381 |
| Sales | - | - | - | 3,500 | 2,831 |
| Rental Income | - | - | 71,549 | - | - |
| Miscellaneous | 764 | 75,319 | 6,203 | 29,617 | 58,676 |
| Total Operating Revenues | <u>8,252,204</u> | <u>14,438,621</u> | <u>453,462</u> | <u>698,155</u> | <u>6,591,888</u> |
| OPERATING EXPENSES: | | | | | |
| Personal Services | 7,297,000 | 11,502,680 | 249,209 | 160,562 | 5,403,280 |
| Other Services and Charges | 1,228,812 | 3,213,492 | 156,824 | 305,073 | 1,162,370 |
| Supplies | 492,612 | 1,190,436 | 49,875 | 37,585 | 210,705 |
| OPEB Expense | - | - | - | - | - |
| Depreciation | 158,637 | 363,933 | 115,496 | 93,886 | 257,355 |
| Total Operating Expenses | <u>9,177,061</u> | <u>16,270,541</u> | <u>571,404</u> | <u>597,106</u> | <u>7,033,710</u> |
| Operating Income (Loss) | <u>(924,857)</u> | <u>(1,831,920)</u> | <u>(117,942)</u> | <u>101,049</u> | <u>(441,822)</u> |
| NONOPERATING REVENUES (EXPENSES): | | | | | |
| Intergovernmental Revenue | 19,968 | 33,778 | - | - | 335,206 |
| Amortization of (Discount) Premium on Bonds | 20,556 | 4,119 | 34,818 | - | - |
| Interest Expense | (84,240) | (79,040) | (74,050) | - | - |
| Loss on Disposal of Capital Assets | (5) | (9,791) | - | - | (4,000) |
| Gain (Loss) on Sale of Capital Assets | - | - | - | - | 50,658 |
| Investment Earnings | - | 31,545 | - | - | - |
| Total Nonoperating Revenues (Expenses) | <u>(43,721)</u> | <u>(19,389)</u> | <u>(39,232)</u> | <u>-</u> | <u>381,864</u> |
| Income before Contributions and Transfers | <u>(968,578)</u> | <u>(1,851,309)</u> | <u>(157,174)</u> | <u>101,049</u> | <u>(59,958)</u> |
| Capital Contributions | - | - | - | - | - |
| Transfers In | 1,210,837 | 1,116,655 | - | - | - |
| Transfers Out | - | - | - | - | - |
| Change in Net Position | <u>242,259</u> | <u>(734,654)</u> | <u>(157,174)</u> | <u>101,049</u> | <u>(59,958)</u> |
| Total Net Position - Beginning | <u>(118,473)</u> | <u>(1,645,578)</u> | <u>(2,374,041)</u> | <u>-</u> | <u>9,707</u> |
| Total Net Position - Ending | <u>\$ 123,786</u> | <u>\$ (2,380,232)</u> | <u>\$ (2,531,215)</u> | <u>\$ 101,049</u> | <u>\$ (50,251)</u> |
| Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds. | | | | | |
| Change in Net Position of Business-type Activities (Exhibit 2) | | | | | |

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

EXHIBIT 7

| Total | | Governmental Activities - Internal Service Funds | |
|---------------------|---------------------|---|-----------------------|
| 2014 | 2013 | 2014 | 2013 |
| \$ 30,185,871 | \$ 28,378,895 | \$ 44,795,585 | \$ 42,850,251 |
| 6,331 | 316 | 3,005 | 8,018 |
| 71,549 | 69,711 | - | - |
| 170,579 | 157,271 | 235,656 | 149,770 |
| <u>30,434,330</u> | <u>28,606,193</u> | <u>45,034,246</u> | <u>43,008,039</u> |
| 24,612,731 | 23,751,995 | 11,874,629 | 12,140,831 |
| 6,066,571 | 5,401,998 | 14,586,739 | 15,239,729 |
| 1,981,213 | 1,499,922 | 6,242,739 | 1,881,675 |
| - | - | 19,289,753 | 17,648,040 |
| 989,307 | 804,235 | 881,084 | 771,312 |
| <u>33,649,822</u> | <u>31,458,150</u> | <u>52,874,944</u> | <u>47,681,587</u> |
| <u>(3,215,492)</u> | <u>(2,851,957)</u> | <u>(7,840,698)</u> | <u>(4,673,548)</u> |
| 388,952 | 310,301 | 27,032 | 27,710 |
| 59,493 | 59,493 | - | - |
| (237,330) | (273,719) | - | - |
| (13,796) | (40,395) | - | 5,336 |
| 50,658 | 8,050 | (155,914) | (644) |
| 31,545 | 39,366 | 5,092,724 | 3,152,176 |
| <u>279,522</u> | <u>103,096</u> | <u>4,963,842</u> | <u>3,184,578</u> |
| <u>(2,935,970)</u> | <u>(2,748,861)</u> | <u>(2,876,856)</u> | <u>(1,488,970)</u> |
| - | 30,290 | - | - |
| 2,327,492 | 2,581,487 | 2,556,290 | 6,205,838 |
| - | - | (392) | (213) |
| <u>(608,478)</u> | <u>(137,084)</u> | <u>(320,958)</u> | <u>4,716,655</u> |
| | | (5,643,371) | (10,360,026) |
| | | <u>\$ (5,964,329)</u> | <u>\$ (5,643,371)</u> |
| 58,726 | 23,274 | | |
| <u>\$ (549,752)</u> | <u>\$ (113,810)</u> | | |

RAMSEY COUNTY, MINNESOTA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2014
WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2013

| | Business-type Activities - Enterprise Funds | | | | |
|---|--|--|--------------------------------------|--------------------------------------|--|
| | Lake Owasso Residence | Ramsey County Care Center | Ponds at Battle Creek | Vadnais Sports Center | Nonmajor Law Enforcement Services |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | | | |
| Receipts from Customers and Users | \$ 8,215,021 | \$ 14,349,983 | \$ 432,897 | \$ 485,900 | \$ 6,535,863 |
| Receipts from Interfund Services Provided | - | - | - | - | - |
| Payments to Suppliers | (1,743,387) | (4,109,429) | (188,324) | (218,817) | (1,275,075) |
| Payments to Employees | (7,088,765) | (11,467,693) | (252,519) | (123,718) | (5,374,323) |
| Payments for Interfund Services Used | - | - | - | - | - |
| Net Cash Provided by (Used for) Operating Activities | <u>(617,131)</u> | <u>(1,227,139)</u> | <u>(7,946)</u> | <u>143,365</u> | <u>(113,535)</u> |
| CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES | | | | | |
| Establishment of Petty Cash Fund | - | - | - | (1,200) | - |
| Intergovernmental Revenue | 19,968 | 33,778 | - | - | 335,206 |
| Transfers In | 1,210,837 | 1,116,655 | - | - | - |
| Advances from Other Funds | - | 64,763 | 226,550 | 9,800,000 | - |
| Transfers Out | - | - | - | - | - |
| Net Cash Provided by (Used for) Noncapital Financing Activities | <u>1,230,805</u> | <u>1,215,196</u> | <u>226,550</u> | <u>9,798,800</u> | <u>335,206</u> |
| CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES | | | | | |
| Proceeds from the Sale of Capital Assets | - | - | - | - | 78,338 |
| Insurance Reimbursement | - | - | - | - | - |
| Purchases of Capital Assets | (42,143) | (17,331) | (1,528) | (9,817,462) | (251,016) |
| Principal Paid on Capital Debt | (235,000) | (95,000) | (150,000) | - | - |
| Interest Paid on Capital Debt | (89,125) | (81,019) | (76,550) | - | - |
| Net Cash Provided by (Used for) Capital and Related Financing Activities | <u>(366,268)</u> | <u>(193,350)</u> | <u>(228,078)</u> | <u>(9,817,462)</u> | <u>(172,678)</u> |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | | | |
| Dividend Received | - | 30,535 | - | - | - |
| Investment Earnings (Loss) | - | - | - | - | - |
| Net Cash Provided by (Used for) Investing Activities | <u>-</u> | <u>30,535</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Net Increase (Decrease) in Cash and Cash Equivalents | 247,406 | (174,758) | (9,474) | 124,703 | 48,993 |
| Cash and Cash Equivalents, January 1 | 1,636,190 | 316,476 | 817,472 | - | 657,537 |
| Cash and Cash Equivalents, December 31 | <u>\$ 1,883,596</u> | <u>\$ 141,718</u> | <u>\$ 807,998</u> | <u>\$ 124,703</u> | <u>\$ 706,530</u> |

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

EXHIBIT 8

| Total | | Governmental Activities - Internal Service Funds | |
|---------------------|---------------------|---|----------------------|
| 2014 | 2013 | 2014 | 2013 |
| \$ 30,019,664 | \$ 28,851,463 | \$ 4,249,169 | \$ 4,582,630 |
| - | - | 38,877,791 | 38,918,861 |
| (7,535,032) | (6,204,500) | (24,618,043) | (25,296,798) |
| (24,307,018) | (23,772,715) | (9,420,503) | (9,087,376) |
| - | - | (6,528,221) | (5,483,366) |
| <u>(1,822,386)</u> | <u>(1,125,752)</u> | <u>2,560,193</u> | <u>3,633,951</u> |
| (1,200) | - | - | - |
| 388,952 | 310,301 | 27,032 | 27,710 |
| 2,327,492 | 2,581,487 | 2,556,290 | 6,205,838 |
| 10,091,313 | (435,948) | - | - |
| - | - | (392) | (213) |
| <u>12,806,557</u> | <u>2,455,840</u> | <u>2,582,930</u> | <u>6,233,335</u> |
| 78,338 | 44,050 | - | 5,336 |
| - | 29,798 | - | - |
| (10,129,480) | (426,542) | (1,195,468) | (551,593) |
| (480,000) | (445,000) | - | - |
| (246,694) | (257,392) | - | - |
| <u>(10,777,836)</u> | <u>(1,055,086)</u> | <u>(1,195,468)</u> | <u>(546,257)</u> |
| 30,535 | 32,527 | - | - |
| - | - | 5,092,724 | 3,152,176 |
| <u>30,535</u> | <u>32,527</u> | <u>5,092,724</u> | <u>3,152,176</u> |
| 236,870 | 307,529 | 9,040,379 | 12,473,205 |
| 3,427,675 | 3,120,146 | 80,062,435 | 67,589,230 |
| <u>\$ 3,664,545</u> | <u>\$ 3,427,675</u> | <u>\$ 89,102,814</u> | <u>\$ 80,062,435</u> |

**RAMSEY COUNTY, MINNESOTA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2014
WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2013**

| | Business-type Activities - Enterprise Funds | | | | |
|--|--|--|--------------------------------------|--------------------------------------|--|
| | Lake Owasso Residence | Ramsey County Care Center | Ponds at Battle Creek | Vadnais Sports Center | Nonmajor Law Enforcement Services |
| Reconciliation of Operating Income to Net | | | | | |
| Cash Provided (Used) by Operating Activities: | | | | | |
| Operating Income (Loss) | \$ (924,857) | \$ (1,831,920) | \$ (117,942) | \$ 101,049 | \$ (441,822) |
| Adjustments to Reconcile Operating Income to Net | | | | | |
| Cash Provided (Used) by Operating Activities: | | | | | |
| Depreciation Expense | 158,637 | 363,933 | 115,496 | 93,886 | 257,355 |
| Changes in Assets and Liabilities: | | | | | |
| (Increase) Decrease in Accounts Receivable | - | 20,333 | (20,565) | (212,255) | 37,134 |
| (Increase) Decrease in Due from Other Funds | - | - | - | - | (6,748) |
| (Increase) Decrease in Due from Other Governments | (37,183) | (58,460) | - | - | (86,411) |
| (Increase) Decrease in Prepaid Items | - | - | - | - | - |
| (Increase) Decrease in Inventories | 4,714 | 18,937 | - | - | - |
| Increase (Decrease) in Salaries Payable | 33,527 | 78,864 | (1,150) | 29,001 | 6,829 |
| Increase (Decrease) in Accounts Payable | (27,222) | (4,398) | (8,550) | 99,412 | (25,755) |
| Increase (Decrease) in Due to Other Funds | 152,031 | 234,019 | 25,941 | 14,537 | 11,119 |
| Increase (Decrease) in Due to Other Governments | (135) | (4,570) | 984 | 9,892 | 112,636 |
| Increase (Decrease) in Vacation and Compensatory Time Payable | 14,116 | (51,809) | (2,160) | 7,843 | 22,128 |
| Increase (Decrease) in Compensated Absences Payable | 9,241 | 7,932 | - | - | - |
| Increase (Decrease) in Net OPEB Liability Payable | - | - | - | - | - |
| Net Cash Provided (Used) by Operating Activities | \$ (617,131) | \$ (1,227,139) | \$ (7,946) | \$ 143,365 | \$ (113,535) |
| Schedule of non-cash capital and related activities: | | | | | |
| Carrying value of capital assets sold | \$ - | \$ - | \$ - | \$ - | \$ 27,680 |
| Contribution of capital assets | - | - | - | - | - |
| Loss on disposition of capital assets | (5) | (9,791) | - | - | (4,000) |
| Gain on investment | - | 1,010 | - | - | - |
| Reclassification of capital asset to property held for resale | - | - | - | - | - |

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

EXHIBIT 8
(Continued)

| Total | | Governmental Activities - Internal Service Funds | |
|-----------------------|-----------------------|---|---------------------|
| 2014 | 2013 | 2014 | 2013 |
| \$ (3,215,492) | \$ (2,851,957) | \$ (7,840,698) | \$ (4,673,548) |
| 989,307 | 804,235 | 881,084 | 771,312 |
| (175,353) | (60,804) | 9,950 | (22,080) |
| (6,748) | - | (1,426,742) | 365,267 |
| (182,054) | 395,825 | (29,844) | 150,267 |
| - | - | 113,959 | 45,057 |
| 23,651 | 170 | 4,884 | 156 |
| 147,071 | 105,727 | 142,515 | 75,163 |
| 33,487 | 56,937 | 2,574,090 | (306,352) |
| 437,647 | 499,001 | 288,533 | 338,140 |
| 118,807 | (92,326) | (2,238) | (34,218) |
| (9,882) | 24,100 | (63,427) | 35,991 |
| 17,173 | (6,660) | (78,333) | (36,386) |
| - | - | 7,986,459 | 6,925,182 |
| <u>\$ (1,822,386)</u> | <u>\$ (1,125,752)</u> | <u>\$ 2,560,192</u> | <u>\$ 3,633,951</u> |
| \$ 27,680 | \$ 106,193 | \$ (155,914) | \$ 644 |
| - | 30,290 | - | - |
| (13,796) | - | - | - |
| 1,010 | - | - | - |
| - | - | (467,423) | - |

EXHIBIT 9

**RAMSEY COUNTY, MINNESOTA
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
DECEMBER 31, 2014
WITH COMPARATIVE TOTALS FOR DECEMBER 31, 2013**

| | Private Purpose Trust Funds | | Agency Fund | |
|------------------------------------|-----------------------------------|-------------------|----------------------|----------------------|
| | 2014 | 2013 | 2014 | 2013 |
| ASSETS | | | | |
| Cash and Cash Equivalents | \$ 329,916 | \$ 325,190 | \$ 34,714,242 | \$ 33,691,266 |
| Receivables: | | | | |
| Accounts | - | - | 9,650,566 | 6,575,798 |
| Due from Other Governments | - | - | - | 46,357 |
| Total Assets | <u>329,916</u> | <u>325,190</u> | <u>44,364,808</u> | <u>40,313,421</u> |
| LIABILITIES | | | | |
| Custodial Payable | 3,178 | 6,338 | 26,203,687 | 22,512,857 |
| Due to Other Governments | - | - | 18,161,121 | 17,800,564 |
| Total Liabilities | <u>3,178</u> | <u>6,338</u> | <u>\$ 44,364,808</u> | <u>\$ 40,313,421</u> |
| NET POSITION | | | | |
| Held in Trust for Private Purposes | <u>\$ 326,738</u> | <u>\$ 318,852</u> | | |

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

RAMSEY COUNTY, MINNESOTA
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2014
WITH COMPARATIVE AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2013

| | Private Purpose Trust Funds | |
|---|--|--------------------------|
| | <u>2014</u> | <u>2013</u> |
| ADDITIONS | | |
| Receipts from Clients | \$ 241,796 | \$ 276,346 |
| Investment Earnings | 9 | 22 |
| Total Additions | <u>241,805</u> | <u>276,368</u> |
| DEDUCTIONS | | |
| Payments to Clients or on Behalf of Clients | <u>233,919</u> | <u>269,155</u> |
| Change in Net Position | 7,886 | 7,213 |
| Net Position- Beginning | <u>318,852</u> | <u>311,639</u> |
| Net Position - Ending | <u><u>\$ 326,738</u></u> | <u><u>\$ 318,852</u></u> |

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

RAMSEY COUNTY, MINNESOTA
Notes to the Financial Statements
December 31, 2014

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RAMSEY COUNTY, MINNESOTA
Notes to the Financial Statements
December 31, 2014

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 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.

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, in 1987, 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 the Ramsey County Finance Department.

The Ramsey County Housing and Redevelopment Authority was created in 1993 by the Ramsey County Board pursuant to State Statute. The seven member Housing and Redevelopment Authority is appointed by the Ramsey County Board of Commissioners. Currently, the Housing and Redevelopment Authority consists of seven members from the Ramsey County Board. The Authority's financial activities are presented in the Housing and 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 requires the approval of the County Boards. Details of Ramsey County's share of the joint venture can be found in Note V.D. Separate financial statements can be obtained from the Ramsey County Finance Department.

B. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government. As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments for direct interfund services provided. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported 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

RAMSEY COUNTY, MINNESOTA
Notes to the Financial Statements
December 31, 2014

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, proprietary, 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, 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 *Regional Railroad Authority Capital Projects Fund* accounts for financial resources to be used for the acquisition or construction of major capital assets by the Regional Rail Authority.

The County reports the following major proprietary funds:

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

RAMSEY COUNTY, MINNESOTA
Notes to the Financial Statements
December 31, 2014

The *Ramsey County Care Center Fund* provides health care services for the physically and mentally handicapped.

The *Ponds at Battle Creek Fund* 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.

The *Vadnais Sports Center Fund* is a sports complex that features two NHL regulation-size hockey rinks and a 100,000-square-foot sports dome. The sports dome provides spring and summer athletes a perfect place to keep their skills sharp all winter long. The dome can host soccer, baseball, softball, lacrosse, football and many other athletic activities.

Additionally, the government reports the following fund types:

Special revenue funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specific purposes other than debt service or capital projects.

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.

- Information Services was created by combining Data Processing and Telecommunications – to provide computer and telephone 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.
- 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 (OPEB) Liability.
- Employee Health Insurance – to provide resources for Employee Health Insurance for employees.

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.

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 non-operating 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, Vadnais Sports Center and Law Enforcement Services enterprise funds, and of the government's internal service funds are charges to customers. Operating expenses for enterprise funds and internal service funds include the

RAMSEY COUNTY, MINNESOTA
Notes to the Financial Statements
December 31, 2014

cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

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, Deferred Outflows/Inflows of Resources and Net Position/Fund Balance

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, 2014, 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 2014 were \$ 2,399,655.

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."

All trade and property tax receivables are shown net of an allowance for uncollectible. Trade accounts in excess of 120 days comprise the trade accounts receivable allowance for uncollectible. 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. Capital Assets

Capital assets, 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 to more than \$100,000, depending on asset category, and an estimated useful life in excess of one year. The County, effective October 1, 2014,

RAMSEY COUNTY, MINNESOTA
Notes to the Financial Statements
December 31, 2014

no longer capitalizes items that were considered high risk that no longer meets the dollar threshold. Those assets that do not meet the current policy and have not been fully depreciated will remain in the capital asset system to be retired as appropriate. Capital 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 for governmental or business-type 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:

| Assets | Years |
|-----------------------------------|-------|
| Buildings | 10-50 |
| Building Improvements | 5-20 |
| Infrastructure | 20-75 |
| Improvements Other Than Buildings | 10-20 |
| Machinery and Equipment | 2-20 |
| Computer Software | 5-10 |

6. 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 of vacation leave and 15 days of sick leave per year.

7. 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 position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight line method. Bonds payable are reported net of the applicable bond premium or discount.

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.

8. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and will not be recognized as an outflow of resources (expenditure/expense) until then. Currently, the County has no items that qualify for reporting in this category. In addition to liabilities, the statement of financial

RAMSEY COUNTY, MINNESOTA
Notes to the Financial Statements
December 31, 2014

position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The County has only one type of item, which arises only under a modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, the item, unavailable revenue, is reported only in the governmental funds balance sheet. This amount is deferred and recognized as an inflow of resources in the period that the amounts become available.

9. Restricted Assets/Fund Equity

Certain funds of the County are classified as restricted assets on the statement of net position 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 | \$ | 32,634,675 |
| Capital Projects | | 27,827,488 |
| Environmental Response Fund | | 1,844,031 |
| Criminal Forfeiture | | 1,215,098 |
| Sanitation | | 21,697,890 |
| Library | | 4,043,805 |
| Parks and Recreation | | 665,484 |
| Aggregate Material | | 183,534 |
| County Recorder's Equipment | | 802,703 |
| Affordable Housing | | 1,006,139 |
| Donations | | 572,220 |
| Other | | 1,170,171 |
| | <u>\$</u> | <u>93,663,238</u> |

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

10. 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, 2013, 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, 2014

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 Position

The governmental fund balance sheet includes reconciliation between *fund balance – total governmental funds* and *net position – governmental activities* as reported in the government-wide statement of net position. 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 \$(276,709,184) difference are as follows:

| | |
|--|-------------------------|
| Bonds and Notes Payable | \$ (201,552,000) |
| Loan Payable | (16,703,334) |
| Accrued Interest Payable | (3,883,883) |
| Unamortized Premium on Bonds | (13,928,006) |
| Estimated Payable for Outstanding Claims | (6,617,037) |
| Compensated Absences Payable, Vacation, & Comp Time Payable | <u>(34,024,924)</u> |
| Net Adjustment to Reduce Fund Balance – Total Governmental Funds to Arrive at Net Position – Governmental Activities | <u>\$ (276,709,184)</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 reconciliation between *net changes in fund balances – total governmental funds* and *changes in net position 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 \$(6,805,993) difference are as follows:

| | |
|--|-----------------------|
| Capital Outlay | \$ 13,345,042 |
| Depreciation Expense | (31,789,393) |
| Adjustment to Prior Year's Accumulated Depreciation | <u>11,638,358</u> |
| Net Adjustment to Decrease Net Changes in Fund Balances – Total Governmental Funds to Arrive at Changes in Net Position of Governmental Activities | <u>\$ (6,805,993)</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 position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.” The details of this \$4,989,766 difference are as follows:

| | |
|--|---------------------|
| Debt Issued or Incurred: | |
| Issuance of General Obligation Bonds | \$ (25,350,000) |
| Unamortized Premium on Sale of Bonds | (1,256,009) |
| Unamortized Discount on Sale of Bonds | 19,109 |
| Principal Repayments: | |
| General Obligation Debt | 28,065,000 |
| Capital Loan from State of Minnesota for Pedestrian Tunnel | 215,000 |
| Loan for Ramsey County Regional Rail Authority | <u>3,296,666</u> |
| Net Adjustment to Increase Net Changes in Fund Balances – Total Governmental Funds to Arrive at Changes in Net Position of Governmental Activities | <u>\$ 4,989,766</u> |

RAMSEY COUNTY, MINNESOTA
Notes to the Financial Statements
December 31, 2014

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 \$4,163,047 difference are as follows:

| | |
|--|--------------|
| Compensated Absences | \$ 98,857 |
| Claims and Judgments | (774,070) |
| Accrued Interest | (90,552) |
| Amortization of Bond Premium | 1,959,005 |
| Offset Operating Transfers from Internal Service Funds | 2,555,898 |
| Inventory (Change From Consumption to Purchase Method) | 413,909 |
| Net Adjustment to Increase Net Changes in Fund Balances - Total Governmental Funds to Arrive at Changes in Net Position of Governmental Activities | \$ 4,163,047 |

III. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. Deficit Fund Equity

Ramsey County Care Center Proprietary Fund had a negative change in net position of \$734,654 for the year, resulting in a deficit Net Position of \$2,380,232.

Ponds at Battle Creek Proprietary Fund had a negative change in net position of \$157,174 for the year, resulting in a deficit Net Position of \$2,531,215.

Law Enforcement Services Proprietary Fund had a negative change in net position of \$59,958 for the year resulting in a deficit Net Position of \$50,251.

The Retiree Insurance Internal Service Fund had a negative change in net position of \$1,562,345 for the year, resulting in a deficit Net Position of \$33,405,005.

B. 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, 4R Program, and Forfeited Property Management), Regional Railroad Authority Debt Service Fund 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, 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 and 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 and Recreation, Care Center 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

RAMSEY COUNTY, MINNESOTA
Notes to the Financial Statements
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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 Finance Department 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 the Capital Project Fund and Regional Railroad Authority Capital Project Fund, which are not expended or encumbered, 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 do not constitute expenditures or liabilities because the commitments will be reappropriated and honored during the subsequent year.

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 | \$ 410,228,601 |
| Investment with Trustee | 56,234,156 |
| Restricted Cash and Cash Equivalents | 16,000 |
| Petty Cash and Change Funds | 27,305 |
| Business-Type Activities | |
| Cash and Cash Equivalents | 3,664,545 |
| Petty Cash and Change Funds | 21,100 |
| Cooperative Investment | 63,527 |
| Fiduciary Funds | |
| Agency Fund | |
| Cash and Cash Equivalents | 34,714,242 |
| Private Purpose Trust Funds | |
| Cash and Cash Equivalents | 329,916 |
| | <hr/> |
| Cash and Investments | \$ 505,299,392 |
| | <hr/> <hr/> |
| Deposits | \$ 51,581,355 |
| Investments | 397,371,949 |
| Investments with Trustee | 56,234,156 |
| Cooperative Investment | 63,527 |
| Petty Cash and Change Funds | 48,405 |
| | <hr/> |
| Total Cash and Investments | \$ 505,299,392 |
| | <hr/> <hr/> |

RAMSEY COUNTY, MINNESOTA
Notes to the Financial Statements
December 31, 2014

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 custodial credit risk. As of December 31, 2014, 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. The securities are rated AA+/Aaa by Standard & Poor's and Moody's respectfully;
- (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. The securities need to be rated A or better by a national bond rating agency;
- (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.

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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, 2014. The investment portfolio has an average book yield of 1.18%, modified duration of 3.02 years and an effective duration of 1.74 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 | \$ 55,683,154 | \$ 55,473,957 | \$ 55,264,759 | \$ 55,055,562 |
| Federal Home Loan Mtg. Corp. | 60,090,360 | 59,771,672 | 59,452,984 | 59,134,297 |
| Federal National Mtg. Assn. | 39,516,681 | 39,302,262 | 39,087,842 | 38,873,423 |
| Federal Farm Credit | 95,881,600 | 95,303,492 | 94,725,383 | 94,147,275 |
| Federal Discount Notes | 122,986,901 | 122,986,901 | 122,986,901 | 122,986,901 |
| Commercial Paper | 11,800,000 | 11,800,000 | 11,800,000 | 11,800,000 |
| Municipal Bonds | 10,036,401 | 9,963,632 | 9,890,863 | 9,818,093 |
| Total Investments | <u>\$ 395,995,097</u> | <u>\$ 394,601,916</u> | <u>\$ 393,208,732</u> | <u>\$ 391,815,551</u> |

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 slightly 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, as defined in Note IV. A. 2.

The County's exposure to credit risk as of December 31, 2014, 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 | AA+ / Aaa | Custody (a) | \$ 56,000,000 | \$ 55,892,280 | 14.06% |
| Federal Home Loan Mtg. Corp. | AA+ / Aaa | Custody (a) | 60,565,000 | 60,406,284 | 15.20% |
| Federal National Mtg. Assn. | AA+ / Aaa | Custody (a) | 40,000,000 | 39,731,000 | 10.04% |
| Federal Farm Credit | AA+ / Aaa | Custody (a) | 97,000,000 | 96,459,660 | 24.35% |
| Federal Discount Notes | AA+ / Aaa | Custody (a) | 123,000,000 | 122,986,901 | 30.87% |
| Commercial Paper | A1 / A+ | Custody (a) | 11,800,000 | 11,800,000 | 2.96% |
| Municipal Bonds | AA+ / Aaa | Custody (a) | 10,035,000 | 10,095,824 | 2.52% |
| Ramsey County's Portfolio | | | <u>\$ 398,400,000</u> | <u>\$ 397,371,949</u> | <u>100.00%</u> |

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.

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Custodial Credit Risk. The custodial credit risk for investment securities 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 securities 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 repurchase agreements, shall be conducted on a delivery versus payment basis.

B. Receivables

Governmental funds report *deferred inflows of resources* 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 inflows of resources* and *unearned revenue* reported in the governmental funds were as follows:

| | Unavailable | Unearned |
|---|---------------|--------------|
| Delinquent Property Taxes Receivable | \$ 5,439,925 | \$ - |
| Receivables that do not Provide Current Financial Resources | 20,640,294 | - |
| Loans Receivable | 13,782,217 | - |
| Forfeited Tax Sale Accounts Receivable | 3,465,154 | - |
| Grant Drawdowns Prior to Meeting Eligibility Requirements | - | 2,509,689 |
| | \$ 43,327,590 | \$ 2,509,689 |

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.

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Terms of the lease are as follows:

| Year Ended December 31 | Lease Receivable |
|--------------------------------------|------------------|
| 2015 | \$ 393,622 |
| 2016 | 390,545 |
| 2017 | 392,288 |
| 2018 | 393,672 |
| 2019 | 394,697 |
| 2020-2024 | 1,953,089 |
| 2025-2029 | 1,948,812 |
| 2030 | 385,355 |
| | 6,252,080 |
| Less Interest | (1,555,080) |
| Present Value of Lease Receivable | \$ 4,697,000 |

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. 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.

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C. Capital Assets

The beginning balance of accumulated depreciation was decreased by \$11,638,358 resulting in an adjusted balance of \$435,452,336. Capital asset activity for the year ended December 31, 2014, was as follows:

| | Beginning Balance | Adjustment | Increases | Decreases | Ending Balance |
|--|-----------------------|----------------------|----------------------|------------------------|-----------------------|
| Governmental Activities: | | | | | |
| Capital Assets not Being Depreciated: | | | | | |
| Land | \$ 142,438,692 | \$ - | \$ 6,400,530 | \$ (2,528,655) | \$ 146,310,567 |
| Construction in Progress | 45,676,543 | - | 3,830,465 | (13,582,731) | 35,924,277 |
| Total Capital Assets, not Being Depreciated | <u>188,115,235</u> | <u>-</u> | <u>10,230,995</u> | <u>(16,111,386)</u> | <u>182,234,844</u> |
| Capital Assets, Being Depreciated: | | | | | |
| Buildings | 480,217,803 | - | 1,342,781 | (23,016,452) | 458,544,132 |
| Buildings Improvements | 42,433,833 | - | 126,160 | (5,599,439) | 36,960,554 |
| Improvements Other Than Buildings | 49,091,222 | - | 392,684 | (1,565,364) | 47,918,542 |
| Machinery and Equipment | 85,485,257 | - | 8,805,261 | (18,552,528) | 75,737,990 |
| Computer Software | 8,810,635 | - | - | - | 8,810,635 |
| Infrastructure | 424,431,526 | - | 22,960,717 | (974,363) | 446,417,880 |
| Total Capital Assets Being Depreciated | <u>1,090,470,276</u> | <u>-</u> | <u>33,627,603</u> | <u>(49,708,146)</u> | <u>1,074,389,733</u> |
| Buildings | (102,333,573) | 8,004,050 | (9,754,430) | 10,131,438 | (93,952,515) |
| Buildings Improvements | (19,630,644) | 4,876 | (2,833,206) | 502,612 | (21,956,362) |
| Improvements Other Than Buildings | (28,880,928) | 215,932 | (1,964,602) | 1,565,364 | (29,064,234) |
| Machinery and Equipment | (62,954,987) | 1,002 | (8,823,149) | 22,777,327 | (48,999,807) |
| Computer Software | (8,810,635) | - | - | - | (8,810,635) |
| Infrastructure | (224,479,927) | 3,412,498 | (9,295,090) | 901,366 | (229,461,153) |
| Total Accumulated Depreciation | <u>(447,090,694)</u> | <u>11,638,358</u> | <u>(32,670,477)</u> | <u>35,878,107</u> | <u>(432,244,706)</u> |
| Total Capital Assets Being Depreciated, Net | <u>643,379,582</u> | <u>11,638,358</u> | <u>957,126</u> | <u>(13,830,039)</u> | <u>642,145,027</u> |
| Governmental Activities Capital Assets, Net | <u>\$ 831,494,817</u> | <u>\$ 11,638,358</u> | <u>\$ 11,188,121</u> | <u>\$ (29,941,425)</u> | <u>\$ 824,379,871</u> |
| Business-type activities: | | | | | |
| Capital Assets not Being Depreciated: | | | | | |
| Land | \$ 107,073 | \$ - | \$ 1,770,080 | \$ - | \$ 1,877,153 |
| Total Capital Assets, not Being Depreciated | <u>107,073</u> | <u>-</u> | <u>1,770,080</u> | <u>-</u> | <u>1,877,153</u> |
| Capital Assets, Being Depreciated: | | | | | |
| Buildings | 9,374,214 | - | 8,047,382 | - | 17,421,596 |
| Buildings Improvements | 3,557,987 | - | 335,578 | (345,616) | 3,547,949 |
| Improvements Other Than Buildings | 4,204,572 | - | - | (1,149) | 4,203,423 |
| Machinery and Equipment | 2,267,878 | - | 374,894 | (634,363) | 2,008,409 |
| Total Capital Assets Being Depreciated | <u>19,404,651</u> | <u>-</u> | <u>8,757,854</u> | <u>(981,128)</u> | <u>27,181,377</u> |
| Less Accumulated Depreciation for: | | | | | |
| Buildings | (5,351,160) | - | (230,273) | - | (5,581,433) |
| Buildings Improvements | (1,715,236) | - | (166,179) | 10,038 | (1,871,377) |
| Improvements Other Than Buildings | (1,712,022) | - | (155,613) | 1,145 | (1,866,490) |
| Machinery and Equipment | (1,613,598) | - | (437,242) | 530,015 | (1,520,825) |
| Total Accumulated Depreciation | <u>(10,392,016)</u> | <u>-</u> | <u>(989,307)</u> | <u>541,198</u> | <u>(10,840,125)</u> |
| Total Capital Assets Being Depreciated, Net | <u>9,012,635</u> | <u>-</u> | <u>7,768,547</u> | <u>(439,930)</u> | <u>16,341,252</u> |
| Business-Type Activities Capital Assets, Net | <u>\$ 9,119,708</u> | <u>\$ -</u> | <u>\$ 9,538,627</u> | <u>\$ (439,930)</u> | <u>\$ 18,218,405</u> |

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Depreciation expense was charged to functions / programs as follows:

| | | |
|--|-----------|-------------------|
| Governmental Activities: | | |
| General Government | \$ | 6,690,579 |
| Public Safety | | 6,079,224 |
| Transportation, including depreciation of infrastructure assets | | 14,101,881 |
| Health | | 231,015 |
| Sanitation | | 128,076 |
| Human Services | | 581,790 |
| Culture and Recreation | | 3,638,527 |
| Conservation of Natural Resources | | 287,380 |
| Economic Development and Assistance | | 50,921 |
| Capital assets held by the County's Internal Service funds are charged to the various functions based on their usage of the assets | | 881,084 |
| Total Depreciation Expense - Governmental Activities | <u>\$</u> | <u>32,670,477</u> |
| Business-Type Activities: | | |
| Lake Owasso Residence | \$ | 158,637 |
| Ramsey County Care Center | | 363,933 |
| Ponds at Battle Creek | | 115,496 |
| Vadnais Sports Center | | 93,886 |
| Law Enforcement Services | | 257,355 |
| Total Depreciation Expense - Business-Type Activities | <u>\$</u> | <u>989,307</u> |

Construction and Other Significant Commitments

The government has active construction projects as of December 31, 2014. 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 | \$ 23,515,086 | \$ 6,480,232 |
| Twin Cities Army Ammunition Plant (TCAAP) | 11,877,980 | 18,122,020 |

The remaining commitment amounts for the Road and Bridge Construction and Union Depot Renovation were encumbered at fiscal year end.

Encumbrances. As discussed in Note III. C., encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control. At year-end, the amount of encumbrances expected to be honored upon performance by the vendor in the next year were as follows:

| | | |
|---|-----------|-------------------|
| General Fund | \$ | 2,827,503 |
| Capital Projects Fund | | 6,973,899 |
| Regional Railroad Authority Capital Projects Fund | | 64,109 |
| Nonmajor Governmental Funds | | 1,626,165 |
| Total | <u>\$</u> | <u>11,491,676</u> |

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D. Interfund Receivables, Payables, and Transfers

The composition of interfund balances as of December 31, 2014, is as follows:

Due to/from other funds:

| Receivable Fund | Payable Fund | Amount | |
|------------------------|--|-----------------------------|---------|
| General Fund | Regional Railroad Authority Capital Projects | \$ 1,796 | |
| | Nonmajor Governmental Funds | 474,354 | |
| | Lake Owasso Residence | 1,771 | |
| | Ramsey County Care Center | 230,382 | |
| | Ponds at Battle Creek | 21,544 | |
| | Law Enforcement Services | 37,300 | |
| | Internal Service Funds | 82,336 | |
| | Nonmajor Governmental Funds | General | 12,265 |
| | | Nonmajor Governmental Funds | 199,246 |
| | | Vadnais Sports Center | 6,748 |
| Internal Service Funds | Law Enforcement Services | 243 | |
| | General | 2,354,922 | |
| | Nonmajor Governmental Funds | 352,415 | |
| | Lake Owasso Residence | 2,041,499 | |
| | Ponds at Battle Creek | 51,706 | |
| | Ramsey County Care Center | 2,733,005 | |
| | Vadnais Sports Center | 7,789 | |
| | Internal Service Funds | 4,083,800 | |
| Total | | <u>\$ 12,693,121</u> | |

The outstanding balances between funds result mainly from time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur (2) transactions are recorded in the accounting system, and (3) payments between funds are made. The Ramsey County Care Center also owed funds to the Debt Service Fund for principal and interest which Ramsey County had paid on behalf of the Care Center.

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

Advances to/from other funds:

| Receivable Fund | Payable Fund | Amount |
|------------------|---------------------------|----------------------|
| General | Capital Projects Fund | \$ 9,306,920 |
| | Workforce Solutions | 4,500,000 |
| | Debt Service | 1,150,606 |
| | Ponds at Battle Creek | 2,747,781 |
| Debt Service | Ramsey County Care Center | 252,442 |
| | Lake Owasso Residence | 378,206 |
| | Ponds at Battle Creek | 998,950 |
| Capital Projects | Ponds at Battle Creek | 175,000 |
| | Vadnais Sports Center | 9,800,000 |
| Solid Waste | Capital Projects Fund | 1,531,545 |
| | Total | <u>\$ 30,841,450</u> |

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

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Interfund transfers:

| | Transfer In | | | | | | Total |
|------------------------|--------------|--------------|------------------|--------------|---------------------------|---------------------|---------------|
| | General | Debt Service | Capital Projects | Enterprise | Non major Governmental | Internal Service | |
| Transfer Out: | | | | | | | |
| General Fund | \$ - | \$ - | \$ 18,656,759 | \$ 2,327,492 | \$ - | \$ 2,556,290 | \$ 23,540,541 |
| Capital Projects Funds | - | 1,834,798 | - | - | - | - | 1,834,798 |
| Nonmajor Governmental | 1,482,536 | - | - | - | 1,037,244 | - | 2,519,780 |
| Internal Service Funds | 392 | - | - | - | - | - | 392 |
| Total transfers out | \$ 1,482,928 | \$ 1,834,798 | \$ 18,656,759 | \$ 2,327,492 | \$ 1,037,244 | \$ 2,556,290 | \$ 27,895,511 |

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 the General Fund to the Retiree Insurance Internal Service Fund to partially finance the OPEB liability. Funds were transferred to the Capital Projects Fund from the General Fund in accordance with the Minimum Fund Balance Policy adopted by the County Board.

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 \$24,536,039 million at December 31, 2014. There were four conduit bond issuances at December 31, 2014:

| | Issue Year | Principal Balance |
|--|------------|-------------------|
| Common Bond – Skyline Towers | 2000 | \$ 14,055,000 |
| CHDC – Hanover Townhomes | 2001 | 2,465,000 |
| Centex – Chestnut Housing (Upper Landings) | 2002 | 4,882,485 |
| Westside Community Health Services (501c3) | 2004 | 3,133,554 |
| | | \$ 24,536,039 |

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F. Leases payable

Operating Leases

The County leases real estate and equipment under leases expiring at various dates through 2023. Total costs for such leases were \$2,198,534 for year ended December 31, 2014. The future minimum lease payments for these leases are as follows:

| Year Ending December 31 | General Fund |
|----------------------------|--------------|
| 2015 | \$ 2,054,803 |
| 2016 | 1,698,579 |
| 2017 | 1,319,418 |
| 2018 | 954,807 |
| 2019 | 627,161 |
| 2020-2023 | 1,942,536 |
| Total | \$ 8,597,304 |

G. 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.

H. 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 \$181,012,000. During the year, general obligation bonds totaling \$25,350,000 were issued to provide funding for various capital projects and to refinance certain general obligation bonds.

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The following is a list of the long-term debt transactions of the County for the year ended December 31, 2014:

| | Payable January 1 | Additions | Deductions | Payable December 31 | Due Within One Year |
|---|-----------------------|----------------------|----------------------|------------------------|------------------------|
| GOVERNMENTAL ACTIVITIES: | | | | | |
| General Obligation Bonds | \$ 199,570,000 | \$ 25,350,000 | \$ 28,065,000 | \$ 196,855,000 | \$ 15,860,000 |
| Note Payable | 4,912,000 | - | 215,000 | 4,697,000 | 225,000 |
| Premium/Discount | 14,650,111 | 1,236,900 | 1,959,005 | 13,928,006 | 2,313,544 |
| Total General Obligation Bonds and Notes Payable | <u>219,132,111</u> | <u>26,586,900</u> | <u>30,239,005</u> | <u>215,480,006</u> | <u>18,398,544</u> |
| Loans Payable: | | | | | |
| Governmental Funds | 20,000,000 | - | 3,296,666 | 16,703,334 | 6,638,333 |
| Total Loans Payable | <u>20,000,000</u> | <u>-</u> | <u>3,296,666</u> | <u>16,703,334</u> | <u>6,638,333</u> |
| Claims and Judgments Payable | | | | | |
| Governmental Funds | 5,894,330 | 3,763,748 | 2,930,346 | 6,727,732 | 3,320,530 |
| Compensated Absences: | | | | | |
| Governmental Funds | 34,123,782 | 19,427,324 | 19,526,182 | 34,024,924 | 17,837,988 |
| Internal Service Funds: | | | | | |
| Information Service | 875,872 | 395,029 | 458,453 | 812,448 | 443,961 |
| General County Buildings | 859,906 | 244,464 | 322,800 | 781,570 | 344,653 |
| Total Compensated Absences | <u>35,859,560</u> | <u>20,066,817</u> | <u>20,307,436</u> | <u>35,618,942</u> | <u>18,626,602</u> |
| Governmental Activities Long-term Liabilities | <u>\$ 280,886,001</u> | <u>\$ 50,417,465</u> | <u>\$ 56,773,453</u> | <u>\$ 274,530,014</u> | <u>\$ 46,984,009</u> |
| BUSINESS-TYPE ACTIVITIES: | | | | | |
| General Obligation Bonds: | | | | | |
| Enterprise Funds: | | | | | |
| Lake Owasso Residence | \$ 1,900,000 | \$ - | \$ 235,000 | \$ 1,665,000 | \$ 245,000 |
| Ramsey Care Center | 1,730,000 | - | 95,000 | 1,635,000 | 95,000 |
| Ponds at Battle Creek | 1,660,000 | - | 150,000 | 1,510,000 | 160,000 |
| Premium/Discount | 460,382 | - | 59,493 | 400,889 | 59,493 |
| Total General Obligation Bonds | <u>5,750,382</u> | <u>-</u> | <u>539,493</u> | <u>5,210,889</u> | <u>559,493</u> |
| Compensated Absences: | | | | | |
| Enterprise Funds: | | | | | |
| Lake Owasso Residence | 727,816 | 402,141 | 378,784 | 751,173 | 448,451 |
| Ramsey Care Center | 1,038,761 | 582,848 | 626,725 | 994,884 | 490,848 |
| Ponds at Battle Creek | 23,236 | 6,503 | 8,663 | 21,076 | 9,234 |
| Vadnais Sports Center | - | 8,942 | 1,098 | 7,844 | 7,844 |
| Law Enforcement Services | 438,360 | 302,791 | 280,663 | 460,488 | 460,488 |
| Total Compensated Absences | <u>2,228,173</u> | <u>1,303,225</u> | <u>1,295,933</u> | <u>2,235,465</u> | <u>1,416,865</u> |
| Business-Type Activities Long-term Liabilities | <u>\$ 7,978,555</u> | <u>\$ 1,303,225</u> | <u>\$ 1,835,426</u> | <u>\$ 7,446,354</u> | <u>\$ 1,976,358</u> |

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.

RAMSEY COUNTY, MINNESOTA
Notes to the Financial Statements
December 31, 2014

Long-term debt payable at December 31, 2014, comprises the following individual issues:

COUNTY GENERAL OBLIGATION DEBT:

County-wide General Obligation Bonds:

| | |
|--|------------|
| \$2,500,000 2005 General Obligation Capital Improvement Plan Bonds Series 2005A, due in annual installments of \$215,000 to \$295,000 through February 1, 2015, interest at 3.25-4.00% | \$ 295,000 |
| \$15,075,000 2005 Capital Improvement Plan Refunding Series 2005B, due in annual installments of \$815,000 to \$1,615,000 through February 1, 2020, interest at 3.50-5.00% | 5,570,000 |
| \$2,935,000 2005 Capital Improvement Plan Refunding Series 2005B, due in annual Lake Owasso installments of \$195,000 to \$310,000 through February 1, 2020, interest at 4.00-5.00% | 1,665,000 |
| \$6,750,000 2006 General Obligation Capital Improvement Plan Bonds Series 2006A, due in annual installments of \$210,000 to \$495,000 through February 1, 2026, interest at 3.85-4.30% | 3,480,000 |
| \$18,610,000 2007 General Obligation Capital Improvement Plan Bonds Series 2007A, due in annual installments of \$645,000 to \$1,170,000 through February 1, 2027, interest at 4.00-5.00% | 12,845,000 |
| \$2,250,000 2007 General Obligation Capital Improvement Plan Bonds Series 2007A, due in annual Care Center installments of \$75,000 to \$160,000 through February 1, 2027, interest at 4.00-5.00% | 1,635,000 |
| \$6,100,000 2008 General Obligation Capital Improvement Plan Bonds Series 2008A, due in annual installments of \$175,000 to \$455,000 through February 1, 2028, interest at 4.00-4.375% | 3,825,000 |
| \$6,100,000 2009 General Obligation Capital Improvement Plan (Build America) Bonds Series 2009A, due in installments of \$175,000 to \$450,000 through February 1, 2029, interest at 3.3790% | 4,170,000 |
| \$15,950,000 2009 General Obligation Library (Build America) Bonds Series 2009B, due in annual installments of \$580,000 to \$1,530,000 through February 1, 2029, interest at 3.4204% | 12,020,000 |
| \$6,950,000 2010 General Obligation Capital Improvement Plan Refunding Bonds Series 2010A, due in annual installments of \$510,000 to \$955,000 through February 1, 2021, interest at 2.3689% | 4,220,000 |
| \$8,730,000 2010 General Obligation Capital Improvement Plan (Build America) Bonds Series 2010B, due in annual installments of \$200,000 to \$1,275,000 through February 1, 2022, interest at 2.4791% | 5,870,000 |
| \$7,770,000 2010 General Obligation Capital Improvement Plan (Recovery Zone Economic Development) Bonds Series 2010C, due in annual installments of \$230,000 to \$1,040,000 through February 1, 2030, interest at 2.9081% | 7,770,000 |
| \$18,500,000 2011 General Obligation Capital Improvement Plan Bonds Series 2011A, due in annual installments of \$390,000 to \$1,195,000 through February 1, 2031, interest at 3.4095% | 16,800,000 |
| \$35,975,000 2011 Capital Improvement Plan Refunding Bonds Series 2011B, due in annual installments of \$2,760,000 to \$6,115,000 through February 1, 2022, interest at 1.3172% | 27,915,000 |
| \$1,790,000 2011 Capital Improvement Plan Refunding Bonds Series 2011B, due in annual Ponds installments of \$130,000 to \$225,000 through February 1, 2022, interest at 1.3172% | 1,510,000 |
| \$18,500,000 2012 General Obligation Capital Improvement Plan Bonds Series 2012A, due in annual installments of \$195,000 to \$1,205,000 through February 1, 2032, interest at 2.7230% | 17,395,000 |
| \$13,185,000 2012 General Obligation Capital Improvement Plan Refunding Bonds Series 2012B, due in annual installments of \$225,000 to \$1,635,000 through February 1, 2023, interest at 1.2952% | 12,005,000 |

RAMSEY COUNTY, MINNESOTA
Notes to the Financial Statements
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| | |
|---|----------------|
| \$3,155,000 2012 General Obligation Capital Improvement Plan Refunding Bonds Series 2012C, due in annual installments of \$165,000 to \$240,000 through February 1, 2028, interest at 1.9757% | 2,990,000 |
| \$22,700,000 2013 General Obligation Capital Improvement Plan Bonds 2013A, due in annual installments of \$365,000 to \$2,815,000 through February 1, 2033, interest at 2.4094% | 22,335,000 |
| \$12,000,000 2013 Taxable General Obligation Capital Improvement Plan Bonds 2013B, due in annual installments of \$510,000 to \$810,000 through February 1, 2033, interest at 3.2298% | 12,000,000 |
| \$5,680,000 2014 General Obligation Library Refunding Bonds, Series 2014A, due in annual installments of \$445,000 to \$685,000 through February 1, 2024, interest at 1.8434%. | 5,680,000 |
| \$9,500,000 2014 Taxable General Obligation Capital Improvement Plan Bonds, Series 2014B, due in annual installments of \$370,000 to \$630,000 through February 1, 2034, interest at 3.5155%. | 9,500,000 |
| \$3,300,000 2014 General Obligation Library Bonds, Series 2014C, due in annual installments of \$30,000 to \$245,000 through February 1, 2034, interest at 3.0522%. | 3,300,000 |
| \$6,870,000 2014 General Obligation Capital Improvement Plan Refunding Bonds Series 2012D, due in annual installments of \$555,000 to \$800,000 through February 1, 2024, interest at 1.8216% | 6,870,000 |
| Total County General Obligation Bonds | 201,665,000 |
| <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%. | 4,697,000 |
| Total County General Obligation Debt | \$ 206,362,000 |

Annual Requirement to Amortize Long-Term Debt

The annual requirements to amortize all long-term debt outstanding as of December 31, 2014, carrying interest rates of 1.29% to 5.00% are:

| Years Ending December 31 | Governmental Activities | | Business - Type Activities | |
|-----------------------------|-------------------------|---------------|----------------------------|--------------|
| | Principal | Interest | Principal | Interest |
| 2015 | \$ 16,085,000 | \$ 8,141,916 | \$ 500,000 | \$ 222,944 |
| 2016 | 17,250,000 | 7,486,827 | 530,000 | 197,194 |
| 2017 | 15,290,000 | 6,785,750 | 550,000 | 170,194 |
| 2018 | 15,525,000 | 6,135,626 | 570,000 | 142,744 |
| 2019 | 16,190,000 | 5,487,915 | 610,000 | 115,272 |
| 2020-2024 | 68,155,000 | 17,420,135 | 1,590,000 | 250,000 |
| 2025-2029 | 36,685,000 | 7,072,342 | 460,000 | 32,750 |
| 2030-2034 | 16,372,000 | 1,118,379 | - | - |
| Total | \$ 201,552,000 | \$ 59,648,890 | \$ 4,810,000 | \$ 1,131,098 |

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, 2014, the statutory limit for the County was \$1,110,204,207 providing a debt margin of \$928,842,207.

There is \$32,634,675 available in the Debt Service Fund to service the General Obligation Bonds and Notes Payable. 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, 2014

The County's proportionate share of debt at December 31, 2014 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:

| | Outstanding | Percentage Applicable To the County | County's Share Of Debt |
|-------------------------|-------------------------|---|---------------------------|
| Direct Debt | | | |
| Ramsey County | \$ 232,183,340 | 100.0% | \$ 232,183,340 |
| Overlapping Debt | | | |
| Cities | 38,731,000 | 9.6% | 3,706,070 |
| School Districts | 244,350,000 | 61.3% | 149,842,651 |
| Other | 196,680,000 | 15.0% | 29,502,000 |
| Underlying Debt | | | |
| Cities and Towns | 217,140,860 | 100.0% | 217,140,860 |
| School Districts | 513,191,172 | 100.0% | 513,191,172 |
| Other | 52,347,720 | 100.0% | 52,347,720 |
| TOTAL | <u>\$ 1,494,624,092</u> | | <u>\$ 1,197,913,813</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 Saint 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, 2014, the outstanding balance of the 2004B Refunding COPS (tax exempt) is \$1,095,000 and the 2004C Refunding COPS (taxable) is \$ -0-. The outstanding debt will be paid off on January 1, 2017 for the 2004B Refunding COPS. The terms of the refunding agreement transferred trustee rights to Wells Fargo Bank, National Association.

Regional Railroad Authority Loan

On April 19, 2012, the Ramsey County Regional Railroad Authority (RCRRA) closed on two \$10,000,000 Limited Tax Obligation Notes (Union Depot Project), Series 2012A and 2012B through U.S. Bank. The loan terms are five years, callable at par after three years, with interest only payments beginning August 1, 2012 and February 1, 2014, respectively, and principal and interest payments beginning August 1, 2014. The final payment is scheduled to be made February 1, 2017. The loans carry interest rates of 1.68% and 1.91%, respectively. Loan proceeds will be used to provide partial financing of construction costs to transform the Union Depot into a multi-modal transit hub.

RAMSEY COUNTY, MINNESOTA
Notes to the Financial Statements
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Annual Requirement to Amortize Regional Railroad Authority Loan

The annual requirements to amortize this loan are as follows:

| Year Ending December 31, | Principal | Interest |
|-----------------------------|---------------|------------|
| 2015 | \$ 6,638,333 | \$ 274,046 |
| 2016 | 6,693,334 | 153,282 |
| 2017 | 3,371,667 | 30,911 |
| | \$ 16,703,334 | \$ 458,239 |

Bond Refundings

During August 2014 the County issued General Obligation Library Refunding Bonds, Series 2014A, in the amount of \$5,680,000, to refund portions of earlier issues of 2004D General Obligation Bonds Capital Improvement Plan (Library Portion) and 2004E General Obligation Bonds Library Bonds. This refunding was undertaken to reduce total debt service payments of the next 10 years by \$786,038. The transaction also resulted in an economic gain of \$728,946.

Also in August 2014, the County issued General Obligation Capital Improvement Plan Refunding Bonds Series 2014D, in the amount of \$6,870,000, to refund 2004D General Obligation Bonds Capital Improvement Plan (CIP Portion). The Bonds will be repaid from taxes levied on all County taxable property outside of the City of St. Paul. This refunding was undertaken to reduce total debt service payments of the next 10 years by \$1,135,562. The transaction also resulted in an economic gain of \$1,051,063.

I. Fund Balances

In the fund financial statements, fund balance is divided into five classifications based primarily on the extent to which the County is bound to observe constraints imposed upon the use of the resources reported in governmental funds. These classifications are as follows:

Nonspendable is the amount of fund balance that cannot be spent because it is either not in spendable form or is legally or contractually required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted directly into cash, and includes items such as inventory and advances from the General Fund.

Restricted is the amount of fund balance subject to external constraints imposed by creditors (such as through debt covenants), grantors, contributors, laws or regulations of other governments or constraints imposed by law through constitutional provisions and enabling legislation.

Committed is the amount of fund balance that can be only used for the specific purposes imposed by formal action (resolution) of the County Board. Those committed amounts cannot be used for any other purpose unless the Board removes or changes the specified use by taking the same type of action (resolution) it employed to previously commit those amounts.

Assigned is the amount of fund balance the County intends to use for specific purposes but does not meet the criteria to be classified as “restricted” or “committed.” In governmental funds other than the General Fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the General Fund, assigned amounts represent intended uses established by the County Board. The County Board has also adopted a fund balance policy that delegates authority to assign fund balance to the County Manager.

Unassigned is the residual classification for the General Fund and includes all spendable amounts not contained in the other fund balance classifications. In other governmental funds, the unassigned classification is used only to report a deficit balance resulting from overspending for specific purposes for which amounts have been restricted, committed, or assigned.

RAMSEY COUNTY, MINNESOTA
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Minimum Fund Balance Policy:

The Minnesota State Auditor's Office recommends that local governments determine, establish and maintain a desired minimum level of unrestricted fund balance of their governmental funds that is sufficient to provide cash flow until the first tax collections are received, to support self-insurance activities, and fund legal obligations that will be paid out of cash at a later date. Also, local governments need to maintain a prudent level of financial resources to protect against a forced service level reduction or having to raise taxes or fees because of unpredicted one-time expenditures. It is the policy of Ramsey County that we will follow the State Auditor's Recommendation as stated above. Accordingly, Ramsey County policy requires 1) maintain an unrestricted General Fund Balance of no more than 50% of current year revenues, current year expenditures, or the subsequent year's operating budget; 2) maintain and unassigned General Fund Balance of no less than two months of the subsequent year's budget; 3) commit and transfer any unrestricted General Fund Balance in excess of the 50% threshold to the Capital Projects Fund.

Policy on Unassigned Fund Balance Process

The County's Unassigned General Fund Balance will be maintained to provide the County with sufficient working capital and a margin of safety to address local and regional emergencies without borrowing.

Policy on Assigned Fund Balance Process

Ramsey County's Assigned Fund Balance consists of internally imposed constraints established by the Ramsey County Commissioners and/or management that reflect the specific purpose for which it is Ramsey County's intended use. Pursuant to Ramsey County Resolution 2010-412, the County Manager is authorized to establish assignments of fund balance. Examples include capital expenditures and self-insurance.

Policy on Committed Fund Balance Process

Fund Balance of the County for a specific source may be committed by formal action of the Ramsey County Board. Formal action consists of internally imposed constraints established by Resolution of the Ramsey County Board. Amendments or modifications of the committed fund balance must also be approved by formal action of the Ramsey County Board. Examples include encumbrances, budget carryovers for a specific item or purpose and an appropriation of existing fund balance for a specific use.

Policy on Priority of Fund Balance Used

For eligible expenditures for which amounts are available in multiple fund balance classifications, the order in which resources will be expended is as follows:

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

When Committed, Assigned or Unassigned resources are available for use, it is Ramsey County's policy to use resources in the following order: 1) Committed, 2) Assigned and 3) Unassigned.

RAMSEY COUNTY, MINNESOTA
Notes to the Financial Statements
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Fund Balance Classifications:

The fund balance of \$32,634,675 of the Debt Service Fund is restricted for debt service expenditures. The fund balance of the Capital Projects Fund has \$9,975,000 of advances to other funds classified as non-spendable and \$27,827,488 of unspent bond proceeds, and other funds, classified as restricted and \$15,166,497 committed for purchase and upgrade of facilities. The fund balance of the Regional Railroad Authority Capital Projects Fund is assigned to Regional Rail projects. The remaining detail of Ramsey County's fund balance classification is as follows:

| Fund Balance Classification | General Fund | Other Governmental Funds |
|-----------------------------------|-----------------------|--------------------------------|
| Nonspendable: | | |
| Petty Cash | \$ 24,860 | \$ 2,445 |
| Inventory | 1,724,120 | 5,447 |
| Advances | 18,292,575 | - |
| Total Nonspendable | <u>\$ 20,041,555</u> | <u>\$ 1,531,545</u> |
| Restricted | | |
| Aggregate Pit Restoration | \$ 183,534 | \$ - |
| Donations for various purposes | - | 572,220 |
| Criminal Forfeitures | - | 1,215,098 |
| Technology | - | 1,251,682 |
| Environmental Response Fund | - | 1,776,522 |
| Library | - | 4,043,805 |
| Sanitation | - | 21,697,890 |
| Affordable Housing | - | 1,006,139 |
| Parks and Recreation | - | 665,484 |
| Other | - | 1,168,579 |
| Total Restricted | <u>\$ 183,534</u> | <u>\$ 33,397,419</u> |
| Committed | | |
| Supporting Housing Priorities | \$ 1,693,743 | \$ - |
| Corrections | - | 351,474 |
| Emergency Communications | - | 5,004,141 |
| Total Committed | <u>\$ 1,693,743</u> | <u>\$ 5,355,615</u> |
| Assigned | | |
| Capital Expenditures | \$ 7,418,133 | \$ - |
| Self-Insurance | 9,142,111 | - |
| Projects | 16,759,198 | - |
| Human Services | 90,460,178 | - |
| General Government | 857,287 | - |
| Public Safety | 951,855 | - |
| Highways and Streets | 177,506 | - |
| Health | 1,862,881 | - |
| Sanitation | 34,900 | - |
| Culture and Recreation | 8,660 | - |
| Conservation of Natural Resources | 2,966 | - |
| Workforce Solutions | - | 1,663,313 |
| Emergency Communications | - | 4,924,740 |
| Regional Railroad Authority | - | 6,558,060 |
| Public Safety | - | 415,159 |
| Corrections | - | 263,015 |
| Total Assigned | <u>\$ 127,675,675</u> | <u>\$ 13,824,287</u> |

RAMSEY COUNTY, MINNESOTA
Notes to the Financial Statements
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J. 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 2014, the investment earnings for the General Fund, including unrealized gains (losses) on investments, are as follows:

| | |
|--------------------------------|---------------------|
| Interest on Investments | \$ 909,040 |
| Unrealized Loss on Investments | <u>1,490,615</u> |
| | <u>\$ 2,399,655</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.

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 December 31, 2013 | Year Ended December 31, 2014 |
|---|---|---|
| Unpaid claims, beginning of fiscal year | \$ 8,950,889 | \$ 5,894,330 |
| Incurred claims (including IBNRs) | 2,384,910 | 4,109,049 |
| Claim payments | (5,441,469) | (3,275,647) |
| Unpaid claims, end of fiscal year | <u>\$ 5,894,330</u> | <u>\$ 6,727,732</u> |

The County carries commercial insurance for:

- 1) Ramsey County Care Center (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 \$1,880,000 for any claim. The WCRA becomes responsible for the amount in excess of \$1,880,000. The limit changes each year. A premium is paid by the County to the association based on the County's total salary costs.

RAMSEY COUNTY, MINNESOTA
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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 Events

The issuance of bonds not to exceed \$3,500,000 General Obligation Capital Improvement Plan Bonds for 2015, to defray the expense of acquiring and constructing various capital improvements authorized in the County's Capital Improvement Plan under the County's Home Rule Charter.

The issuance of bonds not to exceed \$16,900,000 General Obligation Bonds for the design and build of a new library facility in city of Shoreview. It is anticipated that the bonds will be issued in the near future.

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.

LITIGATION

The County was a defendant in a class action lawsuit filed in U.S. District Court involving exposure to a contagious disease at the Ramsey County Correctional Facility. Compensation was being sought for inmates who were exposed to tuberculosis. The County denies liability to the plaintiffs and other class members. Nevertheless, the parties have entered into a settlement.

As part of the settlement, the County agreed to make monetary payments to eligible class members as compensation for the injury they incurred and complications they experienced as a result of contracting tuberculosis (TB) at the Workhouse. The County also agreed to provide or fund medically necessary diagnostic procedures, care and treatment to the eligible class members.

The County established a fund to pay the settlement costs of plaintiff attorney fees. To date, \$9,576,000 has been paid to eligible class members, plaintiff attorney fees and County defense fees.

The balance in the fund of \$2,460,713 is believed to be adequate to cover future exposures such as payments for annual medical checkups and necessary medical treatment for those eligible class members who qualify for additional supplemental payments.

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 I, established the apportionment between the two Counties of the administrative costs and service fee payments to NRG. The first year of operations

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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 entered into a new processing agreement with RRT. The agreement was effective January 1, 2007 through December 31, 2012. The terms of the agreement called 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 was 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. The Rebate Program began January 1, 2007, and called for a rebate to be paid to the haulers for each ton of Ramsey Washington MSW delivered to the facility. The amount of the rebate in 2012 was \$14 per ton delivered. This agreement called for RRT to contract with haulers and landfills so the project terminated all contracts with those entities effective December 31, 2006.

On January 1, 2013, a new three-year processing agreement with RRT became effective. RRT continues to accept mixed municipal solid waste generated in Ramsey and Washington Counties, as well as other counties, and process it into fuel that is used at two electric generating plants owned by Xcel Energy. The new agreement eliminates the processing payment to the owner of the facility but continues the 2013 rebate payments to waste haulers for every ton delivered to the Facility. The rebate is \$28 per ton and the Counties' 2014 exposure for this expense is capped at \$8.4 million. Any hauler rebates above the \$8.4 million paid in a single year of the contract term will be reimbursed to the Project by RRT.

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

The approved 2014 Project budget for the estimated shortfall in the Service Fee was \$9,280,000, financed by Ramsey and Washington Counties. The 2014 budget for the Service Fee assumed waste deliveries to the Resource Recovery Facility of 300,000 tons. During 2014, 339,000 tons of solid waste was delivered to the facility by haulers from Ramsey and Washington Counties.

RAMSEY COUNTY, MINNESOTA
Notes to the Financial Statements
December 31, 2014

Summary financial information for this joint venture as of and for the year ended December 31, 2014 have been subjected to audit in the following table:

| | <u>Total Project</u> | <u>Ramsey County's Share</u> |
|--------------------------------|----------------------|----------------------------------|
| Total Assets | \$ 7,175,892 | \$ 5,238,401 |
| Total Liabilities | 2,445,112 | 1,784,932 |
| Total Net Position | 4,730,780 | 3,453,469 |
| | | |
| Total Revenues | 9,861,997 | 7,199,258 |
| Total Expenses | 10,605,148 | 7,741,758 |
| Net (Decrease) in Net Position | <u>\$ (743,151)</u> | <u>\$ (542,500)</u> |

Financial statements for Resource Recovery are available from Ramsey County Finance Department, 270 Courthouse, 15 West Kellogg Blvd., St. Paul, Minnesota 55102.

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 and no financial report is available.

COUNTIES TRANSIT IMPROVEMENT BOARD (CTIB)

CTIB was created on April 1, 2008, as required by Minn. Statute Section 297A.992, by joint powers agreement between the counties of Anoka, Dakota, Hennepin, Ramsey, and Washington. Its purpose is to receive and distribute a ¼ cent transit sales tax for the development, construction, and operation of transit ways serving the five-county area. Hennepin County is the fiscal agent. Financial statements are available from Hennepin County, Department of Finance, 300 South Sixth Street, A-2301 Government Center, Minneapolis, Minnesota 55487.

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, Minnesota 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.
- 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.
- 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.

RAMSEY COUNTY, MINNESOTA
Notes to the Financial Statements
December 31, 2014

- Inlusiveness 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.
- Mental Health Crisis Alliance: A Cooperative Agreement was established with Dakota County to provide funding to increase mental health crisis services for adults. A Cooperative Agreement was created with a governing board which will be referred to as the East Metropolitan Adult Crisis Stabilization Collaborative ("EMACS"). Ramsey County is the fiscal agent. Ramsey County has no operational or financial control over the collaborative.

F. Future Change in Accounting Standards

GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, as amended by GASB Statement No. 71, "*Pension Transition for Contributions Made Subsequent to the Measurement Date*", replaces Statement No. 27, "*Accounting for Pensions by State and Local Governmental Employers*", and Statement No. 50, "*Pension Disclosures*", as they relate to employer governments that provide pensions through pension plans administered as trusts or similar arrangement that meet certain criteria. GASB Statement No. 68 requires governments providing defined benefit pensions plans to recognize their long-term obligation for pension benefits as a liability for the first time, and to more comprehensively and comparably measure the annual costs of pension benefits. This statement will be effective for the County's calendar year 2015. The County has not yet determined the financial statement impact of adopting this new standard.

G. 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 General 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.

General 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 and benefits vest after three years of credited service (five years for those first eligible for membership after June 30, 2010).

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. For members first eligible for membership after June 30, 2010, benefits vest on a graduated schedule starting with 50 percent after five years and increasing 10 percent for each year of service until fully vested after ten years. Members eligible for membership before July 1, 2010, are fully vested after three years of service.

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. Defined retirement benefits are based on a member's average yearly 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 General Employees Retirement Fund Coordinated and Basic Plan members. The retiring member receives the higher of a step-rate benefit accrual formula

RAMSEY COUNTY, MINNESOTA
Notes to the Financial Statements
December 31, 2014

(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 remaining year. 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 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 General 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 Public Employees Correctional Fund members, and either 65 or 66 (depending on date hired) for General Employees Retirement Fund members. A reduced retirement annuity is also available to eligible members seeking early retirement.

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 General 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. Rates for employer and employee contributions are set by Minn. Stat. ch. 353. These statutes are established and amended by the State Legislature. The County makes annual contributions to the pension plans equal to the amount required by state statutes. General Employees Retirement Fund Basic Plan members and Coordinated Plan members were required to contribute 9.10 and 6.25 percent, respectively, of their annual covered salary in 2014. Public Employees Police and Fire Fund members were required to contribute 9.60 percent. Public Employees Correctional Fund members were required to contribute 5.83 percent of their annual covered salary.

The County was required to contribute the following percentages of annual covered payroll in 2014:

| | 2014 |
|---------------------------------------|--------|
| General Employee Retirement Fund | |
| Basic Plan Members | 11.78% |
| Coordinated Plan Members | 7.25% |
| Public Employees Police and Fire Fund | 14.40% |
| Public Employees Correctional Fund | 8.75% |

The County's contributions for the years ending December 31, 2014, 2013, and 2012, for the General Employees Retirement Fund, the Public Employees Police and Fire Fund, and the Public Employees Correctional Fund were:

| | 2014 | 2013 | 2012 |
|---------------------------------------|---------------|---------------|---------------|
| General Employees Retirement Fund | \$ 14,098,383 | \$ 13,836,460 | \$ 13,644,626 |
| Public Employees Police and Fire Fund | 2,573,291 | 2,344,575 | 2,299,843 |
| Public Employees Correctional Fund | 1,996,139 | 1,952,151 | 1,894,730 |

RAMSEY COUNTY, MINNESOTA
Notes to the Financial Statements
December 31, 2014

These contributions are equal to the contractually required contributions for each year as set by state statute. Contribution rates increased on January 1, 2015, in the General Employees Retirement Fund Coordinated Plan (6.50 percent for members and 7.50 percent for employers) and the Public Employees Police and Fire Fund (10.80 percent for members and 16.20 percent for employers).

Defined Contribution Plan

Three Board members of Ramsey County are covered by the Public Employees Defined Contribution Plan, a multiple-employer, deferred compensation plan administered by PERA. The plan is established and administered in accordance with Minn. Stat. ch. 353D, which may be amended by the State Legislature. 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. For those qualified personnel who elect to participate, Minn. Stat. § 353D.03 specifies plan provisions, including the employee and employer contribution rates. An eligible elected official who decides to participate contributes 5.00 percent of salary, which is matched by the employer. 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 and percentage of covered payroll made by the County during the year ended December 31, 2014, were:

| | Employee | Employer |
|-------------------------------|-----------|-----------|
| Contribution amount | \$ 13,097 | \$ 13,907 |
| Percentage of covered payroll | 5% | 5% |

Required contribution rates were 5.0 percent.

H. 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 activity of the plan is reported in the County's Retiree Health Insurance Fund, an internal service fund. The County annually transfers from the General Fund to the Retiree Health Insurance Fund. The amount to date has been \$46,656,423.

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.

RAMSEY COUNTY, MINNESOTA
Notes to the Financial Statements
December 31, 2014

Membership

At December 31, 2014, membership consisted of:

| | |
|--|-------|
| Retirees and Beneficiaries Currently Receiving Benefits | 1,947 |
| Terminated Employees Entitled to Benefits but not yet Receiving them | 35 |
| Active Employees | 3,634 |
| Total | 5,616 |
| Participating Employers | 1 |

Funding Policy

The County negotiates the contribution percentages between the County and employees through the union contracts and personnel policy. All retirees contribute 0-25% 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, 2014, retirees contributed \$1,886,970 and the County contributed \$11,662,274.

The County established a revocable trust to accumulate funds for the future costs of OPEB. According to GASB No. 45, because the trust is not irrevocable, the assets in the trust can not be used to offset the actuarial accrued liability in determining the unfunded actuarial accrued liability. Therefore, as long as the County's trust is revocable, The Actuarial Value of Assets for GASB No. 45 is assumed to be \$0. During 2014, Ramsey County Contributed \$2,500,000 and had a year end balance in the OPEB revocable trust of \$56,234,156.

Annual OPEB Costs and Net OPEB Obligation

The County had an updated actuarial valuation performed for the plan as of January 1, 2013, 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, 2014. The County's annual OPEB cost (expense) was \$20,515,463. The County's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the County's net OPEB obligation for 2014, 2013, and 2012 were as follows:

| Fiscal Year Ended December 31 | Annual OPEB Cost | Employer Contributions | Percentage of Annual OPEB Cost Contributed | Net OPEB Obligation |
|-------------------------------------|---------------------|---------------------------|---|------------------------|
| 2014 | \$ 19,648,733 | \$ 11,662,274 | 59.4% | \$ 100,715,358 |
| 2013 | 19,407,005 | 12,481,823 | 64.3% | 92,728,899 |
| 2012 | 27,086,531 | 12,660,009 | 46.7% | 85,803,717 |
| CUMULATIVE NET OPEB OBLIGATION | | | | \$ 100,715,358 |

The net OPEB obligation (NOPEBO) as of December 31, 2014, was calculated as follows:

| | |
|--|----------------|
| Annual Required Contribution | \$ 20,846,655 |
| Interest on Net OPEB Obligation | 5,452,459 |
| Adjustment to Annual Required Contribution | (6,650,381) |
| Annual OPEB Cost | 19,648,733 |
| Contributions Made | (11,662,274) |
| Increase (Decrease) in Net OPEB Obligation | 7,986,459 |
| Net OPEB Obligation Beginning of Year | 92,728,899 |
| NET OPEB OBLIGATION END OF YEAR | \$ 100,715,358 |

RAMSEY COUNTY, MINNESOTA
Notes to the Financial Statements
December 31, 2014

Funded Status and Funding Progress. The funded status of the plan as of January 1, 2014, was as follows:

| | | |
|---|----|-------------|
| Actuarial accrued liability (AAL) | \$ | 220,835,832 |
| Actuarial value of plan assets | | N/A |
| Unfunded actuarial accrued liability (UAAL) | \$ | 220,835,832 |
| Funded ratio (actuarial value of plan assets/AAL) | | 0% |
| Covered payroll (active plan members) | \$ | 220,906,068 |
| UAAL as a percentage of covered payroll | | 100.0% |

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 & 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.

For the January 1, 2014, actuarial valuation, the projected unit credit actuarial cost method was used. The actuarial assumptions include a discount rate of 5.88% based on the expected long term investment return on assets used to pay benefits. The actuarial pre-Medicare healthcare cost trend assumption of 8% for 2014 grades down to 5% over 6 years. The actuarial post-Medicare healthcare cost trend assumption of 6% for 2014 grades down to 5% over 2 years. Both the discount rate and the health care trend rate include an underlying annual inflation assumption. The inflation was assumed to be 3% general inflation underlying the asset return, and 4% medical inflation underlying the health care trend rates.

The actuarial assets currently invested in a revocable trust are not used to reduce the unfunded actuarial accrued liability since they are not invested in irrevocable trust.

The plan's unfunded actuarial accrued liability is being amortized as a level dollar amount on an open basis over 30 years.

**Required
Supplementary
Information**

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SCHEDULE 1

**RAMSEY COUNTY, MINNESOTA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGETARY COMPARISONS (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2014**

| | BUDGETED AMOUNTS | | ACTUAL AMOUNTS ON A BUDGETARY BASIS | VARIANCE WITH FINAL BUDGET OVER (UNDER) |
|----------------------------------|-------------------------|--------------------|--|--|
| | ORIGINAL | FINAL | | |
| REVENUES | | | | |
| Property Taxes | \$ 231,416,726 | \$ 231,416,726 | \$ 236,508,036 | \$ 5,091,310 |
| Licenses and Permits | 972,130 | 980,993 | 1,082,841 | 101,848 |
| Intergovernmental | 141,865,885 | 143,030,930 | 144,828,707 | 1,797,777 |
| Private Grants and Donations | 82,575 | 141,314 | 125,802 | (15,512) |
| Charges for Services | 47,808,316 | 47,474,133 | 45,449,142 | (2,024,991) |
| Fines and Forfeitures | 12,000 | 12,000 | 5,061 | (6,939) |
| Sales | 1,169,289 | 1,679,186 | 1,414,589 | (264,597) |
| Rental Income | 958,367 | 991,807 | 1,015,801 | 23,994 |
| Investment Earnings | 7,600,000 | 7,600,000 | 2,399,655 | (5,200,345) |
| Program Recoveries - Community | | | | |
| Human Services | 4,136,231 | 4,636,231 | 3,234,327 | (1,401,904) |
| Miscellaneous | 1,123,949 | 3,269,395 | 5,397,781 | 2,128,386 |
| Total Revenues | <u>437,145,468</u> | <u>441,232,715</u> | <u>441,461,742</u> | <u>229,027</u> |
| EXPENDITURES | | | | |
| Current: | | | | |
| General Government: | | | | |
| County Board of Commissioners | 2,059,353 | 2,061,403 | 2,039,331 | (22,072) |
| Charter Commission | 1,031 | 1,031 | 327 | (704) |
| Courts | 3,008,276 | 3,008,276 | 3,006,751 | (1,525) |
| County Manager | 11,557,831 | 12,277,263 | 11,190,475 | (1,086,788) |
| Property Records and Revenue | 14,232,807 | 14,232,361 | 12,953,172 | (1,279,189) |
| Attorney | 38,464,725 | 39,437,635 | 38,226,544 | (1,211,091) |
| Property Management | 1,221,545 | 1,254,985 | 1,117,408 | (137,577) |
| Veterans Service Officer | 482,923 | 505,423 | 444,549 | (60,874) |
| Contingency | 2,000,000 | 995,000 | - | (995,000) |
| Computer Equipment and Software | 5,820,690 | 9,214,729 | 2,428,482 | (6,786,247) |
| Unallocated General Expenditures | 11,698,609 | 7,646,803 | 1,094,664 | (6,552,139) |
| Total General Government | <u>90,547,790</u> | <u>90,634,909</u> | <u>72,501,703</u> | <u>(18,133,206)</u> |
| Public Safety: | | | | |
| Sheriff | 42,595,963 | 44,810,672 | 44,230,589 | (580,083) |
| Community Corrections | 63,747,897 | 63,825,489 | 62,605,278 | (1,220,211) |
| Medical Examiner | 2,466,099 | 2,552,370 | 2,548,636 | (3,734) |
| Total Public Safety | <u>108,809,959</u> | <u>111,188,531</u> | <u>109,384,503</u> | <u>(1,804,028)</u> |
| Transportation | | | | |
| Public Works | <u>18,077,023</u> | <u>18,358,197</u> | <u>18,166,977</u> | <u>(191,220)</u> |
| Sanitation: | | | | |
| Environmental Health | <u>1,576,220</u> | <u>1,576,220</u> | <u>1,086,825</u> | <u>(489,395)</u> |
| Health: | | | | |
| Public Health | 34,481,979 | 33,593,011 | 26,578,610 | (7,014,401) |
| Miscellaneous Health | 8,213,283 | 8,213,283 | 7,210,099 | (1,003,184) |
| Total Health | <u>42,695,262</u> | <u>41,806,294</u> | <u>33,788,709</u> | <u>(8,017,585)</u> |

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

SCHEDULE 1
(Continued)

RAMSEY COUNTY, MINNESOTA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGETARY COMPARISONS (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2014

| | BUDGETED AMOUNTS | | ACTUAL AMOUNTS ON BUDGETARY BASIS | VARIANCE WITH FINAL BUDGET OVER (UNDER) |
|--|-------------------------|-----------------------|--|--|
| | ORIGINAL | FINAL | | |
| EXPENDITURES (continued) | | | | |
| Human Services | | | | |
| Income Maintenance | 34,334,781 | 34,113,718 | 30,380,916 | (3,732,802) |
| Social Services | 131,302,072 | 131,843,576 | 123,179,029 | (8,664,547) |
| Total Human Services | <u>165,636,853</u> | <u>165,957,294</u> | <u>153,559,945</u> | <u>(12,397,349)</u> |
| Culture and Recreation: | | | | |
| Parks and Recreation | 9,959,306 | 10,237,736 | 9,756,386 | (481,350) |
| St Paul-Ramsey Historical Society | 79,391 | 79,391 | 79,391 | - |
| Landmark Center Management | 857,540 | 857,540 | 857,540 | - |
| Total Culture and Recreation | <u>10,896,237</u> | <u>11,174,667</u> | <u>10,693,317</u> | <u>(481,350)</u> |
| Conservation of Natural Resources: | | | | |
| Extension Service | 44,890 | 44,890 | 42,133 | (2,757) |
| Total Conservation of Natural Resources | <u>44,890</u> | <u>44,890</u> | <u>42,133</u> | <u>(2,757)</u> |
| Total Expenditures | <u>438,284,234</u> | <u>440,741,003</u> | <u>399,224,112</u> | <u>(41,516,891)</u> |
| Excess (Deficiency) of Revenues over (under) Expenditures | <u>(1,138,766)</u> | <u>491,711</u> | <u>42,237,630</u> | <u>41,745,919</u> |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers In | 790,000 | 846,224 | 1,482,928 | 636,704 |
| Transfers Out | - | (6,080,290) | (23,540,541) | (17,460,251) |
| Total Other Financing Sources (Uses) | <u>790,000</u> | <u>(5,234,066)</u> | <u>(22,057,613)</u> | <u>(16,823,547)</u> |
| Net Change in Fund Balance | (348,766) | (4,742,355) | 20,180,017 | 24,922,372 |
| Adjustment | (14,029,418) | (14,029,418) | (14,029,418) | - |
| Fund Balance - Beginning | 222,577,788 | 222,577,788 | 222,577,788 | - |
| Increase (Decrease) in Reserve for Inventories | - | - | 430,088 | 430,088 |
| Fund Balance - Ending | <u>\$ 208,199,604</u> | <u>\$ 203,806,015</u> | <u>\$ 229,158,475</u> | <u>\$ 25,352,460</u> |

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

SCHEDULE 2

RAMSEY COUNTY, MINNESOTA
 SCHEDULE OF FUNDING PROGRESS
 OTHER POST-EMPLOYMENT BENEFIT PLAN
 December 31, 2014

| Actuarial Valuation Date January 1 | (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) |
|---|--|--|----------------------------------|---|--|---|
| 2009 | - | \$ 272,698,609 | 0.00% | \$ 272,698,609 | \$ 201,065,043 | 135.63% |
| 2011 | - | 307,634,820 | 0.00% | 307,634,820 | 216,821,530 | 141.88% |
| 2013 | - | 220,835,832 | 0.00% | 220,835,832 | 220,027,341 | 100.37% |

RAMSEY COUNTY, MINNESOTA
Notes to the Required Supplementary Information
December 31, 2014

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 amounts 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:

| | General |
|--|----------------|
| Actual Expenditures – Budgetary Basis | \$ 399,224,112 |
| Decrease: | |
| Encumbrances | (6,024,242) |
| Increase: | |
| Expenditures in 2014 from December 31, 2013 | 24,667,049 |
| Expenditures – GAAP Basis | \$ 417,866,919 |
| | |
| Proceeds from Sale of Assets | \$ (383,780) |
| Unbudgeted Revenue | (4,229,609) |
| Encumbrances | (6,024,242) |
| Expenditures in 2014 from December 31, 2013 Reserves for Encumbrances | 24,667,049 |
| Adjustment to Reconcile Statement of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual to Statement of Revenues, Expenditures and Changes in Fund Balances | \$ 14,029,418 |

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 Finance Department 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, or encumbered, 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 do not constitute expenditures or liabilities because the commitments will be reappropriated and honored during the subsequent year.

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Major Fund Budget & Actual Schedule

RAMSEY COUNTY, MINNESOTA
DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGETARY COMPARISONS (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2014

| | BUDGETED AMOUNTS | | ACTUAL AMOUNTS ON A BUDGETARY BASIS | VARIANCE WITH FINAL BUDGET OVER (UNDER) |
|--|----------------------|----------------------|--|--|
| | ORIGINAL | FINAL | | |
| REVENUES | | | | |
| Taxes | \$ 22,488,265 | \$ 22,488,265 | \$ 23,225,968 | \$ 737,703 |
| Intergovernmental | 2,458,564 | 2,458,564 | 679,471 | (1,779,093) |
| Investment Earnings | 176,341 | 176,341 | 335,216 | 158,875 |
| Total Revenues | <u>25,123,170</u> | <u>25,123,170</u> | <u>24,240,655</u> | <u>(882,515)</u> |
| EXPENDITURES | | | | |
| Debt service: | | | | |
| Bond Issuance Costs | - | 125,254 | 125,254 | - |
| Principal Retirement | 18,707,500 | 30,100,000 | 30,100,000 | - |
| Interest | 8,354,584 | 8,607,692 | 8,607,692 | - |
| Total Expenditures | <u>27,062,084</u> | <u>38,832,946</u> | <u>38,832,946</u> | <u>-</u> |
| Excess (Deficiency) of Revenues over (under) Expenditures | <u>(1,938,914)</u> | <u>(13,709,776)</u> | <u>(14,592,291)</u> | <u>(882,515)</u> |
| OTHER FINANCING SOURCES (USES) | | | | |
| Refunding Bonds Issued | - | 13,706,949 | 12,550,000 | (1,156,949) |
| Premium on Sale of Bonds | - | - | 1,210,357 | 1,210,357 |
| Transfers In | - | 1,531,545 | 1,834,798 | 303,253 |
| Total Other Financing Sources (Uses) | <u>-</u> | <u>15,238,494</u> | <u>15,595,155</u> | <u>356,661</u> |
| Net Change in Fund Balance | <u>(1,938,914)</u> | <u>1,528,718</u> | <u>1,002,864</u> | <u>(525,854)</u> |
| Adjustment | 1,625,305 | 1,625,305 | 1,625,305 | - |
| Fund Balance - Beginning | 30,006,506 | 30,006,506 | 30,006,506 | - |
| Fund Balance - Ending | <u>\$ 29,692,897</u> | <u>\$ 33,160,529</u> | <u>\$ 32,634,675</u> | <u>\$ (525,854)</u> |

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Combining Statements

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

To account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects.

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 and 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.

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.

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.

NONMAJOR GOVERNMENTAL FUNDS (Continued)

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.

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 and 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.

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

4R Program – To account for the "Reuse, Recycle and Renovate for Reinvestment Program" established by the County Board, funded with Solid Waste fund balance.

Forfeited Property Management – To account for all funds collected for management and sale of forfeited real estate.

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 the resources accumulated and payments made for principal and interest on long-term debt of the Regional Rail Authority.

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**RAMSEY COUNTY, MINNESOTA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2014
WITH COMPARATIVE TOTALS FOR DECEMBER 31, 2013**

| | 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 | \$ 4,894,330 | \$ 21,811,803 | \$ 1,058,931 | \$ 3,911,292 |
| Petty Cash and Change Funds | 1,575 | 50 | - | 450 |
| Receivables (Net): | | | | |
| Taxes | 112,943 | - | - | - |
| Accounts | 48,282 | 1,555,366 | - | - |
| Accrued Interest | - | - | 270,232 | - |
| Due from Other Funds | - | 6,438 | - | 7,828 |
| Due from Other Governments | - | 186,665 | - | 4,792,258 |
| Loans Receivable | - | - | 7,594,175 | - |
| Inventories | 5,447 | - | - | - |
| Advance to Other Funds | - | 1,531,545 | - | - |
| Total Assets | <u>5,062,577</u> | <u>25,091,867</u> | <u>8,923,338</u> | <u>8,711,828</u> |
| LIABILITIES | | | | |
| Salaries Payable | 421,976 | 178,075 | 14,908 | 463,723 |
| Accounts Payable | 247,881 | 5,373 | 2,528 | 1,795,535 |
| Contracts Payable | - | 448,129 | 26,326 | - |
| Due to Other Funds | 33,324 | 172,809 | 25,531 | 217,331 |
| Due to Other Governments | 3,944 | 3,612,670 | 244,785 | 21,780 |
| Unearned Revenue | 191,682 | - | 8,946 | 49,696 |
| Advance from Other Funds | - | - | - | 4,500,000 |
| Total Liabilities | <u>898,807</u> | <u>4,417,056</u> | <u>323,024</u> | <u>7,048,065</u> |
| DEFERRED INFLOWS OF RESOURCES | | | | |
| Unavailable Revenue | <u>112,943</u> | <u>15,192</u> | <u>7,594,175</u> | <u>-</u> |
| FUND BALANCES | | | | |
| Nonspendable | 7,022 | 50 | - | 450.00 |
| Restricted | 4,043,805 | 20,659,569 | 1,006,139 | - |
| Committed | - | - | - | - |
| Assigned | - | - | - | 1,663,313 |
| Unassigned | - | - | - | - |
| Total Fund Balances | <u>4,050,827</u> | <u>20,659,619</u> | <u>1,006,139</u> | <u>1,663,763</u> |
| Total Liabilities, Deferred Inflows of Resources and Fund Balances | <u>\$ 5,062,577</u> | <u>\$ 25,091,867</u> | <u>\$ 8,923,338</u> | <u>\$ 8,711,828</u> |

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 |
|--|---|--|---|---|---|
| \$ - | \$ 1,263,908 | \$ 13,115,158 | \$ 588,479 | \$ 7,273,171 | \$ 726,300 |
| - | - | - | - | 350 | - |
| - | - | - | - | 381,962 | - |
| - | - | - | - | 65,491 | - |
| - | - | 4,680 | - | - | - |
| 306,068 | - | 826,297 | - | 175,437 | - |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| <u>306,068</u> | <u>1,263,908</u> | <u>13,946,135</u> | <u>588,479</u> | <u>7,896,411</u> | <u>726,300</u> |
| 305,349 | 184,905 | 465,379 | - | 53,448 | 4,760 |
| 719 | 444 | 30,700 | 15,992 | 405,552 | 30,541 |
| - | - | - | - | 182,465 | - |
| - | - | 56,764 | - | 128,828 | - |
| - | - | 3,464,411 | 267 | 35 | 2,753 |
| - | 1,078,559 | - | - | - | - |
| - | - | - | - | - | - |
| <u>306,068</u> | <u>1,263,908</u> | <u>4,017,254</u> | <u>16,259</u> | <u>770,328</u> | <u>38,054</u> |
| - | - | - | - | 567,673 | - |
| - | - | - | - | 350 | - |
| - | - | - | 572,220 | - | 273,087 |
| - | - | 5,004,141 | - | - | - |
| - | - | 4,924,740 | - | 6,558,060 | 415,159 |
| - | - | - | - | - | - |
| <u>-</u> | <u>-</u> | <u>9,928,881</u> | <u>572,220</u> | <u>6,558,410</u> | <u>688,246</u> |
| <u>\$ 306,068</u> | <u>\$ 1,263,908</u> | <u>\$ 13,946,135</u> | <u>\$ 588,479</u> | <u>\$ 7,896,411</u> | <u>\$ 726,300</u> |

**RAMSEY COUNTY, MINNESOTA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2014
WITH COMPARATIVE TOTALS FOR DECEMBER 31, 2013**

| | 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 | \$ 643,917 | \$ 2,657,810 | \$ 946,224 | \$ 102,754 | \$ 675,149 |
| Petty Cash and Change Funds | - | - | - | - | - |
| Receivables (Net): | | | | | |
| Taxes | - | - | - | - | - |
| Accounts | - | - | - | - | - |
| Accrued Interest | - | 4,269 | - | - | - |
| Due from Other Funds | - | - | - | - | - |
| Due from Other Governments | - | - | - | - | - |
| Loans Receivable | - | 169,369 | - | - | - |
| Inventories | - | - | - | - | - |
| Advance to Other Funds | - | - | - | - | - |
| Total Assets | <u>643,917</u> | <u>2,831,448</u> | <u>946,224</u> | <u>102,754</u> | <u>675,149</u> |
| LIABILITIES | | | | | |
| Salaries Payable | - | - | - | - | - |
| Accounts Payable | 24,035 | 13,669 | 4,213 | - | 3,403 |
| Contracts Payable | - | - | - | - | - |
| Due to Other Funds | - | 1,676 | - | - | 5,500 |
| Due to Other Governments | 5,393 | - | - | - | 762 |
| Unearned Revenue | - | - | - | - | - |
| Advance from Other Funds | - | - | - | - | - |
| Total Liabilities | <u>29,428</u> | <u>15,345</u> | <u>4,213</u> | <u>-</u> | <u>9,665</u> |
| DEFERRED INFLOWS OF RESOURCES | | | | | |
| Unavailable Revenue | - | 169,369 | - | - | - |
| FUND BALANCES | | | | | |
| Nonspendable | - | - | - | - | - |
| Restricted | - | 2,646,734 | 942,011 | 102,754 | 665,484 |
| Committed | 351,474 | - | - | - | - |
| Assigned | 263,015 | - | - | - | - |
| Unassigned | - | - | - | - | - |
| Total Fund Balances | <u>614,489</u> | <u>2,646,734</u> | <u>942,011</u> | <u>102,754</u> | <u>665,484</u> |
| Total Liabilities, Deferred Inflows of Resources and Fund Balances | <u>\$ 643,917</u> | <u>\$ 2,831,448</u> | <u>\$ 946,224</u> | <u>\$ 102,754</u> | <u>\$ 675,149</u> |

**STATEMENT 1
(Continued)**

| Care Center Patients' Activity Special Revenue Fund | 4R Program Special Revenue Fund | Forfeited Property Management Special Revenue Fund | Law Library Special Revenue Fund | Regional Railroad Authority Debt Service Fund | Total Nonmajor Governmental Funds | |
|--|---------------------------------------|--|---|---|--|----------------------|
| | | | | | 2014 | 2013 |
| \$ 24,980 | \$ 1,260,247 | \$ 1,078,710 | \$ 936,635 | \$ 1,592 | \$ 62,971,390 | \$ 56,370,372 |
| - | - | - | 20 | - | 2,445 | 2,445 |
| - | - | - | - | - | 494,905 | 600,304 |
| - | - | 3,465,154 | 356 | - | 5,134,649 | 3,521,089 |
| - | - | - | - | - | 274,501 | 258,266 |
| - | 192,808 | - | - | - | 211,754 | 173,767 |
| - | - | - | 76,979 | - | 6,363,704 | 6,044,564 |
| - | - | - | - | - | 7,763,544 | 7,705,735 |
| - | - | - | - | - | 5,447 | 21,626 |
| - | - | - | - | - | 1,531,545 | - |
| <u>24,980</u> | <u>1,453,055</u> | <u>4,543,864</u> | <u>1,013,990</u> | <u>1,592</u> | <u>84,753,884</u> | <u>74,698,168</u> |
| - | - | - | 16,306 | - | 2,108,829 | 1,877,447 |
| 1,385 | 148,747 | 1,266 | 27,921 | - | 2,759,904 | 3,155,314 |
| - | - | - | - | - | 656,920 | 542,047 |
| - | 6,438 | 375,569 | 2,246 | - | 1,026,016 | 1,363,799 |
| - | 19 | 626,875 | 267 | - | 7,983,961 | 4,353,032 |
| - | 66,722 | - | - | - | 1,395,605 | 1,055,200 |
| - | - | - | - | - | 4,500,000 | 4,550,112 |
| <u>1,385</u> | <u>221,926</u> | <u>1,003,710</u> | <u>46,740</u> | <u>-</u> | <u>20,431,235</u> | <u>16,896,951</u> |
| - | 192,808 | 3,465,154 | - | - | 12,117,314 | 15,475,501 |
| - | - | - | 20 | - | 7,892 | 24,071 |
| 23,595 | 1,038,321 | 75,000 | 967,230 | 1,592 | 33,017,541 | 33,088,635 |
| - | - | - | - | - | 5,355,615 | 2,964,496 |
| - | - | - | - | - | 13,824,287 | 9,514,849 |
| - | - | - | - | - | - | (3,266,335) |
| <u>23,595</u> | <u>1,038,321</u> | <u>75,000</u> | <u>967,250</u> | <u>1,592</u> | <u>52,205,335</u> | <u>42,325,716</u> |
| <u>\$ 24,980</u> | <u>\$ 1,453,055</u> | <u>\$ 4,543,864</u> | <u>\$ 1,013,990</u> | <u>\$ 1,592</u> | <u>\$ 84,753,884</u> | <u>\$ 74,698,168</u> |

RAMSEY COUNTY, MINNESOTA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2014
WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2013

| | 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 | \$ 8,719,809 | \$ 1,528 | \$ - | \$ 342,137 |
| Licenses and Permits | - | 667,172 | - | - |
| Intergovernmental | 903,481 | 1,687,347 | 1,449,758 | 25,210,912 |
| Private Grants and Donations | 900 | - | - | 25,304 |
| Charges for Services | - | 17,664,750 | 75,089 | 161,853 |
| Fines and Forfeitures | 561,319 | - | - | - |
| Sales | 68,631 | - | 27,859 | - |
| Rental Income | 204,553 | - | - | - |
| Investment Earnings | 797 | 5,036 | 266,756 | 94 |
| Miscellaneous | 94,987 | 188,567 | 543,790 | - |
| Total Revenues | <u>10,554,477</u> | <u>20,214,400</u> | <u>2,363,252</u> | <u>25,740,300</u> |
| EXPENDITURES | | | | |
| Current: | | | | |
| General Government | - | - | - | - |
| Public Safety | - | - | - | - |
| Transportation | - | - | - | - |
| Sanitation | - | 19,766,569 | - | - |
| Health | - | - | - | - |
| Human Services | - | - | - | - |
| Culture and Recreation | 10,535,932 | - | - | - |
| Economic Development and Assistance | - | - | 2,240,397 | 20,810,652 |
| Capital Projects: | | | | |
| Transportation | - | - | - | - |
| Debt Service: | | | | |
| Principal Retirement | - | - | - | - |
| Interest | - | - | - | - |
| Total Expenditures | <u>10,535,932</u> | <u>19,766,569</u> | <u>2,240,397</u> | <u>20,810,652</u> |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | <u>18,545</u> | <u>447,831</u> | <u>122,855</u> | <u>4,929,648</u> |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers In | - | - | - | - |
| Transfers Out | - | (1,000,000) | - | - |
| Total Other Financing Sources (Uses) | <u>-</u> | <u>(1,000,000)</u> | <u>-</u> | <u>-</u> |
| Net Change in Fund Balances | 18,545 | (552,169) | 122,855 | 4,929,648 |
| Fund Balances - Beginning | 4,033,332 | 21,211,788 | 883,284 | (3,258,298) |
| Increase (Decrease) in Inventories | (1,050) | - | - | (7,587) |
| Fund Balances - Ending | <u>\$ 4,050,827</u> | <u>\$ 20,659,619</u> | <u>\$ 1,006,139</u> | <u>\$ 1,663,763</u> |

STATEMENT 2

| 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 |
|---|--|--|---|--|------------------------------------|
| \$ - | \$ - | \$ 9,400,169 | \$ - | \$ 10,553,675 | \$ - |
| - | - | - | - | - | 248,095 |
| 3,788,515 | 3,041,528 | 747,122 | - | 489,754 | 17,343 |
| - | - | - | 205,806 | - | 200 |
| - | - | 5,835,291 | - | - | 363,511 |
| - | - | - | - | - | 415,621 |
| - | - | - | 5,865 | - | 507,792 |
| - | - | - | - | 1,301,203 | - |
| - | - | - | 65 | 1,030 | 38 |
| - | - | 15,361 | 27,325 | 177,141 | 747 |
| <u>3,788,515</u> | <u>3,041,528</u> | <u>15,997,943</u> | <u>239,061</u> | <u>12,522,803</u> | <u>1,553,347</u> |
| 3,788,515 | 3,041,528 | - | 6,085 | - | - |
| - | - | 15,112,207 | 2,827 | - | 1,114,422 |
| - | - | - | - | 8,542,123 | - |
| - | - | - | - | - | - |
| - | - | - | 21,425 | - | - |
| - | - | - | 55,988 | - | - |
| - | - | - | 173,079 | - | - |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| <u>3,788,515</u> | <u>3,041,528</u> | <u>15,112,207</u> | <u>259,404</u> | <u>8,542,123</u> | <u>1,114,422</u> |
| - | - | 885,736 | (20,343) | 3,980,680 | 438,925 |
| - | - | - | - | - | - |
| - | - | (170) | - | (37,244) | (200,000) |
| - | - | (170) | - | (37,244) | (200,000) |
| - | - | 885,566 | (20,343) | 3,943,436 | 238,925 |
| - | - | 9,050,857 | 592,563 | 2,614,974 | 449,321 |
| - | - | (7,542) | - | - | - |
| <u>-</u> | <u>-</u> | <u>\$ 9,928,881</u> | <u>\$ 572,220</u> | <u>\$ 6,558,410</u> | <u>\$ 688,246</u> |

(Continued)

RAMSEY COUNTY, MINNESOTA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2014
WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2013

| | 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 |
|--|---|--|---|--|--|
| REVENUES | | | | | |
| Taxes | \$ - | \$ 570,625 | \$ - | \$ - | \$ - |
| Licenses and Permits | - | - | - | - | - |
| Intergovernmental | - | 99,412 | - | - | 526,798 |
| Private Grants and Donations | 599 | - | - | - | 5,610 |
| Charges for Services | 225,128 | 660,067 | - | - | - |
| Fines and Forfeitures | - | - | 86,703 | 1,350 | - |
| Sales | 408,878 | - | - | - | - |
| Rental Income | - | - | - | - | - |
| Investment Earnings | 4 | 3,214 | - | - | - |
| Miscellaneous | 206 | - | - | 405 | 19,625 |
| Total Revenues | <u>634,815</u> | <u>1,333,318</u> | <u>86,703</u> | <u>1,755</u> | <u>552,033</u> |
| EXPENDITURES | | | | | |
| Current: | | | | | |
| General Government | - | 368,859 | 170,994 | - | - |
| Public Safety | 635,081 | - | - | - | - |
| Transportation | - | - | - | - | - |
| Sanitation | - | - | - | - | - |
| Health | - | - | - | 16,789 | - |
| Human Services | - | - | - | - | - |
| Culture and Recreation | - | - | - | - | 484,929 |
| Economic Development and Assistance | - | - | - | - | - |
| Capital Projects: | | | | | |
| Transportation | - | - | - | - | - |
| Debt Service: | | | | | |
| Principal Retirement | - | - | - | - | - |
| Interest | - | - | - | - | - |
| Total Expenditures | <u>635,081</u> | <u>368,859</u> | <u>170,994</u> | <u>16,789</u> | <u>484,929</u> |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | <u>(266)</u> | <u>964,459</u> | <u>(84,291)</u> | <u>(15,034)</u> | <u>67,104</u> |
| OTHER FINANCING SOURCES (USES) | | | | | |
| Transfers In | - | - | - | - | - |
| Transfers Out | - | (1,125,928) | - | - | - |
| Total Other Financing Sources (Uses) | <u>-</u> | <u>(1,125,928)</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Net Change in Fund Balances | <u>(266)</u> | <u>(161,469)</u> | <u>(84,291)</u> | <u>(15,034)</u> | <u>67,104</u> |
| Fund Balances - Beginning | 614,755 | 2,808,203 | 1,026,302 | 117,788 | 598,380 |
| Increase (Decrease) in Inventories | - | - | - | - | - |
| Fund Balances - Ending | <u>\$ 614,489</u> | <u>\$ 2,646,734</u> | <u>\$ 942,011</u> | <u>\$ 102,754</u> | <u>\$ 665,484</u> |

**STATEMENT 2
(Continued)**

| Care Center Patients' Activity Special Revenue Fund | 4R Program Special Revenue Fund | Forfeited Property Management Special Revenue Fund | Law Library Special Revenue Fund | Regional Railroad Authority Debt Service Fund | Total Nonmajor Governmental Funds | |
|--|---------------------------------------|--|---|---|--|----------------------|
| | | | | | 2014 | 2013 |
| \$ - | \$ 126,943 | \$ - | \$ - | \$ 3,625,000 | \$ 33,339,886 | \$ 23,164,639 |
| - | - | - | - | - | 915,267 | 1,027,206 |
| - | - | - | 3,420 | - | 37,965,390 | 29,871,457 |
| 13,771 | - | - | - | - | 252,190 | 266,259 |
| - | - | 11,388 | 1,000,702 | - | 25,997,779 | 25,194,302 |
| - | - | - | - | - | 1,064,993 | 884,816 |
| - | - | 1,397,469 | - | - | 2,416,494 | 1,904,835 |
| - | - | 31,317 | - | - | 1,537,073 | 688,623 |
| - | - | - | 158 | - | 277,192 | 182,422 |
| - | 16,820 | 9,569 | - | - | 1,094,543 | 1,546,032 |
| <u>13,771</u> | <u>143,763</u> | <u>1,449,743</u> | <u>1,004,280</u> | <u>3,625,000</u> | <u>104,860,807</u> | <u>84,730,591</u> |
| - | - | 1,293,305 | 601,289 | - | 9,270,575 | 10,276,996 |
| - | - | - | - | - | 16,864,537 | 15,878,902 |
| - | - | - | - | - | 8,542,123 | 8,345,514 |
| - | 1,023,719 | - | - | - | 20,790,288 | 18,146,647 |
| - | - | - | - | - | 38,214 | 26,222 |
| 15,107 | - | - | - | - | 71,095 | 75,396 |
| - | - | - | - | - | 11,193,940 | 11,337,147 |
| - | - | - | - | - | 23,051,049 | 25,256,316 |
| - | - | - | - | - | - | 596,702 |
| - | - | - | - | 3,296,666 | 3,296,666 | - |
| - | - | - | - | 363,986 | 363,986 | 305,625 |
| <u>15,107</u> | <u>1,023,719</u> | <u>1,293,305</u> | <u>601,289</u> | <u>3,660,652</u> | <u>93,482,473</u> | <u>90,245,467</u> |
| <u>(1,336)</u> | <u>(879,956)</u> | <u>156,438</u> | <u>402,991</u> | <u>(35,652)</u> | <u>11,378,334</u> | <u>(5,514,876)</u> |
| - | 1,000,000 | - | - | 37,244 | 1,037,244 | 1,116,793 |
| - | - | (156,438) | - | - | (2,519,780) | (2,175,475) |
| - | 1,000,000 | (156,438) | - | 37,244 | (1,482,536) | (1,058,682) |
| <u>(1,336)</u> | <u>120,044</u> | <u>-</u> | <u>402,991</u> | <u>1,592</u> | <u>9,895,798</u> | <u>(6,573,558)</u> |
| 24,931 | 918,277 | 75,000 | 564,259 | - | 42,325,716 | 48,892,189 |
| - | - | - | - | - | (16,179) | 7,085 |
| <u>\$ 23,595</u> | <u>\$ 1,038,321</u> | <u>\$ 75,000</u> | <u>\$ 967,250</u> | <u>\$ 1,592</u> | <u>\$ 52,205,335</u> | <u>\$ 42,325,716</u> |

SCHEDULE 4

**RAMSEY COUNTY, MINNESOTA
COUNTY LIBRARY SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGETARY COMPARISONS (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2014**

| | BUDGETED AMOUNTS | | ACTUAL AMOUNTS ON A BUDGETARY BASIS | VARIANCE WITH FINAL BUDGET OVER (UNDER) |
|--|-------------------------|---------------------|--|--|
| | ORIGINAL | FINAL | | |
| REVENUES | | | | |
| Taxes | \$ 8,768,637 | \$ 8,768,637 | \$ 8,719,809 | \$ (48,828) |
| Intergovernmental | 735,225 | 1,006,225 | 903,481 | (102,744) |
| Private Grants and Donations | - | - | 900 | 900 |
| Fines and Forfeitures | 600,000 | 600,000 | 561,319 | (38,681) |
| Sales | 70,000 | 70,000 | 68,631 | (1,369) |
| Rental Income | 120,000 | 120,000 | 204,553 | 84,553 |
| Investment Earnings | 4,500 | 4,500 | 797 | (3,703) |
| Miscellaneous | - | 93,042 | 94,987 | 1,945 |
| Total Revenues | <u>10,298,362</u> | <u>10,662,404</u> | <u>10,554,477</u> | <u>(107,927)</u> |
| EXPENDITURES | | | | |
| Current: | | | | |
| Culture and Recreation | 10,298,362 | 10,662,404 | 10,442,206 | (220,198) |
| Total Expenditures | <u>10,298,362</u> | <u>10,662,404</u> | <u>10,442,206</u> | <u>(220,198)</u> |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | <u>-</u> | <u>-</u> | <u>112,271</u> | <u>112,271</u> |
| Adjustment | (93,726) | (93,726) | (93,726) | - |
| Fund Balance - Beginning | 4,033,332 | 4,033,332 | 4,033,332 | - |
| Increase (Decrease) in Inventories | - | - | (1,050) | (1,050) |
| Fund Balance - Ending | <u>\$ 3,939,606</u> | <u>\$ 3,939,606</u> | <u>\$ 4,050,827</u> | <u>\$ 111,221</u> |

SCHEDULE 5

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, 2014

| | BUDGETED AMOUNTS | | ACTUAL AMOUNTS ON A BUDGETARY BASIS | VARIANCE WITH FINAL BUDGET OVER (UNDER) |
|--|-------------------------|----------------------|--|--|
| | ORIGINAL | FINAL | | |
| REVENUES | | | | |
| Taxes | \$ - | \$ - | \$ 1,528 | \$ 1,528 |
| Licenses and Permits | 694,533 | 694,533 | 667,172 | (27,361) |
| Intergovernmental | 1,718,518 | 1,682,097 | 1,687,347 | 5,250 |
| Charges for Services | 17,162,316 | 17,162,316 | 17,664,750 | 502,434 |
| Investment Earnings | 39,103 | 39,103 | 5,036 | (34,067) |
| Miscellaneous | - | - | 188,567 | 188,567 |
| Total Revenues | <u>19,614,470</u> | <u>19,578,049</u> | <u>20,214,400</u> | <u>636,351</u> |
| EXPENDITURES | | | | |
| Current: | | | | |
| Sanitation | 19,649,014 | 20,834,493 | 19,360,463 | (1,474,030) |
| Total Expenditures | <u>19,649,014</u> | <u>20,834,493</u> | <u>19,360,463</u> | <u>(1,474,030)</u> |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | <u>(34,544)</u> | <u>(1,256,444)</u> | <u>853,937</u> | <u>2,110,381</u> |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers Out | (1,000,000) | (1,000,000) | (1,000,000) | - |
| Total Other Financing Sources (Uses) | <u>(1,000,000)</u> | <u>(1,000,000)</u> | <u>(1,000,000)</u> | <u>-</u> |
| Net Change in Fund Balance | <u>(1,034,544)</u> | <u>(2,256,444)</u> | <u>(146,063)</u> | <u>2,110,381</u> |
| Adjustment | (406,106) | (406,106) | (406,106) | - |
| Fund Balance - Beginning | 21,211,788 | 21,211,788 | 21,211,788 | - |
| Fund Balance - Ending | <u>\$ 19,771,138</u> | <u>\$ 18,549,238</u> | <u>\$ 20,659,619</u> | <u>\$ 2,110,381</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, 2014**

| | BUDGETED AMOUNTS | | ACTUAL AMOUNTS ON A BUDGETARY BASIS | VARIANCE WITH FINAL BUDGET OVER (UNDER) |
|--|-------------------------|---------------------|--|--|
| | ORIGINAL | FINAL | | |
| REVENUES | | | | |
| Taxes | \$ 9,400,169 | \$ 9,400,169 | \$ 9,400,169 | \$ - |
| Intergovernmental | 689,651 | 689,651 | 747,122 | 57,471 |
| Charges for Services | 5,772,590 | 5,772,590 | 5,835,291 | 62,701 |
| Miscellaneous | - | - | 15,361 | 15,361 |
| Total Revenues | <u>15,862,410</u> | <u>15,862,410</u> | <u>15,997,943</u> | <u>135,533</u> |
| EXPENDITURES | | | | |
| Current: | | | | |
| Public Safety | 19,137,409 | 19,185,639 | 15,845,711 | (3,339,928) |
| Total Expenditures | <u>19,137,409</u> | <u>19,185,639</u> | <u>15,845,711</u> | <u>(3,339,928)</u> |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | <u>(3,274,999)</u> | <u>(3,323,229)</u> | <u>152,232</u> | <u>3,475,461</u> |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers Out | - | (170) | (170) | - |
| Total Other Financing Sources (Uses) | <u>-</u> | <u>(170)</u> | <u>(170)</u> | <u>-</u> |
| Net Change in Fund Balance | <u>(3,274,999)</u> | <u>(3,323,399)</u> | <u>152,062</u> | <u>3,475,461</u> |
| Adjustment | 733,504 | 733,504 | 733,504 | - |
| Fund Balance - Beginning | 9,050,857 | 9,050,857 | 9,050,857 | - |
| Increase (Decrease) in Inventories | (7,542) | (7,542) | (7,542) | - |
| Fund Balance - Ending | <u>\$ 6,501,820</u> | <u>\$ 6,453,420</u> | <u>\$ 9,928,881</u> | <u>\$ 3,475,461</u> |

SCHEDULE 7

**RAMSEY COUNTY, MINNESOTA
REGIONAL RAILROAD AUTHORITY SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGETARY COMPARISONS (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2014**

| | BUDGETED AMOUNTS | | ACTUAL AMOUNTS ON A BUDGETARY BASIS | VARIANCE WITH FINAL BUDGET OVER (UNDER) |
|--|-------------------------|---------------------|--|--|
| | ORIGINAL | FINAL | | |
| REVENUES | | | | |
| Taxes | \$ 10,350,040 | \$ 10,350,040 | \$ 10,553,675 | \$ 203,635 |
| Intergovernmental | 400 | 400 | 489,754 | 489,354 |
| Investment Earnings | 6,000 | 6,000 | 1,030 | (4,970) |
| Rental Income | 1,421,184 | 1,421,184 | 1,301,203 | (119,981) |
| Miscellaneous | - | 585,000 | 177,141 | (407,859) |
| Total Revenues | <u>11,777,624</u> | <u>12,362,624</u> | <u>12,522,803</u> | <u>160,179</u> |
| EXPENDITURES | | | | |
| Current: | | | | |
| Transportation | 11,777,624 | 12,325,380 | 8,401,181 | (3,924,199) |
| Total Expenditures | <u>11,777,624</u> | <u>12,325,380</u> | <u>8,401,181</u> | <u>(3,924,199)</u> |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | <u>-</u> | <u>37,244</u> | <u>4,121,622</u> | <u>4,084,378</u> |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers Out | - | (37,244) | (37,244) | - |
| Total Other Financing Sources (Uses) | <u>-</u> | <u>(37,244)</u> | <u>(37,244)</u> | <u>-</u> |
| Net Change in Fund Balance | <u>-</u> | <u>-</u> | <u>4,084,378</u> | <u>4,084,378</u> |
| Adjustment | (140,942) | (140,942) | (140,942) | - |
| Fund Balance - Beginning | 2,614,974 | 2,614,974 | 2,614,974 | - |
| Fund Balance - Ending | <u>\$ 2,474,032</u> | <u>\$ 2,474,032</u> | <u>\$ 6,558,410</u> | <u>\$ 4,084,378</u> |

SCHEDULE 8

**RAMSEY COUNTY, MINNESOTA
4R PROGRAM SPECIAL REVENUE FUND
SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGETARY COMPARISONS (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2014**

| | BUDGETED AMOUNTS | | ACTUAL AMOUNTS ON A BUDGETARY BASIS | VARIANCE WITH FINAL BUDGET OVER (UNDER) |
|--|---------------------|---------------------|--|--|
| | ORIGINAL | FINAL | | |
| REVENUES | | | | |
| Taxes | \$ - | \$ - | \$ 126,943 | \$ 126,943 |
| Miscellaneous | - | - | 16,820 | 16,820 |
| Total Revenues | <u>-</u> | <u>-</u> | <u>143,763</u> | <u>143,763</u> |
| EXPENDITURES | | | | |
| Current: | | | | |
| Sanitation | 1,200,000 | 1,200,000 | 1,191,079 | (8,921) |
| Total Expenditures | <u>1,200,000</u> | <u>1,200,000</u> | <u>1,191,079</u> | <u>(8,921)</u> |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | <u>(1,200,000)</u> | <u>(1,200,000)</u> | <u>(1,047,316)</u> | <u>152,684</u> |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers In | 1,200,000 | 1,200,000 | 1,000,000 | (200,000) |
| Total Other Financing Sources (Uses) | <u>1,200,000</u> | <u>1,200,000</u> | <u>1,000,000</u> | <u>(200,000)</u> |
| Net Change in Fund Balance | - | - | (47,316) | (47,316) |
| Adjustment | 167,360 | 167,360 | 167,360 | - |
| Fund Balance - Beginning | 918,277 | 918,277 | 918,277 | - |
| Fund Balance - Ending | <u>\$ 1,085,637</u> | <u>\$ 1,085,637</u> | <u>\$ 1,038,321</u> | <u>\$ (47,316)</u> |

SCHEDULE 9

**RAMSEY COUNTY, MINNESOTA
FORFEITED PROPERTY MANAGEMENT SPECIAL REVENUE FUND
SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGETARY COMPARISONS (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2014**

| | BUDGETED AMOUNTS | | ACTUAL AMOUNTS ON A BUDGETARY BASIS | VARIANCE WITH FINAL BUDGET OVER (UNDER) |
|--|---------------------|---------------------|--|--|
| | ORIGINAL | FINAL | | |
| REVENUES | | | | |
| Charges for Services | \$ 7,200 | \$ 7,200 | \$ 11,388 | \$ 4,188 |
| Sales | 362,025 | 487,025 | 1,397,469 | 910,444 |
| Rental Income | 15,000 | 15,000 | 31,317 | 16,317 |
| Miscellaneous | - | - | 9,569 | 9,569 |
| Total Revenues | <u>384,225</u> | <u>509,225</u> | <u>1,449,743</u> | <u>940,518</u> |
| EXPENDITURES | | | | |
| Current: | | | | |
| General Government | 384,225 | 509,225 | 473,673 | (35,552) |
| Total Expenditures | <u>384,225</u> | <u>509,225</u> | <u>473,673</u> | <u>(35,552)</u> |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | <u>-</u> | <u>-</u> | <u>976,070</u> | <u>976,070</u> |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers Out | - | - | (156,438) | (156,438) |
| Total Other Financing Sources (Uses) | <u>-</u> | <u>-</u> | <u>(156,438)</u> | <u>(156,438)</u> |
| Net Change in Fund Balance | <u>-</u> | <u>-</u> | <u>819,632</u> | <u>819,632</u> |
| Adjustment | (819,632) | (819,632) | (819,632) | - |
| Fund Balance - Beginning | 75,000 | 75,000 | 75,000 | - |
| Fund Balance - Ending | <u>\$ (744,632)</u> | <u>\$ (744,632)</u> | <u>\$ 75,000</u> | <u>\$ 819,632</u> |

**RAMSEY COUNTY, MINNESOTA
 REGIONAL RAILROAD AUTHORITY DEBT SERVICE FUND
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
 BUDGETARY COMPARISONS (NON-GAAP BUDGETARY BASIS)
 FOR THE YEAR ENDED DECEMBER 31, 2014**

| | BUDGETED AMOUNTS | | ACTUAL AMOUNTS ON A BUDGETARY BASIS | VARIANCE WITH FINAL BUDGET OVER (UNDER) |
|--|-------------------------|------------------|--|--|
| | ORIGINAL | FINAL | | |
| REVENUES | | | | |
| Taxes | \$ 3,625,000 | \$ 3,625,000 | \$ 3,625,000 | \$ - |
| Total Revenues | <u>3,625,000</u> | <u>3,625,000</u> | <u>3,625,000</u> | <u>-</u> |
| EXPENDITURES | | | | |
| Debt Service: | | | | |
| Principal | 3,260,000 | 3,296,666 | 3,296,666 | - |
| Interest | <u>365,000</u> | <u>365,578</u> | <u>363,986</u> | <u>(1,592)</u> |
| Total Expenditures | <u>3,625,000</u> | <u>3,662,244</u> | <u>3,660,652</u> | <u>(1,592)</u> |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | <u>-</u> | <u>(37,244)</u> | <u>(35,652)</u> | <u>1,592</u> |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers In | <u>-</u> | <u>37,244</u> | <u>37,244</u> | <u>-</u> |
| Total Other Financing Sources (Uses) | <u>-</u> | <u>37,244</u> | <u>37,244</u> | <u>-</u> |
| Net Change in Fund Balance | <u>-</u> | <u>-</u> | <u>1,592</u> | <u>1,592</u> |
| Adjustment | - | - | - | - |
| Fund Balance - Beginning | - | - | - | - |
| Fund Balance - Ending | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 1,592</u> | <u>\$ 1,592</u> |

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.

Information Services – To provide electronic data processing services to County departments and other governmental units. It also operates the telephone system in the Ramsey County Government Center-West Building, Ramsey County Government Center-East Building, and City/County Courthouse.

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.

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.

Employee Health Insurance – To account for all expenses incurred in providing for Employee health insurance.

RAMSEY COUNTY, MINNESOTA
COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
DECEMBER 31, 2014
WITH COMPARATIVE TOTALS FOR DECEMBER 31, 2013

| | <u>Information Services</u> | <u>General County Buildings</u> | <u>Firearms Range</u> |
|---|---------------------------------|---|---------------------------|
| ASSETS | | | |
| Current Assets: | | | |
| Cash and Cash Equivalents | \$ 8,312,604 | \$ 19,223,139 | \$ 49,039 |
| Cash with Trustee | - | - | - |
| Petty Cash and Change Funds | 75 | - | - |
| Accounts Receivable (Net) | 16,780 | 2,259 | 766 |
| Due from Other Funds | 1,986,387 | 817,428 | 10,813 |
| Due from Other Governments | 224,515 | 81,093 | 10,764 |
| Prepaid Items | 325,192 | - | - |
| Inventories | - | - | - |
| Restricted Cash and Cash Equivalents | - | 1,000 | - |
| Total Current Assets | <u>10,865,553</u> | <u>20,124,919</u> | <u>71,382</u> |
| Noncurrent Assets: | | | |
| Property Held for Resale | - | 467,423 | - |
| Capital Assets: | | | |
| Improvements Other Than Buildings | 27,981 | 187,914 | - |
| Building Improvements | 49,900 | 7,000,237 | - |
| Equipment | 4,392,891 | 514,514 | - |
| Construction in Progress | - | - | - |
| Less Accumulated Depreciation | (3,483,629) | (4,819,695) | - |
| Total Capital Assets (Net of Accumulated Depreciation) | <u>987,143</u> | <u>2,882,970</u> | <u>-</u> |
| Total Noncurrent Assets | <u>987,143</u> | <u>3,350,393</u> | <u>-</u> |
| Total Assets | <u>11,852,696</u> | <u>23,475,312</u> | <u>71,382</u> |
| LIABILITIES | | | |
| Current Liabilities: | | | |
| Salaries Payable | 395,124 | 290,429 | - |
| Accounts Payable | 357,119 | 3,249,160 | 86 |
| Due to Other Funds | 2,101,372 | 2,064,763 | - |
| Due to Other Governments | 16,736 | 45,101 | - |
| Vacation and Compensatory Time Payable | 443,961 | 344,653 | - |
| Payable from Restricted Assets: | | | |
| Customer Deposits Payable | - | 1,000 | - |
| Total Current Liabilities | <u>3,314,312</u> | <u>5,995,106</u> | <u>86</u> |
| Noncurrent Liabilities: | | | |
| Compensated Absences Payable | 368,487 | 436,917 | - |
| Net OPEB Liability | - | - | - |
| Total Noncurrent Liabilities | <u>368,487</u> | <u>436,917</u> | <u>-</u> |
| Total Liabilities | <u>3,682,799</u> | <u>6,432,023</u> | <u>86</u> |
| NET POSITION | | | |
| Net Investment in Capital Assets | 987,143 | 2,882,970 | - |
| Unrestricted | 7,182,754 | 14,160,319 | 71,296 |
| Total Net Position | <u>\$ 8,169,897</u> | <u>\$ 17,043,289</u> | <u>\$ 71,296</u> |

STATEMENT 3

| Retiree Insurance | Employee Health Insurance | Total Internal Service Funds | |
|------------------------|---------------------------------|---------------------------------|-----------------------|
| | | 2014 | 2013 |
| \$ 3,126,682 | \$ 2,156,194 | \$ 32,867,658 | \$ 31,419,221 |
| 56,234,156 | - | 56,234,156 | 48,642,214 |
| - | - | 75 | 75 |
| - | - | 19,805 | 29,755 |
| 8,810,508 | - | 11,625,136 | 10,198,394 |
| 89,076 | - | 405,448 | 375,604 |
| - | - | 325,192 | 439,151 |
| - | - | - | 4,884 |
| - | - | 1,000 | 1,000 |
| <u>68,260,422</u> | <u>2,156,194</u> | <u>101,478,470</u> | <u>91,110,298</u> |
| - | - | 467,423 | - |
| - | - | 215,895 | 201,904 |
| - | - | 7,050,137 | 12,146,964 |
| - | - | 4,907,405 | 4,689,432 |
| - | - | - | 62,903 |
| - | - | (8,303,324) | (12,922,137) |
| - | - | <u>3,870,113</u> | <u>4,179,066</u> |
| - | - | <u>4,337,536</u> | <u>4,179,066</u> |
| <u>68,260,422</u> | <u>2,156,194</u> | <u>105,816,006</u> | <u>95,289,364</u> |
| 117,806 | - | 803,359 | 660,843 |
| 832,263 | - | 4,438,628 | 1,864,538 |
| - | - | 4,166,135 | 3,877,602 |
| - | - | 61,837 | 64,075 |
| - | - | 788,614 | 852,041 |
| - | - | 1,000 | 1,000 |
| <u>950,069</u> | <u>-</u> | <u>10,259,573</u> | <u>7,320,099</u> |
| - | - | 805,404 | 883,737 |
| 100,715,358 | - | 100,715,358 | 92,728,899 |
| <u>100,715,358</u> | <u>-</u> | <u>101,520,762</u> | <u>93,612,636</u> |
| <u>101,665,427</u> | <u>-</u> | <u>111,780,335</u> | <u>100,932,735</u> |
| - | - | 3,870,113 | 4,179,066 |
| (33,405,005) | 2,156,194 | (9,834,442) | (9,822,437) |
| <u>\$ (33,405,005)</u> | <u>\$ 2,156,194</u> | <u>\$ (5,964,329)</u> | <u>\$ (5,643,371)</u> |

RAMSEY COUNTY, MINNESOTA
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES
IN FUND NET POSITION
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2014
WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2013

| | Information Services | General County Buildings | Firearms Range |
|--|---------------------------------|---|---------------------------|
| OPERATING REVENUES: | | | |
| Charges for Services | \$ 14,364,262 | \$ 17,712,745 | \$ 83,894 |
| Sales | - | - | 3,005 |
| Miscellaneous | 344 | 235,312 | - |
| Total Operating Revenues | <u>14,364,606</u> | <u>17,948,057</u> | <u>86,899</u> |
| OPERATING EXPENSES: | | | |
| Personal Services | 6,771,312 | 5,103,317 | - |
| Other Services and Charges | 4,877,430 | 9,650,413 | 58,896 |
| Supplies | 1,886,103 | 4,353,594 | 3,042 |
| OPEB Expense | - | - | - |
| Depreciation | 240,144 | 640,940 | - |
| Total Operating Expenses | <u>13,774,989</u> | <u>19,748,264</u> | <u>61,938</u> |
| Operating Income (Loss) | <u>589,617</u> | <u>(1,800,207)</u> | <u>24,961</u> |
| NONOPERATING REVENUES (EXPENSES): | | | |
| Intergovernmental Revenue | 19,586 | 7,446 | - |
| Investment Earnings (Loss) | - | - | - |
| Gain on Disposal of Capital Assets | - | - | - |
| Loss on Disposal of Capital Assets | - | (155,914) | - |
| Total Nonoperating Revenues (Expenses) | <u>19,586</u> | <u>(148,468)</u> | <u>-</u> |
| Income Before Transfers | <u>609,203</u> | <u>(1,948,675)</u> | <u>24,961</u> |
| Transfers In | 400,096 | - | - |
| Transfers Out | (392) | - | - |
| Change in Net Position | <u>1,008,907</u> | <u>(1,948,675)</u> | <u>24,961</u> |
| Net Position - Beginning | 7,160,990 | 18,991,964 | 46,335 |
| Net Position - Ending | <u>\$ 8,169,897</u> | <u>\$ 17,043,289</u> | <u>\$ 71,296</u> |

STATEMENT 4

| Retiree Insurance | Employee Health Insurance | Total Internal Service Funds | |
|------------------------|---------------------------------|---------------------------------|-----------------------|
| | | 2014 | 2013 |
| \$ 12,634,684 | \$ - | \$ 44,795,585 | \$ 42,850,251 |
| - | - | 3,005 | 8,018 |
| - | - | 235,656 | 149,770 |
| <u>12,634,684</u> | <u>-</u> | <u>45,034,246</u> | <u>43,008,039</u> |
| - | - | 11,874,629 | 12,140,831 |
| - | - | 14,586,739 | 15,239,729 |
| - | - | 6,242,739 | 1,881,675 |
| 19,289,753 | - | 19,289,753 | 17,648,040 |
| - | - | 881,084 | 771,312 |
| <u>19,289,753</u> | <u>-</u> | <u>52,874,944</u> | <u>47,681,587</u> |
| <u>(6,655,069)</u> | <u>-</u> | <u>(7,840,698)</u> | <u>(4,673,548)</u> |
| - | - | 27,032 | 27,710 |
| 5,092,724 | - | 5,092,724 | 3,152,176 |
| - | - | - | 5,336 |
| - | - | (155,914) | (644) |
| <u>5,092,724</u> | <u>-</u> | <u>4,963,842</u> | <u>3,184,578</u> |
| <u>(1,562,345)</u> | <u>-</u> | <u>(2,876,856)</u> | <u>(1,488,970)</u> |
| - | 2,156,194 | 2,556,290 | 6,205,838 |
| - | - | (392) | (213) |
| <u>(1,562,345)</u> | <u>2,156,194</u> | <u>(320,958)</u> | <u>4,716,655</u> |
| <u>(31,842,660)</u> | <u>-</u> | <u>(5,643,371)</u> | <u>(10,360,026)</u> |
| <u>\$ (33,405,005)</u> | <u>\$ 2,156,194</u> | <u>\$ (5,964,329)</u> | <u>\$ (5,643,371)</u> |

**RAMSEY COUNTY, MINNESOTA
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2014
WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2013**

| | Information Services | General County Buildings | Firearms Range |
|--|---------------------------------|---|---------------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Receipts from Customers and Users | \$ 618,416 | \$ 3,566,748 | \$ 64,005 |
| Receipts from Interfund Services Provided | 13,248,294 | 14,076,662 | 30,500 |
| Payments to Suppliers | (6,227,830) | (8,711,273) | (23,608) |
| Payments to Employees | (6,829,242) | (2,591,261) | - |
| Payments for Interfund Services Used | (208,996) | (5,162,439) | (38,243) |
| Net Cash Provided (Used) for Operating Activities | <u>600,642</u> | <u>1,178,437</u> | <u>32,654</u> |
| CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES | | | |
| Intergovernmental Revenue | 19,586 | 7,446 | - |
| Transfers In | 400,096 | - | - |
| Transfers Out | (392) | - | - |
| Net Cash Provided (Used) for Noncapital Financing Activities | <u>838,580</u> | <u>14,892</u> | <u>-</u> |
| CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES | | | |
| Proceeds from the Sale of Capital Assets | - | - | - |
| Purchases of Capital Assets | (691,171) | (504,297) | - |
| Net Cash Provided (Used) for Capital and Related Financing Activities | <u>(691,171)</u> | <u>(504,297)</u> | <u>-</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 | 328,761 | 689,032 | 32,654 |
| Cash and Cash Equivalents, January 1 | 7,983,843 | 18,542,553 | 16,385 |
| Cash and Cash Equivalents, December 31 | <u>8,312,604</u> | <u>19,231,585</u> | <u>49,039</u> |
| Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities: | | | |
| Operating Income (Loss) | 589,617 | (1,800,207) | 24,961 |
| Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities: | | | |
| Depreciation Expense | 240,144 | 640,940 | - |
| Changes in Assets and Liabilities: | | | |
| (Increase) Decrease in Accounts Receivable | (3,841) | 12,847 | 944 |
| (Increase) Decrease in Due From Other Funds | (378,961) | (398,355) | (1,293) |
| (Increase) Decrease in Due From Other Governments | (115,094) | 80,861 | 7,956 |
| (Increase) Decrease in Prepaid Items | 113,959 | - | - |
| (Increase) Decrease in Inventories | 4,884 | - | - |
| Increase (Decrease) in Salaries Payable | 5,494 | 19,216 | - |
| Increase (Decrease) in Accounts Payable | 91,826 | 2,531,214 | 86 |
| Increase (Decrease) in Due to Other Funds | 123,200 | 165,333 | - |
| Increase (Decrease) in Due to Other Governments | (7,162) | 4,924 | - |
| Increase (Decrease) in Vacation and Compensatory Time Payable | (22,626) | (40,801) | - |
| Increase (Decrease) in Compensated Absences Payable | (40,798) | (37,535) | - |
| Increase (Decrease) in Net OPEB Liability Payable | - | - | - |
| Net Cash Provided (Used) by Operating Activities | <u>\$ 600,642</u> | <u>\$ 1,178,437</u> | <u>\$ 32,654</u> |
| Non cash Capital and Related Financing Activity: | | | |
| Loss on Disposition of Capital Assets | \$ - | \$ (155,914) | \$ - |
| Reclassification of capital asset to property held for resale | - | (467,423) | - |

STATEMENT 5

| Retiree Insurance | Employee Health Insurance | Total Internal Service Funds | |
|----------------------|---------------------------------|---------------------------------|---------------------|
| | | 2014 | 2013 |
| \$ - | \$ - | \$ 4,249,169 | \$ 4,582,630 |
| 11,522,335 | - | 38,877,791 | 38,918,861 |
| (9,655,332) | - | (24,618,043) | (25,296,798) |
| - | - | (9,420,503) | (9,087,376) |
| (1,118,543) | - | (6,528,221) | (5,483,366) |
| <u>748,460</u> | <u>-</u> | <u>2,560,193</u> | <u>3,633,951</u> |
| - | - | 27,032 | 27,710 |
| - | 2,156,194 | 2,556,290 | 6,205,838 |
| - | - | (392) | (213) |
| <u>-</u> | <u>4,312,388</u> | <u>5,165,860</u> | <u>6,233,335</u> |
| - | - | - | 5,336 |
| - | - | (1,195,468) | (551,593) |
| - | - | (1,195,468) | (546,257) |
| 5,092,724 | - | 5,092,724 | 3,152,176 |
| <u>5,092,724</u> | <u>-</u> | <u>5,092,724</u> | <u>3,152,176</u> |
| 5,841,184 | 4,312,388 | 11,623,309 | 12,473,205 |
| 53,519,654 | - | 80,062,435 | 67,589,230 |
| <u>59,360,838</u> | <u>2,156,194</u> | <u>89,102,814</u> | <u>80,062,435</u> |
| (6,655,069) | - | (7,840,698) | (4,673,548) |
| - | - | 881,084 | 771,312 |
| - | - | 9,950 | (22,080) |
| (648,133) | - | (1,426,742) | 365,267 |
| (3,567) | - | (29,844) | 150,267 |
| - | - | 113,959 | 45,057 |
| - | - | 4,884 | 156 |
| 117,805 | - | 142,515 | 75,163 |
| (49,036) | - | 2,574,090 | (306,352) |
| - | - | 288,533 | 338,140 |
| - | - | (2,238) | (34,218) |
| - | - | (63,427) | 35,991 |
| - | - | (78,333) | (36,386) |
| 7,986,459 | - | 7,986,459 | 6,925,182 |
| <u>\$ 748,459</u> | <u>-</u> | <u>\$ 2,560,192</u> | <u>\$ 3,633,951</u> |
| \$ - | \$ - | \$ (155,914) | \$ 644 |
| - | - | (467,423) | - |

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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 Client Trust – To account for residents assets held by the County.

Ramsey County Care Center Client Trust – To account for 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.

**RAMSEY COUNTY, MINNESOTA
 COMBINING STATEMENT OF FIDUCIARY NET POSITION
 PRIVATE PURPOSE TRUST FUNDS
 DECEMBER 31, 2014
 WITH COMPARATIVE TOTALS FOR DECEMBER 31, 2013**

| | <u>Missing Heirs</u> | <u>Lake Owasso Residence Client Trust</u> | <u>Ramsey Care Center Client Trust</u> | <u>Total Private Purpose Trust Funds</u> | |
|------------------------------------|--------------------------|---|--|--|-------------------|
| | | | | <u>2014</u> | <u>2013</u> |
| ASSETS | | | | | |
| Cash and Cash Equivalents | \$ 218,229 | \$ 75,783 | \$ 35,904 | \$ 329,916 | \$ 325,190 |
| LIABILITIES | | | | | |
| Custodial Payable | - | 3,178 | - | 3,178 | 6,338 |
| NET POSITION | | | | | |
| Held in Trust for Private Purposes | <u>\$ 218,229</u> | <u>\$ 72,605</u> | <u>\$ 35,904</u> | <u>\$ 326,738</u> | <u>\$ 318,852</u> |

STATEMENT 7

RAMSEY COUNTY, MINNESOTA
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
PRIVATE PURPOSE TRUST FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2014
WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2013

| | <u>Missing Heirs</u> | <u>Lake Owasso Residence Client Trust</u> | <u>Ramsey Care Center Client Trust</u> | <u>Total Private Purpose Trust Funds</u> | |
|--|--------------------------|---|--|--|-------------------|
| | | | | <u>2014</u> | <u>2013</u> |
| ADDITIONS | | | | | |
| Receipts from Clients | \$ 3,368 | \$ 134,835 | \$ 103,593 | \$ 241,796 | \$ 276,346 |
| Investment Earnings | - | - | 9 | 9 | 22 |
| Total Additions | <u>3,368</u> | <u>134,835</u> | <u>103,602</u> | <u>241,805</u> | <u>276,368</u> |
| DEDUCTIONS | | | | | |
| Payments to Clients or on Behalf of Clients | <u>4,476</u> | <u>120,589</u> | <u>108,854</u> | <u>233,919</u> | <u>269,155</u> |
| Change in Net Position | (1,108) | 14,246 | (5,252) | 7,886 | 7,213 |
| Net Position - Beginning | <u>219,337</u> | <u>58,359</u> | <u>41,156</u> | <u>318,852</u> | <u>311,639</u> |
| Net Position - Ending | <u>\$ 218,229</u> | <u>\$ 72,605</u> | <u>\$ 35,904</u> | <u>\$ 326,738</u> | <u>\$ 318,852</u> |

RAMSEY COUNTY, MINNESOTA
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUND
FOR THE YEAR ENDED DECEMBER 31, 2014

| | <u>Balance January 1, 2014</u> | <u>Additions</u> | <u>Deductions</u> | <u>Balance December 31, 2014</u> |
|----------------------------|--|--------------------|--------------------|--|
| ASSETS | | | | |
| Cash and Cash Equivalents | \$ 33,691,266 | \$ 904,563,079 | \$ 903,540,103 | \$ 34,714,242 |
| Receivables (Net): | | | | |
| Accounts | 6,575,798 | 16,568,736 | 13,493,968 | 9,650,566 |
| Due from Other Governments | 46,357 | - | 46,357 | - |
| | <u>40,313,421</u> | <u>921,131,815</u> | <u>917,080,428</u> | <u>44,364,808</u> |
| Total Assets | | | | |
| LIABILITIES | | | | |
| Custodial Payable | 22,512,857 | 529,823,565 | 526,132,735 | 26,203,687 |
| Due to Other Governments | 17,800,564 | 391,308,250 | 390,947,693 | 18,161,121 |
| | <u>40,313,421</u> | <u>921,131,815</u> | <u>917,080,428</u> | <u>44,364,808</u> |
| Total Liabilities | | | | |

Supplementary Schedules

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RAMSEY COUNTY, MINNESOTA
SCHEDULE OF INTERGOVERNMENTAL REVENUES
ALL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2014

| | Special Revenue Funds | | | | | State Funding For Courts |
|---|-----------------------|-------------------|--|---|------------------------|--------------------------------|
| | General Fund | County Library | Solid Waste/ Recycling Service Fee | Housing and Redevelopment Authority | Workforce Solutions | |
| Shared Revenue: | | | | | | |
| State- | | | | | | |
| Highway Users Tax | \$ 8,124,544 | \$ - | \$ - | \$ - | \$ - | \$ - |
| Aquatic Invasive Species | 46,772 | - | - | - | - | - |
| Market Value Homestead Credit | 528 | 34 | - | - | - | - |
| Disparity Reduction Aid | 241,653 | - | - | - | - | - |
| County Program Aid | 15,790,646 | 513,573 | - | - | - | - |
| State Aid for Police Pension | 1,224,713 | - | - | - | - | - |
| 911 Telephone Fee | - | - | - | - | - | - |
| PERA Rate Increase Aid | 590,749 | 21,652 | 3,718 | 762 | 9,372 | 11,114 |
| Total Shared Revenue | 26,019,605 | 535,259 | 3,718 | 762 | 9,372 | 11,114 |
| Reimbursement for Services: | | | | | | |
| State- | | | | | | |
| Minnesota Department of Human Services | 10,203,511 | - | - | - | - | - |
| Total Reimbursement for Services | 10,203,511 | - | - | - | - | - |
| Grants: | | | | | | |
| State- | | | | | | |
| Minnesota Department of Agriculture | - | - | 10,703 | - | - | - |
| Commerce | 263,245 | - | - | - | - | - |
| Education | 145,883 | - | - | - | - | - |
| Historical Society | 85,975 | - | - | - | - | - |
| Public Safety | 960,067 | - | - | - | - | - |
| Pollution Control | - | - | 348,715 | - | - | - |
| Health | 3,697,533 | - | - | - | - | - |
| Natural Resources | 29,244 | - | - | - | - | - |
| Transportation | - | - | - | - | - | - |
| Corrections | 10,177,955 | - | - | - | - | - |
| Human Services | 32,729,695 | - | - | - | 2,181,104 | - |
| Veteran Affairs | 22,500 | - | - | - | - | - |
| Employment & Economic Development | - | - | - | - | 2,965,375 | - |
| Trial Courts | - | - | - | - | - | 3,777,401 |
| Public Defense Board | - | - | - | - | - | - |
| Miscellaneous Boards | 70,798 | - | - | - | - | - |
| Total State | 48,182,895 | - | 359,418 | - | 5,146,479 | 3,777,401 |
| Federal- | | | | | | |
| Department of Agriculture | 9,947,236 | - | - | - | - | - |
| Housing and Urban Development | 1,184,393 | - | - | 1,448,996 | - | - |
| Justice | 364,913 | - | - | - | - | - |
| Labor | - | - | - | - | 3,236,412 | - |
| Transportation | 517,619 | - | - | - | - | - |
| Environmental Protection Agency | - | - | - | - | - | - |
| Education | 8,398 | - | - | - | - | - |
| Health and Human Services | 43,058,236 | - | - | - | 16,697,481 | - |
| Homeland Security | 709,734 | - | - | - | - | - |
| Total Federal | 55,790,529 | - | - | 1,448,996 | 19,933,893 | - |
| Local | 3,643,745 | 366,715 | 1,324,211 | - | 121,168 | - |
| Total Grants | 107,617,169 | 366,715 | 1,683,629 | 1,448,996 | 25,201,540 | 3,777,401 |
| Build America Bonds Interest Subsidy | 234,471 | - | - | - | - | - |
| Excess Tax Increment | 407,514 | - | - | - | - | - |
| Payments in lieu of taxes | 346,437 | 1,507 | - | - | - | - |
| Total Intergovernmental Revenue | \$ 144,828,707 | \$ 903,481 | \$ 1,687,347 | \$ 1,449,758 | \$ 25,210,912 | \$ 3,788,515 |

| Special Revenue Funds | | | | | | | |
|-----------------------------|-----------------------------|-----------------------------------|-----------|---------------------|----------------------------|----------------|---------------|
| State Public Defender | Emergency Communications | Regional Railroad Authority | Sheriff | Property Records | Parks and Recreation | Law Library | Total |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | 34 |
| - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | 513,573 |
| - | - | - | - | - | - | - | - |
| - | 747,122 | - | - | - | - | - | 747,122 |
| 10,918 | - | - | - | - | - | 836 | 58,372 |
| 10,918 | 747,122 | - | - | - | - | 836 | 1,319,101 |
| - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | 10,703 |
| - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | 2,584 | 2,584 |
| - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | 348,715 |
| - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | 2,181,104 |
| - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | 2,965,375 |
| - | - | - | - | - | - | - | 3,777,401 |
| 3,030,610 | - | - | - | - | - | - | 3,030,610 |
| - | - | - | - | - | - | - | - |
| 3,030,610 | - | - | - | - | - | 2,584 | 12,316,492 |
| - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | 1,448,996 |
| - | - | - | 17,343 | - | - | - | 17,343 |
| - | - | - | - | - | - | - | 3,236,412 |
| - | - | 443,736 | - | - | - | - | 443,736 |
| - | - | - | - | 99,412 | - | - | 99,412 |
| - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | 16,697,481 |
| - | - | - | - | - | - | - | - |
| - | - | 443,736 | 17,343 | 99,412 | - | - | 21,943,380 |
| - | - | 33,822 | - | - | 526,798 | - | 2,372,714 |
| 3,030,610 | - | 477,558 | 17,343 | 99,412 | 526,798 | 2,584 | 36,632,586 |
| - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - |
| - | - | 12,196 | - | - | - | - | 13,703 |
| \$ 3,041,528 | \$ 747,122 | \$ 489,754 | \$ 17,343 | \$ 99,412 | \$ 526,798 | \$ 3,420 | \$ 37,965,390 |

(Continued)

RAMSEY COUNTY, MINNESOTA
SCHEDULE OF INTERGOVERNMENTAL REVENUES
ALL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2014

| | Debt Service Fund | Regional Railroad Authority Capital Projects Fund | Capital Projects Fund | Enterprise Funds | Internal Service Funds | Total All Funds |
|---|-------------------------|--|-----------------------------|---------------------|------------------------------|-----------------------|
| Shared Revenue: | | | | | | |
| State- | | | | | | |
| Highway Users Tax | \$ 246,158 | \$ - | \$ 6,222,139 | \$ - | \$ - | \$ 14,592,841 |
| Aquatic Invasive Species | - | - | - | - | - | 46,772 |
| Market Value Homestead Credit | 49 | - | - | - | - | 611 |
| Disparity Reduction Aid | 20,403 | - | - | - | - | 262,056 |
| County Program Aid | 111,735 | - | - | - | - | 16,415,954 |
| State Aid for Police Pension | - | - | - | 334,660 | - | 1,559,373 |
| 911 Telephone Fee | - | - | - | - | - | 747,122 |
| PERA Rate Increase Aid | - | - | - | 54,292 | 27,032 | 730,445 |
| Total Shared Revenue | <u>378,345</u> | <u>-</u> | <u>6,222,139</u> | <u>388,952</u> | <u>27,032</u> | <u>34,355,174</u> |
| Reimbursement for Services: | | | | | | |
| State- | | | | | | |
| Minnesota Department of Human Services | - | - | - | - | - | 10,203,511 |
| Total Reimbursement for Services | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>10,203,511</u> |
| Grants: | | | | | | |
| State- | | | | | | |
| Minnesota Department of Agriculture | - | - | - | - | - | 10,703 |
| Commerce | - | - | - | - | - | 263,245 |
| Education | - | - | - | - | - | 145,883 |
| Historical Society | - | - | - | - | - | 88,559 |
| Public Safety | - | - | - | - | - | 960,067 |
| Pollution Control | - | - | - | - | - | 348,715 |
| Health | - | - | - | - | - | 3,697,533 |
| Natural Resources | - | - | - | - | - | 29,244 |
| Transportation | - | - | 3,400,927 | - | - | 3,400,927 |
| Corrections | - | - | - | - | - | 10,177,955 |
| Human Services | - | - | - | - | - | 34,910,799 |
| Veteran Affairs | - | - | - | - | - | 22,500 |
| Employment & Economic Development | - | - | - | - | - | 2,965,375 |
| Trial Courts | - | - | - | - | - | 3,777,401 |
| Public Defense Board | - | - | - | - | - | 3,030,610 |
| Miscellaneous Boards | - | - | - | - | - | 70,798 |
| Total State | <u>-</u> | <u>-</u> | <u>3,400,927</u> | <u>-</u> | <u>-</u> | <u>63,900,314</u> |
| Federal- | | | | | | |
| Department of Agriculture | - | - | - | - | - | 9,947,236 |
| Housing and Urban Development | - | - | - | - | - | 2,633,389 |
| Justice | - | - | - | - | - | 382,256 |
| Labor | - | - | - | - | - | 3,236,412 |
| Transportation | - | 8,990,099 | 10,237,242 | - | - | 20,188,696 |
| Environmental Protection Agency | - | - | - | - | - | 99,412 |
| Education | - | - | - | - | - | 8,398 |
| Health and Human Services | - | - | - | - | - | 59,755,717 |
| Homeland Security | - | - | - | - | - | 709,734 |
| Total Federal | <u>-</u> | <u>8,990,099</u> | <u>10,237,242</u> | <u>-</u> | <u>-</u> | <u>96,961,250</u> |
| Local | - | 700,000 | 3,255,996 | - | - | 9,972,455 |
| Total Grants | <u>-</u> | <u>9,690,099</u> | <u>16,894,165</u> | <u>-</u> | <u>-</u> | <u>170,834,019</u> |
| Build America Bonds Interest Subsidy | 286,951 | - | - | - | - | 521,422 |
| Excess Tax Increment | - | - | - | - | - | 407,514 |
| Payments in lieu of taxes | 14,175 | - | - | - | - | 374,315 |
| Total Intergovernmental Revenue | <u>\$ 679,471</u> | <u>\$ 9,690,099</u> | <u>\$ 23,116,304</u> | <u>\$ 388,952</u> | <u>\$ 27,032</u> | <u>\$ 216,695,955</u> |

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RAMSEY COUNTY, MINNESOTA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2014

| Federal Grantor Pass Through Agency Grant Program Title | Federal CFDA Number | Expenditures | Passed Through to Subrecipients |
|--|---------------------------|------------------|---------------------------------------|
| Department of Agriculture | | | |
| Passed Through Minnesota Department of Education: | | | |
| <i>Child Nutrition Cluster</i> | | | |
| School Breakfast Program | 10.553 | \$ 32,147 | \$ - |
| National School Lunch Program | 10.555 | 59,098 | - |
| Passed Through Minnesota Department of Health: | | | |
| Special Supplemental Nutrition Program for Women, Infants and Children | 10.557 | 3,242,022 | - |
| State Administrative Matching Grants for the Supplemental Nutrition Assistance Program | 10.561 | 6,607,869 | - |
| Passed Through Minnesota Department of Agriculture: | | | |
| WIC Farmers' Market Nutrition Program (FMNP) | 10.572 | 6,100 | - |
| Total Department of Agriculture | | <u>9,947,236</u> | <u>-</u> |
| Department of Housing and Urban Development | | | |
| Direct | | | |
| Community Development Block Grants/Entitlement Grants | 14.218 | 928,204 | 684,866 |
| Supportive Housing Program | 14.235 | 821,130 | 821,130 |
| (Total CDBG/Entitlements Grants 14.218 \$966,290) | | | |
| Passed Through City of St. Paul: | | | |
| Community Development Block Grants/Entitlement Grants | 14.218 | 38,086 | - |
| (Total CDBG/Entitlements Grants 14.218 \$966,290) | | | |
| Passed Through Minnesota Housing Finance Agency: | | | |
| Community Development Block Grants/State's program and Non-Entitlement Grants in Hawaii | 14.228 | 324,345 | - |
| Passed Through Dakota County Community Development Agency | | | |
| HOME Investment Partnerships Program | 14.239 | 196,447 | - |
| Passed Through Minnesota Department of Health: | | | |
| Asthma Interventions in Public and Assisted Multifamily Housing Grant Program | 14.914 | 8,299 | - |
| Passed Through Hennepin County: | | | |
| Lead-Based Paint Hazard Control in Privately-Owned Housing | 14.900 | 229,222 | - |
| Total Department of Housing and Urban Development | | <u>2,545,733</u> | <u>1,505,996</u> |
| Department of Justice | | | |
| Direct | | | |
| Services for Trafficking Victims | 16.320 | 9,999 | - |
| State Criminal Alien Assistance Program | 16.606 | 91,281 | - |
| Equitable Sharing Program | 16.922 | 22,064 | - |

(continued)

RAMSEY COUNTY, MINNESOTA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2014

| Federal Grantor Pass Through Agency Grant Program Title | Federal CFDA Number | Expenditures | Passed Through to Subrecipients |
|--|---------------------------|-------------------|---------------------------------------|
| Department of Justice (continued): | | | |
| Passed Through Minnesota Department of Public Safety: | | | |
| Juvenile Accountability Block Grants | 16.523 | 45,771 | - |
| <i>JAG Program Cluster</i> | | | |
| Edward Byrne Memorial Justice Assistance Grant Program (Total Edward Byrne Memorial Justice Assistance Grant Program 16.738 \$119,816) | 16.738 | 40,269 | - |
| Passed Through City of St. Paul | | | |
| <i>JAG Program Cluster</i> | | | |
| Edward Byrne Memorial Justice Assistance Grant Program (Total Edward Byrne Memorial Justice Assistance Grant Program 16.738 \$119,816) | 16.738 | 79,547 | - |
| Passed Through Minnesota Trial Courts | | | |
| Drug Court Discretionary Grant Program | 16.585 | 83,707 | - |
| Total Department of Justice | | <u>372,638</u> | <u>-</u> |
| Department of Labor | | | |
| Passed Through Minnesota Department of Employment and Economic Development: | | | |
| <i>Workforce Investment Act (WIA) Cluster</i> | | | |
| WIA Adult Programs | 17.258 | 1,010,146 | 443,112 |
| WIA Youth Activities | 17.259 | 1,128,335 | 706,578 |
| WIA Dislocated Worker Formula Grants | 17.278 | 573,884 | - |
| Passed Through City of Minneapolis | | | |
| Program for Competitive Grants for Worker Training and Placement in High Growth and Emerging Industry Sectors | 17.275 | 37,368 | - |
| Total Department of Labor | | <u>2,749,733</u> | <u>1,149,690</u> |
| Department of Transportation | | | |
| Passed Through Minnesota Department of Transportation: | | | |
| Highway Planning and Construction | 20.205 | 10,237,242 | - |
| Passed Through Metropolitan Council: | | | |
| Federal Transit - Capital Investment Grants | 20.500 | 216,962 | - |
| Alternatives Analysis | 20.522 | 265,355 | - |
| Passed Through Minnesota Department of Public Safety: | | | |
| State and Community Highway Safety | 20.600 | 139,505 | - |
| Safety Belt Performance Grants | 20.609 | 378,114 | - |
| Total Department of Transportation | | <u>11,237,178</u> | <u>-</u> |
| Environmental Protection Agency | | | |
| Direct | | | |
| Brownfields Assessment and Cleanup Cooperative Agreements | 66.818 | 99,412 | - |
| Total Environmental Protection Agency | | <u>99,412</u> | <u>-</u> |

(continued)

RAMSEY COUNTY, MINNESOTA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2014

| Federal Grantor Pass Through Agency Grant Program Title | Federal CFDA Number | Expenditures | Passed Through to Subrecipients |
|--|---------------------------|--------------|---------------------------------------|
| Department of Education | | | |
| Passed Through Minnesota Department of Employment and Economic Development: | | | |
| Adult Education - Basic Grants to States | 84.002 | 8,398 | - |
| Total Department of Education | | <u>8,398</u> | <u>-</u> |
| Department of Health and Human Services | | | |
| Direct | | | |
| Family Planning Services | 93.217 | 432,000 | - |
| <i>Temporary Assistance for Needy Families Cluster</i> | | | |
| Passed Through Minnesota Department of Human Services: | | | |
| Temporary Assistance for Needy Families | 93.558 | 15,804,949 | 6,588,328 |
| Passed Through Minnesota Department of Health: | | | |
| Temporary Assistance for Needy Families (Total Temporary Assistance for Needy Families 93.558 \$16,799,682) | 93.558 | 994,733 | - |
| Passed Through Minnesota Department of Human Services: | | | |
| Projects for Assistance in Transition from Homelessness | 93.150 | 160,297 | - |
| Early Hearing Detection and Intervention Information System (EHDI-IS) Surveillance Program | 93.314 | 75 | - |
| Promoting Safe and Stable Families | 93.556 | 233,693 | 140,641 |
| Child Support Enforcement | 93.563 | 10,867,645 | - |
| Refugee and Entrant Assistance - State Administered Programs | 93.566 | 21,012 | - |
| Child Care and Development Block Grant | 93.575 | 967,321 | - |
| Stephanie Tubbs Jones Child Welfare Services Program | 93.645 | 61,330 | - |
| Guardianship Assistance | 93.090 | 179,920 | - |
| Foster Care Title - IV-E | 93.658 | 3,790,495 | - |
| Adoption Assistance | 93.659 | 630,478 | - |
| Social Services Block Grant | 93.667 | 3,547,980 | - |
| Child Abuse and Neglect State Grants | 93.669 | 921 | - |
| Chafee Foster Care Independence Program | 93.674 | 25,584 | - |
| Children's Health Insurance Program | 93.767 | 655 | - |
| Medical Assistance Program | 93.778 | 10,952,798 | - |
| Block Grants for Community Mental Health Services | 93.958 | 16,879 | - |
| Block Grants for Prevention and Treatment of Substance Abuse | 93.959 | 847,429 | - |
| Passed Through Minnesota Department of Health: | | | |
| Public Health Emergency Preparedness | 93.069 | 396,781 | - |
| Project Grants and Cooperative Agreements for Tuberculosis Control Programs | 93.116 | 4,746 | - |
| Affordable Care Act (ACA) Abstinence Education Program | 93.235 | 125,708 | - |
| Universal Newborn Hearing Screening | 93.251 | 12,675 | - |
| Immunization Cooperative Agreements | 93.268 | 95,056 | - |
| Centers for Disease Control and Prevention - Investigations and Technical Assistance | 93.283 | 4,425 | - |
| Affordable Care Act (ACA) Maternal, Infant, and Early Childhood Home Visiting Program | 93.505 | 1,546,981 | - |
| Refugee and Entrant Assistance Discretionary Grants | 93.576 | 14,234 | - |
| Cooperative Agreements for State-Based Comprehensive Breast and Cervical Cancer Early Detection Programs | 93.919 | 2,388 | - |

(continued)

RAMSEY COUNTY, MINNESOTA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2014

| 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 (continued): | | | |
| HIV Prevention Activities - Health Department Based | 93.940 | 74,672 | - |
| Preventive Health Services - Sexually Transmitted Diseases | | | |
| Control Grants | 93.977 | 24,719 | - |
| Maternal and Child Health Services Block Grant to the States | 93.994 | 729,583 | - |
| Passed Through National Association of County and City Health Officials: | | | |
| Medical Reserve Corps Small Grant Program | 93.008 | 3,500 | - |
| Total Department of Health and Human Services | | <u>52,571,662</u> | <u>6,728,969</u> |
| Department of Homeland Security | | | |
| Passed Through Minnesota Department of Public Safety: | | | |
| Emergency Management Performance Grants | 97.042 | 197,281 | - |
| Homeland Security Grant Program | 97.067 | 384,633 | 70,600 |
| (Total Homeland Security Grant Program 97.067 \$469,363) | | | |
| Passed Through Minnesota Department of Natural Resources: | | | |
| Boating Safety Financial Assistance | 97.012 | 14,684 | - |
| Passed Through City of St. Paul: | | | |
| Homeland Security Grant Program | 97.067 | 84,730 | - |
| (Total Homeland Security Grant Program 97.067 \$469,363) | | | |
| Total Department of Homeland Security | | <u>681,328</u> | <u>70,600</u> |
| Total Cash Federal Awards | | <u>\$ 80,213,318</u> | <u>\$ 9,455,255</u> |

The notes to the Schedule of Expenditures of Federal Awards are an integral part of this schedule.

RAMSEY COUNTY, MINNESOTA

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE YEAR ENDED DECEMBER 31, 2014

1. Reporting Entity

The Schedule of Expenditures of Federal Awards presents the activities of federal award programs expended by Ramsey County. Ramsey County's reporting entity is defined in Note I to the financial statements.

2. Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of Ramsey County under programs of the federal government for the year ended December 31, 2014. The information in this schedule is presented in accordance with the requirements of Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Because the schedule presents only a selected portion of the operations of the Ramsey County, it is not intended to and does not present the financial position, changes in net position, or cash flows of Ramsey County.

3. Summary of Significant Accounting Policies

Expenditures reported on the schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in OMB Circular A-87, *Cost Principles for State, Local and Indian Tribal Governments*, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Pass-through grant numbers were not assigned by the pass-through agencies.

4. Clusters

Clusters of programs are groupings of closely related programs that share common compliance requirements. Total expenditures by cluster are:

| | |
|----------------------------------|-----------|
| Child Nutrition Cluster | \$ 91,245 |
| Workforce Investment Act Cluster | 2,712,365 |

RAMSEY COUNTY, MINNESOTA

**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2014**

5. Reconciliation to Schedule of Intergovernmental Revenue

| | |
|--|----------------------|
| Federal grant revenue per Schedule of Intergovernmental Revenue | \$ 96,961,250 |
| Grants received more than 60 days after year-end, unavailable in 2014 | |
| Federal Railroad Administration – HS1PR | 4,223,943 |
| Federal Transit - Capital Investment Grants | 133,120 |
| Alternatives Analysis | 121,669 |
| HIV Prevention Activities - Health Department Based | 19,640 |
| Grants unavailable in 2013, recognized as revenue in 2014 | |
| Foster Care - Title IV-E | (443,447) |
| Medical Assistance Program | (1,810,043) |
| Refugee and Entrant Assistance – State Administered Programs | (8,322) |
| Temporary Assistance for Needy Families | (3,589,745) |
| Workforce Investment Act – Adult Programs | (199,709) |
| Workforce Investment Act – Youth Activities | (166,770) |
| Workforce Investment Act – Dislocated Worker Formula Grants | (120,200) |
| Lead-Based Paint Hazard Control in Privately-Owned Housing | (87,656) |
| Edward Byrne Memorial Justice Assistance Grant Program | (9,618) |
| Affordable Care Act - Maternal, Infant, and Early Childhood Home Visiting Program | (333,174) |
| Refugee and Entrant Assistance Discretionary Grants | (1,488) |
| Homeland Security Grant Programs | (28,406) |
| Child Support Enforcement | (1,017,476) |
| Sustainable Communities Regional Planning Grant Program | (300,050) |
| Highway Planning and Construction | (132,359) |
| Federal Railroad Administration – HS1PR | (12,381,225) |
| Federal Transit Capital Investment Grants | (616,616) |
| Expenditures Per Schedule of Expenditures of Federal Awards | <u>\$ 80,213,318</u> |

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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 These schedules contain trend information to help the reader understand how the County's financial performance and well-being have changed over time. | 122 |
| Revenue Capacity These schedules contain information to help the reader assess the factors affecting the County's ability to generate its property taxes. | 128 |
| Debt Capacity These schedules present information to help the reader assess the affordability of the County's current levels of outstanding debt and the county's ability to issue additional debt in the future. | 131 |
| Demographic and Economic Information 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. | 135 |
| Operating Information 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. | 137 |

RAMSEY COUNTY, MINNESOTA
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS

(accrual basis of accounting)

| | Fiscal Year | | | | | | | | | |
|---|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 |
| Governmental activities | | | | | | | | | | |
| Net Investment in Capital Assets | \$ 411,727,719 | \$ 437,027,997 | \$ 433,496,071 | \$ 459,571,638 | \$ 490,694,178 | \$ 504,493,994 | \$ 594,662,081 | \$ 610,410,904 | \$ 621,216,506 | \$ 615,919,275 |
| Restricted | 92,804,198 | 84,675,877 | 71,157,995 | 61,904,201 | 64,652,023 | 85,110,684 | 120,670,636 | 108,108,169 | 99,804,214 | 93,663,238 |
| Unrestricted | 116,795,345 | 167,942,820 | 209,183,481 | 223,473,920 | 213,847,774 | 203,149,528 | 158,982,129 | 210,455,168 | 229,002,705 | 250,775,590 |
| Total governmental activities net position | 621,327,262 | 689,646,694 | 713,837,547 | 744,949,759 | 769,193,975 | 792,754,206 | 874,314,846 | 928,974,241 | 950,023,425 | 960,358,103 |
| Business-type activities | | | | | | | | | | |
| Net Investment in Capital Assets | 3,656,566 | 3,520,751 | 3,379,797 | 3,645,069 | 3,824,730 | 3,402,305 | 3,400,278 | 3,343,942 | 3,369,326 | 12,857,516 |
| Restricted | 46,163 | 50,657 | - | - | - | - | - | - | - | - |
| Unrestricted | 285,907 | 9,153 | (1,389,478) | (3,168,911) | (3,562,112) | (4,978,946) | (6,808,206) | (7,281,627) | (7,420,821) | (17,458,763) |
| Total business-type activities net position | 3,988,636 | 3,580,561 | 1,990,319 | 476,158 | 262,618 | (1,576,641) | (3,407,928) | (3,937,685) | (4,051,495) | (4,601,247) |
| Primary government | | | | | | | | | | |
| Net Investment in Capital Assets | 415,384,285 | 440,548,748 | 436,875,868 | 463,216,707 | 494,518,908 | 507,896,299 | 598,062,359 | 613,754,846 | 624,585,832 | 628,776,791 |
| Restricted | 92,850,361 | 84,726,534 | 71,157,995 | 61,904,201 | 64,652,023 | 85,110,684 | 120,670,636 | 108,108,169 | 99,804,214 | 93,663,238 |
| Unrestricted | 117,081,252 | 167,951,973 | 207,794,003 | 220,305,009 | 210,285,662 | 198,170,582 | 152,173,923 | 203,173,541 | 221,581,884 | 233,316,827 |
| Total primary government net position | \$ 625,315,898 | \$ 693,227,255 | \$ 715,827,866 | \$ 745,425,917 | \$ 769,456,593 | \$ 791,177,565 | \$ 870,906,918 | \$ 925,036,556 | \$ 945,971,930 | \$ 955,756,856 |

* 2010 Net Position were reclassified due to implementation of GASB 54.

** 2012 Business Activities charges for services were restated.

Unaudited

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TABLE II

**RAMSEY COUNTY, MINNESOTA
CHANGES IN NET POSITION
LAST TEN YEARS**

(accrual basis of accounting)

| | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 |
|--|---------------|---------------|----------------|----------------|---------------|----------------|----------------|----------------|----------------|----------------|
| Expenses | | | | | | | | | | |
| Governmental activities: | | | | | | | | | | |
| General government | \$ 69,903,388 | \$ 83,775,008 | \$ 101,167,962 | \$ 128,943,586 | \$ 82,960,856 | \$ 115,004,474 | \$ 100,922,870 | \$ 103,272,389 | \$ 107,355,011 | \$ 127,084,891 |
| Public safety | 103,140,189 | 93,123,718 | 119,620,609 | 95,365,044 | 126,613,064 | 123,129,484 | 120,098,178 | 126,308,615 | 122,923,626 | 139,654,941 |
| Transportation | 26,016,187 | 35,186,475 | 55,736,382 | 27,755,773 | 45,719,387 | 62,666,799 | 50,406,476 | 54,810,668 | 75,207,790 | 54,616,336 |
| Sanitation | 17,850,477 | 17,071,936 | 20,784,044 | 21,437,028 | 20,344,702 | 17,905,242 | 20,287,792 | 18,743,427 | 19,719,836 | 19,668,328 |
| Health | 26,154,048 | 26,343,037 | 28,278,967 | 30,170,924 | 29,132,076 | 37,201,753 | 40,459,379 | 45,368,902 | 36,311,200 | 38,055,782 |
| Human services | 172,133,597 | 176,236,609 | 184,531,459 | 180,681,041 | 159,164,483 | 158,887,480 | 156,795,998 | 161,457,339 | 157,082,703 | 154,505,737 |
| Culture and recreation | 21,253,410 | 18,916,977 | 17,643,825 | 24,850,816 | 30,920,839 | 19,150,384 | 25,754,548 | 27,563,253 | 23,705,512 | 25,827,682 |
| Conservation of natural resources | 421,883 | 413,943 | 81,364 | 127,989 | 309,757 | 363,667 | 272,732 | 333,639 | 319,019 | 318,442 |
| Economic development and assistance | 22,774,299 | 22,931,445 | 23,600,476 | 26,515,815 | 32,822,478 | 32,581,770 | 26,908,496 | 24,978,312 | 25,262,318 | 22,960,214 |
| Interest | 9,259,922 | 9,433,629 | 9,474,261 | 8,590,471 | 8,322,655 | 8,549,472 | 8,556,688 | 6,461,552 | 6,283,322 | 7,595,967 |
| Total governmental activities expenses | 468,907,400 | 483,432,777 | 560,919,349 | 544,438,487 | 536,310,297 | 575,440,525 | 550,463,157 | 569,298,096 | 574,170,337 | 590,288,320 |
| Business-type activities: | | | | | | | | | | |
| Lake Owasso Residence | 7,700,741 | 8,177,791 | 8,702,482 | 8,772,381 | 8,479,113 | 8,494,803 | 8,809,514 | 8,788,431 | 8,831,038 | 9,220,086 |
| Ramsey County Care Center | 12,184,848 | 12,435,723 | 13,608,395 | 14,400,779 | 15,082,263 | 15,455,058 | 15,631,570 | 15,491,080 | 15,522,140 | 16,307,818 |
| Ponds at Battle Creek | 608,504 | 701,798 | 684,747 | 738,633 | 655,002 | 683,309 | 668,899 | 881,119 | 611,437 | 610,213 |
| Vadnais Sports Center | - | - | - | - | - | - | - | - | - | 597,106 |
| Law Enforcement Services | 4,945,064 | 5,051,851 | 5,248,385 | 5,582,194 | 5,942,423 | 5,954,287 | 6,218,335 | 6,465,343 | 6,730,650 | 7,033,709 |
| Total business-type activities expenses | 25,439,157 | 26,367,163 | 28,254,009 | 29,493,987 | 30,158,801 | 30,587,457 | 31,328,318 | 31,625,973 | 31,695,265 | 33,768,932 |
| Total primary government expenses | 494,346,557 | 509,799,940 | 589,173,358 | 573,932,474 | 566,469,098 | 606,027,982 | 581,791,475 | 600,924,069 | 605,865,602 | 624,057,252 |
| Program Revenues | | | | | | | | | | |
| Governmental activities: | | | | | | | | | | |
| Charges for Services | | | | | | | | | | |
| General government | 14,721,943 | 25,586,857 | 17,929,840 | 20,472,751 | 19,529,671 | 20,899,775 | 20,938,831 | 21,902,274 | 23,880,255 | 26,063,756 |
| Public safety | 9,170,315 | 8,350,392 | 9,702,158 | 17,230,963 | 14,321,258 | 15,355,653 | 15,986,359 | 15,625,893 | 16,875,698 | 17,004,098 |
| Transportation | 1,959,189 | 2,451,634 | 4,384,943 | 3,582,569 | 4,021,033 | 2,140,811 | 3,808,081 | 1,912,846 | 2,442,465 | 3,610,980 |
| Sanitation | 16,870,909 | 19,659,083 | 17,864,232 | 19,041,808 | 17,766,566 | 18,331,643 | 19,067,958 | 18,952,784 | 18,420,680 | 18,549,765 |
| Health | 9,613,494 | 8,166,676 | 7,865,494 | 8,092,699 | 8,948,448 | 9,148,842 | 12,421,094 | 14,262,404 | 13,614,859 | 14,610,724 |
| Human services | 6,555,896 | 7,773,517 | 8,276,649 | 10,383,511 | 10,287,808 | 13,988,585 | 9,647,165 | 9,433,423 | 9,427,711 | 8,420,833 |
| Culture and recreation | 5,854,429 | 6,010,116 | 6,291,835 | 6,799,792 | 6,023,509 | 6,160,011 | 6,131,644 | 5,562,631 | 5,293,171 | 6,639,246 |
| Conservation of natural resources | 257,348 | 302,780 | 179,122 | 455 | 391 | 2,770 | - | - | - | 4,098 |
| Economic development and assistance | 3,896,699 | 1,666,602 | 522,029 | 2,220,368 | 196,245 | 1,814,382 | 127,048 | 367,361 | 1,674,251 | 784,359 |
| Operating grants and contributions: | | | | | | | | | | |
| General government | 23,160,822 | 11,750,858 | 28,311,540 | 21,246,302 | 22,576,853 | 23,323,019 | 23,919,526 | 24,750,203 | 22,947,112 | 22,219,305 |
| Public safety | 12,788,912 | 13,857,784 | 14,579,839 | 15,566,362 | 15,251,928 | 15,177,256 | 14,421,382 | 13,081,069 | 14,352,834 | 13,793,108 |
| Transportation | 3,206,041 | 4,261,815 | 6,014,034 | 4,040,531 | 6,113,663 | 7,436,879 | 8,811,046 | 8,831,400 | 10,200,915 | 32,981,077 |
| Sanitation | 1,401,465 | 1,506,761 | 2,494,748 | 1,709,892 | 2,041,267 | 2,268,498 | 3,051,744 | 2,661,784 | 1,813,817 | 1,599,690 |
| Health | 11,167,848 | 11,983,024 | 13,341,719 | 11,891,612 | 12,952,071 | 14,184,562 | 11,931,376 | 11,945,052 | 13,940,332 | 15,734,197 |
| Human services | 93,618,417 | 98,980,847 | 95,521,547 | 96,601,195 | 71,770,883 | 67,546,165 | 72,884,605 | 70,559,798 | 71,595,939 | 69,002,968 |
| Culture and recreation | 337,490 | 677,345 | 1,714,644 | 1,667,841 | 1,069,749 | 1,212,152 | 1,706,435 | 2,430,124 | 1,770,880 | 2,645,594 |
| Conservation of natural resources | 78,061 | 77,584 | 4,000 | - | - | - | - | - | - | - |
| Economic development and assistance | 21,274,245 | 21,595,537 | 22,761,021 | 25,699,726 | 32,169,680 | 31,630,902 | 25,579,558 | 23,578,147 | 23,229,417 | 21,889,720 |
| Capital grants and contributions: | | | | | | | | | | |
| General government | 605,391 | 1,256,573 | 3,500,000 | 3,986,939 | - | - | - | - | - | - |
| Public safety | 5,768,076 | 6,195,938 | 8,873,273 | 197,329 | - | 600,000 | - | - | - | - |
| Transportation | 17,905,823 | 24,239,254 | 28,892,308 | 12,225,205 | 20,178,993 | 43,868,783 | 77,075,784 | 49,555,988 | 31,533,762 | 1,721,516 |
| Health | - | - | - | - | - | - | - | 10,300,000 | - | - |
| Culture and recreation | 1,921,921 | 1,603,138 | 521,765 | 976,609 | 457,952 | 2,863,537 | 2,892,676 | 2,263,168 | 1,200,863 | - |
| Conservation of natural resources | 26,552 | - | - | - | - | - | - | - | - | - |
| Economic development and assistance | 85,000 | - | - | - | - | - | - | - | - | - |
| Total governmental activities program revenues | 262,246,286 | 277,954,095 | 299,546,740 | 283,634,459 | 265,677,968 | 297,954,225 | 330,402,312 | 307,976,349 | 284,214,961 | 277,275,034 |

Unaudited

TABLE II
(Continued)

RAMSEY COUNTY, MINNESOTA
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS

(accrual basis of accounting)

| | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 |
|--|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| Business-type activities: | | | | | | | | | | |
| Charges for Services | | | | | | | | | | |
| Lake Owasso Residence | 7,478,024 | 7,630,384 | 7,793,049 | 8,015,858 | 8,014,630 | 7,902,212 | 7,805,181 | 7,797,620 | 7,946,574 | 8,252,204 |
| Ramsey County Care Center | 11,323,025 | 11,949,961 | 12,344,360 | 12,910,864 | 14,464,624 | 13,725,845 | 14,112,022 | 14,169,662 | 13,804,871 | 14,438,620 |
| Ponds at Battle Creek | 430,735 | 446,901 | 481,476 | 465,921 | 449,980 | 430,432 | 393,612 | 568,223 | 426,384 | 453,462 |
| Vadnais Sports Center | - | - | - | - | - | - | - | - | - | 698,155 |
| Law Enforcement Services | 4,613,674 | 4,804,901 | 4,934,136 | 5,279,653 | 5,612,155 | 5,695,759 | 5,907,717 | 6,248,683 | 6,428,364 | 6,591,888 |
| Operating grants and contributions: | | | | | | | | | | |
| Lake Owasso Residence | - | - | 19,968 | 26,957 | 24,607 | 19,968 | 19,968 | 19,968 | 19,968 | 19,968 |
| Ramsey County Care Center | - | - | 93,084 | 60,567 | 51,619 | 33,778 | 33,778 | 33,778 | 33,778 | 33,778 |
| Law Enforcement Services | - | 258,573 | 313,099 | 290,782 | 286,049 | 273,109 | 274,446 | 243,125 | 256,555 | 335,206 |
| Capital grants and contributions: | | | | | | | | | | |
| Lake Owasso Residence | - | - | 75,010 | - | 20,713 | - | - | - | - | - |
| Ramsey County Care Center | 328,644 | 68,018 | 67,407 | - | 336,680 | - | - | - | - | - |
| Ponds at Battle Creek | - | - | - | - | - | - | - | - | 30,290 | - |
| Total business-type activities program revenues | 24,174,102 | 25,158,738 | 26,121,589 | 27,050,602 | 29,261,057 | 28,081,103 | 28,546,724 | 29,081,059 | 28,946,784 | 30,823,281 |
| Total primary government program revenues | 286,420,388 | 303,112,833 | 309,756,048 | 292,728,570 | 294,939,025 | 358,483,415 | 358,949,036 | 337,057,408 | 313,161,745 | 308,098,315 |
| Net (Expense)/Revenue | | | | | | | | | | |
| Governmental activities | (206,661,114) | (205,478,682) | (261,372,609) | (260,804,028) | (270,632,329) | (277,486,300) | (220,060,845) | (261,321,747) | (289,955,376) | (313,013,286) |
| Business-type activities | (1,265,055) | (1,208,425) | (2,132,420) | (2,443,385) | (897,744) | (2,506,354) | (2,781,594) | (2,544,914) | (2,748,481) | (2,945,651) |
| Total primary government net expense | (207,926,169) | (206,687,107) | (263,505,029) | (263,247,413) | (271,530,073) | (279,992,654) | (222,842,439) | (263,866,661) | (292,703,857) | (315,958,937) |
| General Revenues and Other Changes in Net Position | | | | | | | | | | |
| Governmental activities: | | | | | | | | | | |
| Property taxes | 198,458,773 | 217,391,017 | 241,069,599 | 251,168,844 | 261,103,048 | 271,767,557 | 274,791,919 | 291,981,045 | 296,128,119 | 297,567,581 |
| Wheelage taxes | - | - | - | - | - | - | - | - | - | 3,883,855 |
| Grants and contributions not restricted to specific programs | 35,262,802 | 35,053,797 | 23,416,716 | 23,843,634 | 28,042,678 | 24,414,110 | 19,330,043 | 23,052,965 | 17,673,798 | 20,502,897 |
| Investment earnings (loss) | 7,673,916 | 15,581,358 | 20,381,154 | 15,240,509 | 5,720,578 | 4,439,391 | 5,658,590 | 2,912,916 | (322,081) | 3,337,343 |
| Miscellaneous | 3,493,298 | 3,032,751 | - | - | - | - | - | - | - | - |
| Gain on disposal/sale of capital assets | 478,559 | 3,358,752 | 1,079,083 | 2,520,956 | 641,094 | 292,520 | 391,791 | - | 106,211 | 383,780 |
| Special item - capital lease forgiveness | - | - | - | - | - | - | 2,279,995 | - | - | - |
| Transfers | (558,561) | (619,561) | (383,090) | (857,703) | (630,853) | (627,228) | (830,853) | (1,965,784) | (2,581,487) | (2,327,492) |
| Total governmental activities | 244,808,787 | 273,798,114 | 285,563,462 | 291,916,240 | 294,876,545 | 300,286,350 | 301,621,485 | 315,981,142 | 311,004,560 | 323,347,964 |
| Business-type activities: | | | | | | | | | | |
| Grants and contributions not restricted to specific programs | 314,170 | 54,170 | - | - | - | - | - | - | - | - |
| Investment earnings | 137,621 | 142,025 | 149,835 | 52,796 | 46,616 | 26,393 | 106,454 | 41,112 | 39,366 | 31,545 |
| Miscellaneous | 4,725 | 1,575 | - | - | - | - | - | - | - | - |
| Gain on disposal/sale of capital assets | 46,461 | (16,981) | 9,253 | 18,725 | 6,735 | 13,474 | 13,000 | 8,261 | 13,818 | 36,862 |
| Transfers | 558,561 | 619,561 | 383,090 | 857,703 | 630,853 | 627,228 | 830,853 | 1,965,784 | 2,581,487 | 2,327,492 |
| Total business-type activities | 1,061,538 | 800,350 | 542,178 | 929,224 | 684,204 | 667,095 | 950,307 | 2,015,157 | 2,634,671 | 2,395,899 |
| Total primary government | 245,870,325 | 274,598,464 | 286,105,640 | 292,845,464 | 295,560,749 | 300,953,445 | 302,571,792 | 317,996,299 | 313,639,231 | 325,743,863 |
| Change in Net Position | | | | | | | | | | |
| Governmental activities | 38,147,673 | 68,319,432 | 24,190,853 | 31,112,212 | 24,244,216 | 22,800,050 | 81,560,640 | 54,659,395 | 21,049,184 | 10,334,678 |
| Business-type activities | (203,517) | (408,075) | (1,590,242) | (1,514,161) | (213,540) | (1,839,259) | (1,831,287) | (529,757) | (113,810) | (549,752) |
| Total primary government | \$ 37,944,156 | \$ 67,911,357 | \$ 22,600,611 | \$ 29,598,051 | \$ 24,030,676 | \$ 20,960,791 | \$ 79,729,353 | \$ 54,129,638 | \$ 20,935,374 | \$ 9,784,926 |

* 2012 Business Activities charges for services were restated.

Unaudited

TABLE III

RAMSEY COUNTY, MINNESOTA
FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS

(modified accrual basis of accounting)

| | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 |
|------------------------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| General Fund | | | | | | | | | | |
| Reserved | \$ 18,271,565 | \$ 20,037,607 | \$ 26,183,908 | \$ 24,745,093 | \$ 30,847,253 | \$ 37,133,464 | \$ - | \$ - | \$ - | \$ - |
| Unreserved | | | | | | | | | | |
| Designated | 105,631,733 | 125,350,133 | 116,401,902 | 127,940,274 | 142,877,033 | 141,856,001 | - | - | - | - |
| Undesignated | 29,441,401 | 30,592,387 | 32,204,125 | 36,858,893 | 31,421,395 | 32,455,674 | - | - | - | - |
| Nonspendable | - | - | - | - | - | - | 18,675,330 | 16,836,541 | 15,168,209 | 20,041,480 |
| Restricted | - | - | - | - | - | - | 155,244 | 166,478 | 175,122 | 183,534 |
| Committed | - | - | - | - | - | - | 3,819,936 | 7,321,209 | 2,042,509 | 1,693,743 |
| Assigned | - | - | - | - | - | - | 123,848,540 | 135,304,614 | 131,842,047 | 127,675,675 |
| Unassigned | - | - | - | - | - | - | 68,873,130 | 63,002,311 | 73,349,901 | 79,564,043 |
| Total General Fund | 153,344,699 | 175,980,127 | 174,789,935 | 189,544,260 | 205,145,681 | 211,445,139 | 215,372,180 | 222,631,153 | 222,577,788 | 229,158,475 |
| All Other Governmental Funds | | | | | | | | | | |
| Reserved | 71,413,941 | 73,519,370 | 79,419,196 | 66,857,324 | 63,324,828 | 68,136,405 | - | - | - | - |
| Unreserved | | | | | | | | | | |
| Designated | | | | | | | | | | |
| Special revenue funds | 35,481,628 | 45,240,562 | 52,937,331 | 63,514,506 | 47,507,530 | 14,968,937 | - | - | - | - |
| Capital projects fund | 12,287,308 | 12,664,938 | - | - | - | (15,620,875) | - | - | - | - |
| Undesignated | | | | | | | | | | |
| Special revenue funds | 4,555,554 | 5,427,871 | 5,836,106 | 390,275 | 4,788,605 | 46,749,281 | - | - | - | - |
| Capital projects fund | - | - | (2,156,637) | (8,772,755) | 300,138 | 3,619,867 | - | - | - | - |
| Nonspendable | - | - | - | - | - | - | 184,746 | 191,986 | 199,071 | 9,982,892 |
| Restricted | - | - | - | - | - | - | 120,515,392 | 107,941,691 | 107,888,830 | 93,479,704 |
| Committed | - | - | - | - | - | - | 319,835 | 3,709,807 | 4,964,496 | 20,522,112 |
| Assigned | - | - | - | - | - | - | 18,877,749 | 20,860,177 | 13,422,547 | 17,084,241 |
| Unassigned | - | - | - | - | - | - | - | - | (3,266,335) | - |
| Total all other governmental funds | \$ 123,738,431 | \$ 136,852,741 | \$ 136,035,996 | \$ 121,989,350 | \$ 115,921,101 | \$ 117,853,615 | \$ 139,897,722 | \$ 132,703,661 | \$ 123,208,609 | \$ 141,068,949 |

Note: Ramsey County implemented GASB 54 for the fiscal year ended December 31, 2011. Prior year amounts were not restated.

Unaudited

TABLE IV

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

(modified accrual basis of accounting)

| | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 |
|---|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| Revenues | | | | | | | | | | |
| Property taxes | \$ 197,333,878 | \$ 216,674,650 | \$ 239,785,933 | \$ 249,861,620 | \$ 280,402,097 | \$ 270,417,546 | \$ 276,637,814 | \$ 292,649,414 | \$ 297,006,997 | \$ 302,405,800 |
| Licenses and permits | 1,410,846 | 1,394,880 | 1,471,701 | 1,639,971 | 1,625,056 | 1,604,772 | 1,684,066 | 1,916,780 | 2,153,560 | 1,998,108 |
| Intergovernmental | 216,905,306 | 242,690,517 | 237,252,980 | 225,621,020 | 215,862,442 | 233,823,832 | 258,138,049 | 226,312,391 | 198,201,205 | 216,279,971 |
| Private grants and donations | 621,000 | 422,816 | 1,133,959 | 1,468,043 | 877,888 | 836,528 | 844,288 | 600,814 | 476,655 | 377,992 |
| Charges for services | 64,869,125 | 62,043,508 | 61,155,215 | 68,393,453 | 67,244,221 | 68,575,275 | 70,931,808 | 71,022,943 | 71,563,871 | 71,446,921 |
| Fines and forfeitures | 761,722 | 745,971 | 845,968 | 733,550 | 923,871 | 807,505 | 951,329 | 1,073,697 | 884,816 | 1,070,054 |
| Sales | 2,804,900 | 2,850,049 | 2,568,428 | 2,486,445 | 2,552,113 | 2,321,665 | 3,219,897 | 2,940,134 | 3,274,937 | 3,834,945 |
| Rental income | 1,387,051 | 1,658,210 | 1,500,716 | 1,559,640 | 1,590,902 | 1,653,421 | 2,255,610 | 1,353,884 | 1,684,955 | 2,613,374 |
| Investment earnings | 9,187,327 | 17,560,179 | 22,514,136 | 16,012,013 | 5,720,578 | 4,439,391 | 5,658,590 | 2,912,916 | (322,081) | 3,020,220 |
| Program recoveries | 3,948,060 | 3,790,928 | 4,021,196 | 3,919,001 | 5,921,413 | 5,133,919 | 3,266,715 | 4,615,256 | 4,649,593 | 3,234,327 |
| Miscellaneous | 7,104,859 | 5,529,616 | 8,816,301 | 8,813,756 | 7,257,163 | 7,394,250 | 8,172,571 | 8,468,698 | 8,470,337 | 11,456,683 |
| Total revenues | 506,334,074 | 555,361,324 | 581,066,533 | 580,508,512 | 569,977,745 | 597,008,104 | 631,760,737 | 613,866,927 | 588,044,845 | 617,738,395 |
| Expenditures | | | | | | | | | | |
| General government | 88,857,578 | 87,579,800 | 136,147,236 | 99,922,521 | 88,827,004 | 98,837,741 | 101,887,173 | 93,682,790 | 97,216,767 | 110,964,539 |
| Public safety | 89,586,294 | 93,978,150 | 103,852,517 | 116,561,185 | 117,216,770 | 114,767,782 | 115,360,087 | 118,643,759 | 120,450,958 | 128,945,012 |
| Transportation | 14,321,647 | 14,898,949 | 15,308,044 | 15,352,544 | 34,207,811 | 53,379,274 | 106,867,710 | 19,948,611 | 46,168,113 | 52,116,088 |
| Sanitation | 17,852,048 | 17,027,293 | 20,578,256 | 21,216,560 | 20,234,092 | 17,853,654 | 20,232,552 | 18,620,998 | 19,574,566 | 20,790,288 |
| Health | 26,459,940 | 27,620,672 | 27,845,829 | 29,674,278 | 29,780,411 | 36,557,504 | 39,364,298 | 34,309,365 | 35,985,653 | 37,830,992 |
| Human services | 174,403,870 | 178,479,898 | 179,473,226 | 179,189,088 | 158,512,154 | 155,917,420 | 154,412,108 | 158,943,945 | 157,930,908 | 156,782,826 |
| Culture and recreation | 17,452,152 | 17,816,393 | 18,832,863 | 19,911,185 | 19,738,837 | 20,314,246 | 21,372,191 | 21,752,535 | 20,816,960 | 24,058,742 |
| Conservation of natural resources | 438,555 | 406,016 | 51,254 | 71,516 | 50,943 | 52,899 | 44,626 | 42,286 | 39,225 | 42,133 |
| Economic development and assistance | 22,734,910 | 22,915,902 | 23,650,189 | 26,146,647 | 32,645,070 | 32,245,092 | 26,774,013 | 25,001,606 | 25,256,316 | 23,051,049 |
| Capital outlay | 38,959,892 | 50,134,804 | 66,777,129 | 35,478,085 | 42,417,173 | 48,901,528 | 55,988,264 | 97,668,647 | 58,460,610 | 20,175,812 |
| Debt service | | | | | | | | | | |
| Bond issuance costs | 134,111 | 70,093 | 86,872 | 66,371 | 171,873 | 296,715 | 390,268 | 390,598 | 352,841 | 298,047 |
| Principal | 11,913,241 | 11,835,252 | 16,298,102 | 24,429,453 | 28,525,650 | 14,699,286 | 15,330,998 | 25,710,000 | 35,035,000 | 31,576,666 |
| Payment to refunded bond escrow agent | | | | | | | | | | |
| Interest | 9,660,213 | 9,373,553 | 9,651,318 | 9,166,915 | 8,379,746 | 8,793,587 | 8,909,317 | 8,724,816 | 8,475,272 | 9,166,373 |
| Total expenditures | 512,774,451 | 532,136,775 | 618,552,835 | 577,186,348 | 580,707,534 | 602,616,728 | 666,933,605 | 665,509,956 | 625,763,189 | 615,798,567 |
| Excess of revenues over (under) expenditures | (6,440,377) | 23,224,549 | (37,486,302) | 3,322,164 | (10,729,789) | (5,608,624) | (35,172,868) | (51,643,029) | (37,718,344) | 1,939,828 |
| Other Financing Sources (Uses): | | | | | | | | | | |
| Contract for Deed | - | - | 45,278,408 | - | - | - | - | - | - | - |
| Xcel Energy Loan Proceeds | - | 76,940 | - | - | - | - | - | - | - | - |
| Bonds Issued | 17,575,000 | 6,750,000 | 18,610,000 | 6,100,000 | 22,050,000 | 16,500,000 | 18,500,000 | 18,500,000 | 34,700,000 | 12,800,000 |
| Loans Issued | - | - | - | - | - | - | - | 20,000,000 | - | - |
| Discount/premium on bonds | 1,057,776 | 31,046 | 690,659 | 122,772 | 66,911 | 508,367 | 7,408,586 | 5,065,614 | 2,718,398 | 1,236,900 |
| Proceeds from Sale of Assets | 756,306 | 6,000,000 | 3,300,000 | 3,531,806 | - | - | 497,594 | - | - | 383,780 |
| Refunding Bonds Issued | - | - | - | - | - | 6,950,000 | 35,975,000 | 16,340,000 | - | 12,550,000 |
| Redemption of refunded bonds | (10,505,000) | - | (8,510,000) | (7,355,000) | - | (7,390,000) | - | - | - | - |
| Transfers in | 226,989 | 2,331,539 | 5,894,151 | 8,875,286 | 13,776,186 | 5,438,950 | 27,317,878 | 11,038,983 | 14,625,426 | 23,011,729 |
| Transfers out | (805,676) | (2,950,973) | (29,567,348) | (13,681,743) | (15,927,674) | (8,082,975) | (31,214,839) | (19,319,325) | (23,412,538) | (27,895,119) |
| Total other financing sources (uses) | 8,305,395 | 12,238,552 | 35,695,870 | (2,406,879) | 19,965,423 | 13,924,342 | 58,484,219 | 51,625,272 | 28,631,286 | 22,087,290 |
| Special Item: | | | | | | | | | | |
| Capital Lease Forgiveness | - | - | - | - | - | - | 2,279,995 | - | - | - |
| Net change in fund balances | \$ 1,865,018 | \$ 35,463,101 | \$ (1,790,432) | \$ 915,285 | \$ 9,235,634 | \$ 8,315,718 | \$ 25,591,346 | \$ (17,757) | \$ (9,087,058) | \$ 24,027,118 |
| Debt service as a percentage of noncapital expenditures | 4.61% | 4.40% | 4.61% | 6.25% | 6.97% | 4.17% | 4.47% | 6.06% | 7.67% | 6.84% |
| | | | | | | | | | | Unaudited |

TABLE V

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

| PAYABLE FISCAL PERIOD | REAL ESTATE | | | TAXABLE | | PERSONAL PROPERTY | | NET FISCAL DISPARITY (1) | | LESS TAX INCREMENT | | TOTAL | | PERCENT OF TAXABLE MARKET VALUE |
|-----------------------------|----------------|----------------|----------------|-------------------|--------------|-------------------|----------------------|--------------------------|-------------------|--------------------|--------------|----------------------|-----------------------|--|
| | RESIDENTIAL | COMMERCIAL | INDUSTRIAL | NET TAX CAPACITY | MARKET VALUE | NET TAX CAPACITY | TAXABLE MARKET VALUE | NET TAX CAPACITY | FISCAL DISPARITY | TAX CAPACITY | TAX CAPACITY | NET TAX CAPACITY (2) | TOTAL DIRECT TAX RATE | |
| 2006 | \$ 343,211,827 | \$ 146,572,708 | \$ 489,784,535 | \$ 40,782,233,700 | \$ 9,166,212 | \$ 462,162,600 | \$ 12,882,384 | \$ 33,549,332 | \$ 41,244,396,300 | 46.623 | 45.931 | 48.000 | 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 | 45,931,488,000 | 44.943 | 44.023 | 48.000 | 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 | 49,095,390,200 | 44.023 | 44.023 | 48.000 | 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 | 48,377,706,900 | 46.546 | 46.546 | 48.000 | 1.23% | |
| 2010 | 368,364,207 | 190,868,511 | 559,232,718 | 45,426,036,700 | 9,797,013 | 495,033,100 | 19,029,175 | 44,851,268 | 45,921,069,800 | 50.248 | 50.248 | 48.000 | 1.18% | |
| 2011 | 347,641,653 | 176,530,778 | 524,172,431 | 42,921,549,600 | 10,566,921 | 534,322,500 | 20,063,169 | 41,314,153 | 43,219,897,400 | 54.678 | 54.678 | 48.000 | 1.19% | |
| 2012 | 311,038,207 | 169,547,611 | 480,585,818 | 38,746,044,100 | 9,821,259 | 498,346,000 | 17,187,329 | 39,567,567 | 39,244,390,100 | 61.317 | 61.317 | 48.000 | 1.19% | |
| 2013 | 288,413,459 | 163,778,574 | 452,192,033 | 36,230,777,100 | 10,342,110 | 524,899,200 | 17,227,066 | 38,112,751 | 36,755,676,300 | 65.240 | 65.240 | 48.000 | 1.21% | |
| 2014 | 290,467,632 | 164,323,739 | 454,791,571 | 36,478,781,600 | 10,383,426 | 528,025,300 | 17,915,338 | 34,987,307 | 37,006,806,900 | 63.735 | 63.735 | 48.000 | 1.21% | |
| 2015 | 314,379,211 | 169,713,969 | 484,093,180 | 39,369,536,700 | 10,791,542 | 548,879,800 | 19,567,837 | 33,529,754 | 39,918,416,500 | 56.922 | 56.922 | 48.000 | 1.20% | |

(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 | COUNTY LIBRARY REVENUE (1) | COUNTY LIBRARY DEBT (1) | TOTAL |
|--|--------------|------------------|----------------|----------------------|----------------------|----------------------------|-------------------------|----------------|
| | | GENERAL SERVICES | HUMAN SERVICES | | | | | |
| TAX RATE AS A PERCENTAGE OF NET TAX CAPACITY (2) | | | | | | | | |
| 2005 | 2006 | 25.541 | 14.465 | 3.548 | 43.554 | 2.819 | 0.250 | 46.623 |
| 2006 | 2007 | 24.454 | 14.294 | 3.219 | 41.967 | 2.746 | 0.230 | 44.943 |
| 2007 | 2008 | 24.808 | 13.339 | 3.011 | 41.158 | 2.577 | 0.288 | 44.023 |
| 2008 | 2009 | 26.450 | 13.623 | 3.098 | 43.171 | 2.768 | 0.607 | 46.546 |
| 2009 | 2010 | 28.075 | 15.198 | 3.325 | 46.598 | 3.051 | 0.599 | 50.248 |
| 2010 | 2011 | 31.119 | 15.968 | 3.714 | 50.801 | 3.255 | 0.622 | 54.678 |
| 2011 | 2012 | 35.119 | 17.319 | 4.507 | 56.945 | 3.675 | 0.697 | 61.317 |
| 2012 | 2013 | 37.652 | 18.265 | 4.721 | 60.638 | 3.875 | 0.727 | 65.240 |
| 2013 | 2014 | 35.999 | 18.275 | 4.831 | 59.105 | 3.828 | 0.802 | 63.735 |
| 2014 | 2015 | 33.190 | 16.813 | 4.459 | 54.462 | 3.593 | 0.867 | 58.922 |
| <u>TAX LEVIES</u> | | | | | | | | |
| 2005 | 2006 | \$ 122,936,213 | \$ 69,623,923 | \$ 17,077,462 | \$ 209,637,598 | \$ 7,184,837 | \$ 637,049 | \$ 217,459,485 |
| 2006 | 2007 | 129,778,535 | 75,859,525 | 17,080,720 | 222,718,780 | 7,569,452 | 633,671 | 230,921,903 |
| 2007 | 2008 | 140,864,381 | 75,739,837 | 17,093,059 | 233,697,277 | 7,526,427 | 839,346 | 242,063,050 |
| 2008 | 2009 | 149,151,376 | 76,820,820 | 17,466,895 | 243,439,091 | 7,853,393 | 1,720,703 | 253,013,187 |
| 2009 | 2010 | 150,599,548 | 81,523,673 | 17,835,097 | 249,958,318 | 8,368,534 | 1,644,197 | 259,971,049 |
| 2010 | 2011 | 157,450,244 | 80,792,540 | 18,791,880 | 257,034,664 | 8,467,470 | 1,618,118 | 267,120,252 |
| 2011 | 2012 | 161,283,136 | 79,536,358 | 20,699,607 | 261,519,101 | 8,637,079 | 1,638,676 | 271,794,856 |
| 2012 | 2013 | 165,256,698 | 80,169,289 | 20,721,123 | 266,147,110 | 8,750,861 | 1,640,380 | 276,538,351 |
| 2013 | 2014 | 161,969,193 | 82,223,771 | 21,735,000 | 265,927,964 | 8,771,373 | 1,839,014 | 276,538,351 |
| 2014 | 2015 | 161,798,020 | 81,960,308 | 21,735,000 | 265,493,328 | 8,897,462 | 2,147,561 | 276,538,351 |

(1) Tax Levy on suburban property only.

(2) 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.

(3) To make comparable to prior year levies, amount for HACA aid has been added to County's certified levy.

Unaudited

TABLE VII

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

| Payable 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 |
| 2005 | \$ 206,554,660 | \$ 11,636,585 | \$ 194,918,075 | \$ 1,128,554 | \$ 193,789,521 | \$ 191,406,457 | 98.20% | \$ 2,362,186 | \$ 193,768,643 | 99.99% |
| 2006 | 217,459,484 | 10,143,743 | 207,315,741 | 797,442 | 206,518,299 | 203,455,200 | 98.14% | 3,023,710 | 206,478,910 | 99.98% |
| 2007 | 230,929,535 | 9,162,260 | 221,767,275 | 842,256 | 220,925,019 | 217,124,442 | 97.91% | 3,733,260 | 220,857,702 | 99.97% |
| 2008 | 242,075,699 | 8,758,281 | 233,317,418 | 984,308 | 232,333,110 | 227,391,319 | 97.46% | 4,816,122 | 232,207,441 | 99.95% |
| 2009 | 252,760,267 | 8,855,957 | 243,904,310 | 638,535 | 243,265,775 | 238,336,998 | 97.72% | 4,652,655 | 242,989,653 | 99.89% |
| 2010 | 259,971,049 | 9,196,053 | 250,774,996 | 684,747 | 250,090,249 | 244,384,790 | 97.45% | 5,382,185 | 249,766,975 | 99.87% |
| 2011 | 267,120,252 | 9,736,705 | 257,383,547 | 1,311,894 | 256,071,653 | 252,154,167 | 97.97% | 3,534,965 | 255,689,132 | 99.85% |
| 2012 | 271,794,856 | 281,830 | 271,513,026 | 1,069,739 | 270,443,287 | 266,990,571 | 98.33% | 2,846,266 | 269,836,837 | 99.78% |
| 2013 | 276,538,351 | 262,647 | 276,275,704 | 1,022,703 | 275,253,001 | 272,492,451 | 98.63% | 2,045,844 | 274,538,295 | 99.74% |
| 2014 | 276,538,351 | 262,056 | 276,276,295 | 1,244,889 | 275,031,406 | 272,522,340 | 98.64% | - | 272,522,340 | 99.09% |

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 GENERAL OUTSTANDING DEBT BY TYPE
 TO ASSESSED VALUE, DEBT PER CAPITA AND PERSONAL INCOME
 LAST TEN FISCAL YEARS

| YEAR | GOVERNMENTAL ACTIVITIES | | | | | BUSINESS-TYPE ACTIVITIES | | | | | NET TAX CAPACITY | PERCENT OF DEBT TO TAXABLE VALUE | DEBT PER CAPITA | PERCENTAGE OF PERSONAL INCOME |
|------|--------------------------|----------------------------------|------------|---------------|---------------|--------------------------|--------------------------|------------------|----------------------------------|-----------------|------------------|----------------------------------|-----------------|-------------------------------|
| | GENERAL OBLIGATION BONDS | PUBLIC FACILITY LEASE REV. BONDS | LEASES | NOTES PAYABLE | LOANS PAYABLE | GENERAL OBLIGATION BONDS | TOTAL PRIMARY GOVERNMENT | NET TAX CAPACITY | PERCENT OF DEBT TO TAXABLE VALUE | DEBT PER CAPITA | | | | |
| 2005 | \$ 195,507,000 | \$ 13,375,000 | \$ 156,111 | \$ 6,407,000 | \$ 10,694 | \$ 9,725,000 | \$ 225,180,805 | \$ 429,416,560 | 52.44% | \$ 424.57 | 1.08% | | | |
| 2006 | 190,962,000 | 12,895,000 | 107,512 | 6,242,000 | 70,895 | 9,430,000 | 219,707,407 | 478,383,799 | 45.93% | 432.66 | 1.00% | | | |
| 2007 | 189,327,000 | 12,400,000 | 55,551 | 6,072,000 | 52,420 | 11,370,000 | 219,276,971 | 528,423,534 | 41.50% | 426.40 | 0.94% | | | |
| 2008 | 176,187,000 | 11,890,000 | - | 5,897,000 | 35,935 | 7,840,000 | 201,849,935 | 566,514,003 | 35.63% | 390.72 | 0.85% | | | |
| 2009 | 185,882,000 | 11,360,000 | - | 5,712,000 | 20,284 | 7,420,000 | 210,394,284 | 567,962,810 | 37.04% | 404.25 | 0.91% | | | |
| 2010 | 186,548,781 | 10,810,000 | - | 5,522,000 | 5,998 | 7,240,897 | 210,127,676 | 544,866,274 | 38.56% | 413.12 | 0.92% | | | |
| 2011 | 233,404,604 | 10,235,000 | - | 5,327,000 | - | 8,908,134 | 257,875,738 | 513,488,368 | 50.22% | 501.03 | 1.10% | | | |
| 2012 | 213,939,833 | - | - | 5,122,000 | 20,000,000 | 6,254,875 | 245,316,708 | 468,026,839 | 52.42% | 471.63 | 1.02% | | | |
| 2013 | 214,220,111 | - | - | 4,912,000 | 20,000,000 | 5,750,382 | 244,882,493 | 444,175,623 | 55.13% | 464.92 | 1.00% | | | |
| 2014 | 210,783,006 | - | - | 4,697,000 | 16,703,334 | 5,210,889 | 237,394,229 | 448,103,028 | 52.98% | 445.68 | 0.95% | | | |

Unaudited

TABLE IX

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

| YEAR | GENERAL OBLIGATION BONDS | LESS DEBT SERVICE FUNDS | TOTAL | PERCENTAGE OF PERSONAL INCOME | PERCENTAGE OF NET TAX CAPACITY | NET BONDED DEBT PER CAPITA |
|------|--------------------------|-------------------------|----------------|-------------------------------|--------------------------------|----------------------------|
| 2005 | \$ 198,825,000 | \$ 35,744,378 | \$ 163,080,622 | 0.81% | 37.98% | \$ 316.50 |
| 2006 | 194,150,000 | 36,513,877 | 157,636,123 | 0.74% | 32.95% | 319.61 |
| 2007 | 194,625,000 | 27,884,696 | 166,740,304 | 0.74% | 31.55% | 333.55 |
| 2008 | 184,027,000 | 20,581,626 | 163,445,374 | 0.71% | 28.85% | 325.96 |
| 2009 | 187,590,000 | 21,405,305 | 166,184,695 | 0.74% | 30.50% | 328.25 |
| 2010 | 193,789,678 | 21,098,378 | 172,691,300 | 0.75% | 33.63% | 339.52 |
| 2011 | 242,313,738 | 76,339,533 | 165,974,205 | 0.71% | 34.15% | 322.47 |
| 2012 | 220,194,708 | 44,107,695 | 176,087,013 | 0.73% | 37.62% | 338.53 |
| 2013 | 219,970,493 | 24,629,153 | 195,341,340 | 0.80% | 43.98% | 370.87 |
| 2014 | 215,993,895 | 25,890,213 | 190,103,682 | 0.76% | 42.42% | 356.90 |

Unaudited

TABLE X

**RAMSEY COUNTY, MINNESOTA
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF DECEMBER 31, 2014**

| <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 Spring Lake Park | \$ 1,126,000 | 2.5% | \$ 28,150 |
| City of St. Anthony | 11,545,000 | 29.6% | 3,417,320 |
| City of Blaine | 26,060,000 | 1.0% | 260,600 |
| School District #624 | 90,960,000 | 78.4% | 71,312,641 |
| School District #622 | 132,230,000 | 53.1% | 70,214,130 |
| School District #282 | 21,160,000 | 39.3% | 8,315,880 |
| Metro Council | 196,680,000 | 15.0% | 29,502,000 |
| Ramsey-Washington Metro Watershed District | 1,394,386 | 100.0% | 1,394,386 |
| Capital Region Watershed | 4,150,000 | 100.0% | 4,150,000 |
| City of Falcon Heights | 750,000 | 100.0% | 750,000 |
| City of Gem Lake | 760,000 | 100.0% | 760,000 |
| City of Little Canada | 3,400,000 | 100.0% | 3,400,000 |
| City of St. Paul | 135,226,932 | 100.0% | 135,226,932 |
| City of Maplewood | 9,050,000 | 100.0% | 9,050,000 |
| City of Mounds View | 848,928 | 100.0% | 848,928 |
| City of New Brighton | 1,610,000 | 100.0% | 1,610,000 |
| City of North St. Paul | 7,375,000 | 100.0% | 7,375,000 |
| City of Roseville | 30,780,000 | 100.0% | 30,780,000 |
| City of Shoreview | 19,370,000 | 100.0% | 19,370,000 |
| City of Vadnais Heights | 6,810,000 | 100.0% | 6,810,000 |
| Town of White Bear | 1,160,000 | 100.0% | 1,160,000 |
| School District #621 | 109,550,000 | 100.0% | 109,550,000 |
| School District #623 | 41,585,000 | 100.0% | 41,585,000 |
| School District #625 | 362,056,172 | 100.0% | 362,056,172 |
| Port Authority | 30,100,000 | 100.0% | 30,100,000 |
| Ramsey County Regional Rail Authority | 16,703,334 | 100.0% | <u>16,703,334</u> |
| Subtotal, overlapping debt | | | 965,730,473 |
| Ramsey County Direct Debt | 232,183,340 | 100.0% | <u>232,183,340</u> |
| Total direct and overlapping debt | <u>\$ 1,494,624,092</u> | | <u>\$1,197,913,813</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

TABLE XI

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

| | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 |
|--|----------------|----------------|----------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| Debt limit | \$ 734,902,804 | \$ 824,887,926 | \$ 918,629,760 | \$ 1,472,861,706 | \$ 1,451,331,207 | \$ 1,380,674,082 | \$ 1,296,596,922 | \$ 1,177,331,703 | \$ 1,103,751,567 | \$ 1,110,204,207 |
| Total net debt applicable to limit | 169,487,622 | 163,878,123 | 172,812,304 | 163,445,374 | 171,896,695 | 174,350,538 | 159,522,467 | 166,444,305 | 185,142,847 | 180,471,787 |
| Legal debt margin | \$ 565,415,182 | \$ 661,009,803 | \$ 745,817,456 | \$ 1,309,416,332 | \$ 1,279,434,512 | \$ 1,206,323,544 | \$ 1,137,074,455 | \$ 1,010,887,398 | \$ 918,608,720 | \$ 929,732,420 |
| <p>Legal Debt Margin Calculation for Fiscal Year 2014</p> <p>Assessed value \$ 37,006,806,900</p> <p>Debt Limit (3% of assessed value) 1,110,204,207</p> <p>Debt applicable to limit: 206,362,000</p> <p>General obligation bonds (25,890,213)</p> <p>Less: Amount set aside for repayment of general obligation bonds</p> <p>Total net debt applicable to limit 180,471,787</p> <p>Legal debt margin \$ 929,732,420</p> | | | | | | | | | | |

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 3 percent of the market value of taxable property in the municipality."

Unaudited

TABLE XII

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

| Taxpayer | Type of Business | Payable 2014 | | | Payable 2005 | | |
|---|---|--------------------------------|------|--|--------------------------------|------|--|
| | | 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 (Excel Energy) | Utility | \$ 10,219,441 | 1 | 2.20% | \$ 7,116,500 | 1 | 1.59% |
| 3M | Industrial and Commercial Products | 4,425,458 | 2 | 0.95% | 5,360,598 | 2 | 1.20% |
| Compass Retail, Inc | Rosedale Center | 3,308,742 | 3 | 0.71% | 2,119,250 | 3 | 0.47% |
| St Paul Fire and Marine Ins Co (St Paul Travelers) | Insurance | 2,603,554 | 4 | 0.56% | | | 0.00% |
| CSM Corporation & Investors | Property Management/ Real Estate Investing (Commercial/ Office/ Hotel/ Townhome) | 2,451,838 | 5 | 0.53% | 1,708,284 | 4 | 0.38% |
| Medtronic | Surgical & Medical Instrument Manufacturing | 2,294,058 | 6 | 0.49% | | | 0.00% |
| Minnesota Mutual life Ins Co. | Insurance | 2,103,226 | 7 | 0.45% | 1,679,904 | 5 | 0.37% |
| Maplewood Mall | Real Estate | 1,654,274 | 8 | 0.36% | 1,479,250 | 7 | 0.33% |
| Target Corporation | Retail | 1,666,322 | 9 | 0.36% | 1,189,684 | 9 | 0.27% |
| Unilev Management Corporation | Property Management | 1,545,500 | 10 | 0.33% | | | 0.00% |
| Guidant (Cardiac Pacemakers, Inc.) | Medical Manufacturing | | | | 1,569,250 | 6 | 0.35% |
| US Bank Corp | Corp Office Bldg and Banking | | | | 1,476,943 | 8 | 0.33% |
| Heritage Property Investment Trust Inc. (Bradley Operating LP) | Real estate investing | | | | 1,136,340 | 10 | 0.25% |
| | Total | 32,272,413 | | 6.94% | 24,836,003 | | 5.54% |

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 |
|-------------|-------------------------------|--|---|--|---|
| 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 | 22,960 | 45,790 | 82,466 | 5.3% |
| 2009 | 506,278 | 22,469 | 44,381 | 84,542 | 7.8% |
| 2010 | 508,640 | 22,897 | 44,962 | 84,403 | 7.0% |
| 2011 | 514,696 | 23,349 | 45,365 | 82,953 | 6.6% |
| 2012 | 520,152 | 23,991 | 46,124 | 85,234 | 5.8% |
| 2013 | 526,714 | 24,507 | 46,529 | 86,903 | 5.0% |
| 2014 | 532,655 | * | * | 87,405 | 4.2% |

* - Figure for this period is not yet available.

^a Source for 2010 is U.S. Census Bureau; all other years are estimates from the Metropolitan Council or U.S. 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 YEARS AGO**

| <u>Taxpayer</u> | <u>Fiscal Year 2014</u> | | | <u>Fiscal Year 2005</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> |
| Medtronic | 45,000 | a,c 1 | 16.93% | - | - | 0.00% |
| University of Minnesota | 22,929 | b 2 | 8.63% | - | - | 0.00% |
| State of Minnesota | 15,427 | b 3 | 5.81% | 18,171 | 1 | 6.88% |
| 3M Company | 11,000 | 4 | 4.14% | 14,960 | e 2 | 5.67% |
| Land O' Lakes | 10,000 | 5 | 3.76% | - | - | 0.00% |
| HealthEast/St. John's Hospital | 7,200 | c,d 6 | 2.71% | 5,080 | 4 | 1.92% |
| Indep. School District #625 | 6,255 | b 7 | 2.35% | 6,567 | 3 | 2.49% |
| Regions Hospital | 4,442 | 8 | 1.67% | 4,000 | t-7 | 1.52% |
| Ramsey County | 4,433 | b 9 | 1.67% | 4,297 | 6 | 1.63% |
| United Hospital (Saint Paul) | 3,400 | 10 | 1.28% | 3,300 | 10 | 1.25% |
| US Bancorp | - | - | - | 4,700 | 5 | 1.78% |
| Marsden | - | - | - | 4,000 | t-7 | 1.52% |
| City of Saint Paul | - | - | - | 3,400 | 9 | 1.29% |
| | 130,086 | | 48.96% | 68,475 | | 25.94% |

a: Worldwide employment.

b: Includes full- and part-time employees.

c: As of November 2012; most recent information available

d: Reflects total number of employees in HealthEast network.

e: Includes employees in Saint Paul and Maplewood, excludes employees in Cottage Grove and Eagan.

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

Unaudited

**RAMSEY COUNTY, MINNESOTA
INSURANCE IN FORCE
DECEMBER 31, 2014**

| <u>COMPANY NAME</u> | <u>POLICY NUMBER</u> | <u>POLICY PERIOD</u> | <u>COVERAGE-DEPARTMENTS</u> | <u>POLICY LIMIT</u> |
|--|----------------------|----------------------|--|---|
| Travelers | KTK-CMB-294T324-4-14 | 9/22/14-9/22/15 | COUNTY Property Fire & Extended Coverage Boiler & Machinery Vehicles & Mobile Equipment | All Risk, Full Replacement, \$100,000 Deductible B&M Perils \$500 MM \$764 MM Total Ins. Value |
| Travelers | 105497465 | 9/22/14-9/22/15 | Commercial Crime Including Public Employee Dishonesty coverage | \$3,000,000 \$100,000 Deductible |
| WCRA | 40014 | 1/1/14-1/1/15 | Reinsurance - Workers' Compensation | \$1,920,000 Retention Limits |
| Ramsey County | | 1/1/14-1/1/15 | Self-Funded Vehicle | \$30,000/\$60,000/\$10,000 |
| Ramsey County | T-01-20 | 1/1/14-1/1/15 | Self-Funded Tort | \$500,000 per Claim \$1,500,000 per Occurrence |
| Ramsey County | EPP-01-23 | 1/1/14-1/1/15 | Employee Personal Prop. Loss | Per RC Board Policy up to \$750 |
| Ramsey County | P-01-24 | 1/1/14-1/1/15 | Self-Funded Property | Per State Statute - \$5,000 Deductible |
| MN Risk Management Fund | 0023PK14 | 7/1/14-7/1/15 | 800 MHZ Property Fire and Extended, Boiler and Machinery and Vehicle and Mobile Equipment | \$8,662,000 \$25,000 Deductible |
| National Indemnity Company of America | 75 APR 298067 | 1/1/14-1/1/15 | LAKE OWASSO Automobile | \$1,000,000 \$500 Deductible for Collision & Comprehensive. |
| CNA Surety/Western Surety Co. | 0601 69042089 | 9/15/14-9/15/15 | NURSING HOME Patient's Bond | \$100,000 |
| League of MN Cities | CMC37087/OML11468 | 9/10/14-9/10/15 | SHERIFF \$1,500,000/\$2,000,000 Municipal Liability Violent Crime Enforcement Team | |
| Allied World Assurance | 0308-3130 | 4/16/13-4/16/23 | COUNTY MANAGER Pollution Legal Liability - TCAAP | \$25,000,000 \$100,000 Deductible Each Incident |
| Allied World Assurance | 0308-3131 | 4/16/13-4/16/16 | Contractor's Pollution Liability - TCAAP | \$10,000,000 \$25,000 Deductible Each Occurrence |
| | | Unaudited | | (Continued) |

**TABLE XV
(Continued)**

**RAMSEY COUNTY, MINNESOTA
INSURANCE IN FORCE
DECEMBER 31, 2014**

| COMPANY NAME | POLICY NUMBER | POLICY PERIOD | COVERAGE-DEPARTMENTS | POLICY LIMIT |
|--|----------------------|----------------------|---|--|
| Midwest Medical | MP71336 | 1/1/14-1/1/15 | MEDICAL EXAMINER Professional Liability Covers McGee, Froloff, Mills, and Huston Paid Directly by Medical Examiner | \$2,000,000/\$4,000,000 Claims Made Policy |
| MCIT | PC245014 | 1/1/14-1/1/15 | RESOURCE RECOVERY Package Liability | \$500,000 per Claim Gen. Liability & Public Officials: \$1,500,000 Each Occurrence \$1,000 Deductible |
| MN Joint Underwriting Association | J040015 | 7/1/14-7/1/15 | REGIONAL RAIL General Liability | \$1,000,000 \$250 Deductible per Event |
| League of MN Cities | CMC36927/OML11311 | 7/12/14-7/12/15 | \$100,000 Crime, \$250,000 Petrofund, \$1,500,000 Muni & Auto Liability 50/250 Defense Reimbursement Rush Line Corridor | |
| League of MN Cities | CMC37158/OML11537 | 10/6/14-10/6/15 | Liability and Open Meeting Defense MN Hi Speed Rail Commission | \$1,500,000/\$2,000,000 Municipal, Auto, Crime, and Petrofund |
| Lexington Insurance | 14245890 | 1/1/14-1/1/15 | General Liability - Union Depot | \$5,000,000 \$25,000 Deductible |
| Affiliated FM Insurance | EN511 | 1/1/14-1/1/15 | Property Insurance - Union Depot | \$130,500,000 \$50,000 Deductible per Occurrence |
| National Union Fire Insurance Company | 01-317-14-000 | 7/1/14-7/1/15 | Public Officials Liability | \$1,000,000 \$10,000 Deductible for Each Wrongful Act or Employment Practice Violation |
| Lloyds | B080115571U14 | 11/20/14-11/20/15 | Railroad Liability | \$50,000,000/\$100,000,000 \$500,000 Deductible per Occurrence \$2,000,000 Deductible FELA |

Unaudited

TABLE XVI

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

| Function/Program | Full-Time Equivalent Employees as of December 31 | | | | | | | | | |
|-------------------------------------|--|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 |
| General government | 709.08 | 719.08 | 723.73 | 720.58 | 712.23 | 707.70 | 708.70 | 684.90 | 700.90 | 709.40 |
| Public safety | 959.49 | 1,069.49 | 1,088.49 | 1,124.79 | 1,138.54 | 1,107.66 | 1,100.66 | 1,069.16 | 1,058.16 | 1,058.66 |
| Transportation | 122.18 | 122.18 | 126.68 | 126.68 | 117.58 | 116.58 | 116.58 | 114.58 | 114.58 | 114.58 |
| Health | 291.53 | 292.73 | 302.68 | 309.28 | 325.28 | 318.83 | 319.00 | 308.35 | 338.70 | 334.90 |
| Human services | 1,274.09 | 1,252.09 | 1,267.79 | 1,269.09 | 1,292.44 | 1,282.64 | 1,269.59 | 1,265.14 | 1,311.24 | 1,318.24 |
| Culture and recreation | 196.91 | 193.61 | 193.61 | 196.96 | 198.94 | 192.34 | 192.62 | 187.32 | 185.43 | 185.28 |
| Conservation of natural resources | 4.90 | 4.90 | 4.90 | 4.05 | - | - | - | - | - | - |
| Economic development and assistance | 89.40 | 89.40 | 88.40 | 88.40 | 90.40 | 90.40 | 91.90 | 86.00 | 87.00 | 84.00 |
| Total | 3,647.58 | 3,743.48 | 3,796.28 | 3,839.83 | 3,875.41 | 3,816.15 | 3,799.05 | 3,715.45 | 3,796.01 | 3,805.06 |

Source: County Finance Office

Unaudited

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

| Function/Program | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 |
|---|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| General Government | | | | | | | | | | |
| County Building Operating Cost per Net Rentable ft ² | \$ 5.28 | \$ 5.28 | \$ 5.46 | \$ 5.62 | \$ 5.55 | \$ 5.55 | \$ 6.45 | \$ 6.62 | \$ 6.76 | \$ 6.73 |
| Public Safety | | | | | | | | | | |
| Sheriff: | | | | | | | | | | |
| Jail Facility Bookings | 25,025 | 25,864 | 24,427 | 26,958 | 22,669 | 22,149 | 21,439 | 21,283 | 20,226 | 21,048 |
| Warrants Issued & Cleared | 15,598 | 15,118 | 15,029 | 14,637 | 9,315 | 12,572 | 24,351 | 24,154 | 22,225 | 21,070 |
| Corrections: | | | | | | | | | | |
| Adult Probation Cases | 29,553 | 28,763 | 30,677 | 30,799 | 28,529 | 27,686 | 27,112 | 21,924 | 20,406 | 19,554 |
| Juvenile Probation Cases | 3,151 | 3,529 | 3,084 | 3,504 | 3,113 | 2,276 | 2,202 | 1,277 | 1,140 | 1,064 |
| Average Daily Population All Facilities | 531 | 539 | 523 | 533 | 539 | 486 | 464 | 424 | 397 | 386 |
| Transportation | | | | | | | | | | |
| Average Daily Vehicle Miles Traveled on County Roads** | 1,884,314 | 2,819,652 | 2,792,534 | 2,740,986 | 2,719,998 | 2,679,069 | 2,678,420 | 2,665,947 | 2,673,051 | N/A |
| Health | | | | | | | | | | |
| WIC Nutrition Program Client Served | 28,610 | 29,436 | 29,649 | 30,969 | 31,465 | 31,274 | 31,324 | 31,224 | 30,474 | 30,151 |
| Client Personal Care Attendant Assessments | 1,772 | 1,710 | 1,649 | 2,008 | 2,442 | 3,257 | 2,950 | 3,616 | 3,790 | N/A |
| Human Services | | | | | | | | | | |
| Financial Assistance Cases | 41,536 | 43,053 | 43,507 | 44,822 | 48,786 | 52,846 | 58,948 | 62,476 | 64,510 | 63,036 |
| Out of Home Placements*** | 3,287 | 3,260 | 2,883 | 2,506 | 1,706 | 1,844 | 1,956 | 1,958 | 1,875 | 1,688 |
| Applications for Financial Assistance | 34,267 | 37,158 | 38,488 | 41,949 | 44,059 | 43,653 | 45,919 | 45,312 | 46,203 | 37,368 |
| Services for Disabled Adults | 1,145 | 1,366 | 1,567 | 1,868 | 3,454 | 3,268 | 3,307 | 3,344 | 3,390 | 3,402 |
| Child Maltreatment Intake Reports | 1,833 | 1,718 | 1,444 | 1,255 | 1,264 | 1,265 | 1,265 | 1,526 | 1,408 | 1,680 |
| Culture and Recreation | | | | | | | | | | |
| Parks and Recreation: | | | | | | | | | | |
| Ice Hours Rented at Ice Arenas | 15,814 | 15,746 | 15,605 | 15,658 | 14,832 | 13,912 | 12,657 | 13,127 | 14,240 | 15,351 |
| Park Shelter Rentals | 1,272 | 1,254 | 1,310 | 1,259 | 1,288 | 1,280 | 1,065 | 1,085 | 1,119 | 1,081 |
| Libraries: | | | | | | | | | | |
| Total Circulation | 3,842,512 | 4,074,673 | 4,214,298 | 4,589,151 | 4,556,073 | 4,517,571 | 4,713,703 | 4,772,566 | 4,596,085 | 4,308,599 |
| Visits to Library Buildings | 1,681,171 | 1,674,239 | 1,788,536 | 1,878,350 | 1,733,150 | 1,725,513 | 1,808,934 | 1,804,943 | 1,706,338 | 1,601,495 |
| Librarian Reference Assistance | 272,302 | 264,372 | 270,215 | 280,075 | 263,431 | 279,503 | 275,964 | 225,914 | 278,694 | 269,295 |
| Economic Development and Assistance | | | | | | | | | | |
| Workforce Solutions: | | | | | | | | | | |
| Percent of Participants in Voluntary Programs Employed | 73% | 77% | 81% | 80% | 80% | 85% | 83% | 80% | 82% | 79% |
| Percent of Participants in Mandatory Programs Employed | 63% | 71% | 79% | 72% | 70% | 60% | 55% | 41% | 40% | 43% |

Source: Ramsey County Finance Department and individual County departments.

* Includes only Property Management managed properties that have been occupied and in operation throughout the current year.

** 2007 began combining all County roads, all prior years include only Suburban County roads. Data from MN Department of Transportation was not available for 2013.

*** 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

| Function/Program | Fiscal Year | | | | | | | | | |
|--|-------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 |
| 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 | 2 | 2 | 2 |
| Pre-Adjudicated Correctional Facilities | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Transportation | | | | | | | | | | |
| Centerline Miles of County Road Maintained | 298 | 298 | 295 | 295 | 295 | 295 | 295 | 295 | 295 | 285 |
| 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 | 6,527 | 6,527 | 6,527 | 6,527 | 6,527 | 6,527 | 6,527 | 6,527 | 6,527 | 6,527 |
| County Golf Courses | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 |
| Golf Dome (Practice Range) | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Ice Arenas | 11 | 11 | 11 | 11 | 11 | 10 | 10 | 10 | 10 | 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 | 7 | 7 | 7 | 7 | 7 | 7 |

Source: Ramsey County Finance Department 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